



# FOREWORD

The Commonwealth's Budget, for the fiscal period July 1, 1976 to June 30, 1977, again is presented in two volumes and is similar in most ways to last year's presentation. The significant features of this budget include:

- Volume I is a summary volume while Volume II contains the budgetary detail both by department—appropriation and by program—subcategory.
- The budget of each department or agency is presented in Volume II first on a departmental—appropriation basis, and then immediately following on a program—subcategory basis. In short, program—subcategory materials, comments and measures are given by individual department rather than by Commonwealth Program, and thus do not cross departmental lines. However, there is a summary presentation by Commonwealth Program which does cross departmental lines in this summary volume.
- During 1974-75 and 1975-76, the General Assembly appropriated a portion of the employer's share of retirement contributions directly to the State Employees Retirement System. During 1976-77, all retirement costs are included in the recommended departmental appropriations. For ease of comparison, previous years' costs have also been shown in the departmental amounts.
- 1976-77 Departmental recommendations include funds for all anticipated employe salary and benefit increases.
- This budget assumes the reduction of several 1975-76 appropriations and the reappropriation of these funds to the Pennsylvania Housing Finance Agency.

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

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

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

The resources available to the Commonwealth in the coming fiscal period are made on the basis of the program subcategories. Recommendations for major program changes in 1976-77 are identified as Program Revisions which provide detailed justification.

Beyond 1976-77, the projections of financial data, as well as impacts, show the future implications of the 1976-77 recommendations. It is most important to keep in mind that projections do not include decisions anticipated to be made in future years.

Consequently, the five year plan is a base line which represents the future program effort and financial resources needed to sustain the 1976-77 level of commitment.

# Table of Contents

## STATEMENTS

Five Year Financial Statement—General Fund . . . . .	3
Five Year Financial Statements—Special Funds . . . . .	4
Pie Chart by Program—General and Special Funds . . . . .	8
Five Year Commonwealth Program Summary—General and Special Funds . . . . .	9
Pie Chart by Program—General Fund . . . . .	10
Five Year Commonwealth Program Summary—General Fund . . . . .	11
Five Year Summary by Department and Fund . . . . .	12
Five Year Summary of Commonwealth Programs—Operating and Capital . . . . .	16
Pie Chart by Character of Expenditure—General Fund . . . . .	19
Pie Charts—General Fund, Income and Outgo . . . . .	20
Program Summary—General Fund . . . . .	21
Program Revisions . . . . .	22

## PROGRAM BUDGET SUMMARY

Commonwealth Program Budget . . . . .	25
Five Year Summary by Commonwealth Programs . . . . .	26
Direction and Supportive Services . . . . .	28
Protection of Persons and Property . . . . .	29
Health—Physical and Mental Well—Being . . . . .	32
Intellectual Development and Education . . . . .	34
Social Development . . . . .	36
Economic Development and Income Maintenance . . . . .	38
Transportation and Communication . . . . .	40
Recreation and Cultural Enrichment . . . . .	42

## FUND PRESENTATIONS

<b>General Fund</b>	
Financial Statement . . . . .	47
Notes on Financial Statement . . . . .	48
Summary by Department—State Funds . . . . .	49
Summary by Department—Federal Funds . . . . .	50
Governor's Office . . . . .	51
Executive Offices . . . . .	51
Lieutenant Governor . . . . .	52
Auditor General . . . . .	52
Treasury Department . . . . .	53
Agriculture, Department of . . . . .	54
Civil Defense, Council of . . . . .	54
Civil Service Commission . . . . .	55
Commerce, Department of . . . . .	55
Community Affairs, Department of . . . . .	56
Drug and Alcohol Abuse, Council on . . . . .	56
Education, Department of . . . . .	57

<b>General Fund (continued)</b>	
Environmental Resources, Department of . . . . .	61
Fish Commission . . . . .	62
General Services, Department of . . . . .	62
Health, Department of . . . . .	63
Historical and Museum Commission . . . . .	64
Insurance Department . . . . .	64
Justice, Department of . . . . .	65
Labor and Industry, Department of . . . . .	65
Military Affairs, Department of . . . . .	66
Milk Marketing Board . . . . .	66
Probation and Parole, Board of . . . . .	67
Public Utility Commission . . . . .	67
Public Welfare, Department of . . . . .	67
Revenue, Department of . . . . .	69
Securities Commission . . . . .	69
State, Department of . . . . .	69
State Employees Retirement System . . . . .	70
State Police . . . . .	70
Tax Equalization Board . . . . .	70
Transportation, Department of . . . . .	70
Legislature . . . . .	71
Judiciary . . . . .	71
State Employees Retirement Contributions . . . . .	72
General Fund Revenue Summary . . . . .	75
Adjustments to Revenue Estimate . . . . .	76
Revenues . . . . .	77
<b>Motor License Fund . . . . .</b>	<b>107</b>
Financial Statement . . . . .	108
Summary by Department . . . . .	109
Revenues . . . . .	111
<b>Game Fund . . . . .</b>	<b>119</b>
Financial Statement . . . . .	120
Summary by Department . . . . .	121
Revenues . . . . .	122
<b>Fish Fund . . . . .</b>	<b>125</b>
Financial Statement . . . . .	126
Summary by Department . . . . .	127
Revenues . . . . .	128
<b>Boating Fund . . . . .</b>	<b>131</b>
Financial Statement . . . . .	132
Summary by Department . . . . .	133
Revenues . . . . .	134
<b>Banking Department Fund . . . . .</b>	<b>137</b>
Financial Statement . . . . .	138
Summary by Department . . . . .	139
Revenues . . . . .	140

<b>Milk Marketing Fund</b> . . . . .	143
Financial Statement . . . . .	144
Summary by Department . . . . .	145
Revenues . . . . .	146
<b>State Farm Products Show Fund</b> . . . . .	149
Financial Statement . . . . .	150
Summary by Department . . . . .	151
Revenues . . . . .	152
<b>State Harness Racing Fund</b> . . . . .	155
Financial Statement . . . . .	156
Summary by Department . . . . .	157
Revenues . . . . .	158
<b>State Horse Racing Fund</b> . . . . .	161
Financial Statement . . . . .	162
Summary by Department . . . . .	163
Revenues . . . . .	164
<b>State Lottery Fund</b> . . . . .	167
Financial Statement . . . . .	168
Summary by Department . . . . .	169
Revenues . . . . .	170
<b>Revenue Sharing Trust Fund</b> . . . . .	173
Financial Statement . . . . .	174
Summary by Department . . . . .	175
Revenues . . . . .	176
<b>CAPITAL BUDGET</b> . . . . .	177
Forecast of Debt Limit and Outstanding Debt . . . . .	180
Forecast of Outstanding Debt by Category of Project . . . . .	181
Forecast of Bond Issues . . . . .	182
Financial Statement . . . . .	183
Summary of Estimated Capital Project Expenditures—State Funds . . . . .	184
Forecast of Debt Service Requirements . . . . .	185
Forecast of New Project Authorizations . . . . .	186
Recommended 1976-77 New Project Authorizations . . . . .	187
Agriculture, Department of . . . . .	189
Drug and Alcohol Abuse, Council on . . . . .	191
Education, Department of . . . . .	193
Environmental Resources, Department of . . . . .	199
Fish Commission . . . . .	203
Game Commission . . . . .	207
Historical and Museum Commission . . . . .	209
Justice, Department of . . . . .	213
Labor and Industry, Department of . . . . .	217
Military Affairs, Department of . . . . .	219
Public Welfare, Department of . . . . .	221
Transportation, Department of . . . . .	227

**Capital Budget (continued)**

Summary of Future New Project Authorizations—State Funds . . . . .	233
Forecast of Future Projects—Departments . . . . .	234
Summary of Estimated Capital Project Expenditures . . . . .	237
Estimate of Capital Project Expenditures—Departments . . . . .	238

**SINKING FUNDS AND PUBLIC DEBT . . . . . 245**

Bonds Issued and Net Indebtedness . . . . .	247
Outstanding Indebtedness of Pennsylvania Agencies and Authorities . . . . .	248
Terms of Bonds Outstanding . . . . .	250
Annual Debt Service on Outstanding Bonds and Authority Rentals . . . . .	252
Principal and Interest Requirements . . . . .	254

Commonwealth of Pennsylvania



Governor's Office  
HARRISBURG

February 4, 1976

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

For the fifth straight year, I am recommending to the General Assembly and the people of the Commonwealth of Pennsylvania a General Fund budget requiring no increase in State income, sales or corporate taxes.

Despite the gloomy predictions of some observers, there will be no half a billion dollar deficit during the next fiscal year.

There will be no need to raise the State income tax.

There will be no necessity for an increase in the sales tax or the corporate net income tax.

During the course of my administration, all three of these taxes have been cut. The total tax cut returned to the people of Pennsylvania each year through the reduction of these three major taxes approaches half a billion dollars.

And this year, despite a sagging economy, continued inflation and the increasing demand for public services, the General Fund budget I recommend will increase by only 3.9 percent.

That's half the national rate of inflation.

It is substantially below the increase in the Federal budget of 6.7 percent recommended by President Ford.

It is also considerably below the increase in many other states. In California, for example, the spending increases proposed amount to 6.3 percent.

But let me repeat it again: here in Pennsylvania, the projected increase in next year's budget is only 3.9 percent.

And we will meet this increase with present revenues and one very minor addition, an increase of five cents per pack on cigarettes, a measure which I previously recommended.

It is my hope that this one small increase will also enable us to accelerate our support of cancer research and related activities.

During the next fiscal year, because we will be living in a tight budgetary situation, we will not be able to pour substantial new amounts into cancer research. However, if the cigarette tax increase is passed, together with measures to improve the Commonwealth's enforcement procedures against cigarette smuggling, we can double our present commitment to cancer research and plan for much larger investments in the future.

The budget I recommend is, indeed, an austere document.

But it is not an artificial one.

It has been produced by good management, tough economies, stringent personnel reductions, modest labor settlements and a slowdown in some aid formulas such as the school subsidy.

If this budget is adopted, we will meet every mandate required by law.

Our revenue estimates, are, if anything, conservative, reflecting the uncertainty of the national economy.

Furthermore, we have not applied major surgery to human programs, as is happening in so many other states and cities.

There will be no slashing of vital services in order to hold the line.

Increases are called for in both public assistance and medical assistance, in line with projected case loads.

Increases will be requested in our programs for the elderly, for day care, for drug and alcohol treatment, for rural transportation, and for other innovations which have characterized this administration.

We will increase our investment in community mental health and other alternatives to institutional care.

We will maintain our support of local communities and the additional funding passed during the present fiscal year to help hold the line on local property taxes.

Funds will be requested to continue our support of the Bicentennial celebration and to keep alive our program of grants to private institutions of higher learning.

Both our State college system and our support of State-related institutions will be increased.

Nursing home reimbursements will be increased.

Provision is made for the State to begin sharing the cost of county nursing homes.

Funds are requested to increase support of the State's hard pressed library system and to begin some modest innovations in the field of education.

At this point, however, I must issue a word of caution.

The Federal budget suggested a few weeks ago by President Ford offers no hope whatsoever of additional Federal investment in human service or job producing programs.

We cannot possibly meet, dollar for dollar, the deep cutbacks being made at the Federal level.

Largely because of this, very few of the programs which I have enumerated will be increased to the level called for by those most interested in those programs.

No doubt the complaint will be heard that we have not — in every case — provided for "full funding" of every conceivable program.

But these complaints must be viewed in light of the very real economic hardship which we face.

We are not, like other states, reducing or eliminating programs.

Rather, we are increasing them.

We are not, like other states, on the verge of major tax increases to support even reduced levels of spending.

Rather, we are getting by largely with present revenues.

The choice before us is not between the levels which I recommend and the higher levels of spending which some interests would prefer.

Frankly, we just can't afford the luxury of "full funding" if, by that phrase, is meant the extremely high level of spending which each and every department or interest feels it must have.

The choice is between the modest increases recommended by me and the type of program slashing which is going on in virtually every other state in the Union.

We are living in hard economic times and all of us in government must take the leadership in living austerely and in spending carefully.

Frankly, by comparison to others, we are fortunate here in Pennsylvania and we should soberly reflect on just how fortunate we are.

We will continue to hold the line on capital programs.

In the past, I have consistently blue lined huge bond funded programs which have reached my desk.

Our present favorable rating on the bond market will be maintained to the best of our ability.

Highway construction must take a secondary position to highway maintenance.

Capital construction of all kinds will be sharply curtailed, if not totally eliminated.

Pennsylvania will remain solvent.

My recommended budget for 1976-77 reflects the priorities of this administration: investment in human programs, economy in government administration and overall fiscal stability in times of economic uncertainty.

I recommend it to the members of the General Assembly and the people of Pennsylvania as a program to keep Pennsylvania moving ahead despite national trends and Federal policies which would slow us down.

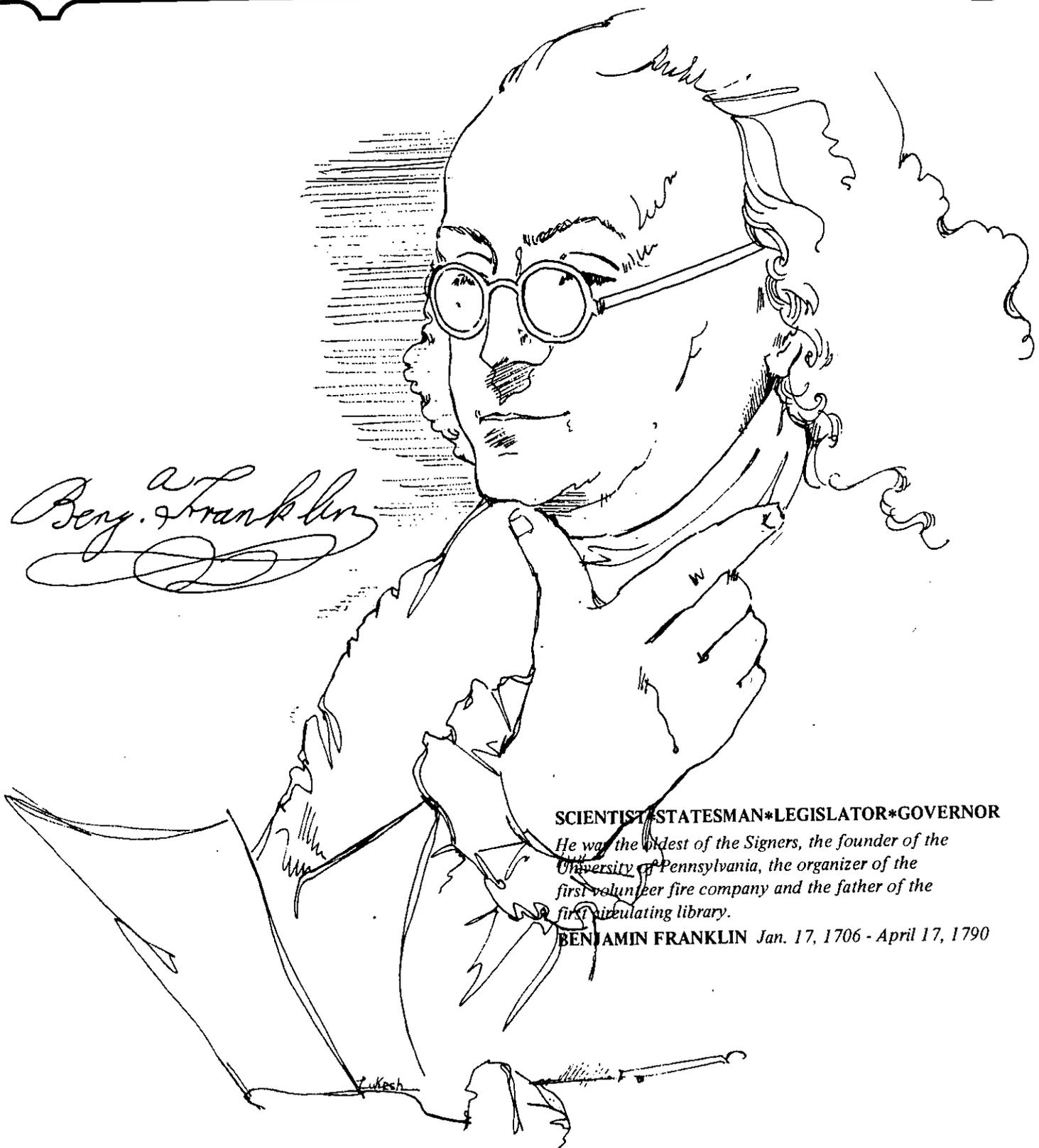
This is one of the earliest budgets ever presented to the General Assembly.

The members of both the Senate and the House now have nearly five full months in which to analyze it, hold hearings and make their own judgments.

As always, it is my expectation that, by June 30th, the end of the fiscal year, we will have a completed fiscal blueprint for 1976-77 so that we can proceed with the orderly functions of State Government.

Sincerely yours,

  
Milton S. Shapp  
GOVERNOR



*Benj. Franklin*

**SCIENTIST\*STATESMAN\*LEGISLATOR\*GOVERNOR**

*He was the oldest of the Signers, the founder of the University of Pennsylvania, the organizer of the first volunteer fire company and the father of the first circulating library.*

**BENJAMIN FRANKLIN** Jan. 17, 1706 - April 17, 1790

# STATEMENTS

## GENERAL FUND

### Five Year Financial Statement

The projections beyond the 1976-77 fiscal period show future implications of the present budgetary recommendations only. Revenue estimates are based upon current revenue rate projections. It is most important to keep in mind that the projections do not include decisions in the future affecting either programs or revenues. Expectations of expanded economic activity increase revenue estimates in future years. No future program revisions are reflected even though they will occur; hence the substantial ending balances.

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Beginning Balance . . . . .	\$ 437,496	\$ 256,979	\$ 77,484	. . . . .	. . . . .	. . . . .	. . . . .
Receipts . . . . .	4,142,117	4,623,200	4,914,800	\$5,248,100	\$5,607,600	\$6,108,800	\$6,638,700
Cigarette Tax Increase . . . . .	. . . . .	. . . . .	47,800	49,300	50,900	52,600	54,300
Funds Available . . . . .	<u>\$4,579,613</u>	<u>\$4,880,179</u>	<u>\$5,040,084</u>	<u>\$5,297,400</u>	<u>\$5,658,500</u>	<u>\$6,161,400</u>	<u>\$6,693,000</u>
Expenditures . . . . .	<u>-4,322,634</u>	<u>-4,802,695</u>	<u>-5,039,837</u>	<u>-5,340,573</u>	<u>-5,610,800</u>	<u>-5,898,729</u>	<u>-6,198,089</u>
Ending Balance . . . . .	<u>\$ 256,979</u>	<u>\$ 77,484</u>	<u>\$ 247*</u>	<u>\$ -43,173</u>	<u>\$ 47,700</u>	<u>\$ 262,671</u>	<u>\$ 494,911</u>

\* Ending balance not carried forward after 1976-77.

## FIVE YEAR FINANCIAL STATEMENTS

### Motor License Fund\*

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Balance, Beginning of Year . . . . .	\$ 7,498	\$ 404	\$ 21,948	\$ 240	. . . . .	. . . . .	. . . . .
Receipts . . . . .	711,452	785,123	826,035	829,892	\$ 851,216	\$ 857,788	\$ 882,544
Funds Available . . . . .	<u>\$ 718,950</u>	<u>\$ 785,527</u>	<u>\$ 847,983</u>	<u>\$ 830,132</u>	<u>\$ 851,216</u>	<u>\$ 857,788</u>	<u>\$ 882,544</u>
Less Appropriations . . . . .	-718,546	-763,579	-847,743	-894,502	-931,386	-973,057	-1,015,185
Ending Balance . . . . .	<u><u>\$ 404</u></u>	<u><u>\$ 21,948</u></u>	<u><u>\$ 240</u></u>	<u><u>\$ -64,370**</u></u>	<u><u>\$ -80,170</u></u>	<u><u>\$ -115,269</u></u>	<u><u>\$ -132,641</u></u>

### Game Fund

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Balance, Beginning of Year . . . . .	\$ 9,690	\$14,088	\$15,617	\$15,138	\$13,628	\$11,128	\$ 7,269
Receipts . . . . .	20,562	20,269	20,005	20,697	21,407	22,148	22,922
Funds Available . . . . .	<u>\$30,252</u>	<u>\$34,357</u>	<u>\$35,622</u>	<u>\$35,835</u>	<u>\$35,035</u>	<u>\$33,276</u>	<u>\$30,191</u>
Less Appropriations . . . . .	-16,164	-18,740	-20,484	-22,207	-23,907	-26,007	-27,907
Ending Balance . . . . .	<u><u>\$14,088</u></u>	<u><u>\$15,617</u></u>	<u><u>\$15,138</u></u>	<u><u>\$13,628</u></u>	<u><u>\$11,128</u></u>	<u><u>\$ 7,269</u></u>	<u><u>\$ 2,284</u></u>

### Fish Fund

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Balance, Beginning of Year . . . . .	\$ 3,703	\$ 4,822	\$ 5,867	\$ 6,155	\$ 6,377	\$ 6,407	\$ 6,107
Receipts . . . . .	11,373	11,631	11,788	12,257	12,258	12,853	13,485
Funds Available . . . . .	<u>\$15,076</u>	<u>\$16,453</u>	<u>\$17,655</u>	<u>\$18,412</u>	<u>\$18,635</u>	<u>\$19,260</u>	<u>\$19,592</u>
Less Appropriations . . . . .	-10,254	-10,586	-11,500	-12,035	-12,228	-13,153	-14,063
Ending Balance . . . . .	<u><u>\$ 4,822</u></u>	<u><u>\$ 5,867</u></u>	<u><u>\$ 6,155</u></u>	<u><u>\$ 6,377</u></u>	<u><u>\$ 6,407</u></u>	<u><u>\$ 6,107</u></u>	<u><u>\$ 5,529</u></u>

\* Includes restricted revenue.

\*\* Ending deficits not carried forward.

**FIVE YEAR FINANCIAL STATEMENTS  
(Continued)**

**Boating Fund\***

	(Dollar Amounts in Thousands)						1980-81
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	
Balance, Beginning of Year . . . . .	\$2,138	\$2,848	\$2,877	\$2,724	\$2,638	\$2,467	\$2,241
Receipts . . . . .	2,354	2,257	2,158	2,220	2,287	2,360	2,438
Funds Available . . . . .	<u>\$4,492</u>	<u>\$5,105</u>	<u>\$5,035</u>	<u>\$4,944</u>	<u>\$4,925</u>	<u>\$4,827</u>	<u>\$4,679</u>
Less Appropriations . . . . .	-1,644	-2,228	-2,311	-2,306	-2,458	-2,586	-2,731
Ending Balance . . . . .	<u>\$2,848</u>	<u>\$2,877</u>	<u>\$2,724</u>	<u>\$2,638</u>	<u>\$2,467</u>	<u>\$2,241</u>	<u>\$1,948</u>

**Banking Department Fund**

	(Dollar Amounts in Thousands)						1980-81
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	
Balance, Beginning of Year . . . . .	\$ 54	\$ -133	\$ 36	\$ 43	\$ 52	\$ 63	\$ 75
Receipts . . . . .	3,451	4,118	4,399	4,677	4,971	5,284	5,616
Funds Available . . . . .	<u>\$3,505</u>	<u>\$3,985</u>	<u>\$4,435</u>	<u>\$4,720</u>	<u>\$5,023</u>	<u>\$5,347</u>	<u>\$5,691</u>
Less Appropriations . . . . .	-3,638	-3,949	-4,392	-4,668	-4,960	-5,272	-5,604
Ending Balance . . . . .	<u>\$ -133</u>	<u>\$ 36</u>	<u>\$ 43</u>	<u>\$ 52</u>	<u>\$ 63</u>	<u>\$ 75</u>	<u>\$ 87</u>

**Milk Marketing Fund**

	(Dollar Amounts in Thousands)						1980-81
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	
Balance, Beginning of Year . . . . .	\$ 266	\$ 358	\$ 189	\$ 102	\$ 34	.....	.....
Receipts . . . . .	1,256	1,123	1,350	1,455	1,582	\$1,711	\$1,813
Funds Available . . . . .	<u>\$1,522</u>	<u>\$1,481</u>	<u>\$1,539</u>	<u>\$1,557</u>	<u>\$1,616</u>	<u>\$1,711</u>	<u>\$1,813</u>
Less Appropriations . . . . .	-1,164	-1,292	-1,437	-1,523	-1,616	-1,711	-1,813
Ending Balance . . . . .	<u>\$ 358</u>	<u>\$ 189</u>	<u>\$ 102</u>	<u>\$ 34</u>	.....	.....	.....

\*Includes restricted revenue.

**FIVE YEAR FINANCIAL STATEMENTS  
(Continued)**

**State Farm Products Show Fund**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Balance, Beginning of Year . . . . .	\$ 50	\$ -25	. . . . .	\$ 32	\$ 36	\$ 33	\$ 36
Receipts . . . . .	1,103	1,313	1,501	1,620	1,774	1,958	2,148
Funds Available . . . . .	<u>\$1,153</u>	<u>\$1,288</u>	<u>\$1,501</u>	<u>\$1,652</u>	<u>\$1,810</u>	<u>\$1,991</u>	<u>\$2,184</u>
Less Appropriations . . . . .	-1,178	-1,288	-1,469	-1,616	-1,777	-1,955	-2,150
Ending Balance . . . . .	<u>\$ -25</u>	. . . . .	<u>\$ 32</u>	<u>\$ 36</u>	<u>\$ 33</u>	<u>\$ 36</u>	<u>\$ 34</u>

**State Harness Racing Fund**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Balance, Beginning of Year . . . . .	\$ 4,481	\$ 3,065	\$ 3,216	\$ 3,120	\$ 3,182	\$ 3,227	\$ 3,259
Receipts . . . . .	8,576	6,625	6,471	6,601	6,700	6,767	6,767
Funds Available . . . . .	<u>\$13,057</u>	<u>\$ 9,690</u>	<u>\$ 9,687</u>	<u>\$ 9,721</u>	<u>\$ 9,882</u>	<u>\$ 9,994</u>	<u>\$10,026</u>
Less Appropriations . . . . .	-9,992	-6,474	-6,567	-6,539	-6,655	-6,735	-6,767
Ending Balance . . . . .	<u>\$ 3,065</u>	<u>\$ 3,216</u>	<u>\$ 3,120</u>	<u>\$ 3,182</u>	<u>\$ 3,227</u>	<u>\$ 3,259</u>	<u>\$ 3,259</u>

**State Horse Racing Fund**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Balance, Beginning of Year . . . . .	\$ 7,847	\$ 7,835	\$ 7,457	\$ 7,576	\$ 7,725	\$ 7,905	\$ 8,014
Receipts . . . . .	18,093	18,193	19,038	19,419	19,806	20,103	20,304
Funds Available . . . . .	<u>\$25,940</u>	<u>\$26,028</u>	<u>\$26,495</u>	<u>\$26,995</u>	<u>\$27,531</u>	<u>\$28,008</u>	<u>\$28,318</u>
Less Appropriations . . . . .	-18,105	-18,571	-18,919	-19,270	-19,626	-19,994	-20,374
Ending Balance . . . . .	<u>\$ 7,835</u>	<u>\$ 7,457</u>	<u>\$ 7,576</u>	<u>\$ 7,725</u>	<u>\$ 7,905</u>	<u>\$ 8,014</u>	<u>\$ 7,944</u>

**FIVE YEAR FINANCIAL STATEMENTS  
(Continued)**

**State Lottery Fund**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Balance, Beginning of Year . . . . .	\$ 44,164	\$ 27,831	\$ 8,026	. . . . .	. . . . .	. . . . .	. . . . .
Receipts . . . . .	116,401	115,201	111,280	\$111,280	\$111,280	\$111,280	\$111,280
Funds Available . . . . .	<u>\$160,565</u>	<u>\$143,032</u>	<u>\$119,306</u>	<u>\$111,280</u>	<u>\$111,280</u>	<u>\$111,280</u>	<u>\$111,280</u>
Less Appropriations . . . . .	-132,734	-135,006	-119,306	-139,338	-141,731	-144,303	-147,172
Ending Balance . . . . .	<u>\$ 27,831</u>	<u>\$ 8,026</u>	. . . . .	<u>\$-28,058*</u>	<u>\$-30,451*</u>	<u>\$-33,023</u>	<u>\$-35,892</u>

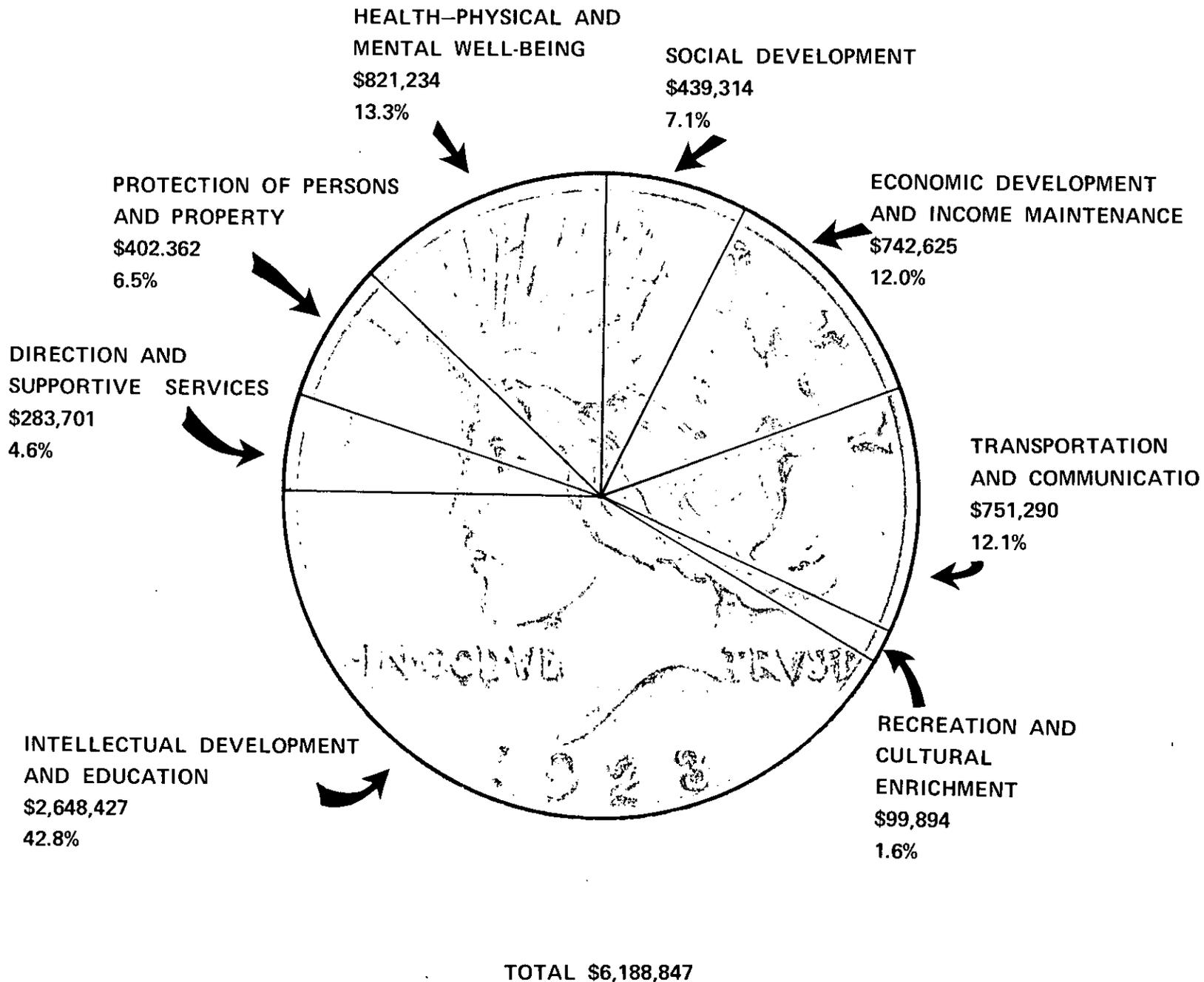
**Revenue Sharing Trust Fund**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Balance, Beginning of Year . . . . .	\$ 21,501	\$ 17,945	\$ 52	\$ 72	\$ 102	\$ 162	\$ 167
Receipts . . . . .	114,165	118,100	119,900	125,900	128,900	134,700	140,700
Funds Available . . . . .	<u>\$135,666</u>	<u>\$136,045</u>	<u>\$119,952</u>	<u>\$125,972</u>	<u>\$129,002</u>	<u>\$134,862</u>	<u>\$140,867</u>
Less Appropriation . . . . .	-117,721	-135,993	-119,880	-125,870	-128,840	-134,695	-140,740
Ending Balance . . . . .	<u>\$ 17,945</u>	<u>\$ 52</u>	<u>\$ 72</u>	<u>\$ 102</u>	<u>\$ 162</u>	<u>\$ 167</u>	<u>\$ 127</u>

\*Ending deficits not carried forward.

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

## 1976-77 Fiscal Year



## GENERAL FUND AND SPECIAL FUNDS

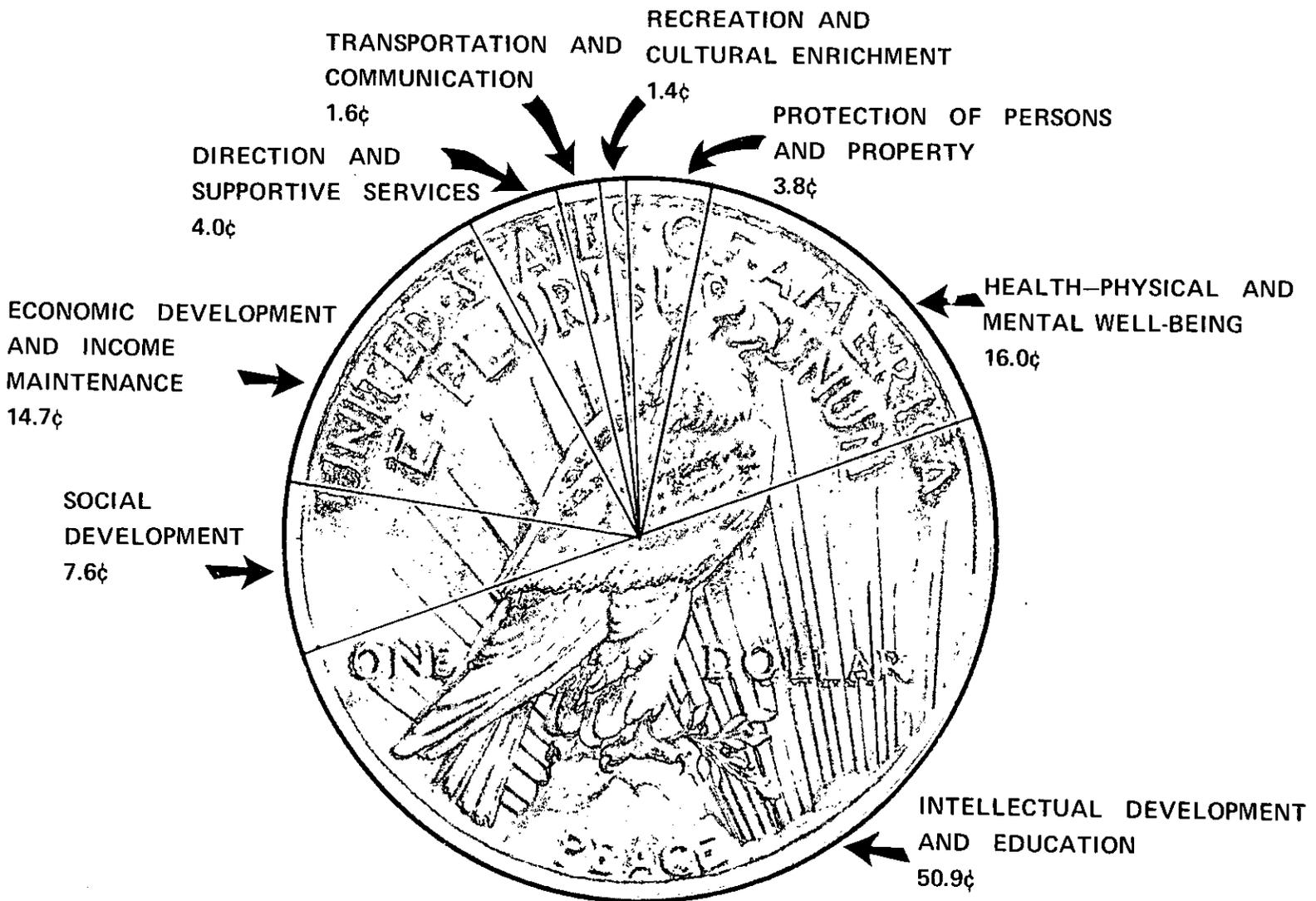
### Five-Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
Direction and Supportive Services . . . . .	\$ 226,942	\$ 261,273	\$ 283,701	\$ 301,320	\$ 320,532	\$ 341,017	\$ 363,458
Protection of Persons and Property . . . . .	345,978	359,791	402,362	428,699	452,616	477,985	503,946
Health—Physical and Mental Well-Being . . . . .	639,292	750,936	821,234	904,769	972,397	1,052,326	1,135,873
Intellectual Development and Education . . . . .	2,413,476	2,596,199	2,648,427	2,730,444	2,824,510	2,919,443	3,015,739
Social Development . . . . .	383,095	426,564	439,314	507,525	536,450	567,252	600,353
Economic Development and Income Maintenance . . . . .	603,652	771,891	742,625	792,222	835,980	882,239	931,549
Transportation and Communication . . . . .	649,735	693,058	751,290	790,229	820,324	856,145	891,935
Recreation and Cultural Enrichment . . . . .	88,019	87,313	99,894	110,575	118,092	126,276	133,806
<b>GENERAL FUND AND SPECIAL FUNDS TOTAL . . . . .</b>	<u>\$5,350,189</u>	<u>\$5,947,025</u>	<u>\$6,188,847</u>	<u>\$6,565,783</u>	<u>\$6,880,901</u>	<u>\$7,222,683</u>	<u>\$7,576,659</u>

# Distribution of the Commonwealth Dollar

## GENERAL FUND

### 1976·77 Fiscal Year



**\$1.00**

**GENERAL FUND**  
**Five-Year Commonwealth Program Summary**

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
<b>Commonwealth Program</b>							
Direction and Supportive Services . . . . .	\$ 155,934	\$ 181,177	\$ 201,769	\$ 217,728	\$ 235,109	\$ 253,570	\$ 273,774
Protection of Persons and Property . . . . .	153,739	180,912	190,840	206,689	221,012	236,473	252,082
Health—Physical and Mental Well-Being . . . . .	628,337	738,653	805,254	887,799	954,357	1,033,131	1,115,433
Intellectual Development and Education . . . . .	2,357,683	2,511,699	2,568,527	2,645,544	2,737,710	2,827,943	2,919,439
Social Development . . . . .	304,253	351,115	381,440	430,810	458,653	488,326	520,144
Economic Development and Income Maintenance . . . . .	580,572	741,008	741,749	791,280	834,989	881,211	930,470
Transportation and Communication . . . . .	79,351	83,909	80,892	83,433	86,013	89,911	93,811
Recreation and Cultural Enrichment . . . . .	62,765	59,222	69,366	77,290	82,957	88,164	92,936
<b>GENERAL FUND TOTAL . . . . .</b>	<b><u>\$4,322,634</u></b>	<b><u>\$4,847,695</u></b>	<b><u>\$5,039,837</u></b>	<b><u>\$5,340,573</u></b>	<b><u>\$5,610,800</u></b>	<b><u>\$5,898,729</u></b>	<b><u>\$6,198,089</u></b>

## FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
<b>Governor's Office</b>							
General Fund . . . . .	\$ 1,777	\$ 2,137	\$ 2,165	\$ 2,382	\$ 2,620	\$ 2,882	\$ 3,170
<b>Executive Offices</b>							
General Fund . . . . .	\$ 10,396	\$ 11,949	\$ 13,159	\$ 14,466	\$ 15,906	\$ 17,485	\$ 19,228
Revenue Sharing Trust Fund . . . . .	1	10	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL . . . . .	\$ 10,397	\$ 11,959	\$ 13,159	\$ 14,466	\$ 15,906	\$ 17,485	\$ 19,228
<b>Lieutenant Governor's Office</b>							
General Fund . . . . .	\$ 209	\$ 239	\$ 250	\$ 269	\$ 291	\$ 315	\$ 339
<b>Auditor General</b>							
General Fund . . . . .	\$ 11,005	\$ 11,289	\$ 12,666	\$ 13,669	\$ 14,762	\$ 15,942	\$ 17,217
<b>Treasury</b>							
General Fund . . . . .	\$ 115,853	\$ 115,655	\$ 156,727	\$ 182,304	\$ 199,082	\$ 213,307	\$ 225,734
Motor License Fund . . . . .	100,316	117,590	159,791	176,583	185,613	193,453	201,034
Game Fund . . . . .	1	2	2	2	2	2	2
Fish Fund . . . . .	1	1	1	1	1	1	1
Boating Fund . . . . .	1	1	1	1	1	1	1
Banking Department Fund . . . . .	1	1	1	1	1	1	1
Milk Marketing Fund . . . . .	2	2	2	2	2	2	2
State Farm Products Show Fund . . . . .	1	1	1	1	1	1	1
State Harness Racing Fund . . . . .	1	1	1	1	1	1	1
State Horse Racing Fund . . . . .	. . . . .	1	1	1	1	1	1
State Lottery Fund . . . . .	2	3	11	11	11	11	11
TOTAL . . . . .	\$ 216,179	\$ 233,258	\$ 316,539	\$ 358,908	\$ 384,716	\$ 406,781	\$ 426,789
<b>Agriculture</b>							
General Fund . . . . .	\$ 12,275	\$ 13,995	\$ 16,621	\$ 17,874	\$ 19,302	\$ 20,864	\$ 22,543
State Farm Products Show Fund . . . . .	877	782	768	824	861	885	922
State Harness Racing Fund . . . . .	9,882	6,322	6,401	6,356	6,454	6,514	6,524
TOTAL . . . . .	\$ 23,034	\$ 21,099	\$ 23,790	\$ 25,054	\$ 26,617	\$ 28,263	\$ 29,989
<b>Banking</b>							
Banking Department Fund . . . . .	\$ 3,637	\$ 3,948	\$ 4,391	\$ 4,667	\$ 4,959	\$ 5,271	\$ 5,603
<b>Civil Defense</b>							
General Fund . . . . .	\$ 403	\$ 484	\$ 512	\$ 544	\$ 578	\$ 614	\$ 653
<b>Civil Service</b>							
General Fund . . . . .	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1

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

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
<b>Commerce</b>							
General Fund . . . . .	\$ 19,623	\$ 33,139	\$ 17,384	\$ 11,014	\$ 11,425	\$ 11,868	\$ 12,347
<b>Community Affairs</b>							
General Fund . . . . .	\$ 28,217	\$ 76,300	\$ 9,900	\$ 25,713	\$ 26,166	\$ 26,712	\$ 27,297
<b>Council on Drug and Alcohol Abuse</b>							
General Fund . . . . .	\$ 18,635	\$ 19,639	\$ 21,993	\$ 24,104	\$ 26,017	\$ 28,043	\$ 30,197
<b>Education</b>							
General Fund . . . . .	\$2,300,316	\$2,455,728	\$2,498,535	\$2,567,659	\$2,653,742	\$2,738,168	\$2,824,045
Motor License Fund . . . . .	4,266	4,365	4,441	4,422	4,340	4,360	4,380
Revenue Sharing Trust Fund . . . . .	55,793	84,500	79,900	84,900	86,800	91,500	96,300
TOTAL . . . . .	<u>\$2,360,375</u>	<u>\$2,544,593</u>	<u>\$2,582,876</u>	<u>\$2,656,981</u>	<u>\$2,744,882</u>	<u>\$2,834,028</u>	<u>\$2,924,725</u>
<b>Environmental Resources</b>							
General Fund . . . . .	\$ 65,973	\$ 72,662	\$ 78,610	\$ 84,534	\$ 91,368	\$ 98,907	\$ 106,760
Game Fund . . . . .	1	10	5	5	5	5	5
Fish Fund . . . . .	2	2	2	2	2	2	2
Revenue Sharing Trust Fund . . . . .	10,955	12,283	12,380	13,370	14,440	15,595	16,840
TOTAL . . . . .	<u>\$ 76,929</u>	<u>\$ 84,957</u>	<u>\$ 90,997</u>	<u>\$ 97,911</u>	<u>\$ 105,815</u>	<u>\$ 114,509</u>	<u>\$ 123,607</u>
<b>Fish Commission</b>							
General Fund . . . . .	\$ 1	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
Fish Fund . . . . .	8,200	8,085	8,878	9,982	10,050	10,875	11,675
Boating Fund . . . . .	1,160	1,850	1,979	1,948	2,073	2,173	2,283
TOTAL . . . . .	<u>\$ 9,361</u>	<u>\$ 9,938</u>	<u>\$ 10,860</u>	<u>\$ 11,933</u>	<u>\$ 12,126</u>	<u>\$ 13,051</u>	<u>\$ 13,961</u>
<b>Game Commission</b>							
Game Fund . . . . .	\$ 15,821	\$ 18,067	\$ 19,587	\$ 21,271	\$ 22,928	\$ 24,980	\$ 26,828
<b>General Services</b>							
General Fund . . . . .	\$ 79,372	\$ 81,905	\$ 85,022	\$ 88,796	\$ 92,335	\$ 95,914	\$ 100,199
Motor License Fund . . . . .	1,510	1,543	1,543	1,543	1,543	1,543	1,543
Fish Fund . . . . .	70	75	75	75	75	75	75
Boating Fund . . . . .	2	2	2	2	2	2	2
TOTAL . . . . .	<u>\$ 80,954</u>	<u>\$ 83,525</u>	<u>\$ 86,642</u>	<u>\$ 90,416</u>	<u>\$ 93,955</u>	<u>\$ 97,534</u>	<u>\$ 101,819</u>
<b>Health</b>							
General Fund . . . . .	\$ 58,556	\$ 57,429	\$ 61,558	\$ 67,822	\$ 74,649	\$ 82,173	\$ 88,052
Revenue Sharing Trust Fund . . . . .	. . . . .	. . . . .	3,600	3,600	3,600	3,600	3,600
TOTAL . . . . .	<u>\$ 58,556</u>	<u>\$ 57,429</u>	<u>\$ 65,158</u>	<u>\$ 71,422</u>	<u>\$ 78,249</u>	<u>\$ 85,773</u>	<u>\$ 91,652</u>

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

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
<b>Historical and Museum Commission</b>							
General Fund . . . . .	\$ 6,907	\$ 7,390	\$ 8,142	\$ 8,651	\$ 9,267	\$ 9,913	\$ 10,593
<b>Horse Racing Commission</b>							
State Horse Racing Fund . . . . .	\$ 18,001	\$ 18,436	\$ 18,760	\$ 19,095	\$ 19,434	\$ 19,783	\$ 20,142
<b>Insurance</b>							
General Fund . . . . .	\$ 4,460	\$ 4,740	\$ 5,309	\$ 5,778	\$ 6,267	\$ 6,743	\$ 7,205
<b>Justice</b>							
General Fund . . . . .	\$ 70,272	\$ 77,382	\$ 86,659	\$ 92,925	\$ 99,091	\$ 105,807	\$ 112,471
<b>Labor and Industry</b>							
General Fund . . . . .	\$ 24,452	\$ 22,657	\$ 49,069	\$ 47,500	\$ 48,718	\$ 50,159	\$ 51,507
Revenue Sharing Trust Fund . . . . .	22,115	30,000	.....	.....	.....	.....	.....
<b>TOTAL</b> . . . . .	<b>\$ 46,567</b>	<b>\$ 52,657</b>	<b>\$ 49,069</b>	<b>\$ 47,500</b>	<b>\$ 48,718</b>	<b>\$ 50,159</b>	<b>\$ 51,507</b>
<b>Military Affairs</b>							
General Fund . . . . .	\$ 8,581	\$ 9,211	\$ 9,681	\$ 10,496	\$ 11,474	\$ 12,396	\$ 13,454
<b>Milk Marketing Board</b>							
General Fund . . . . .	\$ 700	\$ 660	\$ 717	\$ 827	\$ 954	\$ 1,083	\$ 1,185
Milk Marketing Fund . . . . .	457	625	713	694	660	626	626
<b>TOTAL</b> . . . . .	<b>\$ 1,157</b>	<b>\$ 1,285</b>	<b>\$ 1,430</b>	<b>\$ 1,521</b>	<b>\$ 1,614</b>	<b>\$ 1,709</b>	<b>\$ 1,811</b>
<b>Probation and Parole</b>							
General Fund . . . . .	\$ 8,182	\$ 8,865	\$ 11,231	\$ 12,484	\$ 13,581	\$ 14,541	\$ 15,559
<b>Public Welfare</b>							
General Fund . . . . .	\$1,241,871	\$1,499,588	\$1,627,048	\$1,778,182	\$1,894,898	\$2,028,317	\$2,172,532
Revenue Sharing Trust Fund . . . . .	4,857	.....	.....	.....	.....	.....	.....
<b>TOTAL</b> . . . . .	<b>\$1,246,728</b>	<b>\$1,499,588</b>	<b>\$1,627,048</b>	<b>\$1,778,182</b>	<b>\$1,894,898</b>	<b>\$2,028,317</b>	<b>\$2,172,532</b>
<b>Revenue</b>							
General Fund . . . . .	\$ 61,577	\$ 67,056	\$ 75,138	\$ 80,370	\$ 85,919	\$ 92,019	\$ 98,720
Motor License Fund . . . . .	2,286	2,788	3,276	3,669	4,109	4,603	5,155
Boating Fund . . . . .	183	228	258	285	312	340	375
State Harness Racing Fund . . . . .	107	151	165	182	200	220	242
State Horse Racing Fund . . . . .	102	134	158	174	191	210	231
State Lottery Fund . . . . .	121,375	123,136	106,055	125,487	127,280	129,252	131,421
<b>TOTAL</b> . . . . .	<b>\$ 185,630</b>	<b>\$ 193,493</b>	<b>\$ 185,050</b>	<b>\$ 210,167</b>	<b>\$ 218,011</b>	<b>\$ 226,644</b>	<b>\$ 236,144</b>

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

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
<b>Securities Commission</b>							
General Fund . . . . .	\$ 696	\$ 736	\$ 762	\$ 810	\$ 861	\$ 915	\$ 972
<b>State</b>							
General Fund . . . . .	\$ 4,689	\$ 4,834	\$ 5,559	\$ 6,074	\$ 6,450	\$ 6,996	\$ 7,537
<b>State Employees' Retirement System</b>							
General Fund . . . . .	\$ 3,306	\$ 2,100	\$ 2,600	\$ 2,950	\$ 3,300	\$ 3,650	\$ 4,000
<b>State Police</b>							
General Fund . . . . .	\$ 25,284	\$ 27,294	\$ 32,278	\$ 34,847	\$ 36,895	\$ 39,130	\$ 41,438
Motor License Fund . . . . .	70,703	76,206	84,884	90,440	95,758	101,192	106,905
TOTAL . . . . .	\$ 95,987	\$ 103,500	\$ 117,162	\$ 125,287	\$ 132,653	\$ 140,322	\$ 148,343
<b>Tax Equalization Board</b>							
General Fund . . . . .	\$ 703	\$ 752	\$ 807	\$ 867	\$ 933	\$ 988	\$ 1,058
<b>Transportation</b>							
General Fund . . . . .	\$ 76,342	\$ 81,030	\$ 77,333	\$ 79,400	\$ 81,608	\$ 85,151	\$ 88,696
Motor License Fund . . . . .	539,538	565,587	593,808	617,845	640,023	667,906	696,168
Boating Fund . . . . .	100	82	69	68	68	68	68
State Lottery Fund . . . . .	11,230	12,510	13,100	13,700	14,300	14,900	15,600
TOTAL . . . . .	\$ 627,210	\$ 659,209	\$ 684,310	\$ 711,013	\$ 735,999	\$ 768,025	\$ 800,532
<b>Legislature</b>							
General Fund . . . . .	\$ 31,067	\$ 36,944	\$ 39,475	\$ 42,128	\$ 45,080	\$ 48,235	\$ 51,612
<b>Judiciary</b>							
General Fund . . . . .	\$ 30,933	\$ 43,902	\$ 32,923	\$ 35,130	\$ 37,257	\$ 39,488	\$ 41,765
Revenue Sharing Trust Fund . . . . .	24,000	10,000	24,000	24,000	24,000	24,000	24,000
TOTAL . . . . .	\$ 54,933	\$ 53,902	\$ 56,923	\$ 59,130	\$ 61,257	\$ 63,488	\$ 65,765
<b>Commonwealth Total</b>							
General Fund . . . . .	\$4,322,634	\$4,847,695	\$5,039,837	\$5,340,573	\$5,610,800	\$5,898,729	\$6,198,089
Motor License Fund . . . . .	718,619	768,079	847,743	894,502	931,386	973,057	1,015,185
Game Fund . . . . .	15,823	18,079	19,594	21,278	22,935	24,987	26,835
Fish Fund . . . . .	8,271	8,163	8,956	10,060	10,128	10,953	11,753
Boating Fund . . . . .	1,446	2,163	2,309	2,304	2,456	2,584	2,729
Banking Department Fund . . . . .	3,638	3,949	4,392	4,668	4,960	5,272	5,604
Milk Marketing Fund . . . . .	459	627	715	696	662	628	628
State Farm Products Show Fund . . . . .	878	783	769	825	862	886	923
State Harness Racing Fund . . . . .	9,990	6,474	6,567	6,539	6,655	6,735	6,767
State Horse Racing Fund . . . . .	18,103	18,571	18,919	19,270	19,626	19,994	20,374
State Lottery Fund . . . . .	132,607	135,649	119,166	139,198	141,591	144,163	147,032
Revenue Sharing Trust Fund . . . . .	117,721	136,793	119,880	125,870	128,840	134,695	140,740
GRAND TOTAL . . . . .	\$5,350,189	\$5,947,025	\$6,188,847	\$6,565,783	\$6,880,901	\$7,222,683	\$7,576,659

# OPERATING AND CAPITAL

## Five Year Summary of Commonwealth Programs

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
<b>DIRECTION AND SUPPORTIVE SERVICES</b>							
General Fund . . . . .	\$ 155,934	\$ 181,177	\$ 201,769	\$ 217,728	\$ 235,109	\$ 253,570	\$ 273,774
Special Funds . . . . .	71,008	80,096	81,932	83,592	85,423	87,447	89,684
Federal Funds . . . . .	3,776	5,562	4,273	4,195	4,305	4,506	4,779
Other Funds . . . . .	19,998	34,474	40,101	41,588	44,776	48,200	51,923
Total—Operating . . . . .	<u>\$ 250,716</u>	<u>\$ 301,309</u>	<u>\$ 328,075</u>	<u>\$ 347,103</u>	<u>\$ 369,613</u>	<u>\$ 393,723</u>	<u>\$ 420,160</u>
Capital Bond Authorizations . . . . .		\$ 3,050†					
PROGRAM TOTAL . . . . .	<u>\$ 250,716</u>	<u>\$ 304,359</u>	<u>\$ 328,075</u>	<u>\$ 347,103</u>	<u>\$ 369,613</u>	<u>\$ 393,723</u>	<u>\$ 420,160</u>
<b>PROTECTION OF PERSONS AND PROPERTY</b>							
General Fund . . . . .	\$ 153,739	\$ 180,912	\$ 190,840	\$ 206,689	\$ 221,012	\$ 236,473	\$ 252,082
Special Funds . . . . .	192,239	178,879	211,522	222,010	231,604	241,512	251,864
Federal Funds . . . . .	45,811	60,944	71,319	71,481	67,995	66,559	66,761
Other Funds . . . . .	28,373	32,045	35,747	34,943	35,214	36,475	37,833
Total—Operating . . . . .	<u>\$ 420,162</u>	<u>\$ 452,780</u>	<u>\$ 509,428</u>	<u>\$ 535,123</u>	<u>\$ 555,825</u>	<u>\$ 581,019</u>	<u>\$ 608,540</u>
Capital Bond Authorizations . . . . .	\$ 12,710	\$ 33,412†	\$ 6,782	\$ 13,080	\$ 12,270	\$ 11,060	\$ 10,555
PROGRAM TOTAL . . . . .	<u>\$ 432,872</u>	<u>\$ 486,192</u>	<u>\$ 516,210</u>	<u>\$ 548,203</u>	<u>\$ 568,095</u>	<u>\$ 592,079</u>	<u>\$ 619,095</u>
<b>HEALTH—PHYSICAL AND MENTAL WELL-BEING</b>							
General Fund . . . . .	\$ 628,337	\$ 738,653	\$ 805,254	\$ 887,799	\$ 954,357	\$1,033,131	\$1,115,433
Special Funds . . . . .	10,955	12,283	15,980	16,970	18,040	19,195	20,440
Federal Funds . . . . .	311,115	376,903	417,783	451,044	487,043	528,555	574,222
Other Funds . . . . .	55,925	66,962	72,183	74,809	77,703	81,921	86,385
Total—Operating . . . . .	<u>\$1,006,332</u>	<u>\$1,194,801</u>	<u>\$1,311,200</u>	<u>\$1,430,622</u>	<u>\$1,537,143</u>	<u>\$1,662,802</u>	<u>\$1,796,480</u>
Capital Bond Authorizations . . . . .	\$ 10,768	\$ 16,611†	\$ 6,270	\$ 16,050	\$ 13,600	\$ 12,750	\$ 10,200
PROGRAM TOTAL . . . . .	<u>\$1,017,100</u>	<u>\$1,211,412</u>	<u>\$1,317,470</u>	<u>\$1,446,672</u>	<u>\$1,550,743</u>	<u>\$1,675,552</u>	<u>\$1,806,680</u>
<b>INTELLECTUAL DEVELOPMENT AND EDUCATION</b>							
General Fund . . . . .	\$2,357,683	\$2,511,699	\$2,568,527	\$2,645,544	\$2,737,710	\$2,827,943	\$2,919,439
Special Funds . . . . .	55,793	84,500	79,900	84,900	86,800	91,500	96,300
Federal Funds . . . . .	12,952	14,921	14,879	15,679	16,969	18,467	20,112
Other Funds . . . . .	303,696	321,523	346,654	353,694	361,729	370,387	378,896
Total—Operating . . . . .	<u>\$2,730,124</u>	<u>\$2,932,643</u>	<u>\$3,009,960</u>	<u>\$3,099,817</u>	<u>\$3,203,208</u>	<u>\$3,308,297</u>	<u>\$3,414,747</u>
Capital Bond Authorization . . . . .	\$ 44,747	\$ 39,515†	\$ 10,224	\$ 25,450	\$ 12,800	\$ 14,850	\$ 18,000
PROGRAM TOTAL . . . . .	<u>\$2,774,871</u>	<u>\$2,972,158</u>	<u>\$3,020,184</u>	<u>\$3,125,267</u>	<u>\$3,216,008</u>	<u>\$3,323,147</u>	<u>\$3,432,747</u>

†Pending Capital Authorizations.

## OPERATING AND CAPITAL

### Five Year Summary of Commonwealth Programs (Continued)

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>SOCIAL DEVELOPMENT</b>							
General Fund . . . . .	\$ 304,253	\$ 351,115	\$ 381,440	\$ 430,810	\$ 458,653	\$ 488,326	\$ 520,144
Special Funds . . . . .	78,842	75,449	57,874	76,715	77,797	78,926	80,209
Federal Funds . . . . .	207,518	249,845	254,557	267,395	280,854	295,193	309,531
Other Funds . . . . .	9,891	11,161	8,518	8,805	9,232	9,692	10,178
<b>PROGRAM TOTAL . . . . .</b>	<b><u>\$ 600,504</u></b>	<b><u>\$ 687,570</u></b>	<b><u>\$ 702,389</u></b>	<b><u>\$ 783,725</u></b>	<b><u>\$ 826,536</u></b>	<b><u>\$ 872,137</u></b>	<b><u>\$ 920,062</u></b>
<b>ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE</b>							
General Fund . . . . .	\$ 580,572	\$ 741,008	\$ 741,749	\$ 791,280	\$ 834,989	\$ 881,211	\$ 930,470
Special Funds . . . . .	23,080	30,883	876	942	991	1,028	1,079
Federal Funds . . . . .	333,083	363,217	424,559	449,270	476,162	504,691	534,967
Other Funds . . . . .	47,352	73,936	74,298	81,506	85,312	88,676	92,133
<b>Total—Operating . . . . .</b>	<b><u>\$ 984,087</u></b>	<b><u>\$1,209,044</u></b>	<b><u>\$1,241,482</u></b>	<b><u>\$1,322,998</u></b>	<b><u>\$1,397,454</u></b>	<b><u>\$1,475,606</u></b>	<b><u>\$1,558,649</u></b>
Capital Bond Authorizations . . . . .	\$ 44,338	\$ 27,177†	\$ 870	\$ 3,405	\$ 2,820	\$ 2,860	\$ 2,980
<b>PROGRAM TOTAL . . . . .</b>	<b><u>\$1,028,425</u></b>	<b><u>\$1,236,221</u></b>	<b><u>\$1,242,352</u></b>	<b><u>\$1,326,403</u></b>	<b><u>\$1,400,274</u></b>	<b><u>\$1,478,466</u></b>	<b><u>\$1,561,629</u></b>
<b>TRANSPORTATION AND COMMUNICATION</b>							
General Fund . . . . .	\$ 79,351	\$ 83,909	\$ 80,892	\$ 83,433	\$ 86,013	\$ 89,911	\$ 93,811
Special Funds . . . . .	570,384	609,149	670,398	706,796	734,311	766,234	798,124
Federal Funds . . . . .	231,529	300,676	335,584	333,063	308,895	302,152	297,181
Other Funds . . . . .	61,133	76,926	68,135	52,553	47,387	48,447	49,508
<b>Total—Operating . . . . .</b>	<b><u>\$ 942,397</u></b>	<b><u>\$1,070,660</u></b>	<b><u>\$1,155,009</u></b>	<b><u>\$1,175,845</u></b>	<b><u>\$1,176,606</u></b>	<b><u>\$1,206,744</u></b>	<b><u>\$1,238,624</u></b>
Capital Bond Authorizations . . . . .	\$ 462,165	\$ 35,630†	\$ 28,144	\$ 127,150	\$ 128,350	\$ 127,750	\$ 127,950
<b>PROGRAM TOTAL . . . . .</b>	<b><u>\$1,404,562</u></b>	<b><u>\$1,106,290</u></b>	<b><u>\$1,183,153</u></b>	<b><u>\$1,302,995</u></b>	<b><u>\$1,304,956</u></b>	<b><u>\$1,334,494</u></b>	<b><u>\$1,366,574</u></b>
<b>RECREATION AND CULTURAL ENRICHMENT</b>							
General Fund . . . . .	\$ 62,765	\$ 59,222	\$ 69,366	\$ 77,290	\$ 82,957	\$ 88,164	\$ 92,936
Special Funds . . . . .	25,254	28,091	30,528	33,285	35,135	38,112	40,870
Federal Funds . . . . .	4,732	3,417	3,213	3,159	3,203	3,263	3,335
Other Funds . . . . .	3,405	3,867	3,604	2,504	2,672	2,820	2,980
<b>Total—Operating . . . . .</b>	<b><u>\$ 96,156</u></b>	<b><u>\$ 94,597</u></b>	<b><u>\$ 106,711</u></b>	<b><u>\$ 116,238</u></b>	<b><u>\$ 123,967</u></b>	<b><u>\$ 132,359</u></b>	<b><u>\$ 140,121</u></b>
Capital Bond Authorizations . . . . .	\$ 29,998	\$ 5,573†	\$ 3,552	\$ 5,275	\$ 5,400	\$ 5,900	\$ 5,375
<b>PROGRAM TOTAL . . . . .</b>	<b><u>\$ 126,154</u></b>	<b><u>\$ 100,170</u></b>	<b><u>\$ 110,263</u></b>	<b><u>\$ 121,513</u></b>	<b><u>\$ 129,367</u></b>	<b><u>\$ 138,259</u></b>	<b><u>\$ 145,496</u></b>

†Pending Capital Authorizations.

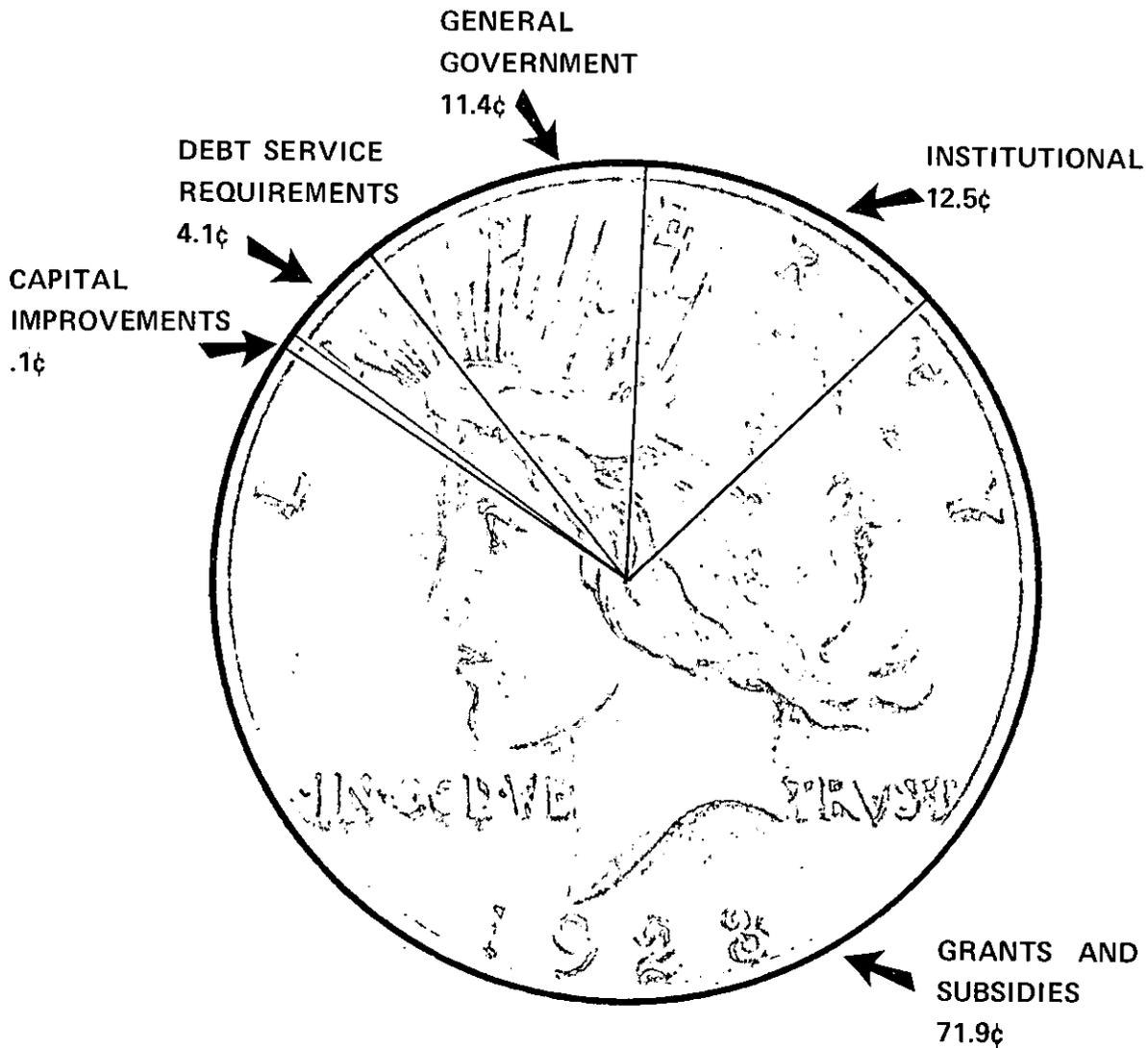
**OPERATING AND CAPITAL**  
**Five Year Summary of Commonwealth Programs**  
**(Continued)**

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
<b>COMMONWEALTH TOTAL</b>							
General Fund . . . . .	\$4,322,634	\$4,847,695	\$5,039,837	\$5,340,573	\$5,610,800	\$5,898,729	\$6,198,089
Special Funds . . . . .	1,027,555	1,099,330	1,149,010	1,225,210	1,270,101	1,323,954	1,378,570
Federal Funds . . . . .	1,150,516	1,375,485	1,526,167	1,595,286	1,645,426	1,723,386	1,810,888
Other Funds . . . . .	529,773	620,894	649,240	650,402	664,025	686,618	709,836
Total—Operating . . . . .	<u>\$7,030,478</u>	<u>\$7,943,404</u>	<u>\$8,364,254</u>	<u>\$8,811,471</u>	<u>\$9,190,352</u>	<u>\$9,632,687</u>	<u>\$10,097,383</u>
Capital Bond Authorizations . . . . .	\$ 604,726	\$ 160,968†	\$ 55,842	\$ 190,410	\$ 175,240	\$ 175,170	\$ 175,060
<b>GRAND TOTAL . . . . .</b>	<u><u>\$7,635,204</u></u>	<u><u>\$8,104,372</u></u>	<u><u>\$8,420,096</u></u>	<u><u>\$9,001,881</u></u>	<u><u>\$9,365,592</u></u>	<u><u>\$9,807,857</u></u>	<u><u>\$10,272,443</u></u>

†Pending Capital Authorizations.

# USE OF THE GENERAL FUND DOLLAR

## 1976·77 FISCAL YEAR

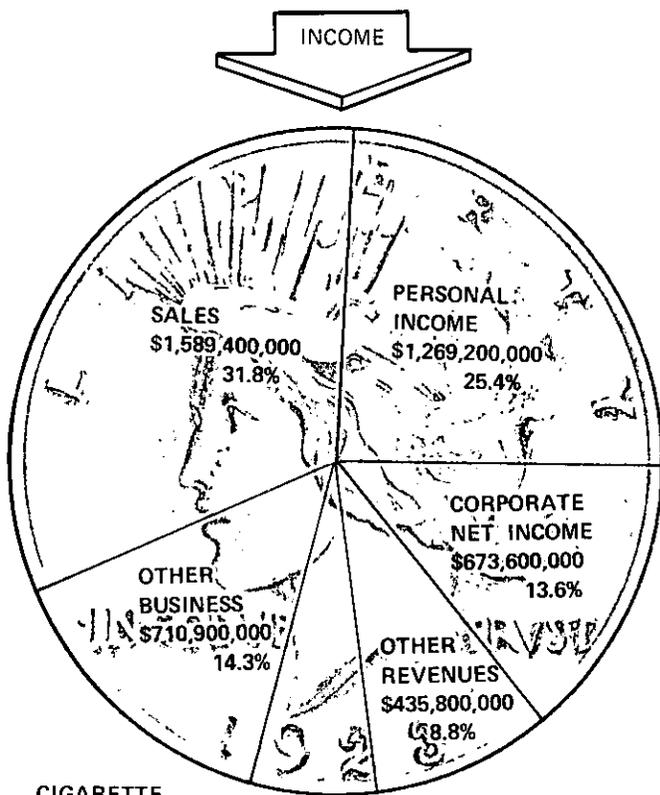


# \$1.00

# Commonwealth of Pennsylvania

## 1976-77 Fiscal Year

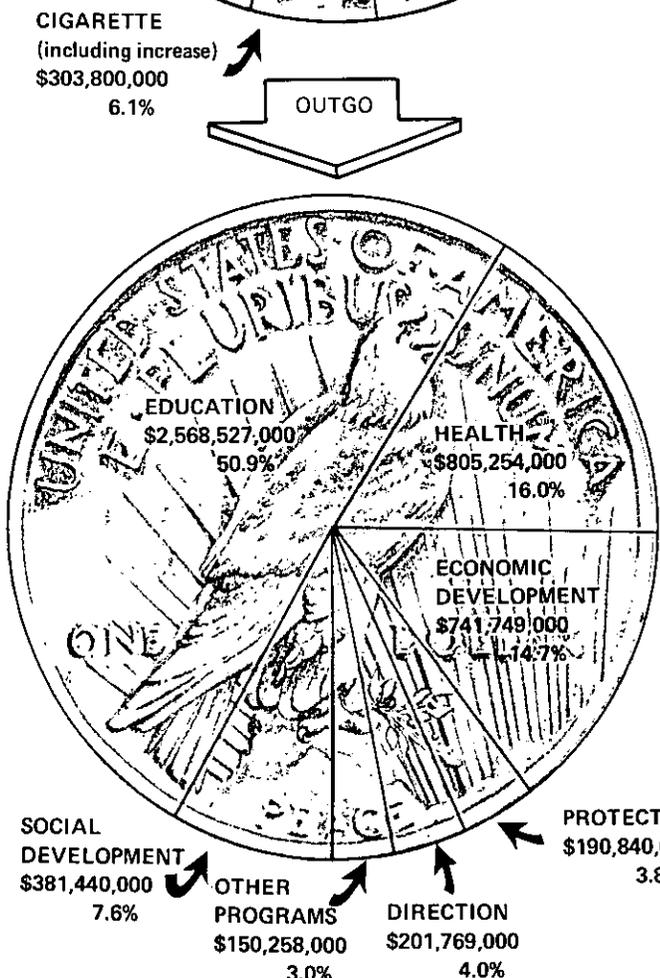
### GENERAL FUND



TOTAL INCOME	\$4,982,700,000
LESS REFUNDS	-20,100,000
BEGINNING SURPLUS	77,484,000

---

TOTAL	\$5,040,084,000
-------	-----------------



TOTAL OUTGO	\$5,039,837,000
PLUS ENDING SURPLUS	247,000

---

TOTAL	\$5,040,084,000
-------	-----------------

## GENERAL FUND

### Program Summary

	(Dollar Amounts in Thousands)			
	1975-76		1976-77	
Direction and Supportive Services . . . . .	\$ 181,177	3.74%	\$ 201,769	4.00%
Protection of Persons and Property . . . . .	180,912	3.73%	190,840	3.79%
Health—Physical and Mental Well-Being . . . . .	738,653	15.24%	805,254	15.98%
Intellectual Development and Education . . . . .	2,511,699	51.81%	2,568,527	50.95%
Social Development . . . . .	351,115	7.24%	381,440	7.57%
Economic Development and Income Maintenance . . . . .	741,008	15.29%	741,749	14.72%
Transportation and Communication . . . . .	83,909	1.73%	80,892	1.61%
Recreation and Cultural Enrichment . . . . .	59,222	1.22%	69,366	1.38%
GENERAL FUND TOTAL . . . . .	\$4,847,695	100.00%	\$5,039,837	100.00%

## SUMMARY OF PROGRAM REVISIONS

The 1976-77 Commonwealth Budget reflects only those new or revised programs necessary to attack the most pressing social problems confronting Pennsylvanians.

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

### General Fund

(Dollar Amounts in Thousands)

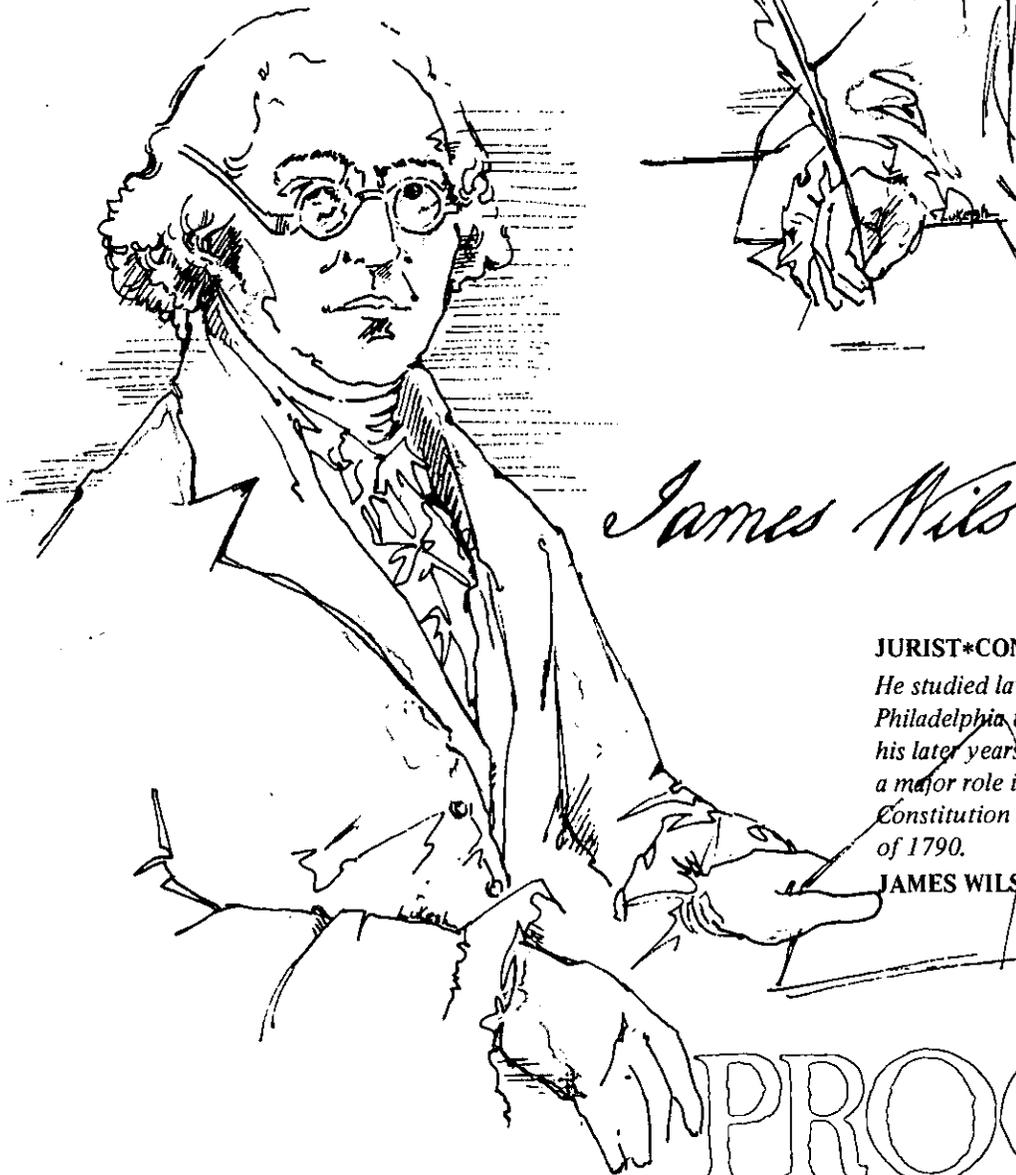
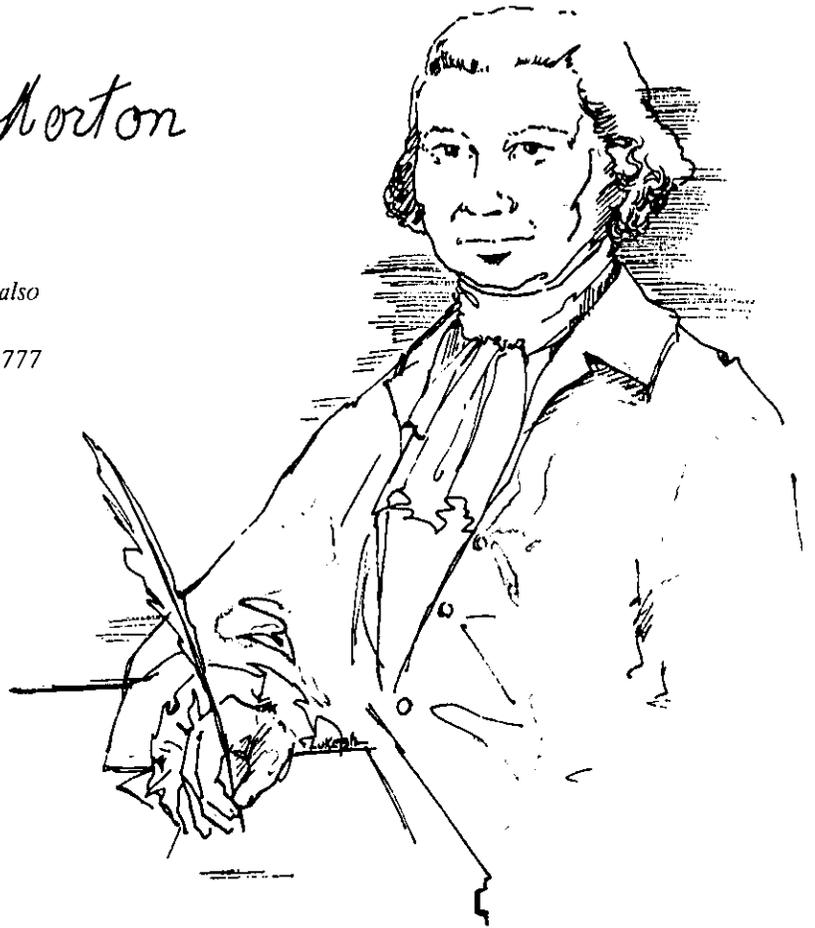
Department/Appropriation	Program Revision Title	Page in Volume II	1976-77 State Funds
<b>Education</b>			
Community Learning	Community Learning . . . . .	247	\$ 1,000
Adult and Career Education	Adult and Career Education . . . . .	281	650
Higher Education Regionalization	Higher Education Regionalization . . . . .	282	250
Improvement of Library Services	Aid to Local Libraries . . . . .	295	600
	DEPARTMENT TOTAL		<u>\$ 2,500</u>
<b>Health</b>			
Cancer Research	Cancer Research . . . . .	387	\$ 500
	DEPARTMENT TOTAL		<u>\$ 500</u>
<b>Public Welfare</b>			
Community Services for the Mentally III and Mentally Retarded	Census Reduction in State Mental Hospitals . . . . .	585	\$ 797
Medical Assistance	Cost Reimbursement for Private Nursing Facilities . . . . .	588	10,000
	DEPARTMENT TOTAL		<u>\$10,797</u>
<b>Transportation</b>			
Intercity Rail Transportation	Intercity Rail Transportation . . . . .	738	\$ 1,200
	DEPARTMENT TOTAL		<u>\$ 1,200</u>
	GENERAL FUND TOTAL		<u>\$14,997</u>

*John Morton*

**FARMER\*JURIST\*LEGISLATOR**

*Born of Swedish stock in Ridley, he also  
was the first of the Signers to die.*

**JOHN MORTON** - 1724 - April 1, 1777



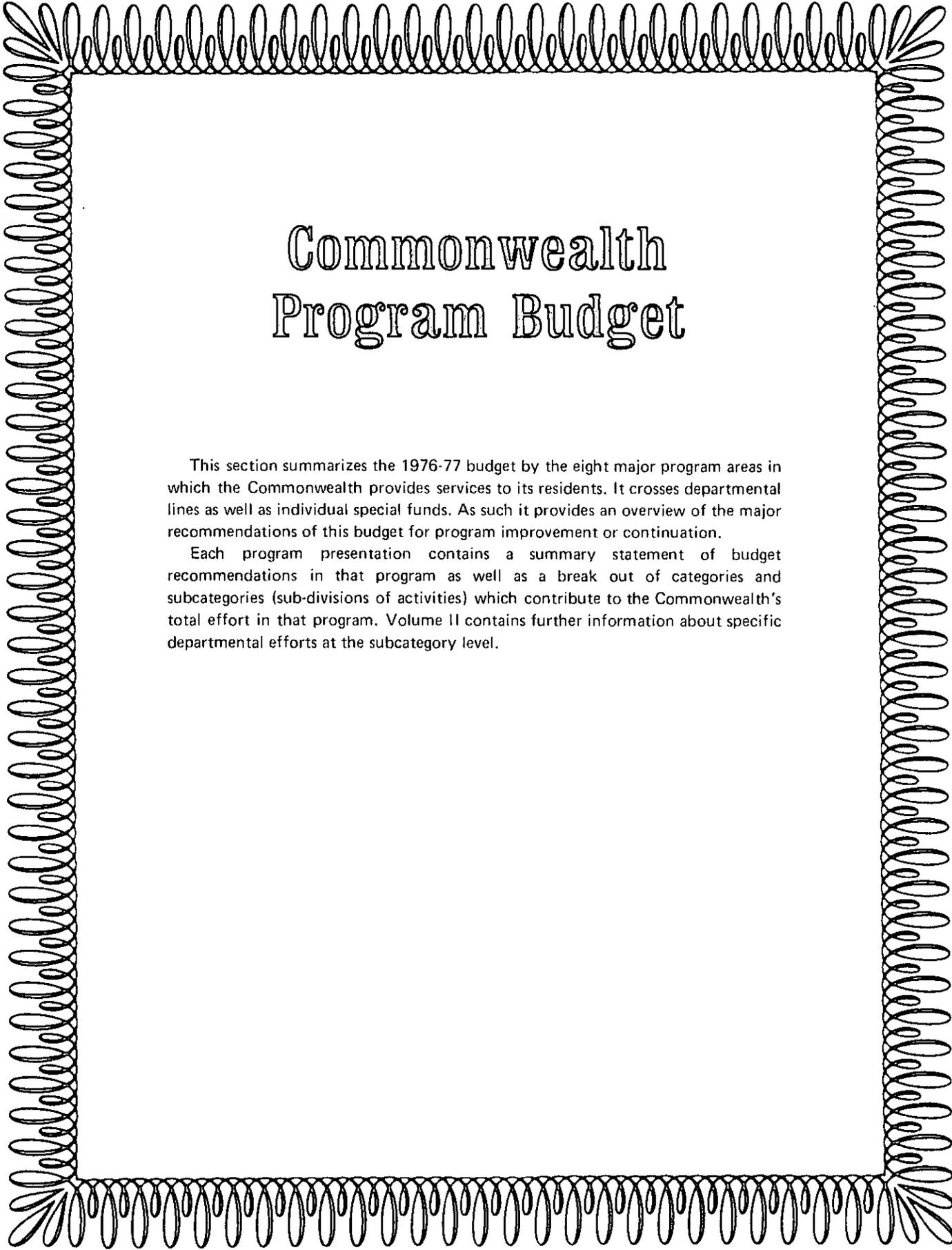
*James Wilson*

**JURIST\*CONSTITUTIONALIST**

*He studied law under John Dickinson, moved from Philadelphia to Carlisle and was greatly troubled in his later years by financial difficulties. He played a major role in the drafting of the Federal Constitution and authored the State Constitution of 1790.*

**JAMES WILSON** Sept. 14, 1742 - Aug. 21, 1798.

**PROGRAM  
BUDGET SUMMARY**



# Commonwealth Program Budget

This section summarizes the 1976-77 budget by the eight major program areas in which the Commonwealth provides services to its residents. It crosses departmental lines as well as individual special funds. As such it provides an overview of the major recommendations of this budget for program improvement or continuation.

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

## FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
<b>DIRECTION AND SUPPORTIVE SERVICES</b>							
General Fund . . . . .	\$ 155,934	\$ 181,177	\$ 201,769	\$ 217,728	\$ 235,109	\$ 253,570	\$ 273,774
Special Funds . . . . .	71,008	80,096	81,932	83,592	85,423	87,447	89,684
Federal Funds . . . . .	3,776	5,562	4,273	4,195	4,305	4,506	4,779
Other Funds . . . . .	19,998	34,474	40,101	41,588	44,776	48,200	51,923
Total—Operating . . . . .	<u>\$ 250,716</u>	<u>\$ 301,309</u>	<u>\$ 328,075</u>	<u>\$ 347,103</u>	<u>\$ 369,613</u>	<u>\$ 393,723</u>	<u>\$ 420,160</u>
<b>PROTECTION OF PERSONS AND PROPERTY</b>							
General Fund . . . . .	\$ 153,739	\$ 180,912	\$ 190,840	\$ 206,689	\$ 221,012	\$ 236,473	\$ 252,082
Special Funds . . . . .	192,239	178,879	211,522	222,010	231,604	241,512	251,864
Federal Funds . . . . .	45,811	60,944	71,319	71,481	67,995	66,559	66,761
Other Funds . . . . .	28,373	32,045	35,747	34,943	35,214	36,475	37,833
Total—Operating . . . . .	<u>\$ 420,162</u>	<u>\$ 452,780</u>	<u>\$ 509,428</u>	<u>\$ 535,123</u>	<u>\$ 555,825</u>	<u>\$ 581,019</u>	<u>\$ 608,540</u>
<b>HEALTH—PHYSICAL AND MENTAL WELL-BEING</b>							
General Fund . . . . .	\$ 628,337	\$ 738,653	\$ 805,254	\$ 887,799	\$ 954,357	\$1,033,131	\$1,115,433
Special Funds . . . . .	10,955	12,283	15,980	16,970	18,040	19,195	20,440
Federal Funds . . . . .	311,115	376,903	417,783	451,044	487,043	528,555	574,222
Other Funds . . . . .	55,925	66,962	72,183	74,809	77,703	81,921	86,385
Total—Operating . . . . .	<u>\$1,006,332</u>	<u>\$1,194,801</u>	<u>\$1,311,200</u>	<u>\$1,430,622</u>	<u>\$1,537,143</u>	<u>\$1,662,802</u>	<u>\$1,796,480</u>
<b>INTELLECTUAL DEVELOPMENT AND EDUCATION</b>							
General Fund . . . . .	\$2,357,683	\$2,511,699	\$2,568,527	\$2,645,544	\$2,737,710	\$2,827,943	\$2,919,439
Special Funds . . . . .	55,793	84,500	79,900	84,900	86,800	91,500	96,300
Federal Funds . . . . .	12,952	14,921	14,879	15,679	16,969	18,467	20,112
Other Funds . . . . .	303,696	321,523	346,654	353,694	361,729	370,387	378,896
Total—Operating . . . . .	<u>\$2,730,124</u>	<u>\$2,932,643</u>	<u>\$3,009,960</u>	<u>\$3,099,817</u>	<u>\$3,203,208</u>	<u>\$3,308,297</u>	<u>\$3,414,747</u>
<b>SOCIAL DEVELOPMENT</b>							
General Fund . . . . .	\$ 304,253	\$ 351,115	\$ 381,440	\$ 430,810	\$ 458,653	\$ 488,326	\$ 520,144
Special Funds . . . . .	78,842	75,449	57,874	76,715	77,797	78,926	80,209
Federal Funds . . . . .	207,518	249,845	254,557	267,395	280,854	295,193	309,531
Other Funds . . . . .	9,891	11,161	8,518	8,805	9,232	9,692	10,178
Total—Operating . . . . .	<u>\$ 600,504</u>	<u>\$ 687,570</u>	<u>\$ 702,389</u>	<u>\$ 783,725</u>	<u>\$ 826,536</u>	<u>\$ 872,137</u>	<u>\$ 920,062</u>
<b>ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE</b>							
General Fund . . . . .	\$ 580,572	\$ 741,008	\$ 741,749	\$ 791,280	\$ 834,989	\$ 881,211	\$ 930,470
Special Funds . . . . .	23,080	30,883	876	942	991	1,028	1,079
Federal Funds . . . . .	333,083	363,217	424,559	449,270	476,162	504,691	534,967
Other Funds . . . . .	47,352	73,936	74,298	81,506	85,312	88,676	92,133
Total—Operating . . . . .	<u>\$ 984,087</u>	<u>\$1,209,044</u>	<u>\$1,241,482</u>	<u>\$1,322,998</u>	<u>\$1,397,454</u>	<u>\$1,475,606</u>	<u>\$1,558,649</u>

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

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
<b>TRANSPORTATION AND COMMUNICATION</b>							
General Fund . . . . .	\$ 79,351	\$ 83,909	\$ 80,892	\$ 83,433	\$ 86,013	\$ 89,911	\$ 93,811
Special Funds . . . . .	570,384	609,149	670,398	706,796	734,311	766,234	798,124
Federal Funds . . . . .	231,529	300,676	335,584	333,063	308,895	302,152	297,181
Other Funds . . . . .	61,133	76,926	68,135	52,553	47,387	48,447	49,508
Total—Operating . . . . .	<u>\$ 942,397</u>	<u>\$1,070,660</u>	<u>\$1,155,009</u>	<u>\$1,175,845</u>	<u>\$1,176,606</u>	<u>\$1,206,744</u>	<u>\$1,238,624</u>
<b>RECREATION AND CULTURAL ENRICHMENT</b>							
General Fund . . . . .	\$ 62,765	\$ 59,222	\$ 69,366	\$ 77,290	\$ 82,957	\$ 88,164	\$ 92,936
Special Funds . . . . .	25,254	28,091	30,528	33,285	35,135	38,112	40,870
Federal Funds . . . . .	4,732	3,417	3,213	3,159	3,203	3,263	3,335
Other Funds . . . . .	3,405	3,867	3,604	2,504	2,672	2,820	2,980
Total—Operating . . . . .	<u>\$ 96,156</u>	<u>\$ 94,597</u>	<u>\$ 106,711</u>	<u>\$ 116,238</u>	<u>\$ 123,967</u>	<u>\$ 132,359</u>	<u>\$ 140,121</u>
<b>COMMONWEALTH TOTAL</b>							
General Fund . . . . .	\$4,322,634	\$4,847,695	\$5,039,837	\$5,340,573	\$5,610,800	\$5,898,729	\$6,198,089
Special Funds . . . . .	1,027,555	1,099,330	1,149,010	1,225,210	1,270,101	1,323,954	1,378,570
Federal Funds . . . . .	1,150,516	1,375,485	1,526,167	1,595,286	1,645,426	1,723,386	1,810,888
Other Funds . . . . .	529,773	620,894	649,240	650,402	664,025	686,618	709,836
Total—Operating . . . . .	<u>\$7,030,478</u>	<u>\$7,943,404</u>	<u>\$8,364,254</u>	<u>\$8,811,471</u>	<u>\$9,190,352</u>	<u>\$9,632,687</u>	<u>\$10,097,383</u>

## DIRECTION AND SUPPORTIVE SERVICES

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
General Fund . . . . .	\$ 155,934	\$ 181,177	\$ 201,769	\$ 217,728	\$ 235,109	\$ 253,570	\$ 273,774
Special Funds . . . . .	71,008	80,096	81,932	83,592	85,423	87,447	89,684
Federal Funds . . . . .	3,776	5,562	4,273	4,195	4,305	4,506	4,779
Other Funds . . . . .	19,998	34,474	40,101	41,588	44,776	48,200	51,923
<b>TOTAL . . . . .</b>	<b><u>\$ 250,716</u></b>	<b><u>\$ 301,309</u></b>	<b><u>\$ 328,075</u></b>	<b><u>\$ 347,103</u></b>	<b><u>\$ 369,613</u></b>	<b><u>\$ 393,723</u></b>	<b><u>\$ 420,160</u></b>

This program is responsible for providing the administrative and overhead services necessary to support the substantive programs of the Commonwealth. Examples of such services are providing a centralized automatic data processing system, a Commonwealth wide system of personnel management and classification and a uniform centralized accounting system.

Another involvement of this program is the management of the Commonwealth's entire revenue system. Activities include the collection of taxes, management and investment of Commonwealth monies, and the audit of expenditures totaling several billions of dollars each year.

Support for the Commonwealth's central purchasing function, construction activities and required maintenance services for Commonwealth owned land and buildings also are covered.

It has always been Commonwealth policy to minimize overhead and administrative costs, and this is especially true in this period of economic difficulty. Every dollar that can be pared from administrative costs can be applied toward a substantive program.

### Contributions by Category and Subcategory

#### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . . . .</b>	<b>\$ 30,521</b>	<b>\$ 31,054</b>	<b>\$ 35,883</b>	<b>\$ 39,510</b>	<b>\$ 43,449</b>	<b>\$ 47,311</b>	<b>\$ 51,766</b>
<b>Fiscal Management . . . . .</b>	<b>\$118,625</b>	<b>\$146,492</b>	<b>\$155,647</b>	<b>\$163,027</b>	<b>\$170,973</b>	<b>\$179,700</b>	<b>\$189,273</b>
Revenue Collection and Administration . . . . .	96,301	102,154	108,824	114,991	121,613	128,909	136,941
Disbursement . . . . .	13,638	35,396	36,622	37,029	37,473	37,954	38,468
Auditing . . . . .	8,686	8,942	10,201	11,007	11,887	12,837	13,864
<b>Commodity Management . . . . .</b>	<b>\$ 3,688</b>	<b>\$ 4,162</b>	<b>\$ 4,829</b>	<b>\$ 5,311</b>	<b>\$ 5,842</b>	<b>\$ 6,426</b>	<b>\$ 7,068</b>
Procurement, Storage and Distribution of Commodities . . . . .	3,688	4,162	4,829	5,311	5,842	6,426	7,068
<b>Physical Facilities Management . . . . .</b>	<b>\$ 15,860</b>	<b>\$ 16,911</b>	<b>\$ 19,465</b>	<b>\$ 21,419</b>	<b>\$ 23,551</b>	<b>\$ 25,895</b>	<b>\$ 28,474</b>
Provision and Operation of Facilities . . . . .	15,860	16,911	19,465	21,419	23,551	25,895	28,474
<b>Legislative Processes . . . . .</b>	<b>\$ 58,248</b>	<b>\$ 62,654</b>	<b>\$ 67,877</b>	<b>\$ 72,053</b>	<b>\$ 76,717</b>	<b>\$ 81,685</b>	<b>\$ 86,877</b>
Legislature . . . . .	58,248	62,654	67,877	72,053	76,717	81,685	86,877
<b>Program Total . . . . .</b>	<b><u>\$226,942</u></b>	<b><u>\$261,273</u></b>	<b><u>\$283,701</u></b>	<b><u>\$301,320</u></b>	<b><u>\$320,532</u></b>	<b><u>\$341,017</u></b>	<b><u>\$363,458</u></b>

## PROTECTION OF PERSONS AND PROPERTY

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
General Fund . . . . .	\$ 153,739	\$ 180,912	\$ 190,840	\$ 206,689	\$ 221,012	\$ 236,473	\$ 252,082
Special Funds . . . . .	192,239	178,879	211,522	222,010	231,604	241,512	251,864
Federal Funds . . . . .	45,811	60,944	71,319	71,481	67,995	66,559	66,761
Other Funds . . . . .	28,373	32,045	35,747	34,943	35,214	36,475	37,833
<b>TOTAL . . . . .</b>	<b>\$ 420,162</b>	<b>\$ 452,780</b>	<b>\$ 509,428</b>	<b>\$ 535,123</b>	<b>\$ 555,825</b>	<b>\$ 581,019</b>	<b>\$ 608,540</b>

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

Continuing increases in the crime rate have placed considerable strains on law enforcement and rehabilitative resources. The past two years have seen a reversal of the long-term trend of declining population in State correctional institutions. Despite the development of a prerelease program, institutional populations have increased dramatically. This budget provides the funding necessary to increase security and institutional services, sufficient to keep pace with the increase in inmate populations.

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

Responsibility for criminal law enforcement and apprehension of violators lies mainly with local police agencies. In 1975-76, the Commonwealth increased its

assistance to local police by expanding its laboratory services. A significant increase in the number of officers receiving basic police training also occurred. This budget contains additional funding to complete implementation of the Municipal Police Training Act of 1974. This Act requires that all municipal police hired in the Commonwealth complete a prescribed training course prior to assuming their duties.

Considerable public attention has been focused on the rising cost of utilities and the Public Utility Commission's role in approving rate increases. Increased funding will enable the Commission to more thoroughly analyze rate requests. It will also enable the Commission to carefully examine the utilities' calculations of the controversial fuel adjustment factor.

Funds are provided for upgrading activities in the area of professional licensure. Additional staff will be provided to investigate public complaints against licensed professions and to conduct more routine inspections. This additional staff will foster a climate of adherence to rules and regulations, producing better services for the consumer.

### Contributions by Category and Subcategory

#### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . .</b>	<b>\$ 34,415</b>	<b>\$ 37,887</b>	<b>\$ 43,046</b>	<b>\$ 45,523</b>	<b>\$ 48,115</b>	<b>\$ 50,856</b>	<b>\$ 53,760</b>
<b>Traffic Safety and Supervision . . . . .</b>	<b>\$128,582</b>	<b>\$131,147</b>	<b>\$147,956</b>	<b>\$157,625</b>	<b>\$166,216</b>	<b>\$175,103</b>	<b>\$184,409</b>
Operator Qualifications Control . . . . .	17,955	17,602	18,961	20,020	21,091	22,219	23,405
Vehicle Standards Control . . . . .	17,156	16,572	17,829	18,687	19,586	20,527	21,514
Traffic Supervision . . . . .	59,700	64,188	71,774	76,948	81,777	86,706	91,916
Roadway Safety Improvement . . . . .	28,861	27,805	34,286	36,850	38,689	40,521	42,386
Highway Safety Education . . . . .	4,910	4,980	5,106	5,120	5,073	5,130	5,188

## PROTECTION OF PERSONS AND PROPERTY

### Contributions by Category and Subcategory

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

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Control and Reduction of Crime</b> . . . . .	\$ 83,015	\$ 90,262	\$103,508	\$111,997	\$119,582	\$127,619	\$135,676
Juvenile Crime Prevention . . . . .	434	497	457	491	529	568	612
Criminal Law Enforcement . . . . .	27,196	29,006	33,186	36,178	38,681	41,536	44,092
Reintegration of Juvenile Delinquents . . . . .	1,484	1,641	1,777	1,915	2,064	2,224	2,396
Reintegration of Offenders . . . . .	53,901	59,118	68,088	73,413	78,308	83,291	88,576
<b>Adjudication of Defendents</b> . . . . .	\$ 27,752	\$ 28,192	\$ 28,521	\$ 29,205	\$ 29,620	\$ 30,038	\$ 30,500
State Judicial System . . . . .	27,752	28,192	28,521	29,205	29,620	30,038	30,500
<b>Maintenance of Public Order</b> . . . . .	\$ 6,985	\$ 7,705	\$ 7,895	\$ 8,656	\$ 9,408	\$ 10,195	\$ 11,005
Prevention and Control of Civil Disorders . . . . .	1,160	1,236	1,370	1,472	1,544	1,616	1,690
Emergency Disaster Assistance . . . . .	5,825	6,469	6,525	7,184	7,864	8,579	9,315
<b>Consumer Protection</b> . . . . .	\$ 45,318	\$ 43,578	\$ 46,653	\$ 48,660	\$ 50,773	\$ 53,106	\$ 55,344
Regulation of Consumer Products and Promotion of Fair Business Practices . . . . .	5,264	5,899	7,020	7,638	8,272	8,973	9,652
Maintenance of Professional and Occupational Standards . . . . .	2,748	2,853	3,286	3,554	3,727	4,075	4,380
Regulation of Financial Institutions . . . . .	3,310	3,525	3,919	4,165	4,426	4,704	4,999
Regulation of Securities Industry . . . . .	696	736	762	810	861	915	972
Regulation of Insurance Industry . . . . .	4,460	4,740	5,309	5,778	6,267	6,743	7,205
Regulation of Horse Racing . . . . .	27,683	24,540	24,927	25,194	25,606	25,987	26,325
Regulation of Milk Industry . . . . .	1,157	1,285	1,430	1,521	1,614	1,709	1,811
<b>Protection from Natural Hazards and Disasters</b> . . . . .	\$ 11,988	\$ 12,417	\$ 14,834	\$ 15,686	\$ 16,803	\$ 17,998	\$ 19,278
Flood Control . . . . .	2,076	2,038	2,220	2,182	2,297	2,407	2,517
Prevention, Control and Extinction of Forest Fires . . . . .	3,009	3,067	3,680	3,981	4,300	4,646	5,019
Plant Health . . . . .	2,907	2,694	3,618	3,881	4,162	4,467	4,795
Animal Health . . . . .	3,996	4,618	5,316	5,642	6,044	6,478	6,947
<b>Community Housing Hygiene and Safety</b> . . . . .	\$ 4,581	\$ 4,640	\$ 5,492	\$ 6,450	\$ 6,724	\$ 7,171	\$ 7,469
Accident Prevention . . . . .	4,240	4,233	4,745	5,154	5,418	5,853	6,139
Fire Prevention . . . . .	341	407	747	1,296	1,306	1,318	1,330

**PROTECTION OF PERSONS AND PROPERTY**

**Contributions by Category and Subcategory**

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

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Electoral Process</b> . . . . .	\$ 352	\$ 293	\$ 399	\$ 406	\$ 436	\$ 466	\$ 528
Maintenance of Electoral Process . . .	352	293	399	406	436	466	528
 <b>Prevention and Elimination of Discriminatory Practices</b> . . . . .	 \$ 2,990	 \$ 3,670	 \$ 4,080	 \$ 4,490	 \$ 4,939	 \$ 5,432	 \$ 5,976
Reduction of Discriminatory Practices . . . . .	2,990	3,670	4,080	4,490	4,939	5,432	5,976
 <b>Program Total</b> . . . . .	 <u>\$345,978</u>	 <u>\$359,791</u>	 <u>\$402,362</u>	 <u>\$428,699</u>	 <u>\$452,616</u>	 <u>\$477,985</u>	 <u>\$503,946</u>

## HEALTH—PHYSICAL AND MENTAL WELL-BEING

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
General Fund . . . . .	\$ 628,337	\$ 738,653	\$ 805,254	\$ 887,799	\$ 954,357	\$1,033,131	\$1,115,433
Special Funds . . . . .	10,955	12,283	15,980	16,970	18,040	19,195	20,440
Federal Funds . . . . .	311,115	376,903	417,783	451,044	487,043	528,555	574,222
Other Funds . . . . .	55,925	66,962	72,183	74,809	77,703	81,921	86,385
<b>TOTAL . . . . .</b>	<b>\$1,006,332</b>	<b>\$1,194,801</b>	<b>\$1,311,200</b>	<b>\$1,430,622</b>	<b>\$1,537,143</b>	<b>\$1,662,802</b>	<b>\$1,796,480</b>

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

While the Commonwealth has reviewed construction and expansion of health facilities through Hill-Burton and Social Security (section 1122) review procedures, authority to limit unnecessary facilities has been lacking. Under the proposed State Comprehensive Health Care Act, permission to operate, lease or construct a health care facility would first require a certificate of need from the Commonwealth authorizing such action. This authority would enable the Commonwealth to eliminate unnecessary facilities and duplication of effort with the effect of lower health care costs.

The Commonwealth is also responsible for the licensing and inspection of general, special and psychiatric hospitals. This is a key part of overall health system management and certification is a prerequisite for Federal Medicare and Medicaid eligibility.

Planning for the provision of health services is also a responsibility of the Commonwealth. One specific health problem requiring priority attention is cancer. No comprehensive data collection system exists to carefully define the extent of the problem. This budget recommends \$5 million in State funds for the expansion of the Commonwealth tumor registry program, cancer research, and training and education of health professionals throughout the Commonwealth. This program will provide detailed information on cancer in Pennsylvania which is necessary for service planning and will complement the Federal efforts in this field.

In the area of health care delivery programs this budget recommends \$.9 million for the continued expansion of emergency health care, \$.6 million for maternal infant care centers, and \$.4 million for primary health centers.

The Commonwealth through its Medical Assistance program is one of the largest purchasers of health care services in the State. It is expected that Medical Assistance will require an additional \$30.7 million in State funds during the budget year, primarily to meet the escalating cost of health care. Nursing home costs in Pennsylvania have been severely affected by inflation and by the increasingly stringent standards of care which these facilities must meet. The relatively low reimbursement rates paid to private nursing

homes under the Medical Assistance program and the delays experienced in disbursing funds through the \$100 million Nursing Home Loan Fund have restricted the number of nursing home beds available to Medical Assistance patients. This action, when combined with the overall shortage of long-term beds in the Commonwealth, has created an undue hardship for those Medical Assistance recipients requiring nursing home care. In order to alleviate this hardship, the recommended budget includes \$10 million in State funds to provide for a defined, allowable cost reimbursement system for private skilled nursing and intermediate care facilities which is to be implemented July 1, 1976.

The Commonwealth provides for the care and rehabilitation of the mentally ill through operation of institutions and grants to community programs. The recommended budget will provide for the further reduction of the State institutional census by developing living arrangements and supportive services through the community program. These services will enable individuals who do not require long-term inpatient psychiatric care to remain in their communities rather than be admitted to a State institution. This effort will result in a reduction of 2,000 inpatients in the State mental hospitals over a two year fiscal period. This reduction will be in addition to the normal census reduction experienced in recent years. In addition, a ten percent cost-of-living increase over estimated 1975-76 expenditures in the community program is recommended. Funds to meet the increased State's liability due to the anticipated loss of Federal staffing grants in some community mental health centers and funds to offset the loss of Federal funds for social services provided in the community program have also been recommended.

Finally, the Commonwealth provides environmental protection activities aimed at controlling situations which contribute to the incidence of injuries and diseases. Although priorities may change due to pressures of the energy and economic situations, the proposed budget for these protection activities anticipates no change in the level of funding.

In the 1975-76 fiscal year, \$1.7 million dollars was appropriated for environmental health services. These funds are to be granted to local health departments at seventy-five cents per capita resident to be used to control air and noise pollution, to inspect restaurant and wholesale food establishments, to control rodents and vectors and to provide other similar services. These funds can not be granted until the amendment to the Local Health Administration Law is passed.

# HEALTH—PHYSICAL AND MENTAL WELL-BEING

## Contributions by Category and Subcategory

### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support</b> . . . . .	\$ 15,501	\$ 15,739	\$ 18,816	\$ 20,356	\$ 21,929	\$ 23,539	\$ 25,011
<b>Physical Health Treatment</b> . . . . .	\$332,917	\$419,001	\$460,243	\$518,118	\$568,432	\$ 623,106	\$ 681,165
Medical Research and Health							
Information . . . . .	3,798	3,930	4,711	5,072	5,469	6,126	6,405
Medical Facilities Review . . . . .	2,544	3,536	3,976	4,830	5,744	6,735	7,500
Health Services Development . . . . .	10,358	15,577	14,915	15,840	17,216	18,657	20,266
Disease Prevention . . . . .	21,313	23,034	24,702	25,970	27,383	28,898	30,160
Detection and Diagnosis . . . . .	10,654	12,953	13,393	14,584	15,889	17,319	18,755
Outpatient Treatment . . . . .	81,618	93,220	110,848	122,566	135,412	149,399	164,313
Inpatient Treatment . . . . .	138,909	187,286	189,141	207,975	228,584	251,220	275,857
Life Maintenance . . . . .	45,088	59,826	76,564	97,177	106,718	116,709	127,712
Control and Treatment of Drug and Alcohol Abuse . . . . .	18,635	19,639	21,993	24,104	26,017	28,043	30,197
<b>Mental Health</b> . . . . .	\$249,116	\$272,860	\$291,764	\$309,202	\$319,424	\$ 338,163	\$ 358,080
Mental Health Systems Support . . . . .	11,890	12,111	13,773	24,204	27,282	28,884	30,626
Primary Prevention—Mental Health . . . . .	1,830	1,996	2,165	2,380	2,618	2,880	3,168
Early Intervention and Evaluation . . . . .	10,752	11,727	12,758	14,034	15,437	16,980	18,670
Outpatient Services—Mental Health . . . . .	17,832	19,451	21,632	23,795	26,175	28,792	31,671
Partial Hospitalization . . . . .	2,148	2,343	2,552	2,807	3,088	3,397	3,730
Short-Term Inpatient Services (Community) . . . . .	3,316	3,616	3,943	4,337	4,771	5,248	5,773
Inpatient Services (State Mental Hospitals) . . . . .	201,348	221,616	234,941	237,645	240,053	251,982	264,442
<b>Protection from Health Hazards</b> . . . . .	\$ 41,758	\$ 43,336	\$ 50,411	\$ 57,093	\$ 62,612	\$ 67,518	\$ 71,617
Air Pollution Control . . . . .	4,052	3,479	4,800	5,442	6,103	6,737	7,341
Water Quality Management . . . . .	26,033	24,538	32,049	37,077	40,888	44,014	46,266
Community Environmental Management . . . . .	8,375	11,118	9,437	10,103	10,792	11,535	12,338
Occupational Health and Safety . . . . .	2,741	3,588	3,403	3,688	3,984	4,319	4,682
Radiological Health . . . . .	557	613	722	783	845	913	990
<b>Program Total</b> . . . . .	<u>\$639,292</u>	<u>\$750,936</u>	<u>\$821,234</u>	<u>\$904,769</u>	<u>\$972,397</u>	<u>\$1,052,326</u>	<u>\$1,135,873</u>

## INTELLECTUAL DEVELOPMENT AND EDUCATION

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
General Fund . . . . .	\$2,357,683	\$2,511,699	\$2,568,527	\$2,645,544	\$2,737,710	\$2,827,943	\$2,919,439
Special Funds . . . . .	55,793	84,500	79,900	84,900	86,800	91,500	96,300
Federal Funds . . . . .	12,952	14,921	14,879	15,679	16,969	18,467	20,112
Other Funds . . . . .	303,696	321,523	346,654	353,694	361,729	370,387	378,896
<b>TOTAL . . . . .</b>	<u><u>\$2,730,124</u></u>	<u><u>\$2,932,643</u></u>	<u><u>\$3,009,960</u></u>	<u><u>\$3,099,817</u></u>	<u><u>\$3,203,208</u></u>	<u><u>\$3,308,297</u></u>	<u><u>\$3,414,747</u></u>

The Commonwealth will contribute nearly \$2 billion toward the cost of elementary and secondary education throughout the State during 1976-77. This is in addition to the approximately \$3 billion in local funds to be spent. Although we are not certain of the results of these expenditures in terms of meeting the objectives of education for Pennsylvania's 2.2 million public school pupils, the Commonwealth is probably doing more than any other state to objectively determine the results of education.

The most noteworthy of these efforts is the Educational Quality Assessment project, which is in the process of testing one-quarter of Pennsylvania's pupils in basic skills and attitudes. Other testing has been done that indicates that compensatory programs achieve a measure of success in raising the abilities of disadvantaged pupils. In addition, vocational education graduates are surveyed regularly to determine their success in the job market.

The school-age population is declining, a trend that is projected to continue into the foreseeable future. It is expected that, as a result, elementary and secondary enrollments will decrease by 398,000 pupils from the current year to the fall of 1980. Funding increases, however, continue unabated. From 1974-75 to 1976-77 funds classified under Support of Public Schools will have increased by almost nine percent, due largely to increasing costs of salaries, materials and supplies, while enrollments in public schools are decreasing by five percent.

The 1976-77 State funds increase would be even larger were it not for a major change in legislation that would require school districts to share in the cost of special education programs. Additional information on this change and on special education in general is contained in a summary introduction to the Special Education section of this budget.

A Program Revision is included for funding the Community Learning program. This program will develop curriculum changes for the public schools that will insure that instructional programs are aimed at providing students with the abilities and fundamental skills needed for their life roles.

In the area of higher education there are problems of enrollment stabilization as well as over-production of graduates in certain fields.

The Department of Education projects the percent of high school graduates going on to a college or university will decline at a very slow rate. They have also projected an absolute decline in the number of high school graduates after 1975. The interaction of these two factors is expected to cause a reduction in high school graduates seeking admission to our colleges and universities.

Over production of teachers, a poor job market for most graduates except in selected fields such as engineering and the health professions places an increased burden on colleges attempting to maintain enrollments and programs in affected academic disciplines for which there is less demand.

State support should not be used to subsidize programs that are consistently producing graduates for jobs that do not exist. Colleges and universities will need to shift resources into programs that better serve the individual and society. In those areas where expansion may be necessary, colleges and universities are expected to shift available resources away from less productive areas. To do otherwise would encourage the retention of these programs at levels no longer needed.

Program Revisions are included to fund the Adult and Career Education program and Higher Education Regionalization, both are discussed in more detail in the Higher Education section of this budget.

# INTELLECTUAL DEVELOPMENT AND EDUCATION

## Contributions by Category and Subcategory

### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support</b> . . . . .	\$ 7,032	\$ 7,475	\$ 8,176	\$ 9,117	\$ 9,883	\$ 10,688	\$ 11,558
<b>General Instruction</b> . . . . .	\$1,106,443	\$1,127,040	\$1,133,264	\$1,123,003	\$1,102,671	\$1,079,120	\$1,051,121
General Preschool Education . . . . .	60,261	68,003	68,306	66,189	65,982	69,341	75,068
General Elementary and Secondary Education . . . . .	1,046,182	1,059,037	1,064,958	1,056,814	1,036,689	1,009,779	976,053
<b>Special Education</b> . . . . .	\$ 281,485	\$ 324,688	\$ 349,359	\$ 364,640	\$ 400,535	\$ 439,129	\$ 481,104
Mentally Handicapped Education . . . . .	122,735	143,257	150,987	156,011	171,389	188,162	205,796
Physically Handicapped Education . . . . .	142,053	163,070	177,731	187,728	205,318	225,964	247,191
Gifted and Talented Education . . . . .	16,697	18,361	20,641	20,901	23,828	25,003	28,117
<b>Compensatory Programs</b> . . . . .	\$ 158,426	\$ 190,877	\$ 195,142	\$ 207,979	\$ 222,715	\$ 236,319	\$ 252,116
Compensatory Preschool Education . . . . .	12,140	12,898	13,244	13,561	13,936	14,234	16,396
Compensatory Elementary and Secondary Education . . . . .	146,286	177,979	181,898	194,218	208,779	222,085	235,720
<b>Vocational Education</b> . . . . .	\$ 295,666	\$ 339,850	\$ 325,594	\$ 355,973	\$ 387,178	\$ 423,384	\$ 459,073
Vocational Secondary Education . . . . .	275,343	316,154	298,323	327,540	357,598	393,110	427,545
Postsecondary Vocational Education . . . . .	19,482	21,587	23,973	24,905	25,788	26,719	27,907
Community Education . . . . .	841	2,109	3,298	3,528	3,792	3,555	3,621
<b>Higher Education</b> . . . . .	\$ 564,424	\$ 606,269	\$ 636,892	\$ 669,932	\$ 701,528	\$ 730,803	\$ 760,767
Agriculture and Natural Resources . . . . .	3,447	3,666	3,789	3,966	4,084	4,197	4,312
Arts, Humanities and Letters . . . . .	25,107	27,767	28,717	29,906	31,259	32,601	33,870
Business Management, Commerce and Data Processing . . . . .	15,412	18,004	19,472	20,613	21,743	22,926	24,103
Education . . . . .	45,553	48,768	49,516	49,545	48,243	46,558	45,409
Engineering and Architecture . . . . .	11,808	12,992	13,936	15,085	16,115	17,101	17,999
Health Sciences, Health Professions, and Biological Sciences . . . . .	56,211	60,998	66,288	71,225	75,715	80,225	84,526
Human Services and Public Affairs . . . . .	10,465	11,876	12,242	12,979	13,728	14,437	15,005
Physical Sciences, Earth Sciences, Mathematics and Military Science . . . . .	20,307	22,253	23,489	24,967	26,569	28,042	29,521
Social Sciences and Area Studies . . . . .	25,942	29,990	30,983	32,256	33,715	35,031	36,381
Interdisciplinary Studies . . . . .	25,193	25,973	29,938	32,463	34,906	37,286	39,562
Research . . . . .	12,986	14,973	15,751	16,540	17,348	18,193	19,015
Public and Community Service . . . . .	9,695	11,438	12,025	12,590	13,169	13,762	14,380
Institutional Support Services . . . . .	211,421	226,111	238,201	253,590	267,954	282,778	297,620
Professional Support Services . . . . .	2,394	2,556	3,613	4,295	4,769	5,264	5,760
Financial Assistance to Students . . . . .	88,483	88,904	88,932	89,912	92,211	92,402	93,304
<b>Program Total</b> . . . . .	<u>\$2,413,476</u>	<u>\$2,596,199</u>	<u>\$2,648,427</u>	<u>\$2,730,444</u>	<u>\$2,824,510</u>	<u>\$2,919,443</u>	<u>\$3,015,739</u>

## SOCIAL DEVELOPMENT

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
General Fund . . . . .	\$ 304,253	\$ 351,115	\$ 381,440	\$ 430,810	\$ 458,653	\$ 488,326	\$ 520,144
Special Funds . . . . .	78,842	75,449	57,874	76,715	77,797	78,926	80,209
Federal Funds . . . . .	207,518	249,845	254,557	267,395	280,854	295,193	309,531
Other Funds . . . . .	9,891	11,161	8,518	8,805	9,232	9,692	10,178
<b>TOTAL . . . . .</b>	<b>\$ 600,504</b>	<b>\$ 687,570</b>	<b>\$ 702,389</b>	<b>\$ 783,725</b>	<b>\$ 826,536</b>	<b>\$ 872,137</b>	<b>\$ 920,062</b>

This program provides social services to persons unable to rely on the traditional family structure or unable to sustain themselves because of age, education, or social condition. A frequently used alternative in the past was institutional placement for those unable to care for themselves. During the fiscal period 1976-77 continued emphasis will be on community alternatives to institutional care.

A recommended increase of \$3.0 million in State funds will continue development and expansion of the statewide community-based services program for the elderly. Services will be rendered through 47 county offices for aging, an increase of 6 from last year.

A similar program is being continued for juvenile crime prevention. Grants will be provided to several test communities, for the development of viable alternatives to institutional care within each respective community; thus reducing recidivism and juvenile crime rates. One community project has been selected by the Federal Government as one of ten national demonstration models.

For those juvenile offenders, presently incarcerated in large juvenile and adult correctional institutions, the concentrated effort for deinstitutionalization initiated during 1975-76 will continue to be expanded during 1976-77. This program seeks to develop and implement viable alternatives to institutional care, which are more effective and less expensive types of rehabilitation and treatment services, often involving community based programs consistent with the public's safety.

Protective services for children are of major importance

again this year. A recommended increase of \$2.0 million in State funds will extend the Child Abuse Hotline and Central Registry program statewide. The objective of these programs is early detection and prevention, by providing treatment to the child's parent or guardian, with emphasis on rehabilitating the adults involved.

An increase of \$3.5 million in State funds is recommended for day care services. The provision of day care services has been expanded to include services not only to welfare eligible families, but also families identified as the "working poor". This is accomplished by establishing a fee schedule, based on gross monthly income and adjusted for family size.

The Social Development program also includes services provided to the mentally retarded. These services cover a range of intensity, from preventative and early case finding efforts to long-term State institutional care. The recommended budget includes operating funds for workshops and day development centers in the southeast region which will facilitate the dispersal of Pennhurst State School and Hospital clients. Also recommended are funds to provide community based living arrangements for mentally retarded persons currently residing in State schools and hospitals or in danger of admission to such a facility and to offset the loss of Federal funds for social services needed to support mentally retarded persons in independent or family living arrangements. State funds are recommended to offset the loss of Federal funds for early intervention services for preschool age mentally retarded children.

## SOCIAL DEVELOPMENT

### Contributions by Category and Subcategory

#### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . .</b>	\$ 1,499	\$ 1,691	\$ 2,308	\$ 2,494	\$ 2,641	\$ 2,770	\$ 2,927
<b>Social Development of Individuals . . . . .</b>	\$143,866	\$164,178	\$167,451	\$200,114	\$213,291	\$227,438	\$242,654
Youth Development Services . . . . .	20,317	22,179	25,893	27,236	28,534	29,895	31,325
Services to the Community . . . . .	2,908	2,615	2,923	3,015	3,198	3,392	3,600
Family Support Services . . . . .	120,641	139,384	138,635	169,863	181,559	194,151	207,729
<b>Support of the Aged . . . . .</b>	\$ 78,732	\$ 80,732	\$ 66,182	\$ 85,489	\$ 86,860	\$ 88,292	\$ 89,894
Support and Care of the Aged . . . . .	78,732	80,732	66,182	85,489	86,860	88,292	89,894
<b>Mental Retardation . . . . .</b>	\$158,998	\$179,963	\$203,373	\$219,428	\$233,658	\$248,752	\$264,878
Mental Retardation Systems							
Support . . . . .	2,935	3,140	3,538	3,987	4,380	4,789	5,254
Prevention—Mental Retardation . . . . .	1,830	1,996	2,165	2,382	2,620	2,882	3,170
Early Identification, Diagnosis and							
Case Management . . . . .	3,467	3,782	5,621	6,183	6,801	7,481	8,229
Independent and Family Living							
Arrangements . . . . .	16,809	18,790	23,036	25,340	27,874	30,661	33,727
Community Living Arrangements . . . . .	11,108	11,862	15,596	19,923	21,498	23,197	25,032
Institutional Living Arrangements							
(Private Licensed Facilities) . . . . .	7,052	9,200	10,120	11,132	12,245	13,470	14,817
State Schools and Hospitals . . . . .	115,797	131,193	143,297	150,481	158,240	166,272	174,649
<b>Program Total . . . . .</b>	<u>\$383,095</u>	<u>\$426,564</u>	<u>\$439,314</u>	<u>\$507,525</u>	<u>\$536,450</u>	<u>\$567,252</u>	<u>\$600,353</u>

## ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
General Fund . . . . .	\$ 580,572	\$ 741,008	\$ 741,749	\$ 791,280	\$ 834,989	\$ 881,211	\$ 930,470
Special Funds . . . . .	23,080	30,883	876	942	991	1,028	1,079
Federal Funds . . . . .	333,083	363,217	424,559	449,270	476,162	504,691	534,967
Other Funds . . . . .	47,352	73,936	74,298	81,506	85,312	88,676	92,133
<b>TOTAL . . . . .</b>	<b>\$ 984,087</b>	<b>\$1,209,044</b>	<b>\$1,241,482</b>	<b>\$1,322,998</b>	<b>\$1,397,454</b>	<b>\$1,475,606</b>	<b>\$1,558,649</b>

As we enter the Bicentennial year, the Commonwealth and the nation continue to face serious economic problems. While inflation seems to be coming under control, high unemployment persists. In 1975 Pennsylvania's rate of unemployment continued to increase to the point where it exceeded the national average. From April to November of 1975 the seasonally adjusted rate for the Commonwealth was not below 9 percent with a high of 9.7 percent. By comparison the same time period in 1974 never saw an unemployment rate above 6 percent. Even at these rates, however, Pennsylvania continues to fall below the rates of many industrial states.

As unemployment persists the impact is felt by the State's income maintenance programs. This is reflected first of all in the Unemployment Compensation Fund, which will have to borrow an estimated \$541,000,000 from the Federal unemployment account to maintain solvency in the State fund through fiscal year 1975-76.

The second major area impacted by economic problems is cash assistance. With the fewest resources to cope with the combined effects of inflation and persistent lack of employment opportunities, those at the bottom of the economic ladder must turn to cash assistance. It is estimated that the average monthly person load will increase by 7,260 from the 1975-76 monthly average of 772,800 to a monthly average of 780,060 in 1976-77. This will require an expenditure of \$522.5 million State funds.

In the public sector the problems generated by the state of the economy have been compounded by local government and State agency financial crises. The problems faced by New York City and the New York State Urban Development Corporation have affected both State and local government by increasing the difficulty of issuing bonds and by drawing attention to inadequate financial management at the local level.

This budget includes increased funds for the Department of Community Affairs to help deal with the problem of local financial management. The implementation of Section 1006 of Act 185 of 1972, the Municipal Debt Management Act, will provide for auditing, no less than triennially, of sinking funds of those municipalities having outstanding municipal debt. This program will promote the soundness of local debt management through encouragement of sound budget and accounting systems and funding of debt liabilities.

This budget also reflects the impact of these crises on a State agency, the Pennsylvania Housing Finance Agency (PHFA). PHFA is dependent on a system of note and bond financing to implement its housing programs. Generally notes have been used for construction financing and these are redeemed through bonds which provide permanent financing. These debt obligations are to be paid ultimately by the income generated from completed projects. The Pennsylvania Housing Finance Agency Act also contains moral obligation language, i.e., if the agency experiences a deficit, that deficit must be reported in the Governor's Budget so that the General Assembly may act on it. Because of the problems other housing agencies have been experiencing the market for housing agency obligations has disappeared. It has become necessary, therefore, to act on the Commonwealth's moral obligation to PHFA. This budget reflects the need during the current 1975-76 year to commit \$61,600,000 to redeem the agency's outstanding notes. This action is evidence of the willingness of the Commonwealth to back its moral obligation and should enhance the future marketability of PHFA bonds.

In order to fund this program it has been necessary to recommend the reduction of the current year's Housing and Redevelopment Assistance program by \$12,800,000 and to include no program funding for the budget year. When PHFA repays the Commonwealth, restoration of the Housing and Redevelopment funds will be recommended.

Most of the economic development programs instituted to deal with the recession of the 1950's are still available to help mitigate our current economic difficulties. The primary component, the Pennsylvania Industrial Development Authority (PIDA), has continued to promote the expansion of employment by offering low interest loans to companies expanding or locating in Pennsylvania. This program has made a significant transition from total dependency on General Fund financing to a program supported by a combination of loan repayments and bond issues.

Funds are provided in this budget to continue at current levels the improvement of the economic and physical environment of the Commonwealth. An appropriation of \$5 million is also included to assist municipalities who are faced with the impact of hosting our Bicentennial visitors.

# ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE

## Contributions by Category and Subcategory

### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support</b> . . . . .	\$ 12,020	\$ 13,399	\$ 16,519	\$ 17,706	\$ 18,821	\$ 19,915	\$ 21,148
<b>Commonwealth Economic Development</b> . . . . .	\$ 20,848	\$ 34,611	\$ 19,026	\$ 12,805	\$ 13,377	\$ 13,998	\$ 14,671
Tourism and Travel Development . . . . .	7,251	22,336	8,363	1,682	1,756	1,836	1,923
Industrial Development . . . . .	9,723	8,393	6,427	6,623	6,835	7,064	7,311
Scientific and Technological Development . . . . .	1,317	1,254	1,320	1,334	1,349	1,365	1,382
International Trade . . . . .	334	198	218	235	254	274	296
Agribusiness Development . . . . .	2,223	2,430	2,698	2,931	3,183	3,459	3,759
<b>Economic Development of the Disadvantaged and Handicapped</b> . . . . .	\$503,055	\$610,615	\$652,778	\$687,233	\$726,819	\$768,774	\$813,523
Income Maintenance . . . . .	487,947	594,190	635,382	669,243	708,118	749,325	793,281
Achieving Economic Independence— Socially and Economically Disadvantaged . . . . .	4,756	5,347	5,570	5,534	5,586	5,635	5,685
Achieving Economic Independence— Physically and Mentally Handicapped . . . . .	8,487	9,309	9,815	10,378	10,965	11,587	12,247
Community Action Assistance . . . . .	1,865	1,769	2,011	2,078	2,150	2,227	2,310
<b>Community Physical Development</b> . . . . .	\$ 28,287	\$ 68,948	\$ 9,529	\$ 26,344	\$ 26,364	\$ 26,384	\$ 26,400
Housing and Redevelopment . . . . .	28,287	68,948	9,529	26,344	26,364	26,384	26,400
<b>Improvement of Local Government Operations and Institutions</b> . . . . .	\$ 10,883	\$ 15,304	\$ 13,535	\$ 13,727	\$ 13,872	\$ 14,088	\$ 14,321
Area-Wide Services . . . . .	73	103	112	114	117	120	124
Municipal Administrative Support Capability . . . . .	10,178	11,129	12,419	12,553	12,635	12,784	12,944
Community Development Planning . . . . .	632	4,072	1,004	1,060	1,120	1,184	1,253
<b>Natural Resource Development and Management</b> . . . . .	\$ 20,251	\$ 21,211	\$ 23,565	\$ 26,165	\$ 28,284	\$ 30,478	\$ 32,675
Management of Land Resources . . . . .	6,280	6,648	7,459	8,061	8,731	9,474	10,250
Regulation of Mineral Resources . . . . .	3,937	3,761	5,052	5,917	6,476	6,962	7,366
Technical Support and Planning Services . . . . .	10,034	10,802	11,054	12,187	13,077	14,042	15,059
<b>Labor-Management Relations</b> . . . . .	\$ 1,570	\$ 1,834	\$ 2,035	\$ 2,166	\$ 2,274	\$ 2,388	\$ 2,507
Industrial Relations Stability . . . . .	1,570	1,834	2,035	2,166	2,274	2,388	2,507
<b>Veterans' Compensation</b> . . . . .	\$ 6,738	\$ 5,969	\$ 5,638	\$ 6,076	\$ 6,169	\$ 6,214	\$ 6,304
Vietnam Veterans' Compensation . . . . .	6,738	5,969	5,638	6,076	6,169	6,214	6,304
<b>Program Total</b> . . . . .	<u>\$603,652</u>	<u>\$771,891</u>	<u>\$742,625</u>	<u>\$792,222</u>	<u>\$835,980</u>	<u>\$882,239</u>	<u>\$931,549</u>

## TRANSPORTATION AND COMMUNICATION

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
General Fund . . . . .	\$ 79,351	\$ 83,909	\$ 80,892	\$ 83,433	\$ 86,013	\$ 89,911	\$ 93,811
Special Funds . . . . .	570,384	609,149	670,398	706,796	734,311	766,234	798,124
Federal Funds . . . . .	231,529	300,676	335,584	333,063	308,895	302,152	297,181
Other Funds . . . . .	61,133	76,926	68,135	52,553	47,387	48,447	49,508
<b>TOTAL . . . . .</b>	<b><u>\$ 942,397</u></b>	<b><u>\$1,070,660</u></b>	<b><u>\$1,155,009</u></b>	<b><u>\$1,175,845</u></b>	<b><u>\$1,176,606</u></b>	<b><u>\$1,206,744</u></b>	<b><u>\$1,238,624</u></b>

Events of the past few years have led inexorably to a gradual reordering of transportation priorities in Pennsylvania. The oil embargo, rising gasoline prices, inflationary construction and maintenance costs, growing debt service, a precarious bond market and a deteriorating road system have relentlessly chipped away at the ever-expanding road building program that was initiated in the mid-1960's. With over two billion dollars in outstanding highway construction debts, and an uncertain revenue forecast for future years, it has become impossible to support the ambitious plans conceived in more prosperous times.

A deemphasis on new road building has become essential if the Commonwealth is to concentrate on preserving the massive investment that our highway system represents. The drain of debt service from past capital decisions has in recent years combined with inflationary maintenance material and personnel costs to leave available operating funds continually short of the level necessary to meet existing work requirements. Consequently, unmet maintenance needs have risen at an alarming rate and only the recent passage of first a gasoline tax increase and then motor vehicle fee hikes prevented substantially more miles of State roads from being added to this backlog. The reduced borrowing made possible by a deemphasis on new highway construction would, by limiting the amount of future Motor License Fund debt service, leave an increasingly greater share of available revenue for maintenance in future years. In short, to preserve the effectiveness of the State-administered highway system, the Commonwealth must adopt an investment policy that does not permit new construction to outpace the capabilities of the maintenance program.

When Pennsylvania's "Ten-Year, Ten-Billion-Dollar" highway program was first conceived, it was assumed that the many new roads planned would foster significantly more driving. Increased travel was, in turn, expected to yield substantial additional highway-user revenue to meet new maintenance and debt service requirements. This premise proved to be accurate until the Arab oil embargo, when the traditional growth pattern for highway-user income was abruptly halted. Even though the energy crisis has now eased, gasoline tax collections along with operator license and motor

vehicle registration fees are still failing to show more than minimal growth. Compounding this Motor License Fund dilemma, virulent inflation in the last few years has created a double bind by causing a meteoric rise in direct construction and maintenance costs, as well as sharply higher interest rates on bonds issued to pay for past highway projects.

This budget adjusts to the present fiscal situation by scheduling new construction at a severely reduced rate from previous years, by providing no new highway project authorizations and by continuing the recent emphasis on previously underfunded maintenance activities. Highway bond expenditures are now scheduled to fall from a 1974-75 record high of nearly \$320 million to an annual rate of only \$100 million by the end of the decade. For the third consecutive year, the Capital Budget does not recommend the authorization of new highway projects; a policy in distinct contrast to the massive annual new project requests of a few years ago. Meanwhile, maintenance expenditures are scheduled to reach a record high approaching \$400 million.

This budget also continues the emphasis placed in recent years on urban mass transportation, reflecting the increasing priority now given not only maintenance versus construction within the highway program but also transit versus highways within the overall transportation program. The massive road building of recent years has been singularly unsuccessful in alleviating the omnipresent traffic congestion and air and noise pollution so prevalent in our urban areas. Today's energy problems also demand alternatives to the fuel-wasting automobile. To assist in this needed reorientation of urban transportation, governmental contributions toward local mass transportation system operating costs will surpass \$160 million next year; this includes \$87.3 million in State contributions from the General Fund and Lottery Fund. As recently as the late 1960's and early 1970's, total governmental subsidies were less than \$20 million annually; the Commonwealth's contribution amounting to only \$9 to \$13 million per year.

If we are to entice urban commuters out of their cars and onto long-ignored mass transit systems, transit facilities must be markedly improved. Recognizing this reality, the 1976-77 budget recommends a \$216.6 million transit capital budget, of which the Commonwealth's share is \$26.2 million. Since for

**TRANSPORTATION AND COMMUNICATION**  
(continued)

the third consecutive year no highway projects are being recommended, authorization for these transit improvements continue our recent efforts toward correcting the historic imbalance in transportation investment policies — an imbalance best illustrated by the fact that outstanding debt for transit projects is only about one-fiftieth of the amount owed for past highway construction.

After years of neglect, intercity rail service is also becoming an important concern of the Federal Government and the Commonwealth. Only Federal sponsorship prevented the complete collapse of intercity passenger rail service in 1971. Similar intervention in rail cargo was instituted with the recent establishment of the Consolidated Rail Corporation (ConRail), which reorganized seven bankrupt northeastern and midwestern railroads into one semi-public enterprise. Yet, hundreds of miles of rail freight lines will not be included in

the ConRail system and significant State participation is required to prevent serious economic dislocation throughout the Commonwealth. To avoid potentially severe business closings and job losses, a Program Revision in this budget will make possible—if required legislation is enacted by the General Assembly—initiation of a nearly \$30 million program for purchase, rehabilitation, and operation of about 700 miles of rail branch lines scheduled for abandonment by ConRail. The \$1.2 million in 1976-77 State Funds provided will enable PennDOT to provide its share of this Federal-State-local program.

This budget also provides for grants for \$600,000 to the Port of Philadelphia and \$250,000 to the Port of Erie; \$5 million for maintenance and operation of State-owned airports; and \$2.5 million for improvements at other publically-owned airports.

**Contributions by Category and Subcategory**

**General Fund and Special Funds**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . . . .</b>	\$ 26,495	\$ 23,757	\$ 27,318	\$ 29,027	\$ 30,429	\$ 31,823	\$ 33,253
<b>Transportation Systems . . . . .</b>	\$282,149	\$296,375	\$327,582	\$346,692	\$357,227	\$370,504	\$383,583
Urban Highway Construction . . . . .	96,346	100,057	119,819	129,223	133,346	138,282	143,055
Rural and Intercity Highway Construction . . . . .	101,049	107,002	120,576	128,501	132,134	136,364	140,567
Urban Mass Transportation . . . . .	76,785	81,177	77,397	80,878	84,570	88,445	92,320
Rural and Intercity Rail Transportation . . . . .	321	427	1,517	550	274	282	292
Air Transportation . . . . .	5,446	5,517	6,501	5,753	5,963	6,188	6,403
Water Transportation . . . . .	2,202	2,195	1,772	1,787	940	943	946
<b>Transportation Services . . . . .</b>	\$341,091	\$372,926	\$396,390	\$414,510	\$432,668	\$453,818	\$475,099
Urban Highway Maintenance . . . . .	152,152	160,433	164,437	171,435	178,612	186,599	195,162
Rural and Intercity Highway Maintenance . . . . .	187,910	211,352	230,404	241,360	252,253	265,336	277,976
Highway Beautification . . . . .	1,029	1,141	1,549	1,715	1,803	1,883	1,961
<b>Program Total . . . . .</b>	<u>\$649,735</u>	<u>\$693,058</u>	<u>\$751,290</u>	<u>\$790,229</u>	<u>\$820,324</u>	<u>\$856,145</u>	<u>\$891,935</u>

## RECREATION AND CULTURAL ENRICHMENT

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
General Fund . . . . .	\$ 62,765	\$ 59,222	\$ 69,366	\$ 77,290	\$ 82,957	\$ 88,164	\$ 92,936
Special Funds . . . . .	25,254	28,091	30,528	33,285	35,135	38,112	40,870
Federal Funds . . . . .	4,732	3,417	3,213	3,159	3,203	3,263	3,335
Other Funds . . . . .	3,405	3,867	3,604	2,504	2,672	2,820	2,980
<b>TOTAL . . . . .</b>	<b>\$ 96,156</b>	<b>\$ 94,597</b>	<b>\$ 106,711</b>	<b>\$ 116,238</b>	<b>\$ 123,967</b>	<b>\$ 132,359</b>	<b>\$ 140,121</b>

Recreational and cultural opportunities for our citizens are provided by all levels of government as well as the private sector. State efforts range from actual operation of facilities to offering technical assistance and grants to local governments and public institutions.

Although affected greatly by socioeconomic conditions, the total demand for leisure time activities continues to spiral upward. A strong economy expands the private input since people have sufficient discretionary funds to spend on more sophisticated profit oriented activities. A poor economy puts the emphasis on public activities which are usually more basic and require less expense by the user.

The Land and Water Development Fund continues to be the mainstay of available recreation funds for development of State facilities and grants to local governments. General Fund and other special fund contributions for operating expenses and payments to school districts for recreation services maintain their minimum levels.

Excepting State activities relating to the Commonwealth's heritage, the Commonwealth encourages cultural development through grants to museums, libraries and public television stations which are recommended in amounts designed to allow maintenance of current efforts.

### Contributions by Category and Subcategory

#### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . . . .</b>	<b>\$ 2,017</b>	<b>\$ 2,131</b>	<b>\$ 2,514</b>	<b>\$ 2,634</b>	<b>\$ 2,844</b>	<b>\$ 3,073</b>	<b>\$ 3,323</b>
<b>Recreation . . . . .</b>	<b>\$59,350</b>	<b>\$58,777</b>	<b>\$68,554</b>	<b>\$76,051</b>	<b>\$80,730</b>	<b>\$86,151</b>	<b>\$90,691</b>
Development, Operation and Maintenance of Recreation Areas and Facilities . . . . .	25,541	24,695	28,835	31,755	33,866	35,982	37,877
Recreational Hunting . . . . .	17,187	18,958	21,175	23,273	25,120	27,281	29,146
Recreational Fishing and Boating . . . . .	10,651	10,831	12,331	13,748	14,098	15,115	16,042
Local Recreation Areas and Facilities . . . . .	5,971	4,293	6,213	7,275	7,646	7,773	7,626
<b>Cultural Enrichment . . . . .</b>	<b>\$26,652</b>	<b>\$26,405</b>	<b>\$28,826</b>	<b>\$ 31,890</b>	<b>\$ 34,518</b>	<b>\$ 37,052</b>	<b>\$ 39,792</b>
Development and Promotion of Pennsylvania State and Local History . . . . .	267	290	328	351	379	411	446
Museum Development and Operation . . . . .	4,024	4,203	4,356	4,514	4,727	4,918	5,122
Development and Preservation of Historic Sites and Properties . . . . .	3,901	3,921	4,808	5,368	5,846	6,326	6,779
State Library Services . . . . .	9,971	10,401	11,388	12,539	13,774	15,131	16,632
Development of Artists and Audiences . . . . .	1,488	1,729	1,889	2,078	2,286	2,514	2,766
Public Television Services . . . . .	7,001	5,861	6,057	7,040	7,506	7,752	8,047
<b>Program Total . . . . .</b>	<b>\$88,019</b>	<b>\$87,313</b>	<b>\$99,894</b>	<b>\$110,575</b>	<b>\$118,092</b>	<b>\$126,276</b>	<b>\$133,806</b>

*Robert Morris*

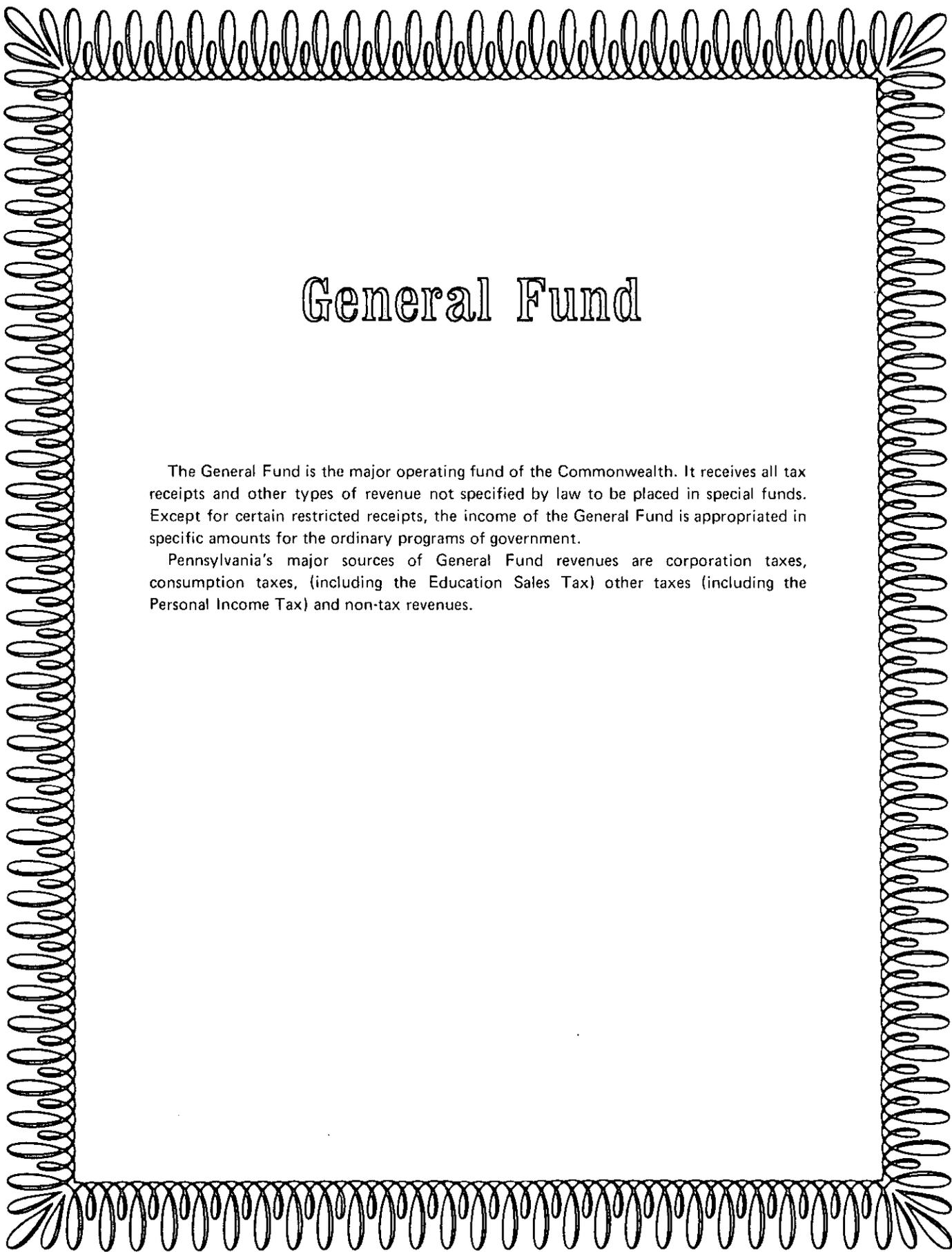
**MERCHANT\*PUBLIC FINANCIER\*SENATOR**

*Richest of the Signers, he also met reverses in later life and was imprisoned for debt. He was called "financier of the Revolution."*

**ROBERT MORRIS** Jan 31, 1734 - May 8, 1806



# SUMMARY BY FUND



# General Fund

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

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

# GENERAL FUND

## Financial Statement

	(Dollar Amounts in Thousands)	
	1975-76	1976-77
<b>Beginning Balance</b> . . . . .	\$ 252,604	\$ 77,484
Plus Adjustment to Reserves . . . . .	4,500*	. . . . .
Less Appropriation Enacted after June 30, 1975 (Act No. 40-A) . . . . .	-125	. . . . .
<b>Adjusted Balance</b> . . . . .	<u>\$ 256,979</u>	<u>\$ 77,484</u>
<b>Revenue:</b>		
Official Estimate . . . . .	\$4,533,363	\$4,917,700
Adjustment to Official Estimate . . . . .	-1,863	. . . . .
Less Refunds . . . . .	-28,000	-20,100
Accrued Revenue Unrealized . . . . .	183,700	200,900
Less Revenues Accrued Previously . . . . .	-110,000	-183,700
Cigarette Tax Increase . . . . .	. . . . .	<u>47,800</u>
<b>Total Revenue</b> . . . . .	<u>\$4,577,200</u>	<u>\$4,962,600</u>
Prior Year Lapses . . . . .	46,000	. . . . .
<b>Funds Available</b> . . . . .	<u>\$4,880,179</u>	<u>\$5,040,084</u>
<b>Expenditures:</b>		
Appropriations . . . . .	\$4,808,109	\$5,039,837
Deficiency and Pending Appropriations . . . . .	39,586	. . . . .
Less Current Year Lapses . . . . .	-45,000	. . . . .
<b>Estimated Expenditures</b> . . . . .	<u>-4,802,695</u>	<u>-5,039,837</u>
<b>Ending Balance</b> . . . . .	<u>\$ 77,484</u>	<u>\$ 247</u>

The General Fund financial statement reflects the continuation of the accrual of the Sales and Use Tax which was first accrued on June 30, 1970, and the accrual of the Personal Income Tax beginning on June 30, 1976. It also reflects a recommended increase in the Cigarette Tax from 18 cents per pack to 23 cents per pack effective July 1, 1976.

\* Reflects the liquidation of a reserve for Bicentennial Mass Transportation Projects in the Department of Transportation.

## NOTES ON FINANCIAL STATEMENT

### Revenue Refunds

	1975-76 Estimated	1976-77 Estimated
<b>Treasury Department</b>		
Corporate Taxes . . . . .	\$ 5,000	\$ 3,000
Other Monies . . . . .	2,500	1,900
<b>Revenue Department</b>		
Education Tax . . . . .	1,800	2,000
Personal Income Tax . . . . .	18,700	13,200
<b>Total Revenue Refunds . . . . .</b>	<u>\$28,000</u>	<u>\$20,100</u>

### Deficiency and Pending Appropriations

<b>Community Affairs</b>		
Flood Plain Management Planning . . . . .	\$ 150	
Economic Study—Flood Plain Management Planning . . . . .	200	
Flood Plain Management Planning Grants . . . . .	3,000	
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$ 3,350</u>	
<b>Education</b>		
Community Colleges . . . . .	\$ 2,045	
<b>Environmental Resources</b>		
Flood Plain Management . . . . .	\$ 450	
Lincoln Utilities . . . . .	384	
Mayview Utilities . . . . .	475	
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$ 1,309</u>	
<b>Justice</b>		
General Government Operations . . . . .	\$ 722	
Office of Drug Law Enforcement . . . . .	80	
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$ 802</u>	
<b>Public Welfare</b>		
Claims Settlement . . . . .	\$ 380	
Public Assistance . . . . .	31,700	
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$32,080</u>	
<b>TOTAL—DEFICIENCY AND PENDING APPROPRIATIONS . . . . .</b>	<u>\$39,586</u>	

**Summary by Department  
State Funds Only**

The following is a summary, by department, of 1974-75 actual expenditures, of 1975-76 amounts available, and of 1976-77 amounts budgeted from the General Fund as presented in the budget. Because certain appropriations may have been funded from the General Fund in one or more of these years and from the Revenue Sharing Trust Fund in other years, the General Fund amounts shown below may not be comparable over the three years.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
Governor's Office . . . . .	\$ 1,777	\$ 2,137	\$ 2,165
Executive Offices . . . . .	10,396	11,949	13,159
Lieutenant Governor's Office . . . . .	209	239	250
Department of the Auditor General . . . . .	11,005	11,289	12,666
Treasury Department . . . . .	115,853	115,655	156,727
Department of Agriculture . . . . .	12,275	13,995	16,621
State Council of Civil Defense . . . . .	403	484	512
State Civil Service Commission . . . . .	1	1	1
Department of Commerce . . . . .	19,623	33,139	17,384
Department of Community Affairs . . . . .	28,217	76,300	9,900
Council on Drug and Alcohol Abuse . . . . .	18,635	19,639	21,993
Department of Education . . . . .	2,300,316	2,455,728	2,498,535
Department of Environmental Resources . . . . .	65,973	72,662	78,610
Fish Commission . . . . .	1	3	3
Department of General Services . . . . .	79,372	81,905	85,022
Department of Health . . . . .	58,556	57,429	61,558
Historical and Museum Commission . . . . .	6,907	7,390	8,142
Insurance Department . . . . .	4,460	4,740	5,309
Department of Justice . . . . .	70,272	77,382	86,659
Department of Labor and Industry . . . . .	24,452	22,657	49,069
Department of Military Affairs . . . . .	8,581	9,211	9,681
Milk Marketing Board . . . . .	700	660	717
Board of Probation and Parole . . . . .	8,182	8,865	11,231
Department of Public Welfare . . . . .	1,241,871	1,499,588	1,627,048
Department of Revenue . . . . .	61,577	67,056	75,138
Securities Commission . . . . .	696	736	762
Department of State . . . . .	4,689	4,834	5,559
State Employees' Retirement System . . . . .	3,306	2,100	2,600
State Police . . . . .	25,284	27,294	32,278
Tax Equalization Board . . . . .	703	752	807
Department of Transportation . . . . .	76,342	81,030	77,333
Legislature . . . . .	31,067	36,944	39,475
Judiciary . . . . .	30,933	43,902	32,923
<b>TOTAL . . . . .</b>	<u><u>\$4,322,634</u></u>	<u><u>\$4,847,695</u></u>	<u><u>\$5,039,837</u></u>

**GENERAL FUND**  
**FEDERAL FUNDS BY DEPARTMENT**

The following is a summary of Federal Funds, by department, of 1974-75 expenditures, the 1975-76 amounts available and the 1976-77 amounts budgeted as presented in the General Fund budget. Excluded are revenue sharing monies which are shown in the special fund—Revenue Sharing Trust Fund.

	1974-75	(Dollar Amounts in Thousands)	
	Actual	1975-76 Available	1976-77 Budget
<b>Federal Funds by Department:</b>			
Executive Offices . . . . .	\$ 4,416	\$ 6,265	\$ 4,849
Department of Agriculture . . . . .	1,009	1,172	896
Council of Civil Defense . . . . .	443	500	442
Civil Service Commission . . . . .	50	106	29
Department of Commerce . . . . .	108	871	198
Department of Community Affairs . . . . .	1,649	3,289	3,864
Council on Drug and Alcohol Abuse . . . . .	2,293	5,284	4,137
Department of Education . . . . .	16,864	17,282	17,247
Department of Environmental Resources . . . . .	5,519	7,083	5,691
Department of Health . . . . .	22,177	23,707	28,418
Historical and Museum Commission . . . . .	91	120	137
Department of Justice . . . . .	7,330	6,884	4,831
Department of Labor and Industry . . . . .	85	106	125
Department of Military Affairs . . . . .	397	300	325
Board of Probation and Parole . . . . .	6,541	6,639	5,396
Department of Public Welfare . . . . .	820,473	949,756	1,054,289
State Police . . . . .	1,137	317	26
Department of Transportation . . . . .	. . . .	306	183
Judiciary . . . . .	234	300	500
<b>TOTAL . . . . .</b>	<b><u>\$890,816</u></b>	<b><u>\$1,030,287</u></b>	<b><u>\$1,131,583</u></b>

## GENERAL FUND

### Summary by Department and Appropriation

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Governor's Office</b>			
<b>General Government</b>			
Governor's Office . . . . .	\$ 1,777	\$ 1,887	\$ 2,165
Bicentennial Year—National Governors' Conference . . . . .	. . . . .	250	. . . . .
<b>DEPARTMENT TOTAL . . . . .</b>	<u><u>\$ 1,777</u></u>	<u><u>\$ 2,137</u></u>	<u><u>\$ 2,165</u></u>
<b>Executive Offices</b>			
<b>General Government</b>			
Office for Human Resources . . . . .	\$ 146	\$ 145	\$ 166
Office of Administration . . . . .	3,344	3,562	3,821
Office of State Planning and Development . . . . .	1,045	1,098	1,254
Office of the Budget . . . . .	1,283	1,365	1,470
Bicentennial Year—National Budget Conference . . . . .	. . . . .	25	. . . . .
Human Relations Commission . . . . .	2,893	3,545	3,900
Council on the Arts . . . . .	1,488	1,729	1,889
Pennsylvania Commission for Women . . . . .	97	125	180
Governor's Energy Council . . . . .	100	280	404
Delaware Valley Regional Planning Commission . . . . .	. . . . .	75	75
<b>Total State Funds . . . . .</b>	<u><u>\$ 10,396</u></u>	<u><u>\$ 11,949</u></u>	<u><u>\$ 13,159</u></u>
Federal Funds . . . . .	\$ 4,416	\$ 6,265	\$ 4,849
Other Funds . . . . .	6,566	8,530	9,220
<b>DEPARTMENT TOTAL . . . . .</b>	<u><u>\$ 21,378</u></u>	<u><u>\$ 26,744</u></u>	<u><u>\$ 27,228</u></u>

**GENERAL FUND**

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

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Office of the Lieutenant Governor</b>			
<b>General Government</b>			
Lieutenant Governor's Office .....	\$ 209	\$ 238	\$ 250
Portrait of Lieutenant Governor .....	.....	1	.....
<b>DEPARTMENT TOTAL .....</b>	<u><u>\$ 209</u></u>	<u><u>\$ 239</u></u>	<u><u>\$ 250</u></u>
<b>Department of the Auditor General</b>			
<b>General Government</b>			
Auditor General's Office .....	\$ 8,533	\$ 8,722	\$ 9,971
Public Assistance Audits .....	2,299	2,327	2,465
Board of Arbitration of Claims .....	153	220	230
<b>Sub-Total .....</b>	<u><u>\$ 10,985</u></u>	<u><u>\$ 11,269</u></u>	<u><u>\$ 12,666</u></u>
<b>Grants and Subsidies</b>			
National Guard Pension .....	\$ 20	\$ 20	.....
<b>Total State Funds .....</b>	<u><u>\$ 11,005</u></u>	<u><u>\$ 11,289</u></u>	<u><u>\$ 12,666</u></u>
Other Funds .....	\$ 1,092	\$ 2,603	\$ 2,578
<b>DEPARTMENT TOTAL .....</b>	<u><u>\$ 12,097</u></u>	<u><u>\$ 13,892</u></u>	<u><u>\$ 15,244</u></u>

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Treasury Department</b>			
<b>General Government</b>			
State Treasurer's Office . . . . .	\$ 3,449	\$ 3,809	\$ 4,377
Public Assistance Disbursements . . . . .	1,866	2,259	2,415
Board of Finance and Revenue . . . . .	295	320	517
Commission on Interstate Cooperation . . . . .	30	30	30
Council on State Government . . . . .	73	128	74
Great Lakes Commission . . . . .	15	15	16
Replacement Checks . . . . .	30	70	70
Sub-Total . . . . .	<u>\$ 5,758</u>	<u>\$ 6,631</u>	<u>\$ 7,499</u>
<b>Debt Service Requirements</b>			
Interest Obligations—Penn State University . . . . .	\$ 15	\$ 15	\$ 15
Publishing Monthly Statements . . . . .	15	17	17
Loan and Transfer Agent . . . . .	60	70	80
Interest—Tax Notes . . . . .	. . . .	14,442	14,667
Tax Note Expenses . . . . .	80	80	100
Sinking Funds:			
Public Buildings . . . . .	2,070	2,041	1,619
Project 70 . . . . .	6,389	4,986	5,586
Land and Water Development . . . . .	18,379	10,847	23,943
Capital Debt . . . . .	69,608	65,296	87,776
Vietnam Veterans' Compensation . . . . .	4,841	4,662	4,261
Disaster Relief . . . . .	8,538	4,343	9,006
Nursing Home Loan . . . . .	. . . .	2,125	1,718
Volunteer Fire and Rescue Loan . . . . .	. . . .	. . . .	340
Sub-Total . . . . .	<u>\$ 109,995</u>	<u>\$ 108,924</u>	<u>\$ 149,128</u>
<b>Grants and Subsidies</b>			
Capitol Fire Protection . . . . .	\$ 100	\$ 100	\$ 100
Total State Funds . . . . .	<u>\$ 115,853</u>	<u>\$ 115,655</u>	<u>\$ 156,727</u>
Other Funds . . . . .	\$ 287	\$ 328	\$ 389
DEPARTMENT TOTAL . . . . .	<u>\$ 116,140</u>	<u>\$ 115,983</u>	<u>\$ 157,116</u>

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Department of Agriculture</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 11,321	\$ 12,615	\$ 15,090
Pesticide Control . . . . .	179	. . . . .	. . . . .
Sub-Total . . . . .	<u>\$ 11,500</u>	<u>\$ 12,615</u>	<u>\$ 15,090</u>
<b>Grants and Subsidies</b>			
Animal Indemnities . . . . .	\$ 200	\$ 610	\$ 570
Reimbursement for Kennel Construction . . . . .	50	50	50
Control of Stem Rust . . . . .	20	20	20
Transfer to State Farm Products			
Show Fund . . . . .	300	525	700
Livestock Show . . . . .	60	60	60
Open Dairy Show . . . . .	60	60	60
Junior Dairy Show . . . . .	25	25	25
4-H Club Shows . . . . .	. . . . .	30	. . . . .
Sub-Total . . . . .	<u>\$ 715</u>	<u>\$ 1,380</u>	<u>\$ 1,485</u>
<b>Capital Improvements</b>			
Capital Improvements . . . . .	\$ 60	. . . . .	\$ 46
Sub-Total . . . . .	<u>\$ 60</u>	<u>. . . . .</u>	<u>\$ 46</u>
<b>Total State Funds</b> . . . . .	<u>\$ 12,275</u>	<u>\$ 13,995</u>	<u>\$ 16,621</u>
Federal Funds . . . . .	\$ 1,009	\$ 1,172	\$ 896
Other Funds . . . . .	814	594	414
DEPARTMENT TOTAL . . . . .	<u>\$ 14,098</u>	<u>\$ 15,761</u>	<u>\$ 17,931</u>
<b>Council of Civil Defense</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 403	\$ 409	\$ 512
<b>Grants and Subsidies</b>			
Emergency Flood Relief - 1975 . . . . .	. . . . .	\$ 75	. . . . .
<b>Total State Funds</b> . . . . .	<u>\$ 403</u>	<u>\$ 484</u>	<u>\$ 512</u>
Federal Funds . . . . .	\$ 443	\$ 500	\$ 442
DEPARTMENT TOTAL . . . . .	<u>\$ 846</u>	<u>\$ 984</u>	<u>\$ 954</u>

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Civil Service Commission</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 1	\$ 1	\$ 1
<b>Total State Funds</b> . . . . .	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
Federal Funds . . . . .	\$ 50	\$ 106	\$ 29
Other Funds . . . . .	4,018	4,186	4,763
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$ 4,069</u>	<u>\$ 4,293</u>	<u>\$ 4,793</u>
<b>Department of Commerce</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 4,545	\$ 4,569	\$ 4,759
<b>Grants and Subsidies</b>			
Industrial Development Assistance . . . . .	\$ 500	\$ 500	\$ 500
Pennsylvania Industrial Development Authority . . . . .	3,000	. . . . .	. . . . .
Site Development . . . . .	1,000	1,000	1,000
Local Development District Grants . . . . .	100	100	100
Appalachian Regional Commission . . . . .	328	363	373
Nursing Home Loans—Administration . . . . .	500	. . . . .	. . . . .
Minority Business Development Authority . . . . .	2,000	2,000	2,000
Tourist Promotion Assistance . . . . .	1,500	1,500	750
Pennsylvania Bicentennial Commission . . . . .	5,000	10,005	1,750
Distinguished Daughters . . . . .	1	2	2
Pennsylvania Science and Engineering Foundation . . . . .	999	950	1,000
Technical Assistance . . . . .	150	150	150
Community Facilities . . . . .	. . . . .	2,000	. . . . .
Bicentennial Municipal Grants . . . . .	. . . . .	10,000	5,000
<b>Sub-Total</b> . . . . .	<u>\$ 15,078</u>	<u>\$ 28,570</u>	<u>\$ 12,625</u>
<b>Total State Funds</b> . . . . .	<u>\$ 19,623</u>	<u>\$ 33,139</u>	<u>\$ 17,384</u>
Federal Funds . . . . .	\$ 108	\$ 871	\$ 198
Other Funds . . . . .	136	3,396	1,112
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$ 19,867</u>	<u>\$ 37,406</u>	<u>\$ 18,694</u>

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Department of Community Affairs</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 4,805	\$ 5,175	\$ 6,575
Fuel Allocation . . . . .	463	. . . . .	. . . . .
Flood Plain Management Planning . . . . .	. . . . .	150	. . . . .
Flood Plain Management—Economic Study . . . . .	. . . . .	200	. . . . .
Sub-Total . . . . .	<u>\$ 5,268</u>	<u>\$ 5,525</u>	<u>\$ 6,575</u>
<b>Grants and Subsidies</b>			
Employment Assistance . . . . .	\$ 1,750	\$ 1,750	\$ 1,750
Economic Opportunity Assistance . . . . .	1,299	1,300	1,300
Redevelopment Assistance . . . . .	19,650	2,850	. . . . .
Transfer to Pennsylvania Housing Finance Agency . . . . .	. . . . .	61,600	. . . . .
Regional Councils . . . . .	50	75	75
Planning Assistance . . . . .	200	200	200
Flood Plain Management Planning Grants . . . . .	. . . . .	3,000	. . . . .
Sub-Total . . . . .	<u>\$ 22,949</u>	<u>\$ 70,775</u>	<u>\$ 3,325</u>
<b>Total State Funds . . . . .</b>	<u><b>\$ 28,217</b></u>	<u><b>\$ 76,300</b></u>	<u><b>\$ 9,900</b></u>
Federal Funds . . . . .	\$ 1,649	\$ 3,289	\$ 3,864
Other Funds . . . . .	1,533	1,582	1,080
DEPARTMENT TOTAL . . . . .	<u><b>\$ 31,399</b></u>	<u><b>\$ 81,171</b></u>	<u><b>\$ 14,844</b></u>
<b>Council on Drug and Alcohol Abuse</b>			
<b>General Government</b>			
Council on Drug and Alcohol Abuse . . . . .	\$ 18,635	\$ 2,455	\$ 3,041
Assistance to Drug and Alcohol Treatment Programs . . . . .	. . . . .	17,184	18,952
Total State Funds . . . . .	<u><b>\$ 18,635</b></u>	<u><b>\$ 19,639</b></u>	<u><b>\$ 21,993</b></u>
Federal Funds . . . . .	\$ 2,293	\$ 5,284	\$ 4,137
DEPARTMENT TOTAL . . . . .	<u><b>\$ 20,928</b></u>	<u><b>\$ 24,923</b></u>	<u><b>\$ 26,130</b></u>

**GENERAL FUND**

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

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Department of Education</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 12,060	\$ 12,490	\$ 13,944
State Library . . . . .	1,270	1,373	1,634
Pennsylvania Public Television Network— Operations . . . . .	4,101	4,161	4,357
Pennsylvania Public Television Network— Program Services . . . . .	2,900	1,700	1,700
Total—General Government . . . . .	<u>\$ 20,331</u>	<u>\$ 19,724</u>	<u>\$ 21,635</u>
<b>Debt Service Requirements</b>			
General State Authority Rentals—State-aided Institutions . . . . .	<u>\$ 4,114</u>	<u>\$ 4,486</u>	<u>\$ 4,254</u>
<b>Institutional</b>			
State Colleges and University . . . . .	\$ 139,221	\$ 159,240	\$ 169,491
Pennsylvania State Oral School . . . . .	1,327	1,570	1,747
Scotland School for Veterans' Children . . . . .	3,440	3,696	4,052
Thaddeus Stevens Trade School . . . . .	1,492	1,745	1,870
Total—Institutional . . . . .	<u>\$ 145,480</u>	<u>\$ 166,251</u>	<u>\$ 177,160</u>
<b>Grants and Subsidies</b>			
<b>Support of Public Schools</b>			
Basic Instruction Subsidy and Vocational Education . . . . .	\$1,218,766	\$1,300,372	\$1,270,225
Authority Rentals and Sinking Fund Requirements . . . . .	149,422	137,877	142,000
Pupil Transportation . . . . .	61,503	60,500	68,505
Special Education . . . . .	68,572	78,000	88,250
Homebound Instruction . . . . .	467	500	500
Tuition for Orphans and Children Placed in Private Homes . . . . .	6,879	9,000	10,000
Payments in Lieu of Taxes . . . . .	29	35	40
Education of Migrant Laborers' Children . . . . .	36	36	72
Education of the Disadvantaged . . . . .	1,000	1,000	1,000
Special Education—Approved Private Schools . . . . .	19,001	23,700	27,815
Higher Education of Blind or Deaf Students . . . . .	35	35	35
Intermediate Units . . . . .	6,588	6,917	7,333
School Food Services . . . . .	4,160	5,760	6,240
School Employees' Social Security . . . . .	53,200	51,600	64,000
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts . . . . .	122,611	143,356	152,000
Former Teachers' Account . . . . .	10	11	10
Youth Development Centers—Education . . . . .	2,464	3,306	3,445
State Schools and Hospitals—Education . . . . .	4,439	7,074	7,350
Freedom Area School District . . . . .	. . . . .	100	. . . . .
Sub-Total—Support of Public Schools . . . . .	<u>\$1,719,182</u>	<u>\$1,829,179</u>	<u>\$1,848,820</u>

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	1974-75	(Dollar Amounts in Thousands)	1976-77
	Actual	1975-76 Available	Budget
<b>Department of Education (continued)</b>			
<b>Grants and Subsidies (continued)</b>			
<b>Other Grants and Subsidies</b>			
Services to Nonpublic Schools . . . . .	\$ 15,633	\$ 19,547	\$ 19,341
Textbooks for Nonpublic Schools . . . . .	. . . . .	8,695	8,596
Equipment and Material Grants for Nonpublic Schools . . . . .	16,996	. . . . .	. . . . .
Student Supplies for Nonpublic Schools . . . . .	. . . . .	2,172	2,149
Improvement of Library Services . . . . .	7,934	8,222	8,896
Library Services for Blind and Handicapped . . . . .	767	806	858
Educational Radio and Television Grants . . . . .	850	780	780
Regional Educational Broadcasting Councils . . . . .	175	175	175
Correctional Institutions—Education . . . . .	748	2,000	2,180
Community Learning . . . . .	. . . . .	. . . . .	1,000
Community Colleges—Operating . . . . .	25,381	. . . . .	. . . . .
Community Colleges—Capital . . . . .	10,870	. . . . .	. . . . .
Community Colleges—Capital and Operating . . . . .	. . . . .	39,045	44,892
Higher Education of the Disadvantaged . . . . .	2,996	3,184	3,350
Adult and Career Education . . . . .	. . . . .	. . . . .	650
Ethnic Heritage Studies . . . . .	50	50	50
Higher Education Regionalization . . . . .	. . . . .	. . . . .	250
Transfers to Higher Education Assistance Agency			
Scholarships . . . . .	68,440	68,440	68,440
Reserve for Losses on Guaranteed Loans . . . . .	2,800	3,200	3,200
Student Aid Funds—Matching . . . . .	1,500	1,500	1,500
Administration—Loans and Scholarships . . . . .	3,400	3,650	4,160
Institutional Assistance Grants . . . . .	12,000	12,000	6,000
Sub-Total—Other Grants and Subsidies . . . . .	<u>\$ 170,540</u>	<u>\$ 173,466</u>	<u>\$ 176,467</u>
<b>State-Related Universities</b>			
Pennsylvania State University— Educational and General . . . . .	. . . . .	\$ 71,593	\$ 74,457
Pennsylvania State University— Instruction . . . . .	\$ 63,189	. . . . .	. . . . .
Pennsylvania State University Student Aid . . . . .	1,760	1,760	1,760
Pennsylvania State University Research . . . . .	17,064	17,064	17,747
Pennsylvania State University Extension and Public Services . . . . .	9,626	9,626	10,011
Pennsylvania State University— Medical Programs . . . . .	2,493	2,665	2,755
Sub-Total Penn State University . . . . .	<u>\$ 94,132</u>	<u>\$ 102,708</u>	<u>\$ 106,730</u>

GENERAL FUND

Summary by Department and Appropriation  
(continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Department of Education (continued)</b>			
<b>Grants and Subsidies (continued)</b>			
University of Pittsburgh—Educational and General . . . . .		\$ 50,825	\$ 52,858
University of Pittsburgh—Instruction . . . . .	\$ 44,859		
University of Pittsburgh—Student Aid . . . . .	2,960	2,960	2,960
University of Pittsburgh—Medical Programs . . . . .	3,971	3,986	4,068
University of Pittsburgh—Dental Clinics . . . . .		500	
Sub-Total University of Pittsburgh . . . . .	<u>\$ 51,790</u>	<u>\$ 58,271</u>	<u>\$ 59,886</u>
Temple University—Educational and General . . . . .		\$ 54,795	\$ 56,987
Temple University—Instruction . . . . .	\$ 48,364		
Temple University—Student Aid . . . . .	3,018	3,018	3,018
Temple University—Extension and Public Services . . . . .	53		
Temple University—Medical Programs . . . . .	5,360	5,375	5,420
Temple University—General Institutional Aid . . . . .	2,500		
Temple University—Dental Clinics . . . . .		500	
Sub-Total Temple University . . . . .	<u>\$ 59,295</u>	<u>\$ 63,688</u>	<u>\$ 65,425</u>
Lincoln University—Educational and General . . . . .		\$ 2,428	\$ 2,525
Lincoln University—Instruction . . . . .	\$ 2,124		
Lincoln University—Advanced Institution Development . . . . .		250	250
Lincoln University—Accreditation Improvement . . . . .		100	200
Sub-Total Lincoln University . . . . .	<u>\$ 2,124</u>	<u>\$ 2,778</u>	<u>\$ 2,975</u>
<b>Non-State-Related Universities and Colleges</b>			
Delaware Valley College of Science and Agriculture . . . . .	\$ 185	\$ 185	\$ 185
Dickinson Law School . . . . .	99	99	99
Drexel University . . . . .	2,219	3,018	3,018
Drexel University—Student Aid . . . . .	799		
Hahnemann Medical College— Medical Programs . . . . .	2,781	2,983	3,436
Hahnemann Medical College—Allied Health Programs . . . . .	209	433	209
Thomas Jefferson University—Medical Programs . . . . .	3,876	3,938	3,969
Thomas Jefferson University Allied Health Programs . . . . .	362	750	750
The Medical College of Pennsylvania . . . . .	1,562	1,658	1,795
University of Pennsylvania—Instruction . . . . .	6,727	7,063	7,063
University of Pennsylvania—Dental Clinics . . . . .		500	
University of Pennsylvania—Medical Programs . . . . .	2,904	2,882	2,882
University of Pennsylvania—School of Veterinary Medicine . . . . .	1,973	2,072	2,072

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Department of Education (continued)</b>			
<b>Grants and Subsidies (continued)</b>			
University of Pennsylvania—Student Aid . . . . .	\$ 3,374	\$ 3,374	\$ 3,374
Pennsylvania College of Podiatric Medicine . . . . .	360	660	660
Pennsylvania College of Optometry . . . . .	99	220	220
Philadelphia College of Art—Instruction . . . . .	252	252	352
Philadelphia College of Art—Student Aid . . . . .	100	100	. . . .
Philadelphia College of Osteopathic Medicine . . . . .	3,331	3,511	3,577
Philadelphia College of Textiles and Science . . . . .	250	250	250
Philadelphia Musical Academy . . . . .	125	75	. . . .
Sub-Total Non-State-Related Universities and Colleges . . . . .	<u>\$ 31,587</u>	<u>\$ 34,023</u>	<u>\$ 33,911</u>
<b>Non-State-Related Institutions</b>			
Berean Training and Industrial School . . . . .	\$ 413	\$ 434	\$ 434
Downingtown Industrial and Agricultural School . . . . .	518	544	544
Johnson School of Technology . . . . .	70	74	74
Williamson Free School of Mechanical Trades . . . . .	49	52	52
Sub-Total Non-State-Related Institutions . . . . .	<u>\$ 1,050</u>	<u>\$ 1,104</u>	<u>\$ 1,104</u>
Total—Grants and Subsidies . . . . .	<u>\$2,129,700</u>	<u>\$2,265,217</u>	<u>\$2,295,318</u>
<b>Capital Improvements</b>			
Capital Improvements . . . . .	\$ 691	\$ 50	\$ 168
<b>Total State Funds . . . . .</b>	<u>\$2,300,316</u>	<u>\$2,455,728</u>	<u>\$2,498,535</u>
Federal Funds . . . . .	\$ 16,864	\$ 17,282	\$ 17,247
Other Funds . . . . .	90,320	98,234	99,770
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$2,407,500</u>	<u>\$2,571,244</u>	<u>\$2,615,552</u>

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Department of Environmental Resources</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 59,597	\$ 62,024	\$ 73,896
Gypsy Moth Operations and Other			
Insect Control . . . . .	310	. . . . .	. . . . .
Insect Control . . . . .	371	. . . . .	400
Hemlock Looper Moth Control . . . . .	50	. . . . .	. . . . .
Training and Certification of Sewage			
Enforcement Officers . . . . .	212	. . . . .	. . . . .
Schuylkill River Dredging . . . . .	329	. . . . .	. . . . .
Solid Waste — Resource Recovery			
Administration . . . . .	100	. . . . .	. . . . .
Control of Forest Fires . . . . .	98	100	100
Emergency Flood Relief — 1975 . . . . .	. . . . .	250	. . . . .
Deep Mine Safety Inspections . . . . .	. . . . .	1,900	. . . . .
Flood Plain Management . . . . .	. . . . .	450	. . . . .
	<u>        </u>	<u>        </u>	<u>        </u>
Sub-Total . . . . .	<u>\$ 61,067</u>	<u>\$ 64,724</u>	<u>\$ 74,396</u>
<b>Grants and Subsidies</b>			
Flood Control Projects . . . . .	\$ 780	\$ 975	\$ 745
Flood Emergency Rehabilitation . . . . .	447	. . . . .	. . . . .
Sewage Facilities Planning Grants . . . . .	250	250	250
Sewage Facilities Enforcement Grants . . . . .	448	600	600
Solid Waste Disposal Planning Grants . . . . .	125	150	150
Solid Waste — Demonstration Grants . . . . .	. . . . .	2,500	. . . . .
Great Lakes Basin Commission . . . . .	30	15	15
Delaware River Master . . . . .	22	22	36
Ohio River Basin Commission . . . . .	26	29	30
Susquehanna River Basin Commission . . . . .	150	150	150
Potomac River Basin Advisory Committee . . . . .	8	8	8
Interstate Commission on the Potomac			
River Basin . . . . .	16	16	16
Delaware River Basin Commission . . . . .	411	408	391
Ohio River Valley Water Sanitation			
Commission . . . . .	32	55	55
Small Watershed Projects . . . . .	75	75	75
Local Soil and Water District Assistance . . . . .	75	100	100
Interstate Mining Commission . . . . .	10	10	10
Emergency Mine Subsidence Relief . . . . .	23	. . . . .	. . . . .
Annual Fixed Charges—Flood Lands . . . . .	7	9	9
Annual Fixed Charges—Project 70 . . . . .	242	225	275
Annual Fixed Charges—Forest Lands . . . . .	396	399	399
East Stroudsburg Utilities . . . . .	399	. . . . .	. . . . .
Lock Haven Utilities . . . . .	184	. . . . .	. . . . .
Loysville Utilities . . . . .	85	. . . . .	. . . . .
Lincoln Utilities . . . . .	. . . . .	384	. . . . .
Mayview Utilities . . . . .	. . . . .	475	. . . . .
Pymatuning Utilities . . . . .	. . . . .	. . . . .	400
Vector Control . . . . .	500	500	500
McKeever Environmental Learning Center . . . . .	165	165	. . . . .
	<u>        </u>	<u>        </u>	<u>        </u>
Sub-Total . . . . .	<u>\$ 4,906</u>	<u>\$ 7,520</u>	<u>\$ 4,214</u>

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Department of Environmental Resources (continued)</b>			
<b>Capital Improvements</b>			
Capital Improvements . . . . .	. . . . .	\$ 168	. . . . .
Presque Isle State Park — Storm Damage Repair . . . . .	. . . . .	250	. . . . .
Sub-Total . . . . .	. . . . .	\$ 418	. . . . .
<b>Total State Funds . . . . .</b>	<b>\$ 65,973</b>	<b>\$ 72,662</b>	<b>\$ 78,610</b>
Federal Funds . . . . .	\$ 5,519	\$ 7,083	\$ 5,691
Other Funds . . . . .	801	490	448
<b>DEPARTMENT TOTAL . . . . .</b>	<b>\$ 72,293</b>	<b>\$ 80,235</b>	<b>\$ 84,749</b>
 <b>Fish Commission</b>			
<b>General Government</b>			
Atlantic States Marine Fisheries Commission . . . . .	\$ 1	\$ 3	\$ 3
<b>DEPARTMENT TOTAL . . . . .</b>	<b>\$ 1</b>	<b>\$ 3</b>	<b>\$ 3</b>
 <b>Department of General Services</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 23,556	\$ 25,455	\$ 30,377
Printing and Distribution of the Pennsylvania Manual . . . . .	140	. . . . .	145
Louis I. Kahn Papers . . . . .	. . . . .	450	. . . . .
Sub-Total . . . . .	\$ 23,696	\$ 25,905	\$ 30,522
<b>Debt Service Requirements</b>			
General State Authority Rentals . . . . .	\$ 55,676	\$ 56,000	\$ 54,500
<b>Total State Funds . . . . .</b>	<b>\$ 79,372</b>	<b>\$ 81,905</b>	<b>\$ 85,022</b>
Other Funds . . . . .	\$ 7,073	\$ 17,699	\$ 22,831
<b>DEPARTMENT TOTAL . . . . .</b>	<b>\$ 86,445</b>	<b>\$ 99,604</b>	<b>\$ 107,853</b>

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Department of Health</b>			
<b>General Governments</b>			
General Government Operations . . . . .	\$ 27,887	\$ 29,007	\$ 31,792
Emergency Health Services . . . . .	. . . . .	1,200	. . . . .
Maternal and Child Health . . . . .	. . . . .	550	. . . . .
Cancer Research . . . . .	. . . . .	. . . . .	500
Emergency Flood Relief — 1975 . . . . .	. . . . .	200	. . . . .
Hemophilia Treatment . . . . .	1,534	. . . . .	1,190
Sickle Cell Anemia . . . . .	532	. . . . .	543
Cooley's Anemia . . . . .	. . . . .	120	. . . . .
Renal Disease . . . . .	. . . . .	. . . . .	2,662
Vital Statistics Modernization . . . . .	45	. . . . .	. . . . .
Sub-Total . . . . .	<u>\$ 29,998</u>	<u>\$ 31,077</u>	<u>\$ 36,687</u>
<b>Institutional</b>			
Health Rehabilitation Services . . . . .	\$ 6,574	\$ 4,267	\$ 4,767
<b>Grants and Subsidies</b>			
School Health Examinations . . . . .	\$ 14,091	\$ 12,570	\$ 11,960
Local Health Departments . . . . .	6,895	6,812	7,146
Local Health Departments—Environmental . . . . .	. . . . .	1,700	. . . . .
The Institute for Cancer Research . . . . .	418	418	418
The Wistar Institute—Research . . . . .	200	200	200
Lankenau Hospital—Research . . . . .	75	75	75
Cardio-Vascular Studies—Philadelphia			
General Hospital . . . . .	60	60	60
Cardio-Vascular Studies—St. Francis			
Hospital, Pittsburgh . . . . .	60	60	60
Neurological Diseases—Inglis House,			
Philadelphia . . . . .	25	30	25
Cerebral Palsy—St. Christopher's Hospital . . . . .	75	75	75
Cerebral Dysfunction—Children's Hospital,			
Pittsburgh . . . . .	25	25	25
Cleft Palate Clinic—Lancaster . . . . .	30	30	30
Cleft Palate Clinic—Pittsburgh . . . . .	30	30	30
Sub-Total . . . . .	<u>\$ 21,984</u>	<u>\$ 22,085</u>	<u>\$ 20,104</u>
<b>Total State Funds . . . . .</b>	<u><u>\$ 58,556</u></u>	<u><u>\$ 57,429</u></u>	<u><u>\$ 61,558</u></u>
Federal Funds . . . . .	\$ 22,177	\$ 23,707	\$ 28,418
Other Funds . . . . .	610	573	622
DEPARTMENT TOTAL . . . . .	<u><u>\$ 81,343</u></u>	<u><u>\$ 81,709</u></u>	<u><u>\$ 90,598</u></u>

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available		1976-77 Budget
<b>Historical and Museum Commission</b>				
<b>General Government</b>				
General Government Operations . . . . .	\$ 4,601	\$ 4,995		\$ 5,664
Valley Forge State Park . . . . .	572	618		703
Washington Crossing State Park . . . . .	445	474		542
Brandywine Battlefield Park Commission . . . . .	91	93		112
Sub-Total . . . . .	<u>\$ 5,709</u>	<u>\$ 6,180</u>		<u>\$ 7,021</u>
<b>Grants and Subsidies</b>				
University of Pennsylvania Museum . . . . .	\$ 100	\$ 100		\$ 100
Carnegie Museum . . . . .	100	100		100
The Franklin Institute . . . . .	300	300		300
Pennsylvania Academy of the Fine Arts . . . . .	3	3		3
Academy of Natural Sciences of Philadelphia . . . . .	77	225		225
Museum of the Philadelphia Civic Center . . . . .	150	150		150
Buhl Planetarium and Institute of Popular Science . . . . .	50	100		100
Philadelphia Museum of Art . . . . .	100	100		100
Public Museum of Reading . . . . .	100	. . . . .		. . . . .
Sub-Total . . . . .	<u>\$ 980</u>	<u>\$ 1,078</u>		<u>\$ 1,078</u>
<b>Capital Improvements</b>				
Capital Improvements . . . . .	\$ 218	\$ 132		\$ 43
Total State Funds . . . . .	<u>\$ 6,907</u>	<u>\$ 7,390</u>		<u>\$ 8,142</u>
Federal Funds . . . . .	\$ 91	\$ 120		\$ 137
Other Funds . . . . .	92	46		59
DEPARTMENT TOTAL . . . . .	<u>\$ 7,090</u>	<u>\$ 7,556</u>		<u>\$ 8,338</u>
<b>Insurance Department</b>				
<b>General Government</b>				
General Government Operations . . . . .	\$ 4,460	\$ 4,740		\$ 5,309
Total State Funds . . . . .	<u>\$ 4,460</u>	<u>\$ 4,740</u>		<u>\$ 5,309</u>
Other Funds . . . . .	\$ 72	\$ 66		\$ 100
DEPARTMENT TOTAL . . . . .	<u>\$ 4,532</u>	<u>\$ 4,806</u>		<u>\$ 5,409</u>

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Department of Justice</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 6,715	\$ 7,554	\$ 8,645
Office of Drug Law Enforcement . . . . .	2,789	2,965	3,571
Pennsylvania Crime Commission . . . . .	241	245	331
Juvenile Court Judges Commission . . . . .	164	189	2,209
Sub-Total . . . . .	<u>\$ 9,909</u>	<u>\$ 10,953</u>	<u>\$ 12,756</u>
<b>Institutional</b>			
State Correctional Institutions . . . . .	\$ 57,483	\$ 63,686	\$ 71,073
<b>Grants and Subsidies</b>			
Improvement of County Juvenile			
Probation Services . . . . .	\$ 1,320	\$ 1,452	\$ 1,568
Aid to Local Law Enforcement . . . . .	1,150	1,110	1,110
Yablonski Trials . . . . .	410	. . . .	. . . .
Sub-Total . . . . .	<u>\$ 2,880</u>	<u>\$ 2,562</u>	<u>\$ 2,678</u>
<b>Capital Improvements</b>			
Capital Improvements . . . . .	. . . .	\$ 181	\$ 152
Sub-Total . . . . .	<u>\$ 70,272</u>	<u>\$ 77,382</u>	<u>\$ 86,659</u>
<b>Total State Funds</b>			
Federal Funds . . . . .	\$ 7,330	\$ 6,884	\$ 4,831
Other Funds . . . . .	408	1,154	1,354
DEPARTMENT TOTAL . . . . .	<u>\$ 78,010</u>	<u>\$ 85,420</u>	<u>\$ 92,844</u>
<b>Department of Labor and Industry</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 13,716	\$ 10,324	\$ 11,589
Fire and Panic Regulation Enforcement . . . . .	375	. . . .	. . . .
Additional Labor Mediators . . . . .	123	. . . .	. . . .
Sub-Total . . . . .	<u>\$ 14,214</u>	<u>\$ 10,324</u>	<u>\$ 11,589</u>
<b>Grants and Subsidies</b>			
Occupational Disease Payments . . . . .	\$ 2,099	. . . .	\$ 28,000
Work Incentive . . . . .	250	\$ 125	\$ 250
Transfer to Vocational Rehabilitation Fund . . . . .	7,889	8,708	9,230
Workmen's Compensation Payments . . . . .	. . . .	3,500	. . . .
Sub-Total . . . . .	<u>\$ 10,238</u>	<u>\$ 12,333</u>	<u>\$ 37,480</u>
Sub-Total . . . . .	<u>\$ 24,452</u>	<u>\$ 22,657</u>	<u>\$ 49,069</u>
<b>Total State Funds</b>			
Federal Funds . . . . .	\$ 85	\$ 106	\$ 125
Other Funds . . . . .	792	1,261	1,319
DEPARTMENT TOTAL . . . . .	<u>\$ 25,329</u>	<u>\$ 24,024</u>	<u>\$ 50,513</u>

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Department of Military Affairs</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 6,957	\$ 7,267	\$ 7,896
Emergency Flood Relief, 1975 . . . . .	. . . . .	425	. . . . .
Emergency Snow Removal . . . . .	70	. . . . .	. . . . .
Sub-Total . . . . .	<u>\$ 7,027</u>	<u>\$ 7,692</u>	<u>\$ 7,896</u>
<b>Institutional</b>			
Soldiers and Sailors Home . . . . .	\$ 622	\$ 724	\$ 851
<b>Grants and Subsidies</b>			
Education of Veterans Children . . . . .	\$ 56	\$ 65	\$ 75
Veterans Assistance . . . . .	700	650	700
Blind Veterans Pension . . . . .	77	80	80
National Guard Pension . . . . .	. . . . .	. . . . .	10
Sub-Total . . . . .	<u>\$ 833</u>	<u>\$ 795</u>	<u>\$ 865</u>
<b>Capital Improvements</b>			
Capital Improvements . . . . .	\$ 99	. . . . .	\$ 69
Total State Funds . . . . .	<u>\$ 8,581</u>	<u>\$ 9,211</u>	<u>\$ 9,681</u>
Federal Funds . . . . .	\$ 397	\$ 300	\$ 325
Other Funds . . . . .	105	130	145
DEPARTMENT TOTAL . . . . .	<u>\$ 9,083</u>	<u>\$ 9,641</u>	<u>\$ 10,151</u>
<b>Milk Marketing Board</b>			
<b>Grants and Subsidies</b>			
Transfer to Milk Marketing Board . . . . .	\$ 700	\$ 660	\$ 717
DEPARTMENT TOTAL . . . . .	<u>\$ 700</u>	<u>\$ 660</u>	<u>\$ 717</u>

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Board of Probation and Parole</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 6,773	\$ 7,339	\$ 9,552
<b>Grants and Subsidies</b>			
Improvement of Adult Probation Services . . . . .	\$ 1,409	\$ 1,526	\$ 1,679
<b>Total State Funds</b> . . . . .	<u>\$ 8,182</u>	<u>\$ 8,865</u>	<u>\$ 11,231</u>
Federal Funds . . . . .	\$ 6,541	\$ 6,639	\$ 5,396
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$ 14,723</u>	<u>\$ 15,504</u>	<u>\$ 16,627</u>
<b>Public Utility Commission (Restricted Revenue Account)</b>			
<b>General Government</b>			
<b>Executive Authorization</b>			
General Government Operations * . . . . .	\$ 7,959	\$ 9,385	\$ 10,261 <sup>X</sup>
<b>Department of Public Welfare</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 16,942	\$ 17,215	\$ 22,764
County Administration . . . . .	79,385	84,517**	99,894
Claims Settlement . . . . .	2,000	2,452	3,173
Food Stamp Program Administration . . . . .	. . . . .	1,400	. . . . .
<b>Sub-Total</b> . . . . .	<u>\$ 98,327</u>	<u>\$ 105,584</u>	<u>\$ 125,831</u>
<b>Institutional</b>			
<b>Youth Development Centers and Forestry</b>			
Camps . . . . .	\$ 18,715	\$ 20,608	\$ 24,330
State Restoration Centers . . . . .	6,540	5,826	6,638
State General Hospitals . . . . .	11,254	7,243	1,697
Mental Health and Mental Retardation Services . . . . .	285,963	318,288	347,987
Institution for the Mentally Retarded— Southeastern . . . . .	. . . . .	7,528	. . . . .
Mental Health/Mental Retardation Services— Additional Staff . . . . .	2,500	. . . . .	. . . . .
Mental Health and Mental Retardation Services—Resident Population Dispersal . . . . .	500	. . . . .	. . . . .
<b>Sub-Total</b> . . . . .	<u>\$ 325,472</u>	<u>\$ 359,493</u>	<u>\$ 380,652</u>

\* Executive Authorization from restricted revenue account which is not included in General Fund Totals.

\*\* Represents the amount allocated from the \$912,071,000 Public Assistance and Administration Program.

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Department of Public Welfare (continued)</b>			
<b>Grants and Subsidies</b>			
Cash Assistance . . . . .	\$ 404,203	. . . . .	\$ 522,514
Medical Assistance . . . . .	231,981	. . . . .	345,861
Supplemental Grants—Aged, Blind and Disabled . . . . .	40,619	. . . . .	66,996
Public Assistance and Administration . . . . .	. . . . .	\$ 859,254 *	. . . . .
Second Class County Homes . . . . .	. . . . .	5,200	. . . . .
Public Nursing Homes . . . . .	. . . . .	. . . . .	10,000
Community Services for the Mentally Ill and Mentally Retarded . . . . .	67,630	75,542	91,261
Community Living Arrangements . . . . .	13,596	14,611	15,000
Aging Programs . . . . .	4,717	5,094	8,058
Training Personnel at Geriatric Homes . . . . .	50	50	. . . . .
Blind Programs . . . . .	778	840	840
County Child Welfare Programs . . . . .	39,109	49,639	32,689
Day Care Services . . . . .	5,700	14,100	17,563
Juvenile Delinquency Programs . . . . .	2,000	1,750	1,750
Home for Crippled Children, Pittsburgh . . . . .	250	375	375
Children's Heart Hospital, Philadelphia . . . . .	500	750	750
Armstrong County Health Center . . . . .	200	. . . . .	. . . . .
Western Psychiatric Institute and Clinic . . . . .	3,500	4,000	4,000
Consultive and Psychiatry Program . . . . .	400	. . . . .	. . . . .
Pennsylvania Association for the Blind, Pittsburgh . . . . .	25	25	. . . . .
Center for the Blind, Philadelphia . . . . .	25	25	. . . . .
Beacon Lodge Camp . . . . .	25	25	. . . . .
Center for Blind, Delaware . . . . .	. . . . .	25	. . . . .
Social Services . . . . .	2,198	2,944	2,533
Arsenal Family and Children's Center . . . . .	100	100	. . . . .
Sub-Total . . . . .	<u>\$ 817,606</u>	<u>\$1,034,349</u>	<u>\$1,120,190</u>
 <b>Capital Improvements</b>			
Capital Improvements . . . . .	\$ 466	\$ 162	\$ 375
<b>Total State Funds . . . . .</b>	<u>\$1,241,871</u>	<u>\$1,499,588</u>	<u>\$1,627,048</u>
 <b>Federal Funds . . . . .</b>			
Federal Funds . . . . .	\$ 820,473	\$ 949,756	\$1,054,289
Other Funds . . . . .	85,708	112,497	117,060
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$2,148,052</u>	<u>\$2,561,841</u>	<u>\$2,798,397</u>

\* Represents the amount allocated from the \$912,071,000 Public Assistance and Administration Appropriation.

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Department of Revenue</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 40,545	\$ 44,364	\$ 50,133
Compensation of Informers and Escheators . . . . .	5	5	5
Sub-Total . . . . .	<u>\$ 40,550</u>	<u>\$ 44,369</u>	<u>\$ 50,138</u>
<b>Grants and Subsidies</b>			
Distribution of Public Utility Realty Tax . . . . .	\$ 21,027	\$ 22,687	\$ 25,000
<b>Total State Funds</b> . . . . .	<u>\$ 61,577</u>	<u>\$ 67,056</u>	<u>\$ 75,138</u>
Other Funds . . . . .	\$ 1,459	\$ 1,821	\$ 1,964
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$ 63,036</u>	<u>\$ 68,877</u>	<u>\$ 77,102</u>
<b>Securities Commission</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 696	\$ 736	\$ 762
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$ 696</u>	<u>\$ 736</u>	<u>\$ 762</u>
<b>Department of State</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 4,597	\$ 4,786	\$ 5,439
Publishing Constitutional Amendments . . . . .	85	40	85
Electoral College Expenses . . . . .	. . . . .	. . . . .	5
Sub-Total . . . . .	<u>\$ 4,682</u>	<u>\$ 4,826</u>	<u>\$ 5,529</u>
<b>Grants and Subsidies</b>			
Voting of Citizens in Military Service . . . . .	\$ 7	\$ 8	\$ 30
<b>Total State Funds</b> . . . . .	<u>\$ 4,689</u>	<u>\$ 4,834</u>	<u>\$ 5,559</u>
Other Funds . . . . .	\$ 62	\$ 227	\$ 340
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$ 4,751</u>	<u>\$ 5,061</u>	<u>\$ 5,899</u>

# GENERAL FUND

## Summary by Department and Appropriation (continued)

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>State Employees Retirement System</b>			
<b>General Government</b>			
Supplemental Retirement Allowance Fund . . . . .	\$ 1,596	. . . . .	. . . . .
Annuity Medical — Hospital Insurance . . . . .	1,710	\$ 2,100	\$ 2,600
Employer's Supplemental Contribution . . . . .	.	. . . . .	. . . . .
Employer's Retirement Contribution . . . . .	. . . . .	.	. . . . .
DEPARTMENT TOTAL . . . . .	\$ 3,306	\$ 2,100	\$ 2,600
<b>State Police</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 25,267	\$ 26,244	\$ 30,878
Municipal Police Training . . . . .	17	1,000	1,400
Emergency Flood Relief, 1975 . . . . .	. . . . .	50	. . . . .
Total State Funds . . . . .	\$ 25,284	\$ 27,294	\$ 32,278
Federal Funds . . . . .	\$ 1,137	\$ 317	\$ 26
Other Funds . . . . .	4,448	6,940	6,987
DEPARTMENT TOTAL . . . . .	\$ 30,869	\$ 34,551	\$ 39,291
<b>Tax Equalization Board</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 703	\$ 752	\$ 807
DEPARTMENT TOTAL . . . . .	\$ 703	\$ 752	\$ 807
<b>Department of Transportation</b>			
<b>General Government</b>			
Mass Transportation Operations . . . . .	\$ 873	\$ 1,055	\$ 1,058
Bicentennial Mass Transportation Projects . . . . .	. . . . .	4,500	. . . . .
Sub-Total . . . . .	\$ 873	\$ 5,555	\$ 1,058
<b>Grants and Subsidies</b>			
Mass Transportation Assistance . . . . .	\$ 74,194	\$ 74,200	\$ 74,200
Intercity Rail Transportation . . . . .	. . . . .	. . . . .	1,200
Port of Philadelphia . . . . .	1,000	1,000	600
Port of Erie . . . . .	250	250	250
Civil Air Patrol . . . . .	25	25	25
Sub-Total . . . . .	\$ 75,469	\$ 75,475	\$ 76,275
Total State Funds . . . . .	\$ 76,342	\$ 81,030	\$ 77,333
Federal Funds . . . . .	. . . . .	\$ 306	\$ 183
Other Funds . . . . .	. . . . .	21	14
DEPARTMENT TOTAL . . . . .	\$ 76,342	\$ 81,357	\$ 77,530

\* This represents a portion of the employer's share of the retirement contributions which was appropriated directly to the State Employees' Retirement System but subsequently distributed to various agencies. To avoid double counting the funds are not shown here. Details may be found on page 72 of Volume I.

## GENERAL FUND

### Summary by Department and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Legislature</b>			
<b>General Government</b>			
Senate .....	\$ 10,597	\$ 13,227	\$ 14,255
House of Representatives .....	16,740	19,771	20,930
Legislative Reference Bureau .....	1,457	1,646	1,791
Legislative Budget and Finance Committee .....	252	270	292
Legislative Data Processing Center .....	768	750	850
Legislative Miscellaneous and Commissions .....	1,253	1,280	1,357
<b>Total State Funds</b> .....	<u>\$ 31,067</u>	<u>\$ 36,944</u>	<u>\$ 39,475</u>
Other Funds .....	\$ 10	\$ 10	\$ 10
<b>DEPARTMENT TOTAL</b> .....	<u>\$ 31,077</u>	<u>\$ 36,954</u>	<u>\$ 39,485</u>
<b>Judiciary</b>			
<b>General Government</b>			
Supreme Court .....	\$ 2,131	\$ 2,202	\$ 2,634
National Conference—Expenses .....	.....	100	.....
Court Administrator .....	737	878	1,098
Superior Court .....	1,318	1,360	1,550
Commonwealth Court .....	1,489	1,500	1,923
Courts of Common Pleas .....	13,702	13,690	15,285
Jury Expenses .....	1,470	.....	.....
Community Courts—District Justices of the Peace .....	9,064	9,028	9,480
Philadelphia Traffic Court .....	138	132	164
Philadelphia Municipal Court .....	884	888	789
Law Clerks .....	.....	124	.....
<b>Sub-Total</b> .....	<u>\$ 30,933</u>	<u>\$ 29,902</u>	<u>\$ 32,923</u>
<b>Grants and Subsidies</b>			
Reimbursement of County Court Expenses .....	.....	\$ 14,000	.....
<b>Total State Funds</b> .....	<u>\$ 30,933</u>	<u>\$ 43,902</u>	<u>\$ 32,923</u>
Federal Funds .....	\$ 234	\$ 300	\$ 500
Other Funds .....	197	197	197
<b>DEPARTMENT TOTAL</b> .....	<u>\$ 31,364</u>	<u>\$ 44,399</u>	<u>\$ 33,620</u>
<b>General Fund Total — All Funds</b>			
State Funds .....	\$4,322,634	\$4,847,695	\$5,039,837
Federal Funds .....	890,816	1,030,287	1,131,583
Other Funds .....	206,603	262,585	272,776
<b>GENERAL FUND TOTAL</b> .....	<u>\$5,420,053</u>	<u>\$6,140,567</u>	<u>\$6,444,196</u>

## STATE EMPLOYES RETIREMENT CONTRIBUTIONS

During 1974-75 and 1975-76, the General Assembly appropriated a portion of the employer's share of retirement contributions directly to the State Employees Retirement System. During 1976-77, all retirement costs are included in the recommended departmental appropriations. For ease of comparison, previous years' costs have also been shown in the departmental amounts.

The amounts included in each department are:

Department/Appropriation	(Dollar Amounts in Thousands)	
	1974-75	1975-76
<b>Governor's Office</b>		
Governor's Office . . . . .	\$ 13	\$ 139
<b>Executive Offices</b>		
Pennsylvania Commission for Women . . . . .	\$ 1	\$ 9
Office of the Budget . . . . .	12	121
Office of State Planning and Development . . . . .	11	100
Office of Administration . . . . .	64	211
Human Relations Commission . . . . .	23	294
Office of Human Resources . . . . .	4	13
Council on the Arts . . . . .	1	19
Governor's Energy Council . . . . .	. . . . .	13
Department Total . . . . .	<u>\$ 116</u>	<u>\$ 780</u>
<b>Lieutenant Governor</b>		
Lieutenant Governor's Office . . . . .	\$ 2	\$ 19
<b>Auditor General</b>		
Auditor General's Office . . . . .	\$ 74	\$ 740
Public Assistance Audits . . . . .	16	164
Board of Arbitration of Claims . . . . .	1	23
Department Total . . . . .	<u>\$ 91</u>	<u>\$ 927</u>
<b>Treasury</b>		
State Treasurer's Office . . . . .	\$ 36	\$ 314
Board of Finance and Revenue . . . . .	3	30
Public Assistance Disbursements . . . . .	13	117
Department Total . . . . .	<u>\$ 52</u>	<u>\$ 461</u>
<b>Agriculture</b>		
General Government Operations . . . . .	\$ 88	\$ 938
<b>Civil Defense</b>		
General Government Operations . . . . .	\$ 3	\$ 29
<b>Commerce</b>		
General Government Operations . . . . .	\$ 25	\$ 270
Bicentennial Commission . . . . .	. . . . .	23
Department Total . . . . .	<u>\$ 25</u>	<u>\$ 293</u>

**STATE EMPLOYEES RETIREMENT CONTRIBUTIONS**  
(continued)

Department/Appropriation (continued)	(Dollar Amounts in Thousands)	
	1974-75	1975-76
<b>Community Affairs</b>		
General Government Operations . . . . .	\$ 54	\$ 406
Employment Assistance . . . . .	. . . . .	20
Department Total . . . . .	<u>\$ 54</u>	<u>\$ 426</u>
<b>Council on Drug and Alcohol Abuse</b>		
Council on Drug and Alcohol Abuse . . . . .	\$ 21	\$ 205
<b>Education</b>		
General Government Operations . . . . .	\$ 84	\$ 1,128
State Library . . . . .	11	126
State Colleges . . . . .	1,722	8,178
Oral School . . . . .	11	125
Scotland School . . . . .	24	257
Stevens Trade School . . . . .	11	127
Higher Education of the Disadvantaged . . . . .	1	7
Textbooks for Nonpublic Schools . . . . .	. . . . .	33
Improvement of Library Services . . . . .	. . . . .	4
Pennsylvania Public Television Network . . . . .	4	51
Department Total . . . . .	<u>\$ 1,868</u>	<u>\$10,036</u>
<b>Environmental Resources</b>		
General Government Operations . . . . .	\$ 455	\$ 5,132
<b>General Services</b>		
General Government Operations . . . . .	\$ 194	\$ 1,857
<b>Health</b>		
General Government Operations . . . . .	\$ 212	\$ 1,380
Health Rehabilitation Services . . . . .	57	361
Department Total . . . . .	<u>\$ 269</u>	<u>\$ 1,741</u>
<b>Historical and Museum Commission</b>		
General Government Operations . . . . .	\$ 35	\$ 417
Washington Crossing State Park . . . . .	1	38
Brandywine Battlefield . . . . .	1	8
Valley Forge State Park . . . . .	3	46
Department Total . . . . .	<u>\$ 40</u>	<u>\$ 509</u>
<b>Insurance</b>		
General Government Operations . . . . .	\$ 35	\$ 414
<b>Justice</b>		
General Government Operations . . . . .	\$ 62	\$ 616*
Correctional Institutions—State-owned . . . . .	365	4,753
Pennsylvania Crime Commission . . . . .	2	58
Juvenile Court Judges Commission . . . . .	2	20
Office of Drug Control . . . . .	. . . . .	205
Department Total . . . . .	<u>\$ 431</u>	<u>\$ 5,652</u>

\* Appropriated directly to individual organizational units.

**STATE EMPLOYEES RETIREMENT CONTRIBUTIONS**  
(continued)

Department/Appropriation (continued)	(Dollar Amounts in Thousands)	
	1974-75	1975-76
<b>Labor and Industry</b>		
General Government Operations . . . . .	\$ 122	\$ 764
<b>Military Affairs</b>		
General Government Operations . . . . .	\$ 39	\$ 459
Soldiers' and Sailors' Home . . . . .	7	55
Department Total . . . . .	<u>\$ 46</u>	<u>\$ 514</u>
<b>Probation and Parole</b>		
General Government Operations . . . . .	\$ 76	\$ 654
<b>Public Welfare</b>		
General Government Operations . . . . .	\$ 231	\$ 1,983
General Hospitals . . . . .	274	541
Mental Health and Mental Retardation		
Services . . . . .	2,720	26,338
Youth Development Centers . . . . .	129	1,407
State Restoration Centers . . . . .	42	477
County Administration . . . . .	886	7,827
Claims Settlement . . . . .	. . . . .	207
Department Total . . . . .	<u>\$ 4,282</u>	<u>\$38,780</u>
<b>Revenue</b>		
General Government Operations . . . . .	\$ 335	\$ 3,604
<b>Securities Commission</b>		
General Government Operations . . . . .	\$ 6	\$ 58
<b>State</b>		
General Government Operations . . . . .	\$ 26	\$ 317
<b>State Police</b>		
General Government Operations . . . . .	\$ 27	\$ 3,174
<b>Tax Equalization Board</b>		
General Government Operations . . . . .	\$ 6	\$ 60
<b>Transportation</b>		
Mass Transportation Operations . . . . .	\$ 3	\$ 48
Legislature . . . . .	\$ 146**	. . . . .
Judiciary . . . . .	\$ 268**	. . . . .
GRAND TOTAL . . . . .	<u>\$ 9,100</u>	<u>\$77,531</u>

\*\*Total amount provided to entire department, distribution was to numerous appropriations.

## GENERAL FUND REVENUE SUMMARY

### Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Estimated	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
<b>TAX REVENUE</b>							
<b>Corporation Taxes</b>							
Corporate Net Income .....	\$ 592,800	\$ 514,200	\$ 673,600	\$ 719,000	\$ 740,400	\$ 807,100	\$ 861,400
Capital Stock & Franchise .....	184,907	203,100	216,400	225,600	236,500	247,800	259,700
<b>Selective Business</b>							
Gross Receipts .....	226,749	256,200	292,400	295,900	303,100	343,400	374,500
Utility Property .....	43,731	58,800	60,300	63,300	66,500	69,800	73,300
Insurance Premiums .....	57,514	61,400	64,900	68,400	72,200	76,200	80,300
Financial Institutions .....	52,139	60,100	61,700	66,100	70,900	76,000	81,500
Other .....	14,148	13,500	15,200	16,900	17,700	19,200	20,700
<b>Total—Corporation Taxes .....</b>	<b><u>\$1,171,988</u></b>	<b><u>\$1,167,300</u></b>	<b><u>\$1,384,500</u></b>	<b><u>\$1,455,200</u></b>	<b><u>\$1,507,300</u></b>	<b><u>\$1,639,500</u></b>	<b><u>\$1,751,400</u></b>
<b>Consumption Taxes</b>							
Sales and Use .....	\$1,271,015	\$1,397,800	\$1,577,300	\$1,705,800	\$1,861,800	\$2,054,000	\$2,273,500
Cigarette* .....	215,351	248,600	256,000	264,000	272,700	281,400	290,600
Malt Beverage .....	23,816	25,100	25,700	26,500	27,300	28,100	28,900
Liquor .....	78,090	81,000	84,200	86,800	89,900	93,000	96,300
<b>Total—Consumption Taxes .....</b>	<b><u>\$1,588,272</u></b>	<b><u>\$1,752,500</u></b>	<b><u>\$1,943,200</u></b>	<b><u>\$2,083,100</u></b>	<b><u>\$2,251,700</u></b>	<b><u>\$2,456,500</u></b>	<b><u>\$2,689,300</u></b>
<b>Other Taxes</b>							
Personal Income Tax .....	\$1,033,508	\$1,123,400	\$1,264,100	\$1,374,800	\$1,505,600	\$1,661,300	\$1,837,700
Realty Transfer .....	44,930	46,000	53,800	56,800	60,000	63,400	66,900
Inheritance .....	126,328	133,900	136,500	139,300	142,000	144,900	147,800
Minor and Repealed .....	570	600	600	600	600	600	600
<b>Total—Other Taxes .....</b>	<b><u>\$1,205,336</u></b>	<b><u>\$1,303,900</u></b>	<b><u>\$1,455,000</u></b>	<b><u>\$1,571,500</u></b>	<b><u>\$1,708,200</u></b>	<b><u>\$1,870,200</u></b>	<b><u>\$2,053,000</u></b>
<b>TOTAL TAX REVENUE .....</b>	<b><u>\$3,965,596</u></b>	<b><u>\$4,223,700</u></b>	<b><u>\$4,782,700</u></b>	<b><u>\$5,109,800</u></b>	<b><u>\$5,467,200</u></b>	<b><u>\$5,966,200</u></b>	<b><u>\$6,493,700</u></b>
<b>NON-TAX REVENUE</b>							
Liquor Store Profits .....	\$ 44,000	\$ 67,000	\$ 44,000	\$ 44,000	\$ 44,000	\$ 44,000	\$ 44,000
Institutional Reimbursements .....	6,967	.....	.....	.....	.....	.....	.....
<b>Licenses, Fees and Miscellaneous</b>							
Licenses and Fees .....	14,458	15,000	15,900	16,500	17,500	18,200	19,300
Miscellaneous .....	84,450	213,900	63,200	65,900	67,000	68,500	69,800
<b>Fines, Penalties and Interest</b>							
On Taxes .....	5,101	6,600	6,600	6,600	6,600	6,600	6,600
Other .....	6,182	5,300	5,300	5,300	5,300	5,300	5,300
<b>TOTAL NON-TAX REVENUES .....</b>	<b><u>\$ 161,158</u></b>	<b><u>\$ 307,800</u></b>	<b><u>\$ 135,000</u></b>	<b><u>\$ 138,300</u></b>	<b><u>\$ 140,400</u></b>	<b><u>\$ 142,600</u></b>	<b><u>\$ 145,000</u></b>
<b>GENERAL FUND TOTAL .....</b>	<b><u>\$4,126,754</u></b>	<b><u>\$4,531,500</u></b>	<b><u>\$4,917,700</u></b>	<b><u>\$5,248,100</u></b>	<b><u>\$5,607,600</u></b>	<b><u>\$6,108,800</u></b>	<b><u>\$6,638,700</u></b>

\* Estimates assume enactment of legislation to extend beyond July 1, 1976, the deposit of all collections to the General Fund. The estimate for 1976-77 includes \$23.4 million representing that portion of revenues to be deposited beginning in July 1, 1976, in the Parent Reimbursement Fund under existing statute.

## ADJUSTMENTS TO REVENUE ESTIMATE

On June 30, 1975 the Secretary of Revenue submitted an official estimate for the 1975-76 fiscal year of \$4,533,363,000.

Since this estimate was submitted, various current conditions have made it apparent that the estimate should be revised. The adjustments are detailed below.

	(Dollar Amounts in Thousands)		
	1975-76 Official Estimate	Adjustments	1975-76 Revised Estimate
<b>TAX REVENUE</b>			
<b>Corporation Taxes</b>			
Corporate Net Income . . . . .	\$ 520,800	\$ -6,600	\$ 514,200
Capital Stock and Franchise . . . . .	202,700	400	203,100
Selective Business			
Gross Receipts . . . . .	260,700	-4,500	256,200
Utility Property . . . . .	54,000	4,800	58,800
Insurance Premiums . . . . .	61,200	200	61,400
Financial Institutions . . . . .	60,000	100	60,100
Other . . . . .	13,700	-200	13,500
Total—Corporation Taxes . . . . .	<u>\$1,173,100</u>	<u>\$ -6,800</u>	<u>\$1,167,300</u>
<b>Consumption Taxes</b>			
Sales and Use . . . . .	\$1,396,337	\$ 1,463	\$1,397,800
Cigarette . . . . .	241,538	7,062	248,600
Malt Beverage . . . . .	24,960	140	25,100
Liquor . . . . .	85,000	-4,000	81,000
Total—Consumption Taxes . . . . .	<u>\$1,747,835</u>	<u>\$ 4,665</u>	<u>\$1,752,500</u>
<b>Other Taxes</b>			
Personal Income Tax . . . . .	\$1,107,900	\$ 15,500	\$1,123,400
Realty Transfer . . . . .	47,800	-1,800	46,000
Inheritance . . . . .	143,292	-9,392	133,900
Minor and Repealed . . . . .	600	. . . .	600
Total—Other Taxes . . . . .	<u>\$1,299,592</u>	<u>\$ 4,308</u>	<u>\$1,303,900</u>
<b>TOTAL TAX REVENUE</b> . . . . .	<u>\$4,220,527</u>	<u>\$ 3,173</u>	<u>\$4,223,700</u>
<b>NON-TAX REVENUE</b>			
Liquor Store Profits . . . . .	\$ 67,000	. . . .	\$ 67,000
Institutional Reimbursements . . . . .	1,000	-1,000	. . . .
Licenses, Fees and Miscellaneous			
Licenses and Fees . . . . .	15,354	-354	15,000
Miscellaneous . . . . .	219,456	-5,556	213,900
Fines, Penalties and Interest			
On Taxes . . . . .	5,421	1,179	6,600
Other . . . . .	4,605	695	5,300
<b>TOTAL NON-TAX REVENUES</b> . . . . .	<u>\$ 312,836</u>	<u>\$ -5,036</u>	<u>\$ 307,800</u>
<b>GENERAL FUND TOTAL</b> . . . . .	<u>\$4,533,363</u>	<u>\$ -1,863</u>	<u>\$4,531,500</u>

Corporate Net Income Tax

Actual	Estimated
1969-70 . . . . . \$525,966,812	1975-76 . . . . . \$514,200,000
1970-71 . . . . . 426,890,680	1976-77 . . . . . 673,600,000
1971-72 . . . . . 475,743,911	1977-78 . . . . . 719,000,000
1972-73 . . . . . 490,231,003	1978-79 . . . . . 740,400,000
1973-74 . . . . . 533,583,217	1979-80 . . . . . 807,100,000
1974-75 . . . . . 592,799,883	1980-81 . . . . . 861,400,000

The Corporate Net Income Tax is paid by all domestic and foreign corporations having capital stock, by joint-stock associations and by limited partnerships for the privilege of doing business in Pennsylvania and is levied on the taxable income as returned to and ascertained by the Federal Government. When the entire business of any corporation is not transacted within this Commonwealth, the taxable income in Pennsylvania is determined by an allocation formula. The present rate of this tax is nine and one-half percent.

The tax was first enacted in 1935 as an emergency tax and was reenacted every two years at various rates until it was made a permanent tax in 1961 at a rate of six percent. The rate was increased from six to seven percent for taxable years 1967 and 1968, and from seven to seven and one-half percent for the taxable year 1969. Subsequently, the rate for the taxable year 1969 and thereafter was increased from seven and one-half to twelve percent. The Tax Reform Code of 1971 reduced the rate of the tax from twelve to eleven percent effective July 1, 1972. A later amendment further reduced the rate to nine and one-half percent effective January 1, 1974 and for each year thereafter.

Prepayment of 50 percent of the current and subsequent year's corporate net income tax was required by a 1951 act. An additional 30 percent prepayment was enacted in 1961, and an additional 10 percent prepayment was enacted in 1970 increasing the prepayment requirement to 90 percent. In addition, the 1970 amendment eliminated the options previously allowed to determine the base for prepayment. Thus, all corporations affected were annually required to transmit tentative reports together with the prepayment on the current year's tax computed by applying the current rate of tax to 90 percent of the tax base for the immediately prior year. These tentative reports and tax payments are due four months after the beginning of the current tax year. The remaining portion of the tax due is to be reported and paid within 105 days after the close of the calendar or fiscal year. Act 142 of the 1971 session provided an alternative method of computing the tentative payment based upon 90 percent of taxable income received or accrued during the first three months of the current calendar or fiscal year, annualized.

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

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

The estimated revenue from the Corporate Net Income Tax is \$514.2 million for fiscal 1975-76 and \$673.6 for fiscal 1976-77.

Capital Stock and Franchise Tax

Actual		Estimated	
1969-70 .....	\$118,053,724	1975-76 .....	\$203,100,000
1970-71 .....	189,347,879	1976-77 .....	216,400,000
1971-72 .....	209,410,745	1977-78 .....	225,600,000
1972-73 .....	189,587,574	1978-79 .....	236,500,000
1973-74 .....	190,502,431	1979-80 .....	247,800,000
1974-75 .....	184,907,163	1980-81 .....	259,700,000

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

The rate for both taxes was increased from five to six mills effective January 1, 1967. Beginning with taxable year 1969 the rate for the two taxes was increased from six to seven mills. For the taxable year 1971 and thereafter, the rate for both taxes was increased from seven to ten mills. Distilling companies were previously taxed at a ten mill rate on the value of their capital stock employed within the State, but beginning in 1970 distilling companies became subject to the same rate as other corporations.

An 80 percent prepayment requirement for both taxes was enacted in 1956. An additional 10 percent prepayment was enacted in 1970 increasing the prepayment requirement to 90 percent for both taxes. In addition, the 1970 amendment eliminated the options previously allowed to determine the base for prepayment. Thus, all firms subject to the taxes were annually required to transmit tentative reports together with their prepayment computed by applying the current rate of tax to 90 percent of the tax base for the immediate prior year. These tentative reports and tax payments are due four months after the beginning of the current taxable year. The remaining tax payments must be paid within 105 days following the close of the taxable year. Act 142 of the 1971 session restored the alternative method of computing the tentative payment at the 90 percent rate.

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

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

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

The estimated revenue from the Capital Stock and Franchise Taxes is \$203.1 million for fiscal 1975-76 and \$216.4 million for fiscal 1976-77.

Utility Gross Receipts Tax

Actual		Estimated	
1969-70	\$108,194,708	1975-76	\$256,200,000
1970-71	98,713,375	1976-77	292,400,000
1971-72	171,987,372	1977-78	295,900,000
1972-73	162,330,230	1978-79	303,100,000
1973-74	171,045,051	1979-80	343,400,000
1974-75	226,749,316	1980-81	374,500,000

The Utility Gross Receipts Tax is levied on the gross receipts from business transacted within Pennsylvania by specified utilities owned, operated or leased by corporations, associations or individuals. The tax rate is 45 mills for all utilities except motor transportation companies which are taxed at the rate of eight mills.

The permanent tax rate on non-motor transportation companies was increased from 14 to 20 mills, effective July 1, 1967. A temporary rate rise from 20 to 45 mills was enacted for the period January 1, 1970 to September 1, 1971. Sales of gas by municipally owned or operated utilities from business done inside the limits of the municipality are exempted.

All firms except municipally owned or operated public utilities and motor transportation companies, are required annually to transmit tentative reports together with prepayment of the current year's tax. The reports and prepayments must be submitted by April 30 of each year while the remaining amount due must be paid by April 15 of the following year.

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

The estimated revenue from the Gross Receipts Tax is \$256.2 million for fiscal 1975-76 and 292.4 million for fiscal 1976-77.

## GENERAL FUND REVENUE SOURCES

### Utility Property Tax

Actual		Estimated	
1969-70	\$29,359,625	1975-76	\$58,800,000
1970-71	30,840,343	1976-77	60,300,000
1971-72	32,307,253	1977-78	63,300,000
1972-73	36,317,419	1978-79	66,500,000
1973-74	42,425,655	1979-80	69,800,000
1974-75	43,731,012	1980-81	73,300,000

The tax on the real property of utilities enacted during the 1970 legislative session, is levied at a rate of 30 mills on the "state taxable value" of utility realty belonging to a firm or other entity (1) furnishing utility service and (2) regulated by the Pennsylvania Public Utility Commission or similar regulatory body. The "state taxable value" is defined as the cost of utility realty, less reserves for depreciation or depletion as shown by the books of account of the utility. Excluded from "utility realty" for purposes of this tax are the following: (1) easements, (2) railroad rights of way, (3) machinery and equipment, etc., and (4) realty subject to local real estate taxation under any law in effect on April 23, 1968.

A 1970 amendment exempted from the Utility Property Tax any public utility furnishing utility sewage services.

A 1971 amendment extended the exemption to any municipality or municipal authority furnishing any public utility service.

The estimated revenue from the Utility Property Tax is \$58.8 million for fiscal 1975-76 and \$60.3 million for fiscal 1976-77.

Insurance Premiums Tax

Actual		Estimated .	
1969-70	\$39,413,558	1975-76	\$61,400,000
1970-71	40,986,729	1976-77	64,900,000
1971-72	49,702,517	1977-78	68,400,000
1972-73	52,755,335	1978-79	72,200,000
1973-74	55,899,848	1979-80	76,200,000
1974-75	57,513,678	1980-81	80,300,000

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

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

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

An 80 percent prepayment requirement for life and limited life insurance companies, both foreign and domestic, was enacted in 1961. An additional 10 percent prepayment was enacted in 1970 increasing the prepayment requirement to 90 percent for such companies. In addition, the 1970 amendment eliminated the option of using taxable gross premiums for the first three months of the current calendar year to determine the base for prepayment. Thus, companies were required to annually transmit tentative reports, together with prepayment of the current year's tax computed by applying the current rate of tax to 90 percent of the tax base for the immediate prior year. The reports and prepayments must be submitted by April 30 of each year while the remaining amount due must be paid by April 15 of the following year. Act 142 of the 1971 session restored the alternative method of computing the tentative payment at the 90 percent rate.

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

The estimated revenue from the Insurance Premiums Tax is \$61.4 million for fiscal 1975-76 and \$64.9 million for fiscal 1976-77.

Financial Institutions Taxes

Actual	Estimated
1969-70 . . . . . \$35,634,803	1975-76 . . . . . \$60,100,000
1970-71 . . . . . 44,212,506	1976-77 . . . . . 61,700,000
1971-72 . . . . . 56,520,000	1977-78 . . . . . 66,100,000
1972-73 . . . . . 60,677,691	1978-79 . . . . . 70,900,000
1973-74 . . . . . 62,955,827	1979-80 . . . . . 76,000,000
1974-75 . . . . . 52,138,409	1980-81 . . . . . 81,500,000

The Bank Shares Tax is levied at the rate of fifteen mills on the actual value of shares of state and national banks, title insurance and trust companies located within the Commonwealth. Each institution functions on a self-assessing basis and may pay the tax from general funds or collect the amount from its shareholders. The date of ascertainment of the value of shares of capital stock is January 1 of each year.

The rate was increased from eight to ten mills effective for the calendar year 1967. Effective for calendar year 1969, the rate was increased from ten to thirteen mills. The Tax Reform Code of 1971 (Act No. 2, March 4, 1971) increased the rate from thirteen to fifteen mills effective for the taxable year 1971 and thereafter.

Taxes on bank shares are subject to a prepayment requirement. An 80 percent prepayment of the tax for the current year is due by April 15 of the current year. The balance is due by April 15 of the following year.

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

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

Taxes on mutual thrift institutions were subject to an 80 percent prepayment requirement enacted in 1964. An additional 10 percent prepayment was enacted in 1970 increasing the prepayment requirement to 90 percent for such institutions. In addition, the 1970 amendment changed the method for determining the base for prepayment. Thus, such institutions were annually required to transmit tentative reports, together with prepayment of current year's tax computed by applying the current rate of tax to 90 percent of the tax base for the immediate prior year. Tentative reports are due and tax prepayments are payable by April 30 of the current calendar year, with the remaining amount due payable by April 15 of the next year. Act 142, of the 1971 session restored the alternative method of computing the tentative payment at the 90 percent rate.

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

The estimated revenues from Financial Institutions Taxes are \$60.1 million for fiscal 1975-76 and \$61.7 million for fiscal 1976-77.

Other Selective Business Taxes

Actual	Estimated
1969-70 . . . . . \$11,914,911	1975-76 . . . . . \$13,500,000
1970-71 . . . . . 11,953,022	1976-77 . . . . . 15,200,000
1971-72 . . . . . 13,900,517	1977-78 . . . . . 16,900,000
1972-73 . . . . . 12,321,090	1978-79 . . . . . 17,700,000
1973-74 . . . . . 11,511,363	1979-80 . . . . . 19,200,000
1974-75 . . . . . 14,148,262	1980-81 . . . . . 20,700,000

Other Selective Business Taxes include: Corporation Excise Tax-Foreign, Act of July 25, 1953, P.L. 560; 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 CNI Tax, Act of May 23, 1945, P.L. 893; Gross Receipts-Private Banks, Act of May 16, 1961, P.L. 708 as amended; Boxing and Wrestling Exhibits Tax, Act of June 14, 1923, P.L. 710; and Corporation Income Tax, Act of August 24, 1951, P.L. 1417 as amended.

Of the taxes in this category, one of the most productive sources of revenue is the Corporation Income Tax. It is levied on corporations which own property or carry on business activities in Pennsylvania and are not subject to the Corporate Net Income Tax. The tax rate was increased from six to seven percent for the taxable years 1967 and 1968 and from seven to seven and one-half percent for taxable year 1969. However, the rate for taxable year 1969 and subsequent taxable years was raised from seven and one-half to twelve percent by legislative amendment approved December 31, 1969. The tax is based on net income allocable to Pennsylvania and, like other business taxes, requires an 80 percent prepayment. An additional 10 percent prepayment enacted in 1970, increased the prepayment requirement to 90 percent. The Tax Reform Code of 1971 (Act No. 2, March 4, 1971) reduced the Corporation Income Tax rate from twelve percent to eleven percent effective for the last six months of calendar year 1972 for calendar year filing companies and for the second six months of the fiscal year filing companies whose fiscal year filing periods began in calendar year 1972 and ended in calendar year 1973 and each year thereafter. The Tax Reform Code of 1971 has been further amended reducing the rate to nine and one-half percent effective January 1, 1974 and for each year thereafter.

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

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

The estimated revenues from Other Selective Business Taxes are \$13.5 million for fiscal 1975-76 and \$15.2 million for fiscal 1976-77.

Sales and Use Tax

Actual	Estimated
1969-70 .....\$ 958,832,079	1975-76 .....\$1,397,800,000
1970-71 ..... 1,015,198,236	1976-77 ..... 1,577,300,000
1971-72 ..... 987,144,316	1977-78 ..... 1,705,800,000
1972-73 ..... 1,109,119,955	1978-79 ..... 1,861,800,000
1973-74 ..... 1,190,553,021	1979-80 ..... 2,054,000,000
1974-75 ..... 1,271,014,664	1980-81 ..... 2,273,500,000

The Sales and Use Tax is levied on the sale, use, storage, rental or consumption of personal property and certain services and upon the occupancy of hotel rooms. Take-home food and ordinary clothing are exempted. The present tax rate of six percent based on a bracket system became effective January 1, 1968, and at the same time, the fifty-cent restaurant meal exemption was reduced to ten-cents.

As a result of the Tax Reform Code of 1971, items formerly taxable, but exempt beginning July 1, 1971, are repair, alteration, dry cleaning, etc. of wearing apparel, including shoes, residential use of steam, gas, fuel oil, electricity and intrastate telephone and telegraph services, household supplies purchased at retail stores, and non-prescription medicines, drugs or medical supplies. In addition, various sales, services and incidents of use which previously were exempt became taxable effective March 4, 1971. Among these were the printing and imprinting of mail order catalogs and direct mail advertising materials, and rail transportation equipment for movement of personal property. A further amendment restored the exemption to the sale at retail or use of, motion picture film and mail order catalogs and direct mail advertising literature or materials.

In the 1974 Legislative Session, several bills were enacted concerning exemptions from the Sales and Use Tax. They were: (1) Act No. 75, effective May 2, 1974, exempting gratuities in connection with food, beverages or hotel and motel accommodations from taxation. (2) Act No. 18, effective retroactively to March 4, 1971, exempting from taxation certain therapeutic, prosthetic and artificial devices and (3) Act No. 192, effective retroactively to March 4, 1971, exempting from taxation motor vehicles which are used solely for driver education.

Vendors who collect \$600 or more in a calendar quarter are required to remit collections monthly within 45 days of the last day of the collection month, with the exception of April and May collections which are due 20 days after the end of those months. Vendors collecting more than \$75 annually but less than \$600 in a calendar quarter report quarterly and transmit collections within 30 days of the end of the collection quarter. Acceleration of the second calendar quarter collections requires the vendor to file single returns for the months of April and May on or before the 15th day of June next following with the remainder due by the end of July next following. Vendors collecting less than \$75 annually are required to remit on a semi-annual basis by February 20 and August 20, or in certain instances are required to remit an annual return by April 15.

Sales tax on motor vehicles is collected directly by the Department of Revenue when application for a certificate of title is made.

The estimated revenue from the Sales and Use Tax is \$1,397.8 million for fiscal 1975-76 and \$1,577.3 million for fiscal 1976-77.

**GENERAL FUND REVENUE SOURCES**

**Cigarette Tax**

	Actual		Estimated*
1969-70 .....	\$180,630,665	1975-76 .....	\$248,600,000
1970-71 .....	187,980,617	1976-77 .....	256,000,000
1971-72 .....	176,015,358	1977-78 .....	264,000,000
1972-73 .....	205,412,941	1978-79 .....	272,700,000
1973-74 .....	213,941,476	1979-80 .....	281,400,000
1974-75 .....	215,350,564	1980-81 .....	290,600,000

The Cigarette Tax is imposed and assessed on the sale or possession of cigarettes within this State. It is levied on the ultimate consumer, but usually is collected by sale of stamps and meter units to dealers who affix these to each package.

On October 16, 1967, Act No. 202 was approved increasing the permanent tax rate from seven to thirteen cents per package of 20 cigarettes. At the same time, the one cent per package previous levied to finance the bonds issued for the Korean veteran's bonus was deleted. Effective January 15, 1970, Act No. 1 increased the rate per package of 20 cigarettes from thirteen to eighteen cents.

It should be noted that revenues in 1969-70 are reduced by \$5,041,124 due to Act No. 86 effective March 25, 1970 allocating 14 percent of cigarette tax collections to the Nonpublic Elementary and Secondary Education Fund. The 1970-71 fiscal period represents an 86 percent residual after the transfer of 14 percent of tax collections to the same fund.

On August 27, 1971, Act No. 92, effective retroactively to July 1, 1971, allocated 23 percent of cigarette tax collections to the Parent Reimbursement Fund. The revenue for 1971-72 has 23 percent of the first eleven months collections transferred to that fund. That percentage was later reduced to ten percent by Act No. 204, approved September 22, 1972, effective retroactively to July 1, 1972. Revenues in the 1972-73, 1973-74, and 1974-75 fiscal periods represent 90 percent of collections.

Act No. 18, enacted June 28, 1975, provided that: (1) revenue deposited in the Parent Reimbursement Fund prior to enactment of this Act would be transferred to the General Fund; (2) 100 percent of Cigarette Tax revenues would be deposited in the General Fund for the 1975-76 fiscal period; and (3) after July 1, 1976, ten percent of Cigarette Tax collections would be deposited in the Parent Reimbursement Fund.

The estimated revenue from the Cigarette Tax is \$248.6 million for fiscal 1975-76 and \$256.0 million for fiscal 1976-77.

\* Estimates assume enactment of legislation to extend beyond July 1, 1976, deposit of all collections to the General Fund. The estimate for 1976-77 includes \$23.4 million representing that portion of revenues to be deposited beginning July 1, 1976, in the Parent Reimbursement Fund under existing statute.

**Malt Beverage Tax**

Actual		Estimated	
1969-70 .....	\$22,596,180	1975-76 .....	\$25,100,000
1970-71 .....	23,414,740	1976-77 .....	25,700,000
1971-72 .....	24,397,332	1977-78 .....	26,500,000
1972-73 .....	24,416,781	1978-79 .....	27,300,000
1973-74 .....	25,178,651	1979-80 .....	28,100,000
1974-75 .....	23,815,902	1980-81 .....	28,900,000

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

The tax rate is two-thirds cent per half-pint, one cent per pint and \$2.48 per barrel. The tax is paid monthly by the various manufacturers directly to the Department of Revenue.

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

The estimated revenue from the Malt Beverage Tax for fiscal 1975-76 is \$25.1 million and \$25.7 million for fiscal 1976-77.

Liquor Tax Revenue

Actual		Estimated	
1969-70	\$65,662,516	1975-76	\$81,000,000
1970-71	62,229,148	1976-77	84,200,000
1971-72	71,433,122	1977-78	86,800,000
1972-73	73,925,623	1978-79	89,900,000
1973-74	75,153,919	1979-80	93,000,000
1974-75	78,090,063	1980-81	96,300,000

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

The six percent sales tax is also imposed on all liquors sold in Pennsylvania.

The estimated revenue from the Liquor Tax is \$81.0 million for fiscal year 1975-76 and \$84.2 million for fiscal 1976-77.

Personal Income Tax

Actual	Estimated
(No collections of Personal Income Tax prior to 1971)	1975-76 . . . . . \$1,123,400,000
1971-72 . . . . . \$ 890,662,496	1976-77 . . . . . 1,264,100,000
1972-73 . . . . . 1,022,723,022	1977-78 . . . . . 1,374,800,000
1973-74 . . . . . 1,124,649,675	1978-79 . . . . . 1,505,600,000
1974-75 . . . . . 1,033,507,942	1979-80 . . . . . 1,661,300,000
	1980-81 . . . . . 1,837,700,000

The Tax Reform Act of 1971 enacted a Personal Income Tax effective for tax years ending after December 31, 1970. The Personal Income Tax was paid on taxable income by all residents and resident trusts and estates and on "income derived from Pennsylvania" by nonresidents and nonresident trusts and estates. The tax was levied at a 3.5 percent rate on "taxable income" as defined by the Internal Revenue Code. The actual withholding rate in 1971 was accelerated to 5.2 percent in order to collect twelve months' revenue in an eight month period. Two special credit allowances were available: (1) a credit equal to 30 percent of so-called local "nuisance" taxes and (2) a "vanishing" tax credit, graduated for taxpayers who "by reason of poverty, age, disability or infirmity were in need of special tax relief."

On June 24, 1971, the original Personal Income Tax law was declared unconstitutional by the Pennsylvania Supreme Court and collections were halted.

On August 31, 1971, a revised Personal Income Tax was signed into law as Act No. 93, imposing a flat rate of tax, at 2.3 percent, effective June 1, 1971, upon the gross income of all resident individuals, estates and trusts and nonresident individuals, estates and trusts having income derived from Pennsylvania. Credits for prepaid or withheld taxes and income taxes paid to other states by Pennsylvania residents are standard. Payments made under the previous law were also allowed as a credit. For those individuals with taxable incomes over \$1,000, other than wages subject to withholding, a declaration and partial payment of the estimated tax is required similar to those mandated by Federal law. Payments may be made annually on April 15 for calendar year taxpayers, twice yearly, three times yearly, or four times yearly, with the reporting frequency dependent upon the size of estimated income. There are special provisions provided for farm income.

Withholding became effective October 1, 1971 with provisions for remittance to the State by employers on a quarterly, monthly, and semi-monthly basis. The size of collections remitted determines the frequency.

On March 13, 1974, Act No. 32 was signed into law effective retroactively to January 1974 with provisions providing that: (1) the rate of tax was reduced from 2.3 percent to 2.0 percent; (2) the withholding rate would be 1.85 percent for the period May 1, 1974 to December 31, 1974; (3) a 2.0 percent withholding rate would be effective January 1, 1975; and (4) for 1974 and following years full or partial exemptions (or refunds of tax paid) would be allowed for taxpayers eligible under the Act's standards of poverty. An individual is eligible for a 100 percent "poverty income" exemption or refund if total income for the taxable year is \$3,000 or less. The basic standard is increased to \$4,200 if the taxpayer has one dependent, and by another \$750 for each additional dependent. A partial exemption or refund of 90 percent of the tax is provided for a claimant whose income exceeds the applicable basic standards by no more than \$100. Thereafter, the allowable percentage exemption is reduced by 10 percent for each additional \$100 of total income. Effective January 1, 1975, employers will not be required to withhold tax from employees who can certify a 100 percent exemption for the year. The Act also provided that: (5) income from the U. S. Government for active duty performed outside the Commonwealth while a member of the Armed Forces is exempt and (6) a tax payment will be considered timely if the letter transmitting payment is postmarked on or before the due date.

Act No. 105, approved June 17, 1974, effective retroactively to June 1, 1971, adjusts the acquisition date of property acquired prior to June 1, 1971, to that date for capital gains purposes. For property acquired thereafter, the actual date of acquisition is to be used.

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

The estimated revenue from the Personal Income Tax is \$1,123.4 for the 1975-76 fiscal year and \$1,264.1 for 1976-77.

Realty Transfer Tax

Actual		Estimated	
1969-70	\$30,113,919	1975-76	\$46,000,000
1970-71	32,691,297	1976-77	53,800,000
1971-72	40,502,147	1977-78	56,800,000
1972-73	49,646,922	1978-79	60,000,000
1973-74	49,717,130	1979-80	63,400,000
1974-75	44,930,458	1980-81	66,900,000

The Realty Transfer Tax is levied at the rate of one percent of the value of the property transferred as represented by deed, instrument or other writing. The tax is paid through the purchase of stamps which are affixed to the legal document presented for recording.

The estimated revenue from the Realty Transfer Tax is \$46.0 million for fiscal 1975-76 and \$53.8 million for fiscal 1976-77.

Inheritance Tax

Actual		Estimated	
1969-70	\$ 98,839,502	1975-76	\$133,900,000
1970-71	110,810,834	1976-77	136,500,000
1971-72	127,259,239	1977-78	139,300,000
1972-73	134,767,165	1978-79	142,000,000
1973-74	132,059,291	1979-80	144,900,000
1974-75	126,327,999	1980-81	147,800,000

The Inheritance Tax is a transfer tax levied on the clear value of property to heirs of a deceased person. The rate is six percent of the value, after a personal exemption if passing to direct or lineal heirs, and fifteen percent without exemption if passing to collateral heirs. A tax rate increase from two to six percent became effective December 29, 1967, for estates and transfers of persons dying on or after that date. Charities and other listed organizations are exempt.

Taxes are required to be collected for the State by counties within nine months after the death of a person whose property is being transferred. The time limit for filing returns was reduced from fifteen to nine months by Act No. 15, effective June 17, 1971.

Act No. 130, effective June 27, 1974, increased the amount of the family exemption from \$1,500 to \$2,000.

An Estate Tax is levied on estates situated in Pennsylvania and applies to residents and non-residents. The tax is the difference between the Inheritance Tax imposed by the State and the credit allowed under the Federal Estate Tax.

The estimated revenue from the Inheritance Tax is \$133.9 million for fiscal 1975-76 and \$136.5 million for fiscal 1976-77.

## GENERAL FUND REVENUE SOURCES

### Minor and Repealed Taxes

Actual		Estimated	
1969-70	\$503,926	1975-76	\$600,000
1970-71	509,531	1976-77	600,000
1971-72	574,588	1977-78	600,000
1972-73	616,430	1978-79	600,000
1973-74	597,429	1979-80	600,000
1974-75	570,348	1980-81	600,000

Minor taxes are those taxes whose potential individual annual yields are comparatively small. They include:

Tax on Legal Documents-Act of April 6, 1830, P.L. 272.

Spiritous and Vinous Liquors Tax-Acts of December 5, 1933, P.L. 38 (Sp. Sess.) and December 22, 1933, P.L. 91 (Sp. Sess.)

Repealed taxes are those which are no longer in effect but for which revenues continue to be received. They include:

Consumers Sales Tax-Act of July 13, 1953, P.L. 389 - Expired August 31, 1955.

Anthracite Coal Tax-Act of May 11, 1921, P.L. 479 - Expired 1931.

Stock Transfer Tax-Repealed by Act of July 10, 1957, P.L. 671.

Documentary Stamp Tax-Act of May 16, 1935, P.L. 203 - Expired 1937.

Soft Drink Tax-Act of May 14, 1947, P.L. 249 - Expired May 31, 1951.

Personal Property Tax 1937-Act of June 22, 1935, P.L. 414 - Expired 1943.

Receipts from Minor and Repealed Taxes are relatively small and vary only slightly from year to year. For fiscal 1975-76 the estimated revenue is \$600,000.

**Liquor Store Profits**

Actual	Estimated
1969-70 ..... \$50,000,000	1975-76 ..... \$67,000,000
1970-71 ..... 50,000,000	1976-77 ..... 44,000,000
1971-72 ..... 52,000,000	1977-78 ..... 44,000,000
1972-73 ..... 52,000,000	1978-79 ..... 44,000,000
1973-74 ..... 48,000,000	1979-80 ..... 44,000,000
1974-75 ..... 44,000,000	1980-81 ..... 44,000,000

Liquor Store Profits represent the amount of profit from the operation of State Liquor Stores less deductions for reserve and inventory. This amount is transferred to the General Fund from the State Stores Fund to be used for general appropriation purposes.

Liquor Store Profits are estimated by the Liquor Control Board at \$67.0 million for fiscal 1975-76 and at \$44.0 million in fiscal 1976-77.

Institutional Reimbursements

Actual		Estimated
1969-70 .....	\$38,782,378	1975-76 .....
1970-71 .....		1976-77 .....
1971-72 .....	14,220,852	1977-78 .....
1972-73 .....	13,196,060	1978-79 .....
1973-74 .....	10,337,721	1979-80 .....
1974-75 .....	6,966,870	1980-81 .....

Institutional reimbursements include all payments by patients or their families for care in State hospitals and institutions. Also included are payments by the counties for persons committed to correctional institutions by the courts of those counties.

During 1970-71 all institutional reimbursements were treated as augmentations to the institutions where they were earned.

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

Receipts in the 1974-75 fiscal period are a result of court settlements and late payments. Only negligible amounts are expected to be collected in 1975-76 and thereafter.

GENERAL FUND REVENUE SOURCES

Licenses, Fees and Miscellaneous Revenue

Actual		Estimated	
1969-70	\$36,046,018	1975-76	\$228,900,000
1970-71	45,997,710	1976-77	79,100,000
1971-72	78,284,067	1977-78	82,400,000
1972-73	90,188,131	1978-79	84,500,000
1973-74	99,596,498	1979-80	86,700,000
1974-75	98,908,045	1980-81	89,100,000

Licenses and Fees includes collections by State agencies which are not specifically required by law to be placed in special funds to support a specific purpose. Although amounts obtained from an individual class of license very often are sufficient only to cover regulatory costs, any additional money is available for general purposes. Certain licenses and fees are required in a multitude of laws designed to protect the public from indiscriminate and unsafe practices. Those which provide the largest amounts of revenue to the General Fund are dog licenses, public utility assessment fees, insurance licenses and fees, vital statistics fees, professional license fees, and cigarette license fees.

The miscellaneous category includes all other income to be used for general appropriation purposes in the General Fund except monies which are given to the State by individuals, or are provided by law to be used only for a specific purpose. Included in miscellaneous income are monies from such sources as escheats, sale of forest products, sale or rent of Commonwealth property, and interest on securities and deposits. Also included are transfers from special funds.

Collections from Licenses, Fees and Miscellaneous are estimated at \$228.9 million in fiscal 1975-76. Special fund transfers included are: Harness Racing, \$4.4 million; Horse Racing, \$15.3 million; Parent Reimbursement, \$142.1; World War II Compensation Sinking Fund, \$1.2 million; and Korean Conflict Veterans' Compensation Sinking Fund, \$3.5 million.

Collections in the 1976-77 fiscal year will be approximately \$79.1 million. Estimated special fund transfers are: Harness Racing \$4.2 million and Horse Racing, \$15.5 million.

**GENERAL FUND REVENUE SOURCES**

**Fines, Penalties and Interest**

Actual		Estimated	
1969-70	\$ 4,656,744	1975-76	\$11,900,000
1970-71	6,361,605	1976-77	11,900,000
1971-72	6,457,494	1977-78	11,900,000
1972-73	8,375,499	1978-79	11,900,000
1973-74	9,816,985	1979-80	11,900,000
1974-75	11,282,966	1980-81	11,900,000

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

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

## 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.

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>TAX REVENUE</b>			
Corporate Net Income Tax .....	\$ 592,799,883	\$ 514,200,000	\$ 673,600,000
<b>Capital Stock and Franchise Taxes</b>			
Capital Stock Taxes—Domestic .....	\$ 114,180,798	\$ 125,400,000	\$ 133,600,000
Franchise Taxes—Foreign .....	70,726,365	77,700,000	82,800,000
Total .....	\$ 184,907,163	\$ 203,100,000	\$ 216,400,000
<b>Utility Gross Receipts</b>			
Telephone and Telegraph .....	\$ 50,943,049	\$ 57,560,000	\$ 65,710,000
Electric Hydroelectric and Water Power .....	135,136,837	152,710,000	174,300,000
Transportation .....	4,622,773	5,220,000	5,960,000
Motor Transportation .....	426,633	460,000	490,000
Gas .....	35,620,024	40,250,000	45,940,000
Total .....	\$ 226,749,316	\$ 256,200,000	\$ 292,400,000
Utility Property Tax .....	\$ 43,731,012	\$ 58,800,000	\$ 60,300,000
<b>Insurance Premiums Tax</b>			
Domestic Casualty .....	\$ 8,198,892	\$ 5,930,000	\$ 6,260,000
Domestic Marine .....	-7,228	50,000	56,000
Domestic Fire .....	2,679,450	5,380,000	5,690,000
Domestic Life and Previously Exempted Lines .....	3,944,303	5,450,000	5,760,000
Unauthorized Insurance .....	10,002	6,000	6,000
Foreign Life .....	40,186,371	41,990,000	44,380,000
Foreign Excess Casualty .....	1,422,720	1,470,000	1,560,000
Foreign Marine .....	12,289	45,000	45,000
Foreign Excess Fire .....	287,308	610,000	650,000
Excess Insurance Brokers .....	493,278	400,000	420,000
Title Insurance .....	286,293	69,000	73,000
Total .....	\$ 57,513,678	\$ 61,400,000	\$ 64,900,000
<b>Financial Institutions Taxes</b>			
Trust Companies .....	\$ 4,613,897	\$ 5,320,000	\$ 5,460,000
State Banks .....	10,063,530	11,600,000	11,910,000
National Banks .....	29,354,043	33,840,000	34,740,000
State Mutual Thrift Institutions .....	5,461,460	6,300,000	6,470,000
Federal Mutual Thrift Institutions .....	2,637,689	3,040,000	3,120,000
State Savings and Building and Loan .....	7,790	.....	.....
Total .....	\$ 52,138,409	\$ 60,100,000	\$ 61,700,000

**GENERAL FUND REVENUE DETAIL**

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Other Selective Business Taxes</b>			
Excise—Foreign .....	\$ 4,606,727	\$ 5,001,600	\$ 5,414,100
Corporate Loans—Domestic .....	3,892,733	4,226,400	4,575,000
Corporate Loans—Foreign .....	256,521	278,500	301,500
Tax on Electric Cooperative Corporations .....	14,609	15,900	17,200
Corporate Net Income Tax on Agricultural Cooperative Association .....	64,425	69,900	75,700
Corporation Income .....	5,214,094	3,800,000	4,700,000
Gross Receipts—Private Bankers .....	27,153	29,500	31,900
Gross Receipts Boxing and Wrestling Exhibitions .....	72,000	78,200	84,600
Total .....	\$ 14,148,262	\$ 13,500,000	\$ 15,200,000
<b>Sales and Use Tax</b> .....	\$1,271,014,664	\$1,397,800,000	\$1,577,300,000
<b>Cigarette Tax</b> .....	\$ 215,350,564	\$ 248,600,000	\$ 256,000,000
<b>Malt Beverage Tax</b> .....	\$ 23,815,902	\$ 25,100,000	\$ 25,700,000
<b>Liquor Tax</b> .....	\$ 78,090,063	\$ 81,000,000	\$ 84,200,000
<b>Personal Income Tax</b> .....	\$1,033,507,942	\$1,123,400,000	\$1,264,100,000
<b>Realty Transfer Tax</b> .....	\$ 44,930,458	\$ 46,000,000	\$ 53,800,000
<b>Inheritance Tax</b>			
Resident Transfer Inheritance and Estate Tax .....	\$ 129,240,282	\$ 137,800,000	\$ 141,500,000
Non-Resident Transfer Inheritance and Estate Tax .....	1,119,601	1,200,000	1,200,000
Expense Deduction from Resident Transfer, Direct Collateral Inheritance and Estate Tax .....	-4,031,884	-5,100,000	-6,200,000
Total .....	\$ 126,327,999	\$ 133,900,000	\$ 136,500,000
<b>Minor and Repeated Taxes</b>			
Repealed .....	\$ 10,000	\$ 10,500	\$ 10,500
Tax on Writs, Wills and Deeds .....	551,152	579,800	579,800
Distilled Spirits .....	1,612	1,700	1,700
Rectified Spirits .....	929	1,000	1,000
Wines .....	6,655	7,000	7,000
Total .....	\$ 570,348	\$ 600,000	\$ 600,000
<b>TOTAL TAX REVENUE</b> .....	\$3,965,595,663	\$4,223,700,000	\$4,782,700,000

**GENERAL FUND REVENUE DETAIL**

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>NON-TAX REVENUES</b>			
Liquor Store Profits .....	\$ 44,000,000	\$ 67,000,000	\$ 44,000,000
<b>Institutional Reimbursements</b>			
Department of Justice .....	\$ 5,275,267	.....	.....
Department of Public Welfare .....	1,691,603	.....	.....
Total Institutional Reimbursements.....	<u>\$ 6,966,870</u>	.....	.....
<b>Licenses, Fees and Miscellaneous</b>			
<b>Auditor General</b>			
<b>LICENSES AND FEES</b>			
Miscellaneous Licenses .....	\$ 2,212	\$ 2,058	\$ 2,058
<b>MISCELLANEOUS REVENUE</b>			
Refunds of Expenditures not Credited to Appropriations .....	310	10	.....
Subtotal .....	<u>\$ 2,522</u>	<u>\$ 2,068</u>	<u>\$ 2,058</u>
<b>Treasury Department</b>			
<b>MISCELLANEOUS REVENUE</b>			
Interest on Securities .....	\$ 44,270,668	\$ 33,228,520	\$ 29,388,400
Interest on Deposits .....	1,322,082	982,300	766,000
Allocation of Treasury Cost .....	323,674	240,500	187,500
Premium and Discount on Tax Notes Sold.....	.....	4,980	.....
Interest on Securities-Liquor License Fund .....	185,583	137,900	107,500
Re-Deposit of Checks .....	817,925	607,800	473,900
Refunds of Expenditures Not Credited to Appropriations .....	8,071	6,000	4,700
Subtotal .....	<u>\$ 46,928,003</u>	<u>\$ 35,208,000</u>	<u>\$ 30,928,000</u>
<b>Department of Agriculture</b>			
<b>LICENSES AND FEES</b>			
Carbonated Beverage Licenses .....	\$ 34,650	\$ 32,000	\$ 32,000
Egg Certification Fees .....	20,799	20,000	20,000
Cold Storage Warehouse Licenses .....	4,950	4,150	4,150
Egg Opening Licenses .....	300	400	400
Seed Testing and Certification Fees .....	20,805	22,000	22,000
Bakery Licenses .....	32,120	30,500	30,500
Frozen Dessert Licenses .....	34,700	34,500	34,500
Livestock Dealer's Licenses .....	4,597	4,800	4,800
Farm Products Dealer's Licenses .....	650	750	750
Abattoir Licenses .....	24,439	12,500	12,500
Rendering Plant Licenses .....	410	410	410
Horse Slaughtering Licenses.....	125	150	150
Approved Inspector's Certificate and Registration Fees .....	3,545	4,000	4,000
Garbage Feeder's Licenses .....	1,150	1,300	1,300
Poultry Technician Licenses .....	125	120	120
Miscellaneous Licenses and Fees .....	7,540	7,500	7,500
Farm Product Inspection Fees .....	11,510	10,000	10,000
Fertilizer Licenses .....	.....	3,400	.....
Egg Laying Fees .....	.....	3,400	.....
Coggins Test .....	56,795	100,000	100,000
Public Weighmaster's Liquid Fuels Licenses .....	4,815	5,000	5,000
Public Weighmaster's Solid Fuels Licenses .....	3,995	4,000	4,000
Livestock Branding Fees .....	390	.....	200

**GENERAL FUND REVENUE DETAIL**

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Department of Agriculture (continued)</b>			
<b>MISCELLANEOUS REVENUE</b>			
Sale of Surplus Products .....	\$ 60,494	\$ 55,000	\$ 46,000
Miscellaneous .....	1,733	5,000	1,500
Refunds of Expenditures Not Credited to Appropriations .....	16,171	.....	.....
Subtotal .....	<u>\$ 346,808</u>	<u>\$ 360,880</u>	<u>\$ 341,780</u>
<b>Department of Banking</b>			
<b>LICENSES AND FEES</b>			
Securities Registration .....	\$ 220,904	\$ 400,000	\$ 425,000
Securities Dealers' Application Fees .....	60,610	65,000	70,000
Securities Salesmen Application Fees .....	277,307	295,000	300,000
Investment Advisors' Application Fees .....	25,288	2,000	30,000
Exemption Certificates Fees .....	114,477	125,000	125,000
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	39,102	40,000	50,000
Refunds of Expenditures Not Credited to Appropriations .....	10	.....	.....
Subtotal .....	<u>\$ 737,698</u>	<u>\$ 927,000</u>	<u>\$ 1,000,000</u>
<b>Department of Community Affairs</b>			
<b>LICENSES AND FEES</b>			
Municipal Indebtedness Fees .....	\$ 7,800	\$ 45,000	\$ 50,000
Land Office Fees .....	70,679	5,000	5,000
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	867,286	150,000	7,000
Refunds of Expenditures Not Credited to Appropriations .....	228,769	.....	.....
Subtotal .....	<u>\$ 1,174,534</u>	<u>\$ 200,000</u>	<u>\$ 62,000</u>
<b>Department of Commerce</b>			
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	\$ 4,961	\$ 10,000	.....
Refunds of Expenditures not Credited to Appropriations .....	11,241	.....	.....
Subtotal .....	<u>\$ 16,202</u>	<u>\$ 10,000</u>	.....
<b>Department of Education</b>			
<b>LICENSES AND FEES</b>			
Secondary Education Evaluation Fees .....	\$ 38,792	\$ 40,000	\$ 40,000
Private Trade Schools License Fees .....	27,305	27,000	27,000
Business School License Fees .....	6,510	8,500	7,000
Correspondence School License Fees .....	3,295	5,500	5,000
Private Academic School License Fees .....	20,770	20,000	20,000
Private Driver Training School Fees .....	3,235	4,000	4,000
Teachers Certification Fees .....	243,446	255,000	255,000

**GENERAL FUND REVENUE DETAIL**

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Department of Education (continued)</b>			
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	\$ 5,039	\$ 2,500	\$ 6,000
Refunds of Expenditures not Credited to Appropriations .....	127,881	45,000	.....
Subtotal .....	<u>\$ 476,273</u>	<u>\$ 407,500</u>	<u>\$ 364,000</u>
<b>Probation and Parole</b>			
<b>MISCELLANEOUS REVENUE</b>			
Refunds of Expenditures Not Credited to Appropriations .....	\$ 16,032	\$ 2,880	.....
Subtotal .....	<u>\$ 16,032</u>	<u>\$ 2,880</u>	.....
<b>Department of Environmental Resources</b>			
<b>LICENSES AND FEES</b>			
Bathing Place .....	\$ 1,880	\$ 1,800	\$ 1,800
Sewage and Industrial Waste Permit Fees .....	50,555	47,500	47,500
Restaurant Licenses .....	17,324	17,500	17,500
Miscellaneous Licenses and Fees .....	261,565	267,100	262,000
Registration Fees for Organized Camps .....	5,393	5,600	5,650
Explosive Storage Permit Fees .....	63,945	40,000	30,000
Blasters' Examination and Licensing Fees .....	21,039	17,000	9,000
Examination and Certificate Fees .....	2,890	3,200	3,500
Bituminous Miners' Examination and Certificate Fees .....	2,086	2,400	2,650
Bituminous Shot Firers and Machine Runners Examination and Certificates .....	2,087	2,625	2,750
Anthracite Miners' Examination and Certificate Fees .....	2,481	550	600
Water Power and Supply Permit Fees .....	68,750	.....	.....
Dams and Encroachment Fees .....	76,521	250	250
Miscellaneous Fees .....	122,204	123,000	125,000
Coal Refuse Disposal Areas-Permit Fees .....	4,365	10,000	5,000
Water Bacteria Logical Examinations .....	1,393	11,000	11,000
Sewage Enforcement Examination Fees .....	.....	7,500	4,000
Sewage Enforcement-Certificate Renewal .....	.....	.....	7,500
Sewage Enforcement-Certificate Copy Fees .....	.....	50	50
<b>MISCELLANEOUS REVENUE</b>			
Stumpage .....	1,482,096	1,000,000	1,250,000
Minerals Sales .....	41,360	90,000	100,000
Camp Leases .....	910,109	923,000	936,000
Water Leases .....	5,596	5,800	6,000
Rights of Way .....	98,463	102,000	106,500
Recovered Damages .....	15,928	2,000	2,500
Housing Rents .....	302,623	300,600	305,000
Ground Rents .....	191,863	189,500	194,800
Royalties for Recovery of Materials- Schuylkill River .....	39,282	50,000	50,000
Costs of Extinguishing Forest Fires .....	25,372	15,000	15,000
Sale of Seedlings .....	63,609	60,000	60,000
Concession Revenues .....	318,889	325,000	325,000
Miscellaneous .....	51,444	40,400	45,400
Surface Subsidence Assistance Loans .....	3,664	4,500	5,000
Refunds of Expenditures Not Credited to Appropriations .....	76,353	.....	.....
Subtotal .....	<u>\$ 4,331,129</u>	<u>\$ 3,664,875</u>	<u>\$ 3,936,950</u>

**GENERAL FUND REVENUE DETAIL**

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Department of General Services</b>			
<b>MISCELLANEOUS REVENUE</b>			
Sale of State Property .....	\$ 258	\$ 17,000	\$ 10,000
Sale of Publications .....	54,679	56,000	56,000
Sale of Unserviceable Property .....	185,578	100,000	100,000
Rental of State Property .....	22,706	10,500	10,500
Recovery on Insurance and Surety Bonds .....	284	340	300
Mileage of State Automobiles .....	280,154	250,000	300,000
Contract Forfeitures and Damages .....	2,050	2,700	2,000
Allocation of Property Costs .....	4,438,456	4,579,150	5,037,074
Real Estate Services .....	92,619	70,500	90,000
Miscellaneous .....	14,553	6,600	7,000
Refunds of Expenditures Not Credited to Appropriations .....	112,695	110,000	110,000
Subtotal .....	<u>\$ 5,204,032</u>	<u>\$ 5,202,790</u>	<u>\$ 5,722,874</u>
<b>Governor's Office</b>			
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	\$ 143,849	\$ 8,000	\$ 2,000
Refunds of Expenditures Not Credited to Appropriations .....	27,175	17,000	.....
Subtotal .....	<u>\$ 171,024</u>	<u>\$ 25,000</u>	<u>\$ 2,000</u>
<b>Lieutenant Governor's Office</b>			
<b>MISCELLANEOUS REVENUE</b>			
Refunds of Expenditures Not Credited to Appropriations .....	\$ 61	\$ 540	.....
Subtotal .....	<u>\$ 61</u>	<u>\$ 540</u>	.....
<b>Department of Health</b>			
<b>LICENSES AND FEES</b>			
Vital Statistics Fees .....	\$ 1,098,110	\$ 1,100,000	\$ 1,200,000
Registration Fees-Drugs Devices and Cosmetics Act .....	152,252	155,000	165,000
Application Fees-Analytical, Biochemist, Biological Laboratory Act .....	1,225	1,500	1,500
Profit Making Hospital Licenses .....	3,000	4,000	4,000
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	85,593	85,000	85,000
Refunds of Expenditures Not Credited to Appropriations .....	19,958	.....	.....
Subtotal .....	<u>\$ 1,360,138</u>	<u>\$ 1,345,500</u>	<u>\$ 1,455,500</u>
<b>Pennsylvania Historical and Museum Commission</b>			
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	\$ 6,465	\$ 7,500	\$ 8,000
Refunds of Expenditures Not Credited to Appropriations .....	5,327	.....	.....
Subtotal .....	<u>\$ 11,792</u>	<u>\$ 7,500</u>	<u>\$ 8,000</u>

## GENERAL FUND REVENUE DETAIL

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Insurance Department</b>			
<b>LICENSES AND FEES</b>			
Agents' Licenses .....	\$ 1,520,986	\$ 1,685,000	\$ 1,600,000
Brokers' Licenses .....	290,611	360,000	297,000
Examination Fees and Expenses .....	545,814	450,000	650,000
Valuation of Policies Fees .....	123,333	500,000	525,000
Examination Fees for Brokers and Agents			
Applications .....	143,838	275,000	152,000
Miscellaneous Fees .....	212,728	225,000	235,000
Miscellaneous Licenses .....	69,016	58,000	70,000
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	44	100	100
Refunds of Expenditures Not			
Credited to Appropriations .....	2,180	1,160	.....
Subtotal .....	<u>\$ 2,908,550</u>	<u>\$ 3,554,260</u>	<u>\$ 3,529,100</u>
<b>Department of Justice</b>			
<b>LICENSES AND FEES</b>			
Boards of Pardons Fees .....	\$ 7,255	\$ 7,500	\$ 8,000
<b>MISCELLANEOUS REVENUE</b>			
Anti-Trust Case Payments .....	254,024	102,000	30,000
Assessed Civil Penalties Payments .....	6,052	50,000	50,000
Miscellaneous .....	-490	1,000	1,000
Refunds of Expenditures Not			
Credited to Appropriations .....	115,118	.....	.....
Subtotal .....	<u>\$ 381,959</u>	<u>\$ 160,500</u>	<u>\$ 89,000</u>
<b>Legislative Miscellaneous and Commissions</b>			
<b>MISCELLANEOUS REVENUE</b>			
Refunds of Expenditures Not			
Credited to Appropriations .....	.....	\$ 9,080	\$ 9,080
Subtotal .....	.....	<u>\$ 9,080</u>	<u>\$ 9,080</u>
<b>State Senate</b>			
<b>MISCELLANEOUS REVENUE</b>			
Refunds of Expenditures Not			
Credited to Appropriations .....	.....	\$ 43,330	\$ 43,330
Subtotal .....	.....	<u>\$ 43,330</u>	<u>\$ 43,330</u>

**GENERAL FUND REVENUE DETAIL**

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Department of Labor and Industry</b>			
<b>LICENSES AND FEES</b>			
Bedding and Upholstery Fees .....	\$ 203,262	\$ 250,000	\$ 225,000
Boiler Inspection Fees .....	429,198	450,000	450,000
Elevator Inspection Fees .....	309,442	300,000	310,000
Employment Agents' Licenses .....	84,420	100,000	100,000
Projectionists' Examination and License Fees .....	13,348	15,000	15,000
Approval of Elevator Plan Fees .....	18,915	18,000	19,000
Industrial Homework Permit Fees .....	3,875	4,500	4,000
Workmen's Compensation Exemption Fees .....	34,200	30,000	35,000
Employment Agents' Registration Fees .....	22,960	20,000	25,000
Liquified Petroleum Gas Registration Fees .....	93,913	100,000	100,000
Stuffed Toys Manufacturers Registration Fees .....	7,925	7,000	8,000
Approval of Building Plan Fees .....	157,963	225,000	175,000
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	1,017	1,000	1,000
Funds Received for Administration Services			
Rendered to Federal Funded Organization .....	191,178	250,000	200,000
Refunds of Expenditures Not			
Credited to Appropriations .....	120,422	.....	.....
Subtotal .....	<u>\$ 1,692,038</u>	<u>\$ 1,770,500</u>	<u>\$ 1,667,000</u>
<b>Public Utility Commission</b>			
<b>LICENSES AND FEES</b>			
General Assessment Fees .....	\$ 5	\$ 100	\$ 100
Subtotal .....	<u>\$ 5</u>	<u>\$ 100</u>	<u>\$ 100</u>
<b>Department of Public Welfare</b>			
<b>LICENSES AND FEES</b>			
Private Home and Hospital Licenses .....	\$ 15,345	\$ 16,000	\$ 5,000
Private Mental Hospital Licenses .....	600	2,000	2,000
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	342	1,000	500
Refunds of Expenditures Not			
Credited to Appropriations .....	225,054	44,000	200,000
Subtotal .....	<u>\$ 241,341</u>	<u>\$ 63,000</u>	<u>\$ 207,500</u>
<b>State Council of Civil Defense</b>			
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	\$ 710	.....	.....
Refunds of Expenditures Not			
Credited to Appropriations .....	50,979	\$ 60	.....
Subtotal .....	<u>\$ 51,689</u>	<u>\$ 60</u>	.....
<b>State Equalization Board</b>			
<b>MISCELLANEOUS REVENUE</b>			
Refunds of Expenditures Not			
Credited to Appropriations .....	\$ 9,513	\$ 160	.....
Subtotal .....	<u>\$ 9,513</u>	<u>\$ 160</u>	.....

**GENERAL FUND REVENUE DETAIL**

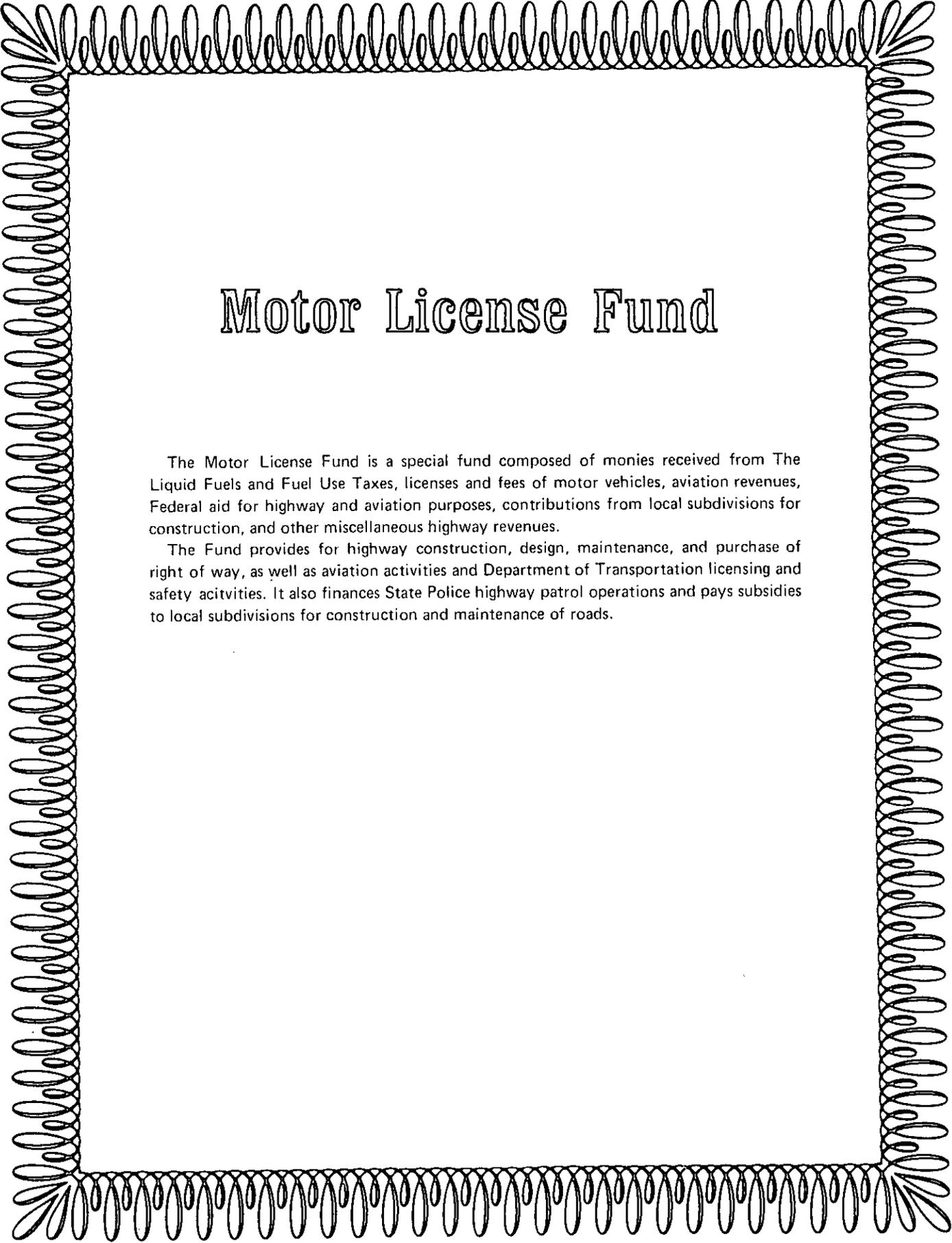
	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Department of Military Affairs</b>			
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	\$ 4,822	\$ 1,000	.....
Refunds of Expenditures Not Credited to Appropriations .....	12,187	10,000	.....
Subtotal .....	<u>\$ 17,009</u>	<u>\$ 11,000</u>	.....
<b>Department of Revenue</b>			
<b>LICENSES AND FEES</b>			
Cigarette Permit Fees .....	\$ 195,872	\$ 195,500	\$ 195,500
Certificate and Copy Fees .....	7,222	7,200	7,200
Dog Licenses .....	1,219,926	1,187,060	1,172,112
<b>MISCELLANEOUS REVENUE</b>			
Abandoned Property Revenue .....	2,623,766	2,266,620	2,322,996
Reimbursement of Tax Liens .....	1,016	900	900
Waterway Obstruction Rents .....	46	50	50
Miscellaneous .....	7,240	6,150	6,450
Refunds of Expenditures Not Credited to Appropriations .....	72,021	61,250	63,900
Subtotal .....	<u>\$ 4,127,109</u>	<u>\$ 3,724,730</u>	<u>\$ 3,769,108</u>
<b>Department of State</b>			
<b>LICENSES AND FEES</b>			
Commission and Filing Fees .....	\$ 2,417,099	\$ 2,553,400	\$ 2,771,500
Recorder of Deeds Fees .....	26,862	19,000	19,000
Notary Public Commission Fees .....	301,300	260,000	260,000
Boxing and Wrestling Licenses .....	8,960	9,400	9,500
State Board of Medical Education and License Fees .....	542,872	210,685	578,500
State Board of Pharmacy Fees .....	116,398	68,450	142,000
State Dental Council and Examining Board Fees .....	38,011	114,750	50,000
State Board of Optometrical Examiners' Fees .....	27,400	4,150	30,000
State Board of Osteopathic Examiners' Fees .....	38,485	7,000	45,000
State Board of Examiners' for Registration of Nurses' Fees .....	728,972	151,276	754,000
State Board of Podiatry License Fees .....	10,905	1,100	11,000
State Board of Veterinary Medical Examiners' Fees .....	24,425	7,900	25,500
State Board of Public Accountant Fees .....	186,924	110,500	232,000
State Board of Examiners of Architects' Fees .....	58,366	43,850	59,000
State Board of Funeral Directors Fees .....	27,370	101,450	41,000
State Board of Professional Engineers Fees .....	328,705	60,575	374,000
State Real Estate Commissions License Fees .....	148,269	307,500	170,500
State Board of Barber Examiners Fees .....	22,960	111,315	28,000
State Board of Cosmetology Fees .....	73,789	572,500	76,500
State Board of Psychologist Examiners Fees .....	10,820	50,150	11,500
State Board of Chiropractic Examiners Fees .....	12,395	2,100	13,000
State Board of Landscape Architects .....	9,120	14,100	9,500
State Board of Motor Vehicle Salesman .....	193,281	300,256	204,000
State Board of Nursing Home Administrator Fees .....	22,727	13,220	34,500
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	23	.....	.....
Refunds of Expenditures Not Credited to Appropriations .....	9,823	700	.....
Subtotal .....	<u>\$ 5,386,261</u>	<u>\$ 5,095,327</u>	<u>\$ 5,949,500</u>

**GENERAL FUND REVENUE DETAIL**

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Pennsylvania State Police</b>			
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....		\$ 500,000	\$ 250,000
Reimbursement for Lost Property .....	\$ 916	300	
Refunds of Expenditures Not Credited to Appropriations .....	212,151		
 Subtotal .....	<u>\$ 213,067</u>	<u>\$ 500,300</u>	<u>\$ 250,000</u>
 <b>Pennsylvania Public Television</b>			
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	\$ 237		
Refunds of Expenditures Not Credited to Appropriations .....	2,521		
 Subtotal .....	<u>\$ 2,758</u>		
 <b>Pennsylvania Department of Transportation</b>			
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	\$ 4		
Refunds of Expenditures Not Credited to Appropriations .....	22,682	\$ 40,000	
 Subtotal .....	<u>\$ 22,686</u>	<u>\$ 40,000</u>	
 <b>Other</b>			
<b>MISCELLANEOUS REVENUE</b>			
Conscience Money .....	\$ 713	\$ 1,120	\$ 1,120
Transfer from Harness Racing Fund .....	7,094,228	4,403,000	4,235,000
Transfer from Horse Racing Fund .....	15,982,871	15,261,000	15,527,000
Transfer from World War II Compensation Sinking Fund .....		1,200,000	
Transfer from Parent Reimbursement Fund .....		142,126,000	
Transfer from Korean Conflict Veterans' Compensation Sinking Fund .....		3,500,000	
Transfer from Pennsylvania Fair Fund .....		72,000	
 Subtotal .....	<u>\$ 23,077,812</u>	<u>\$ 166,563,120</u>	<u>\$ 19,763,120</u>
 Total Licenses, Fees and Miscellaneous .....	<u>\$ 98,908,045</u>	<u>\$ 228,900,000</u>	<u>\$ 79,100,000</u>
 <b>Fines, Penalties and Interest on Taxes</b>			
Penalties on Excise Taxes—Corporations .....	\$ 447,134	\$ 578,500	\$ 578,500
Interest on Excise Taxes—Corporation (Department of Revenue) .....	1,706,080	2,207,500	2,207,500
Corporation Net Income Tax .....	2,937,808	3,801,150	3,801,150
Realty Transfer Tax .....	9,937	12,840	12,840
Personal Income Tax .....	7	10	10

**GENERAL FUND REVENUE DETAIL**

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Other Fines and Penalties</b>			
<b>Department of Agriculture</b>			
General Food Fines .....	\$ 20,396	\$ 22,000	\$ 22,000
Egg Fines .....	1,305	1,500	1,500
Marketing Law Fines .....	2,730	2,500	2,500
Miscellaneous .....	4,690	5,000	5,000
<b>Department of Environmental Resources</b>			
Migrant Labor Camps .....	1,700	.....	.....
Blasters Fines .....	750	.....	.....
Miscellaneous Fines .....	5,423	6,400	6,500
Solid Waste Management .....	3,554	5,000	5,000
<b>Department of General Services</b>			
Traffic Violations .....	18,149	22,200	23,000
<b>Department of Insurance</b>			
Miscellaneous Fines .....	47,023	40,000	38,000
<b>Department of Labor and Industry</b>			
Miscellaneous Fines .....	260	1,000	500
Minor Labor Law Fines .....	1,150	300	1,000
Fire Alarm and Panic Fines .....	.....	50	.....
Boiler Inspection Fines .....	100	500	200
Bedding and Upholstery Fees .....	.....	100	.....
Elevator Inspection Fines .....	.....	.....	50
<b>Department of Military Affairs</b>			
Court Martial Fines .....	340	500	500
<b>Public Utility Commission</b>			
Violation of Order Fines .....	78,088	75,000	78,000
<b>Department of Revenue</b>			
Malt Liquor Fines and Penalties .....	2	5	5
Spirituuous and Vinous Liquor Fines and Penalties .....	75	75	75
Motor Law Fines .....	5,980,245	5,102,925	5,094,600
Fire Prevention Fines .....	50	50	50
Sabbath Breaking Fines .....	20	20	20
<b>Department of State</b>			
Professional Licensing Fines .....	15,950	14,225	21,000
Boxing and Wrestling Fines .....	.....	650	500
Total Fines Penalties and Interest .....	\$ 11,282,966	\$ 11,900,000	\$ 11,900,000
<b>TOTAL NON-TAX REVENUE .....</b>	<b>\$ 161,157,881</b>	<b>\$ 307,800,000</b>	<b>\$ 135,000,000</b>
<b>TOTAL GENERAL FUND REVENUES .....</b>	<b>\$4,126,753,544</b>	<b>\$4,531,500,000</b>	<b>\$4,917,700,000</b>



## Motor License Fund

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

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

Financial Statement

	(Dollar Amounts in Thousands)	
	1975-76	1976-77
Surplus, Beginning of Year . . . . .	\$ 404	\$21,948
<b>Receipts:</b>		
Revenue Estimate . . . . .	774,530	826,035
Prior Year Lapses . . . . .	10,593	. . . . .
Funds Available . . . . .	<u>\$785,527</u>	<u>\$847,983</u>
<b>Expenditures:</b>		
Appropriated . . . . .	\$674,429	\$847,743
Deficiency and Pending Appropriations . . . . .	93,650	. . . . .
Less Current Year Lapses . . . . .	<u>-4,500</u>	<u>. . . . .</u>
Estimated Expenditures . . . . .	-763,579	-847,743
Ending Surplus: . . . . .	<u>\$21,948</u>	<u>\$ 240</u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Department of Transportation</b>			
<b>General Government</b>			
General Operations . . . . .	\$ 364,601	\$ 378,342	\$ 411,483
Appalachia Local Access Roads . . . . .	. . . . .	1,172	. . . . .
Secondary Roads—Maintenance and Resurfacing . . . . .	46,459	52,469	55,017
Refunding Monies Collected Through the Department of Transportation . . . . .	. . . . .	530	650
Aviation Operations . . . . .	4,082	3,924	3,958
Sub-Total . . . . .	<u>\$ 415,142</u>	<u>\$ 436,437</u>	<u>\$ 471,108</u>
<b>Debt Service Requirements</b>			
State Highway and Bridge Authority Rentals . . . . .	\$ 37,372	\$ 35,000	\$ 35,000
<b>Grants and Subsidies</b>			
Local Road Maintenance and Construction Payments . . . . .	\$ 85,703	\$ 92,600	\$ 85,200
Airport Development . . . . .	1,321	1,550	2,500
Sub-Total . . . . .	<u>\$ 87,024</u>	<u>\$ 94,150</u>	<u>\$ 87,700</u>
<b>Total State Funds</b> . . . . .	<u>\$ 539,538</u>	<u>\$ 565,587</u>	<u>\$ 593,808</u>
Federal Funds . . . . .	\$ 259,392	\$ 344,526	\$ 394,084
Other Funds . . . . .	52,369	56,224	55,992
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$ 851,299</u>	<u>\$ 966,337</u>	<u>\$1,043,884</u>
<b>Treasury Department</b>			
<b>General Government</b>			
Replacement Checks . . . . .	\$ 35	\$ 50	\$ 50
Refunding Monies Collected Through Department of Transportation . . . . .	650	650	. . . . .
Refunding Liquid Fuel Tax—Agricultural Use . . . . .	3,861	5,000	5,500
Administration of Refunding Liquid Fuel Tax—Agricultural Use . . . . .	139	163	102
Refunding Liquid Fuel Tax—State Share . . . . .	3,500	5,000	5,000
Refunding Emergency Liquid Fuel Tax . . . . .	1	1	1
Refunding Liquid Fuel Tax—Political Subdivision Use . . . . .	400	1,000	800
Administration of Refunding Liquid Fuel Tax—Political Subdivision Use . . . . .	54	83	55
Refunding Liquid Fuels Tax—Volunteer Fire Companies, Ambulance Services, and Rescue Squads . . . . .	. . . . .	300	400
Administration of Refunding Liquid Fuels Tax— Volunteer Fire Companies, Ambulance Services and Rescue Squads . . . . .	. . . . .	75	45
Refunding Marine Liquid Fuel Tax—Boating Fund . . . . .	1,000	1,200	1,400
Sub-Total . . . . .	<u>\$ 9,640</u>	<u>\$ 13,522</u>	<u>\$ 13,353</u>

Summary by Department  
(Continued)

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Treasury Department (continued)</b>			
<b>Debt Service Requirements</b>			
Capital Debt—Transportation Projects . . . . .	\$ 90,617	\$ 100,854	\$ 142,839
Capital Debt—General State Authority Projects . . . . .	. . . . .	161	179
Loan and Transfer Agent . . . . .	59	75	100
Interest—Tax Anticipation Notes . . . . .	. . . . .	2,958	3,300
Expenses—Issuing Tax Anticipation Notes . . . . .	. . . . .	20	20
Sub-Total . . . . .	<u>\$ 90,676</u>	<u>\$ 104,068</u>	<u>\$ 146,438</u>
DEPARTMENT TOTAL . . . . .	<u><u>\$ 100,316</u></u>	<u><u>\$ 117,590</u></u>	<u><u>\$ 159,791</u></u>
<b>Department of Education</b>			
<b>General Government</b>			
Highway Safety Education . . . . .	\$ 24	\$ 35	. . . . .
Driver Education Curriculum Development . . . . .	. . . . *	106	. . . . .
Sub-Total . . . . .	<u>\$ 24</u>	<u>\$ 141</u>	. . . . .
<b>Grants and Subsidies</b>			
Safe Driving Course . . . . .	\$ 4,242	\$ 4,224	\$ 4,441
Total State Funds . . . . .	<u>\$ 4,266 *</u>	<u>\$ 4,365</u>	<u>\$ 4,441</u>
Federal Funds . . . . .	\$ 60	\$ 62	. . . . .
DEPARTMENT TOTAL . . . . .	<u><u>\$ 4,326 *</u></u>	<u><u>\$ 4,427</u></u>	<u><u>\$ 4,441</u></u>
<b>Department of General Services</b>			
<b>Debt Service Requirements</b>			
General State Authority Rentals . . . . .	\$ 1,510	\$ 1,543	\$ 1,543
<b>Department of Revenue</b>			
<b>General Government</b>			
Collection—Liquid Fuels Tax . . . . .	\$ 2,286	\$ 2,788	\$ 3,276
<b>Pennsylvania State Police</b>			
<b>General Government</b>			
Transfer to General Fund . . . . .	\$ 70,703	\$ 75,206	\$ 83,484
Transfer to General Fund—Municipal Police Training . . . . .	. . . . .	1,000	1,400
DEPARTMENT TOTAL . . . . .	<u>\$ 70,703</u>	<u>\$ 76,206</u>	<u>\$ 84,884</u>
<b>Fund Summary</b>			
State Funds—Transportation . . . . .	\$ 539,538	\$ 565,587	\$ 593,808
State Funds—Other Departments . . . . .	179,081 *	202,492	253,935
Total State Funds . . . . .	<u>\$ 718,619 *</u>	<u>\$ 768,079</u>	<u>\$ 847,743</u>
Federal Funds . . . . .	\$ 259,452	\$ 344,588	\$ 394,084
Other Funds . . . . .	52,369	56,224	55,992
FUND TOTAL . . . . .	<u><u>\$1,030,440 *</u></u>	<u><u>\$1,168,891</u></u>	<u><u>\$1,297,819</u></u>

\* Accounting records indicate a \$-73,000 expenditure in the Driver Education Curriculum Development appropriation and this amount is used in the Motor License Fund financial statements.

## MOTOR LICENSE FUND REVENUE SUMMARY

### Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Estimated	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
Liquid Fuels Taxes . . . . .	\$486,329*	\$464,855	\$468,638	\$470,170	\$474,334	\$478,762	\$483,412
Motor Licenses and Fees . . . . .	199,021	288,050	335,200	337,030	353,660	355,240	374,750
Aviation Revenues . . . . .	5,032	5,191	5,354	5,523	5,698	5,880	6,067
Other Motor Receipts . . . . .	12,715	16,434	16,843	17,169	17,524	17,906	18,315
TOTAL . . . . .	<u>\$703,097</u>	<u>\$774,530</u>	<u>\$826,035</u>	<u>\$829,892</u>	<u>\$851,216</u>	<u>\$857,788</u>	<u>\$882,544</u>

\*Liquid Fuels for 1974-75 reflect the shift from a cash to accrual bookkeeping basis. All later years are on an accrual basis.

## ADJUSTMENTS TO REVENUE ESTIMATE

On June 30, 1975 the Secretary of Revenue submitted an official estimate for the 1975-76 fiscal year of \$668,497,000.

Since this estimate was submitted, various conditons\* have made it apparent that the estimate should be revised. The adjustments are detailed below.

	(Dollar Amounts in Thousands)		
	1975-76 Official Estimate	Adjustments	1975-76 Revised Estimate
Liquid Fuels Taxes . . . . .	\$445,984	\$ 18,871	\$464,855
Motor Licenses and Fees . . . . .	208,572	79,478	288,050
Aviation Revenues . . . . .	**	5,191	5,191
Other Motor Receipts . . . . .	13,941	2,493	16,434
<b>TOTAL . . . . .</b>	<u><u>\$668,497</u></u>	<u><u>\$106,033</u></u>	<u><u>\$774,530</u></u>

\*The Organization of Petroleum Exporting Counties (OPEC) price increase proved to be less than anticipated, the price of gasoline has dropped recently, and various motor licenses and fees have been increased.

\*\* Aviation Revenues are not included in official estimate.

MOTOR LICENSE FUND REVENUE SOURCES

LIQUID FUELS TAXES

Actual		Estimated	
1969-70	\$321,589,302	1975-76	\$464,855,000
1970-71	355,155,237	1976-77	468,638,000
1971-72	372,381,204	1977-78	470,170,000
1972-73	418,162,967	1978-79	474,334,000
1973-74	400,533,990	1979-80	478,762,000
1974-75	486,329,227*	1980-81	483,412,000

The revenues are derived from four separate sources: Liquid Fuel Taxes, Fuel Use Taxes, Motor Carriers Road Taxes and Interstate Bus Compact Fuels Taxes.

The Liquid Fuels Tax is an excise tax imposed upon all liquid fuels used or sold and delivered within the Commonwealth. The tax, ultimately borne by the consumer, is imposed upon and collected by the distributor. After discounts, all monies collected are placed in the Motor License Fund, except that an amount equal to one-half cent per gallon is placed in the Liquid Fuels Tax Fund. Fuels sold and delivered to the U.S. Government, the Commonwealth and any of its political subdivisions, public authorities and nonprofit schools, and those under the commerce clause of the Constitution of the United States are exempt from payment of the tax. In addition to these exemptions, reimbursement is made for fuels used for certain agricultural purposes. The present rate of the Liquid Fuels Tax is nine cents per gallon.

The Fuel Use Tax is a tax levied upon all dealer-users for the use of fuels within the Commonwealth other than fuels taxed under the Liquid Fuels Tax Act. All monies collected, less allowed discounts, are paid into the Motor License Fund and the Liquid Fuels Tax Fund in the same proportion as the Liquid Fuels Tax monies. Exempt from this tax are fuels under the commerce clause of the Constitution of the United States, fuels used and sold by the Commonwealth and any of its political subdivisions, fuels sold and delivered to the U.S. Government, fuels (less than 50 gallons) brought into the Commonwealth in the fuel tanks of motor vehicles, fuels used by public authorities and nonprofit, private schools, and fuels used for certain agricultural purposes. The present rate of the Fuel Use Tax is nine cents per gallon.

The Motor Carriers Road Tax Act levies a tax on motor carriers operating commercial motor vehicles with more than two axles and truck tractors. The tax rate is nine cents per gallon computed on the basis of the number of gallons of fuel used within the State. In addition, the Act requires identification markers for each vehicle not registered in Pennsylvania to be issued annually upon payment of a \$2.00 fee per vehicle.

The interstate Bus Compact Fuels Tax is a tax imposed on fuel consumed by interstate buses under compacts entered into with other states to avoid multiple taxation of fuels. Taxes in each state are computed on the basis of the number of gallons of fuel used within the state. The present tax rate is nine cents per gallon. The nine cent rate became effective September 1, 1974.

\* Liquid Fuels Taxes for 1974-75 reflect the shift from a cash to accrual bookkeeping basis. All later years are on an accrual basis. The cash to accrual basis includes deposits for July 1975 plus the deposits in the first five deposit days of August.

## MOTOR LICENSE FUND REVENUE SOURCES

### MOTOR LICENSES AND FEES

Actual		Estimated	
1969-70	\$124,841,073	1975-76	\$288,050,000
1970-71	177,813,908	1976-77	335,200,000
1971-72	169,723,542	1977-78	337,030,000
1972-73	177,684,577	1978-79	353,660,000
1973-74	184,891,563	1979-80	355,240,000
1974-75	199,020,766	1980-81	374,750,000

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

### AVIATION REVENUES

Actual		Estimated	
1969-70	\$4,298,163	1975-76	\$5,191,000
1970-71	4,329,344	1976-77	5,354,000
1971-72	4,028,037	1977-78	5,523,000
1972-73	4,242,808	1978-79	5,698,000
1973-74	4,426,990	1979-80	5,880,000
1974-75	5,032,231	1980-81	6,067,000

Aviation revenue is derived from taxes levied on aviation gasoline and jet fuel and from income earned at State-owned airports. The current tax rate is 1½ cents per gallon on fuel for propeller-driven aircraft, 1 cent per gallon on fuel for jet or turbo-jet aircraft. Airport income consists primarily of rents, concessions, utility refunds, and landing fees. (Airport income was accounted for as an augmentation prior to 1971-72, but is included in the above historic figures for purposes of comparison. Effective during the 1973-74 fiscal year, utility refunds become augmentations and are not included in the estimates nor in the history for comparison.)

MOTOR LICENSE FUND REVENUE SOURCES

OTHER MOTOR LICENSE FUND REVENUES

Actual		Estimated	
1969-70	\$10,017,005	1975-76	\$16,434,000
1970-71	11,292,157	1976-77	16,843,000
1971-72	12,030,162	1977-78	17,169,000
1972-73	13,564,084	1978-79	17,524,000
1973-74	11,914,450	1979-80	17,906,000
1974-75	12,715,275	1980-81	18,315,000

Other Motor License Fund revenues are derived from three sources:

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

Miscellaneous Revenue — The Commonwealth receives revenue from interest on deposited Motor Fund monies; investments and securities; from the sale of unserviceable properties, maps, plans, and inspection stickers; and from the rental of State properties. The 1972-73 total includes a one-time transfer of funds remaining in the Abandoned Vehicle Fund upon its abolishment.

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

## MOTOR LICENSE FUND REVENUE DETAIL

The following is a detailed list of all revenues available for Motor License Fund appropriations.

	1974-75 Actual	1975-76 Estimated	1976-77 Budget
<b>LIQUID FUELS TAXES</b>			
<b>Liquid Fuels Tax</b>			
Liquid Fuels Tax .....	\$429,305,388	\$407,899,000	\$409,304,000
Liquid Fuels Tax Penalties .....	14,949	13,000	13,000
Liquid Fuels Tax Interest .....	13,629	12,000	12,000
Liquid Fuels Tax Discount Forfeited .....	305	.....	.....
Total .....	\$429,334,271	\$407,924,000	\$409,329,000
<b>Fuel Use Tax</b>			
Fuel Use Tax .....	\$ 52,170,249	\$ 52,193,000	\$ 54,452,000
Fuel Use Tax Penalties .....	220,099	199,000	208,000
Fuel Use Tax Interest .....	140,039	126,000	131,000
Total .....	\$ 52,530,387	\$ 52,518,000	\$ 54,791,000
<b>Motor Carriers Road Tax</b>			
Motor Carriers Road—Fuels Tax .....	\$ 3,362,965	\$ 3,280,000	\$ 3,411,000
Motor Carriers Road Tax Penalties .....	56,026	53,000	55,000
Motor Carriers Road Tax Interest .....	4,180	4,000	4,000
Motor Carriers Road Tax Registration Fees and Special Permit Fees .....	563,108	541,000	563,000
Total .....	\$ 3,986,279	\$ 3,878,000	\$ 4,033,000
<b>Interstate Bus Compact Fuels Tax</b>			
Interstate Bus Compact Fuels Tax .....	\$ 474,335	\$ 530,000	\$ 480,000
Interstate Bus Compact Tax Penalties .....	1,718	2,000	2,000
Interstate Bus Compact Fuels Tax Interest .....	2,237	3,000	3,000
Total .....	\$ 478,290	\$ 535,000	\$ 485,000
<b>TOTAL LIQUID FUELS TAXES .....</b>	<b>\$486,329,227 *</b>	<b>\$464,855,000</b>	<b>\$468,638,000</b>
<b>MOTOR LICENSES AND FEES</b>			
Passenger Motor Vehicles Licenses .....	\$ 73,286,560	\$143,320,000	\$148,350,000
Commercial Motor Vehicle and Truck Tractor Licenses .....	73,446,370	77,700,000	99,400,000
Motor Bus and Omnibus Licenses .....	2,853,172	3,100,000	3,300,000
Tractor Licenses .....	125,359	200,000	200,000
Trailer and Semi-Trailer Licenses .....	5,900,753	6,315,000	6,800,000
Motorcycle and Motor Bicycle Licenses .....	1,780,055	3,075,000	3,300,000
Manufacturers' Jobbers' and Dealers Licenses .....	1,614,291	5,450,000	5,450,000

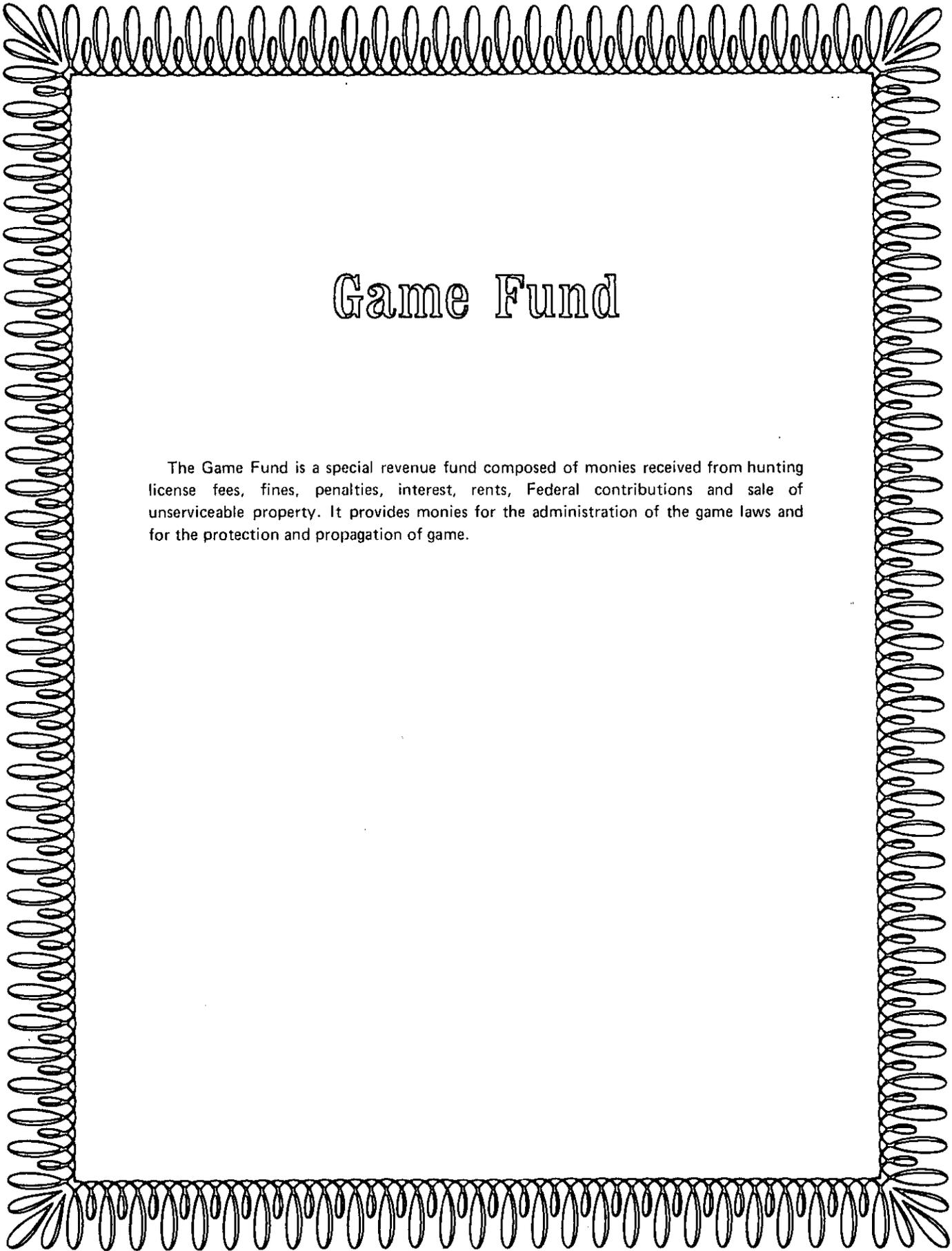
\* Liquid Fuels Tax for 1974-75 reflect the shift from a cash to accrual bookkeeping basis. All later years are on an accrual basis.

**MOTOR LICENSE FUND REVENUE DETAIL**

	1974-75 Actual	1975-76 Estimated	1976-77 Budget
<b>MOTOR LICENSES AND FEES (continued)</b>			
Suburban Licenses . . . . .	\$ 9,328,955	\$ 830,000	. . . . .
Special License Plates . . . . .	45,273	70,000	\$1,250,000
Temporary Registration Plates . . . . .	759,281	1,150,000	1,250,000
Operators' Licenses . . . . .	16,358,633	26,600,000	42,200,000
Certificates of Title Fees . . . . .	7,513,785	9,500,000	11,000,000
Transferring Registration Fees . . . . .	2,149,023	3,400,000	4,700,000
Duplicating Registration Card Fees . . . . .	127,902	1,040,000	1,110,000
Certified Copies of Records Fees . . . . .	114,308	200,000	200,000
Uncollectible Check Fees . . . . .	178,241	300,000	300,000
Returned Checks Collected . . . . .	838,205	950,000	1,050,000
Miscellaneous Licenses and Fees . . . . .	1,088,494	1,900,000	1,970,000
Deduct Returned Checks . . . . .	-1,035,680	-1,300,000	-1,300,000
Sale of Registration Lists . . . . .	51,394	100,000	100,000
Special Hauling Permit Fees . . . . .	2,723,472	4,000,000	4,420,000
Clearing Account and Adjustments . . . . .	148,991	150,000	150,000
June 1974 Clearing Account . . . . .	-376,071	. . . . .	. . . . .
<b>TOTAL MOTOR LICENSES AND FEES . . . . .</b>	<b><u>\$199,020,766</u></b>	<b><u>\$288,050,000</u></b>	<b><u>\$335,200,000</u></b>
 <b>AVIATION REVENUES</b>			
Aviation Liquid Fuels Tax . . . . .	\$ 3,399,585	\$ 3,531,000	\$ 3,667,000
Harrisburg International Airport Operations . . . . .	1,476,116	1,503,000	1,530,000
State Airport Operations . . . . .	156,530	157,000	157,000
<b>TOTAL AVIATION REVENUES . . . . .</b>	<b><u>\$ 5,032,231</u></b>	<b><u>\$ 5,191,000</u></b>	<b><u>\$ 5,354,000</u></b>
 <b>OTHER MOTOR FUND REVENUES</b>			
<b>Gross Receipts Tax</b>			
Gross Receipts Tax . . . . .	\$ 103,730	\$ 100,000	\$ 100,000
Gross Receipts Penalties . . . . .	85	. . . . .	. . . . .
Gross Receipts Interest . . . . .	21	. . . . .	. . . . .
<b>Total . . . . .</b>	<b><u>\$ 103,836</u></b>	<b><u>\$ 100,000</u></b>	<b><u>\$ 100,000</u></b>
 <b>Fines and Penalties</b>			
<b>Department of Revenue</b>			
Aeronautic Fines . . . . .	\$ 250	. . . . .	. . . . .
 <b>Department of Transportation</b>			
Vehicle Code Fines . . . . .	. . . . .	\$ 1,200,000	\$ 1,200,000
<b>Total . . . . .</b>	<b><u>\$ 250</u></b>	<b><u>\$ 1,200,000</u></b>	<b><u>\$ 1,200,000</u></b>
 <b>Miscellaneous Revenue</b>			
<b>Treasury Department</b>			
Interest on Securities . . . . .	\$ 3,424,140	\$ 3,198,980	\$ 3,000,000
Interest on Securities Liquid Fuels			
Tax Fund . . . . .	539,558	520,000	500,000
Redeposit of Checks . . . . .	65,410	50,000	40,000
Premium on Tax Anticipation Notes Sold . . . . .	. . . . .	1,020	. . . . .
 <b>Department of Education</b>			
Refunds of Expenditures Not Credited			
to Appropriations . . . . .	\$ 248	. . . . .	. . . . .

## MOTOR LICENSE FUND REVENUE DETAIL

	1974-75 Actual	1975-76 Estimated	1976-77 Budget
<b>OTHER MOTOR FUND REVENUES (continued)</b>			
Department of General Services			
Sale of Unserviceable Property . . . . .	\$ 143,600	\$ 130,000	\$ 130,000
Rent of State Property . . . . .	222	. . . . .	. . . . .
Sale of Real Estate . . . . .	1,500	14,000	14,000
Department of Transportation			
Highway Encroachment Permits . . . . .	\$ 452,903	\$ 627,000	\$ 804,000
Highway Bridges Income . . . . .	43,676	64,000	70,000
Sale of Structures . . . . .	346,355	400,000	350,000
Rentals of State Property . . . . .	464,900	750,000	750,000
Sale of Maps and Plans . . . . .	285,510	250,000	250,000
Sale of Gas, Oil and Anti-Freeze . . . . .	1,283,943	1,307,000	1,350,000
Recovered Damages . . . . .	1,086,106	1,200,000	1,375,000
Contract Deposit Forfeitures . . . . .	. . . . .	5,000	5,000
Testing Fees . . . . .	39,135	40,000	41,000
Sale of Inspection Stickers . . . . .	2,653,078	3,685,000	3,869,000
Insurance Information and Certified			
Copy Fees . . . . .	1,007,085	2,185,000	2,316,000
Miscellaneous Revenues . . . . .	706,362	637,000	608,000
Refunds of Expenditures Not Credited to			
Appropriations or Allocations . . . . .	48,386	50,000	50,000
Fees for Reclaiming Abandoned Vehicles . . . . .	14,850	16,000	17,000
Sale of Abandoned Vehicles . . . . .	3,658	4,000	4,000
Department of Revenue			
Refunds of Expenditures Not Credited to Appropriations . . . . .	\$ 564	. . . . .	. . . . .
Total Miscellaneous . . . . .	\$ 12,611,189	\$ 15,134,000	\$ 15,543,000
TOTAL OTHER MOTOR FUND REVENUES . . .	\$ 12,715,275	\$ 16,434,000	\$ 16,843,000
TOTAL MOTOR LICENSE FUND REVENUES . .	<u>\$703,097,499</u>	<u>\$774,530,000</u>	<u>\$826,035,000</u>



# Game Fund

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

Financial Statement

	(Dollar Amounts in Thousands)	
	1975-76	1976-77
Surplus, Beginning of Year . . . . .	\$14,088	\$15,617
<b>Receipts:</b>		
Revenue Estimate . . . . .	19,869	20,005
Prior Year Lapses . . . . .	400	. . . . .
Funds Available . . . . .	<u>\$34,357</u>	<u>\$35,622</u>
<b>Expenditures:</b>		
Appropriated . . . . .	\$18,945	\$20,484
Less Current Year Lapses . . . . .	<u>-205</u>	<u>. . . . .</u>
Estimated Expenditures . . . . .	-18,740	-20,484
Ending Surplus: . . . . .	<u><u>\$15,617</u></u>	<u><u>\$15,138</u></u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Game Commission</b>			
General Operations . . . . .	\$15,821	\$18,067	\$19,587
 <b>Treasury Department</b>			
Replacement Checks . . . . .	\$ 1	\$ 2	\$ 2
 <b>Department of Environmental Resources</b>			
Annual Fixed Charges—Project 70 . . . . .	\$ 1	\$ 10	\$ 5
 <b>Total State Funds</b> . . . . .			
	<u>\$15,823</u>	<u>\$18,079</u>	<u>\$19,594</u>
 Federal Funds . . . . .			
Other Funds . . . . .	\$ 341	\$ 500 366	\$ 500 390
 <b>FUND TOTAL</b> . . . . .			
	<u><u>\$16,164</u></u>	<u><u>\$18,945</u></u>	<u><u>\$20,484</u></u>

## GAME FUND REVENUE SUMMARY

### Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Estimated	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
Licenses and Fees . . . . .	\$13,893	\$14,056	\$14,040	\$14,385	\$14,723	\$15,068	\$15,421
Fines and Penalties . . . . .	391	400	450	480	515	550	588
Miscellaneous Revenues . . . . .	5,426	4,547	4,625	4,903	5,197	5,510	5,841
<b>Total Game Fund Revenues</b> . . . . .	<u>\$19,710</u>	<u>\$19,003</u>	<u>\$19,115</u>	<u>\$19,768</u>	<u>\$20,435</u>	<u>\$21,128</u>	<u>\$21,850</u>
Augmentations . . . . .	\$ 341	\$ 866	\$ 890	\$ 929	\$ 972	\$ 1,020	\$ 1,072
<b>TOTAL GAME FUND     RECEIPTS</b> . . . . .	<u><u>\$20,051</u></u>	<u><u>\$19,869</u></u>	<u><u>\$20,005</u></u>	<u><u>\$20,697</u></u>	<u><u>\$21,407</u></u>	<u><u>\$22,148</u></u>	<u><u>\$22,922</u></u>

**GAME FUND REVENUE SOURCES**

**Licenses and Fees**

Actual	Estimated
1969-70 . . . . . \$ 8,224,633	1975-76 . . . . . \$14,055,750
1970-71 . . . . . 8,405,395	1976-77 . . . . . 14,039,750
1971-72 . . . . . 8,325,079	1977-78 . . . . . 14,385,400
1972-73 . . . . . 9,980,720	1978-79 . . . . . 14,722,700
1973-74 . . . . . 12,580,328	1979-80 . . . . . 15,067,900
1974-75 . . . . . 13,892,847	1980-81 . . . . . 15,421,300

The Game Commission issues resident hunting and trapping licenses for wild birds and animals upon payment by Pennsylvania residents of \$8.25 fee for persons 17 to 64 years of age and a \$5.25 fee for persons ages 12 to 16 and 65 and above. Nonresident hunter's licenses are issued following proper application and payment of a \$40.35 fee. Trapping licenses are also available to non-Pennsylvania residents upon payment of \$40.00 fee. In addition, nonresident hunters may obtain a special three-day license for a fee of \$3.15, which allows hunting on regulated shooting grounds. In years when the Commission declares an open season, licenses for hunting antlerless deer are issued to residents and nonresidents for \$3.15 fee. Other fees deposited in the Game Fund include receipts from the issuance of special game permits and special archery licenses.

The license fees, except for nonresident trapper's licenses, include the commissions of the issuing agents which are not reflected in the total revenue figures.

**Fines and Penalties**

Actual	Estimated
1969-70 . . . . . \$265,039	1975-76 . . . . . \$400,000
1970-71 . . . . . 268,705	1976-77 . . . . . 450,000
1971-72 . . . . . 307,155	1977-78 . . . . . 480,000
1972-73 . . . . . 312,270	1978-79 . . . . . 515,000
1973-74 . . . . . 341,793	1979-80 . . . . . 550,000
1974-75 . . . . . 390,592	1980-81 . . . . . 588,000

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

**Miscellaneous Revenue**

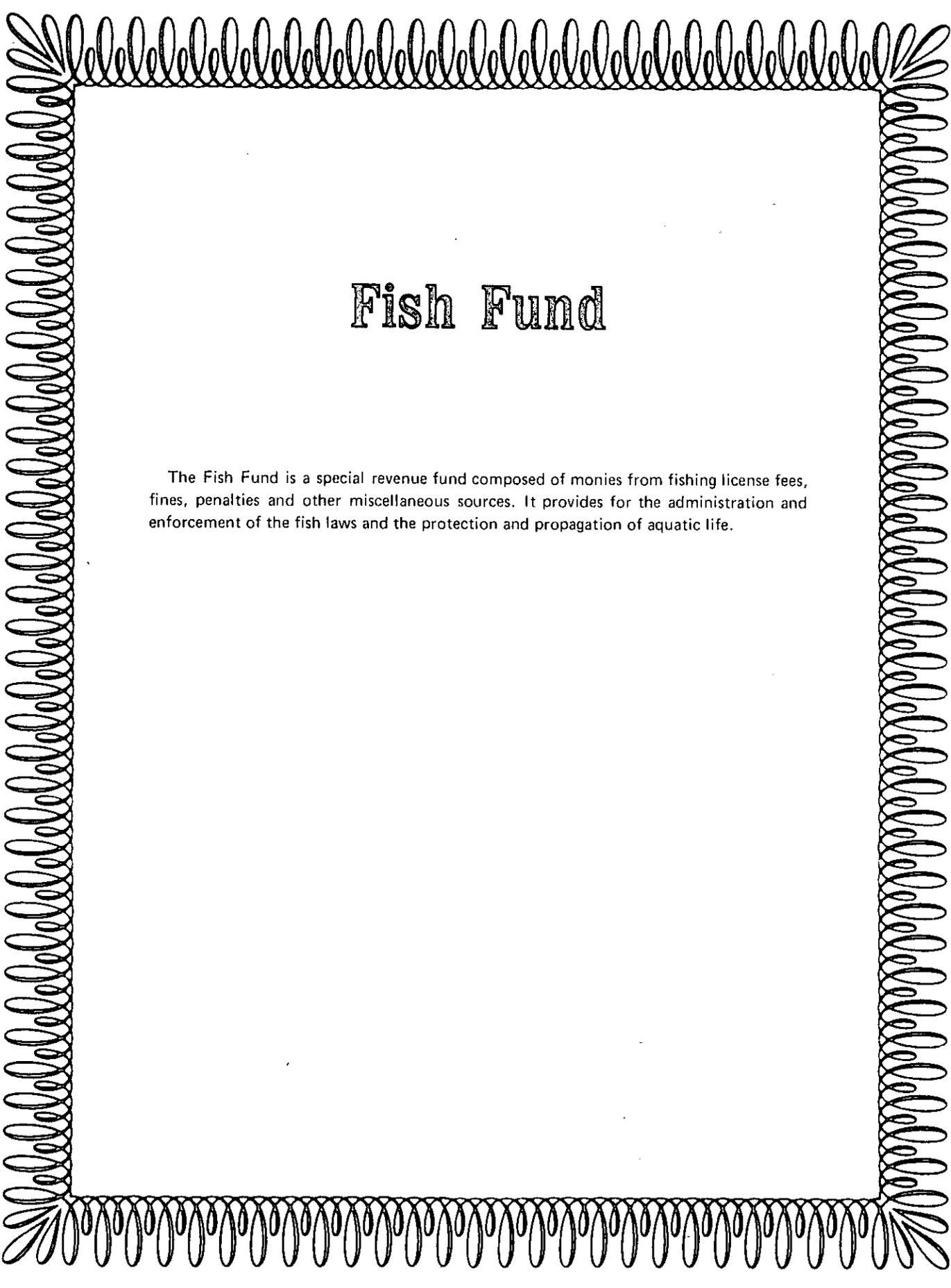
Actual	Estimated
1969-70 . . . . . \$2,536,027	1975-76 . . . . . \$4,547,425
1970-71 . . . . . 2,548,575	1976-77 . . . . . 4,625,000
1971-72 . . . . . 3,197,685	1977-78 . . . . . 4,902,800
1972-73 . . . . . 2,623,885	1978-79 . . . . . 5,197,300
1973-74 . . . . . 5,080,446	1979-80 . . . . . 5,509,500
1974-75 . . . . . 5,426,468	1980-81 . . . . . 5,840,500

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

**GAME FUND REVENUE DETAIL**

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

	1974-75 Actual	1975-76 Estimated	1976-77 Budget
<b>Licenses and Fees</b>			
Resident Hunting Licenses . . . . .	\$ 7,530,541	\$ 7,600,000	\$ 7,600,000
Resident Junior Hunting Licenses . . . . .	814,856	800,000	820,000
Nonresident Hunting Licenses . . . . .	3,474,558	3,500,000	3,500,000
Special Game Permits . . . . .	36,787	37,000	37,000
Special Antlerless Deer Licenses . . . . .	1,173,308	1,260,000	1,200,000
Special Archery Licenses . . . . .	405,416	400,000	400,000
Nonresident Trapping Licenses . . . . .	1,040	1,000	1,000
Special Three-day Nonresident Regulated Shooting Ground Licenses . . . . .	5,046	5,000	5,000
Roadside Menagerie Permit Fees . . . . .	. . . . .	750	750
Resident Senior Hunting Licenses . . . . .	268,660	270,000	270,000
Muzzle-loading Hunting Licenses . . . . .	6,165	6,000	6,000
Right of Way Licenses . . . . .	176,470	176,000	200,000
TOTAL . . . . .	<u>\$ 13,892,847</u>	<u>\$ 14,055,750</u>	<u>\$ 14,039,750</u>
<b>Fines and Penalties</b>			
Game Law Fines . . . . .	\$ 390,592	\$ 400,000	\$ 450,000
TOTAL . . . . .	<u>\$ 390,592</u>	<u>\$ 400,000</u>	<u>\$ 450,000</u>
<b>Miscellaneous Revenue</b>			
Condemnation Awards . . . . .	. . . . .	\$ 12,000	\$ 12,000
Sale of Coal . . . . .	\$ 26,593	27,000	30,000
Sale of Wood Products . . . . .	658,336	600,000	600,000
Interest on Deposits . . . . .	29,100	27,000	24,000
Sale of Publications . . . . .	44,751	50,000	45,000
Sale of Unserviceable Property . . . . .	1,006	3,000	2,000
Sale of Skins and Guns . . . . .	19,822	20,000	20,000
Rental of State Property . . . . .	9,665	10,000	8,000
Contributions by Federal Government . . . . .	2,700,536	2,300,000	2,500,000
Miscellaneous Revenue . . . . .	40,929	200,000	100,000
Interest on Securities . . . . .	1,042,999	600,000	500,000
Gas and Oil Ground Rentals and Royalties . . . . .	363,897	200,000	300,000
Refund of Expenditures Not Credited to Appropriations . . . . .	117,008	100,000	100,000
Sale of Nonusable Property . . . . .	11,352	12,000	12,000
Miscellaneous Revenue License Division . . . . .	764	25	. . . . .
Redeposit of Checks . . . . .	2,861	2,000	2,000
Sale of Game News . . . . .	322,935	350,000	325,000
Sale of Miscellaneous Mineral Permits . . . . .	377	900	10,000
Sale of Stone, Sand, Gravel and Limestone . . . . .	17,476	17,500	20,000
Sale of Grain and Hay . . . . .	16,061	16,000	15,000
TOTAL . . . . .	<u>\$ 5,426,468</u>	<u>\$ 4,547,425</u>	<u>\$ 4,625,000</u>
TOTAL REVENUES . . . . .	<u>\$19,709,907</u>	<u>\$19,003,175</u>	<u>\$19,114,750</u>
<b>Augmentations</b>			
Sale of Automobiles and Other Vehicles . . . . .	\$ 124,250	\$ 111,000	\$ 130,000
Reimbursement for Comptroller Services . . . . .	216,477	255,000	260,000
Bureau of Outdoors Recreation Reimbursements . . . . .	. . . . .	500,000	500,000
TOTAL . . . . .	<u>\$ 340,727</u>	<u>\$ 866,000</u>	<u>\$ 890,000</u>
TOTAL RECEIPTS . . . . .	<u>\$20,050,634</u>	<u>\$19,869,175</u>	<u>\$20,004,750</u>



# Fish Fund

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

Financial Statement

	(Dollar Amounts in Thousands)	
	1975-76	1976-77
<b>Surplus, Beginning of Year</b> .....	\$ 4,822	\$ 5,867
<b>Receipts:</b>		
Revenue Estimate .....	11,481	11,788
Prior Year Lapses .....	150	.....
<b>Funds Available</b> .....	<u>\$16,453</u>	<u>\$17,655</u>
<b>Expenditures:</b>		
Appropriated .....	\$10,686	\$11,500
Less Current Year Lapses .....	<u>-100</u>	<u>.....</u>
Estimated Expenditures .....	-10,586	-11,500
<b>Ending Surplus:</b> .....	<u>\$ 5,867</u>	<u>\$ 6,155</u>

Summary by Department

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Fish Commission</b>			
General Operations . . . . .	\$ 8,200	\$ 8,085	\$ 8,878
<b>Treasury Department</b>			
Replacement Checks . . . . .	\$ 1	\$ 1	\$ 1
<b>Department of Environmental Resources</b>			
Annual Fixed Charges—Project 70 . . . . .		\$ 2	\$ 2
<b>Department of General Services</b>			
General State Authority Rentals . . . . .	\$ 70	\$ 75	\$ 75
<b>Total State Funds</b> . . . . .	<u>\$ 8,271</u>	<u>\$ 8,163</u>	<u>\$ 8,956</u>
Other Funds . . . . .	\$ 1,983	\$ 2,523	\$ 2,544
<b>FUND TOTAL</b> . . . . .	<u>\$10,254</u>	<u>\$10,686</u>	<u>\$11,500</u>

## FISH FUND REVENUE SUMMARY

### Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Estimated	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
Licenses and Fees . . . . .	\$ 7,422	\$ 7,642	\$ 7,837	\$ 8,280	\$ 8,748	\$ 9,243	\$ 9,765
Fines and Penalties . . . . .	159	145	150	150	150	150	150
Miscellaneous . . . . .	1,654	1,171	1,257	1,260	1,260	1,260	1,260
Total Fish Fund Revenues . . . . .	<u>\$ 9,235</u>	<u>\$ 8,958</u>	<u>\$ 9,244</u>	<u>\$ 9,690</u>	<u>\$10,158</u>	<u>\$10,653</u>	<u>\$11,175</u>
Augmentations . . . . .	\$ 1,983	\$ 2,523	\$ 2,544	\$ 1,975	\$ 2,100	\$ 2,200	\$ 2,310
TOTAL FISH FUND RECEIPTS . . . . .	<u><u>\$11,218</u></u>	<u><u>\$11,481</u></u>	<u><u>\$11,788</u></u>	<u><u>\$11,665</u></u>	<u><u>\$12,258</u></u>	<u><u>\$12,853</u></u>	<u><u>\$13,485</u></u>

## FISH FUND REVENUE SOURCES

### Licenses and Fees

Actual	Estimated
1969-70 . . . . . \$3,758,381	1975-76 . . . . . \$7,642,072
1970-71 . . . . . 4,149,307	1976-77 . . . . . 7,837,147
1971-72 . . . . . 4,288,435	1977-78 . . . . . 8,280,100
1972-73 . . . . . 4,786,140	1978-79 . . . . . 8,748,200
1973-74 . . . . . 5,811,419	1979-80 . . . . . 9,242,700
1974-75 . . . . . 7,422,752	1980-81 . . . . . 9,765,200

The Commonwealth issues resident fishing licenses to persons between the ages of 16 and 64 inclusive and to persons 65 years and over for a \$7.75 and \$2.25 fee respectively, if the applicant can prove he has been a resident of the Commonwealth for 60 days. Nonresident licenses are issued to all persons 16 years of age or older upon payment of a \$12.75 fee. Tourist licenses valid for a period of five consecutive days are issued for \$7.75. Other sources of revenue include special eel licenses, Lake Erie commercial fishing licenses and commercial hatchery licenses.

Fishing license fees include issuing agents' commissions but the revenue figures do not reflect the commissions.

### Fines and Penalties

Actual	Estimated
1969-70 . . . . . \$ 99,979	1975-76 . . . . . \$145,000
1970-71 . . . . . 103,093	1976-77 . . . . . 150,000
1971-72 . . . . . 113,866	1977-78 . . . . . 150,000
1972-73 . . . . . 139,331	1978-79 . . . . . 150,000
1973-74 . . . . . 128,428	1979-80 . . . . . 150,000
1974-75 . . . . . 158,914	1980-81 . . . . . 150,000

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

### Miscellaneous Revenue

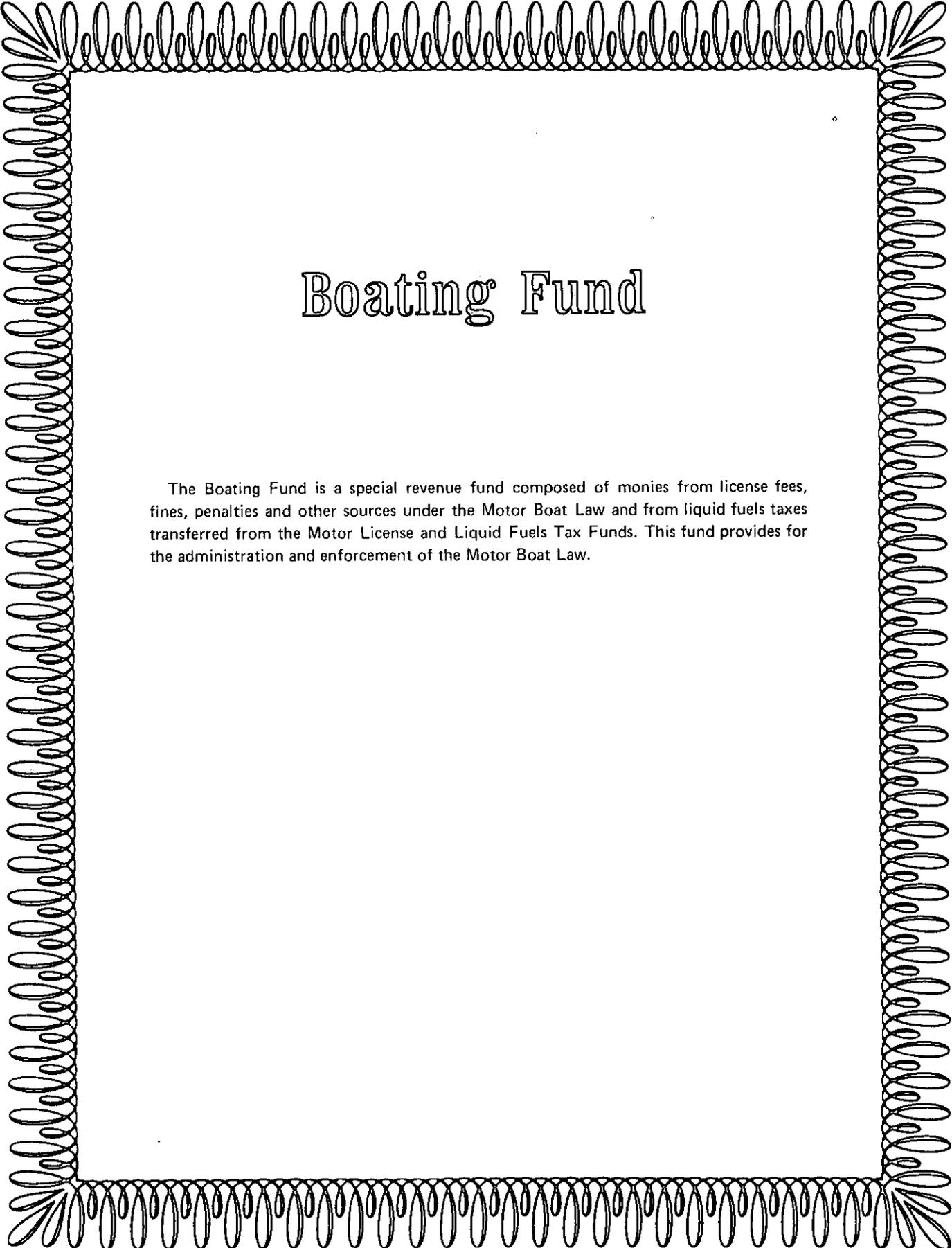
Actual	Estimated
1969-70 . . . . . \$ 644,132	1975-76 . . . . . \$1,171,160
1970-71 . . . . . 748,005	1976-77 . . . . . 1,256,360
1971-72 . . . . . 1,411,158	1977-78 . . . . . 1,260,000
1972-73 . . . . . 924,940	1978-79 . . . . . 1,260,000
1973-74 . . . . . 1,187,679	1979-80 . . . . . 1,260,000
1974-75 . . . . . 1,653,975	1980-81 . . . . . 1,260,000

The Commonwealth receives contributions from the Federal Government for approved land and water acquisition and development for fishing purposes, and for approved research and fish management projects. Contributions for restocking of streams are received principally from persons or concerns that pollute, dam, or interfere with fish propagation and survival. Monies are received from the Commission publication, THE PENNSYLVANIA ANGLER, from the sale of unservicable and confiscated property and from other miscellaneous sources.

## FISH FUND REVENUE DETAIL

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

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Licenses and Fees</b>			
Resident Fishing Licenses . . . . .	\$ 6,616,175	\$ 6,791,200	\$ 6,941,175
Resident Senior Fishing Licenses . . . . .	161,498	165,498	169,498
Nonresident Fishing Licenses . . . . .	505,692	530,692	555,692
Tourist Fishing Licenses . . . . .	118,382	133,382	148,382
Lake Erie Licenses . . . . .	1,094	1,100	1,200
Commercial Hatchery Licenses . . . . .	5,380	5,500	6,000
Fee Fishing Lake Licenses . . . . .	8,180	8,200	8,400
Miscellaneous Permits and Fees . . . . .	4,238	4,500	4,800
Technical Service Fees—Non-Government Organizations . . . . .	168	. . . . .	. . . . .
Scientific Collector's Permits . . . . .	1,945	2,000	2,000
TOTAL . . . . .	<u>\$ 7,422,752</u>	<u>\$ 7,642,072</u>	<u>\$ 7,837,147</u>
<b>Fines and Penalties</b>			
Fish Law Fines . . . . .	\$ 158,914	\$ 145,000	\$ 150,000
TOTAL . . . . .	<u>\$ 158,914</u>	<u>\$ 145,000</u>	<u>\$ 150,000</u>
<b>Miscellaneous Revenue</b>			
Interest on Deposits . . . . .	\$ 8,629	\$ 8,600	\$ 8,600
Sale of Publications . . . . .	7,217	7,000	7,000
Sale of Unserviceable Property . . . . .	. . . . .	4,800	2,000
Contributions for Restocking Streams . . . . .	41,743	45,000	48,000
Contributions from Federal Government for Acquisition, Constructions and Research . . . . .	808,507	385,000	395,000
Miscellaneous Revenue . . . . .	20,599	85,000	90,000
Refund of Expenditures not Credited to Appropriations . . . . .	47,475	. . . . .	. . . . .
Interest on Securities . . . . .	261,926	150,000	200,000
Rental of Fish Commission Property . . . . .	60,957	65,000	70,000
Income from Sand and Gravel Dredging . . . . .	228,406	250,000	260,000
In Lieu Payments for Fishways . . . . .	75,000	75,000	75,000
Redeposit of Checks . . . . .	759	760	760
Sale of Pennsylvania Angler . . . . .	92,757	95,000	100,000
TOTAL . . . . .	<u>\$ 1,653,975</u>	<u>\$ 1,171,160</u>	<u>\$ 1,256,360</u>
TOTAL REVENUES . . . . .	<u>\$ 9,235,641</u>	<u>\$ 8,958,232</u>	<u>\$ 9,243,507</u>
<b>Augmentations</b>			
Sale of Automobiles and Other Vehicles . . . . .	\$ 29,175	\$ 25,000	\$ 25,000
Reimbursement for Services—Boating Fund . . . . .	1,357,886	1,965,000	1,981,000
Reimbursement for Services—Land and Water Development Fund . . . . .	534,746	533,000	538,000
Agnes Damage Evaluation Study—Appalachian Regional Commission . . . . .	60,610	. . . . .	. . . . .
TOTAL . . . . .	<u>\$ 1,982,417</u>	<u>\$ 2,523,000</u>	<u>\$ 2,544,000</u>
TOTAL RECEIPTS . . . . .	<u>\$11,218,058</u>	<u>\$11,481,232</u>	<u>\$11,787,507</u>



# Boating Fund

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

## Financial Statement

	(Dollar Amounts in Thousands)	
	1975-76	1976-77
Surplus, Beginning of Year . . . . .	\$2,848	\$2,877
Receipts:		
Revenue Estimate . . . . .	2,254	2,158
Prior Year Lapses . . . . .	3	. . . .
Funds Available . . . . .	\$5,105	\$5,035
Expenditures:		
Appropriated . . . . .	\$2,278	\$2,311
Less Current Year Lapses . . . . .	<u>-50</u>	<u>. . . .</u>
Estimated Expenditures . . . . .	<u>-2,228</u>	<u>-2,311</u>
Ending Surplus . . . . .	<u>\$2,877</u>	<u>\$2,724</u>

## Summary by Department

	1974-75	(Dollar Amounts in Thousands) 1975-76	1976-77
	Actual	Available	Budget
<b>Fish Commission</b>			
General Operations . . . . .	\$1,160	\$1,850	\$1,979
<b>Department of General Services</b>			
General State Authority Rentals . . . . .	\$ 2	\$ 2	\$ 2
<b>Treasury Department</b>			
Replacement Checks . . . . .	\$ 1	\$ 1	\$ 1
<b>Department of Revenue</b>			
Collecting Motorboat Registration Fees . . . . .	\$ 183	\$ 228	\$ 258
<b>Department of Transportation</b>			
Navigation Office for the Delaware River . . . . .	\$ 100	\$ 82	\$ 69
<b>Total State Funds</b> . . . . .	<u>\$1,446</u>	<u>\$2,163</u>	<u>\$2,309</u>
Federal Funds . . . . .	\$ 198	\$ 110	. . . . .
Other Funds . . . . .	. . . . .	5	\$ 2
<b>FUND TOTAL</b> . . . . .	<u>\$1,644</u>	<u>\$2,278</u>	<u>\$2,311</u>

## BOATING FUND REVENUE SUMMARY

### Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Estimated	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
Licenses and Fees . . . . .	\$ 649	\$ 690	\$ 725	\$ 785	\$ 850	\$ 920	\$ 996
Fines and Penalties . . . . .	21	22	23	25	27	30	32
Miscellaneous . . . . .	1,096	1,359	1,339	1,340	1,340	1,340	1,340
Restricted Revenue . . . . .	66	68	69	68	68	68	68
Total Boating Fund Revenue . . . .	<u>\$1,832</u>	<u>\$2,139</u>	<u>\$2,156</u>	<u>\$2,218</u>	<u>\$2,285</u>	<u>\$2,358</u>	<u>\$2,436</u>
Augmentations . . . . .	\$ 198	\$ 115	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2
TOTAL BOATING FUND RECEIPTS . . . . .	<u>\$2,030</u>	<u>\$2,254</u>	<u>\$2,158</u>	<u>\$2,220</u>	<u>\$2,287</u>	<u>\$2,360</u>	<u>\$2,438</u>

## BOATING FUND REVENUE SOURCES

### Licenses and Fees

Actual	Estimated
1969-70 . . . . . \$459,035	1975-76 . . . . . \$690,000
1970-71 . . . . . 496,067	1976-77 . . . . . 725,000
1971-72 . . . . . 521,308	1977-78 . . . . . 784,800
1972-73 . . . . . 578,509	1978-79 . . . . . 849,600
1973-74 . . . . . 600,181	1979-80 . . . . . 919,600
1974-75 . . . . . 648,493	1980-81 . . . . . 995,500

The Commonwealth receives revenue from fees for registering motor boats. The annual registration fee is four dollars for boats less than 16 feet in length and six dollars for boats 16 feet in length or longer.

### Fines and Penalties

Actual	Estimated
1969-70 . . . . . \$16,940	1975-76 . . . . . \$22,000
1970-71 . . . . . 14,875	1976-77 . . . . . 23,000
1971-72 . . . . . 18,899	1977-78 . . . . . 25,000
1972-73 . . . . . 17,550	1978-79 . . . . . 27,000
1973-74 . . . . . 17,485	1979-80 . . . . . 30,000
1974-75 . . . . . 21,177	1980-81 . . . . . 32,000

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

### Miscellaneous Revenue

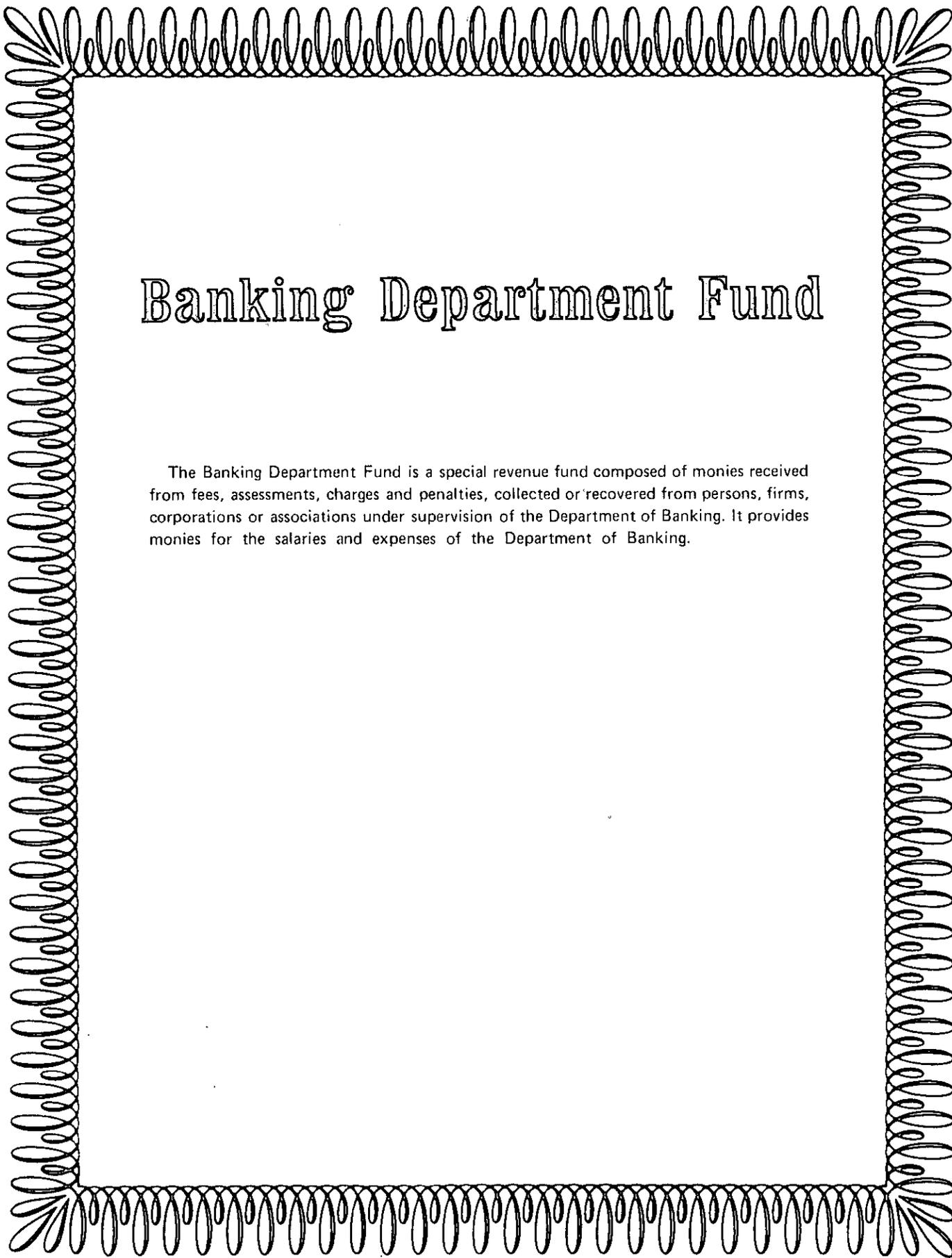
Actual	Estimated
1969-70 . . . . . \$ 5,070	1975-76 . . . . . \$1,358,600
1970-71 . . . . . 293,400	1976-77 . . . . . 1,339,200
1971-72 . . . . . 998,435	1977-78 . . . . . 1,340,000
1972-73 . . . . . 855,796	1978-79 . . . . . 1,340,000
1973-74 . . . . . 1,307,792	1979-80 . . . . . 1,340,000
1974-75 . . . . . 1,095,604	1980-81 . . . . . 1,340,000

The Boating Fund receives a portion of the Liquid Fuels Tax transferred from the Motor License Fund and the Liquid Fuels Tax Fund for fuel used by motorboats on the waters of the Commonwealth. This is a result of a change in law beginning in 1970-71. In addition, a small amount of revenue is collected annually from other miscellaneous sources.

## BOATING FUND REVENUE DETAIL

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

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Licenses and Fees</b>			
Motor Boat Registration Fees . . . . .	\$ 648,493	\$ 690,000	\$ 725,000
TOTAL . . . . .	<u>\$ 648,493</u>	<u>\$ 690,000</u>	<u>\$ 725,000</u>
<b>Fines and Penalties</b>			
Motor Boat Fines . . . . .	\$ 21,177	\$ 22,000	\$ 23,000
TOTAL . . . . .	<u>\$ 21,177</u>	<u>\$ 22,000</u>	<u>\$ 23,000</u>
<b>Miscellaneous</b>			
Liquid Fuels Tax . . . . .	\$ 892,225	\$1,200,000	\$1,200,000
Miscellaneous . . . . .	18,925	17,500	19,000
Interest on Securities . . . . .	184,353	100,000	100,000
Federal Programs, Reimbursement . . . . .	. . . . .	41,000	20,000
Redeposit of Checks . . . . .	101	100	200
TOTAL . . . . .	<u>\$1,095,604</u>	<u>\$1,358,600</u>	<u>\$1,339,200</u>
<b>Restricted Revenue</b>			
Motor Boat Registration Fees . . . . .	\$ 65,823	\$ 68,000	\$ 68,000
Motor Boat Fines . . . . .	310	300	300
Miscellaneous . . . . .	225	195	195
TOTAL . . . . .	<u>\$ 66,358</u>	<u>\$ 68,495</u>	<u>\$ 68,495</u>
TOTAL REVENUES . . . . .	<u>\$1,831,632</u>	<u>\$2,139,095</u>	<u>\$2,155,695</u>
<b>Augmentations</b>			
Sale of Automobiles . . . . .	. . . . .	\$ 5,000	\$ 2,000
U. S. Coast Guard Grant for Safety . . . . .	\$ 198,392	110,000	. . . . .
TOTAL . . . . .	<u>\$ 198,392</u>	<u>\$ 115,000</u>	<u>\$ 2,000</u>
TOTAL RECEIPTS . . . . .	<u><u>\$2,030,024</u></u>	<u><u>\$2,254,095</u></u>	<u><u>\$2,157,695</u></u>



# Banking Department Fund

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

Financial Statement

	(Dollar Amounts in Thousands)	
	1975-76	1976-77
Surplus, Beginning of Year . . . . .	\$-133	\$ 36
Receipts:		
Revenue Estimate . . . . .	4,085	4,399
Prior Year Lapses . . . . .	33	. . . .
Funds Available . . . . .	<u>\$3,985</u>	<u>\$4,435</u>
Expenditures:		
Appropriated . . . . .	\$3,949	\$4,392
Estimated Expenditures . . . . .	<u>-3,949</u>	<u>-4,392</u>
Ending Surplus: . . . . .	<u>\$ 36</u>	<u>\$ 43</u>

**BANKING DEPARTMENT FUND**

**Summary by Department**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Banking Department</b>			
General Operations . . . . .	\$3,637	\$3,948	\$4,391
<b>Treasury Department</b>			
Replacement Checks . . . . .	\$ 1	\$ 1	\$ 1
<b>Total State Funds</b> . . . . .	<u>\$3,638</u>	<u>\$3,949</u>	<u>\$4,392</u>
Other Funds . . . . .	\$ 3	.....	.....
<b>FUND TOTAL</b> . . . . .	<u>\$3,641</u>	<u>\$3,949</u>	<u>\$4,392</u>

## BANKING DEPARTMENT FUND REVENUE SUMMARY

### Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Estimated	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
Licenses and Fees . . . . .	\$3,381	\$4,059	\$4,372	\$4,651	\$4,945	\$5,258	\$5,590
Miscellaneous Revenues . . . . .	28	26	27	26	26	26	26
<b>TOTAL BANKING DEPARTMENT FUND REVENUES . . . . .</b>	<u><u>\$3,409</u></u>	<u><u>\$4,085</u></u>	<u><u>\$4,399</u></u>	<u><u>\$4,677</u></u>	<u><u>\$4,971</u></u>	<u><u>\$5,284</u></u>	<u><u>\$5,616</u></u>

## BANKING DEPARTMENT FUND REVENUE DETAIL

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

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Licenses and Fees</b>			
Examination Fees .....	\$1,927,192	\$2,292,000	\$2,420,000
Overhead Assessment Fees .....	907,886	1,219,022	1,400,000
Money Lenders Licenses .....	52,300	52,000	52,000
Liquidation Fees .....	.....	1,200	1,200
Miscellaneous Fees .....	44,826	45,000	45,000
Pawnbrokers Fees .....	3,700	3,000	3,000
Consumer Discount Company Licenses .....	263,400	263,000	265,000
Installment Sellers License Fees .....	55,160	56,000	56,000
Sales Finance Companies License Fees .....	117,200	117,000	120,000
Collector—Repossessor License Fees .....	4,300	4,300	4,000
Money Transmitters License Fees .....	5,000	6,000	6,000
<b>TOTAL .....</b>	<b>\$3,380,964</b>	<b>\$4,058,522</b>	<b>\$4,372,200</b>
<b>Miscellaneous Revenues</b>			
Interest on Securities .....	\$ 23,612	\$ 23,000	\$ 23,000
Interest on Deposits .....	3,205	3,200	3,200
Miscellaneous .....	745	.....	.....
Sale of Unserviceable Property .....	322	50	50
Redeposit of Checks .....	.....	100	100
<b>TOTAL .....</b>	<b>\$ 27,884</b>	<b>\$ 26,350</b>	<b>\$ 26,350</b>
<b>TOTAL REVENUES .....</b>	<b>\$3,408,848</b>	<b>\$4,084,872</b>	<b>\$4,398,550</b>

## BANKING DEPARTMENT FUND REVENUE SOURCES

### Licenses and Fees

Actual	Estimated
1969-70 . . . . . \$2,111,696	1975-76 . . . . . \$4,058,522
1970-71 . . . . . 2,344,054	1976-77 . . . . . 4,372,200
1971-72 . . . . . 2,530,045	1977-78 . . . . . 4,651,000
1972-73 . . . . . 2,812,867	1978-79 . . . . . 4,945,000
1973-74 . . . . . 3,064,037	1979-80 . . . . . 5,258,000
1974-75 . . . . . 3,380,964	1980-81 . . . . . 5,590,000

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

### Fines and Penalties

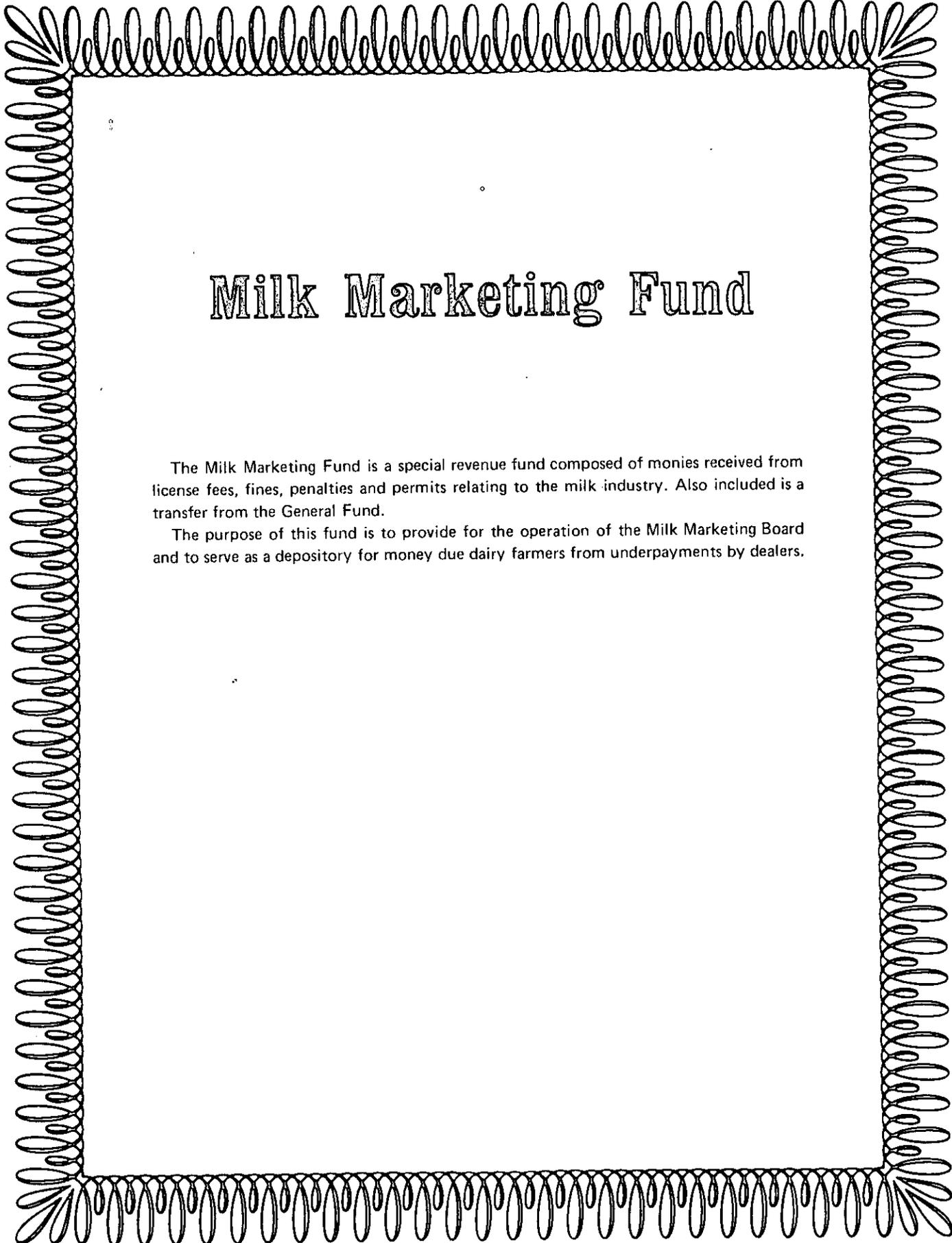
Actual	Estimated
(No collections prior to 1971-72)	
1971-72 . . . . . \$850	1975-76 . . . . .
1972-73 . . . . . 490	1976-77 . . . . .
1973-74 . . . . .	1977-78 . . . . .
1974-75 . . . . .	1978-79 . . . . .
	1979-80 . . . . .
	1980-81 . . . . .

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

### Miscellaneous Revenue

Actual	Estimated
1969-70 . . . . . \$21,409	1975-76 . . . . . \$26,350
1970-71 . . . . . 17,814	1976-77 . . . . . 26,350
1971-72 . . . . . 16,420	1977-78 . . . . . 26,350
1972-73 . . . . . 13,243	1978-79 . . . . . 26,350
1973-74 . . . . . 10,817	1979-80 . . . . . 26,350
1974-75 . . . . . 27,884	1980-81 . . . . . 26,350

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



# Milk Marketing Fund

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

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

Financial Statement

	(Dollar Amounts in Thousands)	
	1975-76	1976-77
<b>Surplus, Beginning of Year</b> .....	\$ 358	\$ 189
<b>Receipts:</b>		
Revenue Estimate .....	\$ 463	\$ 633
Appropriation from General Fund .....	<u>660</u>	<u>717</u>
Total Receipts .....	1,123	1,350
Prior Year Lapses .....	.....	.....
Funds Available .....	<u>\$1,481</u>	<u>\$1,539</u>
<b>Expenditures:</b>		
Appropriated .....	\$1,292	\$1,437
Less Current Year Lapses .....	<u>.....</u>	<u>.....</u>
Estimated Expenditures .....	<u>-1,292</u>	<u>-1,437</u>
<b>Ending Surplus:</b> .....	<u><u>\$ 189</u></u>	<u><u>\$ 102</u></u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Milk Marketing Board</b>			
General Government .....	\$ 457	\$ 625	\$ 713
 <b>Treasury Department</b>			
Replacement Checks .....	\$ 1	\$ 1	\$ 1
Refund Milk Marketing License and Fees .....	1	1	1
 <b>DEPARTMENT TOTAL</b> .....	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>
 <b>Total State Funds</b> .....	<u>\$ 459</u>	<u>\$ 627</u>	<u>\$ 715</u>
 Other Funds .....	<u>\$ 705</u>	<u>\$ 665</u>	<u>\$ 722</u>
 <b>FUND TOTAL</b> .....	<u>\$1,164</u>	<u>\$1,292</u>	<u>\$1,437</u>

## MILK MARKETING FUND REVENUE SUMMARY

### Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Estimated	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
Licenses and Fees . . . . .	\$ 444	\$ 405	\$ 575*	\$ 575	\$ 575	\$ 575	\$ 575
Fines and Penalties . . . . .	8	12	12	12	12	12	12
Miscellaneous Revenue . . . . .	41	41	41	41	41	41	41
Total Milk Marketing Fund Revenues . . . . .	<u>\$ 493</u>	<u>\$ 458</u>	<u>\$ 628</u>	<u>\$ 628</u>	<u>\$ 628</u>	<u>\$ 628</u>	<u>\$ 628</u>
Augmentations . . . . .	\$ 705	\$ 665	\$ 722	\$ 827	\$ 954	\$1,083	\$1,185
TOTAL MILK MARKETING FUND RECEIPTS . . . . .	<u>\$1,198</u>	<u>\$1,123</u>	<u>\$1,350</u>	<u>\$1,455</u>	<u>\$1,582</u>	<u>\$1,711</u>	<u>\$1,813</u>

\* Estimate reflects a proposed increase in licenses and fees.

## MILK MARKETING FUND REVENUE SOURCES

### Licenses and Fees

Actual	Estimated		
1969-70 . . . . .	\$422,104	1975-76 . . . . .	\$404,700
1970-71 . . . . .	403,970	1976-77 . . . . .	574,800 *
1971-72 . . . . .	227,280	1977-78 . . . . .	574,800
1972-73 . . . . .	386,698	1978-79 . . . . .	574,800
1973-74 . . . . .	616,206	1979-80 . . . . .	574,800
1974-75 . . . . .	443,500	1980-81 . . . . .	574,800

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

### Fines and Penalties

Actual	Estimated		
1969-70 . . . . .	\$ 2,650	1975-76 . . . . .	\$12,000
1970-71 . . . . .	4,250	1976-77 . . . . .	12,000
1971-72 . . . . .	1,150	1977-78 . . . . .	12,000
1972-73 . . . . .	56,370	1978-79 . . . . .	12,000
1973-74 . . . . .	14,700	1979-80 . . . . .	12,000
1974-75 . . . . .	7,550	1980-81 . . . . .	12,000

The Commonwealth receives revenue in the form of fines and penalties collected from milk dealers and other persons convicted of violating the Milk Marketing Law.

### Miscellaneous Revenue

Actual	Estimated		
1969-70 . . . . .	\$ 1,271	1975-76 . . . . .	\$41,100
1970-71 . . . . .	3,706	1976-77 . . . . .	41,200
1971-72 . . . . .	848	1977-78 . . . . .	41,200
1972-73 . . . . .	3,151	1978-79 . . . . .	41,200
1973-74 . . . . .	17,273	1979-80 . . . . .	41,200
1974-75 . . . . .	41,268	1980-81 . . . . .	41,200

Miscellaneous Revenues consists of legal fees for transcripts of hearings and refunds of expenditures not credited to appropriations.

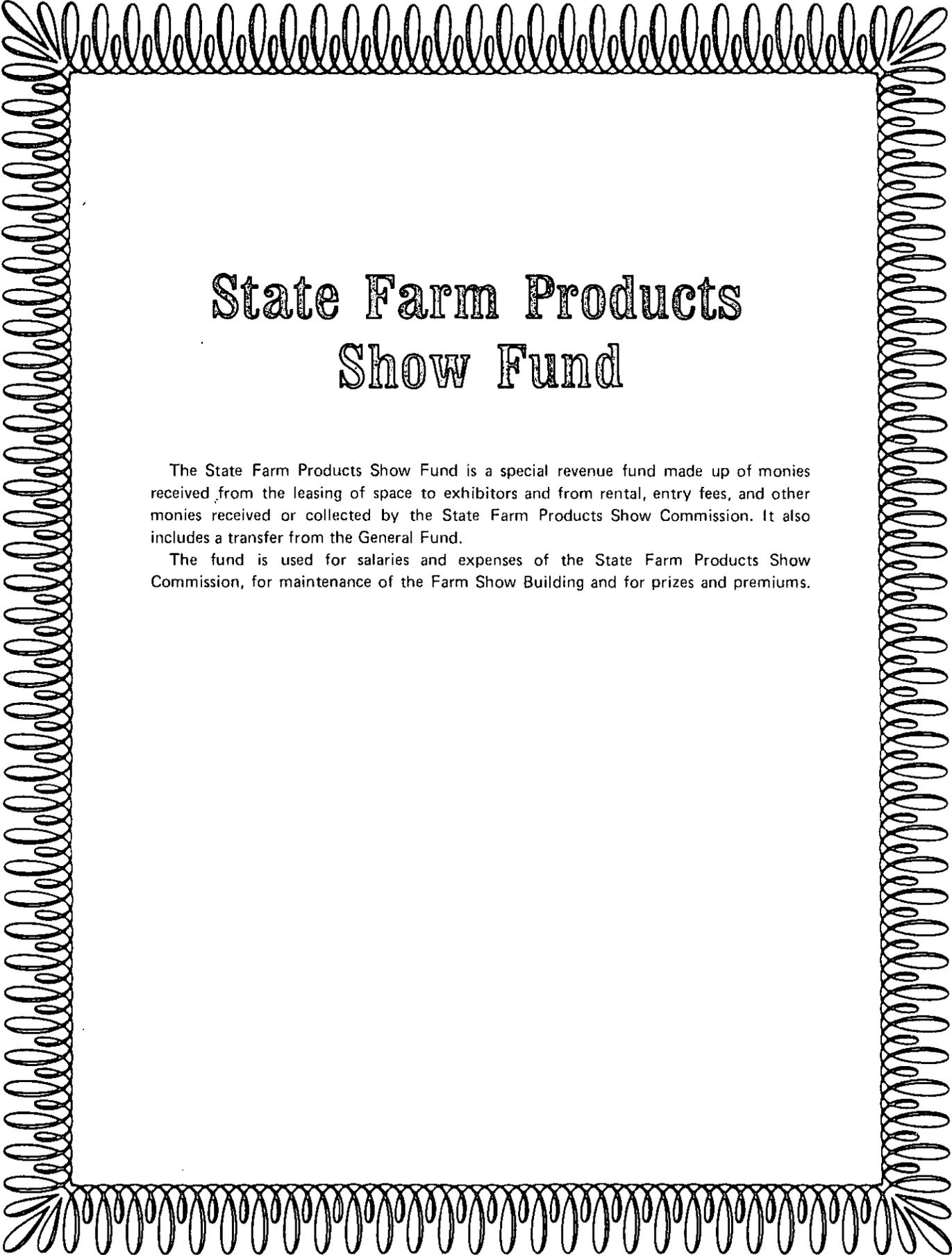
\* Estimate reflects a proposed increase in licenses and fees.

## MILK MARKETING FUND REVENUE DETAIL

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

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Licenses and Fees</b>			
Milk Dealers Licenses .....	\$ 418,641	\$ 380,000	\$ 550,000
Milk Dealers Licenses Transfer Fees .....	4	2	2
Weighing or Measuring Permit Fees .....	4,030	3,950	4,000
Milk Testers Certificate Fees .....	3,170	3,200	3,200
Milk Weighers Certificate Fees .....	8,620	8,500	8,500
Milk Testers and Weighers Examination Fees .....	1,195	1,200	1,200
Milk Haulers License Fees .....	7,840	7,800	7,900
TOTAL .....	\$ 443,500	\$ 404,652	\$ 574,802*
<b>Fines and Penalties</b>			
Milk Marketing Act Fines .....	\$ 7,550	\$ 12,000	\$ 12,000
TOTAL .....	\$ 7,550	\$ 12,000	\$ 12,000
<b>Miscellaneous Revenue</b>			
Refunds of Expenditures Not Credited to Appropriations .....	\$ 28	.....	.....
Interest on Securities .....	40,457	\$ 40,500	\$ 40,500
Other .....	755	500	500
Redeposit on Checks .....	28	100	200
TOTAL .....	\$ 41,268	\$ 41,100	\$ 41,200
TOTAL REVENUES .....	\$ 492,318	\$ 457,752	\$ 626,002*
<b>Augmentations</b>			
Appropriation from General Fund .....	\$ 700,000	\$ 660,000	\$ 717,000
Sale of Motor Vehicles .....	5,275	5,300	5,300
TOTAL .....	\$ 705,275	\$ 665,300	\$ 722,300
TOTAL RECEIPTS .....	\$1,197,593	\$1,123,052	\$1,350,302*

\* Estimate reflects a proposed increase in licenses and fees.



# State Farm Products Show Fund

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

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

**STATE FARM PRODUCTS SHOW FUND**

**Financial Statement**

	(Dollar Amounts in Thousands)	
	1975-76	1976-77
	<u>                    </u>	<u>                    </u>
<b>Surplus, Beginning of Year</b> . . . . .	\$ 25	. . . . .
<b>Receipts:</b>		
Revenue Estimate . . . . .	\$ 788	\$ 801
Transfer from General Fund . . . . .	<u>525</u>	<u>700</u>
<b>Total Receipts</b> . . . . .	<b>\$1,313</b>	<b>\$1,501</b>
Prior Year Lapses . . . . .	. . . . .	. . . . .
<b>Funds Available</b> . . . . .	<u>\$1,288</u>	<u>\$1,501</u>
<b>Expenditures:</b>		
Appropriated . . . . .	\$1,308	\$1,469
Less Current Year Lapses . . . . .	<u>-20</u>	<u>          </u>
<b>Estimated Expenditures</b> . . . . .	<u>-1,288</u>	<u>-1,469</u>
<b>Ending Surplus:</b> . . . . .	. . . . .	<u><u>\$ 32</u></u>

STATE FARM PRODUCTS SHOW FUND

---

Summary by Department

		(Dollar Amounts in Thousands)	
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Department of Agriculture</b>			
General Operations . . . . .	\$ 877	\$ 782	\$ 768
<b>Treasury Department</b>			
Replacement Checks . . . . .	\$ 1	\$ 1	\$ 1
<b>Total State Funds</b> . . . . .	<b>\$ 878</b>	<b>\$ 783</b>	<b>\$ 769</b>
Federal Funds . . . . .	. . . . .	. . . . .	. . . . .
Other Funds . . . . .	\$ 300	\$ 525	\$ 700
<b>FUND TOTAL</b> . . . . .	<u><u>\$1,178</u></u>	<u><u>\$1,308</u></u>	<u><u>\$1,469</u></u>

## STATE FARM PRODUCTS SHOW FUND REVENUE SUMMARY

### Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Estimated	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
Fees .....	\$ 120	\$ 135	\$ 140	\$ 141	\$ 141	\$ 141	\$ 142
Miscellaneous .....	580	653	661	688	718	748	779
<b>Total State Farm Products Show Fund Revenues .....</b>	<u>\$ 700</u>	<u>\$ 788</u>	<u>\$ 801</u>	<u>\$ 829</u>	<u>\$ 859</u>	<u>\$ 889</u>	<u>\$ 921</u>
Augmentations .....	\$ 300	\$ 525	\$ 700	\$ 791	\$ 915	\$1,069	\$1,227
<b>TOTAL STATE FARM PRODUCTS SHOW FUND RECEIPTS .....</b>	<u><u>\$1,000</u></u>	<u><u>\$1,313</u></u>	<u><u>\$1,501</u></u>	<u><u>\$1,620</u></u>	<u><u>\$1,774</u></u>	<u><u>\$1,958</u></u>	<u><u>\$2,148</u></u>

## STATE FARM PRODUCTS SHOW FUND REVENUE SOURCES

### Licenses and Fees

Actual	Estimated
1969-70 . . . . . \$109,683	1975-76 . . . . . \$135,450
1970-71 . . . . . 110,295	1976-77 . . . . . 140,450
1971-72 . . . . . 108,139	1977-78 . . . . . 140,900
1972-73 . . . . . 120,328	1978-79 . . . . . 141,200
1973-74 . . . . . 120,224	1979-80 . . . . . 141,600
1974-75 . . . . . 120,157	1980-81 . . . . . 142,000

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

### Miscellaneous Revenue

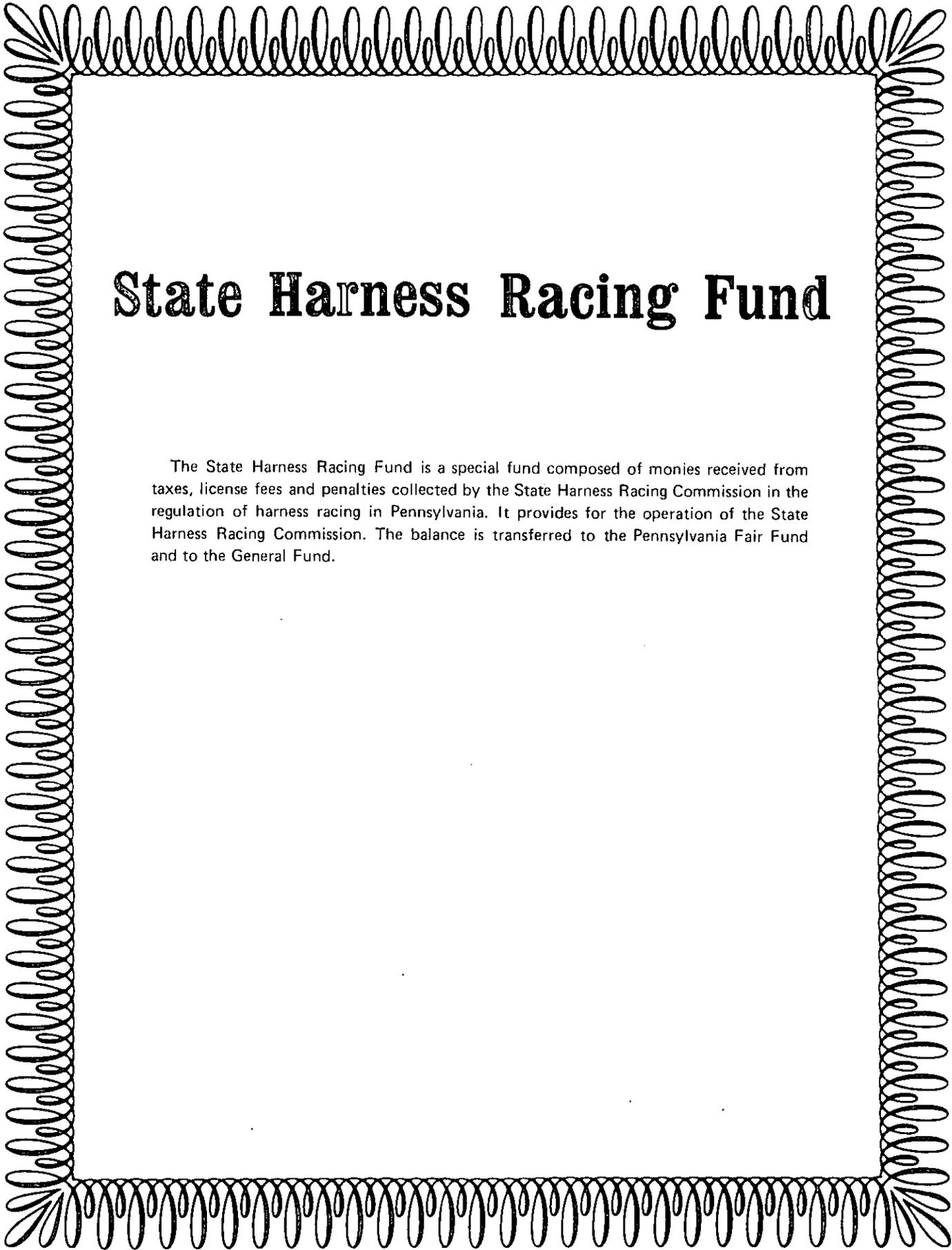
Actual	Estimated
1969-70 . . . . . \$398,751	1975-76 . . . . . \$652,750
1970-71 . . . . . 320,744	1976-77 . . . . . 660,650
1971-72 . . . . . 352,211	1977-78 . . . . . 688,500
1972-73 . . . . . 438,411	1978-79 . . . . . 717,500
1973-74 . . . . . 469,731	1979-80 . . . . . 747,800
1974-75 . . . . . 579,350	1980-81 . . . . . 779,300

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

## STATE FARM PRODUCTS SHOW FUND REVENUE DETAIL

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

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Fees</b>			
Exhibit Fees — Competitive .....	\$ 6,296	\$ 7,000	\$ 7,000
Exhibit Fees — Commercial .....	110,683	125,000	130,000
Exhibit Fees — State Agencies .....	3,178	3,450	3,450
TOTAL .....	\$ 120,157	\$ 135,450	\$ 140,450
<b>Miscellaneous Revenue</b>			
Concession Revenue .....	\$ 150,472	\$ 160,000	\$ 165,000
Service Charges .....	63,082	73,000	75,000
Rentals .....	263,383	275,000	275,000
Sale of Exhibits — Net Proceeds .....	3,410	150	150
Sale of Exhibits — Commission .....	.....	2,600	3,500
Miscellaneous Revenue .....	4,353	5,000	5,000
Refund of Expenditures Not Credited to Appropriations .....	924	1,000	1,000
Interest on Securities .....	10,202	10,000	10,000
Parking Fees .....	82,559	125,000	125,000
Redeposit of Checks .....	965	1,000	1,000
TOTAL .....	\$ 579,350	\$ 652,750	\$ 660,650
TOTAL REVENUES .....	\$ 699,507	\$ 788,200	\$ 801,100
<b>Augmentations</b>			
Transfer from General Fund .....	\$ 300,000	\$ 525,000	\$ 700,000
TOTAL .....	\$ 300,000	\$ 525,000	\$ 700,000
TOTAL RECEIPTS .....	\$ 999,507	\$1,313,200	\$1,501,100



# State Harness Racing Fund

The State Harness Racing Fund is a special fund composed of monies received from taxes, license fees and penalties collected by the State Harness Racing Commission in the regulation of harness racing in Pennsylvania. It provides for the operation of the State Harness Racing Commission. The balance is transferred to the Pennsylvania Fair Fund and to the General Fund.

## Financial Statement

	(Dollar Amounts in Thousands)	
	1975-76	1976-77
Surplus, Beginning of Year .....	\$3,065	\$3,216
Receipts:		
Revenue Estimate .....	6,625	6,471
Prior Year Lapses .....	.....	.....
Funds Available .....	<u>\$9,690</u>	<u>\$9,687</u>
Expenditures:		
Appropriated .....	\$6,474	\$6,567
Less Current Year Lapses .....	<u>.....</u>	<u>.....</u>
Estimated Expenditures .....	-6,474	-6,567
Ending Surplus: .....	<u><u>\$3,216</u></u>	<u><u>\$3,120</u></u>

**STATE HARNESS RACING FUND**

**Summary by Department**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Department of Agriculture</b>			
State Harness Racing Commission .....	\$ 910	\$1,043	\$1,299
Pennsylvania Fair Fund Administration .....	200	218	234
Transfer to Pennsylvania Fair Fund .....	1,678	658	633
Transfer to General Fund .....	7,094	4,403	4,235
DEPARTMENT TOTAL .....	<u>\$9,882</u>	<u>\$6,322</u>	<u>\$6,401</u>
 <b>Department of Revenue</b>			
Administration of Collections—Harness Racing .....	\$ 107	\$ 151	\$ 165
 <b>Treasury Department</b>			
Replacement Checks .....	\$ 1	\$ 1	\$ 1
TOTAL STATE FUNDS .....	<u>\$9,990</u>	<u>\$6,474</u>	<u>\$6,567</u>
Other Funds .....	2	.....	.....
FUND TOTAL .....	<u>\$9,992</u>	<u>\$6,474</u>	<u>\$6,567</u>

## STATE HARNESS RACING FUND REVENUE SUMMARY

### Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Estimated	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
Tax Revenue . . . . .	\$7,875	\$6,084	\$5,873	\$5,991	\$6,081	\$6,142	\$6,142
Licenses and Fees . . . . .	144	102	165	171	174	176	176
Miscellaneous . . . . .	481	439	433	439	445	449	449
Total State Harness Racing Fund Receipts . . . . .	<u>\$8,500</u>	<u>\$6,625</u>	<u>\$6,471</u>	<u>\$6,601</u>	<u>\$6,700</u>	<u>\$6,767</u>	<u>\$6,767</u>
Augmentations . . . . .	\$ 2	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL STATE HARNESS RACING FUND RECEIPTS . . . . .	<u><u>\$8,502</u></u>	<u><u>\$6,625</u></u>	<u><u>\$6,471</u></u>	<u><u>\$6,601</u></u>	<u><u>\$6,700</u></u>	<u><u>\$6,767</u></u>	<u><u>\$6,767</u></u>

## STATE HARNESS RACING FUND REVENUE SOURCES

### Tax Revenue

Actual	Estimated
1969-70 .....\$8,180,937	1975-76 .....\$6,084,000
1970-71 ..... 8,847,555	1976-77 ..... 5,873,000
1971-72 ..... 8,338,657	1977-78 ..... 5,991,000
1972-73 ..... 7,618,638	1978-79 ..... 6,081,000
1973-74 ..... 9,122,980	1979-80 ..... 6,142,000
1974-75 ..... 7,874,872	1980-81 ..... 6,142,000

A State Admission Tax is levied at the rate of five percent of the admission price. In addition a tax of one and one-half percent is imposed on the amount wagered each day at races held within school districts of the first class. An additional tax of four percent of the amount wagered each day is paid directly to the first class school district. For races held in school districts of other than the first class, a tax of five and one-half percent of the amount wagered each day is levied. Of this tax 36-1/3 percent is restricted for the use of local municipal authorities. The wagering tax shown for this fund does not reflect the monies set aside for the use of either the first class school district nor the local municipal authorities. The wagering tax reported in this fund from races held prior to December 30, 1974 was at a five percent rate.

### License and Fees

Actual	Estimated
1969-70 ..... \$ 26,765	1975-76 ..... \$102,000
1970-71 ..... 32,434	1976-77 ..... 165,000
1971-72 ..... 31,232	1977-78 ..... 171,000
1972-73 ..... 31,131	1978-79 ..... 174,000
1973-74 ..... 52,282	1979-80 ..... 176,000
1974-75 ..... 143,788	1980-81 ..... 176,000

For the purpose of maintaining a proper control over harness racing, the State Harness Racing Commission may license drivers and such other persons participating in meets as the Commission may by rule prescribe.

### Miscellaneous Revenue

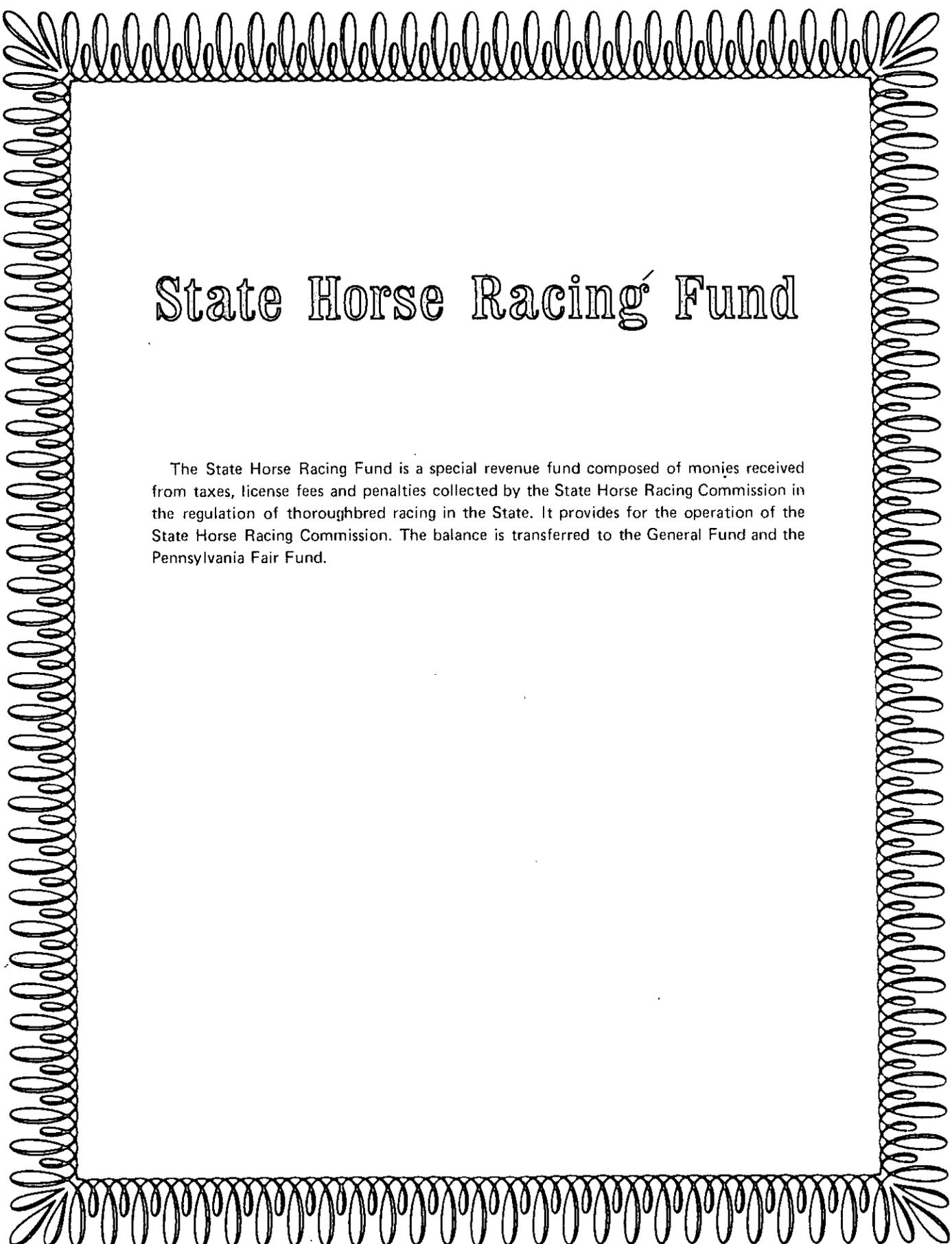
Actual	Estimated
1969-70 ..... \$441,506	1975-76 ..... \$439,000
1970-71 ..... 386,292	1976-77 ..... 433,000
1971-72 ..... 219,449	1977-78 ..... 439,000
1972-73 ..... 302,315	1978-79 ..... 445,000
1973-74 ..... 500,430	1979-80 ..... 449,000
1974-75 ..... 480,949	1980-81 ..... 449,000

The Commonwealth receives miscellaneous revenue in the form of penalties and interest on taxes due, interest on securities and uncashed tickets.

## STATE HARNESS RACING FUND REVENUE DETAIL

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

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Tax Revenue</b>			
State Admission Tax . . . . .	\$ 139,274	\$ 145,000	\$ 148,000
Wagering Tax . . . . .	7,735,598	5,939,000	5,725,000
TOTAL . . . . .	<u>\$7,874,872</u>	<u>\$6,084,000</u>	<u>\$5,873,000</u>
 <b>Licenses and Fees</b>			
Occupational License Fees . . . . .	\$ 36,717	\$ 27,000	\$ 35,000
Pre and Post Racing Testing Laboratory Service Fees . . . . .	107,071	75,000	130,000
TOTAL . . . . .	<u>\$ 143,788</u>	<u>\$ 102,000</u>	<u>\$ 165,000</u>
 <b>Miscellaneous</b>			
Uncashed Tickets . . . . .	\$ 132,589	\$ 130,000	\$ 130,000
Interest on Securities . . . . .	343,207	304,000	300,000
Miscellaneous . . . . .	5,124	5,000	3,000
Redeposit of Checks . . . . .	29	. . . . .	. . . . .
TOTAL . . . . .	<u>\$ 480,949</u>	<u>\$ 439,000</u>	<u>\$ 433,000</u>
TOTAL REVENUE . . . . .	<u>\$8,499,609</u>	<u>\$6,625,000</u>	<u>\$6,471,000</u>
 <b>Augmentations</b>			
Sale of Motor Vehicles . . . . .	\$ 2,400	. . . . .	. . . . .
TOTAL RECEIPTS . . . . .	<u>\$8,502,009</u>	<u>\$6,625,000</u>	<u>\$6,471,000</u>



# State Horse Racing Fund

The State Horse Racing Fund is a special revenue fund composed of monies received from taxes, license fees and penalties collected by the State Horse Racing Commission in the regulation of thoroughbred racing in the State. It provides for the operation of the State Horse Racing Commission. The balance is transferred to the General Fund and the Pennsylvania Fair Fund.

Financial Statement

	(Dollar Amounts in Thousands)	
	1975-76	1976-77
<b>Surplus, Beginning of Year</b> .....	\$ 7,835	\$ 7,457
<b>Receipts:</b>		
Revenue Estimate .....	18,193	19,038
Prior Year Lapses .....	.....	.....
Funds Available .....	<u>\$26,028</u>	<u>\$26,495</u>
<b>Expenditures:</b>		
Appropriated .....	\$18,571	\$18,919
Less Current Year Lapses .....	<u>.....</u>	<u>.....</u>
Estimated Expenditures .....	<u>-18,571</u>	<u>-18,919</u>
<b>Ending Surplus:</b> .....	<u><u>\$ 7,457</u></u>	<u><u>\$ 7,576</u></u>

**STATE HORSE RACING FUND**

**Summary by Department**

		(Dollar Amounts in Thousands)	
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>State Horse Racing Commission</b>			
General Operations .....	\$ 802	\$ 895	\$ 947
Transfer to General Fund .....	15,983	15,261	15,527
Transfer to Fair Fund .....	1,216	2,280	2,286
DEPARTMENT TOTAL .....	<u>\$18,001</u>	<u>\$18,436</u>	<u>\$18,760</u>
 <b>Department of Revenue</b>			
Administration of Collections—Horse Racing .....	\$ 102	\$ 134	\$ 158
 <b>Department of Treasury</b>			
Replacement Checks .....	.....	\$ 1	\$ 1
<b>Total State Funds</b> .....	<u>\$18,103</u>	<u>\$18,571</u>	<u>\$18,919</u>
Other Funds .....	\$ 2	.....	.....
DEPARTMENT TOTAL .....	<u>\$18,105</u>	<u>\$18,571</u>	<u>\$18,919</u>

## STATE HORSE RACING FUND REVENUE SUMMARY

### Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
	Actual	Estimated	Budget	Estimated	Estimated	Estimated	Estimated
Tax Revenues . . . . .	\$17,071	\$17,215	\$17,946	\$18,305	\$18,670	\$18,950	\$19,140
Licenses and Fees . . . . .	105	89	94	96	98	99	100
Miscellaneous . . . . .	855	889	998	1,018	1,038	1,054	1,064
Total State Horse Racing Fund Revenues . . . . .	<u>\$18,031</u>	<u>\$18,193</u>	<u>\$19,038</u>	<u>\$19,419</u>	<u>\$19,806</u>	<u>\$20,103</u>	<u>\$20,304</u>
Augmentation . . . . .	\$ 2	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL STATE HORSE RACING FUND RECEIPTS . . . . .	<u>\$18,033</u>	<u>\$18,193</u>	<u>\$19,038</u>	<u>\$19,419</u>	<u>\$19,806</u>	<u>\$20,103</u>	<u>\$20,304</u>

## STATE HORSE RACING FUND REVENUE SOURCES

### Tax Revenues

Actual		Estimated	
1969-70	\$ 8,350,146	1975-76	\$17,215,000
1970-71	9,223,268	1976-77	17,946,000
1971-72	11,167,085	1977-78	18,305,000
1972-73	15,403,819	1978-79	18,670,000
1973-74	15,545,034	1979-80	18,950,000
1974-75	17,071,124	1980-81	19,140,000

Tax revenues consist of an admission tax levied at the rate of 15 percent of the admission price and a tax of four and three-quarter percent of the amount wagered each day at the track. Also a breakage tax is collected at the rate of 50 percent of the odd cents retained after redistribution of all pari-mutuel contributions exceeding a sum equal to the next lowest multiple of ten cents. The rate of the wagering tax prior to December 30, 1974 was five percent.

### Licenses and Fees

Actual		Estimated	
1969-70	\$ 33,703	1975-76	\$ 89,000
1970-71	46,581	1976-77	94,000
1971-72	72,000	1977-78	96,000
1972-73	128,112	1978-79	98,000
1973-74	110,760	1979-80	99,000
1974-75	104,794	1980-81	100,000

Licenses and Fees are revenues derived from the licensing of jockeys and such other persons participating in horse racing meets as prescribed by the State Horse Racing Commission.

### Miscellaneous Revenue

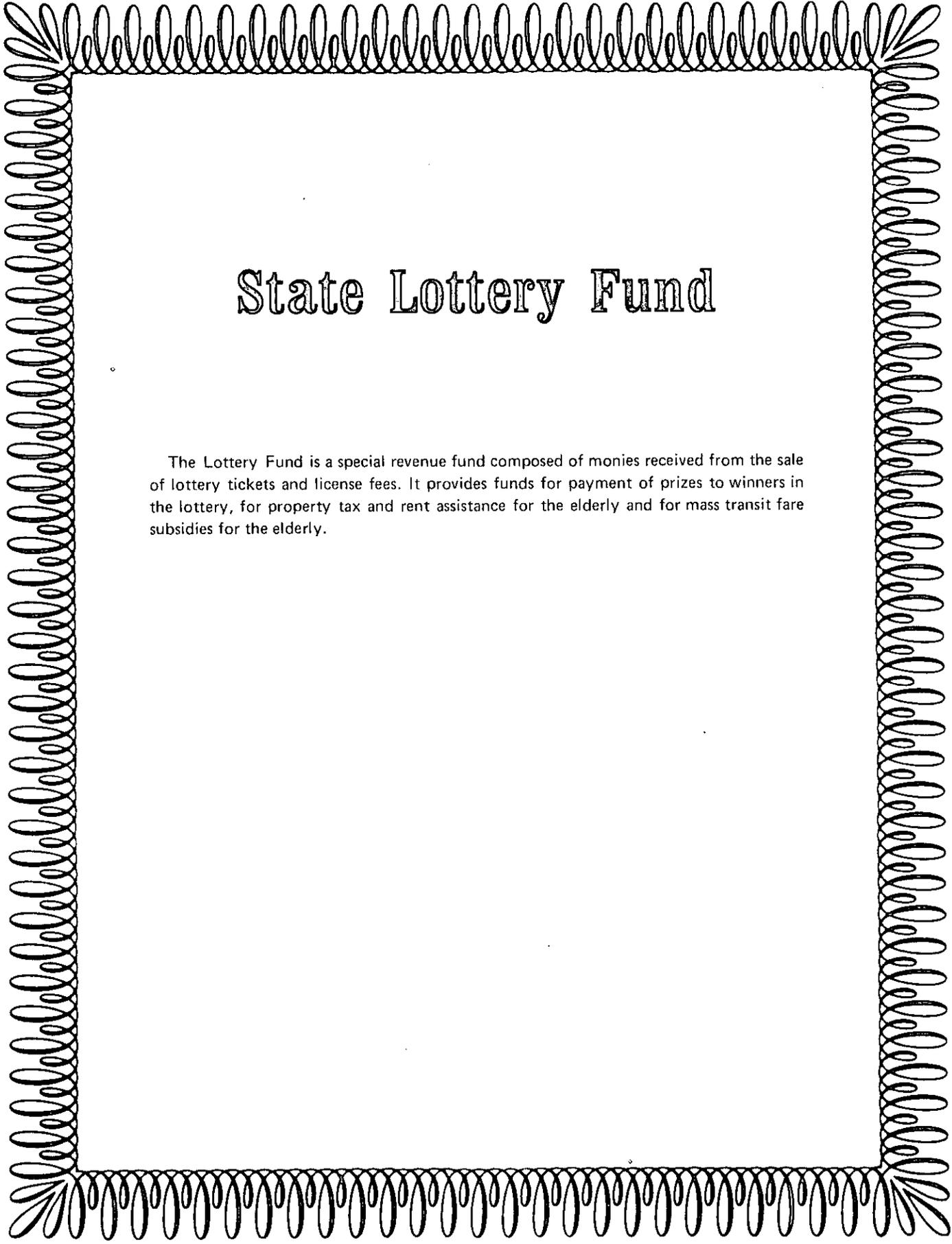
Actual		Estimated	
1969-70	\$264,167	1975-76	\$ 889,000
1970-71	325,744	1976-77	998,000
1971-72	352,389	1977-78	1,018,000
1972-73	461,646	1978-79	1,038,000
1973-74	699,064	1979-80	1,054,000
1974-75	855,116	1980-81	1,064,000

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

## STATE HORSE RACING FUND REVENUE DETAIL

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

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Tax Revenue</b>			
State Admission Tax .....	\$ 513,190	\$ 586,000	\$ 607,000
Wagering Tax .....	15,281,204	15,405,000	16,064,000
Breakage Tax .....	1,276,730	1,224,000	1,275,000
<b>TOTAL</b> .....	<u>\$17,071,124</u>	<u>\$17,215,000</u>	<u>\$17,946,000</u>
<b>Licenses and Fees</b>			
License Fees .....	\$ 104,794	\$ 89,000	\$ 94,000
<b>TOTAL</b> .....	<u>\$ 104,794</u>	<u>\$ 89,000</u>	<u>\$ 94,000</u>
<b>Miscellaneous</b>			
Uncashed Tickets .....	\$ 291,237	\$ 290,000	\$ 305,000
Interest on Securities .....	546,592	576,000	660,000
Miscellaneous .....	17,141	23,000	33,000
Redeposit of Checks .....	146	.....	.....
<b>TOTAL</b> .....	<u>\$ 855,116</u>	<u>\$ 889,000</u>	<u>\$ 998,000</u>
<b>TOTAL REVENUES</b> .....	<u>\$18,031,034</u>	<u>\$18,193,000</u>	<u>\$19,038,000</u>
<b>Augmentations</b>			
Sale of Automobiles .....	\$ 1,900	.....	.....
<b>TOTAL RECEIPTS</b> .....	<u>\$18,032,934</u>	<u>\$18,193,000</u>	<u>\$19,038,000</u>



# State Lottery Fund

The Lottery Fund is a special revenue fund composed of monies received from the sale of lottery tickets and license fees. It provides funds for payment of prizes to winners in the lottery, for property tax and rent assistance for the elderly and for mass transit fare subsidies for the elderly.

## Financial Statement

	(Dollar Amounts in Thousands)	
	1975-76	1976-77
<b>Surplus, Beginning of Year</b> . . . . .	\$ 27,831	\$ 8,026
<b>Receipts:</b>		
Revenue Estimate . . . . .	111,257	111,280
Prior Year Lapses . . . . .	3,944	. . . . .
Funds Available . . . . .	<u>\$143,032</u>	<u>\$119,306</u>
<b>Expenditures:</b>		
Appropriated . . . . .	\$135,766	\$119,306
Less Current Year Lapses . . . . .	<u>-760</u>	<u>. . . . .</u>
Estimated Expenditures . . . . .	-135,006	-119,306
<b>Ending Surplus</b> . . . . .	<u><u>\$ 8,026</u></u>	<u>. . . . .</u>

STATE LOTTERY FUND

Summary by Department

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Department of Revenue</b>			
<b>General Government</b>			
General Operations . . . . .	\$ 12,939	\$ 15,074	\$ 16,296
Payment of Prize Money . . . . .	48,647	48,662	48,662
Payment of Commissions . . . . .	450	700	700
Sub-Total . . . . .	<u>\$ 62,036</u>	<u>\$ 64,436</u>	<u>\$ 65,658</u>
<b>Grants and Subsidies</b>			
Property Tax and Rent Assistance for the Elderly . . . . .	\$ 59,339	\$ 58,700	\$ 40,397
DEPARTMENT TOTAL . . . . .	<u>\$121,375</u>	<u>\$123,136</u>	<u>\$106,055</u>
<b>Treasury Department</b>			
<b>General Government</b>			
Refunding State Lottery Monies . . . . .	\$ 1	\$ 1	\$ 1
Replacement Checks . . . . .	1	2	10
DEPARTMENT TOTAL . . . . .	<u>\$ 2</u>	<u>\$ 3</u>	<u>\$ 11</u>
<b>Department of Transportation</b>			
<b>Grants and Subsidies</b>			
Free Transit for the Elderly . . . . .	\$ 11,230	\$ 12,510	\$ 13,100
Total State Funds . . . . .	<u>\$132,607</u>	<u>\$135,649</u>	<u>\$119,166</u>
Other Funds . . . . .	\$ 127	\$ 117	\$ 140
FUND TOTAL . . . . .	<u>\$132,734</u>	<u>\$135,766</u>	<u>\$119,306</u>

## STATE LOTTERY FUND REVENUE SUMMARY

### Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Estimated	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
Collections . . . . .	\$102,005	\$109,600	\$109,600	\$109,600	\$109,600	\$109,600	\$109,600
Miscellaneous Revenue . . . . .	2,818	1,540	1,540	1,540	1,540	1,540	1,540
Total Lottey Fund Revenues . . . . .	<u>\$104,823</u>	<u>\$111,140</u>	<u>\$111,140</u>	<u>\$111,140</u>	<u>\$111,140</u>	<u>\$111,140</u>	<u>\$111,140</u>
Augmentations . . . . .	\$ 127	\$ 117	\$ 140	\$ 140	\$ 140	\$ 140	\$ 140
TOTAL LOTTERY FUND RECEIPTS . . . . .	<u>\$104,950</u>	<u>\$111,257</u>	<u>\$111,280</u>	<u>\$111,280</u>	<u>\$111,280</u>	<u>\$111,280</u>	<u>\$111,280</u>

## STATE LOTTERY FUND REVENUE SOURCES

### Collections

Actual	Estimated
(No collections prior to 1971-72)	
1971-72 .....	1975-76 .....
\$ 50,093,524	\$109,600,000
1972-73 .....	1976-77 .....
117,015,902	109,600,000
1973-74 .....	1977-78 .....
121,399,971	109,600,000
1974-75 .....	1978-79 .....
102,004,576	109,600,000
	1979-80 .....
	109,600,000
	1980-81 .....
	109,600,000

Collections consist of the proceeds of State lottery ticket sales less commissions and fees. Tickets are \$.50 for the regular lottery and \$1.00 for the special lotteries. In addition it is possible to purchase reserve tickets on the regular lottery at \$25.00 for either one ticket valid for 52 weeks or two tickets valid for 26 weeks or at \$12.00 for either one ticket valid for 24 weeks or two tickets valid for 12 weeks.

### Miscellaneous Revenue

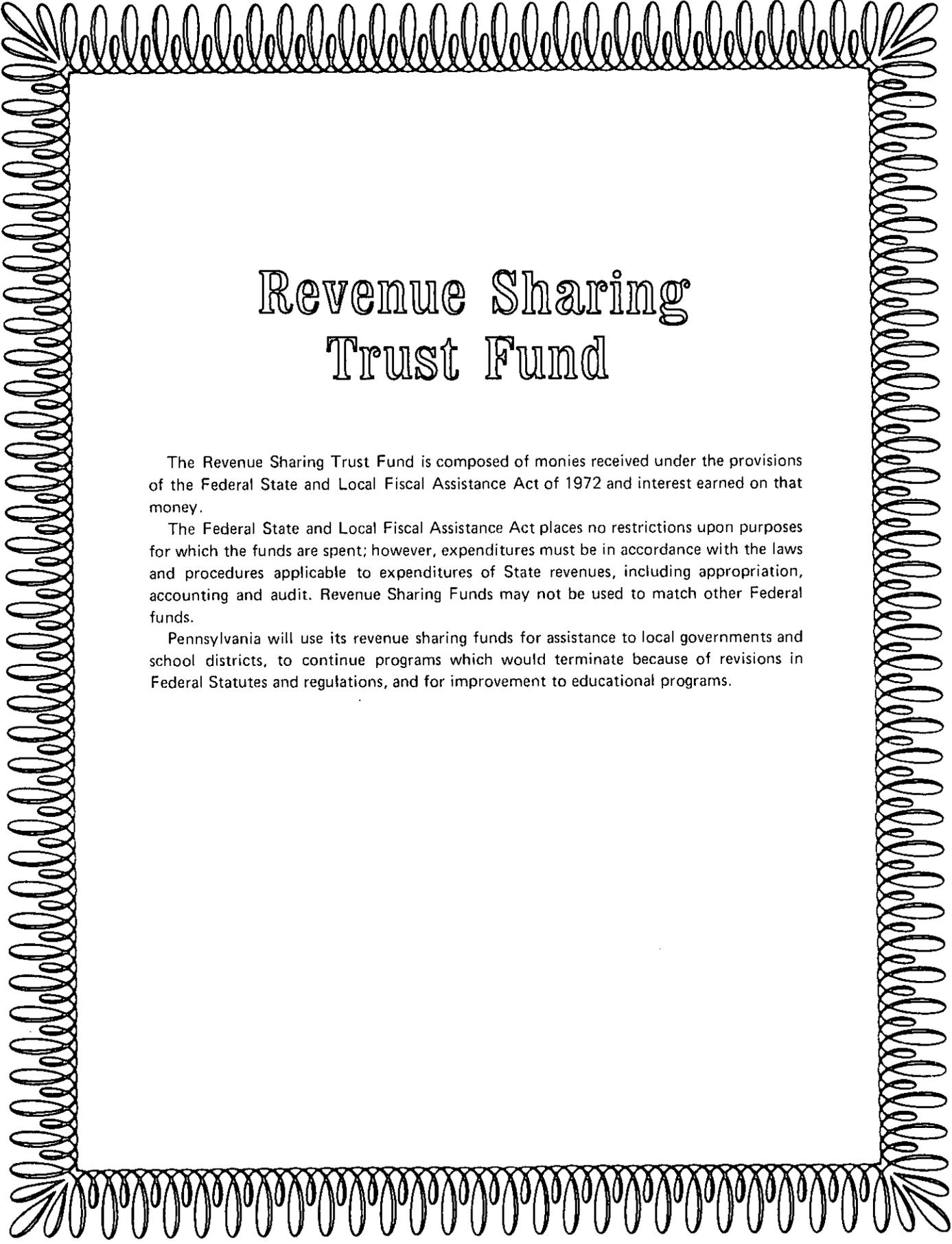
Actual	Estimated
(No Miscellaneous Revenue prior to 1971-72)	
1971-72 .....	1975-76 .....
\$1,205,289	\$1,540,000
1972-73 .....	1976-77 .....
1,663,722	1,540,000
1973-74 .....	1977-78 .....
4,359,299	1,540,000
1974-75 .....	1978-79 .....
2,818,389	1,540,000
	1979-80 .....
	1,540,000
	1980-81 .....
	1,540,000

Miscellaneous revenue includes fines, interest earned on securities, interest on deposits, premiums on sale of securities, and refund of expenditures. The 1971-72 amount also includes a \$1,000,000 temporary loan from the General Fund to provide initial working capital.

**STATE LOTTERY FUND REVENUE DETAIL**

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

	1974-75 Actual	1975-76 Estimated	1976-77 Estimated
<b>Collections</b> . . . . .	\$102,004,576	\$109,600,000	\$109,600,000
<b>Miscellaneous</b> . . . . .	\$ 2,818,389	\$ 1,540,000	\$ 1,540,000
<b>TOTAL REVENUES</b> . . . . .	<u>\$104,822,965</u>	<u>\$111,140,000</u>	<u>\$111,140,000</u>
<b>Augmentations</b>			
Licenses and Fees . . . . .	\$ 107,720	\$ 109,000	\$ 140,000
Legal Service to State Employees			
Retirement Board . . . . .	9,406	4,000	. . . .
Legal Services to School Employees			
Retirement Board . . . . .	10,130	4,000	. . . .
<b>Total</b> . . . . .	<u>\$ 127,256</u>	<u>\$ 117,000</u>	<u>\$ 140,000</u>
<b>TOTAL RECEIPTS</b> . . . . .	<u>\$104,950,221</u>	<u>\$111,257,000</u>	<u>\$111,280,000</u>



# Revenue Sharing Trust Fund

The Revenue Sharing Trust Fund is composed of monies received under the provisions of the Federal State and Local Fiscal Assistance Act of 1972 and interest earned on that money.

The Federal State and Local Fiscal Assistance Act places no restrictions upon purposes for which the funds are spent; however, expenditures must be in accordance with the laws and procedures applicable to expenditures of State revenues, including appropriation, accounting and audit. Revenue Sharing Funds may not be used to match other Federal funds.

Pennsylvania will use its revenue sharing funds for assistance to local governments and school districts, to continue programs which would terminate because of revisions in Federal Statutes and regulations, and for improvement to educational programs.

**REVENUE SHARING TRUST FUND**

**Financial Statement**

	(Dollar Amounts in Thousands)	
	1975-76	1976-77
<b>Surplus, Beginning of Year</b> . . . . .	\$ 17,945	\$ 52
<b>Receipts:</b>		
Revenue Estimate . . . . .	118,100	119,900
<b>Funds Available</b> . . . . .	<b>\$136,045</b>	<b>\$119,952</b>
<b>Expenditures:</b>		
Appropriated . . . . .	\$136,793	\$119,880
Less Current Year Lapses . . . . .	-800	. . . . .
<b>Estimated Expenditures</b> . . . . .	<b>-135,993</b>	<b>-119,880</b>
<b>Ending Surplus:</b> . . . . .	<b>\$ 52</b>	<b>\$ 72</b>

**REVENUE SHARING TRUST FUND**

**Summary by Department**

		(Dollar Amounts in Thousands)	
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Executive Offices</b>			
<b>General Government</b>			
Office of the Budget .....	\$ 1	\$ 10	.....
<b>Department of Education</b>			
<b>Grants and Subsidies</b>			
Pupil Transportation .....	\$ 8,293	\$ 26,000	\$ 26,000
Special Education .....	45,000	56,000	51,400
Special Education—Approved Private Schools .....	2,500	2,500	2,500
DEPARTMENT TOTAL .....	<u>\$ 55,793</u>	<u>\$ 84,500</u>	<u>\$ 79,900</u>
<b>Department of Environmental Resources</b>			
<b>Grants and Subsidies</b>			
Sewage Treatment Plant Operations Grants .....	\$ 10,955	\$ 12,283	\$ 12,380
<b>Department of Labor and Industry</b>			
<b>Grants and Subsidies</b>			
Occupational Disease Payments .....	\$ 22,115	\$ 30,000	.....
<b>Department of Health</b>			
<b>Grants and Subsidies</b>			
Local Health Departments — Environmental .....	.....	.....	\$ 3,600
<b>Department of Public Welfare</b>			
<b>Grants and Subsidies</b>			
Day Care Services .....	\$ 4,857	.....	.....
<b>Judiciary</b>			
<b>Grants and Subsidies</b>			
Reimbursement of County Court Costs .....	\$ 24,000	\$ 10,000	\$ 24,000
FUND TOTAL .....	<u>\$117,721</u>	<u>\$136,793</u>	<u>\$119,880</u>

## REVENUE SHARING TRUST FUND REVENUE SUMMARY

### Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Estimated	1976-77 Estimated	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
Miscellaneous Revenues . . . . .	<u>\$110,769</u>	<u>\$118,100</u>	<u>\$119,900</u>	<u>\$125,900</u>	<u>\$128,900</u>	<u>\$134,700</u>	<u>\$140,700</u>

The Commonwealth receives funds under the provisions of the Federal State and Local Fiscal Assistance Act of 1972, commonly referred to as the Revenue Sharing Act and interest on deposits and securities.

The Federal State and Local Fiscal Assistance Act authorizes payment of revenue sharing funds to state and local government for the period January 1, 1972 through December 31, 1976. It is our assumption that Congress will extend the Revenue Sharing legislation when the current Act terminates, therefore, projections are being made beyond the current 1976 termination date.

*J. Smith*

**FRONTIERSMAN\*LAWYER**

*Like George Taylor, he was a native of Northern Ireland and also engaged in the iron business for a time. He was a leader of the back counties and represented them in their struggles against British policy. He spent some time on the Cumberland County frontier and settled in York.*

**JAMES SMITH** – 1719 - July 11, 1806



*Geo. Taylor*



**IRON-MAKER\*LEGISLATOR**

*A native of Northern Ireland, he lived in Easton, served less than a year in Congress and retired because of poor health.*

**GEORGE TAYLOR** – 1716 - Feb. 23, 1781

CAPITAL BUDGET

# Capital Budget

This section contains the 1976-77 Capital Budget and Five Year Capital Program. The bonded indebtedness required to support the construction program is projected and, along with currently outstanding debt, is compared to the Constitutional debt limit.

The projects shown will be financed by general obligation bonds, with the exception of a few minor projects which will be financed from current revenues. These projects are grouped into the following categories:

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

**Public Improvements—Furnishings and Equipment** — This category provides for the equipping of completed public improvement projects, by purchasing original furniture and equipment through the Department of General Services.

**Mass Transportation Projects** — These projects include the purchase of rolling stock and construction or improvement of facilities operated by mass transportation agencies throughout the Commonwealth. The projects are implemented by the Pennsylvania Transportation Assistance Authority.

**Highway Projects** — This category includes the design, purchase of right-of-way, construction, reconstruction, and other improvements to highways and bridges on the State

highway system. These projects are constructed through the Department of Transportation and the State Highway and Bridge Authority.

The Capital Budget section consists of the following subsections:

**1976-77 New Project Authorizations** — This section itemizes and describes the new capital projects recommended for authorization in 1976-77, and their proposed source of funding. The projects are listed by department and program.

**Forecast of Future Projects** — This section contains a forecast of new capital projects to be initiated during each of the fiscal years 1977-78 through 1980-81. The projections are grouped by department and capital project category.

**Estimate of Capital Expenditures** — This section provides an estimate of expenditures for capital projects during each of the next five fiscal years. Since design, acquisition and construction of a project is not generally completed during the fiscal year in which the project is initiated, payment of costs incurred usually occurs over several fiscal years. The estimated expenditures determine the amount of bonds which must be issued each fiscal year. The projections are listed by capital project category and subdivided by projects currently authorized, projects requested for 1972-73 through 1975-76 (legislation pending), new projects proposed for 1976-77 and future projects (1977-81).

**FORECAST OF DEBT LIMIT AND OUTSTANDING DEBT  
1975-76 Through 1980-81**

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

	(Dollar Amounts in Thousands)					
	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Average Tax Revenues Previous Five Years . . .	\$4,355,883	\$4,868,588	\$5,317,896	\$ 5,739,535	\$ 6,188,762	\$ 6,646,408
Debt Limit (a) . . . . .	7,622,795	8,520,029	9,306,318	10,044,186	10,830,334	11,631,214
Outstanding debt—Beginning of fiscal year . . .	3,509,126	4,014,736	4,221,416	4,377,343	4,473,606	4,563,383
Bonds to be issued . . . . .	609,000	330,000	298,000	249,000	257,000	269,000
Bonds to be retired . . . . .	-103,390	-123,320	-142,073	-152,737	-167,223	-180,152
Outstanding debt—End of fiscal year . . . . .	<u>\$4,014,736</u>	<u>\$4,221,416</u>	<u>\$4,377,343</u>	<u>\$ 4,473,606</u>	<u>\$4,563,383</u>	<u>\$4,652,231</u>
% of debt to debt limit . . . . .	52.7%	49.5%	47.0%	44.5%	42.1%	40.0%

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

FORECAST OF OUTSTANDING DEBT BY CATEGORY OF PROJECT  
1975-76 Through 1980-81

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

	(Dollar Amounts in Thousands)					
	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Public Improvement Projects</b>						
Outstanding Debt — Beginning	\$1,626,606	\$1,675,126	\$1,716,311	\$1,772,174	\$1,804,861	\$1,841,241
Bonds to be issued	102,000	100,000	120,000	100,000	110,000	118,000
Bonds to be retired	-53,480	-58,815	-64,137	-67,313	-73,620	-77,829
Outstanding Debt — End	<u>\$1,675,126</u>	<u>\$1,716,311</u>	<u>\$1,772,174</u>	<u>\$1,804,861</u>	<u>\$1,841,241</u>	<u>\$1,881,412</u>
<b>Highway Projects</b>						
Outstanding Debt — Beginning	\$1,776,740	\$2,223,565	\$2,367,345	\$2,429,950	\$2,457,670	\$2,478,035
Bonds to be issued	490,000	200,000	130,000	100,000	100,000	105,000
Bonds to be retired	-43,175	-56,220	-67,395	-72,280	-79,635	-86,805
Outstanding Debt — End	<u>\$2,223,565</u>	<u>\$2,367,345</u>	<u>\$2,429,950</u>	<u>\$2,457,670</u>	<u>\$2,478,035</u>	<u>\$2,496,230</u>
<b>Mass Transit Projects</b>						
Outstanding Debt — Beginning	\$ 37,395	\$ 46,025	\$ 74,000	\$ 110,780	\$ 147,920	\$ 183,182
Bonds to be issued	10,000	30,000	40,000	42,000	42,000	42,000
Bonds to be retired	-1,370	-2,025	-3,220	-4,860	-6,738	-8,688
Outstanding Debt — End	<u>\$ 46,025</u>	<u>\$ 74,000</u>	<u>\$ 110,780</u>	<u>\$ 147,920</u>	<u>\$ 183,182</u>	<u>\$ 216,494</u>
<b>Community College Projects</b>						
Outstanding Debt — Beginning	\$ 34,150	\$ 33,500	\$ 32,805	\$ 32,075	\$ 31,300	\$ 30,480
Bonds to be issued	.....	.....	.....	.....	.....	.....
Bonds to be retired	-650	-695	-730	-775	-820	-865
Outstanding Debt — End	<u>\$ 33,500</u>	<u>\$ 32,805</u>	<u>\$ 32,075</u>	<u>\$ 31,300</u>	<u>\$ 30,480</u>	<u>\$ 29,615</u>
<b>Furnishings and Equipment</b>						
Outstanding Debt — Beginning	\$ 34,235	\$ 36,520	\$ 30,955	\$ 32,364	\$ 31,855	\$ 30,445
Bonds to be issued	7,000	.....	8,000	7,000	5,000	4,000
Bonds to be retired	-4,715	-5,565	-6,591	-7,509	-6,410	-5,965
Outstanding Debt — End	<u>\$ 36,520</u>	<u>\$ 30,955</u>	<u>\$ 32,364</u>	<u>\$ 31,855</u>	<u>\$ 30,445</u>	<u>\$ 28,480</u>
<b>Total-Projects</b>						
Outstanding Debt — Beginning	\$3,509,126	\$4,014,736	\$4,221,416	\$4,377,343	\$4,473,606	\$4,563,383
Bonds to be issued	609,000	330,000	298,000	249,000	257,000	269,000
Bonds to be retired	-103,390	-123,320	-142,073	-152,737	-167,223	-180,152
Outstanding Debt — End	<u>\$4,014,736</u>	<u>\$4,221,416</u>	<u>\$4,377,343</u>	<u>\$4,473,606</u>	<u>\$4,563,383</u>	<u>\$4,652,231</u>

**FORECAST OF BOND ISSUES  
1975-76 Through 1980-81**

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

	(Dollar Amounts in Thousands)					
	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Public Improvement Projects . . . . .	\$102,000	\$100,000	\$120,000	\$100,000	\$110,000	\$118,000
Furnishings and Equipment . . . . .	7,000	. . . . .	8,000	7,000	5,000	4,000
Highway Projects . . . . .	490,000	200,000	130,000	100,000	100,000	105,000
Mass Transit Projects . . . . .	10,000	30,000	40,000	42,000	42,000	42,000
<b>TOTAL . . . . .</b>	<u><u>\$609,000</u></u>	<u><u>\$330,000</u></u>	<u><u>\$298,000</u></u>	<u><u>\$249,000</u></u>	<u><u>\$257,000</u></u>	<u><u>\$269,000</u></u>

**FINANCIAL STATEMENT(a)**  
**1976-77 Through 1980-81**

	(Dollar Amounts in Thousands)				Total
	Public Improvement Projects	Highway Projects	Mass Transit Projects	Furnishings and Equipment	
<b>Balance, July 1, 1976</b> . . . . .	\$ 50,000	\$ 70,000	\$ 6,000	\$ 7,000	\$133,000
Revenue: Bond Issues . . . . .	100,000	200,000	30,000	. . . .	330,000
Estimated Expenditures . . . . .	<u>-118,000</u>	<u>-225,000</u>	<u>-31,500</u>	<u>-5,130</u>	<u>-379,630</u>
<b>Balance, July 1, 1977</b> . . . . .	\$ 32,000	\$ 45,000	\$ 4,500	\$ 1,870	\$ 83,370
Revenue: Bond Issues . . . . .	120,000	130,000	40,000	8,000	298,000
Estimated Expenditures . . . . .	<u>-118,000</u>	<u>-130,000</u>	<u>-39,500</u>	<u>-8,662</u>	<u>-296,162</u>
<b>Balance, July 1, 1978</b> . . . . .	\$ 34,000	\$ 45,000	\$ 5,000	\$ 1,208	\$ 85,208
Revenue: Bond Issues . . . . .	100,000	100,000	42,000	7,000	249,000
Estimated Expenditures . . . . .	<u>-118,000</u>	<u>-110,000</u>	<u>-42,200</u>	<u>-6,629</u>	<u>-276,829</u>
<b>Balance, July 1, 1979</b> . . . . .	\$ 16,000	\$ 35,000	\$ 4,800	\$ 1,579	\$ 57,379
Revenue: Bond Issues . . . . .	110,000	100,000	42,000	5,000	257,000
Estimated Expenditures . . . . .	<u>-118,000</u>	<u>-105,000</u>	<u>-42,800</u>	<u>-3,910</u>	<u>-269,710</u>
<b>Balance, July 1, 1980</b> . . . . .	\$ 8,000	\$ 30,000	\$ 4,000	\$ 2,669	\$ 44,669
Revenue: Bond Issues . . . . .	118,000	105,000	42,000	4,000	269,000
Estimated Expenditures . . . . .	<u>-118,000</u>	<u>-100,000</u>	<u>-43,000</u>	<u>-4,307</u>	<u>-265,307</u>
<b>Balance, July 1, 1981</b> . . . . .	<u>\$ 8,000</u>	<u>\$ 35,000</u>	<u>\$ 3,000</u>	<u>\$ 2,362</u>	<u>\$ 48,362</u>

**ESTIMATED CAPITAL PROJECT EXPENDITURES**  
**State Funds**  
**1976-77 through 1980-81**

	1976-77	(Dollar Amounts in Thousands)			1980-81
		1977-78	1978-79	1979-80	
<b>FROM GENERAL OBLIGATION BONDS</b>					
Public Improvement Projects—Buildings and Structures .....	\$118,000	\$118,000	\$118,000	\$118,000	\$118,000
Public Improvement Projects—Furnishings and Equipment .....	5,130	8,662	6,629	3,910	4,307
Highway Projects .....	225,000	130,000	110,000	105,000	100,000
Mass Transportation Assistance Projects .....	31,500	39,500	42,200	42,800	43,000
<b>Total—Bond Funds .....</b>	<b>\$379,630</b>	<b>\$296,162</b>	<b>\$276,829</b>	<b>\$269,710</b>	<b>\$265,307</b>
<b>FROM CURRENT REVENUES</b>					
Public Improvement Projects—General Fund .....	\$ 814	\$ 213	.....	.....	.....
Public Improvement Projects—Game Fund .....	1,000	1,000	\$ 1,000	\$ 1,000	\$ 1,000
Public Improvement Projects—Fish Fund .....	141	275	265	265	265
Public Improvement Projects—Boating Fund .....	460	387	387	310	310
<b>Total—Current Revenues .....</b>	<b>\$ 2,415</b>	<b>\$ 1,875</b>	<b>\$ 1,652</b>	<b>\$ 1,575</b>	<b>\$ 1,575</b>
<b>TOTAL—ALL STATE FUNDS .....</b>	<b>\$382,045</b>	<b>\$298,037</b>	<b>\$278,481</b>	<b>\$271,285</b>	<b>\$266,882</b>

**FORECAST OF DEBT SERVICE REQUIREMENTS  
1976-77 THROUGH 1980-81**

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

	(Dollar Amounts in Thousands)				
	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>					
<b>Department of General Services</b>					
General State Authority Rentals . . . . .	\$ 58,923	\$ 56,037	\$ 55,997	\$ 53,861	\$ 52,931
<b>Department of Education</b>					
General State Authority Rentals . . . . .	4,630	4,630	4,630	4,630	4,630
<b>Treasury Department</b>					
Capital Debt Fund					
—Public Improvement Projects (including GSA) . . . . .	75,334	83,736	92,323	100,177	108,404
—Mass Transit Projects . . . . .	5,126	7,449	9,813	14,574	18,221
—Community College Projects(a) . . . . .	2,051	2,044	2,048	2,034	2,021
—Original Capital Equipment and Furniture . . . . .	7,894	8,955	9,831	8,490	7,838
<b>TOTAL—GENERAL FUND . . . . .</b>	<b>\$153,958</b>	<b>\$162,851</b>	<b>\$174,642</b>	<b>\$183,766</b>	<b>\$194,045</b>
<b>MOTOR LICENSE FUND</b>					
<b>Department of General Services</b>					
General State Authority Rentals . . . . .	\$ 1,358	\$ 1,358	\$ 1,358	\$ 1,358	\$ 1,358
<b>Department of Transportation</b>					
Highway and Bridge Authority Rentals . . . . .	36,693	36,685	34,307	34,489	34,267
<b>Treasury Department</b>					
Capital Debt Fund					
—Highway Projects (including S.H.B.A.) . . . . .	145,339	159,429	168,350	176,056	183,473
—Public Improvement Projects . . . . .	179	365	456	570	713
<b>TOTAL—MOTOR LICENSE FUND . . . . .</b>	<b>\$183,569</b>	<b>\$197,837</b>	<b>\$204,471</b>	<b>\$212,473</b>	<b>\$219,811</b>
<b>FISH FUND</b>					
<b>Department of General Services</b>					
General State Authority Rentals . . . . .	\$ 63	\$ 63	\$ 63	\$ 63	\$ 63
<b>TOTAL—FISH FUND . . . . .</b>	<b>\$ 63</b>	<b>\$ 63</b>	<b>\$ 63</b>	<b>\$ 63</b>	<b>\$ 63</b>
<b>BOATING FUND</b>					
<b>Department of General Services</b>					
General State Authority Rentals . . . . .	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2
<b>TOTAL—BOATING FUND . . . . .</b>	<b>\$ 2</b>	<b>\$ 2</b>	<b>\$ 2</b>	<b>\$ 2</b>	<b>\$ 2</b>
<b>PUBLIC SCHOOL BUILDING AUTHORITY(b)</b>					
Community Colleges . . . . .	\$ 564	\$ 558	\$ 562	\$ 560	\$ 562
<b>TOTAL—PUBLIC SCHOOL BUILDING AUTHORITY . . . . .</b>	<b>\$ 564</b>	<b>\$ 558</b>	<b>\$ 562</b>	<b>\$ 560</b>	<b>\$ 562</b>
<b>TOTAL DEBT SERVICE—ALL FUNDS . . . . .</b>	<b>\$338,156</b>	<b>\$361,311</b>	<b>\$379,740</b>	<b>\$396,864</b>	<b>\$414,483</b>

(a) Fifty percent of this amount is reimbursed by the appropriate colleges.

(b) To be paid by the appropriate college in the form of rentals. Fifty percent of this amount is reimbursed from the General Fund through grants and subsidies paid by the Department of Education.

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

	(Dollar Amounts in Thousands)					Total
	1976-77	1977-78	1978-79	1979-80	1980-81	
Department of Agriculture . . . . .	\$ 46	\$ 310	\$ 340	\$ 320	\$ 260	\$ 1,276
Council on Drug and Alcohol Abuse . . . . .	1,502	.....	.....	.....	.....	1,502
Department of Education . . . . .	10,392	25,450	12,800	14,850	18,000	81,492
Department of Environmental Resources . . . . .	3,352	6,050	6,900	7,700	7,750	31,752
Fish Commission . . . . .	601	662	652	575	575	3,065
Game Commission . . . . .	1,000	1,000	1,000	1,000	1,000	5,000
Historical and Museum Commission . . . . .	243	2,250	1,950	2,050	1,500	7,993
Department of Justice . . . . .	5,719	9,100	7,550	6,000	5,550	33,919
Department of Labor and Industry . . . . .	870	3,250	2,650	2,700	2,850	12,320
Department of Military Affairs . . . . .	1,284	800	1,100	1,050	1,000	5,234
Department of Public Welfare . . . . .	5,143	16,050	13,600	12,750	10,200	57,743
Department of Transportation . . . . .	28,144	127,150	128,350	127,750	127,950	539,344
<b>TOTAL . . . . .</b>	<b>\$ 58,296</b>	<b>\$192,072</b>	<b>\$176,892</b>	<b>\$176,745</b>	<b>\$176,635</b>	<b>\$780,640</b>

RECOMMENDED 1976-77 NEW PROJECT AUTHORIZATIONS  
STATE FUNDS  
Summary by Department

	Bond Funds			Current Revenues	
	Public Improvement Projects	Original Furniture and Equipment	Mass Transportation Projects	Public Improvement Projects	Total All Funds
Department of Agriculture . . . . .	.....	.....	.....	\$ 46	\$ 46
Council on Drug and Alcohol Abuse . . . . .	\$ 1,502	.....	.....	.....	1,502
Department of Education . . . . .	3,018	\$ 7,206	.....	168	10,392
Department of Environmental Resources . . . . .	3,337	15	.....	.....	3,352
Fish Commission . . . . .	.....	.....	.....	601	601
Game Commission . . . . .	.....	.....	.....	1,000	1,000
Historical and Museum Commission . . . . .	.....	200	.....	43	243
Department of Justice . . . . .	5,567	.....	.....	152	5,719
Department of Labor and Industry . . . . .	870	.....	.....	.....	870
Department of Military Affairs . . . . .	1,215	.....	.....	69	1,284
Department of Public Welfare . . . . .	4,666	102	.....	375	5,143
Department of Transportation . . . . .	1,899	.....	\$26,245	.....	28,144
<b>TOTAL . . . . .</b>	<u>\$22,074</u>	<u>\$ 7,523</u>	<u>\$26,245</u>	<u>\$ 2,454</u>	<u>\$58,296</u>

DEPARTMENT OF AGRICULTURE

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>1976-77 PUBLIC IMPROVEMENT PROJECTS</b>				
Animal Health .....	\$37	.....	\$ 9	\$46
TOTAL PROJECTS .....	<u>\$37</u>	.....	<u>\$ 9</u>	<u>\$46</u>
<b>SOURCE OF FUNDS</b>				
<b>Current Revenues</b>				
General Fund .....	\$37	.....	\$ 9	\$46
TOTAL .....	<u>\$37</u>	.....	<u>\$ 9</u>	<u>\$46</u>

Department of Agriculture 1976-77 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>FROM CURRENT REVENUES</b>				
<b>Program: Animal Health</b>				
<i>Summerdale Laboratory</i>				
IMPROVEMENTS TO SEWAGE SYSTEM: This project provides for the connection of all toilet, sink and floor drains and lines in the original laboratory building, which presently empty into a septic tank, to the laboratory addition, which empties into a borough sewer. ....	\$37	.....	\$ 9	\$46
PROGRAM TOTAL – CURRENT REVENUES. ....	<u>\$37</u>	.....	<u>\$ 9</u>	<u>\$46</u>

COUNCIL ON DRUG AND ALCOHOL ABUSE

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>1976-77 PUBLIC IMPROVEMENT PROJECTS</b>				
State Facilities .....	\$1,221	. . . .	\$ 281	\$1,502
TOTAL PROJECTS .....	<u>\$1,221</u>	. . . .	<u>\$ 281</u>	<u>\$1,502</u>
<b>SOURCE OF FUNDS</b>				
<b>General Obligation Bond Issues</b>				
Capital Facilities Fund—Buildings and Structures . . . .	\$1,221	. . . .	\$ 281	\$1,502
TOTAL .....	<u>\$1,221</u>	. . . .	<u>\$ 281</u>	<u>\$1,502</u>

Council on Drug and Alcohol Abuse 1976-77 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>FROM BOND FUNDS</b>				
<b>Program: State Facilities</b>				
<i>Eastern Pennsylvania Residential Treatment and Research Center for Victims of Addictive Diseases</i>				
RENOVATION AND EXPANSION: This project will provide for major renovation of the existing residential/treatment facility (Sinkler Building) in compliance with fire and panic regulations and health standards. The project also includes new construction of 2,000 square feet of additional office space which will be added to the Sinkler Building. Also included are minor renovations to the Assembly Building, the Implement Building and the Kitchen Building, and demolition of three former patient cottages which are presently unused and in an advanced stage of deterioration. . . . .	\$1,221	. . . . .	\$ 281	\$1,502
PROGRAM TOTAL – BOND FUNDS. . . . .	<u>\$1,221</u>	. . . . .	<u>\$ 281</u>	<u>\$1,502</u>

DEPARTMENT OF EDUCATION

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>1976-77 PUBLIC IMPROVEMENT PROJECTS</b>				
<b>Higher Education</b>				
State-Owned Colleges and University . . . . .	\$ 4,021	. . . .	\$ 596	\$ 4,617
State-Related Universities . . . . .	5,452	. . . .	109	5,561
<b>Special and Vocational Education Services</b>				
State-Owned Schools . . . . .	182	. . . .	32	214
TOTAL PROJECTS . . . . .	<u>\$ 9,655</u>	. . . .	<u>\$ 737</u>	<u>\$10,392</u>
<b>SOURCE OF FUNDS</b>				
<b>General Obligation Bond Issues</b>				
Capital Facilities Fund—Buildings and Structures . . . .	\$2,453	. . . .	\$ 565	\$ 3,018
Capital Facilities Fund—Furniture and Equipment . . . .	7,065	. . . .	141	7,206
Sub-Total . . . . .	<u>\$ 9,518</u>	. . . .	<u>\$ 706</u>	<u>\$10,224</u>
<b>Current Revenues</b>				
General Fund . . . . .	\$ 137	. . . .	\$ 31	\$ 168
TOTAL . . . . .	<u>\$ 9,655</u>	. . . .	<u>\$ 737</u>	<u>\$10,392</u>

Department of Education 1976-77 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>FROM BOND FUNDS</b>				
<b>Program: Higher Education – State-Owned Colleges and University</b>				
<i>California State College</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 402-32: This project will provide funds for original furniture and equipment for the new library building. . . . .	\$ 724	. . . . .	\$ 14	\$ 738
<i>Clarion State College</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 404-40: This project will provide funds for original furniture and equipment for the new business administration and computer center classroom building. . . . .	318	. . . . .	6	324
<i>East Stroudsburg State College</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 405-31: This project will provide funds for original furniture and equipment for the new 90,000 square foot library building. . . . .	526	. . . . .	11	537
<i>Indiana University of Pennsylvania</i>				
REHABILITATE STEAM DISTRIBUTION SYSTEM: This project will replace approximately 1,200 lineal feet of high pressure steam distribution lines and related control valves. . .	472	. . . . .	109	581
<i>Millersville State College</i>				
CONVERSION TO ELECTRICAL HEATING: This project will provide for the conversion of Bassler, Brooks and Meyers Halls to electrical heat. This will complete the conversion of the entire campus from steam to electrical heat and will result in the closing of the out dated steam heating plant. . . . .	555	. . . . .	128	683

Department of Education 1976-77 Projects

(Dollar Amounts in Thousands)

FROM BOND FUNDS

Program: Higher Education – State-Owned  
Colleges and University (continued)

*Slippery Rock State College*

ADDITIONAL FUNDS FOR GSA 413-34, RENOVATION OF BOILER PLANT: This project will provide additional funds to complete the boiler plant improvements that are needed to meet environmental quality regulations. The revised total base construction allocation will be \$926,000. ....

\$ 626	. . . . .	\$ 144	\$ 770
--------	-----------	--------	--------

*West Chester State College*

RENOVATION OF HOLLINGER FIELDHOUSE AND EHLINGER GYMNASIUM: This project will provide funds to renovate Hollinger Fieldhouse and Ehlinger Gymnasium including the installation of new roofing, flooring, doors, running track, shower and toilet facilities and improved emergency lighting system. ....

800	. . . . .	184	984
-----	-----------	-----	-----

PROGRAM TOTAL—BOND FUNDS .....

<u>\$4,021</u>	. . . . .	<u>\$ 596</u>	<u>\$4,617</u>
----------------	-----------	---------------	----------------

Department of Education 1976-77 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>Program: Higher Education — State-Related Universities</b>				
<i>Pennsylvania State University Altoona Campus</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 800-127: This project will provide funds for original furniture and equipment for the new multi-purpose building. . . . .	\$ 100	. . . . .	\$ 2	\$ 102
<i>Pennsylvania State University Capitol Campus</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 800-130: This project will provide funds for original furniture and equipment for the new physical education building. . . .	183	. . . . .	4	187
<i>Pennsylvania State University Schuylkill Campus</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 800-136: This project will provide funds for original furniture and equipment for the new multi-purpose building. . . . .	110	. . . . .	2	112
<i>Pennsylvania State University University Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 800-146: This project will provide funds for original furniture and equipment for the addition to the Physical Science classroom building. . . . .	134	. . . . .	3	137
<i>University of Pittsburgh Main Campus</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 1103-13: This project will provide funds for original furniture and equipment for the Professional Quadrangle to be completed in the Spring 1977. . . . .	3,865	. . . . .	77	3,942

Department of Education 1976-77 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>Program: Higher Education — State-Related Universities (continued)</b>				
<i>Temple University</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 1104-22: This project will provide funds for original furniture and equipment for the College of Engineering and Technology building. . . . .	\$ 860	. . . . .	\$ 17	\$ 877
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 1104-32: This project will provide funds for original furniture and equipment for the Dental School renovation project. . . . .	200	. . . . .	4	204
PROGRAM TOTAL—BOND FUNDS . . . . .	<u>\$5,452</u>	. . . . .	<u>\$ 109</u>	<u>\$5,561</u>
<b>Program: Special and Vocational Education Services — State-Owned Schools</b>				
<i>Thaddeus Stevens Trade School</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 417-13: This project will provide funds for original furniture and equipment for the new classroom building. . . . .	\$ 45	. . . . .	\$ 1	\$ 46
PROGRAM TOTAL—BOND FUNDS . . . . .	<u>\$ 45</u>	. . . . .	<u>\$ 1</u>	<u>\$ 46</u>
<b>FROM CURRENT REVENUES</b>				
<b>Program: Special and Vocational Education Services — State-Owned Schools</b>				
<i>State Oral School</i>				
EMERGENCY LIGHTING AND FIRE ALARM SYSTEM: This project will provide funds to replace antiquated emergency lighting system and install a specially designed fire alarm system utilizing flashing strobe lights and vibrating alarms. . . . .	\$ 80	. . . . .	\$ 18	\$ 98
<i>Thaddeus Stevens Trade School</i>				
EMERGENCY LIGHTING AND FIRE ALARM SYTEM: This project will provide for the rehabilitation of emergency lighting and fire alarm systems in the administrative building, cottages, classrooms and other campus buildings. . . . .	57	. . . . .	13	70
PROGRAM TOTAL—CURRENT REVENUES . . . . .	<u>\$ 137</u>	. . . . .	<u>\$ 31</u>	<u>\$ 168</u>

DEPARTMENT OF ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>1976-77 PUBLIC IMPROVEMENT PROJECTS</b>				
Recreation .....	\$1,597	\$1,300	\$ 455	\$3,352
TOTAL PROJECTS .....	<u>\$1,597</u>	<u>\$1,300</u>	<u>\$ 455</u>	<u>\$3,352</u>
<b>SOURCE OF FUNDS</b>				
<b>General Obligation Bond Issues</b>				
Capital Facilities Fund—Buildings and Structures ....	\$1,582	\$1,300	\$ 455	\$3,337
Capital Facilities Fund—Furniture and Equipment ...	15	.....	.....	15
TOTAL .....	<u>\$1,597</u>	<u>\$1,300</u>	<u>\$ 455</u>	<u>\$3,352</u>

Department of Environmental Resources 1976-77 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>FROM BOND FUNDS</b>				
<b>Program: Recreation</b>				
<i>Chapman State Park</i>				
PARK RENOVATIONS: This project will consist of rehabilitation of the day use area, removal of silt from the lake, repairs to the dam and construction of a two-lane vehicle bridge across the spillway channel. . . . .	\$ 860	. . . . .	\$ 198	\$1,058
<i>French Creek State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 194-27: This will provide original furnishings for the family camping area project estimated to be completed in 1977. . . .	8	. . . . .	. . . . .	8
<i>Keystone State Park</i>				
CONSTRUCTION OF PARK OFFICE: This will consist of construction of a park office building containing offices, reception foyer, washrooms and utility and storage rooms. . .	555	. . . . .	128	683
<i>Nescopeck State Park</i>				
ADDITIONAL FUNDS FOR GSA 194-42, LAND ACQUISITION: This project will provide additional funds for completion of the land acquisition for this park. This will increase the total funding for this project to \$3,700,000. . . .	. . . . .	\$ 900	63	963
<i>Promised Land State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 194-39: This will provide original furnishings for the water and sanitary facilities project estimated to be completed in 1977.	3	. . . . .	. . . . .	3

Department of Environmental Resources 1976-77 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<i>Roosevelt State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 180-20: This will provide original furnishings for the lock reconstruction project estimated to be completed in 1977. . . .	\$ 4	. . . .	. . . .	\$ 4
<i>Swatara Gap State Park</i>				
ADDITIONAL FUNDS FOR GSA 194-43, LAND ACQUISITION: This project will provide for completion of land acquisition for this park as well as acquisition of right-of-way for the Appalachian Trail between the park and State game lands. This will increase the total funding for this project to \$4,850,000. . . . .	. . . .	\$ 400	\$ 28	428
<i>World's End State Park</i>				
CONSTRUCTION OF BRIDGE: This project consists of the replacement of a single lane bridge across Loyalsock Creek. The new bridge will be two-lane with pedestrian walkway and will provide access to about two-thirds of the entire park's buildings. . . . .	167	. . . .	38	205
PROGRAM TOTAL—BOND FUNDS . . . . .	<u>\$1,597</u>	<u>\$1,300</u>	<u>\$ 455</u>	<u>\$3,352</u>

FISH COMMISSION

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>1976-77 PUBLIC IMPROVEMENT PROJECTS</b>				
Recreation .....	\$300	\$241	\$ 60	\$601
TOTAL PROJECTS .....	<u>\$300</u>	<u>\$241</u>	<u>\$ 60</u>	<u>\$601</u>
 <b>SOURCE OF FUNDS</b>				
<b>Current Revenues</b>				
Fish Fund .....	.....	\$141	.....	\$141
Boating Fund .....	\$300	100	\$ 60	\$460
TOTAL .....	<u>\$300</u>	<u>\$241</u>	<u>\$ 60</u>	<u>\$601</u>

Fish Commission 1976-77 Projects

					(Dollar Amounts in Thousands)			
					Base		Design	
					Project	Land	Admin.	Total
					Cost	Cost	& Misc.	Project
								Cost
<b>FROM CURRENT REVENUES</b>								
<b>Program: Recreation</b>								
<i>Allegheny County</i>								
LAND ACQUISITION: This will provide for acquisition of approximately five acres for future development in the Deer Creek area as a boating access area to the Allegheny River. . .								
	Boating	.....	\$100	.....				\$100
<i>Armstrong County</i>								
RENOVATIONS: This project consists of renovations and improvements to existing facilities at the Keystone Lake access area. . . . .								
	Boating	\$ 40	.....	\$ 8				48
<i>Beaver County</i>								
DEVELOPMENT: This will consist of construction of a new boating access area on the Ohio River at Little Beaver Creek. .								
	Boating	35	.....	7				42
<i>Delaware County</i>								
DEVELOPMENT: This will consist of construction of a new boating access area in Essington Borough on the Delaware River. . . . .								
	Boating	200	.....	40				240
<i>Mercer County</i>								
OFFICE BUILDING: This will provide for construction of a new office building to house the northwest regional law enforcement personnel and equipment. . . . .								
	Boating	25	.....	5				30
<i>Lackawanna County</i>								
LAND ACQUISITION: This will provide for acquisition of approximately 19 acres at Fords Lake to supplement existing holdings. . . . .								
	Fish	.....	28	.....				28

Fish Commission 1976-77 Projects

(Dollar Amounts in Thousands)

		Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>FROM CURRENT REVENUES</b>					
<b>Program: Recreation (continued)</b>					
<i>Luzerne County</i>					
LAND ACQUISITION: This will provide for acquisition of approximately three acres for access to Silkworth Lake. . . .	Fish	.....	\$ 50	.....	\$ 50
<i>Wayne County</i>					
LAND ACQUISITION: This will provide for acquisition of an additional 125 acres at Reining's Pond to be used for future expansion of the pond itself. . . . .	Fish	.....	63	.....	63
Total - Fish Fund . . . . .		.....	\$141	.....	\$141
Total - Boating Fund . . . . .		\$300	\$100	\$ 60	\$460
PROGRAM TOTAL-CURRENT REVENUES . . . . .		<u>\$300</u>	<u>\$241</u>	<u>\$ 60</u>	<u>\$601</u>

GAME COMMISSION

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>1976-77 PUBLIC IMPROVEMENT PROJECTS</b>				
Recreation .....	.....	\$1,500	.....	\$1,500
<b>TOTAL PROJECTS</b> .....	.....	<u>\$1,500</u>	.....	<u>\$1,500</u>
 <b>SOURCE OF FUNDS</b>				
<b>Current Revenues</b>				
Game Fund .....	.....	\$1,000	.....	\$1,000
 <b>Federal Funds</b> .....	.....	<u>\$ 500</u>	.....	<u>\$ 500</u>
<b>TOTAL</b> .....	.....	<u>\$1,500</u>	.....	<u>\$1,500</u>

Game Commission 1976-77 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Recreation

State Game Lands

LAND ACQUISITION: This will provide for acquisition of additional State game lands at sites to be determined as land becomes available. Tracts to be purchased are those contiguous to existing holdings or interior holdings. . . . .

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
Current	. . . .	\$1,000	. . . .	\$1,000
Federal	. . . .	500	. . . .	500
<b>PROGRAM TOTAL</b>	. . . .	<u>\$1,500</u>	. . . .	<u>\$1,500</u>

HISTORICAL AND MUSEUM COMMISSION

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>1976-77 PUBLIC IMPROVEMENT PROJECTS</b>				
Sites and Properties . . . . .	\$197	. . . . .	\$ 3	\$200
Museums . . . . .	35	. . . . .	8	43
<b>TOTAL PROJECTS . . . . .</b>	<u>\$232</u>	. . . . .	<u>\$ 11</u>	<u>\$243</u>
<b>SOURCE OF FUNDS</b>				
<b>General Obligation Bond Issues</b>				
Capital Facilities Fund—Furniture and Equipment . . . .	\$197	. . . . .	\$ 3	\$200
<b>Current Revenues</b>				
General Fund . . . . .	\$ 35	. . . . .	\$ 8	\$ 43
<b>TOTAL . . . . .</b>	<u>\$232</u>	. . . . .	<u>\$ 11</u>	<u>\$243</u>

Historical and Museum Commission 1976-77 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>FROM BOND FUNDS</b>				
<b>Program: Sites and Properties</b>				
<i>Valley Forge State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 995-2: This project provides equipment for maintaining new access roads and parking areas. . . . .	\$ 10	. . . . .	. . . . .	\$ 10
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 995-6: This project will provide original furnishings and equipment for Lafayette's Quarters. . . . .	45	. . . . .	\$ 1	46
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 995-8: This project will provide original furnishings and equipment for the Knox House and Farm Complex. . . . .	9	. . . . .	. . . . .	9
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 995-12: This project will provide original furnishings and equipment for General Maxwell's Quarters. . . . .	16	. . . . .	. . . . .	16
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 995-13: This project will provide for original furnishings and equipment for the new Amphitheater. . . . .	34	. . . . .	1	35
<i>Washington Crossing State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 996-2: This project provides equipment for maintaining new roads. . . . .	10	. . . . .	. . . . .	10
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 996-4: This project will provide original furnishings and equipment for the barn and farm buildings at the Thompson Neely House. . . . .	10	. . . . .	. . . . .	10
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 996-5: This project will provide for original furnishings and equipment for the new Motor Pool Building. . . . .	20	. . . . .	. . . . .	20
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 996-7: This project will provide original furnishings and equipment for a new Exhibit Building. . . . .	15	. . . . .	. . . . .	15
<i>Brandywine State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 997-3: This project will provide original furnishings and equipment for the forge, harness shop, stable and granary. . .	28	. . . . .	1	29
PROGRAM TOTAL—BOND FUNDS . . . . .	<u>\$197</u>	. . . . .	<u>\$ 3</u>	<u>\$200</u>

Historical and Museum Commission 1976-77 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>FROM CURRENT REVENUES</b>				
<b>Program: Museums</b>				
<i>Pennsylvania Military Museum</i>				
INSTALLATION OF SECURITY SYSTEM: This project will provide for design and installation of an electronic and mechanical security system to protect the museum building and its contents. It will include TV monitoring, as well as intrusion and fire detection systems throughout the museum. .	\$ 35	. . . .	\$ 8	\$ 43
	<u>    </u>		<u>    </u>	<u>    </u>
PROGRAM TOTAL—CURRENT REVENUES . . . .	<u>\$ 35</u>	. . . .	<u>\$ 8</u>	<u>\$ 43</u>

## DEPARTMENT OF JUSTICE

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>1976-77 PUBLIC IMPROVEMENT PROJECTS</b>				
State Correctional Institutions .....	\$4,678	.....	\$1,041	\$5,719
<b>TOTAL PROJECTS .....</b>	<u>\$4,678</u>	.....	<u>\$1,041</u>	<u>\$5,719</u>
<b>SOURCE OF FUNDS</b>				
<b>General Obligation Bond Issues</b>				
Capital Facilities Fund – Buildings And Structures .....	\$4,555	.....	\$1,012	\$5,567
<b>Current Revenues</b>				
General Fund .....	\$ 123	.....	\$ 29	\$ 152
<b>TOTAL .....</b>	<u>\$4,678</u>	.....	<u>\$1,041</u>	<u>\$5,719</u>

CAPITAL BUDGET

Department of Justice 1976-77 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>FROM BOND FUNDS</b>				
<b>Program: State Correctional Institutions</b>				
<i>State Correctional Institution – Dallas</i>				
DEEP WELL: This project includes the drilling of a well and the installation of a deep well pump, construction of a well pump house, and the installation of a water pipe to connect this well to the existing reservoir. . . . .	\$ 167	. . . . .	\$ 38	\$ 205
 <i>Regional Correctional Institution – Greensburg</i>				
BOILER PLANT: This project is for the construction of two 2,000 horsepower coal fired boilers. The boilers will be able to produce 6,900 pounds of steam. Included in the project are facilities for coal handling and storage, ash handling and boiler water treatment facilities. Also a 75 K.V.A. electric generator is included to provide emergency electrical power for the plant. . . . .	888	. . . . .	204	1,092
 <i>State Correctional Institution – Rockview</i>				
BEHAVIOR ADJUSTMENT UNIT: This project is for the construction of a 25,000 square foot building to house both inmates assigned to administrative custody and to the more stringent behavior adjustment unit. The facility will contain 50 cells, rooms for security personnel offices, interviewing, recreation and other programs, and shower facilities. . . . .	3,500	. . . . .	770	4,270
PROGRAM TOTAL—BOND FUNDS . . . . .	<u>\$4,555</u>	. . . . .	<u>\$1,012</u>	<u>\$5,567</u>

**FROM CURRENT REVENUES**

*State Correctional Institution – Camp Hill*

RENOVATE BEHAVIOR ADJUSTMENT UNIT: This project is for the construction of a shower area, a recreation area, an interview/conference room, and a wall to divide the behavior adjustment unit from the administrative custody section. In addition, plumbing, electrical and other improvements will be done to the 48 cells in the unit. Lastly repairs and renovations will be made to six cells in the hospital area for use by psychiatric cases. . . . .	\$ 68	. . . . .	\$ 16	\$ 84
--	-------	-----------	-------	-------

CAPITAL BUDGET

Department of Justice 1976-77 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<i>State Correctional Institution – Dallas</i>				
REHABILITATE BEHAVIOR ADJUSTMENT UNIT: This project is for the installation of a barred corridor the full length of the behavior adjustment unit, the conversion of four cells into a storage area, and interview room and a security cell, and the installation of fencing in the exercise yard. Also included in the project are electrical and plumbing improvements to the unit's 29 cells . . . . .	\$ 55	. . . . .	\$ 13	\$ 68
	<u>        </u>		<u>        </u>	<u>        </u>
PROGRAM TOTAL—CURRENT REVENUES . . . . .	<u>\$ 123</u>	. . . . .	<u>\$ 29</u>	<u>\$ 152</u>

DEPARTMENT OF LABOR AND INDUSTRY

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>1976-77 PUBLIC IMPROVEMENT PROJECTS</b>				
Bureau of Employment Security .....	\$555	\$175	\$140	\$870
TOTAL PROJECTS .....	<u>\$555</u>	<u>\$175</u>	<u>\$140</u>	<u>\$870</u>
<b>SOURCE OF FUNDS</b>				
<b>General Obligations Bond Issues</b>				
Capital Facilities Fund—Buildings and Structures .....	\$555	\$175	\$140	\$870
TOTAL .....	<u>\$555</u>	<u>\$175</u>	<u>\$140</u>	<u>\$870</u>

Department of Labor and Industry 1976-77 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>FROM BOND FUNDS</b>				
<b>Program: Bureau of Employment Security</b>				
<i>Mifflin County</i>				
LEWISTOWN BUREAU OF EMPLOYMENT SECURITY OFFICE BUILDING: This will provide a 10,000 gross square foot office building for a Bureau of Employment Security Office. Site acquisition of 20,000 square feet is also included. .				
	\$555	\$175	\$140	\$870
PROGRAM TOTAL—BOND FUNDS .....	<u>\$555</u>	<u>\$175</u>	<u>\$140</u>	<u>\$870</u>

DEPARTMENT OF MILITARY AFFAIRS

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>1976-77 PUBLIC IMPROVEMENT PROJECTS</b>				
Disaster Assistance . . . . .	\$2,824	. . . . .	\$ 311	\$3,135
Long Term Domiciliary and Nursing Home Maintenance and Care . . . . .	56	. . . . .	13	69
<b>TOTAL PROJECTS . . . . .</b>	<u>\$2,880</u>	. . . . .	<u>\$ 324</u>	<u>\$3,204</u>
<b>SOURCE OF FUNDS</b>				
<b>General Obligation Bond Issues</b>				
Capital Facilities Fund—Buildings and Structures . . . . .	\$ 988	. . . . .	\$ 227	\$1,215
<b>Current Revenues</b>				
General Fund . . . . .	\$ 56	. . . . .	\$ 13	\$ 69
<b>Federal Funds . . . . .</b>	<u>\$1,836</u>	. . . . .	<u>\$ 84</u>	<u>\$1,920</u>
<b>TOTAL . . . . .</b>	<u>\$2,880</u>	. . . . .	<u>\$ 324</u>	<u>\$3,204</u>

**CAPITAL BUDGET**

**Department of Military Affairs 1976-77 Projects**

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>FROM BOND FUNDS</b>				
<b>Program: Disaster Assistance</b>				
<i>National Guard Armory—Indiantown Gap Military Reservation</i>				
NEW NATIONAL GUARD ARMORY: This project will provide space for housing the computers of the divisional logistical system. It will also provide for a mess hall, classrooms, storage rooms, a munitions vault, and locker facilities for some 988 guardsmen, including the newly assigned Assault Support Helicopter Company. The new facility will have a gross area of 53,000 sq. ft. . . . .				
Bond	\$ 988	. . . . .	\$ 227	\$1,215
Federal	1,836	. . . . .	84	1,920
<b>PROGRAM TOTAL</b> . . . . .	<b>\$2,824</b>	. . . . .	<b>\$ 311</b>	<b>\$3,135</b>
 <b>FROM CURRENT REVENUES</b>				
<b>Program: Long Term Domiciliary and Nursing Home Maintenance and Care</b>				
<i>Soldiers and Sailors Home, Erie</i>				
NEW GREENHOUSE: This project will replace the existing dilapidated greenhouse. It will be an all aluminum, rigid frame, free standing structure with concrete flooring and foundation, and plant benches. The new facility will have a gross area of 1,691 sq. ft. . . . .				
	\$ 56	. . . . .	\$ 13	\$ 69
<b>PROGRAM TOTAL—CURRENT REVENUES</b> . . . . .	<b>\$ 56</b>	. . . . .	<b>\$ 13</b>	<b>\$ 69</b>

DEPARTMENT OF PUBLIC WELFARE

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>1976-77 PUBLIC IMPROVEMENT PROJECTS</b>				
State General Hospitals . . . . .	\$ 636	. . . .	\$123	\$ 759
Institutions for the Mentally Ill . . . . .	1,001	. . . .	228	1,229
Institutions for the Mentally Retarded . . . . .	2,572	. . . .	583	3,155
<b>TOTAL PROJECTS . . . . .</b>	<u>\$4,209</u>	. . . .	<u>\$934</u>	<u>\$5,143</u>
 <b>SOURCE OF FUNDS</b>				
<b>General Obligation Bond Issues</b>				
Capital Facilities Fund — Buildings and Structures . . . . .	\$3,793	. . . .	\$873	\$4,666
Capital Facilities Fund — Furniture and Equipment . . . . .	100	. . . .	2	102
<b>Sub-Total . . . . .</b>	<u>\$3,893</u>	. . . .	<u>\$875</u>	<u>\$4,768</u>
 <b>Current Revenues</b>				
General Fund . . . . .	\$ 316	. . . .	\$ 59	\$ 375
<b>TOTAL . . . . .</b>	<u>\$4,209</u>	. . . .	<u>\$934</u>	<u>\$5,143</u>

Department of Public Welfare 1976-77 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>FROM BOND FUNDS</b>				
<b>Program: State General Hospitals</b>				
<i>Nanticoke State General Hospital</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR GSA 536-6, INTENSIVE CARE AREA: This will provide basic life saving and life sustaining furniture and equipment for a seven bed intensive care unit scheduled for completion in May 1977.	\$ 100	. . . . .	\$ 2	\$ 102
<i>Philipsburg State General Hospital</i>				
ELECTRICAL SERVICE TO INTENSIVE CARE UNIT: This will provide grounding, isolation transformers and up-to-date facilities urgently needed to provide safe and better treatment for coronary patients . . . . .	89	. . . . .	20	109
<i>Shamokin State General Hospital</i>				
RENOVATE TWO 20-BED WARDS: The project consists of renovating the two existing 20-bed ward areas (2nd floor male medical ward and the 3rd floor female medical ward) into two and four bed semi-private accomodations, complete with bath and toilet facilities. . . . .	295	. . . . .	68	363
INCREASE CAPACITY OF STANDBY TRANSFORMERS: This project, which is needed to assure the constant care of patients, would increase the capacity of standby electrical service by bringing the size of the existing standby transformer up to the same capacity of the normal service. . . . .	122	. . . . .	28	150
PROGRAM TOTAL-BOND FUNDS . . . . .	<u>\$ 606</u>	. . . . .	<u>\$ 118</u>	<u>\$ 724</u>
<b>Program: Institutions for the Mentally III</b>				
<i>Mayview State Hospital</i>				
WATER DISTRIBUTION SYSTEM - PHASE II: This project will provide additional required modifications to the water distribution system including replacement of piping, valves, and fire hydrants; and installation of pressure reducing valves; and renovation of hydro-pneumatic booster systems in Hilltop I and II Buildings. . . . .	\$ 222	. . . . .	\$ 51	\$ 273

Department of Public Welfare 1976-77 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
RENOVATION OF NORTH 2 ANNEX ELECTRICAL SYTEM: This project will provide necessary renovations of the power and lighting systems to fulfill the increased loads created by additional equipment. The renovations will consist of replacing secondary wiring panels, and receptacles and upgrading the lighting. . . . .	\$ 155	. . . .	\$ 36	\$ 191
<i>Norristown State Hospital</i>				
RENOVATE HEATING SYSTEM – BUILDING II: This project will provide for the replacement of the existing radiant floor heating system in Zone 2 with a hydronic heating system. . . . .	229	. . . .	53	282
<i>Warren State Hospital</i>				
RENOVATIONS TO SEWAGE TREATMENT PLANT: This project will provide renovations to the digester and associated appurtenances to restore the facility to fully operational capacity. Also, pumps, sludge drying facilities and other system components will be replacedd . . . . .	250	. . . .	58	308
PROGRAM TOTAL–BOND FUNDS . . . . .	<u>\$ 856</u>	. . . .	<u>\$198</u>	<u>\$1,054</u>
<b>Program: Institutions for the Mentally Retarded</b>				
<i>Pennhurst State School and Hospital</i>				
TUNNEL: This project will replace an unsafe tunnel between the maintenance and dietary buildings which carries steam pipes and utilities. . . . .	\$ 100	. . . .	\$ 23	\$ 123
<i>Selinsgrove State School and Hospital</i>				
AIR CONDITION 10 RESIDENT BUILDINGS: This project will provide air conditioning in the following facilities: cottages A–B–C, D Group, D–5, E Group, Farm Cottage, J1 and 2, and the Recreation and Therapy building. . . . .	2,331	. . . .	536	2,867
PROGRAM TOTAL–BOND FUNDS . . . . .	<u>\$2,431</u>	. . . .	<u>\$559</u>	<u>\$2,990</u>

**CAPITAL BUDGET**

**Department of Public Welfare 1976-77 Projects**

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>FROM CURRENT REVENUES</b>				
<b>Program: State General Hospitals</b>				
<i>Shamokin State General Hospital</i>				
DEMOLITION OF OLD LAUNDRY BUILDING: This will provide for the demolition of the old laundry building which is antiquated and hazardous to the patients. . . . .	\$ 30	. . . . .	\$ 5	\$ 35
PROGRAM TOTALS—CURRENT REVENUES . . . . .	\$ 30	. . . . .	\$ 5	\$ 35
<b>Program: Institutions for the Mentally III</b>				
<i>Mayview State Hospital</i>				
SUPPLEMENTAL HEAT IN DAYROOMS: This project will provide supplemental electric heaters in the four dayrooms of each of the two Hilltop Buildings. . . . .	\$ 49	. . . . .	\$ 11	\$ 60
<i>Philadelphia State Hospital</i>				
DEMOLITION OF BUILDING C-13: This project will provide for the razing of C-13 which was gutted by fire. . . . .	35	. . . . .	5	40
<i>Somerset State Hospital</i>				
RELOCATION OF SUBSTATION: This project will provide for the relocation of the dual primary electrical system, including transfer switch and secondary panels. Present substation is located in an unsafe building which is to be demolished. . . . .	61	. . . . .	14	75
PROGRAM TOTAL—CURRENT REVENUES . . . . .	\$ 145	. . . . .	\$ 30	\$ 175

Department of Public Welfare 1976-77 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>Program: Institutions for the Mentally Retarded</b>				
<i>C. Howard Marcy State Hospital</i>				
INSTALLATION OF AUTOMATIC SPRINKLERS: This project will provide for automatic sprinklers in the Utility Building and Warehouse in order to conform to City of Pittsburgh fire codes. . . . .	\$ 31	. . . . .	\$ 7	\$ 38
<i>Pennhurst State School and Hospital</i>				
DEMOLITION OF "U" BUILDING NO. 73: This project will provide for the demolition of "U" Building No. 73 which is no longer useful and is hazardous to residents. . . . .	80	. . . . .	12	92
<i>Western State School and Hospital</i>				
DEMOLITION OF OLD YOUTH DEVELOPMENT CENTER BUILDINGS: This project will provide for the demolition of the Girls Main Building, which is no longer useful and is hazardous to the residents. . . . .	30	. . . . .	5	35
PROGRAM TOTAL—CURRENT REVENUES . . . . .	<u>\$ 141</u>	. . . . .	<u>\$ 24</u>	<u>\$ 165</u>

Department of Transportation

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>1976-77 PUBLIC IMPROVEMENT PROJECTS</b>				
Highway Administration and Support . . . . .	\$ 1,544	. . . . .	\$ 355	\$ 1,899
<b>1976-77 MASS TRANSPORTATION PROJECTS</b>				
Mass Transportation . . . . .	\$200,889	\$ 6,220	\$ 9,471	\$216,580
TOTAL PROJECTS . . . . .	<u>\$202,433</u>	<u>\$ 6,220</u>	<u>\$ 9,826</u>	<u>\$218,479</u>
<b>SOURCE OF FUNDS</b>				
<b>General Obligation Bond Issues</b>				
Capital Facilities Fund—Buildings and Structures . . . . .	\$ 1,544	. . . . .	\$ 355	\$ 1,899
Transportation Assistance Authority . . . . .	21,336	\$ 626	4,283	26,245
Sub-Total . . . . .	<u>\$ 22,880</u>	<u>\$ 626</u>	<u>\$ 4,638</u>	<u>\$ 28,144</u>
<b>Federal Funds</b> . . . . .	\$160,686	\$ 4,976	\$ 4,150	\$169,812
<b>Other Funds</b> . . . . .	<u>\$ 18,867</u>	<u>\$ 618</u>	<u>\$ 1,038</u>	<u>\$ 20,523</u>
TOTAL . . . . .	<u>\$202,433</u>	<u>\$ 6,220</u>	<u>\$ 9,826</u>	<u>\$218,479</u>

Department of Transportation 1976-77 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>FROM BOND FUNDS</b>				
<b>Program: Highway Administration and Support</b>				
<i>Montour County</i>				
MAINTENANCE BUILDING – VALLEY TOWNSHIP: This proposed one-story brick and concrete masonry building, containing approximately 24,750 gross square feet, would provide road maintenance facilities including shops, storage space, offices (air conditioned), toilets and lockers for approximately eighty-five employees. Approximately 80 parking spaces will also be provided. . . . .	\$ 1,027	. . . . .	\$ 236	\$ 1,263
<i>Northumberland County</i>				
SATELLITE MAINTENANCE BUILDING – TURBOT TOWNSHIP: This proposed 5,500 gross square foot one-story block building with brick facing would contain office, shop, storage and toilet facilities for a staff of approximately twenty employees. . . . .	214	. . . . .	49	263
<i>Wayne County</i>				
SATELLITE MAINTENANCE BUILDING – PRESTON TOWNSHIP: This proposed project consists of a 7,800 gross square foot one-story block building with brick facing. It will contain office, shop, storage and toilet facilities for a staff of approximately twenty employees. . . . .	303	. . . . .	70	373
PROGRAM TOTAL – BOND FUNDS . . . . .	<u>\$ 1,544</u>	. . . . .	<u>\$ 355</u>	<u>\$ 1,899</u>

Department of Transportation 1976-77 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<b>Program: Mass Transit</b>				
<i>Port Authority of Allegheny County</i>				
PURCHASE OF ROLLING STOCK AND RELATED EQUIPMENT AND CONSTRUCTION OF A PARK-N-RIDE LOT: This project will provide for the purchase of 220 buses, 41 trucks, installation of a new fare collection system, computer/tele-communications equipment, construction of a new South Hills Junction waiting room, purchase of 75 coin-operated bike locker units, construction of a tire storage building, purchase of a ventilating unit for the maintenance facility, purchase of 197 shelters, purchase of 600 transit stop benches, making minor improvements to transit stops, institution of a special bus lane project, purchase of miscellaneous office equipment, and construction of the Grant-Butler Park-N-Ride lot in Etna Borough. Contracting Agency, Pennsylvania Transportation Assistance Authority.				
Bond	\$ 2,241	\$ 18	\$ 337	\$ 2,596
Fed.	17,937	140	.....	18,077
Local	2,244	17	.....	2,261
PURCHASE AND REHABILITATION OF COACH AND LOCOMOTIVE UNITS AND STATION IMPROVEMENTS: This project will provide for the purchase and rehabilitation of nine rail coaches and the purchase of two locomotive units as well as improvements to existing stations for B & O commuter service. Contracting Agency, Pennsylvania Transportation Assistance Authority.				
Bond	444	.....	67	511
Fed.	2,056	.....	.....	2,056
Local	102	.....	.....	102
<i>Berks Area Reading Transportation Authority</i>				
PURCHASE OF FOUR SERVICE VEHICLES AND RELATED EQUIPMENT: This project will provide for the purchase of four replacement service vehicles (two cars for operations supervision, one pick-up truck, and one wrecker), 1,100 bus stop signs and related garage and office equipment. Contracting Agency, Pennsylvania Transportation Assistance Authority. Additional funds supplementing 1973 Capital Budget.				
Bond	10	.....	2	12
Fed.	49	.....	.....	49
Local	2	.....	.....	2

Department of Transportation 1976-77 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<i>Cumberland-Dauphin-Harrisburg Transportation Authority</i>				
<b>PURCHASE OF TEN BUSES AND RELATED EQUIPMENT:</b>				
This project will provide for the purchase of 10 buses, 17 communication units, 17 fare boxes two spare engine assemblies, 10 shelters, 1,000 bus stop signs, two supervisory vehicles, facility renovation and garage and office equipment.				
Bond	\$ 116	.....	\$ 18	\$ 134
Contracting Agency, Pennsylvania Transportation Assistance Authority.	Fed. 924	.....	.....	924
	Local 116	.....	.....	116
<i>Lehigh and Northampton Transportation Authority</i>				
<b>CONSTRUCTION OF OPERATING HEADQUARTERS AND TRANSFER CENTER:</b>				
This project will provide for the purchasing of land, the construction of an operating headquarters in Easton, and a transfer center in the central business district. Contracting Agency, Pennsylvania Transportation Assistance Authority.				
Bond	139	\$ 8	22	169
Contracting Agency, Pennsylvania Transportation Assistance Authority.	Fed. 670	36	.....	706
	Local 28	1	.....	29
<b>PURCHASE OF FIVE BUSES AND RELATED EQUIPMENT:</b>				
This project will provide for the purchase of five replacement buses, 15 communication units, 12 fare boxes, 10 shelters, three service vehicles, and 500 bus stop signs. Contracting Agency, Pennsylvania Transportation Assistance Authority.				
Bond	43	.....	6	49
Contracting Agency, Pennsylvania Transportation Assistance Authority.	Fed. 346	.....	.....	346
	Local 43	.....	.....	43
<i>City of Philadelphia</i>				
<b>KNIGHTS ROAD EXTENSION OF FRANKFORD AVENUE TRACKLESS TROLLEY:</b>				
This project will provide funds to extend the Frankford Avenue trackless trolley operations to Knights Road serving the Morell Park and Parkwood Manor areas. Contracting Agency, Pennsylvania Transportation Assistance Authority.				
Bond	88	.....	13	101
Contracting Agency, Pennsylvania Transportation Assistance Authority.	Fed. 705	.....	.....	705
	Local 88	.....	.....	88
<b>ADDITIONAL FUNDS FOR PTAA-94, AIRPORT HIGH SPEED RAIL LINE:</b>				
This project will provide necessary additional funds for construction of a high speed rail line between Penn Center and the Philadelphia International Airport. Contracting Agency, Pennsylvania Transportation Assistance Authority.				
Bond	1,941	.....	291	2,232
Contracting Agency, Pennsylvania Transportation Assistance Authority.	Fed. 9,317	.....	.....	9,317
	Local 388	.....	.....	388

Department of Transportation 1976-77 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
--	-------------------------	--------------	-----------------------------	--------------------------

*City of Philadelphia (continued)*

**CENTER CITY COMMUTER CONNECTION – TECHNICAL**

**STUDY:** This project will provide for the basic design and engineering of the proposed rail tunnel connecting the separate lines of the Penn Central and Reading Railroads, including the design and engineering of a rail extension under Darian Street and a new underground passenger station. Contracting Agency, Pennsylvania Transportation Assistance Authority. . . . .

Bond	.....	.....	\$ 1,038	\$ 1,038
Fed.	.....	.....	4,150	4,150
Local	.....	.....	1,038	1,038

**ADDITIONAL FUNDS FOR CENTER CITY COMMUTER**

**CONNECTION:** This project will provide the additional funds necessary to advance the total Center City Commuter Connection project through the second of three basic stages of completion. The initial funding for this project was approved on the Capital Budget Act for the 1968-69 Fiscal Year. Included in this stage are the construction of several transit stations, as well as yard and crew facilities. Contracting Agency, Pennsylvania Transportation Assistance Authority. . . . .

Bond	\$ 14,516	\$ 600	2,219	17,335
Fed.	116,128	4,800	.....	120,928
Local	14,516	600	.....	15,116

*Borough of Pottstown*

**PURCHASE OF SIX NEW BUSES AND RELATED**

**EQUIPMENT:** This project will provide for the purchase of six replacement 31 - 35 passenger air-conditioned buses, six communications units with base station, and six registering fare boxes. Contracting Agency, Pennsylvania Transportation Assistance Authority. . . . .

Bond	67	.....	10	77
Fed.	320	.....	.....	320
Local	13	.....	.....	13

*Southeastern Pennsylvania Transportation Authority*

**ADDITIONAL FUNDS FOR PTAA-92, PURCHASE OF**

**NEW TROLLEY COACH BUSES:** This project will provide the required additional funds for the 110 trolley coach buses approved as part of a line item purchase on the Capital Budget Act for the Fiscal Years 1972-74, Transportation Assistance Project Itemization Supplement. Contracting Agency, Pennsylvania Transportation Assistance Authority. . . . .

Bond	503	.....	75	578
Fed.	2,414	.....	.....	2,414
Local	100	.....	.....	100

Department of Transportation 1976-77 Projects

					(Dollar Amounts in Thousands)			
					Base Project Cost	Land Cost	Design Admin. & Misc.	Total Project Cost
<i>Southeastern Pennsylvania Transportation Authority (continued)</i>								
PURCHASE OF THIRTEEN NEW BUSES AND RELATED EQUIPMENT: This project will provide for the purchase of 13 new air-conditioned buses to replace existing overaged equipment for use on former routes of the Schuylkill Valley Lines. Purchase of related maintenance equipment and tools is also included. Contracting Agency, Pennsylvania Transportation Assistance Authority. . . . .								
	Bond	\$	98		.....		\$ 15	\$ 113
	Fed.		780		.....		.....	780
	Local		97		.....		.....	97
SPRUCE HILL STREETCAR RELOCATION: This project will provide the funds required to make the necessary changes in Spruce Hill streetcar traffic patterns to conform with the new one-way street regulations as well as improve transit service in the area serviced. Contracting Agency, Pennsylvania Transportation Assistance Authority. . . . .								
	Bond		250		.....		38	288
	Fed.		2,000		.....		.....	2,000
	Local		250		.....		.....	250
REPLACEMENT OF READING POWER EQUIPMENT: This project will provide the funds necessary to replace electric traction power production equipment for Reading's commuter operations. Contracting Agency, Pennsylvania Transportation Assistance Authority. . . . .								
	Bond		880		.....		132	1,012
	Fed.		7,040		.....		.....	7,040
	Local		880		.....		.....	880
	<i>Total—Bond Funds</i>			\$ 21,336	\$ 626	\$ 4,283	\$ 26,245	
	<i>Total—Federal Funds</i>			160,686	4,976	4,150	169,812	
	<i>Total—Local Funds</i>			18,867	618	1,038	20,523	
PROGRAM TOTAL				<u>\$200,889</u>	<u>\$ 6,220</u>	<u>\$ 9,471</u>	<u>\$216,580</u>	

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

	1977-78	(Dollar Amounts in Thousands)		1980-81
		1978-79	1979-80	
Department of Agriculture . . . . .	\$ 310	\$ 340	\$ 320	\$ 260
Department of Education . . . . .	25,450	12,800	14,850	18,000
Department of Environmental Resources . . . . .	6,050	6,900	7,700	7,750
Fish Commission . . . . .	662	652	575	575
Game Commission . . . . .	1,000	1,000	1,000	1,000
Historical and Museum Commission . . . . .	2,250	1,950	2,050	1,500
Department of Justice . . . . .	9,100	7,550	6,000	5,550
Department of Labor and Industry . . . . .	3,250	2,650	2,700	2,850
Department of Military Affairs . . . . .	800	1,100	1,050	1,000
Department of Public Welfare . . . . .	16,050	13,600	12,750	10,200
Department of Transportation . . . . .	127,150	128,350	127,750	127,950
<b>TOTAL . . . . .</b>	<u>\$192,072</u>	<u>\$176,892</u>	<u>\$176,745</u>	<u>\$176,635</u>

Forecast of Future Projects

This section contains estimated authorizations (State Funds only) for future capital improvements for the years 1977-78 through 1980-81. Amounts in this section have been grouped by department and are identified by capital project category. The source of funding for the projects will be from bond funds, with the exception of possible minor capital improvements which would be financed from current revenues.

		(Dollar Amounts in Thousands)		
	1977-78	1978-79	1979-80	1980-81
<b>Department of Agriculture</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction of regional offices and improvements at the Farm Show Complex. . . . .				
	\$ 310	\$ 340	\$ 320	\$ 260
 <b>Department of Education</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction, expansion, renovation and conversion of classroom and auxiliary buildings, (dining hall, library, administration, infirmary, student union and maintenance-storage etc.) utilities, recreational facilities and land acquisition for the State-owned colleges, university and schools and for the State-related universities. Also includes purchase of original furniture and equipment to furnish such facilities. . . . .				
	25,450	12,800	14,850	18,000
 <b>Department of Environmental Resources</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of day use and camping facilities, and utility systems at State parks, construction of central garages, forest fire observation towers, and radio communication systems in State forest districts and construction of flood protection projects. Also includes purchase of original furniture and equipment to furnish such facilities. . . . .				
	6,050	6,900	7,700	7,750
 <b>Fish Commission</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for acquisition and development of access areas and renovation and improvements to hatchery facilities. . . . .				
	662	652	575	575

**CAPITAL BUDGET**

**Forecast of Future Projects**

		(Dollar Amounts in Thousands)		
	1977-78	1978-79	1979-80	1980-81
 <b>Game Commission</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for acquisition of additional State game lands. . . . .				
	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
 <b>Historical and Museum Commission</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for restoration, and renovation of historic facilities, construction of museum—visitor center facilities, and development of fixed exhibits at Commonwealth owned museums and historical sites. Also includes the purchase of original furniture and equipment to furnish such facilities. . . . .				
	2,250	1,950	2,050	1,500
 <b>Department of Justice</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of administrative, industrial, educational and housing facilities and utilities at the State correctional institutions. . . . .				
	9,100	7,550	6,000	5,550
 <b>Department of Labor and Industry</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction of Bureau of Employment Security office buildings. . . . .				
	3,250	2,650	2,700	2,850
 <b>Department of Military Affairs</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for land acquisition, renovations, additions and construction of state armories and facilities. . . . .				
	800	1,100	1,050	1,000

**CAPITAL BUDGET**

**Forecast of Future Projects**

	1977-78	(Dollar Amounts in Thousands)		1980-81
		1978-79	1979-80	
<b>Department of Public Welfare</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for new construction and renovation of patient buildings, supporting facilities (therapeutic—activities) and utilities, at the State institutions for the mentally ill and mentally retarded, restoration centers, general hospitals, and youth development centers. Also includes the purchase of original furniture and equipment to furnish such facilities. . . . .				
	\$ 16,050	\$ 13,600	\$ 12,750	\$ 10,200
<b>Department of Transportation</b>				
HIGHWAY PROJECTS: Provides for the purchase of right-of-way, construction, and reconstruction of highways and bridges on the Commonwealth road system. . . . .				
	100,000	100,000	100,000	100,000
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of hangers, cargo facilities, taxiways and aprons at the state-owned airports, and construction of and additions to highway maintenance and district office buildings. . . . .				
	2,150	3,350	2,750	2,950
TRANSPORTATION ASSISTANCE PROJECTS: Includes mass transportation projects for local transportation authorities to modernize and extend their facilities. . . . .				
	25,000	25,000	25,000	25,000
Total—Public Improvement Projects . . . . .	\$ 67,072	\$ 51,892	\$ 51,745	\$ 51,635
Total—Transportation Assistance Projects . . . . .	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Total—Highway Projects . . . . .	\$100,000	\$100,000	\$100,000	\$100,000
<b>TOTAL . . . . .</b>	<b>\$192,072</b>	<b>\$176,892</b>	<b>\$176,745</b>	<b>\$176,635</b>

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

Department	(Dollar Amounts in Thousands)				
	1976-77	1977-78	1978-79	1979-80	1980-81
Agriculture . . . . .	\$ 2,235	\$ 1,844	\$ 1,555	\$ 1,097	\$ 876
Commerce . . . . .	12,660	13,110	12,640	12,363	10,731
Drug and Alcohol Abuse Council . . . . .	513	584	592	636	573
Education . . . . .	40,560	42,629	40,144	35,796	36,225
Environmental Resources . . . . .	11,319	10,853	10,659	10,689	11,273
Fish Commission . . . . .	601	662	652	575	575
Game Commission . . . . .	1,000	1,000	1,000	1,000	1,000
General Services . . . . .	5,195	4,584	3,970	3,037	2,314
Health . . . . .	548	448	365	231	152
Historical and Museum Commission . . . . .	4,895	4,400	4,097	3,697	3,429
Justice . . . . .	5,363	8,214	10,511	14,328	15,984
Labor and Industry . . . . .	1,207	1,392	1,793	2,307	3,021
Military Affairs . . . . .	1,400	1,470	1,547	1,738	1,854
Public Welfare . . . . .	32,759	29,973	28,251	25,184	24,828
State Police . . . . .	2,655	2,229	1,855	1,259	884
Transportation . . . . .	259,135	174,645	158,850	157,348	153,163
<b>TOTAL . . . . .</b>	<u><u>\$382,045</u></u>	<u><u>\$298,037</u></u>	<u><u>\$278,481</u></u>	<u><u>\$271,285</u></u>	<u><u>\$266,882</u></u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
	1976-77	1977-78	1978-79	1979-80	1980-81
<b>BOND FUNDS</b>					
<b>Department of Agriculture</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures . . . . .	\$ 2,192	\$ 1,794	\$ 1,461	\$ 923	\$ 609
Projects in 1975-76 Budget (Pending Legislation)					
Buildings and Structures . . . . .	8	23	30	45	45
Future Projects (1977-81)					
Buildings and Structures . . . . .	. . . . .	16	64	129	222
<b>TOTAL—AGRICULTURE . . . . .</b>	<b>\$ 2,200</b>	<b>\$ 1,833</b>	<b>\$ 1,555</b>	<b>\$ 1,097</b>	<b>\$ 876</b>
<b>Department of Commerce</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures . . . . .	\$ 11,399	\$ 9,328	\$ 7,597	\$ 4,798	\$ 3,167
Projects in 1975-76 Budget (Pending Legislation)					
Buildings and Structures . . . . .	1,261	3,782	5,043	7,565	7,564
<b>TOTAL—COMMERCE . . . . .</b>	<b>\$ 12,660</b>	<b>\$ 13,110</b>	<b>\$ 12,640</b>	<b>\$ 12,363</b>	<b>\$ 10,731</b>
<b>Council on Drug and Alcohol Abuse</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures . . . . .	\$ 438	\$ 359	\$ 292	\$ 185	\$ 122
Projects in 1976-77 Budget					
Buildings and Structures . . . . .	75	225	300	451	451
<b>TOTAL—DRUG AND ALCOHOL ABUSE . . . . .</b>	<b>\$ 513</b>	<b>\$ 584</b>	<b>\$ 592</b>	<b>\$ 636</b>	<b>\$ 573</b>
<b>Department of Education</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures . . . . .	\$ 34,087	\$ 27,894	\$ 22,718	\$ 14,347	\$ 9,470
Furniture and Equipment . . . . .	3,335	2,845	1,637	. . . . .	. . . . .
Projects in 1975-76 Budget (Pending Legislation)					
Buildings and Structures . . . . .	1,824	5,473	7,297	10,946	10,945
Furniture and Equipment . . . . .	303	1,363	909	303	151
Projects in 1976-77 Budget					
Buildings and Structures . . . . .	151	453	604	905	905
Furniture and Equipment . . . . .	721	3,243	2,162	721	359
Future Projects (1977-81)					
Buildings and Structures . . . . .	. . . . .	1,230	4,228	7,148	12,009
Furniture and Equipment . . . . .	. . . . .	86	589	1,426	2,386
<b>TOTAL—EDUCATION . . . . .</b>	<b>\$ 40,421</b>	<b>\$ 42,587</b>	<b>\$ 40,144</b>	<b>\$ 35,796</b>	<b>\$ 36,225</b>

**CAPITAL BUDGET**

**Estimate of Capital Expenditures**

	(Dollar Amounts in Thousands)				
	1976-77	1977-78	1978-79	1979-80	1980-81
<b>BOND FUNDS (continued)</b>					
<b>Department of Environmental Resources</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures . . . . .	\$ 10,632	\$ 8,700	\$ 7,086	\$ 4,475	\$ 2,954
Furniture and Equipment . . . . .	44	43	22	. . . . .	. . . . .
Projects in 1975-76 Budget (Pending Legislation)					
Buildings and Structures . . . . .	430	1,290	1,720	2,580	2,580
Furniture and Equipment . . . . .	2	9	6	2	. . . . .
Projects in 1976-77 Budget					
Buildings and Structures . . . . .	167	501	667	1,001	1,001
Furniture and Equipment . . . . .	2	7	5	1	. . . . .
Future Projects (1977-81)					
Buildings and Structures . . . . .	. . . . .	297	1,122	2,582	4,684
Furniture and Equipment . . . . .	. . . . .	6	31	48	54
<b>TOTAL-ENVIRONMENTAL RESOURCES . . . . .</b>	<b>\$ 11,277</b>	<b>\$ 10,853</b>	<b>\$ 10,659</b>	<b>\$ 10,689</b>	<b>\$ 11,273</b>
<b>Department of General Services</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures . . . . .	\$ 5,042	\$ 4,126	\$ 3,360	\$ 2,122	\$ 1,400
Projects in 1975-76 Budget (Pending Legislation)					
Buildings and Structures . . . . .	153	458	610	915	914
<b>TOTAL-GENERAL SERVICES . . . . .</b>	<b>\$ 5,195</b>	<b>\$ 4,584</b>	<b>\$ 3,970</b>	<b>\$ 3,037</b>	<b>\$ 2,314</b>
<b>Department of Health</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures . . . . .	\$ 548	\$ 448	\$ 365	\$ 231	\$ 152
<b>TOTAL-HEALTH . . . . .</b>	<b>\$ 548</b>	<b>\$ 448</b>	<b>\$ 365</b>	<b>\$ 231</b>	<b>\$ 152</b>
<b>Historical and Museum Commission</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures . . . . .	\$ 4,603	\$ 3,767	\$ 3,068	\$ 1,938	\$ 1,279
Furniture and Equipment . . . . .	109	115	60	. . . . .	. . . . .
Projects in 1975-76 Budget (Pending Legislation)					
Buildings and Structures . . . . .	94	281	374	562	561
Furniture and Equipment . . . . .	4	17	11	4	2
Projects in 1976-77 Budget					
Furniture and Equipment . . . . .	20	90	60	20	10
Future Projects (1977-81)					
Buildings and Structures . . . . .	. . . . .	106	366	659	1,181
Furniture and Equipment . . . . .	. . . . .	13	158	514	396
<b>TOTAL-HISTORICAL AND MUSEUM . . . . .</b>	<b>\$ 4,830</b>	<b>\$ 4,389</b>	<b>\$ 4,097</b>	<b>\$ 3,697</b>	<b>\$ 3,429</b>

**CAPITAL BUDGET**

**Estimate of Capital Expenditures**

	(Dollar Amounts in Thousands)				
	1976-77	1977-78	1978-79	1979-80	1980-81
<b>BOND FUNDS (continued)</b>					
<b>Department of Justice</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 3,617	\$ 2,960	\$ 2,411	\$ 1,522	\$ 1,005
Projects in 1975-76 Budget (Pending Legislation)					
Buildings and Structures	1,309	3,926	5,234	7,852	7,851
Projects in 1976-77 Budget					
Buildings and Structures	278	835	1,113	1,671	1,670
Future Projects (1977-81)					
Buildings and Structures	.....	455	1,753	3,283	5,458
<b>TOTAL—JUSTICE</b>	<u><u>\$ 5,204</u></u>	<u><u>\$ 8,176</u></u>	<u><u>\$ 10,511</u></u>	<u><u>\$ 14,328</u></u>	<u><u>\$ 15,984</u></u>
<b>Department of Labor and Industry</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 1,096	\$ 897	\$ 730	\$ 461	\$ 305
Projects in 1975-76 Budget (Pending Legislation)					
Buildings and Structures	67	201	268	402	403
Projects in 1976-77 Budget					
Buildings and Structures	44	131	174	261	260
Future Projects (1977-81)					
Buildings and Structures	.....	163	621	1,183	2,053
<b>TOTAL—LABOR AND INDUSTRY</b>	<u><u>\$ 1,207</u></u>	<u><u>\$ 1,392</u></u>	<u><u>\$ 1,793</u></u>	<u><u>\$ 2,307</u></u>	<u><u>\$ 3,021</u></u>
<b>Department of Military Affairs</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 1,206	\$ 987	\$ 804	\$ 507	\$ 335
Projects in 1975-76 Budget (Pending Legislation)					
Buildings and Structures	81	244	325	488	487
Projects in 1976-77 Budget					
Buildings and Structures	61	182	243	365	364
Future Projects (1977-81)					
Buildings and Structures	.....	40	175	378	668
<b>TOTAL—MILITARY AFFAIRS</b>	<u><u>\$ 1,348</u></u>	<u><u>\$ 1,453</u></u>	<u><u>\$ 1,547</u></u>	<u><u>\$ 1,738</u></u>	<u><u>\$ 1,854</u></u>
<b>Department of Public Welfare</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 30,798	\$ 25,203	\$ 20,526	\$ 12,963	\$ 8,557
Furniture and Equipment	550	546	320	.....	.....
Projects in 1975-76 Budget (Pending Legislation)					
Buildings and Structures	816	2,447	3,262	4,893	4,893
Furniture and Equipment	30	135	90	30	15
Projects in 1976-77 Budget					
Buildings and Structures	233	699	934	1,400	1,400
Furniture and Equipment	10	46	31	10	5
Future Projects (1977-81)					
Buildings and Structures	.....	705	2,550	5,057	9,029
Furniture and Equipment	.....	98	538	831	929
<b>TOTAL—PUBLIC WELFARE</b>	<u><u>\$ 32,437</u></u>	<u><u>\$ 29,879</u></u>	<u><u>\$ 28,251</u></u>	<u><u>\$ 25,184</u></u>	<u><u>\$ 24,828</u></u>

**CAPITAL BUDGET**

**Estimate of Capital Expenditures**

	(Dollar Amounts in Thousands)				
	1976-77	1977-78	1978-79	1979-80	1980-81
<b>BOND FUNDS (continued)</b>					
<b>State Police</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures . . . . .	\$ 2,630	\$ 2,153	\$ 1,753	\$ 1,107	\$ 731
Projects in 1975-76 Budget (Pending Legislation)					
Buildings and Structures . . . . .	25	76	102	152	153
<b>TOTAL—STATE POLICE . . . . .</b>	<b>\$ 2,655</b>	<b>\$ 2,229</b>	<b>\$ 1,855</b>	<b>\$ 1,259</b>	<b>\$ 884</b>
<b>Department of Transportation</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures . . . . .	\$ 1,315	\$ 1,076	\$ 877	\$ 554	\$ 365
Projects in 1975-76 Budget (Pending Legislation)					
Buildings and Structures . . . . .	1,225	3,676	4,902	7,353	7,353
Projects in 1976-77 Budget					
Buildings and Structures . . . . .	95	285	380	570	569
Future Projects (1977-81)					
Buildings and Structures . . . . .	. . . . .	108	491	1,071	1,876
<b>Sub-Total . . . . .</b>	<b>\$ 2,635</b>	<b>\$ 5,145</b>	<b>\$ 6,650</b>	<b>\$ 9,548</b>	<b>\$ 10,163</b>
<b>Highway Projects</b>					
Projects Currently Authorized					
State Highway and Beidge Authority . . . . .	\$ 3,000	. . . . .	. . . . .	. . . . .	. . . . .
Department of Transportation . . . . .	222,000	\$130,000	\$100,000	\$ 45,000	\$ 30,000
Future Projects (1977-81)					
Department of Transportation . . . . .	. . . . .	. . . . .	10,000	60,000	70,000
<b>Sub-Total . . . . .</b>	<b>\$225,000</b>	<b>\$130,000</b>	<b>\$110,000</b>	<b>\$105,000</b>	<b>\$100,000</b>
<b>Mass Transportation Assistance Projects</b>					
Projects Currently Authorized					
Transportation Assistance Authority . . . . .	\$ 25,000	\$ 25,000	\$ 20,000	\$ 20,000	\$ 18,000
Projects in 1975-76 Budget (Pending Legislation)					
Transportation Assistance Authority . . . . .	3,000	3,500	3,275	. . . . .	. . . . .
Projects in 1976-77 Budget					
Transportation Assistance Authority . . . . .	3,500	8,000	8,925	5,800	. . . . .
Future Projects (1977-81)					
Transportation Assistance Authority . . . . .	. . . . .	3,000	10,000	17,000	25,000
<b>Sub-Total . . . . .</b>	<b>\$ 31,500</b>	<b>\$ 39,500</b>	<b>\$ 42,200</b>	<b>\$ 42,800</b>	<b>\$ 43,000</b>
<b>TOTAL—TRANSPORTATION . . . . .</b>	<b>\$259,135</b>	<b>\$174,645</b>	<b>\$158,850</b>	<b>\$157,348</b>	<b>\$153,163</b>
<b>TOTAL—BOND FUNDS</b>					
Public Improvement Projects					
Buildings and Srructures . . . . .	\$118,000	\$118,000	\$118,000	\$118,000	\$118,000
Furniture and Equipment . . . . .	5,130	8,662	6,629	3,910	4,307
Highway Projects					
State Highway and Bridge Authority . . . . .	3,000	. . . . .	. . . . .	. . . . .	. . . . .
Department of Transportation . . . . .	222,000	130,000	110,000	105,000	100,000
Mass Transportation Assistance Projects					
Transportation Assistance Authority . . . . .	31,500	39,500	42,200	42,800	43,000
<b>TOTAL . . . . .</b>	<b>\$379,630</b>	<b>\$296,162</b>	<b>\$276,829</b>	<b>\$269,710</b>	<b>\$265,307</b>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
	1976-77	1977-78	1978-79	1979-80	1980-81
<b>CURRENT REVENUES</b>					
<b>Department of Agriculture</b>					
Public Improvement Projects					
Projects in 1976-77 Budget					
General Fund	\$ 35	\$ 11			
<b>TOTAL-AGRICULTURE</b>	<u>\$ 35</u>	<u>\$ 11</u>			
<b>Department of Education</b>					
Public Improvement Projects					
Projects Currently Authorized					
General Fund	\$ 13				
Projects in 1976-77 Budget					
General Fund	126	\$ 42			
<b>TOTAL-EDUCATION</b>	<u>\$ 139</u>	<u>\$ 42</u>			
<b>Department of Environmental Resources</b>					
Public Improvement Projects					
Projects Currently Authorized					
General Fund	\$ 42				
<b>TOTAL-ENVIRONMENTAL RESOURCES</b>	<u>\$ 42</u>				
<b>Fish Commission</b>					
Public Improvement Projects					
Projects in 1976-77 Budget					
Boating Fund	\$ 460				
Fish Fund	141				
Future Projects (1977-81)					
Boating Fund		\$ 387	\$ 387	\$ 310	\$ 310
Fish Fund		275	265	265	265
<b>TOTAL-FISH COMMISSION</b>	<u>\$ 601</u>	<u>\$ 662</u>	<u>\$ 652</u>	<u>\$ 575</u>	<u>\$ 575</u>
<b>Game Commission</b>					
Public Improvement Projects					
Projects in 1976-77 Budget					
Game Fund	\$ 1,000				
Future Projects (1977-81)					
Game Fund		\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
<b>TOTAL-GAME COMMISSION</b>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>
<b>Historical and Museum Commission</b>					
Public Improvement Projects					
Projects Currently Authorized					
General Fund	\$ 33				
Projects in 1976-77 Budget					
General Fund	32	\$ 11			
<b>TOTAL-HISTORICAL AND MUSEUM</b>	<u>\$ 65</u>	<u>\$ 11</u>			

**CAPITAL BUDGET**

**Estimate of Capital Expenditures**

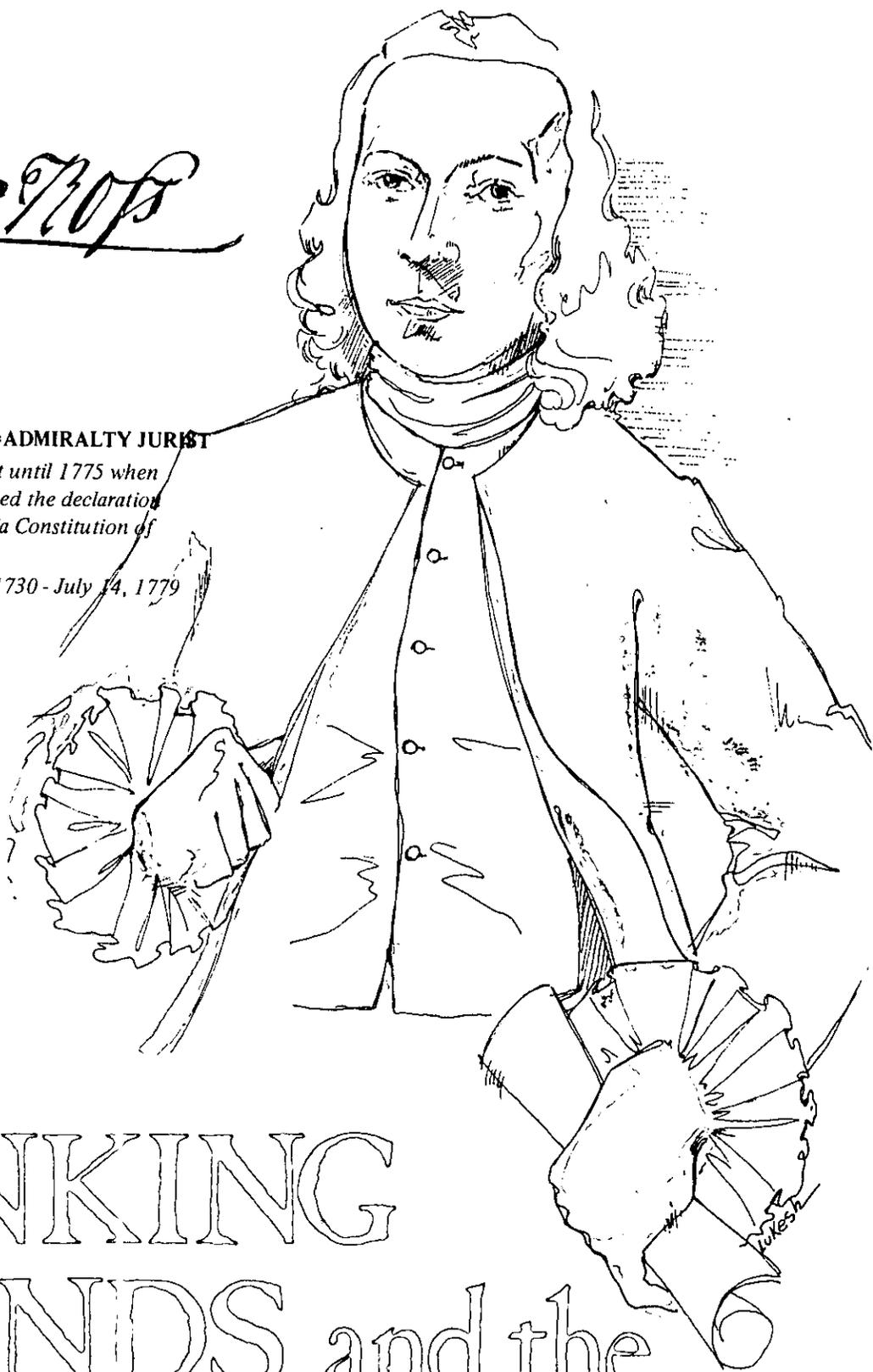
	(Dollar Amounts in Thousands)				
	1976-77	1977-78	1978-79	1979-80	1980-81
<b>CURRENT REVENUES (continued)</b>					
<b>Department of Justice</b>					
Public Improvement Projects					
Projects Currently Authorized					
General Fund	\$ 45	.....	.....	.....	.....
Projects in 1976-77 Budget					
General Fund	114	\$ 38	.....	.....	.....
<b>TOTAL—JUSTICE</b>	<u>\$ 159</u>	<u>\$ 38</u>	.....	.....	.....
<b>Department of Military Affairs</b>					
Public Improvement Projects					
Projects in 1976-77 Budget					
General Fund	\$ 52	\$ 17	.....	.....	.....
<b>TOTAL—MILITARY AFFAIRS</b>	<u>\$ 52</u>	<u>\$ 17</u>	.....	.....	.....
<b>Department of Public Welfare</b>					
Public Improvement Projects					
Projects Currently Authorized					
General Fund	\$ 41	.....	.....	.....	.....
Projects in 1976-77 Budget					
General Fund	281	\$ 94	.....	.....	.....
<b>TOTAL—PUBLIC WELFARE</b>	<u>\$ 322</u>	<u>\$ 94</u>	.....	.....	.....
<b>TOTAL—CURRENT REVENUES</b>					
Public Improvement Projects					
Boating Fund	\$ 460	\$ 387	\$ 387	\$ 310	\$ 310
Fish Fund	141	275	265	265	265
Game Fund	1,000	1,000	1,000	1,000	1,000
General Fund	814	213	.....	.....	.....
<b>TOTAL</b>	<u>\$ 2,415</u>	<u>\$ 1,875</u>	<u>\$ 1,652</u>	<u>\$ 1,575</u>	<u>\$ 1,575</u>
<b>TOTAL—ALL STATE FUNDS</b>	<u>\$382,045</u>	<u>\$298,037</u>	<u>\$278,481</u>	<u>\$271,285</u>	<u>\$266,882</u>

*Geo. Ross*

**LAWYER\*LEGISLATOR\*ADMIRALTY JURIST**

*He was a Lancaster Loyalist until 1775 when he turned patriot. He drafted the declaration of rights of the Pennsylvania Constitution of 1776.*

**GEORGE ROSS** *May 10, 1730 - July 14, 1779*



SINKING  
FUNDS and the  
PUBLIC DEBT

## SINKING FUND AND THE PUBLIC DEBT

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

The following statement reflects the bonded indebtedness of the Commonwealth as of December 31, 1975. Issues which have been completely redeemed are not included.

	(Dollar Amounts in Thousands)				
	Total Bonds Issued	Bonds Redeemed To Date	Bonds Outstanding	Sinking Fund	Net Indebtedness
Public Buildings Construction* . . . . .	\$ 50,000	\$ 48,000	\$ 2,000	\$ 2	\$ 1,998
Project 70 Land Acquisition* . . . . .	70,000	18,860	51,140	1,914	49,226
Land and Water Development* . . . . .	301,000	10,675	290,325	14,613	275,712
Vietnam Veterans' Compensation* . . . . .	62,000	3,570	58,430	331	58,099
Disaster Relief* . . . . .	100,000	430	99,570	3,204	96,366
Nursing Home Loan Agency* . . . . .	25,000	. . . . .	25,000	761	24,239
Matured Loans Unclaimed* . . . . .	. . . . .	. . . . .	141	286	-145
General State Authority . . . . .	1,165,250	477,889	687,361	. . . . .	687,361
State Highway and Bridge Authority . . . . .	580,000	235,080	344,920	. . . . .	344,920
State Public School Building Authority . . . . .	8,150	900	7,250	. . . . .	7,250
Capital Facilities . . . . .	2,760,330	87,445	2,672,885	31,602	2,641,283
Total Outstanding Debt . . . . .	<u>\$5,121,730</u>	<u>\$ 882,849</u>	<u>\$4,239,022</u>	<u>\$ 52,713</u>	<u>\$4,186,309</u>

\* Not applicable to the Constitutional Debt Limit.

**Outstanding Indebtedness of  
Pennsylvania Agencies and Authorities**

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

	As of December 31, 1975 ( in thousands )	
	<u>Notes</u>	<u>Bonds</u>
<b>Higher Education Facilities Authority</b>		
Acquires, constructs, improves and leases (as lessor) college facilities for colleges and universities within the Commonwealth. Debt service on the bonds is paid from rentals collected for the use of the facilities. . . . .	. . . . .	\$ 169,570
<b>State Public School Building Authority</b>		
Constructs, improves and equips public buildings for local school districts. Debt Service on the bonds is paid from rentals collected for the use of the facilities. . . . .	. . . . .	657,383
<b>Pennsylvania Turnpike Commission</b>		
Constructs, maintains and operates the Pennsylvania Turnpike. Debt service on the bonds is paid from tolls and other revenue sources of the Commission. . . . .	. . . . .	127,013
<b>Pennsylvania Industrial Development Authority</b>		
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. . . . .	. . . . .	40,000
<b>Pennsylvania Housing Finance Agency</b>		
Makes construction and permanent mortgage loans to qualified borrowers for construction of housing for low and moderate income persons or families. Debt service on the bonds is paid from mortgage loan interest and repayments and backed by the "moral obligation" of the Commonwealth. Debt service on the notes is paid by the issuance of bonds or the sale of the mortgage to a Federal agency. . . . .	\$116,384*	23,775

\* Includes bond anticipation notes and construction mortgage loan notes.

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

	As of December 31, 1975 (in thousands)	
	Notes	Bonds
<b>Delaware River Port Authority</b>		
Created by Pennsylvania and New Jersey to control and operate bridges crossing the Delaware River. It may construct or acquire other bridges or tunnels, projects for port improvement and development and has constructed and operates a rapid transit system. Debt service on the bonds is paid from tolls, fares, rents and other revenue of the Authority. . . . .	. . . . .	300,844
<b>Delaware River Joint Toll Bridge Commission</b>		
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 . . . . .	. . . . .	11,200
<b>TOTAL . . . . .</b>	<b>\$116,384</b>	<b>\$1,329,785</b>

## TERMS OF BONDS

The following chart reflects the terms of the Commonwealth's outstanding bonds as of December 31, 1975. Date of issue and net interest rate is shown for each bond issue as well as the first and last years of scheduled principal payments.

Purpose of Bonds	Series	Date of Issue	Net Interest Rate	First and Last Year of Maturity	Original Amounts in Thousands
Public Buildings Construction . . . . .	K	October 1, 1947	1.38%	1952-76	\$ 50,000
Project 70 Land Acquisition . . . . .	Q	July 15, 1965	3.03%	1971-85	27,000
	Q	March 15, 1969	3.36%	1973-87	23,000
	Q	June 15, 1969	4.99%	1970-84	10,000
	Q	November 15, 1970	6.26%	1973-00	10,000
Land and Water Development . . . . .	S	May 1, 1969	5.62%	1971-98	25,000
	U	June 15, 1969	5.88%	1971-98	40,000
	U	November 15, 1970	6.36%	1973-00	13,000
	U	March 1, 1971	5.23%	1973-00	25,000
	U	October 15, 1971	5.13%	1974-01	50,000
	U	April 15, 1972	5.26%	1974-01	50,000
	U	September 15, 1973	5.48%	1976-03	48,000
	U	October 1, 1974	7.12%	1977-04	50,000
Vietnam Veterans' Compensation . . . . .	V	June 15, 1969	5.95%	1971-98	28,000
	V	November 15, 1970	6.11%	1973-00	27,000
	V	April 1, 1974	5.36%	1976-03	7,000
Capital Facilities . . . . .	S	October 15, 1968	4.15%	1971-98	75,000
	S	May 1, 1969	5.62%	1971-98	75,000
	S	January 1, 1970	6.82%	1972-99	50,000
	S	March 15, 1970	5.92%	1972-99	75,000
	S	October 15, 1970	6.08%	1973-00	25,000
	S	January 1, 1971	5.57%	1973-00	50,000
	S	April 15, 1971	5.11%	1973-00	50,000
	S	August 1, 1971	5.79%	1974-01	52,000
	S	January 1, 1972	5.31%	1974-01	75,000
	S	June 1, 1972	4.99%	1974-01	50,000
	S	September 15, 1972	5.09%	1975-02	25,000
	S	December 1, 1972	4.82%	1975-02	65,000
	S	April 15, 1973	5.29%	1975-02	60,000
	S	August 1, 1973	5.49%	1976-03	50,000
	S	April 1, 1974	5.36%	1976-03	50,000
	S	October 1, 1974	7.12%	1977-04	50,000
	S	May 15, 1975	6.44%	1976-94	50,000
	S	November 15, 1975	6.72%	1977-95	20,000
Capital Facilities—Equipment . . . . .	S	October 15, 1968	4.15%	1969-78	13,530
	S	October 15, 1970	6.08%	1971-80	8,000
	S	August 1, 1971	5.79%	1972-81	8,000
	S	April 15, 1973	5.29%	1973-82	10,000
	S	June 15, 1974	6.39%	1974-83	10,000
Capital Facilities—Highways . . . . .	T	February 15, 1969	4.79%	1971-98	75,000
	T	August 15, 1969	5.84%	1972-99	100,000
	T	January 1, 1970	6.78%	1972-99	75,000
	T	June 1, 1970	6.44%	1972-99	100,000
	T	September 1, 1970	6.03%	1973-00	75,000
	T	January 1, 1971	5.57%	1973-00	75,000

PUBLIC DEBT

Purpose of Bonds	Series	Date of Issue	Net Interest Rate	First and Last Year of Maturity	Original Amounts in Thousands
Capital Facilities—Highways (continued)	T	March 1, 1971	5.17%	1973-00	50,000
	T	April 15, 1971	5.11%	1973-00	50,000
	T	June 15, 1971	5.75%	1973-00	100,000
	T	January 1, 1972	5.31%	1974-01	50,000
	T	March 1, 1972	5.03%	1974-01	50,000
	T	June 1, 1972	4.99%	1974-01	50,000
	T	July 1, 1972	5.32%	1975-02	50,000
	T	December 1, 1972	4.82%	1975-02	80,000
	T	April 15, 1973	5.28%	1975-02	70,000
	T	August 1, 1973	5.49%	1976-03	85,000
	T	April 1, 1974	5.36%	1976-03	93,000
	T	June 15, 1974	6.39%	1976-03	157,000
	T	May 15, 1975	6.44%	1976-94	50,000
	T	August 15, 1975	6.78%	1977-95	180,000
T	November 15, 1975	6.72%	1977-95	80,000	
Capital Facilities—Community					
Colleges	S	May 1, 1969	5.62%	1971-98	6,000
	S	October 15, 1970	6.08%	1973-00	10,000
	S	August 1, 1971	5.79%	1974-01	10,000
	S	September 15, 1973	5.49%	1976-03	2,000
Capital Facilities—Transportation					
Assistance	S	May 1, 1969	5.62%	1970-98	10,800
	S	August 1, 1973	5.49%	1974-03	15,000
	S	May 15, 1975	6.44%	1975-94	15,000
Disaster Relief	D	February 1, 1973	4.91%	1975-02	25,000
	D	September 15, 1973	5.48%	1976-03	75,000
State Public School Building					
Authority	X	April 1, 1968	5.06%	1970-97	8,150
Nursing Home Loan Agency	N	May 15, 1975	6.44%	1976-94	25,000

**ANNUAL DEBT SERVICE ON  
OUTSTANDING BONDS AND AUTHORITY RENTALS**

Fiscal Year	Authority Rentals		Series S	Series X	Series T	Series U
	General State Authority	State Highway and Bridge Authority	Capital Improvements	Public School Building Authority	Transportation	Land & Water
1975-76 . . . . .	\$65,677	\$29,434	\$78,426	\$559	\$108,593	\$21,357
1976-77 . . . . .	64,976	36,693	82,044	564	129,320	22,047
1977-78 . . . . .	62,089	36,685	81,679	558	128,848	21,997
1978-79 . . . . .	62,049	34,306	81,212	562	128,368	21,934
1979-80 . . . . .	59,914	34,489	78,884	560	127,858	21,864
1980-81 . . . . .	58,983	34,266	77,286	562	127,335	21,793
1981-82 . . . . .	57,297	31,290	75,851	558	126,778	21,723
1982-83 . . . . .	53,357	31,483	75,550	563	126,295	21,657
1983-84 . . . . .	51,943	31,544	74,006	558	125,999	21,589
1984-85 . . . . .	50,218	30,229	72,280	560	125,780	21,527
1985-86 . . . . .	48,092	30,110	72,022	561	125,573	21,483
1986-87 . . . . .	46,867	28,608	71,904	561	125,505	21,465
1987-88 . . . . .	45,026	26,894	71,421	560	125,555	21,455
1988-89 . . . . .	41,018	25,055	70,467	559	125,589	21,465
1989-90 . . . . .	38,423	18,868	70,475	557	125,608	21,471
1990-91 . . . . .	32,828	12,823	70,080	554	125,628	21,476
1991-92 . . . . .	28,978	7,183	70,069	550	125,594	21,467
1992-93 . . . . .	22,563		70,042	550	125,538	21,477
1993-94 . . . . .	16,607		70,033	550	125,521	21,478
1994-95 . . . . .	7,349		70,019	543	125,641	21,467
1995-96 . . . . .	7,113		62,796	545	96,415	21,466
1996-97 . . . . .	7,139		62,727	541	96,249	21,460
1997-98 . . . . .			62,684	536	96,092	21,453
1998-99 . . . . .			57,021		96,279	16,910
1999-00 . . . . .			52,965		84,609	16,958
2000-01 . . . . .			41,281		66,464	16,035
2001-02 . . . . .			29,373		46,600	10,449
2002-03 . . . . .			14,826		27,775	7,173
2003-04 . . . . .			7,200		17,469	3,759

	<u>Series D</u>	<u>Series Q</u>	<u>Series V</u>	<u>Series O</u>	<u>Series K</u>	<u>Series N</u>	
	<u>Disaster</u>		<u>Vietnam</u>	<u>Korean</u>	<u>Public</u>	<u>Nursing</u>	
	<u>Relief</u>	<u>Project 70</u>	<u>Veterans'</u>	<u>Conflict</u>	<u>Buildings</u>	<u>Home</u>	
			<u>Compensation</u>	<u>Veterans'</u>	<u>Construction</u>	<u>Loan</u>	<u>Total</u>
				<u>Compensation</u>	<u>Bonds</u>	<u>Agency</u>	
1975-76 . . . . .	\$7,030	\$6,286	\$4,555	\$10,958	\$2,055	\$1,640	\$336,570
1976-77 . . . . .	7,006	6,186	4,661		2,028	2,318	357,843
1977-78 . . . . .	6,986	6,080	4,644			2,306	351,872
1978-79 . . . . .	6,965	5,972	4,633			2,296	348,297
1979-80 . . . . .	6,936	5,846	4,631			2,282	343,282
1980-81 . . . . .	6,906	5,754	4,620			2,274	339,779
1981-82 . . . . .	6,879	5,644	4,612			2,256	332,888
1982-83 . . . . .	6,848	5,632	4,607			2,239	328,231
1983-84 . . . . .	6,818	5,521	4,597			2,227	324,802
1984-85 . . . . .	6,804	4,474	4,595			2,219	318,686
1985-86 . . . . .	6,811	2,507	4,583			2,220	313,962
1986-87 . . . . .	6,820	2,477	4,574			2,222	311,003
1987-88 . . . . .	6,826	761	4,565			2,224	305,287
1988-89 . . . . .	6,836	763	4,560			2,221	298,533
1989-90 . . . . .	6,841	764	4,562			2,221	289,790
1990-91 . . . . .	6,845	762	4,554			2,219	277,769
1991-92 . . . . .	6,848	770	4,561			2,219	268,239
1992-93 . . . . .	6,850	770	4,559			2,229	254,578
1993-94 . . . . .	6,847	769	4,562			2,240	248,607
1994-95 . . . . .	6,849	775	4,566			2,248	239,457
1995-96 . . . . .	6,842	779	4,575				200,531
1996-97 . . . . .	6,834	780	4,574				200,304
1997-98 . . . . .	6,822	778	4,573				192,938
1998-99 . . . . .	6,811	783	2,592				180,396
1999-00 . . . . .	6,820	785	2,602				164,739
2000-01 . . . . .	6,833		478				131,091
2001-02 . . . . .	6,869		482				93,773
2002-03 . . . . .	6,903		487				57,164
2003-04 . . . . .			491				28,919

## PRINCIPAL AND INTEREST REQUIREMENT

1976-77

The following statement shows the amounts necessary to meet the principal and interest requirements during 1976-77 on currently outstanding bonds. Differences between the appropriations requested for each item and the principal requirements are made up by interest earned on securities and certain augmentations. Funds are also requested for debt service on anticipated issues.

	(Dollar Amounts in Thousands)		
	Principal	Interest	Total
<b>General Fund</b>			
Public Buildings Construction Bonds . . . . .	\$ 2,000	\$ 28	\$ 2,028
Project 70 Land Acquisition Bonds . . . . .	4,115	2,071	6,186
Land Water Development Bonds . . . . .	5,380	16,667	22,047
Vietnam Veterans' Compensation Bonds . . . . .	1,170	3,491	4,661
Disaster Relief Bonds . . . . .	1,700	5,306	7,006
Nursing Home Loan Agency Bonds . . . . .	705	1,613	2,318
Capital Facilities . . . . .	17,845	51,119	68,964
Capital Facilities—Equipment . . . . .	5,055	1,929	6,984
Capital Facilities—Community Colleges . . . . .	510	1,541	2,051
Capital Facilities—Transportation Assistance . . . . .	1,665	2,201	3,866
<b>TOTAL REQUIREMENT—BONDS . . . . .</b>	<b><u>\$40,145</u></b>	<b><u>\$85,966</u></b>	<b><u>\$126,111</u></b>
Authority Rentals . . . . .			63,553
Requirements for Anticipated Issues . . . . .			16,176
Miscellaneous Requirements . . . . .			212
Estimated Interest on Tax Notes . . . . .			14,667
<b>TOTAL GENERAL FUND DEBT SERVICE . . . . .</b>			<b><u>\$220,719</u></b>
<b>Motor License Fund</b>			
Capital Facilities—Transportation . . . . .	\$32,960	\$96,360	\$129,320
Capital Facilities . . . . .	60	119	179
<b>TOTAL REQUIREMENTS BONDS . . . . .</b>	<b><u>\$33,020</u></b>	<b><u>\$96,479</u></b>	<b><u>\$129,499</u></b>
Authority Rentals . . . . .			38,051
Requirements for Anticipated Issues . . . . .			16,050
Miscellaneous . . . . .			120
Estimated Interest on Tax Notes . . . . .			3,300
<b>TOTAL MOTOR LICENSE FUND DEBT SERVICES . . . . .</b>			<b><u>\$187,020</u></b>
<b>Fish Fund</b>			
Authority Rentals . . . . .			\$ 62
<b>TOTAL FISH FUND DEBT SERVICE . . . . .</b>			<b><u>\$ 62</u></b>
<b>Boating Fund</b>			
Authority Rentals . . . . .			\$ 2
<b>TOTAL BOATING FUND DEBT SERVICE . . . . .</b>			<b><u>\$ 2</u></b>

Bicentennial  
Pennsylvania



**So your children can tell  
their children.**

*The dividers in the Budget honor the patriots who  
signed the Declaration of Independence for Pennsylvania.*



A. G. Hyer  

---

Office of the Budget

# FOREWORD

This volume, Volume II, contains the departmental budgetary detail presented both on a departmental—appropriation and a program—subcategory basis. In order to expedite use of the volume, pages containing departmental—appropriation materials are tinted.

Financial statements for all funds, revenue summaries and detail and fund summaries as well as the proposed Capital Budget are carried in Volume I.

# Table of Contents

## Commonwealth Summaries

Five Year Summary by Department and Fund . . . . .	2
--	---

## Departmental Presentation

<b>Governor's Office</b> . . . . .	9
Summary by Fund and Appropriation . . . . .	11
Summary by Category and Subcategory . . . . .	13
Executive Direction . . . . .	14
<b>Executive Offices</b> . . . . .	15
Summary by Fund and Appropriation . . . . .	17
Summary by Category and Subcategory . . . . .	25
Executive Direction . . . . .	26
Prevention and Elimination of Discriminatory Practices . . . . .	27
Development of Artists and Audiences . . . . .	29
<b>Lieutenant Governor</b> . . . . .	31
Summary by Fund and Appropriation . . . . .	33
Summary by Category and Subcategory . . . . .	35
Executive Direction . . . . .	36
<b>Auditor General</b> . . . . .	37
Summary by Fund and Appropriation . . . . .	39
Summary by Category and Subcategory . . . . .	43
Auditing . . . . .	44
Income Maintenance . . . . .	45
<b>Treasury</b> . . . . .	47
Summary by Fund and Appropriation . . . . .	49
Summary by Category and Subcategory . . . . .	65
Disbursement . . . . .	66
Income Maintenance . . . . .	69
Debt Service . . . . .	70
Interstate Relations . . . . .	72
Development, Utilization and Regulation of Water Resources . . . . .	73
Provision and Operation of Facilities . . . . .	74
<b>Agriculture</b> . . . . .	75
Summary by Fund and Appropriation . . . . .	77
Summary by Category and Subcategory . . . . .	87
General Administration and Support . . . . .	88
Consumable Agricultural Products . . . . .	89
Regulation of Horse Racing . . . . .	91
Plant Health . . . . .	92
Animal Health . . . . .	94
Development of Agricultural Industries . . . . .	96
Maintaining Family and Individual Self-Sufficiency . . . . .	98
<b>Banking</b> . . . . .	101
Summary by Fund and Appropriation . . . . .	103
Summary by Category and Subcategory . . . . .	105
General Administration and Support . . . . .	106
Regulation of Financial Institutions . . . . .	107

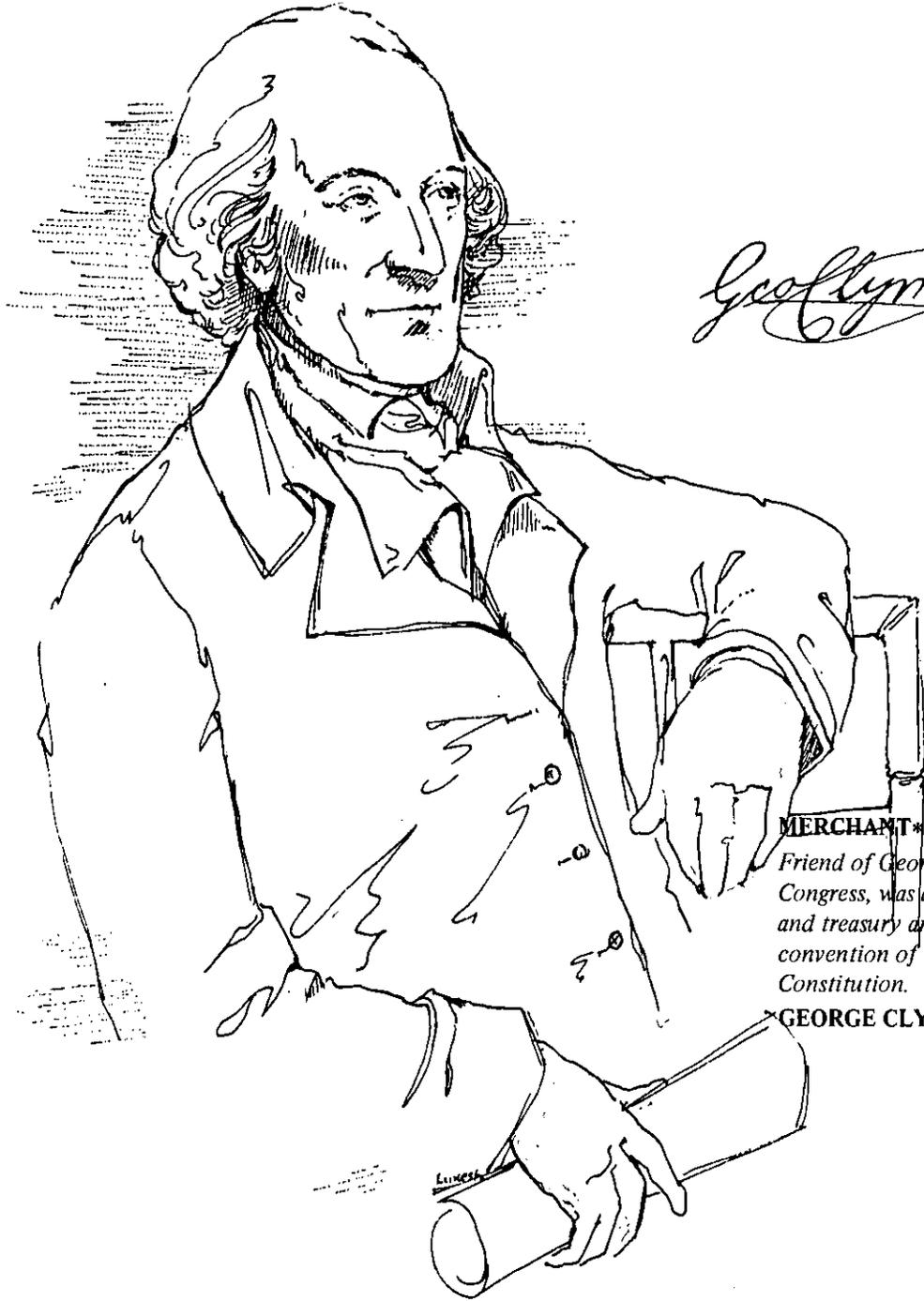
<b>Civil Defense</b>	109
Summary by Fund and Appropriation	111
Summary by Category and Subcategory	115
Civil Defense Operational Capabilities	116
<b>Civil Service Commission</b>	117
Summary by Fund and Appropriation	119
Summary by Category and Subcategory	121
General Administration and Support	122
Selection	123
<b>Commerce</b>	125
Summary by Fund and Appropriation	127
Summary by Category and Subcategory	133
General Administration and Support	134
Industrial Development	135
Tourism and Travel Development	138
Scientific and Technological Development	140
International Trade	142
<b>Community Affairs</b>	143
Summary by Fund and Appropriation	145
Summary by Category and Subcategory	153
General Administration and Support	154
Housing and Redevelopment	155
Community Park and Recreation Development	159
Employability Development – Socially and Economically Handicapped	160
Community Action Assistance	162
Areawide Intermunicipal Services	164
Municipal Administrative Support Capability	166
Emergency Disaster Assistance	168
Community Development Planning	169
<b>Council on Drug and Alcohol Abuse</b>	171
Summary by Fund and Appropriation	173
Summary by Category and Subcategory	177
General Administration and Support	178
Prevention of Drug and Alcohol Abuse	179
Treatment of Drug and Alcohol Abuse	181
<b>Education</b>	183
Summary by Fund and Appropriation	185
Summary by Category and Subcategory	217
Summary of Enrollments	219
General Administration and Support	220
General Preschool Education	221
General Elementary and Secondary Education	223
Special Education Category Analysis	226
Mentally Handicapped Education	227
Physically Handicapped Education	230
Gifted and Talented Education	233
Compensatory Preschool Education	235
Compensatory Elementary and Secondary Education	237
Vocational Secondary Education	240
Postsecondary Vocational Education	242
Community Education	244
<b>Community Learning</b>	247
Higher Education Category Analysis	248
Agriculture and Natural Resources	252
Arts, Humanities and Letters	254
Business Management, Commerce and Data Processing	256
Education	258
Engineering and Architecture	261
Health Sciences, Health Professions and Biological Sciences	263

<b>Education (continued)</b>	
Human Services and Public Affairs . . . . .	266
Physical Sciences, Earth Sciences, Mathematics and Military Science . . . . .	268
Social Sciences and Area Studies . . . . .	270
Interdisciplinary Studies . . . . .	272
Research . . . . .	274
Public and Community Services . . . . .	276
Institutional Support Services . . . . .	278
Professional Support Services . . . . .	280
<b>Adult and Career Education</b> . . . . .	281
<b>Higher Education Regionalization</b> . . . . .	282
Financial Assistance to Students . . . . .	283
Highway Safety Education . . . . .	286
Community Training Services . . . . .	288
Adult Employment Training Services . . . . .	290
Recreation Services . . . . .	292
State Library Services . . . . .	293
<b>Aid to Local Libraries</b> . . . . .	295
Public Television Services . . . . .	296
<b>Environmental Resources</b> . . . . .	299
Summary by Fund and Appropriation . . . . .	301
Summary by Category and Subcategory . . . . .	315
General Administration and Support . . . . .	316
Prevention, Control and Extinction of Forest Fires . . . . .	317
Reduction of Disease and Insect Damage to Forests . . . . .	319
Air Pollution Control . . . . .	321
Water Quality Management . . . . .	323
Community Environmental Management . . . . .	325
Occupational Health and Safety . . . . .	327
Radiation Protection . . . . .	329
Management of Land Resources . . . . .	331
Regulation of Mineral Resources . . . . .	333
Technical Support and Planning Services . . . . .	335
Development, Operation and Maintenance of Recreation Areas and Facilities . . . . .	336
<b>Fish Commission</b> . . . . .	339
Summary by Fund and Appropriation . . . . .	341
Summary by Category and Subcategory . . . . .	345
General Administration and Support . . . . .	346
Recreational Fishing and Boating . . . . .	347
<b>Game Commission</b> . . . . .	349
Summary by Fund and Appropriation . . . . .	351
Summary by Category and Subcategory . . . . .	353
General Administration and Support . . . . .	354
Wildlife Management . . . . .	355
<b>General Services</b> . . . . .	357
Summary by Fund and Appropriation . . . . .	359
Summary by Category and Subcategory . . . . .	365
General Administration and Support . . . . .	366
Procurement and Distribution of Commodities . . . . .	367
Disposition and Utilization of Surplus and Donated Commodities . . . . .	368
Management and Operation of Facilities . . . . .	370
Payment of General State Authority Rentals . . . . .	372
<b>Health</b> . . . . .	373
Summary by Fund and Appropriation . . . . .	375
Summary by Category and Subcategory . . . . .	383
General Administration and Support . . . . .	384
Medical Research and Health Information . . . . .	385
<b>Cancer Research</b> . . . . .	387
Medical Facilities Review . . . . .	389

<b>Health (continued)</b>	
Health Services Development . . . . .	392
Health Maintenance and Disease Prevention . . . . .	395
Detection and Diagnosis . . . . .	398
Outpatient Treatment . . . . .	400
Inpatient Treatment . . . . .	403
Life Maintenance . . . . .	405
<b>Historical and Museum Commission</b> . . . . .	407
Summary by Fund and Appropriation . . . . .	409
Summary by Category and Subcategory . . . . .	415
General Administration and Support . . . . .	416
Preserving Valuable Records . . . . .	417
Development and Promotion of Pennsylvania State and Local History . . . . .	418
Museum Development and Operation . . . . .	419
Development and Preservation of Historical Sites and Properties . . . . .	421
<b>Horse Racing Commission</b> . . . . .	423
Summary by Fund and Appropriation . . . . .	425
Summary by Category and Subcategory . . . . .	429
Regulation of Horse Racing . . . . .	430
<b>Insurance</b> . . . . .	431
Summary by Fund and Appropriation . . . . .	433
Summary by Category and Subcategory . . . . .	435
Regulation of Insurance Industry . . . . .	436
<b>Justice</b> . . . . .	439
Summary by Fund and Appropriation . . . . .	441
Summary by Category and Subcategory . . . . .	451
General Administration and Support . . . . .	452
Collection of Delinquent Accounts . . . . .	453
Protect Consumers from Fraudulent Practices . . . . .	454
Criminal Law Enforcement . . . . .	456
Reintegration of Juvenile Delinquents . . . . .	459
Reintegration of Offenders . . . . .	461
<b>Labor and Industry</b> . . . . .	463
Summary by Fund and Appropriation . . . . .	465
Summary by Category and Subcategory . . . . .	471
General Administration and Support . . . . .	472
Employability Development—Socially and Economically Disadvantaged . . . . .	473
Employability Development—Physically and Mentally Handicapped . . . . .	475
Income Maintenance . . . . .	478
Labor Relations Stability . . . . .	481
Accident Prevention in Multiple Dwellings . . . . .	483
Regulation of Consumer Products and Promotion of Fair Business Practices . . . . .	485
<b>Military Affairs</b> . . . . .	487
Summary by Fund and Appropriation . . . . .	489
Summary by Category and Subcategory . . . . .	495
General Administration and Support . . . . .	496
Financial Aid to Students . . . . .	497
Long Term Domiciliary and Nursing Home Maintenance and Care . . . . .	498
Disaster Assistance . . . . .	499
Veterans Compensation and Assistance . . . . .	500
<b>Milk Marketing Board</b> . . . . .	503
Summary by Fund and Appropriation . . . . .	505
Summary by Category and Subcategory . . . . .	509
Regulation of Milk Industry . . . . .	510

<b>Probation and Parole</b>	513
Summary by Fund and Appropriation	515
Summary by Category and Subcategory	519
General Administration and Support	520
Reintegration of Adult Offenders	521
<b>Public Utility Commission</b>	525
Summary by Fund and Appropriation	527
Summary by Category and Subcategory	529
Regulation of Public Utilities	530
<b>Public Welfare</b>	533
Summary by Fund and Appropriation	535
Summary by Category and Subcategory	565
General Administration and Support	566
Medical Facilities Review	567
Health Services Support and Development	568
Prevention—Physical Health	572
Screening, Diagnosis and Referral	574
Outpatient Services—Physical Health	576
Inpatient Hospital Services	579
Long—Term Care	582
<b>Cost Reimbursement for Private Nursing Facilities</b>	585
Mental Health Systems Support	586
<b>Census Reduction in State Mental Hospitals</b>	588
Primary Prevention—Mental Health	589
Early Intervention and Evaluation	591
Outpatient Services—Mental Health	594
Partial Hospitalization	596
Short-Term Inpatient Services (Community)	598
Inpatient Services (State Mental Hospitals)	600
Youth Development Services	603
Services to the Community	605
Family Support Services	608
Mental Retardation Systems Support	611
Prevention—Mental Retardation	613
Early Identification, Diagnosis and Case Management	615
Independent and Family Living Arrangements	617
Community Living Arrangements	620
Institutional Living Arrangements (Private Licensed Facilities)	622
State Schools and Hospitals	624
Income Maintenance	627
<b>Revenue</b>	631
Summary by Fund and Appropriation	633
Summary by Category and Subcategory	643
General Administration and Support	644
Revenue Collection and Administration	645
Public Utility Realty Payments	647
Property Tax and Rent Assistance	648
<b>Securities Commission</b>	651
Summary by Fund and Appropriation	653
Summary by Category and Subcategory	655
Regulation of Securities Industry	656
<b>State</b>	657
Summary by Fund and Appropriation	659
Summary by Category and Subcategory	663
General Administration and Support	664
Regulation of Consumer Products and Promotion of Fair Business Practices	665
Maintenance of Professional and Occupational Standards	666
Maintenance of the Electoral Process	668

<b>State Employees' Retirement System</b> . . . . .	671
Summary by Fund and Appropriation . . . . .	673
Summary by Category and Subcategory . . . . .	677
General Administration and Support . . . . .	678
<b>State Police</b> . . . . .	681
Summary by Fund and Appropriation . . . . .	683
Summary by Category and Subcategory . . . . .	687
General Administration and Support . . . . .	688
Operator Qualifications Control . . . . .	689
Vehicle Standards Control . . . . .	691
Traffic Supervision . . . . .	693
Crime Prevention . . . . .	695
Criminal Law Enforcement . . . . .	697
Prevention and Control of Civil Disorders . . . . .	700
Disaster Assistance . . . . .	701
Fire Prevention . . . . .	702
<b>Tax Equalization Board</b> . . . . .	703
Summary by Fund and Appropriation . . . . .	705
Summary by Category and Subcategory . . . . .	707
General Administration and Support . . . . .	708
<b>Transportation</b> . . . . .	709
Summary by Fund and Appropriation . . . . .	711
Summary by Category and Subcategory . . . . .	725
General Administration and Support . . . . .	726
Urban Highway Construction . . . . .	727
Rural and Intercity Highway Construction . . . . .	730
Urban Mass Transportation . . . . .	733
Rural and Intercity Rail Transportation . . . . .	736
<b>Intercity Rail Transportation</b> . . . . .	738
Air Transportation . . . . .	739
Water Transportation . . . . .	742
Urban Highway Maintenance . . . . .	744
Rural and Intercity Highway Maintenance . . . . .	746
Highway Beautification . . . . .	478
Urban Highway Safety Programs . . . . .	750
Rural and Intercity Highway Safety Programs . . . . .	752
Licensing and Highway Safety Control . . . . .	754
Free Elderly Transit . . . . .	756
<b>Legislature</b> . . . . .	757
Summary by Fund and Appropriation . . . . .	759
Summary by Category and Subcategory . . . . .	767
Legislature . . . . .	768
<b>Judiciary</b> . . . . .	769
Summary by Fund and Appropriation . . . . .	771
Summary by Category and Subcategory . . . . .	777
State Judicial System . . . . .	778



*George Clymer*

**MERCHANT\*LEGISLATOR\*PENAL REFORMER**

*Friend of George Washington, he served in Congress, was a member of the boards of war and treasury and served as a delegate to the convention of 1787, signing the Federal Constitution.*

**GEORGE CLYMER** May 16, 1739 - Jan 24, 1813

# COMMONWEALTH SUMMARIES

## FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND

(Dollar Amounts in Thousands)

	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
<b>Governor's Office</b>							
General Fund . . . . .	\$ 1,777	\$ 2,137	\$ 2,165	\$ 2,382	\$ 2,620	\$ 2,882	\$ 3,170
<b>Executive Offices</b>							
General Fund . . . . .	\$ 10,396	\$ 11,949	\$ 13,159	\$ 14,466	\$ 15,906	\$ 17,485	\$ 19,228
Revenue Sharing Trust Fund . . . . .	1	10	.....	.....	.....	.....	.....
<b>TOTAL</b> . . . . .	<b>\$ 10,397</b>	<b>\$ 11,959</b>	<b>\$ 13,159</b>	<b>\$ 14,466</b>	<b>\$ 15,906</b>	<b>\$ 17,485</b>	<b>\$ 19,228</b>
<b>Lieutenant Governor's Office</b>							
General Fund . . . . .	\$ 209	\$ 239	\$ 250	\$ 269	\$ 291	\$ 315	\$ 339
<b>Auditor General</b>							
General Fund . . . . .	\$ 11,005	\$ 11,289	\$ 12,666	\$ 13,669	\$ 14,762	\$ 15,942	\$ 17,217
<b>Treasury</b>							
General Fund . . . . .	\$ 115,853	\$ 115,655	\$ 156,727	\$ 182,304	\$ 199,082	\$ 213,307	\$ 225,734
Motor License Fund . . . . .	100,316	117,590	159,791	176,583	185,613	193,453	201,034
Game Fund . . . . .	1	2	2	2	2	2	2
Fish Fund . . . . .	1	1	1	1	1	1	1
Boating Fund . . . . .	1	1	1	1	1	1	1
Banking Department Fund . . . . .	1	1	1	1	1	1	1
Milk Marketing Fund . . . . .	2	2	2	2	2	2	2
State Farm Products Show Fund . . . . .	1	1	1	1	1	1	1
State Harness Racing Fund . . . . .	1	1	1	1	1	1	1
State Horse Racing Fund . . . . .	.....	1	1	1	1	1	1
State Lottery Fund . . . . .	2	3	11	11	11	11	11
<b>TOTAL</b> . . . . .	<b>\$ 216,179</b>	<b>\$ 233,258</b>	<b>\$ 316,539</b>	<b>\$ 358,908</b>	<b>\$ 384,716</b>	<b>\$ 406,781</b>	<b>\$ 426,789</b>
<b>Agriculture</b>							
General Fund . . . . .	\$ 12,275	\$ 13,995	\$ 16,621	\$ 17,874	\$ 19,302	\$ 20,864	\$ 22,543
State Farm Products Show Fund . . . . .	877	782	768	824	861	885	922
State Harness Racing Fund . . . . .	9,882	6,322	6,401	6,356	6,454	6,514	6,524
<b>TOTAL</b> . . . . .	<b>\$ 23,034</b>	<b>\$ 21,099</b>	<b>\$ 23,790</b>	<b>\$ 25,054</b>	<b>\$ 26,617</b>	<b>\$ 28,263</b>	<b>\$ 29,989</b>
<b>Banking</b>							
Banking Department Fund . . . . .	\$ 3,637	\$ 3,948	\$ 4,391	\$ 4,667	\$ 4,959	\$ 5,271	\$ 5,603
<b>Civil Defense</b>							
General Fund . . . . .	\$ 403	\$ 484	\$ 512	\$ 544	\$ 578	\$ 614	\$ 653
<b>Civil Service</b>							
General Fund . . . . .	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1

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

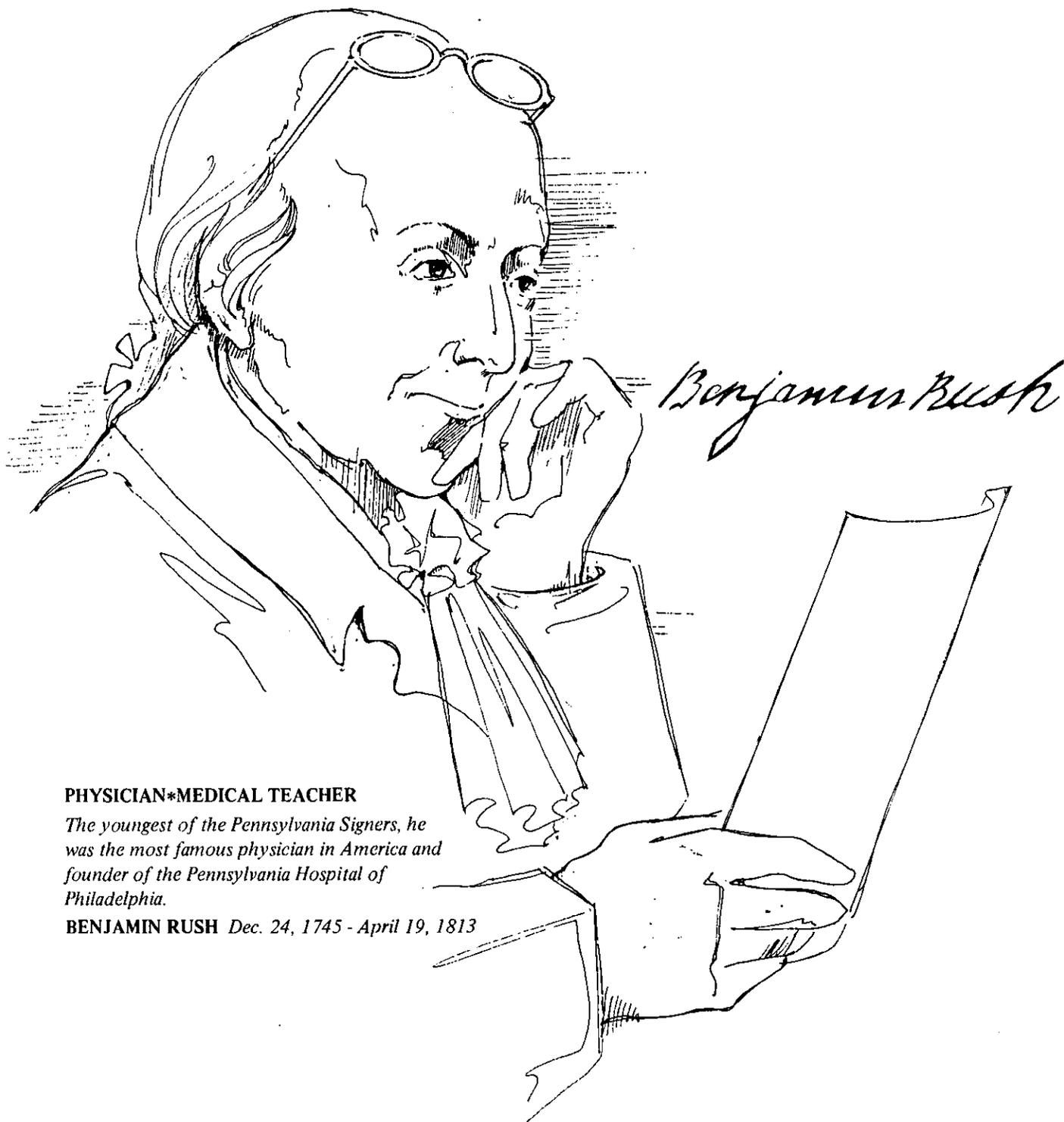
	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
<b>Commerce</b>							
General Fund . . . . .	\$ 19,623	\$ 33,139	\$ 17,384	\$ 11,014	\$ 11,425	\$ 11,868	\$ 12,347
<b>Community Affairs</b>							
General Fund . . . . .	\$ 28,217	\$ 76,300	\$ 9,900	\$ 25,713	\$ 26,166	\$ 26,712	\$ 27,297
<b>Council on Drug and Alcohol Abuse</b>							
General Fund . . . . .	\$ 18,635	\$ 19,639	\$ 21,993	\$ 24,104	\$ 26,017	\$ 28,043	\$ 30,197
<b>Education</b>							
General Fund . . . . .	\$2,300,316	\$2,455,728	\$2,498,535	\$2,567,659	\$2,653,742	\$2,738,168	\$2,824,045
Motor License Fund . . . . .	4,266	4,365	4,441	4,422	4,340	4,360	4,380
Revenue Sharing Trust Fund . . . . .	55,793	84,500	79,900	84,900	86,800	91,500	96,300
TOTAL . . . . .	<u>\$2,360,375</u>	<u>\$2,544,593</u>	<u>\$2,582,876</u>	<u>\$2,656,981</u>	<u>\$2,744,882</u>	<u>\$2,834,028</u>	<u>\$2,924,725</u>
<b>Environmental Resources</b>							
General Fund . . . . .	\$ 65,973	\$ 72,662	\$ 78,610	\$ 84,534	\$ 91,368	\$ 98,907	\$ 106,760
Game Fund . . . . .	1	10	5	5	5	5	5
Fish Fund . . . . .	2	2	2	2	2	2	2
Revenue Sharing Trust Fund . . . . .	10,955	12,283	12,380	13,370	14,440	15,595	16,840
TOTAL . . . . .	<u>\$ 76,929</u>	<u>\$ 84,957</u>	<u>\$ 90,997</u>	<u>\$ 97,911</u>	<u>\$ 105,815</u>	<u>\$ 114,509</u>	<u>\$ 123,607</u>
<b>Fish Commission</b>							
General Fund . . . . .	\$ 1	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
Fish Fund . . . . .	8,200	8,085	8,878	9,982	10,050	10,875	11,675
Boating Fund . . . . .	1,160	1,850	1,979	1,948	2,073	2,173	2,283
TOTAL . . . . .	<u>\$ 9,361</u>	<u>\$ 9,938</u>	<u>\$ 10,860</u>	<u>\$ 11,933</u>	<u>\$ 12,126</u>	<u>\$ 13,051</u>	<u>\$ 13,961</u>
<b>Game Commission</b>							
Game Fund . . . . .	\$ 15,821	\$ 18,067	\$ 19,587	\$ 21,271	\$ 22,928	\$ 24,980	\$ 26,828
<b>General Services</b>							
General Fund . . . . .	\$ 79,372	\$ 81,905	\$ 85,022	\$ 88,796	\$ 92,335	\$ 95,914	\$ 100,199
Motor License Fund . . . . .	1,510	1,543	1,543	1,543	1,543	1,543	1,543
Fish Fund . . . . .	70	75	75	75	75	75	75
Boating Fund . . . . .	2	2	2	2	2	2	2
TOTAL . . . . .	<u>\$ 80,954</u>	<u>\$ 83,525</u>	<u>\$ 86,642</u>	<u>\$ 90,416</u>	<u>\$ 93,955</u>	<u>\$ 97,534</u>	<u>\$ 101,819</u>
<b>Health</b>							
General Fund . . . . .	\$ 58,556	\$ 57,429	\$ 61,558	\$ 67,822	\$ 74,649	\$ 82,173	\$ 88,052
Revenue Sharing Trust Fund . . . . .	. . . . .	. . . . .	3,600	3,600	3,600	3,600	3,600
TOTAL . . . . .	<u>\$ 58,556</u>	<u>\$ 57,429</u>	<u>\$ 65,158</u>	<u>\$ 71,422</u>	<u>\$ 78,249</u>	<u>\$ 85,773</u>	<u>\$ 91,652</u>

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

	(Dollar Amounts in Thousands)						
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	1980-81 Estimated
<b>Historical and Museum Commission</b>							
General Fund . . . . .	\$ 6,907	\$ 7,390	\$ 8,142	\$ 8,651	\$ 9,267	\$ 9,913	\$ 10,593
<b>Horse Racing Commission</b>							
State Horse Racing Fund . . . . .	\$ 18,001	\$ 18,436	\$ 18,760	\$ 19,095	\$ 19,434	\$ 19,783	\$ 20,142
<b>Insurance</b>							
General Fund . . . . .	\$ 4,460	\$ 4,740	\$ 5,309	\$ 5,778	\$ 6,267	\$ 6,743	\$ 7,205
<b>Justice</b>							
General Fund . . . . .	\$ 70,272	\$ 77,382	\$ 86,659	\$ 92,925	\$ 99,091	\$ 105,807	\$ 112,471
<b>Labor and Industry</b>							
General Fund . . . . .	\$ 24,452	\$ 22,657	\$ 49,069	\$ 47,500	\$ 48,718	\$ 50,159	\$ 51,507
Revenue Sharing Trust Fund . . . . .	22,115	30,000	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL . . . . .	<u>\$ 46,567</u>	<u>\$ 52,657</u>	<u>\$ 49,069</u>	<u>\$ 47,500</u>	<u>\$ 48,718</u>	<u>\$ 50,159</u>	<u>\$ 51,507</u>
<b>Military Affairs</b>							
General Fund . . . . .	\$ 8,581	\$ 9,211	\$ 9,681	\$ 10,496	\$ 11,474	\$ 12,396	\$ 13,454
<b>Milk Marketing Board</b>							
General Fund . . . . .	\$ 700	\$ 660	\$ 717	\$ 827	\$ 954	\$ 1,083	\$ 1,185
Milk Marketing Fund . . . . .	457	625	713	694	660	626	626
TOTAL . . . . .	<u>\$ 1,157</u>	<u>\$ 1,285</u>	<u>\$ 1,430</u>	<u>\$ 1,521</u>	<u>\$ 1,614</u>	<u>\$ 1,709</u>	<u>\$ 1,811</u>
<b>Probation and Parole</b>							
General Fund . . . . .	\$ 8,182	\$ 8,865	\$ 11,231	\$ 12,484	\$ 13,581	\$ 14,541	\$ 15,559
<b>Public Welfare</b>							
General Fund . . . . .	\$1,241,871	\$1,499,588	\$1,627,048	\$1,778,182	\$1,894,898	\$2,028,317	\$2,172,532
Revenue Sharing Trust Fund . . . . .	4,857	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
TOTAL . . . . .	<u>\$1,246,728</u>	<u>\$1,499,588</u>	<u>\$1,627,048</u>	<u>\$1,778,182</u>	<u>\$1,894,898</u>	<u>\$2,028,317</u>	<u>\$2,172,532</u>
<b>Revenue</b>							
General Fund . . . . .	\$ 61,577	\$ 67,056	\$ 75,138	\$ 80,370	\$ 85,919	\$ 92,019	\$ 98,720
Motor License Fund . . . . .	2,286	2,788	3,276	3,669	4,109	4,603	5,155
Boating Fund . . . . .	183	228	258	285	312	340	375
State Harness Racing Fund . . . . .	107	151	165	182	200	220	242
State Horse Racing Fund . . . . .	102	134	158	174	191	210	231
State Lottery Fund . . . . .	121,375	123,136	106,055	125,487	127,280	129,252	131,421
TOTAL . . . . .	<u>\$ 185,630</u>	<u>\$ 193,493</u>	<u>\$ 185,050</u>	<u>\$ 210,167</u>	<u>\$ 218,011</u>	<u>\$ 226,644</u>	<u>\$ 236,144</u>

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

	(Dollar Amounts in Thousands)						1980-81 Estimated
	1974-75 Actual	1975-76 Available	1976-77 Budget	1977-78 Estimated	1978-79 Estimated	1979-80 Estimated	
<b>Securities Commission</b>							
General Fund . . . . .	\$ 696	\$ 736	\$ 762	\$ 810	\$ 861	\$ 915	\$ 972
<b>State</b>							
General Fund . . . . .	\$ 4,689	\$ 4,834	\$ 5,559	\$ 6,074	\$ 6,450	\$ 6,996	\$ 7,537
<b>State Employees' Retirement System</b>							
General Fund . . . . .	\$ 3,306	\$ 2,100	\$ 2,600	\$ 2,950	\$ 3,300	\$ 3,650	\$ 4,000
<b>State Police</b>							
General Fund . . . . .	\$ 25,284	\$ 27,294	\$ 32,278	\$ 34,847	\$ 36,895	\$ 39,130	\$ 41,438
Motor License Fund . . . . .	70,703	76,206	84,884	90,440	95,758	101,192	106,905
TOTAL . . . . .	\$ 95,987	\$ 103,500	\$ 117,162	\$ 125,287	\$ 132,653	\$ 140,322	\$ 148,343
<b>Tax Equalization Board</b>							
General Fund . . . . .	\$ 703	\$ 752	\$ 807	\$ 867	\$ 933	\$ 988	\$ 1,058
<b>Transportation</b>							
General Fund . . . . .	\$ 76,342	\$ 81,030	\$ 77,333	\$ 79,400	\$ 81,608	\$ 85,151	\$ 88,696
Motor License Fund . . . . .	539,538	565,587	593,808	617,845	640,023	667,906	696,168
Boating Fund . . . . .	100	82	69	68	68	68	68
State Lottery Fund . . . . .	11,230	12,510	13,100	13,700	14,300	14,900	15,600
TOTAL . . . . .	\$ 627,210	\$ 659,209	\$ 684,310	\$ 711,013	\$ 735,999	\$ 768,025	\$ 800,532
<b>Legislature</b>							
General Fund . . . . .	\$ 31,067	\$ 36,944	\$ 39,475	\$ 42,128	\$ 45,080	\$ 48,235	\$ 51,612
<b>Judiciary</b>							
General Fund . . . . .	\$ 30,933	\$ 43,902	\$ 32,923	\$ 35,130	\$ 37,257	\$ 39,488	\$ 41,765
Revenue Sharing Trust Fund . . . . .	24,000	10,000	24,000	24,000	24,000	24,000	24,000
TOTAL . . . . .	\$ 54,933	\$ 53,902	\$ 56,923	\$ 59,130	\$ 61,257	\$ 63,488	\$ 65,765
<b>Commonwealth Total</b>							
General Fund . . . . .	\$4,322,634	\$4,847,695	\$5,039,837	\$5,340,573	\$5,610,800	\$5,898,729	\$6,198,089
Motor License Fund . . . . .	718,619	768,079	847,743	894,502	931,386	973,057	1,015,185
Game Fund . . . . .	15,823	18,079	19,594	21,278	22,935	24,987	26,835
Fish Fund . . . . .	8,271	8,163	8,956	10,060	10,128	10,953	11,753
Boating Fund . . . . .	1,446	2,163	2,309	2,304	2,456	2,584	2,729
Banking Department Fund . . . . .	3,638	3,949	4,392	4,668	4,960	5,272	5,604
Milk Marketing Fund . . . . .	459	627	715	696	662	628	628
State Farm Products Show Fund . . . . .	878	783	769	825	862	886	923
State Harness Racing Fund . . . . .	9,990	6,474	6,567	6,539	6,655	6,735	6,767
State Horse Racing Fund . . . . .	18,103	18,571	18,919	19,270	19,626	19,994	20,374
State Lottery Fund . . . . .	132,607	135,649	119,166	139,198	141,591	144,163	147,032
Revenue Sharing Trust Fund . . . . .	117,721	136,793	119,880	125,870	128,840	134,695	140,740
GRAND TOTAL . . . . .	<u>\$5,350,189</u>	<u>\$5,947,025</u>	<u>\$6,188,847</u>	<u>\$6,565,783</u>	<u>\$6,880,901</u>	<u>\$7,222,683</u>	<u>\$7,576,659</u>

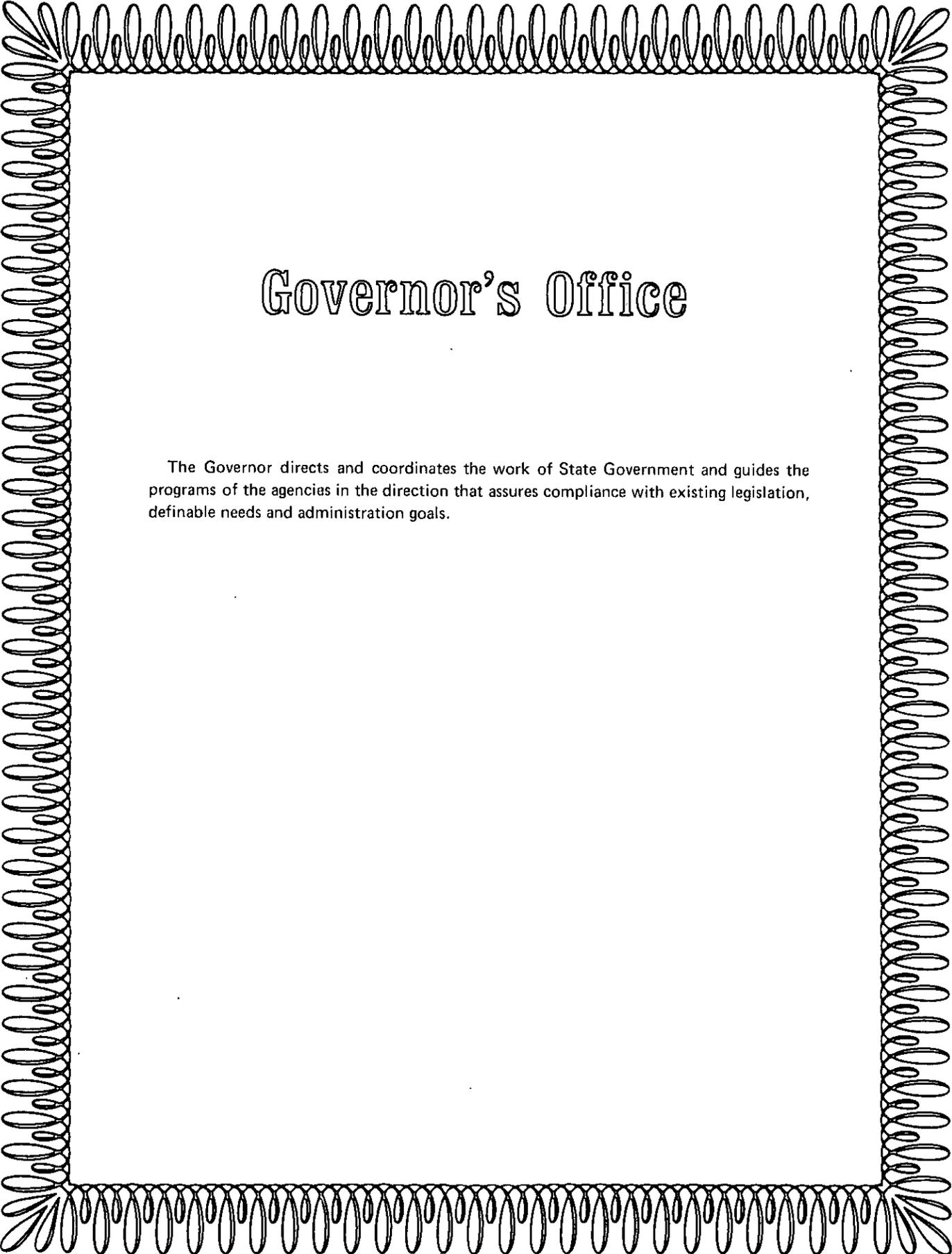


**PHYSICIAN\*MEDICAL TEACHER**

*The youngest of the Pennsylvania Signers, he was the most famous physician in America and founder of the Pennsylvania Hospital of Philadelphia.*

**BENJAMIN RUSH** Dec. 24, 1745 - April 19, 1813

# DEPARTMENT PRESENTATIONS



# Governor's Office

The Governor directs and coordinates the work of State Government and guides the programs of the agencies in the direction that assures compliance with existing legislation, definable needs and administration goals.

**GOVERNOR'S OFFICE**

**Summary by Fund and Appropriation**

	1974-75	(Dollar Amounts in Thousands) 1975-76	1976-77
	Actual	Available	Budget
<b>General Fund</b>			
<b>General Government</b>			
Governor's Office .....	\$1,777	\$1,887	\$2,165
Bicentennial Year—National Governors' Conference .....	.....	250	.....
<b>Total State Funds—General Fund .....</b>	<u>\$1,777</u>	<u>\$2,137</u>	<u>\$2,165</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Governor's Office</b>			
State Funds .....	\$1,777	\$1,887	\$2,165

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

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Governor's Office .....	<u>\$1,777</u>	<u>\$1,887</u>	<u>\$2,165</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Bicentennial Year—National Governors' Conference</b>			
State Funds .....	.....	\$ 250	.....

As part of the Bicentennial celebration, Pennsylvania will host the 1976 National Governors' Conference. This provides for the support services incumbent upon the host state.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds:</b>			
<b>Appropriation:</b>			
Bicentennial Year—National Governors' Conference . . .	.....	<u>\$ 250</u>	.....

**GOVERNOR'S OFFICE**

**Summary of Agency Program by Category and Subcategory**

**General Fund and Special Funds**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . . .</b>	<b>\$1,777</b>	<b>\$2,137</b>	<b>\$2,165</b>	<b>\$2,382</b>	<b>\$2,620</b>	<b>\$2,882</b>	<b>\$3,170</b>
Executive Direction . . . . .	1,777	\$2,137	\$2,165	\$2,382	\$2,620	\$2,882	\$3,170

**Executive Direction**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Commonwealth can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-1981
General Fund .....	<u>\$1,777</u>	<u>\$2,137</u>	<u>\$2,165</u>	<u>\$2,382</u>	<u>\$2,620</u>	<u>\$2,882</u>	<u>\$3,170</u>

**Program Analysis:**

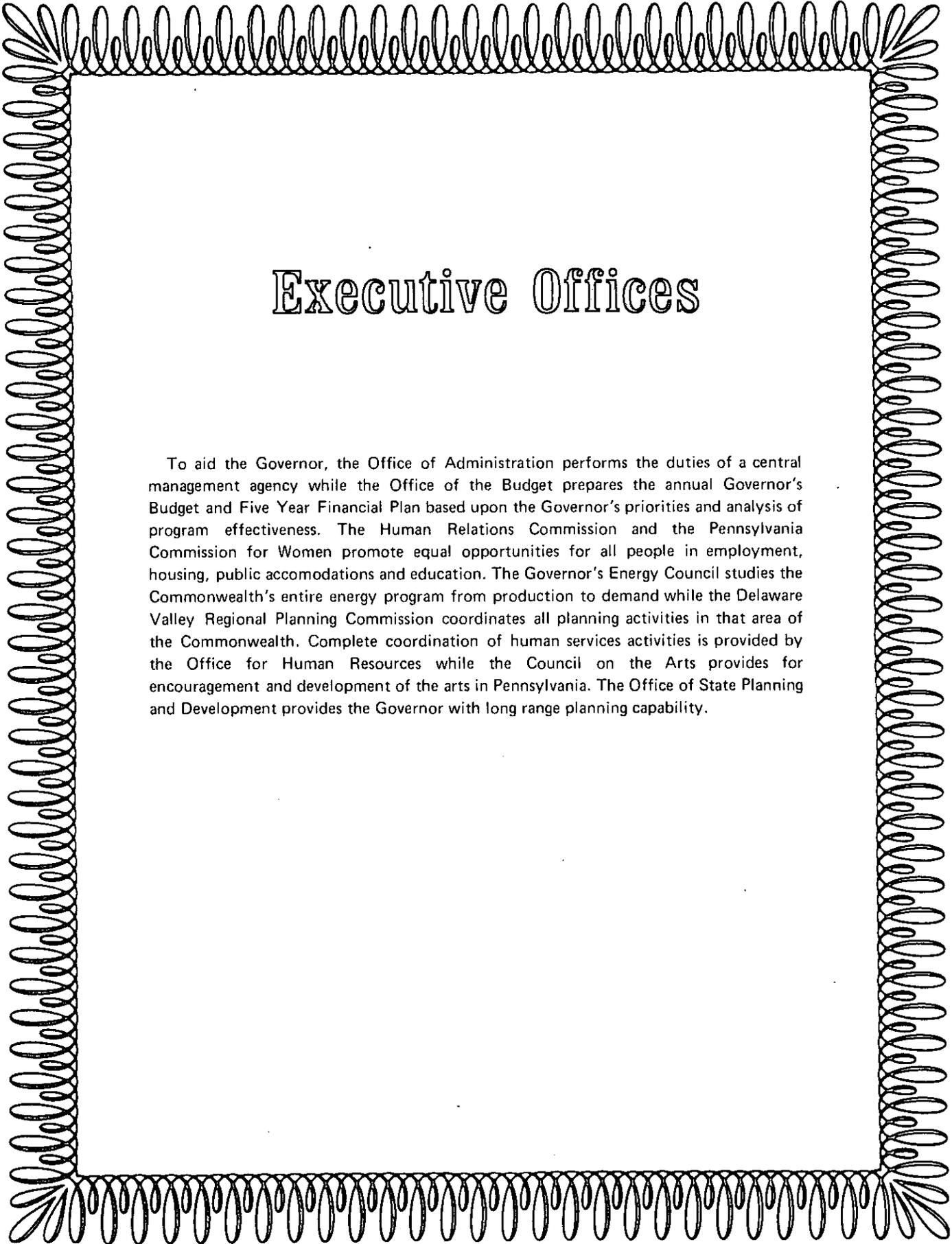
This program provides for the Office of the Governor in whom the executive power of the Commonwealth is vested. The Governor approves or disapproves all legislative bills and also appoints all department or agency heads except those elected by the people.

Other activities include providing for expenses in regard to the Governor's official duties and functions, maintaining the Office of the Governor's representative in Washington, D.C.

which provides liaison between the Commonwealth and members of Congress and Federal officials in matters affecting the interests of the Commonwealth. This subcategory also includes the Commonwealth's pro rata share of support to the National Governors' Conference, Interstate Oil Compact Commission and the Advisory Commission on Intergovernmental Relations.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-1981
<b>GENERAL FUND</b>							
Governor's Office .....	\$1,777	\$1,887	\$2,165	\$2,382	\$2,620	\$2,882	\$3,170
Bicentennial Year—National Governors' Conference .....	.....	250	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL</b> .....	<u>\$1,777</u>	<u>\$2,137</u>	<u>\$2,165</u>	<u>\$2,382</u>	<u>\$2,620</u>	<u>\$2,882</u>	<u>\$3,170</u>



## Executive Offices

To aid the Governor, the Office of Administration performs the duties of a central management agency while the Office of the Budget prepares the annual Governor's Budget and Five Year Financial Plan based upon the Governor's priorities and analysis of program effectiveness. The Human Relations Commission and the Pennsylvania Commission for Women promote equal opportunities for all people in employment, housing, public accommodations and education. The Governor's Energy Council studies the Commonwealth's entire energy program from production to demand while the Delaware Valley Regional Planning Commission coordinates all planning activities in that area of the Commonwealth. Complete coordination of human services activities is provided by the Office for Human Resources while the Council on the Arts provides for encouragement and development of the arts in Pennsylvania. The Office of State Planning and Development provides the Governor with long range planning capability.

## EXECUTIVE OFFICES

### Summary by Fund and Appropriations

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
Office for Human Resources .....	\$ 146	\$ 145	\$ 166
Office of Administration .....	3,344	3,562	3,821
Office of State Planning and Development .....	1,045	1,098	1,254
Office of the Budget .....	1,283	1,365	1,470
Bicentennial Year—National Budget Conference .....	.....	25	.....
Human Relations Commission .....	2,893	3,545	3,900
Council on the Arts .....	1,488	1,729	1,889
Pennsylvania Commission for Women .....	97	125	180
Governor's Energy Council .....	100	280	404
Delaware Valley Regional Planning Commission .....	.....	75	75
<b>Total State Funds—General Fund .....</b>	<b><u>\$10,396</u></b>	<b><u>\$11,949</u></b>	<b><u>\$13,159</u></b>
Federal Funds .....	\$ 4,416	\$ 6,265	\$ 4,849
Other Funds .....	6,566	8,530	9,220
<b>GENERAL FUND TOTAL .....</b>	<b><u>\$21,378</u></b>	<b><u>\$26,744</u></b>	<b><u>\$27,228</u></b>
<b>Revenue Sharing Trust Fund</b>			
<b>General Government</b>			
Office of the Budget .....	\$ 1	\$ 10	.....
<b>Department Total — All Funds</b>			
General Fund .....	\$10,396	\$11,949	\$13,159
Special Funds .....	1	10	.....
Federal Funds .....	4,416	6,265	4,849
Other Funds .....	6,566	8,530	9,220
<b>TOTAL ALL FUNDS .....</b>	<b><u>\$21,379</u></b>	<b><u>\$26,754</u></b>	<b><u>\$27,228</u></b>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Office for Human Resources</b>			
State Funds . . . . .	\$ 146	\$ 145	\$ 166
Federal Funds . . . . .	2,112	2,180	2,687
<b>TOTAL . . . . .</b>	<u>\$ 2,258</u>	<u>\$ 2,325</u>	<u>\$ 2,853</u>

Provides for overall coordination of human services within the Commonwealth and submits to the Governor recommendations for making current programs more effective.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Office for Human Resources . . . . .	\$ 146	\$ 145	\$ 166
<b>Federal Funds:</b>			
Public Assistance — Social Services . . . . .	229	457	433
Appalachian Child Development . . . . .	65	92	91
Health Services — Research and Development . . . . .	103	7	. . . .
Special Programs for Aging . . . . .	18	6	. . . .
Medicare Health Service Agency Certification . . . . .	. . . .	145	208
Developmental Disabilities Basic Support . . . . .	1,675	1,441	1,925
Office of Economic Opportunity Support For Service Integration . . . . .	22	. . . .	. . . .
Department of Health, Education and Welfare Grants for Service Integration . . . . .	. . . .	32	30
<b>TOTAL . . . . .</b>	<u>\$ 2,258</u>	<u>\$ 2,325</u>	<u>\$ 2,853</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Office of Administration</b>			
State Funds . . . . .	\$ 3,344	\$ 3,562	\$ 3,821
Federal Funds . . . . .	780	1,963	643
Other Funds . . . . .	6,551	8,500	9,200
<b>TOTAL . . . . .</b>	<u>\$10,675</u>	<u>\$14,025</u>	<u>\$13,664</u>

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

**GENERAL FUND**

**EXECUTIVE OFFICES**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Office of Administration . . . . .	\$ 3,344	\$ 3,562	\$ 3,821
<b>Federal Funds:</b>			
Intergovernmental Personnel Grants . . . . .	444	365	200
Emergency Employment Act . . . . .	171	250	. . . .
Comprehensive Employment and Training Programs . . . . .	165	1,205	300
Law Enforcement Assistance Agency — Telecommunications Grant . . . . .	. . . .	143	143
<b>Other Funds:</b>			
Reimbursement—Classification and Pay . . . . .	275	300	400
Reimbursement—C.M.I.C. . . . .	4,333	6,240	6,500
Reimbursement—B.M.S. . . . .	1,127	1,300	1,600
Reimbursement—H.E.M.I.C. . . . .	779	660	700
Reimbursement—Financial Management . . . . .	28	. . . .	. . . .
Reimbursement—Labor Relations . . . . .	9	. . . .	. . . .
<b>TOTAL</b> . . . . .	<u>\$10,675</u>	<u>\$14,025</u>	<u>\$13,664</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Office of State Planning and Development</b>			
State Funds . . . . .	\$ 1,045	\$ 1,098	\$ 1,254
Federal Funds . . . . .	701	651	420
<b>TOTAL</b> . . . . .	<u>\$ 1,746</u>	<u>\$ 1,749</u>	<u>\$ 1,674</u>

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

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Office of State Planning and Development . . . . .	\$ 1,045	\$ 1,098	\$ 1,254
<b>Federal Funds:</b>			
Comprehensive Planning Assistance . . . . .	258	324	200
Economic Development — Planning Assistance . . . . .	33	215	130
Outdoor Recreation — Acquisition, Development and Planning . . . . .	242	50	50
Appalachian State Research, Technical Assistance, and Demonstration Project . . . . .	168	62	40
<b>TOTAL</b> . . . . .	<u>\$ 1,746</u>	<u>\$ 1,749</u>	<u>\$ 1,674</u>

**GENERAL FUND**

**EXECUTIVE OFFICES**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Office of the Budget</b>			
State Funds .....	\$ 1,283	\$ 1,365	\$ 1,470
Federal Funds .....	12	.....	.....
<b>TOTAL .....</b>	<b>\$ 1,295</b>	<b>\$ 1,365</b>	<b>\$ 1,470</b>

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

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Office of the Budget .....	\$ 1,283	\$ 1,365	\$ 1,470
<b>Federal Funds:</b>			
Law Enforcement Assistance Agency — Recidivism Project .....	12	.....	.....
<b>TOTAL .....</b>	<b>\$ 1,295</b>	<b>\$ 1,365</b>	<b>\$ 1,470</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Bicentennial Year—National Budget Conference</b>			
State Funds .....	.....	\$ 25	.....

As part of the Bicentennial celebration the National Association of State Budget Officers is having its national meeting in Pennsylvania. This program enables the Commonwealth to provide the necessary support services incumbent upon the host state.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Bicentennial Year—National Budget Conference .....	.....	<u>\$ 25</u>	.....

**GENERAL FUND**

**EXECUTIVE OFFICES**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Human Relations Commission</b>			
State Funds . . . . .	\$ 2,893	\$ 3,545	\$ 3,900
Federal Funds . . . . .	326	275	300
<b>TOTAL . . . . .</b>	<u>\$ 3,219</u>	<u>\$ 3,820</u>	<u>\$ 4,200</u>

Administers the Pennsylvania Human Relations Act and the Fair Educational Opportunities Act, both of which prohibit discrimination because of race, color, religious creed, national origin, age or sex.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Human Relations Commission . . . . .	\$ 2,893	\$ 3,545	\$ 3,900
<b>Federal Funds:</b>			
Equal Employment Opportunity Commission			
Deferral Project . . . . .	323	275	300
Emergency Employment Act . . . . .	3	. . . .	. . . .
<b>TOTAL . . . . .</b>	<u>\$ 3,219</u>	<u>\$ 3,820</u>	<u>\$ 4,200</u>

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Council on the Arts</b>			
State Funds . . . . .	\$ 1,488	\$ 1,729	\$ 1,889
Federal Funds . . . . .	371	441	339
Other Funds . . . . .	15	30	20
<b>TOTAL . . . . .</b>	<u>\$ 1,874</u>	<u>\$ 2,200</u>	<u>\$ 2,248</u>

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

**GENERAL FUND**

**EXECUTIVE OFFICES**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Council on the Arts .....	\$ 1,488	\$ 1,729	\$ 1,889
<b>Federal Funds:</b>			
Promotion of the Arts—Federal —			
State Partnership .....	234	205	245
Promotion of the Arts — Education .....	65	66	78
Promotion of the Arts — Special Projects .....	64	20	16
Promotion of the Arts — Dance .....	8	.....	.....
Comprehensive Employment and Training Programs .....	.....	150	.....
<b>Other Funds:</b>			
Contributions—Local School Districts .....	11	20	20
Contributions—Department of Education .....	4	.....	.....
Contributions—Department of Commerce .....	.....	10	.....
<b>TOTAL</b> .....	<u>\$ 1,874</u>	<u>\$ 2,200</u>	<u>\$ 2,248</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Pennsylvania Commission for Women</b>			
State Funds .....	\$ 97	\$ 125	\$ 180
Federal Funds .....	.....	117	.....
<b>TOTAL</b> .....	<u>\$ 97</u>	<u>\$ 242</u>	<u>\$ 180</u>

Provides women with information in regard to their legal rights as well as handling inquiries and helping to eliminate discriminatory practices at all levels of our society.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Pennsylvania Commission for Women .....	\$ 97	\$ 125	\$ 180
<b>Federal Funds:</b>			
Comprehensive Employment and Training Programs .....	.....	117	.....
<b>TOTAL</b> .....	<u>\$ 97</u>	<u>\$ 242</u>	<u>\$ 180</u>

**GENERAL FUND**

**EXECUTIVE OFFICES**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Governor's Energy Council</b>			
State Funds .....	\$ 100	\$ 280	\$ 404
Federal Funds .....	114	638	460
<b>TOTAL</b> .....	<u>\$ 214</u>	<u>\$ 918</u>	<u>\$ 864</u>

Provides for coordinated analysis of the Commonwealth's energy needs and priorities to insure that the demands for energy are met in order of their importance and also to guarantee the economic stability and environmental sanctity of the Commonwealth.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Governor's Energy Council .....	\$ 100	\$ 280	\$ 404
<b>Federal Funds:</b>			
Energy Administration – Cooperative Agreement .....	114	638	460
<b>TOTAL</b> .....	<u>\$ 214</u>	<u>\$ 918</u>	<u>\$ 864</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Delaware Valley Regional Planning Commission</b>			
State Funds .....	.....	\$ 75	\$ 75

Provides for a continuing, comprehensive and coordinated Regional Planning Program including transportation planning.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Delaware Valley Regional Planning Commission .....	.....	<u>\$ 75</u>	<u>\$ 75</u>

REVENUE SHARING TRUST FUND

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Office of the Budget</b>			
State Funds . . . . .	\$ 1	\$ 10	. . . . .

Provided for the cost of publishing reports for the United States Treasury Department as required by the Federal State and Local Fiscal Assistance Act of 1972.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Office of the Budget . . . . .	<u>\$ 1</u>	<u>\$ 10</u>	. . . . .

## EXECUTIVE OFFICES

### Summary of Agency Program by Category and Subcategory

#### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . .</b>	\$ 5,919	\$ 6,560	\$ 7,190	\$ 7,898	\$ 8,681	\$ 9,539	\$10,486
Executive Direction . . . . .	5,919	6,560	7,190	7,898	8,681	9,539	10,486
<b>Reduction of Discriminatory Practices . .</b>	\$ 2,990	\$ 3,670	\$ 4,080	\$ 4,490	\$ 4,939	\$ 5,432	\$ 5,976
Prevention and Elimination of Discriminatory Practices . . . . .	2,990	3,670	4,080	4,490	4,939	5,432	5,976
<b>Cultural Enrichment . . . . .</b>	\$ 1,488	\$ 1,729	\$ 1,889	\$ 2,078	\$ 2,286	\$ 2,514	\$ 2,766
Development of Artists and Audiences . . . . .	1,488	1,729	1,889	2,078	2,286	2,514	2,766
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$10,397</u>	<u>\$11,959</u>	<u>\$13,159</u>	<u>\$14,466</u>	<u>\$15,906</u>	<u>\$17,485</u>	<u>\$19,228</u>

## Executive Direction

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Commonwealth can be achieved.

## Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$ 5,918	\$ 6,550	\$ 7,190	\$ 7,898	\$ 8,681	\$ 9,539	\$10,486
Special Funds .....	1	10	.....	.....	.....	.....	.....
Federal Funds .....	3,719	5,432	4,210	4,195	4,305	4,506	4,779
Other Funds .....	6,551	8,500	9,200	9,150	9,600	10,050	10,550
TOTAL .....	<u>\$16,189</u>	<u>\$20,492</u>	<u>\$20,600</u>	<u>\$21,243</u>	<u>\$22,586</u>	<u>\$24,095</u>	<u>\$25,815</u>

## Program Analysis:

This program provides those administrative and overhead systems which are necessary for the achievement of substantive Commonwealth programs. Some of the functions provided are computer programming and systems analysis, personnel management including a comprehensive classification and training program, centralized accounting and preparation of financial reports, developing and managing programs in the area of automatic data processing,

coordination of human resource services, regional and long-range planning, preparation of the Commonwealth's annual budget and five year financial plan and the performing of program audits to measure the effectiveness of a program in meeting its objectives.

A primary concern of the Commonwealth is to minimize these administrative costs in relation to the costs of the substantive programs.

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Office for Human Resources .....	\$ 146	\$ 145	\$ 166	\$ 183	\$ 201	\$ 221	\$ 243
Office of Administration .....	3,344	3,562	3,821	4,203	4,623	5,085	5,594
Office of State Planning and Development .....	1,045	1,098	1,254	1,379	1,517	1,668	1,834
Office of the Budget .....	1,283	1,365	1,470	1,614	1,776	1,953	2,149
Bicentennial Year—National Budget Conference .....	.....	25	.....	.....	.....	.....	.....
Governor's Energy Council .....	100	280	404	444	489	537	591
Delaware Valley Regional Planning Commission .....	.....	75	75	75	75	75	75
GENERAL FUND TOTAL .....	<u>\$ 5,918</u>	<u>\$ 6,550</u>	<u>\$7,190</u>	<u>\$7,898</u>	<u>\$8,681</u>	<u>\$9,539</u>	<u>\$10,486</u>
<b>REVENUE SHARING TRUST FUND</b>							
Office of the Budget .....	<u>\$ 1</u>	<u>\$ 10</u>	.....	.....	.....	.....	.....

## Prevention and Elimination of Discriminatory Practices

OBJECTIVE: To insure equal opportunities and participation for all individuals regardless of race, color, religious creed, ancestry, age or sex in all areas of employment, housing, public accommodations and education.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						1980-81
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	
General Fund .....	\$2,990	\$3,670	\$4,080	\$4,490	\$4,939	\$5,432	\$5,976
Federal Funds .....	326	392	300	300	300	300	300
<b>TOTAL</b> .....	<u>\$3,316</u>	<u>\$4,062</u>	<u>\$4,380</u>	<u>\$4,790</u>	<u>\$5,239</u>	<u>\$5,732</u>	<u>\$6,276</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Pattern complaints:</b>							
Backlog .....	300	331	402	502	634	802	1,010
New cases .....	253	296	325	357	393	433	476
Cases closed .....	222	225	225	225	225	225	225
<b>Individual complaints:</b>							
Backlog .....	1,565	2,376	3,031	4,002	5,217	6,704	8,490
New cases .....	1,824	2,157	2,473	2,720	2,992	3,291	3,620
Cases closed .....	1,013	1,502	1,502	1,505	1,505	1,505	1,505
Informal complaints and inquires .....	1,569	2,040	2,652	3,182	3,819	4,583	5,499

### Program Analysis:

The functional responsibility of this program as administered by the Human Relations Commission is the identification, prevention and elimination of discriminatory practices within the various segments of our society. Some of the main areas of operation to accomplish this are investigating complaints of unlawful discrimination which are filed by individuals, organizations or the Commonwealth itself; holding hearings on the complaints and, where applicable, issuing cease and desist orders or securing court orders to insure compliance with the laws of the Commonwealth; publishing official guidelines and providing technical assistance to organizations or industry in an effort to obtain voluntary compliance with equal rights legislation and to help identify and eliminate unconsciously perpetuated discrimination.

A prime factor causing an increase in the Human Relations Commission's case load is economic in nature. With no segment of the employment spectrum immune from worker layoffs, the policy of last hired-first fired, which has long been a nonnegotiable point with unions, is creating serious problems. Many of the most recently hired workers, and thus

many of those that have been among the first fired, are those that have only recently begun to reap the benefits of years of struggle against job discrimination. Situations have, therefore, arisen where women and minorities may represent only a small percentage of a company's employees, but represent a majority of those laid off. Workers thus affected are filing complaints against their employers alleging violation of equal employment laws by implementing a system of layoffs based on seniority. However, if companies were to disregard seniority in formulating procedure for layoffs, unions would file complaints based on the relatively new phenomenon of reverse discrimination. This is essentially the practice of using a discriminatory procedure in order to insure compliance with an equal rights agreement. As this is not only an extremely complex but also relatively new facet in the area of discrimination, there are only a few legal precedents to provide a basis for an out of court settlement. Therefore, it is felt that this program will become involved in an increasing number of complex court cases in this area that will utilize a large percentage of the manpower supporting this program.

## Prevention and Elimination of Discriminatory Practices (continued)

## Program Analysis: (continued)

The other main area of increased work for the Commission is discrimination in the housing sector. This generally takes the form of restricted lending policies by financial institutions with respect to mortgages or of restricted marketing practices by real estate brokers. In response to discriminatory marketing practices by real estate brokers, the Commission has entered into a precedent setting memorandum of understanding with the Pennsylvania Association of Realtors. As a direct result of the agreement, which provides for self monitoring by the brokers themselves, there has been a steady decline in discriminatory charges being filed against brokers. The Commission has almost finalized a similar agreement with lending institutions and feels the result of such an agreement will be much the same as it was with brokers.

Also, additional emphasis will be given to the processing of pattern and practice cases. This type of case involves systematic discrimination against a whole class of people and therefore, unlike an individual complaint, when resolved will provide relief, or at least a basis for relief to considerable more than just an individual. Increased emphasis in this area is not without its drawbacks, however, since it means that individual complaints will receive lower priority. This accounts for the fact that, as the measures illustrate, the backlog of individual complaints is increasing at a much faster rate than the backlog for pattern cases. By stressing pattern cases, though, the Commonwealth is assuring that relief is being provided to the greatest number of persons.

Also contributing to this program is the Pennsylvania Commission for Women which acts as an advocate for the 6.6 million women in Pennsylvania.

During the 1976-77 fiscal year continued emphasis will be given to implementing the Equal Rights Amendment to the Pennsylvania Constitution. Simply stated, the amendment, which was ratified by the electorate in May of 1971, provides for equal rights under the law irrespective of an individual's sex. To date, the implementation efforts have focused on analyzing all statutes that might be discriminatory.

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

Another facet of the Commission's work is a statewide training program on rape prevention and treatment of the rape victim. The program consists of community based seminars dealing with the medical, legal, and psychological problems connected with rape. This type of program is especially valuable to those communities not serviced by a rape crisis center, and to date only 15 of Pennsylvania's 67 counties have access to rape crisis centers.

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

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Human Relations Commission . . . . .	\$2,893	\$3,545	\$3,900	\$4,290	\$4,719	\$5,190	\$5,710
Pennsylvania Commission for Women . . . . .	97	125	180	200	220	242	266
<b>GENERAL FUND TOTAL . . . . .</b>	<b><u>\$2,990</u></b>	<b><u>\$3,670</u></b>	<b><u>\$4,080</u></b>	<b><u>\$4,490</u></b>	<b><u>\$4,939</u></b>	<b><u>\$5,432</u></b>	<b><u>\$5,976</u></b>

## Development of Artists and Audiences

OBJECTIVE: To increase public exposure to quality artistic and cultural programs and to stimulate a climate that offers opportunities and encouragement to artists in every art form.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$1,488	\$1,729	\$1,889	\$2,078	\$2,286	\$2,514	\$2,766
Federal Funds . . . . .	371	441	339	342	383	443	515
Other Funds . . . . .	15	30	20	20	20	20	20
<b>TOTAL . . . . .</b>	<b><u>\$1,874</u></b>	<b><u>\$2,200</u></b>	<b><u>\$2,248</u></b>	<b><u>\$2,440</u></b>	<b><u>\$2,689</u></b>	<b><u>\$2,977</u></b>	<b><u>\$3,301</u></b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Attendance at supported events (in thousands) . . . . .	8,804	22,000	29,150	32,065	35,272	38,799	42,678
Dollar value of Federal and local support (in thousands) . . . . .	\$7,322	\$8,500	\$11,262	\$12,388	\$13,627	\$14,990	\$16,488
Applications for grants . . . . .	423	569	742	816	898	988	1,086
Awards made . . . . .	312	350	477	524	577	635	698

### Program Analysis:

In response to the constantly increasing demand from the public for more and better arts programs, cultural groups have instituted some significant changes. Orchestras, for example, have lengthened their seasons and developed new concert formats while museums have expanded their hours and undertaken community involvement programs. Such innovations, however, have placed a large financial strain on cultural groups.

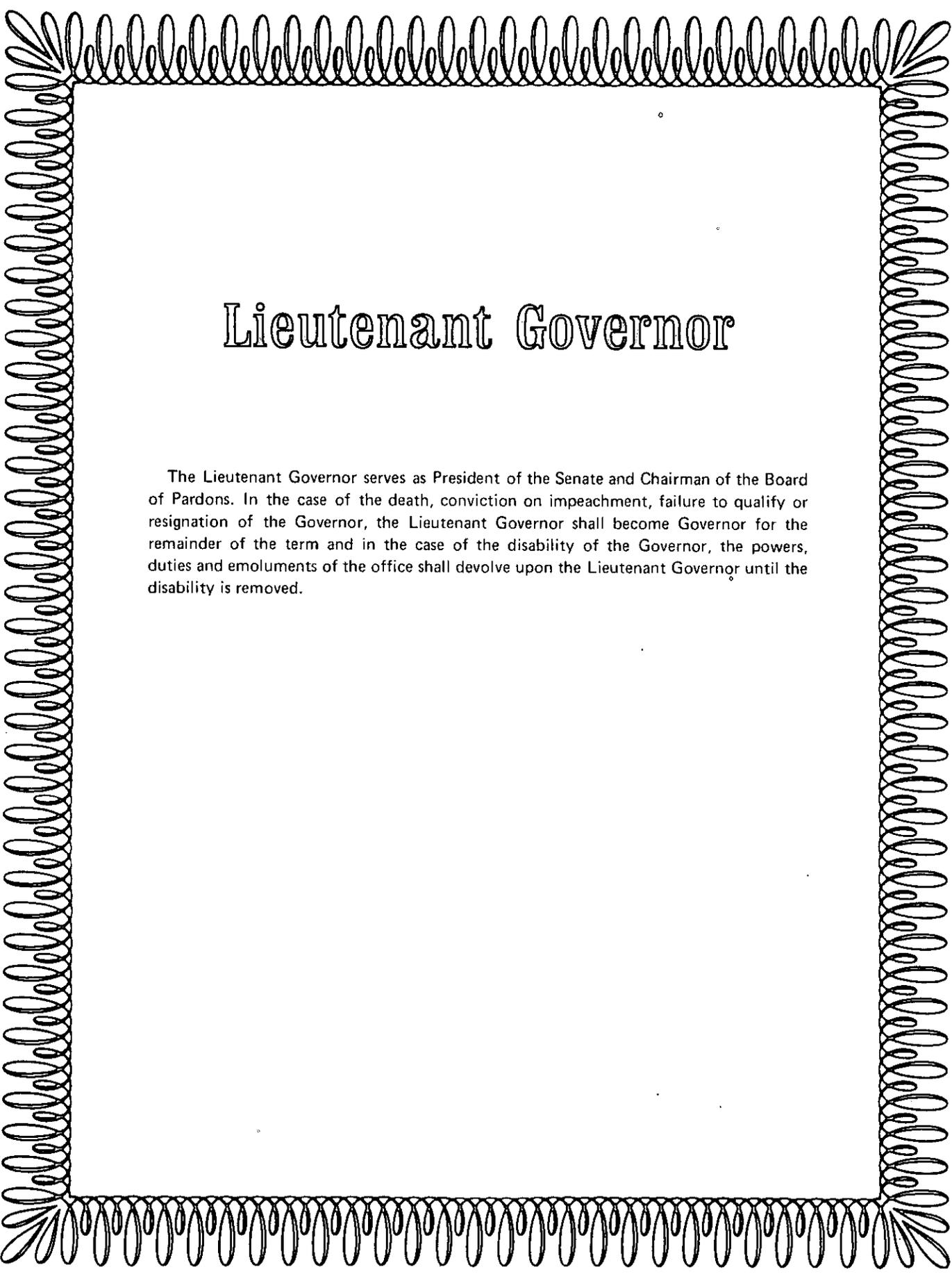
Cultural groups are facing an ever increasing gap between income and operating costs. This is due to their long standing policy of charging only nominal admission charges, in order that the broadest segment of the population may avail themselves of the services offered, and the impact of our

inflationary economy. This program is concerned with helping to minimize the gap by not only providing cultural groups with grants, but also with technical assistance in securing direct aid from both Federal and local sources.

A further activity of this program is the administration of the joint Federal-State programs which provide statewide services. An example of this would be the "Artists in the Schools Program" which enables any elementary or secondary school, either public or nonpublic, to engage poets, dance ensembles, craftsmen, artists or writers to work with children in helping to develop a deeper understanding and appreciation of the arts.

### Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Council on the Arts . . . . .	<u>\$1,488</u>	<u>\$1,729</u>	<u>\$1,889</u>	<u>\$2,078</u>	<u>\$2,286</u>	<u>\$2,514</u>	<u>\$2,766</u>



# Lieutenant Governor

The Lieutenant Governor serves as President of the Senate and Chairman of the Board of Pardons. In the case of the death, conviction on impeachment, failure to qualify or resignation of the Governor, the Lieutenant Governor shall become Governor for the remainder of the term and in the case of the disability of the Governor, the powers, duties and emoluments of the office shall devolve upon the Lieutenant Governor until the disability is removed.

**OFFICE OF THE LIEUTENANT GOVERNOR**

**Summary by Fund and Appropriation**

	1974-75	(Dollar Amounts in Thousands)	1976-77
	Actual	1975-76 Available	Budget
<b>General Fund</b>			
<b>General Government</b>			
Lieutenant Governor's Office . . . . .	\$209	\$238	\$250
Portrait of Lieutenant Governor . . . . .	. . . . .	1	. . . . .
	<u>          </u>	<u>          </u>	<u>          </u>
GENERAL FUND TOTAL . . . . .	<u>\$209</u>	<u>\$239</u>	<u>\$250</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Lieutenant Governor's Office</b>			
State Funds . . . . .	\$209	\$238	\$250

Provides for the staff and expenses of the Lieutenant Governor in the execution of his duties and expenses of the residence at Edward Martin Military Reservation.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Lieutenant Governor's Office . . . . .	<u>\$209</u>	<u>\$238</u>	<u>\$250</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Portrait of Lieutenant Governor</b>			
State Funds . . . . .	. . . .	\$ 1	. . . .

Provides for a portrait of the Lieutenant Governor.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Portrait of Lieutenant Governor . . . . .	. . . .	<u>\$ 1</u>	. . . .

**LIEUTENANT GOVERNOR**

**Summary of Agency Program by Category and Subcategory**

**General Fund and Special Funds**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . .</b>	\$209	\$239	\$250	\$269	\$291	\$315	\$339
Executive Direction . . . . .	209	239	250	269	291	315	339
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$209</u>	<u>\$239</u>	<u>\$250</u>	<u>\$269</u>	<u>\$291</u>	<u>\$315</u>	<u>\$339</u>

**Executive Direction**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$209</u>	<u>\$239</u>	<u>\$250</u>	<u>\$269</u>	<u>\$291</u>	<u>\$315</u>	<u>\$339</u>

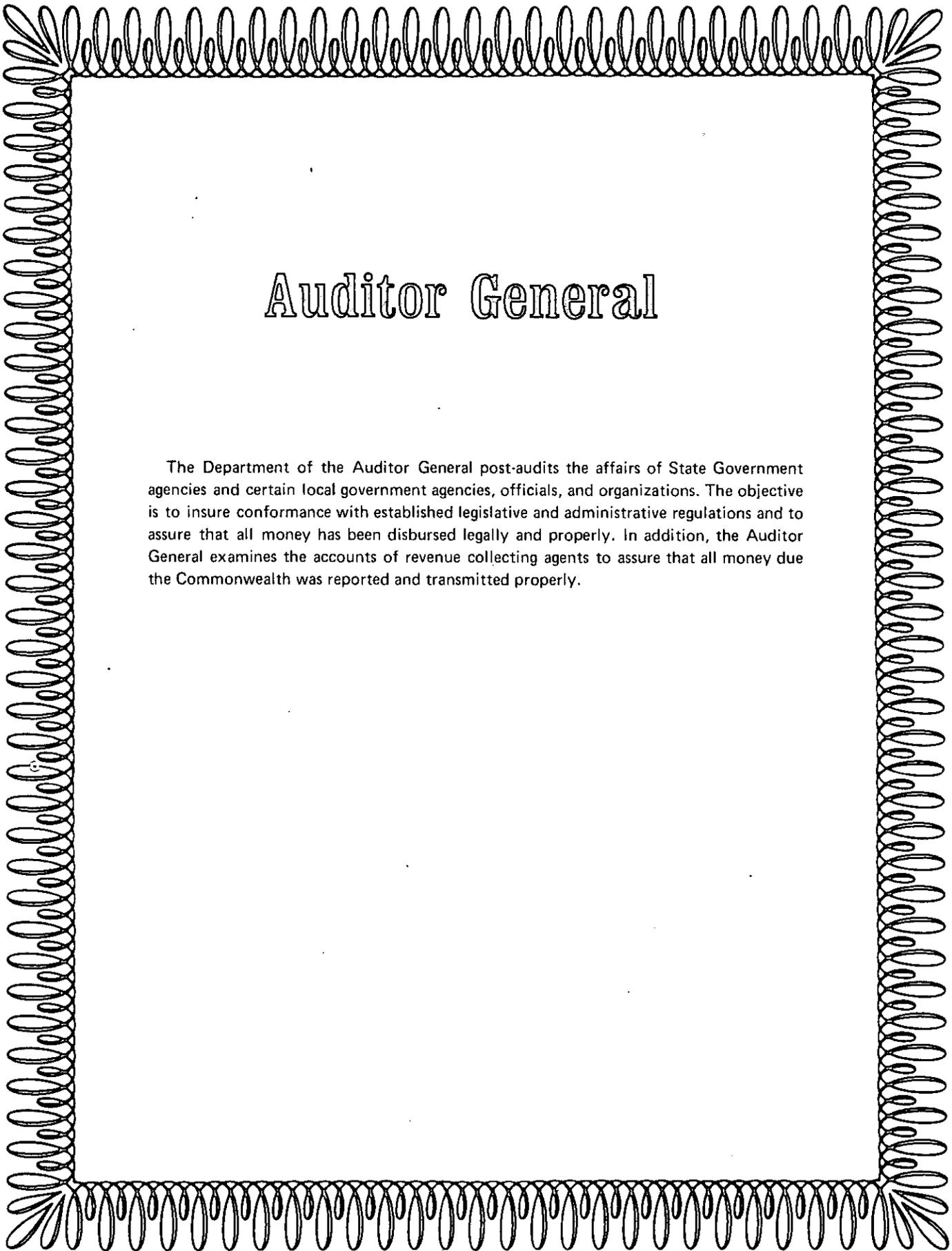
**Program Analysis:**

The Lieutenant Governor provides direction and carries out all executive and administrative functions required of the office. Included in these functions are duties prescribed by the Constitution, such as presiding over the Senate, serving as chairman of the Board of Pardons, and assumption of the Office of the Governor for the remainder of the Governor's term if necessary as a result of death, conviction on

impeachment, failure to qualify or resignation of the Governor. In addition to these functions prescribed by law, he also serves the Governor in many other important areas and is Chairman of the Affirmative Action Council, the State Council of Civil Defense, the Governor's Energy Council, and the Bicentennial Commission.

**Program Costs by Appropriation**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Lieutenant Governor's Office . . . . .	\$209	\$238	\$250	\$269	\$291	\$315	\$339
Portrait of Lieutenant Governor . . . . .	. . . .	1	. . . .	. . . .	. . . .	. . . .	. . . .
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$209</u>	<u>\$239</u>	<u>\$250</u>	<u>\$269</u>	<u>\$291</u>	<u>\$315</u>	<u>\$339</u>



# Auditor General

The Department of the Auditor General post-audits the affairs of State Government agencies and certain local government agencies, officials, and organizations. The objective is to insure conformance with established legislative and administrative regulations and to assure that all money has been disbursed legally and properly. In addition, the Auditor General examines the accounts of revenue collecting agents to assure that all money due the Commonwealth was reported and transmitted properly.

**DEPARTMENT OF THE AUDITOR GENERAL**

**Summary by Fund and Appropriation**

	1974-75	(Dollar Amounts in Thousands)	1976-77
	Actual	1975-76 Available	Budget
<b>General Fund</b>			
<b>General Government</b>			
Auditor General's Office . . . . .	\$ 8,533	\$ 8,722	\$ 9,971
Public Assistance Audits . . . . .	2,299	2,327	2,465
Board of Arbitration of Claims . . . . .	153	220	230
Sub-Total . . . . .	<u>\$10,985</u>	<u>\$11,269</u>	<u>\$12,666</u>
<b>Grants and Subsidies</b>			
National Guard Pension . . . . .	\$ 20	\$ 20	. . . .
<b>Total State Funds—General Fund . . . . .</b>	<u>\$11,005</u>	<u>\$11,289</u>	<u>\$12,666</u>
Other Funds . . . . .	\$ 1,092	\$ 2,603	\$ 2,578
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$12,097</u>	<u>\$13,892</u>	<u>\$15,244</u>

General Government

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Auditor General's Office</b>			
State Funds .....	\$ 8,533	\$ 8,722	\$ 9,971
Other Funds .....	1,092	2,603	2,578
<b>TOTAL .....</b>	<b>\$ 9,625</b>	<b>\$11,325</b>	<b>\$12,549</b>

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

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Auditor General's Office .....	\$ 8,533	\$ 8,722	\$ 9,971
<b>Other Funds:</b>			
Reimbursement for Auditing Services .....	1,092	2,603	2,578
<b>TOTAL .....</b>	<b>\$ 9,625</b>	<b>\$11,325</b>	<b>\$12,549</b>

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Public Assistance Audits</b>			
State Funds .....	\$ 2,299	\$ 2,327	\$ 2,465

Audits public assistance payments to confirm eligibility of recipients.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Public Assistance Audits .....	\$ 2,299	\$ 2,327	\$ 2,465

**GENERAL FUND**

**AUDITOR GENERAL**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Board of Arbitration of Claims</b>			
State Funds .....	\$ 153	\$ 220	\$ 230

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

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Board of Arbitration of Claims .....	<u>\$ 153</u>	<u>\$ 220</u>	<u>\$ 230</u>

**Grants and Subsidies**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>National Guard Pension</b>			
State Funds .....	\$ 20	\$ 20	.....

Provides pension payments to the family of any soldier of the National Guard of Pennsylvania who died of injuries or was killed in the line of duty while in active service under orders of the Governor. In August 1975 this program was transferred by Act 92, to the Department of Military Affairs.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
National Guard Pension .....	<u>\$ 20</u>	<u>\$ 20</u>	.....

## Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
Insurance Premium—Police Retirement . . . . .	\$19,544	\$20,440	\$22,900
Flood Control Payments—Federal . . . . .	98	88	90
National Forest Allotment—Federal . . . . .	339	225	225
Pennsylvania State University—Federal Aid . . . . .	280	280	280
TOTAL . . . . .	<u>\$20,261</u>	<u>\$21,033</u>	<u>\$23,495</u>

## AUDITOR GENERAL

### Summary of Agency Program by Category and Subcategory

#### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Fiscal Management</b> . . . . .	\$ 8,686	\$ 8,942	\$10,201	\$11,007	\$11,887	\$12,837	\$13,864
Auditing . . . . .	8,686	8,942	10,201	11,007	11,887	12,837	13,864
<b>Economic Development of the Disadvantaged and Handicapped</b> . . . . .	\$ 2,319	\$ 2,347	\$ 2,465	\$ 2,662	\$ 2,875	\$ 3,105	\$ 3,353
Income Maintenance . . . . .	2,319	2,347	2,465	2,662	2,875	3,105	3,353
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$11,005</u>	<u>\$11,289</u>	<u>\$12,666</u>	<u>\$13,669</u>	<u>\$14,762</u>	<u>\$15,942</u>	<u>\$17,217</u>

**Auditing**

**OBJECTIVE:** To insure that all revenue to which the Commonwealth is entitled is deposited in the State Treasury and that public money is disbursed legally and properly.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 8,686	\$ 8,942	\$10,201	\$11,007	\$11,887	\$12,837	\$13,864
Other Funds . . . . .	1,092	2,603	2,578	2,784	3,007	3,248	3,508
<b>TOTAL . . . . .</b>	<b>\$ 9,778</b>	<b>\$11,545</b>	<b>\$12,779</b>	<b>\$13,791</b>	<b>\$14,894</b>	<b>\$16,085</b>	<b>\$17,372</b>

**Program Analysis:**

The Auditor General is required by the Fiscal Code to make all audits necessary in connection with the financial affairs of State Government. Each year, the Department makes thousands of regular and special post audits of Commonwealth agencies, persons, associations, corporations and public agencies receiving State funds to assure that this public money is disbursed legally and properly. Also, the Auditor General examines the accounts of revenue collecting agents to assure that all money due the Commonwealth, totaling several billions of dollars, was reported and transmitted properly.

In addition to the Auditor General's fiscal duties, there are other responsibilities imposed by law such as serving as a member of General State Authority, the State Public School Building Authority and other major Commonwealth boards and commissions.

The Board of Arbitration of Claims operates within this program exercising its function as an independent judicial and administrative body with jurisdiction to hear and determine claims that equal or exceed \$300 against the Commonwealth.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 8,533	\$ 8,722	\$ 9,971	\$10,769	\$11,630	\$12,560	\$13,565
Board of Arbitration of Claims . . . . .	153	220	230	238	257	277	299
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$ 8,686</b>	<b>\$ 8,942</b>	<b>\$10,201</b>	<b>\$11,007</b>	<b>\$11,887</b>	<b>\$12,837</b>	<b>\$13,864</b>

**Income Maintenance**

OBJECTIVE: To provide an economic base for individuals who, because of social, mental, physical or other disability, are unable to sustain a minimally acceptable level of existence.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$2,319</u>	<u>\$2,347</u>	<u>\$2,465</u>	<u>\$2,662</u>	<u>\$2,875</u>	<u>\$3,105</u>	<u>\$3,353</u>

**Program Analysis:**

The Auditor General is required by the Fiscal Code to conduct audits of public assistance payments to determine the eligibility of persons receiving public assistance grants. Recipients of public assistance are subject to continuous audit. These audits serve to adjust grants to persons either not eligible, receiving overpayments or underpayments.

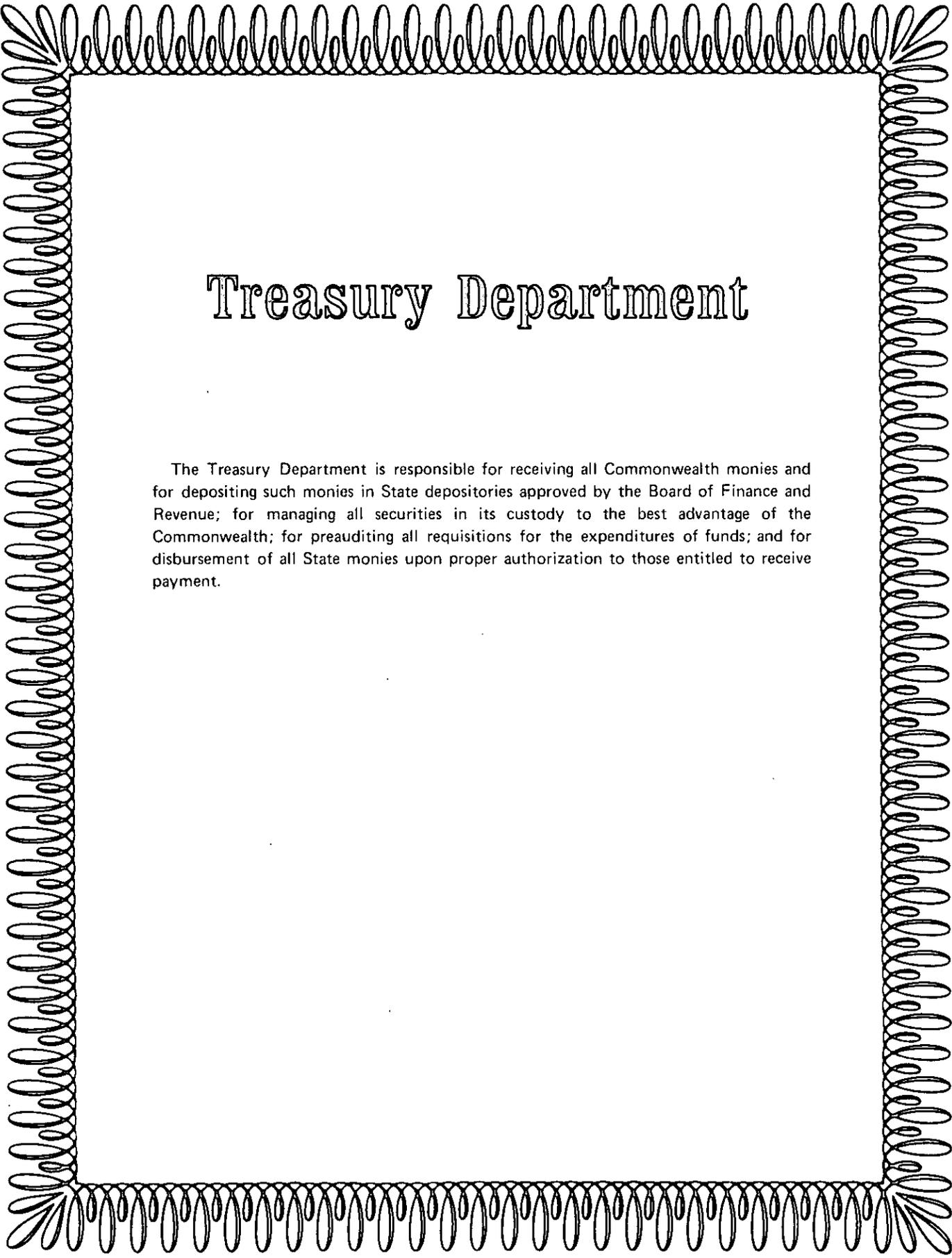
The latest audit report issued, covering the 1973-74 fiscal year, shows that the Auditor General reviewed 51,365 cases. The cases audited covered 20.8 percent of the statewide caseload and, of those, 6.8 percent were found to be totally or

partially ineligible. Thus, the rate of ineligibility has declined steadily from a rate of 9.5 percent in 1971-72 and 8.7 percent in 1972-73.

Also under this program, payments were made to either the widow, minor children or dependent parent of any soldier of the National Guard or Naval Force of Pennsylvania, who died as a result of injuries received or was killed in the line of duty while in active service under orders of the Governor. In August 1975 this program was transferred by Act 92 to the Department of Military Affairs.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Public Assistance Audits . . . . .	\$2,299	\$2,327	\$2,465	\$2,662	\$2,875	\$3,105	\$3,353
National Guard Pension . . . . .	20	20	. . . .	. . . .	. . . .	. . . .	. . . .
<b>GENERAL FUND TOTAL . . . .</b>	<u>\$2,319</u>	<u>\$2,347</u>	<u>\$2,465</u>	<u>\$2,662</u>	<u>\$2,875</u>	<u>\$3,105</u>	<u>\$3,353</u>



# Treasury Department

The Treasury Department is responsible for receiving all Commonwealth monies and for depositing such monies in State depositories approved by the Board of Finance and Revenue; for managing all securities in its custody to the best advantage of the Commonwealth; for preauditing all requisitions for the expenditures of funds; and for disbursement of all State monies upon proper authorization to those entitled to receive payment.

**TREASURY DEPARTMENT**  
**Summary by Fund and Appropriation**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
State Treasurer's Office . . . . .	\$ 3,449	\$ 3,809	\$ 4,377
Public Assistance Disbursements . . . . .	1,866	2,259	2,415
Board of Finance and Revenue . . . . .	295	320	517
Commission on Interstate Cooperation . . . . .	30	30	30
Council on State Government . . . . .	73	128	74
Great Lakes Commission . . . . .	15	15	16
Replacement Checks . . . . .	30	70	70
	<u>          </u>	<u>          </u>	<u>          </u>
Sub-Total . . . . .	\$ 5,758	\$ 6,631	\$ 7,499
<b>Debt Service Requirements</b>			
Interest Obligations—Penn State University . . . . .	\$ 15	\$ 15	\$ 15
Publishing Monthly Statements . . . . .	15	17	17
Loan and Transfer Agent . . . . .	60	70	80
Tax Note Expenses . . . . .	80	80	100
Interest-Tax Notes . . . . .	. . . . .	14,442	14,667
<b>Sinking Funds:</b>			
Public Buildings . . . . .	2,070	2,041	1,619
Project 70 . . . . .	6,389	4,986	5,586
Land and Water Development . . . . .	18,379	10,847	23,943
Capital Debt . . . . .	69,608	65,296	87,776
Vietnam Veterans' Compensation . . . . .	4,841	4,662	4,261
Disaster Relief . . . . .	8,538	4,343	9,006
Nursing Home Loan . . . . .	. . . . .	2,125	1,718
Volunteer Fire and Rescue Loan . . . . .	. . . . .	. . . . .	340
	<u>          </u>	<u>          </u>	<u>          </u>
Sub-Total . . . . .	\$109,995	\$108,924	\$149,128
<b>Grants and Subsidies</b>			
Capitol Fire Protection . . . . .	\$ 100	\$ 100	\$ 100
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total State Funds</b> . . . . .	<u>\$115,853</u>	<u>\$115,655</u>	<u>\$156,727</u>
Other Funds . . . . .	\$ 287	\$ 328	\$ 389
	<u>          </u>	<u>          </u>	<u>          </u>
<b>GENERAL FUND TOTAL</b> . . . . .	<u>\$116,140</u>	<u>\$115,983</u>	<u>\$157,116</u>
<b>Motor License Fund</b>			
<b>General Government</b>			
Replacement Checks . . . . .	\$ 35	\$ 50	\$ 50
Refunding Monies Collected Through			
Department of Transportation . . . . .	650	650	. . . . .
Refunding Liquid Fuel Tax—Agricultural Use . . . . .	3,861	5,000	5,500
Administration of Refunding Liquid			
Fuel Tax—Agricultural Use . . . . .	139	163	102

TREASURY DEPARTMENT

Summary by Fund and Appropriation  
(continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Motor License Fund (continued)</b>			
<b>General Government (continued)</b>			
Refunding Liquid Fuel Tax—State Share . . . . .	\$ 3,500	\$ 5,000	\$ 5,000
Refunding Emergency Liquid Fuel Tax . . . . .	1	1	1
Refunding Liquid Fuel Tax—Political Subdivision Use . . . . .	400	1,000	800
Administration of Refunding Liquid Fuel Tax—Political Subdivision Use . . . . .	54	83	55
Refunding Liquid Fuel Tax—Volunteer Fire Companies, Ambulance Services and Rescue Squads . . . . .	. . . . .	300	400
Administration of Refunding Liquid Fuels Tax— Volunteer Fire Companies, Ambulance and Rescue Squads . . . . .	. . . . .	75	45
Refunding Marine Liquid Fuel Tax—Boating Fund . . . . .	1,000	1,200	1,400
Sub-Total . . . . .	<u>\$ 9,640</u>	<u>\$ 13,522</u>	<u>\$ 13,353</u>
<b>Debt Service Requirements</b>			
Capital Debt—Transportation Projects . . . . .	\$ 90,617	\$100,854	\$142,839
Capital Debt—General State Authority Projects . . . . .	. . . . .	161	179
Loan and Transfer Agent . . . . .	59	75	100
Interest—Tax Anticipation Notes . . . . .	. . . . .	2,958	3,300
Expenses—Issuing Tax Anticipation Notes . . . . .	. . . . .	20	20
Sub-Total . . . . .	<u>\$ 90,676</u>	<u>\$104,068</u>	<u>\$146,438</u>
MOTOR LICENSE FUND TOTAL . . . . .	<u>\$100,316</u>	<u>\$117,590</u>	<u>\$159,791</u>
<b>Game Fund</b>			
<b>General Government</b>			
Replacement Checks . . . . .	\$ 1	\$ 2	\$ 2
GAME FUND TOTAL . . . . .	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 2</u>
<b>Fish Fund</b>			
<b>General Government</b>			
Replacement Checks . . . . .	\$ 1	\$ 1	\$ 1
FISH FUND TOTAL . . . . .	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
<b>Boating Fund</b>			
<b>General Government</b>			
Replacement Checks . . . . .	\$ 1	\$ 1	\$ 1
BOATING FUND TOTAL . . . . .	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
<b>Banking Department Fund</b>			
<b>General Government</b>			
Replacement Checks . . . . .	\$ 1	\$ 1	\$ 1
BANKING DEPARTMENT FUND TOTAL . . . . .	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

**TREASURY DEPARTMENT**

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

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Milk Marketing Fund</b>			
<b>General Government</b>			
Replacement Checks .....	\$ 1	\$ 1	\$ 1
Refund Milk Marketing Licenses and Fees .....	1	1	1
<b>MILK MARKETING FUND TOTAL .....</b>	<u><u>\$ 2</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ 2</u></u>
<b>State Farm Products Show Fund</b>			
<b>General Government</b>			
Replacement Checks .....	\$ 1	\$ 1	\$ 1
<b>STATE FARM PRODUCTS SHOW FUND TOTAL .....</b>	<u><u>\$ 1</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ 1</u></u>
<b>State Harness Racing Fund</b>			
<b>General Government</b>			
Replacement Checks .....	\$ 1	\$ 1	\$ 1
<b>STATE HARNESS RACING FUND TOTAL .....</b>	<u><u>\$ 1</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ 1</u></u>
<b>State Horse Racing Fund</b>			
<b>General Government</b>			
Replacement Checks .....	.....	\$ 1	\$ 1
<b>STATE HORSE RACING FUND TOTAL .....</b>	.....	<u><u>\$ 1</u></u>	<u><u>\$ 1</u></u>
<b>State Lottery Fund</b>			
<b>General Government</b>			
Replacement Checks .....	\$ 1	\$ 2	\$ 10
Refunding State Lottery Monies .....	1	1	1
<b>STATE LOTTERY FUND TOTAL .....</b>	<u><u>\$ 2</u></u>	<u><u>\$ 3</u></u>	<u><u>\$ 11</u></u>
<b>Department Total – All Funds</b>			
General Fund .....	\$115,853	\$115,655	\$156,727
Special Funds .....	100,326	117,603	159,812
Other Funds .....	287	328	389
<b>TOTAL ALL FUNDS .....</b>	<u><u>\$216,466</u></u>	<u><u>\$233,586</u></u>	<u><u>\$316,928</u></u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>State Treasurer's Office</b>			
State Funds .....	\$ 3,449	\$ 3,809	\$ 4,377
Other Funds .....	287	328	389
<b>TOTAL .....</b>	<b><u>\$ 3,736</u></b>	<b><u>\$ 4,137</u></b>	<b><u>\$ 4,766</u></b>

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

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
State Treasurer's Office .....	\$ 3,449	\$ 3,809	\$ 4,377
<b>Other Funds:</b>			
Expenses—Unemployment Compensation Disbursements .....	287	328	389
<b>TOTAL .....</b>	<b><u>\$ 3,736</u></b>	<b><u>\$ 4,137</u></b>	<b><u>\$ 4,766</u></b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Income Maintenance—Public Assistance Disbursements</b>			
State Funds .....	\$ 1,866	\$ 2,259	\$ 2,415

Audits the disbursement records and checks for public assistance payments, maintains the accounting controls for the allocation of funds, and disburses all checks to recipients of those payments.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Public Assistance Disbursements .....	<u>\$ 1,866</u>	<u>\$ 2,259</u>	<u>\$ 2,415</u>

**GENERAL FUND**

**TREASURY**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
--	-------------------	---	-------------------

**Board of Finance and Revenue**

State Funds . . . . .	\$ 295	\$ 320	\$ 517
-----------------------	--------	--------	--------

Reviews settlements made with persons, associations, or corporations by the Departments of Revenue, Auditor General, and Treasury. Hears and determines petitions for monies to which the Commonwealth is not legally entitled.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
--	-------------------	---	-------------------

**Source of Funds**

<b>Appropriation:</b>			
Board of Finance and Revenue . . . . .	<u>\$ 295</u>	<u>\$ 320</u>	<u>\$ 517</u>

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
--	-------------------	---	-------------------

**Commission on Interstate Cooperation**

State Funds . . . . .	\$ 30	\$ 30	\$ 30
-----------------------	-------	-------	-------

Assists in the promotion of interstate cooperation through a commission, composed of members from the General Assembly and the Executive Branch.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
--	-------------------	---	-------------------

**Source of Funds**

<b>Appropriation:</b>			
Commission on Interstate Cooperation . . . . .	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ 30</u>

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
--	-------------------	---	-------------------

**Council on State Government**

State Funds . . . . .	\$ 73	\$ 128	\$ 74
-----------------------	-------	--------	-------

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

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
--	-------------------	---	-------------------

**Source of Funds**

<b>Appropriation:</b>			
Council on State Government . . . . .	<u>\$ 73</u>	<u>\$ 128</u>	<u>\$ 74</u>

**GENERAL FUND**

**TREASURY**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Development, Utilization and Regulation of Water Resources</b>			
State Funds .....	\$ 15	\$ 15	\$ 16

Plans and promotes a balanced program for the development, use and conservation of the water resources of the Great Lakes Basin through a commission, composed of members from states bordering the Great Lakes.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Great Lakes Commission .....	<u>\$ 15</u>	<u>\$ 15</u>	<u>\$ 16</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Replacement Checks</b>			
State Funds .....	\$ 30	\$ 70	\$ 70

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

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Replacement Checks .....	<u>\$ 30</u>	<u>\$ 70</u>	<u>\$ 70</u>

## Debt Service Requirements

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Financing Commonwealth Obligations</b>			
State Funds . . . . .	\$109,995	\$108,924	\$149,128

Provides for interest and principal requirements of notes and bonds issued by the Commonwealth and other expenses related to debt service.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Interest Obligations—Penn State University . . . . .	\$ 15	\$ 15	\$ 15
Publishing Monthly Statements . . . . .	15	17	17
Loan and Transfer Agents . . . . .	60	70	80
Tax Note Expenses . . . . .	80	80	100
<b>Sinking Funds:</b>			
Public Buildings . . . . .	2,070	2,041	1,619
Project 70 . . . . .	6,389	4,986	5,586
Land and Water Development . . . . .	18,379	10,847	23,943
Capital Debt . . . . .	69,608	65,296	87,776
Vietnam Veterans' Compensation . . . . .	4,841	4,662	4,261
Disaster Relief . . . . .	8,538	4,343	9,006
Nursing Home Loan . . . . .	.....	2,125	1,718
Volunteer Fire and Rescue Loan . . . . .	.....	.....	340
<b>Executive Authorizations:</b>			
Interest—Tax Notes . . . . .	.....	14,442	14,667
<b>TOTAL</b> . . . . .	<u>\$109,995</u>	<u>\$108,924</u>	<u>\$149,128</u>

Grants and Subsidies

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Capitol Fire Protection</b>			
State Funds .....	\$ 100	\$ 100	\$ 100

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

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Capitol Fire Protection .....	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 100</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Board of Finance and Revenue</b>			
<b>Administration</b>			
State Funds . . . . .	\$ 9,640	\$ 13,522	\$13,353

Composed of five members, three of whom shall constitute a quorum, the Board is concerned generally with the approval and payment of claims against the Commonwealth for funds improperly or illegally paid into the State Treasury and with the payment of approved refund claims for taxes on liquid fuels used for agricultural purposes within the State, and provides for the reimbursement of marine fuels taxes as required by Act 65 of June 15, 1969.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Replacement Checks . . . . .	\$ 35	\$ 50	\$ 50
Refunding Monies Collected through			
Department of Transportation . . . . .	650	650	. . . .
Refunding Liquid Fuel Tax—Agricultural Use . . . . .	3,861	5,000	5,500
Administration of Refunding Liquid Fuel			
Tax—Agricultural Use . . . . .	139	163	102
Refunding Liquid Fuel Tax—State Share . . . . .	3,500	5,000	5,000
Refunding Emergency Liquid Fuel Tax . . . . .	1	1	1
Refunding Liquid Fuel Tax—Political			
Subdivision Use . . . . .	400	1,000	800
Administration of Refunding Liquid Fuel			
Tax—Political Subdivision Use . . . . .	54	83	55
Refunding Marine Liquid Fuel Tax—Boating			
Fund . . . . .	1,000	1,200	1,400
Refunding Liquid Fuel Tax—Volunteer			
Services . . . . .	. . . .	300	400
Administration Refunding Liquid Fuel Tax—			
Volunteer Services . . . . .	. . . .	75	45
<b>TOTAL . . . . .</b>	<u>\$ 9,640</u>	<u>\$ 13,522</u>	<u>\$13,353</u>

**Debt Service Requirements**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Financing Commonwealth Obligations</b>			
State Funds . . . . .	\$ 90,676	\$104,068	\$146,438

Provides for interest and principal payments on general obligation bonds issued for highway purposes. Also provides for interest and expenses of issuing tax anticipation notes used to preserve the cash balance in the Motor License Fund, and for the loan and transfer agents.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Capital Debt—Transportation Projects . . . . .	\$ 90,617	\$100,854	\$142,839
Capital Debt—General State Authority			
Projects . . . . .	. . . . .	161	179
Loan and Transfer Agent . . . . .	59	75	100
Interest—Tax Anticipation Notes . . . . .	. . . . .	2,958 *	3,300
Expenses—Issuing Tax Anticipation Notes . . . . .	. . . . .	20 *	20
<b>TOTAL . . . . .</b>	<b><u>\$ 90,676</u></b>	<b><u>\$104,068</u></b>	<b><u>\$146,438</u></b>

\* Appropriation Pending.

Game Fund

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Replacement Checks</b>			
State Funds .....	\$1	\$2	\$2

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

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Replacement Checks .....	<u>\$1</u>	<u>\$2</u>	<u>\$2</u>

Fish Fund

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Replacement Checks</b>			
State Funds .....	\$1	\$1	\$1

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

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Replacement Checks .....	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>

**Boating Fund**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Replacement Checks</b>			
State Funds .....	\$1	\$1	\$1

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

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Replacement Checks .....	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>

**Banking Department Fund**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Replacement Checks</b>			
State Funds .....	\$1	\$1	\$1

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

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Replacement Checks .....	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>

**Milk Marketing Fund**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Replacement and Refund Checks</b>			
State Funds .....	\$2	\$2	\$2

Provides for the issuance of checks to replace those lost or too old to cash. Also provides for refund checks when an excess or duplicate fee is incorrectly paid.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Replacement Checks .....	\$1	\$1	\$1
<b>Executive Authorization:</b>			
Refund Milk Marketing Licenses and Fees .....	1	1	1
<b>TOTAL</b> .....	<u>\$2</u>	<u>\$2</u>	<u>\$2</u>

**State Farm Products Show Fund**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Replacement Checks</b>			
State Funds .....	\$1	\$1	\$1

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

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Replacement Checks .....	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>

**State Harness Racing Fund**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Replacement Checks</b>			
State Funds .....	\$1	\$1	\$1

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

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Replacement Checks .....	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>

**State Horse Racing Fund**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Replacement Checks</b>			
State Funds .....	.....	\$1	\$1

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

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Replacement Checks .....	.....	<u>\$1</u>	<u>\$1</u>

State Lottery Fund

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Replacement and Refund Checks</b>			
State Funds .....	\$2	\$3	\$11

Provides for the issuance of checks to replace those lost or too old to cash. Also enables the Commonwealth to refund those monies to which it is not legally entitled.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Replacement Checks .....	\$1	\$2	\$10
<b>Executive Authorization:</b>			
Refunding State Lottery Monies .....	1	1	1
<b>TOTAL .....</b>	<u>\$2</u>	<u>\$3</u>	<u>\$11</u>

## TREASURY

### Summary of Agency Program by Category and Subcategory

#### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Fiscal Management</b> .....	\$ 13,424	\$ 17,734	\$ 18,338	\$ 18,745	\$ 19,186	\$ 19,662	\$ 20,176
Disbursement .....	13,424	17,734	18,338	18,745	19,186	19,662	20,176
<b>Economic Development of the Disadvantage and Handicapped</b> .....	\$ 1,866	\$ 2,259	\$ 2,415	\$ 2,608	\$ 2,817	\$ 3,042	\$ 3,285
Income Maintenance .....	1,866	2,259	2,415	2,608	2,817	3,042	3,285
<b>Financing Commonwealth Obligations</b> ...	\$200,671	\$212,992	\$295,566	\$337,335	\$362,493	\$383,857	\$403,108
Debt Service .....	200,671	212,992	295,566	337,335	362,493	383,857	403,108
<b>Improving Interstate Cooperation</b> .....	\$ 103	\$ 158	\$ 104	104	\$ 104	\$ 104	\$ 104
Interstate Relations .....	103	158	104	104	104	104	104
<b>Natural Resource Development and Management</b> .....	\$ 15	\$ 15	\$ 16	\$ 16	\$ 16	\$ 16	\$ 16
Development, Utilization and Regulation of Water Resources .....	15	15	16	16	16	16	16
<b>Physical Facilities Management</b> .....	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Provision and Operation of Facilities .....	100	100	100	100	100	100	100
<b>DEPARTMENT TOTAL</b> .....	<u>\$216,179</u>	<u>\$233,258</u>	<u>\$316,539</u>	<u>\$358,908</u>	<u>\$384,716</u>	<u>\$406,781</u>	<u>\$426,789</u>

**Disbursement**

OBJECTIVE: To receive and safeguard the monies of the Commonwealth; to manage the funds to the best advantage of the Commonwealth; and to assure that all disbursements of funds are legal and proper.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 3,774	\$ 4,199	\$ 4,964	\$ 5,355	\$ 5,778	\$ 6,234	\$ 6,727
Special Funds . . . . .	9,650	13,535	13,374	13,390	13,408	13,428	13,449
Other Funds . . . . .	287	328	389	420	454	490	529
<b>TOTAL . . . . .</b>	<b><u>\$13,711</u></b>	<b><u>\$18,062</u></b>	<b><u>\$18,727</u></b>	<b><u>\$19,165</u></b>	<b><u>\$19,640</u></b>	<b><u>\$20,152</u></b>	<b><u>\$20,705</u></b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Checks issued . . . . .	10,050,000	10,750,000	11,000,000	N/A	N/A	N/A	N/A
Interest earned on investments:							
General Fund . . . . .	\$45,593,000	\$34,211,000	\$30,154,000	N/A	N/A	N/A	N/A
Motor Fund . . . . .	\$3,964,000	\$3,719,000	\$3,500,000	N/A	N/A	N/A	N/A

**Program Analysis:**

The Treasury Department is required by statute to receive and deposit all monies of the Commonwealth; to invest in short-term securities any Commonwealth monies which accumulate beyond the daily needs of the various funds; to manage to the best possible advantage all securities in its custody; to preaudit all requisitions for the expenditure of funds; and to disburse all State monies upon proper authorization to those entitled to receive payment. In this connection the State Treasury is responsible for the receipt, custody and disbursement of several billions of dollars each year. The amounts shown above for interest earned on investments indicate larger than normal earnings for the year 1974-75 with a decline to a more normal level in 1975-76.

This is due to the large surplus which was used to provide tax relief and will not be available for investment in 1975-76.

In addition, the State Treasurer is Chairman of the Board of Finance and Revenue and serves as a member of the General State Authority, various public retirement boards, the State Highway and Bridge Authority and several other important boards and commissions.

The Board of Finance and Revenue operates within this program by reviewing and deciding appeals concerning settlements made between the Commonwealth and persons, associations and corporations. The Board also administers the program for refunding any monies to which the Commonwealth is not legally entitled.

Disbursement (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 3,449	\$ 3,809	\$ 4,377	\$ 4,727	\$ 5,105	\$ 5,513	\$ 5,954
Board of Finance and Revenue . . . . .	295	320	517	558	603	651	703
Replacement Checks . . . . .	30	70	70	70	70	70	70
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$ 3,774</u>	<u>\$ 4,199</u>	<u>\$ 4,964</u>	<u>\$ 5,355</u>	<u>\$ 5,778</u>	<u>\$ 6,234</u>	<u>\$ 6,727</u>
<b>MOTOR LICENSE FUND</b>							
Replacement Checks . . . . .	\$ 35	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Refunding Monies Collected Through Department of Transportation . . . . .	650	650	.....	.....	.....	.....	.....
Refunding Liquid Fuels Tax-Agricultural Use . . . . .	3,861	5,000	5,500	5,500	5,500	5,500	5,500
Administration of Refunding Liquid Fuels Tax-Agricultural Use . . . . .	139	163	102	110	119	130	140
Refunding Liquid Fuels Tax-State Share . . . . .	3,500	5,000	5,000	5,000	5,000	5,000	5,000
Refunding Emergency Liquid Fuels Tax . . . . .	1	1	1	1	1	1	1
Refunding Liquid Fuel Tax-Political Subdivisions . . . . .	400	1,000	800	800	800	800	800
Administration of Refunding Liquid Fuel Tax-Political Subdivision Use . . . . .	54	83	55	59	64	69	75
Refunding Liquid Fuel Tax-Volunteer Services . . . . .	.....	300	400	400	400	400	400
Administration Refunding Fuel Tax-Volunteer Services . . . . .	.....	75	45	49	53	57	62
Refunding Marine Liquid Fuel Tax-Boating Fund . . . . .	1,000	1,200	1,400	1,400	1,400	1,400	1,400
<b>MOTOR LICENSE FUND TOTAL . . . . .</b>	<u>\$ 9,640</u>	<u>\$13,522</u>	<u>\$13,353</u>	<u>\$13,369</u>	<u>\$13,387</u>	<u>\$13,407</u>	<u>\$13,428</u>
<b>GAME FUND</b>							
Replacement Checks . . . . .	\$ 1	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2
<b>FISH FUND</b>							
Replacement Checks . . . . .	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
<b>BOATING FUND</b>							
Replacement Checks . . . . .	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
<b>BANKING DEPARTMENT FUND</b>							
Replacement Checks . . . . .	\$ 1	\$ 1	\$ 1	1	\$ 1	\$ 1	\$ 1

Disbursement (continued)

Program Costs by Appropriation: (continued)

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>MILK MARKETING FUND</b>							
Replacement Checks . . . . .	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Refunding Milk Marketing Licenses and Fees . . . . .	1	1	1	1	1	1	1
<b>MILK MARKETING FUND TOTAL . . . . .</b>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>
<b>STATE FARM PRODUCTS SHOW FUND</b>							
Replacement Checks . . . . .	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
<b>STATE HARNESS RACING FUND</b>							
Replacement Checks . . . . .	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
<b>STATE HORSE RACING FUND</b>							
Replacement Checks . . . . .	.....	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
<b>STATE LOTTERY FUND</b>							
Replacement Checks . . . . .	\$ 1	\$ 2	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10
Refunding State Lottery Monies . . . . .	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
<b>STATE LOTTERY FUND TOTAL . . . . .</b>	<u>\$ 2</u>	<u>\$ 3</u>	<u>\$ 11</u>	$ 11	$ 11	$ 11	$ 11

**Income Maintenance**

OBJECTIVE: To provide an economic base for individuals who, because of social, mental, physical or other disability, are unable to sustain a minimally acceptable level of existence.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$1,866</u>	<u>\$2,259</u>	<u>\$2,415</u>	<u>\$2,608</u>	<u>\$2,817</u>	<u>\$3,042</u>	<u>\$3,285</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Persons receiving cash grants . . . . .	728,000	772,800	780,060	807,400	831,600	852,400	869,500

**Program Analysis:**

The Treasury Department audits the disbursement records, maintains accounting controls, and disburses all checks to recipients of Public Assistance. Approximately 22,000 Public Assistance checks are processed each working day for distribution to the recipients. This processing includes preauditing, collating, authenticating and mailing the checks to individual recipients and banks.

The Direct Delivery system, distributes checks through participating banks. There are presently 261 banks which distribute approximately 12,000 checks daily. The system is in

effect in Philadelphia, Pittsburgh, Harrisburg, Chester, Norristown, Bristol, Bethlehem, Erie, Scranton, Lancaster, Allentown, Marcus Hook, Reading, and York. This program has reduced substantially the number of lost, stolen and forged checks. Information from the Department of Public Welfare for the year 1974-75 shows a fifty percent reduction of double payments in Philadelphia, Allegheny, Dauphin and Delaware counties and a reduction of ten percent in the remaining counties covered by the Direct Delivery system.

**Program Costs by Appropriations:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Public Assistance Disbursements . . . . .	<u>\$1,866</u>	<u>\$2,259</u>	<u>\$2,415</u>	<u>\$2,608</u>	<u>\$2,817</u>	<u>\$3,042</u>	<u>\$3,285</u>

**Debt Service**

OBJECTIVE: To provide for interest and principal requirements of notes and bonds issued by the Commonwealth and other expenses related to debt service.

**Recommended Program Costs:**

(Dollar Amounts in Thousands)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$109,995	\$108,924	\$149,128	\$174,121	\$190,267	\$203,811	\$215,502
Special Funds . . . . .	90,676	104,068	146,438	163,214	172,226	180,046	187,606
<b>TOTAL . . . . .</b>	<b>\$200,671</b>	<b>\$212,992</b>	<b>\$295,566</b>	<b>\$337,335</b>	<b>\$362,493</b>	<b>\$383,857</b>	<b>\$403,108</b>

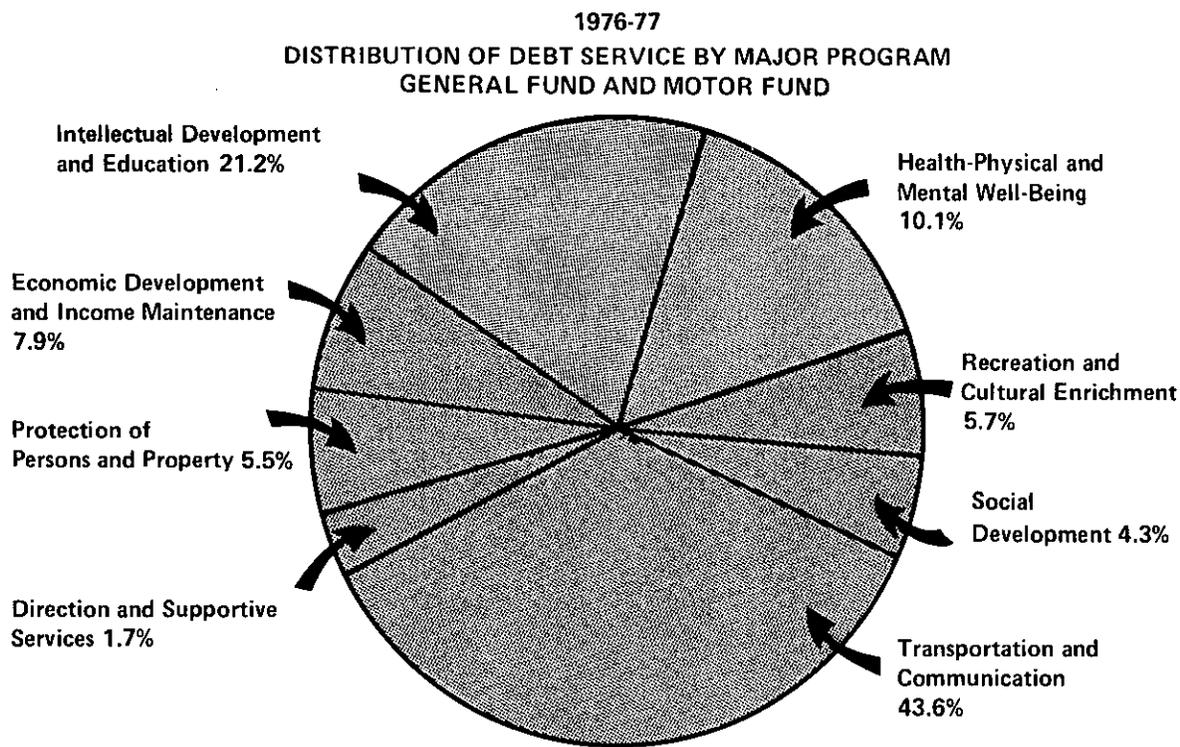
**Program Analysis:**

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

Long-term bonds are issued by the State to cover the cost of financing public improvements which are needed at an early date but represent such a heavy financial burden that they cannot be funded through current revenues. These bond issues have provided funds over the years for projects such as the acquisition and development of public recreation and historic

sites and facilities; the payment of compensation to veterans of the Vietnam Conflict; relief for victims of disasters; and a wide variety of construction and renovation projects including hospitals, higher education facilities, State parks, flood control, correctional institutions, and various public buildings. Debt service also provides funds to bring nursing homes up to the standards of the State Life Safety Code.

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



Debt Service (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Interest Obligations—Penn State							
University . . . . .	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
Publishing Monthly Statements . . . . .	15	17	17	17	20	20	20
Loan and Transfer Agents . . . . .	60	70	80	80	80	85	85
Tax Note Expenses . . . . .	80	80	100	100	100	100	100
Interest-Tax Notes . . . . .		14,442	14,667	14,667	14,667	14,667	14,667
Sinking Funds:							
Public Buildings . . . . .	2,070	2,041	1,619				
Project 70 . . . . .	6,389	4,986	5,586	6,080	5,972	5,864	5,754
Land and Water Development . . . . .	18,379	10,847	23,943	31,510	35,478	37,796	38,293
Capital Debt . . . . .	69,608	65,296	87,776	102,549	114,471	125,845	137,197
Vietnam Veterans' Compensation . . . . .	4,841	4,662	4,261	4,644	4,633	4,631	4,620
Disaster Relief . . . . .	8,538	4,343	9,006	10,448	10,425	10,399	10,367
Nursing Home Loan . . . . .		2,125	1,718	3,131	3,526	3,509	3,504
Volunteer Fire and Rescue Loan . . . . .			340	880	880	880	880
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$109,995</b>	<b>\$108,924</b>	<b>\$149,128</b>	<b>\$174,121</b>	<b>\$190,267</b>	<b>\$203,811</b>	<b>\$215,502</b>
<b>MOTOR LICENSE FUND</b>							
Loan and Transfer Agent . . . . .	\$ 59	\$ 75	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Interest on Tax Anticipation Notes . . . . .		2,958	3,300	3,300	3,300	3,300	3,300
Expenses-Issuing Tax Notes . . . . .		20	20	20	20	20	20
Capital Debt-Transportation							
Projects . . . . .	90,617	100,854	142,839	159,429	168,350	176,056	183,473
Capital Debt-General State							
Authority . . . . .		161	179	365	456	570	713
<b>MOTOR LICENSE FUND</b>							
<b>TOTAL . . . . .</b>	<b>\$ 90,676</b>	<b>\$104,068</b>	<b>\$146,438</b>	<b>\$163,214</b>	<b>\$172,226</b>	<b>\$180,046</b>	<b>\$187,606</b>

**Interstate Relations**

OBJECTIVE: To promote interstate cooperation and progress.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$103</u>	<u>\$158</u>	<u>\$104</u>	<u>\$104</u>	<u>\$104</u>	<u>\$104</u>	<u>\$104</u>

**Program Analysis:**

Pennsylvania helps promote interstate progress and cooperation through participation, both regionally and nationally, with other states and other units of government.

The Commission on Interstate Cooperation is composed of members from the General Assembly and the Executive

Branch, and assists in the promotion of interstate cooperation.

The Council on State Government is composed of representatives from all the states and is concerned with intrastate progress, interstate cooperation and Federal-state relations.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Commission on Interstate							
Cooperation . . . . .	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30
Council on State Governments . . . . .	73	128	74	74	74	74	74
GENERAL FUND TOTAL . . . . .	<u>\$103</u>	<u>\$158</u>	<u>\$104</u>	<u>\$104</u>	<u>\$104</u>	<u>\$104</u>	<u>\$104</u>

**Development, Utilization and Regulation of Water Resources**

OBJECTIVE: To maximize economic benefits from the utilization of water resources at the same time insuring the availability of a sufficient quantity of water to meet the current and future needs of the Commonwealth.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	<u>\$15</u>	<u>\$15</u>	<u>\$16</u>	<u>\$16</u>	<u>\$16</u>	<u>\$16</u>	<u>\$16</u>

**Program Analysis:**

Provides for Pennsylvania's share of the cost of the Great Lakes Commission. Established in 1956 to plan and promote a unified and balanced program for the development, use and

conservation of the Great Lakes Basin water resources, this Commission is composed of members from Pennsylvania and other states bordering the Great Lakes.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Great Lakes Commission .....	<u>\$15</u>	<u>\$15</u>	<u>\$16</u>	<u>\$16</u>	<u>\$16</u>	<u>\$16</u>	<u>\$16</u>

**Provision and Operation of Facilities**

OBJECTIVE: To insure that the Commonwealth's requirements for real property and facilities are met in the most efficient and economical manner possible.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Square feet of State-owned buildings in City of Harrisburg . . . . .	5,164,212	5,164,212	5,164,212	5,164,212	5,164,212	5,164,212	5,164,212

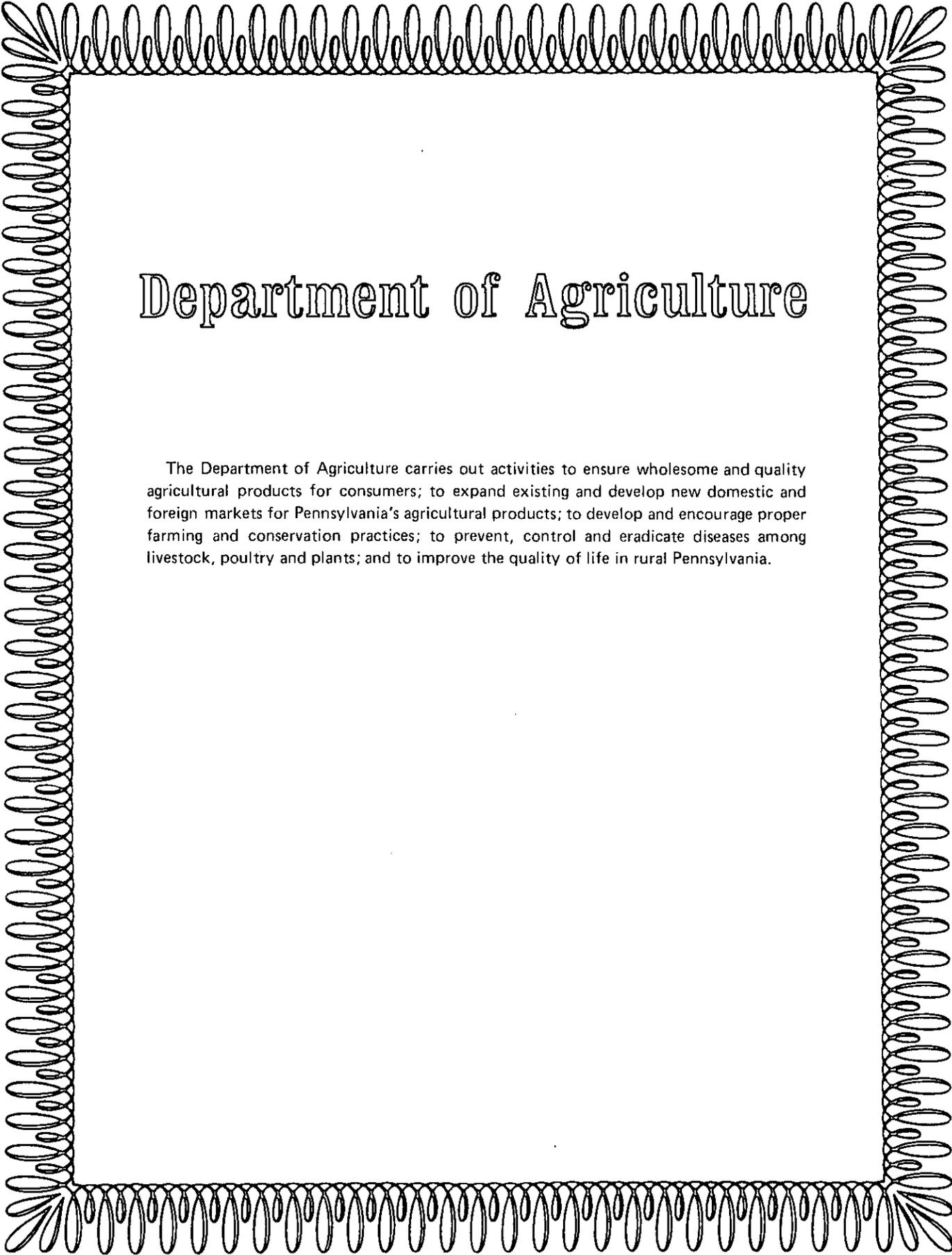
**Program Analysis:**

This program provides fire protection coverage for all Capitol buildings by making an appropriation to the City of Harrisburg for the use of personnel and emergency equipment.

This program helps assure the safe conduct of government through safeguarding the tremendous value of the buildings and contents and the safety of Commonwealth employees.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Capitol Fire Protection . . . . .	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>	<u>\$100</u>



# Department of Agriculture

The Department of Agriculture carries out activities to ensure wholesome and quality agricultural products for consumers; to expand existing and develop new domestic and foreign markets for Pennsylvania's agricultural products; to develop and encourage proper farming and conservation practices; to prevent, control and eradicate diseases among livestock, poultry and plants; and to improve the quality of life in rural Pennsylvania.

**DEPARTMENT OF AGRICULTURE**  
**Summary by Fund and Appropriations**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations .....	\$11,321	\$12,615	\$15,090
Pesticide Control .....	179	.....	.....
Sub-Total .....	<u>\$11,500</u>	<u>\$12,615</u>	<u>\$15,090</u>
<b>Grants and Subsidies</b>			
Animal Indemnities .....	\$ 200	\$ 610	\$ 570
Reimbursement for Kennel Construction .....	50	50	50
Control of Stem Rust .....	20	20	20
Transfer to State Farm Products			
Show Fund .....	300	525	700
Livestock Show .....	60	60	60
Open Dairy Show .....	60	60	60
Júnior Dairy Show .....	25	25	25
4-H Club Shows .....	.....	30	.....
Sub-Total .....	<u>\$ 715</u>	<u>\$ 1,380</u>	<u>\$ 1,485</u>
<b>Capital Improvements</b>			
Capital Improvements .....	\$ 60	.....	\$ 46
Sub-Total .....	<u>\$ 60</u>	<u>.....</u>	<u>\$ 46</u>
<b>Total State Funds</b> .....	<u>\$12,275</u>	<u>\$13,995</u>	<u>\$16,621</u>
Federal Funds .....	\$ 1,009	\$ 1,172	\$ 896
Other Funds .....	814	594	414
<b>GENERAL FUND TOTAL</b> .....	<u>\$14,098</u>	<u>\$15,761</u>	<u>\$17,931</u>
<b>State Farm Products Show Fund</b>			
<b>General Government</b>			
General Operations .....	\$ 877	\$ 782	\$ 768
<b>Total State Funds</b> .....	<u>\$ 877</u>	<u>\$ 782</u>	<u>\$ 768</u>
<b>STATE FARM PRODUCTS SHOW</b>			
<b>FUND-TOTAL</b> .....	<u>\$ 877</u>	<u>\$ 782</u>	<u>\$ 768</u>

DEPARTMENT OF AGRICULTURE

Summary by Fund and Appropriation  
(continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>State Harness Racing Fund</b>			
<b>General Government</b>			
Harness Racing Commission .....	\$ 910	\$ 1,043	\$ 1,299
Pennsylvania Fair Fund Administration .....	200	218	234
Transfer to Pennsylvania Fair Fund .....	1,678	658	633
Transfer to General Fund .....	7,094	4,403	4,235
<b>Total State Funds .....</b>	<b><u>\$ 9,882</u></b>	<b><u>\$ 6,322</u></b>	<b><u>\$ 6,401</u></b>
Other Funds .....	\$ 2	.....	.....
<b>STATE HARNESS RACING FUND-TOTAL .....</b>	<b><u>\$ 9,884</u></b>	<b><u>\$ 6,322</u></b>	<b><u>\$ 6,401</u></b>
<b>Department Total - All Funds</b>			
General Fund .....	\$12,275	\$13,995	\$16,621
Special Funds .....	10,759	7,104	7,169
Federal Funds .....	1,009	1,172	896
Other Funds .....	816	594	414
<b>TOTAL ALL FUNDS .....</b>	<b><u>\$24,859</u></b>	<b><u>\$22,865</u></b>	<b><u>\$25,100</u></b>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Government Operations</b>			
State Funds .....	\$11,500	\$12,615	\$15,090
Federal Funds .....	1,009	1,172	896
Other Funds .....	814	594	414
<b>TOTAL .....</b>	<b>\$13,323</b>	<b>\$14,381</b>	<b>\$16,400</b>

Provides the overall planning, policy guidance and coordination for agency programs and supplies administrative, legal, public information, planning and research, personnel, fiscal management and supply services to the various substantive operational programs.

Protects the consumer by insuring that certain commodities comply with quality, grade and weight standards.

Engages in the protection and improvement of plant and animal health through the evaluation and control of disease.

Attempts to strengthen the agricultural economy through activities aimed at improving farm family income and promotes the self-sufficiency of rural residents through programs which provide access to vitally needed family services.

Also, provides for regulation of the labeling, distribution, transportation, use, application and storage of pesticides.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
General Government Operations .....	\$11,321	\$12,615	\$15,090
Reciprocal Milk Inspections .....	.....	.....	.....
Pesticide Control .....	179	.....	.....
<b>Federal Funds:</b>			
Diagnostic Laboratory Services .....	29	55	55
Food and Drug Administration — Food Inspection Contract .....	333	276	.....
Wholesome Poultry Products Act .....	105	114	121
Marketing Services—Matching Grants .....	5	10	.....
Apple Pest Management Program .....	17	17	.....
Medicated Feed Mill Inspection .....	20	35	25
Comprehensive Employment and Training Act Rural Housing Project .....	71	305	.....
Rural Demonstration Project .....	.....	.....	695
Rural Services Agreement .....	316	160	.....
Rural Transportation Research and Demonstration Project .....	113	200	.....

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds (continued)</b>			
<b>Other Funds:</b>			
Pesticide Training and Registration Fees . . . . .	\$ 55	\$ 77	\$ 70
Fertilizer Inspection, Registration, Licenses and Fees . . . . .	85	82	82
Commercial Feed Facilities and Feed Inspection Fees . . . . .	134	129	133
Lime Registration and Control Fees . . . . .	21	20	20
Feed Fertilizer, Lime and Pesticide Fines and Penalties . . . . .	24	24	30
Duplicating Services . . . . .	339	175	. . . .
Composition Services . . . . .	7	8	. . . .
Data Processing Services . . . . .	5	8	8
Milk Marketing Reimbursement . . . . .	6	6	6
Comptroller Services . . . . .	53	60	60
Apple Marketing Transfer . . . . .	5	5	5
Rural Transportation . . . . .	80	. . . .	. . . .
<b>TOTAL . . . . .</b>	<u><u>\$13,323</u></u>	<u><u>\$14,381</u></u>	<u><u>\$16,400</u></u>

**Grants and Subsidies**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Animal Health</b>			
State Funds . . . . .	\$ 250	\$ 660	\$ 620

Provides indemnity payments as compensation for diseased or exposed animals which are destroyed to prevent the spread of disease. Payments are also made to the owners of poultry, game birds and livestock destroyed by dogs if restitution cannot be obtained from the identified dog owners. Also reimburses county, local and certain humane organizations for costs incurred by the expansion and construction of kennels.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Animal Indemnities . . . . .	\$ 200	\$ 610	\$ 570
Reimbursement for Kennel Construction . . . . .	50	50	50
<b>TOTAL . . . . .</b>	<u><u>\$ 250</u></u>	<u><u>\$ 660</u></u>	<u><u>\$ 620</u></u>

**GENERAL FUND**

**AGRICULTURE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Control of Stem Rust</b>			
State Funds .....	\$ 20	\$ 20	\$ 20

Participates in an effort aimed at the eradication of the stem rust disease. State funds are used to match funds of participating counties.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Control of Stem Rust .....	<u>\$ 20</u>	<u>\$ 20</u>	<u>\$ 20</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Agribusiness Development</b>			
State Funds .....	\$ 445	\$ 700	\$ 845

Supports that portion of the Farm Show activities that is not covered by State Farm Products Show Fund revenues and stimulates the improvement and development of Pennsylvania's agricultural products through competitive shows.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Transfer to State Farm Products Show Fund .....	\$ 300	\$ 525	\$ 700
Livestock Show .....	60	60	60
Open Dairy Show .....	60	60	60
Junior Dairy Show .....	25	25	25
4-H Club shows .....	.....	30	.....
<b>TOTAL</b> .....	<u>\$ 445</u>	<u>\$ 700</u>	<u>\$ 845</u>

Capital Improvements

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Animal Health</b>			
State Funds .....	\$ 60	.....	\$ 46

Provided for installation, during 1974-75, of an incinerator adjacent to the Summerdale laboratory to handle the disposition of diseased animal carcasses. In the Budget year, funds are provided to correct malfunctioning of the sewerage system at the Summerdale laboratory.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Capital Improvements .....	<u>\$ 60</u>	.....	<u>\$ 46</u>

## State Farm Products Show Fund

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Operations</b>			
State Funds .....	\$ 877	\$ 782	\$ 768

Stimulates the improvement and development of Pennsylvania's agricultural products by encouraging and staging competitive shows at the State Farm Show Complex. Provides facilities for educational, cultural, religious, sport and other activities of interest to the public.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Operations .....	\$ 877	\$ 782	\$ 768
<b>Other Funds:</b>			
Transfer from General Fund* .....	300	525	700
<b>TOTAL</b> .....	<u>\$1,177</u>	<u>\$1,307</u>	<u>\$1,468</u>

\*The transfer from the General Fund is not carried forward as other funds to the Summary by Fund and Appropriation to avoid double counting.

State Harness Racing Fund

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Harness Racing Commission</b>			
State Funds .....	\$ 910	\$ 1,043	\$ 1,299
Other Funds .....	2	.....	.....
<b>TOTAL</b> .....	<u>\$ 912</u>	<u>\$ 1,043</u>	<u>\$ 1,299</u>

Develops and implements rules, regulations and procedures to insure the public and harness horse owners of honest and safe competitive pari-mutuel harness racing. Also administers the Pennsylvania Sire Stakes activity which is financed from a restricted revenue account within the Harness Racing Funds.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
Harness Racing Commission .....	\$ 910	\$ 1,043	\$ 1,299
<b>Other Funds:</b>			
Sale of Automobiles .....	2	.....	.....
<b>TOTAL</b> .....	<u>\$ 912</u>	<u>\$ 1,043</u>	<u>\$ 1,299</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Pennsylvania Fair Fund Administration</b>			
State Funds .....	\$ 200	\$ 218	\$ 234

Provides for the expenses incurred by the Secretary and the Department of Agriculture in administering the Pennsylvania Fair Fund.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
Pennsylvania Fair Fund Administration .....	<u>\$ 200</u>	<u>\$ 218</u>	<u>\$ 234</u>

**OTHER SPECIAL FUNDS**

**AGRICULTURE**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Transfer of Other Funds</b>			
State Funds . . . . .	\$ 8,772	\$ 5,061	\$ 4,868

Beginning in 1975-76, thirteen percent of all monies derived from harness racing and not required for administrative expenses is transferred to the Pennsylvania Fair Fund for support of specific programs. In previous years, this transfer was twenty-five percent.

Beginning in 1975-76, eighty-seven percent of all monies derived from harness racing and not required for administrative expenses is transferred as miscellaneous revenue to the General Fund; these revenues do not support a specific program. In previous years this transfer was seventy-five percent.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Executive Authorizations:</b>			
Transfer to Pennsylvania Fair Fund . . . . .	\$ 1,678	\$ 658	\$ 633
Transfer to General Fund . . . . .	7,094	4,403	4,235
<b>TOTAL . . . . .</b>	<b><u>\$ 8,772</u></b>	<b><u>\$ 5,061</u></b>	<b><u>\$ 4,868</u></b>

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
Apple Marketing Program . . . . .	\$158	\$160	\$179
Red Cherry Marketing Program . . . . .	12	9	12
Weighmasters Liquid Fuels Licenses . . . . .	4	4	4
Weighmasters Solid Fuels Licenses . . . . .	4	4	4
<b>TOTAL . . . . .</b>	<u><u>\$178</u></u>	<u><u>\$177</u></u>	<u><u>\$199</u></u>

## DEPARTMENT OF AGRICULTURE

### Summary of Agency Program by Category and Subcategory

#### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support</b> . . . . .	\$ 2,301	\$ 2,689	\$ 3,226	\$ 3,487	\$ 3,768	\$ 4,072	\$ 4,401
<b>Consumer Protection</b> . . . . .	\$12,710	\$ 9,534	\$10,253	\$10,512	\$10,938	\$11,351	\$11,742
Consumable Agricultural Products . . . . .	3,028	3,430	4,086	4,413	4,766	5,147	5,559
Regulation of Horse Racing . . . . .	9,682	6,104	6,167	6,099	6,172	6,204	6,183
<b>Property Protection</b> . . . . .	\$ 5,036	\$ 5,835	\$ 6,745	\$ 7,184	\$ 7,708	\$ 8,274	\$ 8,885
Plant Health . . . . .	1,040	1,217	1,429	1,542	1,664	1,796	1,938
Animal Health . . . . .	3,996	4,618	5,316	5,642	6,044	6,478	6,947
<b>Agribusiness Development</b> . . . . .	\$ 2,099	\$ 2,308	\$ 2,566	\$ 2,791	\$ 3,037	\$ 3,307	\$ 3,601
Development of Agricultural Industries . . . . .	2,099	2,308	2,566	2,791	3,037	3,307	3,601
<b>Development of Rural Areas</b> . . . . .	\$ 888	\$ 733	\$ 1,000	\$ 1,080	\$ 1,166	\$ 1,259	\$ 1,360
Maintaining Family and Individual Self-Sufficiency . . . . .	888	733	1,000	1,080	1,166	1,259	1,360
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$23,034</u>	<u>\$21,099</u>	<u>\$23,790</u>	<u>\$25,054</u>	<u>\$26,617</u>	<u>\$28,263</u>	<u>\$29,989</u>

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$2,189	\$2,572	\$3,100	\$3,348	\$3,616	\$3,905	\$4,217
Special Funds . . . . .	112	117	126	139	152	167	184
Other Funds . . . . .	407	256	74	74	74	74	74
<b>TOTAL . . . . .</b>	<u>\$2,708</u>	<u>\$2,945</u>	<u>\$3,300</u>	<u>\$3,561</u>	<u>\$3,842</u>	<u>\$4,146</u>	<u>\$4,475</u>

**Program Analysis:**

This program provides the administrative and overhead systems which support the operations of the substantive programs of the Department. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

Funds are also provided to support the Pennsylvania Crop Reporting Service. The Service is a cooperative effort of the State and Federal governments which assembles and distributes essential facts pertaining to the agriculture of the

State. It produces an annual "Crop and Livestock Summary", periodic reports on segments of the agriculture industry, and in cooperation with the National Weather Bureau and Statistical Reporting Service a weekly weather and crop report during the growing season.

Also included in this program is funding for the Administration of the Pennsylvania Fair Fund. Expenses for these administrative costs come from the Harness Racing Fund and are shown as special funds.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	<u>\$2,189</u>	<u>\$2,572</u>	<u>\$3,100</u>	<u>\$3,348</u>	<u>\$3,616</u>	<u>\$3,905</u>	<u>\$4,217</u>
<b>STATE HARNESS RACING FUND</b>							
Fair Fund Administration . . . . .	<u>\$ 112</u>	<u>\$ 117</u>	<u>\$ 126</u>	<u>\$ 139</u>	<u>\$ 152</u>	<u>\$ 167</u>	<u>\$ 184</u>

**Consumable Agricultural Products**

OBJECTIVE: To lower the incidence of misrepresented or substandard products.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$3,028	\$3,430	\$4,086	\$4,413	\$4,766	\$5,147	\$5,559
Federal Funds . . . . .	458	390	146	146	146	146	146
Other Funds . . . . .	321	305	315	315	315	315	315
<b>TOTAL . . . . .</b>	<b>\$3,807</b>	<b>\$4,125</b>	<b>\$4,547</b>	<b>\$4,874</b>	<b>\$5,227</b>	<b>\$5,608</b>	<b>\$6,020</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Food establishments requiring inspection . . . . .	104,681	107,591	107,141	106,391	105,741	105,991	105,000
Incidence of consumer complaints . . . . .	2,010	2,320	2,475	2,590	2,655	2,720	2,800
Incidence of food products showing major discrepancies . . . . .	20,644	21,824	22,225	22,460	22,680	22,890	23,000
Dollar value of products removed from the market . . . . .	\$1,248,000	\$1,303,000	\$1,358,000	\$1,413,000	\$1,468,000	\$1,523,000	\$1,600,000
Weight and measure inspections performed . . . . .	100,200	100,500	100,500	99,500	99,500	99,500	99,500
Incidence of shortweight . . . . .	45,380	50,000	50,000	45,500	45,500	45,500	45,500

**Program Analysis:**

The objective of this program is to lower the incidence of misrepresented or substandard products thus affording the Pennsylvania consumer a quality product. The primary activities in this area deal with food inspection. Food establishments which are subject to the Department's inspection program include all licensed food stores, processing plants, warehouses, transportation facilities, bakeries, bottling plants and certain restaurants and concession stands. It is estimated that these establishments will total 107,591 in 1975-76. Included in these data, are expanded surveillance activities in the retail milk industry. Approximately 80 percent of all milk producers within the Commonwealth are selling products interstate and are, therefore, subject to compliance with Federal regulations governing the interstate shipment of these products. While this expanded responsibility accounts for a portion of the increase in food establishments requiring inspection, improved data collection has revealed that previous data was substantially underestimated. Additional activities guarantee the quality of animal feeds, fertilizers, liming materials and pesticides.

As the data indicate the incidence of consumer complaints,

which represents those received from all sources including other agencies and State institutions, is expected to increase largely due to increased consumer awareness. In 1974-75 these complaints coupled with ongoing inspection activities accounted for the discovery and removal from the market of 20,644 major product discrepancies with a dollar value of \$1,248,000. These discrepancies represent significant violation of laws, regulation or production practices observed by inspection, product analysis or label review. In instances of significant violations follow-up actions consist of warning letters, reinspection, product destruction or prosecution.

Also included in this program are activities which regulate and maintain uniform standards of legal weights and measures of Commonwealth products. It is anticipated that there will be 100,500 weight and measure inspections performed in 1975-76 accounting for 50,000 incidences of shortweight. After 1976-77, the number of inspections and incidence of shortweight is expected to decrease slightly; the decreases are attributable to decreased Bicentennial related activities.

Consumable Agricultural Products (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	<u>\$3,028</u>	<u>\$3,430</u>	<u>\$4,086</u>	<u>\$4,413</u>	<u>\$4,766</u>	<u>\$5,147</u>	<u>\$5,559</u>

**Regulation of Horse Racing**

OBJECTIVE: To prevent consumer fraud in harness racing.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	\$9,682	\$6,104	\$6,167	\$6,099	\$6,172	\$6,204	\$6,183
Other Funds . . . . .	2	.....	.....	.....	.....	.....	.....
<b>TOTAL</b> . . . . .	<u>\$9,684</u>	<u>\$6,104</u>	<u>\$6,167</u>	<u>\$6,099</u>	<u>\$6,172</u>	<u>\$6,204</u>	<u>\$6,183</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Incidence of patron complaints . . . . .	10	10	12	15	15	15	15
Incidence of noncompliance with established rules and regulations . . . . .	450	625	625	635	640	645	650
Investigations to insure compliance with established rules and regulations . . . . .	280	400	425	430	445	455	460
Participants to be licensed . . . . .	9,000	10,700	10,800	10,900	15,000	15,100	15,200
Races to be conducted . . . . .	4,000	5,000	7,500	10,000	10,000	10,000	10,000

**Program Analysis:**

The activities of this program are aimed at insuring that harness racing events are fair and unbiased. It is estimated that there will be 7,500 harness races conducted in the Commonwealth in 1976-77 with 10,800 participants to be licensed. The sharp increase in races to be conducted is due to Act 374 of 1973 which has increased racing days from 62 to 100 per association. Additionally, it is highly probable that consideration will be given to an expansion in the number of franchises.

The data indicate that the number of investigations to insure compliance with established rules and regulations will

total approximately 425 in 1976-77 with 625 anticipated incidencies of noncompliance. The establishment of a system of pre-licensing screening is expected to reduce the incidence of noncompliance proportionately to the number of racing days. Additionally, the up-grading of the enforcement controls through the expansion of the pre-race testing program will further protect the wagering public. These enforcement procedures are designed to contribute to the overall confidence factor of patrons, thus assuming a continuation of the current wagering level and concomitant revenues for the Commonwealth.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>STATE HARNESS RACING FUND</b>							
Harness Racing Commission . . . . .	\$ 910	\$1,043	\$1,299	\$1,377	\$1,460	\$1,548	\$1,641
Transfer to the General Fund . . . . .	7,094	4,403	4,235	4,108	4,099	4,051	3,952
Transfer to the Pennsylvania Fair Fund . . . . .	1,678	658	633	614	613	605	590
<b>STATE HARNESS RACING FUND TOTAL</b> . . . . .	<u>\$9,682</u>	<u>\$6,104</u>	<u>\$6,167</u>	<u>\$6,099</u>	<u>\$6,172</u>	<u>\$6,204</u>	<u>\$6,183</u>

**Plant Health**

OBJECTIVE: To reduce plant loss and damage caused by plant pests and diseases.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$1,040	\$1,217	\$1,429	\$1,542	\$1,664	\$1,796	\$1,938
Federal Funds . . . . .	17	52	.....	.....	.....	.....	.....
Other Funds . . . . .	.....	27	20	20	20	20	20
<b>TOTAL . . . . .</b>	<b>\$1,057</b>	<b>\$1,296</b>	<b>\$1,449</b>	<b>\$1,562</b>	<b>\$1,684</b>	<b>\$1,816</b>	<b>\$1,958</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Samples processed . . . . .	2,737	2,800	2,800	2,800	2,800	2,800	2,800
New plant pests detected as a percent of the processed samples . . . . .	.8%	.8%	.8%	.8%	.8%	.8%	.8%
Plant pests of economic or regulatory importance as a percent of the processed samples . . . . .	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%	7.6%
Crops surveyed for plant pests . . . . .	17	17	17	17	17	17	17
Plant pest surveys required . . . . .	61	61	61	61	61	61	61
Total farm acres and percent of these acres employing forecasting, integrated or biological pest control . . . . .	5,700 21.0%	5,700 21.0%	5,700 21.0%	5,700 21.0%	5,700 21.0%	5,700 21.0%	5,700 21.0%

**Program Analysis:**

As implied by its objective this program seeks to discover or identify new or unknown plant pests and diseases and monitors established pests and diseases in order to locate problems before destructive population and disbursement levels are reached.

It is estimated that 2,800 plant samples are routinely submitted to the Department of Agriculture's laboratories for pest identification in the course of regulatory and survey operations. This estimate of samples processed has been reduced from previous estimates which proved to be somewhat overstated. Difficulty in recruiting staff in this field as well as a lack of funds have contributed to the reduced output. Additionally, as the data indicate 61 crops have been determined by the State - Federal Crop Reporting Service to be of such significant economic importance to the Commonwealth that they merit continual surveys. Crops fall into this category once the farm value production of an individual crop exceeds \$1 million.

Also included in this program is funding for continued

implementation of the Pesticide Control Law. This law provides for the regulation of the use and storage of pesticide and the licensing of pesticide dealers in order to prevent the presence of pesticides in the food chain. In conjunction with this activity, current data indicates that 21.0 percent of all crop acreage within the Commonwealth will be employing forecasting and integrated or biological pest control. It has been demonstrated that by monitoring pest populations to determine types and levels of pests and by applying pesticides or biological controls to match the level and type of pest reduced amounts of pesticides are required to produce a saleable crop.

Another area which deserves attention is the Fruit Tree Improvement program which is designed to obtain, propagate, maintain and supply disease free propagating stock. Currently this clean stock program is limited to peaches and cherries but its success will result in its expansion to other fruit crops with the eventual possible expansion to certain greenhouse crops.

Plant Health (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 841	\$1,197	\$1,409	\$1,522	\$1,644	\$1,776	\$1,918
Pesticide Control . . . . .	179	.....	.....	.....	.....	.....	.....
Control of Stem Rust . . . . .	20	20	20	20	20	20	20
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$1,040</u>	<u>\$1,217</u>	<u>\$1,429</u>	<u>\$1,542</u>	<u>\$1,664</u>	<u>\$1,796</u>	<u>\$1,938</u>

**Animal Health**

OBJECTIVE: To improve the health and reduce the incidence of damage to and by animals.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$3,996	\$4,618	\$5,316	\$5,642	\$6,044	\$6,478	\$6,947
Federal Funds . . . . .	29	55	55	55	55	55	55
<b>TOTAL . . . . .</b>	<u>\$4,025</u>	<u>\$4,673</u>	<u>\$5,371</u>	<u>\$5,697</u>	<u>\$6,099</u>	<u>\$6,533</u>	<u>\$7,002</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Animal population . . . . .	87,963,000	88,100,000	88,300,000	88,500,000	88,700,000	88,700,000	88,700,000
Animals examined to determine disease . . . . .	4,444,996	4,500,000	4,550,000	4,600,000	4,650,000	4,700,000	4,750,000
Animals certified disease free . . . . .	1,539,350	1,540,000	1,541,000	1,542,000	1,543,000	1,544,000	1,545,000
Incidence of disease among livestock and poultry . . . . .	74,272	74,000	73,800	73,600	73,400	73,200	73,000
Quarantines imposed . . . . .	64,619	64,500	64,400	64,300	64,200	64,100	64,000
Animals destroyed to eradicate or prevent disease . . . . .	14,848	14,700	14,600	14,500	14,400	14,300	14,200
Dogs licensed . . . . .	1,010,000	1,045,000	1,040,000	1,046,000	1,048,000	1,050,000	1,052,000
Unlicensed dogs . . . . .	320,000	324,000	330,000	328,000	327,000	326,000	325,000
Incidence of complaints concerning dogs . . . . .	22,450	25,100	25,000	23,100	23,000	23,000	23,000
Dogs destroyed . . . . .	70,000	72,500	73,500	70,000	69,500	69,000	68,500
Local enforcement and shelter activities supported . . . . .	1,500	1,500	1,500	1,500	1,500	1,500	1,500

**Program Analysis:**

This program supports a wide range of activities aimed at the prevention, control and eradication of transmissible diseases of domestic animals and poultry. Data generated from these activities indicate that in 1974-75 there were 74,272 incidences of disease among livestock. Individual outbreaks of disease in turn led to the imposition of a total of 64,619 quarantines consisting of entire herds or individual animals with the eventual destruction of 14,848 animals in an attempt to eradicate the infection or disease. A very substantial

increase over previous estimates of the incidence of disease among livestock and poultry is reflected above because of recent outbreaks of poultry diseases. Consequently, more quarantines were imposed and more animals were destroyed to prevent the spread of the disease.

The on-going surveillance and certification programs accounted for the testing of 4,444,996 animals in 1974-75 with an additional 1,539,350 being certified through a voluntary test program. This year's data designating

**Animal Health (continued)**

**Program Analysis: (continued)**

certification is based on individual animals rather than on the previously measured herds. Efforts in this area have been generally successful — leveling off to mainly a surveillance and maintenance operation. With the continued emphasis on disease control programs coupled with improved training methods the incidence of disease among livestock and poultry is expected to experience some minor decreases. However, because of the Commonwealth's large livestock population along with the increased volume of livestock being transported interstate and internationally, the potential for emergency disease outbreaks is constantly present. A case in point is the 1972 outbreak of hog cholera within the Commonwealth.

Also included in this program is dog law enforcement. Based upon a survey conducted by various municipalities of

the State, it is estimated that there were 320,000 unlicensed dogs in 1974-75. While the measure designating the number of stray dogs reportedly running at large has been eliminated because of the inability to confirm the data, an extrapolation of the limited amount of confirmed reports indicates that the stray dog population is substantial, probably in excess of 50 percent of those classified as unlicensed. The slight increase in the number of dogs destroyed is indicative of accelerated enforcement and increased participation by local municipalities. The decrease in future years projections anticipates a perfection of pet contraceptives, better control of stray dogs through cooperative efforts with local municipalities and a possible introduction of low cost spaying and neutering clinics.

**Program Costs by Appropriation:**

	1974-75	1975-76	(Dollar Amounts in Thousands)				
			1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	\$3,686	\$3,958	\$4,650	\$5,022	\$5,424	\$5,858	\$6,327
Animal indemnities . . . . .	200	610	570	570	570	570	570
Reimbursement for Kennel							
Construction . . . . .	50	50	50	50	50	50	50
Capital Improvement . . . . .	60	....	46	....	....	....	....
<b>GENERAL FUND TOTAL . . . .</b>	<b>\$3,996</b>	<b>\$4,618</b>	<b>\$5,316</b>	<b>\$5,642</b>	<b>\$6,044</b>	<b>\$6,478</b>	<b>\$6,947</b>

Development of Agricultural Industries

OBJECTIVE: To strengthen the agricultural economy and related enterprises.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$1,134	\$1,425	\$1,690	\$1,849	\$2,046	\$2,279	\$2,522
Special Funds . . . . .	965	883	876	942	991	1,028	1,079
Federal Funds . . . . .	5	10	5	5	5	5	5
Other Funds . . . . .	5	5	5	5	5	5	5
<b>TOTAL</b> . . . . .	<b>\$2,109</b>	<b>\$2,323</b>	<b>\$2,571</b>	<b>\$2,796</b>	<b>\$3,042</b>	<b>\$3,312</b>	<b>\$3,606</b>

Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Farm population . . . . .	240,000	230,000	229,000	228,000	227,000	226,000	225,000
Farms . . . . .	70,000	69,000	68,000	67,000	66,000	65,000	64,000
Average farm family income . . . . .	\$5,100	\$5,200	\$5,330	\$5,440	\$5,550	\$5,660	\$5,770
Cash receipts from sale of farm products (thousands) . . . . .	\$1,390,000	\$1,462,000	\$1,505,000	\$1,609,000	\$1,595,000	\$1,642,000	\$1,672,000
Increase in market contacts . . . . .	243	266	279	292	305	318	339
New market areas opened to State products . . . . .	4	5	5	5	5	5	5
Event days at Farm Show complex . . . . .	492	495	495	495	495	495	495
Promotional activities for Pennsylvania products . . . . .	155	155	155	155	155	155	155

Program Analysis:

In seeking to strengthen the agricultural economy, agribusiness development programs are designed to promote Pennsylvania's crops and livestock, especially those products that significantly affect farm incomes. According to the 1974 Statistical Abstract of the United States, during 1974 approximately 71,000 farms in Pennsylvania generated slightly in excess of \$1.3 billion in cash receipts from the sale of crops and livestock products. The sale of milk and related dairy products generated 44 percent of all total cash receipts, with cattle and eggs generating 12 percent and 9 percent respectively. All other categories account for the remaining 35 percent of total cash receipts.

In promoting these products the Department of Agriculture sponsors the Dairy Princess Promotion program to promote milk consumption and inform the public of the dairy farmer's

role in agriculture. Televised appearances on children's programs, guest appearances at shopping malls and fair activities are the primary mediums for promoting Pennsylvania dairy products. Additionally, Pennsylvania's Crop Reporting Service, working in conjunction with the Pennsylvania Department of Agriculture, gathers data on the cost of producing and marketing of milk. This data is then used to support requests for various pricing policies in hearings before the Milk Marketing Board whose decisions can affect approximately 16,500 commercial milk producers.

The Department has recently implemented the Product Information Exchange Line to match commodity buyer with commodity seller. The livestock industry has been relying on this service, especially in the area of product grading. The Department, when requested by a distant buyer, will inspect

Development of Agricultural Industries (continued)

Program Analysis: (continued)

and grade livestock offered for sale by a Pennsylvania producer. The Department's findings are then forwarded to the prospective buyer. This service protects the purchaser against product misrepresentation and strengthens the credibility of the State's livestock industry.

Programs designed to stimulate consumption of eggs are conducted for purchasing agents of the leading grocery chains. Firms are encouraged to display eggs in an appealing manner and in strategic locations throughout the store. The Department is also attempting to inform the public of the nutritional benefits of eggs, especially in light of recent reports on the adverse effects that cholesterol can have on one's health.

Since the Department's objective is to strengthen all markets, it also has programs designed to promote such commodities as apples, potatoes, cherries, plums, grapes, mushrooms, turf grass and nursery products. In most instances, the promotion of these products is coordinated with councils representing product interest. Members of these councils assess themselves a fee based on their productivity. These funds are then used for promotional activities. Of current special interest to the Department is the mushroom industry and the apparent loss of consumer confidence in that product because of published recalls involving botulinal toxin. Activities in this area are now aimed at reassuring the consumer that Pennsylvania's canned mushrooms are safe for human consumption.

A publication entitled "Export Market News" is published and distributed throughout the agricultural industry, informing Pennsylvania farmers of potential foreign markets for their products. Products, product specifications and financial intermediaries are listed by the prospective buyer so that the potential seller can contact the prospective buyer for further negotiations. An additional activity in the marketing area for 1974-75 has been the attempt to stimulate public interest in "open air markets." Farmers in the Harrisburg area established an open air market on the Farm Show grounds and, gauging from public interest, will continue to hold open air markets during 1976-77.

While the data indicate that the number of farms continues to decline, a five year growth rate of approximately five percent is anticipated in cash receipts from sale of crops and livestock. This figure is most conservative since inflation and continued strong demand for farm products might contribute significantly to a growth in cash receipts.

The new market areas which represent newly discovered consuming area for Pennsylvania's farm products are expected to remain constant at five while market contacts are expected to increase by approximately five percent due to the increased demand for agricultural commodities. Promotional activities for Pennsylvania products are expected to remain constant at 155. These activities include the farm show events with some major attractions being the Livestock Show, the Junior Dairy Show, the Open Dairy Show and the annual Farm Show Week which all receive substantial State support.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 689	\$ 725	\$ 845	\$ 913	\$ 986	\$1,065	\$1,150
Transfer to State Farm Products							
Show Fund . . . . .	300	525	700	791	915	1,069	1,227
Livestock Show . . . . .	60	60	60	60	60	60	60
Open Dairy Show . . . . .	60	60	60	60	60	60	60
Junior Dairy Show . . . . .	25	25	25	25	25	25	25
4-H Club Shows . . . . .		30					
<b>GENERAL FUND TOTAL . . . . .</b>	<b><u>\$1,134</u></b>	<b><u>\$1,425</u></b>	<b><u>\$1,690</u></b>	<b><u>\$1,849</u></b>	<b><u>\$2,046</u></b>	<b><u>\$2,279</u></b>	<b><u>\$2,522</u></b>
<b>STATE FARM PRODUCTS SHOW FUND</b>							
General Operations . . . . .	<u>\$ 877</u>	<u>\$ 782</u>	<u>\$ 768</u>	<u>\$ 824</u>	<u>\$ 861</u>	<u>\$ 885</u>	<u>\$ 922</u>
<b>STATE HARNESS RACING FUND</b>							
Fair Fund Administration . . . . .	<u>\$ 88</u>	<u>\$ 101</u>	<u>\$ 108</u>	<u>\$ 118</u>	<u>\$ 130</u>	<u>\$ 143</u>	<u>\$ 157</u>

**Maintaining Family and Individual Self-sufficiency**

OBJECTIVE: To promote family and individual self-sufficiency by reinforcing family functioning and basic living needs of low income families and other persons eligible for services.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$ 888	\$ 733	\$1,000	\$1,080	\$1,166	\$1,259	\$1,360
Federal Funds .....	500	665	695	695	695	695	695
Other Funds .....	81	1	.....	.....	.....	.....	.....
<b>TOTAL</b> .....	<u>\$1,469</u>	<u>\$1,399</u>	<u>\$1,695</u>	<u>\$1,775</u>	<u>\$1,861</u>	<u>\$1,954</u>	<u>\$2,055</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	197980	1980-81
Pennsylvania rural population .....	3,423,000	3,448,000	3,453,000	3,468,000	3,483,000	3,498,000	3,550,000
Persons below poverty level in rural Pennsylvania .....	1,953,000	1,964,000	1,974,000	1,987,000	1,999,000	2,111,000	2,150,000
Total population service potential .....	600,000	1,000,000	4,000,000	4,400,000	4,800,000	5,200,000	5,600,000
Rural citizens provided transportation services .....	124,181	135,000	850,000	1,200,000	1,500,000	1,600,000	1,700,000
Passenger miles traveled .....	1,470,145	2,500,000	5,000,000	7,000,000	9,000,000	9,000,000	9,000,000
Social service agencies visited .....	750	1,000	2,500	2,750	3,000	3,000	3,000

**Program Analysis:**

The rural population of Pennsylvania is the largest of any state in the nation. As the data indicate, it is estimated that there will be 1,974,000 people below the poverty level in rural Pennsylvania in 1976-77. The Department of Agriculture has been engaged in a number of programs which, while minor in scope, have attempted to draw attention to this situation in order to encourage the necessary commitments and investments to alleviate this problem.

As part of their program the Department has been involved in a rural transportation project which will increase the accessibility of the rural poor to doctors, food stores, social service agencies and other amenities. This program which began as a limited four county project in 1972 has been expanded into a 23 county project with the Governor's

Interdepartmental Task Force on Rural Transportation outlining criteria necessary for a statewide system. Additionally, a proposal has been submitted to the Federal Government which, if approved, will provide additional funding for rural transportation under Section 147 of the Federal Highway Act of 1973. In 1976-77 it is estimated that 850,000 rural citizens will be serviced through this program with an estimated 5,000,000 passenger miles traveled.

The Department's overall approach to rural transportation is currently in a transitional phase with the Department moving out of the provider of services role and into the coordination role. Through effective coordination of existing social service agencies, it is the Department's position that more rural citizens can be provided with better transportation

Maintaining Family and Individual Self-sufficiency (continued)

Program Analysis: (continued)

services at a lower cost to the taxpayer. The Department plans to offer grants to service providers as it phases out of the direct provider role. In certain rural areas that lack independent providers, the Department remains prepared to provide transportation services.

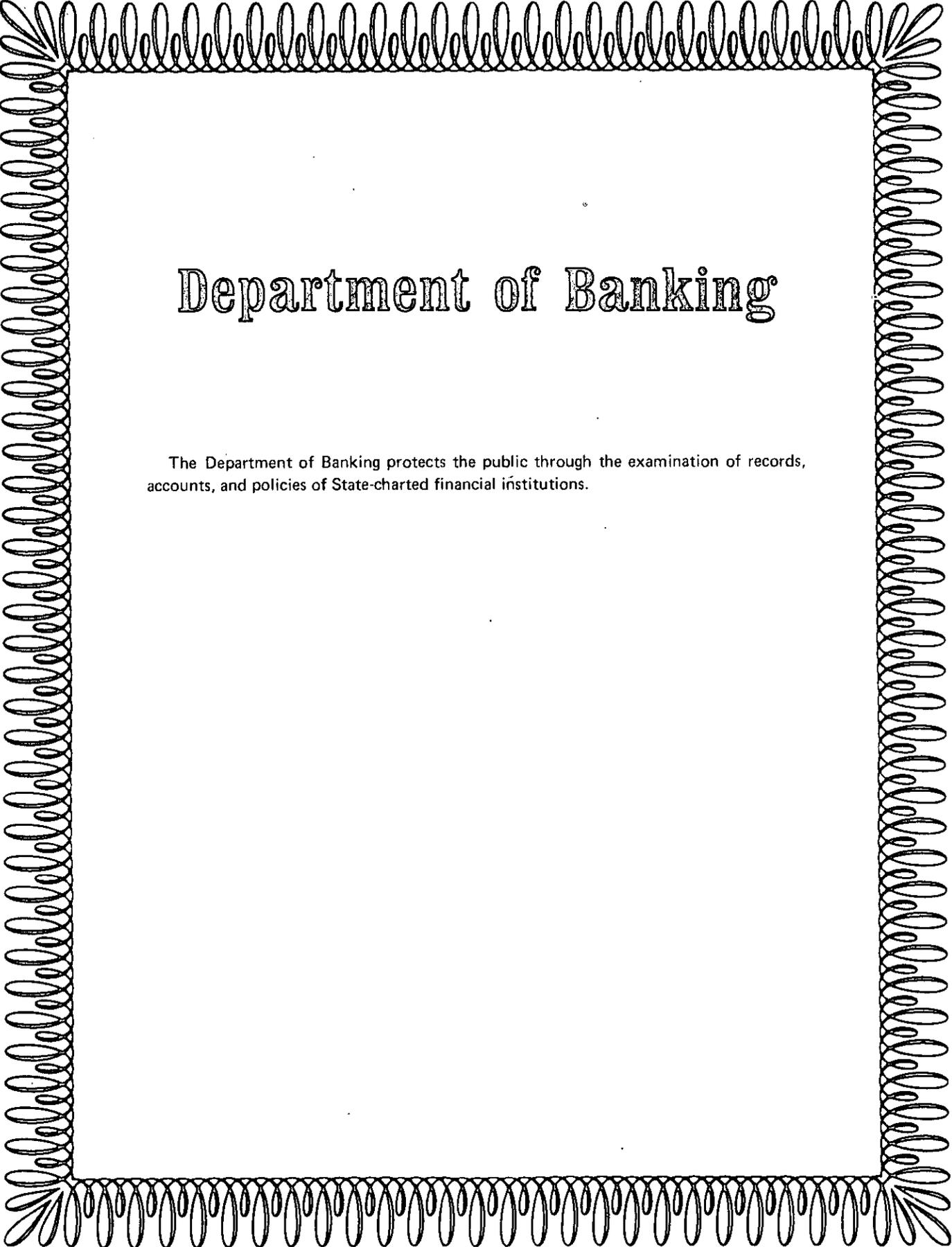
Previous program data defining service potential was based on the assumption that a rural transportation system would be operational on a statewide basis. That expansion has not materialized and the data reflect the current limitedness of the program. There is also a significant increase in program data from 1975-76 to 1976-77 for the number of rural citizens provided transportation services without a comparable increase in State funding. It is the Department's position that increased

popularity of the program will increase ridership without a significant increase in funding.

Another area of departmental concern has been rural housing. The Rural Housing Rehabilitation program serves rural home owners particularly the handicapped, welfare recipients and senior citizens. Also receiving a high priority are farm houses and generally the isolated rural and small town rural resident. The program, is also utilized as work training, providing work for the unemployed and the underemployed. Federal funds totaling \$448,000 are available from the Comprehensive Employment and Training Act (CETA) for a pilot program in this area in 1975-76.

Program Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)					
			1976-77	1977-78	1978-79	1979-80	1980-81	
GENERAL FUND								
General Government Operations . . . . .	<u>\$ 888</u>	<u>\$ 733</u>	<u>\$1,000</u>	<u>\$1,080</u>	<u>\$1,166</u>	<u>\$1,259</u>	<u>\$1,360</u>	



# Department of Banking

The Department of Banking protects the public through the examination of records, accounts, and policies of State-chartered financial institutions.

**DEPARTMENT OF BANKING**  
**Summary by Fund and Appropriation**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Banking Department Fund</b>			
<b>General Government</b>			
General Operations . . . . .	\$3,637	\$3,948	\$4,391
BANKING DEPARTMENT FUND			
TOTAL . . . . .	<u>\$3,637</u>	<u>\$3,948</u>	<u>\$4,391</u>
<b>Department Total – All Funds</b>			
Other Funds . . . . .	\$ 3	. . . .	. . . .
TOTAL ALL FUNDS . . . . .	<u>\$3,640</u>	<u>\$3,948</u>	<u>\$4,391</u>

## Banking Department Fund

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Operations</b>			
State Funds .....	\$3,637	\$3,948	\$4,391
Other Funds .....	3	.....	.....
<b>TOTAL</b> .....	<u>\$3,640</u>	<u>\$3,948</u>	<u>\$4,391</u>

Supervises and examines the records, accounts, and policies of State-chartered banking institutions, State-chartered savings associations, sales finance companies, installment sellers, small loan companies, consumer discount companies, pawnbrokers, and State-chartered credit unions. Examines business development credit corporations and the Pennsylvania Higher Education Assistance Agency. Conducts special investigations when warranted.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
General Operations .....	\$3,637	\$3,948	\$4,391
<b>Other Funds:</b>			
Sale of Surplus Property .....	3	.....	.....
<b>TOTAL</b> .....	<u>\$3,640</u>	<u>\$3,948</u>	<u>\$4,391</u>

## BANKING

### Summary of Agency Program by Category and Subcategory

#### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . . . .</b>	\$ 327	\$ 423	\$ 472	\$ 502	\$ 533	\$ 567	\$ 604
<b>Consumer Protection . . . . .</b>	\$3,310	\$3,525	\$3,919	\$4,165	\$4,426	\$4,704	\$4,999
Regulation of Financial Institutions . .	3,310	3,525	3,919	4,165	4,426	4,704	4,999
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$3,637</u>	<u>\$3,948</u>	<u>\$4,391</u>	<u>\$4,667</u>	<u>\$4,959</u>	<u>\$5,271</u>	<u>\$5,603</u>

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds .....	\$327	\$423	\$472	\$502	\$533	\$567	\$604
Other Funds .....	3	.....	.....	.....	.....	.....	.....
<b>TOTAL .....</b>	<u>\$330</u>	<u>\$423</u>	<u>\$472</u>	<u>\$502</u>	<u>\$533</u>	<u>\$567</u>	<u>\$604</u>

**Program Analysis:**

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure

of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern is to minimize these administrative costs in relation to the costs of provided services.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>BANKING DEPARTMENT FUND</b>							
General Operations .....	<u>\$327</u>	<u>\$423</u>	<u>\$472</u>	<u>\$502</u>	<u>\$533</u>	<u>\$567</u>	<u>\$604</u>

## Regulation of Financial Institutions

OBJECTIVE: To insure the maintenance of an economically sound and competitive system of State-chartered financial institutions.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	<u>\$3,310</u>	<u>\$3,525</u>	<u>\$3,919</u>	<u>\$4,165</u>	<u>\$4,426</u>	<u>\$4,704</u>	<u>\$4,999</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total loans from consumer credit agencies (in millions) . . . . .	\$2,000	\$2,200	\$2,300	\$2,400	\$2,500	\$2,500	\$2,600
Total resources of State-chartered banks (in millions) . . . . .	\$25,000	\$27,000	\$28,000	\$29,000	\$30,000	\$31,000	\$32,000
Assets in State-chartered credit unions (in millions) . . . . .	\$124	\$130	\$140	\$150	\$160	\$165	\$175
Assets in State-chartered savings and loans institutions (in millions) . . . . .	\$5,294	\$5,823	\$6,406	\$7,046	\$7,751	\$8,526	\$9,378

### Program Analysis:

The program data indicates that State-chartered financial institutions are undergoing substantial change. After a fourteen year period in which the assets of State-chartered banks increased from approximately \$9 billion to \$25 billion, future growth appears limited. This slowdown in growth will have severe impact in a number of areas, most notably in the availability of credit.

In 1960, the State-chartered banks loaned approximately \$4 billion. In 1974, the banks loaned \$16 billion, which is a 300 percent increase in loans over a fourteen year period. This increase in loans was brought about by two major trends. First, investors have become more sophisticated and have switched from demand deposits to time and savings accounts. In 1960, demand deposits (checking accounts and related financial instruments) constituted 44 percent of the assets of the banks. In 1974, they constituted less than 20 percent. In the same period, time and savings deposits grew from 45 percent of the assets to 59 percent. This meant that banks did not have to maintain a large share of their assets in accounts

that could be quickly converted to cash to pay the demand deposits. They had more funds to commit to loans. The second trend was the growth of other sources of revenue besides savings and checking. In 1960, savings and demand deposits backed 89 percent of the assets of the State banking institutions. Now these activities fund only 79 percent of the resources. The remaining 21 percent of the assets are financed through other activities, primarily borrowing. As such, banks increasingly borrowed money to finance some of the loans that were advanced during this period.

Future growth in both these areas is not expected to be significant. Banks are coming under increasing criticism for their policy of borrowing money so there could be a slowdown in this area. Also the competition for the investor dollar has become more severe as other alternatives to time and savings accounts became available.

The remaining financial institutions have not experienced the same rate of growth and are expected to have an even slower rate of growth in the future; State-chartered savings and

Regulation of Financial Institutions (continued)

Program Analysis: (continued)

loans institutions have increased their assets 221 percent since 1960. Future growth is expected to be approximately 10 percent annually. These institutions even more than banks, have become a victim of the increasing sophistication of the investor. At present, these institutions are limited by law to comparably low interest ceilings. Increasingly other alternatives (U. S. Treasury notes, money market funds, etc.), with higher interest rates are available to investors. An increasing number of depositors are finding these more attractive than savings associations. This could have severe impact on the housing industry for this industry relies heavily on savings institutions for financing. If these associations do not have the funds, then they will not be able to make as many loans.

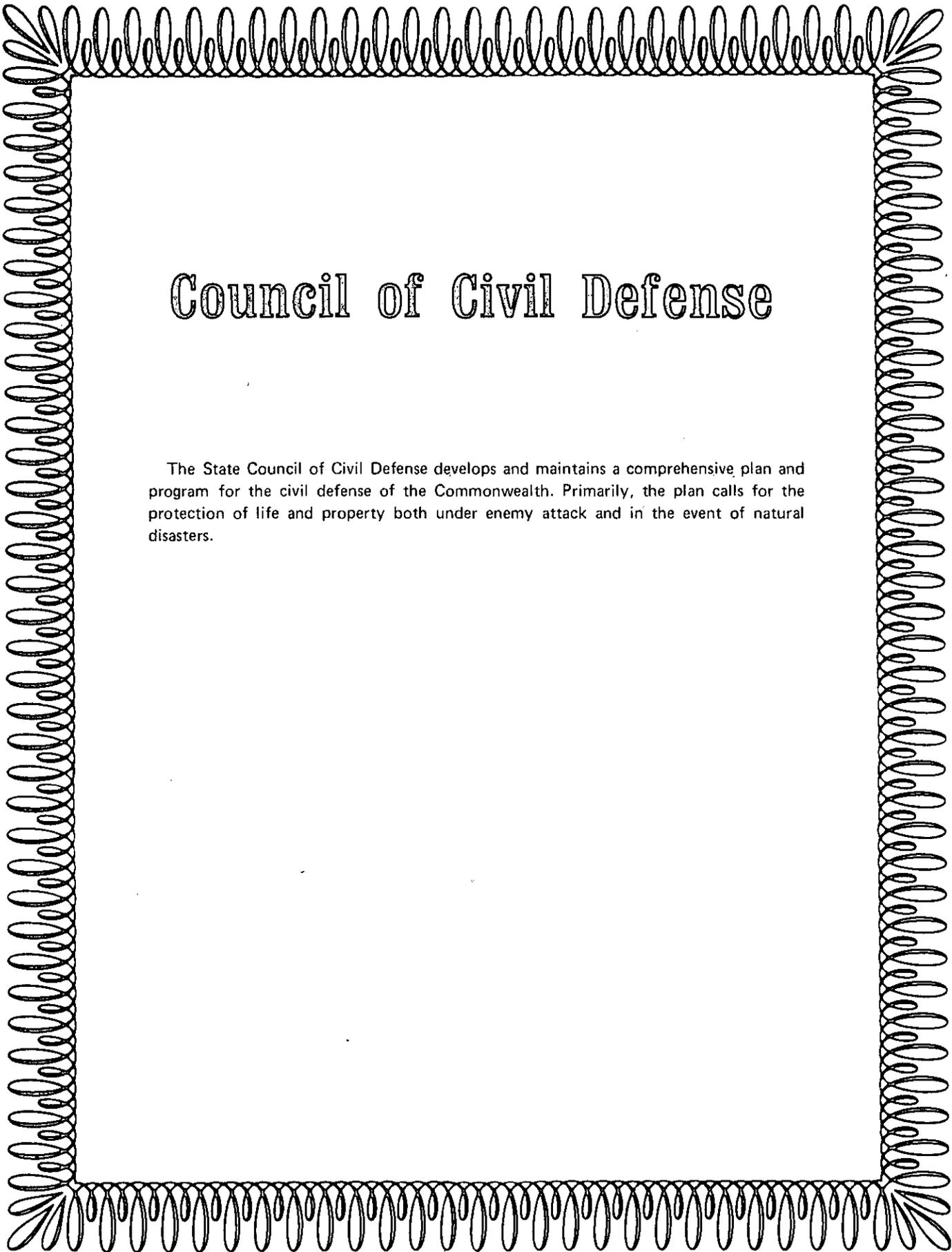
The smaller financial institutions, are experiencing a similar slowdown or an actual decline. After a period of time in which total assets in State-chartered credit unions increased an

average of 14.53 percent, future growth is predicted to be approximately 5 percent annually. Other institutions, such as sales finance companies and small loan companies, have a statutory limit as to how much they can lend to consumers. These limits, ranging up to \$3,500 for consumer discount companies, have severely restricted their use as lending agents. In addition, the trend has been to phase these into larger institutions. Small loan companies which have a statutory limit of \$600 are expected to decline from the present 635 to less than a 100 by 1980-81. Likewise sales finance companies which primarily handle automobile financing are expected to decrease from 1,038 to less than 700.

From the above, it can be seen that financial growth is leveling off. As a result, banking services will not expand appreciably. Therefore, increases in funding for this program over and above inflationary costs would not be warranted at this time.

Program Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)					
			1976-77	1977-78	1978-79	1979-80	1980-81	
BANKING DEPARTMENT FUND								
General Operations . . . . .	<u>\$3,310</u>	<u>\$3,525</u>	<u>\$3,919</u>	<u>\$4,165</u>	<u>\$4,426</u>	<u>\$4,704</u>	<u>\$4,999</u>	



# Council of Civil Defense

The State Council of Civil Defense develops and maintains a comprehensive plan and program for the civil defense of the Commonwealth. Primarily, the plan calls for the protection of life and property both under enemy attack and in the event of natural disasters.

**COUNCIL OF CIVIL DEFENSE**  
**Summary by Fund and Appropriation**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$403	\$409	\$512
<b>Grants and Subsidies</b>			
Emergency Flood Relief — 1975 . . . . .	. . . .	\$ 75	. . . .
<b>Total State Funds</b> . . . . .	<u>\$403</u>	<u>\$484</u>	<u>\$512</u>
Federal Funds . . . . .	\$443	\$500	\$442
<b>GENERAL FUND TOTAL</b> . . . . .	<u>\$846</u>	<u>\$984</u>	<u>\$954</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Government Operations</b>			
State Funds .....	\$403	\$409	\$512
Federal Funds .....	443	500	442
<b>TOTAL</b> .....	<u>\$846</u>	<u>\$909</u>	<u>\$954</u>

Provides essential services and facilities during periods of emergency. Coordinates State, county, and local activities associated with emergency services. Coordinates Pennsylvania's civil defense operations with those of other states through the Federal Civil Defense Program.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations .....	\$403	\$409	\$512
<b>Federal Funds:</b>			
Civil Defense — Personnel and Administrative Expenses .....	372	428	372
Civil Defense — Emergency Operating Systems .....	71	72	70
<b>TOTAL</b> .....	<u>\$846</u>	<u>\$909</u>	<u>\$954</u>

Grants and Subsidies

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Emergency Flood Relief – 1975</b>			
State Funds .....	.....	\$ 75	.....

Funds are made available by the Governor, under emergency powers, to provide relief in time of natural disaster or civil disturbance. These funds are transferred from unused portions of other appropriations.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Emergency Flood Relief – 1975 .....	.....	<u>\$ 75</u>	.....

## Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
Federal Disaster Assistance . . . . .	\$7,284	\$8,000	\$2,000
State Disaster Preparedness Grants . . . . .	29	121	100
State and Local Civil Preparedness			
Instruction Program . . . . .	63	300	305
Calibration of Civil Defense Radiological			
Equipment . . . . .	65	68	73
Civil Defense—Personnel and Administrative			
Expenses . . . . .	576	535	585
Civil Defense — Systems Maintenance Services			
and Emergency Operating Centers . . . . .	384	422	464
<b>TOTAL . . . . .</b>	<u>\$8,401</u>	<u>\$9,446</u>	<u>\$3,527</u>

**CIVIL DEFENSE**

**Summary of Agency Program by Category and Subcategory**

**General Fund and Special Funds**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Maintenance of Public Order</b> . . . . .	\$403	\$484	\$512	\$544	\$578	\$614	\$653
Civil Defense Operational Capabilities . . . . .	403	484	512	544	578	614	653
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$403</u>	<u>\$484</u>	<u>\$512</u>	<u>\$544</u>	<u>\$578</u>	<u>\$614</u>	<u>\$653</u>

**Civil Defense Operational Capabilities**

OBJECTIVE: To develop and maintain a statewide emergency force capable of immediate and effective action in event of natural disasters and rapid expansion to effectively cope with nuclear attack.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$403	\$484	\$512	\$ 544	\$ 578	\$ 614	\$ 653
Federal Funds . . . . .	443	500	442	460	480	500	520
<b>TOTAL . . . . .</b>	<b><u>\$846</u></b>	<b><u>\$984</u></b>	<b><u>\$954</u></b>	<b><u>\$1,004</u></b>	<b><u>\$1,058</u></b>	<b><u>\$1,114</u></b>	<b><u>\$1,173</u></b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Counties having effective civil defense organizations . . . . .	59	65	67	67	67	67	67
Counties having an approved annual program plan . . . . .	60	66	67	67	67	67	67
Percent of population in counties having approved emergency plans . . . .	81%	99%	100%	100%	100%	100%	100%
Persons trained under State directed training programs . . . . .	85,000	100,000	110,000	120,000	128,000	136,000	144,000

**Program Analysis:**

This program seeks to provide a reactive capability in the event of emergencies through the maintenance of a statewide warning, communications and radiation monitoring network and the core organization to provide for utilization of resources to meet an emergency. State, Federal and local civil defense activities and training are coordinated through this program.

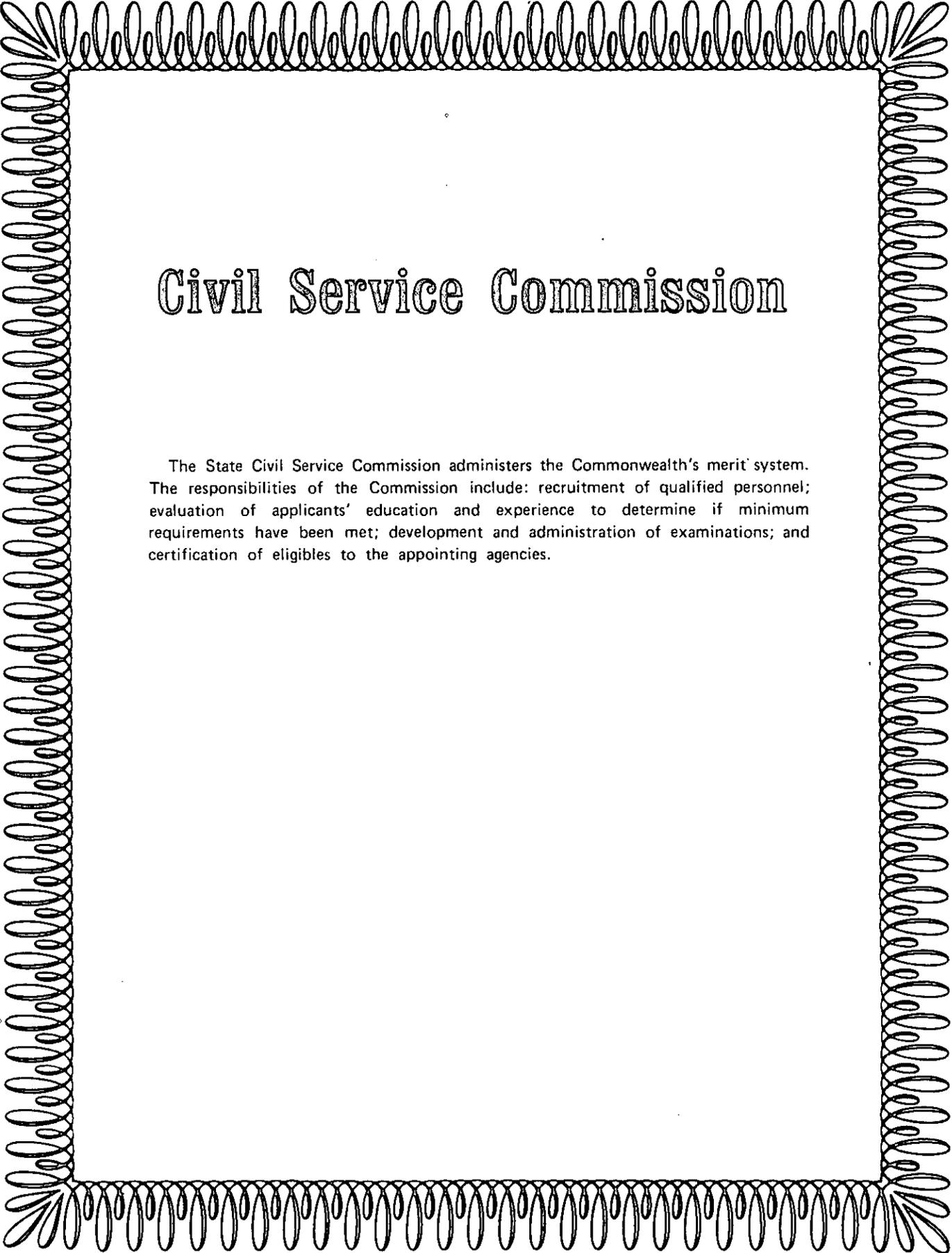
The relative degree of emphasis placed in various aspects of the basic agency program have and will continue to be shifted as warranted by changing conditions. During recent years,

which have been marked by a trend toward general reduction in international tension, major emphasis has been shifted from national defense measures to disaster preparations.

As always, the financial projections do not anticipate emergency operations or relief activities. Additional Federal and State funds are made available when this occurs. This did occur in 1975 when emergency funds were provided to meet the crisis created by flooding associated with Tropical Storm Eloise. These funds were used to provide emergency supplies and equipment at flood shelters.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$403	\$409	\$512	\$544	\$578	\$614	\$653
Emergency Flood Relief - 1975 . . . . .	....	75	....	....	....	....	....
<b>GENERAL FUND TOTAL . . . . .</b>	<b><u>\$403</u></b>	<b><u>\$484</u></b>	<b><u>\$512</u></b>	<b><u>\$544</u></b>	<b><u>\$578</u></b>	<b><u>\$614</u></b>	<b><u>\$653</u></b>



# Civil Service Commission

The State Civil Service Commission administers the Commonwealth's merit system. The responsibilities of the Commission include: recruitment of qualified personnel; evaluation of applicants' education and experience to determine if minimum requirements have been met; development and administration of examinations; and certification of eligibles to the appointing agencies.

**CIVIL SERVICE COMMISSION**  
**Summary by Fund and Appropriation**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations .....	\$ 1	\$ 1	\$ 1
	<u>1</u>	<u>1</u>	<u>1</u>
<b>Total State Funds</b> .....	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
Federal Funds .....	\$ 50	\$ 106	\$ 29
Other Funds .....	4,018	4,186	4,763
	<u>4,069</u>	<u>4,293</u>	<u>4,793</u>
<b>GENERAL FUND TOTAL</b> .....	<u>\$4,069</u>	<u>\$4,293</u>	<u>\$4,793</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Government Operations</b>			
State Funds .....	\$ 1	\$ 1	\$ 1
Federal Funds .....	50	106	29
Other Funds .....	4,018	4,186	4,763
<b>TOTAL</b> .....	<u>\$4,069</u>	<u>\$4,293</u>	<u>\$4,793</u>

Recruits qualified persons for Commonwealth employment and administers the merit system in agencies operating under Civil Service.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
General Government Operations .....	\$ 1	\$ 1	\$ 1
<b>Federal Funds:</b>			
Intergovernmental Personnel Act .....	44	106	29
Work Incentive Program .....	6	.....	.....
<b>Other Funds:</b>			
Fees From Agencies .....	3,744	3,831	4,414
Reimbursement—Central Mail Room Cost .....	274	355	349
<b>TOTAL</b> .....	<u>\$4,069</u>	<u>\$4,293</u>	<u>\$4,793</u>

**CIVIL SERVICE COMMISSION**  
**Summary of Agency Program by Category and Subcategory**  
**General Fund and Special Funds**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . . .</b>	\$1	\$1	\$1	\$1	\$1	\$1	\$1
<b>Maintaining Commonwealth Merit System</b>							
Selection* . . . . .	.....	.....	.....	.....	.....	.....	.....
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>	<u>\$1</u>

\*All funds are other than General Fund or Special Fund.

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Other Funds . . . . .	2,127	2,144	2,394	2,586	2,793	3,016	3,257
<b>TOTAL . . . . .</b>	<b><u>\$2,128</u></b>	<b><u>\$2,145</u></b>	<b><u>\$2,395</u></b>	<b><u>\$2,587</u></b>	<b><u>\$2,794</u></b>	<b><u>\$3,017</u></b>	<b><u>\$3,258</u></b>

**Program Analysis:**

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services. This subcategory also includes the cost of a central mail room system.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

**Selection**

OBJECTIVE: To provide a sufficient number of qualified, available persons to meet merit system manpower needs.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Federal Funds . . . . .	\$ 50	\$ 106	\$ 29	.....	.....	.....	.....
Other Funds . . . . .	1,891	2,042	2,369	\$2,590	\$2,797	\$3,021	\$3,263
<b>TOTAL . . . . .</b>	<u>\$1,941</u>	<u>\$2,148</u>	<u>\$2,398</u>	<u>\$2,590</u>	<u>\$2,797</u>	<u>\$3,021</u>	<u>\$3,263</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Available eligible candidates on appropriate lists . . . . .	122,791	126,000	130,000	132,000	134,000	136,000	138,000
Persons scheduled for exams . . . . .	164,241	167,000	175,000	175,000	175,000	175,000	175,000
Classes for which exams are available . . . . .	860	880	1,000	1,200	1,300	1,400	1,500

**Program Analysis:**

The Civil Service Commission serves to provide a sufficient number of qualified, available persons to meet merit system manpower needs and to provide greater efficiency and economy in the administration of the government of the Commonwealth. The main objective of the Commission is to establish conditions of service that will attract to State service qualified persons of character and ability, and to appoint and promote these persons on the basis of merit and fitness.

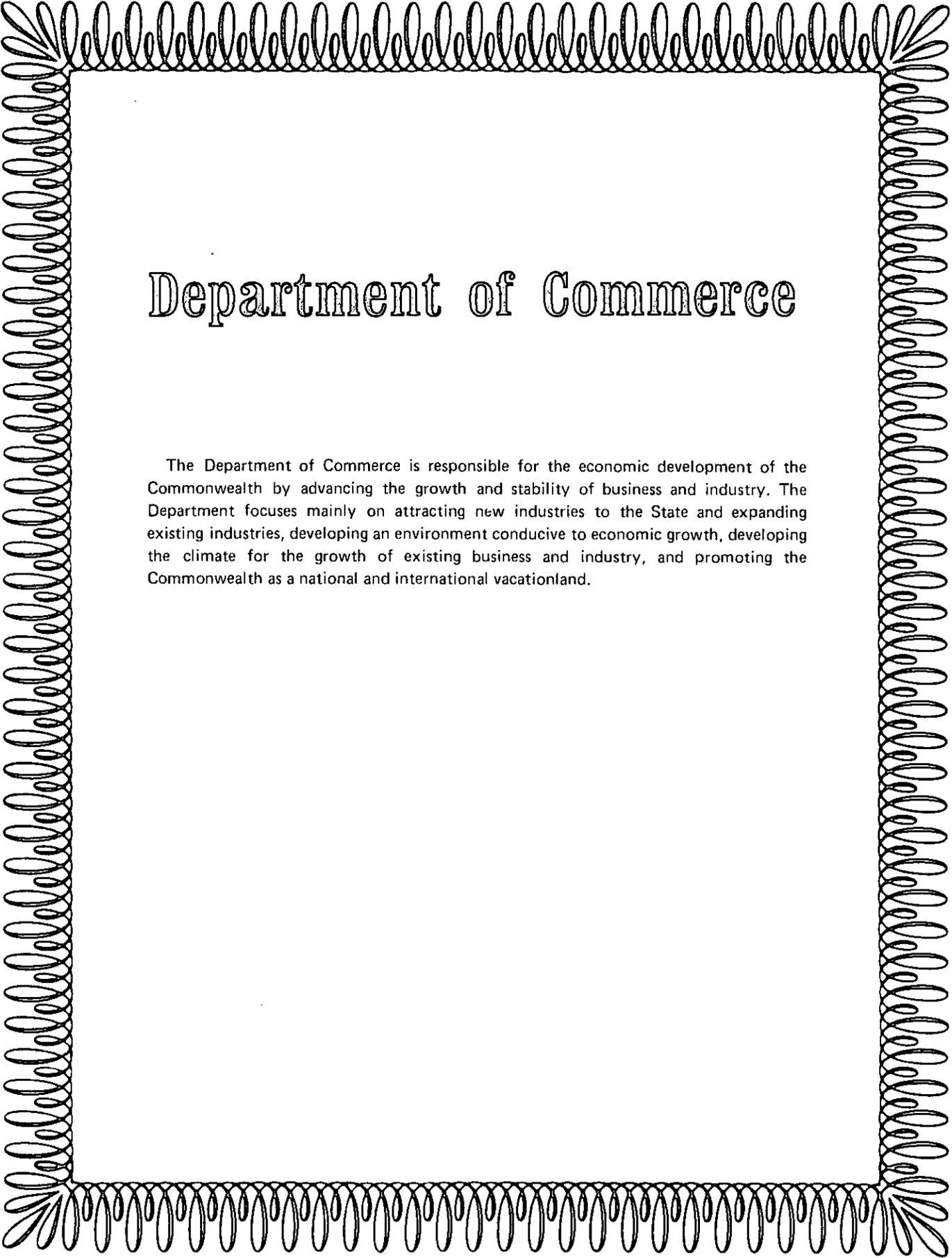
With the Commonwealth now paying salaries comparable to private industry the Commission's efforts to recruit the best candidates and direct them to the occupational area where they can best function are more successful as shown by the number of candidates on employment lists. These lists are the result of statewide tests and eligibles are placed on them for the length of time to which that particular class is maintained. Lists are constantly being abolished and retested. The number of persons scheduled by the Commission for exams is also increasing. The measure "available eligible candidates on

appropriate lists" was changed this year to more accurately reflect the number of persons on appropriate lists.

Of the 164,241 persons scheduled in 1974-75, 25,150 did not report for examinations. This may possibly be due to the Commission's difficulty in delivering on a timely basis their full range of services: recruitment, counseling, testing, scoring, maintenance of lists, certification and all related functions.

The number of classes for which exams are available shows a 1975-76 figure of 880 classes. Test development currently lags behind the number of job classes for which the Commission is responsible. Reducing this gap will result in decreased provisional appointments and the concurrent dissatisfaction on the part of appointing authorities, employees, and job applicants.

The funds supporting this subcategory are received from billing various General Fund and Special Fund departments for merit system services and Federal Funds. These billings are treated as other funds to avoid duplicate accounting.



# Department of Commerce

The Department of Commerce is responsible for the economic development of the Commonwealth by advancing the growth and stability of business and industry. The Department focuses mainly on attracting new industries to the State and expanding existing industries, developing an environment conducive to economic growth, developing the climate for the growth of existing business and industry, and promoting the Commonwealth as a national and international vacationland.

**DEPARTMENT OF COMMERCE**  
**Summary by Fund and Appropriation**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 4,545	\$ 4,569	\$ 4,759
<b>Grants and Subsidies</b>			
Industrial Development Assistance . . . . .	\$ 500	\$ 500	\$ 500
Pennsylvania Industrial Development Authority . . . . .	3,000	. . . . .	. . . . .
Site Development . . . . .	1,000	1,000	1,000
Local Development District Grants . . . . .	100	100	100
Appalachian Regional Commission . . . . .	328	363	373
Nursing Home Loans—Administration . . . . .	500	. . . . .	. . . . .
Minority Business Development Authority . . . . .	2,000	2,000	2,000
Tourist Promotion Assistance . . . . .	1,500	1,500	750
Pennsylvania Bicentennial Commission . . . . .	5,000	10,005	1,750
Distinguished Daughters . . . . .	1	2	2
Pennsylvania Science and Engineering Foundation . . . . .	999	950	1,000
Technical Assistance . . . . .	150	150	150
Community Facilities . . . . .	. . . . .	2,000	. . . . .
Bicentennial Municipal Grants . . . . .	. . . . .	10,000	5,000
Sub-Total . . . . .	<u>\$15,078</u>	<u>\$28,570</u>	<u>\$12,625</u>
<b>Total State Funds . . . . .</b>	<u><u>\$19,623</u></u>	<u><u>\$33,139</u></u>	<u><u>\$17,384</u></u>
Federal Funds . . . . .	\$ 108	\$ 871	\$ 198
Other Funds . . . . .	136	3,396	1,112
<b>GENERAL FUND TOTAL . . . . .</b>	<u><u>\$19,867</u></u>	<u><u>\$37,406</u></u>	<u><u>\$18,694</u></u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>General Government Operations</b>			
State Funds . . . . .	\$4,545	\$4,569	\$4,759
Federal Funds . . . . .	50	113	117
Other Funds . . . . .	62	762	451
<b>TOTAL . . . . .</b>	<u>\$4,657</u>	<u>\$5,444</u>	<u>\$5,327</u>

Provides for the overall planning, policy guidance and coordination for agency programs and supplies the necessary administrative, legal, public information, planning and research, personnel, fiscal management and supply services for the operation of the various substantive programs.

Promotes international trade, tourism, industrial and technological development as a means of increasing the economic vitality of the Commonwealth. Assists in the economic, scientific and technological growth of the Commonwealth by creating new employment opportunities through the development of new and expanded industrial projects and scientific and technological resources and administers the grant and subsidy programs created for this purpose.

Also coordinates activities generated by the Federal-State Appalachian Development Program.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations . . . . .	\$4,545	\$4,569	\$4,759
<b>Federal Funds:</b>			
Appalachian Regional Commission—Child Development Grant . . . . .	10	17	13
Minority Business Development Grant . . . . .	40	73	80
Appalachian Regional Commission — Management Grant . . . . .	. . . . .	23	24
<b>Other Funds:</b>			
Reimbursement for Minority Business Development Authority Administration . . . . .	. . . . .	69	69
Reimbursement for Nursing Home Loan Administration . . . . .	25	560	250
Reimbursement for Copy Center Services . . . . .	37	35	35
Reimbursement for Pennsylvania Industrial Development Authority . . . . .	. . . . .	98	97
<b>TOTAL . . . . .</b>	<u>\$4,657</u>	<u>\$5,444</u>	<u>\$5,327</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Industrial Development</b>			
State Funds . . . . .	\$7,428	\$5,963	\$3,973

Stimulates the expansion of industrial and agribusiness development in the Commonwealth through:

- grants to county industrial groups to offset a portion of operating costs.
- long term, low interest loan programs aimed at fostering the location of new industries or the expansion of existing industries and minority business enterprises.
- grants to localities to eliminate physical site deficiencies and to provide for new basic facilities.
- support of regional development efforts as set forth in the Federal Appalachian Regional Development Act.
- provision of funds for the administration of the Nursing Home Loan Program.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Industrial Development Assistance . . . . .	\$ 500	\$ 500	\$ 500
Pennsylvania Industrial Development Authority . . . . .	3,000	. . . . .	. . . . .
Site Development . . . . .	1,000	1,000	1,000
Local Development District Grants . . . . .	100	100	100
Appalachian Regional Commission . . . . .	328	363	373
Nursing Home Loans—Administration . . . . .	500	. . . . .	. . . . .
Minority Business Development Authority . . . . .	2,000	2,000	2,000
Community Facilities . . . . .	. . . . .	2,000	. . . . .
<b>TOTAL . . . . .</b>	<u>\$7,428</u>	<u>\$5,963</u>	<u>\$3,973</u>

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Scientific and Technological Development</b>			
State Funds .....	\$1,149	\$ 1,100	\$1,150
Federal Funds .....	.....	170	50
Other Funds .....	72	227	146
	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL .....	\$1,221	\$ 1,497	\$1,346

Makes grants to various educational and research institutions to promote, stimulate and encourage basic and applied scientific research and development and scientific and technological education as a tool in advancing the State's economic growth. Also disseminates current scientific and technological information to Pennsylvania industries.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Pennsylvania Science and Engineering			
Foundation .....	\$ 999	\$ 950	\$1,000
Technical Assistance .....	150	150	150
<b>Federal Funds:</b>			
Appalachian Regional Commission .....	.....	170	50
<b>Other Funds:</b>			
National Science Foundation .....	72	80	96
Federal Energy Administration .....	.....	147	50
	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL .....	<u>\$1,221</u>	<u>\$1,497</u>	<u>\$1,346</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Tourism and Travel Development</b>			
State Funds .....	\$6,501	\$21,507	\$7,502
Federal Funds .....	58	588	31
Other Funds .....	3	2,407	515
<b>TOTAL .....</b>	<u>\$6,562</u>	<u>\$24,502</u>	<u>\$8,048</u>

Provides matching grants to county agencies for promoting tourism in Pennsylvania. Also funds the Pennsylvania Bicentennial Commission which is preparing for the American Bicentennial celebration in Philadelphia in 1976 and ceremonies in recognition of the Distinguished Daughters of Pennsylvania.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Tourist Promotion Assistance .....	\$1,500	\$ 1,500	\$ 750
Pennsylvania Bicentennial Commission .....	5,000	10,005	1,750
Distinguished Daughters .....	1	2	2
Bicentennial Municipal Grants .....	.....	10,000	5,000
<b>Federal Funds:</b>			
American Bicentennial Commission Grant .....	58	582	25
Comprehensive Employment and Training Act .....	.....	6	6
<b>Other Funds:</b>			
Bicentennial Commission Gifts, Donations and Contributions .....	3	2,407	515
<b>TOTAL .....</b>	<u>\$6,562</u>	<u>\$24,502</u>	<u>\$8,048</u>

DEPARTMENT OF COMMERCE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . .</b>	\$ 998	\$ 958	\$ 1,056	\$ 1,140	\$ 1,231	\$ 1,329	\$ 1,435
<b>Development of Business and Industry . .</b>	\$18,625	\$32,181	\$16,328	\$ 9,874	\$10,194	\$10,539	\$10,912
Industrial Development . . . . .	9,723	8,393	6,427	6,623	6,835	7,064	7,311
Tourism and Travel Development . . .	7,251	22,336	8,363	1,682	1,756	1,836	1,923
Scientific and Technological Development . . . . .	1,317	1,254	1,320	1,334	1,349	1,365	1,382
International Trade . . . . .	334	198	218	235	254	274	296
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$19,623</u>	<u>\$33,139</u>	<u>\$17,384</u>	<u>\$11,014</u>	<u>\$11,425</u>	<u>\$11,868</u>	<u>\$12,347</u>

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 998	\$ 958	\$1,056	\$1,140	\$1,231	\$1,329	\$1,435
Other Funds . . . . .	37	35	35	35	35	35	35
<b>TOTAL . . . . .</b>	<u>\$1,035</u>	<u>\$ 993</u>	<u>\$1,091</u>	<u>\$1,175</u>	<u>\$1,266</u>	<u>\$1,364</u>	<u>\$1,470</u>

**Program Analysis:**

General Administration and Support provides for the administrative and overhead systems which support the operations of the programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these

administrative costs in relation to the costs of provided services.

Included in this program is the Bureau of Statistics, Research and Planning which provides statistical and economic analyses, and produces various annual publications including the "Pennsylvania Industrial Directory" and the "Statistical Abstract".

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government . . . . .	<u>\$998</u>	<u>\$958</u>	<u>\$1,056</u>	<u>\$1,140</u>	<u>\$1,231</u>	<u>\$13,29</u>	<u>\$1,435</u>

**Industrial Development**

OBJECTIVE: To expand industrial employment opportunities through the location or expansion of industrial facilities within Pennsylvania.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 9,723	\$ 8,393	\$ 6,427	\$ 6,623	\$ 6,835	\$ 7,064	\$ 7,311
Federal Funds . . . . .	50	113	117	117	117	117	117
Other Funds . . . . .	21,890	26,159	25,849	25,599	25,599	25,599	25,599
<b>TOTAL . . . . .</b>	<b><u>\$31,663</u></b>	<b><u>\$34,665</u></b>	<b><u>\$32,393</u></b>	<b><u>\$32,339</u></b>	<b><u>\$32,551</u></b>	<b><u>\$32,780</u></b>	<b><u>\$33,027</u></b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
New or expanded industrial projects . . . . .	580	590	580	570	570	570	570
PIDA financed plant locations and expansions . . . . .		150	60	60	60	60	60
Community facility projects funded . . . . .	182	412	300	300	300	300	300
Site development projects funded . . . . .	24	23	22	21	20	19	18
New employment opportunities . . . . .	29,000	13,000	12,000	12,000	10,000	10,000	10,000
PIDA financed employment opportunities . . . . .		9,000	9,000	9,000	9,000	9,000	9,000
Business establishments surveyed . . . . .	22,000	22,000	22,000	22,000	22,000	22,000	22,000

**Program Analysis:**

Pennsylvania has been an active user of industrial development programs with both civic and governmental bodies promoting the suitability of their areas for industrial expansion in attempts to attract new industrial plants and facilities that could provide jobs, income and employment growth. These programs began in response to a serious unemployment problem, which developed in many areas of the Commonwealth, of such a magnitude that the statewide average unemployment rate reached over ten percent of the work force during the 1950's. National economic adjustments and the industrial development programs of the State have helped mitigate this substantial unemployment rate and reduce it below that of the nation. While the recent national economic downturn is resulting in a stagnation in real growth which is evidenced by continued rates of high unemployment and inflation, it appears that the economy of the Commonwealth is not suffering as much as some large industrial states. Pennsylvania's unemployment rate has

generally increased but at a slightly lower rate than that of the nation. During the first quarter of 1975 however, the State's rate exceeded the nation's unemployment rate.

The programs which were instituted to deal with the recession of the 1950's are still available to deal with these conditions. The primary component, the Pennsylvania Industrial Development Authority (PIDA) has continued to promote the expansion of employment by offering long-term low interest loans to companies expanding or locating in Pennsylvania. While there is no way of knowing how many employment opportunities would have been created without PIDA assistance, when measured in terms of its employment producing objective the contribution of PIDA has been significant. The continuation of this strategy will be essential, especially during periods of increased unemployment. It is, however, incumbent upon PIDA to support employment development in those areas of the Commonwealth identified by substantial and persistent unemployment rates. As the

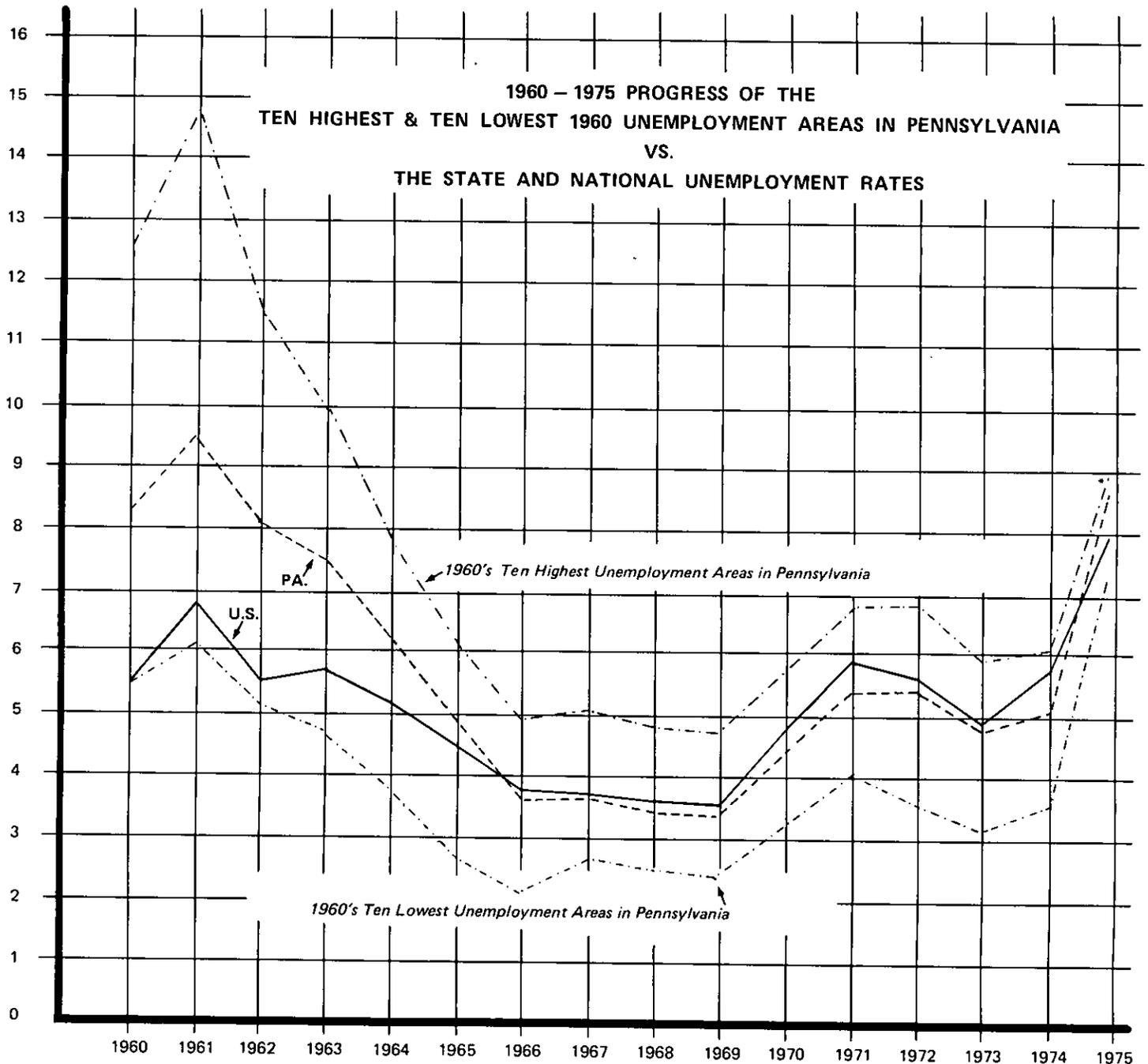
Industrial Development (continued)

Program Analysis: (continued)

chart indicates PIDA has had minimal impact on those labor-market areas most in need of Commonwealth assistance. New investment methods are needed to insure that these pockets of unemployment are given priority. Additionally, in order to assure the long range success of the State's industrial development programs a shift in emphasis from job creation to the raising of per capita income is necessary. Fiscal year 1974-75 data represents no PIDA financed employment opportunities. During this period, PIDA financing was in a transitional period, going from reliance on General Fund

appropriations to a \$40 million tax exempt bond financed program. PIDA is expecting to sell \$50 million dollars in bonds for the next five years; data for PIDA financed employment opportunities reflect the expectations of PIDA. A \$2 million appropriation for the Minority Business Development Authority has been provided during 1975-76 for loans, technical assistance and program liason to minority businesses. An additional \$2 million is recommended for the continuation of these activities in 1976-77.

Also included in this subcategory are the Site Development



\*1975 Figures Apply To Data For November 1975.

**Industrial Development (continued)**

**Program Analysis: (continued)**

and the Industrial Development Assistance programs. As the data indicate the Site Development program provided basic facilities for 23 projects in 1975-76.

Other areas which contribute to the Commonwealth's overall economic development effort are the State's participation in the Appalachian program and the administration of the Community Facilities and the Revenue Bond and Mortgage programs.

Since 52 counties of Pennsylvania were designated as within the Appalachian region, the Commonwealth is eligible for Federal funding for a variety of projects which include developmental highways, local access roads, health facilities and mining area restoration. State funding in this program is for the Commonwealth's share of the administrative costs of the Appalachian Regional Commission and the local development districts.

The Community Facilities program, which receives monies from the State Harness Racing Fund, provides grant-in-aid assistance to communities for water and sewage line facilities and access roads. It is estimated 412 communities will receive assistance from this program in 1976-77.

Included in these data are additional projects to be funded out of a \$2 million General Fund appropriation provided in 1975-76. More projects will also be funded with the reopening of Pocono Downs Race Track and recent revisions in the enabling legislation.

The Department administers the Revenue Bond and

Mortgage Program which, it is estimated, will provide 500 loans totalling \$1.8 billion in 1976-77. This program which makes use of tax-exempt loans from private financial institutions provides 100 percent financing for new and expanded facilities and equipment. Current financial markets, however, have limited the number of projects to be financed in the immediate future. Air and water pollution control equipment and facilities can also be financed through this program. While no State appropriation is required for this program, it has been responsible for substantial economic expansion within the Commonwealth. Over \$5 billion in loans have been approved since the program's inception in 1968.

The Department administers the Commonwealth's \$100 million Nursing Home Loan Program which assists in financing repairs, reconstruction and rehabilitation of nursing homes. This program is a result of a voter approved referendum providing for the issuance of general obligation bonds to finance the cost of the program. As of January 15, 1976, the Agency closed eight loans, totalling \$2.3 million. Twenty-three loan requests have received final approval, representing \$8.1 million.

Finally, to be of additional assistance to industry, the Department surveys and publishes an industrial directory. Current estimates of business establishments surveyed are substantially reduced because last year's data had anticipated an additional business census program which was not implemented.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	\$2,295	\$2,430	\$2,454	\$2,650	\$2,862	\$3,091	\$3,338
Industrial Development Assistance . . .	500	500	500	500	500	500	500
Pennsylvania Industrial Development Authority . . . . .	3,000	.....	.....	.....	.....	.....	.....
Site Development . . . . .	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Local Development District Grants . . .	100	100	100	100	100	100	100
Appalachia Regional Commission . . . .	328	363	373	373	373	373	373
Minority Business Development Authority . . . . .	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Nursing Home Loans—Administration . .	500	.....	.....	.....	.....	.....	.....
Community Facilities . . . . .	.....	2,000	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . .</b>	<b>\$9,723</b>	<b>\$8,393</b>	<b>\$6,427</b>	<b>\$6,623</b>	<b>\$6,835</b>	<b>\$7,064</b>	<b>\$7,311</b>

**Tourism and Travel Development**

OBJECTIVE: To expand income and employment in Pennsylvania through expanded tourism, travel and recreation.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 7,251	\$22,336	\$ 8,363	\$ 1,682	\$ 1,756	\$ 1,836	\$ 1,923
Federal Funds . . . . .	58	588	31	.....	.....	.....	.....
Other Funds . . . . .	3	2,407	515	.....	.....	.....	.....
<b>TOTAL . . . . .</b>	<b>\$ 7,312</b>	<b>\$25,331</b>	<b>\$ 8,909</b>	<b>\$ 1,682</b>	<b>\$ 1,756</b>	<b>\$ 1,836</b>	<b>\$ 1,923</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Employment derived from tourism activities (in thousands) . . . . .	243	382	380	280	280	290	290
Wages derived from tourism activities (in thousands) . . . . .	\$839	\$926	\$1,500	\$1,300	\$1,207	\$1,298	\$1,310
Revenues derived from tourism activities (in thousands) . . . . .	\$147	\$248	\$260	\$205	\$223	\$242	\$250
Tourist contacts through information centers and travel shows (in thousands) . . . . .	1,200	1,500	1,800	1,000	1,000	1,000	1,000
Counties receiving tourist promotion assistance . . . . .	59	61	61	61	61	61	61

**Program Analysis:**

The promotion of tourism in Pennsylvania has traditionally revolved around two separate but presumably complimentary programs. The first is a grant program aimed at subsidizing a portion of the costs of maintaining local tourist promotion agencies. The second is a program of national and regional advertising and promotion which includes support of tourist information centers. Data generated from employment, wages and revenue within the tourism industry indicate that the State is continuing to make economic gains within this sector.

With the advent of America's Bicentennial Celebration a number of programs have been developed which will emphasize the Commonwealth's unique role in the American Revolution. These programs alone are expected to account for a significant increase in tourism and travel and concomitant economic benefit to the entire Commonwealth. Some of the activities are:

- development of an educational curriculum to acquaint school children with life in colonial Pennsylvania,
- restoration and reactivation of historical sites and presentation of living history programs depicting colonial life,
- a Pennsylvania Wagon Train Pilgrimage reenacting the passage of Pennsylvania's settlers,

- a rededication to the Declaration of Independence affording every citizen of the Commonwealth an opportunity to sign a document committing themselves to those principles,
- and a commemoration of the first and second Continental Congresses to be held in Philadelphia on July 4, 1976.

A newly enacted appropriation, Bicentennial Municipal Grants, will aid communities confronted with increased costs, such as for police, fire and sanitation activities, attributable to Bicentennial activities.

The data representing tourist contacts through information centers and travel shows has been revised downward from last year's projections. This is due to fewer travel shows. Projections indicate that in 1975-76 there will be 500,000 contacts through the Commonwealth Tourist Information Centers and approximately 1,000,000 contacts through the anticipated three travel shows.

Because of the expected heavy influx of Bicentennial visitors, this budget emphasizes provision of services for these visitors through an additional five million dollar municipal assistance grant appropriation.

Tourism and Travel Development (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 750	\$ 829	\$ 861	\$ 930	\$ 1,004	\$ 1,084	\$ 1,171
Tourist Promotion Assistance . . . . .	1,500	1,500	750	750	750	750	750
Pennsylvania Bicentennial							
Commission . . . . .	5,000	10,005	1,750	.....	.....	.....	.....
Distinguished Daughters . . . . .	1	2	2	2	2	2	2
Bicentennial Municipal Grants . . . . .	.....	10,000	5,000	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . . .</b>	<u><u>\$ 7,251</u></u>	<u><u>\$22,336</u></u>	<u><u>\$ 8,363</u></u>	<u><u>\$ 1,682</u></u>	<u><u>\$ 1,756</u></u>	<u><u>\$ 1,836</u></u>	<u><u>\$ 1,923</u></u>

**Scientific and Technological Development**

OBJECTIVE: To increase the scientific and technological resources of the Commonwealth.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$1,317	\$1,254	\$1,320	\$1,334	\$1,349	\$1,365	\$1,382
Federal Funds . . . . .	. . . .	170	50	50	50	50	50
Other Funds . . . . .	71	227	146	146	146	146	146
<b>TOTAL . . . . .</b>	<b>\$1,388</b>	<b>\$1,651</b>	<b>\$1,516</b>	<b>\$1,530</b>	<b>\$1,545</b>	<b>\$1,561</b>	<b>\$1,578</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Direct value of scientific-technical research . . . . .	\$3,528	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
Projects undertaken . . . . .	32	40	20	20	20	20	20
Energy research projects undertaken . . . . .	12	8	3	2	2	1	1
Inquiries received for technical information . . . . .	1,590	1,590	1,600	1,600	1,600	1,600	1,600

**Program Analysis:**

The policies of the Commonwealth in scientific and technological development are aimed at strengthening the technological position of Pennsylvania's industries so as to maximize economic benefits and to ultimately create new sources of employment. Concurrently, there is an attempt to generate a State science policy and a State oriented program in science and technology which will focus Commonwealth resources on projects aimed at solving urgent problems.

In striving to achieve these goals, assistance is provided to promising scientific and technical research, both pure and applied, through grants to individual research projects as well as by provision of technical information and liaison services to members of the scientific and industrial community. However, due to increased costs associated with research projects, Pennsylvania Science and Engineering Foundation (PSEF) estimates that the number of projects undertaken will decrease without increased funding.

In response to the need for new and expanded sources of energy and energy systems, the Pennsylvania Science and Engineering Foundation has been engaged in increased sponsorship of those research and development projects which concentrate on Pennsylvania's abundant natural resource — coal. The Science and Engineering Foundation's role has been to provide the necessary seed funding and to develop a research capability for the attraction of Federal funds and the other energy research activities necessary to expand

Pennsylvania's energy sources. These activities are expected to continue in an effort to fill the technological and scientific voids hampering the revitalization of coal as a prime energy source. As the "Coal for the 70's" report of the Governor's Energy Council indicates, the revitalization of the coal industry is not solely a technological problem. Besides the technical questions associated with coal production and its use there is a gamut of problems which include:

- environmental concerns
- training programs for miners, foremen, engineers and technicians,
- improved health, safety and production standards,
- supply of mining machinery and materials,
- financing of major capital expansion,
- and an upgrading of the transportation distribution system for coal. Additionally, coal producers are reluctant to make major investments in increased coal production without guarantees for the long term purchase of the coal.

The Pennsylvania Science and Engineering Foundation will attempt to catalyze Federal, State and private funds in order to focus all available resources on the major problems associated with the increased use of coal in the Commonwealth.

The measure designating the direct value of scientific and technological research indicates that the \$950 thousand in State funding for 1975-76 returned \$4.5 million in matching

**Scientific and Technological Development (continued)**

**Program Analysis: (continued)**

and partnership funding. This data was generated as a result of Departmental efforts in documenting first and second generation funding. This multiplier factor is expected to continue in future years, however, the possible increased availability of Federal funds for energy research could produce future positive adjustments in this figure. The significant decrease in the direct value of scientific and technological research from last year's estimated is a result of a revaluation of base data.

Pennsylvania's gross state produce (GSP) for 1974 is approximately \$79 billion. Although no official figures exist for the aggregate research and development done in the State, a conservative figure is \$2 billion annually. It is this research and development industry to which the Foundation relates as it "seeds" and stimulates new concepts, ideas and technological indicators which will be important for Pennsylvania's future.

The data indicating the inquiries received for technical information illustrates the Department's efforts in disseminating scientific and technological information to the various business, industrial, social and governmental sectors of the Commonwealth.

Through the Pennsylvania Technical Assistance Program

(PENNTAP) it is estimated that \$1.3 million in savings was realized by Pennsylvania businesses and organizations last year by the transfer of scientific and technical information. Examples of successful scientific and technological development projects include:

- A computerized coal information system data bank that will provide an instant source of information on the characteristics of all the coal deposits in Pennsylvania.
- The development of fine cleaning methods for coal allowing the production of low sulfur coal.
- A new spectroscopic method for analyzing coal characteristics. Such investigation was impossible with previous technology.
- Information provided by PENNTAP enabled construction at a new school to continue when neither the architect nor the contractor could determine whether a vapor barrier should be installed.
- Potential users of the U.S. Navy's systematic Preventive Maintenance Program were matched with Navy personnel by PENNTAP. Five seminars were held with schools, hospitals, nursing homes, colleges and universities, and other public sector institutions in the State providing individualized assistance.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	\$ 168	\$ 154	\$ 170	\$ 184	\$ 199	\$ 215	\$ 232
Pennsylvania Science and Engineering Foundation . . . . .	999	950	1,000	1,000	1,000	1,000	1,000
Technical Assistance . . . . .	150	150	150	150	150	150	150
<b>GENERAL FUND TOTAL . . . .</b>	<u>\$1,317</u>	<u>\$1,254</u>	<u>\$1,320</u>	<u>\$1,334</u>	<u>\$1,349</u>	<u>\$1,365</u>	<u>\$1,382</u>

**International Trade**

OBJECTIVE: To expand Pennsylvania's exports and attract foreign investment.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$334</u>	<u>\$198</u>	<u>\$218</u>	<u>\$235</u>	<u>\$254</u>	<u>\$274</u>	<u>\$296</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Value of exports (in thousands) . . . . .	\$2,600	\$2,850	\$2,950	\$3,100	\$3,400	\$3,600	\$3,900
Trade inquiries from foreign and domestic sources . . . . .	3,835	1,500	1,000	500	500	500	500
State jobs attributable to exports and foreign investments . . . . .	158,000	176,000	183,000	203,000	213,000	230,000	250,000
Foreign companies located in Pennsylvania . . . . .	85	95	90	95	95	100	110

**Program Analysis:**

The international economic development efforts of the Commonwealth have the specific objective of increasing employment and income generated by Pennsylvania firms exporting to foreign countries, and foreign firms locating in Pennsylvania. Currently, there are approximately 2,500 companies in Pennsylvania which are involved in international trade including many of the 95 foreign-owned firms located in Pennsylvania.

It is estimated that in 1975-76, 176,000 jobs can be attributed to export operations and foreign investments. The increased program activity anticipated in 1976-77 is expected to contribute an additional 7,000 jobs gained from these sectors. Through the Department's assistance to Pennsylvania firms in developing agent/distributor relationships, foreign trade referrals and additional reverse investments, the number of employment opportunities is expected to steadily increase in the future. The job projections are lower than last year's which were somewhat overestimated.

These efforts are further complemented by three activities which have an impact on the level and value of exports. The Foreign Trade Referral Service receives inquiries from both domestic and overseas sources to match sellers and buyers as well as to arrange joint ventures and cross licensing agreements. In 1974-75 over 2,200 trade inquiries were disseminated by the

bureau in response to a catalogue presentation made to the trading organizations of Iraq and Syria. The impact of future trade missions is not included in the data above because of the uncertainty of where future trade missions will be held and the number of participants.

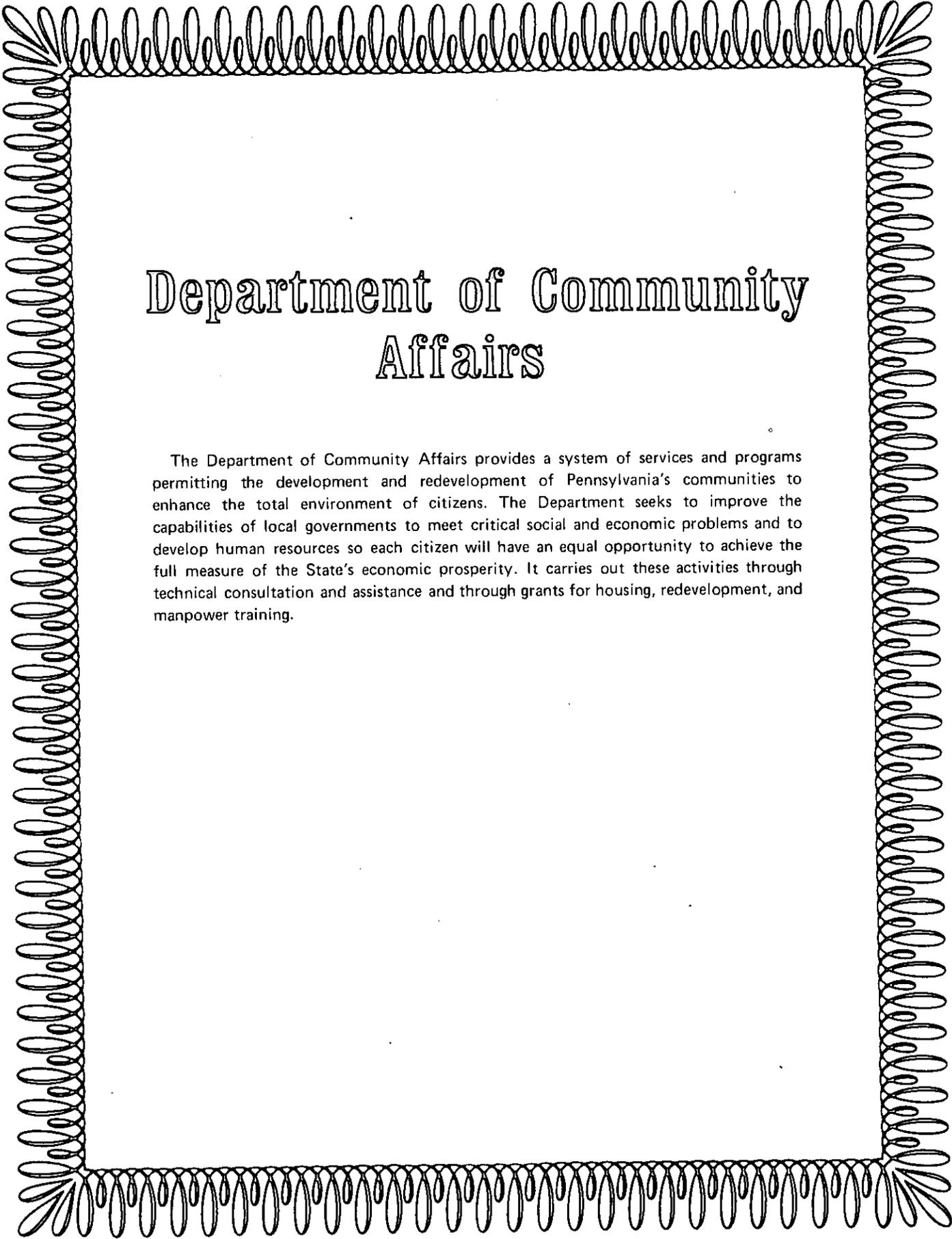
Secondly, participation in foreign based trade fairs and missions affords maximum opportunities for increasing exports by bringing Pennsylvania manufacturers into direct contact with overseas buyers and representatives.

Finally, through the efforts of the Department's European office in Brussels and representative in Switzerland, the Department is actively seeking foreign firms which could profitably establish manufacturing facilities in Pennsylvania, or could expand or provide new technologies to existing companies, thereby expanding Pennsylvania employment and income. Because it more directly reflects the impact of this program, the measure for foreign companies located in the State has been substituted for Pennsylvania companies engaging in international trade.

The estimate of the value of exports has also changed from the previous budget. This data is generated by the Federal Government and there is a time lag before the Federal Government produces it.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	<u>\$334</u>	<u>\$198</u>	<u>\$218</u>	<u>\$235</u>	<u>\$254</u>	<u>\$274</u>	<u>\$296</u>



# Department of Community Affairs

The Department of Community Affairs provides a system of services and programs permitting the development and redevelopment of Pennsylvania's communities to enhance the total environment of citizens. The Department seeks to improve the capabilities of local governments to meet critical social and economic problems and to develop human resources so each citizen will have an equal opportunity to achieve the full measure of the State's economic prosperity. It carries out these activities through technical consultation and assistance and through grants for housing, redevelopment, and manpower training.

## DEPARTMENT OF COMMUNITY AFFAIRS

### Summary by Fund and Appropriation

		(Dollar Amounts in Thousands)	
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 4,805	\$ 5,175	\$ 6,575
Fuel Allocation . . . . .	463	. . . .	. . . .
Flood Plain Management Planning . . . . .	. . . .	150	. . . .
Flood Plain Management — Economic Study . . . . .	. . . .	200	. . . .
Sub-Total . . . . .	<u>\$ 5,268</u>	<u>\$ 5,525</u>	<u>\$ 6,575</u>
<b>Grants and Subsidies</b>			
Employment Assistance . . . . .	\$ 1,750	\$ 1,750	\$ 1,750
Economic Opportunity Assistance . . . . .	1,299	1,300	1,300
Redevelopment Assistance . . . . .	19,650	2,850	. . . .
Transfer to Pennsylvania Housing Finance Agency . . . . .	. . . .	61,600	. . . .
Regional Councils . . . . .	50	75	75
Planning Assistance . . . . .	200	200	200
Flood Plain Management Planning Grants . . . . .	. . . .	3,000	. . . .
Sub-Total . . . . .	<u>\$22,949</u>	<u>\$70,775</u>	<u>\$ 3,325</u>
<b>Total State Funds</b> . . . . .	<u>\$28,217</u>	<u>\$76,300</u>	<u>\$ 9,900</u>
Federal Funds . . . . .	\$ 1,649	\$ 3,289	\$ 3,864
Other Funds . . . . .	1,533	1,582	1,080
<b>GENERAL FUND TOTAL</b> . . . . .	<u>\$31,399</u>	<u>\$81,171</u>	<u>\$14,844</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Government Operations</b>			
State Funds .....	\$ 5,268	\$ 5,525	\$ 6,575
Federal Funds .....	1,410	1,595	1,489
Other Funds .....	1,533	1,582	1,080
<b>TOTAL</b> .....	<b>\$ 8,211</b>	<b>\$ 8,702</b>	<b>\$ 9,144</b>

Provides for the administration and operation of various programs designed to promote effective and economical delivery of municipal services by assisting communities and political subdivisions in the areas of: economic opportunity to disadvantaged Pennsylvanians; housing, code enforcement and renewal; grant programs for the acquisition and development of recreational facilities; technical and financial assistance to regional planning agencies and councils of government; and regulation of industrialized housing.

Preserves historic documents of the Commonwealth and maintains land titles and boundary documents to protect the legal claims of landowners.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations .....	\$ 4,805	\$ 5,175	\$ 6,575
Fuel Allocation .....	463	.....	.....
Flood Plain Management Planning—Pending .....	.....	150	.....
Flood Plain Management Economic Study — Pending .....	.....	200	.....
<b>Federal Funds:</b>			
State Economic Opportunity Offices .....	72	.....	.....
Comprehensive Planning Assistance .....	292	304	275
Housing and Urban Development (HUD) —			
Title VIII .....	60	.....	.....
HUD III B Model Cities .....	33	.....	.....
Emergency Employment Act .....	5	.....	.....
Law Enforcement Assistance .....	80	.....	.....
Intergovernmental Personnel Act .....	330	312	309
Water Pollution Control — State and Local			
Manpower Development .....	71	22	10
Vocational Education Act .....	15	.....	.....
Appalachian State Housing — Technical Assistance .....	27	79	.....
Federal Census Project .....	5	.....	.....
Outdoor Recreation Acquisition and Development .....	39	50	50
Comprehensive Employment and Training Act (CETA) .....	58	456	514
Energy Administration .....	323	.....	.....
HUD Audit Reimbursement .....	.....	70	81
Community Services Administration .....	.....	302	250

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds (continued)</b>			
<b>Other Funds:</b>			
Land and Water Development Act . . . . .	\$ 845	\$ 884	\$ 575
Urban Redevelopment Law . . . . .	393	313	. . . .
Mobile and Industrialized Housing Act . . . . .	143	227	290
Reimbursement For Comptroller Services . . . . .	128	128	185
Sale of Training Material . . . . .	24	30	30
	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL . . . . .	<u>\$ 8,211</u>	<u>\$ 8,702</u>	<u>\$ 9,144</u>

**Grants and Subsidies**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Employment Assistance</b>			
State Funds . . . . .	\$ 1,750	\$ 1,750	\$ 1,750
Federal Funds . . . . .	169	576	375
	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL . . . . .	<u>\$ 1,919</u>	<u>\$ 2,326</u>	<u>\$ 2,125</u>

Provides financial assistance for training and ancillary services to assist the unemployed and underemployed in achieving economic independence. This program is not tied to any Federal manpower program.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Employment Assistance . . . . .	\$ 1,750	\$ 1,750	\$ 1,750
<b>Federal Funds:</b>			
Comprehensive Employment and Training Act . . . . .	169	576	375
	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL . . . . .	<u>\$ 1,919</u>	<u>\$ 2,326</u>	<u>\$ 2,125</u>

**GENERAL FUND**

**COMMUNITY AFFAIRS**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Economic Opportunity Assistance</b>			
State Funds .....	\$ 1,299	\$ 1,300	\$ 1,300
Federal Funds .....	.....	1,118	2,000
<b>TOTAL</b> .....	<u>\$ 1,299</u>	<u>\$ 2,418</u>	<u>\$ 3,300</u>

Provides financial assistance to community action agencies and municipalities in order to increase the level and scope of community services available to the disadvantaged.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Economic Opportunity Assistance .....	\$ 1,299	\$ 1,300	\$ 1,300
<b>Federal Funds:</b>			
Community Services Administration —			
Weatherization .....	.....	1,118	2,000
<b>TOTAL</b> .....	<u>\$ 1,299</u>	<u>\$ 2,418</u>	<u>\$ 3,300</u>

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Redevelopment Assistance</b>			
State Funds .....	\$19,650	\$ 2,850	.....
Federal Funds .....	70	.....	.....
<b>TOTAL</b> .....	<u>\$19,720</u>	<u>\$ 2,850</u>	.....

Provides grants to communities and redevelopment authorities to improve blighted neighborhoods through redevelopment, housing code enforcement, and the provision of low and moderate income housing.

Provides grants to assist nonprofit sponsors in meeting the costs of building low and moderate income housings.

Because of the need to transfer funds to the Pennsylvania Housing Finance Agency (PHFA) during 1975-76, no funds have been recommended for the budget year and the current fiscal year has also been reduced. When the funds are repaid by PHFA, the Governor will recommend that the appropriations for both fiscal years be restored to the \$15,650,000 level.

**GENERAL FUND**

**COMMUNITY AFFAIRS**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Redevelopment Assistance . . . . .	\$19,650	\$2,850*	. . . .
<b>Federal Funds:</b>			
Federal Energy Administration . . . . .	70	. . . .	. . . .
<b>TOTAL</b> . . . . .	<u>\$19,720</u>	<u>\$2,850</u>	. . . .

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Transfer to Pennsylvania Housing Finance Agency</b>			
State Funds . . . . .	. . . .	\$61,600	. . . .

Provides for transfer of funds to the Pennsylvania Housing Finance Agency to enhance the marketability of the agency's bond anticipation notes and long-term bonds.

In the event that the notes cannot be renewed nor converted to bonds, the transfer from the General Fund will redeem the Agency's outstanding bond anticipation notes and unfunded liabilities.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds:</b>			
<b>Appropriation:</b>			
Transfer to Pennsylvania Housing Finance Agency . . . . .	. . . .	<u>\$61,600</u>	. . . .

\* The amount shown represents a \$12,800,000 reduction in the current appropriation which assumes passage of legislation transferring this amount to the Pennsylvania Housing Finance Agency.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Regional Councils</b>			
State Funds .....	\$ 50	\$ 75	\$ 75

Provides financial assistance to regional councils of elected officials to promote efforts to overcome the effects of local government fragmentation.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Regional Councils .....	<u>\$ 50</u>	<u>\$ 75</u>	<u>\$ 75</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Planning Assistance</b>			
State Funds .....	\$ 200	\$ 200	\$ 200

Provides planning grants to local planning agencies which do not receive Federal Comprehensive Planning (701) funds. The plans funded through this program are often prerequisites for receiving Federal funds.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Planning Assistance .....	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>

**GENERAL FUND**

**COMMUNITY AFFAIRS**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Flood Plain Management Planning Grants</b>			
State Funds .....	.....	\$ 3,000	.....

To provide grants to municipalities and counties to assist or reimburse them for costs in preparing official plans for flood plain management required under the Pennsylvania Flood Disaster Prevention Act.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Flood Plain Management Planning Grants—Pending . . .	.....	<u>\$ 3,000</u>	.....

**Restricted Receipts Not Included in Department Total**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
Urban Planning Account .....	<u>\$2,302</u>	<u>\$1,750</u>	<u>\$1,750</u>

**DEPARTMENT OF COMMUNITY AFFAIRS**

**Summary of Agency Program by Category and Subcategory**

**General Fund and Special Funds**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . .</b>	\$ 2,339	\$ 2,399	\$ 2,582	\$ 2,763	\$ 2,956	\$ 3,163	\$ 3,384
<b>Community Physical Development . . . . .</b>	\$19,749	\$64,605	\$ 523	\$15,896	\$15,939	\$15,985	\$16,033
Housing and Redevelopment . . . . .	19,749	64,605	523	15,896	15,939	15,985	16,033
Community Park and Recreation Development* . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
<b>Economic Opportunity . . . . .</b>	\$ 3,615	\$ 3,519	\$ 3,761	\$ 3,828	\$ 3,900	\$ 3,977	\$ 4,060
Employability Development—Socially and Economically Handicapped . . . . .	1,750	1,750	1,750	1,750	1,750	1,750	1,750
Community Action Assistance . . . . .	1,865	1,769	2,011	2,078	2,150	2,227	2,310
<b>Local Government Management . . . . .</b>	\$ 2,051	\$ 5,777	\$ 3,034	\$ 3,226	\$ 3,371	\$ 3,587	\$ 3,820
Area Wide Intermunicipal Services . . .	73	103	112	114	117	120	124
Municipal Administrative Support Capability . . . . .	1,346	1,602	1,918	2,052	2,134	2,283	2,443
Community Development Planning . .	632	4,072	1,004	1,060	1,120	1,184	1,253
<b>Emergency Disaster Assistance . . . . .</b>	\$ 463	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Emergency Disaster Assistance . . . . .	463	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$28,217</u>	<u>\$76,300</u>	<u>\$ 9,900</u>	<u>\$25,713</u>	<u>\$26,166</u>	<u>\$26,712</u>	<u>\$27,297</u>

\* All funds are other than General or Special Funds.

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$2,339	\$2,399	\$2,582	\$2,763	\$2,956	\$3,163	\$3,384
Federal Funds .....	.....	110	81	.....	.....	.....	.....
Other Funds .....	128	128	185	198	212	227	243
<b>TOTAL .....</b>	<b><u>\$2,467</u></b>	<b><u>\$2,637</u></b>	<b><u>\$2,848</u></b>	<b><u>\$2,961</u></b>	<b><u>\$3,168</u></b>	<b><u>\$3,390</u></b>	<b><u>\$3,627</u></b>

**Program Analysis:**

General Administration and Support provides the administrative overhead and management systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

Also included in this subcategory is the Bureau of Land Records which acts as a depository for early land records of

Pennsylvania and records, indexes and file deeds applying to land owned or to be acquired by the Commonwealth. The Bureau also performs research and mapping functions relating to land in the State.

In addition, funds are provided for the Agency's policy planning and information program which provides publications and information to local governments as well as staff support for the Department.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations .....	<u>\$2,339</u>	<u>\$2,399</u>	<u>\$2,582</u>	<u>\$2,763</u>	<u>\$2,956</u>	<u>\$3,163</u>	<u>\$3,384</u>

**Housing and Redevelopment**

OBJECTIVE: To reduce to an acceptable level the percentage of Pennsylvania families living in substandard housing and blighted neighborhoods.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$19,749	\$64,605	\$ 523	\$15,896	\$15,939	\$15,985	\$16,033
Federal Funds . . . . .	97	79	. . . .	. . . .	. . . .	. . . .	. . . .
Other Funds . . . . .	536	540	290	633	658	685	714
<b>TOTAL . . . . .</b>	<b><u>\$20,382</u></b>	<b><u>\$65,224</u></b>	<b><u>\$ 813</u></b>	<b><u>\$16,529</u></b>	<b><u>\$16,597</u></b>	<b><u>\$16,670</u></b>	<b><u>\$16,747</u></b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Substandard dwelling units . . . . .	329,000	344,000	359,000	374,000	389,000	404,000	419,000
Construction of planned new dwelling units through State efforts . . . . .	3,052	2,250	2,310	2,300	2,300	2,300	2,300
Dwelling units rehabilitated through State efforts . . . . .	250	250	250	250	250	250	250
Redevelopment projects receiving State assistance . . . . .	37	38	25	25	25	25	24
Demolition projects funded . . . . .	40	40	40	40	40	40	40
Vacant, vandalized and substandard units eliminated through demolition . . . . .	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Industrial and mobile homes requiring inspection . . . . .	21,000	27,500	28,000	28,000	28,000	28,000	28,000

**Program Analysis:**

The housing and redevelopment program activities are administered by the Department of Community Affairs carried out by means of capital grants to agencies such as local government units, housing or redevelopment authorities, or nonprofit organizations.

In the housing area, grants can be used for both new construction and rehabilitation of existing housing units targeted to low and moderate income families. While the monies channeled into rehabilitation projects tend to be spent directly for acquisition and repair, grants for new construction can be tangential to the actual construction—financing process. Monies devoted to new construction projects are expended by the local sponsor on items such as administration, planning,

initial expenses involved with Federal grant application (seed money) as well as write down costs which serve to reduce the eventual rental or purchase price of the unit. The overall restriction is that no capital grant to any sponsor may exceed 10 percent of the total project costs.

Redevelopment is an attempt to recycle urban land. The process starts with a detailed and sometimes expensive planning process. Execution activities include the acquisition of land and structures, demolition and sometimes rehabilitation, relocation of families, the provisions of site improvements and the resale of land to public or private redevelopers. Redevelopment funds may be used for demolition projects under which vacant, vandalized, and

**Housing and Redevelopment (continued)****Program Analysis: (continued)**

dilapidated homes are removed. The land is held for future use by the community. Funds can also be used for code enforcement programs under which a community attempts to upgrade its existing housing stock. A gradual decrease is shown in the number of redevelopment projects as the State dollars per project increases. Attempts to reduce the vacuum left by Federal retrenchment is the primary cause of this situation.

Redevelopment has been the State's primary tool for revitalizing communities. When properly used, it can be effective in improving the tax base to generate revenues for essential community services, in increasing housing opportunities for low and moderate income families and improving overall vitality of a community.

A Departmental study based on information provided in the Federal (A-95) review of Housing and Community Development Act applications has provided an overall assessment of the housing need in Pennsylvania. Pennsylvania's 3.7 million households are distributed over approximately 3.7 million housing units. However, this apparent equilibrium of housing demand is deceptive since 359,000 units are classified substandard. Of this total, 296,000 units are occupied. Although almost 10 percent of the Commonwealth's housing stock is substandard, it does not have to be included as permanent deletions from the housing inventory. Approximately 327,000 or 91 percent presently substandard units are judged to be suitable for successful rehabilitation.

Pennsylvania housing problems exist in both our rural and our urban areas. Our rural areas have only 28 percent of the State's housing stock, but 40 percent of the substandard (lacking some plumbing facilities) and/or dilapidated units. Proportionately, twice as many rural units are substandard as are urban units. Other indices of housing quality further define the rural housing problem. A total of 52 percent of all housing units, lacking complete kitchen facilities are in rural areas and 92 percent of houses without piped water are in rural areas.

Urban housing problems are also severe. Pennsylvania's urban areas include the majority of its housing stock, over 72 percent. About 30 percent of this is located in center cities, the balance is suburban. Nearly 80 percent of the center city units are over 35 years old. Housing abandonment is another major characteristic of center city housing.

The composition of the housing stock reveals important trends which suggest future demand patterns. Since 1960 there has been a substantial decline in single family units. Multi-family homes now represent 25 percent of all housing stock while mobile homes are 2 percent of all units and are expected to increase. Clearly implied in the changing housing

composition are the decline in single family ownership and the increase in rental housing demand and supply.

One Federal housing program that can supply these multi-family type units is Section 8 of the Federal Housing and Community Development Act of 1974. Under this program the Federal Government will provide subsidies equal to the difference between the fair market rents of comparable standard units in each housing market area and the amount of rent paid by eligible families. It is expected that families will pay 15 to 25 percent of gross income. This is the only Federally assisted housing program remaining for urban areas.

State commitment to the Section 8 program will be in the form of write down grants which lower the overall mortgage cost of a development, thereby lowering rents, and a seed money loan program which assists the development of housing by providing the funds necessary to meet front-end costs such as legal and architectural fees. State commitment in this form represents only a small portion of the cost of the total project but is used to tie down major sums of Federal monies multiplying the impact of this program.

The completion rate is one of the measures which illustrates the level of productivity of housing projects receiving State assistance. During the time from March, 1969 (when the first housing grant was made) to September, 1974 the Housing Assistance program funds were committed to projects anticipated to produce 9,241 new units and rehabilitation of 1,956 units. Table 1 shows that of the 9,241 planned units, 4,328 or 47 percent were completed and the remaining uncompleted units are either projects pending application procedures with the Federal Department of Housing and Urban Development (HUD) or have been cancelled prior to start of construction. A total of 5,388 units or \$3,342,813 in State funds was committed in these uncompleted projects. This represents 30 percent of the total investment for new construction. The completion rate for rehabilitation projects was 56 percent; completing 1,087 units out of a planned 1,956. While the unit completion rate for rehabilitation as opposed to newly constructed units is somewhat higher, the State's investment per completed unit is also higher. The Commonwealth's total contribution for new construction prorated over completed units only is \$2,428, while the current investment per rehabilitated units completed is \$3,151.

The housing assistance grant mechanism is most effective when a substantial funding multiplier is available from other sources. Nearly one quarter (24 percent) of the Commonwealth's total housing investment during the period

Housing and Redevelopment (continued)

TABLE 1

TOTAL NEW CONSTRUCTION PROJECTS  
Between March 1969 and September 1974

(Dollar Amounts in Thousands)

Project Status	Projects	Units Planned	Units Completed	(Dollar Amounts in Thousands)		
				Cost per all project units completed including State, Federal & Local Funding	State Contribution to all Units Completed	Total State Contribution including for Units Completed, etc.
Complete*	45	3,238	3,326	\$63,193	\$3,190	\$ 3,190
Under construction	6	491	1,002	19,707	3,755	3,945
Planning	1	124	.....	.....	.....	48
Pending application procedures with HUD, etc.	18	3,213	.....	.....	.....	2,153
Projects cancelled prior to start of construction	19	2,175	.....	.....	.....	1,190
<b>TOTAL</b>	<b>89</b>	<b>9,241</b>	<b>4,328</b>	<b>\$82,900</b>	<b>\$6,945</b>	<b>\$10,526</b>

TOTAL REHABILITATION PROJECTS  
Between March 1969 and September 1974

Complete	18	399	413	\$ 4,935	\$ 989	\$ 989
On-going	13	1,557	674	10,058	2,437	2,437
<b>TOTAL</b>	<b>31</b>	<b>1,956</b>	<b>1,087</b>	<b>\$14,993</b>	<b>\$3,426</b>	<b>\$ 3,426</b>

TABLE 2

GRAND TOTAL ALL PROJECTS  
Between March 1969 and September 1974

(Dollar Amounts in Thousands)

Project Type	Projects	Units Planned	Units Completed	(Dollar Amounts in Thousands)		
				Cost per all project units completed including State, Federal & Local Funding	State Contribution to all Units Completed	Total State Contribution including for Units Completed, etc.
New Construction	90	9,241	4,328	\$82,900	\$ 6,944	\$10,538
Rehabilitation	31	1,956	1,087	14,993	3,426	3,426
Unrelated to housing Production	4	.....	.....	.....	.....	142
<b>GRAND TOTAL</b>	<b>125</b>	<b>11,197</b>	<b>5,415</b>	<b>\$97,893</b>	<b>\$10,370</b>	<b>\$14,106</b>

\*Projects considered "complete" are done so on the basis of information submitted by the Department of Community Affairs, Bureau of Housing or by individual housing project sponsors, reached by a telephone survey.

Housing and Redevelopment (continued)

Program Analysis: (continued)

was allocated to projects with a cancelled or pending status; for which no other funding is known to have been involved. These projects are also not known to have produced any completed housing units. While it is acknowledged that substantial lag time is to be expected, it must be noted however, that some 61 percent of the State's investment in new construction projects was granted in or before 1972.

Table 2 provides a summary of the total Housing Assistance program and shows out of a total State investments of \$14,106,357, \$3,736,011 has not produced any housing as yet.

Because of the need to transfer funds to the Pennsylvania Housing Finance Agency (PHFA) to enhance the marketability of the Agency's bond anticipation notes and long-term bonds, the available year has been reduced to \$2,850,000 and no funds have been recommended for the budget year. When the funds are repaid by PHFA, the Governor will recommend that the appropriations for both fiscal years be restored to the \$15,650,000 level.

The program measures reflect the anticipated restoration of funds to this program.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 99	\$ 155	\$ 523	\$ 246	\$ 289	\$ 335	\$ 383
Redevelopment Assistance . . . . .	19,650	2,850	. . . . .	15,650	15,650	15,650	15,650
Transfer to Pennsylvania Housing Finance Agency . . . . .	. . . . .	61,600	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$19,749</u>	<u>\$64,605</u>	<u>\$ 523</u>	<u>\$15,896</u>	<u>\$15,939</u>	<u>\$15,985</u>	<u>\$16,033</u>

**Community Park and Recreation Development**

OBJECTIVE: To develop recreational facilities accessible to urban areas.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Federal Funds . . . . .	\$ 39	\$ 50	\$ 50	.....	.....	.....	.....
Other Funds . . . . .	845	884	575	.....	.....	.....	.....
<b>TOTAL . . . . .</b>	<u>\$884</u>	<u>\$934</u>	<u>\$625</u>	.....	.....	.....	.....

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Communities with updated comprehensive plans in recreation . . . . .	53	71	71	71	71	71	71
Urban projects completed . . . . .	73	80	90	85	85	85	50
Suburban projects completed . . . . .	40	50	50	50	50	50	25
Rural projects completed . . . . .	15	20	25	25	25	25	85
Communities receiving technical assistance for recreation . . . . .	657	675	730	.....	.....	.....	.....

**Program Analysis:**

The Commonwealth embarked on a new and nationally innovative partnership program a decade ago, joining its local governments in the preservation of open space (Project 70) and the development of park and recreation facilities (Project 500). The funding came from bond financing. Although the bond funding for Project 500 continues until 1981, final allocations from the fund have already been made. It is anticipated that at the completion rate of 160 projects a year, all projects will be completed by the fiscal year 1980-81. Most recreation funds are already committed. Last year's (1975-76) budget document reflected the achievements of the local recreation program during the past ten years. The benefits of this investment are illustrated by the fact that more than 70 percent of recreation activity days occur at local facilities. The high price of gasoline and the burden of continued inflation on family budgets has made recreation near home more and more popular. The fact that citizens have access to an expanding system of local parks is due in large part to programs like Project 70 and Project 500. Also, with the objective in mind of reaching the maximum number of Commonwealth citizens with local facilities, an emphasis was placed on urban projects as reflected in the above measures. Smaller grants also allowed for available funds to be spread over a wider area.

Throughout this period, Pennsylvania has been a leading state in attracting Federal recreation funds. The Commonwealth's bond programs have enabled the State to make maximum use of these funds, and more importantly to enable the communities of greatest need to participate, by using State funds to reduce the local matching requirements.

In addition to the \$48,800,000 invested by the Federal Bureau of Outdoor Recreation (BOR), the United States Department of Housing and Urban Development provided \$28,139,129 to assist our local governments in acquiring and developing open space and recreation areas between 1963 and 1973. Approximately 98 percent of the funding was spent for land acquisition and the remaining two percent for development. This represented an additional 2,251 acres of open space added to local government-owned recreation areas.

This program is not supported by a General Fund or Special Fund Appropriation but by the Land and Water Development Fund which receives its funding from a bond issue approved for that purpose. The only dollars displayed in this document are the administrative costs of administering the Land and Water Development funds for community park recreation development.

**Employability Development – Socially and Economically Handicapped**

OBJECTIVE: To assure that the unemployed and the underemployed are provided with training and supportive services leading to placement in jobs with advancement potential.

**Recommended Program Costs:**

(Dollar Amounts in Thousands)

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750
Federal Funds . . . . .	169	576	375	375	375	375	375
<b>TOTAL . . . . .</b>	<b>\$1,919</b>	<b>\$2,326</b>	<b>\$2,125</b>	<b>\$2,125</b>	<b>\$2,125</b>	<b>\$2,125</b>	<b>\$2,125</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
People eligible for TEAM training . . . . .	1,110,000	1,200,000	1,108,000	1,070,000	1,000,000	1,000,000	1,000,000
Trainees enrolled in instructional courses . . . . .	2,900	2,667	2,900	2,900	2,900	2,900	2,900
Trainees completing instruction during the year . . . . .	1,700	1,600	1,600	1,600	1,600	1,600	1,600
Trainees placed in jobs . . . . .	1,400	1,350	1,300	1,250	1,250	1,250	1,250

**Program Analysis:**

The categorical approach to Federal manpower programs has for the most part been replaced by the Comprehensive Employment and Training Act (CETA). This act establishes a special revenue sharing program which allows programs to be more responsive to local needs. One of the manpower programs which was not affected by the implementation of CETA is the Manpower Employment Assistance and Training (TEAM) program under the Department of Community Affairs. Since TEAM is not directly tied to any Federal program, the program continues to exist on its own merit. This independence from Federal programs makes TEAM a versatile tool for meeting the State's priorities. Current emphasis in this program is on the hard-core unemployed and underemployed with social and economic problems. This program is designed to alleviate some of the inadequacies the hard core unemployed suffer due to lack of training. TEAM attempts to provide training, education and placement in jobs with advancement potential.

The sagging economy will have an adverse effect on the number of job placements from this program as the target group is the hard-core unemployed. These disadvantaged

individuals will be forced to compete for limited employment opportunities with unemployed skilled workers. One approach to this problem is to only train individuals in areas where crisis manpower needs are apparent. One approach recommended in this program reflects this specialization in manpower needs.

Currently in operation is a program to train unemployed individuals in the techniques of insulating poorly winterized low income housing. CETA funding in the amount of \$375,000 will provide the prime labor force for winterization by developing building trades training projects with nonprofit housing groups able and willing to train low income people in housing related skills. The TEAM program will work in conjunction with CETA. Employees funded through CETA are generally unskilled. The utilization of TEAM funds to employ a skilled housing and labor coordinator increases the efficiency of the work crew and can lead to more extensive housing and manpower employment efforts. Participating nonprofit groups will be encouraged to consider rehabilitation of Department of Public Welfare liened properties in order to directly improve housing occupied by the poor. The CETA program allows the flexibility that is consistent with the TEAM program.

Employability Development – Socially and Economically Handicapped (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Employment Assistance . . . . .	<u>\$1,750</u>	<u>\$1,750</u>	<u>\$1,750</u>	<u>\$1,750</u>	<u>\$1,750</u>	<u>\$1,750</u>	<u>\$1,750</u>

**Community Action Assistance**

OBJECTIVE: To provide individual economic opportunity to disadvantaged Pennsylvanians by increasing the level and scope of community services.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$1,865	\$1,769	\$2,011	\$2,078	\$2,150	\$2,227	\$2,310
Federal Funds .....	188	1,876	2,764	2,764	2,764	2,764	2,764
<b>TOTAL .....</b>	<b>\$2,053</b>	<b>\$3,645</b>	<b>\$4,775</b>	<b>\$4,842</b>	<b>\$4,914</b>	<b>\$4,991</b>	<b>\$5,074</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Persons with income below poverty level .....	900,000	950,000	1,000,000	1,100,000	1,100,000	1,100,000	1,100,000
Persons served by all community action programs .....	715,000	900,000	900,000	900,000	900,000	900,000	900,000
Percent of persons with income below poverty level served by program .....	59%	71%	78%	78%	78%	78%	78%
Tax credits approved for business firms with neighborhood assistance programs (in thousands) .....	\$6,000,000	\$6,800,000	\$7,500,000	\$8,000,000	8,000,000	8,000,000	8,750,000

**Program Analysis:**

This program has many facets which blend together to provide the economically disadvantaged with services and assistance. The Cash Grants Program administered by the Bureau of Human Resources is the primary tool utilized to achieve this objective. These monies are programmatically versatile in order to afford communities, through the local community action agencies (CAA's), the opportunity to draw up proposals and budgets which will best serve the locally perceived priorities and needs. These community action assistance agencies, whose membership includes local elected officials, other local agency officials and low-income people are the organizational vehicles for these programs.

The versatility of the Cash Grants Program makes it one of the most strategically important programs for effective utilization of all Federal antipoverty programs. The bulk of the Cash Grants contracts are written to provide the local State share for Federal programs operated by the Departments of Health, Education and Welfare, Transportation, Labor, Law Enforcement Assistance Administration, Community Services Administration, Legal Services Corporation, Appalachian Regional Commission, and others.

Another effective tool of this subcategory is the Neighborhood Assistance Program. This program, established by the Neighborhood Assistance Act of 1967, is not a grant program but merely allows certain tax credits to business firms which participate or contribute directly to projects undertaken by CAA's or nonprofit agencies designed to alleviate poverty conditions in impoverished neighborhoods. Up to fifty percent of the amount invested by the business is allowable for a tax credit, but no credit can exceed \$175,000 per firm. The department is limited by law to granting no more than \$8,750,000 in tax credits in any one tax year. However, this limit has never been fully utilized. In 1975-76 it is estimated \$6,800,000 in tax credits will be granted.

The unique blending of grants with tax credits provides for a much greater impact than the State dollars alone could accomplish, and these two factors working together can maximize the available Federal dollars. It is estimated for 1975-76 that \$6,500,000 in Federal funds will be generated. Of the total, \$1,118,000 in Community Service Administration (CSA) funds is for a winterization program which marries manpower training with improvement of poverty housing

Community Action Assistance (continued)

Program Analysis: (continued)

through insulation. Community action agencies will provide the delivery mechanism to train local manpower; local business firms will provide some of the materials needed and the Federal Government will fund the remainder. This proposal, with its double pronged effect, will benefit a community in two areas: diminishing unemployment and alleviating some of the hardships of high fuel costs on the poor. This impact is reflected in the increase in people served from 715,000

individuals in 1974-75 to 900,000 in 1975-76. Estimated to be at a \$2,000,000 funding level for 1976-77, these CSA funds will maintain this higher level of individuals served.

Since investment in this program has proven to be beneficial to disadvantaged Commonwealth residents, the current funding level of \$1,300,000 is recommended for 1976-77.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	\$ 566	\$ 469	\$ 711	\$ 778	\$ 850	\$ 927	\$1,010
Economic Opportunity Assistance . . . .	1,299	1,300	1,300	1,300	1,300	1,300	1,300
<b>GENERAL FUND TOTAL . . . .</b>	<u>\$1,865</u>	<u>\$1,769</u>	<u>\$2,011</u>	<u>\$2,078</u>	<u>\$2,150</u>	<u>\$2,227</u>	<u>\$2,310</u>

**Areawide Intermunicipal Services**

OBJECTIVE: To provide effective and economical municipal services through the development of regionally coordinated activities.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$ 73</u>	<u>\$103</u>	<u>\$112</u>	<u>\$114</u>	<u>\$117</u>	<u>\$120</u>	<u>\$124</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Political subdivisions in Commonwealth . . . . .	2,632	2,632	2,632	2,632	2,632	2,632	2,632
Councils of government . . . . .	42	57	62	75	80	90	100
Political subdivisions participating in councils of government . . . . .	475	570	700	850	900	950	980
Average political subdivisions in each council of government . . . . .	10	10	11	11	11	11	10
Average program service area in each council of government . . . . .	7	7	8	8	8	8	8
Councils of government having action projects assisted by the Department . . . . .	12	12	15	15	15	15	15

**Program Analysis:**

The large number of units of local government in the Commonwealth has caused a fragmentation of public services which in many cases results in increased cost of government for a large number of Pennsylvanians.

The State Constitution provides such approaches to overcoming the problems of fragmentation as home rule or optional plans, area government, intergovernment cooperation, and consolidation, merger or boundary change. There are 35 municipalities with home rule charters or optional plans in the formulation stage and 30 other municipalities in the adoption stage.

The Councils of Governments (COGs) Assistance program established under the provisions of Act 78 of 1970, have shown themselves to be viable organizations for alleviating the mutual problems of several contiguous municipalities. COGs undertake joint municipal services for their member governments when individual jurisdictions are unable to

perform these functions separately as economically or efficiently.

Recognition of COGs as a viable source at the state and Federal level has been indicated by the fact that Social Security Administration will now recognize COGs as an official entity to withhold social security contributions.

Until 1969 only six councils were in existence and activities of these units remained limited. Currently, there are 42 COGs encompassing 475 municipalities. The formation of 15 additional councils is anticipated throughout the remainder of 1975-76 bringing the total to 57, encompassing 570 municipalities.

Most COG efforts are centered on improving communications among local officials, elementary forms of cooperation and consideration of regional studies. The measures indicate the average number of services which COGs have determined can be provided on a cooperative basis. These

Areawide Intermunicipal Services (continued)

Program Analysis: (continued)

services may vary from one COG to another but typically include police protection, refuse collection, pollution control, recreation, code enforcement, solid waste management, etc.

There are, however, shortcomings to councils of government. They have no independent legal authority. The success of any plan is contingent upon the cooperation of the participating municipalities. Any member of council may opt

out of any program area it takes exception to, which destroys the economies of scale derived from the COG concept.

However, even with these shortcomings, COGs provide a means for on-going formalized contact among municipalities through which they can consider and act on common problems. The increase in the number of COGs indicates acceptance at the local level.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	\$ 23	\$ 28	\$ 37	\$ 39	\$ 42	\$ 45	\$ 49
Regional Councils . . . . .	50	75	75	75	75	75	75
<b>GENERAL FUND TOTAL . . . .</b>	<u>\$ 73</u>	<u>\$103</u>	<u>\$112</u>	<u>\$114</u>	<u>\$117</u>	<u>\$120</u>	<u>\$124</u>

**Municipal Administrative Support Capability**

OBJECTIVE: To improve the administrative capability of local government.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$1,346	\$1,602	\$1,918	\$2,052	\$2,134	\$2,283	\$2,443
Federal Funds . . . . .	646	424	409	399	399	399	399
Other Funds . . . . .	24	30	30	30	30	30	30
<b>TOTAL . . . . .</b>	<b><u>\$2,016</u></b>	<b><u>\$2,056</u></b>	<b><u>\$2,357</u></b>	<b><u>\$2,481</u></b>	<b><u>\$2,563</u></b>	<b><u>\$2,712</u></b>	<b><u>\$2,872</u></b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Local government units in the Commonwealth . . . . .	2,632	2,632	2,632	2,632	2,632	2,632	2,632
Municipal authorities in the Commonwealth . . . . .	2,050	2,050	2,050	2,050	2,050	2,050	2,050
Local governments receiving consultative assistance on:							
Public works development . . . . .	422	450	460	460	460	470	470
Personnel management studies . . . . .	250	250	235	230	230	230	230
Financial management . . . . .	215	215	550	545	535	535	535
Organization and structure . . . . .	260	245	250	250	250	250	250
Public safety services . . . . .	123	120	125	125	125	125	125
Municipal employees trained . . . . .	14,566	15,375	19,550	19,175	19,175	19,175	19,175
Communities receiving technical information on financial statistics . . . . .	1,996	2,195	2,414	2,500	2,500	2,500	2,500
Counties funded and operating county administrative improvement programs . . . . .	1	1					
Comprehensive public safety studies completed . . . . .	20	23	27	28	29	30	30

**Program Analysis:**

Local government must provide basic municipal services to the citizens of Pennsylvania and at the same time serve as the implementing tool for many important Commonwealth programs: housing, recreation, human services and law enforcement. Strengthening the administrative capability of local governments helps to insure the success of all programs carried out at the local level. This program pursues this objective through the provision to local governments of

consulting services, training, information services and statistical services.

Pennsylvania local governments are facing a range of management challenges. Rooted in all these is the specter of possible fiscal crisis. Shrinking tax bases and multiplying responsibilities have combined to confront some of the State's local governments with concern for their continued viability. Encouragement and development of strengthened local

**Municipal Administrative Support Capability (continued)**

**Program Analysis: (continued)**

government management through the four major service areas this program offers is one way the State can assist its local governments.

While ongoing consulting services in each of the five functional areas listed in the program measures will continue to be important, the area of fiscal management has become particularly significant. Funds are provided in this budget to increase this effort through the implementation of Section 1006 of Act 185 of 1972. This Act requires the Department to audit the sinking funds of local government units having outstanding debt not less than triennially. Implementation of this mandated responsibility will promote the soundness of local government debt management through encouragement of sound budget and accounting systems and funding of debt liabilities, and hopefully, ultimately minimize local government debt service costs.

Comparison of program measures in the consulting services area to last year's estimates show considerable variations. In general, this difference is attributable to the Department's improved performance reporting system. Decreases in financial management consulting assistance reflect the increased complexity of projects undertaken while decreases in organizations and structure consulting are also a result of reduced program activity under home rule. Public Safety Services have increased substantially for several reasons including: addition of one staff member, improved reporting; emphasis on regional studies covering several municipalities and increased demand.

While consulting hones in on specific functional management problems, training deals on a direct basis with the managers who must solve those problems. Training service is concentrating in four major areas: local government structure and operations, community development, local government management and environmental protection. Reorganization and strong emphasis on training skills, has resulted in a

doubling of training production compared to previous estimates.

Also included in the training area is management of the Federal Intergovernmental Personnel Act grants which has resulted in the creation of a series of regional personnel service centers throughout the State to provide training and personnel improvement services for local governments.

Information services provides five types of assistance to municipalities: information inquiries, research, publications, legislative reporting and the clearinghouse function. As well as providing a broad range of information to local governments, materials developed through this program are disseminated to officials at all levels of government, businesses and the general public.

Statistical services is the fourth major program tool the Department utilizes to strengthen local government. This program gathers and publishes statistics concerning the operations of Pennsylvania's local governments. To a limited extent, it provides technical assistance to local governments in the development of fiscal reporting systems. One of the most important impacts of this program is the encouragement it provides local governments in pursuing sound financial practices.

The decrease shown in counties funded and operating county administrative improvement programs reflects the findings of the demonstration county administrative improvement program designed to test the feasibility of introducing professionalized management into counties through temporary State financial assistance. The program demonstrated that it was not feasible to do so at the present time. The availability of alternate funding from the Federal Comprehensive Employment and Training Act (CETA) sources apparently lessens the demand for State funding of this kind of program.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	<u>\$1,346</u>	<u>\$1,602</u>	<u>\$1,918</u>	<u>\$2,052</u>	<u>\$2,134</u>	<u>\$2,283</u>	<u>\$2,443</u>

**Emergency Disaster Assistance**

OBJECTIVE: To alleviate crisis situations resulting from natural disasters or emergencies.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$463	.....	.....	.....	.....	.....	.....
Federal Funds . . . . .	323	.....	.....	.....	.....	.....	.....
<b>TOTAL</b> . . . . .	<u>\$786</u>	.....	.....	.....	.....	.....	.....

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Requests for emergency fuel aid . . . . .	20,000	.....	.....	.....	.....	.....	.....
Allocations made . . . . .	19,500	.....	.....	.....	.....	.....	.....

**Program Analysis:**

In 1973 the Secretary of Community Affairs was designated as the State's Fuel Officer and a fuel allocation system was established. This system was provided to match, through a computer operation, fuel users who had emergency needs with suppliers who could provide the fuel. Initially, the system dealt with middle distillate fuels (basically diesel, heating oil and kerosene) and was subsequently expanded to include gasoline, propane and residual oil.

The State continues to have allocation responsibilities but these responsibilities now rest with the Governor's Energy Council. As of June 30, 1975 the fuel allocation system was transferred to the Council. Therefore, budget information past that date is included under the Energy Council in the Executive Offices' presentation.

Federal regulations provided for a monthly three percent State set aside of gasoline supplies and a four percent set aside of middle distillates. Since the system was established,

however, the fuel crisis has undergone a metamorphosis. Coal shortages due to strikes and mine closings and natural gas shortages have added new dimensions to the original problem of oil shortages. In addition, dramatic price increases are having serious economic impact on both individuals and the nation as a whole.

The Commonwealth has no power to allocate coal and natural gas, however, the fuel line was accepting calls from persons and industries with problems and was attempting to assist them. In the case of industries with natural gas problems the State could assist in obtaining oil for an industry with conversion capability.

At its peak in March 1974 the fuel line was receiving 4,937 calls a month, however, activity has dropped off to a much lower level. Future funding of this program is included under the Energy Council.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Fuel Allocation . . . . .	<u>\$463</u>	.....	.....	.....	.....	.....	.....

**Community Development Planning**

OBJECTIVE: To provide technical planning assistance and guidance to enable development of regionally coordinated activities.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 632	\$4,072	\$1,004	\$1,060	\$1,120	\$1,184	\$1,253
Federal Funds . . . . .	187	174	185	200	216	233	252
<b>TOTAL . . . . .</b>	<b>\$ 819</b>	<b>\$4,246</b>	<b>\$1,189</b>	<b>\$1,260</b>	<b>\$1,336</b>	<b>\$1,417</b>	<b>\$1,505</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total projects funded . . . . .	47	45	43	43	43	43	43
Projects which have resulted in comprehensive development plans . . .	40	43	40	40	40	40	40
Communities which have adopted comprehensive plans . . . . .	38	36	34	34	34	34	34
Communities receiving technical assistance in planning . . . . .	300	290	290	290	290	290	290

**Program Analysis:**

The Comprehensive Development Planning Program provides direct grant funds, as well as technical assistance, to municipalities to assist them in preparing or updating comprehensive plans. This program supplements support provided for comprehensive planning by the Federal Department of Housing and Urban Development (HUD) 701 planning program and is directed primarily to communities which are not successful in obtaining Federal assistance. Communities aided tend to be relatively small and poor. The most recent available statistics show that municipalities receiving aid have a relatively low median family income (below \$8,999). These same communities tend to have low populations. Seventy percent of assisted communities have had a population below 5,000.

In serving poorer and smaller communities, the Comprehensive Development Planning Program has become a flexible tool. One of the prime considerations of management in assessing plant location, is a comprehensive plan indicating a stable land control situation that will protect their investment and provide a decent, forward looking community for their employes. Without planning assistance, development in these communities would go uncontrolled, to the detriment of the entire area.

As the measures indicate, a high degree of success has been experienced in this program as 40 out of 47 projects resulted in comprehensive plans.

Open space and recreation studies are another facet of comprehensive planning that has been widely used throughout the Commonwealth. Planning can play a significant role in guiding the development of Pennsylvania's communities.

This program will also be responsible for implementing the provisions of the pending Flood Plain Management Act (Senate Bill 1) which is expected to pass the General Assembly this fiscal year. If the Flood Plain Management Act passes, the Department will be administering grants and reimbursements to municipalities and counties to assist them in preparing official plans required by the Act. It is anticipated that all official plans will not be complete until 1981.

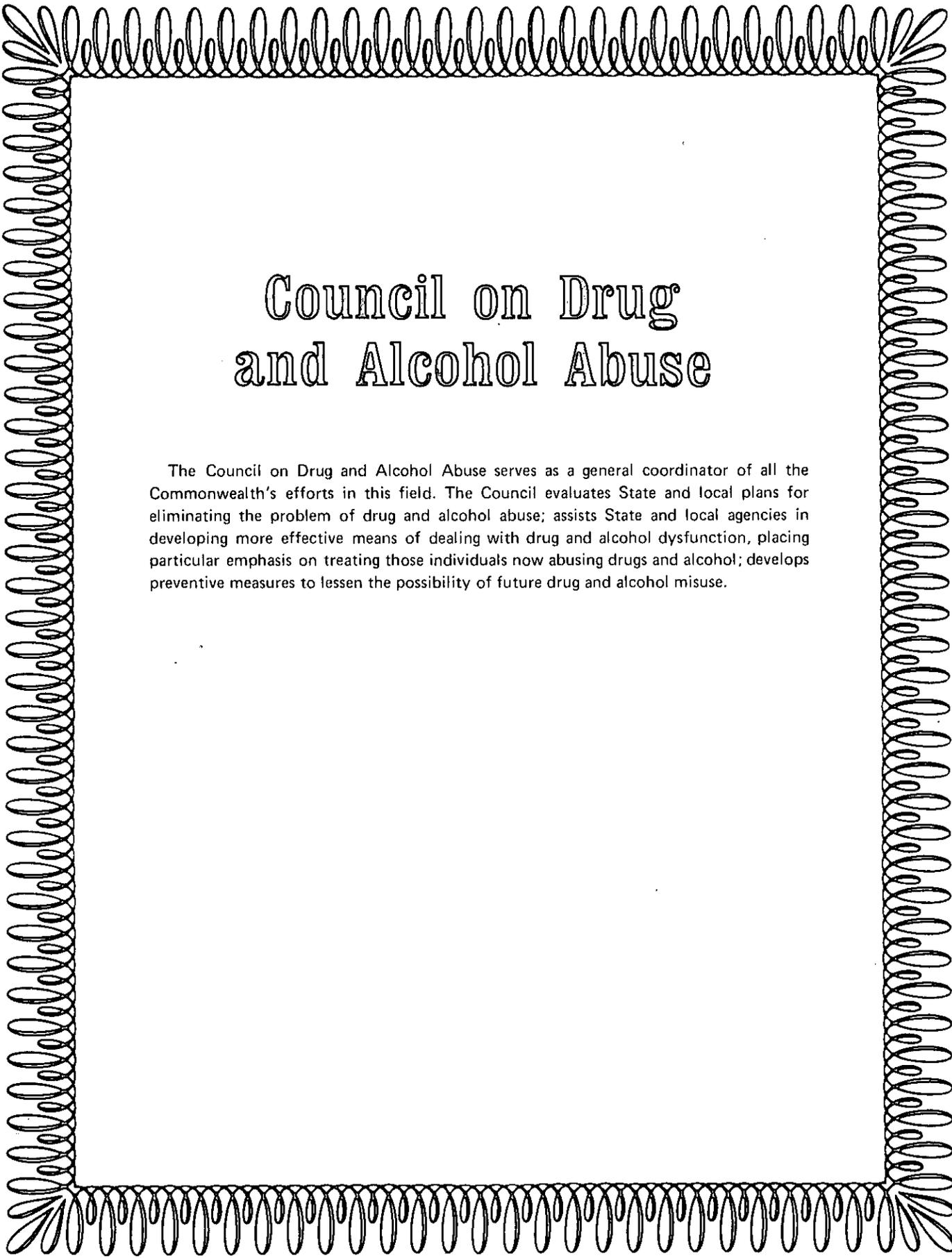
In addition, the Department will be responsible for securing, from an independent source, a study of the economic impact of the act for presentation to the Governor and Legislature.

The impact of the pending act has not been estimated in the measures for this fiscal year's presentation but will be reflected in future years.

Community Development Planning (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	\$ 432	\$ 522	\$ 804	\$ 860	\$ 920	\$ 984	\$1,053
Planning Assistance . . . . .	200	200	200	200	200	200	200
Flood Plain Management Planning . . . .	. . . .	150	. . . .	. . . .	. . . .	. . . .	. . . .
Flood Plain Management Economic Study . . . . .	. . . .	200	. . . .	. . . .	. . . .	. . . .	. . . .
Flood Plain Management Planning Grants . . . . .	. . . .	3,000	. . . .	. . . .	. . . .	. . . .	. . . .
<b>GENERAL FUND TOTAL . . . .</b>	<b>\$ 632</b>	<b>\$4,072</b>	<b>\$1,004</b>	<b>\$1,060</b>	<b>\$1,120</b>	<b>\$1,184</b>	<b>\$1,253</b>



# Council on Drug and Alcohol Abuse

The Council on Drug and Alcohol Abuse serves as a general coordinator of all the Commonwealth's efforts in this field. The Council evaluates State and local plans for eliminating the problem of drug and alcohol abuse; assists State and local agencies in developing more effective means of dealing with drug and alcohol dysfunction, placing particular emphasis on treating those individuals now abusing drugs and alcohol; develops preventive measures to lessen the possibility of future drug and alcohol misuse.

## COUNCIL ON DRUG AND ALCOHOL ABUSE

### Summary by Fund and Appropriation

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
Council on Drug and Alcohol Abuse . . . . .	\$18,635	\$ 2,455	\$ 3,041
<b>Grants and Subsidies</b>			
Assistance to Drug and Alcohol Programs . . . . .	. . . . .	\$17,184	\$18,952
<b>Total State Funds</b> . . . . .	<u>\$18,635</u>	<u>\$19,639</u>	<u>\$21,993</u>
Federal Funds . . . . .	\$ 2,293	\$ 5,284	\$ 4,137
Other Funds . . . . .	. . . . .	. . . . .	. . . . .
<b>GENERAL FUND TOTAL</b> . . . . .	<u>\$20,928</u>	<u>\$24,923</u>	<u>\$26,130</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>General Government Operations</b>			
State Funds . . . . .	\$18,635	\$2,455	\$ 3,041
Federal Funds . . . . .	2,293	1,452	1,137
Other Funds . . . . .	. . . . .	. . . . .	. . . . .
<b>TOTAL . . . . .</b>	<u>\$20,928</u>	<u>\$3,907</u>	<u>\$ 4,178</u>

Directs and monitors the operations of the existing drug and alcohol programs offered to the abuser. Evaluates the effectiveness of the various drug and alcohol programs and their use of half-way houses, group therapy sessions, methadone therapy, etc. Acts as the focal point in delivering rehabilitative services to the drug and alcohol abuser. Also provides through the use of training sessions, mass media publications and related services, a pool of knowledge to inform the general public of the ramifications of the abuse of drugs and alcohol.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations . . . . .	\$18,635 *	\$2,455	\$ 3,041
<b>Federal Funds:</b>			
National Institute on Alcoholism and Alcohol Abuse - Alcohol Formula Grant . . . . .	179	470	470
National Institute on Drug Abuse - Drug Formula Grant . . . . .	179	652	652
Law Enforcement Assistance - Improving and Strengthening Law Enforcement and Criminal Justice . . . . .	250	. . . . .	. . . . .
National Institute on Alcoholism and Alcohol Abuse - Alcohol Research Programs . . . . .	62	56	15
State and Community Highway Safety Act . . . . .	. . . . .	70	. . . . .
National Institute of Drug Abuse - Drug Abuse Training Programs . . . . .	44	204	. . . . .
Social Services . . . . .	1,360	. . . . .	. . . . .
Law Enforcement Assistance - Comprehensive Planning Grants . . . . .	219	. . . . .	. . . . .
<b>TOTAL . . . . .</b>	<u>\$20,928</u>	<u>\$3,907</u>	<u>\$ 4,178</u>

\*Included the grant program which is now shown separately

Grants and Subsidies

		(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available		1976-77 Budget
<b>Assistance to Drug and Alcohol Abuse Programs</b>				
State Funds .....	.....	\$17,184		\$18,952
Federal Funds .....	.....	3,832		3,000
<b>TOTAL .....</b>	<b>.....</b>	<u>\$21,016</u>		<u>\$21,952</u>

Provides grants to counties and to private facilities to finance drug and alcohol abuse treatment and prevention programs.

		(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available		1976-77 Budget
<b>Source of Funds</b>				
<b>Appropriation:</b>				
Assistance to Drug and Alcohol Abuse Programs .....	.....	\$17,184*		\$18,952
<b>Federal Funds:</b>				
Social Services .....	.....	3,832		3,000
<b>TOTAL .....</b>	<b>.....</b>	<u>\$21,016</u>		<u>\$21,952</u>

\*Previously funded as part of the General Government Operations appropriation.

**RESTRICTED RECEIPTS**

**COUNCIL ON DRUG AND ALCOHOL ABUSE**

**Restricted Receipts Not Included in Department Total**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
National Institute on Drug Abuse . . . . .	\$1,591	\$2,706	\$1,602
National Institute on Alcoholism and Alcohol Abuse . . . . .	3,709	2,715	2,354
<b>TOTAL . . . . .</b>	<u>\$5,300</u>	<u>\$5,421</u>	<u>\$3,956</u>

**COUNCIL ON DRUG AND ALCOHOL ABUSE**  
**Summary of Agency Program by Category and Subcategory**  
**General Fund and Special Funds**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . .</b>	\$ 5,172	\$ 5,142	\$ 5,860	\$ 6,593	\$ 7,078	\$ 7,575	\$ 8,192
<b>Physical Health Treatment . . . . .</b>	\$13,463	\$14,497	\$16,133	\$17,511	\$18,939	\$20,468	\$22,005
Prevention of Drug and Alcohol Abuse . . . . .	2,258	2,435	2,715	2,929	3,169	3,426	3,701
Treatment of Drug and Alcohol Abuse . . . . .	11,205	12,062	13,418	14,582	15,770	17,042	18,304
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$18,635</u>	<u>\$19,639</u>	<u>\$21,993</u>	<u>\$24,104</u>	<u>\$26,017</u>	<u>\$28,043</u>	<u>\$30,197</u>

**COUNCIL ON DRUG AND ALCOHOL ABUSE**

**General Administration and Support**

**OBJECTIVE:** To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$5,172	\$5,142	\$5,860	\$6,593	\$7,078	\$7,575	\$8,192
Federal Funds .....	714	1,518	1,194	1,057	1,053	1,053	1,050
<b>TOTAL</b> .....	<u>\$5,886</u>	<u>\$6,660</u>	<u>\$7,054</u>	<u>\$7,650</u>	<u>\$8,131</u>	<u>\$8,628</u>	<u>\$9,242</u>

**Program Analysis:**

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Council on Drug and Alcohol Abuse Control .....	<u>\$5,172</u>	<u>\$5,142</u>	<u>\$5,860</u>	<u>\$6,593</u>	<u>\$7,078</u>	<u>\$7,575</u>	<u>\$8,192</u>

**Prevention of Drug and Alcohol Abuse**

OBJECTIVE: To provide educational services to the general populace alerting them to the varied dangers of drug and/or alcohol abuse.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$2,258	\$2,435	\$2,715	\$2,929	\$3,169	\$3,426	\$3,701
Federal Funds . . . . .	269	633	490	500	500	500	500
<b>TOTAL . . . . .</b>	<u>\$2,527</u>	<u>\$3,068</u>	<u>\$3,205</u>	<u>\$3,429</u>	<u>\$3,669</u>	<u>\$3,926</u>	<u>\$4,201</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Persons viewing films . . . . .	N/A	990,600	1,079,750	1,177,000	1,282,850	1,400,000	1,525,000
General information requests answered . . . . .	2,638	3,635	4,000	4,360	4,750	5,180	5,650
Teachers trained . . . . .	1,400	1,400	1,400	1,400	1,400	1,400	1,400

**Program Analysis:**

This program is composed of two components: school services and community services. The populations addressed by each are here considered to be complimentary; that is, school services are directed toward persons in the school systems in the Commonwealth (persons 5 - 18 years of age), and the community services are oriented toward post-school age persons. In practice, these two elements are not mutually exclusive. In a survey of prevention facilities in the Commonwealth completed last year, the range of school services offered were wide and varied, including the following: teacher workshops, para-professional training, speaking programs, student rap sessions in the schools, and counseling services for students. Meanwhile, community services also offered assistance to school age persons as well as adults. These services included youth information services, sensitivity and awareness workshops for community employers, human development training, transactional analysis, and speaking programs. There are several educational services provided directly by the Council. The information bureau of the Council distributes pamphlets, research reports, and general information to the public upon request. During 1975 there were 3,635 requests for such information, an increase of about 25 percent over the previous year. A new service, which was initiated about one year ago, is the distribution of films. An estimated 990,600 persons viewed these films. Finally, funding to the Addiction Prevention Laboratory provides for the annual training of approximately 1,400 teachers in

education-prevention techniques. Because of the nature of our primary prevention efforts, it is most difficult to determine their impact upon the general public at this time.

The Commonwealth has been experiencing a decline in the school age population, and this is expected to continue through 1980. Between 1974 and 1980, school enrollments, both public and private, are expected to drop by 16 percent. It is for this reason, as well as for others to be mentioned, that the prevalence of experimentation of alcohol and drug substances was not projected. The basis for most of the projections was the incidence and prevalence study performed during 1972-73. Aside from some methodological difficulties, the incidence and prevalence study suffers from the ravages of time. The school age cohort it surveyed (the youngest age group surveyed was 15 - 19) has left the school system, to be replaced by a different cohort. This is important for two reasons: a) recent literature indicates that the incidence of alcohol experimentation and usage is increasing among school age persons, and b) the behavioral pattern for school age persons is much less stable than for other age categories. There are two developments currently in process which will enable more accurate projections next year. The Council on Drug and Alcohol Abuse is presently conducting a new incidence and prevalence study, and the Pennsylvania Department of Education is also surveying the use of alcohol and drugs within Commonwealth schools.

COUNCIL ON DRUG AND ALCOHOL ABUSE

---

Prevention of Drug and Alcohol Abuse (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Council on Drug and Alcohol Abuse .....	\$2,258	.....	.....	.....	.....	.....	.....
Assistance to Drug and Alcohol Abuse Programs .....	.....	\$2,435	\$2,715	\$2,929	\$3,169	\$3,426	\$3,701
<b>GENERAL FUND TOTAL .....</b>	<u><u>\$2,258</u></u>	<u><u>\$2,435</u></u>	<u><u>\$2,715</u></u>	<u><u>\$2,929</u></u>	<u><u>\$3,169</u></u>	<u><u>\$3,426</u></u>	<u><u>\$3,701</u></u>

**Treatment of Drug and Alcohol Abuse**

OBJECTIVE: To provide treatment and rehabilitative programs for those who have reached a dysfunctional level of drug and/or alcohol abuse.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$11,205	\$12,062	\$13,418	\$14,582	\$15,770	\$17,042	\$18,304
Federal Funds . . . . .	1,310	3,133	2,453	2,400	2,400	2,400	2,500
<b>TOTAL . . . . .</b>	<b>\$12,515</b>	<b>\$15,195</b>	<b>\$15,871</b>	<b>\$16,982</b>	<b>\$18,170</b>	<b>\$19,442</b>	<b>\$20,804</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Shelter facility admissions . . . . .	3,275	3,600	3,600	3,925	4,275	4,660	5,080
Drop-in center admissions . . . . .	22,930	25,200	25,200	27,470	29,940	32,635	35,570
Inpatient non-hospital admissions . . . . .	7,400	8,100	8,100	8,870	9,720	10,640	11,650
Inpatient hospital admissions . . . . .	7,860	8,640	8,640	9,420	10,270	11,200	12,210
Day care program admissions . . . . .	770	840	840	915	1,000	1,090	1,170
Outpatient program admissions . . . . .	23,850	26,000	26,000	28,340	30,890	33,670	36,700
Calls received on hotlines . . . . .	22,800	24,600	24,600	27,000	30,000	33,000	36,000
Persons experimenting with drugs . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Heavy users of drugs . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Heavy users of alcohol . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Program Analysis:**

For the purpose of this program analysis, it should be noted, that this subcategory deals with those programs and services targeted at various segments of the drug and alcohol using or abusing population. To handle these target populations, various secondary and tertiary level programs have been operational throughout the Commonwealth with the data on these programs collected through the Council's Uniform Data Collection System (UDCS). It should be noted, however, that the UDCS has only been universally operational in its present form since August, 1975, therefore, precluding the existence of a longstanding data base from which to draw

conclusive statements. It is anticipated that in the near future, the Drug and Alcohol Council will be able to measure the effectiveness of its treatment programs. For the present, the total number of clients treated as reported by each of the programs in this subcategory should be viewed as a conservative estimate.

The program measures do not refer to the number of individuals receiving treatment. Rather, they refer to the number of admissions to treatment programs. Many clients enter more than one program, or the same program more than once, in the course of a year. Therefore, it is not known how

Treatment of Drug and Alcohol Abuse (continued)

Program Analysis: (continued)

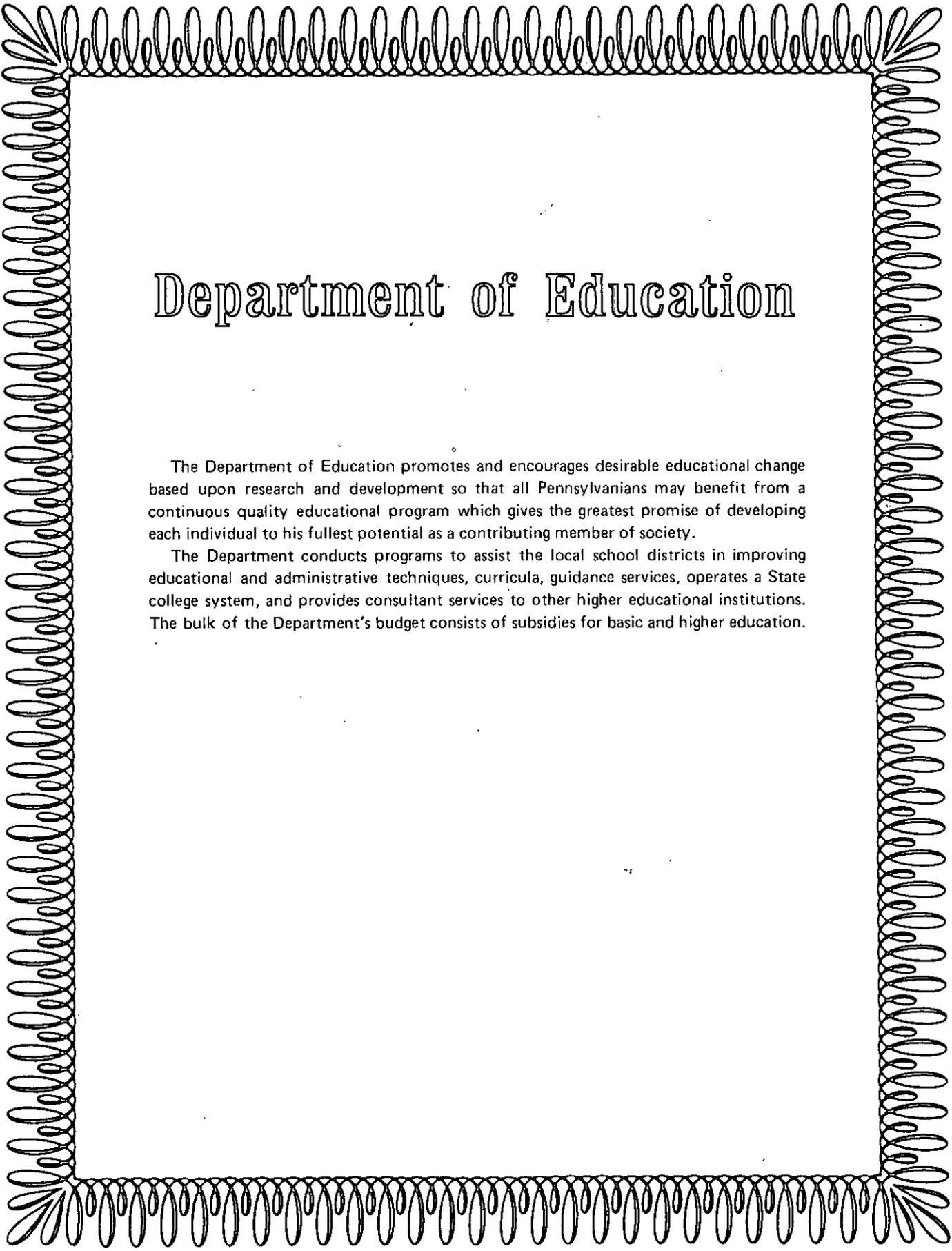
many individuals receive treatment within a given year.

The ultimate goal of all treatment programs is the rehabilitation of its participants. Based upon preliminary analysis of the indicators of treatment success, data received between March through September, 1974, it is estimated that for the fiscal year 1976-77 about 13,000 of the individuals in the tertiary treatment environments will in some way alter their drug and/or alcohol practices and patterns. It is also expected that nearly three of every four of the persons in treatment programs will either obtain legal gainful employment and/or participate in educational or training programs. However, this could change given a condition of continued economic instability since stigmatized individuals

are particularly difficult to place in legal employment. Lastly, an incidence and prevalence study is in the process to determine the scope of the problem of drug and/or alcohol abuse in Pennsylvania. This study is of primal importance as we are dealing with a group of individuals saddled with the problem of addiction and yet it has not been identified who they are and how many there are. Hopefully, the conclusions drawn from the study will isolate the number of drug and/or alcohol experimenters and heavy users so that the Council can place them in proper program environments and begin to build a successful treatment base documented by statistical facts and follow-up evaluations.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Council on Drug and Alcohol Abuse Control	\$11,205						
Assistance to Drug and Alcohol Programs		\$12,062	\$13,418	\$14,582	\$15,770	\$17,042	\$18,304
GENERAL FUND TOTAL	\$11,205	\$12,062	\$13,418	\$14,582	\$15,770	\$17,042	\$18,304



# Department of Education

The Department of Education promotes and encourages desirable educational change based upon research and development so that all Pennsylvanians may benefit from a continuous quality educational program which gives the greatest promise of developing each individual to his fullest potential as a contributing member of society.

The Department conducts programs to assist the local school districts in improving educational and administrative techniques, curricula, guidance services, operates a State college system, and provides consultant services to other higher educational institutions. The bulk of the Department's budget consists of subsidies for basic and higher education.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	Details on Page	1976-77 State Funds (in thousands)
Community Learning	Community Learning . . . . .	247	\$1,000
<p>This program Revision will insure that instructional programs are aimed at providing students with the abilities they need for their life roles.</p>			
Adult and Career Education	Adult and Career Education . . . . .	281	\$ 650
<p>This Program Revision will provide funds for the Department of Education to enter into contracts with existing colleges and universities, and with consortia of educational institutions and agencies, for the development and operation of special educational programs and counseling services.</p>			
Higher Education Regionalization	Higher Education Regionalization . . . . .	282	\$ 250
<p>This Program Revision provides funds to aid development of regional planning and coordinating councils for higher education institutions.</p>			
Improvement of Library Services	Aid to Local Libraries . . . . .	295	\$ 600
<p>This Program Revision will provide increased aid to local libraries.</p>			
DEPARTMENT TOTAL			<u>\$2,500</u>

**DEPARTMENT OF EDUCATION**  
**Summary by Fund and Appropriations**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations .....	\$ 12,060	\$ 12,490	\$ 13,944
State Library .....	1,270	1,373	1,634
Pennsylvania Public Television			
Network—Operations .....	4,101	4,161	4,357
Pennsylvania Public Television			
Network—Program Services .....	2,900	1,700	1,700
	<u>20,331</u>	<u>19,724</u>	<u>21,635</u>
Total—General Government .....	<u>\$ 20,331</u>	<u>\$ 19,724</u>	<u>\$ 21,635</u>
<b>Debt Service Requirements</b>			
General State Authority Rentals—State-Aided			
Institutions .....	<u>\$ 4,114</u>	<u>\$ 4,486</u>	<u>\$ 4,254</u>
<b>Institutional</b>			
State Colleges and University .....	\$ 139,221	\$ 159,240	\$ 169,491
Pennsylvania State Oral School .....	1,327	1,570	1,747
Scotland School for Veterans' Children .....	3,440	3,696	4,052
Thaddeus Stevens Trade School .....	1,492	1,745	1,870
	<u>145,480</u>	<u>166,251</u>	<u>177,160</u>
Total—Institutional .....	<u>\$ 145,480</u>	<u>\$ 166,251</u>	<u>\$ 177,160</u>
<b>Grants and Subsidies</b>			
<b>Support of Public Schools</b>			
Basic Instruction Subsidy and Vocational			
Education .....	\$1,218,766	\$1,300,372	\$1,270,225
Authority Rentals and Sinking			
Fund Requirements .....	149,422	137,877	142,000
Pupil Transportation .....	61,503	60,500	68,505
Special Education .....	68,572	78,000	88,250
Homebound Instruction .....	467	500	500
Tuition for Orphans and Children Placed			
in Private Homes .....	6,879	9,000	10,000
Payments in Lieu of Taxes .....	29	35	40
Education of Migrant Laborers' Children .....	36	36	72
Education of the Disadvantaged .....	1,000	1,000	1,000
Special Education—Approved Private			
Schools .....	19,001	23,700	27,815
Higher Education of Blind or Deaf			
Students .....	35	35	35
Intermediate Units .....	6,588	6,917	7,333
School Food Services .....	4,160	5,760	6,240
School Employees' Social Security .....	53,200	51,600	64,000
School Employees' Retirement Fund:			
Contingent Reserve and Supplemental			
Accounts .....	122,611	143,356	152,000
Former Teachers' Account .....	10	11	10
Youth Development Centers—Education .....	2,464	3,306	3,445
State Schools and Hospitals—Education .....	4,439	7,074	7,350
Freedom Area School District .....	100	100	100
	<u>1,719,182</u>	<u>1,829,179</u>	<u>1,848,820</u>
Sub-Total—Support of Public Schools .....	<u>\$1,719,182</u>	<u>\$1,829,179</u>	<u>\$1,848,820</u>

## DEPARTMENT OF EDUCATION

### Summary by Fund and Appropriations (continued)

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Grants and Subsidies (continued)</b>			
<b>Other Grants and Subsidies</b>			
Services to Nonpublic Schools . . . . .	\$ 15,633	\$ 19,547	\$ 19,341
Textbooks for Nonpublic Schools . . . . .	. . . . .	8,695	8,596
Equipment and Material Grants for Nonpublic Schools . . . . .	16,996	. . . . .	. . . . .
Student Supplies for Nonpublic Schools . . . . .	. . . . .	2,172	2,149
Improvement of Library Services . . . . .	7,934	8,222	8,896
Library Services for Blind and Handicapped . . . . .	767	806	858
Educational Radio and Television Grants . . . . .	850	780	780
Regional Educational Broadcasting Councils . . . . .	175	175	175
Correctional Institutions—Education . . . . .	748	2,000	2,180
Community Learning . . . . .	. . . . .	. . . . .	1,000
Community Colleges—Operating . . . . .	25,381	. . . . .	. . . . .
Community Colleges—Capital . . . . .	10,870	. . . . .	. . . . .
Community Colleges—Capital and Operating . . . . .	. . . . .	39,045	44,892
Higher Education of the Disadvantaged . . . . .	2,996	3,184	3,350
Adult and Career Education . . . . .	. . . . .	. . . . .	650
Ethnic Heritage Studies . . . . .	50	50	50
Higher Education Regionalization . . . . .	. . . . .	. . . . .	250
Transfers to Higher Education Assistance Agency:			
Scholarships . . . . .	68,440	68,440	68,440
Reserve for Losses on Guaranteed Loans . . . . .	2,800	3,200	3,200
Student Aid Funds—Matching . . . . .	1,500	1,500	1,500
Administration—Loans and Scholarships . . . . .	3,400	3,650	4,160
Institutional Assistance Grants . . . . .	12,000	12,000	6,000
Sub-Total—Other Grants and Subsidies . . . . .	<u>\$ 170,540</u>	<u>\$ 173,466</u>	<u>\$ 176,467</u>
<b>State-Related Universities</b>			
Pennsylvania State University— Educational and General . . . . .	. . . . .	\$ 71,593	\$ 74,457
Pennsylvania State University— Instruction . . . . .	\$ 63,189	. . . . .	. . . . .
Pennsylvania State University Student Aid . . . . .	1,760	1,760	1,760
Pennsylvania State University Research . . . . .	17,064	17,064	17,747
Pennsylvania State University Extension and Public Services . . . . .	9,626	9,626	10,011
Pennsylvania State University— Medical Programs . . . . .	2,493	2,665	2,755
Sub-Total Penn State University . . . . .	<u>\$ 94,132</u>	<u>\$ 102,708</u>	<u>\$ 106,730</u>
University of Pittsburgh—Educational and General . . . . .	. . . . .	\$ 50,825	\$ 52,858
University of Pittsburgh—Instruction . . . . .	\$ 44,859	. . . . .	. . . . .
University of Pittsburgh—Student Aid . . . . .	2,960	2,960	2,960
University of Pittsburgh—Medical Programs . . . . .	3,971	3,986	4,068
University of Pittsburgh—Dental Clinics . . . . .	. . . . .	500	. . . . .
Sub-Total University of Pittsburgh . . . . .	<u>\$ 51,790</u>	<u>\$ 58,271</u>	<u>\$ 59,886</u>

DEPARTMENT OF EDUCATION

Summary by Fund and Appropriations  
(continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Grants and Subsidies (continued)</b>			
State-Related Universities (continued)			
Temple University—Educational and General .....	.....	\$ 54,795	\$ 56,987
Temple University—Instruction .....	\$ 48,364	.....	.....
Temple University—Student Aid .....	3,018	3,018	3,018
Temple University—Extension and Public Services .....	53	.....	.....
Temple University—Medical Programs .....	5,360	5,375	5,420
Temple University—General Institutional Aid .....	2,500	.....	.....
Temple University—Dental Clinics .....	.....	500	.....
Sub-Total Temple University .....	<u>\$ 59,295</u>	<u>\$ 63,688</u>	<u>\$ 65,425</u>
Lincoln University—Educational and General .....	.....	\$ 2,428	\$ 2,525
Lincoln University—Instruction .....	\$ 2,124	.....	.....
Lincoln University—Advanced Institution Development .....	.....	250	250
Lincoln University—Accreditation Improvement .....	.....	100	200
Sub-Total Lincoln University .....	<u>\$ 2,124</u>	<u>\$ 2,778</u>	<u>\$ 2,975</u>
Non-State-Related Universities and Colleges			
Delaware Valley College of Science and Agriculture .....	\$ 185	\$ 185	\$ 185
Dickinson Law School .....	99	99	99
Drexel University .....	2,219	3,018	3,018
Drexel University—Student Aid .....	799	.....	.....
Hahnemann Medical College—Medical Programs .....	2,781	2,983	3,436
Hahnemann Medical College—Allied Health Programs .....	209	433	209
Thomas Jefferson University—Medical Programs .....	3,876	3,938	3,969
Thomas Jefferson University—Allied Health Programs .....	362	750	750
The Medical College of Pennsylvania .....	1,562	1,658	1,795
University of Pennsylvania—Instruction .....	6,727	7,063	7,063
University of Pennsylvania—Dental Clinics .....	.....	500	.....
University of Pennsylvania Medical Programs .....	2,904	2,882	2,882
University of Pennsylvania—School of Veterinary Medicine .....	1,973	2,072	2,072
University of Pennsylvania—Student Aid .....	3,374	3,374	3,374
Pennsylvania College of Podiatric Medicine .....	360	660	660
Pennsylvania College of Optometry .....	99	220	220
Philadelphia College of Art—Instruction .....	252	252	352
Philadelphia College of Art—Student Aid .....	100	100	.....
Philadelphia College of Osteopathic Medicine .....	3,331	3,511	3,577

DEPARTMENT OF EDUCATION

Summary by Fund and Appropriations  
(continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Grants and Subsidies (continued)</b>			
<b>Non-State-Related Universities and Colleges (continued)</b>			
Philadelphia College of Textiles and Science .....	\$ 250	\$ 250	\$ 250
Philadelphia Musical Academy .....	125	75	.....
 Sub-Total Non-State-Related Universities and Colleges .....	<u>\$ 31,587</u>	<u>\$ 34,023</u>	<u>\$ 33,911</u>
 <b>Non-State-Related Institutions</b>			
Berean Training and Industrial School .....	\$ 413	\$ 434	\$ 434
Downingtown Industrial and Agricultural School .....	518	544	544
Johnson School of Technology .....	70	74	74
Williamson Free School of Mechanical Trades .....	49	52	52
 Sub-Total Non-State-Related Institutions .....	<u>\$ 1,050</u>	<u>\$ 1,104</u>	<u>\$ 1,104</u>
 Total—Grants and Subsidies .....	<u>\$2,129,700</u>	<u>\$2,265,217</u>	<u>\$2,295,318</u>
 <b>Capital Improvements</b>			
Capital Improvements .....	\$ 691	\$ 50	\$ 168
 Total State Funds—General Fund .....	<u>\$2,300,316</u>	<u>\$2,455,728</u>	<u>\$2,498,535</u>
 Federal Funds .....	\$ 16,864	\$ 17,282	\$ 17,247
Other Funds .....	90,320	98,234	99,770
 GENERAL FUND TOTAL .....	<u>\$2,407,500</u>	<u>\$2,571,244</u>	<u>\$2,615,552</u>
 <b>Motor License Fund</b>			
<b>General Government</b>			
Highway Safety Education .....	\$ 24	\$ 35	.....
Driver Education Curriculum Development .....	.....	106	.....
 Sub-Total .....	<u>\$ 24</u>	<u>\$ 141</u>	<u>.....</u>
 <b>Grants and Subsidies</b>			
Safe Driving Course .....	\$ 4,242	\$ 4,224	\$ 4,441
 Total State Funds—Motor License Fund .....	<u>\$ 4,266</u>	<u>\$ 4,365</u>	<u>\$ 4,441</u>
 Federal Funds .....	\$ 60	\$ 62	.....
 MOTOR LICENSE FUND TOTAL .....	<u>\$ 4,326</u>	<u>\$ 4,427</u>	<u>\$ 4,441</u>

**DEPARTMENT OF EDUCATION**  
**Summary by Fund and Appropriations**  
**(continued)**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Revenue Sharing Trust Fund</b>			
Pupil Transportation .....	\$ 8,293	\$ 26,000	\$ 26,000
Special Education .....	45,000	56,000	51,400
Special Education—Approved Private Schools .....	2,500	2,500	2,500
<b>REVENUE SHARING FUND TOTAL .....</b>	<u><u>\$ 55,793</u></u>	<u><u>\$ 84,500</u></u>	<u><u>\$ 79,900</u></u>
 <b>Department Total — All Funds</b>			
General Fund .....	\$2,300,316	\$2,455,728	\$2,498,535
Special Funds .....	60,059	88,865	84,341
Federal Funds .....	16,924	17,344	17,247
Other Funds .....	90,320	98,234	99,770
<b>TOTAL ALL FUNDS .....</b>	<u><u>\$2,467,619</u></u>	<u><u>\$2,660,171</u></u>	<u><u>\$2,699,893</u></u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>General Government Operations</b>			
State Funds . . . . .	\$12,060	\$12,490	\$13,944
Federal Funds . . . . .	7,381	9,695	9,669
Other Funds . . . . .	636	557	635
<b>TOTAL . . . . .</b>	<b>\$20,077</b>	<b>\$22,742</b>	<b>\$24,248</b>

Provides the overall planning, policy guidance and coordination functions for agency programs. Supplies administrative, legal, public information, planning, research, personnel, budget and supply services to the various educational programs.

Conducts research projects for the benefit of basic and higher education, prepares statistical data for State school district subsidy calculations, the Federal Elementary and Secondary grant program, and others as needed.

Provides consultation to the school districts on budget, accounting, and procurement services and leadership for the improvement of basic education. Administers and distributes Support of Public Schools grants, Support of Non-Public Schools grants, Educational Radio and Television grants and distributes Federal grants to school districts. See "Grants and Subsidies" for details.

Coordinates the development of higher education in order to promote implementation of the Commonwealth's policies on higher education in accordance with the needs of students and colleges within the guidelines established by the Governor, the Legislature, the State Board of Education, and Pennsylvania Law. At State-owned schools and colleges accounting and fiscal review are performed for compliance with the Auditor General and the Federal Government.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
General Government Operations . . . . .	\$12,060	\$12,490	\$13,944
<b>Federal Funds:</b>			
Administration of ESEA Title I - Education of Children from Low-Income Families . . . . .	859	1,096	1,230
Educationally Deprived Children - Migrants . . . . .	58	78	87
School Library Resources, Textbooks and Other Instructional Materials . . . . .	232	151	. . . .
Supplementary Educational Centers and Services, Guidance, Counseling, and Testing . . . . .	634	285	. . . .
Strengthening State Departments of Education - Grants to States . . . . .	1,649	2,272	2,145
Handicapped Preschool and School Programs . . . . .	108	412	479

Source of Funds (continued)	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Federal Funds (continued)</b>			
Vocational Education -- Basic Grants to States . . . . .	\$ 1,968	\$ 2,393	\$ 2,662
Vocational Education -- Research . . . . .	158	174	174
Follow Through . . . . .	19	29	32
University Community Service -- Grants to States . . . . .	42	42	42
Higher Education Academic Facilities -- State Administration . . . . .	24	25	21
Veterans Educational Assistance . . . . .	507	564	638
Comprehensive and Employment Training Programs . . . . .	21	180	201
Civil Rights Technical Assistance and Training . . . . .	121	146	167
Adult Education -- Grants to States . . . . .	98	161	189
Right to Read -- Elimination of Illiteracy . . . . .	199	230	47
Strengthening Instruction Through Equipment and Minor Remodeling . . . . .	103	38	.. . .
National Defense Education Act -- Loans to Institutions . . . . .	27	30	33
Handicapped Teacher Education . . . . .	35	43	48
Food and Nutrition Service . . . . .	160	202	251
Consolidation of Certain Education Programs			
Title IV -- ESEA . . . . .	22	690	1,033
Manpower Development and Training . . . . .	82	.. . .	.. . .
Educational Personnel Training Grants -- Career Opportunities . . . . .	6	.. . .	.. . .
Reimbursement for Education Statistics . . . . .	1	1	.. . .
Inter-Governmental Personnel Act -- Sub-grants			
Governor's Personnel . . . . .	2	.. . .	.. . .
National Science Foundation . . . . .	12	12	.. . .
Alliance for Arts Education . . . . .	5	.. . .	.. . .
Atomic Energy Commission . . . . .	5	8	.. . .
In-Service Training Program for Teachers -- Appalachian Regional Commission . . . . .	6	19	.. . .
Justice Education and Community Action . . . . .	64	40	40
Criminal Justice Education . . . . .	31	15	15
Staff Development in Adult Education . . . . .	3	.. . .	.. . .
School Community Outreach in Nutrition Education . . . . .	12	.. . .	.. . .
Cambodian and Vietmanese Refugee Education Program . . . . .	.. . .	224	.. . .
New Jersey -- Pennsylvania Common Market			
National Institute of Health . . . . .	55	66	66
Regional Planning Council (NIH) . . . . .	49	.. . .	.. . .
Higher Education Act -- Title XII -- Section 1203 Planning . . . . .	4	69	69

Source of Funds (continued)	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Other Funds:</b>			
Reimbursement for EDP Services	\$ 109	\$ 100	\$ 137
Reimbursement for Services Rendered by Comptroller's Office	215	201	233
Reimbursement of Central Mailroom Costs	38	40	42
Funds Received from Bicentennial Commission of Pennsylvania	6	6	.....
Reimbursement for Special Education — Right to Education Program	12	.....	.....
Funds Received to Design and Initiate Education Program — Harrisburg School District	9	.....	.....
Reimbursement for Services to Colorado Department of Education	12	4	.....
Reimbursement from Governor's Committee on Health Education	15	.....	.....
Reimbursement for Services Rendered by the Department of Education Processing Center	181	201	223
Funds Received from New York State — Operation Alert — Adapt A Stream Program	2	.....	.....
Funds Received from Member States — Consortium for Educational Technology	21	.....	.....
Reimbursement from School Districts — Training School Superintendents	11	.....	.....
Reimbursement — Costs — Competency Based Staff Needs Assessment	5	5	.....
<b>TOTAL</b>	<b>\$20,077</b>	<b>\$22,742</b>	<b>\$24,248</b>

State Library	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
State Funds	\$ 1,270	\$ 1,373	\$ 1,634
Federal Funds	848	800	800
Other Funds	3	4	4
<b>TOTAL</b>	<b>\$ 2,121</b>	<b>\$ 2,177</b>	<b>\$ 2,438</b>

Promotes the improvement of library services throughout the Commonwealth by administration of a local support-incentive aid program and by conducting research and innovative programs. Operates the State Library in Harrisburg, which serves as a major reference library for State Government as well as an information base for all public libraries.

**GENERAL FUND**

**EDUCATION**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
State Library .....	\$ 1,270	\$ 1,373	\$ 1,634
<b>Federal Funds:</b>			
Library Services — Grants for Public Libraries .....	848	800	800
<b>Other Funds:</b>			
Book Penalties and Reimbursement for Lost Books .....	3	4	4
<b>TOTAL</b> .....	<u>\$ 2,121</u>	<u>\$ 2,177</u>	<u>\$ 2,438</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Pennsylvania Public Television Network</b>			
State Funds .....	\$ 7,001	\$ 5,861	\$ 6,057

Promotes the growth and improvement of public television in Pennsylvania. Operates network facilities connecting the seven public television stations that allow a variety of programs to be broadcasted simultaneously or separately. Administers a program of grants to support stations' operations.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Pennsylvania Public Television Network— Operations .....	\$ 4,101	\$ 4,161*	\$ 4,357
Pennsylvania Public Television Network— Program Services .....	2,900	1,700	1,700
<b>TOTAL</b> .....	<u>\$ 7,001</u>	<u>\$ 5,861</u>	<u>\$ 6,057</u>

\* The amount shown represents a \$153,000 reduction in the current appropriation which assumes passage of legislation transferring this amount to the Pennsylvania Housing Finance Agency.

Debt Service Requirements

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>General State Authority Rentals – State-aided Institutions</b>			
State Funds .....	\$ 4,114	\$ 4,486	\$ 4,254
Other Funds .....	575	444	454
<b>TOTAL .....</b>	<u>\$ 4,689</u>	<u>\$ 4,930</u>	<u>\$ 4,708</u>

Provides funds for payments to the General State Authority on behalf of certain State-aided educational institutions for capital improvements projects. Act 451 approved August 14, 1963 requires General State Authority rentals at State-aided institutions for capital improvements designed, constructed, and occupied subsequent to August 1963 to be paid by the institutions themselves.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General State Authority Rentals— State-aided Institutions .....	\$ 4,114	\$ 4,486	\$ 4,254
<b>Other Funds:</b>			
Sublease Rentals .....	575	444	454
<b>TOTAL .....</b>	<u>\$ 4,689</u>	<u>\$ 4,930</u>	<u>\$ 4,708</u>

Institutional

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>State Colleges and University</b>			
State Funds . . . . .	\$139,221	\$159,240	\$169,491
Federal Funds . . . . .	3,951	3,879	3,969
Other Funds . . . . .	89,017	97,164	98,612
<b>TOTAL . . . . .</b>	<b>\$232,189</b>	<b>\$260,283</b>	<b>\$272,072</b>

Provides support for 13 State-owned colleges and one State-owned university. Their purpose is to serve as institutions and centers of higher education to develop the youth of Pennsylvania in the arts and sciences, preparation of teachers for the Commonwealth's elementary and secondary public schools, and for such other purposes as may be determined by the State Board of Education.

Funds are budgeted to cover all negotiated salary and benefit increases and, also the operational expenses of the McKeever Environmental Learning Center.

<b>Full-Time Equivalent Enrollment</b>			
	1974-75	1975-76	1976-77
<b>Institutions</b>			
Bloomsburg . . . . .	5,590	5,740	5,740
California . . . . .	4,960	4,784	4,760
Cheyney . . . . .	2,251	2,400	2,930
Clarion . . . . .	5,337	5,576	5,604
East Stroudsburg . . . . .	4,220	4,410	4,410
Edinboro . . . . .	7,052	6,900	6,900
Indiana University . . . . .	11,229	11,235	11,238
Kutztown . . . . .	4,863	5,025	5,025
Lock Haven . . . . .	2,506	2,523	2,535
Mansfield . . . . .	3,088	3,027	3,119
Millersville . . . . .	5,722	5,750	5,750
Shippensburg . . . . .	5,517	5,519	5,520
Slippery Rock . . . . .	6,271	6,376	6,478
West Chester . . . . .	7,549	7,749	7,949
<b>Total - State Colleges and University . . . . .</b>	<b>76,155</b>	<b>77,014</b>	<b>77,958</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>State College and University Funds by Institution</b>			
<b>Bloomsburg</b>			
State Funds . . . . .	\$ 9,203	\$ 10,645	\$ 11,421
Federal Funds . . . . .	.....	.....	.....
Other Funds . . . . .	6,434	7,099	7,078
<b>TOTAL . . . . .</b>	<b>\$ 15,637</b>	<b>\$ 17,744</b>	<b>\$ 18,499</b>

**GENERAL FUND**

**EDUCATION**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>State College and University Funds by Institution (continued)</b>			
<b>California</b>			
State Funds .....	\$ 11,454	\$ 12,861	\$ 13,524
Federal Funds .....	699	442	465
Other Funds .....	5,160	5,245	5,127
TOTAL .....	<u>\$ 17,313</u>	<u>\$ 18,548</u>	<u>\$ 19,116</u>
<b>Cheyney</b>			
State Funds .....	\$ 6,864	\$ 7,571	\$ 7,878
Federal Funds .....	250	300	350
Other Funds .....	3,094	3,552	3,795
TOTAL .....	<u>\$ 10,208</u>	<u>\$ 11,423</u>	<u>\$ 12,023</u>
<b>Clarion</b>			
State Funds .....	\$ 9,871	\$ 11,260	\$ 12,017
Federal Funds .....	251	179	179
Other Funds .....	5,895	6,332	6,257
TOTAL .....	<u>\$ 16,017</u>	<u>\$ 17,771</u>	<u>\$ 18,453</u>
<b>East Stroudsburg</b>			
State Funds .....	\$ 7,125	\$ 8,218	\$ 8,782
Federal Funds .....	.....	.....	.....
Other Funds .....	5,256	5,865	5,950
TOTAL .....	<u>\$ 12,381</u>	<u>\$ 14,083</u>	<u>\$ 14,732</u>
<b>Edinboro</b>			
State Funds .....	\$ 11,288	\$ 13,046	\$ 13,971
Federal Funds .....	452	465	479
Other Funds .....	7,363	7,820	8,045
TOTAL .....	<u>\$ 19,103</u>	<u>\$ 21,331</u>	<u>\$ 22,495</u>
<b>Indiana University</b>			
State Funds .....	\$ 15,815	\$ 18,527	\$ 20,008
Federal Funds .....	916	819	895
Other Funds .....	12,745	13,859	13,888
TOTAL .....	<u>\$ 29,476</u>	<u>\$ 33,205</u>	<u>\$ 34,791</u>
<b>Kutztown</b>			
State Funds .....	\$ 9,054	\$ 10,310	\$ 10,985
Federal Funds .....	89	118	118
Other Funds .....	5,367	6,242	6,332
TOTAL .....	<u>\$ 14,510</u>	<u>\$ 16,670</u>	<u>\$ 17,435</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>State College and University Funds by Institution (continued)</b>			
<b>Lock Haven</b>			
State Funds . . . . .	\$ 5,800	\$ 6,512	\$ 6,835
Federal Funds . . . . .	288	385	357
Other Funds . . . . .	3,063	3,518	3,558
<b>TOTAL . . . . .</b>	<b>\$ 9,151</b>	<b>\$ 10,415</b>	<b>\$ 10,750</b>
<b>Mansfield</b>			
State Funds . . . . .	\$ 7,824	\$ 8,795	\$ 9,219
Federal Funds . . . . .	168	263	270
Other Funds . . . . .	3,979	4,455	4,544
<b>TOTAL . . . . .</b>	<b>\$ 11,971</b>	<b>\$ 13,513</b>	<b>\$ 14,033</b>
<b>Millersville</b>			
State Funds . . . . .	\$ 10,308	\$ 11,836	\$ 12,573
Federal Funds . . . . .	439	492	465
Other Funds . . . . .	7,671	8,204	8,125
<b>TOTAL . . . . .</b>	<b>\$ 18,418</b>	<b>\$ 20,532</b>	<b>\$ 21,163</b>
<b>Shippensburg</b>			
State Funds . . . . .	\$ 9,522	\$ 10,929	\$ 11,636
Federal Funds . . . . .	279	285	286
Other Funds . . . . .	6,374	6,957	7,212
<b>TOTAL . . . . .</b>	<b>\$ 16,175</b>	<b>\$ 18,171</b>	<b>\$ 19,134</b>
<b>Slippery Rock</b>			
State Funds . . . . .	\$ 11,090	\$ 12,671	\$ 13,487
Federal Funds . . . . .	. . . . .	. . . . .	. . . . .
Other Funds . . . . .	7,732	8,319	8,538
<b>TOTAL . . . . .</b>	<b>\$ 18,822</b>	<b>\$ 20,990</b>	<b>\$ 22,025</b>
<b>West Chester</b>			
State Funds . . . . .	\$ 14,003	\$ 16,059	\$ 17,155
Federal Funds . . . . .	120	131	105
Other Funds . . . . .	8,884	9,697	10,163
<b>TOTAL . . . . .</b>	<b>\$ 23,007</b>	<b>\$ 25,887</b>	<b>\$ 27,423</b>

**GENERAL FUND**

**EDUCATION**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
State Colleges and University . . . . .	\$139,221	\$159,240	\$169,491
<b>Federal Funds:</b>			
Federal Grants to State Colleges and University . . . . .	3,951	3,879	3,969
<b>Other Funds:</b>			
Tuition and Fees . . . . .	89,017	97,164	98,612
<b>TOTAL . . . . .</b>	<u><u>\$232,189</u></u>	<u><u>\$260,283</u></u>	<u><u>\$272,072</u></u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Special and Vocational Education Services</b>			
State Funds . . . . .	\$ 6,259	\$ 7,011	\$ 7,669
Federal Funds . . . . .	644	251	151
Other Funds . . . . .	89	65	65
<b>TOTAL . . . . .</b>	<u><u>\$ 6,992</u></u>	<u><u>\$ 7,327</u></u>	<u><u>\$ 7,885</u></u>

The Pennsylvania State Oral School for the Deaf at Scranton provides instruction for 194 children from the nursery school level through high school.

Scotland School for Veterans' Children provides a home life and elementary and secondary school education for 422 sons and daughters of soldiers, sailors and marines who served in World Wars I and II, and the Korean and Vietnam conflicts.

Thaddeus Stevens Trade School provides residence and vocational instruction for 400 male students, orphaned or disadvantaged ranging from 16 to 18 years of age.

	1974-75	1975-76	1976-77
<b>Institutional Enrollments are:</b>			
Pennsylvania State Oral School . . . . .	178	194	202
Scotland School for Veterans' Children . . . . .	417	422	450
Thaddeus Stevens Trade School . . . . .	400	400	425
<b>TOTAL . . . . .</b>	995	1,016	1,077

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Special and Vocational Educational Institutions Funds by Institution</b>			
<b>Pennsylvania State Oral School</b>			
State Funds	\$1,327	\$1,570	\$1,747
Federal Funds	340	51	51
Other Funds	.....	.....	.....
<b>TOTAL</b>	<b>\$1,667</b>	<b>\$1,621</b>	<b>\$1,798</b>
<b>Scotland School for Veterans' Children</b>			
State Funds	\$3,440	\$3,696	\$4,052
Federal Funds	304	200	100
Other Funds	5	5	5
<b>TOTAL</b>	<b>\$3,749</b>	<b>\$3,901</b>	<b>\$4,157</b>
<b>Thaddeus Stevens Trade School</b>			
State Funds	\$1,492	\$1,745	\$1,870
Federal Funds	.....	.....	.....
Other Funds	84	60	60
<b>TOTAL</b>	<b>\$1,576</b>	<b>\$1,805</b>	<b>\$1,930</b>

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Pennsylvania State Oral School	\$1,327	\$1,570	\$1,747
Scotland School for Veterans' Children	3,440	3,696	4,052
Thaddeus Stevens Trade School	1,492	1,745	1,870
<b>Federal Funds:</b>			
ESEA Title I - Education of Children from Low-Income Families	644	251	151
<b>Other Funds:</b>			
Tuition and Fees (Thaddeus Stevens)	84	60	60
Cafeteria Reimbursement (Scotland)	5	5	5
<b>TOTAL</b>	<b>\$6,992</b>	<b>\$7,327</b>	<b>\$7,885</b>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Support of Public Schools</b>			
State Funds . . . . .	\$1,719,182	\$1,829,179	\$1,848,820
Federal Funds . . . . .	992	1,237	1,237
<b>TOTAL . . . . .</b>	<b>\$1,720,174</b>	<b>\$1,830,416</b>	<b>\$1,850,057</b>

Provides State support to school districts. Subsidy payments are made for basic instruction, vocational education, manpower development, rentals and sinking fund requirements, pupil transportation, special education, instruction of students unable to attend school, financially handicapped districts, tuition for orphans and children placed in private homes, payments in lieu of taxes, education of deaf, blind, and cerebral palsied, and other handicapped children at approved private schools, education of the disadvantaged, intermediate units, and school employe benefits.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Basic Instruction Subsidy and Vocational Education . . . . .	\$1,218,766	\$1,300,372	\$1,270,225
Authority Rentals and Sinking Fund Requirements . . . . .	149,422	137,877*	142,000
Pupil Transportation . . . . .	61,503	60,500	68,505
Special Education . . . . .	68,572	78,000	88,250
Homebound Instruction . . . . .	467	500	500
Tuition for Orphans and Children Placed in Private Homes . . . . .	6,879	9,000	10,000
Payments in Lieu of Taxes . . . . .	29	35	40
Education of Migrant Laborers' Children . . . . .	36	36	72
Education of the Disadvantaged . . . . .	1,000	1,000	1,000
Special Education—Approved Private Schools . . . . .	19,001	23,700	27,815
Higher Education of Blind or Deaf Students . . . . .	35	35	35
Intermediate Units . . . . .	6,588	6,917	7,333
School Food Services . . . . .	4,160	5,760	6,240
School Employes' Social Security . . . . .	53,200	51,600**	64,000
School Employes' Social Security—Deficiency . . . . .			
School Employes' Retirement Fund:			
Contingent Reserve Account and Supplemental Accounts . . . . .	122,611	143,356	152,000
Former Teachers' Account . . . . .	10	11	10
Youth Development Centers—Education . . . . .	2,464	3,306	3,445
State Schools and Hospitals—Education . . . . .	4,439	7,074***	7,350
Freedom Area School District . . . . .		100	
<b>Federal Funds:</b>			
Vocational Education Act . . . . .	992	1,237	1,237
<b>TOTAL . . . . .</b>	<b>\$1,720,174</b>	<b>\$1,830,416</b>	<b>\$1,850,057</b>

\*The amount shown represents a \$22,000,000 reduction in the current appropriation which assumes passage of legislation transferring this amount to the Pennsylvania Housing Finance Agency.

\*\*The amount shown represents a \$6,500,000 reduction in the current appropriation which assumes passage of legislation transferring this amount to the Pennsylvania Housing Finance Agency.

\*\*\*The amount shown represents a \$1,200,000 reduction in the current appropriation which assumes passage of legislation transferring this amount to the Pennsylvania Housing Finance Agency.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Support of Nonpublic Schools</b>			
State Funds .....	\$ 32,629	\$ 30,414	\$ 30,086

Provides, through the intermediate units, services such as guidance counseling, psychological services, and other auxiliary services to nonpublic schools. Also lends textbooks and instructional supplies to children who are attending nonpublic schools in the Commonwealth.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Services to Nonpublic Schools .....	\$ 15,633	\$ 19,547	\$ 19,341
Equipment and Material Grants for Nonpublic Schools .....	16,996	.....	.....
Textbooks for Nonpublic Schools .....	.....	8,695	8,596
Nonpublic School Student Supplies .....	.....	2,172	2,149
<b>TOTAL .....</b>	<b><u>\$ 32,629</u></b>	<b><u>\$ 30,414</u></b>	<b><u>\$ 30,086</u></b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Library Services</b>			
State Funds .....	\$ 8,701	\$ 9,028	\$ 9,754
Federal Funds .....	2,995	1,420	1,421
<b>TOTAL .....</b>	<b><u>\$ 11,696</u></b>	<b><u>\$ 10,448</u></b>	<b><u>\$ 11,175</u></b>

Provides aid to public libraries for the development of a Statewide system of libraries and library services in Pennsylvania. The categories of aid are as follows: State Aid to Local Libraries, State Aid to County Libraries, State Aid to District Library Centers, State Aid to Regional Library Resource Centers, and Equalization Aid. Also provides State funds to the Free Library of Philadelphia and to the Carnegie Library of Pittsburgh to meet the costs of serving as regional libraries in the distribution of reading materials and talking books to the blind and for services to persons with other physical handicaps.

**GENERAL FUND**

**EDUCATION**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Improvement of Library Services . . . . .	\$ 7,934	\$ 8,222	\$ 8,896
Library Services for the Blind and the Handicapped . . . . .	767	806	858
<b>Federal Funds:</b>			
Library Services — Grants for Public Libraries . . . . .	2,675	1,354	1,354
Library Services — Interlibrary Cooperation . . . . .	320	66	67
<b>TOTAL</b> . . . . .	<u>\$ 11,696</u>	<u>\$ 10,448</u>	<u>\$ 11,175</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Educational Radio and Television</b>			
State Funds . . . . .	\$ 1,025	\$ 955	\$ 955

Assists in the establishment and operation of educational television and broadcasting facilities by providing grants to educational television and broadcasting agencies for educational broadcasting. Also purchases, produces, records, and distributes programming, and provides and procures auxiliary services. Grants and services provided by this activity are for the support of daytime educational broadcasting for instructional purposes.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Educational Radio and Television Grants . . . . .	\$ 850	\$ 780	\$ 780
Regional Educational Broadcasting Councils . . . . .	175	175	175
<b>TOTAL</b> . . . . .	<u>\$ 1,025</u>	<u>\$ 955</u>	<u>\$ 955</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Correctional Institutions—Education</b>			
State Funds .....	\$ 748	\$ 2,000	\$ 2,180
Federal Funds .....	53	.....	.....
<b>TOTAL .....</b>	<b>\$ 801</b>	<b>\$ 2,000</b>	<b>\$ 2,180</b>

Provides administration and subsidies for the operation of educational programs for inmates of State correctional institutions. Responsibility for such programs has been transferred to the Department of Education from the Bureau of Corrections, Department of Justice.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Correctional Institutions—Education .....	\$ 748	\$ 2,000	\$ 2,180
<b>Federal Funds:</b>			
Postsecondary Education Program — Pittsburgh .....	53	.....	.....
<b>TOTAL .....</b>	<b>\$ 801</b>	<b>\$ 2,000</b>	<b>\$ 2,180</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Community Learning</b>			
State Funds .....	.....	.....	\$ 1,000

Assists school districts in developing curricula that will improve pupils' abilities in the areas of work, social responsibility, consumerism, and health and leisure as well as basic academic skills.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Community Learning .....	.....	.....	<u>\$ 1,000</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>State Aid to Community Colleges and Technical Institutes</b>			
State Funds . . . . .	\$ 36,251	\$ 39,045	\$ 44,892

Provides aid to community colleges in order to achieve the purpose of extending educational opportunity in response to community or area need. The Commonwealth pays one-third of each college's approved operating expenses (to one-third of a maximum of \$1,500 per full-time equivalent student and to one-third of a maximum of \$750 per full-time equivalent student for operating costs during a summer term). In addition the Community Colleges are reimbursed \$150 for each student enrolled in an occupational program. The Commonwealth also pays one-half of each college's approved capital expenses.

The community colleges now in operation and their enrollments are as follows:

**Fall Enrollments**

	1974-75	1975-76	1976-77
<b>Community Colleges</b>			
Allegheny County . . . . .	11,760	13,432	16,172
Beaver County . . . . .	1,307	1,103	1,400
Bucks County . . . . .	4,619	4,666	5,168
Butler County . . . . .	1,202	1,164	1,172
Delaware County . . . . .	2,700	3,361	3,442
Harrisburg Area . . . . .	2,865	2,952	3,018
Lehigh County . . . . .	1,776	1,830	1,886
Luzerne County . . . . .	1,625	1,650	1,850
Montgomery County . . . . .	4,198	4,307	4,416
Northampton County . . . . .	1,956	2,334	2,588
Philadelphia . . . . .	7,797	8,486	9,300
Reading . . . . .	1,000	1,192	1,512
Westmoreland County . . . . .	1,471	1,660	1,760
Williamsport Area . . . . .	2,400	2,435	2,475
<b>TOTAL . . . . .</b>	<b>46,676</b>	<b>50,572</b>	<b>56,159</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Community Colleges—Operating . . . . .	\$ 25,381	. . . . .	. . . . .
Community Colleges—Capital . . . . .	10,870	. . . . .	. . . . .
Community Colleges—Capital and Operating . . . . .	. . . . .	\$ 37,000	\$ 44,892
Community Colleges—Capital and Operating -- Recommended Deficiency . . . . .	. . . . .	2,045	. . . . .
<b>TOTAL . . . . .</b>	<b>\$ 36,251</b>	<b>\$ 39,045</b>	<b>\$ 44,892</b>

**GENERAL FUND**

**EDUCATION**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Higher Education of the Disadvantaged</b>			
State Funds .....	\$ 2,996	\$ 3,184	\$ 3,350

Provides grants to institutions of higher education for special programs for disadvantaged students.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Higher Education of the Disadvantaged .....	<u>\$ 2,996</u>	<u>\$ 3,184</u>	<u>\$ 3,350</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Adult and Career Education</b>			
State Funds .....	.....	.....	\$ 650

Provides funds for development and operation of educational programs and counseling services for adult citizens in need of nontraditional higher education.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Adult and Career Education .....	.....	.....	<u>\$ 650</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Ethnic Heritage Studies</b>			
State Funds .....	\$ 50	\$ 50	\$ 50

Provides a grant for support of the ethnic heritage studies center at the University of Pittsburgh.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Ethnic Heritage Studies .....	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ 50</u>

**GENERAL FUND**

**EDUCATION**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Higher Education Regionalization</b>			
State Funds . . . . .	. . . . .	. . . . .	\$ 250

Provides funds to aid the development of regional higher education councils.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Higher Education Regionalization . . . . .	. . . . .	. . . . .	<u>\$ 250</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>State Aid to Students—Higher Education Assistance</b>			
State Funds . . . . .	\$ 88,140	\$ 88,790	\$ 83,300

The Commonwealth's scholarship and loan program is administered through the Pennsylvania Higher Education Assistance Agency. It provides scholarships to qualified students of the Commonwealth who need financial assistance to attend post-secondary institutions of higher learning, and guarantees loans made for the purpose of assisting residents in meeting their expenses of higher education. Matching funds are provided to assist students in securing grants and loans from the Federal Government.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Transfers to Higher Education Assistance Agency:			
Scholarships . . . . .	\$ 68,440	\$ 68,440	\$ 68,440
Reserve for Losses on Guaranteed Loans . . . . .	2,800	3,200	3,200
Student Aid Funds—Matching . . . . .	1,500	1,500	1,500
Administration—Loans and Scholarships . . . . .	3,400	3,650	4,160
Institutional Assistance Grants . . . . .	12,000	12,000	6,000
<b>TOTAL . . . . .</b>	<u>\$ 88,140</u>	<u>\$ 88,790</u>	<u>\$ 83,300</u>

	(Dollar Amounts in Thousands)		1976-77 Budget
	1974-75 Actual	1975-76 Available	
<b>State Aid to Universities, Colleges and Other Institutions</b>			
State Funds . . . . .	\$239,978	\$262,572	\$270,031

Provides aid to the State-related universities: Pennsylvania State University, University of Pittsburgh, Temple University and Lincoln University and to non-State-related universities, colleges and other institutions of learning for maintenance, instructional programs, research and extension services.

**Pennsylvania State University**

The Pennsylvania State University receives aid for academic services which provide resident education at the undergraduate and graduate levels leading to associate, baccalaureate, masters, doctors and certain professional degrees; for continuing and extension education for research activities at University Park, for medical education programs at the Hershey Medical Center and for twenty Commonwealth campuses and graduate centers throughout the State.

**University of Pittsburgh**

Receives aid for academic services which provide resident education at the undergraduate and graduate levels leading to associate, baccalaurate, masters, doctors and certain professional degrees including medicine and dentistry; for continuing education, and for research activities.

**Temple University**

Receives aid for academic services which provide resident education at the undergraduate and graduate levels leading to associate, baccalaurate, masters, doctors and certain professional degrees including medicine, for extension services, and for research activities.

**Lincoln University**

The Commonwealth provides aid to Lincoln University to maintain resident instruction in liberal arts programs and certain professional degree programs. Lincoln is currently engaged with Hahnemann Medical College and Princeton University in cooperative degree programs designed to produce physicians in six years and continuum — A.B. through Ph. D. — degree graduate engineers.

**Non-State-Related Universities and Colleges**

Twelve non-State-related colleges and universities currently receive aid from this program. These institutions offer degree and professional programs in the arts and sciences, technology, agriculture, law, medicine, optometry, osteopathy and podiatry.

**Other Non-State-Related Institutions of Learning**

Provides assistance to four institutions of secondary and postsecondary education conducting programs in manual training, industrial arts, and agricultural science.

**GENERAL FUND**

**EDUCATION**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>State-Related Universities</b>			
Pennsylvania State University .....	\$ 94,132	\$102,708	\$106,730
University of Pittsburgh .....	51,790	58,271	59,886
Temple University .....	59,295	63,688	65,425
Lincoln University .....	2,124	2,778	2,975
<b>Total-State Related .....</b>	<b>\$207,341</b>	<b>\$227,445</b>	<b>\$235,016</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Non-State-Related Universities and Colleges</b>			
Delaware Valley College of Science and Agriculture .....	\$ 185	\$ 185	\$ 185
Dickinson Law School .....	99	99	99
Drexel University .....	3,018	3,018	3,018
Hahnemann Medical College .....	2,990	3,416	3,645
Thomas Jefferson University .....	4,238	4,688	4,719
The Medical College of Pennsylvania .....	1,562	1,658	1,795
University of Pennsylvania .....	14,978	15,891	15,391
Pennsylvania College of Podiatric Medicine .....	360	660	660
Pennsylvania College of Optometry .....	99	220	220
Philadelphia College of Art .....	352	352	352
Philadelphia College of Osteopathic Medicine .....	3,331	3,511	3,577
Philadelphia College of Textiles and Science .....	250	250	250
Philadelphia Musical Academy .....	125	75	.....
<b>Total - Non-State-Related Universities and Colleges .....</b>	<b>\$ 31,587</b>	<b>\$ 34,023</b>	<b>\$ 33,911</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Non-State-Related Institutions</b>			
Berean Training and Industrial School .....	\$ 413	\$ 434	\$ 434
Downingtown Industrial and Agricultural School .....	518	544	544
Johnson School of Technology .....	70	74	74
Williamson Free School of Mechanical Trades .....	49	52	52
<b>Total - Non-State-Related Institutions .....</b>	<b>\$ 1,050</b>	<b>\$ 1,104</b>	<b>\$ 1,104</b>

## GENERAL FUND

## EDUCATION

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
<b>State-Related Universities</b>			
Pennsylvania State University— Educational and General . . . . .	. . . . .	\$ 71,593	\$ 74,457
Pennsylvania State University Instruction . . . . .	\$ 63,189	. . . . .	. . . . .
Pennsylvania State University— Student Aid . . . . .	1,760	1,760	1,760
Pennsylvania State University— Research . . . . .	17,064	17,064	17,747
Pennsylvania State University— Extension and Public Services . . . . .	9,626	9,626	10,011
Pennsylvania State University— Medical Programs . . . . .	2,493	2,665	2,755
Sub-Total . . . . .	<u>\$ 94,132</u>	<u>\$102,708</u>	<u>\$106,730</u>
University of Pittsburgh—Educational and General . . . . .	. . . . .	\$ 50,825	\$ 52,858
University of Pittsburgh—Instruction . . . . .	\$ 44,859	. . . . .	. . . . .
University of Pittsburgh—Student Aid . . . . .	2,960	2,960	2,960
University of Pittsburgh—Medical Programs . . . . .	3,971	3,986	4,068
University of Pittsburgh—Dental Clinic . . . . .	. . . . .	500	. . . . .
Sub-Total . . . . .	<u>\$ 51,790</u>	<u>\$ 58,271</u>	<u>\$ 59,886</u>
Temple University—Educational and General . . . . .	. . . . .	\$ 54,795	\$ 56,987
Temple University—Instruction . . . . .	\$ 48,364	. . . . .	. . . . .
Temple University—Student Aid . . . . .	3,018	3,018	3,018
Temple University—Extension and Public Services . . . . .	53	. . . . .	. . . . .
Temple University—Medical Programs . . . . .	5,360	5,375	5,420
Temple University—General Instructional Aid . . . . .	2,500	. . . . .	. . . . .
Temple University—Dental Clinics . . . . .	. . . . .	500	. . . . .
Sub-Total . . . . .	<u>\$ 59,295</u>	<u>\$ 63,688</u>	<u>\$ 65,425</u>
Lincoln University—Educational and General . . . . .	. . . . .	\$ 2,428	\$ 2,525
Lincoln University—Instruction . . . . .	\$ 2,124	. . . . .	. . . . .
Lincoln University—Advanced Institution Development . . . . .	. . . . .	250	250
Lincoln University—Accreditation Improvement . . . . .	. . . . .	100	200
Sub-Total . . . . .	<u>\$ 2,124</u>	<u>\$ 2,778</u>	<u>\$ 2,975</u>

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds (continued)</b>			
<b>Appropriations: (continued)</b>			
<b>Non-State-Related Universities and Colleges</b>			
Delaware Valley College of Science and Agriculture .....	\$ 185	\$ 185	\$ 185
Dickinson Law School .....	99	99	99
Drexel University .....	2,219	3,018	3,018
Drexel University—Student Aid .....	799	.....	.....
Hahnemann Medical College—Medical Programs .....	2,781	2,983	3,436
Hahnemann Medical College—Allied Health Programs .....	209	433	209
Thomas Jefferson University—Medical Programs .....	3,876	3,938	3,969
Thomas Jefferson University—Allied Health Programs .....	362	750	750
The Medical College of Pennsylvania .....	1,562	1,658	1,795
University of Pennsylvania—Instruction .....	6,727	7,063	7,063
University of Pennsylvania—Dental Care .....	.....	500	.....
University of Pennsylvania—Medical Programs .....	2,904	2,882	2,882
University of Pennsylvania—School of Veterinary Medicine .....	1,973	2,072	2,072
University of Pennsylvania—Student Aid .....	3,374	3,374	3,374
Pennsylvania College of Podiatric Medicine .....	360	660	660
Pennsylvania College of Optometry .....	99	220	220
Philadelphia College of Art—Instruction .....	252	252	352
Philadelphia College of Art—Student Aid .....	100	100	.....
Philadelphia College of Osteopathic Medicine .....	3,331	3,511	3,577
Philadelphia College of Textiles and Science .....	250	250	250
Philadelphia Musical Academy .....	125	75	.....
Sub-Total .....	<u>\$ 31,587</u>	<u>\$ 34,023</u>	<u>\$ 33,911</u>
<b>Non-State-Related Institutions</b>			
Berean Training and Industrial School .....	\$ 413	\$ 434	\$ 434
Downingtown Industrial and Agricultural School .....	518	544	544
Johnson School of Technology .....	70	74	74
Williamson Free School of Mechanical Trades .....	49	52	52
Sub-Total .....	<u>\$ 1,050</u>	<u>\$ 1,104</u>	<u>\$ 1,104</u>
TOTAL .....	<u>\$239,978</u>	<u>\$262,572</u>	<u>\$270,031</u>

Capital Improvements

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Capital Improvements</b>			
State Funds .....	\$691	\$ 50	\$168

This will provide for minor renovation and construction projects at the State-owned Colleges and University, the State-owned Schools and the Fireman's Training School.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Capital Improvements .....	<u>\$691</u>	<u>\$ 50</u>	<u>\$168</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Highway Safety Education</b>			
State Funds . . . . .	\$24	\$35	. . . . .

Promotes various highway safety programs through the elementary schools and through publication of bulletins and other materials. Activities include bicycle safety, safety education for school bus drivers, and the training and maintenance of school patrols.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Driver Education</b>			
State Funds . . . . .	. . . . .	\$106	. . . . .
Federal Funds . . . . .	\$60	62	. . . . .
<b>TOTAL</b> . . . . .	<u>\$60</u>	<u>\$168</u>	. . . . .

Analyzes and improves driver education courses of study for secondary school pupils and adults.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Highway Safety Education . . . . .	\$24	\$ 34	. . . . .
Driver Education Curriculum Development . . . . .	. . . . .	106	. . . . .
<b>Federal Funds:</b>			
Highway Safety Reimbursement . . . . .	60	62	. . . . .
<b>TOTAL</b> . . . . .	<u>\$84</u>	<u>\$202</u>	. . . . .

**Grants and Subsidies**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Safe Driving Course</b>			
State Funds .....	\$4,242	\$4,224	\$4,441

Through financial and technical aid, assists school districts in the establishment and operation of a standardized driver education program; examines, inspects and licenses private training schools and instructors. Grants are made to public high schools in the amount of \$35 for each student completing a standard driver education program. For 1976-77, it is recommended that all General Government as well as Grants and Subsidies programs be included in this appropriation.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Safe Driving Course .....	<u>\$4,242</u>	<u>\$4,224</u>	<u>\$4,441</u>

## Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Support of Public Schools</b>			
State Funds .....	\$55,793	\$84,500	\$79,900

Provides for payments for special education and funds for special education in approved private schools. Supports the cost of providing special education services to children covered under the Right to Education Agreement between the Commonwealth and the Pennsylvania Association for Retarded Children. Also provides for the transportation of pupils over hazardous routes and transportation of nonpublic school pupils.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Pupil Transportation .....	\$ 8,293	\$26,000	\$26,000
Special Education .....	45,000	56,000	51,400
Special Education—Approved Private Schools .....	2,500	2,500	2,500
<b>TOTAL</b> .....	<u>\$55,793</u>	<u>\$84,500</u>	<u>\$79,900</u>

RESTRICTED RECEIPTS

EDUCATION

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
Gifts Grants and Educational Research . . . . .		\$ 9	\$ 40
Higher Education Project Grants . . . . .	\$ 80	59	
Higher Education Act of 1965:			
Community Services Program — Title I . . . . .	393	400	400
Teachers Programs — Title V . . . . .	99	100	100
Higher Education Facilities Act:			
Special Opportunity Grants . . . . .	28		
Regional Resource Centers . . . . .	625	650	675
Collections—Student Organizations . . . . .	179		
Elementary and Secondary Education Act:			
Education of Children of Low Income			
Families—Title I . . . . .	94,081	90,272	91,450
School Library Resources—Title II . . . . .	4,535	2,369	
Supplementary Education Centers and Services—Title III . . . . .	7,727	3,150	
Consolidation of Certain Educational Programs—Title IV . . . . .		5,331	13,808
Aid to Local Educational Agencies— Title V . . . . .	424		
Education of the Handicapped—Title VI . . . . .	1,776	4,956	5,000
Adult Basic Education . . . . .	2,662	3,989	4,000
Library Construction . . . . .	99		
Development Disability Services Act . . . . .	15	169	
Manpower Development and Training Act:			
Manpower Training Grants . . . . .	2,135		
Additional Dormitory Rental Fees:			
Reserve for Furniture and Equipment . . . . .	585	525	525
National Defense Education Act:			
Reimbursement for Equipment . . . . .	2,030		
Preparation of Teachers of Handicapped Children . . . . .	106	160	160
Vocational Education Act . . . . .	31,898	22,812	23,000
Additional Dormitory Rental Fees . . . . .	3,274	3,425	3,500
Additional Dormitory Rental Fees-Reserve for Contingencies and Capital:			
Replacement . . . . .	544	625	700
Food Nutrition Services . . . . .	65,125	87,000	105,000
Comprehensive Employment and Training Act . . . . .	1,452	3,991	4,000
<b>TOTAL . . . . .</b>	<u>\$219,872</u>	<u>\$229,992</u>	<u>\$252,358</u>

DEPARTMENT OF EDUCATION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support</b> . . .	\$ 6,329	\$ 6,723	\$ 7,369	\$ 8,250	\$ 8,950	\$ 9,700	\$ 10,500
<b>General Instruction</b> . . . . .	\$1,097,603	\$1,117,539	\$1,122,857	\$1,112,588	\$1,092,256	\$1,068,705	\$1,040,706
General Preschool Education . . . . .	59,904	67,616	67,881	65,764	65,557	68,916	74,643
General Elementary and Secondary Education . . . . .	1,037,699	1,049,923	1,054,976	1,046,824	1,026,699	999,789	966,063
<b>Special Education</b> . . . . .	\$ 280,611	\$ 323,742	\$ 348,320	\$ 363,601	\$ 399,496	\$ 438,090	\$ 480,065
Mentally Handicapped Education . . .	122,307	142,794	150,478	155,502	170,880	187,653	205,287
Physically Handicapped Education . .	141,678	162,664	177,285	187,282	204,872	225,518	246,745
Gifted and Talented Education . . . .	16,626	18,284	20,557	20,817	23,744	24,919	28,033
<b>Compensatory Programs</b> . . . . .	\$ 156,703	\$ 189,018	\$ 193,094	\$ 205,731	\$ 220,667	\$ 234,271	\$ 250,068
Compensatory Preschool Education . .	12,055	12,806	13,143	13,460	13,835	14,133	16,295
Compensatory Elementary and Secondary Education . . . . .	144,648	176,212	179,951	192,271	206,832	220,138	233,773
<b>Vocational Education</b> . . . . .	\$ 294,412	\$ 338,497	\$ 324,103	\$ 354,482	\$ 385,687	\$ 421,893	\$ 457,582
Vocational Secondary Education . . .	274,089	314,801	296,832	326,049	356,107	391,619	426,054
Postsecondary Vocational Education .	19,482	21,587	23,973	24,905	25,788	26,719	27,907
Community Education . . . . .	841	2,109	3,298	3,528	3,792	3,555	3,621
<b>Higher Education</b> . . . . .	\$ 499,207	\$ 543,642	\$ 560,629	\$ 583,990	\$ 608,047	\$ 630,139	\$ 652,932
Agriculture and Natural Resources . . .	2,762	2,981	3,101	3,255	3,363	3,466	3,571
Arts, Humanities and Letters . . . . .	23,728	26,417	27,209	28,266	29,524	30,774	31,952
Business Management, Commerce and Data Processing . . . . .	15,210	17,815	19,218	20,316	21,411	22,561	23,705
Education . . . . .	43,993	47,247	47,785	47,647	46,222	44,419	43,152
Engineering and Architecture . . . . .	9,272	10,559	10,966	11,734	12,468	13,171	13,786
Health Sciences, Health Professions and Biological Sciences . . . . .	45,415	50,826	52,862	55,639	58,391	61,246	63,895
Human Services and Public Affairs . . .	10,019	11,433	11,781	12,494	13,228	13,922	14,476
Physical Sciences, Earth Sciences, Mathematics and Military Science . .	16,243	18,247	19,167	20,341	21,735	23,010	24,290
Social Sciences and Area Studies . . . .	25,807	29,858	30,836	32,096	33,545	34,852	36,194
Interdisciplinary Studies . . . . .	16,899	18,192	19,479	20,243	21,265	22,292	23,215
Research . . . . .	12,258	14,258	14,961	15,686	16,448	17,249	18,027
Public and Community Services . . . .	8,510	10,265	10,787	11,279	11,811	12,358	12,931
Institutional Support Services . . . . .	178,296	194,176	200,034	210,891	221,767	233,267	244,791
Professional Support Services . . . . .	2,394	2,556	3,613	4,295	4,769	5,264	5,760
Financial Assistance to Students . . . .	88,401	88,812	88,830	89,808	92,100	92,288	93,187

DEPARTMENT OF EDUCATION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds  
(Continued)

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Protection of Persons and Property</b> . . . . .	\$ 4,468	\$ 4,561	\$ 4,645	\$ 4,642	\$ 4,578	\$ 4,620	\$ 4,660
Highway Safety Education . . . . .	4,266	4,365	4,441	4,422	4,340	4,360	4,380
Community Training Services . . . . .	202	196	204	220	238	260	280
<b>Economic Development and Income</b>							
<b>Maintenance</b> . . . . .	\$ 2,453	\$ 3,188	\$ 3,188	\$ 3,088	\$ 3,088	\$ 3,088	\$ 3,088
Adult Employment Training Services . . . . .	2,453	3,188	3,188	3,088	3,088	3,088	3,088
<b>Recreation and Cultural Enrichment</b> . . . . .	\$ 18,589	\$ 17,683	\$ 18,671	\$ 20,609	\$ 22,113	\$ 23,522	\$ 25,124
Recreation Services . . . . .	1,617	1,421	1,226	1,030	833	639	445
State Library Services . . . . .	9,971	10,401	11,388	12,539	13,774	15,131	16,632
Public Television Services . . . . .	7,001	5,861	6,057	7,040	7,506	7,752	8,047
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$2,360,375</u>	<u>\$2,544,593</u>	<u>\$2,582,876</u>	<u>\$2,656,981</u>	<u>\$2,744,882</u>	<u>\$2,834,028</u>	<u>\$2,924,725</u>

**Summary of Enrollments in Pennsylvania  
Elementary and Secondary and Vocational Education  
1974-75 to 1980-81**

Program Category	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Instruction</b>							
General Preschool Education . . . . .	152,680	161,100	152,600	136,700	128,000	127,100	129,100
General Elementary and Secondary Education . . . . .	1,867,013	1,767,117	1,706,150	1,626,570	1,529,800	1,430,800	1,339,800
<b>PROGRAM CATEGORY TOTAL</b>	<b>2,019,693</b>	<b>1,928,217</b>	<b>1,858,750</b>	<b>1,763,270</b>	<b>1,657,800</b>	<b>1,557,900</b>	<b>1,468,900</b>
<b>Special Education</b>							
Mentally Handicapped Education . . .	66,268	67,000	68,000	69,000	70,000	71,000	72,000
Physically Handicapped Education . .	126,087	130,000	133,000	136,000	139,000	141,000	142,000
Gifted and Talented Education . . . . .	15,493	16,000	16,500	17,000	17,500	18,000	18,500
<b>PROGRAM CATEGORY TOTAL</b>	<b>207,848</b>	<b>213,000</b>	<b>217,500</b>	<b>222,000</b>	<b>226,500</b>	<b>230,000</b>	<b>232,500</b>
<b>Compensatory Programs</b>							
Compensatory Preschool Education . .	15,000	23,000	22,500	22,500	22,500	22,500	22,500
Compensatory Elementary and Secondary Education . . . . .	224,500	248,000	240,000	240,000	240,000	240,000	240,000
<b>PROGRAM CATEGORY TOTAL</b>	<b>239,500</b>	<b>271,000</b>	<b>262,500</b>	<b>262,500</b>	<b>262,500</b>	<b>262,500</b>	<b>262,500</b>
<b>Vocational Education</b>							
Vocational Secondary Education . . .	251,326	259,600	269,760	279,920	290,080	300,240	310,400
Postsecondary Education . . . . .	41,080	46,400	50,000	55,000	55,000	55,000	55,000
Community Education . . . . .	163,447	164,400	163,000	162,500	163,500	163,500	163,500
<b>PROGRAM CATEGORY TOTAL</b>	<b>455,853</b>	<b>470,400</b>	<b>482,760</b>	<b>497,420</b>	<b>508,580</b>	<b>518,740</b>	<b>528,900</b>

## General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						1980-81
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	
General Fund . . . . .	\$6,329	\$6,723	\$ 7,369	\$ 8,250	\$ 8,950	\$ 9,700	\$10,500
Federal Funds . . . . .	1,732	2,435	2,264	2,165	2,290	2,424	2,568
Other Funds . . . . .	552	542	635	677	744	818	902
<b>TOTAL . . . . .</b>	<u>\$8,613</u>	<u>\$9,700</u>	<u>\$10,268</u>	<u>\$11,092</u>	<u>\$11,984</u>	<u>\$12,942</u>	<u>\$13,970</u>

### Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

In addition to including the executive offices of the Department of Education, the comptroller, budget, publication and legal offices, this program also provides staff support to the State Board of Education and other administrative boards and commissions. These include boards for private, academic, business, trade and correspondence schools, the Board of State College and University Directors, and the Professional Standards and Practices Commission.

### Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						1980-81
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	
<b>GENERAL FUND</b>							
General Government Operations . . . . .	<u>\$6,329</u>	<u>\$6,723</u>	<u>\$ 7,369</u>	<u>\$ 8,250</u>	<u>\$ 8,950</u>	<u>\$ 9,700</u>	<u>\$10,500</u>

**General Preschool Education**

OBJECTIVE: To prepare four and five year old children with the social, physical and communication skills necessary to learn effectively in their ensuing years of school.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$59,398	\$65,926	\$66,322	\$64,230	\$64,079	\$67,408	\$73,055
Special Funds . . . . .	506	1,690	1,559	1,534	1,478	1,508	1,588
Federal Funds . . . . .	308	283	194	273	313	360	309
<b>TOTAL . . . . .</b>	<b>\$60,212</b>	<b>\$67,899</b>	<b>\$68,075</b>	<b>\$66,037</b>	<b>\$65,870</b>	<b>\$69,276</b>	<b>\$74,952</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total population of five year olds . . . . .	184,446	191,529	180,300	162,600	152,800	151,000	153,000
Enrollments . . . . .	152,680	161,100	152,600	136,700	128,000	127,100	129,100
Transition class enrollment . . . . .	3,050	2,800	2,650	2,600	2,450	2,250	2,250

**Program Analysis:**

This program consists of kindergarten instruction for five year olds (and a small number of four year olds). About 90 percent of these children are in public school programs and the remainder are in private or parochial schools. The availability of preschool programs is at local option and attendance by children is also optional.

The program measures show that at present about 84 percent of Pennsylvania's five year olds are in this program. An additional eight percent of the five year olds are in the subcategory Compensatory Preschool Education, leaving about eight percent, or 15,000, of the eligible children not enrolled in either program. Both potential and actual enrollments are currently declining because of falling birth rates, but will stabilize and increase slightly toward the end of the decade because of a stabilizing number of births. This program's share of the potential will remain fairly constant through the period. It is thought that a large proportion of the children who do not attend kindergarten are likely to be eligible for compensatory education. An indication of this is that school districts without preschool programs have an average aid ratio

for reimbursement purposes of .69. The statewide average aid ratio is about .50 (the higher the ratio, the less wealthy the district). These districts are, therefore, likely to have higher than average proportions of children who would qualify under economic standards for compensatory education. If this assumption is true, then enrollments in general preschool programs may be approaching their maximum share of the noncompensatory five year olds.

Information currently available indicates that preschool programs are successful in preparing children for their experience in elementary education. An important indicator of program success is the effect of kindergarten on first grade failure rates. There is evidence that preschool programs are at least associated with lower rates of first grade failure. In three school districts that were evaluated recently, the proportion of first graders who were not promoted to second grade dropped by an average of 12 percent after preschool programs were implemented. In addition, for the State as a whole, six percent of all first graders are not promoted, while the overall failure rate for those children who have had kindergarten is three

General Preschool Education (continued)

Program Analysis: (continued)

percent. Several districts also reported an approximate doubling of first grade reading achievement after preschool education was implemented.

Another positive indicator is that in the current year, one of generally austere local budgeting, five school districts added kindergarten. This lowers to 16 the number of districts without preschool programs and implies that local decision makers are sufficiently impressed with kindergarten's potential that they are willing to incur the expense of adding it to their instructional programs.

In some cases, children who upon completion of

kindergarten are found to need additional help before grade one are placed in transition classes. This is an interim program that combines preschool and first grade instruction for a year.

The revised School Code proposal currently before the Legislature includes a provision making the offering of kindergarten mandatory (but not attendance by children). If enacted, the proposal would require that the 16 districts mentioned above, with about 3,000 eligible children, initiate programs. This would add about \$1 million to the State's budget but not until 1977-78, since these payments are a reimbursement for the previous year's costs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	\$ 120	\$ 123	\$ 179	\$ 194	\$ 200	\$ 220	\$ 250
Basic Instruction Subsidy and Vocational Education . . . . .	35,285	39,787	38,814	36,580	35,482	36,250	38,278
Authority Rentals and Sinking Fund Requirements . . . . .	9,115	8,962	8,946	8,755	8,797	9,283	10,133
Pupil Transportation . . . . .	3,752	3,933	4,315	4,600	5,000	5,800	6,610
Intermediate Units . . . . .	402	450	462	460	470	510	570
School Employees' Social Security . . . .	3,245	3,353	4,031	3,971	4,030	4,205	4,514
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts . . . . .	7,479	9,318	9,575	9,670	10,100	11,140	12,700
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$59,398</b>	<b>\$65,926</b>	<b>\$66,322</b>	<b>\$64,230</b>	<b>\$64,079</b>	<b>\$67,408</b>	<b>\$73,055</b>
<b>REVENUE SHARING TRUST FUND</b>							
Pupil Transportation . . . . .	\$ 506	\$ 1,690	\$ 1,559	\$ 1,534	\$ 1,478	\$ 1,508	\$ 1,588

**General Elementary and Secondary Education**

OBJECTIVE: To provide general population students with the skills, attitudes and abilities needed for effective living in our complex society.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$1,032,317	\$1,033,751	\$1,038,986	\$1,031,301	\$1,011,731	\$ 985,460	\$952,445
Special Funds . . . . .	5,382	16,172	15,990	15,523	14,968	14,329	13,618
Federal Funds . . . . .	1,893	2,225	1,840	1,849	2,110	2,412	2,761
Other Funds . . . . .	14,768	10,860	13,808	14,000	15,000	16,000	17,000
<b>TOTAL . . . . .</b>	<u>\$1,054,360</u>	<u>\$1,063,008</u>	<u>\$1,070,624</u>	<u>\$1,062,673</u>	<u>\$1,043,809</u>	<u>\$1,018,201</u>	<u>\$985,824</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Public school enrollments in this program . . . . .	1,476,859	1,386,117	1,328,750	1,253,870	1,161,400	1,068,900	983,700
Nonpublic school enrollments in this program . . . . .	390,154	381,000	377,400	372,700	368,400	361,900	356,100
Average instructional cost per public school pupil . . . . .	\$1,086	\$1,206	\$1,288	\$1,365	\$1,449	\$1,530	\$1,619
High school graduates . . . . .	130,700	125,500	122,850	120,400	116,300	108,700	103,200
Graduates enrolling in business, technical or college programs . . . . .	71,000	68,600	66,400	64,300	62,000	57,200	54,900

**Program Analysis:**

This program is composed of college preparatory and general curricula for pupils who are not disadvantaged or handicapped and do not choose vocational training.

Enrollments, especially in the public sector, are declining rapidly. The public school enrollment in this program is predicted to fall at twice the rate of the school population as a whole. This is due in part to the predicted increase in the proportion of pupils who are being placed in special and compensatory programs and are choosing vocational training. Another major factor is the projected stable level of enrollments in nonpublic schools. These enrollments have not fallen at the rate expected in the past, and the projections now assume only a small decline through the decade. State aid has

slowed the rate of nonpublic school closings, and a larger proportion of parents are predicted to opt for private education for their children.

Along with the decrease in enrollment, per pupil costs are rising faster than previously expected. Inflationary increases have caused salaries, materials and other expenses to rise at an unprecedented rate. Despite the increase in State instructional subsidies in 1974, the burden of increasing costs will be borne largely at the local level. Average per pupil State aid will be \$568 in 1976-77, up from \$508 in 1974-75, but it will support a smaller percentage of total cost (47 percent in 1974-75 and 44 percent in 1976-77). By 1980-81, State funds will support only 42 percent of total costs.

## General Elementary and Secondary Education (continued)

### Program Analysis: (continued)

This is not a justification for additional Commonwealth aid. While the relative amount of State support will decrease over the decade, the absolute amount of funds per pupil will increase by 33 percent from 1974-75 to 1980-81. The necessity exists for economies at the local level, especially in future planning. For instance, current projections call for a decrease in the overall pupil teacher ratio from the current 19 to one to 18 to one by 1980-81. Each decrease of one pupil in the ratio, costs at current salary averages about \$60 million each year. There is no evidence that a one pupil reduction in the ratio would produce significant improvements in achievement; in fact, results from the Educational Quality Assessment project conducted by the Department of Education indicate that there is little relationship between class size and achievement in a given range.

The Commonwealth, through the Department of Education, is seeking ways to help school districts improve their effectiveness without major cost increases. The Education Quality Assessment project (EQA) is of particular importance as schools prepare to deal with improving instructional programs. This project provides the mechanism for monitoring educational programs, for diagnosing strengths and weaknesses and for formulating a plan to improve the educational product. The Department of Education is now using the EQA procedure to evaluate the effectiveness of the educational programs for all Commonwealth school districts based on procedures developed in five years of sampling. Schools housing approximately one-third of all the public school students at grade levels 5, 8 and 11 will be included in the assessment each year and by 1976-77, all schools will have been involved in the EQA process.

Since EQA was begun, about one-third of the districts surveyed have reported program changes as a result of EQA results. Hopefully, a significant upward trend will be seen in the percentage of schools taking advantage of EQA data and planning corrective programs, with an improvement in future results. Concurrent with EQA involvement is the plan for school districts to submit updated or new long range instructional program plans describing strategies for improving student growth to the Department of Education for approval.

There is some indication from data collected during the

years 1969 to 1972 that math scores had decreased slightly. This is consistent with a nationwide trend which signifies to some a decline in basic math skills.

Since then, there has been no significant change in average mathematics and verbal skills scores. These scores do, however, support information gathered by the National Assessment of Educational Progress, with respect to multi-step mathematics problems and applications. This assessment found that a considerable number of students and adults have difficulty using the basic mathematical skills they possess.

EQA scores have decreased significantly at all three grades (5th, 8th and 11th) in only one area — understanding people of other races, religions, socioeconomic status, intelligence and physical condition. Similarly, scores decreased significantly at two grade levels in only one area — habits and attitudes related to responsible citizenship.

Wide variations among schools have been noted. For example, one school had only 19 percent of its students correctly solve a multi-step mathematics problem while in another school 70 percent of the students correctly solved the same problem. With respect to the value of schooling, the percentage of pupils indicating their courses are valuable ranges from 19 to 74 percent depending on schools surveyed.

One of the findings in a recently completed longitudinal study of students tested as fifth graders in 1969 and subsequently as seventh and ninth graders was a distinct downward trend in interest in school. This finding also corresponds with studies in the general body of educational research. Such a finding highlights the need to emphasize programs which simultaneously improve interest in the learning process and school adjustment.

The measures regarding high school graduates show levels that have changed since last year's presentation. These changes are the result of refinements in the method of showing the information. The refinements include combining both public and nonpublic graduates in the "high school graduates" measure and removing useful home economics graduates who continue formal education from this subcategory. The home economics students are now included in the subcategory Vocational Secondary Education.

## General Elementary and Secondary Education (continued)

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 1,626	\$ 1,648	\$ 1,968	\$ 2,126	\$ 2,300	\$ 2,480	\$ 2,700
Scotland School for Veterans Children . . . . .	3,440	3,696	4,052	4,457	4,947	5,392	5,770
Basic Instruction Subsidy and Vocational Education . . . . .	738,700	748,313	736,750	716,092	687,312	654,150	618,817
Authority Rentals and Sinking Fund Requirements . . . . .	96,975	85,762	86,904	88,589	88,898	88,188	86,879
Pupil Transportation . . . . .	39,915	37,631	41,923	46,460	50,840	54,970	56,675
Payments in Lieu of Taxes . . . . .	29	35	40	42	43	44	45
Intermediate Units . . . . .	4,276	4,303	4,485	4,643	4,761	4,826	4,902
School Employees' Social Security . . . . .	34,527	32,098	39,160	40,178	40,723	39,948	38,702
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts . . . . .	79,575	89,167	93,035	98,360	101,940	105,810	108,620
Former Teachers' Account . . . . .	10	11	10	9	8	7	6
Freedom Area School District . . . . .	15,633	19,547	19,341	19,139	18,891	18,689	18,486
Services to Nonpublic Schools . . . . .	15,633	19,547	19,341	19,139	18,891	18,689	18,486
Textbooks for Nonpublic Schools . . . . .	16,996	8,695	8,596	8,506	8,396	8,306	8,216
Equipment and Material Grants for Nonpublic Schools . . . . .	16,996	8,695	8,596	8,506	8,396	8,306	8,216
Student Supplies for Nonpublic Schools . . . . .	2,172	2,149	2,149	2,127	2,099	2,077	2,054
Educational Radio and Television Grants . . . . .	510	468	468	468	468	468	468
Regional Educational Broadcasting Councils . . . . .	105	105	105	105	105	105	105
<b>GENERAL FUND TOTAL . . . . .</b>	<b><u>\$1,032,317</u></b>	<b><u>\$1,033,751</u></b>	<b><u>\$1,038,986</u></b>	<b><u>\$1,031,301</u></b>	<b><u>\$1,011,731</u></b>	<b><u>\$985,460</u></b>	<b><u>\$952,445</u></b>
<b>REVENUE SHARING TRUST FUND</b>							
Pupil Transportation . . . . .	<u>\$ 5,382</u>	<u>\$ 16,172</u>	<u>\$ 15,990</u>	<u>\$ 15,523</u>	<u>\$ 14,968</u>	<u>\$ 14,329</u>	<u>\$ 13,618</u>

## SPECIAL EDUCATION CATEGORY ANALYSIS

Special education has become the single basic education program that causes the most budgetary concern. Total Commonwealth funds paid on behalf of special education have increased by 160 percent in the five years ending in 1975-76, while enrollments have risen by less than 40 percent. There would be no end in sight to substantial annual increases under the present funding method that allows local officials to make most of the spending decisions while the State provides all the funds beyond regular instructional costs.

In addition to the funding formula, questions are being raised about various factors that influence costs of special education. These questions deal with such issues as whether pupils are being properly diagnosed and placed in appropriate programs, whether all pupils in special education belong there, whether the public and private sectors are being used as intended and whether costs are associated with effectiveness of schooling. No answers to these questions are available, because the types of extensive investigations necessary to provide the answers have not been conducted. In an effort to provide information on these and other special education issues, two major Commonwealth studies are underway that represent the most extensive effort to evaluate special education on a large-scale basis that has been made to date.

One study being conducted by the Office of the Budget contains analyses of the costs associated with the provision of special education, placements into special education, and the administrative structure supporting the delivery of special education. Also discussed are the implications for the education of exceptional children of the 1972 consent decree entered into between the Commonwealth and the Pennsylvania Association for Retarded Children (PARC). The decree obligated the Commonwealth to end the practice of excluding severely retarded children from school and to assure appropriate educational programs for all retarded children. This concept has since been extended by State regulations to apply to all exceptional children. Information concerning the Pennsylvania Department of Education, intermediate units, school districts and private educational facilities is being utilized in this study since these are all components of the special education delivery system of the Commonwealth.

The cost section of the study focuses on two major areas. The first is an examination of the cost of special education over several years. Next to be discussed are those cost factors which contribute to and thus help to explain the variations in costs between intermediate units which provide the same types of programs and services.

In regard to placements, the criteria for placements are being compared with data on incidence rates, placement trends for various exceptionalities, and factors which effect placements into various exceptionalities and into the public and private sectors in an attempt to explain why the current placement patterns exist as they do.

Effectiveness is to be measured in terms of expected outcomes from special class placement as opposed to those which would occur if an exceptional child never left regular education; another measurement of effectiveness deals with the degree of "mainstreaming" — the placing of exceptional students in a special education setting on a less than full-time basis, as well as the degree of total return to the regular education environment. The five exceptionalities involved here are the educatable mentally retarded, the trainable mentally retarded, the physically handicapped, the socially and emotionally disturbed and the brain injured/learning disabled.

The working relationship between the Department of Education and the intermediate units and school districts is being analyzed to determine how information is exchanged and how activities are coordinated to assure that special education programs and services are provided in the manner prescribed by legislative intent, regulatory language and legal mandates.

Finally, the PARC consent decree is being analyzed to determine what obligations and responsibilities the Commonwealth assumed as a result of this decree.

Preliminary results that are available at this time are reported in appropriate places in the subcategory analyses which follow.

The Department of Education is conducting a separate study that is somewhat similar but has different emphases and is more extensive in its sample size and time span than the Office of the Budget study. The Department's study emphasizes cost relationships among jurisdictions and the relationships, if any, between costs and quality of education.

A 17 percent sample (6,700 pupils) who are mentally retarded, socially and emotionally disturbed, physically handicapped, and learning disabled was selected from high and low cost districts and the following demographic categories: inner city, metropolitan other, suburban and rural. Through testing in October 1975 and again in May 1976, information is being gathered to determine the growth in basic skills and in social competence.

Classroom visits by a research team are evaluating the programs for the 480 classrooms by a quality indicator instrument. This measurement of inputs and processes reflects criteria deemed important by special education teachers, special education supervisors, college faculty members who educate special education teachers, parents and members of special education interest associations and groups. Costs for each category will be related to the test scores to determine if there are identifiable relationships.

There is a recommendation for a funding change included in this budget that will affect all of special education. The funds recommended for public programs are based on a change in legislation that will be proposed to take effect in 1976-77. This change would initiate local funding responsibility for a portion of special education costs. School districts would be required to pay up to 45 percent of the cost of special education that is above the cost of regular education. The percentage borne by districts would be determined by relative financial ability. It is expected that this change will slow the upward spiral of special education costs by forcing increases to be partly funded at the local level, where the spending decisions are made.

**Mentally Handicapped Education**

**OBJECTIVE:** To identify those children having mental handicaps and to provide educational opportunities which will help them to develop according to their abilities and, when possible, become assimilated into regular instructional programs.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$ 94,575	\$107,940	\$118,357	\$120,330	\$134,515	\$148,416	\$163,117
Special Funds .....	27,732	34,854	32,121	35,172	36,365	39,237	42,170
Federal Funds .....	68	219	238	272	313	359	414
Other Funds .....	3,775	5,780	5,805	6,080	6,080	6,080	6,080
<b>TOTAL</b> .....	<u>\$126,150</u>	<u>\$148,793</u>	<u>\$156,521</u>	<u>\$161,854</u>	<u>\$177,273</u>	<u>\$194,092</u>	<u>\$211,781</u>

122,307

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Population of mentally handicapped children .....	125,400	123,000	120,100	116,500	112,500	108,500	105,000
Total of pupils enrolled in mentally handicapped programs .....	66,268	67,000	68,000	69,000	70,000	71,000	72,000
Pupils in full-time programs .....	60,424	60,400	61,000	61,750	62,500	63,200	64,000
Pupils in part-time programs .....	5,844	6,600	7,000	7,250	7,500	7,800	8,000
Pupils returned to full-time regular classes .....	370	317	400	475	550	625	690

**Program Analysis:**

This program consists of instruction for pupils who are mentally retarded, socially and emotionally disturbed, or residents of detention homes.

Several issues have emerged that will affect the immediate and long-range planning of this program as well as the rest of special education. The most important is the extension of the Right to Education concept to all exceptionalities. The 1972 consent decree for the retarded, which resulted in the placing of about 2,500 previously unserved children in special education programs, encouraged legal action on behalf of other exceptional children. Last year's budget presentation noted such an action for socially and emotionally disturbed children. The situation has resulted in the adoption of State regulations that guarantee children an appropriate education regardless of exceptional conditions. Third party hearing officers are provided to decide contested placements and local task forces are established to monitor compliance.

This development focuses increased attention on the

eligible population figures for determination of the possible magnitude of enrollment increases. The chart presents the estimated eligible population and the enrollments for each exceptionality that are used to compile the eligible population program measure. The estimated population figures are percentages of the population as a whole and, as such, are useful for general information but very questionable for rational planning. The percentages are from a variety of sources (generally these are public health statistics, some of which date back more than 30 years) and are not supported by reliable studies or other information that would testify to their reliability.

There will, however, be some effect on placements in special education resulting from the Right to Education extension. Because of the lack of strong evidence that the impact will be substantial, only a small increase in overall enrollments is projected, as can be seen in the program measures (this increase will occur at the same time as the total

## Mentally Handicapped Education (continued)

### Program Analysis: (continued)

school population declines by about three percent a year). The overall subject of placement of pupils is another issue that is gaining importance as more information is obtained. Findings differ among the various handicap classifications:

Educable mentally retarded (EMR) enrollments have declined (by 10 percent from 1972-73 to 1974-75) while all other groups have shown increases. Three reasons for this trend may be put forth: (1) a decline in the number of children in the 55-80 IQ range, (2) reintegration of EMR pupils into regular programs, or (3) classification of pupils who would normally be labeled as EMR into other categories.

The first reason can be neither proven nor disproven. The population of EMR children is essentially unknown since the estimate is based on a questionable percentage as mentioned above. It could be theorized that improving health measures have lowered the retardation rate, but this would be purely speculative and furthermore must be considered with skepticism in the light of increases in all other handicaps.

The second reason, reintegration, is not a significant factor in EMR programs. A statewide survey recently completed by the Office of the Budget shows that from 1972-73 to 1975-76 the proportion of pupils who had been in EMR classes and were subsequently placed in full-time regular programs remained stable at less than one percent.

The third reason is the one most likely to be responsible for the trend. There have in fact been reports from observers in the field and from literature that pupils who in the past would have been labeled EMR are now being diagnosed as learning disabled, a physical handicap, and, to a lesser extent as socially and emotionally disturbed. The extent of this shift is uncertain, but it is likely to be a major reason behind the tripling of the learning disabled enrollment since 1972-73, by far the largest increase of any group. Explanation of the trend is less easily made. It is possible that the trend results from increased skills developed by school psychologists and that the pupils can benefit from more appropriate placement. A totally different interpretation can be advanced that because of pressure from parents who find the label "retarded" distasteful, diagnoses are being changed to avoid this stigma. Support for this interpretation is found in an educational journal that reported that 25 percent of two groups of pupils classified as learning disabled should have been labeled as EMR students. Additionally, there is a strong correlation between per capita parental income and the ratio of children diagnosed

as learning disabled and socially and emotionally disturbed to EMR children. There may be another explanation for this phenomenon, but the possibility exists of a more than coincidental relationship between the presence of well-to-do parents, who have traditionally been relatively highly involved in school matters, and incorrect diagnoses of EMR pupils. The significance of this trend to the Commonwealth is that the per pupil cost of learning disabled programs is about 70 percent more than EMR instruction.

Little change is apparent in the placement or education of trainable and severely mentally retarded pupils. A category of pupils causing increasing concern, however, is socially and emotionally disturbed (SED). This category has shown the second most rapid growth rate of all exceptionalities, more than doubling in the past three years. The extent of the unserved population, as mentioned earlier, is uncertain. It has been found, however, that severely handicapped SED children are often removed from educational opportunities by placement in institutions or by drug-induced behavior modification, both of which restrict educational efforts. Reassignment of some of these children to community-based living arrangements has begun in some areas and will result in some increased need for education.

More questionable reasons for possible SED enrollment increases could be those involving reclassification. As mentioned before, the SED category is the recipient of some of the EMR pupils who are diagnosed otherwise. Also, there is some pressure, thus far successfully resisted at the State level, to include pupils who present discipline problems without exhibiting the pathological anti-social behavior of genuine SED cases. Either of these practices, if they occur to a significant degree, could result in additional enrollments and cost.

A trend that modifies somewhat the effect of enrollment increases is the increasing use of "mainstreaming" (the practice of placing pupils in part-time special programs) of SED pupils. An Office of the Budget survey found that the percentage of SED pupils in full-time programs dropped from 95 percent in 1972-73 to 83 percent in 1975-76. Pupils in part-time programs increased from 5 percent to 17 percent and those from the prior year who were returned to entirely regular education programs increased from 4 percent to 6 percent over the period.

Another placement issue, the question of public versus private placement, is a question that affects SED pupils the

**Mentally Handicapped Education (continued)**

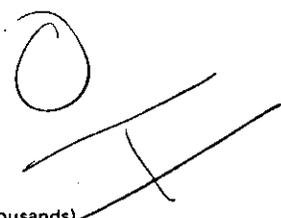
**Program Analysis: (continued)**

most in this program, since they comprise virtually all the mentally handicapped private school enrollment. Recently enacted legislation increased the tuition payments to private schools for SED pupils, providing an incentive for private placement. This may cause an increase in the level of SED pupils in these schools beyond the present enrollment of approximately 1,800. A more extensive discussion of the private-public sector issue can be found in the subcategory Physically Handicapped Education.

The overall program enrollments shown are at a lower level in all years than in last year's presentation. This is because approximately 7,000 children receive diagnostic and consultative services each year who should not be counted as enrolled. This number of children, included last year, has been subtracted in this presentation.

**Estimated Eligible Population and 1976-77 Enrollments by Type of Handicap**

Handicap	Estimated Population	Enrollments
Educable mentally retarded . . . . .	51,800	39,900
Trainable mentally retarded . . . . .	7,800	7,800
Severely mentally retarded . . . . .	5,200	5,200
Socially and emotionally disturbed . . . . .	51,900	11,700
Detention . . . . .	3,400	3,400
<b>TOTAL . . . . .</b>	<b>120,100</b>	<b>68,000</b>



**Program Costs by Appropriation:**

	1974-75	1975-76	(Dollar Amounts in Thousands)				
			1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 246	\$ 208	\$ 285	\$ 260	\$ 300	\$ 310	\$ 330
Basic Instruction Subsidy and Vocational Education . . . . .	32,393	35,502	36,965	39,680	42,330	45,000	47,690
Authority Rentals and Sinking Fund Requirements . . . . .	4,184	3,998	4,260	4,748	5,247	5,762	6,312
Pupil Transportation . . . . .	1,722	1,754	2,054	2,500	3,000	3,600	4,118
Special Education . . . . .	41,143	46,800	52,950	49,540	57,570	65,100	73,320
Homebound Instruction . . . . .	27	30	30	30	30	30	30
Tuition for Orphans and Children Placed in Private Homes . . . . .	1,513	1,980	2,200	2,398	2,614	2,849	3,105
Special Education—Approved Private Schools . . . . .	3,801	4,740	5,563	5,750	5,940	6,140	6,350
Intermediate Units . . . . .	184	201	220	250	280	315	350
School Employees' Social Security . . . . .	1,490	1,496	1,920	2,154	2,404	2,610	2,812
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts . . . . .	3,433	4,157	4,560	4,920	6,000	6,900	7,900
State Schools and Hospitals—Education . . . . .	4,439	7,074	7,350	8,100	8,800	9,800	10,800
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$94,575</b>	<b>\$107,940</b>	<b>\$118,357</b>	<b>\$120,330</b>	<b>\$134,515</b>	<b>\$148,416</b>	<b>\$163,117</b>
<b>REVENUE SHARING TRUST FUND</b>							
Pupil Transportation . . . . .	\$ 232	\$ 754	\$ 781	\$ 832	\$ 885	\$ 937	\$ 990
Special Education . . . . .	27,000	33,600	30,840	33,840	34,980	37,800	40,680
Special Education—Approved Private Schools . . . . .	500	500	500	500	500	500	500
<b>REVENUE SHARING TRUST FUND TOTAL . . . . .</b>	<b>\$27,732</b>	<b>\$34,854</b>	<b>\$32,121</b>	<b>\$35,172</b>	<b>\$36,365</b>	<b>\$39,237</b>	<b>\$42,170</b>

**Physically Handicapped Education**

**OBJECTIVE:** To identify those children having physical handicaps and to provide educational opportunities which will help them to develop according to their abilities and, when possible, become assimilated into regular instructional programs.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$123,488	\$139,608	\$155,735	\$163,878	\$180,667	\$199,518	\$218,915
Special Funds . . . . .	18,190	23,056	21,550	23,404	24,205	26,000	27,830
Federal Funds . . . . .	392	256	288	325	365	413	466
Other Funds . . . . .	4,394	6,429	6,480	6,780	6,805	6,830	6,855
<b>TOTAL . . . . .</b>	<b><u>\$146,464</u></b>	<b><u>\$169,349</u></b>	<b><u>\$184,053</u></b>	<b><u>\$194,387</u></b>	<b><u>\$212,042</u></b>	<b><u>\$232,761</u></b>	<b><u>\$254,066</u></b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Physically handicapped population . . . . .	173,500	170,000	167,600	160,800	155,000	149,500	144,600
Pupils enrolled in physically handicapped programs . . . . .	126,087	130,000	133,000	136,000	139,000	141,000	142,000
Pupils returned to regular classrooms . . . . .							

Data incomplete at this time.

**Program Analysis:**

Pupils included as physically handicapped are those with orthopedic disabilities, brain injuries, learning disabilities or impairments in speech, hearing or vision.

Much of the analysis of the subcategory Mentally Handicapped Education applies to this program as well. The establishment of State regulations requiring appropriate education of all handicapped pupils may have an effect on the physically handicapped enrollments. Uncertainties affecting determination of the extent of this effect make budgetary projections difficult. Estimates of the unserved population are, as noted in the preceding subcategory, based on figures of questionable validity. In addition, the number of challenges to the appropriateness of educational placement that will be filed on behalf of children is unknown. The projections in the program measures assume that the effect of the regulation will be relatively small and gradual, resulting in a modest year-to-year enrollment increase overall.

The category of pupils that is likely to cause a large part of the increase and at the same time causes concern for budgeting is the learning disabled. This classification includes at present the brain injured, but learning disabled and brain injured will

be treated as separate groups for administrative and data collection purposes beginning in 1976-77. The learning disabled category is the fastest growing of all exceptionalities, and the chart below shows that the supposed unserved population is the largest of the physically handicapped groups. The eligible population figure has been raised from the one percent presented last year to two percent, which represents the midpoint of the one to three percent range of incidence that is claimed for this handicap (enrollments in the current year have surpassed the one percent level.) This apparently large growth potential is based on questionable figures, but a factor that is a genuine source of concern is the phenomenon noted in Mentally Handicapped Education regarding educable mentally retarded (EMR) pupils. It was shown there that misclassification of EMR pupils as learning disabled has been found. Depending on the extent of this misclassification, pupils may be adversely affected by incorrect treatment, overall planning can be ineffective because placement could be based on factors other than actual handicaps, and extra expense to the State can occur because learning disabled instruction is more expensive than that for EMR pupils.

**Physically Handicapped Education (continued)**

**Program Analysis: (continued)**

A trend that tends to keep learning disabled costs from being higher than they are is the increasing use of "mainstreaming". This practice of placing pupils in less-than-full-time special education programs is mandated by State regulations as a priority placement for this handicap. The State Office of the Budget survey on types of placement found that the proportion of learning disabled pupils in part-time programs increased from 28 percent in 1972-73 to 41 percent in 1975-76. In addition, roughly five percent of each year's learning disabled pupils have been reintegrated into full-time regular classes the following year.

These placement statistics are not shown in the program measures because the survey did not request information on the visually impaired, hearing impaired, or speech and language impaired groups.

Another increasingly significant issue concerning this program is the public - private placement situation. Approved private schools (most are for the physically handicapped, although socially and emotionally disturbed and retarded pupils are also served) are intended to supplement the public school system by serving as options for placement of pupils whose education is infeasible in public schools. It is presumed that these pupils will generally be severely handicapped and require specialized care and instruction. State regulations require that other forms of placement be considered before pupils are sent to private schools.

There are indications that the relationship between the public and private sectors is not functioning as intended. Contacts with local administrators have revealed that the private schools are reluctant to accept those pupils with more severe handicaps, preferring instead to deal with those who are less difficult to educate. Furthermore, it is reported that the private schools actively recruit these pupils, thereby decreasing the chances for objective decisions by local administrators regarding placements.

Very little information is available on the effectiveness of these schools. The degree of progress made by the pupils is not known and only limited data are available regarding the rates at which pupils return from private to public programs. It has been found that 30 percent of pupils who attend private schools for the blind eventually transfer to public schools where they are placed in regular education on a part-time basis. Similar information about other handicapped pupils is not available.

Legislation has been enacted that significantly increases the per pupil amount of State and local funds that will be paid on account of pupils attending these private schools. This legislation could provide an additional incentive to the schools to recruit pupils. It also continues the inequity involved in requiring school districts to contribute 25 percent of the tuition regardless of the districts' financial ability. The studies currently underway regarding special education effectiveness could shed some light on the public-private school problem that will help in the review of the Commonwealth aid to these schools (a review each two years is required in current law.)

**ESTIMATED ELIGIBLE POPULATION AND ENROLLMENTS FOR 1976-77 IN PHYSICALLY HANDICAPPED PROGRAMS**

Type of Handicap	Estimated Eligible Population	Enrollment
Physically Disabled . . . . .	5,500	5,400
Learning Disabled . . . . .	51,500	27,280
Hearing Impaired . . . . .	15,000	4,860
Visually Impaired . . . . .	2,600	2,600
Speech and Language Impaired . . .	93,000	92,860
<b>TOTAL . . . . .</b>	<b>167,600</b>	<b>133,000</b>

## Physically Handicapped Education (continued)

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 273	\$ 256	\$ 322	\$ 300	\$ 320	\$ 350	\$ 370
Pennsylvania State Oral School . . . . .	1,327	1,570	1,747	1,921	2,132	2,324	2,487
Basic Instruction Subsidy and Vocational Education . . . . .	61,316	68,556	73,931	79,360	85,905	93,750	101,655
Authority Rentals and Sinking Fund Requirements . . . . .	7,919	7,721	8,520	9,497	10,649	12,004	13,456
Pupil Transportation . . . . .	3,259	3,388	4,110	5,000	6,100	7,500	8,780
Special Education . . . . .	24,000	27,300	30,890	28,900	33,580	37,980	42,770
Homebound Instruction . . . . .	440	470	470	470	470	470	470
Special Education—Approved Private Schools . . . . .	15,200	18,960	22,252	23,000	23,760	24,560	25,350
Higher Education of Blind or Deaf Students . . . . .	35	35	35	35	35	35	35
Intermediate Units . . . . .	349	387	440	500	570	660	750
School Employees' Social Security . . . .	2,820	2,889	3,850	4,307	4,878	5,437	5,994
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts . . . . .	6,499	8,028	9,120	10,540	12,220	14,400	16,750
Educational Radio and Television Grants . . . . .	42	39	39	39	39	39	39
Regional Educational Broadcasting Councils . . . . .	9	9	9	9	9	9	9
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$123,488</b>	<b>\$139,608</b>	<b>\$155,735</b>	<b>\$163,878</b>	<b>\$180,667</b>	<b>\$199,518</b>	<b>\$218,915</b>
<b>REVENUE SHARING TRUST FUND</b>							
Pupil Transportation . . . . .	\$ 440	\$ 1,456	\$ 1,560	\$ 1,664	\$ 1,800	\$ 1,950	\$ 2,100
Special Education . . . . .	15,750	19,600	17,990	19,740	20,405	22,050	23,730
Special Education—Approved Private Schools . . . . .	2,000	2,000	2,000	2,000	2,000	2,000	2,000
<b>REVENUE SHARING TRUST FUND TOTAL . . . . .</b>	<b>\$ 18,190</b>	<b>\$ 23,056</b>	<b>\$ 21,550</b>	<b>\$ 23,404</b>	<b>\$ 24,205</b>	<b>\$ 26,000</b>	<b>\$ 27,830</b>

**Gifted and Talented Education**

OBJECTIVE: To provide quality educational programs to exceptional pupils to develop their fullest potential.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$14,318	\$15,302	\$17,779	\$17,790	\$20,595	\$21,538	\$24,399
Special Funds . . . . .	2,308	2,982	2,778	3,027	3,149	3,381	3,634
Other Funds . . . . .	1	.....	.....	.....	.....	.....	.....
<b>TOTAL . . . . .</b>	<b>\$16,627</b>	<b>\$18,284</b>	<b>\$20,557</b>	<b>\$20,817</b>	<b>\$23,744</b>	<b>\$24,919</b>	<b>\$28,033</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Pupils enrolled in gifted programs . . . . .	15,493	16,000	16,500	17,000	17,500	18,000	18,500
Pupils at advanced training and degree levels . . . . .	5,726	5,900	6,200	6,400	6,600	6,800	7,000

**Program Analysis:**

This program provides special training for pupils who have outstanding intellectual and/or creative ability requiring services not ordinarily provided in regular classes.

Current State regulations define gifted pupils as those with IQs over 130 or with other indications of outstanding achievement. Classes for these pupils may include independent study, tutoring, seminars, instruction by itinerant teachers and advanced courses at outside institutions. Class size is required to be no more than eight in elementary and twelve in secondary groups and special instruction must consist of at least two and a half hours per week. New State regulations governing gifted programs are currently being prepared.

The major issue concerning this program continues to be one described last year—a substantial growth potential for gifted education programs. This issue is further complicated by a State requirement that gifted pupils be given the same legal right to special education as handicapped pupils. After July 1, 1976, parents or guardians of gifted children will have the authority to make legal challenges to demand special programs.

As in other areas of special education, the number of eligible pupils is open to question. This program, however, is more committed to a percentage figure than others. Commonwealth standards currently refer to those pupils

ranking in the top three percent nationally in ability as being eligible. Three percent of the Commonwealth's total school enrollment is almost 80,000 pupils, and it can be seen from the program measures that the enrollment in gifted programs falls far short of that figure.

Parental interest in gifted education is apparent from requests for information directed to State and local authorities and from the growth in the number of parent organizations for the gifted. A major obstacle to rapid enrollment growth is the continuing shortage of teachers qualified to conduct gifted classes. Some growth, especially in view of the legal mechanism now established, is likely and is reflected in the program measures.

An overall assessment of this program must consider the soundness of the assumptions underlying education of the gifted and their effect on expected trends. Present eligibility guidelines are fairly broad and arbitrary. The percentile and IQ limits that are used may have been sufficient in the past, but now that this program is gaining significance, a more justifiable definition of the pupils to be served is needed. The basic question is, with the Commonwealth committed to fund the entire cost of special education for gifted pupils, how restrictive should eligibility standards be? It is possible that there is no other way to determine eligibility than to apply

Gifted and Talented Education (continued)

Program Analysis: (continued)

arbitrary qualifications. Information for use in evaluation of present standards will be sought for use in future analyses of this program.

It may be pointed out, with some validity, that guidelines for other programs are just as arbitrary (an IQ of 80 or below is used as a qualification for educable mentally retarded pupils, for instance.) This brings to light the contention that has been detected between advocates and opponents of gifted education. Opponents argue that it is unfair to equate the needs of fortunate children who are superior achievers with those who are handicapped and need help to simply lead normal lives. Advocates perceive the abilities of the gifted as a resource that must not be wasted. The extension to the gifted of the legal right to an appropriate education indicates a sanction of the latter view, but it is doubtful that the contention will soon end.

Limited information is available that in some cases current programs for the gifted enable pupils to achieve better scores on College Board examinations and other tests than nonparticipating gifted pupils. More comprehensive data may be available in the near future on the effectiveness of this program.

About 250 pupils who possess exceptional artistic talents are also included in this program. Most of these pupils attend the Governor's School for the Arts at Bucknell University, an ongoing program that brings artistically talented pupils together for workshop experience. At present, talented pupils are identified largely on the basis of subjective judgements by local educators, there being at present no uniform standards for eligibility. The State regulations for the gifted that are being prepared will include guidelines for talented pupils.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 38	\$ 30	\$ 45	\$ 43	\$ 50	\$ 57	\$ 66
Basic Instruction Subsidy and Vocational Education . . . . .	8,098	8,570	9,857	9,920	11,205	11,250	12,550
Authority Rentals and Sinking Fund Requirements . . . . .	1,046	965	1,136	1,187	1,389	1,440	1,661
Pupil Transportation . . . . .	431	424	548	690	850	920	1,100
Special Education . . . . .	3,429	3,900	4,410	4,130	4,800	5,420	6,110
Intermediate Units . . . . .	46	48	61	62	65	68	72
School Employees' Social Security . . . . .	372	361	512	538	636	653	740
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts . . . . .	858	1,004	1,210	1,220	1,600	1,730	2,100
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$14,318</b>	<b>\$15,302</b>	<b>\$17,779</b>	<b>\$17,790</b>	<b>\$20,595</b>	<b>\$21,538</b>	<b>\$24,399</b>
<b>REVENUE SHARING TRUST FUND</b>							
Pupil Transportation . . . . .	\$ 58	\$ 182	\$ 208	\$ 207	\$ 234	\$ 231	\$ 244
Special Education . . . . .	2,250	2,800	2,570	2,820	2,915	3,150	3,390
<b>REVENUE SHARING TRUST FUND TOTAL . . . . .</b>	<b>\$ 2,308</b>	<b>\$ 2,982</b>	<b>\$ 2,778</b>	<b>\$ 3,027</b>	<b>\$ 3,149</b>	<b>\$ 3,381</b>	<b>\$ 3,634</b>

**Compensatory Preschool Education**

OBJECTIVE: To assure that children under eight years of age from culturally and economically deprived families are able to learn effectively in the elementary school environment.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$11,997	\$12,624	\$12,961	\$13,275	\$13,650	\$13,948	\$16,090
Special Funds . . . . .	58	182	182	185	185	185	205
Other Funds . . . . .	5,645	5,030	5,100	5,000	5,000	5,000	5,000
<b>TOTAL . . . . .</b>	<b>\$17,700</b>	<b>\$17,836</b>	<b>\$18,243</b>	<b>\$18,460</b>	<b>\$18,835</b>	<b>\$19,133</b>	<b>\$21,295</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Eligible disadvantaged children . . . . .	22,000	23,000	22,500	22,500	22,500	22,500	22,500
Enrollments . . . . .	15,000	15,500	15,000	15,000	15,000	15,000	15,000

**Program Analysis:**

Preschool compensatory programs are intended to give special attention to children from low income families so that these children are not at a disadvantage when they enter regular elementary programs. About half of the children enrolled are in programs for poverty pupils under the Federal Elementary and Secondary Education Act. The rest are in Headstart, Follow Through and preschool day care programs.

Comprehensive analysis of this program continues to be hampered by the piecemeal nature of available information as was noted in last year's presentation. Many of the evaluations that are available come from pilot projects. For example, recently available results from one project, which has since been adopted as a national model program, show that a group of 130 children progressed at between two and three times the normal growth rate for mental age and language and social development while they were in the program.

Another evaluation, of Philadelphia's Follow Through program, compared test results of about 6,000 compensatory pupils and like number of non-program children. Pupils in Follow Through performed better than the other children in kindergarten and first grade, but the program did not produce positive effects in grades two and three. However, the portion of Follow Through children who were instructed using two methods (seven different types of Follow Through models

were used overall) performed better in all four grades. The methods consisted of using tangible reinforcements (tokens exchangeable for rewards) and involving parents closely in all decisions made about the programs.

The problem remains that although the data from these and other individual programs show promising results for compensatory preschool education in Pennsylvania, no comprehensive picture of the State's progress as a whole exists at the present time. This is chiefly due to the fact that most such programs do not test at all, and if they do, they do not test all the critical variables. Also, the kinds of tests used across all programs differ so radically that comparisons as well as overall aggregations of data are not possible.

The effort by the Department of Education referred to in last year's presentation to evaluate all compensatory preschool programs using a uniform instrument is now underway.

This instrument, the Pennsylvania Preschool Inventory, was developed over the past three years as a test of educational development. It measures the child's level of understanding of words, concepts and the basic relationships between and among things in his environment. Current work on standardization of this Inventory will make possible a means for comparing progress within individual compensatory programs with average progress of compensatory children on a

Compensatory Preschool Education (continued)

Program Analysis: (continued)

statewide basis. It is anticipated that testing will be completed by the spring of 1976 on a sample of approximately 5,000 compensatory preschool children. Once this step has been completed, norms for a cross section of Pennsylvania preschool children involving both compensatory and noncompensatory pupils will be developed. These new norms will enable comparison of individual programs as well as the average for all compensatory children in the State, with corresponding growth of noncompensatory children in order to evaluate the extent to which State programs are closing the gap between the respective performance of the two groups.

Results are available from preliminary use of the Inventory as an evaluation tool during the spring and summer of 1975.

Over 500 children have been tested so far from a variety of programs. Pre- and post-test data on a sample of over 120 preschool children attending a full year compensatory program showed a significant average gain over pretest performance on this instrument. Complete pre- and post-test data on two four-week summer compensatory programs, involving over 80 preschool children, yielded a significant gain over pretest performance for one of these districts and a small gain for the other. These limited findings provide an initial step toward documenting the growth in educational development being achieved with pupils throughout the State's Compensatory Preschool programs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Basic Instruction Subsidy and Vocational Education . . . . .	\$ 8,098	\$ 8,570	\$ 8,625	\$ 8,680	\$ 8,715	\$ 8,750	\$10,040
Authority Rentals and Sinking Fund Requirements . . . . .	1,046	965	994	1,039	1,080	1,120	1,329
Pupil Transportation . . . . .	431	424	480	600	660	710	870
Tuition for Orphans and Children Placed in Private Homes . . . . .	344	450	500	545	594	648	706
Education of Migrant Laborers' Children . . . . .	2	2	4	6	8	12	18
Education of the Disadvantaged . . . . .	800	800	800	800	800	800	800
Intermediate Units . . . . .	46	48	51	54	58	61	65
School Employees' Social Security . . . . .	372	361	447	471	495	507	592
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts . . . . .	858	1,004	1,060	1,080	1,240	1,340	1,670
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$11,997</u>	<u>\$12,624</u>	<u>\$12,961</u>	<u>\$13,275</u>	<u>\$13,650</u>	<u>\$13,948</u>	<u>\$16,090</u>
<b>REVENUE SHARING TRUST FUND</b>							
Pupil Transportation . . . . .	\$ 58	\$ 182	\$ 182	\$ 185	\$ 185	\$ 185	\$ 205

**Compensatory Elementary and Secondary Education**

OBJECTIVE: To insure that economically and socially disadvantaged students attain an educational level commensurate with their ability.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$143,943	\$173,690	\$177,451	\$189,696	\$204,132	\$217,328	\$230,858
Special Funds . . . . .	705	2,522	2,500	2,575	2,700	2,810	2,915
Federal Funds . . . . .	904	1,179	1,331	1,531	1,762	2,025	2,329
Other Funds . . . . .	147,910	165,799	184,900	190,000	195,000	201,000	207,000
<b>TOTAL . . . . .</b>	<b>\$293,462</b>	<b>\$343,190</b>	<b>\$366,182</b>	<b>\$383,802</b>	<b>\$403,594</b>	<b>\$423,163</b>	<b>\$443,102</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Pupils eligible for program services . . . . .	346,000	357,000	353,000	340,000	340,000	340,000	340,000
Pupils enrolled in programs offered . . . . .	224,500	248,000	240,000	240,000	240,000	240,000	240,000

**Program Analysis:**

This program consists of remedial instruction for disadvantaged children in public and nonpublic schools, education of migrant laborers' children, and instructional programs in youth development centers and youth forestry camps.

Remedial instruction, conducted in virtually all of the State's school districts, is funded primarily by the Federal Elementary and Secondary Education Act. Children from low-income backgrounds who are not doing well in school are given supplementary instruction three to five times a week in small groups to try to improve their educational performance, with emphasis on the basic skills. Psychological guidance, medical and dental care, and counseling are also offered.

Evaluation in terms of progress on standardized tests continues. Approximately 200,000 pupils in grades 1 through 12 have now been tested for reading achievement and 40,000 for mathematics progress. The preliminary results from this larger sample are similar to those reported last year. In both reading and mathematics, the majority of pupils have shown an accelerated learning rate after participation in remedial

programs. The pupils' progress, after participation, was roughly the same as the national average for all children, while before participation these children had learned at only slightly more than half the national average.

This success must still be viewed in the light of the fact that even though compensatory instruction appears to help children learn at a faster rate, they generally enter the program so far behind average children that the gains achieved do not allow them to catch up with their peers. The achievement reported in the most recent evaluation has improved somewhat over last year's evaluation, so there is a possibility that the disparity between compensatory children's and regular children's educational levels is being lessened.

Other effective solutions to the problem are not easily determined. Particular teaching methods or ages at which pupils should be placed in programs may be particularly advantageous, and the Commonwealth makes efforts to find these and make them known. However, since program funding originates at the Federal level and the programs are carried out at the local level, the Commonwealth's impact is restricted.

**Compensatory Elementary and Secondary Education (continued)****Program Analysis: (continued)**

The migrant children's education portion of this program is undergoing several changes. The number of children served is increasing, from about 600 in 1972-73 to an estimated 2,000 in 1976-77. The increase is due more to improved census-taking than actual increases in migrant families. The proportion of Spanish-speaking immigrants is also rising, adding language difficulties to the problem of underachievement. Migrant children are found to be two to three years behind their peers in learning. This is not surprising considering the continually mobile state of migrant living that results in the children attending school a total of two to five months during the school year in a number of different schools.

The educational program for these children attempts to upgrade their basic skills in a short period of time, and also to provide supportive services such as transportation and health care. Evaluation of the effects of these services in educational terms is quite difficult, but they may have an influence on one rapidly growing phenomenon. Reports indicate that increasing numbers of migrant families are settling in Pennsylvania. The parents often work year-round in one community, or the fathers may return to their native countries in the winter while their families stay in Pennsylvania.

Efforts are being made to improve the instruction given the children and to refine the Migrant Student Record Transfer System so that each child's educational and medical history is complete and easily interpreted.

In the educational programs at correctional facilities for youthful offenders, changes are also being made. The maximum capacity and average population for the nine youth facilities have been reduced from 1,500 to about 1,000 in an attempt to provide more individualized aid to the students. Due to the decision to remove juveniles from the State Correctional Institution at Camp Hill, two maximum security units have been established to house 100 youths. These two units are located at Cornwells Heights in the Philadelphia area and at New Castle in the Pittsburgh area.

At the Cornwells Heights maximum security unit, an

innovative approach is being implemented with 24 of the residents. Instructional personnel work closely with the youths not only during class time, but throughout the day and evening hours. It is hoped that this close involvement with the residents in all types of daily living situations will result in better mastery of skills by the youths than would be possible with instruction that is limited to classroom contact.

The student population in the Commonwealth's facilities for youthful offenders have an age range from 9 to 19 years of age, with the average age being about 15.5 years. The reading and mathematics comprehension levels of these students are far lower than normal for their chronological age; with the average length of residence for a student being from 7 to 9 months, programs had to be designed to help accelerate the learning process. New approaches have been designed and the most highly effective programs have been isolated and implemented in order to provide the most beneficial educational programs. For example, at the Cornwells Heights Youth Development Center, entrance and exit tests have shown that students have had accelerated gains in both reading and mathematics abilities, showing in many cases a 30 to 50 percent improvement.

New vocational programs are also now being used to assess, instruct and followup youth offenders interested in vocational training. Area vocational-technical schools, private trade schools, and existing vocational programs at the institutions provide vocational programs. In several institutions vocational aptitude tests have been provided to assess student interests and abilities.

At Loysville Youth Development Center, after one year of vocational instruction, tests have shown a 55 percent improvement of student vocational knowledge. Vocational counselors are now also being used in many of the facilities to improve vocational training. A pilot project, in a three county area from Loysville Youth Development Center, is now in process to determine how beneficial an institution/public school liaison will be in helping to improve the transition from the institution to the public school setting.

Compensatory Elementary and Secondary Education (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 139	\$ 105	\$ 121	\$ 130	\$ 150	\$ 160	\$ 170
Basic Instruction Subsidy and Vocational Education . . . . .	98,337	118,750	118,289	122,760	129,480	135,000	140,560
Authority Rentals and Sinking Fund Requirements . . . . .	12,701	13,373	13,632	14,691	16,051	17,286	18,605
Pupil Transportation . . . . .	5,228	5,868	6,575	7,700	9,200	10,750	12,140
Tuition for Orphans and Children Placed in Private Homes . . . . .	5,022	6,570	7,300	7,957	8,673	9,453	10,304
Education of Migrant Laborers' Children . . . . .	34	34	68	102	154	231	347
Education of the Disadvantaged . . . . .	200	200	200	200	200	200	200
Intermediate Units . . . . .	560	671	704	770	858	945	1,041
School Food Services . . . . .	4,160	5,760	6,240	8,700	9,600	10,500	11,400
School Employees' Social Security . . . . .	4,522	5,005	6,144	6,663	7,353	7,830	8,288
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts . . . . .	10,422	13,905	14,590	16,230	18,400	20,680	23,260
Educational Radio and Television Grants . . . . .	128	117	117	117	117	117	117
Regional Educational Broadcasting Councils . . . . .	26	26	26	26	26	26	26
Youth Development Centers—Education . . . . .	2,464	3,306	3,445	3,650	3,870	4,150	4,400
<b>GENERAL FUND TOTAL . . . . .</b>	<b><u>\$143,943</u></b>	<b><u>\$173,690</u></b>	<b><u>\$177,451</u></b>	<b><u>\$189,696</u></b>	<b><u>\$204,132</u></b>	<b><u>\$217,328</u></b>	<b><u>\$230,858</u></b>
<b>REVENUE SHARING TRUST FUND</b>							
Pupil Transportation . . . . .	<u>\$ 705</u>	<u>\$ 2,522</u>	<u>\$ 2,500</u>	<u>\$ 2,575</u>	<u>\$ 2,700</u>	<u>\$ 2,810</u>	<u>\$ 2,915</u>

**Vocational Secondary Education**

OBJECTIVE: To prepare high school students for vocational occupations which have opportunities for gainful employment in Pennsylvania's economy.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$273,177	\$311,759	\$293,612	\$322,569	\$352,357	\$387,569	\$421,714
Special Funds . . . . .	912	3,042	3,220	3,480	3,750	4,050	4,340
Federal Funds . . . . .	1,785	2,145	2,357	2,711	3,117	3,585	4,122
Other Funds . . . . .	26,982	18,930	19,060	20,060	21,065	21,070	22,075
<b>TOTAL . . . . .</b>	<b>\$302,856</b>	<b>\$335,876</b>	<b>\$318,249</b>	<b>\$348,820</b>	<b>\$380,289</b>	<b>\$416,274</b>	<b>\$452,251</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total enrollment in secondary vocational education . . . . .	251,326	259,600	269,760	279,290	290,080	300,240	310,400
Secondary students who need secondary occupational programs . . . . .	272,617	271,000	268,850	263,450	257,550	251,850	244,200
Enrollment in occupational programs* . . . . .	185,988	195,690	205,400	215,000	224,800	234,500	244,200
Graduates from occupational programs* . . . . .	63,780	66,926	70,250	73,560	76,900	80,200	83,500
Graduates available for employment* . . . . .	45,922	48,186	50,580	52,970	55,350	57,750	60,100
Graduates available for employment employed within three months* . . . . .	38,758	40,670	42,690	44,700	46,720	48,735	50,750

\*See second paragraph of analysis.

**Program Analysis:**

This program has been relatively successful in achieving its objective. It can be seen from the measures that three months after graduation only 16 percent of employable graduates are unemployed. Final figures for 1975 are not yet available, but it is fairly certain that the overall unemployment rate for youths under 20 will be in excess of 20 percent. The 84 percent employment rate for vocational graduates shown in the program measure is irrespective of job field. In terms of employment as related to training, it is known that 70 percent of employable vocational graduates eventually find jobs related to their field of training.

The difference between total enrollments and occupational program enrollments consists of those students enrolled in useful (nonoccupational) home economics. They are shown here because State law provides for funding of useful home economics, even though the course does not prepare students for gainful employment. Since the occupational program enrollment measure gives a true picture of the number of

pupils prepared for future employment, all the remaining measures refer to occupational programs as well.

The employment figures are impressive, given the number of variables both individual and systemic, that affect employment. It is questionable whether changes in the educational program alone could produce significant improvements in the employment statistics. For this reason, it has been decided to direct the emphasis of the program to enrolling those non-college-bound students who are not now enrolled in occupational programs. The assumption on which this decision is based is that youths who do not pursue postsecondary education will have an improved chance at earning a livelihood if they learn a skill in high school. Since about half of all pupils go onto higher education, the target group for vocational programs is the remaining half of the senior high school pupils enrolled each year. This target is represented by the second program measure, which includes half of all public school enrollments in grades ten through

Vocational Secondary Education (continued)

Program Analysis: (continued)

twelve (nonpublic enrollments, included last year, are now excluded, since the participation rate for these pupils is much lower). This target is expected to be reached at the end of the projection period by enrollments in occupational programs.

In order to provide for a 25 percent enrollment increase by the end of the decade, a number of alternatives to new buildings are possible. Among these are cooperative instruction arrangements with local business and industry, innovative scheduling procedures (such as multiple daily shifts), private school contracted instruction, rental of existing community facilities, conversion of space made available by the decreasing school population, and reduction of curriculum duration requirements for certain specialty or single-skill occupations.

Larger program enrollments and the increasing degree of specialization involved in current employment opportunities have resulted in more specialized courses of instruction. Over 150 course offerings are made, in such areas as ornamental horticulture, data processing, dental laboratory technology,

instrumentation, chemical, environmental control, and plastics technologies, and law enforcement training.

The expanding role of vocational education places increased emphasis on the Commonwealth's participation in the program. The problems with the present State funding formula are being magnified by this situation. These problems can be summarized thus: the formula is inequitable among school districts, unrealistic in terms of program costs, and tends to perpetuate unneeded programs at the expense of needed ones.

At present, the Office of the Budget and the Department of Education are investigating improvements to the State's funding of vocational programs. Preliminary findings indicate that a formula that is basically a modification of the present Basic Instruction Subsidy formula would be workable. Such a formula would be equitable, could be made to reflect program costs and could also be made to provide incentives to school districts to offer needed programs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	\$ 707	\$ 639	\$ 721	\$ 780	\$ 850	\$ 910	\$ 990
Thaddeus Stevens Trade School . . . .	1,492	1,745	1,870	2,057	2,283	2,489	2,673
Basic Instruction Subsidy and Vocational Education . . . . .	227,662	262,499	237,169	257,361	277,383	300,929	323,253
Authority Rentals and Sinking Fund Requirements . . . . .	16,436	16,131	17,608	19,884	22,224	24,968	27,742
Pupil Transportation . . . . .	6,765	7,078	8,500	10,400	12,700	15,550	18,100
Intermediate Units . . . . .	725	809	910	1,041	1,188	1,365	1,550
School Employees' Social Security . . .	5,852	6,037	7,936	9,018	10,181	11,310	12,358
School Employees' Retirement Fund:							
Contingent Reserve and Supplemental Accounts . . . . .	13,487	16,773	18,850	21,980	25,500	30,000	35,000
Educational Radio and Television Grants . . . . .	42	39	39	39	39	39	39
Regional Educational Broadcasting Councils . . . . .	9	9	9	9	9	9	9
<b>GENERAL FUND TOTAL . . . .</b>	<u>\$273,177</u>	<u>\$311,759</u>	<u>\$293,612</u>	<u>\$322,569</u>	<u>\$352,357</u>	<u>\$387,569</u>	<u>\$421,714</u>
<b>REVENUE SHARING TRUST FUND</b>							
Pupil Transportation . . . . .	<u>\$ 912</u>	<u>\$ 3,042</u>	<u>\$ 3,220</u>	<u>\$ 3,480</u>	<u>\$ 3,750</u>	<u>\$ 4,050</u>	<u>\$ 4,340</u>

**Postsecondary Vocational Education**

**OBJECTIVE:** To meet Pennsylvania manpower requirements for vocational and technical occupations personnel through training programs primarily for students in the age group of 19 to 29 years.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$19,482	\$21,587	\$23,973	\$24,905	\$25,788	\$26,719	\$27,907
Federal Funds . . . . .	1,504	1,804	1,879	1,976	2,091	2,219	2,371
Other Funds . . . . .	5,158	4,145	4,261	4,304	4,337	5,373	5,404
<b>TOTAL . . . . .</b>	<b>\$26,144</b>	<b>\$27,536</b>	<b>\$30,113</b>	<b>\$31,185</b>	<b>\$32,216</b>	<b>\$34,311</b>	<b>\$35,682</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Enrollments in postsecondary vocational programs . . . . .	41,080	46,400	50,000	55,000	55,000	55,000	55,000
Students completing training . . . . .	8,216	9,280	10,000	11,000	11,000	11,000	11,000
Graduates available for employment . . . . .	6,326	7,146	7,700	8,470	8,470	8,470	8,470
Employable graduates employed within three months . . . . .	5,613	6,431	6,930	7,623	7,623	7,623	7,623

**Program Analysis:**

Postsecondary vocational education is designed to provide individuals who have completed a secondary program or obtained a General Equivalency Diploma with advanced training toward a vocational skill or a two year technical degree. Although vocational education is provided at the secondary level, there are many individuals who either do not participate in secondary vocational education or find that a higher level of training is required to obtain employment. The health and technical education fields are examples of those areas that in many instances require advanced training to obtain employment.

In addition to the Commonwealth's 14 community colleges and 18 university branch campuses, full-time postsecondary programs are offered in 11 area vocational-technical schools (AVTS), two urban skill centers, two comprehensive high schools and three specially adapted sites. Approximately 550 curricula are operated in these institutions, offering job training for over 65 different types of occupations.

New approaches for serving individual, employer and community needs are constantly being explored. One

innovative concept currently under study is the development of a Regional Technical Institute Without Walls in Northwestern Pennsylvania. The planned project will serve a 12-county area with a population of over 800,000. Also, a program was established at a branch campus in New Kensington to train 85 medical transcriptionists to satisfy a critical need in the Allegheny Valley. The trainees were recruited from the unemployed, underemployed and mildly handicapped population in the area.

Last year's analysis reported the initiation of an innovative program designed to provide a career ladder in the nursing field. Licensed practical nurse training could be applied to registered nurse certification and high school seniors were accepted for enrollment. The secondary/postsecondary concept has been extended by the development of similar programs in Butler and Beaver County Community Colleges with two additional projects to be approved shortly.

Public acceptance of the need to expand opportunities for occupational education is expressed in the fact that vocational education enrollments in two-year programs in the community

Postsecondary Vocational Education (continued)

Program Analysis:

colleges now exceed enrollments of persons preparing to transfer to the four-year institutions in search of bachelors' degrees. Current geographic placement of community colleges provides access to occupational education for most of the Commonwealth's population on a commuting basis.

A large number of the courses conducted are for health occupations, preparing young people and adults to provide health services in hospitals, convalescent homes, physicians' and dentists' offices, clinical laboratories and other health delivery systems. Although these occupations are of a service

professional nature, students may continue their education to achieve a professional level. More than 6,000 individuals enroll annually with less than 20 percent withdrawal before completion. More than 90 percent of those completing training are placed in jobs for which they are trained at a cost of less than \$1.00 per hour of instruction. Typical courses include those for dental assistants, medical assistants, medical laboratory assistants, nursing assistants and X-ray technologists.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 186	\$ 191	\$ 200	\$ 215	\$ 230	\$ 250	\$ 270
General State Authority Rentals—							
State-aided Institutions . . . . .	82	90	85	85	85	85	85
State Colleges and University . . . . .	129	328	859	936	1,021	1,112	1,312
Basic Instruction Subsidy and							
Vocational Education . . . . .	4,831	5,237	5,437	5,647	5,867	6,099	6,342
Community Colleges—Operating . . . . .	7,184	.....	.....	.....	.....	.....	.....
Community Colleges—Capital . . . . .	2,473	.....	.....	.....	.....	.....	.....
Community Colleges—Capital and							
Operating . . . . .	.....	10,587	12,188	12,488	12,795	13,110	13,434
Pennsylvania State University . . . . .	2,734	3,116	3,134	3,328	3,457	3,591	3,854
University of Pittsburgh . . . . .	274	321	334	364	393	424	458
Temple University . . . . .	539	613	632	682	721	767	806
Berean Training and Industrial							
School . . . . .	413	434	434	455	478	502	527
Downingtown Industrial and							
Agriculture School . . . . .	518	544	544	571	599	629	661
Johnson School of Technology . . . . .	70	74	74	78	82	86	90
Williamson Free School of							
Mechanical Trades . . . . .	49	52	52	56	60	64	68
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$19,482</b>	<b>\$21,587</b>	<b>\$23,973</b>	<b>\$24,905</b>	<b>\$25,788</b>	<b>\$26,719</b>	<b>\$27,907</b>

**Community Education**

**OBJECTIVE:** To provide educational opportunities for citizens 16 years of age and over whose lack of basic educational skills or English language limitations constitute a substantial impairment of their ability to adapt to and function successfully within contemporary society, or to explore and expand areas of interest through enrichment noncredit courses.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 841	\$2,109	\$3,298	\$3,528	\$3,792	\$3,555	\$3,621
Federal Funds . . . . .	151	161	189	218	250	287	330
Other Funds . . . . .	2,662	3,989	4,000	4,500	5,000	5,500	6,000
<b>TOTAL . . . . .</b>	<b><u>\$3,654</u></b>	<b><u>\$6,259</u></b>	<b><u>\$7,487</u></b>	<b><u>\$8,246</u></b>	<b><u>\$9,042</u></b>	<b><u>\$9,342</u></b>	<b><u>\$9,951</u></b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Public high school dropouts . . . . .	32,100	32,200	32,300	32,400	32,500	32,500	32,500
Persons receiving Commonwealth issued high school equivalency diplomas . . .	12,500	13,000	13,500	14,000	14,500	15,000	15,500
Adults achieving eighth grade level reading and math skills . . . . .	15,368	15,500	16,000	16,500	17,000	17,500	18,000
Persons enrolled in community education programs:							
Adult noncredit . . . . .	96,261	96,300	96,300	96,500	96,500	97,000	97,000
Adult basic education . . . . .	35,069	36,000	36,000	36,000	36,500	36,500	37,000
Standard evening high school . . . . .	25,580	25,500	24,000	23,000	23,000	22,000	21,000
General educational development(GED)	6,537	6,600	6,700	7,000	7,500	8,000	8,500
Percent successfully completing GED program . . . . .	66%	67%	68%	69%	70%	70%	71%

**Program Analysis:**

The community education program is aimed at adults 16 years of age and over who are not enrolled in a regular day school program and for various reasons want to pursue some form of further education. In some cases these adults did not complete their basic education and now find the need to learn to read, write and use basic mathematics in order to function successfully in our competitive society. Others find that their inability to master the English language proves to be an obstacle to the advancement of their status or to obtaining citizenship. Some are interested in broadening their

background and skills in order to live a fuller and more satisfying life. In many cases the motive of the student is simply the personal satisfaction derived from learning about an interesting subject.

The median number of school years completed by persons 25 years of age and over in Pennsylvania is 12 years according to 1970 census information. The census identifies 965,767 adults in Pennsylvania 25 years of age and over with less than an eighth grade education, and in this same age group 3,329,284 adults with less than a twelfth grade education.

**Community Education (continued)****Program Analysis: (continued)**

Consider in addition those individuals between 16 and 24 years of age with the same deficiencies along with the average annual public school dropout rate of 30,000 plus, and the magnitude of the problem begins to take shape.

Adult Basic Education classes to help adults achieve eighth grade level reading and math skills are conducted in public schools and hospitals. These programs are conducted in 47 counties in Pennsylvania where the emphasis is on urbanized areas with dense populations of illiterates and concentrations of non-English speaking adults.

The second step in the overall program is to aid the adult in completing a high school education. There are two methods of securing that degree— General Education Development (GED) and the Standard Evening High School. For those individuals who can't spend the time in a regular high school program of study, public schools and institutions conduct classes to prepare adults to take the GED tests. Upon successful completion of the tests, a Commonwealth Secondary School Diploma is issued. The second method of achieving a high school diploma is through the Standard Evening High School program conducted by school districts where adults can work on regular day school course work in the evenings in order to receive a regular high school diploma issued by the district.

Another area in community education is noncredit Adult Education. This program, the most widely attended of the four, offers courses designed to satisfy the creative and practical needs of its students through courses in 72 subjects including arts and crafts, useful skills such as masonry and auto repairs and interest areas ranging from antiques and amateur radio to world culture and yoga.

The enrollments for all these adult programs are shown at higher levels than in last year's presentation. This is the result of improved reporting procedures that produce more comprehensive tabulations of the enrollments.

Progress is being made in reducing the number of illiterates in most areas of the Commonwealth. Programs are reducing the total numbers of adults in Pennsylvania with less than an eighth grade competency in reading, writing and computational skills. However, the Commonwealth appears to be losing ground with the total not having a high school diploma. Comparing the totals enrolled in GED and Standard Evening High School programs with the continuing high rate of high school dropouts, it appears the number of adults requiring high school level training will be increasing.

The Department of Education's responsibility for education of adults in correctional institutions was undertaken in September, 1974. These eight institutions have an approximate population of 7,000 inmates beginning at age 17. Most of these inmates have never graduated from high school so they are in need of help in many areas of education. There

are also postsecondary courses now being made available at all the State correctional facilities through contracts with both public and private institutions of higher learning.

New vocational programs are being offered at the State correctional institutions for adult offenders. Vocational education programs are offered at each of the adult facilities for about half of the adult population. At the State Correctional Institution at Muncy, nontraditional programs will be offered to the female inmates in such areas as electronics and automobile repair. At the State Correctional Institution at Pittsburgh, a full-time kindergarten-through-postsecondary offering will be made. At the State Correctional Institution at Dallas, a cooperative training program between the Department of Education and Correctional Industries will provide for a training and production program for the repair of damaged State vehicles. The State Correctional Institution at Graterford will provide the first dental technician training program for inmates in State-operated facilities.

Also included in this program is the Pennsylvania Ethnic Heritage Studies Center, which became operational at the University of Pittsburgh in April, 1975. The following range of activities are conducted: workshops for college faculty members from institutions throughout Pennsylvania; workshops for secondary school teachers, resulting in a series of programs in ethnic heritage education being developed and implemented at eight school districts in the State; a survey of ethnic associations in the State and initial contacts made to develop an archive of materials; publication of a newsletter distributed to ethnic associations, educational institutions and interested persons; technical assistance provided to groups in Pennsylvania attempting to develop ethnic study or ethnic celebration programs; community relations with ethnic associations and groups in the greater Pittsburgh area; and planning of methods for computerizing information and resources about the history of ethnic groups in the state.

In the future, in addition to these activities, the Center plans to promote the development of archives, community relation projects and data banks at institutions throughout the Commonwealth. Also it will develop and become the focal point for a coordinated network of resources that can be tapped by scholars, teachers, students and interested citizens. The Center also hopes to expand its role as a technical resource for communities and institutions attempting to develop local projects.

This program includes funding for a Program Revision entitled Community Learning described in the appendix to this subcategory, under which curricula will be developed that will improve pupils' abilities in occupational and social skills as well as in the basic academic skills.

Community Education (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	\$ 43	\$ 59	\$ 68	\$ 78	\$ 92	\$ 105	\$ 121
Correctional Institutions Education . . . . .	748	2,000	2,180	2,400	2,650	2,900	3,200
Ethnic Heritage Studies Center . . . . .	50	50	50	50	50	50	50
Community Learning . . . . .	. . . . .	. . . . .	1,000	1,000	1,000	500	250
GENERAL FUND TOTAL . . . . .	<u>\$841</u>	<u>\$2,109</u>	<u>\$3,298</u>	<u>\$3,528</u>	<u>\$3,792</u>	<u>\$3,555</u>	<u>\$3,621</u>

**Community Education  
Program Revision: Community Learning**

**Recommended Program Revision Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .			<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$ 500</u>	<u>\$ 250</u>

**Program Analysis:**

Critics of education have begun to charge that students graduating from the public schools are not equipped with the fundamental skills needed to survive in the adult world. This Program Revision is an attempt to respond to that charge by developing curriculum changes for the schools that will insure that instructional programs are aimed at providing students with the abilities they need for their life roles.

These changes will be developed by the Department of Education, working closely with a selected group of school districts that are geographically and demographically diverse. Together they will develop and implement school curricula and experiences based on specified learning outcomes. While working intensively with a selected number of districts, the Department will provide general technical support and resources to other districts interested in developing specific competency-based projects or proposals. The Department also hopes to work closely with intermediate units in developing

resources that can assist districts in planning and implementing competency-based programs.

The planning and implementation process at both the State and local level will be done in close cooperation with citizens recognized for their competence in business, industry, government, social service, community relations and education. These citizens will be involved in defining learning outcomes and in working with schools to establish curricula and structured learning situations for students outside the classroom where needed to properly develop a given competency.

The work will be focused on the life roles adults perform in our society. Minimum competency levels will be developed for each of the life role areas and curricula and experiences will be planned and implemented to guarantee the acquisition of those competencies. These life role areas are basic reading, writing, and mathematics skills, as well as the fields of work, social responsibility, consumerism and health and leisure.

**Program Revision Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Education							
Community Learning . . . . .			<u>\$1,000</u>	<u>\$1,000</u>	<u>\$1,000</u>	<u>\$ 500</u>	<u>\$ 250</u>

## HIGHER EDUCATION CATEGORY ANALYSIS

The Commonwealth's funding of higher education supports a wide spectrum of academic curricula whose aim is to satisfy the educational demands of the individual and the needs of the Commonwealth for specialized manpower, an educated populace, a research capability, and the intangible inspiration and creativity generated by the learning process and the association of scholars.

Although higher education is valued highly by this society a pattern of change is revealing itself. The birth rate is steadily declining. The high school graduating class of 1975 is the largest ever; stabilization and general decline are predicted for the future. A decreasing percentage of high school students enter college while an increasing group decides to attend postsecondary vocational training or directly enter the job market. Part-time continuing education demand by people seeking occupational advancement or personal enrichment is increasing. The net result of these four factors is expected to be a slowly declining enrollment for the foreseeable future. The increase in 1975-76 enrollments is believed to be due to a combination of extraordinary factors and is not expected to continue.

The following chart shows enrollment projections made by the higher education community; these projections are generally too optimistic.

**Full Time Equivalent Students at State-owned, State-related, State-aided, and Community Colleges\***

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Agriculture and Natural Resources . . . . .	4,812	4,957	5,070	5,126	5,164	5,187	5,196
Arts, Humanities and Letters . . . . .	25,876	26,356	26,728	26,914	27,086	27,213	27,202
Business Management, Commerce and Data Processing . . . . .	27,607	29,736	30,881	32,087	33,032	33,775	34,321
Education . . . . .	51,946	50,090	49,174	47,983	47,478	46,943	46,232
Engineering and Architecture . . . . .	14,219	15,159	15,817	16,491	16,660	16,759	16,787
Health Sciences, Health Professions and Biological Sciences . . . . .	29,138	30,943	32,009	33,011	33,723	34,312	34,661
Human Services and Public Affairs . . . . .	14,393	15,049	15,573	15,825	16,050	16,236	16,399
Physical Sciences, Earth Sciences, Mathematics and Military Sciences . . . . .	15,537	16,121	16,492	16,683	16,773	16,835	16,806
Social Sciences and Area Studies . . . . .	31,273	32,369	33,045	33,521	33,738	33,886	34,040
Interdisciplinary Studies . . . . .	33,398	34,469	37,762	38,744	40,063	41,241	42,357
<b>TOTAL . . . . .</b>	<b>248,199</b>	<b>255,249</b>	<b>262,551</b>	<b>266,385</b>	<b>269,767</b>	<b>272,387</b>	<b>274,001</b>

\*Does not include technologies

The Commonwealth is unique among the major states in its great diversity of institutional types and academic programs.

The array of institutions, a result of our historic background, is characterized by a large group of private colleges which, in conjunction with the public system, provide a diversity of offerings and a range of prices, ethnic and religious affiliation, urban and rural settings and specialties to meet the needs of our diverse population. The overall quality of education in Pennsylvania is promoted by this competition and the interaction of the different sectors.

Higher education planners recognize the importance of retaining each sector of the educational community. At the same time independence among individual institutions results in program duplication and proliferation. The solution is comprehensive and cooperative planning. In pursuit of that goal the State Board of Education has designated ten planning regions; each is to develop a council which will work with state planners to prevent duplication within the region. The

Pennsylvania Association of Colleges and Universities is now beginning a study of program duplication throughout the Commonwealth in conjunction with the State Board's regionalization effort. Also in this area, the Department of Education has developed indices of need for new programs which are used in the decision on requests for program approval. Those indices include manpower data, student demand, and social and economic trends.

It is essential that every State institution, public or private, realize that immediate cooperation in this effort is necessary for their survival in the financially difficult times ahead; the small investment of time and money should be willingly made by each institution as they help to determine their collective futures.

**Full-Time Equivalent Enrollments in State Supported Institutions of Higher Education\*\***

Institutional Category	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
State-owned Colleges and University . . .	76,155	77,038	77,988	78,566	79,332	79,867	80,036
State-related Universities . . . . .	115,208	118,359	120,312	121,371	121,886	121,954	121,701
Community Colleges . . . . .	46,676	50,572	56,159	60,220	64,218	67,272	70,257
State-aided Colleges and Universities . . .	33,189	34,139	34,994	35,955	36,329	36,645	36,664
<b>TOTAL . . . . .</b>	<b>271,228</b>	<b>280,108</b>	<b>289,453</b>	<b>296,112</b>	<b>301,765</b>	<b>305,738</b>	<b>308,658</b>

\*\* Includes technologies.

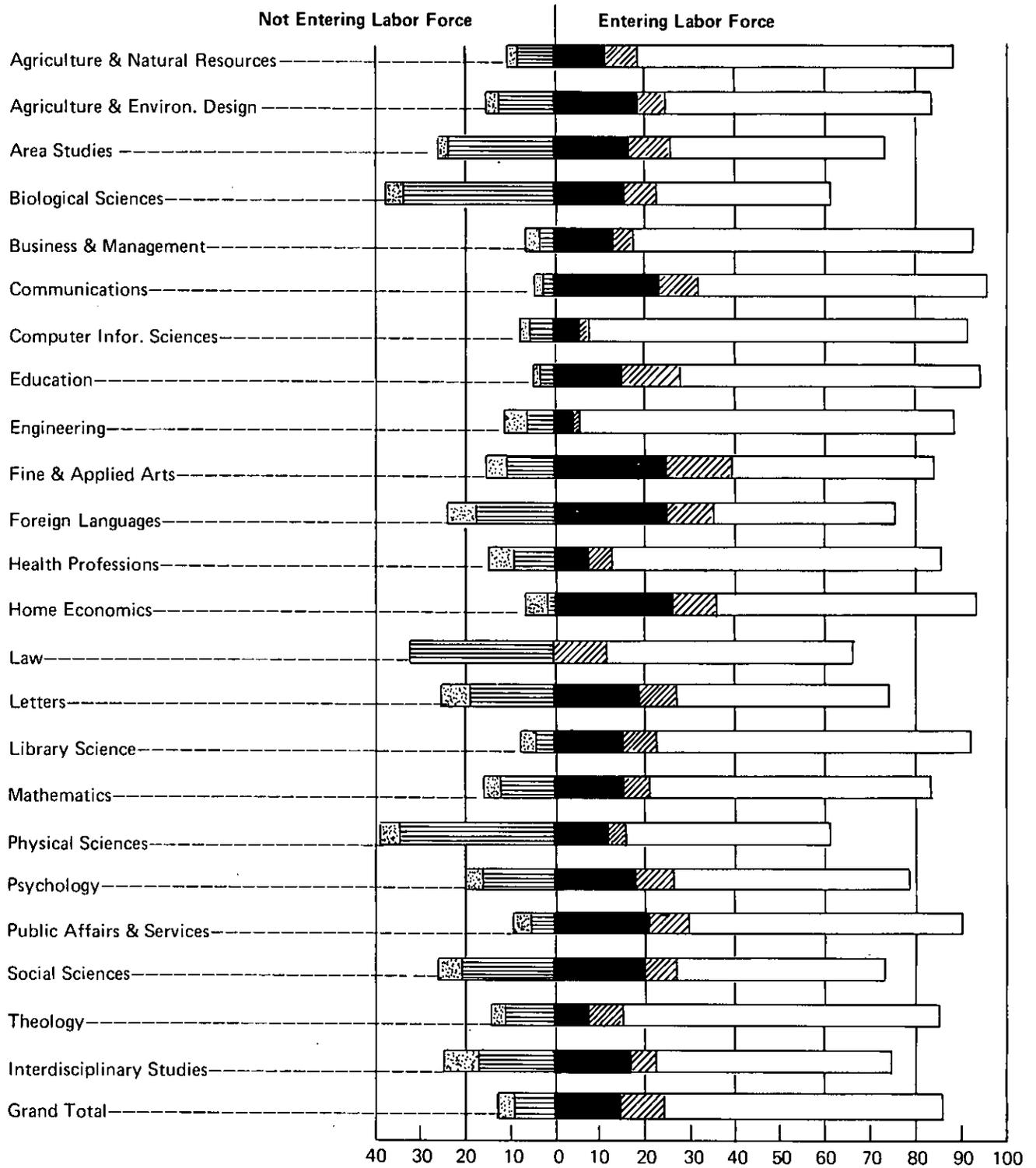
Studies on the national and State level indicate trends in enrollment, discipline selection, and full or part-time commitment which will shape the future of higher education.

Enrollment of full-time students is expected to decline as is the percent of high school graduates going to college. The high unemployment rate and increasing demand for part-time education will partially offset that enrollment decline. People are increasingly aware that although college graduates have a lower unemployment rate than the national average there is an oversupply (about 5 percent) of graduates and resulting underemployment and employment in unrelated fields. The Pennsylvania State University's Combacc study, which is mentioned in the instructional subcategories which follows, measures the success of graduates in each area in finding employment related to their field. Consideration of that data should include the knowledge that the survey was done six to nine months after graduation and many graduates spend at least a year seeking a permanent position in their field.

Students have in recent years become more fully aware of the job market and economic realities. For that reason they are increasingly choosing job oriented disciplines with good employment rates such as the health professions, engineering and public affairs and services. Enrollment in fine arts, foreign languages, mathematics, and the social sciences which are less specifically job oriented are stabilized; other areas including library science, physical sciences, agriculture and education are decreasing in reflection of the job market. The graph shows the employment status by major discipline of 1974 graduates.

The mix of full and part-time students is changing. In 1966, part-time students made up 14.5 percent and 30.7 percent of the enrollment at State-owned and community colleges respectively. They are now 29.8 percent and 46.2 percent of the total. Factors affecting this change include the depressed economy, increased perception of options among women; increased job competition, reduced senior citizen rates, and the increase in leisure time. In fact, a national study shows that 1 in 50 people, 35 and older, use leisure time for part-time study. Probably most important is a growing awareness that in a fast changing society initial career choice need not be forever. A career may demand constant education to keep up with technological changes or may be discarded in the search for new challenges and personal satisfaction. Formal education is becoming a life long process rather than a finite one.

**EMPLOYMENT STATUS BY MAJOR DISCIPLINE  
1974 GRADUATES  
ALL COMMONWEALTH COLLEGES AND UNIVERSITIES**



**LEGEND**  
 Other  
 Graduate Study  
 Unemployed  
 Employed Part-Time  
 Employed Full-Time

As the education community recognizes this trend, many are beginning to offer, individually and jointly, programs for continuing adult study. The use of existing facilities for more hours and other program economies will allow increasing education opportunities under existing funding without entailing new facilities or growth in the size of our education structure.

The analysis of higher education by discipline groups which follows is an attempt to measure student and societal needs so that institutions, planners, and budgeters can respond. The quantitative data used here is an indicator which cannot entirely describe the need factor; the impacts on individuals and society other than jobs are not quantifiable. For the student such impacts include the quality of his life, self-satisfaction, heightened appreciation of his culture, and job satisfaction. Impacts on society include an ever more educated and enlightened populace, greater availability of cultural activities, health and industrial research capabilities which affect the lives and careers of all people, the community pride generated by a college campus, and the impetus given equal rights for women and minorities by their education.

The Higher Education establishment is now facing a severe economic problem. Funding in the foreseeable future will not increase as much as the increases in the cost of plant maintenance, materials, and personnel. If the individual institutions continue their present stance of short-term measures in expectation of a better next year they will not survive. Radical change in structure and in allocation of facilities and personnel is the only way to survive and continue to offer quality education. As education's primary mission is to teach the individual how to continue learning and cope with new challenges, so the system must be flexible if it is to successfully face its new challenges.

Enrollment data in the subcategory discussions which follow is somewhat different from the data presented in the 1975-76 budget. The revision is the result of a change in the reporting method used by the Pennsylvania State University and the University of Pittsburgh, from counting full-time equivalent students by credits taken by major (production method) to the number of credits given by a particular department (program method). This new calculation agrees with the method used by the other higher education institutions.

#### Higher Education Degrees Awarded

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
State-owned Colleges and University . . .	17,538	17,886	18,215	18,735	18,936	19,087	19,355
State-related Universities* . . . . .	23,562	24,014	24,500	24,871	25,250	25,490	25,640
Community Colleges* . . . . .	8,827	9,610	10,375	11,021	11,551	12,021	12,477
State-aided Colleges and Universities . . .	8,476	8,720	8,908	9,230	9,479	9,719	9,907
<b>TOTAL . . . . .</b>	<b>58,403</b>	<b>60,230</b>	<b>61,998</b>	<b>63,857</b>	<b>65,216</b>	<b>66,317</b>	<b>67,379</b>

## Agriculture and Natural Resources

OBJECTIVE: To fulfill Pennsylvania manpower requirements in the fields of agriculture, forestry and conservation, and to respond to the demands of students for education in these fields.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$2,762</u>	<u>\$2,981</u>	<u>\$3,101</u>	<u>\$3,255</u>	<u>\$3,363</u>	<u>\$3,466</u>	<u>\$3,571</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total full time equivalent students . . . . .	4,812	4,957	5,070	5,126	5,164	5,187	5,196
Associate degrees conferred . . . . .	90	100	105	105	105	105	105
Total bachelor degrees conferred . . . . .	557	581	618	630	645	655	670
State-related only* . . . . .	426	435	438	440	445	445	450
State-aided only* . . . . .	131	146	180	190	200	210	220
Graduate degrees conferred . . . . .	55	60	62	65	70	75	75

\* Also included in total.

### Program Analysis:

The Commonwealth supports these programs through grants to the Pennsylvania State University, and Delaware Valley College of Science and Agriculture.

Opposing trends in agriculture and natural resources affect the job market. Opportunities for farming occupations are decreasing: from 1960 to 1973 the number of farms in the State decreased from 106,000 to 71,000; even more alarming, during that period farm acreage decreased from 12,300,000 to 9,900,000. Employment in farming is expected to decrease by 20 percent between 1970 and 1980. On the other hand, certain occupational areas related to agriculture and natural resources are growing. In response to the food shortages

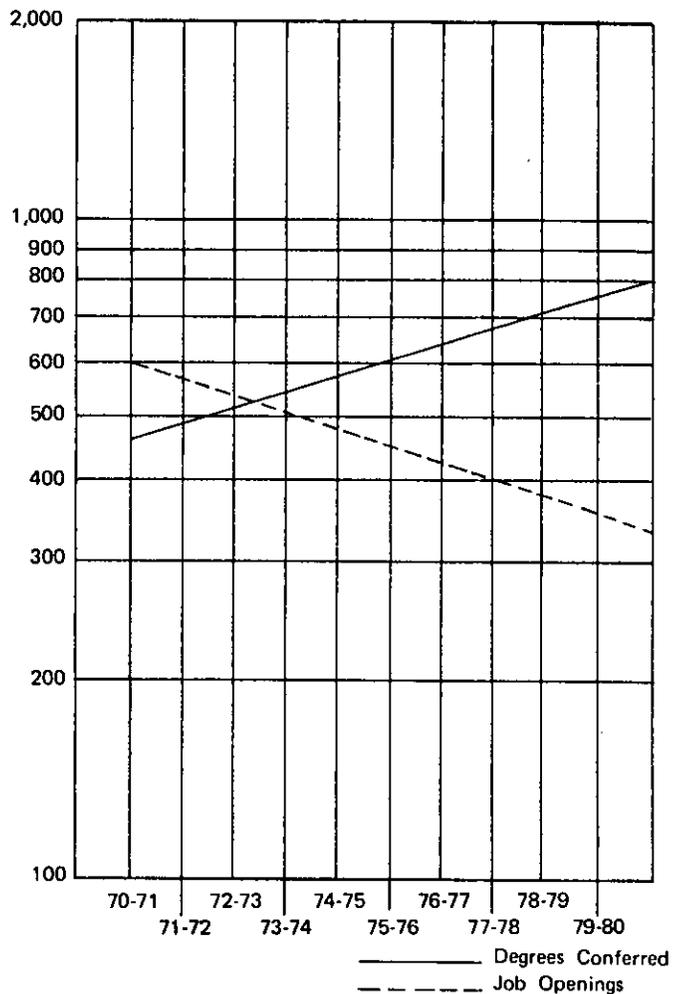
around the world, food producing and fertilizer industries as well as government agencies will continue to seek agronomists, agricultural economists, horticulturists, and other agricultural scientists in an effort to increase agricultural productivity.

In a heightened attempt to better protect and manage our natural resources, all levels of government have come to increasingly utilize the skills of forestry and conservation graduates. The availability of fish and wildlife specialists, and entomologists working in the areas of plant breeding and in the detection and control of plant disease as well as land and recreational specialists will be crucial to the success of these efforts in all states and localities.

Agriculture and Natural Resources (continued)

Program Analysis: (continued)

TREND OF GRADUATE SUPPLY AND DEMAND  
Includes Private Colleges and Universities



Nevertheless, as the graph indicates, the overall job outlook is bleak for graduates in the fields of agriculture and natural resources. Because of the declining employment situation and the increased number of graduates in the agricultural related fields, in the near future Pennsylvania's institutions of higher education are expected to be producing twice as many graduates as the number of positions available.

As the program measures indicate, the Pennsylvania State University is conferring the greatest proportion of degrees in this program, while the largest percentage increase in the projected number of degrees conferred is expected to occur at the Delaware Valley College of Science and Agriculture. While Pennsylvania State University is expected to confer 9 percent more degrees in 1979-80 over the 1974-75 levels, Delaware Valley expects to confer about 68 percent more in 1979-80 over their 1974-75 level.

Of the 1974 graduates in this field, 59 percent have found jobs related to their training, 10 percent went on to graduate school, and 10 percent are unemployed. That is better than the plight of 1973 graduates of whom only 48 percent were employed in a related field nine months after graduation. As was the case in that study, Delaware Valley graduates fare better than others with an employment rate in related fields this year of 77 percent as compared to 14 percent of the Pennsylvania State graduates. As the graph shows, employment in this field, except for specialists, will decrease. Funding in this area should be directed to the need areas indicated.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Pennsylvania State University . . . . .	\$2,656	\$2,878	\$2,998	\$3,147	\$3,250	\$3,348	\$3,448
Delaware Valley College of Science and Agriculture . . . . .	106	103	103	108	113	118	123
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$2,762</u>	<u>\$2,981</u>	<u>\$3,101</u>	<u>\$3,255</u>	<u>\$3,363</u>	<u>\$3,466</u>	<u>\$3,571</u>

**Arts, Humanities and Letters**

OBJECTIVE: To fulfill Pennsylvania manpower requirements in the fields of foreign languages, journalism, communications, library science, and fine arts and to respond to the demands of students for education in these fields.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$23,728	\$26,417	\$27,209	\$28,266	\$29,524	\$30,774	\$31,952
Federal Funds . . . . .	128	111	176	182	190	199	208
Other Funds . . . . .	3,885	4,228	4,255	4,382	4,514	4,649	4,798
<b>TOTAL . . . . .</b>	<b>\$27,741</b>	<b>\$30,756</b>	<b>\$31,640</b>	<b>\$32,830</b>	<b>\$34,228</b>	<b>\$35,622</b>	<b>\$36,958</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Full-Time equivalent students . . . . .	25,876	26,356	26,728	26,914	27,086	27,213	27,202
Associate degrees conferred . . . . .	182	184	194	199	216	222	228
Bachelor degrees conferred:							
Total . . . . .	3,877	3,991	4,039	4,077	4,114	4,137	4,149
State-related* . . . . .	1,998	2,020	2,021	2,024	2,028	2,034	2,038
Graduate degrees:							
Total . . . . .	1,567	1,649	1,662	1,684	1,681	1,673	1,676
State-related* . . . . .	721	752	757	752	747	738	734

\*Also included in total.

**Program Analysis:**

The Commonwealth supports this program through the activities of the State-owned colleges and university and grants and subsidies to State-related and State-aided colleges and universities and community colleges. It consists of academic curricula upon which students may attain sound liberal and fine arts education.

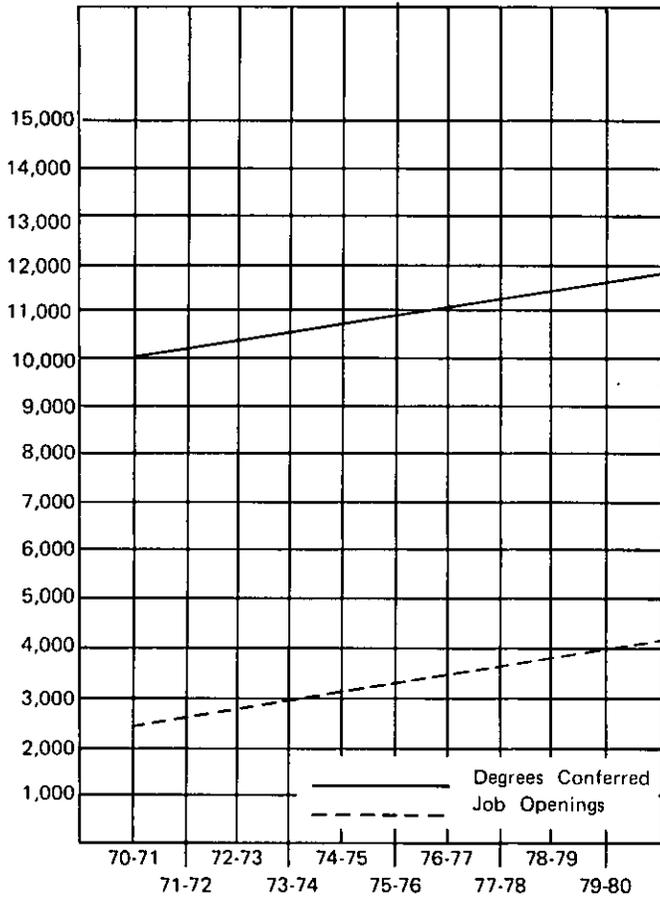
As the graph illustrates, the institutions each year continue to graduate more individuals than there are positions available. One way of measuring the success of this program is to look at the availability of employment to its graduates. Traditionally education in the humanities has been an assumed basic, useful as a preliminary to professional education or employment in

many white collar fields. The recent technological orientation of our society has changed those traditions; liberal arts graduates are in much lower demand for employment than graduates of more specific training. According to the College Placement Council employers are offering the fewest jobs this year in the areas of journalism, advertising, and public relations. Those graduates in arts and humanities who have taken courses in computer science, economics, or math are more likely to get jobs than those who did not. Many have in the past entered the fields of teaching, marketing, advertising, and social services but currently those fields generally are declining or hiring persons with more applicable degrees.

Arts, Humanities and Letters (continued)

Program Analysis: (continued)

TREND OF GRADUATE SUPPLY AND DEMAND  
Includes Private Colleges and Universities



Of the Commonwealth's 1974 liberal arts graduates other than theology only about 28 percent have found employment related to their education, 23 percent are still seeking employment, and 13 percent have gone on to graduate school. These findings should be modified by the knowledge that generally these graduates do not find permanent employment at the level they are seeking for a year or more after graduation. Perhaps a more pervasive problem is underemployment; often liberal arts graduates can only find jobs in occupations not normally requiring postsecondary education.

The other perspective on this program is that liberal arts has traditionally been important as a base for classical education and the training of the mind for lifelong education. Graduates of the liberal arts indicate a high degree of satisfaction with their education while at the same time new enrollees are demonstrating an awareness of the labor market and the special career planning they will have to consider. Many will minor in courses related to business or government, others plan for graduate school, and some do not intend to seek employment at all.

Projections by all segments other than the community colleges are for stabilization or minor increases in enrollment. The community colleges project a 30 percent enrollment increase. Funding reflects a program of stabilized size.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
State Colleges and University . . . . .	\$ 7,948	\$ 9,176	\$ 9,568	\$ 9,950	\$10,348	\$10,762	\$11,193
Community Colleges—Operating . . . . .	887	.....	.....	.....	.....	.....	.....
Community Colleges—Capital . . . . .	449	.....	.....	.....	.....	.....	.....
Community Colleges—Capital and Operating . . . . .	.....	1,367	1,576	1,650	1,742	1,796	1,835
Pennsylvania State University . . . . .	2,257	2,351	2,460	2,533	2,740	2,872	2,911
University of Pittsburgh . . . . .	4,073	4,246	4,288	4,460	4,637	4,904	5,154
Temple University . . . . .	6,998	8,138	8,235	8,564	8,907	9,251	9,625
Lincoln University . . . . .	190	259	277	280	295	310	328
University of Pennsylvania . . . . .	532	536	536	547	559	567	580
Philadelphia College of Art . . . . .	229	229	229	240	252	266	278
Philadelphia College of Textiles . . . . .	40	40	40	42	44	46	48
Philadelphia Musical Academy . . . . .	125	75	.....	.....	.....	.....	.....
<b>TOTAL . . . . .</b>	<b>\$23,728</b>	<b>\$26,417</b>	<b>\$27,209</b>	<b>\$28,266</b>	<b>\$29,524</b>	<b>\$30,774</b>	<b>\$31,952</b>

## Business Management, Commerce and Data Processing

OBJECTIVE: To fulfill Pennsylvania manpower requirements in the fields of business management, accounting and computer science, and to respond to the demands of students for education in those fields.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$15,210	\$17,815	\$19,218	\$20,316	\$21,411	\$22,561	\$23,705
Federal Funds .....	90	79	89	94	101	107	120
Other Funds .....	2,755	3,301	3,463	3,636	3,836	4,029	4,230
<b>TOTAL .....</b>	<b>\$18,055</b>	<b>\$21,195</b>	<b>\$22,770</b>	<b>\$24,046</b>	<b>\$25,348</b>	<b>\$26,697</b>	<b>\$28,055</b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total Full-time equivalent students .....	27,607	29,736	30,881	32,087	33,032	33,775	34,321
State-owned only* .....	6,577	7,402	7,787	8,312	8,805	9,144	9,476
Associate degrees conferred .....	783	844	881	911	949	981	1,010
Total bachelor degrees conferred .....	3,979	4,086	4,223	4,392	4,534	4,658	4,818
State-owned only* .....	959	1,039	1,107	1,188	1,263	1,319	1,413
Total graduate degrees conferred .....	1,334	1,396	1,440	1,502	1,530	1,555	1,568
State-owned only* .....	49	56	66	98	104	117	122

\* Also included in total

### Program Analysis:

The Commonwealth supports this program through the activities of the State-owned colleges and university and subsidies and grants to the community colleges and State-related and State-aided colleges and universities.

Degree programs in business management, commerce and data processing like those in the health sciences and professions are falling short of filling Pennsylvania's manpower needs in these fields. Recent manpower forecasts indicate that employment in the fields of business and data processing is expected to increase by some 20 percent from 1970-1980 with the computer related specialities, accounting, and personnel and labor relations occupations experiencing the greatest percentage increases.

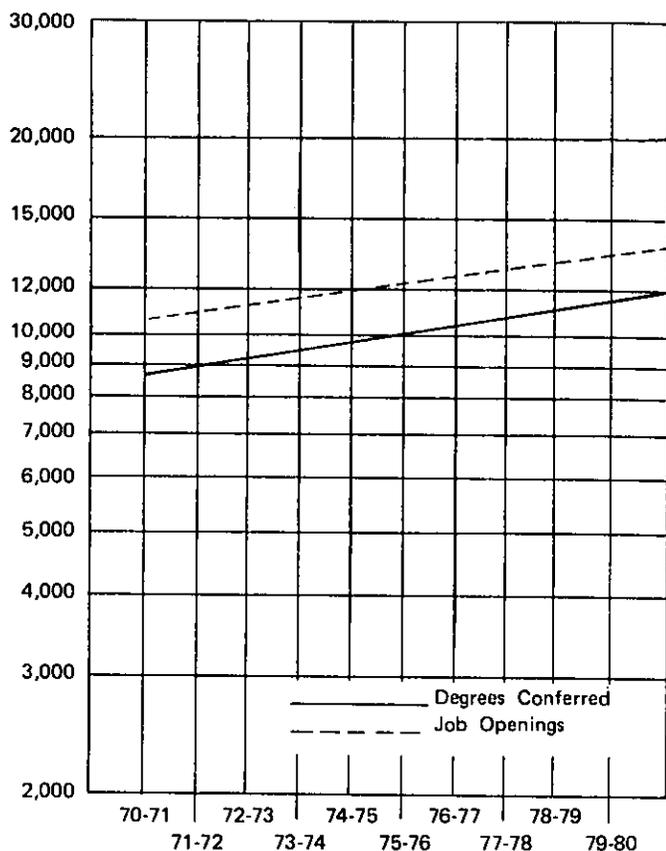
Much of the growth in business job opportunities is the result of changes in job requirements: more complex computers and other technological advances and the need for familiarity with governmental regulations has resulted in demand for college graduates in positions traditionally held by those less well educated.

Student response to this attractive job market will cause the number of degrees to increase by 20 percent from 1974-80. In addition, the shortfall in graduates will provide opportunities for liberal arts majors with some training in business or accounting. From 1974 to 1980 associate degrees in business are expected to increase by 29 percent to 1,010 annually; these individuals should help alleviate the shortage of trained manpower in the field.

Business Management, Commerce and Data Processing (continued)

Program Analysis: (continued)

TREND OF GRADUATE SUPPLY AND DEMAND  
Includes Private Colleges and Universities



A survey of the 1974 graduating class shows that about 66 percent of the respondents who decided to enter the labor market were employed in jobs related to their training. Freshmen are responding to the good job prospects; the percent of freshmen planning to major in business has increased from 17.9 percent to 18.9 percent from the fall of 1974 to the fall of 1975. Women are the greatest part of that movement; ten percent of freshmen women in the fall of 1975 planned to major in business.

The program measures indicate the the State colleges and Indiana University intend to increase their business related programs substantially. This is primarily due to the shift of emphasis from education programs as a result of the oversupply of teachers in Pennsylvania and around the nation.

Program funding for the 1975-76 fiscal year will increase consistent with the expanding needs for program support.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
State Colleges and University . . . . .	\$ 4,663	\$ 5,899	\$ 6,523	\$ 6,849	\$ 7,191	\$ 7,551	\$ 7,863
Community Colleges—Operating . . . . .	524	.....	.....	.....	.....	.....	.....
Community Colleges—Capital . . . . .	303	.....	.....	.....	.....	.....	.....
Community Colleges—Capital and Operating . . . . .	.....	835	932	1,012	1,092	1,172	1,252
Pennsylvania State University . . . . .	3,934	4,228	4,661	4,940	5,188	5,447	5,719
University of Pittsburgh . . . . .	1,000	1,464	1,511	1,644	1,776	1,919	2,072
Temple University . . . . .	3,040	3,570	3,772	3,960	4,158	4,366	4,596
Delaware Valley College of Science and Agriculture . . . . .	47	50	50	53	56	59	61
Drexel University . . . . .	327	339	339	356	373	392	410
University of Pennsylvania . . . . .	1,240	1,298	1,298	1,363	1,431	1,502	1,572
Philadelphia College of Textiles and Science . . . . .	132	132	132	139	146	153	160
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$15,210</b>	<b>\$17,815</b>	<b>\$19,218</b>	<b>\$20,316</b>	<b>\$21,411</b>	<b>\$22,561</b>	<b>\$23,705</b>

Education

OBJECTIVE: To fulfill the manpower requirements of Pennsylvania's education system and respond to the demands of students desiring to enter the field of education.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$43,993	\$47,247	\$47,785	\$47,647	\$46,222	\$44,419	\$43,152
Federal Funds . . . . .	760	726	749	749	680	630	600
Other Funds . . . . .	16,256	16,684	16,297	15,897	15,277	14,374	13,298
<b>TOTAL . . . . .</b>	<b>\$61,009</b>	<b>\$64,657</b>	<b>\$64,831</b>	<b>\$64,293</b>	<b>\$62,179</b>	<b>\$59,423</b>	<b>\$57,050</b>

Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total full-time equivalent students . . . . .	51,946	50,090	49,174	47,983	47,478	46,943	46,232
State-owned only* . . . . .	33,489	31,851	30,988	30,063	29,831	29,683	29,307
State-related only* . . . . .	15,684	15,249	15,046	14,687	14,300	13,856	13,397
Associate degrees conferred . . . . .	511	527	550	560	558	575	594
Total bachelor degrees conferred . . . . .	9,625	9,339	9,132	8,892	8,748	8,514	8,352
State-owned only* . . . . .	7,120	6,956	6,830	6,664	6,539	6,335	6,208
State-related only* . . . . .	2,350	2,236	2,158	2,084	2,065	2,035	2,000
Total graduate degrees conferred . . . . .	4,619	4,638	4,640	4,579	4,493	4,454	4,429
State-owned only* . . . . .	2,292	2,297	2,299	2,251	2,178	2,156	2,153
State-related only* . . . . .	2,289	2,302	2,300	2,285	2,270	2,252	2,230

\* Also included in total.

Program Analysis:

The Commonwealth supports this program through the activities of the State-owned colleges and university, and grants and subsidies to the community colleges and State-related and aided colleges and universities.

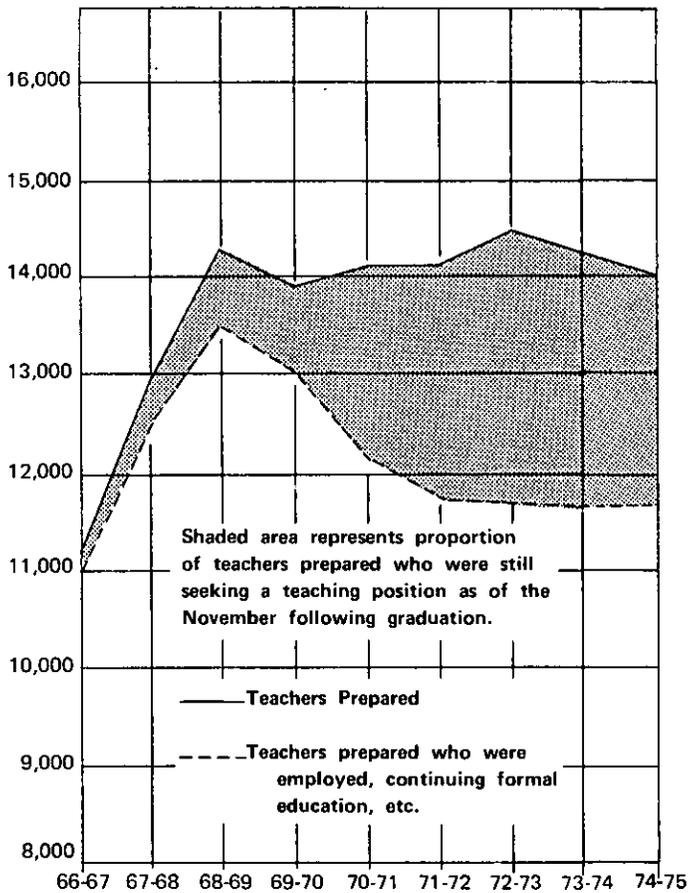
As the graphs illustrate, the disparity between the number

of teachers graduated and the number of teaching positions available has, over time, caused a considerable increase in the proportion of trained teachers who are unable to find a teaching job.

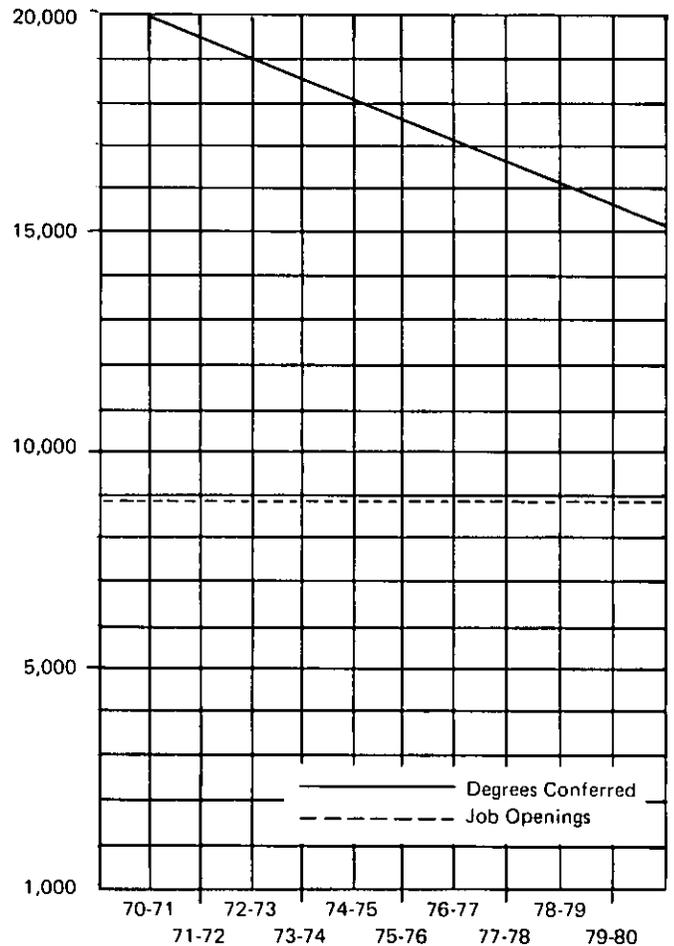
Education (continued)

Program Analysis: (continued)

**OCCUPATIONAL SUCCESS OF TEACHERS PREPARED IN ELEMENTARY AND SECONDARY EDUCATION**  
(Excludes private school)



**TREND OF GRADUATE SUPPLY AND DEMAND**  
*Includes Private Colleges and Universities*



The oversupply is caused primarily by the dramatic increase in the number of teachers prepared, which stabilized in the late sixties and early seventies, coupled with the start of a decline in elementary and secondary enrollments during the same period. The situation will not improve in the foreseeable future. Basic education enrollment is expected to drop by about 600,000 or 21 percent between 1969, the peak year, and 1980, reducing the need for new teachers.

Responding to this oversupply problem, fewer students are seeking to become teachers, and many institutions are making internal program shifts to curricular areas of manpower need such as business and the health sciences and professions. As a result enrollment and degrees conferred in the various field's

of education are expected to decline at an annual rate of about 2 percent, compounding into about a 10 percent reduction between 1974-75 and 1980-81.

Most institutions are responding well to changes in the needs of the Commonwealth; the State Colleges and State-related Universities project decreases in enrollment in this program of 12.5 percent and 14.6 percent respectively by 1980. The State-aided segment which has a relatively small program, plans to remain stable. The community colleges however project a 3.6 percent increase in education enrollment; that projection is not realistic.

A recent study shows that job success differs markedly by segment:

Education (continued)

Program Analysis: (continued)

Segment	Percent of Education Graduates	Employed In Related Field	Employed in Un-related Field	Graduate School	Employed Part-time	Unemployed
State-Owned . . . . .	74%	54.8%	13%	3%	13%	14%
State-Related . . . . .	24%	52.8%	12%	4%	16%	12%
State-Aided . . . . .	2%	28.1%	17%	13%	11%	30%

Although the overall basic education enrollment is declining, there are some areas, such as vocational education, adult education and special education that are still experiencing growth, creating a continued demand for teachers in these areas. In addition there is data to suggest that fewer former or inactive teachers are returning to their professions.

These three conditions then: the reduced program levels, the continued demand for teachers in some areas of education, and the reduced return rates, should have some mitigating effect on the oversupply of trained teachers in Pennsylvania.

Nevertheless, the oversupply does still exist. There is a large

proportion of the trained teacher work force who cannot find a position in their field of training and who are frustrated as a result. The extent to which the institutions of higher education need to make further program shifts is not yet fully known. The trends in this area must be carefully watched for the next few years in order to avoid continued oversupply or future undersupply of teachers in the State. Regional data should also be considered; demand is higher in ghetto and rural areas than in the towns and suburbs. Funding of this subcategory reflects the continuing decrease in size.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
State Colleges and University . . . . .	\$30,216	\$32,861	\$33,406	\$33,006	\$31,428	\$29,466	\$28,045
Community Colleges—Operating . . . . .	766	.....	.....	.....	.....	.....	.....
Community Colleges—Capital . . . . .	383	.....	.....	.....	.....	.....	.....
Community Colleges—Capital and Operating . . . . .	.....	1,133	1,283	1,295	1,307	1,327	1,340
Pennsylvania State University . . . . .	4,815	5,054	4,914	5,031	5,084	5,134	5,183
University of Pittsburgh . . . . .	2,173	2,160	2,130	2,151	2,172	2,194	2,218
Temple University . . . . .	5,363	5,774	5,784	5,889	5,948	6,007	6,067
Lincoln University . . . . .	18	24	27	29	31	33	35
University of Pennsylvania . . . . .	244	226	226	230	235	240	245
Philadelphia College of Art . . . . .	15	15	15	16	17	18	19
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$43,993</u>	<u>\$47,247</u>	<u>\$47,785</u>	<u>\$47,647</u>	<u>\$46,222</u>	<u>\$44,419</u>	<u>\$43,152</u>

**Engineering and Architecture**

OBJECTIVE: To fulfill Pennsylvania manpower requirements in the engineering and architecture professions and to respond to the demands of students for education in these fields.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 9,272	\$10,559	\$10,966	\$11,734	\$12,468	\$13,171	\$13,786
Federal Funds . . . . .	. . . . .	1	6	8	10	12	15
Other Funds . . . . .	71	79	141	181	209	246	256
<b>TOTAL . . . . .</b>	<b>\$ 9,343</b>	<b>\$10,639</b>	<b>\$11,113</b>	<b>\$11,923</b>	<b>\$12,687</b>	<b>\$13,429</b>	<b>\$14,057</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total full-time equivalent students . . . . .	14,219	15,159	15,817	16,491	16,660	16,759	16,787
State-owned only* . . . . .	48	79	106	132	157	183	205
State-related* . . . . .	9,285	9,997	10,405	10,781	10,824	10,830	10,832
Associate degrees conferred . . . . .	700	717	744	755	766	771	775
Total bachelor degrees conferred . . . . .	2,053	2,074	2,091	2,235	2,409	2,534	2,633
Total graduate degrees conferred . . . . .	737	749	786	809	821	830	835
Architectural and environmental design degrees . . . . .	393	398	418	434	442	445	446

\* Also included in totals.

**Program Analysis:**

The Commonwealth supports this program through grants and subsidies to the State-related, State-aided, and community colleges. This year for the first time two State colleges have begun engineering programs in a cooperative effort with Pennsylvania State University.

The energy crisis and the increasingly technological nature of society result in an excellent employment rate among graduates in most engineering disciplines. Although fluctuations resulting from changes in government policy, availability of research funds, and technological advancements are characteristic of this field the trend for the next several years will be an increase in job opportunities. The field offers high median salary and studies show recruitment efforts are aimed especially at women this year.

A study by the Department of Education has projected the demand for graduates in terms of current national needs. It predicts that the energy crisis will result in a need for mineral, petroleum, electrical, mechanical, nuclear, industrial, and civil engineers. World and national food and health needs will

expand the need for engineering graduates with expertise in those areas.

A major problem for the engineer is obsolescence. Optimum use of human resources calls for flexibility in undergraduate and continuing education to allow the shift from one specialty to another as society's needs change. According to the Department of Education engineering curricula in Pennsylvania are in need of relocation and restructuring so that a broad training base will accommodate further training periods throughout a career for maximum use of the skills of the individual.

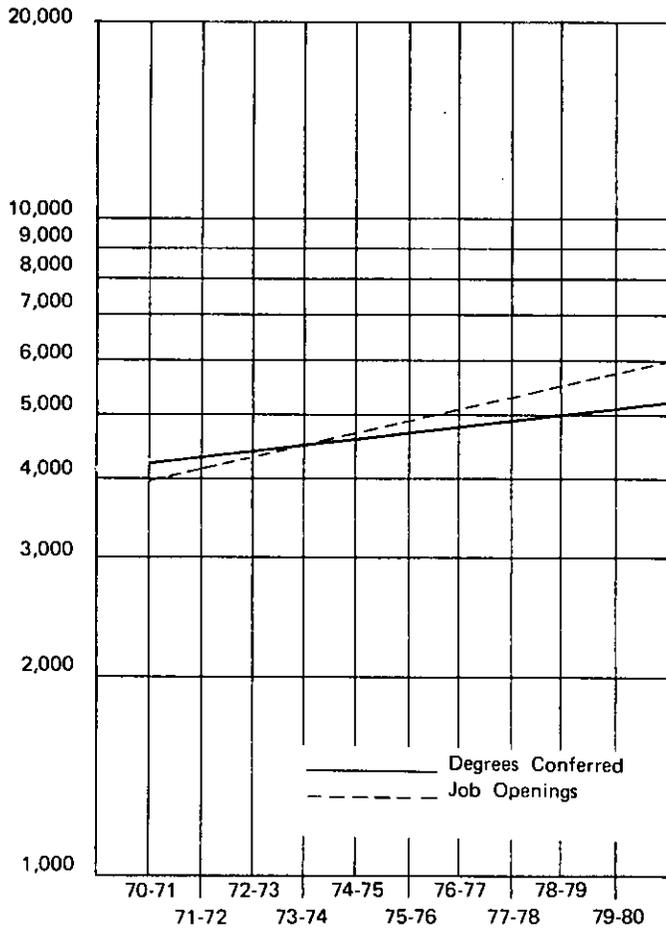
Community colleges are now training paraprofessionals in engineering. Those people can fill a great many of the needs for manpower and would expand the usefulness of the engineers with whom they work.

Of the 1974 engineering graduates who decided to enter the labor market over 81 percent are employed in engineering fields. Only 3.5 percent are unemployed and 6.6 percent have gone on to graduate school. Graduates of the State-related

Engineering and Architecture (continued)

Budget Analysis: (continued)

TREND OF GRADUATE SUPPLY AND DEMAND  
Includes Private Colleges and Universities



universities are fairing best with an employment rate in engineering fields of 84.6 percent.

This year's freshmen are responding to the high employment and female recruiting in this field. In January of 1975 the American Council on Education reported 6.6 percent of all freshmen planned to major in engineering; in January of 1976 they report 7.9 percent plan engineering majors.

The architecture and environmental design segments of this subcategory have a fairly high unemployment rate which is not expected to change. Stabilization in that area and an increase in the engineering field result in moderate funding increases for 1976-77.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General State Authority Rentals—							
State-Aided Institutions . . . . .	\$ 329	\$ 359	\$ 340	\$ 340	\$ 340	\$ 340	\$ 340
State Colleges and University . . . . .	46	92	248	370	510	600	630
Community Colleges—Operating . . . . .	111	.....	.....	.....	.....	.....	.....
Community Colleges—Capital . . . . .	49	.....	.....	.....	.....	.....	.....
Community College, Capital and							
Operating . . . . .	.....	194	222	257	286	310	343
Pennsylvania State University . . . . .	5,376	5,775	5,951	6,308	6,623	6,955	7,243
University of Pittsburgh . . . . .	1,695	2,327	2,381	2,544	2,696	2,858	3,030
Temple University . . . . .	485	596	608	649	687	725	763
University of Pennsylvania . . . . .	524	537	537	553	578	608	629
Drexel University . . . . .	586	608	608	638	669	692	721
Philadelphia College of Art . . . . .	8	8	8	9	10	11	12
Philadelphia College of Textiles							
and Science . . . . .	63	63	63	66	69	72	75
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$ 9,272</b>	<b>\$10,559</b>	<b>\$10,966</b>	<b>\$11,734</b>	<b>\$12,468</b>	<b>\$13,171</b>	<b>\$13,786</b>

**Health Sciences, Health Professions and Biological Sciences**

OBJECTIVE: To fulfill Pennsylvania manpower requirements in the fields of health sciences, biological sciences and the health and medical professions, and to respond to the demands of students for education in these fields.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$45,415	\$50,826	\$52,862	\$55,639	\$58,391	\$61,246	\$63,895
Federal Funds . . . . .	231	208	223	236	250	268	285
Other Funds . . . . .	3,074	3,440	3,661	3,867	4,085	4,317	4,563
<b>TOTAL . . . . .</b>	<b>\$48,720</b>	<b>\$54,474</b>	<b>\$56,746</b>	<b>\$59,742</b>	<b>\$62,726</b>	<b>\$65,831</b>	<b>\$68,743</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total full-time equivalent students . . . . .	29,138	30,943	32,009	33,011	33,723	34,312	34,661
Associate degrees conferred . . . . .	276	438	486	518	532	541	555
Total bachelor degrees conferred: . . . . .	3,111	3,207	3,352	3,651	3,898	4,039	4,182
State-owned institutions only* . . . . .	881	900	1,010	1,135	1,295	1,395	1,498
State-related institutions only* . . . . .	1,770	1,831	1,860	1,907	1,964	1,994	2,024
State-aided institutions only* . . . . .	460	476	482	609	639	650	660
Total graduate degrees conferred . . . . .	2,818	3,055	3,194	3,278	3,333	3,449	3,513
Physicians graduated . . . . .	1,234	1,355	1,396	1,414	1,403	1,488	1,526

\*Also included in totals.

**Program Analysis:**

The Commonwealth supports this program through the activities of the State-owned colleges and university and grants to the community colleges and the State-related and State-aided colleges and universities.

Although the data presented include enrollment and degrees in programs of plant biology, zoology, and marine biology, the primary emphasis of this program is the development of a pool of trained manpower in fields relating to health sciences and health professions sufficient to provide the optimum level of health services needed throughout the Commonwealth.

Presently the institutions of higher education are not supplying enough trained individuals to fill the number of available health related positions, physicians excluded. Further, the available number of positions does not even represent the optimum number of positions needed to adequately serve all geographic and economic sections of the Commonwealth.

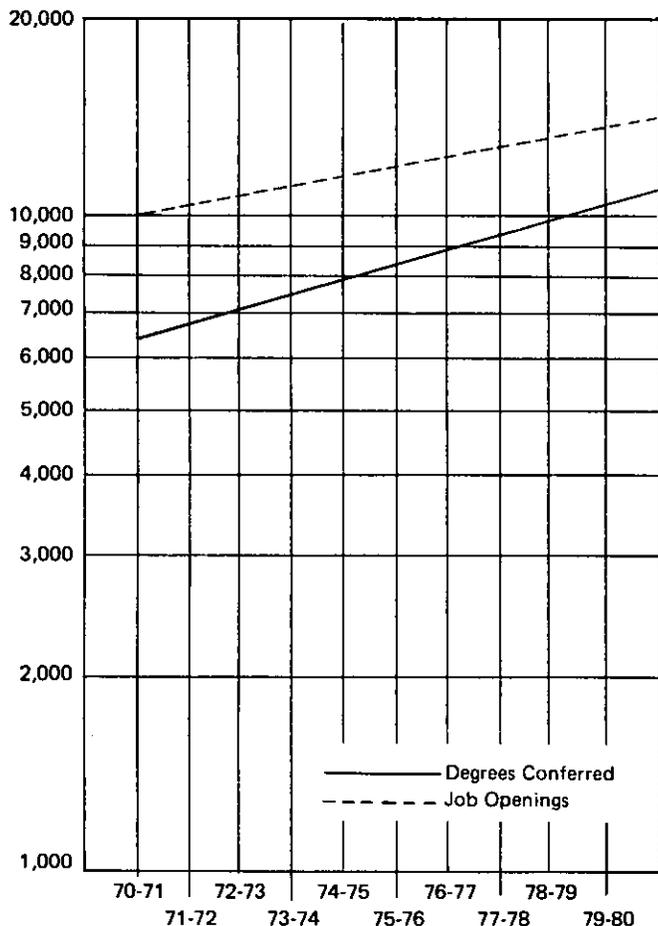
In the past, health care specialists used a rule of thumb,, 1,500 to 1, to estimate the desirable number of inhabitants for

each physician. A recent study published by the Pennsylvania Department of Education, however, has considerably increased the knowledge of the basic care physician (general practice, internal medicine, general surgery) need in Pennsylvania. Using optimum care ratios established by the journal *Medical Economics*, the study showed that Pennsylvania has only about 70 percent of its optimum number of basic care physicians. The optimum ratio of population to physicians was defined as 2,000 to 1 for general practice, 5,000 to 1 for internal medicine and 10,000 to 1 for general surgery, resulting in a composite ratio of 1,250 to 1 for basic care physicians. Further using these ratios the study showed that 88 percent of Pennsylvania's counties, comprising 69 percent of its population, had 75 percent or less than their optimum number of basic care physicians. Maldistribution is the paramount problem. Certain geographic and economic areas, because they are not desirable locations in the opinion of health care professionals, are severely underserved whereas other highly desirable areas have more than enough physicians and other health professionals.

Health Sciences, Health Professions and Biological Sciences (continued)

Program Analysis: (continued)

**TREND OF GRADUATE SUPPLY AND DEMAND**  
Includes Private Colleges and Universities



Although medical education in Pennsylvania is supplying a large number of physician graduates, it is apparently not completely living up to its mandate to fulfill the Commonwealth's physician manpower needs. From 1969 to 1973 Pennsylvania's medical schools graduated over 4,000 medical doctors and osteopathic physicians. As of 1973, however, only about 1,500-1,600 of those 4,000 plus physicians were practicing in the Commonwealth. Further, recent data indicates that with a couple of exceptions there is no trend towards increased numbers of graduates remaining in Pennsylvania. The trend generally shows a fluctuation, from year to year, of the percent of graduating physicians remaining in the State.

A nationwide study done in the early sixties, for the *Journal of American Medical Association* showed that 47.5 percent of the interns in a state remained to practice medicine there, and that 62.8 percent of the residencies did likewise. It would seem then that simply providing basic medical education is not an effective means of meeting Pennsylvania's physician manpower needs. Indeed the evidence would seem to indicate that supporting graduate medical education, that is, internship and residency programs, would be a much more effective means toward that end.

A similar problem exists for the allied health fields. The following table was developed using manpower projections from the Pennsylvania Department of Labor and Industry and the latest published data of degrees conferred from Pennsylvania's institutions of higher education. The table illustrates the estimated degree of the health manpower shortage. This information coupled with the information presented in the enclosed graph indicates a shortage through the end of the decade.

**PENNSYLVANIA HEALTH RELATED EMPLOYMENT: ESTIMATED DEMAND AND SUPPLY**

Occupation	Average Annual Replacement Needs 1970-1980	Average Annual Need Due to Growth 1970-1980	Total Average Annual Need 1970-1980	1974-75 Graduates	1974-75 Shortage Surplus
Dental Hygienists	82	71	153	35	- 118
Dental Assistants	286	120	406	60	- 346
Nurses (registered & practical)	5,839	2,759	8,598	7,473	-1,125
Pharmacists	310	91	401	470	+ 69
Therapists & Assistants (occupational, physical, speech, inhalation)	262	260	522	306	- 216
Radiologic Technologies	245	113	358	450	+ 92
Medical Assistant	419	326	745	509	- 236
Medical Laboratory Technician	574	415	989	660	- 329

## Health Sciences, Health Professions and Biological Sciences (continued)

## Program Analysis: (continued)

The gap between the demand for and supply of health professionals will rapidly become smaller as the institutions begin shifting their emphasis from such areas as teaching to the health related areas.

The Governor has established a Committee on Health Education to study ways of dealing with the manpower problem. The recommendations of the Committee should be available in early 1976.

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General State Authority Rentals—							
State-aided Institutions . . . . .	\$ 2,016	\$ 2,198	\$ 2,085	\$ 2,085	\$ 2,085	\$ 2,085	\$ 2,085
State Colleges and University . . . . .	5,172	6,192	6,913	7,327	7,767	8,233	8,726
Community Colleges—Operating . . . . .	329	.....	.....	.....	.....	.....	.....
Community Colleges—Capital . . . . .	72	.....	.....	.....	.....	.....	.....
Community Colleges—Capital and Operating . . . . .	.....	628	737	795	871	894	916
Pennsylvania State University . . . . .	5,982	6,456	6,715	7,118	7,474	7,847	8,270
University of Pittsburgh . . . . .	7,198	8,164	8,470	8,978	9,427	9,898	10,342
Temple University . . . . .	8,069	8,487	8,770	9,209	9,668	10,152	10,331
Lincoln University . . . . .	92	123	131	138	144	151	159
Delaware Valley College of Science and Agriculture . . . . .	25	24	24	26	28	30	32
Drexel University . . . . .	26	27	27	28	29	30	31
Hahnemann Medical College . . . . .	2,990	3,416	3,645	3,827	4,018	4,219	4,436
Thomas Jefferson University . . . . .	4,238	4,688	4,719	4,955	5,202	5,462	5,735
The Medical College of Pennsylvania . . . . .	1,562	1,658	1,795	1,885	1,979	2,078	2,178
University of Pennsylvania . . . . .	3,854	4,374	4,374	4,592	4,786	5,016	5,268
Pennsylvania College of Optometry . . . . .	99	220	220	231	242	253	264
Pennsylvania College of Podiatric Medicine . . . . .	360	660	660	690	728	758	795
Philadelphia College of Osteopathic Medicine . . . . .	3,331	3,511	3,577	3,755	3,943	4,140	4,327
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$45,415</b>	<b>\$50,826</b>	<b>\$52,862</b>	<b>\$55,639</b>	<b>\$58,391</b>	<b>\$61,246</b>	<b>\$63,895</b>

## Human Services and Public Affairs

OBJECTIVE: To fulfill Pennsylvania manpower requirements in the fields of human services and public affairs and to meet the demands of students for education in these fields.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$10,019	\$11,433	\$11,781	\$12,494	\$13,228	\$13,922	\$14,476
Federal Funds . . . . .	75	73	75	75	75	75	75
Other Funds . . . . .	1,740	1,965	2,004	2,134	2,286	2,341	2,416
<b>TOTAL</b> . . . . .	<u>\$11,834</u>	<u>\$13,471</u>	<u>\$13,860</u>	<u>\$14,703</u>	<u>\$15,589</u>	<u>\$16,338</u>	<u>\$16,967</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total full-time equivalent students and at . . . . .	14,393	15,049	15,573	15,825	16,050	16,236	16,399
State-owned institutions only * . . . . .	2,805	2,994	3,119	3,198	3,198	3,211	3,229
Associate degrees conferred . . . . .	139	150	167	177	183	188	191
Total bachelor degrees conferred and at . . . . .	2,079	2,095	2,139	2,298	2,368	2,459	2,553
State-owned institutions only * . . . . .	467	470	502	632	674	720	770
Graduate degrees conferred . . . . .	546	571	579	586	597	603	605
Law degrees conferred . . . . .	821	901	895	907	922	922	922

\* Also included in total.

### Program Analysis:

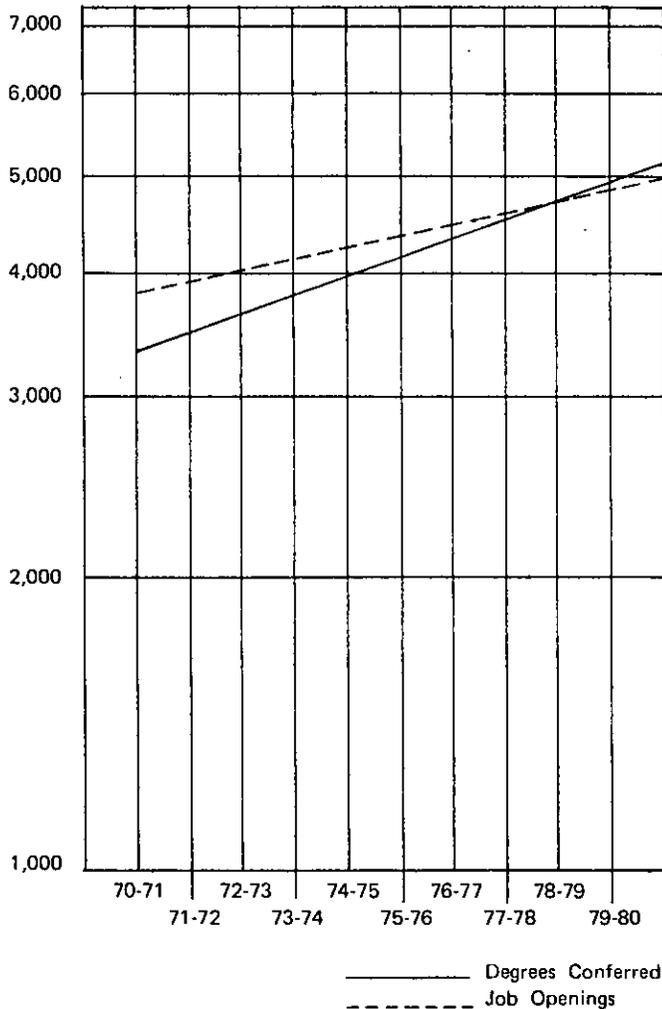
Because of the relatively sharp growth in social programs and social awareness over the last ten years, the demand for individuals with training in the human services and public affairs fields has increased rather substantially. Law enforcement and corrections are estimated to be areas of heightened need and many institutions are moving to fill the need. In Pennsylvania, these professions may grow by 28 percent or more through the 1970's. In many municipalities, police departments require some college training and some hire law enforcement students as police interns. In light of this trend, more police officers probably will be recruited from

postsecondary training in the future. Because of expanded programs in such fields as corrections, the employment opportunities for social workers with graduate training are expected to grow rather substantially during the 1970's. Pennsylvania's institutions of higher education were providing in the early 1970's only about three quarters of the graduates needed for these fields. The institutions are now in the position of having developed programs in the human services and are able to shift their efforts from programs such as teacher education to those areas of need such as human services, and the previously discussed health sciences.

Human Services and Public Affairs (continued)

Program Analysis: (continued)

TREND OF GRADUATE SUPPLY AND DEMAND  
Includes Private Colleges and Universities



As the graph shows the number of degrees conferred is fairly constant with the number of openings in various human services and public affairs areas. The program measures indicate that the institutions plan to realize a 15 percent increase in program over the next five years.

There are inherent problems, however, with these institutional projections of program growth. First, in a period of expected enrollment stabilization it is questionable whether the institutions will realize the growth that they have projected. Second, if the human services programs experience the degree of growth projected beyond 1975-76 the graduates of these programs are likely to find themselves in an oversupplied situation.

Since it is questionable whether this program will grow as dramatically as expected, the funding recommended for this program does not reflect the estimated program growth but rather is intended to reflect a considerably moderated growth.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
State Colleges and University . . . . .	\$ 3,336	\$ 3,985	\$ 4,217	\$ 4,523	\$ 4,816	\$ 5,089	\$ 5,224
Community Colleges—Operating . . . . .	152	.....	.....	.....	.....	.....	.....
Community Colleges—Capital . . . . .	21	.....	.....	.....	.....	.....	.....
Community Colleges—Capital and Operating . . . . .	.....	258	297	315	330	345	359
Pennsylvania State University . . . . .	3,028	3,296	3,310	3,476	3,649	3,832	4,030
University of Pittsburgh . . . . .	1,239	1,398	1,423	1,520	1,611	1,708	1,810
Temple University . . . . .	1,553	1,796	1,834	1,925	2,047	2,136	2,208
Dickinson Law School . . . . .	99	99	99	105	110	115	120
Drexel University . . . . .	228	236	236	247	258	269	280
University of Pennsylvania . . . . .	363	365	365	383	407	428	445
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$10,019</b>	<b>\$11,433</b>	<b>\$11,781</b>	<b>\$12,494</b>	<b>\$13,228</b>	<b>\$13,922</b>	<b>\$14,476</b>

### Physical Sciences, Earth Sciences, Mathematics and Military Sciences

OBJECTIVE: To fulfill Pennsylvania manpower requirements and to respond to the demands of students for education in these fields.

#### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$16,243	\$18,247	\$19,167	\$20,341	\$21,735	\$23,010	\$24,290
Federal Funds .....	124	115	104	104	104	104	104
Other Funds .....	2,438	2,580	2,646	2,746	2,846	2,946	3,046
<b>TOTAL .....</b>	<b>\$18,805</b>	<b>\$20,942</b>	<b>\$21,917</b>	<b>\$23,191</b>	<b>\$24,685</b>	<b>\$26,060</b>	<b>\$27,440</b>

#### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total full-time equivalent students .....	15,537	16,121	16,492	16,683	16,773	16,835	16,806
Associate degrees conferred .....	51	67	80	87	100	106	114
Total bachelor degrees conferred .....	1,779	1,804	1,838	1,895	1,953	2,007	2,068
Graduate degrees conferred .....	597	640	658	678	674	683	685

#### Program Analysis:

The Commonwealth supports this program through the activities of the State-owned colleges and university, the State-related universities, and the community colleges.

Ongoing State and national economic uncertainties may affect the future status of this educational area. For example, what may eventually prevail in matters of private and public sector energy policy as well as general research and development policy could increase existing needs for programs to train physicists, geologists, mathematicians and other such scientists. Presently, however, there is no evidence of a substantial change in the employment patterns in these particular fields. It is felt that the solution of the nation's energy problems would in large part be addressed by individuals with training in the various engineering specialties.

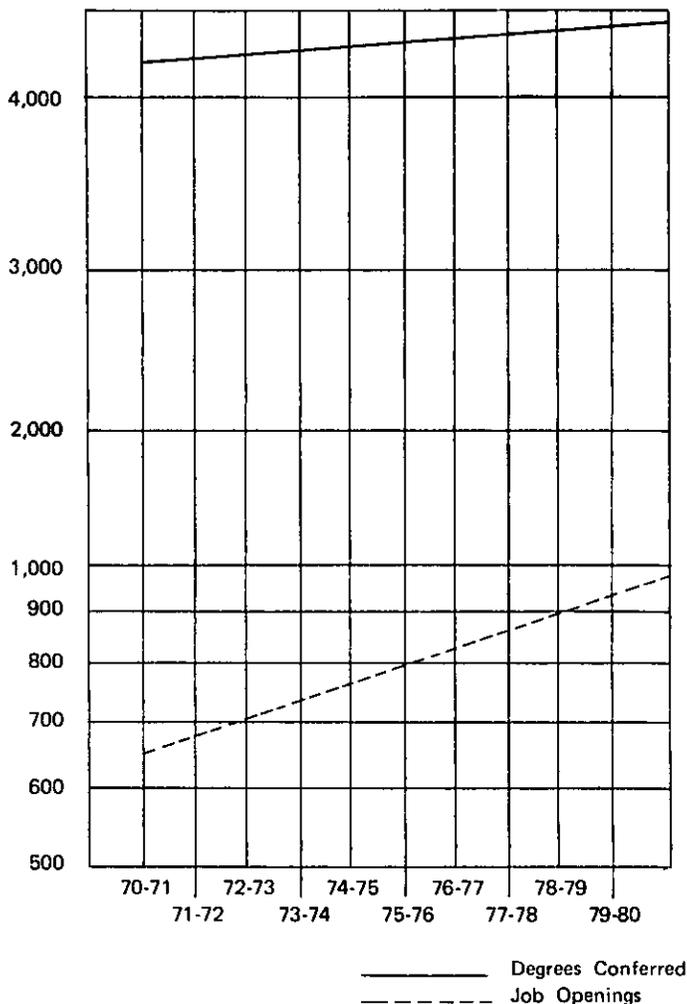
Employment projections have not changed. The increase in employment and job openings between 1970 and 1980 will remain about 15 percent; however the number of degrees conferred will exceed the number of job openings by many hundreds each year.

The various institutions contributing to this program apparently recognize this and have not substantially shifted their efforts towards this program. As the program measures indicate between 1974-75 and 1980-81 the enrollment growth for this program is expected to be about 8 percent. Since there is such a wide gap between the trend of estimated positions available and the trend of degrees conferred the present course of action at the institutions would seem to be the most prudent one.

Physical Sciences, Earth Sciences, Mathematics and Military Sciences (continued)

Program Analysis: (continued)

TREND OF GRADUATE SUPPLY AND DEMAND  
Includes Private Colleges and Universities



The graph shows more than four degrees being conferred for every job opening. A concomitant effect of this gap is the relatively low proportion of graduates employed in fields related to their training and the relatively high proportion of program graduates who were unemployed but seeking employment. Only about 38 percent of the 1974-75 baccalaureate graduates in physical sciences who entered the labor market were employed in a field related to their training and 13 percent of those graduates were unemployed but were seeking employment. Math graduates fare a little better: 50 percent are employed in related fields but 15 percent are unemployed.

Program funding then will increase at a relatively slow rate to reflect the projected enrollment increases.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General State Authority Rentals—							
State-aided Institutions . . . . .	\$ 1,687	\$ 1,839	\$ 1,744	\$ 1,744	\$ 1,744	\$ 1,744	\$ 1,744
State Colleges and University . . . . .	4,309	4,906	5,401	5,912	6,423	6,937	7,418
Community Colleges—Operating . . . . .	559	.....	.....	.....	.....	.....	.....
Community Colleges—Capital . . . . .	110	.....	.....	.....	.....	.....	.....
Community Colleges—Capital and Operating . . . . .	.....	734	848	861	886	913	932
Pennsylvania State University . . . . .	2,915	3,155	3,222	3,369	3,503	3,682	3,892
University of Pittsburgh . . . . .	3,002	3,431	3,544	3,823	4,090	4,397	4,683
Temple University . . . . .	3,242	3,726	3,943	4,140	4,564	4,782	5,031
Lincoln University . . . . .	89	119	128	136	148	156	170
Delaware Valley College of Science and Agriculture . . . . .	7	8	8	9	10	11	12
Drexel University . . . . .	113	117	117	121	125	132	138
University of Pennsylvania . . . . .	195	197	197	210	225	238	251
Philadelphia College of Textiles and Science . . . . .	15	15	15	61	17	18	19
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$16,243</b>	<b>\$18,247</b>	<b>\$19,167</b>	<b>\$20,341</b>	<b>\$21,735</b>	<b>\$23,010</b>	<b>\$24,290</b>

**Social Sciences and Area Studies**

OBJECTIVE: To fulfill Pennsylvania manpower requirements in the field of social science and to respond to the demands of students for education in this field.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$25,807	\$29,858	\$30,836	\$32,096	\$33,545	\$34,852	\$36,194
Federal Funds . . . . .	152	128	114	114	114	114	114
Other Funds . . . . .	5,637	6,042	6,180	6,276	6,340	6,433	6,516
<b>TOTAL . . . . .</b>	<b>\$31,596</b>	<b>\$36,028</b>	<b>\$37,130</b>	<b>\$38,486</b>	<b>\$39,999</b>	<b>\$41,399</b>	<b>\$42,824</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total full-time equivalent students and at . . . . .	31,273	32,369	33,045	33,521	33,738	33,886	34,040
State-owned institutions only * . . . . .	12,346	12,703	12,912	13,072	13,094	13,145	13,229
Associate degrees conferred . . . . .	127	135	143	154	158	165	172
Total bachelor degrees conferred and at . . . . .	5,565	5,709	5,827	5,953	6,076	6,108	6,147
State-owned institutions only * . . . . .	2,401	2,477	2,550	2,623	2,661	2,706	2,725
Total graduate degrees conferred and at . . . . .	1,481	1,560	1,670	1,745	1,744	1,769	1,770
State-owned only * . . . . .	234	298	335	370	376	384	388

\* Also included in total.

**Program Analysis:**

The Commonwealth supports this program through the activities of the State-owned colleges and university, and grants to the community colleges, State-aided and State-related colleges and universities.

This program encompasses a wide spectrum of academic curricula including economics, history, political science, sociology, psychology, geography and anthropology.

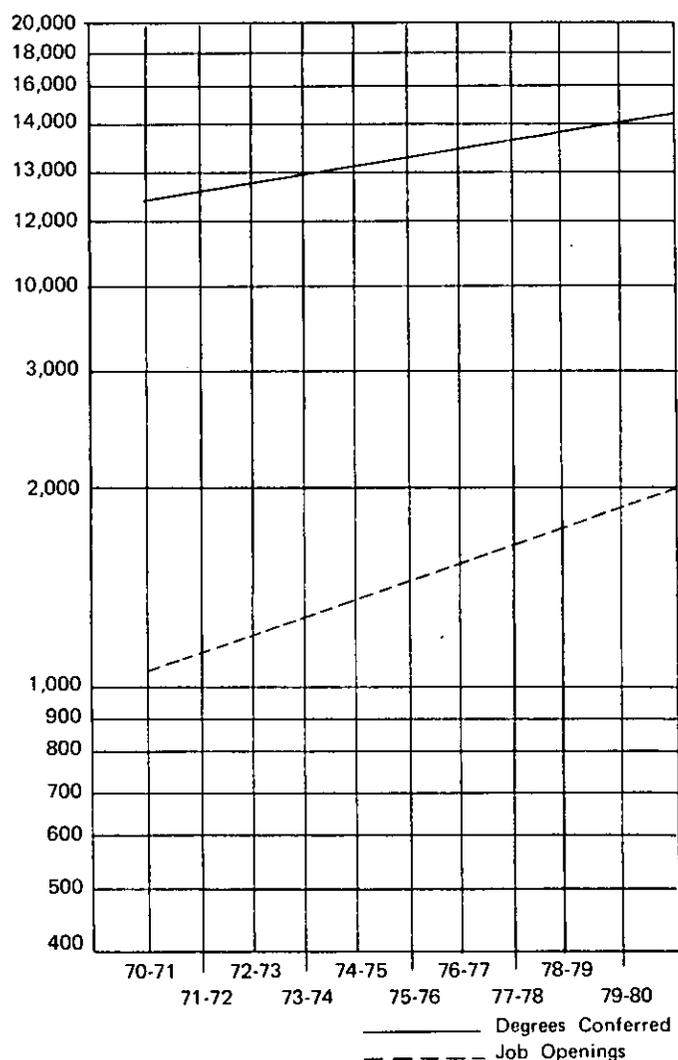
As the graph indicates, jobs relating to these specific fields are relatively scarce. In the past graduates from these fields

have been widely employed in the various fields of business, industry, government, college and university teaching, and nonprofit organization work. However, the other educational curricula that address themselves more specifically to business, industry etc., are beginning to fill the void once filled by graduates from the social sciences. Additionally, the number of employment opportunities in colleges and universities, following the trend of enrollments, has begun to stabilize.

Social Sciences and Area Studies (continued)

Program Analysis: (continued)

TRENDS OF GRADUATE SUPPLY AND DEMAND  
Includes Private Colleges and Universities



The results are: (1) a very small portion of social science and area studies graduates are able to gain employment in fields related to their training, about 26 percent of the 1974-75 graduates surveyed; (2) a large proportion of the graduates surveyed were still seeking employment, about 20 percent; and (3) about 25 percent of those graduates employed in jobs remote to their field of training were employed in clerical or kindred occupations.

Although the program measures show about a nine percent increase in program enrollments over the next five years it is doubtful the increase projected will materialize. With the increase in the level of student awareness of the job market and the emphasis on more specific training it is probable that the enrollment will stabilize at the undergraduate level and that an increasing percentage will go on to graduate programs to increase their chances of obtaining employment. Expansion of the program under these circumstances is unwise.

Because of the constrained labor market and doubtful enrollment expectations, funding for the fiscal year 1976-77 will not provide for any program expansion in the area of social sciences and area studies.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
State Colleges and University . . . . .	\$10,487	\$12,449	\$13,032	\$13,560	\$14,213	\$14,710	\$15,160
Community Colleges—Operating . . . . .	453	.....	.....	.....	.....	.....	.....
Community Colleges—Capital . . . . .	188	.....	.....	.....	.....	.....	.....
Community Colleges—Capital and Operating . . . . .	.....	709	843	856	869	882	898
Pennsylvania State University . . . . .	1,703	1,837	1,880	1,967	2,065	2,223	2,334
University of Pittsburgh . . . . .	3,547	4,009	4,055	4,257	4,471	4,632	4,768
Temple University . . . . .	7,620	8,758	8,862	9,205	9,573	9,956	10,486
Lincoln University . . . . .	713	964	1,032	1,073	1,116	1,160	1,207
Drexel University . . . . .	18	19	19	21	23	25	27
University of Pennsylvania . . . . .	1,078	1,113	1,113	1,157	1,215	1,264	1,314
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$25,807</b>	<b>\$29,858</b>	<b>\$30,836</b>	<b>\$32,096</b>	<b>\$33,545</b>	<b>\$34,852</b>	<b>\$36,194</b>

**Interdisciplinary Studies**

OBJECTIVE: To provide programs of study combining interdisciplinary courses of instruction so as to fulfill the manpower requirements of the Commonwealth and to respond to the demands of students for education in this field.

**Recommended Program Costs:**

	(Dollar Amounts In Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$16,899	\$18,192	\$19,479	\$20,243	\$21,265	\$22,292	\$23,215
Federal Funds . . . . .	80	79	86	86	86	86	86
Other Funds . . . . .	1,534	1,752	1,917	2,033	2,164	2,240	2,316
<b>TOTAL . . . . .</b>	<b><u>\$18,513</u></b>	<b><u>\$20,023</u></b>	<b><u>\$21,482</u></b>	<b><u>\$22,362</u></b>	<b><u>\$23,515</u></b>	<b><u>\$24,618</u></b>	<b><u>\$25,617</u></b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total full time equivalent students . . . . .	33,398	34,469	37,761	38,744	40,063	41,241	42,357
State-owned only* . . . . .	2,955	3,138	3,407	3,595	3,618	3,569	3,561
Associate degrees conferred* . . . . .	2,237	2,358	2,560	2,678	2,760	2,855	2,944
Total bachelor degrees conferred* . . . . .	573	644	663	697	720	753	783
State-owned only* . . . . .	119	177	191	219	236	266	292
Graduate degrees conferred . . . . .	99	104	105	107	109	114	115

\*State-owned are included in totals where applicable.

**Program Analysis:**

The Commonwealth supports this program through the activities of the State-owned colleges and university and grants to the community colleges, State-related universities and State-aided colleges and universities.

This subcategory consists primarily of two different programs. The major area, for regular or continuing education students who have yet to decide upon a major field of study, is designed to provide background in a multitude of disciplines. The smaller portion of this subcategory is for students who have majors in broad areas, (i.e., American Studies) where various disciplines are incorporated to provide a comprehensive knowledge of a subject matter.

The measures for this subcategory are much greater than those reported last year for two reasons: first, the University of Pittsburgh's and Pennsylvania State University's new method of accounting for enrollments by major skews this subcategory, and second, both Penn State and the community colleges included in this subcategory continuing education credits which were not presented in instructional areas in previous years.

Because of the broad nature of education provided within this program, it is difficult to assess manpower demands with

precision. As with most other employment areas, opportunities for liberal arts and sciences graduates diminish as the economy moves into a recessionary period.

A major implication of a recession economy is that not only does the total quantity of employment opportunities diminish, but the resulting growth in the unemployed labor force produces a heightened competition. This means that skilled workers with experience tend to make up a larger proportion of the labor force putting the recent graduate with a generalized educational background at a decided disadvantage.

As a result of these factors, this group of college graduates experiences an unemployment rate of over 16 percent; only about 17 percent of the 1974-75 graduates have found employment related to their education. In light of the poor employment situation and the general stabilization of college enrollments it is felt the institutional projection of a 27 percent enrollment increase by 1980 is questionable. Funding for this program therefore reflects stabilization rather than expansion.

Interdisciplinary Studies (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
State Colleges and University . . . . .	\$ 3,067	\$ 3,653	\$ 4,236	\$ 4,463	\$ 4,826	\$ 5,253	\$ 5,635
Community Colleges—Operating . . . . .	2,694	.....	.....	.....	.....	.....	.....
Community Colleges—Capital . . . . .	1,161	.....	.....	.....	.....	.....	.....
Community Colleges—Capital and Operating . . . . .	.....	3,946	4,544	4,698	4,802	4,934	5,008
Pennsylvania State University . . . . .	4,968	5,448	5,505	5,725	5,954	6,192	6,440
University of Pittsburgh . . . . .	4,721	4,840	4,884	5,028	5,333	5,546	5,746
Temple University . . . . .	53	59	62	65	67	69	72
Lincoln University . . . . .	17	22	24	29	35	42	48
Drexel University . . . . .	24	26	26	28	30	32	34
University of Pennsylvania . . . . .	194	198	198	207	218	224	232
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$16,899</u>	<u>\$18,192</u>	<u>\$19,479</u>	<u>\$20,243</u>	<u>\$21,265</u>	<u>\$22,292</u>	<u>\$23,215</u>

**Research**

- **OBJECTIVE:** To prepare courses of action and programs to enhance the social, economic and physical environment of the Commonwealth.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$12,258	\$14,258	\$14,961	\$15,686	\$16,448	\$17,249	\$18,027
Federal Funds . . . . .	356	417	405	405	405	405	405
Other Funds . . . . .	268	225	137	137	137	137	137
<b>TOTAL . . . . .</b>	<b>\$12,882</b>	<b>\$14,900</b>	<b>\$15,503</b>	<b>\$16,228</b>	<b>\$16,990</b>	<b>\$17,791</b>	<b>\$18,569</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Graduate students engaged in State supported research programs . . . . .	191	191	192	192	193	194	195
Full-time professionals engaged in State-supported research . . . . .	195	193	194	195	196	196	198

**Program Analysis:**

Research activities at the Pennsylvania State University make up about 98 percent of the activities supported by this program.

The success of this program in meeting its objective should be evaluated in terms of whether the activities at the Pennsylvania State University are directed at the most critical problems facing the Commonwealth and the nation, and whether those activities are producing results.

Principal emphasis is placed upon agriculture and natural resources, earth and mineral sciences, engineering and applied sciences and technology, and applied social sciences.

The direct State appropriation represents 29.3 percent of the total Pennsylvania State University organized research program, and the direct Federal appropriation represents 4.1 percent. The remaining 66.6 percent is "sponsored" research funded by outside agencies. Sponsored research is typically problem oriented, frequently multi-disciplinary in nature.

By providing State appropriations specifically for research programs, it has been possible to ensure the continuation of cadres of trained and specialized research personnel in technological and scientific areas directly related to the economic and social concerns of the Commonwealth and the nation. The primary investment has been and continues to be in agriculture and food sciences. In addition, Commonwealth

research support keeps together a research team possessing coal and mining expertise. Pennsylvania is now benefiting from this long term investment through major new outside contracts and grants reflecting increased public awareness of the energy problem. These new funds have substantially expanded research efforts on energy-related problems of direct long-term benefit to the Commonwealth.

For 1975-76, the majority of the university general research funds are budgeted for the Agricultural Experiment Station (63%), which conducts substantial research in food and animal sciences (23.6%), plant science (21.5%), and other research (17.9%) including agricultural economics and rural sociology, and agricultural engineering. Most of the remaining research support (21%) is directed to problems in the areas of engineering, earth and mineral sciences, human development, and the intercollege programs in environmental science, applied (physical) science, social science, and life science support.

Of the total research expenditures (including sponsored research), \$3.963 million (61.9%) is expended on the critical problems of energy by the Colleges of Engineering and Earth and Mineral Sciences. The table shows the percentage distribution of Penn State research funded by State and Federal appropriations.

Research (continued)

Program Analysis: (continued)

RESEARCH EFFORT BY PROGRAM AREA

(Does not include Sponsored Research)

Activities	Proposed				Proposed		
	1974/75	1975/76	1976/77		1974/75	1975/76	1976/77
Agriculture Experiment Station - Total . . . . .	51.3%	63.0%	63.0%	Health and Recreation . . . . .	1.6%	2.7%	2.7%
Food & Animal Science . . . . .	9.1%	23.6%	23.1%	Human Development . . . . .	5.1%	1.8%	1.8%
Plant Science . . . . .	23.7%	21.5%	21.8%	Liberal Arts . . . . .	4.6%	2.2%	2.2%
Arts and Architecture . . . . .	.6%	.6%	.6%	Science . . . . .	.7%	.6%	.7%
Business Administration . . . . .	2.3%	1.8%	1.9%	Interdisciplinary . . . . .	5.2%	11.6%	11.6%
Earth and Mineral Science - Total . . . . .	11.8%	5.3%	5.3%	Other . . . . .	2.3%	.9%	.8%
Energy . . . . .	2.0%	2.1%	2.1%	Administration/Support . . . . .	5.7%	5.7%	5.6%
Education . . . . .	2.2%	1.5%	1.5%	TOTAL RESEARCH EFFORT . . . . .	100.0%	100.0%	100.0%
Engineering - Total . . . . .	6.6%	2.3%	2.3%				
Energy . . . . .	.5%	.4%	.4%				

Assessment of the impacts of the research program of the major research universities is not possible in simplistic statistical terms. Better methods of evaluating the economic

and social contributions of these programs are needed, and recognition must be given to the long-range impacts since most research efforts extend over a number of years.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
State Colleges and University . . . . .	\$ 387	\$ 417	\$ 432	\$ 432	\$ 432	\$ 432	\$ 432
Community Colleges—Operating . . . . .	2						
Community Colleges—Capital . . . . .	3						
Community Colleges—Capital and Operating . . . . .		4	4	4	4	5	5
Pennsylvania State University . . . . .	11,866	13,770	14,458	15,180	15,939	16,736	17,513
Drexel Institute of Technology . . . . .		67	67	70	73	76	77
GENERAL FUND TOTAL . . . . .	<u>\$12,258</u>	<u>\$14,258</u>	<u>\$14,961</u>	<u>\$15,686</u>	<u>\$16,448</u>	<u>\$17,249</u>	<u>\$18,027</u>

**Public and Community Services**

OBJECTIVE: To enhance the potential for productivity and employability of Commonwealth citizens and to provide services to government, industry and the general public in social, economic and cultural areas.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$8,510	\$10,265	\$10,787	\$11,279	\$11,811	\$12,358	\$12,931
Federal Funds . . . . .	94	125	136	136	136	136	136
Other Funds . . . . .	418	420	549	549	549	549	549
<b>TOTAL</b> . . . . .	<u>\$9,022</u>	<u>\$10,810</u>	<u>\$11,472</u>	<u>\$11,964</u>	<u>\$12,496</u>	<u>\$13,043</u>	<u>\$13,616</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Enrollment in degree programs . . . . .	84,109	87,209	89,600	91,868	93,875	95,664	96,162
Enrollment in nondegree programs . . . . .	119,951	129,997	139,688	148,425	156,665	165,997	173,675
Persons attending conferences and institutes and workshops . . . . .	104,774	111,170	118,270	124,054	127,622	131,300	134,735

**Program Analysis:**

Public and community services are provided throughout the Commonwealth by institutional departments, extension centers, branch campuses, and cooperative associations with public schools and other institutions. These programs are offered by the State-owned colleges and university, the State-related universities and the community colleges. The bulk of this program however is related to activities of the Pennsylvania State University.

Public and community service is an alternative to the traditional programs discussed in the previous subcategories. The measures reveal the three aspects of this program. The first aspect deals with courses relating to a specific degree program. This is simply an alternative way of receiving a degree; an individual, rather than pursuing a traditional four or two year program, chooses to take courses at a more advantageous pace. The second grouping is individuals who are pursuing course work for occupational or recreational use; these people are pursuing individual objectives rather than a

degree. The last facet of this program includes short-term instructional courses or workshops. These are usually less than a week in duration and concern a specific topic; often they are sponsored by an industry or business for the benefit of their employees.

Several studies conducted for the National Center for Higher Education have related growth of this program with vocational interests of specific age populations. The following table shows preferences of the various population groups for specific courses. The under thirty population, taken as a specific client group, tends to enroll in courses related to the occupational/academic areas which are generally taught in degree programs. As a person becomes older, leisure cultural programs become dominant. These same studies reveal that 40 percent of all students enrolled in continuing education programs are under 30 years of age, another 40 percent of the same population are under 49, and the remaining 20 percent are above 49.

Public and Community Services (continued)

Program Analysis: (continued)

Occupational Categories	Age Levels		
	Under 30	30 to 49	50 and Older
Professional Technical	Cultural/Leisure	Cultural/Leisure	Academic
Managerial	Academic	Cultural/Leisure	Cultural/Leisure
Sales/Clerical	Academic	Undefined	Cultural/Leisure
Craftsmen Foreman	Occupational	Cultural/Leisure	Academic
Semi-Skilled	Academic	Occupational	Cultural/Leisure
Unskilled	Academic	Academic	Cultural/Leisure

In Pennsylvania, the twenty-one to thirty age group is one of the fastest growing segments of the population. Enrollment increases in degree programs reflect the desire of this part of the population to continue to pursue various career objectives. As long as the under thirty population continues to grow, so will enrollments in the degree programs.

Similar growth is occurring in the non-degree programs. Presently 64.8 percent of all registrations in the non-credit programs are related to business and management, health sciences and public and community services—all occupationally oriented programs. This program also is more dependent upon the under 30 population which is more career oriented than

other segments.

As the program grows in popularity, more institutions will increase their involvement; in fact, many Pennsylvania educators believe this will be the most rapidly increasing program for higher education. However, such program expansion will not necessarily involve increasing funds, for such activities are often self supporting or utilize already existing facilities.

It should be noted that the program measures are not comparable to last year's budget because the Pennsylvania State University significantly changed its method of reporting continuing education enrollments.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
State Colleges and University . . . . .	\$ 187	\$ 328	\$ 246	\$ 246	\$ 246	\$ 246	\$ 246
Community Colleges—Operating . . . . .	812	.....	.....	.....	.....	.....	.....
Community Colleges—Capital . . . . .	26	.....	.....	.....	.....	.....	.....
Community Colleges—Capital and Operating . . . . .	.....	932	1,083	1,105	1,141	1,166	1,192
Pennsylvania State University . . . . .	7,432	9,005	9,458	9,928	10,424	10,946	11,493
Temple University . . . . .	53	.....	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$8,510</b>	<b>\$10,265</b>	<b>\$10,787</b>	<b>\$11,279</b>	<b>\$11,811</b>	<b>\$12,358</b>	<b>\$12,931</b>

**Institutional Support Services**

OBJECTIVE: To support those services required to maintain the operations and programs of Commonwealth supported institutions.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$178,296	\$194,176	\$200,034	\$210,891	\$221,767	\$233,267	\$244,791
Federal Funds .....	1,856	1,814	1,802	1,802	1,802	1,802	1,802
Other Funds .....	51,457	56,689	57,555	57,555	57,555	57,555	57,555
<b>TOTAL .....</b>	<b>\$231,609</b>	<b>\$252,679</b>	<b>\$259,391</b>	<b>\$270,248</b>	<b>\$281,124</b>	<b>\$292,624</b>	<b>\$304,148</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Students enrolled in Higher Education Equal Opportunity programs .....	5,260	6,341	7,500	8,300	9,200	10,000	10,000
State scholarship recipients enrolled in independent institutions eligible for institutional assistance* .....	32,973	37,300	45,000	45,900	46,800	47,700	48,600

\* Includes enrollments in nursing programs which the courts may decide are ineligible.

**Program Analysis:**

This subcategory consists primarily of those activities which although not directly tied to instruction, public and community services, financial assistance or research, provide blanket support to all of these programs. These activities are essential to the operation of the educational programs at the various institutions. The activities involved include libraries, learning centers, guidance, placement, audio visual materials, physical plant operations and maintenance, computer support, general administration and others.

According to the National Center for Higher Education Management Systems, the cost of these various activities on a national average consumes about 50 percent of an institution's operating budget. The average in Pennsylvania is about 40 percent.

Some of these costs are variable and can be made to respond to enrollment and internal efficiencies; the Governor's 1975 Review of Management has suggested several areas for study which may reduce expenditures in this area. The inflationary spiral, fueled in part by increased energy costs, is causing budgetary problems at the institutions. For example,

the cost of coal at the State-owned colleges and Indiana University is expected to increase from \$1.4 million in 1973-74 to about \$5.8 million in 1975-76 or about 320 percent. Since other areas of cost such as plant operations will continue to increase despite enrollment trends Institutional Support Services is being funded at a higher level even though enrollments are beginning to stabilize.

In facing the inflationary problem the tendency is sometimes to save by cutting funds for library acquisition. As one of the most important educational tools the library should have priority for funding new acquisitions. Standards set by the Department of Education to ensure adequate collections at each institution should be followed. Also considered should be the Governor's Review recommendations for space allocation in these libraries so that additional construction will not be necessary.

Included in this subcategory are the institutional payments under the Higher Education Equal Opportunity Act. This act provides State grants to colleges for tutorial and counselling services for the economically and educationally disadvantaged.

**Institutional Support Services (continued)**

**Program Analysis: (continued)**

The program, established in 1971, seems to be successful. It currently serves 5,260 students and will increase to 6,341 in the 1976-77 academic year. This figure is lower than reported in last year's budget due to better screening of applicants for eligibility and new more accurate reporting methods. The retention rate is 83 percent, much higher than the national average of 50 percent for similar programs. Pennsylvania's disadvantaged students have an encouraging academic record: 70 percent have averages of 2.0 or higher and 89 percent of the senior class averages 2.0 or higher.

Many institutions faced with enrollment stabilization are admitting large numbers of under-prepared students to maintain their enrollment levels. In order to avoid lowering academic standards for graduation, programs must be

instituted to give these under-prepared students the opportunity to reach a standard level of competence; however, since the institutions are admitting these students in their normal course of operation, Higher Education Equal Opportunity Programs should not be solely responsible for correcting the situation. The Pennsylvania State University, for example, is currently reviewing every credit course to determine its ability to respond to under-prepared students.

Under the provisions of Act 174 of 1974 institutional assistance grants, not to exceed \$400, are made to eligible independent institutions enrolling students receiving a State higher education grant. It is expected that about 148 independent institutions enrolling about 37,300 students will receive aid during 1976-77.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
State Colleges and University . . . . .	\$ 69,274	\$ 78,954	\$ 84,410	\$ 89,812	\$ 95,560	\$101,676	\$108,183
Community Colleges--Operating . . . . .	10,814	.....	.....	.....	.....	.....	.....
Community Colleges--Capital . . . . .	5,624	.....	.....	.....	.....	.....	.....
Community Colleges--Capital and Operating . . . . .	.....	17,718	20,335	21,240	21,650	22,040	22,415
Higher Education of the Disadvantaged . . . . .	2,883	3,062	3,216	3,396	3,600	3,850	4,075
Transfer to Higher Education Assistance Agency:							
Institutional Assistance Grants . . . . .	12,000	12,000	6,000	6,000	6,000	6,000	6,000
Pennsylvania State University . . . . .	32,693	34,579	36,304	38,119	40,025	42,026	44,127
University of Pittsburgh . . . . .	19,908	22,951	23,906	25,340	26,607	27,937	28,522
Temple University . . . . .	19,262	19,153	19,905	20,900	21,945	23,042	24,443
Lincoln University . . . . .	870	1,139	1,220	1,281	1,345	1,412	1,482
Drexel University . . . . .	897	897	897	941	980	1,026	1,073
University of Pennsylvania . . . . .	3,380	3,673	3,673	3,862	4,055	4,258	4,471
Capital Improvements . . . . .	691	50	168	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$178,296</b>	<b>\$194,176</b>	<b>\$200,034</b>	<b>\$210,891</b>	<b>\$221,767</b>	<b>\$233,267</b>	<b>\$244,791</b>

**Professional Support Services**

OBJECTIVE: To provide, in cooperation with institutions of higher education, management services necessary for the efficient and effectual development of Commonwealth programs of higher education.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$2,394	\$2,556	\$3,613	\$4,295	\$4,769	\$5,264	\$5,760
Federal Funds .....	269	338	334	368	405	445	492
Other Funds .....	393	400	400	400	400	400	400
<b>TOTAL .....</b>	<b><u>\$3,056</u></b>	<b><u>\$3,294</u></b>	<b><u>\$4,347</u></b>	<b><u>\$5,063</u></b>	<b><u>\$5,574</u></b>	<b><u>\$6,109</u></b>	<b><u>\$6,652</u></b>

**Program Analysis:**

This program provides guidance capability, planning and direction for colleges and universities in Pennsylvania.

Proposed programs are reviewed for approval or disapproval, current programs are periodically evaluated, long range planning is conducted and fiscal budgeting requirements are analyzed. Also this program provides extensive staff support to the Board of State College and University Directors and the State Board of Education. Special studies are being undertaken in the areas of program enrollments, physical facilities, and special studies for the State Board of Education. Such studies are being utilized in the development of

regionalization plans and as a method of monitoring the quality of education in each segment of the college community.

In addition to assisting the State Board of Education, this subcategory has an intern program. This program consists of college seniors and graduate students who work in State Government as part of their requirements for a degree.

This subcategory includes two Program Revisions which provide for support of Higher Education Regionalization and the Adult and Career Education Program. They are described in appendices to this subcategory.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations .....	\$2,127	\$2,291	\$2,436	\$2,630	\$2,840	\$3,070	\$3,300
Education and Radio and Television							
Grants .....	128	117	117	117	117	117	117
Regional Broadcast Councils .....	26	26	26	26	26	26	26
Higher Education of the							
Disadvantaged .....	113	122	134	147	161	176	192
Higher Education Regionalization .....	.....	.....	250	375	500	625	750
Adult and Career Education .....	.....	.....	650	1,000	1,125	1,250	1,375
<b>GENERAL FUND TOTAL .....</b>	<b><u>\$2,394</u></b>	<b><u>\$2,556</u></b>	<b><u>\$3,613</u></b>	<b><u>\$4,295</u></b>	<b><u>\$4,769</u></b>	<b><u>\$5,264</u></b>	<b><u>\$5,760</u></b>

**Professional Support Services  
Program Revision: Adult and Career Education**

**Recommended Program Revision Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .			<u>\$650</u>	<u>\$1,000</u>	<u>\$1,125</u>	<u>\$1,250</u>	<u>\$1,375</u>

**Program Analysis:**

This program is based on the principle that some form of postsecondary education should be available to all persons to the extent that they might benefit from such education regardless of age, economic or geographic factors. The impact of rapid technological change has caused the skills and training of many adults to become obsolete; yet most of them, at an advanced age and under the present collegiate structure, are unable to acquire the training necessary for a new career. Moreover, there are many young people dissatisfied with the current style and uniformity of college programs. Many see dropping out for a time as beneficial to themselves, both educationally and in terms of their personal development as a human being.

In spite of enormous pressures, educationally and financially, for the development of new forms, higher education has remained substantially unchanged since its beginning. Although some colleges have experimented with

new programs and different modes of attendance, the majority of institutions of higher education have adhered to the importance of maintaining resident instruction, standard admission policies, a prescribed curriculum, measurement of progress in credits earned, a definite time limit for graduation, a set pattern for testing and evaluation, a traditional grading system and required class attendance.

This Program Revision would provide funds for the Department of Education to enter into contracts with existing colleges and universities, and with consortia of educational institutions and agencies, for the development and operation of special educational programs and educational counseling services. These services and programs would be available to those adult citizens who, because of their special needs, or because of where they live or how they work, are unable to take advantage of traditional campus-based instruction.

**Program Revision Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Education							
Adult and Career Education . . . . .			<u>\$650</u>	<u>\$1,000</u>	<u>\$1,125</u>	<u>\$1,250</u>	<u>\$1,375</u>

**Professional Support Services  
Program Revision: Higher Education Regionalization**

**Recommended Program Revision Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....			<u>\$ 250</u>	<u>\$ 375</u>	<u>\$ 500</u>	<u>\$ 625</u>	<u>\$ 750</u>

**Program Analysis:**

Higher education in Pennsylvania is characterized by a diversity of institutional types; we have 13 State colleges and one university, four State-related universities, State-aided colleges and universities, community colleges, private colleges and universities, private junior colleges, branch campuses, and a variety of trade and business schools enabling students to receive degrees at 230 different campuses. These institutions offer choices in environment, costs, quality and course offerings to meet the needs of any student.

Traditionally, these schools have competed with each other and each has tried to develop course offerings in as many subject areas as possible. These attitudes worked in the past when students outnumbered placements and competition for acceptance was great. Although competition for quality should continue, the rising costs of education and projections of

enrollment declines necessitates cooperation to ensure each school's continued prosperity and contribution to the community.

The State Board of Higher Education has recommended that coordination should be through a regional system of voluntary cooperation rather than by State regulation. Accordingly, the State has been divided into ten regions and councils have been established. Regional councils will serve to direct communication among schools to promote complimentary development which will avoid duplication of new course offerings, and to share ideas for community education and joint offerings.

This Program Revision provides funds to aid development of the regional councils.

**Program Revision Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Education							
Higher Education Regionalization . . . . .			<u>\$ 250</u>	<u>\$ 375</u>	<u>\$ 500</u>	<u>\$ 625</u>	<u>\$ 750</u>

## Financial Assistance to Students

OBJECTIVE: To supplement higher education programs for the development of the Commonwealth's manpower resources by providing financial assistance, based on need, to Commonwealth residents attending institutions of higher education.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$88,401</u>	<u>\$88,812</u>	<u>\$88,830</u>	<u>\$89,808</u>	<u>\$92,100</u>	<u>\$92,288</u>	<u>\$93,187</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Applicants for scholarships . . . . .	132,693	140,725	148,150	156,550	162,900	169,300	172,700
Scholarship grant recipients . . . . .	112,743	117,091	131,150	133,625	136,400	139,300	140,250
Students receiving loans . . . . .	76,777	79,000	81,000	83,000	85,000	87,000	89,000
Guaranteed loans outstanding . . . . .	487,338	515,000	530,000	545,000	560,000	575,000	590,000

### Program Analysis:

This program is supported through the activities of the Pennsylvania Higher Education Assistance Agency (PHEAA), the State-aided colleges and universities and the State-related universities.

The largest component of this program is scholarships awarded by the PHEAA. In 1974-75 grants totaling \$68,440,000 were awarded to a group of students making up 24.5 percent of the total higher education enrollment in the State; PHEAA projects that by 1980-81, 30 percent of the State's enrollment will be in need of scholarship aid. Included among the grant recipients shown in the measures are 15,391 veterans who will receive aid in 1975-76. Their average award will be \$791 which is 32 percent higher than the average basic program award. The number of veterans being given grants is expected to peak in 1976-77 and decrease thereafter.

PHEAA changed the eligibility criteria for awards for the 1974-75 year; the expected parental contribution for families

of students was reduced, and the maximum income allowed was increased from \$15,000 to \$18,000. These shifts in policy are PHEAA's efforts to make the scholarship program reflect the changing needs of its clientele. In recent years inflation has been providing major setbacks in the buying power of the families of individuals seeking postsecondary education. Large numbers of families are moving into the middle and upper middle income groups. However, because of the escalated inflation rates in recent years the buying power of these families has not grown as rapidly as inflation. At the same time, lower income families are eligible for Federally funded Basic Education Opportunity Grants (BEOG).

As Table 1 indicates, students in the income categories \$11,999 and below are still receiving proportionately more of the total value of awards than those with larger incomes, but the percentage growth rate is higher for the \$12,000 and above categories.

Financial Assistance to Students (continued)

Program Analysis: (continued)

AWARDS TO HIGH SCHOOL GRADUATES

(Dollar Amounts in Thousands)

	1973-74				1974-75				1975-76			
	Awards	Value of Awards	% of Total Value	Average Award	Awards	Value of Awards	% of Total Value	Average Awards	Awards	Value of Awards	% of Total Value	Average Awards
BELOW \$ 3,000	11,774	\$ 6,423	10.2%	\$719	11,983	\$ 6,885	9.7%	\$751	8,645	\$ 6,145	8.7%	\$778
\$ 3,000 - \$ 5,999	12,230	9,681	15.3%	856	12,068	9,233	13.0%	816	13,366	8,900	12.6%	701
\$ 6,000 - \$ 8,999	19,007	13,971	22.1%	785	17,393	13,107	18.4%	795	16,564	11,233	15.9%	708
\$ 9,000 - \$11,999	25,407	13,425	21.2%	557	23,645	14,648	20.6%	649	21,644	13,270	18.8%	635
\$12,000 - \$14,999	17,785	7,359	11.6%	434	19,964	10,143	14.3%	531	22,913	11,708	16.6%	528
\$15,000 - \$17,999	5,504	2,212	3.5%	420	8,663	3,973	5.6%	480	12,715	5,788	8.2%	469
\$18,000 and Above	989	431	.7%	460	2,704	1,208	1.7%	462	5,787	2,622	3.7%	465
TOTAL	106,097	\$63,211	100%	\$662	112,743	\$71,164	100%	\$693	117,091	\$70,711	100%	\$635

There may be some question relating to the decline in the percent of total value of awards going to students from the \$9,000 and below group. Table 1 shows, however, that Pennsylvania students from families with less than \$10,000 Federal adjusted gross income also received for the 1975-76 academic year an average of about \$787 from the Federal Basic Education Opportunity Grant program. Because the BEOG program does not account for the large differences in educational costs at the various private colleges and

universities, PHEAA in order to provide for at least a modicum of freedom of college choice, attempts to balance its grants based upon not only individual financial resources but also upon a detailed analysis of educational costs.

Table 2 illustrates the percent of educational costs provided by both the State grants and the Federal BEOG grants. In 1976-77 BEOG will be effective for all four undergraduate classes.

PROPORTION OF EDUCATIONAL COSTS OF BEOG ELIGIBLE STUDENTS FUNDED BY STATE & FEDERAL GRANTS FOR 1975-76 ACADEMIC YEAR

Institutional Type	Educational Costs	Average State Grant Award	Estimated Average BEOG Award	BEOG Plus State Award	Percent of Educational Costs
Private	\$4,497	\$811	\$855	\$1,666	37.0%
State Owned	2,120	400	774	1,174	55.4%
State Related	2,909	507	844	1,351	46.4%
Junior Colleges	3,619	662	969	1,631	45.1%
Community Colleges	1,190	280	808	1,088	91.4%

Financial Assistance to Students (continued)

Program Analysis: (continued)

Last year we reported that during the 1973-74 academic year only about 18 percent of the students enrolled in the Higher Education Equal Opportunity Act program for the educationally and economically disadvantaged were receiving State scholarships. The Department indicates that the great majority of these students are now receiving PHEAA scholarships. Increased public information and counseling have overcome that problem.

The second component of this program is the Guaranteed Student Loan program. This loan program is the most cost-effective financial aid program in terms of providing maximum aid and educational opportunity with a small amount of Commonwealth support; more than \$700,000,000 in loans to students has been made available since this program

began in June, 1964. In 1975-76, the Commonwealth with \$1.5 million will be able to guarantee 20 percent of the loans of 79,000 students for a total dollar value of about \$110,000,000.

From 1972-73 to 1973-74, the number of students participating in this program declined by 3,400 students because of Federal requirements severely restricting eligibility for subsidized loans. The Federal requirements have been removed, and the program is growing by about three percent each year.

The third major element of this program is the student work study program. With the advent of the Federal BEOG program, the total size of work study is remaining about stable, and is expected to do so during the foreseeable future.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Community College—Operating . . . .	\$ 94	.....	.....	.....	.....	.....	.....
Community College—Capital . . . . .	8	.....	.....	.....	.....	.....	.....
Transfer to Higher Education Assistance Agency:							
Scholarships . . . . .	68,440	\$68,440	\$68,440	\$68,440	\$68,440	\$68,440	\$68,440
Reserve for Losses in Guaranteed Loans . . . . .	2,800	3,200	3,200	4,132	6,395	6,395	7,105
Student Aid Funds—Matching . . . .	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Administration—Loan and Scholarships . . . . .	3,400	3,650	4,160	4,200	4,223	4,403	4,583
Pennsylvania State University . . . . .	1,773	1,760	1,760	1,760	1,760	1,760	1,760
University of Pittsburgh . . . . .	2,960	2,960	2,960	2,960	2,960	2,960	2,960
Temple University . . . . .	3,018	3,018	3,018	3,018	3,018	3,018	3,018
Lincoln University . . . . .	135	128	136	142	148	156	165
Drexel University . . . . .	799	682	682	682	682	682	682
Philadelphia College of Art . . . . .	100	100	100	100	100	100	100
University of Pennsylvania . . . . .	3,374	3,374	2,874	2,874	2,874	2,874	2,874
<b>GENERAL FUND TOTAL . . . .</b>	<b>\$88,401</b>	<b>\$88,812</b>	<b>\$88,830</b>	<b>\$89,808</b>	<b>\$92,100</b>	<b>\$92,288</b>	<b>\$93,187</b>

**Highway Safety Education**

OBJECTIVE: To minimize traffic accidents through the promotion of highway safety programs.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	\$4,266	\$4,365	\$4,441	\$4,422	\$4,340	\$4,360	\$4,380
Federal Funds . . . . .	60	62	.....	.....	.....	.....	.....
<b>TOTAL . . . . .</b>	<b>\$4,326</b>	<b>\$4,427</b>	<b>\$4,441</b>	<b>\$4,422</b>	<b>\$4,340</b>	<b>\$4,360</b>	<b>\$4,380</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Eligible pupils . . . . .	225,184	224,000	221,300	211,600	208,400	205,200	193,300
Enrollments in school driving courses . . .	118,500	121,000	121,700	118,500	116,700	115,000	110,200

**Program Analysis:**

This program is concerned with providing instruction to high school students so that they will become safer drivers. Almost all the school districts in Pennsylvania participate in the program; nonpublic school pupils are also eligible for State funded driver training if the training is conducted by a public school. A basic program of classroom and behind the wheel instruction is required for the districts to receive a State reimbursement of \$35 per pupil.

A first glance at the evidence available would lead to the conclusion that driver education attains its objective. Several studies, including one done in Pennsylvania (in 1960, but confirmed by more recent studies) have found that driver education completers are involved in fewer accidents and have fewer traffic law violations than those without such training. In addition, insurance companies offer premium reductions, averaging ten percent, to driver education completers. State licensing requirements also give special consideration to those who have been in the program.

However, the more recent studies done, in California and New York, for the National Highway Safety Bureau and for research journals point out that there are differences in personality traits and socio-economic characteristics between students who elect to take driver education and those who do not. There are also differences in personality traits and socio-economic characteristics between drivers with high accident or violation rates and drivers with low accident or

violation rates. The personality traits and socio-economic characteristics of students electing to take driver education are similar to those of drivers with low accident or violation rates, while the personality traits and socio-economic characteristics of students not electing to take driver training resemble those of drivers with high accident or violation rates. The studies conclude that these characteristics are the prime determinants of driving performance, and the effects of driver education are insignificant.

These findings help explain the existence of the benefits of the program, such as special insurance and licensing considerations. The benefits are based on an individual's probability of having a good driving record, whatever the reason for that probability. Since there is a direct relationship between completion of driver education and good driving records, it is sensible to use driver training as a criterion for awarding special benefits. The real reason for the effectiveness of such training as a criterion is, of course, that it is an indicator of those characteristics that correlate with good driving, not that it produces those characteristics. It might be as useful, instead of conducting lengthy and expensive driver education courses, to merely administer to prospective drivers the tests and questionnaires used in the studies referred to above in order to determine personality traits and socio-economic status.

The recommendation for the future of the program is for

Highway Safety Education (continued)

Program Analysis: (continued)

no substantial changes to be made. Expansion is not recommended because of the lack of evidence that the program has a substantial effect upon accident reduction. Cutbacks are not recommended because they could lead to a loss of Federal highway funds. Federal standards subject the

availability of such funds to the offering of driver education programs. Beginning in 1976-77, it is recommended that all appropriations for this program be combined under one title.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
MOTOR LICENSE FUND							
Highway Safety Education . . . . .	\$ 24	\$ 35	. . . .	. . . .	. . . .	. . . .	. . . .
Driver Education Curriculum							
Development . . . . .	. . . .	106	. . . .	. . . .	. . . .	. . . .	. . . .
Safe Driving Course . . . . .	4,242	4,224	\$4,441	\$4,422	\$4,340	\$4,360	\$4,380
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
MOTOR LICENSE FUND	<u>\$4,266</u>	<u>\$4,365</u>	<u>\$4,441</u>	<u>\$4,422</u>	<u>\$4,340</u>	<u>\$4,360</u>	<u>\$4,380</u>

**Community Training Services**

OBJECTIVE: To provide training for the Commonwealth's firemen, district justices and State college campus security officers.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$202</u>	<u>\$196</u>	<u>\$204</u>	<u>\$220</u>	<u>\$238</u>	<u>\$260</u>	<u>\$280</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Newly elected district justices trained . . .	75	158	75	75	75	75	75
Campus police officers trained . . . . .	90	90	90	90	90	90	90
Local fire training graduates . . . . .	33,686	35,370	37,000	39,000	41,000	43,000	45,000
Fire school graduates . . . . .	1,562	1,600	1,650	1,690	1,730	1,770	1,800

**Program Analysis:**

The Commonwealth, through the Department of Education, operates three training programs for community service personnel: the Fire School, the District Justice Training Program and the State College Campus Police Training Program. The latter two training programs are required by Pennsylvania law and are conducted at the Law Enforcement Academy in Shippensburg.

The Fire School at Lewistown makes available training at its base location and through local courses throughout the Commonwealth. There are over 3,000 fire departments in the Commonwealth, 238 of them nonvolunteer, and over 300,000 firemen. Basic instruction on the local level is given by instructors trained at the Lewistown facility. Advanced training at the Fire School is given to approximately 1,562 firemen. Ideally this training is continuous throughout the career of each fireman as new methods of fighting fires, such as those involving high-rise buildings and newly developed materials, are available.

The Law Enforcement Academy conducts the minor

judiciary education program three times each year; in 1974-75, there were 75 individuals enrolled. All newly elected district justices who are not members of the bar are required to complete the course.

There is a significant one-year increase in enrollments shown for 1975-76. This reflects a six year cycle that results because the terms are expiring for those justices who were in office when the program began in 1970.

The Academy also trains three classes of college campus police officers each year. The Academy will train officers from all public and private educational institutions but is primarily concerned with State college personnel. There are currently 205 State college officers: 112 have completed the program. There is a total of approximately 4,000 officers employed by the State-owned, State-aided, State-related and private colleges in the State; 295 have completed the course since 1971.

In 1975-76, the current year, a pilot program of training for public school security officers is being started that is expected to enroll 150 by the time it is fully underway.

**Community Training Services (continued)**

**Program Analysis: (continued)**

An evaluation of the campus police training program to determine its effectiveness is currently being conducted by the Academy. There is indication that crime on campus may decrease as a result of the training program. That premise is highlighted by a study at one large university in a metropolitan area which has had 47 of its 60 officers trained by the Academy and has experienced a 17 percent decrease in

on-campus crime while the surrounding area's crime rate has increased by 15 percent. The chief of that force attributes the decrease to the training received by his force.

Although turnover and other factors limit the training level to less than 100 percent, future plans are for training of a greater percentage of the State college forces than has currently completed the program.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	<u>\$202</u>	<u>\$196</u>	<u>\$204</u>	<u>\$220</u>	<u>\$238</u>	<u>\$260</u>	<u>\$280</u>

**Adult Employment Training Services**

OBJECTIVE: To improve the employment capabilities of those persons in the Commonwealth who are unemployed or underemployed.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$2,453	\$3,188	\$3,188	\$3,088	\$3,088	\$3,088	\$3,088
Federal Funds . . . . .	69	141	147	169	194	223	257
Other Funds . . . . .	3,587	3,991	4,000	4,000	4,000	4,000	4,000
<b>TOTAL . . . . .</b>	<b>\$6,109</b>	<b>\$7,320</b>	<b>\$7,335</b>	<b>\$7,257</b>	<b>\$7,282</b>	<b>\$7,311</b>	<b>\$7,345</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Adult extension enrollment . . . . .	69,978	69,330	68,700	67,710	66,700	65,830	64,900
Trainees enrolled in State retraining courses . . . . .	1,667	1,231	1,438	1,438	1,438	1,438	1,438
Trainees completing instruction during the year . . . . .	823	624	680	680	680	680	680
Trainees placed in jobs after completing instruction . . . . .	756	571	629	629	629	629	629
Trainees enrolled in Comprehensive Employment and Training Act programs . . . . .	2,413	5,499	4,949	4,702	4,467	4,244	4,200

**Program Analysis:**

The purpose of this program is to provide training of a nondegree nature to adults who desire to upgrade their employment skills.

Vocational adult extension education includes three different types of programs: adult preparatory programs designed for persons who are already working or who have been in the labor force (as differentiated from secondary and postsecondary pupils who are in full-time programs leading to entry-level positions) but who are preparing for new or different occupations; adult supplemental programs designed for persons who are already working but require additional training to become updated or upgraded on their current jobs; and apprenticeship programs designed specifically to meet the needs of registered and nonregistered apprentices.

Over 1,800 adult extension courses are offered in area vocational schools, comprehensive high schools and several specialized sites, largely on an evening school basis. Extension enrollments are shown at a lower level than in last year's presentation because fire training enrollments have been shifted to the subcategory Community Training Services.

The State retraining program provides short intensive training classes to increase skill levels for those persons for whom there are no public training programs available in an effort to meet the needs of new and expanded industries. Trainees are usually part-time workers not otherwise employed or employed persons who are working below their skill levels and capacities.

The high dropout rate is usually during the first week of training when a person may report only one or two days. Over 90 percent of those who complete training are employed. During 1975-76, the trend has been to support work-experience programs at industrial sites. Work-experience programs have proven to be the most successful and least expensive programs to conduct. In these programs the persons become employees of the company immediately upon completion of training.

Fluctuations in retraining enrollments reflect the condition of the State's economy. The decline shown in the current year is due to the fact that fewer companies are expanding or moving into Pennsylvania while economic conditions remain unfavorable. A recovery is expected to occur and result in future enrollment stability.

Adult Employment Training Services (continued)

Program Analysis: (continued)

The Comprehensive Employment and Training Act of 1973 (CETA) is a Federal law intended to provide job training and employment opportunities for economically disadvantaged, unemployed, and underemployed persons. The intent of the Act is to lead to maximum employment opportunities. The responsibility for implementing the educational portion of this Act is divided between the Department of Education and the prime sponsors, which are counties and major cities.

Instruction is provided in such skills as welding, machine operation, coal mining, auto repair, drafting, food services, and clerical occupations. After training, the persons are referred to the prime sponsors for placement. Comprehensive placement information on these trainees is not available at this time.

Enrollment fluctuations in CETA programs are due to funding levels. Federal law relates the level of funding each year to the level of unemployment.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	\$ 7	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Basic Instruction Subsidy and Vocational Education . . . . .	2,446	\$3,188	\$3,188	\$3,088	\$3,088	\$3,088	\$3,088
GENERAL FUND TOTAL . . . . .	<u>\$2,453</u>	<u>\$3,188</u>	<u>\$3,188</u>	<u>\$3,088</u>	<u>\$3,088</u>	<u>\$3,088</u>	<u>\$3,088</u>

**Recreation Services**

**OBJECTIVE:** To provide an opportunity for children and adults to learn skills and participate in sports, games, music, dance, drama and other activities for the diverse and satisfying use of their leisure time.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$1,617</u>	<u>\$1,421</u>	<u>\$1,226</u>	<u>\$1,030</u>	<u>\$ 833</u>	<u>\$ 639</u>	<u>\$ 445</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
School districts participating in community recreation programs . . . . .	365	325	300	300	275	275	250
Participants in school community recreation programs . . . . .	1,400,000	1,200,000	1,100,000	1,100,000	1,000,000	1,000,000	900,000

**Program Analysis:**

Pennsylvania's 505 public school districts provide an ideal system of facilities to meet the recreational needs of the citizens in the individual communities of the Commonwealth. Their location is a major factor in their importance – whether urban, suburban or rural, schools are accessible to the entire population. Their structure is suited to hobbies, sports and the arts; their availability during useful time periods is an added advantage: evenings, weekends and summers are the times of demand for recreation. The school can be the hub for the community, providing social opportunity for persons with all interests and a safe gathering place for all age groups from children to senior citizens.

Currently increasing leisure time is a major factor in the need for the program. A report by the Federal Outdoor Recreation Resources Review Commission estimates that the shortened work week, longer paid vacations and more holidays will combine to steadily increase the amount of leisure time for conventionally employed persons from the 1960 level of 23.1 hours per week to 30.6 hours per week in the year 2,000. Technological advances and changes in societal structure may be expected to have similar benefits for the homemaker. Other factors, such as decreased use of automobiles to conserve energy and the stress of modern society which produces

demand for outlet activities will generate further need for recreational opportunities.

The public school helps meet these needs either by independently operating community recreation programs or by cooperating with local government through recreation boards and commissions.

The school districts participating in the community recreation programs are being hampered by the tight fiscal situation faced by school boards as well as local governments. Instructional costs continue to rise at a time when school boards face taxpayer revolts in the face of increased taxation. Since the recreation service is usually not a particularly high priority item, it is usually one of the first services eliminated. The 1973-74 expenditures of the school districts were reimbursed in the 1974-75 school year. During the expenditure year it is known that 47 percent of the school districts were still below the \$750 maximum for basic instructional subsidy purposes. It has been estimated that only 15 percent will be below that maximum in 1974-75 and that only 3 percent will remain below during the 1975-76 school year. With these facts, it may be assumed that there will be a declining participation by school districts in the community recreation programs.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 17	\$ 21	\$ 26	\$ 30	\$ 33	\$ 39	\$ 45
Basic Instruction Subsidy and Vocational Education . . . . .	1,600	1,400	1,200	1,000	800	600	400
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$1,617</u>	<u>\$1,421</u>	<u>\$1,226</u>	<u>\$1,030</u>	<u>\$ 833</u>	<u>\$ 639</u>	<u>\$ 445</u>

**State Library Services**

**OBJECTIVE:** To provide and improve library services to citizens of the Commonwealth, to special libraries and to agencies and employees of government.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 9,971	\$10,401	\$11,388	\$12,539	\$13,774	\$15,131	\$16,632
Federal Funds . . . . .	3,843	2,220	2,221	2,220	2,220	2,220	2,220
Other Funds . . . . .	102	4	4	4	4	4	4
<b>TOTAL . . . . .</b>	<b><u>\$13,916</u></b>	<b><u>\$12,625</u></b>	<b><u>\$13,613</u></b>	<b><u>\$14,763</u></b>	<b><u>\$15,998</u></b>	<b><u>\$17,355</u></b>	<b><u>\$18,856</u></b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Percentage of population served by State-aided libraries . . . . .	81%	83%	83%	84%	85%	86%	86%
Items lent (in thousands) . . . . .	37,000	38,000	40,000	40,000	41,000	41,000	42,000
Institutionalized and handicapped persons served . . . . .	38,300	43,000	47,000	54,000	59,000	59,000	61,000
percentage of total . . . . .	26%	29%	32%	37%	40%	40%	42%

**Program Analysis:**

This program supports 420 public libraries that form a statewide library system serving the majority of Commonwealth citizens.

Not all libraries belong to this system. There are about 125 libraries in Pennsylvania that for one reason or another have not chosen State-aided status. In addition to receiving financial support, member libraries must meet service standards which are intended to increase their value to the public. Expected community desire for improved service and the financial incentive of Commonwealth aid is predicted to bring libraries serving an additional five percent of the State's population into the State-aided system by 1979-80.

The use of libraries is an important indicator of the effects of the program. The estimated circulation of 38 million books and other materials during the current year is a recovery to the level of the peak year of 1969 during which there was also circulation of over 38 million. The decline and recovery are due to at least two probable factors. The years 1969-71 were when considerable emphasis was placed on improvement of school libraries by the Federal Government. Materials and services in these libraries improved to the extent that a decline

occurred in the use of public libraries by pupils. Another factor may have been the increasing concern about safety in cities. For example, from 1969 to 1973 circulation decreased by six percent in Pittsburgh and ten percent in Philadelphia.

Circulation is, however expected to increase through the rest of the decade. In part this is due to a projected increase of six percent in the State's population aged 20 and over from 1975 to 1980 (this age group makes up about 75 percent of public library users). In addition, it is due to expected improvements in library services. It has been found that in many cases where library facilities and services are upgraded, circulation increases substantially. At three different libraries in the State that improved their hours of operation and opened new buildings between 1970 and 1972, circulation increased by 50 to 100 percent in that period. The amount of such improvement is difficult to predict with great accuracy, being subject to such factors as economic conditions and local initiative. It is assumed however, that some relocation and expansion will occur with an accompanying increase in circulation.

State Library Services (continued)

Program Analysis: (continued)

This program includes a Program Revision described in the appendix to the subcategory, recommending an increase to \$1 million in the per-county ceiling for aid given to county libraries and inclusion for the first time of Philadelphia and

Allegheny Counties. This aid is dependent on local matching funds. In addition, per capita aid is to be increased from 50 to 75 cents and aid to low-income areas is raised.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
State Library . . . . .	\$ 1,270	\$ 1,373	\$ 1,634	\$ 1,830	\$ 2,040	\$ 2,270	\$ 2,515
Improvement of Library Services . . . .	7,934	8,222	8,896	9,800	10,770	11,840	13,025
Library Services for the Blind and Handicapped . . . . .	767	806	858	909	964	1,021	1,092
GENERAL FUND TOTAL . . . . .	<u>\$ 9,971</u>	<u>\$10,401</u>	<u>\$11,388</u>	<u>\$12,539</u>	<u>\$13,774</u>	<u>\$15,131</u>	<u>\$16,632</u>

State Library Services  
 Program Revision: Aid to Local Libraries

Recommended Program Revision Costs:

	1974-75	1975-76	(Dollar Amounts in Thousands)				
			1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .			<u>\$ 600</u>	<u>\$1,400</u>	<u>\$2,200</u>	<u>\$3,200</u>	<u>\$4,000</u>

Program Analysis:

A significant problem currently facing public libraries is availability of funds. Libraries are affected on the one hand by inflation and on the other by limited revenues. This is not a unique situation, of course, but libraries are in the position of having no independent taxing authority and receive less than 25 percent of their support from State and Federal sources. Until very recently, State support kept pace with inflation and remained a stable porportion of local budgets. At present, however, State aid has reached its maximum per capita statutory limits, and yearly overall growth in funds payable will be negligible. At the same time, inflation has caused unprecedented rises in costs. From 1973 to 1974, book costs, periodicals costs, and salaries grew by an average of more than eight percent. Since then, it is likely that increases have been even greater.

To alleviate this problem, this Program Revision includes an increase in State aid levels. The most significant part of this revision is an increase to \$1 million in the per-county ceiling for aid given to county libraries and inclusion for the first time of Philadelphia and Allegheny counties. This aid is determined as a percentage of local appropriations, so this funding change will serve as an incentive for increased local support.

In addition, this Program Revision will raise the ceiling on regular per capita aid to libraries from 50 to 75 cents and increase aid to libraries serving economically depressed areas by 50 cents per capita. The increased aid limits are not fully budgeted in 1976-77, but funds are recommended for gradual yearly increases to approach the limits.

Program Revision Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)				
			1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Education							
Improvement of Library Services . . . . .			<u>\$ 600</u>	<u>\$1,400</u>	<u>\$2,200</u>	<u>\$3,200</u>	<u>\$4,000</u>

**Public Television Services**

OBJECTIVE: To provide for the development and growth of noncommercial public television.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	<u>\$7,001</u>	<u>\$5,861</u>	<u>\$6,057</u>	<u>\$7,040</u>	<u>\$7,506</u>	<u>\$7,752</u>	<u>\$8,047</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Potential viewers in Pennsylvania .....	11,520,000	11,560,000	11,600,000	11,630,000	11,650,000	11,670,000	11,670,000
Residents who watch public television at least once a week .....	5,630,000	5,980,000	6,320,000	6,670,000	6,700,000	7,000,000	7,000,000
Residents who watch occasionally .....	7,935,000	8,280,000	8,625,000	8,970,000	9,000,000	9,050,000	9,050,000
Contributing memberships .....	117,624	129,386	139,736	148,120	155,526	163,302	171,467
Original programming as a percentage of total broadcasting .....	26%	15%	22%	23%	24%	25%	25%
Programs offered .....	18,718	19,000	19,000	19,000	19,000	19,000	19,000

**Program Analysis:**

The Pennsylvania Public Television Network (PPTN) links seven independent non-commercial stations, located across the Commonwealth, through a central network facility. The PPTN Commission governs the network, performs statewide coordinating functions, and makes operating, equipment and facilities, affirmative action training, and programming grants to each of the stations. Through PPTN each station has access to programs produced by other Pennsylvania stations as well as programs purchased or otherwise procured from outside sources. On average, 20 percent of the network's operating hours are devoted to distributing instructional programs for elementary and secondary classroom use. Unfortunately the using school districts contribute only a very small part of that cost — in 1975-76 about \$1,057,400. In addition Department of Education support in the form of grants is now being phased out. Programs for home viewing by children and the adult public account for the other 80 percent of network operating hours. The result is a statewide network which operates 17½ hours a day, seven days a week and reaches 95 percent of the State's population with quality educational and

public television programming. At the same time each individual station exercises the option to set its own operating hours and to provide additional services in order to meet local needs.

In 1974-75 PPTN increased programming in a number of specific subject areas in response to its 1974 "The People's Business" ascertainment of community needs. On average, the 1974-75 schedule was comprised of: 20 percent individual station productions aimed at local needs; 6 percent statewide productions dealing with unique Commonwealth needs; and 74 percent outside acquisitions selected to serve needs that are common across the country. Local, statewide and national programming covered each of the eight primary areas of need as identified in "The People's Business." Programs serving the unique needs of Pennsylvanians included on-the-scene coverage of local and State Government activities, major month-long series on alcoholism and aging, debates and documentaries on issues such as the plight of the railroads and the status of emergency health care in Pennsylvania, cultural events such as the Philadelphia Folk Festival and Moravian College Christmas

Public Television Services (continued)

Program Analysis: (continued)

Vespers, college and high school sports events, the historic reconvening of the First Continental Congress, and courses offered for college credit. In sum, each station broadcast nearly 500 hours of new specially-produced programming aimed at meeting the specific needs of Pennsylvanians.

Extensive community outreach activities were undertaken by PPTN in connection with many programs in last year's schedule. The activities included the involvement of agencies and organizations from the planning stage of projects through follow-up meetings and activities after the programs were broadcast. Preliminary reports on just two projects show the involvement of at least 140 various organizations and agencies, requests for 19,000 copies of supplemental information, and increased agency referrals ranging from 50 percent to 300 percent. Community outreach is an important new development because it uses public television to focus attention on problems through programs that are attuned to the needs of problem solvers on the community level, thus providing the necessary follow-through for education and action.

Public response to PPTN programming continues to grow, in terms of the number of viewers and in terms of the direct feedback on individual programs. This year the Commission

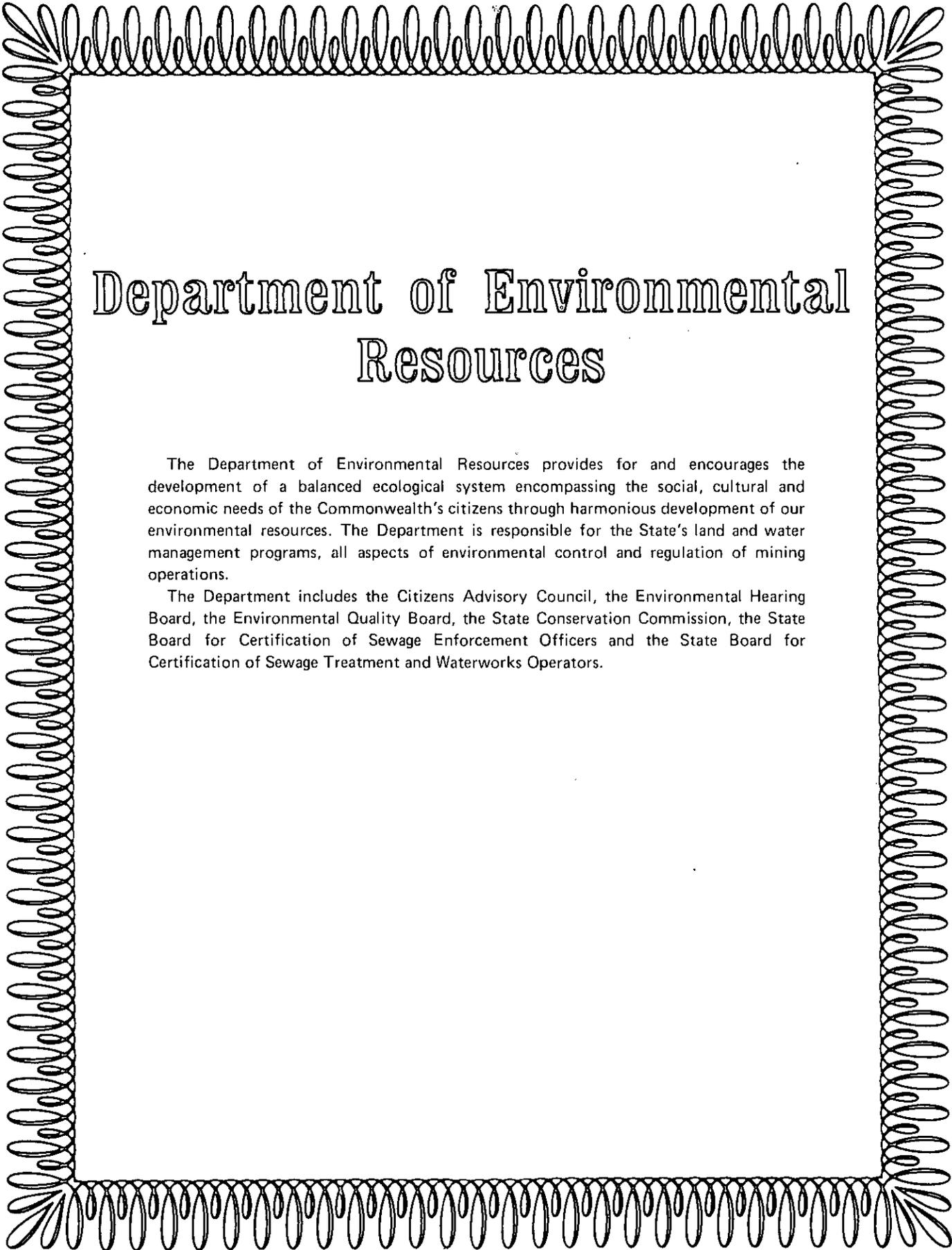
has funded a special study to begin gathering specific audience data on a statewide basis. Partial data which is now available indicates that more than 400,000 new viewers regularly watched public television in Pennsylvania during 1975. In total, about 53 percent of the Commonwealth's population regularly views public television and almost 75 percent are occasional viewers. In addition, paid memberships in the public television stations increased by some 16 percent during the past year, indicating that the public perceives public television as an important enough resource to support with individual monetary contributions.

PPTN will continue to serve the needs of people who have specific interests. Not all programs will appeal to everyone, but the total public television schedule is designed to be of use to nearly everyone at least once each week.

The State appropriation represents less than 50 percent of the budget for the total system, including PPTN and the individual stations. The difference is raised by the stations through public memberships contributions, television auctions, donations from businesses and foundations, national Corporation for Public Broadcasting grants, contract production work, underwriting grants, and from other miscellaneous fund-raising activities.

Program Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)				
			1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Pennsylvania Public Television							
Network — Operations . . . . .	\$4,101	\$4,161	\$4,357	\$5,040	\$5,306	\$5,552	\$5,847
Pennsylvania Public Television Network—							
Program Services . . . . .	2,900	1,700	1,700	2,000	2,200	2,200	2,200
GENERAL FUND TOTAL . . . . .	<u>\$7,001</u>	<u>\$5,861</u>	<u>\$6,057</u>	<u>\$7,040</u>	<u>\$7,506</u>	<u>\$7,752</u>	<u>\$8,047</u>



# Department of Environmental Resources

The Department of Environmental Resources provides for and encourages the development of a balanced ecological system encompassing the social, cultural and economic needs of the Commonwealth's citizens through harmonious development of our environmental resources. The Department is responsible for the State's land and water management programs, all aspects of environmental control and regulation of mining operations.

The Department includes the Citizens Advisory Council, the Environmental Hearing Board, the Environmental Quality Board, the State Conservation Commission, the State Board for Certification of Sewage Enforcement Officers and the State Board for Certification of Sewage Treatment and Waterworks Operators.

DEPARTMENT OF ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$59,597	\$62,024	\$73,896
Gypsy Moth Operations and Other			
Insect Control . . . . .	310	. . . . .	. . . . .
Insect Control . . . . .	371	. . . . .	400
Hemlock Looper Moth Control . . . . .	50	. . . . .	. . . . .
Training and Certification of Sewage			
Enforcement Officers . . . . .	212	. . . . .	. . . . .
Schuylkill River Dredging . . . . .	329	. . . . .	. . . . .
Solid Waste — Resource Recovery			
Administration . . . . .	100	. . . . .	. . . . .
Control of Forest Fires . . . . .	98	100	100
Emergency Flood Relief — 1975 . . . . .	. . . . .	250	. . . . .
Deep Mine Safety Inspections . . . . .	. . . . .	1,900	. . . . .
Flood Plain Management . . . . .	. . . . .	450	. . . . .
Sub-Total . . . . .	<u>\$61,067</u>	<u>\$64,724</u>	<u>\$74,396</u>
<b>Grants and Subsidies</b>			
Flood Control Projects . . . . .	\$ 780	\$ 975	\$ 745
Flood Emergency Rehabilitation . . . . .	447	. . . . .	. . . . .
Sewage Facilities Planning Grants . . . . .	250	250	250
Sewage Facilities Enforcement Grants . . . . .	448	600	600
Solid Waste Disposal Planning Grants . . . . .	125	150	150
Solid Waste — Demonstration Grants . . . . .	. . . . .	2,500	. . . . .
Great Lakes Basin Commission . . . . .	30	15	15
Delaware River Master . . . . .	22	22	36
Ohio River Basin Commission . . . . .	26	29	30
Susquehanna River Basin Commission . . . . .	150	150	150
Potomac River Basin Advisory Committee . . . . .	8	8	8
Interstate Commission on the Potomac			
River Basin . . . . .	16	16	16
Delaware River Basin Commission . . . . .	411	408	391
Ohio River Valley Water Sanitation			
Commission . . . . .	32	55	55
Small Watershed Projects . . . . .	75	75	75
Local Soil and Water District Assistance . . . . .	75	100	100
Interstate Mining Commission . . . . .	10	10	10
Emergency Mine Subsidence Relief . . . . .	23	. . . . .	. . . . .
Annual Fixed Charges—Flood Lands . . . . .	7	9	9
Annual Fixed Charges—Project 70 . . . . .	242	225	275
Annual Fixed Charges—Forest Lands . . . . .	396	399	399
East Stroudsburg Utilities . . . . .	399	. . . . .	. . . . .
Lock Haven Utilities . . . . .	184	. . . . .	. . . . .
Loysville Utilities . . . . .	85	. . . . .	. . . . .
Lincoln Utilities . . . . .	. . . . .	384	. . . . .
Mayview Utilities . . . . .	. . . . .	475	. . . . .
Pymatuning Utilities . . . . .	. . . . .	. . . . .	400
* Vector Control . . . . .	500	500	500
McKeever Environmental Learning Center . . . . .	165	165	. . . . .
Sub-Total . . . . .	<u>\$ 4,906</u>	<u>\$ 7,520</u>	<u>\$ 4,214</u>

DEPARTMENT OF ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation  
(continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Capital Improvements</b>			
Capital Improvements . . . . .	. . . . .	\$ 168	. . . . .
Presque Isle State Park—Storm Damage Repair . . . . .	. . . . .	250	. . . . .
Sub-Total . . . . .	. . . . .	<u>\$ 418</u>	. . . . .
<b>Total State Funds . . . . .</b>	<u><b>\$65,973</b></u>	<u><b>\$72,662</b></u>	<u><b>\$78,610</b></u>
Federal Funds . . . . .	\$ 5,519	\$ 7,083	\$ 5,691
Other Funds . . . . .	801	490	448
<b>GENERAL FUND TOTAL . . . . .</b>	<u><b>\$72,293</b></u>	<u><b>\$80,235</b></u>	<u><b>\$84,749</b></u>
<b>Game Fund</b>			
<b>Grants and Subsidies</b>			
Annual Fixed Charges—Project 70 . . . . .	\$ 1	\$ 10	\$ 5
<b>GAME FUND TOTAL . . . . .</b>	<u><b>\$ 1</b></u>	<u><b>\$ 10</b></u>	<u><b>\$ 5</b></u>
<b>Fish Fund</b>			
<b>Grants and Subsidies</b>			
Annual Fixed Charges—Project 70 . . . . .	. . . . .	\$ 2	\$ 2
<b>FISH FUND TOTAL . . . . .</b>	. . . . .	<u><b>\$ 2</b></u>	<u><b>\$ 2</b></u>
<b>Revenue Sharing Trust Fund</b>			
<b>Grants and Subsidies</b>			
Sewage Treatment Plant Operations Grants . . . . .	\$10,955	\$12,283	\$12,380
<b>REVENUE SHARING TRUST FUND TOTAL . . . . .</b>	<u><b>\$10,955</b></u>	<u><b>\$12,283</b></u>	<u><b>\$12,380</b></u>
<b>Department Total — All Funds</b>			
General Fund . . . . .	\$65,973	\$72,662	\$78,610
Special Funds . . . . .	10,956	12,295	12,387
Federal Funds . . . . .	5,519	7,083	5,691
Other Funds . . . . .	801	490	448
<b>TOTAL ALL FUNDS . . . . .</b>	<u><b>\$83,249</b></u>	<u><b>\$92,530</b></u>	<u><b>\$97,136</b></u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>General Government Operations</b>			
State Funds .....	\$60,969	\$64,374	\$74,296
Federal Funds .....	5,339	6,713	5,341
Other Funds .....	801	490	448
<b>TOTAL .....</b>	<b>\$67,109</b>	<b>\$71,577</b>	<b>\$80,085</b>

Constructs water structure, stream clearance and channel improvement projects and provides flood warning and miscellaneous engineering services to reduce the hazards of floods.

Protects the forested areas of the Commonwealth from loss and/or damage from wildfires, insects and diseases.

Regulates emissions of air and water pollutants to bring about and maintain acceptable air and water quality levels.

Inspects and regulates solid waste disposal facilities, food establishments, migrant labor camps, recreation areas, etc. to minimize the incidence of disease associated with home and community.

Protects the health and welfare of workers employed in plants, buildings, etc. not covered by Federal programs and of people working in deep mines.

Controls the use of industrial and medical radiation sources to prevent overexposure. Also, monitors nuclear power reactors, natural radioactive material and fallout contributions.

Plans and promotes a rational and coordinated approach to the development, use and conservation of the Commonwealth's water, land and mineral resources.

Develops, operates and maintains the Pennsylvania State Park System.

It is recommended because of the close relationship with existing programs that the following, which were appropriated separately in 1975-76, be included in the General Government Operations Appropriation in 1976-77: Deep Mine Safety Inspections and Flood Plain Management.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
General Government Operations .....	\$59,597	\$62,024	\$73,896
Gypsy Moth Operations and Other			
Insect Control .....	310	.....	.....
Insect Control .....	371	.....	400
Hemlock Looper Moth Control .....	50	.....	.....
Training and Certification of Sewage			
Enforcement Officers .....	212	.....	.....
Schuylkill River Dredging .....	329	.....	.....
Solid Waste — Resource Recovery			
Administration .....	100	.....	.....
Deep Mine Safety Inspections .....	.....	1,900	.....
Flood Plain Management — Pending .....	.....	450	.....

Source of Funds (continued)

<b>Federal Funds:</b>			
Pittsburgh Urban Pilot Area Study . . . . .	\$ 60	\$ 19	.....
National Science Foundation — Oil City Mapping . . . . .	.....	56	.....
Appalachian State Research, Technical Assistance and Demonstration Projects . . . . .	102	75	.....
Aircraft Airport Noise Study . . . . .	1	.....	.....
Water Pollution Control — Research, Development and Demonstration Grants . . . . .	66	104	\$ 56
Water Resources Planning . . . . .	73	30	.....
Appalachian Mine Area Restoration . . . . .	.....	.....	150
Coastal Zone Management Program Development . . . . .	150	150	225
Mine Drainage Abstracts . . . . .	3	.....	.....
Cooperative Forest Fire Control . . . . .	554	345	345
Cooperation in Forest Management and Processing . . . . .	147	145	145
Assistance to States for Tree Planting and Reforestation . . . . .	33	34	35
Resource Conservation and Development . . . . .	28	28	28
Watershed Protection and Flood Prevention . . . . .	27	19	23
Plant and Animal Disease and Pest Control . . . . .	299	182	.....
Cooperative Forest Insect and Disease Control . . . . .	49	48	48
Land Use Planning . . . . .	15	15	.....
Youth Conservation Corps — Grants to States . . . . .	84	162	230
Forestry Incentives Program . . . . .	.....	76	48
Rural Development Act — Title IV . . . . .	.....	108	.....
Emergency Employment Act . . . . .	288	.....	.....
Outdoor Recreation — Acquisition, Development and Planning . . . . .	17	.....	.....
Coal Mine Health and Safety Grants . . . . .	54	80	125
Childhood Lead-Based Paint Poisoning Control . . . . .	7	43	.....
Solid Waste Demonstration and Planning Grants . . . . .	.....	80	27
Water Pollution Control — State and Interstate Program Grants . . . . .	1,964	2,132	1,841
Air Pollution Control Program Grants . . . . .	1,253	2,700	2,000
Radiological Emergency Assistance . . . . .	16	.....	.....
Work Incentive Program . . . . .	11	.....	.....
Miscellaneous Cost Reimbursements . . . . .	38	82	15
<b>Other Funds:</b>			
State Parks — Reimbursements for Sewage System Use . . . . .	8	9	10
Reimbursements for Comptroller Services . . . . .	120	101	113
Gypsy Moth — Counties Contributions . . . . .	97	24	.....
Topographic and Geologic Survey — Water Well Drillers Act Receipts . . . . .	6	6	6
Topographic and Geologic Survey — Revenue for Services Rendered . . . . .	63	63	.....
Reimbursement for Services Rendered to the Delaware River Basin Commission . . . . .	99	70	70
Flood Control — Administration . . . . .	367	173	240
Oil and Gas Conservation Law Fees . . . . .	1	2	2
Periodic Medical Examination of Coal Miners in Pennsylvania — Coal Mine Operators Share . . . . .	5	25	.....
Payments for Departmental Services . . . . .	35	.....	7
Recovered Damages . . . . .	.....	17	.....
<b>TOTAL . . . . .</b>	<b>\$67,109</b>	<b>\$71,577</b>	<b>\$80,085</b>

**GENERAL FUND**

**ENVIRONMENTAL RESOURCES**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Control of Forest Fires</b>			
State Funds .....	\$ 98	\$ 100	\$ 100
Federal Funds .....	180	370	350
<b>TOTAL</b> .....	<u>\$ 278</u>	<u>\$ 470</u>	<u>\$ 450</u>

Provides manpower and equipment to extinguish wildfires.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Control of Forest Fires .....	\$ 98	\$ 100	\$ 100
<b>Federal Funds:</b>			
Forest Protection .....	180	370	\$ 350
<b>TOTAL</b> .....	<u>\$ 278</u>	<u>\$ 470</u>	<u>\$ 450</u>

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Emergency Flood Relief</b>			
State Funds .....	.....	\$ 250	.....

Provides for emergency flood relief through activities such as technical engineering services, stream clearance projects, etc.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Emergency Flood Relief—1975 .....	.....	<u>\$ 250</u>	.....

Grants and Subsidies

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Flood Control</b>			
State Funds .....	\$ 1,227	\$ 975	\$ 745

Provides the State's share of the costs of building major flood control structures through Federal, State and local cooperation. Also includes funds for rehabilitating flood-damaged areas.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Flood Control Projects .....	\$ 780	\$ 975	\$ 745
Flood Emergency Rehabilitation .....	447	.....	.....
<b>TOTAL</b> .....	<u>\$ 1,227</u>	<u>\$ 975</u>	<u>\$ 745</u>

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Sewage Facilities Assistance</b>			
State Funds .....	\$ 698	\$ 850	\$ 850

Provides grants to municipalities for planning and enforcing sewage facilities programs.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Sewage Facilities Planning Grants .....	\$ 250	\$ 250	\$ 250
Sewage Facilities Enforcement Grants .....	448	600	600
<b>TOTAL</b> .....	<u>\$ 698</u>	<u>\$ 850</u>	<u>\$ 850</u>

**GENERAL FUND**

**ENVIRONMENTAL RESOURCES**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Solid Waste -- Resource Recovery Assistance</b>			
State Funds . . . . .	\$ 125	\$ 2,650	\$ 150

Provides grants to municipalities for aid in developing plans for solid waste management systems. Provides a source of funds for grants for solid waste -- resource recovery demonstration projects.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Solid Waste Disposal Planning Grants . . . . .	\$ 125	\$ 150	\$ 150
Solid Waste Demonstration Grants . . . . .	. . . .	2,500	. . . .
<b>TOTAL . . . . .</b>	<u>\$ 125</u>	<u>\$ 2,650</u>	<u>\$ 150</u>

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Interstate Water Compacts</b>			
State Funds . . . . .	\$ 695	\$ 703	\$ 701

Provides for Pennsylvania's contribution to various interstate compacts designed to oversee development of several water basins. Provides the State's share of the expenses of the Delaware River Master who allocates the water of the Delaware River in accordance with a United States Supreme Court decree.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Great Lakes Basin Commission . . . . .	\$ 30	\$ 15	\$ 15
Delaware River Master . . . . .	22	22	36
Ohio River Basin Commission . . . . .	26	29	30
Susquehanna River Basin Commission . . . . .	150	150	150
Potomac River Basin Advisory Committee . . . . .	8	8	8
Interstate Commission on the Potomac			
River Basin . . . . .	16	16	16
Delaware River Basin Commission . . . . .	411	408	391
Ohio River Valley Water Sanitation			
Commission . . . . .	32	55	55
<b>TOTAL . . . . .</b>	<u>\$ 695</u>	<u>\$ 703</u>	<u>\$ 701</u>

**GENERAL FUND**

**ENVIRONMENTAL RESOURCES**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Conservation Districts Assistance</b>			
State Funds .....	\$ 150	\$ 175	\$ 175

Offers aid to county conservation districts to enable them to hire full-time executive assistants and to qualify for Federal small watershed projects.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Small Watershed Projects .....	\$ 75	\$ 75	\$ 75
Local Soil and Water District Assistance .....	75	100	100
<b>TOTAL</b> .....	<u>\$ 150</u>	<u>\$ 175</u>	<u>\$ 175</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Mine Activities</b>			
State Funds .....	\$ 33	\$ 10	\$ 10

Provides for Pennsylvania's share of the Interstate Mining Commission. Makes loans to homeowners and businesses suffering damage from mine subsidence.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Interstate Mining Commission .....	\$ 10	\$ 10	\$ 10
Emergency Mine Subsidence Relief .....	23	.....	.....
<b>TOTAL</b> .....	<u>\$ 33</u>	<u>\$ 10</u>	<u>\$ 10</u>

**GENERAL FUND**

**ENVIRONMENTAL RESOURCES**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Payments in Lieu of Taxes</b>			
State Funds .....	\$ 645	\$ 633	\$ 683

Makes payments in lieu of taxes to political subdivisions and school districts for lands acquired by the Commonwealth for various purposes.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Annual Fixed Charges—Flood Lands .....	\$ 7	\$ 9	\$ 9
Annual Fixed Charges—Project 70 .....	242	225	275
Annual Fixed Charges—Forest Lands .....	396	399	399
<b>TOTAL</b> .....	<u>\$ 645</u>	<u>\$ 633</u>	<u>\$ 683</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Utility Expansion Grants</b>			
State Funds .....	\$ 668	\$ 859	\$ 400

Provides the State's share of the cost of improving utility services involving State institutional facilities.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
East Stroudsburg Utilities .....	\$ 399	.....	.....
Lock Haven Utilities .....	184	.....	.....
Loysville Utilities .....	85	.....	.....
Lincoln Utilities — Pending .....	.....	\$ 384	.....
Mayview Utilities — Pending .....	.....	475	.....
Pymatuning Utilities .....	.....	.....	\$ 400
<b>TOTAL</b> .....	<u>\$ 668</u>	<u>\$ 859</u>	<u>\$ 400</u>

**GENERAL FUND**

**ENVIRONMENTAL RESOURCES**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Vector Control</b>			
State Funds . . . . .	\$ 500	\$ 500	\$ 500

Provides grants to municipalities for establishing and maintaining rat control programs.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Vector Control . . . . .	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 500</u>

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>McKeever Environmental Learning Center</b>			
State Funds . . . . .	\$ 165	\$ 165	. . . .

Supported the McKeever Environmental Learning Center, Sandy Lake, Pennsylvania. The Center is administered by Clarion State College to provide environmental education to the citizens of the Commonwealth.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
McKeever Environmental Learning Center . . . . .	<u>\$ 165</u>	<u>\$ 165</u>	. . . .

Capital Improvements

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Capital Improvements</b>			
State Funds .....	.....	\$ 418	.....

Provides for miscellaneous Capital Improvements which are not large enough to qualify for bond funding.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Capital Improvements .....	.....	\$ 168	.....
Presque Isle State Park — Storm Damage			
Repair .....	.....	250	.....
<b>TOTAL</b> .....	.....	<u>\$ 418</u>	.....

**Game Fund**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Payments in Lieu of Taxes</b>			
State Funds .....	\$ 1	\$ 10	\$ 5

Provides payments in lieu of taxes to political subdivisions and school districts for lands acquired by the Game Commission under Project 70.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Annual Fixed Charges—Project 70 .....	<u>\$ 1</u>	<u>\$ 10</u>	<u>\$ 5</u>

**Fish Fund**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Payments in Lieu of Taxes</b>			
State Funds .....	.....	\$ 2	\$ 2

Provides payments in lieu of taxes to political subdivisions and school districts for lands acquired by the Fish Commission under Project 70.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Annual Fixed Charges—Project 70 .....	.....	<u>\$ 2</u>	<u>\$ 2</u>

Revenue Sharing Trust Fund

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Sewage Treatment Plant Operations Grants</b>			
State Funds . . . . .	\$10,955	\$12,283	\$12,380

Provides payments to municipalities, school districts and institutional districts for operation and maintenance of sewage treatment facilities.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Sewage Treatment Plant Operations Grants . . . . .	<u>\$10,955</u>	<u>\$12,283</u>	<u>\$12,380</u>

**RESTRICTED RECEIPTS****ENVIRONMENTAL RESOURCES****Restricted Receipts Not Included in Department Totals**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>General Fund</b>			
Clean Water Fund . . . . .	\$392	\$687	\$157
Snowmobile Regulation . . . . .	99	371	405
Clean Air Act . . . . .	7	541	600
Mine Drainage Treatment Fees . . . . .	35	73	80
<b>TOTAL . . . . .</b>	<u>\$533</u>	<u>\$1,672</u>	<u>\$1,242</u>

DEPARTMENT OF ENVIRONMENTAL RESOURCES

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-1981
<b>General Administration and Support</b> . . . . .	\$ 5,554	\$ 5,804	\$ 6,967	\$ 7,215	\$ 7,792	\$ 8,423	\$ 9,098
<b>Protection from Natural Hazards and Disasters</b> . . . . .	\$ 4,876	\$ 4,544	\$ 5,869	\$ 6,320	\$ 6,798	\$ 7,317	\$ 7,876
Prevention, Control and Extinction of Forest Fires . . . . .	3,009	3,067	3,680	3,981	4,300	4,646	5,019
Reduction of Disease and Insect Damage to Forests . . . . .	1,867	1,477	2,189	2,339	2,498	2,671	2,857
<b>Protection from Health Hazards</b> . . . . .	\$31,834	\$37,479	\$37,481	\$40,079	\$ 43,455	\$ 47,110	\$ 50,940
Air Pollution Control . . . . .	3,317	3,045	3,842	4,182	4,684	5,225	5,810
Water Quality Management . . . . .	16,844	19,115	20,077	21,323	23,150	25,118	27,120
Community Environmental Management . . . . .	8,375	11,118	9,437	10,103	10,792	11,535	12,338
Occupational Health and Safety . . . . .	2,741	3,588	3,403	3,688	3,984	4,319	4,682
Radiation Protection . . . . .	557	613	722	783	845	913	990
<b>Natural Resource Development and Management</b> . . . . .	\$18,953	\$20,365	\$21,931	\$24,072	\$ 25,950	\$ 28,003	\$ 30,168
Management of Land Resources . . . . .	6,100	6,468	7,278	7,875	8,542	9,283	10,057
Regulation of Mineral Resources . . . . .	2,834	3,110	3,615	4,026	4,347	4,694	5,068
Technical Support and Planning Services . . . . .	10,019	10,787	11,038	12,171	13,061	14,026	15,043
<b>Recreation</b> . . . . .	\$15,712	\$16,765	\$18,749	\$20,225	\$ 21,820	\$ 23,656	\$ 25,525
Development, Operation and Maintenance of Recreation Areas and Facilities . . . . .	15,712	16,765	18,749	20,225	21,820	23,656	25,525
<b>DEPARTMENT TOTAL</b>	<u>\$76,929</u>	<u>\$84,957</u>	<u>\$90,997</u>	<u>\$97,911</u>	<u>\$105,815</u>	<u>\$114,509</u>	<u>\$123,607</u>

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$5,554	\$5,804	\$6,967	\$7,215	\$7,792	\$8,423	\$9,098
Federal Funds . . . . .	137	150	.....	.....	.....	.....	.....
Other Funds . . . . .	189	170	119	146	153	160	168
<b>TOTAL . . . . .</b>	<u>\$5,880</u>	<u>\$6,124</u>	<u>\$7,086</u>	<u>\$7,361</u>	<u>\$7,945</u>	<u>\$8,583</u>	<u>\$9,266</u>

**Program Analysis:**

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary

concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services. Included herein are the operations of the Citizens Advisory Council, The Environmental Hearing Board and The Environmental Quality Board.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	<u>\$5,554</u>	<u>\$5,804</u>	<u>\$6,967</u>	<u>\$7,215</u>	<u>\$7,792</u>	<u>\$8,423</u>	<u>\$9,098</u>

**Prevention, Control and Extinction of Forest Fires**

OBJECTIVE: To reduce the loss and/or damage from forest fires.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$3,009	\$3,067	\$3,680	\$3,981	\$4,300	\$4,646	\$5,019
Federal Funds . . . . .	393	801	696	700	705	710	715
<b>TOTAL . . . . .</b>	<b>\$3,402</b>	<b>\$3,868</b>	<b>\$4,376</b>	<b>\$4,681</b>	<b>\$5,005</b>	<b>\$5,356</b>	<b>\$5,734</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Forest fires . . . . .	1,500	1,400	1,400	1,300	1,300	1,300	1,300
Acres burned . . . . .	10,000	14,000	14,000	13,000	13,000	13,000	13,000
Value of resources at risk from wildfires (in millions) . . . . .	\$8,089	\$8,655	\$9,261	\$9,909	\$10,603	\$11,345	\$11,600
Trained volunteer forest fire wardens . . . . .	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Miles of safety strip maintained . . . . .	750	1,000	1,515	1,815	2,065	2,265	2,300
Miles of safety strip required . . . . .	1,515	1,815	2,065	2,265	2,415	2,565	2,625
Acres protected (in thousands) . . . . .	19,000	19,000	19,000	19,000	19,000	19,000	19,000
Persons provided with direct fire prevention education . . . . .	1,929,000	2,054,000	2,038,000	2,033,000	2,051,000	2,060,000	2,065,000

**Program Analysis:**

Over 60 percent of Pennsylvania's total land area is forested. This area is rapidly increasing in importance and value. In addition to the traditional timber values, forested areas are being recognized for their values as watersheds, game habitats, recreational playgrounds and homesites. More leisure time, improved transportation and increased desire to get away from the pressures of population centers have resulted in a proliferation of subdivisions and developments on forested area.

These same factors which bring people to the forests also contribute to an increased possibility of wildfires since nearly all wildfires are caused by man. This is reflected in the program measures above which show the effects of increased outdoor activities during the bicentennial celebration.

Several important factors affecting the number of fires are uncontrollable — the weather, recreational use of forests and the build-up of fuels as a result of effective fire control. However, two other factors which are changing the direction of State activities are controllable to some extent. They are incendiarism and the patterns of subdivision development.

Incendiarism is an increasing problem and the most difficult of all fire causes to combat. Normal education approaches have no impact. Increased surveillance in incendiary areas, investigations to isolate the cause of incendiarism and increased cooperation to and from law enforcement agencies are needed.

The present system of fire protection on forested lands was designed to control wildfires in which the time and place for the most effective and economic control could be chosen. Today, nearly all larger fires threaten homes, electric and gas transmission lines and other man-made improvements. This fact is resulting in different patterns of fire fighting.

No longer can fire fighting units be well-divided among structural, industrial and forest fires. It is probable that fire fighting agencies will combine the best features of municipal-type fire departments with practices of forest protection agencies.

Prevention, Control and Extinction of Forest Fires (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$2,911	\$2,967	\$3,580	\$3,881	\$4,200	\$4,546	\$4,919
Control of Forest Fires . . . . .	98	100	100	100	100	100	100
<b>GENERAL FUND TOTAL . . . . .</b>	<u><u>\$3,009</u></u>	<u><u>\$3,067</u></u>	<u><u>\$3,680</u></u>	<u><u>\$3,981</u></u>	<u><u>\$4,300</u></u>	<u><u>\$4,646</u></u>	<u><u>\$5,019</u></u>

Reduction of Disease and Insect Damage to Forests

OBJECTIVE: To reduce plant loss and damage caused by insects and disease.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$1,867	\$1,477	\$2,189	\$2,339	\$2,498	\$2,671	\$2,857
Federal Funds . . . . .	329	140	119	120	122	125	128
Other Funds . . . . .	97	24	.....	.....	.....	.....	.....
<b>TOTAL</b> . . . . .	<b>\$2,293</b>	<b>\$1,641</b>	<b>\$2,308</b>	<b>\$2,459</b>	<b>\$2,620</b>	<b>\$2,796</b>	<b>\$2,985</b>

Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Acres of land surveyed from air for insect/disease problems (in thousands) . . . . .	18,103	18,254	18,467	18,650	18,800	19,000	19,300
Acres receiving biological control . . . . .	500,000	1,000,000	1,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Acres receiving chemical control . . . . .	66,316	.....	70,000	60,000	60,000	60,000	60,000

Program Analysis:

Beyond the threat of fire, Pennsylvania's forests are susceptible to an endless number of destructive elements any of which can cause vast devastation. The level of damage caused by these forest insects and diseases is extremely unpredictable and yearly variations are largely controlled by environmental, biological and weather factors over which there is little or no control. Forest pests also differ in their impacts. For example, in addition to defoliating woodlands, the gypsy moth is an extreme public nuisance when it invades residential and recreational areas in vast numbers. Many losses have intangible effects. Dollar

values can be placed on timber losses; they cannot accurately be placed on public nuisance aspects.

The table gives an indication of the damage done by major forest pests. A host of relatively minor insects and diseases greatly adds to the total acreage. Acres defoliated is simply an indicator since defoliated trees, excepting conifers, in most cases do not die from a single defoliation. It does show the problem areas that are supporting active pest infestations that cause damage of various types to forest resources.

Year	Gypsy Moth	Oak Leaf Tier	Oak Leaf Roller	Forest Tent Caterpillar	Fall Cankerworm	Saddled Prominent
1966	0	611,500	0	0	825,200	1,100
1967	0	786,000	240,000	700	715,500	66,000
1968	60	448,500	306,200	0	0	83,440
1969	830	0	247,400	6,500	0	90,600
1970	10,500	0	985,500	100,000	0	70,000
1971	92,200	0	1,045,100	204,800	0	46,000
1972	404,060	59,200	609,400	25,800	0	15,500
1973	856,710	9,050	113,000	50	9,700	0
1974	479,590	0	215,000	0	7,250	0
1975	317,880	0	1,750	0	363,000	0

Reduction of Disease and Insect Damage to Forests (continued)

Program Analysis: (continued)

Gypsy moth defoliation in 1975 was less than in 1974. However, new areas continue to become infested as the gypsy moth spreads westward and southward. This spread cannot be halted due to the types of spray materials that are approved for use. Many of the older infestations in eastern Pennsylvania have collapsed due primarily to parasites attacking the caterpillars. In some areas of the Poconos where the gypsy moth collapsed in 1972-73, there is now evidence of rebuilding populations which may present problems in 1977. Hopefully, residual parasite populations in these areas may prevent the gypsy moth from again increasing to damaging levels, but it is too early to be sure. The major trouble spots in 1976 will be in Dauphin, Lebanon, Schuylkill, Lancaster, Northumberland, Columbia, Luzerne, Union, Clinton, and Centre counties.

Oak leaf roller infestations in north-central Pennsylvania have collapsed, as has the hemlock looper in several western counties. However, a new outbreak of the fall cankerworm is occurring, primarily in Warren, McKean, Potter, and Elk counties. This outbreak is expected to be as severe as the one which occurred in the same general areas in 1964-67. Many residential areas, parks, and general forest lands are being affected.

Complete statistics on dollar losses due to pests are extremely difficult to compute. Generally, what is available is limited to

specific sampled areas. It is estimated that a "ballpark" figure of damage caused is about \$30,000,000 annually, only one-third of which is due to actual timber losses.

The nationwide trend away from chemical pesticides to biological control agents as a method of combating insect infestations continues to grow daily. Pennsylvania has the best state facility in the country for rearing parasitic enemies and is currently concentrating on those which will help control the gypsy moth. When all known gypsy moth parasites capable of being established are released it is hoped the gypsy moth will become "naturalized" and react the same as native pests which are kept under control by natural enemies.

Spraying is still needed to control the gypsy moth in high-use, high-value areas where this insect is having a detrimental effect on the public. This spraying reduces the public nuisance problem until natural collapses occur. In 1975, 29,982 acres were treated in 18 counties. In addition, 36,334 acres were treated in 3 counties to control the oak leaf roller. As the gypsy moth "defoliation front" moves across the State, yearly spray programs will continue to be necessary until the oak leaf roller and hemlock looper problems have been replaced by the cankerworm, and this insect will require the treatment of several thousand acres in 1976 to abate public nuisance problems.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$1,136	\$1,477	\$1,789	\$1,939	\$2,098	\$2,271	\$2,457
Gypsy Moth Operations and Other							
Insect Control . . . . .	310	.....	.....	.....	.....	.....	.....
Insect Control . . . . .	371	.....	400	400	400	400	400
Hemlock Looper Moth Control . . . . .	50	.....	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$1,867</u>	<u>\$1,477</u>	<u>\$2,189</u>	<u>\$2,339</u>	<u>\$2,498</u>	<u>\$2,671</u>	<u>\$2,857</u>

**Air Pollution Control**

OBJECTIVE: To prevent and control emissions from existing and future sources of air contaminants in order to bring existing abnormal concentrations to acceptable levels and to insure continuance of currently acceptable air quality levels.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$3,317	\$3,045	\$3,842	\$4,182	\$4,684	\$5,225	\$5,810
Federal Funds . . . . .	1,253	2,700	2,000	2,000	2,000	2,000	2,000
<b>TOTAL . . . . .</b>	<u>\$4,570</u>	<u>\$5,745</u>	<u>\$5,842</u>	<u>\$6,182</u>	<u>\$6,684</u>	<u>\$7,225</u>	<u>\$7,810</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Percent of time air basin contamination concentrates exceed acceptable standards . . . . .	38%	35%	35%	25%	25%	25%	25%
Tons per day pollutant removed as a result of abatement action and planning approval . . . . .	92,500	98,700	101,000	103,000	105,000	107,000	107,000
Inspections . . . . .	8,338	8,500	9,000	9,000	9,000	9,000	9,000
Sources of air pollution in the Commonwealth . . . . .	216,000	225,000	235,000	245,000	260,000	260,000	260,000
Abatement orders issued . . . . .	188	190	200	200	200	200	200

**Program Analysis:**

Under this program the Department monitors sources of air pollutants and enforces the Pennsylvania Ambient Air Quality Standards. Inspectors are assigned to investigate sources and monitor emissions into the atmosphere. When violations are detected, abatement orders and technical assistance are given, or legal action initiated if the abatement orders are appealed.

The importance of these inspection and enforcement activities will be heightened by the "energy crisis." Transportation controls caused by shortages will help control contaminant emissions. Conversely, temporary concessions may have to be made by lowering certain air quality standards.

The costs to society of unabated air pollution include losses due to health impairment, property damage, destruction of vegetation and environmental degradation. The costs of controlling air pollution are also high, requiring heavy investments in research and equipment. Considering both sides of this balance, research and study have provided the basis for establishment of maximum acceptable levels of the various

pollutants in the atmosphere. In Pennsylvania, the acceptable air quality standards are being used as the basis for building a comprehensive air quality control program.

The scope of regulatory action is continually expanding as more monitoring devices are installed and as regulatory authority is broadened to include more potential pollution sources. In the program's initial phases, control and abatement strategies have concentrated largely on stationary sources of pollution such as factories, power generating stations and heating plants. These sources contribute the largest part of particulate and sulfur oxides emissions in Pennsylvania and provide a large portion of the nitrous oxides also. This concentrated strategy has produced noticeable results. Particulate emissions have been reduced in all air basins. The percentage of time during which particulate and sulfur oxides levels exceed the criteria has also been reduced.

Reducing the levels of hydrocarbons, nitrous oxides and carbon monoxide emissions produced by mobile sources,

**Air Pollution Control (continued)**

**Program Analysis: (continued)**

particularly motor vehicles, is more difficult. Successful abatement of these pollutants depends upon two distinct control actions. First, Federal automobile emission standards will make direct inroads on the problem by attacking the source. However, the effectiveness of this approach will depend largely on the success of technological improvements adopted by the automobile industry but even then will probably not be enough to solve the problem in highly urbanized areas. Secondly, transportation controls will have to be established in urban areas. These will take the shape of efforts to improve traffic flow in order to reduce the amount of time automobiles are on the road, to reduce pollutant concentrations by staggering work hours, etc. and to reduce traffic by improving mass transit and pedestrian conditions.

The air pollution problem in Pennsylvania is by no means

solved but solutions are fast becoming more efficient as new technologies and innovative ideas are being adopted.

The percent of time that air basin contamination concentrates exceed acceptable standards (see measure) is only an estimate at this time and has been revised upward since last year to reflect the most current information available. When complete monitoring data are available this figure will be more precisely computed.

The second measure has changed dramatically due to the availability of an improved emission inventory which provided a much more realistic estimate of the total particulate being extracted from the environment.

The last measure reflects a change in program direction which calls for more direct enforcement efforts and less use of abatement orders.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	<u>\$3,317</u>	<u>\$3,045</u>	<u>\$3,842</u>	<u>\$4,182</u>	<u>\$4,684</u>	<u>\$5,225</u>	<u>\$5,810</u>

**Water Quality Management**

OBJECTIVE: To maintain and improve the quality of Pennsylvania's water resources for the support of planned and probable water uses and to protect public health by assuring adequate and safe water supplies.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 5,889	\$ 6,832	\$ 7,697	\$ 7,953	\$ 8,710	\$ 9,523	\$10,280
Special Funds . . . . .	10,955	12,283	12,380	13,370	14,440	15,595	16,840
Federal Funds . . . . .	1,980	2,132	1,841	1,841	1,841	1,841	1,841
Other Funds . . . . .	99	70	70	70	70	70	57
<b>TOTAL . . . . .</b>	<b>\$18,923</b>	<b>\$21,317</b>	<b>\$21,988</b>	<b>\$23,234</b>	<b>\$25,061</b>	<b>\$27,029</b>	<b>\$29,018</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Miles of polluted surface waters . . . . .	10,100	10,000	9,800	9,600	9,400	9,200	9,000
Square miles of polluted ground waters . . . . .	22,500	22,300	22,000	21,700	21,400	21,100	20,800
Individuals with unsafe or inadequate water supplies (in thousands) . . . . .	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Individuals with unsafe/environmentally inadequate wastewater disposal facilities (in thousands) . . . . .	3,100	2,900	2,700	2,500	2,300	2,100	2,000

**Program Analysis:**

The thrust of this program is one of inspection and enforcement of water quality standards. Accomplishments are best measured by the measures shown.

The best information available indicates that the rate of pollution of the State's surface waters has shown a gradual decline. This level of pollution clean-up has been directly related to the amount of planning and enforcement activity by the Department of Environmental Resources and the availability of State and Federal construction grants for municipal sewerage projects. The projected figures anticipate a continuation of the same rate of stream improvement.

Progress is also expected to be relatively slow combating ground water pollution from on-lot sewerage systems, industrial waste impoundments and petroleum storage and transport due to the nature of the movement of ground water and limited staff resources.

The third measure reflects the number of Pennsylvanians who either need to be served by a water supply system or are now served by a system needing improvement. It is influenced

by the level of staff time available but to a much greater degree by the ability of existing systems or municipalities to finance needed improvements. It is anticipated that an expanded effort will not be made by either State, local or private interests and that while some systems will be built or improved, others will deteriorate and the level of the measure will remain about the same.

The fourth measure represents the number of people in Pennsylvania who need improvements to on-lot sewerage disposal systems, initial sewer service, or improvements to existing sewage treatment facilities. The level of impact is influenced primarily by the level of staff activities and the availability of municipal construction grant funds provided by Congress through the Environmental Protection Agency. Projections reflect improvement in conditions as the result of new municipal systems going into operation. The rate of improvement is affected by the increased preliminary requirements imposed on Federal grant projects and the availability of construction grant funds. The rate of

Water Quality Management (continued)

Program Analysis: (continued)

improvement will also be affected by the shifting of emphasis to control of non-point sources of pollution. The estimates assume continued Federal funding of construction at a relatively low rate. Conditions and the indicator will change in future years, depending upon the actual level of Federal funding.

The control of water pollution is expensive. In addition to funds shown herein, \$150 million will be spent from State bond funds to combat stream pollution from acid mine drainage and \$100 million in State bond funds as well as hundreds of millions in Federal funds are being pumped into local governments for construction of sewage treatment plants.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . .	\$ 5,189	\$ 5,918	\$ 7,242	\$ 7,898	\$ 8,655	\$ 9,468	\$10,225
Ohio River Valley Water Sanitation							
Commission . . . . .	32	55	55	55	55	55	55
East Stroudsburg Utilities . . . . .	399						
Lock Haven Utilities . . . . .	184						
Loysville Utilities . . . . .	85						
Lincoln Utilities - Pending . . . . .		384					
Mayview Utilities - Pending . . . . .		475					
Pymatuning Utilities . . . . .			400				
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$ 5,889</b>	<b>\$ 6,832</b>	<b>\$ 7,697</b>	<b>\$ 7,953</b>	<b>\$ 8,710</b>	<b>\$ 9,523</b>	<b>\$10,280</b>
<b>REVENUE SHARING TRUST FUND</b>							
Sewage Treatment Plant Operations							
Grants . . . . .	\$10,955	\$12,283	\$12,380	\$13,370	\$14,440	\$15,595	\$16,840

Community Environmental Management

OBJECTIVE: To minimize the incidence of diseases associated with home and community environment.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$8,375	\$11,118	\$ 9,437	\$10,103	\$10,792	\$11,535	\$12,338
Federal Funds . . . . .	25	116	27	.....	.....	.....	.....
Other Funds . . . . .	3	.....	.....	.....	.....	.....	.....
<b>TOTAL . . . . .</b>	<b>\$8,403</b>	<b>\$11,234</b>	<b>\$ 9,464</b>	<b>\$10,103</b>	<b>\$10,792</b>	<b>\$11,535</b>	<b>\$12,338</b>

Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Population of communities with recognized vector problems (thousands) . . . . .	11,325	11,325	11,325	11,325	11,325	11,325	11,325
Population of communities with vector control programs (thousands) . . . . .	4,351	4,351	4,351	4,351	4,351	4,351	4,351
Communities receiving State grants for vector control . . . . .	268	167	111	100	100	100	100
Inspections of institutions and schools . . . . .	3,801	3,900	3,950	4,000	4,100	4,100	4,100
Inspections of food establishments . . . . .	14,633	14,633	14,633	14,633	14,633	14,633	14,633
Inspections of public recreation areas . . . . .	4,884	4,884	4,884	4,884	4,884	4,884	4,884
Capacity of licensed migrant labor camps . . . . .	3,600	2,000	3,400	3,400	3,400	3,400	3,400
Population living in hygienically substandard housing (thousands) . . . . .	2,480	2,252	1,977	1,697	1,417	1,137	857
Population served by inadequate/unsafe solid waste disposal facilities (thousands) . . . . .	8,055	7,652	7,500	7,200	7,000	6,800	6,600

Program Analysis:

The local community in Pennsylvania is faced with a myriad of environmental problems, many of which lend themselves to increasing the incidence of disease. The solutions are not easy, therefore they demand concentrated efforts by all levels of government. This program deals with departmental efforts in the areas of vector control, solid waste management, housing hygiene, institution, school and recreational facility sanitation, food protection and on-lot water supply and sewage disposal system regulation.

Basically, activities in all these problem areas consist of inspections, enforcement of regulations, plan review and consultation, provision of technical assistance and training.

Various grants are made to local governments to aid them in carrying out their responsibilities in certain areas.

The results of these efforts could best be shown by a decline in the incidence of disease resulting from public contact with unsanitary conditions in the home and community. Since this is not known, what is shown in the program measures is the Department's success in reducing the number of contacts with such conditions by reducing the number of unsanitary situations. Using "inspections" is another step removed but does indicate a level of compliance with regulations since places inspected are either passed or closed down.

Community Environmental Management (continued)

Program Analysis: (continued)

The number of Pennsylvanians affected by vector control problems and those covered with corrective programs have shown substantial increases recently primarily due to heavy flooding. Floods displace rat and mosquito populations which spread problems to previously unaffected areas. The second program measure above reflects a substantial decrease from last year's estimate because legislation providing additional grants did not pass. The number of communities receiving grants in 1974-75 is unusually high due to a one-time flood-related grant.

The number of inspections of institutions and schools, food establishments and recreation areas is expected to remain relatively constant in the face of increasing demands for program attention. This will require changes in priorities such as inspecting only those schools with cafeterias or private water supplies. The decrease in this measure from last year's estimate occurred because of the increasing demand on staff time to provide technical assistance. This is anticipated to continue.

The capacity of migrant camps will remain stationary or decline slightly given static program outputs and increased mechanization and economics of operating camps. The temporary decline experienced in 1975-76 is the result of insufficient funding in that year to carry out a satisfactory inspection and licensing function.

The population living in hygienically substandard housing is affected by the general standard of living (affecting the resources available for property maintenance), activities of local code enforcement agencies, Federal input into housing and the degree of inflation which may influence the living environment. Lacking a statewide housing code, the Department is concentrating on training local housing

inspectors. Enforcement by State personnel will be concentrated in problem areas rather than answering scattered housing complaints as a means of more effective utilization of staff time.

The regulation of individual water supply and sewage disposal systems is controlled by the Department but is basically a local responsibility. Current trends, reinforced by recent legislation, indicate that local agencies will become more effective which will mean that State inspections and permit issuances will decline as departmental training of local enforcement officers increases.

Management of solid waste materials is one of the most pressing problems facing municipalities today. Over 100 million tons of solid waste are generated in Pennsylvania annually. Most of these wastes are improperly handled and cause air, water and land pollution and vector problems. More specifically, approximately 40 percent of all premises in the Commonwealth store or dispose of solid waste in an unsatisfactory manner on individual property. Approximately 50 percent of private and municipal collection systems are inadequate and only 18 percent of the 750 disposal operations meet minimum compliance due primarily to poor site location and operation. Of the 28 million acres in the State only 18 percent are suitable for land filling operations.

Again this is primarily a local responsibility but due to its magnitude it has seen increasing State, Federal and private input. Most recent on the State level is a program of grants aimed at development of resource recovery facilities. It remains to be seen whether this program will provide substantial benefit and changes may have to be made to further induce local involvement.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	\$6,740	\$ 7,118	\$ 7,937	\$ 8,603	\$ 9,292	\$10,035	\$10,838
Training and Certification of Sewage Enforcement Officers . . . . .	212	.....	.....	.....	.....	.....	.....
Solid Waste--Resource Recovery Administration . . . . .	100	.....	.....	.....	.....	.....	.....
Sewage Facilities Planning Grants . . .	250	250	250	250	250	250	250
Sewage Facilities Enforcement Grants . .	448	600	600	600	600	600	600
Solid Waste Disposal Planning Grants . .	125	150	150	150	150	150	150
Solid Waste--Demonstration Grants . .	.....	2,500	.....	.....	.....	.....	.....
Vector Control . . . . .	500	500	500	500	500	500	500
<b>GENERAL FUND TOTAL . . . .</b>	<u>\$8,375</u>	<u>\$11,118</u>	<u>\$ 9,437</u>	<u>\$10,103</u>	<u>\$10,792</u>	<u>\$11,535</u>	<u>\$12,338</u>

**Occupational Health and Safety**

OBJECTIVE: To prevent occupational diseases and accidents caused by hazardous or unhealthful conditions in places of employment.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$2,741	\$3,588	\$3,403	\$3,688	\$3,984	\$4,319	\$4,682
Federal Funds . . . . .	61	148	125	125	125	125	125
Other Funds . . . . .	5	25	.....	.....	.....	.....	.....
<b>TOTAL . . . . .</b>	<b>\$2,807</b>	<b>\$3,761</b>	<b>\$3,528</b>	<b>\$3,813</b>	<b>\$4,109</b>	<b>\$4,444</b>	<b>\$4,807</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Coal mining fatalities . . . . .	19	10	6	3	2	2	2
Teams trained for mine rescue . . . . .	72	82	95	105	110	115	120
Workers with lessened potential for getting occupational diseases . . . . .	60,000	60,000	60,000	60,000	60,000	60,000	60,000
Workers whose exposure to hazardous working conditions will improve to safe levels . . . . .	20,000	20,000	20,000	20,000	20,000	20,000	20,000

**Program Analysis:**

Historically protection of the working public from occupational diseases and injuries has been a responsibility of state government. This situation changed with passage of the Federal Williams-Steiger Occupational Safety and Health Act of 1970. Under this act the various states were given the option of establishing and enforcing their own standards consistent with those set by the Federal Government or having their programs pre-empted entirely by the Federal Government.

Pennsylvania's decision was to release control of those program areas affected by the Federal act, which covers the majority of occupational hazards. Certain responsibilities, however, remain with the State including public employes and mine and quarry workers protection, laser registration and control, supervision of the use of carcinogens and monitoring of in-plant medical programs.

Of the activities remaining, mine and quarry safety is probably of the most concern, particularly if, as anticipated, Pennsylvania coal becomes instrumental in solving the nation's energy deficit.

On the surface, mine safety activities do not appear to have been overwhelmingly successful. During the past twenty years, man-days worked per fatality have fluctuated between a high of

315,000 (in 1972) and a low of 95,000 and man-days per nonfatal injury between 3,800 and 2,900. What is significant is that this has been maintained in the face of a doubling of the tons of coal produced per man-day worked, which brought with it a much increased hazard exposure level due to increased mechanization, one of the chief ingredients in mining accidents.

While it is not fitting to accept current accident rates, it is questionable whether a much increased State effort would result in decreasing accidents due to the very nature of the industry and the human element involved. However, a continuing state effort in mine safety training of both prospective and currently employed miners and mine officials will have positive effects on safety and production. Production levels are effected by safe working conditions to a substantial degree. A mine which has hazardous or unsafe conditions has its production in potential jeopardy from lost time due to worker accidents, equipment or structural failures or possible shut-down from miners who cannot tolerate the working conditions.

The third program measure has been revised to reflect a slight change in definition plus a tightening of the reporting system from which these figures are taken.

Occupational Health and Safety (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	\$2,741	\$1,688	\$3,403	\$3,688	\$3,984	\$4,319	\$4,682
Deep Mine Safety Inspections . . . . .	.....	1,900	.....	.....	.....	.....	.....
GENERAL FUND TOTAL . . . . .	<u>\$2,741</u>	<u>\$3,588</u>	<u>\$3,403</u>	<u>\$3,688</u>	<u>\$3,984</u>	<u>\$4,319</u>	<u>\$4,682</u>

**Radiation Protection**

OBJECTIVE: To protect all individuals from unnecessary radiation exposure from natural and artificial radiocontamination and unnecessary occupational and healing arts exposure.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$557	\$613	\$722	\$783	\$845	\$913	\$ 990
Federal Funds . . . . .	23	20	15	12	12	12	12
<b>TOTAL . . . . .</b>	<b>\$580</b>	<b>\$633</b>	<b>\$737</b>	<b>\$795</b>	<b>\$857</b>	<b>\$925</b>	<b>\$1,002</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Radiation user inspections performed . . .	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Users brought into compliance through inspections . . . . .	250	250	250	250	250	250	250
Nuclear plant off-site analyses . . . . .	2,000	2,000	2,000	2,000	2,000	2,000	2,000

**Program Analysis:**

An individual's exposure to radiation comes from many sources. The most direct source is from medical and dental x-ray machines. Secondary sources include equipment used in industry, research and education. Emissions from nuclear power plants provide another and the most controversial source of exposure.

Direct program effectiveness cannot be measured, therefore, secondary measures are shown in an effort to show the trend of departmental activities in this area. The second measure has been revised using an actual count of radiation users as a base.

The Commonwealth's commitment to eliminating overexposure from medical and industrial sources not covered by the Federal Nuclear Regulatory Commission is one of licensing sources and inspections to insure compliance with regulations. These inspection activities are the most direct means of public protection. Licensing of x-ray technicians and other paramedical users of radiation equipment is an additional insurance alternative but it is a marginal activity that would be undertaken only with the availability of at least partial Federal funding.

Inconclusive evidence as to the biological effects on individuals and their environment from exposure to long-term

low levels of radiation and the possibility of accidental release of contaminants from nuclear power plants has spurred a nationwide controversy particularly since nuclear energy is being projected as one of the nation's primary alternatives in meeting future electric power requirements and a major concentration of plants will be within or near Pennsylvania's borders.

A basic program activity of the Department of Environmental Resources is the evaluation of safety systems and effluent control practices. The Department also does off-site monitoring of nuclear plants and other artificial sources of environmental radioactivity for the estimation of the impact of these facilities and the effectiveness of source control.

In spite of the low likelihood of a substantial accident at a nuclear facility, the Department appreciates the consequences of such an event. The impact of any nuclear accident can be minimized through thorough planning and preparation for the management of those events.

The level of technical sophistication and detail in those planning efforts continues to demand significant effort on the part of the Commonwealth.

Radiation Protection (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	<u>\$557</u>	<u>\$613</u>	<u>\$722</u>	<u>\$783</u>	<u>\$845</u>	<u>\$913</u>	<u>\$990</u>

**Management of Land Resources**

**OBJECTIVE:** To maximize economic benefits from the utilization of land resources as well as insuring against undue destruction and depletion of these resources and the attendant property damage and degradation of water quality resulting from such depletion.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$6,100	\$6,468	\$7,278	\$7,875	\$8,542	\$9,283	\$10,057
Federal Funds . . . . .	798	592	437	440	440	440	440
<b>TOTAL . . . . .</b>	<b>\$6,898</b>	<b>\$7,060</b>	<b>\$7,715</b>	<b>\$8,315</b>	<b>\$8,982</b>	<b>\$9,723</b>	<b>\$10,497</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Property damage caused by soil erosion (in thousands) . . . . .	\$529,202	\$527,969	\$508,034	\$506,510	\$504,915	\$503,401	\$501,891
Acres protected by soil conservation treatment (in thousands) . . . . .	11,664	12,244	12,435	12,626	13,187	13,325	13,450
Acres of private timber land affected by professional assistance . . . . .	109,000	112,000	115,000	118,000	121,000	124,000	127,000
Acres that should be reforested . . . . .	744,000	724,000	704,000	684,000	624,000	600,000	550,000
Acres reforested . . . . .	19,500	19,500	19,500	19,500	19,500	19,500	19,500

**Program Analysis:**

Few states in the nation have been so heavily endowed with natural resources as the Commonwealth. Over 17 million acres of the Commonwealth's acreage is covered with forests. From this renewable resources on a statewide basis, more than two billion dollars worth of wood and related products are manufactured.

In 1955, scientific timber management plans for the 2 million acres of State Forest lands were implemented. From the period of 1955 to and including 1974, 630,429,000 board feet of sawtimber and 103,453,876 cubic feet of pulpwood on 283,514 acres were harvested under controlled conditions by Pennsylvania's forest industry. The sale of these forest products produced an income of \$15,975,617.

State activities supporting the economic value derived directly from land resources are varied. In addition to the intensive management of Pennsylvania's State Forest lands, technical assistance in forest management is provided to private landowners. State operated nurseries produce

approximately 7 million seedlings per year for reforestation on both State-owned and private lands in the Commonwealth.

Since approximately 7½ million acres of the Commonwealth's acreage are utilized as cropland or pasture, financial and technical support is given to conservation districts. These local organizations are currently operating in 66 counties with approximately 53,483 cooperating landowners. They affect over 10½ million acres of crop, pasture and forest land annually.

Effective land resource management also plays an important role in the quality of water resources. Recently enacted regulations covering erosion and sedimentation control are expected to force more conservation oriented activities by land disturbing elements. Currently, there are 15 municipal watersheds located on State forest land.

Land is a nonrenewable, static resource. Proper management is essential if we are to prosper.

Management of Land Resources (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . .	\$5,554	\$5,894	\$6,704	\$7,266	\$7,923	\$8,629	\$ 9,393
Small Watershed Projects . . . . .	75	75	75	100	100	125	125
Local Soil and Water District Assistance . . . . .	75	100	100	110	120	130	140
Annual Fixed Charges-Forest Lands . .	396	399	399	399	399	399	399
<b>GENERAL FUND TOTAL . . . .</b>	<u><u>\$6,100</u></u>	<u><u>\$6,468</u></u>	<u><u>\$7,278</u></u>	<u><u>\$7,875</u></u>	<u><u>\$8,542</u></u>	<u><u>\$9,283</u></u>	<u><u>\$10,057</u></u>

**Regulation of Mineral Resources**

**OBJECTIVE:** To maximize the economic benefits available from the Commonwealth's mineral resources while minimizing the negative environmental consequences of such activities.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$2,834	\$3,110	\$3,615	\$4,026	\$4,347	\$4,694	\$5,068
Other Funds . . . . .	1	2	2	2	2	2	2
<b>TOTAL . . . . .</b>	<u>\$2,835</u>	<u>\$3,112</u>	<u>\$3,617</u>	<u>\$4,028</u>	<u>\$4,349</u>	<u>\$4,696</u>	<u>\$5,070</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Acres affected by active surface mines . . . . .	12,000	12,500	12,500	13,000	14,000	14,500	15,000
Acres of inactive surface mines needing rehabilitation . . . . .	296,000	294,000	292,000	290,000	290,000	290,000	290,000
Total acres rehabilitated . . . . .	10,000	10,500	10,500	11,000	11,500	12,000	13,000
Increase in property value due to subsidence control (thousands) . . . . .	\$33,500	\$40,000	\$46,000	\$53,000	\$62,000	\$68,000	\$74,000
Value of property protected by mine subsidence insurance (thousands) . . . . .	\$154,000	\$182,000	\$190,000	\$200,000	\$210,000	\$220,000	\$230,000

**Program Analysis:**

Pennsylvania has ranked as one of the top mineral producing states for many years. Practically the entire national output of anthracite coal is mined here and the Commonwealth also has valuable deposits of high quality bituminous coal which are mined extensively. Other minerals produced in large volumes are cement, sand, gravel, iron ore, lime, slate, clay and natural gas. Pennsylvania produces the highest quality motor oil in the world.

The pursuit of the economic benefits available from such vast mineral resources has left behind more than its share of environmental harm. These negative effects, particularly as they relate to the coal industry, are by now well known, and are a target of Commonwealth activities in this program.

Under the provisions of the Surface Mining Conservation and Reclamation Act all lands affected by active surface mining are being reclaimed to avoid further desecration of the environment. The act requires that bonds be posted by the operators to assure reclamation. If the operator performs satisfactorily the bonds are returned; if not, the bonds are forfeited and the Commonwealth reclaims the land.

Rehabilitation of land scarred by past mining activities is being accomplished two ways. First, with the growing energy concern, active mining operations are increasingly returning to previously stripped areas to mine deeper coal seams or to salvage coal from refuse banks. These operations are then covered by the Surface Mining Act. No figures are currently available for this activity. Second, lands are reclaimed as a secondary benefit of stream pollution, mine fire and subsidence abatement activities carried out primarily through the Land and Water Development Fund.

As can be seen in the program measures, many acres will remain scarred after the Land and Water Development program ends. It is hoped that in future years it will become economically feasible for private interests to reclaim additional acres either for regular development or as a result of reining these lands.

The Commonwealth also operates a subsidence insurance program through which property owners can protect their interests at reasonable rates. It is anticipated that this program will continue to grow as more people become aware of its benefits.

Regulation of Mineral Resources (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	\$2,801	\$3,100	\$3,605	\$4,016	\$4,337	\$4,684	\$5,058
Interstate Mining Commission . . . . .	10	10	10	10	10	10	10
Emergency Mine Subsidence Relief . . . . .	23	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL . . . . .	<u>\$2,834</u>	<u>\$3,110</u>	<u>\$3,615</u>	<u>\$4,026</u>	<u>\$4,347</u>	<u>\$4,694</u>	<u>\$5,068</u>

Technical Support and Planning Services

OBJECTIVE: To provide in-house engineering, planning and development services.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$10,019	\$10,787	\$11,038	\$12,171	\$13,061	\$14,026	\$15,043
Federal Funds . . . . .	323	284	431	150	150	150	150
Other Funds . . . . .	380	190	247	210	210	210	210
<b>TOTAL . . . . .</b>	<b>\$10,722</b>	<b>\$11,261</b>	<b>\$11,716</b>	<b>\$12,531</b>	<b>\$13,421</b>	<b>\$14,386</b>	<b>\$15,403</b>

Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Reduction in damage potential by construction of all types of flood control projects (in thousands) . . . . .	\$13,000	\$14,000	\$14,500	\$15,000	\$15,250	\$15,500	\$15,750
Available water supply in Pennsylvania (in millions of gallons) . . . . .	6,430,000	6,604,000	6,776,000	6,949,000	7,124,000	7,299,000	7,474,000
Water needs in Pennsylvania (in millions of gallons) . . . . .	4,949,000	5,080,000	5,212,000	5,345,000	5,480,000	5,615,000	5,750,000
Major mining area restoration projects . . . . .	32	30	60	120	150	90	60
Major recreation development or restoration projects . . . . .	10	11	19	11	10	8	11
Population served by project development	3,989,000	3,500,000	5,716,000	4,105,000	4,920,000	3,130,000	2,222,500

Program Analysis:

The primary objective of this subcategory is to provide in-house engineering services to all departmental programs as well as maintaining flood control, water resources and the bulk of Land and Water Development Fund (Project 500) activities.

The program measures reflect direct program accomplishments. The activities of this subcategory also contribute indirectly to many of the other measures shown within the Department of Environmental Resources.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 7,800	\$ 8,464	\$ 9,647	\$10,752	\$11,597	\$12,508	\$13,492
Schuylkill River Dredging . . . . .	329						
Emergency Flood Relief - 1975 . . . . .		250					
Flood Plain Management—Pending . . . . .		450					
Flood Control Projects . . . . .	780	975	745	750	750	800	800
Flood Emergency Rehabilitation . . . . .	447						
Great Lakes Basin Commission . . . . .	30	15	15	16	16	17	17
Delaware River Master . . . . .	22	22	36	27	27	28	29
Ohio River Basin Commission . . . . .	26	29	30	32	34	36	38
Susquehanna River Basin Commission . . . . .	150	150	150	150	160	160	160
Potomac River Basin Advisory Committee . . . . .	8	8	8	8	9	9	9
Interstate Commission on the Potomac River Basin . . . . .	16	16	16	16	18	18	18
Delaware River Basin Commission . . . . .	411	408	391	420	450	450	480
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$10,019</b>	<b>\$10,787</b>	<b>\$11,038</b>	<b>\$12,171</b>	<b>\$13,061</b>	<b>\$14,026</b>	<b>\$15,043</b>

**Development, Operation and Maintenance of Recreation Areas and Facilities**

OBJECTIVE: To provide open space areas and recreation facilities to maximize outdoor recreation opportunities for all Commonwealth citizens and out-of-state visitors.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$15,711	\$16,753	\$18,742	\$20,218	\$21,813	\$23,649	\$25,518
Special Funds . . . . .	1	12	7	7	7	7	7
Federal Funds . . . . .	197	.....	.....	.....	.....	.....	.....
Other Funds . . . . .	27	9	10	10	10	10	10
<b>TOTAL . . . . .</b>	<b>\$15,936</b>	<b>\$16,774</b>	<b>\$18,759</b>	<b>\$20,235</b>	<b>\$21,830</b>	<b>\$23,666</b>	<b>\$25,535</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
State park attendance in visitor days (thousands) . . . . .	31,800	34,000	35,000	35,400	35,400	35,400	35,400
Capacity of State park facilities in visitor days (thousands) . . . . .	36,800	36,800	36,800	36,800	36,800	36,800	36,800
State park closings due to capacity limitations . . . . .	760	800	600	550	475	400	350

**Program Analysis:**

The outdoor recreation program in Pennsylvania has experienced significant changes during recent years. When more leisure time, greater affluence and better mobility produced the tremendous demand for outdoor recreation, it was realized that a major effort would be required not only to meet the statewide demand for recreation but to have them readily available to urban centers. The major effort to meet the demand has come from Commonwealth bond issues as well as the Federal Bureau of Outdoor Recreation Program which provide major sources of funds for acquisition and development of public outdoor recreation areas in or near heavily populated areas.

As seen in the program measures above these continuing efforts to increase the capacity of facilities will reduce closings due to capacity limitations. These are defined as times when areas or whole parks must be closed for protection of the facilities and the public due to overcrowding. However, there is a limit as to how far this figure can be reduced due to the daily fluctuation in demand. It is not feasible to attempt to meet peak demand loads. Good weather during holiday

periods will usually produce unmet demands for facilities.

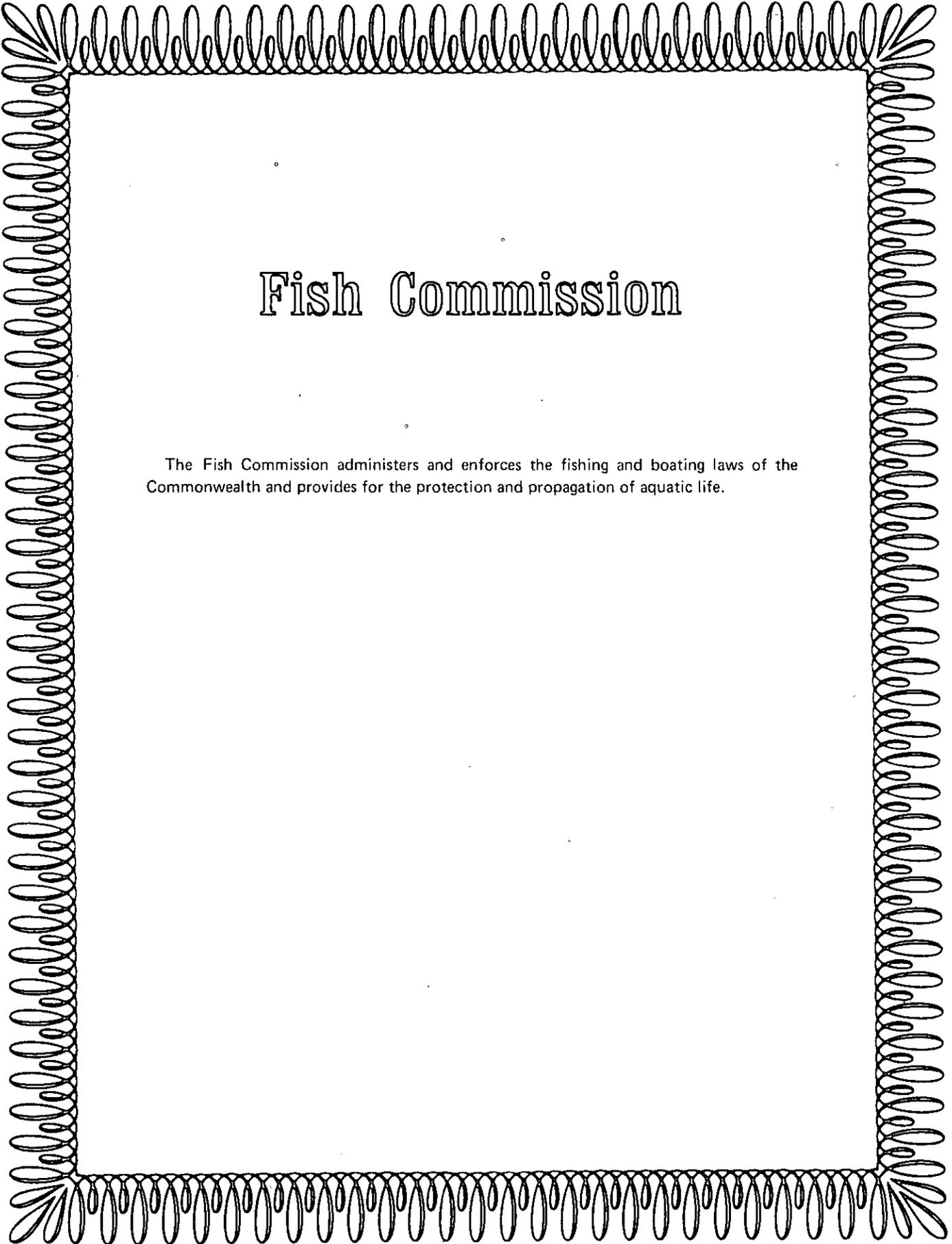
More subtle changes have also taken place in the actual operation of these facilities. Outdoor recreation has become a year-round proposition as opposed to a three to five month operation a few years back. More sophisticated recreational equipment and stricter sanitary standards have spurred comprehensive water and sewer systems at many areas. Public concern has resulted in making environmental education a routine activity.

These efforts have resulted in a vast system of 7,092 campsites, 16 swimming pools, 150 family cabins, 54 beaches, 14 water and 34 sewage treatment plants, 34,000 picnic tables, etc. provided in 102 separate operating areas. Until some efficient means is derived for measuring the true impact of these activities in terms of social and physical betterment, every effort is being made to align State output as closely as possible to the demand for services. This demand is now measured by the number of people who visit the recreational facilities in relation to the capacity of the facilities.

Development, Operation and Maintenance of Recreation Areas and Facilities (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$15,297	\$15,936	\$18,458	\$19,934	\$21,529	\$23,359	\$25,228
Annual Fixed Charges—Flood							
Lands . . . . .	7	9	9	9	9	10	10
Annual Fixed Charges—Project 70 . . . . .	242	225	275	275	275	280	280
McKeever Environmental Learning Center . . . . .	165	165	.....	.....	.....	.....	.....
Capital Improvements . . . . .	.....	168	.....	.....	.....	.....	.....
Presque Isle State Park — Storm Damage Repair . . . . .	.....	250	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$15,711</u>	<u>\$16,753</u>	<u>\$18,742</u>	<u>\$20,218</u>	<u>\$21,813</u>	<u>\$23,649</u>	<u>\$25,518</u>
<b>GAME FUND</b>							
Annual Fixed Charges—Project 70 . . . . .	<u>\$ 1</u>	<u>\$ 10</u>	$ 5	$ 5	$ 5	$ 5	<u>\$ 5</u>
<b>FISH FUND</b>							
Annual Fixed Charges—Project 70 . . . . .	.....	$ 2	$ 2	$ 2	$ 2	$ 2	<u>\$ 2</u>



# Fish Commission

The Fish Commission administers and enforces the fishing and boating laws of the Commonwealth and provides for the protection and propagation of aquatic life.

**FISH COMMISSION**  
**Summary by Fund and Appropriation**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
Atlantic States Marine Fisheries Commission . . . . .	\$ 1	\$ 3	\$ 3
GENERAL FUND TOTAL . . . . .	<u>\$ 1</u>	<u>\$ 3</u>	<u>\$ 3</u>
<b>Fish Fund</b>			
<b>General Government</b>			
General Operations . . . . .	\$ 8,200	\$ 8,085	\$ 8,878
<b>Total State Funds . . . . .</b>	<b>\$ 8,200</b>	<b>\$ 8,085</b>	<b>\$ 8,878</b>
Other Funds . . . . .	\$ 1,983	\$ 2,523	\$ 2,544
FISH FUND TOTAL . . . . .	<u>\$10,183</u>	<u>\$10,608</u>	<u>\$11,422</u>
<b>Boating Fund</b>			
<b>General Government</b>			
General Operations . . . . .	\$ 1,160	\$ 1,850	\$ 1,979
<b>Total State Funds . . . . .</b>	<b>\$ 1,160</b>	<b>\$ 1,850</b>	<b>\$ 1,979</b>
Federal Funds . . . . .	\$ 198	\$ 110	. . . . .
Other Funds . . . . .	. . . . .	5	\$ 2
BOATING FUND TOTAL . . . . .	<u>\$ 1,358</u>	<u>\$ 1,965</u>	<u>\$ 1,981</u>
<b>Department Total – All Funds</b>			
General Fund . . . . .	\$ 1	\$ 3	\$ 3
Special Funds . . . . .	9,360	9,935	10,857
Federal Funds . . . . .	198	110	. . . . .
Other Funds . . . . .	1,983	2,528	2,546
TOTAL ALL FUNDS . . . . .	<u>\$11,542</u>	<u>\$12,576</u>	<u>\$13,406</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Atlantic States Marine Fisheries Commission</b>			
State Funds .....	\$1	\$3	\$3

Provides for Pennsylvania's contribution to the Atlantic States Marine Fisheries Commission which develops a joint program for the better utilization of the Atlantic seaboard fisheries.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Atlantic States Marine Fisheries Commission .....	<u>\$1</u>	<u>\$3</u>	<u>\$3</u>

## Fish Fund

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Operations</b>			
State Funds .....	\$ 8,200	\$ 8,085	\$ 8,878
Other Funds .....	1,983	2,523	2,544
<b>TOTAL .....</b>	<u>\$10,183</u>	<u>\$10,608</u>	<u>\$11,422</u>

Undertakes a variety of propagation and research activities to assure abundant supplies of aquatic life. Supplements the native fish stock to assure an ample supply of fish species for all anglers through the operation of fish hatcheries and supervision of private nurseries. Develops and maintains water and related land areas to improve public fishing, boating and related recreational activities. Enforces the fish laws of the Commonwealth.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
General Operations .....	\$ 8,200	\$ 8,085	\$ 8,878
<b>Other Funds:</b>			
Sale of Vehicles .....	29	25	25
Aquatic Life Study .....	61	.....	.....
Reimbursement for Services —			
Boating Fund .....	1,358	1,965	1,981
Reimbursement for Services —			
Land and Water Development Fund .....	535	533	538
<b>TOTAL .....</b>	<u>\$10,183</u>	<u>\$10,608</u>	<u>\$11,422</u>

## Boating Fund

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>General Operations</b>			
State Funds .....	\$1,160	\$1,850	\$1,979
Federal Funds .....	198	110	.....
Other Funds .....	.....	5	2
<b>TOTAL .....</b>	<b><u>\$1,358</u></b>	<b><u>\$1,965</u></b>	<b><u>\$1,981</u></b>

Promotes watercraft safety, maintains and develops boating waterways and enforces the boating laws and regulations on the inland waters of the Commonwealth for safety in pleasure boating.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
General Operations .....	\$1,160	\$1,850	\$1,979
<b>Federal Funds:</b>			
United States Coast Guard for Safety .....	198	110	.....
<b>Other Funds:</b>			
Sale of Vehicles .....	.....	5	2
<b>TOTAL .....</b>	<b><u>\$1,358</u></b>	<b><u>\$1,965</u></b>	<b><u>\$1,981</u></b>

## FISH COMMISSION

### Summary of Agency Program By Category and Subcategory

#### General Fund and Special Funds

	(Dollar Amounts in Thousands)							
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81	
<b>General Administration and Support . . .</b>	\$ 2,056	\$ 1,772	\$ 2,003	\$ 2,040	\$ 2,068	\$ 2,226	\$ 2,381	
<b>Recreation . . . . .</b>	\$ 7,305	\$ 8,166	\$ 8,857	\$ 9,893	\$10,058	\$10,825	\$11,580	
Recreational Fishing and Boating . . .	7,305	8,166	8,857	9,893	10,058	10,825	11,580	
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$ 9,361</u>	<u>\$ 9,938</u>	<u>\$10,860</u>	<u>\$11,933</u>	<u>\$12,126</u>	<u>\$13,051</u>	<u>\$13,961</u>	

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 1	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3	\$ 3
Special Funds . . . . .	2,055	1,769	2,000	2,037	2,065	2,223	2,378
Other Funds . . . . .	160	367	425	335	352	370	389
<b>TOTAL . . . . .</b>	<u>\$2,216</u>	<u>\$2,139</u>	<u>\$2,428</u>	<u>\$2,375</u>	<u>\$2,420</u>	<u>\$2,596</u>	<u>\$2,770</u>

**Program Analysis:**

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary

concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services. This subcategory also provides for Pennsylvania's contribution to the Atlantic States Marine Fisheries Commission which develops a joint program for the better utilization of the Atlantic seaboard fisheries.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Atlantic States Marine Fisheries Commission . . . . .	<u>\$ 1</u>	<u>\$ 3</u>	$ 3	$ 3	$ 3	$ 3	$ 3
<b>FISH FUND</b>							
General Operations . . . . .	<u>\$1,904</u>	<u>\$1,413</u>	<u>\$1,590</u>	<u>\$1,702</u>	<u>\$1,713</u>	<u>\$1,853</u>	<u>\$1,989</u>
<b>BOATING FUND</b>							
General Operations . . . . .	<u>\$ 151</u>	<u>\$ 356</u>	<u>\$ 410</u>	<u>\$ 335</u>	<u>\$ 352</u>	<u>\$ 370</u>	<u>\$ 389</u>

**Recreational Fishing and Boating**

OBJECTIVE: To provide a satisfactory variety of opportunities for fishing and boating on Commonwealth waters.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	\$ 7,305	\$ 8,166	\$ 8,857	\$ 9,893	\$10,058	\$10,825	\$11,580
Federal Funds . . . . .	198	110	.....	.....	.....	.....	.....
Other Funds . . . . .	1,823	2,161	2,121	1,642	1,750	1,832	1,923
<b>TOTAL . . . . .</b>	<b>\$ 9,326</b>	<b>\$10,437</b>	<b>\$10,978</b>	<b>\$11,535</b>	<b>\$11,808</b>	<b>\$12,657</b>	<b>\$13,503</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Fishing licenses sold . . . . .	887,769	945,000	960,000	975,000	990,000	1,005,000	1,020,000
Pounds of fish stocked in Commonwealth streams and lakes . . . . .	1,607,160	1,690,000	1,750,000	1,825,000	1,900,000	1,900,000	1,900,000
Boats registered . . . . .	148,909	160,000	168,000	176,000	185,000	195,000	195,000
Accidents reported . . . . .	92	95	95	95	95	95	95
Convictions for violation of Fish and Boating Laws . . . . .	6,623	7,000	7,500	8,000	8,000	8,000	8,000

**Program Analysis:**

The ultimate impact provided by this program is the enjoyment and pleasure derived by anglers and boaters as a result of Commonwealth activities. Attesting to the presence of this impact is the fact that fishing license sales and boat registrations are continually increasing except for temporary setbacks caused by negative reactions to fee increases and outside conditions such as the energy crisis. These fluctuations, while an important consideration, cannot be allowed to conceal the fact that the true demand for outdoor water-related recreational opportunities is increasing steadily. The measures shown above have been revised from prior projections to reflect this demand as well as an increasing supply of areas suitable for fishing and boating made possible

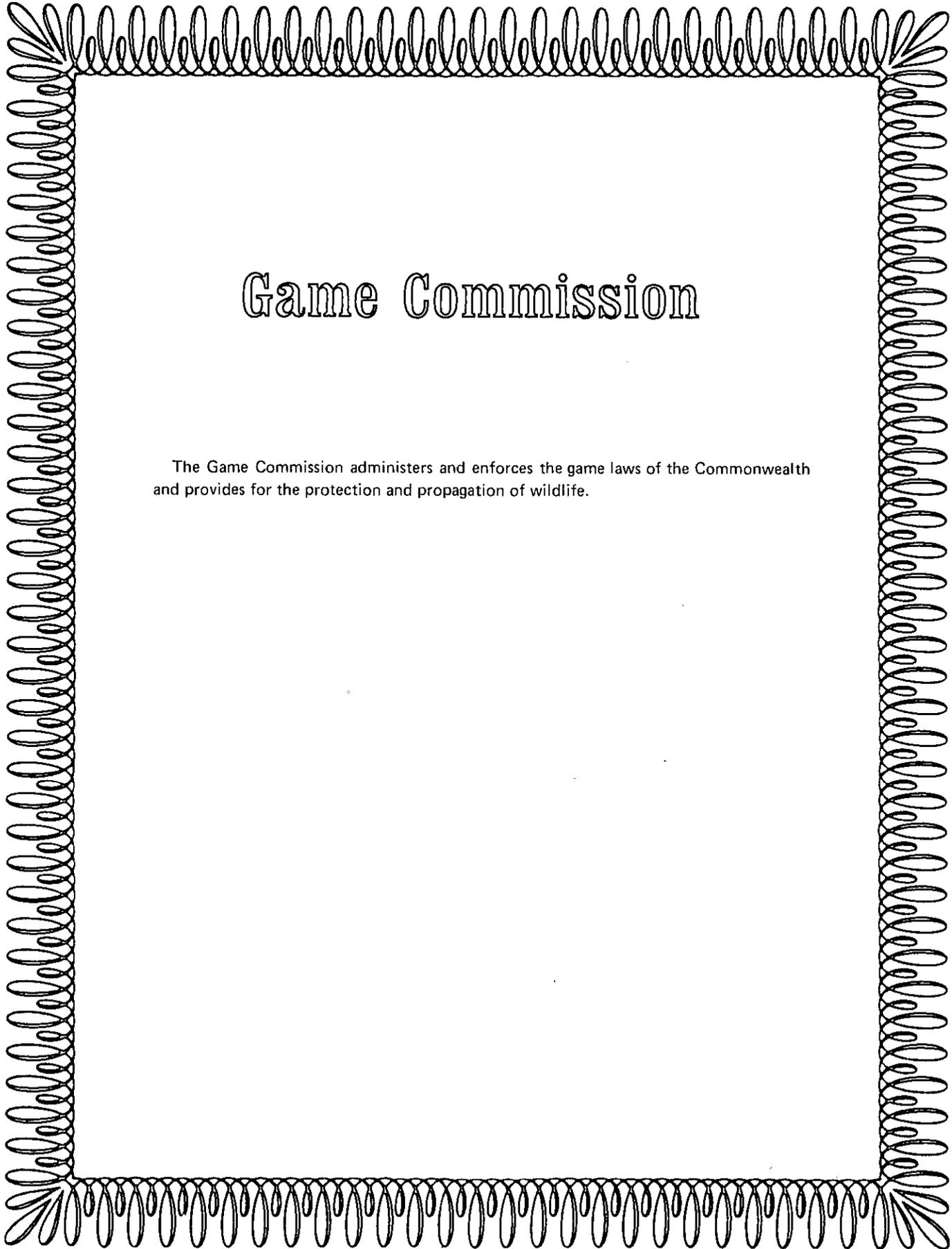
through continued facilities development and the on-going battle to overcome water pollution.

While satisfying greater demands for increased hatchery production, cleaner streams and more and better boating access and launching facilities has become an increasingly difficult task, the availability of the Project 70 Land Acquisition Fund, Project 500 Land and Water Development Fund and a portion of the Liquid Fuels Tax have made an expanded program possible while at the same time requiring maximum utility of revenue from license and registration fees.

The program measure for convictions has been revised drastically to reflect actual conditions compared to previous years which were estimated. A new method of internal reporting has made this possible.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>FISH FUND</b>							
General Operations . . . . .	\$ 6,296	\$ 6,672	\$ 7,288	\$ 8,280	\$ 8,337	\$ 9,022	\$ 9,686
<b>BOATING FUND</b>							
General Operations . . . . .	\$ 1,009	\$ 1,494	\$ 1,569	\$ 1,613	\$ 1,721	\$ 1,803	\$ 1,894



# 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)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Game Fund</b>			
<b>General Government</b>			
General Operations .....	\$15,821	\$18,067	\$19,587
<b>Total State Funds</b> .....	<u>\$15,821</u>	<u>\$18,067</u>	<u>\$19,587</u>
Federal Funds .....	.....	\$ 500	\$ 500
Other Funds .....	\$ 341	366	390
<b>GAME FUND TOTAL</b> .....	<u>\$16,162</u>	<u>\$18,933</u>	<u>\$20,477</u>

## Game Fund

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Operations</b>			
State Funds .....	\$15,821	\$18,067	\$19,587
Federal Funds .....	.....	500	500
Other Funds .....	341	366	390
<b>TOTAL</b> .....	<u>\$16,162</u>	<u>\$18,933</u>	<u>\$20,477</u>

Conducts a full range of propagation, research and land management activities to assure sustained wildlife populations. Encourages conservation through the proper use and care of wildlife resources. Conducts hunter safety training classes. Supplements the native wildlife stock to assure an ample supply of game species for all hunters through the operation of game farms. Enforces the game laws of the Commonwealth and regulates hunting on open lands.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorizations:</b>			
General Operations .....	\$15,821	\$18,067	\$19,587
<b>Federal Funds:</b>			
Bureau of Outdoor Recreation Reimbursements .....	.....	500	500
<b>Other Funds:</b>			
Reimbursement for Comptroller Services .....	217	255	260
Sale of Vehicles .....	124	111	130
<b>TOTAL</b> .....	<u>\$16,162</u>	<u>\$18,933</u>	<u>\$20,477</u>

**GAME COMMISSION**

**Summary of Agency Program By Category and Subcategory**

**General Fund and Special Funds**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . .</b>	\$ 1,901	\$ 2,434	\$ 2,290	\$ 2,552	\$ 2,751	\$ 2,997	\$ 3,219
<b>Recreation . . . . .</b>	\$13,920	\$15,633	\$17,297	\$18,719	\$20,177	\$21,983	\$23,609
Wildlife Management . . . . .	13,920	15,633	17,297	18,719	20,177	21,983	23,609
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$15,821</u>	<u>\$18,067</u>	<u>\$19,587</u>	<u>\$21,271</u>	<u>\$22,928</u>	<u>\$24,980</u>	<u>\$26,828</u>

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	\$1,901	\$2,434	\$2,290	\$2,552	\$2,751	\$2,997	\$3,219
Other Funds . . . . .	217	255	260	286	315	347	382
<b>TOTAL . . . . .</b>	<u>\$2,118</u>	<u>\$2,689</u>	<u>\$2,550</u>	<u>\$2,838</u>	<u>\$3,066</u>	<u>\$3,344</u>	<u>\$3,601</u>

**Program Analysis:**

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GAME FUND</b>							
General Operations . . . . .	<u>\$1,901</u>	<u>\$2,434</u>	<u>\$2,290</u>	<u>\$2,552</u>	<u>\$2,751</u>	<u>\$2,997</u>	<u>\$3,219</u>

**Wildlife Management**

OBJECTIVE: To establish a habitat for the production of a sustained yield of wildlife resources for their recreational use as well as the assurance of their perpetuation.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	\$13,920	\$15,633	\$17,297	\$18,719	\$20,177	\$21,983	\$23,609
Federal Funds . . . . .		500	500	500	500	500	500
Other Funds . . . . .	124	111	130	143	157	173	190
<b>TOTAL . . . . .</b>	<b>\$14,044</b>	<b>\$16,244</b>	<b>\$17,927</b>	<b>\$19,362</b>	<b>\$20,834</b>	<b>\$22,656</b>	<b>\$24,299</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Hunting licenses sold . . . . .	1,152,948	1,170,000	1,180,000	1,190,000	1,190,000	1,190,000	1,190,000
Deer population . . . . .	600,000	600,000	600,000	600,000	600,000	600,000	600,000
Deer taken . . . . .	125,652	115,000	115,000	115,000	115,000	115,000	115,000
Acres open to public hunting . . . . .	8,072,000	8,097,000	8,122,000	8,147,000	8,172,000	8,197,000	8,222,000
Arrests for violation of game laws . . . . .	9,025	9,000	9,150	9,250	9,250	9,250	9,250
Wildlife released to supplement native population:							
Pheasant . . . . .	213,713	225,000	225,000	225,000	225,000	225,000	225,000
Wild Turkey . . . . .	6,964	6,500	6,500	6,500	6,500	6,500	6,500
Duck . . . . .	14,441	10,000	10,000	10,000	10,000	10,000	10,000

**Program Analysis:**

Aside from the perpetuation of wildlife species, the main impact of this subcategory is the enjoyment and satisfaction being experienced by hunters and trappers. Analysis of these effects is not possible at this time, however, a secondary measurement of the extent to which the program is achieving one part of its objective is the fact that a continuing supply of wildlife is available to sufficiently support an increasing recreational demand.

During 1974-75 the number of hunting licenses sold declined slightly from 1973-74 while the number of deer taken per license sold rose from .107 to .109 reconfirming the sufficiency of the deer population which is currently estimated at 600,000.

The decrease in license sales is seen as a return to more

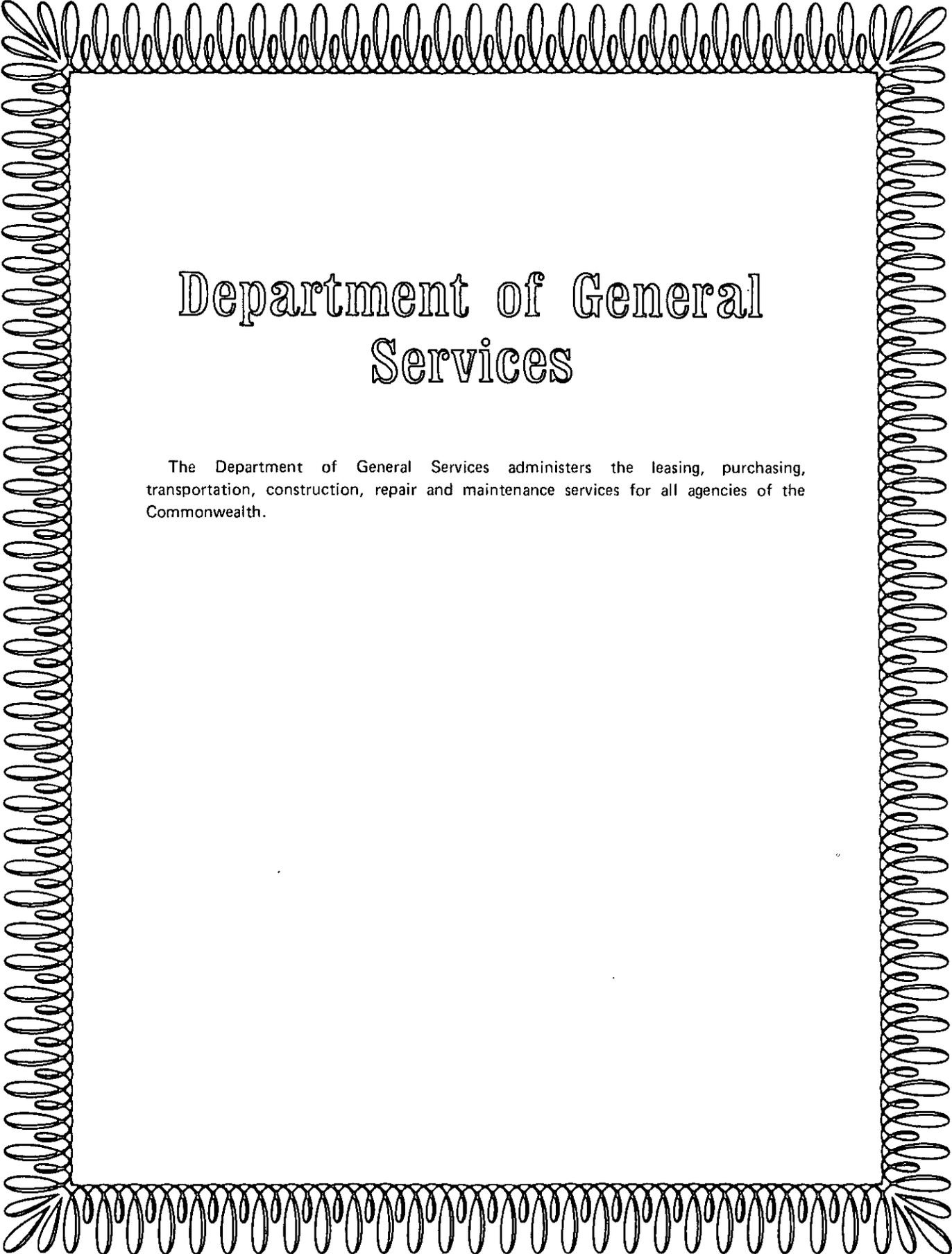
normal levels after a year of significant increase apparently caused by reaction to skyrocketing meat prices.

An important by-product of this program is land resource management. Not only does this provide open space areas excellent for non-hunting outdoor recreation, but it also provides economic and aesthetic benefits resulting from the wise use of such resources. In addition to the approximately 1,150,000 acres owned and managed by the Commission, additional land is made available for hunting through cooperative programs with private landowners. This also encourages private landowners to practice good land management. The total amount of land available to hunters, however, is projected to increase only slightly in future years despite these efforts due to changes in trespassing laws and landowner opposition to other activities such as snowmobiling.

Wildlife Management (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GAME FUND							
General Operations . . . . .	<u>\$13,920</u>	<u>\$15,633</u>	<u>\$17,297</u>	<u>\$18,719</u>	<u>\$20,177</u>	<u>\$21,983</u>	<u>\$23,609</u>



# Department of General Services

The Department of General Services administers the leasing, purchasing, transportation, construction, repair and maintenance services for all agencies of the Commonwealth.

DEPARTMENT OF GENERAL SERVICES

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 23,556	\$ 25,455	\$ 30,377
Printing and Distribution of the Pennsylvania Manual . . . . .	140	. . . .	145
Louis I. Kahn Papers . . . . .	. . . .	450	. . . .
Sub-Total . . . . .	<u>\$ 23,696</u>	<u>\$ 25,905</u>	<u>\$ 30,522</u>
<b>Debt Service Requirements</b>			
General State Authority Rentals . . . . .	\$ 55,676	\$ 56,000	\$ 54,500
<b>Total State Funds</b> . . . . .	<u>\$ 79,372</u>	<u>\$ 81,905</u>	<u>\$ 85,022</u>
Other Funds . . . . .	\$ 7,073	\$ 17,699	\$ 22,831
<b>GENERAL FUND TOTAL</b> . . . . .	<u>\$ 86,445</u>	<u>\$ 99,604</u>	<u>\$107,853</u>
<b>Motor License Fund</b>			
<b>Debt Service Requirements</b>			
General State Authority Rentals . . . . .	\$ 1,510	\$ 1,543	\$ 1,543
<b>MOTOR LICENSE FUND TOTAL</b> . . . . .	<u>\$ 1,510</u>	<u>\$ 1,543</u>	<u>\$ 1,543</u>
<b>Fish Fund</b>			
<b>Debt Service Requirements</b>			
General State Authority Rentals . . . . .	\$ 70	\$ 75	\$ 75
<b>FISH FUND TOTAL</b> . . . . .	<u>\$ 70</u>	<u>\$ 75</u>	<u>\$ 75</u>
<b>Boating Fund</b>			
<b>Debt Service Requirements</b>			
General State Authority Rentals . . . . .	\$ 2	\$ 2	\$ 2
<b>BOATING FUND TOTAL</b> . . . . .	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>
<b>Department Total – All Funds</b>			
General Fund . . . . .	\$ 79,372	\$ 81,905	\$ 85,022
Special Funds . . . . .	1,582	1,620	1,620
Other Funds . . . . .	7,073	17,699	22,831
<b>TOTAL ALL FUNDS</b> . . . . .	<u>\$ 88,027</u>	<u>\$101,224</u>	<u>\$109,473</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Government Operations</b>			
State Funds .....	\$23,556	\$25,455	\$30,377
Other Funds .....	5,170	15,490	19,431
<b>TOTAL .....</b>	<u>\$28,726</u>	<u>\$40,945</u>	<u>\$49,808</u>

Provides for direction and coordination of the department's programs which include acting as purchasing agent for all agencies, maintaining a system for the distribution of Federal and State surplus property as well as federally donated commodities, providing for the insurance and leased space requirements of agencies, maintaining the Commonwealth automotive fleet, providing engineering and architectural services and furnishing the necessary maintenance, janitorial, and custodial services for Commonwealth owned buildings in Harrisburg, Pittsburgh, and Philadelphia.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations .....	\$23,556	\$25,455	\$30,377
<b>Other Funds:</b>			
Fees for Comptroller Services .....	1,049	1,150	1,233
Sales and Rental of Automotive Equipment .....	3,596	4,055	5,068
Commissions Earned—Employee Group Life			
Insurance Administration .....	15	50	50
Warehouse Rental .....	100	100	100
Receipt of Service Charge—Federal			
Surplus Property .....	398	400	400
Reimbursement for Reproduction Services .....	.....	583	1,229
General Obligation Bonds .....	.....	9,152*	11,351
Reimbursement for Services to Other			
Agencies .....	12	.....	.....
<b>TOTAL .....</b>	<u>\$28,726</u>	<u>\$40,945</u>	<u>\$49,808</u>

\* Due to the merger of Property and Supplies and the General State Authority in October, 1975, this amount represents only nine months of funding.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Printing and Distribution of the Pennsylvania Manual</b>			
State Funds .....	\$ 140	.....	\$ 145

Provides for the bi-annual printing and distribution of the Pennsylvania Manual.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Printing and Distribution of the Pennsylvania Manual .....	<u>\$ 140</u>	.....	<u>\$ 145</u>

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Louis I. Kahn Papers</b>			
State Funds .....	.....	\$ 450	.....

Provides for the purchase on behalf of the Historical and Museum Commission, of the collected papers of Louis I. Kahn, a noted architect. This purchase assures that the legacy of Mr. Kahn's drawings, notebooks, and models will be available to future scholars.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Louis I. Kahn Papers .....	.....	<u>\$ 450</u>	.....

Debt Service Requirements

	1974-75	(Dollar Amounts in Thousands) 1975-76	1976-77
	Actual	Available	Budget
<b>General State Authority Rentals</b>			
State Funds .....	\$55,676	\$56,000	\$54,500
Other Funds .....	1,903	2,209	3,400
<b>TOTAL .....</b>	<u>\$57,579</u>	<u>\$58,209</u>	<u>\$57,900</u>

Makes rental payments to the General State Authority for the use of grounds, buildings and equipment financed and constructed by the Authority other than for State-aided colleges and universities which are paid by the Department of Education. This amount also provides for fire and boiler insurance premiums.

The rental payments are for the retirement of bonds issued by the Authority. Since 1968, capital construction has been financed by General Obligation Bonds and the debt service is paid through the Treasury Department.

	1974-75	(Dollar Amounts in Thousands) 1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General State Authority Rentals .....	\$55,676	\$56,000	\$54,500
<b>Other Funds:</b>			
Fees from Dormitory Rentals .....	1,903	1,459	1,500
Fees from Student Union Rentals .....	.....	750	1,900
<b>TOTAL .....</b>	<u>\$57,579</u>	<u>\$58,209</u>	<u>\$57,900</u>

Debt Service Requirements

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General State Authority Rentals</b>			
State Funds .....	\$ 1,510	\$ 1,543	\$1,543

Makes rental payments to the General State Authority for the use of grounds, buildings, and equipment that were acquired, financed and constructed by the Authority for the Department of Transportation and the State Police. The Commonwealth secures title to the buildings and the property after the total cost of each has been matched by rental payments.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General State Authority Rentals .....	<u>\$ 1,510</u>	<u>\$ 1,543</u>	<u>\$1,543</u>

**Fish Fund**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>General State Authority Rentals</b>			
State Funds .....	\$70	\$75	\$75

Provides for rental payments to the General State Authority for the use of grounds, buildings, and equipment which were acquired, financed, and constructed by the Authority.

The Commonwealth secures title to the buildings and property after the total cost of each has been matched by rental payments.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General State Authority Rentals .....	<u>\$70</u>	<u>\$75</u>	<u>\$75</u>

**Boating Fund**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>General State Authority Rentals</b>			
State Funds .....	\$ 2	\$ 2	\$ 2

Provides for rental payments to the General State Authority for the use of grounds, buildings, and equipment which were acquired, financed, and constructed by the Authority.

The Commonwealth secures title to the buildings and property after the total cost of each has been matched by rental payments.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General State Authority Rentals .....	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>

**DEPARTMENT OF GENERAL SERVICES**

**Summary of Agency Program by Category and Subcategory**

**General Fund and Special Funds**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . .</b>	\$ 4,248	\$ 4,932	\$ 6,328	\$ 6,766	\$ 7,642	\$ 8,293	\$ 9,357
<b>Commodity Management . . . . .</b>	\$ 3,688	\$ 4,162	\$ 4,829	\$ 5,311	\$ 5,842	\$ 6,426	\$ 7,068
Procurement and Distribution of Commodities . . . . .	2,882	3,253	3,887	4,275	4,702	5,172	5,689
Disposition and Utilization of Surplus and Donated Commodities . . . . .	806	909	942	1,036	1,140	1,254	1,379
<b>Physical Facilities Management . . . . .</b>	\$15,760	\$16,811	\$19,365	\$21,319	\$23,451	\$25,795	\$ 28,374
Management and Operation of Facilities . . . . .	15,760	16,811	19,365	21,319	23,451	25,795	28,374
<b>Financing Commonwealth Obligations . .</b>	\$57,258	\$57,620	\$56,120	\$57,020	\$57,020	\$57,020	\$ 57,020
Payment to General State Authority Rentals . . . . .	57,258	57,620	56,120	57,020	57,020	57,020	57,020
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$80,954</u>	<u>\$83,525</u>	<u>\$86,642</u>	<u>\$90,416</u>	<u>\$93,955</u>	<u>\$97,534</u>	<u>\$101,819</u>

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$4,248	\$4,932	\$6,328	\$6,766	\$ 7,642	\$ 8,293	\$ 9,357
Other Funds .....	1,064	2,883	2,512	2,665	2,857	3,056	3,260
<b>TOTAL .....</b>	<b>\$5,312</b>	<b>\$7,815</b>	<b>\$8,840</b>	<b>\$9,431</b>	<b>\$10,499</b>	<b>\$11,349</b>	<b>\$12,617</b>

**Program Analysis:**

General Administration and Support provides for the administrative and overhead systems which support the operations of various specific programs but which because of their generalized nature cannot be reasonably charged to any one substantive program. Such services include overall

executive direction, manpower management, fiscal accounting and management information processing.

This program also provides support for the printing and distribution of the Pennsylvania Manual which is issued bi-annually.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations .....	\$4,108	\$4,482	\$6,183	\$6,766	\$7,487	\$8,293	\$9,192
Printing and Distribution of the Pennsylvania Manual .....	140	.....	145	.....	155	.....	165
Louis I. Kahn Papers .....	.....	450	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL .....</b>	<b>\$4,248</b>	<b>\$4,932</b>	<b>\$6,328</b>	<b>\$6,766</b>	<b>\$7,642</b>	<b>\$8,293</b>	<b>\$9,357</b>

**Procurement and Distribution of Commodities**

OBJECTIVE: To provide the Commonwealth agencies with commodities within a reasonable time and which conform to accepted standards of quality.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$2,882	\$3,253	\$3,887	\$4,275	\$ 4,702	\$ 5,172	\$ 5,689
Other Funds .....	3,596	4,055	5,068	5,394	5,718	6,061	6,426
<b>TOTAL .....</b>	<u>\$6,478</u>	<u>\$7,308</u>	<u>\$8,955</u>	<u>\$9,669</u>	<u>\$10,420</u>	<u>\$11,233</u>	<u>\$12,115</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Value of purchases made (in thousands) . .	\$158,500	\$159,250	\$160,000	\$160,750	\$161,500	\$162,250	\$163,000
Tests and inspections made on commodities .....	16,140	16,463	16,792	17,128	17,470	17,819	18,175
Commodities rejected .....	150	150	150	150	150	150	150
Specifications established, reviewed or amended .....	195	205	220	230	240	255	265

**Program Analysis:**

This program deals with the procurement of commodities for the various Commonwealth agencies. The main activities are establishing and updating standards and specifications for materials and products purchased by the Commonwealth, actually purchasing the products, and testing the products to insure compliance with established standards. The number of tests and inspections shows a decrease from previous years due to a revised record keeping system which is more accurate.

Through high standards and exacting tests it is felt that the Commonwealth obtains a superior product with a reasonable expectation of receiving full performance. This program also provides for inspecting the manufacturing facilities and equipment of unknown or marginal vendors. In this way, unqualified vendors are eliminated and therefore the risk of receiving an inferior product is greatly reduced.

The final facet of this program concerns its purchasing agent function. It provides the conduit through which the

Commonwealth enters into contracts for the vast spectrum of goods and materials requested by the agencies. Among the various activities supporting this function are receiving purchase requisitions, preparing requisitions for bidding, maintaining vendor security, awarding bids and writing purchase orders. This purchasing function is also responsible for implementing Act 31 of 1971 which permits any political subdivision or any authority created by a political subdivision to participate in Commonwealth contracts for the purchases of goods or materials. In this way, units of government much smaller than the Commonwealth are able to benefit from the price discount available to the Commonwealth by virtue of large, bulk purchases. Currently 65 percent of the Commonwealth's political subdivisions are utilizing the provisions of this Act and while exact savings would be hard to quantify, this practice undoubtedly produces a saving of tax dollars at the local level.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	<u>\$2,882</u>	<u>\$3,253</u>	<u>\$3,887</u>	<u>\$4,275</u>	<u>\$4,702</u>	<u>\$5,172</u>	<u>\$5,689</u>

## Disposition and Utilization of Surplus and Donated Commodities

OBJECTIVE: To derive maximum utilization of all surplus and donated commodities.

## Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 806	\$ 909	\$ 942	\$1,036	\$1,140	\$1,254	\$1,379
Other Funds . . . . .	398	400	400	410	420	430	440
TOTAL . . . . .	<u>\$1,204</u>	<u>\$1,309</u>	<u>\$1,342</u>	<u>\$1,446</u>	<u>\$1,560</u>	<u>\$1,684</u>	<u>\$1,819</u>

## Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Dollar value of Federal surplus property on hand (in thousands) . . . . .	\$10,250	\$10,450	\$10,750	\$11,000	\$11,250	\$11,500	\$11,750
Dollar value of Federal donated food made available (in thousands) . . . . .	\$15,250	\$15,750	\$16,750	\$17,000	\$17,250	\$17,750	\$18,250
Persons receiving donated food . . . . .	1,600,000	1,625,000	1,650,000	1,675,000	1,700,000	1,725,000	1,750,000
Interagency transfers of State surplus property . . . . .	520	520	530	530	540	540	550

## Program Analysis:

This program is concerned with the administration of the Commonwealth's activities pertaining to the utilization of all surplus property and donated commodities. The operations of this program are concentrated in three areas which are Federal surplus property, Federally donated commodities and surplus property belonging to the Commonwealth.

Functioning as an intermediary between the Federal Government and eligible tax supported or nonprofit tax exempt health, education and civil defense organizations, this program obtains surplus Federal property from various military installations at no cost other than for screening and transportation. The property is then sold to eligible organizations for a nominal service charge. Examples of eligible organizations would be medical institutions, hospitals, clinics, schools and school systems, colleges and universities, noncommercial educational radio and television stations, and civil defense organizations established pursuant to State law.

The utilization of Federal surplus property by these eligible organizations saves a significant amount of tax dollars at the local level by providing needed products at a fraction of their cost in the open market.

A further area of activity for this program is administering the distribution of Federally donated food to various school lunch programs, nonprofit summer camps, and many Head Start and Community Action Programs throughout the Commonwealth. Pursuant to Federal requirements, Commonwealth involvement is limited to inspecting recipient institutions to insure adherence to all Federal and Commonwealth regulations regarding proper food storage and utilization.

The third major involvement of this program concerns the disposition of surplus Commonwealth property. In 1975-76 the total value of the Commonwealth's surplus property is estimated to be \$1,060,000 with \$185,000 representing the amount that will be transferred between agencies, \$525,000 the value of the surplus property sold, and \$350,000 the value of the property used as trade-ins. By administering a system of either transferring the Commonwealth's surplus property to a requesting agency or disposing of it through sales to the general public or as trade-ins on new goods, this program assures the maximum utilization of the Commonwealth's property.

Disposition and Utilization of Surplus and Donated Commodities (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . .	<u>\$806</u>	<u>\$909</u>	<u>\$942</u>	<u>\$1,036</u>	<u>\$1,140</u>	<u>\$1,254</u>	<u>\$1,379</u>

**Management and Operation of Facilities**

OBJECTIVE: To provide and maintain the Commonwealth's real property and facilities in order that Commonwealth operations may be conducted in the most efficient and economical manner possible.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$15,760	\$16,811	\$19,365	\$21,319	\$23,451	\$25,795	\$28,374
Other Funds .....	112	8,152	11,451	11,486	12,624	13,877	15,254
<b>TOTAL</b> .....	<u>\$15,872</u>	<u>\$24,963</u>	<u>\$30,816</u>	<u>\$32,805</u>	<u>\$36,075</u>	<u>\$39,672</u>	<u>\$43,628</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Work orders received .....	9,500	9,600	9,700	9,800	9,900	10,000	10,100
Lease agreements executed .....	510	520	530	540	550	560	570
Requests for space allocation .....	135	150	165	180	195	210	225
Requests for design, survey and/or inspection work .....	475	510	550	590	650	700	750

**Program Analysis:**

The activities of this program include three main areas of operation which are management of construction projects, providing janitorial and custodial services, and acquisition and effective utilization of space and facilities.

With the merger of the General State Authority and the Department of Property and Supplies into the new Department of General Services, this program became responsible for preparing plans, designs and specifications of all Commonwealth construction except highway projects and projects costing less than \$25,000. Each project is also closely inspected during construction to insure compliance with all State laws and building codes. The large increase in augmentations represents bond funds that the General State Authority utilized for administrative costs. Since the merger did not take place until October 1975, the 1975-76 amount represents nine months of expenditures while the 1976-77 amount provides for a full year's support. Even though the program is authorized to continue using bond revenues for administrative costs, it is the intent of this program to gradually phase out bond revenues except to support actual construction costs and other direct project costs.

This program also provides for the required maintenance,

janitorial, and custodial services for Commonwealth owned land and buildings in Harrisburg and for the Philadelphia and Pittsburgh State Office Buildings. Some of the services provided are plumbing and electrical repairs, air conditioning and heating maintenance, upholstering and furniture repair, carpentry work, and general housekeeping and cleaning services. Work is performed both on a routine basis and as the result of a work order from a using department.

The third area of operation for this program concerns the economical acquisition and efficient utilization of space and facilities. This entails contracting for the rent of office space for Commonwealth activities that cannot adequately be housed in Commonwealth owned buildings as well as surveying the space requirements and determining space allocation for all Commonwealth agencies both in Commonwealth owned and leased buildings.

As the descriptions of the various measures indicate, the level of operation for this program is dependent upon the requests of the various Commonwealth agencies for a particular service.

Management and Operation of Facilities (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						1980-81
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	
GENERAL FUND							
General Government Operations . . . . .	<u>\$15,760</u>	<u>\$16,811</u>	<u>\$19,365</u>	<u>\$21,319</u>	<u>\$23,451</u>	<u>\$25,795</u>	<u>\$28,374</u>

**Payment of General State Authority Rentals**

OBJECTIVE: To make rental payments to the General State Authority for projects financed and constructed by the Authority.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$55,676	\$56,000	\$54,500	\$55,400	\$55,400	\$55,400	\$55,400
Special Funds .....	1,582	1,620	1,620	1,620	1,620	1,620	1,620
Other Funds .....	1,903	2,209	3,400	2,500	2,500	2,500	2,500
<b>TOTAL .....</b>	<b>\$59,161</b>	<b>\$59,829</b>	<b>\$59,520</b>	<b>\$59,520</b>	<b>\$59,520</b>	<b>\$59,520</b>	<b>\$59,520</b>

**Program Analysis:**

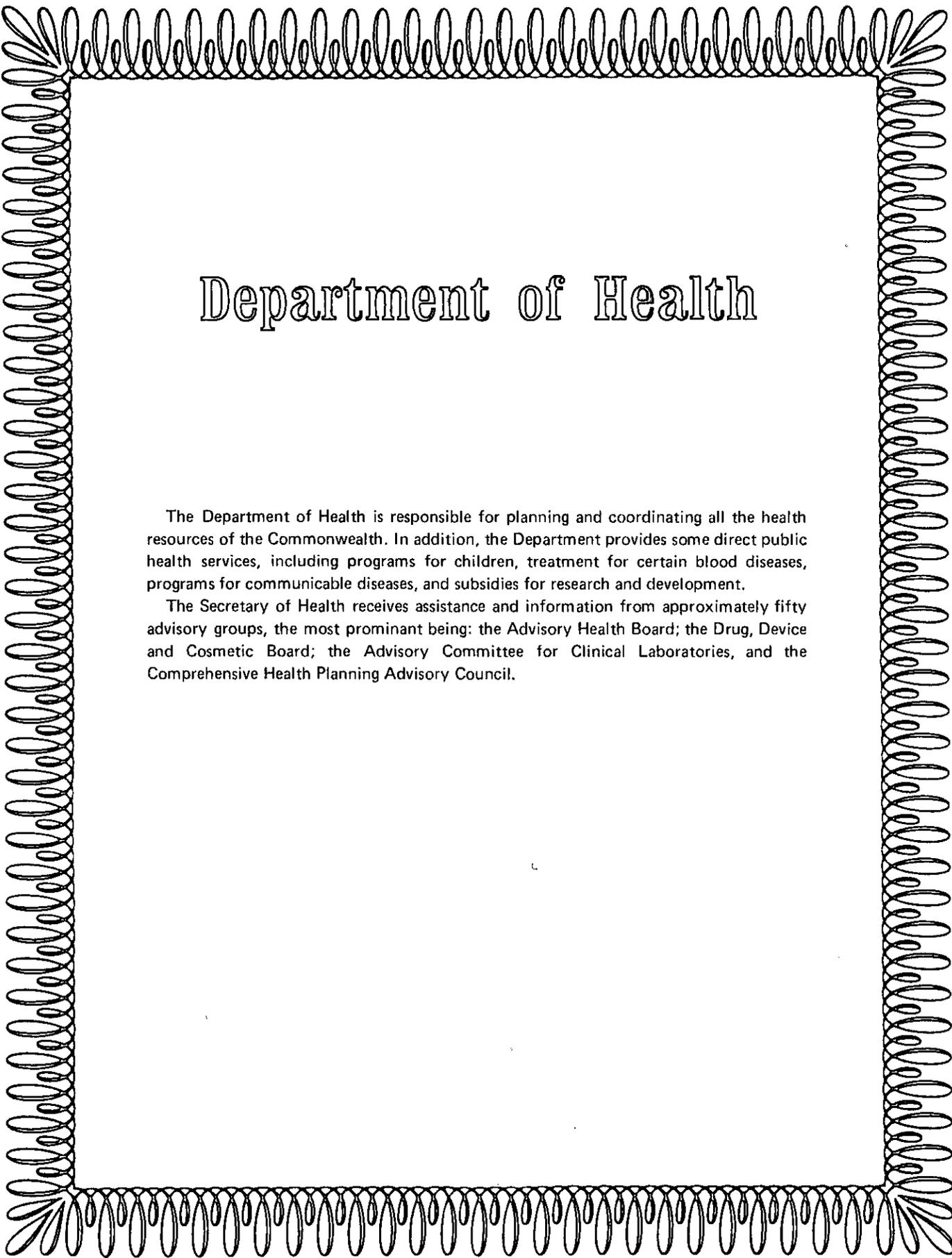
The Department of General Services makes payments to the General State Authority for rent and other charges that are due on leases or other contractual agreements between the Department and the General State Authority. Payments are for the use of grounds, buildings and equipment financed and constructed by the Authority with the exception of projects for State-aided colleges and universities which are paid for by

the Department of Education. This amount also provides for fire and boiler insurance premiums.

The rental payments are for the retirement of bonds issued by the Authority. Since 1968, capital construction has been financed by General Obligation Bonds and the debt service is paid through the Treasury Department.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General State Authority Rentals .....	\$55,676	\$56,000	\$54,500	\$55,400	\$55,400	\$55,400	\$55,400
<b>MOTOR LICENSE FUND</b>							
General State Authority Rentals .....	\$ 1,510	\$ 1,543	\$ 1,543	\$ 1,543	\$ 1,543	\$ 1,543	\$ 1,543
<b>FISH FUND</b>							
General State Authority Rentals .....	\$ 70	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75	\$ 75
<b>BOATING FUND</b>							
General State Authority Rentals .....	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2



# Department of Health

The Department of Health is responsible for planning and coordinating all the health resources of the Commonwealth. In addition, the Department provides some direct public health services, including programs for children, treatment for certain blood diseases, programs for communicable diseases, and subsidies for research and development.

The Secretary of Health receives assistance and information from approximately fifty advisory groups, the most prominent being: the Advisory Health Board; the Drug, Device and Cosmetic Board; the Advisory Committee for Clinical Laboratories, and the Comprehensive Health Planning Advisory Council.

**PROGRAM REVISIONS**

**Budgeted Amounts Include the Following Program Revisions:**

Appropriation	Title	1976-77 Details on Page 387	1976-77 State Funds (in thousands)
Cancer Research	Cancer Research . . . . .		\$500

This Program Revision will provide seed money to develop a comprehensive Pennsylvania Cancer Program to include but not be limited to research, training of health professionals, community education and expanding and improving the existing tumor registry.

DEPARTMENT TOTAL	\$500
------------------	-------

**DEPARTMENT OF HEALTH**  
**Summary by Fund and Appropriation**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$27,887	\$29,007	\$31,792
Emergency Health Services . . . . .	. . . . .	1,200	. . . . .
Maternal and Child Health . . . . .	. . . . .	550	. . . . .
Cancer Research . . . . .	. . . . .	. . . . .	500
Emergency Flood Relief — 1975 . . . . .	. . . . .	200	. . . . .
Hemophilia Treatment . . . . .	1,534	. . . . .	1,190
Sickle Cell Anemia . . . . .	532	. . . . .	543
Cooley's Anemia . . . . .	. . . . .	120	. . . . .
Renal Disease . . . . .	. . . . .	. . . . .	2,662
Vital Statistics Modernization . . . . .	45	. . . . .	. . . . .
Sub-Total . . . . .	<u>\$29,998</u>	<u>\$31,077</u>	<u>\$36,687</u>
<b>Institutional</b>			
Health Rehabilitation Services . . . . .	<u>\$ 6,574</u>	<u>\$ 4,267</u>	<u>\$ 4,767</u>
<b>Grants and Subsidies</b>			
School Health Examinations . . . . .	\$14,091	\$12,570	\$11,960
Local Health Departments . . . . .	6,895	6,812	7,146
Local Health Departments — Environmental . . . . .	. . . . .	1,700	. . . . .
The Institute for Cancer Research . . . . .	418	418	418
The Wistar Institute—Research . . . . .	200	200	200
Lankenau Hospital—Research . . . . .	75	75	75
Cardio-Vascular Studies—Philadelphia			
General Hospital . . . . .	60	60	60
Cardio-Vascular Studies—St. Francis Hospital,			
Pittsburgh . . . . .	60	60	60
Neurological Diseases—Inglis House,			
Philadelphia . . . . .	25	30	25
Cerebral Palsy—St. Christopher's Hospital,			
Philadelphia . . . . .	75	75	75
Cerebral Dysfunction—Children's Hospital,			
Pittsburgh . . . . .	25	25	25
Cleft Palate Clinic—Lancaster . . . . .	30	30	30
Cleft Palate Clinic—Pittsburgh . . . . .	30	30	30
Sub-Total . . . . .	<u>\$21,984</u>	<u>\$22,085</u>	<u>\$20,104</u>
<b>Total State Funds</b> . . . . .	<u>\$58,556</u>	<u>\$57,429</u>	<u>\$61,558</u>
Federal Funds . . . . .	\$22,177	\$23,707	\$28,418
Other Funds . . . . .	610	573	622
<b>GENERAL FUND TOTAL</b> . . . . .	<u>\$81,343</u>	<u>\$81,709</u>	<u>\$90,598</u>
<b>Revenue Sharing Trust Fund</b>			
<b>Grants and Subsidies</b>			
Local Health Departments—Environmental . . . . .	. . . . .	. . . . .	\$ 3,600
<b>REVENUE SHARING TRUST FUND</b>			
<b>TOTAL</b> . . . . .	. . . . .	. . . . .	<u>\$ 3,600</u>
<b>Department Total — All Funds</b>			
General Fund . . . . .	\$58,556	\$57,429	\$61,558
Special Funds . . . . .	. . . . .	. . . . .	3,600
Federal Funds . . . . .	22,177	23,707	28,418
Other Funds . . . . .	610	573	622
<b>TOTAL ALL FUNDS</b> . . . . .	<u>\$81,343</u>	<u>\$81,709</u>	<u>\$94,198</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Government Operations</b>			
State Funds . . . . .	\$27,887	\$30,957	\$32,292
Federal Funds . . . . .	21,743	23,480	28,368
Other Funds . . . . .	537	339	387
<b>TOTAL . . . . .</b>	<b>\$50,167</b>	<b>\$54,776</b>	<b>\$61,047</b>

Provides for the administrative and overhead systems for the health services delivery system through the collection and dissemination of health statistics, the operation of laboratories, program evaluation, inspection and regulation of health facilities, inspection and regulation of drug manufacturers and distributors, and comprehensive health planning.

Provides for direct health services, which include: venereal disease prevention activities, emergency health services, well baby clinics, nutrition counseling, immunizations, employee health services, dental health services, migrant health programs, and home health services. Maintains four regional health offices, eight district health offices and approximately 60 State health centers. An additional 20 branch offices are located throughout the 67 counties. Collects, compiles and preserves all statistics of marriage, divorce, birth and deaths occurring in the State. Burial and removal permits are also issued.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations . . . . .	\$27,887	\$29,007	\$31,792
Emergency Health Services . . . . .	. . . . .	1,200	. . . . .
Maternal and Child Health . . . . .	. . . . .	550	. . . . .
Cancer Research . . . . .	. . . . .	. . . . .	500
Emergency Flood Relief—1975 . . . . .	. . . . .	200	. . . . .
<b>Federal Funds:</b>			
Comprehensive Health Plan . . . . .	724	261	444
Comprehensive Public Health Services			
Formula Grants . . . . .	3,480	3,480	3,480
Maternal and Child Health Services . . . . .	8,471	8,465	8,465
Maternal and Child Health Research . . . . .	124	118	119
Cripple Children's Services . . . . .	3,467	3,635	3,425
Participation for Capital Expenditure . . . . .	448	448	487
Facilities Construction . . . . .	. . . . .	100	100
Migrant Health Grants . . . . .	256	321	262
Special Supplemental Food Program			
for Women, Infants and Children . . . . .	2,000	1,007	5,000
Developmental Disabilities Basic Support . . . . .	628	366	644
Disease Control Project Grants . . . . .	639	621	621
Appalachian Health Demonstrations . . . . .	631	530	597
Health Information Systems (Facilities) . . . . .	11	118	129
Health Information Systems (Manpower) . . . . .	28	85	94
Childhood Lead Base Paint Poisoning . . . . .	44	55	. . . . .
Medicare Certification . . . . .	792	1,508	2,139
Medicare Certification . . . . .	. . . . .	2,362	2,362
<b>Other Funds:</b>			
Reimbursement for Services Rendered . . . . .	260	150	187
Home Nursing Care . . . . .	277	189	200
<b>TOTAL . . . . .</b>	<b>\$50,167</b>	<b>\$54,776</b>	<b>\$61,047</b>

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Catastrophic Blood Diseases</b>			
State Funds . . . . .	\$ 2,066	\$ 120	\$ 4,395

Provides for detection, diagnostic, outpatient and inpatient services to those persons with hemophilia, sickle cell anemia, cooley's anemia and renal disease in order to restore them to the highest possible level of health, and to reduce the need for extensive medical care. In 1975-76, funds for these programs are included in the General Government Operations appropriation.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Hemophilia Treatment . . . . .	\$ 1,534	. . . . .	\$ 1,190
Sickle Cell Anemia . . . . .	532	. . . . .	543
Cooley's Anemia . . . . .	. . . . .	\$ 120	. . . . .
Renal Disease . . . . .	. . . . .	. . . . .	2,662
<b>TOTAL . . . . .</b>	<b><u>\$ 2,066</u></b>	<b><u>\$ 120</u></b>	<b><u>\$ 4,395</u></b>

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Vital Statistics Modernization</b>			
State Funds . . . . .	\$ 45	. . . . .	. . . . .

Provides for the development of a modernized system for storing, retrieving and issuing copies of vital statistics information.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Vital Statistics Modernization . . . . .	<u>\$ 45</u>	. . . . .	. . . . .

Institutional

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Health Rehabilitation Services</b>			
State Funds . . . . .	\$ 6,574	\$ 4,267	\$ 4,767
Federal Funds . . . . .	434	227	50
Other Funds . . . . .	73	234	235
<b>TOTAL . . . . .</b>	<u>\$ 7,081</u>	<u>\$ 4,728</u>	<u>\$ 5,052</u>

The C. Howard Marcy Hospital in Pittsburgh ceased providing inpatient services to the State's tuberculosis patients in that area on January 1, 1975. It is now being used by the Department of Public Welfare as a facility for the mentally retarded.

All inpatient tuberculosis services were ceased at Landis State Hospital, Philadelphia, during the 1973-74 fiscal year. However, funds were budgeted in 1974-75 to provide maintenance and security personnel for the State Laboratories which are located at the Landis facility.

The only State owned institution currently operated by the Department of Health is the Crippled Children's Hospital in Elizabethtown. The hospital offers a comprehensive program for the diagnosis, treatment, rehabilitation and restoration of physically disabled children throughout the Commonwealth.

Institution	Patient Capacity	Population October 1974	Population October 1975	Projected Population October 1976	Projected Percent of Capacity
Henry R. Landis State Hospital . . . . .	380	. . . .	. . . .	. . . .	. . . .
C. Howard Marcy State Hospital . . . . .	329	. . . .	. . . .	. . . .	. . . .
Crippled Children's Hospital . . . . .	133	86	68	70	53%
<b>TOTAL . . . . .</b>	<u>842</u>	<u>86</u>	<u>68</u>	<u>70</u>	<u>53%</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Total proposed expenditures by institution:</b>			
<b>Henry R. Landis State Hospital</b>			
State Funds . . . . .	\$ 1,405	. . . .	. . . .
Federal Funds . . . . .	35	\$ 197	. . . .
<b>TOTAL . . . . .</b>	<u>\$ 1,440</u>	<u>\$ 197</u>	. . . .

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Total proposed expenditures by institution: (continued)</b>			
<b>C. Howard Marcy State Hospital</b>			
State Funds . . . . .	\$ 1,240	. . . . .	. . . . .
Federal Funds . . . . .	345	. . . . .	. . . . .
<b>TOTAL . . . . .</b>	<u>\$ 1,585</u>	. . . . .	. . . . .

<b>Crippled Children's Hospital</b>			
State Funds . . . . .	\$ 3,929	\$ 4,267	\$ 4,767
Federal Funds . . . . .	54	30	50
Other Funds . . . . .	73	234	235
<b>TOTAL . . . . .</b>	<u>\$ 4,056</u>	<u>\$ 4,531</u>	<u>\$ 5,052</u>

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Health Rehabilitation Services . . . . .	\$ 6,574	\$ 4,267	\$ 4,767
<b>Federal Funds:</b>			
Medicare Reimbursement . . . . .	350	197	. . . . .
Educationally Deprived Children -- Handicapped . . . . .	54	30	50
Drug and Alcohol Abuse Institute . . . . .	30	. . . . .	. . . . .
<b>Other Funds:</b>			
Institutional Collections . . . . .	60	234	235
Miscellaneous Revenue . . . . .	13	. . . . .	. . . . .
<b>TOTAL . . . . .</b>	<u>\$ 7,081</u>	<u>\$ 4,728</u>	<u>\$ 5,052</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>School Health Examinations</b>			
State Funds . . . . .	\$14,091	\$12,570	\$11,960

Provides for reimbursement to school districts for providing certain health services to school children that will ensure that the children will develop their maximum potential. The funds are used to pay for school nurses, dental hygiene and examination services, and periodic vision and hearing tests.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
School Health Examinations . . . . .	<u>\$14,091</u>	<u>\$12,570</u>	<u>\$11,960</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Local Health Departments</b>			
State Funds . . . . .	* \$ 6,895	\$ 8,512	\$ 7,146

Provides those counties having an organized and locally funded county health department with per capita grants of \$1.50 per person of fifty percent of the operating budget whichever is lower and \$.75 per person for Environmental Health. Local health departments are responsible for providing those services which the Commonwealth provides directly in those areas which lack local health departments. Currently aid is provided to five full-time county health departments and the bi-city Allentown-Bethlehem Health Department. Refer to the Revenue Sharing Trust Fund for additional information on the Local Health Departments—Environmental appropriation.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Local Health Departments . . . . .	\$ 6,895	\$ 6,812	\$ 7,146
Local Health Departments—Environmental . . . . .	. . . . .	1,700	. . . . .
<b>TOTAL . . . . .</b>	<u><u>\$ 6,895</u></u>	<u><u>\$ 8,512</u></u>	<u><u>\$ 7,146</u></u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Research and Health Information</b>			
State Funds . . . . .	\$ 813	\$ 813	\$ 813

Provides funds for research and the development of health information concerning the human condition with special concentration on cancer and cardio-vascular diseases.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
The Institute for Cancer Research . . . . .	\$ 418	\$ 418	\$ 418
The Wistar Institute—Research . . . . .	200	200	200
Lankenau Hospital—Research . . . . .	75	75	75
Cardio—Vascular Studies—Philadelphia General Hospital . . . . .	60	60	60
Cardio—Vascular Studies—St. Francis Hospital, Philadelphia . . . . .	60	60	60
<b>TOTAL . . . . .</b>	<u><u>\$ 813</u></u>	<u><u>\$ 813</u></u>	<u><u>\$ 813</u></u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Chronic, Catastrophic and Degenerative Diseases</b>			
State Funds . . . . .	\$ 185	\$ 190	\$ 185

Provides funds for the detection and treatment of various chronic, catastrophic and degenerative diseases including cerebral dysfunction, cystic fibrosis and cleft palate.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Neurological Diseases—Inglis House, Philadelphia . . . . .	\$ 25	\$ 30	\$ 25
Cerebral Palsy—St. Christopher's Hospital, Philadelphia . . . . .	75	75	75
Cerebral Dysfunction—Children's Hospital, Pittsburgh . . . . .	25	25	25
Cleft Palate Clinic—Lancaster . . . . .	30	30	30
Cleft Palate Clinic—Pittsburgh . . . . .	30	30	30
<b>TOTAL . . . . .</b>	<u><u>\$ 185</u></u>	<u><u>\$ 190</u></u>	<u><u>\$ 185</u></u>

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Local Health Departments—Environmental</b>			
State Funds .....	.....	.....	\$3,600

Provides funds for environmental health to counties with organized and locally funded health departments. These funds will be per capita grants of \$.75 per person. Refer to General Fund Local Health Department appropriation for further information.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Local Health Departments—Environmental .....	.....	.....	<u>\$3,600</u>

DEPARTMENT OF HEALTH

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						1980-81
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	
<b>General Administration and Support</b> . . . . .	\$ 8,310	\$ 7,791	\$ 8,301	\$ 9,104	\$ 9,959	\$10,895	\$11,583
<b>Comprehensive Health Systems</b>							
<b>Development</b> . . . . .	\$ 6,582	\$ 8,859	\$11,628	\$13,105	\$14,719	\$16,703	\$18,117
Medical Research and Health							
Information . . . . .	3,797	3,929	4,710	5,071	5,468	6,125	6,404
Medical Facilities Review . . . . .	1,509	2,468	3,577	4,364	5,224	6,163	6,876
Health Services Development . . . . .	1,276	2,462	3,341	3,670	4,027	4,415	4,837
<b>Health Maintenance</b> . . . . .	\$26,287	\$27,863	\$28,732	\$30,289	\$32,023	\$33,894	\$35,409
Health Maintenance and Disease							
Prevention . . . . .	21,243	22,834	24,502	25,720	27,083	28,548	29,760
Detection and Diagnosis . . . . .	5,044	5,029	4,230	4,569	4,940	5,346	5,649
<b>Patient Care</b> . . . . .	\$17,377	\$12,916	\$16,497	\$18,924	\$21,548	\$24,281	\$26,543
Outpatient Treatment . . . . .	11,819	8,915	11,986	13,815	15,786	17,807	19,561
Inpatient Treatment . . . . .	5,303	3,797	4,125	4,668	5,260	5,907	6,374
Life Maintenance . . . . .	255	204	386	441	502	567	608
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$58,556</u>	<u>\$57,429</u>	<u>\$65,158</u>	<u>\$71,422</u>	<u>\$78,249</u>	<u>\$85,773</u>	<u>\$91,652</u>

## General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$8,310	\$7,791	\$8,301	\$9,104	\$ 9,959	\$10,895	\$11,583
Federal Funds . . . . .	196	339	120	100	100	100	100
Other Funds . . . . .	17	.....	115	115	115	115	115
<b>TOTAL . . . . .</b>	<b>\$8,523</b>	<b>\$8,130</b>	<b>\$8,536</b>	<b>\$9,319</b>	<b>\$10,174</b>	<b>\$11,110</b>	<b>\$11,798</b>

### Program Analysis:

General Administration and Support, within each Commonwealth department provides the administrative and overhead systems which support the operations of programs necessary for the achievement of the Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth is to minimize these administrative costs in relation to the costs of provided services.

Approximately fifty advisory groups provide assistance and information to the Secretary of Health, the most prominent being: the Advisory Health Board; the Drug, Device and Cosmetic Board; the Advisory Committee for Clinical

Laboratories and the Comprehensive Health Planning Advisory Council.

The State Bureau of Laboratories is currently located at Landis State Hospital in Philadelphia. With the closure of Henry R. Landis State Hospital and the imminent conveyance of this institution to the City of Philadelphia, it is proposed that these State laboratories be moved to a new location in Southeastern Pennsylvania.

The Bureau of Laboratories will have moved out of the State Hospital with the city of Philadelphia taking possession no later than June 1976. Therefore, no funds have been budgeted for the laboratory in Health Rehabilitation Services. All funds for services and support for the laboratory are now in the General Government Operations appropriation.

### Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$6,961	\$7,783	\$8,301	\$9,104	\$9,959	\$10,895	\$11,583
Health Rehabilitation Services . . . . .	1,349	8	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$8,310</b>	<b>\$7,791</b>	<b>\$8,301</b>	<b>\$9,104</b>	<b>\$9,959</b>	<b>\$10,895</b>	<b>\$11,583</b>

## Medical Research and Health Information

OBJECTIVE: To improve the utilization of existing health resources, to develop more effective methods of gathering and utilizing health information, and to develop basic scientific knowledge about the nature of disease and illness including the effect of biological, social and environmental processes.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$3,797	\$3,929	\$4,710	\$5,071	\$5,468	\$6,125	\$6,404
Federal Funds . . . . .	208	321	342	342	342	119	119
Other Funds . . . . .	56	. . . .	32	32	32	32	32
<b>TOTAL</b> . . . . .	<u>\$4,061</u>	<u>\$4,250</u>	<u>\$5,084</u>	<u>\$5,445</u>	<u>\$5,842</u>	<u>\$6,276</u>	<u>\$6,555</u>

### Program Analysis:

The basic aim of health information and research is to develop an information system which will provide an accurate picture of the health of the citizens of the Commonwealth on a regular and timely basis. At the present time, a system for gathering and utilizing such information about the health of Pennsylvanians is being developed. Pennsylvania was one of thirteen states which was awarded a contract during 1974-75 by the National Center for Health Statistics for the purpose of implementing a coordinated, cooperative information system involving Federal, State and local agencies. The primary first year activity of the health facilities project has been planning and development. In the project's second year, studies and surveys have been started in order to develop a statewide statistical system that will yield data directed at the needs of an adequate health care system. This data would include: health services, health manpower, health facilities, and behavioral studies. It is hoped that the development of a coordinated statistical system will prevent the duplication of data collection activities.

One of the great handicaps to providing an adequate health delivery system is the lack of systematically gathered

information about morbidity and mortality. Only certain diseases are presently reportable by law. In order to develop adequate health care systems, it is essential to know what the state of health of the population is, and what types of health problems exist and to what extent they exist. Without this information, it is difficult, if not impossible to develop programs which deal with the most acute needs of Pennsylvania's citizens. With this type of information, however, it will be possible to concentrate on those areas which present the greatest threat to health. An adequate information system will also provide feedback to both laymen and health professionals on the effectiveness of their efforts.

A secondary, but important aim of health information and research is to encourage the study of the etiology of disease and the development of treatments.

In addition to the funds for basic research in the fields of cancer and cytology, a Program Revision has been recommended to establish a complete Commonwealth Tumor Registry, and training and education for health professionals in the cancer field. Refer to the appendix to this subcategory for additional information.

## Medical Research and Health Information (continued)

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$2,939	\$3,116	\$3,397	\$3,758	\$4,155	\$4,812	\$5,091
Cancer Research . . . . .			500	500	500	500	500
Vital Statistics Modernization . . . . .	45						
The Institute for Cancer Research . . . . .	418	418	418	418	418	418	418
The Wistar Institute—Research . . . . .	200	200	200	200	200	200	200
Lankenau Hospital—Research . . . . .	75	75	75	75	75	75	75
Cardio-Vascular Studies—							
Philadelphia General Hospital . . . . .	60	60	60	60	60	60	60
Cardio-Vascular Studies—							
St. Francis Hospital, Pittsburgh . . . . .	60	60	60	60	60	60	60
<b>GENERAL FUND TOTAL . . . . .</b>	<u><u>\$3,797</u></u>	<u><u>\$3,929</u></u>	<u><u>\$4,710</u></u>	<u><u>\$5,071</u></u>	<u><u>\$5,468</u></u>	<u><u>\$6,125</u></u>	<u><u>\$6,404</u></u>

**Medical Research and Health Information  
Program Revision: Cancer Research**

**Recommended Program Revision Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .			<u>\$500</u>	<u>\$500</u>	<u>\$500</u>	<u>\$500</u>	<u>\$500</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Smokers in Pennsylvania (in thousands)</b>							
Current . . . . .	3,442	3,580	3,723	3,872	4,027	4,188	4,355
<b>Program Revision</b> . . . . .			<b>3,673</b>	<b>3,770</b>	<b>3,871</b>	<b>3,975</b>	<b>4,084</b>
<b>Packs consumed yearly (in thousands)</b>							
Current . . . . .	1,376,284	1,431,335	1,488,589	1,548,133	1,610,058	1,674,460	1,741,438
<b>Program Revision</b> . . . . .			<b>1,470,339</b>	<b>1,510,902</b>	<b>1,553,088</b>	<b>1,576,192</b>	<b>1,620,990</b>
<b>Deaths occurring from all cancer diseases</b>							
Current . . . . .	23,239	24,633	26,111	27,678	29,339	31,099	32,965
<b>Program Revision</b> . . . . .			<b>26,111</b>	<b>27,678</b>	<b>29,339</b>	<b>31,099</b>	<b>32,965</b>
<b>Deaths occurring from lung cancer</b>							
Current . . . . .	4,731	5,014	5,315	5,633	5,971	6,330	6,710
<b>Program Revision</b> . . . . .			<b>5,315</b>	<b>5,633</b>	<b>5,971</b>	<b>6,330</b>	<b>6,710</b>
<b>New cases of lung cancer</b>							
Current . . . . .	5,500	5,830	6,179	6,550	6,943	7,359	7,800
<b>Program Revision</b> . . . . .			<b>6,179</b>	<b>6,550</b>	<b>6,943</b>	<b>7,359</b>	<b>7,800</b>

**Program Analysis:**

One out of every six dollars spent on health care is spent for the care of cancer patients. Even with this vast expenditure of health dollars and medical personnel and facilities being diverted for cancer, the mortality rate from this vicious killer is still on the rise. The Pennsylvania mortality rate from cancer is higher than that of the rest of the country and increasing at a faster rate.

Overwhelming medical evidence suggests that lung cancer is a direct result of cigarette smoking. In an effort to reduce this impact, a portion of the proposed cigarette tax increase is recommended to fund a cancer research program. In 1967 a total of 1.5 billion packs of cigarettes were being used in Pennsylvania. This figure was reduced by 20 percent in 1970 to 1.2 billion packs. However, the use of cigarettes is now increasing. It has gone up 200 million packs or approximately 4 percent a year through 1975. Without the Pennsylvania

cancer program the number of cigarette smokers will continue to increase by approximately 4 percent a year. With the program, however, it is estimated that approximately 50,000 persons per year will stop smoking. By 1980-81 there will be 271,000 fewer smokers.

Another critical fact is being observed by health professionals, that is, cigarette smokers are beginning at a younger age — as early as 10 or 11 years of age. Many physicians believe that this causes appreciably greater damage to the smoker since his body tissues has not yet fully developed.

Research in the largest sense is the major objective of this Program Revision. Hopefully, it will develop better understanding of the disease, provide education and training at the community level for health professionals, develop education and training for the public and expand the tumor

Medical Research and Health Information  
 Program Revision: Cancer Research (continued)

Program Analysis: (continued)

registry to better collect and coordinate cancer data.

This program will enable health professionals through research to know more about the application of new and experimental treatment methods. Training will provide physicians with the latest techniques of cancer-detection, diagnosis treatment and rehabilitation. An accurate and prompt exchange of information about cancer will be provided with a expanded computerized tumor register.

The reduction of deaths occurring from all cancer diseases, lung cancer and the estimate of new cases of lung cancer cannot be measured in the first five years of the program. This is due to the extremely long time required for incubation, detection and diagnosis. Cancer is many different diseases and some types of this disease take years to develop. Therefore, persons could now be effected by the disease but it would not be detected until 1980.

Program Revision Costs by Appropriations:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Cancer Research . . . . .			<u>\$500</u>	<u>\$500</u>	<u>\$500</u>	<u>\$500</u>	<u>\$500</u>

## Medical Facilities Review

OBJECTIVE: To insure that health facilities are sufficient in number and scope of operation and to insure that adequate and accessible health care can be provided to the citizens of Pennsylvania.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$1,509	\$2,468	\$3,577	\$4,364	\$ 5,224	\$ 6,163	\$ 6,876
Federal Funds . . . . .	1,284	4,002	5,089	5,089	5,089	5,089	5,089
<b>TOTAL . . . . .</b>	<b><u>\$2,793</u></b>	<b><u>\$6,470</u></b>	<b><u>\$8,666</u></b>	<b><u>\$9,453</u></b>	<b><u>\$10,313</u></b>	<b><u>\$11,252</u></b>	<b><u>\$11,965</u></b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Short-term hospital beds needed . . . . .	54,200	54,800	55,300	55,900	57,400	58,548	56,363
Short-term hospital beds available . . . . .	57,500	58,000	58,500	59,000	59,500	60,000	49,075
Hospitals certified under Medical Assistance . . . . .	248	248	248	248	248	248	248
Hospitals surveyed annually as required for State licensure and approval . . . . .	253	253	255	255	255	255	255
Nursing homes surveyed annually as required for Medical Assistance . . . . .	. . . . .	435	449	462	476	490	505
Nursing homes surveyed annually for State licensure and approval . . . . .	. . . . .	661	736	811	861	911	950
Total beds in licensed long-term nursing care facilities . . . . .	61,562	64,785	71,911	76,226	80,800	81,074	85,938
Percent of skilled nursing beds licensed but not certified:							
Private . . . . .	20.70%	18.6%	19.10%	19.70%	19.75%	20.65%	20.66%
County . . . . .	.22%	1.4%	1.5%	3.2%	3.0%	1.9%	1.6%
State . . . . .	.49%	.15%	.12%	.08%	.05%	. . . . .	. . . . .
Percent of intermediate care beds licensed but not certified:							
Private . . . . .	18.80%	18.34%	17.45%	17.9%	17.28%	17.32%	17.25%
County . . . . .	8.67%	6.41%	6.14%	5.27%	5.34%	5.4%	5.48%
State . . . . .	1.24%	1.17%	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Value of applications reviewed by the State Comprehensive Health Planning Agency (in thousands) . . . . .	\$508,000	\$558,000	\$613,000	\$674,000	\$741,000	\$815,000	\$815,000
Value of applications approved by the State Comprehensive Health Planning Agency (in thousands) . . . . .	\$237,977	\$233,800	\$224,600	\$225,500	\$220,300	\$218,900	\$352,000
Dollar value of adulterated, misbranded, bankrupt or distressed drugs removed from market (in thousands) . . . . .	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500

## Medical Facilities Review (continued)

### Program Analysis:

There are three basic factors to be taken into consideration in regard to medical facilities. Are there sufficient facilities? Are they providing quality services? And are the facilities being utilized properly and effectively? Medical facilities range from hospitals to nursing homes to blood banks and laboratories.

Pennsylvania has an overabundance of short-term hospital beds and an extreme scarcity of nursing home or long-term care beds. The excess of short-term hospital beds of necessity raises the per diem cost to individuals requiring such treatment. This is true since overhead costs remain basically the same regardless of occupancy rates, thus if occupancy rates are low, costs must be spread over fewer patients. This is not to suggest that more people should be placed in short-term hospital beds, it merely points out the need for an accommodation between supply and demand, and a close scrutiny of the utilization of short-term hospital beds. The average length of stay in hospitals is decreasing.

One method of developing the interface between supply and demand lies in the development of criteria by which to review the need for new or expanding health facilities. Section 1122 of Public Law 92-603 was enacted in 1972 with the intent of filling the gap between supply and demand through a review of medical facilities capital expenditures. Approximately 8 billion dollars worth of projects have been submitted for review under the provisions of P.L. 92-603 in the first 30 months of this program. The purpose of the Federal law is to assure that Federal funds are not used to support unnecessary capital expenditures of over \$100,000 for such health care facilities as hospitals, nursing homes, health centers and health maintenance organizations. Instead, Federal funds via the Social Security Act should support only those facilities that are actually needed by their communities. Any construction proposal must be submitted to the areawide comprehensive health planning agency in which the capital expenditure would be made. The agency reviews the proposal and evaluates it against its own plan and criteria for health care in that community and submits its findings and recommendations to the State Comprehensive Health Planning Agency. The State Hill-Burton agency which is a separate agency in the Department of Health also reviews the proposal and submits its recommendations to the State Comprehensive Health Planning Agency. The State Planning Agency then conducts a review of the materials presented to justify reimbursement and prepares the final recommendation for the Secretary of Health. The value of all applications approved in that part of 1975-76 in which the review process was conducted totaled \$233.8 million and it is estimated that the total value of

all applications approved in 1976-77 will amount to \$224.6 million. Examination of the program measure indicates that the estimated total value of applications approved will decrease in future years.

In addition to its review of capital expenditures, the State Hill-Burton agency prepares a State plan for construction and modernization of hospitals and other health facilities with the State and areawide comprehensive health planning agencies reviewing and commenting upon any proposed changes. This plan forms the facilities component of the State Comprehensive Health Plan and serves as a basis by which applications for Hill-Burton funding may be reviewed. A total of \$58,000 of Hill-Burton Grant and Loan Guarantee Funds has been made available for new construction or improvement of health care facilities. The Federal Public Health Service Act requires the State Hill-Burton agency to provide local or statewide comprehensive health planning agencies an opportunity to consider proposed projects within their areas before they may approve and recommend such projects for Federal assistance. A total of 47,000 long-term care beds needs to be constructed or modernized, over 7,000 nursing home beds are under construction, and 25,000 hospital and long-term beds will be reviewed. Hill-Burton funds expire June 30, 1976, and the National Planning and Resource Development Act will continue the funding.

The current shortage of skilled nursing and intermediate care facility beds is caused by an insufficient number of available beds and by the strict enforcement of State and Federal Life Safety Code and Health Standards resulting in the closing of beds. Nursing homes must meet strict standards if they are to be certified to care for Medicare and Medicaid patients. These standards include: sanitation, fire, health, civil rights, and level of care. A prime necessity for insuring that long-term care is delivered safely and with quality, is to insure that facilities providing such care are built and maintained to adequately provide such care. In this respect, the Department of Health has the ultimate responsibility for licensing and certifying such institutions for long-term care. A facility can be certified only if it is licensed. This function was transferred from the Department of Public Welfare by Reorganization Plan 3 during the 1975-76 fiscal year.

This problem is compounded by the fact that many elderly patients are now living in boarding house type homes. If these homes are required to be licensed, as now seems likely, at least 10,000 additional long-term beds will be required to replace those lost through licensing requirements.

The problem of the shortage of long-term beds is being

**Medical Facilities Review (continued)**

**Program Analysis: (continued)**

addressed in a number of ways. Home health services provides an alternative to institutionalization. Over 110 home health agencies are surveyed by the Department of Health to see that the Federal standards are being met.

The Medical Assistance Program is increasing the amount of payment made to nursing homes. This increase should encourage the private sector to develop more beds. This increase is discussed in detail in the Subcategory Long-Term Care in the Department of Public Welfare. Another program designed to increase the number of beds is administered by the Nursing Home Loan Agency. There, a bond issue provides low cost loans to the nursing home facilities for renovations to meet Federal and State standards.

There is no current shortage of short-term hospital beds, and during 1976-77, 248 hospitals will be certified to provide Medical Assistance and Medicare services. In addition, 253 hospitals will be surveyed annually as required for State licensure or approval.

In addition to the role presently played by the Department in reviewing hospital facilities, the Department also regulates and licenses laboratories dealing with medical care and blood banks. The major focus in this area is to insure that laboratories and blood banks meet acceptable professional standards so that the citizens of the Commonwealth receive safe and adequate services.

Laboratories are to receive on-site inspection annually and are reviewed as to adequate space and equipment and as to accuracy in performing clinical tests. If a laboratory is found to be deficient in some way, additional follow-up visits are conducted. Laboratories engaged in interstate commerce are also evaluated at the time of State inspection for compliance with Federal requirements. In addition to the on-site inspection, samples are sent to the individual laboratories throughout the year for testing and a summary of the results is returned to the laboratory indicating the percentage of correct and incorrect results and indicating why the errors occurred. Individual laboratory technicians receive training in testing techniques if the need is indicated through either the on-site inspection or the mailed sample. Rules and regulations concerning the operation of blood banks are now being developed. Also, there is State effort in controlling the production and distribution of drugs.

A major thrust of the Commonwealth to control the cost, use and quality of medical facilities is embodied in the proposed State Comprehensive Health Care Act. This act, has not yet been passed by the General Assembly, would provide for licensure, loan approval, rate approval and certification of need of health care providers. All of these would require the prior approval of the State before implementation. With direction and control at the State level this proposed act would go a long way toward controlling the costs of medical care in the Commonwealth.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	<u>\$1,509</u>	<u>\$2,468</u>	<u>\$3,577</u>	<u>\$4,364</u>	<u>\$5,224</u>	<u>\$6,163</u>	<u>\$6,876</u>

## Health Services Development

OBJECTIVE: To develop a coordinated health care delivery system.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$1,276	\$2,462	\$3,341	\$3,670	\$4,027	\$4,415	\$4,837
Federal Funds . . . . .	739	724	459	459	459	459	459
Other Funds . . . . .	19	.....	.....	.....	.....	.....	.....
<b>TOTAL</b> . . . . .	<u>\$2,034</u>	<u>\$3,186</u>	<u>\$3,800</u>	<u>\$4,129</u>	<u>\$4,486</u>	<u>\$4,874</u>	<u>\$5,296</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Annual resident deaths caused by ischemic heart disease . . . . .	47,500	47,600	48,000	48,000	48,000	48,000	48,000
Deaths from ischemic heart disease per 100,000 . . . . .	399	400	400	390	380	370	360
Counties organizing emergency health services councils . . . . .	35	54	67	67	67	67	67
Persons per year certified as emergency medical technicians-ambulance . . . . .	3,200	5,000	6,000	6,000	6,000	6,000	6,000
Ambulance services brought into compliance with standards . . . . .	10	10	25	40	55	67	67
Average patient bed days required for hospital care of acute myocardial infarction . . . . .	20.5	20.5	20.5	19.5	18.5	17.4	16.4

### Program Analysis:

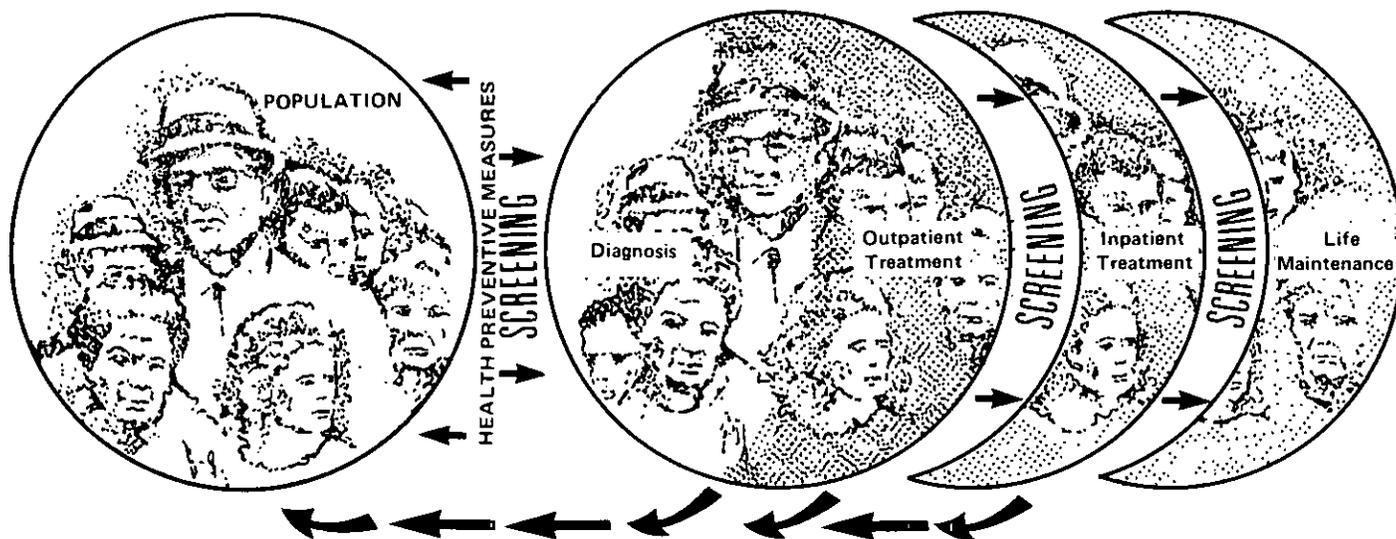
Presently there is no comprehensive health care delivery system in the Commonwealth of Pennsylvania. Activities in this program promote the development of a coordinated comprehensive health care delivery system which will provide high quality, economical and readily available health care to all the citizens of Pennsylvania.

A simplified model of the health care delivery system is provided in the diagram. This is a model of a progressively intensive open system. Progressively intensive means that as one moves through the system the processes involved are more

complex and the cost in both human and financial resources become greater. An open system is one that has both entry and exit points. Obviously it would be desirable to prevent anyone from requiring involvement with the health care system in its last four stages. If it were possible for prevention of disease to be complete so that no abnormalities were discovered through screening then the need for the other more intensive and expensive components of the system would be nonexistent.

## Health Services Development (continued)

## Program Analysis: (continued)



One of the major faults with the present health care delivery system in Pennsylvania is the use of the more intensive components of the system especially inpatient treatment and underutilization of prevention and screening. This means that the most expensive portions of the system are being used most frequently resulting in undue human suffering and skyrocketing costs.

A maldistribution of entry points into the health care system has been a major factor in causing people to wait until an illness becomes serious before seeking medical attention. This problem is most common in rural areas and the ghetto areas of our cities. The major entry points to the health care system are the solo general practitioner's offices and the emergency rooms of general hospitals. The overall physician to population ratio in Pennsylvania is acceptable by national standards but physicians are maldistributed both geographically and according to speciality.

Primary care is defined as that medical care needed by most of the people most of the time. Through cooperative planning with community groups and other governmental agencies the Department of Health has assisted in the establishment of 60 such centers in medically deprived areas with an additional six primary care centers established during the 1975-76 fiscal year. One such facility is the Benjamin R. Donolow Memorial Medical Center which began treating

patients during 1974. The average number of patient visits per day was 30 in the 1975-76 fiscal year, with an anticipated 150 patient visits per day to be serviced when full complement is achieved. Long-range goals of the Department include planning for conversion of the larger primary care centers to meet Federal Health Maintenance Organization Standards thus becoming available for Federal dollars.

The Division of Comprehensive Health Planning (CHP) has been designated under Federal law (P.L. 89-749) as the agent responsible for guiding the mental, personal and environmental health planning program in the Commonwealth as well as the responsibility for the coordination and capability of the entire health care delivery system. The responsibilities of CHP are carried out via a statewide plan. The plan is a yardstick which measures health needs and aspirations against the available resources so that conscious administrative decisions can be made on the allocation of resources. The State plan will provide a health profile of the Commonwealth in order to calculate the impact of the decisions made on resource allocation, and to provide the base for evaluation of the impact of the State plan. Planning affords the State the opportunity to contain cost by reducing duplication of services and facilities and halting the misallocation of health dollars. In addition, the plan will increase the efficiency of the providers of services through the coordination and synchronization of delivery mechanisms.

## Health Services Development (continued)

## Program Analysis: (continued)

In addition to the plan, the implementing legislation provided for an advisory council which emphasizes maximum citizen participation. The council is vested with the responsibility for advising the Governor and The Secretary of Health in responding to the broad gamut of health services. Proposed health legislation is also reviewed and analyzed as to the impact of such legislation on the State plan, on the health delivery system, and on the quality and cost of health care. The Division of Comprehensive Health Planning is also responsible for reviewing and commenting on all capital expenditures for health facilities involving Federal monies. In addition, the certificate of need legislation embodied in the Comprehensive Health Care Act being considered by the Legislature would provide legislative authority for review and approval of all medical facilities rates and services.

Under the Federal Comprehensive Health Planning Act, each medical market area has an areawide CHP agency. They are either public or nonprofit private organizations that develop comprehensive regional, metropolitan area, or other local area plans for the coordination of existing and planned health services. The coordination effort involves the facilities and manpower required for the provision of such services. The state agency reviews the work activities and progress of the areawide agencies. Coordination of areawide agency activities and plans is also a state responsibility. The orderly and economical development of health care resources requires the

application of systematic planning principles to ensure the availability of high quality health care attainable for every person at the lowest reasonable cost to the consumer. In the 1975-76 fiscal year, funds were provided to strengthen these local agencies. These funds were disbursed by means of a contract agreement between the State and the individual regional agencies, based on a formula devised by the State Comprehensive Health Planning agency to provide funds to those local agencies with the greatest need. Although it is too early to conclusively evaluate this program, it is anticipated that the funds will enable the regional agencies to take a much more active and independent role in health planning.

One of the very weak portions of the Commonwealth's medical system is the emergency care component. The importance of this is shown above in the data on ischemic heart disease, which is the leading cause of death in Pennsylvania. The Pennsylvania Medical Society estimates that 10,000 of these fatalities might be prevented through timely and proper emergency care. At the present time, however, there are no statutory or regulatory standards for the training of ambulance personnel. The 81 hour "Basic Training Program for Emergency Medical Technicians-Ambulance" has been recommended and approved by the Health Department. In the 1975-76 fiscal year there were 5,000 persons certified as Emergency Health Technicians-Ambulance, and it is estimated that 6,000 will be certified in 1976-77.

## Program Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)				
			1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . .	\$1,276	\$1,262	\$3,341	\$3,670	\$4,027	\$4,415	\$4,837
Emergency Health Services . . . . .	.....	1,200	.....	.....	.....	.....	.....
GENERAL FUND TOTAL . . . . .	<u>\$1,276</u>	<u>\$2,462</u>	<u>\$3,341</u>	<u>\$3,670</u>	<u>\$4,027</u>	<u>\$4,415</u>	<u>\$4,837</u>

## Health Maintenance and Disease Prevention

OBJECTIVE: To promote sound health practices in the population; to reduce the need for remedial health care; and to reduce morbidity and mortality due to health defects and disease.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$21,243	\$22,834	\$20,902	\$22,120	\$23,483	\$24,948	\$26,160
Federal Fund .....	5,444	4,135	9,161	9,161	9,161	9,161	9,161
Special Funds .....			3,600	3,600	3,600	3,600	3,600
Other Funds .....	182	189	40	40	40	40	40
<b>TOTAL</b> .....	<u>\$26,869</u>	<u>\$27,158</u>	<u>\$33,703</u>	<u>\$34,921</u>	<u>\$36,284</u>	<u>\$37,749</u>	<u>\$38,961</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Registered live births .....	145,655	140,000	135,000	132,000	130,000	129,000	128,000
Infants and preschool children under health supervision .....	90,400	94,000	97,700	101,600	105,600	110,000	114,000
Premature births per 1,000 live births . . . . .	7.8	7.6	7.4	7.2	7.0	6.8	6.6
Death rate of children under one year of age per 1,000 live births .....	15.8	14.8	13.8	12.8	11.8	10.8	9.8
High risk pregnant women in maternity care program .....	6,000	8,000	12,000	18,000	21,000	24,000	24,000
Total children immunized against diphtheria, pertussis, tetanus, measles, polio and rubella .....	603,205	690,366	630,000	598,000	565,000	545,000	540,000
Selected communicable disease cases investigated by the Health Department .....	4,947	4,600	4,700	5,100	5,100	4,800	4,600
Reported incidence of primary and secondary syphilis .....	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Reported incidence of gonorrhea* .....	11,200	14,000	15,000	14,500	14,000	13,000	12,500
Total incidence of communicable disease less venereal diseases and animal bites .....	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Families and individuals provided nutritional counseling .....	46,364	43,052	79,484	83,456	87,629	92,010	96,510
Pennsylvania migrant population							
Adult .....	4,800	4,800	4,800	4,800	4,800	4,800	4,800
Children .....	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Patient visits by migrant workers and their dependents .....	5,058	7,000	7,000	7,200	7,200	7,400	7,600
Migrant work days saved through preventive health care and treatment .....	13,000	13,650	14,332	15,048	15,800	16,590	17,420

\* Excludes Philadelphia.

---

**Health Maintenance and Disease Prevention (continued)****Program Analysis:**

One aspect of the health care delivery system that has been receiving more attention in recent years is the prevention of disease and maintenance of health. The logic behind this thinking is that it is less expensive in human and financial terms and more rational to the individual, private insurers and government to maintain a state of good health rather than treat an illness.

The Commonwealth has the primary responsibility to protect the health of its residents. In the area of disease prevention and control, however, the six local health departments essentially relieve the Pennsylvania Department of Health of primary responsibility in their areas of jurisdiction. Local health departments are mandated to provide at least the following services: communicable disease control, including tuberculosis and venereal diseases; maternal and child health services; public health nursing; public health education; and collection and analysis of public health statistics.

Approximately 95 percent of the number of reported cases of communicable disease are investigated to determine the source and mode of spread in order to know what control measures are necessary to prevent the occurrence of additional cases. The Health Department selects communicable diseases to investigate such as encephalitis, aseptic meningitis, salmonellosis, shigellosis, hepatitis and foodborne disease.

Of the activities that are undertaken in disease prevention some have very tangible measurable results. Inoculations against various childhood and other diseases have been extremely effective.

Fluoridation of water supplies and the topical application of fluoride have shown measurable results in the reduction of dental cavities. Similarly the purification of public water supplies and the proper handling of waste have proven effective in disease prevention.

Other measures that are used in the fight against disease have had less easily measurable results. Their use should not be minimized, however, and work is now going on to develop data for them. An important component of prevention can broadly be classified as public health education. Through the broad dissemination of health information in the mass media and individual counseling, the public is provided with information designed to help them maintain a high state of health. Family planning, counseling and services are provided to prospective parents at clinics throughout the State. Prenatal advice and counseling are offered to expectant parents to emphasize proper care of the mother to ensure a safe delivery. Health clinics are also available to provide guidance in the proper postnatal care of infants. Families and individuals are provided counseling in

public clinics, day care facilities, and elementary schools on proper nutrition in an attempt to improve the dietary practices of the population. Also, the Health Department now operates a federally funded program for women, infants and children to provide nutrition supplements.

While the State does not have a comprehensive child disease prevention program for infants, the Department of Health does have a set of activities that bear on disease prevention. Statistics on infant mortality and the prematurity rate are good indicators of the effectiveness of prevention activity. A jurisdiction's infant mortality rate (death rate of children under one year of age per 1,000 live births) serves as the prime public health indicator of the well-being of its population. This indicator is used not only to assess a jurisdiction's progress over time, but also to compare its level of achievement relative to the status of state, county and municipal populations. Pennsylvania as a whole continues to show a gradual but steady decrease in infant mortality. However, a more comprehensive and detailed analysis of the State's statistical record of 1975 reveals that the discrepancy between the Pennsylvania infant mortality rate reported for "white" (17.9) and "other" (35.1) continues to be extreme. Moreover steady progress in the reduction of infant mortality is not occurring throughout all areas of the State. There is a total of ten municipalities and thirteen counties that have shown an actual increase in infant mortality in the prior five year period.

The major problem in Pennsylvania, as reflected in infant mortality rates, exists in areas where there are: significant concentrations of medically indigent families, the presence of potential health care resources and a lack of an organized and publicly supported health care delivery system geared to the needs of pregnant women and their newborn infants. A Program Revision was initiated in 1974-75, and it continues to expand throughout the Commonwealth an infant care demonstration project previously funded by the Federal government. Available through this program are comprehensive health services including prenatal and postnatal care for high risk pregnant women and their infants. In 1975-76 fiscal year there were six maternal, infant care centers with 8,000 high risk pregnant women in the maternity care program. The Health Department estimates that nine centers with 12,000 women will be in operation for 1976-77.

Another sensitive indicator of the adequacy of the health status of population is the incidence of premature births. Prematurity is a complex social problem involving factors as varied as inadequate housing conditions, poor socio-economic and nutritional status of prospective mothers, inadequate medical care, personal habits such as smoking and drug-taking

## Health Maintenance and Disease Prevention (continued)

## Program Analysis: (continued)

and the occurrence of early teenage pregnancies. Low birth weight and premature termination of pregnancy increases not only the risk of infant death but also the risk of mental and physical defects in infants who survive. Consequently the prematurity rate of a population is a sensitive indicator of the percentage of developmentally disabled individuals one could anticipate within that population.

At the present time, the prematurity rate for other "non-white" in Pennsylvania is the highest rate recorded in the nation. Again, the discrepancy between the pre-maturity for "white" (7.0) and "other" (16.0) in the Commonwealth is extreme.

The Health Department and Federal government cooperatively provide health services to migrant farm workers and their dependents when they are in Pennsylvania harvesting

farm products. Health services to this special group insures the protection of Pennsylvania's rural residents from the spread of infectious disease and maintains the health of migrant workers to effectively and economically harvest farm products.

A statewide network of child health clinics, operated by the State and local health departments, provides ongoing health care to infants and preschool children. The children receive medical examinations and special screening tests for developmental disabilities, visual and hearing defects and anemia, as well as receiving standard immunizations.

While more concern is being given to health maintenance and disease prevention the major portion of health resources continue to flow into the remedial aspect of the health care system. A shift in resources from the one area to the other may produce a considerable payoff.

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 3,780	\$ 4,244	\$ 4,786	\$ 6,004	\$ 7,367	\$ 8,832	\$10,044
Maternal and Child Health . . . . .		550					
Emergency Flood Relief—1975 . . . . .		100					
School Health Examinations . . . . .	10,568	9,428	8,970	8,970	8,970	8,970	8,970
Local Health Departments . . . . .	6,895	6,812	7,146	7,146	7,146	7,146	7,146
Local Health Departments Environmental . . . . .		1,700					
<b>GENERAL FUND . . . . .</b>	<b>\$21,243</b>	<b>\$22,834</b>	<b>\$20,902</b>	<b>\$22,120</b>	<b>\$23,483</b>	<b>\$24,948</b>	<b>\$26,160</b>
<b>REVENUE SHARING TRUST FUND</b>							
Local Health Departments Environmental . . . . .			\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600	\$ 3,600

## Detection and Diagnosis

**OBJECTIVE:** To detect disease and health defects in the population at the earliest possible stage of development, to ensure that disease and defects are properly diagnosed, and to place those individuals in need of treatment and/or rehabilitation in the most appropriate program.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$5,044	\$5,029	\$4,230	\$4,569	\$4,940	\$5,346	\$5,649
Federal Funds . . . . .	2,318	1,655	2,504	2,504	2,504	2,504	2,504
Other Funds . . . . .	81	.....	.....	.....	.....	.....	.....
<b>TOTAL . . . . .</b>	<b><u>\$7,443</u></b>	<b><u>\$6,684</u></b>	<b><u>\$6,734</u></b>	<b><u>\$7,073</u></b>	<b><u>\$7,444</u></b>	<b><u>\$7,850</u></b>	<b><u>\$8,150</u></b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Persons screened for chronic diseases, venereal disease and tuberculosis and black lung . . . . .	468,287	469,706	471,115	472,528	473,842	475,264	476,690
Abnormalities discovered by screening . .	296,335	321,165	333,060	351,910	364,585	383,760	398,000
New cases diagnosed and referred for treatment . . . . .	296,335	321,165	333,060	351,910	364,585	383,760	398,000
New active cases of tuberculosis . . . . .	1,552	1,612	1,400	1,300	1,200	1,100	1,000
Persons screened for phenylketonuria (PKU) . . . . .	145,655	140,000	135,000	132,000	130,000	129,000	128,000
PKU discovered by screening . . . . .	15	15	15	15	15	15	15
New cases of PKU diagnosed and referred for treatment . . . . .	15	15	15	15	15	15	15
Stage of disease discovered . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A

### Program Analysis:

Since even the optimum health system cannot prevent all disease and health defects, it is important to detect individuals with abnormalities, correctly diagnose their problems, and refer the individuals to the proper program for treatment. Through routine screening and early detection and diagnosis, an individual's disease or health defect can be identified at the earliest possible stage. It is possible to then use the least intensive treatment program necessary to restore him to a healthy state.

The physician is then responsible for determining the extent of treatment necessary. It is anticipated that if detection screening is a sound program then some of the burden will be lifted from the physicians and they can better allocate that time towards curative measures.

The effectiveness of this program must be eventually measured by the number of individuals appropriately referred to outpatient as opposed to inpatient treatment, and by the stage of the disease when discovered. If for example, the venereal disease (VD) screening efforts discover mainly VD cases which require intensive treatment then something is wrong with the program. According to most medical economists, the value of early detection is that it tends to minimize cost in both human and economic terms.

Initiatives on the part of both the Federal and State governments are focusing increasing attention and resources on screening, early detection, diagnosis and referral of individuals. In the Medical Assistance program, early screening and diagnosis of Medical Assistance eligibles under 21 years of age

## Detection and Diagnosis (continued)

### Program Analysis: (continued)

is being provided. This program is described fully under the Department of Public Welfare's Health Services Support and Development subcategory.

The Health Department has launched a statewide program of adult multi-phasic health screening geared to the early detection and diagnosis of such chronic conditions as hypertension, heart disease, cancer, diabetes and chronic pulmonary disorders by using multiple tests administered at one time. Last year it was planned to increase adult multi-phasic health screening. Because sufficient funds were not appropriated by the General Assembly, however, the program was continued at its present level. These disease specific screening programs are available for glaucoma, cervical cancer, diabetes and venereal diseases. The Department also operates a statewide newborn phenylketonuria (PKU) screening program that is mandated by State law. As a result of prompt detection of the disease in the newborn period, infants can be immediately placed on the special therapeutic

diet, thereby preventing the development of the serious mental retardation that characterizes the untreated form of the disease.

Another type of activity is the school health examination program. Mandated services include: physical and dental examination, each three times during the student's school life; regularly scheduled screening tests for vision, hearing and growth; the services of a school nurse for each 1,500 students; services for tuberculosis screening, immunizations and dental hygiene are provided on a more selective basis. School districts are currently being encouraged to develop health services plans for reimbursement which will allow for flexibility in meeting the differences in health needs between regions and between the students of yesterday and today. Such programs are nurse oriented, with the school health program to be an integrated part of the health care delivery system of the community and thus possessing the potential of providing an important role in children's preventive medicine.

### Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$1,496	\$1,757	\$1,215	\$1,554	\$1,925	\$2,331	\$2,634
Emergency Flood Relief—1975 . . . . .		100					
School Health Examinations . . . . .	3,523	3,142	2,990	2,990	2,990	2,990	2,990
Neurological Diseases, Inglis House Philadelphia . . . . .	25	30	25	25	25	25	25
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$5,044</u>	<u>\$5,029</u>	<u>\$4,230</u>	<u>\$4,569</u>	<u>\$4,940</u>	<u>\$5,346</u>	<u>\$5,649</u>

## Outpatient Treatment

OBJECTIVE: To reduce mortality and morbidity due to disease and health defects and to restore ill persons to the highest possible level of health with minimum involvement with the health care system.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$11,819	\$ 8,915	\$11,986	\$13,815	\$15,786	\$17,807	\$19,561
Federal Funds . . . . .	10,388	10,951	8,994	8,994	8,994	8,994	8,994
Other Funds . . . . .	160	.....	200	200	200	200	200
<b>TOTAL . . . . .</b>	<b>\$22,367</b>	<b>\$19,866</b>	<b>\$21,180</b>	<b>\$23,009</b>	<b>\$24,980</b>	<b>\$27,001</b>	<b>\$28,755</b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Children receiving outpatient treatment through Department supported programs for:*							
Cardiac . . . . .	2,767	3,044	3,348	3,348	3,348	3,348	3,348
Cleft palate . . . . .	2,953	2,953	2,953	2,953	2,953	2,953	2,953
Cystic fibrosis . . . . .	524	524	524	524	524	524	524
Hemophilia . . . . .	375	465	465	465	465	465	465
Speech and hearing . . . . .	15,097	15,700	16,328	16,328	16,328	16,328	16,328
Dentofacial . . . . .	154	205	205	205	205	205	205
Orthopedic . . . . .	7,667	7,667	7,667	7,667	7,667	7,667	7,667
Neuromuscular . . . . .	1,081	1,622	1,622	1,622	1,622	1,622	1,622
Phenylketonuria . . . . .	130	130	130	130	130	130	130
Adults receiving outpatient treatment and/or services through Department supported programs for:							
Renal disease . . . . .	963	1,100	1,200	1,300	1,400	1,450	1,500
Black lung . . . . .	3,240	2,775	3,455	3,575	3,575	3,575	3,575
Tuberculosis . . . . .	12,320	11,334	10,428	9,594	8,826	8,120	7,470
Venereal disease . . . . .	19,425	24,000	25,000	26,000	26,000	26,000	27,000
Hemophilia . . . . .	226	300	300	300	300	300	300
Cystic Fibrosis . . . . .	55	60	60	60	60	60	60
Children receiving outpatient treatment at the State Hospital for Crippled Children . . . . .							
Children . . . . .	2,904	3,078	3,263	3,263	3,263	3,263	3,263
Sickle cell patients receiving State support . . . . .							
support . . . . .	185	1,104	1,606	1,905	2,221	2,555	2,938

\* Data obtained from Federal Crippled Childrens Report.

### Program Analysis:

If the detection and diagnosis process functions optimally, a large portion of the individuals referred for treatment will require a minimum of outpatient care to restore them to good health. Outpatient treatment is generally thought to deal with the less intensive end of the health care

continuum. More specifically, outpatient treatment is medical care which does not require the affected individual to stay overnight in a medical institution. Even within the outpatient care area there are various levels of intensity of care from the application of a bandage to the administration of renal

## Outpatient Treatment (continued)

### Program Analysis: (continued)

dialysis. The effectiveness of outpatient care can be evaluated in terms of the length of treatment required to restore health, the intensity of treatment required to restore health, and whether or not a treated individual is referred for outpatient care or dies.

The Commonwealth supports outpatient treatment for various groups and in various ways. The major groups that receive outpatient treatment through State supported programs are hemophiliacs, renal disease victims and tuberculosis victims. Hemophilia represents a group of diseases where affected individuals have a life-long deficiency of important clotting factors of blood plasma. Individuals so affected have a chronic incapacity due to frequent hemorrhages, particularly into joints and muscles. The Department estimates that there are 800 to 900 hemophiliacs in Pennsylvania with 765 persons taking part in the program in 1975-76. It is expected that the actual number of patients treated will not reach the maximum because some individuals prefer to obtain treatment through private physicians. The hemophilia program presently consists of nine special centers which offer comprehensive evaluation and re-evaluation services and blood products for hospital, outpatient or home use. Patients must be registered with the program to receive these benefits, and insurance and Medical Assistance benefits are used before State program funds are expended. Any physician may refer a patient from Pennsylvania who has hemophilia to the closest center. Diagnostic services are offered at all centers. Immediate treatment, advice and suggestions for future treatment are also available. The centers make arrangements for the referring physician to receive clinical reports and, when feasible, to participate in the routine management of the patient.

With the passage of the Renal Disease Act in June, 1970, the Commonwealth became involved in the care of patients requiring lifesaving long-term hemodialysis. As of December 1975, there were 1,050 active patients receiving treatment, with the future patient load estimated at 1,200 active patients by the end of fiscal year 1976-77. Pennsylvania's chronic renal disease services emphasizes and promotes home dialysis which has such various advantages as providing an emotionally stable environment, lowering cost, eliminating transportation problems, and sparing hospital facilities and personnel. Machines for home dialysis as well as the necessary supplies and equipment are provided. Training for home dialysis must be provided to both the patient and a helper in an approved maintenance dialysis center through 24 learning sessions. For those individuals who cannot be treated at home, chronic maintenance dialysis is provided. This method is more expensive than home dialysis and may present transportation problems for the patient since the dialysis center may be a distance from the patient's home. In response to this latter

problem, satellite centers are being established in affiliation with a hospital providing comprehensive health services. Initially begun in 1972, 10 satellite centers are currently in operation with additional centers planned. In addition, the State has approved 10 out-of-state hospitals located near Pennsylvania that meet set standards to provide dialysis treatment to Pennsylvania residents who live in rural areas near the borders of the State. Medicare coverage of chronic renal disease, which began on July 1, 1973, does not include a number of significant items, including the first three months of dialysis; deductibles and coinsurance; prescription drugs and other necessary supplies. Thus, even with Medicare, Pennsylvania continues to pay 55 percent of the cost during the first year of dialysis and not less than 25 percent during the second and subsequent years for the life of the patient.

Another type of outpatient treatment is physical therapy provided to stroke and heart attack victims and to children with handicapping conditions. Outpatient services are provided to children with cleft palate and dentofacial defects. Services are also provided to victims of chronic respiratory diseases. A new program of services for black lung victims was begun in 1973 under a grant from the Appalachian Regional Council. It is currently estimated that 3,455 persons will be served by this program in the 1976-77 budget year. The 1975-76 budget showed 24,000 persons being served and 28,000 estimated to be served in the 1976-77 fiscal year. The measures used should have been identified as the number of procedures used for detection, diagnosis and treatment, not the patients served. Legislation passed in 1974-75 provided for a sickle cell anemia treatment program. The program calls for the creation of a comprehensive, continuous health care delivery system which would provide adequate nutrition, prompt medical treatment of infections and other complications, medication and a liaison with day care centers, welfare agencies, schools and vocational institutions. The Sickle Cell Disease Program currently supports one rural screening project and one urban screening treatment services project. Some of the problems being addressed through these projects are; inadequate education and counseling, lack of expertise in interpreting screening results and areas in the State where there are small numbers of the "risk" population who are not being provided service. In the 1976-77 fiscal year the goal is to expand the program to strategic areas of the Commonwealth.

Generally speaking outpatient medical services are less expensive in both human and economic terms than inpatient care. Thus, it is desirable to treat individuals when possible and appropriate on an outpatient basis. The last State operated tuberculosis hospital was closed in 1973-74. Individuals with tuberculosis are now treated as outpatients, when possible, receiving quality care at a lower cost to the State.

## Outpatient Treatment (continued)

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	\$ 8,831	\$ 7,797	\$ 6,397	\$ 7,758	\$ 9,240	\$10,852	\$12,230
Hemophilia Treatment . . . . .	1,534	.....	1,190	1,285	1,387	1,497	1,617
Sickle Cell Anemia . . . . .	532	.....	543	586	632	683	738
Cooley's Anemia . . . . .	.....	120	.....	.....	.....	.....	.....
Renal Disease . . . . .	.....	.....	2,662	2,885	3,108	3,227	3,348
Health Rehabilitation Services . . . . .	837	913	1,109	1,216	1,334	1,463	1,543
Cerebral Dysfunction—Children's Hospital, Pittsburgh . . . . .	25	25	25	25	25	25	25
Cleft Palate Clinic—Lancaster . . . . .	30	30	30	30	30	30	30
Cleft Palate Clinic—Pittsburgh . . . . .	30	30	30	30	30	30	30
GENERAL FUND TOTAL . . . . .	<u>\$11,819</u>	<u>\$ 8,915</u>	<u>\$11,986</u>	<u>\$13,815</u>	<u>\$15,786</u>	<u>\$17,807</u>	<u>\$19,561</u>

## Inpatient Treatment

OBJECTIVE: To reduce mortality and morbidity due to disease and health defects and to minimize time, resources and intensity in restoring ill persons to the highest possible level of health.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$5,303	\$3,797	\$4,125	\$4,668	\$5,260	\$5,907	\$6,374
Federal Funds . . . . .	1,431	1,436	1,588	1,588	1,588	1,588	1,588
Other Funds . . . . .	56	234	235	235	235	235	235
<b>TOTAL . . . . .</b>	<b>\$6,790</b>	<b>\$5,467</b>	<b>\$5,948</b>	<b>\$6,491</b>	<b>\$7,083</b>	<b>\$7,730</b>	<b>\$8,197</b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Persons receiving inpatient hospital care . . . . .	1,645	1,694	1,677	1,660	1,643	1,626	1,610
Average length of inpatient hospital stay in days . . . . .	8.6	8.5	8.5	8.4	8.4	8.3	8.3
Persons transferred from intensive care facilities to less intensive care facilities . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons restored to community at maximum level of functioning (tuberculosis only) . . . . .	135	131	111	105	101	98	95

### Program Analysis:

Inadequacies of outpatient treatment, the surfacing of an acute disease or an accident are events which can precipitate the need for inpatient health care.

Thus, inpatient care is the next logical phase of care along the proposed system's continuum.

Inpatient care can range in intensity from intermediate care facilities to skilled nursing homes, from short-term general hospital treatment to long-term acute hospital care. As in the Outpatient Treatment subcategory, the more complicated the procedures and/or the lengths of care required to restore health the more costly it is in human and financial terms. This is brought about by the large expenditure of resources for capital facilities, equipment and manpower.

The task and management of inpatient treatment is to minimize the length of stay and the intensity of medical procedures required to return a person to a healthy state, or to

place a person in a less intensive mode of care. Success of inpatient care can only be measured by the movement of persons from more intensive care units to less intensive care units. Examples of this include an individual moved from an intensive coronary care unit to a skilled nursing home, or the movement of a person from a skilled nursing home to an intermediate care facility. A clear indicator of success is returning an individual to the community or placing them in an outpatient treatment program.

Examination of the measures indicates that the average length of an inpatient hospital stay in days is decreasing. In 1975-76, the average length of stay equaled 8.5 days. It is estimated that in 1976-77 the average length of stay will remain the same with a reduction occurring in future years.

Steps are being taken in both the public and private sectors

## Inpatient Treatment (continued)

### Program Analysis: (continued)

to insure the proper utilization and quality of inpatient treatment. The Pre-discharge Utilization Review (PDUR) Program, which is discussed further in the subcategory Health Services Support and Development under the Department of Public Welfare, is a program aimed at reducing the over-utilization of inappropriate inpatient procedures.

The Federal Comprehensive Health Planning Act created agencies under Section 314 (b). These agencies commonly called "b" agencies, are either public or private organization on an areawide level which undertake both comprehensive planning and specific projects for the particular regions. The "b" agencies are becoming more involved in the planning of hospital construction and the building of facilities deemed inappropriate on the basis of demographic and potential demand data. The "b" agencies are not as effective as they could be, but it is hoped that in the near future they will become more useful. The other activities of the "b" agencies are discussed more thoroughly in the Health Services Development Subcategory. Another type of institutional control system is being used by the Commonwealth Insurance

Department. This effort is aimed at forcing large third party insurers to control the fees paid to providers. All of these measures combined should produce a reduction in the length of stay, and increase in the number and rate of persons placed in outpatient treatment programs, and an increase in the number and rate of persons placed in less intensive facilities.

The Commonwealth closed Marcy State Hospital and Landis State Hospital to inpatients during the 1974-75 fiscal year. These hospitals had been providing inpatient services for individuals with tuberculosis, but now the department purchases these services from various hospitals and nursing homes throughout Pennsylvania.

The Commonwealth provides support for inpatient treatment both in this subcategory and the subcategory Inpatient Hospital Services in the Department of Public Welfare. Direct inpatient services are provided for children with handicapping conditions. Inpatient services are purchased for persons with cerebral palsy and children requiring cardiac surgery.

### Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	\$ 840	\$ 376	\$ 392	\$ 552	\$ 725	\$ 912	\$1,097
Health Rehabilitation Services . . . . .	4,388	3,346	3,658	4,041	4,460	4,920	5,202
Cerebral Palsy—St. Christopher's Hospital . . . . .	75	75	75	75	75	75	75
<b>GENERAL FUND TOTAL . . . .</b>	<u>\$5,303</u>	<u>\$3,797</u>	<u>\$4,125</u>	<u>\$4,668</u>	<u>\$5,260</u>	<u>\$5,907</u>	<u>\$6,374</u>

## Life Maintenance

OBJECTIVE: To provide the most appropriate care to those unable to return to the community in a self-sufficient capacity.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$255	\$204	\$386	\$441	\$502	\$567	\$608
Federal Funds .....	169	144	161	161	161	161	161
Other Funds .....	39	150	.....	.....	.....	.....	.....
<b>TOTAL</b> .....	<u>\$463</u>	<u>\$498</u>	<u>\$547</u>	<u>\$602</u>	<u>\$663</u>	<u>\$728</u>	<u>\$769</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Functionally disabled persons 65 years and older .....	183,944	187,856	191,595	195,131	198,450	201,537	205,568
Persons provided life maintenance services in a noninstitutional setting .....	1,130	1,141	1,152	1,164	1,176	1,188	1,200

### Program Analysis:

Long-term illness is a major public health problem and primary cause of disability. Primary prevention of chronic conditions is often limited because either the etiology of the disease is obscure or preventive measures have not yet been developed. The best the health care system can do for those individuals afflicted with long-term illness is prevent further disability, provide comfort and safety, and maintain a level of wellness consistent with the limitations imposed by the disease process since the possibility of cure or improvement is remote at this stage.

Life maintenance services can be provided in an institutional setting such as a nursing home, a general hospital, or the person's home. As in the other components of the health care system life maintenance services can be more or less intensive depending upon the conditions previously mentioned.

The Department of Health is not directly involved in the provision of life maintenance services. This activity is primarily

aimed at recipients of Medical Assistance and is more fully discussed under the subcategory Long-Term Care found in the Department of Public Welfare presentation.

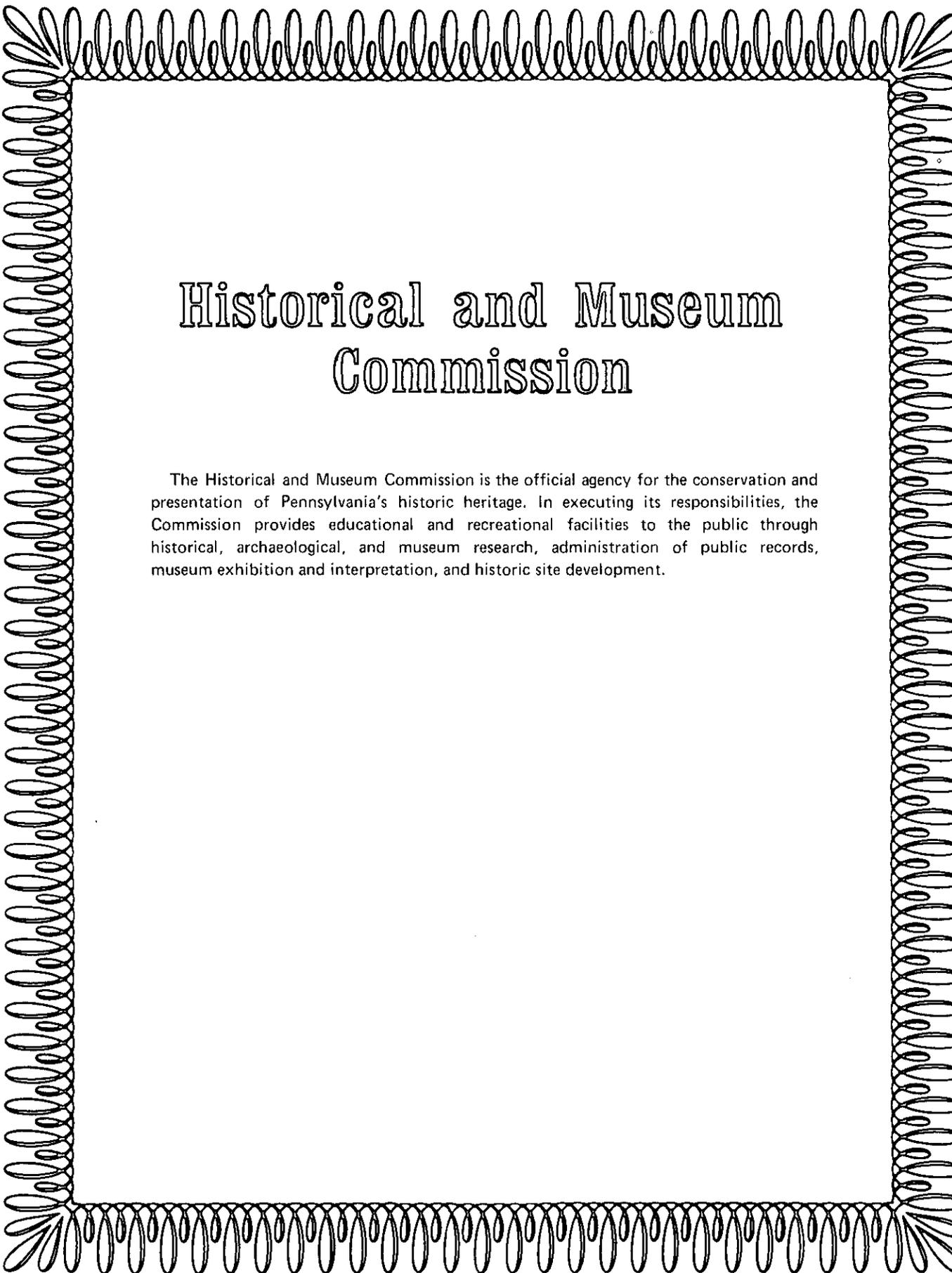
Because of Reorganization Plan 3 of 1975, however, the Department of Health now licenses nursing homes. This is discussed in detail in the subcategory Medical Facilities Review.

In order to maintain a person's life it may be necessary to put them on a heart-lung machine. On the other hand, it may only be necessary to visit the person's home to ensure that he is fed and bathed. The State mainly concerns itself with the latter problem through the home health activities of visiting nurses.

Thus, life maintenance is the final step of the system. It would be ideal if this phase of the continuum did not have to exist but because of uncontrollable factors the Commonwealth will have to care for some individuals for the duration of their lives.

### Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations .....	<u>\$255</u>	<u>\$204</u>	<u>\$386</u>	<u>\$441</u>	<u>\$502</u>	<u>\$567</u>	<u>\$608</u>



# Historical and Museum Commission

The Historical and Museum Commission is the official agency for the conservation and presentation of Pennsylvania's historic heritage. In executing its responsibilities, the Commission provides educational and recreational facilities to the public through historical, archaeological, and museum research, administration of public records, museum exhibition and interpretation, and historic site development.

# HISTORICAL AND MUSEUM COMMISSION

## Summary by Fund and Appropriations

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$4,601	\$4,995	\$5,664
Valley Forge State Park . . . . .	572	618	703
Washington Crossing State Park . . . . .	445	474	542
Brandywine Battlefield Park Commission . . . . .	91	93	112
Sub-Total . . . . .	\$5,709	\$6,180	\$7,021
 <b>Grants and Subsidies</b>			
University of Pennsylvania Museum . . . . .	\$ 100	\$ 100	\$ 100
Carnegie Museum . . . . .	100	100	100
The Franklin Institute . . . . .	300	300	300
Pennsylvania Academy of the Fine Arts . . . . .	3	3	3
Academy of Natural Sciences of Philadelphia . . . . .	77	225	225
Museum of the Philadelphia Civic Center . . . . .	150	150	150
Buhl Planetarium and Institute of Popular Science . . . . .	50	100	100
Philadelphia Museum of Art . . . . .	100	100	100
Public Museum of Reading . . . . .	100	. . . .	. . . .
Sub-Total . . . . .	\$ 980	\$1,078	\$1,078
 <b>Capital Improvements</b>			
Capital Improvements . . . . .	\$ 218	\$ 132	\$ 43
Sub-Total . . . . .	\$6,907	\$7,390	\$8,142
 <b>Total State Funds . . . . .</b>			
Federal Funds . . . . .	\$ 91	\$ 120	\$ 137
Other Funds . . . . .	92	46	59
GENERAL FUND TOTAL . . . . .	\$7,090	\$7,556	\$8,338

## General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Government Operations</b>			
State Funds .....	\$4,601	\$4,995	\$5,664
Federal Funds .....	91	120	137
Other Funds .....	89	44	57
<b>TOTAL</b> .....	<b>\$4,781</b>	<b>\$5,159</b>	<b>\$5,858</b>

Coordinates and directs the preservation of Pennsylvania's heritage through the collection of public records, natural history specimens, objects of art, historical objects and historic sites; and by promoting, acquisition, restoration, and operation of historical sites within the Commonwealth.

Among the major sites are Washington Crossing, Valley Forge, Brandywine Battlefield, Old Economy and Pensbury Manor. Some of the major museums are William Penn Memorial Museum, Landis Valley Museum, Fort Pitt and the Anthracite Museum.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations .....	\$4,601	\$4,995	\$5,664
<b>Federal Funds:</b>			
Department of the Interior, National Park Services .....	91	120	137
<b>Other Funds:</b>			
Photo Copy Service .....	1	1	1
Eckley Rent from Properties .....	10	19	8
Reimbursement from Land and Water Development Fund .....	67	24	48
Pennsylvania Power and Light Grant— Archaeological .....	11	.....	.....
<b>TOTAL</b> .....	<b>\$4,781</b>	<b>\$5,159</b>	<b>\$5,858</b>

**GENERAL FUND**

**HISTORICAL AND MUSEUM COMMISSION**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Valley Forge State Park</b>			
State Funds .....	\$ 572	\$ 618	\$ 703
Other Funds .....	1	2	2
<b>TOTAL .....</b>	<b>\$ 573</b>	<b>\$ 620</b>	<b>\$ 705</b>

Promotes and commemorates Pennsylvania's historical heritage through the restoration and operation of Valley Forge State Park, the site where General Washington's army was encamped during the winter of 1777-78.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Valley Forge State Park .....	\$ 572	\$ 618	\$ 703
<b>Other Funds:</b>			
Rent from Properties .....	1	2	2
<b>TOTAL .....</b>	<b>\$ 573</b>	<b>\$ 620</b>	<b>\$ 705</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Washington Crossing State Park</b>			
State Funds .....	\$ 445	\$ 474	\$ 542
Other Funds .....	2	.....	.....
<b>TOTAL .....</b>	<b>\$ 447</b>	<b>\$ 474</b>	<b>\$ 542</b>

Promotes and commemorates Pennsylvania's historical heritage through the restoration and operation of Washington State Park, the site where George Washington crossed the Delaware and captured Hessian troops at Trenton.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Washington Crossing State Park .....	\$ 445	\$ 474	\$ 542
<b>Other Funds:</b>			
Rent from Properties .....	2	.....	.....
<b>TOTAL .....</b>	<b>\$ 447</b>	<b>\$ 474</b>	<b>\$ 542</b>

**GENERAL FUND**

**HISTORICAL AND MUSEUM COMMISSION**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Brandywine Battlefield Park Commission</b>			
State Funds . . . . .	\$ 91	\$ 93	\$ 112

Promotes and commemorates Pennsylvania's historical heritage through the restoration and operation of Brandywine Battlefield Park, and the site of the strategic revolutionary war battle.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Brandywine Battlefield Park Commission . . . . .	<u>\$ 91</u>	<u>\$ 93</u>	<u>\$ 112</u>

**Grants and Subsidies**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Museum Development and Operation</b>			
State Funds . . . . .	\$ 980	\$1,078	\$1,078

Provides assistance to certain museums to carry out their cultural, scientific and educational programs.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
University of Pennsylvania Museum . . . . .	\$ 100	\$ 100	\$ 100
Carnegie Museum . . . . .	100	100	100
The Franklin Institute . . . . .	300	300	300
Pennsylvania Academy of The Fine Arts . . . . .	3	3	3
Academy of Natural Sciences of Philadelphia . . . . .	77	225	225
Museum of the Philadelphia Civic Center . . . . .	150	150	150
Buhl Planetarium and Institute of Popular Science . . . . .	50	100	100
Philadelphia Museum of Art . . . . .	100	100	100
Reading Public Museum . . . . .	100	. . . . .	. . . . .
<b>TOTAL . . . . .</b>	<u><u>\$ 980</u></u>	<u><u>\$1,078</u></u>	<u><u>\$1,078</u></u>

**Capital Improvements**

	1974-75	(Dollar Amounts in Thousands) 1975-76	1976-77
	Actual	Available	Budget
<b>Capital Improvements</b>			
State Funds .....	\$ 218	\$ 132	\$ 43

Provides for picnic areas, exhibits and various safety and security items at various historic sites and museums.

	1974-75	(Dollar Amounts in Thousands) 1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Capital Improvements .....	<u>\$ 218</u>	<u>\$ 132</u>	<u>\$ 43</u>

# HISTORICAL AND MUSEUM COMMISSION

## Summary of Agency Program by Category and Subcategory

### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . . . .</b>	\$ 573	\$ 622	\$ 703	\$ 758	\$ 818	\$ 883	\$ 958
<b>Administration of Public Records . . . . .</b>	\$ 307	\$ 333	\$ 376	\$ 402	\$ 434	\$ 469	\$ 502
Preserving Valuable Records . . . . .	307	333	376	402	434	469	502
<b>Cultural Enrichment . . . . .</b>	\$ 6,027	\$ 6,435	\$ 7,063	\$ 7,491	\$ 8,015	\$ 8,561	\$ 9,133
Development and Promotion of Pennsylvania State and Local History . . . . .	267	290	328	351	379	411	446
Museum Development and Operations . . . . .	3,094	3,268	3,446	3,589	3,802	3,993	4,197
Development and Preservation of Historic Sites and Properties . . . . .	2,666	2,877	3,289	3,551	3,834	4,157	4,490
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$ 6,907</u>	<u>\$ 7,390</u>	<u>\$ 8,142</u>	<u>\$ 8,651</u>	<u>\$ 9,267</u>	<u>\$ 9,913</u>	<u>\$10,593</u>

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$573</u>	<u>\$622</u>	<u>\$703</u>	<u>\$758</u>	<u>\$818</u>	<u>\$883</u>	<u>\$958</u>

**Program Analysis:**

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of the Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	<u>\$573</u>	<u>\$622</u>	<u>\$703</u>	<u>\$758</u>	<u>\$818</u>	<u>\$883</u>	<u>\$958</u>

**HISTORICAL AND MUSEUM COMMISSION**

**Preserving Valuable Records**

OBJECTIVE: To assure the preservation and availability of the Commonwealth's important public records and to promote the safekeeping of county and municipal records of permanent value.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$307	\$333	\$376	\$402	\$434	\$469	\$502
Federal Funds . . . . .	7	24	34	. . . .	. . . .	. . . .	. . . .
<b>TOTAL . . . . .</b>	<u>\$314</u>	<u>\$357</u>	<u>\$410</u>	<u>\$402</u>	<u>\$434</u>	<u>\$469</u>	<u>\$502</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Cubic feet of permanent public records processed . . . . .	3,100	4,000	4,000	4,000	4,000	4,000	4,000
Cubic feet of semi-active public records processed . . . . .	23,000	24,000	27,000	30,000	30,000	30,000	30,000
Cubic feet of archival (permanent) material made available to researchers . . . . .	43,000	50,000	55,000	60,000	65,000	70,000	75,000

**Program Analysis:**

The objective of this program is achieved through three basic approaches. First, ascertaining those records which qualify as worthy of preservation for posterity; cataloging, preserving and storing them in a predetermined and orderly manner for reference by students, scholars and historians. Second, planning and preparing of retention schedules for the preservation of county and local government records; advising, guiding and informing county and local government authorities in the systematic and proper manner of preserving records as prescribed by law and standard practice. Third receiving those Commonwealth records which by law or administrative directive must be preserved for specified lengths

of time; preserving and storing or disposing of them in a definite, orderly fashion in accordance with established retention schedules.

The true measure of whether or not the objective is fulfilled cannot be quantified. Only time will tell whether the right records were maintained. Some indication of this is shown in that the amount of material made available is continually increasing.

The measures are shown to indicate the magnitude of materials handled. It is anticipated that these will show a leveling trend.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	<u>\$307</u>	<u>\$333</u>	<u>\$376</u>	<u>\$402</u>	<u>\$434</u>	<u>\$469</u>	<u>\$502</u>

**Development and Promotion of Pennsylvania State and Local History**

OBJECTIVE: To extend knowledge of Pennsylvania's historical heritage and promote interest in it.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$267	\$290	\$328	\$351	\$379	\$411	\$446
Other Funds . . . . .	1	1	1	2	2	2	...
<b>TOTAL . . . . .</b>	<u>\$268</u>	<u>\$291</u>	<u>\$329</u>	<u>\$353</u>	<u>\$381</u>	<u>\$413</u>	<u>\$446</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Pages of historical material published . . . . .	1,411	2,300	2,300	2,300	2,400	2,400	2,500
Pages of historical materials added to collections . . . . .	172,258	174,000	185,000	200,000	215,000	230,000	230,000
Publications distributed . . . . .	219,817	235,000	250,000	250,000	275,000	275,000	275,000
Reference service actions . . . . .	15,984	17,000	18,500	18,500	19,000	19,500	20,000
Historical organizations involved in commission programs . . . . .	232	245	260	275	280	280	285

**Program Analysis:**

Through research and reference services, the Commission makes available historical information to the public and to other government agencies. Historical data and materials are prepared and published in pamphlet, brochure and book form and are made available for distribution or sale, as required, to historians, scholars, schools, historical societies and the general public.

Technical assistance, advice, guidance and information on history and historical events is provided for historical societies

and groups. Emphasis is given to working with historical societies as extensions which actually supplement the Commission's programs and encourage the interest of young people in Pennsylvania's heritage through such things as junior historian groups.

The actual increase in the public's knowledge and appreciation of Pennsylvania's history cannot be measured. However, an increasing demand for the Commission's services as shown above can be interpreted as an indication of success.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	<u>\$267</u>	<u>\$290</u>	<u>\$328</u>	<u>\$351</u>	<u>\$379</u>	<u>\$411</u>	<u>\$446</u>

**Museum Development and Operation**

OBJECTIVE: To assure provision of representative artifacts and specimens of history, art and science for the enlightenment, enjoyment and visual experience for all citizens.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$3,094	\$3,268	\$3,446	\$3,589	\$3,802	\$3,993	\$4,197
Federal Funds . . . . .	27	19	24	30	30	30	30
Other Funds . . . . .	20	19	24	30	30	30	30
<b>TOTAL . . . . .</b>	<b>\$3,141</b>	<b>\$3,287</b>	<b>\$3,470</b>	<b>\$3,619</b>	<b>\$3,832</b>	<b>\$4,023</b>	<b>\$4,227</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>State-owned museums:</b>							
Museums in operation . . . . .	11	11	13	15	15	15	15
Exhibits developed, updated and maintained . . . . .	1,390	1,445	2,400	2,800	3,000	3,000	3,200
Walk-in visitations at museums . . . . .	720,000	1,136,000	1,312,000	1,850,000	1,889,000	1,930,000	2,030,000
Persons participating in group visitations . . . . .	152,000	241,000	278,000	393,000	401,000	410,000	431,000
<b>State-aided museums:</b>							
Museums receiving financial assistance . . . . .	9	8	8	8	8	8	8

**Program Analysis:**

This program is responsible for the development, maintenance and operation of Pennsylvania's museum system. Included within this program are State-owned and operated museums which depend solely on appropriations to the Historical and Museum Commission and State-aided museums receiving financial assistance through State grants.

There are now eleven State-owned museums with others scheduled to open as indicated in the chart. All of these museums provide a variety of programs of interest on all types

of subjects which are educational and fulfilling to persons seeking information on our historical heritage.

There are also special and extension services which are beneficial to the public including a mobile museum program that brings displays to persons throughout Pennsylvania. Each year, as the projections indicate, there is a significant increase in the number of visitations to these facilities. The chart illustrates the upward trend visitations are expected to take and the anticipated increases caused by the Bicentennial.

Museum Development and Operation (continued)

Program Analysis: (continued)

VISITATION AT STATE-OWNED MUSEUMS

Museum	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
William Penn Memorial Museum . . . . .	287,000	500,000	500,000	475,000	475,000	475,000	475,000
Pennsylvania Farm Museum . . . . .	165,000	220,000	250,000	230,000	230,000	240,000	240,000
Fort Pitt Museum . . . . .	164,000	200,000	210,000	150,000	150,000	150,000	160,000
Pennsylvania Military Museum . . . . .	30,000	35,000	40,000	35,000	35,000	35,000	35,000
Eckley Anthracite Museum . . . . .	17,000	25,000	50,000	40,000	42,000	42,000	43,000
Railroad Museum of Pennsylvania . . . . .	92,000	250,000	300,000	250,000	250,000	225,000	225,000
Pennsylvania Lumber Museum . . . . .	47,000	48,000	60,000	50,000	50,000	50,000	50,000
Somerset Historical Center . . . . .	15,000	35,000	38,000	38,000	38,000	38,000	38,000
Old Mill Village Museum . . . . .	45,000	50,000	60,000	45,000	45,000	45,000	45,000
Scranton Iron Furnace . . . . .	6,000	9,000	15,000	15,000	15,000	10,000	10,000
Curtin Village . . . . .	4,000	5,000	7,000	10,000	10,000	10,000	10,000
Lackawanna Anthracite Museum . . . . .	.....	.....	30,000	70,000	70,000	75,000	80,000
Great Meadows Amphitheatre . . . . .	.....	.....	.....	45,000	90,000	100,000	100,000
Port of History Museum . . . . .	.....	.....	.....	750,000	750,000	800,000	900,000
Schuylkill Anthracite Museum . . . . .	.....	.....	30,000	40,000	40,000	45,000	50,000
<b>TOTAL</b> . . . . .	<b>872,000</b>	<b>1,377,000</b>	<b>1,590,000</b>	<b>2,243,000</b>	<b>2,290,000</b>	<b>2,340,000</b>	<b>2,461,000</b>

One of the best indicators of the success of this program is the number of visitations. From 1974-75 to 1976-77 there will be an estimated 718,000 additional visitors to all the museums owned and operated by the Commonwealth. During this time

there will be conducted festivals, special events and dramatic productions related to the Bicentennial, which will contribute to a renewed desire to enjoy and preserve cultural and historical contributions from the past.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$1,896	\$2,058	\$2,325	\$2,511	\$2,724	\$2,915	\$3,119
University of Pennsylvania Museum . . . . .	100	100	100	100	100	100	100
Carnegie Museum . . . . .	100	100	100	100	100	100	100
The Franklin Institute . . . . .	300	300	300	300	300	300	300
Pennsylvania Academy of The Fine Arts . . . . .	3	3	3	3	3	3	3
Academy of Natural Sciences of Philadelphia . . . . .	77	225	225	225	225	225	225
Museum of the Philadelphia Civic Center . . . . .	150	150	150	150	150	150	150
Buhl Planetarium and Institute of Popular Science . . . . .	50	100	100	100	100	100	100
Philadelphia Museum of Art . . . . .	100	100	100	100	100	100	100
Public Museum of Reading . . . . .	100	.....	.....	.....	.....	.....	.....
Capital Improvements . . . . .	218	132	43	.....	.....	.....	.....
<b>GENERAL FUND TOTAL</b> . . . . .	<b>\$3,094</b>	<b>\$3,268</b>	<b>\$3,446</b>	<b>\$3,589</b>	<b>\$3,802</b>	<b>\$3,993</b>	<b>\$4,197</b>

**Development and Preservation of Historical Sites and Properties**

OBJECTIVE: To utilize and interpret historic sites and properties as related to Pennsylvania's history and to promote an understanding and appreciation of the State's historical heritage.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$2,666	\$2,877	\$3,289	\$3,551	\$3,834	\$4,157	\$4,490
Federal Funds . . . . .	57	96	103	97	100	100	100
Other Funds . . . . .	71	26	34	32	32	32	32
<b>TOTAL . . . . .</b>	<u>\$2,794</u>	<u>\$2,999</u>	<u>\$3,426</u>	<u>\$3,680</u>	<u>\$3,966</u>	<u>\$4,289</u>	<u>\$4,662</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Sites and properties operated . . . . .	44	44	44	45	45	45	45
Annual visitors . . . . .	6,198,000	10,194,000	12,156,000	10,842,000	10,032,000	9,905,000	9,965,000
Sites and properties surveyed . . . . .	420	500	575	650	740	800	850
Historical markers erected, refurbished, replaced and/or maintained . . . . .	1,367	1,377	1,387	1,397	1,407	1,410	1,415
Buildings to be maintained . . . . .	123	123	125	125	125	125	125

**Program Analysis:**

The Pennsylvania Historical and Museum Commission is responsible for the care, preservation and maintenance of some 44 historic properties which have been committed to its custody by the General Assembly. These properties are scattered widely across the Commonwealth and are operated for the education and recreation of the public. Most of these sites have been restored to reflect the period of history they portray and the heritage of Pennsylvania and the United States.

The presentation of Pennsylvania's historic heritage involves much more than preserving historic buildings, relics and records. It calls for an active and diverse program to develop, interpret and promote interest in the important events in the

Commonwealth's history. As indicated by the chart, the visitation rates at these historic sites will increase and peak in the Bicentennial years, then taper off and return to a normal level. This projected increase in visitations can be attributed to a renewed interest in history, art and science for enlightenment, enjoyment and visual experience for all citizens, and is intensified by the Bicentennial.

The actual visitation figures for 1974-75 were below previously estimated figures. This is attributed to the adverse effects of the energy shortage and the continued adverse effects of flood damage. With these two causes remedied or eased, we can see the anticipated figures becoming closer to normal through the Bicentennial years.

Development and Preservation of Historical Sites and Properties (continued)

Program Analysis: (continued)

VISITATIONS AT SELECTED STATE HISTORICAL SITES AND PROPERTIES

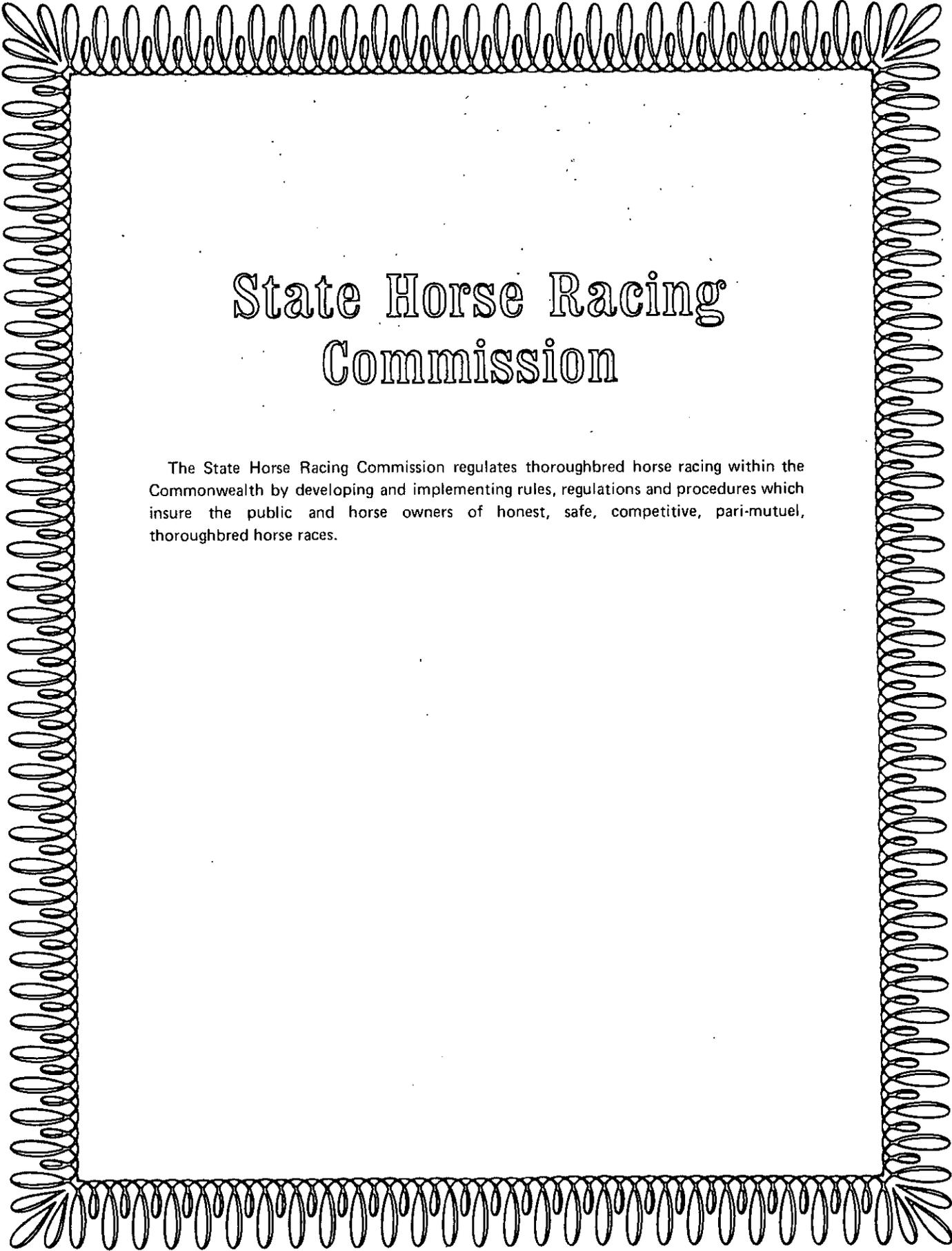
Property	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Valley Forge	3,317,000	5,507,000	6,205,000	6,100,000	5,300,000	5,000,000	5,000,000
Washington Crossing	2,169,000	3,200,000	4,280,000	3,000,000	3,000,000	3,200,000	3,200,000
Brandywine Battlefield	185,000	400,000	458,000	495,000	445,000	450,000	460,000
Ephrata Cloister	94,000	135,000	155,000	140,000	137,000	135,000	135,000
Old Economy	77,000	129,000	133,000	124,000	121,000	120,000	120,000
Flagship Niagara	35,000	106,000	121,000	111,000	105,000	105,000	105,000
Daniel Boone	67,000	110,000	115,000	111,000	105,000	105,000	105,000
Pennsbury Manor	42,000	85,000	89,000	84,000	80,000	85,000	85,000
Drake Well Museum	29,000	56,000	61,000	57,000	55,000	55,000	55,000
All others	183,000	466,000	539,000	620,000	682,000	650,000	700,000
<b>TOTAL</b>	<b>6,198,000</b>	<b>10,194,000</b>	<b>12,156,000</b>	<b>10,842,000</b>	<b>10,032,000</b>	<b>9,905,000</b>	<b>9,965,000</b>

Also under this program the Commonwealth cooperates with and advises historical societies and civic organizations in historic site preservation. Historical markers are placed and maintained along Pennsylvania's highways to acquaint the public with the historical significance of the locality. With the constant threat of sites being endangered by urbanization,

highway development and citizen carelessness, a survey program is being developed by the Commission to protect these historic facilities on State and national historical registers. This affords protection until any significant historical value of the property can be determined.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations	\$1,558	\$1,692	\$1,932	\$2,086	\$2,251	\$2,439	\$2,632
Valley Forge State Park	572	618	703	759	820	890	961
Washington Crossing State Park	445	474	542	585	632	686	744
Brandywine Battlefield Park							
Commission	91	93	112	121	131	142	153
<b>GENERAL FUND TOTAL</b>	<b>\$2,666</b>	<b>\$2,877</b>	<b>\$3,289</b>	<b>\$3,551</b>	<b>\$3,834</b>	<b>\$4,157</b>	<b>\$4,490</b>



# State Horse Racing Commission

The State Horse Racing Commission regulates thoroughbred horse racing within the Commonwealth by developing and implementing rules, regulations and procedures which insure the public and horse owners of honest, safe, competitive, pari-mutuel, thoroughbred horse races.

**STATE HORSE RACING COMMISSION**

**Summary by Fund and Appropriation**

		(Dollar Amounts in Thousands)	
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>State Horse Racing Fund</b>			
<b>General Government</b>			
General Operations .....	\$ 802	\$ 895	\$ 947
Transfer to General Fund .....	15,983	15,261	15,527
Transfer to Fair Fund .....	1,216	2,280	2,286
<b>Total State Funds .....</b>	<u>\$18,001</u>	<u>\$18,436</u>	<u>\$18,760</u>
Other Funds .....	\$ 2	.....	.....
<b>DEPARTMENT TOTAL .....</b>	<u>\$18,003</u>	<u>\$18,436</u>	<u>\$18,760</u>

State Horse Racing Fund

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Operations</b>			
State Funds .....	\$ 802	\$ 895	\$ 947
Other Funds .....	2	.....	.....
<b>TOTAL</b> .....	<u>\$ 804</u>	<u>\$ 895</u>	<u>\$ 947</u>

Implements rules, regulations and procedures to insure the public of honest, safe and competitive thoroughbred horse races.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
General Operations .....	\$ 802	\$ 895	\$ 947
<b>Other Funds:</b>			
Sale of Automobiles .....	2	.....	.....
<b>TOTAL</b> .....	<u>\$ 804</u>	<u>\$ 895</u>	<u>\$ 947</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Transfer to General Fund</b>			
State Funds .....	\$15,983	\$15,261	\$15,527

Beginning in 1974-75, eighty-seven percent of all monies derived from horse racing and not required for administrative expenses is transferred to the General Fund where it is received as miscellaneous revenue and does not support a specific program. Previously all surplus was transferred to the General Fund.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
Transfer to General Fund .....	<u>\$15,983</u>	<u>\$15,261</u>	<u>\$15,527</u>

**OTHER SPECIAL FUNDS**

**STATE HORSE RACING COMMISSION**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Transfer to Fair Fund</b>			
State Funds .....	\$ 1,216	\$ 2,280	\$ 2,286

Beginning in 1975-76, thirteen percent of all monies derived from horse racing and not required for administrative expenses is transferred to the Pennsylvania Fair Fund for support of specific programs. Previously there was no transfer.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
Transfer to Pennsylvania Fair Fund .....	<u>\$ 1,216</u>	<u>\$ 2,280</u>	<u>\$ 2,286</u>

**HORSE RACING COMMISSION**

**Summary of Agency Program by Category and Subcategory**

**General Fund and Special Funds**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Consumer Protection</b> . . . . .	\$18,001	\$18,436	\$18,760	\$19,095	\$19,434	\$19,783	\$20,142
Regulation of Horse Racing . . . . .	18,001	18,436	18,760	19,095	19,434	19,783	20,142
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$18,001</u>	<u>\$18,436</u>	<u>\$18,760</u>	<u>\$19,095</u>	<u>\$19,434</u>	<u>\$19,783</u>	<u>\$20,142</u>

Regulation of Horse Racing

OBJECTIVE: To prevent consumer fraud in thoroughbred horse racing

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	\$18,001	\$18,436	\$18,760	\$19,095	\$19,434	\$19,783	\$20,142
Other Funds . . . . .	2	.....	.....	.....	.....	.....	.....
<b>TOTAL . . . . .</b>	<b>\$18,003</b>	<b>\$18,436</b>	<b>\$18,760</b>	<b>\$19,095</b>	<b>\$19,434</b>	<b>\$19,783</b>	<b>\$20,142</b>

Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Incidence of patron complaints . . . . .	15	25	25	25	25	25	25
Incidence of noncompliance with established rules and regulation . . . . .	650	800	800	900	900	900	900
Participants to be licensed . . . . .	20,167	23,000	24,000	25,000	25,000	25,000	25,000
Investigations performed to insure compliance with established rules and regulations . . . . .	2,000	2,000	2,000	2,000	2,000	2,000	2,000

Program Analysis:

The activities of this program are aimed at insuring that horse racing events are fair and unbiased. It is estimated that there will be 4,000 thoroughbred horse races held within the Commonwealth in 1976-77, with 24,000 participants to be licensed. The number of consumer complaints has been minimal. As the data indicate they are estimated at 25 in 1975-76 with this number expected to stabilize. When comparing the projected number of thoroughbred races to be conducted and the number of licensed participants with the approximately 650 incidence of noncompliance with established rules and regulations, the success of the licensing, security and enforcement procedures becomes apparent. These procedures are designed to contribute to the overall

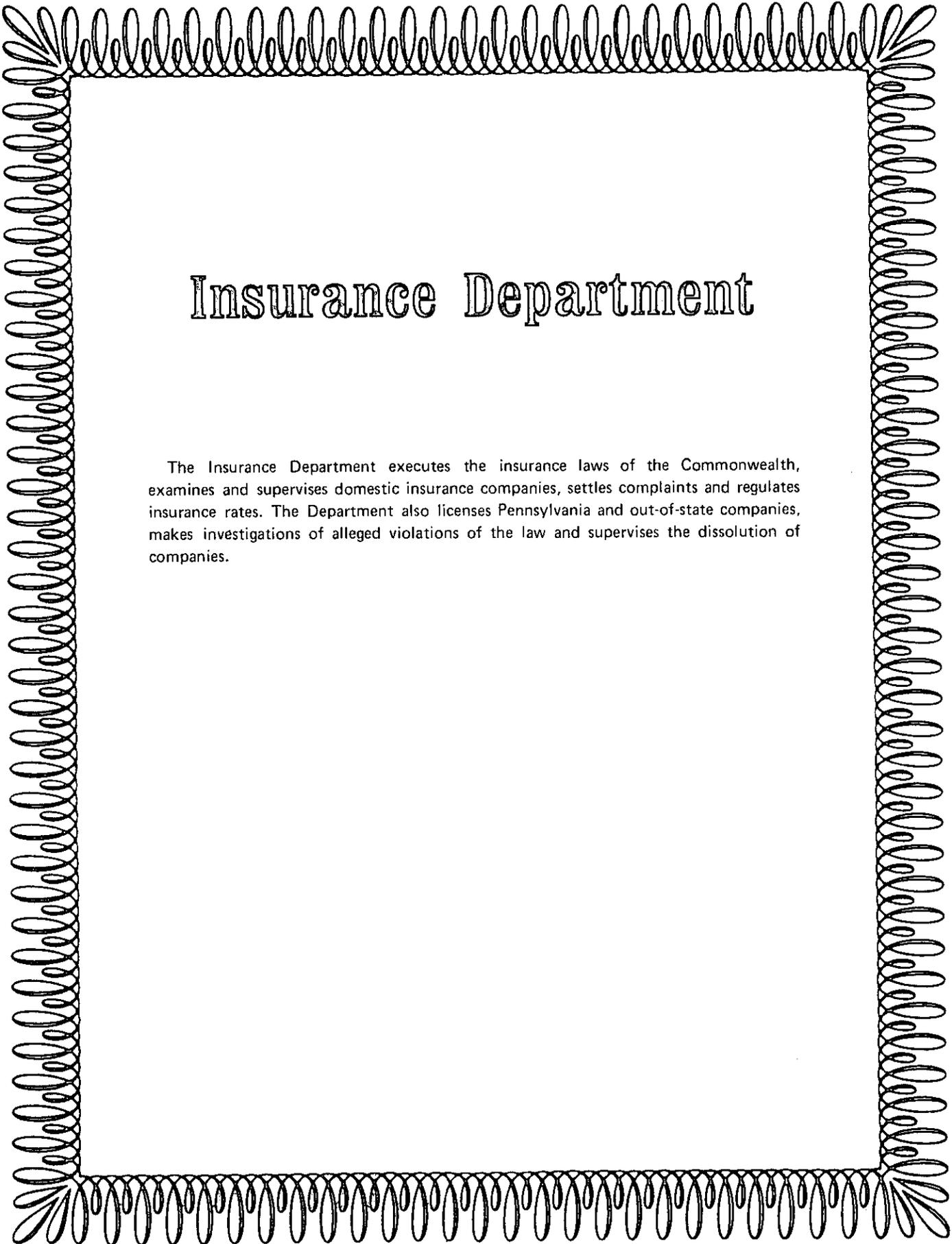
confidence factor of patrons, thus assuring a continuation of the current wagering level and concomitant revenues for the Commonwealth.

The number of investigations is projected to remain constant. This measure reflects an investigation of any infraction of the rules and regulations no matter how minor.

The significant increase in the number of participants to be licensed is a result of greater purses, and an overall increase in the quality of racing in Pennsylvania. The significant increase as compared to last year's data in the incidence of noncompliance with established rules and regulations is a result of a more intensive investigative program and better data collection and forecasting.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>STATE HORSE RACING FUND</b>							
General Operations . . . . .	\$ 802	\$ 895	\$ 947	\$ 1,006	\$ 1,064	\$ 1,128	\$ 1,196
Transfer to General Fund . . . . .	15,983	15,261	15,527	15,797	16,072	16,351	16,636
Transfer to Fair Fund . . . . .	1,216	2,280	2,286	2,292	2,298	2,304	2,310
<b>TOTAL . . . . .</b>	<b>\$18,001</b>	<b>\$18,436</b>	<b>\$18,760</b>	<b>\$19,095</b>	<b>\$19,434</b>	<b>\$19,783</b>	<b>\$20,142</b>



# Insurance Department

The Insurance Department executes the insurance laws of the Commonwealth, examines and supervises domestic insurance companies, settles complaints and regulates insurance rates. The Department also licenses Pennsylvania and out-of-state companies, makes investigations of alleged violations of the law and supervises the dissolution of companies.

**INSURANCE DEPARTMENT**  
**Summary by Fund and Appropriation**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$4,460	\$4,740	\$5,309
<b>Total State Funds</b> . . . . .	<u>\$4,460</u>	<u>\$4,740</u>	<u>\$5,309</u>
Other Funds . . . . .	\$ 72	\$ 66	\$ 100
<b>GENERAL FUND TOTAL</b> . . . . .	<u>\$4,532</u>	<u>\$4,806</u>	<u>\$5,409</u>

## General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Government Operations</b>			
State Funds .....	\$4,460	\$4,740	\$5,309
Other Funds .....	72	66	100
<b>TOTAL .....</b>	<u>\$4,532</u>	<u>\$4,806</u>	<u>\$5,409</u>

Administers the internal activities of the Department; examines insurance companies for financial stability, compliance with the law, treatment of policyholders, income, disbursements and loss payments; reviews rates, policies and any policyholders' inquiries or complaints; investigates and takes appropriate action on alleged violations of the law or regulations; and supervises the liquidation of insolvent insurance companies.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations .....	\$4,460	\$4,740	\$5,309
<b>Other Funds:</b>			
Reimbursement for Companies in Liquidation .....	38	15	35
Reimbursement - Pennsylvania Bulletin and Code Regulations .....	22	38	49
Reimbursement - Duplicating and Mailing Services .....	12	13	16
<b>TOTAL .....</b>	<u>\$4,532</u>	<u>\$4,806</u>	<u>\$5,409</u>

## INSURANCE

### Summary of Agency Program by Category and Subcategory

#### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Consumer Protection</b> . . . . .	\$4,460	\$4,740	\$5,309	\$5,778	\$6,267	\$6,743	\$7,205
Regulation of Insurance Industry . . .	4,460	4,740	5,309	5,778	6,267	6,743	7,205
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$4,460</u>	<u>\$4,740</u>	<u>\$5,309</u>	<u>\$5,778</u>	<u>\$6,267</u>	<u>\$6,743</u>	<u>\$7,205</u>

## Regulation of Insurance Industry

**OBJECTIVE:** To assure the efficiency of the insurance industry and its ability to satisfy contractual obligations and to prevent abuse of the public by illegal or unfair practices.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$4,460	\$4,740	\$5,309	\$5,778	\$6,267	\$6,743	\$7,205
Other Funds . . . . .	72	66	100	100	100	100	100
<b>TOTAL . . . . .</b>	<b>\$4,532</b>	<b>\$4,806</b>	<b>\$5,409</b>	<b>\$5,878</b>	<b>\$6,367</b>	<b>\$6,843</b>	<b>\$7,305</b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Savings from departmental intervention (in thousands) . . . . .	\$4,770	\$5,000	\$5,300	\$5,300	\$5,500	\$6,000	\$6,000
Companies audited annually . . . . .	1,067	1,112	1,122	1,132	1,142	1,152	1,162
Companies audited quarterly . . . . .	175	185	185	185	190	195	200
Companies in liquidation . . . . .	16	19	16	13	11	10	10
Complaints received and processed . . . . .	19,000	24,000	35,000	40,000	40,000	45,000	45,000

### Program Analysis:

The Pennsylvania Insurance Department is charged with maintaining a balance between consumer and industry interests. The Insurance Department is obliged to use its regulatory authority to ensure that the industry is doing its best to make the insurance market responsive to the daily needs of the consumer, by making available to them reliable and responsible choices for needed insurance coverages at appropriate rates. At the same time, it is the Department's responsibility to promote an economic climate within the industry that will allow any of the 1,190 companies operating within statutory law to realize a reasonable rate of return on their business.

Each insurance company must be examined by the Insurance Department for financial stability, compliance with the law, treatment of policyholders, income, disbursements and loss payments. Newly licensed companies and companies who fail four solvency tests established by the National Association of Insurance Commissioners are audited quarterly for a period of five years. The economic downturn that began

last year resulted in an increase in the number of quarterly audits during 1974-75 and if this economic climate continues it is likely that the number of quarterly audits will increase gradually over the next several years, as shown in the measures. Furthermore, special examinations are conducted on companies that show evidence of financial difficulty or other malpractices during the annual audit. All other domestic companies are examined at least once every four years pursuant to statutory law. These examinations benefit the consumer, as well as the insurance industry by identifying problem areas which if unchecked could lead to liquidation. Of course, even a thorough audit does not and cannot guarantee that a company will remain solvent. As shown in the measures there will be a slight increase in the number of companies in liquidation during the next two fiscal years. By 1977-78 it is expected that liquidation actions will commence a gradual decrease, providing the economy becomes more stable during the next few years.

The approach used to attain the objectives of this program,

## Regulation of Insurance Industry (continued)

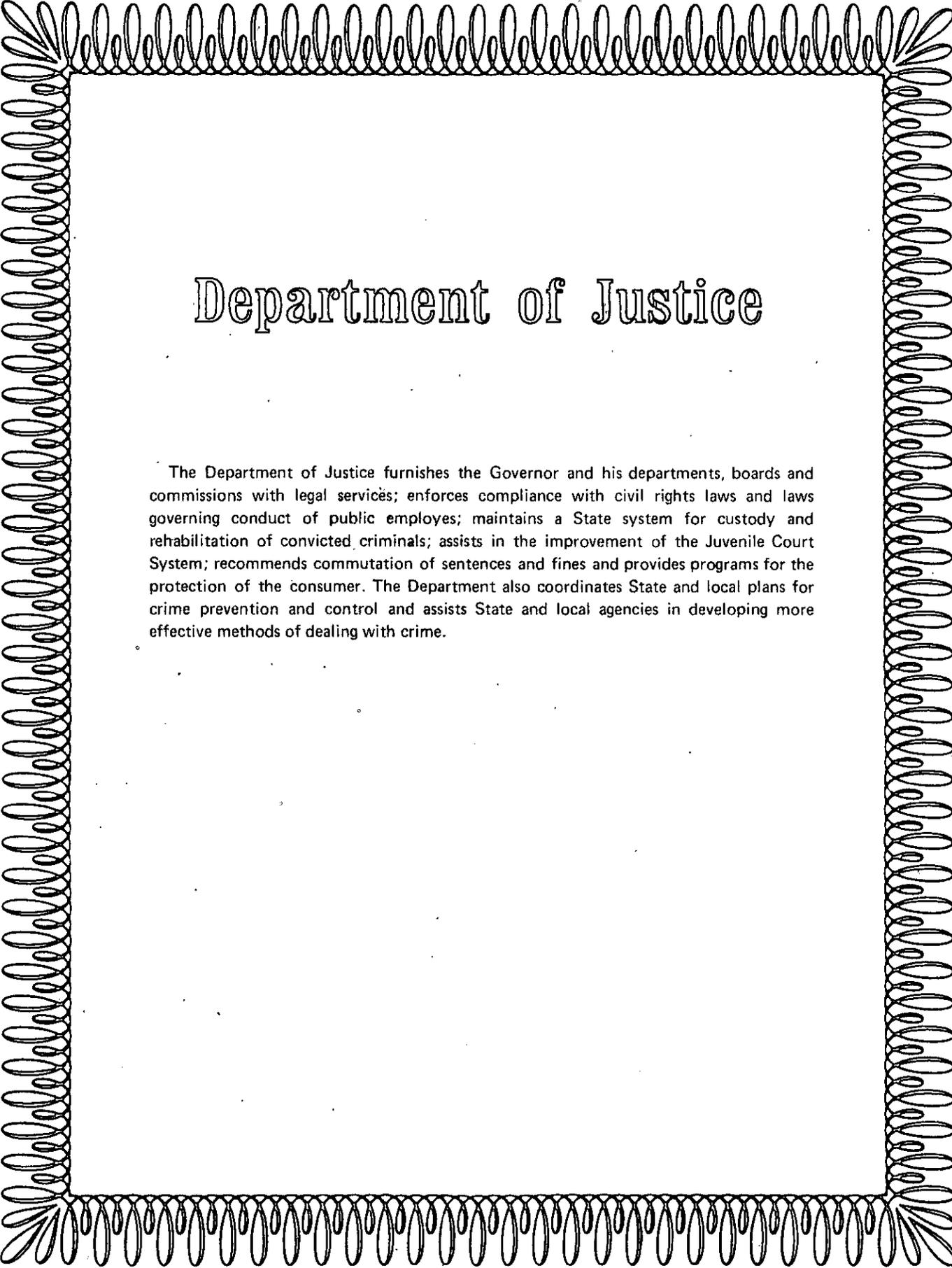
not only involves the use of regulatory law, but at the same time emphasizes the development of an informed and enlightened citizenry. The "shoppers' guides to insurance" have provided the public with consumer information that simplified market decisions and saved millions of dollars for the general public. It is impossible to accurately calculate the savings resultant from the "shoppers' guides" because there are two million guides in circulation of which 1.2 million were reproduced by agencies other than the Insurance Department. Of the total printed, 75,000 have gone out-of-state.

With the growth of public awareness, there has been a corresponding increase in the number of consumer complaints registered with the Insurance Department. Thus, there has been placed an increased emphasis on evaluating and processing consumer complaints. Besides the main office in Harrisburg, branch offices are located in Erie, Pittsburgh and Philadelphia, and traveling complaint teams periodically visit smaller communities throughout the Commonwealth. As the

measures show, the number of complaints is expected to increase significantly during the next five years which in turn will result in an increase in dollars recovered for policyholders. During the four year period prior to 1974-75 rate increases were held to a minimum which in turn resulted in a savings to the consumer. However, inflation, the elimination of Federal price controls, and other economic pressures resulted in the approval of a significant number of rate increases during 1974-75. Consequently, there were no actual savings during this period and it is not expected that any savings will accrue in this area in the foreseeable future. However, a one-time savings of \$54,000,000 to Commonwealth policyholders as a result of a mandatory 15 percent rate decrease did occur when the No-Fault Vehicle Insurance Act became law during July 1975. Additionally, the passage of this act will result in more prompt payment to victims of motor vehicle accidents through the reduction of the need for long and costly law suits.

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	<u>\$4,460</u>	<u>\$4,740</u>	<u>\$5,309</u>	<u>\$5,778</u>	<u>\$6,267</u>	<u>\$6,743</u>	<u>\$7,205</u>



# Department of Justice

The Department of Justice furnishes the Governor and his departments, boards and commissions with legal services; enforces compliance with civil rights laws and laws governing conduct of public employes; maintains a State system for custody and rehabilitation of convicted criminals; assists in the improvement of the Juvenile Court System; recommends commutation of sentences and fines and provides programs for the protection of the consumer. The Department also coordinates State and local plans for crime prevention and control and assists State and local agencies in developing more effective methods of dealing with crime.

**DEPARTMENT OF JUSTICE**  
**Summary by Fund and Appropriation**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 6,715	\$ 7,554	\$ 8,645
Office of Drug Law Enforcement . . . . .	2,789	2,965	3,571
Pennsylvania Crime Commission . . . . .	241	245	331
Juvenile Court Judges Commission . . . . .	164	189	209
Sub-Total . . . . .	<u>\$ 9,909</u>	<u>\$10,953</u>	<u>\$12,756</u>
<b>Institutional</b>			
State Correctional Institutions . . . . .	<u>\$57,483</u>	<u>\$63,686</u>	<u>\$71,073</u>
<b>Grants and Subsidies</b>			
Improvement of County Juvenile			
Probation Services . . . . .	\$ 1,320	\$ 1,452	\$ 1,568
Aid to Local Law Enforcement . . . . .	1,150	1,110	1,110
Yablonski Trials . . . . .	410	. . . . .	. . . . .
Sub-Total . . . . .	<u>\$ 2,880</u>	<u>\$ 2,562</u>	<u>\$ 2,678</u>
<b>Capital Improvements</b>			
Capital Improvements . . . . .	. . . . .	\$ 181	\$ 152
<b>Total State Funds</b> . . . . .	<u>\$70,272</u>	<u>\$77,382</u>	<u>\$86,659</u>
Federal Funds . . . . .	\$ 7,330	\$ 6,884	\$ 4,831
Other Funds . . . . .	408	1,154	1,354
<b>GENERAL FUND TOTAL</b> . . . . .	<u>\$78,010</u>	<u>\$85,420</u>	<u>\$92,844</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Government Operations</b>			
State Funds . . . . .	\$ 6,715	\$ 7,554	\$ 8,645
Federal Funds . . . . .	3,944	4,039	2,849
Other Funds . . . . .	324	706	823
<b>TOTAL . . . . .</b>	<b>\$10,983</b>	<b>\$12,299</b>	<b>\$12,317</b>

Provides legal counsel in matters affecting the operation of State agencies. Maintains the Board of Pardons which reviews applications for reprieves, commutation of sentences and pardons. Helps promote the integrity of State Government through investigations of illegal and/or improper activities on the part of Commonwealth employes. Protects the citizens from fraudulent and dishonest business practices by investigating complaints and when necessary seeks injunctions to halt such practices. Provides coordination of State, local and private efforts to reduce and prevent the spread of crime in the Commonwealth. Also coordinates the use of all Federal funds given to State and local agencies under the Omnibus Crime Control and Safe Streets Act, shown under *Restricted Receipts*.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations . . . . .	\$ 6,715	\$ 6,832*	\$ 8,645
General Government Operations—Deficiency . . . . .	. . . . .	722	. . . . .
<b>Federal Funds:</b>			
Improving and Strengthening Law			
Enforcement . . . . .	3,522	3,724	2,549
Public Assistance—Social Services . . . . .	354	300	300
State and Community Highway Safety . . . . .	66	12	. . . . .
Personnel Administration and Improvement			
Training . . . . .	2	3	. . . . .
<b>Other Funds:</b>			
Reimbursement for Comptroller's Services . . . . .	305	673	793
Collection Fee Reimbursement . . . . .	19	33	30
<b>TOTAL . . . . .</b>	<b>\$10,983</b>	<b>\$12,299</b>	<b>\$12,317</b>

\* This reflects the total amount appropriated for General Government Operations. These funds were actually appropriated separately as follows: Attorney General \$397,000, Comptroller \$36,000, Regional Offices \$1,266,000, Community Advocate Unit \$324,000, Office of Management Services \$613,000, Office of Criminal Law \$127,000, Bureau of Investigations \$557,000, Office of Civil Law \$1,729,000, Bureau of Consumer Protection \$1,023,000, Board of Pardons \$137,000, Governor's Justice Commission \$623,000.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Office of Drug Law Enforcement</b>			
State Funds .....	\$ 2,789	\$ 2,965	\$ 3,571
Federal Funds .....	194	252	200
<b>TOTAL .....</b>	<b>\$ 2,983</b>	<b>\$ 3,217</b>	<b>\$ 3,771</b>

Protects the Commonwealth by enforcing the laws against the trafficking and distribution of narcotics and dangerous drugs.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Office of Drug Law Enforcement .....	\$ 2,789	\$ 2,885	\$ 3,571
Office of Drug Law Enforcement— Deficiency .....	.....	80	.....
<b>Federal Funds:</b>			
Improving and Strengthening Law Enforcement .....	194	252	200
<b>TOTAL .....</b>	<b>\$ 2,983</b>	<b>\$ 3,217</b>	<b>\$ 3,771</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Pennsylvania Crime Commission</b>			
State Funds .....	\$ 241	\$ 245	\$ 331
Federal Funds .....	806	883	992
<b>TOTAL .....</b>	<b>\$ 1,047</b>	<b>\$ 1,128</b>	<b>\$ 1,323</b>

Conducts investigations into organized crime activities and into causes of such crime. Seeks to determine and combat causes of organized crime as well prevent specific occurrences of it.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Fund</b>			
<b>Appropriation:</b>			
Pennsylvania Crime Commission .....	\$ 241	\$ 245	\$ 331
<b>Federal Funds:</b>			
Improving and Strengthening Law Enforcement .....	806	883	992
<b>TOTAL .....</b>	<b>\$ 1,047</b>	<b>\$ 1,128</b>	<b>\$ 1,323</b>

**GENERAL FUND**

**JUSTICE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Juvenile Court Judges Commission</b>			
State Funds . . . . .	\$ 164	\$ 189	\$ 209
Federal Funds . . . . .	40	97	15
<b>TOTAL . . . . .</b>	<b>\$ 204</b>	<b>\$ 286</b>	<b>\$ 224</b>

Provides advice to the juvenile courts of the Commonwealth on matters pertaining to the care and maintenance of delinquent juveniles. Administers the merit classification system for county juvenile probation officers. Conducts training sessions for judges and probation officers.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds:</b>			
<b>Appropriation:</b>			
Juvenile Court Judges Commission . . . . .	\$ 164	\$ 189	\$ 209
<b>Federal Funds:</b>			
Improving and Strengthening Law Enforcement . . . . .	40	97	15
<b>TOTAL . . . . .</b>	<b>\$ 204</b>	<b>\$ 286</b>	<b>\$ 224</b>

Institutional

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>State Correctional Institutions</b>			
State Funds .....	\$57,483	\$63,686	\$71,073
Federal Funds .....	2,346	1,613	775
Other Funds .....	84	448	531
<b>TOTAL .....</b>	<b>\$59,913</b>	<b>\$65,747</b>	<b>\$72,379</b>

Maintains a system providing care, rehabilitation and custody for those individuals committed to the Bureau of Corrections by the courts. Seven State correctional institutions and one regional facility at Greensburg are presently operated by the Bureau. Of the seven State correctional institutions, the one at Muncy is primarily for female offenders.

Besides providing for the basic maintenance of the institutions' inmates, medical, surgical and psychiatric care is provided to correct physical and emotional problems that may hinder the rehabilitative process. Emphasis is placed on providing the vocational and educational training necessary to remedy the general lack of adequate education and skilled work experience that most inmates have when entering the institution. Correctional Industries, financed from the Manufacturing Fund, provides some of the vocational training and work programs. Programs are provided through parent institution: A mobile forestry conservation camp is attached to the institution at Rockview; a number of prerelease centers have been established to provide a transition for inmates between the institution and return to the community. The prerelease centers are located in urban areas and provide workrelease and special treatment programs to aid the individual in the crucial period that usually follows upon release.

The institutional populations for the prior, current and upcoming year are:

Institutions	Inmate Capacity Oct. 1976	Population Oct. 1974	Population Oct. 1975	Projected Population Oct. 1976	Projected Percent of Capacity
Huntingdon .....	943	756	873	890	94%
Muncy .....	254	183	195	155	61%
Pittsburgh .....	1,140	790	983	1,100	96%
Camp Hill .....	1,404	882	936	1,195	85%
Rockview .....	924	766	868	890	96%
Graterford .....	2,000	1,561	1,620	1,900	95%
Dallas .....	952	731	839	900	95%
Greensburg .....	184	192	193	184	100%
Community Treatment Centers .....	250	190	231	236	94%
<b>TOTAL .....</b>	<b>8,051</b>	<b>6,051</b>	<b>6,738</b>	<b>7,450</b>	<b>93%</b>

## Total Proposed expenditures by institution:

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Bureau of Corrections</b>			
State Funds .....	\$ 1,753	\$ 3,490	\$ 3,731
Federal Funds .....	812	668	376
Other Funds .....	.....	.....	.....
TOTAL .....	<u>\$ 2,565</u>	<u>\$ 4,158</u>	<u>\$ 4,107</u>
<b>SCI Huntingdon</b>			
State Funds .....	\$ 6,592	\$ 6,961	\$ 7,825
Federal Funds .....	22	21	.....
Other Funds .....	7	34	42
TOTAL .....	<u>\$ 6,621</u>	<u>\$ 7,016</u>	<u>\$ 7,867</u>
<b>SCI Muncy</b>			
State Funds .....	\$ 2,688	\$ 3,288	\$ 3,495
Federal Funds .....	178	42	.....
Other Funds .....	3	55	63
TOTAL .....	<u>\$ 2,869</u>	<u>\$ 3,385</u>	<u>\$ 3,558</u>
<b>SCI Pittsburgh</b>			
State Funds .....	\$ 8,788	\$ 9,254	\$10,527
Federal Funds .....	17	22	.....
Other Funds .....	10	45	53
TOTAL .....	<u>\$ 8,815</u>	<u>\$ 9,321</u>	<u>\$10,580</u>
<b>SCI Camp Hill</b>			
State Funds .....	\$ 8,399	\$ 8,650	\$10,005
Federal Funds .....	486	264	93
Other Funds .....	19	144	174
TOTAL .....	<u>\$ 8,904</u>	<u>\$ 9,058</u>	<u>\$10,272</u>
<b>SCI Rockview</b>			
State Funds .....	\$ 7,235	\$ 7,858	\$ 8,550
Federal Funds .....	13	20	.....
Other Funds .....	5	38	42
TOTAL .....	<u>\$ 7,253</u>	<u>\$ 7,916</u>	<u>\$ 8,592</u>

Total Proposed expenditures by institution: (continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>SCI Graterford</b>			
State Funds . . . . .	\$12,338	\$13,630	\$14,960
Federal Funds . . . . .	170	82	69
Other Funds . . . . .	17	71	84
<b>TOTAL . . . . .</b>	<b>\$12,525</b>	<b>\$13,783</b>	<b>\$15,113</b>

<b>SCI Dallas</b>			
State Funds . . . . .	\$ 7,525	\$ 7,655	\$ 8,850
Federal Funds . . . . .	33	20	. . . .
Other Funds . . . . .	8	53	63
<b>TOTAL . . . . .</b>	<b>\$ 7,566</b>	<b>\$ 7,728</b>	<b>\$ 8,913</b>

<b>SRCF Greensburg</b>			
State Funds . . . . .	\$ 2,165	\$ 2,900	\$ 3,130
Federal Funds . . . . .	615	474	237
Other Funds . . . . .	15	8	10
<b>TOTAL . . . . .</b>	<b>\$ 2,795</b>	<b>\$ 3,382</b>	<b>\$ 3,377</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
State Correctional Institutions . . . . .	\$57,483	\$63,686	\$71,073
<b>Federal Funds:</b>			
Educationally Deprived Children in State			
Administered Institutions Serving			
Neglected or Delinquent Children . . . . .	182	88	. . . .
Vocational Education—Innovation . . . . .	10	. . . .	. . . .
Improving and Strengthening Law			
Enforcement . . . . .	1,928	1,328	700
Emergency Employment Act . . . . .	5	. . . .	. . . .
Comprehensive Manpower Programs . . . . .	25	. . . .	. . . .
Comprehensive Employment and Training			
Act . . . . .	. . . .	125	. . . .
Maintenance of Federal Prisoners . . . . .	196	72	75
<b>Other Funds:</b>			
Community Treatment Centers—Room and			
Board Payments . . . . .	40	40	40
Sale of Institutional Scraps . . . . .	44	37	31
Reimbursement for Educational Services . . . . .	. . . .	371	460
<b>TOTAL . . . . .</b>	<b>\$59,913</b>	<b>\$65,747</b>	<b>\$72,379</b>

Grants and Subsidies

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Improvement of Juvenile Probation Services</b>			
State Funds . . . . .	\$ 1,320	\$ 1,452	\$ 1,568

Provides grants to county juvenile probation agencies for upgrading their services. The grants are used to provide additional staff, and to raise the quality of juvenile probation staff through minimum standards and training programs.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Improvement of Juvenile Probation Services . . . . .	<u>\$ 1,320</u>	<u>\$ 1,452</u>	<u>\$ 1,568</u>

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Aid to Local Law Enforcement</b>			
State Funds . . . . .	\$ 1,150	\$ 1,110	\$ 1,110

Provides for the payment of the Federally required State match to enable local units of government to receive grants through the Omnibus Crime Control and Safe Streets Act.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Aid to Local Law Enforcement . . . . .	<u>\$ 1,150</u>	<u>\$ 1,110</u>	<u>\$ 1,110</u>

	1974-75	(Dollar Amounts in Thousands)	1976-77
	Actual	1975-76 Available	Budget
<b>Yablonski Trial Expenses</b>			
State Funds .....	\$ 410	.....	.....

Provide funds to Washington County for expenses incurred in the trials of the accused killers of slain labor leader Joseph Yablonski.

	1974-75	(Dollar Amounts in Thousands)	1976-77
	Actual	1975-76 Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Yablonski Trial Expenses .....	\$ 410	.....	.....

**Capital Improvements**

	1974-75	(Dollar Amounts in Thousands)	1976-77
	Actual	1975-76 Available	Budget
<b>Capital Improvements</b>			
State Funds .....	.....	\$ 181	\$ 152

Provides funds to make capital improvements at the State Correctional Institutions at Dallas and Camp Hill, during 1976-77, and at the State Correctional Institution at Muncy during 1975-76.

	1974-75	(Dollar Amounts in Thousands)	1976-77
	Actual	1975-76 Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Capital Improvements .....	.....	\$ 181	\$ 152

**Restricted Receipts Not Included in Department Total**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
Improving and Strengthening Law Enforcement .....	<u>\$34,725</u>	<u>\$33,998</u>	<u>\$36,836</u>

DEPARTMENT OF JUSTICE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . . . .</b>	<b>\$ 19,287</b>	<b>\$ 21,685</b>	<b>\$ 23,326</b>	<b>\$ 24,795</b>	<b>\$ 26,356</b>	<b>\$ 28,017</b>	<b>\$ 29,781</b>
<b>Fiscal Management . . . . .</b>	<b>\$ 225</b>	<b>\$ 240</b>	<b>\$ 250</b>	<b>\$ 265</b>	<b>\$ 282</b>	<b>\$ 298</b>	<b>\$ 316</b>
Collection of Delinquent Accounts . . . . .	225	240	250	265	282	298	316
<b>Consumer Protection . . . . .</b>	<b>\$ 932</b>	<b>\$ 1,072</b>	<b>\$ 1,396</b>	<b>\$ 1,570</b>	<b>\$ 1,725</b>	<b>\$ 1,913</b>	<b>\$ 2,045</b>
Protect Consumer from Fraudulent Practices . . . . .	932	1,072	1,396	1,570	1,725	1,913	2,045
<b>Control and Reduction of Crime . . . . .</b>	<b>\$ 49,828</b>	<b>\$ 54,385</b>	<b>\$ 61,687</b>	<b>\$ 66,295</b>	<b>\$ 70,728</b>	<b>\$ 75,579</b>	<b>\$ 80,329</b>
Criminal Law Enforcement . . . . .	5,096	4,922	5,703	6,301	6,927	7,728	8,172
Reintegration of Juvenile Delinquents . . . . .	1,484	1,641	1,777	1,915	2,064	2,224	2,396
Reintegration of Offenders . . . . .	43,248	47,822	54,207	58,079	61,737	65,627	69,761
<b>DEPARTMENT TOTAL . . . . .</b>	<b><u>\$ 70,272</u></b>	<b><u>\$ 77,382</u></b>	<b><u>\$ 86,659</u></b>	<b><u>\$ 92,925</u></b>	<b><u>\$ 99,091</u></b>	<b><u>\$105,807</u></b>	<b><u>\$112,471</u></b>

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$19,287	\$21,685	\$23,326	\$24,795	\$26,356	\$28,017	\$29,781
Federal Funds . . . . .	4,095	2,818	2,701	3,023	3,190	3,368	3,555
Other Funds . . . . .	309	673	793	833	875	919	965
<b>TOTAL . . . . .</b>	<u>\$23,691</u>	<u>\$25,176</u>	<u>\$26,820</u>	<u>\$28,651</u>	<u>\$30,421</u>	<u>\$32,304</u>	<u>\$34,301</u>

**Program Analysis:**

General Administration and Support provides for the administrative and overhead systems which support the operations of program activities necessary for the achievement of Commonwealth and Agency objectives. Included in this program is the Board of Pardons which reviews applications for reprieves, commutation of sentences and pardons. Also, within this program is the Governor's Justice Commission. The

Commission, acting as the State Planning Agency, administers all the Federal Funds from the Law Enforcement Assistance Administration (LEAA). The success or failure of all these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the cost of provided services.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 5,052	\$ 5,640	\$ 6,308	\$ 6,705	\$ 7,127	\$ 7,577	\$ 8,054
Correctional Institutions--							
State-owned . . . . .	14,235	16,045	17,018	18,090	19,229	20,440	21,727
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$19,287</u>	<u>\$21,685</u>	<u>\$23,326</u>	<u>\$24,795</u>	<u>\$26,356</u>	<u>\$28,017</u>	<u>\$29,781</u>

**Collection of Delinquent Accounts**

OBJECTIVE: To assure the availability of resources for the Commonwealth's programs through the equitable and efficient administration of Pennsylvania revenue system.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$225	\$240	\$250	\$265	\$282	\$298	\$316
Other Funds . . . . .	19	33	30	33	37	41	44
<b>TOTAL . . . . .</b>	<u>\$244</u>	<u>\$273</u>	<u>\$280</u>	<u>\$298</u>	<u>\$319</u>	<u>\$339</u>	<u>\$360</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Dollars collected . . . . .	\$8,535,000	\$9,500,000	\$11,000,000	\$12,000,000	\$12,000,000	\$13,500,000	\$13,500,000
Cost per dollar collected (in cents) . . . . .	.03	.03	.02	.02	.03	.03	.03
New claims . . . . .	22,889	50,000	35,000	35,000	35,000	35,000	35,000
Dollar amount of new claims . . . . .	\$16,060,116	\$18,000,000	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000

**Program Analysis:**

This program is solely centered in the Commonwealth Collections Division of the Department of Justice. This division acts as the Commonwealth's bill collector. If an individual or organization has not paid its account within ninety days, this division receives the account for collection. These accounts may range from failure to pay enough income tax to overdue parking violations at the State colleges.

This Division expects to process over 50,000 claims this fiscal year. This dramatic increase over the previous estimate of 13,448 is caused by an unexpected influx of State income tax claims. In the first three months of this fiscal year, the Division received 12,191 claims of which most were tax claims from the years 1971, 1972 and 1973. As a result of this massive increase, the Division now has a backlog of 15,000 claims.

It should be noted that this volume increase is not accompanied by a similar increase in the dollar value of claims

or in the amount collected. This is due to the fact that new claims from income tax involve substantially fewer dollars than the claims from older accounts. Previously, claims often involved amounts of several hundred dollars, while most of the newer claims involve between \$20 and \$60 each.

The future work load of this division should decline after this fiscal year to approximately 35,000 new claims per year. This is substantially more than the 14,000 claims that were originally estimated by the Department of Justice. This increase is due exclusively to the unanticipated large number of income tax claims.

The cost of collecting these overdue accounts is quite small. It costs about \$.03 to collect each dollar that is delinquent. This is because the vast majority of the delinquent accounts are paid after notification by the Justice Department that the account is overdue. Very few cases ever involve litigation.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	<u>\$225</u>	<u>\$240</u>	<u>\$250</u>	<u>\$265</u>	<u>\$282</u>	<u>\$298</u>	<u>\$316</u>

**Protect Consumers from Fraudulent Practices**

OBJECTIVE: To decrease the incidence of fraud and deceptive business practices.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$ 932	\$1,072	\$1,396	\$1,570	\$1,725	\$1,913	\$2,045
Federal Funds .....	546	499	463	400	363	300	300
<b>TOTAL .....</b>	<b><u>\$1,478</u></b>	<b><u>\$1,571</u></b>	<b><u>\$1,859</u></b>	<b><u>\$1,970</u></b>	<b><u>\$2,088</u></b>	<b><u>\$2,213</u></b>	<b><u>\$2,345</u></b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Consumer complaints concerning business practices investigated and mediated . . .	27,500	27,500	29,000	31,000	32,000	33,000	34,000
Dollar value of recoupment to consumers regarding business practices .....	\$2,000,000	\$2,000,000	\$2,200,000	\$2,400,000	\$2,600,000	\$2,800,000	\$3,000,000

**Program Analysis:**

The major emphasis of this program is on mediating consumer complaints. The mediating approach is limited in that relief is afforded only after an injustice has been committed and is provided only to those instituting a complaint. Nonetheless, this approach is valuable in providing consumers a place to register complaints and have some action taken on their behalf. This is amply indicated by the program data which estimates that 29,000 consumer complaints will be investigated and/or mediated for 1976-77. It is anticipated that the program will be able to recoup almost \$2.2 million. This is approximately \$76 for each consumer complaint investigated. This indicates that this program represents many small claims which do not warrant the hiring of an attorney and proceeding with court action.

The volume of mediated complaints has been increasing for several years. However, the rate of increase declined during 1974-75. This may indicate that consumer awareness has reached a plateau and that future year increases in complaints may be marginal.

In addition to complaint mediation, this program conducts a number of other activities. Consumer education has grown to become a significant part of this program. The Bureau of Consumer Protection now produces illustrated pamphlets, a monthly bulletin, and several public service announcements for radio and television. In addition, the Bureau distributes approximately 300,000 cards monthly to food stamp recipients to assist in food selection.

The past three years have seen a significant increase in the Bureau's legal activities. In 1971, a total of 30 legal actions and 11 voluntary compliances were obtained. By 1974, this number had jumped to 112 legal actions and 25 voluntary compliances. The legal actions are of three types: (1) The Bureau may ask a court to enjoin a seller from engaging in a particular unfair trade practice as defined by law, a court may be requested to levy civil penalties of up to \$5,000 per violation, (2) if a seller is violating a court injunction order, and (3) a court may enforce Bureau subpoenas which have been ignored.

In addition, the Bureau also seeks consent petitions with various companies. These petitions are an agreement negotiated directly between the Bureau of Consumer Protection and a company in which the company, without admitting to past illegalities, agrees not to engage in a specific practice in the future. These petitions are certified by the courts and violation of them is considered contempt of court.

It is impossible to fully measure the impact of the Bureau's program. Whenever an individual case is settled in such a manner as to change an operating practice of a business, benefits are derived not only by the individual consumer involved in the case, but also by future customers of that business. Therefore, it seems reasonable to assume that this program produces savings for consumers several times greater than the known dollar value of recoupment shown above.

Protect Consumers from Fraudulent Practices (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . .	<u>\$ 932</u>	<u>\$1,072</u>	<u>\$1,396</u>	<u>\$1,570</u>	<u>\$1,725</u>	<u>\$1,913</u>	<u>\$2,045</u>

**Criminal Law Enforcement**

OBJECTIVE: To minimize the incidence of crime through active enforcement of criminal law.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$5,096	\$4,922	\$5,703	\$6,301	\$6,927	\$7,728	\$8,172
Federal Funds . . . . .	1,115	2,525	1,253	942	605	220	220
<b>TOTAL . . . . .</b>	<b>\$6,211</b>	<b>\$7,447</b>	<b>\$6,956</b>	<b>\$7,243</b>	<b>\$7,532</b>	<b>\$7,948</b>	<b>\$8,392</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Investigations performed by the Bureau of Investigations . . . . .	174	160	170	170	170	170	170
Value of State property saved and/or funds recoverable through Bureau of Investigations . . . . .	\$2,500,064	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Actions resulting from investigations of government employees . . . . .	132	150	150	160	160	160	160
Drug inspections at pharmacies, hospitals, institutions, professional and retail locations . . . . .	291	400	400	400	400	400	400
Drug Law arrests:							
Cannabis (marijuana and hashish) . . . . .	1,083	1,155	750	750	750	750	750
Heroin . . . . .	328	336	550	550	550	550	550
Stimulants . . . . .	333	357	350	350	350	350	350
Hallucinogens . . . . .	187	168	150	150	150	150	150
All other drugs . . . . .	316	84	225	225	225	225	225
<b>Total . . . . .</b>	<b>2,247</b>	<b>2,100</b>	<b>2,025</b>	<b>2,025</b>	<b>2,025</b>	<b>2,025</b>	<b>2,025</b>

**Program Analysis:**

Criminal law enforcement in the Department of Justice consists of three highly specialized investigative organizations and a local aid program.

The most general investigative organization is the Pennsylvania Crime Commission. That Commission presently is conducting investigations, holding public and private hearings and referring evidence of alleged organized criminal activity and/or corruption to appropriate prosecuting authorities. Since the Crime Commission does not actually prosecute or arrest individuals, it is extremely difficult to

measure the impact this agency has on organized criminal activity.

Another investigative organization is the Bureau of Investigations. This Bureau investigates allegations of improper or criminal activities by employees of the Commonwealth as well as criminal activities perpetrated against the Commonwealth. The Bureau of Investigations will, when requested, investigate local governments and assist State, Federal or local investigative bodies. During the fiscal year 1974-75, 174 allegations were investigated. Also 80 other

**Criminal Law Enforcement (continued)****Program Analysis: (continued)**

investigations were initiated but these consisted mostly of preliminary inquiries which were discontinued because of a lack of evidence. As noted in the measures for the last fiscal year, the Bureau was able to recoup over \$2.5 million. This was due primarily to the discovery of over \$2.4 million in fraudulent billing by a laboratory working under contract with the Department of Welfare.

The fourth investigating function of the Department of Justice concentrates exclusively on illegal drugs. Under the Commonwealth's Master Plan for the Prevention, Treatment and Control of Drug Abuse, the Department of Justice has the responsibility for criminal enforcement and compliance with Pennsylvania drug laws. This function is carried out through the Office of Drug Law Enforcement which coordinates the activities of the Bureau of Drug Control in the Department of Justice and of the State Police troopers assigned to this function.

Official estimates of the number of Pennsylvanians illegally experimenting with drugs runs as high as two million. With such widespread disregard for the Commonwealth's drug laws, it is obvious that any enforcement effort will deal with only a small portion of violations. In this regard, drug laws are similar to laws regulating other vices, such as gambling and prostitution, in that they are widely disregarded and difficult to enforce due to the absence of a complaining victim.

The largest number of drug arrests is for cannabis which is commonly known by its two forms — marijuana and hashish. During the first nine months of 1975, 55 percent of the drug law arrests were for cannabis, 16 percent for heroin, 17 percent for stimulants, 8 percent for hallucinogenic drugs and 4 percent for all other drugs. A Presidential task force recently recommended that "a low priority be given to enforcing marijuana laws." Both that task force and the Council on Drug and Alcohol Abuse have called for "decriminalization" of marijuana. These actions appear to be representative of a growing trend in law enforcement priorities. It is, therefore, likely that future years will not see increased efforts to enforce marijuana laws. In fact, it is anticipated that some of the resources presently being used to enforce marijuana laws will eventually be directed to enforcement of more serious offenses.

In addition to the standard undercover activities, two other approaches to drug law enforcement have been taken. The first involves investigation of alleged financiers and managers of the illicit drug distribution system. This group is relatively immune from prosecution under State or Federal drug statutes since these drug statutes are directed essentially to users and distributors. In order to prosecute these individuals an extensive financial background investigation is made in conjunction with agencies of the Federal Government, primarily the Internal Revenue Service and the Drug Enforcement Administration. Since the inception of this program in 1974, two individuals have been arrested.

Secondly, inspections are made of pharmacies, hospitals and other institutions where dangerous drugs can be obtained. When the inspection program was originally planned, the Office of Drug Law Enforcement was to annually investigate approximately 4,000 institutions. These inspections were to provide the opportunity for the Office to find and investigate those institutions where large discrepancies exist in drug inventories, thus curtailing a major source of illegal drug supplies. However, the Office of Drug Law Enforcement changed the original emphasis from inspection to the concentration on street diversion of legitimate controlled substances. As a result, they are only inspecting approximately 400 institutions, instead of the 4,500 they had projected in last year's measures. Presently, 26 individuals have been arrested through this activity.

The program measures indicating the number of arrests show a considerable increase from last year's measures. This does not, however, represent a large increase in arrests. Last year's measures only showed arrests made by agents working for the Department of Justice. This year's measures include the arrests made if State Police officers working under the direction of the Office of Drug Law Enforcement.

The local aid portion of this program is conducted through the Governor's Justice Commission. The Commission uses these funds to meet the state matching requirements for the Law Enforcement Assistance Administration grants to local governments.

Criminal Law Enforcement (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	\$ 506	\$ 602	\$ 691	\$ 783	\$ 837	\$ 895	\$ 957
Pennsylvania Crime Commission . . . .	241	245	331	722	1,155	1,644	1,756
Aid to Local Law Enforcement . . . .	1,150	1,110	1,110	1,000	900	900	900
Office of Drug Law Enforcement . . . .	2,789	2,965	3,571	3,796	4,035	4,289	4,559
Yablonski Trials . . . . .	410	.....	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . .</b>	<u>\$5,096</u>	<u>\$4,922</u>	<u>\$5,703</u>	<u>\$6,301</u>	<u>\$6,927</u>	<u>\$7,728</u>	<u>\$8,172</u>

**Reintegration of Juvenile Delinquents**

OBJECTIVE: To reduce the recurrence of juvenile delinquency through replacement of criminal behavior with socially acceptable behavior.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$1,484	\$1,641	\$1,777	\$1,915	\$2,064	\$2,224	\$2,396
Federal Funds . . . . .	40	97	15	15	15	15	15
<b>TOTAL . . . . .</b>	<u>\$1,524</u>	<u>\$1,738</u>	<u>\$1,792</u>	<u>\$1,930</u>	<u>\$2,079</u>	<u>\$2,239</u>	<u>\$2,411</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Percentage of juveniles referred as delinquents more than once during the year* . . . . .	60%	60%	60%	60%	60%	60%	60%
Percentage of juveniles referred as delinquents who were referred in the previous year** . . . . .	41%	41%	41%	41%	41%	41%	41%
Average county probation officer caseload . . . . .	35	35	35	35	35	35	35
Courts participating in juvenile probation grant programs . . . . .	58	60	62	64	64	67	67

\* Excludes Allegheny County.

\*\* Excludes Philadelphia.

**Program Analysis:**

The most precise means of determining the effectiveness of this program is to measure the rate of recidivism among disposed juvenile delinquency cases. However, present juvenile court record keeping systems do not permit an accurate measure of recidivism. There are two different measures of recidivism which are employed by juvenile courts. One system measures the number of juveniles referred as delinquents more than once in a year. The second measures the number of juveniles referred as delinquent who were similarly referred during a previous year. Although both of these measures provide information which is helpful in measuring program effectiveness, the lack of a uniform system makes it impossible to arrive at an accurate statewide measure of recidivism.

It should be noted that the recidivism data has changed from the previous year. The Juvenile Court Judges' Commission modified the method by which the data is computed. Previously, the Commission counted those who did not have previous court appearances and individuals whose past court history was not known, as one group having no previous record. By computing the percentage of juveniles

referred on the basis of the juvenile population whose past history can be documented, the Commission increased both recidivism measures by approximately 15 percentage points. This new method of computation gives a more accurate presentation of recidivism, since it does not count as non-recidivists, those individuals whose history is not known. As such the increase in recidivism measures is not due to an increase in referrals, but to a change in the method of computation.

All courts except Philadelphia and Allegheny County report both measures. Philadelphia reports only juveniles referred more than once in a year, while Allegheny reports only juveniles referred in the previous year. Thus, data for both measures is incomplete. Since the courts are a separate branch of government they may choose their own record systems and uniformity is not required by law.

Also, it should be pointed out that many other counties do not have adequate reporting systems. Improvement in some of these reporting systems has altered the recidivism data from the previous year's measures.

Reintegration of Juvenile Delinquents (continued)

Program Analysis: (continued)

The basic thrust of this program continues to be the provision of technical and financial assistance to the juvenile probation staffs of the county juvenile courts. A merit compensation plan for county juvenile probation officers was implemented through this program during 1972-73. The purpose of this compensation plan is to reduce the high turnover rate in county juvenile probation officers by providing compensation which is competitive with other social service jobs and by providing a career ladder for juvenile probation officers. However, there has not been a reduction in the turnover rate of juvenile probation officers. At present,

recruitment of qualified new officers is not a problem. This could be a result of the merit compensation plan but it could also be attributed to the poor job market for recent social service graduates.

When the merit compensation plan was established the Commonwealth mandated minimum salary levels for juvenile probation officers. These minimum levels had to be met by all counties receiving funds through the grant program. Such action may no longer be feasible because many probation officers now have their salaries established, directly or indirectly, through collective bargaining.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Juvenile Court Judges Commission . . .	\$ 164	\$ 189	\$ 209	\$ 222	\$ 236	\$ 250	\$ 265
Improvement of County Juvenile Probation Services . . . . .	1,320	1,452	1,568	1,693	1,828	1,974	2,131
GENERAL FUND TOTAL . . . . .	<u>\$1,484</u>	<u>\$1,641</u>	<u>\$1,777</u>	<u>\$1,915</u>	<u>\$2,064</u>	<u>\$2,224</u>	<u>\$2,396</u>

**Reintegration of Offenders**

OBJECTIVE: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$43,248	\$47,822	\$54,207	\$58,079	\$61,737	\$65,627	\$69,761
Federal Funds .....	1,534	945	399	399	399	399	399
Other Funds .....	80	448	531	564	600	637	677
<b>TOTAL .....</b>	<b><u>\$44,862</u></b>	<b><u>\$49,215</u></b>	<b><u>\$55,137</u></b>	<b><u>\$59,042</u></b>	<b><u>\$62,736</u></b>	<b><u>\$66,663</u></b>	<b><u>\$70,837</u></b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
State and local penal facilities requiring inspections .....	531	531	531	531	531	531	531
County municipal jails not meeting State requirements .....	121	120	115	110	105	95	90
Annual receptions who are parole violators .....	628	660	680	680	680	680	680

**Program Analysis:**

This program, conducted by the Bureau of Correction is for offenders who are sentenced by the courts to State correctional institutions.

The Bureau of Correction has a dual role. By isolating dangerous offenders it removes for a time, the opportunity for such offenders to continue their criminal activities in society. However, since 98 percent of those individuals incarcerated in State correctional institutions eventually return to society, it is necessary that prisons do more than just isolate offenders. Efforts must be made to alter behavior patterns. This is particularly true since a significant portion of crime is committed by habitual offenders. Therefore, improved programs for the rehabilitation of offenders are necessary if crime is to be substantially reduced.

Studies on parolees indicate a correlation between the ability of an ex-offender to hold a job and his ability to lead a crime free life. A recent survey showed that approximately 53 percent of the inmates in State correctional institutions were unemployed prior to their commitment. The average inmate completed only eight grades of school with a grade achievement level of less than six grades. However, the average IQ of inmates is 96.5, only slightly below normal. This data

indicates a definite need for education. Unfortunately, in the past, the educational program was given only minimal support. As a result, the program was transferred to the Department of Education during 1974-75.

This budget for 1976-77 emphasizes improvements in three areas. The first area is security. It is mandatory that institutions incarcerating the most habitual and aggressive law violators maintain sufficient control of that population. This task has become more difficult as the Bureau of Correction has increased programming and general activity for inmates in the State's correctional institutions. Increasing inmate populations have also made the maintenance of security more difficult and created a need for more correctional officers.

Medical care is the second area where emphasis is to be placed. It is incumbent upon the Bureau to appropriately staff the institutional infirmaries on a twenty-four hour basis. Presently, when skilled medical staff are unavailable, the Bureau staffs the various facilities with correctional officers or does not provide the necessary twenty-four hour coverage. Such practices result in substandard medical care being provided to the inmates.

Reintegration of Offenders (continued)

Program Analysis: (continued)

Lastly, the Bureau is attempting to improve culinary service. With increased staff, the Bureau of Correction will provide a greater intensity of inmate supervision. As such, the cleanliness and orderliness of the kitchen and dining areas will improve. Also with closer supervision, the Bureau will be able to provide increased training for the inmate staff that is assigned to the kitchen and dining areas. This should improve the quality and nutritional value of the food.

In addition to having custody of individuals, the Bureau of Correction also has the responsibility to inspect all local detention facilities to insure their compliance with State standards. In fiscal year 1974-75, there were 121 such facilities that did not meet State standards. This is approximately 23 percent of all local correctional facilities. By the end of the decade, it is hoped that the number of facilities not meeting State standards will be less than 100.

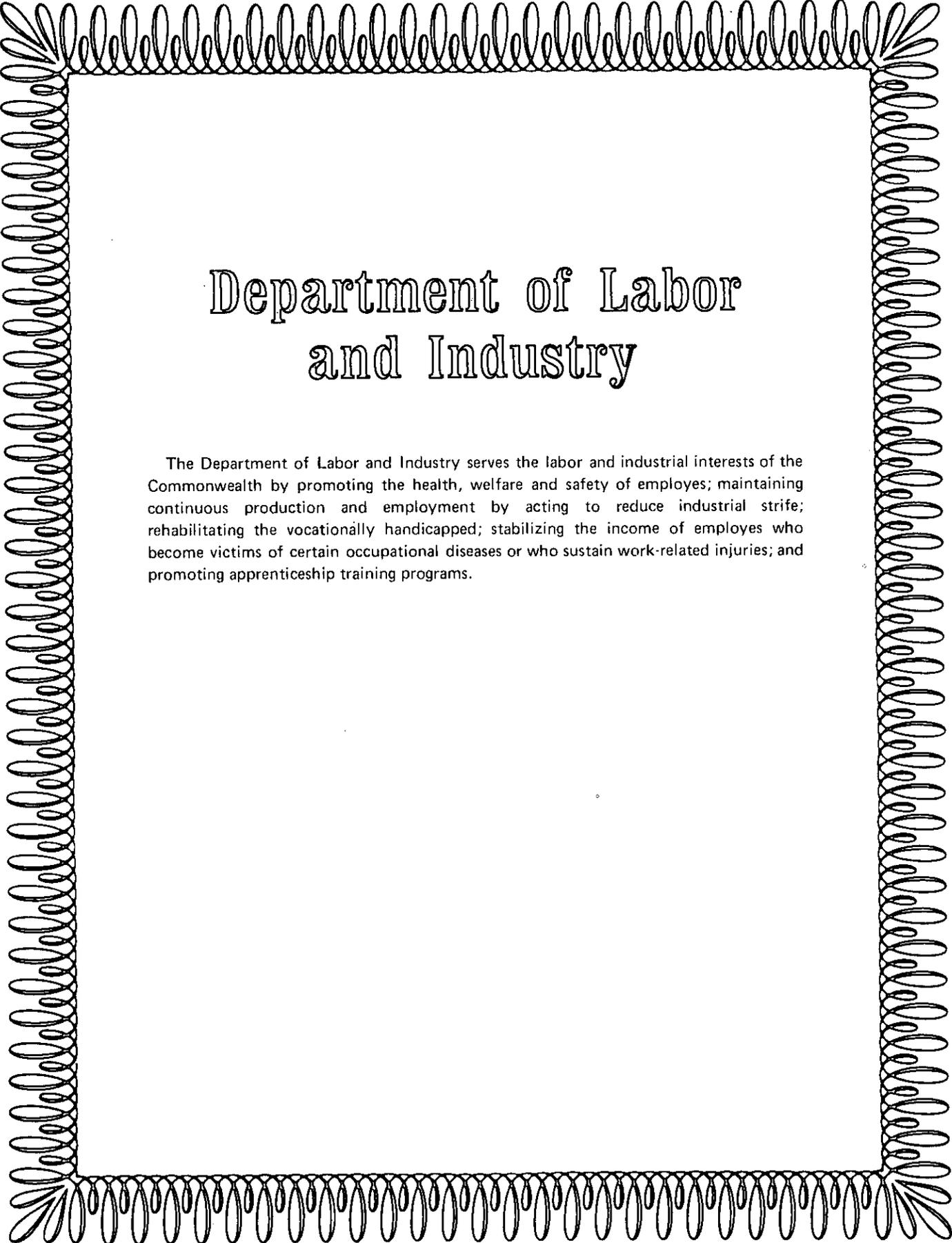
Since the primary thrust of this program is aimed at reducing crime, the only real way of measuring its effectiveness is to determine the rate of recidivism among individuals after their release from incarceration.

At the present time, there are only rudimentary studies as to the recidivist rate. In a study done by the Office of the Budget, the recidivist rate for the offenders released in 1971, showed that 16.4 percent of them had been convicted of another crime by December 30, 1973. The study did not attempt to hypothesize how many additional individuals returned after the two year period. There are no reliable methods to estimate this returnee population.

It is hoped that future studies and improvements in the information systems will provide better data upon which to measure this program.

Program Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)				
			1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Correctional Institutions—State Owned	\$43,248	\$47,641	\$54,055	\$58,079	\$61,737	\$65,627	\$69,761
Capital Improvements . . . . .	.....	181	152	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$43,248</u>	<u>\$47,822</u>	<u>\$54,207</u>	<u>\$58,079</u>	<u>\$62,736</u>	<u>\$65,627</u>	<u>\$69,761</u>



# Department of Labor and Industry

The Department of Labor and Industry serves the labor and industrial interests of the Commonwealth by promoting the health, welfare and safety of employes; maintaining continuous production and employment by acting to reduce industrial strife; rehabilitating the vocationally handicapped; stabilizing the income of employes who become victims of certain occupational diseases or who sustain work-related injuries; and promoting apprenticeship training programs.

# DEPARTMENT OF LABOR AND INDUSTRY

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$13,716	\$10,324	\$11,589
Fire and Panic Regulation Enforcement . . . . .	375	. . . . .	. . . . .
Additional Labor Mediators . . . . .	123	. . . . .	. . . . .
Sub-Total . . . . .	<u>\$14,214</u>	<u>\$10,324</u>	<u>\$11,589</u>
<b>Grants and Subsidies</b>			
Occupational Disease Payments . . . . .	\$ 2,099	. . . . .	\$28,000
Work Incentive . . . . .	250	\$ 125	250
Transfer to Vocational Rehabilitation Fund . . . . .	7,889	8,708	9,230
Workmen's Compensation Payments . . . . .	. . . . .	3,500	. . . . .
Sub-Total . . . . .	<u>\$10,238</u>	<u>\$12,333</u>	<u>\$37,480</u>
<b>Total State Funds . . . . .</b>	<u><u>\$24,452</u></u>	<u><u>\$22,657</u></u>	<u><u>\$49,069</u></u>
Federal Funds . . . . .	\$ 85	\$ 106	\$ 125
Other Funds . . . . .	792	1,261	1,319
<b>GENERAL FUND TOTAL . . . . .</b>	<u><u>\$25,329</u></u>	<u><u>\$24,024</u></u>	<u><u>\$50,513</u></u>
<b>Revenue Sharing Trust Fund</b>			
<b>Grants and Subsidies</b>			
Occupational Disease Payments . . . . .	\$22,115	\$30,000	. . . . .
<b>REVENUE SHARING TRUST FUND</b>			
<b>TOTAL . . . . .</b>	<u><u>\$22,115</u></u>	<u><u>\$30,000</u></u>	. . . . .
<b>Department Total — All Funds</b>			
General Fund . . . . .	\$24,452	\$22,657	\$49,069
Special Funds . . . . .	22,115	30,000	. . . . .
Federal Funds . . . . .	85	106	125
Other Funds . . . . .	792	1,261	1,319
<b>TOTAL ALL FUNDS . . . . .</b>	<u><u>\$47,444</u></u>	<u><u>\$54,024</u></u>	<u><u>\$50,513</u></u>

## General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Government Operations</b>			
State Funds .....	\$14,214	\$10,324	\$11,589
Federal Funds .....	85	106	125
Other Funds .....	792	1,261	1,319
TOTAL .....	<u>\$15,091</u>	<u>\$11,691</u>	<u>\$13,033</u>

Provides the overall direction, coordination, establishment of policies and regulations and operation of programs relating to consumer protection, accident prevention, industrial relations, manpower training, income maintenance and other areas relating to labor and industry. Also provides departmental administrative support in the areas of legal services, public relations, personnel, budget, procurement and management methods.

Provides an economic base for individuals unable to sustain a minimally acceptable level of existence because of occupational disease or injury. Also provides a program of public employee's retirement, disability and survivors insurance through the administration of the Federal Social Security Program for employees of the Commonwealth and its political subdivisions.

Insures that minimum and prevailing wages are paid when legally mandated to those persons who are employed.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations .....	\$13,716	\$10,324	\$11,589
Fire and Panic Regulation Enforcement .....	375	.....	.....
Additional Labor Mediators .....	123	.....	.....
<b>Federal Funds:</b>			
Occupational Safety and Health Act .....	85	106	125
<b>Other Funds:</b>			
Nursing Home Inspections .....	792	1,261	1,319
TOTAL .....	<u>\$15,091</u>	<u>\$11,691</u>	<u>\$13,033</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Occupational Disease Payments</b>			
State Funds .....	\$ 2,099	.....	\$28,000

Provides grants to alleviate economic hardships of persons who are disabled due to certain occupational diseases, principally silicosis and silica-related diseases. Also provides cash payments to partially disabled persons who, through subsequent injury, become totally disabled. Additional monies for the actual and available years are provided under the Revenue Sharing Trust Fund.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Occupational Disease Payments .....	<u>\$ 2,099</u>	.....	<u>\$28,000</u>

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Work Incentive</b>			
State Funds .....	\$ 250	\$ 125	\$ 250

Provides counseling, job training and placement services to eligible persons receiving public assistance in the form of Aid to Families with Dependent Children for the purpose of providing an opportunity for economic self-sufficiency.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Work Incentive .....	<u>\$ 250</u>	<u>\$ 125</u>	<u>\$ 250</u>

**GENERAL FUND**

**LABOR AND INDUSTRY**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Transfer to Vocational Rehabilitation Fund</b>			
State Funds .....	\$ 7,889	\$ 8,708	\$ 9,230

Operates to enable the physically and mentally handicapped and socially disadvantaged to prepare for and function as a part of the labor force by providing physical restoration, training, counseling and placement services.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Transfer to Vocational Rehabilitation Fund .....	<u>\$ 7,889</u>	<u>\$ 8,708</u>	<u>\$ 9,230</u>

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Workmens Compensation Payments</b>			
State Funds .....	.....	\$ 3,500	.....

Provides for payments to self insured employers and insurance carriers to raise the compensation of those employees receiving compensation for injuries prior to January 17, 1968 to sixty (\$60) dollars per week.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Workmens Compensation Payments .....	.....	<u>\$ 3,500</u>	.....

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Occupational Disease Payments</b>			
State Funds .....	\$22,115	\$30,000	.....

Provides grants to alleviate economic hardships of persons who are disabled due to certain occupational diseases, principally silicosis and silica-related diseases. Also provides cash payments to partially disabled persons who, through subsequent injury, become totally disabled. Funding for the budget year is provided under the General fund.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Occupational Disease Payments .....	<u>\$22,115</u>	<u>\$30,000</u>	.....

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
Disability Determination—Federal . . . . .	<u>\$11,781</u>	<u>\$11,193</u>	<u>\$14,309</u>

**DEPARTMENT OF LABOR AND INDUSTRY**  
**Summary of Agency Program by Category and Subcategory**  
**General Fund and Special Funds**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support</b> . . . . .	\$ 1,825	\$ 2,441	\$ 2,784	\$ 2,984	\$ 3,131	\$ 3,285	\$ 3,447
<b>Personal Economic Development</b> . . . . .	\$38,603	\$43,806	\$39,130	\$36,801	\$37,477	\$38,192	\$38,949
Employability Development—Socially and Economically Disadvantaged . . . . .	250	125	250	250	250	250	250
Employability Development—Physically and Mentally Handicapped . . . . .	7,889	8,708	9,230	9,783	10,370	10,992	11,652
Income Maintenance . . . . .	30,464	34,973	29,650	26,768	26,857	26,950	27,047
<b>Labor Management Relations</b> . . . . .	\$ 1,570	\$ 1,834	\$ 2,035	\$ 2,166	\$ 2,274	\$ 2,388	\$ 2,507
Labor Relations Stability . . . . .	1,570	1,834	2,035	2,166	2,274	2,388	2,507
<b>Community and Housing Hygiene and Safety</b> . . . . .	\$ 4,240	\$ 4,233	\$ 4,745	\$ 5,154	\$ 5,418	\$ 5,853	\$ 6,139
Accident Prevention in Multiple Dwellings . . . . .	4,240	4,233	4,745	5,154	5,418	5,853	6,139
<b>Consumer Protection</b> . . . . .	\$ 329	\$ 343	\$ 375	\$ 395	\$ 418	\$ 441	\$ 465
Regulation of Consumer Products and Promotion of Fair Business Practices . . . . .	329	343	375	395	418	441	465
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$46,567</u>	<u>\$52,657</u>	<u>\$49,069</u>	<u>\$47,500</u>	<u>\$48,718</u>	<u>\$50,159</u>	<u>\$51,507</u>

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$1,825</u>	<u>\$2,441</u>	<u>\$2,784</u>	<u>\$2,984</u>	<u>\$3,131</u>	<u>\$3,285</u>	<u>\$3,447</u>

**Program Analysis:**

This subcategory contains those necessary services which cannot reasonably be charged directly to special substantive programs due to their generalized nature. The success or failure of these supportive services can only be indirectly

reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	<u>\$1,825</u>	<u>\$2,441</u>	<u>\$2,784</u>	<u>\$2,984</u>	<u>\$3,131</u>	<u>\$3,285</u>	<u>\$3,447</u>

**Employability Development—Socially and Economically Handicapped**

OBJECTIVE: To improve the employment capabilities of those persons in the Commonwealth who are unemployed or underemployed as a result of social and economic handicaps.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$250</u>	<u>\$125</u>	<u>\$250</u>	<u>\$250</u>	<u>\$250</u>	<u>\$250</u>	<u>\$250</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Work Incentive Program:</b>							
Persons registered . . . . .	37,952	35,500	35,500	35,500	35,500	35,500	35,500
Participants . . . . .	25,306	27,000	27,000	27,000	27,000	27,000	27,000
Successful completions . . . . .	6,200	7,300	7,300	7,300	7,300	7,300	7,300
Participants placed in employment . . . . .	8,855	9,730	10,000	10,000	10,000	10,000	10,000
Participants employed one year after placement . . . . .	6,000	.....	.....	.....	.....	.....	.....

**Program Analysis:**

In 1974 Congress passed the Comprehensive Employment and Training Act (CETA) initiating a new Federal approach to funding of manpower programs. Many categorical programs have been melted into a system of formula grants to the state and local prime sponsors. In Pennsylvania there are 31 local prime sponsors and the State acts as prime sponsor for 29 counties which do not meet the criteria for operation as independent prime sponsors.

While the new act allows for programs which can be more responsive to local needs, it also creates some new problems. Prominent among these is the difficulty of conducting either planning or evaluation on a statewide basis.

The Bureau of Employment Security will still be attempting to provide services such as an expanded Job Bank System and an Occupational Employment Survey (OES) system.

The major program which was not eliminated by CETA is the Work Incentive Program (WIN). Responsibility for this program lies with the Bureau of Employment Security.

The main objective of the program is to rehabilitate welfare recipients from dependency to independence. While the Department of Public Welfare has responsibility for conducting the physical examination to determine client fitness for the WIN program and providing child care facilities,

social services and welfare allowances, BES provides the necessary services to either place job-ready enrollees in employment or place non-job ready enrollees in a suitable training program. Each enrollee is paid \$30 a month by Labor and Industry as an incentive to continue the program.

Since fiscal 1973-74 registration in the WIN Program is a mandatory requirement for certain aid to families with dependent children (AFDC) recipients. This caused increased registration activity to pick up those people who had not voluntarily registered in previous years. Registry drops in 1974-75 and again in 1975-76 as the increased activity subsides. The level of 35,500 shown is a realistic picture of caseload level.

With WIN program emphasis on job placement, participation is limited to one year at which time the person is either a successful completion or returned to the general caseload. Those people who find employment before completion of their training program are included in the number of participants placed in employment, but are not considered successful completors. Most WIN training averages six months in duration. This emphasis has reduced the department's potential to secure in-kind matching funds to match available Federal dollars. This shortened program length will, however, increase participation.

Employability Development—Socially and Economically Handicapped (continued)

Program Analysis: (continued)

The ultimate measure of the impact of this program is the amount of savings to the Commonwealth when recipients become self-sufficient and no longer dependent upon the welfare system. It is estimated that \$15,000,000 will be saved in 1975-76 in either reduced payments or recipients removed from the rolls. Since the target group of the WIN program is the hard core unemployed, the sagging economy will have a

negative effect on this program. The hard-core unemployed will be forced to compete on the employment market with unemployed skilled workers. It is possible that the Comprehensive Employment and Training Act will alleviate the seriousness of this problem through public service employment programs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Work Incentive . . . . .	<u>\$250</u>	<u>\$125</u>	<u>\$250</u>	<u>\$250</u>	<u>\$250</u>	<u>\$250</u>	<u>\$250</u>

**Employability Development—Physically and Mentally Handicapped**

OBJECTIVE: To enhance the ability of the handicapped unemployed and underemployed to function as a part of the labor force and to gain full employment.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$ 7,889</u>	<u>\$ 8,708</u>	<u>\$ 9,230</u>	<u>\$ 9,783</u>	<u>\$10,370</u>	<u>\$10,992</u>	<u>\$11,652</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Handicapped persons of employable age . . . . .	482,000	493,000	498,000	494,000	479,000	450,000	425,000
Case load carry over from previous years . . . . .	63,168	69,096	68,096	67,596	67,596	68,096	68,096
New referrals . . . . .	81,288	75,000	76,000	77,000	78,000	80,000	80,000
Total case load . . . . .	<u>144,456</u>	<u>144,096</u>	<u>144,096</u>	<u>144,596</u>	<u>145,596</u>	<u>148,096</u>	<u>148,096</u>
Cases closed:							
Ineligible . . . . .	43,728	44,000	43,000	43,000	43,000	44,000	44,000
Rehabilitated . . . . .	21,866	22,500	23,000	23,500	24,000	25,000	25,500
Competitive . . . . .	17,274	17,775	18,170	18,565	18,960	19,750	20,145
Noncompetitive . . . . .	4,592	4,725	4,830	4,935	5,040	5,250	5,355
Non-rehabilitated . . . . .	9,766	9,500	10,500	10,500	10,500	11,000	11,000
Total cases closed . . . . .	<u>75,360</u>	<u>76,000</u>	<u>76,500</u>	<u>77,000</u>	<u>77,500</u>	<u>80,000</u>	<u>80,500</u>
Cases carried over . . . . .	69,096	68,096	67,596	67,596	68,096	68,096	67,596

**Program Analysis:**

An objective statement of this program in much simpler terms is vocational rehabilitation. It is in effect a manpower training program designed to deal with the needs of a special clientele group. The target group includes all types of physical disabilities, as well as alcoholics, drug addicts and public offenders. However, eligibility criteria requires that there be a reasonable expectation that services render the individual fit to perform some work activity whether competitive or noncompetitive. While it is certainly desirable that these people become self-sufficient, an important objective is to accomplish some degree of productivity. These groups are dealt with in terms of attaining a vocational objective and results are evaluated in terms of improvement in work status.

The number of clients rehabilitated has shown a steady growth over the past years, but it is expected to increase at a much slower rate than in previous years. One reason is that emphasis is being placed on rehabilitating the severely disabled client. Those clients will require more extensive and varied services and therefore, the output of this program will be affected. In addition, these services will greatly increase the

cost of rehabilitation per case. In 1974-75 32 percent of the clients were severely disabled. It is anticipated this will increase to a minimum of 37 percent in 1975-76. As stated previously, these cases are more costly. The average cost per rehabilitation is \$878.65. The average cost per rehabilitation of the severely disabled is \$1,017.74. Emphasis on the severely handicapped will also result in a change in the breakdown between competitively and noncompetitively employed rehabilitants due to the more limited range of work activities attainable by the client.

The program measures for 1974-75 indicate the active case load was 144,456 and 75,360 were processed and closed, the remainder of 69,096 are carried over to next fiscal year and become part of that year's case load. Of 75,360 closed, 43,728 were closed ineligible, 21,866 were successfully rehabilitated and 9,766 not rehabilitated. A predicted decrease in work load due to the effect of emphasizing the severely disabled did not occur in 1974-75 as anticipated. This effect has not yet been fully felt. It will probably impact on this year's figures, however, it will not be as great as previously anticipated.

Employability Development—Physically and Mentally Handicapped (continued)

BUREAU OF VOCATIONAL REHABILITATION  
CASE LOAD DATA  
1974-75

Table 1

Disabilities	(1) Closed After Acceptance For Services	(2) Cases Rehabilitated		(3) Clients Unemployed at Acceptance		(4) Rehabilitations Placed in Competitive Employment		(5) Rehabilitations Placed in Sheltered and Protected Employment and as Homemakers and Unpaid Family Workers		(6) Average Change Weekly Income Rehab. Com- petitive Employ- ment	(7) Ave. Cost Per Per Rehab.
	Total	Number	% of Col. 1	Number	% of Col. 2	Number	% of Col. 2	Number	% of Col. 2	Amount	Amount
Visual . . . . .	2,547	2,113	83%	1,082	51%	1,592	75%	521	25%	\$ 58.52	\$ 451.73
Hearing . . . . .	1,956	1,741	89%	636	37%	1,161	67%	580	33%	\$ 50.89	\$ 698.63
Orthopedic Deformities . . . . .	6,384	4,616	73%	3,255	71%	2,851	62%	1,765	38%	\$100.80	\$1,184.60
Amputee or Loss of Limb . . . . .	1,316	1,084	82%	467	43%	594	55%	490	45%	\$ 57.79	\$ 952.69
Mental Disorders . . . . .	9,511	5,215	55%	4,246	81%	4,292	82%	923	18%	\$102.26	\$ 758.42
Mental Retardation . . . . .	2,785	1,780	64%	1,663	93%	1,038	58%	742	42%	\$ 84.10	\$1,138.23
Other Disabling Conditions . . . . .	7,169	5,317	74%	3,083	58%	4,332	81%	985	19%	\$ 70.40	\$ 857.43
<b>TOTAL . . . . .</b>	<b>31,632</b>	<b>21,866</b>	<b>69%</b>	<b>14,432</b>	<b>66%</b>	<b>15,860</b>	<b>73%</b>	<b>6,006</b>	<b>27%</b>	<b>\$ 82.29</b>	<b>\$ 878.65</b>
Drug and Alcohol . . . . .	2,373	1,294	55%	1,064	82%	1,208	93%	86	7%	\$112.73	\$ 568.98
Public Assistance . . . . .	8,379	4,568	55%	3,595	79%	2,885	63%	1,684	37%	\$ 93.43	\$ 627.19
Public Offender . . . . .	1,732	746	43%	684	92%	728	98%	18	2%	\$108.69	\$ 574.45
Severely Disabled . . . . .	11,060	7,050	64%	5,043	72%	3,604	51%	3,445	49%	\$ 87.39	\$1,017.74
Social Security Disability Insurance Beneficiaries . . . . .	3,261	1,938	59%	1,519	78%	646	33%	1,293	67%	\$109.43	\$1,107.33

The program measures take you through the normal progression a participant would follow starting with cases accepted for services and finishing either rehabilitated or non-rehabilitated. Once accepted the client must show up as successfully rehabilitated or non-rehabilitated. As the measures indicates 75,360 clients received service and their cases were closed in 1974-75. Of the number of cases closed eligible 69 percent were successfully rehabilitated with 73 percent of those rehabilitated placed in competitive employment. Thirty-four percent were employed at acceptance.

Table 1 indicates the varying degrees of success accomplished with different categories of disability. Certain handicaps are more susceptible to rehabilitation than others. District offices also experience varying degrees of success as indicated on Table 2 which shows rehabilitation ratios by district office over a three year period. Cases closed are all

clients either successful rehabilitated or closed not rehabilitated, after they have been accepted for services. Successful rehabilitatants are those clients who complete training and are suitably employed for 60 days. Clients are closed not rehabilitated for various reasons, e.g., refused services, death, institutionalization of client, transferred to another agency or moved. The rehabilitation ratio is the number of clients successfully rehabilitated compared to the number closed not rehabilitated. There are many possible explanations for the wide variations in success among the district offices including the possibility of adverse labor markets for employing handicapped individuals. These variations may also be indicative of problems in providing strong central management to facilitate uniform interpretation of the law and program policies at the district level.

This program will receive approximately \$47,000,000 in Federal funds during 1976-77.

Employability Development—Physically and Mentally Handicapped (continued)

CASES ACCEPTED FOR VOCATIONAL REHABILITATION SERVICES AND  
CLOSED PER 100,000 POPULATION BY DISTRICT OFFICE

District Office	1972-73		1973-74		1974-75	
	Cases Per 100,000 Population	Rehab. Ratio	Cases Per 100,000 Population	Rehab. Ratio	Cases Per 100,000 Population	Rehab. Ratio
Allentown	362.3	4.2	246.4	2.7	271.0	2.6
Altoona	371.4	3.6	453.6	3.8	631.1	2.1
DuBois	299.5	2.5	398.1	8.1	439.0	3.9
Erie	310.7	3.1	319.0	2.4	375.1	1.7
Harrisburg	296.0	2.4	346.0	3.5	374.4	2.4
Johntown	346.3	2.5	287.2	2.7	298.7	2.3
New Castle	190.3	1.2	374.8	2.5	378.1	3.0
North Philadelphia	251.3	1.1	141.3	1.2	133.4	1.5
Philadelphia Center City	290.1	2.4	226.8	1.1	241.6	1.2
Pittsburgh	235.2	2.9	327.7	2.2	325.4	2.2
Reading	115.9	2.9	238.7	2.5	239.3	2.4
Rosemont	256.5	4.9	102.9	2.2	99.2	2.3
Wilkes-Barre	320.5	3.2	290.3	3.5	274.8	3.4
Williamsport			347.6	2.9	307.7	3.7
York			184.5	2.9	226.8	2.4

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Vocational Rehabilitation	<u>\$ 7,889</u>	<u>\$ 8,708</u>	<u>\$ 9,230</u>	<u>\$ 9,783</u>	<u>\$10,370</u>	<u>\$10,992</u>	<u>\$11,652</u>

**Income Maintenance**

OBJECTIVE: To increase the economic stability of citizens of the Commonwealth protecting and insuring the earnings of employes from factors over which they have no control.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 8,349	\$ 4,973	\$29,650	\$26,768	\$26,857	\$26,950	\$27,047
Special Funds . . . . .	22,115	30,000	.....	.....	.....	.....	.....
Other Funds . . . . .	.....	5,178	5,922	6,514	7,165	7,881	8,669
<b>TOTAL . . . . .</b>	<u>\$30,464</u>	<u>\$40,151</u>	<u>\$35,572</u>	<u>\$33,282</u>	<u>\$34,022</u>	<u>\$34,831</u>	<u>\$35,716</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Minimum wage violations cited . . . . .	865	1,018	1,100	1,059	1,018	977	936
Persons receiving subminimum rates . . . . .	1,273	1,519	1,642	1,581	1,520	1,459	1,398
Claims for nonpayment of wages . . . . .	2,766	2,694	2,658	2,622	2,586	2,550	2,514
Nonpayment of wage claims settled . . . . .	1,471	1,368	1,317	1,266	1,215	1,164	1,113
Inspections made to insure prevailing rates used and paid on public works projects . . . . .	5,515	7,727	8,113	8,519	8,945	9,392	9,861
Occupational disease payments out of Commonwealth funds . . . . .	9,168	11,000	10,500	10,000	9,200	8,800	8,800
Workmen's compensation payments . . . . .	75,900	75,900	76,900	76,900	76,900	76,900	76,900
Individuals filing for unemployment compensation . . . . .	1,017,118	956,000	940,000	878,000	833,000	833,000	840,000

**Program Analysis:**

While the most obvious form of income maintenance provided by the State is Public Assistance, the Department of Labor and Industry operates a number of programs to increase the economic stability of citizens in the Commonwealth. These programs fall generally into two categories: those which provide income protection for the person who is employed and those which provide cash assistance to the individual and his dependents when he becomes unemployed for a number of reasons.

The first category includes the State's programs of minimum wage, wage payment and collection and prevailing

wage enforcement. To some extent the State's role in these areas has been preempted by the Federal Government, however, it is still significant in smaller establishments and in the wage payment and collection area which has no Federal counterpart.

Impact levels in minimum wage and collection are based on the presumption that compensation at the current minimum wage level will afford employes of the Commonwealth an acceptable standard of living. On this basis impact is measured by the number of employes brought up to the minimum wage level by collection of underpaid and/or unpaid

## Income Maintenance (continued)

### Program Analysis: (continued)

wages through routine and complaint investigations and wage claim investigations. The States minimum hourly wage has been raised to \$2.20 per hour effective January 1, 1976. The new mandatory rate basically affects employers whose gross sales do not exceed \$250,000 a year and covers about one million employees.

Because of the new law minimum wage violations did increase but not as significantly as originally anticipated. However, the upward trend is expected to continue through the 1976-77 year and then begin to decrease through employer knowledge of the law. Unpaid wage collections will remain constant due to the inflated economy's impact on small businesses and increased awareness on the part of wage earners of the protections offered by the Wage Payment and Collection Law.

The income of employes is also protected by the State's Prevailing Wage Law which requires the establishment of minimum wages to be paid workers on projects valued at \$25,000 or more which are funded by State Government and public agencies of its political subdivisions.

Workmen's compensation is a system of payments made through private insurance companies and self-insurance systems to employes who sustain injury during the course of their employment. The State provides regulation of the system and sets levels of compensation. Currently these administrative costs are covered by the Commonwealth; this could change with the passage of Senate Bill 824 now in the process of legislative review. This legislation recommends funding of the administrative costs by assessing industry. This recommendation is supported by the National Commission on State Workmen's Compensation Laws and twenty-one states have adopted this funding method. Senate Bill 824 provides for the creation of a special fund for these administrative monies. Beginning in 1976-77, the Legislature would be required to approve the level of expenditures and corresponding assessment for the fund each year. The \$5,922,000 recommended is shown above as other funds.

The impact of workmen's compensation is reflected in the dollar value of income replaced by payments and the number of awards for payment. The maximum level of compensation for new claimants has been geared under recent changes in the law to a percentage of the statewide average weekly wage, thereby introducing an automatic adjustment factor into the system. Act 263 of 1974 further increased benefits to new claimants by raising the maximum payment to 100 percent of the statewide average weekly wage effective

July 1, 1975. This act also provides for the first time in the history of workmen's compensation for payment from the General Fund. Effective July 1, 1975 the State was obligated to make payments to self-insured employers and insurance carriers to raise the compensation of those employes receiving compensation for injuries prior to January 17, 1968 to sixty dollars (\$60) per week. It is estimated that payments will be made to 4,000 persons at a 1975-76 cost to the State of \$3.5 million.

The Act also makes participation in the system mandatory for all employers.

Occupational disease payments are made primarily to victims of silicosis and related diseases, commonly referred to as "black lung" or "miners asthma". Since enactment of extensive changes in the law in 1973, industry is gradually assuming the costs of these payments. In 1975-76, seventy-five percent of the costs for new claimants is being paid by industry. Persons who stopped working prior to July 1, 1973 may still be eligible under other programs for lower rates of compensation.

Due to the gradual assumption of costs by industry the level of required funding for occupational disease payments is now beginning to drop off, but not as rapidly as anticipated. Several reasons account for this: first, the Federal Government in its review of claims has not accepted as many cases as anticipated, thus, leaving the cases in the State's program and since January 1, 1974, the Federal Government has been operating under stricter payment requirements than the State. Second, reforms and revisions in the referee system have greatly reduced the backlog of old claims. These improvements have a dual impact. They bring a substantial additional number of claimants on board and they generate unusually large initial payments for claimants whose cases have been pending for sometime. In addition Act 263 of 1974 increased the rate of payment for those claimants paid under the Workmen's Compensation Law.

This program also includes public employe's retirement, disability and survivor's insurance which is concerned with the administration of the Federal Social Security Program for employes of the Commonwealth and its political subdivisions which elect to extend coverage to their employes.

The unemployment compensation program is also an integral part of this subcategory. The base 30 week benefit period for which most employes are eligible can be extended by nine weeks if the rate of insured unemployment exceeds 4 percent. These additional nine weeks are 50 percent Federally

Income Maintenance (continued)

Program Analysis: (continued)

funded. An additional 13 weeks period of special unemployment assistance (SUA), which is totally Federally funded, was granted in 1974. Recent legislation extends SUA to 26 weeks if certain economic conditions exist. Possible total coverage is now 65 weeks. The rate of compensation is approximately half the worker's normal earnings up to a maximum of \$125 a week as of January 1976.

The impact of the current economic downturn is directly and almost immediately felt by the State's Unemployment Compensation Fund. The seasonally adjusted unemployment rate from April 1975 to November 1975 has not been below 9 percent with a high of 9.7 percent. In comparison, the same time period in 1974 never saw an unemployment rate above 6 percent. In addition to the average rate of unemployment increasing, the average length of unemployment is also

increasing, causing additional strain on the fund. These two factors will mean a deficit in the unemployment compensation fund of \$173,838,184 by the end of calendar year 1975. If the current unemployment rate of 9 percent persists, the Commonwealth will be forced to ask for about \$541,000,000 from the Federal unemployment account to maintain solvency in the Unemployment Compensation Fund through fiscal year 1975-76.

Administration of the Unemployment Compensation Fund is the responsibility of the Bureau of Employment Security. The Fund is composed of contributions by employers who make contributions in proportion to their size and their use of the Fund. Both the Fund itself and administrative costs are non-budgeted funds which do not appear in this document.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 6,250	\$ 1,473	\$ 1,650	\$ 1,768	\$ 1,857	\$ 1,950	\$ 2,047
Occupational Disease Payments . . . . .	2,099	.....	28,000	25,000	25,000	25,000	25,000
Workmen's Compensation Payments . . . . .	.....	3,500	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$ 8,349</u>	<u>\$ 4,973</u>	<u>\$29,650</u>	<u>\$26,768</u>	<u>\$26,857</u>	<u>\$26,950</u>	<u>\$27,047</u>
<b>REVENUE SHARING TRUST FUND</b>							
Occupational Disease Payments . . . . .	<u>\$22,115</u>	<u>\$30,000</u>	.....	.....	.....	.....	.....

**Labor Relations Stability**

OBJECTIVE: To achieve a minimum level of economic loss resulting from a breakdown in collective bargaining procedures.

**Recommended Program Costs**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$1,570</u>	<u>\$1,834</u>	<u>\$2,035</u>	<u>\$2,166</u>	<u>\$2,274</u>	<u>\$2,388</u>	<u>\$2,507</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Public Bargaining Units</b>							
Dispute notices received . . . . .	867	925	1,000	1,100	1,200	1,200	1,200
Cases mediated . . . . .	510	740	850	990	1,080	1,080	1,080
Percent of cases mediated . . . . .	60%	80%	85%	90%	90%	90%	90%
<b>Private Bargaining Units</b>							
Dispute notices received . . . . .	3,083	3,550	3,600	3,600	3,600	3,600	3,600
Cases mediated . . . . .	126	265	360	396	432	432	432
Percent of cases mediated . . . . .	5.0%	7.5%	10%	11%	12%	12%	12%
<b>Total dispute notices resulting in strike activity . . . . .</b>	<b>100</b>	<b>110</b>	<b>120</b>	<b>120</b>	<b>120</b>	<b>120</b>	<b>120</b>
<b>Percent of notices resulting in strike activity . . . . .</b>	<b>2.4%</b>	<b>2.5%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>2.7%</b>	<b>2.7%</b>
<b>Percent of labor force organized</b>							
Public . . . . .	56%	56%	58%	60%	62%	64%	66%
Private . . . . .	20%	20%	20%	20%	20%	20%	20%
<b>Unfair charges filed . . . . .</b>	<b>303</b>	<b>300</b>	<b>325</b>	<b>325</b>	<b>340</b>	<b>340</b>	<b>355</b>

**Program Analysis:**

The departmental administrative agencies involved in labor relations are the Labor Relations Board and the Bureau of Mediation. The Labor Relations Board deals with certification of bargaining units within the public and private sector. Under the private sector a decrease in the number of bargaining units certified by the Board is expected due to the jurisdictional guidelines of the National Labor Relations Board. The jurisdiction is determined by the total dollar amount of business transacted by the employer. As prices increase, even small employers are approaching the point where their dollar volume places them under national jurisdiction. The percent of the public sector organized also is difficult to assess because there is some question about the coverage of the term public employe under the Pennsylvania Public Employee Relations

Act. However, this percentage is anticipated to increase at a slow rate as bargaining units now being formed represent smaller numbers of employes and, therefore, their unionizing has only minimal impact on the total percentage of the labor force organized. The organization rate has also been slowed by a Pennsylvania Supreme Court decision which had the effect of voiding many bargaining unit certifications. That decision reversed a Labor Relations Board ruling that county commissioners were the employer of all county personnel thus causing a revamping of most county bargaining structures and potentially doubling the number of units. Certification is only one of the duties of the Board. In addition, unfair labor practices charges are filed with the Board for disposition. An increase in charges filed is anticipated due to the

**Labor Relations Stability (continued)**

**Program Analysis: (continued)**

organizational effort of the lower municipal level where bargaining sophistication is lacking, and due to the potential increase in county bargaining units. As a consequence, more contracts will be negotiated, thereby, increasing the potential for unfair practice cases. Historically, however, counties have not been a high source of unfair practice cases, therefore, the increase in unfair practice cases will not be as great as the increase in bargaining units. This forecast should hold until bargaining relationships solidify and achieve this sophistication.

The legal framework of labor mediation in Pennsylvania rests on two acts: The Pennsylvania Labor Mediation Act of 1937 and the Public Employee Relations Act, better known as Act 195 of 1970. The Mediation Act of 1937, passed in the same year as the Pennsylvania Labor Relations Act, was a broad mandate to mediate labor disputes including grievances. While the Mediation Act did not specify the scope of mediation activity, the Labor Relations Act did exclude public employees. Therefore, mediation under the original law was primarily mediation of private sector disputes. When Act 195 was passed in 1970 there was a drastic shift in work load to the public sector because under Act 195 mediation is mandatory, and the limited right to strike is conditioned upon complying with the dispute settlement procedures of the law. Mediation is the unavoidable or mandatory step. The public sector now accounts for seventy-five percent of active mediation cases.

The objective of the Bureau of Mediation is to provide mediation services to the public and private sectors. The economic conditions now existing may have substantial effect on the strike activity as periods of rapid inflation cause increased strike activity due to monetary considerations. The

Bureau feels that it should be involved in 90 percent of the activities in the public sector. Although the Labor Mediation Act calls for 100 percent coverage, it is estimated that at least 10 percent of the notices received will be from parties who will settle contract negotiations without the need of the services of a mediator. The Bureau is currently only involved in 60 percent of the negotiations. In numbers this means that out of the 867 dispute notices received in 1974-75, mediation was provided in 510 of the cases. Under the private sector it is a bit more difficult to assess the need. Dispute notices received from the private sector are governed by the National Labor Relations Act and Pennsylvania Act 177 of 1937. Parties to a contract are not required by law to call in the services of a mediator. Prior to the passage of Act 195 the historical data of the Bureau shows that they were involved in about 11 to 13 percent of the strike activity. It could be assumed that the demand to be met in the private sector should be about 13 percent. However, the Bureau is currently only providing amount 4 percent of the mediation services.

To help alleviate this problem, additional funds were provided for additional staff by the Legislature in the 1974-75 budget. However, the effects of these additional mediators will not be felt for several years. The success of a mediator depends on his knowledge, experience and ability to inspire confidence in his expertise and impartiality. A newly hired mediator must develop these tools before he becomes fully operational and effective. The availability of more mediators also will result in State involvement in more negotiations. Of the number of cases where State mediation is involved only about 2 percent result in strike activity. Thus, as mediation involvement increases it can only have a beneficial effect on the economy.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . .	\$1,447	\$1,834	\$2,035	\$2,166	\$2,274	\$2,388	\$2,507
Additional Labor Mediators . . . . .	123	.....	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$1,570</u>	<u>\$1,834</u>	<u>\$2,035</u>	<u>\$2,166</u>	<u>\$2,274</u>	<u>\$2,388</u>	<u>\$2,507</u>

**Accident Prevention in Multiple Dwellings**

OBJECTIVE: To eliminate fire and other hazards in multiple dwelling units and other places of public habitation and assembly.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$4,240	\$4,233	\$4,745	\$5,154	\$5,418	\$5,853	\$6,139
Federal Funds . . . . .	85	106	125	137	152	.....	.....
Other Funds . . . . .	792	1,261	1,319	1,379	1,433	1,500	1,580
<b>TOTAL . . . . .</b>	<b>\$5,117</b>	<b>\$5,600</b>	<b>\$6,189</b>	<b>\$6,670</b>	<b>\$7,003</b>	<b>\$7,353</b>	<b>\$7,719</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Places of public habitation and assembly:</b>							
Units examined or inspected . . . . .	97,309	100,592	103,996	107,528	111,191	114,992	119,014
Violations cited . . . . .	9,544	9,743	9,948	10,159	10,377	10,600	10,830
Violations abated . . . . .	6,776	6,896	7,020	7,146	7,276	7,409	7,546
<b>Health care buildings examined or inspected . . . . .</b>	<b>1,579</b>	<b>1,610</b>	<b>1,650</b>	<b>1,700</b>	<b>1,720</b>	<b>1,740</b>	<b>1,760</b>
<b>Health care buildings requiring extended treatment or revealing violations . . . . .</b>	<b>1,475</b>	<b>1,000</b>	<b>500</b>	<b>400</b>	<b>350</b>	<b>300</b>	<b>250</b>
<b>Health care buildings that comply with the code . . . . .</b>	<b>89</b>	<b>590</b>	<b>1,140</b>	<b>1,295</b>	<b>1,375</b>	<b>1,435</b>	<b>1,505</b>
<b>Health care facilities closed . . . . .</b>	<b>15</b>	<b>20</b>	<b>10</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>

**Program Analysis:**

Under the provisions of the State's Fire and Panic Act, the Department of Labor and Industry has the responsibility for enforcing the fire safety regulations that apply to a wide variety of buildings. Apartment buildings, hotels and schools all must be approved by the Department except those in Philadelphia, Pittsburgh and Scranton. These three cities are exempt from the Fire and Panic Act and each has its own set of regulations which it is responsible for enforcing. However, the Commonwealth does have complete enforcement responsibilities for all nursing homes and other health care facilities throughout the State.

Plans for all new construction except private dwellings and additions to all existing construction covering the classes of buildings contained in the Act are examined and approved and field inspections made to determine compliance with approved plans. Also covered under this subcategory is the Industrial Board which acts as the examination agency for anyone seeking licenses for operation of boilers, unfired pressure vessels and elevators. The data base for the program measures on "places of public habitation and assembly" has changed

due to the exclusion of bedding and upholstery units and private employment establishments. This has caused a drop from last year's estimates. The Board meets monthly to consider petitions requesting exemption from interpretation of, or an extension of time to comply with regulations of the Department. Hearings are held as requested and decisions are disseminated to interested parties.

However, the number one priority of the Department in recent years has been the inspection of health care facilities. A life safety code survey and either compliance or an acceptable plan of action are necessary requirements to receive Federal Medicaid and Medicare funds under Title XVIII and XIX of the Social Security Act. A survey is conducted on each individual building at a facility. The total number of facilities under the health care program is 647 licensed nursing homes and 300 licensed or approved hospitals. There are 1,579 individual buildings. Follow-up inspections are made to each facility where violations have been cited to insure that corrective measures are being taken.

Safety improvements to and modernization of facilities is

Accident Prevention in Multiple Dwellings (continued)

Program Analysis: (continued)

causing a severe financial burden on the owners, and if faced with major capital expenditures to bring their facilities into compliance, some existing nursing homes may be forced to close. With the current nursing home shortage, the situation may become critical if still more homes are forced to close. Health care facilities may be approved with acceptable plans of correction indicating the corrective action that will be done to eliminate code violations. This means that a facility may have an approval without correcting 100 percent of the violations cited.

In order to eliminate hazardous conditions existing in these

homes and provide adequate housing for the aged, a \$100 million bond issue was approved which provides loans for renovation purposes at low interest rates. Additional information on this program is presented under the Department of Commerce which is administering the program.

Projections to 1981 show a continuous decrease in the number of buildings revealing violations. These projections assume that the regulations will not be altered during this time period. Any changes in Federal or State regulations would impact on this projection.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	\$3,865	\$4,233	\$4,745	\$5,154	\$5,418	\$5,853	\$6,139
Fire and Panic Regulation Enforcement . . . . .	375	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL . . . . .	<u>\$4,240</u>	<u>\$4,233</u>	<u>\$4,745</u>	<u>\$5,154</u>	<u>\$5,418</u>	<u>\$5,853</u>	<u>\$6,139</u>

**Regulation of Consumer Products and Promotion of Fair Business Practices**

OBJECTIVE: To minimize the availability of misrepresented or adulterated products and services.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$329</u>	<u>\$343</u>	<u>\$375</u>	<u>\$395</u>	<u>\$418</u>	<u>\$441</u>	<u>\$465</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Activities under the Bedding and Upholstery and the Stuffed Toy Laws:</b>							
Manufacturers, importers and dealers . . . . .	4,486	4,500	4,600	4,700	4,700	4,700	4,700
Registrations, licenses and certificates . . . . .	7,339	7,400	7,400	7,400	7,400	7,400	7,400
Inspections . . . . .	7,328	7,500	7,500	7,750	7,750	8,000	8,000
Violations for misrepresented or adulterated products and . . . . .	634	636	720	720	720	720	720
Percent of total . . . . .	5%	5%	5%	5%	6%	6%	6%
Articles in violation of regulations . . . . .	10,013	10,000	10,000	12,000	12,000	12,000	12,000
Articles brought into compliance . . . . .	8,132	9,000	9,000	10,000	10,000	10,000	10,000
<b>Private employment agencies:</b>							
Agency representatives registered . . . . .	2,350	2,500	2,500	2,500	2,500	2,500	2,500
Complaints resulting in refunds . . . . .	118	150	150	150	150	150	150
Dollars refunded . . . . .	\$57,822	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
Violations cited . . . . .	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Violations abated . . . . .	1,350	1,350	1,350	1,350	1,350	1,350	1,350

**Program Analysis:**

The Department's two areas of concern under this program are (1) protection of the public from unsafe, unclean or misrepresented materials used in bedding, upholstery or stuffed toys and (2) regulation of employment agencies to prevent unfair business practices.

Licenses, certificates or permits are issued, upon completion of satisfactory inspections, to manufacturers and retailers dealing in the commodities covered under the Bedding and Upholstery Law and the Stuffed Toy Law.

The same system of enforcement is utilized for the registration and licensure of employment agencies to ensure that ethical and fair business practices are employed. The Department is responsible for the licensing of 650 employment agencies and the registering of approximately 2,500 representatives who work for these agencies.

The impact in both areas is reflected by the number of compliances resulting from violations cited. The bedding and upholstery and stuffed animals inspections will continue at their current level as there are no foreseeable trends or

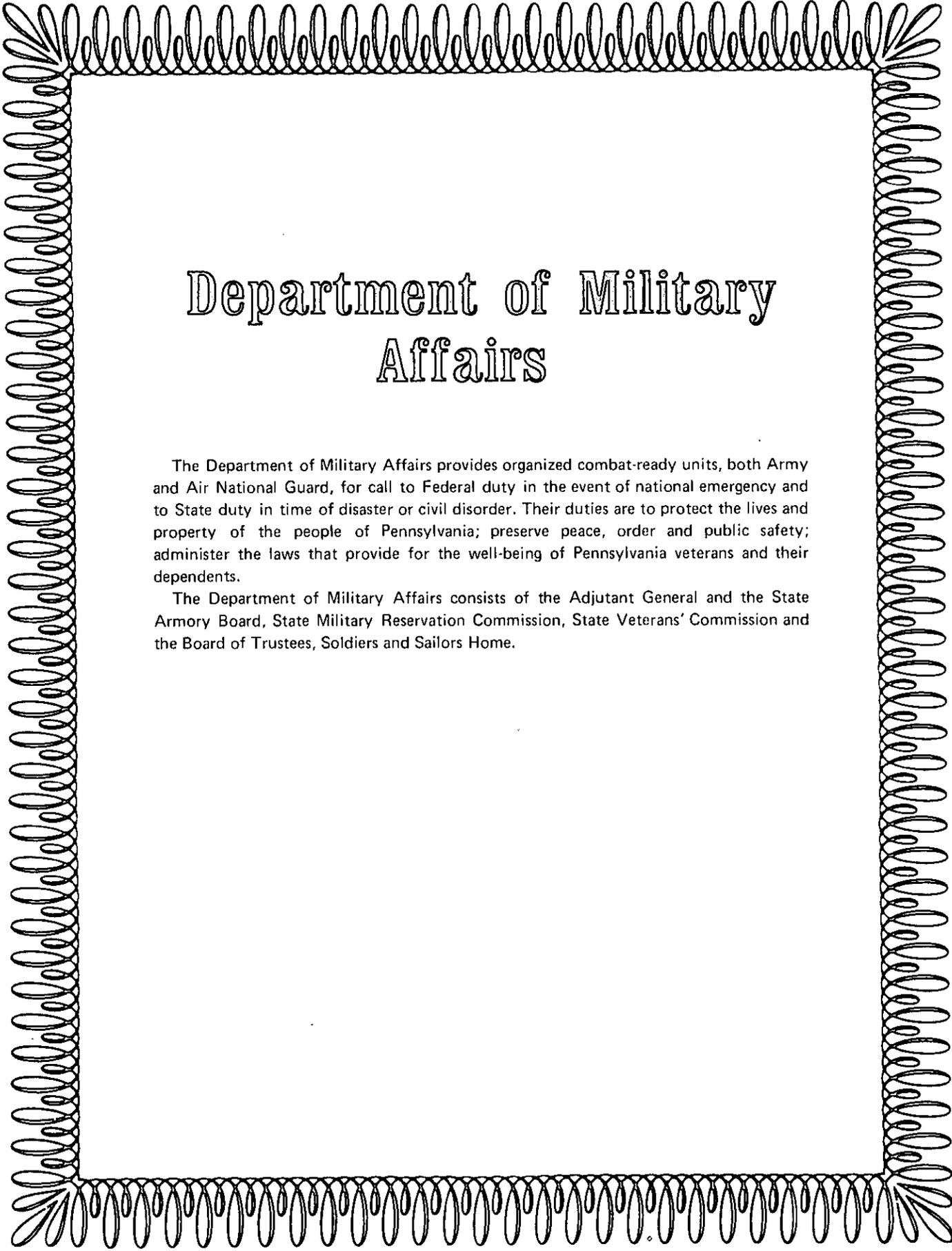
technological changes in the industry that would affect present law enforcement. The number of violations and compliances has dropped drastically due to the Department's lifting their ban on stuffed toys containing electro static polythermoplastic beads. Since this ban has been lifted, the number of articles in violation has dropped to the new level. The number of compliances shown reflects the total number of individual articles brought into compliance.

In employment services area, violations are cited at a rate of 1,500 annually including carry over violations that are not abated in the same year as citing. Violations here are estimates for all years due to lack of written records of telephone citations. A slight decrease in the complaints resulting in refunds is the result of a decision in a civil suit that has hampered our ability to take legal action to have refunds made. The Department was not involved in the suit and must move to negate the decision by the legal remedies available. These refunds are indicators of the more serious violations in the employment services area.

Regulation of Consumer Products and Promotion of Fair Business Practices (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	<u>\$329</u>	<u>\$343</u>	<u>\$375</u>	<u>\$395</u>	<u>\$418</u>	<u>\$441</u>	<u>\$465</u>



# Department of Military Affairs

The Department of Military Affairs provides organized combat-ready units, both Army and Air National Guard, for call to Federal duty in the event of national emergency and to State duty in time of disaster or civil disorder. Their duties are to protect the lives and property of the people of Pennsylvania; preserve peace, order and public safety; administer the laws that provide for the well-being of Pennsylvania veterans and their dependents.

The Department of Military Affairs consists of the Adjutant General and the State Armory Board, State Military Reservation Commission, State Veterans' Commission and the Board of Trustees, Soldiers and Sailors Home.

DEPARTMENT OF MILITARY AFFAIRS

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$6,957	\$7,267	\$ 7,896
Emergency Snow Removal . . . . .	70	. . . .	. . . .
Emergency Flood Relief, 1975 . . . . .	. . . .	425	. . . .
Sub-Total . . . . .	<u>\$7,027</u>	<u>\$7,692</u>	<u>\$ 7,896</u>
<b>Institutional</b>			
Soldiers and Sailors Home . . . . .	\$ 622	\$ 724	\$ 851
<b>Grants and Subsidies</b>			
Education of Veterans Children . . . . .	\$ 56	\$ 65	\$ 75
Veterans Assistance . . . . .	700	650	700
Blind Veterans Pension . . . . .	77	80	80
National Guard Pension . . . . .	. . . .	. . . .	10
Sub-Total . . . . .	<u>\$ 833</u>	<u>\$ 795</u>	<u>\$ 865</u>
<b>Capital Improvements</b>			
Capital Improvements . . . . .	\$ 99	. . . .	\$ 69
<b>Total State Funds</b> . . . . .	<u>\$8,581</u>	<u>\$9,211</u>	<u>\$ 9,681</u>
Federal Funds . . . . .	\$ 397	\$ 300	\$ 325
Other Funds . . . . .	105	130	145
<b>GENERAL FUND TOTAL</b> . . . . .	<u>\$9,083</u>	<u>\$9,641</u>	<u>\$10,151</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>General Government Operations</b>			
State Funds . . . . .	\$6,957	\$7,267	\$7,896
Federal Funds . . . . .	55	. . . . .	. . . . .
Other Funds . . . . .	105	130	145
<b>TOTAL</b> . . . . .	<u>\$7,117</u>	<u>\$7,397</u>	<u>\$8,041</u>

Provides the administrative and overhead systems for the various substantive National Guard and veterans' programs. Maintains a statewide warning communications network, an armory system, and training program for National Guardsmen. Assists veterans and their dependents in obtaining benefits due them under State and Federal laws by coordinating all matters relating to veterans' affairs. Distributes the grants described in the "Grants and Subsidies" section.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations . . . . .	\$6,957	\$7,267	\$7,896
<b>Federal Funds:</b>			
Military Construction — Army National Guard . . . . .	55	. . . . .	. . . . .
<b>Other Funds:</b>			
Rentals of Armories and Other Facilities . . . . .	105	130	145
<b>TOTAL</b> . . . . .	<u>\$7,117</u>	<u>\$7,397</u>	<u>\$8,041</u>

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Emergency Flood Relief, 1975</b>			
State Funds . . . . .	. . . . .	\$ 425	. . . . .

Provided for emergency services performed by the National Guard during Hurricane Eloise.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Emergency Flood Relief, 1975 . . . . .	. . . . .	<u>\$ 425</u>	. . . . .

**GENERAL FUND**

**MILITARY AFFAIRS**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Emergency Snow Removal</b>			
State Funds . . . . .	\$ 70	. . . . .	. . . . .

Provided manpower to western Pennsylvania for emergency snow removal following a severe snow storm in December 1974.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Emergency Snow Removal . . . . .	<u>\$ 70</u>	. . . . .	. . . . .

**Institutional**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Soldiers and Sailors Home</b>			
State Funds . . . . .	\$ 622	\$ 724	\$ 851
Federal Funds . . . . .	342	300	325
<b>TOTAL</b> . . . . .	<u>\$ 964</u>	<u>\$1,024</u>	<u>\$1,176</u>

Provides for the operation of the Soldiers and Sailors Home at Erie for domiciliary and nursing care for indigent, invalid, or disabled Pennsylvania veterans. Skilled nursing care and related medical services, supportive personal care and individual services are provided for residents.

The institutional population for the prior, current and upcoming year are:

Institution	Capacity	Population Oct. 1974	Population Oct. 1975	Projected Population Oct. 1976	Projected Per Cent of Capacity
Soldiers and Sailors Home . . . . .	175	172	165	175	100%

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Soldiers and Sailors Home . . . . .	\$ 622	\$ 724	\$ 851
<b>Federal Funds:</b>			
Domiciliary and Nursing Home Care			
Reimbursements . . . . .	342	300	325
<b>TOTAL</b> . . . . .	<u>\$ 964</u>	<u>\$1,024</u>	<u>\$1,176</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Education of Veterans Children</b>			
State Funds . . . . .	\$ 56	\$ 65	\$ 75

Provides grants of \$200 per semester to children of deceased or disabled veterans to attend institutions of higher learning within the Commonwealth which are approved by the State Veterans Commission.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Education of Veterans Children . . . . .	<u>\$ 56</u>	<u>\$ 65</u>	<u>\$ 75</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Veterans Compensation and Assistance</b>			
State Funds . . . . .	\$ 777	\$ 730	\$ 780

Provides temporary assistance to veterans who are in need of financial support. Funds for food, clothing, fuel and shelter are made available for a period of up to three months. Grants pensions of \$50 a month to Pennsylvania veterans, who while performing active military service, suffered disease or injury which resulted in functional blindness.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Veterans Assistance . . . . .	\$ 700	\$ 650	\$ 700
Blind Veterans Pension . . . . .	77	80	80
<b>TOTAL . . . . .</b>	<u><u>\$ 777</u></u>	<u><u>\$ 730</u></u>	<u><u>\$ 780</u></u>

**GENERAL FUND**

**MILITARY AFFAIRS**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>National Guard Pension</b>			
State Funds . . . . .	. . . . .	. . . . .	\$ 20

Provides pension payments to the family of any soldier of the National Guard of Pennsylvania who died of injuries or was killed in the line of duty while in active service under orders of the Governor. This appropriation was included in the Department of the Auditor General in previous years.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
National Guard Pension . . . . .	. . . . .	. . . . .	<u>\$ 20</u>

**Capital Improvements**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Capital Improvements</b>			
State Funds . . . . .	\$ 99	. . . . .	\$ 69

Provides for small capital improvements at various locations which are necessary to the operation of the Department's programs.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Capital Improvements . . . . .	<u>\$ 99</u>	. . . . .	<u>\$ 69</u>

**DEPARTMENT OF MILITARY AFFAIRS**

**Summary of Agency Program by Category and Subcategory**

**General Fund and Special Funds**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . . . .</b>	\$ 1,035	\$ 1,168	\$ 1,284	\$ 1,365	\$ 1,482	\$ 1,600	\$ 1,720
<b>Higher Education . . . . .</b>	\$ 82	\$ 92	\$ 102	\$ 104	\$ 111	\$ 114	\$ 117
Financial Aid to Students . . . . .	82	92	102	104	111	114	117
<b>Physical Health Treatment . . . . .</b>	\$ 622	\$ 724	\$ 920	\$ 971	\$ 1,075	\$ 1,151	\$ 1,288
Long Term Domiciliary and Nursing Home Maintenance and Care . . . . .	622	724	920	971	1,075	1,151	1,288
<b>Maintenance of Public Order . . . . .</b>	\$ 4,945	\$ 5,920	\$ 5,998	\$ 6,624	\$ 7,270	\$ 7,948	\$ 8,645
Disaster Assistance . . . . .	4,945	5,920	5,998	6,624	7,270	7,948	8,645
<b>Veterans' Compensation . . . . .</b>	\$ 1,897	\$ 1,307	\$ 1,377	\$ 1,432	\$ 1,536	\$ 1,583	\$ 1,684
Veterans' Compensation and Assistance . . . . .	1,897	1,307	1,377	1,432	1,536	1,583	1,684
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$ 8,581</u>	<u>\$ 9,211</u>	<u>\$ 9,681</u>	<u>\$10,496</u>	<u>\$11,474</u>	<u>\$12,396</u>	<u>\$13,454</u>

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$1,035</u>	<u>\$1,168</u>	<u>\$1,284</u>	<u>\$1,365</u>	<u>\$1,482</u>	<u>\$1,600</u>	<u>\$1,720</u>

**Program Analysis:**

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support within the Department of Military Affairs. A primary concern is to minimize these administrative costs in relation to the costs of provided services.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	<u>\$1,035</u>	<u>\$1,168</u>	<u>\$1,284</u>	<u>\$1,365</u>	<u>\$1,482</u>	<u>\$1,600</u>	<u>\$1,720</u>

**Financial Aid to Students**

OBJECTIVE: To assist the children of deceased or disabled veterans in obtaining education.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$82</u>	<u>\$92</u>	<u>\$102</u>	<u>\$104</u>	<u>\$111</u>	<u>\$114</u>	<u>\$117</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Students requesting and receiving financial aid . . . . .	147	160	160	160	160	160	160
Students completing courses of instruction . . . . .	57	60	60	60	70	70	70

**Program Analysis:**

This program is administered by the Department of Military Affairs and is responsible for providing financial assistance to children of deceased or disabled veterans attending post-secondary institutions of learning within the Commonwealth. These students receive grants of \$200 per semester.

administered by the Pennsylvania Higher Education Assistance Agency (PHEAA). It is possible for a student to receive aid from both the Department of Military Affairs and PHEAA, although the amount of money from PHEAA might be adjusted by the \$200 per semester amount depending on the individual circumstances.

This program is separate from any scholarship program

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 26	\$ 27	\$ 27	\$ 29	\$ 31	\$ 34	\$ 37
Education of Veterans' Children . . . . .	56	65	75	75	80	80	80
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$ 82</u>	<u>\$ 92</u>	<u>\$102</u>	<u>\$104</u>	<u>\$111</u>	<u>\$114</u>	<u>\$117</u>

**Long-Term Domiciliary and Nursing Home Maintenance and Care**

OBJECTIVE: To provide skilled nursing and domiciliary care for veterans.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 622	\$ 724	\$ 920	\$ 971	\$1,075	\$1,151	\$1,288
Federal Funds . . . . .	342	300	325	325	350	425	425
<b>TOTAL . . . . .</b>	<b>\$ 964</b>	<b>\$1,024</b>	<b>\$1,245</b>	<b>\$1,296</b>	<b>\$1,425</b>	<b>\$1,576</b>	<b>\$1,713</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Veterans in Pennsylvania . . . . .	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Veterans in Soldiers and Sailors Home . . . . .	175	175	175	175	175	175	175
Skilled nursing care days . . . . .	27,375	27,375	27,375	27,375	27,375	27,375	27,375
Domiciliary care days . . . . .	36,500	36,500	36,500	36,500	36,500	36,500	36,500

**Program Analysis:**

The Department of Military Affairs maintains the Soldiers and Sailors Home which provides both nursing and domiciliary facilities to those veterans who are disabled, indigent or in need of care. The program receives assistance from the Federal Government: \$4.50 per capita per day for domiciliary patients, \$6.00 per patient day for nursing home care, and \$6.00 per day for aid and attendance given directly to the patient.

The facility at Erie, Pennsylvania, now supports 175 beds. Although it is usually filled to capacity, there is a waiting list of 100 veterans. A criticism of this program is that no real

effort is provided towards rehabilitating the veteran in the Home. If the goal of this program is to provide skilled nursing and domiciliary care for veterans with rehabilitation as an end product, then perhaps these veterans should be in rehabilitative programs provided by other agencies of the Commonwealth. If the goal of this program is a maintenance function then private facilities, where the Commonwealth would provide 50 percent of the costs with Federal Medicaid paying the remainder, might be more economically feasible. In either case, the administration of this program by the Department of Military Affairs should be re-evaluated.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Soldiers and Sailors Home . . . . .	\$ 622	\$ 724	\$ 851	\$ 971	\$1,075	\$1,151	\$1,288
Capital Improvements . . . . .	.....	.....	69	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$ 622</b>	<b>\$ 724</b>	<b>\$ 920</b>	<b>\$ 971</b>	<b>\$1,075</b>	<b>\$1,151</b>	<b>\$1,288</b>

**Disaster Assistance**

OBJECTIVE: To achieve and maintain a readiness capability in units of the Pennsylvania National Guard for quick and effective response to State or Federal mobilization.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$4,945	\$5,920	\$5,998	\$6,624	\$7,270	\$7,948	\$8,645
Federal Funds . . . . .	55	.....	.....	.....	.....	.....	.....
Other Funds . . . . .	105	130	145	145	150	150	155
<b>TOTAL . . . . .</b>	<b><u>\$5,105</u></b>	<b><u>\$6,050</u></b>	<b><u>\$6,143</u></b>	<b><u>\$6,769</u></b>	<b><u>\$7,420</u></b>	<b><u>\$8,098</u></b>	<b><u>\$8,800</u></b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Operating facilities . . . . .	540	540	540	540	540	540	540
Pennsylvania National Guard personnel . .	22,251	22,468	22,468	22,468	22,468	22,468	22,468
Federally recognized units of Pennsylvania Army and Air National Guard . . . . .	203	215	215	215	215	215	215
Units maintaining satisfactory annual general inspection and training ratings . . . . .	203	215	215	215	215	215	215

**Program Analysis:**

This program provides the administrative, training and training support areas necessary to the Pennsylvania National Guard in order to maintain a readiness capability in the event of emergencies either within the Commonwealth or requiring Federal mobilization.

In 1974-75, the National Guard was activated in response to the snow emergency which paralyzed western Pennsylvania. A total of 1,704 man-days was spent, literally, digging out the affected communities. Then again in 1975-76, the Guard was called upon to aid the citizens of the Commonwealth during Hurricane Eloise. On this occasion, a total of 9,800 man-days was spent performing the gamut of required emergency services.

Because of the unpredictability of the occurrences, it is not possible to forecast future trends and develop direct measures for this program's efficiency. Reactive capability of the National Guard is, therefore, measured indirectly through the number of units meeting Federally established inspection and training ratings.

It must be mentioned that the cost of mobilizing the National Guard is borne by the Commonwealth only in State-declared emergencies. In all national emergency situations, whenever the Federal Government calls up the Guard, the cost is borne by the Federal Government. Furthermore, all costs attendant with training, such as summer camp and monthly guard meetings, are fully funded by the Federal Government.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	\$4,776	\$5,495	\$5,998	\$6,624	\$7,270	\$7,948	\$8,645
Emergency Snow Removal . . . . .	70	.....	.....	.....	.....	.....	.....
Emergency Flood Relief, 1975 . . . . .	.....	425	.....	.....	.....	.....	.....
Capital Improvements . . . . .	99	.....	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . . .</b>	<b><u>\$4,945</u></b>	<b><u>\$5,920</u></b>	<b><u>\$5,998</u></b>	<b><u>\$6,624</u></b>	<b><u>\$7,270</u></b>	<b><u>\$7,948</u></b>	<b><u>\$8,645</u></b>

**Veterans Compensation and Assistance**

OBJECTIVE: To provide advisory and financial assistance to eligible Pennsylvania veterans and their dependents.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$1,897</u>	<u>\$1,307</u>	<u>\$1,377</u>	<u>\$1,432</u>	<u>\$1,536</u>	<u>\$1,583</u>	<u>\$1,684</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Veterans in Pennsylvania . . . . .	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Veterans and dependents assisted . . . . .	15,998	16,000	16,000	16,500	17,000	17,000	17,000
Blind veterans . . . . .	150	150	150	150	150	150	150
Blind veterans assisted . . . . .	130	130	130	130	130	130	130

**Program Analysis:**

The Department of Military Affairs administers several aid programs within this subcategory.

*Veterans assistance* —Temporary assistance is given to veterans who are in need of financial support, in the form of grants for food, clothing, fuel and shelter for a period not exceeding three months. During fiscal year 1974-75, there were 5,131 veterans covered under this program. This represents an increase of 14 percent over the previous level. It is believed that this increase was due to the high unemployment rate, and barring unforeseen economic circumstances, this figure should level off.

*Blind veterans pension* —This program provides grants of \$50 per month for those Pennsylvania veterans who incurred functional blindness while performing active military service. During fiscal year 1974-75, there were 130 veterans on the rolls.

*Veterans action centers* — This was a temporary program which ran from July 1, 1974 to November 30, 1975. This program was aimed at coordinating all matters relating to veterans affairs and to serve as a focal point for veterans

assistance and information. It is estimated that 58,000 cases were processed during the life of this program.

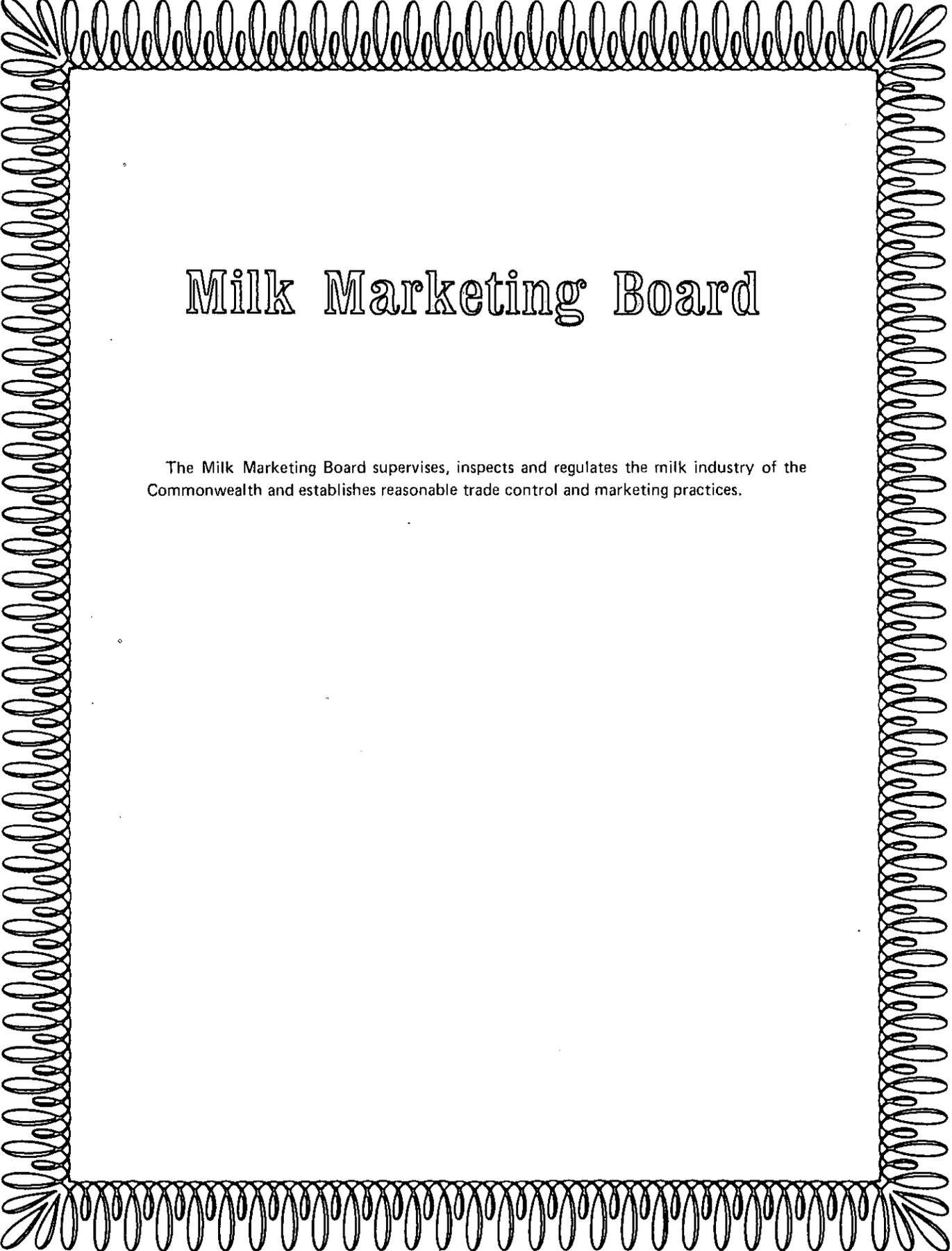
*Vietnam Bonus* — This program was responsible for the payment of the Vietnam Bonus to those Pennsylvania veterans who served during this conflict. Payments consisted of \$25 per month of service, up to a maximum of \$750, which was paid to the veteran. In case of death resulting from injury or disease received while serving in the Vietnam Conflict, a payment of \$1,000 was made to the next of kin. As of October 1975, there were 202,862 claims paid. Applications were received until March 28, 1975. It is anticipated that all claims will be paid and reduction will be made before next fiscal year. Funds are provided for administrative closing costs.

*Payment of National Guard Pension* —The responsibility for this program was transferred, by Act 92, in August, 1975, from the Auditor General's Office to the Department of Military Affairs. It provides for payments to families of National Guardsmen killed while on duty. The payments vary, but cannot exceed \$150 per month nor extend beyond ten years duration.

## Veterans Compensation and Assistance (continued)

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . .	\$1,120	\$ 577	\$ 587	\$ 642	\$ 696	\$ 748	\$ 799
Veterans Assistance . . . . .	700	650	700	700	750	750	800
Blind Veterans Pensions . . . . .	77	80	80	80	80	75	75
Payment of National Guard Pension . .	. . . .	. . . .	10	10	10	10	10
GENERAL FUND TOTAL . . . .	<u>\$1,897</u>	<u>\$1,307</u>	<u>\$1,377</u>	<u>\$1,432</u>	<u>\$1,536</u>	<u>\$1,583</u>	<u>\$1,684</u>



# Milk Marketing Board

The Milk Marketing Board supervises, inspects and regulates the milk industry of the Commonwealth and establishes reasonable trade control and marketing practices.

# MILK MARKETING BOARD

## Summary by Fund and Appropriation

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>Grants and Subsidies</b>			
Transfer to Milk Marketing Board . . . . .	\$ 700	\$ 660	\$ 717
GENERAL FUND TOTAL . . . . .	<u>\$ 700</u>	<u>\$ 660</u>	<u>\$ 717</u>
 <b>Milk Marketing Fund</b>			
<b>General Government</b>			
General Government . . . . .	\$ 457	\$ 625	\$ 713
Total State Funds . . . . .	<u>\$ 457</u>	<u>\$ 625</u>	<u>\$ 713</u>
Other Funds . . . . .	\$ 5	\$ 5	\$ 5
MILK MARKETING FUND TOTAL . . . . .	<u>\$ 462</u>	<u>\$ 630</u>	<u>\$ 718</u>
 <b>Department Total — All Funds</b>			
General Fund . . . . .	\$ 700	\$ 660	\$ 717
Special Funds . . . . .	457	625	713
Other Funds . . . . .	5	5	5
TOTAL ALL FUNDS . . . . .	<u>\$1,162</u>	<u>\$1,290</u>	<u>\$1,435</u>

Grants and Subsidies

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Transfer to Milk Marketing Board</b>			
State Funds . . . . .	\$ 700	\$ 660	\$ 717

The Milk Marketing Board is a special fund agency financed from license fees, permit fees and fines. This General Fund appropriation is made to provide sufficient funds for the Board's operations.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Transfer to Milk Marketing Board . . . . .	<u>\$ 700</u>	<u>\$ 660</u>	<u>\$ 717</u>

## Milk Marketing Fund

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Operations</b>			
State Funds .....	\$ 457	\$ 625	\$ 713
Other Funds .....	705*	665*	722*
<b>TOTAL</b> .....	<u>\$1,162</u>	<u>\$1,290</u>	<u>\$1,435</u>

Supervises, inspects and regulates the milk industry of the Commonwealth and establishes reasonable trade control and marketing practices.

Formulates policy; holds public hearings and subsequently issues and enforces General Marketing Orders, rules and regulations; handles all legal matters including prosecution and levying of penalties against violators of the Milk Marketing Law.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
General Operations .....	\$ 457	\$ 625	\$ 713
<b>Other Funds:</b>			
Transfer from General Fund .....	700	660	717
Sale of Motor Vehicles .....	5	5	5
<b>TOTAL</b> .....	<u>\$1,162</u>	<u>\$1,290</u>	<u>\$1,435</u>

\*Other funds includes the transfer from the General Fund which is not carried forward to the Summary by Fund and Appropriation to avoid double counting.

# MILK MARKETING BOARD

## Summary of Agency Program by Category and Subcategory

### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Consumer Protection</b> . . . . .	\$1,157	\$1,285	\$1,430	\$1,521	\$1,614	\$1,709	\$1,811
Regulation of Milk Industry . . . . .	1,157	1,285	1,430	1,521	1,614	1,709	1,811
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$1,157</u>	<u>\$1,285</u>	<u>\$1,430</u>	<u>\$1,521</u>	<u>\$1,614</u>	<u>\$1,709</u>	<u>\$1,811</u>

**Regulation of Milk Industry**

OBJECTIVE: To maintain an adequate supply of wholesome fluid milk.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 700	\$ 660	\$ 717	\$ 827	\$ 954	\$1,083	\$1,185
Special Funds . . . . .	457	625	713	694	658	626	626
Other Funds . . . . .	5	5	5	.....	.....	.....	.....
<b>TOTAL . . . . .</b>	<u>\$1,162</u>	<u>\$1,290</u>	<u>\$1,435</u>	<u>\$1,521</u>	<u>\$1,612</u>	<u>\$1,709</u>	<u>\$1,811</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Supply of fluid milk to demand for fluid milk . . . . .	126%	126%	127%	126%	125%	126%	126%
Public hearings held . . . . .	3	8	8	8	8	8	8
Licenses and permits issued . . . . .	4,067	4,050	4,000	4,000	4,000	4,000	4,000
Dealer audits made to determine compliance with rules and regulations . . . . .	2,634	2,675	2,700	2,700	2,700	2,700	2,700
Citations issued against license violators . . . . .	162	250	250	250	250	250	250

**Program Analysis:**

Milk price control in Pennsylvania had its origin in the economic depression of the early 1930's. It was a popular reaction to those who claimed the dairy industry would be destroyed without market intervention. The conceptual framework of the program remains essentially unchanged even though the structure of the industry has changed substantially since the inception of milk price control.

Accomplishment of the objective of insuring an adequate milk supply is attained through setting of a minimum price paid to farmers, minimum prices dealers can charge wholesale and retail customers and minimum prices stores can charge consumers. It has been argued that the consumer interest would be best served by the abolishment of price regulation on all levels. Conversely, support has arisen for having the Milk Marketing Board establish maximum as well as minimum prices.

The regulation process is further complicated by the existence of Federal Marketing Orders. More than 80 percent of the Commonwealth's farmers are covered by Federal

Orders. Federal Orders are prices, established by Washington, which must be paid to producers. Pennsylvania's Milk Marketing Board, however, establishes prices that must be paid to producers as well as minimum prices, dealers can charge wholesale and retail customers, and minimum prices stores can charge consumers.

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 for milk. If the ratio exceeds the 125 percent level by more than 8 percentage points it would alert the Board that supply is out of line with demand, calling for a review of producer and resale prices. Conversely, if the ratio drops by more than 8 percentage points it would alert the Board that demand is out of line with supply and producer prices should be reviewed to provide sufficient incentive to farmers for expanded production.

Regulation of Milk Industry (continued)

Program Analysis: (continued)

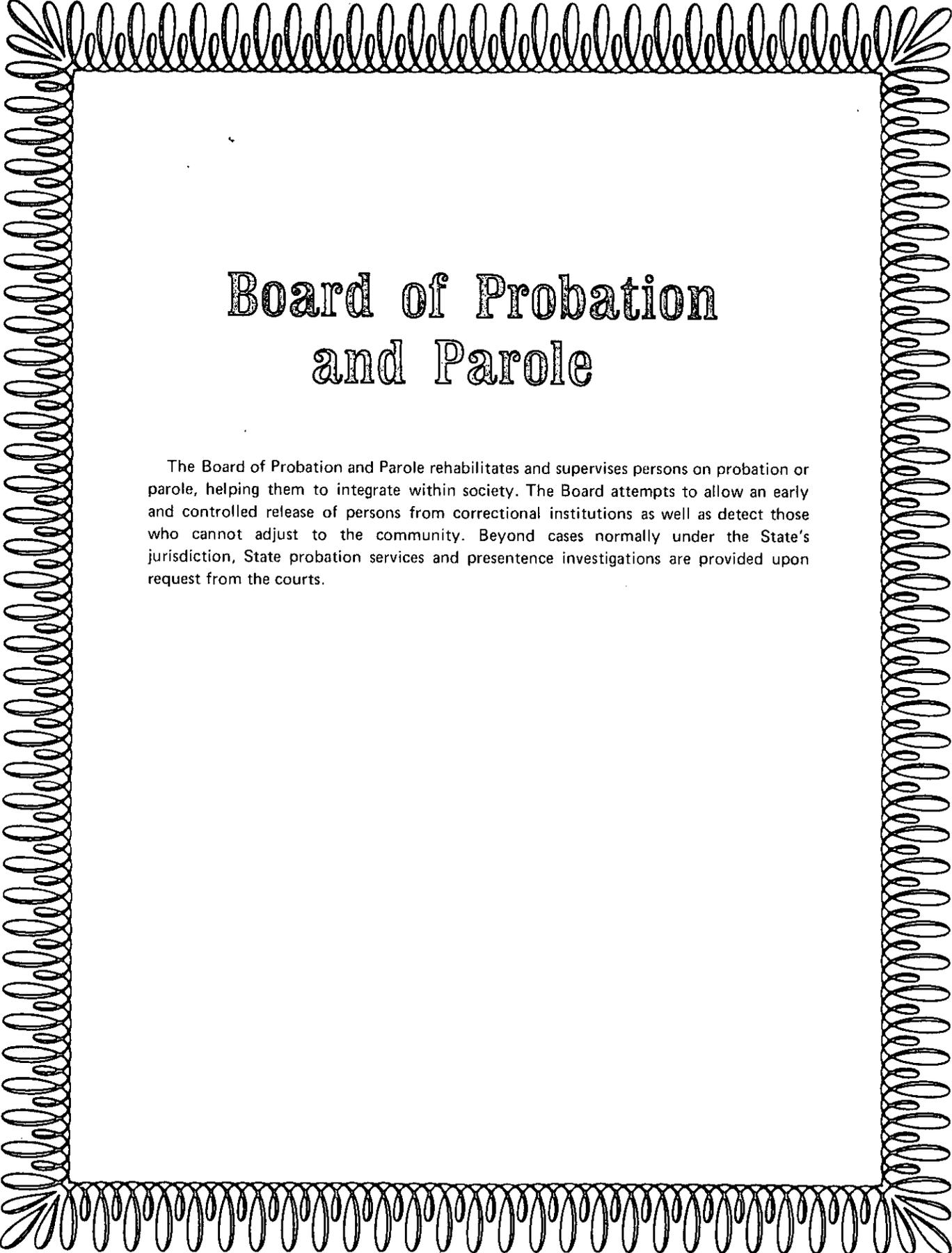
In addition to price policy, the Board licenses milk dealers of various classes, milk haulers, weighers and testers. Milk dealers are also required to be bonded, thereby insuring proper payments to producers. Additional service is provided to farmers through a program of test checks in the wieghts and butterfats which determine producer payments.

When the Milk Marketing Board was first established, it was

intended to be financially self-sufficient. Costs have, however, increased at a far greater rate than revenues. This year's budget recommendation reflects an increase in fees and licenses. Legislative approval is required for such increases. Passage of such legislation will assist the Board in becoming financially self-sufficient.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Transfer to Milk Marketing Fund . . .	<u>\$ 700</u>	<u>\$ 660</u>	<u>\$ 717</u>	<u>\$ 827</u>	<u>\$ 954</u>	<u>\$1,083</u>	<u>\$1,185</u>
<b>MILK MARKETING FUND</b>							
General Operations . . . . .	<u>\$ 700</u>	<u>\$ 660</u>	<u>\$ 717</u>	<u>\$ 827</u>	<u>\$ 954</u>	<u>\$1,083</u>	<u>\$1,185</u>



# Board of Probation and Parole

The Board of Probation and Parole rehabilitates and supervises persons on probation or parole, helping them to integrate within society. The Board attempts to allow an early and controlled release of persons from correctional institutions as well as detect those who cannot adjust to the community. Beyond cases normally under the State's jurisdiction, State probation services and presentence investigations are provided upon request from the courts.

**BOARD OF PROBATION AND PAROLE**

**Summary by Fund and Appropriation**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 6,773	\$ 7,339	\$ 9,552
<b>Grants and Subsidies</b>			
Improvement of Adult Probation Services . . . . .	\$ 1,409	\$ 1,526	\$ 1,679
<b>Total State Funds</b> . . . . .	<u>\$ 8,182</u>	<u>\$ 8,865</u>	<u>\$11,231</u>
Federal Funds . . . . .	\$ 6,541	\$ 6,639	\$ 5,396
<b>GENERAL FUND</b> . . . . .	<u>\$14,723</u>	<u>\$15,504</u>	<u>\$16,627</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Government Operations</b>			
State Funds . . . . .	\$ 6,773	\$ 7,339	\$ 9,552
Federal Funds . . . . .	4,411	4,788	3,896
<b>TOTAL . . . . .</b>	<u>\$11,184</u>	<u>\$12,127</u>	<u>\$13,448</u>

Seeks to reduce the incidence of criminal recidivism by providing parolees and probationers with supervision, counseling and treatment to enable them to satisfactorily adjust to society. Conducts presentence investigations to assist the courts in making sentencing decisions.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations . . . . .	\$ 6,773	\$ 7,339	\$ 9,552
<b>Federal Funds:</b>			
Law Enforcement Assistance — Improving and Strengthening Law Enforcement and Criminal Justice . . . . .	1,907	1,977	1,150
Rehabilitative Services and Facilities — Basic Support . . . . .	2,289	2,631	2,582
Emergency Employment Act . . . . .	150	4	. . . .
Economic Opportunity Act . . . . .	24	11	. . . .
Comprehensive Employment Training Act . . . . .	8	164	164
Operation Mainstream . . . . .	33	1	. . . .
<b>TOTAL . . . . .</b>	<u>\$11,184</u>	<u>\$12,127</u>	<u>\$13,448</u>

Grants and Subsidies

	1974-75	(Dollar Amounts in Thousands) 1975-76	1976-77
	Actual	Available	Budget
<b>Improvement of Adult Probation Services</b>			
State Funds . . . . .	\$ 1,409	\$ 1,526	\$ 1,679
Federal Funds . . . . .	2,130	1,851	1,500
<b>TOTAL . . . . .</b>	<u>\$ 3,539</u>	<u>\$ 3,377</u>	<u>\$ 3,179</u>

Assists counties in improving adult probation services by providing funds for additional probation officers who meet standards established by the Board.

	1974-75	(Dollar Amounts in Thousands) 1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Improvement of Adult Probation Services . . . . .	\$ 1,409	\$ 1,526	\$ 1,679
<b>Federal Funds:</b>			
Law Enforcement Assistance — Improving and Strengthening Law Enforcement and Criminal Justice . . . . .	2,130	1,851	1,500
<b>TOTAL . . . . .</b>	<u>\$ 3,539</u>	<u>\$ 3,377</u>	<u>\$ 3,179</u>

**BOARD OF PROBATION AND PAROLE**

**Summary of Agency Program by Category and Subcategory**

**General Fund and Special Funds**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . . . .</b>	\$1,054	\$ 948	\$ 1,167	\$ 1,232	\$ 1,298	\$ 1,377	\$ 1,452
<b>Control and Reduction of Crime . . . . .</b>	\$7,128	\$7,917	\$10,064	\$11,252	\$12,283	\$13,164	\$14,107
Reintegration of Adult Offenders . . . . .	7,128	7,917	10,064	11,252	12,283	13,164	14,107
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$8,182</u>	<u>\$8,865</u>	<u>\$11,231</u>	<u>\$12,484</u>	<u>\$13,581</u>	<u>\$14,541</u>	<u>\$15,559</u>

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$1,054	\$ 948	\$1,167	\$1,232	\$1,298	\$1,377	\$1,452
Federal Funds .....	224	58	23	23	23	23	23
<b>TOTAL</b> .....	<u>\$1,278</u>	<u>\$1,006</u>	<u>\$1,190</u>	<u>\$1,255</u>	<u>\$1,321</u>	<u>\$1,400</u>	<u>\$1,475</u>

**Program Analysis:**

General Administration and Support provides for the administrative and overhead systems which support the operations of the "reintegration of offenders" programs necessary for the achievement of Commonwealth and Agency

objectives. Also included are the direct decision making activities of the Parole Board. The Board makes approximately 10,000 case decisions, involving requests for parole and revocation hearings, per year.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	<u>\$1,054</u>	<u>\$ 948</u>	<u>\$1,167</u>	<u>\$1,232</u>	<u>\$1,298</u>	<u>\$1,377</u>	<u>\$1,452</u>

**Reintegration of the Adult Offender**

OBJECTIVE: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 7,128	\$ 7,917	\$10,064	\$11,252	\$12,283	\$13,164	\$14,107
Federal Funds . . . . .	6,317	6,581	5,373	5,007	4,806	4,806	4,806
<b>TOTAL . . . . .</b>	<b>\$13,445</b>	<b>\$14,498</b>	<b>\$15,437</b>	<b>\$16,259</b>	<b>\$17,089</b>	<b>\$17,970</b>	<b>\$18,913</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Probationers and parolees in case load . . .	12,312	13,374	14,279	15,184	16,089	16,994	17,895
Inmates released on parole or reparole . . .	2,450	2,500	2,573	2,583	2,593	2,603	2,613
Successful completions of State probation and parole . . . . .	3,106	3,495	3,842	4,188	4,535	4,881	5,227
Percentage of successful completion of State probation and parole of total Pennsylvania case terminations . . . . .	74%	75%	76%	76%	77%	77%	77%
Parole or probation violators under State supervision returned to prison for:							
Violation of rules . . . . .	9%	9%	9%	8%	8%	8%	8%
New offenses . . . . .	13%	13%	12%	12%	11%	11%	11%
Cases in which preparole investigations conducted . . . . .	3,232	3,242	3,252	3,262	3,272	3,282	3,292
Court requests for presentence investigations to be conducted by the board . . . . .	1,310	1,500	1,550	1,650	1,750	1,875	2,000
Offenders under supervision of County Probation Offices . . . . .	41,000	41,900	42,800	43,700	44,600	45,500	46,400

**Program Analysis:**

The goal of the criminal justice system in Pennsylvania is twofold in dimension: to rehabilitate the offender and to safeguard the community from crime. This goal results in an essential problem: how to strike a balance between the alternative means of accomplishing a dual objective, the development of a man who does not constitute a threat to himself or to the social well-being of society as defined by law.

Although imprisonment of offenders offers society an optimal means of safeguard from potential criminals, prison life at best fails to allow an inmate a means of changing his behavior. Probation and parole in terms of cost and effectiveness provides the means of change under the guidelines of supervision.

Probation is defined as a conditional suspension of sentence in lieu of imprisonment and contingent upon satisfactory adjustment to street supervision. Parole, however, is the conditional release of an offender from a penal institution to street supervision until the completion of a maximum sentence. In theory, the power of the probation and parole agent to recommend that a client be institutionalized is an important factor in an offender's behavioral equation. Although in practice, it is the ability of the agent to detect unstable, illicit behavior prior to serious crime and to detain the offender for technical violations that marks supervision effectiveness and affords protection to the community.

The Pennsylvania Board of Probation and Parole has

## Reintegration of the Adult Offender

### Program Analysis: (continued)

statutory authority to parole incarcerated offenders whose maximum sentence is two years or longer, and who have served their minimum sentence. Parole decisions for sentences of less than two years and all decisions pertaining to probation are the responsibility of the courts of the Commonwealth. In June of 1975, of over fifty-three thousand offenders being supervised, approximately 77 percent were being supervised by county probation departments and twenty-three percent by the Commonwealth's Board of Probation and Parole. The Commonwealth provides cash assistance through a county grant-in-aid program administered by the Board to increase county staff capabilities and to improve the effectiveness of county probation.

Among the Board of Probation and Parole's 12,312 clients, 34.6 percent represented cases certified for State Supervision by county courts. These special probation and parole cases involve clients who by the nature of their serious crime backgrounds require intensive supervision. Trend analysis reveals an overall growth rate of 400 additional special cases each year requiring State supervision.

Social investigations such as presentence and preparole reports are designed to provide decision-makers with evaluative background information to improve the basis of determining the most effective disposition for different types of offenders. Since 1965, the Board has been required to conduct presentence investigations at the request of the courts. In 1974-75, of the 8,860 total presentence investigations conducted statewide, the Board completed 1,310 of them at the request of the county courts. To help improve the preparole investigatory process, the Pennsylvania Board of Probation and Parole has created units of specialized case analysts assigned to the States' correctional institutions. In 1974-75, the Agency conducted 3,232 preparole investigations; this may be contrasted with 4,174 parole and reparole applications of which 3,141 applications were granted. Since the 1971 inception of the specialized case analysis project, the likelihood of being paroled has increased by ten percent of the total applications being received.

Integral to the rehabilitative process and the minimization of risk is the quality of supervision provided. The Board of Probation and Parole has developed new programs to improve the effectiveness of parole supervision. Critical elements in new programming have been the objectives of low case load

size, frequent and close agent-client contact and the utilization of modern group therapeutic techniques. The most significant accomplishment in the overall program development effort has been the decentralization of district offices to sub-offices and community parole centers. The purpose of decentralization was to bring agents closer to their communities and the client populations with whom they were supposed to interact. Evaluative research, conducted by an independent research firm, has demonstrated that decentralization significantly increased the percentage of cases being terminated with a successful completion of parole. Increasingly, case load specialization also has occurred with groups of clientele who have unique problems such as narcotics addiction. Additionally, crime prone offenders who constitute high risk cases are being served in specialized intensive units in Philadelphia and Pittsburgh.

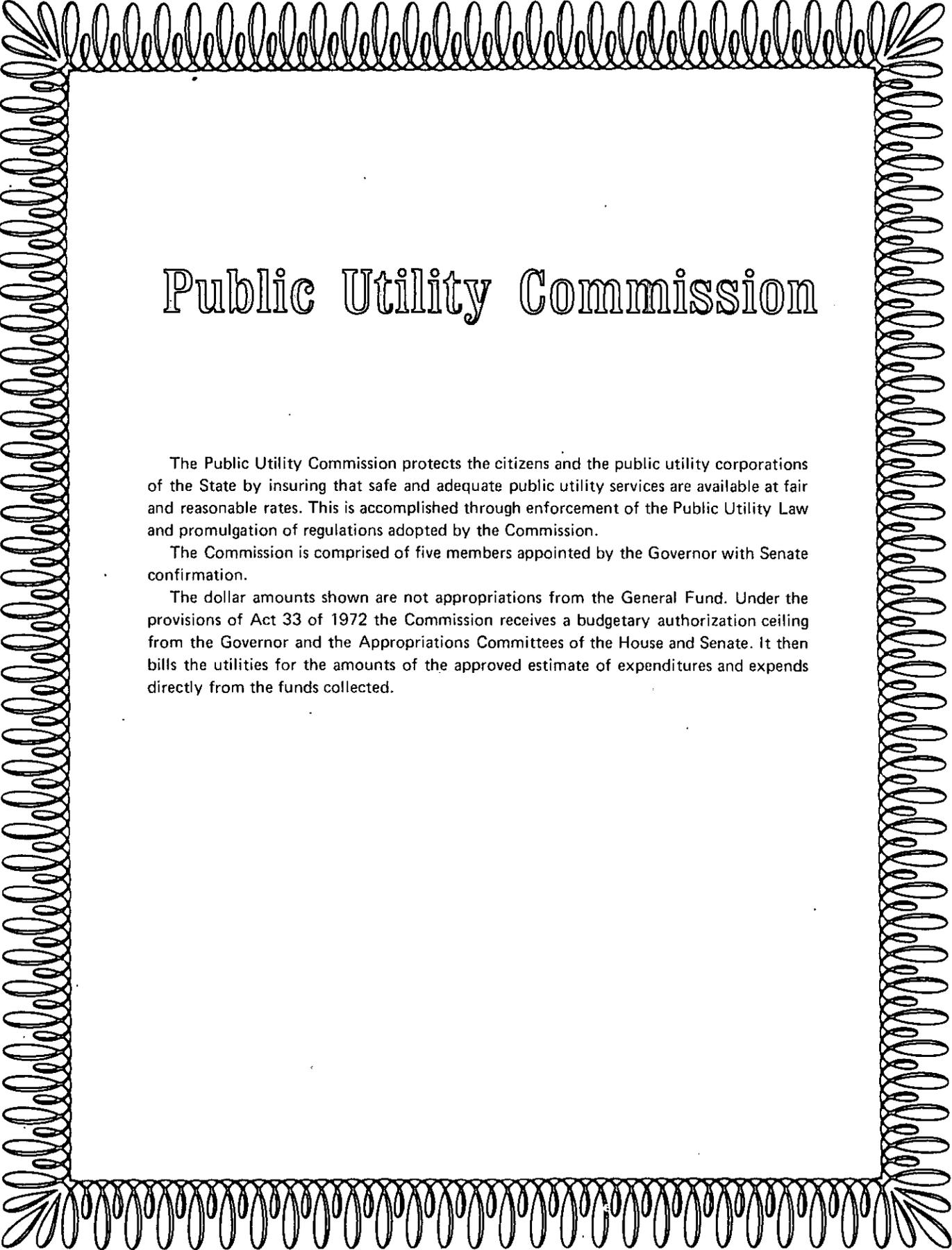
One means of measuring the effectiveness of probation or parole is to ascertain the percentage of offenders who successfully complete the program without a return to crime. In 1974-75, approximately 74 percent of the Board's case terminations were offenders who were so successful. The remaining 26 percent were terminated either because of a new conviction or technical violations of the conditions of parole. Among the 1,097 unsuccessful cases in 1974-75, 21 percent reflect revocations of probations, the remaining 79 percent or 865 cases, were recommitments to prison from parole. Unsuccessful parole cases may be further subdivided into recommitments for technical violations and recommitments because of convictions for new offenses. Notably, in 1974-75, some 38 percent of the parole recommitments were for technical violations, an indication of the parole agents' ability to intervene in the parole process before those offenders who are experiencing difficulty become involved in serious crime.

In conclusion, the Board of Probation and Parole continues to pursue its policies (1) improving the parole decision making process so as to make parole a more beneficial and equitable correctional alternative, (2) decentralizing the supervisory delivery system, differentiating case loads and increasing programmatic specialization so as to improve case management and enhance supervision effectiveness, and (3) assisting county probation departments so as to develop a more effective means of diverting offenders from a life of crime or future institutionalization.

Reintegration of the Adult Offender

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	\$5,719	\$6,391	\$ 8,385	\$ 9,439	\$10,325	\$11,049	\$11,823
Improvement of Adult Probation Services . . . . .	1,409	1,526	1,679	1,813	1,958	2,115	2,284
GENERAL FUND TOTAL . . . . .	<u>\$7,128</u>	<u>\$7,917</u>	<u>\$10,064</u>	<u>\$11,252</u>	<u>\$12,283</u>	<u>\$13,164</u>	<u>\$14,107</u>



# Public Utility Commission

The Public Utility Commission protects the citizens and the public utility corporations of the State by insuring that safe and adequate public utility services are available at fair and reasonable rates. This is accomplished through enforcement of the Public Utility Law and promulgation of regulations adopted by the Commission.

The Commission is comprised of five members appointed by the Governor with Senate confirmation.

The dollar amounts shown are not appropriations from the General Fund. Under the provisions of Act 33 of 1972 the Commission receives a budgetary authorization ceiling from the Governor and the Appropriations Committees of the House and Senate. It then bills the utilities for the amounts of the approved estimate of expenditures and expends directly from the funds collected.

**PUBLIC UTILITY COMMISSION**  
**Summary by Fund and Appropriation**

	1974-75	(Dollar Amounts in Thousands) 1975-76	1976-77
	Actual	Available	Budget
<b>General Fund</b>			
<b>(Restricted Revenue Account)</b>			
General Government			
Executive Authorization			
General Government Operations* . . . . .	<u>\$7,959</u>	<u>\$9,385</u>	<u>\$10,261</u>

\* Not included in General Fund totals.

General Government

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>General Government Operations</b>			
State Funds .....	\$7,959	\$9,385	\$10,261

Protects the consumer by regulating the rates charged by public utility companies and by developing a comprehensive, long-range plan to assure adequate utility capacity for the future. Inspects railroad grade crossings to insure compliance with safety standards.

	1973-74 Actual	(Dollar Amounts in Thousands) 1974-75 Available	1975-76 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:*</b>			
General Government Operations .....	<u>\$7,959</u>	<u>\$9,385</u>	<u>\$10,261</u>

\*Executive Authorization from restricted revenue account which is not included in General Fund Totals.

**PUBLIC UTILITY COMMISSION**

**Summary of Agency Program by Category and Subcategory**

**General Fund and Special Funds**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Consumer Protection</b> . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Regulation of Public Utilities* . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
<b>DEPARTMENT TOTAL</b> . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .

---

\* All funds are other than General or Special funds.

**Regulation of Public Utilities**

OBJECTIVE: To ensure that safe and adequate public utility services are available to the public at fair and reasonable rates.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Other Funds . . . . .	<u>\$7,959</u>	<u>\$9,385</u>	<u>\$10,261</u>	<u>\$10,855</u>	<u>\$11,476</u>	<u>\$12,130</u>	<u>\$12,845</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Percent of utilities not meeting safety standards . . . . .	2%	2%	2%	2%	2%	2%	2%
Formal and informal complaints resolved . . . . .	9,133	5,310	5,440	5,719	6,090	7,250	7,500
Investigations resulting from complaints . . . . .	10,037	6,476	6,476	6,650	6,920	7,500	8,000
Investigations conducted on order of the Commission . . . . .	10	13	13	13	13	13	13
Railroad crossings upgraded on order of the Commission . . . . .	396	400	400	400	400	400	400

**Program Analysis:**

The primary duty and obligation of the Pennsylvania Public Utility Commission is to insure that safe and adequate service be available to the public at fair and reasonable rates.

The Commission has regulatory power over the following types of utilities: electric, gas, steam heat, water, telephone, telegraph, and sewage-collection and disposal services; transportation of passengers and property by railroad, aircraft, boat or ferry as a common carrier; and transportation of certain products by pipeline.

Supplemental to its primary concern for rate regulation the Commission is empowered to establish accounting and service requirements for utilities, regulate their formation, merger and consolidations, determine whether a public utility should be permitted to discontinue service to the public, regulate crossings of public highways by utilities, and inspect utility

properties, test equipment and examine all books and records of utilities.

The Commission conducts studies for possible adverse impact on the public interest in contracts between public utilities and their affiliates; holds hearings and oral argument on complaints instituted on its own motion and on complaints, applications and petitions submitted to it by utility customers and others where, in its judgement, necessity for hearings and/or oral argument is indicated; studies the pleadings, evidence, and briefs, submitted to it; and enters appropriate written orders. Primary area of concern for this program is the review of all rate requests with particular emphasis on adequate service and continued supply in view of the continuing energy crisis.

During the 1976-77 fiscal year the Commission anticipates

Regulation of Public Utilities (continued)

Program Analysis (continued)

a greater emphasis on assuring continuous service to the consumer at the lowest possible cost, and to provide greater efficiency in resolving consumer complaints against utilities. While assuring lowest possible prices for utility service the Commission must also provide the utilities with a rate of return necessary to insure energy independence and adequate supplies to meet future consumer demands. Of tantamount importance is the duty to insure that the utilities plan ahead to meet increasing demands on energy supplies to protect consumers from the possibility of blackouts and brownouts.

The 1974-75 fiscal year saw a dramatic increase in consumer complaints and related work activities. The number of investigations resulting from complaints increased from 2,674 in 1973-74 to 10,037 in 1974-75. Although the level of complaints has dropped off some this year, it is still estimated that 6,476 complaints will be investigated in 1975-76.

The increased complaint level is a result of public concern over rising fuel costs and, particularly, the Fuel Adjustment Clause, which permits a utility to pass on directly to its customers any increases in its fuel costs. Because of the continuing concern over the Fuel Adjustment Clause, the Commission plans the establishment of special audit teams. The purpose of these teams will be to evaluate the methodologies in the application of this clause.

Another aspect of the Commission's regulatory responsibilities involves participation as agent in the enforcing of the Federal Railroad Safety Act of 1970 and the Federal Gas Pipeline Safety Act of 1968. The enforcement of these Federal regulations assures protection to the citizenry of the Commonwealth through monitoring of possible gas explosions

and accidents from violations of the railroad safety standards.

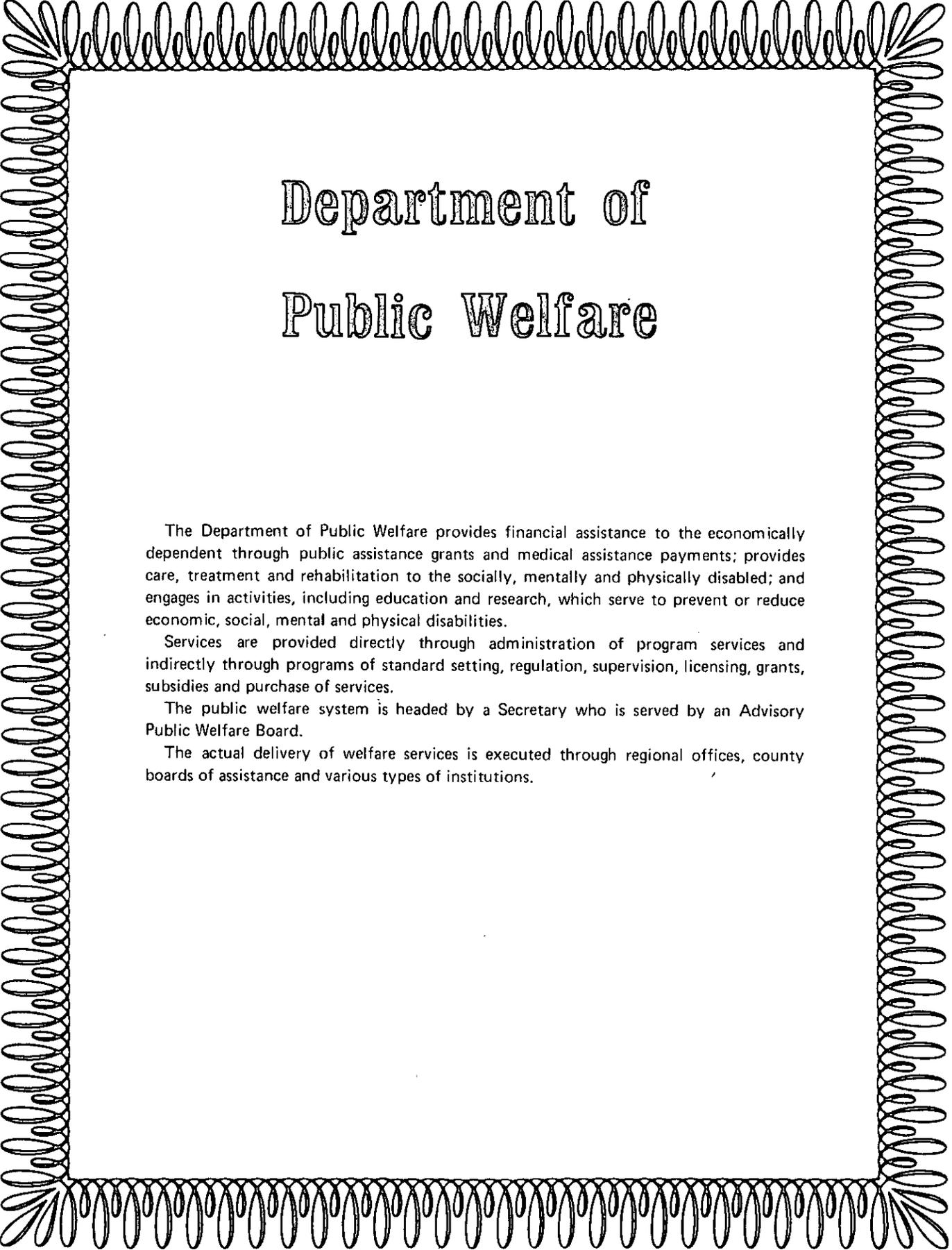
Approximately two percent of the regulated utilities do not meet safety standards. In order to alleviate these unsafe standards the Commission has issued slow orders for unsafe track. The Commission in accordance with railroad regulations lists specific requirements concerning track, its alignment, appurtenances and inspections, as well as maintenance of track inspection records. These regulations were promulgated as a result of derailments. Investigations are conducted by Commission track inspectors to assure that track and track maintenance procedures are updated and a program of twice-weekly inspections are made on tracks where speeds of twenty (20) miles per hour or more are reported by timetable operators.

During the 1976-77 fiscal year the Gas Supply Section will be experiencing increased activity. It is the responsibility of this section to monitor the natural gas supply in conformance with Commission regulations. The natural gas deficiency is certain to worsen over the next year, with curtailments in use by industrial areas. It is within this section that complaints and requests for exemption from the natural gas regulations are prepared and submitted to the Commission for final decisions. Currently natural gas is being prohibited in any new construction, with the exception of those having homes built as replacements for previous gas serviced homes, such as renewal projects. It is anticipated that the 1976-77 fiscal year will be a period of much activity. Controversary over fuel bills seems certain to continue and efforts must be made to deal with the threat of severe natural gas shortages.

Program Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)				1979-80	1980-81
			1976-77	1977-78	1978-79			
RESTRICTED REVENUE ACCOUNT								
(General Fund)*								
General Operations . . . . .	<u>\$7,959</u>	<u>\$9,385</u>	<u>\$10,261</u>	<u>\$10,855</u>	<u>\$11,476</u>	<u>\$12,130</u>	<u>\$12,845</u>	

\* Not included in General Fund totals.



# Department of Public Welfare

The Department of Public Welfare provides financial assistance to the economically dependent through public assistance grants and medical assistance payments; provides care, treatment and rehabilitation to the socially, mentally and physically disabled; and engages in activities, including education and research, which serve to prevent or reduce economic, social, mental and physical disabilities.

Services are provided directly through administration of program services and indirectly through programs of standard setting, regulation, supervision, licensing, grants, subsidies and purchase of services.

The public welfare system is headed by a Secretary who is served by an Advisory Public Welfare Board.

The actual delivery of welfare services is executed through regional offices, county boards of assistance and various types of institutions.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	Details on Page	1976-77 State Funds (in thousands)
Community Services for the Mentally Ill and Mentally Retarded	Census Reduction in State Mental Hospitals . . . . .	585	\$ 797

This Program Revision, funded through the county mental health program, will provide living arrangements and supportive services for approximately 750 State mental hospital patients no longer in need of long term inpatient psychiatric care.

Medical Assistance	Cost Reimbursement for Private Nursing Facilities . . . . .	588	\$10,000
--------------------	--	-----	----------

This Program Revision will provide funds to increase private skilled nursing and intermediate care facilities per diem reimbursements for those facilities participating in the Medical Assistance program effective July 1, 1976.

DEPARTMENT TOTAL	\$10,797
------------------	----------

# DEPARTMENT OF PUBLIC WELFARE

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations .....	\$ 16,942	\$ 17,215	\$ 22,764
County Administration .....	79,385	84,517	99,894
Claims Settlement .....	2,000	2,452	3,173
Food Stamp Program Administration .....	.....	1,400	.....
Sub-Total .....	<u>\$ 98,327</u>	<u>\$ 105,584</u>	<u>\$ 125,831</u>
<b>Institutional</b>			
Youth Development Centers and Forestry			
Camps .....	\$ 18,715	\$ 20,608	\$ 24,330
State Restoration Centers .....	6,540	5,826	6,638
State General Hospitals .....	11,254	7,243	1,697
Mental Health and Mental Retardation			
Services .....	285,963	318,288	347,987
Institution for the Mentally Retarded—			
Southeastern .....	.....	7,528	.....
Mental Health and Mental Retardation			
Services—Additional Staff .....	2,500	.....	.....
Mental Health and Mental Retardation Services—			
Resident Population Dispersal .....	500	.....	.....
Sub-Total .....	<u>\$ 325,472</u>	<u>\$ 359,493</u>	<u>\$ 380,652</u>
<b>Grants and Subsidies</b>			
Cash Assistance .....	\$ 404,203	.....	\$ 522,514
Medical Assistance .....	231,981	.....	345,861
Supplemental Grants—Aged, Blind and			
Disabled .....	40,619	.....	66,996
Public Assistance and Administration .....	.....	\$ 859,254*	.....
Second Class County Homes .....	.....	5,200	.....
Public Nursing Homes .....	.....	.....	10,000
Community Services for the Mentally Ill			
and Mentally Retarded .....	67,630	75,542	91,261
Community Living Arrangements .....	13,596	14,611	15,000
Aging Programs .....	4,717	5,094	8,058
Training Personnel at Geriatric Homes .....	50	50	.....
Blind Programs .....	778	840	840
County Child Welfare Programs .....	39,109	49,639	32,689
Day Care Services .....	5,700	14,100	17,563
Juvenile Delinquency Programs .....	2,000	1,750	1,750
Home for Crippled Children, Pittsburgh .....	250	375	375
Children's Heart Hospital, Philadelphia .....	500	750	750
Armstrong County Health Center .....	200	.....	.....
Western Psychiatric Institute and Clinic .....	3,500	4,000	4,000
Consultive and Psychiatry Program .....			
Pennsylvania Association for the Blind,			
Pittsburgh .....	25	25	.....
Center for the Blind, Philadelphia .....	25	25	.....
Beacon Lodge Camp .....	25	25	.....
Center for Blind, Delaware .....	.....	25	.....
Social Services .....	2,198	2,944	2,533
Arsenal Family and Children's Center .....	100	100	.....
Sub-Total .....	<u>\$ 817,606</u>	<u>\$1,034,349</u>	<u>\$1,120,190</u>

\* Represents the amount allocated from the \$912,071,000 Public Assistance and Administration appropriation.

DEPARTMENT OF PUBLIC WELFARE

Summary by Fund and Appropriation  
(continued)

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Capital Improvements</b>			
Capital Improvements .....	\$ 466	\$ 162	\$ 375
<b>Total State Funds</b> .....	<u>\$1,241,871</u>	<u>\$1,499,588</u>	<u>\$1,627,048</u>
Federal Funds .....	\$ 820,473	\$ 949,756	\$1,054,289
Other Funds .....	85,708	112,497	117,060
<b>GENERAL FUND TOTAL</b> .....	<u>\$2,148,052</u>	<u>\$2,561,841</u>	<u>\$2,798,397</u>
<b>Revenue Sharing Trust Fund</b>			
<b>Grants and Subsidies</b>			
Day Care Services .....	\$ 4,857	.....	.....
<b>REVENUE SHARING TRUST FUND TOTAL</b> .....	<u>\$ 4,857</u>	.....	.....
<b>Department Total – All Funds</b>			
General Fund .....	\$1,241,871	\$1,499,588	\$1,627,048
Special Funds .....	4,857	.....	.....
Federal Funds .....	820,473	949,756	1,054,289
Other Funds .....	85,708	112,497	117,060
<b>TOTAL ALL FUNDS</b> .....	<u>\$2,152,909</u>	<u>\$2,561,841</u>	<u>\$2,798,397</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Government Operations</b>			
State Funds . . . . .	\$16,942	\$17,215	\$22,764
Federal Funds . . . . .	11,923	11,765	14,210
Other Funds . . . . .	3,928	5,962	4,979
<b>TOTAL . . . . .</b>	<b>\$32,793</b>	<b>\$34,942</b>	<b>\$41,953</b>

Provides the administrative and support systems for the operation of the various substantive health, social and economic development programs. Directs the development and implementation of the Commonwealth health, social and economic development policies and programs.

Provides direction and overhead support for restoration centers, youth development centers, general hospitals, institutions for the retarded and institutions for the mentally ill.

Provides overall planning and direction for a comprehensive social services system.

Promotes the reduction of ill health among Pennsylvania residents by licensing and regulating selected medical facilities, and provides direction for health programs for Pennsylvania residents who are unable to purchase adequate health care services.

Provides the overall planning and direction for individuals striving to attain and maintain a minimally acceptable level of living.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations . . . . .	\$16,942	\$17,215	\$22,764
<b>Federal Funds:</b>			
Child Welfare Services . . . . .	1,730	1,600	1,600
Aging — Special Support Project . . . . .	1,053	826	857
Public Service Careers . . . . .	7	. . . .	. . . .
Rehabilitation Services and Facilities —			
Basic Support . . . . .	877	635	683
Development Disabilities — Special			
Projects . . . . .	37	. . . .	. . . .
Foster Grandparents Program . . . . .	29	29	32
Medical Assistance Program . . . . .	1,618	1,000	2,455
Educationally Deprived Children —			
Handicapped . . . . .	242	185	210
Public Assistance — Social Services . . . . .	2,571	3,000	3,011
Public Assistance — Maintenance Assistance . . . . .	3,155	3,650	3,514
Public Assistance — IV-D . . . . .	. . . .	. . . .	56
Public Assistance — State/Local			
Training . . . . .	408	540	631
Medicare — Hospital Insurance . . . . .	196	300	. . . .
Public Assistance — Social Services —			
Project Grant 1115 . . . . .	. . . .	. . . .	1,161
<b>Other Funds:</b>			
Comptroller's Billing . . . . .	962	1,157	1,132
Reimbursement for Institutional Collection . . . . .	344	387	455
Non-Governmental Project Grants . . . . .	1	5	. . . .
Reimbursement for Processing Center . . . . .	2,609	2,822	3,392
Conference Registration Fees . . . . .	12	. . . .	. . . .
United Services Agency Reimbursement . . . . .	. . . .	1,591	. . . .
<b>TOTAL . . . . .</b>	<b>\$32,793</b>	<b>\$34,942</b>	<b>\$41,953</b>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>County Administration</b>			
State Funds . . . . .	\$ 81,385	\$ 88,369	\$103,067
Federal Funds . . . . .	77,176	91,782	101,417
Other Funds . . . . .	1,412	7,558	. . . .
<b>TOTAL . . . . .</b>	<b>\$159,973</b>	<b>\$187,709</b>	<b>\$204,484</b>

Provides staff to determine eligibility to receive cash grants, medical assistance and food stamps. Also provides the social services intended to strengthen family life and help persons realize their maximum potential for achieving self-sufficiency. The Bureau of Claims Settlement provides staff to make collections from financially responsible relatives of recipients.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
County Administration . . . . .	\$ 79,385	\$ 84,517*	\$ 99,894
Claims Settlement . . . . .	2,000	2,072	3,173
Claims Settlement—Recommended Deficiency . . . . .	. . . .	380	. . . .
Food Stamp Program Administration . . . . .	. . . .	1,400	. . . .
<b>Federal Funds:</b>			
Public Assistance — Social Services . . . . .	25,020	22,500	23,342
Public Assistance — Maintenance Assistance . . . . .	42,871	50,766	57,660
Public Assistance — State/Local Training . . . . .	2,315	2,717	3,341
Public Assistance — Title IV-D . . . . .	. . . .	1,500	2,250
Work Incentive Program — Child Care . . . . .	2,546	3,200	3,550
Work Incentive Program — Registration . . . . .	389	400	400
U.S. Department Agriculture Contributions — Food Stamp Program . . . . .	1,451	8,065	8,600
Social Security Administration Contributions — Supplemental Security Integration Administration . . . . .	580	650	550
Manpower Revenue Sharing (Comprehensive Employment and Training Act, Title I) . . . . .	18	568	. . . .
Public Services Careers . . . . .	348	. . . .	. . . .
Rehabilitation Services and Facilities — Basic Support . . . . .	1,638	1,416	1,724
<b>Other Funds:</b>			
County Contributions — Food Stamp Plan . . . . .	1,362	7,558	. . . .
Non-Federal Salary Reimbursements . . . . .	16	. . . .	. . . .
Sales of Automobiles and Other Vehicles . . . . .	34	. . . .	. . . .
<b>TOTAL . . . . .</b>	<b>\$159,973</b>	<b>\$187,709</b>	<b>\$204,484</b>

\* Represents the amount allocated from the \$912,071,000 appropriated for Public Assistance and Administration

Institutional

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Youth Development Centers and Forestry Camps</b>			
State Funds . . . . .	\$18,715	\$20,608	\$24,330
Federal Funds . . . . .	2,269	983	729
Other Funds . . . . .	50	20	20
<b>TOTAL . . . . .</b>	<b>\$21,034</b>	<b>\$21,611</b>	<b>\$25,079</b>

Maintains a system to socially rehabilitate and train youths, ages 12 to 18, committed as delinquent by the courts, to meet acceptable standards of behavior and to increase their readiness to return to school or jobs.

The institutional populations for the prior, current and upcoming years are:

	Bed Capacity	Population Oct. 1974	Population Oct. 1975	Projected Population Oct. 1976	Projected Percent of Capacity
<b>Youth Development Centers</b>					
Cornwells Heights . . . . .	136	83	92	76	56%
Loysville . . . . .	96	140	87	70	73%
New Castle . . . . .	237	231	213	172	73%
Warrendale . . . . .	130	122	74	60	46%
Waynesburg . . . . .	128	110	76	61	48%
<b>Youth Forestry Camps</b>					
Camp No. 1 . . . . .	52	61	66	53	102%
Camp No. 2 . . . . .	52	54	46	37	71%
Camp No. 3 . . . . .	56	56	54	44	79%
<b>Philadelphia Day Treatment Center . . . . .</b>	<b>60</b>	<b>27</b>	<b>33</b>	<b>27</b>	<b>45%</b>
<b>TOTAL . . . . .</b>	<b>947</b>	<b>884</b>	<b>741</b>	<b>600</b>	<b>63%</b>

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Total Proposed Expenditures by Institution:</b>			
<b>YDC Cornwells Heights</b>			
State Funds . . . . .	\$ 3,700	\$ 3,826	\$ 4,274
Federal Funds . . . . .	68	. . . . .	. . . . .
Other Funds . . . . .	6	3	3
TOTAL . . . . .	\$ 3,774	\$ 3,829	\$ 4,277
<b>YDC Loysville</b>			
State Funds . . . . .	\$ 3,349	\$ 2,526	\$ 3,180
Federal Funds . . . . .	122	135	. . . . .
Other Funds . . . . .	8	3	3
TOTAL . . . . .	\$ 3,479	\$ 2,664	\$ 3,183
<b>YDC New Castle</b>			
State Funds . . . . .	\$ 3,747	\$ 4,338	\$ 4,811
Federal Funds . . . . .	142	30	. . . . .
Other Funds . . . . .	16	3	3
TOTAL . . . . .	\$ 3,905	\$ 4,371	\$ 4,814
<b>YDC Warrendale</b>			
State Funds . . . . .	\$ 2,377	\$ 2,728	\$3,205
Federal Funds . . . . .	163	. . . . .	. . . . .
Other Funds . . . . .	2	3	3
TOTAL . . . . .	\$ 2,542	\$ 2,731	\$ 3,208
<b>YDC Waynesburg</b>			
State Funds . . . . .	\$ 2,335	\$ 2,510	\$ 2,887
Federal Funds . . . . .	24	185	129
Other Funds . . . . .	2	3	3
TOTAL . . . . .	\$ 2,361	\$ 2,698	\$ 3,019
<b>YF Camp No. 1—Raccoon Creek</b>			
State Funds . . . . .	\$ 587	\$ 661	\$ 772
Federal Funds . . . . .	7	. . . . .	. . . . .
Other Funds . . . . .	4	1	1
TOTAL . . . . .	\$ 598	\$ 662	\$ 773

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>YF Camp No. 2—Hickory Run</b>			
State Funds .....	\$ 654	\$ 699	\$ 787
Federal Funds .....	10	.....	.....
Other Funds .....	.....	.....	.....
<b>TOTAL</b> .....	<b>\$ 664</b>	<b>\$ 699</b>	<b>\$ 787</b>
<b>YF Camp No. 3—Trough Creek</b>			
State Funds .....	\$ 529	\$ 585	\$ 714
Federal Funds .....	11	.....	.....
Other Funds .....	.....	1	1
<b>TOTAL</b> .....	<b>\$ 540</b>	<b>\$ 586</b>	<b>\$ 715</b>
<b>Philadelphia Day Treatment Center</b>			
State Funds .....	\$ 1,437	\$ 2,735	\$ 3,700
Federal Funds .....	1,722	633	600
Other Funds .....	12	3	3
<b>TOTAL</b> .....	<b>\$ 3,171</b>	<b>\$ 3,371</b>	<b>\$ 4,303</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Youth Development Centers and Forestry			
Camps .....	\$18,715	\$20,608	\$24,330
<b>Federal Funds:</b>			
Educationally Deprived Children — In State			
Institutions Serving Neglected .....	321	.....	.....
Public Services Career .....	38	.....	.....
Law Enforcement Assistance — Improving and			
Strengthening Law Enforcement .....	310	278	129
Public Assistance — Social Services .....	1,600	705	600
<b>Other Funds:</b>			
Cafeteria Receipts .....	21	20	20
Miscellaneous Receipts .....	29	.....	.....
<b>TOTAL</b> .....	<b>\$21,034</b>	<b>\$21,611</b>	<b>\$25,079</b>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>State Restoration Centers</b>			
State Funds .....	\$ 6,540	\$ 5,826	\$ 6,638
Federal Funds .....	5,016	7,616	8,276
Other Funds .....	594	864	544
<b>TOTAL .....</b>	<b>\$12,150</b>	<b>\$14,306</b>	<b>\$15,458</b>

Provides rehabilitative treatment to restore former psychiatric patients to a self-sufficient status, enabling institutionalized patients to return to the community. Provides intensive outpatient and short-term inpatient treatment services to delay or eliminate the need for extended institutional placement.

The institutional populations for the prior, current and upcoming years are:

<b>State Restoration Centers</b>	Patient Capacity	Population Oct. 1974	Population Oct. 1975	Projected Population Oct. 1976	Projected Percent of Capacity
Western .....	104	90	95	98	94%
South Mountain .....	1,000	787	850	975	97%
<b>TOTAL .....</b>	<b>1,104</b>	<b>877</b>	<b>945</b>	<b>1,073</b>	<b>97%</b>

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Total Proposed Expenditures by Institution</b>			
<b>Western Restoration Center</b>			
State Funds .....	\$ 1,132	\$ 1,024	\$ 1,166
Federal Funds .....	1,019	1,376	1,495
Other Funds .....	79	79	82
<b>TOTAL .....</b>	<b>\$ 2,230</b>	<b>\$ 2,479</b>	<b>\$ 2,743</b>
<b>South Mountain Restoration Center</b>			
State Funds .....	\$ 5,408	\$ 4,802	\$ 5,472
Federal Funds .....	3,997	6,240	6,781
Other Funds .....	515	785	462
<b>TOTAL .....</b>	<b>\$ 9,920</b>	<b>\$11,827</b>	<b>\$12,715</b>

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
State Restoration Centers	\$ 6,540	\$ 5,826	\$ 6,638
<b>Federal Funds:</b>			
Medical Assistance Program	5,000	7,616	8,276
Public Services Careers	13	.....	.....
Reimbursement for Flood Related Costs — Office of Emergency Preparedness	3	.....	.....
<b>Other Funds:</b>			
Cafeteria Reimbursements	24	25	27
Institutional Collections	545	814	490
Canteen Reimbursements	24	25	27
Sale of Reclaimable Material	1	.....	.....
<b>TOTAL</b>	<u><u>\$12,150</u></u>	<u><u>\$14,306</u></u>	<u><u>\$15,458</u></u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>State General Hospitals</b>			
State Funds	\$11,254	\$ 7,243	\$ 1,697
Federal Funds	.....	1,426	1,041
Other Funds	28,534	33,664	44,043
<b>TOTAL</b>	<u><u>\$39,788</u></u>	<u><u>\$42,333</u></u>	<u><u>\$46,781</u></u>

Provides hospitalization and other medical services to people in formerly depressed areas of the Commonwealth where local communities have been unable to assume these responsibilities. The current trend is toward reducing financial dependency upon the Commonwealth, by having the community take them over.

The institutional populations for the prior, current and upcoming years are:

State General Hospital	Patient Capacity	Population Oct. 1974	Population Oct. 1975	Projected Population Oct. 1976	Projected Percent of Capacity
Ashland	200	125	120	118	59%
Coaldale	166	110	108	106	64%
Connellsville	90	58	55	53	59%
Hazleton	142	96	125	138	97%
Locust Mountain	86	54	50	50	58%
Nanticoke	100	64	60	70	70%
Philipsburg	170	107	105	103	60%
Scranton	193	109	105	150	78%
Shamokin	109	61	60	58	53%
<b>TOTAL</b>	<u><u>1,256</u></u>	<u><u>784</u></u>	<u><u>788</u></u>	<u><u>846</u></u>	<u><u>67%</u></u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Total Proposed Expenditures by Institution</b>			
<b>Ashland</b>			
State Funds .....	\$ 2,392	\$ 1,087	\$ 330
Federal Funds .....	.....	457	291
Other Funds .....	3,984	5,227	6,760
<b>TOTAL</b> .....	<b>\$ 6,376</b>	<b>\$ 6,771</b>	<b>\$ 7,381</b>
<b>Coaldale</b>			
State Funds .....	\$ 904	\$ 256	.....
Federal Funds .....	.....	969	\$ 750
Other Funds .....	3,124	3,073	4,353
<b>TOTAL</b> .....	<b>\$ 4,028</b>	<b>\$ 4,298</b>	<b>\$ 5,103</b>
<b>Connellsville</b>			
State Funds .....	\$ 1,198	\$ 776	.....
Other Funds .....	2,537	3,288	\$ 4,375
<b>TOTAL</b> .....	<b>\$ 3,735</b>	<b>\$ 4,064</b>	<b>\$ 4,375</b>
<b>Hazleton</b>			
State Funds .....	\$ 1,995	\$ 1,226	\$ 457
Other Funds .....	3,487	4,473	5,912
<b>TOTAL</b> .....	<b>\$ 5,482</b>	<b>\$ 5,699</b>	<b>\$ 6,369</b>
<b>Locust Mountain</b>			
State Funds .....	\$ 899	\$ 439	.....
Other Funds .....	1,865	2,499	\$ 3,288
<b>TOTAL</b> .....	<b>\$ 2,764</b>	<b>\$ 2,938</b>	<b>\$ 3,288</b>
<b>Nanticoke</b>			
State Funds .....	\$ 569	\$ 696	.....
Other Funds .....	2,427	2,561	\$ 3,640
<b>TOTAL</b> .....	<b>\$ 2,996</b>	<b>\$ 3,257</b>	<b>\$ 3,640</b>

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Philipsburg</b>			
State Funds .....	\$ 1,028	\$ 404	\$ 455
Other Funds .....	4,110	5,053	5,458
<b>TOTAL</b> .....	<u>\$ 5,138</u>	<u>\$ 5,457</u>	<u>\$ 5,913</u>
<b>Scranton</b>			
State Funds .....	\$ 1,688	\$ 2,132	\$ 455
Other Funds .....	4,553	4,602	6,678
<b>TOTAL</b> .....	<u>\$ 6,241</u>	<u>\$ 6,734</u>	<u>\$ 7,133</u>
<b>Shamokin</b>			
State Funds .....	\$ 582	\$ 227	.....
Other Funds .....	2,446	2,888	\$ 3,579
<b>TOTAL</b> .....	<u>\$ 3,028</u>	<u>\$ 3,115</u>	<u>\$ 3,579</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
State General Hospitals .....	\$11,254	\$ 7,243	\$ 1,697
<b>Federal Funds:</b>			
Medical Assistance Program .....	.....	1,426	1,041
<b>Other Funds:</b>			
Sale of Reclaimable Materials .....	16	.....	.....
Cafeteria Reimbursements .....	114	109	117
Miscellaneous Institutional Reimbursements .....	303	.....	.....
Institutional Collections .....	28,101	33,555	43,926
<b>TOTAL</b> .....	<u>\$39,788</u>	<u>\$42,333</u>	<u>\$46,781</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Mental Health and Mental Retardation Services</b>			
<b>Institutions for the Mentally Ill and Mentally Retarded</b>			
State Funds . . . . .	\$288,963	\$325,816	\$347,987
Federal Funds . . . . .	87,109	103,385	118,100
Other Funds . . . . .	32,241	39,429	32,474
<b>TOTAL . . . . .</b>	<b>\$408,313</b>	<b>\$468,630</b>	<b>\$498,561</b>

The institutions for the mentally ill are intended to provide a therapeutic residential environment for those mentally disabled persons requiring a hospital program in the form of a multidisciplinary approach consisting of psychiatric, medical, nursing, psychological, social service, educational and therapeutic activities. The inpatient population has been decreasing since 1955. With the development of community mental health centers and county plans there has been a more dramatic decrease in the patient population. It is anticipated that this reduction will continue.

Institutions for the mentally retarded assist mentally retarded persons in achieving their maximum potential self-sufficiency through programmed care, treatment, and training in a residential facility.

The institutional populations for the prior, current and upcoming year are:

Institutions for the Mentally Ill	Patient Capacity	Population Oct. 1974	Population Oct. 1975	Projected Population Oct. 1976	Projected Percent of Capacity
Allentown . . . . .	992	923	776	687	69%
Clark Summit . . . . .	764	592	534	473	62%
Danville . . . . .	1,535	1,289	1,095	969	63%
Dixmont . . . . .	356	458	404	357	100%
Eastern Pennsylvania Psychiatric Institute . . . . .	112	86	61	60	54%
Eastern State School and Hospital . . . . .	231	185	182	178	77%
Embreeville . . . . .	476	235	230	204	43%
Farview . . . . .	436	461	379	336	77%
Harrisburg . . . . .	957	841	722	639	67%
Haverford . . . . .	561	469	460	407	73%
Holidaysburg . . . . .	511	379	326	289	56%
Mayview . . . . .	1,920	1,713	1,553	1,376	72%
Norristown . . . . .	1,744	1,535	1,468	1,300	75%
Philadelphia . . . . .	1,455	1,295	1,160	1,027	71%
Retreat . . . . .	748	606	561	392	52%
Somerset . . . . .	279	231	252	223	80%
Torrance . . . . .	1,366	1,316	1,151	1,019	75%
Warren . . . . .	1,677	1,018	823	729	43%
Wernersville . . . . .	832	832	817	723	87%
Woodville . . . . .	1,484	1,258	1,067	945	64%
<b>TOTAL . . . . .</b>	<b>18,436</b>	<b>15,722</b>	<b>14,021</b>	<b>12,333</b>	<b>67%</b>

**GENERAL FUND**

**PUBLIC WELFARE**

Institutions for the Mentally Retarded	Patient Capacity	Population Oct. 1974	Population Oct. 1975	Projected Population Oct. 1976	Projected Percent of Capacity
Cresson	746	521	476	435	58%
Ebensburg	941	1,004	944	878	93%
Hamburg	942	865	829	766	81%
Laurelton	564	443	418	397	70%
Pennhurst	1,984	1,519	1,487	1,413	71%
Polk	2,014	2,596	2,140	1,980	98%
Selinsgrove	1,636	1,536	1,463	1,370	84%
Western	696	700	582	535	77%
White Haven	654	906	875	819	125%
Embreeville	360	308	309	295	82%
Southeastern	388	104	151	388	100%
Marcy	173	85	145	173	100%
<b>TOTAL</b>	<b>11,098</b>	<b>10,587</b>	<b>9,819</b>	<b>9,449</b>	<b>85%</b>

(Dollar Amounts in Thousands)

	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Total Proposed Expenditures by Institution:</b>			
<b>IMI Allentown</b>			
State Funds	\$ 8,769	\$ 8,938	\$ 8,508
Federal Funds	1,903	2,712	2,997
Other Funds	1,597	1,856	1,422
<b>TOTAL</b>	<b>\$ 12,269</b>	<b>\$ 13,506</b>	<b>\$ 14,451</b>
<b>IMI Clarks Summit</b>			
State Funds	\$ 6,346	\$ 7,175	\$ 8,508
Federal Funds	1,250	1,419	1,233
Other Funds	763	807	270
<b>TOTAL</b>	<b>\$ 8,359</b>	<b>\$ 9,401</b>	<b>\$ 10,011</b>
<b>IMI Danville</b>			
State Funds	\$ 10,485	\$ 12,061	\$ 12,059
Federal Funds	2,508	2,850	3,500
Other Funds	1,731	2,304	2,520
<b>TOTAL</b>	<b>\$ 14,724</b>	<b>\$ 17,215</b>	<b>\$ 18,079</b>
<b>IMI Dixmont</b>			
State Funds	\$ 4,776	\$ 5,310	\$ 5,751
Federal Funds	1,640	1,829	2,176
Other Funds	490	637	419
<b>TOTAL</b>	<b>\$ 6,906</b>	<b>\$ 7,776</b>	<b>\$ 8,346</b>

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Eastern Pennsylvania Psychiatric Institute</b>			
State Funds .....	\$ 10,215	\$ 10,777	\$ 11,093
Federal Funds .....	.....	.....	239
Other Funds .....	368	378	466
<b>TOTAL</b> .....	<b>\$ 10,583</b>	<b>\$ 11,155</b>	<b>\$ 11,798</b>
<b>IMI Eastern State School and Hospital</b>			
State Funds .....	\$ 2,529	\$ 3,421	\$ 2,888
Federal Funds .....	5,750	5,572	6,917
Other Funds .....	288	297	81
<b>TOTAL</b> .....	<b>\$ 8,567</b>	<b>\$ 9,290</b>	<b>\$ 9,886</b>
<b>IMI Embreeville</b>			
State Funds .....	\$ 5,957	\$ 6,685	\$ 4,320
Federal Funds .....	3,656	3,754	6,330
Other Funds .....	1,062	1,093	1,006
<b>TOTAL</b> .....	<b>\$ 10,675</b>	<b>\$ 11,532</b>	<b>\$ 11,656</b>
<b>IMI Farview</b>			
State Funds .....	\$ 6,494	\$ 7,261	\$ 7,727
Federal Funds .....	406	398	449
Other Funds .....	2,848	3,097	3,293
<b>TOTAL</b> .....	<b>\$ 9,748</b>	<b>\$ 10,756</b>	<b>\$ 11,469</b>
<b>IMI Harrisburg</b>			
State Funds .....	\$ 9,024	\$ 8,805	\$ 9,964
Federal Funds .....	2,091	2,613	2,365
Other Funds .....	1,296	1,793	1,362
<b>TOTAL</b> .....	<b>\$ 12,411</b>	<b>\$ 13,211</b>	<b>\$ 13,691</b>
<b>IMI Haverford</b>			
State Funds .....	\$ 8,518	\$ 9,124	\$ 10,238
Federal Funds .....	595	648	739
Other Funds .....	1,681	1,875	1,480
<b>TOTAL</b> .....	<b>\$ 10,794</b>	<b>\$ 11,647</b>	<b>\$ 12,457</b>
<b>IMI Hollidaysburg</b>			
State Funds .....	\$ 5,195	\$ 5,706	\$ 6,231
Federal Funds .....	795	1,096	914
Other Funds .....	668	543	659
<b>TOTAL</b> .....	<b>\$ 6,658</b>	<b>\$ 7,345</b>	<b>\$ 7,804</b>

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>IMI Mayview</b>			
State Funds .....	\$ 13,837	\$ 16,879	\$ 17,367
Federal Funds .....	3,593	3,130	3,850
Other Funds .....	1,319	1,945	1,659
<b>TOTAL</b> .....	<b>\$ 18,749</b>	<b>\$ 21,954</b>	<b>\$ 22,876</b>
<b>IMI Norristown</b>			
State Funds .....	\$ 19,538	\$ 22,326	\$ 23,607
Federal Funds .....	3,825	3,839	4,616
Other Funds .....	2,097	2,533	2,110
<b>TOTAL</b> .....	<b>\$ 25,460</b>	<b>\$ 28,698</b>	<b>\$ 30,333</b>
<b>IMI Philadelphia</b>			
State Funds .....	\$ 25,305	\$ 26,237	\$ 25,681
Federal Funds .....	3,546	3,929	4,277
Other Funds .....	1,299	1,579	1,068
<b>TOTAL</b> .....	<b>\$ 30,150</b>	<b>\$ 31,745</b>	<b>\$ 31,026</b>
<b>IMI Retreat</b>			
State Funds .....	\$ 5,736	\$ 7,799	\$ 8,286
Federal Funds .....	1,157	2	2
Other Funds .....	714	1,073	1,058
<b>TOTAL</b> .....	<b>\$ 7,607</b>	<b>\$ 8,874</b>	<b>\$ 9,346</b>
<b>IMI Somerset</b>			
State Funds .....	\$ 3,495	\$ 3,609	\$ 4,701
Federal Funds .....	867	1,447	901
Other Funds .....	686	494	383
<b>TOTAL</b> .....	<b>\$ 5,048</b>	<b>\$ 5,550</b>	<b>\$ 5,985</b>
<b>IMI Torrance</b>			
State Funds .....	\$ 11,309	\$ 13,289	\$ 14,369
Federal Funds .....	2,013	1,669	2,032
Other Funds .....	1,473	1,947	1,241
<b>TOTAL</b> .....	<b>\$ 14,795</b>	<b>\$ 16,905</b>	<b>\$ 17,642</b>
<b>IMI Warren</b>			
State Funds .....	\$ 12,015	\$ 12,684	\$ 14,145
Federal Funds .....	2,750	2,689	3,054
Other Funds .....	1,498	1,938	1,299
<b>TOTAL</b> .....	<b>\$ 16,263</b>	<b>\$ 17,311</b>	<b>\$ 18,498</b>

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>IMI Wernersville</b>			
State Funds . . . . .	\$ 7,392	\$ 8,356	\$ 9,348
Federal Funds . . . . .	2,050	2,131	2,156
Other Funds . . . . .	1,275	1,533	1,351
<b>TOTAL</b> . . . . .	<b>\$ 10,717</b>	<b>\$ 12,020</b>	<b>\$ 12,855</b>
<b>IMI Woodville</b>			
State Funds . . . . .	\$ 12,676	\$ 15,389	\$ 16,291
Federal Funds . . . . .	2,990	1,637	1,993
Other Funds . . . . .	1,457	1,826	1,645
<b>TOTAL</b> . . . . .	<b>\$ 17,123</b>	<b>\$ 18,852</b>	<b>\$ 19,929</b>
<b>IMR Cresson</b>			
State Funds . . . . .	\$ 4,860	\$ 4,569	\$ 4,412
Federal Funds . . . . .	3,647	4,826	5,989
Other Funds . . . . .	343	407	304
<b>TOTAL</b> . . . . .	<b>\$ 8,850</b>	<b>\$ 9,802</b>	<b>\$ 10,705</b>
<b>IMR Ebersburg</b>			
State Funds . . . . .	\$ 7,617	\$ 7,572	\$ 8,298
Federal Funds . . . . .	6,244	8,119	9,205
Other Funds . . . . .	476	490	325
<b>TOTAL</b> . . . . .	<b>\$ 14,337</b>	<b>\$ 16,181</b>	<b>\$ 17,828</b>
<b>IMR Hamburg</b>			
State Funds . . . . .	\$ 4,507	\$ 5,587	\$ 5,676
Federal Funds . . . . .	5,122	6,071	7,296
Other Funds . . . . .	783	922	725
<b>TOTAL</b> . . . . .	<b>\$ 10,412</b>	<b>\$ 12,580</b>	<b>\$ 13,697</b>
<b>IMR Laurelton</b>			
State Funds . . . . .	\$ 3,629	\$ 4,502	\$ 4,934
Federal Funds . . . . .	3,409	3,432	3,750
Other Funds . . . . .	349	435	488
<b>TOTAL</b> . . . . .	<b>\$ 7,387</b>	<b>\$ 8,369</b>	<b>\$ 9,172</b>
<b>IMR Pennhurst</b>			
State Funds . . . . .	\$ 22,020	\$ 25,943	\$ 28,555
Federal Funds . . . . .	4,710	5,791	5,868
Other Funds . . . . .	1,334	1,655	1,428
<b>TOTAL</b> . . . . .	<b>\$ 28,064</b>	<b>\$ 33,389</b>	<b>\$ 35,851</b>

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>IMR Polk</b>			
State Funds . . . . .	\$ 26,004	\$ 32,966	\$ 36,078
Federal Funds . . . . .	1,920	2,781	4,005
Other Funds . . . . .	1,973	2,844	2,092
<b>TOTAL . . . . .</b>	<b>\$ 29,897</b>	<b>\$ 38,591</b>	<b>\$ 42,175</b>
<b>IMR Selinsgrove</b>			
State Funds . . . . .	\$ 9,863	\$ 9,444	\$ 12,461
Federal Funds . . . . .	8,173	11,844	11,319
Other Funds . . . . .	1,171	1,361	972
<b>TOTAL . . . . .</b>	<b>\$ 19,207</b>	<b>\$ 22,649</b>	<b>\$ 24,752</b>
<b>IMR Western</b>			
State Funds . . . . .	\$ 7,740	\$ 7,305	\$ 8,263
Federal Funds . . . . .	3,367	4,596	6,090
Other Funds . . . . .	358	470	338
<b>TOTAL . . . . .</b>	<b>\$ 11,465</b>	<b>\$ 12,371</b>	<b>\$ 14,691</b>
<b>IMR White Haven</b>			
State Funds . . . . .	\$ 5,834	\$ 5,907	\$ 6,784
Federal Funds . . . . .	6,632	8,110	8,641
Other Funds . . . . .	770	1,084	856
<b>TOTAL . . . . .</b>	<b>\$ 13,236</b>	<b>\$ 15,101</b>	<b>\$ 16,281</b>
<b>IMR Southeastern</b>			
State Funds . . . . .	\$ 5,951	\$ 7,528	\$ 6,780
Federal Funds . . . . .	. . . . .	3,032	3,946
Other Funds . . . . .	28	101	30
<b>TOTAL . . . . .</b>	<b>\$ 5,979</b>	<b>\$ 10,661</b>	<b>\$ 10,756</b>
<b>IMR Marcy</b>			
State Funds . . . . .	\$ 1,327	\$ 2,662	\$ 3,140
Federal Funds . . . . .	500	1,419	1,251
Other Funds . . . . .	46	112	124
<b>TOTAL . . . . .</b>	<b>\$ 1,873</b>	<b>\$ 4,193</b>	<b>\$ 4,515</b>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Mental Health and Mental Retardation			
Services .....	\$285,963	\$318,288	\$347,987
Institution for Mentally Retarded—			
Southeastern .....	.....	7,528	.....
Mental Health and Mental Retardation			
Services—Additional Staff .....	2,500	.....	.....
Mental Health and Mental Retardation			
Services—Resident Population			
Dispersal .....	500	.....	.....
<b>Federal Funds:</b>			
Medical Assistance Program .....	83,358	100,979	115,697
Educationally Deprived Children —			
Handicapped .....	2,095	1,626	1,624
Foster Grandparents Program .....	611	564	564
Mental Health — Hospital Staff Development			
Grants .....	164	.....	.....
Mental Health — Hospital Improvement			
Program .....	44	216	215
Public Service Careers .....	413	.....	.....
Reimbursement for Flood Related Costs —			
Office of Emergency Preparedness .....	2	.....	.....
Manpower Revenue Sharing (Comprehensive			
Employment and Training Act,			
Title I) .....	422	.....	.....
<b>Other Funds:</b>			
Cafeteria Reimbursements .....	720	600	600
Canteen Reimbursements .....	450	352	352
Sale of Reclaimable Materials .....	74	.....	.....
Institutional Collections .....	29,731	38,477	31,522
Miscellaneous Institutional Reimbursements .....	1,262	.....	.....
Sale of Automobiles .....	4	.....	.....
<b>TOTAL .....</b>	<b>\$408,313</b>	<b>\$468,630</b>	<b>\$498,561</b>

## Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Cash Assistance</b>			
State Funds .....	\$404,203	\$485,599	\$522,514
Federal Funds .....	314,787	338,292	397,499
Other Funds .....	17,545	25,000	35,000
<b>TOTAL</b> .....	<u>\$736,535</u>	<u>\$848,891</u>	<u>\$955,013</u>

The cash grants are designed to help all eligible persons obtain a decent and healthful standard of living through direct cash assistance. The grant categories are Aid for Dependent Children, State Blind Pensions and General Assistance.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Cash Assistance .....	\$404,203	\$477,289*	\$522,514
Cash Assistance—Recommended Deficiency .....	.....	8,310**	.....
<b>Federal Funds:</b>			
Public Assistance — Maintenance Assistance .....	314,787	338,292	397,499
<b>Other Funds:</b>			
Public Assistance Payments — Restitutions and Overpayments .....	17,545	25,000	35,000
<b>TOTAL</b> .....	<u>\$736,535</u>	<u>\$848,891</u>	<u>\$955,013</u>

\* Represents the amount allocated from the \$912,071,000 appropriated for Public Assistance and Administration

\*\* Represents the amount to be allocated from the \$31,700,000 recommended deficiency for Public Assistance and Administration.

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Medical Assistance</b>			
State Funds .....	\$231,981	\$320,327	\$355,861
Federal Funds .....	222,881	276,872	307,675
<b>TOTAL</b> .....	<u>\$454,862</u>	<u>\$597,199</u>	<u>\$663,536</u>

Provides all eligible persons under age 65 with physicians services whenever rendered, inpatient hospital care, post-hospital care, clinic services, nursing care in the home, private nursing home care and nursing care in public institutions. Similiar services are provided for persons over age 65 for whom such care is not already furnished under Medicare.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation</b>			
Medical Assistance .....	\$231,981	\$291,737*	\$345,861
Medical Assistance—Recommended Deficiency .....	.....	23,390**	.....
Second Class County Homes .....	.....	5,200	.....
Public Nursing Homes .....	.....	.....	10,000
<b>Federal Funds:</b>			
Medical Assistance Program .....	222,881	276,872	307,675
<b>TOTAL</b> .....	<u>\$454,862</u>	<u>\$597,199</u>	<u>\$663,536</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Supplemental Grants—Aged, Blind and Disabled</b>			
State Funds .....	\$ 40,619	\$ 58,528	\$ 66,996

Provides additional cash assistance to the aged, blind and disabled eligibles under the Federal Supplemental Security Income program. State assistance to these persons is necessary to maintain the level of income that existed prior to federalization and to recognize the effects of inflation on fixed minimal incomes. The Old Age Assistance, Aid to the Blind and Aid to the Disabled categories of assistance became a completely Federal program on January 1, 1974.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Supplemental Grants—Aged, Blind and Disabled .....	<u>\$ 40,619</u>	<u>\$ 58,528*</u>	<u>\$ 66,996</u>

\* Represents the amount to be allocated from the \$31,700,000 recommended deficiency for Public Assistance and Administration.  
 \*\* Represents the amount allocated from the \$912,071,000 appropriated for Public Assistance and Administration.

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Community Services for the Mentally III and Mentally Retarded</b>			
State Funds .....	\$ 67,630	\$ 75,542	\$ 91,261
Federal Funds .....	636	953	913
<b>TOTAL .....</b>	<b>\$ 68,266</b>	<b>\$ 76,495</b>	<b>\$ 92,174</b>

Provides services mandated by the Mental Health and Mental Retardation Act of 1966 to persons suffering from a mental disability. The Act assures the continuous provision of services to all persons in need at the community level.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Community Services for the Mentally III and Mentally Retarded .....	\$ 67,630	\$ 75,542	\$ 91,261
<b>Federal Funds:</b>			
Comprehensive Public Health Services Formula Grants .....	636	953	913
<b>TOTAL .....</b>	<b>\$ 68,266</b>	<b>\$ 76,495</b>	<b>\$ 92,174</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Community Living Arrangements</b>			
State Funds .....	\$ 13,596	\$ 14,611	\$ 15,000
Federal Funds .....	941	.....	.....
<b>TOTAL .....</b>	<b>\$ 14,537</b>	<b>\$ 14,611</b>	<b>\$ 15,000</b>

Provides for the purchase of residential services for the mentally retarded at the community level.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Community Living Arrangements .....	\$ 13,596	\$ 14,611	\$ 15,000
<b>Federal Funds:</b>			
Developmental Disabilities - Special Projects .....	941	.....	.....
<b>TOTAL .....</b>	<b>\$ 14,537</b>	<b>\$ 14,611</b>	<b>\$ 15,000</b>

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Aging Programs</b>			
State Funds .....	\$ 4,717	\$ 5,094	\$ 8,058
Federal Funds .....	14,606	30,010	31,882
Other Funds .....	392	.....	.....
<b>TOTAL</b> .....	<b>\$ 19,715</b>	<b>\$ 35,104</b>	<b>\$ 39,940</b>

Encourages communities to develop programs which will help elderly persons achieve or maintain independent living and a role in community life. Services provided in this program include meals on wheels, establishment of multi-services centers throughout the State, homemakers and chore services.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Aging Programs .....	\$ 4,717	\$ 5,094	\$ 8,058
<b>Federal Funds:</b>			
Public Assistance — Social Services .....	3,813	16,500	17,777
Aging — Special Support Project .....	10,793	13,510	14,105
<b>Other Funds:</b>			
Local Contributions for Aging Services .....	392	.....	.....
<b>TOTAL</b> .....	<b>\$ 19,715</b>	<b>\$ 35,104</b>	<b>\$ 39,940</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Training Personnel at Geriatric Homes</b>			
State Funds .....	\$ 50	\$ 50	.....
Federal Funds .....	94	75	.....
<b>TOTAL</b> .....	<b>\$ 144</b>	<b>\$ 125</b>	.....

Contracts with appropriate institutions for training nursing home personnel.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Training Personnel at Geriatric Homes .....	\$ 50	\$ 50	.....
<b>Federal Funds:</b>			
Medical Assistance Program .....	94	75	.....
<b>TOTAL</b> .....	<b>\$ 144</b>	<b>\$ 125</b>	.....

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Blind Programs</b>			
State Funds .....	\$ 778	\$ 840	\$ 840
Federal Funds .....	1,675	3,398	3,401
Other Funds .....	19	.....	.....
<b>TOTAL</b> .....	<u>\$ 2,472</u>	<u>\$ 4,238</u>	<u>\$ 4,241</u>

Provides remedial eye care, vocational rehabilitation for persons who are visually handicapped and grants to vocational rehabilitation agencies for expanded programs to enable agencies to serve more people.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Blind Programs .....	\$ 778	\$ 840	\$ 840
<b>Federal Funds:</b>			
Rehabilitation Services and Facilities — Basic			
Support .....	1,467	2,498	2,498
Public Assistance — Social Services .....	208	900	903
<b>Other Funds:</b>			
Local Contributions for Blind Services .....	19	.....	.....
<b>TOTAL</b> .....	<u>\$ 2,472</u>	<u>\$ 4,238</u>	<u>\$ 4,241</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>County Child Welfare Programs</b>			
State Funds .....	\$ 39,109	\$ 49,639	\$ 32,689
Federal Funds .....	26,547	18,373	2,990
<b>TOTAL</b> .....	<u>\$ 65,656</u>	<u>\$ 68,012</u>	<u>\$ 35,679</u>

Provides foster family care, services to unmarried parents and their children, adoption services, protective services, institutional and other group care. These services are provided or purchased by county child welfare agencies. Also included are funds to reimburse private facilities providing services to adjudicated youths being detained in the Commonwealth. Refer to the Revenue Sharing Trust Fund for further information.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
County Child Welfare Programs .....	\$ 39,109	\$ 49,639	\$ 32,689
<b>Federal Funds:</b>			
Child Welfare Services .....	522	557	278
Public Assistance — Maintenance Assistance .....	7,129	5,066	1,266
Public Assistance — Social Services .....	18,896	12,750	1,446
<b>TOTAL</b> .....	<u>\$ 65,656</u>	<u>\$ 68,012</u>	<u>\$ 35,679</u>

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Day Care Services</b>			
State Funds . . . . .	\$ 5,800	\$ 14,200	\$ 17,563
Federal Funds . . . . .	32,129	40,726	42,946
Other Funds . . . . .	110	. . . .	. . . .
<b>TOTAL . . . . .</b>	<b>\$ 38,039</b>	<b>\$ 54,926</b>	<b>\$ 60,509</b>

Day care services are provided in day care centers or family day care homes to help children achieve the readiness level needed for entering and performing adequately in school. Such services also provide a safe, stimulating place for a child to stay while family members work; allows family members to seek training and employment; and provides balanced meals, medical care, and needed counseling services to other family members. Refer to the Revenue Sharing Trust Fund regarding the Day Care Services appropriation for further information.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Day Care Services . . . . .	\$ 5,700	\$ 14,100	\$ 17,563
Arsenal Family and Children's Center . . . . .	100	100	. . . .
<b>Federal Funds:</b>			
Pennsylvania — State/Local Training . . . . .	. . . .	819	1,635
Public Assistance — Social Services . . . . .	32,129	39,907	41,311
<b>Other Funds:</b>			
Fee Schedule . . . . .	110	. . . .	. . . .
<b>TOTAL . . . . .</b>	<b>\$ 38,039</b>	<b>\$ 54,926</b>	<b>\$ 60,509</b>

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Juvenile Delinquency Programs</b>			
State Funds .....	\$ 2,000	\$ 1,750	\$ 1,750
Federal Funds .....	1,389	1,000	1,350
Other Funds .....	54	.....	.....
<b>TOTAL</b> .....	<b>\$ 3,443</b>	<b>\$ 2,750</b>	<b>\$ 3,100</b>

The purpose of this activity is to promote and maintain effective police handling of children to assure that they will receive appropriate police service and to redirect juvenile gang activities toward socially acceptable conduct.

To accomplish this purpose, the State provides financial aid to local governments for the purchase of additional police staff, increasing salaries for the present staff, specialized training in the handling of children. This program also provides for the development and improvement of community programs and resources geared to the betterment of its youths.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Juvenile Delinquency Programs .....	\$ 2,000	\$ 1,750	\$ 1,750
<b>Federal Funds:</b>			
Public Assistance — Social Services .....	1,220	900	1,350
Youth Development and Delinquency Prevention .....	169	100	.....
<b>Other Funds:</b>			
Local Contributions for Juvenile Delinquency .....	54	.....	.....
<b>TOTAL</b> .....	<b>\$ 3,443</b>	<b>\$ 2,750</b>	<b>\$ 3,100</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Medical Facilities Chronic Disease Hospitals—State Aided</b>			
State Funds .....	\$ 750	\$ 1,125	\$ 1,125

Reimburses certain chronic disease hospitals for long term treatment of indigent persons under age 65. Presently, two institutions are subsidized: Children's Heart Hospital, Philadelphia, and Home for Crippled Children, Pittsburgh.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Chronic Disease Hospitals .....			
Home for Crippled Children, Pittsburgh .....	\$ 250	\$ 375	\$ 375
Children's Heart Hospital, Philadelphia .....	500	750	750
<b>TOTAL</b> .....	<b>\$ 750</b>	<b>\$ 1,125</b>	<b>\$ 1,125</b>

**GENERAL FUND**

**PUBLIC WELFARE**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Armstrong County Health Center</b>			
State Funds .....	\$ 200	.....	.....

Provides operating funds to Armstrong County Health Center in order that the county residents may receive comprehensive health services.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Armstrong County Health Center .....	<u>\$ 200</u>	.....	.....

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Mental Health and Mental Retardation</b>			
<b>Western Psychiatric Institute and Clinic</b>			
State Funds .....	\$ 3,500	\$ 4,000	\$ 4,000

This grant helps offset the cost of research into the causes, treatment, prevention and cure of various types of nervous disorders and mental diseases and the cost of training qualified personnel needed as a result of the mounting number of persons requiring attention for mental disorders.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Western Psychiatric Institute and Clinic .....	<u>\$ 3,500</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Consultive and Psychiatry Program</b>			
State Funds .....	\$ 400	.....	.....

Provides medical, legal, neurologic, neuropsychologic, and psychiatric consultation and education services to correctional, criminal justice and other related agencies in the Western Region of the Commonwealth.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Consultive and Psychiatry Program .....	<u>\$ 400</u>	.....	.....

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Blind Centers</b>			
State Funds .....	\$ 75	\$ 100	.....

Provides an opportunity for blind individuals to participate in summer recreational programs at Beacon Lodge Camp near Lewistown. Also it provides some financial support for other centers and associations for the blind which are located throughout the State.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Pennsylvania Association for the Blind,			
Pittsburgh .....	\$ 25	\$ 25	.....
Center for the Blind, Philadelphia .....	25	25	.....
Beacon Lodge Camp .....	25	25	.....
Center for the Blind, Delaware .....	.....	25	.....
<b>TOTAL .....</b>	<u>\$ 75</u>	<u>\$ 100</u>	

**GENERAL FUND**

**PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Social Services</b>			
State Funds .....	\$ 2,198	\$ 2,944	\$ 2,533
Federal Funds .....	21,295	23,100	21,860
Other Funds .....	829	.....	.....
<b>TOTAL</b> .....	<u>\$ 24,322</u>	<u>\$ 26,044</u>	<u>\$ 24,393</u>

This appropriation provides various services such as social services in housing authorities, legal service and family planning, to those individuals determined eligible, as mandated by the Federal Government. Provides for the United Service Agency previously funded from the 1972 flood appropriation which terminates in June 1974.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Social Services .....	\$ 2,198	\$ 2,944	\$ 2,533
<b>Federal Funds:</b>			
Public Assistance — Social Services .....	20,891	23,100	21,860
Public Assistance — State/Local Training .....	404	.....	.....
<b>Other Funds:</b>			
Non-Governmental Agencies Project Grants .....	829	.....	.....
<b>TOTAL</b> .....	<u>\$ 24,322</u>	<u>\$ 26,044</u>	<u>\$ 24,393</u>

**Capital Improvements**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Public Welfare Institutions</b>			
State Funds .....	\$ 466	\$ 162	\$ 375

This will provide for demolition and minor construction projects at the State General Hospitals, State Schools and Hospitals and State Mental Hospitals, as identified in the Capital Budget Section.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Capital Improvements .....	<u>\$ 466</u>	<u>\$ 162</u>	<u>\$ 375</u>

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Day Care Services</b>			
State Funds .....	\$ 4,857	.....	.....

Provides funds for the purchase of essential equipment to comply with the Commonwealth's Life Safety Code, and provides services to nonpublic assistance children, on a sliding fee basis. Refer to General Fund Day Care Services appropriation for further information.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Day Care Service .....	<u>\$ 4,857</u>	.....	.....

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
Public Assistance — Social Services . . . . .	\$16,623	\$15,495	\$16,114
Southeastern Pennsylvania Institutional Area . . . . .	3,673	3,500	3,675
Assets of Former Pennsylvania Rural Rehabilitation Corporation . . . . .	169	100	105
Earned Interest on Guardian Account . . . . .	24	37	39
<b>TOTAL . . . . .</b>	<u><u>\$20,489</u></u>	<u><u>\$19,132</u></u>	<u><u>\$19,933</u></u>

DEPARTMENT OF PUBLIC WELFARE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support</b> . . . . .	\$ 11,993	\$ 13,526	\$ 18,462	\$ 19,948	\$ 21,127	\$ 22,161	\$ 23,415
<b>Medical Programs</b> . . . . .	\$ 259,872	\$ 343,400	\$ 374,924	\$ 423,456	\$ 465,166	\$ 510,958	\$ 561,329
Medical Facilities Review . . . . .	719	771	.....	.....	.....	.....	.....
Health Services Support and Development . . . . .	9,082	13,115	11,574	12,170	13,189	14,242	15,429
Prevention—Physical Health . . . . .	70	200	200	250	300	350	400
Screening, Diagnosis and Referral . . . . .	5,610	7,924	9,163	10,015	10,949	11,973	13,106
Outpatient Services—Physical Health . . . . .	69,799	84,305	98,862	108,751	119,626	131,592	144,752
Inpatient Hospital Services . . . . .	130,436	180,363	181,653	199,715	219,575	241,415	265,435
Long Term Care . . . . .	44,156	56,722	73,472	92,555	101,527	111,386	122,207
<b>Mental Health</b> . . . . .	\$ 232,787	\$ 256,919	\$ 274,026	\$ 290,597	\$ 299,643	\$ 317,262	\$ 336,060
Mental Health Systems Support . . . . .	11,890	12,111	13,773	24,204	27,282	28,884	30,626
Primary Prevention—Mental Health . . . . .	1,830	1,996	2,165	2,380	2,618	2,880	3,168
Early Intervention and Evaluation . . . . .	10,752	11,727	12,758	14,034	15,437	16,980	18,670
Outpatient Services—Mental Health . . . . .	17,832	19,451	21,632	23,795	26,175	28,792	31,671
Partial Hospitalization . . . . .	2,148	2,343	2,552	2,807	3,088	3,397	3,730
Short-Term Inpatient Services (Community) . . . . .	3,316	3,616	3,943	4,337	4,771	5,248	5,773
Inpatient Services (State Mental Hospitals) . . . . .	185,019	205,675	217,203	219,040	220,272	231,081	242,422
<b>Social Development of Individuals</b> . . . . .	\$ 146,157	\$ 167,157	\$ 173,196	\$ 206,199	\$ 219,562	\$ 233,903	\$ 249,320
Youth Development Services . . . . .	18,749	20,608	24,330	25,627	26,908	28,253	29,666
Services to the Community . . . . .	6,767	7,165	10,231	10,709	11,095	11,499	11,925
Family Support Services . . . . .	120,641	139,384	138,635	169,863	181,559	194,151	207,729
<b>Mental Retardation</b> . . . . .	\$ 142,666	\$ 164,020	\$ 185,632	\$ 200,822	\$ 213,876	\$ 227,850	\$ 242,857
Mental Retardation Systems Support . . . . .	2,935	3,140	3,538	3,987	4,380	4,789	5,254
Prevention—Mental Retardation . . . . .	1,830	1,996	2,165	2,382	2,620	2,882	3,170
Early Identification, Diagnosis and Case Management . . . . .	3,467	3,782	5,621	6,183	6,801	7,481	8,229
Independent and Family Living Arrangements . . . . .	16,809	18,790	23,036	25,340	27,874	30,661	33,727
Community Living Arrangements . . . . .	11,108	11,862	15,596	19,923	21,498	23,197	25,032
Institutional Living Arrangements (Private Licensed Facilities) . . . . .	7,052	9,200	10,120	11,132	12,245	13,470	14,817
State Schools and Hospitals . . . . .	99,465	115,250	125,556	131,875	138,458	145,370	152,628
<b>Economic Development of the Disadvantaged and Handicapped</b> . . . . .	\$ 453,253	\$ 554,566	\$ 600,808	\$ 637,160	\$ 675,524	\$ 716,183	\$ 759,551
Income Maintenance . . . . .	453,253	554,566	600,808	637,160	675,524	716,183	759,551
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$1,246,728</u>	<u>\$1,499,588</u>	<u>\$1,627,048</u>	<u>\$1,778,182</u>	<u>\$1,894,898</u>	<u>\$2,028,317</u>	<u>\$2,172,532</u>

### General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Department can be achieved.

#### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-1981
General Fund . . . . .	\$11,993	\$13,526	\$18,462	\$19,948	\$21,127	\$22,161	\$23,415
Federal Funds . . . . .	8,901	7,720	9,441	9,629	10,042	10,451	10,928
Other Funds . . . . .	3,928	5,530	4,601	4,878	5,143	5,384	5,669
TOTAL . . . . .	<u>\$24,822</u>	<u>\$26,776</u>	<u>\$32,504</u>	<u>\$34,455</u>	<u>\$36,312</u>	<u>\$37,996</u>	<u>\$40,012</u>

#### Program Analysis:

General Administration and Support within each substantive program area provides the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Department objectives.

The administrative costs for regional offices, various

commissions and advisory committees, and the central office are included in this subcategory.

A primary concern of the Commonwealth is to minimize these administrative costs in relation to the costs of provided services.

#### Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-780	1980-81
GENERAL FUND							
General Government Operations . . . . .	<u>\$11,993</u>	<u>\$13,526</u>	<u>\$18,462</u>	<u>\$19,948</u>	<u>\$21,127</u>	<u>\$22,161</u>	<u>\$23,415</u>

## Medical Facilities Review

OBJECTIVE: To insure the quality of health care given to and the safety of the patients in Pennsylvania's long-term care facilities.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 719	\$ 771	.....	.....	.....	.....	.....
Federal Funds . . . . .	1,518	1,711	\$1,860	\$2,002	\$2,153	\$2,304	\$2,457
<b>TOTAL</b> . . . . .	<u>\$2,237</u>	<u>\$2,482</u>	<u>\$1,860</u>	<u>\$2,002</u>	<u>\$2,153</u>	<u>\$2,304</u>	<u>\$2,457</u>

### Program Analysis:

Long-term care medical facilities are faced with the responsibility of caring for a mostly aged clientele who are both ambulatory and non-ambulatory, but rarely capable of much self-preservation. These facilities must also be capable of dispensing immediate and emergency care at all times.

A prime necessity for insuring that long-term care is delivered safely and with quality is to insure that facilities providing such care are built and maintained to adequately provide such care. Prior to September 1, 1975, the Department of Public Welfare had the ultimate responsibility for licensing and certifying such institutions for long-term cases. With the implementation of Reorganization Plan No. 3, effective September 1, 1975, the functions have been transferred to the Department of Health. A major difficulty in regulating nursing facilities has been the separation of licensure responsibilities of hospitals and nursing homes between the two State Departments, and the often conflicting separation of certification responsibilities for facilities under the Medicare and Medicaid laws. Through the transfer of the license and certification functions to the Department of Health such difficulties should be alleviated. For further discussion, on this subject and the data presented last year see the Medical Facilities Review subcategory in the Department of Health.

The Nursing Home Loan Agency was created during 1974 to provide inexpensive loans to upgrade existing nursing homes to come into compliance with State and Federal standards. As of mid-August 1975, thirteen loan applications had received tentative approval from the board and the first check was disbursed on August 29, 1975. It is hoped that, through these loans, facilities can be upgraded to meet State and Federal standards and that nursing beds can continue to be available. For further information see the Industrial Development subcategory in the Department of Commerce.

The nursing care situation is further complicated by Federal regulations requiring administration of Medicare and Medicaid by a single state agency. The Department of Health is the single state agency for Medicare and the Department of Public Welfare administers the Medicaid program. In order to maintain the Medicaid single state status, the Department of Public Welfare continues to issue provider agreements establishing stringent service program standards to those nursing facilities licensed and certified by the Department of Health.

For further discussion of the programmatic implications, the causes and possible solutions to the nursing home problem, refer to the subcategory Long-Term Care.

### Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	\$401	\$433	.....	.....	.....	.....	.....
County Administration . . . . .	318	.....	.....	.....	.....	.....	.....
Public Assistance and Administration . .	.....	338	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL</b> . . . . .	<u>\$719</u>	<u>\$771</u>	.....	.....	.....	.....	.....

## Health Services Support and Development

**OBJECTIVE:** To support a health care system in which appropriate health services are available to all who are eligible and to develop and evaluate new health delivery systems and reimbursement mechanisms that will efficiently provide high quality comprehensive care to the population.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 9,082	\$13,115	\$11,574	\$12,170	\$13,189	\$14,242	\$15,429
Federal Funds . . . . .	9,256	13,996	11,603	12,772	13,775	14,894	16,074
Other Funds . . . . .	2,040	2,318	1,076	986	1,035	1,087	1,141
<b>TOTAL . . . . .</b>	<b>\$20,378</b>	<b>\$29,429</b>	<b>\$24,253</b>	<b>\$25,928</b>	<b>\$27,999</b>	<b>\$30,223</b>	<b>\$32,644</b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Persons enrolled in health maintenance organizations or health plans . . . . .	12,000	12,000	12,000	22,000	24,000	26,000	28,000
Nursing school graduates from State general hospital nursing schools . . . . .	119	118	132	132	132	132	132
Inpatient hospital days of care delivered to Medical Assistance patients determined inappropriate for Medical Assistance reimbursement . . . . .	88,939	86,000	84,000	82,000	79,000	76,000	73,000
Medical Assistance nursing care cases reviewed . . . . .	30,231	36,000	40,000	42,000	45,000	47,000	49,000
Nursing care cases, alternate care placement recommended . . . . .	3,629	3,700	3,850	3,950	4,100	4,250	4,500
Percent of all hospitals participating in Medical Assistance program and having an approved concurrent utilization review system . . . . .	100%	100%	100%	100%	100%	100%	100%
Inpatient hospital care admissions . . . . .	250,645	270,000	280,000	290,000	300,000	310,000	320,000

### Program Analysis:

The support and development of a health care system is the convergence of the present system's control and feedback mechanisms with the theoretical application of possible new systems. The need for health care will always exist, whereas, the emphasis of health care delivery will change depending on the perceived health care needs of the eligible population at a given point in time. Discovering these changing priorities and reorienting the health care delivery system to the resulting needs are the aims of this subcategory.

Under the Medical Assistance program, control and feedback are primary responsibilities of several review functions. Through utilization review, a random sampling of all types of medical invoices are reviewed and evaluated prior to payment. Furthermore, all hospital claims are subject to utilization review.

With supporting documents, medical professionals review the invoices for quality and pattern of care. Other provider invoices are reviewed for type of diagnosis, pattern of care and

---

**Health Services Support and Development (continued)****Program Analysis: (continued)**

charges allowable under Medical Assistance. After review of these invoices, suspected cases of fraud, abuses and misutilization are forwarded to the Utilization Review Committee for appropriate action; the remaining invoices are processed for payment.

Through this review function, profiles are built on providers, abuse patterns are noted, proof is obtained and enforcement is initiated. From 1971 to 1974, inpatient hospital expenditures, as a percentage of total Medical Assistance expenditures declined from 44.3 percent (1970-71) to 23.2 percent (1973-74). This was due primarily to the Department's tightened review of claims for hospital care and to the expansion of outpatient services which decreased the need for inpatient care. During 1974-75, inpatient hospital expenditures rose to 36 percent of total Medical Assistance expenditures, while the average hospital stay per case declined. This was caused by several factors. The number of persons eligible for Medical Assistance rose substantially during 1974-75 as the national recession's effect began to be felt in Pennsylvania. In addition, inpatient hospital costs have continued to rise since wage and price controls were rescinded in 1973-74. These factors only emphasize the need for effective review functions in order to assure that those services provided are indeed necessary and appropriate. For further discussion on this subject see the subcategory Inpatient Hospital Services.

To reduce abuse and eventually eliminate the need to review all hospital claims, the Department recently went to a statewide implementation of the Pre-Discharge Utilization Review (PDUR) program. Every participating hospital is now required to have PDUR or a facsimile in order to receive reimbursement. At the time of patient admission, a review of the diagnosis is conducted and the length of stay is determined by Department medical professionals. Any extension beyond the initial determination must be specially approved. The effect of PDUR is to insure the participating hospitals that their claims on the Medical Assistance program will not be denied or reduced, and to insure that the Commonwealth will not overpay claims. The data for inpatient hospital days of care determined inappropriate for Medical Assistance reimbursement printed this year are substantially less than that printed previously. This reduction in days can be attributed to the success of the review process in eliminating unnecessary care. The measure for the percent of all hospitals participating in the Medical Assistance program and having an approved concurrent utilization review system has increased substantially from that printed last year. Previously, this measure represented only those hospitals with a PDUR

program, while this year the measure represents hospitals having either PDUR or an approved concurrent utilization system.

The 1973-74 fiscal year saw the initiation of long-term care medical review. The intent of this type of review is to eliminate overutilization, to improve patient care, and to make early determination of bed availability. One of the immediate results of this review was to reclassify skilled nursing home patients to less intensive intermediate care facilities. During 1974-75, 3,629 alternate care placements were recommended as a result of this review activity. This measure differs from that printed in 1975-76 which highlighted nursing care claims disallowed since it is felt that cases reclassified is a more meaningful and accurate measure of this activity.

Another review function deals specifically with the screening done for all eligible children. As each child is screened, diagnosed and treated, a profile is developed for that child. It is the responsibility of the Department that a pretreatment review be made of each profile. This review assures that, based on the screening, the diagnosis and suggested treatment is appropriate.

Another agency program provides for a form of control and feedback by delivering health care service training. Training for personnel at geriatric homes has been provided at mobile training sites set up around the State. These in-service training sessions were conducted to provide up-to-date information on new treatment procedures and current problems of the aged. During the 1976-77 budget year, no money has been recommended for this program in order that State and Federal Social Rehabilitation Services funds could be channeled into areas which are felt to be of a higher priority. In addition, four State general hospitals have diploma schools for the training of registered nurses. In 1973-74, 114 nurses were graduated and in 1974-75 there were 119 graduated from State general hospitals.

Until recently, very little emphasis was placed on developing alternative and improved methods of delivering health care within this agency. There are several reasons for this, but the general contention is that Medical Assistance, which dominates the medical programs in this agency, was viewed as a grant program, and not a system of health care delivery. Rising costs and a better informed management, however, are forcing a higher quality assessment of the worth of adequate health care on the whole lifestyle of an individual.

The Medical Assistance program is designed to give an eligible person the right to choose a medical provider when this person decides they need medical care. However, this manner of helping people purchase essentials has a major

---

**Health Services Support and Development (continued)****Program Analysis: (continued)**

negative impact on the health care system if competition between providers and an adequate supply of services does not exist. The health care industry is clearly not competitive, and there are not enough resources to meet demand. This situation leads to an increase in medical prices but not necessarily to a corresponding increase in quality care. Therefore, to insure accountability, quality care, favorable cost-benefit ratio and minimal impact on the health care system, administrators have had to begin taking an active interest in the manner and method of delivering health care services.

Because the traditional Medical Assistance fee-for-service system has such a substantial impact on the health care system of the Commonwealth, alternative ways of providing services are being developed. Health maintenance organizations (HMO) are health care associations that provide full medical services for a fixed annual fee. At no further charge, subscribers are entitled to all the health care they need, ranging from sophisticated surgery to regular check-ups. This method offers much built-in incentive for the organization to maintain the health of its subscribers. The Department previously supported in part two HMO projects. The Philadelphia Health Plan HMO is quite new, thus, there is little available data. However, the Temple Health Maintenance Plan (HMP) was begun in the 1971-72 fiscal year. It was conceived as a project to provide better health care to all subscribers—Medical Assistance recipients and members of the community. However in an Office of the Budget study of the Temple HMP released in January, 1976, three basic conclusions were drawn. First, the Temple HMP cannot be justified on the basis of its application of the health maintenance concept since the advantages ascribed to this concept are not in evidence among the enrolled population. Second, as presently constituted, the Temple HMP cannot be justified as an economically feasible means to deliver primary health care services to the poor population otherwise eligible for Medical Assistance. Third, the Temple HMP is achieving some positive results from its program. However, these results are not sufficient to outweigh the negative aspects. In 1976, the Department terminated its contract with Temple HMP.

While the Temple HMP did not prove to be successful, one demonstration alone cannot decide the usefulness of such a major new concept in total health care delivery. The measure describing the number of persons enrolled in health maintenance organizations or health plans is substantially lower than that printed in 1975-76. This reduction in persons

reflects the establishment of fewer HMO's over a longer period of time than was previously estimated. During 1976-77, the Department plans to contract with three additional HMO's. The ability of these organizations to deliver health care economically will be assessed after an initial period of operation and the decision will be made whether the contracts should be continued and whether new HMO's should be established.

The conflicting problems of hospitals' fixed costs and outpatient improved services is discussed at length in other subcategories under medical programs.

The United Service Agency (USA) in northeast Pennsylvania began another type of study in 1974-75. The USA has received permission from the Federal Government and from the Commonwealth to raise physician and outpatient clinic fees for Medical Assistance above the State's normal fees. The purposes of this study are twofold: discovering if there is a relationship of the provider and patient participation in Medical Assistance to the rate of reimbursement, and if there is a relationship of the outpatient rate of reimbursement to the decrease in inpatient hospital utilization. This study has been extended through March 31, 1976. Thus, the results of this project will not be available until that time.

The Department contracted with Armstrong County Health Center for the period March, 1975 to March 1977 for \$200,000 in State funds which were appropriated in the 1974-75 fiscal year. This appropriation will provide a facility and services for persons needing regular medical attention, treatment for psychiatric disorders, a center for rehabilitation of alcoholics, adult and child day care programs and therapy programs. In the first fifteen months the building is to be renovated and it is scheduled to be completed and begin providing services in late 1976.

Although the last major program innovation to be discussed here is also discussed under the subcategory **Outpatient Services**, the concept of it is important enough to note it once more. Controlling payment of pharmaceutical claims and correct utilization of drug services through an experienced contractor may well have merit for large complicated programs. In addition, payment for this contractual service is not based on the actual usage of drug services. Instead, it is based on a fixed rate per eligible recipient per month. In this manner, fiscal planning is made easier for the State and some amount of risk is absorbed by the contractor.

## Health Services Support and Development (continued)

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	\$ 1,804	\$ 1,104	\$ 1,459	\$ 1,221	\$ 1,340	\$ 1,416	\$ 1,544
County Administration . . . . .	4,525	.....	5,694	6,150	6,640	7,171	7,745
Medical Assistance . . . . .	2,482	.....	2,724	3,000	3,300	3,630	3,990
Public Assistance and Administration . . . . .	.....	11,925	.....	.....	.....	.....	.....
Training Personnel at Geriatric Homes . . . . .	50	50	.....	.....	.....	.....	.....
State General Hospital . . . . .	21	36	1,697	1,799	1,909	2,025	2,150
Armstrong County Health Center . . . .	200	.....	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . .</b>	<b>\$ 9,082</b>	<b>\$13,115</b>	<b>\$11,574</b>	<b>\$12,170</b>	<b>\$13,189</b>	<b>\$14,242</b>	<b>\$15,429</b>

## Prevention—Physical Health

OBJECTIVE: To reduce the incidence of disease and promote the maintenance of good health in the eligible population by ensuring the availability of preventive health services.

## Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 70	\$ 200	\$ 200	\$ 250	\$ 300	\$ 350	\$ 400
Federal Funds . . . . .	646	1,800	1,800	2,250	2,700	3,150	3,600
<b>TOTAL . . . . .</b>	<b>\$716</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$2,500</b>	<b>\$3,000</b>	<b>\$3,500</b>	<b>\$4,000</b>

## Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Infant mortality rate per 1,000 live births . . . . .	15.8	14.8	13.8	12.8	11.8	10.8	9.8
Persons receiving routine family planning medical services . . . . .	171,700	175,000	176,500	178,000	179,000	181,000	183,000
Aged persons needing nutrition services . . . . .	491,750	502,950	513,800	523,950	533,400	542,850	550,900
Aged persons eligible for Commonwealth nutrition services . . . . .	235,000	241,800	248,600	255,600	262,000	265,200	267,000
Aged persons receiving Commonwealth nutrition services . . . . .	120,800	124,000	126,300	128,700	131,000	133,400	135,400

## Program Analysis:

The theoretical health care delivery system incorporates several stages of treatment in the sequential development of a disease. Each stage reflects the degree of intensity of the disease and the corresponding degree of medical care needed to treat the disease. The first phase of the health care delivery system is the prevention of disease. A good health care delivery system will dedicate more time, effort and money to the primary stages of health care delivery so that less suffering and reduced use of resources will occur in the more intensive stages of health care. In large part, prevention is an individual responsibility, however, educating the individual to accept and understand this responsibility is also a part of prevention.

With preventive medicine, one of the desired impacts of the system is to reduce the infant mortality rate. The Commonwealth has a relatively high infant mortality rate, particularly among minority groups, in comparison to surrounding states. Through family planning clinics under the Medical Assistance program, prevention services, such as genetic screening and counseling, are being provided. At least one expert says that about 20 percent of the total national cost of health care is attributable to genetic diseases. Through such screening and counseling, a couple can learn of the possibilities of occurrence of genetic disease in their offspring and can take appropriate action. The data presented in the

Prevention—Physical Health (continued)

Program Analysis: (continued)

measure relating to family planning medical services has increased substantially from that printed in the 1975-76 Governor's Recommended Budget. This increase can be attributed to an overall increase in the number of persons eligible for such services and to a greater utilization of available family planning services.

Another agency-operated prevention program is the nutrition program for the aged. It has been demonstrated that malnutrition frequently leads to serious illnesses and diseases. It is estimated that between 30 and 40 percent of the elderly persons in the Commonwealth suffer to some extent from malnutrition. The nutrition program is designed to provide

meals for eligible aged persons in a group setting or at home to counteract those conditions which lead the aged to neglect eating properly. Last year the data presented in the measure eligible aged persons in need of nutritional services were actually data for the measure aged persons needing nutritional service. This has been corrected this year.

The nutrition program for the aged was initially started in 1968, however, only minimal efforts were made until 1974-75 when a substantial increase in funding provided a significant increase in services. This is discussed in the subcategory Services to the Community.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Medical Assistance . . . . .	\$ 70	. . . .	\$200	\$250	\$300	\$350	\$400
Public Assistance and Administration . . . . .	. . . .	\$200	. . . .	. . . .	. . . .	. . . .	. . . .
<b>GENERAL FUND TOTAL . . . .</b>	<u>\$ 70</u>	<u>\$200</u>	<u>\$200</u>	<u>\$250</u>	<u>\$300</u>	<u>\$350</u>	<u>\$400</u>

## Screening, Diagnosis and Referral

OBJECTIVE: To detect and diagnose diseases at the earliest possible stage of development and refer to appropriate treatment resources in order to reduce morbidity and the incidence of debilitating diseases.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 5,610	\$ 7,924	\$ 9,163	\$10,015	\$10,949	\$11,973	\$13,106
Federal Funds . . . . .	4,786	7,107	7,851	9,150	9,995	10,927	11,945
Other Funds . . . . .	4	.....	.....	.....	.....	.....	.....
<b>TOTAL . . . . .</b>	<b>\$10,400</b>	<b>\$15,031</b>	<b>\$17,014</b>	<b>\$19,165</b>	<b>\$20,944</b>	<b>\$22,900</b>	<b>\$25,051</b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Persons eligible for Medical Assistance . .	1,052,617	1,103,700	1,162,000	1,202,700	1,238,800	1,269,800	1,295,100
Percentage of total cases screened with physical, mental or dental abnormalities . . . . .	48.7%	48.6%	48.6%	48.5%	48.4%	48.3%	48.2%
Cases with physical, mental or dental abnormalities referred for and receiving treatment . . . . .	40.0%	42.5%	45.2%	48.0%	51.0%	54.2%	57.2%
Persons to age 21 eligible for screening program . . . . .	410,000	429,900	452,600	468,500	482,500	494,600	500,000
Diagnostic lab and radiological services . . . . .	375,323	404,000	434,300	466,900	501,900	539,500	579,900
Visually Handicapped:							
Impaired persons in Pennsylvania . . .	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Persons referred for treatment . . . . .	9,169	10,085	11,094	12,203	13,423	14,623	15,500
Persons referred to vocational rehabilitation . . . . .	4,180	4,598	5,058	5,564	6,117	6,617	7,100

### Program Analysis:

The second phase of the health care delivery system is screening, diagnosis and referral. This type of health care serves not only as a checkpoint for the effectiveness of preventative health programs, but also as a point of detection in the early development of a disease.

Several Department of Public Welfare medical programs are directed toward the screening, diagnosis and referral type of health care. In the 1973-74 fiscal year, a program began to periodically screen and treat all Medical Assistance eligible children. The intentions of this program are to: bring needed medical care to children who are not receiving it, encourage

good health habits at an early age, detect diseases at an early stage before irreparable harm occurs, and identify and further prevent neglect and/or child abuse.

Administratively, the strategy of the screening and treatment program is to provide relatively inexpensive tests and observations for the purpose of discovering diseases before they progress to the point of requiring costly treatment.

During 1974-75 there were approximately 410,000 eligible children who required screening. To date 150,000 screenings will have been completed during 1975-76 and it is estimated that over 150,000 will be screened during 1976-77. By far the

## Screening, Diagnosis and Referral (continued)

## Program Analysis: (continued)

largest number of health defects found have been dental problems. Consequently, the Department has increased efforts to treat these problems. The Department of Health also conducts a screening program. For further discussion of this program refer to the subcategory Detection and Diagnosis in that Department.

Another part of the Medical Assistance program provides screening and diagnosis services to all the eligible population. However, these pathological and radiological services are provided only at the request of a physician.

The measure representing persons eligible for Medical Assistance has changed substantially from that printed previously. This measure is based on those persons eligible for

cash assistance grants plus the medically needy. For further discussion on the projected number of persons receiving cash grants see the Income Maintenance subcategory.

Other screening activities within this agency are directed specifically towards an individual's visual capacity. Through the Office of the Visually Handicapped these activities include identification and treatment of the impairment and provision of social and rehabilitative services which enable the individual to realize her/his potential capabilities. Counseling and casework services are provided to encourage and support individuals and families who must deal with blindness. Referrals for vocational rehabilitation are also made.

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
County Administration . . . . .	\$1,191	. . . .	\$1,498	\$ 1,620	\$ 1,750	\$ 1,890	\$ 2,041
Medical Assistance . . . . .	4,268	. . . .	7,547	8,300	9,130	10,040	11,050
Public Assistance and Administration . . . . .	. . . .	\$7,731	. . . .	. . . .	. . . .	. . . .	. . . .
Blind Programs . . . . .	101	118	118	95	69	43	15
Pennsylvania Association for the Blind, Pittsburgh . . . . .	25	25	. . . .	. . . .	. . . .	. . . .	. . . .
Center for the Blind, Philadelphia . . . . .	25	25	. . . .	. . . .	. . . .	. . . .	. . . .
Center for the Blind, Delaware . . . . .	. . . .	25	. . . .	. . . .	. . . .	. . . .	. . . .
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$5,610</u>	<u>\$7,924</u>	<u>\$9,163</u>	<u>\$10,015</u>	<u>\$10,949</u>	<u>\$11,973</u>	<u>\$13,106</u>

## Outpatient Services – Physical Health

OBJECTIVE: To assure adequate high quality outpatient health services to improve and maintain physical well-being and to avoid unnecessary inpatient care for the eligible population.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 69,799	\$ 84,305	\$ 98,862	\$108,751	\$119,626	\$131,592	\$144,752
Federal Funds . . . . .	50,483	58,172	69,354	76,290	83,920	92,310	101,540
Other Funds . . . . .	1,301	1,377	3,542	3,747	3,966	4,197	4,443
<b>TOTAL . . . . .</b>	<b>\$121,583</b>	<b>\$143,854</b>	<b>\$171,758</b>	<b>\$188,788</b>	<b>\$207,512</b>	<b>\$228,099</b>	<b>\$250,735</b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Eligible medical assistance persons . . . . .	1,052,617	1,103,700	1,162,000	1,202,700	1,238,800	1,269,800	1,295,100
Routine outpatient clinic services provided . . . . .	2,171,893	2,300,000	2,700,000	2,900,000	3,100,000	3,300,000	3,600,000
Persons receiving dental treatment . . . . .	353,800	440,000	520,500	598,000	681,500	770,000	862,500
Outpatient physician visits . . . . .	4,156,365	4,400,000	4,800,000	5,280,000	5,800,000	6,380,000	7,018,000
Pharmaceutical services provided . . . . .	7,730,760	7,900,000	8,400,000	8,700,000	9,000,000	9,300,000	9,600,000
General or ambulance transportation services . . . . .	18,410	23,230	29,500	35,400	42,500	51,000	61,200
Home health care visits . . . . .	175,858	180,000	185,000	190,000	200,000	207,000	214,000
Post-hospitalization days of care . . . . .	45,400	67,500	70,900	74,400	78,100	82,000	86,100
Restoration centers:							
Persons receiving outpatient services . . . . .	554	600	600	600	600	600	600
Average visits per patient . . . . .	12	12	12	12	12	12	12
State general hospitals:							
Persons receiving outpatient services . . . . .	111,277	115,000	118,000	121,000	121,000	121,000	121,000
Average visits per patient . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A

### Program Analysis:

The third stage of the health care delivery system reflects the majority of services offered to a person who does not need 24 hour care in a health care facility. Should the first and second stages of the health care delivery system be functioning optimally, most persons referred to outpatient services will

require only minimal care to restore them to good health, and even fewer will need inpatient services.

As already indicated in the previous subcategories, the first two stages of health care delivery are not presently functioning at an optimal level. For this, and other reasons, outpatient

**Outpatient Services — Physical Health (continued)****Program Analysis: (continued)**

services have historically been the most important source of nonintensive health care delivery.

The present emphasis of outpatient services must be reoriented and the intent of the present program must be redefined so that these services function correctly in the health care delivery continuum. At present, this program operates as the only source of primary health care for most patients, and it acts as the customary initial contact point into the health care system for most of the consumers. Instead, it should be used as a means of furthering continuity in the system. If the initial stages of health care delivery detect any disorders, then outpatient services should be emphasized as a means of providing more intensive care than in the early stages of the health care delivery system. In addition, this stage should function as a means of eliminating unnecessary inpatient care.

Outpatient services include clinic and office care (medical, psychiatric, dental, drug and alcohol, podiatric and chiropractic), pharmaceutical services, transportation, home health care, medical appliance and prosthetic services, and post-hospital care. Under the Medical Assistance program the medically needy are excluded from pharmaceutical, medical appliances and prosthetic, podiatric and dental services. The medically needy are persons who do not receive cash assistance grants, but remain financially eligible for all but these four Medical Assistance services.

The measure representing persons eligible for Medical Assistance has changed substantially from that printed previously. This measure is based on those persons eligible for cash assistance grants plus the medically needy. For further discussion on the projected number of persons receiving cash grants see the Income Maintenance subcategory.

A comparison of the measures printed previously with those presented above shows a substantial increase in services provided and in the number of persons receiving dental and physician's treatment, ambulance transportation, and post-hospitalization days of care. This can be attributed to an increasing eligible population for Medical Assistance and a greater utilization of such services by those eligible.

The Department also provides outpatient services at the nine State general hospitals and at one restoration center. Emergency room treatment and clinical visits are provided at the general hospitals. Western Restoration Center's outpatient department provides people from the community with diagnosis, evaluation, social counseling and referral, certain forms of treatment and, when required, appropriate placement in other medical facilities.

Data presented last year concerning the average number of visits per patient in State general hospitals was incorrect.

However, the Department of Public Welfare is unable to supply a more accurate number. Therefore, no data are presented this year.

While this wide range of available services often stymies any attempt to effectively control the entire system of outpatient services, this same variety of services offers many opportunities for improving specific pieces of the system. Since outpatient services represent one of the larger portions of this agency's medical services expenditures, streamlining the delivery of medical care and reducing its cost can be most affected at this level of care.

Ambulatory services provided at the inner-city hospital clinics have become the principal source of health care for low income urban residents. The gradual and continued departure of local physicians, the decrease in general practitioners, and the increase in specialists have helped to dry up the availability of traditional primary health care delivery other than in a hospital emergency room. In addition, these trends have been aided by the continual rise in health care costs. This has popularized the use of the clinics and emergency rooms as primary health care delivery centers. The effect of this is to overburden a system which was originally designed for only emergency services of a crisis nature. Because of the shortage of service delivery points, and the misutilization of emergency services, low income persons have not had access to good quality primary care.

In 1974, this agency increased its level of reimbursement to hospital clinics for clinic visits from \$6 to \$9 per visit. This initiated the Hospital Ambulatory Reimbursement Program (HARP). It is the intent of this program to encourage hospitals to improve their outpatient services not only to the low income, but, also, to the entire community served by the hospital. Through this increased reimbursement plan, the hospitals can develop better care with improvement of existing programs and/or they can widen the variety of services provided.

One method of improvement could be to provide ambulatory services in the hospital of the same character as those offered to the inpatient. An example of this is what is referred to as "in-and-out" surgery, where simple, inpatient surgical procedures are adapted to an outpatient basis. This obviously has the advantage of providing the public needed health care at greater convenience and at a lesser cost.

Under the Medical Assistance program a new management technique has been applied to the administration of pharmaceutical services. Beginning February 1, 1975, the Department contracted with a third party to take over the administration and responsibility for payment of

## Outpatient Services – Physical Health (continued)

### Program Analysis: (continued)

pharmaceutical invoices. This responsibility includes management of a complete and ongoing data system that among other things, determines misutilization of pharmaceutical services by the providers and/or the consumers. The Department pays the contractor a flat per capita rate per month, regardless of the number of prescriptions filled. Thus, accountability and timely payment of invoices not only aid in the management of all services, but also, it encourages more equal treatment of Medical Assistance recipients as compared to the general consumer.

In previous years, the data for pharmaceutical services provided was incorrectly identified as the program measure

persons receiving one or more pharmaceutical services per year. The data presented this year represents invoices received. Each invoice represents one service even though more than one prescription may be included.

Outpatient services are particularly affected by the Commonwealth Medical Fees Schedule Committee. This committee is assigned the responsibility for insuring that medical services paid for by various State agencies are in accordance with the procedures and rates detailed in the Commonwealth Medical Fee Schedule. Requests for fee increases must go through this committee.

### Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
State Restoration Centers . . . . .	\$ 6	\$ 8	\$ 10	\$ 11	\$ 11	\$ 12	\$ 12
State General Hospitals . . . . .	1,707	1,824	.....	.....	.....	.....	.....
Medical Assistance . . . . .	68,086	.....	98,852	108,740	119,615	131,580	144,740
Public Assistance and Administration . . . . .	.....	82,473	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . . .</b>	<b><u>\$69,799</u></b>	<b><u>\$84,305</u></b>	<b><u>\$98,862</u></b>	<b><u>\$108,751</u></b>	<b><u>\$119,626</u></b>	<b><u>\$131,592</u></b>	<b><u>\$144,752</u></b>

## Inpatient Hospital Services

OBJECTIVE: To insure the availability of quality inpatient services to the eligible population in order to reduce morbidity and length of disability and to minimize time in the hospital.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$130,436	\$180,363	\$181,653	\$199,715	\$219,575	\$241,415	\$265,435
Federal Funds . . . . .	75,958	98,592	97,343	107,080	117,800	129,580	142,540
Other Funds . . . . .	25,193	30,129	39,562	41,855	44,288	46,870	49,612
<b>TOTAL . . . . .</b>	<b>\$231,587</b>	<b>\$309,084</b>	<b>\$318,558</b>	<b>\$348,650</b>	<b>\$381,663</b>	<b>\$417,865</b>	<b>\$457,587</b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Persons eligible for Medical Assistance . . . . .	1,052,617	1,103,700	1,162,000	1,202,700	1,238,800	1,269,800	1,295,100
Inpatient hospital care admissions . . . . .	250,645	270,000	280,000	290,000	300,000	310,000	320,000
Average length of stay in days:							
Statewide . . . . .	8.6	8.5	8.5	8.4	8.4	8.3	8.3
Medical Assistance . . . . .	8.2	7.9	7.9	7.8	7.7	7.7	7.6
Average cost per day per hospital stay:							
Statewide . . . . .	\$119.92	\$131.91	\$145.10	\$159.61	\$175.57	\$193.13	\$212.44
Medical Assistance . . . . .	\$88.71	\$106.45	\$119.22	\$134.66	\$148.13	\$162.94	\$179.23
State general hospitals . . . . .	\$148.34	\$160.06	\$172.86	\$186.69	\$201.63	\$217.76	\$235.18
Persons receiving inpatient services:							
State general hospitals . . . . .	32,308	32,000	32,000	32,000	32,000	32,000	32,000

### Program Analysis:

Inpatient hospital care is intensive and costly in comparison to those health services described in the preceding subcategories. This subcategory includes care for Medical Assistance patients, care for any patient in State general hospitals and care provided in selected other hospitals.

The Commonwealth operates nine general hospitals and assists two chronic disease hospitals. Originally, the State general hospitals were intended to provide low cost care to patients in the coal mining regions of the State. With the advent of Medicare, Medical Assistance and third party insurers such as Blue Cross, patients are now being fully charged for using the facilities. With increasing third party support, it is anticipated that the local communities will take over the institutions and manage them with the intention of gearing the institutions to the particular needs of each area. The Commonwealth also assists two chronic disease hospitals, the Children's Heart Hospital and the Home for Crippled Children, which care for chronically ill indigent patients who are no longer eligible for Medical Assistance.

Clearly the largest cost item in this subcategory is the care delivered under Medical Assistance. The measure representing persons eligible for Medical Assistance has changed substantially from that printed previously. This measure is based on those persons eligible for cash assistance grants plus the medically needy. For further discussion on the projected number of persons receiving cash grants see the Income Maintenance subcategory. Coverage is provided to eligible Medical Assistance recipients on a 24 hour basis for room, board and professional services. The Medical Assistance patient is entitled to the same quantity and standard of care as is normally furnished other patients. Initially a recipient can only be eligible for admission under Medical Assistance upon the recommendation of a physician or dentist. Payment will not be made for diagnostic tests unless they are necessary for the diagnosis and treatment of the same illness for which the patient was admitted or tests which cannot be performed on an outpatient basis. Hospital care solely for beautifying purposes, as well as admission for any experimental research, is

## Inpatient Hospital Services (continued)

## Program Analysis: (continued)

not payable through Medical Assistance.

The ultimate success of this program should be gauged by a reduction in the need for inpatient services which can be measured indirectly by admissions and duration of stay as well as the extent to which patients are being restored to the community. The table below shows recent trends in the use of inpatient services by Medical Assistance recipients as compared to selected characteristics of statewide inpatient hospital usage. As can be seen in the table below, the number of Medical Assistance cases maintained a downward trend from 1971-72 to 1973-74. Beginning in 1974-75, the number of cases increased as the effects of the national recession were reflected in additional persons eligible for Medical Assistance.

Average days of stay has continued to decline from 11.1 in 1968-69 to 7.9 in 1975-76 despite the increase in cases during the last two years. The average cost per patient has risen steadily throughout the period showing an average annual increase of 17.57 percent. The statewide figures show a similar persistent drop in average length of stay although the pattern is less consistent. At this point in time, the length of stay for Medical Assistance recipients is substantially less than the statewide hospital length of stay. With the continued implementation of professional standards review along with predischarge utilization review, lengths of stay for Medical Assistance patients should continue to be less than those experienced by the statewide population.

## INPATIENT HOSPITAL UTILIZATION CHARACTERISTICS

Fiscal Year	STATEWIDE			MEDICAL ASSISTANCE			TEMPLE HEALTH MAINTENANCE ORGANIZATION (HMO)		
	Number of Cases	Length of Stay(days)	Cost Per Day	Number of Cases	Length of Stay(days)	Cost Per Day	Number of Cases	Length of Stay(days)	Cost Per Day
1968-69	1,660,122	9.1	\$50.75	206,476	11.1	\$34.65	NA	NA	NA
1969-70	1,696,108	8.9	58.46	239,102	10.4	43.69	NA	NA	NA
1970-71	1,751,825	8.6	66.35	272,712	9.6	54.12	NA	NA	NA
1971-72	1,737,587	8.3	76.32	261,905	9.3	62.30	551	9.46	\$118.73
1972-73	1,739,774	8.5	85.71	250,416	8.9	70.04	651	8.25	137.00
1973-74	1,741,500	8.4	93.68	238,794	8.8	73.40	512	8.71	156.00
1974-75	1,814,303	8.6	119.92	250,645	8.2	88.71	493	8.33	175.00
1975-76	1,886,875	8.5	131.91	270,000	7.9	106.45	N/A	N/A	N/A

While several new programs have been developed to encourage the use of less intensive care, the Department has also instituted the Predischarge Utilization Review (PDUR) program. Review of each Medical Assistance case is made upon admission. Length of stay is predetermined so that only those cases with prior permission may stay beyond the initially approved length of stay. During October, 1974, PDUR, which had been only a demonstration project in Allegheny County, became a statewide requirement of all participating hospitals.

The presumption has been that, by limiting hospital admittances and stays to only those necessary, costs would go down. Concurrently, greater use would be made of less intensive and less expensive preventive services and outpatient treatment, and greater emphasis on preventive measures would work to produce fewer long-term disabilities. However, there are some short-term implications of this policy on inpatient hospital costs.

Hospitals, because of high fixed costs, are unable to adjust their costs to the point where the cost per patient day can be lowered. As occupancy rates move downward, lengths of stay shortened and admissions reduced, a rigid cost picture is prorated over fewer patients which has the effect of driving the cost per patient upward. Certainly, the rising cost of medical services is, in large measure, attributable to general inflationary trends in the economy as a whole; but built-in hospital cost rigidities do much to prohibit reductions in medical care prices. The table shows that in spite of the wage and price controls evoked between 1971-72 and 1973-74, cost per day showed a diminished but continued escalation.

The Department of Public Welfare pays hospitals for services rendered to Medical Assistance recipients. The hospitals are payed on a "reasonable cost" basis. Reasonable cost simply means that the daily cost of hospital care is determined by dividing the hospital's total allowable expenses

## Inpatient Hospital Services (continued)

## Program Analysis: (continued)

by the total number of patient days. This reimbursement method helps to assure that payments for services will reflect current hospital costs. With this assurance, however, comes the fact that there is little to restrain medical costs; there are virtually no operative market forces, i.e., competition within the industry, or governmental regulations to control costs. Consequently, there is very little incentive to find means of reducing hospital costs. These factors are reflected in the 1976-77 budget. During the two years since wage and price controls on the medical services industry were lifted, inpatient hospital costs have increased by an average of 20 percent annually. Costs are expected to continue to increase substantially throughout 1976-77, though at a somewhat reduced rate.

Furthermore, the above mentioned factors warn against the likelihood of reductions in Medical Assistance payments for inpatient hospital services. Even if inflation is brought within acceptable limits, hospital cost rigidities and reasonable cost reimbursements would work to stabilize or increase payments per patient day.

In response to the mounting costs of this segment of Medical Assistance, the Commonwealth has begun exploring alternative methods of dispensing medical services. One such

alternative is to establish health maintenance organizations (HMO).

The table shows hospital utilization for the Temple HMO. As can be seen, the Temple experiment in its four years of operation has not been able to substantially modify hospital utilization characteristics. Average length of stay is virtually the same for those under Medical Assistance, those enrolled in the HMO, and the statewide experience. However, the HMO figures indicate a substantially higher cost per day than that generally experienced by Medical Assistance recipients. At least a partial explanation may be in the fact that the majority of the HMO patients are sent to Temple University Hospital where the per diem rates are substantially higher than statewide averages. In addition, the cost per day figures for the Temple HMO represent actual hospital costs rather than costs reimbursed by Blue Cross shown for statewide and Medical Assistance costs. However, even with these qualifications, the cost per day at the Temple HMO far exceed those under Medical Assistance. For this reason, the Temple HMO cannot be viewed as a cost saving experiment and the contract with Temple HMO has been terminated. For further discussion on Temple HMO refer to the subcategory Health Services Support and Development.

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
State General Hospitals . . . . .	\$ 8,659	\$ 5,383	.....	.....	.....	.....	.....
Medical Assistance . . . . .	120,955	.....	\$180,493	\$198,540	\$218,400	\$240,240	\$264,260
Public Assistance and Administration . . . . .	.....	173,855	.....	.....	.....	.....	.....
Home for Crippled Children, Pittsburgh . . . . .	250	375	375	375	375	375	375
Children's Heart Hospital Philadelphia . . . . .	500	750	750	750	750	750	750
Capital Improvements . . . . .	72	.....	35	50	50	50	50
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$130,436</b>	<b>\$180,363</b>	<b>\$181,653</b>	<b>\$199,715</b>	<b>\$219,575</b>	<b>\$241,415</b>	<b>\$265,435</b>

## Long-Term Care

OBJECTIVE: To insure the availability of high quality care in skilled nursing facilities (SNF) or intermediate care facilities (ICF) for those who do not require intensive care but cannot be maintained within a family/household unit.

## Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$ 44,156	\$ 56,722	\$ 73,472	\$ 92,555	\$101,527	\$111,386	\$122,207
Federal Funds .....	95,283	116,463	140,278	153,857	168,770	185,152	203,148
Other Funds .....	594	864	544	571	600	630	661
<b>TOTAL .....</b>	<b><u>\$140,033</u></b>	<b><u>\$174,049</u></b>	<b><u>\$214,294</u></b>	<b><u>\$246,983</u></b>	<b><u>\$270,897</u></b>	<b><u>\$297,168</u></b>	<b><u>\$326,016</u></b>

## Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Persons eligible for Medical Assistance ..	1,052,617	1,103,700	1,162,000	1,202,700	1,238,800	1,269,800	1,295,100
Eligible persons receiving skilled nursing care .....	22,066	24,300	26,700	29,370	32,300	35,500	39,000
Eligible persons receiving intermediate care .....	13,601	14,900	16,400	18,100	19,900	21,900	24,100
State restoration centers:							
Persons receiving skilled nursing care:							
Medical Assistance .....	149	149	149	149	149	149	149
Non-Medical Assistance .....	115	120	120	120	120	120	120
Average length of stay for skilled nursing patients .....	351	350	350	350	350	350	350
Persons receiving intermediate care:							
Medical Assistance .....	763	763	763	763	763	763	763
Non-Medical Assistance .....	40	40	40	40	40	40	40
Average length of stay for intermediate care patients .....	359	350	350	350	350	350	350
State general hospitals:							
Persons receiving skilled nursing care:							
Medical Assistance .....	66	70	70	70	70	70	70
Non-Medical Assistance .....	.....	.....	.....	.....	.....	.....	.....
Average length of stay for skilled nursing patients .....	322	350	350	350	350	350	350

**Long-Term Care (continued)****Program Analysis:**

This subcategory deals specifically with the provision of skilled nursing or intermediate care to persons eligible for Medical Assistance, persons in the State restoration centers and persons in State general hospitals. Funds for mental health institutional patients are not reflected here. The measure representing persons eligible for Medical Assistance has changed substantially from that printed previously. This measure is based on those persons eligible for cash assistance grants plus the medically needy. For further discussion of the projected number of persons receiving cash grants see the Income Maintenance subcategory.

Skilled nursing care is defined by the Federal Government as those nursing care services and/or rehabilitation services needed by the patient on a daily and continuing basis. Intermediate care is defined by the Commonwealth as care given in a facility which provides for food, shelter, health services, and supervision for a period exceeding 24 hours. Both types of long-term care are designed for persons who require round-the-clock supervision but do not require more intensive and expensive inpatient acute or chronic hospital care.

Skilled nursing facilities and intermediate care facilities provide services to two major categories of patients: (1) those who need temporary care in order to be restored to the community and (2) those who need continuing care on a long-term basis. The first category of patients consists most often of persons discharged from an inpatient hospital setting and requiring medical services while convalescing after intensive medical services, such as surgery. These persons may be of any age. The second category of patients consists of persons who may or may not have been in an inpatient hospital setting but who have a chronic disabling condition which more than likely will prevent them from returning to the community. Most of the persons in this category are 65 years of age and older.

The two major issues concerning long-term care are: supply and demand and appropriateness of care, although they are rarely separate or distinct issues. Present controversy surrounding the nursing homes in Pennsylvania centers around the absolute shortage of long-term care beds. Disregarding income status and Medical Assistance eligibility, there are more people in need of skilled nursing and intermediate care than there are available beds. Moreover, the need for nursing homes will not diminish in the next few years. In fact, by most indicators it will increase. For instance, the total population of the Commonwealth is projected to increase by 1.1 percent between 1975 and 1980, whereas the over-65 population, which overwhelmingly dominates the nursing home population, is expected to increase 9.6 percent by 1980. Also,

the popularity of nursing homes for the aged is not decreasing. Formerly, the primary family unit would and could take care of its aged members. However, lifestyles have changed and the aged often lack alternatives to nursing homes. Furthermore, until all facilities are fully in compliance with State licensing standards, and certification of participating facilities is not in jeopardy, new construction will be needed to meet the demand. Unfortunately, there are no reliable data on the exact size of the total deficit of nursing home beds. However, the House of Representatives' 1974 report on the nursing home problem estimated that there is or will be in the future a deficit of 21,618 nursing home beds. Exactly how many of these represent beds that are or will be needed by Medical Assistance recipients is not known. A figure of 40 percent or over would not seem unreasonable since 43 percent of existing nursing home beds, or approximately 27,850 out of 64,785 are occupied by Medical Assistance patients. The percentage of nursing home beds occupied by Medical Assistance patients printed this year is substantially less than printed last year. While the reason for this decline is not clear, one possible explanation may be that the current Medical Assistance reimbursement rates discourage nursing home operators from offering beds to these recipients.

The causes of the present nursing bed shortage are numerous and complicated. One of the causes is that nursing home operators, whether private, county or State, have not made the necessary improvements in their facilities to meet licensing and certification standards established by the State and Federal governments and have failed to expand their capacity to meet the need for beds. The major reason for this failure to upgrade existing facilities and develop new ones, some contend, was the lack of proper incentives whether negative, e.g., revocation of licenses and certification, or positive, e.g., Medical Assistance reimbursement rates sufficiently high to induce improvement and expansion of facilities. The lack of positive and negative incentives is currently being rectified. The State is now stringently enforcing licensing and certification standards. Furthermore, it is moving toward implementing a Federally-mandated reasonable cost-related reimbursement system for nursing homes participating in the Medical Assistance program beginning July 1, 1976. This is discussed further in the Program Revision Cost Reimbursement for Private Nursing Facilities which is found in the appendix to this subcategory.

For the short term, the strict enforcement of licensing and certification standards will exacerbate the nursing bed shortage by forcing the elimination of substandard beds. While the increase in Medical Assistance reimbursement rates may

Long-Term Care (continued)

Program Analysis: (continued)

partially offset the loss of beds, there will still be a net short-term loss of beds available for Medical Assistance eligibles. The allocation of funds from the \$100 million bond issue approved in 1974 for loans for capital improvements to nursing homes is another partial solution.

Because of the projected shortage of beds, the problem of immediately relocating long-term care patients through the elimination of substandard beds is overwhelming. Though the Department has made every effort to staff and train relocation teams, the data available indicate that more lives will be lost just from this transition, than if these patients remained in substandard homes. Furthermore, it is extremely difficult to find enough available beds to which these patients can be transferred. The supply and demand of nursing home beds is clearly an issue fraught with many conflicting problems. Resolution of these will occur only with the passage of time and with much effort.

As if these problems were not enough, there remains the appropriateness of care issue. This issue can be summarized in the following manner: people in nursing care beds should receive the level of care they need and be provided nursing care in the proper setting. Two problems involved in this issue are: the misutilization of skilled nursing and intermediate care beds, and the provision of skilled nursing and intermediate care in other than approved facilities. An improper level of care is provided to a person when skilled nursing care is provided to a person needing less intensive intermediate care. The reverse may also occur. Thus, a person may be provided more intensive care than required or be provided insufficient care. The extent of this problem is not definitely known. The size of this problem, however, is indicated by the fact that of 30,000 beds reviewed in 1974-75 by Department of Welfare medical review teams, about 3,600 were reclassified from skilled nursing to intermediate care. The second major way skilled nursing and intermediate care beds can and are misused is by placing persons who have no nursing care needs in them. In other words, long-term care beds can be and are sometimes used to provide residential or domiciliary care. The extent of

this problem is not presently known. The misuse of nursing care beds in this manner is understandable, since some persons, especially the aged, may have no other place to go. It is still deplorable since it denies the use of beds to people needing nursing care services.

Obviously people should receive nursing care in the proper setting, however, this is not always the case. Approximately 6,000 individuals for whom no psychiatric care is required now reside in State mental institutions and do need skilled nursing or intermediate care. These people should be provided nursing care in a nursing home setting, not in mental institutions. In addition, approximately 10,000 persons are receiving less than adequate care in unlicensed boarding homes. These people should also be provided nursing care in nursing facilities.

A partial solution to the appropriateness of the care problem may lie in the improvement of the present medical review function. Medical review consists of the review of every Medical Assistance long-term care patient record to insure that appropriate care was provided. In addition, the Federal requirement that professional standards review organizations be set up to review the appropriateness and quality of care in long-term facilities should serve to assure the appropriateness of care. A full solution, however, will require an increase in the supply of long-term beds to provide care to those now receiving it in inappropriate settings.

One report on the nursing home problem stated that long-term care is as complicated as it is, primarily because no single kind of medical treatment facility can adequately meet the needs of all the elderly. But to go one step further, it can be said that no facility adequately meets the needs of all elderly. Not only do we need long-term care facilities to meet the medical needs of the elderly, but we need to develop organizations and activities that will offer services that will stimulate the elderly. Mental and physical stimulation is one of the best preventive health measures. Efforts to provide such stimulation are discussed in the subcategory Services to the Community.

Program Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)				
			1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
State Restoration Centers . . . . .	\$ 6,534	\$ 5,818	\$ 6,628	\$ 7,040	\$ 7,477	\$ 7,946	\$ 8,444
State General Hospitals . . . . .	867	.....	.....	.....	.....	.....	.....
County Administration . . . . .	635	.....	799	865	935	1,010	1,090
Medical Assistance . . . . .	36,120	.....	56,045	61,650	67,815	74,600	82,060
Public Assistance and Administration . . . . .	.....	45,704	.....	.....	.....	.....	.....
Second Class County Homes . . . . .	.....	5,200	.....	.....	.....	.....	.....
Public Nursing Homes . . . . .	.....	.....	10,000	23,000	25,300	27,830	30,613
<b>GENERAL FUND TOTAL . . . . .</b>	<b><u>\$44,156</u></b>	<b><u>\$56,722</u></b>	<b><u>\$73,472</u></b>	<b><u>\$92,555</u></b>	<b><u>\$101,527</u></b>	<b><u>\$111,386</u></b>	<b><u>\$122,207</u></b>

### Long-term Care Program Revision: Cost Reimbursement for Private Nursing Facilities

#### Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .			<u>\$10,000</u>	<u>\$11,000</u>	<u>\$12,100</u>	<u>\$13,310</u>	<u>\$14,640</u>

#### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Eligible persons receiving nursing care							
Current . . . . .	22,066	24,300	26,700	29,370	32,300	35,500	39,000
Program Revision . . . . .			26,700	29,370	32,300	35,500	39,000
Eligible persons receiving intermediate care							
Current . . . . .	13,601	14,900	16,400	18,100	19,900	21,900	24,100
Program Revision . . . . .			16,400	18,100	19,900	21,900	24,100

#### Program Analysis:

Under the Medical Assistance program, the Commonwealth currently reimburses private facilities a maximum of \$18.50 per day for intermediate care and \$20.00 per day for skilled care. The last rate increases occurred in February, 1974 for intermediate care and in October, 1973 for skilled care.

On January 1, 1975, the Department implemented revised long-term care facilities rules and regulations which call for more stringent standards of care in these facilities. Inflation in the past few years, especially in food, fuel and labor costs, has greatly affected long-term care under the Medical Assistance program. This, and the delays experienced in disbursing funds through the State Nursing Home Loan Fund have prompted the Commonwealth to increase reimbursement rates to nursing homes. Also, the statewide shortage of nursing home beds, has created an undue hardship for Medical Assistance patients in need of nursing care. This Program Revision should reduce or eliminate that hardship. The Social Security Amendments of 1972 state that effective July 1, 1976 a Medical Assistance program must provide for payment of the skilled nursing and

intermediate care facility services on a reasonable cost-related basis as determined in accordance with methods and standards which shall be developed by the State on the basis of cost-finding methods approved and verified by the Federal Secretary of Health, Education and Welfare. A defined, allowable cost reimbursement system has been developed by the Department in cooperation with the Ad Hoc Nursing Advisory Committee, comprised of representatives from proprietary, nonprofit and public facilities. The system includes definitions and standards for specific allowable and unallowable cost, including general administration, consultant, staffing, revenue and interest, depreciation and capital construction costs. Also included are profit allowance standards and bed occupancy levels. The system provides for regional ceilings to control excessive daily rates above the norm. Costs unrelated to patient care will be disallowed and the fiscal abuse of the program experienced in other states will be precluded.

#### Program Revision Costs by Appropriations:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Medical Assistance . . . . .			<u>\$10,000</u>	<u>\$11,000</u>	<u>\$12,100</u>	<u>\$13,310</u>	<u>\$14,640</u>

**Mental Health Systems Support**

OBJECTIVE: To maintain a system in which mental health services are available to all those in need of them and in which services are delivered in an efficient and effective manner employing state-of-the-art science and technology.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$11,890	\$12,111	\$13,773	\$24,204	\$27,282	\$28,884	\$30,626
Federal Funds .....	731	936	1,112	1,001	1,014	1,041	1,056
Other Funds .....	452	604	284	245	257	270	284
<b>TOTAL .....</b>	<b>\$13,073</b>	<b>\$13,651</b>	<b>\$15,169</b>	<b>\$25,450</b>	<b>\$28,553</b>	<b>\$30,195</b>	<b>\$31,966</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Unduplicated persons provided mental health services .....	158,500	168,000	178,100	189,000	200,000	212,000	225,000
Professionals required to provide services to the mentally disabled .....	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Professionals employed .....	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Program Analysis:**

The activities included in this subcategory are designed to maintain and develop the entire mental health service delivery system. Planning, coordination, administration, manpower development, research and demonstration serve to support and improve the mental health service system. Since this subcategory provides no direct services to persons with mental disabilities, the impact or effect of this subcategory on individuals must be measured indirectly by the levels of effectiveness achieved by the substantive subcategories which follow it.

In this budget presentation a progressively intensive service delivery system model, in which processes generally become more complicated and intensive as one proceeds through the system, is used to view the Commonwealth's mental health programs. The overall goal of this system is to prevent the occurrence of mental disability and, if preventive activities fail, to restore persons who become mentally disabled to maximum levels of functioning with minimum involvement with the mental health care system. The value underlying the system's goal is independence. A progressively intensive system should maximize the use of the processes at the front of the system and minimize the utilization of the more intensive, complicated and costly processes at the end of the system.

The mental health service delivery system model is divided into six subcategories in addition to the Systems Support subcategory. Each subcategory represents activities designed to meet specific subcategory objectives which in turn represent steps toward reaching the system's goal. The six subcategories are: Primary Prevention; Early Intervention and Evaluation; Outpatient Services; Partial Hospitalization; Short-Term Inpatient Services; and Inpatient Services - State Mental Hospitals. The six subcategories serve as a conceptual framework for the analysis of the Commonwealth's mental health programs. Progress toward achievement of the objectives can be quantified by collecting information defined by the program measures. Thus the Commonwealth's mental health programs can be evaluated by measuring the progress toward achieving the subcategory objectives and by extension toward attainment of the system's goal.

The key to effective monitoring and evaluation of the Commonwealth's mental health programs is the collection and reporting of information about the effect the programs are having on people. The program measures listed for each subcategory define the types of data that must be collected in order to measure the impact of the mental health programs. The Commonwealth will continue to develop mechanisms for

## Mental Health Systems Support (continued)

## Program Analysis: (continued)

planning, data collection and evaluation, all required for rational program development and management of all levels in the mental health system. Unfortunately, this has not been given a high priority, and departmental data for this program is limited and inconsistent.

The analytical framework described above should not be confused with the actual mechanisms for the delivery of services. At present the delivery of mental health services by the Commonwealth is accomplished through two major mechanisms: community mental health programs and the State operated mental health hospital program. Prior to 1966 the Commonwealth's efforts in the mental health field were centered on the State mental institutions. A person with a mental health problem was either hospitalized or left to find services in the private sector. In order to rectify the deficiencies of the Commonwealth's mental health program and make services available to a greater number of people, the General Assembly mandated the creation of a community mental health program by passage of the Mental Health and Mental Retardation Act of 1966.

It was envisioned that the development of community services would supplement the traditional institutional services thereby creating a comprehensive mental health services delivery system capable of providing the appropriate response, when and where it was needed. It was expected that the role of the State mental hospitals would diminish since they would become only one type of service provider among many. Also, only those persons requiring long-term psychiatric care would be admitted to the mental hospitals.

As services developed, several significant deficiencies have been identified. The community services have not been merged with the institutions in terms of funding, patient care programs or emphasis. Many organizational and political barriers have developed which almost completely stymied the de-emphasis of the institutional component. These deficiencies can be rectified by developing a statewide policy for the future use of the institutions, the elimination of direct patient access to institutions except through the community based program, and the development of policies and mechanisms by which personnel can transfer from one part of the system to another.

In order to correct these deficiencies and improve the delivery of mental health services to the citizens of Pennsylvania, the Department of Public Welfare has embarked on a comprehensive and systematic implementation planning process for mental health services. As a result of this planning effort, four pilot areas have been designed for ultimate implementation. The four pilot areas are to be phased in sequentially rather than simultaneously. The first pilot area chosen is in the Northeast Region, including Luzerne and Wyoming Counties and Retreat, Clarks Summit, and Danville State Hospitals. Currently, the Department of Public Welfare is completing the initial phases of reviewing and assessing patient needs and resources available in the Luzerne and Wyoming areas.

A Program Revision entitled Census Reduction in the State Mental Hospitals has been recommended and is described in the appendix to this subcategory.

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . .	\$ 617	\$ 471	\$ 624	\$ 817	\$ 862	\$ 889	\$ 937
Mental Health and Mental Retardation Services . . . . .	4,839	5,053	5,568	5,846	6,138	6,445	6,767
Community Services for Mentally Ill and Mentally Retarded . . . . .	2,534	2,587	3,581	13,541	16,282	17,550	18,922
Western Psychiatric Institute and Clinic . . . . .	3,500	4,000	4,000	4,000	4,000	4,000	4,000
Consultive and Psychiatry Program . .	400	.....	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . .</b>	<b>\$11,890</b>	<b>\$12,111</b>	<b>\$13,773</b>	<b>\$24,204</b>	<b>\$27,282</b>	<b>\$28,884</b>	<b>\$30,626</b>

**Mental Health Systems Support  
Program Revision: Census Reduction in State Mental Hospitals**

**Recommended Program Revision Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .			<u>\$ 797</u>	<u>\$ 9,602</u>	<u>\$11,949</u>	<u>\$12,784</u>	<u>\$13,679</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
State mental hospital institutional population at end of fiscal year							
Current . . . . .	14,253	13,540	12,210	11,380	10,650	9,990	9,300
Program Revision . . . . .			<u>11,460</u>	<u>9,380</u>	<u>8,650</u>	<u>7,990</u>	<u>7,300</u>

**Program Analysis:**

This Program Revision is intended to accelerate the reduction of the number of persons residing in the State mental hospitals. This is consistent with the Commonwealth's objective of deinstitutionalization.

The objective of this Program Revision is to limit first time admissions to only those who have utilized the spectrum of community based services prior to admission to a State mental hospital, but more importantly reduce the level of readmissions. In the year ending June 30, 1975, 3,568 or 48 percent of all admissions were readmissions.

It is anticipated that the State mental hospital census will be reduced by 2,000 patients over the next two fiscal years with the implementation of this Program Revision.

In the first half of 1976-77, the Department will identify State mental hospital patients to be placed in the community and assess their needs as well as identify and assess patients previously discharged that represent "high risk" for readmission. At the same time, the Department will be working with the community programs to develop living arrangements and supportive services.

At the same time, the Department will commence planning to effect savings in the institutions as a result of the projected patient load decrease.

In January 1977, the targeted census reduction will begin. In the period January to June 1977, the census will be reduced by approximately 750. In the following fiscal year, a census reduction of 1,250 will be completed.

Based upon initial data, the average per diem cost for living arrangements and supportive services will be \$25.99 during 1976-77 and \$27.81 during 1977-78.

Although the estimated total cost of this Program Revision during 1976-77 is \$1.5 million, only the State funds cost to the Community Services for the Mentally Ill and Mentally Retarded appropriation is shown here. The difference will be funded through Medical Assistance and supplemental security income payments made directly to the provider of service and individuals respectively, the county share of the cost of services and collections made at the county level. To offset these increased costs in the community program, institutions will be required to reduce staff levels. For each patient discharged, it is estimated that three-fourths of one staff position will be eliminated. The staff reduction of 1,500 will be completed by June 30, 1978.

It is projected that during 1978-79, a net State funds savings of approximately \$4.5 million will be realized as a result of implementing this Program Revision.

**Program Revision Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Community Services for the Mentally Ill and Mentally Retarded . . . . .			<u>\$ 797</u>	<u>\$ 9,602</u>	<u>\$11,949</u>	<u>\$12,784</u>	<u>\$13,679</u>

**Primary Prevention—Mental Health**

OBJECTIVE: To lower the risk of occurrence of mental disability in the general population and to increase community awareness that mental disabilities can be treated.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$1,830</u>	<u>\$1,996</u>	<u>\$2,165</u>	<u>\$2,380</u>	<u>\$2,618</u>	<u>\$2,880</u>	<u>\$3,168</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Incidence of mental disability . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percentage of cases that are initiated through self-referrals . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Attendance at community meetings . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Program Analysis:**

The mental health system's primary prevention efforts presently consist of activities designed to promote community awareness that mental disabilities can be an individual's temporary reaction to a series of stressful events; that, the duration and intensity of the disability can be significantly diminished with early intervention; and, that treatment is available through the mental health care delivery system. This general theme is conveyed to the public by means of community meetings, consultations with non-mental health professionals such as doctors, clergy, law enforcement officers and others and through consultations with community service agencies.

At the present time, data to measure the effectiveness of community awareness activities are unavailable. If data were available, however, an increase in attendance at community meetings or an increase in self-referrals as a percentage of total referrals might indicate that some degree of community awareness is being attained.

The other component of the primary prevention objective is to lower the risk of occurrence of mental disability. To accomplish this objective it is necessary to eliminate the causes of mental disability. Environmental factors are usually

considered to be a primary cause of many mental disabilities and they can be numerous and extremely complex. If prevention of mental disabilities is to be successful, it must be successful at controlling and/or eliminating all causative factors. The greater the number of causal factors, the less likely is the prospect of preventing the resultant event. In order to develop and operate an effective prevention program, it is necessary to have reliable information concerning the causal factors of mental illness and the types of disability by the characteristics of the persons affected, such as: age, socio-economic status and geographic location. Such information would indicate whether or not mental disabilities occur with differing frequencies among different population groups. This information would allow the mental health care system to focus prevention efforts on segments of the population at high risk of developing mental disabilities. Unfortunately, this type of information is not systematically collected or evaluated.

Obviously, a universally accepted definition of mental health is necessary before information can be gathered systematically and analyzed for the causal factors contributing to mental dysfunction. Such a universal definition does not

Primary Prevention—Mental Health (continued)

Program Analysis: (continued)

exist. The American Psychiatric Association defines mental health as: "A state of being, relative rather than absolute, in which a person has effected a reasonably satisfactory integration of his instinctual drives. His integration is acceptable to himself and to his social milieu as reflected in his interpersonal relationships, his level of satisfaction in living, his actual achievement, his flexibility, and the level of maturity he has attained". One major problem with this definition, as with most other definitions of mental health is that it uses criteria that are essentially value judgments. What, for example, is "acceptable" and "satisfactory" to one psychiatrist may not be to another, and what is the basis for determining "maturity" and flexibility" in an individual?

The subjectivity of this definition suggests that mental health and illness are highly nonspecific and arbitrary. Standard prevalence figures often used such as, "one out of every ten" or "six out of every ten" should be viewed

skeptically because of the inherent complexity of the concepts "mental health" and "mental illness". However, these prevalence figures will continue to be widely used until more refined data are available. With this refined data, the incidence of disability by type and target group can be explored and primary prevention programs can be designed to reduce disability by type of psychopathology and particular population. Program effectiveness of primary preventive activities could then be measured by a reduction in the incidence of mental disability by target group and by type of disability.

In the 1975-76 budget, data was shown for the incidence of mental disability. That data, provided by the Department of Public Welfare, is now determined to be incorrect by the department. Currently, there is no valid data available on the incidence of mental disability.

Program Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)				
			1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Community Services for Mentally III and Mentally Retarded . . . . .	<u>\$1,830</u>	<u>\$1,996</u>	<u>\$2,165</u>	<u>\$2,380</u>	<u>\$2,618</u>	<u>\$2,880</u>	<u>\$3,168</u>

## Early Intervention and Evaluation

OBJECTIVE: To reduce the disabling effect of a mental condition by providing services that diminish the severity of temporary personal crises and select the appropriate treatment alternatives for each individual.

## Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$10,752</u>	<u>\$11,727</u>	<u>\$12,758</u>	<u>\$14,034</u>	<u>\$15,437</u>	<u>\$16,980</u>	<u>\$18,670</u>

## Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Percent of crises resolved without referral . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percent of crises resolved and referred to appropriate services . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
First time contacts with mental health system as a result of crisis intervention . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total contacts with mental health system through crisis intervention . . . . .	28,530	30,240	32,058	34,020	36,000	38,160	40,500
Persons referred from intake to:							
Outpatient services . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Partial hospitalization . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Inpatient services . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Community generic services . . . . .	N/A						
Total referrals to mental health system . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons contacting the system by referral source:							
Crisis intervention . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Physicians, clergy or other professional sources . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Self-referral and family referral . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Other mental health facilities . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A

## Early Intervention and Evaluation (continued)

### Program Analysis:

The function of this subcategory is to serve as the entry point for the Commonwealth's mental health services delivery system. The activities in this subcategory not only facilitate the entry of persons in need of mental health services into the appropriate portions of the system, but also screen out those who come into contact with the system but do not need mental health services.

Persons generally enter the mental health system for two reasons: one is the occurrence of a crisis or emergency episode in a person's life and the other is the result of a more gradual and progressive disability. Both situations require an appropriate response from the mental health system. Each situation, however, demands a different set of activities in response to the problems presented.

A nonemergency or noncrisis situation usually results in an evaluation of the client's service needs, referral to appropriate services, and case management to insure that the client receives the required services.

The traditional mode of treatment in the event of a crisis or emergency has been the emergency room of a general hospital. Recently a set of activities known as the crisis intervention program has been developed specifically for use by the mental health system to respond to personal crises and emergencies. The purpose of the crisis intervention program is to diminish the severity of a personal crisis which may be due to, or result in, a mental disability by responding to situations with on-the-scene aid. When the system is notified of an emergency, resources are marshaled rapidly to provide mental health services such as counseling, diagnosis and evaluation and quick referral. The normal time frame of evaluation and referral is collapsed from days and weeks to hours.

Crisis intervention personnel make every attempt to find a satisfactory solution to a crisis that does not require long-term involvement with the mental health system. Thus, the crisis intervention team often refers people to generic service agencies. In order to make proper referrals to non-mental health agencies, crisis intervention staff must be aware of all the community services and resources that might help alleviate a person's problem. If it is determined that a person needs mental health services, the crisis intervention program strives to match the person with an appropriate program outside of a mental hospital or other inpatient hospital setting.

In the 1975-76 budget, data was provided for percent of crises resolved without referral, percent of crises resolved and referred to appropriate services, and first time contacts with the mental health system as a result of crisis intervention. That data was based on a crisis intervention program operating in

one county as a demonstration. During 1974-75, funding was provided to all counties to develop crisis intervention programs. The data needed to assess the impact of these programs is not yet available.

The only data available, the result of a random sample, indicates approximately 18 percent of the active mental health case load was provided emergency or crisis intervention services during 1974-75. This percentage has been applied to the number of persons receiving mental health services during 1974-75 and the number of persons projected to receive services in future years to provide the data shown for total contacts with the mental health system through crisis intervention.

The effectiveness measure, percent of crises resolved without referral, would indicate the number of problems handled that were of a mild nature or of short duration and the success of the crisis intervention services in dealing with these problems. It would also indicate the number of contacts that do not result in further involvement with the system and, thus, crisis intervention's ability to keep people out of the mental health system. The second effectiveness measure, percent of crises resolved and referred to appropriate services, would indicate the success of crisis intervention in alleviating temporary crises and either bringing people into the mental health system or diverting them to generic service. The number of persons served by crisis intervention should increase dramatically as these services expand throughout the State.

First time contacts with the mental health system compared to total contacts with the mental health system would indicate the ability of the system to reach persons who have not been previously served. Persons referred from intake to various types of services implies the severity of the disability at intake. The more severe the disability the more intensive the treatment. As crisis intervention programs become operational statewide, the proportion of persons referred to the more intensive services should decrease.

Total referrals to the mental health system would indicate the level of demand for services. The referral source would indicate the awareness of the system and the willingness to use the system on the part of various groups. Data for this measure was available in the 1975-76 Budget, however, it has not been provided by the Department of Public Welfare for the 1976-77 Budget. Presently, information is not collected and tabulated for the measures discussed above. It will be necessary to actively seek this information to measure the effectiveness of this subcategory.

Early Intervention and Evaluation (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Community Services for Mentally Ill and Mentally Retarded . . . . .	<u>\$10,752</u>	<u>\$11,727</u>	<u>\$12,758</u>	<u>\$14,034</u>	<u>\$15,437</u>	<u>\$16,980</u>	<u>\$18,670</u>

## Outpatient Services – Mental Health

OBJECTIVE: To reduce mental disability and to restore mentally disabled individuals to the highest possible level of mental health and self-sufficiency with minimum dependence on the mental health system.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$17,832</u>	<u>\$19,451</u>	<u>\$21,632</u>	<u>\$23,795</u>	<u>\$26,175</u>	<u>\$28,792</u>	<u>\$31,671</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Persons receiving services on an outpatient basis (stated as an average monthly case load) . . . . .	42,603	45,585	48,775	52,000	52,000	52,000	52,000
Average length of treatment . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cases closed . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to partial hospitalization . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to inpatient treatment . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons placed in employment . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A

### Program Analysis:

Outpatient services is the first level of treatment in the mental health delivery system. Its objective is to reduce mental disability and to restore mentally disabled individuals to the highest possible level of mental health and self-sufficiency with minimum dependence on the mental health system. Since services provided on an outpatient basis are usually made available by the local mental health center and/or base service unit, the client can remain in the community. Therefore, with an effective outpatient services program, institutionalization is unnecessary. The services offered by the local base service units may vary from center to center, depending on client need and professional persuasion. Generally speaking, however, three broad areas of service are offered to outpatients: (1) treatment services; (2) vocational rehabilitation services; and (3) life management and social rehabilitation.

Treatment services usually consist of psychotherapy and chemotherapy. Broadly considered, psychotherapy is a mode of treatment for problems of an emotional nature in which a trained person deliberately establishes a professional relationship with a patient with the objective of removing,

modifying or retarding existing symptoms, or mediating disturbed patterns of behavior and of promoting positive personality growth and development. There are numerous approaches to psychotherapy with each approach based on a particular theory of human behavior. Each system of psychotherapy defines and attempts to modify various aspects of human behavior according to its underlying theory. For all their diversity, however, the various systems of psychotherapy do have one important factor in common, that is, that man is capable of change and capable of bringing this change about himself, provided he is aided in his search for change.

Chemotherapy is a primary means of treating those individuals suffering from an acute mental illness who have not responded to traditional psychotherapy. It can also be supportive treatment to those individuals receiving and responding to psychotherapy. More potent and experimental drugs are usually dispensed to those individuals who have not responded to more traditional therapies.

Vocational rehabilitation services and life management and social rehabilitation services are services provided for special populations; mainly, those individuals who have recently been

**Outpatient Services – Mental Health (continued)**

**Program Analysis: (continued)**

released from State mental institutions and are now in need of employment, social and personal skills. The acquisition of these skills will allow the individual to remain in a community setting while receiving treatment services at a local mental health center.

In a vocational rehabilitation center, prospective clients are tested to obtain information about their abilities, attributes and values. Employment opportunities are sought for those capable of competitive employment, while noncompetitive employment is provided by sheltered workshops for those who cannot compete. Vocational skills for competitive employment may also be acquired at various job training centers or at the sheltered workshops.

Life management and social services are designed to assist individuals in adjustment to an unstructured environment. Clients receive training in personal and social skills prior to leaving an institutional setting; however, these same skills must be reinforced after the client leaves the institution. Examples

of these skills are: home management training, personal financial management training, personal health care and various types of recreational and social activities.

Based on a random sample of active mental health clients from 39 county programs in 1974-75, the following types of outpatient services were given to those clients identified as receiving outpatient service: 39 percent received drug/medical; 77 percent received individual therapy; 14 percent received group therapy; and 5 percent received some other type of outpatient service.

More refined data will have to be obtained to determine whether or not outpatient services are having an impact on the recipients of outpatient services. It will be necessary to know: cases closed; persons referred to more intensive services; persons placed in employment and other measures of program effectiveness. Hopefully, this data will begin to be available in the near future.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Community Services for Mentally Ill and Mentally Retarded . . . . .	<u>\$17,832</u>	<u>\$19,451</u>	<u>\$21,632</u>	<u>\$23,795</u>	<u>\$26,175</u>	<u>\$28,792</u>	<u>\$31,671</u>

## Partial Hospitalization

OBJECTIVE: To reduce mental disability through a planned program of various treatment modalities by providing care and treatment (more than three hours and less than twenty-four hours per day) in a partial hospitalization setting for those individuals not yet able to return to the community on a full-time basis.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$2,148</u>	<u>\$2,343</u>	<u>\$2,552</u>	<u>\$2,807</u>	<u>\$3,088</u>	<u>\$3,397</u>	<u>\$3,730</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Persons receiving services in a partial hospitalization setting (stated as an average monthly case load) . . . . .	3,323	3,921	4,627	5,043	5,497	5,882	6,176
Average length of treatment . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Cases closed . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to outpatient treatment . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to inpatient treatment . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons restored to independent living in the community . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons placed in employment . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A

### Program Analysis:

Partial hospitalization is the next step in the continuum of services provided by the mental health delivery system. Its objective is to reduce mental disability through a planned program of various treatment modalities by providing care and treatment (more than three hours but less than twenty-four hours per day) for those individuals not yet able to return to the community on a full-time basis. These services are provided in a partial hospital setting, and are more intensive than those provided on an outpatient basis but less intensive than 24 hour a day hospital care, whether it be short-term or longer. The term partial hospitalization refers to the duration of the services provided to an individual in a 24 hour period and not the nature of the services.

The services provided in a partial hospitalization setting generally include: treatment, vocational rehabilitation, life management and social rehabilitation. Partial hospitalization services are mandated by the Mental Health and Mental Retardation Act of 1966. The partial hospitalization arrangement is unique in that day, evening and weekend care is offered to meet the specific schedule and needs of the patient. It is designed for those patients who are able to respond to treatment short of total inpatient care, but who require a program beyond the design and capability of outpatient services.

Services offered on a partial hospitalization basis may be given to the mentally disabled on an intensive basis without

Partial Hospitalization (continued)

Program Analysis: (continued)

disrupting ties with homes, families, employment and the community in general. This is viewed as most important in order to prevent the difficulties of long-term chronicity too often associated with inpatient care. Thus, partial hospitalization is an alternative to inpatient care for carefully selected people who are deemed able to successfully remain in the community while undergoing treatment. In addition to the essential function of prevention of inpatient hospitalization, partial hospitalization is a vehicle for patient reintegration into the community from both short-term and long-term inpatient care.

In the mental health system, partial hospitalization has been the most difficult of the mandated services to implement. The Mental Health and Mental Retardation Act of 1966, with its emphasis on community treatment, was not implemented until 1969 and much needed to be accomplished, and still needs to be accomplished, in the development of the transitional services. A greater awareness and understanding of partial hospitalization needs to be developed in the county programs. As the more traditional services begin to fill much needed gaps in the mental health delivery system, the needed partial hospitalization services can be developed.

In 1973-74 the average monthly case load was 2,305. In

1974-75 funds were provided to expand the partial hospitalization services, and the number of these services has increased in county programs. This is reflected by a higher monthly case load in 1974-75. Approximately four percent of the clients served by the county program receive partial hospitalization services. This is expected to increase as partial hospitalization programs become fully operational.

Persons receiving services in a partial hospitalization setting reflect the scope of the program in terms of services to people. Cases closed and persons referred to outpatient services would indicate the success of the program in reducing mental disabilities while the number of persons referred to inpatient services reflects the inability of the program to reduce the need for more intensive inpatient services. Persons restored to independent living in the community and persons placed in employment, reflect the success of the program activities, life management and social rehabilitation and vocational rehabilitation.

The effectiveness of services provided in a partial hospitalization setting cannot be determined until data for these measures is obtained. Some data should be available from the Department of Public Welfare in the near future.

Programs Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Community Services for Mentally III and Mentally Retarded . . . . .	<u>\$2,148</u>	<u>\$2,343</u>	<u>\$2,552</u>	<u>\$2,807</u>	<u>\$3,088</u>	<u>\$3,397</u>	<u>\$3,730</u>

### Short-Term Inpatient Services (Community)

OBJECTIVE: To reduce the mental disability of individuals and restore their capacity to function in a community setting by providing high quality short-term intensive inpatient treatment.

#### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$3,316</u>	<u>\$3,616</u>	<u>\$3,943</u>	<u>\$4,337</u>	<u>\$4,771</u>	<u>\$5,248</u>	<u>\$5,773</u>

#### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Persons receiving services on a short-term inpatient basis (stated as an average monthly case load) . . . . .	1,822	1,894	1,970	2,050	2,130	2,217	2,305
Average length of treatment in days per month . . . . .	11.02	11.02	11.02	11.02	11.02	11.02	11.02
Cases closed . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to outpatient services . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to partial hospitalization services . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to a State mental hospital . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A

#### Program Analysis:

The most intensive form of treatment funded by the Commonwealth in the community is provided on a short-term inpatient basis. Services on an inpatient basis are needed when outpatient services and partial hospitalization services fail or when an individual does not come into the mental health delivery system until the disability has progressed to a stage which requires inpatient services. The objective is to reduce the mental disability of individuals and restore their capacity to function in a community setting by providing high quality short-term intensive inpatient treatment. Inpatient services in

the community are referred to as short-term because their duration is limited to 60 days, whereas services in a State mental hospital are of a longer duration.

Community inpatient services are appropriate when an individual requires intensive treatment at the onset of a disability or during periods of unusual stress. It is also appropriate when supervision as well as intensive treatment is needed for individuals unable to manage themselves because of deep depression, severely disturbed behavior or extreme confusion. Services are generally provided in a mental health

Short-Term Inpatient Services (Community) (continued)

Program Analysis: (continued)

center or in a community general hospital.

The major advantage of providing inpatient services in the community is that it results in a minimal amount of disruption in an individual's life, and contact with family and friends can be maintained.

In addition, from a fiscal point of view, short-term inpatient services are less costly. Although the per diem rate for these services is relatively high, the total cost of service is low as compared to the total cost in a State mental hospital. This is because inpatient services provided in the community are of a shorter duration.

The types of services provided on an inpatient basis are generally: (1) treatment, (2) vocational rehabilitation and (3) life management and social rehabilitation. Although these same services are also provided on an outpatient and partial hospitalization basis, the emphasis in an inpatient setting is primarily on treatment, utilizing the medical model. (For a more detailed discussion of these services see the subcategory Outpatient Services – Mental Health).

In order to evaluate the effectiveness of short-term inpatient services it will be necessary to collect data which reflects the success of the program in meeting its objective. The measures listed above will provide a quantifiable evaluation when data is available.

As the services provided in the front of the mental health system become more effective, the need for short-term inpatient services should diminish. This reduction would be reflected in a reduction in the number of persons receiving services on a short-term inpatient basis. For those persons in need of short-term inpatient services, contact with the mental health delivery system should be as minimal as possible. The duration of the contact would be reflected in the average length of treatment. Cases closed, persons referred to outpatient services and persons referred to partial hospitalization services would reflect the success of the program in reducing the mental disability of individuals, since these services are less intensive. Conversely, persons referred to a State mental hospital would indicate the inability of the program to keep individuals from more intensive services.

The data for the measure, persons receiving services on a short-term inpatient basis, appears to have decreased dramatically from the data provided in the 1975-76 Budget. This is not due to a reduction in case load but rather an adjustment in the Department of Public Welfare's data. The higher case load figures shown last year represented the annual case load, while the data shown here is the average monthly case load.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Community Services for Mentally Ill and Mentally Retarded . . . . .	<u>\$3,316</u>	<u>\$3,616</u>	<u>\$3,943</u>	<u>\$4,337</u>	<u>\$4,771</u>	<u>\$5,248</u>	<u>\$5,773</u>

### Inpatient Services (State Mental Hospitals)

OBJECTIVE: To reduce the mental disabilities of individuals and to restore their capacity to function in a community setting in as short a time as possible by providing high quality intensive inpatient care.

#### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$185,019	\$205,675	\$217,203	\$219,040	\$220,272	\$231,081	\$242,422
Federal Funds . . . . .	40,407	40,341	45,563	45,771	45,843	48,093	50,453
Other Funds . . . . .	23,905	28,582	24,470	24,579	24,614	25,820	27,085
<b>TOTAL . . . . .</b>	<b>\$249,331</b>	<b>\$274,598</b>	<b>\$287,236</b>	<b>\$289,390</b>	<b>\$290,729</b>	<b>\$304,994</b>	<b>\$319,960</b>

#### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
State mental hospital institutional population at end of fiscal year . . . . .	14,253	13,540	11,460	9,380	8,650	7,990	7,300
Rated bed capacity in State mental hospitals . . . . .	18,436	18,436	18,436	18,436	18,436	18,436	18,436
Average length of treatment . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Rate of recidivism . . . . .	48%	N/A	N/A	N/A	N/A	N/A	N/A
Cases closed . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to outpatient services . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to partial hospitalization services . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Persons referred to short-term inpatient services in the community . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A

#### Program Analysis:

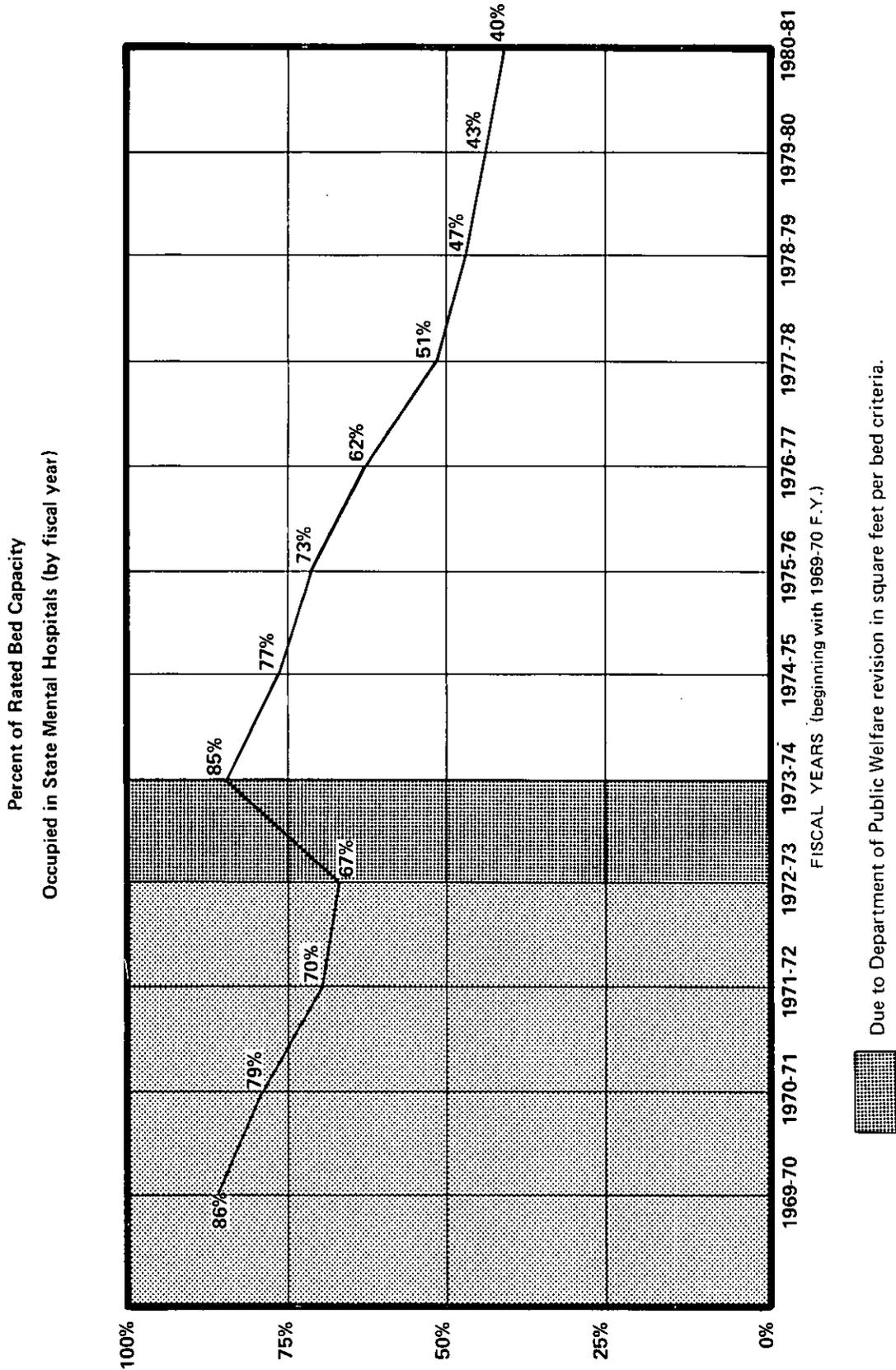
The 20 State mental hospitals provide the most intensive services in the mental health delivery system. If the services at the front of the system were having the optimal impact, there would be no need for the services provided at the State mental hospitals. However, due to the absence of alternative services in the past and the inability of less intensive services currently available to identify and meet, as early as possible, the needs of the mentally disabled, such services continue to be needed.

Utilization of State mental hospital services is considered the least desirable of all services provided in the system. This is

because it requires the removal of the individual from the family and community, it can lead to long-term institutionalization, it is the most costly of all services, and it is probably the most ineffective in terms of therapeutic impact on the individual.

Since 1955, there has been a 60 percent decline in the inpatient population at the State mental hospitals. This decline was initially due to the widespread introduction of chemotherapy, which enabled individuals to function outside the institutions. Since 1969, however, the decline in inpatient

Inpatient Services (State Mental Hospitals) (Continued)



## Inpatient Services (State Mental Hospitals) (continued)

## Program Analysis: (continued)

population has been more rapid. This has been frequently attributed to the development of community based services, although this impact has not been conclusively documented.

A comparison of the State mental hospital population with the beds available reflects the continuing decline in the occupancy rate.

Even though the patient population at the mental hospitals continues to decline, the institutions continue to demand increasing resources. This is due to several reasons.

First, institutional staffing, which comprises approximately 80 percent of total operating expenditures, has not decreased in proportion to the patient population decreases. One would expect staffing to decrease if the original staffing level were adequate. However, the staffing level is only now beginning to approach an acceptable level on the basis of Joint Commission on Accreditation of Hospital and Medicare standards. The cost of personnel services has increased significantly in the past several years due to employe salary and benefits increases. These increases have a substantial impact on this program where over 15,000 persons are employed.

Second, the fixed costs of operating an institution do not decrease when occupancy decreases unless discrete units of the hospital are closed. Operating costs, which include such items as fuel, food electricity, drugs, and medical care are particularly subject to inflation.

Other factors, such as the court order to compensate patient workers, Act 249 of 1974 which removed the financial liability of legally responsible relatives for the care of persons over eighteen years of age, and the capital costs associated

with meeting State Life Safety Code standards, are further increasing the costs of maintaining the institutions.

Approximately one-third of the patients in the State mental hospitals are 65 years of age or older. In addition, the majority of patients have been in residence 10 years or longer. It is often argued that many of these patients are no longer in need of inpatient psychiatric care and could be moved to the community if appropriate services were available.

The inpatient population in the State mental hospitals is projected to continue decreasing over the next five years. This will be accomplished through: identification of persons no longer in need of psychiatric hospital care, increased intensified preparatory programming for patients ready for discharge to semi-independent living situations and increased community service capability and incentive through installation of needed supportive services such as crisis intervention and various social services.

The effectiveness of the services provided to persons in the State mental hospitals cannot be measured until appropriate data is collected. The average length of treatment would indicate whether or not the services are successful in returning the inpatient to the community as quickly as possible. The rate of recidivism would reveal how effective the services are in keeping persons out of the intensive end of the mental health service system. The last four measures would reflect the impact of institutional services in moving persons into less intensive mental health services. Until data for these measures are obtained, the effectiveness of the State mental hospitals' services cannot be assessed.

## Program Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)				
			1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Mental Health and Mental Retardation Services . . . . .	\$183,962	\$205,585	\$217,028	\$218,805	\$220,037	\$230,846	\$242,187
Mental Health and Mental Retardation—Additional Staff . . . . .	811	.....	.....	.....	.....	.....	.....
Capital Improvements . . . . .	246	90	175	235	235	235	235
GENERAL FUND TOTAL . . . . .	<u>\$185,019</u>	<u>\$205,675</u>	<u>\$217,203</u>	<u>\$219,040</u>	<u>\$220,272</u>	<u>\$231,081</u>	<u>\$242,422</u>

## Youth Development Services

OBJECTIVE: To minimize the incidence of juvenile delinquency and to develop the capacity for constructive community living among court adjudicated youth that come to the State's attention.

## Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$18,749	\$20,608	\$24,330	\$25,627	\$26,908	\$28,253	\$29,666
Federal Funds . . . . .	2,269	983	729	765	803	843	855
Other Funds . . . . .	20	20	20	21	22	23	24
<b>TOTAL . . . . .</b>	<b>\$21,038</b>	<b>\$21,611</b>	<b>\$25,079</b>	<b>\$26,413</b>	<b>\$27,733</b>	<b>\$29,119</b>	<b>\$30,545</b>

## Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Court adjudicated juveniles in Commonwealth . . . . .	17,078	19,085	20,379	21,675	22,969	24,169	24,170
Court adjudicated juveniles admitted to youth institutions . . . . .	1,822	2,200	2,200	2,700	1,500	1,000	1,000
Percentage of youths admitted to youth institutions demonstrating significant reduction in antisocial behavior patterns	40%	40%	45%	55%	65%	75%	80%
Rate of recidivism of institutionalized youths . . . . .	60%	60%	55%	45%	35%	25%	20%
Juveniles housed in adult facilities . . . . .	3,311	2,911	220	.....	.....	.....	.....
Youth on parole status who continue education and/or gain employment . . . . .	1,500	1,650	1,650	1,700	1,700	1,700	1,700
Percent of youths involved in some sort of vocational or prevocational training . . . . .	70%	70%	70%	70%	70%	70%	70%

## Program Analysis:

The purpose of this program is to bring about a positive change in behavior patterns among the population of youths which the juvenile court system has determined will be benefited by institutionalization. State operated juvenile institutions are open institutions in which opportunities for vocational training, academic education, psychological counseling and medical and dental care are provided.

Several of Pennsylvania's juvenile institutions have been recognized nationally as maintaining high quality remedial academic and vocational training programs. Nevertheless, these institutions are maintained for detention, and are controlled with varying degrees of security. Detention and control very often evoke a compliance response from juveniles rather than a

cooperative response. A compliance response on the part of inmates often reinforces attitudes of hatred and contempt for the system, or produces some measure of dependency on it. Practitioners point out that genuine attitudinal changes are extremely difficult to bring out under such conditions.

The Department of Public Welfare calculates that the recidivism rates within the youth institutions have continued through 1975-76 at nearly 60 percent. This year the measure, youths admitted to youth institutions demonstrating significant reduction in antisocial behavior patterns, has been redefined in terms of percentages. This has been done to more clearly reflect the relationship between that segment of the institutionalized population that are recidivists, and those that

**Youth Development Services (continued)**

**Program Analysis: (continued)**

are not. This indicates that there is some justification for the hypothesis that the institutional process itself may be a substantial barrier to accomplishing attitudinal change. Despite these high recidivism rates, however, the Commonwealth has quite high per capita costs in its youth institutions. A recent survey indicates that the national per capita expenditure for youth institutionalization is about \$5,700 for a nine month stay. Pennsylvania spends an average of \$12,000 for a nine month stay.

Even at this high per capita cost, the result in terms of the recidivism rate is not significantly better than that achieved by other states. In view of this, the Commonwealth juvenile justice system is exploring ways of moving away from the institutional approach. The recent trend in corrections is to rehabilitate youths in their own communities. This is not always possible but the data indicates that a substantial portion of the juveniles in the system are institutionalized because there are no alternative places to send them in their own neighborhoods.

Many times a youth comes to the attention of community authorities after performing acts which are not normally punishable by detention. However, when the youth's home life is such that he or she cannot be returned, and no viable solutions exist in the community, then institutionalization is the only available answer. The data supplied for the measure: court adjudicated juveniles admitted to youth institutions has been modified since last year. The data reflected here is felt to be more accurate since it is based on an actual case by case computation.

Funds are being recommended in 1976-77 to continue expanding the number of day treatment centers and group homes. Group homes are less expensive than large institutions, and are located in the community. Since the primary goal for all adjudicated youths is to eventually return to the community, the group homes will rehabilitate the youths in the community. The logic being that juveniles rehabilitated in institutions are in a controlled environment; thus, upon release he or she returns to the community. However, the same community pressures that brought about the youth's

commitment are still present upon her or his return, consequently practitioners are leaning toward rehabilitation in the community. While the number of juveniles being processed through the court system continues to increase, the Commonwealth has committed itself to reversing the trend of institutionalization of youthful offenders. The Department of Public Welfare will continue funding a varied range of treatment and rehabilitation programs which will provide the court credible alternatives to institutionalization. This will reduce the juvenile commitment rate to large institutional type settings.

At present, the Commonwealth is dealing with several serious problems in the youth development area. One serious problem is the mandated removal of all youths from adult facilities. The data indicating the number of juveniles housed in adult facilities, has been expanded to include the entire Commonwealth, in prior years only those juveniles residing at the Camp Hill facility were shown. On August 15, 1975, the State Attorney General ordered the commitment of juveniles to the Camp Hill correctional institution halted. Subsequently, the Department of Public Welfare moved to open two security units for juveniles, one located at the Cornwells Heights Youth Development Center and the other at the New Castle Development Center. It also obtained a large Federal grant from the Law Enforcement Assistance Agency's discretionary funds. Therefore, in 1975-76, the move from the use of traditional hard security to a more innovative one of secure facilities and alternatives was begun by the Department. This demonstrates that the Administration's approach is to commit youthful offenders to existing facilities. With certain renovations to specific buildings, adequate security can be obtained.

The segregated facility issue, which surfaced at Cornwells Heights during 1974-75 is still in the process of being resolved. Juvenile commitments are now coming from other parts of the State instead of mainly Philadelphia County, and as a result, the percentage of Black commitments has declined from approximately 95 percent to 80 percent.

**Program Costs by Appropriation:**

	1974-75	1975-76	(Dollar Amounts in Thousands)				
			1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Youth Development Centers and Forestry Camps . . . . .	\$18,715	\$20,608	\$24,330	\$25,627	\$26,908	\$28,253	\$29,666
Capital Improvements . . . . .	34	.....	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . .</b>	<u>\$18,749</u>	<u>\$20,608</u>	<u>\$24,330</u>	<u>\$25,627</u>	<u>\$26,908</u>	<u>\$28,253</u>	<u>\$29,666</u>

## Services to the Community

OBJECTIVE: To improve the quality of community living and to raise the level of community interest by providing information, consultation and assistance whenever needed.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 6,767	\$ 7,165	\$10,231	\$10,709	\$11,095	\$11,499	\$11,925
Federal Funds . . . . .	16,747	31,428	33,736	34,803	35,691	36,622	37,602
Other Funds . . . . .	446	38	35	.....	.....	.....	.....
<b>TOTAL</b> . . . . .	<u>\$23,960</u>	<u>\$38,631</u>	<u>\$44,002</u>	<u>\$45,512</u>	<u>\$46,786</u>	<u>\$48,121</u>	<u>\$49,527</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Pennsylvanians 5 to 17 years of age . . . . .	2,781,000	2,683,000	2,643,000	2,591,000	2,537,000	2,480,000	2,426,000
Full-time juvenile officers . . . . .	505	505	505	505	505	505	505
Persons over 65 . . . . .	1,405,000	1,437,000	1,468,000	1,497,000	1,524,000	1,551,000	1,574,000
Aged persons presently living at home as a result of home services . . . . .	8,750	9,500	10,200	10,900	11,850	12,750	13,600
Elderly persons receiving meals on wheels . . . . .	9,600	15,000	21,600	27,000	30,000	33,000	36,000

### Program Analysis:

This program is geared to the development and strengthening of community resources for the elderly and certain youths in an effort to either eliminate or reduce lengths of stay in institutional type settings.

Practitioners now accept the premise that individuals tend to develop more favorably in their own natural surroundings. Currently, however, there exists a scarcity of alternatives to institutional care for young and aged alike. This situation has placed an unnecessary and costly burden on the Commonwealth. More important, however, many of these people do not need intensive institutional care, and would function very well in their own neighborhoods if certain minimal services were made available to them.

The 1976-77 fiscal year marks the second full year of funding of the Youth Service System project, which was

designed to divert juveniles from the juvenile court system. Juvenile courts throughout the Commonwealth have reported that many juveniles have been and are being institutionalized due to the void in services between probation and commitment to an institution. The Youth Service System project does not seek to replace the juvenile justice system, but attempts to reduce some of the backlog in the courts and meet certain unmet needs of children at the community level.

The new system is being implemented on a trial basis in several communities. Each community's program differs in its delivery of services, depending on the needs of the respective community. However, each system shares in Commonwealth-wide goals and objectives. Funding is made available through the traditional grant-in-aid program. Services rendered include: youth service boards; community intake centers;

**Services to the Community (continued)****Program Analysis: (continued)**

emergency housing and group homes; and support services.

The above services are the basic elements making up the youth service system. This system is locally controlled, independent programs designed to act as a catalyst, strengthening the communities' existing youth services if necessary.

Currently, responsibility and program accountability are divided among more than 300 agencies which are involved in providing services to young people. It is hoped the new Youth Service System, via the local youth service bureaus, will eliminate the fragmentation of responsibility in the field of youth services. This System also provides a central location for accountability, since little or no communication presently exists between the various field agencies. The program will strive to induce an integrated but comprehensive service delivery system within the local communities.

One of the programs located in Delaware County, has been designated by the Federal Department of Health, Education and Welfare as one of the ten national demonstration project models.

In addition to the Youth Service System, comprehensive services to the aged are again a high priority. This is being addressed by the creation of viable alternatives to institutional care, via provision of community based care and in-home social services. Pennsylvania currently provides an array of services to the aged. Unfortunately, because of the rapid increase in the population of persons 65 and older, and the increasing complexity of their problems, many elderly persons are not reached by these services. The basic components of the service delivery system for the aged include: county offices; multi-service centers; training programs in gerontology at the college level and grants to communities to provide human services.

Funds have been included for 1976-77 to continue operating and developing a management information system to assure proper stewardship of all aging programs within Pennsylvania.

In addition, such services as transportation escort, service management, protective services, domiciliary care, legal services, day care, homemaker/home health aid services, chore services, and educational opportunities are either being

initiated or expanded during 1976-77. It is estimated that a comprehensive service delivery system for the elderly will not be fully functional until calendar year 1979. The number of designated planning and service areas was increased from 41 to 47, and all area agencies on aging became staffed and functioning during the current fiscal year.

During the 1975-76 fiscal year the Department of Public Welfare expanded the home delivered meals program more rapidly than expected. This program is expected to increase further in 1976-77 to promote home delivered meals for approximately 21,600 elderly persons statewide. In addition to the Meals on Wheels program, 400 nutrition sites are being integrated with the service centers to facilitate delivery of necessary services.

In addition to the Free Transit for the Elderly program operated by the Department of Transportation, a transportation component will be developed in each service area to link elderly persons with vitally needed health and social services.

In addition to the specialized services made available to the young and aged, other services are made available to the entire community. One such service is rural transportation which provides transportation resources to an increasing number of rural Pennsylvania residents. The State's Rural Transportation Task Force is coordinating and structuring the Commonwealth's efforts towards providing an adequate level of transportation for all rural residents throughout the Commonwealth.

Multiple services are provided in northeastern Pennsylvania by the United Service Agency (USA), established as a special demonstration project by the U.S. Department of Health, Education and Welfare and the Pennsylvania Department of Public Welfare. The USA provides social services through an integrated delivery system, via a network of multi-service centers at the local level. By integrating services under one roof, the USA has accomplished the following: eliminated service duplication; minimized service fragmentation; and provided a single point of contact for the consumer for all services. This demonstration project, due to its accomplishments and success within the community, is being studied by the Federal Government for possible use as a model for delivery of service on a national scale.

## Services to the Community (continued)

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . .	\$ 50	\$ 321	\$ 423	\$ 239	\$ 251	\$ 263	\$ 277
Aging Programs . . . . .	4,717	5,094	8,058	8,633	8,915	9,211	9,522
Juvenile Delinquency Programs . . . .	2,000	1,750	1,750	1,837	1,929	2,025	2,126
GENERAL FUND TOTAL . . . .	<u>\$6,767</u>	<u>\$7,165</u>	<u>\$10,231</u>	<u>\$10,709</u>	<u>\$11,095</u>	<u>\$11,499</u>	<u>\$11,925</u>

## Family Support Services

OBJECTIVE: To promote and strengthen family life and to prevent the breakup of the family unit over any problems which might arise.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$115,784	\$139,384	\$138,635	\$169,863	\$181,559	\$194,151	\$207,729
Special Funds .....	4,857	.....	.....	.....	.....	.....	.....
Federal Funds .....	138,781	152,018	145,003	153,104	161,781	171,088	180,145
Other Funds .....	939	64	57	.....	.....	.....	.....
<b>TOTAL</b> .....	<u>\$260,361</u>	<u>\$291,466</u>	<u>\$283,695</u>	<u>\$322,967</u>	<u>\$343,340</u>	<u>\$365,239</u>	<u>\$387,874</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Services to the family:</b>							
Families needing homemaker services .....	125,000	137,000	149,000	161,000	183,000	195,000	207,000
Eligible families receiving homemaker services .....	31,000	34,000	37,000	40,000	43,000	46,000	49,000
Public Assistance recipients needing casework services .....	106,260	114,680	114,820	118,849	122,412	125,473	127,990
Public Assistance recipients receiving casework services .....	53,130	57,340	57,412	59,425	61,206	62,737	63,995
Children receiving day care .....	16,737	18,137	18,200	18,400	18,600	18,800	19,000
Children receiving child welfare services .....	80,280	82,000	90,000	94,000	96,000	98,000	100,000
Incidence of reported child abuse .....	2,100	3,000	10,000	15,000	20,000	22,000	25,000
<b>Services to selected individuals:</b>							
Legal services cases represented .....	50,045	55,500	61,600	68,400	75,900	84,300	92,400
Children in private detention facilities .....	2,600	2,750	2,700	2,700	2,650	2,600	2,550
<b>Percentage of the child welfare appropriation going to detention services .....</b>	<b>39%</b>	<b>50%</b>	<b>44%</b>	<b>44%</b>	<b>44%</b>	<b>44%</b>	<b>44%</b>

### Program Analysis:

A major problem frequently caused by poverty is the inability of families and individuals to function independently as a unit. The general approach of this program is to promote the self-sufficiency of the family unit by reinforcing the family functioning and other basic nonfinancial living needs of low income families and other selected individuals. In some cases, however, specific individuals within family units must be given assistance, otherwise all of the members of that family unit will be impacted negatively. If the family unit can be kept intact and functioning as a whole, then the incidence of emotional, social and economic problems for individual family members will be substantially reduced.

Services provided in this program include: homemaker services, protective services for children, juvenile court services, day care services, casework services, legal services and several other social services.

Homemaker services provide home care, which allows many individuals to reside and remain in her or his natural setting. These services are designed to: eliminate family breakdown in the time of crises; reestablish broken homes; and reinforce family life.

Again this year, major emphasis has been placed in the area of protective services for children. Protective services are primarily provided through county child welfare agencies. Of

## Family Support Services (continued)

### Program Analysis: (continued)

particular importance again in 1976-77, is the serious problem of child abuse. Commonwealth officials have investigated over 2,100 cases of child abuse during 1974-75 which represents an increase of 33 percent over the total number reported the year before.

The Child Abuse Bill, the Child Abuse Hotline, and the Central Registry program were begun last year, but their implementation was delayed considerably. This has had the effect of reducing the incidence of reported child abuse below that projected in last year's budget. It is anticipated that these programs will be fully operational by the end of 1976-77. It is hoped that the development of better public education, and the more adequate reporting systems will have potential benefits in future years. This is reflected in the measure of incidence of reported child abuse. The ultimate goal, however, is early detection and correction with emphasis on prevention by providing treatment to parents without punishment.

Other child protective services are reimbursed to the counties at up to 60 percent of their actual cost. The Juvenile Court Act, however, requires the Department of Public Welfare to reimburse the counties 50 percent of the costs for care and treatment for adjudicated children sentenced to private detention and deprived facilities. The implementation of this act has created some significant distortions in the juvenile justice system, since payment under this act is a mandate, and counties are guaranteed a 50 percent reimbursement for institutional placements, while protective services may be reimbursed at less than 60 percent. Both services are funded from the Child Welfare appropriation, but since the Juvenile Court Act is a mandate, it receives first consideration. The protective services receive whatever money is left, usually less than 60 percent to be divided among the 67 counties. This in effect, provides a fiscal incentive for counties to use detention services instead of the more appropriate protective services. The Commonwealth is presently working to amend the reimbursement sections of the Juvenile Court Act to develop reimbursement criteria which will reinforce more appropriate programming.

Day care services are an integral part of family support services, and are very much in demand throughout the Commonwealth. This budget requests funds to increase the number of slots presently being filled to an estimated 18,200 by the end of 1976-77. The Department of Public Welfare has broadened the scope of child day care to include services to welfare eligible families, as well as families who are identified as the "working poor." This effort is the Department's and the Federal Government's attempt to aid this segment of the population in their move into the mainstream of the Commonwealth's working class.

More specifically, these fee eligible recipients of services represent a number of families whose gross monthly income, adjusted for family size, ranges from \$892 to \$1,282, or is between 80 percent and 115 percent of the State median income.

Casework services are not directly aimed at children, but are provided to eligible persons at the county board of assistance offices. Services rendered usually consist of referrals to appropriate public and/or private agencies, counseling and eligibility determination. For several years efforts have been underway to separate casework services from eligibility determination. When this goal is achieved, it will insure that persons who need social services will have access to them, and people who need an assistance grant will not be informally coerced into receiving social services. The most positive benefit, however, is that caseworkers will have time to plan for and provide a complete range of social services tailored to the individual's needs. For the first time, then, the real effects of casework services can be measured. The two measures regarding Public Assistance recipients have changed substantially since last year. The data reported in last year's budget included the children who were in the Aid for Dependent Children category. These children are not in need of casework services, so that data has been revised to reflect only 20 percent of the adults. The measure Public Assistance recipients receiving casework services is based on the Department of Public Welfare's estimate that only half of those persons needing services receive them.

The Department of Public Welfare is responsible for funding one of the most progressive and innovative legal services programs in the United States. The philosophy behind this program is to provide poor people access to the protection of the law even though they do not have sufficient funds to hire a lawyer. During 1975-76 nearly 55,500 people were represented by legal services lawyers in civil cases. This is projected to increase in future years.

A major problem confronting this subcategory is collecting accurate measures of the effort and effectiveness of the services which are delivered. Traditionally the Department, due to the lack of a data system, has never been cognizant of what services were being provided to a particular client group. Consequently, there was no way to assess the actual needs of the local programs. An example of the severe data problems encountered is the measure children receiving child welfare services. The data reflected this year are substantially different than those printed in last year's budget. The data reflected this year are based on a case by case survey of the actual invoices submitted to the Department of Public Welfare.

In 1976-77 the Department will attempt to address these problems in a two pronged attack: (1) a complete revision in the fiscal reporting system and account structure; and (2) a revision in the client/data information system related to each specific service. Service definitions are being clarified and standardized. In addition, need indications output indicators, and impact indicators are being developed for each specific service. This combined data revision project will enable closer and more accurate scrutiny of specific services and cost benefit for each service.

## Family Support Services (continued)

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . .	\$ 937	\$ 483	\$ 640	\$ 615	\$ 711	\$ 801	\$ 906
County Administration . . . . .	67,715	72,093	85,210	92,025	99,387	107,340	115,930
County Child Welfare Programs . . . .	39,109	49,639	32,689	55,654	58,311	61,163	64,224
Day Care Services . . . . .	5,700	14,100	17,563	18,850	20,232	21,715	23,307
Beacon Lodge Camp . . . . .	25	25	.....	.....	.....	.....	.....
Social Services . . . . .	2,198	2,944	2,533	2,719	2,918	3,132	3,362
Arsenal Family and Children Center . . . . .	100	100	.....	.....	.....	.....	.....
GENERAL FUND TOTAL . . . .	<u>\$115,784</u>	<u>\$139,384</u>	<u>\$138,635</u>	<u>\$169,863</u>	<u>\$181,559</u>	<u>\$194,151</u>	<u>\$207,729</u>
REVENUE SHARING TRUST FUND							
Day Care Services . . . . .	<u>\$ 4,857</u>	.....	.....	.....	.....	.....	.....

## Mental Retardation Systems Support

OBJECTIVE: To ensure the availability of services that are of a quality and quantity sufficient to ensure the maximum growth and development of mentally retarded persons.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
State Funds . . . . .	\$ 2,935	\$ 3,140	\$ 3,538	\$ 3,987	\$ 4,380	\$ 4,789	\$ 5,254
Federal Funds . . . . .	1,406	742	795	784	787	805	812
Other Funds . . . . .	.....	43	39	.....	.....	.....	.....
<b>TOTAL . . . . .</b>	<b>\$ 4,341</b>	<b>\$ 3,925</b>	<b>\$ 4,372</b>	<b>\$ 4,771</b>	<b>\$ 5,167</b>	<b>\$ 5,594</b>	<b>\$ 6,066</b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Persons requiring mental retardation services . . . . .	215,879	216,786	217,718	218,633	219,550	220,472	222,675
Unduplicated persons receiving specialized mental retardation services:							
Number . . . . .	23,200	24,360	25,000	26,857	28,200	29,610	31,000
Percent of those needing services . . . . .	10.7%	11.2%	11.5%	12.2%	12.8%	13.4%	13.9%
Persons requiring specialized services who are institutionalized . . . . .	10,381	9,449	8,629	8,065	8,000	8,000	8,000

### Program Analysis:

The activities included in this subcategory are designed to maintain and develop the entire mental retardation service delivery system. Planning, coordination, administration, manpower development and research serve to support and improve the mental retardation service system. Since no services are provided directly to the mentally retarded in this subcategory, its impact on individuals is measured indirectly by the effectiveness of the substantive subcategories which follow.

In this budget presentation the mental retardation service delivery system is viewed as a continuum of supportive services ranging from the most dependent (See subcategory: State Schools and Hospitals) to the least dependent (See subcategory: Independent and Family Living Arrangements). The primary impetus is to move individuals from the most dependent to the least dependent settings. In order to achieve this, "normalization" has been adopted as the operating principle. Normalization means making available to the mentally retarded patterns and conditions of everyday life, which are as close as possible to the norms and patterns of the mainstream of society. In other words, the mental retardation system's goal is to provide services to the retarded that will enable them to function and live in a manner as close to "normal" as possible.

Ideally, mental retardation would be eradicated if the activities of the Prevention subcategory were successful. However, when mental retardation occurs, it should be detected early by the activities of the Early Identification, Diagnosis and Case Management subcategory. Only those mentally retarded who need services would be referred to appropriate living arrangements described in the subcategories: Independent and Family Living Arrangements; Community Living Arrangements; Private Licensed Facilities; and State Schools and Hospitals. If the value of the system is being implemented and the operating principle is working more and more mentally retarded persons should remain with their families or live in independent or relatively unstructured community settings.

A requisite component of an improved system of services for the mentally retarded is a data collection and reporting system that will measure the effect the delivery system has on its clients. Data must be collected and reported for the program measures listed in the subcategories that follow this one in order to measure the achievement of the system's explicitly stated objective.

In addition to data needs for planning, there is a continued need for manpower training if personnel are to keep up with developments in the field of service delivery, administration

## Mental Retardation Systems Support (continued)

## Program Analysis: (continued)

and development. Manpower training will continue in the area of administrative skills, fiscal management, program planning and evaluation, personnel management and funding resource development. During the next two years, efforts will be directed toward the development of greater educational opportunities in the area of mental retardation service delivery.

Another area of concentration will be the provision of services to all persons who need them. The first two measures for this subcategory indicate the unduplicated number of persons receiving specialized services as compared to the number needing services. The number of persons receiving specialized mental retardation services includes those in county programs, in interim care (private licensed facilities), and in State schools and hospitals. In last year's budget, the

data included educational services to the retarded. Since the Department of Education is now responsible for providing these services, the data presented this year do not include educational services. For an explanation of these services see the subcategory Mentally Handicapped Education in the Department of Education. The change in percentage receiving services from 10.7 percent in fiscal year 1974-75 to a projected 13.9 percent in fiscal year 1980-81 is based on the premise that as the mental retardation service models are implemented, the capacity of the county programs for service delivery will increase. Part of this increased service delivery will be consumed by residents leaving private licensed facilities and State schools and hospitals. The decrease in the State schools population will accelerate at first but decrease as those most readily placeable are placed in the community.

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	\$ 387	\$ 337	\$ 446	\$ 586	\$ 639	\$ 674	\$ 727
Community Services for Mentally Ill and Mentally Retarded . . . . .	2,255	2,803	3,092	3,401	3,741	4,115	4,527
Community Living Arrangements . . . . .	293	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL . . . . .	<u>\$2,935</u>	<u>\$3,140</u>	<u>\$3,538</u>	<u>\$3,987</u>	<u>\$4,380</u>	<u>\$4,789</u>	<u>\$5,254</u>

## Prevention—Mental Retardation

OBJECTIVE: To decrease the incidence of mental retardation and to increase community awareness that mental retardation can be treated.

## Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$1,830</u>	<u>\$1,996</u>	<u>\$2,165</u>	<u>\$2,382</u>	<u>\$2,620</u>	<u>\$2,882</u>	<u>\$3,170</u>

## Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Infants born with organic mental retardation . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Births with birth defects or prematurity . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Organic mentally retarded infants born to high risk mothers . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Pregnancies with potential high risk . . . . .	30,000	30,000	30,000	31,500	32,075	33,000	33,000
Live births to high risk mothers . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A

## Program Analysis:

The two pronged objective of this subcategory is to reduce the occurrence of mental retardation and thus reduce the need for and demand on the mental retardation service delivery system and to make the community aware of the nature of mental retardation and the fact that it is both preventable and treatable. Prevention is important since it frees up economic resources for use in other program areas, and it eliminates the psychological and emotional trauma for people who might have had a retarded child. If prevention were completely successful, the mental retardation service delivery system could concentrate on the current population of mental retardates and not concern itself with an increasing pool of mentally retarded. While complete prevention of mental retardation is not yet possible, studies indicate that there is much that can and should be done in this area.

In order to prevent the occurrence of a problem or debilitating condition, it is necessary to know the nature, causes and scope of the problem or condition. The standard definition of mental retardation is: significantly subaverage general intellectual functioning existing concurrently with

deficits in adaptive behavior manifested during the developmental period.

There are approximately 200 known causes of mental retardation which fall into three broad categories: (1) significantly below average genetic endowment of intelligence; (2) physical damage to or maldevelopment of the brain; and (3) environmental deprivation. The factors included in the first category range from genetic disorders such as Down's syndrome (mongolism) to any disease or problem which affects the development of the fetus, such as the mother having rubella. The second category includes accidents occurring after the birth of a child or any disease or condition such as malnutrition or lead poisoning which affects the normal development of the brain. The third category includes those factors which contribute to the lack of or diminishment of sensory and intellectual stimulation such as poverty.

A standard figure for the incidence of mental retardation on a nationwide basis is three percent of the population. A study commissioned by the Department of Public Welfare concluded that 1.8 percent of Pennsylvania's population is

**Prevention—Mental Retardation (continued)**

**Program Analysis: (continued)**

mentally retarded and will probably need some kind of specialized services. The difference between the three percent figure and the 1.8 percent figure represents mentally retarded persons who probably will not require mental retardation services. Epidemiological studies conducted in other states indicate that the prevalence of mental retardation is not uniform for all demographic groups.

Prevention in regard to mental retardation is the process of arranging forces in the society so as to mitigate or eliminate those factors in life of which mental retardation or other developmental disabilities may be a consequence. There are three broad classifications of methods for preventing mental retardation: (1) those which prevent the birth of a defective child, (2) those which prevent brain damage that occurs after conception, and (3) those which through environmental modification or specialized care prevent a child's IQ from falling below the defined threshold of mental retardation.

Because of the multiple causes of mental retardation and other developmental disabilities, preventive measures must cover a broad program range including: environmental, biomedical, genetic screening and counseling, and accident prevention and safety programs. A specific biomedical measure used at most general hospitals is the apgar scale. This scale is used to rate five physiological conditions of an infant immediately after birth. The results of the rating provide a probability indicator for the development of mental retardation. Most preventive activities that impact on mental retardation are not specifically designed to reduce the incidence of mental retardation but are designed to insure the general health and well being of individuals, especially pregnant women and children. Due to this fact, the mental retardation service delivery system often is not directly involved in the delivery of primary prevention services. At present, the mental retardation service delivery system serves the role of an advocate for, coordinator of, monitor of and information source for preventive services and their providers. This role consists of insuring that providers of preventive services are aware of mental retardation and that their

prevention programs should take into account the population at risk of mental retardation. One of the major areas of preventive activities is prenatal and postnatal care. The provision of adequate medical and nutritional services to pregnant women and infants can go a long way toward the assurance of the birth of healthy children and their normal development. Family planning and genetic counseling also can play a major role in reducing the incidence of mental retardation. The major direct activity of the mental retardation service system consists of providing information about mental retardation to health and social service agencies, health and social service professionals, and to the community at large. One-to-one consultations are held with health and social service professionals to increase their knowledge of mental retardation. Lectures and community meetings are held for community groups to increase their awareness of mental retardation and its preventability.

The program effectiveness measures for this subcategory such as infants born with organic mental retardation, births with birth defects or prematurity and organic mentally retarded infants born to high risk mothers, those mothers 39 years of age and older and 16 years of age and under, would measure the impact of preventive programs over which the mental retardation system has no direct control. There is the presumption that there is at least an indirect causal relationship between the mental retardation system's activities and the level of incidence of mental retardation.

Data for these measures was provided by the Department of Public Welfare for the 1975-76 budget. This data, which is not provided by a systematic ongoing data collection effort, has not been updated by the Department for the 1976-77 budget.

Pregnancies with potential high risk and live births to high risk mothers would indicate the high risk population which is in need of prevention services. The trend in the data for the measure, pregnancies with high risk follows the general population trends. There will be no dramatic change in the level of need for services other than the normal change due to population variations.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Community Services for Mentally Ill and Mentally Retarded . . . . .	<u>\$1,830</u>	<u>\$1,996</u>	<u>\$2,165</u>	<u>\$2,382</u>	<u>\$2,620</u>	<u>\$2,882</u>	<u>\$3,170</u>

**Early Identification, Diagnosis and Case Management**

OBJECTIVE: To promote the earliest possible identification of mentally retarded persons and to refer them to appropriate services.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	<u>\$3,467</u>	<u>\$3,782</u>	<u>\$5,621</u>	<u>\$6,183</u>	<u>\$6,801</u>	<u>\$7,481</u>	<u>\$8,229</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
New clients added to the mental retardation system .....	9,819	11,783	14,140	16,968	10,000	10,000	10,000
Active cases in county mental retardation program .....	17,800	21,360	25,600	30,750	36,900	44,300	53,150
Estimated unidentified mentally retarded persons .....	198,200	194,640	190,400	185,250	179,100	171,700	162,850
Estimated unidentified mentally retarded persons requiring services .....	31,130	29,549	27,704	25,542	23,081	20,381	17,381
Clients placed and followed in services:							
Generic services .....	N/A						
Residential services .....	1,619	1,450	1,450	1,450	1,450	1,450	1,450
Public education services .....	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Primary prevention services .....	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Preschool programs .....	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vocational programs .....	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Social and recreational programs .....	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contacts received as crisis .....	840	1,008	1,210	1,452	1,742	2,090	2,508
Percent of crisis contacts receiving emergency services .....	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Program Analysis:**

Many individuals are mentally retarded because preventive services are not completely effective. Therefore, because mental retardation continues to occur, it is necessary to make available a broad range of services. To insure the appropriate delivery of services, it is necessary to identify mentally retarded individuals, assess their individual needs, develop a program plan for them, and have them placed in the appropriate service settings.

It is important to discover as early as possible all individuals who have conditions associated with mental retardation in

order to bring to bear all the known interventions that will minimize the effect of the unprevented disabling conditions. The earlier mental retardation is discovered, especially in the cases due to environmental deprivation, the sooner services can be brought to bear that may prevent the worsening of the condition and the sooner it may be possible to place the retarded individual in the mainstream of life.

The activities encompassed by this subcategory in part determine who should enter the service system and also screen out those for whom mental retardation services are not

**Early Identification, Diagnosis and Case Management (continued)**

**Program Analysis: (continued)**

required or for whom other types of services may be indicated. This subcategory also includes active case finding of mentally retarded individuals.

Individual diagnosis and assessment attempts to determine the nature, severity and cause of a person's mental retardation, and to determine what interventions and services are needed to minimize the effects of the handicap. An extension of this evaluation process is individual program planning which consists of the development of a written personalized statement of goals and objectives for the client which specifies service modes of intervention for achieving the client's objectives and identifies agencies capable of delivering the needed services. Clients' objectives are stated within a time frame in behavioral terms that provide measurable units of progress.

Case management is another major function of this subcategory. Case management is the process that establishes the responsibility for the implementation of the client's individual program plan. It includes procuring direct program services whether specialized mental retardation services or services provided by generic agencies, coordination of multiple program placements, and monitoring all placements through the collection of information that measures the progress of the client.

Occasionally, the already stressed family and social situation surrounding a mentally retarded person may become suddenly untenable due to an unexpected change in the severity of the handicap or the sudden loss of a person who had been making a major contribution to the stability of the situation. The mental retardation system responds in such cases with crisis intervention services. This special response is designed to bring a mentally retarded individual into the mental retardation service delivery system quickly and provide appropriate services.

The new clients added to the mental retardation system is an indication of the extent of which the objective of early identification is being met. The data for this measure and the measure active cases in county mental retardation program has increased significantly from the data presented in the 1975-76

budget. The Department of Public Welfare attributes this increase to the refinement of case finding techniques.

The number of active cases in the county mental retardation program is estimated to increase from 25,600 in 1976-77 to 53,150 in 1980-81. This increase is a result of an excess of new clients entering the system over clients exiting the system. Of those clients served in 1974-75, 16 percent were previously served in a Departmental institution. The diagnosis of persons served in 1974-75 was 46 percent borderline or mildly retarded, 33 percent moderately retarded, and 21 percent severely or profoundly retarded. Of all persons served, 43 percent were 18 years of age or younger. In the majority of cases a person does not leave the mental retardation service system entirely except by death or departure from the State. This is due to the life long nature of mental retardation and the fact that it is not something that can be "cured". Of the total persons served by the program, 35 percent have been receiving services for more than one year but less than two years; 47 percent have been receiving services for over two years.

The program measure, clients completing goals of program plans, which was included in the 1975-76 budget has been deleted. The Department of Public Welfare now views case management as a life-time county program responsibility and therefore program plans are constantly evolving and never completed.

A comparison of the data for the estimated number of unidentified mentally retarded persons and the estimated number of unidentified mentally retarded persons requiring service may seem incongruous and therefore requires an explanation. The data indicates that there are and will continue to be a large number of mentally retarded individuals most of whom would be classified as borderline or mildly retarded, who manage to function at a level that is acceptable to themselves and society without the aid of the mental retardation service delivery system.

At present most of the data for clients placed and followed in services is unavailable. When this data is collected, it will indicate what types of services are utilized by the mentally retarded and what the mix of services should be.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Community Services for Mentally							
III and Mentally Retarded . . . . .	<u>\$3,467</u>	<u>\$3,782</u>	<u>\$5,621</u>	<u>\$6,183</u>	<u>\$6,801</u>	<u>\$7,481</u>	<u>\$8,229</u>

**Independent and Family Living Arrangements**

OBJECTIVE: To enable mentally retarded individuals to live in an independent setting or in a family setting by providing services and/or financial support to the family and/or mentally retarded individual.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$16,809</u>	<u>\$18,790</u>	<u>\$23,036</u>	<u>\$25,340</u>	<u>\$27,874</u>	<u>\$30,661</u>	<u>\$33,727</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Mentally retarded persons who could live in a family or independent setting if provided support services . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percent of mentally retarded persons served who are living with their families in foster homes, or in independent settings	67%	67%	67%	67%	67%	67%	67%
Percent of mentally retarded persons served who are transferred to community living arrangements, private licensed facilities or State schools and hospitals . . . . .	33%	33%	33%	33%	33%	33%	33%
Families and/or individuals provided:							
Respite care services . . . . .	2,714	2,714	2,714	2,714	2,714	2,714	2,714
Family aid sitter services . . . . .	1,725	1,725	1,725	1,725	1,725	1,725	1,725
Homemaker services . . . . .	1,649	1,649	1,649	1,649	1,649	1,649	1,649
In-home therapy . . . . .	1,089	1,089	1,089	1,089	1,089	1,089	1,089
Transportation services . . . . .	13,996	13,996	13,996	13,996	13,996	13,996	13,996
Mentally retarded persons and/or families receiving family education and/or training services . . . . .	1,386	1,386	1,386	1,386	1,386	1,386	1,386
Preschool mentally retarded clients provided early intervention services . . . . .	706	913	1,114	1,170	1,228	1,290	1,354
Clients provided early intervention services and placed in higher level educational programs . . . . .	205	304	371	390	409	430	451
Preschool mentally retarded clients not provided early intervention . . . . .	19,201	19,547	20,225	21,065	21,941	22,852	23,802
Mentally retarded persons on waiting list for mental retardation vocational training program . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Clients in mental retardation system sponsored vocational training programs . . . . .	5,529	5,529	5,529	5,529	5,529	5,529	5,529
Clients prepared for and/or placed in:							
Regular employment . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sheltered employment . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A

## Independent and Family Living Arrangements (continued)

### Program Analysis:

The philosophy of mental retardation now guiding the mental retardation service system has as its main feature the principle of "normalization." The "normalization" principle means making available, to the mentally retarded, patterns and conditions of everyday life which are as close as possible to the norms and patterns of the mainstream of society. The closest approach to the norms and patterns of the mainstream of society is family or independent living. Enabling mentally retarded individuals to remain in, or return to, family or independent settings is the most favorable outcome of the mental retardation service delivery system.

The changes in attitudes and philosophies toward mental retardation have caused the mental retardation system to concern itself with the provision of a wide array of programs and services for mentally retarded persons. These programs and services include: (1) family support services which have the effect of maintaining mentally retarded individuals of many ages in their homes; (2) early developmental training for preschool aged mentally retarded children; (3) prevocational and vocational training so that individuals who are mentally retarded may enter appropriate employment; (4) social and recreational opportunities for mentally retarded persons. The ideal situation occurs when the above listed services for individuals who are mentally retarded are integrated with similar services provided to non-retarded persons.

The number of mentally retarded persons who could live with their families or in an independent setting due to the services provided in this subcategory is indeterminable at this time. The program effectiveness measures used in this subcategory will indicate the achievement of the desired outcome of family and independent living when data becomes available.

Among the services provided by the mental retardation service system in this subcategory, a major group consists of family resource services. These family support services are designed to offer the family the support structure necessary to maintain their mentally retarded family member within the community and also to make support services available to retarded adults living independently in their own homes. These services both attempt to prevent institutionalization of mental retardates from ever taking place and to assist mentally retarded persons making the adjustment from an institutional to a community life style.

The individual types of services included under the title family resource services are the following: (1) respite care--the provision of a temporary residence to a retarded person when his family is experiencing stress, personal crisis, illness or need of a vacation; (2) family aid--the provision of sitter or

companionship services to a mentally retarded family member for a few hours at a time which will allow the family to participate in normal activities such as shopping; (3) homemaker services--the provision of homemakers to perform essential household duties when family members are unable to manage effectively; (4) in-home therapy--the provision of occupational, physical or other rehabilitative therapies to the homebound mentally retarded; (5) transportation services--the provision of assistance to families in transporting their child or adult retarded family member to various developmental programs. The data for these measures has changed significantly from the data presented in the 1975-76 budget. This is due to the fact that the data presented in the 1975-76 budget was an estimate based on 1973-74 program experience, while the data presented here is based on a random sample survey of county programs for the 1974-75 year. The data projected reflects a maintenance of effort.

Another group of services provided in this subcategory are early intervention services for preschool aged mentally retarded children, which are usually conducted in a day care center. Retarded children from birth through five years of age are evaluated and enrolled in such programs and provided with professional stimulation in the areas of self-help skills, fine and gross motor skills, socialization skills, communication skills and other skills. An integral part of this program is the involvement of parents. Parents learn skills from teachers and teacher aides so that they can replicate training techniques in the home setting, thereby preventing regression.

Such early intervention services are designed to encourage the development of retarded children and to facilitate their entry into the public school system. The majority of these children, in fact, are able to advance into higher level programs in the public school either in general or special education classes and are, thereby, prevented from entering the State institutional system. The measures of output for early intervention services are projected to increase substantially from 1975-76 to 1980-81. This projected rise is due to the increased emphasis placed on providing services to mentally retarded individuals during the early stages of their development and due to the increased effectiveness of the Early Identification, Diagnosis and Case Management subcategory in identifying mentally retarded persons at an early age.

Another major group of services provided in this subcategory are prevocational and vocational training services for the adult mentally retarded. The retarded adult needs vocational services to achieve or approach the normal adult life style-- which is to work. The mental retardation service system

Independent and Family Living Arrangements (continued)

Program Analysis: (continued)

is committed to the provision of a range of prevocational and vocational services, namely: vocational evaluation; occupational training; personal/work adjustment programs (prevocational services); sheltered employment; and, job counseling and placement. Such programs are typically offered by community workshops and vocational rehabilitation centers. It is obvious that appropriate vocational preparation and placement services follow the normalization principle, and reduce the retarded citizen's dependence on the elaborate network of special supportive services.

In the 1975-76 budget, data was presented for the number of mentally retarded persons on waiting lists for mental retardation vocational training programs and the number of clients prepared for and/or placed in regular employment. Those data were based on a one time nine county random sample in August 1974. That data is not collected on a routine basis and the Department of Public Welfare has not updated the random sample, therefore it is not now available. The data for the measure clients in mental retardation system sponsored

vocational training programs has been updated to reflect information obtained by the Department of Public Welfare from a June 1975 random sample of county clients.

An effort to provide opportunities to the mentally retarded in the fields of recreation and social development is another prime concern of the mental retardation service system. Various programs now exist, but in a fragmented way. Current efforts are directed toward the development of a coordinated system of social and rehabilitation training. The main thrust of the program will be toward the integration of mentally retarded children and adults into the mainstream of society. That is, mentally retarded persons should have the opportunities and resources necessary to participate in the usual social and recreational activities of their community. Specialized programs will also be needed, of course, to provide leisure time activities for persons who cannot become involved in such programs and to provide developmental training for persons who need time to learn social and recreational skills before they can become involved in integrated programs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Community Services for Mentally III and Mentally Retarded . . . . .	\$14,614	\$16,041	\$23,036	\$25,340	\$27,874	\$30,661	\$33,727
Community Living Arrangements . . . . .	2,195	2,749	.....	.....	.....	.....	.....
GENERAL FUND TOTAL . . . . .	<u>\$16,809</u>	<u>\$18,790</u>	<u>\$23,036</u>	<u>\$25,340</u>	<u>\$27,874</u>	<u>\$30,661</u>	<u>\$33,727</u>

**Community Living Arrangements**

OBJECTIVE: To enable mentally retarded individuals to live in noninstitutional community settings and to increase their capacity for community and family living by promoting the acquisition of requisite skills and behavior and to provide community living settings.

**Recommended Program Cost:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$11,108</u>	<u>\$11,862</u>	<u>\$15,596</u>	<u>\$19,923</u>	<u>\$21,498</u>	<u>\$23,197</u>	<u>\$25,032</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Duplicated clients awaiting admission to noninstitutional community setting . . . . .		1,632	1,888	2,380	2,314	1,575	2,000
Duplicated clients served in noninstitutional community living settings . . . . .	1,950	2,764	3,317	3,317	3,317	3,317	3,317
Percent of clients served who are transferred to an independent or family living arrangement . . . . .	15%	15%	15%	15%	15%	15%	15%
Percent of clients served who are transferred to a private licensed facility . . . . .	.3%	.2%	.1%	. . . . .	. . . . .	. . . . .	. . . . .
Percent of clients served who are transferred to a State school and hospital . . . . .	2%	2%	2%	2%	2%	2%	2%
Clients who acquire a skill and are placed in competitive employment . . . . .	176	232	290	290	290	290	290
Duplicated clients attending specialized programs for the mentally retarded . . . . .	1,132	1,603	1,725	1,725	1,725	1,725	1,725
Duplicated clients attending generic programs in the community . . . . .	615	884	1,061	1,061	1,061	1,061	1,061

**Program Analysis:**

Following the identification, evaluation and case management planning for a mentally retarded client, appropriate services must be provided if the client is to reach optimal functioning in society. In some cases, the client may be able to continue residence in the family or in an independent setting. (See subcategory: Independent and Family Living Arrangements). In other cases, the client may need a more structured program at the community level in preparation for independent or family living.

The objective of this subcategory is to enable mentally retarded individuals to live in noninstitutional community settings and to increase their capacity for community and family living by promoting the acquisition of requisite skills

and behavior and to provide community living settings. This objective is being met through the Community Living Arrangements program. This program provides a progressive continuum of nine different types of community based residential programs in apartments or homes for mentally retarded citizens of all ages and all degrees of handicaps. These residential programs, sometimes referred to as group homes, may be considered as alternatives to traditional institutionalization, thereby serving as a vital component in deinstitutionalization.

Children who reside in community living arrangements attend regular classes during the day. Adults work in the community in vocational training settings, sheltered

## Community Living Arrangements (continued)

## Program Analysis: (continued)

workshops or competitive employment. Residents receive training and instruction in such areas as money management, telling time, reading and writing, utilizing community resources and others. In all cases, an effort is made to minimize all those things about the individual which may make the individual appear to be different and to maximize those things which may make the individual appear to be the same.

The criteria upon which the community living arrangements are evaluated are, fundamentally: (1) that the environment be conducive to personal dignity; (2) that the health, safety and social well-being of each resident will be protected; (3) that services are provided in surroundings and under circumstances which are as close as possible to those which are typical for the general population; (4) that a comprehensive program of developmental services be provided to enhance the capacity of each resident to achieve this optimum level of self-realization, self-care, social competence and economic self-sufficiency.

The measure, duplicated clients awaiting admission to noninstitutional community setting indicates the continuing need for development of community living arrangements. The data for this measure was obtained from five year county plans submitted to the Department of Public Welfare and shows an increase over last year's data.

The number of duplicated clients served in noninstitutional community living arrangements was 1950 for the 1974-75 fiscal year. This is 421 less than was shown for 1974-75 in last year's budget. The data shown in last year's budget represented an estimate of the number of persons served since the inception of the program. The data shown here is for the 1974-75 fiscal year only.

The term "duplicated", which is used in these measures, means the same individual may be included in the data for

more than one fiscal year, but no more than once in a single fiscal year.

The success of the program in meeting its objective is reflected in percent of clients served who are transferred to an independent or family living arrangement. Approximately 15 percent of all clients served during 1974-75 were dispersed to independent or family living arrangements. This is a substantial reduction from the 21 percent shown in last year's budget. The 21 percent was an estimate of the total population dispersed since the beginning of the program, while the 15 percent is an actual figure for the 1974-75 year only. Percent of clients served who are transferred to a State school and hospital and percent of clients served who are transferred to a private licensed facility indicate the failure of the program to meet part of its objective. It should be noted that these percentages are relatively small.

Clients who acquire a skill and are placed in competitive employment reflects the success of the program in moving clients into employment settings. The data in this measure differs substantially from the data included in last year's budget, which also included clients placed in noncompetitive employment. The Department of Public Welfare has not provided data for clients placed in noncompetitive employment for the current budget. The measure clients transferred from specialized programs to programs operated by generic agencies has been deleted. This measure has been replaced with two new measures; clients attending specialized programs for the mentally retarded and clients attending generic programs in the community. The data in these two measures reflects program's ability to place clients in community based vocational, recreational, and educational programs.

## Program Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)				
			1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Community Living Arrangements . . .	\$11,108	\$11,862	\$15,000	\$19,298	\$20,842	\$22,509	\$24,310
Community Services for the Mentally Ill and Mentally Retarded . . . . .	. . . . .	. . . . .	596	625	656	688	722
GENERAL FUND TOTAL . . . . .	<u>\$11,108</u>	<u>\$11,862</u>	<u>\$15,596</u>	<u>\$19,923</u>	<u>\$21,498</u>	<u>\$23,197</u>	<u>\$25,032</u>

### Institutional Living Arrangements (Private Licensed Facilities.)

OBJECTIVE: To enable institutionalized mentally retarded individuals to increase their capacity for community and family living by promoting the acquisition of requisite skills and behavior, and to move them into community settings.

#### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$7,052</u>	<u>\$9,200</u>	<u>\$10,120</u>	<u>\$11,132</u>	<u>\$12,245</u>	<u>\$13,470</u>	<u>\$14,817</u>

#### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Clients provided services in private licensed facilities . . . . .	1,633	1,633	1,633	1,633	1,633	1,633	1,633
Clients transferred to an independent or family living arrangement . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Clients transferred to a community living arrangement . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Clients transferred to a State school and hospital . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A

#### Program Analysis:

The activities of this subcategory provide institutional living arrangements for some mentally retarded persons who have been diagnosed as in need of inpatient care in a State school and hospital, but for whom such care cannot be provided due to overcrowded conditions. The living arrangements provided in these private licensed facilities (PLF), commonly referred to as interim care, are funded entirely by the State through the community mental retardation program. They are licensed by the Department of Public Welfare. Interim care is mandated by the Mental Health and Mental Retardation Act of 1966.

Because of the institutional nature of these living arrangements, they are considered less desirable than independent, family or community living arrangements. They are considered more desirable than care in a State school and hospital because of their relatively small population, an average of 35 persons per facility. This tends to diminish the development of extreme dependency on the part of the resident which is often associated with care in a State school and hospital.

They are the last step in the progressively intensive mental retardation service delivery system before admission to a State school and hospital.

The disabilities of the individuals being served in the private licensed facilities range from profound to mild levels of mental retardation. It is generally known that most individuals residing in these facilities are receiving developmental, social

and recreational program services, even though current regulations governing PLF's are lacking in programmatic requirements. The Department of Public Welfare will be developing new regulations during 1976 which will contain these requirements. Specific data to evaluate the effectiveness of these services are not available. Such specific information has not been obtainable for individuals residing in private licensed facilities primarily due to the fact that these facilities have always been apart from the State residential service structure and subsequently, they have never been tied into the State reporting system.

In order to evaluate the effectiveness of private licensed facilities, data will be needed which will reflect the program's success in moving clients to less intensive services. The clients transferred to an independent or family living arrangement and clients transferred to a community living arrangement should increase if the program is successful. Clients transferred to a State school and hospital should decrease, since this is a more intensive service.

No substantial change is anticipated in the number of residents of private licensed facilities in the foreseeable future. In recognition of the increasing cost of providing this type of care, the per diem for interim care was raised from \$11.00 to \$15.00 late in the 1974-75 fiscal year. During 1975-76, reasonable costs above \$15.00 may be paid by a county from the balance of its community base allocations.

---

**Institutional Living Arrangements (Private Licensed Facilities.) (continued)****Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Community Services for Mentally Ill and Mentally Retarded . . . . .	<u>\$7,052</u>	<u>\$9,200</u>	<u>\$10,120</u>	<u>\$11,132</u>	<u>\$12,245</u>	<u>\$13,470</u>	<u>\$14,817</u>

## State Schools and Hospitals

OBJECTIVE: To provide a structured program environment for mentally retarded individuals to increase their capacity in as short a time as possible for community and family living by promoting the acquisition of requisite skills and behavior and to move them into appropriate alternative community settings at their point of readiness.

## Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 99,465	\$115,250	\$125,556	\$131,875	\$138,458	\$145,370	\$152,628
Federal Funds . . . . .	46,702	63,044	72,419	76,040	79,842	83,834	88,026
Other Funds . . . . .	7,884	10,304	7,771	8,160	8,568	8,996	9,445
<b>TOTAL . . . . .</b>	<b>\$154,051</b>	<b>\$188,598</b>	<b>\$205,746</b>	<b>\$216,075</b>	<b>\$226,868</b>	<b>\$238,200</b>	<b>\$250,099</b>

## Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Clients awaiting admission to State schools and hospitals . . . . .	6,219	6,200	6,200	6,200	6,200	6,200	6,200
Bed capacity in State schools and hospitals . . . . .	11,098	11,098	11,098	11,098	11,098	11,098	11,098
State school and hospital institutional population . . . . .	9,413	8,699	8,100	7,700	7,700	7,700	7,700
Mentally retarded persons in units at State mental hospitals . . . . .	968	750	529	365	300	300	300
Percent of State school and hospital institutional population:							
Transferred to independent or family living arrangements . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Transferred to community living arrangements . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Transferred to private licensed facilities or other private placements . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ready for alternative placement . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State school and hospital institutional clients who are trainable and unemployed . . . . .	1,795	1,630	1,470	1,322	1,300	1,300	1,300
State school and hospital institutional clients placed in community sheltered workshops or structured employment . . . . .	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**State Schools and Hospitals (continued)****Program Analysis:**

This program includes the operation of eleven State-owned schools and hospitals which serve the mentally retarded. These institutions have traditionally been the primary provider of service and therefore had assumed a custodial and, in many instances, life maintenance role. A survey of clients served in the State schools and hospitals reveals approximately 26 percent are 20 years of age or younger, 36 percent are between the ages of 21 and 34, and the remaining are 35 years of age or older. Approximately 10 percent of the clients are diagnosed borderline or mildly retarded, 12 percent are moderately retarded, and 78 percent are severely or profoundly retarded. The average length of stay is 15 years. The realization that mental retardation does not automatically require life-long institutional care has led to the development of alternative services in the community to assure every mentally retarded citizen the opportunity to achieve maximum potential. The development of a comprehensive service system providing community service alternatives is changing the role of the institutions to one type of service provider among many and has demanded an explicit objective for their continued operation. That objective is to prepare institutionalized clients for community living in as short a time as possible and move them into appropriate alternative settings at their point of readiness.

There are several major barriers which must be overcome before the institutions can meet this objective. First, community services must be provided in the quality and quantity necessary to facilitate the movement of clients. The measure, percent of State school and hospital institutional population ready for alternative placement, would quantify the need for the development of community services. Data was provided by the Department of Public Welfare for this measure in the 1975-76 budget. However, that data has not been updated for the 1976-77 budget. (See subcategories Independent and Family Living Arrangements and Community Living Arrangements for a discussion of this problem).

Secondly, the institutions must develop a structured program environment which will assure the acquisition of requisite skills and behavior by the client so the individual can move to a community setting. This will require an ongoing retraining program for institutional employees and the adoption of the latest training techniques for the clients. One such training program which was begun during 1973-74 requires the establishment of behavioral goals for each client. This type of approach is seen as a major strategy in preparing mentally retarded persons to develop the daily living skills that will promote successful community living. Special attention has been given to promoting the use of the same techniques in

community agencies so that plans started within the institution will follow the mentally retarded person and provide continuity of progress toward the goals. As of June 30, 1975, approximately 784 persons employed in the community program and 2,362 State institutional staff were trained in goal planning. In addition, goal planning programs were implemented in all State schools and hospitals and all mental retardation units in mental hospitals with the exception of one. At least 1,883 clients have one active goal plan.

The success of the institutions in preparing residents for community living is reflected in three measures listed above. These measures reflect the percent of institutionalized clients who have been transferred to independent or family living arrangements, community living arrangements and private licensed facilities or other private placements. Data was provided for these measures in the 1975-76 budget as the result of a special study by the Department of Public Welfare. That study has not been updated to provide information for the 1976-77 budget.

The measure clients who are trainable and unemployed, indicates a significant need for expanding vocational training services in the institutions. The measure clients placed in community sheltered workshops or structured employment, would reflect the success of existing services in preparing clients for community living. Data was provided for the latter measure in the 1975-76 budget. That data has not been updated by the Department of Public Welfare for inclusion in the 1976-77 budget.

Thirdly, a mechanism must be developed which will allow for the utilization of manpower in a manner compatible with the requirements of the service system. As the new role of the institutions develops and the demand for institutional services diminishes, the need for manpower at the institutions should lessen. The transfer of this manpower to community programs is necessary not only from a program objective point of view but from a fiscal one as well. The cost of funding an institutional program at its current level reduces fiscal resources available to develop community services. Fiscal resources simply are not available to support a dual system of services.

The measure, clients awaiting admission to State schools and hospitals, indicates a continuing significant demand for institutional services. Only those persons who can benefit from the type of services provided in an institutional setting should be admitted. Others should be diverted to community services as they become available.

## State Schools and Hospitals (continued)

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Mental Health and Mental Retardation Services . . . . .	\$ 97,162	\$107,650	\$125,391	\$131,660	\$138,243	\$145,155	\$152,413
Institution for the Mentally Retarded-Southeastern . . . . .	.....	7,528	.....	.....	.....	.....	.....
Mental Health and Mental Retardation Services—Additional Staff . . . . .	1,689	.....	.....	.....	.....	.....	.....
Mental Health and Mental Retardation—Resident Population Dispersal . . . . .	500	.....	.....	.....	.....	.....	.....
Capital Improvements . . . . .	114	72	165	215	215	215	215
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$ 99,465</b>	<b>\$115,250</b>	<b>\$125,556</b>	<b>\$131,875</b>	<b>\$138,458</b>	<b>\$145,370</b>	<b>\$152,628</b>

## Income Maintenance

OBJECTIVE: To insure that all handicapped, dependent or incipiently dependent individuals are enabled to live at the State's minimum standard of health and decency by providing cash grants.

## Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 453,253	\$ 554,566	\$ 600,808	\$ 637,160	\$ 675,524	\$ 716,183	\$ 759,551
Federal Funds . . . . .	326,599	354,703	415,402	440,394	467,064	495,368	525,382
Other Funds . . . . .	18,972	32,624	35,059	42,000	45,000	47,500	50,000
<b>TOTAL . . . . .</b>	<b>\$ 798,824</b>	<b>\$ 941,893</b>	<b>\$1,051,269</b>	<b>\$1,119,554</b>	<b>\$1,187,588</b>	<b>\$1,259,051</b>	<b>\$1,334,933</b>

## Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Persons receiving cash grants . . . . .	728,000	772,800	780,060	807,400	831,600	852,400	869,500
Aged, blind, and disabled persons receiving supplemental grants . . . . .	133,667	148,200	156,600	164,400	169,400	171,100	171,100
Persons eligible for public assistance cash grants on basis of income level . . . . .	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Amount of reimbursement collections (in thousands) . . . . .	\$17,500	\$25,000	\$35,000	\$42,000	\$45,000	\$47,500	\$50,000
Cash value of food stamps issued each month (in thousands) . . . . .	\$30,623	\$34,642	\$36,474	\$37,751	\$38,882	\$39,855	\$40,650
Persons eligible who have been referred to Work Incentive (WIN) Program . . . . .	26,360	26,900	27,600	28,300	29,700	29,800	29,800
Blind persons employed in blind vending stands . . . . .	183	187	195	200	205	210	220
Persons receiving vocational rehabilitation services . . . . .	6,912	7,050	7,261	7,406	7,550	7,746	7,800

## Program Analysis:

The Public Assistance person load is composed of three categories of assistance: Aid for Dependent Children (AFDC), General Assistance (GA) and State Blind Pension (SBP). The latter two categories are completely State-funded, the former receives 55 percent Federal funds and 45 percent State funds. Cash assistance is distributed through 67 county boards of assistance, AFDC represents about 81.4 percent of the total person load with about 68 percent children, GA represents about 17.8 percent and SBP less than one percent. In addition,

a number of persons receive Supplemental Security Income (SSI) supplemental grants.

Inflationary and recessionary trends have had a significant effect on the person load. This has been reflected in the measure persons receiving cash grants. Since December, 1974, the person load, particularly in the GA category, has been rising sharply. This increase can be attributed to a number of reasons. One factor has been those individuals who were laid off during the recession due to an industry slowdown and who

## Income Maintenance (continued)

## Program Analysis: (continued)

were ineligible for unemployment compensation. In addition, there has been an increase in the number of young individuals who upon graduation have been unable to secure employment and are forced to accept assistance due to the lack of other available resources.

A recent Supreme Court ruling may also be affecting person load, although at this time it is impossible to measure its exact impact. In the decision, the Supreme Court ruled unanimously that jobless breadwinners who are eligible for unemployment compensation may choose instead to receive welfare payments under the AFDC program. Last year's projection did not assume an extension of unemployment compensation to 65 weeks and thus anticipated a more immediate addition of persons onto the assistance rolls. However, with the extension of unemployment compensation, the rate of increase has been slowed and has been extended over a longer period of time.

Effective September 1, 1975, AFDC and GA recipients received a grant increase of seven percent. The Commonwealth's assistance grant level does not automatically adjust to the rise in inflation. Even with the grant increase of 1975, the grant level is at 85 percent of the Commonwealth's defined minimally acceptable standard of living. This standard, known as the Woodbury Standard, is a standard of living developed by an advisory committee to determine the cost of basic living needs and is used as the basis for granting cash assistance to eligible persons in Pennsylvania.

Federal regulations require that a statewide standard of assistance be uniformly applied. However, the Supreme Court in *Wyman vs Boddie* determined that states may have area differentials in their statewide standard which are based on actual and appreciable cost differences. Currently, Pennsylvania has 51 different standards of assistance and is out of compliance with Federal regulations. The Department of Public Welfare conducted a survey of rent cost during 1975, the results of which indicated that the present 51 allowance schedules could be reduced to 4. This proposal has been submitted to the Federal Department of Health, Education and Welfare and is currently being reviewed. If this proposal is acceptable to them, grants will be consolidated beginning July 1, 1976. For this purpose, over \$10 million has been recommended for 1976-77.

For the most part, employment opportunities are not good for those in poverty. These persons often are either too young, too old, too ill (mentally or physically), unskilled, or burdened with the care of the young, old or ill to be considered for employment. Nevertheless, those who are found to be employable are required to register with the Work Incentive (WIN) program and with the Bureau of Employment Security in order to remain eligible for cash assistance.

The WIN program trains and finds employment for those cash assistance recipients who are found to be employable and are not exempt from the program. Currently the program serves approximately 59,400 persons with nearly 27,000 individuals being referred to the program during 1975-76. During 1975-76, 8,600 of those in the program will be placed into employment or training for work. These individuals are evaluated by the Bureau of Employment Security and the Separate Administrative Unit, the latter office having responsibility for certification, training and placement of these individuals.

County staffs will continue to seek accountability through the management techniques initiated by the Commonwealth. With the Secretary of Welfare's Eligibility Evaluation Program (SWEEP) and Direct Delivery this agency has managed to bring under control ineligibilities, overpayments and fraud.

SWEEP teams were regionalized in August, 1975. The primary use of the teams by the region is to review the General Assistance case load in the counties to ensure compliance with the Department's eligibility regulations. These teams are also used for quality reviews where needed.

Through Direct Delivery, local banks are cooperating to deliver assistance checks to eliminate the number of replacement and duplicate checks. This management technique has received national recognition. Direct Delivery presently is being operated in the cities in Allentown, Bristol, Chester, Erie, Harrisburg, Lancaster, Philadelphia, Pittsburgh, Reading, Scranton, Warminster and York. Participating in this program are 115,610 GA and AFDC cases or approximately 40 percent of the case load.

Another management effort affecting primarily AFDC and GA recipients is the Bureau of Claims Settlement. The scope of activities of the Bureau has been dramatically increased by the passage of new Federal legislation during the spring of 1975. Claims Settlement has traditionally been a collection arm of the Department. Over the years the Bureau has collected millions of dollars from former assistance recipients or their legally responsible relatives. The new legislation has strengthened the Bureau's role in the area of child support. Effective August 1, 1975, all court orders for the support of children are to be made payable to the Department with the Bureau responsible, in coordination with the domestic relations offices of the courts, for their enforcement. This increased responsibility has greatly increased the work load of the Bureau as well as increase the dollar amount of collections. In 1976-77, the amount of reimbursement collections is estimated to be \$35 million as compared to \$17.5 million collected during 1974-75. In order for the Bureau to effectively deal with the increased work load and to insure

Income Maintenance (continued)

Program Analysis: (continued)

that payments are promptly collected, the current processing system is being mechanized. In addition, positions were created for this Bureau during 1975-76 and these positions are included in the 1976-77 recommended budget.

An effort to expand the utilization of food stamps in Pennsylvania continued in 1975. As the program measures indicate, the cash value of food stamps issued each month has increased by 13 percent over the 1974-75 fiscal year. An increase has also been evidenced in the number of persons who currently purchase food stamps monthly. In July of 1975, 880,000 persons purchased food stamps in Pennsylvania which is an increase of 162,000 over the figure for July of 1974. Efforts will be made by the Department to maintain this increased person load for as long as the food stamp program continues.

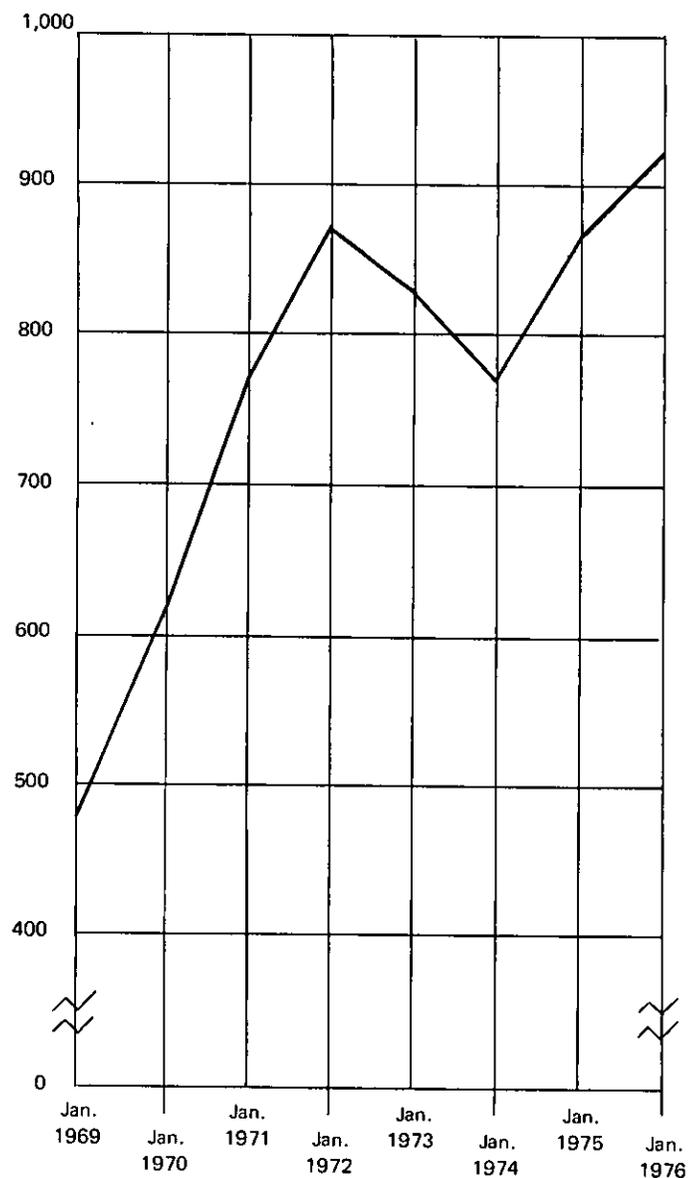
A related but different program of assistance is the supplemental grants contributed to Supplemental Security Income (SSI), a Federal program for aged, blind and disabled low income persons.

The Federal Government is administering this program and supplying the basic monthly grant of \$157.70 for an individual and \$236.60 for a couple. In addition, the Commonwealth pays a flat grant. Beginning January 1, 1976 the State supplemental grant was increased from \$20 to \$32.40 for an individual and from \$30 to \$48.70 for a couple. The number of persons receiving supplemental grants is substantially less than what was projected in 1975-76. Previous estimates were based upon national estimates that proved to be too high. The current estimate is based upon current experience of the program in Pennsylvania.

Approved during the current year (1975-76) was a program revision to provide extraordinary grants under an experimental domiciliary care program. The purpose of this program is to provide those SSI recipients aged 18 and over who have functional limitations due to frailties of age or physical, mental or visual impairment an incentive to live in a home that has been approved by a State certified placement agency as a domiciliary care home. The primary program goals are to provide the appropriate level of care to meet essential needs without inducing avoidable dependency and to provide an option other than institutional care for those whose needs can be met adequately and more humanely in other ways. Plans for the implementation of this inter-agency program have been continuing throughout 1975-76 with regional input playing a key role. It is anticipated that the first placement of individuals will take place in April of 1976.

Public Assistance Average Person Load  
(in Thousands)

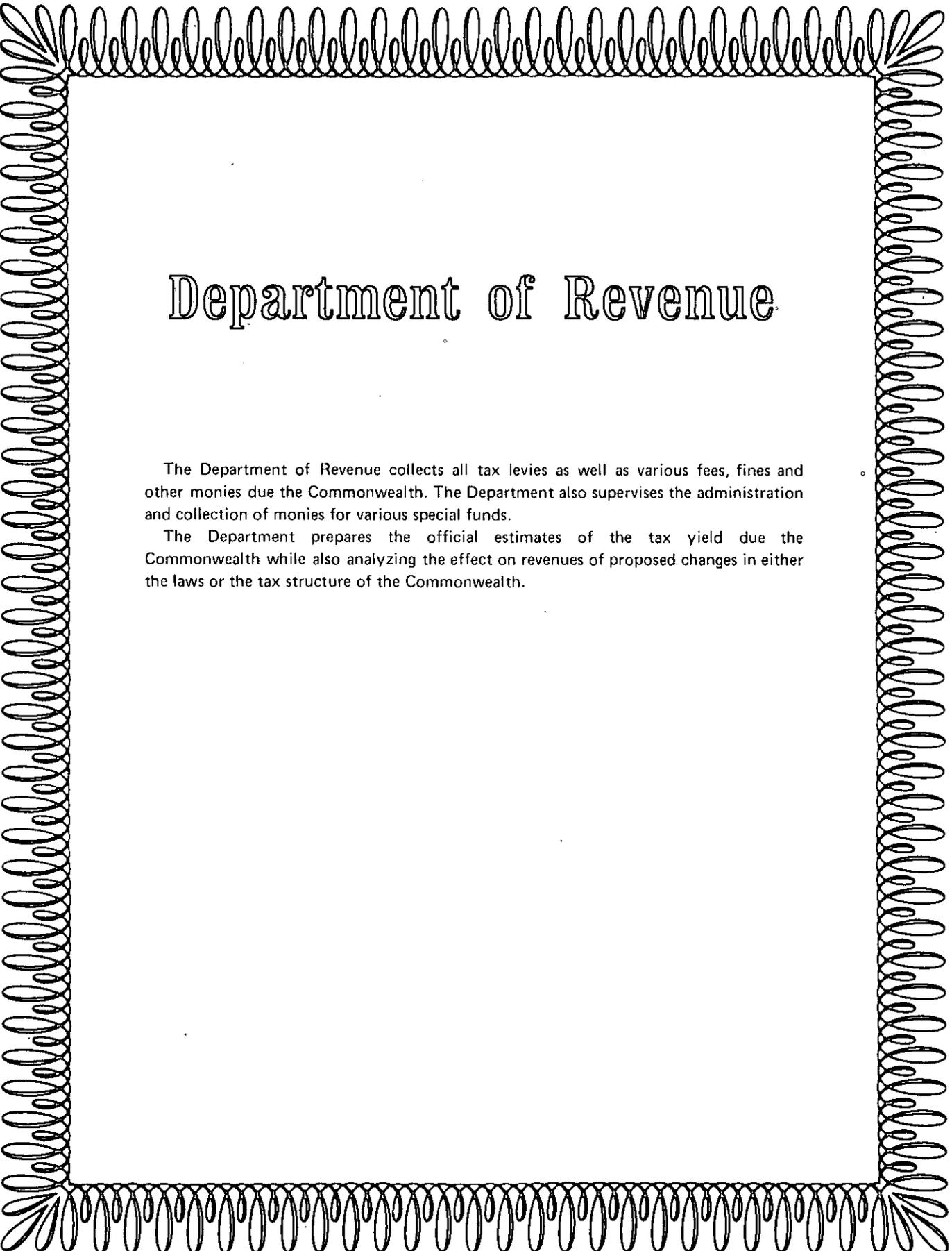
January 1969 to January 1976



## Income Maintenance (continued)

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	\$ 753	\$ 540	\$ 710	\$ 933	\$ 986	\$ 1,015	\$ 1,071
Cash Assistance . . . . .	404,203	. . . . .	522,514	553,865	587,097	622,325	659,665
County Administration . . . . .	5,001	. . . . .	6,693	7,230	7,810	8,435	9,110
Claims Settlement . . . . .	2,000	2,452	3,173	3,430	3,704	4,000	4,320
Supplemental Grants—Aged, Blind and Disabled . . . . .	40,619	. . . . .	66,996	71,015	75,275	79,790	84,580
Public Assistance and Administration . . . . .	. . . . .	549,452	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Food Stamp Program Administration . . . . .	. . . . .	1,400	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Services to the Blind . . . . .	677	722	722	687	652	618	805
GENERAL FUND TOTAL . . . . .	<u>\$453,253</u>	<u>\$554,566</u>	<u>\$600,808</u>	<u>\$637,160</u>	<u>\$675,524</u>	<u>\$716,183</u>	<u>\$759,551</u>



# Department of Revenue

The Department of Revenue collects all tax levies as well as various fees, fines and other monies due the Commonwealth. The Department also supervises the administration and collection of monies for various special funds.

The Department prepares the official estimates of the tax yield due the Commonwealth while also analyzing the effect on revenues of proposed changes in either the laws or the tax structure of the Commonwealth.

**DEPARTMENT OF REVENUE**  
**Summary by Fund and Appropriation**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations .....	\$ 40,545	\$ 44,364	\$ 50,133
Compensation of Informers and Escheators .....	5	5	5
Sub-Total .....	<u>\$ 40,550</u>	<u>\$ 44,369</u>	<u>\$ 50,138</u>
<b>Grants and Subsidies</b>			
Distribution of Public Utility Realty Tax .....	\$ 21,027	\$ 22,687	\$ 25,000
<b>Total State Funds—General Fund</b> .....	<u>\$ 61,577</u>	<u>\$ 67,056</u>	<u>\$ 75,138</u>
Other Funds .....	\$ 1,459	\$ 1,821	\$ 1,964
<b>GENERAL FUND</b> .....	<u>\$ 63,036</u>	<u>\$ 68,877</u>	<u>\$ 77,102</u>
<b>Motor License Fund</b>			
<b>General Government</b>			
Collection—Liquid Fuels Tax .....	\$ 2,286	\$ 2,788	\$ 3,276
<b>MOTOR LICENSE FUND TOTAL</b> .....	<u>\$ 2,286</u>	<u>\$ 2,788</u>	<u>\$ 3,276</u>
<b>Boating Fund</b>			
<b>General Government</b>			
Collecting Motorboat Registration Fees .....	\$ 183	\$ 228	\$ 258
<b>BOATING FUND TOTAL</b> .....	<u>\$ 183</u>	<u>\$ 228</u>	<u>\$ 258</u>
<b>State Harness Racing Fund</b>			
<b>General Government</b>			
Administration of Collections—Harness Racing .....	\$ 107	\$ 151	\$ 165
<b>STATE HARNESS RACING FUND     TOTAL</b> .....	<u>\$ 107</u>	<u>\$ 151</u>	<u>\$ 165</u>
<b>State Horse Racing Fund</b>			
<b>General Government</b>			
Administration of Collections—Horse Racing .....	\$ 102	\$ 134	\$ 158
<b>STATE HORSE RACING FUND     TOTAL</b> .....	<u>\$ 102</u>	<u>\$ 134</u>	<u>\$ 158</u>

**DEPARTMENT OF REVENUE**  
**Summary by Fund and Appropriation**  
 (continued)

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>State Lottery Fund</b>			
<b>General Government</b>			
General Operations .....	\$ 12,939	\$ 15,074	\$ 16,296
Payment of Prize Money .....	48,647	48,662	48,662
Payment of Commissions .....	450	700	700
Sub-Total .....	<u>\$ 62,036</u>	<u>\$ 64,436</u>	<u>\$ 65,658</u>
<b>Grants and Subsidies</b>			
Property Tax and Rent Assistance for the Elderly .....	\$ 59,339	\$ 58,700	\$ 40,397
<b>Total State Funds—State Lottery Fund .....</b>	<u><u>\$121,375</u></u>	<u><u>\$123,136</u></u>	<u><u>\$106,055</u></u>
Other Funds .....	\$ 127	\$ 117	\$ 140
<b>STATE LOTTERY FUND TOTAL .....</b>	<u><u>\$121,502</u></u>	<u><u>\$123,253</u></u>	<u><u>\$106,195</u></u>
<b>Department Total — All Funds</b>			
General Fund .....	\$ 61,577	\$ 67,056	\$ 75,138
Special Funds .....	124,053	126,437	109,912
Other Funds .....	1,586	1,938	2,104
<b>TOTAL ALL FUNDS .....</b>	<u><u>\$187,216</u></u>	<u><u>\$195,431</u></u>	<u><u>\$187,154</u></u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Government Operations</b>			
State Funds .....	\$40,545	\$44,364	\$50,133
Other Funds .....	1,459	1,821	1,964
<b>TOTAL .....</b>	<u>\$42,004</u>	<u>\$46,185</u>	<u>\$52,097</u>

Directs enforcement of all tax statues of the Commonwealth. Major activities include determining and implementing policies and procedures for tax collection and tax settlements, preparing the official Commonwealth revenue estimates, conducting field audits, preparing and mailing out tax forms and instructions, and the processing of returns.

Major taxes administered and enforced include sales tax, personal income tax, corporation taxes and cigarette and beverage taxes.

Effective July, 1975, in accordance with Reorganization Plan I, the Tax Litigation Unit was transferred to the Department of Justice.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations .....	\$40,545	\$44,364*	\$50,133
<b>Other Funds:</b>			
Audit of State Authorities .....	14	9	9
Charges to Special Funds .....	1,354	1,745	1,886
Cigarette Fines and Penalties .....	63	40	40
Sale of Tax Data .....	28	27	27
Reimbursement for Graphic Arts Services .....	.....	.....	2
<b>TOTAL .....</b>	<u>\$42,004</u>	<u>\$46,185</u>	<u>\$52,097</u>

\*The amount shown represents a \$60,000 reduction in the current appropriation which assumes passage of legislation transferring this amount to the Pennsylvania Housing Finance Agency.

**GENERAL FUND**

**REVENUE**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Compensation of Informers and Escheators</b>			
State Funds . . . . .	\$ 5	\$ 5	\$ 5

Provides a financial incentive for information regarding escheat and decedant cases where the Commonwealth has a statutory interest.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Compensation of Informers and Escheators . . . . .	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>

**Grants and Subsidies**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Distribution of Public Utility Realty Tax</b>			
State Funds . . . . .	\$21,027	\$22,687	\$25,000

Provides for the distribution of the money that local taxing authorities could have received had they been able to tax the realty of public utilities.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Distribution of Public Utility Realty Tax . . . . .	<u>\$21,027</u>	<u>\$22,687</u>	<u>\$25,000</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Collection—Liquid Fuels Tax</b>			
State Funds .....	\$ 2,286	\$ 2,788	\$ 3,276

Administers and enforces the Liquid Fuels Tax Act, Fuel Use Tax Act and Motor Carriers Act and Bus Compact. Activities include issuing permits and performing annual audits.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Collection—Liquid Fuels Tax .....	<u>\$ 2,286</u>	<u>\$ 2,788</u>	<u>\$ 3,276</u>

**Boating Fund**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Collecting Motorboat Registration Fees</b>			
State Funds . . . . .	\$ 183	\$ 228	\$ 258

Prepares and supplies counties with the forms for the registration of motorboats and collects the fees for the Boating Fund.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
Collecting Motorboat Registration Fees . . . . .	<u>\$ 183</u>	<u>\$ 228</u>	<u>\$ 258</u>

**State Harness Racing Fund**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Administration of Collections— Harness Racing</b>			
State Funds . . . . .	\$ 107	\$ 151	\$ 165

Provides for the financial administration of pari-mutuel betting at the harness racing tracks. Activities include providing forms and maintaining systems of accounting, examining books and records of the corporations conducting harness racing, and collecting taxes from the corporations.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
Administration of Collections— Harness Racing . . . . .	<u>\$ 107</u>	<u>\$ 151</u>	<u>\$ 165</u>

State Horse Racing Fund

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Administration of Collections— Horse Racing</b>			
State Funds .....	\$ 102	\$ 134	\$ 158

Provides for the financial administration of pari-mutuel betting at thoroughbred horse racing tracks. Activities include providing forms and maintaining systems of accounting, examining books and records of the corporations conducting horse racing, and collecting taxes from the corporations.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
Administration of Collections—			
Horse Racing .....	<u>\$ 102</u>	<u>\$ 134</u>	<u>\$ 158</u>

## State Lottery Fund

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Operations</b>			
State Funds .....	\$12,939	\$15,074	\$16,296
Other Funds .....	127	117	140
<b>TOTAL</b> .....	<u>\$13,066</u>	<u>\$15,191</u>	<u>\$16,436</u>

Coordinates and directs the activities of the State Lottery Commission and establishes operational procedures to effect the policies of the Commission. Also provides for the administration of the Commonwealth's program of property tax and rent assistance for the elderly.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
General Operations .....	\$12,939	\$15,074	\$16,296
<b>Other Funds:</b>			
License Fees .....	108	109	140
Charges to Other Agencies .....	19	8	.....
<b>TOTAL</b> .....	<u>\$13,066</u>	<u>\$15,191</u>	<u>\$16,436</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Payment of Prize Money</b>			
State Funds .....	\$48,647	\$48,662	\$48,662

Provides funds to pay the winners of the Commonwealth lottery.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
Payments of Prize Money .....	<u>\$48,647</u>	<u>\$48,662</u>	<u>\$48,662</u>

**OTHER SPECIAL FUNDS**

**REVENUE**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Payment of Commissions</b>			
State Funds . . . . .	\$ 450	\$ 700	\$ 700

Provides for commissions on subscription sales of lottery tickets.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
Payment of Commissions . . . . .	<u>\$ 450</u>	<u>\$ 700</u>	<u>\$ 700</u>

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Property Tax and Rent Assistance for the Elderly</b>			
State Funds . . . . .	\$59,339	\$58,700	\$40,397

Allows for a partial rebate of both the property taxes and rent that is paid by the elderly. For 1976-77 it is assumed that payments will be prorated.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
Property Tax and Rent Assistance for the Elderly . . . . .	<u>\$59,339</u>	<u>\$58,700</u>	<u>\$40,397</u>

DEPARTMENT OF REVENUE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . . . .</b>	\$ 5,772	\$ 5,953	\$ 6,702	\$ 7,426	\$ 8,183	\$ 9,007	\$ 9,910
<b>Fiscal Management . . . . .</b>	\$117,103	\$124,601	\$133,574	\$139,726	\$146,331	\$153,611	\$161,625
Revenue Collection and Administration . . . . .	96,076	101,914	108,574	114,726	121,331	128,611	136,625
Public Utility Realty Payments . . . . .	21,027	22,687	25,000	25,000	25,000	25,000	25,000
<b>Support and Care of the Aged . . . . .</b>	\$ 62,755	\$ 62,939	\$ 44,774	\$ 63,015	\$ 63,497	\$ 64,026	\$ 64,609
Property Tax and Rent Assistance . . . . .	62,755	62,939	44,774	63,015	63,497	64,026	64,609
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$185,630</u>	<u>\$193,493</u>	<u>\$185,050</u>	<u>\$210,167</u>	<u>\$218,011</u>	<u>\$226,644</u>	<u>\$236,144</u>

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$5,772	\$5,953	\$6,702	\$7,426	\$ 8,183	\$ 9,007	\$ 9,910
Other Funds .....	1,372	1,747	1,889	2,079	2,272	2,493	2,738
<b>TOTAL</b> .....	<u>\$7,144</u>	<u>\$7,700</u>	<u>\$8,591</u>	<u>\$9,505</u>	<u>\$10,455</u>	<u>\$11,500</u>	<u>\$12,648</u>

**Program Analysis:**

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations .....	<u>\$5,772</u>	<u>\$5,953</u>	<u>\$6,702</u>	<u>\$7,426</u>	<u>\$ 8,183</u>	<u>\$ 9,007</u>	<u>\$ 9,910</u>

## Revenue Collection and Administration

**OBJECTIVE:** To assure the availability of resources for the Commonwealth's programs through the equitable and efficient administration of Pennsylvania's revenue system.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 34,778	\$ 38,416	\$ 43,436	\$ 47,944	\$ 52,736	\$ 58,012	\$ 63,810
Special Funds . . . . .	61,298	63,498	65,138	66,782	68,595	70,599	72,815
Other Funds . . . . .	214	191	215	217	221	219	221
<b>TOTAL . . . . .</b>	<b>\$ 96,290</b>	<b>\$102,105</b>	<b>\$108,789</b>	<b>\$114,943</b>	<b>\$121,552</b>	<b>\$128,830</b>	<b>\$136,846</b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Total revenue collected (in thousands) . . . . .	\$4,126,754	\$4,531,500	\$4,917,700	\$5,248,100	\$5,607,600	\$6,108,800	\$6,638,700
Personal income tax annual returns processed . . . . .	4,700,000	4,794,000	4,889,000	4,987,000	5,087,000	5,189,000	5,292,000
Sales and use tax returns processed . . . . .	3,178,817	3,300,000	3,400,000	3,500,000	3,600,000	3,700,000	3,800,000
Corporation tax accounts . . . . .	143,082	146,000	147,500	148,000	148,000	148,000	148,000

### Program Analysis:

This program provides for the thorough and equitable administration of all the Commonwealth's revenue statutes and for the assessment and collection of various taxes. Among the taxes collected are all corporation taxes, inheritance taxes, the Realty Transfer Tax, Cigarette and Beverage Taxes, the Sales Use and Hotel Occupancy Tax, the Personal Income Tax, taxes imposed under the Liquid Fuels Tax Act, Fuels Use Tax Act, Motor Carriers Road Tax and Bus Compact Fuels Tax, and taxes received from corporations conducting horse and harness racing.

Some of the activities of this program include preparing and distributing tax instruction booklets and tax return forms, handling inquiries from Commonwealth taxpayers regarding

questions of tax liability or proper filing procedure, receiving and auditing of returns, and the processing of refunds.

In addition to these activities, this program implements and administers the Commonwealth Lottery. This involves the printing and marketing of tickets, validating winning numbers, promoting sales and devising new and innovative approaches to lotteries.

It has always been the philosophy of this program to maximize the tax yield while minimizing the cost of the collections. This is especially paramount at this time since some of the largest areas of expense for this program are paper and printing and these are among the hardest hit areas in our present inflationary economy.

## Revenue Collection and Administration (continued)

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$34,773	\$38,411	\$43,431	\$47,939	\$52,731	\$58,007	\$63,805
Compensation of Informers and Escheators . . . . .	5	5	5	5	5	5	5
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$34,778</u>	<u>\$38,416</u>	<u>\$43,436</u>	<u>\$47,944</u>	<u>\$52,736</u>	<u>\$58,012</u>	<u>\$63,810</u>
<b>MOTOR LICENSE FUND</b>							
Collections — Liquid Fuels Tax . . . . .	\$ 2,286	\$ 2,788	\$ 3,276	\$ 3,669	\$ 4,109	\$ 4,603	\$ 5,155
<b>BOATING FUND</b>							
Collecting Motorboat Registration Fees . . . . .	\$ 183	\$ 228	\$ 258	\$ 285	\$ 312	\$ 340	\$ 375
<b>STATE HARNESS RACING FUND</b>							
Administration of Collections . . . . .	\$ 107	\$ 151	\$ 165	\$ 182	\$ 200	\$ 220	\$ 242
<b>STATE HORSE RACING FUND</b>							
Administration of Collections . . . . .	\$ 102	\$ 134	\$ 158	\$ 174	\$ 191	\$ 210	\$ 231
<b>STATE LOTTERY FUND</b>							
General Operations . . . . .	\$ 9,523	\$10,835	\$11,919	\$13,110	\$14,421	\$15,864	\$17,450
Payment of Prize Money . . . . .	48,647	48,662	48,662	48,662	48,662	48,662	48,662
Payment of Commissions . . . . .	450	700	700	700	700	700	700
<b>STATE LOTTERY FUND TOTAL . . . . .</b>	<u>\$58,260</u>	<u>\$60,197</u>	<u>\$61,281</u>	<u>\$62,472</u>	<u>\$63,783</u>	<u>\$65,226</u>	<u>\$66,812</u>

**Public Utility Realty Payments**

OBJECTIVE: Equitable distribution to all taxing authorities of the tax on realty of public utilities.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	<u>\$21,027</u>	<u>\$22,687</u>	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$25,000</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Taxing authorities receiving funds .....	3,097	3,079	3,137	3,137	3,137	3,137	3,137

**Program Analysis:**

Pursuant to an amendment to the State Constitution adopted in 1968, this program provides for the distribution to each reporting local taxing authority its share of the funds that local taxing authorities would have received from public utilities had they been allowed to tax the realty of the utilities in their respective jurisdictions.

The distribution is based on the ratio between the total tax receipts of a local taxing authority and the total tax receipts of all reporting tax authorities. This ratio is then applied to the total amount of taxes that reporting authorities could have collected had they been able to tax the realty of public utilities.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Distribution of Public Utility							
Realty Tax .....	<u>\$21,027</u>	<u>\$22,687</u>	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$25,000</u>	<u>\$25,000</u>

## Property Tax and Rent Assistance

OBJECTIVE: To provide financial assistance through property tax and rent assistance to eligible individuals.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	<u>\$62,755</u>	<u>\$62,939</u>	<u>\$44,774</u>	<u>\$63,015</u>	<u>\$63,497</u>	<u>\$64,026</u>	<u>\$64,609</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Applications for property tax or rent assistance . . . . .	464,585	428,617	430,000	430,000	430,000	430,000	430,000
People provided property tax or rent assistance . . . . .	456,688	425,000	425,000	425,000	425,000	425,000	425,000

### Program Analysis:

This program provides property tax or rent assistance to senior citizens, widows, widowers and permanently disabled persons, who meet certain income and age requirements.

The reason for providing this type of assistance to the elderly is because, more than any other segment of the population, many of them are attempting to maintain themselves on fixed incomes or on steadily dwindling savings. The effective buying power of this type of income is rather minimal when pitted against the general decline in purchasing power brought on by the increasingly high rate of inflation. Since the Commonwealth is unable to have any effective control over national inflationary trends, the only alternative is to provide some type of assistance to those persons most severely affected by it. State assistance in this way often makes the difference of whether an elderly person can retain possession of his home or not. Maintaining them in their own homes, or in rented homes through rent assistance, adds to their personal dignity and emotional security as well as being of financial benefit.

The amount of assistance provided to a claimant ranges from \$10 to \$200 and is based on the claimant's income.

Among the types of income included are salaries, wages, alimony, gross amount of pensions or annuities, all Federal Social Security benefits except Medicare and any capital gains, rentals or interest payments.

The high volume of claimants and payments for the 1974-75 fiscal year is a result of the fact that when the Property Tax Assistance Act was amended to include renters it was done so retroactively. At the present it is felt that the segment of the population eligible for assistance will remain relatively stable even though Pennsylvania's elderly population is projected to rise.

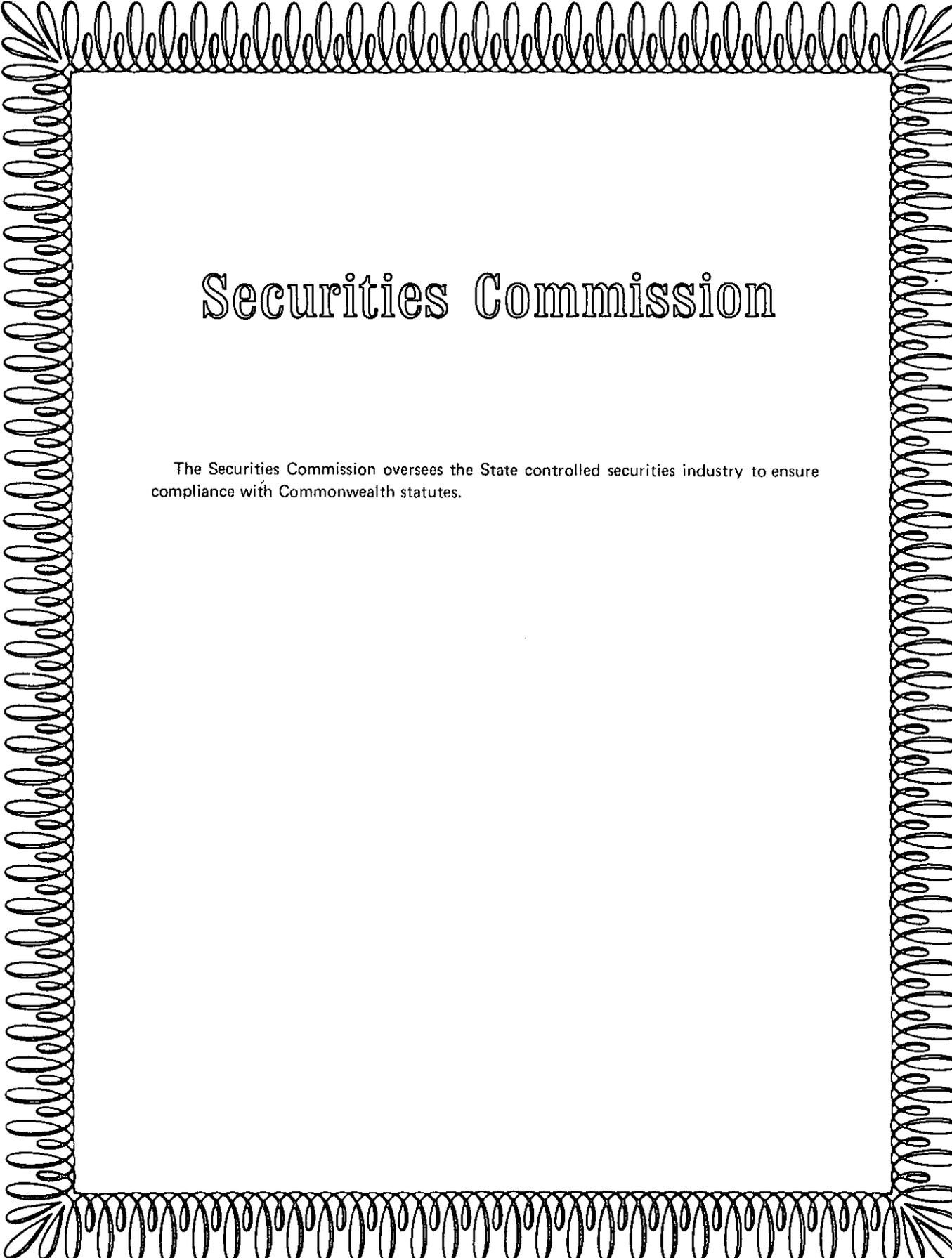
For the 1976-77 fiscal period it will be necessary to prorate property tax and rent assistance payments in order to stay within projected revenues. Therefore, in accord with existing legislation, each claimant will receive approximately 69 percent of their claim. In future years the full amount needed is shown, but depending on revenues, claims may have to be reduced in future years also.

Since property tax and rent assistance payments are made early in the fiscal year, legislation is needed to allow the Lottery Fund to anticipate revenues.

## Property Tax and Rent Assistance (continued)

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
STATE LOTTERY FUND							
General Operations . . . . .	\$ 3,416	\$ 4,239	\$ 4,377	\$ 4,815	\$ 5,297	\$ 5,826	\$ 6,409
Property Tax and Rent Assistance for Elderly . . . . .	59,339	58,700	40,397	58,200	58,200	58,200	58,200
STATE LOTTERY FUND							
TOTAL . . . . .	<u>\$62,755</u>	<u>\$62,939</u>	<u>\$44,774</u>	<u>\$63,015</u>	<u>\$63,497</u>	<u>\$64,026</u>	<u>\$64,609</u>



# Securities Commission

The Securities Commission oversees the State controlled securities industry to ensure compliance with Commonwealth statutes.

# SECURITIES COMMISSION

## Summary by Fund and Appropriation

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>General Fund</b>			
General Government Operations . . . . .	\$696	\$736	\$762
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$696</u>	<u>\$736</u>	<u>\$762</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Government Operations</b>			
State Funds .....	\$696	\$736	\$762

Protects the investing public through the registration and regulation of salesmen and companies dealing in securities. Issues cease and desist orders to persons and corporations attempting to sell securities without approval and seeks prosecution of violators of the Pennsylvania Securities Act. Determines the eligibility for exemption from registration of securities proposed to be issued in the Commonwealth.

Prior to the implementation of Act 171 of 1975, the Securities Commission was located within the Department of Banking and funds for its operation were appropriated to that Department. However these funds are shown here for comparison purposes.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations .....	<u>\$696</u>	<u>\$736</u>	<u>\$762</u>

**SECURITIES COMMISSION**

**Summary of Agency Program by Category and Subcategory**

**General Fund and Special Funds**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Consumer Protection</b> . . . . .	\$696	\$736	\$762	\$810	\$861	\$915	\$972
Regulation of Securities Industry . . .	696	736	762	810	861	915	972
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$696</u>	<u>\$736</u>	<u>\$762</u>	<u>\$810</u>	<u>\$861</u>	<u>\$915</u>	<u>\$972</u>

Regulation of Securities Industry

OBJECTIVE: To reduce the incidence of fraud to the investing public in securities transactions.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$696</u>	<u>\$736</u>	<u>\$762</u>	<u>\$810</u>	<u>\$861</u>	<u>\$915</u>	<u>\$972</u>

Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Dollar amount of securities registered (in billions) . . . . .	\$13	\$17	\$19	\$22	\$24	\$26	\$28
Securities filings processed . . . . .	1,100	1,300	1,500	1,700	1,900	2,100	2,300
Broker-dealers registered . . . . .	450	550	600	650	700	750	800
Agents registered . . . . .	9,700	13,000	13,500	14,000	14,500	15,000	15,500

Program Analysis:

This program seeks to protect the public from unfair or fraudulent practices in the securities industry; to require the registration of broker-dealers, agents, investment advisors, and securities and to establish regulatory procedures for making other filings under the law.

In order for securities to be offered for sale in Pennsylvania, the issuer must comply with the registration requirements of the Pennsylvania Securities Act of 1972. Securities offered and sold in Pennsylvania must be registered under this Act unless granted a special exemption. This applies to all securities sold in Pennsylvania, including securities which have been registered under Federal requirements. In all cases of registration, and in most cases of exemption, a filing must be made with the Pennsylvania Securities Commission. Filings are then analyzed and reviewed for full accurate disclosure of all relevant data to determine completeness, correctness and compliance with registration requirements, and to determine fairness of the offering.

As can be seen in the program measures, the amount of securities sold has steadily increased. Most securities cleared are processed routinely. Special review is now being given to tax-sheltered offerings with a major emphasis of review being to determine whether these offerings, designed solely for tax

benefits, will only be sold to individuals who in fact could use such tax benefits.

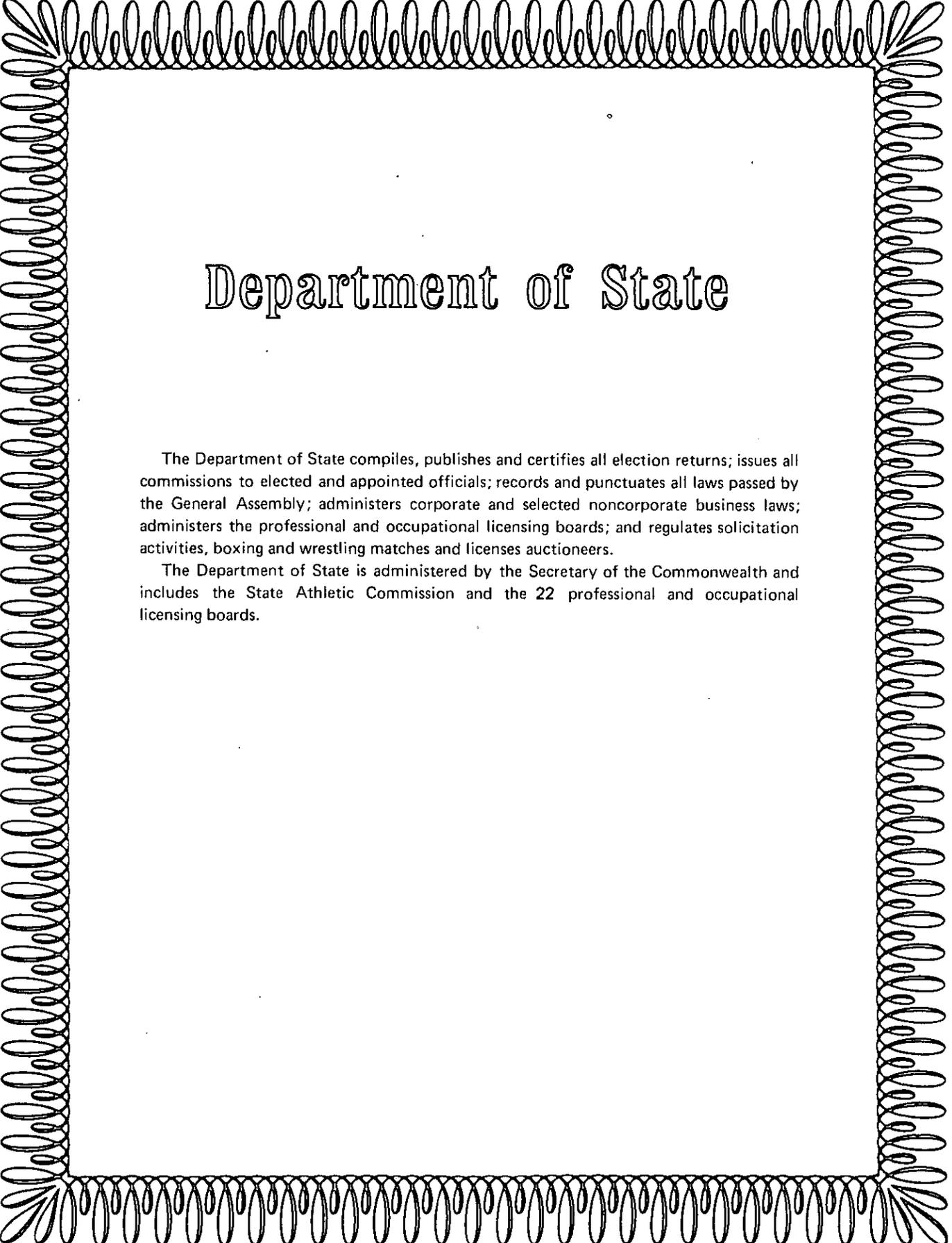
In addition to reviewing securities offered for sale, the Commission requires the companies to make post effective filings. The purpose of these filings is to determine whether investors' funds were illegally used by a company, and to make information available to the security holders with reference to the current status of a company in which they invested.

Lastly, the Commission has expanded its scope of investigations. During the past year, extensive investigations were conducted relating to the sale of securities by 48 consumer loan companies, 32 agricultural cooperatives, and 15 residential housing cooperatives.

It should be noted that the measures used in this year's presentation are different from those previously used. The Securities Commission evaluated their program and replaced the measure "broker-dealer failures" with the "securities filings processed". The Commission believes the new measure more accurately reflects the activities of the Commission. Also, the Commission changed the titles of the measures "dealers licensed and agents licensed" to "agents registered" and "brokers-dealers registered". This revision is in nomenclature only and does not reflect any change in program activities.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	<u>\$696</u>	<u>\$736</u>	<u>\$762</u>	<u>\$810</u>	<u>\$861</u>	<u>\$915</u>	<u>\$972</u>



# Department of State

The Department of State compiles, publishes and certifies all election returns; issues all commissions to elected and appointed officials; records and punctuates all laws passed by the General Assembly; administers corporate and selected noncorporate business laws; administers the professional and occupational licensing boards; and regulates solicitation activities, boxing and wrestling matches and licenses auctioneers.

The Department of State is administered by the Secretary of the Commonwealth and includes the State Athletic Commission and the 22 professional and occupational licensing boards.

**DEPARTMENT OF STATE**  
**Summary by Fund and Appropriation**

	1974-75	(Dollar Amounts in Thousands)	1975-76	1976-77
	Actual		Available	Budget
<b>General Fund</b>				
<b>General Government</b>				
General Government Operations . . . . .	\$4,597		\$4,786	\$5,439
Publishing Constitutional Amendments . . . . .	85		40	85
Electoral College Expenses . . . . .	. . . . .		. . . . .	5
Sub-Total . . . . .	<u>\$4,682</u>		<u>\$4,826</u>	<u>\$5,529</u>
<b>Grants and Subsidies</b>				
Voting of Citizens in Military Service . . . . .	\$ 7		\$ 8	\$ 30
<b>Total State Funds</b> . . . . .	<u>\$4,689</u>		<u>\$4,834</u>	<u>\$5,559</u>
Other Funds . . . . .	\$ 62		\$ 227	\$ 340
<b>GENERAL FUND TOTAL</b> . . . . .	<u>\$4,751</u>		<u>\$5,061</u>	<u>\$5,889</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>General Government Operations</b>			
State Funds . . . . .	\$4,597	\$4,786	\$5,439
Other Funds . . . . .	62	227	340
<b>TOTAL . . . . .</b>	<u>\$4,659</u>	<u>\$5,013</u>	<u>\$5,779</u>

Provides intra-agency administrative support; maintains current information on corporations and charitable organizations; monitors the election process and issues commissions to State and local officials. Protects the public from unqualified practitioners in the various professional and skilled service areas licensed by the Department.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations . . . . .	\$4,597	\$4,786	\$5,439
<b>Other Funds:</b>			
Fees—Registration of Charitable Organizations . . . . .	47	65	60
Auctioneers Licenses . . . . .	15	62	50
Medical, Osteopathic, and Podiatry Fees . . . . .	. . . . .	100	230
<b>TOTAL . . . . .</b>	<u>\$4,659</u>	<u>\$5,013</u>	<u>\$5,779</u>

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Publishing Constitutional Amendments</b>			
State Funds . . . . .	\$ 85	\$ 40	\$ 85

Meets the cost of publishing all proposed constitutional amendments three months prior to the November election and the primary election in at least two newspapers of general circulation in all counties where newspapers are published.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Publishing Constitutional Amendments . . . . .	<u>\$ 85</u>	<u>\$ 40</u>	<u>\$ 85</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Electoral College Expenses</b>			
State Funds .....	.....	.....	\$ 5

Provides for the expenses of the members of the electoral college.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Electoral College Expenses .....	.....	.....	<u>\$ 5</u>

---

**Grants and Subsidies**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Voting of Citizens in Military Services</b>			
State Funds .....	\$ 7	\$ 8	\$ 30

Reimburses county boards of election at the rate of \$.40 per ballot for each military absentee ballot cast during an election.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Voting of Citizens in Military Service .....	<u>\$ 7</u>	<u>\$ 8</u>	<u>\$ 30</u>

DEPARTMENT OF STATE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support</b> . . . . .	\$ 709	\$ 726	\$ 818	\$ 971	\$1,049	\$1,116	\$1,187
<b>Consumer Protection</b> . . . . .	\$3,628	\$3,815	\$4,342	\$4,697	\$4,965	\$5,414	\$5,822
Regulation of Consumer Products and Promotion of Fair Business Practices . . . . .	880	962	1,056	1,143	1,238	1,339	1,442
Maintenance of Professional and Occupational Standards . . . . .	2,748	2,853	3,286	3,554	3,727	4,075	4,380
<b>Electoral Process</b> . . . . .	\$ 352	\$ 293	\$ 399	\$ 406	\$ 436	\$ 466	\$ 528
Maintenance of Electoral Process . . . . .	352	293	399	406	436	466	528
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$4,689</u>	<u>\$4,834</u>	<u>\$5,559</u>	<u>\$6,074</u>	<u>\$6,450</u>	<u>\$6,996</u>	<u>\$7,537</u>

## General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$709</u>	<u>\$726</u>	<u>\$818</u>	<u>\$971</u>	<u>\$1,049</u>	<u>\$1,116</u>	<u>\$1,187</u>

### Program Analysis:

Within the Department of State, this subcategory includes the executive offices, the comptroller, legal and administrative services, all of which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The Department of State, through this

administrative support program has a planning capability which assists program directors in improving their services to the public. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

### Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . .	<u>\$709</u>	<u>\$726</u>	<u>\$818</u>	<u>\$971</u>	<u>\$1,049</u>	<u>\$1,116</u>	<u>\$1,187</u>

## Regulation of Consumer Products and Promotion of Fair Business Practices

OBJECTIVE: To prevent fraudulent solicitation or misrepresentation of sporting events and to maintain accurate records of corporate charters.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 880	\$ 962	\$1,056	\$1,143	\$1,238	\$1,339	\$1,442
Other Funds . . . . .	47	65	60	60	65	70	75
<b>TOTAL . . . . .</b>	<b>\$ 927</b>	<b>\$1,027</b>	<b>\$1,116</b>	<b>\$1,203</b>	<b>\$1,303</b>	<b>\$1,409</b>	<b>\$1,517</b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Fictitious names, businesses and corporations on file . . . . .	735,000	775,780	818,280	862,280	907,780	940,000	970,000
Currently soliciting groups requiring licensing . . . . .	11,000	11,500	12,000	12,750	13,500	14,500	15,500
Currently soliciting groups complying with regulations . . . . .	8,000	8,750	9,500	10,500	11,500	13,000	14,000
Exhibitions held for purse requiring regulation . . . . .	296	310	350	350	350	350	350

### Program Analysis:

This subcategory encompasses the programmatic efforts of the Corporation Bureau, the Commission on Charitable Organizations and the Athletic Commission. The Corporation Bureau is responsible for registering all businesses in the Commonwealth. There are currently over 775,000 fictitious names, businesses and corporations on file in the Bureau and, as indicated in the measures, this number is growing by approximately 5 percent per year. The Corporation Bureau is also responsible for Uniform Commercial Code filings and service of process filings, which together total about 81,000 and are growing at the rate of 5 percent per year. Corporate search and reservation requests have averaged 25,000 per year.

Registration of charitable organizations, professional fund

raisers and solicitors, as well as, the regulation of actual solicitation and distribution of collected funds are the duties of the Commission on Charitable Organizations. The measure reflecting the number of currently soliciting groups is only about half of the known charities in Pennsylvania, as charities not soliciting are not required to register.

The State Athletic Commission is charged with the regulation of boxing and wrestling exhibitions. In 1974-75, there were 296 such exhibitions, a drop from the 398 exhibitions held the previous year. There is no clear explanation for this drop, but the national economic picture is seen as a contributing factor. The figure is projected to rise to a level of 350 exhibitions per year.

### Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$ 880	\$ 962	\$1,056	\$1,143	\$1,238	\$1,339	\$1,442

## Maintenance of Professional and Occupational Standards

OBJECTIVE: To minimize the number of professional and occupational practitioners and establishments failing to meet specified standards of entry and performance.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$2,748	\$2,853	\$3,286	\$3,554	\$3,727	\$4,075	\$4,380
Other Funds . . . . .	15	162	280	330	355	385	405
<b>TOTAL</b> . . . . .	<u>\$2,763</u>	<u>\$3,015</u>	<u>\$3,566</u>	<u>\$3,884</u>	<u>\$4,082</u>	<u>\$4,460</u>	<u>\$4,785</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Licenses and renewals issued . . . . .	223,400	365,984	322,334	440,000	350,000	450,000	360,000
Entrants failing examinations for license . . . . .	16,499	19,798	23,368	26,800	30,400	33,900	38,000
Schools and shops licensed . . . . .	35,547	39,808	40,500	41,550	43,000	45,000	48,000
Routine investigations . . . . .	15,990	16,100	22,300	23,000	24,000	25,000	26,000
Minor violations corrected as a result of inspections . . . . .	3,435	3,564	4,285	4,760	5,230	5,710	6,180
Establishments prosecuted for violations . . . . .	359	436	485	500	500	500	500

### Program Analysis:

The intent of this program is to protect and raise the quality of service to the citizenry of the Commonwealth by ensuring that practitioners are competent, honest and providing adequate legalized services.

One method used in achieving that aim is the placement of restrictions at the entry level. Each year an estimated 18,000 new licensees are added to the system. In 1974-75, as in previous years, about one-fifth of the new applications for licensure or certification were rejected either because of examination failure or lack of qualifications. It is interesting to note that the number of rejections tends to correlate directly with the number of foreign language speaking applicants. Recognizing the possibility that professional skill is sacrificed for language proficiency, consideration is being given to supply interpreters to sit with examinees.

The examination approach, although having merit, is not extensive enough in that an individual, once licensed, can continue to practice his profession without ever again being required to demonstrate competence. Therefore, there is a growing demand that as a precedent condition for renewal of

license, a specified number of hours of professional education be required in continuing education.

Currently, routine inspections are still the principal means of monitoring the vast numbers of licensees. In 1974-75, investigators averaged 533 routine inspections per year. The effectiveness of this effort, due to the numerically small force of inspectors has been dubious at best, considering the fact that there were only 16,000 routine inspections in 1974-75 for 600,000 licensees.

In addition, inspectors must do intensive investigations of establishments. In 1974-75, there were 8,350 investigations, averaging 278 in-depth investigations for the year per inspector. These investigations arose partly from discoveries of infractions during routine inspections, from reports from consumers, and from complaints by other licensees. The demands for such investigations are increasing, stemming from growth in consumer and licensee awareness and constantly increasing stringency of rules and regulations. Thus, the increased pressure for investigations results in a decrease in the number of routine inspections.

---

**Maintenance of Professional and Occupational Standards (continued)**
**Program Analysis: (continued)**

The estimated figure of correctable violations runs well into the tens of thousands. In 1974-75, with only 16,000 routine inspections, 3,435 violations were discovered and corrected. Assuming that this rate of violations is representative there could well be over 100,000 existing correctable violations.

The number of prosecutions resulting from major violations nearly doubled from 1973-74 to 1974-75. This increase is presumed to have resulted from the general knowledge of licensees that there is a lack of investigative staff at the Bureau of Professional and Occupational Affairs. Additional investigators are being provided, in this budget, to enable the Bureau to increase initial inspections by about 6,000 in a full year. The Bureau believes that the recommended investigative

staff increase will lead to a climate of adherence to rules and regulations but not necessarily result in a prorata increase in successful prosecutions.

One side effect of any licensing system is that competition is restricted resulting in higher consumer prices and higher profits for those who hold licenses. In an ideal system, only those individuals who would be incompetent in a profession would be excluded from that profession. However, the danger of unreasonable requirements for entry into a profession is always present. In this regard, many allege that special interest groups often seek licensing, or more severe licensing requirements, in the hope of restricting competition and thus obtaining higher profits.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	<u>\$2,748</u>	<u>\$2,853</u>	<u>\$3,286</u>	<u>\$3,554</u>	<u>\$3,727</u>	<u>\$4,075</u>	<u>\$4,380</u>

## Maintenance of the Electoral Process

**OBJECTIVE:** To insure that the electoral process conforms to legally defined specifications, that appointed and elected officials meet the legal requirements for their respective positions, and that an official record of the laws and resolutions of the legislative branch and the official acts of the executive branch is maintained.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$352</u>	<u>\$293</u>	<u>\$399</u>	<u>\$406</u>	<u>\$436</u>	<u>\$466</u>	<u>\$528</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Voters registered in Pennsylvania . . . . .	5,159,498	5,256,000	5,600,000	5,400,000	5,500,000	5,500,000	5,650,000
Voters voting in general election . . . . .	3,800,000	2,500,000	4,600,000	2,600,000	4,000,000	2,700,000	4,600,000
Persons filing for office . . . . .	400	2,500	500	1,900	550	2,700	575
Persons found in violation of campaign expenditure reporting requirements . . . . .	16	32	16	28	18	35	18
Commissions issued . . . . .	14,796	15,350	14,900	15,200	14,800	15,250	14,850

### Program Analysis:

The actual number of voters is extremely variable and depends to a great extent on the number and type of offices to be filled and the political climate at the time of the election. Presidential elections tend to attract the largest segment of the voters. But the intent of this program is not to turn out voters, that is the job of the various party faithfuls. It is to ensure that the entire electoral process is carried out according to legally defined specifications and to insure that elected officials meet the legal requirements of their respective positions.

The much-publicized abuses of the political process in recent years has raised the public's ire; caused a large portion of incumbent politicians to not seek reelection; and increased the pressure on state and national legislators to make changes in the election process. Numerous state and Federal proposals have been enacted following Watergate. The resultant changes

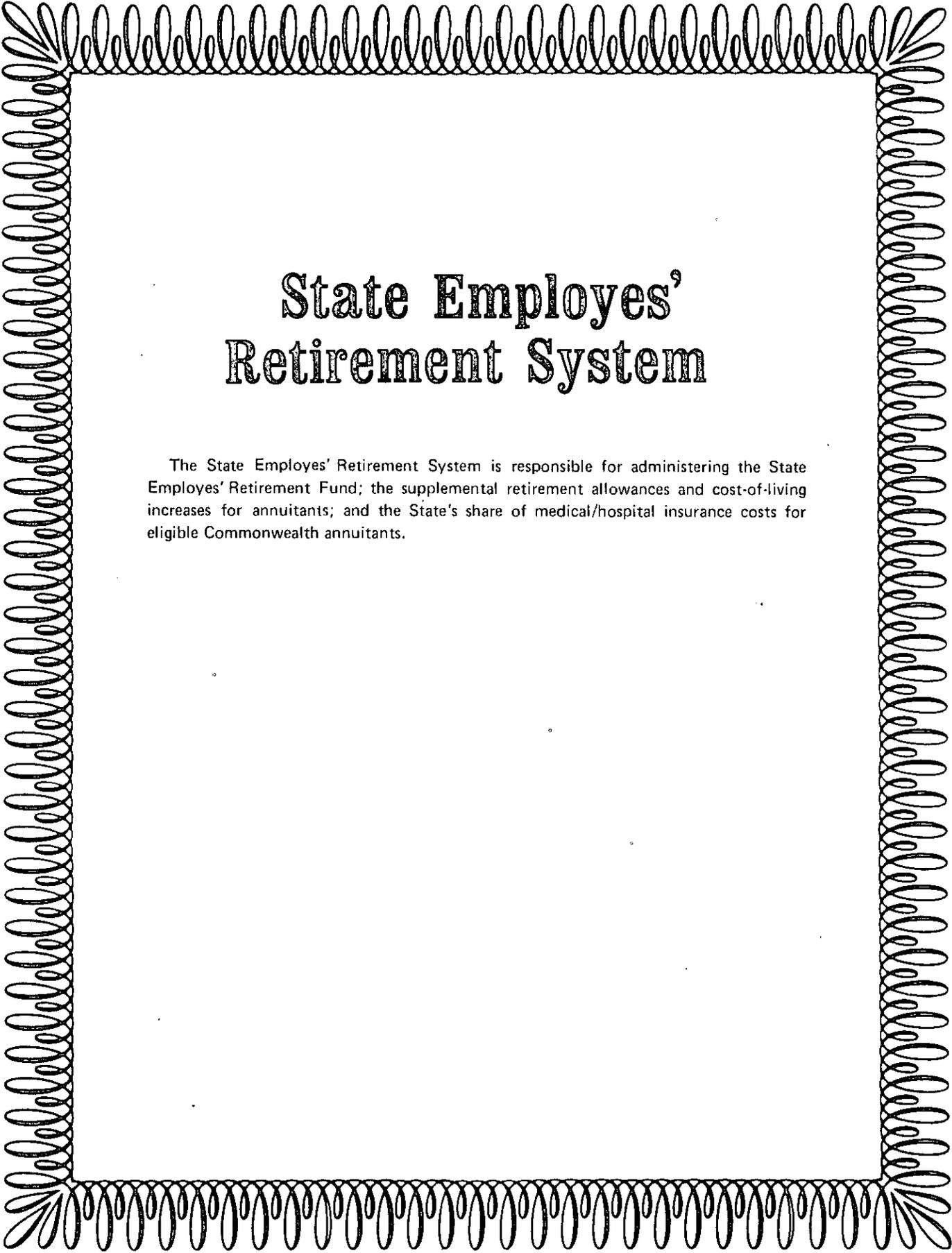
in the State Election Code greatly increased the activities of the Department of State's Bureau of Commissions, Elections and Legislation. The newly formulated regulations require the Bureau to maintain campaign expenditure reports for all candidates and to audit expenditure reports for compliance with the State Election Code. With the increased vacating of incumbent-held political offices, more persons are filing for office who have never held office, more auditing is required and more violations result. All violations are reported to the State Justice Department for disposition.

Other functions within this subcategory which fall under the commissioning area include commissioning State board members, judges, notary publics, preparing extraditions for the Governor, and processing bond issues for the Commonwealth.

## Maintenance of the Electoral Process (continued)

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$260	\$245	\$279	\$296	\$326	\$356	\$390
Publishing Constitutional Amendments . . . . .	85	40	85	100	100	100	100
Voting of Citizens in Military Service . . . . .	7	8	30	10	10	10	30
Electoral College Expenses . . . . .	....	....	5	....	....	....	8
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$352</u>	<u>\$293</u>	<u>\$399</u>	<u>\$406</u>	<u>\$436</u>	<u>\$466</u>	<u>\$528</u>



# State Employees' Retirement System

The State Employees' Retirement System is responsible for administering the State Employees' Retirement Fund; the supplemental retirement allowances and cost-of-living increases for annuitants; and the State's share of medical/hospital insurance costs for eligible Commonwealth annuitants.

# STATE EMPLOYEES' RETIREMENT SYSTEM

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
Supplemental Retirement Allowance Fund . . . . .	\$1,596	. . . . .	. . . . .
Annuity Medical — Hospital Insurance . . . . .	1,710	\$2,100	\$2,600
Employer's Supplemental Contribution . . . . .	*	. . . . .	. . . . .
Employer's Retirement Contribution . . . . .	. . . . .	*	. . . . .
GENERAL FUND TOTAL . . . . .	\$3,306	\$2,100	\$2,600

0

---

\* This represents a portion of the employer's share of the retirement contributions which was appropriated directly to the State Employee's Retirement System but subsequently distributed to various agencies, to avoid double counting the funds are not shown here. Details may be found on page 72 of Volume I.

General Government

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Annuitants Medical – Hospital Insurance</b>			
State Funds . . . . .	\$ 1,710	\$ 2,100	\$2,600

Provides the State's share of medical – hospital insurance costs for Commonwealth annuitants who have elected such coverage.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Annuitants Medical – Hospital Insurance . . . . .	<u>\$ 1,710</u>	<u>\$ 2,100</u>	<u>\$2,600</u>

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Supplemental Retirement Allowance</b>			
State Funds . . . . .	\$ 1,596	. . . . .	. . . . .

Provided for supplemental retirement allowances and any cost-of-living increases for annuitants. Beginning in 1975-76, these costs were included in the retirement provisions of individual agency budgets.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Supplemental Retirement Allowance Fund . . . . .	<u>\$ 1,596</u>	. . . . .	. . . . .

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Employer's Supplemental Contribution</b>			
State Funds .....	*	.....	.....

Provided for the funding of unanticipated additional costs to the State Employees' Retirement System resulting from the passage of Act No. 31 of 1974, which significantly amended the State Employees' Retirement Code. During 1974-75, \$9,100,000 was appropriated to the Retirement System through this appropriation most of those funds are shown as expended by the individual agencies, and to avoid double counting, are not shown here. See page 00 Volume 1 for details of the distribution.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Employer's Supplemental Contribution .....	*	.....	.....

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Employer's Retirement Contribution</b>			
State Funds .....	.....	*	.....

Provided for most of the State funds share of the State employer's retirement cost for General Fund employes. During 1975-76, \$77,531,000 was appropriated to the Retirement System through this appropriation. These funds are shown as available to the individual agencies and, to avoid double counting, are not shown here. See page 72 of Volume I for details of the distribution.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Employer's Retirement Contribution .....	.....	*	.....

\*See narrative for explanation.

STATE EMPLOYES' RETIREMENT SYSTEM

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Administration and Support . . . . .	<u>\$3,306</u>	<u>\$2,100</u>	<u>\$2,600</u>	<u>\$2,950</u>	<u>\$3,300</u>	<u>\$3,650</u>	<u>\$4,000</u>

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$3,306	\$2,100	\$2,600	\$2,950	\$3,300	\$3,650	\$4,000
Other Funds . . . . .	1,265	1,386	1,596	1,764	1,966	2,188	2,423
<b>TOTAL . . . . .</b>	<b>\$4,571</b>	<b>\$3,486</b>	<b>\$4,196</b>	<b>\$4,714</b>	<b>\$5,266</b>	<b>\$5,838</b>	<b>\$6,423</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Member accounts . . . . .	130,450	132,293	134,781	138,134	141,570	145,092	148,702
Annuitants . . . . .	29,707	32,507	35,307	38,107	40,907	43,707	46,507

**Program Analysis:**

The State Employees' Retirement System (SERS) was established to administer the pension plan created by statute in 1924 for employes of the Commonwealth. Close inspection reveals that the business of retirement begins, not when an employe is ready to receive a pension, but rather when he is employed, and it continues throughout his lifetime.

The State Employees' Retirement System processes applications for membership and refunds of contributions on account of terminations. These two functions alone currently amount to over 2,700 transactions a month. Once an employe becomes a member of the System, he begins making contributions from each paycheck. The System, in conjunction with the Commonwealth Management Information Center, maintains on computer over 130,000 account records and credits interest to these accounts each year. Another function of the SERS is the processing of applications for reinstatement of prior State service, for purchase of credit for military service, and for conversion of the type of coverage an employe has. This function entails researching an employe's service and salary records, computing the cost of the request, reporting same to the employe, and processing the payments for the purchase. The revised Retirement Code, Act no. 31 of 1974 liberalized the

requirements for these purchases, causing a sharp increase in applications.

There are several functions required by the retirement process itself. The revised Retirement Code requires all agencies to have a retirement counselor to act as a liaison between the employe and the Retirement System. Presently there are 113 counselors in the agencies. The job of training counselors and keeping them informed of policy and procedure is another important service of the SERS. The System also researches and processes approximately 300 retirement applications each month. Each new retiree is put on the monthly payroll, which now numbers over 30,000 checks totaling over 8 million dollars. The SERS also receives about 100 applications each month for death benefits.

The Retirement System oversees a portfolio of investments valued at more than one and a half billion dollars. The recodified Retirement Law brought about many major changes and a myriad of problems of interpretation and administration. The Retirement Board and its staff, working with the legal and actuarial advisors to the System, are dedicated to maintaining a System that is financially sound, efficient and responsive to the requirements of its membership.

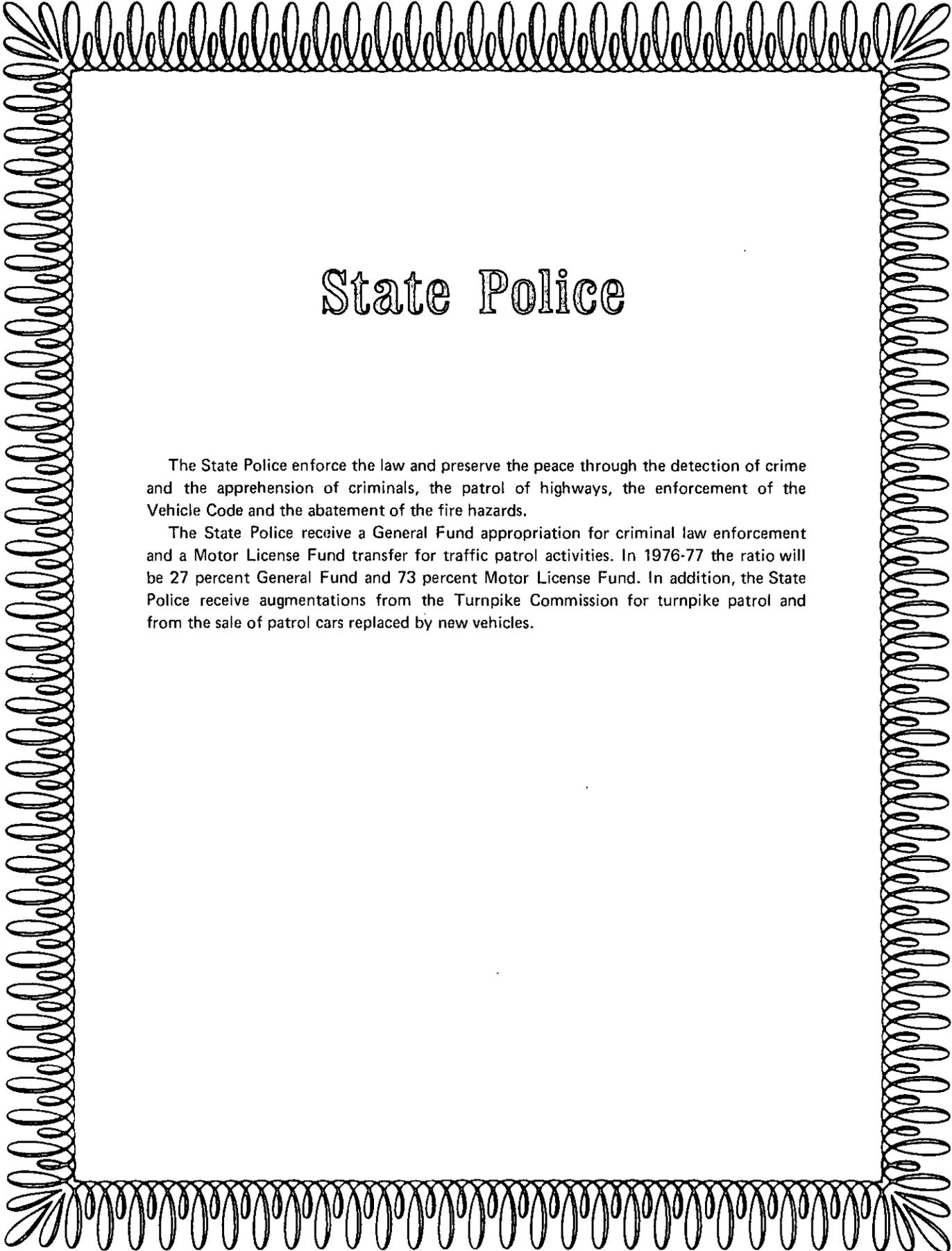
STATE EMPLOYEES' RETIREMENT SYSTEM

General Administration and Support (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Supplemental Retirement Allowance Fund	\$1,596	.....	.....	.....	.....	.....	.....
Annuitants Medical—Hospital Insurance	1,710	\$2,100	\$2,600	\$2,950	\$3,300	\$3,650	\$4,000
Employer's Supplemental Contribution	*	.....	.....	.....	.....	.....	.....
Employer's Retirement Contribution	.....	*	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL</b>	<u>\$3,306</u>	<u>\$2,100</u>	<u>\$2,600</u>	<u>\$2,950</u>	<u>\$3,300</u>	<u>\$3,650</u>	<u>\$4,000</u>

\*This represents a portion of the employer's share of the retirement contributions which was appropriated directly to the State Employee's Retirement System but subsequently distributed to various agencies. To avoid double counting the funds are not shown here. Details may be found on page 72 of Volume I.



# State Police

The State Police enforce the law and preserve the peace through the detection of crime and the apprehension of criminals, the patrol of highways, the enforcement of the Vehicle Code and the abatement of the fire hazards.

The State Police receive a General Fund appropriation for criminal law enforcement and a Motor License Fund transfer for traffic patrol activities. In 1976-77 the ratio will be 27 percent General Fund and 73 percent Motor License Fund. In addition, the State Police receive augmentations from the Turnpike Commission for turnpike patrol and from the sale of patrol cars replaced by new vehicles.

## STATE POLICE

### Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$ 25,267	\$ 26,244	\$ 30,878
Municipal Police Training . . . . .	17	1,000	1,400
Emergency Flood Relief . . . . .	. . . . .	50	. . . . .
<b>Total State Funds . . . . .</b>	<b><u>\$ 25,284</u></b>	<b><u>\$ 27,294</u></b>	<b><u>\$ 32,278</u></b>
Federal Funds . . . . .	\$ 1,137	\$ 317	\$ 26
Other Funds . . . . .	4,448	6,940	6,987
<b>GENERAL FUND TOTAL . . . . .</b>	<b><u>\$ 30,869</u></b>	<b><u>\$ 34,551</u></b>	<b><u>\$ 39,291</u></b>
<b>Motor License Fund</b>			
<b>General Government</b>			
Transfer to General Fund—General Government Operations . . . . .	\$ 70,703	\$ 75,206	\$ 83,484
Transfer to General Fund—Municipal Police Training . . . . .	. . . . .	1,000	1,400
<b>MOTOR LICENSE FUND TOTAL . . . . .</b>	<b><u>\$ 70,703</u></b>	<b><u>\$ 76,206</u></b>	<b><u>\$ 84,884</u></b>
<b>Department Total — All Funds</b>			
General Fund . . . . .	\$ 25,284	\$ 27,294	\$ 32,278
Special Funds . . . . .	70,703	76,206	84,884
Federal Funds . . . . .	1,137	317	26
Other Funds . . . . .	4,448	6,940	6,987
<b>TOTAL ALL FUNDS . . . . .</b>	<b><u>\$101,572</u></b>	<b><u>\$110,757</u></b>	<b><u>\$124,175</u></b>

General Government

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>General Government Operations</b>			
State Funds . . . . .	\$ 25,284	\$ 27,244	\$ 32,278
Federal Funds . . . . .	1,137	317	26
Other Funds* . . . . .	75,151	83,146	91,871
<b>TOTAL . . . . .</b>	<u>\$101,572</u>	<u>\$110,707</u>	<u>\$124,175</u>

Provides administrative support for all line and staff activities of the Department. Seeks to reduce traffic accidents through highway patrol, operator qualifications examinations and periodic investigation of vehicle inspection stations. Maintains a juvenile crime prevention program, as well as a criminal law enforcement program, which includes training of municipal police, in an effort to reduce crime and instances of civil disorder. Provides assistance during natural disasters and any other emergencies. Inspects all proposed flammable tank installations.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
General Government Operations . . . . .	\$ 25,267	\$ 26,244	\$ 30,878
Municipal Police Training . . . . .	17	1,000	1,400
<b>Federal Funds:</b>			
State and Community Highway Safety . . . . .	1,126	80	26
Law Enforcement Assistance – Discretionary Grants . . . . .	11	237	. . . . .
<b>Other Funds:</b>			
From Turnpike Commission for Traffic Control . . . . .	3,578	5,520	5,796
Transfer from Motor License Fund—General Government Operations . . . . .	70,703	75,206	83,484
Transfer from Motor License Fund—Municipal Police Training . . . . .	. . . . .	1,000	1,400
Sale of Automobiles . . . . .	827	990	750
Reimbursement for Comptroller Services . . . . .	38	30	42
Training Fees . . . . .	5	400	399
<b>TOTAL . . . . .</b>	<u>\$101,572</u>	<u>\$110,707</u>	<u>\$124,175</u>

\* Other funds include the transfers from the Motor License Fund which are not carried forward to the Summary by Fund and Appropriation to avoid double counting.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Emergency Flood Relief, 1975</b>			
State Funds .....	.....	\$50	.....

Provided for emergency services, direction of traffic and maintenance of security by the State Police during Hurricane Eloise.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Emergency Flood Relief, 1975 .....	.....	<u>\$50</u>	.....

General Government

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>General Government Operations</b>			
State Funds . . . . .	\$ 70,703	\$ 76,206	\$ 84,884

Provides reimbursement to the General Fund for State Police activities relating to highway safety, traffic patrol and municipal police training.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Transfer to General Fund—General Government Operations . . . . .	\$ 70,703	\$ 75,206	\$ 83,484
Transfer to General Fund—Municipal Police Training . . . . .	. . . . .	1,000	1,400
<b>TOTAL . . . . .</b>	<u>\$ 70,703</u>	<u>\$ 76,206</u>	<u>\$ 84,884</u>

## STATE POLICE

### Summary of Agency Program by Category and Subcategory

#### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support</b> . . . . .	\$ 10,082	\$ 10,543	\$ 13,168	\$ 13,647	\$ 14,142	\$ 14,665	\$ 15,210
<b>Traffic Safety and Supervision</b> . . . . .	\$ 62,734	\$ 67,518	\$ 75,237	\$ 80,445	\$ 85,403	\$ 90,455	\$ 95,772
Operator Qualifications . . . . .	2,194	2,473	2,589	2,748	2,918	3,099	3,283
Vehicle Standards Control . . . . .	888	1,008	1,035	1,060	1,086	1,111	1,136
Traffic Supervision . . . . .	59,652	64,037	71,613	76,637	81,399	86,245	91,353
<b>Control and Reduction of Crime</b> . . . . .	\$ 22,251	\$ 24,309	\$ 27,633	\$ 30,028	\$ 31,911	\$ 33,969	\$ 36,092
Crime Prevention . . . . .	434	497	457	491	529	568	612
Criminal Law Enforcement . . . . .	21,817	23,812	27,176	29,537	31,382	33,401	35,480
<b>Maintenance of Public Order</b> . . . . .	\$ 579	\$ 723	\$ 717	\$ 751	\$ 771	\$ 795	\$ 819
Prevention and Control of Civil Disorders . . . . .	566	659	703	736	756	779	803
Disaster Assistance . . . . .	13	64	14	15	15	16	16
<b>Community Safety</b> . . . . .	\$ 341	\$ 407	\$ 407	\$ 416	\$ 426	\$ 438	\$ 450
Fire Prevention . . . . .	341	407	407	416	426	438	450
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$ 95,987</u>	<u>\$103,500</u>	<u>\$117,162</u>	<u>\$125,287</u>	<u>\$132,653</u>	<u>\$140,322</u>	<u>\$148,343</u>

### General Administration and Support

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

#### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 2,113	\$ 1,855	\$ 3,521	\$ 3,652	\$ 3,787	\$ 3,928	\$ 4,077
Special Funds . . . . .	7,969	8,688	9,647	9,995	10,355	10,737	11,133
Federal Funds . . . . .	.....	30	.....	.....	.....	.....	.....
Other Funds . . . . .	38	30	42	44	46	48	50
<b>TOTAL</b> . . . . .	<u>\$10,120</u>	<u>\$10,603</u>	<u>\$13,210</u>	<u>\$13,691</u>	<u>\$14,188</u>	<u>\$14,713</u>	<u>\$15,260</u>

#### Program Analysis:

General Administration and Support provides direction and coordination for all line and staff activities of the State Police, including the administrative and overhead systems for the operation of the various substantive law enforcement programs. Included in this subcategory are the provision of protection to the Governor and visiting dignitaries, security of

the executive mansion, and background investigations on State job applicants.

The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

#### Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	<u>\$ 2,113</u>	<u>\$ 1,855</u>	<u>\$ 3,521</u>	<u>\$ 3,652</u>	<u>\$ 3,787</u>	<u>\$ 3,928</u>	<u>\$ 4,077</u>
<b>MOTOR LICENSE FUND</b>							
Transfer to General Fund . . . . .	<u>\$ 7,969</u>	<u>\$ 8,688</u>	<u>\$ 9,647</u>	<u>\$ 9,995</u>	<u>\$10,355</u>	<u>\$10,737</u>	<u>\$11,133</u>

## Operator Qualifications Control

OBJECTIVE: To minimize the number of traffic accidents attributable to physically and mentally unqualified operators.

## Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Fund . . . . .	<u>\$2,194</u>	<u>\$2,473</u>	<u>\$2,589</u>	<u>\$2,748</u>	<u>\$2,918</u>	<u>\$3,099</u>	<u>\$3,283</u>

## Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Traffic Accidents:</b>							
Fatalities . . . . .	1,928	1,920	2,040	2,050	2,070	2,100	2,100
Injuries . . . . .	88,070	102,000	96,000	96,000	97,000	99,000	100,000
Total accidents . . . . .	277,271	300,000	293,000	293,000	293,000	293,000	292,000
<b>Accidents attributable to unqualified drivers:</b>							
Fatalities . . . . .	1,031	1,020	1,090	1,090	1,110	1,120	1,130
Injuries . . . . .	55,165	64,100	60,200	60,200	60,800	62,100	64,100
Total accidents . . . . .	168,789	182,700	178,400	178,400	178,400	178,400	178,400
Licensed Operators . . . . .	8,013,000	8,093,000	8,173,000	8,255,000	8,338,000	8,421,000	8,548,000
Operators reexamined . . . . .	194,584	200,000	200,000	200,000	200,000	200,000	200,000
Vehicle miles driven (in billions) . . . . .	64	65	66	67	69	70	71

## Program Analysis:

This subcategory is comprised of a series of preventive programs. These include: examination of new operators, reexamination of selected operators, reexamination of school bus operators every four years and public presentations. Studies of the effect of medical handicaps on the occurrence of traffic accidents indicate that certain medical conditions may be a contributing factor in the occurrence of up to 50 percent of traffic accidents. The relevant medical defects fall into three general categories: organic medical conditions such as epilepsy, cardiovascular disease and visual impairment; psycho-social conditions such as mental illness, alcoholism and drug abuse; and coordination disorders. It can be safely inferred that drivers with such defects have a higher accident likelihood than drivers with no medical impairment. A study by the Pennsylvania Department of Transportation showed that 44 percent of the drivers killed were legally drunk. Surprisingly, 34 percent of the pedestrians killed were also legally drunk.

Numerous studies have shown that youthful drivers have a higher accident rate than more mature drivers. Although youthful drivers, ages 16 to 24, represent only 21 percent of the driving population, they are involved in 34 percent of the reported accidents. By comparison, the age group 25 to 34

represents 21 percent of the driving population and is involved in 18 percent of all accidents. To combat the high number of youth accidents, each State Police troop has a man assigned to youth safety education.

The emphasis in this subcategory has traditionally been placed on initial operator licensing examinations which have served as a screening device for identifying those applicants whose test performance indicated a low driving skill level or inadequate prior training. Reexaminations were minimal until 1973-74, when the number of reexaminations increased to 208,000 from the previous year's 130,000 level. It is intended to maintain this effort at a level of 200,000 examinations per year.

This reexamination entails a vision test and a physical examination by a physician to certify that there is no medical condition which would impair the operator's driving ability. Such a program effort should extend the impact of this subcategory. However, this type of program cannot be expected to exert influence over more than 15 to 20 percent of total accidents, since such defects as alcoholism, drug dependency, and mental illness are practically impossible to detect in a cursory examination.

---

**Operator Qualifications Control (continued)****Program Costs by Appropriation:**

	1974-75	1975-76	(Dollar Amounts in Thousands)			1979-80	1980-81
			1976-77	1977-78	1978-79		
MOTOR LICENSE FUND							
Transfer to General Fund . . . . .	<u>\$2,194</u>	<u>\$2,473</u>	<u>\$2,589</u>	<u>\$2,748</u>	<u>\$2,918</u>	<u>\$3,099</u>	<u>\$3,283</u>

## Vehicle Standards Control

OBJECTIVE: To minimize the number of traffic accidents attributable to vehicle mechanical defects.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	<u>\$ 888</u>	<u>\$ 1,008</u>	<u>\$ 1,035</u>	<u>\$ 1,060</u>	<u>\$ 1,086</u>	<u>\$ 1,111</u>	<u>\$ 1,136</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Statewide vehicle registration . . . . .	7,187,000	7,259,000	7,332,000	7,405,000	7,479,000	7,554,000	7,630,000
Traffic accidents:							
Individual Fatalities . . . . .	1,965	1,974	1,985	1,995	2,005	2,014	2,023
Individual Injuries . . . . .	133,614	135,339	137,065	138,794	140,517	142,247	143,984
Accidents involving injuries . . . . .	88,070	90,000	91,000	92,000	93,000	94,000	95,000
Total accidents . . . . .	279,999	284,374	288,212	292,294	296,375	300,464	304,580
Accidents resulting from mechanical failure (primary cause):							
Fatalities . . . . .	26	30	30	30	30	30	30
Accidents involving injuries . . . . .	1,960	2,200	2,100	2,100	2,100	2,100	2,100
Total accidents . . . . .	5,657	6,000	5,900	5,900	5,900	5,900	5,900
Inspection stations . . . . .	15,982	16,000	16,000	16,000	16,000	16,000	16,000
Inspection station visitations . . . . .	31,964	32,000	32,000	32,000	32,000	32,000	32,000

### Program Analysis:

Vehicle failure, as a primary causal factor, contributes to about one percent of fatal accidents and two percent of all accidents in the Commonwealth. The motor vehicle inspection program conducted by the State Police seeks to maintain these low rates or, if possible, to reduce them.

The major activities of this program involve the regulation of inspection stations. Every inspection station is visited twice a year. During such visits the station's inspection records are audited and a check of the station's facilities is made. In addition, all mechanics who perform inspections must be certified. Successful performance on a written examination is required for certification. Passage of this examination assures only that a mechanic is familiar with the inspection regulations.

Several studies conducted on the impact of motor vehicle inspection systems, involving analysis of accident rates in several states, have reached the general conclusion that inspection systems have a minimal effect on accidents or fatalities. A comprehensive study conducted on the effectiveness of vehicle inspection systems was done by the National Highway Traffic Safety Administration (NHTSA) in 1971. The NHTSA analyzed accident data covering a 19 year

period in an effort to determine the effectiveness of periodic motor vehicle inspection programs in reducing accidents. A comparison was made between the fatality rates of states having a periodic inspection program and states without such a program. No correlation between the existence of an inspection program and fatality rates could be found. The NHTSA study also compared fatality rates for the seven states which adopted a motor vehicle inspection program between 1955 and 1965. Accident data for the 3 years preceding and following initiation of the program was studied. That analysis revealed no pattern either before or after adoption of an inspection program. The NHTSA stated in its conclusion that "there was no significant reduction in highway fatalities attributable to periodic motor vehicle inspections."

A task force associated with Carnegie-Mellon University recently released (December 1975) a study which dealt both with the Pennsylvania inspection program and with a comparison of programs of other states. That study confirmed the NHTSA's finding that inspection systems have a very limited effect on accident rates. In fact, the study found that "states using a random system appear to have lower accident fatality rates than those requiring either mandatory

**Vehicle Standards Control (continued)**

**Program Analysis: (continued)**

inspections or none at all." The Carnegie-Mellon study also found deficiencies in the way that inspections are conducted. A test car with 13 implanted defects, each of which were sufficient grounds for rejection, was taken to 20 randomly selected inspection stations. These stations spotted on the average only four of the 13 defects and one station even passed the vehicle for inspection.

Given the low number of accidents caused by vehicle failure, and the evidence that inspection systems have little effect on accident rates, it would appear that major emphasis in reducing traffic accidents should be placed on other approaches to highway safety. It is estimated that Pennsylvanians will spend approximately \$91 million on inspection fees this year, plus an incalculable amount for

unnneeded repair at dishonest or incompetent inspection stations. If there was some way that a portion of these funds could be diverted to other traffic safety activities the results would, in all likelihood, be more effective. The Department of Transportation is presently reviewing the Carnegie-Mellon report and considering possible changes to the inspection program. Changes that may be considered include simplification of the inspection procedure to look only for the most critical areas of mechanical failure and adoption of an annual inspection program.

The measures show that accidents related to vehicle failure increased slightly in 1974-75. Future projections anticipate that these types of accidents will increase at approximately the same rate as the increase in all accidents.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
MOTOR LICENSE FUND							
Transferred to General Fund . . . . .	<u>\$ 888</u>	<u>\$ 1,008</u>	<u>\$ 1,035</u>	<u>\$ 1,060</u>	<u>\$ 1,086</u>	<u>\$ 1,111</u>	<u>\$ 1,136</u>

## Traffic Supervision

OBJECTIVE: To minimize the number of traffic accidents.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	\$59,652	\$64,037	\$71,613	\$76,637	\$81,399	\$86,245	\$91,353
Federal Funds . . . . .	972	50	26	30	30	30	30
Other Funds . . . . .	4,192	6,413	6,501	6,826	7,167	7,525	7,901
<b>TOTAL . . . . .</b>	<b>\$64,816</b>	<b>\$70,500</b>	<b>\$78,140</b>	<b>\$83,493</b>	<b>\$88,596</b>	<b>\$93,800</b>	<b>\$99,284</b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Traffic accidents:</b>							
Individual fatalities . . . . .	1,965	1,974	1,985	1,995	2,005	2,014	2,023
Individual injuries . . . . .	133,614	135,339	137,065	138,794	140,517	142,247	143,984
Accidents involving injuries . . . . .	88,070	90,000	91,000	92,000	93,000	94,000	95,000
<b>Total accidents . . . . .</b>	<b>279,999</b>	<b>284,374</b>	<b>288,212</b>	<b>292,294</b>	<b>296,375</b>	<b>300,464</b>	<b>304,580</b>
<b>Accidents investigated by State Police attributable to actions of the motor vehicle operator:</b>							
Fatalities . . . . .	448	450	470	457	457	457	457
Injuries . . . . .	7,072	8,200	7,700	7,200	7,300	7,400	7,500
<b>Total accidents . . . . .</b>	<b>15,669</b>	<b>17,100</b>	<b>16,700</b>	<b>15,300</b>	<b>15,300</b>	<b>15,300</b>	<b>15,300</b>
<b>State police arrests for hazardous moving violations . . . . .</b>	<b>318,000</b>	<b>415,000</b>	<b>475,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>
<b>Local police trained by Pennsylvania State Police in basic course . . . . .</b>	<b>701</b>	<b>950</b>	<b>950</b>	<b>950</b>	<b>950</b>	<b>950</b>	<b>950</b>
<b>Responses by Pennsylvania State Police for assistance in traffic cases . . . . .</b>	<b>43,971</b>	<b>45,000</b>	<b>46,000</b>	<b>46,000</b>	<b>46,000</b>	<b>46,000</b>	<b>46,000</b>
<b>State Police arrests for intoxication . . . . .</b>	<b>2,394</b>	<b>2,700</b>	<b>2,800</b>	<b>2,900</b>	<b>3,000</b>	<b>3,100</b>	<b>3,200</b>

### Program Analysis:

The purpose of this program is to reduce the incidence of those actions which increase the probability of an accident. Primary emphasis is placed on patrolling the highways. This program also encompasses training in traffic supervision and enforcement for local police. As a result of the Municipal Police Training Act of 1974, the number of local police receiving such training is expected to increase during this fiscal year and then level off in future years.

The fundamental concept of patrol is to eliminate both the opportunity and belief in the opportunity on the part of the motorist to violate traffic regulations without apprehension. In an effort to determine the effectiveness of patrol activities, the

Office of the Budget reviewed accident and patrol data. This analysis sought to determine if changes in the level of State Police patrol activity produced corresponding changes in accident rates. While this and other analyses have shown that police patrol can have an effect, only major increases could bring about appreciable changes in the accident level. Other factors, primarily traffic density and highway safety construction, are more significant factors in determining accident rates.

In 1965, one out of every 1,711 vehicle miles driven in Pennsylvania was driven by State Police officers on traffic assignments. By 1974, one out of every 1,570 vehicle miles

## Traffic Supervision (continued)

## Program Analysis: (continued)

driven in Pennsylvania was driven by State Police officers on traffic assignments. Given the data cited above, it appears that to further increase the intensity of patrol activities would not be justified in light of reductions which would have to occur in other areas affecting highway safety.

Perhaps one reason for the limited effectiveness of patrol activities is the nature of the arrests which are made. It is widely accepted that a large portion of accidents are caused by intoxicated drivers. A study by the Pennsylvania Department of Transportation showed that 44 percent of the drivers killed were legally drunk. However, for the past several years less than one percent of the State Police's traffic arrests have

involved intoxication. This imbalance has recently increased. During 1974-75 total traffic arrests increased by 29 percent, however, arrests for drunken driving decreased by 20 percent. Thus, it would appear that intensive efforts to enforce the 55 mile per hour speed limit have diverted resources from enforcement of the drunken driving law.

A major change in the measures occurs with regard to accidents attributable to actions of the motor vehicle operator. The figures shown for that measure reflect only accidents investigated by State Police since uniform State figures for this measure are not available from the Department of Transportation.

## Program Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)				
			1976-77	1977-78	1978-79	1979-80-	1980-81
MOTOR LICENSE FUND							
Transferred to General Fund—General Government Operations . . . . .	\$59,652	\$63,037	\$70,213	\$74,962	\$79,718	\$84,559	\$89,661
Transfer to General Fund—Municipal Police Training . . . . .	.....	1,000	1,400	1,675	1,681	1,686	1,692
MOTOR LICENSE FUND							
TOTAL . . . . .	<u>\$59,652</u>	<u>\$64,037</u>	<u>\$71,613</u>	<u>\$76,637</u>	<u>\$81,399</u>	<u>\$86,245</u>	<u>\$91,353</u>

## Crime Prevention

OBJECTIVE: To minimize the incidence of crime through a reduction in the opportunity for potential violators to commit unlawful acts, and by motivating juvenile violators to avoid any future unlawful activity.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$434</u>	<u>\$497</u>	<u>\$457</u>	<u>\$491</u>	<u>\$529</u>	<u>\$568</u>	<u>\$612</u>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Student population (11 - 17 year olds) . . .	1,769,000	1,750,000	1,740,000	1,710,000	1,670,000	1,630,000	1,600,000
Juveniles arrested by State Police . . . . .	11,321	11,900	13,200	14,600	16,000	17,000	18,000
Recidivism rate for youths (12 - 16) . . . . .	33%	33%	33%	33%	33%	33%	33%
Juveniles receiving State Police preventive contacts . . . . .	1,207	1,300	1,400	1,400	1,400	1,500	1,500
Juvenile offenders handled informally . . . . .	15,708	16,000	16,000	16,000	16,000	16,000	16,000
Liaison visits to courts, schools, police departments etc. . . . .	4,541	5,000	5,200	5,400	5,600	5,800	6,000
Attendance at youth aid programs . . . . .	36,319	38,000	40,000	42,000	44,000	46,000	48,000

### Program Analysis:

The aim of this subcategory is the reduction of the incidence of crime through preventive programs. In an effort to reduce the opportunity for potential violators to commit crimes, the State Police conduct public education programs aimed at increasing the awareness of potential victims and thereby reducing their probability of being a target. Some of the more notable State Police presentations have dealt with safeguarding against bunco artists, rape and robbery.

Another approach to reducing the crime rate, that is followed in this subcategory, is to aim preventive programs at youth before crime becomes an established way of life. It has been established that, next to opportunity, desire for excitement appears to be the main basis of most juvenile crimes. Thus, it is hoped that with a relevant information campaign and personal contacts with an enforcement officer, in a non-punishing capacity, the desire for excitement can be directed away from crime and its incidence lowered.

In the past, the State Police have tried to use a dual approach to the juvenile crime prevention program. First, have been the preventive contacts, where the officer faces the juvenile and/or the parents before a crime is actually

committed. The second type of referral is after a youth has been caught, but not yet arrested. The idea being that leniency in the first contact with the law might prevent further incidents. This can best be measured through a juvenile recidivism rate. (Preliminary figures show a 33 percent juvenile recidivism rate.)

There seems to be a de-emphasis in the approach of informal counseling before arrest. Although the number of youths handled informally is projected to remain constant, the juvenile arrest figure is projected to rise steadily. And although crime has risen, the major factor in arrests has been underage drinking, for which arrest, and not counseling, is deemed more expedient.

The measures show a substantial change, from the previous year's budget, in the number of juveniles receiving preventive contacts and the number of juvenile offenders handled informally. These changes are due to more accurate reporting.

## Crime Preventions (continued)

## Program Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)			1979-80	1980-81
			1976-77	1977-78	1978-79		
GENERAL FUND							
General Government Operations . . . . .	\$434	\$497	\$457	\$491	\$529	\$568	\$612

## Criminal Law Enforcement

OBJECTIVE: To maximize the percentage of sound crime case clearance and the percentage of convictions.

### Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$21,817	\$23,812	\$27,176	\$29,537	\$31,382	\$33,401	\$35,480
Federal Funds .....	165	237	.....	.....	.....	.....	.....
Other Funds .....	218	497	444	466	490	514	540
<b>TOTAL .....</b>	<b>\$22,200</b>	<b>\$24,546</b>	<b>\$27,620</b>	<b>\$30,003</b>	<b>\$31,872</b>	<b>\$33,915</b>	<b>\$36,020</b>

### Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Statewide crimes against persons .....	37,189	39,600	41,700	43,500	45,000	46,000	47,000
Statewide crimes against property .....	321,942	350,000	370,000	390,000	410,000	420,000	430,000
Crimes against persons investigated by State Police:							
Clearances .....	60%	57%	57%	57%	57%	57%	57%
Convictions .....	38.3%	35%	35%	35%	35%	35%	35%
Crimes against property investigated by State Police:							
Clearances .....	17.8%	17%	17%	17%	17%	17%	17%
Convictions .....	60.8%	55%	55%	55%	55%	55%	55%

### Program Analysis:

The effect of this program is intended to be a controlling factor on the incidence of crime. Although many factors associated with high crime rates have been identified, uncertainties still surround the cause and effect relationships in criminal conduct. It is clear that crime cannot be viewed in isolation from other social and behavioral dilemmas. Nor can crime hope to be reduced without the cooperation of the other branches of government that make up the entire legal system. As a result, the question of whether the volume of police services is related to the level of crime is a subject of much conjecture. During the last ten years police manpower and material increased, technical knowhow improved, arrests increased, and the crime rate soared. Perhaps the best measures of the intensity and competency of the police investigative effort are clearance and conviction records.

The clearance rate is the percentage of reported crimes for

which an arrest is made. The clearance rate for crimes of violence is higher than other crimes for three reasons: there is a victim; there is usually a witness (often the victim); and more investigative effort is concentrated on this type of crime. The crimes of violence are murder, rape, robbery and assault. Crimes against property have a lower clearance rate because there is usually no witness to the crime. These include burglary, larceny and auto theft.

In an effort to improve on their conviction rate, the State Police have concentrated more effort in certain areas: auto theft and homicides. Preliminary figures fail to show whether such extra effort has had a positive effect on conviction rates. The State Police will be performing an effectiveness audit on this subject. The clearance and conviction figures show a marked increase over last year's figures, but this is due to the fact that last year's rates were understated.

Criminal Law Enforcement (continued)

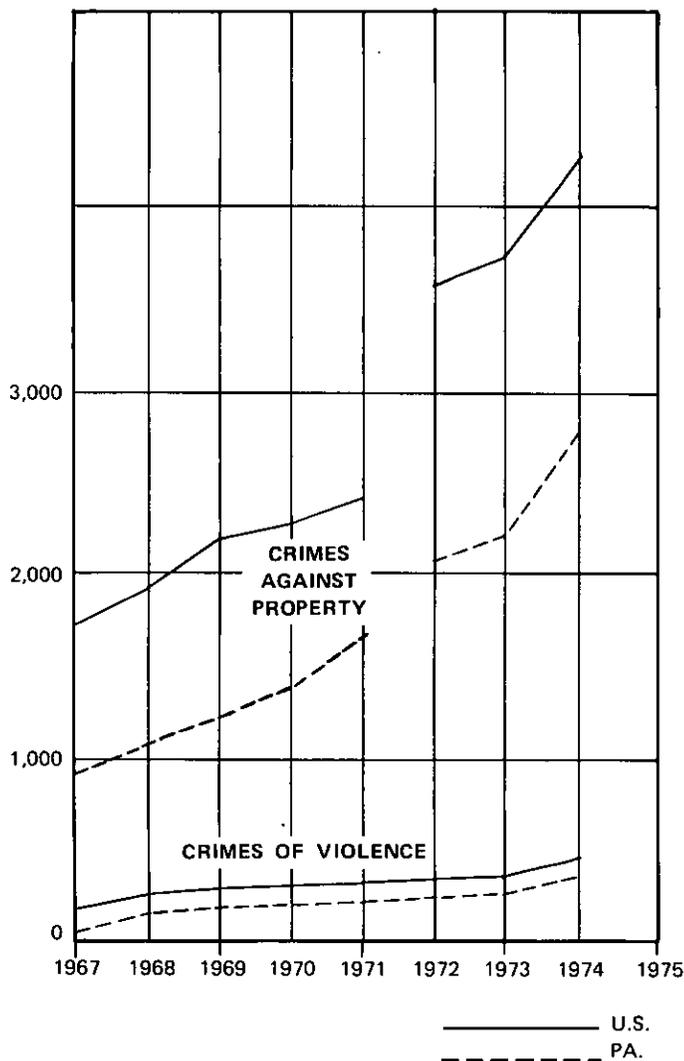
Program Analysis: (continued)

The State Police accept responsibility for criminal investigation anywhere in the Commonwealth where they are asked to give assistance. Technical assistance is provided to any municipality requesting it at no charge. An increasing number of municipal police departments are being created and are assuming responsibility in an ever growing proportion of the Commonwealth. There seems to be general agreement that local police familiarity with local social conditions makes them more effective in crime prevention, detection and apprehension; thereby heightening the deterrent value of police efforts. This has further served to enhance the State Police role of providing technical expertise and support, rather than the traditional enforcement role. The State Police have traditionally provided training courses to municipal police. They maintain criminal identification records, fingerprint records, and gun registration records. Local police have access

to the Commonwealth Law Enforcement Assistance Network and the expanded laboratory facilities of the State Police. The requests for assistance have been increasing. The requests for technical assistance from municipal police agencies increased from 1,028 in 1968 to 6,124 in 1974 and are expected to reach 11,270 in 1979. This year, a new concept in crime detection was introduced, it was the portable crime lab on wheels, known as the evidence gathering van. This is proving to be a success and will probably generate more demands for State Police technical services.

In addition, the State Police perform normal criminal activities related to those already mentioned. Normal criminal activities include: background investigations for police applicants, as well as court attendance, report writing and supervision.

CRIME RATES US vs. PA.  
(Crimes per 100,000 Population)



Pennsylvania has always shown a level of crime less than might be expected. The graph shows a comparison, by type of crime, for Pennsylvania and the United States. The gap in crimes against property between 1971 and 1972 was caused by a change in reporting procedure instituted by the Federal Bureau of Investigation (F.B.I.). Prior to 1972 only larcenies over \$50 were included in this index. In 1972, the lesser larcenies were counted, thus causing a discontinuity in the graph.

## Criminal Law Enforcement (continued)

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	\$21,800	\$22,812	\$25,776	\$27,862	\$29,701	\$31,715	\$33,788
Municipal Police Training . . . . .	17	1,000	1,400	1,675	1,681	1,686	1,692
GENERAL FUND TOTAL . . . . .	<u>\$21,817</u>	<u>\$23,812</u>	<u>\$27,176</u>	<u>\$29,537</u>	<u>\$31,382</u>	<u>\$33,401</u>	<u>\$35,480</u>

## Prevention and Control of Civil Disorders

OBJECTIVE: To minimize loss of life, bodily injury, property loss and other economic losses through the prevention of civil disorder and the control of riotous situations.

## Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$566</u>	<u>\$659</u>	<u>\$703</u>	<u>\$736</u>	<u>\$756</u>	<u>\$779</u>	<u>\$803</u>

## Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Civil disorders requiring State Police response . . . . .	74	560	70	70	70	70	70
Arrests by State Police stemming from disorders . . . . .	18	75	20	20	20	20	20
Intelligence man-hours spent on disorders . . . . .	4,971	5,000	5,000	5,000	5,000	5,000	5,000
Total man-hours spent on disorders . . . . .	14,881	41,000	12,000	12,000	12,000	12,000	12,000

## Program Analysis:

This program provides a preventive and control capability which supposedly reflects the readiness of the State Police to anticipate and handle civil disorders. The fluctuations shown in the measures for 1974-75, 1975-76 and 1976-77, illustrate some of the difficulty in predicting the number of disorders and their degree of seriousness. The other part of the problem is that the State Police do not have a set definition of what constitutes a civil disorder. Disorders are categorized into four broad groupings: labor, youth, minority, or subversive. The actual determination of whether a civil disturbance exists, is left up to the discretion of the policeman on the scene. Thus, many minor incidents, involving only a few individuals, are arbitrarily classified as civil disorders. This tends to warp the program measures. For example, the measures show an inordinately high number of incidents classified as civil

disorders requiring State Police response during 1975-76. This time frame included the State employees' strike. A closer scrutiny of the 560 incidents reveals that each Commonwealth site which was picketed, regardless of size or comportment of the picketing group, was labeled a disorder and assigned an officer.

Ordinarily, each of the fifteen State Police troops has at least one community relations officer whose responsibility is to monitor civil disorders. Through community relations activities, this program seeks to establish better communications with community officials and organizations to search out potential problem areas and effect the necessary preventive measures. In addition, surveillance is maintained on known promoters of civil disorders.

## Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	<u>\$566</u>	<u>\$659</u>	<u>\$703</u>	<u>\$736</u>	<u>\$756</u>	<u>\$779</u>	<u>\$803</u>

**Disaster Assistance**

OBJECTIVE: To ensure a reasonable level of State Police capability for providing emergency protection to persons and property during the course of natural disaster situations.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$13</u>	<u>\$64</u>	<u>\$14</u>	<u>\$15</u>	<u>\$15</u>	<u>\$16</u>	<u>\$16</u>

**Program Analysis:**

This program cannot be evaluated until an actual natural disaster occurs. Since natural disasters are such rare occurrences, their frequency cannot be predicted and, in turn, the probable number of lives and the amount of property endangered cannot be predicted.

Money spent on this program is for maintenance of a small inventory of emergency equipment. In the event of a severe disaster, the State Police are prepared, as was demonstrated by the Eloise disaster in 1975, to transfer the necessary manpower and technical assistance from other programs to meet the need.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
General Government Operations . . . . .	\$13	\$14	\$14	\$15	\$15	\$16	\$16
Emergency Flood Relief, 1975 . . . . .	.....	50	.....	.....	.....	.....	.....
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$13</u>	<u>\$64</u>	<u>\$14</u>	<u>\$15</u>	<u>\$15</u>	<u>\$16</u>	<u>\$16</u>

**Fire Prevention**

OBJECTIVE: To minimize fire hazards endangering persons or property.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$341</u>	<u>\$407</u>	<u>\$407</u>	<u>\$416</u>	<u>\$426</u>	<u>\$438</u>	<u>\$450</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Inspections of flammable liquid tank installations . . . . .	2,720	2,500	3,000	3,100	3,200	3,300	3,400
Approvals of flammable liquid tank installations . . . . .	3,158	2,900	3,000	3,100	3,100	3,100	3,100
Corrections formally ordered and made . . . . .	34	20	25	30	40	50	50

**Program Analysis:**

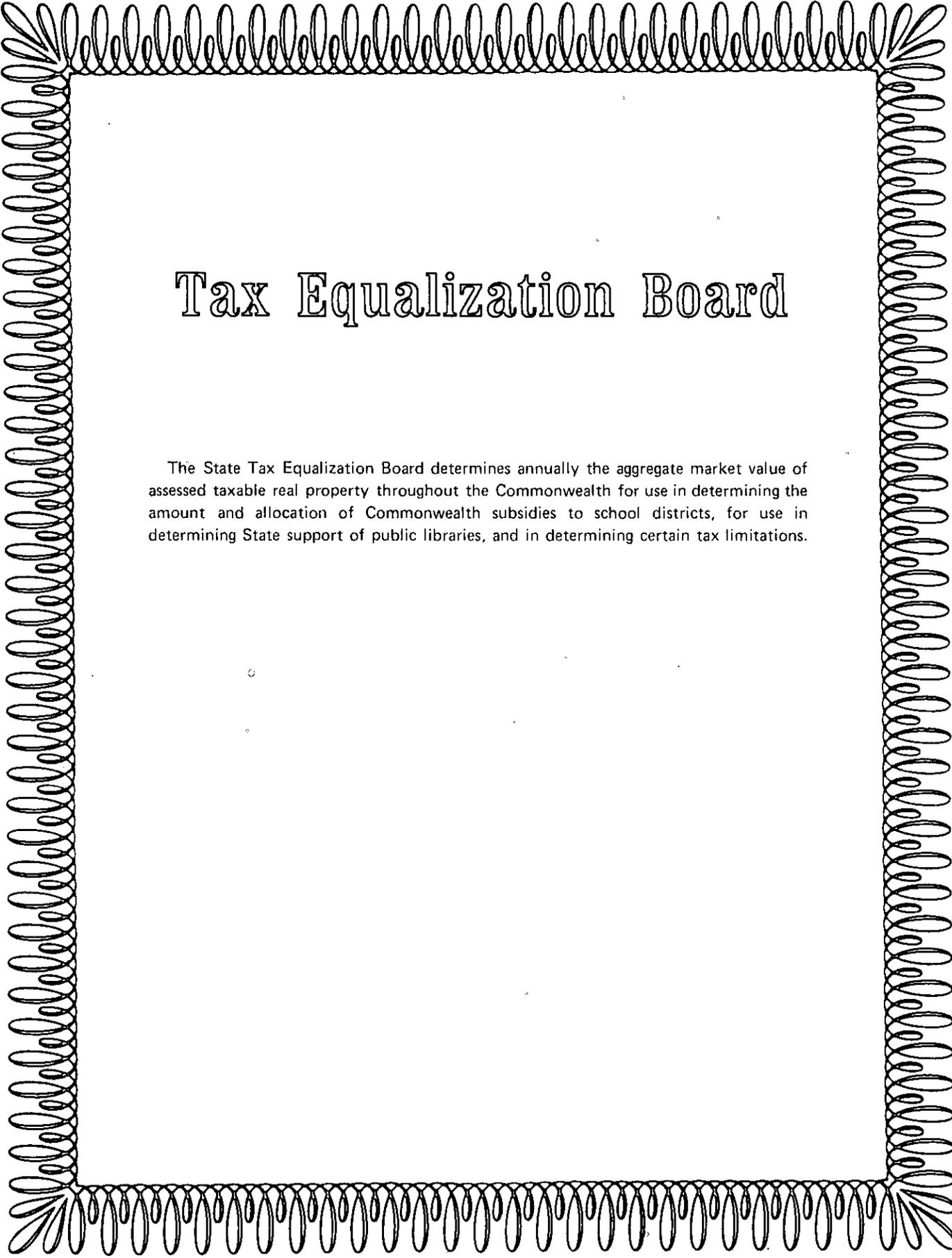
The principle activity within this subcategory is the inspection of all proposed flammable tank installations, including modifications of existing ones. Applicants must obtain written approval before installing a flammable liquid storage facility. After approval has been granted, and the facility constructed, the State Police make a safety inspection of the facility. If unsafe conditions are found, corrections are ordered and the facility is then reinspected. The energy crisis has caused a reduction in the number of facilities being constructed and an increase in the number of instances in

which proposed facilities are cancelled after having been approved for construction. The number of corrections ordered fell off dramatically from previously estimated levels. This was due to the increasing number of municipalities that have adopted Federally suggested fire codes and to the decreased number of installations made.

Other activities involved in this program include investigation by the State Police of potential fire menaces, and lectures to community groups on the subject of fire prevention.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations . . . . .	<u>\$341</u>	<u>\$407</u>	<u>\$407</u>	<u>\$416</u>	<u>\$426</u>	<u>\$438</u>	<u>\$450</u>



# Tax Equalization Board

The State Tax Equalization Board determines annually the aggregate market value of assessed taxable real property throughout the Commonwealth for use in determining the amount and allocation of Commonwealth subsidies to school districts, for use in determining State support of public libraries, and in determining certain tax limitations.

**TAX EQUALIZATION BOARD**  
**Summary by Fund and Appropriation**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
General Government Operations . . . . .	\$703	\$752	\$807
GENERAL FUND TOTAL . . . . .	<u>\$703</u>	<u>\$752</u>	<u>\$807</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>General Government Operations</b>			
State Funds . . . . .	\$703	\$752	\$807

Determines the aggregate market value of assessed taxable real property in each political sub-division and school district in the Commonwealth for use in determining Commonwealth subsidies to school districts and public libraries and for determining certain tax limitations.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
General Government Operations . . . . .	<u>\$703</u>	<u>\$752</u>	<u>\$807</u>

TAX EQUALIZATION BOARD

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)					1979-80	1980-81
	1974-75	1975-76	1976-77	1977-78	1978-79		
General Administration and Support . . . .	<u>\$703</u>	<u>\$752</u>	<u>\$807</u>	<u>\$867</u>	<u>\$933</u>	<u>\$988</u>	<u>\$1,058</u>

**General Administration and Support**

OBJECTIVE: To provide an affective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

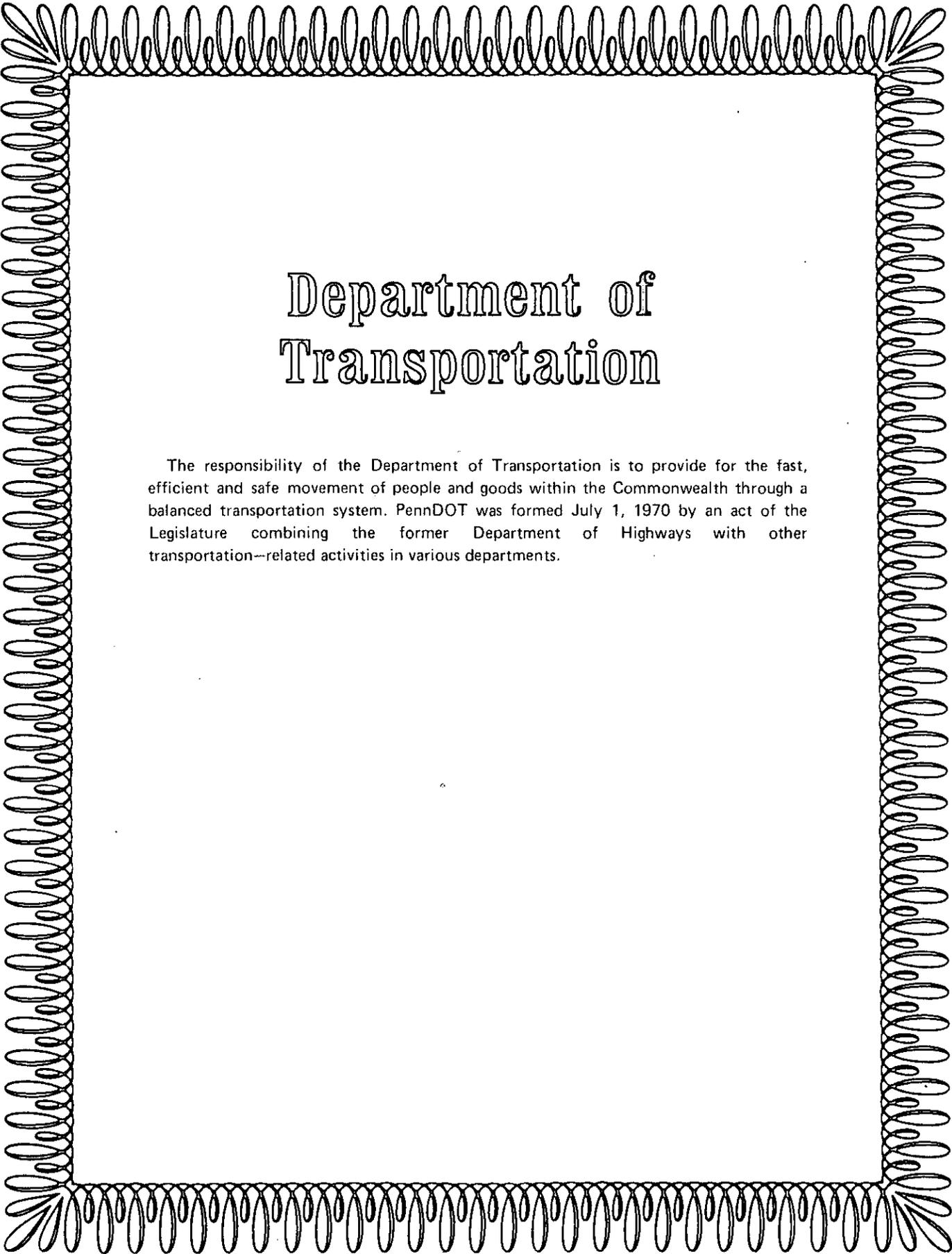
	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	<u>\$703</u>	<u>\$752</u>	<u>\$807</u>	<u>\$867</u>	<u>\$933</u>	<u>\$988</u>	<u>\$1,058</u>

The State Tax Equalization Board is an independent administrative board created to ensure equitable distribution of tax funds among the State's school districts. The Board determines annually the aggregate market value of taxable real property in each of the more than 2500 municipalities and 505 school districts in the Commonwealth. The results are used in determining distribution of State subsidies to school

districts and local libraries, in lieu of tax payments under Project 70 Land Acquisitions, limitations on real estate taxes in school districts lying in more than one county, tax limitations in financing community colleges, and overall tax limitations for political subdivisions and school districts. The program includes holding of hearings and analysis of real estate values and transactions.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
General Government Operations .....	<u>\$703</u>	<u>\$752</u>	<u>\$807</u>	<u>\$867</u>	<u>\$933</u>	<u>\$988</u>	<u>\$1,058</u>



# Department of Transportation

The responsibility of the Department of Transportation is to provide for the fast, efficient and safe movement of people and goods within the Commonwealth through a balanced transportation system. PennDOT was formed July 1, 1970 by an act of the Legislature combining the former Department of Highways with other transportation—related activities in various departments.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	Details on Page	1976-77 State Funds (in thousands)
			Intercity Rail Transportation

This Program Revision will enable the Commonwealth to assist financially in the purchase, rehabilitation and subsidization of railroad branch lines scheduled for abandonment by the Consolidated Rail Corporation (ConRail).

DEPARTMENT TOTAL	<u>\$1,200</u>
------------------	----------------

DEPARTMENT OF TRANSPORTATION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
<b>General Government</b>			
Mass Transportation Operations . . . . .	\$ 873	\$ 1,055	\$ 1,058
Bicentennial Mass Transportation Projects . . . . .	. . . . .	4,500	. . . . .
Sub-Total . . . . .	<u>\$ 873</u>	<u>\$ 5,555</u>	<u>\$ 1,058</u>
<b>Grants and Subsidies</b>			
Mass Transportation Assistance . . . . .	\$ 74,194	\$ 74,200	\$ 74,200
Intercity Rail Transportation . . . . .	. . . . .	. . . . .	1,200
Port of Philadelphia . . . . .	1,000	1,000	600
Port of Erie . . . . .	250	250	250
Civil Air Patrol . . . . .	25	25	25
Sub-Total . . . . .	<u>\$ 75,469</u>	<u>\$ 75,475</u>	<u>\$ 76,275</u>
<b>Total State Funds</b> . . . . .	<u>\$ 76,342</u>	<u>\$ 81,030</u>	<u>\$ 77,333</u>
Federal Funds . . . . .	. . . . .	\$ 306	\$ 183
Other Funds . . . . .	. . . . .	21	14
<b>GENERAL FUND TOTAL</b> . . . . .	<u>\$ 76,342</u>	<u>\$ 81,357</u>	<u>\$ 77,530</u>
<b>Motor License Fund</b>			
<b>General Government</b>			
General Operations . . . . .	\$ 364,601	\$ 378,342	\$ 411,483
Appalachia Local Access Roads . . . . .	. . . . .	1,172	. . . . .
Secondary Roads—Maintenance and Resurfacing . . . . .	46,459	52,469	55,017
Refunding Monies Collected Through Department of Transportation . . . . .	. . . . .	530	650
Aviation Operations . . . . .	4,082	3,924	3,958
Sub-Total . . . . .	<u>\$ 415,142</u>	<u>\$ 436,437</u>	<u>\$ 471,108</u>
<b>Debt Service Requirements</b>			
State Highway and Bridge Authority Rentals . . . . .	<u>\$ 37,372</u>	<u>\$ 35,000</u>	<u>\$ 35,000</u>
<b>Grants and Subsidies</b>			
Local Road Maintenance and Construction Payments . . . . .	\$ 85,703	\$ 92,600	\$ 85,200
Airport Development . . . . .	1,321	1,550	2,500
Sub-Total . . . . .	<u>\$ 87,024</u>	<u>\$ 94,150</u>	<u>\$ 87,700</u>
<b>Total State Funds</b> . . . . .	<u>\$ 539,538</u>	<u>\$ 565,587</u>	<u>\$ 593,808</u>
Federal Funds . . . . .	\$ 259,392	\$ 344,526	\$ 394,084
Other Funds . . . . .	52,369	56,224	55,992
<b>MOTOR LICENSE FUND TOTAL</b> . . . . .	<u>\$ 851,299</u>	<u>\$ 966,337</u>	<u>\$1,043,884</u>

**DEPARTMENT OF TRANSPORTATION**

**Summary by Fund and Appropriation**

(continued)

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Boating Fund</b>			
<b>General Government</b>			
Navigation Office for the Delaware River .....	\$ 100	\$ 82	\$ 69
	<u>          </u>	<u>          </u>	<u>          </u>
<b>State Lottery Fund</b>			
<b>Grants and Subsidies</b>			
Free Transit for the Elderly .....	\$ 11,230	\$ 12,510	\$ 13,100
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Department Total – All Funds</b>			
General Fund .....	\$ 76,342	\$ 81,030	\$ 77,333
Special Funds .....	550,868	578,179	606,977
Federal Funds .....	259,392	344,832	394,267
Other Funds .....	52,369	56,245	56,006
	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL ALL FUNDS .....	\$ 938,971	\$1,060,286	\$1,134,583
	<u>          </u>	<u>          </u>	<u>          </u>

## General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Mass Transportation Operations</b>			
State Funds .....	\$ 873	\$ 1,055	\$1,058
Federal Funds .....	.....	306	183
Other Funds .....	.....	21	14
<b>TOTAL .....</b>	<b>\$ 873</b>	<b>\$ 1,382</b>	<b>\$1,255</b>

Provides administrative coordination and support for all urban, rural and intercity mass transportation. Efficient and effective urban mass transportation is promoted through analysis of local transit operations and procedures, coordination and funding of urban area planning and study projects, and review of local operating subsidy and capital project requests. Activities designed to continue and improve rail service between Pennsylvania's major metropolitan areas include: preparing and coordinating intercity rail studies; and analyzing existing, and proposed changes to, intercity rail service. Administrative direction of the Free Elderly Transit program is also funded as part of this General Fund appropriation, while the actual subsidies to transit operators are paid from the Lottery Fund.

Provides staff assistance for the development activities of the ports of Philadelphia and Erie. Efforts are keyed to enhancing the Commonwealth's ability to compete for an increased share of both foreign and domestic markets.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Mass Transportation Operations .....	\$ 873	\$ 1,055	\$1,058
<b>Federal Funds:</b>			
Urban Mass Transportation Technical			
Studies Grants .....	.....	282	153
Small Urban Area Transit Planning .....	.....	24	30
<b>Other Funds:</b>			
Reimbursements from Local Governments for			
Cost of Mass Transit Studies .....	.....	21	14
<b>TOTAL .....</b>	<b>\$ 873</b>	<b>\$ 1,382</b>	<b>\$1,255</b>

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Bicentennial Mass Transportation Projects</b>			
State Funds .....	.....	\$ 4,500	.....

Provides for the promotion and improvement of mass transportation facilities and services in order to restrain congestion and enhance mobility for tourists visiting historical sites associated with the American Bicentennial.

Includes the preparation, promotion and distribution of transportation brochures and transit pass subsidies; increasing passenger train, trolley and bus service; construction of parking areas; acquisition and/or rehabilitation of rolling stock and bus facilities; erection of a foot bridge over the Schuylkill River at Valley Forge; and renovation of the train station at Valley Forge State Park.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Bicentennial Mass Transportation Projects .....	.....	<u>\$ 4,500</u>	.....

**Grants and Subsidies**

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Mass Transportation Assistance</b>			
State Funds .....	\$ 74,194	\$ 74,200	\$ 74,200

Assists in developing improved, coordinated, and efficient mass transportation systems in the Commonwealth's urban areas through subsidization of public carriers' operating losses.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Mass Transportation Assistance .....	<u>\$ 74,194</u>	<u>\$ 74,200</u>	<u>\$ 74,200</u>

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Intercity Rail Transportation</b>			
State Funds .....	.....	.....	\$ 1,200

Ensures continuation of vital rail services by assisting financially in the purchase, rehabilitation and subsidization of rail lines not accepted by the U. S. Railway Association for inclusion in the Consolidated Rail Corporation (ConRail).

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Intercity Rail Transportation .....	.....	.....	<u>\$ 1,200</u>

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Port Facilities</b>			
State Funds .....	\$ 1,250	\$ 1,250	\$ 850

Assists in the expansion and improvement of the port facilities of Philadelphia and Erie, thereby stimulating foreign trade profits of Pennsylvania industry while providing jobs at the ports.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriations:</b>			
Port of Philadelphia .....	\$ 1,000	\$ 1,000	\$ 600
Port of Erie .....	250	250	250
<b>TOTAL</b> .....	<u>\$ 1,250</u>	<u>\$ 1,250</u>	<u>\$ 850</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Civil Air Patrol</b>			
State Funds .....	\$ 25	\$ 25	\$ 25

Pays for instructional aids and other equipment used in local civil air patrol programs.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Civil Air Patrol .....	<u>\$ 25</u>	<u>\$ 25</u>	<u>\$ 25</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Operations</b>			
State Funds .....	\$411,060	\$432,513	\$467,150
Federal Funds .....	259,221	343,591	394,056
Other Funds .....	51,375	55,219	54,947
<b>TOTAL .....</b>	<b>\$721,656</b>	<b>\$831,323</b>	<b>\$916,153</b>

Directs and coordinates activities and supervises the day to day administration of the highway program. The three largest areas of responsibility are the construction, safety and maintenance programs.

The highway building process begins with research: long range planning of construction needs and testing of materials and methods to improve the quality of highways constructed. To achieve a safe and efficient highway system, plans are formulated for the design, redesign and location of roadways, bridges and structures. All legal and fiscal matters involved in the acquisition of necessary rights-of-way are also handled. Finally, the construction, reconstruction, and improvement of roads and bridges on the State highway system are supervised by PennDOT personnel who inspect these activities for adherence to established standards.

Responsibilities of the highway construction program cover all 67 counties within the Commonwealth and include Federal Interstate, Primary, Secondary, Urban and Appalachia Roads as well as roads on the 100 percent State system.

The safety program provides for processing applications and collecting fees for all vehicle registrations and operator licenses. Additional functions are: to enforce the driver point system, to keep records of State vehicle safety inspections, to maintain a public education and information section, and to supply certified copies of records of traffic accidents to other agencies both within and outside the State. Other responsibilities include: providing assistance for Commonwealth agencies, municipalities and non-profit organizations; project implementation and development under provisions of the Federal Highway Safety Act; and regulating the transportation of hazardous substances on the highway.

The maintenance program provides for the repair, resurfacing and servicing of roads and bridges on the State highway system to keep them in a safe and usable condition. Activities include winter traffic services, pavement markings, cleaning and mowing, surface treatment, minor flood and storm damage repairs, painting traffic lines, erection and maintenance of traffic signs, and the maintenance of bridges, tunnels and roadside rests.

Provides special services for other departments, boards, commissions, adjacent states and the Federal Government. Repairs to flood-damaged highways are financed through this program; most of these costs are reimbursed by the Federal Government.

In addition, the Appalachia Local Access Roads program finances the Federal share of these 70 percent Federal—30 percent local projects until reimbursement is received from the Federal Government. The revolving fund needed to continue this program would be reestablished by Senate Bill 1093; this bill further provides that the revolving fund will terminate when the Federal program ends, at which time the \$1,172,500 in State funds will lapse back into the Motor License Fund.

Responsibility for refunding monies collected erroneously by PennDOT for licenses, fees, permits, fines, and other charges was transferred from Treasury to PennDOT by Acts 69 and 71, signed into law July 30, 1975.

In addition to the costs shown, bond funds are used to finance direct capital project costs within this program. Bond expenditures, both direct capital project costs and those associated PennDOT costs shown here as "Other Funds", are summarized in the Capital Budget section of this budget.

Source of Funds	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Appropriations:</b>			
General Operations .....	\$364,601	\$291,842	\$411,483
General Operations — Deficiency .....	.....	86,500	.....
Appalachia Local Access Roads — Deficiency .....	.....	1,172	.....
<b>Executive Authorizations:</b>			
Secondary Roads—Maintenance and Resurfacing ....	46,459	52,469	55,017
Refunding Monies Collected Through Department of Transportation .....	.....	530	650
<b>Federal Funds:</b>			
Highway Research, Planning and Construction .....	226,440	286,766	356,777
Appalachia Development Highway System .....	22,066	27,274	28,000
Federal-Aid Highway Emergency Relief .....	8,780	27,609	7,500
State and Community Highway Safety .....	1,144	1,200	1,000
Forest Highways .....	79	79	79
Federal Reimbursement for Appalachian Local Access Roads .....	712	663	700
<b>Other Funds:</b>			
Reimbursement From Capital Facilities Fund — Direct PennDOT Costs .....	38,203	45,980	43,446
Highway Construction Contributions .....	12,695	8,608	10,676
Sale of Automobiles .....	70	.....	74
Reimbursements From Aviation Restricted Revenues .....	90	225	155
Reimbursements From General Fund — Mass Transportation .....	94	129	285
Reimbursements for Commonwealth Duplicating Services .....	114	138	159
Reimbursement for Photographic Services .....	72	100	110
Receipts from Other Agencies for Rental of Equipment .....	37	39	42
<b>TOTAL .....</b>	<b>\$721,656</b>	<b>\$831,323</b>	<b>\$916,153</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Aviation Operations</b>			
State Funds .....	\$ 4,082	\$ 3,924	\$ 3,958
Federal Funds .....	171	935	28
Other Funds .....	994	1,005	1,045
<b>TOTAL</b> .....	<u>\$ 5,247</u>	<u>\$ 5,864</u>	<u>\$ 5,031</u>

Maintains and operates the Bureau of Aviation within the Department of Transportation, and all State-owned airports—primarily Harrisburg International and Capital City. In addition to the costs shown, bond funds are used to finance direct capital project costs within this program. Bond expenditures are summarized in the Capital Budget section of this budget.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Aviation Operations .....	\$ 4,082	\$ 3,924	\$ 3,958
<b>Federal Funds:</b>			
Airport Development Aid Program .....	24	655	.....
Airport Planning Grant Program .....	147	280	28
<b>Other Funds:</b>			
Reimbursement for Cost of Utility			
Services — HIA .....	972	990	1,030
Reimbursement for Cost of Utility			
Services — Other .....	22	15	15
<b>TOTAL</b> .....	<u>\$ 5,247</u>	<u>\$ 5,864</u>	<u>\$ 5,031</u>

Debt Service Requirements

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>State Highway and Bridge Authority Rentals</b>			
State Funds .....	\$ 37,372	\$ 35,000	\$ 35,000

Makes rental payments to the State Highway and Bridge Authority for highways and bridges constructed with funds borrowed by the Authority as a means of expanding the construction program beyond the level permitted by current revenues in previous years.

Bond borrowings are now made as General Obligations of the Commonwealth, for which debt service requirements are appropriated to the Treasury Department. State Highway and Bridge Authority rentals will continue for those projects currently under rental.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
State Highway and Bridge Authority Rentals .....	<u>\$ 37,372</u>	<u>\$ 35,000</u>	<u>\$ 35,000</u>

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Local Road Maintenance and Construction Payments</b>			
State Funds .....	\$ 85,703	\$ 92,600	\$ 85,200

Provides financial aid to local municipalities to assist them in the maintenance and construction of their portion of the total highway system. The subsidy is presently equal to 1.6 cents per gallon of gasoline sold within the Commonwealth. Each fiscal year's payments are based on the prior fiscal year's fuels tax collections.

Payment of the funds to municipalities is closely regulated and controlled to determine that monies are expended for maintenance and construction of roads according to law. The distribution is made on a 50 percent mileage and 50 percent population formula.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Local Road Maintenance and Construction Payments .....	\$ 85,703	\$ 89,600	\$ 85,200
Local Road Maintenance and Construction Payments - Deficiency .....	.....	3,000	.....
<b>TOTAL</b> .....	<u>\$ 85,703</u>	<u>\$ 92,600</u>	<u>\$ 85,200</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Airport Development</b>			
State Funds .....	\$ 1,321	\$ 1,550	\$ 2,500

Provides payments on a matching basis to local governments and authorities for development of aeronautical facilities.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Airport Development .....	<u>\$ 1,321</u>	<u>\$ 1,550</u>	<u>\$ 2,500</u>

**Boating Fund**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Navigation Office for the Delaware River</b>			
State Funds .....	\$ 100	\$ 82	\$ 69

Promotes watercraft safety and enforces boating laws and regulations on the tidal waters of Pennsylvania.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
Navigation Office for the Delaware River .....	<u>\$ 100</u>	<u>\$ 82</u>	<u>\$ 69</u>

**State Lottery Fund**

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Free Transit for the Elderly</b>			
State Funds .....	\$11,230	\$12,510	\$13,100

Allows elderly citizens to ride the Commonwealth's transit systems without charge during non-peak hours through the week and all day on weekends and holidays by providing the systems with cash subsidies.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Executive Authorization:</b>			
Free Transit for the Elderly .....	<u>\$11,230</u>	<u>\$12,510</u>	<u>\$13,100</u>

**RESTRICTED RECEIPTS**

**TRANSPORTATION**

**Restricted Receipts Not Included in Department Total**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>General Fund</b>			
Federal Reimbursement for Car Pool			
Services Costs . . . . .	\$ 557	\$ 1,431	. . . . .
Federal Reimbursement for Local Flood			
Rehabilitation Costs . . . . .	29	800	. . . . .
Federal Reimbursements for Roads off the			
State System Costs . . . . .	340	1,465	\$ 1,110
	<u>926</u>	<u>3,696</u>	<u>\$ 1,110</u>
<b>Motor License Fund</b>			
Federal Reimbursements to Political			
Subdivisions—Highway Safety Program . . . . .	\$ 4,412	\$ 2,700	\$ 3,400
Program for Land Use Under Elevated			
Highways . . . . .	129	150	175
Federal Reimbursement to Political			
Subdivisions—TOPICS . . . . .	66	100	210
Cash Security Deposits—Motor Vehicle Safety			
Responsibility Act . . . . .	571	574	602
Airport Development Aid Program . . . . .	14,319	16,000	17,000
Federal Advances—Delaware Housing			
Authority . . . . .	. . . . .	500	1,000
Federal Reimbursements for Flood			
Related Costs . . . . .	. . . . .	5,721	. . . . .
	<u>19,497</u>	<u>25,745</u>	<u>\$22,387</u>
<b>MOTOR LICENSE FUND</b>			
TOTAL . . . . .	<u>\$19,497</u>	<u>\$25,745</u>	<u>\$22,387</u>
<b>DEPARTMENT OF TRANSPORTATION</b>			
TOTAL . . . . .	<u>\$20,423</u>	<u>\$29,441</u>	<u>\$23,497</u>

DEPARTMENT OF TRANSPORTATION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>General Administration and Support . . . . .</b>	\$ 21,000	\$ 17,751	\$ 19,320	\$ 20,242	\$ 21,221	\$ 22,249	\$ 23,327
<b>Transportation Systems . . . . .</b>	\$201,935	\$207,569	\$202,325	\$206,827	\$209,389	\$215,746	\$222,151
Urban Highway Construction . . . . .	54,304	53,265	53,549	55,256	55,240	56,601	57,934
Rural and Intercity Highway Construction . . . . .	65,886	67,867	65,148	66,636	66,807	68,047	69,371
Urban Mass Transportation . . . . .	74,612	79,139	74,657	77,677	80,997	84,517	88,037
Rural and Intercity Rail Transportation . . . . .	321	427	1,517	550	274	282	292
Air Transportation . . . . .	5,428	5,499	6,483	5,735	5,945	6,170	6,385
Water Transportation . . . . .	1,384	1,372	971	973	126	129	132
<b>Transportation Services . . . . .</b>	\$340,232	\$371,969	\$395,035	\$412,998	\$431,071	\$452,148	\$473,359
Urban Highway Maintenance . . . . .	152,152	160,433	164,437	171,435	178,612	186,599	195,162
Rural and Intercity Highway Maintenance . . . . .	187,910	211,352	230,404	241,360	252,253	265,336	277,976
Highway Beautification . . . . .	170	184	194	203	206	213	221
<b>Transportation Safety . . . . .</b>	\$ 52,813	\$ 49,410	\$ 54,530	\$ 57,246	\$ 60,018	\$ 62,982	\$ 66,095
Urban Highway Safety Programs . . . . .	6,953	6,037	6,869	7,207	7,522	7,880	8,256
Rural and Intercity Highway Safety Programs . . . . .	13,654	12,582	14,407	15,122	15,833	16,606	17,419
Licensing and Highway Safety Control . . . . .	32,206	30,791	33,254	34,917	36,663	38,496	40,420
<b>Free Elderly Transit . . . . .</b>	\$ 11,230	\$ 12,510	\$ 13,100	\$ 13,700	\$ 14,300	\$ 14,900	\$ 15,600
Free Elderly Transit . . . . .	11,230	12,510	13,100	13,700	14,300	14,900	15,600
<b>DEPARTMENT TOTAL . . . . .</b>	<u>\$627,210</u>	<u>\$659,209</u>	<u>\$684,310</u>	<u>\$711,013</u>	<u>\$735,999</u>	<u>\$768,025</u>	<u>\$800,532</u>

**General Administration and Support**

OBJECTIVE: To provide an effective administrative system through which the substantive programs of the Agency can be achieved.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$ 100	\$ 149	\$ 232	\$ 243	\$ 254	\$ 266	\$ 278
Special Funds . . . . .	20,900	17,602	19,088	19,999	20,967	21,983	23,049
Federal Funds . . . . .	423	617	682	639	640	641	641
Other Funds . . . . .	5,813	9,251	9,701	6,929	5,579	5,579	5,579
<b>SUB-TOTAL . . . . .</b>	<b>\$27,236</b>	<b>\$27,619</b>	<b>\$29,703</b>	<b>\$27,810</b>	<b>\$27,440</b>	<b>\$28,469</b>	<b>\$29,547</b>
<i>Bond Funds†</i> . . . . .	303	407	670	1,692	2,357	3,603	3,980
<b>TOTAL . . . . .</b>	<b>\$27,539</b>	<b>\$28,026</b>	<b>\$30,373</b>	<b>\$29,502</b>	<b>\$29,797</b>	<b>\$32,072</b>	<b>\$33,527</b>

**Program Analysis:**

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

"Other Funds" now include PennDOT's bond-funded operating costs; these consist of Departmental operating expenses chargeable to bond-funded highway capital projects. The bond-funded highway capital projects costs themselves continue to be shown as "Bond Funds" in later subcategories; "Bond Funds" shown in this subcategory are expenditures for highway buildings only.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Mass Transportation Operations . . . . .	\$ 100	\$ 149	\$ 232	\$ 243	\$ 254	\$ 266	\$ 278
<b>MOTOR LICENSE FUND</b>							
General Operations . . . . .	\$20,900	\$17,072	\$18,438	\$19,349	\$20,317	\$21,333	\$22,399
Refunding Monies Collected Through the Department of Transportation . . . . .		530	650	650	650	650	650
<b>MOTOR LICENSE FUND TOTAL . . . . .</b>	<b>\$20,900</b>	<b>\$17,602</b>	<b>\$19,088</b>	<b>\$19,999</b>	<b>\$20,967</b>	<b>\$21,983</b>	<b>\$23,049</b>

†Excluded from all summary presentations. These are direct capital projects costs for highway buildings only.

**Urban Highway Construction**

OBJECTIVE: To connect residential and employment centers with an urban highway network capable of handling peak hour traffic demand, and to provide reasonably accessible means for moving cargo necessary to support commercial and industrial activities in urban areas.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	\$ 54,304	\$ 53,265	\$ 53,549	\$ 55,256	\$ 55,240	\$ 56,601	\$ 57,934
Federal Funds . . . . .	124,111	159,374	180,229	178,598	165,741	162,074	159,082
Other Funds . . . . .	20,287	25,147	20,964	14,231	10,922	10,922	10,922
<b>SUB-TOTAL . . . . .</b>	<b>\$198,702</b>	<b>\$237,786</b>	<b>\$254,742</b>	<b>\$248,085</b>	<b>\$231,903</b>	<b>\$229,597</b>	<b>\$227,938</b>
<i>Bond Funds† . . . . .</i>	<i>138,401</i>	<i>114,716</i>	<i>84,700</i>	<i>44,200</i>	<i>38,000</i>	<i>35,300</i>	<i>32,600</i>
<b>TOTAL . . . . .</b>	<b>\$337,103</b>	<b>\$352,502</b>	<b>\$339,442</b>	<b>\$292,285</b>	<b>\$269,903</b>	<b>\$264,897</b>	<b>\$260,538</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Losses attributable to substandard urban highways (millions of dollars):							
Time							
Passenger . . . . .	\$314	\$322	\$331	\$339	\$348	\$357	\$366
Cargo . . . . .	\$248	\$254	\$261	\$268	\$275	\$282	\$289
Operating costs:							
Passenger . . . . .	\$37	\$38	\$39	\$40	\$40	\$41	\$42
Cargo . . . . .	\$80	\$82	\$84	\$86	\$87	\$89	\$90
Accident costs:							
All vehicles . . . . .	\$29	\$30	\$30	\$31	\$31	\$32	\$33
Travel on urban highways (billions of vehicle miles):*							
Passenger . . . . .	18.3	18.8	19.3	19.8	20.3	20.9	21.4
Cargo . . . . .	4.0	4.1	4.2	4.4	4.5	4.6	4.7
Travel on substandard urban highways (billions of vehicle miles):*							
Passenger . . . . .	15.4	15.9	16.4	16.9	17.3	17.9	18.3
Cargo . . . . .	3.3	3.5	3.6	3.7	3.8	3.9	4.0
Miles of urban highways:*							
Total . . . . .	9,012	9,017	9,022	9,027	9,032	9,037	9,042
Substandard . . . . .	7,402	7,463	7,528	7,593	7,658	7,726	7,751
Brought up to standard . . . . .	67	53	49	47	44	41	38
Highway share of urban passenger trips							
Percent of urban trips** . . . . .	95.4%	95.3%	95.3%	95.2%	95.1%	95.0%	94.8%
Percent of urban work trips** . . . . .	91.9%	91.7%	91.7%	91.5%	91.3%	91.1%	89.9%

\*State highways only, local roads excluded.

\*\*Auto and transit trips only.

† Excluded from all summary presentations. These are direct capital project costs only; associated PennDOT bond-funded operating costs are now shown as "Other Funds".

## Urban Highway Construction (continued)

### Program Analysis:

The basic trend toward urbanization in Pennsylvania has created a concentration of people, and hence, an increased number of trips that severely strain the capacity of existing transportation systems. Accommodating this volume of travel is complicated by the fact that, according to PennDOT, over 90 percent of all urban work trips in Pennsylvania are still made by automobile. The resultant volume of vehicles traveling to and from metropolitan centers during a few peak hours creates traffic congestion and pollution that is a growing blight on the urban environment.

In past years, the Federal and State approach to complicated urban transportation issues has been to build more and more multi-lane freeways connecting the center city with surrounding suburban neighborhoods. However, new highways encourage the use of more automobiles, thereby doing little to prevent the loss of time and gasoline as traffic continues to crawl to its destination. The effect on city streets has been disastrous, with an increasing number of vehicles competing for limited roadway capacity and parking facilities.

Even the positive effects claimed for urban highways are debatable. The massive "demand" for urban highways reflected in the program measures in terms of vehicle miles of travel and percent of urban trips by automobile is arguably more a function of lack of alternative than of need. Economic arguments—the new industries, jobs, payrolls and sales supposedly attracted by new and improved highways—are questionable to the extent that the phenomenon involved is often simply industries, jobs, payrolls and sales transferring from one location to another, particularly from a dying center city to its suburbs.

Time savings for automobile users claimed for improved highways is a nebulous theory and such savings are probably never actually achieved in the magnitude claimed, since savings are typically calculated only before, but not after, the new road is built. In reality the new and improved highways tend to create their own new demand, fill up as fast as they are opened and the new congestion results in little provable savings for users. Similarly, this lack of meaningful after-the-fact benefit analysis weakens the argument for claimed operating cost and accident savings. While the cargo losses indicated in the measures are theoretically more valid, since for truckers time is indeed money, they too suffer from a lack of after-the-fact analysis. Moreover, urban trucking problems seem more a function of poor location and inefficient use of existing highways, rather than any shortage of urban highways.

All these highway "needs" and driver "demands" tend to be vastly overstated. The United States Department of Transportation (U. S. DOT) has conceded that Federal standards were often unrealistic in the expectation that urban freeways could achieve a relatively uninterrupted traffic flow. Furthermore, U. S. DOT stated in its *1972 Highway Needs*

*Report* that on a nationwide basis "substantially less than one-half of the highway needs reported by the states were found justified on the basis of direct user benefits exceeding project costs." Considering the inflationary pressures on land, construction costs, and the bond market during the past few years; it has become even more apparent that the Commonwealth cannot pour enough concrete to end urban traffic congestion. Recognizing these realities, PennDOT has recently announced plans to cut back its twelve year construction program and its annual bond expenditures by approximately one-third; this budget incorporates even greater reductions, as reflected by the decreases shown in "Bond Funds" expenditures and "miles of highway brought up to standard".

While the dramatic increase in the direct cost of highway construction has been highly visible, transportation decision-makers have too often ignored the economic and social liabilities that result from urban freeways. Consideration must be given to such factors as reduced tax base due to destruction of houses and displacement of businesses, potential damage to the viability of existing center city communities, undesirable suburban growth patterns which negate economies of scale in the delivery of municipal services, and added expenses for highway maintenance and traffic safety. Until the economic and social impact of new highway construction is subjected to more comprehensive analysis, the road building program will continue to rely on limited cost-benefit investment criteria that show little regard for the health of our cities — and hence little regard for any truly relevant criteria at all.

With the nation's energy problems far from overcome, yet another severe byproduct of overreliance on the automobile has emerged. The automobile consumes nearly 30 percent of the nation's petroleum and 55 percent of total transportation energy, while the manufacture and operation of the automobile accounts for one-quarter of all energy used. Yet, in terms of energy waste, the automobile is the least efficient means of passenger transportation. A car effectively uses only five percent of the potential energy it burns, and consumes five times as much fuel per passenger-mile as a train and six times as much as a bus.

As a result, many of the traffic-reducing methodologies being developed to combat urban air pollution—mandating car pools, prohibitive taxes on and/or rationing of gasoline and emphasizing travel by mass transit—are also now being seriously studied as energy conservation measures. Air pollution and energy problems may well combine to dictate those same rational urban transportation policies heretofore often ignored by the unquestioning adherence to purported "individual freedom-of-choice" that has been the cornerstone of urban transportation planning. Urban modes of transportation other than highways are available which would

Urban Highway Construction (continued)

Program Analysis (continued)

not only reduce fuel consumption, but also result in less environmental degradation, can be operated more safely, and require less land for comparable volumes of travel.

Transportation planners have too frequently lost sight of the fact that the predominant mode of travel has always been a major influence on the development of urban regions. In promoting highways to serve the suburban areas which began to spring up after World War II, traditional growth patterns were radically altered. The sprawling housing development generated by highway expansion was then used, in turn, as the justification for building even more roads to connect the center city with outlying residential communities. The highway construction program accelerated at such a rapid pace that little concern was shown for decaying urban centers or alternate policies that would foster more rational growth.

At the same time, emphasis on moving automobiles rather than moving people became the prevailing theme of decision-makers. Even such highway-related strategies as providing bus lanes to increase a road's person-carrying capacity were rarely considered in the rush to expand auto-carrying capacity. And the suggestion that it might be

more beneficial in the long run to make initially-costly improvements to a transit facility rather than to build a new road was rarely even considered.

The twin pressures of skyrocketing construction costs and local opposition to proposed urban highways have recently forced the first steps toward providing our metropolitan areas with an effective mix of transportation modes. Yet, the goal of a balanced transportation system cannot be achieved unless similar economic, social and environmental parameters are applied to urban highways and alternate mass transit systems. Comparisons of the two modes should include: original construction and projected operating and maintenance costs; air, water and land quality implications; land damage and tax base reduction impacts and costs; effect on future development patterns; energy consumption projections; and travel time and safety considerations. Future transportation decisions must be based on the reality that while the automobile will remain an important part of the urban scene, it wastes too much energy, emits unacceptable levels of pollutants, requires excessive space and is used too frequently to be compatible with high density areas.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
MOTOR LICENSE FUND							
General Operations . . . . .	\$19,903	\$18,958	\$20,495	\$21,520	\$22,596	\$23,726	\$24,912
State Highway and Bridge Authority							
Rentals . . . . .	19,883	18,621	18,621	19,260	18,037	18,137	18,137
Local Road Maintenance and							
Construction Payments . . . . .	14,518	15,686	14,433	14,476	14,607	14,738	14,885
 MOTOR LICENSE FUND							
TOTAL . . . . .	<u>\$54,304</u>	<u>\$53,265</u>	<u>\$53,549</u>	<u>\$55,256</u>	<u>\$55,240</u>	<u>\$56,601</u>	<u>\$57,934</u>

**Rural and Intercity Highway Construction**

OBJECTIVE: To provide mobility to rural Pennsylvanians; to connect major urban activity centers with each other and with recreational areas; and to provide a highway system capable of handling the agricultural and industrial cargo necessary to sustain the Commonwealth's economy.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	\$ 65,886	\$ 67,867	\$ 65,148	\$ 66,636	\$ 66,807	\$ 68,047	\$ 69,371
Federal Funds . . . . .	105,836	138,230	152,951	152,113	140,848	137,787	135,793
Other Funds . . . . .	17,177	19,859	15,998	9,818	8,356	8,356	8,356
<b>SUB-TOTAL . . . . .</b>	<b>\$188,899</b>	<b>\$225,956</b>	<b>\$234,097</b>	<b>\$228,567</b>	<b>\$216,011</b>	<b>\$214,190</b>	<b>\$213,520</b>
<i>Bond Funds†</i> . . . . .	115,263	95,298	69,700	37,700	32,400	30,100	27,800
<b>TOTAL . . . . .</b>	<b>\$304,162</b>	<b>\$321,254</b>	<b>\$303,797</b>	<b>\$266,267</b>	<b>\$248,411</b>	<b>\$244,290</b>	<b>\$241,320</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Losses attributable to substandard rural and intercity highways* (millions of dollars):							
Time:							
Passenger . . . . .	\$199	\$201	\$204	\$207	\$210	\$213	\$217
Cargo . . . . .	\$278	\$281	\$286	\$290	\$294	\$299	\$303
Operating costs:							
Passenger . . . . .	\$26	\$25	\$25	\$24	\$23	\$23	\$22
Cargo . . . . .	\$98	\$95	\$94	\$91	\$89	\$87	\$84
Accident costs:							
All vehicles . . . . .	\$13	\$13	\$13	\$14	\$14	\$14	\$14
Travel on rural and intercity highways* (billions of vehicle miles):							
Passenger . . . . .	18.6	18.9	19.1	19.4	19.7	20.0	20.3
Cargo . . . . .	7.2	7.3	7.4	7.6	7.7	7.8	7.9
Travel on substandard rural and intercity highways* (billions of vehicle miles):							
Passenger . . . . .	8.5	8.4	8.3	8.2	8.0	7.9	7.6
Cargo . . . . .	3.3	3.3	3.2	3.2	3.1	3.1	3.0
Miles of rural and intercity highways*:							
Total . . . . .	35,687	35,697	35,707	35,717	35,727	35,737	35,747
Substandard . . . . .	18,379	18,457	18,564	18,670	18,784	18,905	19,046
Brought up to standard . . . . .	81	175	146	138	130	121	112
Highway share of rural and intercity passenger trips (percent) . . . . .							
	98.8%	98.8%	98.7%	98.7%	98.6%	98.5%	98.4%

\*State highways only, local roads excluded.

† Excluded from all summary presentations. These are direct capital project costs only; associated PennDOT bond-funded operating costs are now shown as 'Other Funds'.

## Rural and Intercity Highway Construction (continued)

### Program Analysis:

The automobile presently accounts for 99 percent of person-trips between urban centers, between urban and rural areas, and in rural areas of Pennsylvania. Over 80 percent of all intercity person-miles of travel is by automobile, and a similar proportion of all trips of over 100 miles are taken via our highways. Ninety percent of all Americans who took vacations last year went by automobile.

This popularity of the automobile for intercity trips is a result of a number of factors: greater affluence, increased vehicle ownership, greater dispersion in the location of activities, improved highway facilities, and the virtual absence of any alternative to the automobile. Unlike urban travel, however, even if adequate public transportation between urban centers were provided, the automobile would most likely remain the dominant mode because of its privacy and comfort, its perceived if not real economy and its flexibility in responding to the specific needs of the traveller.

During the era of cheap and plentiful energy, Americans seemed obsessed with the idea that highway construction could answer almost all of the country's basic transportation needs. After years of encouraging motor vehicle use to the detriment of railroad passenger and cargo service, the Arab oil embargo of 1973 weakened the energy-wasteful assumptions upon which highway investment policies had been based. For while automobile fuel consumption declined after the embargo and is still running below pre-energy levels, private cars continue to account for almost 30 percent of domestic petroleum use.

Recent concerns that the nation is rapidly depleting its domestic energy resources while becoming increasingly dependent on expensive and unreliable foreign sources has intensified interest in the development of more energy-efficient modes of transportation, and cast further doubt on the wisdom of the Highway Trust Fund concept.

The new realities in the energy world have also, along with the escalating drain on Motor License Fund revenues caused by increasing debt service and the worsening bond market situation, contributed to the recent retrenchment in the Commonwealth's highway construction program. Bond financing of new highway construction will be sharply curtailed, and nearly 1,000 construction-related PennDOT employees have or will soon be furloughed.

While land use, nonuser benefits, and resource availability do have a role in present highway locational and priority decisions, travel demand has historically been given the most weight and the program measures used above attempt to show this demand in terms of both actual travel as well as dollar costs to users of a less-than-optimum highway network.

Unfortunately, these measures are more theoretical than factual, assuming as they do a certain dollar value per hour for each automobile occupant's time spent on the highway. For income-producing trips, this approach is unquestionably valid; for shopping, vacation and leisure time trips, far less valid. Greater emphasis must be placed on incorporating economic and social by-products of highway construction into the decision-making process.

A primary beneficiary of our interurban highway network, particularly the Interstate portion, is the trucking industry. High-speed, fully controlled-access intercity highways, while undeniably facilitating passenger traffic, have been and continue to be a benefit to the long-distance truckers. Savings on cross-country trips are today measured not in hours but in days, while intercity trips within Pennsylvania are often reduced in time by up to 50 percent. Allied operating cost savings, attributable to both reduced travel time per payload and to the decreased stop-and-go driving and grade changes afforded by these new and improved highways, are also significant. The trucker losses attributable to substandard highways shown above are very real; savings accruing to truckers as a result of highway improvements are potentially valid, but need to be proven through after-the-fact studies to be more than theoretical.

The program measures shown for cargo infer that benefits to truckers are the primary result of, and major factor in decisions concerning, an intercity cargo highway network. Yet the nature of the cargo-highway system has a marked effect on the economic base and structure of the State. Construction of truck corridors can bring not only truck terminals but truck-using industries; terminals and new industry bring jobs and both payroll and investment money. If new jobs and new money are involved, the economic base of the State benefits; if simply relocated jobs and relocated money from one Pennsylvania location to another are involved, the impact on our economic structure might even be detrimental. It is admittedly difficult to calculate quantitatively this relationship between highway construction and statewide or regional economic barometers such as sales volume, real estate values, and payroll changes—or the decline of the railroads. Such indices are a valid measure of a highway program and should be developed to the point there they can be applied.

The increase in travel shown over last year's data reflects a recalculation by PennDOT of the mix between state and non-state highway usage, as well as further refinements in data collecting; the increase in truck losses is occasioned by the American Trucking Association's latest calculations of an average truck's per-hour value-of-time.

Rural and Intercity Highway Construction (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
MOTOR LICENSE FUND							
General Operations . . . . .	\$16,648	\$15,886	\$17,157	\$18,015	\$18,916	\$19,861	\$20,854
Appalachia Local Access Roads . . . . .	.....	1,172	.....	.....	.....	.....	.....
State Highway and Bridge							
Authority Rentals . . . . .	16,619	15,565	15,565	16,098	15,075	15,075	15,075
Local Road Maintenance and							
Construction Payments . . . . .	32,619	35,244	32,426	32,523	32,816	33,111	33,442
 MOTOR LICENSE FUND							
TOTAL . . . . .	<u>\$65,886</u>	<u>\$67,867</u>	<u>\$65,148</u>	<u>\$66,636</u>	<u>\$66,807</u>	<u>\$68,047</u>	<u>\$69,371</u>

**Urban Mass Transportation**

OBJECTIVE: To provide frequent, fast, inexpensive transit services between residential neighborhoods and employment centers at a level sufficient to alleviate prevailing pressures on urban road systems caused by congestion and lack of parking facilities.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$74,612	\$ 79,139	\$ 74,657	\$ 77,677	\$ 80,997	\$ 84,517	\$ 88,037
Federal Funds .....		306	183	158	168	182	196
Other Funds .....	586	2,252	14	10	11	11	12
<b>SUB-TOTAL .....</b>	<b>\$75,198</b>	<b>\$ 81,697</b>	<b>\$ 74,854</b>	<b>\$ 77,845</b>	<b>\$ 81,176</b>	<b>\$ 84,710</b>	<b>\$ 88,245</b>
<i>Bond Funds†</i> .....	12,148	23,400	31,500	39,500	42,200	42,800	43,000
<b>TOTAL .....</b>	<b>\$87,346</b>	<b>\$105,097</b>	<b>\$106,354</b>	<b>\$117,345</b>	<b>\$123,376</b>	<b>\$127,510</b>	<b>\$131,245</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Urban mass transit person—trips:							
Millions annually .....	428.0	448.3	459.1	477.5	496.6	516.4	537.1
Percent of urban trips* .....	4.5%	4.7%	4.7%	4.8%	4.9%	5.0%	5.2%
Percent of urban work trips* .....	8.1%	8.3%	8.3%	8.5%	8.7%	8.9%	9.1%
Percent of Philadelphia and Pittsburgh work trips* .....	10.2%	10.4%	10.5%	10.7%	10.9%	11.0%	11.1%
Urban passengers carried by State-assisted carriers:							
Millions annually .....	409.8	429.7	440.4	458.0	476.3	495.4	515.2
Percent of all transit trips .....	95.7%	95.9%	95.9%	95.9%	95.9%	95.9%	95.9%
Cost of average urban mass transit trip:							
To user (fare) .....	34.4¢	34.5¢	34.6¢	34.8¢	35.3¢	35.8¢	36.4¢
To Commonwealth (subsidy—including Lottery Fund) .....	20.9¢	20.2¢	19.8¢	19.8¢	19.9¢	20.0¢	20.0¢
To Federal Government (subsidy) .....	4.4¢	7.0¢	8.9¢	10.2¢	10.8¢	11.2¢	11.6¢
To local governments (subsidy) .....	9.5¢	8.6¢	8.4¢	8.4¢	8.5¢	8.5¢	8.5¢
<b>Total Cost .....</b>	<b>69.2¢</b>	<b>70.3¢</b>	<b>71.7¢</b>	<b>73.2¢</b>	<b>74.5¢</b>	<b>75.5¢</b>	<b>76.5¢</b>

\* Auto and transit trips only.

† Excluded from all summary presentations. These are direct capital project costs only.

**Program Analysis:**

Only a few years ago, urban mass transportation seemed doomed to extinction in all but the nation's largest cities. From 1945 to 1972 total ridership in the country plunged from 19 billion to 5.5 billion revenue passengers, a drop of over 70 percent. In Pennsylvania, transit usage had shown a steady

decline between 1960 and 1972 totaling over 70 percent in the Allentown-Bethlehem-Easton area, almost 60 percent in Lancaster, over 55 percent in Harrisburg, over 50 percent in Altoona and nearly 30 percent in Philadelphia.

The most drastic event affecting mass transit in recent years

## Urban Mass Transportation (continued)

was the imposition of the oil embargo in the fall of 1973, and with it the realization that the nation faces serious energy problems. However, the uninterrupted slide of mass transit since World War II actually ended before the latest Middle East war. Both in the nation and the Commonwealth, the rate of decreasing patronage had begun to soften considerably by the late 1960's, and a gradual increase was in evidence by the middle of the 1972-73 fiscal year. So, while the shock waves of fuel shortages and higher prices served as a catalyst for accelerating the revival of mass transit, many factors were already at work fostering greater usage of public facilities.

The Commonwealth made its first major commitment to aid ailing transit systems with the enactment of the "Urban Mass Transportation Assistance Act" in January of 1968. The legislation permitted the State, in conjunction with local governments, to subsidize operating losses incurred by transit agencies and to fund needed capital improvements. The results of this new governmental commitment were at first discouraging, as operating deficits rose without an accompanying increase in patronage. But in 1972-73 ridership ended its nearly thirty year decline by posting a modest gain of almost two percent, followed in 1973-74 by an impressive six percent rise. Fears that the 1973-74 gains would not withstand the lifting of the oil embargo did not materialize, and patronage continued its upward swing again last year. The actual increase of less than one percent in 1974-75 considerably understates true ridership gains, due to the number of trips lost during Southeastern Pennsylvania Transportation Authority (SEPTA) work stoppages. Conversely, the estimated current year increase of nearly five percent will be overstated in light of 1974-75 strike-related losses. Adjusting to allow for SEPTA work stoppages yields a two and one-half percent increase in both years, a truer reflection of the recent trend in transit ridership.

Considering the massive exodus from transit in previous years, a 13 percent increase over a four year period hardly constitutes a revolution in urban transportation. Nevertheless, it would be unrealistic to expect the commuting habits of three decades to be abruptly altered. That there has been any growth in the past year is particularly encouraging, since ridership has traditionally plummeted during recessionary periods when urbanized areas experience extremely high levels of unemployment.

The causes of transit's decline since World War II are many and complex, and the recent turnabout is the result of persistent attacks on these causes. Beset by cost increases, fare increases that generated less passengers rather than more revenue, massive governmental investments in highways, and the unquestioned convenience of the automobile, transit operators for years reacted to their deteriorating position by striving for survival rather than progress. Starved financially from acquiring capital

equipment, they tried to minimize the immediate costs of their systems, thus developing gradually into highly-under-capitalized, high cost-per-passenger operations.

This neglect of facilities modernization was generally accompanied by failure to provide even such amenities as information, passenger shelters, and regular service. Decrepit and filthy equipment that broke down at the most inopportune times, erratic and infrequent schedules, and an often unresponsive transit management led to an apathetic public discouraged by even the mention of public transportation.

Only a gradual chipping away at all these maladies, a slow process that is far from complete, coupled with an increasingly-congested, air-polluting and energy-wasting urban highway system, made even these modest gains possible. And an alarming array of problems continue to beset urban mass transportation. Escalating costs for labor, fuel, maintenance and supplies in this highly labor-intensive industry; governmental policies gradually shifting towards a balanced transportation concept but still favoring highways; rider resistance to fare increases; and a still all-too-often unresponsive transit management — all lead inexorably toward increased transit operating losses.

The only factor that has prevented further sharp increases in State subsidy requirements in the last two budgets is the passage last year of a long-overdue Federal transit subsidy program. This belated, much-needed Federal program pumped about \$18 million into day-to-day transit operations last year and \$30 million in the current year, while another \$39 million should be forthcoming in the 1976-77 budget year. This still amounts to only one-third of the Commonwealth's General and Lottery Fund subsidies during this three-year period.

Another encouraging reversal of pro-highway policy at the Federal level has allowed Philadelphia and Delaware County to substitute nearly \$200 million worth of needed transit capital projects for the controversial Cobbs Creek Expressway. However, general revenue funds, which probably would have been received by the Philadelphia area anyhow, will be used to finance the transit improvements. The actual Federal highway funds declined by Philadelphia area governments will be returned to the Highway Trust Fund, to be used on other road building projects throughout the nation. Attempts to allow direct usage of either Federal or Commonwealth highway funds for transit have thus far failed, and the Federal Highway Trust Fund remains inviolate as a source of highways-only funding in the same manner as the State's Motor License Fund. It is incumbent upon PennDOT to encourage local governments to carefully consider other such highways-to-transit switches.

Perhaps even more important than the effect of a few favorable Federal policy decisions is the changing public perception of the mass transportation sector. Increased

Urban Mass Transportation (continued)

patronage in itself demonstrates that the longstanding antipathy toward transit is waning. Historic voter reluctance to tax boosts or bond issues to support transit is also weakening, although New York City's recent financial woes have tended to encourage disapproval of bond issues for any purpose. The results of a nationwide survey conducted in mid-1975 were particularly encouraging. In that poll, 66 percent of those questioned favored a major expenditure of Federal money to increase public transportation while only 23 percent were opposed. Public acceptance had risen considerably from the previous year when aid for transit was already supported by a 57 to 31 percent margin.

Decision-makers are also gradually changing their perceptions of urban mass transportation. Transit is increasingly being

viewed as a public service much along the lines of police or fire protection, welfare, health or education. Leaders of both government and the private sector are beginning to insist that an adequate transit system must be provided to the great number of citizens who need or desire to use it.

There is also a growing awareness that public transportation is an integral part of the total urban environment, that transit can be a valuable tool in alleviating economic, housing, pollution, energy and other problems; and that, therefore, all these potential indirect benefits of an improved transit system must be accepted as valid components in the urban planning process. The future livability of our cities will depend to a significant degree on how successfully these altered perceptions of mass transit can be translated into altered urban transportation priorities.

Program Costs By Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Mass Transportation Operations . . . .	\$ 418	\$ 439	\$ 457	\$ 477	\$ 497	\$ 517	\$ 537
Mass Transportation Assistance . . . .	74,194	74,200	74,200	77,200	80,500	84,000	87,500
Bicentennial Mass Transportation Projects . . . . .	. . . .	4,500	. . . .	. . . .	. . . .	. . . .	. . . .
<b>GENERAL FUND TOTAL . . . .</b>	<u>\$74,612</u>	<u>\$79,139</u>	<u>\$74,657</u>	<u>\$77,677</u>	<u>\$80,997</u>	<u>\$84,517</u>	<u>\$88,037</u>

**Rural and Intercity Rail Transportation**

**OBJECTIVE:** To facilitate the development of improved rail passenger and cargo service between major urban areas of the Commonwealth, thereby providing relief for the frequent utilization beyond capacity of intercity highway and air systems.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	<u>\$ 321</u>	<u>\$ 427</u>	<u>\$1,517</u>	<u>\$ 550</u>	<u>\$ 274</u>	<u>\$ 282</u>	<u>\$ 292</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Rural and intercity rail passenger trips in Pennsylvania (millions) . . . . .	7.6	8.0	8.4	8.8	9.2	9.6	10.0
Tons of freight shipped by rail in Pennsylvania (millions) . . . . .	187.9	189.4	192.7	196.9	200.8	202.8	204.8

**Program Analysis:**

Although the modern American economy was founded on passenger and cargo transportation provided by an innovative railroad industry, this nation probably has the worst rail system in the industrialized world.

The role of the railroads as carriers of intercity passengers has been declining precipitously for 30 years, with revenue passenger miles having declined by over 70 percent since the mid 1940's through shifts to auto, bus and air travel. Massive infusions of Federal and state tax monies for improved and expanded highway facilities have contributed significantly to the tremendous growth and popularity of the private automobile, and have made possible increased intercity bus service. Federal subsidies to airlines have contributed to the superior speed, comfort and attractiveness of air travel. Meanwhile, the railroads have not benefited from programs that would enable them to maintain adequate investment policies.

The decline of the railroads in the cargo sector evolved for similar reasons since railroads were, until recently, the only freight-handling mode that did not benefit from any major government subsidy. Highway, aviation and waterway facilities have further been aided by being exempt from those state and local real estate taxes that had to be paid by rail companies for their rights-of-way. This competitive imbalance, most evident in the Federal policy of earmarking the majority of transportation monies for highways, was a primary factor in causing rail freight usage to fall as shipments were diverted to the expanding trucking industry.

After years of neglect, the slow and unsafe condition now prevailing on many railroad lines has become something of a national scandal. Particularly in the northeastern region,

unreliable and outmoded equipment runs over track that often does not meet even minimal maintenance standards. Derailments, or decreased speed to avoid derailments, have become commonplace. Penn Central, for instance, suffered 5,204 derailments in 1974, an increase of over 3,000 from the total recorded just two years earlier. Yet at the same time, nearly half of Penn Central's entire system was subject to Federal Government orders to operate under an eight mile-per-hour speed limit for freight traffic. With increased travel time and frequent interruptions in service, customers are discouraged from utilizing railroads for any passenger service and all but bulk cargo that cannot be easily handled on other modes.

Lacking public support and plagued by obsolete facilities, poor management and excessive labor costs, matters reached the point where seven northeastern and midwestern railroad companies became bankrupt. From this near disaster situation first arose Amtrak, and then ConRail.

The consolidation of thirteen different passenger operations into the Federally supported Amtrak network offered hope for continued and possibly expanded service, but more than half of the country's passenger train runs were eliminated on the first day of Amtrak's existence. Although the new rail corporation initially experienced severe reorganization and financial problems, patronage increased by ten percent nationally in 1974, indicating a distinct potential for intercity rail service. Nevertheless, Amtrak received only six tenths of one percent of total U.S. Department of Transportation funds during 1974, and the Federal Government has been reluctant to increase its budgetary commitment.

In the Commonwealth, those routes now operating amount

Rural and Intercity Rail Transportation (continued)

Program Analysis: (continued)

to a cutback in what was already insufficient service before the approval of Federal assistance. The skeltonized Amtrak system initiated on May 1, 1971 excluded all of northwestern and southwestern Pennsylvania, dropped service going north from the capitol city and discontinued the York stop on the Harrisburg-Baltimore-Washington line. Cross-state passenger service was retained, but the pre-Amtrak total of thirteen runs was reduced to six and then merely four. Only the popular Philadelphia-Harrisburg route with its many commuter stops remained intact.

With intercity rail passenger service at least marginally resurrected, the Federal Government has now turned its attention to cargo service. For despite all their problems, the nation's railroads continue to carry a larger percentage of freight, in terms of ton-miles, than any other intercity domestic carrier. The vital cargo role of the insolvent lines is evidenced by the fact that the Penn Central railroad alone hauled twenty percent of all U. S. freight shipments during 1974, while its service area encompassed 55 percent of the nation's manufacturing firms.

Recognition of the economic dislocation that would result from the absence of these rail services spurred passage of the Federal "Regional Rail Reorganization Act of 1973" to rebuild the seven bankrupt lines into one semi-public enterprise. Yet the Consolidated Rail Corporation (ConRail) which came into existence on November 9, 1975 will provide considerably less service than had previously been available in the affected fifteen state area. Approximately 5,700 miles of light-density track, along with 1,100 miles of presently out-of-service track, on branch lines that are not believed to have sufficient prospects of profitability have been excluded from ConRail. Under provisions of the "Reorganization Act",

these lines can be easily abandoned unless some provision for financial assistance is made by the individual states or local communities.

Pennsylvania, which had been served by five of the seven insolvent lines, stands to lose over 1,400 miles of light density or out-of-service track—some of which is out of service simply because of flood damage. And while primarily light-density trackage is affected, a large number of these small branch lines offer essential transportation links to the Commonwealth's less-urbanized regions. Without access to rail facilities, many businesses located in rural areas would be put out of business or forced to relocate. This would add to already high levels of unemployment in the State and would disrupt the economic viability of small communities that rely on a single or limited number of firms.

A Program Revision, shown as an appendix to this subcategory, will provide for State financial participation in the purchase, rehabilitation and continued operation of railroad lines threatened with abandonment. This funding is shown below as a proposed new "Intercity Rail Transportation" appropriation. Statewide rural and intercity rail planning will continue to be funded from the existing Mass Transportation Operations appropriation.

Ridership figures for fiscal year 1974-75 are below the estimate in last year's budget. Those projections had been based on early 1974 figures, thus reflecting the height of the energy crisis when patronage reached its peak. While this level has since declined, ridership remains well above pre-oil embargo totals. Future growth of rail passenger trips has also been adjusted downward because the impact of the energy crisis on the mix of intercity travel has been less pronounced than anticipated a year ago.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Mass Transportation Operations . . . . .	\$ 321	\$ 427	\$ 317	\$ 250	\$ 174	\$ 182	\$ 192
Intercity Rail Transportation . . . . .	.....	.....	1,200	300	100	100	100
<b>GENERAL FUND TOTAL . . . . .</b>	<b>\$ 321</b>	<b>\$ 427</b>	<b>\$1,517</b>	<b>\$ 550</b>	<b>\$ 274</b>	<b>\$ 282</b>	<b>\$ 292</b>

**Rural and Intercity Rail Transportation  
Program Revision: Intercity Rail Transportation**

**Recommended Program Revision Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .			<u>\$1,200</u>	<u>\$ 300</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 100</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Tons of freight shipped by rail in Pennsylvania (millions)							
Current . . . . .	187.9	189.4	189.9	190.9	192.9	194.8	196.8
Program Revision . . . . .			192.7	196.9	200.8	202.8	204.8

**Program Analysis:**

This Program Revision provides the funds necessary to avert the potentially disastrous consequences of massive rail line abandonments proposed under the Consolidated Rail Corporation (ConRail) system. PennDOT, in conjunction with local interests, plans to assist financially in the purchase, repair and operating subsidization of those worthwhile branch lines excluded from ConRail. Present plans call for continuation of service on 674 miles of the 1,423 miles slated for abandonment. The Federal Government will provide the majority of the funds necessary to cover acquisition, rehabilitation and subsidization costs. The \$1.2 million provided to PennDOT through this Program Revision cannot be fully utilized until the General Assembly either completes action on Senate Bill 1154, the "Rural and Intercity Common Carrier Surface Transportation Act" or passes similar legislation permitting State participation in this vital rail program.

The program measures shown above only partially indicate the severe effect of abandoning these lines, causing the loss of more than 30 million tons of rail freight shipments throughout the Commonwealth over the next five years. More devastating would be the impact on jobs, personal income, taxes, and business activity in those many small communities that currently depend on the railroads for movement of bulk cargo. If these abandonments are allowed to occur, PennDOT estimates the loss of over 8,000 jobs directly from business closures and cutbacks plus the loss of over 12,500 additional jobs due to poor economic conditions caused by these original job losses and business closures. The reduction in business activity and jobs would, in turn, cause estimated expenditures of \$36.7 million in unemployment benefits and public assistance, the loss of over \$170 million in personal income, a drop of \$21.2 million in Federal and State income tax receipts, and decreased business profits of nearly \$54 million.

**Program Revision Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND							
Intercity Rail Transportation . . . . .			<u>\$1,200</u>	<u>\$ 300</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 100</u>

**Air Transportation**

OBJECTIVE: To promote the development of a system of airport facilities adequate to meet the passenger and cargo needs of the Commonwealth's citizens.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund .....	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25	\$ 25
Special Funds .....	5,403	5,474	6,458	5,710	5,920	6,145	6,360
Federal Funds .....	171	935	28	29	31	32	34
Other Funds .....	15,313	17,005	18,045	19,085	20,145	21,205	22,265
<b>SUB-TOTAL .....</b>	<b>\$20,912</b>	<b>\$23,439</b>	<b>\$24,556</b>	<b>\$24,849</b>	<b>\$26,121</b>	<b>\$27,407</b>	<b>\$28,684</b>
<i>Bond Funds†</i> .....	115	144	1,965	3,453	4,293	5,945	6,183
<b>TOTAL .....</b>	<b>\$21,027</b>	<b>\$23,583</b>	<b>\$26,521</b>	<b>\$28,302</b>	<b>\$30,414</b>	<b>\$33,352</b>	<b>\$34,867</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Airports in Pennsylvania:</b>							
Total .....	520	531	542	554	567	580	592
Substandard .....	92	90	88	86	83	80	77
Brought up to standard .....	2	2	2	2	2	3	3
<b>Person-trips on scheduled airlines (millions) .....</b>							
General aviation person trips (millions)* .....	16.4	17.2	18.0	18.8	19.7	20.6	21.6
Total flights handled—public airports (millions)* .....	5.1	5.8	7.0	8.4	10.1	12.1	14.5
Tons of cargo handled .....	3.2	3.4	3.6	3.8	4.0	4.2	4.4
Tons of cargo handled .....	191,000	202,000	214,000	227,000	241,000	255,000	270,000
<b>State-owned airports:</b>							
Passengers handled .....	627,000	652,000	704,000	760,000	821,000	887,000	958,000
Flights handled .....	263,000	271,000	287,000	304,000	322,000	341,000	362,000
Tons of cargo handled .....	8,410	8,660	9,090	9,540	10,020	10,520	11,050

\* Imprecise estimates; data shown only to reflect anticipated trends.

† Excluded from all summary presentations. Those are direct capital project costs only.

**Program Analysis:**

Although only a small percentage of Pennsylvania's passengers and cargo travel by air, aviation represents an important segment of the Commonwealth's transportation system. With 520 airports, Pennsylvania ranks fifth nationally in the number of airports and fourth in landing facilities per square mile. In addition to facilitating the movement of people and goods, these aeronautical facilities bring substantial benefits to the State directly through air transportation-related jobs and indirectly through additional incentives to industry to

conduct its business in Pennsylvania. To insure our citizens the benefits of air transportation, the Commonwealth currently operates seven airports and participates each year in the funding of numerous improvement projects at non-State owned public airports.

Air passenger service in Pennsylvania is provided by eight of the nation's eleven domestic trunkline carriers, one local service airline, the largest U.S. international airline, and seven foreign airlines. The State has two of the most active airports

**Air Transportation (continued)**  
**Program Analysis (continued)**

in the country—Philadelphia ranks 16th and Pittsburgh 14th nationally in terms of originating passengers. These two airports account for almost 90 percent of all airline enplanements in Pennsylvania. Seventeen other public airports are served by scheduled carriers, the other 145 public airports in the State are general aviation fields, and the approximately 360 remaining airports in Pennsylvania are privately-owned and operated for corporate, agricultural, recreational or experimental use.

General aviation—business and recreational flying and charter service—today accounts for half of all flights and over 20 percent of intercity person trips by air, and may provide 40 percent of such intercity trips by 1980. Energy considerations could limit general aviation's anticipated growth somewhat, although recent marketings of extremely efficient general aviation single and twin-engine aircraft have thus far negated the sharp decline predicted for this important industry.

Generally, the pattern of air passenger service today is one of a heavy concentration of scheduled service for major cities, particularly Philadelphia and Pittsburgh, with reduced service between cities of modest size. The small to modest size communities that provide commuter service have only fairly adequate service to the major terminals. As a result, the present system is apparently adequate to meet current needs of those citizens who utilize the major trunk line routes, but is less than satisfactory to meet the needs of medium-sized and small communities. In turn, future needs of Pennsylvania's citizens should strain the existing system, particularly adding to the congestion already affecting major air terminals. The State Aviation System Plan, now under development and scheduled for completion by 1977, should provide the basis for future development of air passenger service for the Commonwealth.

Congested terminals are joined by a number of other major aviation problems facing the State today: air and noise pollution from aircraft activities; conflict between aircraft operation and adjacent land uses; lack of adequate private funds to finance capital improvements; loss of urban and suburban airports resulting from mounting competition from other types of development; and congested ground access facilities. Yet the most serious problem of all is the potential for disaster caused by our congested airways. The heaviest concentration of air traffic in the country passes over Philadelphia, a problem further complicated by the proximity of New York and Washington. Any disruption in the established pattern of air traffic over this region, which can be caused by weather, strikes or emergencies, could create a serious chain reaction of disturbances and delays, or possibly a disastrous accident.

A primary method of combating these congestion problems is to divert both commercial and general air traffic away from major commercial airports. In an effort to entice such diversions, as well as to provide its residents with improved air service in general, the Commonwealth is currently upgrading the facilities at Harrisburg International Airport which handle

both foreign and domestic traffic.

Even though air cargo has received less public attention than passenger service, the dramatic growth of airline freight has been one of the more important developments on the transportation scene. Air cargo is increasing rapidly both in tonnage and proportion of all freight movements, and has become the fastest growing mode of freight transport. Although costs have remained high, air transport offers great time advantages and if properly and fully utilized, can make traditional warehousing and distribution practices obsolete. Introduction of larger aircraft in the next decade and resulting cost economies should continue to increase air cargo demand rapidly—particularly with increased capability in handling cargo containers.

In Pennsylvania, the movement of goods by air has doubled since 1970. Despite the energy problem and a sluggish economy, air freight tonnage is expected to rise by five percent in 1976-77, with similar increases projected for future years.

Even with this increase, Harrisburg International Airport (HIA) will be utilizing less than 45 percent of its cargo space by 1980, a marked increase from the 27 percent presently utilized, but nonetheless still far from optimum—especially for a facility having a runway exceeded in load-bearing capacity by only two other airports in the country. Similar underutilization of cargo capacity is evidenced at the other two major cargo-handling airports in the State at Philadelphia and Pittsburgh, while the remaining public airports in the State handle less than three percent of total state air cargo.

So despite the impressive tonnage gains in recent years, and the still-promising future for air cargo, Pennsylvania has fallen, and apparently will continue to fall, short of the share of this industry that its locational and population characteristics would indicate. Pennsylvania ranks poorly in comparison with other states in percentage of air freight service handled, while a major portion of freight generated in the State is still shipped through adjacent states' airport facilities. Philadelphia is presently constructing a \$100 million "Air Cargo City" in an attempt to modernize facilities and satisfy the containerization demand of shippers.

Fortunately, Federal "energy crisis" predictions have proven overly pessimistic and the impact on Pennsylvania's aviation program has not been as devastating as originally feared. Nevertheless, economic and energy problems have had a deleterious effect on the restricted revenue account that provides funds for the State's aviation efforts. For while this budget calls for a marked increase in the rate of Commonwealth expenditures for capital projects at non-State owned public airports, the cut necessitated from 1973-74 through 1975-76 by the energy crisis still cannot be fully restored. But even though the Airport Development program remains at a restrained-level due to a shortage of aviation revenue, this program will still allow for substantial air facility improvements throughout Pennsylvania.

**Air Transportation (continued)**

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Civil Air Patrol .....	<u>\$ 25</u>	<u>\$ 25</u>	<u>\$ 25</u>	<u>\$ 25</u>	<u>\$ 25</u>	<u>\$ 25</u>	<u>\$ 25</u>
<b>MOTOR LICENSE FUND</b>							
Aviation Operations .....	\$4,082	\$3,924	\$3,958	\$4,160	\$4,370	\$4,595	\$4,810
Airport Development .....	1,321	1,550	2,500	1,550	1,550	1,550	1,550
<b>MOTOR LICENSE FUND</b>							
TOTAL .....	<u>\$5,403</u>	<u>\$5,474</u>	<u>\$6,458</u>	<u>\$5,710</u>	<u>\$5,920</u>	<u>\$6,145</u>	<u>\$6,360</u>

**Water Transportation**

**OBJECTIVE:** To promote the development of the Port of Philadelphia and Port of Erie while encouraging the utilization of these ports by domestic and international shippers and to promote the safe navigation of commercial vessels on the Delaware River.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$1,284	\$1,290	\$ 902	\$ 905	\$ 58	\$ 61	\$ 64
Special Funds . . . . .	100	82	69	68	68	68	68
<b>TOTAL . . . . .</b>	<b>\$1,384</b>	<b>\$1,372</b>	<b>\$ 971</b>	<b>\$ 973</b>	<b>\$ 126</b>	<b>\$ 129</b>	<b>\$ 132</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Value of cargo handled (millions):</b>							
Port of Philadelphia . . . . .	\$11,098	\$11,886	\$12,730	\$13,633	\$14,608	\$15,638	\$16,747
Port of Erie . . . . .	\$46	\$48	\$51	\$53	\$55	\$57	\$59
<b>Foreign exports (thousands of short tons):</b>							
Port of Philadelphia . . . . .	7,000	7,400	7,600	7,800	8,000	8,200	8,400
Port of Erie . . . . .	206	230	260	300	350	400	450
<b>Foreign imports (thousands of short tons):</b>							
Port of Philadelphia . . . . .	73,900	75,000	76,500	78,000	79,600	81,900	84,400
Port of Erie . . . . .	144	150	159	163	170	175	180
<b>Domestic trade (thousands of short tons):</b>							
Port of Philadelphia . . . . .	62,300	63,700	64,900	66,200	67,400	68,000	68,500
Port of Erie . . . . .	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

**Program Analysis:**

Since 1966-67, the Commonwealth has supported the development of new and improved facilities at the Port of Philadelphia and the Port of Erie. These facilities provide low cost water transportation, generate employment, attract industry and furnish direct economic benefits through payroll and taxes from port activities and port-attracted industries. Port activity has been increasing in both volume and economic impact in the past nine years, and this trend is expected to continue in the future.

When the Philadelphia Port Corporations began its development program ten years ago, Philadelphia ranked third nationally behind the port cities of New York and Baltimore in handling international waterborne commerce. With the construction of new shipping facilities and a vigorous promotion campaign, tons of import and export goods passing

through Philadelphia exceeded that of Baltimore in 1972. Only two years later, the Port Corporation announced that Philadelphia was transporting more international tonnage than any other port in the country. Presently, the Port of Philadelphia handles 13 percent more foreign trade than New York and almost twice as much as the Port of Baltimore. In terms of international shipping facilities, Philadelphia is now the world's third busiest seaport.

Bulk cargo, consisting primarily of grain, sugar, molasses, soybeans, iron ore, coal, coke and petroleum, accounts for 93 percent of the foreign tonnage and almost all of the domestic trade. Domestic tonnage at the Port of Philadelphia, in fact, consists almost entirely of petroleum arriving from the Gulf Coast states.

In dollar and job terms, however, it is general

Water Transportation (continued)

Program Analysis: (continued)

cargo—anything that is bagged, boxed, crated, or unitized—that creates the greatest economic benefits for the State. General cargo accounts for about 40 percent of foreign trade dollar value, 60 percent of all port-related jobs, and generates an estimated 25 new dollars and \$1 in State tax revenues per ton. Approximately half of this new income is maritime labor, the other half going to rail and motor carriers, terminal operators, tugboat companies, banks, insurance companies, ship supply companies, etc. The economic effect of this income extends far inland, as each of these new dollars has an estimated 2½ times multiplier effect. Thus the 6 million tons of general cargo moving through the Port of Philadelphia, for instance, creates 150 million new dollars with a subsequent multiplier effect of \$375 million as the original dollars are spent and re-spent.

Philadelphia has been making its most important recent gains in general cargo trade. The main emphasis at the port has been on a rapid move toward containerization—the increasingly dominant method of shipping general cargo—and this move has reaped tremendous benefits. Less than five years ago, only one shipping line offered regular container services to the Port. Today, a dozen container lines provide service to

every major containerized port in the world. During 1974, the total number of containers handled by the port's two container terminals rose to 80,000 compared to only 35,000 moved two years earlier. The tremendous growth in container traffic indicates that a third container facility will be needed, and the Port Corporation is actively pursuing land acquisition and design studies for such a terminal. Studies indicate that container traffic in 1980 will approximate 3.2 million tons or 222,000 containers.

The Port of Erie, operating on a much smaller scale and handling primarily domestic and Canadian bulk cargo, is anticipating a seven percent increase in tonnage and a nine percent rise in dollar value during the budget year. Future year increases are estimated at six percent for tonnage and eight percent for dollar value.

Due largely to inflation, dollar value at Philadelphia during 1974-75 increased at a much faster rate than the volume of trade. Changes in import-export tonnage at Erie are reflective of the varying mixes of commodities handled by the port.

This subcategory also includes the commercial licensing activities of the Navigation Office of the Delaware River.

Program Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)				
			1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Mass Transportation Operations . . . . .	\$ 34	\$ 40	\$ 52	\$ 55	\$ 58	\$ 61	\$ 64
Port of Philadelphia . . . . .	1,000	1,000	600	600	. . . . .	. . . . .	. . . . .
Port of Erie . . . . .	250	250	250	250	. . . . .	. . . . .	. . . . .
<b>GENERAL FUND TOTAL . . . . .</b>	<b><u>\$1,284</u></b>	<b><u>\$1,290</u></b>	<b><u>\$ 902</u></b>	<b><u>\$ 905</u></b>	<b><u>\$ 58</u></b>	<b><u>\$ 61</u></b>	<b><u>\$ 64</u></b>
<b>BOATING FUND</b>							
Navigation Commission for the Delaware River . . . . .	\$ 100	\$ 82	\$ 69	\$ 68	\$ 68	\$ 68	\$ 68

**Urban Highway Maintenance**

OBJECTIVE: To provide general routine maintenance necessary to preserve the quality of existing urban roads and to provide prompt snow removal service to enable the safe passage of vehicles.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	<u>\$152,152</u>	<u>\$160,433</u>	<u>\$164,437</u>	<u>\$171,435</u>	<u>\$178,612</u>	<u>\$186,599</u>	<u>\$195,162</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Miles of urban highways:*							
Total maintained . . . . .	22,553	22,561	22,569	22,577	22,585	22,593	22,601
Requiring short-term improvement . . .	6,278	6,440	7,451	8,112	8,777	9,446	10,121
Improved, but not up to standard . . .	3,244	2,403	2,762	2,766	2,769	2,771	2,774
Requiring resurfacing . . . . .	4,145	4,426	4,964	5,357	5,754	6,155	6,560
Resurfaced . . . . .	1,111	858	1,007	1,007	1,007	1,007	1,007
Requiring surface treatment . . . . .	2,133	2,014	2,487	2,755	3,023	3,291	3,561
Surface treated . . . . .	2,133	1,545	1,755	1,759	1,762	1,764	1,767

\*State highways only, local roads excluded; also, see last paragraph of program analysis.

**Program Analysis:**

Pennsylvania's forty-five thousand miles of State-administered roads form the fourth largest state highway system in the nation. This vast network of roadway requires an enormous and ever increasing maintenance effort. The major maintenance responsibility of the Pennsylvania Department of Transportation (PennDOT) is to keep all roadway surfaces in a safe and usable condition. This involves basic patching, restabilization, surface treatment and minor betterment projects carried out by PennDOT forces, plus repair of bridges, tunnels and minor storm damage. Snow and ice removal services are performed on all State-administered urban highways as well as an additional one thousand miles of selected city streets which were assigned to PennDOT by Act 60 of the 1970 Legislative Session. Other important

maintenance activities, not involved directly with the roadway surface itself, include washing, repairing and replacing highway signs, repainting pavement markings, and repairing or replacing such safety features as traffic signals, guardrails, median barriers and right-of-way fences.

Funding—actually, a shortage of funding—has been the very basic problem confronting highway maintenance in recent years. Maintenance activities can be financed only from highway-user tax revenues; legal and fiscal restrictions preclude the use of either Federal or bond funds for maintenance. Legal requirements also dictate that debt service on highway construction bonds have first priority on tax revenues. In addition, adequate levels of State Police traffic control, PennDOT licensing and safety activities, driver

Urban Highway Maintenance (continued)

Program Analysis: (continued)

education, planning and research, and certain highway construction costs not eligible for bond or Federal funding must be provided for from these highway-user tax revenues. Thus the remaining funds available for maintenance, especially in these times of inflation, reduced gasoline sales, and accelerating debt service costs dictated by past capital construction decisions, have in recent years tended to be less than needed. Even those funds earmarked by law for maintenance activities — the recent fee increases, certain earlier fee increases and the last gas tax increase—provide inadequate maintenance funds.

The recent passage of motor vehicle fee increases will provide an additional \$86.5 million in maintenance funds during 1975-76 and \$122.5 million in 1976-77. About 45 percent of this increase will go toward an expanded urban maintenance program, the remainder being utilized for rural and intercity highway maintenance. Although these increases will prevent the major decline in maintenance efforts that had been facing the Commonwealth, we are still confronted with serious long-range maintenance problems. Three years ago, Motor License Fund tax and fee revenues were projected to increase by about 5-1/2 percent per year for the remainder of the decade. However, with today's high price of gasoline, the recent trend towards smaller, more economical cars and continuing energy conservation measures, latest estimates now predict less than a two percent annual growth in these same revenues. At current tax rates, this represents a loss during the next five years of almost one-half billion dollars in highway funds. Future prospects will be worse if the Federal Government takes aggressive measures to curtail gasoline consumption, or if the oil-producing nations continue to raise prices or decide to impose another embargo.

The program needs shown above reflect the backlog of unmet maintenance requirements that have accumulated over previous years. The recent passage of fee increases will enable PennDOT to be more successful in current and future years in protecting the massive investment that our highways represent.

The approximately \$395 million in total 1976-77 maintenance expenditures shown here and in the Rural and Intercity Maintenance subcategory consist of the following major items: \$155 million for routine maintenance of both the roadway and the roadside; approximately \$60 million each for snow and ice removal, resurfacing and minor betterments, and maintenance and operation of machinery, equipment and properties; \$20 million for maintenance equipment purchases; and \$38 million for maintenance of local roads by local government road crews, funded along with certain highway construction activities from the municipalities' share of the gas tax.

It is important to note that the urban-rural split of highway mileage is markedly different between maintenance and construction subcategories. The accounting system records maintenance expenditures on a county-by-county basis, rather than on a highway-by-highway basis, as is done for construction expenditures. This is because Federal funds and accounting requirements are involved in highway construction, but not in highway maintenance. As a result, "urban" maintenance expenditures are those in 38 urbanized counties involving over 22,000 miles of State highways; "urban" construction expenditures are those on only about 9,000 miles of State highways in Federally-defined "urbanized areas." Three counties achieved "urban" status this year, causing significant changes in all maintenance data shown above.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
MOTOR LICENSE FUND							
General Operations . . . . .	\$109,627	\$113,162	\$117,129	\$123,985	\$130,735	\$138,291	\$146,371
Secondary Roads—Maintenance and Resurfacing . . . . .	24,823	28,144	29,709	29,798	30,066	30,337	30,640
Local Road Maintenance and Construction Payments . . . . .	17,702	19,127	17,599	17,652	17,811	17,971	18,151
<b>MOTOR LICENSE FUND TOTAL . . . . .</b>	<b>\$152,152</b>	<b>\$160,433</b>	<b>\$164,437</b>	<b>\$171,435</b>	<b>\$178,612</b>	<b>\$186,599</b>	<b>\$195,162</b>

**Rural and Intercity Highway Maintenance**

OBJECTIVE: To provide general routine maintenance necessary to preserve the quality of existing rural and intercity roads and to provide prompt snow removal service to enable the safe passage of vehicles.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	<u>\$187,910</u>	<u>\$211,352</u>	<u>\$230,404</u>	<u>\$241,360</u>	<u>\$252,253</u>	<u>\$265,336</u>	<u>\$277,976</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Miles of rural and intercity highways*:</b>							
Total maintained . . . . .	22,146	22,153	22,160	22,167	22,174	22,181	22,188
Requiring short-term improvement . . .	5,924	6,154	7,127	7,861	8,604	9,356	10,119
Improved, but not up to standard . . .	3,111	2,377	2,632	2,639	2,647	2,652	2,660
Requiring resurfacing . . . . .	3,706	3,989	4,492	4,762	5,040	5,326	5,619
Resurfaced . . . . .	893	675	916	916	916	916	916
Requiring surface treatment . . . . .	2,218	2,165	2,635	3,099	3,564	4,030	4,500
Surface treated . . . . .	2,218	1,702	1,716	1,723	1,731	1,736	1,744

\*State highways only, local roads excluded; also, see last paragraph of program analysis.

**Program Analysis:**

The leveling off of Liquid Fuels Tax receipts combined with spiraling inflation and rising debt service have limited the capacity of the Department of Transportation to adequately maintain existing roadways. Additional revenue provided by the recent motor vehicle fee increases will go directly toward protecting the Commonwealth's massive investment in highways, but unfortunately will only limit rather than solve maintenance problems. As indicated in the program measures above, the level of resurfacing now possible in 1975-76 and 1976-77 will hold unmet resurfacing needs at no more than 16 percent of the State system by June 30, 1977. Without the fee increases, the deficiency would have surpassed 20 percent by that time.

The most visible contributions to the Commonwealth's highway maintenance problems have been the skyrocketing costs for materials and personnel. According to the Federal Highway Administration's nationwide *Maintenance Materials Cost Index*, inflation in the period between January 1970 and January 1975 was an astronomical 44 percent. In 1974 alone, the price tag for the upkeep of an average highway rose by 12 percent.

Also adding significantly to maintenance problems is steadily rising debt service resulting from past construction decisions. Maintenance cannot be funded from bond sales; construction can and is, and the debt service on these construction bonds has first entitlement on those tax monies from which maintenance must also be funded. Thus an expansive construction program will, in succeeding years, result in decreased maintenance.

In recent months, considerable effort has been made to scale down the road building program to a level reflecting the changed fiscal condition of the Motor License Fund. The twelve year highway construction program, which includes both Federal and State funds, has been cut from \$5.4 billion to \$3.5 billion while the Commonwealth's commitment of bond funds for future road building projects will be limited to \$100 million per year. Although construction work currently underway will delay the corresponding reduction in bond expenditures, the long-term impact of this decreased borrowing will afford considerable assistance to the maintenance program in the future by limiting the drain of debt service on current revenues.

Rural and Intercity Highway Maintenance (continued)

Program Analysis: (continued)

Another major contributor to the existing backlog of maintenance needs is the Federal Government policy not to assist in maintaining the highways which it helped construct. Maintenance of Federal-aid highways in Pennsylvania will bear a price tag of approximately \$90 million during the current year. According to the strict provisions of the Federal Highway Trust Fund, \$357 million is to be provided for construction during 1976-77, while no funds are available for maintaining this vast investment. The full benefits of either new or existing highways cannot be realized if the road surface is not properly maintained. Therefore the Commonwealth has requested that Federal Highway Trust Fund money be made available for maintenance purposes. At this time, there is no indication that existing Federal legislation will be amended to provide relief for state highway systems.

It is important to note that the urban-rural split of highway mileage is markedly different between maintenance and construction subcategories. The accounting system records maintenance expenditures on a county-by-county basis, rather than on a highway-by-highway basis, as is done for construction expenditures. This is because Federal funds and accounting requirements are involved in highway construction, but not in highway maintenance. As a result, "rural and intercity" maintenance expenditures are those in 39 rural counties involving about 22,000 miles of State highways; "rural and intercity" construction expenditures are those on over 35,000 miles of State highways in Federally defined "nonurbanized areas". Three counties achieved "urban" status this year, causing significant changes in all maintenance data shown.

Program Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)					
			1976-77	1977-78	1978-79	1979-80	1980-81	
MOTOR LICENSE FUND								
General Operations . . . . .	\$145,410	\$164,484	\$184,354	\$195,172	\$205,650	\$218,313	\$230,483	
Secondary Roads—Maintenance and Resurfacing . . . . .	21,636	24,325	25,308	25,384	25,612	25,843	26,101	
Local Road Maintenance and Construction Payments . . . . .	20,864	22,543	20,742	20,804	20,991	21,180	21,392	
 MOTOR LICENSE FUND								
TOTAL . . . . .	<u>\$187,910</u>	<u>\$211,352</u>	<u>\$230,404</u>	<u>\$241,360</u>	<u>\$252,253</u>	<u>\$265,336</u>	<u>\$277,976</u>	

Highway Beautification

OBJECTIVE: To protect, restore and enhance the beauty of Pennsylvania as seen from its highways.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	\$ 170	\$ 184	\$ 194	\$ 203	\$ 206	\$ 213	\$ 221
Federal Funds . . . . .	988	1,214	1,511	1,526	1,467	1,436	1,435
Other Funds . . . . .	1,957	3,412	3,413	2,480	2,374	2,374	2,374
<b>SUB-TOTAL . . . . .</b>	<b>\$3,115</b>	<b>\$4,810</b>	<b>\$5,118</b>	<b>\$4,209</b>	<b>\$4,047</b>	<b>\$4,023</b>	<b>\$4,030</b>
<i>Bond Funds</i> † . . . . .	1,035	764	654	400	400	400	400
<b>TOTAL . . . . .</b>	<b>\$4,150</b>	<b>\$5,574</b>	<b>\$5,772</b>	<b>\$4,609</b>	<b>\$4,447</b>	<b>\$4,423</b>	<b>\$4,430</b>

Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Information centers, roadside rests and overlooks:							
In use, beginning of year . . . . .	24	29	38	39	39	43	49
Opened during year . . . . .	5	9	1	0	4	6	6
Advertising devices:							
Requiring removal under existing law . . . . .	13,826	9,826	5,826	1,826	.....	.....	.....
Removed . . . . .	4,000	4,000	4,000	1,826	.....	.....	.....
Junkyards:							
Requiring screening or removal under existing law . . . . .	316	310	300	290	280	270	260
Screened or removed . . . . .	6	10	10	10	10	10	10
Miles of highway:							
Needing planting . . . . .	539	269	268	268	268	268	268
Planted . . . . .	269	268	268	268	268	268	268

Program Analysis:

Recognizing the need to preserve the natural beauty along the nation's highways, the 89th Congress passed the Highway Beautification Act of 1965. Federal funds were provided for a three-pronged attack on scenic blight. Subsequently, the General Assembly approved corresponding legislation which directed Commonwealth efforts toward control of outdoor advertising, control of junkyards, and landscaping and scenic enrichment.

Funding is provided on a 75 percent Federal - 25 percent State basis for the control of outdoor advertising and control of junkyards programs, with the State share being funded from the Highway Beautification Fund. The Federal Government

pays for 100 percent of eligible landscaping and scenic enrichment projects including rest areas; however some additional rest areas are constructed with 90 percent Interstate highway funds with the State share coming from the Motor License Fund, rather than Highway Beautification Fund.

Under the Advertising Control Program, all signs located within 660 feet of Interstate and primary highways are designated for removal except: (1) on-premises signs, (2) signs in zoned or unzoned commercial and industrial areas, and (3) directional or official signs and notices. The Junkyard Control program requires the licensing of all junkyards within 1,000 feet of Interstate and primary highways. Licensed junkyards

† Excluded from all summary presentations. These are direct capital project costs only; associated PennDOT bond-funded operating costs are now shown as "Other Funds."

Highway Beautification (continued)

Program Analysis: (Continued)

that are visible from the highway must be either screened or removed unless they are located in zoned or unzoned industrial areas. Just compensation is paid for both the signs and junkyards removed. The Bureau of Maintenance currently manages the outdoor advertising and junkyard programs.

The Bureau of Design is responsible for directing State efforts in landscaping and scenic enrichment. This activity consists mainly of tree planting and the development of rest areas, tourist information centers and scenic overlooks. Along with the aesthetic benefits of planting new trees to screen the view of undesirable objects, consideration is also given to controlling erosion, minimizing headlight glare and limiting traffic noise.

Current plans call for fourteen information centers to be located at the State line where traffic enters Pennsylvania, and sixty-three roadside rests to be located approximately thirty miles apart or one-half hour driving time. The objective of these facilities is to provide the motorist with safe off-roadway parking, emergency stopping, and rest from the fatigue of high-speed, long distance driving.

Since the Highway Beautification Fund is a minor special

fund for purposes of this budget, all funding including Federal aid from it is shown as "other funds" in the summary above. The only State and Federal funds shown are for those rest areas financed with 90 percent Interstate and 10 percent Motor License Fund monies.

The program measures indicate that all advertising devices that require removal under present law will be demolished within the next three years. However, the Federal Highway Administration has agreed to participate in the removal of an additional 7,500 signs if the State enacts Legislation to comply with the Federal-Aid Highway Amendments of 1974. Highway planting requirements are already being met on a current basis, although this data reflects only Interstate and Primary System highways. Less success is evidenced in removing or screening junkyards, with only about 20 percent of current legal requirements indicated as being met by 1980. Construction of currently planned roadside rests and information centers will not be completed until the mid-1980's. In addition, a total of 14 rest areas built prior to Federal participation now require expansion and work on four of these sites is scheduled to commence during 1976-77.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>MOTOR LICENSE FUND</b>							
General Operations . . . . .	\$106	\$124	\$134	\$141	\$148	\$155	\$163
State Highway Bridge Authority							
Rentals . . . . .	64	60	60	62	58	58	58
<b>MOTOR LICENSE FUND</b>							
<b>TOTAL . . . . .</b>	<u>\$170</u>	<u>\$184</u>	<u>\$194</u>	<u>\$203</u>	<u>\$206</u>	<u>\$213</u>	<u>\$221</u>

Urban Highway Safety Programs

OBJECTIVE: To decrease the incidence and severity of traffic accidents, injuries and fatalities on urban highways by improving highway design and traffic flow.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	\$ 6,953	\$ 6,037	\$ 6,869	\$ 7,207	\$ 7,522	\$ 7,880	\$ 8,256
Federal Funds . . . . .	17,158	25,704	35,652	35,973	34,579	33,847	33,828
Other Funds . . . . .	7,546	6,640	8,365	7,116	6,627	6,627	6,627
<b>SUB-TOTAL . . . . .</b>	<b>\$31,657</b>	<b>\$38,381</b>	<b>\$50,886</b>	<b>\$50,296</b>	<b>\$48,728</b>	<b>\$48,354</b>	<b>\$48,711</b>
<i>Bond Funds†</i> . . . . .	17,243	18,420	18,000	15,600	13,400	13,400	13,400
<b>TOTAL . . . . .</b>	<b>\$48,900</b>	<b>\$56,801</b>	<b>\$68,886</b>	<b>\$65,896</b>	<b>\$62,128</b>	<b>\$61,754</b>	<b>\$62,111</b>

Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Urban traffic fatalities:</b>							
Total . . . . .	985	990	996	1,001	1,006	1,011	1,016
Rate per 100 million vehicle miles . . . . .	2.67	2.61	2.56	2.50	2.45	2.40	2.35
Attributable to roadway factors . . . . .	72	72	73	73	73	74	74
<b>Urban traffic injuries:</b>							
Total . . . . .	82,507	83,563	84,616	85,674	86,728	87,786	88,848
Rate per 100 million vehicle miles . . . . .	223	220	217	214	211	208	205
Attributable to roadway factors . . . . .	6,023	6,100	6,177	6,254	6,331	6,408	6,460
<b>All urban traffic accidents:</b>							
Total . . . . .	172,871	175,412	177,955	180,482	183,009	185,534	188,076
Rate per 100 million vehicle miles . . . . .	468	463	457	451	446	440	435
Attributable to roadway factors . . . . .	12,620	12,805	12,991	13,175	13,360	13,544	13,730
<b>Urban highway safety improvements:</b>							
High accident and congested sections improved . . . . .	250	250	250	250	250	250	250
Traffic signs installed . . . . .	58,000	64,000	64,000	64,000	64,000	64,000	64,000
Traffic signals installed . . . . .	520	520	520	520	520	520	520

† Excluded from all summary presentations. These are direct capital project costs only; associated PennDOT bond-funded operating costs are now shown as "Other Funds".

Urban Highway Safety Programs (continued)

Program Analysis:

Physical characteristics of a highway can contribute significantly to the probability of accidents. Poor alignment, improper grade separation, traffic flow and other hazardous characteristics of the roadway itself are second only to driver error as a causal factor of vehicular accidents, injuries and fatalities.

Since driver error and vehicular failure accidents should logically occur in random locational patterns, it is assumed that for those segments of roadway on which disproportionately high numbers of accidents occur, the roadway itself is the prime causal factor. Physically unsafe is defined as any section of roadway on which the accident rate is higher than the statewide average for that type of road, or which carries markedly more traffic than it should handle. From the nearly 4,500 such hazardous and congested sections of roadway in urbanized areas, priority listings of spot safety projects and traffic flow improvements are developed to be implemented as funds become available.

Such safety improvement projects have yielded a 40 percent reduction in accidents at the locations involved, and as such represent one of the highest potentials for success and return on investment of all highway safety efforts. This success rate is much higher than that achieved from efforts to reduce accidents due to driver error, which represent the great preponderance of all accidents. Based on this high success factor, increased priority is being placed on improving the physical characteristics of our existing highways; due to limited funds, however, it will be possible to improve only the most hazardous sections.

Highway safety improvement in urban areas fall into three categories: traffic control and flow improvements (TOPICS), spot safety improvement projects (SIP) and installation of traffic signs and signals and pavement markings outside of TOPIC and SIP projects.

The TOPICS program (Traffic Operations Program to Increase Capacity and Safety) was specifically developed by Congress to reduce accidents on congested highways and

facilitate the free flow of traffic in urbanized areas. The Federal Aid Highway Act of 1973 deleted the specific TOPICS funding process begun in 1968, but permitted use of Federal Urban Highway funds for TOPICS improvements. The resulting increase in funding has enabled Pennsylvania to include municipalities in urban areas which have a population greater than 25,000. The Department will have the capability of studying and implementing remedial work on 150 road sections in a year.

While TOPICS concentrates on the most congested highways, the Safety Improvement Program (SIP) handles other urban high accident locations as well as areas with a large number of accidents in which vehicles run off the road and hit fixed objects. Of the 150 locations to be studied next year, the Department will select and complete about 100 safety improvement projects. Corrective measures for dangerous highways include curve realignments, channelization, safer guardrails, bridge end protection, removal of fixed objects along the road, improvement of slippery roadway, etc.

The initial installation of traffic signals and signs and the application of highway pavement markings are generally handled as an independent activity within the safety program area. Many other traffic control devices are installed as part of TOPICS or the Safety Improvement Program. The maintenance of these traffic control devices falls within the Highway Maintenance subcategories.

The lower speed limit and reduced motor vehicle travel which resulted from the increasing price and declining supply of gasoline have led to a drop in highway accidents, producing at least one favorable outcome of the nation's energy problems. The decline in accidents experienced during 1973-74 unexpectedly continued into 1974-75, causing both the number and rate of traffic accidents to be less than was projected in last year's budget. Although road mishaps are now expected to increase gradually, accident rates will continue to fall since vehicle miles of travel will outpace the rise in the number of accidents.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
MOTOR LICENSE FUND							
General Operations	\$6,550	\$5,660	\$6,492	\$6,817	\$7,157	\$7,515	\$7,891
State Highway and Bridge Authority Rentals	403	377	377	390	365	365	365
MOTOR LICENSE FUND							
TOTAL	<u>\$6,953</u>	<u>\$6,037</u>	<u>\$6,869</u>	<u>\$7,207</u>	<u>\$7,522</u>	<u>\$7,880</u>	<u>\$8,256</u>

Rural and Intercity Highway Safety Programs

OBJECTIVE: To decrease the incidence and severity of traffic accidents, injuries, and fatalities on rural and intercity highways by improving highway design.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	\$13,654	\$12,582	\$14,407	\$15,122	\$15,833	\$16,606	\$17,419
Federal Funds . . . . .	9,154	15,964	21,930	22,149	21,297	20,987	20,993
Other Funds . . . . .	5,080	4,639	5,487	4,745	4,311	4,311	4,311
<b>SUB-TOTAL . . . . .</b>	<b>\$27,888</b>	<b>\$33,185</b>	<b>\$41,824</b>	<b>\$42,016</b>	<b>\$41,441</b>	<b>\$41,904</b>	<b>\$42,723</b>
<i>Bond Funds† . . . . .</i>	<i>7,927</i>	<i>9,747</i>	<i>8,500</i>	<i>7,100</i>	<i>6,300</i>	<i>6,300</i>	<i>6,300</i>
<b>TOTAL . . . . .</b>	<b>\$35,815</b>	<b>\$42,932</b>	<b>\$50,324</b>	<b>\$49,116</b>	<b>\$47,741</b>	<b>\$48,204</b>	<b>\$49,023</b>

Program Measures:

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>Rural and intercity traffic fatalities:</b>							
Total . . . . .	980	984	989	994	999	1,003	1,007
Rate per 100 million vehicle miles . . .	2.92	2.89	2.86	2.83	2.80	2.77	2.74
Attributable to roadway factors . . . .	72	72	72	73	73	73	74
<b>Rural and intercity traffic injuries:</b>							
Total . . . . .	51,107	51,776	52,449	53,120	53,789	54,461	55,136
Rate per 100 million vehicle miles . . .	152	152	152	151	151	151	150
Attributable to roadway factors . . . .	3,731	3,780	3,829	3,878	3,926	3,976	4,025
<b>All rural and intercity traffic accidents:</b>							
Total . . . . .	107,128	108,692	110,257	111,812	113,366	114,930	116,504
Rate per 100 million vehicle miles . . .	319	319	319	318	318	318	317
Attributable to roadway factors . . . .	7,820	7,934	8,049	8,162	8,276	8,390	8,505
<b>Rural and intercity highway safety improvements:</b>							
High accident sections improved . . . .	60	60	60	60	60	60	60
Traffic signs installed . . . . .	224,000	236,000	236,000	236,000	236,000	236,000	236,000
Traffic signals installed . . . . .	260	260	260	260	260	260	260

† Excluded from all summary presentations. These are direct capital project cost only; associated PennDOT bond-funded operating costs are now shown as "Other Funds."

Rural and Intercity Highway Safety Programs (continued)

Program Analysis:

Activities under this program conform quite closely to those described in the Urban Highway Safety subcategory with the exception of traffic flow and control (TOPICS) projects, which are not performed in less densely-populated areas.

Although 85 percent of all locations requiring the installation of traffic signals are in urban regions, roughly 80 percent of roadway sign and 75 percent of pavement marking needs can be found on rural and intercity highways. These statistics are not surprising since traffic flow problems are most severe on metropolitan roads, while the greater mileage of the rural and intercity network logically requires more traffic signs and pavement markings. PennDOT expects that available funds will permit a gradual reduction in the backlog of necessary signals and signs in the next few years; but pavement marking demands will increase slightly.

In addition, sixty percent of the State's 9,750 high accident locations identified for the Safety Improvement Program (SIP) fall within this subcategory. 1976-77 funding levels will permit PennDOT to study 100 of these rural and intercity locations, and to program 60 for elimination of hazardous locations. Remedial work is directed at common accident patterns such as vehicles running off the road and right angle collisions at intersections. Approximately 20 percent of the locations studied do not require improvements, and some remaining dangerous sections are corrected through maintenance efforts.

The program measures do not indicate the full effect of energy problems and reduced speed limits on traffic safety, since the greatest impact was felt prior to the 1974-75 fiscal year. From 1972-73 to 1974-75, statewide fatalities decreased by 18 percent, injuries by 6 percent and total accidents by 3

percent. While the modest increase in accidents predicted last year did not materialize, a gradual rise in the number of traffic accidents is still anticipated for future years. However, since travel is expected to increase at a faster pace than the accident totals, the accident rate per 100,000 vehicles miles should experience a slow but steady decline.

Based on assumed vehicle safety improvements, fatality rates are projected to drop faster than the rates for injuries or accidents. The reduction in accident injury and fatality rates over the past two years is attributed in large part to the national 55 mile per hour speed limit. Continued decline in future years is predicated on assumed intensification of Federal, State, and local safety efforts and increased safety awareness on the part of the motoring public.

Particularly significant is a comparison of data shown here with the data shown in the Urban Highway Safety subcategory. First, a cautionary note—the specific rates per 100 million vehicle miles shown are only estimates, since PennDOT does not develop statewide travel data on a fiscal year basis. The rates shown utilize calendar 1974 data versus fiscal 1974-75 accident data, and thus are probably understated by a few percent. General levels and trends, however, are unaffected.

It is important to note that while accident and injury rates are much higher in urban than in rural areas, fatality rates are higher on our rural and intercity highways than on urban ones. This is a direct result of increased speeds prevalent in rural areas. Nothing more graphically illustrates the extreme role speed plays as a killer on our highways.

Program Costs by Appropriation:

	1974-75	1975-76	(Dollar Amounts in Thousands)				
			1976-77	1977-78	1978-79	1979-80	1980-81
<b>MOTOR LICENSE FUND</b>							
General Operations . . . . .	\$13,251	\$12,205	\$14,030	\$14,732	\$15,468	\$16,241	\$17,054
State Highway and Bridge Authority Rentals . . . . .	403	377	377	390	365	365	365
<b>MOTOR LICENSE FUND TOTAL . . . . .</b>	<b>\$13,654</b>	<b>\$12,582</b>	<b>\$14,407</b>	<b>\$15,122</b>	<b>\$15,833</b>	<b>\$16,606</b>	<b>\$17,419</b>

**Licensing and Highway Safety Control**

OBJECTIVE: To minimize traffic accidents attributable to driver error and mechanically defective vehicles and to promote highway safety programs.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	\$32,206	\$30,791	\$33,254	\$34,917	\$36,663	\$38,496	\$40,420
Federal Funds . . . . .	1,551	2,488	1,101	1,102	228	228	228
Other Funds . . . . .	748	652	689	728	760	793	828
<b>TOTAL . . . . .</b>	<b>\$34,505</b>	<b>\$33,931</b>	<b>\$35,044</b>	<b>\$36,747</b>	<b>\$37,651</b>	<b>\$39,517</b>	<b>\$41,476</b>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
State vehicle registration . . . . .	7,187,000	7,259,000	7,332,000	7,405,000	7,479,000	7,554,000	7,630,000
Vehicles repaired through inspection system . . . . .	1,025,000	1,056,000	1,088,000	1,121,000	1,155,000	1,190,000	1,225,000
Operators licenses in effect . . . . .	8,013,000	8,093,000	8,173,000	8,255,000	8,338,000	8,421,000	8,505,000
Operators licenses revoked, suspended, re-examined or restricted . . . . .	399,600	404,000	408,000	412,000	416,000	420,000	424,000
Driver seminar attendance . . . . .	89,547	130,000	131,000	132,000	133,000	134,000	135,000

**Program Analysis:**

Three distinct activities are carried out within this program area. Driver testing and licensing, as well as the driver point system and the attendant license suspension and revocation duties, constitute the primary program responsibilities. The vehicular licensing and inspection programs represent a second attack on highway accidents, as well as a significant source of highway revenue. Finally, the accident analysis program develops, through computer analysis, priority listings of high accident locations. The actual improvements to these high accident locations are funded through the Highway Safety subcategories.

Driver error continues to be the number one cause of traffic accidents on Pennsylvania highways. The operator licensing program is designed to screen out applicants with insufficient driving knowledge or skills, as well as those with mental or physical handicaps. The Pennsylvania Department of Transportation (PennDOT) is assigned the responsibility for implementing the operator licensing program and provides for administrative direction and maintenance of records. The State Police perform the task of examining applicants.

The objective of the driver point system is to discourage

licensed operators from violating traffic laws. Illegal actions by motorists, particularly drunken driving, constitute a significant percentage of the accidents in which driver error is the principle causal factor. PennDOT's Bureau of Traffic Safety is empowered to suspend or revoke the licenses of motor vehicle operators who have reached the eleven-point limit or have committed certain severe traffic violations. Operators are currently required to attend driver improvement school whenever they have an accumulation of six or more points. Due to increased enforcement of the 55 mile-per-hour speed limit, a 45 percent increase in the number of driver improvement cases is expected during the present fiscal year before attendance levels out in 1976-77.

PennDOT's registration and inspection programs permit the monitoring of the Commonwealth's 7.2 million motor vehicles. While vehicle registration is primarily a revenue-producing operation, the inspection program is intended to minimize traffic accidents due to mechanical failure. The Bureau of Traffic Safety licenses inspection stations, and trains and licenses vehicle inspectors while maintaining all necessary records. The State Police periodically

Licensing and Highway Safety Control (continued)

Program Analysis: (continued)

check inspection stations and the work of mechanics to assure compliance with approved safety standards. It is estimated that over a million vehicles will be repaired during the current fiscal year as a result of vehicle inspections. Although a four percent increase in registrations had been expected over the 1973-74 fiscal year total, automobiles and commercial vehicles rose by less than one percent while motorcycles declined significantly. Both vehicle registrations and operator licenses now are expected to increase at a rate of only one percent annually in future years.

In addition to its other record keeping responsibilities, the Department operates a data collection system for accident analysis. Pennsylvania has taken a leadership role in this endeavor with the creation of an accident record system in 1966 and the establishment of the Bureau of Accident Analysis in 1970. All accidents reported are entered on

computer tapes and contain information on location, time and cause of the accident. Records are maintained on the active files for a period of three years.

The greatest success in this program has been the identification of high frequency accident locations. Computer programs have been written to arrange in priority order those highway locations which have experienced statistically more accidents than similar highways with similar traffic volumes. Another priority list arranges locations that have had an inordinate number of accidents in which vehicles ran off the road or hit fixed objects. Given current financial and manpower limitations, such ranking of about 10,000 high accident locations provides the Department with a scientific means of selecting the highest priority locations for those actual improvements carried out within the Highway Safety subcategories.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
MOTOR LICENSE FUND							
General Operations . . . . .	<u>\$32,206</u>	<u>\$30,791</u>	<u>\$33,254</u>	<u>\$34,917</u>	<u>\$36,663</u>	<u>\$38,496</u>	<u>\$40,420</u>

**Free Elderly Transit**

OBJECTIVE: To increase the mobility of the aged, enabling persons sixty-five and older to participate more fully in community life.

**Recommended Program Costs:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Special Funds . . . . .	<u>\$11,230</u>	<u>\$12,510</u>	<u>\$13,100</u>	<u>\$13,700</u>	<u>\$14,300</u>	<u>\$14,900</u>	<u>\$15,600</u>

**Program Measures:**

	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Persons over 65 . . . . .	1,405,000	1,437,000	1,468,000	1,497,000	1,524,000	1,551,000	1,574,000
Free Transit trips by elderly during non-rush hours . . . . .	55,000,000	57,475,000	60,061,000	62,764,000	65,588,000	68,540,000	71,624,000

**Program Analysis:**

This program, authorized by Acts 338 and 339 of the 1972 session of the Legislature, provides greater mobility, more flexibility in life style, and financial relief to the Commonwealth's elderly citizens through the provision to them of limited free local transit service. Available to all persons who have reached the age of 65, no-fare transit applies to non-rush hours during the week, and at all times on weekends and holidays.

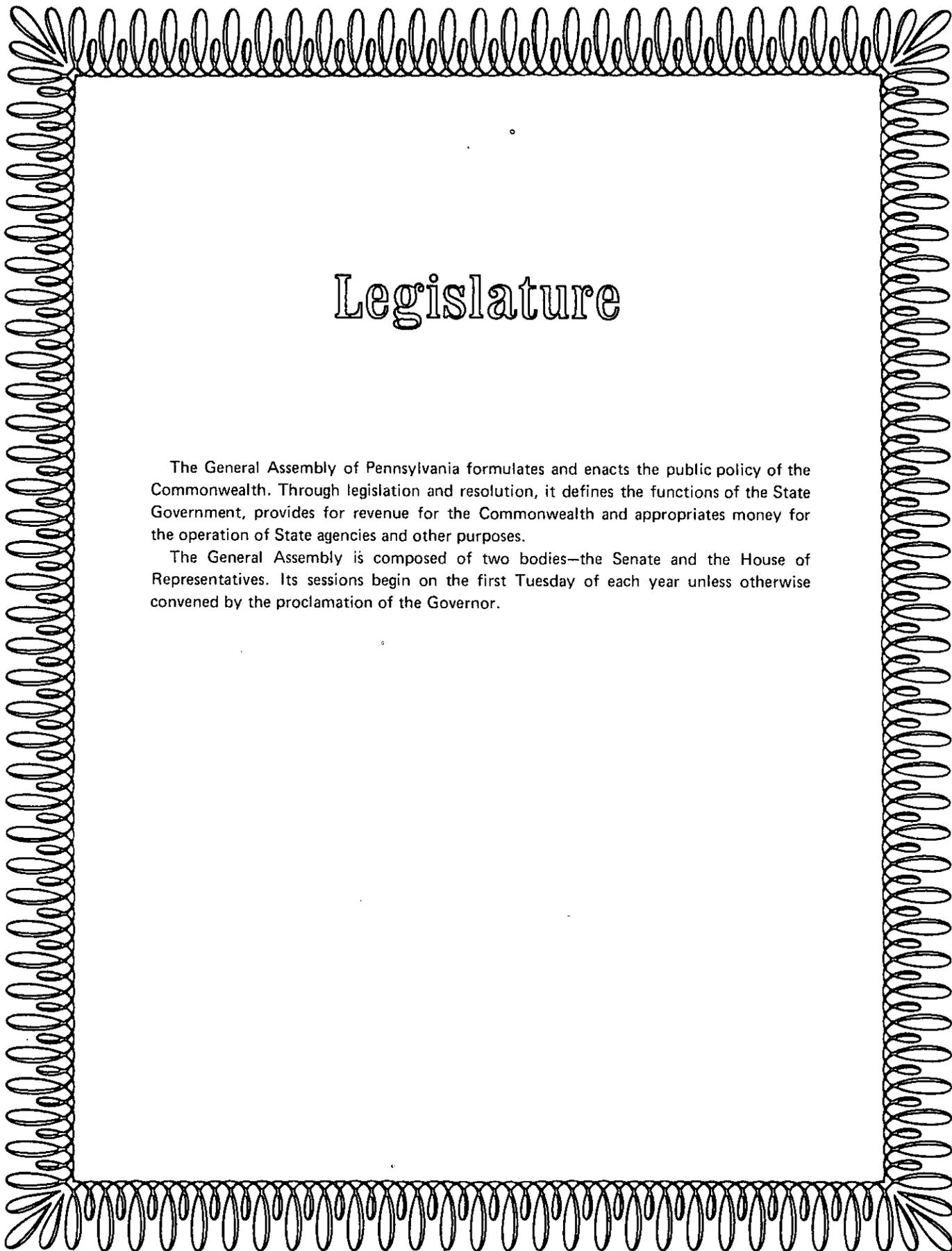
The program began officially on July 1, 1973 and is funded by grants to local transit operators from the State Lottery Fund. Currently more than seventy transit agencies are participating, with an average of 4.6 million free trips being made by the elderly each month. During the first year of the

program over 52.6 million such free trips were taken, as transit usage by the elderly increased by over fifty percent from the previous year. A further increase of 4.5 percent was realized the second year of the program, and similar increases are predicted for the current year, the budget year, and for future years. Significantly, this is almost twice the growth rate PennDOT is predicting for transit ridership as a whole.

The marked success of this program, although dealing as it does with a much more captive clientele than the population as a whole, nonetheless lends support to serious exploration of no-fare or minimum-fare transit for all Pennsylvania's citizens as a means of alleviating the malaise of congestion so often prevalent on our urban highways.

**Program Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
STATE LOTTERY FUND							
Free Transit for the Elderly . . . . .	<u>\$11,230</u>	<u>\$12,510</u>	<u>\$13,100</u>	<u>\$13,700</u>	<u>\$14,300</u>	<u>\$14,900</u>	<u>\$15,600</u>



# 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)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>General Fund</b>			
<b>General Government</b>			
Senate . . . . .	\$10,597	\$13,227	\$14,255
House of Representatives . . . . .	16,740	19,771	20,930
Legislative Reference Bureau . . . . .	1,457	1,646	1,791
Legislative Budget and Finance Committee . . . . .	252	270	292
Legislative Data Processing Center . . . . .	768	750	850
Legislative Miscellaneous and Commissions . . . . .	1,253	1,280	1,357
<b>Total State Funds . . . . .</b>	<u>\$31,067</u>	<u>\$36,944</u>	<u>\$39,475</u>
Other Funds . . . . .	\$ 10	\$ 10	\$ 10
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$31,077</u>	<u>\$36,954</u>	<u>\$39,485</u>

General Government

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Senate</b>			
State Funds . . . . .	\$10,597	\$13,227	\$14,255

Performs the duties and functions required of the Senate by Articles II and III of the Constitution of Pennsylvania.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
<b>Salaries</b>			
Fifty Senators . . . . .	\$ 1,283	\$ 1,500	\$ 1,650
Officers and Employees . . . . .	662	725	797
Employees of Senate President . . . . .	77	80	85
Senate Salaried Employees . . . . .	3,314	3,600	3,900
Employees of Chief Clerk . . . . .	300	500	500
<b>Mileage</b>			
Senators, Officers and Employees . . . . .	120	120	120
<b>Postage</b>			
Chief Clerk and Legislative Journal . . . . .	40	80	104
Lieutenant Governor . . . . .	7	7	9
Librarian . . . . .	7	7	9
<b>Contingent Expenses</b>			
Secretary . . . . .	81	80	85
Librarian . . . . .	14	15	18
President . . . . .	25	28	28
President Pro Tempore . . . . .	18	20	20
Chief Clerk . . . . .	33	35	40
Majority Floor Leader . . . . .	6	6	6
Minority Floor Leader . . . . .	6	6	6
Majority Whip . . . . .	3	3	3
Minority Whip . . . . .	3	3	3
Chairman—Majority Caucus . . . . .	3	3	3
Chairman—Minority Caucus . . . . .	3	3	3
Secretary—Majority Caucus . . . . .	3	3	3
Secretary—Minority Caucus . . . . .	3	3	3
Chairman—Majority Appropriations Committee . . . . .	6	6	6
Chairman—Minority Appropriations Committee . . . . .	6	6	6
Chairman—Minority Policy Committee . . . . .	2	2	2
Administrator—Minority Staff . . . . .	15	17	17

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds (continued)</b>			
<b>Appropriation: (continued)</b>			
<b>Miscellaneous Expenses</b>			
Incidental Expense . . . . .	\$ 179	\$ 200	\$ 220
Committee on Appropriations(D) . . . . .	266	328	298
Committee on Appropriations(R) . . . . .	266	328	298
Expenses—Senators . . . . .	390	375	375
Legislative Printing and Expenses . . . . .	1,043	1,144	1,417
National Legislative Conference—Expenses . . . . .	10	11	15
Attending Meetings of the Council of State			
Governments—Expenses . . . . .	5	5	6
Special Leadership Account(D) . . . . .	403	750	750
Special Leadership Account(R) . . . . .	403	750	750
Legislative Management Committee(D) . . . . .	775	1,200	1,325
Legislative Management Committee(R) . . . . .	775	1,200	1,325
Renovation of Senate Chamber . . . . .	42	. . . .	. . . .
Bicentennial Legislative Session . . . . .	. . . .	28	. . . .
Commonwealth Emergency Medical System . . . . .	. . . .	50	50
<b>TOTAL . . . . .</b>	<b>\$10,597</b>	<b>\$13,227</b>	<b>\$14,255</b>

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>House of Representatives</b>			
State Funds . . . . .	\$16,740	\$19,771	\$20,930

Performs the duties and functions required of the House of Representatives by Articles II and III of the Constitution of Pennsylvania.

	(Dollar Amounts in Thousands)		
	1974-75	1975-76	1976-77
	Actual	Available	Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
<b>Salaries</b>			
Members' Salaries, Speaker's Extra			
Compensation . . . . .	\$ 4,270	\$ 4,275	\$ 4,300
Officers and Employees . . . . .	2,050	2,678	2,800
House Salaried Employees . . . . .	3,272	4,275	4,300

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds (continued)</b>			
<b>Appropriation: (continued)</b>			
<b>Mileage</b>			
Representatives, Officers and Employes . . . . .	\$ 300	\$ 350	\$ 365
<b>Postage</b>			
Chief Clerk and Legislative Journal . . . . .	125	150	200
<b>Contingent Expenses</b>			
Speaker . . . . .	15	15	15
Chief Clerk . . . . .	125	125	175
Secretary . . . . .	30	50	55
Majority Floor Leader . . . . .	6	6	6
Minority Floor Leader . . . . .	6	6	6
Majority Whip . . . . .	3	3	3
Minority Whip . . . . .	3	3	3
Chairman—Majority Caucus . . . . .	3	3	3
Chairman—Minority Caucus . . . . .	3	3	3
Secretary—Majority Caucus . . . . .	3	3	3
Secretary—Minority Caucus . . . . .	3	3	3
Chairman—Majority Appropriations Committee . . . . .	6	6	6
Chairman—Minority Appropriations Committee . . . . .	6	6	6
Chairman—Minority Policy Committee . . . . .	2	2	2
Administrator for Minority Staff . . . . .	17	17	17
Chairman—Majority Policy Committee . . . . .	. . . . .	2	2
Majority Caucus Administrator . . . . .	. . . . .	2	2
Minority Caucus Administrator . . . . .	. . . . .	2	2
<b>Miscellaneous Expenses</b>			
Incidental Expenses . . . . .	527	475	500
Committee on Appropriations(D) . . . . .	267	328	298
Committee on Appropriations(R) . . . . .	267	328	298
Expenses—Representatives . . . . .	1,017	1,522	1,522
Legislative Printing and Expenses . . . . .	1,575	1,000	1,200
National Legislative Conference—Expenses . . . . .	20	150	80
<b>Meetings of the Council of State</b>			
Governments—Expenses . . . . .	5	5	5
Special Committee Expenses(D) . . . . .	554	750	850
Special Committee Expenses(R) . . . . .	554	750	850
Legislative Management Committee(D) . . . . .	780	1,200	1,500
Legislative Management Committee(R) . . . . .	781	1,200	1,500
Renovation House Chamber Balcony . . . . .	140	. . . . .	. . . . .
Conference for New Members . . . . .	5	. . . . .	. . . . .
Bicentennial Legislative Session . . . . .	. . . . .	28	. . . . .
Commonwealth Emergency Medical Services . . . . .	. . . . .	50	50
<b>TOTAL</b> . . . . .	<b>\$16,740</b>	<b>\$19,771</b>	<b>\$20,930</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Legislative Reference Bureau</b>			
State Funds . . . . .	\$ 1,457	\$ 1,646	\$ 1,791

Serves as a staff arm of the Legislature. Drafts bills and resolutions, provides advice and counsel to members of the Legislature, performs legislative research and provides copies of bills and legislation to the general public upon request.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Salaries and Expenses . . . . .	\$ 832	\$ 967	\$ 1,040
Contingent Expenses . . . . .	10	10	10
Printing of Pamphlet Laws . . . . .	90	169	141
Printing of Pennsylvania Bulletin and Pennsylvania Code . . . . .	525	500	600
<b>TOTAL . . . . .</b>	<b><u>\$ 1,457</u></b>	<b><u>\$ 1,646</u></b>	<b><u>\$ 1,791</u></b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Legislative Budget and Finance Committee</b>			
State Funds . . . . .	\$ 252	\$ 270	\$ 292

Performs duties and functions relating to the study of the revenues, expenditures and fiscal operations of the agencies, boards and commissions of the Commonwealth.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Legislative Budget and Finance Committee . . . . .	<u>\$ 252</u>	<u>\$ 270</u>	<u>\$ 292</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Legislative Data Processing Center</b>			
State Funds .....	\$ 768	\$ 750	\$ 850
Other Funds .....	10	10	10
<b>TOTAL .....</b>	<b>\$ 778</b>	<b>\$ 760</b>	<b>\$ 860</b>

Provides the General Assembly with the data processing services necessary to expedite the collection, completion and dissemination of information required in the exercise of its functions, and renders services to other agencies when possible.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Legislative Data Processing Committee .....	\$ 768	\$ 750	\$ 850
<b>Other Funds:</b>			
Reimbursement for Data Processing Services .....	10	10	10
<b>TOTAL .....</b>	<b>\$ 778</b>	<b>\$ 760</b>	<b>\$ 860</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Legislative Miscellaneous and Commissions</b>			
State Funds . . . . .	\$ 1,253	\$ 1,280	\$ 1,357

Provides for those permanent commissions and committees which are necessary to provide the Legislature with current information, and to maintain liaison with various national, state and local organizations. It further provides for the various study commissions and committees periodically established to investigate and recommend solutions to various problems that arise from time to time.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Joint State Government Commission . . . . .	\$ 834	\$ 918	\$ 957
Local Government Commission . . . . .	183	182	190
National Society of State Legislators . . . . .	1	. . . .	. . . .
Joint Legislative Air and Water Pollution Control Committee . . . . .	105	105	115
Purchase of Pennsylvania, National and Bicentennial Flags for State Residents . . . . .	20	20	40
Legislative Audit Advisory Commission . . . . .	55	55	55
Commission on Cultural Resources . . . . .	30	. . . .	. . . .
Inaugural Committee . . . . .	25	. . . .	. . . .
<b>TOTAL . . . . .</b>	<u><u>\$ 1,253</u></u>	<u><u>\$ 1,280</u></u>	<u><u>\$ 1,357</u></u>

## LEGISLATURE

### Summary of Agency Program by Category and Subcategory

#### General Fund and Special Funds

	1974-75	1975-76	(Dollar Amounts in Thousands)			1979-80	1980-81
			1976-77	1977-78	1978-79		
<b>Legislative Process</b> . . . . .	\$31,067	\$36,944	\$39,475	\$42,128	\$45,080	\$48,235	\$51,612
<b>Legislature</b> . . . . .	31,067	36,944	39,475	42,128	45,080	48,235	51,612
<b>DEPARTMENT TOTAL</b> . . . . .	<u>\$31,067</u>	<u>\$36,944</u>	<u>\$39,475</u>	<u>\$42,128</u>	<u>\$45,080</u>	<u>\$48,235</u>	<u>\$51,612</u>

Legislature

OBJECTIVE: To formulate and enact the public policy of the Commonwealth; to define the functions of State Government; to provide revenue for the Commonwealth; and to appropriate money for the operation of State agencies and for other purposes.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$31,067	\$36,944	\$39,475	\$42,128	\$45,080	\$48,235	\$51,612
Other Funds . . . . .	10	10	10	10	10	10	10
<b>TOTAL . . . . .</b>	<u>\$31,077</u>	<u>\$36,954</u>	<u>\$39,485</u>	<u>\$42,138</u>	<u>\$45,090</u>	<u>\$48,245</u>	<u>\$51,622</u>

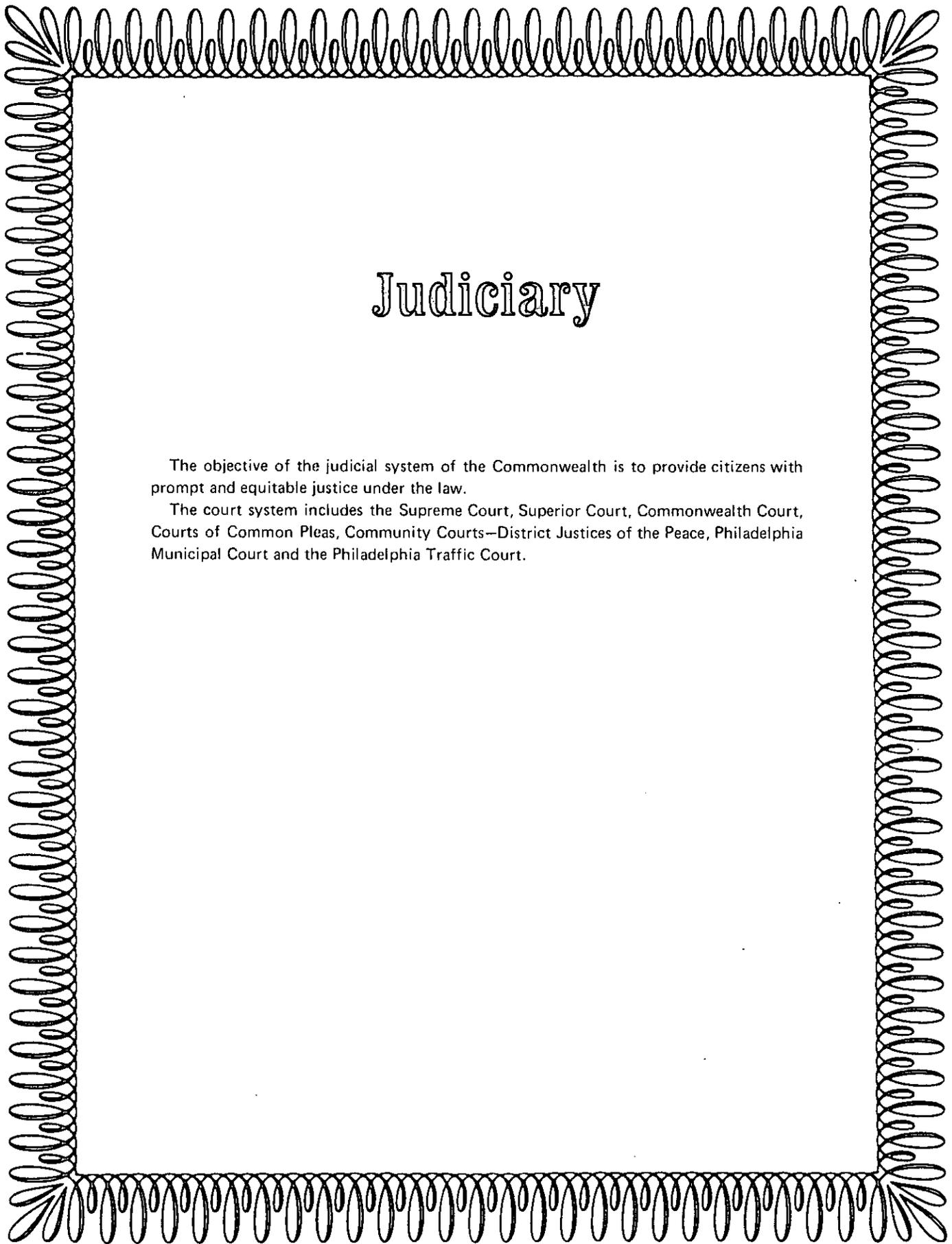
Program Analysis:

The General Assembly, which consists of a 50 member Senate and a 203 member House of Representatives, is funded by many General Fund appropriations. These appropriations are detailed in the appropriation portion of this presentation.

Recently there has been an effort on the part of the House and Senate to acquire more adequate professional staff to provide more useful analytical studies for use in debating Commonwealth issues.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
GENERAL FUND TOTAL . . . . .	<u>\$31,067</u>	<u>\$36,944</u>	<u>\$39,475</u>	<u>\$42,128</u>	<u>\$45,080</u>	<u>\$48,235</u>	<u>\$51,612</u>



# Judiciary

The objective of the judicial system of the Commonwealth is to provide citizens with prompt and equitable justice under the law.

The court system includes the Supreme Court, Superior Court, Commonwealth Court, Courts of Common Pleas, Community Courts—District Justices of the Peace, Philadelphia Municipal Court and the Philadelphia Traffic Court.

## JUDICIARY

### Summary by Fund and Appropriation

	1974-75	(Dollar Amounts in Thousands)	1976-77
	Actual	1975-76 Available	Budget
<b>General Fund</b>			
<b>General Government</b>			
Supreme Court . . . . .	\$ 2,131	\$ 2,202	\$ 2,634
National Conference — Expenses . . . . .	. . . . .	100	. . . . .
Court Administrator . . . . .	737	878	1,098
Superior Court . . . . .	1,318	1,360	1,550
Commonwealth Court . . . . .	1,489	1,500	1,923
Courts of Common Pleas . . . . .	13,702	13,690	15,285
Jury Expenses . . . . .	1,470	. . . . .	. . . . .
Community Courts—District Justices of the Peace . . . . .	9,064	9,028	9,480
Philadelphia Traffic Court . . . . .	138	132	164
Philadelphia Municipal Court . . . . .	884	888	789
Law Clerks . . . . .	. . . . .	124	. . . . .
Sub-Total . . . . .	<u>\$30,933</u>	<u>\$29,902</u>	<u>\$32,923</u>
<b>Grants and Subsidies</b>			
Reimbursement of County Court Expenses . . . . .	. . . . .	\$14,000	. . . . .
Total State Funds . . . . .	<u>\$30,933</u>	<u>\$43,902</u>	<u>\$32,923</u>
<b>Federal Funds</b>			
Federal Funds . . . . .	\$ 234	\$ 300	\$ 500
Other Funds . . . . .	197	197	197
GENERAL FUND TOTAL . . . . .	<u>\$31,364</u>	<u>\$44,399</u>	<u>\$33,620</u>
<b>Revenue Sharing Trust Fund</b>			
<b>Grants and Subsidies</b>			
Reimbursement of County Court Expenses . . . . .	\$24,000	\$10,000	\$24,000
REVENUE SHARING TRUST FUND TOTAL . . . . .	<u>\$24,000</u>	<u>\$10,000</u>	<u>\$24,000</u>
<b>Department Total — All Funds</b>			
General Fund . . . . .	\$30,933	\$43,902	\$32,923
Special Funds . . . . .	24,000	10,000	24,000
Federal Funds . . . . .	234	300	500
Other Funds . . . . .	197	197	197
TOTAL ALL FUNDS . . . . .	<u>\$55,364</u>	<u>\$54,399</u>	<u>\$57,620</u>

## General Government

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Supreme Court</b>			
State Funds .....	\$ 2,868	\$ 3,180	\$ 3,732
Federal Funds .....	234	300	500
Other Funds .....	197	197	197
<b>TOTAL .....</b>	<b>\$ 3,299</b>	<b>\$ 3,677</b>	<b>\$ 4,429</b>

Holds the supreme judicial powers of the Commonwealth. It consists of seven justices, one of whom is the Chief Justice, elected by qualified electors of the Commonwealth for a term of 10 years.

	1974-75 Actual	(Dollar Amounts in Thousands) 1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Supreme Court .....	\$ 2,131	\$ 2,202	\$ 2,634
Court Administrator .....	737	878	1,098
National Conference Expenses .....	.....	100	.....
<b>Federal Funds:</b>			
Omnibus Crime Control and Safe Streets Act .....	234	300	500
<b>Other Funds:</b>			
Law Student Fees to State Board of Law Examiners .....	197	197	197
<b>TOTAL .....</b>	<b>\$ 3,299</b>	<b>\$ 3,677</b>	<b>\$ 4,429</b>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Superior Court</b>			
State Funds .....	\$ 1,318	\$ 1,360	\$ 1,550

Represents the court of intermediate appeal and its jurisdiction is provided by law. It is composed of seven judges, of whom one is the President Judge, elected by the qualified electors of the State for 10 year terms.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Superior Court .....	<u>\$ 1,318</u>	<u>\$ 1,360</u>	<u>\$ 1,550</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Commonwealth Court</b>			
State Funds .....	\$ 1,489	\$ 1,500	\$ 1,923

The Commonwealth Court is a court of record of statewide original and appellate jurisdiction. The Court has original jurisdiction on all civil actions and proceedings by the Commonwealth or any officer acting in his official capacity and all civil actions and proceedings against the Commonwealth or any officer acting in his official capacity. It is composed of seven judges, of whom one is the President Judge, elected by the qualified electors of the State for 10 year terms.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Commonwealth Court .....	<u>\$ 1,489</u>	<u>\$ 1,500</u>	<u>\$ 1,923</u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Courts of Common Pleas</b>			
State Funds . . . . .	\$15,172	\$13,690	\$15,285

There is one Common Pleas Court for each judicial district having the divisions and number of judges as provided by law. These courts have unlimited original jurisdiction in all cases except as may be otherwise provided by law.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Courts of Common Pleas . . . . .	\$13,702	\$13,690	\$15,285
Jury Expenses . . . . .	1,470	. . . . .	. . . . .
<b>TOTAL . . . . .</b>	<u><u>\$15,172</u></u>	<u><u>\$13,690</u></u>	<u><u>\$15,285</u></u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Community Courts—District Justices of the Peace</b>			
State Funds . . . . .	\$ 9,064	\$ 9,028	\$ 9,480

Community courts may be established or discontinued by a vote of the majority of the electors in a judicial district. After establishment, they replace the justices of the peace, or the Municipal Court and Traffic Court in Philadelphia, in that judicial district. The term of the judges of community courts is 10 years.

Where a community court has not been established or where one has been discontinued, there is a district justice of the peace. Presently there are no community courts but district justices of the peace in each of 588 magisterial districts. The jurisdiction of district justices of the peace is as provided by law and they have a term of 6 years.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Community Courts—District Justices of the Peace . . . . .	<u><u>\$ 9,064</u></u>	<u><u>\$ 9,028</u></u>	<u><u>\$ 9,480</u></u>

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Philadelphia Traffic Court and Philadelphia Municipal Court</b>			
State Funds .....	\$ 1,022	\$ 1,144	\$ 953

These courts exist so long as a community court is not established. The number of judges is provided by law, for a term of 6 years.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Philadelphia Traffic Court .....	\$ 138	\$ 132	\$ 164
Philadelphia Municipal Court .....	884	888	789
Law Clerks .....	.....	124	.....
<b>TOTAL .....</b>	<b><u>\$ 1,022</u></b>	<b><u>\$ 1,144</u></b>	<b><u>\$ 953</u></b>

**Grants and Subsidies**

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Reimbursement of County Court Costs</b>			
State Funds .....	.....	\$14,000	.....

Provides reimbursement of costs incurred by counties in the administration and operation of all courts established pursuant to Article V, Section 1 of the Pennsylvania Constitution. Additional funding for the available year was provided out of the Revenue Sharing Trust Fund.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Reimbursement of County Court Costs .....	.....	<u>\$14,000</u>	.....

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Reimbursement of County Court Costs</b>			
State Funds .....	\$24,000	\$10,000	\$24,000

Provides reimbursement of costs incurred by counties in the administration and operation of all courts established pursuant to Article V, Section 1 of the Pennsylvania Constitution. Additional funding for the available year was provided out of the General Fund.

	(Dollar Amounts in Thousands)		
	1974-75 Actual	1975-76 Available	1976-77 Budget
<b>Source of Funds</b>			
<b>Appropriation:</b>			
Reimbursement of County Court Costs .....	<u>\$24,000</u>	<u>\$10,000</u>	<u>\$24,000</u>

# JUDICIARY

## Summary of Agency Program by Category and Subcategory

### General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
Adjudication of Defendents . . . . .	\$54,933	\$53,902	\$56,923	\$59,130	\$61,257	\$63,488	\$65,765
State Judicial System . . . . .	<u>\$54,933</u>	<u>\$53,902</u>	<u>\$56,923</u>	<u>\$59,130</u>	<u>\$61,257</u>	<u>\$63,488</u>	<u>\$65,765</u>

State Judicial System

OBJECTIVE: To provide Pennsylvania citizens with prompt and equitable justice under the law.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
General Fund . . . . .	\$30,933	\$43,902	\$32,923	\$35,130	\$37,257	\$39,488	\$41,765
Special Funds . . . . .	24,000	10,000	24,000	24,000	24,000	24,000	24,000
Federal Funds . . . . .	234	300	500	500	500	500	500
Other Funds . . . . .	197	197	197	197	197	197	197
<b>TOTAL . . . . .</b>	<u>\$55,364</u>	<u>\$54,399</u>	<u>\$57,620</u>	<u>\$59,827</u>	<u>\$61,954</u>	<u>\$64,185</u>	<u>\$66,462</u>

Program Analysis:

The judicial system of the Commonwealth is a unified system with all courts financed by numerous General Fund appropriations which are detailed in the summary.

The supreme judicial powers in the Commonwealth rest in the Supreme Court which consists of seven justices. Through the Court Administrator's Office, the Supreme Court provides administrative direction to the entire judicial system.

The Superior Court, which consists of seven judges, is a court of intermediate appeal.

The Commonwealth Court is a court of original and appellate jurisdiction. It has original jurisdiction on all civil actions and proceedings by the Commonwealth or any officer acting in his official capacity and all civil proceedings against

the Commonwealth or any officer acting in his official capacity.

Original jurisdiction for most major cases rests in the Courts of Common Pleas. There is one Common Pleas Court, often with several divisions and judges for each judicial district. These courts have unlimited original jurisdiction except as otherwise provided by law.

Community Courts have original jurisdiction in minor cases, such as minor traffic violations.

In addition to providing direction of certain courts and court activities, the Commonwealth provides direct grants to reimburse counties a portion of their court expenses.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80	1980-81
<b>GENERAL FUND</b>							
Judiciary (All Judiciary Appropriations) . . . . .	<u>\$30,933</u>	<u>\$43,902</u>	<u>\$32,923</u>	<u>\$35,130</u>	<u>\$37,257</u>	<u>\$39,488</u>	<u>\$41,765</u>
<b>REVENUE SHARING TRUST FUND</b>							
Reimbursement of County Court Expenses . . . . .	<u>\$24,000</u>	<u>\$10,000</u>	<u>\$24,000</u>	<u>\$24,000</u>	<u>\$24,000</u>	<u>\$24,000</u>	<u>\$24,000</u>

# Bicentennial Pennsylvania



**So your children can tell  
their children.**

*The dividers in the Budget honor the patriots who  
signed the Declaration of Independence for Pennsylvania.*