

1986-87
Governor's
Executive Budget



Commonwealth of Pennsylvania

Dick Thornburgh,
Governor

While the state seal is the symbol used by the Commonwealth to authenticate official documents, the coat of arms on the cover of this Budget Document is the more familiar symbol of the Commonwealth of Pennsylvania, appearing on the state flag and on countless documents, letterheads and publications.

*The Pennsylvania coat of arms consists of a shield, bordered in the gold of faith and constancy, supported by speed and strength personified by two rampant steeds of sable color further denoting prudence and fidelity, and crowned with an eagle — symbolizing sovereignty; underneath, the cornstalk of plenty and the olive branch of peace are bound together in love and comity. Upon the shield, a ship of black and white — wisdom and anticipation — sails upon a changeless sea of blue, teeming with justice and loyalty; a ruddy plough stands for generosity and devotion upon an eternal golden base of honor and integrity; while the three sheaves of wheat, in gold of constancy and abundance, never desert their emerald environment of gentleness and courtesy; — the whole completed by a scroll bearing the motto of the Commonwealth — *Virtue, Liberty and Independence.**

A state coat of arms first appeared on state paper money issued in 1777. Numerous versions were used in succeeding years until 1875 when a commission appointed for that purpose established the official coat of arms that continues to be used by the Commonwealth. This coat of arms is almost identical to the one designed by Caleb Lowmes almost 100 years earlier.

The coat of arms appearing on the cover of the Budget Document is the official coat of arms of the Commonwealth. The section divider pages of the Budget Document illustrate the coats of arms used during prior periods of Pennsylvania's history.

FOREWORD

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

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

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

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

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

The resources available to the Commonwealth in the coming fiscal period are allocated on the basis of the program subcategories. Recommendations for major program changes in 1986-87 are identified as Program Revisions which provide detailed justification.

Beyond 1986-87, the projections of financial data, as well as impacts and other program measures, show the future implications of the 1986-87 recommendations and policies.

Consequently, the five year plan is a base line which represents the future program effort and financial resources needed to sustain the 1986-87 level of commitment.

Several major modifications have been made to the budget format this year to provide additional information, greater clarity and enhance understanding. These include:

- An other funds page at the end of the appropriation section (tinted pages) of each department which summarize special fund and restricted account amounts not previously detailed. This has increased the amounts included in other funds and means the Commonwealth total is now more comprehensive than it ever has been.

To avoid confusion with the new Other Funds presentation, monies formerly identified within the departmental-appropriation section simply as “other funds” are now shown as augmentations or restricted receipt/revenues whichever is appropriate.

—Addition of a 1984-85 actual year column in the special fund financial statements.

—Addition of a 1986-87 budget column in the special fund appendix.

Agency budgets reflect the proposal that, effective July 1, 1986, agencies be billed for tort claims and Commonwealth Data Network expenses formerly borne by the General Fund or other agencies. The billings for the Central Management Information Center have also been adjusted based on actual usage and Integrated Central System (ICS) production costs. These interagency billing adjustments are intended to properly allocate the costs among General Fund, Special Fund and Federal Fund programs based on actual and expected utilization.

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

- Productivity Improvement Initiatives.
- Economic Development, including reallocation of the Pennsylvania Economic Revitalization Fund and allocation of the Sunny Day Fund.
- Federal Block Grants.

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

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

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

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Commonwealth of Pennsylvania



Governor's Office

HARRISBURG

February 4, 1986

To the Members of the General Assembly
and all Pennsylvanians:

A budget is a carefully structured road map setting the course for the State in the year to come in real, not rhetorical terms. Each of the eight budgets I have presented has been carefully balanced so as to measure the important needs of our citizens against our collective ability to pay.

Because of continued improvement in the economy and my administration's success in implementing tight management policies to reduce the size and cost of government, we again expect to enjoy a sizeable budget surplus this year.

For the third straight year I am, therefore, recommending reductions in both personal and business taxes, returning a major portion of the surplus to the taxpayers who created it. Specifically, I propose reducing the personal income tax from 2.2 percent to 2.1 percent and reducing the corporate net income tax from 9.5 percent to 8.5 percent.

I believe these tax cuts will accomplish several things. They will free up millions of dollars for new consumer spending and for business investment, both of which will benefit the Pennsylvania economy. The tax cuts also help to send an unmistakable message throughout the State and the nation that Pennsylvania is on sound fiscal ground and has built a business climate receptive to new investment and job creation.

This budget again will set forth as its top priorities initiatives in economic development, education and job training, which provide the underpinnings for our effort to continue the economic progress of the past several years and in providing a level of human services and public protection consistent with our strong emphasis on the State's quality of life.

Pennsylvania today has in place an array of economic development programs which have been described as state-of-the-art. They already have helped us stimulate business expansion, create new jobs and, perhaps as important, diversify our economy.

During 1986-87 we will continue to implement these programs, expanding in some cases and refining in others, to solidify the gains we have made.

We also enjoy a quality of life in most of our communities which makes our state a superior place to work, live and play, and new initiatives to aid those communities with special needs are included in this budget as well.

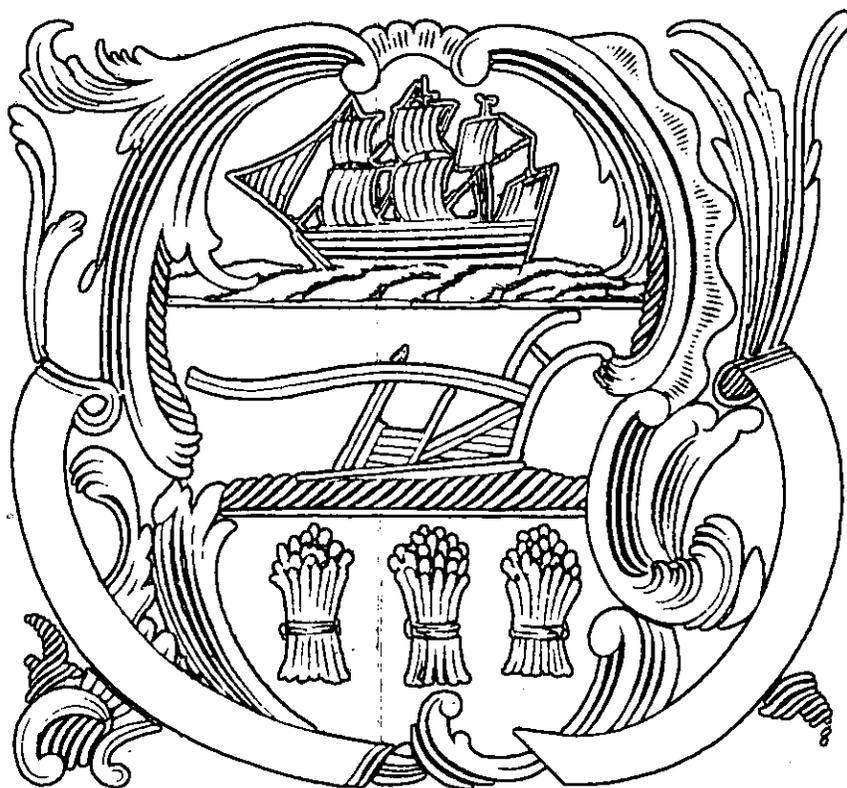
The total Commonwealth budget of \$18.1 billion for the 1986-87 fiscal year is comprised of \$9.5 billion in the General Fund, \$1.4 billion in the Motor License Fund, \$3.3 billion in fees and other special fund revenues and \$3.9 billion in Federal funds. Spending in the General Fund represents only a 1.7 percent increase over the previous year. Thus, for the eighth straight year proposed State spending will be below the projected rate of inflation.

I believe this budget is a fair and responsible document which responds to the needs of all our citizens as we continue to meet the challenge of an economy in transition and to seek to guarantee to all of our citizens the quality of life they expect and deserve.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Dick Thornburgh".

Dick Thornburgh
Governor



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STATEMENTS

GENERAL FUND

Five Year Financial Statement

The projections beyond the 1986-87 fiscal year show future implications of the present budgetary policies and recommendations only. Revenue estimates are based upon current tax rates and the tax adjustments proposed in this budget.

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Beginning Balance	\$ 76,414	\$ 310,468	\$ 149,919	\$ 9,409	.....	.....	.....
Revenues	\$ 8,866,506	\$ 9,245,612	\$ 9,627,575	\$ 10,200,729	\$ 10,778,720	\$ 11,357,323	\$ 11,972,817
Adjustments ^a	-46,090	-84,501	-118,625	-120,001	-126,680	-133,352	-139,612
Proposed Tax Reduction .....	.....	.....	-141,500	-228,500	-273,900	-289,100	-304,600
Tax Stabilization Reserve .....	.....	-25,000	-25,000	-25,000	-50,000	-100,000	-200,000
Sunny Day Reserve .....	.....	-25,000	.....	.....	.....	.....	.....
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Funds Available	\$ 8,896,830	\$ 9,421,579	\$ 9,492,369	\$ 9,836,637	\$ 10,328,140	\$ 10,834,871	\$ 11,328,605
Expenditures	-8,586,362	-9,271,660	-9,482,960	-9,836,265	-10,325,244	-10,741,358	-11,158,436
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Ending Balance	<u>\$ 310,468</u>	<u>\$ 149,919</u>	<u>\$ 9,409</u>	<u>\$ 372</u>	<u>\$ 2,896</u>	<u>\$ 93,513</u>	<u>\$ 170,169</u>

^aIncludes net revenue accruals, refunds and lapses.

FIVE YEAR FINANCIAL STATEMENTS

Motor License Fund^a

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Beginning Balance	\$ 44,185	\$ 88,108	\$ 51,403	\$ 15,446	\$ 9,940	\$ 9,601	\$ 11,190
Receipts	1,347,331	1,352,900	1,343,200	1,377,005	1,360,950	1,362,433	1,370,900
Funds Available	<u>\$1,391,516</u>	<u>\$1,441,008</u>	<u>\$1,394,603</u>	<u>\$1,392,451</u>	<u>\$1,370,890</u>	<u>\$1,372,034</u>	<u>\$1,382,090</u>
Less Expenditures	-1,303,408	-1,389,605	-1,379,157	-1,382,511	-1,361,289	-1,360,844	-1,376,409
Ending Balance	<u>\$ 88,108</u>	<u>\$ 51,403</u>	<u>\$ 15,446</u>	<u>\$ 9,940</u>	<u>\$ 9,601</u>	<u>\$ 11,190</u>	<u>\$ 5,681</u>

Banking Department Fund

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Beginning Balance	\$ 2,981	\$ 2,806	\$ 3,033	\$ 3,179	\$ 3,269	\$ 3,304	\$ 3,275
Receipts	6,700	7,587	7,288	7,506	7,731	7,963	8,202
Funds Available	<u>\$ 9,681</u>	<u>\$ 10,393</u>	<u>\$ 10,321</u>	<u>\$ 10,685</u>	<u>\$ 11,000</u>	<u>\$ 11,267</u>	<u>\$ 11,477</u>
Less Expenditures	-6,875	-7,360	-7,142	-7,416	-7,696	-7,992	-8,305
Ending Balance	<u>\$ 2,806</u>	<u>\$ 3,033</u>	<u>\$ 3,179</u>	<u>\$ 3,269</u>	<u>\$ 3,304</u>	<u>\$ 3,275</u>	<u>\$ 3,172</u>

Boating Fund

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Beginning Balance	\$ 4,575	\$ 4,569	\$ 3,623	\$ 2,698	\$ 1,496	\$ 233	.....
Receipts	4,371	3,629	3,787	3,630	3,689	3,689	\$ 3,505
Funds Available	<u>\$ 8,946</u>	<u>\$ 8,198</u>	<u>\$ 7,410</u>	<u>\$ 6,328</u>	<u>\$ 5,185</u>	<u>\$ 3,922</u>	<u>\$ 3,505</u>
Less Expenditures	-4,377	-4,575	-4,712	-4,832	-4,952	-3,922	-3,505
Ending Balance	<u>\$ 4,569</u>	<u>\$ 3,623</u>	<u>\$ 2,698</u>	<u>\$ 1,496</u>	<u>\$ 233</u>	<u>.....</u>	<u>.....</u>

^aExcludes restricted revenue.

**FIVE YEAR FINANCIAL STATEMENTS
(continued)**

Fair Fund^a

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Beginning Balance	\$ -1	\$ 67	\$ 123	.....	.....	.....	.....
Receipts	2,568	2,569	.....	.....	.....	.....	.....
Funds Available	<u>\$ 2,567</u>	<u>\$ 2,636</u>	<u>\$ 123</u>	.....	.....	.....	.....
Less Expenditures	-2,500	-2,513	-123	.....	.....	.....	.....
Ending Balance	<u><u>\$ 67</u></u>	<u><u>\$ 123</u></u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>

Farm Products Show Fund

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Beginning Balance	\$ 563	\$ 622	\$ 619	\$ 620	\$ 568	\$ 461	\$ 296
Receipts	2,745	2,799	2,804	2,805	\$ 2,805	\$ 2,805	\$ 2,805
Funds Available	<u>\$ 3,308</u>	<u>\$ 3,421</u>	<u>\$ 3,423</u>	<u>\$ 3,425</u>	<u>\$ 3,373</u>	<u>\$ 3,266</u>	<u>\$ 3,101</u>
Less Expenditures	-2,686	-2,802	-2,803	-2,857	-2,912	-2,970	-3,029
Ending Balance	<u><u>\$ 622</u></u>	<u><u>\$ 619</u></u>	<u><u>\$ 620</u></u>	<u><u>\$ 568</u></u>	<u><u>\$ 461</u></u>	<u><u>\$ 296</u></u>	<u><u>\$ 72</u></u>

Fish Fund

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Beginning Balance	\$ 9,104	\$ 8,605	\$ 8,199	\$ 7,087	\$ 5,923	\$ 4,754	\$ 3,585
Receipts	20,791	22,007	22,795	23,659	24,369	23,339	22,922
Funds Available	<u>\$ 29,895</u>	<u>\$ 30,612</u>	<u>\$ 30,994</u>	<u>\$ 30,746</u>	<u>\$ 30,292</u>	<u>\$ 28,093</u>	<u>\$ 26,507</u>
Less Expenditures	-21,290	-22,413	-23,907	-24,823	-25,538	-24,508	-24,091
Ending Balance	<u><u>\$ 8,605</u></u>	<u><u>\$ 8,199</u></u>	<u><u>\$ 7,087</u></u>	<u><u>\$ 5,923</u></u>	<u><u>\$ 4,754</u></u>	<u><u>\$ 3,585</u></u>	<u><u>\$ 2,416</u></u>

^aThis budget proposes elimination of the Fair Fund as a special fund and recommends that a grant entitled "Payments to Pennsylvania Fairs" replace the special fund.

**FIVE YEAR FINANCIAL STATEMENTS
(continued)**

Game Fund

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Beginning Balance	\$ 14,921	\$ 13,646	\$ 14,294	\$ 14,797	\$ 13,802	\$ 10,377	\$ 4,224
Receipts	38,953	41,699	35,041	34,941	33,984	32,579	32,579
Funds Available	<u>\$ 53,874</u>	<u>\$ 55,345</u>	<u>\$ 49,335</u>	<u>\$ 49,738</u>	<u>\$ 47,786</u>	<u>\$ 42,956</u>	<u>\$ 36,803</u>
Less Expenditures	-40,228	-41,051	-34,538	-35,936	-37,409	-38,732	-36,803
Ending Balance	<u><u>\$ 13,646</u></u>	<u><u>\$ 14,294</u></u>	<u><u>\$ 14,797</u></u>	<u><u>\$ 13,802</u></u>	<u><u>\$ 10,377</u></u>	<u><u>\$ 4,224</u></u>	<u><u>.....</u></u>

Lottery Fund

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Beginning Balance	\$ 265,726	\$ 265,969	\$ 256,000	\$ 202,523	\$ 154,878	\$ 113,119	\$ 77,381
Add: Reserve From Previous Year	101,563	119,410	113,580	115,773	118,358	120,953	123,662
Receipts	818,118	806,932	819,688	839,633	860,048	881,222	903,868
Funds Available	<u>\$1,185,407</u>	<u>\$1,192,311</u>	<u>\$1,189,268</u>	<u>\$1,157,929</u>	<u>\$1,133,284</u>	<u>\$1,115,294</u>	<u>\$1,104,911</u>
Less Expenditures	-800,028	-822,731	-870,972	-884,693	-899,212	-914,251	-929,816
Less Reserve for Current Years	-119,410	-113,580	-115,773	-118,358	-120,953	-123,662	-126,628
Ending Balance	<u><u>\$ 265,969</u></u>	<u><u>\$ 256,000</u></u>	<u><u>\$ 202,523</u></u>	<u><u>\$ 154,878</u></u>	<u><u>\$ 113,119</u></u>	<u><u>\$ 77,381</u></u>	<u><u>\$ 48,467</u></u>

Milk Marketing Fund

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Beginning Balance	\$ 261	\$ 297	\$ 178	\$ 164	\$ 150	\$ 136	\$ 122
Receipts	1,784	1,681	1,640	\$ 1,640	\$ 1,640	\$ 1,640	\$ 1,640
Funds Available	<u>\$ 2,045</u>	<u>\$ 1,978</u>	<u>\$ 1,818</u>	<u>\$ 1,804</u>	<u>\$ 1,790</u>	<u>\$ 1,776</u>	<u>\$ 1,762</u>
Less Expenditures	-1,748	-1,800	-1,654	-1,654	-1,654	-1,654	-1,654
Ending Balance	<u><u>\$ 297</u></u>	<u><u>\$ 178</u></u>	<u><u>\$ 164</u></u>	<u><u>\$ 150</u></u>	<u><u>\$ 136</u></u>	<u><u>\$ 122</u></u>	<u><u>\$ 108</u></u>

**FIVE YEAR FINANCIAL STATEMENTS
(continued)**

Racing Fund

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Beginning Balance	\$ 9,782	\$ 3,379	\$ 2,922	\$ 1,172	\$ 935	\$ 688	\$ 431
Receipts	9,343	9,462	7,156	7,156	7,156	7,156	7,156
Funds Available	<u>\$ 19,125</u>	<u>\$ 12,841</u>	<u>\$ 10,078</u>	<u>\$ 8,328</u>	<u>\$ 8,091</u>	<u>\$ 7,844</u>	<u>\$ 7,587</u>
Less Expenditures	-15,746	-9,919	-8,906	-7,393	-7,403	-7,413	-7,423
Ending Balance	<u>\$ 3,379</u>	<u>\$ 2,922</u>	<u>\$ 1,172</u>	<u>\$ 935</u>	<u>\$ 688</u>	<u>\$ 431</u>	<u>\$ 164</u>

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Beginning Balance	\$ 452	\$ 530	\$ 204	\$ 24	.....	.....	.....
Receipts	130	120	60	.....	.....	.....	.....
Funds Available	<u>\$ 582</u>	<u>\$ 650</u>	<u>\$ 264</u>	<u>\$ 24</u>	.....	.....	.....
Less Expenditures	-52	-446	-240	-24	.....	.....	.....
Ending Balance	<u>\$ 530</u>	<u>\$ 204</u>	<u>\$ 24</u>	.....	.....	.....	.....

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
GOVERNOR'S OFFICE							
GENERAL FUND.....	\$3,257	\$3,512	\$3,558	\$3,700	\$3,848	\$4,002	\$4,162
EXECUTIVE OFFICES							
GENERAL FUND.....	\$49,374	\$51,707	\$52,022	\$54,940	\$57,940	\$61,033	\$64,221
MOTOR LICENSE FUND.....	3,563	3,692	3,717	3,866	4,021	4,182	4,349
TOTAL.....	\$52,937	\$55,399	\$55,739	\$58,806	\$61,961	\$65,215	\$68,570
LIEUTENANT GOVERNOR'S OFFICE							
GENERAL FUND.....	\$648	\$680	\$690	\$718	\$746	\$776	\$807
ATTORNEY GENERAL							
GENERAL FUND.....	\$22,514	\$24,639	\$25,552	\$26,570	\$27,629	\$28,730	\$29,875
AUDITOR GENERAL							
GENERAL FUND.....	\$24,875	\$27,230	\$28,007	\$29,023	\$65,184	\$66,392	\$67,647
TREASURY							
GENERAL FUND.....	\$307,960	\$369,128	\$355,888	\$402,998	\$440,181	\$470,046	\$489,731
MOTOR LICENSE FUND.....	172,440	174,569	176,668	190,300	192,513	186,804	175,444
BANKING DEPARTMENT FUND.....	....	5	5	5	5	5	5
BOATING FUND.....	....	5	5	5	5	5	5
FAIR FUND.....	....	10	....	....	....	....	....
FARM PRODUCTS SHOW FUND.....	....	5	5	5	5	5	5
FISH FUND.....	1	5	5	5	5	5	5
GAME FUND.....	....	6	6	6	6	6	6
LOTTERY FUND.....	8	20	20	20	20	20	20
MILK MARKETING FUND.....	....	10	10	10	10	10	10
RACING FUND.....	....	10	10	10	10	10	10
TOTAL.....	\$480,409	\$543,773	\$532,622	\$593,364	\$632,760	\$656,916	\$665,241
AGING							
LOTTERY FUND.....	\$194,151	\$179,958	\$186,779	\$193,213	\$199,912	\$206,814	\$213,921
AGRICULTURE							
GENERAL FUND.....	\$30,255	\$33,032	\$24,630	\$25,294	\$25,985	\$26,703	\$27,450
FAIR FUND.....	....	3	123	....	....	....	....
FARM PRODUCTS SHOW FUND.....	1,686	1,797	1,798	1,852	1,907	1,965	2,024
RACING FUND.....	15,601	9,764	8,777	7,261	7,267	7,273	7,280
TOTAL.....	\$47,542	\$44,596	\$35,328	\$34,407	\$35,159	\$35,941	\$36,754
BANKING							
BANKING DEPARTMENT FUND.....	\$6,584	\$7,064	\$6,836	\$7,109	\$7,394	\$7,690	\$7,997
CIVIL SERVICE COMMISSION							
GENERAL FUND.....	\$1	\$1	\$1	\$1	\$1	\$1	\$1
COMMERCE							
GENERAL FUND.....	\$83,393	\$180,185	\$83,353	\$94,445	\$94,049	\$90,928	\$81,583
COMMUNITY AFFAIRS							
GENERAL FUND.....	\$22,868	\$32,291	\$27,210	\$27,405	\$27,711	\$28,031	\$28,362
CORRECTIONS							
GENERAL FUND.....	\$161,236	\$185,301	\$210,195	\$241,724	\$270,731	\$289,682	\$309,960

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND (continued)

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
CRIME COMMISSION							
GENERAL FUND.....	\$2,169	\$2,235	\$2,259	\$2,349	\$2,443	\$2,541	\$2,643
EDUCATION							
GENERAL FUND.....	\$4,035,687	\$4,349,317	\$4,519,171	\$4,700,740	\$4,893,380	\$5,100,954	\$5,316,040
MOTOR LICENSE FUND.....	2,228	2,552	2,598	2,800	2,800	2,900	3,000
TOTAL.....	\$4,037,915	\$4,351,869	\$4,521,769	\$4,703,540	\$4,896,180	\$5,103,854	\$5,319,040
EMERGENCY MANAGEMENT							
GENERAL FUND.....	\$6,953	\$19,973	\$2,449	\$2,547	\$2,649	\$2,755	\$2,865
ENVIRONMENTAL RESOURCES							
GENERAL FUND.....	\$134,185	\$149,505	\$154,029	\$157,113	\$156,999	\$162,166	\$166,638
FISH COMMISSION							
GENERAL FUND.....	\$4	\$5	\$7	\$7	\$7	\$7	\$7
BOATING FUND.....	3,700	4,265	4,393	4,471	4,585	3,555	3,138
FISH FUND.....	15,611	16,406	16,683	17,103	17,713	17,713	17,713
TOTAL.....	\$19,315	\$20,676	\$21,083	\$21,581	\$22,305	\$21,275	\$20,858
GAME COMMISSION							
GAME FUND.....	\$34,680	\$36,760	\$30,585	\$31,808	\$33,081	\$34,404	\$32,475
GENERAL SERVICES							
GENERAL FUND.....	\$111,632	\$113,211	\$112,295	\$111,684	\$109,620	\$107,687	\$107,306
MOTOR LICENSE FUND.....	16,170	31,171	27,676	30,167	31,638	35,568	38,566
BANKING DEPARTMENT FUND.....	291	291	301	302	297	297	303
BOATING FUND.....	2	2	2	2	2	2	2
FISH FUND.....	62	63	63	63	63	63	63
LOTTERY FUND.....	413	198	189	190	187	187	190
REVENUE SHARING TRUST FUND.....	52	446	240	24	....	....	....
TOTAL.....	\$128,622	\$145,382	\$140,766	\$142,432	\$141,807	\$143,804	\$146,430
HEALTH							
GENERAL FUND.....	\$121,434	\$132,661	\$134,850	\$136,289	\$140,205	\$143,550	\$146,932
HIGHER EDUCATION ASSISTANCE AGENCY							
GENERAL FUND.....	\$110,645	\$117,576	\$133,959	\$141,914	\$149,731	\$156,993	\$163,492
HISTORICAL AND MUSEUM COMMISSION							
GENERAL FUND.....	\$11,605	\$12,837	\$13,606	\$15,010	\$16,430	\$17,367	\$18,822
HOUSING FINANCE AGENCY							
GENERAL FUND.....	\$25,750	\$25,750	\$25,750	\$1,257	\$902	....	....
INSURANCE							
GENERAL FUND.....	\$7,268	\$7,584	\$7,653	\$8,032	\$8,353	\$8,687	\$9,034
LABOR AND INDUSTRY							
GENERAL FUND.....	\$54,826	\$43,292	\$43,810	\$45,309	\$46,243	\$47,242	\$48,307
MILITARY AFFAIRS							
GENERAL FUND.....	\$23,256	\$24,835	\$27,103	\$28,397	\$35,452	\$36,774	\$38,150

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND (continued)

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
MILK MARKETING BOARD							
GENERAL FUND.....	\$3,600	\$975	\$950	\$950	\$950	\$950	\$950
MILK MARKETING FUND.....	798	815	694	694	694	694	694
TOTAL.....	\$4,398	\$1,790	\$1,644	\$1,644	\$1,644	\$1,644	\$1,644
PROBATION AND PAROLE							
GENERAL FUND.....	\$21,867	\$26,490	\$29,052	\$32,606	\$33,910	\$35,268	\$36,678
PUBLIC TELEVISION NETWORK							
GENERAL FUND.....	\$8,994	\$8,811	\$10,373	\$10,748	\$11,137	\$11,543	\$11,966
PUBLIC WELFARE							
GENERAL FUND.....	\$2,609,910	\$2,733,504	\$2,791,470	\$2,847,362	\$2,989,680	\$3,100,275	\$3,218,821
LOTTERY FUND.....	167,239	169,635	170,301	170,855	171,422	172,011	172,626
TOTAL.....	\$2,777,149	\$2,903,139	\$2,961,771	\$3,018,217	\$3,161,102	\$3,272,286	\$3,391,447
REVENUE							
GENERAL FUND.....	\$145,375	\$152,242	\$157,904	\$164,335	\$171,048	\$178,054	\$185,366
MOTOR LICENSE FUND.....	10,731	12,228	12,405	12,558	12,715	12,878	13,045
LOTTERY FUND.....	348,935	421,399	398,190	402,810	407,891	413,199	418,731
RACING FUND.....	145	145	119	122	126	130	133
TOTAL.....	\$505,186	\$586,014	\$568,618	\$579,825	\$591,780	\$604,261	\$617,275
SECURITIES COMMISSION							
GENERAL FUND.....	\$1,949	\$2,154	\$2,409	\$2,505	\$2,605	\$2,709	\$2,817
STATE							
GENERAL FUND.....	\$3,437	\$4,260	\$3,125	\$3,233	\$3,352	\$3,462	\$3,583
STATE EMPLOYES RETIREMENT SYSTEM							
GENERAL FUND.....	\$7,868	\$1,403	\$1,193	\$1,193	\$1,193	\$1,193	\$1,193
STATE POLICE							
GENERAL FUND.....	\$61,531	\$65,397	\$72,761	\$77,963	\$83,462	\$89,277	\$92,848
MOTOR LICENSE FUND.....	131,553	148,112	152,018	155,808	159,659	163,569	170,112
TOTAL.....	\$193,084	\$213,509	\$224,779	\$233,771	\$243,121	\$252,846	\$262,960
TAX EQUALIZATION BOARD							
GENERAL FUND.....	\$936	\$948	\$957	\$995	\$1,035	\$1,076	\$1,119
TRANSPORTATION							
GENERAL FUND.....	\$178,879	\$188,892	\$193,178	\$197,943	\$203,449	\$209,302	\$215,333
MOTOR LICENSE FUND.....	966,723	1,021,281	1,004,075	987,012	957,943	954,943	971,893
LOTTERY FUND.....	89,282	108,097	115,493	117,605	119,780	122,020	124,328
TOTAL.....	\$1,234,884	\$1,318,270	\$1,312,746	\$1,302,560	\$1,281,172	\$1,286,265	\$1,311,554
LEGISLATURE							
GENERAL FUND.....	\$88,417	\$99,414	\$104,246	\$108,264	\$112,753	\$117,265	\$121,954
JUDICIARY							
GENERAL FUND.....	\$101,804	\$130,683	\$127,295	\$130,702	\$134,251	\$137,937	\$141,773

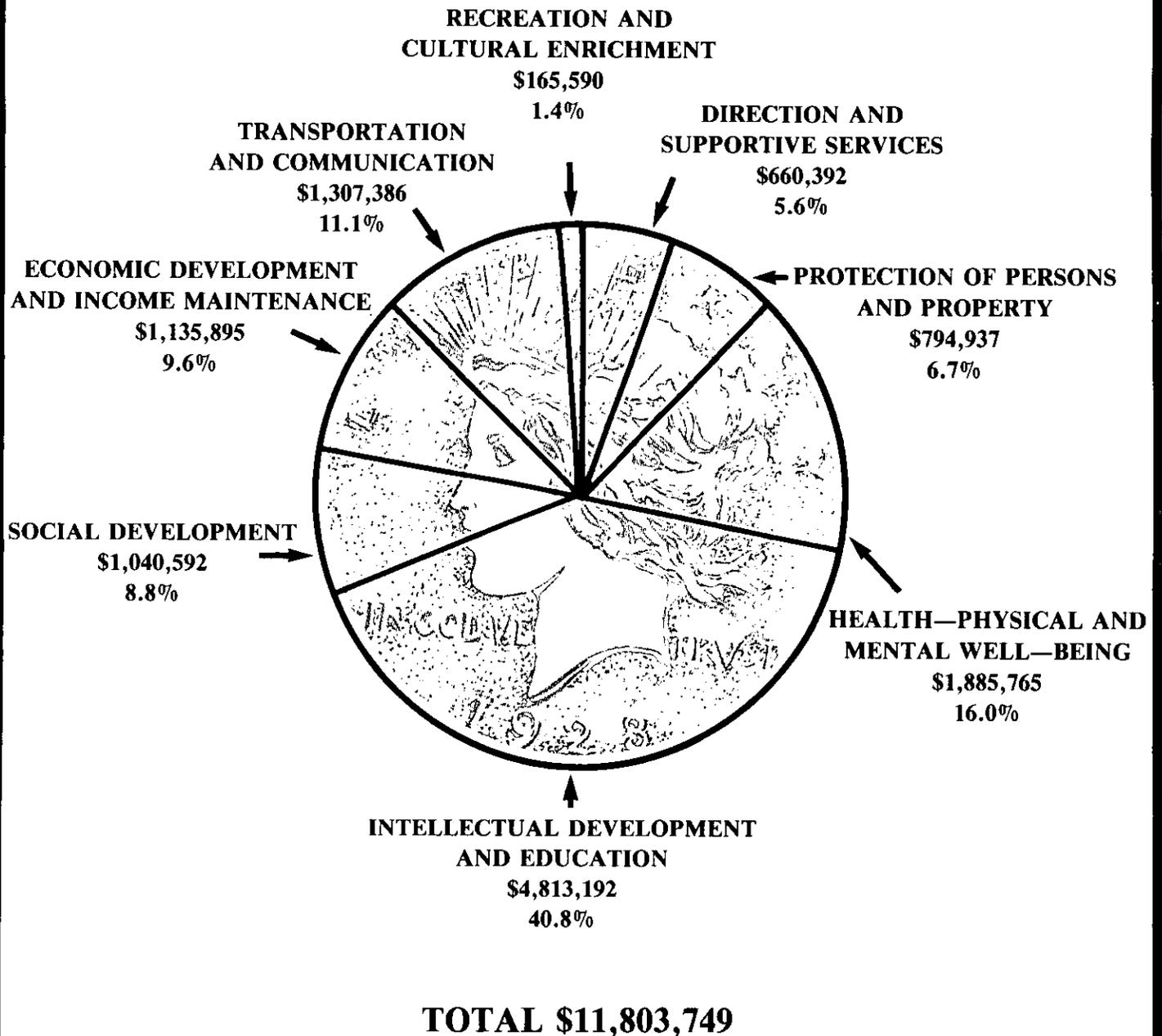
FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND
(continued)

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
COMMONWEALTH TOTAL							
GENERAL FUND.....	\$8,586,362	\$9,321,660	\$9,482,960	\$9,836,265	\$10,325,244	\$10,741,358	\$11,158,436
MOTOR LICENSE FUND.....	1,303,408	1,393,605	1,379,157	1,382,511	1,361,289	1,360,844	1,376,409
BANKING DEPARTMENT FUND.....	6,875	7,360	7,142	7,416	7,696	7,992	8,305
BOATING FUND.....	3,702	4,272	4,400	4,478	4,592	3,562	3,145
FAIR FUND.....	....	13	123	....	....	....	....
FARM PRODUCTS SHOW FUND.....	1,686	1,802	1,803	1,857	1,912	1,970	2,029
FISH FUND.....	15,674	16,474	16,751	17,171	17,781	17,781	17,781
GAME FUND.....	34,680	36,766	30,591	31,814	33,087	34,410	32,481
LOTTERY FUND.....	800,028	879,307	870,972	884,693	899,212	914,251	929,816
MILK MARKETING FUND.....	798	825	704	704	704	704	704
RACING FUND.....	15,746	9,919	8,906	7,393	7,403	7,413	7,423
REVENUE SHARING TRUST FUND.....	52	446	240	24	....	....	....
GRAND TOTAL.....	\$10,769,011	\$11,672,449	\$11,803,749	\$12,174,326	\$12,658,920	\$13,090,285	\$13,536,529

Distribution of the Commonwealth Dollar GENERAL FUND AND SPECIAL FUNDS

1986-87 Fiscal Year

(Dollar Amounts in Thousands)



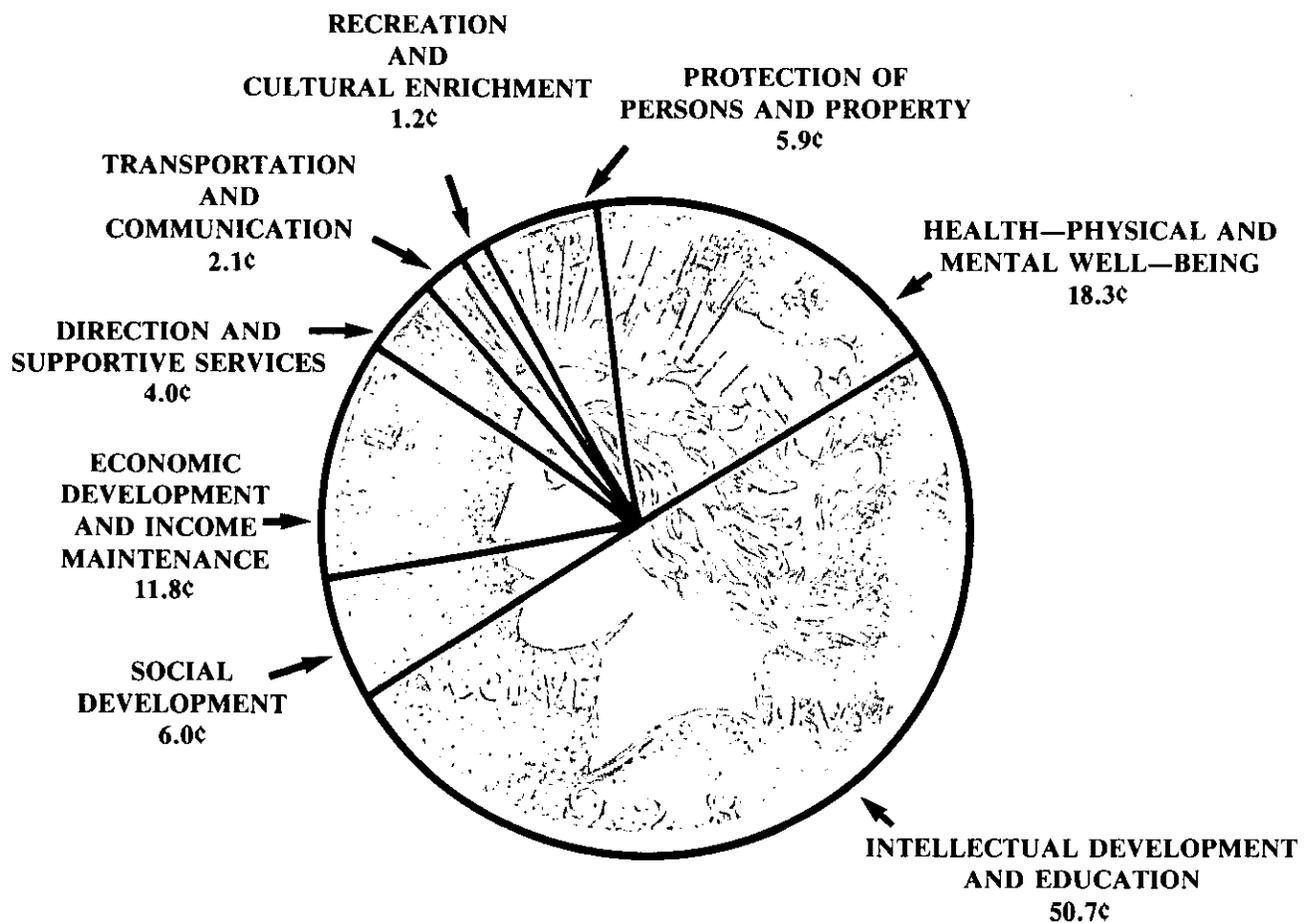
GENERAL FUND AND SPECIAL FUNDS

Five-Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Recommended	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Commonwealth Program							
Direction and Supportive Services	\$ 601,654	\$ 716,955	\$ 660,392	\$ 682,490	\$ 705,208	\$ 730,356	\$ 755,691
Protection of Persons and Property	690,327	783,783	794,937	840,254	889,814	929,816	971,190
Health—Physical and Mental Well-Being	1,756,008	1,868,880	1,885,765	1,916,680	2,024,469	2,103,428	2,183,115
Intellectual Development and Education	4,291,276	4,624,465	4,813,192	5,024,154	5,243,512	5,474,455	5,707,017
Social Development	936,097	968,958	1,040,592	1,082,635	1,120,777	1,160,065	1,200,545
Economic Development and Income Maintenance	1,078,023	1,218,138	1,135,895	1,140,674	1,201,339	1,216,187	1,229,521
Transportation and Communication	1,261,120	1,323,739	1,307,386	1,315,721	1,293,887	1,290,694	1,301,415
Recreation and Cultural Enrichment	154,506	167,531	165,590	171,718	179,914	185,284	188,035
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GENERAL FUND AND SPECIAL FUNDS TOTAL	<u>\$10,769,011</u>	<u>\$11,672,449</u>	<u>\$11,803,749</u>	<u>\$12,174,326</u>	<u>\$12,658,920</u>	<u>\$13,090,285</u>	<u>\$13,536,529</u>

Distribution of the Commonwealth Dollar GENERAL FUND

1986-87 Fiscal Year



\$1.00

GENERAL FUND

Five-Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Recommended	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Commonwealth Program							
Direction and Supportive Services	\$ 354,587	\$ 381,969	\$ 375,404	\$ 388,114	\$ 401,872	\$ 415,340	\$ 429,798
Protection of Persons and Property	472,439	550,921	557,722	606,314	650,432	685,137	718,194
Health—Physical and Mental Well-Being	1,606,369	1,719,045	1,735,264	1,765,625	1,872,847	1,951,217	2,030,289
Intellectual Development and Education	4,291,276	4,624,465	4,813,192	5,024,154	5,243,512	5,474,455	5,707,017
Social Development	513,996	536,234	570,284	605,948	637,301	669,481	702,534
Economic Development and Income Maintenance	1,058,521	1,198,453	1,116,267	1,121,111	1,181,716	1,196,502	1,209,772
Transportation and Communication	188,723	200,538	200,963	206,728	213,094	219,679	226,188
Recreation and Cultural Enrichment	100,451	110,035	113,864	118,271	124,470	129,547	134,644
GENERAL FUND TOTAL	<u>\$ 8,586,362</u>	<u>\$ 9,321,660</u>	<u>\$ 9,482,960</u>	<u>\$ 9,836,265</u>	<u>\$10,325,244</u>	<u>\$10,741,358</u>	<u>\$11,158,436</u>

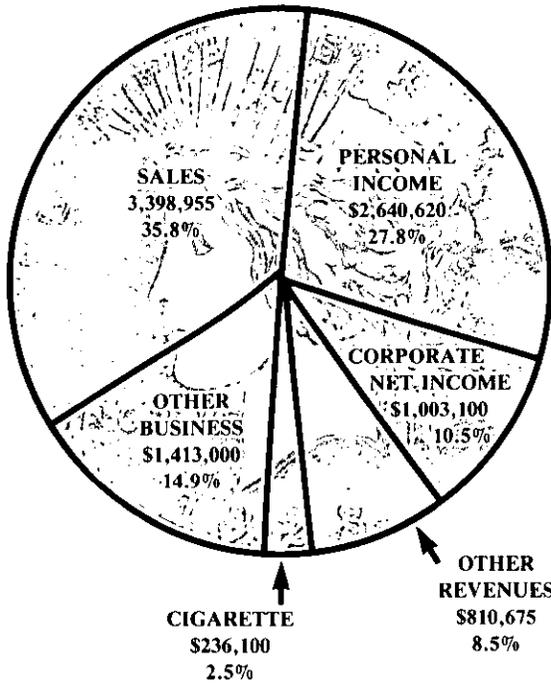
FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS

DIRECTION AND SUPPORTIVE SERVICES	(DOLLAR AMOUNTS IN THOUSANDS)						
	1984-85 ACTUAL	1985-86 AVAILABLE	1986-87 BUDGET	1987-88 ESTIMATED	1988-89 ESTIMATED	1989-90 ESTIMATED	1990-91 ESTIMATED
GENERAL FUND.....	\$ 354,587	\$ 381,969	\$ 375,404	\$ 388,114	\$ 401,872	\$ 415,340	\$ 429,798
SPECIAL FUNDS.....	247,067	334,986	284,988	294,376	303,336	315,016	325,893
FEDERAL FUNDS.....	1,661	1,579	2,391	2,399	2,474	2,552	2,633
OTHER FUNDS.....	126,082	138,303	133,305	140,591	148,020	155,595	163,271
TOTAL-OPERATING.....	\$ 729,397	\$ 856,837	\$ 796,088	\$ 825,480	\$ 855,702	\$ 888,503	\$ 921,595
CAPITAL BOND AUTHORIZATION.	\$	\$ 3,985	\$ 8,450	\$ 1,750	\$ 1,800	\$ 1,900	\$ 2,000
PROGRAM TOTAL.....	\$ 729,397	\$ 860,822	\$ 804,538	\$ 827,230	\$ 857,502	\$ 890,403	\$ 923,595
=====							
PROTECTION OF PERSONS AND PROPERTY							
GENERAL FUND.....	\$ 472,439	\$ 550,921	\$ 557,722	\$ 606,314	\$ 650,432	\$ 685,137	\$ 718,194
SPECIAL FUNDS.....	217,888	232,862	237,215	233,940	239,382	244,679	252,996
FEDERAL FUNDS.....	28,969	34,127	28,384	27,974	28,402	29,842	28,892
OTHER FUNDS.....	377,724	454,012	471,308	494,049	520,132	544,414	572,514
TOTAL-OPERATING.....	\$ 1,097,020	\$ 1,271,922	\$ 1,294,629	\$ 1,362,277	\$ 1,438,348	\$ 1,504,072	\$ 1,572,596
CAPITAL BOND AUTHORIZATION.	\$	\$ 92,794	\$ 18,459	\$ 27,975	\$ 19,400	\$ 64,125	\$ 19,775
PROGRAM TOTAL.....	\$ 1,097,020	\$ 1,364,716	\$ 1,313,088	\$ 1,390,252	\$ 1,457,748	\$ 1,568,197	\$ 1,592,371
=====							
HEALTH-PHYSICAL AND MENTAL WELL-BEING							
GENERAL FUND.....	\$ 1,606,369	\$ 1,719,045	\$ 1,735,264	\$ 1,765,625	\$ 1,872,847	\$ 1,951,217	\$ 2,030,289
SPECIAL FUNDS.....	149,639	149,835	150,501	151,055	151,622	152,211	152,826
FEDERAL FUNDS.....	1,183,167	1,372,770	1,286,225	1,260,894	1,333,284	1,376,630	1,422,249
OTHER FUNDS.....	112,135	120,676	110,391	99,664	102,080	104,233	142,291
TOTAL-OPERATING.....	\$ 3,051,310	\$ 3,362,326	\$ 3,282,381	\$ 3,277,238	\$ 3,459,833	\$ 3,584,291	\$ 3,747,655
CAPITAL BOND AUTHORIZATION.	\$	\$ 15,476	\$ 5,086	\$ 9,850	\$ 10,200	\$ 10,625	\$ 11,025
PROGRAM TOTAL.....	\$ 3,051,310	\$ 3,377,802	\$ 3,287,467	\$ 3,287,088	\$ 3,470,033	\$ 3,594,916	\$ 3,758,680
=====							
INTELLECTUAL DEVELOPMENT AND EDUCATION							
GENERAL FUND.....	\$ 4,291,276	\$ 4,624,465	\$ 4,813,192	\$ 5,024,154	\$ 5,243,512	\$ 5,474,455	\$ 5,707,017
SPECIAL FUNDS.....	.....	.....	.....	.....	.....	.....	.....
FEDERAL FUNDS.....	41,317	45,476	46,419	45,838	45,838	45,838	45,838
OTHER FUNDS.....	567,774	589,659	691,418	689,931	615,361	615,808	616,273
TOTAL-OPERATING.....	\$ 4,900,367	\$ 5,259,600	\$ 5,551,029	\$ 5,759,923	\$ 5,904,711	\$ 6,136,101	\$ 6,369,128
CAPITAL BOND AUTHORIZATION.	\$	\$ 23,319	\$ 6,106	\$ 28,825	\$ 31,350	\$ 41,700	\$ 44,225
PROGRAM TOTAL.....	\$ 4,900,367	\$ 5,282,919	\$ 5,557,135	\$ 5,788,748	\$ 5,936,061	\$ 6,177,801	\$ 6,413,353
=====							
SOCIAL DEVELOPMENT							
GENERAL FUND.....	\$ 513,996	\$ 536,234	\$ 570,284	\$ 605,948	\$ 637,301	\$ 669,481	\$ 702,534
SPECIAL FUNDS.....	422,101	432,724	470,308	476,687	483,476	490,584	498,011
FEDERAL FUNDS.....	453,054	461,014	466,194	478,526	487,516	498,099	509,193
OTHER FUNDS.....	13,799	15,224	14,072	14,659	15,137	15,634	16,146
TOTAL-OPERATING.....	\$ 1,402,950	\$ 1,445,196	\$ 1,520,858	\$ 1,575,820	\$ 1,623,430	\$ 1,673,798	\$ 1,725,884
CAPITAL BOND AUTHORIZATION.	\$	\$	\$	\$	\$	\$	\$
PROGRAM TOTAL.....	\$ 1,402,950	\$ 1,445,196	\$ 1,520,858	\$ 1,575,820	\$ 1,623,430	\$ 1,673,798	\$ 1,725,884
=====							

FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS (CONTINUED)

	(DOLLAR AMOUNTS IN THOUSANDS)						
	1984-85 ACTUAL	1985-86 AVAILABLE	1986-87 BUDGET	1987-88 ESTIMATED	1988-89 ESTIMATED	1989-90 ESTIMATED	1990-91 ESTIMATED
ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE							
GENERAL FUND.....	\$ 1,058,521	\$ 1,198,453	\$ 1,116,267	\$ 1,121,111	\$ 1,181,716	\$ 1,196,502	\$ 1,209,772
SPECIAL FUNDS.....	19,502	19,685	19,628	19,563	19,623	19,685	19,749
FEDERAL FUNDS.....	1,073,545	1,182,774	1,193,529	1,129,593	1,130,118	1,131,840	1,133,740
OTHER FUNDS.....	325,391	371,149	479,132	399,907	410,620	428,183	401,320
TOTAL-OPERATING.....	\$ 2,476,959	\$ 2,772,061	\$ 2,808,556	\$ 2,670,174	\$ 2,742,077	\$ 2,776,210	\$ 2,764,581
CAPITAL BOND AUTHORIZATION.	\$	\$ 143,810	\$ 3,054	\$ 8,425	\$ 7,875	\$	\$
PROGRAM TOTAL.....	\$ 2,476,959	\$ 2,915,871	\$ 2,811,610	\$ 2,678,599	\$ 2,749,952	\$ 2,776,210	\$ 2,764,581
TRANSPORTATION AND COMMUNICATION							
GENERAL FUND.....	\$ 188,723	\$ 200,538	\$ 200,963	\$ 206,728	\$ 213,094	\$ 219,679	\$ 226,188
SPECIAL FUNDS.....	1,072,397	1,123,201	1,106,423	1,108,993	1,080,793	1,071,015	1,075,227
FEDERAL FUNDS.....	618,673	833,566	851,795	633,805	558,824	556,620	547,227
OTHER FUNDS.....	141,657	289,774	462,663	326,256	236,615	240,416	231,088
TOTAL-OPERATING.....	\$ 2,021,450	\$ 2,447,079	\$ 2,621,844	\$ 2,275,782	\$ 2,089,326	\$ 2,087,730	\$ 2,079,730
CAPITAL BOND AUTHORIZATION.	\$ 119,880	\$ 18,250	\$ 35,070	\$ 37,000	\$ 38,000	\$ 39,000	\$ 40,000
PROGRAM TOTAL.....	\$ 2,141,330	\$ 2,465,329	\$ 2,656,914	\$ 2,312,782	\$ 2,127,326	\$ 2,126,730	\$ 2,119,730
RECREATION AND CULTURAL ENRICHMENT							
GENERAL FUND.....	\$ 100,451	\$ 110,035	\$ 113,864	\$ 118,271	\$ 124,470	\$ 129,547	\$ 134,644
SPECIAL FUNDS.....	54,055	57,496	51,726	53,447	55,444	55,737	53,391
FEDERAL FUNDS.....	11,565	7,761	8,783	9,447	9,660	9,758	9,832
OTHER FUNDS.....	27,474	41,612	25,902	16,721	16,867	15,864	15,475
TOTAL-OPERATING.....	\$ 193,545	\$ 216,904	\$ 200,275	\$ 197,886	\$ 206,441	\$ 210,906	\$ 213,342
CAPITAL BOND AUTHORIZATION.	\$	\$ 4,661	\$ 23,295	\$ 5,175	\$ 5,375	\$ 5,650	\$ 5,975
PROGRAM TOTAL.....	\$ 193,545	\$ 221,565	\$ 223,570	\$ 203,061	\$ 211,816	\$ 216,556	\$ 219,317
COMMONWEALTH TOTALS							
GENERAL FUND.....	\$ 8,586,362	\$ 9,321,660	\$ 9,482,960	\$ 9,836,265	\$ 10,325,244	\$ 10,741,358	\$ 11,158,436
SPECIAL FUNDS.....	2,182,649	2,350,789	2,320,789	2,338,061	2,333,676	2,348,927	2,378,093
FEDERAL FUNDS.....	3,411,951	3,939,067	3,883,720	3,588,476	3,596,116	3,651,179	3,699,604
OTHER FUNDS.....	1,692,036	2,020,409	2,388,191	2,181,778	2,064,832	2,120,147	2,158,378
TOTAL-OPERATING.....	\$ 15,872,998	\$ 17,631,925	\$ 18,075,660	\$ 17,944,580	\$ 18,319,868	\$ 18,861,611	\$ 19,394,511
CAPITAL BOND AUTHORIZATION.	\$ 119,880	\$ 302,295	\$ 99,520	\$ 119,000	\$ 114,000	\$ 163,000	\$ 123,000
PROGRAM TOTAL.....	\$ 15,992,878	\$ 17,934,220	\$ 18,175,180	\$ 18,063,580	\$ 18,433,868	\$ 19,024,611	\$ 19,517,511

INCOME



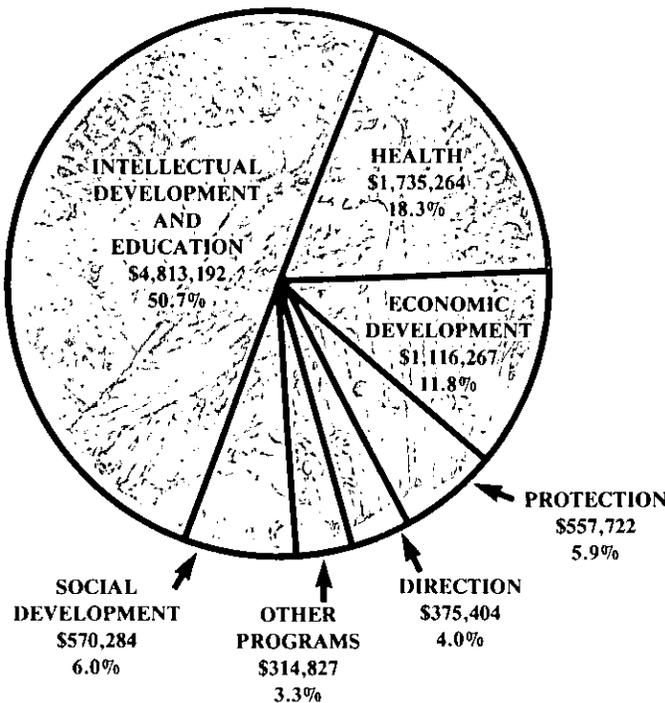
Commonwealth of Pennsylvania

1986-87 Fiscal Year GENERAL FUND

(Dollar Amounts in Thousands)

TOTAL INCOME	\$ 9,643,950
LESS REFUNDS	-135,000
TAX REDUCTION	-141,500
TAX STABILIZATION RESERVE	-25,000
BEGINNING BALANCE ..	149,919
<hr/>	
TOTAL	\$ 9,492,369

OUTGO



TOTAL OUTGO	\$ 9,482,960
PLUS ENDING SURPLUS	9,409
<hr/>	
TOTAL	\$ 9,492,369

GENERAL FUND

Program Summary

	(Dollar Amounts in Thousands)			
	1985-86		1986-87	
Direction and Supportive Services	\$ 381,969	4.1%	\$ 375,404	4.0%
Protection of Persons and Property	550,921	5.9%	557,722	5.9%
Health—Physical and Mental Well-Being	1,719,045	18.4%	1,735,264	18.3%
Intellectual Development and Education	4,624,465	49.6%	4,813,192	50.7%
Social Development	536,234	5.7%	570,284	6.0%
Economic Development and Income Maintenance	1,198,453	12.9%	1,116,267	11.8%
Transportation and Communications	200,538	2.2%	200,963	2.1%
Recreation and Cultural Enrichment	110,035	1.2%	113,864	1.2%
GENERAL FUND TOTAL	<u>\$9,321,660</u>	<u>100.0%</u>	<u>\$9,482,960</u>	<u>100.0%</u>

SUMMARY OF PROGRAM REVISIONS

The 1986-87 Commonwealth Budget reflects those new initiatives, program decreases, increases and expansions, which are recommended to address the most pressing economic, consumer and social problems confronting the citizens of Pennsylvania.

Department/Appropriation	Program Revision Title	1986-87 State Funds (in thousands)
Executive Offices		
Office of the Budget	PII—Budget Automation	\$ 68
Commission on Crime and Delinquency	PII—Expanded Analytical Capability and Link to Criminal Justice Information System	70
	Department Total	\$ 138^a
Agriculture		
General Government Operations	PII—Agricultural Network	\$ 174 ^a
General Government Operations	Export Promotion	\$ 75
Export Development and Agricultural Promotion	Export Promotion	300
	Program Revision Total	\$ 375^b
	Department Total	\$ 549
Commerce		
Metals Reuse Study	Renaissance Communities Program	\$ 375 ^c
General Government Operations	Economic Development	\$ 115
Tourism and Economic Development Promotion	Economic Development	3,000
Pennsylvania Industrial Development Authority	Economic Development	3,000
Ben Franklin Partnership	Economic Development	150
Tourist Promotion Assistance	Economic Development	300
	Program Revision Total	\$ 6,565^d
General Government Operations	Export Promotion	\$ 72
Local Development Districts	Export Promotion	200
Pennsylvania Export Trading	Export Promotion	150
	Program Revision Total	\$ 422^b

SUMMARY OF PROGRAM REVISIONS (continued)

GENERAL FUND (continued)

Department/Appropriation	Program Revision Title	1986-87 State Funds (in thousands)
Commerce (continued)		
Ben Franklin Partnership	Advanced Technology	\$ 5,550
Pennsylvania Energy Development Authority	Advanced Technology	200
Super Computer Center	Advanced Technology	1,750
Pittsburgh Technology Development Center	Advanced Technology	1,000
	Program Revision Total	\$ 8,500^c
	Department Total	\$ 15,862
 Community Affairs		
General Government Operations	Renaissance Communities Program	\$ 350
Enterprise Development	Renaissance Communities Program	1,250
Council of Governments	Renaissance Communities Program	25
Planning Assistance	Renaissance Communities Program	100
	Department Total	\$ 1,725^c
 Corrections		
State Correctional Institutions	Opening New State Correctional Institutions	\$ 8,762
	Department Total	\$ 8,762
 Education		
State Library	PII—Security/Control for Law Library	\$ 179
Scotland School for Veterans Children	PII—Automated Boiler Monitoring	176
	PII—Laundry Services .....	.....
	Program Revision Total	\$ 355^a
Improvement of Library Services	Access Pennsylvania	\$ 536
Library Access	Access Pennsylvania	2,000
School Library Catalogs	Access Pennsylvania	400
	Program Revision Total	\$ 2,936

SUMMARY OF PROGRAM REVISIONS (continued)

GENERAL FUND (continued)

Department/Appropriation	Program Revision Title	1986-87 State Funds (in thousands)
Education (continued)		
Customized Job Training	Economic Development	\$ 3,000 ^d
State System of Higher Education—Deferred Maintenance	Excellence in Higher Education	\$ 2,500
Chairs of Excellence	Excellence in Higher Education	1,000
	Program Revision Total	<u>\$ 3,500^f</u>
State System of Higher Education	Differential Funding	\$ 1,568
Pennsylvania State University	Differential Funding	1,818
University of Pittsburgh	Differential Funding	1,944
Temple University	Differential Funding	1,568
Lincoln University	Differential Funding	251
	Program Revision Total	<u>\$ 7,149</u>
Science and Engineering Equipment	Science and Engineering Equipment .....	. . . .^g
	Department Total	<u>\$ 16,940</u>
Environmental Resources		
Solid Waste Disposal Planning Grants	Resource Recovery and Recycling Expansion	\$ -1,000
Resource Recovery Grants	Resource Recovery and Recycling Expansion	-2,500
	Program Revision Total	<u>\$ -3,500</u>
Office of Protection	Abandoned Surface Mine Reclamation Expansion ...	\$ 1,264
Abandoned Surface Mine Reclamation	Abandoned Surface Mine Reclamation Expansion ...	2,000
	Program Revision Total	<u>\$ 3,264</u>
	Department Total	<u>\$ -236</u>

SUMMARY OF PROGRAM REVISIONS (continued)

GENERAL FUND (continued)

Department/Appropriation	Program Revision Title	1986-87 State Funds (in thousands)
General Services		
General Government Operations	PII—Computer Aided Design and Drafting Control Processing Unit	\$ 430 ^a
General Government Operations	Automated Purchasing System and Network Expansion .....	.....
Automated Purchasing System	Automated Purchasing System and Network Expansion	\$ 715
	Program Revision Total	<u>\$ 715^b</u>
	Department Total	<u>\$ 1,145</u>
Health		
Vital Statistics	PII—Automated Birth Record Control	\$ 300 ^a
Assistance to Drug and Alcohol Abuse	Preventing Teen Suicide	392 ⁱ
	Department Total	<u>\$ 692</u>
Higher Education Assistance Agency		
Grants to Part-Time Students	Excellence in Higher Education	\$ 8,000
Merit Scholarships	Excellence in Higher Education	1,000
	Department Total	<u>\$ 9,000^f</u>
Historical and Museum Commission		
General Government Operations	PII—Office Automation	\$ 144 ^a
	Department Total	<u>\$ 144</u>
Military Affairs		
Southeastern Veterans Home	Southeastern Veterans Home	\$ 1,922
	Department Total	<u>\$ 1,922</u>
Public Television Network		
Public Television Station Grants	Public Television Improvements	\$ 1,000
	Department Total	<u>\$ 1,000</u>

SUMMARY OF PROGRAM REVISIONS (continued)

GENERAL FUND

(continued)

Department/Appropriation	Program Revision Title	1986-87 State Funds (in thousands)
Public Welfare		
State Centers for the Mentally Retarded	PII—Food Services Renovations — Selinsgrove	\$ 1,600 ^a
Medical Assistance — Community Mental Health	Medical Assistance — Community Mental Health	\$ 30,622
Community Mental Health	Medical Assistance — Community Mental Health	644
	Program Revision Total	\$ 31,266
Community Mental Health	Preventing Teen Suicide	\$ 858 ⁱ
Community Mental Health	Community Mental Health Expansion	\$ 10,000
State Centers for the Mentally Retarded	Community Mental Retardation Partnership	\$ -4,272
Community Based Services— Mentally Retarded	Community Mental Retardation Partnership	3,278
Community Residential Services—Mentally Retarded	Community Mental Retardation Partnership	5,844
Intermediate Care Facilities— Mentally Retarded	Community Mental Retardation Partnership	1,200
	Program Revision Total	\$ 6,050
Human Services Development Fund	Services for Multiple Needy Clients	\$ 2,000
	Department Total	\$ 51,774
Revenue		
General Government Operations	PII—Portable Computers	\$ 222 ^a
	Department Total	\$ 222
Securities		
General Government Operations	PII—Expansion of EDP Capabilities	\$ 120 ^a
	Department Total	\$ 120
State Police		
General Government Operations	PII—Operational Productivity Management Systems	\$ 208 ^a
	Department Total	\$ 208
	General Fund Total	\$ 109,967

SUMMARY OF PROGRAM REVISIONS (continued)

BANKING DEPARTMENT FUND

Department/Appropriation	Program Revision Title	1986-87 State Funds (in thousands)
Banking Department		
Export Development and Agricultural Promotion	Export Promotion .....	.....
	Department Total	.....^b
	Banking Department Fund Total	.....

MOTOR LICENSE FUND

Department/Appropriation	Program Revision Title	1986-87 State Funds (in thousands)
Transportation		
Highway and Safety Improvement	Advance Construction Interstate .....	.....
Highway and Safety Improvement	Economic Development .....	.....^d
State Bridges	Bridge Restoration and Replacement—Phase II .....	.....
	Department Total	.....
	Motor License Fund Total	.....

OIL OVERCHARGE FUND

Department/Appropriation	Program Revision Title	1986-87 State Funds (in thousands)
Executive Offices		
Institutional Conservation	Energy Conservation (Oil Overcharge)	\$ 4,859
State Energy Conservation Plan	Energy Conservation (Oil Overcharge)	2,194
Energy Extension Services	Energy Conservation (Oil Overcharge)	2,215
	Department Total	\$ 9,268
Community Affairs		
Weatherization	Energy Conservation (Oil Overcharge)	\$ 20,000
	Department Total	\$ 20,000
Housing Finance Agency		
Energy Conservation and Solar Loan Program	Energy Conservation (Oil Overcharge)	\$ 10,000
	Department Total	\$ 10,000
Transportation		
Highway and Safety Improvement	Energy Conservation (Oil Overcharge)	\$ 500
	Department Total	\$ 500
	Oil Overcharge Fund Total	\$ 39,768

SUMMARY OF PROGRAM REVISIONS (continued)

PENNSYLVANIA ECONOMIC REVITALIZATION FUND

Department/Appropriation	Program Revision Title	1986-87 State Funds (in thousands)
Commerce		
Business Infrastructure Development	Renaissance Communities Program	\$ 6,800
Mon Valley Revitalization	Renaissance Communities Program	2,000
Beaver Valley Revitalization	Renaissance Communities Program	1,000
Enterprise Zones Tax Credits — LERTA	Renaissance Communities Program	4,000
Enterprise Zones Tax Credits — NAA	Renaissance Communities Program .....	.....
Distressed Communities— Reduction of State Match	Renaissance Communities Program	5,000
Community Economic Recovery Program	Renaissance Communities Program	1,000
	Program Revision Total	<u>\$ 19,800^c</u>
Technology Assessment Program	Economic Development	<u>\$ 6,500^d</u>
PCLF Export Financing	Export Promotion	<u>\$ 6,600^b</u>
Advanced Technology Facilities — BFP	Advanced Technology	\$ 5,000 ^c
	Department Total	<u>\$ 37,900^c</u>
Environmental Resources		
Pennsylvania Conservation Corps	Renaissance Communities Program	<u>\$ 3,000</u>
	Department Total	<u>\$ 3,000</u>
	Pennsylvania Economic Revitalization Fund Total	<u>\$ 40,900</u>

RACING FUND

Department/Appropriation	Program Revision Title	1986-87 State Funds (in thousands)
Agriculture		
Race Horse Testing Laboratory	PII—Contracting Laboratory Services .....	.....^a
	Department Total	<u>.....</u>

SUMMARY OF PROGRAM REVISIONS (continued)

SUNNY DAY FUND

Department/Appropriation	Program Revision Title	1986-87 State Funds (in thousands)
Commerce		
Midfield Terminal	Economic Development	\$ 20,000 ^d
Homer Research Laboratory	Advanced Technology	\$ 5,000 ^e
Department Total		\$ 25,000
TOTAL PROGRAM REVISIONS		\$ 215,635

^aThe total Program Revision for Productivity Improvement Initiatives will cost \$4.1 million. Details are presented in a summary in Volume I.

^bThe total Program Revision for Export Promotion is \$7.4 million. Details are presented in the appendix to the Industrial Development subcategory in the Department of Commerce.

^cThe total Program Revision for Renaissance Communities Program is \$24.9 million. Details are presented in the appendix to the Industrial Development subcategory in the Department of Commerce.

^dThe total Program Revision for Economic Development is \$36.1 million. Details are presented in the appendix to the Industrial Development subcategory in the Department of Commerce.

^eThe total Program Revision for Advanced Technology is \$18.5 million. Details are presented in the appendix to the Scientific and Technological Development subcategory in the Department of Commerce.

^fThe total Program Revision for Excellence in Higher Education will cost \$12.5 million. Details are presented in the appendix to the Higher Education subcategory in the Department of Education.

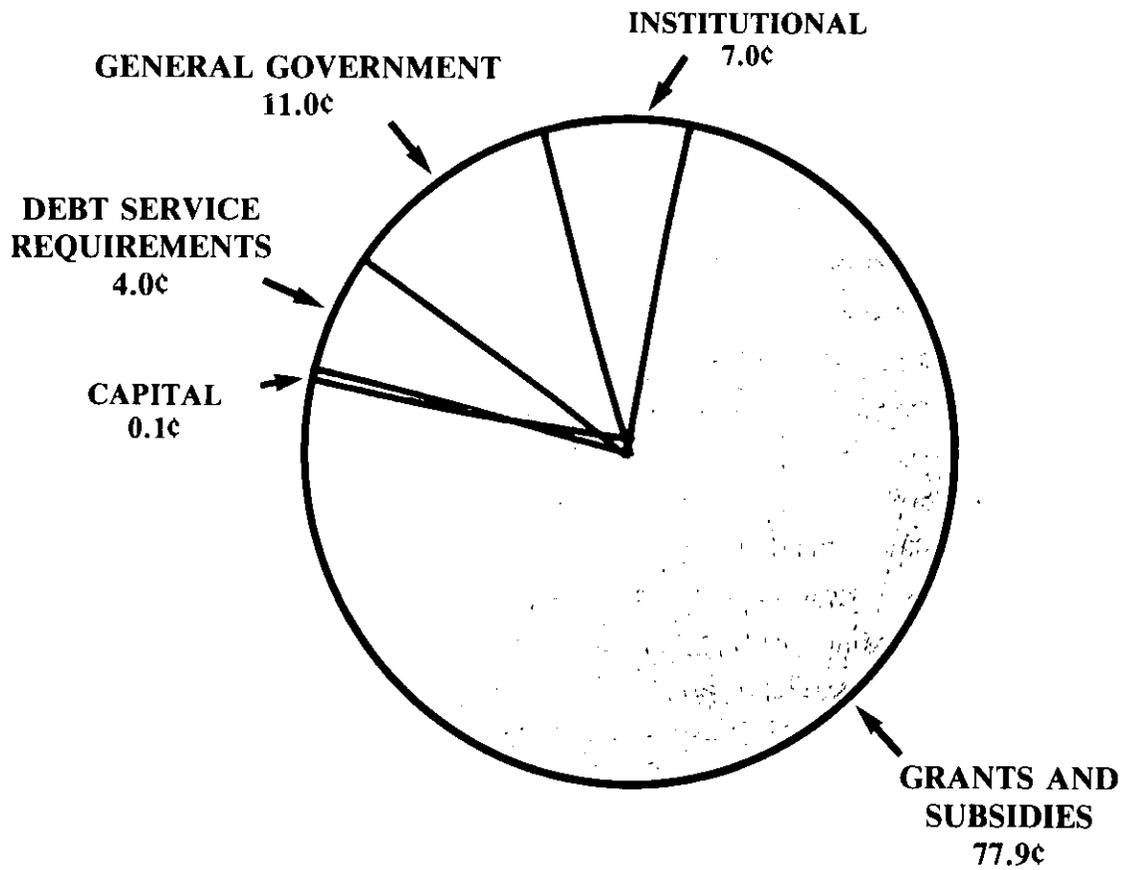
^gThe total Program Revision will provide \$150 million over two years from the sale of State Liquor Licenses. Details are presented in the appendix to the Higher Education subcategory in the Department of Education.

^hThe total Program Revision for the Automated Purchasing System and Commonwealth Data Network is \$3.2 million. Details are presented in the Procurement and Distribution of Commodities subcategory in the Department of General Services.

ⁱThe total Program Revision for Preventing Teen Suicide is \$1,250,000. Details are provided in the appendix to the Acute Mental Health Services subcategory in the Department of Public Welfare.

USE OF THE GENERAL FUND DOLLAR

1986-87 Fiscal Year



\$1.00

PRODUCTIVITY IMPROVEMENT INITIATIVES

This is the second year in which the Governor has set aside funds to support productivity improvement initiatives. These funds are to be used to cover the start-up costs incurred in the implementation of the initiatives. In virtually all cases the lower cost of operations, derived through complement reductions and/or operations efficiencies, produces savings exceeding the investment amount within the three year period. In addition, since the operational efficiencies are permanent, savings are expected to continue.

More than \$8 million in requests from twenty agencies were reviewed by Office of the Budget, Office of Policy Development and the Office of Administration. As explained in the Program Policy Guidelines, the criteria used to award funding emphasizes cost savings and complement reductions. As a result, thirteen initiatives from nine agencies are recommended for funding at a cost of \$4.1 million and more than \$10 million in savings over three years. This is a 36 percent increase in funding and more than double the savings when compared to the 1985-86 year. Participation, in terms of the number of agencies submitting initiatives as well as the number and quality of the submissions, points to the fact that program managers are increasingly aware of opportunities to reduce cost and improve productivity. The recommended initiatives along with the funding requirements are listed below and are also included as part of each agency's budget narrative.

Agency — Project	(In Thousands) PII Projects Recommended
Executive Offices	
Budget Automation	\$ 68
Expanded Analytical Capability and Link to Criminal Justice Information System	70
Agriculture	
Agricultural Network	174
Contracting Laboratory Services	*
Education	
Security/Control for Law Library	179
Scotland School, Automated Boiler Monitoring	176
Scotland School, Laundry Services	*
General Services	
Computer Aided Design and Drafting Control Pro- cessing Unit	430
Health	
Automated Birth Record Retrieval	300
Historical and Museum Commission	
Office Automation	144
Public Welfare	
Food Services Improvements-Selinsgrove	1,600
Revenue	
Portable Computers	222
Securities	
Expansion of EDP Capabilities	120
State Police	
Operational Productivity Management System	650
TOTAL PRODUCTIVITY IMPROVEMENT INITIATIVES	\$ 4,133

*No additional funding required.

FEDERAL BLOCK GRANTS

The Federal Omnibus Budget Reconciliation Act of 1981 created nine block grants. Eight of these were being implemented during 1982-83. The State currently has no plans to implement the Health Primary Care Block grant. In addition, information is provided herein on the Job Training Partnership Act which has not been labeled by the Federal government as a block grant but which provides for a program that operates in a very similar manner to the original block grants.

The following tables provide information on the estimated amounts to be received from the Federal government and an estimated distribution of the funds by program within the block grant.

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

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

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

SUMMARY OF FEDERAL BLOCK GRANTS

(Dollar Amounts in Thousands)

	1984-85 Actual Block	1985-86 Estimated Block	1986-87 Recommended Block
Community Services	\$ 15,737	\$ 18,737	\$ 20,374
Small Communities	58,548	53,886	85,955
Education	24,539	24,326	24,466
Maternal and Child Health	22,941	23,110	20,210
Preventive Health and Health Services	4,342	5,326	5,072
Alcohol, Drug Abuse, and Mental Health ..	28,606	30,014	26,979
Low-Income Home Energy Assistance	149,336	141,500	134,700
Social Services	143,678	146,063	141,435
Job Training Partnership	158,736	201,364	190,758
TOTAL	<u>\$ 606,463</u>	<u>\$ 644,326</u>	<u>\$ 649,949</u>

COMMUNITY SERVICES

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

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

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

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual Block	Estimate Block	Recommended Block
Community Affairs			
Administration	\$ 500	\$ 525	\$ 737
Community Services	15,237	18,212	19,637
TOTAL	\$ 15,737	\$ 18,737	\$ 20,374

SMALL COMMUNITIES

Program funds provide assistance in expanding low and moderate income housing opportunities; enhancing economic development and job opportunities for low and moderate income; correcting deficiencies in public facilities such as water and sewer systems; and improving public facilities that affect the public health and safety.

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

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual Block	Estimate Block	Recommended Block
Community Affairs			
Administration	\$ 860	\$ 886	\$ 754
Small Communities	50,757	50,000	85,000
Small Communities — Jobs	6,931	3,000	201
 TOTAL	<u>\$ 58,548</u>	<u>\$ 53,886</u>	<u>\$ 85,955</u>

EDUCATION

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	1984-85 Actual Block	1985-86 Estimate Block	1986-87 Recommended Block
Education:			
Education Block Grant — Administration	\$ 2,146	2,310	\$ 2,379
Subtotal	\$ 2,146	\$ 2,310	\$ 2,379
 School Districts:			
Education Block Grant — School District			
Distribution	\$ 17,528	\$ 19,104	\$ 19,593
Education Block Grant — Technology Initiative . . . . .	. . . . .	2,912	2,494
Education Block Grant — Computer Knowledge Enhancement	2,058*	. . . . .	. . . . .
Subtotal	\$ 19,586	\$ 22,016	\$ 22,087
Subtotal — Education	\$ 21,732	\$ 24,326	\$ 24,466
 Higher Education Assistance Agency:			
School Districts:			
Computer Knowledge Enhancement	\$ 2,807	. . . . .	. . . . .
Subtotal	\$	\$	\$
TOTAL	\$ 24,539	\$ 24,326	\$ 24,466

*In the actual year funds were appropriated to PHEAA and subgranted to Education.

MATERNAL AND CHILD HEALTH

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

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

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual Block	Estimate Block	Recommended Block
Health:			
Administration	\$ 1,490	\$ 2,160	\$ 1,750
Maternal and Child Health Services	13,953	13,000	11,750
Crippled Children's Services	5,979	6,000	5,760
Supplemental Security Income Services	950	1,150	950
Maternal and Child Health — Pediatric Services—St. Christopher's Hospital .....	.....	750	.....
Maternal and Child Health — Spina Bifida .....	.....	50	.....
Jobs Bill — Maternal and Child Health Services	569	.....	.....
 TOTAL	 \$ 22,941	 \$ 23,110	 \$ 20,210

PREVENTIVE HEALTH AND HEALTH SERVICES

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

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

(Dollar Amounts in Thousands)			
Department / Appropriation	1984-85 Actual Block	1985-86 Estimate Block	1986-87 Recommended Block
Health:			
Administration	\$ 286	\$ 319	\$ 300
Emergency Medical Services	764	905	800
Health Education and Prevention	381	475	475
Tuberculosis Programs	569	569	569
Hypertension	607	940	810
Diabetes	206	218	218
Fluoridation	1	80	80
Subtotal	<u>\$ 2,814</u>	<u>\$ 3,506</u>	<u>\$ 3,252</u>
Public Welfare:			
Rape Crisis Centers	<u>\$ 157</u>	<u>\$ 192</u>	<u>\$ 192</u>
Environmental Resources:			
Administration	\$ 87	\$ 128	\$ 128
Rodent Control	1,284	1,500	1,500
Subtotal	<u>\$ 1,371</u>	<u>\$ 1,628</u>	<u>\$ 1,628</u>
TOTAL	<u><u>\$ 4,342</u></u>	<u><u>\$ 5,326</u></u>	<u><u>\$ 5,072</u></u>

ALCOHOL DRUG ABUSE AND MENTAL HEALTH

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	1984-85 Actual Block	1985-86 Estimate Block	1986-87 Recommended Block
Health:			
Alcohol and Drug Abuse Administration	\$ 1,462	\$ 1,453	\$ 1,379
Alcohol Grant Programs	4,731	4,617	4,515
Drug Grant Programs	6,833	6,741	6,609
Subtotal	\$ 13,026	\$ 12,811	\$ 12,503
Public Welfare:			
Alcohol Drug Abuse and Mental Health			
Administration	\$ 418	\$ 250	\$ 250
Mental Health — Community Health	15,162	16,953	14,226
Subtotal	\$ 15,580	\$ 17,203	\$ 14,476
TOTAL	\$ 28,606	\$ 30,014	\$ 26,979

LOW-INCOME HOME ENERGY ASSISTANCE

This block grant provides funds to assist eligible low income people to meet the cost of home energy and to provide low cost residential weatherization or other energy related home repairs for low income households..

Department / Appropriation	(Dollar Amounts in Thousands)		
	1984-85 Actual Block	1985-86 Estimate Block	1986-87 Recommended Block
Community Affairs:			
Low-Income Home Energy Assistance —			
Administration	\$ 773	\$ 800	.....
Low-Income Home Energy Assistance —			
Weatherization	9,095	7,200	.....
Subtotal	\$ 9,868	\$ 8,000	.....
Public Welfare:			
Low-Income Home Energy Assistance Block			
Grant -- Administration	\$ 11,968 ^a	\$ 12,500	\$ 12,000
Low-Income Home Energy Assistance Block			
Grant	127,500	121,000	122,700
Subtotal	\$ 139,468	\$ 133,500	\$ 134,700
TOTAL	\$ 149,336	\$ 141,500	\$ 134,700

^aIncludes the Low-Income Home Energy Assistance (1984) — Administration appropriation of \$2,090,000 and the Low-Income Home Energy Assistance (1985) — Administration appropriation of \$9,878,000.

SOCIAL SERVICES

This block grant provides funds to help those with special needs to achieve and maintain a greater degree of economic self-sufficiency, and to prevent neglect, abuse or exploitation of children and adults who are unable to protect their own interests.

Department / Appropriation	(Dollar Amounts in Thousands)		
	1984-85 Actual Block	1985-86 Estimate Block	1986-87 Recommended Block
Aging:			
General Government	\$ 995	.....	.....
Subtotal	\$ 995	.....	.....
Public Welfare:			
General Government	\$ 6,021	\$ 5,850	\$ 5,670
County Assistance Offices	14,498	14,498	14,498
SSI Advocacy .....	.....	2,500	.....
Youth Development	1,841	1,550	.....
Community Mental Health	9,400	9,400	4,900
Community Mental Retardation	14,397	14,397	6,997
Mental Retardation Residential Services	5,965	5,965	5,965
County Child Welfare	11,431	11,450	6,650
Day Care	42,544	42,419	42,021
Social Services	451	.....	.....
Domestic Violence and Rape Crisis	2,521	.....	.....
Domestic Violence .....	.....	1,656	1,656
Rape Crisis .....	.....	870	870
Family Planning	4,780	5,020	5,020
Legal Services	6,676	6,688	6,688
Shelter	3,000	3,000	3,000
Attendant Care	3,370	4,700	4,700
County Adult Services	11,788	.....	.....
Human Services Development Fund	4,000	16,100	32,800
Subtotal	\$ 142,683	\$ 146,063	\$ 141,435
TOTAL	\$ 143,678	\$ 146,063	\$ 141,435

JOB TRAINING PARTNERSHIP

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

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

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

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

Both the Dislocated Worker portion under Title III and the Educational Training portion of Title II-A require a non-Federal match based on the current level of State unemployment as compared to the national level. The matching requirement is decreased when unemployment rates are higher than national averages. It is estimated that a total of \$10,488,000 in State funding will be required to meet this matching requirement. These funds are reflected under the Departments of Education and Labor and Industry.

Department / Appropriation	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual Block	Estimate Block	Recommended Block
Labor and Industry:			
Administration	\$ 2,670 ^a	\$ 2,800	\$ 2,882
Grants to Service Delivery Areas	84,357	106,940	102,678
Summer Youth Program	39,296	42,961	42,883
Incentive Grants	1,402	10,000	7,303
Technical Assistance	993	3,927	1,646
Older Workers	2,152 ^b	4,112	3,100
Dislocated Workers	14,977	13,643	13,250
Veterans' Employment	300	1,187	1,187
Job Training Welfare Recipients .....	.....	2,685	1,000
Teen Pregnancy and Parenthood .....	.....	1,000	414
Special Barrier Grants	1,161	.....	.....
Subtotal	<u>\$ 147,308</u>	<u>\$ 189,255</u>	<u>\$ 176,343</u>
Executive Offices:			
Office of the Budget	\$ 1,031	\$ 854	\$ 859
Office of Policy Development	394	402	414
Subtotal	<u>\$ 1,425</u>	<u>\$ 1,256</u>	<u>\$ 1,273</u>
Aging:			
Grants to Area Agencies on Aging	<u>\$ 925</u>	<u>\$ 1,062</u>	<u>\$ 1,155</u>
Education:			
Linkages	\$ 621	\$ 1,000	\$ 1,737
Corrections Education	315	641	750
Educational Training	8,142	8,150	9,500
Subtotal	<u>\$ 9,078</u>	<u>\$ 9,791</u>	<u>\$ 11,987</u>
TOTAL	<u><u>\$ 158,736</u></u>	<u><u>\$ 201,364</u></u>	<u><u>\$ 190,758</u></u>

^a\$47,000 of this amount actually appropriated to the Department of Aging from the Lottery Fund.

^bActually appropriated to the Department of Aging from the Lottery Fund.

ECONOMIC DEVELOPMENT

Four overall themes designed to aid communities experiencing economic difficulties are included in this budget: a renaissance communities program, economic development, export promotion and advanced technology. Funding is provided from four sources: the General Fund; reallocation or restructuring within the Pennsylvania Economic Revitalization Fund (PERF); the Sunny Day Fund; and the Capital Budget via the Capital Facilities Fund.

These themes are discussed in detail in four Program Revision Requests within the Department of Commerce in Volume II of this budget. The following matrix summarizes the proposed funding amount and source of the many initiatives involved in each theme.

(Dollar Amounts in Thousands)

PRR Title / Initiative Title	General Fund	Capital Budget	Pennsylvania Economic Revitalization Fund				Sunny Day Fund	Total
			BID	Small Business Incubators	Employee Ownership	Capital Loan		
Renaissance Communities Program								\$ 24,900
Metals Reuse Study	\$ 375							375
Business Infrastructure Development			\$ 6,800 ^c					6,800
Mon-Valley Revitalization			2,000					2,000
Beaver Valley Revitalization			1,000					1,000
Enterprise Zones Tax Credits—LERTA			4,000 ^a					4,000
Enterprise Zones Tax Credits—NAA								
Economically-Disadvantaged Communities— Reduction of State Match				\$ 5,000				5,000
Pennsylvania Conservation Corps			3,000					3,000
Enterprise Development Zones	1,250							1,250
Community Economic Recovery					\$ 1,000			1,000
Early Warning—Implementation	100							100
Early Warning—Technical Assistance	250							250
Council of Governments	25							25
Planning Assistance	100							100
Economic Development								\$109,119
Midfield Terminal							\$ 20,000	20,000
Southern Expressway		\$ 70,000 ^d						70,000
Pennsylvania Industrial Development Authority	3,000							3,000
Technology Assessment Program					6,500			6,500
Resource Analysis and Planning	75							75
Economic Development Advertising	1,000							1,000
Small Business Assistance	150							150
Customized Job Training	3,000							3,000
Tourism Promotion Advertising	2,000							2,000
Welcome Center Improvements	40	3,054						3,094
Tourist Promotion Assistance Grants	300							300
Export Promotion								\$ 7,397
Export Development and Agricultural Promotion	\$ 300							300
Technical Export Assistance	72							72
Local Development Districts	200							200
Pennsylvania Export Trading System	150							150
PCLIF Export Financing						\$ 6,600		6,600
Long-Range Agribusiness Strategy	75							75
Advanced Technology								\$ 18,500
Ben Franklin Partnership	5,500							5,500
PENNTAP	50							50
Pennsylvania Energy Development Authority	200							200
Super Computer Center	1,750							1,750
Pittsburgh Technology Development Center	1,000							1,000
Homer Research Laboratory							5,000	5,000
Advanced Technology Facilities—BFP				5,000				5,000
TOTAL	\$ 20,962	\$ 73,054	\$ 16,800	\$ 10,000	\$ 7,500	\$ 6,600	\$ 25,000	\$159,916

^aContinuing three-year appropriation.

^bAuthorization only.

^cAlready appropriated, amending legislation required to fully utilize.

^dConsists of \$17.5 million State Funds and the rest from Other Funds including Federal grants. The funding composition may change upon completion of financial and engineering studies.

PENNSYLVANIA ECONOMIC REVITALIZATION FUND

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

As we enter the second half of PERF's three-year authorization, it has become apparent certain restructuring and reallocations, based on lack of demand for some programs and changing needs and priorities of the Commonwealth in general, are now required.

The following table outlines the adjustments recommended to PERF, including the 1986-87 appropriations required to implement these recommendations; details of specific proposals are contained in Volume II in this budget in four Program Revision Requests under the Department of Commerce.

Department/Appropriation	(Dollar Amounts in Thousands)					
	Allocation			Appropriation/Expenditure		
	Original Allocation	Adjustment Required	Revised Allocation	1984-85 Actual	1985-86 Available	1986-87 Budget
Agriculture						
Agricultural Loan Program	\$ 10,000	.....	\$ 10,000	.....	\$ 5,000	\$ 5,000*
Commerce						
Engineering School Equipment—Transfer to the Ben Franklin Partnership	\$ 3,000	.....	\$ 3,000	\$ 2,929	\$ 71	.....
Minority Business Assistance—Bid and Per- formance Bonds	1,500	.....	1,500	.....	700	\$ 800
Minority Business Assistance—Loans	1,500	.....	1,500	.....	700	800
Minority Business Assistance— Technical/Managerial Assistance	2,000	.....	2,000	339	700	961
Business Infrastructure Development	50,000	\$ -10,000	40,000	1,725	13,358	24,917
Small Business Incubators—Loans	17,000	-10,000	7,000	425	3,000	3,575
Small Business Incubators—Challenge Grants	3,000	.....	3,000	750	2,250	.....
Employe Ownership Assistance—Technical Assistance	3,000	-1,000	2,000	.....	800	1,200
Employe Ownership Assistance—Loans	12,000	-6,500	5,500	.....	2,000	3,500
Capital Loan Fund	15,000	.....	15,000	5,000	5,000	5,000
Mon Valley Revitalization .....	.....	2,000	2,000	.....	.....	2,000
Beaver Valley Revitalization .....	.....	1,000	1,000	.....	.....	1,000
Enterprise Zones Tax Credits — LERTA ..	.....	4,000	4,000	.....	.....	4,000
Financially-Disadvantaged Communities — Reduction of State Match .....	.....	5,000	5,000	.....	.....	5,000
Community Economic Recovery Program ..	.....	1,000	1,000	.....	.....	1,000
Technology Assessment Program .....	.....	6,500	6,500	.....	.....	6,500
Advanced Technology Facilities — BFP ..	.....	5,000	5,000	.....	.....	5,000
Community Affairs						
Recreational Improvements and Rehabilitation	\$ 18,000	.....	\$ 18,000	.....	\$ 12,000	\$ 6,000*
Education						
Vocational—Technical Equipment	\$ 27,000	.....	\$ 27,000	\$ 2,668	\$ 24,332	.....

*Already Appropriated.

PENNSYLVANIA ECONOMIC REVITALIZATION FUND (continued)

Department/Appropriation	(Dollar Amounts in Thousands)			Appropriation/Expenditure		
	Original Allocation	Allocation Adjustment Required	Revised Allocation	1984-85 Actual	1985-86 Available	1986-87 Budget
Environmental Resources						
Conservation Corps	\$ 15,000	\$ 3,000	\$ 18,000	\$ 6,398	\$ 8,602	\$ 3,000
Recreational Improvements and Rehabilitation	12,000	.....	12,000	6,378	5,622	.....
PENNSYLVANIA ECONOMIC REVITALIZATION FUND TOTAL ..	\$ 190,000	.....	\$ 190,000	\$ 26,612	\$ 84,135	\$ 79,253

SUNNY DAY FUND

Currently there is \$25 million in the Sunny Day Fund to "alleviate unemployment by attracting large industrial, manufacturing or research and development plants into this Commonwealth."

It is proposed that these funds be allocated as follows:

Department/Appropriation	(Dollar Amounts in Thousands)
	1986-87 Budget
Department of Commerce	
Midfield Terminal	\$ 20,000
Homer Research Laboratory	\$ 5,000
SUNNY DAY FUND TOTAL.....	\$ 25,000

PROGRAM EVALUATION REPORTS

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

Below are summaries of the major program evaluation reports completed during 1985.

Coping With Prison Crowding

This evaluation identifies present and future levels of prison crowding in the State correctional institutions based on completed and authorized capacity expansion initiatives. It examines two distinct strategies for dealing with prison crowding: methods to reduce lengths of stay (including earned time credits, intensive parole supervision, and expansion of community service centers); and methods to create additional housing space (including initiating new construction, converting existing facilities, creating additional space within existing facilities, and leasing space in private prisons).

The report concludes that if additional capacity is required to respond to sudden increases in State prison population levels, developing this additional capacity within existing facilities is a feasible option. Therefore, constructing new prison facilities beyond those currently authorized or using methods to reduce the length of time inmates are incarcerated are not the only feasible ways to reduce crowded conditions in the State correctional institutions.

Insurance Company Examinations Responsibilities, Workload and Productivity of the Bureau of Examinations

The Bureau of Examinations in the Insurance Department examines the financial condition of insurance companies (including income, disbursements and loss payments) as well as the market conduct of insurance companies in terms of compliance with the law and treatment of policyholders. This report assesses the capabilities of the bureau's staff, operations and examinations procedures in meeting the statutory and regulatory responsibilities associated with regulation of the insurance industry.

The report determined that the bureau has continued to meet its statutory examination responsibilities even as the number and complexity of examinations has increased, and the number of bureau examiners has declined. However, with the increase in the number of insurance companies doing business in Pennsylvania, and the new examination responsibilities for continuing care facilities and insurance premium finance companies, the bureau conceivably may have difficulty meeting its statutory examination responsibilities during future peak examination periods. The report recommends that the Insurance Department: make schedule adjustments to even out annual examination workload and eliminate peak examination years; take steps to maximize the use of EDP audit software during the examinations process; use the current manual billing and scheduling system to begin setting targets for and reporting on examiner performance standards for the conduct of examinations; and develop a computerized management information system to track company examination schedules and cycles, time spent on examinations, individual examiner productivity, expense billings and other examinations-related information.

***The Pennsylvania Chronic Renal Disease Program
Program Participation, Payment Procedures and Funding Requirements***

The Chronic Renal Disease program has experienced wide variations between amounts budgeted and amounts expended. The report examines this variability in funding requirements and identifies ways to improve estimates of program participation and costs and ways to improve payment procedures.

The evaluation determined that the 1985-86 legislative appropriation likely would not cover the costs of renal services provided in 1985-86 and, as a result, invoice liabilities would be rolled forward into 1986-87. In addition, the steady growth in the program caseload is putting pressure on the application review, invoice auditing and payment authorization procedures so that any decreases in staff time has the potential to substantially increase invoice backlogs. The report recommends that the Department of Health establish data collection and analysis procedures on service levels and costs on a per patient basis, and develop a computerized management information system with data input capabilities. These actions would improve productivity by eliminating most of the manual, labor intensive invoice auditing procedures and would provide much needed data and trends on socio-financial and demographic patient profiles, treatment patterns and costs, payment sources available and utilized, and caseload and service delivery patterns.

***State General Hospitals
A Status Report***

This evaluation was designed to provide information on the State General Hospitals to serve as background and reference material when reviewing plans for the divestiture of these hospitals. The report provides information on the financial condition and estimated accumulated deficit of each hospital. It also includes a basic description of the physical plant and the economic setting of each hospital, and operations and management information including scope of service and patient occupancy rates.

***The Four Secondary and Post-Secondary State-Aided
Educational Institutions***

The Commonwealth provides financial support to the following four educational institutions: Berean Manual Training and Industrial School, Downingtown Industrial and Agricultural School, O.S. Johnson School of Technology, and the Williamson School of Mechanical Trades. This report reviews the operation and the financial health of these schools based on visits to the schools, interviews, financial statements provided by the Auditor General, and other information supplied by the schools and the Pennsylvania Department of Education.

The report identifies areas where the Department of Education can provide the Berean and Downingtown Schools with assistance and guidance, and concludes that similar attention is not needed at the Johnson and Williamson Schools.

PUBLIC INFORMATION AND COMMUNICATIONS

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

(Dollar Amounts in Thousands)

	1985-86 Estimated	1986-87 Budget
Governor's Office	\$ 693	\$ 708
Executive Offices	195	213
Department of Aging	152	157
Department of Agriculture	178	185
Banking Department	35	36
State Civil Service Commission	30	36
Department of Commerce	203	217
Department of Community Affairs	234	241
Department of Corrections	145	164
Crime Commission	55	57
Department of Education	297	312
Emergency Management Agency	101	106
Department of Environmental Resources	544	568
Fish Commission	70	74
Game Commission	45	47
Department of General Services	60	61
Department of Health	228	236
Historical and Museum Commission	33	37
Insurance Department	64	67
Department of Labor and Industry	106	110
Liquor Control Board	104	106
Department of Military Affairs	133	137
Board of Probation and Parole	12	13
Public Television Network	67	73
Public Utility Commission	171	194
Department of Public Welfare	246	254
Department of Revenue	149	151
Securities Commission	9	10
Department of State	64	66
State Police	113	120
Tax Equalization Board	40	39
Department of Transportation	619	646
TOTAL	\$ 5,195	\$ 5,441

The Commonwealth also spends funds in these areas:

- *Lottery sales promotion* — \$9.3 million is spent on advertising campaigns to promote lottery sales and to disseminate information on the various lottery programs including property tax and rent assistance for 503,000 elderly citizens during 1986-87. These expenditures are expected to generate approximately \$820 million in lottery revenues during 1986-87.
- *Economic development* — A total of \$8.1 million is recommended from the General Fund to promote tourism and economic development. This has contributed to the approximately \$8.4 billion in 1985 travel revenues to Pennsylvania and supports the State's aggressive effort to preserve and create jobs.

* PPTN Included in Education in 1984-85 Budget.

Transition to a Private Liquor System



The Governor has proposed a phased five year transition to a completely private liquor distribution system in Pennsylvania to replace the current State monopoly system.

During the first phase of transition, licenses for the current State-operated off-premise outlets would be sold to the highest qualified bidders who would each be allowed to open a second store. Six months later, wine-only retail licenses would be available to establishments which sell groceries and those devoted primarily to the sale of wine. Eighteen months into transition, wholesale liquor licenses would begin to be issued and after five years the entire system would be wholly privately operated.

Because of the uncertainties and complexities inherent in such an undertaking the detailed financial ramifications of the transition are not reflected in this budget. However, due to the exclusive nature of the initial licenses to be bid, it is anticipated that a substantial one-time income will be generated by this license sale and this income is reflected herein as Other Funds in the Department of Education where it would be available for the following:

Purpose	(Dollar Amounts in Thousands)	
	1986-87 Budget	1987-88 Estimated
To elementary or secondary schools for improvement or acquisition of computer or scientific laboratory facilities.....	\$ 5,000	\$ 5,000
To area vocational technical schools for capital equipment needed for classroom instruction to promote career opportunities in advanced technology fields	15,000	15,000
To community colleges for capital equipment needed for classroom instruction to promote career opportunities in advanced technology fields	15,000	15,000
To the State System of Higher Education for improvement of computer facilities and scientific equipment at each State university	15,000	15,000
To science and engineering colleges and universities for capital equipment needed for classroom instruction to promote career opportunities in advanced technology fields	25,000	25,000

In addition, under the Governor's proposal any individual or group of individuals who are displaced from State employment as a result of the transition and who desire to acquire a private retail wine or liquor license shall be eligible to apply for a loan guarantee of up to 70 percent of the amount borrowed to purchase the license and to acquire stock and equip the store. Up to \$10 million will be available for this purpose.

Additional details on the proposed uses of these funds are available in the appendix of the Higher Education subcategory under the Department of Education in Volume II of this budget.



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PROGRAM
BUDGET
SUMMARY

Commonwealth Program Budget

This section summarizes the 1986-87 budget by the eight major program areas in which the Commonwealth provides services to its residents. It crosses departmental lines as well as individual special funds. As such it provides an overview of the major recommendations of this budget for program improvements or continuation.

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

FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS

	(DOLLAR AMOUNTS IN THOUSANDS)						
	1984-85 ACTUAL	1985-86 AVAILABLE	1986-87 BUDGET	1987-88 ESTIMATED	1988-89 ESTIMATED	1989-90 ESTIMATED	1990-91 ESTIMATED
DIRECTION AND SUPPORTIVE SERVICES							
GENERAL FUND.....	\$ 354,587	\$ 381,969	\$ 375,404	\$ 388,114	\$ 401,872	\$ 415,340	\$ 429,798
SPECIAL FUNDS.....	247,067	334,986	284,988	294,376	303,336	315,016	325,893
FEDERAL FUNDS.....	1,661	1,579	2,391	2,399	2,474	2,552	2,633
OTHER FUNDS.....	126,082	138,303	133,305	140,591	148,020	155,595	163,271
TOTAL-OPERATING.....	<u>\$ 729,397</u>	<u>\$ 856,837</u>	<u>\$ 796,088</u>	<u>\$ 825,480</u>	<u>\$ 855,702</u>	<u>\$ 888,503</u>	<u>\$ 921,595</u>
PROTECTION OF PERSONS AND PROPERTY							
GENERAL FUND.....	\$ 472,439	\$ 550,921	\$ 557,722	\$ 606,314	\$ 650,432	\$ 685,137	\$ 718,194
SPECIAL FUNDS.....	217,888	232,862	237,215	233,940	239,382	244,679	252,996
FEDERAL FUNDS.....	28,969	34,127	28,384	27,974	28,402	29,842	28,892
OTHER FUNDS.....	377,724	454,012	471,308	494,049	520,132	544,414	572,514
TOTAL-OPERATING.....	<u>\$ 1,097,020</u>	<u>\$ 1,271,922</u>	<u>\$ 1,294,629</u>	<u>\$ 1,362,277</u>	<u>\$ 1,438,348</u>	<u>\$ 1,504,072</u>	<u>\$ 1,572,596</u>
HEALTH-PHYSICAL AND MENTAL WELL-BEING							
GENERAL FUND.....	\$ 1,606,369	\$ 1,719,045	\$ 1,735,264	\$ 1,765,625	\$ 1,872,847	\$ 1,951,217	\$ 2,030,289
SPECIAL FUNDS.....	149,639	149,835	150,501	151,055	151,622	152,211	152,826
FEDERAL FUNDS.....	1,183,167	1,372,770	1,286,225	1,260,894	1,333,284	1,376,630	1,422,249
OTHER FUNDS.....	112,135	120,676	110,391	99,664	102,080	104,233	142,291
TOTAL-OPERATING.....	<u>\$ 3,051,310</u>	<u>\$ 3,362,326</u>	<u>\$ 3,282,381</u>	<u>\$ 3,277,238</u>	<u>\$ 3,459,833</u>	<u>\$ 3,584,291</u>	<u>\$ 3,747,655</u>
INTELLECTUAL DEVELOPMENT AND EDUCATION							
GENERAL FUND.....	\$ 4,291,276	\$ 4,624,465	\$ 4,813,192	\$ 5,024,154	\$ 5,243,512	\$ 5,474,455	\$ 5,707,017
SPECIAL FUNDS.....	.....	.....	.....	.....	.....	.....	.....
FEDERAL FUNDS.....	41,317	45,476	46,419	45,838	45,838	45,838	45,838
OTHER FUNDS.....	567,774	589,659	691,418	689,931	615,361	615,808	616,273
TOTAL-OPERATING.....	<u>\$ 4,900,367</u>	<u>\$ 5,259,600</u>	<u>\$ 5,551,029</u>	<u>\$ 5,759,923</u>	<u>\$ 5,904,711</u>	<u>\$ 6,136,101</u>	<u>\$ 6,369,128</u>
SOCIAL DEVELOPMENT							
GENERAL FUND.....	\$ 513,996	\$ 536,234	\$ 570,284	\$ 605,948	\$ 637,301	\$ 669,481	\$ 702,534
SPECIAL FUNDS.....	422,101	432,724	470,308	476,687	483,476	490,584	498,011
FEDERAL FUNDS.....	453,054	461,014	466,194	478,526	487,516	498,099	509,193
OTHER FUNDS.....	13,799	15,224	14,072	14,659	15,137	15,634	16,146
TOTAL-OPERATING.....	<u>\$ 1,402,950</u>	<u>\$ 1,445,196</u>	<u>\$ 1,520,858</u>	<u>\$ 1,575,820</u>	<u>\$ 1,623,430</u>	<u>\$ 1,673,798</u>	<u>\$ 1,725,884</u>

FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS (CONTINUED)

	(DOLLAR AMOUNTS IN THOUSANDS)						
	1984-85 ACTUAL	1985-86 AVAILABLE	1986-87 BUDGET	1987-88 ESTIMATED	1988-89 ESTIMATED	1989-90 ESTIMATED	1990-91 ESTIMATED
ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE							
GENERAL FUND.....	\$ 1,058,521	\$ 1,198,453	\$ 1,116,267	\$ 1,121,111	\$ 1,181,716	\$ 1,196,502	\$ 1,209,772
SPECIAL FUNDS.....	19,502	19,685	19,628	19,563	19,623	19,685	19,749
FEDERAL FUNDS.....	1,073,545	1,182,774	1,193,529	1,129,593	1,130,118	1,131,840	1,133,740
OTHER FUNDS.....	325,391	371,149	479,132	399,907	410,620	428,183	401,320
TOTAL-OPERATING.....	\$ 2,476,959	\$ 2,772,061	\$ 2,808,556	\$ 2,670,174	\$ 2,742,077	\$ 2,776,210	\$ 2,764,581
TRANSPORTATION AND COMMUNICATION							
GENERAL FUND.....	\$ 188,723	\$ 200,538	\$ 200,963	\$ 206,728	\$ 213,094	\$ 219,679	\$ 226,188
SPECIAL FUNDS.....	1,072,397	1,123,201	1,106,423	1,108,993	1,080,793	1,071,015	1,075,227
FEDERAL FUNDS.....	618,673	833,566	851,795	633,805	558,824	556,620	547,227
OTHER FUNDS.....	141,657	289,774	462,663	326,256	236,615	240,416	231,088
TOTAL-OPERATING.....	\$ 2,021,450	\$ 2,447,079	\$ 2,621,844	\$ 2,275,782	\$ 2,089,326	\$ 2,087,730	\$ 2,079,730
RECREATION AND CULTURAL ENRICHMENT							
GENERAL FUND.....	\$ 100,451	\$ 110,035	\$ 113,864	\$ 118,271	\$ 124,470	\$ 129,547	\$ 134,644
SPECIAL FUNDS.....	54,055	57,496	51,726	53,447	55,444	55,737	53,391
FEDERAL FUNDS.....	11,565	7,761	8,783	9,447	9,660	9,758	9,832
OTHER FUNDS.....	27,474	41,612	25,902	16,721	16,867	15,864	15,475
TOTAL-OPERATING.....	\$ 193,545	\$ 216,904	\$ 200,275	\$ 197,886	\$ 206,441	\$ 210,906	\$ 213,342
COMMONWEALTH TOTALS							
GENERAL FUND.....	\$ 8,586,362	\$ 9,321,660	\$ 9,482,960	\$ 9,836,265	\$ 10,325,244	\$ 10,741,358	\$ 11,158,436
SPECIAL FUNDS.....	2,182,649	2,350,789	2,320,789	2,338,061	2,333,676	2,348,927	2,378,093
FEDERAL FUNDS.....	3,411,951	3,939,067	3,883,720	3,588,476	3,596,116	3,651,179	3,699,604
OTHER FUNDS.....	1,692,036	2,020,409	2,388,191	2,181,778	2,064,832	2,120,147	2,158,378
TOTAL-OPERATING.....	\$ 15,872,998	\$ 17,631,925	\$ 18,075,660	\$ 17,944,580	\$ 18,319,868	\$ 18,861,611	\$ 19,394,511

DIRECTION AND SUPPORTIVE SERVICES

	(DOLLAR AMOUNTS IN THOUSANDS)						
	1984-85 ACTUAL	1985-86 AVAILABLE	1986-87 BUDGET	1987-88 ESTIMATED	1988-89 ESTIMATED	1989-90 ESTIMATED	1990-91 ESTIMATED
GENERAL FUND.....\$	354,587	\$ 381,969	\$ 375,404	\$ 388,114	\$ 401,872	\$ 415,340	\$ 429,798
SPECIAL FUNDS.....	247,067	334,986	284,988	294,376	303,336	315,016	325,893
FEDERAL FUNDS.....	1,661	1,579	2,391	2,399	2,474	2,552	2,633
OTHER FUNDS.....	126,082	138,303	133,305	140,591	148,020	155,595	163,271
TOTAL..... \$	<u>729,397</u>	<u>\$ 856,837</u>	<u>\$ 796,088</u>	<u>\$ 825,480</u>	<u>\$ 855,702</u>	<u>\$ 888,503</u>	<u>\$ 921,595</u>

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

Major initiatives in this program include \$330,000 for a fixed asset reporting system as part of our GAAP reporting effort, \$222,000 to purchase portable computers in order to enhance field audits, \$1 million for installation of fiber optic cabling in the Capitol Complex, a Productivity Improvement Initiative for \$68,000 to further automate the budget process, \$715,000 to develop an automated contract preparation and purchase order process, \$430,000 to procure a mini-computer to support workstations in several departments, \$50,000 for storage of the Governor's papers, \$500,000 for maintenance and security of the Capitol addition, and \$750,000 for its utility costs.

The direct and indirect effects of Federal actions have a major impact on State programs. To insure that the Commonwealth's interests are adequately represented, the Governor's Washington Office continues to be utilized and has become one of the most active such offices of its kind in the Nation's Capital. This office provides a liaison between the Commonwealth and members of Congress and Federal officials.

The Office of Administration provides administrative support and policy direction in the areas of classification and pay, placement, labor relations, training and affirmative action, and monitors, coordinates and implements policy and programs which encourage productivity and effectiveness, eliminate waste and mismanagement, and support the Governor's overall direction in managing the State work force.

The Integrated Central System (ICS) facilitates policymaking and will provide integrated accounting, budgeting, payroll, purchasing and personnel systems when fully completed. Since the ICS accounting system totally

replaced the previous system in July 1985, during the 1986-87 fiscal year, the ICS Project Team will proceed with the development of the ICS personnel/payroll system, support the management of the ICS accounting system, and support the development activities of the Department of General Services in the purchasing system. In 1986-87, agencies will be billed an equitable amount for ICS production to meet the ongoing costs of report generation and transaction processing of current systems. Funds are provided in the agency budgets for this new billing. The Office of the Budget will be responsible for maintenance of the ICS accounting system.

The Office of the Budget assists the Governor in formulating fiscal policies and procedures, prepares the annual Governor's Budget, and provides accounting, auditing, and financial advisory and supportive services to Commonwealth agencies. The Office of the Budget has been instrumental in providing much of the staff support and direction essential to successfully accomplish fiscal and management objectives with an emphasis on professionalism in accounting, systems, auditing, and budget analysis. The recommended amount includes an additional \$330,000 for a fixed asset reporting system as part of our GAAP reporting effort and a Productivity Improvement Initiative for \$68,000 to further automate the budget preparation/control process.

The Office of Policy Development provides policy research and analytical support to the Governor and his Cabinet in areas relating to economic and community development, human services, public safety, the environment and other areas of concern to the Commonwealth. This office also coordinates the implementation of Commonwealth policy, and monitors and develops responses to Federal actions in order to insure the effectiveness of these policies and to improve the efficiency and effectiveness of services. The State Planning Board was responsible for producing the Commonwealth's blueprint for economic development entitled *Choices for Pennsylvanians* and is currently involved in completing a long-term strategic plan for selected human services issues called *Human Services Choices for Pennsylvanians*.

The Commonwealth is keeping abreast of the latest developments in telecommunications and data communications. This budget provides \$1 million for installation of fiber optic cabling in the Capitol Complex to facilitate in-

ternal communication teleconferencing.

The Commonwealth Data Network, which will transfer to the Department of General Services on July 1, 1986, will be expanded next year to accommodate the growing needs of the Commonwealth. Eight agencies are currently using the network services. Next year, agencies will be billed for the operational costs and necessary equipment purchases based on their estimated network usage rates. As the costs associated with computer networks continue to rise, the benefits of a consolidated approach will increase at a correspondingly high rate. It will also position the State to take full advantage of future technological developments.

The Bureau of EDP/Telecommunication Technology, which will remain in the Office of Administration, approves all Commonwealth EDP and telecommunication resource acquisitions and develops, coordinates, and promulgates Commonwealth policy governing the acquisition, management utilization and security of these resources.

The 1986-87 budget provides \$715,000 to fund a consulting contract to develop an automated contract preparation and purchase order process. This process will be integrated into the central agency purchasing system being developed by the Integrated Central System (ICS). Substantial savings are projected when the process is operational.

In 1986-87, the Department of General Services will buy a mini-computer for \$430,000 to support workstations of the Department of General Services, the Department of Environmental Resources and the Historical and Museum Commission. The workstations are computer graphics systems for architectural design and drafting. This computer-aided design and drafting system requires substantially less personnel costs. With the mini-computer, the Commonwealth will no longer purchase this support from outside vendors to operate the workstations.

Next year, the Capitol Addition will be completed. This budget includes \$500,000 for the necessary maintenance and security of the building and \$750,000 for its utility costs. The building has highly sophisticated systems, particularly in the areas of security and energy conservation.

Also included in the Department of General Service's budget is \$50,000 for storage of the Governor's papers.

Through the use of a computer assisted program to collect delinquent Personal Income Tax payments, the Department of Revenue will collect \$220 million in delinquent taxes which is quadruple the amount that was collected during 1978. This collection statistic does not reflect other monies garnered through voluntary tax payments made in response to increased tax enforcement activities. The recommended

amount includes an additional \$222,000 to purchase portable computers in order to enhance field audit activities. For the fifth year in a row, the Department of Revenue will be reducing its complement with no loss of efficiency. Since 1978, the department has reduced complement by almost 1,000 positions.

A significant component of the State's personnel management system is provided by the Civil Service Commission. In fiscal year 1986-87, emphasis will be placed on continued modernization of the existing EDP system, implementation of an agency-wide office automation initiative to adjust for substantially increased workloads in selected areas, and to continue to provide high level personnel services to Commonwealth agencies.

The 1986-87 budget provides \$2 million for a number of energy conservation projects in Commonwealth-owned buildings. When completed, these projects will reduce energy costs to the Commonwealth with a payback period of two to three years. The energy conservation evaluations include all Commonwealth-owned buildings and projects, and are selected on a priority basis of energy savings.

The State Employees Retirement System funds current benefits for annuitants of the system and future benefits for active members. This is a very costly system. In 1985-86, each agency contributed an average of 18 percent of payroll costs to the fund, a total of over \$450 million. A proposed revision to the retirement system for new employees, and those existing employees who elect to join it, would provide adequate benefits at a more fiscally acceptable cost to the Commonwealth. The employee contribution to the system, which is now either five percent or 6.25 percent of salary, depending on the starting date of employment, would no longer be required. Legislation establishing such a system has been drafted for the State system and is recommended for the School Employees Retirement System as well. The School System funding is shared by the Commonwealth and school districts and, at a 1986-87 cost of over \$862 million, has a major impact on those budgets. This proposal will mitigate the costs of the program for both systems in future years. A chart showing the funding increases by contributor for 1978-79 through 1986-87 is included in the subcategory "General Elementary and Secondary Education" in the Department of Education. Both systems are currently undergoing the required five year experience review by their respective actuaries. The favorable economic conditions resulting in high interest earnings and other factors will result in decreases in the cost of both systems as a percentage of payroll for 1986-87.

DIRECTION AND SUPPORTIVE SERVICES

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
GENERAL ADMINISTRATION AND SUPPORT.....	\$ 74,490	\$ 72,582	\$ 74,671	\$ 78,797	\$ 82,915	\$ 86,519	\$ 89,992
FISCAL MANAGEMENT.....	\$ 355,457	\$ 445,337	\$ 384,629	\$ 394,968	\$ 405,914	\$ 417,167	\$ 428,732
REVENUE COLLECTION AND ADMINISTRATION	288,053	360,812	315,944	325,047	334,604	344,412	354,475
DISBURSEMENT.....	47,480	62,024	45,476	45,888	46,316	46,761	47,224
AUDITING.....	19,924	22,501	23,209	24,033	24,994	25,994	27,033
COMMODITY MANAGEMENT.....	\$ 4,838	\$ 4,828	\$ 4,851	\$ 4,887	\$ 4,474	\$ 4,652	\$ 4,839
PROCUREMENT STORAGE AND DISTRIBUTION							
OF COMMODITIES.....	4,838	4,828	4,851	4,887	4,474	4,652	4,839
PHYSICAL FACILITIES MANAGEMENT.....	\$ 59,454	\$ 61,331	\$ 64,518	\$ 65,557	\$ 67,595	\$ 69,153	\$ 71,531
PROVISION AND OPERATION OF FACILITIES	59,454	61,331	64,518	65,557	67,595	69,153	71,531
MANAGEMENT OF COMMONWEALTH LIABILITY....	\$ 18,998	\$ 33,463	\$ 27,477	\$ 30,017	\$ 31,557	\$ 35,600	\$ 38,643
RISK MANAGEMENT AND TORT CLAIMS.....	18,998	33,463	27,477	30,017	31,557	35,600	38,643
LEGISLATIVE PROCESSES.....	\$ 88,417	\$ 99,414	\$ 104,246	\$ 108,264	\$ 112,753	\$ 117,265	\$ 121,954
LEGISLATURE.....	88,417	99,414	104,246	108,264	112,753	117,265	121,954
 PROGRAM TOTAL.....	 \$ 601,654	 \$ 716,955	 \$ 660,392	 \$ 682,490	 \$ 705,208	 \$ 730,356	 \$ 755,691
	=====	=====	=====	=====	=====	=====	=====

PROTECTION OF PERSONS AND PROPERTY

	(DOLLAR AMOUNTS IN THOUSANDS)						
	1984-85 ACTUAL	1985-86 AVAILABLE	1986-87 BUDGET	1987-88 ESTIMATED	1988-89 ESTIMATED	1989-90 ESTIMATED	1990-91 ESTIMATED
GENERAL FUND..... \$	472,439	\$ 550,921	\$ 557,722	\$ 606,314	\$ 650,432	\$ 685,137	\$ 718,194
SPECIAL FUNDS.....	217,888	232,862	237,215	233,940	239,382	244,679	252,996
FEDERAL FUNDS.....	28,969	34,127	28,384	27,974	28,402	29,842	28,892
OTHER FUNDS.....	377,724	454,012	471,308	494,049	520,132	544,414	572,514
TOTAL..... \$	<u>1,097,020</u>	<u>\$ 1,271,922</u>	<u>\$ 1,294,629</u>	<u>\$ 1,362,277</u>	<u>\$ 1,438,348</u>	<u>\$ 1,504,072</u>	<u>\$ 1,572,596</u>

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

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

In 1986-87 the first three of five new institutions will be available. This will be the first time since the inmate population began surging in 1981 that the capacity increase will exceed the projected increase in population. A total of 1,476 new cells will be available at Cresson (451), Frackville (543) and Retreat (482). Over \$8.7 million is recommended to staff and operate these facilities. Projections assume the opening of a fourth institution at Smithfield (502 cells) and an expansion of the Graterford institution (418 cells) in 1987-88.

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

An integral part of the incarceration process is the probation and parole effort. Increasing prison populations eventually result in increased caseloads for the Board of Probation and Parole. Sufficient funds are recommended to stabilize the average caseload per agent. This will insure that the parole system continues to provide effective public protection while assisting offenders to find work and become productive citizens.

This budget also assists counties in dealing with their in-

creasing inmate loads by providing a 21 percent increase in State support for adult probation programs. With this increase, State funds for this program will have increased by more than 350 percent since 1979. In addition, \$100,000 (double last year's amount) is recommended to assist several counties in establishing a program to provide specialized and individualized services to mentally retarded adult offenders.

Concurrently, the budget recommendation for the Juvenile Court Judges Commission expands the county juvenile probation grant-in-aid program to implement additional pilot programs for mentally retarded juvenile offenders, restitution, community service and objectives-based case management.

The budget amount also includes \$46,000 for the Commission to fully fund the statistical analysis center with State funds and \$30,000 to monitor the current decree conditions of the Coleman vs. Stanziani settlement.

In the Department of Public Welfare, funds are recommended for expansion and improvement of forensic mental health services to offenders and for creation of a long-term secure facility for serious juvenile offenders in order to provide extended intensive rehabilitation and supervision of these youth.

The budget for the Pennsylvania State Police continues funding of previous initiatives including the training of 160 new cadets. Transferring the inspection of underground storage tanks to the Department of Environmental Resources will free additional troopers for patrol duty. Funds are also recommended for the purchase of new leather uniform items (\$450,000) and for the placement of personal computers in all troop headquarters and substations (\$650,000) which will save an estimated 88 man-years of trooper time when fully implemented.

To assist citizens, police officers, deputy sheriffs, county jail officers and local governments in dealing with the crime problem and jail crowding, the budget contains \$127,000 in additional funding for several initiatives to be conducted by the Commission on Crime and Delinquency. The Commission is mandated to provide basic and inservice training to all deputy sheriffs in the Commonwealth. Last year, the Commission established the first Deputy Sheriffs Training School at Dickinson School of Law and certified 184 deputies upon graduation. Funds are provided to administer Federal Justice Assistance Act programs and to partially

match funds for training in order to defray local tuition expenses.

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

In addition, \$70,000 is included for a Productivity Improvement Initiative to expand the Commission's analytical capability and link its computer system into the criminal justice information network. This initiative involves the purchase of a computer system to better analyze data and, in the near future, link to an on-line criminal justice information network.

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

- \$128,000 to the Attorney General's Office to establish a comptroller's office.

- \$21,000 for increased expert witness fees for the Consumer Advocate's Office.

- \$156,000 to Insurance to enable the Commission to better react to the move to non-gender based automobile insurance rates and to changes in health care provision and insurance industry investment practices.

- \$120,000 for computerization in the Securities Commission.

- \$125,000 to reflect the recommendation that swine killed by pseudorabies be made eligible for the Animal Indemnities Program.

- \$229,000 for expanded agricultural research efforts.

- \$1,500,000 for costs incurred in administration, management and implementation of food programs administered by the Department of Agriculture.

Finally, in January 1986, several cases of avian influenza were detected in Snyder and Fulton counties and the flocks were depopulated. The Department of Agriculture is supervising the depopulation. A supplemental appropriation of \$500,000 for 1985-86 is recommended to alleviate the financial hardship on the poultry industry.

PROTECTION OF PERSONS AND PROPERTY

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
GENERAL ADMINISTRATION AND SUPPORT.....	\$ 40,261	\$ 43,451	\$ 44,869	\$ 46,526	\$ 48,237	\$ 50,104	\$ 51,146
TRAFFIC SAFETY AND SUPERVISION.....	\$ 180,238	\$ 199,507	\$ 204,673	\$ 202,355	\$ 207,208	\$ 211,887	\$ 219,221
OPERATOR QUALIFICATIONS CONTROL.....	26,916	29,627	30,537	28,045	28,920	29,652	30,637
VEHICLE STANDARDS CONTROL.....	24,364	26,618	27,496	24,205	24,919	25,499	26,305
TRAFFIC SUPERVISION.....	107,775	121,988	125,254	128,845	132,040	135,254	140,629
HIGHWAY SAFETY PROJECTS.....	16,763	16,334	16,323	16,331	16,336	16,338	16,338
HIGHWAY SAFETY EDUCATION.....	4,420	4,940	5,063	4,929	4,993	5,144	5,312
CONTROL AND REDUCTION OF CRIME.....	\$ 254,525	\$ 287,436	\$ 322,049	\$ 362,739	\$ 398,846	\$ 425,217	\$ 451,006
JUVENILE CRIME PREVENTION.....	3,442	3,979	4,444	4,770	5,119	5,494	5,860
CRIMINAL LAW ENFORCEMENT.....	64,498	67,886	74,464	79,390	84,585	90,060	93,666
REINTEGRATION OF OFFENDERS.....	186,585	215,571	243,141	278,579	309,142	329,663	351,480
ADJUDICATION OF DEFENDENTS.....	\$ 101,804	\$ 130,683	\$ 127,295	\$ 130,702	\$ 134,251	\$ 137,937	\$ 141,773
STATE JUDICIAL SYSTEM.....	101,804	130,683	127,295	130,702	134,251	137,937	141,773
MAINTENANCE OF PUBLIC ORDER.....	16,868	20,508	13,403	14,025	14,640	15,261	15,841
PREVENTION AND CONTROL OF CIVIL DISORDER.....	1,422	1,782	1,915	2,110	2,281	2,439	2,538
EMERGENCY DISASTER ASSISTANCE.....	15,446	18,726	11,488	11,915	12,359	12,822	13,303
CONSUMER PROTECTION.....	\$ 55,169	\$ 49,419	\$ 41,058	\$ 40,795	\$ 42,025	\$ 43,302	\$ 44,623
REGULATION OF CONSUMER PRODUCTS.....	19,585	21,348	13,846	14,355	14,878	15,419	15,976
REGULATION OF FINANCIAL INSTITUTIONS.....	6,584	7,064	6,836	7,109	7,394	7,690	7,997
REGULATION OF SECURITIES INDUSTRY.....	1,949	2,154	2,409	2,505	2,605	2,709	2,817
REGULATION OF INSURANCE INDUSTRY.....	7,268	7,584	7,653	8,032	8,353	8,687	9,034
REGULATION OF HORSE RACING.....	15,385	9,479	8,670	7,150	7,151	7,153	7,155
REGULATION OF MILK INDUSTRY.....	4,398	1,790	1,644	1,644	1,644	1,644	1,644
PROTECTION FROM NATURAL HAZARDS AND DISASTERS.....	\$ 23,157	\$ 23,676	\$ 23,500	\$ 24,471	\$ 25,385	\$ 26,294	\$ 27,162
FLOOD CONTROL.....	2,741	2,990	3,091	3,388	3,609	3,796	3,912
MANAGEMENT OF FOREST RESOURCES.....	14,707	13,744	13,929	14,432	14,947	15,485	16,045
ANIMAL HEALTH.....	5,709	6,942	6,480	6,651	6,829	7,013	7,205
COMMUNITY HOUSING HYGIENE AND SAFETY....	\$ 11,948	\$ 22,105	\$ 11,852	\$ 12,171	\$ 12,504	\$ 12,851	\$ 13,193
ACCIDENT PREVENTION.....	7,614	7,780	7,496	7,797	8,109	8,434	8,771
FIRE PREVENTION.....	4,334	14,325	4,356	4,374	4,395	4,417	4,422
ELECTORAL PROCESS.....	\$ 1,307	\$ 1,758	\$ 955	\$ 976	\$ 1,005	\$ 1,021	\$ 1,045
MAINTENANCE OF ELECTORAL PROCESS.....	1,307	1,758	955	976	1,005	1,021	1,045
PREVENTION AND ELIMINATION OF DISCRIMINATORY PRACTICES.....	\$ 5,050	\$ 5,240	\$ 5,283	\$ 5,494	\$ 5,713	\$ 5,942	\$ 6,180
REDUCTION OF DISCRIMINATORY PRACTICES	5,050	5,240	5,283	5,494	5,713	5,942	6,180
 PROGRAM TOTAL.....	 \$ 690,327	 \$ 783,783	 \$ 794,937	 \$ 840,254	 \$ 889,814	 \$ 929,816	 \$ 971,190

HEALTH-PHYSICAL AND MENTAL WELL-BEING

	(DOLLAR AMOUNTS IN THOUSANDS)						
	1984-85 ACTUAL	1985-86 AVAILABLE	1986-87 BUDGET	1987-88 ESTIMATED	1988-89 ESTIMATED	1989-90 ESTIMATED	1990-91 ESTIMATED
GENERAL FUND..... \$	1,606,369	\$ 1,719,045	\$ 1,735,264	\$ 1,765,625	\$ 1,872,847	\$ 1,951,217	\$ 2,030,289
SPECIAL FUNDS.....	149,639	149,835	150,501	151,055	151,622	152,211	152,826
FEDERAL FUNDS.....	1,183,167	1,372,770	1,286,225	1,260,894	1,333,284	1,376,630	1,422,249
OTHER FUNDS.....	112,135	120,676	110,391	99,664	102,080	104,233	142,291
TOTAL..... \$	<u>3,051,310</u>	<u>\$ 3,362,326</u>	<u>\$ 3,282,381</u>	<u>\$ 3,277,238</u>	<u>\$ 3,459,833</u>	<u>\$ 3,584,291</u>	<u>\$ 3,747,655</u>

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

A number of actions have been taken to deal with the rapidly increasing costs of the Medical Assistance Program. These include improvement of the administration of the program through emphasizing fraud control, cost avoidance and recovery from third party payors, centralized prior authorization, and increased use of prepaid capitation programs. Additional initiatives have been implemented to discourage unnecessary utilization through the use of recipient copay and to provide incentives for acute care general hospitals to better manage costs by introducing a prospective diagnosis specific payment system to replace the prior retrospective cost based reimbursement system.

At the same time, progress has been made in revising the Medical Assistance Fee Schedule to update and/or add procedure codes and terminology as well as to increase medical fees. Effective April 1, 1985, fees for services furnished by physician and outpatient hospital clinics were increased to a level representing approximately 50 percent of the providers' statewide average usual charges. Also, the visit fee for home health agencies was increased from \$18.00 to \$25.00 per visit and the maximum fee payable to a practitioner for services performed in a hospital was increased from \$500 to \$1,000. On October 1, 1985, fees for physician home and office visits, hospital outpatient clinic visits, and use of the emergency room were increased to approximately 70 percent of the providers' reported usual charges.

In addition, funding was provided in 1985-86 for long-term care nursing facilities to increase the maximum number of nursing care hours for intermediate care for which Medical Assistance will reimburse from 2.4 to 2.6 hours per day. In order to allow nursing homes to benefit from this increase, the method of calculating nursing home ceilings was revised by setting new operating ceilings at the higher of the 55th percentile or 107 percent of the median, rather than at the median or 50th percentile.

During fiscal 1986-87, several initiatives are recommended which continue to emphasize improving the administration of the program and cost containment. The Budget includes a Program Revision that provides for the transfer of responsibility for administration and management of the ambulatory psychiatric services component (psychiatric

clinics and psychiatric partial hospitalization services) of the Medical Assistance Outpatient Program to the Community Mental Health Program. A separate appropriation in the amount of \$30.6 million in State funds has been recommended for this purpose. In addition, \$644,000 in State funds are provided for county utilization review in the Community Mental Health Services appropriation.

The Department of Public Welfare is also proposing to revise the method of determining the estimated acquisition cost (EAC) for drugs and establishing a State Maximum Allowable Cost (MAC) Program to pay for selected multi-source drugs. It is anticipated that this program will be in place May 1, 1986, and result in savings of \$7.3 million in State funds in fiscal 1986-87.

In the area of inpatient hospital care, three initiatives are recommended for 1986-87 resulting in State fund savings of \$11.5 million. Payment procedures for ambulatory surgical centers are being developed and the payment system for hospital based short procedure units, facilities where same day surgery is performed, will be revised, with the rate for these facilities set consistent with other outpatient services. The present concurrent review of inpatient hospital admissions will be replaced by a prior or pre-certification program for inpatient hospital services and for ambulatory surgery. In addition, Medical Assistance payments for inpatient hospital drug detoxification for General Assistance recipients will be limited.

In the Long-Term Care Program, nursing homes are currently paid their actual allowable costs up to certain reimbursement ceilings which are computed annually based on the type of nursing home, the level of care, and the geographic location of the home. Hospital-based nursing homes are currently treated as a single statewide group when computing reimbursement ceilings. Effective July 1, 1986, it is recommended that the hospital-based nursing homes be combined with the regular private profit making and private nonprofit nursing homes when the new reimbursement ceilings for 1986-87 are computed. It is anticipated that \$1.1 million in State funds will be realized from the elimination of this special class. In addition, it is recommended that the annual Medical Assistance utilization review of each nursing home and the appropriateness of each patient's level of care be expanded. It is anticipated that more frequent reviews will result in more appropriate placements of individuals, resulting in savings of \$1.1 million in 1986-87.

Additional State funds of \$527,000 have been recommended to provide increased staffing to expand this Nursing Home Utilization Review Program.

During the 1986-87 fiscal year, Medical Assistance expenditures including funds for MA-Community Mental Health will total \$1.1 billion in State and Lottery Funds. This is a \$22.7 million increase over the amount available in the 1985-86 fiscal year. This is a 2.2 percent increase, reflecting substantial progress in cost containment when compared to the average annual increase of 12.4 percent over the last six years.

The recommended budget also includes \$1,973,000 in the Lottery Fund to continue the preadmission assessment component of the Long-Term Care Assessment and Management Program (LAMP) for applicants to Medical Assistance funded nursing home care. Lottery funds also will provide \$12.3 million, a \$1 million increase, for in-home services for persons participating in the LAMP program, as described in the Social Development Commonwealth Program Plan.

The Commonwealth provides for the care and rehabilitation of the mentally ill through the operation of institutions and grants to counties for community based services. The recommended budget for 1986-87 includes approximately \$448 million in State funds for mental health services. Emphasis continues to be placed on the efficient management of the State institutional system and the adequate provision of rehabilitative services in the community programs.

The budget provides \$1.2 million for the annualization of 450 Community Residential Rehabilitation (CRRs) placements; and State funding for a mental health Program Revision that includes Outreach Activities (\$4.0 million), Family Support Services (\$1.0 million), 310 new CRRs (\$4.0 million), mental health services to the county jails and personal care homes and vocational programs (\$1.0 million). This funding will expand services to special needs children and handicapped adults as discussed in "Choices".

In addition a Program Revision, Preventing Teen Suicide, provides \$1,250,000 for a joint effort by the Departments of Health, Public Welfare, and Education. This funding will be used to expand the previous pilot Student Assistance Program by training a team of mental health adolescent specialists, teachers and other school personnel, establishing adolescent drug and alcohol evaluation services, and expand county mental health programs to treat teenage referrals.

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

In 1985-86, the Department of Public Welfare continues implementation of the divestiture plan for the State General Hospitals. Connellsville State General Hospital was divested in September 1985 and an additional three hospitals are expected to be transferred to community ownership and operation in 1985-86, with the remaining three hospitals transferred in 1986-87. The current State funds are sufficient to complete the divestiture process.

The Pennhurst Center for the Mentally Retarded will be renovated to become the Southeastern Veterans Home, the

third such State facility. It is anticipated that 150 domiciliary beds will be filled in 1986-87 and 180 nursing care beds will become available in 1988-89 following renovation of the New Horizons building.

The budget provides additional funds for a number of initiatives in the Department of Health. The Office of Drug and Alcohol Programs will receive \$400,000 for new initiatives in the area of prevention/intervention of drug and alcohol abuse and \$300,000 for treatment placements for the homeless. Funds will be provided to expand the Student Absentee Program which has been so successful as a pilot project. This program is designed to work with the families of children who are consistently absent for reasons related to alcoholism or drug abuse. These funds will also support an initiative to expand the Treatment Alternatives to Street Crime Program. This program provides an alternative to confinement for the nonviolent drug and alcohol dependent criminal justice offender.

A Productivity Improvement Initiative has been approved in the amount of \$300,000 to assist the Bureau of Vital Statistics in automating a retrieval system for birth records.

The Department of Health will receive \$250,000 to develop and implement an AIDs prevention and education program and an additional \$100,000 to serve more individuals suffering from Spina Bifida. An additional \$280,000 is provided to State Health Centers to use in providing a new immunization program for children under the age of five.

The Department of Health will receive \$200,000 to initiate a school-based health clinic pilot project under the School Health Examinations Program.

Additional funds are provided for an initiative to collect and disseminate health care cost, utilization and quality of care data. In 1986-87, the Department of Health will continue to implement Phase II of the Governor's strategy to control costs by developing a more comprehensive information system to provide health data which will enable consumers, businesses, and insurers to compare health care purchases.

This budget addresses several major environmental concerns the most critical of which is probably that of the proper disposal of municipal solid waste. Pennsylvania's over-reliance on landfilling to dispose of these wastes has created a severe problem. In the last decade over 1,100 dumps and poorly operated landfills have been closed because of operational flaws resulting in surface and groundwater contamination as well as various nuisances. The result is that Pennsylvania has approximately six years of permitted landfill capacity remaining statewide with new sites increasingly difficult to site because of stricter regulations and community opposition.

In November 1985 the Governor proposed a four prong solution consisting of: county control of planning and waste flow; resource recovery incentives; siting incentives and assurances to host communities; and recycling incentives. A modest landfill disposal fee is proposed to fund this initiative. Implementation of this program will provide needed disposal capacity through increased use of resource

recovery and recycling while addressing the legitimate concerns of host communities for additional assurances, oversight and financial incentives. It is estimated that more than \$250 million will be available for this effort during the next decade.

Work will continue on two radiation protection efforts. Second year funding is recommended for activities associated with the detection and remediation of household contamination from radon. The attempt to site a low level radioactive waste disposal will continue.

Funding is also recommended for several water quality

management efforts for which expansion was begun in the current year. These include \$351,000 for water quality permitting and compliance and \$624,000 for oil and gas regulatory management. In addition, the inspection of underground storage tanks will be transferred from the State Police to the Department of Environmental Resources and \$1,862,000 is recommended to equip a new laboratory and regional office facility for Environmental Resources in Harrisburg to consolidate lab locations and replace the regional office destroyed by fire.

HEALTH - PHYSICAL AND MENTAL WELL-BEING

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
GENERAL ADMINISTRATION AND SUPPORT.....	\$ 35,884	\$ 38,361	\$ 38,300	\$ 39,856	\$ 41,708	\$ 43,394	\$ 45,106
PHYSICAL HEALTH TREATMENT.....	\$ 1,172,539	\$ 1,247,402	\$ 1,232,046	\$ 1,236,899	\$ 1,316,839	\$ 1,367,553	\$ 1,420,086
MEDICAL RESEARCH & HEALTH INFORMATION	8,415	9,071	8,947	8,954	9,379	9,721	10,056
MEDICAL FACILITIES REVIEW.....	6,097	5,857	6,770	7,159	7,561	7,938	8,282
HEALTH SERVICES DEVELOPMENT.....	8,000	21,820	82,299	93,380	105,260	117,880	131,328
DISEASE PREVENTION.....	56,815	64,947	64,644	64,889	65,474	65,927	66,390
DETECTION AND DIAGNOSIS.....	7,923	8,312	8,099	8,233	8,444	8,589	8,731
OUTPATIENT TREATMENT.....	241,729	284,814	238,956	237,086	241,852	246,503	251,509
INPATIENT TREATMENT.....	536,621	528,036	488,650	486,896	510,327	526,445	542,674
LIFE MAINTENANCE.....	280,028	295,427	302,803	298,710	335,711	350,430	365,656
CONTROL & TREATMENT OF DRUG AND ALCOHOL.....	26,911	29,118	30,878	31,592	32,831	34,120	35,460
MENTAL HEALTH.....	\$ 462,270	\$ 479,187	\$ 515,333	\$ 529,242	\$ 555,886	\$ 578,392	\$ 600,040
MENTAL HEALTH SYSTEMS SUPPORT.....	23,127	25,139	25,438	25,924	26,429	26,954	27,501
COMMUNITY SERVICES.....	12,733	14,246	18,859	19,613	20,398	21,214	22,062
ACUTE MENTAL HEALTH SERVICES.....	58,863	65,958	99,683	108,688	111,619	114,636	117,759
REHABILITATIVE SERVICES.....	17,658	19,952	26,824	27,897	29,013	30,173	31,380
INPATIENT SERVICES (STATE MENTAL HOSPITALS).....	349,889	353,892	344,529	347,120	368,427	385,415	401,338
PROTECTION FROM HEALTH HAZARDS.....	\$ 85,315	\$ 103,930	\$ 100,086	\$ 110,683	\$ 110,036	\$ 114,089	\$ 117,883
AIR POLLUTION CONTROL.....	4,398	4,567	4,584	4,746	4,894	5,028	5,146
WATER QUALITY MANAGEMENT.....	46,587	56,484	55,974	67,286	70,172	72,719	74,968
COMMUNITY ENVIRONMENTAL MANAGEMENT...	6,928	11,053	8,039	8,341	8,654	8,981	9,320
SOLID WASTE MANAGEMENT.....	11,669	15,630	13,940	14,725	15,315	15,927	16,565
RADIOLOGICAL HEALTH.....	7,059	7,407	6,869	6,416	1,464	1,515	1,568
ENVIRONMENTAL SUPPORT SERVICES.....	8,674	8,789	10,680	9,169	9,537	9,919	10,316
 PROGRAM TOTAL.....	 \$ 1,756,008 =====	 \$ 1,868,880 =====	 \$ 1,885,765 =====	 \$ 1,916,680 =====	 \$ 2,024,469 =====	 \$ 2,103,428 =====	 \$ 2,183,115 =====

INTELLECTUAL DEVELOPMENT AND EDUCATION

	(DOLLAR AMOUNTS IN THOUSANDS)						
	1984-85 ACTUAL	1985-86 AVAILABLE	1986-87 BUDGET	1987-88 ESTIMATED	1988-89 ESTIMATED	1989-90 ESTIMATED	1990-91 ESTIMATED
GENERAL FUND.....	\$ 4,291,276	\$ 4,624,465	\$ 4,813,192	\$ 5,024,154	\$ 5,243,512	\$ 5,474,455	\$ 5,707,017
FEDERAL FUNDS.....	41,317	45,476	46,419	45,838	45,838	45,838	45,838
OTHER FUNDS.....	567,774	589,659	691,418	689,931	615,361	615,808	616,273
TOTAL.....	\$ <u>4,900,367</u>	\$ <u>5,259,600</u>	\$ <u>5,551,029</u>	\$ <u>5,759,923</u>	\$ <u>5,904,711</u>	\$ <u>6,136,101</u>	\$ <u>6,369,128</u>

This budget reflects a continued strong commitment to education in the Commonwealth. In addition to an \$82.0 million increase in the Equalized Subsidy for Basic Education (ESBE) and continued support for the Agenda for Excellence, early intervention and teenage pregnancy programs, it proposes initiatives to address the problems of adult illiteracy and school absenteeism and dropouts. In the area of higher education, it contains a number of initiatives designed to respond to the recommendations of the Governor's Commission on the Financing of Higher Education. These include funding for grants to part-time students, merit scholarships, chairs of excellence, and work study programs. The budget also includes a differentiated funding proposal for the State System of Higher Education (SSHE) and the State-related universities.

The recommended budget includes a \$188.7 million increase or 4.0 percent increase in State funds for education programs compared with an overall recommended General Fund increase of 1.7 percent.

In the Fall of 1983, the Governor proposed an Agenda for Excellence to improve the quality of education in the Commonwealth's public school system. The proposed budget for 1986-87 includes \$38.0 million for the continued support of periodic testing for an acceptable level of competence in reading and mathematics and remedial courses for those students whose achievement level is unsatisfactory, including \$10.0 million through the ESBE subsidy. Eight million dollars is included for the implementation of an "Excellence in Teaching" award program. Also, as part of the Agenda for Excellence, the budget includes \$600,000 for the development of a standard statewide testing program for teacher certification to be implemented in June 1987.

The total recommended funding level for the Equalized Subsidy for Basic Education (ESBE) appropriation of over \$2.1 billion will support an increase in the Factor for Educational Expense from \$1,875 to \$1,950 and will assure each district 82.5 percent of full funding under the formula. Increases for school districts would range from 2.0 percent to 4.2 percent. In addition to the ESBE funding, \$1.4 billion in State funds is recommended to fund other public school costs, including public transportation, special education, social security and retirement.

Since 1978-79 funding for ESBE has increased \$773.0 million or 57 percent. If the actual instructional expense per weighted average daily membership had been held to seven

percent annual growth, as requested by the Governor in his 1979-80 budget message, the recommended funding level for ESBE in 1986-87 would have provided over 50 percent of local school district instructional costs.

This budget also includes funding for the unique educational needs of preschool age handicapped children, pregnant teenagers and teenage parents and students with absentee problems or who are at risk of dropping out of school. For the third year, funding is recommended to provide early intervention services to handicapped children in order to maximize growth and development during the critical preschool years. This budget recommends a 41 percent increase in funds, for a total of \$10.0 million. In addition, \$16.3 million will be provided through local mental health and mental retardation agencies for a total commitment of \$26.3 million. The budget also includes \$946,000 to create new educational programs and/or expand existing ones to meet the comprehensive needs of pregnant and parenting teenagers. In addition, \$2.6 million is recommended to continue job training programs and to provide prenatal care.

School dropouts and absenteeism are serious and continuing problems in the Commonwealth. It is estimated that 27,000 youth drop out of school each year. Individuals who do not complete high school have difficulty obtaining employment. This in turn is likely to lead to long-term welfare dependency. A statewide program which focuses primarily on the elementary and middle schools is needed, since potential school dropouts can often be identified at these grade levels. The budget includes \$500,000 for competitive one-year grants to provide intervention programs for potential dropouts including counseling, tutoring and alternative schools.

Although testing and remediation programs implemented through the Agenda for Excellence should reduce adult illiteracy in the future, there are a significant number of adults in Pennsylvania who do not have a high school diploma or who are considered functionally illiterate. This lack of education can result in unemployment and welfare dependency. In response to this need, \$1.0 million is included in this budget to begin a competitive grant program under which non-profit providers would operate new or expanded programs. The programs will place special emphasis on out of school adults 16 years and older who are currently reading below the fifth grade level.

Just as the Commonwealth instituted major changes in its basic education programs in order to strengthen the quality of education being offered, plans have been developed to improve the vocational-technical education system.

Essentially the reforms fall into four areas: strengthening program approval standards for secondary vocational-technical programs; developing a system of financial incentives designed to reward schools and programs which demonstrate that a majority of their graduates are employed in their field of study; establishment of a Keystone Skills Certificate for students who demonstrate a mastery of occupational competencies upon graduation; and improved coordination of vocational education and training programs between secondary and post secondary institutions. Planning for the implementation of each element is underway and should be completed during the 1986-87 fiscal year.

In the area of higher education, this budget proposes a total of \$973.9 million for programs funded through the Department of Education and the Pennsylvania Higher Education Assistance Agency. This is a \$46.6 million increase over 1985-86 funding levels. This represents 10 percent of the recommended General Fund budget. Many of the initiatives are in response to the recommendations of the Governor's Commission on Financing Higher Education. The budget includes funds for three new programs: \$1.0 million for merit scholarships; \$8.0 million for grants for part-time students; and \$1.0 million for the establishment of Chairs of Excellence with funds provided on a matching basis. In addition, a 31 percent increase is recommended for the expansion of the work study program and \$2.5 million is recommended as the second year installment for deferred maintenance at the State System of Higher Education.

Another recommendation of the Commission was to replace the present incremental method of funding higher education sectors with a method that would incorporate the different needs among schools and a review of differentiated missions. As a first step in moving toward this funding approach, this budget proposes to fund the following specific programs at the State System of Higher Education and the State-related universities: State System of Higher Education—Advanced Technology Curriculum Initiatives; Pennsylvania State University—Agricultural Science and Technology; University of Pittsburgh—Biotechnology/Neuroscience; Temple University—Engineering and Computational Science; and Lincoln University—Special Programs.

In all educational sectors, there is a pressing need for equipment to keep pace with the instructional demands of a technological society. During 1985-86, \$27.0 million was made available through the Pennsylvania Economic Revitalization Fund (PERF) for equipment in vocational technical schools, community colleges and engineering colleges. In addition, \$16.5 million of General Fund monies were appropriated for equipment. Even so, these funds met only a portion of the total need.

The budget again proposes to dedicate the two-year proceeds from the proposed sale of liquor store franchise almost entirely to grants for computer, laboratory, and engineering purchases. The total expenditure of \$150.0 million, \$75.0 million in 1986-87 and \$75.0 million in 1987-88, together with funds generated by local and private efforts should have a major impact on the quality of education and the competence of our workforce in advanced technology areas for many years to come.

INTELLECTUAL DEVELOPMENT AND EDUCATION

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
GENERAL ADMINISTRATION AND SUPPORT.....	\$ 9,973	\$ 9,984	\$ 9,956	\$ 10,310	\$ 10,836	\$ 11,338	\$ 11,644
GENERAL INSTRUCTION.....	\$ 1,802,370	\$ 1,905,844	\$ 1,976,068	\$ 2,054,976	\$ 2,145,479	\$ 2,247,295	\$ 2,347,677
GENERAL PRE-SCHOOL EDUCATION.....	117,418	126,016	134,266	143,137	146,545	156,147	163,674
GENERAL ELEMENTARY AND SECONDARY EDUCATION.....	1,684,952	1,779,828	1,841,802	1,911,839	1,998,934	2,091,148	2,184,003
SPECIAL EDUCATION.....	\$ 733,784	\$ 800,538	\$ 844,404	\$ 887,185	\$ 930,000	\$ 978,312	\$ 1,025,652
MENTALLY HANDICAPPED EDUCATION.....	236,810	256,538	269,354	281,534	294,426	308,011	322,175
PHYSICALLY HANDICAPPED EDUCATION.....	352,385	385,407	409,714	430,528	452,786	476,402	501,046
GIFTED AND TALENTED EDUCATION.....	144,589	158,593	165,336	175,123	182,788	193,899	202,431
COMPENSATORY PROGRAMS.....	\$ 367,610	\$ 403,934	\$ 422,907	\$ 442,549	\$ 466,607	\$ 489,305	\$ 509,760
COMPENSATORY PRE-SCHOOL EDUCATION....	23,822	25,437	26,433	27,485	28,621	29,830	31,076
COMPENSATORY ELEMENTARY AND SECONDARY EDUCATION.....	343,788	378,497	396,474	415,064	437,986	459,475	478,684
VOCATIONAL EDUCATION.....	\$ 372,645	\$ 404,328	\$ 422,392	\$ 431,692	\$ 436,090	\$ 434,752	\$ 444,012
VOCATIONAL SECONDARY EDUCATION.....	367,783	398,733	414,608	423,716	427,915	426,370	435,415
COMMUNITY EDUCATION.....	4,862	5,595	7,784	7,976	8,175	8,382	8,597
HIGHER EDUCATION.....	\$ 1,004,894	\$ 1,099,837	\$ 1,137,465	\$ 1,197,442	\$ 1,254,500	\$ 1,313,453	\$ 1,368,272
ASSISTANCE TO HIGHER EDUCATION.....	899,249	987,461	1,008,781	1,061,014	1,110,474	1,162,393	1,210,951
FINANCIAL ASSISTANCE TO STUDENTS.....	88,508	94,488	110,080	117,080	123,904	130,133	135,557
FINANCIAL ASSISTANCE TO INSTITUTIONS.	17,137	17,888	18,604	19,348	20,122	20,927	21,764
 PROGRAM TOTAL.....	 \$ 4,291,276 =====	 \$ 4,624,465 =====	 \$ 4,813,192 =====	 \$ 5,024,154 =====	 \$ 5,243,512 =====	 \$ 5,474,455 =====	 \$ 5,707,017 =====

SOCIAL DEVELOPMENT

	(DOLLAR AMOUNTS IN THOUSANDS)						
	1984-85 ACTUAL	1985-86 AVAILABLE	1986-87 BUDGET	1987-88 ESTIMATED	1988-89 ESTIMATED	1989-90 ESTIMATED	1990-91 ESTIMATED
GENERAL FUND..... \$	513,996	\$ 536,234	\$ 570,284	\$ 605,948	\$ 637,301	\$ 669,481	\$ 702,534
SPECIAL FUNDS....	422,101	432,724	470,308	476,687	483,476	490,584	498,011
FEDERAL FUNDS....	453,054	461,014	466,194	478,526	487,516	498,099	509,193
OTHER FUNDS.....	13,799	15,224	14,072	14,659	15,137	15,634	16,146
TOTAL..... \$	<u>1,402,950</u>	<u>\$ 1,445,196</u>	<u>\$ 1,520,858</u>	<u>\$ 1,575,820</u>	<u>\$ 1,623,430</u>	<u>\$ 1,673,798</u>	<u>\$ 1,725,884</u>

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

The Human Services Development Fund was implemented in 1984-85 to give counties needed flexibility in providing human service needs in six program areas: adult services, aging, children and youth, drug and alcohol, mental retardation, and mental health. Initially funded in 1984-85 at \$4 million, the Fund is being expanded to \$37.3 million which includes an increase in State funds of \$2.5 million. A Program Revision for Multiple Needy Clients, funded at \$2 million is included to develop model human services systems for multiple needy clients and families. The model will promote coordinated case management and service delivery at the county level in order to avoid inappropriate duplication and gaps in service and assure optimum use of available resources as recommended in "Choices".

The budget also includes \$11.1 million to continue two attendant care programs for adult and elderly individuals who are physically handicapped but mentally alert. Of these funds, \$5.4 million will be provided by the Lottery Fund for senior citizens through the Department of Aging and \$5.7 million of General Funds will be allocated to the Department of Public Welfare for services to adults aged 18 to 59 who are physically handicapped and mentally alert. The program will provide in-home services for physically handicapped persons who do not require extensive medical care so that they may remain in or return to their own homes. In addition to providing important services for handicapped individuals, as discussed in "Choices", this program will create jobs for several hundred attendants.

A major program, the Pharmaceutical Assistance Contract for Elderly (PACE), was implemented on July 1, 1984, to help senior citizens defray the cost of prescription drugs. By the end of the program's first eighteen months of operation, over 400,000 persons had enrolled and payments for prescriptions on behalf of the Commonwealth's senior citizens had exceeded \$100 million. The PACE program, financed from the Pennsylvania Lottery, will enable senior citizens to save approximately \$300 million on the purchase of their prescription drugs during its first three years of operation.

The State Lottery Fund is a major source of funds for grants to the Area Agencies on Aging. During 1986-87, over \$86 million in Lottery Fund monies will be made available to the Commonwealth's 51 Area Agencies on Aging for the provision of social services to senior citizens. Of these funds, a 14 percent increase to \$16 million is being recommended for the expansion of in-home services for the frail elderly with the objective of providing an alternative to long-term care in an institutional setting.

The Long-Term Care Assessment and Management Program (LAMP) for applicants for Medical Assistance funded nursing home care was implemented in seven counties to assure that community-based care is provided when appropriate. The budget recommendation for 1986-87 includes \$3.9 million in Lottery and Federal funds for pre-admission assessments and \$12.3 million for the provision of in-home services to enable individuals to receive care in the community rather than enter an institution.

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

Since 1973, the Commonwealth's senior citizens have been eligible for free rides on participating local fixed route operations during off-peak hours, on weekdays and all day on weekends and holidays. In July of 1980, the free service was extended to commuter rail lines.

Also in 1980, service was provided on a shared ride basis in recognition that many senior citizens do not have fixed route service available. The Shared Ride Program for Senior Citizens authorized by Act 101 of 1980, as amended by Act 49 of 1984, permits senior citizens 65 years of age or older to ride on shared-ride services and pay only 25 cents or 10 percent of the regular fare whichever is greater with the Lottery Fund paying the difference between full fare and the senior citizen's share. In order to insure the strict accountability and maximum productivity of this program and the preservation of State Lottery Fund for other senior citizen programs, State regulations were promulgated during 1985-86.

Services for persons who are mentally retarded continue to emphasize community programming and appropriate residential placement. A Program Revision is included that will provide an additional 1,000 community mental retardation placements. Institutional programs have traditionally

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

Community Services and residential placement are further emphasized in fiscal year 1986-87 through a Program Revision—Community Mental Retardation Partnership. The conversion of Elwyn Institute to an intermediate care facility (ICF/MR) has freed current resources for community residential placements. Moreover, an increase of \$5,844,000 has been provided for an additional 750 residential placements for formerly institutionalized patients and those on community waiting lists. Community-based services will be expanded by \$1,107,000 in day care services and \$1,473,000 for support for new residential placements. Expansion of Case Management Services totalling \$698,000 has been included in the recommendation. Additional adult day services funding, \$1,200,000, will increase the available spaces by 500.

To meet the need for services to individuals that are dual diagnosed as both mentally ill and mentally retarded, the budget provides for the development of a 32 bed dual diagnosed unit at Norristown for \$368,000; and a new mental retardation unit at Norristown for \$951,000.

In fiscal year 1986-87, an \$108,000 appropriation is continued for contractual monitoring of formerly institutionalized clients in community residential settings. The community mental retardation program includes the provision of early intervention services to mentally retarded children. An expansion of \$628,000 for these services to meet the current estimated need has been recommended. Total funding for early intervention services through mental retardation programs, including the recommended expansion, will be \$16.3 million. Additional funds for the early intervention program for handicapped pre-school children are included in the Intellectual Development and Education program.

Funding for children and youth has been increased in several areas. The county child welfare program will have an additional \$3.7 million in State funds available for the provision of foster care services and other children and youth services as discussed in "Choices". Included in the total increased amount is \$1 million for additional child abuse prevention programs. Funding is being increased for the treatment of young offenders at State operated youth development centers. Funding for day care services has been increased by \$1 million and latchkey programs for school-age children before and after school and during school vacations are being continued.

Domestic violence programs will receive a \$956,000, or 53.9 percent increase and rape crisis centers will receive a \$230,000, or 34.6 percent increase.

SOCIAL DEVELOPMENT

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
GENERAL ADMINISTRATION AND SUPPORT.....	\$ 1,076	\$ 1,133	\$ 1,061	\$ 1,103	\$ 1,146	\$ 1,191	\$ 1,237
SOCIAL DEVELOPMENT OF INDIVIDUALS.....	\$ 176,510	\$ 184,840	\$ 194,160	\$ 201,913	\$ 209,922	\$ 218,187	\$ 226,734
YOUTH DEVELOPMENT SERVICES.....	27,934	28,643	29,239	30,355	31,455	32,598	33,801
FAMILY SUPPORT SERVICES.....	148,576	156,197	164,921	171,558	178,467	185,589	192,933
SUPPORT OF THE AGED.....	\$ 422,203	\$ 430,644	\$ 468,232	\$ 474,616	\$ 481,410	\$ 488,523	\$ 495,956
SUPPORT OF THE AGED.....	422,203	430,644	468,232	474,616	481,410	488,523	495,956
MENTAL RETARDATION.....	\$ 336,308	\$ 352,341	\$ 377,139	\$ 405,003	\$ 428,299	\$ 452,164	\$ 476,618
MENTAL RETARDATION SYSTEMS SUPPORT...	8,790	12,962	14,644	15,657	16,525	17,416	18,332
COMMUNITY BASED SERVICES.....	56,362	66,702	74,285	79,133	83,364	87,717	92,193
COMMUNITY RESIDENTIAL SERVICES.....	113,759	126,701	133,232	145,151	155,021	165,012	175,129
PRIVATE INTERMEDIATE CARE FACILITIES.	28,515	35,015	45,254	51,445	56,031	60,692	65,432
STATE CENTERS.....	128,882	110,961	109,724	113,617	117,358	121,327	125,532
PROGRAM TOTAL.....	\$ 936,097	\$ 968,958	\$ 1,040,592	\$ 1,082,635	\$ 1,120,777	\$ 1,160,065	\$ 1,200,545
	=====	=====	=====	=====	=====	=====	=====

ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE

	(DOLLAR AMOUNTS IN THOUSANDS)						
	1984-85 ACTUAL	1985-86 AVAILABLE	1986-87 BUDGET	1987-88 ESTIMATED	1988-89 ESTIMATED	1989-90 ESTIMATED	1990-91 ESTIMATED
GENERAL FUND..... \$	1,058,521	\$ 1,198,453	\$ 1,116,267	\$ 1,121,111	\$ 1,181,716	\$ 1,196,502	\$ 1,209,772
SPECIAL FUNDS.....	19,502	19,685	19,628	19,563	19,623	19,685	19,749
FEDERAL FUNDS.....	1,073,545	1,182,774	1,193,529	1,129,593	1,130,118	1,131,840	1,133,740
OTHER FUNDS.....	325,391	371,149	479,132	399,907	410,620	428,183	401,320
TOTAL..... \$	2,476,959	\$ 2,772,061	\$ 2,808,556	\$ 2,670,174	\$ 2,742,077	\$ 2,776,210	\$ 2,764,581

This program contains five major themes of the 1986-87 budget: a Renaissance Communities Program, Economic Development, Advanced Technology, Export Promotion and Energy Conservation. An important component of these themes is the proposed restructuring of three funding sources, as detailed more completely elsewhere in this budget, that in concert will allow better use of existing funding sources: the Pennsylvania Economic Revitalization Fund (PERF), the Sunny Day Fund and the Oil Overcharge Fund. A second major component is expanded support for Strategy 21, the far-reaching proposal designed to ensure Southwestern Pennsylvania's economic viability into the 21st century.

The Renaissance Communities Program theme involves a multi-faceted array of new and expanded community financial and technical assistance programs keyed to aiding those remaining pockets of economic hardship that still exist in the Commonwealth in this time of general economic well-being. A major element is a two-pronged tax credit program in Enterprise Zones to encourage private investment in our most financially-pressed urban areas; the second key element is a Valley Revitalization Program that will provide general support for local consortiums as well as permit establishment of new Enterprise Zones in one community each in the Lower Mon, Mid Mon and Beaver Valleys and target specific funding into these areas; a third component creates a pool of funds to reduce a financially disadvantaged community's match for existing State economic development programs; other elements involve retargeting, restructuring and extension of current programs to better address local economic problems.

The Economic Development theme involves program revisions and initiatives in three major areas: Industrial Development, Job Training and Tourism Promotion. These seemingly disparate activities have a common goal of enhancing the economic well-being of Pennsylvanians by providing jobs for the workforce, creating the mix of industries and jobs needed in today's changing economy and improving workforce skills needed for those jobs.

The Export Promotion theme signifies a coalescing of efforts in various agencies and program areas targeted into two areas: making foreign markets more aware of Pennsylvania's products; and assisting Pennsylvania exporters and would-be exporters in their efforts to enter into or expand their position in the international marketplace. The

Departments of Commerce, Agriculture and Banking will all be involved in this concerted effort to improve what could be termed Pennsylvania's "balance of trade".

The Energy Conservation theme involves a comprehensive mix of new, expanded and ongoing programs across an entire spectrum of recipients that ranges from low income through moderate-income households to small businesses, apartments, institutions and local and state government facilities. The primary components involve a sharp acceleration of Department of Community Affairs' (DCA) ongoing and highly successful weatherization grant program for low-income families, a complementary new program through the Pennsylvania Housing Finance Agency (PHFA) of low interest loans to moderate-income households to make energy conservation improvements in their homes, and expansion of the Governor's Energy Council (GEC) programs involving energy efficiency surveys for small business, local government and multi-family apartment owners, and energy efficiency capital improvements in schools and hospitals. A corollary program involving energy conservation in State government facilities is discussed under the Direction and Supportive Services Commonwealth Program, while energy-related efforts of the Pennsylvania Energy Development Authority (PEDA), included here under the Advanced Technology theme, approaches the overall energy situation from the standpoint of developing alternative energy sources. An ongoing Department of Public Welfare program provides Federal energy assistance funds to low-income individuals.

Also included in this program are the various income maintenance programs that provide assistance to those who, through no fault of their own, cannot maintain an acceptable standard of living without such assistance. Income maintenance programs include the various welfare, unemployment, and crime victim compensation programs.

A final element of this program is natural resources development and management.

Renaissance Communities Program

While existing economic and community development programs have played a vital role in the State's economic progress, not all Pennsylvania communities have participated fully in this resurgence. Southwestern Pennsylvania, with its historic reliance on the steel industry, and Northwestern Pennsylvania have experienced particularly

slow recovery.

This budget, therefore, proposes a number of initiatives to address this uneven rate of economic recovery.

- A Community Economic Recovery Program, funded at \$1 million, would provide grants to economically-disadvantaged communities for developing local economic recovery strategies and marketing plans to retain existing jobs, assist in business start-ups and attract new industry when existing businesses cannot be retained.
 - A Valley Revitalization Program, aimed at revitalizing the particularly hard hit Lower and Mid Mon Valleys and the Beaver Valley, would create new Enterprise Zones in one community in each of these three areas. This will provide priority access to many state programs for these new zones. In addition, three new programs are targeted to these three valleys.
 - A State grant of \$375,000 to be matched by local funding is proposed for a Metals Reuse Study in the Mon Valley; this involves a study of primary metals facilities, retention of viable plants and reuse of remaining sites. The related Valley Revitalization Program provides \$1 million each for the Lower and Mid Mon Valleys and \$1 million for the Beaver Valley to provide increased local economic development capabilities, including staff, marketing and feasibility studies, etc., to help revitalize these areas, and to help implement projects stemming from the Metals Reuse Study in the two sections of the Mon Valley and from a similar study done for the Beaver Valley. The Metals Reuse and Mon Valley programs are Strategy 21 components.
 - A two-pronged tax credit program for Enterprise Zones is proposed: establishment of a \$4 million fund to encourage the abatement by local governments of property taxes under the Local Economic Revitalization Tax Act (LERTA) within Enterprise Zones, coupled with Commonwealth in-lieu-of-taxes payments on a matching basis for taxes abated; and authorization of an additional tax credit pool within the Neighborhood Assistance Act (NAA) for private investments made to rehabilitate existing structures in Enterprise Zones.
 - Another element of this Renaissance Communities Program is a proposed \$5 million reallocation from PERF to create a pool of funds that can be used to reduce the match requirement in existing State economic development programs in communities with chronic and persistent economic problems or having recently suffered severe economic dislocation.
 - The Pennsylvania Conservation Corps, established under PERF as a 2-year program expiring in June of 1986, provides work experience and job training to economically disadvantaged youth through construction projects that involve labor intensive improvement activities on public lands or facilities. Through 1985, 229 projects have involved over 3,000 corpsmembers, including over 1,000 welfare recipients. In 1986-87 an additional \$3 million will be allocated from PERF to continue for a final year the Conservation Corps Program in financially-disadvantaged communities.
 - Modification to the Business Infrastructure Development (BID) program within PERF is also recommended. BID has been severely underutilized and, to increase demand for the program, elimination or modification of certain eligibility requirements and expansion of the grant component to a broader range of economically-disadvantaged communities is needed to make BID a more flexible and effective economic tool.
 - Continued targeting of the \$5.5 million Community Facilities Program and \$1.5 million Site Improvement Program into financially-pressed communities will further enhance those revitalization efforts; thus far in 1985-86, 80 percent of Community Facilities allocations and 69 percent of Site Development allocations have gone to such communities.
 - Continued funding at the \$10 million level for Community Affairs (DCA) Housing and Redevelopment Program is proposed to maintain the significant State effort in the area of housing construction and rehabilitation, while a 25 percent increase in DCA's Enterprise Development Program is provided in recognition that more communities will be moving out of the planning stage into full development stage and full Enterprise Zone designation.
 - Continued funding of \$2 million for J&L Site Improvement is also included; this is the proposed future site of Strategy 21's Biotechnology Center and Center for Robotics in Manufacturing, and thus also could be considered a component of the Advanced Technology theme.
 - Also proposed are two initiatives in DCA, \$100,000 to develop and operate an early warning system to identify communities with potential fiscal problems and \$250,000 to provide the appropriate technical assistance to those municipalities determined by DCA as having such problems.
 - Finally, in recognition of the importance of local cooperation and local planning efforts to reducing the likelihood of fiscal distress in local communities, increases are provided for grants to Councils of Government (\$25,000), Planning Assistance (\$100,000) and Flood Plain Management (\$25,000).
- Federal Block Grants continue to play an important role in community revitalization efforts. The Community Ser-

vices Block Grant (CSBG) will provide approximately \$20 million for community-based programs offering health, nutrition, housing and employment-related services to improve the standard of living of low-income persons, while an anticipated \$85 million in Small Communities Block Grant (SCBG) expenditures will be targeted to expanding low and moderate income housing and economic opportunities, improving land use and correcting deficiencies in public facilities that affect health and safety.

Economic Development

Efforts within this activity fall into three areas: Industrial Development, Job Training and Tourism Promotion.

The cornerstone of our industrial development efforts, the Pennsylvania Industrial Authority (PIDA), has increasingly targeted its job-creation loans into the areas of small business, advanced technology and areas of high unemployment. In 1984-85, nearly 50 percent of all PIDA loans went to small businesses, 17 percent to advanced technology firms and 81 percent to high unemployment areas. This budget continues those priorities, and returns PIDA General Fund support to the previous level of \$15 million.

A new \$6.5 million Technology Assessment Program will provide technical assistance and low-interest loans to help existing industries remain competitive through improved technology and management. This will complement PIDA's programs by addressing the problem of retaining existing jobs.

In order to promote a major economic development recovery of the Pittsburgh region through the "Strategy 21" initiative the Commonwealth will reserve \$50 million over a four-year period to assist in the construction of the proposed Midfield Terminal at Pittsburgh International Airport. These funds, \$20 million of which is included in this budget, are being made available to assist the greater Pittsburgh region in attracting the necessary private and other public financing essential to the success of this ambitious project.

Additionally, \$70 million including \$52.5 million in Federal and other funds is provided via the Capital Budget for construction of the Southern Expressway to better link the Greater Pittsburgh International Airport into the highway network in that area. This funding composition may change upon completion of financial and engineering studies.

Economic development advertising is an important component of Pennsylvania's attempt to attract new industry; this program continues to target the top management of general businesses while still providing a significant focus on advanced technology firms and small business. This budget proposes an over 90 percent increase, from \$1.1 to \$2.1 million, for economic development advertising.

Small Business Assistance, funded from the BFP appropriation, funds the 13 Small Business Development Centers that serve as "one-stop-shops" for its small business clients. This important service program is recommended for a \$150,000 increase.

Finally, \$75,000 is included for a Resource Analysis and Planning initiative in Commerce to further develop our capability to identify those industries where State assistance can have the maximum benefit in creating new jobs.

The Commonwealth's investment in the promotion of travel and tourism continue to pay dividends. Travel expenditures in the Commonwealth totalled \$8 billion in 1984, an eight percent increase over 1983 and a 25 percent increase over 1980. In addition, more than 2,300 new travel-related jobs were created, bringing total full-time jobs in the industry to over 184,000, while more than \$324 million in State tax revenue and \$62 million in local tax government revenue were raised in 1984. In order to sustain this momentum, three initiatives are proposed for this budget:

- Expansion and improvements to the Commonwealth's tourist welcome center system with \$3,054,000 in bond funds and \$40,000 from the General Fund. Four existing centers on the State highway system will be expanded and renovated, one new center will be built on Northbound I-81 in Franklin County, and tourist facilities will be developed at two present rest areas; this is the first year of a three-year program that will ultimately result in the construction of three new tourist welcome centers. Additionally, the Turnpike Commission will be renovating one of its centers.
- The Statewide tourism advertising campaign is recommended to increase by \$2 million, or 50 percent, to continue to strengthen Pennsylvania's position in the tourism market in the face of significant increases in the travel promotion efforts of neighboring states.
- Grants to assist localized tourist promotion efforts will increase by \$300,000. This program provides matching funds to local Tourist Promotion Agencies in 59 counties for advertising, promotion and administrative expenses.

Developing and maintaining a skilled, quality workforce in Pennsylvania through job training is a critical component of the Commonwealth's economic development strategy. During 1986-87, major employment and training efforts will continue to be provided through the Department of Education's Customized Job Training (CJT) Program, the Department of Labor and Industry's Job Training Partnership Act (JTPA) Program and Vocational Rehabilitation (OVR) programs, as well as through special State-funded initiatives to provide training for general assistance welfare recipients and pregnant and parenting teenagers.

The Commonwealth's CJT Program is designed to train unemployed persons to fill vacant new jobs as well as to provide existing employees with an opportunity to upgrade their employment skills. The CJT program also allows the Commonwealth to respond quickly to the training needs of business and industry and to encourage the expansion of existing firms and the establishment of new ones. Since the

inception of the program in 1982, over 17,000 individuals have received CJT training for new entry-level jobs or to upgrade existing job skills. This budget requests a \$3 million increase to \$15 million to support the CJT Program during 1986-87 and to continue to meet the training needs of individuals and business and industry.

JTPA is designed to aid the entry or re-entry and productive participation of economically disadvantaged youth and adults and dislocated workers into the workforce through job training, education and job placement activities. It is estimated that approximately \$190 million in Federal funds will be available in 1986-87, and \$10,488,000 in State funds are recommended to fulfill the matching requirements. Pennsylvania continues to place particular emphasis in its use of JTPA funds on programs benefiting welfare recipients, displaced homeowners, youths, and dislocated workers. Over 19,300 economically disadvantaged individuals and 3,100 dislocated workers were placed in jobs in 1984-85 through JTPA, while over 45,000 youths were provided on-the-job training and work experience during the summer of 1985.

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

Also included is \$1,211,000 in State funds, augmented by \$414,000 in JTPA funds, to continue comprehensive training programs for pregnant teenagers and teenage parents, including vital support services such as day care, transportation, etc., thereby helping to avoid long-term welfare dependency for these youths. A related initiative, designed to help pregnant teenagers and teen parents complete high school, is funded at a level of \$943,000 in the Department of Education and is discussed in the Intellectual Development and Education Program.

Two initiatives are proposed within the Vocational Rehabilitation (OVR) Program. An amount of \$1,075,000 is recommended to expand and improve services at existing centers for independent living (CILs), to establish a new CIL, and to provide employment related services through four district offices of the OVR. The CILs provide a range of services aimed at allowing the severely handicapped to bridge the gap between institutionalization and independence by improving their ability to live more independently, creating the possibility of entering vocational rehabilitation training and eventually securing employment. The district offices, as an integral part of this project with the CILs, will identify and serve severely handicapped persons who are currently not eligible for vocational rehabilitation because of the severity of their disabilities, but who may have

the future potential to obtain employment if they receive extended training, restorative services, and other needed services.

Finally, \$500,000 has been included to establish a demonstration Supported Employment program. Supported Employment is a new service designed to improve employment opportunities for handicapped persons previously considered too disabled to obtain competitive employment. Supported Employment simultaneously combines placement in competitive jobs with training on the job site for a severely disabled person. The program will provide on-site job trainers and several support services, including long-term follow-up, social skills training, money management, and assistance with other issues affecting employment. The new State funds requested will be combined with existing funds from the Departments of Public Welfare and Education to support several demonstration sites across the Commonwealth.

Advanced Technology

Advanced Technology efforts continue to center around the Commonwealth's state-of-the-art Ben Franklin Partnership (BFP) Program, which entered its third full year in 1985 with \$21.3 million in Challenge Grants (out of a \$22.3 million total appropriation) expected to generate \$80.9 million in matching funds, including \$53.8 million from the private sector. This is the highest matching ratio of any similar program in the nation, and 208 new firms have been assisted in the first 30 months of BFP. These 208 new firms have resulted in the creation of 1,082 new jobs; during the same time 136 firms have expanded, creating another 970 jobs. Pennsylvania has 21 small business incubators in operation, more than any other State.

To build on this momentum, this budget recommends increasing the total Ben Franklin Partnership appropriation, including Seed Grants, PENNTAP and Small Business Assistance, to \$28 million. Challenge Grants would increase from \$21.3 million to \$26.5 million; Seed Grants, which provide grants for research and development of new products and processes, would increase from \$700,000 to \$1 million. PENNTAP, which provides information on Federal programs and emerging technologies to help Pennsylvania's industry remain competitive, increases from \$200,000 to \$250,000. The Small Business Assistance Program is discussed under the Economic Development theme.

A new direction is also proposed for BFP in this budget: a \$5 million BFP Advanced Technology Facilities Program, which adds a "bricks and mortar" component for construction on a challenge grant basis of new laboratory facilities which meet State priorities. One area of potential involvement envisioned for this new program is as a source of financial assistance to any successful applicant for designation as a National Science Foundation Engineering Research Center; Lehigh University and Carnegie-Mellon University are finalists in the current competition.

Two Strategy 21 projects also fall within this program area: the final \$2 million in start-up operating assistance for

the Pittsburgh Technology Development Center, in addition to the \$1 million provided in the 1985-86 budget for the former Gulf-Harmarville Research Center; and \$1,750,000 for the first of three years of equal funding support for the development of the National Science Foundation-designated Supercomputer Center to be sponsored jointly by Carnegie-Mellon University, the University of Pittsburgh and Westinghouse Electric. BFP support for this project at \$250,000 each year is also envisioned.

Yet another research-oriented proposal initiated in this budget is a \$10 million grant to Lehigh University over the next three years to aid its acquisition of the Homer Research Laboratory buildings and land from Bethlehem Steel, to make improvements and renovations and/or to cover some of the early operating costs. Other State programs, including the Ben Franklin Partnership and PERF Incubator Loan Program, will be used to develop this facility.

The Bethlehem Homer Research Laboratory complex involves 842 acres and 8 buildings totalling 600,000 square feet, with a replacement value of over \$150 million. This would provide for a corporate research facility in the Lehigh Valley in close proximity to Lehigh University and the new I-78, and represents another "bricks and mortar" component in the Commonwealth's arsenal. The city and county have indicated willingness to consider funding infrastructure improvements, while the University's involvement could approach \$50 million.

Finally, in a program that spans not only the Economic Development theme of this budget but the Energy Conservation theme as well, a \$200,000 increase is proposed for the Pennsylvania Energy Development Authority (PEDA) for research into alternative energy sources. At the same time, it is proposed that the "coal-only" stipulations tied to previous PEDA appropriations by the General Assembly be terminated; coal is a viable energy alternative, but not the only one.

Export Promotion

The expanded emphasis on the exporter is built around program initiatives in seven areas:

- To address export financing needs which cannot be met by present programs such as Eximbank, the Capital Loan Fund (PCLF) loan requirements should be relaxed for export finance transactions. PCLF already contains the authority to make working capital loan guarantees; this tool could be made fully operational for export financing by modifying requirements for participation rates, amounts of assistance permitted, and other constraints. An estimated \$6.6 million in underutilized PERF monies already provided, or scheduled to be provided, to PCLF are available for this purpose.
- A Pennsylvania Export Trading (PET) System, funded at \$150,000, will provide linkage between private export trading companies and export management companies, freight forwarders and investment banks to promote

small business exporting; will provide micro-computer software to assist companies in assessment of their export potential and loan proposal development; and provide for the enhancement of a Local Development District (LDD) computer networking system already under development.

- The seven LDDs, which in effect serve as Commerce's local administrative delivery mechanisms, would receive \$200,000 in increased funding for full-time export specialist staff in each LDD, as well as for enhancement of this small business procurement outreach effort.
- The Department of Agriculture will receive \$300,000 for an export development and marketing program aimed at increasing the export opportunities of the Commonwealth's agricultural producers. Specifically planned are a cooperative program with the Department of Commerce's overseas offices, a "mentor" program whereby successful exporters will provide direct assistance to individuals and companies entering the export market, a feasibility study concerning the use of export trading companies to promote export access to foreign markets, expansion of a computerized trade lead system recently developed, and exploration of the use of the U.S. Export-Import Bank to increase loans and credits available to foreign countries to purchase Pennsylvania agricultural products. In addition, \$75,000 has been included to perform a long-range agribusiness study which will examine major marketing trends in the agricultural industry, future national and international markets, and the effects of technological changes. While the study encompasses more than the export area, it will be a useful tool to export promotion of agricultural products.
- In addition, \$75,000 has been included to perform a long-range agribusiness study which will examine major marketing trends in the agricultural industry, future national and international markets, and the effects of technological changes. While the study encompasses more than the export area, it will be a useful tool to export promotion of agricultural products.
- The increases outlined earlier for BFP will allow for expansion of export efforts in that program.
- The Department of Banking will work with the Departments of Commerce and Agriculture to ensure the involvement of Pennsylvania's banking community in financing new export efforts. Additional staff will also be added to the Department of Commerce to support the overall export effort.

Energy Conservation

A wide-ranging energy conservation package has been developed, primarily utilizing anticipated Oil Overcharge Funds. The major elements are: an acceleration to \$20

million per year for four years of the existing low-income weatherization grant program run by the Department of Community Affairs (DCA); a new four year \$10 million per year loan program for energy improvements, including passive solar improvements, to the homes of moderate income households, to be administered by the Pennsylvania Housing Finance Agency (PHFA); and increases to various programs administered by the Governor's Energy Council, including \$2,215,000 for Energy Extension Services and \$2,194,000 for the State Energy Conservation Plan, \$800,000 of which will support the Pennsylvania Energy Centers (PEC) programs involving site-specific energy efficiency surveys for small businesses, local governments and multi-family apartment owners. An additional \$4,859,000 is recommended for the GEC's Institutional Conservation Program, which provides funding for energy efficient capital improvements at schools and hospitals.

DCA's weatherization program has proven highly successful, leading this region in the number of homes weatherized under the Federal Department of Energy's weatherization program, with over 140,000 homes or 62 percent of the completed weatherizations in the six-state region.

During the four years of the PEC program, 23,000 surveys have been conducted, resulting in a savings of over 350,000 barrels of oil equivalency, a savings of approximately \$14 million.

An Energy Conservation Program Revision Request under the Energy Council details the oil overcharge funded portions of this expanded energy conservation effort. In addition, three other energy conservation programs exist elsewhere in this budget: a continuing \$2 million per year program of energy improvements to State buildings under the Direction and Supportive Services Program, a continuing Federal Low Income Home Energy Assistance Program (LIHEAP) administered by the Department of Public Welfare and, as mentioned above, a \$1.5 million effort to explore energy alternatives administered by PEDDA.

Income Maintenance

A number of income maintenance initiatives are included in this budget.

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

The budget continues State funding for General

Assistance recipients in the Federally-funded Work Saturation Demonstration in the Philadelphia area, which is aimed at providing intensive education, job training, work experience, and, ultimately, job placement to welfare recipients.

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

Unemployment Compensation continues to be a major success story, as the 1983 reforms have brought the Commonwealth's account in the Federal Unemployment Compensation Trust Fund out of a deficit situation; all interest bearing debt is scheduled to be paid off by May of 1986 and non-interest bearing debt during 1989.

Payments to crime victims are expected to total \$2.7 million in 1986-87. However, no State tax funds are required as a result of two recent programs: the Federal Crime Victim Act of 1984, which makes available Federal funds to states for crime victim compensation; and State Act 96 of 1984, which allows imposed court costs to be placed in a restricted account and used for such payments.

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

During the last year, the Commission published standards for the fair treatment of victims and witnesses of crime, and awarded 53 grants totalling approximately \$1.4 million to victims and witnesses of crimes.

Natural Resources Development and Management

Management of Pennsylvania's vast mineral resources has been a significant part of this program and will receive renewed emphasis in 1986-87. A 20 year program is recommended to reclaim over 21,000 acres of abandoned surface mines. Funding will come from three sources: (1) an increase from \$50 to \$100 in the per acre mining permit fee; (2) a General Fund appropriation of \$2 million; and (3) the transfer of non-direct reclamation personnel from the Surface Mining Conservation and Reclamation Fund, which will make those funds available for reclamation.

ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
GENERAL ADMINISTRATION AND SUPPORT.....	\$ 12,312	\$ 13,815	\$ 11,471	\$ 11,928	\$ 12,401	\$ 12,894	\$ 13,404
COMMONWEALTH ECONOMIC DEVELOPMENT.....	\$ 88,309	\$ 191,234	\$ 96,744	\$ 107,696	\$ 108,377	\$ 104,907	\$ 94,366
TOURISM AND TRAVEL DEVELOPMENT.....	7,914	9,941	11,986	12,232	12,529	12,838	13,160
INDUSTRIAL DEVELOPMENT.....	44,448	142,916	38,503	48,115	48,974	48,809	38,041
SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT.....	25,265	26,500	34,495	35,471	34,660	30,822	30,568
INTERNATIONAL TRADE.....	849	856	1,041	1,077	1,114	1,153	1,193
AGRIBUSINESS DEVELOPMENT.....	8,522	9,437	9,105	9,122	9,354	9,469	9,515
ENERGY MANAGEMENT.....	1,311	1,584	1,614	1,679	1,746	1,816	1,889
ECONOMIC DEVELOPMENT OF DISADVANTAGED AND HANDICAPPED.....	\$ 854,211	\$ 876,141	\$ 887,621	\$ 902,025	\$ 923,495	\$ 938,855	\$ 958,745
INCOME MAINTENANCE.....	819,518	828,367	833,967	845,934	865,604	879,150	897,227
ACHIEVING ECONOMIC INDEPENDENCE - SOCIALY AND ECONOMICALLY DISADVANTAGED.....	19,683	31,243	34,135	35,287	36,425	37,545	38,628
ACHIEVING ECONOMIC INDEPENDENCE - PHYSICALLY AND MENTALLY HANDICAPPED.....	11,463	12,754	15,972	17,224	17,853	18,512	19,205
COMMUNITY CONSERVATION AND YOUTH EMPLOYMENT.....	3,547	3,777	3,547	3,580	3,613	3,648	3,685
COMMUNITY PHYSICAL DEVELOPMENT.....	\$ 52,597	\$ 60,895	\$ 56,833	\$ 32,493	\$ 32,188	\$ 31,173	\$ 31,049
HOUSING AND REDEVELOPMENT.....	52,597	60,895	56,833	32,493	32,188	31,173	31,049
IMPROVEMENT OF LOCAL GOVERNMENT OPERATIONS.....	\$ 35,862	\$ 38,046	\$ 40,024	\$ 41,858	\$ 78,887	\$ 81,017	\$ 83,252
AREA-WIDE SERVICES.....	175	275	200	200	200	200	200
MUNICIPAL ADMINISTRATIVE SUPPORT CAPABILITIES.....	34,743	36,814	38,787	40,591	77,589	79,688	81,889
COMMUNITY DEVELOPMENT PLANNING.....	944	957	1,037	1,067	1,098	1,129	1,163
NATURAL RESOURCE DEVELOPMENT AND MANAGEMENT.....	\$ 25,785	\$ 28,769	\$ 33,971	\$ 35,330	\$ 36,524	\$ 37,739	\$ 38,968
MANAGEMENT OF LAND RESOURCES.....	9,763	11,435	12,895	13,860	14,351	14,832	15,300
REGULATION OF MINERAL RESOURCES.....	16,022	17,334	21,076	21,470	22,173	22,907	23,668
LABOR-MANAGEMENT RELATIONS.....	\$ 2,319	\$ 2,495	\$ 2,464	\$ 2,563	\$ 2,666	\$ 2,773	\$ 2,884
INDUSTRIAL RELATIONS STABILITY.....	2,319	2,495	2,464	2,563	2,666	2,773	2,884
VETERANS' COMPENSATION.....	\$ 6,628	\$ 6,743	\$ 6,767	\$ 6,781	\$ 6,801	\$ 6,829	\$ 6,853
VIETNAM VETERANS' COMPENSATION.....	6,628	6,743	6,767	6,781	6,801	6,829	6,853
 PROGRAM TOTAL.....	 \$ 1,078,023	 \$ 1,218,138	 \$ 1,135,895	 \$ 1,140,674	 \$ 1,201,339	 \$ 1,216,187	 \$ 1,229,521

TRANSPORTATION AND COMMUNICATION

	(DOLLAR AMOUNTS IN THOUSANDS)						
	1984-85 ACTUAL	1985-86 AVAILABLE	1986-87 BUDGET	1987-88 ESTIMATED	1988-89 ESTIMATED	1989-90 ESTIMATED	1990-91 ESTIMATED
GENERAL FUND..... \$	188,723	\$ 200,538	\$ 200,963	\$ 206,728	\$ 213,094	\$ 219,679	\$ 226,188
SPECIAL FUNDS.....	1,072,397	1,123,201	1,106,423	1,108,993	1,080,793	1,071,015	1,075,227
FEDERAL FUNDS.....	618,673	833,566	851,795	633,805	558,824	556,620	547,227
OTHER FUNDS.....	141,657	289,774	462,663	326,256	236,615	240,416	231,088
TOTAL..... \$	<u>2,021,450</u>	<u>\$ 2,447,079</u>	<u>\$ 2,621,844</u>	<u>\$ 2,275,782</u>	<u>\$ 2,089,326</u>	<u>\$ 2,087,730</u>	<u>\$ 2,079,730</u>

Recognizing the importance that a well maintained and ever improving transportation system plays in the economic expansion of the Commonwealth the Administration is moving in a number of areas.

Replacement and rehabilitation of the Commonwealth's bridges continues at an accelerated rate due to funds being generated through a \$36 per axle tax on all heavy trucks travelling within the Commonwealth's borders. Since the beginning of this program the Department of Transportation has proceeded with 464 bridge restoration and replacement projects at a cost of \$545 million. Between now and the end of 1988 the remaining 515 projects worth \$825 million are scheduled to proceed. Given the economic benefits to the Commonwealth and lower detour costs to the trucking industry that have and will be realized because of this legislative action, Phase II of the Restoration and Replacement Bridge Program is recommended in this budget. The continuation of this program includes 2,000 State and local bridges at a total capital cost of \$1 billion, including Federal funds.

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

There is a major reconstruction program presently underway to restore the Commonwealth's Interstate System to a high serviceability level. The Department of Transportation has committed the maximum amount of available Federal Interstate Restoration Funds to this effort. Included in this program has been the transfer of \$375 million of Interstate Completion apportionments to Interstate Restoration over four years as permitted by Federal law.

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

rent revenues or with borrowing (Federal Revenue Anticipation Notes or FRANS) until Federal funds become available. The ACI concept was proposed in the Governor's 1985-86 Budget (\$15.8 million current revenues, \$29.5 million FRANS) and subsequently authorized by the General Assembly. This budget proposes the issuance of FRANS in the amount of \$190 million in 1986-87 to continue the Commonwealth's restoration at a high level and to have all Interstate Completion gaps under construction during the budget year.

Related to the Administration's Interstate efforts is the work planned on the balance of the Commonwealth's highway system. The department has set a goal of over 6,000 miles of surface improvements for 1986-87. The recommended highway maintenance budget of \$600 million will provide for approximately 552 miles of resurfacing and approximately 5,662 miles of surface treatment.

The transfer to local control of State roads determined to be functionally local will continue with the 1986-87 budget. Act 32 of 1983 established a local road turnback program by authorizing a separate restricted revenue account within the Motor License Fund. At the current level of funding about 6,000 miles of State roads will eventually be turned back to local governments.

In recognition of the ever growing cost of providing adequate mass transit services, Act 49 of 1984 revised upward the assumed revenue factor used in calculating State grants to transit agencies. While this change was intended to recognize the higher efficiencies and fare box revenues being realized by mass transit agencies, the legislation did allow transit agencies to utilize actual revenues in excess of assumed revenues for any purpose for the furtherance of service. Additionally, Act 49 increased the State Lottery Fund base fare reimbursement for the free elderly transit program from 75 percent to 100 percent and eliminated any adjustment made for transfers. This increase in State Lottery Funds has assisted urban transit systems in reducing their operating deficits.

This budget proposes a General Fund subsidy of \$180 million and \$108.4 million from the Lottery Fund which represents a 3.9 percent increase over the available year in total State operating support for mass transit systems. In addition, a capital budget of \$26.9 million is proposed for

transit equipment and related infrastructure improvements. This represents a sizeable State commitment to mass transit. Local transit tax enabling legislation should be considered to provide a long term source of funding for mass transit.

The Administration has been able to take a more active role in insuring that statewide airport facilities are not only preserved but expanded through the additional revenues and programs authorized by Act 164 of 1984. The new programs created are as follows: a rebate program for real estate taxes

paid by privately-owned public use airports; a revolving loan program for airport development; a runway marking program; a highway sign program to install directional signs to airports; and a visibility marker program to mark power lines near runways.

Associated with these efforts is the proposal to transfer the Harrisburg International and Capital City Airports to a local operating authority. Harrisburg International Airport is now operating on a profitable basis and will open a new \$13 million passenger terminal in the Fall of 1986.

TRANSPORTATION AND COMMUNICATION

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
GENERAL ADMINISTRATION AND SUPPORT.....	\$ 30,821	\$ 31,200	\$ 31,976	\$ 32,832	\$ 33,706	\$ 34,581	\$ 35,547
TRANSPORTATION SYSTEMS AND SERVICES.....	\$ 1,230,299	\$ 1,292,539	\$ 1,275,410	\$ 1,282,889	\$ 1,260,181	\$ 1,256,113	\$ 1,265,868
STATE HIGHWAY CONSTRUCTION.....	861,220	916,096	904,428	905,263	879,144	868,043	869,978
LOCAL HIGHWAY ASSISTANCE.....	157,112	154,822	154,825	155,217	155,674	156,235	157,560
URBAN MASS TRANSPORTATION.....	172,568	181,731	187,690	194,201	200,774	207,382	213,907
INTERCITY RAIL AND RURAL BUS TRANSPORTATION.....	10,172	11,679	10,538	9,805	9,648	9,667	9,686
AIR TRANSPORTATION.....	214	314	213	213	211	210	209
WATER TRANSPORTATION.....	5,509	6,497	2,216	2,190	2,130	2,076	2,028
STATE BRIDGE PROJECTS.....	23,504	21,400	15,500	16,000	12,600	12,500	12,500
PROGRAM TOTAL.....	<u>\$ 1,261,120</u> =====	<u>\$ 1,323,739</u> =====	<u>\$ 1,307,386</u> =====	<u>\$ 1,315,721</u> =====	<u>\$ 1,293,887</u> =====	<u>\$ 1,290,694</u> =====	<u>\$ 1,301,415</u> =====

RECREATION AND CULTURAL ENRICHMENT

	(DOLLAR AMOUNTS IN THOUSANDS)						
	1984-85 ACTUAL	1985-86 AVAILABLE	1986-87 BUDGET	1987-88 ESTIMATED	1988-89 ESTIMATED	1989-90 ESTIMATED	1990-91 ESTIMATED
GENERAL FUND..... \$	100,451	\$ 110,035	\$ 113,864	\$ 118,271	\$ 124,470	\$ 129,547	\$ 134,644
SPECIAL FUNDS.....	54,055	57,496	51,726	53,447	55,444	55,737	53,391
FEDERAL FUNDS.....	11,565	7,761	8,783	9,447	9,660	9,758	9,832
OTHER FUNDS.....	27,474	41,612	25,902	16,721	16,867	15,864	15,475
TOTAL..... \$	<u>193,545</u>	<u>\$ 216,904</u>	<u>\$ 200,275</u>	<u>\$ 197,886</u>	<u>\$ 206,441</u>	<u>\$ 210,906</u>	<u>\$ 213,342</u>
	=====	=====	=====	=====	=====	=====	=====

Pennsylvania is blessed with an abundant and varied historic and cultural heritage and the natural attributes to offer its citizens cultural and recreational experiences and an overall quality of life second to none. The funding contained in this budget is intended to make these experiences more available.

The Commonwealth encourages cultural development in the arts through matching grants-in-aid to arts organizations and through service programs initiated by the Council on the Arts. The quality of the programs is maintained through an ongoing evaluation process.

The budget includes a \$1 million increase in funds for grants to the arts so that the Council on the Arts can respond to the increasing number of grant applicants which, subsequently, will provide more and better arts programs in Pennsylvania. The budget also includes funds to develop the Pennsylvania Arts Stabilization Fund (PASF). This fund, with the support of four Philadelphia based private foundations and an emerging consortium of Pittsburgh private and corporate foundations, will establish a statewide standard of financial planning for arts institutions in Pennsylvania, build cash reserves to meet the cash flow necessities of arts organizations and develop responsible and successful management of arts organizations.

Funding of \$500,000 is again provided for continued maintenance and preservation of the Commonwealth's 27 historic sites and museums which it directly administers, as well as 30 historic sites and museums managed under alternative plans by community groups. Preservation maintenance for each historic site or museum is essential to protect and preserve the original fabric of the historic structure or landscape, which is an integral part of the properties' historic significance.

This program also provides \$100,000 for replacement of the commercial vehicles serving the State operated sites and museums. These vehicles are used to maintain the Historical and Museum Commission's approximately 400 buildings

and structures and over 3,000 acres of land and landscaping.

The Museum Assistance Program which provides assistance to museums to encourage and expand public programs is continuing. There are five principal areas of assistance to these museums: collections management; education and public programs; institutional development; collaborative programs and initiatives; and promotion marketing. The \$3 million recommended appropriation includes \$1,459,000 to provide increased grants to the six museums currently funded plus \$104,000 for the Afro-American Museum, \$30,000 for the Everhart Museum, \$50,000 for the Mercer Museum, \$250,000 for the Morris Arboretum and \$1,057,000 for general museum assistance.

A Productivity Improvement Initiative totalling \$144,000 is also proposed for the Historical and Museum Commission. It will provide for the purchase of additional equipment which will help improve the utilization of personnel time and costs and insure accurate and efficient record keeping.

The Access Pennsylvania Program Revision will provide \$2.9 million to increase interlibrary cooperation and full access to public libraries for citizens across the State, increase funding to libraries in low-income areas and begin the process of converting high school library catalogues into machine readable form so they can be shared with other libraries.

The Pennsylvania Public Television Network will receive \$1.0 million to provide matching grants for replacement of outdated station equipment.

Funding is continued for the operation and maintenance of the State Park System. Two Economic Revitalization Fund Programs, the Pennsylvania Conservation Corps (PCC) and the Recreation Improvement and Rehabilitation program, have helped in the massive operation and maintenance effort required to keep the State Park System functioning properly. The PCC will receive \$3 million in 1986-87.

RECREATION AND CULTURAL ENRICHMENT

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
GENERAL ADMINISTRATION AND SUPPORT.....	\$ 5,063	\$ 4,939	\$ 5,222	\$ 5,431	\$ 5,648	\$ 5,874	\$ 6,109
RECREATION.....	\$ 103,587	\$ 112,547	\$ 103,668	\$ 105,207	\$ 108,829	\$ 110,092	\$ 108,241
MANAGEMENT OF RECREATION AREAS AND FACILITIES.....	37,977	41,087	39,337	39,562	40,783	41,822	42,732
RECREATIONAL HUNTING.....	36,893	39,035	32,744	33,904	35,206	36,535	34,586
RECREATIONAL FISHING AND BOATING.....	21,305	22,728	23,024	23,466	24,228	23,217	22,794
LOCAL RECREATION AREAS AND FACILITIES	7,412	9,697	8,563	8,275	8,612	8,518	8,129
CULTURAL ENRICHMENT.....	\$ 45,856	\$ 50,045	\$ 56,700	\$ 61,080	\$ 65,437	\$ 69,318	\$ 73,685
DEVELOPMENT AND PROMOTION OF PENN- SYLVANIA STATE AND LOCAL HISTORY.....	404	329	339	351	364	378	394
MUSEUM DEVELOPMENT AND OPERATION.....	7,759	8,762	9,215	10,406	11,570	12,749	13,943
DEVELOPMENT AND PRESERVATION OF HISTORIC SITES AND PROPERTIES.....	5,137	5,405	5,606	6,038	6,424	6,264	6,519
STATE LIBRARY SERVICES.....	21,037	22,675	26,110	27,558	29,044	30,570	32,137
DEVELOPMENT OF ARTISTS AND AUDIENCES.	5,579	6,724	7,780	8,811	9,843	10,877	11,912
PUBLIC TELEVISION SERVICES.....	5,940	6,150	7,650	7,916	8,192	8,480	8,780
 PROGRAM TOTAL.....	 \$ 154,506	 \$ 167,531	 \$ 165,590	 \$ 171,718	 \$ 179,914	 \$ 185,284	 \$ 188,035
	=====	=====	=====	=====	=====	=====	=====



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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 Sales and Use Tax), other taxes (including the Personal Income Tax) and nontax revenues.

GENERAL FUND

Financial Statement

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Estimated
Beginning Balance	\$ 76,414	\$ 310,468	\$ 149,919
Revenue:			
Official Estimate.....	\$8,560,900	\$9,087,005	\$9,627,575
Adjustment to Official Estimate	305,606	158,607	.....
Proposed Revenue Changes .....	.....	.....	-141,500
Less Refunds Reserve	-93,443	-139,600	-135,000
Accrued Revenue Unrealized	327,428	365,927	382,302
Less Revenues Accrued Previously ...	-321,300	-327,428	-365,927
Less Investment Tax Credit .....	.....	-25,000	.....
Total Revenue	<u>\$8,779,191</u>	<u>\$9,119,511</u>	<u>\$9,367,450</u>
Prior Year Lapses	41,225	41,600	.....
Funds Available	<u>\$8,896,830</u>	<u>\$9,471,579</u>	<u>\$9,517,369</u>
Expenditures:			
Appropriations	\$8,610,624	\$9,263,244	\$9,482,960
Supplemental Appropriations .....	.....	58,416	.....
Less Current Year Lapses	-24,262	-50,000	.....
Estimated Expenditures	<u>-8,586,362</u>	<u>-9,271,660</u>	<u>-9,482,960</u>
Reserves:			
Tax Stabilization Reserve .....	.....	\$ 25,000	\$ 25,000
Sunny Day Reserve .....	.....	25,000	.....
Total Reserves	<u>.....</u>	<u>\$ -50,000</u>	<u>\$ -25,000</u>
Ending Balance	<u>\$ 310,468</u>	<u>\$ 149,919</u>	<u>\$ 9,409</u>

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

	1985-86 Estimated
SUPPLEMENTAL APPROPRIATIONS	
Agriculture	
Animal Indemnities	\$ 500
Education	
Special Education	\$ 1,900
School Employes Social Security	4,400
Department Total	<u>\$ 6,300</u>
Environmental Resources	
Sewage Treatment Plant Operations Grant	<u>\$ 230</u>
Health	
Renal Dialysis	<u>\$ 802</u>
Public Welfare	
Medical Assistance:	
Outpatient	\$ 33,162
Inpatient	49,812
Capitation	-42,238
Subtotal	<u>\$ 40,736</u>
Cash Assistance	\$ 13,413
Supplemental Grants—Aged, Blind and Disabled	1,960
Transportation Block Grant	-6,078
Department Total	<u>\$ 50,031</u>
Revenue	
Distribution of Public Utility Realty Tax	<u>\$ 553</u>
TOTAL	<u><u>\$ 58,416</u></u>

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

REVENUE REDUCTION PROPOSAL

	1985-86 Estimated	1986-87 Budget
Reduce the personal income tax rate from 2.2% to 2.1% effective July 1, 1986	\$ 114,000
Reduce the corporate net income tax rate from 9.5% to 8.5% effective January 1, 1987	23,000
Exempt the first \$25,000 of a corporation's valuation for the capital stock and franchise taxes effective January 1, 1987	4,500
Total Revenue Reduction Proposal	<u>.....</u>	<u>\$ 141,500</u>

TAX STABILIZATION RESERVE

Additional reserves are proposed to be appropriated to the Tax Stabilization Reserve to provide a cushion to the State budget in times of economic downturns when revenues are depressed and social needs are the greatest.

	1985-86 Estimated	1986-87 Budget
Tax Stabilization Reserve	\$ 25,000	\$ 25,000
Total Tax Stabilization Reserve	<u>\$ 25,000</u>	<u>\$ 25,000</u>

GENERAL FUND

STATE FUNDS BY DEPARTMENT

The following is a summary, by department of 1984-85 actual expenditures, of 1985-86 amounts available and of 1986-87 amounts budgeted from the General Fund as presented in the budget.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Governor's Office	\$ 3,257	\$ 3,512	\$ 3,558
Executive Offices	49,374	51,707	52,022
Lieutenant Governor's Office	648	680	690
Attorney General	22,514	24,639	25,552
Department of the Auditor General	24,875	27,230	28,007
Treasury Department	307,960	369,128	355,888
Department of Agriculture	30,255	33,032	24,630
State Civil Service Commission	1	1	1
Department of Commerce	83,393	180,185	83,353
Department of Community Affairs	22,868	32,291	27,210
Department of Corrections	161,236	185,301	210,195
Crime Commission	2,169	2,235	2,259
Department of Education	4,035,687	4,349,317	4,519,171
Emergency Management Agency	6,953	19,973	2,449
Department of Environmental Resources	134,185	149,505	154,029
Fish Commission	4	5	7
Department of General Services	111,632	113,211	112,295
Department of Health	121,434	132,661	134,850
Higher Education Assistance Agency	110,645	117,576	133,959
Historical and Museum Commission	11,605	12,837	13,606
Housing Finance Agency	25,750	25,750	25,750
Insurance Department	7,268	7,584	7,653
Department of Labor and Industry	54,826	43,292	43,810
Department of Military Affairs	23,256	24,835	27,103
Milk Marketing Board	3,600	975	950
Board of Probation and Parole	21,867	26,490	29,052
Public Television Network	8,994	8,811	10,373
Department of Public Welfare	2,609,910	2,733,504	2,791,470
Department of Revenue	145,375	152,242	157,904
Securities Commission	1,949	2,154	2,409
Department of State	3,437	4,260	3,125
State Employes' Retirement System	7,868	1,403	1,193
State Police	61,531	65,397	72,761
Tax Equalization Board	936	948	957
Department of Transportation	178,879	188,892	193,178
Legislature	88,417	99,414	104,246
Judiciary	101,804	130,683	127,295
 TOTAL	 <u>\$8,586,362</u>	 <u>\$9,321,660</u>	 <u>\$9,482,960</u>

GENERAL FUND

FEDERAL FUNDS BY DEPARTMENT

The following is a summary of Federal Funds, by department, of 1984-85 expenditures, the 1985-86 amounts available and the 1986-87 amounts budgeted as presented in the General Fund budget. Excluded are revenue sharing monies which are shown in the special fund—Revenue Sharing Trust Fund. The General Assembly specifically appropriates Federal Funds by Federal source.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Executive Offices	\$ 7,792	\$ 8,276	\$ 6,704
Attorney General	1,668	1,701	1,864
Department of the Auditor General .....	. . . .	. . . .	865
Department of Agriculture	4,779	4,566	4,545
Department of Commerce	829	1,400	3,600
Department of Community Affairs	120,221	120,604	127,510
Department of Corrections	307	235	210
Crime Commission	1,439	1,800	1,800
Department of Education	49,367	54,233	57,167
Emergency Management Agency	1,922	5,303	2,794
Department of Environmental Resources	59,838	149,021	108,312
Department of General Services .....	. . . .	7	. . . .
Department of Health	102,861	111,013	106,249
Higher Education Assistance Agency	2,807	. . . .	. . . .
Historical and Museum Commission	541	552	535
Department of Labor and Industry	180,798	228,933	218,285
Department of Military Affairs	2,617	3,998	3,407
Board of Probation and Parole	16	. . . .	. . . .
Public Utility Commission	380	549	662
Department of Public Welfare	2,178,517	2,337,185	2,313,502
State Police	1,675	3,330	515
Department of Transportation	41,098	15,844	10,493
 TOTAL	 <u>\$2,759,472</u>	 <u>\$3,048,550</u>	 <u>\$2,969,019</u>

GENERAL FUND

AUGMENTATIONS BY DEPARTMENT

The following is a summary of augmentations, by department, of 1984-85 expenditures, the 1985-86 amounts available and the 1986-87 amounts budgeted as presented in the General Fund budget.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Executive Offices	\$ 28,692	\$ 29,391	\$ 30,190
Attorney General	3,171	3,534	3,634
Department of the Auditor General	6,376	6,492	5,759
Treasury Department	1,114	1,225	1,004
Department of Agriculture	809	892	842
State Civil Service Commission	6,965	7,587	7,339
Department of Commerce	1,325	1,549	1,665
Department of Community Affairs	2,610	3,823	3,288
Department of Corrections	660	765	744
Department of Education	1,818	1,964	1,696
Emergency Management Agency	626	100	100
Department of Environmental Resources	12,074	16,944	15,468
Department of General Services	13,645	19,403	9,666
Department of Health	11,608	12,147	14,137
Historical and Museum Commission	319	580	506
Insurance Department	714	835	870
Department of Military Affairs	3,853	3,904	4,140
Public Utility Commission	22,525	24,290	24,510
Department of Public Welfare	161,053	163,798	148,910
Department of Revenue	7,163	7,575	7,242
Securities Commission .....	.	.	10
Department of State	9,525	10,621	10,938
State Police	10,575	11,572	12,080
Department of Transportation	671	664	463
Legislature	7	5	5
Judiciary	1,031	913	913
 TOTAL	 <u>\$ 308,929</u>	 <u>\$ 330,573</u>	 <u>\$ 306,119</u>

Summary by Department and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Governor's Office			
General Government			
Governor's Office	\$ 3,257	\$ 3,512	\$ 3,558
DEPARTMENT TOTAL	<u>\$ 3,257</u>	<u>\$ 3,512</u>	<u>\$ 3,558</u>
Executive Offices			
General Government			
Governor's Action Center	\$ 566	\$ 568	\$ 575
Office of Administration	3,355	4,444	4,520
Office of the Budget	19,388	19,100	19,646
ICS Development	3,553	3,235	3,290
Office of Policy Development	600	650	656
Human Resources Committee	286	295	298
Task Force on Rural Issues	99	.	.
Milrite Council	211	211	214
Human Relations Commission	4,855	5,041	5,081
Council on the Arts	581	724	780
Commission for Women	195	199	202
Governor's Energy Council	1,311	1,584	1,614
Commission on Crime and Delinquency	1,453	1,627	1,848
Office of General Counsel	1,176	1,319	1,357
Juvenile Court Judges Commission	378	475	556
Crime Victims Compensation Board	387	433	447
Health Facilities Hearing Board	146	170	172
Arbitration Panels for Health Care .....	.	.	464
Public Employee Retirement Study Commission	321	390	396
Distinguished Daughters	3	4	4
Subtotal	<u>\$ 38,864</u>	<u>\$ 40,469</u>	<u>\$ 42,120</u>
Grants and Subsidies			
Grants to the Arts	\$ 4,998	\$ 6,000	\$ 7,000
Improvement of Juvenile Probation Services	2,512	2,638	2,902
Compensation to Crime Victims	2,500	2,300	.
Crime Victims Services	500	.	.
Eagleville Hospital .....	.	300	.
Subtotal	<u>\$ 10,510</u>	<u>\$ 11,238</u>	<u>\$ 9,902</u>
TOTAL STATE FUNDS	<u>\$ 49,374</u>	<u>\$ 51,707</u>	<u>\$ 52,022</u>
Federal Funds	\$ 7,792	\$ 8,276	\$ 6,704
Augmentations	28,692	29,391	30,190
DEPARTMENT TOTAL	<u>\$ 85,858</u>	<u>\$ 89,374</u>	<u>\$ 88,916</u>

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

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Office of the Lieutenant Governor			
General Government			
Lieutenant Governor's Office	\$ 464	\$ 480	\$ 488
Board of Pardons	184	200	202
DEPARTMENT TOTAL	<u>\$ 648</u>	<u>\$ 680</u>	<u>\$ 690</u>
Attorney General			
General Government			
Attorney General's Office	\$ 22,414	\$ 24,539	\$ 25,452
County Trial Reimbursement	100	100	100
TOTAL STATE FUNDS	<u>\$ 22,514</u>	<u>\$ 24,639</u>	<u>\$ 25,552</u>
Federal Funds	\$ 1,668	\$ 1,701	\$ 1,864
Augmentations	1,138	1,212	1,175
Restricted Revenue	2,033	2,322	2,459
DEPARTMENT TOTAL	<u>\$ 27,353</u>	<u>\$ 29,874</u>	<u>\$ 31,050</u>
Auditor General			
General Government			
Auditor General's Office	\$ 24,118	\$ 26,365	\$ 27,032
Board of Claims	757	865	875
Transition — Governor .....	.....	.....	100
TOTAL STATE FUNDS	<u>\$ 24,875</u>	<u>\$ 27,230</u>	<u>\$ 28,007</u>
Federal Funds .....	.....	.....	\$ 865
Augmentations	\$ 6,376	\$ 6,492	5,759
DEPARTMENT TOTAL	<u>\$ 31,251</u>	<u>\$ 33,722</u>	<u>\$ 34,631</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Treasury Department			
General Government			
State Treasurer's Office	\$ 12,046	\$ 12,617	\$ 12,841
Transition—Auditor General	44	.....	.....
Board of Finance and Revenue	818	945	928
Council of State Governments	106	108	115
Great Lakes Commission	24	28	28
Publishing Monthly Statements	28	33	33
Replacement Checks	187	100	100
National Conference of State Legislatures	126	127	125
Education Commission of the States	55	57	61
Advisory Commission on Intergovernmental Relations	4	4	9
National Governor's Association	83	92	102
Coalition of Northeast Governors	50	50	59
Northeast-Midwest Institute	40	42	48
National Center for State Courts	100	.....	.....
Governmental Accounting Standards Board	36	36	37
Subtotal	<u>\$ 13,747</u>	<u>\$ 14,239</u>	<u>\$ 14,486</u>
Debt Service Requirements			
Interest Obligations — Penn State University .....	.....	\$ 16	\$ 16
Loan and Transfers Agent	\$ 122	228	228
Tax Note Expenses	125	168	268
Commercial Paper Costs .....	.....	600	600
Interest on Tax Anticipation Notes	30,979	41,900	25,000
General Obligation Debt Service	262,537	311,477	314,790
Subtotal	<u>\$ 293,763</u>	<u>\$ 354,389</u>	<u>\$ 340,902</u>
Grants and Subsidies			
Law Enforcement Officers' Death Benefit	\$ 450	\$ 500	\$ 500
Subtotal	<u>\$ 450</u>	<u>\$ 500</u>	<u>\$ 500</u>
TOTAL STATE FUNDS	<u>\$ 307,960</u>	<u>\$ 369,128</u>	<u>\$ 355,888</u>
Augmentations	\$ 1,114	\$ 1,225	\$ 1,004
DEPARTMENT TOTAL	<u>\$ 309,074</u>	<u>\$ 370,353</u>	<u>\$ 356,892</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Department of Agriculture			
General Government			
General Government Operations	\$ 16,424	\$ 17,335	\$ 16,605
Poultry Research and Promotion	491	.....	.....
Subtotal	<u>\$ 16,915</u>	<u>\$ 17,335</u>	<u>\$ 16,605</u>
Grants and Subsidies			
Animal Indemnities	\$ 400	\$ 725	\$ 350
Acid Rain Research .....	.....	200	.....
Transfer to Farm Products Show Fund	1,000	1,000	1,000
Livestock Show	83	83	83
Open Dairy Show	66	66	66
Junior Dairy Show	28	28	28
4-H Club Shows	33	33	33
Payments to Pennsylvania Fairs	2,500	2,500	2,500
Emergency Food Program	8,000	9,000	1,500
Disease Prevention and Treatment	355	795	669
Agricultural/Animal Research	815	957	1,186
Export Development and Agricultural Promotion	60	310	610
Subtotal	<u>\$ 13,340</u>	<u>\$ 15,697</u>	<u>\$ 8,025</u>
TOTAL STATE FUNDS	<u><u>\$ 30,255</u></u>	<u><u>\$ 33,032</u></u>	<u><u>\$ 24,630</u></u>
Federal Funds	\$ 4,779	\$ 4,566	\$ 4,545
Augmentations	809	892	842
DEPARTMENT TOTAL	<u><u>\$ 35,843</u></u>	<u><u>\$ 38,490</u></u>	<u><u>\$ 30,017</u></u>
Civil Service Commission			
General Government			
General Government Operations	\$ 1	\$ 1	\$ 1
TOTAL STATE FUNDS	<u><u>\$ 1</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ 1</u></u>
Augmentations	\$ 6,965	\$ 7,587	\$ 7,339
DEPARTMENT TOTAL	<u><u>\$ 6,966</u></u>	<u><u>\$ 7,588</u></u>	<u><u>\$ 7,340</u></u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Department of Commerce			
General Government			
General Government Operations	\$ 5,826	\$ 7,135	\$ 6,553
Tourism and Economic Development Promotion	3,750	5,100	8,100
Subtotal	<u>\$ 9,576</u>	<u>\$ 12,235</u>	<u>\$ 14,653</u>
Grants and Subsidies			
Industrial Development Assistance	\$ 500	\$ 500	\$ 500
Pennsylvania Industrial Development Authority	15,000	12,000	15,000
Site Development	862	1,500	1,500
Site Development—New Castle	350	.....	.....
Site Development—Copperweld .....	.....	600	.....
Site Development—Fuels Plant .....	.....	150	.....
Site Development—Pullman Standard	1,000	.....	.....
Local Development District Grants	400	650	850
Appalachian Regional Commission	386	500	400
Minority Business Development Authority	2,000	2,000	2,000
Community Facilities	4,989	5,500	5,500
Minority Business Technical Assistance	247	250	250
Labor/Management Committees	346	500	500
Pennsylvania Capital Loan Program	1,000	.....	.....
International City Project	50	100	.....
American Wind Symphony	85	85	.....
Transfer to Pennsylvania Economic Revitalization Fund	12,000	105,000	.....
Ben Franklin Partnership	18,827	22,300	28,000
Pennsylvania Energy Development Authority	1,500	1,300	1,500
Software Engineering Institute	4,500	.....	.....
Tourist Promotion Assistance	3,900	4,500	4,800
Port of Philadelphia	3,000	4,000	1,000
Port of Erie	1,125	1,125	375
Port of Pittsburgh	750	750	250
American Music Theatre Festival .....	.....	100	.....
Constitution Bicentennial—Philadelphia .....	.....	140	.....
Beaver Valley Plant Closing Study .....	.....	250	.....
Metals Reuse Study .....	.....	.....	375
Super Computer Center .....	.....	.....	1,750
Pittsburgh Technology Development Center .....	.....	1,000	2,000
J & L Site Development	1,000	2,000	2,000
Disaster Economic Development—Tornadoes .....	.....	1,150	.....
Pennsylvania Export Trading .....	.....	.....	150
Subtotal	<u>\$ 73,817</u>	<u>\$ 167,950</u>	<u>\$ 68,700</u>
TOTAL STATE FUNDS	<u>\$ 83,393</u>	<u>\$ 180,185</u>	<u>\$ 83,353</u>
Federal Funds	\$ 829	\$ 1,400	\$ 3,600
Augmentations	1,325	1,549	1,665
DEPARTMENT TOTAL	<u>\$ 85,547</u>	<u>\$ 183,134</u>	<u>\$ 88,618</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Department of Community Affairs			
General Government			
General Government Operations	\$ 7,785	\$ 8,795	\$ 7,724
Grants and Subsidies			
Community Conservation and Youth Employment	\$ 2,733	\$ 2,836	\$ 2,736
Housing and Redevelopment Assistance	8,000	10,000	10,000
Enterprise Development	4,000	5,000	6,250
Regional Councils	175	175	200
Planning Assistance	100	100	200
Flood Plain Management	75	75	100
COGNET .....	.....	100	.....
United Social Services .....	.....	110	.....
New Castle Blight Removal .....	.....	100	.....
Disaster Redevelopment Assistance — Tornadoes (1985) .....	.....	1,500	.....
Single-room Occupancy/Low-income Housing .....	.....	3,500	.....
Subtotal	<u>\$ 15,083</u>	<u>\$ 23,496</u>	<u>\$ 19,486</u>
TOTAL STATE FUNDS	<u>\$ 22,868</u>	<u>\$ 32,291</u>	<u>\$ 27,210</u>
Federal Funds	\$ 120,221	\$ 120,604	\$ 127,510
Augmentations	2,610	3,823	3,288
DEPARTMENT TOTAL	<u>\$ 145,699</u>	<u>\$ 156,718</u>	<u>\$ 158,008</u>
Department of Corrections			
Institutional			
State Correctional Institutions	\$ 161,236	\$ 185,301	\$ 210,195
TOTAL STATE FUNDS	<u>\$ 161,236</u>	<u>\$ 185,301</u>	<u>\$ 210,195</u>
Federal Funds	\$ 307	\$ 235	\$ 210
Augmentations	660	765	744
DEPARTMENT TOTAL	<u>\$ 162,203</u>	<u>\$ 186,301</u>	<u>\$ 211,149</u>
Crime Commission			
General Government			
Crime Commission	\$ 2,169	\$ 2,235	\$ 2,259
TOTAL STATE FUNDS	<u>\$ 2,169</u>	<u>\$ 2,235</u>	<u>\$ 2,259</u>
Federal Funds	\$ 1,439	\$ 1,800	\$ 1,800
DEPARTMENT TOTAL	<u>\$ 3,608</u>	<u>\$ 4,035</u>	<u>\$ 4,059</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Department of Education			
General Government			
General Government Operations	\$ 16,559	\$ 16,647	\$ 16,770
State Library	2,526	2,721	2,661
Bicentennial Commission	50	.....	.....
Total—General Government	\$ 19,135	\$ 19,368	\$ 19,431
Debt Service Requirements			
General State Authority Rentals — State-Aided Institutions	\$ 3,672	\$ 3,679	\$ 3,679
Institutional			
Youth Development Centers Education	\$ 3,306	\$ 3,308	\$ 3,487
Correctional Institutions Education	2,881	3,430	4,622
Scranton State School for the Deaf	2,790	3,000	3,064
Scotland School for Veterans' Children	5,896	6,025	6,429
Thaddeus Stevens State School	2,957	3,036	3,112
Total—Institutional	\$ 17,830	\$ 18,799	\$ 20,714
Grants and Subsidies			
<i>Support of Public Schools</i>			
Equalized Subsidy for Basic Education	\$1,893,746	\$2,046,856	\$2,128,730
Agenda for Excellence	24,000	28,000	28,000
Instruction Improvement	4,000	4,000	8,000
Adult Literacy .....	.....	.....	1,000
Vocational Education	30,223	33,172	34,831
Authority Rentals and Sinking Fund Requirements	147,683	141,967	136,000
Pupil Transportation	190,000	197,000	206,850
Nonpublic Pupil Transportation	6,543	13,504	13,200
Special Education	234,426	259,245	272,207
Early Intervention—Handicapped Children	7,400	7,100	10,000
Homebound Instruction	525	525	490
Tuition for Orphans and Children Placed in Private Homes	12,644	13,369	13,750
Payments in Lieu of Taxes	53	60	72
Education of Migrant Laborers' Children	157	165	172
Education of the Disadvantaged	1,000	1,000	1,000
Special Education—Approved Private Schools	40,574	42,500	44,625
Higher Education of Blind or Deaf Students	49	50	50
Intermediate Units	9,944	10,644	11,495
School Food Services	10,844	10,844	10,844
School Employees' Social Security	126,213	140,900	149,024
School Employees' Retirement Fund:			
Contingent Reserve and Supplemental Accounts	380,339	414,943	440,993
Pension Increase for Retired Teachers	15,446	.....	.....
State Schools and Hospitals—Education	17,000	17,754	18,303
Private Residential Rehabilitation Institutions	186	.....	.....
School District Payments—Racing	3,500	3,500	3,500
Subsidy Payment Midwest School District	837	.....	.....
Birdville — Mine Subsidence .....	.....	100	.....
Peter's Township — Mine Subsidence .....	.....	285	.....
Attendance Improvement .....	.....	.....	500
Education of Indigent Children	100	114	114
Subtotal—Support of Public Schools	\$3,157,432	\$3,387,597	\$3,533,750

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

	(Dollar Amounts in Thousands)		
Department of Education (continued)	1984-85 Actual	1985-86 Available	1986-87 Budget
Grants and Subsidies (continued)			
<i>Other Grants and Subsidies:</i>			
Customized Job Training	\$ 7,000	\$ 12,000	\$ 15,000
JTPA - Matching Funds	5,700	7,000	8,500
Services to Nonpublic Schools	35,606	38,490	40,030
Textbooks for Nonpublic Schools	7,394	7,413	7,330
Student Supplies for Nonpublic Schools	4,018	4,370	3,665
Teen Pregnancy and Parenthood .....	.....	473	946
Improvement of Library Services	16,979	18,350	19,500
Library Services for Blind and Handicapped	1,432	1,504	1,549
Library Access .....	.....	.....	2,000
School Library Catalog .....	.....	.....	400
College of Physicians	100	100	.....
Educational Radio and Television Grants	288	300	350
Conservatory Leadership School	30	30	30
Ethnic Heritage	100	100	100
Governor's School for the Sciences	157	157	175
Governor's School for the Arts	279	279	295
Governor's School for International Studies	75	75	115
Math and Science Instructional Development	297	.....	.....
Subtotal—Other Grants and Subsidies	\$ 79,455	\$ 90,641	\$ 99,985
<i>Higher Education—Other Grants and Subsidies:</i>			
Community Colleges	\$ 88,426	\$ 102,392	\$ 102,392
Higher Education of the Disadvantaged	5,470	5,689	5,860
Rural Initiatives	50	700	175
Chairs of Excellence .....	.....	.....	1,000
Psychiatric Education	250	650	750
Higher Education Equipment .....	.....	16,500	.....
Subtotal—Higher Education - Other Grants and Subsidies .	\$ 94,196	\$ 125,931	\$ 110,177
<i>State System of Higher Education:</i>			
State System of Higher Education (SSHE)	\$ 250,051	\$ 263,803	\$ 271,717
SSHE—Recruitment of the Disadvantaged	200	200	200
SSHE—Deferred Maintenance .....	.....	2,500	2,500
SSHE—Desegregation Compliance	2,472	1,653	1,656
SSHE—Advanced Technology Curriculum .....	.....	.....	1,568
Subtotal—State System of Higher Education	\$ 252,723	\$ 268,156	\$ 277,641
<i>State-Related Universities:</i>			
Pennsylvania State University—Educational and General	\$ 118,557	\$ 128,269	\$ 132,117
Pennsylvania State University—Research	10,627	11,211	11,547
Pennsylvania State University—Medical Programs	3,381	3,567	3,674
Pennsylvania State University—Agricultural Research	12,647	13,343	13,743
Pennsylvania State University—Agricultural Extension Services .	10,702	11,291	11,630
Pennsylvania State University—Recruitment of Disadvantaged ..	200	200	200
Pennsylvania State University—Soil Survey	100	.....	.....
Pennsylvania State University—Elizabethtown Hospital	3,561	3,757	3,870
Pennsylvania State University—Agricultural Extension Com- puter Network	1,900	.....	.....
Pennsylvania State University—Small Farm Project	75	.....	.....
Pennsylvania State University—Research Coal Slurry	500	.....	.....
Pennsylvania State University—Attendant Care Study	50	.....	.....
Pennsylvania State University—Buhl-Henderson Library	25	.....	.....
Pennsylvania State University—Avian Flu Research	375	.....	.....
Pennsylvania State University—Agricultural Science, Technology, and Research .....	.....	.....	1,818
Subtotal Pennsylvania State University	\$ 162,700	\$ 171,638	\$ 178,599

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

	1984-85	(Dollar Amounts in Thousands)	
	Actual	1985-86 Available	1986-87 Budget
Department of Education (continued)			
Grants and Subsidies (continued)			
<i>State-Related Universities: (continued)</i>			
University of Pittsburgh—Educational and General	\$ 80,819	\$ 87,902	\$ 90,539
University of Pittsburgh—Medical Programs	4,768	5,030	5,181
University of Pittsburgh—Falk Clinic	2,500	.....	.....
University of Pittsburgh—Dental Clinics	805	849	874
University of Pittsburgh—Titusville Campus	640	675	695
University of Pittsburgh—Recruitment of Disadvantaged	200	200	200
University of Pittsburgh—Biotechnology/Neuroscience .....	.....	.....	1,944
Subtotal University of Pittsburgh	<u>\$ 89,732</u>	<u>\$ 94,656</u>	<u>\$ 99,433</u>
Temple University—Educational and General	\$ 89,000	\$ 93,948	\$ 96,766
Temple University—Medical Programs	6,347	6,696	6,897
Temple University—Dental Clinics	805	849	874
Temple University—Hospital	2,500	2,500	2,500
Temple University—Recruitment of Disadvantaged	200	200	200
Temple University—Maxillofacial Prosthodontics	50	.....	.....
Temple University—Engineering and Computational Science .....	.....	.....	1,568
Temple University—Federalism Center .....	.....	.....	100
Subtotal Temple University	<u>\$ 98,902</u>	<u>\$ 104,193</u>	<u>\$ 108,905</u>
Lincoln University—Educational and General	\$ 5,519	\$ 5,822	\$ 5,996
Lincoln University—Recruitment of Disadvantaged	200	200	200
Lincoln University—Desegregation	1,000	1,000	1,000
Lincoln University—Special Programs .....	.....	.....	251
Subtotal Lincoln University	<u>\$ 6,719</u>	<u>\$ 7,022</u>	<u>\$ 7,447</u>
<i>Non-State-Related Universities and Colleges:</i>			
Delaware Valley College of Science and Agriculture	\$ 319	\$ 337	\$ 347
Drexel University	4,412	4,655	4,795
Hahnemann Medical College—Medical Programs	3,930	4,146	4,270
Hahnemann Medical College—Allied Health Programs	182	192	198
Thomas Jefferson University—Medical Programs	4,680	4,937	5,085
Thomas Jefferson University—Allied Health Programs	1,961	2,069	2,131
The Medical College of Pennsylvania—Medical Programs	2,326	2,454	2,528
The Medical College of Pennsylvania—Allied Health Programs	268	779	802
University of Pennsylvania—Instruction	12,549	13,239	13,636
University of Pennsylvania—Dental Clinics	805	849	874
University of Pennsylvania—Medical Programs	3,467	3,658	3,768
University of Pennsylvania—School of Veterinary Medicine	6,039	6,371	6,562
University of Pennsylvania—New Bolton	2,059	2,842	2,927
University of Pennsylvania—Food and Animal Clinics	1,436	1,580	1,627
Pennsylvania College of Podiatric Medicine	794	837	862
Pennsylvania College of Optometry	968	1,223	1,260
Eye Institute .....	.....	100	103
Philadelphia College of Art	479	505	520
Philadelphia College of Textiles and Science	421	444	457
Philadelphia College of Performing Arts	111	117	121
Philadelphia College of Osteopathic Medicine	4,229	4,462	4,596
Subtotal Non-State-Related Universities and Colleges	<u>\$ 51,435</u>	<u>\$ 55,796</u>	<u>\$ 57,469</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Department of Education (continued)			
Grants and Subsidies (continued)			
<i>Non-State-Related Institutions:</i>			
Berean Training and Industrial School—Maintenance	\$ 647	\$ 682	\$ 702
Berean Training and Industrial School—Rental Payments	102	102	102
Downingtown Industrial and Agricultural School—Maintenance	715	754	777
Downingtown Industrial and Agricultural School—Rental	81	81	81
Downingtown Special Projects .....	.....	.....	50
Johnson Technical Institute	154	162	167
Williamson Free School of Mechanical Trades	57	60	62
Subtotal Non-State-Related Institutions	<u>\$ 1,756</u>	<u>\$ 1,841</u>	<u>\$ 1,941</u>
Subtotal Higher Education Subsidies	<u>\$ 758,163</u>	<u>\$ 829,233</u>	<u>\$ 841,612</u>
Total—Grants and Subsidies	<u>\$3,995,050</u>	<u>\$4,307,471</u>	<u>\$4,475,347</u>
TOTAL STATE FUNDS	<u>\$4,035,687</u>	<u>\$4,349,317</u>	<u>\$4,519,171</u>
Federal Funds	\$ 49,367	\$ 54,233	\$ 57,167
Augmentations	1,818	1,964	1,696
DEPARTMENT TOTAL	<u>\$4,086,872</u>	<u>\$4,405,514</u>	<u>\$4,578,034</u>
 Emergency Management Agency			
General Government			
General Government Operations	\$ 1,675	\$ 1,692	\$ 1,585
Office of Fire Safety	728	861	864
Subtotal	<u>\$ 2,403</u>	<u>\$ 2,553</u>	<u>\$ 2,449</u>
Grants and Subsidies			
Emergency Grid Pilot Program	\$ 50	.....	.....
Emergency Grid Pilot .....	.....	\$ 35	.....
August Flood—Disaster Relief	2,500	.....	.....
Forrest County—Disaster Relief .....	.....	35	.....
Emergency and Disaster Relief—Tornadoes (1985)	2,000	.....	.....
Emergency and Disaster Relief (1985)—Tornadoes and November Flood .....	.....	2,950	.....
Hurricane Gloria—September 1985 .....	.....	2,000	.....
Disaster Relief — Flood (November, 1985) .....	.....	2,400	.....
Transfer to Volunteer Companies Loan Fund .....	.....	10,000	.....
Subtotal	<u>\$ 4,550</u>	<u>\$ 17,420</u>	<u>.....</u>
TOTAL STATE FUNDS	<u>\$ 6,953</u>	<u>\$ 19,973</u>	<u>\$ 2,449</u>
Federal Funds	\$ 1,922	\$ 5,303	\$ 2,794
Augmentations	626	100	100
DEPARTMENT TOTAL	<u>\$ 9,501</u>	<u>\$ 25,376</u>	<u>\$ 5,343</u>

GENERAL FUND

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

	(Dollar Amounts in Thousands)		
Department of Environmental Resources	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government			
General Government Operations	\$ 7,289	\$ 7,300	\$ 7,518
Electronic Data Processing Support	485	900	900
Economic Revitalization Administration	137	155	160
Office of Resources Management	13,000	13,700	14,658
Chesapeake Bay Agricultural Source Abatement	1,000	1,161	1,193
Deep Mine Safety	2,922	2,989	3,022
Office of Protection	31,278	33,133	37,380
Laboratory and Regional Office Equipment .....	.....	.....	1,862
Radon Testing .....	.....	1,000	1,169
Hazardous Waste Control	5,100	7,834	8,735
Canonsburg Remedial Action	1,014	1,207	500
Black Fly Control	581	1,500	2,000
Water Quality Testing Laboratory	277	305	311
State Forestry Operations	11,303	10,134	10,251
Gypsy Moth and Other Insect Control	2,045	2,243	2,282
State Parks	26,829	28,067	28,656
Fabridam .....	.....	800	.....
Subtotal	<u>\$ 103,260</u>	<u>\$ 112,428</u>	<u>\$ 120,597</u>
Grants and Subsidies			
Flood Control Projects	\$ 194	\$ 220	\$ 780
Storm Water Management Grants .....	.....	250	250
Sewage Facilities Planning Grants	500	500	500
Sewage Facilities Enforcement Grants	1,338	1,650	1,650
Sewage Treatment Plant Operations Grants	17,100	18,185	19,000
Solid Waste Disposal Planning Grants	799	1,000	.....
Resource Recovery Grants	2,100	2,500	.....
Delaware River Master	43	47	61
Ohio River Basin Commission	15	16	5
Susquehanna River Basin Commission	230	235	240
Interstate Commission on the Potomac River Basin	21	22	22
Delaware River Basin Commission	669	708	742
Ohio River Valley Water Sanitation Commission	89	90	97
Chesapeake Bay Commission .....	.....	75	75
Small Watershed Projects	100	100	100
Local Soil and Water District Assistants	750	800	950
Interstate Mining Commission	10	10	10
Emergency Mine Subsidence Relief	72	200	.....
Abandoned Surface Mine Reclamation .....	.....	.....	2,000
Annual Fixed Charges — Flood Lands	12	13	13
Annual Fixed Charges — Project 70	9	12	12
Annual Fixed Charges — Forest Lands	1,190	1,194	1,225
Huntingdon Correctional Institution Utilities .....	.....	2,000	.....
Vector Control	499	500	500
Water Supply Project-Beccaria	185	.....	.....
Clearfield County — Water Project .....	.....	400	.....
Hempfield Township — Water Project .....	.....	300	.....
Castle Shannon — Water Project .....	.....	50	.....
Ferguson Township — Water Project .....	.....	50	.....
Harboro Borough — Water Project .....	.....	350	.....
Catasauqua Borough — Water Project .....	.....	400	.....
Appalachian States Low-Level Waste Compact .....	.....	200	200
Three Mile Island Clean-Up	5,000	5,000	5,000
Subtotal	<u>\$ 30,925</u>	<u>\$ 37,077</u>	<u>\$ 33,432</u>
TOTAL STATE FUNDS	<u>\$ 134,185</u>	<u>\$ 149,505</u>	<u>\$ 154,029</u>
Federal Funds	\$ 59,838	\$ 149,021	\$ 108,312
Augmentations	12,074	16,944	15,468
DEPARTMENT TOTAL	<u>\$ 206,097</u>	<u>\$ 315,470</u>	<u>\$ 277,809</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Fish Commission			
Grants and Subsidies			
Atlantic States Marine Fisheries Commission	\$ 4	\$ 5	\$ 7
DEPARTMENT TOTAL	<u>\$ 4</u>	<u>\$ 5</u>	<u>\$ 7</u>
Department of General Services			
General Government			
General Government Operations	\$ 42,212	\$ 43,753	\$ 45,626
Harristown Rental Charges	7,837	7,951	7,948
Disadvantaged Business Enterprise	28	100	100
Capitol Dome Repair	500	.....	.....
Utility Costs	8,103	8,530	9,322
Harristown Utility and Municipal Charges	5,469	5,700	5,831
Printing and Distribution of the Pennsylvania Manual	165	.....	165
Automated Purchasing System .....	.....	.....	715
Subtotal	<u>\$ 64,314</u>	<u>\$ 66,034</u>	<u>\$ 69,707</u>
Debt Service Requirements			
General State Authority Rentals	\$ 43,189	\$ 42,352	\$ 40,263
Grants and Subsidies			
Capitol Fire Protection	\$ 250	\$ 325	\$ 325
Tort Claims Payments	3,000	2,500	.....
Subtotal	<u>\$ 3,250</u>	<u>\$ 2,825</u>	<u>\$ 325</u>
Capital Improvements			
Energy Conservation Projects	\$ 879	\$ 2,000	\$ 2,000
TOTAL STATE FUNDS	<u>\$ 111,632</u>	<u>\$ 113,211</u>	<u>\$ 112,295</u>
Federal Funds .....	.....	\$ 7	.....
Augmentations	\$ 13,645	19,403	\$ 9,666
DEPARTMENT TOTAL	<u>\$ 125,277</u>	<u>\$ 132,621</u>	<u>\$ 121,961</u>
Department of Health			
General Government			
General Government Operations	\$ 10,868	\$ 11,018	\$ 11,019
TMI — Health Studies	319	510	351
Quality Assurance	3,361	2,840	3,645
Vital Statistics	3,870	3,880	4,151
State Laboratory	2,740	2,798	2,819
State Health Care Centers	13,470	13,405	13,588
Vietnam Herbicides Information Commission	138	230	236
Diabetes Task Force	171	301	307
Cancer Registry	496	600	608
Arthritis Task Force	44	150	150
Subtotal	<u>\$ 35,477</u>	<u>\$ 35,732</u>	<u>\$ 36,874</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Department of Health (continued)			
Grants and Subsidies			
School Health Examinations	\$ 18,700	\$ 18,700	\$ 18,200
Local Health Departments	18,020	18,380	18,999
Local Health Departments — Environmental	3,291	6,510	6,627
Maternal and Child Health	801	819	844
Emergency Health Services	1,838	1,881	881
Hemophilia Services	1,232	1,412	1,454
Sickle Cell Anemia	717	743	765
Sickle Cell Anemia — Summer Camps	25	25	. . . .
Cooley's Anemia	200	216	222
Renal Disease	7,300	8,852	8,987
Home Ventilators	386	500	515
Coalworker's Pneumoconiosis Services	427	645	645
Spina Bifida	749	850	950
Keystone State Games	100	100	100
Benedum Geriatric Screening .....	. . . .	125	. . . .
Adult Cystic Fibrosis	135	198	204
Screening and Treatment — Venereal Disease	346	402	402
Screening and Treatment — Tuberculosis	490	620	620
Assistance to Drug and Alcohol Abuse Programs	26,911	28,918	30,878
Pennsylvanian's Aware .....	. . . .	200	. . . .
Cancer Control, Prevention and Research	1,998	4,000	4,000
The Institute for Cancer Research, Fox Chase, Philadelphia ..	435	535	535
Pittsburgh Cancer Institute	250	250	. . . .
The Wistar Institute — Research, Philadelphia	208	208	208
Lupus Disease — Research	80	80	80
Cardiovascular Studies — University of Pennsylvania	62	125	125
Cardiovascular Studies — St. Francis Hospital, Pittsburgh	62	125	125
Central Pennsylvania Oncology Group	104	104	104
Burn Foundation of Greater Delaware Valley	161	250	250
Sunshine Foundation	25	. . . .	. . . .
United Neighborhood Facilities Health Care — Erie	150	150	. . . .
Aids Education .....	. . . .	. . . .	250
Cerebral Palsy — St. Christopher's Hospital, Philadelphia	598	850	850
Cleft Palate Clinic — Lancaster	52	52	52
Cleft Palate Clinic — Pittsburgh	52	52	52
Tay Sachs Disease — Jefferson Medical College	52	52	52
Subtotal	<u>\$ 85,957</u>	<u>\$ 96,929</u>	<u>\$ 97,976</u>
TOTAL STATE FUNDS	<u>\$ 121,434</u>	<u>\$ 132,661</u>	<u>\$ 134,850</u>
Federal Funds	\$ 102,861	\$ 111,013	\$ 106,249
Augmentations	11,608	12,147	14,137
DEPARTMENT TOTAL	<u>\$ 235,903</u>	<u>\$ 255,821</u>	<u>\$ 255,236</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Higher Education Assistance Agency			
Grants and Subsidies			
Grants to Full Time Students	\$ 85,757	\$ 91,000	\$ 96,000
Grants to Part Time Students .....	.....	.....	8,000
Merit Scholarships .....	.....	.....	1,000
Student Aid Funds Matching	2,268	3,090	4,540
Administration	225	50	50
Equal Opportunity Professional Education	258	348	490
Institutional Assistance Grants	17,137	17,888	18,604
Computer Training	1,800	1,872	1,947
Computer Purchases	3,200	3,328	3,328
TOTAL STATE FUNDS	<u>\$ 110,645</u>	<u>\$ 117,576</u>	<u>\$ 133,959</u>
 Federal Funds	 \$ 2,807	.....	.....
 DEPARTMENT TOTAL	 <u>\$ 113,452</u>	 <u>\$ 117,576</u>	 <u>\$ 133,959</u>
 Historical and Museum Commission			
General Government			
General Government Operations	\$ 9,243	\$ 10,019	\$ 10,106
Maintenance Program	500	500	500
Legislative Oral History	128	.....	.....
Flag Conservation	100	.....	.....
 Subtotal	 <u>\$ 9,971</u>	 <u>\$ 10,519</u>	 <u>\$ 10,606</u>
 Grants and Subsidies			
Museum Assistance	\$ 1,604	\$ 2,193	\$ 3,000
Local History Grants	30	.....	.....
Commodore Perry Monument .....	.....	50	.....
Canal-Lock Plymouth .....	.....	75	.....
 Subtotal	 <u>\$ 1,634</u>	 <u>\$ 2,318</u>	 <u>\$ 3,000</u>
TOTAL STATE FUNDS	<u>\$ 11,605</u>	<u>\$ 12,837</u>	<u>\$ 13,606</u>
 Federal Funds	 \$ 541	 \$ 552	 \$ 535
Augmentations	319	580	506
 DEPARTMENT TOTAL	 <u>\$ 12,465</u>	 <u>\$ 13,969</u>	 <u>\$ 14,647</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Housing Finance Agency			
Grants and Subsidies			
Transfer to PHFA—Homeowners Emergency Assistance	\$ 25,750	\$ 25,750	\$ 25,750
DEPARTMENT TOTAL	<u>\$ 25,750</u>	<u>\$ 25,750</u>	<u>\$ 25,750</u>
Insurance Department			
General Government			
General Government Operations	\$ 7,268	\$ 7,559	\$ 7,653
Malpractice Study .....	.....	25	.....
TOTAL STATE FUNDS	<u>\$ 7,268</u>	<u>\$ 7,584</u>	<u>\$ 7,653</u>
Augmentations	\$ 714	\$ 835	\$ 870
DEPARTMENT TOTAL	<u>\$ 7,982</u>	<u>\$ 8,419</u>	<u>\$ 8,523</u>
Department of Labor and Industry			
General Government			
General Government Operations	\$ 13,561	\$ 13,359	\$ 13,194
Right to Know Act	900	1,354	1,150
Subtotal	<u>\$ 14,461</u>	<u>\$ 14,713</u>	<u>\$ 14,344</u>
Debt Service Requirements			
Unemployment Compensation Interest	<u>\$ 17,000</u>	.....	.....
Grants and Subsidies			
Occupational Disease Payments	\$ 8,641	\$ 8,374	\$ 7,806
Transfer to Vocational Rehabilitation Fund	11,000	12,000	15,540
Workmen's Compensation Payments	1,036	1,033	921
Transfer to Office of Employment Security	1,100	.....	.....
Teenage Pregnancy and Parenthood .....	.....	625	1,211
Job Training for Welfare Recipients .....	.....	2,000	2,000
Job Training Partnership	1,588	2,247	1,988
Greater Philadelphia Assistance Program .....	.....	200	.....
Harmarville Rehabilitation Center .....	.....	100	.....
Retraining Dislocated Workers .....	.....	2,000	.....
Subtotal	<u>\$ 23,365</u>	<u>\$ 28,579</u>	<u>\$ 29,466</u>
TOTAL STATE FUNDS	<u>\$ 54,826</u>	<u>\$ 43,292</u>	<u>\$ 43,810</u>
Federal Funds	\$ 180,798	\$ 228,933	\$ 218,285
DEPARTMENT TOTAL	<u>\$ 235,624</u>	<u>\$ 272,225</u>	<u>\$ 262,095</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Department of Military Affairs			
General Government			
General Government Operations	\$ 10,539	\$ 10,834	\$ 11,394
American Battle Monuments	33	3	3
Armory Maintenance and Repair	482	500	500
Gettysburg Memorial .....	.....	75	.....
Subtotal	<u>\$ 11,054</u>	<u>\$ 11,412</u>	<u>\$ 11,897</u>
Institutional			
Erie Soldiers and Sailors Home	\$ 2,588	\$ 2,935	\$ 3,073
Hollidaysburg Veterans Home	7,821	8,474	8,314
Southeastern Veterans Home .....	.....	.....	1,922
Subtotal	<u>\$ 10,409</u>	<u>\$ 11,409</u>	<u>\$ 13,309</u>
Grants and Subsidies			
Education of Veterans Children	\$ 45	\$ 75	\$ 75
Education — National Guard	295	305	305
Veterans Assistance	1,264	1,328	1,328
Blind Veterans Pension	171	186	169
National Guard Pension	18	20	20
National Guard — Unemployment Compensation .....	.....	100	.....
Subtotal	<u>\$ 1,793</u>	<u>\$ 2,014</u>	<u>\$ 1,897</u>
TOTAL STATE FUNDS	<u>\$ 23,256</u>	<u>\$ 24,835</u>	<u>\$ 27,103</u>
Federal Funds	\$ 2,617	\$ 3,998	\$ 3,407
Augmentations	3,853	3,904	4,140
DEPARTMENT TOTAL	<u>\$ 29,726</u>	<u>\$ 32,737</u>	<u>\$ 34,650</u>
Milk Marketing Board			
General Government			
Transfer to Milk Marketing Board	\$ 950	\$ 975	\$ 950
Underpayments to Dairy Farmers	2,650	.....	.....
DEPARTMENT TOTAL	<u>\$ 3,600</u>	<u>\$ 975</u>	<u>\$ 950</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Board of Probation³ and Parole			
General Government			
General Government Operations	\$ 18,631	\$ 19,490	\$ 20,552
Grants and Subsidies			
Improvement of Adult Probation Services	\$ 3,236	\$ 7,000	\$ 8,500
TOTAL STATE FUNDS	<u>\$ 21,867</u>	<u>\$ 26,490</u>	<u>\$ 29,052</u>
Federal Funds	\$ 16	.....	.....
DEPARTMENT TOTAL	<u>\$ 21,883</u>	<u>\$ 26,490</u>	<u>\$ 29,052</u>
 Public Television Network			
General Government			
Public Television Network — General Government Operations .	\$ 3,054	\$ 2,661	\$ 2,723
Public Television Network — Public Television Station Grants .	5,940	6,150	7,650
DEPARTMENT TOTAL	<u>\$ 8,994</u>	<u>\$ 8,811</u>	<u>\$ 10,373</u>
 Public Utility Commission			
General Government			
Federal Funds	\$ 380	\$ 549	\$ 662
Restricted Revenue	22,525	24,290	24,510
DEPARTMENT TOTAL	<u>\$ 22,905</u>	<u>\$ 24,839</u>	<u>\$ 25,172</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Department of Public Welfare			
General Government			
General Government Operations	\$ 18,220	\$ 18,604	\$ 17,791
Monitoring Community Residential Contracts	100	* 100	108
Information Systems	22,975	25,205	25,318
County Assistance Offices	145,000	153,347	159,616
County Administration — Statewide	25,208	25,878	26,461
Program Accountability	7,454	7,114	7,347
Pennsylvania Employment Program	6,109	6,400	6,483
Services for the Visually Handicapped	5,533	5,402	5,510
Subtotal	<u>\$ 230,599</u>	<u>\$ 242,050</u>	<u>\$ 248,634</u>
Institutional			
Youth Development Institutions and Forestry Camps	\$ 26,525	\$ 27,217	\$ 27,846
State General Hospitals	11,728	8,000	1
State General Hospital — Connellsville	4,500	.....	.....
State General Hospital — Philipsburg .....	.....	2,000	.....
State Mental Hospitals	305,881	304,578	292,590
State Centers for the Mentally Retarded	122,661	104,860	103,924
Subtotal	<u>\$ 471,295</u>	<u>\$ 446,655</u>	<u>\$ 424,361</u>
Grants and Subsidies			
Cash Grants	\$ 559,222	\$ 576,633	\$ 576,146
Medical Assistance — Transportation	13,700	10,535	10,535
Medical Assistance — Outpatient	233,254	275,225	229,090
Medical Assistance — Inpatient	468,746	465,011	433,909
Medical Assistance — Capitation Program	4,749	18,507	79,986
Long-Term Care Facilities	122,377	135,570	143,043
Supplemental Security Income	46,808	51,311	53,675
Community Mental Health Services	98,036	110,315	125,244
Medical Assistance — Community Mental Health .....	.....	.....	30,622
Eastern Pennsylvania Psychiatric Institute	6,651	6,776	6,776
Community Based Services — Mentally Retarded	48,593	60,233	68,891
Elwyn Institute	240	200	200
Community Residential Services — Mentally Retarded	113,519	126,501	133,032
Philadelphia Association for Retarded Citizens	208	208	208
Intermediate Care Facilities — Mentally Retarded	28,515	35,015	45,254
Early Intervention	15,100	15,700	16,328
Beacon Lodge Camp — Blind Services	35	40	40
Rudolphy Residence for the Blind .....	.....	160	.....
Overbrook School for the Blind .....	.....	150	.....
County Child Welfare Programs	118,644	116,250	119,988
Day Care Services	16,885	23,000	24,000
Arsenal Family and Children's Center — Pittsburgh	104	106	106
Home for Crippled Children — Pittsburgh	520	530	530
Childrens Heart Hospital — Philadelphia	1,238	1,563	1,563
Mercy Hospital Study .....	.....	200	.....
Western Psychiatric Institute and Clinic	6,136	6,522	6,522
Adult Services Block Grant	1,855	.....	.....
Domestic Violence and Rape Crisis	1,881	.....	.....

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Department of Public Welfare (continued)			
Grants and Subsidies (continued)			
Domestic Violence .....	.....	\$ 1,773	\$ 2,729
Rape Crisis .....	.....	665	895
Breast Cancer Screening .....	.....	100	100
Legal Services	\$ 1,000	1,500	1,500
Human Services Development Fund .....	.....	2,000	4,543
Attendant Care .....	.....	500	1,020
Bridge Housing .....	.....	2,000	2,000
Subtotal	<u>\$1,908,016</u>	<u>\$2,044,799</u>	<u>\$2,118,475</u>
TOTAL STATE FUNDS	<u>\$2,609,910</u>	<u>\$2,733,504</u>	<u>\$2,791,470</u>
Federal Funds	\$2,178,517	\$2,337,185	\$2,313,502
Augmentations	161,053	163,798	148,910
DEPARTMENT TOTAL	<u>\$4,949,480</u>	<u>\$5,234,487</u>	<u>\$5,253,882</u>
Department of Revenue			
General Government			
General Government Operations	\$ 65,252	\$ 67,300	\$ 68,889
Commissions — Inheritance and Realty Transfer Tax Collections	1,563	1,700	1,700
Subtotal	<u>\$ 68,815</u>	<u>\$ 69,000</u>	<u>\$ 70,589</u>
Grants and Subsidies			
Distribution of Public Utility Realty Tax	\$ 78,560	\$ 83,242	\$ 87,315
TOTAL STATE FUNDS	<u>\$ 145,375</u>	<u>\$ 152,242</u>	<u>\$ 157,904</u>
Augmentations	\$ 7,163	\$ 7,575	\$ 7,242
DEPARTMENT TOTAL	<u>\$ 152,538</u>	<u>\$ 159,817</u>	<u>\$ 165,146</u>
Securities Commission			
General Government			
General Government Operations	\$ 1,949	\$ 2,154	\$ 2,409
TOTAL STATE FUNDS	<u>\$ 1,949</u>	<u>\$ 2,154</u>	<u>\$ 2,409</u>
Augmentations .....	.....	.....	\$ 10
DEPARTMENT TOTAL	<u>\$ 1,949</u>	<u>\$ 2,154</u>	<u>\$ 2,419</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Department of State			
General Government			
General Government Operations	\$ 2,749	\$ 3,092	\$ 2,707
Publishing Constitutional Amendments	74	60	60
Electoral College Expenses	6	.....	.....
Census Reconciliation—Administration .....	.....	250	.....
Subtotal	<u>\$ 2,829</u>	<u>\$ 3,402</u>	<u>\$ 2,767</u>
Grants and Subsidies			
Voting of Citizens in Military Service	\$ 8	\$ 8	\$ 8
Voter Registration by Mail	600	350	350
Census Reconciliation—County Reimbursement .....	.....	500	.....
Subtotal	<u>\$ 608</u>	<u>\$ 858</u>	<u>\$ 358</u>
TOTAL STATE FUNDS	<u>\$ 3,437</u>	<u>\$ 4,260</u>	<u>\$ 3,125</u>
Augmentations	\$ 9,525	\$ 10,621	\$ 10,938
DEPARTMENT TOTAL	<u>\$ 12,962</u>	<u>\$ 14,881</u>	<u>\$ 14,063</u>
State Employee's Retirement System			
Grants and Subsidies			
National Guard — Employer Contribution	\$ 1,379	\$ 1,403	\$ 1,193
Pension Increase for Annuitants	6,489	.....	.....
DEPARTMENT TOTAL	<u>\$ 7,868</u>	<u>\$ 1,403</u>	<u>\$ 1,193</u>
State Police			
General Government			
General Government Operations	\$ 58,000	\$ 63,100	\$ 70,447
Municipal Police Training	3,531	2,247	2,314
Soft Body Armor .....	.....	50	.....
TOTAL STATE FUNDS	<u>\$ 61,531</u>	<u>\$ 65,397</u>	<u>\$ 72,761</u>
Federal Funds	\$ 1,675	\$ 3,330	\$ 515
Augmentations	10,575	11,572	12,080
DEPARTMENT TOTAL	<u>\$ 73,781</u>	<u>\$ 80,299</u>	<u>\$ 85,356</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Tax Equalization Board			
General Government			
General Government Operations	\$ 936	\$ 948	\$ 957
DEPARTMENT TOTAL	<u>\$ 936</u>	<u>\$ 948</u>	<u>\$ 957</u>
Department of Transportation			
General Government			
Mass Transportation Operations	\$ 1,060	\$ 1,200	\$ 1,216
Comprehensive Rail Study	10	250	250
Railroad Bridge Inspections			175
Transfer to Motor License Fund — Vehicle Sales Tax Collection	1,432	1,461	1,505
Pennsylvania Coordinate System	100	145	149
High Speed Intercity Rail Passenger Commission	1,600	882	500
Indiantown Gap National Cemetery	8		
Subtotal	<u>\$ 4,210</u>	<u>\$ 3,938</u>	<u>\$ 3,795</u>
Grants and Subsidies			
Mass Transportation Assistance	\$ 166,277	\$ 174,525	\$ 180,000
Rural and Intercity Rail and Bus Transportation	3,803	5,535	5,435
Freight Rail Assistance	4,389	4,594	3,748
Civil Air Patrol	200	300	200
Subtotal	<u>\$ 174,669</u>	<u>\$ 184,954</u>	<u>\$ 189,383</u>
TOTAL STATE FUNDS	<u>\$ 178,879</u>	<u>\$ 188,892</u>	<u>\$ 193,178</u>
Federal Funds	\$ 41,098	\$ 15,844	\$ 10,493
Augmentations	671	664	463
DEPARTMENT TOTAL	<u>\$ 220,648</u>	<u>\$ 205,400</u>	<u>\$ 204,134</u>
Legislature			
General Government			
Senate	\$ 23,813	\$ 27,374	\$ 28,621
House of Representatives	52,324	59,224	62,197
Legislative Reference Bureau	3,244	3,183	3,342
Legislative Budget and Finance Committee	1,257	1,282	1,320
Legislative Data Processing	1,650	1,900	2,000
Legislative Miscellaneous and Commissions	6,129	6,451	6,766
TOTAL STATE FUNDS	<u>\$ 88,417</u>	<u>\$ 99,414</u>	<u>\$ 104,246</u>
Augmentations	\$ 7	\$ 5	\$ 5
DEPARTMENT TOTAL	<u>\$ 88,424</u>	<u>\$ 99,419</u>	<u>\$ 104,251</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Judiciary			
General Government			
Supreme Court	\$ 4,226	\$ 5,557	\$ 5,841
Supreme Court Justice Expenses .....	.....	130	130
Comprehensive Computer Plan .....	.....	300	.....
Civil Rules Procedural Committee	189	192	207
Criminal Rules Procedural Committee	164	184	226
State Board of Law Examiners	235	212	232
Judicial Inquiry and Review Board	423	436	455
Court Administrator	2,765	2,700	2,911
District Justice Education	297	307	321
Superior Court	8,188	10,970	11,380
Superior Court Justice Expenses .....	.....	184	184
Commonwealth Court	4,205	5,452	5,888
Commonwealth Court Justice Expenses .....	.....	112	112
Courts of Common Pleas	25,636	26,725	27,898
Common Pleas Senior Judges	1,358	1,129	1,576
Common Pleas — Judicial Education	319	325	335
Community Courts — District Justices of the Peace	20,954	23,975	24,798
Philadelphia Traffic Court	252	309	322
Philadelphia Municipal Court	1,762	2,002	2,105
Law Clerks	182	182	182
Subtotal	<u>\$ 71,155</u>	<u>\$ 81,383</u>	<u>\$ 85,103</u>
Grants and Subsidies			
Reimbursement of County Court Costs	\$ 28,980	\$ 25,987	\$ 25,987
Appellate Court County Reimbursement .....	.....	7,988	.....
District Justice Reimbursement .....	.....	14,475	14,400
Juror Cost Reimbursement	1,669	850	1,669
National Center for State Courts .....	.....	.....	136
Subtotal	<u>\$ 30,649</u>	<u>\$ 49,300</u>	<u>\$ 42,192</u>
TOTAL STATE FUNDS	<u>\$ 101,804</u>	<u>\$ 130,683</u>	<u>\$ 127,295</u>
Augmentations	\$ 1,031	\$ 913	\$ 913
DEPARTMENT TOTAL	<u>\$ 102,835</u>	<u>\$ 131,596</u>	<u>\$ 128,208</u>
 General Fund Total — All Funds			
State Funds	\$8,586,362	\$9,321,660	\$9,482,960
Federal Funds	2,759,472	3,048,550	2,969,019
Augmentations	308,929	330,573	306,119
TOTAL	<u>\$11,654,763</u>	<u>\$12,700,783</u>	<u>\$12,758,098</u>

GENERAL FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Estimated	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
TAX REVENUE							
Corporation Taxes							
Corporate Net Income	\$ 933,390	\$ 981,500	\$ 1,026,100	\$ 1,075,000	\$ 1,128,500	\$ 1,179,400	\$ 1,235,000
Capital Stock and Franchise	425,858	457,600	480,300	519,500	557,100	586,800	620,600
Selective Business:							
Utilities Gross Receipts	550,470	540,300	567,100	607,400	631,500	656,560	682,620
Public Utility Realty	130,285	135,500	142,300	149,400	156,900	164,700	172,900
Insurance Premiums	118,666	126,900	135,000	143,100	151,700	160,800	170,500
Financial Institutions	76,121	87,000	84,300	89,400	94,700	100,400	106,400
Other	8,752	8,500	8,500	8,500	8,500	8,500	8,500
Total—Corporation Taxes	\$ 2,243,542	\$ 2,337,300	\$ 2,443,600	\$ 2,592,300	\$ 2,728,900	\$ 2,857,160	\$ 2,996,520
Consumption Taxes							
Sales and Use	\$ 3,019,349	\$ 3,184,200	\$ 3,383,900	\$ 3,604,500	\$ 3,823,000	\$ 4,050,000	\$ 4,295,000
Cigarette	239,201	237,700	236,100	234,520	232,950	231,390	229,840
Malt Beverage	27,061	27,200	27,340	27,470	27,610	27,750	27,890
Liquor	103,079	110,030	112,150	113,160	114,160	115,170	116,320
Total—Consumption Taxes	\$ 3,388,690	\$ 3,559,130	\$ 3,759,490	\$ 3,979,650	\$ 4,197,720	\$ 4,424,310	\$ 4,669,050
Other Taxes							
Personal Income Tax	\$ 2,637,557	\$ 2,709,800	\$ 2,753,300	\$ 2,923,500	\$ 3,112,800	\$ 3,305,000	\$ 3,503,200
Realty Transfer	121,220	138,900	163,600	176,005	190,950	202,460	214,650
Inheritance	277,568	307,600	328,000	344,400	361,600	379,700	398,690
Minor and Repealed	743	700	700	700	700	700	700
Total—Other Taxes	\$ 3,037,088	\$ 3,157,000	\$ 3,245,600	\$ 3,444,605	\$ 3,666,050	\$ 3,887,860	\$ 4,117,240
TOTAL TAX REVENUE	\$ 8,669,320	\$ 9,053,430	\$ 9,448,690	\$ 10,016,555	\$ 10,592,670	\$ 11,169,330	\$ 11,782,810
NONTAX REVENUE							
Liquor Store Profits	\$ 35,000	\$ 33,000	\$ 29,000	\$ 29,000	\$ 29,000	\$ 29,000	\$ 29,000
Licenses, Fees and Miscellaneous:							
Licenses and Fees	30,850	36,920	37,420	37,980	38,550	39,130	39,720
Miscellaneous	113,823	104,662	94,865	99,594	100,900	102,263	103,687
Fines, Penalties and Interest:							
On Taxes	16,928	17,000	17,000	17,000	17,000	17,000	17,000
Other	585	600	600	600	600	600	600
TOTAL NONTAX REVENUES	\$ 197,186	\$ 192,182	\$ 178,885	\$ 184,174	\$ 186,050	\$ 187,993	\$ 190,007
GENERAL FUND TOTAL	\$ 8,866,506	\$ 9,245,612	\$ 9,627,575	\$ 10,200,729	\$ 10,778,720	\$ 11,357,323	\$ 11,972,817

ADJUSTMENTS TO REVENUE ESTIMATE

On January 27, 1986, a revised official estimate for the 1985-86 fiscal year of \$9,087,005 was certified to reflect changes in tax statutes.

Revisions to that estimate detailed below reflect actual revenue collections through the first six months of the fiscal year and projected collections for the last half of the fiscal year based on current expectations for the economy and revenue trends.

	(Dollar Amounts in Thousands)		
	1985-86 Official Estimate	Adjustments	1985-86 Revised Estimate
TAX REVENUE			
Corporation Taxes			
Corporate Net Income	\$ 923,000	\$ 58,500	\$ 981,500
Capital Stock and Franchise	448,446	9,154	457,600
Selective Business:			
Utilities Gross Receipts	569,900	-29,600	540,300
Public Utility Realty	135,400	100	135,500
Insurance Premiums	130,300	-3,400	126,900
Financial Institutions	82,300	4,700	87,000
Other	7,200	1,300	8,500
Total—Corporation Taxes	<u>\$2,296,546</u>	<u>\$ 40,754</u>	<u>\$2,337,300</u>
Consumption Taxes			
Sales and Use	\$3,161,406	\$ 22,794	\$3,184,200
Cigarette	239,000	-1,300	237,700
Malt Beverage	27,900	-700	27,200
Liquor	113,041	-3,011	110,030
Total—Consumption Taxes	<u>\$3,541,347</u>	<u>\$ 17,783</u>	<u>\$3,559,130</u>
Other Taxes			
Personal Income Tax	\$2,672,665	\$ 37,135	\$2,709,800
Realty Transfer	115,900	23,000	138,900
Inheritance	275,400	32,200	307,600
Minor and Repealed	700	.	700
Total—Other Taxes	<u>\$3,064,665</u>	<u>\$ 92,335</u>	<u>\$3,157,000</u>
TOTAL TAX REVENUE	<u>\$8,902,558</u>	<u>\$ 150,872</u>	<u>\$9,053,430</u>
NONTAX REVENUE			
Liquor Store Profits	\$ 33,000	.	\$ 33,000
Licenses, Fees and Miscellaneous:			
Licenses and Fees	30,437	\$ 6,483	36,920
Miscellaneous	104,860	-198	104,662
Fines, Penalties and Interest:			
On Taxes	15,600	1,400	17,000
Other	550	50	600
TOTAL NONTAX REVENUES	<u>\$ 184,447</u>	<u>\$ 7,735</u>	<u>\$ 192,182</u>
GENERAL FUND TOTAL	<u>\$9,087,005</u>	<u>\$ 158,607</u>	<u>\$9,245,612</u>

GENERAL FUND REVENUE SOURCES

Corporate Net Income Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 856,343	1985-86	\$ 981,500
1980-81	814,679	1986-87	1,026,100
1981-82	856,571	1987-88	1,075,000
1982-83	818,578	1988-89	1,128,500
1983-84	854,982	1989-90	1,179,400
1984-85	933,390	1990-91	1,235,000

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

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

Credits: Credits allowed against the tax include investments in neighborhood assistance, job training, community service, and crime prevention programs. The credit may be equal up to 70 percent of the amount invested with a \$250,000 maximum credit for any taxpayer and a limit of \$8,750,000 in any one fiscal year for all taxpayers.

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

Payment: A tentative tax return for the current tax year must be filed within the first 105 days of the tax year together with a tentative tax payment computed on the current tax rate and based on 90 percent of the second previous year's liability or an estimate of the current year liability. An optional four payment installment system for the 90 percent tentative payment is available providing for tentative payments in the fourth, sixth, ninth and twelfth months of the tax year. The final balance of tax due, if any, must be paid with the annual return due 105 days after the end of the tax year.

Recent Changes: Beginning in tax year 1986, the current system of tentative tax payments was replaced with provisions to estimate tax liability for the tax year and make payments in the fourth, sixth, ninth and twelfth month of the tax year. Act No. 1985-29 established a tax credit equal to 20 percent of qualified investments made after January 1, 1986. Total credits available for this purpose are limited to \$6.25 million per taxpayer and \$25 million in total per year.

Tax Proposal: The budget includes a proposed reduction of the tax rate to 8.5 percent effective January 1, 1987. The estimated impact on revenue in 1986-87 from this proposal, if enacted, is \$23.0 million. The estimates shown above do not take into account the effects of this proposal.

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

GENERAL FUND REVENUE SOURCES

Capital Stock and Franchise Taxes

(Dollar Amounts in Thousands)

Actual		Estimated
1979-80	\$ 276,494	1985-86
1980-81	330,427	1986-87
1981-82	341,639	1987-88
1982-83	363,520	1988-89
1983-84	388,838	1989-90
1984-85	425,858	1990-91
		\$ 457,600
		480,300
		519,500
		557,100
		586,800
		620,600

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

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

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

Payment: A tentative return for both taxes for the current tax year must be filed within the first 105 days of the tax year. A payment of 85 percent of the estimated tax liability, based on the second preceding year, is to be paid with the tentative return. The final balance of tax due, if any, must be paid with the annual return due 105 days after the end of the tax year.

Recent Changes: Act No. 1985-29 added an exemption for the development of computer software beginning in 1985, provided for tax proration if a corporation files on other than an annual basis and reduced the tentative tax payment rate from 90 percent to 85 percent effective in 1986.

Tax Proposal: The budget includes a proposal to exempt the first \$25,000 of a firm's valuation for tax purposes effective January 1, 1987. The estimated impact on revenues in 1986-87, if enacted, is \$4.5 million. The estimates shown above do not take into account the effects of this proposal.

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

GENERAL FUND REVENUE SOURCES

Utilities Gross Receipts Tax

(Dollar Amounts in Thousands)

Actual	Estimated
1979-80 \$ 380,250	1985-86 \$ 540,300
1980-81 432,324	1986-87 567,100
1981-82 501,536	1987-88 607,400
1982-83 503,648	1988-89 631,500
1983-84 511,126	1989-90 656,560
1984-85 550,470	1990-91 682,620

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

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

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

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

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

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

GENERAL FUND REVENUE SOURCES

Public Utility Realty Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 175,828	1985-86	\$ 135,500
1980-81	93,321	1986-87	142,300
1981-82	104,156	1987-88	149,400
1982-83	111,564	1988-89	156,900
1983-84	173,725	1989-90	164,700
1984-85	130,285	1990-91	172,900

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

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

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

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

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

GENERAL FUND REVENUE SOURCES

Insurance Premiums Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 96,845	1985-86	\$ 126,900
1980-81	98,112	1986-87	135,000
1981-82	104,057	1987-88	143,100
1982-83	103,168	1988-89	151,700
1983-84	110,550	1989-90	160,800
1984-85	118,666	1990-91	170,500

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

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

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

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

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

GENERAL FUND REVENUE SOURCES

Financial Institutions Taxes

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 62,426	1985-86	\$ 87,000
1980-81	42,555	1986-87	84,300
1981-82	34,995	1987-88	89,400
1982-83	50,706	1988-89	94,700
1983-84	72,848	1989-90	100,400
1984-85	76,121	1990-91	106,400

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

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

Credits: Credits against the tax include investment in neighborhood assistance, job training, community service, and crime prevention programs.

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

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

Recent Changes: The bank shares and title insurance and trust companies shares taxes were amended in December 1983 in response to the Pennsylvania Supreme Court's decision in *Dale National Bank v. Commonwealth* that held United States obligations were improperly taken into account in the computation of the Banks Shares Tax.

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

GENERAL FUND REVENUE SOURCES

Other Selective Business Taxes

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 6,839	1985-86	\$ 8,500
1980-81	7,204	1986-87	8,500
1981-82	8,075	1987-88	8,500
1982-83	8,830	1988-89	8,500
1983-84	8,548	1989-90	8,500
1984-85	8,752	1990-91	8,500

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

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

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

GENERAL FUND REVENUE SOURCES

Sales and Use Tax

(Dollar Amounts in Thousands)

Actual	Estimated
1979-80 \$1,995,829	1985-86 \$3,184,200
1980-81 2,086,166	1986-87 3,383,900
1981-82 2,229,436	1987-88 3,604,500
1982-83 2,365,061	1988-89 3,823,000
1983-84 2,720,628	1989-90 4,050,000
1984-85 3,019,349	1990-91 4,295,000

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

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

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

Rate: 6 percent of retail price for Sales and Use Tax and 6 percent of rent for Hotel Occupancy Tax.

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

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

GENERAL FUND REVENUE SOURCES

Cigarette Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 252,423	1985-86	\$ 237,700
1980-81	254,661	1986-87	236,100
1981-82	254,922	1987-88	234,520
1982-83	250,733	1988-89	232,950
1983-84	242,717	1989-90	231,390
1984-85	239,201	1990-91	229,840

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

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

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

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

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

GENERAL FUND REVENUE SOURCES

Malt Beverage Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80.....	\$ 27,768	1985-86.....	\$ 27,200
1980-81.....	27,628	1986-87.....	27,340
1981-82.....	28,397	1987-88.....	27,470
1982-83.....	27,904	1988-89.....	27,610
1983-84.....	27,023	1989-90.....	27,750
1984-85.....	27,061	1990-91.....	27,890

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

Credits: Act No. 82, enacted May 9, 1974, amended the Malt Beverage Law to provide a tax credit for domestic manufacturers of malt or brewed beverages. The credit is for "qualifying capital expenditures" and may not exceed the amount of the expenditures or \$100,000 a year. The act was effective for the period January 1, 1974 to December 31, 1976, but has been extended to December 31, 1985.

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

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

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

GENERAL FUND REVENUE SOURCES

Liquor Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 93,201	1985-86	\$ 110,030
1980-81	97,178	1986-87	112,150
1981-82	113,736	1987-88	113,160
1982-83	107,467	1988-89	114,160
1983-84	105,311	1989-90	115,170
1984-85	103,079	1990-91	116,320

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

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

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

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

GENERAL FUND REVENUE SOURCES

Personal Income Tax

(Dollar Amounts in Thousands)

Actual	Estimated
1979-80 .....\$1,693,997	1985-86 .....\$2,709,800
1980-81 1,911,581	1986-87 2,753,300
1981-82 2,011,990	1987-88 2,923,500
1982-83 2,078,995	1988-89 3,112,800
1983-84 2,581,584	1989-90 3,305,000
1984-85 2,637,557	1990-91 3,503,200

Tax Base: The tax is paid by all residents, resident trust and estates on eight separate classes of income: (1) compensation, (2) net profits, (3) interest, (4) dividends, (5) income from the disposition of property, (6) rents and royalties, (7) gambling and lottery winnings, and (8) income from estates and trusts. The tax is also paid by non-resident individuals, estates and trusts on each of the classes of income from sources within the Commonwealth. A loss in one class of income may not be offset against income in another class, nor may gains or losses be carried back or forward from year to year.

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

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

Recent Tax Rates:

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

Payment: Withholding of the tax is required by employers from all persons liable for the tax with the size of collections determining the frequency for remittance to the Commonwealth by employers. For those individuals with taxable incomes over \$1,000, other than wages subject to withholding, a declaration and payment of the estimated tax is required similar to those mandated by Federal law. Payments may be made annually on April 15 for calendar year taxpayers, twice yearly, three times yearly, or four times yearly. There are special declaration and estimated tax provisions provided for farm income. Final returns and remittance of any tax due for a tax year are to be filed on or before the date when the taxpayer's Federal income tax return is due. Application for refund must be filed within three years from the time the return is required to be filed.

Tax Proposal: The budget includes a proposed reduction of the tax rate to 2.1 percent effective July 1, 1986. The reduction of revenue in 1986-87 from this proposal, if enacted, is estimated to be \$114.0 million. The estimates shown above do not take into account the effects of this proposal.

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

GENERAL FUND REVENUE SOURCES

Realty Transfer Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 84,086	1985-86	\$ 138,900
1980-81	76,518	1986-87	163,600
1981-82	67,848	1987-88	176,005
1982-83	82,815	1988-89	190,950
1983-84	106,993	1989-90	202,460
1984-85	121,220	1990-91	214,650

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

Recent Tax Rates: Rate of 1 percent of the value of property transferred through the medium of a deed, instrument or other writing.

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

Tax Proposal: Passage of legislation eliminating a loophole which permits certain transactions to escape the tax is assumed in the above estimates. The estimated additional revenue in 1986-87 from this change is \$20.0 million. Similar statutory changes, if made to the local realty transfer tax provision, can provide additional revenue to local governments and school districts.

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

GENERAL FUND REVENUE SOURCES

Inheritance Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 173,219	1985-86	\$ 307,600
1980-81	196,268	1986-87	328,000
1981-82	218,399	1987-88	344,400
1982-83	250,599	1988-89	361,600
1983-84	282,217	1989-90	379,700
1984-85	277,568	1990-91	398,690

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

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

Recent Tax Rate: Lineal beneficiaries are taxed at the rate of 6 percent and collateral beneficiaries are taxed at 15 percent. The Estate Tax is equal to the amount of federal estate tax credit.

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

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

GENERAL FUND REVENUE SOURCES

Minor and Repealed Taxes

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 655	1985-86	\$ 700
1980-81	606	1986-87	700
1981-82	586	1987-88	700
1982-83	613	1988-89	700
1983-84	724	1989-90	700
1984-85	743	1990-91	700

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

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

GENERAL FUND REVENUE SOURCES

Liquor Store Profits

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 30,000	1985-86	\$ 33,000
1980-81	66,688	1986-87	29,000
1981-82	40,000	1987-88	29,000
1982-83	50,000	1988-89	29,000
1983-84	35,000	1989-90	29,000
1984-85	35,000	1990-91	29,000

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

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

GENERAL FUND REVENUE SOURCES

Licenses, Fees, and Miscellaneous Revenue

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 125,537	1985-86	\$ 141,582
1980-81	177,216	1986-87	132,285
1981-82	165,648	1987-88	137,574
1982-83	171,408	1988-89	139,450
1983-84	130,695	1989-90	141,393
1984-85	144,673	1990-91	143,407

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

Miscellaneous revenues includes all other income to be used for general appropriation purposes in the General Fund, except monies which are given to the Commonwealth by individuals, or are provided by law to be used only for a specific purpose. The largest source is earnings on securities and deposits. Other major sources are transfers from special funds, escheats and district justice costs. Act No. 204 enacted July 15, 1976, the Magisterial District Reform Act, provides that costs and expenses incidental to district officers shall be paid by the county where located. Costs are to be collected by district justices and paid to the Commonwealth monthly.

GENERAL FUND REVENUE SOURCES

Fines, Penalties and Interest

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 7,882	1985-86	\$ 17,600
1980-81	13,365	1986-87	17,600
1981-82	20,619	1987-88	17,600
1982-83	17,199	1988-89	17,600
1983-84	17,964	1989-90	17,600
1984-85	17,513	1990-91	17,600

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

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

GENERAL FUND REVENUE DETAIL

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget
TAX REVENUE			
Corporate Net Income Tax	<u>\$ 933,390</u>	<u>\$ 981,500</u>	<u>\$ 1,026,100</u>
Capital Stock and Franchise Taxes			
Capital Stock Taxes—Domestic	\$ 240,094	\$ 258,000	\$ 270,800
Franchise Taxes—Foreign	185,764	199,600	209,500
Subtotal	<u>\$ 425,858</u>	<u>\$ 457,600</u>	<u>\$ 480,300</u>
Utilities Gross Receipts			
Telephone and Telegraph	\$ 82,528	\$ 104,100	\$ 108,700
Electric, Hydroelectric and Water Power	345,002	335,900	345,100
Motor Transportation	1,309	1,400	1,530
Transportation	2,555	2,700	2,970
Gas	119,076	96,200	108,800
Subtotal	<u>\$ 550,470</u>	<u>\$ 540,300</u>	<u>\$ 567,100</u>
Public Utility Realty Tax	<u>\$ 130,285</u>	<u>\$ 135,500</u>	<u>\$ 142,300</u>
Insurance Premiums Tax			
Domestic Casualty	\$ 17,168	\$ 18,350	\$ 19,500
Domestic Marine	7	10	10
Domestic Fire	15,759	16,850	17,920
Domestic Life and Previously Exempted Lines	7,743	8,290	8,820
Unauthorized Insurance	327	350	400
Foreign Life	69,087	73,880	78,600
Foreign Excess Casualty	4,211	4,500	4,800
Foreign Marine	4	10	10
Foreign Excess Fire	1,100	1,180	1,250
Excess Insurance Brokers	2,699	2,880	3,060
Title Insurance	561	600	630
Subtotal	<u>\$ 118,666</u>	<u>\$ 126,900</u>	<u>\$ 135,000</u>
Financial Institutions Taxes			
Trust Companies	\$ 13,840	\$ 15,800	\$ 15,300
State Banks	14,432	16,500	16,000
National Banks	38,708	44,200	42,900
State Mutual Thrift Institutions	7,235	8,300	8,000
Federal Mutual Thrift Institutions	1,906	2,200	2,100
Subtotal	<u>\$ 76,121</u>	<u>\$ 87,000</u>	<u>\$ 84,300</u>

GENERAL FUND REVENUE DETAIL

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget
Other Selective Business Taxes			
Excise—Foreign	*	*	*
Corporate Loans—Domestic	\$ 6,130	\$ 5,955	\$ 5,955
Corporate Loans—Foreign	470	455	455
Tax on Electric Cooperative Corporations	21	20	20
Corporate Net Income Tax on Agricultural Cooperative Associations	72	70	70
Corporation Income	696	675	675
Gross Receipts—Private Bankers	196	190	190
Department of Justice Collections	1,167	1,135	1,135
Subtotal	<u>\$ 8,752</u>	<u>\$ 8,500</u>	<u>\$ 8,500</u>
Sales and Use Tax	<u>\$3,019,349</u>	<u>\$3,184,200</u>	<u>\$3,383,900</u>
Cigarette Tax	<u>\$ 239,201</u>	<u>\$ 237,700</u>	<u>\$ 236,100</u>
Malt Beverage Tax	<u>\$ 27,061</u>	<u>\$ 27,200</u>	<u>\$ 27,340</u>
Liquor Tax	<u>\$ 103,079</u>	<u>\$ 110,030</u>	<u>\$ 112,150</u>
Personal Income Tax	<u>\$2,637,557</u>	<u>\$2,709,800</u>	<u>\$2,753,300</u>
Realty Transfer Tax	<u>\$ 121,220</u>	<u>138,900</u>	<u>\$ 163,600</u>
Inheritance Tax			
Resident Transfer Inheritance and Estate Tax	\$ 275,925	\$ 305,800	\$ 326,100
Nonresident Transfer Inheritance and Estate Tax	1,643	1,800	1,900
Subtotal	<u>\$ 277,568</u>	<u>\$ 307,600</u>	<u>\$ 328,000</u>
Minor and Repealed Taxes			
Tax on Writs, Wills and Deeds	\$ 706	\$ 660	\$ 660
Distilled Spirits	2	5	5
Rectified Spirits	1	5	5
Wines	34	30	30
Subtotal	<u>\$ 743</u>	<u>\$ 700</u>	<u>\$ 700</u>
TOTAL TAX REVENUE	<u>\$8,669,320</u>	<u>\$9,053,430</u>	<u>\$9,448,690</u>
NONTAX REVENUES			
Liquor Store Profits	<u>\$ 35,000</u>	<u>\$ 33,000</u>	<u>\$ 29,000</u>

* Less than \$500.

GENERAL FUND REVENUE DETAIL

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget
Licenses, Fees and Miscellaneous			
Governor's Office			
MISCELLANEOUS REVENUE			
Miscellaneous	*	*	*
Subtotal	<u> *</u>	<u> *</u>	<u> *</u>
Executive Office			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 104	\$ 120	\$ 120
Crime Victim's Award Restitution	6	10	10
Crime Conviction — Imposed Costs	8	*	*
Refunds of Expenditures Not Credited to Appropriation	2	5,010	10
Comptroller Operations Payroll Flyer Distribution Service	*	10	10
Subtotal	<u> \$ 120</u>	<u> \$ 5,150</u>	<u> \$ 150</u>
Lieutenant Governor's Office			
LICENSES AND FEES			
Board of Pardon Fees	\$ 1	\$ 1	\$ 1
Board of Pardon Filing Fees	3	4	4
Board of Pardon Copying Fees	*	*	*
MISCELLANEOUS REVENUE			
Refund of Expenditures Not Credited to Appropriations	*	*	*
Subtotal	<u> \$ 4</u>	<u> \$ 5</u>	<u> \$ 5</u>
Auditor General			
LICENSES AND FEES			
Filing Fees	\$ 6	\$ 6	\$ 7
MISCELLANEOUS REVENUE			
Refund of Expenditures Not Credited to Appropriations	1	*	*
Subtotal	<u> \$ 7</u>	<u> \$ 6</u>	<u> \$ 7</u>
Attorney General			
MISCELLANEOUS REVENUE			
Antitrust Case Payments	\$ 2	\$ 2	\$ 2
Assessed Civil Penalties Payments	103	105	108
Miscellaneous	*	*	*
Refund of Expenditures Not Credited to Appropriations	4	4	4
Subtotal	<u> \$ 109</u>	<u> \$ 111</u>	<u> \$ 114</u>
Treasury Department			
MISCELLANEOUS REVENUE			
Interest on Securities	\$ 58,990	\$ 50,000	\$ 46,000
Interest on Deposits	4,844	4,000	4,350
Allocation of Treasury Cost	2,145	1,800	1,700
Premium on Sale of Securities	26	50	*
Interest on Securities—Liquor License Fund	223	200	200
Redeposit of Checks	991	1,000	1,000
Refund of Expenditures Not Credited to Appropriations	*	*	10
Miscellaneous	218	330	1
Accrued Interest Purchases	1		
Depository Adjustments	28		
Subtotal	<u> \$ 67,466</u>	<u> \$ 57,380</u>	<u> \$ 53,261</u>

* Less than \$500.

GENERAL FUND REVENUE DETAIL

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget
Department of Aging			
MISCELLANEOUS REVENUE			
Refund of Expenditures Not Credited to Appropriations.....	\$ 1	*	*
Total	\$ 1	*	*
 Department of Agriculture			
LICENSES AND FEES			
Carbonated Beverage License.....	\$ 21	\$ 24	\$ 23
Egg Certification Fees	28	29	29
Cold Storage Warehouse Licenses.....	3	4	4
Egg Opening Licenses	*	*	*
Seed Testing and Certification Fees	75	69	70
Bakery Licenses	48	45	46
Ice Cream Licenses	46	43	43
Domestic Animal Dealers Licenses	7	8	7
Abattoir Licenses	19	10	10
Rendering Plant Licenses	1	1	1
Horse Slaughtering Licenses	*	*	*
Approved Inspector's Certificate and Registration Fees	6	8	7
Garbage Feeders Licenses	1	1	1
Poultry Technician Licenses	*	*	*
Miscellaneous Licenses and Fees	17	55	27
Farm Product Inspection Fees	7	11	11
Veterinarian Diagnostic Lab Fees	141	145	145
Public Weighmaster's Liquid Fuels Licenses.....	45	47	48
Public Weighmaster's Solid Fuels Licenses	30	38	38
Livestock Branding Fees	*	*	*
Pesticide Dealers License and Fees	9	13	13
Pesticide Application License and Fees	97	84	86
Pesticide Registration Fees	89	70	71
 MISCELLANEOUS REVENUE			
Sale of Surplus Products.....	*	1	1
Miscellaneous	1	*	*
Refund of Expenditures Not Credited to Appropriations.....	171	1	1
Sale of Dressed Meats — MAEC	10	11	10
Subtotal	\$ 872	\$ 718	\$ 692
 Civil Service Commission			
MISCELLANEOUS REVENUE			
Refund of Expenditures Not Credited to Appropriations.....	*	*	*
Miscellaneous	*	*	*
Subtotal	*	*	*
 Department of Commerce			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 65	\$ 30	\$ 30
Refund of Expenditures Not Credited to Appropriations.....	*	*	*
Nursing Home Loans — Repayments	4,742	5,000	5,200
Subtotal	\$ 4,807	\$ 5,030	\$ 5,230

* Less than \$500.

GENERAL FUND REVENUE DETAIL

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget
Department of Community Affairs			
LICENSES AND FEES			
Municipal Indebtedness Fees	\$ 57	\$ 53	\$ 50
MISCELLANEOUS REVENUE			
Miscellaneous	183	3	3
Refunds of Expenditures Not Credited to Appropriations	1	217	217
Subtotal	<u>\$ 241</u>	<u>\$ 273</u>	<u>\$ 270</u>
Department of Corrections			
MISCELLANEOUS REVENUE			
Antitrust Case Payments	\$ 3	\$ 3	\$ 3
Miscellaneous	1	1	1
Refunds of Expenditures Not Credited to Appropriations	41	41	41
Subtotal	<u>\$ 45</u>	<u>\$ 45</u>	<u>\$ 45</u>
Crime Commission			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 3	*	*
Subtotal	<u>\$ 3</u>	<u>*</u>	<u>*</u>
Department of Education			
LICENSES AND FEES			
Secondary Education Evaluation Fees	\$ 99	\$ 100	\$ 100
Private Trade School License Fees	42	42	42
Business School License Fees	54	45	45
Correspondence School License Fees	12	16	16
Private Academic School License Fees	60	13	13
Private Driver Training School Fees	24	22	23
Teachers Certification Fees	299	300	290
Teachers Certification Fees — Private Academy	12	61	63
PDE — Fees Transcripts/Closed Private Schools	*	*	*
MISCELLANEOUS			
Miscellaneous	*	*	*
Refunds to Expenditures Not Credited to Appropriations	50	50	50
Subtotal	<u>\$ 652</u>	<u>\$ 649</u>	<u>\$ 642</u>
Emergency Management Agency			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 15	\$ 15	\$ 15
Subtotal	<u>\$ 15</u>	<u>\$ 15</u>	<u>\$ 15</u>
Department of Environmental Resources			
LICENSES AND FEES			
Bathing Place Licenses	\$ 11	.....	.....
Sewage and Industrial Waste Permit Fees	511	\$ 240	\$ 240
Restaurant Licenses	520	525	525
Miscellaneous Licenses and Fees	19	26	26
Registration Fees for Organized Camps	4	4	4
Explosive Storage Permit Fees	125	127	127
Blasters' Examination and Licensing Fees	58	60	60
Examination and Certificate Fees	16	15	15
Bituminous Miners' Examination and Certificate Fees	*	1	1
Bituminous Shot Firers and Machine Runners Examination and Certificates	1	1	1
Anthracite Miners' Examination and Certificate Fees	*	*	*
Water Power and Supply Permit Fees	57	60	60

* Less Than \$500.

GENERAL FUND REVENUE DETAIL

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Estimated	Budget
Department of Environmental Resources (continued)			
LICENSES AND FEES (continued)			
Dams and Encroachment Fees	\$ 106	\$ 115	\$ 120
Water Bacteriological Examinations	59	60	60
Sewage Enforcement Examination Fees	3	2	2
Sewage Enforcement-Certificate Copy Fees	3	3	3
Natural Gas Well Classification Permit	247	.....	.....
Hazardous Waste Treatment Storage or Disposal	18	100	100
Hazardous Waste Transporter Licenses Application Fees	18	40	20
MISCELLANEOUS REVENUE			
Minerals Sales	304	350	350
Camp Leases	202	210	210
Water Leases	1	5	5
Rights-of-Way	149	155	160
Recovered Damages	1	5	5
Housing Rents	12	15	15
Ground Rents	27	30	30
Royalties for Recovery of Materials-Schuylkill River	47	50	55
Miscellaneous	51	55	60
Surface Subsidence Assistance Loans—Principal Amounts	11	10	11
Refunds of Expenditures Not Credited to Appropriations	159	190	190
Payment to Occupy Submerged Lands	21	20	20
Payments of Loans — Water Facilities Loans	58	140	140
Interest Income	206	350	350
Penalty Charges — Delinquent	1	5	5
Subtotal	\$ 3,026	\$ 2,969	\$ 2,970
Department of General Services			
MISCELLANEOUS REVENUE			
Sale of State Property	\$ 989	\$ 500	\$ 1,000
Sale of Publications	78	75	80
Sale of Unserviceable Property	272	250	275
Rental of State Property	185	160	175
Recovery on Insurance and Surety Bonds	*	*	*
Mileage of State Automobiles	495	500	500
Contract Forfeitures and Damages .....	.....	1	1
Allocation of Property Costs	5,180	5,000	5,000
Real Estate Services	105	80	100
Miscellaneous	614	500	500
Refunds of Expenditures Not Credited to Appropriations	42	40	40
Subtotal	\$ 7,960	\$ 7,106	\$ 7,671
Department of Health			
LICENSES AND FEES			
Vital Statistics Fees	\$ 2,076	\$ 2,075	\$ 2,075
Registration Fees-Drugs Devices and Cosmetics Act	340	340	340
Profit Making Hospital Licenses	74	74	74
Nursing Home Licenses	253	253	253
Life Safety Code Disposition Fees	112	112	112
Birth Center Licensure Fees	*	*	*
MISCELLANEOUS REVENUE			
Miscellaneous	94	94	94
Refunds of Expenditures Not Credited to Appropriations	10	1	1
Subtotal	\$ 2,959	\$ 2,949	\$ 2,949

* Less than \$500

GENERAL FUND REVENUE DETAIL

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Estimated	Budget
Historical and Museum Commission			
MISCELLANEOUS REVENUE			
Miscellaneous	*	\$ 1	\$ 1
Refunds of Expenditures Not Credited to Appropriations	*	5	5
Subtotal	*	\$ 6	\$ 6
Insurance Department			
LICENSES AND FEES			
Agents' Licenses	\$ 4,609	\$ 10,682	\$ 9,803
Brokers' Licenses	577	109	766
Examination Fees and Expenses	874	874	874
Valuation of Policies Fees	1,450	1,450	1,450
Miscellaneous Fees	4	4	4
Miscellaneous Licenses	22	55	55
Physical Damage Appraiser Licenses	46	47	47
Division of Companies Certification — Certificates' and Filing Fees	367	368	368
Agents and Brokers' Certification Fees	186	189	189
MISCELLANEOUS REVENUE			
Miscellaneous	11	11	11
Refunds of Expenditures Not Credited to Appropriations	*	*	*
Subtotal	\$ 8,146	\$ 13,789	\$ 13,567
Labor and Industry			
LICENSES AND FEES			
Bedding and Upholstery Fees	\$ 265	\$ 270	\$ 270
Boiler Inspection Fees	750	800	780
Elevator Inspection Fees	799	820	830
Employment Agents' Licenses	47	49	49
Projectionists' Examination and License Fees	8	8	*
Approval of Elevator Plan Fees	75	65	65
Industrial Homework Permit Fees	*	*	*
Employment Agents' Registration Fees	9	10	10
Liquified Petroleum Gas Registration Fees	114	120	120
Stuffed Toys Manufacturers Registration Fees	23	23	24
Approval of Building Plan Fees	2,182	2,200	2,225
MISCELLANEOUS REVENUE			
Miscellaneous	28	27	23
Refunds of Expenditures Not Credited to Appropriations	68	150	150
Indirect Costs Reimbursements — BVR .....	.....	200	200
Indirect Costs Reimbursements — CETA — Balance of State ..	.....	300	300
Indirect Costs Reimbursements — Other .....	.....	810	810
Subtotal	\$ 4,368	\$ 5,852	\$ 5,856
Department of Military Affairs			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 3	\$ 2	\$ 2
Refunds of Expenditures Not Credited to Appropriations	61	53	53
Subtotal	\$ 64	\$ 55	\$ 55

* Less than \$500.

GENERAL FUND REVENUE DETAIL

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget
Board of Probation and Parole			
MISCELLANEOUS REVENUE			
Miscellaneous	*	*	*
Refunds of Expenditures Not Credited to Appropriations	\$ 7	\$ 5	\$ 5
Subtotal	\$ 7	\$ 5	\$ 5
 Public Utility Commission			
LICENSES AND FEES			
General Assessment Fees	*	*	*
 MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	\$ 3	*	*
Subtotal	\$ 3	*	*
 Department of Public Welfare			
LICENSES AND FEES			
Private Mental Hospital Licenses	\$ 11	\$ 10	\$ 10
 MISCELLANEOUS REVENUE			
Miscellaneous	2	110	110
Refunds of Expenditures Not Credited to Appropriations	1,457	30	30
Subtotal	\$ 1,470	\$ 150	\$ 150
 Department of Revenue			
LICENSES AND FEES			
Cigarette Permit Fees	\$ 721	\$ 750	\$ 750
Certificate and Copy Fees	31	35	35
Dog Licenses	*	.	.
Domestic Violence and Rape Crisis Program Fees	1,608	1,615	1,615
 MISCELLANEOUS REVENUE			
Abandoned Property — Financial Institutions Deposits	6,569	7,240	6,560
Abandoned Property — Other Holder Deposits	7,857	8,655	7,850
Abandoned Property — Claim Payments	-2,363	-2,605	-2,360
Abandoned Property — Administration Cost			
Reimbursements	-354	-390	-350
Waterway Obstruction Rents	*	*	*
Miscellaneous	41	50	50
Refunds of Expenditures Not Credited to Appropriations	119	120	120
District Justice Cost	5,658	7,500	7,500
Distribution Due Absentee	583	500	500
Subtotal	\$ 20,470	\$ 23,470	\$ 22,270
 Pennsylvania Securities Commission			
LICENSES AND FEES			
Section 205 — Security Registration and Amendment	\$ 270	\$ 272	\$ 280
Section 206 — Security Registration and Amendment Fees	51	48	60
Mutual Funds and Investment Company Section			
2031-205-205-206	2,578	2,750	3,000
Brokers/Dealers Registration Fees — Initial	45	55	68
Brokers/Dealers Registration Fees — Renewal	133	180	205
Brokers/Dealers Registration Fees — Pa. Office — Initial	5	6	8
Brokers/Dealers Registration Fees — Pa. Office — Renewal	28	33	41
SCT 205 — Amendment Fees	9	8	10
Securities Agents Filing Fees — Initial	358	400	500
Securities Agents Filing Fees — Renewal	810	1,050	1,125
Securities Agents Filing Fees — Transfer	63	78	78
SCT 206 — Amendment Fees	2	2	2

* Less than \$500.

GENERAL FUND REVENUE DETAIL

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget
Pennsylvania Securities Commission (continued)			
LICENSES AND FEES (continued)			
Amendments to Security Agents Filings — Section 304	*	*	*
Investment Advisors Filing Fees — Initial	\$ 7	\$ 12	\$ 12
Investment Advisors Filing Fees — Renewal	19	27	27
Amendment to Investment Advisor's Filings — Section 304	*	*	*
Section 202G Security Exemption Fees	2	1	2
Section 2031 and 203(0)II Section Exemption Fees	15	15	20
Section 203(D) Security Exemption Fees	504	510	525
Section 203(N) Security Exemption Fees	2	2	2
Section 203(P) Security Exemption Fees	1	2	2
Takeover Disclosure Filing Fees Section IV Registration	*	5	5
Costs — Examination, Auditing, Investigation, Prosecution — Except Takeover Costs	19	34	31
MISCELLANEOUS REVENUE			
Miscellaneous	3	1	1
Refunds of Expenditures Not Credited to Appropriations	1	*	*
Subtotal	<u>\$ 4,925</u>	<u>\$ 5,491</u>	<u>\$ 6,004</u>
Department of State			
LICENSES AND FEES			
Commission and Filing — Corporation Bureau	\$ 4,590	\$ 4,700	\$ 5,000
Recorder of Deeds Fees	30	36	36
Notary Public Commission Fees	427	390	390
Commissions and Filing Fees — Bureau of Elections	114	150	100
MISCELLANEOUS REVENUE			
Miscellaneous	*	2	2
Subtotal	<u>\$ 5,161</u>	<u>\$ 5,278</u>	<u>\$ 5,528</u>
State Police			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 174	\$ 174	\$ 174
Reimbursement for Lost Property	1	1	1
Refunds of Expenditures Not Credited to Appropriations	174	174	174
Subtotal	<u>\$ 349</u>	<u>\$ 349</u>	<u>\$ 349</u>
Department of Transportation			
MISCELLANEOUS REVENUE			
VW Rail Spur Lease Recovery	\$ 82	\$ 50	\$ 50
Refunds of Expenditures Not Credited to Appropriations	203	100	100
Subtotal	<u>\$ 285</u>	<u>\$ 150</u>	<u>\$ 150</u>
Ethics Commission			
MISCELLANEOUS			
Miscellaneous	*	*	*
Subtotal	<u>*</u>	<u>*</u>	<u>*</u>

* Less than \$500.

GENERAL FUND REVENUE DETAIL

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget
Commonwealth Court			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations	*	*	*
Subtotal	<u> *</u>	<u> *</u>	<u> *</u>
Other			
MISCELLANEOUS REVENUE			
Conscience Money	\$ 2	\$ 2	\$ 2
Transfer from State Racing Fund	9,782	3,379	2,922
Transfer from State Insurance Fund	1,354	1,200	1,400
Subtotal	<u>\$ 11,138</u>	<u>\$ 4,581</u>	<u>\$ 4,324</u>
TOTAL LICENSES, FEES AND MISCELLANEOUS	<u>\$ 144,673</u>	<u>\$ 141,582</u>	<u>\$ 132,285</u>
Fines, Penalties and Interest on Taxes			
Penalties on Excise Taxes — Corporations	\$ 581	\$ 580	\$ 580
Interest on Excise Taxes — Corporation (Department of Revenue)	8,675	8,710	8,710
Corporation Net Income Tax	7,644	7,680	7,680
Realty Transfer Tax	28	30	30
Other Fines and Penalties			
Department of Agriculture			
General Food Fines	\$ 5	\$ 3	\$ 3
Pesticide Fines and Penalties	2	1	1
Egg Fines	1	1	1
Marketing Law Fines	2	5	5
Miscellaneous	6	1	1
Horse Racing Fines and Penalties	37	53	37
Harness Racing Fines and Penalties	40	30	30
Department of Environmental Resources			
Miscellaneous Fines	22	22	22
Department of Health			
Non-Compliance Fines and Penalties	38	50	50
Department of General Services			
Traffic Violations	26	30	30
Department of Insurance			
Miscellaneous Fines	193	193	193
Department of Labor and Industry			
Miscellaneous Fines	3	10	10
Minor Labor Law Fines	*	2	2
Boiler Inspection Fines	*	*	*
Public Utility Commission			
Violation of Order Fines	196	190	200
Department of Revenue			
Malt Liquor Fines and Penalties	7	7	7
Miscellaneous Fines	*	*	6
Spiritous and Vinous Liquor Fines and Penalties	*	*	*
Motor Law Fines Prior to July 1, 1976	7	*	*
Ethics Commission Violators Act 170.1978 .....	.....	2	2
TOTAL FINES, PENALTIES AND INTEREST	<u>\$ 17,513</u>	<u>\$ 17,600</u>	<u>\$ 17,600</u>
TOTAL NONTAX REVENUE	<u>\$ 197,186</u>	<u>\$ 192,182</u>	<u>\$ 178,885</u>
TOTAL GENERAL FUND REVENUES	<u><u>\$8,866,506</u></u>	<u><u>\$9,245,612</u></u>	<u><u>\$9,627,575</u></u>

* Less Than \$500

Motor License Fund

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

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

Financial Statement*

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Beginning Balance	\$ 44,185	\$ 88,108	\$ 51,403
Revenue:			
Official Estimate.....	\$1,338,724	\$1,331,100	\$1,342,800
Adjustment to Official Estimate .....	. . . .	17,800	. . . .
Accrued Revenues Unrealized	140,700	140,700	141,100
Less Revenues Accrued Previously ...	-139,800	-140,700	-140,700
	<hr/>	<hr/>	<hr/>
Total Revenue	1,339,624	1,348,900	1,343,200
Prior Year Lapses	7,707	4,000	. . . .
Funds Available	<u>\$1,391,516</u>	<u>\$1,441,008</u>	<u>\$1,394,603</u>
Expenditures:			
Appropriated	\$1,303,408	\$1,383,605	\$1,379,157
Supplemental Appropriations.....	. . . .	10,000	. . . .
Less Current Year Lapses .....	. . . .	4,000	. . . .
	<hr/>	<hr/>	<hr/>
Estimated Expenditures	<u>-1,303,408</u>	<u>-1,389,605</u>	<u>-1,379,157</u>
Ending Balance	<u>\$ 88,108</u>	<u>\$ 51,403</u>	<u>\$ 15,446</u>

*Excludes restricted revenue

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

SUPPLEMENTAL APPROPRIATION

	1985-86 Estimated
General Services	
Tort Claims—Payments	\$10,000
TOTAL	<u>\$10,000</u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Executive Offices			
General Government			
Office of the Budget	\$ 3,563	\$ 3,692	3,717
TOTAL STATE FUNDS	<u>\$ 3,563</u>	<u>\$ 3,692</u>	<u>\$ 3,717</u>
Augmentaions	\$ 698	\$ 788	\$ 754
DEPARTMENT TOTAL	<u>\$ 4,261</u>	<u>\$ 4,480</u>	<u>\$ 4,471</u>
 Treasury Department			
General Government			
Replacement Checks	\$ 8	\$ 60	\$ 60
Refunding Liquid Fuel Tax — Agriculture	3,368	4,200	4,200
Administration of Refunding Liquid Fuel Tax	177	233	241
Refunding Liquid Fuel Tax — State Share	142	300	350
Refunding Emergency Liquid Fuel Tax .....	.....	1	1
Refunding Liquid Fuel Tax — Political Subdivision Use	1,606	2,100	2,200
Refunding Liquid Fuel Tax — Volunteer Fire Companies, Am- bulance Services and Rescue Squads	110	150	160
Refunding Marine Liquid Fuel Tax — Boating Fund	1,100	1,750	1,750
Subtotal	<u>\$ 6,511</u>	<u>\$ 8,794</u>	<u>\$ 8,962</u>
Debt Service Requirements			
Capital Debt — Transportation Projects	\$ 165,346	\$ 165,031	\$ 164,912
Capital Debt — Public Improvement Projects	498	498	529
Advance Construction Interstate—Interest Payments .....	.....	60	2,130
Loan and Transfer Agent	85	186	135
Subtotal	<u>\$ 165,929</u>	<u>\$ 165,775</u>	<u>\$ 167,706</u>
TOTAL STATE FUNDS	<u>\$ 172,440</u>	<u>\$ 174,569</u>	<u>\$ 176,668</u>
Restricted Revenue	\$ 28	\$ 28	\$ 2,833
DEPARTMENT TOTAL	<u>\$ 172,468</u>	<u>\$ 174,597</u>	<u>\$ 179,501</u>
 Department of Education			
Grants and Subsidies			
Safe Driving Course	\$ 2,228	\$ 2,552	\$ 2,598
TOTAL STATE FUNDS	<u>\$ 2,228</u>	<u>\$ 2,552</u>	<u>\$ 2,598</u>
Federal Funds	\$ 136	\$ 60	\$ 25
DEPARTMENT TOTAL	<u>\$ 2,364</u>	<u>\$ 2,612</u>	<u>\$ 2,623</u>

MOTOR LICENSE FUND

Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Department of General Services			
Debt Service Requirements			
General State Authority Rentals	\$ 1,170	\$ 1,171	\$ 1,176
Grants and Subsidies			
Tort Claims — Payments	\$ 15,000	\$ 30,000	\$ 26,500
DEPARTMENT TOTAL	\$ 16,170	\$ 31,171	\$ 27,676
 Department of Revenue			
General Government			
Collection — Liquid Fuels Tax	\$ 4,861	\$ 5,007	\$ 5,105
Refunding Liquid Fuels Taxes	5,870	7,221	7,300
DEPARTMENT TOTAL	\$ 10,731	\$ 12,228	\$ 12,405
 Pennsylvania State Police			
General Government			
Transfer to General Fund — General Government Operations ..	\$ 130,286	\$ 145,866	\$ 149,704
Transfer to General Fund — Municipal Police Training	1,267	2,246	2,314
DEPARTMENT TOTAL	\$ 131,553	\$ 148,112	\$ 152,018
 Department of Transportation			
General Government			
General Government Operations	\$ 20,335	\$ 20,545	\$ 21,337
Refunding Monies Collected Through the Department of Transportation	1,562	1,725	1,725
Highway and Safety Improvement	120,000	129,000	147,485
Advance Construction Interstate .....	. . . .	15,800	. . . .
Highway Maintenance	543,500	548,181	548,638
Highway Maintenance—Supplemental .....	. . . .	5,401	. . . .
Salt Storage Buildings .....	. . . .	1,500	1,500
Heavy Equipment Acquisition .....	. . . .	15,500	. . . .
Local Bridge Inspection .....	. . . .	. . . .	1,740
Secondary Roads — Maintenance and Resurfacing	51,572	51,843	51,362
Safety Administration and Licensing	43,835	47,764	49,303
Subtotal	\$ 780,804	\$ 837,259	\$ 823,090
 Debt Service Requirements			
State Highway and Bridge Authority Rentals	\$ 28,807	\$ 29,200	\$ 27,900

MOTOR LICENSE FUND

Summary by Department (continued)

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Department of Transportation (continued)			
Grants and Subsidies			
Local Road Maintenance and Construction Payments	\$ 150,998	\$ 148,721	\$ 147,158
Supplemental Local Road Maintenance and Construction Payments	5,000	5,000	5,000
Philadelphia Payment — Franchise Tax	1,114	1,101	927
Subtotal	\$ 157,112	\$ 154,822	\$ 153,085
TOTAL STATE FUNDS	\$ 966,723	\$1,021,281	\$1,004,075
Federal Funds	\$ 588,205	\$ 827,822	\$ 851,922
Augmentations	17,360	29,408	28,923
Restricted Revenue	85,816	156,177	157,341
DEPARTMENT TOTAL	\$1,658,104	\$2,034,688	\$2,042,261
 Fund Summary			
State Funds — Transportation	\$ 966,723	\$1,021,281	\$1,004,075
State Funds — Other Departments	336,685	372,324	375,082
TOTAL STATE FUNDS	\$1,303,408	\$1,393,605	\$1,379,157
 Motor License Fund Total — All Funds			
State Funds	\$1,303,408	\$1,393,605	\$1,379,157
Federal Funds	588,341	827,882	851,947
Augmentations	18,058	30,196	29,677
Restricted Revenue	85,844	156,205	160,174
FUND TOTAL	\$1,995,651	\$2,407,888	\$2,420,955

MOTOR LICENSE FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Estimated	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Liquid Fuels Taxes	\$ 860,536	\$ 877,800	\$ 880,300	\$ 883,800	\$ 887,300	\$ 897,000	\$ 906,800
Motor Licenses and Fees	402,545	395,000	397,300	408,500	400,200	401,800	403,500
Other Motor License Fund Revenues	75,643	76,100	65,200	84,405	73,150	63,335	60,300
TOTAL MOTOR LICENSE FUND REVENUES	<u>\$1,338,724</u>	<u>\$1,348,900</u>	<u>\$1,342,800</u>	<u>\$1,376,705</u>	<u>\$1,360,650</u>	<u>\$1,362,135</u>	<u>\$1,370,600</u>
 Aviation Restricted Revenues	 \$ 8,334	 \$ 9,713	 \$ 10,717	 \$ 5,856	 \$ 6,149	 \$ 6,457	 \$ 6,780
Highway Bridge Improvement Restricted Revenues	\$ 72,683	\$ 70,300	\$ 70,300	\$ 70,300	\$ 70,300	\$ 70,300	\$ 70,300
State Highway Transfer Restricted Revenues	\$ 13,712	\$ 14,020	\$ 14,055	\$ 14,100	\$ 14,150	\$ 14,520	\$ 14,890

ADJUSTMENTS TO REVENUE ESTIMATE

On June 28, 1985, an official estimate for the 1985-86 fiscal year of \$1,331,100,000 was certified.

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

	(Dollar Amounts in Thousands)		
	1985-86 Official Estimate	Adjustments	1985-86 Revised Estimate
Liquid Fuels Taxes	\$ 885,200	\$ -7,400	\$ 877,800
Motor Licenses and Fees	384,500	10,500	395,000
Other Motor Receipts	61,400	14,700	76,100
 TOTAL	<u>\$1,331,100</u>	<u>\$ 17,800</u>	<u>\$1,348,900</u>

MOTOR LICENSE FUND REVENUE SOURCES

Liquid Fuels Taxes

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 551,241	1985-86	\$ 877,800
1980-81	553,529	1986-87	880,300
1981-82	705,463	1987-88	883,800
1982-83	698,028	1988-89	887,300
1983-84	801,732	1989-90	897,000
1984-85	860,536	1990-91	906,800

Tax Base and Rates:

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

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

Motor Carriers Road Tax. The Motor Carriers Road Tax Act levies a tax on motor carriers operating motor carrier vehicles having a gross weight or registered gross weight in excess of 17,000 pounds. The tax is twelve cents per gallon, plus an additional factor based on the Oil Franchise Tax on the basis of the number of gallons of fuel used within the State, with credit given for taxes paid on fuel purchased within the State.

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

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

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

Exclusions and Deductions and Reimbursements:

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

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

MOTOR LICENSE FUND REVENUE SOURCES

Motor Licenses and Fees

(Dollar Amounts in Thousands)

Actual	Estimated
1979-80\$ 325,537	1985-86\$ 395,000
1980-81 374,523	1986-87 397,300
1981-82 401,040	1987-88 408,500
1982-83 380,834	1988-89 400,200
1983-84 386,989	1989-90 401,800
1984-85 402,545	1990-91 403,500

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. Implementation of staggered registration periods for light trucks during fiscal year 1987-88 provides a one-time \$10 million revenue gain in that fiscal year.

Other Motor License Fund Revenues

(Dollar Amounts in Thousands)

Actual	Estimated
1979-80\$ 103,112	1985-86\$ 76,100
1980-81 52,689	1986-87 65,200
1981-82 60,644	1987-88 84,405
1982-83 57,973	1988-89 73,150
1983-84 54,155	1989-90 63,335
1984-85 75,643	1990-91 60,300

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

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

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

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

This category also includes an appropriation from the General Fund of \$57 million in 1979-80 and \$20.7 million in 1987-88 of anticipated Federal reimbursement of advanced construction interstate (ACI) payments and interest costs financed initially with State funds.

MOTOR LICENSE FUND REVENUE DETAIL

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget
LIQUID FUELS TAXES			
Liquid Fuels Tax			
Liquid Fuels Tax	\$ 485,925	\$ 495,510	\$ 494,110
Liquid Fuels Tax Penalties	128	130	130
Liquid Fuels Tax Interest	60	60	60
Total	\$ 486,113	\$ 495,700	\$ 494,300
Fuel Use Tax			
Fuel Use Tax	\$ 88,592	\$ 94,060	\$ 96,830
Fuel Use Tax Penalties	381	400	420
Fuel Use Tax Interest	229	240	250
Total	\$ 89,202	\$ 94,700	\$ 97,500
Motor Carriers Road Tax			
Motor Carriers Road—Fuels Tax	\$ 17,926	\$ 18,000	\$ 18,500
Motor Carriers Road Tax Registration Fees and Special Permit Fees	2,252	2,300	2,300
Total	\$ 20,178	\$ 20,300	\$ 20,800
Interstate Bus Compact Fuels Tax			
Interstate Bus Compact Fuels Tax	\$ 696	\$ 698	\$ 698
Interstate Bus Compact Tax Penalties	2	2	2
Interstate Bus Compact Fuels Tax Interest	*	*	*
Total	\$ 698	\$ 700	\$ 700
Oil Company Franchise Tax			
Oil Company Franchise Tax	\$ 264,345	\$ 266,400	\$ 267,000
Total	\$ 264,345	\$ 266,400	\$ 267,000
TOTAL LIQUID FUELS TAXES	\$ 860,536	\$ 877,800	\$ 880,300
MOTOR LICENSES AND FEES			
Operators' Licenses	\$ 42,609	\$ 40,700	\$ 41,100
Special Hauling Permit Fees	5,037	4,900	4,900
Vehicle Registration and Titling	332,531	328,000	329,600
Other Fees Collected by Bureau of Motor Vehicles	12,957	11,400	11,400
Registration Fees Received From Other States/ARP	9,411	10,000	10,300
TOTAL MOTOR LICENSES AND FEES	\$ 402,545	\$ 395,000	\$ 397,300

* Less than \$500.

MOTOR LICENSE FUND REVENUE DETAIL

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget
OTHER MOTOR LICENSE FUND REVENUES			
Gross Receipts Tax			
Gross Receipts Tax	\$ 351	\$ 350	\$ 300
Total	<u>\$ 351</u>	<u>\$ 350</u>	<u>\$ 300</u>
Fines and Penalties			
Department of Transportation			
Vehicle Code Fines	\$ 2,156	\$ 2,340	\$ 2,160
Department of Revenue			
Vehicle Codes Fines	26,832	29,060	26,840
Total	<u>\$ 28,988</u>	<u>\$ 31,400</u>	<u>\$ 29,000</u>
Miscellaneous Revenues			
Treasury Department			
Interest on Securities	\$ 21,667	\$ 22,780	\$ 14,030
Interest on Securities Liquid Fuels Tax Fund	651	680	420
Redeposit of Checks	88	90	60
Interest on Deposit — Motor License Fund .....	*	.....	.....
Interest on Deposit — Cash Advancement Accounts	140	150	90
Premium on Sale of Securities	2	.....	.....
Department of General Services			
Sale of Unserviceable Property	\$ 732	\$ 650	\$ 400
Department of Revenue			
Miscellaneous Revenue .....	*	.....	.....
Refunds of Expenditures Not Credited to Appropriations	1	.....	.....
Department of Transportation			
Highway Encroachment Permits	\$ 1,011	\$ 1,000	\$ 1,000
Highway Bridges Income	73	75	75
Sale of Maps and Plans	266	50	50
Sale of Gas, Oil and Anti-Freeze	1,888	1,700	1,700
Recovered Damages	5	5	5
Contract Deposit Forfeitures	2	20	20
Sale of Inspection Stickers	17,023	15,540	15,540
Miscellaneous Revenues	2,101	500	1,400
Refunds of Expenditures Not Credited to Appropriations or Allocations	191	500	500
Fees for Reclaiming Abandoned Vehicles	14	7	7
Sale of Abandoned Vehicles	1	3	3
Sale of Bid Proposals and Contract Specifications	448	600	600
Total	<u>\$ 46,304</u>	<u>\$ 44,350</u>	<u>\$ 35,900</u>
TOTAL OTHER MOTOR LICENSE FUND REVENUES ..	<u>\$ 75,643</u>	<u>\$ 76,100</u>	<u>\$ 65,200</u>
TOTAL MOTOR LICENSE FUND REVENUES	<u><u>\$1,338,724</u></u>	<u><u>\$ 1,348,900</u></u>	<u><u>\$ 1,342,800</u></u>

*Less than \$500

MOTOR LICENSE FUND REVENUE SOURCES

Restricted Revenues Not Included in Department Total

Aviation Revenues

(Dollar Amounts in Thousands)

	Actual		Estimated
1979-80	\$ 5,189	1985-86	\$ 9,713
1980-81	7,202	1986-87	10,717
1981-82	6,280	1987-88	5,856
1982-83	6,068	1988-89	6,149
1983-84	7,609	1989-90	6,457
1984-85	8,334	1990-91	6,780

Aviation revenue is derived from taxes levied on aviation gasoline and jet fuel, and from income earned at State-owned airports. The current rate is three cents per gallon on aviation gasoline and one and one-half cents per gallon on jet fuel. Act 1984-164 effective November 1, 1984, increased the tax rate from one and one-half cents and one cent respectively. Beginning January 1, 1986 the tax rate shall be adjusted annually, based on changes to the jet fuel price index. Airport income consists primarily of rents, concessions, utility refunds and landing fees. Aviation restricted revenues are not included in Motor License Fund Revenue totals.

	1984-85 Actual	1985-86 Estimated	1986-87 Budget
AVIATION REVENUES			
Aviation Liquid Fuels Tax	\$ 3,964	\$ 5,300	\$ 5,568
Harrisburg International Airport Operations	4,107	4,107	4,985
State Airport Operations	263	296	154
Fines and Forfeitures .....	. . . .	10	10
TOTAL AVIATION REVENUES	\$ 8,334	\$ 9,713	\$ 10,717

Highway Bridge Improvement Revenues

(Dollar Amounts in Thousands)

	Actual		Estimated
1979-80		1985-86	\$ 70,300
1980-81		1986-87	70,300
1981-82		1987-88	70,300
1982-83	\$ 55,124	1988-89	70,300
1983-84	80,400	1989-90	70,300
1984-85	72,683	1990-91	70,300

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

	1984-85 Actual	1985-86 Estimated	1986-87 Budget
HIGHWAY BRIDGE IMPROVEMENT REVENUES			
Axle Tax	\$ 72,683	\$ 70,300	\$ 70,300

MOTOR LICENSE FUND REVENUE SOURCES

Restricted Revenues Not Included in Department Total

State Highway Transfer Revenues

(Dollar Amounts in Thousands)

Actual	Estimated
1979-80	1985-86\$ 14,020
1980-81	1986-87 14,055
1981-82	1987-88 14,100
1982-83	1988-89 14,150
1983-84\$ 8,926	1989-90 14,520
1984-85 13,712	1990-91 14,890

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

	1984-85 Actual	1985-86 Estimated	1986-87 Budget
STATE HIGHWAY TRANSFER REVENUES			
Oil Company Franchise Tax (3 mills)	<u>\$ 13,712</u>	<u>\$ 14,020</u>	<u>\$ 14,055</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

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Beginning Balance	\$ 2,981	\$ 2,806	\$ 3,033
Receipts:			
Revenue Estimate	\$ 6,657	\$ 7,075	\$ 7,288
Prior Year Lapses	43	512	.....
	<u>6,700</u>	<u>7,587</u>	<u>7,288</u>
Funds Available	\$ 9,681	\$ 10,393	\$ 10,321
Expenditures:			
Appropriated	\$ 6,875	\$ 7,360	\$ 7,142
	<u>-6,875</u>	<u>-7,360</u>	<u>-7,142</u>
Ending Balance	<u>\$ 2,806</u>	<u>\$ 3,033</u>	<u>\$ 3,179</u>

BANKING DEPARTMENT FUND

Summary by Department

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 5	\$ 5
 Banking Department			
General Government			
General Operations	\$ 6,584	\$ 7,064	\$ 6,836
 Department of General Services			
General Government			
Harristown Rental Charges	\$ 171	\$ 171	\$ 175
Harristown Utility and Municipal Charges	120	120	126
DEPARTMENT TOTAL	<u>\$ 291</u>	<u>\$ 291</u>	<u>\$ 301</u>
FUND TOTAL	<u>\$ 6,875</u>	<u>\$ 7,360</u>	<u>\$ 7,142</u>

BANKING DEPARTMENT FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Estimated	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Licenses and Fees	\$ 6,251	\$ 6,723	\$ 6,932	\$ 7,162	\$ 7,414	\$ 7,649	\$ 7,901
Fines and Penalties .....	.....	.....	1	1	1	1	1
Miscellaneous Revenues	406	352	355	343	316	313	300
TOTAL BANKING DEPARTMENT FUNDS REVENUES	<u>\$ 6,657</u>	<u>\$ 7,075</u>	<u>\$ 7,288</u>	<u>\$ 7,506</u>	<u>\$ 7,731</u>	<u>\$ 7,963</u>	<u>\$ 8,202</u>

BANKING DEPARTMENT FUND REVENUE SOURCES

Licenses and Fees

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 5,427	1985-86	\$ 6,723
1980-81	6,167	1986-87	6,932
1981-82	6,596	1987-88	7,162
1982-83	6,638	1988-89	7,414
1983-84	6,528	1989-90	7,649
1984-85	6,251	1990-91	7,901

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

Fines and Penalties

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 1	1985-86	\$ 1
1980-81	1	1986-87	1
1981-82	1	1987-88	1
1982-83	1	1988-89	1
1983-84	1	1989-90	1
1984-85	1	1990-91	1

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

Miscellaneous Revenues

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 140	1985-86	\$ 352
1980-81	213	1986-87	355
1981-82	400	1987-88	343
1982-83	333	1988-89	316
1983-84	351	1989-90	313
1984-85	406	1990-91	300

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

BANKING DEPARTMENT FUND REVENUE DETAIL

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

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Estimated	1986-87 Budget
Licenses and Fees			
Banking Examinations	\$ 2,375	\$ 2,817	\$ 2,902
Banking — Overhead Assessments	1,523	1,442	1,514
Banking — Application Fees	85	58	50
Banking — Publications	1	1	1
Banking — Miscellaneous Fees	1	1	1
Foreign Bank Application Fees	2	2	.
Savings Association — Examinations	508	558	575
Savings Association — Overhead Assessments	326	363	381
Savings Association — Application Fees	25	14	12
Consumer Credit — Examinations	318	342	352
Consumer Credit — Overhead Assessments	80	85	89
Miscellaneous .....	.	1	1
Consumer Credit — Pawnbroker Licenses	3	4	4
Consumer Credit — Installment Seller Licenses	184	186	187
Consumer Credit — Consumer Discount Company Licenses	191	193	194
Consumer Credit — Money Transmitter Licenses	4	4	4
Consumer Credit — Sales Finance Licenses	183	185	185
Consumer Credit — Collector Repossessor Licenses	15	15	15
Consumer Credit — Second Mortgage Licenses	52	53	54
Examinations — Credit Unions	189	201	207
Examinations — Money Transmitters	73	78	80
Examinations — Pawnbrokers	6	6	6
Examinations — Second Mortgage	107	114	118
TOTAL	<u>\$ 6,251</u>	<u>\$ 6,723</u>	<u>\$ 6,932</u>
Fines and Penalties			
Banking Fines and Penalties .....	.	.	\$ 1
TOTAL	<u>.</u>	<u>.</u>	<u>\$ 1</u>
Miscellaneous Revenues			
Interest on Securities	\$ 401	\$ 350	\$ 352
Miscellaneous	2	.	.
Interest on Deposits	3	2	3
TOTAL	<u>\$ 406</u>	<u>\$ 352</u>	<u>\$ 355</u>
TOTAL REVENUES	<u>\$ 6,657</u>	<u>\$ 7,075</u>	<u>\$ 7,288</u>

Boating Fund

The Boating Fund is a special revenue fund composed of monies from license fees, fines, penalties, Federal contributions and other sources under the 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

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Beginning Balance	\$ 4,575	\$ 4,569	\$ 3,626
Receipts:			
Revenue Estimate	\$ 4,366	\$ 3,629	\$ 3,787
Prior Year Lapses	5	.....	.....
	<u>4,371</u>	<u>3,629</u>	<u>3,787</u>
Funds Available	\$ 8,946	\$ 8,198	\$ 7,413
Expenditures:			
Appropriated	\$ 4,377	\$ 4,572	\$ 4,709
	<u>-4,377</u>	<u>-4,572</u>	<u>-4,709</u>
Ending Balance	<u>\$ 4,569</u>	<u>\$ 3,626</u>	<u>\$ 2,704</u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 5	\$ 5
Fish Commission			
General Government			
General Operations	\$ 3,700	\$ 4,265	\$ 4,393
Department of General Services			
Debt Service Requirements			
General State Authority Rentals	\$ 2	\$ 2	\$ 2
Total State Funds	<u>\$ 3,702</u>	<u>\$ 4,272</u>	<u>\$ 4,400</u>
Federal Funds	\$ 661	\$ 293	\$ 302
Other Funds	14	10	10
FUND TOTAL	<u>\$ 4,377</u>	<u>\$ 4,575</u>	<u>\$ 4,712</u>

BOATING FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Estimated	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Licenses and Fees	\$ 1,141	\$ 1,226	\$ 1,260	\$ 1,294	\$ 1,324	\$ 1,324	\$ 1,324
Fines and Penalties	108	85	85	90	100	100	100
Miscellaneous	2,442	2,015	2,130	1,892	1,905	1,905	1,905
Total Boating Fund Revenues	<u>\$ 3,691</u>	<u>\$ 3,326</u>	<u>\$ 3,475</u>	<u>\$ 3,276</u>	<u>\$ 3,329</u>	<u>\$ 3,329</u>	<u>\$ 3,329</u>
Augmentations	<u>\$ 675</u>	<u>\$ 303</u>	<u>\$ 312</u>	<u>\$ 354</u>	<u>\$ 360</u>	<u>\$ 360</u>	<u>\$ 176</u>
 TOTAL BOATING FUND RECEIPTS	 <u><u>\$ 4,366</u></u>	 <u><u>\$ 3,629</u></u>	 <u><u>\$ 3,787</u></u>	 <u><u>\$ 3,630</u></u>	 <u><u>\$ 3,689</u></u>	 <u><u>\$ 3,689</u></u>	 <u><u>\$ 3,505</u></u>

BOATING FUND REVENUE SOURCES

Licenses and Fees

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	911	1985-86	1,226
1980-81	939	1986-87	1,260
1981-82	976	1987-88	1,294
1982-83	1,031	1988-89	1,324
1983-84	1,071	1989-90	1,324
1984-85	1,141	1990-91	1,324

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

Fines and Penalties

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	63	1985-86	85
1980-81	65	1986-87	85
1981-82	68	1987-88	90
1982-83	83	1988-89	100
1983-84	82	1988-89	100
1984-85	108	1990-91	100

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

Miscellaneous Revenue

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	1,919	1985-86	2,015
1980-81	2,059	1986-87	2,130
1981-82	2,266	1987-88	1,892
1982-83	2,285	1988-89	1,905
1983-84	2,159	1989-90	1,905
1984-85	2,442	1990-91	1,905

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

BOATING FUND REVENUE DETAIL

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget
Licenses and Fees			
Motor Boat Registration Fees	\$ 1,118	\$ 1,200	\$ 1,236
Boat Mooring Permits—Walnut Creek Access	19	22	20
Boat Capacity Plate Fees	4	4	4
TOTAL	\$ 1,141	\$ 1,226	\$ 1,260
Fines and Penalties			
Motor Boat Fines	\$ 108	\$ 85	\$ 85
TOTAL	\$ 108	\$ 85	\$ 85
Miscellaneous			
Transfer From Motor License and Liquid Fuels Tax Funds	\$ 1,275	\$ 1,400	\$ 1,500
Miscellaneous	591	10	10
Interest on Securities	520	575	580
Sale of Unserviceable Property	56	30	40
TOTAL	\$ 2,442	\$ 2,015	\$ 2,130
TOTAL REVENUES	\$ 3,691	\$ 3,326	\$ 3,475
Augmentations			
Sale of Automobiles	\$ 14	\$ 10	\$ 10
Federal Reimbursement—Coastal Zone Management Act	600	286	302
Federal Reimbursement—Land and Water Conservation Fund	61	7	.....
TOTAL	\$ 675	\$ 303	\$ 312
TOTAL RECEIPTS	\$ 4,366	\$ 3,629	\$ 3,787

Fair Fund

The Fair Fund is a special revenue fund composed of a transfer from the General Fund. This budget proposes elimination of the Fair Fund as a special fund and recommends a grant appropriation entitled Payments to Pennsylvania Fairs in order to provide continued assistance to agricultural fairs.

Financial Statement

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Beginning Balance	\$ -1	\$ 67	\$ 123
Receipts:			
Revenue Estimate	\$ 61	\$ 60	.....
Transfer from General Fund	2,500	2,500	.....
Miscellaneous .....	.....	3	.....
Prior Year Lapses	7	6	.....
	<hr/>	<hr/>	<hr/>
Total Receipts	2,568	2,569	.....
Funds Available	<u>\$ 2,567</u>	<u>\$ 2,636</u>	<u>\$ 123</u>
Expenditures:			
Appropriated	<u>\$ 2,500</u>	<u>\$ 2,513</u>	<u>\$ 123</u>
	<hr/>	<hr/>	<hr/>
Estimated Expenditures	-2,500	-2,513	-123
Ending Balance	<u><u>\$ 67</u></u>	<u><u>\$ 123</u></u>	<u><u>.....</u></u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Treasury Department			
General Government			
Replacement Checks .....	.....	\$ 10	.....
Department of Agriculture			
General Government			
General Operations .....	.....	\$ 3	\$ 123
TOTAL STATE FUNDS	<u>.....</u>	<u>\$ 13</u>	<u>\$ 123</u>
Augmentations	\$ 2,500	\$ 2,500	.....
FUND TOTAL	<u>\$ 2,500</u>	<u>\$ 2,513</u>	<u>\$ 123</u>

FAIR FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Estimated	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Miscellaneous	\$ 61	\$ 60	.....	.....	.....	.....	.....
Total Fair Fund Revenues	<u>\$ 61</u>	<u>\$ 60</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
Augmentations	\$ 2,500	\$ 2,500	.....	.....	.....	.....	.....
TOTAL FAIR FUND RECEIPTS	<u>\$ 2,561</u>	<u>\$ 2,560</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>

FAIR FUND REVENUE SOURCES

Miscellaneous Revenue

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 2,785	1985-86	\$ 60
1980-81	2,690	1986-87 .....	.....
1981-82	2,630	1987-88 .....	.....
1982-83	2,076	1988-89 .....	.....
1983-84	1,594	1989-90 .....	.....
1984-85	61	1990-91 .....	.....

As a result of Act 93, signed December 30, 1983, the Fair Fund no longer receives monies from horse or harness racing. However, beginning in 1983-84, General Fund money was provided for transfer to the Fair Fund. The 1986-87 budget proposes elimination of the Fair Fund as a special fund and recommends that a grant entitled Payments to Pennsylvania Fairs replace the special fund.

FAIR FUND REVENUE DETAIL

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

		(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget	
Miscellaneous Revenues				
Interest on Securities and Deposits	61	\$ 60	.....
TOTAL REVENUES	\$ 61	\$ 60	.....
 Augmentations				
Transfer from General Fund	\$ 2,500	\$ 2,500	.....
TOTAL	\$ 2,500	\$ 2,500	.....
TOTAL RECEIPTS	\$ 2,561	\$ 2,560	.....

Farm Products Show Fund

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

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

FARM PRODUCTS SHOW FUND

Financial Statement

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Beginning Balance	\$ 563	\$ 622	\$ 619
Receipts:			
Revenue Estimate	\$ 1,712	\$ 1,750	\$ 1,804
Transfer from General Fund	1,000	1,000	1,000
Prior Year Lapses	33	49	. . . .
	<hr/>	<hr/>	<hr/>
Total Receipts	2,745	2,799	2,804
Funds Available	<u>\$ 3,308</u>	<u>\$ 3,421</u>	<u>\$ 3,423</u>
Expenditures:			
Appropriated	<u>\$ 2,686</u>	<u>\$ 2,802</u>	<u>\$ 2,803</u>
Estimated Expenditures	<u>-2,686</u>	<u>-2,802</u>	<u>-2,803</u>
Ending Balance	<u><u>\$ 622</u></u>	<u><u>\$ 619</u></u>	<u><u>\$ 620</u></u>

FARM PRODUCTS SHOW FUND

Summary by Department

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Treasury Department			
General Government			
Replacement Checks .....	. . . . .	\$ 5	\$ 5
 Department of Agriculture			
General Government			
General Operations	\$ 1,686	\$ 1,797	\$ 1,798
TOTAL STATE FUNDS	<u>\$ 1,686</u>	<u>\$ 1,802</u>	<u>\$ 1,803</u>
 Augmentations	 \$ 1,000	 \$ 1,000	 \$ 1,000
 FUND TOTAL	 <u>\$ 2,686</u>	 <u>\$ 2,802</u>	 <u>\$ 2,803</u>

FARM PRODUCTS SHOW FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Estimated	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Fees	\$ 208	\$ 219	\$ 229	\$ 230	\$ 230	\$ 230	\$ 230
Miscellaneous	1,504	1,531	1,575	1,575	1,575	1,575	1,575
Total Farm Products Show Fund Revenues.....	<u>\$ 1,712</u>	<u>\$ 1,750</u>	<u>\$ 1,804</u>	<u>\$ 1,805</u>	<u>\$ 1,805</u>	<u>\$ 1,805</u>	<u>\$ 1,805</u>
Augmentations	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
TOTAL FARM PRODUCTS SHOW FUND RECEIPTS.....	<u><u>\$ 2,712</u></u>	<u><u>\$ 2,750</u></u>	<u><u>\$ 2,804</u></u>	<u><u>\$ 2,805</u></u>	<u><u>\$ 2,805</u></u>	<u><u>\$ 2,805</u></u>	<u><u>\$ 2,805</u></u>

FARM PRODUCTS SHOW FUND REVENUE SOURCES

Fees

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 243	1985-86	\$ 219
1980-81	250	1986-87	229
1981-82	199	1987-88	230
1982-83	198	1988-89	230
1983-84	213	1989-90	230
1984-85	208	1990-91	230

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

Miscellaneous Revenue

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 982	1985-86	\$ 1,531
1980-81	1,040	1986-87	1,575
1981-82	1,337	1987-88	1,575
1982-83	1,350	1988-89	1,575
1983-84	1,298	1989-90	1,575
1984-85	1,504	1990-91	1,575

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

FARM PRODUCTS SHOW FUND REVENUE DETAIL

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget
Fees			
Exhibit Fees — Competitive — Farm Show	\$ 8	\$ 9	\$ 9
Exhibit Fees — Commercial	200	210	220
TOTAL	<u>\$ 208</u>	<u>\$ 219</u>	<u>\$ 229</u>
 Miscellaneous Revenue			
Concession Revenue	\$ 396	\$ 392	\$ 404
Service Charges	214	216	221
Rentals	501	525	550
Sale of Exhibits — Net Proceeds	5	5	13
Miscellaneous Revenue	21	20	13
Interest on Securities, Deposits, Returned Checks	91	95	95
Parking Fees	248	250	250
Salary Reimbursement — Dairy and Livestock Association ..	28	28	29
TOTAL	<u>\$ 1,504</u>	<u>\$ 1,531</u>	<u>\$ 1,575</u>
TOTAL REVENUES	<u>\$ 1,712</u>	<u>\$ 1,750</u>	<u>\$ 1,804</u>
 Augmentations			
Transfer from General Fund	\$ 1,000	\$ 1,000	\$ 1,000
TOTAL	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>
TOTAL RECEIPTS	<u>\$ 2,712</u>	<u>\$ 2,750</u>	<u>\$ 2,804</u>

Fish Fund

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

Financial Statement

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Beginning Balance	\$ 9,104	\$ 8,605	\$ 8,199
Receipts:			
Revenue Estimate	\$ 20,783	\$ 21,715	\$ 22,795
Prior Year Lapses	8	292	.....
	<u>20,791</u>	<u>22,007</u>	<u>22,795</u>
Funds Available	\$ 29,895	\$ 30,612	\$ 30,994
Expenditures:			
Appropriated	\$ 21,290	\$ 22,413	\$ 23,907
	<u>21,290</u>	<u>22,413</u>	<u>23,907</u>
Estimated Expenditures	-21,290	-22,413	-23,907
Ending Balance	<u>\$ 8,605</u>	<u>\$ 8,199</u>	<u>\$ 7,087</u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Treasury Department			
General Government			
Replacement Checks	\$ 1	\$ 5	\$ 5
Fish Commission			
General Government			
General Operations	\$ 15,611	\$ 16,406	\$ 16,683
Department of General Services			
Debt Service Requirements			
General State Authority Rentals	\$ 62	\$ 63	\$ 63
Total State Funds	<u>\$ 15,674</u>	<u>\$ 16,474</u>	<u>\$ 16,751</u>
Federal Funds	\$ 1,178	\$ 1,321	\$ 2,401
Other Funds	4,438	4,618	4,755
FUND TOTAL	<u>\$ 21,290</u>	<u>\$ 22,413</u>	<u>\$ 23,907</u>

FISH FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Estimated	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Licenses and Fees	\$ 12,802	\$ 13,396	\$ 13,317	\$ 13,580	\$ 13,845	\$ 13,845	\$ 13,845
Fines and Penalties	312	265	270	300	320	320	320
Miscellaneous	2,053	2,115	2,052	2,127	2,447	2,447	2,447
Total Fish Fund Revenues	<u>\$ 15,167</u>	<u>\$ 15,776</u>	<u>\$ 15,639</u>	<u>\$ 16,007</u>	<u>\$ 16,612</u>	<u>\$ 16,612</u>	<u>\$ 16,612</u>
Augmentations	\$ 5,616	\$ 5,939	\$ 7,156	\$ 7,652	\$ 7,757	\$ 6,727	\$ 6,310
TOTAL FISH FUND RECEIPTS	<u><u>\$ 20,783</u></u>	<u><u>\$ 21,715</u></u>	<u><u>\$ 22,795</u></u>	<u><u>\$ 23,659</u></u>	<u><u>\$ 24,369</u></u>	<u><u>\$ 23,339</u></u>	<u><u>\$ 22,922</u></u>

FISH FUND REVENUE SOURCES

Licenses and Fees

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 9,301	1985-86	\$ 13,396
1980-81	9,584	1986-87	13,317
1981-82	9,996	1987-88	13,580
1982-83	12,019	1988-89	13,845
1983-84	12,408	1989-90	13,845
1984-85	12,802	1990-91	13,845

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

Fines and Penalties

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 219	1985-86	\$ 265
1980-81	219	1986-87	270
1981-82	210	1987-88	300
1982-83	244	1988-89	320
1983-84	253	1989-90	320
1984-85	312	1990-91	320

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

Miscellaneous Revenue

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 1,583	1985-86	\$ 2,115
1980-81	1,573	1986-87	2,052
1981-82	2,203	1987-88	2,127
1982-83	2,018	1988-89	2,447
1983-84	1,903	1989-90	2,447
1984-85	2,053	1990-91	2,447

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

FISH FUND REVENUE DETAIL

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget
Licenses and Fees			
Resident Fishing Licenses	\$ 11,307	\$ 11,700	\$ 11,664
Resident Senior Fishing Licenses	98	115	110
Nonresident Fishing Licenses	1,001	1,091	1,100
Tourist Fishing Licenses	211	275	240
Lake Erie Licenses	2	3	3
Commercial Hatchery Licenses	7	7	7
Fee—Fishing Lake Licenses	14	15	15
Miscellaneous Permits and Fees	14	15	15
Technical Service Fees—Non-Government Organizations .....	.	1	1
Scientific Collector's Permits	3	5	5
Lifetime Fishing Licenses — Senior Resident	130	145	140
Membership Fees — Pennsylvania League of Angling Youth	10	18	11
H.R. Stackhouse Facilities User Fees	5	6	6
TOTAL	\$ 12,802	\$ 13,396	\$ 13,317
Fines and Penalties			
Fish Law Fines	\$ 312	\$ 265	\$ 270
TOTAL	\$ 312	\$ 265	\$ 270
Miscellaneous Revenue			
Sale of Publications	\$ 86	\$ 60	\$ 50
Sale of Unserviceable Property	1	4	2
Miscellaneous Revenue	87	150	120
Refund of Expenditures not Credited to Appropriations	4	.	.
Interest on Securities and Deposits	825	900	925
Rental of Fish Commission Property	14	20	20
Income from Sand and Gravel Dredging	233	275	250
In Lieu Payments for Fishways	75	75	75
Redeposit of Checks .....	.	.	.
Sale of Pennsylvania Angler	261	310	290
Sale of Patches	1	.	.
Deputy Waterways Patrolmen—Reimbursements	15	.	.
Van Dyke Shad Station—Reimbursements	111	90	90
Restitution For Fish Killed	186	130	130
Sale of Recreational Fishing Promotional Items	20	31	25
Royalty Payments	134	70	75
TOTAL	\$ 2,053	\$ 2,115	\$ 2,052
TOTAL REVENUES	\$ 15,167	\$ 15,776	\$ 15,639
Augmentations			
Sale of Automobiles and Other Vehicles	\$ 44	\$ 50	\$ 50
Reimbursement for Services—Boating Fund	4,375	4,568	4,705
Federal Reimbursement—Restoration	1,178	1,321	2,401
Pennsylvania Conservation Corps	19	.	.
TOTAL	\$ 5,616	\$ 5,939	\$ 7,156
TOTAL RECEIPTS	\$ 20,783	\$ 21,715	\$ 22,795

Game Fund

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

Financial Statement

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Beginning Balance	\$ 14,921	\$ 13,646	\$ 14,294
Receipts:			
Revenue Estimate	\$ 31,769	\$ 35,562	\$ 35,041
Prior Year Lapses	7,184	6,137	.....
	<hr/>	<hr/>	<hr/>
Total Receipts	38,953	41,699	35,041
Funds Available	\$ 53,874	\$ 55,345	\$ 49,335
Expenditures:			
Appropriated	\$ 40,228	\$ 41,051	\$ 34,538
	<hr/>	<hr/>	<hr/>
Estimated Expenditures	-40,228	-41,051	-34,538
	<hr/>	<hr/>	<hr/>
Ending Balance	\$ 13,646	\$ 14,294	\$ 14,797

Summary by Department

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Treasury Department			
General Government			
Replacement Checks .....	. . . . .	\$ 6	\$ 6
Game Commission			
General Government			
General Operations	\$ 34,680	\$ 36,760	\$ 30,585
Total State Funds	<u>\$ 34,680</u>	<u>\$ 36,766</u>	<u>\$ 30,591</u>
Federal Funds	\$ 5,309	\$ 3,575	\$ 3,765
Other Funds	239	710	182
 FUND TOTAL	 <u>\$ 40,228</u>	 <u>\$ 41,051</u>	 <u>\$ 34,538</u>

GAME FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Estimated	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
License and Fees	\$ 15,973	\$ 22,013	\$ 22,377	\$ 22,975	\$ 22,643	\$ 22,281	\$ 22,281
Fines and Penalties	621	500	500	500	500	500	500
Miscellaneous Revenues	9,627	8,764	8,217	7,344	6,519	5,476	5,476
Total Game Fund Revenues	<u>\$ 26,221</u>	<u>\$ 31,277</u>	<u>\$ 31,094</u>	<u>\$ 30,819</u>	<u>\$ 29,662</u>	<u>\$ 28,257</u>	<u>\$ 28,257</u>
Augmentations	\$ 5,548	\$ 4,285	\$ 3,947	\$ 4,122	\$ 4,322	\$ 4,322	\$ 4,322
 TOTAL GAME FUND RECEIPTS	 <u>\$ 31,769</u>	 <u>\$ 35,562</u>	 <u>\$ 35,041</u>	 <u>\$ 34,941</u>	 <u>\$ 33,984</u>	 <u>\$ 32,579</u>	 <u>\$ 32,579</u>

GAME FUND REVENUE SOURCES

Licenses and Fees

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 15,407	1985-86	\$ 22,013
1980-81	16,259	1986-87	22,377
1981-82	16,915	1987-88	22,975
1982-83	16,599	1988-89	22,643
1983-84	16,693	1989-90	22,281
1984-85	15,973	1990-91	22,281

An increase in hunting license fees issued by the Game Commission became effective September, 1985, which is the beginning of the 1985-86 license year. The annual resident hunting license for ages 17 to 64 increased \$4.00, to \$12.00; for ages 65 or older, \$5.00, to \$10.00 ; while the license for ages 12 to 16 remained at \$5.00. New license categories for resident furtakers ("trappers") were introduced, with the same age and fee structure. In addition, a new lifetime license for Archery, Muzzleloader and Antlerless Deer licenses also increased \$3.00, \$2.00 and \$1.00; to \$5.00 and \$4.00, respectively. License fees for non-resident hunters likewise increased; ages 17 and over, from \$60.00 to \$80.00. A non-resident license to hunt bear increased \$10.00, to \$25.00. A new non-resident license for ages 12 to 16 has been introduced with a \$40.00 fee. License categories for non-resident furtakers have also been established: ages 17 and older, \$80.00; ages 12 to 16, \$40.00. In addition, non-resident hunters may obtain a special \$3.00 3-day license for hunting on a regulated shooting ground, or a \$15.00 5-day license to hunt small game.

Fines and Penalties

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 542	1985-86	\$ 500
1980-81	578	1986-87	500
1981-82	684	1987-88	500
1982-83	636	1988-89	500
1983-84	551	1989-90	500
1984-85	621	1990-91	500

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

Miscellaneous Revenues

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 5,827	1985-86	\$ 8,764
1980-81	6,830	1986-87	8,217
1981-82	9,159	1987-88	7,344
1982-83	7,641	1988-89	6,519
1983-84	9,603	1989-90	5,476
1984-85	9,627	1990-91	5,476

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

GAME FUND REVENUE DETAIL

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

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Estimated	Budget
Licenses and Fees			
Resident Hunting Licenses	\$ 7,606	\$ 10,184	\$ 10,490
Resident Junior Hunting Licenses	691	660	660
Nonresident Hunting Licenses	4,245	4,960	4,960
Special Game Permits	63	55	55
Special Antlerless Deer Licenses	1,423	2,000	1,900
Special Archery Licenses	545	1,243	1,280
Nonresident Trapping Licenses	1	.....	.....
Special Three-day Nonresidential Regulated Shooting			
Ground Licenses	6	5	5
Resident Senior Hunting Licenses	346	600	620
Muzzle-loading Hunting Licenses	258	383	395
Right of Way Licenses	251	236	242
Resident Bear Licenses	493	800	830
Non-resident Bear Licenses	20	33	33
Hunting License Issuing Agents' Application Fees	25	42	42
Non-Resident Junior Hunting License .....	.....	160	160
Non-Resident 5-Day Hunting License .....	.....	75	77
Senior Resident — Lifetime Hunting License .....	.....	100	150
Adult Resident Furtaker License .....	.....	300	300
Junior Resident Furtaker License .....	.....	25	25
Senior Resident Furtaker License .....	.....	20	21
Non-Resident Furtaker License .....	.....	120	120
Non-Resident Junior Furtaker License .....	.....	12	12
TOTAL	\$ 15,973	\$ 22,013	\$ 22,377
Fines and Penalties			
Game Law Fines	\$ 621	\$ 500	\$ 500
TOTAL	\$ 621	\$ 500	\$ 500
Miscellaneous Revenue			
Sports Promotional Publications and Materials	\$ 19	\$ 20	\$ 20
Sale of Coal	815	1,100	1,100
Sale of Wood Products	4,431	3,550	3,300
Interest on Deposits	26	14	14
Sale of Publications .....	.....	100	100
Sale of Unserviceable Property	3	3	3
Sale of Skins and Guns	73	78	78
Rental of State Property	10	10	10
Miscellaneous Revenue	87	146	139
Interest on Securities	2,430	2,485	2,185
Gas and Oil Ground Rentals and Royalties	309	90	90
Refund of Expenditures Not Credited to Appropriations	22	20	20
Sale of Nonusable Property .....	.....	1	1
Miscellaneous Revenue License Division	17	1	1
Redeposit of Checks	1	1	1
Sale of Game News	529	575	575
Sale of Miscellaneous Mineral Permits .....	.....	1	1
Sale of Stone, Sand, Gravel and Limestone	15	5	5
Sale of Grain and Hay	39	64	69
Sale of Maps	43	25	25
Wildlife Management Promotional Revenue	108	95	100
Sale of Wood Products — PR Tracts	314	200	200
Sale of Deputy Uniforms .....	.....	.....	.....
Working Together For Wildlife — NonGame Fund	135	.....	.....
Waterfowl Management Stamp Sales and Royalties	201	180	180
TOTAL	\$ 9,627	\$ 8,764	\$ 8,217
TOTAL REVENUES	\$ 26,221	\$ 31,277	\$ 31,094

GAME FUND REVENUE DETAIL

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Estimated	Budget
Augmentations			
NPS Reimbursements—Land Acquisition	\$ 179	\$ 150	\$ 75
Sale of Automobiles and Other Vehicles	135	124	135
Federal Reimbursement—Pittman Robinson Act	4,974	3,339	3,600
Sharecrop and Agriculture Licenses U.S.	53	22	22
Endangered Species Program	106	36	40
Pennsylvania Conservation Corps	51	564	25
Federal Reimbursement — Surface Mine Regulatory Program	50	50	50
TOTAL—AUGMENTATIONS	\$ 5,548	\$ 4,285	\$ 3,947
TOTAL RECEIPTS	\$ 31,769	\$ 35,562	\$ 35,041

Lottery Fund

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

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

Financial Statement

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Estimated
Beginning Balance	\$ 265,726	\$ 265,969	\$ 256,000
Reserve from Previous Year ^a	101,563	119,410	113,580
Adjusted Beginning Balance	<u>\$ 367,289</u>	<u>\$ 385,379</u>	<u>\$ 369,580</u>
Receipts:			
Revenue Estimate	\$ 814,568	\$ 804,828	\$ 819,688
Prior Year Lapses	3,550	2,104	.....
Funds Available	<u>\$1,185,407</u>	<u>\$1,192,311</u>	<u>\$1,189,268</u>
Expenditures:			
Appropriated	\$ 800,028	\$ 879,307	\$ 870,972
Less Current Year Lapses .....	.....	-56,576	.....
Estimated Expenditures	-800,028	-822,731	-870,972
Reserve for Current Year ^a	<u>-119,410</u>	<u>-113,580</u>	<u>-115,773</u>
Ending Balance	<u>\$ 265,969</u>	<u>\$ 256,000</u>	<u>\$ 202,523</u>

^aAct No. 131 of 1979 provides the amount in the Lottery Fund shall include the June 30 balance plus eighty percent of projected revenues after Lottery Fund administrative expenses for the subsequent fiscal year. "Reserve from Previous Year" equals twenty percent of the prior year revenues after prior year administrative expenses have been deducted. The 1984-85 reserve from the previous year has been increased by \$1,211,000 to reflect an understatement that occurred on June 30, 1985.

Summary by Department

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Treasury Department			
General Government			
Replacement Checks	\$ 8	\$ 20	\$ 20
Department of Aging			
General Government			
General Government Operations	\$ 1,523	\$ 2,370	\$ 2,369
Grants and Subsidies			
Aging Programs	\$ 45,121	\$ 46,638	\$ 50,560
Pharmaceutical Assistance Fund	115,600	100,000	100,000
In-Home Services	12,000	14,000	16,000
Pre-Admission In-Home Services	4,615	11,300	12,300
Attendant Care for Senior Citizens	5,000	5,100	5,400
Drug Education for Senior Citizens	192	50	50
Senior Center Renovations	10,100	. . . .	. . . .
Alzheimer's Disease .....	. . . .	500	100
Subtotal	<u>\$ 192,628</u>	<u>\$ 177,588</u>	<u>\$ 184,410</u>
TOTAL STATE FUNDS	<u>\$ 194,151</u>	<u>\$ 179,958</u>	<u>\$ 186,779</u>
Federal Funds	\$ 55,352	\$ 55,794	\$ 54,313
Augmentations	249	1,653	1,973
DEPARTMENT TOTAL	<u>\$ 249,752</u>	<u>\$ 237,405</u>	<u>\$ 243,065</u>
Department of General Services			
General Government			
Harristown Rental Charges	\$ 231	\$ 109	\$ 103
Harristown Utility and Municipal Charges	182	89	86
DEPARTMENT TOTAL	<u>\$ 413</u>	<u>\$ 198</u>	<u>\$ 189</u>
Department of Public Welfare			
Grants and Subsidies			
Medical Assistance—Long-Term Care Facilities	\$ 140,000	\$ 140,000	\$ 140,000
Pre-Admission Assessment	1,639	1,653	1,973
Medicare Part B Payments	8,000	8,182	8,528
Supplemental Grants to the Aged	17,600	17,600	17,600
Community Mental Retardation Services — Elderly .....	. . . .	2,200	2,200
TOTAL STATE FUNDS	<u>\$ 167,239</u>	<u>\$ 169,635</u>	<u>\$ 170,301</u>
Federal Funds	\$ 1,638	\$ 1,652	\$ 1,973
DEPARTMENT TOTAL	<u>\$ 168,877</u>	<u>\$ 171,287</u>	<u>\$ 172,274</u>

**Summary by Department
(Continued)**

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Department of Revenue			
General Government/Lottery			
General Operations	\$ 36,333	\$ 39,392	\$ 38,612
Personal Income Tax for Lottery Prizes	15,259	15,192	14,291
Payment of Prize Money	163,571	231,703	185,232
Payment of Commissions	400	400	. . . .
Refunding Lottery Monies	10	10	10
Subtotal	<u>\$ 215,573</u>	<u>\$ 286,697</u>	<u>\$ 238,145</u>
Grants and Subsidies			
Property Tax and Rent Assistance for the Elderly	\$ 97,820	\$ 98,135	\$ 124,150
Senior Citizens Inflation Dividend	35,542	36,567	35,895
Subtotal	<u>\$ 133,362</u>	<u>\$ 134,702</u>	<u>\$ 160,045</u>
TOTAL STATE FUNDS	<u>\$ 348,935</u>	<u>\$ 421,399</u>	<u>\$ 398,190</u>
Augmentations	<u>\$ 1,414</u>	<u>\$ 1,501</u>	<u>\$ 2,095</u>
DEPARTMENT TOTAL	<u>\$ 350,349</u>	<u>\$ 422,900</u>	<u>\$ 400,285</u>
Department of Transportation			
General Government			
Ridership Verification .....	. . . .	\$ 218	\$ 100
Grants and Subsidies			
Transit for the Elderly	\$ 56,656	\$ 65,079	\$ 70,393
Elderly Shared Rides	28,272	38,000	38,000
Transfer to Motor License Fund—Vehicle Registration for the Elderly	3,400	2,500	4,700
Demand Response Equipment Grants	954	2,300	2,300
Subtotal	<u>\$ 89,282</u>	<u>\$ 107,879</u>	<u>\$ 115,393</u>
DEPARTMENT TOTAL	<u>\$ 89,282</u>	<u>\$ 108,097</u>	<u>\$ 115,493</u>
TOTAL STATE FUNDS	<u>\$ 800,028</u>	<u>\$ 879,307</u>	<u>\$ 870,972</u>
Federal Funds	\$ 56,990	\$ 57,446	\$ 56,286
Augmentations	1,663	3,154	4,068
FUND TOTAL	<u>\$ 858,681</u>	<u>\$ 939,907</u>	<u>\$ 931,326</u>

STATE LOTTERY FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Estimated	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Collections	\$ 768,734	\$ 765,520	\$ 788,700	\$ 812,459	\$ 836,798	\$ 861,717	\$ 887,215
Miscellaneous Revenue	45,834	39,308	30,988	27,174	23,250	19,505	16,653
TOTAL LOTTERY FUND REVENUES	<u><u>\$ 814,568</u></u>	<u><u>\$ 804,828</u></u>	<u><u>\$ 819,688</u></u>	<u><u>\$ 839,633</u></u>	<u><u>\$ 860,048</u></u>	<u><u>\$ 881,222</u></u>	<u><u>\$ 903,868</u></u>

STATE LOTTERY FUND REVENUE SOURCES

Collections

(Dollar Amounts in Thousands)

Actual	Estimated
1979-80\$ 189,575	1985-86\$ 765,520
1980-81 207,579	1986-87 788,700
1981-82 270,327	1987-88 812,459
1982-83 495,762	1988-89 836,798
1983-84 763,814	1989-90 861,717
1984-85 768,734	1990-91 887,215

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

Lottery Fund collections as reported above is a net figure and corresponds to the Lottery Fund revenue remitted to the Commonwealth and reported in the Commonwealth's accounting system. Collections are derived by subtracting the commissions retained and prizes paid by local lottery agents from the total lottery ticket sales. The table below shows the calculation of the collections amount.

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Ticket Sales	\$1,294,742	\$1,321,000	\$1,361,000	\$1,402,000	\$1,444,000	\$1,487,000	\$1,531,000
Commissions	-86,293	-88,473	-91,151	-93,897	-97,036	-99,026	-101,046
Field Paid Prizes	-439,715	-467,007	-481,149	-495,644	-510,166	-526,257	-542,739
COLLECTIONS	\$ 768,734	\$ 765,520	\$ 788,700	\$ 812,459	\$ 836,798	\$ 861,717	\$ 887,215

Miscellaneous Revenue

(Dollar Amounts in Thousands)

Actual	Estimated
1979-80\$ 5,266	1985-86\$ 39,308
1980-81 8,458	1986-87 30,988
1981-82 10,147	1987-88 27,174
1982-83 8,740	1988-89 23,250
1983-84 28,704	1989-90 19,505
1984-85 45,834	1990-91 16,653

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

LOTTERY FUND REVENUE DETAIL

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

	1984-85	(Dollar Amounts in Thousands)	1986-87
	Actual	1985-86 Estimated	Budget
Collections	\$ 768,734	\$ 765,520	\$ 788,700
Miscellaneous	45,834	39,308	30,988
TOTAL LOTTERY FUND REVENUES	<u>\$ 814,568</u>	<u>\$ 804,828</u>	<u>\$ 819,688</u>

Milk Marketing Fund

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

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

Financial Statement

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Beginning Balance	\$ 261	\$ 297	\$ 178
Receipts:			
Revenue Estimate	\$ 761	\$ 690	\$ 690
Transfer from General Fund	950	975	950
Prior Year Lapses	73	16	.....
	<u>1,784</u>	<u>1,681</u>	<u>1,640</u>
Funds Available	\$ 2,045	\$ 1,978	\$ 1,818
Expenditures:			
Appropriated	\$ 1,748	\$ 1,800	\$ 1,654
Estimated Expenditures	<u>-1,748</u>	<u>-1,800</u>	<u>-1,654</u>
Ending Balance	<u>\$ 297</u>	<u>\$ 178</u>	<u>\$ 164</u>

MILK MARKETING FUND

Summary by Department

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Treasury Department			
Replacement Checks .....	.....	\$ 5	\$ 5
Refund Milk Marketing Licenses and Fees .....	.....	5	5
DEPARTMENT TOTAL	<u>.....</u>	<u>\$ 10</u>	<u>\$ 10</u>
Milk Marketing Board			
General Government	\$ 798	\$ 815	\$ 694
TOTAL STATE FUNDS	<u>\$ 798</u>	<u>\$ 825</u>	<u>\$ 704</u>
Augmentations	\$ 950	\$ 975	\$ 950
FUND TOTAL	<u>\$ 1,748</u>	<u>\$ 1,800</u>	<u>\$ 1,654</u>

MILK MARKETING FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1984-85* Actual	1985-86 Estimated	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Licenses and Fees	\$ 647	\$ 592	\$ 592	\$ 592	\$ 592	\$ 592	\$ 592
Fines and Penalties	20	15	15	15	15	15	15
Miscellaneous Revenue	94	83	83	83	83	83	83
Total Milk Marketing Fund Revenues .	<u>\$ 761</u>	<u>\$ 690</u>	<u>\$ 690</u>	<u>\$ 690</u>	<u>\$ 690</u>	<u>\$ 690</u>	<u>\$ 690</u>
Augmentations	<u>\$ 950</u>	<u>\$ 975</u>	<u>\$ 950</u>	<u>\$ 950</u>	<u>\$ 950</u>	<u>\$ 950</u>	<u>\$ 950</u>
TOTAL MILK MARKETING FUND RECEIPTS	<u>\$ 1,711</u>	<u>\$ 1,665</u>	<u>\$ 1,640</u>	<u>\$ 1,640</u>	<u>\$ 1,640</u>	<u>\$ 1,640</u>	<u>\$ 1,640</u>

*In the June 30, 1984 Revenue and Receipts ledger funds amounting to \$465,000 were not transferred from Revenue Collected in Advance to the Licenses and Fees account. For budget purposes, the correction has been made in the appropriate years.

MILK MARKETING FUND REVENUE SOURCES

Licenses and Fees

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 306	1984-85	\$ 592
1980-81	609	1985-86	592
1981-82	606	1986-87	592
1982-83	608	1987-88	592
1983-84	573	1988-89	592
1984-85	647	1990-91	592

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

Fines and Penalties

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 8	1985-86	\$ 15
1980-81	14	1986-87	15
1981-82	29	1987-88	15
1982-83	24	1988-89	15
1983-84	9	1989-90	15
1984-85	20	1990-91	15

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

Miscellaneous Revenues

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 74	1985-86	\$ 83
1980-81	95	1986-87	83
1981-82	119	1987-88	83
1982-83	102	1988-89	83
1983-84	74	1989-90	83
1984-85	94	1990-91	83

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

MILK MARKETING FUND REVENUE DETAIL

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget
Licenses and Fees			
Milk Dealers Licenses	\$ 598	\$ 544	\$ 544
Milk Testers Certificate Fees	6	6	6
Milk Weighers Certificate Fees	28	27	27
Milk Testers and Weighers Examination Fees	4	5	5
Milk Haulers Licenses Fees	11	10	10
TOTAL	\$ 647	\$ 592	\$ 592
 Fines and Penalties			
Milk Marketing Act Fines	\$ 20	\$ 15	\$ 15
TOTAL	\$ 20	\$ 15	\$ 15
 Miscellaneous Revenue			
Interest on Securities	\$ 93	\$ 80	\$ 80
Interest on Deposits	1	3	3
TOTAL	\$ 94	\$ 83	\$ 83
TOTAL REVENUES	\$ 761	\$ 690	\$ 690
 Augmentations			
Transfer from General Fund	\$ 950	\$ 975	\$ 950
TOTAL	\$ 950	\$ 975	\$ 950
TOTAL RECEIPTS	\$ 1,711	\$ 1,665	\$ 1,640

Racing Fund

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

Financial Statement

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Estimated
Beginning Balance	\$ 9,782	\$ 3,379	\$ 2,922
Receipts:			
Revenue Estimate	\$ 9,157	\$ 9,025	\$ 7,156
Prior Year Lapses	186	437	.....
Total Receipts	<u>9,343</u>	<u>9,462</u>	<u>7,156</u>
Funds Available	<u>\$ 19,125</u>	<u>\$ 12,841</u>	<u>\$ 10,078</u>
Expenditures:			
Appropriated	<u>\$ 15,746</u>	<u>\$ 9,919</u>	<u>\$ 8,906</u>
Estimated Expenditures	<u>-15,746</u>	<u>-9,919</u>	<u>-8,906</u>
Ending Balance	<u><u>\$ 3,379</u></u>	<u><u>\$ 2,922</u></u>	<u><u>\$ 1,172</u></u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Treasury Department			
General Government			
Replacement Checks — Racing .....	.....	\$ 10	\$ 10
 Department of Agriculture			
General Government			
Harness Racing Commission	\$ 2,097	\$ 2,178	\$ 2,199
Horse Racing Commission	2,600	2,893	2,785
Race Horse Testing Laboratory	906	1,029	764
Payments to Pennsylvania Fairs — Administration	216	285	107
Subtotal	<u>\$ 5,819</u>	<u>\$ 6,385</u>	<u>\$ 5,855</u>
Grants and Subsidies			
Transfer to the General Fund	\$ 9,782	\$ 3,379	\$ 2,922
DEPARTMENT TOTAL	<u>\$ 15,601</u>	<u>\$ 9,764</u>	<u>\$ 8,777</u>
 Department of Revenue			
General Government			
Collections — Racing	\$ 145	\$ 145	\$ 119
FUND TOTAL	<u>\$ 15,746</u>	<u>\$ 9,919</u>	<u>\$ 8,906</u>

RACING FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Estimated	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Tax Revenues	\$ 7,280	\$ 6,996	\$ 5,223	\$ 5,223	\$ 5,223	\$ 5,223	\$ 5,223
License and Fees	404	326	326	326	326	326	326
Fines and Penalties .....	. . . .	37	37	37	37	37	37
Miscellaneous	1,473	1,666	1,570	1,570	1,570	1,570	1,570
Total Racing Fund Revenues	<u>\$ 9,157</u>	<u>\$ 9,025</u>	<u>\$ 7,156</u>	<u>\$ 7,156</u>	<u>\$ 7,156</u>	<u>\$ 7,156</u>	<u>\$ 7,156</u>

RACING FUND REVENUE SOURCES

Tax Revenues

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 22,481	1985-86	\$ 6,996
1980-81	20,736	1986-87	5,223
1981-82	20,807	1987-88	5,223
1982-83	17,416	1988-89	5,223
1983-84	16,409	1989-90	5,223
1984-85	7,280	1990-91	5,223

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

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

The Harness Racing Fund and the Horse Racing Fund were combined into the Racing Fund by Act 93 of 1983. Act 93 amended portions of the Race Horse Industry Reform Act. The previous sliding wagering tax rate was changed to a flat 3.8 percent effective January 1, 1984 decreasing to 2 percent effective July 1, 1984 and 1.5 percent effective July 1, 1986 and thereafter. In addition a 0.7 percent wagering tax was imposed on exotic wagering.

Licenses and Fees

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 414	1985-86	\$ 326
1980-81	424	1986-87	326
1981-82	352	1987-88	326
1982-83	311	1988-89	326
1983-84	308	1989-90	326
1984-85	404	1990-91	326

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

RACING FUND REVENUE SOURCES

Fines and Penalties

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 53	1985-86	\$ 37
1980-81	59	1986-87	37
1981-82	43	1987-88	37
1982-83	1	1988-89	37
1983-84		1989-90	37
1984-85		1990-91	37

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

Miscellaneous Revenue

(Dollar Amounts in Thousands)

Actual		Estimated	
1979-80	\$ 2,084	1985-86	\$ 1,666
1980-81	2,061	1986-87	1,570
1981-82	2,902	1987-88	1,570
1982-83	1,842	1988-89	1,570
1983-84	1,744	1989-90	1,570
1984-85	1,473	1990-91	1,570

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

RACING FUND REVENUE DETAIL

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Estimated	1986-87 Budget
Tax Revenue			
State Admission Tax	\$ 273	\$ 242	\$ 245
Wagering Tax	6,574	6,374	4,595
Breakage Tax	433	380	383
TOTAL	\$ 7,280	\$ 6,996	\$ 5,223
Licenses and Fees			
License Fees	\$ 404	\$ 326	\$ 326
TOTAL	\$ 404	\$ 326	\$ 326
Fines and Penalties			
Fines and Penalties .....	. . . .	\$ 37	\$ 37
TOTAL .....	. . . .	\$ 37	\$ 37
Miscellaneous			
Uncashed Tickets	\$ 704	\$ 645	\$ 645
Interest on Securities	732	1,000	900
Miscellaneous	1	. . . .	1
Redeposit of Checks	1	. . . .	. . . .
Interest On Deposits	3	6	2
Owner-by-Agent Security Deposit Forefits	32	15	22
TOTAL	\$ 1,473	\$ 1,666	\$ 1,570
TOTAL REVENUES	\$ 9,157	\$ 9,025	\$ 7,156

Revenue Sharing Trust Fund

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

The Federal, State and Local Fiscal Assistance Act placed no restrictions upon purposes for which the funds are spent; however, expenditures had to be in accordance with the laws and procedures applicable to expenditures of State revenues, including appropriation, accounting and audit.

Pennsylvania used its revenue sharing funds primarily for assistance to local governments, school districts and individuals.

Federal legislation eliminated Revenue Sharing Funds for state governments beginning with the 1981-82 fiscal year. However, in 1982-83 the Federal Government released a reserve held for contingencies. Certain prior year appropriations to the Department of Environmental Resources are still involved in litigation, and the funds invested remain in the Revenue Sharing Trust Fund and are earning interest.

Act 51-A of 1982 earmarked all such interest earnings for the use of the Department of General Services to pay for moving costs of Commonwealth agencies.

REVENUE SHARING TRUST FUND

Financial Statement

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Beginning Balance	\$ 452	\$ 530	\$ 204
Receipts:			
Revenue Estimate	\$ 130	\$ 120	\$ 60
Total Receipts	130	120	60
Funds Available	\$ 582	\$ 650	\$ 264
Expenditures:			
Appropriated	\$ 52	\$ 444	\$ 240
Estimated Expenditures	-52	-446	-240
Ending Balance	<u>\$ 530</u>	<u>\$ 204</u>	<u>\$ 24</u>

REVENUE SHARING TRUST FUND

Summary by Department

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Department of General Services			
General Government			
Moving and Relocation Expenses	\$ 52	\$ 446	\$ 240
FUND TOTAL	<u>\$ 52</u>	<u>\$ 446</u>	<u>\$ 240</u>

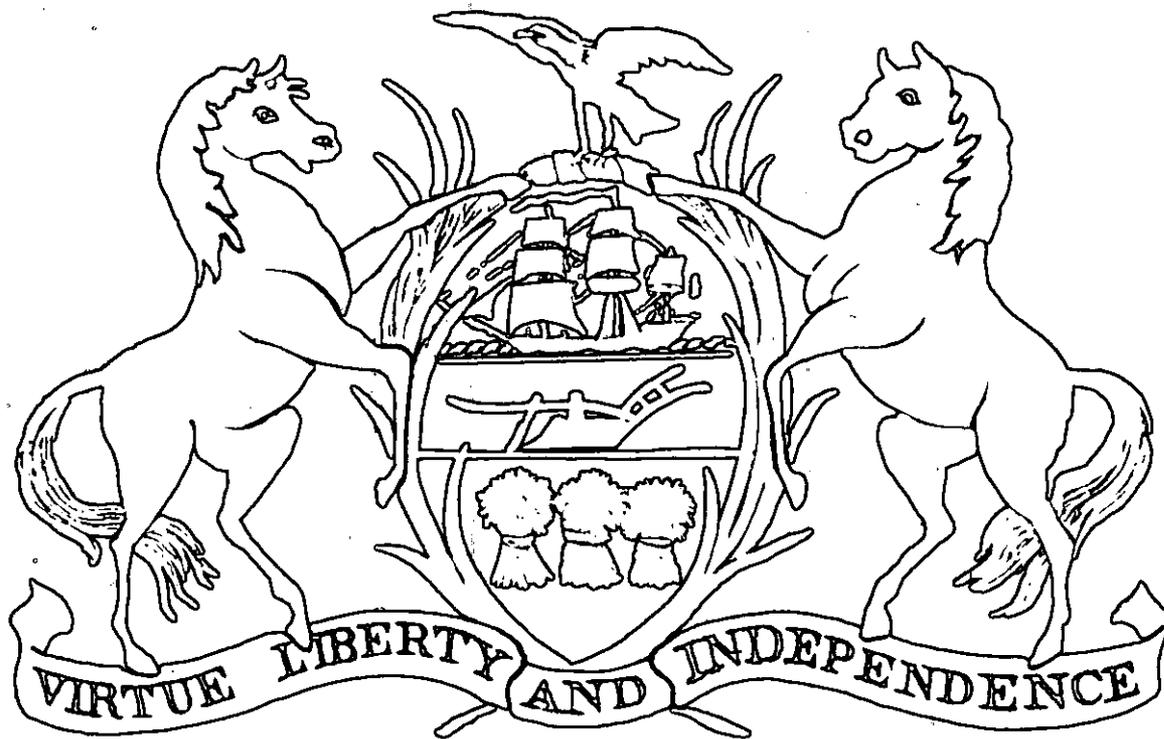
REVENUE SHARING TRUST FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Miscellaneous Revenues							
Interest on Securities	\$ 52	\$ 446	\$ 240	\$ 24	.....	.....	.....
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenue Sharing Trust Fund Revenues	<u>\$ 52</u>	<u>\$ 446</u>	<u>\$ 240</u>	<u>\$ 24</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>

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

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



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CAPITAL BUDGET

CAPITAL BUDGET

This section contains the 1986-87 Capital Budget and Five Year Capital Program. The bonded indebtedness required to support the capital programs is projected and, along with currently outstanding debt, is compared to the Constitutional debt limit.

The Public Improvement, Original Furniture and Equipment, Redevelopment Assistance, Flood Control, and Transportation Assistance projects shown will be financed by general obligation bonds, with the exception of the Fish Commission, Game Commission, and the Department of Transportation public improvement projects which are funded from current revenues. The Department of Transportation highway projects will be financed from current revenues. These projects are grouped into the following categories:

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

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

Transportation Assistance Projects — These projects include: (a) the purchase of rolling stock and construction or improvement of facilities operated by mass transportation agencies throughout the Commonwealth, and (b) the acquisition, construction, and equipping of rural and intercity common carrier surface transportation systems or any components thereof. These projects are implemented through the Department of Transportation.

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

Flood Control Projects — This category provides the State's share of Federal flood control works and improvements to prevent floods and to preserve, control, and regulate the flow of rivers and streams in the Commonwealth. These projects are administered through the Department of Environmental Resources.

Highway Projects — This category includes the design, purchase of rights-of-way, construction, reconstruction and other improvements to highways and bridges on the State highway system. These projects are designed and constructed through the Department of Transportation.

The Capital Budget section consists of the following subsections.

1986-87 New Project Authorizations — This section itemizes and describes the new capital projects recommended for authorization in 1986-87, and their proposed source of funding. The projects are listed by department and capital project category.

Forecast of Future Projects — This section contains a forecast of new capital projects to be initiated during each of the fiscal years 1987-88 through 1990-91. The projections are grouped by department and capital project category.

Estimate of Capital Expenditures — This section provides an estimate of expenditures for capital projects during each of the next five fiscal years. Since design, acquisition and construction of a project is not generally completed during the fiscal year in which the project is initiated, payment of costs incurred usually occurs over several fiscal years. The estimated expenditures determine the amount of bonds which must be issued, or current revenue appropriations required, each fiscal year. The projections are listed by capital project category and subdivided by projects currently authorized, pending 1984-85 and 1985-86 budget projects, new projects proposed for 1986-87, and future projects (1987-91).

**FORECAST OF DEBT LIMIT AND OUTSTANDING DEBT
1985-86 Through 1990-91**

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

	1985-86	1986-87	(Dollar Amounts in Thousands)		1989-90	1990-91
			1987-88	1988-89		
Average Tax Revenues Previous Five Years	\$ 9,860,429	\$10,567,412	\$11,256,143	\$11,996,291	\$12,523,265	\$13,049,681
Debt Limit ^a	17,255,750	18,492,971	19,698,251	20,993,509	21,915,713	22,836,941
Outstanding Debt-Beginning of Fiscal Year	3,802,858	3,807,793	4,045,336	4,233,691	4,134,485	3,831,543
Bonds to be Issued	240,000	489,000	490,000	302,000	238,000	204,000
Bonds to be Retired	<u>- 235,065</u>	<u>- 251,457</u>	<u>- 301,645</u>	<u>- 401,206</u>	<u>- 540,942</u>	<u>- 333,463</u>
Outstanding Debt—End of Fiscal Year	<u>\$ 3,807,793</u>	<u>\$ 4,045,336</u>	<u>\$ 4,233,691</u>	<u>\$ 4,134,485</u>	<u>\$ 3,831,543</u>	<u>\$ 3,702,080</u>
% of Debt to Debt Limit	22.1%	21.9%	21.5%	19.7%	17.5%	16.2%

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

**PROJECTED CAPITAL BUDGET BOND ISSUES AND DEBT OUTSTANDING
1985-86 Through 1990-91**

This table shows only the projected amount of general obligation bonds to be issued under Article 8, Section 7(a)(4) of the Pennsylvania Constitution for projects included in a capital budget, and the level of bonded debt outstanding at the end of the fiscal year. Outstanding debt levels include debt issued by the General State Authority and the State Highway and Bridge Authority. Also included is one issue of the State Public School Building Authority. A projection of all Commonwealth general obligation bonds to be issued and debt outstanding is contained in the Public Debt section of this budget document (Section E of Volume 1).

	(Dollar Amounts in Thousands)					
	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Projected Bond Issues						
Public Improvements	\$ 190,000	\$ 165,000	\$ 150,000	\$ 130,000	\$ 130,000	\$ 130,000
Highways .....	.....	66,000	110,000	25,000	.....	.....
Transportation Assistance	20,000	40,000	55,000	60,000	55,000	60,000
Original Furniture and Equipment	5,000	15,000	11,000	7,000	2,000	3,000
Redevelopment Assistance	25,000	10,000	35,000	35,000	38,000	.....
Advanced Construction						
Interstate .....	.....	190,000	119,000	39,000	.....	.....
Flood Control .....	.....	3,000	10,000	6,000	13,000	11,000
Community Colleges .....	.....	.....	.....	.....	.....	.....
Total	\$ 240,000	\$ 489,000	\$ 490,000	\$ 302,000	\$ 238,000	\$ 204,000
Debt Outstanding Projections						
Public Improvements	\$ 1,759,298	\$ 1,813,401	\$ 1,837,468	\$ 1,833,003	\$ 1,819,433	\$ 1,798,190
Highways	1,619,820	1,580,400	1,577,315	1,481,205	1,356,460	1,231,185
Transportation Assistance	312,875	327,380	355,060	385,215	405,465	426,930
Original Furniture and Equipment	27,530	36,415	41,400	41,600	36,600	32,800
Redevelopment Assistance	67,000	74,790	105,730	136,670	167,445	158,370
Advanced Construction						
Interstate .....	.....	190,000	285,333	221,332	.....	.....
Flood Control .....	.....	3,000	12,840	18,415	30,565	40,185
Community Colleges	21,270	19,950	18,545	17,045	15,575	14,420
Total	\$ 3,807,793	\$ 4,045,336	\$ 4,233,691	\$ 4,134,485	\$ 3,831,543	\$ 3,702,080

CAPITAL BUDGET

FORECAST OF DEBT SERVICE REQUIREMENTS 1986-87 Through 1990-91

This table includes debt service on debt issued under Article 8, Section 7(a)(4) of the Pennsylvania Constitution for projects included in a capital budget, and debt issued by the General State Authority and the State Highway and Bridge Authority. Debt Service is shown in the year of appropriation and in gross amounts not reduced by interest earnings or other credits applied to debt service payments. Debt service on anticipated issues is also included.

	(Dollar Amounts in Thousands)				
	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND					
Department of General Services					
General State Authority Rentals	\$ 40,496	\$ 38,656	\$ 34,600	\$ 30,869	\$ 25,036
Department of Education					
General State Authority Rentals	4,201	4,201	4,201	4,201	4,201
Treasury Department					
—Public Improvement Projects (including GSA)	171,999	190,669	212,461	225,656	235,750
—Transportation Assistance Projects	49,774	53,368	58,283	65,700	70,816
—Community College Projects ^a	2,016	2,018	2,017	2,022	2,027
—Original Furniture and Equipment Projects	9,022	9,301	10,637	10,651	10,019
—Redevelopment Assistance Projects	8,179	10,266	13,998	19,743	23,144
—Flood Control Projects	128	628	1,644	2,702	3,963
Less: Interest Earnings and Miscellaneous Revenues	-8,214	-10,000	-8,000	-8,000	-8,000
TOTAL—GENERAL FUND	\$ 277,601	\$ 299,107	\$ 329,841	\$ 353,544	\$ 366,956
MOTOR LICENSE FUND					
Department of General Services					
General State Authority Rentals	\$ 1,163	\$ 1,161	\$ 1,159	\$ 1,157	\$ 1,157
Department of Transportation					
Highway and Bridge Authority Rentals	28,608	26,895	25,056	18,869	12,824
Advance Construction Interstate—Interest Payments	2,130	14,970	17,100	11,380	.....
Treasury Department					
Capital Debt Fund					
—Highway Projects (including S.H.B.A.)	164,912	164,998	165,051	165,066	165,075
—Public Improvement Projects	529	1,225	1,245	1,231	1,231
TOTAL—MOTOR LICENSE FUND	\$ 197,342	\$ 209,249	\$ 209,611	\$ 197,703	\$ 180,287
BOATING FUND					
Department of General Services					
General State Authority Rentals	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2
TOTAL—BOATING FUND	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2
FISH FUND					
Department of General Services					
General State Authority Rentals	\$ 63	\$ 63	\$ 63	\$ 63	\$ 63
TOTAL—FISH FUND	\$ 63	\$ 63	\$ 63	\$ 63	\$ 63

**FORECAST OF DEBT SERVICE REQUIREMENTS
1986-87 Through 1990-91
(continued)**

	(Dollar Amounts in Thousands)				
	1986-87	1987-88	1988-89	1989-90	1990-91
OTHER FUNDS					
Public School Building Authority—					
Community College Projects ^b	\$ 315	\$ 330	\$ 345	\$ 360	\$ 315
Motor License Fund Restricted Receipts					
Aviation—Airport Public Improvement					
Projects	28	454	1,489	1,489	1,489
Aviation—General State Authority Rentals...	39	39	39	39	39
Highway Bridge Improvement—Highway					
Projects	2,805	12,060	22,887	26,667	25,779
TOTAL—OTHER FUNDS	<u>\$ 3,187</u>	<u>\$ 12,883</u>	<u>\$ 24,760</u>	<u>\$ 28,555</u>	<u>\$ 27,622</u>
TOTAL DEBT SERVICE—ALL FUNDS.....	<u>\$ 478,195</u>	<u>\$ 521,304</u>	<u>\$ 564,277</u>	<u>\$ 579,867</u>	<u>\$ 574,930</u>

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

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

CAPITAL FACILITIES FUND FINANCIAL STATEMENT^a

1986-87 Through 1990-91

(Dollar Amounts in Thousands)

	Public Improvement Projects	Transportation Assistance Projects	Highway Projects	Advanced Construction Interstate Projects	Original Furniture & Equipment	Redevelopment Assistance Projects	Flood Control Projects	Total
Balance, July 1, 1986	\$ 45,076	\$ 10,590	\$ 800	.....	\$ 3,972	\$ 26,129	.....	\$ 86,567
Revenue: Bond Issues	165,000	40,000	66,000	\$ 190,000	15,000	10,000	\$ 3,000	489,000
Estimated Expenditures	-170,600	-40,000	-66,000	-189,799 ^b	-12,813	-35,000	-2,590	-516,802
Balance, July 1, 1987	\$ 39,476	\$ 10,590	\$ 800	\$ 201	\$ 6,159	\$ 1,129	\$ 410	\$ 58,765
Revenue: Bond Issues	150,000	55,000	110,000	119,000	11,000	35,000	10,000	490,000
Estimated Expenditures	-145,000	-54,900	-107,000	-118,985 ^b	-14,252	-35,000	-8,360	-483,497
Balance, July 1, 1988	\$ 44,476	\$ 10,690	\$ 3,800	\$ 216	\$ 2,907	\$ 1,129	\$ 2,050	\$ 65,268
Revenue: Bond Issues	130,000	60,000	25,000	39,000	7,000	35,000	6,000	302,000
Estimated Expenditures	-132,000	-59,100	-28,000	-39,216 ^b	-7,236	-35,000	-6,746	-307,298
Balance, July 1, 1989	\$ 42,476	\$ 11,590	\$ 800	.....	\$ 2,671	\$ 1,129	\$ 1,304	\$ 59,970
Revenue: Bond Issues	130,000	55,000	.....	.....	2,000	35,971	13,000	235,971
Estimated Expenditures	-132,000	-53,300	.....	.....	-1,963	-37,100	-12,665	-237,028
Balance, July 1, 1990	\$ 40,476	\$ 13,290	\$ 800	.....	\$ 2,708	.....	\$ 1,639	\$ 58,913
Revenue: Bond Issues	130,000	60,000	.....	.....	3,000	.....	11,000	204,000
Estimated Expenditures	-132,000	-57,300	.....	.....	-2,675	.....	-10,684	-202,659
Balance, July 1, 1991	<u>\$ 38,476</u>	<u>\$ 15,990</u>	<u>\$ 800</u>	.....	<u>\$ 3,033</u>	.....	<u>\$ 1,955</u>	<u>\$ 60,254</u>

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

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

CAPITAL BUDGET

ESTIMATED CAPITAL PROJECT EXPENDITURES State Funds 1986-87 Through 1990-91

	(Dollar Amounts in Thousands)				
	1986-87	1987-88	1988-89	1989-90	1990-91
FROM GENERAL OBLIGATION BONDS					
Public Improvement Projects—Buildings and Structures	\$ 170,600	\$ 145,000	\$ 132,000	\$ 132,000	\$ 132,000
Public Improvement Projects—Original Furniture and Equipment	12,813	14,252	7,236	1,963	2,675
Redevelopment Assistance Projects	35,000	35,000	35,000	37,100	. . . .
Flood Control Projects	2,590	8,360	6,746	12,665	10,684
Transportation Assistance Projects	40,000	54,900	59,100	53,300	57,300
Highway Projects	255,799	225,985	67,216	. . . .	. . . .
Total—Bond Funds	<u>\$ 516,802</u>	<u>\$ 483,497</u>	<u>\$ 307,298</u>	<u>\$ 237,028</u>	<u>\$ 202,659</u>
FROM CURRENT REVENUES					
Public Improvement Projects—Game Fund ...	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Public Improvement Projects—Fish Fund	336	30	. . . .	. . . .	. . . .
Public Improvement Projects—Boating Fund ..	94	. . . .	. . . .	. . . .	. . . .
Public Improvement Projects—Motor License Fund	271	500	500	500	500
Highway Projects—Motor License Fund	92,000	86,200	67,600	53,400	52,700
Highway Projects—Motor License Fund Restricted Revenue	104,300	28,800	11,600	26,200	20,000
Total—Current Revenues	<u>\$ 199,501</u>	<u>\$ 118,030</u>	<u>\$ 82,200</u>	<u>\$ 82,600</u>	<u>\$ 75,700</u>
TOTAL—ALL STATE FUNDS	<u><u>\$ 716,303</u></u>	<u><u>\$ 601,527</u></u>	<u><u>\$ 389,498</u></u>	<u><u>\$ 319,628</u></u>	<u><u>\$ 278,359</u></u>

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

	(Dollar Amounts in Thousands)					Total
	1986-87	1987-88	1988-89	1989-90	1990-91	
Department of Agriculture . . . . .	. . . . .	\$ 1,275	\$ 525	. . . . .	. . . . .	\$ 1,800
Department of Commerce	\$ 3,054	7,450	7,450	. . . . .	. . . . .	17,954
Department of Corrections	6,523	8,950	9,300	\$ 9,800	\$ 10,300	44,873
Department of Education	6,106	28,825	31,350	41,700	44,225	152,206
Emergency Management Agency . . . . .	. . . . .	200	200	150	. . . . .	550
Department of Environmental Resources	33,205	16,575	7,825	52,200	7,575	117,380
Fish Commission	460	. . . . .	. . . . .	. . . . .	. . . . .	460
Game Commission	570	2,500	2,500	2,500	2,500	10,570
Department of General Services	1,200	1,750	1,800	1,900	2,000	8,650
Historical and Museum Commission	1,465	1,875	1,950	2,050	2,175	9,515
Department of Military Affairs	3,248	1,400	1,350	1,150	925	8,073
Department of Public Welfare	6,986	9,150	9,525	10,050	10,550	46,261
State Police	2,663	4,550	4,725	5,000	5,250	22,188
Department of Transportation	236,466	92,500	93,500	94,500	95,500	612,466
TOTAL	<u>\$ 301,946</u>	<u>\$ 177,000</u>	<u>\$ 172,000</u>	<u>\$ 221,000</u>	<u>\$ 181,000</u>	<u>\$1,052,946</u>

**RECOMMENDED 1986-87 NEW PROJECT AUTHORIZATIONS
STATE FUNDS
Summary by Department**

(Dollar Amounts in Thousands)

	Bond Funds				Current Revenues		Total All Funds
	Public Improvement Projects	Original Furniture & Equipment	Transportation Assistance Projects	Flood Control Projects	Public Improvement Projects	Highway Projects	
Department of Commerce	\$ 3,054	.....	.....	.....	.....	.....	\$ 3,054
Department of Corrections	6,523	.....	.....	.....	.....	.....	6,523
Department of Education	5,832	\$ 274	.....	.....	.....	.....	6,106
Department of Environmental Resources...	13,025	5,350	.....	\$ 14,830	.....	.....	33,205
Fish Commission .....	.....	.....	.....	.....	\$ 460	.....	460
Game Commission .....	.....	.....	.....	.....	570	.....	570
Department of General Services	1,200	.....	.....	.....	.....	.....	1,200
Historical and Museum Commission	1,465	.....	.....	.....	.....	.....	1,465
Department of Military Affairs	3,248	.....	.....	.....	.....	.....	3,248
Department of Public Welfare	4,836	2,150	.....	.....	.....	.....	6,986
State Police	2,663	.....	.....	.....	.....	.....	2,663
Department of Transportation .....	.....	.....	\$ 35,070	.....	271	\$ 201,125	236,466
TOTAL	\$ 41,846	\$ 7,774	\$ 35,070	\$ 14,830	\$ 1,301	\$ 201,125	\$ 301,946

DEPARTMENT OF COMMERCE

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
1986-87 PUBLIC IMPROVEMENT PROJECTS				
Tourism and Travel Development	\$ 2,452	\$ 100	\$ 502	\$ 3,054
TOTAL PROJECTS	<u>\$ 2,452</u>	<u>\$ 100</u>	<u>\$ 502</u>	<u>\$ 3,054</u>

SOURCE OF FUNDS

General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 2,452	\$ 100	\$ 502	\$ 3,054
TOTAL	<u>\$ 2,452</u>	<u>\$ 100</u>	<u>\$ 502</u>	<u>\$ 3,054</u>

CAPITAL BUDGET

Department of Commerce 1986-87 Projects

FROM BOND FUNDS	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Conti- gencies	Total Project Cost
Program: Tourism and Travel Development				
<i>Delaware County</i>				
RENOVATION—EXPANSION OF THE DELAWARE INFORMATION CENTER: This project provides for; (1) renovation of the existing I-95 northbound facility; (2) construction of a 1,200 sq. ft. addition, and (3) outdoor improvements — a playground, additional parking and landscaping.	\$ 208	. . . . .	\$ 42	\$ 250
<i>Franklin County</i>				
NEW INFORMATION CENTER/SAFETY REST AREA: This project provides for the site acquisition and construction of a new information center/safety rest area on I-81 near the Pennsylvania/Maryland state line. The project includes construction of a 2,400 sq. ft. building, acquisition of approximately 20 acres of land, access roads, parking areas, a playground, and landscaping.	1,620	\$ 100	334	2,054
<i>Fulton County</i>				
RENOVATION—EXPANSION OF THE FULTON INFORMATION CENTER: This project provides for; (1) renovation of the existing I-70 northbound facility, (2) construction of a 1,200 sq. ft. addition, and (3) outdoor improvements — a playground, additional parking, and landscaping.	208	. . . . .	42	250
<i>Mercer County</i>				
RENOVATION — EXPANSION OF THE MERCER INFORMATION CENTER: This project provides for; (1) renovation of the existing I-80 eastbound facility, (2) construction of a 1,200 sq. ft. addition, and (3) outdoor improvements — a playground, additional parking, and landscaping.	208	. . . . .	42	250
<i>York County</i>				
RENOVATION—EXPANSION OF THE YORK INFORMATION CENTER: This project provides for; (1) renovation of the existing I-83 facility near Shrewsbury, (2) construction of a 1,200 sq. ft. addition, and (3) outdoor improvements — a playground, additional parking and landscaping.	208	. . . . .	42	250
TOTAL	<u>\$ 2,452</u>	<u>\$ 100</u>	<u>\$ 502</u>	<u>\$ 3,054</u>

DEPARTMENT OF CORRECTIONS

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contingencies	Total Project Cost
1986-87 PUBLIC IMPROVEMENT PROJECTS				
State Correctional Institutions	\$ 5,436	. . . .	\$ 1,087	\$ 6,523
TOTAL PROJECTS	<u>\$ 5,436</u>	<u>. . . .</u>	<u>\$ 1,087</u>	<u>\$ 6,523</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 5,436	. . . .	\$ 1,087	\$ 6,523
TOTAL	<u>\$ 5,436</u>	<u>. . . .</u>	<u>\$ 1,087</u>	<u>\$ 6,523</u>

Department of Corrections 1986-87 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS				
Program: State Correctional Institutions				
<i>State Correctional Institution—Camp Hill</i>				
COAL STORAGE AREA: This project will provide for the construction of a concrete pad and open type structure with roof for storage of approximately 200 tons of anthracite and bituminous coal and a coal conveyor.....	\$ 138	.....	\$ 28	\$ 166
RENOVATION OF SHOWER ROOMS: This project will consist of enlarging and completely rebuilding the present interior shower facilities and an addition to the shower room to accomodate eight additional shower heads.	1,219	.....	244	1,463
<i>State Correctional Institution—Graterford</i>				
NEW WELL AND RESERVOIR: This project provides for a new well and reservoir for increased storage capacity..	2,120	.....	424	2,544
<i>State Correctional Institution—Mercer</i>				
WAREHOUSE: This project is for the design and construction of a 10, 800 sq. ft. solid masonry and steel warehouse building to be located on the institution grounds outside the compound wall.	687	.....	137	824
<i>State Correctional Institution—Pittsburgh</i>				
ADDITIONAL LIGHTING: This project provides for installation of additional perimeter and general lighting; including replacement of existing fixtures and additional fixtures both inside and outside of the walls.	212	.....	42	254
<i>State Correctional Institution—Rockview</i>				
NEW WATER DISTRIBUTION SYSTEM: This project will provide for the replacement of the present water distribution system.....	530	.....	106	636
UPGRADE ELECTRICAL SYSTEMS: This project will provide for the renovation of the electrical systems throughout the institution.	530	.....	106	636
PROGRAM TOTAL	<u>\$ 5,436</u>	<u>.....</u>	<u>\$ 1,087</u>	<u>\$ 6,523</u>

DEPARTMENT OF EDUCATION

		(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1986-87 PUBLIC IMPROVEMENT PROJECTS				
Higher Education — State System of Higher Education	\$ 5,134	. . . . .	\$ 972	\$ 6,106
TOTAL PROJECTS	<u>\$ 5,134</u>	<u>.</u>	<u>\$ 972</u>	<u>\$ 6,106</u>

SOURCE OF FUNDS

General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 4,860	. . . . .	\$ 972	\$ 5,832
Capital Facilities Fund — Furniture and Equipment	274	. . . . .	. . . . .	274
TOTAL	<u>\$ 5,134</u>	<u>.</u>	<u>\$ 972</u>	<u>\$ 6,106</u>

Department of Education 1986-87 Projects

FROM BOND FUNDS	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
Program: Higher Education — State System of Higher Education				
<i>Bloomsburg University</i>				
SAFETY MODIFICATIONS—HASS AUDITORIUM: This project will replace the existing outdated and substandard fly system with a new system that can properly handle the required stage loads. In addition, this project will also replace the existing deteriorated lighting system with a new programmable stage lighting system.....	\$ 184	. . . .	\$ 37	\$ 221
INSTALL ELEVATORS: This project provides for the installation of 4 elevators to provide access for the handicapped to the third floor areas of the following buildings — Ben Franklin, Hans, Carver, and Navy.....	801	. . . .	160	961
<i>California University</i>				
RENOVATE OLD SCIENCE BUILDING: This project provides for conversion of the basement area to four large lecture rooms, and for renovation of the first floor to provide additional offices.....	2,507	. . . .	501	3,008
<i>Cheyney University</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 403-49: This project provides for the purchase of original movable furniture and equipment for the renovated Brown Hall facility.....	29	. . . .	. . . .	29
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 403-50: This project provides for the purchase of original movable furniture and equipment for the renovated Pennsylvania Hall facility.....	212	. . . .	. . . .	212
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 403-51: This project provides for the purchase of original movable furniture and equipment for the renovated Old Library facility.....	33	. . . .	. . . .	33

Department of Education 1986-87 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM BOND FUNDS				
Program: Higher Education — State System of Higher Education (continued)				
<i>Kutztown University</i>				
UPGRADE ELECTRICAL DISTRIBUTION SYSTEM: This project will replace and upgrade the 5KV electrical distribution system throughout the campus. In addition, the project will also provide a means of monitoring electrical usage throughout the campus and provide input to a campus-wide energy management system.				
	\$ 719	.....	\$ 144	\$ 863
<i>Mansfield University</i>				
HANDICAPPED IMPROVEMENTS IN SOUTH HALL: This project is to make South Hall accessible for the handicapped through the installation of an elevator, ramp, handicapped restroom facilities, widening of doorways, installation of cup dispensers, etc.				
	174	.....	35	209
<i>Slippery Rock University</i>				
HANDICAPPED IMPROVEMENTS — PHASE II: This project provides for the second phase of construction required to provide adequate access to the campus facilities for handicapped persons. Actual work involves the installation of elevators, exterior ramps, automatic doors and inside building modifications ranging from door replacements and interior ramps, to toilet, shower, sink, and water fountain adjustments.				
	283	.....	57	340
<i>West Chester University</i>				
HANDICAPPED IMPROVEMENTS — PHASE II: This project represents Phase II modifications to major university buildings, facilities and site improvements to accommodate handicapped persons. The modifications are designed to permit handicapped persons to circulate freely throughout the main university areas and to utilize building facilities including selected lavatories, elevators and the like.				
	192	.....	38	230
PROGRAM TOTAL	<u>\$ 5,134</u>	<u>.....</u>	<u>\$ 972</u>	<u>\$ 6,106</u>

DEPARTMENT OF ENVIRONMENTAL RESOURCES

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Conti- gencies	Total Project Cost
1986-87 PUBLIC IMPROVEMENT PROJECTS				
General Administration and Support	\$ 5,350	.....	.....	\$ 5,350
Recreation	23,700	.....	\$ 830	24,530
Flood Control	3,250	.....	650	3,900
Subtotal	<u>\$ 32,300</u>	<u>.....</u>	<u>\$ 1,480</u>	<u>\$ 33,780</u>
1986-87 FEDERAL FLOOD CONTROL PROJECTS				
Management of Water and Mineral Resources	\$ 138,040	.....	\$ 1,348	\$ 139,388
Subtotal	<u>\$ 138,040</u>	<u>.....</u>	<u>\$ 1,348</u>	<u>\$ 139,388</u>
TOTAL PROJECTS	<u>\$ 170,340</u>	<u>.....</u>	<u>\$ 2,828</u>	<u>\$ 173,168</u>

SOURCE OF FUNDS

General Obligation Bond Issues

Capital Facilities Fund — Public Improvement Buildings and Structures	\$ 11,545	.....	\$ 1,480	\$ 13,025
Capital Facilities Fund — Public Improvement Furniture and Equipment	5,350	.....	.....	5,350
Capital Facilities Fund — Flood Control Projects	13,482	.....	1,348	14,830
Federal Funds	25,636	.....	.....	25,636
Other Funds	114,327	.....	.....	114,327
TOTAL	<u>\$ 170,340</u>	<u>.....</u>	<u>\$ 2,828</u>	<u>\$ 173,168</u>

CAPITAL BUDGET

Department of Environmental Resources 1986-87 Projects

		(Dollar Amounts in Thousands)		
FROM BOND FUNDS	Base Project Cost	Land Cost	Design & Conti- gencies	Total Project Cost
Program: General Administration and Support				
<i>Harrisburg</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 948-22: This project will provide for the purchase of original movable furniture and equipment for the new Department of Environmental Resources building.	\$ 5,350	. . . .	. . . .	\$ 5,350
PROGRAM TOTAL	<u>\$ 5,350</u>	<u>. . . .</u>	<u>. . . .</u>	<u>\$ 5,350</u>
Program: Flood Control				
<i>Knoxville Borough, Tioga County</i>				
FLOOD PROTECTION: This project provides for the con- struction of a levee on Troups Creek from upstream of Pa. Rt. 49 to the confluence with the Cowanesque River. The levee will continue along the Cowanesque River from Troups Creek to the Borough limits and from there to high ground. Levee height will vary between 6 to 12 feet above existing ground. A short section of concrete floodwall is planned near the Pa. R. 49 bridge over Troups Creek. Channel im- provement for the Cowanesque River is also included. . .	\$ 3,250	. . . .	\$ 650	\$ 3,900
PROGRAM TOTAL	<u>\$ 3,250</u>	<u>. . . .</u>	<u>\$ 650</u>	<u>\$ 3,900</u>
Program: Recreation				
<i>Presque Isle State Park</i>				
BEACH EROSION PROTECTION: This project provides for the construction of approximately 58 offshore breakwaters by the U.S. Army Corps of Engineers.	State \$ 8,295 Fed. 15,405	. . . . . . . .	\$ 830	\$ 9,125 15,405
PROGRAM TOTAL	<u>\$ 23,700</u>	<u>. . . .</u>	<u>\$ 830</u>	<u>\$ 24,530</u>

Department of Environmental Resources 1986-87 Projects

FROM BOND FUNDS (continued)	Base Project Cost	(Dollar Amounts in Thousands)		Total Project Cost
		Land Cost	Design & Conti- gencies	
Program: Management of Water and Mineral Resources				
<i>Frances E. Walter Reservoir</i>				
RESERVOIR MODIFICATIONS: This project is a combination State-Federal-Delaware River Basin Commission funded project. The facility will be modified as a multiple purpose development to provide for flow augmentation storage and recreation, as well as to retain the present flood control protection. The present 90 acre conservation pool will be increased to over 1,200 acres providing for increased water storage to improve salinity control in the Delaware estuary and to allow for moderately increased consumptive water use in the Delaware River Basin. As a result of the increased water storage, public recreational opportunities will be improved and new recreation facilities will be developed to meet the demand.				
	State \$ 11,550	.....	\$ 1,155	\$ 12,705
	Fed. 3,055	.....	.....	3,055
	Other 112,395	.....	.....	112,395
 <i>Tamaqua Borough, Schuylkill County</i>				
FLOOD PROTECTION: This project is a combination State-Federal-Local funded project. This project consists primarily of a 10-foot diameter tunnel approximately 3,100 feet in length, which would divert flood waters away from the flood prone area of the Borough. A small detention dam will also be constructed on a tributary of Wabash Creek to reduce flood peaks on the undiverted portion of the channel.				
	State 1,932	.....	193	2,125
	Fed. 7,176	.....	.....	7,176
	Other 1,932	.....	.....	1,932
PROGRAM TOTAL	<u>\$ 138,040</u>	<u>.....</u>	<u>\$ 1,348</u>	<u>\$ 139,388</u>

FISH COMMISSION

		(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
1986-87 PUBLIC IMPROVEMENT PROJECTS				
Recreation	\$ 460	. . . .	. . . .	\$ 460
TOTAL PROJECTS	<u>\$ 460</u>	<u>. . . .</u>	<u>. . . .</u>	<u>\$ 460</u>
 SOURCE OF FUNDS				
Current Revenues				
Boating Fund	\$ 94	. . . .	. . . .	\$ 94
Fish Fund	366	. . . .	. . . .	366
TOTAL	<u>\$ 460</u>	<u>. . . .</u>	<u>. . . .</u>	<u>\$ 460</u>

CAPITAL BUDGET

Fish Commission 1986-87 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM CURRENT REVENUES				
Program: Recreation				
<i>Center County Fish Rearing Facility</i>				
EXPAND REARING FACILITIES: This project provides for construction of additional earthen facilities and upgrading of the supporting water supply system.				
Fish	\$ 110	. . . . .	. . . . .	\$ 110
<i>Fayette County</i>				
DEVELOPMENT — EAST FREDERICKTOWN ACCESS AREA: This will provide for Construction of a boating and fishing access area with parking for 60 vehicles along the Monongahela River.				
Boating	94	. . . . .	. . . . .	94
Fish	31	. . . . .	. . . . .	31
<i>Lackawanna County</i>				
IMPROVEMENTS — FORD LAKE DAM: This will provide for reconstruction of the embankment and appurtances of the dam.				
Fish	225	. . . . .	. . . . .	225
PROGRAM TOTAL	\$ 460	. . . . .	. . . . .	\$ 460

GAME COMMISSION

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contingencies	Total Project Cost
1986-87 PUBLIC IMPROVEMENT PROJECTS				
Recreation	\$ 570	.....	\$ 570
TOTAL PROJECTS	<u>.....</u>	<u>\$ 570</u>	<u>.....</u>	<u>\$ 570</u>
SOURCE OF FUNDS				
Current Revenues				
Game Fund	\$ 570	.....	\$ 570
TOTAL	<u>.....</u>	<u>\$ 570</u>	<u>.....</u>	<u>\$ 570</u>

CAPITAL BUDGET

Game Commission 1986-87 Projects

	(Dollar Amounts in Thousands)			Total Project Cost
	Base Project Cost	Land Cost	Design & Conti- gencies	
FROM CURRENT REVENUES				
Program: Recreation				
<i>Westmoreland County</i>				
ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 1,900 acres of land in St. Clair Township to be used for hunting.	\$ 570	.....	\$ 570
PROGRAM TOTAL	<u>.....</u>	<u>\$ 570</u>	<u>.....</u>	<u>\$ 570</u>

DEPARTMENT OF GENERAL SERVICES

	Base Project Cost	Land Cost	(Dollar Amounts in Thousands) Design & Contingencies	Total Project Cost
1986-87 PUBLIC IMPROVEMENT PROJECTS				
Management and Operation of Facilities	\$ 1,000	. . . . .	\$ 200	\$ 1,200
TOTAL PROJECTS	<u>\$ 1,000</u>	<u>.</u>	<u>\$ 200</u>	<u>\$ 1,200</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 1,000	. . . . .	\$ 200	\$ 1,200
TOTAL	<u>\$ 1,000</u>	<u>.</u>	<u>\$ 200</u>	<u>\$ 1,200</u>

Department of General Services 1986-87 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS				
Program: Management and Operation of Facilities				
<i>Philadelphia State Office Building</i>				
RENOVATION OF GARAGE AREA: This project provides for structural renovations to the concrete ceiling, floors, and walls of the garage.	\$ 1,000	\$ 200	\$ 1,200
PROGRAM TOTAL	<u>\$ 1,000</u>	<u>. . . .</u>	<u>\$ 200</u>	<u>\$ 1,200</u>

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HISTORICAL AND MUSEUM COMMISSION

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
1986-87 PUBLIC IMPROVEMENT PROJECTS				
Museum Development and Operations	\$ 1,221	. . . . .	\$ 244	\$ 1,465
TOTAL PROJECTS	<u>\$ 1,221</u>	<u>.</u>	<u>\$ 244</u>	<u>\$ 1,465</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 1,221	\$ 244	\$ 1,465
TOTAL	<u>\$ 1,221</u>	<u>.</u>	<u>\$ 244</u>	<u>\$ 1,465</u>

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Historical and Museum Commission 1986-87 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM BOND FUNDS				
Program: Museum Development and Operations				
<i>Bushy Run Battlefield</i>				
FIXED EXHIBITS: This project will provide for the construction and installation of permanent exhibits in the Bushy Run Battlefield Visitor Center Addition and will also provide for design and installation of fixed outdoor exhibits over the 180 acre Battlefield site. The indoor exhibits will detail the causes, individuals, arms, etc. of Pontiac's War and the Battle of Bushy Run through fourteen thematic presentations in the Visitor Center. The outdoor exhibits will be an extension of those indoor but will interpret the Battle as it relates to the actual topography, as it exist at the Battlefield. Development of the outdoor exhibits will identify and interpret distinct areas of the historic site: i.e.—Indian Ambush Position, British Attack, Soldiers' Graves, Flour Bag Entrenchment, Original 1759 Road, British Perimeter, etc—which will require one or more exhibits each. Development of the outdoor exhibits will also include laying-out tour routes, possible signage, exposure and preservation of the original road and reconstruction of the flour bag entrenchment.	\$ 120	. . . .	\$ 24	\$ 144
<i>Cornwall Iron Furnace</i>				
RESTORATION OF THE ABATTOIR: This project provides for repairs and structural stabilization of interior floors and study and rebuilding of the fireplace, which provided the source of smoke for the meat-preservation process. The interior walls must be whitewashed or painted and hidden source of lighting installed. Missing slate on the roof must be replaced and the roof made waterproof. Pointing of the stone work is required in some areas, especially at the base of the walls.	93	. . . .	19	112
<i>Drake Well Museum</i>				
FIRE AND SECURITY SYSTEMS: This project provides for the installation of fire and security systems in the museum building and six (6) other related museum and operations buildings with local and remote notification of alarm. A central console monitor is to be installed in the museum building. The project is to include associated site development for improved access and utility requirements.	92	. . . .	18	110

Historical and Museum Commission 1986-87 Projects

	(Dollar Amounts in Thousands)			
FROM BOND FUNDS	Base Project Cost	Land Cost	Design & Conti- gencies	Total Project Cost
Program: Museum Development and Operations (continued)				
<i>Ephrata Cloister</i>				
FIRE SUPPRESSION SYSTEM: This project provides for the installation of fire suppression systems in sixteen (16) buildings: Visitor Center, Sisters House, Saal, Householder Cabin, Academy, Almonry, Bakeoven House, Beissel House, Beissel BakeHouse, Craft House, Print Shop, Solitary Cabin, Carpenter Shop, Stable, Gift Shop, and Maintenance Shop.	\$ 450	. . . . .	\$ 90	\$ 540
<i>Pennsbury Manor</i>				
WATER PURIFICATION SYSTEM: This project provides for the installation of a water purification treatment system to provide water quality which is free of soluble and suspended iron and manganese, but more importantly, the removal of the obnoxious hydrogen sulfide taste and odor that has become prevalent in the water bearing formations which are adjacent to the G.R.O.W.S. landfill.	106	. . . . .	21	127
<i>Pennsylvania Farm Museum of Landis Valley</i>				
FIRE AND SECURITY SYSTEMS: This project will provide for the installation of a security and fire detection system to the museum's twenty-three (23) exhibit buildings. The buildings are: Visitor Center, Tavern, Gun Shop, Conestoga Wagon Shed, Spinning and Weaving Building, Farm Wagon Shed, Yellow Barn, Seamstress House, Pottery Shop, Print and Harness Shop, Settlers Cabin, 1815 House, Blacksmith Shop, Transportation Building, Landis Valley House Hotel, Maple Grove School, Isaac Landis House, Steam Engine Building, Country Store, Landis House, Firehouse, Tin Shop, and Weathervane Shop.	150	. . . . .	30	180
<i>Scranton Iron Furnaces</i>				
RESTORATION AND FIXED EXHIBITS: Work will include the stabilization of the site and restoration of the stacks to provide a suitable environment for exhibits within the furnace. It encompasses the design and construction of exhibits on the grounds and within each of the furnace stacks to interpret both iron-making and life and work in an iron-making community.	210	. . . . .	42	252
PROGRAM TOTAL	<u>\$ 1,221</u>	<u>.</u>	<u>\$ 244</u>	<u>\$ 1,465</u>

DEPARTMENT OF MILITARY AFFAIRS

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1986-87 PUBLIC IMPROVEMENT PROJECTS				
Disaster Assistance	\$ 2,092	. . . .	\$ 109	\$ 2,201
General Administration and Support	2,161	. . . .	432	2,593
TOTAL PROJECTS	<u>\$ 4,253</u>	<u>. . . .</u>	<u>\$ 541</u>	<u>\$ 4,794</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 2,707	. . . .	\$ 541	\$ 3,248
Federal Funds	1,546	. . . .	. . . .	1,546
TOTAL	<u>\$ 4,253</u>	<u>. . . .</u>	<u>\$ 541</u>	<u>\$ 4,794</u>

CAPITAL BUDGET

Department of Military Affairs 1986-87 Projects

FROM BOND FUNDS	(Dollar Amounts in Thousands)			Total
	Base Project Cost	Land Cost	Design & Contingencies	Project Cost
Program: Disaster Assistance				
<i>Wilkes Barre/Scranton Area</i>				
NEW NATIONAL GUARD ARMORY: This provides for construction of a new 24,607 sq. ft. armory to house a new aviation unit. The armory will include classrooms, training areas, storage areas, kitchen, and arms vaults				
	State	\$ 546	.....	\$ 109
	Fed.	1,546	.....	.....
		\$ 546	.....	\$ 109
Total — State Funds		\$ 546	.....	\$ 655
Total — Federal Funds		1,546	.....	1,546
PROGRAM TOTAL		\$ 2,092	.....	\$ 2,201

Program: General Administration and Support

Military Affairs Headquarters

ADDITION AND RENOVATIONS: This project provides for a 23,000 sq. ft. addition to the headquarters building. The addition will house offices, a conference room, and restrooms. The project also includes minor renovations and energy conservation improvements to the existing building; installation of a new insulated roof, replacement of fifty percent of the windows with insulated panel units, and replacement of balance of windows with new thermo window units.

	State	\$ 2,161	.....	\$ 432	\$ 2,593
		\$ 2,161	.....	\$ 432	\$ 2,593
PROGRAM TOTAL					

DEPARTMENT OF PUBLIC WELFARE

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1986-87 PUBLIC IMPROVEMENT PROJECTS				
General Administration and Support Services	\$ 1,900	. . . .	. . . .	\$ 1,900
State Mental Hospitals	2,121	. . . .	\$ 424	2,545
State Centers for the Mentally Retarded	1,909	. . . .	382	2,291
Youth Development Centers	250	. . . .	. . . .	250
TOTAL PROJECTS	<u><u>\$ 6,180</u></u>	<u><u>. . . .</u></u>	<u><u>\$ 806</u></u>	<u><u>\$ 6,986</u></u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund—Buildings and Structures	\$ 4,030	. . . .	\$ 806	\$ 4,836
Capital Facilities Fund—Furniture and Equipment	2,150	. . . .	. . . .	2,150
TOTAL	<u><u>\$ 6,180</u></u>	<u><u>. . . .</u></u>	<u><u>\$ 806</u></u>	<u><u>\$ 6,986</u></u>

CAPITAL BUDGET

Department of Public Welfare 1986-87 Projects

	Base Project Cost	Land Cost	(Dollar Amounts in Thousands) Design & Contingencies	Total Project Cost
FROM BOND FUNDS				
Program: General Administration and Support Services				
<i>Harrisburg State Hospital</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 506-15: This project will provide original furniture and equipment for the Department of Public Welfare computer facility offices to be located in buildings converted under the Phase II capital project	\$ 1,900	.....	.....	\$ 1,900
PROGRAM TOTAL	<u>\$ 1,900</u>	<u>.....</u>	<u>.....</u>	<u>\$ 1,900</u>
 Program: State Mental Hospitals				
<i>Allentown State Hospital</i>				
CONVERT LAUNDRY BUILDING TO RECREATION FACILITY: This project will convert the laundry building into a recreation facility. It includes improvements to floors, structure of some walls, change of lighting, etc. to accommodate the activities of basketball, volleyball, bowling, table tennis, shuffleboard, etc.	\$ 318	.....	\$ 64	\$ 382
<i>Harrisburg State Hospital</i>				
ELECTRICAL RENOVATION AND AIR CONDITIONING OF BUILDING NO. 54: This project will provide for upgrading of the electrical system and for the installation of air conditioning.	912	.....	182	1,094
<i>Mayview State Hospital</i>				
HEATING SYSTEM IN FORRESTER BUILDING: This project will provide for a new hydraulic system to replace the leaking/deteriorated radiant floor piping. New system will interface with the air conditioning project and utilize air handling systems being installed under the air conditioning project	250	.....	50	300
<i>Torrance State Hospital</i>				
INSTALL ELEVATORS IN JAMISON AND BARNETT BUILDINGS: This project will provide an elevator in each of these two buildings. Presently, only stairs connect the three floor levels per building.	360	.....	72	432

CAPITAL BUDGET

Department of Public Welfare 1985-865 Projects

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contingencies	Total Project Cost
FROM BOND FUNDS				
Program: State Mental Hospitals (continued)				
<i>Warren State Hospital</i>				
RENOVATION OF ELECTRICAL DISTRIBUTION SYSTEM: This project provides for general upgrading of the electrical distribution system to insure delivery of electric services via safe, modern, and serviceable equipment.	\$ 281	. . . .	\$ 56	\$ 337
PROGRAM TOTAL	<u>\$ 2,121</u>	<u>. . . .</u>	<u>\$ 424</u>	<u>\$ 2,545</u>
 Program: State Centers for the Mentally Retarded				
<i>Embreeville Center</i>				
REPLACE PORTIONS OF CENTRAL BUILDING HEATING SYSTEM: This project provides for replacement of the existing radiant floor heating system with a conventional heating unit system.	\$ 318	. . . .	\$ 64	\$ 382
<i>Hamburg Center</i>				
RENOVATE BATHROOMS IN BUILDINGS No. 4 and No. 5: This project will provide for the upgrading of the restroom and bathing areas in Buildings No. 4 and No. 5, including privacy partitioning.	690	. . . .	138	828
<i>Western Center</i>				
RENOVATE STREET LIGHTING: This project provides for the upgrading of the existing system and for extension of the system to additional campus areas.	159	. . . .	32	191
RENOVATE CLINIC BUILDING HEATING SYSTEM: This project provides for the installation of individual zone heating controls for each floor and wing in the building.	530	. . . .	106	636
<i>White Haven Center</i>				
STEAM/CONDENSATE DISTRIBUTION SYSTEM: This project will provide a new steam/condensate distribution system to transmit the steam throughout the campus. The new system will insure adequate steam for heating and hot water in facility buildings housing residents.	212	. . . .	42	254
PROGRAM TOTAL	<u>\$ 1,909</u>	<u>. . . .</u>	<u>\$ 382</u>	<u>\$ 2,291</u>

CAPITAL BUDGET

Department of Public Welfare 1986-87 Projects

		(Dollar Amounts in Thousands)		
FROM BOND FUNDS	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
Program: Youth Development Centers				
<i>Loysville Youth Development Center</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS				
588-2: This project will provide original movable furniture and equipment to furnish the new security unit being constructed under Phase 4, Part A of this renovation/expansion project.				
	\$ 250	.....	.....	\$ 250
PROGRAM TOTAL	\$ 250	.....	.....	\$ 250

STATE POLICE

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contingencies	Total Project Cost
1986-87 PUBLIC IMPROVEMENT PROJECTS				
General Administration and Support	\$ 2,219	. . . .	\$ 444	\$ 2,663
TOTAL PROJECTS	<u>\$ 2,219</u>	<u>. . . .</u>	<u>\$ 444</u>	<u>\$ 2,663</u>

SOURCE OF FUNDS

General Obligation Bond Issues				
Capital Facilities Fund—Buildings and Structures	\$ 2,219	. . . .	\$ 444	\$ 2,663
TOTAL	<u>\$ 2,219</u>	<u>. . . .</u>	<u>\$ 444</u>	<u>\$ 2,663</u>

CAPITAL BUDGET

State Police 1986-87 Projects

	Base Project Cost	Land Cost	(Dollar Amounts in Thousands) Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS				
Program: General Administration and Support				
<i>Hazleton Station</i>				
ANNEX BUILDING: This project provides for the construction of a 9,600 sq. ft. combination warehouse, garage, and troop "S" station facility at the rear of the Hazelton station				
	\$ 1,056	.....	\$ 211	\$ 1,267
<i>Trevoze Station and Drivers Examination Point</i>				
RENOVATION: This project will provide for; (1) general renovation/upgrading of the electrical, plumbing, lighting and heating systems, and miscellaneous structural improvements and modifications in the existing facility, and (2) additional paved parking.				
	1,163	.....	233	1,396
PROGRAM TOTAL	<u>\$ 2,219</u>	<u>.....</u>	<u>\$ 444</u>	<u>\$ 2,663</u>

DEPARTMENT OF TRANSPORTATION

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
1986-87 HIGHWAY PROJECTS				
Highway and Safety Improvement	\$ 357,860	\$ 25,714	\$ 18,277	\$ 401,851
Bridge Restoration and Replacement	521,211	18,021	56,253	595,485
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Subtotal	<u>\$ 879,071</u>	<u>\$ 43,735</u>	<u>\$ 74,530</u>	<u>\$ 997,336</u>
1986-87 PUBLIC IMPROVEMENT PROJECTS				
State Highway Maintenance	\$ 226	. . . .	\$ 45	\$ 271
	<hr/>	<hr/>	<hr/>	<hr/>
1986-87 TRANSPORTATION ASSISTANCE PROJECTS				
Urban Mass Transportation	\$ 158,942	. . . .	\$ 2,444	\$ 161,386
Intercity Rail and Rural Bus Transportation	7,438	743	8,181
	<hr/>	<hr/>	<hr/>	<hr/>
Subtotal	<u>\$ 166,380</u>	<u>. . . .</u>	<u>\$ 3,187</u>	<u>\$ 169,567</u>
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TOTAL PROJECTS	<u>\$1,045,677</u>	<u>\$ 43,735</u>	<u>\$ 77,762</u>	<u>\$1,167,174</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund—Transportation Assistance Projects	\$ 31,883	\$ 3,187	\$ 35,070
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Subtotal General Obligation Bonds	<u>\$ 31,883</u>	<u>. . . .</u>	<u>\$ 3,187</u>	<u>\$ 35,070</u>
Current Revenues				
Motor License Fund	\$ 63,903	\$ 5,586	\$ 3,445	\$ 72,934
Motor License Fund Restricted Revenue	111,996	4,356	12,110	128,462
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Subtotal Current Revenues	<u>\$ 175,899</u>	<u>\$ 9,942</u>	<u>\$ 15,555</u>	<u>\$ 201,396</u>
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Federal Funds	\$ 826,526	\$ 33,793	\$ 59,020	\$ 919,339
	<hr/>	<hr/>	<hr/>	<hr/>
Other Funds	\$ 11,369	\$ 11,369
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL	<u>\$1,045,677</u>	<u>\$ 43,735</u>	<u>\$ 77,762</u>	<u>\$1,167,174</u>

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Highway and Safety Improvement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
ADAMS COUNTY, L.R. 1036 (01A), U.S. Route 15, Maryland Line to Pennsylvania 134: 4 Lane Divided Relocation, Construct 2 Northbound lanes: Length 6.1 miles. .					
State	\$	1,773	\$ 6	\$ 175	\$ 1,954
Fed.		5,317	14	525	5,856
ALLEGHENY COUNTY, L.R. 736 Extension, PA 837: River Road, McClure to McKean-Duquesne Bridge: Dravosburg and West Mifflin Boro: Restoration: Length 2.0 miles.					
State		1,219	25	122	1,366
Fed.		3,656	75	366	4,097
ALLEGHENY COUNTY, Southern Expressway, White Swann, Findlay Township: 4 Lane Relocation: Length 3.8 miles.					
State		16,500	1,000	.....	17,500
*Fed.		49,500	3,000	.....	52,500
ALLEGHENY COUNTY, L.R. 1039 (16S), I-279: Point Area Signs, Fort Pitt Bridge and North Shore Expressway, City of Pittsburgh: Signing: Length 0.8 miles.					
State		200	.....	.....	200
Fed.		1,800	.....	.....	1,800
ALLEGHENY COUNTY, L.R. 70, PA 28: Route 28 Widen, Millvale Interchange to Etna Interchange, Boros of Shaler, Millvale & Etna: Widen to 66 feet: Length 1.6 miles.					
State		3,000	250	300	3,550
Fed.		9,000	750	900	10,650
ALLEGHENY COUNTY, L.R. 765: Campbells Run Road Interchange, Robinson & Collier Townships: Interchange: Length 0.1 miles.					
State		375	.....	.....	375
Fed.		1,125	.....	.....	1,125
ARMSTRONG COUNTY, L.R. 66, PA 28: PA Routes 28/66 Climbing Lanes, Add Lane: Length 3.0 miles. ...					
State		912	.....	.....	912
Fed.		2,738	.....	.....	2,738
BERKS COUNTY, L.R. 1075 (A01), US 222: Warren Street Extension, Penn Ave to US 222, Spring Township, Cumru Township: 4 Lane Divided Relocation: Length: 3.3 miles.					
State		3,681	1,069	375	5,125
Fed.		11,044	3,206	1,125	15,375
BLAIR COUNTY, L.R. 1061 (B01) & (B02), US 220: Bedford County to East Freedom, Greenfield and Freedom Townships: 4 Lane Divided Relocation: Length: 7.6 miles.					
State		1,566	.....	.....	1,566
Fed.		23,381	.....	.....	23,381
BUTLER COUNTY, L.R. 1021 (013), I 79: L.R. 10041 to Mud Creek Line, Restoration, Includes—Bridges: Length: 5.2 miles.					
State		299	.....	14	313
Fed.		2,690	.....	122	2,812
CAMBRIA COUNTY, L.R. 1022 (01A), US 219: Scalp Avenue Interchange, US 219 and Scalp Avenue Interchange, Richland Township: Interchange Improvement: Length: 0.1 miles.					
State		250	25	5	280
Fed.		750	75	95	920
CAMBRIA COUNTY: L.R. 1022 (J07), US 219: Ebensburg Bypass, U.S. 422 to U.S. 219, Cambria Township: 2 Lane Relocation: Length: 5.1 miles.					
State		.....	1,000	55	1,055
Fed.		.....	3,000	1,045	4,045

*Other Funds may be used ultimately.

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES: (continued)

Program: Highway and Safety Improvement (continued)

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
CENTRE COUNTY, L.R. 27, PA 144: Pleasant Gap Bypass, L.R. 1049 to South of Pleasant Gap, 2 Lane Relocation: Length: 2.0 miles.	State Fed.	\$ 1,762 5,288	\$ 113 337	\$ 75 225	\$ 1,950 5,850
CENTRE COUNTY, L.R. 27, PA 144: Centre Hall/Potters Mills Bypass, U.S. 322 to South of Pleasant Gap, 2 Lane Relocation: Length: 6.8 miles.	State Fed.	3,675 11,025	250 750	150 450	4,075 12,225
CLEARFIELD COUNTY, L.R. 1009 (B04) & (B05), I-80: I-80, Milepost 96.2 to 114.5: Restoration and Bridge Rehabilitation: Length: 18.7 miles.	State Fed.	3,170 28,560	..... .....	50 450	3,220 29,010
CUMBERLAND COUNTY, L.R. 1067 (A01): I-81 Connector, Carlisle Pike to I-81, Hampden Township: 2 Lane Relocation: Length: 2.3 miles.	State Fed.	..... .....	75 225	100 300	175 525
DAUPHIN COUNTY, L.R. 767 (020), I-83: Interstate 83, 19th to Eisenhower Boulevard, Harrisburg & Swatara Township: Restoration: Length: 2.1 miles.	State Fed.	460 4,140	..... .....	18 157	478 4,297
DELAWARE COUNTY, L.R. 1010 (600), I-476: Baltimore & Conestoga Roads to Schuylkill Expressway, South of Conestoga-Amtrak Railroad, Vicinity of Radnor, Radnor Township: 6 Lane Divided Relocation includes TR 30 Interchange: Length: 3.7 miles.	State Fed.	5,045 45,405	410 3,690	398 3,582	5,853 52,677
DELAWARE COUNTY, L.R. 132: 9th Street: Ramps to I-95, Commodore Barry Bridge, Chester Township: Construct Bridge Ramps: Length: 0.1 miles.	State Fed.	675 2,025	..... .....	75 225	750 2,250
ERIE COUNTY, L.R. 797 (24L): I-90 Lighting, Ohio State Line to New York State Line, Various Townships: Lighting: Length: 46.3 miles.	State Fed.	124 1,119	..... .....	2 18	126 1,137
FRANKLIN COUNTY, L.R. 799 (682), I-81: Interstate 81, Maryland State Line to US 11 Antrim Township: Resurface, Raise Overhead Bridges: Length: 2.9 miles.....	State Fed.	436 3,926	..... .....	18 163	454 4,089
FULTON COUNTY, L.R. 267 (015), I-70: Town Hill to Bedford County Line, Brush Creek Township: Restoration: Length: 5.4 miles.	State Fed.	220 1,980	..... .....	10 90	230 2,070
LANCASTER COUNTY, L.R. 1124 (S00), PA 23: PA 23/US 30 Relocation, US 30 to Chester County, East of Lancaster: 4 Lane Divided Relocation: Length: 20.0 miles.	State Fed.	..... .....	..... .....	125 375	125 375
LANCASTER COUNTY, L.R. 1124 (A02): PA 23 Relocation, US 30 to Bareville, East of Lancaster: 4 Lane Divided Relocation: Length: 6.0 miles.	State Fed.	..... .....	250 750	250 750	500 1,500

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES (continued)	Base Project Cost	Land Cost	Design Cost	Total Project Cost	
Program: Highway and Safety Improvement (continued)					
LAWRENCE COUNTY, L.R. 1021 (01M), I-79: I-79 Restoration, Butler County to Mercer County, Plain Grove Township: Restoration Includes Bridges: Length: 5.4 miles.	State Fed.	\$ 464 4,171	. . . . . . . .	\$ 4 16	\$ 468 4,187
LEBANON COUNTY, L.R. 1005 (006), I-81: Interstate 81, Swatara Creek to Schuylkill County Line: Restoration: Length: 4.2 miles.	State Fed.	178 1,604	. . . . . . . .	12 110	190 1,714
LEHIGH COUNTY, L.R. 157 (D32), US 222: Dorneyville Interchange, Lincoln to Reading Blvd., South Whitehall Township, Allentown: Intersection Improvement, 2 Lane Relocation: Length: 1.2 miles.	State Fed.	280 2,520	\$ 81 729	20 180	381 3,429
LUZERNE COUNTY, L.R. 1052 (3): North Cross Valley Expressway—Phase I, Peach Orchard—V.A. Hospital, Wilkes-Barre City Plains Township: 4 Lane Divided Relocation: Length: 2.3 miles.	State Fed.	3,833 11,498	382 1,148	285 854	4,500 13,500
LUZERNE COUNTY, L.R. 1052 (3): North Cross Valley Expressway—Phase II, Peach Orchard—V.A. Hospital, Wilkes-Barre City Plains Township: 4 Lane Divided Relocation: Length: 2.3 miles.	State Fed.	3,000 9,000	. . . . . . . .	. . . . . . . .	3,000 9,000
MERCER COUNTY, L.R. 1009 (06M), I-80: US 19 to PA 173, East Lackawannock, Findley, Pine & Wolf Creek Townships: Restoration: Length: 8.4 miles.	State Fed.	337 3,033	. . . . . . . .	3 27	340 3,060
MERCER COUNTY, L.R. 1017 (01M), I-79: I-80 to Crawford County Line, Findley, Jackson Lake, New Vernon & Deer Creek Townships: Restoration: Length: 21.0 miles.	State Fed.	1,193 10,737	. . . . . . . .	24 160	1,217 10,897
MONROE COUNTY, L.R. 1002 (33M), I-80: Bartonsville to Exit 47, Stroud and Hamilton Townships: Restoration: Length: 6.9 miles.	State Fed.	600 5,400	. . . . . . . .	30 270	630 5,670
MONTGOMERY COUNTY: L.R. 143, US 202: TR 202: I-76 to TR 252, Upper Merion and Tredyffrin Townships, Widen to 6 Lanes Length: 4.5 miles.	State Fed.	2,275 6,825	. . . . . . . .	275 675	2,550 7,500
VENANGO COUNTY, L.R. 1107: Route 8 Connection, Gilmore Road to Eakin Road, Irwin Township: 2 Lane Relocation: Length: 1.5 miles.	State Fed.	1,250 3,750	80 240	56 169	1,386 4,159
WASHINGTON COUNTY, L.R. 1125 (B30), PA 88: Mon Valley Expressway Interchange, L.R. 1125 (B20) to I-70, Primary Portion, 4 Lane Divided Relocation: Length: 1.1 miles.	State Fed.	1,413 4,239	124 372	100 301	1,637 4,912

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES (continued)	Base Project Cost	Land Cost	Design Cost	Total Project Cost
Program: Highway and Safety Improvement (continued)				
WASHINGTON COUNTY, L.R. 1125 (B30), PA 88: Mon Valley Expressway Interchange, LR 1125 (B20) to I-70, Interstate Portion, 4 Lane Divided Relocation: Length: 1.6 miles.				
State	\$ 407	\$ 36	. . . .	\$ 443
Fed.	3,660	324	. . . .	3,984
WASHINGTON COUNTY, L.R. 1016, I-79: Allegheny/Washington County Interchange, Interchange with I-79: Interchange: Length: 1.0 miles.				
State	125	10	\$ 15	150
Fed.	1,125	90	135	1,350
WASHINGTON COUNTY, L.R. 1008 (C01), I-79: Interchange I-70/I-79, South Strabane Township: Interchange: Length: 2.5 miles.				
State	450	20	30	500
Fed.	4,050	180	270	4,500
WESTMORELAND COUNTY, L.R. 64261 (009), PA 819: Tintown Spur in Salina, Perryville to Avonmore, Bell Township, Also Connection to Village of Tinsmill: 2 Lane Relocation, Including Bridge Over Wolford Run: Length: 3.3 miles.				
State	975	188	. . . .	1,163
Fed.	2,923	565	. . . .	3,488
WESTMORELAND COUNTY, L.R. 66148 (A01), I-70: Smithton Interchange, Interchange with L.R. 971, South Huntingdon Township: Interchange: Length: 0.1 miles. .				
State	86	5	10	101
Fed.	774	45	90	909
WYOMING COUNTY, L.R. 1013 (E10), US 6: Tunkhannock Bypass, Susquehanna River Bridge to Mile Hill, Tunkhannock Boro: 2 Lane Relocation: Length: 1.8 miles.				
State	1,469	187	219	1,875
Fed.	4,405	563	657	5,625
Total—State Funds				
	\$ 63,677	\$ 5,586	\$ 3,400	\$ 72,663
Total—Federal Funds				
	294,183	20,128	14,877	329,188
PROGRAM TOTAL				
	<u>\$ 357,860</u>	<u>\$ 25,714</u>	<u>\$ 18,277</u>	<u>\$ 401,851</u>

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
ADAMS COUNTY, L.R.01002(009): Marsh Creek Bridge -1, over Marsh Creek, Cumberland & Freedom Townships: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State	\$ 125	\$ 1	\$ 12	\$ 138
	Fed.	500	4	50	554
ADAMS COUNTY, L.R.01060: Conewago Creek Bridge, over Conewago Creek, Northwest of McSherrystown, Mt. Pleasant Township: Bridge Removal, Detour 3.0 Miles: Length 0.1 Miles	State	8	1	2	11
	Fed.	33	4	8	45
ADAMS COUNTY, L.R.01055(B04): Alloway Creek Bridge, over Alloway Creek, Mt. Joy & Germany Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State	65	1	8	74
	Fed.	261	4	32	297
ADAMS COUNTY, L.R.01042: Bermudian Creek Bridge, over Bermudian Creek, Huntington Township: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles	State	75	1	8	84
	Fed.	301	4	32	337
ADAMS COUNTY, L.R.01053(B02): Jacks Mountain Road, over Toms Creek, Hamilton Township: Bridge Replacement, Detour 8.0 Miles: Length: 0.1 Miles	State	73	1	8	82
	Fed.	294	4	32	330
ADAMS COUNTY, L.R.43, US 30: Marsh Creek Bridge -2, over Marsh Creek, Franklin/Cumberland Townships: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles	State	63	1	8	72
	Fed.	252	4	32	288
ADAMS COUNTY, L.R.01010: Bendersville Road Bridge, over Opossum Creek, Menallen Township: Bridge Replacement: Length 0.1 Miles ...	State	15	1	6	22
	Fed.	62	6	24	92
ADAMS COUNTY, L.R.01009: Lake Meade Road Bridge, over Mud Creek, Reading & Latimore Townships: Bridge Deck Rehabilitation: Length 0.1 Miles	State	26	1	6	33
	Fed.	104	6	25	135
ADAMS COUNTY, L.R.01019: L.R.01019, over PennDOT Railroad, Butler Township: Bridge Replacement: Length 0.1 Miles	State	65	1	8	74
	Fed.	262	4	32	298
ALLEGHENY COUNTY, L.R.02260: 31st Street Bridge, over Allegheny River, City of Pittsburgh: Bridge Rehabilitation, Detour 3.0 Miles: Length 0.6 Miles	State	820	.....	100	920
	Fed.	3,282	.....	400	3,682
ALLEGHENY COUNTY, L.R.02046: Boyce Road Bridge, over Chartiers Creek, South Fayette, Upper Street, Clair Township: Bridge Replacement, Detour 5.0 Miles, Length 0.1 Miles	State	76	.....	7	83
	Fed.	306	.....	31	337
ALLEGHENY COUNTY, L.R.545: Miller Run Road Bridge -3, over Millers Run, South Fayette Township: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State	77	.....	8	85
	Fed.	306	.....	30	336
ALLEGHENY COUNTY, L.R.545: Miller Run Road Bridge -2, over Miller Run, South Fayette Township: Bridge Rehabilitation, Detour 5.0 Miles: Length 0.1 Miles	State	52	.....	5	57
	Fed.	207	.....	21	228
ALLEGHENY COUNTY, L.R.545: Miller Run Road -1, over Miller Run, South Fayette Township: Bridge Rehabilitation, Detour 5.0 Miles: Length 0.1 Miles	State	41	.....	4	45
	Fed.	165	.....	17	182
ALLEGHENY COUNTY, L.R.02005: Montour Run Bridge, over South Fork Montour Run, North Fayette & Findlay Townships: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	12	.....	1	13
	Fed.	50	.....	5	55
ALLEGHENY COUNTY, L.R.247, PA 88: Library Road Bridge, over Saw Mill Run, City of Pittsburgh: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State	44	.....	6	50
	Fed.	176	.....	24	200
ALLEGHENY COUNTY, L.R.70: Freeport Road Bridge, over R/R Spur & Deer Creek, Harmar Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles	State	91	.....	9	100
	Fed.	363	.....	36	399

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
ALLEGHENY COUNTY, L.R.70: Pitts-Freeport Road, over Crawford & Bailey's Runs, East Deer Township: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles.....	State	\$ 50	. . . .	\$ 5	\$ 55
	Fed.	202	. . . .	20	222
ALLEGHENY COUNTY, L.R.330, PA 51: PA 51, Lewis Run Bridge, over Lewis Run, Jefferson, Pleasant Hills Borough: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State	56	. . . .	8	64
	Fed.	224	. . . .	32	256
ALLEGHENY COUNTY, L.R.330, PA 51: City Bridge, over Weyman Run, City of Pittsburgh: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State	28	. . . .	4	32
	Fed.	112	. . . .	16	128
ALLEGHENY COUNTY, L.R.02302, US 19: McKnight Road Bridge, over Nelson Run Road, City of Pittsburgh, North of Ivory Avenue: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	134	. . . .	20	154
	Fed.	536	. . . .	80	616
ALLEGHENY COUNTY, L.R.02229: Streets Run Road, over Streets Run, West Mifflin, Baldwin Borough: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles.....	State	11	. . . .	1	12
	Fed.	44	. . . .	6	50
ALLEGHENY COUNTY, L.R.02328: Babcock Boulevard, over Girty's Run, McCandless Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	46	. . . .	4	50
	Fed.	184	. . . .	16	200
ALLEGHENY COUNTY, L.R.70: Main Street Bridge, over 16th Street Creek, Sharpsburg Borough: Bridge Replacement, Detour 4.0MI: Length 0.1 Miles	State	27	. . . .	3	30
	Fed.	80	. . . .	8	88
ALLEGHENY COUNTY, L.R.02248: Saxonsburg Boulevard Bridge, over Little Pine Creek, Indiana Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles.....	State	32	. . . .	4	36
	Fed.	128	. . . .	16	144
ALLEGHENY COUNTY, L.R.72, PA 8: William Flynn Highway Bridge, over Gourdhead Run, Hampton Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	30	. . . .	4	34
	Fed.	304	. . . .	16	320
ALLEGHENY COUNTY, L.R.680: North Branch Road Bridge, over Robinson Run, North Fayette Township: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles.....	State	19	. . . .	3	22
	Fed.	76	. . . .	12	88
ALLEGHENY COUNTY, L.R.02248: Saxonburg Boulevard Bridge, over Deer Creek, Indiana Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles.....	State	28	. . . .	4	32
	Fed.	112	. . . .	16	128
ALLEGHENY COUNTY, L.R.108, PA 50: Washington Avenue Bridge, over Railroad, Bridgeville Borough, Bridge Replacement: Length 0.1 Miles	State	220	. . . .	22	242
	Fed.	880	. . . .	88	968
ALLEGHENY COUNTY, L.R.72, PA 8: William Flynn Highway Bridge, over Pine Creek, Hampton Township: Bridge Replacement: Length 0.1 Miles.....	State	140	. . . .	14	154
	Fed.	560	. . . .	56	616
ALLEGHENY COUNTY, L.R.247, PA 51: Saw Mill Run Boulevard Bridge, over Saw Mill Run, City of Pittsburgh: Bridge Replacement: Length 0.1 Miles	State	150	. . . .	15	165
	Fed.	600	. . . .	60	660
ALLEGHENY COUNTY, L.R.02294: Curry Hollow Road Bridge, over C/O Railroad, Pleasant Hills Borough: Bridge Replacement: Length 0.1 Miles	State	160	. . . .	16	176
	Fed.	640	. . . .	64	704
ALLEGHENY COUNTY, L.R.70: Freeport Road Bridge, over Conrail, O'Hara Township: Bridge Rehabilitation: Length 0.1 Miles	State	90	. . . .	9	99
	Fed.	360	. . . .	36	396
ALLEGHENY COUNTY, L.R.120, US 30: Lincoln Highway Bridge, over Bessemer Avenue, East Pittsburgh Borough: Bridge Rehabilitation: Length 0.1 Miles	State	100	. . . .	10	110
	Fed.	400	. . . .	40	440

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
ALLEGHENY COUNTY, L.R.181, PA 136: Monongahela Road Bridge, over Becketts Run, Forward Township: Bridge Rehabilitation: Length 0.1 Miles	State	\$ 20	. . . .	\$ 2	\$ 22
	Fed.	80	. . . .	8	88
ALLEGHENY COUNTY, L.R.247, PA 88: Library Road Bridge, over Saw Mill Run, City of Pittsburgh: Bridge Rehabilitation: Length 0.1 Miles	State	30	. . . .	3	33
	Fed.	120	. . . .	12	132
ALLEGHENY COUNTY, L.R.330, PA 51: Hutchinson Hill Road, over Fallen Timber Run, Forward Township: Bridge Rehabilitation, Detour 4.0 Miles: Length 0.1 Miles	State	40	. . . .	4	44
	Fed.	160	. . . .	16	176
ALLEGHENY COUNTY, L.R.376WB, PA 885: Glenwood Interchange, over Ramp C, City of Pittsburgh: Bridge Rehabilitation, Detour 2.0 Miles, Length 0.1 Miles	State	50	. . . .	5	55
	Fed.	200	. . . .	20	220
ALLEGHENY COUNTY, L.R.538, US 30: Lincoln Highway Bridge, over South Fork Montour Run, Findlay/North Fayette Townships: Bridge Rehabilitation: Length 0.1 Miles	State	24	. . . .	2	26
	Fed.	96	. . . .	10	106
ALLEGHENY COUNTY, L.R.652, PA 65: Ohio River Boulevard Bridge, over Lowries Run, Emsworth Borough, Bridge Rehabilitation: Length 0.1 Miles	State	80	. . . .	8	88
	Fed.	320	. . . .	32	352
ALLEGHENY COUNTY, L.R.681, PA 978: Oakdale Road Bridge, over Branch of Robinson Run, North Fayette Township: Bridge Rehabilitation: Length 0.1 Miles	State	12	. . . .	1	13
	Fed.	48	. . . .	5	53
ALLEGHENY COUNTY, L.R.02237: Leechburg Road Bridge, over Pucket Creek, Plun Borough/Lower Burrell Township: Bridge Rehabilitation: Length 0.1 Miles	State	52	. . . .	5	57
	Fed.	208	. . . .	21	229
ALLEGHENY COUNTY, L.R.02242: Flaughertys Run Road Bridge, over Flaughertys Run, Moon Township: Bridge Rehabilitation: Length 0.1 Miles	State	54	. . . .	5	59
	Fed.	216	. . . .	22	238
ALLEGHENY COUNTY, L.R.02251: Moss Side Boulevard Bridge, over Conrail, North Versailles Township: Bridge Rehabilitation: Length 0.1 Miles	State	70	. . . .	7	77
	Fed.	280	. . . .	28	308
ALLEGHENY COUNTY, L.R.02251: Moss Side Boulevard Bridge, over Conrail/Turtle Creek, North Versailles Township, Monroeville Borough: Bridge Rehabilitation: Length 0.2 Miles	State	475	. . . .	48	523
	Fed.	1,900	. . . .	190	2,090
ALLEGHENY COUNTY, L.R.246, US 19: Perry Highway Bridge, over T.R.910, Pine Township: Bridge Replacement: Detour 3.0 Miles: Length 0.1 Miles	State	160	\$ 4	16	180
	Fed.	640	16	64	720
ARMSTRONG COUNTY, L.R.66, PA 28: Mahoning Furnace Bridge, over Mahoning Creek, Mahoning Township: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State	518	6	40	564
	Fed.	2,074	24	160	2,258
ARMSTRONG COUNTY, L.R.66, PA 28: New Bethlehem Bridge, over Red Bank Creek, Borough of South Bethlehem: Bridge Replacement, Detour 23.0 Miles: Length 0.1 Miles	State	278	4	30	312
	Fed.	1,114	16	120	1,250
ARMSTRONG COUNTY, L.R.378, PA 128: Ford City Bridge, over Allegheny River, North Buffalo/ Manor Townships, Southwest of Ford City: Bridge Replacement, Detour 13.0 Miles: Length 2.4 Miles	State	1,600	80	60	1,740
	Fed.	6,400	320	240	6,960
ARMSTRONG COUNTY, L.R.03075(A10): Putneyville Bridge, over Mahoning Creek, Mahoning Township: Bridge Replacement: Length 0.1 Miles	State	118	2	10	130
	Fed.	475	8	40	523
ARMSTRONG COUNTY, L.R.71, US 422: Worthington Bridge, over Buffalo Creek, Worthington Borough: Bridge Deck Replacement, Detour 13.0 Miles: Length 0.1 Miles	State	423	2	20	445
	Fed.	1,692	8	80	1,780

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Department of Transportation 1986-87 Projects

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FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
ARMSTRONG COUNTY, L.R.251: West Kittanning Viaduct, over P & S Railroad, Applewold Borough: Bridge Replacement, Detour 35.0 Miles: Length 0.1 Miles	State Fed.	\$ 106 427	\$ 1 7	\$ 12 48	\$ 119 482
ARMSTRONG COUNTY, L.R.251, PA 58: Foxburg Bridge, over Allegheny River, Foxburg Borough: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles	State Fed.	480 1,920	2 8	30 120	512 2,048
ARMSTRONG COUNTY, L.R.03053: Cochrans Mills Bridge, over Crooked Creek Reservoir, Burrell Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State Fed.	244 978	15 58	21 85	280 1,121
ARMSTRONG COUNTY, L.R.03068: Mahoning Bridge, over Mahoning Creek, Pine/Madison Townships, Bridge Replacement, Detour 15.0 Miles: Length 0.1 Miles	State Fed.	200 800	4 16	30 120	234 936
ARMSTRONG COUNTY, L.R.03126: Carnahan Run Bridge -2, over Carnahan Run, North of North Vandergrift, Parks Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State Fed.	36 146	2 8	8 32	46 186
ARMSTRONG COUNTY, L.R.03180: Crooked Creek Reservoir Bridge, over Crooked Creek, Burrell Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles	State Fed.	142 570	3 12	15 60	160 642
ARMSTRONG COUNTY, L.R.03184: Plum Creek Bridge, over Plum Creek, Plum Creek Township, Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State Fed.	60 241	2 8	12 48	74 297
ARMSTRONG COUNTY, L.R.739, PA 228: Buffalo Creek Bridge, over Buffalo Creek, Boggsville, South Buffalo Township: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State Fed.	144 576	4 16	20 80	168 672
ARMSTRONG COUNTY, L.R.03015: Patterson Run Bridge, over Patterson Run, Sugarcreek Township, Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State Fed.	145	10	25	180
ARMSTRONG COUNTY, L.R.03086: Pine Run Bridge, over Pine Run, East of Eddyville, Redbank Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State Fed.	64 259	2 8	12 48	78 315
ARMSTRONG COUNTY, L.R.03050, PA 359: Crooked Creek Bridge, over Crooked Creek, South of Brick Church, Burrell Township: Bridge Rehabilitation, Detour 11.0 Miles: Length 0.1 Miles	State Fed.	132 529	..... 1	14 56	146 586
ARMSTRONG COUNTY, L.R.03075: Railroad Underpass, over L.R.03075, near Putneyville, Mahoning Township: Bridge Replacement, Detour 17.0 Miles: Length 0.1 Miles	State Fed.	48 193	2 8	8 32	58 233
ARMSTRONG COUNTY, L.R.03087, PA 839: Mahoning Dam Bridge, over Mahoning Creek, Wayne Township, Bridge Rehabilitation, Detour 4.0 Miles: Length 3.0 Miles	State Fed.	171 684	..... 1	14 56	185 741
ARMSTRONG COUNTY, L.R.A-457: Garrets Run Bridge -1, over Garrets Run, Manor Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State Fed.	38 152	2 8	6 24	46 184
ARMSTRONG COUNTY, L.R.A-457: Garrets Run Bridge -2, over Garrets Run, Manor Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State Fed.	45 183	2 8	6 24	53 215
ARMSTRONG COUNTY, L.R.A-457: Garrets Run Bridge -3, over Garrets Run, Manor Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State Fed.	45 183	2 8	6 24	53 215

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
ARMSTRONG COUNTY, L.R.A-457: Garrets Run Bridge -4, over Garrets Run, Manor Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State	\$ 38	\$ 2	\$ 6	\$ 46
	Fed.	152	8	24	184
ARMSTRONG COUNTY, L.R.A-457: Garrets Run Bridge -5, over Garrets Run, Manor Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State	38	2	6	46
	Fed.	152	8	24	184
ARMSTRONG COUNTY, L.R.A-457: Garrets Run Bridge -6, over Garrets Run, Manor Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State	38	2	6	46
	Fed.	152	8	24	184
ARMSTRONG COUNTY, L.R.70, PA 28: Buffalo Creek Bridge, over Buffalo Creek & Railroad, Freeport Borough: Bridge Deck Replacement, Detour 14.0 Miles: Length 0.1 Miles	State	89	.. . .	10	99
	Fed.	356	1	40	397
ARMSTRONG COUNTY, L.R.03007: Buffalo Creek Bridge, over Buffalo Creek, North Buffalo Township: Bridge Replacement: Length 0.1 Miles	State	77	1	10	88
	Fed.	311	6	40	357
ARMSTRONG COUNTY, L.R.251, PA 403: Mary's Restaurant Bridge, over Glade Run, East Franklin Township: Bridge Deck Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	30	2	6	38
	Fed.	120	8	24	152
ARMSTRONG COUNTY, L.R.03075: Glade Run Bridge, over Glade Run, Dayton Borough: Bridge Replacement: Length 0.1 Miles	State	29	1	6	36
	Fed.	116	6	24	146
ARMSTRONG COUNTY, L.R.189, PA 85: Sunnyside Bridge, over Cowanshannock Creek, East of T.R.66, Rayburn Township: Rayburn Township: Bridge Replacement: Length 0.1 Miles	State	44	2	8	54
	Fed.	176	8	32	216
ARMSTRONG COUNTY, L.R.203, PA 66: Bowling Alley Bridge, over Conrail Track, Manor Township: Bridge Deck Replacement: Length 0.1 Miles	State	49	.. . .	8	57
	Fed.	196	1	32	229
ARMSTRONG COUNTY, L.R.03126: Carnahan Bridge -1, over Carnahan Run, North of North Vandergrift, Parks Township: Bridge Replacement: Length 0.1 Miles	State	44	2	8	54
	Fed.	176	8	32	216
ARMSTRONG COUNTY, L.R.03121: Garrets Run Bridge, over Garrets Run, South of Kittanning, Manor Township: Bridge Replacement: Length 0.1 Miles	State	49	1	8	58
	Fed.	197	7	32	236
ARMSTRONG COUNTY, L.R.66, PA 28: Caldwell Cut Bridge, South of Distant, over P & S Railroad, Mahoning Township: Bridge Replacement: Length 0.1 Miles	State	100	1	15	116
	Fed.	400	4	60	464
ARMSTRONG COUNTY, L.R.03068: Cowanshannock Bridge, over Cowanshannock Creek, Rayburn Township: Bridge Replacement: Length 0.1 Miles	State	60	1	8	69
	Fed.	240	4	32	276
ARMSTRONG COUNTY, L.R.03036: Brady Run Bridge, near Leechburg, over Brady Run, Gilpin Township: Bridge Replacement: Length 0.1 Miles	State	40	1	8	49
	Fed.	160	4	32	196
ARMSTRONG COUNTY, L.R.739: Cornplanter Run, West of Boggsville, over Cornplanter Run, South Buffalo Township: Bridge Replacement: Length 0.1 Miles	State	40	1	8	49
	Fed.	160	4	32	196
BEAVER COUNTY, L.R.115, PA 18: Frankfort Road -1, over Service Creek, Raccoon Township: Bridge Replacement: Length 0.1 Miles	State	27	.. . .	3	30
	Fed.	108	.. . .	12	120
BEAVER COUNTY, L.R.115, PA 18: Frankfort Road -2, over Service Creek, Raccoon Township: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State	22	3	25
	Fed.	88	12	100

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
BEAVER COUNTY, L.R.04078: County Club Road Bridge, over Connoquenessing Creek, North Sewickley/ Franklin Townships: Bridge Rehabilitation, Detour 10.0 Miles: Length 0.1 Miles.....	State Fed.	\$ 63 254	..... .....	\$ 6 26	\$ 69 280
BEAVER COUNTY, L.R.243, PA 68: Midland Beaver Road Bridge -1, over Wolf Run, Industry Borough: Bridge Replacement: Length 0.1 Miles.....	State Fed.	20 80	..... .....	2 8	22 88
BEAVER COUNTY, L.R.243, PA 68: Midland Beaver Road Bridge -2, over Four Mile Run, Industry Borough: Bridge Replacement: Length 0.1 Miles.....	State Fed.	24 96	..... .....	2 10	26 106
BEAVER COUNTY, L.R.538, US 30: Lincoln Highway Bridge, over Little Traverse Creek, Independence Township: Bridge Replacment: Length 0.1 Miles.....	State Fed.	30 120	..... .....	3 12	33 132
BEAVER COUNTY, L.R.A-254: East Roch-Monaca Bridge, over Ohio River, Monaca/East Rochester Borough: Bridge Rehabilitation, Detour 10.0 Miles: Length 0.6 Miles.....	State Fed.	800 3,200	..... .....	80 320	880 3,520
BEAVER COUNTY, L.R.A-3955: Constitution Boulevard Bridge, over Franklin Avenue, Aliquippa Borough: Bridge Replacement: Length 0.1 Miles.....	State Fed.	300 1,200	..... .....	30 120	330 1,320
BEAVER COUNTY, L.R.77, PA 18: Big Beaver Boulevard Bridge, over Creek, Big Beaver Borough: Bridge Rehabilitation: Length 0.1 Miles..	State Fed.	599 2,396	..... .....	60 240	659 2,636
BEAVER COUNTY, L.R.204, PA 51: Constitution Boulevard Bridge, over Dilworth Run, Darlington Township: Bridge Rehabilitation: Length 0.1 Miles.....	State Fed.	36 142	..... .....	4 14	40 156
BEAVER COUNTY, L.R.204: Constitution Boulevard Bridge, over Dilworth Run Creek, Darlington Township: Bridge Rehabilitation: Length 0.1 Miles.....	State Fed.	50 200	..... .....	5 20	55 220
BEAVER COUNTY, L.R.243: Midland Road Bridge, over L.R.278, Ohioville Borough: Bridge Rehabilitation: Length 0.1 Miles.....	State Fed.	18 72	..... .....	2 7	20 79
BEAVER COUNTY, L.R.538, US 30: Lincoln Highway Bridge, over Branch Little Traverse, Hanover Township: Bridge Rehabilitation: Length 0.1 Miles.....	State Fed.	204 816	..... .....	20 82	224 898
BEAVER COUNTY, L.R.1023: Beaver Valley Expressway Bridge, over Lake Erie Railroad, Potter Township: Bridge Rehabilitation: Length 0.1 Miles.....	State Fed.	456 1,824	..... .....	46 182	502 2,006
BEAVER COUNTY, L.R.A-124, PA 588: Eastvale Bridge, over Beaver River, City of Beaver Falls: Bridge Rehabilitation: Length 0.1 Miles..	State Fed.	794 3,175	..... .....	79 318	873 3,493
BEAVER COUNTY, L.R.A-124, PA 588: Bennetts Run Road Bridge, over Bennetts Run, North Sewickley Township: Bridge Rehabilitation: Length 0.1 Miles.....	State Fed.	18 72	..... .....	2 7	20 79
BEAVER COUNTY, L.R.04020: Freedom-Criders Road Bridge, over Branch Crows Run, New Sewickley Township: Bridge Rehabilitation: Length 0.1 Miles.....	State Fed.	37 148	..... .....	4 15	41 163
BEDFORD COUNTY, L.R.692, PA 913: Saxton Bridge, over Raystown Branch Juniata, Liberty Township: Bridge Replacement, Detour 15.0 Miles: Length 0.1 Miles.....	State Fed.	532 2,129	\$ 7 28	50 200	589 2,357
BEDFORD COUNTY, L.R.39, US 30: Narrows Bridge, over Raystown Branch Juniata, Snake Spring Township: Bridge Rehabilitation, Detour 2.0 Miles: Length 0.2 Miles.....	State Fed.	432 1,728	10 40	35 140	477 1,908
BEDFORD COUNTY, L.R.05034: Raystown Branch Bridge, Everett Borough: Bridge Rehabilitation: Length 0.1 Miles.....	State Fed.	114 459	2 8	12 51	128 518

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Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
BEDFORD COUNTY, L.R.286, PA 36: Yellow Creek Bridge, Waterside Village, South Woodbury Township: Bridge Rehabilitation: Length 0.1 Miles	State	\$ 87	.....	\$ 5	\$ 92
	Fed.	351	.....	23	374
BEDFORD COUNTY, L.R.593, PA 915: Raystown Branch Juniata -2, Hopewell Borough: Bridge Rehabilitation: Length 0.1 Miles	State	177	\$ 3	19	199
	Fed.	708	12	78	798
BEDFORD COUNTY, L.R.286, PA 36: Waterside Bridge Rrplacement, Village of Waterside, South Woodbury Township: Bridge Replacement: Length 0.1 Miles	State	107	7	11	125
	Fed.	428	28	44	500
BEDFORD COUNTY, L.R.39, US 30: Breezewood Bridge, East Providence Township: Bridge Rehabilitation: Length 0.1 Miles	State	490	4	40	534
	Fed.	1,960	16	160	2,136
BEDFORD COUNTY, L.R.356, PA 96: Wills Creek Bridge, Londonderry Township: Bridge Replacement: Length 0.1 Miles	State	50	2	5	57
	Fed.	200	8	20	228
BEDFORD COUNTY, L.R.46, PA 26: Yellow Creek Bridge, Hopewell Township: Bridge Rehabilitation: Length 0.1 Miles	State	62	1	7	70
	Fed.	248	4	28	280
BERKS COUNTY, L.R.146(15), US 422: Lindbergh Viaduct, City of Reading: Bridge Replacement: Length 0.2 Miles	State	120	.....	12	132
	Fed.	480	.....	48	528
BERKS COUNTY, L.R.916 (01S): Manatawney Creek Bridge, over Little Manatawney Creek, Oley Township: Bridge Replacement: Length 0.1 Miles	State	315	2	31	348
	Fed.	1,260	8	125	1,393
BERKS COUNTY, L.R.06125, PA 143: Virginville Bridge, over Maiden Creek, Richmond Township: Bridge Replacement: Length 0.1 Miles ..	State	142	2	14	158
	Fed.	569	8	56	633
BERKS COUNTY, L.R.06119: Little Lehigh Creek Bridge, over Little Lehigh Creek, Longswamp Township: Bridge Replacement, Detour 5.0 Miles: Length 0.2 Miles	State	100	2	10	112
	Fed.	400	8	40	448
BERKS COUNTY, L.R.06114: Bellvue Avenue Bridge -1, over Reading Railroad, Muhlenberg Township: Bridge Rehabilitation, Detour 3.0 Miles: Length 0.1 Miles	State	160	15	16	191
	Fed.	640	60	64	764
BERKS COUNTY, L.R.06114: Bellvue Avenue Bridge -2, over Reading Railroad, Muhlenberg Township: Bridge Rehabilitation, Detour 3.0 Miles: Length 0.1 Miles	State	160	15	16	191
	Fed.	640	60	64	764
BERKS COUNTY, L.R.06036: Dauberville Bridge, over Schuylkill River, Centre/Ontelaunee Townships: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State	350	50	35	435
	Fed.	1,400	200	140	1,740
BERKS COUNTY, L.R.149: US 422 Business Bridge, over US 422 (L.R.793), West Reading Borough: Bridge Rehabilitation, Detour .0 Miles: Length 0.1 Miles	State	84	.....	8	92
	Fed.	336	.....	33	369
BERKS COUNTY, L.R.328, PA 82: Hay Creek Bridge, over Hay Creek, Union Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	22	1	3	26
	Fed.	66	4	10	80
BERKS COUNTY, L.R.916: Antietam Creek Bridge, over Antietam Creek, Saint Lawrence Boro: Bridge Replacement: Length 0.1 Miles	State	70	2	7	79
	Fed.	280	8	28	316
BERKS COUNTY, L.R.06063: Cacoosing Creek Bridge, over Cacoosing Creek, Spring Township: Bridge Replacement: Length 0.1 Miles	State	20	2	2	24
	Fed.	80	8	8	96
BERKS COUNTY, L.R.06063: Cacoosing Creek Bridge, over Cacoosing Creek, Spring & Heidelberg Township: Bridge Replacement: Length 0.2 Miles	State	45	2	4	51
	Fed.	180	8	17	205
BERKS COUNTY, L.R.160: Center Avenue Bridge, over Reading Railroad, City of Reading: Bridge Replacement: Length 0.1 Miles	State	114	10	124
	Fed.	456	40	496

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Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
BLAIR COUNTY, L.R.57: Vail Railroad Bridge, over Conrail Railroad, Snyder Township: Bridge Replacement: Length 0.1 Miles	State Fed.	\$ 298 1,193	\$ 2 8	\$ 16 66	\$ 316 1,267
BLAIR COUNTY, L.R.884, US 220: Meadows Bridge, over Beaverdam Branch Juniata River, Allegheny Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State Fed.	165 662	5 20	15 60	185 742
BLAIR COUNTY, L.R.286, PA 36: Halter Creek Bridge, over Halter Creek, Village of McKee, Freedom Township: Bridge Rehabilitation: Length 0.1 Miles	State Fed.	94 378	3 12	7 28	104 418
BLAIR COUNTY, L.R.883, PA 36: Baker Farm Bridge, over Poplar Run, Blair Township: Bridge Replacement: Length 0.1 Miles	State Fed.	116 464	5 20	13 52	134 536
BRADFORD COUNTY, L.R.212(039), US6: Sugar Creek Bridge No. 2, over Sugar Creek, East Troy Township: Bridge Replacement, Detour 47.0 Miles: Length 0.1 Miles	State Fed.	62 251	5 23	16 64	83 338
BRADFORD COUNTY, L.R.212(038), US 6: Sugar Creek Bridge No. 1, over Sugar Creek, Troy Township: Bridge Replacement, Detour 47.0 Miles: Length 0.1 Miles	State Fed.	72 290	7 28	10 41	89 359
BRADFORD COUNTY, L.R.212(040), US 6: Tomjack Creek Bridge, over Tomjack Creek, Burlington Borough: Bridge Replacement, Detour 48.0 Miles: Length 0.1 Miles	State Fed.	61 246	3 12	8 34	72 292
BRADFORD COUNTY, L.R.14(025), PA 706: Stafford Creek Bridge, over Stafford Creek, Wyalusing Township: Bridge Replacement, Detour 58.0 Miles: Length 0.1 Miles	State Fed.	89 358	13 54	12 48	114 460
BRADFORD COUNTY, L.R.20(043), PA 14: South Creek Bridge, over South Creek, Troy Borough: Bridge Replacement, Detour 75.0 Miles: Length 0.1 Miles	State Fed.	79 316	12 48	11 44	102 408
BRADFORD COUNTY, L.R.567(002), PA 328: Hammond Creek Bridge, over Hammond Creek: Bridge Replacement, Detour 50.0 Miles: Length 0.1 Miles	State Fed.	99 398	10 40	13 52	122 490
BRADFORD COUNTY, L.R.08065: Bently Creek Bridge, over Bently Creek, Ridgebury Township: Bridge Replacement, Detour 15.0 Miles: Length 0.1 Miles	State Fed.	44 176	2 8	6 24	52 208
BRADFORD COUNTY, L.R.287, US 220: Buck's Run Bridge, over Buck's Run, Village of Milan: Bridge Replacement, Detour 70.0 Miles: Length 0.1 Miles	State Fed.	100 400	14 59	14 56	128 515
BRADFORD COUNTY, L.R.08065(003): Fall Creek Bridge, over Fall Creek, Ridgebury Township: Bridge Replacement, Detour 15.0 Miles: Length 0.1 Miles	State Fed.	28 113	2 11	4 18	34 142
BRADFORD COUNTY, L.R.699: Wappasening Creek Bridge -2, over Wappasening Creek, Warren Township: Bridge Replacement, Detour 99.0 Miles: Length 0.1 Miles	State Fed.	82 328	4 18	10 40	96 386
BRADFORD COUNTY, L.R.699: Wappasening Creek Bridge, over Wap- pasening Creek, Warren Township: Bridge Rehabilitation, Detour 99.0 Miles: Length 0.1 Miles	State Fed.	42 171	1 4	7 28	50 203
BRADFORD COUNTY, L.R.699: Wappasening Creek Bridge -3, over Wappasening Creek, Warren Township: Bridge Rehabilitation, Detour 99.0 Miles: Length 0.1 Miles	State Fed.	80 320	1 7	14 56	95 383
BRADFORD COUNTY, L.R.20(042), PA 14: Tributary Towanda Creek Bridge, over Towanda Creek: Bridge Replacement, Detour 75.0 Miles: Length 0.1 Miles	State Fed.	32 128	3 12	4 19	39 159

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Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
BRADFORD COUNTY, L.R.08050(001): Tributary Beckwith Creek Bridge, over Beckwith Creek, Wells Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles	State	\$ 20	\$ 1	\$ 3	\$ 24
	Fed.	80	4	13	97
BRADFORD COUNTY, L.R.699: Warren Center Bridge, over Wappasening Creek, Warren Township: Bridge Rehabilitation, Detour 99.0 Miles: Length 0.1 Miles	State	50	1	8	59
	Fed.	200	4	32	236
BRADFORD COUNTY, L.R.08008: Black Creek Bridge, over Black Creek, Overton Township: Bridge Rehabilitation, Detour 17.0 Miles: Length 0.1 Miles	State	14	1	2	17
	Fed.	56	4	8	68
BRADFORD COUNTY, L.R.559, PA 367: Tuscarora Creek Bridge, over Tuscarora Creek, Tuscarora Township: Bridge Replacement, Detour 42.0 Miles: Length 0.1 Miles	State	79	4	10	93
	Fed.	316	16	40	372
BRADFORD COUNTY, L.R.08077: Stalerlee Creek Bridge, over Stalerlee Creek, Athens Township: Bridge Replacement, Detour 14.0 Miles: Length 0.1 Miles	State	102	6	12	120
	Fed.	408	24	48	480
BRADFORD COUNTY, L.R.699: Wappasening Creek Bridge -4, over Wappasening Creek, Warren Township: Bridge Replacement, Detour 99.0 Miles: Length 0.1 Miles	State	39	3	4	46
	Fed.	156	12	16	184
BRADFORD COUNTY, L.R.559, PA 367: Tuscarora Creek Bridge, over Tuscarora Creek, Tuscarora Township: Bridge Rehabilitation, Detour 42.0 Miles: Length 0.1 Miles	State	59		12	71
	Fed.	238		48	286
BRADFORD COUNTY, L.R.08043: North Towanda Creek Bridge, over Tributary North Towanda Creek, Granville Township: Bridge Replacement, Detour 9.0 Miles, Length 0.1 Miles	State	193	26	38	257
	Fed.				
BRADFORD COUNTY, L.R.08049: Tributary to Mill Creek Bridge, over Tributary to Mill Creek, Columbia Township: Bridge Rehabilitation, Detour 7.0 Miles: Length 0.1 Miles	State	45		8	53
	Fed.	182		32	214
BRADFORD COUNTY, L.R.08049: Mill Creek Bridge, over Mill Creek, Columbia Township: Bridge Rehabilitation, Detour 8.0 Miles: Length 0.1 Miles	State	44		7	51
	Fed.	176		31	207
BRADFORD COUNTY, L.R.08065: Wolcott Creek Bridge, over Tributary of Wolcott Creek, Athens Township: Bridge Replacement, Detour 15.0 Miles: Location 0.1 Miles	State	177	24	35	236
	Fed.				
BRADFORD COUNTY, L.R.212, US 6: South Creek Bridge, Troy Borough: Bridge Replacement, Detour 60.0 Miles: Length 0.1 Miles	State	115	2	14	131
	Fed.	460	10	57	527
BRADFORD COUNTY, L.R.212, US 6: Tributary to Susquehanna River Bridge, Towanda Borough: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State	51	1	7	59
	Fed.	204	4	31	239
BRADFORD COUNTY, L.R.241, US 6: Wysox Creek Bridge, Bridge Replacement, Detour 32.0 Miles: Length 0.1 Miles	State	162	3	18	183
	Fed.	649	14	72	735
BUCKS COUNTY, L.R.152(A-21), PA 413: Jefferson Avenue Bridge, over Newton Creek, New Hope Borough: Bridge Replacement, Detour 1.0 Miles: Length 0.1 Miles	State	69	6	6	81
	Fed.	277	24	27	328
BUCKS COUNTY, L.R.09078(10S): Callowhill Road Bridge, Neshaminy Creek, New Britain Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	90	5	12	107
	Fed.	360	20	48	428
BUCKS COUNTY, L.R.09090(10S): Elephant Road Bridge, over Bridge Deep Run, North of Dublin, Bedminster Township: Bridge Replacement, Detour 2.0 Miles: Length 0.1 Miles	State	41	4	4	49
	Fed.	165	16	16	197

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Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
BUCKS COUNTY, L.R.09093(10S): Keller Church Road Bridge, over Deep Run Creek, Bedminster Township: Bridge Replacement, Detour 2.0 Miles: Length 0.1 Miles.....	State	\$ 77	\$ 4	\$ 7	\$ 88
	Fed.	309	16	30	355
BUCKS COUNTY, L.R.09099(10S): Dark Hollow Road Bridge, Tohickon Creek, Bedminster Township: Bridge Replacement, Detour 6.0 Miles: Length 0.2 Miles.....	State	206	8	22	236
	Fed.	824	32	88	944
BUCKS COUNTY, L.R.09103(10S): Rockhill Road Bridge, over Conrail, East Rockhill Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles.....	State	80	10	10	100
	Fed.	320	40	40	400
BUCKS COUNTY, L.R.09147: Bristol Road Bridge, over Conrail, Northampton Township: Bridge Replacement, Detour 2.0 Miles: Length 0.1 Miles.....	State	150	15	20	185
	Fed.	600	60	80	740
BUCKS COUNTY, L.R.09138: Geigel Hill Road Bridge, over Tincum Creek, Tincum Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles.....	State	60	10	10	80
	Fed.	240	40	40	320
BUCKS COUNTY, L.R.326, PA 32: River Road Bridge, over Pennsylvania Canal, Upper Makefield Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles.....	State	60	10	8	78
	Fed.	240	40	32	312
BUCKS COUNTY, L.R.178, US 202: Butler Pike Bridge, over West Bend Neshaminy Creek, Chalfont Borough: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles.....	State	150	10	20	180
	Fed.	600	40	80	720
BUCKS COUNTY, L.R.09107: Allentown Road Bridge, over Unami Creek, Milford Township: Bridge Replacement, Detour 3.0 Miles, Length 0.1 Miles.....	State	100	10	15	125
	Fed.	400	40	60	500
BUCKS COUNTY, L.R.09096: Quarry Run Road Bridge, over Deep Run, Bedminster Township: Bridge Replacement, Detour 2.0 Miles: Length 0.1 Miles.....	State	70	10	10	90
	Fed.	280	40	40	360
BUCKS COUNTY, L.R.09074: New Galena Road Bridge, over Walters Run, New Britain Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles.....	State	50	10	10	70
	Fed.	200	40	40	280
BUCKS COUNTY, L.R.09068: Old Bethlehem Road Bridge, over Kimples Creek, Haycock Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles.....	State	50	15	10	75
	Fed.	200	60	40	300
BUCKS COUNTY, L.R.326, PA 32: River Road Bridge, over Tincum Creek, Tincum Township: Bridge Replacement: Length 0.1 Miles.....	State	139	4	13	156
	Fed.	556	16	55	627
BUCKS COUNTY, L.R.156, PA 32: River Road Bridge, over Gallows Run, Nockamixon Township: Bridge Replacement: Length 0.1 Miles.....	State	64	5	6	75
	Fed.	258	20	25	303
BUCKS COUNTY, L.R.09033: County Line Road Bridge, over West Branch Neshaminy Creek, New Britain Township: Bridge Replacement: Length 0.1 Miles.....	State	83	6	8	97
	Fed.	332	24	32	388
BUCKS COUNTY, L.R.09047: Rushland Road Bridge, over Mill Creek, Wrightstown Township: Bridge Replacement: Length 0.1 Miles.....	State	67	4	6	77
	Fed.	268	16	26	310
BUCKS COUNTY, L.R.09098: Headquarters Road Bridge, over Branch of Tincum Creek, Tincum Township: Bridge Replacement: Length 0.1 Miles.....	State	34	3	3	40
	Fed.	136	12	13	161
BUCKS COUNTY, L.R.09047: Swamp Road Bridge, over Branch Neshaminy Creek, Wrightstown Township: Bridge Replacement: Length 0.1 Miles.....	State	23	4	3	30
	Fed.	95	16	15	126

CAPITAL BUDGET

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
BUTLER COUNTY, L.R.71, US 422: Connoquenessing Creek Bridge, over Connoquenessing Railroad, Butler Township, East of Butler: Bridge Deck Replacement: Length 0.1 Miles	State	\$ 191	. . . . .	\$ 10	\$ 201
	Fed.	767	\$ 1	40	808
BUTLER COUNTY, L.R.71, US 422: Bonnie Brook Bridge, over Bonnie Brook and Railroad, East of Butler: Bridge Deck Replacement: Length 0.1 Miles	State	188	. . . . .	10	198
	Fed.	753	2	40	795
BUTLER COUNTY, L.R.10111: Lyndora Viaduct, over Connoquenessing Creek, City of Butler, Hansen Avenue: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State	360	2	20	382
	Fed.	1,440	8	80	1,528
BUTLER COUNTY, L.R.78, PA 68: Connoquenessing Creek Bridge, Forward Township, T.R.68 over Creek and Railroad, near Connoquenessing: Bridge Rehabilitation: Length 0.1 Miles	State	147	. . . . .	16	163
	Fed.	588	2	64	654
BUTLER COUNTY, L.R.9 246, US 19: Zelenople Bridge, over B & O Railroad/Connoquenessing Creek, Zelenople Borough: Bridge Replacement: Length 0.1 Miles	State	195	2	22	219
	Fed.	782	9	88	879
BUTLER COUNTY, L.R.10011: Glade Run Bridge, over Glade Run, East of Callery, Forward Township: Bridge Replacement, Detour 13.0 Miles: Length 0.1 Miles	State	84	2	12	98
	Fed.	338	8	48	394
BUTLER COUNTY, L.R.10021: Thorn Creek Bridge, over Thorn Creek, North of Saxonsburg, Penn Township: Bridge Replacement, Detour Miles: Length 0.1 Miles	State	70	2	12	84
	Fed.	280	8	48	336
BUTLER COUNTY, L.R.10068: Bovard Bridge, over Slippery Rock Creek, Village of Bovard, Slippery Rock Township: Bridge Replacement: Length 0.1 Miles	State	75	2	12	89
	Fed.	302	8	48	358
BUTLER COUNTY, L.R.72(283), PA 8: Main Street Viaduct, over B & LE, B & O Railroads, City of Butler: Bridge Rehabilitation: Length 0.1 Miles	State	705	10	40	755
	Fed.	2,822	40	160	3,022
BUTLER COUNTY, L.R.10090: Sandy Lick Bridge, over Little Buffalo Creek, Buffalo Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	60	2	10	72
	Fed.	241	11	40	292
BUTLER COUNTY, L.R.78, PA 68: Evans City Bridge, over Breakneck Creek, Evans City Borough: Bridge Replacement: Length 0.1 Miles	State	35	. . . . .	10	45
	Fed.	142	2	40	184
BUTLER COUNTY, L.R.71, US 422: East Butler Road Bridge, over A-3663, Summit Township, East of Butler: Bridge Deck Replacement: Length 0.1 Miles	State	79	. . . . .	6	85
	Fed.	318	1	24	343
BUTLER COUNTY, L.R.10084, PA 58: Fowler Run Bridge, over Fowler Run, West of Foxburg, Allegheny Township: Bridge Replacement: Length 0.1 Miles	State	28	2	6	36
	Fed.	112	8	24	144
BUTLER COUNTY, L.R.387, PA 356: Jefferson Center Bridge, over Thorn Creek, Jefferson Center: Bridge Replacement: Length 0.1 Miles	State	42	2	10	54
	Fed.	169	8	40	217
BUTLER COUNTY, L.R.10063, PA 308: Annandale Station Bridge, over Slippery Rock Creek, Village of Boyers, Cherry Township: Bridge Replacement: Length 0.1 Miles	State	67	2	12	81
	Fed.	269	8	48	325
BUTLER COUNTY, L.R.10072, PA 58: McMurray Run Bridge, over McMurray Run, East of Harrisville, Mercer Township: Bridge Replacement: Length 0.1 Miles	State	23	2	6	31
	Fed.	92	8	24	124
BUTLER COUNTY, L.R.72, PA 8: McBride-Northbound Bridge, over Connoquenessing Creek, Penn Township, South of Butler: Bridge Deck Replacement: Length 0.1 Miles	State	138	2	16	156
	Fed.	552	9	64	625

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
BUTLER COUNTY, L.R.73, PA 8: T.R.422 Interchange Bridge, over T.R.422, North of Butler, Butler Township: Bridge Deck Replacement: Length 0.1 Miles	State Fed.	\$ 64 259	. . . . 1	\$ 9 36	\$ 73 296
BUTLER COUNTY, L.R.10030, PA 356: Wayne Stree Viaduct, over Connoquenessing, City of Butler, Wayne Avenue: Bridge Deck Replacement: Length 0.1 Miles	State Fed.	666 2,664	\$ 10 40	40 160	716 2,864
BUTLER COUNTY, L.R.10061: South Bear Creek Bridge -1, over South Branch Bear Creek, Fairview Township: Bridge Replacement: Length 0.1 Miles	State Fed.	26 104	2 8	6 24	34 136
BUTLER COUNTY, L.R.10061: South Bear Creek Bridge -2, over South Branch Bear Creek, Fairview Township: Bridge Replacement: Length 0.1 Miles	State Fed.	26 104	2 8	6 24	34 136
BUTLER COUNTY, L.R.71: Old 422 Bridge, over Connoquenessing Creek, City of Butler: Bridge Deck Replacement: Length 0.1 Miles	State Fed.	52 211	. . . . 1	8 32	60 244
BUTLER COUNTY, L.R.10019: Thorn Creek Bridge, over Thorn Creek, near Saxonburg, Jefferson Township: Bridge Replacement: Length 0.1 Miles	State Fed.	28 112	2 8	6 24	36 144
BUTLER COUNTY, L.R.10034: Rough Run Bridge, over Rough Run, Winfield Township, South of T.R.422: Bridge Replacement: Length 0.1 Miles	State Fed.	25 100	1 6	6 24	32 130
BUTLER COUNTY, L.R.10059: Thorne Run Bridge, over Thorn Run, Oakland Township, North of T.R.68: Bridge Replacement: Length 0.1 Miles	State Fed.	25 100	1 6	6 24	32 130
BUTLER COUNTY, L.R.79, US 422: Prospect Bridge, near Prospect, over L.R.10015 & Creek, Butler Township: Bridge Replacement: Length 0.1 Miles	State Fed.	300 1,200	4 16	20 80	324 1,296
BUTLER COUNTY, L.R.10023: Lardintown Bridge, South of Lardintown, over Little Bull Creek, Clinton Township: Bridge Replacement: Length 0.1 Miles	State Fed.	20 80	1 4	4 16	25 100
BUTLER COUNTY, L.R.71, US 422: T.R.68 Interchange Bridge, over T.R.68, 422 Bypass—Butler, City of Butler: Bridge Deck Replacement Rehabilitation Structure: Length 0.1 Miles	State Fed.	53 213	. . . . 2	6 24	59 239
CAMBRIA COUNTY, L.R.223: Washington Bridge, over Stoney Creek, City of Johnstown: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles	State Fed.	482 1,928	. . . . . . . .	48 192	530 2,120
CAMBRIA COUNTY, L.R.525, PA 56: Point Bridge, over Stoney Creek, City of Johnstown: Bridge Rehabilitation, Detour 1.0 Miles: Length 0.1 Miles	State Fed.	188 752	2 8	16 64	206 824
CAMBRIA COUNTY, L.R.276, PA 53: Costello Bridge, over Little Conemaugh, Croyle Township/Hill Borough, near Summerhill Borough: Bridge Replacement, Detour 7.0 Miles: Length 0.3 Miles	State Fed.	372 1,488	. . . . . . . .	. . . . . . . .	372 1,488
CAMBRIA COUNTY, L.R.222, PA 56: Eureka Bridge, over Railroad, Scalp Level Borough: Bridge Rehabilitation: Length 0.1 Miles	State Fed.	155 620	. . . . . . . .	15 60	170 680
CAMBRIA COUNTY, L.R.222, PA 56: Locust Street Bridge, over Locust Street, Scalp Level Borough: Bridge Rehabilitation: Length 0.1 Miles	State Fed.	162 648	15 60	177 708

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
CAMBRIA COUNTY, L.R.52, PA 403: Stoney Creek River Bridge, over Stoney Creek, Ferndale Borough, City of Johnstown: Bridge Rehabilitation: Length 0.1 Miles	State Fed.	\$ 220 880	. . . . . . . .	\$ 15 62	\$ 235 942
CAMBRIA COUNTY, L.R.54, US 422: C & I Railroad Bridge, Blacklick Township: Bridge Removal: Length 0.1 Miles	State Fed.	75 300	\$ 7 28	11 44	93 372
CAMBRIA COUNTY, L.R.53: Clearfield Creek Bridge -2, over Clearfield Creek, Gallitzin Township: Bridge Rehabilitation: Length 0.1 Miles	State Fed.	53 215	2 8	5 23	60 246
CAMBRIA COUNTY, L.R.748, PA 869: Little Conemaugh Bridge, over Little Conemaugh Creek, Summerhill Township: Bridge Rehabilitation: Length 0.1 Miles	State Fed.	42 168	2 8	4 18	48 194
CAMBRIA COUNTY, L.R.234, PA 53: Sandy Run Bridge, at Van Ormer Village, over Sandy Run, Reade Township: Bridge Replacement: Length 0.1 Miles	State Fed.	52 211	2 8	7 28	61 247
CAMBRIA COUNTY, L.R.53, PA 53: Conrail Overpass Bridge, over Conrail, Gallitzin Township: Bridge Rehabilitation: Length 0.1 Miles	State Fed.	154 616	1 4	16 64	171 684
CAMBRIA COUNTY, L.R.53, PA 53: Bradley Run Bridge, over Bradley Run, Gallitzin Township: Bridge Replacement: Length 0.1 Miles	State Fed.	79 316	2 8	8 32	89 356
CAMBRIA COUNTY, L.R.276, PA 53: Wilmore Bridge, over Little Conemaugh River, Wilmore Borough: Bridge Rehabilitation: Length 0.1 Miles	State Fed.	87 348	1 4	8 32	96 384
CAMBRIA COUNTY, L.R.223, PA 403: Conemaugh River Bridge, over Conemaugh River, City of Johnstown: Bridge Rehabilitation: Length 0.1 Miles	State Fed.	62 248	. . . . . . . .	6 24	68 272
CAMBRIA COUNTY, L.R.276, PA 53: Conemaugh River Bridge, over Conemaugh River, Portage Township: Bridge Rehabilitation: Length 0.1 Miles	State Fed.	71 284	1 4	7 28	79 316
CAMERON COUNTY, L.R.105(A04), PA 120: Square Timber Run Bridge, over Square Timber Run, Lumber Township: Bridge Replacement, Detour 68.0 Miles: Length 0.1 Miles	State Fed.	54 216	2 8	6 24	62 248
CAMERON COUNTY, L.R.12015: Sterling Run Bridge, over Driftwood Branch of Sinnemahoning, Village of Sterling Run: Bridge Replacement & Approaches: Length 0.1 Miles	State Fed.	320 1,283	2 8	32 128	354 1,419
CAMERON COUNTY, L.R.105, PA 120: Johnson Run Bridge, over Johnson Run, Gibson Township, near Driftwood Borough: Bridge Replacement, Detour 68.0 Miles: Length 0.1 Miles	State Fed.	105	5 . . . .	. . . . . . . .	110
CAMERON COUNTY, L.R.99, PA 120: Big Run Bridge, over Big Run, Shippen Township: Bridge Replacement, Detour 85.0 Miles: Length 0.1 Miles	State Fed.	40 160	2 8	4 16	46 184
CAMERON COUNTY, L.R.105, PA 120: Portage Creek Bridge, over Portage Creek, Shippen Township/ Emporium Borough: Bridge Replacement, Detour 80.0 Miles: Length 0.1 Miles	State Fed.	220 880	6 24	22 88	248 992
CAMERON COUNTY, L.R.100, PA 155: Portage Creek Bridge -2, over Portage Creek, Shippen Township: Bridge Replacement, Detour 68.0 Miles: Length 0.1 Miles	State Fed.	203 812	4 16	20 83	227 911
CARBON COUNTY, L.R.13009: Mertz Run Bridge, over Mertz Run, Mahoning Township: Bridge Replacement: Length 0.1 Miles	State Fed.	27 108	2 8	2 10	31 126
CARBON COUNTY, L.R.163: Pohopoco Creek Bridge, Parryville Boro: Bridge Replacement: Length 0.1 Miles	State Fed.	67 269	6 24	73 293

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Department of Transportation 1986-87 Projects

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FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
CARBON COUNTY, L.R.408: Hayes Creek Bridge, Kidder Township: Bridge Replacement: Length 0.1 Miles.....	State Fed.	\$ 30 120	. . . . . . . .	\$ 3 12	\$ 33 132
CENTRE COUNTY, L.R.868: Julian Bridge, over Bald Eagle Creek, Houston Township: Bridge Replacement: Length 0.1 Miles.....	State Fed.	115 460	\$ 4 16	10 40	129 516
CENTRE COUNTY, L.R.14013(A02): Half Moon Creek Bridge -2, over Half Moon Creek, Half Moon Township: Bridge Replacement, Detour 15.0 Miles: Length 0.1 Miles.....	State Fed.	55 220	1 4	5 22	61 246
CENTRE COUNTY, L.R.14013(A01): Half Moon Creek Bridge -1, over Half Moon Creek, Half Moon Township: Bridge Replacement, Detour 15.0 Miles: Length 0.1 Miles.....	State Fed.	66	2	6	74
CENTRE COUNTY, L.R.56(A02), PA 45: Slab Cabin Run Bridge, over Slab Cabin Run, Ferguson Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles.....	State Fed.	43 172	2 8	5 20	50 200
CENTRE COUNTY, L.R.873(A02): Elk Creek Bridge -2, south of Millheim Borough, Penn Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles.....	State Fed.	84 337	2 8	8 32	94 377
CENTRE COUNTY, L.R.873(A01): Elk Creek Bridge -1, South of Millheim Borough, Penn Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles.....	State Fed.	81 326	2 8	8 32	91 366
CENTRE COUNTY, L.R.873: Elk Creek Bridge -3, North of Village of Coburn, Penn Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State Fed.	60 240	4 16	5 22	69 278
CENTRE COUNTY, L.R.873: Elk Creek Bridge -5, North of Village of Coburn, Penn Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State Fed.	46 184	4 16	4 16	54 216
CENTRE COUNTY, L.R.14017: Spring Creek Bridge -3, over Spring Creek, Bellefonte Borough: Bridge Replacement, Detour 1.0 Miles: Length 0.1 Miles	State Fed.	140 560	20 80	16 64	176 704
CENTRE COUNTY, L.R.29, PA 144: Sinking Creek Bridge, over Sink- ing Creek, Potter Township: Bridge Replacement, Detour 27.0 Miles: Length 0.1 Miles.....	State Fed.	169 676	4 16	17 69	190 761
CENTRE COUNTY, L.R.14038(A01): Buffalo Run Bridge, Village of Fillmore, Benner Township: Bridge Replacement & Approaches: Length 0.1 Miles	State Fed.	39 159	4 16	4 16	47 191
CENTRE COUNTY, L.R.14040(A01): Spring Creek Bridge, Benner Township: Bridge Replacement & Approaches: Length 0.1 Miles	State Fed.	96 384	4 16	5 22	105 422
CENTRE COUNTY, L.R.14040(A01): Pine Creek Bridge, over Pine Creek, Haines Township: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State Fed.	72 288	4 16	5 20	81 324
CENTRE COUNTY, L.R.14035: Elk Creek Bridge, over Elk Creek, Miles Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles ..	State Fed.	82 330	2 8	7 28	91 366
CENTRE COUNTY, L.R.14035: Elk Creek Bridge -1, over Elk Creek, Miles Township: Bridge Replacement, Detour 5.0 Miles, Length 0.1 Miles	State Fed.	64 258	4 16	6 24	74 298
CENTRE COUNTY, L.R.57, US 322: Moshannon Creek Bridge, over Moshannon Creek, Philipsburg Borough, Centre/Clearfield County Line: Bridge Replacement, Detour 13.0 Miles: Length 0.1 Miles	State Fed.	178 714	4 16	20 80	202 810

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
CENTRE COUNTY, L.R.667: Roaring Run Bridge, near Madison- burg, Walker Township: Bridge Replacement, Detour 36.0 Miles: Length 0.1 Miles.....	State Fed.	\$ 53 212	\$ 4 16	\$ 6 24	\$ 63 252
CHESTER COUNTY, L.R.15012(A01): Eldale Road Bridge, over West Branch Big Elk Creek, East Nottingham Township: Bridge Replacement: Length 0.1 Miles.....	State Fed.	31 124	4 16	3 12	38 152
CHESTER COUNTY, L.R.15170(10S): Ross Fording Road Bridge, over Octoraro Creek, West Fallowfield Township, Lancaster County—Sadsbury Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles ..	State Fed.	100 400	10 40	15 60	125 500
CHESTER COUNTY, L.R.15121: Cedar Knoll Road Bridge, over Bran- dywine Creek, West Brandywine & West Caln Townships: Bridge Replac- ement: Length 0.1 Miles	State Fed.	92 367	5 20	10 40	107 427
CHESTER COUNTY, L.R.15200: State Road Bridge, over Branch of White Clay Creek, London Grove Township: Bridge Replacement, Detour 1.0 Miles: Length 0.1 Miles	State Fed.	50 200	10 40	10 40	70 280
CHESTER COUNTY, L.R.273, T.R.162: Copes Road Bridge, over East Branch Brandywine Creek, East and West Bradford Townships: Bridge Rehabilitation, Detour 1.0 Miles: Length 0.1 Miles.....	State Fed.	136 546	6 24	13 54	155 624
CHESTER COUNTY, L.R.15072: Strasburg Road Bridge, over West Branch of Brandywine Creek, East Fallowfield Township: Bridge Replac- ement, Detour 1.0 Miles: Length 0.2 Miles.....	State Fed.	250 1,000	20 80	30 120	300 1,200
CHESTER COUNTY, L.R.15162: Media Road Bridge, over Branch of Little Elk Creek, Elk Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles	State Fed.	50 200	10 40	10 40	70 280
CHESTER COUNTY, L.R.15185: South Birdell Road Bridge, over Branch of Brandywine Creek, Honeybrook Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State Fed.	70 280	10 40	10 40	90 360
CHESTER COUNTY, L.R.15216: Yellow Stone Raod Bridge, over Picker- ing Creek, West Pikeland Township: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State Fed.	50 200	10 40	10 40	70 280
CHESTER COUNTY, L.R.15148: Fairview Raod Bridge, over Beaver Run, East Nantmeal Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State Fed.	50 200	10 40	10 40	70 280
CHESTER COUNTY, L.R.15167: Pennsgrove Road Bridge, over West Branch of Big Elk Creek, Upper Oxford Township: Bridge Replacement: Length 0.1 Miles	State Fed.	40 160	5 20	10 40	55 220
CHESTER COUNTY, L.R.15145: Chestnut Tree Raod Bridge, over East Branch of Brandywine Creek, West Nantmeal and Honeybrook Townships: Bridge Replacement: Length 0.1 Miles	State Fed.	70 280	5 20	10 40	85 340
CHESTER COUNTY, L.R.273, PA 162: Unionville Road Bridge, over Branch of Brandywine Creek, Newlin Township: Bridge Replacement: Length 0.1 Miles	State Fed.	191 764	6 24	19 76	216 864
CHESTER COUNTY, L.R.A-102, PA 926: Street Road Bridge, over East Branch Reclay Creek, Redlion, East Marlborough Township: Bridge Replacement: Length 0.1 Miles	State Fed.	31 124	5 20	3 12	39 156
CHESTER COUNTY, L.R.15017: North Creek Road Bridge, over Mid- dle Branch White Clay Creek, Franklin Township: Bridge Replacement: Length 0.1 Miles	State Fed.	52 210	5 20	5 20	62 250

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
CHESTER COUNTY, L.R.15008: State Road Bridge, over Branch Hodgson Creek, New London Township: Bridge Replacement: Length 0.1 Miles	State	\$ 27	\$ 4	\$ 2	\$ 33
	Fed.	111	16	10	137
CLARION COUNTY, L.R.16009: Holden Bridge, Lake Erie Franklin & Clarion Railroad, South of Corsica, Limestone Township: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles	State	57	2	10	69
	Fed.	230	8	40	278
CLARION COUNTY, L.R.16055: Gravel Lick Bridge, over Clarion River, Gravel Lick Village, Mill Creek/Farmington Townships: Bridge Replacement, Detour 34.0 Miles: Length 0.1 Miles	State	288	4	34	326
	Fed.	1,152	16	136	1,304
CLARION COUNTY, L.R.311, PA 368: Parker River Bridge, over Allegheny River, Perry/Hovey Townships: Bridge Rehabilitation, Detour 18.0 Miles: Length 0.1 Miles	State	249	.	16	265
	Fed.	998	1	64	1,063
CLARION COUNTY, L.R.16029: Canoe Ripple Bridge, over Clarion River at Canoe Ripple, Licking Township: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles	State	337	3	20	360
	Fed.	1,348	12	80	1,440
CLARION COUNTY, L.R.900, PA 58: Turkey Run Bridge, over Turkey Run, South of Turkey City, Richland Township: Bridge Replacement, Detour 2.0 Miles: Length 0.1 Miles	State	53	2	10	65
	Fed.	213	8	40	261
CLARION COUNTY, L.R.16008, PA 839: Jack Run Bridge, over Jack Run, Porter Township: Bridge Replacement, Detour 2.0 Miles: Length 0.1 Miles	State	142	8	.	150
	Fed.	.	.	.	.
CLARION COUNTY, L.R.16022, PA 854: Licking Creek Bridge, over Licking Creek, West of Curllsville, Monroe Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	40	2	6	48
	Fed.	160	8	24	192
CLARION COUNTY, L.R.16049(240): Sandy Creek Bridge, over Sandy Creek, Elk Township, North of Haynie: Bridge Replacement: Length 0.1 Miles	State	25	2	6	33
	Fed.	100	8	24	132
CLARION COUNTY, L.R.900, PA 58: Turkey Run Bridge -2, over Turkey Run, near Turkey City, Richland Township: Bridge Replacement: Length 0.1 Miles	State	35	2	6	43
	Fed.	141	8	24	173
CLARION COUNTY, L.R.900, PA 58: Turkey Run Bridge -3, over Turkey Run, South of Turkey City, Richland Township: Bridge Replacement: Length 0.1 Miles	State	35	2	6	43
	Fed.	141	8	24	173
CLARION COUNTY, L.R.311, PA 368: Licking Creek Bridge, over Licking Creek, Sligo Borough: Bridge Rehabilitation, Widen, Superstructure: Length 0.1 Miles	State	26	2	6	34
	Fed.	107	8	24	139
CLARION COUNTY, L.R.16084: Mill Run Bridge, over Mill Run, Salem Township: Bridge Replacement, Length 0.1 Miles	State	26	2	6	34
	Fed.	104	8	24	136
CLARION COUNTY, L.R. 16014: Mill Run Bridge, over Conrail Track, Limestone Township: Bridge Replacement: Detour 1.0 Miles: Length 0.1 Miles	State	50	2	8	60
	Fed.	201	8	32	241
CLARION COUNTY, L.R.16053: Toby Creek Bridge, over Toby Creek, Highland-Farmington Township Line: Bridge Replacement: Length 0.1 Miles	State	26	2	6	34
	Fed.	107	8	24	139
CLARION COUNTY, L.R.214, PA 68: Licking Creek Bridge, over Licking Creek, North of Sligo, Piney Township: Bridge Rehabilitation, Detour 11.0 Miles: Length 0.1 Miles	State	24	2	6	32
	Fed.	96	8	24	128

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FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
CLARION COUNTY, L.R.16007, PA 854: Licking Bridge, near Curlsville, over Licking Creek, Monroe Township: Bridge Replacement: Length 0.1 Miles	State Fed.	\$ 30 120	\$ 1 4	\$ 5 20	\$ 36 144
CLEARFIELD COUNTY, L.R.869(A01): Porters Bridge, over Susquehanna River, near Hogback, Pike & Lawrence Townships: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State Fed.	200 800	10 40	20 80	230 920
CLEARFIELD COUNTY, L.R.17026: Bells Landing Bridge, over Susquehanna River, Greenwood Township: Bridge Replacement, Detour 20.0 Miles: Length 0.1 Miles	State Fed.	252 1,008	5 20	25 100	282 1,128
CLEARFIELD COUNTY, L.R.17078(A01): Faunce Bridge, over Clearfield Creek, Woodward Township: Bridge Replacement and Approaches: Length 0.1 Miles	State Fed.	272 1,091	8 32	27 108	307 1,231
CLEARFIELD COUNTY, L.R.17070(A01): Lajose Bridge, over Chest Creek, Newburg Borough: Bridge Replacement, Detour 13.0 Miles: Length 0.1 Miles	State Fed.	128 512	6 24	12 51	146 587
CLEARFIELD COUNTY, L.R.17033(A01): Westover Bridge, over Chest Creek, Westover Borough: Bridge Replacement, Detour 14.0 Miles: Length 0.1 Miles	State Fed.	93 374	2 8	10 40	105 422
CLEARFIELD COUNTY, L.R.59(A01), US 219: Salem Bridge, over B & O Railroad, Brady Township, Village of Salem: Bridge Replacement, Detour 10.0 Miles: Length 1.0 Miles	State Fed.	134 538	4 16	12 48	150 602
CLEARFIELD COUNTY, L.R.17029: B & O Railroad Bridge, over B & O Railroad, Union Township: Bridge Replacement: Length 1.0 Miles	State Fed.	85 343	2 8	8 32	95 383
CLEARFIELD COUNTY, L.R.402, PA 255: Maple Avenue Bridge, over Van Tassel Run, City of DuBois: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State Fed.	198	10	20	228
CLEARFIELD COUNTY, L.R.17068: Portersville Bridge, over Upper Three Run, Karthaus Township: Bridge Replacement, Detour 50.0 Miles: Length 0.1 Miles	State Fed.	34 138	2 8	4 16	40 162
CLEARFIELD COUNTY, L.R.402(A02), PA 255: Penfield Bridge, over Wilson Run, Village of Penfield, Huston Township: Bridge Replacement, Detour 45.0 Miles: Length 1.0 Miles	State Fed.	52 208	2 8	5 23	59 239
CLEARFIELD COUNTY, L.R.234, PA 53: Beaver Run Bridge, over Beaver Run Decatur Township: Bridge Replacement, Detour 50.0 Miles: Length of 0.1 Miles	State Fed.	131 524	6 24	13 52	150 600
CLEARFIELD COUNTY, L.R.17040: Market Street Bridge, West Branch Susquehanna River, Clearfield Borough: Bridge Rehabilitation, Detour 1.0 Miles: Length 0.1 Miles	State Fed.	318 1,272	4 16	30 120	352 1,408
CLEARFIELD COUNTY, L.R.411: PA 255: Mill Run Bridge, over Mill Run, Houston Township: Bridge Replacement, Detour 46.0 Miles: Length of 0.1 Miles	State Fed.	58 233	4 16	6 24	68 273
CLEARFIELD COUNTY, L.R.57, US 322: Laurel Run Bridge, over Laurel Run, Philipsburg Borough: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State Fed.	81 324	4 16	8 34	93 374
CLEARFIELD COUNTY, L.R.17052(A01): Moose Creek Bridge, over Moose Creek, Clearfield Borough: Bridge Replacement, Detour 1.0 Miles: Length 0.1 Miles	State Fed.	274 1,096	56 224	10 40	340 1,360
CLEARFIELD COUNTY, L.R.17010: Limestone Run Bridge, Village of Helvetia, Brady Township: Bridge Replacement & Approaches: Length 0.1 Miles	State Fed.	39 156	2 8	4 16	45 180

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
CLEARFIELD COUNTY, L.R.17029: Anderson Creek Bridge, over Andeson Creek, Union Township, Village of Rockton: Bridge Replacement & Approaches: Length 0.1 Miles	State	\$ 59	\$ 2	\$ 6	\$ 67
	Fed.	238	8	24	270
CLEARFIELD COUNTY, L.R.17030: Laborde Branch Bridge, over Laborde Branch, Sandy Township, Village of Gelnett: Bridge Replacement & Approaches: Length 0.1 Miles	State	63	2	6	71
	Fed.	255	8	24	287
CLEARFIELD COUNTY, L.R.857, PA 729: Kerrmore Bridge, over Watts Run, Ferguson Township near Lumber City: Bridge Replacement: Length 0.1 Miles	State	52	2	6	60
	Fed.	208	8	24	240
CLINTON COUNTY, L.R.18028: Eastville Bridge, over Big Fishing Creek, Greene Township: Bridge Rehabilitation: Length 0.1 Miles	State	36	2	2	40
	Fed.	144	8	8	160
CLINTON COUNTY, L.R.18006(A01): Fishing Creek Bridge, over Fishing Creek, Logan Township: Bridge Replacement, Detour 29.0 Miles: Length 0.1 Miles	State	67	2	6	75
	Fed.	268	8	24	300
CLINTON COUNTY, L.R.18026: Big Fishing Creek Bridge, Village of Logan Mills, Logan Township: Bridge Replacement & Approaches: Length 0.1 Miles	State	74	4	7	85
	Fed.	298	16	29	343
CLINTON COUNTY, L.R.359(A02), PA 364: Beech Creek Bridge, Clinton/Centre County Line, Beech Creek Township near Orviston: Bridge Replacement, Detour 20.0 Miles: Length 0.1 Miles	State	160	3	10	173
	Fed.	640	12	40	692
CLINTON COUNTY, L.R.105, PA 120: Dry Run/Hyner Run Bridge, over Dry Run/Hyner Run, Chapman Township: Bridge Replacement, Detour 50.0 Miles: Length 0.1 Miles	State	74	2	8	84
	Fed.	296	8	32	336
CLINTON COUNTY, L.R.410, PA 144: Drury's Run Bridge, over Drury Run, Noyes Township: Bridge Replacement, Detour 37.0 Miles: Length 0.1 Miles	State	118	2	10	130
	Fed.	472	8	40	520
CLINTON COUNTY, L.R.18007: Fishing Creek Bridge, over Fishing Creek, Lamar Township, Village of Mackeyville: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles	State	129	2	10	141
	Fed.	516	8	40	564
CLINTON COUNTY, L.R.219, PA 150: Beech Creek Bridge, Centre/Clinton County Line, Beech Creek Borough: Bridge Rehabilitation, Detour 27.0 Miles: Length 0.1 Miles	State	100	2	10	112
	Fed.	403	8	40	451
CLINTON COUNTY, L.R.18007: Brown's Run Bridge, over Brown's Run, Lamar Township: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles	State	56	4	6	66
	Fed.	226	16	24	266
CLINTON COUNTY, L.R.18017: Fishing Creek Bridge, Village of Logantown: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles	State	63	4	7	74
	Fed.	253	16	29	298
COLUMBIA COUNTY, L.R.19011: Catawissa Creek Bridge, over Catawissa Creek, Catawissa Borough: Bridge Rehabilitation, Detour 8.0 Miles: Length 0.1 Miles	State	92	2	3	97
	Fed.	368	8	12	388
COLUMBIA COUNTY, L.R.19040(010): Summerhill Avenue, over Little Briar Creek, Briar Creek Township: Bridge Replacement, Detour 7.0 Miles: Length 0.2 Miles	State	31	1	4	36
	Fed.	124	4	16	144
COLUMBIA COUNTY, L.R.19058: Little Rishing Creek Bridge, over Little Fishing Creek, Mount Pleasant Township: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles	State	164	22	33	219
	Fed.	. . . .	. . . .	. . . .	. . . .
COLUMBIA COUNTY, L.R.19024: Mifflinville Bridge, over Susquehanna River Tributary, Mifflin Township: Bridge Rehabilitation, Detour 8.0 Miles: Length 0.1 Miles	State	247	33	50	330
	Fed.

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
COLUMBIA COUNTY, L.R.19024: Mifflinville Bridge, over Susquehanna River Tributary, Mifflin Township: Bridge Rehabilitation, Detour 8.0 Miles: Length 0.1 Miles	State Fed.	\$ 247	\$ 33	\$ 50	\$ 330
COLUMBIA COUNTY, L.R.19067: Stillwater Bridge, over Tributary of Green Creek, Fishing Creek Township: Bridge Replacement: Length 0.1 Miles	State Fed.	217	29	43	289
COLUMBIA COUNTY, L.R.303, PA 442: Little Fishing Creek Bridge, over Little Fishing Creek, Greenwood Township: Bridge Deck Rehabilitation, Detour 25.0 Miles: Length 0.1 Miles	State Fed.	186 747	..... .....	33 132	219 879
COLUMBIA COUNTY, L.R.19029: Mud Run Bridge, over Mud run, Greenwood Township: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles	State Fed.	46 185	6 24	9 36	61 245
COLUMBIA COUNTY, L.R.19044: Tributary to East Branch Briar Creek, over East Branch Briar Creek, Briar Creek Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles	State Fed.	42 170	5 22	8 33	55 225
COLUMBIA COUNTY, L.R.19046: Briar Creek Bridge, over Tributary of Briar Creek, Briar Creek Township: Bridge Rehabilitation, Detour 6.0 Miles: Length 0.1 Miles	State Fed.	96 385	..... .....	17 68	113 453
COLUMBIA COUNTY, L.R.19067: Green Creek Bridge, over Tributary of Green Creek, Greenwood Township: Bridge Replacement, Detour 99.0 Miles: Length 0.1 Miles	State Fed.	63 252	8 33	12 50	83 335
COLUMBIA COUNTY, L.R.19044: East Branch Briar Creek Bridge, over East Branch Briar Creek, Briar Creek Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles	State Fed.	34 137	4 18	7 28	45 183
CRAWFORD COUNTY, L.R.89, PA 27: Armstrong Corners Bridge, over West Branch Sugar Creek, Troy Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State Fed.	99 396	3 12	12 48	114 456
CRAWFORD COUNTY, L.R.200, PA 77: Suttons Corners Bridge, over East Branch Oil Creek, Sparta Township: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State Fed.	99 396	3 12	8 32	110 440
CRAWFORD COUNTY, L.R.200, PA 77: Oil Creek Bridge, over Patrick Run, Sparta Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State Fed.	102 408	3 12	12 48	117 468
CRAWFORD COUNTY, L.R.20033: Hunter Hill Road Bridge, over Little Sugar Creek, East Mead Township: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State Fed.	128 512	2 8	14 56	144 576
CRAWFORD COUNTY, L.R.20145: Bridge over East Branch of Oil Creek: Bridge Replacement: Length 0.2 Miles	State Fed.	508	26 .....	..... .....	534
CRAWFORD COUNTY, L.R.20051: Carr Run Tributary, over Carr Run Tributary, Spring Township: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State Fed.	104 416	2 8	14 56	120 480
CRAWFORD COUNTY, L.R.20081: Little Cooley Bridge, over Muddy Creek, Athens Township: Bridge Replacement, Detour 1.0 Mile: Length 0.1 Miles	State Fed.	81 324	3 12	7 28	91 364
CRAWFORD COUNTY, L.R.20012: Unger Run Bridge, over Unger Run, East Fallowfield Township: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State Fed.	220 880	4 16	20 80	244 976
CRAWFORD COUNTY, L.R.20069: Woodcock Road Bridge, over French Creek, Venango Borough/Cambridge Township: Bridge Replacement, Detour 2.0 Miles: Length 0.1 Miles	State Fed.	268 1,072	4 16	22 88	294 1,176

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Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
CRAWFORD COUNTY, L.R.20027: Wilson Shute Bridge, over French Creek, Union & West Mead Townships: Bridge Rehabilitation, Detour 4.0 Miles: Length 0.1 Miles	State Fed.	\$ 170 680	\$ 10 40	\$ 40 160	\$ 220 880
CRAWFORD COUNTY, L.R.84, US 6: Bridge over Conrail, over Conrail Railroad, Woodcock Township: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State Fed.	177 710	4 17	10 40	191 767
CRAWFORD COUNTY, L.R.200, PA 77: Muddy Creek Bridge, over Muddy Creek, Athens Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State Fed.	104 416	. . . .	6 24	110 440
CRAWFORD COUNTY, L.R.84: Grant Street Cambridge Spring, Bridge over French Creek, Cambridge Springs Borough: Bridge Replacement, Detour 1.0 Miles: Length 0.1 Miles	State Fed.	231 925	8 32	26 104	265 1,061
CRAWFORD COUNTY, L.R.20076, French Creek Bridge, over French Creek, Rockdale Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State Fed.	136 544	10 40	20 80	166 664
CRAWFORD COUNTY, L.R.20104: Oil Creek East Branch, over Oil Creek, Sparta Township: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State Fed.	82 326	2 8	6 24	90 358
CRAWFORD COUNTY, L.R.20104: Oil Creek Bridge, over Oil Creek, Sparta Township: Bridge Replacement, Detour 2.0 Miles: Length 0.1 Miles	State Fed.	88 350	2 8	6 24	96 382
CRAWFORD COUNTY, L.R.20104: Conrail Bridge, over Conrail Tracks, Sparta Township: Bridge Replacement, Detour 14.0 Miles: Length 0.1 Miles	State Fed.	95 378	4 16	8 32	107 426
CRAWFORD COUNTY, L.R.20038, PA 198: Mulberry Street Bridge -2, over Conneaut Creek, Conneautville Borough: Bridge Rehabilitation, Detour 3.0 Miles: Length 0.1 Miles	State Fed.	70 280	1 4	5 20	76 304
CRAWFORD COUNTY, L.R.89, PA 27: Armstrong Cor Bridge, over Sugar Creek, Troy Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State Fed.	104 416	6 24	10 40	120 480
CRAWFORD COUNTY, L.R.20078: Thomas Cor Bridge, over Kelly Run, Rockdale Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State Fed.	74 296	4 16	6 24	84 336
CRAWFORD COUNTY, L.R.83, US 6: Erie Street Linesville Bridge, over North Branch of Shenango River, Linesville Borough: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State Fed.	118 470	5 20	9 36	132 526
CRAWFORD COUNTY, L.R.20007, PA 285: Causeway Bridge, over Pymatuning Lake, North Shenango Township: Bridge Rehabilitation, Detour 17.0 Miles: Length 0.1 Miles	State Fed.	100 400	. . . .	5 20	105 420
CRAWFORD COUNTY, L.R.20062, PA 86: Woodcock Township Bridge, over Woodcock Creek, Woodcock Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State Fed.	100 400	5 20	10 40	115 460
CUMBERLAND COUNTY, L.R.21033(002): Watts Bridge, over Conodoguinet Creek, McClures Gap Road, North Middleton Township: Bridge Replacement, Detour 13.0 Miles: Length 0.4 Miles	State Fed.	155 621	4 17	20 80	179 718
CUMBERLAND COUNTY, L.R.767: Harrisburg Expressway Bridge, over Conrail/LR 123, Lower Allen Township: Bridge Rehabilitation, Detour 7.0 Miles: Length 0.3 Miles	State Fed.	1,100 4,400	30 120	1,130 4,520

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(Dollar Amounts in Thousands)

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
FROM CURRENT REVENUES					
Program: Bridge Restoration and Replacement					
CUMBERLAND COUNTY, L.R.21005: Mountain Creek Bridge, Southampton Township, Bridge Deck Rehabilitation, Approaches and Guardrail: Length 0.1 Miles.....	State	\$ 18	\$ 1	\$ 5	\$ 24
	Fed.	74	6	20	100
CUMBERLAND COUNTY, L.R.191, PA 233, T.R. 233, Bridge over Big Spring Run, West Pennsboro Newville Borough: Bridge Replacement: Length 0.1 Miles.....	State	58	1	8	67
	Fed.	233	4	32	269
CUMBERLAND COUNTY, L.R.30, US 15: US 11/15 Southbond Bridge, over Conodoguinet Creek, Wormleysburg Borough: Bridge Replacement: Length 0.1 Miles.....	State	170	1	17	188
	Fed.	680	4	68	752
CUMBERLAND COUNTY, L.R.250: Third Street Lemoyne Bridge, over Railroad, Lemoyne Borough: Bridge Replacement: Length 0.1 Miles ..	State	304	1	20	325
	Fed.	1,217	4	80	1,301
DAUPHIN COUNTY, L.R.22035(002): Corsroads Road Bridge, over Tributary of Wisconisco Creek, Lykens Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles.....	State	89	1	9	99
	Fed.	358	4	36	398
DAUPHIN COUNTY, L.R.22051(B03): Bow Creek Bridge, Bridge over Bow Creek, East Hanover Township, Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles.....	State	54	1	8	63
	Fed.	217	4	32	253
DAUPHIN COUNTY, L.R.1(B37), PA 147: Mahantango Creek Bridge, over Mahantango Creek, Upper Paxton Township: Bridge Replacement, Detour 18.0 Miles: Length 0.1 Miles.....	State	120	1	12	133
	Fed.	483	4	48	535
DAUPHIN COUNTY, L.R.618, PA 441: Harrisburg Street Bridge, over Spring Creek, Swatara Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles.....	State	117	1	14	132
	Fed.	468	4	56	528
DAUPHIN COUNTY, L.R.22004, PA 225: Powell Creek Bridge, over Powell Creek, Halifax Township: Bridge Replacement, Detour 12.0 Miles, Length 0.1 Miles.....	State	50	5	8	63
	Fed.	200	20	32	252
DAUPHIN COUNTY, L.R.22031: Pottsville Street Bridge, over Bear Creek, Wiconisco Township: Bridge Deck Rehabilitation: Length 0.1 Miles.....	State	20	1	5	26
	Fed.	83	7	22	112
DAUPHIN COUNTY, L.R.22005, PA 443: Fishing Creek Valley Road Bridge, over Fishing Creek, Middle Paxton Township: Bridge Deck Rehabilitation: Length 0.1 Miles.....	State	18	1	8	27
	Fed.	75	4	32	111
DAUPHIN COUNTY, L.R.22005, PA 443: Fishing Creek Valley Road Bridge, over Fishing Creek, Middle Paxton Township: Bridge Rehabilitation: Length 0.1 Miles.....	State	28	1	8	37
	Fed.	115	4	32	151
DAUPHIN COUNTY, L.R.22005, PA 443: Fishing Creek Valley Road Bridge, over Fishing Creek, Middle Paxton Township: Bridge Rehabilitation: Length 0.1 Miles.....	State	19	1	8	28
	Fed.	78	4	32	114
DAUPHIN COUNTY, L.R.22005, PA 443: Fishing Creek Valley Road Bridge, over Fishing Creek, Middle Paxton Township: Bridge Rehabilitation: Length 0.1 Miles.....	State	19	1	8	28
	Fed.	77	4	32	113
DAUPHIN COUNTY, L.R.22005, PA 443: Fishing Creek Valley Road Bridge, over Fishing Creek, West Hanover Township: Bridge Deck Rehabilitation: Length 0.1 Miles.....	State	17	2	4	23
	Fed.	68	8	16	92
DAUPHIN COUNTY, L.R.22015: Hanover Street Bridge, under Railroad, Hummelstown Boro: Bridge Replacement: Length 0.1 Miles.....	State	600	20	60	680
	Fed.	2,400	80	240	2,720
DAUPHIN COUNTY, L.R.199, US 209: U.S. 209 Bridge, over Wiconisco Creek, Washington Township: Bridge Replacement: Length 0.1 Miles ..	State	114	1	11	126
	Fed.	459	4	45	508

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
DAUPHIN COUNTY, L.R.22038: Wiconisco Bridge, over Little Wiconisco Creek, Upper Paxton Township: Bridge Replacement: Length 0.1 Miles	State	\$ 59	\$ 1	\$ 8	\$ 68
	Fed.	238	4	32	274
DELAWARE COUNTY, L.R.225(000), PA 320: Springmill Road/Villanova Bridge, over Amtrak, Villanova, Radnor Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	175	10	19	204
	Fed.	699	40	56	795
DELAWARE COUNTY, L.R.225, PA 320: Chester Road Bridge, over Crum Creek, Nether Providence and Ridley Townships: Bridge Replacement, Detour 1.0 Miles: Length 0.1 Miles	State	500	30	70	600
	Fed.	2,000	120	280	2,400
DELAWARE COUNTY, L.R.23049: Eagle Road Bridge, over Septa, Haverford Township: Bridge Replacement, Detour 1.0 Miles: Length 0.1 Miles	State	100	20	15	135
	Fed.	400	80	60	540
DELAWARE COUNTY, L.R.731: Swarthmore Avenue Railroad Bridge, over Amtrak, Ridley Park Borough: Bridge Replacement, Detour 1.0 Miles: Length 0.1 Miles	State	160	10	20	190
	Fed.	640	40	80	760
DELAWARE COUNTY, L.R.23076: Rosevalley Road Bridge, over Septa, Upper Providence Township: Bridge Replacement, Detour 1.0 Miles: Length 0.1 Miles	State	110	10	15	135
	Fed.	440	40	60	540
DELAWARE COUNTY, L.R.23046: College Avenue Bridge, over Septa, Haverford Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	100	15	15	130
	Fed.	400	60	60	520
ELK COUNTY, L.R.97, US 219: Johnsonburg Bridge, over West Branch Clarion River, Borough of Johnsonburg: Bridge Replacement, Detour 20.0 Miles: Length 0.4 Miles	State	101	60	18	179
	Fed.	404	240	72	716
ELK COUNTY, L.R.24007: Tambine Bridge, over West Branch Clarion River, Jones Township: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State	199	4	16	219
	Fed.	796	16	64	876
ELK COUNTY, L.R.97, US 219: Center Street Bridge, over Abandoned Railroad, Johnsonburg Borough: Bridge Replacement, Detour 1.0 Miles: Length 0.1 Miles	State	64	2	7	73
	Fed.	258	8	28	294
ELK COUNTY, L.R.97, US 219: Johnsonburg Bridge, over West Branch Clarion river, Borough of Johnsonburg: Bridge Replacement, Detour 1.0 Miles: Length 0.1 Miles	State	160	4	18	182
	Fed.	642	16	72	730
ELK COUNTY, L.R.24005: Johnson Run Bridge, over Johnson Run, Horton Township: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State	86	10	.	96
	Fed.	.	.	.	.
ELK COUNTY, L.R.411, PA 255: Cherry Run Bridge, over Cherry Run, Jay Township, Village of Force: Bridge Replacement, Detour 45.0 Miles: Length 0.1 Miles	State	30	2	4	36
	Fed.	121	8	16	145
ERIE COUNTY, L.R.495, PA 5: East Lake Road Bridge, Twentymile Creek, Northeast Township, near New York State Line: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State	94	3	14	111
	Fed.	376	12	56	444
ERIE COUNTY, L.R.25062: Jamestown Road Bridge, over French Creek, Venango Township: Bridge Replacement: Length 0.3 Miles	State	170	10	40	220
	Fed.	680	40	160	880
ERIE COUNTY, L.R.87, US 20: Seven Mile Creek Bridge, over Seven Mile Creek, Harborcreek Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	69	3	8	80
	Fed.	276	12	32	320
ERIE COUNTY, L.R.88, US 6: Spencer Creek Bridge, over Spencer Creek, Wayne Township: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State	69	2	8	79
	Fed.	276	8	32	316

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
ERIE COUNTY, L.R.304, PA 89: French Creek Bridge, over French Creek, Venango Township, Lowville: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles.....	State	\$ 124	\$ 3	\$ 14	\$ 141
	Fed.	496	12	56	564
ERIE COUNTY, L.R.25086: O'Neil Road Brodge, over Conrail Railroad, Union Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles.....	State	240	4	26	270
	Fed.	960	16	104	1,080
ERIE COUNTY, L.R.25001: Griffy Road Bridge, over Conneaut Creek, Conneaut Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles.....	State	114	6	10	130
	Fed.	456	24	40	520
ERIE COUNTY, L.R.85, US 6N: Main Street Bridge, over Conneaut Creek, Albion Borough: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles.....	State	54	.....	6	60
	Fed.	216	.....	24	240
ERIE COUNTY, L.R.25028, PA 832: Peninsula Drive II, over N/W Railroad and Conrail, Millcreek Township: Bridge Replacement, Detour 2.0 Miles: Length 0.9 Miles.....	State	792	72	20	884
	Fed.	3,168	288	80	3,536
ERIE COUNTY, L.R.25028, PA 832: Peninsula Drive I, over N/W Railroad and Conrail, Millcreek Township: Bridge Deck Rehabilitation, Detour 2.0 Miles: Length 0.9 Miles.....	State	148	4	8	160
	Fed.	592	16	32	640
ERIE COUNTY, L.R.271, PA 97: Conrail Railroad Bridge, over Conrail Tracks, Waterford Township: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles.....	State	135	3	13	151
	Fed.	540	12	52	604
ERIE COUNTY, L.R.495, PA 5: Sixteen Mile Creek Bridge, over Sixteen Mile Creek, North East Township: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles.....	State	121	2	10	133
	Fed.	483	8	40	531
ERIE COUNTY, L.R.304, US 6: East High Street Bridge, over Bentley Run, Union City Borough: Bridge Replacement, Detour 20.0 Miles: Length 0.1 Miles.....	State	68	1	10	79
	Fed.	272	4	40	316
FAYETTE COUNTY, L.R.116(04M), US 119: Cheat River Bridge, over Cheat River, Springhill Township/Point Marion Borough: Bridge Rehabilitation, Detour 25.0 Miles: Length 0.2 Miles.....	State	265	20	33	318
	Fed.	1,060	80	132	1,272
FAYETTE COUNTY, L.R.26076(D10): York Run Bridge, over York Run, Nicholson Township: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles.....	State	60	2	10	72
	Fed.	240	8	40	288
FAYETTE COUNTY, L.R.26182(B10): Mountz Creek Bridge, over Branch of Mounts Creek, Bullskin Township: Bridge Rehabilitation, Detour 4.0 Miles: Length 0.1 Miles.....	State	350	5	21	376
	Fed.	.....	.....	.....	.....
FAYETTE COUNTY, L.R.26076: Georges Creek Bridge, over Georges Creek, Springhill Township: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles.....	State	38	1	5	44
	Fed.	154	4	18	176
FAYETTE COUNTY, L.R.26181: Fairchance Bridge, over Georges Creek, Fairchance Borough: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles.....	State	35	1	4	40
	Fed.	142	4	14	160
FAYETTE COUNTY, L.R.26034: Vance Mills Bridge, over Bute Run, Franklin & North Union Townships: Bridge Replacement: Length 0.1 Miles.....	State	26	1	3	30
	Fed.	104	4	10	118
FAYETTE COUNTY, L.R.26073: Gibson Glade Bridge, over Little Sandy Creek, Wharton Township: Bridge Replacement: Length 0.1 Miles.....	State	37	1	4	42
	Fed.	148	4	16	168
FAYETTE COUNTY, L.R.26131: Emerson Bridge, over Jacobs Creek, Upper Tyrone Township/Scottdale Borough: Bridge Replacement: Length 0.1 Miles.....	State	60	1	6	67
	Fed.	240	4	24	268

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
FAYETTE COUNTY, L.R.26142: Dunbar Town Grade Bridge over Abandoned Railroad, Dunbar Township: Bridge Removal, Detour 4.0 Miles: Length 0.1 Miles	State Fed.	\$ 80 320	\$ 1 4	\$ 8 32	\$ 89 356
FAYETTE COUNTY, L.R.26071: Cucumber Run Bridge, over Cucumber Run, Stewart Township, Ohio State Park: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State Fed.	200 800	1 4	20 80	221 884
FOREST COUNTY, L.R.511(A00), US 62: Tionesta Bridge, over Allegheny River, Tionesta Borough: Bridge Rehabilitation, Detour 35.0 Miles: Length 0.2 Miles	State Fed.	240 960	. . . . . . . .	12 48	252 1,008
FOREST COUNTY, L.R.598, PA 127: West Hickory Bridge, over Allegheny River, Harmony & Hickory Townships: Bridge Rehabilitation, Detour 24.0 Miles: Length 0.1 Miles	State Fed.	140 560	4 16	16 64	160 640
FOREST COUNTY, L.R.27015: Lynch Village Bridge, over Tionesta Creek, Howe Township: Bridge Replacement, Detour 21.0 Miles: Length 0.1 Miles	State Fed.	214 856	3 12	18 72	235 940
FOREST COUNTY, L.R.750, US 62: Hunter Station Bridge, over Allegheny River, Tionesta Township: Bridge Deck Rehabilitation, Detour 25.0 Miles: Length 0.1 Miles	State Fed.	130 520	. . . . . . . .	10 40	140 560
FRANKLIN COUNTY, L.R.28042: Little Cove Creek Bridge, over Little Cove Creek, Warren Township: Bridge Replacement, Detour 50.0 Miles: Length 0.1 Miles	State Fed.	65 260	5 20	10 40	80 320
FRANKLIN COUNTY, L.R.28006: Conococheaque Creek Bridge, Tributary Conococheaque Creek, Chambersburg Borough: Bridge Replacement: Length 0.1 Miles	State Fed.	136 544	1 4	14 56	151 604
FRANKLIN COUNTY, L.R.35, US 11: West King Street US 11, over Railroad, Southampton Township: Bridge Replacement: Length 0.1 Miles	State Fed.	109 439	1 4	11 44	121 487
FRANKLIN COUNTY, L.R.28094: Loudon Street/US 30 East, over Conococheaque Creek, Chambersburg Borough: Bridge Replacement: Length 0.1 Miles	State Fed.	107 430	1 4	10 43	118 477
FULTON COUNTY, L.R.39, US 30: Saluvia Bridge, over Sindledeckers Creek, Licking Creek Township, near Saluvia: Bridge Replacement, Detour 13.0 Miles: Length 0.1 Miles	State Fed.	151 605	8 32	22 88	181 725
GREENE COUNTY, L.R.30045(C10): Brave Bridge, over Hoover Run, Wayne Township: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State Fed.	43 172	16 64	3 15	62 251
GREENE COUNTY, L.R.A-35(A10), PA 218: Structure on TR 218, over South Fork Ten Mile Creek, Waynesburg Borough and Franklin Township: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State Fed.	3,000	500	275	3,775
GREENE COUNTY, L.R.30133(B10): Pit Gas Bridge, over Ten Mile Creek, Jefferson Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State Fed.	230 920	2 8	39 157	271 1,085
GREENE COUNTY, L.R.30001: Enslow Fork Bridge, over Wheeling Creek, Richhill Township, Washington/Greene Township Line: Bridge Replacement, Detour 14.0 Miles: Length 0.1 Miles	State Fed.	127 506	5 20	20 80	152 606
GREENE COUNTY, L.R.30015(A10): Rudolph Run Bridge, over Rudolph Run, Wayne and Perry Township line: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State Fed.	44 177	2 8	13 53	59 238
GREENE COUNTY, L.R.268, PA 188: Ten Mile Creek Bridge II, South Fork of Ten Mile Creek, Morgan/Jefferson Township Line: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State Fed.	140 560	2 8	14 56	156 624

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
GREENE COUNTY, L.R. 268, PA 188: Ten Mile Creek Bridge I, South Fork of Ten Mile Creek, Franklin Township: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State	\$ 91	\$ 1	\$ 9	\$ 101
	Fed.	362	4	38	404
GREENE COUNTY, L.R. 268, PA 188: Children's Home Bridge, over Ruffs Creek, Morgan Township: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State	57	1	6	64
	Fed.	228	4	24	256
GREENE COUNTY, L.R. 30009: Oak Forest Bridge, over Pursley Creek, Center Township: Bridge Replacement: Length 0.1 Miles	State	43	1	5	49
	Fed.	172	4	20	196
GREENE COUNTY, L.R. 30034: Crabapple Bridge, over Crabapple Creek, Richhill Township: Bridge Replacement: Length 0.1 Miles	State	24	1	2	27
	Fed.	96	4	10	110
GREENE COUNTY, L.R. 111, PA 18: Ten Mile Creek Bridge -1, over Ten mile Creek, Center Township: Bridge Rehabilitation: Length 0.1 Miles	State	63	.....	6	69
	Fed.	254	.....	26	280
GREENE COUNTY, L.R. 111, PA 18: South Fork Ten Mile Creek Bridge, over South Fork Ten Mile Creek, Center Township: Bridge Rehabilitation, Detour 15.0 Miles: Length 0.1 Miles	State	101	.....	10	111
	Fed.	403	.....	40	443
GREENE COUNTY, L.R.111, PA 18: Ten Mile Creek Bridge No. 2, Over Ten Mile Creek, Center Township: Bridge Rehabilitation, Detour 15.0 Miles: Length 0.1 Miles	State	67	.....	7	74
	Fed.	269	.....	27	296
GREENE COUNTY, L.R. 111, PA 18: Ten Mile Creek Bridge #3, over Ten Mile Creek, Center Township: Bridge Rehabilitation, Detour 16.0 Miles: Length 0.1 Miles	State	101	.....	10	111
	Fed.	403	.....	40	443
GREENE COUNTY, L.R.111, PA 18: Ten Mile Creek Bridge -4, over Ten Mile Creek, Franklin Township: Bridge Rehabilitation, Detour 20.0 Miles: Length 0.1 Miles	State	96	.....	10	106
	Fed.	384	.....	38	422
GREENE COUNTY, L.R.111, PA 18: Ten Mile Creek Bridge -5, over Ten Mile Creek, Franklin Township: Bridge Rehabilitation, Detour 20.0 Miles: Length 0.1 Miles	State	115	.....	12	127
	Fed.	461	.....	46	507
GREENE COUNTY, L.R.111, PA 18: Brown's Creek Bridge, over Brown's Creek, Franlin Township: Bridge Rehabilitation, Detour 5.0 Miles: Length 0.1 Miles	State	81	.....	8	89
	Fed.	322	.....	32	354
GREENE COUNTY, L.R.268, PA 188: Montour Railroad Bridge, over Montour Railroad, Morgan Township: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State	110	1	11	122
	Fed.	442	4	44	490
GREENE COUNTY, L.R.268, PA 188: Ten Mile Creek Bridge, over Ten Mile Creek, Jefferson Township- Greene County, East Bethlehem Township-Washington County: Bridge Rehabilitation, Detour 8.0 Miles: Length 0.1 Miles	State	120	.....	12	132
	Fed.	480	.....	48	528
GREENE COUNTY, L.R.451, PA 188: Dunkard Creek Bridge, over Dunkard Creek, Dunkard & Monongahela Townships: Bridge Rehabilitation, Detour 15.0 Miles: Length 0.1 Miles	State	250	.....	25	275
	Fed.	998	.....	100	1,098
GREENE COUNTY, L.R.110, US 19: Martinsville Bridge, over Dunkard Creek, Perry Township: Bridge Replacement: Length 0.1 Miles	State	128	1	13	142
	Fed.	510	4	51	565
HUNTINGDON COUNTY, L.R.31051, PA 305: Alexandria Bridge, over Juniata River, Alexandria Borough: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State	356	15	40	411
	Fed.	1,424	60	160	1,644
HUNTINGDON COUNTY, L.R.721, PA 913: Putztown Bridge, over Shoups Run, Hopewell Township, near Saxton: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	256	22	25	303
	Fed.	1,027	88	100	1,215
HUNTINGDON COUNTY, L.R.55, US 22: Huntingdon Route 22 Bridge, over Juniata River, Henderson Township, near Huntingdon Borough: Bridge Rehabilitation, Detour 2.0 Miles: Length 0.2 Miles	State	500	2	40	542
	Fed.	2,000	8	160	2,168

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

		Base Project Cost	Land Cost	Design Cost		Total Project Cost
FROM CURRENT REVENUES						
Program: Bridge Restoration and Replacement						
HUNTINGDON COUNTY, L.R.56, PA 350: East Bridge Warriors Mark 1, Warriors Mark Township: Bridge Rehabilitation: Length 0.1 Miles	State	\$ 56	\$ 2	. . . .	\$	58
	Fed.	227	8	. . . .		235
HUNTINGDON COUNTY, L.R.192, PA 655: Sideling Hill Creek Tributary, Clay Township: Bridge Rehabilitation: Length 0.1 Miles	State	36	. . . .	\$ 6		42
	Fed.	144	. . . .	24		168
HUNTINGDON COUNTY, L.R.192, PA 655: 3 Springs Creek Tributary Bridge, Clay Township: Bridge Rehabilitation: Length 0.1 Miles	State	64	1	7		72
	Fed.	256	4	28		288
HUNTINGDON COUNTY, L.R.31017, PA 747: Hill Valley Creek Bridge, Shirley Township: Bridge Rehabilitation: Length 0.1 Miles	State	57	2	6		65
	Fed.	228	8	25		261
HUNTINGDON COUNTY, L.R.192, PA 994: North Spring Creek Bridge, Three Springs Borough: Bridge Rehabilitation: Length 0.1 Miles	State	54	2	5		61
	Fed.	219	8	20		247
HUNTINGDON COUNTY, L.R.261, PA 305: East Bridge Standing Stone, Jackson Township: Bridge Rehabilitation: Length 0.1 Miles	State	35	2	4		41
	Fed.	143	8	16		167
HUNTINGDON COUNTY, L.R.31017, PA 747: Hill Valley Creek Bridge, Shirley Township: Bridge Replacement: Length 0.1 Miles	State	50	2	5		57
	Fed.	200	8	20		228
HUNTINGDON COUNTY, L.R.33, US 22: Pikes Run Bridge, Henderson Township: Bridge Replacement: Length 0.1 Miles	State	66	1	7		74
	Fed.	264	4	28		296
HUNTINGDON COUNTY, L.R.721, PA 913: Carbon Township Bridge, Carbon Township: Bridge Replacement: Length 0.1 Miles	State	50	2	5		57
	Fed.	200	8	20		228
HUNTINGDON COUNTY, L.R.261, PA 26: Horn Run Bridge, Oneida Township: Bridge Replacement: Length 0.1 Miles	State	55	2	6		63
	Fed.	220	8	24		252
HUNTINGDON COUNTY, L.R.721, PA 913: Broad Top Bridge, Carbon Township: Bridge Replacement: Length 0.1 Miles	State	50	2	5		57
	Fed.	200	8	20		228
HUNTINGDON COUNTY, L.R.55, US 22: Alexandria Bridge, Porter Township: Bridge Replacement: Length 0.1 Miles	State	66	1	7		74
	Fed.	264	4	28		296
INDIANA COUNTY, L.R.508, PA 403: Clymer Bridge, over Two Lick Creek, Clymer Borough, Cherryhill Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	148	10	20		178
	Fed.	594	40	80		714
INDIANA COUNTY, L.R.32111: Mahoning Creek Bridge, over Mahoning Creek, West Mahoning Township, Goodville: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State	129	3	16		148
	Fed.	519	12	64		595
INDIANA COUNTY, L.R.32179: Bairdstown Bridge, over Connemaugh River, Blairsville Borough: Bridge Deck Replacement, Detour 1.0 Mile: Length 0.1 Miles	State	155	. . . .	12		167
	Fed.	622	1	48		671
INDIANA COUNTY, L.R.32046(315), US 422: Indian Springs Road/Railroad, B & O Railroad Bridge, White Township: Bridge Replacement, Detour 0.1 Miles: Length 0.1 Miles	State	60	1	6		67
	Fed.	540	9	49		598
INDIANA COUNTY, L.R.32084: East Run Bridge, over East Run, Grant Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	38	2	10		50
	Fed.	152	8	40		200
INDIANA COUNTY, L.R.435: Locust Lane Bridge, under B & O Railroad, Canoe Township: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State	117	3	12		132
	Fed.	470	12	48		530
INDIANA COUNTY, L.R.32115: Hillman Railroad Bridge, over Conrail Railroad, Banks Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State	39	2	10		51
	Fed.	158	8	40		206
INDIANA COUNTY, L.R.32046, US 422: B & O Railroad Bridge, over L.R.32046, White Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	518	50		568
	Fed.

CAPITAL BUDGET

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
INDIANA COUNTY, L.R.901, PA 259: Bolivar Bridge, over Conemaugh River, Westmoreland/Indiana County Line, Robinson-Bolivar: Bridge Deck Replacement: Length 0.1 Miles	State	\$ 109		\$ 10	\$ 119
	Fed.	438	\$ 1	40	479
INDIANA COUNTY, L.R.32002: Tunnelton Bridge, over Conemaugh River, Westmoreland/Indiana County Line, Tunnelton: Bridge Deck Replacement, Bridge Rehabilitation: Length 0.1 Miles	State	137		10	147
	Fed.	550	1	40	591
INDIANA COUNTY, L.R.68, US 22: River Bridge, over Conemaugh River, Westmoreland/Indiana County Line, near Blairsville: Bridge Deck Replacement: Length 0.1 Miles	State	440		30	470
	Fed.	1,760	1	120	1,881
INDIANA COUNTY, L.R.68, US 22: Mainline Bridge, over Conrail, near Blairsville, Burrell Township: Bridge Deck Replacement: Length 0.1 Miles	State	165	1	10	176
	Fed.	660	4	40	704
INDIANA COUNTY, L.R.68, US 22: Secondary Bridge, over Conrail, East of Blairsville, Burrell Township: Bridge Deck Replacement: Length 0.1 Miles	State	52		6	58
	Fed.	209	1	24	234
INDIANA COUNTY, L.R.68, US 22: Burrell Bridge, over L.R.32179, Burrell Township: Bridge Deck Replacement: Length 0.1 Miles	State	47		6	53
	Fed.	190	1	24	215
INDIANA COUNTY, L.R.32020, PA 403: Cramer Pike Bridge, Over T.R.22, East of Armaugh, East Wheatfield Township: Bridge Deck Replacement: Length 0.1 Miles	State	43		6	49
	Fed.	174	1	24	199
INDIANA COUNTY, L.R.32036, PA 954: Yellow Creek Bridge, over Yellow Creek, Center Township, South of Indiana: Bridge Deck Replacement, Bridge Rehabilitation: Length 0.1 Miles	State	43		6	49
	Fed.	174	1	24	199
INDIANA COUNTY, L.R.32036, PA 954: Two Lick Creek Bridge, over Two Lick Creek, White Township, South of Indiana: Bridge Deck Replacement, Bridge Rehabilitation: Length 0.1 Miles	State	57		6	63
	Fed.	229	1	24	254
INDIANA COUNTY, L.R.32171: Aultman Run Bridge, over Aultman Run, near Jacksonville Borough, Blacklick Township: Bridge Replacement: Length 0.1 Miles	State	28	2	6	36
	Fed.	112	8	24	144
INDIANA COUNTY, L.R.68, US 19: Slag Pit Bridge, over Blacklick Creek, North of Blacklick, Burrell Township: Bridge Deck Replacement, Bridge Rehabilitation: Length 0.1 Miles	State	98		8	106
	Fed.	393	2	32	427
INDIANA COUNTY, L.R.32166: Whiskey Run Bridge, North of Clarksburg, over Whiskey Run, Young Township: Bridge Replacement: Length 0.1 Miles	State	20	1	4	25
	Fed.	80	4	16	100
INDIANA COUNTY, L.R.435, PA 236: Broadhead Run Bridge, North of Rochester Mills, over Broadhead Run, Canoe Township: Bridge Replacement: Length 0.1 Miles	State	20	1	4	25
	Fed.	80	4	16	100
INDIANA COUNTY, L.R.32061: Dark Hollow Bridge, West of Creekside, over Dark Hollow Run, Armstrong Township: Bridge Replacement: Length 0.1 Miles	State	20	1	4	25
	Fed.	80	4	16	100
JEFFERSON COUNTY, L.R.189(00S), US 119: Davis Run Bridge, over Big Run, Borough of Big Run: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State	70	2	10	82
	Fed.	280	8	40	328
JEFFERSON COUNTY, L.R.33035: Mahoning Creek Bridge, over Mahoning Creek, Borough of Big Run: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State	144	2	20	166
	Fed.	576	8	80	664
JEFFERSON COUNTY, L.R.33105: Wolfe Run Bridge, over Wolfe Run, Washington Township, Falls Creek: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State	80	1	12	93
	Fed.	322	5	48	375

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

	State	Base Project Cost	Land Cost	Design Cost	Total Project Cost
JEFFERSON COUNTY, L.R.33008, PA 949: Little Mill Creek Bridge, over Little Mill Creek, Union Township: Bridge Replacement, Detour 2.0 Miles: Length 0.1 Miles	Fed.	\$ 121	\$ 10	.....	\$ 131
JEFFERSON COUNTY, L.R.33008, PA 949: Callen Run Bridge, over Callen Run, Heath Pump Station, Heath Township: Bridge Rehabilitation, Detour 1.0 Miles: Length 0.1 Miles	Fed.	24	2	\$ 6	32
JEFFERSON COUNTY, L.R.33032: North Fork Creek Bridge, over North Fork Creek, North of Egypt, Polk Township: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	Fed.	96	8	24	128
JEFFERSON COUNTY, L.R.33022: Sandy Lick Creek Bridge, over Sandy Lick Creek, Port Barnett, Pine Creek Township: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	Fed.	57	2	8	67
JEFFERSON COUNTY, L.R.33003: Summerville Bridge, over Red Bank Creek, Summerville Borough, Clover Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	Fed.	230	8	32	270
JEFFERSON COUNTY, L.R.33013, PA 36: T.R.36 Bridge, over Red Bank Creek, Brookville Borough: Bridge Replacement, Detour 0.5 Miles: Length 0.1 Miles	Fed.	73	2	10	85
JEFFERSON COUNTY, L.R.33010: Little Sandy Creek Bridge, over Little Sandy Creek, West of Worthville, Beaver and Ringgold Townships: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	Fed.	293	8	40	341
JEFFERSON COUNTY, L.R.33010: Beaver Run Bridge -1, East of P & S Railroad, over Beaver Run, South of Conifer, Beaver Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	Fed.	107	2	12	121
JEFFERSON COUNTY, L.R.33010: Beaver Run Bridge -2, over Beaver Run, Beaver Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	Fed.	428	8	48	484
JEFFERSON COUNTY, L.R.60, US 322: North Fork Creek Bridge, North Fork Creek, Bookville Borough: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	Fed.	58	1	10	69
JEFFERSON COUNTY, L.R.33030, PA 968: Pekin Run Bridge, near Richardsville, Warsaw Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	Fed.	233	6	40	279
JEFFERSON COUNTY, L.R.433: Canoe Creek Bridge, near Rossiter, over Canoe Creek, Bell Township: Bridge Replacement: Length 0.1 Miles	Fed.	78	1	10	89
JEFFERSON COUNTY, L.R.33041, PA 310: Horn Run Bridge, over Horn Run, Washington Township: Bridge Replacement: Length 0.1 Miles	Fed.	312	5	40	357
JEFFERSON COUNTY, L.R.33008, PA 949: Big Mill Bridge, over Big Mill Run, Eldred/Union Township Line: Bridge Deck Replacement: Length 0.1 Miles	Fed.	39	2	6	47
JEFFERSON COUNTY, L.R.33041, PA 310: Horn Run Bridge, over Horn Run, Washington Township: Bridge Replacement: Length 0.1 Miles	Fed.	158	8	24	190
JEFFERSON COUNTY, L.R.33008, PA 949: Big Mill Bridge, over Big Mill Run, Eldred/Union Township Line: Bridge Deck Replacement: Length 0.1 Miles	Fed.	47	2	6	55
JEFFERSON COUNTY, L.R.33008, PA 949: Big Mill Bridge, over Big Mill Run, Eldred/Union Township Line: Bridge Deck Replacement: Length 0.1 Miles	Fed.	190	8	24	222
JEFFERSON COUNTY, L.R.60, US 322: North Fork Creek Bridge, North Fork Creek, Bookville Borough: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	Fed.	61	2	8	71
JEFFERSON COUNTY, L.R.33030, PA 968: Pekin Run Bridge, near Richardsville, Warsaw Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	Fed.	244	8	32	284
JEFFERSON COUNTY, L.R.33041, PA 310: Horn Run Bridge, over Horn Run, Washington Township: Bridge Replacement: Length 0.1 Miles	Fed.	36	2	8	46
JEFFERSON COUNTY, L.R.33041, PA 310: Horn Run Bridge, over Horn Run, Washington Township: Bridge Replacement: Length 0.1 Miles	Fed.	144	8	32	184
JEFFERSON COUNTY, L.R.33041, PA 310: Horn Run Bridge, over Horn Run, Washington Township: Bridge Replacement: Length 0.1 Miles	Fed.	39	1	8	48
JEFFERSON COUNTY, L.R.33041, PA 310: Horn Run Bridge, over Horn Run, Washington Township: Bridge Replacement: Length 0.1 Miles	Fed.	156	6	32	194
JEFFERSON COUNTY, L.R.33008, PA 949: Big Mill Bridge, over Big Mill Run, Eldred/Union Township Line: Bridge Deck Replacement: Length 0.1 Miles	Fed.	36	1	7	44
JEFFERSON COUNTY, L.R.33008, PA 949: Big Mill Bridge, over Big Mill Run, Eldred/Union Township Line: Bridge Deck Replacement: Length 0.1 Miles	Fed.	145	4	28	177
JEFFERSON COUNTY, L.R.433: Canoe Creek Bridge, near Rossiter, over Canoe Creek, Bell Township: Bridge Replacement: Length 0.1 Miles	Fed.	30	1	6	37
JEFFERSON COUNTY, L.R.433: Canoe Creek Bridge, near Rossiter, over Canoe Creek, Bell Township: Bridge Replacement: Length 0.1 Miles	Fed.	120	4	24	148
JEFFERSON COUNTY, L.R.60: Mill Creek Bridge, near Brookville, over Mill Creek, Pine Creek Township: Bridge Replacement: Length 0.1 Miles	Fed.	40	2	8	50
JEFFERSON COUNTY, L.R.60: Mill Creek Bridge, near Brookville, over Mill Creek, Pine Creek Township: Bridge Replacement: Length 0.1 Miles	Fed.	160	8	32	200
JUNIATA COUNTY, L.R.194, PA 35: Cocolamus Bridge, over Cocolamus Creek, Cocolamus, Fayette Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles	Fed.	46	2	5	53
JUNIATA COUNTY, L.R.194, PA 35: Cocolamus Bridge, over Cocolamus Creek, Cocolamus, Fayette Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles	Fed.	186	8	20	214
JUNIATA COUNTY, L.R.34012(A01): Mahantango Creek Bridge, Juniata/Snyder/Susquehanna Townships, Juniata/Snyder County Line: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	Fed.	120	4	12	136
JUNIATA COUNTY, L.R.34012(A01): Mahantango Creek Bridge, Juniata/Snyder/Susquehanna Townships, Juniata/Snyder County Line: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	Fed.	480	16	48	544

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		Base Project Cost	Land Cost	Design Cost	Total Project Cost
FROM CURRENT REVENUES					
Program: Bridge Restoration and Replacement					
JUNIATA COUNTY, L.R.45: Tuscarora Creek Bridge, near Village of Old Port, Turbett Township: Bridge Replacement, Detour Length 6.0 Miles: Length 0.1 Miles	State	\$ 354	\$ 4	\$ 39	\$ 397
	Fed.	1,416	16	159	1,591
JUNIATA COUNTY, L.R.34042: Last Creek Bridge, near Village of McAllisterville, Fayette Township: Bridge Replacement, Detour Length 14.0 Miles: Length 0.1 Miles	State	33	2	4	39
	Fed.	132	8	17	157
LACKAWANNA COUNTY, L.R.35072(09M): Mulberry Street Bridge, over Lackawanna River & Railroad, City of Scranton: Bridge Replacement: Length 0.2 Miles	State	2,000	100	328	2,428
	Fed.	8,000	400	1,312	9,712
LACKAWANNA COUNTY, L.R.5(60M), US 11: Conrail Bridge, over Erie/Lackawanna Railroad, Moosic Borough: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	80	2	13	95
	Fed.	318	8	54	380
LACKAWANNA COUNTY, L.R.439(18M), PA 502: Spring Brook Bridge, over Spring Brook, near Nesbit Reservoir, Spring Brook Township: Bridge Replacement, Detour 20.0 Miles: Length 0.1 Miles	State	102	1	17	120
	Fed.	408	4	68	480
LACKAWANNA COUNTY, L.R.5: Railroad Bridge, over Railroad, Moosic Borough: Bridge Replacement: Length 0.1 Miles	State	154	2	25	181
	Fed.	616	8	100	724
LANCASTER COUNTY, L.R.332(009), PA 324: Pequea Creek Bridge, over Pequea Creek, Martic & Conestoga Townships: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State	188	2	20	210
	Fed.	752	8	80	840
LANCASTER COUNTY, L.R.518(002), PA 625: Union Grove Road Bridge, over Conestoga Creek, East Earl Township, East of New Holland: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State	140	2	20	162
	Fed.	560	8	80	648
LANCASTER COUNTY, L.R.36067: Longnecker Road Bridge, over Little Chickies Creek, Rapho & East Donegal Townships: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State	86	1	8	95
	Fed.	345	4	35	384
LANCASTER COUNTY, L.R.36069: Little Chickies Creek Bridge, over Trib Little Chickies Creek, Mount Joy/Rapho Townships: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	128	2	13	143
	Fed.	515	8	52	575
LANCASTER COUNTY, L.R.36081(B02), PA 896: Octoraro Creek Bridge, over Octoraro Creek, Colerain Township: Bridge Rehabilitation, Detour 6.0 Miles: Length 0.1 Miles	State	83	. . . .	4	87
	Fed.	332	. . . .	16	348
LANCASTER COUNTY, L.R.138, PA 72: Fruitville Pike Bridge, over Amtrak, City of Lancaster & Manheim Township: Bridge Rehabilitation, Detour 3.0 Miles: Length 0.1 Miles	State	193	1	20	214
	Fed.	772	4	80	856
LANCASTER COUNTY, L.R.36131: Walnut Run Road Bridge, Little Beaver Creek, Strasburg Township: Bridge Deck Rehabilitation: Length 0.1 Miles	State	17	1	4	22
	Fed.	70	6	16	92
LANCASTER COUNTY, L.R.568, PA 23: Holland Heights Bridge, over Conestoga Creek, Manheim/East Lampeter Townships: Bridge Replacement: Length 0.1 Miles	State	88	1	8	97
	Fed.	353	4	32	389
LANCASTER COUNTY, L.R.36097: L.R.36097 Bridge, over Bells Run, Colerain Township: Bridge Replacement: Length 0.1 Miles	State	34	1	8	43
	Fed.	139	4	32	175
LANCASTER COUNTY, L.R.36001: Elizabethtown Road Bridge, over Trib Little Chickies Creek, Mount Joy Township: Bridge Replacement: Length 0.1 Miles	State	51	1	8	60
	Fed.	204	4	32	240
LANCASTER COUNTY, L.R.138, PA 72: Bridge over Shearers Creek, Penn/Rapho Townships: Bridge Replacement: Length 0.1 Miles	State	63	2	8	73
	Fed.	252	8	32	292
LANCASTER COUNTY, L.R.36094: L.R. 36094 Bridge, over Fishing Creek, Drumore Township: Bridge Replacement: Length 0.1 Miles	State	44	1	8	53
	Fed.	176	4	32	212

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
LANCASTER COUNTY, L.R.407, PA 441: South Susquehanna Street Bridge, over Stamens Run, Washington Borough: Bridge Replacement, Detour : Length 0.1 Miles	State	\$ 32	\$ 1	\$ 8	\$ 41
	Fed.	131	4	32	167
LANCASTER COUNTY, L.R.A50: Oregon Pike Bridge, over Lititz Creek, Manheim Township: Bridge Replacement: Length 0.1 Miles	State	57	1	8	66
	Fed.	228	4	32	264
LANCASTER COUNTY, L.R.36172: L.R.36172 Bridge, over Conrail Railroad, Providence Township: Bridge Replacement: Length 0.1 Miles	State	117	1	12	130
	Fed.	471	4	48	523
LANCASTER COUNTY, L.R.36173(848): Churchtown Road Bridge, over Conrail Railroad, Caernarvon Township: Bridge Removal: Length 0.1 Miles	State	33	1	8	42
	Fed.	135	4	32	171
LANCASTER COUNTY, L.R.36173: L.R.36173 Bridge, over Conestoga Creek, Caernarvon Township: Bridge Replacement: Length 0.1 Miles	State	69	1	8	78
	Fed.	276	4	32	312
LANCASTER COUNTY, L.R.36010: L.R.36010 Bridge, over Peters Creek & Branch, Fulton Township: Bridge Replacement: Length 0.1 Miles ..	State	48	1	8	57
	Fed.	192	4	32	228
LAWRENCE COUNTY, L.R.246, US 19: Grant City Bridge, over Abandoned Railroad, Slippery Rock Township: Bridge Replacement, Detour 11.0 Miles: Length 0.1 Miles	State	80	6	22	108
	Fed.	320	24	88	432
LAWRENCE COUNTY, L.R.A1623(A01), PA 317: West Poland Avenue Bridge, over Hickory Run, Borough of Bessemer: Bridge Replacement, Detour 5.0 Miles: Length 0.2 Miles	State	160	10	12	182
	Fed.	640	40	48	728
LAWRENCE COUNTY, L.R.350, PA 488: Portersville Road Bridge, over Slippery Rock Creek, Wayne & Perry Townships: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State	664	28	68	760
	Fed.	2,656	112	272	3,040
LAWRENCE COUNTY, L.R.482, PA 288: Wampum Avenue Bridge, over Spencer Run, Wayne Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	27	.....	3	30
	Fed.	109	.....	11	120
LAWRENCE COUNTY, L.R.482, PA 288: Wampum Avenue Bridge, over Ravine Creek, Wayne Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	28	.....	3	31
	Fed.	112	.....	11	123
LAWRENCE COUNTY, L.R.760, PA 168: Edwards Run Bridge, over Edwards Run, North Beaver Township: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles	State	22	.....	2	24
	Fed.	88	.....	9	97
LAWRENCE COUNTY, L.R.315, PA 65: 5th Street Bridge, over Con-noguensing Creek, Ellwood City Borough: Bridge Replacement, Detour 7.0 Miles: Length 0.2 Miles	State	921	.....	92	1,013
	Fed.	3,684	.....	368	4,052
LAWRENCE COUNTY, L.R.315, PA 65: Ellwood/New Castle Bridge, over Big Run, Shenango Township: Bridge Replacement, Detour 2.0 Miles: Length 0.1 Miles	State	10	.....	1	11
	Fed.	40	.....	4	44
LAWRENCE COUNTY, L.R.A1623, PA 317: East Poland Avenue Bridge, over Hickory Run, North Beaver Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	48	.....	5	53
	Fed.	191	.....	19	210
LAWRENCE COUNTY, L.R.265, PA 108: Mount Jackson/ New Castle Bridge, over Mahoning River, North Beaver Township, City of New Castle: Bridge Rehabilitation, Detour 13.0 Miles: Length 0.1 Miles	State	92	.....	9	101
	Fed.	366	.....	37	403
LAWRENCE COUNTY, L.R.315, PA 65: Squaw Run Bridge, over Squaw Run, Wayne Township: Bridge Rehabilitation, Detour 4.0 Miles: Length 0.1 Miles	State	14	.....	1	15
	Fed.	56	.....	6	62

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
LAWRENCE COUNTY, L.R.350, PA 488: Seipel Avenue Bridge, over Connoguensing Creek, Ellport Borough: Bridge Rehabilitation, Detour 4.0 Miles: Length 0.1 Miles	State	\$ 55		\$ 6	\$ 61
	Fed.	220		22	242
LAWRENCE COUNTY, L.R.482, PA 288: Wampum Avenue Bridge, over B & O Railroad, Wayne Township: Bridge Rehabilitation, Detour 17.0 Miles: Length 0.1 Miles	State	154		15	169
	Fed.	618		62	680
LAWRENCE COUNTY, L.R.A-1623, PA 317: East Poland Avenue Bridge, over Hickory Run, Bessemer Borough: Bridge Rehabilitation, Detour 5.0 Miles: Length 0.1 Miles	State	26		3	29
	Fed.	103		10	113
LAWRENCE COUNTY, L.R.37016, PA 18: Moravia Street Bridge, over Big Run, City of New Castle: Bridge Rehabilitation, Detour 3.0 Miles: Length 0.1 Miles	State	37		4	41
	Fed.	146		15	161
LAWRENCE COUNTY, L.R.37015, PA 18: Jefferson Street Bridge, over Neshannock River, City of New Castle: Bridge Rehabilitation, Detour 1.0 Miles: Length 0.1 Miles	State	108		11	119
	Fed.	431		43	474
LAWRENCE COUNTY, L.R.37026: Frew Mill Road Bridge #1, over Slippery Rock Creek, Slippery Rock Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles	State	150		15	165
	Fed.				
LAWRENCE COUNTY, L.R.37026: Frew Mill Road Bridge #2, over Slippery Rock Creek, Slippery Rock Township: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles	State	420		42	462
	Fed.				
LAWRENCE COUNTY, L.R.246, US 19: Abandoned Railroad Bridge, over Abandoned Railroad, Slippery Rock Township: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles	State	180		18	198
	Fed.	720		72	792
LAWRENCE COUNTY, L.R.265, PA 351: Mount Jackson Enon Valley Bridge, over Conrail, Little Beaver Township: Bridge Replacement: Length 0.1 Miles	State	187		19	206
	Fed.	748		75	823
LAWRENCE COUNTY, L.R.246, PA 19: Muddy Creek Bridge, over Muddy Creek, Slippery Rock Township: Bridge Replacement, Length 0.1 Miles	State	89		9	98
	Fed.	356		36	392
LAWRENCE COUNTY, L.R.246, US 19: Perry Highway Bridge, over Slippery Rock Creek, Scott Township: Bridge Replacement: Length 0.1 Miles	State	190		19	209
	Fed.	760		76	836
LAWRENCE COUNTY, L.R.37006, PA 168: Edwards Run Bridge, over Edwards Run, North Beaver Township: Bridge Replacement, Length 0.1 Miles	State	23		2	25
	Fed.	92		9	101
LAWRENCE COUNTY, L.R.37034, PA 208: Pulaski-New Bedford Bridge, 200 feet West of T-338, Pulaski Township: Bridge Replacement, Length 0.1 Miles	State	23		3	26
	Fed.	92		9	101
LEBANON COUNTY, L.R.38049: Swatara Creek Bridge -2, over Swatara Creek, Union & Swatara Townships: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State	192	\$ 5	20	217
	Fed.	769	20	80	869
LEBANON COUNTY, L.R.38003: Lindley Lane Bridge, over Raccoon Creek, East Hanover Township: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State	63	1	8	72
	Fed.	254	4	32	290
LEBANON COUNTY, L.R.38060(B01): Swatara Creek Bridge, over Swatara Creek, North Annville Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	150	1	15	166
	Fed.	600	4	60	664
LEBANON COUNTY, L.R.38012: Millbach Road Bridge, over Mill Creek, Millcreek Township: Bridge Deck Replacement: Length 0.1 Miles	State	18		4	22
	Fed.	74	2	16	92

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
LEBANON COUNTY, L.R.38033: Hertzler Road Bridge, over Little Con- ewago Creek, South Londonderry Township: Bridge Rehabilitation, Length 0.1 Miles.	State Fed.	\$ 18 72	. . . . \$ 2	\$ 4 16	\$ 22 90
LEHIGH COUNTY, L.R.175, PA 145: Treichlers Bridge, over Lehigh River and Railroad, North Whitehall Township: Bridge Rehabilitation, Detour 9.0 Miles: Length 0.1 Miles	State Fed.	773 3,094	33 134	54 215	860 3,443
LEHIGH COUNTY, L.R.39021: Swope Creek Bridge, over Swope Creek, Borough of Alburtis: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State Fed.	16 49	1 4	2 8	19 61
LEHIGH COUNTY, L.R.163, PA 309: Jordan Creek Bridge, over Jor- dan Creek, South Whitehall Township: Detour 2.0 Miles: Length 0.1 Miles	State Fed.	95 287	. . . . . . . .	12 38	107 325
LEHIGH COUNTY, L.R.157, US 222: Bridge over Freshet Creek, Upper Macungie Township: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State Fed.	24 96	. . . . . . . .	1 6	25 102
LEHIGH COUNTY, L.R.39001(011): Lieberts Gap Bridge, over Lieberts Run, Emmaus Borough, Pennsylvania Avenue: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State Fed.	76 304	20	50	146 304
LEHIGH COUNTY, L.R.39003: Hosensack Creek Bridge, over Hosen- sack Creek, Milford Township: Bridge Replacement: Length 0.1 Miles	State Fed.	34 136	2 8	3 13	39 157
LEHIGH COUNTY, L.R.39078: Lower Saucon Creek Bridge, over Lower Saucon Creek, Upper Saucon Township: Bridge Replacement: Length 0.1 Miles	State Fed.	60 240	2 8	6 24	68 272
LEHIGH COUNTY, L.R.163: Main Street Bridge, over Trout Creek, Slatington Borough: Bridge Replacement, Length 0.1 Miles	State Fed.	170 680	. . . . . . . .	17 68	187 748
LEHIGH COUNTY, L.R.153: Bridge over Tributary to Saucon Creek, Upper Saucon Township: Bridge Replacement, Length 0.1 Miles	State Fed.	37 148	. . . . . . . .	4 14	41 162
LEHIGH COUNTY, L.R.175: Lehigh River, Cementon Boro: Bridge Replacement: Length 0.1 Miles	State Fed.	600 2,400	. . . . . . . .	60 240	660 2,640
LUZERNE COUNTY, L.R.40174: Middle Road Bridge, over Solomon Creek, Hanover Township: Bridge Replacement, Length 0.1 Miles	State Fed.	42 168	. . . . . . . .	4 16	46 184
LUZERNE COUNTY, L.R.5: River Road Bridge, over Railroad, Plains Township: Bridge Replacement, Length 0.1 Miles	State Fed.	110 440	2 8	18 72	130 520
LUZERNE COUNTY, L.R.40022(003): Wapalopen Creek Bridge, over Little Wapalopen Creek, Dorrance Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State Fed.	45 178	1 2	6 28	52 208
LUZERNE COUNTY, L.R.40055: Conrail Bridge, over Conrail Railroad, Duryea Borough: Junction of LR 40104: Bridge Removal: Length 0.1 Miles	State Fed.	140 560	2 8	23 92	165 660
LUZERNE COUNTY, L.R.235: Mill Race Creek Bridge, over Mill Race Creek, Huntington Township: Bridge Replacement: Length 0.1 Miles	State Fed.	46 184	2 8	7 30	55 222
LUZERNE COUNTY, L.R.170: Solomans Creek Bridge, over Solomans Creek, Hanover Township: Bridge Rehabilitation: Length 0.1 Miles	State Fed.	60 240	2 8	9 39	71 287
LYCOMING COUNTY, L.R.23(001): W. Third Street Bridge, over Lycom- ing Creek, Williamsport: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State Fed.	140 560	4 16	16 64	160 640
LYCOMING COUNTY, L.R.41021(012): Otter Run Bridge, Pine Township: Bridge Replacement, Detour 99.0 Miles: Length 0.2 Miles	State Fed.	72 290	4 16	10 40	86 346

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
LYCOMING COUNTY, L.R.41022: Pine Creek Bridge, over Pine Creek, Brown Township: Bridge Rehabilitation, Detour 99.0 Miles: Length 0.1 Miles	State	\$ 364	\$ 48	\$ 73	\$ 485
	Fed.	1,457	194	292	1,943
LYCOMING COUNTY, L.R.41051(010): Bridge over Lycoming Creek, Village of Bodines, Lewis Township: Bridge Replacement, Detour 18.0 Miles: Length 0.1 Miles	State	172	17	19	208
	Fed.	689	68	76	833
LYCOMING COUNTY, L.R.41043: Roaring Branch Bridge, over Roaring Branch, Jackson Township: Bridge Replacement, Detour 20.0 Miles: Length 0.1 Miles	State	78	6	8	92
	Fed.	312	24	32	368
LYCOMING COUNTY, L.R. 41053(003): Loyalsock Creek Bridge, over Loyalsock Creek, Village of Barbours, Plunketts Creek Township: Bridge Replacement, Detour 99.0 Miles: Length 0.1 Miles	State	231	12	23	266
	Fed.	925	46	93	1,064
LYCOMING COUNTY, L.R.467: Shoemaker Run Bridge, over Shoemaker Run, Gamble Township: Bridge Replacement: Length 0.1 Miles	State	213	29	43	285
	Fed.	.....	.....	.....	.....
LYCOMING COUNTY, L.R.41001: Mud Run Bridge, over Mud Run, Washington Township: Bridge Replacement, Length 0.1 Miles	State	184	25	37	246
	Fed.	.....	.....	.....	.....
LYCOMING COUNTY, L.R.467: Field Station Bridge, over Lycoming Creek, Lewis Township: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State	255	15	30	300
	Fed.	1,020	60	120	1,200
LYCOMING COUNTY, L.R.353, PA 287: Larry's Creek Bridge -2, over Larry's Creek, Salladasburg Borough: Bridge Replacement, Detour 85.0 Miles: Length 0.1 Miles	State	127	8	15	150
	Fed.	508	32	60	600
LYCOMING COUNTY, L.R.41078: Lower Muncy Creek Bridge, over Little Muncy Creek, Franklin Township: Bridge Replacement, Detour 11.0 Miles: Length 0.1 Miles	State	158	8	20	186
	Fed.	632	32	80	744
LYCOMING COUNTY, L.R.106, PA 287: Little Pine Creek Bridge, over Little Pine Creek, Village of English Center: Bridge Replacement, Detour 85.0 Miles: Length 0.1 Miles	State	230	13	27	270
	Fed.	920	52	108	1,080
LYCOMING COUNTY, L.R.176, PA 44: White Deer Creek Bridge, over White Deer Creek, Village of ElimSPORT, Washington Township: Bridge Rehabilitation, Detour 7.0 Miles: Length 0.1 Miles	State	40	1	4	45
	Fed.	160	4	16	180
LYCOMING COUNTY, L.R.41027(012), PA973: Big Harbor Run Bridge, over Big Harbor Run, Borough of Salladasburg: Bridge Replacement, Detour 43.0 Miles: Length 0.1 Miles	State	64	4	12	80
	Fed.	256	16	48	320
LYCOMING COUNTY, L.R.41053(004): Plunketts Creek Bridge, over Plunketts Creek, Plunketts Creek Township: Bridge Replacement, Detour 30.0 Miles: Length 0.1 Miles	State	72	8	16	96
	Fed.	288	32	64	384
LYCOMING COUNTY, L.R.303, PA 442: Bridge over Little Muncy Creek, Bridge Replacement, Detour 50 Miles: Length 0.1 Miles	State	261	35	52	348
	Fed.	1,047	140	209	1,396
LYCOMING COUNTY, L.R.19, US 220: Bridge over Muncy Creek, Picture Rocks Borough: Bridge Rehabilitation, Detour 45.0 Miles: Length 0.1 Miles	State	226	.....	40	266
	Fed.	904	.....	160	1,064
LYCOMING COUNTY, L.R.20, PA 14: Bridge over Lycoming Creek, Bridge Rehabilitation, Detour 55.0 Miles: Length 0.1 Miles	State	110	5	16	131
	Fed.	440	20	64	524
LYCOMING COUNTY, L.R.41020, PA 973: Larry's Creek Bridge, over Larry's Creek, Mifflin Township: Bridge Replacement, Detour 9 Miles: Length 0.1 Miles	State	211	28	42	281
	Fed.	845	112	169	1,126
LYCOMING COUNTY, L.R.41050, Murrays Run Bridge, over Murrays Run, Gamble Township: Bridge Rehabilitation, Detour 14 Miles: Length 0.1 Miles	State	160	.....	.....	160
	Fed.	.....	.....	.....	.....

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
LYCOMING COUNTY, L.R.353: PA 287: Larry's Creek Bridge, over Larry's Creek, Piatt Township, Village of Larryville: Bridge Replacement, Detour 85.0 Miles: Length 0.1 Miles	State Fed.	\$ 127 508	\$ 10 40	\$ 13 52	\$ 150 600
LYCOMING COUNTY, L.R.19, US 220: Bridge over Muncy Creek, Glen Mawr, Bridge Rehabilitation, Detour 32.0 Miles: Length 0.1 Miles	State Fed.	160 642	. . . . . . . .	28 113	188 755
MCKEAN COUNTY, L.R.630, PA 321: Sugar Run Bridge, over South Branch of Sugar Run, Corydon Township: Bridge Replacement, Detour 40.0 Miles: Length 0.1 Miles	State Fed.	63 252	3 12	6 25	72 289
MCKEAN COUNTY, L.R.95, US 6: Main Street Bridge, over Chessie Railroad, Mount Jewett Borough: Bridge Replacement, Detour 20.0 Miles: Length 0.1 Miles	State Fed.	284 1,138	6 24	16 64	306 1,226
MCKEAN COUNTY, L.R.97(&228), US 219: Wintergreen Run Bridge, over Wintergreen Run, Lafayette Township, South of Timbuck: Bridge Rehabilitation, Detour 30.0 Miles: Length 0.1 Miles	State Fed.	30 120	2 8	3 12	35 140
MCKEAN COUNTY, L.R.211, PA 346: Foster Brook Bridge, over Foster Brook, Foster Township, Village of Gilmore: Bridge Replacement, Detour 14.0 Miles: Length 0.1 Miles	State Fed.	28 115	2 8	3 12	33 135
MCKEAN COUNTY, L.R.42012, PA 346: Tunungwant Creek Bridge, over Tunungwant Creek, Foster Township, near Bradford: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State Fed.	205 820	4 16	12 48	221 884
MCKEAN COUNTY, L.R.97, US 219: Lewis Brook Bridge, over Lewis Brook, Lewis Run Borough: Bridge Replacement, Detour 13.0 Miles: Length 0.2 Miles	State Fed.	119	10	12	141
MCKEAN COUNTY, L.R.97, US 219: Myam Run Bridge, over Myam Run, Lewis Run Borough: Bridge Replacement, Detour 13.0 Miles: Length 0.1 Miles	State Fed.	148	10	15	173
MCKEAN COUNTY, L.R.42026: Bell Run Bridge, over Bell Run, Ceres Township, South of Myrtle: Bridge Replacement, Detour 25.0 Miles: Length 0.1 Miles	State Fed.	45 181	3 12	4 16	52 209
MCKEAN COUNTY, L.R.42018: Annin Creek Bridge, over Annin Creek, Annin Township, Village of Turtle Point: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State Fed.	70 282	4 16	7 28	81 326
MCKEAN COUNTY, L.R.42016: Knapp Creek Bridge, over Knapp Creek, Otto Township, South of Duke Center: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State Fed.	51 204	4 16	5 20	60 240
MCKEAN COUNTY, L.R.236, PA 44: Oswayo Creek Bridge, over Oswayo Creek, Ceres Township, Village of Ceres: Bridge Replacement, Detour 15.0 Miles: Length 0.1 Miles	State Fed.	197 788	4 16	22 88	223 892
MCKEAN COUNTY, L.R.97, US 219: Shepard Run Bridge, over Shepard Run, Bradford Township, Village of Custer City: Bridge Replacement, Detour 43.0 Miles: Length 0.1 Miles	State Fed.	36 145	2 8	4 16	42 169
MCKEAN COUNTY, L.R.756: Tunungwant Creek Bridge, City of Bradford: Bridge Rehabilitation, Detour Length 3.0 Miles: Length 0.1 Miles	State Fed.	80 320	8 32	8 32	96 384
MERCER COUNTY, L.R.213, US 19: Perry Highway Bridge, over Otter Creek, Fairview Township, Southeast of Fredonia: Bridge Replacement, Detour 4.0 Miles: Length 0.2 Miles	State Fed.	130 520	6 24	16 64	152 608
MERCER COUNTY, L.R.43037, PA 846: Big Run Bridge, over Big Run, West Salem Township, West of Greenville: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State Fed.	84 336	5 20	16 64	105 420

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
MERCER COUNTY, L.R.43110: Millburn Road Bridge, over Neshannock Creek, Springfield Township: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles.....	State	\$ 114	\$ 4	\$ 12	\$ 130
	Fed.	456	16	48	520
MERCER COUNTY, L.R.82, PA 18: Osgood T.R.18 Bridge, over Con-rail Railroad, Sugar Grove Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles.....	State	180	6	22	208
	Fed.	720	24	88	832
MERCER COUNTY, L.R.43074: New Lebanon Road Bridge, over Deer Creek, French Creek Township: Bridge Replacement, Detour 11.0 Miles: Length 0.1 Miles.....	State	114	10	20	144
	Fed.	456	40	80	576
MERCER COUNTY, L.R.43035: Porter Road Bridge, over Shenango River, West Salem Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles.....	State	116	6	18	140
	Fed.	464	24	72	560
MERCER COUNTY, L.R.43074: New Lebanon Road Bridge, over French Creek, French Creek Township: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles.....	State	320	6	28	354
	Fed.	1,280	24	112	1,416
MERCER COUNTY, L.R.43090: Sunol Road Bridge, over Trib of North Deer Creek, French Creek Township: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles.....	State	54	2	4	60
	Fed.	214	8	16	238
MERCER COUNTY, L.R.208, US 62: Lake Street Bridge, over Sandy Creek, Sandy Lake Borough: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles.....	State	144	2	14	160
	Fed.	577	8	56	641
MERCER COUNTY, L.R.238, PA 518: Longview Road Bridge, over Bob-by Run, City of Hermitage: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles.....	State	66	4	6	76
	Fed.	264	16	24	304
MERCER COUNTY, L.R.43017, PA 258: Hope Mill Road Bridge, over Pine Run, Findley Township: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles.....	State	58	4	6	68
	Fed.	312	16	24	352
MERCER COUNTY, L.R.208, US 62: Otter Creek Bridge, over Otter Creek, Coolspring Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles.....	State	80	10	10	100
	Fed.	320	40	40	400
MERCER COUNTY, L.R.208, US 62: Sandy Creek Tributary Bridge, over Sandy Creek Tributary, Sandy Lake Township: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles.....	State	36	4	8	48
	Fed.	144	16	32	192
MERCER COUNTY, L.R.213, US 19: Oil Mill Run Bridge, over Oil Mill Run, Coolspring Township: Bridge Replacement, Detour 2.0 Miles: Length 0.1 Miles.....	State	90	10	10	110
	Fed.	360	40	40	440
MERCER COUNTY, L.R.320, PA 258: Lackawannock Creek Bridge, over Lackawannock Creek, Jefferson Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles.....	State	60	4	10	74
	Fed.	240	16	40	296
MERCER COUNTY, L.R.43007, PA 318: Little Neshannock Bridge, over West Branch of Little Neshannock Creek, Lackawannock Township: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles.....	State	90	4	10	104
	Fed.	360	16	40	416
MIFFLIN COUNTY, L.R.29: Yeagertown Bridge, Bridge over Kishaco-quillas Creek & Railroad, Brown Township, Village of Yeagertown: Bridge Replacement & Approaches, Detour : Length 0.1 Miles.....	State	541	10	60	611
	Fed.	2,165	40	240	2,445
MIFFLIN COUNTY, L.R.A-2764(A01): Towne Run Bridge, over Towne Run, Oliver Township: Bridge Replacement, Detour- 7.0 Miles: Length 0.1 Miles.....	State	32	2	3	37
	Fed.	128	8	12	148
MIFFLIN COUNTY, L.R.44004(A01): Kishacoquillas Creek Bridge, Union Township: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles ..	State	37	2	3	42
	Fed.	148	8	15	171

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
MIFFLIN COUNTY, L.R.28, US 522: Kishacoquillas Creek Bridge, over Kishacoquillas Creek, Lewistown Borough: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State	\$ 194	\$ 10	\$ 12	\$ 216
	Fed.	779	40	48	867
MIFFLIN COUNTY, L.R.44001: Towne Run Bridge, over Towne Run, Oliver Township, North of McVeytown: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles.....	State	28	2	3	33
	Fed.	115	8	12	135
MIFFLIN COUNTY, L.R.788, US 322: L.R.28/Conrail Railroad Bridge, over L.R.28 and Conrail, Lewistown Borough: Bridge Rehabilitation, Detour 3.0 Miles: Length 0.1 Miles	State	358	2	40	400
	Fed.	1,432	8	160	1,600
MIFFLIN COUNTY, L.R.44001: Buck Run Bridge -1, Southwest of Burnham, Derry Township: Bridge Replacement, Detour Length 7.0 Miles: Length 0.1 Miles.....	State	24	3	6	33
	Fed.	96	12	24	132
MIFFLIN COUNTY, L.R.44001: Buck Run Bridge -2, Southwest of Burnham, Derry Township: Bridge Replacement, Detour Length 7.0 Miles: Length 0.1 Miles.....	State	8	2	1	11
	Fed.	35	8	4	47
MONROE COUNTY: L.R.45019: Mountain Run Bridge, Stroud Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles ..	State	12	2	1	15
	Fed.	48	8	4	60
MONROE COUNTY: L.R.45057: Flagler Run Bridge, over Flagler Run, Stroud Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	22	2	2	26
	Fed.	88	8	8	104
MONROE COUNTY: L.R.45037, PA 423: Tobyhanna Creek Bridge, over Tobyhanna Creek, Coolbaugh Township: Bridge Rehabilitation, Detour 17.0 Miles: Length 0.1 Miles	State	32	.....	3	35
	Fed.	130	.....	12	142
MONROE COUNTY: L.R.45020: Stony Creek Bridge, over Stony Creek, Price Township: Bridge Replacement: Length 0.1 Miles.....	State	40	2	4	46
	Fed.	160	8	16	184
MONROE COUNTY: L.R.254, PA 507: Gouldsboro Interchange Bridge, over I-380(SB), Coolbaugh Township: Bridge Rehabilitation, Detour 1.0 Miles: Length 0.1 Miles.....	State	32	.....	4	36
	Fed.	95	.....	13	108
MONROE COUNTY: L.R.254, PA 507: Gouldsboro Interchange Bridge, over I-380, Coolbaugh Township: Bridge Rehabilitation, Detour 1.0 Miles: Length 0.1 Miles.....	State	32	.....	4	36
	Fed.	97	.....	13	110
MONROE COUNTY: L.R.408, PA 940: Tobyhanna Creek Bridge, Carbon/Monroe County Line, Tobyhanna Township: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State	12	1	12	25
	Fed.	480	2	48	530
MONROE COUNTY: L.R.776: Water Gap Bridge, over L.R.166, Smithfield Township: Bridge Rehabilitation, Detour 2.0 Miles: Length 0.1 Miles	State	144	.....	14	158
	Fed.	578	.....	57	635
MONROE COUNTY: L.R.168: Erie/Lackawanna Railroad Bridge, over Erie/Lackawanna Railroad, Coolbaugh Township: Bridge Replacement, Detour 14.0 Miles: Length 0.1 Miles	State	104	2	10	116
	Fed.	416	8	41	465
MONTGOMERY COUNTY, L.R.46060(10S): Mill Road Bridge, over Skippack Creek, east of Collegeville, Evansburg State Park: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles.....	State	132	4	13	149
	Fed.	527	16	53	596
MONTGOMERY COUNTY, L.R.46198: Crusher Road Bridge, over Unami Creek, Marlboro Township: Bridge Replacement: Length 0.1 Miles	State	117	6	12	135
	Fed.	470	24	47	541
MONTGOMERY COUNTY, L.R.46023: Salfordville Road Bridge, over East Perkiomen, Lower Salford Township: Bridge Replacement: Length 0.1 Miles	State	167	5	17	189
	Fed.	668	20	67	755

CAPITAL BUDGET

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
MONTGOMERY COUNTY, L.R.46013(22M): Kutztown Road Bridge, over Mosalles Creek, Upper Hanover Township: Bridge Replacement: Length 0.1 Miles	State Fed.	\$ 65	\$ 2	\$ 5	\$ 72
MONTGOMERY COUNTY, L.R.198, PA 63: Sunnyside Pk/ Unami Creek Bridge, over Unami Creek, Upper Salford and Malboro Townships: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles	State Fed.	130 520	10 40	15 60	155 620
MONTGOMERY COUNTY, L.R.158, PA 29: Parkiomn Av/ Macby Creek Bridge, over Macoby Creek, Green Lane Borough: Bridge Replacement, Detour 1.0 Miles: Length 0.1 Miles	State Fed.	100 400	10 40	15 60	125 500
MONTGOMERY COUNTY, L.R.158, PA 29: Gravel Pike Bridge, over Hosensack Creek, Upper Hanover Township: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State Fed.	80 320	10 40	10 40	100 400
MONTGOMERY COUNTY, L.R.158, PA 29: Gravel Pike Bridge, over Branch of Perkioment Creek, Upper Hanover Township: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State Fed.	40 160	10 40	10 40	60 240
MONTGOMERY COUNTY, L.R.155: PA 263: York Road Bridge, over Pennypack Creek, Hatboro Borough: Bridge Replacement, Detour 1.0 Miles: Length 0.1 Miles	State Fed.	115 460	10 40	15 60	140 560
MONTGOMERY COUNTY, L.R.153: Bethlehem Pke Bridge, over Septa, Whitmarsh Township: Bridge Replacement, Detour 1.0 Miles: Length 0.1	State Fed.	70 280	10 40	10 40	90 360
MONTGOMERY COUNTY, L.R.46137: Crooked Lane Bridge, over Septa, Upper Merion Township: Bridge Replacement: Length 0.1 Miles	State Fed.	80 320	5 20	10 40	95 380
MONTGOMERY COUNTY, L.R.225, PA 202: Dekalb Pike Bridge, over Reading Railroad, South Schuylkill River, Bridgeport Borough: Bridge Replacement: Length 0.1 Miles	State Fed.	555 2,220	20 80	55 221	630 2,521
MONTGOMERY COUNTY, L.R.46107: Conshohocken Road Bridge, over Reading Railroad and Creek, Conshohocken Borough: Bridge Replacement: Length 0.1 Miles	State Fed.	158 632	10 40	15 63	183 735
MONTGOMERY COUNTY, L.R.A—2696: Layfield Road Bridge, over Minister Creek, New Hanover Township: Bridge Replacement: Length 0.1 Miles	State Fed.	47 188	5 20	4 18	56 226
MONTGOMERY COUNTY, L.R.46067: Andris Road Bridge, over Skippack Creek, Evansburg State Park, Skippack Township: Bridge Replacement: Length 0.1 Miles	State Fed.	119 476	4 16	11 47	134 539
MONTGOMERY COUNTY, L.R.146, PA 422: Ridge Pike Bridge, over Manatawny Creek, East of PA 100, Pottstown Borough: Bridge Replacement: Length 0.1 Miles	State Fed.	147 588	8 32	14 58	169 678
MONTOUR COUNTY, L.R.182(014), PA 54: Danville Bridge, over Susquehanna River: Bridge Replacement, Detour 38.0 Miles: Length 0.4 Miles	State Fed.	2,166 8,664	..... .....	..... .....	2,166 8,664
MONTOUR COUNTY, L.R.47018: South Bridge, over Limestone Run, Limestone Township: Bridge Replacement, Detour 11.0 Miles: Length 0.1 Miles	State Fed.	133	18 .....	..... .....	151
MONTOUR COUNTY, L.R.47015: Lowry Creek Bridge 2, over Lowry Creek, Derry Township: Bridge Replacement, Detour 18.0 Miles: Length 0.1 Miles	State Fed.	149 596	20 80	29 119	198 795
MONTOUR COUNTY, L.R.47024: Mauses Creek Bridge, over Mauses Creek, Valley Township: Bridge Replacement, Detour 2.0 Miles: Length 0.1 Miles	State Fed.	68 272	4 16	8 32	80 320

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
MONTOUR COUNTY, L.R.240, PA 54: Chillisquaque Creek: Bridge Replacement, Detour 32.0 Miles: Length 0.1 Miles	State	\$ 93	\$ 2	\$ 15	\$ 110
	Fed.	372	8	60	440
MONTOUR COUNTY, L.R.505, PA 642: Mahoning Creek Bridge, over Mahoning Creek, Valley Township: Bridge Rehabilitation, Detour 99.0 Miles: Length 0.1 Miles	State	58	. . . .	10	68
	Fed.	232	. . . .	40	272
MONTOUR COUNTY, L.R.249, PA 44: Bridge at Chillisquaque, over Branch Chillisquaque, Anthony Township: Bridge Rehabilitation, Detour 24.0 Miles: Length 0.1 Miles	State	62	. . . .	11	73
	Fed.	248	. . . .	44	292
MONTOUR COUNTY, L.R.505, PA 642: Mahoning Creek Bridge, over Mahoning Creek, West Hemlock Township: Bridge Rehabilitation, Detour 24.0 Miles: Length 0.1 Miles	State	44	. . . .	7	51
	Fed.	177	. . . .	31	208
MONTOUR COUNTY, L.R.587: Lowry Creek Bridge, over Lowry Creek, Derry Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State	141	18	28	187
	Fed.	566	75	112	753
MONTOUR COUNTY, L.R.505, PA 642: Mahoning Creek Bridge, over Mahoning Creek, Valley Township: Bridge Rehabilitation, Detour 99.0 Miles: Length 0.1 Miles	State	196	26	39	261
	Fed.	784	104	156	1,044
NORTHAMPTON COUNTY, L.R.156(A08), PA 611: Freys Run Bridge North, over Freys Run, Williams Township: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State	84	5	12	101
	Fed.	338	21	50	409
NORTHAMPTON COUNTY, L.R.165: Martins Creek Bridge, over Martins Creek, Bangor Borough: Bridge Rehabilitation, Detour 1.0 Miles: Length 0.1 Miles	State	56	4	8	68
	Fed.	224	15	33	272
NORTHAMPTON COUNTY, L.R.166, PA 512: Bushkill Creek Bridge 2, over Bushkill Creek, Plainfield Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	85	. . . .	13	98
	Fed.	257	. . . .	38	295
NORTHAMPTON COUNTY, L.R.48025: Bushkill Creek Bridge, over Bushkill Creek, Forks Township: Bridge Deck Replacement, Detour 8.0 Miles: Length 0.1 Miles	State	81	. . . .	12	93
	Fed.	244	. . . .	37	281
NORTHUMBERLAND COUNTY, L.R.49033(03): Irish Valley Creek Bridge, Shamokin Township: Bridge Replacement, Detour 99.0 Miles: Length 0.2 Miles	State	74	9	14	97
	Fed.	296	39	59	394
NORTHUMBERLAND COUNTY, L.R.49096: Chillisquaque Creek Bridge, over Chillisquaque Creek, Lewis Township: Bridge Replacement: Length 0.1 Miles	State	26	4	5	35
	Fed.	106	14	21	141
NORTHUMBERLAND COUNTY, L.R.473, PA 54: Warrior Run Bridge 2, over Warrior Run, Lewis Township: Bridge Rehabilitation, Detour 10.0 Miles: Length 0.1 Miles	State	26	1	3	30
	Fed.	104	4	12	120
NORTHUMBERLAND COUNTY, L.R.161(063), PA 61: Little Shamokin Creek Bridge, over Little Shamokin Creek, Upper Augusta Township: Bridge Replacement: Detour 27.0 Miles: Length 0.1 Miles	State	130	5	15	150
	Fed.	520	20	60	600
NORTHUMBERLAND COUNTY, L.R.460(004), PA 44: Allenwood Bridge, over Susquehanna River, Delaware Township: Bridge Replacement: Detour 6.0 Miles: Length 0.2 Miles	State	1,682	. . . .	. . . .	1,682
	Fed.	6,726	. . . .	. . . .	6,726
NORTHUMBERLAND COUNTY, L.R.1, PA 147: Shamokin Creek Bridge, over Shamokin Creek, City of Sunbury: Bridge Rehabilitation: Detour 66 Miles: Length 0.1 Miles	State	766	90	135	991
	Fed.	3,067	360	541	3,968
NORTHUMBERLAND COUNTY, L.R.49023: Boiles Run Bridge, over Boiles Run, Lower Augusta Township: Bridge Replacement: Detour 14 Miles: Length 0.1 Miles	State	62	8	12	82
	Fed.	248	33	49	330

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
NORTHUMBERLAND COUNTY, L.R.49046: Little Roaring Creek Bridge, over Little Roaring Creek, Rush Township: Bridge Replacement: Detour 12 Miles: Length 0.1 Miles	State Fed.	\$ 54 216	\$ 7 28	\$ 10 43	\$ 71 287
NORTHUMBERLAND COUNTY, L.R.49049: Tributary to Susquehanna River Bridge, 6 Miles East of Northumberland Boro: Bridge Rehabilitation: Detour 8 Miles: Length 0.1 Miles	State Fed.	32 131	. . . . . . . .	5 23	37 154
NORTHUMBERLAND COUNTY, L.R.336, PA 225: Tributary Mahantango Creek Bridge, 1 Mile North of Pillow: Bridge Replacement: Detour 36 Miles: Length 0.1 Miles	State Fed.	20 82	. . . . 1	3 12	23 95
NORTHUMBERLAND COUNTY, L.R.336, PA 225: Mouse Run Bridge, 2 Miles North of Mandata: Bridge Replacement: Detour 66 Miles: Length 0.1 Miles	State Fed.	18 75	. . . . 1	2 11	20 87
PERRY COUNTY, L.R.40(571), PA 34: Shermansdale Road Bridge, Carroll Township: Bridge Replacement: Length 0.2 Miles	State Fed.	102 409	1 4	10 40	113 453
PERRY COUNTY, L.R.34076(572): Buffalo Creek Bridge, over Buffalo Creek, Juniata & Centre Townships: Bridge Replacement: Detour 6.0 Miles: Length 0.1 Miles	State Fed.	58 232	1 4	8 32	67 268
PERRY COUNTY, L.R.50044: Sherman Creek Bridge 1, over Sherman Creek, Carroll Township: Bridge Replacement: Detour 7.0 Miles: Length 0.1 Miles	State Fed.	127 508	1 4	13 52	141 564
PERRY COUNTY, L.R.50009: Shermans Creek Bridge, Southwest Madison Township: Bridge Replacement: Length 0.1 Miles	State Fed.	107 429	1 4	10 42	118 475
PERRY COUNTY, L.R.50014: Dellville Road Bridge, over Sherman Creek, Penn Township: Bridge Replacement: Length 0.1 Miles	State Fed.	121 487	1 4	12 49	134 540
PERRY COUNTY, L.R.50014: Dellville Road Bridge, over Sherman Creek, Penn & Wheatfield Township: Bridge Replacement: Length 0.1 Miles .	State Fed.	177 708	1 4	18 72	196 784
PERRY COUNTY, L.R.50058: Bixler Run Bridge, Northeast Madison Township: Bridge Replacement: Length 0.1 Miles	State Fed.	60 240	1 4	8 32	69 276
PERRY COUNTY, L.R.50009: Shermans Creek Bridge, Southwest Madison Township: Bridge Replacement: Length 0.1 Miles	State Fed.	113 452	1 4	11 45	125 501
PHILADELPHIA COUNTY, L.R.67030: 29th Street Bridge, over Amtrak, Glenwood & Sedgley Street, Philadelphia: Bridge Replacement: Length 0.1 Miles	State Fed.	249 996	15 60	24 99	288 1,155
PHILADELPHIA COUNTY, L.R.67309: Lindbergh Boulevard/B & O Bridge, B & O Railroad, Lindbergh & Harley Street, Philadelphia: Bridge Replacement: Length 0.1 Miles	State Fed.	141 564	15 60	14 56	170 680
PHILADELPHIA COUNTY, L.R.67029: Allen's Lane Bridge, over SEPTA, Philadelphia City, South of Germantown Avenue: Bridge Replacement: Detour 1.0 Miles: Length 0.1 Miles	State Fed.	80 320	10 40	10 40	100 400
PHILADELPHIA COUNTY, L.R.67313, PA 3: Market Street Bridge over B & O Railroad, City of Philadelphia: Bridge Replacement: Detour 1.0 Miles: Length 0.1 Miles	State Fed.	600 2,400	10 40	70 280	680 2,720
POTTER COUNTY, L.R.52045: Honeoye Creek Bridge, over Honeoye Creek, Sharon Township: Bridge Replacement: Detour 14.0 Miles: Length 0.1 Miles	State Fed.	68 274	7 28	6 24	81 326
POTTER COUNTY, L.R.52004(A01): Mina Bridge, over Allegheny River, Roulette Township: Bridge Replacement: Detour 32.0 Miles: Length 0.1 Miles	State Fed.	100 400	3 12	11 44	114 456

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
POTTER COUNTY, L.R.52017: Germania Station Bridge, over West Branch Pine Creek, West Branch Township: Bridge Replacement: Detour 12.0 Miles: Length 0.1 Miles	State Fed.	\$ 102 408	\$ 4 16	\$ 12 48	\$ 118 472
POTTER COUNTY, L.R.52002(A01): Sinnemahoning Creek II, over Sinnemahoning Creek, Sylvania Township: Bridge Replacement: Detour 28.0 Miles: Length 0.1 Miles	State Fed.	120 480	4 16	11 44	135 540
POTTER COUNTY, L.R.52001: Sinnemahoning Creek I Bridge, over Sinnemahoning Creek, West Branch Township: Bridge Replacement: Detour 11.0 Miles: Length 0.1 Miles	State Fed.	28 112	2 8	3 12	33 132
POTTER COUNTY, L.R.52050(221): Ludington Run Bridge, over Ludington Run, Bingham Township: Bridge Replacement: Detour 11.0 Miles: Length 0.1 Miles	State Fed.	30 120	2 8	3 12	35 140
POTTER COUNTY, L.R.52012: Burtville Bridge, over Allegheny River, Roulette Township: Bridge Replacement: Detour 5.0 Miles: Length 0.1 Miles	State Fed.	115 461	2 9	11 46	128 516
POTTER COUNTY, L.R.52008(A01): Oswayo Creek Bridge, over Oswayo Creek, Sharon Township: Bridge Replacement: Detour 14.0 Miles: Length 0.1 Miles	State Fed.	86 344	4 16	8 34	98 394
POTTER COUNTY, L.R.52018: Wetmore Run Bridge, over Wetmore Run, West Branch Township: Bridge Replacement: Detour 14.0 Miles: Length 0.1 Miles	State Fed.	32 128	2 8	3 12	37 148
POTTER COUNTY, L.R.52018: Beech Flats Brook Bridge, over Beech Flats Book, West Branch Township: Bridge Replacement: Detour 14.0 Miles: Length 0.1 Miles	State Fed.	30 123	2 8	3 12	35 143
POTTER COUNTY, L.R.A-4809: Harrison Valley Bridge, over Cowanesque River, Harrison Township: Bridge Replacement: Detour 14.0 Miles: Length 0.1 Miles	State Fed.	49 197	2 8	5 20	56 225
POTTER COUNTY, L.R.566, PA 244: Lake Run Bridge, Genesee Township, Village of Ellisburg: Bridge Replacement, Detour 11.0 Miles: Length 0.1 Miles	State Fed.	56 225	2 8	5 22	63 255
POTTER COUNTY, L.R.566, PA 244: Genesee River Bridge, Genesee Township, Village of Ellisburg: Bridge Replacement, Detour 11.0 Miles: Length 0.1 Miles	State Fed.	79 316	10 40	8 33	97 389
POTTER COUNTY, L.R.566, PA 244: Irish Settlement Run Bridge, Genesee Township: Bridge Replacement, Detour 11.0 Miles: Length 0.1 Miles	State Fed.	54 219	4 16	5 23	63 258
POTTER COUNTY, L.R.52029: Genesee River Bridge II, Bingham Township, Village of West Bingham: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State Fed.	76 304	4 16	8 32	88 352
POTTER COUNTY, L.R.52009: Clara Creek Bridge, Clara Township: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State Fed.	59 237	4 16	7 28	70 281
POTTER COUNTY, L.R.52012: Allegheny River Bridge, Roulette Township, Village of Roulette: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State Fed.	108 432	4 16	12 48	124 496
POTTER COUNTY, L.R.52029: Mundy Creek Bridge, Genesee Township, Village of Perrysville: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State Fed.	49 196	4 16	5 21	58 233
POTTER COUNTY, L.R.52031: Turner Run Bridge, Bingham Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State Fed.	75 300	4 16	8 32	87 348

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
POTTER COUNTY, L.R.52050: Ludington Run Bridge, North of Newfield, Ulysses Township: Bridge Replacement, Detour 11.0 Miles: Length 0.1 Miles.....	State	\$ 28	\$ 3	\$ 4	\$ 35
	Fed.	114	12	16	142
SCHUYLKILL COUNTY, L.R.141, PA 61: Bridge over County Home Creek, Schuylkill Haven: Bridge Replacement: Length 0.1 Miles.....	State	300	10	30	340
	Fed.	.....	.....	.....	.....
SCHUYLKILL COUNTY, L.R.53042, PA 924: Catawiss Creek Bridge, East Union Township: Bridge Replacement, Detour 2.0 Miles: Length 0.2 Miles.....	State	115	6	10	131
	Fed.	346	20	30	396
SCHUYLKILL COUNTY, L.R.53069: Bridge over Tomhicken Creek, North Union Township: Bridge Deck Replacement: Length 0.1 Miles..	State	20	.....	2	22
	Fed.	80	.....	8	88
SCHUYLKILL COUNTY, L.R.53098: New Philadelphia Bridge, over Schuylkill River, New Philadelphia Boro: Bridge Replacement: Length 0.1 Miles.....	State	44	2	4	50
	Fed.	176	8	17	201
SCHUYLKILL COUNTY, L.R.53036: Locust Creek Bridge, Tributary to Locust Creek, Ryan Township: Bridge Rehabilitation: Length 0.1 Miles	State	75	.....	7	82
	Fed.	300	.....	29	329
SCHUYLKILL COUNTY, L.R.199, US 209: Schuylkill River Bridge, Brunswick Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles.....	State	55	.....	8	63
	Fed.	165	.....	25	190
SCHUYLKILL COUNTY, L.R.718, PA 61: Mahanoy Creek Bridge, Ashland Borough: Bridge Deck Replacement, Detour 7.0 Miles: Length 0.1 Miles.....	State	35	.....	3	38
	Fed.	140	.....	13	153
SCHUYLKILL COUNTY, L.R.53008: Bridge over West Branch, Schuylkill River, North Manheim Township: Bridge Deck Replacement: Length 0.1 Miles.....	State	49	.....	7	56
	Fed.	146	.....	22	168
SCHUYLKILL COUNTY, L.R.161: Mahanoy Creek Bridge, Butler Township: Bridge Replacement: Length 0.1 Miles.....	State	60	2	6	68
	Fed.	240	8	24	272
SCHUYLKILL COUNTY, L.R.53055: Haas Bridge, over Mahantango Creek, Upper Mahantango Township: Bridge Replacement: Length 0.1 Miles.....	State	26	2	2	30
	Fed.	104	8	10	122
SCHUYLKILL COUNTY, L.R.53027: Rausch Creek, 1.3 Miles South of Valley View: Bridge Replacement: Length 0.1 Miles.....	State	189	.....	19	208
	Fed.	.....	.....	.....	.....
SCHUYLKILL COUNTY, L.R.53027: Rausch Creek, 1.7 Miles South of Valley View: Bridge Replacement: Length 0.1 Miles.....	State	189	.....	19	208
	Fed.	.....	.....	.....	.....
SCHUYLKILL COUNTY, L.R.53024: Little Swatara Creek, 0.2 Miles South of Marstown: Bridge Replacement: Length 0.1 Miles.....	State	477	.....	48	525
	Fed.	.....	.....	.....	.....
SNYDER COUNTY L.R.54002: Aline Bridge, over tributary Mahantango Creek, Perry Township: Bridge Replacement: Length 0.1 Miles.....	State	118	16	24	158
	Fed.	.....	.....	.....	.....
SNYDER COUNTY L.R.54013: Penns Creek Bridge, North West of Selinsgrove, Penn & Monroe Township: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles.....	State	289	17	34	340
	Fed.	1,156	68	136	1,360
SNYDER COUNTY L.R.28, US 522: Beaver Creek Bridge, over tributary Middle Creek, Spring Township: Bridge Rehabilitation, Detour 99.0 Miles: Length 0.1 Miles.....	State	85	5	10	100
	Fed.	340	20	40	400
SNYDER COUNTY L.R.25, US 522: Middle Creek Bridge 2, Boro of Middleburg: Bridge Replacement, Detour 13.0 Miles: Length 0.1 Miles...	State	117	8	13	138
	Fed.	468	32	52	552
SNYDER COUNTY L.R.195, PA 104: Mahantango Creek Bridge, Juniata-Snyder County's Line: Bridge Rehabilitation, Detour 31.0 Miles: Length 0.1 Miles.....	State	304	40	61	405
	Fed.	1,219	162	244	1,625

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(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
SNYDER COUNTY L.R.194, PA 35: Mill Creek, Village of Kantz: Bridge Replacement, Detour 16.0 Miles: Length 0.1 Miles	State	\$ 224	\$ 29	\$ 44	\$ 297
	Fed.	896	119	179	1,194
SNYDER COUNTY L.R.229: Middle Creek, 2 Miles Southwest of Selinsgrove: Bridge Rehabilitation, Detour 3.0 Miles: Length 0.1 Miles	State	59	1	9	69
	Fed.	238	5	36	279
SOMERSET COUNTY L.R.52, PA 403: Blough Bridge, over Stony Creek, Quemahoning Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles	State	106		9	115
	Fed.	424		38	462
SOMERSET COUNTY L.R.548: Shanksville Bridge, over Stony Creek, Shanksville Boro: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	140		14	154
	Fed.	560		56	616
SOMERSET COUNTY L.R.51, US 219: Buffalo Creek Bridge, Brothers Valley Township, near Berlin Boro: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	117		11	128
	Fed.	469		47	516
SOMERSET COUNTY L.R.547, PA 653: B & O Railroad Bridge 1, Black Township: Bridge Replacement, Length 0.1 Miles	State	260	5	24	289
	Fed.	1,040	20	96	1,156
SOMERSET COUNTY L.R.55058: Schrock Run Bridge, Stoney Creek Township: Bridge Replacement: Length 0.1 Miles	State	62	2	6	70
	Fed.	251	8	24	283
SOMERSET COUNTY L.R.52, PA 403: Stoney Creek 2, Benson Boro, Conemaugh Township: Bridge Replacement: Length 0.1 Miles	State	229	5	30	264
	Fed.	916	22	120	1,058
SOMERSET COUNTY L.R.547, PA 653: Coxes Creek Bridge Replacement, Rockwood Boro: Bridge Replacement: Length 0.1 Miles	State	133	4	14	151
	Fed.	532	16	56	604
SOMERSET COUNTY L.R.52, PA 403: Bens Creek Bridge Rehabilitation, Conemaugh Township: Bridge Rehabilitation: Length 0.1 Miles	State	79	1	8	88
	Fed.	316	4	32	352
SULLIVAN COUNTY L.R.56023: Black Creek Bridge, Forks Township: Bridge Replacement: Length 0.1 Miles	State	238	32	48	318
	Fed.				
SULLIVAN COUNTY L.R.217(016), PA 87: Mehopany Creek Bridge, Colley Township: Bridge Replacement, Detour 99.0 Miles: Length 0.1 Miles	State	40	4	7	51
	Fed.	160	16	28	204
SULLIVAN COUNTY L.R.217, PA 87: Little Loyalsock Creek, Boro of Dushore: Bridge Replacement, Detour 3 Miles: Length 0.1 Miles	State	194	26	39	259
	Fed.	777	104	156	1,037
SULLIVAN COUNTY L.R.611: 1 Mile West of Nordmont: Bridge Replacement, Detour Isolated: Length 0.1 Miles	State	121	16	24	161
	Fed.	484	64	96	644
SULLIVAN COUNTY L.R.291, PA 87: Hoagland Branch, 9 Miles West of Forksville: Bridge Replacement, Detour Isolated: Length 0.1 Miles	State	127		22	149
	Fed.	509		90	599
SUSQUEHANNA COUNTY, L.R.296(36M): Starrucca Creek Bridge Replacement, Thompson Township: Bridge Replacement, Detour 18.0 Miles: Length 0.1 Miles	State	27	1	5	33
	Fed.	110	4	18	132
SUSQUEHANNA COUNTY, L.R.57004(002): Wyalusing Creek Bridge, over North Branch Wyalusing Creek, Rush Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles	State	45	1	6	52
	Fed.	178	2	28	208
SUSQUEHANNA COUNTY, L.R.57012(004): Meshoppen Creek Bridge, Springville Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	21	1	2	24
	Fed.	82	2	12	96
SUSQUEHANNA COUNTY, L.R.57078(007): Silver Creek Bridge, over Silver Lake Creek, 0.8 Miles West of 57077, Silver Lake Township: Bridge Replacement: Detour 11.0 Miles: Length 0.1 Miles	State	22	1	3	26
	Fed.	90	2	12	104

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(Dollar Amounts in Thousands)

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
FROM CURRENT REVENUES					
Program: Bridge Restoration and Replacement					
TIOGA COUNTY, L.R.58011(007), PA 414: Pine Creek Bridge, Village of Blackwell, Morris Township: Bridge Replacement, Detour 99.0 Miles: Length 0.2 Miles.....	State	\$ 436	\$ 56	\$ 38	\$ 530
	Fed.	1,742	227	151	2,120
TIOGA COUNTY, L.R.58062(003): Elk Run Bridge, Sullivan Township, Northeast of Mainsburg: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles.....	State	52	4	6	62
	Fed.	208	16	24	248
TIOGA COUNTY, L.R.58062(004): North Elk Run Bridge, Northeast of Mainsburg, Sullivan Township: Bridge Replacement, Detour 20.0 Miles: Length 0.1 Miles.....	State	77	5	9	91
	Fed.	308	20	36	364
TIOGA COUNTY, L.R.58042: Hills Creek Bridge, Holliday, Middlebury Townships: Bridge Replacement, Detour 13.0 Miles: Length 0.1 Miles.	State	100	13	20	133
	Fed.	401	53	80	534
TIOGA COUNTY, L.R.58044: Lambs Creek Bridge, West of Mansfield, Richmond Township: Bridge Replacement, Detour 15.0 Miles: Length 0.1 Miles.....	State	66	7	9	82
	Fed.	265	26	37	328
TIOGA COUNTY, L.R.58044: Lambs Creek Bridge, Northwest of Mansfield: Richmond Township: Bridge Replacement, Detour 13.0 Miles Length 0.1 Miles.....	State	65	4	8	77
	Fed.	260	17	32	309
TIOGA COUNTY, L.R.567, PA 328: Hammond Creek Bridge, Jackson Township: Bridge Rehabilitation, Detour 7.0 Miles: Length 0.1 Miles .	State	35	1	4	40
	Fed.	140	4	16	160
TIOGA COUNTY, L.R.21(057), US 15: Tioga River Bridge, over Tioga River, North of Blossburg, Covington Township: Bridge Replacement, Detour 99.0 Miles: Length 0.1 Miles.....	State	290	16	33	339
	Fed.	1,160	66	133	1,359
TIOGA COUNTY, L.R.58036(004): Charleston Creek Bridge, over Charleston Creek, Charleston Township: Bridge Replacement, Detour 99.0 Miles: Length 0.1 Miles.....	State	43	2	5	50
	Fed.	172	8	20	200
TIOGA COUNTY, L.R.106(026), PA 287: Wilson Creek Bridge, Over Wilson Creek, Delmar Township: Bridge Replacement, Detour 52.0 Miles: Length 0.1 Miles.....	State	153	9	18	180
	Fed.	612	36	72	720
TIOGA COUNTY, L.R.58092: L.R.58092 Bridge over Hart's Creek, Lawrence Township: Bridge Replacement, Detour 12 Miles: Length 0.1 Miles.....	State	52	7	10	69
	Fed.	210	28	42	280
TIOGA COUNTY, L.R.20(033), PA 14: Roaring Branch Creek Bridge, over Roaring Creek, Union Township: Bridge Replacement, Detour 88.0 Miles: Length 0.1 Miles.....	State	120	8	20	148
	Fed.	480	32	80	592
TIOGA COUNTY, L.R.20, PA 14: Sugar Works Run Bridge, over Sugar Works Run: Bridge Rehabilitation, Detour 88.0 Miles: Length 0.1 Miles.....	State	38	2	6	46
	Fed.	152	8	24	184
TIOGA COUNTY, L.R.106, PA 287: Wilson Creek Bridge, over Wilson Creek, Morris Township: Bridge Rehabilitation, Detour 52.0 Miles: Length 0.1 Miles.....	State	64	2	6	72
	Fed.	256	8	24	288
TIOGA COUNTY, L.R.212(019), US 6: Corey Creek Bridge, Over Corey Creek, Village of Mainsburg, Sullivan Township: Bridge Replacement, Detour 88.0 Miles: Length 0.1 Miles.....	State	58	2	10	70
	Fed.	232	8	40	280
TIOGA COUNTY, L.R.292, PA 249: Crooked Creek Bridge 1, over Crooked Creek, Chatham Township: Bridge Replacement, Detour 60.0 Miles: Length 0.1 Miles.....	State	50	4	6	60
	Fed.	200	16	24	240
TIOGA COUNTY, L.R.567, PA 328: Hammond Creek Bridge, over Hammond Creek: Bridge Replacement, Detour 50.0 Miles: Length 0.1 Miles.....	State	83	5	9	97
	Fed.	332	20	38	390

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FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
TIOGA COUNTY, L.R.106, PA 287: Babb Creek Bridge, Village of Morris: Bridge Rehabilitation, Detour 52 Miles: Length 0.1 Miles	State	\$ 120	\$ 2	\$ 18	\$ 140
	Fed.	480	8	72	560
TIOGA COUNTY, L.R.58034: Zimmerman Creek Bridge, Village of Nauvoo: Bridge Rehabilitation, Detour 10 Miles: Length 0.1 Miles	State	82	. . . .	14	96
	Fed.	328	. . . .	57	385
TIOGA COUNTY, L.R.00477: Charleston Creek Bridge: Bridge Replacement, Detour 99 Miles: Length 0.1 Miles	State	59	8	12	79
	Fed.	237	32	48	317
TIOGA COUNTY, L.R.58073: Alder Creek Bridge -1, over Alder Creek, Jackson Township: Bridge Replacement, Detour 8 Miles: Length 0.1 Miles	State	83	11	16	110
	Fed.	334	44	67	445
TIOGA COUNTY, L.R.58073: Alder Run Bridge -2, over Alder Creek, Jackson Township: Bridge Replacement, Detour 99 Miles: Length 0.1 Miles	State	127	17	25	169
	Fed.	. . . .	. . . .	. . . .	. . . .
TIOGA COUNTY, L.R.58073: Alder Run Bridge -3, over Alder Creek, Jackson Township: Bridge Replacement, Detour 99 Miles: Length 0.1 Mile	State	172	23	34	229
	Fed.	. . . .	. . . .	. . . .	. . . .
TIOGA COUNTY, L.R.478, PA 349: Mill Creek Bridge, over Mill Creek, Clymer Township: Bridge Rehabilitation, Detour 58.0 Miles: Length 0.1 Miles	State	68	. . . .	12	80
	Fed.	274	. . . .	48	322
TIOGA COUNTY, L.R.292, PA 249: Cowanesque River Bridge, over Tributary to Cowanesque River, Westfield Township: Bridge Rehabilitation, Detour 60.0 Miles: Length 0.1 Miles	State	45	3	6	54
	Fed.	180	12	24	216
TIOGA COUNTY, L.R.22, US 15: ConRail Railroad Bridge, over Conrail Lawrence Township: Bridge Replacement, Detour 55.0 Miles: Length 0.1 Miles	State	448	59	89	596
	Fed.	1,795	239	359	2,393
TIOGA COUNTY, L.R.21, PA 660: Tioga River Bridge: over Tioga River, Covington Township: Bridge Rehabilitation, Detour 99 Miles: Length 0.1 Miles	State	80	1	12	93
	Fed.	321	7	48	376
UNION COUNTY, L.R.59001: Penns Creek Bridge, over Penns Creek, Hartley Township: Bridge Replacement, Detour 4 Miles: Length 0.1 Miles	State	128	17	25	170
	Fed.	510	68	102	680
VENANGO COUNTY, L.R.60019: Third Street Utica Bridge, over French Creek, Utica Borough: Bridge Replacement, Detour 17 Miles: Length 0.1 Miles	State	320	10	30	360
	Fed.	1,280	40	120	1,440
VENANGO COUNTY, L.R.91, US 62: Washington Crossing Bridge, over French Creek and Railroad, City of Franklin: Bridge Rehabilitation, Detour 5.0 Miles: Length 0.1 Miles	State	240	. . . .	14	254
	Fed.	960	. . . .	56	1,016
VENANGO COUNTY, L.R.205, PA 8: Rouseville Bridge, over Cherry Run, Rouseville Borough: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State	75	3	12	90
	Fed.	300	12	48	360
VENANGO COUNTY, L.R.205, PA 8: Cherry Tree Run Bridge, over Cherry Tree Run, Cornplanter Township: Bridge Replacement, Detour 11.0 Miles: Length 0.1 Miles	State	60	6	12	78
	Fed.	240	24	48	312
VENANGO COUNTY, L.R.60007: Scrubgrass Creek Bridge, over Scrubgrass Creek, Clinton Township: Bridge Replacement, Detour 10 Miles: Length 0.1 Miles	State	133	10	25	168
	Fed.	532	40	100	672
VENANGO COUNTY, L.R.60047, PA 227: Cherry Run Bridge I, over Cherry Run, Cornplanter Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State	48	3	10	61
	Fed.	192	12	40	244

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Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
VENANGO COUNTY, L.R.60047, PA 227: Cherry Run Bridge II, over Cherry Run, Cornplanter Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State	\$ 48	\$ 3	\$ 10	\$ 61
	Fed.	192	12	40	244
VENANGO COUNTY, L.R.205, PA 8: Rynd Farm Bridge, over Oil Creek, Cornplanter Township: Bridge Rehabilitation, Detour 10.0 Miles: Length 0.1 Miles	State	94	.....	6	100
	Fed.	376	.....	24	400
VENANGO COUNTY, L.R.750, US 62: Hemlock Creek Bridge, Over Hemlock Creek, President Township: Bridge Replacement, Detour 30 Miles: Length 0.1 Miles	State	96	2	8	106
	Fed.	382	8	32	422
VENANGO COUNTY, L.R.205, PA 8: Oil Creek Bridge, Over Oil Creek, Cornplanter Township: Bridge Rehabilitation, Detour 12.0 Miles: Length 0.1 Miles	State	137	2	10	149
	Fed.	548	8	40	596
VENANGO COUNTY, L.R.90, US 322: Patchell Run Bridge, over Pat- chell Run, Sugarcreek Borough: Bridge Replacement, Detour 5 Miles: Length 0.1 Miles	State	81	2	7	90
	Fed.	324	8	28	360
VENANGO COUNTY, L.R.91, US 62: Petroleum Street Bridge, over Allegheny River/Railroad, Oil City: Bridge Rehabilitation, Detour 1.0 Miles: Length 0.1 Miles	State	273	5	20	298
	Fed.	1,092	20	80	1,192
VENANGO COUNTY, L.R.208: Raymilton Bridge, over Big Sandy Creek, Mineral Township: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State	87	6	8	101
	Fed.	348	24	32	404
VENANGO COUNTY, L.R.91, US 62: Sage Run Road Bridge, over Sage Run, Cranberry Township: Bridge Replacement, Detour 12 Miles: Length 0.1 Miles	State	88	4	10	102
	Fed.	352	16	40	408
WARREN COUNTY, L.R.88, PA 958: Wrightsville Road Bridge, over Little Brokenstraw Creek, Freehold Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	110	2	10	122
	Fed.	440	10	40	490
WARREN COUNTY, L.R.89, PA 27: Torpedo-Garland Bridge, over Garland Run, Pittsfield Township: Bridge Replacement, Detour 2.0 Miles: Length 0.1 Miles	State	54	3	10	67
	Fed.	216	12	40	268
WARREN COUNTY, L.R.95, US 6: Pennsylvania Avenue Bridge, over Conewango Creek, Warren Borough: Bridge Replacement, Detour 3 Miles: Length 0.1 Miles	State	380	6	27	413
	Fed.	1,520	24	113	1,657
WARREN COUNTY, L.R.61012: Main Street Bridge, over McGuire Run, Tidioute Borough: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State	55	2	8	65
	Fed.	210	8	32	250
WARREN COUNTY, L.R.61012: Davey Hill Road, Brokenstraw Creek, Pittsfield Township: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State	190	6	22	218
	Fed.	760	24	88	872
WARREN COUNTY, L.R.61020, PA 958: Stoney Run Road Bridge, over Stoney Run, Freehold Township, North of Wrightsville: Bridge Replace- ment, Detour 9.0 Miles: Length 0.1 Miles	State	54	3	10	67
	Fed.	216	12	40	268
WARREN COUNTY, L.R.200, PA 77: Garland/Spring Creek Road, over Brokenstraw Creek, Spring Creek Township: Bridge Rehabilitation, Detour 2 Miles: Length 0.1 Miles	State	72	.....	5	77
	Fed.	288	.....	20	308
WARREN COUNTY, L.R.61038: Hungry Hollow Road Bridge, over Ackley Run, Pine Grove Township: Bridge Replacement, Detour 9 Miles: Length 0.1 Miles	State	48	2	10	60
	Fed.	192	8	40	240
WARREN COUNTY, L.R.209, PA 59: Kinzua Bridge, over Kinzua Creek, Mead Township: Bridge Rehabilitation, Detour 25.0 Miles: Length 0.1 Miles	State	300	9	309
	Fed.	1,200	36	1,236

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Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
WARREN COUNTY, L.R.88: Railroad Bridge, over N & W Railroad and Conrail, Brokenstraw Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	\$ 200	. . . .	\$ 8	\$ 208
	Fed.	800	. . . .	32	832
WARREN COUNTY, L.R.94: Jamestown Road Bridge, over Stone House Run, Pine Grove Township: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State	70	\$ 3	7	80
	Fed.	278	12	28	318
WARREN COUNTY, L.R.452, PA 127: Depot Street Tidioute Bridge, over Allegheny River, Tidioute Borough: Bridge Rehabilitation, Detour 32.0 Miles: Length 0.1 Miles	State	65	. . . .	4	69
	Fed.	262	. . . .	16	278
WARREN COUNTY, L.R.88, US 6: Prosser Creek Bridge, over Prosser Creek, Columbus Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	99	5	10	114
	Fed.	396	20	40	456
WARREN COUNTY, L.R.88, US 6: Mead Run Bridge, over Mead Run, Brokenstraw Township: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State	80	5	10	95
	Fed.	320	20	40	380
WASHINGTON COUNTY, L.R.62196(D10): Daisytown Road Bridge, over Pike Run, Village of Daisytown, California Borough: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State	70	1	9	80
	Fed.	280	4	36	320
WASHINGTON COUNTY, L.R.62031: Hickory-Cherry V Bridge, over Raccoon Creek, Mt. Pleasant Township: Bridge Replacement: Length 0.1 Miles	State	50	1	8	59
	Fed.	200	4	30	234
WASHINGTON COUNTY, L.R.62185: Avella Bridge, over Cross Creek, Cross Creek Township, Vicinity of Avella: Bridge Replacement: Length 0.1 Miles	State	92	2	12	106
	Fed.	368	5	50	423
WASHINGTON COUNTY, L.R.62016: Pigeon Creek Bridge, over Pigeon Creek, Carroll Township, near Hazelkirk: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State	146	2	32	180
	Fed.	584	8	128	720
WASHINGTON COUNTY, L.R.62077: Daniels Run Bridge, over Daniels Run, West Bethlehem Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles	State	30	2	6	38
	Fed.	120	8	23	151
WASHINGTON COUNTY, L.R.62078(D10): Zollarsville Bridge, over Ten Mile Creek, West Bethlehem Township: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State	88	2	10	100
	Fed.	352	8	40	400
WASHINGTON COUNTY, L.R.62194(M10): Plum Run Bridge, over Plum Run, Deemston Borough: Bridge Replacement, Detour 15.0 Miles: Length 0.1 Miles	State	22	1	2	25
	Fed.	86	4	10	100
WASHINGTON COUNTY, L.R.118, PA 917: Cokesburg Bridge, Abandoned Bridge of Penn Railroad, Cokesburg Borough: Bridge Removal, Detour 11.0 Miles: Length 0.1 Miles	State	234	2	26	262
	Fed.	936	8	104	1,048
WASHINGTON COUNTY, L.R.62090, PA 519: Houston Bridge, over Chartiers Creek, Houston Borough: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State	160	10	30	200
	Fed.	640	40	120	800
WASHINGTON COUNTY, L.R.62021: Bulger Railroad Bridge, over Conrail, Smith Township: Bridge Replacement: Length 0.1 Miles	State	100	2	10	112
	Fed.	400	8	40	448
WASHINGTON COUNTY, L.R.62041: Chartiers Run Bridge, over Chartiers Run, Mt. Pleasant Township: Bridge Replacement: Length 0.1 Miles	State	30	1	3	34
	Fed.	120	4	12	136
WASHINGTON COUNTY, L.R.62082: Hackney Bridge, over Bane Creek, Morris & Anwell Township Line: Bridge Replacement: Length 0.1 Miles	State	44	1	5	50
	Fed.	176	4	20	200

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FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
WASHINGTON COUNTY, L.R.62185: Pattersons Mill Bridge, over Cross Creek, Cross Creek Township: Bridge Replacement: Length 0.1 Miles .	State	\$ 46	\$ 1	\$ 5	\$ 52
	Fed.	184	4	20	208
WASHINGTON COUNTY, L.R.62031: Raccoon Creek Bridge, over Raccoon Creek, Mt. Pleasant Township: Bridge Replacement: Length 0.1 Miles .	State	36	1	4	41
	Fed.	144	4	14	162
WASHINGTON COUNTY, L.R.62109: Ralston Run Bridge, over Ralston Run, Donegal Township: Bridge Replacement: Length 0.1 Miles .	State	76	1	8	85
	Fed.	304	4	30	338
WASHINGTON COUNTY, L.R.62109: East Buffalo Creek Bridge, over East Buffalo Creek, Donegal Township: Bridge Replacement: Length 0.1 Miles .	State	76	1	8	85
	Fed.	304	4	30	338
WASHINGTON COUNTY, L.R.545, PA 50: Miller Run Bridge, over Miller Run, Cecil Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles .	State	64	1	6	71
	Fed.	256	4	26	286
WASHINGTON COUNTY, L.R.545, PA 50: Branch of Miller Run Bridge, over Branch of Miller Run, Cecil Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles .	State	16	1	2	19
	Fed.	64	4	6	74
WASHINGTON COUNTY, L.R.62026, US 19: Montour Railroad Bridge, over Montour Railroad and L.R.62014, Peters Township: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles .	State	84	2	8	94
	Fed.	336	8	34	378
WASHINGTON COUNTY, L.R.62194: Little Ten Mile Bridge, over Little Ten Mile Creek, West Bethlehem Township: Bridge Replacement: Length 0.1 Miles .	State	25	1	3	29
	Fed.	100	4	10	114
WASHINGTON COUNTY, L.R.62082: Ten Mile Creek Bridge -1, over Ten Mile Creek, Amwell Township: Bridge Replacement: Length 0.1 Miles .	State	80	1	8	89
	Fed.	320	4	32	356
WASHINGTON COUNTY, L.R.62082: Ten Mile Creek Bridge -2, over Ten Mile Creek, Amwell Township: Bridge Replacement: Length 0.1 Miles .	State	80	1	8	89
	Fed.	320	4	32	356
WAYNE COUNTY, L.R.63009(002): Lake Wallenpaupack Bridge, over Purdy Creek, Paupack Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles .	State	31	1	5	37
	Fed.	125	2	21	148
WAYNE COUNTY, L.R.63113(002): Ariel Creek Bridge, over Ariel Creek, Salem Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles .	State	78	1	13	92
	Fed.	314	2	52	368
WAYNE COUNTY, L.R.63119(002): Lackawaxen River Bridge, over Creek, Berlin Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles .	State	29	1	5	35
	Fed.	118	2	20	140
WAYNE COUNTY, L.R.173(22M), PA 191: Equinunk Creek Bridge, over Equinunk Creek in Equinunk, Manchester-Buckingham Township: Bridge Replacement, Detour 8.0 Miles: Length 0.1 Miles .	State	70	1	11	82
	Fed.	279	2	47	328
WESTMORELAND COUNTY, L.R.64190: Lockport Bridge Run, over Tub Mill Run, Fairfield Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles .	State	21	8	1	30
	Fed.	85	32	7	124
WESTMORELAND COUNTY, L.R.639, PA 993: Trafford Bridge, over Turtle Creek & Railroad, Trafford Borough, Allegheny County also: Bridge Rehabilitation, Detour 5.0 Miles: Length 0.2 Miles .	State	100	4	10	114
	Fed.	400	16	40	456
WESTMORELAND COUNTY, L.R.639(E10), PA 993: Brush Creek Bridge, over Brush Creek, North Huntingdon Township, West of Irwin: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles .	State	64	2	18	84
	Fed.	257	8	71	336

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Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
WESTMORELAND COUNTY, L.R.639(I10), PA 993: Manor Borough Bridge, over Brush Creek, Manor Borough: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State	\$ 67	\$ 2	\$ 19	\$ 88
	Fed.	268	8	75	351
WESTMORELAND COUNTY, L.R.639(I20), PA 993: Manor Bridge, over Brush Creek, Manor Borough: Bridge Replacement, Detour 4.0 Miles: Length 0.1 Miles	State	76	1	8	85
	Fed.	304	4	32	340
WESTMORELAND COUNTY, L.R.64135(B10): Bovard Bridge, over Conrail, Hempfield Township: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State	126	2	29	157
	Fed.	504	8	115	627
WESTMORELAND COUNTY, L.R.68, US 119: Crabtree Creek Bridge, over Crabtree Creek, Unity/Salem Township Line: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	66	1	8	75
	Fed.	264	4	32	300
WESTMORELAND COUNTY, L.R.64156(G10), PA 259: Bear Pond Run Bridge, over Bear Pond Run, Fairfield Township: Bridge Replacement, Detour 12.0 Miles: Length 0.1 Miles	State	40	1	6	47
	Fed.	160	4	24	188
WESTMORELAND COUNTY, L.R.64190: Bolivar Bridge, over Branch of Tubmill Run, Fairfield Township: Bridge Replacement, Detour 13.0 Miles: Length 0.1 Miles	State	50	2	15	67
	Fed.	200	8	61	269
WESTMORELAND COUNTY, L.R.288, PA 51: Sweeneys Crossroads Bridge, over TR 201, Rostraver Township: Bridge Rehabilitation, Detour 3.0 Miles: Length 0.1 Miles	State	230	. . . .	23	253
	Fed.	920	. . . .	92	1,012
WESTMORELAND COUNTY, L.R.120, US 30: TR 30 Bridge Radebaugh, over Penn Central Railroad, Hempfield Township: Bridge Replacement, Detour 3.0 Miles: Length 0.1 Miles	State	120	4	12	136
	Fed.	480	16	48	544
WESTMORELAND COUNTY, L.R.64054: Hannastown Bridge, over Crabtree Creek, Hempfield and Salen Township Line: Bridge Replacement: Length 0.1 Miles	State	26	1	3	30
	Fed.	104	4	12	120
WESTMORELAND COUNTY, L.R.288, PA 51: I-70 Interchange Bridge, over L.R.64144 (I-70), Rostraver Township: Bridge Rehabilitation, Detour 1.0 Miles: Length 0.1 Miles	State	136	. . . .	14	150
	Fed.	544	. . . .	54	598
WESTMORELAND COUNTY, L.R.787, US 30: Bridge over Old TR 30, over L.R. 120, Hempfield Township: Bridge Rehabilitation, Detour 3.0 Miles: Length 0.1 Miles	State	140	. . . .	14	154
	Fed.	560	. . . .	56	616
WESTMORELAND COUNTY, L.R.787, US 30: Waldworth Viaduct, over L.R.117, Railroad, Jacks Run, Hempfield Township: Bridge Rehabilitation, Detour 1.0 Miles: Length 0.2 Miles	State	57	1	2	60
	Fed.	225	4	6	235
WESTMORELAND COUNTY, L.R.787, US 30: Bridge over Cedar Street, Hempfield Township: Bridge Rehabilitation, Detour 5.0 Miles: Length 0.1 Miles	State	30	. . . .	3	33
	Fed.	120	. . . .	12	132
WESTMORELAND COUNTY, L.R.64058: Hannas Run Bridge, over Hannas Run, Ligonier Township: Bridge Replacement: Length 0.1 Miles	State	51	1	5	57
	Fed.	204	4	21	229
WESTMORELAND COUNTY, L.R.64166: Bridge over Conrail, Hempfield township: Bridge Replacement: Length 0.1 Miles	State	82	1	8	91
	Fed.	329	4	32	365
WESTMORELAND COUNTY, L.R.64188: Stony Run Bridge, over Stony Run, Derry Township: Bridge Replacement: Length 0.1 Miles	State	31	1	4	36
	Fed.	124	4	12	140
WESTMORELAND COUNTY, L.R.64281: Bridge over Conrail, North Huntingdon Township: Bridge Replacement: Length 0.1 Miles	State	180	1	18	199
	Fed.	720	4	72	796
WESTMORELAND COUNTY, L.R.64285: Bridge over Conrail, Derry Township: Bridge Replacement: Length 0.1 Miles	State	105	1	10	116
	Fed.	418	4	42	464

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Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
WYOMING COUNTY, L.R.12, PA 29: Meshoppen Creek Bridge, over Meshoppen Creek, Lemon Township: Bridge Replacement, Detour 6.0 Miles: Length 0.1 Miles	State	\$ 132	\$ 2	\$ 22	\$ 156
	Fed.	526	8	86	620
WYOMING COUNTY, L.R.479(14M), US 6: Tunkhannock Creek Bridge Rehabilitation, over Tunkhannock Creek, Tunkhannock Township: Bridge Rehabilitation, Detour 17.0 Miles: Length 0.1 Miles	State	120	1	19	140
	Fed.	480	4	76	560
WYOMING COUNTY, L.R.232(23M), PA 92: Falls Bridge, over Susquehanna River Falls, Exeter-Falls Townships: Bridge Replacement, Detour 22.0 Miles: Length 0.1 Miles	State	1,480	2	243	1,725
	Fed.	5,920	8	971	6,899
WYOMING COUNTY, L.R.479(13M), US 6: Tunkhannock Creek Bridge Replacement, over Tunkhannock Creek, Tunkhannock Township: Bridge Replacement, Detour 17.0 Miles: Length 0.1 Miles	State	120	1	19	140
	Fed.	480	4	76	560
WYOMING COUNTY, L.R.65046(12M): Mehoopany Creek Bridge, over Branch Mehoopany Creek, North of L.R.217, Forkston Township: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State	85	3	10	98
	Fed.	337	9	39	385
WYOMING COUNTY, L.R.9(46M), US 11: Nicholson Bridge, over Tunkhannock Creek, Nicholson Borough: Bridge Deck Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	150	.	15	165
	Fed.	600	.	60	660
WYOMING COUNTY, L.R.11: Bowman's Creek Bridge, over Bowman's Creek, Monroe Township: Bridge Replacement: Length 0.1 Miles	State	176	2	28	206
	Fed.	704	8	115	827
YORK COUNTY, L.R.123, US 15: Rosegarden Bridge, over Yellow Breeches Creek/Railroad, Carroll Township: Bridge Rehabilitation, Detour 4.0 Miles: Length 0.1 Miles	State	503	1	50	554
	Fed.	2,013	4	200	2,217
YORK COUNTY, L.R.66038: Little Conewago Creek Bridge, over Little Conewago Creek, East Manchester/Conewago Townships: Bridge Replacement, Detour 5.0 Miles: Length 0.1 Miles	State	130	1	13	144
	Fed.	522	4	52	578
YORK COUNTY, L.R.66059: Otter Creek Bridge, over Otter Creek, Chanceford Township: Bridge Replacement, Detour 11.0 Miles: Length 0.1 Miles	State	59	1	8	68
	Fed.	237	4	32	273
YORK COUNTY, L.R.66012: Muddy Creek Bridge, over North Branch Muddy Creek, East Hopewell/Chanceford Townships: Bridge Replacement, Detour 9.0 Miles: Length 0.1 Miles	State	50	1	8	59
	Fed.	200	4	32	236
YORK COUNTY, L.R.66172: Bald Eagle Creek Bridge, over Bald Eagle Creek, Fawn Township: Bridge Replacement, Detour 7.0 Miles: Length 0.1 Miles	State	57	1	2	60
	Fed.	225	4	6	235
YORK COUNTY, L.R.66051: Days Mill Road Bridge, over Branch of Codorus Creek, North Codorus/Spring Garden Townships: Bridge Deck Rehabilitation: Length 0.1 Miles	State	66	1	8	75
	Fed.	264	4	32	300
YORK COUNTY, L.R.66071, PA 851: Muddycreek Bridge, over South Branch Muddy Creek, just North of L.R.66072, Hopewell Township: Bridge Replacement, Detour 10.0 Miles: Length 0.1 Miles	State	58	1	7	66
	Fed.	233	4	29	266
YORK COUNTY, L.R.66051: Days Mill Road Bridge, over PennDOT Railroad, Spring Garden Township: Bridge Removal: Length 0.1 Miles	State	55	1	8	64
	Fed.	220	4	32	256
YORK COUNTY, L.R.66008: Conewago Creek Bridge, over Conewago Creek, Dover Township: Bridge Replacement: Length 0.1 Miles	State	82	1	8	91
	Fed.	329	4	32	365
YORK COUNTY, L.R.332SP: Otter Creek Bridge, over Otter Creek, Lower Chanceford Township: Bridge Replacement, Length 0.1 Miles	State	87	1	9	97
	Fed.	348	4	36	388
YORK COUNTY, L.R.66108: Conewago Creek Bridge, over Conewago Creek, Conewago and Newberry Townships: Bridge Replacement: Length 0.1 Miles	State	130	1	13	144
	Fed.	522	4	52	578

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Bridge Restoration and Replacement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
YORK COUNTY, L.R.66022: North Bridge over Bermudian Creek, Franklin Township: Bridge Replacement: Length 0.1 Miles.....	State Fed.	\$ 52 211	\$ 1 4	\$ 8 32	\$ 61 247
YORK COUNTY, L.R.66013: Otter Creek Bridge, over Otter Creek, Chanceford Township: Bridge Replacement: Length 0.1 Miles.....	State Fed.	70 283	1 4	8 32	79 319
YORK COUNTY, L.R.66022: North Bridge over Bermudian Creek, Washington Township: Bridge Replacement: Length 0.1 Miles.....	State Fed.	55 221	1 4	8 32	64 257
YORK COUNTY, L.R.66203: Railroad Bridge over Penn Central Railroad, West Manchester Township: Bridge Replacement: Length 0.1 Miles ...	State Fed.	74 296	1 4	8 32	83 332
YORK COUNTY, L.R.66038: Little Conewago Bridge, over Tributary to Little Conewago, Conewago Township: Bridge Replacement: Length 0.1 Miles	State Fed.	41 165	1 4	8 32	50 201
YORK COUNTY, L.R.66009: Conorus Creek Bridge, over Conorus Creek, Manheim/Cororus Townships: Bridge Replacement: Length 0.1 Miles	State Fed.	42 171	1 4	8 32	51 207
YORK COUNTY, L.R.66021, PA 238: Route 238 Bridge, over I-83, Man- chester Township: Bridge Replacement: Length 0.1 Miles	State Fed.	125 501	1 4	12 50	138 555
YORK COUNTY, L.R.216, PA 74: Muddy Run Bridge, over Muddy Run, Peach Bottom/Lower Chanceford Townships: Bridge Replacement: Length 0.1 Miles	State Fed.	140 560	1 4	14 56	155 620
YORK COUNTY, L.R.66008: Conewago Creek Bridge, over Conewago Creek, Dover/Washington Townships: Bridge Replacement: Length 0.1 Miles	State Fed.	94 376	1 4	10 40	105 420
YORK COUNTY, L.R.66150: Bermudian Creek Bridge, over Bermudian Creek, Washington Township: Bridge Replacement: Length 0.1 Miles .	State Fed.	98 394	1 4	10 40	109 438
YORK COUNTY, L.R.66048: Glatfelder Station Bridge, over South Branch Codus Creek, North Codorus/ Springfield Townships: Bridge Replace- ment: Length 0.1 Miles	State Fed.	74 298	1 4	8 32	83 334
YORK COUNTY, L.R.66108: Bennets Run Bridge, over Bennets Run, Newberry Township: Bridge Replacement: Length 0.1 Miles.....	State Fed.	86 346	1 4	8 35	95 385
YORK COUNTY, L.R.66022: Bermudian Creek Bridge, over North Branch Bermudian Creek, Washington Township: Bridge Replacement: Length 0.1 Miles	State Fed.	56 224	1 4	8 32	65 260
Total — State Funds		\$ 111,996	\$ 4,356	\$ 12,110	\$ 128,462
Total — Federal Funds		409,215	13,665	44,143	467,023
TOTAL PROGRAM		<u>\$ 521,211</u>	<u>\$ 18,021</u>	<u>\$ 56,253</u>	<u>\$ 595,485</u>

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

		(Dollar Amounts in Thousands)		
FROM CURRENT REVENUES	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
Program: State Highway Maintenance				
<i>Lackawanna County</i>				
SALT STORAGE BUILDING: This project provides for construction of a 10,560 sq. ft. building for storage of anti-skid material.	\$ 125	. . . .	\$ 25	\$ 150
<i>Perry County</i>				
SALT STORAGE BUILDING: This project provides for construction of a 7,850 sq. ft. building for storage of anti-skid material	101	. . . .	20	121
PROGRAM TOTAL	<u>\$ 226</u>	<u>. . . .</u>	<u>\$ 45</u>	<u>\$ 271</u>

Department of Transportation 1986-87 Projects

		(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM BOND FUNDS:				
Program: Urban Mass Transportation				
<i>Altoona Metro Transit</i>				
BUILDING IMPROVEMENTS AND PURCHASE OF SERVICE VEHICLES, TOOLS, AND EQUIPMENT: This project provides for the purchase of three trolley buses, a pickup truck with snowplow, maintenance tools and equipment. Improvements to transit buildings and grounds, some office furniture, passenger shelters and benches, public information aids and needed spare parts.				
	State	\$ 66	\$ 7	\$ 73
	Fed.	352		352
	Local	15		15
<i>Area Transportation Authority of North Central Pennsylvania</i>				
PURCHASE OF TRANSIT VEHICLES AND EQUIPMENT: This project provides for the purchase of sixteen transit vehicles, five power pacs, and a bus washer with recycler.....				
	State	174	17	191
	Fed.	915		915
	Local	38		38
<i>Beaver County Transit Authority</i>				
CONSTRUCTION OF A TRANSIT CENTER AND PURCHASE OF BUSES, TOOLS, AND EQUIPMENT: This project provides for the purchase of seven buses and related equipment, shop tools and shop equipment, and the construction of a transit center.				
	State	193	19	212
	Fed.	1,018		1,018
	Local	43		43
<i>Berks Area Reading Transportation Authority</i>				
PURCHASE OF BUSES AND BUS RELATED EQUIPMENT: This project provides for the replacement of fifteen (15) buses in the BARTA fleet, spare engine and transmission assemblies, spare air-conditioning compressors, and special spare parts to maintain and appropriate inventory of spare parts. The project also provides for two-way radios for the new buses and renovation of the maintenance facility.				
	State	433	43	476
	Fed.	2,285		2,285
	Local	95		95
<i>Capitol Area Transit</i>				
PURCHASE OF BUSES, SERVICE VEHICLE AND BUS RELATED EQUIPMENT: This project provides for the purchase of twenty 35-40 passenger buses — twenty fareboxes, twenty radios and a service vehicle.....				
	State	644	64	708
	Fed.	3,397		3,397
	Local	191		191

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

	(Dollar Amounts in Thousands)				
	Base Project Cost	Land Cost	Design & Conti- gencies	Total Project Cost	
FROM BOND FUNDS: (continued)					
Program: Urban Mass Transportation (continued)					
<i>City of Philadelphia</i>					
SUBWAY POLICE / FIRE COMMUNICATION SYSTEM: This project provides for the extension of the present state-of-art underground communication system, now in operation on the Broad-Ridge subway system, to the Market Street Subway. Between Front Street and 45th Street; to the Subway surface tunnel from 33rd and Market Street to 40th Street and Woodland Avenue, and to contiguous concourses.					
	State	\$ 166	.....	\$ 17	\$ 183
	Fed.	825	.....	.....	825
	Local	92	.....	.....	92
<i>County of Lackawanna Transit System</i>					
PURCHASE OF BUSES, SERVICE VEHICLES AND BUS RELATED EQUIPMENT: This project provides for the purchase of 30 passenger buses, 30 radios, a service vehicle and spare parts.					
	State	854	.....	85	939
	Fed.	4,510	.....	.....	4,510
	Local	188	.....	.....	188
<i>Dubois, Fall Creek, Sandy Township Joint Transit Authority</i>					
PURCHASE OF BUSES AND RELATED EQUIPMENT: This project provides for the purchase of two buses and related equipment.					
	State	39	.....	4	43
	Fed.	206	.....	.....	206
	Local	9	.....	.....	9
<i>Erie Metro Transit Authority</i>					
PURCHASE OF BUSES, SERVICE VEHICLE, SHELTERS, TOOLS, AND EQUIPMENT, LAND ACQUISITION AND FACILITY RENOVATIONS: This project provides for the purchase of garage equipment which includes: a one ton dump truck and a new gas pump. It also provides for bus and bus related improvements that includes: the replacement of 6 bus shelters, installation of "telma retarders" on those buses that do not have them, the purchase of two lift equipped mini-buses, acquisition of land and renovation of facilities; purchase of 15 fareboxes, 15 radios, one floor sweeper, 1 coin and token counter. ...					
	State	78	.....	8	86
	Fed.	415	.....	.....	415
	Local	18	.....	.....	18
<i>Lehigh and Northampton Transportation Authority</i>					
PURCHASE OF SERVICE VEHICLES AND SHOP AND OFFICE EQUIPMENT: This project provides for the purchase of three service vehicles, and various shop and office equipment.					
	State	16	.....	2	18
	Fed.	88	.....	.....	88
	Local	4	.....	.....	4

Department of Transportation 1986-87 Projects

		(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design & Conti- gencies	Total Project Cost
FROM BOND FUNDS: (continued)				
Program: Urban Mass Transportation (continued)				
<i>Luzerne County Transportation Authority</i>				
PURCHASE OF BUSES AND RELATED EQUIPMENT: This project provides for the purchase of ten new buses and related equipment.	State \$ 250 Fed. 1,320 Local 55	. . . . . . . . . . . .	\$ 25	\$ 275 1,320 55
<i>Mid Mon Valley</i>				
PURCHASE OF BUSES AND EQUIPMENT: This project provides for purchase of six buses, related equipment, communications equipment and bus stop signs.	State 165 Fed. 871 Local 36	. . . . . . . . . . . .	17	182 871 36
<i>Port Authority of Allegheny County</i>				
CONSTRUCTION OF EMERGENCY CREW BUILDING: This project provides for construction of a building to house emergency crews and vehicles.	State 44 Fed. 233 Local 10	. . . . . . . . . . . .	4	48 233 10
GARAGE REHABILITATION PROGRAM: This project provides for the systematic rehabilitation of the Authority's garages for its five operating divisions and its central heavy maintenance facility. The project includes expansion and modernization to accommodate articulated buses, installation of new exhaust systems, and improved garage layouts.	State 1,167 Fed. 5,775 Local 642	. . . . . . . . . . . .	117	1,284 5,775 642
TROLLEY AND GARAGE REHABILITATION, BRAKE RETARDERS, RADIO SYSTEM MODERNIZATION, BRIDGE INSPECTION AND SUPPORT VEHICLES REPLACEMENT: This project provides for the continuation of the Authority's Trolley Rehabilitation Program which will ultimately result in the complete reconditioning of 45 of the Authority's trolleys; Systematic rehabilitation of the five operating division garages and its central, heavy maintenance facility to bring the garages up to more desirable design standards; Purchase and installation of brake retarders in Neoplan buses; Modernization of critical components in the radio systems of 150 transit coaches; Periodic inspection of PAT owned bridges — the Emsworth, Tasseys Hollow and Hillcrest, as well as structures along the South and East Busways; and Replacement of PAT's support vehicles, equipment and fixed facilities in accordance with standard replacement schedules.	State 3,334 Fed. 17,602 Local 733	. . . . . . . . . . . .	333	3,667 17,602 733

CAPITAL BUDGET

Department of Transportation 1986-87 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM BOND FUNDS: (continued)				
Program: Urban Mass Transportation (continued)				
<i>Schuylkill Transportation System</i>				
PURCHASE OF BUSES AND SPARE PARTS: This project provides for the purchase of five replacement buses, one spare bus and related spare parts.	State \$ 134	.....	\$ 13	\$ 147
	Fed. 704	.....	.....	704
	Local 29	.....	.....	29
<i>Southeastern Pennsylvania Transportation Authority</i>				
FRANKFORD ELEVATED RECONSTRUCTION: This project provides for the reconstruction of the Frankford Elevated Line from Willey Street to the Bridge-Pratt Terminal. The work includes 5.25 miles of rehabilitation of the elevated structure, rehabilitation of three major bridges, rehabilitation of eleven passenger stations, and installation of new track, signal, communications and power systems.	State 4,545	.....	455	5,000
	Fed. 22,500	.....	.....	22,500
	Local 2,500	.....	.....	2,500
RAILROAD AND STANDARD BRIDGE IMPROVEMENT PROGRAM: The Bridge Improvement Program provides for the rehabilitation of all railroad bridges to their original structural integrity to decrease maintenance and operating costs. Initially, SEPTA will focus its rehabilitation efforts on those bridges on the SEPTA 9th Street Branch between Center City and Jenkintown and other railroad bridges rated as critical. The standard bridges in critical condition will also be rehabilitated to restore them to their original structural integrity.	State 12,122	.....	1,212	13,334
	Fed. 60,000	.....	.....	60,000
	Local 6,666	.....	.....	6,666
<i>York Area Transportation Authority</i>				
PURCHASE OF SHELTERS AND SUPERVISORY VEHICLE AND FEASIBILITY STUDY FOR TRANSIT CENTER: This project provides for the purchase of 16 shelters and benches, an administrative/supervisor automobile and for funding of a feasibility study for a downtown central transit center.	State 21	.....	2	23
	Fed. 112	.....	.....	112
	Local 5	.....	.....	5
Total State Funds	\$ 24,445	.....	\$ 2,444	\$ 26,889
Total Federal Funds	123,128	.....	.....	123,128
Total Local Funds	11,369	.....	.....	11,369
PROGRAM TOTAL	\$ 158,942	.....	\$ 2,444	\$ 161,386

Department of Transportation 1986-87 Projects

(Dollar Amounts in Thousands)

FROM BOND FUNDS:

Program: Intercity Rail and Rural Bus Transportation

Adams and Cumberland Counties

RAIL BRANCHLINE REHABILITATION — GETTYSBURG BRANCH TRACK NO. 912: This project provides for the rehabilitation of 23.4 miles of Commonwealth owned track to Class II Track Safety Standards. The project includes replacing ties, surfacing, ditching and drainage work, and replacing rails.

	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
State	\$ 1,938	.....	\$ 194	\$ 2,132
Fed.	.....	.....	.....	.....
Local	.....	.....	.....	.....

Berks County

RAIL BRANCHLINE REHABILITATION—SCHUYLKILL SECONDARY LINE NO. 197B: This project provides for the rehabilitation of 12.5 miles of Commonwealth owned track to Class II Track Safety Standards. The project includes replacing ties, and ditching and drainage work.

State	243	.....	24	267
Fed.	.....	.....	.....	.....
Local	.....	.....	.....	.....

RAIL BRANCHLINE REHABILITATION — KUTZTOWN INDUSTRIAL TRACK NO. 910: This project provides for the rehabilitation of 4.1 miles of Commonwealth owned track to Class II Track Safety Standards. The project includes replacing ties, surfacing and ditching.

State	195	.....	20	215
Fed.	.....	.....	.....	.....
Local	.....	.....	.....	.....

Bradford County

RAIL BRANCHLINE REHABILITATION — TOWANDA MONROETON TRACK NO. 1004: This project provides for the rehabilitation of 4.2 miles of Commonwealth owned track to Class II Track Safety Standards. The project includes replacing ties, surfacing, ditching and drainage work.

State	373	.....	37	410
Fed.	.....	.....	.....	.....
Local	.....	.....	.....	.....

Chester and Delaware Counties

RAIL BRANCHLINE REHABILITATION — WILMINGTON AND NORTHERN TRACK NO. 907/939: This project provides for the rehabilitation of 17.6 miles of Commonwealth owned line track to Class II Track Safety Standards. The project includes replacing ties, surfacing, ditching and drainage work.

State	1,596	.....	160	1,756
Fed.	.....	.....	.....	.....
Local	.....	.....	.....	.....

Department of Transportation 1986-87 Projects

		(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM BOND FUNDS: (continued)				
Program: Intercity Rail and Rural Bus Transportation (continued)				
<i>Clearfield and Jefferson Counties</i>				
RAIL BRANCHLINE REHABILITATION — RIDGEWAY SECONDARY TRACK NO. 651: This project provides for the rehabilitation of 4.3 miles of Commonwealth owned track to Class II Track Safety Standards. The project includes replacing ties, sur- facing, brush cutting.				
	State \$ 395	.....	\$ 40	\$ 435
	Fed. ....	.....	.....	.....
	Local ....	.....	.....	.....
<i>Fayette County</i>				
RAIL BRANCHLINE REHABILITATION—SOUTHWEST SECONDARY TRACK NO. 663: This project provides for the rehabilitation of 0.4 miles of Commonwealth owned track to Class II Track Safety Standards. The project includes replacing ties, sur- facing, and ditching and replacing rails.				
	State 103	.....	10	113
	Fed. ....	.....	.....	.....
	Local ....	.....	.....	.....
<i>Lancaster County</i>				
RAIL BRANCHLINE REHABILITATION — MOUNT HOPE INDUSTRIAL TRACK NO. 916: This project pro- vides for the rehabilitation of 0.6 miles of Commonwealth owned track to Class II Track Safety Standards. The pro- ject includes replacing ties, surfacing, drainage work and replacing ties.				
	State 102	.....	10	112
	Fed. ....	.....	.....	.....
	Local ....	.....	.....	.....
<i>Luzerne County</i>				
RAIL BRANCHLINE REHABILITATION — L & S BRANCH TRACK NO. 1035: This project provides for the rehabilitation of 1.2 miles of Commonwealth owned line track to Class II Track Safety Standards. The project in- cludes replacing ties, surfacing, and ditching.				
	State 102	.....	10	112
	Fed. ....	.....	.....	.....
	Local ....	.....	.....	.....
RAIL BRANCHLINE REHABILITATION — BLOOMSBURG BRANCH TRACK NO. 1228: This project provides for the rehabilitation of 7.0 miles of Commonwealth owned track to Class II Track Safety Standards. The project includes replacing ties, sur- facing, ditching and drainage work.				
	State 382	.....	38	420
	Fed. ....	.....	.....	.....
	Local ....	.....	.....	.....

Department of Transportation 1986-87 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM BOND FUNDS: (continued)				
Program: Intercity Rail and Rural Bus Transportation (continued)				
<i>Pike and Wayne Counties</i>				
RAIL BRANCHLINE REHABILITATION — HONESDALE BRANCH TRACK NO. 1238: This project provides for the rehabilitation of 24.7 miles of Commonwealth owned track to Class II Track Safety Standards. The project includes replacing ties, surfacing, ditching and drainage work, embankment stabilization and bridge deck repairs.				
State	\$ 1,724	. . . . .	\$ 172	\$ 1,896
Fed.	. . . . .	. . . . .	. . . . .	. . . . .
Local	. . . . .	. . . . .	. . . . .	. . . . .
<i>Schuylkill County</i>				
RAIL BRANCHLINE REHABILITATION—SCHUYLKILL SECONDARY TRACK NO. 196: This project provides for the rehabilitation of 1.3 miles of Commonwealth owned track to Class II Track Safety Standards. The project includes replacing ties, surfacing ditching and drainage work, and bridge repairs.				
State	183	. . . . .	18	201
Fed.	. . . . .	. . . . .	. . . . .	. . . . .
Local	. . . . .	. . . . .	. . . . .	. . . . .
<i>Warren County</i>				
RAIL BRANCHLINE REHABILITATION — VALLEY INDUSTRIAL TRACK NO. 260A: This project provides for the rehabilitation of 3.2 miles of Commonwealth owned track to Class II Track Safety Standards. The project includes replacing ties, surfacing, brush cutting.				
State	102	. . . . .	10	112
Fed.	. . . . .	. . . . .	. . . . .	. . . . .
Local	. . . . .	. . . . .	. . . . .	. . . . .
Total State Funds				
	\$ 7,438	. . . . .	\$ 743	\$ 8,181
Total Federal Funds				

Total Local Funds				

PROGRAM TOTAL				
	<u>\$ 7,438</u>	<u>.</u>	<u>\$ 743</u>	<u>\$ 8,181</u>

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

	(Dollar Amounts in Thousands)			
	1987-88	1988-89	1989-90	1990-91
Agriculture	\$ 1,275	\$ 525	.....	.....
Department of Commerce	7,450	7,450	.....	.....
Department of Corrections	8,950	9,300	\$ 9,800	\$ 10,300
Department of Education	28,825	31,350	41,700	44,225
Emergency Management Agency	200	200	150	.....
Department of Environmental Resources	16,575	7,825	52,200	7,575
Game Commission	2,500	2,500	2,500	2,500
Department of General Services	1,750	1,800	1,900	2,000
Historical and Museum Commission	1,875	1,950	2,050	2,175
Department of Military Affairs	1,400	1,350	1,150	925
Department of Public Welfare	9,150	9,525	10,050	10,550
State Police	4,550	4,725	5,000	5,250
Department of Transportation	92,500	93,500	94,500	95,500
TOTAL	\$ 177,000	\$ 172,000	\$ 221,000	\$ 181,000

Forecast of Future Projects

This section contains estimated authorizations (State funds only) for future capital improvements for the fiscal years 1987-88 through 1990-91. Amounts in this section have been grouped by department and are identified by capital project category.

	(Dollar Amounts in Thousands)			
	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
FROM BOND FUNDS				
Department of Agriculture				
PUBLIC IMPROVEMENT PROJECTS: Provides for improvements at the Farm Show Complex, Summerdale Laboratory, and the Headquarters Building. Also includes the purchase of original furniture and equipment to furnish such facilities.	\$ 1,275	\$ 525	. . . .	. . . .
Department of Commerce				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction, expansion, and renovation of tourist information centers.	7,450	7,450	. . . .	. . . .
Department of Corrections				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of administrative, industrial, educational and housing facilities, and utilities at the State-owned correctional institutions. Also includes purchase of original furniture and equipment to furnish such facilities.	8,950	9,300	\$ 9,800	\$ 10,300
Department of Education				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction, expansion, renovation and conversion of classroom and auxiliary buildings, utilities, and recreational facilities for the State System of Higher Education, the State-owned schools, and for the State-related universities. Also includes the purchase of original furniture and equipment to furnish such facilities.	28,825	31,350	41,700	44,225
Emergency Management Agency				
PUBLIC IMPROVEMENT PROJECTS: Provides for improvements and renovation of facilities etc. at the State Fire Academy.	200	200	150	. . . .

CAPITAL BUDGET

Forecast of Future Projects

(Dollar Amounts in Thousands)

FROM BOND FUNDS (continued)	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Department of Environmental Resources				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of support, day use, camping facilities, and utility systems at State parks; construction of district offices, central garages, radio communication systems, and rehabilitation of forest roads in State forest districts; and construction of flood protection projects. Also includes purchase of original furniture and equipment to furnish such facilities.				
	\$ 6,575	\$ 6,825	\$ 7,200	\$ 7,575
FLOOD CONTROL PROJECTS: Provides for the State's share of Federal flood control works and improvements; levees, dikes, walls, revetments, dams, lakes, reservoirs, and other works and improvements deemed necessary to prevent floods and to control, preserve, and regulate the flow of rivers and streams.				
	10,000	1,000	45,000	.....
Department of General Services				
PUBLIC IMPROVEMENT PROJECTS: Provides for renovation and improvements of State office buildings and facilities.				
	1,750	1,800	1,900	2,000
Historical and Museum Commission				
PUBLIC IMPROVEMENT PROJECTS: Provides for restoration and renovation of historic facilities, installation of fire and security systems, development of fixed exhibits, and miscellaneous building and utility improvements at Commonwealth owned museums and historical sites. Also includes the purchase of original furniture and equipment to furnish such facilities.				
	1,875	1,950	2,050	2,175
Department of Military Affairs				
PUBLIC IMPROVEMENT PROJECTS: Provides for land acquisition, renovations, additions and replacement facilities at the State armories and veterans' homes. Also includes the purchase of original furniture and equipment to furnish such facilities.				
	1,400	1,350	1,150	925
Department of Public Welfare				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of patient buildings, support facilities, and utilities at the State institutions for the mentally ill and mentally retarded, restoration centers, and youth development centers. Also includes the purchase of original furniture and equipment to furnish such facilities.				
	9,150	9,525	10,050	10,550

CAPITAL BUDGET

Forecast of Future Projects

	(Dollar Amounts in Thousands)			
1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated	
FROM BOND FUNDS (continued)				
State Police				
PUBLIC IMPROVEMENT PROJECTS: Provides for renovation, expansion, and construction of troop headquarters/station facilities. Also includes the purchase of original furniture and equipment to furnish such facilities.				
\$ 4,550	\$ 4,725	\$ 5,000	\$ 5,250	
Department of Transportation				
TRANSPORTATION ASSISTANCE PROJECTS: Provides for the purchase/rehabilitation of rolling stock and equipment and for construction/renovation of facilities operated by local mass transportation agencies. Also includes the purchase and improvement of rail branch lines to be abandoned by the Consolidated Rail Corporation (ConRail).....				
37,000	38,000	39,000	40,000	
Total—Public Improvement Program	\$ 72,000	\$ 75,000	\$ 79,000	\$ 83,000
Total—Transportation Assistance Program	37,000	38,000	39,000	40,000
Total—Flood Control Program	10,000	1,000	45,000	. . . .
SUBTOTAL—BOND FUNDS	<u>\$ 119,000</u>	<u>\$ 114,000</u>	<u>\$ 163,000</u>	<u>\$ 123,000</u>

CAPITAL BUDGET

Forecast of Future Projects

	1987-88 Estimated	(Dollar Amounts in Thousands)		1990-91 Estimated
		1988-89 Estimated	1989-90 Estimated	
FROM CURRENT REVENUES				
Game Commission				
PUBLIC IMPROVEMENT PROJECTS: Provides for acquisition of additional State game lands.				
	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
 Department of Transportation				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of facilities at the State-owned airports, construction of and additions to highway maintenance and district office buildings, and construction of driver examination facilities.				
	500	500	500	500
HIGHWAY PROJECTS: Provides for the purchase of right-of-way, construction, and reconstruction of highways and bridges on the Commonwealth road system; and major Federally-designated safety projects.				
	55,000	55,000	55,000	55,000
Total—Public Improvement Program	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Total—Highway Program	55,000	55,000	55,000	55,000
SUBTOTAL—CURRENT REVENUES	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000
TOTAL—ALL PROGRAMS	\$ 177,000	\$ 172,000	\$ 221,000	\$ 181,000

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

Department	(Dollar Amounts in Thousands)				
	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Agriculture	\$ 936	\$ 1,500	\$ 1,814	\$ 1,875	\$ 1,233
Commerce	31	485	2,753	5,106	5,481
Community Affairs	35,000	35,000	35,000	37,100	.....
Corrections	47,202	34,778	35,650	36,136	18,273
Education	59,555	67,661	48,103	38,824	56,902
Emergency Management Agency	37	108	170	212	190
Environmental Resources	22,178	28,958	25,094	30,189	27,469
Fish Commission	430	30	.....	.....	.....
Game Commission	2,500	2,500	2,500	2,500	2,500
General Services	41,767	18,252	11,841	8,703	12,178
Historical and Museum Commission	684	1,164	1,958	3,453	2,990
Military Affairs	1,080	2,490	3,985	4,171	2,457
Public Welfare	10,472	10,141	10,372	12,307	12,944
State Police	764	859	2,283	3,753	4,949
Transportation	493,667	397,601	207,975	135,299	130,793
TOTAL	\$ 716,303	\$ 601,527	\$ 389,498	\$ 319,628	\$ 278,359

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
BOND FUNDS	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Department of Agriculture					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 873	\$ 809	\$ 458	\$ 286	\$ 475
Projects in 1984-86 Budgets (Pending)					
Buildings and Structures	63	665	1,077	1,045	158
Future Projects (1987-91)					
Buildings and Structures .....	. . . .	26	279	544	600
TOTAL—AGRICULTURE	<u>\$ 936</u>	<u>\$ 1,500</u>	<u>\$ 1,814</u>	<u>\$ 1,875</u>	<u>\$ 1,233</u>
Department of Commerce					
Public Improvement Projects					
Projects in 1986-87 Budget					
Buildings and Structures	\$ 31	\$ 336	\$ 1,039	\$ 1,008	\$ 489
Future Projects (1987-91)					
Buildings and Structures .....	. . . .	149	1,714	4,098	4,992
TOTAL—COMMERCE	<u>\$ 31</u>	<u>\$ 485</u>	<u>\$ 2,753</u>	<u>\$ 5,106</u>	<u>\$ 5,481</u>
Department of Community Affairs					
Redevelopment Assistance Projects					
Projects Currently Authorized					
Acquisition	\$ 1,000	. . . .	. . . .	. . . .	. . . .
Projects in 1985-86 Budget (Pending)					
Acquisition and Construction	34,000	\$ 35,000	\$ 35,000	\$ 37,100	. . . .
TOTAL—COMMUNITY AFFAIRS ...	<u>\$ 35,000</u>	<u>\$ 35,000</u>	<u>\$ 35,000</u>	<u>\$ 37,100</u>	<u>. . . .</u>
Department of Corrections					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 45,573	\$ 17,451	\$ 4,765	\$ 2,972	\$ 4,937
Projects in 1984-86 Budgets (Pending)					
Buildings and Structures	1,564	16,430	26,601	25,819	3,912
Projects in 1986-87 Budget					
Buildings and Structures	65	718	2,218	2,153	1,044
Future Projects (1987-91)					
Buildings and Structures .....	. . . .	179	2,066	5,192	8,380
TOTAL—CORRECTIONS	<u>\$ 47,202</u>	<u>\$ 34,778</u>	<u>\$ 35,650</u>	<u>\$ 36,136</u>	<u>\$ 18,273</u>
Department of Education					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 56,754	\$ 51,661	\$ 27,352	\$ 17,059	\$ 28,334
Furniture and Equipment	838	3,132	. . . .	. . . .	. . . .
Projects in 1984-86 Budgets (Pending)					
Buildings and Structures	453	4,751	7,692	7,466	1,131
Furniture and Equipment	1,315	438	. . . .	. . . .	. . . .
Projects in 1986-87 Budget					
Buildings and Structures	58	641	1,982	1,924	933
Furniture and Equipment	137	137	. . . .	. . . .	. . . .
Future Projects (1987-91)					
Buildings and Structures .....	. . . .	313	3,890	11,475	24,879
Furniture and Equipment .....	. . . .	6,588	7,187	900	1,625
TOTAL—EDUCATION	<u>\$ 59,555</u>	<u>\$ 67,661</u>	<u>\$ 48,103</u>	<u>\$ 38,824</u>	<u>\$ 56,902</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
BOND FUNDS (continued)	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Emergency Management Agency					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 31	\$ 29	\$ 17	\$ 10	\$ 17
Projects in 1984-85 Budget (Pending)					
Buildings and Structures	6	62	100	97	15
Future Projects (1987-91)					
Buildings and Structures .....	.....	4	41	105	158
Furniture and Equipment .....	.....	13	12	.....	.....
TOTAL—EMERGENCY					
MANAGEMENT	<u>\$ 37</u>	<u>\$ 108</u>	<u>\$ 170</u>	<u>\$ 212</u>	<u>\$ 190</u>
 Department of Environmental Resources					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 16,418	\$ 13,347	\$ 7,563	\$ 4,717	\$ 7,835
Furniture and Equipment	10	.....	.....	.....	.....
Projects in 1984-86 Budgets (Pending)					
Buildings and Structures	285	2,988	4,838	4,695	711
Furniture and Equipment	70	23	.....	.....	.....
Projects in 1986-87 Budget					
Buildings and Structures	130	1,433	4,429	4,299	2,084
Furniture and Equipment	2,675	2,675	.....	.....	.....
Future Projects (1987-91)					
Buildings and Structures .....	.....	132	1,518	3,813	6,155
Subtotal	<u>\$ 19,588</u>	<u>\$ 20,598</u>	<u>\$ 18,348</u>	<u>\$ 17,524</u>	<u>\$ 16,785</u>
 Flood Control Projects					
Projects in 1986-87 Budget					
Structures and Improvements	\$ 2,590	\$ 4,260	\$ 4,066	\$ 3,380	\$ 534
Future Projects (1987-91)					
Structures and Improvements .....	.....	4,100	2,680	9,285	10,150
Subtotal	<u>\$ 2,590</u>	<u>\$ 8,360</u>	<u>\$ 6,746</u>	<u>\$ 12,665</u>	<u>\$ 10,684</u>
TOTAL—ENVIRONMENTAL					
RESOURCES	<u>\$ 22,178</u>	<u>\$ 28,958</u>	<u>\$ 25,094</u>	<u>\$ 30,189</u>	<u>\$ 27,469</u>
 Department of General Services					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 36,139	\$ 17,343	\$ 9,827	\$ 6,129	\$ 10,180
Furniture and Equipment	5,545	.....	.....	.....	.....
Projects in 1984-86 Budgets (Pending)					
Buildings and Structures	71	742	1,202	1,167	177
Projects in 1986-87 Budget					
Buildings and Structures	12	132	408	396	192
Future Projects (1987-91)					
Buildings and Structures .....	.....	35	404	1,011	1,629
TOTAL—GENERAL SERVICES	<u>\$ 41,767</u>	<u>\$ 18,252</u>	<u>\$ 11,841</u>	<u>\$ 8,703</u>	<u>\$ 12,178</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
BOND FUNDS (continued)	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Historical and Museum Commission					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 616	\$ 504	\$ 286	\$ 178	\$ 296
Projects in 1985-86 Budget (Pending)					
Buildings and Structures	44	458	741	719	109
Furniture and Equipment	9	3	.....	.....	.....
Projects in 1986-87 Budget					
Buildings and Structures	15	161	498	483	234
Future Projects (1987-91)					
Buildings and Structures .....	.....	38	433	1,048	1,326
Furniture and Equipment .....	.....	.....	.....	1,025	1,025
TOTAL—HISTORICAL AND MUSEUM	<u>\$ 684</u>	<u>\$ 1,164</u>	<u>\$ 1,958</u>	<u>\$ 3,453</u>	<u>\$ 2,990</u>
Department of Military Affairs					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 919	\$ 799	\$ 453	\$ 282	\$ 469
Furniture and Equipment	6	.....	.....	.....	.....
Projects in 1984-86 Budgets (Pending)					
Buildings and Structures	124	1,305	2,113	2,051	311
Projects in 1986-87 Budget					
Buildings and Structures	31	345	1,067	1,036	502
Future Projects (1987-91)					
Buildings and Structures .....	.....	28	315	764	1,150
Furniture and Equipment .....	.....	13	37	38	25
TOTAL—MILITARY AFFAIRS	<u>\$ 1,080</u>	<u>\$ 2,490</u>	<u>\$ 3,985</u>	<u>\$ 4,171</u>	<u>\$ 2,457</u>
Department of Public Welfare					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 8,000	\$ 5,929	\$ 2,943	\$ 1,836	\$ 3,049
Furniture and Equipment	666	.....	.....	.....	.....
Projects in 1984-86 Budgets (Pending)					
Buildings and Structures	216	2,267	3,671	3,563	540
Furniture and Equipment	467	155	.....	.....	.....
Projects in 1986-87 Budget					
Buildings and Structures	48	532	1,645	1,596	774
Furniture and Equipment	1,075	1,075	.....	.....	.....
Future Projects (1987-91)					
Buildings and Structures .....	.....	183	2,113	5,312	8,581
TOTAL—PUBLIC WELFARE	<u>\$ 10,472</u>	<u>\$ 10,141</u>	<u>\$ 10,372</u>	<u>\$ 12,307</u>	<u>\$ 12,944</u>
Department of State Police					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 732	\$ 419	\$ 237	\$ 148	\$ 246
Projects in 1984-85 Budget (Pending)					
Buildings and Structures	5	56	90	87	13
Projects in 1986-87 Budget					
Buildings and Structures	27	293	905	879	426
Future Projects (1987-91)					
Buildings and Structures .....	.....	91	1,051	2,639	4,264
TOTAL—STATE POLICE	<u>\$ 764</u>	<u>\$ 859</u>	<u>\$ 2,283</u>	<u>\$ 3,753</u>	<u>\$ 4,949</u>

CAPITAL BUDGET

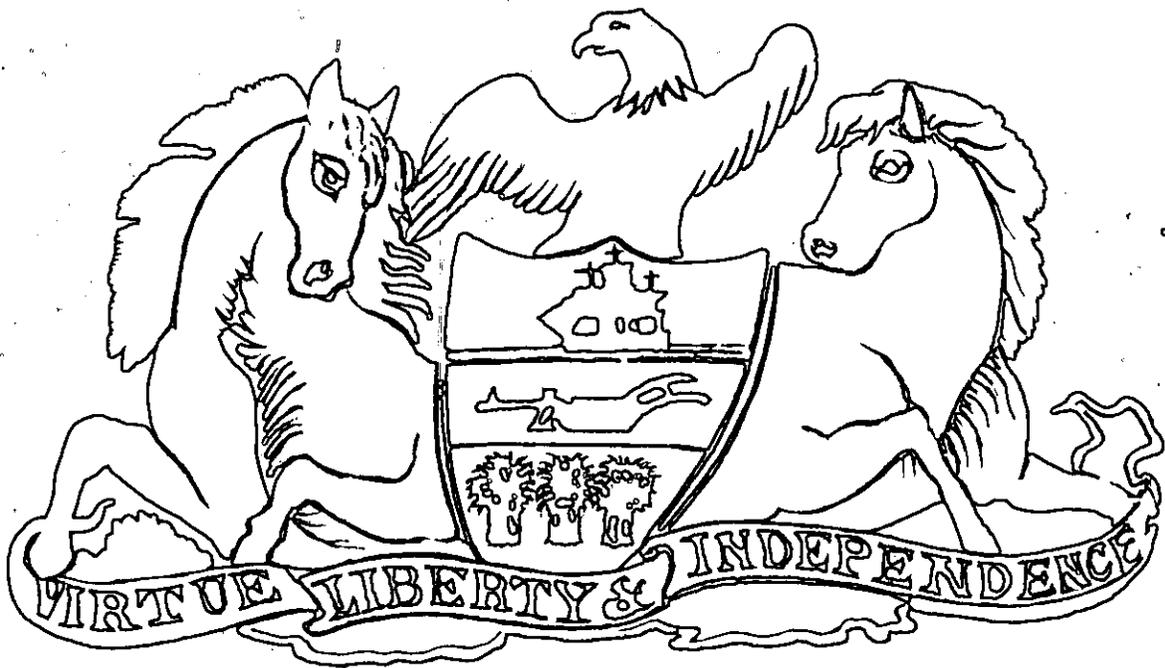
Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
BOND FUNDS (continued)	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Department of Transportation					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 1,182	\$ 10	\$ 6	\$ 3	\$ 6
Projects in 1984-86 Budgets (Pending)					
Buildings and Structures	115	1,206	1,953	1,896	287
Subtotal	<u>\$ 1,297</u>	<u>\$ 1,216</u>	<u>\$ 1,959</u>	<u>\$ 1,899</u>	<u>\$ 293</u>
Highway Projects					
Projects Currently Authorized					
Bridge Restoration and Replacement	\$ 66,000	\$ 107,000	\$ 28,000	.....	.....
Advanced Construction Interstate	189,799	118,985	39,216	.....	.....
Subtotal	<u>\$ 255,799</u>	<u>\$ 225,985</u>	<u>\$ 67,216</u>	<u>.....</u>	<u>.....</u>
Transportation Assistance Projects					
Projects Currently Authorized					
Mass Transit and Branch Rail Lines	\$ 40,000	\$ 52,000	\$ 36,300	\$ 15,100	\$ 14,000
Projects in 1985-86 Budget (Pending)					
Mass Transit and Branch Rail Lines .....	.....	2,900	15,000	22,000	15,000
Projects in 1986-87 Budget					
Mass Transit and Branch Rail Lines .....	.....	.....	7,800	7,900	11,500
Future Projects (1987-91)					
Mass Transit and Branch Rail Lines .....	.....	.....	.....	8,300	16,800
Subtotal	<u>\$ 40,000</u>	<u>\$ 54,900</u>	<u>\$ 59,100</u>	<u>\$ 53,300</u>	<u>\$ 57,300</u>
TOTAL—TRANSPORTATION	<u><u>\$ 297,096</u></u>	<u><u>\$ 282,101</u></u>	<u><u>\$ 128,275</u></u>	<u><u>.....</u></u>	<u><u>.....</u></u>
TOTAL—BOND FUNDS					
Public Improvement Projects					
Buildings and Structures	\$ 170,600	\$ 145,000	\$ 132,000	\$ 132,000	\$ 132,000
Furniture and Equipment	12,813	14,252	7,236	1,963	2,675
Redevelopment Assistance Projects					
Site Acquisition and Construction	35,000	35,000	35,000	37,100	.....
Flood Control Projects					
Structures and Improvements	2,590	8,360	6,746	12,665	10,684
Highway Projects					
Bridge Restoration and Replacement	66,000	107,000	28,000	.....	.....
Advanced Construction Interstate	189,799	118,985	39,216	.....	.....
Transportation Assistance Projects					
Mass Transit and Branch Rail Lines	40,000	54,900	59,100	53,300	57,300
TOTAL	<u><u>\$ 516,802</u></u>	<u><u>\$ 483,497</u></u>	<u><u>\$ 307,298</u></u>	<u><u>\$ 237,028</u></u>	<u><u>\$ 202,659</u></u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
CURRENT REVENUES	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
Fish Commission					
Public Improvement Projects					
Projects in 1986-87 Budget					
Boating Fund	\$ 94	.....	.....	.....	.....
Fish Fund	336	\$ 30	.....	.....	.....
TOTAL—FISH—COMMISSION	<u>\$ 430</u>	<u>\$ 30</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
Game Commission					
Public Improvement Projects					
Projects Currently Authorized					
Game Fund	\$ 1,465	.....	.....	.....	.....
Projects in 1985-86 Budget (Pending)					
Game Fund	465	.....	.....	.....	.....
Projects in 1986-87 Budget					
Game Fund	570	.....	.....	.....	.....
Future Projects (1987-91)					
Game Fund .....	.....	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
TOTAL—GAME—COMMISSION	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>
Department Transportation					
Highway Projects					
Projects Currently Authorized					
Motor License Fund	\$ 81,700	\$ 56,100	\$ 47,500	\$ 40,100	\$ 40,100
Motor License Fund Restricted Revenue ..	104,300	28,800	11,600	6,200	.....
Projects in 1985-86 Budget (Pending)					
Motor License Fund	10,300	5,400	.....	.....	.....
Projects in 1986-87 Budget					
Motor License Fund .....	.....	24,700	15,800	11,300	10,600
Motor License Fund Restricted Revenue ..	.....	.....	.....	20,000	20,000
Future Projects (1987-91)					
Motor License Fund .....	.....	.....	4,300	2,000	2,000
Subtotal	<u>\$ 196,300</u>	<u>\$ 115,000</u>	<u>\$ 79,200</u>	<u>\$ 79,600</u>	<u>\$ 72,700</u>
Public Improvement Projects					
Projects in 1986-87 Budget					
Motor License Fund	\$ 271	.....	.....	.....	.....
Future Projects (1987-91)					
Motor License Fund .....	.....	\$ 500	\$ 500	\$ 500	\$ 500
Subtotal	<u>\$ 271</u>	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 500</u>
TOTAL—TRANSPORTATION	<u>\$ 196,571</u>	<u>\$ 115,500</u>	<u>\$ 79,700</u>	<u>\$ 80,100</u>	<u>\$ 73,200</u>
TOTAL—CURRENT REVENUES					
Public Improvement Projects					
Boating Fund	\$ 94	.....	.....	.....	.....
Fish Fund	336	\$ 30	.....	.....	.....
Game Fund	2,500	2,500	\$ 2,500	\$ 2,500	\$ 2,500
Motor License Fund	271	500	500	500	500
Highway Projects					
Motor License Fund	92,000	86,200	67,600	53,400	52,700
Motor License Fund Restricted Revenue ..	104,300	28,800	11,600	26,200	20,000
TOTAL	<u>\$ 199,501</u>	<u>\$ 118,030</u>	<u>\$ 82,200</u>	<u>\$ 82,600</u>	<u>\$ 75,700</u>
TOTAL—ALL STATE FUNDS	<u>\$ 716,303</u>	<u>\$ 601,527</u>	<u>\$ 389,498</u>	<u>\$ 319,628</u>	<u>\$ 278,359</u>



1823

SINKING FUNDS
AND
PUBLIC DEBT

BONDS AUTHORIZED, ISSUED AND OUTSTANDING

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

The following statement reflects the bonded indebtedness of the Commonwealth as of December 31, 1985. Issues which have been completely redeemed are not included.

	(Dollar Amounts in Thousands)					
	Total Debt Authorized	Total Bonds Issued	Bonds Redeemed To Date	Bonds Outstanding	Sinking Fund	Net Indebtedness
Capital Facilities	\$ 6,919,324	\$4,500,300	\$1,408,665 ^b	\$3,091,635	\$ 37,736	\$3,053,899
General State Authority	1,165,250	1,165,250	899,237	266,013	37,047	228,966
State Highway and Bridge Authority ...	580,000	580,000	472,480	107,520	. . . .	107,520
State Public School Building Authority .	8,150	8,150	6,435	1,715	. . . .	1,715
Disaster Relief ^a	192,708	168,000	35,435	132,565	11	132,554
Economic Revitalization ^a	190,000	73,000	7,765	65,235	791	64,444
Land and Water Development ^a	500,000	475,000	117,665	357,335	981	356,354
Nursing Home Loan Agency ^a	100,000	66,000	17,535	48,465	1,289	47,176
Project 70 Land Acquisition ^a	70,000	70,000	59,300	10,700	185	10,515
Vietnam Veterans' Compensation ^a	65,000	62,000	21,510	40,490	8	40,482
Volunteer Companies' Loan ^a	25,000	25,000	4,515	20,485	71	20,414
Water Facilities Loan ^a	300,000	110,000	10,255 ^c	99,745	7,053	92,692
Refunding Bonds ^a .....	. . . .	98,353	. . . .	98,353	584	97,769
Matured Loans Unclaimed ^a .....	. . . .	. . . .	. . . .	141	141	. . . .
TOTAL	<u>\$10,115,432</u>	<u>\$7,401,053</u>	<u>\$3,060,797</u>	<u>\$4,340,397</u>	<u>\$ 85,897</u>	<u>\$4,254,500</u>

^aNot applicable to constitutional debt limit.

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

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

PROJECTED BOND ISSUES AND DEBT OUTSTANDING 1985-86 Through 1990-91

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

	(Dollar Amounts in Thousands)					
	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Projected Bond Issues						
Capital Facilities						
Public Improvements	\$ 190,000	\$ 165,000	\$ 150,000	\$ 130,000	\$ 130,000	\$ 130,000
Highways .....	.....	66,000	110,000	25,000	.....	.....
Transportation Assistance	20,000	40,000	55,000	60,000	55,000	60,000
Original Furniture and Equipment	5,000	15,000	11,000	7,000	2,000	3,000
Redevelopment Assistance	25,000	10,000	35,000	35,000	38,000	.....
Flood Control .....	.....	3,000	10,000	6,000	13,000	11,000
Advanced Construction Interstate .....	.....	190,000	119,000	39,000	.....	.....
Total	<u>\$ 240,000</u>	<u>\$ 489,000</u>	<u>\$ 490,000</u>	<u>\$ 302,000</u>	<u>\$ 238,000</u>	<u>\$ 204,000</u>
Special Purpose						
Land and Water Development ..	\$ 5,000	\$ 8,000	\$ 7,000	\$ 5,000	.....	.....
Disaster Relief .....	.....	3,000	.....	.....	.....	.....
Nursing Home Loan .....	.....	5,000	5,000	5,000	\$ 5,000	\$ 5,000
Water Facilities Loan	45,000	20,000	20,000	20,000	20,000	20,000
Economic Revitalization .....	.....	.....	.....	.....	.....	.....
Total	<u>\$ 50,000</u>	<u>\$ 36,000</u>	<u>\$ 32,000</u>	<u>\$ 30,000</u>	<u>\$ 25,000</u>	<u>\$ 25,000</u>
TOTAL	<u><u>\$ 290,000</u></u>	<u><u>\$ 525,000</u></u>	<u><u>\$ 522,000</u></u>	<u><u>\$ 332,000</u></u>	<u><u>\$ 263,000</u></u>	<u><u>\$ 229,000</u></u>
Debt Outstanding Projection						
Capital Facilities	\$3,432,545	\$3,731,910	\$3,981,573	\$3,942,422	\$3,691,465	\$3,605,835
General State Authority ^a	266,013	228,966	191,763	155,013	120,943	89,305
State Highway and Bridge Authority	107,520	83,155	59,490	36,665	19,135	6,940
State Public School Building Authority	1,715	1,305	865	385	.....	.....
Special Purpose						
Disaster Relief	128,960	125,850	119,505	112,735	105,685	98,350
Economic Revitalization	64,110	55,910	47,710	39,510	31,580	25,350
Land and Water Development ..	352,405	342,485	330,000	314,230	292,210	269,170
Nursing Home Loan	48,305	50,060	51,650	52,805	53,505	53,745
Project 70 Land Acquisition ..	8,800	6,880	6,540	6,175	5,785	5,370
Vietnam Veteran's Compensation	42,080	39,985	37,765	35,415	32,920	30,275
Volunteer Companies Loan ...	20,115	18,855	17,565	16,245	14,895	13,510
Water Facilities Loan	111,320	125,540	138,965	151,330	162,635	172,880
TOTAL	<u><u>\$4,583,888</u></u>	<u><u>\$4,810,901</u></u>	<u><u>\$4,983,391</u></u>	<u><u>\$4,862,930</u></u>	<u><u>\$4,530,758</u></u>	<u><u>\$4,370,730</u></u>

^aReflects the early deposit of funds for bond retirement.

FORECAST OF DEBT SERVICE ON BONDED DEBT

This table shows the amounts necessary to pay estimated debt service by the Commonwealth on currently outstanding bonded indebtedness and authority rentals and on projected bond issues. Further detail for the Capital Facilities bonds by category of project is contained in the Capital Budget section of this volume.

	(Dollar Amounts in Thousands)				
	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund					
Capital Facilities	\$ 248,362	\$ 274,755	\$ 307,543	\$ 334,975	\$ 354,216
General State Authority Rentals	44,881	43,042	38,986	35,445	29,665
Disaster Relief	13,875	13,989	13,999	13,845	13,678
Economic Revitalization	12,448	11,964	11,445	10,623	8,430
Land and Water Development	39,803	40,860	41,430	41,567	41,168
Nursing Home Loan	6,302	6,678	7,299	7,905	8,481
Project 70 Land Acquisition	2,422	762	764	764	763
Vietnam Veteran's Compensation	4,575	4,565	4,560	4,562	4,559
Volunteer Companies Loan	2,787	2,720	2,651	2,579	2,509
Water Facilities	14,633	16,738	19,002	21,128	23,210
Less: Interest and Miscellaneous Revenue ..	-8,214	-10,000	-8,000	-8,000	-8,000
TOTAL	<u>\$ 381,874</u>	<u>\$ 406,073</u>	<u>\$ 439,679</u>	<u>\$ 465,393</u>	<u>\$ 478,679</u>
Motor License Fund					
Capital Facilities—Highways	\$ 167,717	\$ 177,058	\$ 187,938	\$ 191,743	\$ 190,852
Capital Facilities	529	1,225	1,245	1,231	1,231
General State Authority Rentals	1,163	1,161	1,159	1,157	1,157
State Highway and Bridge Authority Rentals	28,608	26,895	25,056	18,869	12,824
Advance Construction Interstate—Interest Payments	2,130	14,970	17,100	11,380	. . . .
TOTAL	<u>\$ 200,147</u>	<u>\$ 221,309</u>	<u>\$ 232,498</u>	<u>\$ 224,380</u>	<u>\$ 206,064</u>
Boating Fund					
General State Authority Rentals	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2
Fish Fund					
General State Authority Rentals	\$ 63	\$ 63	\$ 63	\$ 63	\$ 63
Other Funds					
State Public School Building Authority	\$ 315	\$ 330	\$ 345	\$ 360	\$ 315
Motor License Fund Restricted Receipts					
Aviation—Capital Facilities	28	454	1,489	1,489	1,489
Aviation—General State Authority	39	39	39	39	39
Highway Bridge Improvement—Capital Facilities	2,805	12,060	22,887	26,667	25,779
TOTAL	<u>\$ 3,187</u>	<u>\$ 12,883</u>	<u>\$ 24,760</u>	<u>\$ 28,555</u>	<u>\$ 27,622</u>
TOTAL	<u>\$ 585,273</u>	<u>\$ 640,330</u>	<u>\$ 697,002</u>	<u>\$ 718,393</u>	<u>\$ 712,430</u>

TERMS OF BONDS OUTSTANDING

The following chart reflects the terms of the Commonwealth's general obligation bonds that were outstanding as of December 31, 1985.

Purpose of Bonds	Date of Issue	Interest Rate	First and Last Year of Maturity	Original Amount in Thousands	
Project 70 Land Acquisition	March 15, 1967	3.36%	1973-87	\$ 23,000	
	November 15, 1970	6.26%	1973-00	10,000	
Land and Water Development	May 1, 1969	5.62%	1971-98	25,000	
	June 15, 1969	5.88%	1971-98	40,000	
	November 15, 1970	6.36%	1973-00	13,000	
	March 1, 1971	5.23%	1973-00	25,000	
	October 15, 1971	5.13%	1974-01	50,000	
	April 15, 1972	5.26%	1974-01	50,000	
	September 15, 1973	5.48%	1976-03	48,000	
	October 1, 1974	7.12%	1977-04	50,000	
	January 15, 1976	6.24%	1977-95	30,000	
	June 15, 1976	6.28%	1977-95	18,000	
	December 1, 1976	5.82%	1978-96	18,000	
	August 1, 1977	5.32%	1979-97	30,000	
	January 1, 1979	6.75%	1980-98	20,000	
	March 1, 1980	9.16%	1981-99	20,000	
	July 1, 1982	10.75%	1984-02	10,000	
	April 1, 1983	8.26%	1984-02	8,000	
	April 1, 1984	9.06%	1985-03	10,000	
	December 15, 1984	8.86%	1986-04	10,000	
	Vietnam Veterans' Compensation	June 15, 1969	5.95%	1971-98	28,000
		November 15, 1970	6.11%	1973-00	27,000
	Capital Facilities	April 1, 1974	5.36%	1976-03	7,000
		October 15, 1968	4.15%	1971-98	75,000
		May 1, 1969	5.62%	1971-98	75,000
		January 1, 1970	6.82%	1972-99	50,000
		March 15, 1970	5.92%	1972-99	75,000
		October 15, 1970	6.08%	1973-00	25,000
		January 1, 1971	5.57%	1973-00	50,000
April 15, 1971		5.11%	1973-00	50,000	
August 1, 1971		5.79%	1974-01	52,000	
January 1, 1972		5.31%	1974-01	75,000	
June 1, 1972		4.99%	1974-01	50,000	
September 15, 1972		5.09%	1975-02	25,000	
December 1, 1972		4.82%	1975-02	65,000	
April 15, 1973		5.29%	1975-02	60,000	
August 1, 1973		5.49%	1976-03	50,000	
April 1, 1974		5.36%	1976-03	50,000	
October 1, 1974		7.12%	1977-04	50,000	
May 15, 1975		6.44%	1976-94	50,000	
November 15, 1975		6.72%	1977-95	20,000	
April 1, 1976		6.32%	1977-95	50,000	
June 15, 1976		6.28%	1977-95	50,000	
September 1, 1976		5.95%	1978-96	50,000	
December 1, 1976		5.82%	1978-96	18,000	
April 15, 1977		5.30%	1978-96	28,000	
August 1, 1977		5.32%	1979-97	40,000	
February 1, 1978		5.60%	1979-97	50,000	
June 15, 1978		6.06%	1979-97	50,000	
January 1, 1979		6.75%	1980-98	10,000	
March 1, 1980		9.16%	1981-99	45,000	
October 15, 1980		8.56%	1982-00	13,000	
May 15, 1981		10.60%	1982-00	35,000 ^a	
November 15, 1981		10.16%	1983-01	30,000	
July 1, 1982		10.75%	1984-02	40,000	
April 1, 1983		8.26%	1984-02	20,000	
June 1, 1983		8.61%	1984-02	45,000	
April 1, 1984		9.16%	1985-03	50,000	
June 15, 1984		9.83%	1985-03	70,000 ^b	
December 15, 1984		8.86%	1986-04	20,000	
March 1, 1985		8.89%	1986-04	40,000	
June 1, 1985		7.69%	1986-04	30,000	
Capital Facilities—Equipment	October 15, 1985	8.49%	1987-05	60,000	
	December 1, 1976	5.82%	1977-86	4,000	
	August 1, 1977	5.32%	1978-87	5,000	
	June 15, 1978	6.06%	1978-87	4,000	
	March 1, 1980	9.16%	1980-89	3,000	
	October 15, 1980	8.56%	1981-90	2,000	
	November 15, 1981	10.16%	1982-91	3,000	
	April 1, 1983	8.26%	1983-92	2,000	
	April 1, 1984	9.06%	1984-93	10,000	
	December 15, 1984	8.86%	1985-94	10,000	
	Capital Facilities—Highways	February 15, 1969	4.79%	1971-98	75,000
		August 15, 1969	5.84%	1972-99	100,000
		January 1, 1970	6.78%	1972-99	75,000

PUBLIC DEBT

Purpose of Bonds	Date of Issue	Net Interest Rate	First and Last Year of Maturity	Original Amount in Thousands	
Capital Facilities—Highways (continued)	June 1, 1970	6.44%	1972-99	\$100,000	
	September 1, 1970	6.03%	1973-00	75,000	
	January 1, 1971	5.57%	1973-00	75,000	
	March 1, 1971	5.17%	1973-00	50,000	
	April 15, 1971	5.11%	1973-00	50,000	
	June 15, 1971	5.75%	1973-00	100,000	
	January 1, 1972	5.31%	1974-01	50,000	
	March 1, 1972	5.03%	1974-01	50,000	
	June 1, 1972	4.99%	1974-01	50,000	
	July 1, 1972	5.32%	1975-02	50,000	
	December 1, 1972	4.82%	1975-02	80,000	
	April 15, 1973	5.28%	1975-02	70,000	
	August 1, 1973	5.49%	1976-03	85,000	
	April 1, 1974	5.36%	1976-03	93,000	
	June 15, 1974	6.39%	1976-03	157,000	
	May 15, 1975	6.44%	1976-94	50,000	
	August 15, 1975	6.78%	1977-95	180,000	
	November 15, 1975	6.72%	1977-95	80,000	
	January 15, 1976	6.24%	1977-95	70,000	
	April 1, 1976	6.32%	1977-95	50,000	
	June 15, 1976	6.28%	1977-95	65,000	
	September 1, 1976	5.95%	1978-96	70,000	
	December 1, 1976	5.82%	1978-96	107,000	
	August 1, 1977	5.32%	1979-97	45,000	
	February 1, 1978	5.60%	1979-97	35,000	
	January 1, 1979	6.75%	1980-98	10,000	
	May 1, 1969	5.62%	1971-98	6,000	
	October 15, 1970	6.08%	1973-00	10,000	
	August 1, 1971	5.79%	1974-01	10,000	
	September 15, 1973	5.49%	1976-03	2,000	
	Capital Facilities—Transportation Assistance.....	May 1, 1969	5.62%	1970-98	10,800
		August 1, 1973	5.49%	1974-03	15,000
	May 15, 1975	6.44%	1975-94	15,000	
	April 1, 1976	6.32%	1976-95	10,000	
	September 1, 1976	5.95%	1977-96	10,000	
	August 1, 1977	5.32%	1978-97	10,000	
	February 1, 1978	5.60%	1978-97	10,000	
	January 1, 1979	6.75%	1979-98	10,000	
	March 1, 1980	9.16%	1980-99	15,000	
	October 15, 1980	8.56%	1981-00	25,000	
	May 15, 1981	10.56%	1981-00	40,000 ^a	
	November 15, 1981	10.16%	1982-01	25,000	
	July 1, 1982	10.75%	1983-02	25,000	
	April 1, 1983	8.26%	1983-02	30,000	
	June 1, 1983	8.61%	1983-02	40,000	
	April 1, 1984	9.06%	1984-03	25,000	
	June 15, 1984	9.83%	1984-03	30,000 ^b	
	December 15, 1984	8.86%	1985-04	30,000	
	June 1, 1985	7.69%	1985-04	20,000	
Capital Facilities—Redevelopment Assistance.....	March 1, 1985	8.89%	1986-04	42,000	
Disaster Relief.....	February 1, 1973	4.91%	1975-02	25,000	
	September 15, 1973	5.48%	1976-03	75,000	
	June 15, 1978	6.06%	1979-97	15,000	
	January 1, 1979	6.75%	1980-98	20,000	
	October 15, 1980	8.56%	1982-00	30,000	
	June 1, 1985	7.69%	1986-04	3,000	
State Public School Building Authority.....	April 1, 1968	5.06%	1970-97	8,150	
Nursing Home Loan Agency.....	May 15, 1975	6.44%	1976-94	25,000	
	April 15, 1977	5.30%	1978-96	15,000	
	January 1, 1979	6.75%	1980-98	13,000	
	April 1, 1983	8.26%	1984-02	10,000	
	December 15, 1984	8.86%	1986-04	3,000	
Volunteer Companies' Loan.....	April 15, 1977	5.32%	1978-96	10,000	
	July 1, 1982	10.75%	1984-02	7,000	
	April 1, 1983	8.26%	1984-02	8,000	
Water Facilities Loan.....	April 1, 1983	8.26%	1984-02	10,000	
	April 1, 1984	9.06%	1985-03	25,000	
	June 15, 1984	9.83%	1985-03	15,000 ^b	
	December 15, 1984	8.86%	1986-04	10,000	
	March 1, 1985	8.89%	1986-04	10,000	
	October 15, 1985	8.49%	1987-04	40,000	
Economic Revitalization.....	December 15, 1984	8.86%	1985-04	10,000	
	March 1, 1985	8.89%	1985-04	10,000	
	June 1, 1985	7.69%	1985-04	53,000	
Refunding Series.....	December 15, 1985	7.85%	1987-03	98,352	

^aBonds maturing on and after November 15, 1991 will be refunded on May 15, 1991 from proceeds of the Refunding Series of 1985 bonds.

^bBonds maturing on and after December 15, 1995 will be refunded on June 15, 1994 from proceeds of the Refunding Series of 1985 bonds.

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

Bonds Dated as of December 31, 1985

(Dollar Amounts in Thousands)

Fiscal Year	Authority Rentals					
	General State Authority ^a	State Highway and Bridge Authority	Capital Improvements	Public School Building Authority	Transportation	Land and Water
1985-86	\$47,373	\$30,110	\$213,629	\$315	\$165,031	\$39,322
1986-87	46,149	28,608	216,490	330	164,911	39,037
1987-88	44,307	26,895	208,385	345	164,997	38,778
1988-89	40,248	25,056	205,334	360	165,050	38,527
1989-90	36,716	18,869	200,934	315	165,066	38,277
1990-91	30,926	12,823	194,636	350	165,074	37,990
1991-92	24,823	7,183	183,909	..	164,976	37,715
1992-93	19,937	..	179,243	..	164,850	37,431
1993-94	13,985	..	174,639	..	164,784	37,152
1994-95	5,020	..	167,480	..	164,956	36,874
1995-96	4,360	..	149,857	..	136,009	36,640
1996-97	4,546	..	130,170	..	103,992	30,493
1997-98	..	..	120,121	..	99,942	27,603
1998-99	..	..	106,100	..	97,184	22,758
1999-00	..	..	92,987	..	84,609	20,658
2000-01	..	..	74,554	..	66,564	18,484
2001-02	..	..	58,321	..	46,501	12,772
2002-03	..	..	38,991	..	27,775	8,834
2003-04	..	..	24,166	..	17,469	4,934
2004-05	..	..	10,373	..	..	..

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

PUBLIC DEBT

Fiscal Year	Disaster Relief	Project 70	Vietnam Veterans' Compensation	Volunteer Companies Loan Fund	Nursing Home Loan Agency	Water Facilities Loan	Economic Revitalization	Refunding Bonds	Total
1985-86	\$13,627	\$4,308	\$4,584	\$2,856	\$6,355	\$10,177	\$12,555	\$ 3,905	\$554,147
1986-87	13,499	2,421	4,575	2,787	6,302	13,783	12,447	7,245	558,584
1987-88	13,366	761	4,565	2,720	6,252	13,403	11,964	8,506	545,244
1988-89	13,233	763	4,560	2,650	6,195	12,998	11,445	8,505	534,924
1989-90	13,102	764	4,562	2,578	6,144	12,573	10,623	8,503	519,026
1990-91	12,960	763	4,559	2,509	6,087	12,136	8,430	8,499	497,742
1991-92	12,827	770	4,560	2,436	6,036	11,688	7,983	12,527	477,433
1992-93	12,688	770	4,559	2,366	5,994	11,229	7,169	12,085	458,321
1993-94	12,537	769	4,562	2,292	5,950	10,758	4,653	11,281	443,362
1994-95	12,395	775	4,567	2,220	5,906	10,274	3,974	10,878	425,319
1995-96	12,246	779	4,575	2,143	3,596	9,026	1,344	16,478	377,053
1996-97	12,085	780	4,574	2,063	3,538	8,599	1,274	14,184	316,298
1997-98	11,930	778	4,572	1,114	2,174	8,164	1,202	13,289	290,889
1998-99	10,471	783	2,592	1,032	2,109	7,722	1,131	12,412	264,294
1999-00	8,514	785	2,602	950	870	7,274	971	11,229	231,449
2000-01	6,833	.....	478	868	809	6,825	547	10,295	186,257
2001-02	6,869	.....	482	789	747	6,377	514	6,677	140,049
2002-03	6,904	487	440	735	5,976	481	6,370	96,993
2003-04	491	131	5,064	453	5,830	58,538
2004-05	2,966	370	13,709

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**OUTSTANDING INDEBTEDNESS OF
PENNSYLVANIA AGENCIES AND AUTHORITIES**

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

	As of December 31, 1985 (in thousands)	
	Notes	Bonds
Higher Education Facilities Authority		
Acquires, constructs, improves and leases (as lessor) college facilities for colleges and universities within the Commonwealth. Debt service on the bonds is paid from rentals collected for the use of the facilities.	\$1,177,825 ^a
State Public School Building Authority		
Constructs, improves and equips public buildings for local school districts. Debt service on the bonds is paid from rentals collected for the use of the facilities.	260,165
Pennsylvania Turnpike Commission		
Constructs, maintains and operates the Pennsylvania Turnpike. Debt service on the bonds is paid from tolls and other revenue sources of the commission.	67,578
Pennsylvania Industrial Development Authority		
Makes mortgage loans to local nonprofit industrial development agencies for the financing of industrial development projects. Debt service on the bonds is paid from loan interest and repayments and other authority revenues	141,460
Pennsylvania Housing Finance Agency		
Makes construction and permanent mortgage loans to qualified borrowers for the purchase and construction of multi and single family housing for low and moderate income persons or families. Debt service on the bonds is paid from mortgage loan interest and repayments and further secured by the "moral obligation" of the Commonwealth. Debt service on the notes is paid by the sale of the mortgage to a Federal agency.	\$ 31,380	1,535,181

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

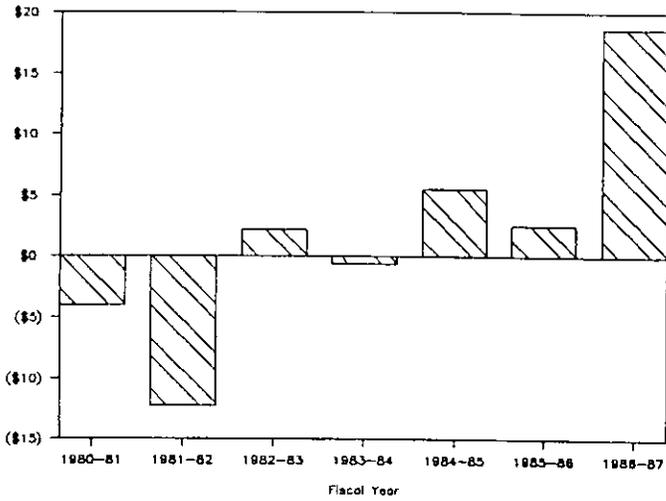
**OUTSTANDING INDEBTEDNESS OF
PENNSYLVANIA AGENCIES AND AUTHORITIES
(continued)**

	As of December 31, 1985 (in thousands)	
	Notes	Bonds
Pennsylvania Higher Education Assistance Agency		
Makes or guarantees student loans for graduate or undergraduate programs to students or parents, lending institutions or postsecondary institutions. Debt service on the bonds is paid by loan interest and repayments and by other agency revenues.	\$ 302,000
Pennsylvania Energy Development Authority		
Makes or guarantees loans for energy projects including the conversion and technological improvement of energy systems utilizing Pennsylvania coal or renewable energy resources. Debt service on the bonds is paid from the revenues of the authority.	39,000
Delaware River Port Authority		
Created by Pennsylvania and New Jersey to control and operate bridges crossing the Delaware River, it may construct or acquire other bridges or tunnels, projects for port improvement and development and has constructed and operates a rapid transit system. Debt service on the bonds is paid from tolls, fares, rents and other revenue of the authority.	222,235
Delaware River Joint Toll Bridge Commission		
Created by Pennsylvania and New Jersey to construct, operate and maintain bridges crossing the upper Delaware River. Debt service on the bonds is paid from tolls and other revenues of the commission.	3,680
TOTAL	<u>\$ 31,380</u>	<u>\$3,749,124^a</u>

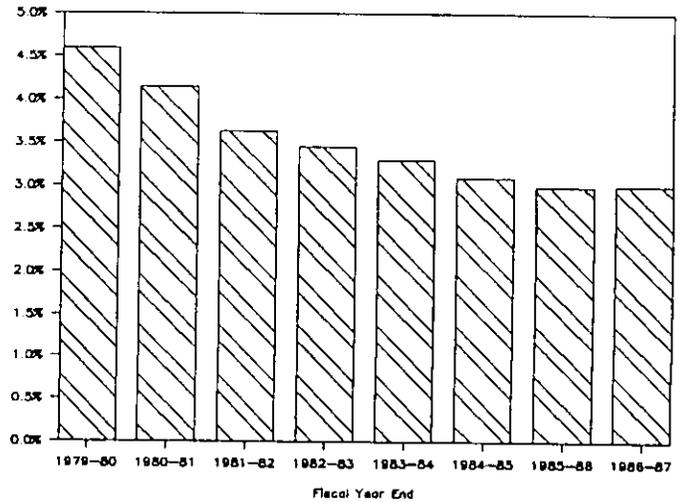
^aReflects outstanding indebtedness for both notes and bonds for Higher Education Facilities Authority.

**TRENDS IN DEBT SERVICE AND DEBT RATIOS
1979-80 Through 1986-87**

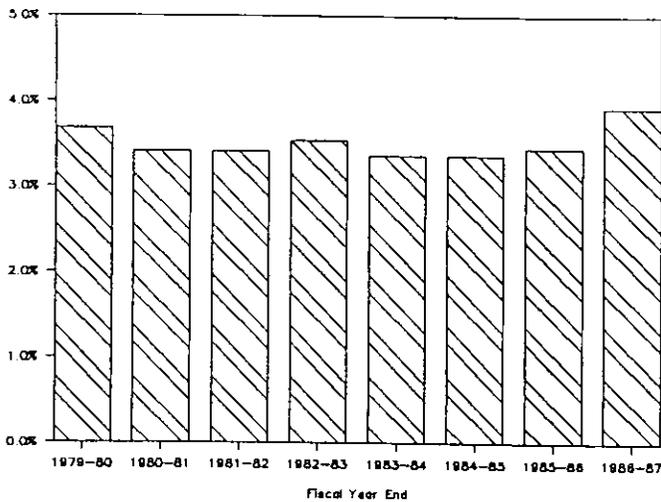
CHANGE IN PER CAPITA DEBT



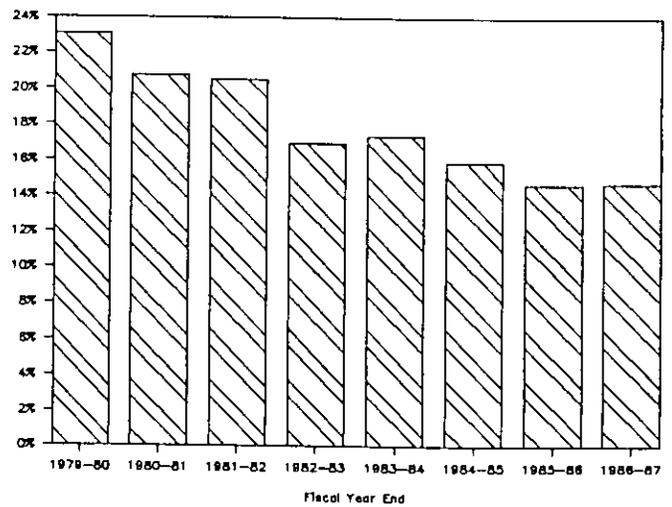
DEBT AS A PERCENT OF PERSONAL INCOME



**GENERAL FUND DEBT SERVICE
As a Percent of General Fund Revenue**



**HIGHWAY DEBT SERVICE
As a Percent of Motor License Revenue**





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OTHER
SPECIAL
FUNDS

OTHER SPECIAL FUNDS APPENDIX

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

OTHER SPECIAL FUNDS

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

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

Generally, the Commonwealth uses a modified accrual basis of accounting for financial reporting where certain revenues are accrued and expenditures are reflected when disbursed or committed. Virtually all financial data shown herein is on a strictly cash basis, which means that the beginning and ending balances are cash plus investments. Receipts include only those items actually received and credited to the funds by the Department of Revenue. Disbursements represent checks drawn by the Treasury Department and do not include commitments, encumbrances or vouchers payable. Exceptions are noted.

Several funds carrying long-term investments show an adjustment to reflect the current market value of those investments as of June 30, 1985.

This format for displaying financial data was chosen for its simplicity and easy adaptability to all funds. As such, the data may not present the best statement of the funds' condition nor provide the best description of the operating characteristics of the funds.

One recurring detail on the financial statements requires further explanation. In those funds with complement, the State share of retirement is taken from general revenue of the fund and paid into a restricted account within the fund from which payments are made to the State Employees' Retirement Fund by the Governor's Office. Receipts and disbursements shown as a result of such transactions may not be equal within any given fiscal year.

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

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

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

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

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

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

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

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

ADMINISTRATION FUND

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

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 10,725	\$ 6,358	\$ 3,598
Receipts:			
Federal Unemployment Trust Fund ..	\$ 135,994	\$ 142,000	\$ 149,000
Federal JTPA Funds	1,377	1,400	1,500
Other	22,332	22,500	23,000
	<hr/>	<hr/>	<hr/>
Total Receipts	159,703	165,900	173,500
	<hr/>	<hr/>	<hr/>
Total Funds Available	\$ 170,428	\$ 172,258	\$ 177,098
Disbursements:			
Executive Offices	\$ 14,615	\$ 14,660	\$ 15,100
Labor and Industry	149,455	154,000	158,800
	<hr/>	<hr/>	<hr/>
Total Disbursements	-164,070	-168,660	-173,900
	<hr/>	<hr/>	<hr/>
Cash Balance, Ending	<u>\$ 6,358</u>	<u>\$ 3,598</u>	<u>\$ 3,198</u>

AGRICULTURAL COLLEGE LAND SCRIP FUND

This fund was established in 1862 with \$500,000 received from the sale of lands and scrip which was donated to the Commonwealth by an Act of Congress to establish a college for the benefit of Agriculture and the Mechanical Arts (Pennsylvania State University). The income derived from the investment of the money in the fund plus appropriations which may be made from time to time by the General Assembly serve as revenue to the fund. Moneys in this fund can be disbursed only for use by the officially designated land grant college (Pennsylvania State University) for the benefit of Agriculture and Mechanical Arts. The net investment adjustment shown below is to reflect the carrying value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 668	\$ 701	\$ 728
Receipts:			
Interest on Securities	\$ 55	\$ 57	\$ 59
Total Receipts	55	57	59
Total Funds Available	\$ 723	\$ 758	\$ 787
Disbursements:			
Treasury	\$ 22	\$ 30	\$ 30
Total Disbursements	-22	-30	-30
Cash Balance, Ending	<u>\$ 701</u>	<u>\$ 728</u>	<u>\$ 757</u>

CAPITAL DEBT FUND

Annual appropriations by the General Assembly for payment of interest and principal due on general obligation bonds are credited to this fund. Money in the fund is used solely for the payment of interest and principal due on general obligation bonds. If more money is available than is needed to pay the interest and principal falling due in any one particular fiscal year, such additional money may be used by the Board of Finance and Revenue to retire any other general obligation bonds issued to provide revenue to the Capital Facilities Fund. The ending balances shown in 1985-86 and 1986-87 represent escrow account balances restricted to the retirement of bonds to be refunded.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 40,561	\$ 1,357	\$ 96,572
Receipts:			
Transfer from Other Funds	\$ 353,397	\$ 373,389	\$ 409,996
Rentals — Pier 124	2,762	2,768	2,768
Rentals — State - Aided and State- Related Institutions	6,650	5,061	5,000
Interest Subsidy — Higher Education Construction Projects	158	120	158
Sale of State Property	23	.....	.....
Sale of Refunding Bonds .....	.....	167,650	.....
Accrued Interest on Bonds Sold	838	1,218	.....
Interest on Securities	502	5,027	9,121
Total Receipts	<u>364,330</u>	<u>555,233</u>	<u>427,043</u>
Total Funds Available	\$ 404,891	\$ 556,590	\$ 523,615
Disbursements:			
Treasury	\$ 403,534	\$ 460,018	\$ 428,912
Total Disbursements	<u>-403,534</u>	<u>-460,018</u>	<u>-428,912</u>
Cash Balance, Ending	<u>\$ 1,357</u>	<u>\$ 96,572</u>	<u>\$ 94,703</u>

CAPITAL FACILITIES FUND

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

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 124,927	\$ 136,600	\$ 94,768
Receipts:			
Sale of Bonds	\$ 188,626	\$ 165,200	\$ 479,220
Interest on Securities	8,088	10,016	9,000
Sale of Notes .....	.....	70,000	.....
Other	3,520	3,617	3,500
Total Receipts	200,234	248,833	491,720
Total Funds Available	\$ 325,161	\$ 385,433	\$ 586,488
Disbursements:			
General Services	\$ 146,422	\$ 194,022	\$ 183,413
Community Affairs .....	.....	42,900	35,000
Transportation	41,895	53,443	295,799
Environmental Resources .....	.....	.....	2,590
Treasury	244	300	300
Total Disbursements	-188,561	-290,665	-517,102
Cash Balance, Ending	\$ 136,600	\$ 94,768	\$ 69,386

CAPITOL RESTORATION TRUST FUND

This fund was created in 1982 to finance the maintenance, restoration, preservation and rehabilitation of artifacts, documents and other historical objects or resources located within and around or associated with the State Capitol Building; and the acquisition of artifacts, documents and other historical objects or resources which contribute to the historical significance of the State Capitol Building. This fund is administered by the Capitol Preservation Committee. Revenue is derived from gifts, donations and legacies of money from individuals, organizations, public or private corporations; and from the sale of commemorative medals and other items of a similar nature which promote the historic preservation and restoration of the State Capitol Building.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 52	\$ 84	\$ 101
Receipts:			
Contributions and Sales .....	.....	\$ 10	.....
Other	\$ 32	7	\$ 10
Total Receipts	<u>32</u>	<u>17</u>	<u>10</u>
Total Funds Available	\$ 84	\$ 101	\$ 111
Disbursements:			
Capitol Preservation Committee .....	.....	.....	\$ 50
Total Disbursements	<u>.....</u>	<u>.....</u>	<u>-50</u>
Cash Balance, Ending	<u>\$ 84</u>	<u>\$ 101</u>	<u>\$ 61</u>

CATASTROPHIC LOSS TRUST FUND

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

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning .....	.....	\$ 7,881	\$ 50,401
Receipts:			
Vehicle Fee	\$ 9,656	\$ 62,000	\$ 35,000
Interest	11	6,000	7,000
	<hr/>	<hr/>	<hr/>
Total Receipts	9,667	68,000	42,000
Total Funds Available	<u>\$ 9,667</u>	<u>\$ 75,881</u>	<u>\$ 92,401</u>
Disbursements:			
Insurance	\$ 1,786	\$ 25,480	\$ 25,309
	<hr/>	<hr/>	<hr/>
Total Disbursements	-1,786	-25,480	-25,309
Cash Balance, Ending	<u>\$ 7,881</u>	<u>\$ 50,401</u>	<u>\$ 67,092</u>

COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND

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

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 5,193	\$ 5,906	\$ 6,586
Receipts:			
Premiums Collected	\$ 1,322	\$ 1,500	\$ 1,700
Interest	566	576	584
Other	38	.....	.....
Total Receipts	<u>1,926</u>	<u>2,076</u>	<u>2,284</u>
Total Funds Available	\$ 7,119	\$ 7,982	\$ 8,870
Disbursements:			
Executive Offices	\$ 37	\$ 40	\$ 50
Environmental Resources	1,176	1,356	1,429
Total Disbursements	<u>-1,213</u>	<u>-1,396</u>	<u>-1,479</u>
Cash Balance, Ending	<u>\$ 5,906</u>	<u>\$ 6,586</u>	<u>\$ 7,391</u>

COAL LANDS IMPROVEMENT FUND

This fund was created in 1965 to finance the restoration of land acquired by the Commonwealth through eminent domain or amicable methods which has been defaced by open pit or strip mining and has been declared a health hazard. Initially the fund was provided a \$1 million appropriation but subsequent revenue is derived from the sale of restored land and interest on investments.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 128	\$ 140	\$ 153
Receipts:			
Interest	\$ 12	\$ 13	\$ 14
Total Receipts	12	13	14
Total Funds Available	\$ 140	\$ 153	\$ 167
Disbursements:			
Environmental Resources .....	.....	.....	.....
Total Disbursements .....	.....	.....	.....
Cash Balance, Ending	<u>\$ 140</u>	<u>\$ 153</u>	<u>\$ 167</u>

CONRAD WEISER MEMORIAL PARK TRUST FUND

This fund was created to provide for control, management, supervision, restoration and improvement of the Conrad Weiser Memorial Park, Berks County. Source of revenue for the fund is income and interest from the \$20,000 perpetual endowment created by the estate of Colonel Conrad Weiser.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 30	\$ 31	\$ 32
Receipts:			
Interest on Securities	\$ 2	\$ 1	\$ 2
Redemption of Securities .....	.....	.....	.....
Total Receipts	<u>2</u>	<u>1</u>	<u>2</u>
Total Funds Available	<u>\$ 32</u>	<u>\$ 32</u>	<u>\$ 34</u>
Disbursements:			
Historical and Museum Commission ..	\$ 1	.....	\$ 2
Total Disbursements	<u>-1</u>	<u>.....</u>	<u>-2</u>
Cash Balance, Ending	<u><u>\$ 31</u></u>	<u><u>\$ 32</u></u>	<u><u>\$ 32</u></u>

DISASTER RELIEF FUND

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

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 4,473	\$ 5,167	\$ 1,447
Receipts:			
Bond Proceeds	\$ 2,952	. . . .	\$ 3,000
Interest Earned	464	280	50
	<hr/>	<hr/>	<hr/>
Total Receipts	3,416	280	3,050
Total Funds Available	<u>\$ 7,889</u>	<u>\$ 5,447</u>	<u>\$ 4,497</u>
Disbursements:			
Community Affairs	\$ 2,721	\$ 4,000	\$ 4,000
Treasury	1	. . . .	. . . .
	<hr/>	<hr/>	<hr/>
Total Disbursements	<u>-2,722</u>	<u>-4,000</u>	<u>-4,000</u>
Cash Balance, Ending	<u>\$ 5,167</u>	<u>\$ 1,447</u>	<u>\$ 497</u>

DISASTER RELIEF REDEMPTION FUND

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

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 9	\$ 11	.....
Receipts:			
Transfer from General Fund	\$ 13,762	\$ 13,836	\$ 13,874
Interest on Securities .....	.....	.....	.....
Accrued Interest on Bonds Sold	2	.....	.....
	<hr/>	<hr/>	<hr/>
Total Receipts	13,764	13,836	\$ 13,874
Total Funds Available	<u>\$ 13,773</u>	<u>\$ 13,847</u>	<u>\$ 13,874</u>
Disbursements:			
Treasury	\$ 13,762	\$ 13,847	\$ 13,874
	<hr/>	<hr/>	<hr/>
Total Disbursements	-13,762	-13,847	-13,874
	<hr/>	<hr/>	<hr/>
Cash Balance, Ending	<u><u>\$ 11</u></u>	<u><u>.....</u></u>	<u><u>.....</u></u>

EMERGENCY MEDICAL SERVICES OPERATING FUND

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

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 6,500
Receipts:			
Fines	\$ 6,500	\$ 6,500
Total Receipts	6,500	6,500
Total Funds Available	\$ 6,500	\$ 13,000
Disbursements:			
Health	\$ 6,500
Total Disbursements	-6,500
Cash Balance, Ending	\$ 6,500	\$ 6,500

EMPLOYMENT FUND FOR THE BLIND

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

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

At no time is the fund to exceed the sum of \$150,000.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 494	\$ 500	\$ 123
Receipts:			
Federal Reimbursement — Business Enterprise Program	\$ 106	\$ 115	\$ 125
Vending Stand Equipment Rentals ...	319	320	329
Vending Machine Receipts	296	300	304
Other	96	100	105
Total Receipts	817	835	863
Total Funds Available	<u>\$ 1,311</u>	<u>\$ 1,335</u>	<u>\$ 986</u>
Disbursements:			
Public Welfare	\$ 811	\$ 1,212	\$ 861
Total Disbursements	<u>-811</u>	<u>-1,212</u>	<u>-861</u>
Cash Balance, Ending	<u>\$ 500</u>	<u>\$ 123</u>	<u>\$ 125</u>

ENERGY DEVELOPMENT FUND

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

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 1,893	\$ 3,471	\$ 2,413
Receipts:			
Transfer from General Fund	\$ 1,500	\$ 1,300	\$ 1,500
Transfer from Oil Overcharge Funds .....	.....	182	127
Interest	247	318	126
	<hr/>	<hr/>	<hr/>
Total Receipts	1,747	1,800	1,753
Total Funds Available	<u>\$ 3,640</u>	<u>\$ 5,271</u>	<u>\$ 4,166</u>
Disbursements:			
Commerce	\$ 169	\$ 2,858	\$ 2,124
	<hr/>	<hr/>	<hr/>
Total Disbursements	-169	-2,858	-2,124
	<hr/>	<hr/>	<hr/>
Cash Balance, Ending	<u>\$ 3,471</u>	<u>\$ 2,413</u>	<u>\$ 2,042</u>

FIRE INSURANCE TAX FUND

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

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 21,975	\$ 24,843	\$ 27,366
Receipts:			
Foreign Fire Insurance Premiums Tax Payable to Municipalities	\$ 24,700	\$ 27,122	\$ 28,724
Interest	1	1	1
Total Receipts	24,701	27,123	28,725
Total Funds Available	\$ 46,676	\$ 51,966	\$ 56,091
Disbursements:			
Revenue	\$ 21,833	\$ 24,600	\$ 26,500
Total Disbursements	-21,833	-24,600	-26,500
Cash Balance, Ending	\$ 24,843	\$ 27,366	\$ 29,591

HIGHER EDUCATION ASSISTANCE FUND

Moneys in this fund are currently used for the following purposes: (1) maintenance of a monetary reserve to be used for all expenses associated with loans guaranteed by the Pennsylvania Higher Education Assistance Agency (PHEAA); (2) provision of scholarships; (3) provision of grants to nonsectarian private postsecondary educational institutions; (4) provision of grants to institutions of higher learning for the purpose of helping the institution secure Federal funds to provide direct financial aid to students; and (5) payment of PHEAA administrative costs. Revenue to this fund is derived from appropriations by the General Assembly of General Fund money, gifts, Federal funds and interest earnings and servicing fees. The net investment adjustment item is shown below to reflect the current market value of long term investments as of June 30.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 125,884	\$ 134,079	\$ 147,699
Receipts:			
Transfer from General Fund	\$ 110,645	\$ 117,576	\$ 133,959
Interest Earning	14,803	13,956	12,660
Federal Revenue	98,724	103,432	131,488
Net Investment Adjustment	3,230	. . . .	. . . .
Other	47,105	51,748	76,616
	<hr/>	<hr/>	<hr/>
Total Receipts	274,507	286,712	354,723
Total Funds Available	<u>\$ 400,391</u>	<u>\$ 420,791</u>	<u>\$ 502,422</u>
Disbursements:			
Executive Offices	\$ 1,348	\$ 1,440	\$ 1,440
Pennsylvania Higher Education Assistance Agency	264,964	271,652	355,715
	<hr/>	<hr/>	<hr/>
Total Disbursements	-266,312	-273,092	-357,155
	<hr/>	<hr/>	<hr/>
Cash Balance, Ending	<u>\$ 134,079</u>	<u>\$ 147,699</u>	<u>\$ 145,267</u>

HIGHWAY BEAUTIFICATION FUND

The Highway Beautification Fund was created by Act 5, 1966, Third Special Session. Activities include control of outdoor advertising, control of junkyards and landscaping and scenic development. Although General Fund monies were initially appropriated to establish the fund, highway beautification activities are now supported fully by Federal aid, licenses and fees, fines, penalties and interest.

Each year the Governor issues executive authorizations which establish the amount to be spent by the Department of Transportation in each of the three highway beautification activities.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 691	\$ 738	\$ 1,094
Receipts:			
Licenses and Fees	\$ 295	\$ 310	\$ 310
Federal Highway Beautification Funds	5	766	728
Other	82	88	128
Total Receipts	<u>382</u>	<u>1,164</u>	<u>1,166</u>
Total Funds Available	<u>\$ 1,073</u>	<u>\$ 1,902</u>	<u>\$ 2,260</u>
Disbursements:			
Transportation	\$ 335	\$ 807	\$ 618
Treasury .....	. . . .	1	1
Total Disbursements	<u>-335</u>	<u>-808</u>	<u>-619</u>
Cash Balance, Ending	<u>\$ 738</u>	<u>\$ 1,094</u>	<u>\$ 1,641</u>

HISTORICAL PRESERVATION FUND

This fund was created for expenditure by the Historical and Museum Commission for the preservation, care and maintenance of State historical properties, museums and records and for the financing of historical research and publication programs. Money in the fund can also be used to purchase publications and souvenirs of a historical nature for sale at commission administered properties. This fund is made up of moneys arising from the sale of publications of the Pennsylvania Historical and Museum Commission and all moneys received from admission fees or other sales by the commission at the State historical properties and/or museums. Most of the revenue results from admission fees and sale of publications and souvenirs.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 797	\$ 886	\$ 530
Receipts:			
Admission Fees	\$ 582	\$ 620	\$ 650
Other	385	507	350
	<hr/>	<hr/>	<hr/>
Total Receipts	967	1,127	1,000
Total Funds Available	<u>\$ 1,764</u>	<u>\$ 2,013</u>	<u>\$ 1,530</u>
Disbursements:			
Historical and Museum Commission ..	\$ 878	\$ 1,483	\$ 1,200
	<hr/>	<hr/>	<hr/>
Total Disbursements	-878	-1,483	-1,200
	<hr/>	<hr/>	<hr/>
Cash Balance, Ending	<u>\$ 886</u>	<u>\$ 530</u>	<u>\$ 330</u>

INDUSTRIAL DEVELOPMENT FUND

To this fund are credited General Fund appropriations made by the General Assembly to the Pennsylvania Industrial Development Authority (PIDA). The monies are used to make loans to local industrial development agencies to stimulate economic activity in areas of high unemployment. Repayments of loans, while not credited to this fund, are used by PIDA to make additional loans.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 300	\$ 317	\$ 517
Receipts:			
Transfer from General Fund	\$ 15,000	\$ 12,000	\$ 15,000
Interest on Securities	325	200	300
Other	3	. . . .	. . . .
	<hr/>	<hr/>	<hr/>
Total Receipts	15,328	12,200	15,300
Total Funds Available	<u>\$ 15,628</u>	<u>\$ 12,517</u>	<u>\$ 15,817</u>
Disbursements:			
Commerce	<u>\$ 15,311</u>	<u>\$ 12,000</u>	<u>\$ 15,000</u>
	<hr/>	<hr/>	<hr/>
Total Disbursements	-15,311	-12,000	-15,000
Cash Balance, Ending	<u><u>\$ 317</u></u>	<u><u>\$ 517</u></u>	<u><u>\$ 817</u></u>

LAND AND WATER DEVELOPMENT FUND

This fund was created in 1968 to finance projects to eliminate land and water scars, air pollution and subsidence due to past coal mining operations, to aid political subdivisions in constructing or improving sewage treatment plants, to develop public outdoor recreation lands and to aid local governments in acquiring land for recreation purposes. In addition, administrative expenses incurred in support of any of these activities may be paid with monies in this fund. Revenue is derived from the sale of Land and Water Development Bonds as approved by the electorate on May 16, 1967. The bond proceeds are not to exceed \$500 million.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 6,923	\$ 10,991	\$ 9,662
Receipts:			
Sale of Bonds	\$ 9,802	\$ 5,000	\$ 8,000
Federal Augmentations	186	80	40
Other	534	.....	.....
Total Receipts	10,522	5,080	8,040
Total Funds Available	\$ 17,445	\$ 16,071	\$ 17,702
Disbursements:			
Executive Offices	\$ 474	\$ 470	\$ 450
Community Affairs	458	339	62
Historical and Museum Commission ..	17	.....	.....
Environmental Resources	5,505	5,600	5,500
Total Disbursements	-6,454	-6,409	-6,012
Cash Balance, Ending	\$ 10,991	\$ 9,662	\$ 11,690

LAND AND WATER DEVELOPMENT SINKING FUND

Moneys in this fund result from annual appropriations by the General Assembly and from interest and dividends on invested balances in this fund and in the Land and Water Development Fund. These moneys are used solely for payment of interest and principal due on outstanding Land and Water Development Bonds.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 63	\$ 376	.....
Receipts:			
Transfer from General Fund	\$ 38,372	\$ 38,098	\$ 39,802
Interest on Securities	550	848	.....
Accrued Interest on Bonds Sold	52	.....	.....
	<hr/>	<hr/>	<hr/>
Total Receipts	\$ 38,974	\$ 38,946	\$ 39,802
Total Funds Available	<hr/> \$ 39,037	<hr/> \$ 39,322	<hr/> \$ 39,802
Disbursements:			
Treasury	\$ 38,661	\$ 39,322	\$ 39,802
	<hr/>	<hr/>	<hr/>
Total Disbursements	\$ -38,661	\$ -39,322	\$ -39,802
	<hr/>	<hr/>	<hr/>
Cash Balance, Ending	<hr/> <hr/> \$ 376	<hr/> <hr/>	<hr/> <hr/>

LIQUID FUELS TAX FUND

The Liquid Fuels Tax Fund was created in 1931 by an act of the General Assembly to assist in funding the local roads system. One-half cent per gallon of the tax on gasoline and diesel fuel is deposited into the fund for semi-annual distribution to county governments and payment of registration fees for vehicles operated by mass transportation systems. After payment of fees, remaining funds are allocated to the counties on a road mileage-population formula and must be used for highway purposes. Since the majority of counties have direct jurisdiction over a limited number of roads, a large portion of these funds are further allocated by the counties to their political subdivisions.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 443	\$ 1,119	\$ 1,592
Receipts:			
Tax on Gasoline	\$ 21,083	\$ 21,507	\$ 21,937
Tax on Diesel Fuel	3,778	3,996	4,195
	<hr/>	<hr/>	<hr/>
Total Receipts	24,861	25,503	26,132
Total Funds Available	<u>\$ 25,304</u>	<u>\$ 26,622</u>	<u>\$ 27,724</u>
Disbursements:			
Treasury	\$ 175		
Revenue	24,010	\$ 25,030	\$ 26,060
	<hr/>	<hr/>	<hr/>
Total Disbursements	-24,185	-25,030	-26,060
Cash Balance, Ending	<u>\$ 1,119</u>	<u>\$ 1,592</u>	<u>\$ 1,664</u>

LIQUOR LICENSE FUND

This fund serves as a pass-through account for fees for hotel, restaurant and club liquor and/or beer licenses. These fees are returned semi-annually to the municipalities in which the licensees are located. Interest earned on fund deposits is credited to the General Fund.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 2,451	\$ 2,426	\$ 2,402
Receipts:			
Liquor License Fees	\$ 5,283	\$ 5,285	\$ 5,285
Beer License Fees	128	130	130
Other	1	1	1
Total Receipts	<u>5,412</u>	<u>5,416</u>	<u>5,416</u>
Total Funds Available	<u>\$ 7,863</u>	<u>\$ 7,842</u>	<u>\$ 7,818</u>
Disbursements:			
Liquor Control Board	\$ 5,437	\$ 5,440	\$ 5,440
Total Disbursements	<u>-5,437</u>	<u>-5,440</u>	<u>-5,440</u>
Cash Balance, Ending	<u><u>\$ 2,426</u></u>	<u><u>\$ 2,402</u></u>	<u><u>\$ 2,378</u></u>

MANUFACTURING FUND

This fund, created in 1915, codified the laws dealing with prison inmate labor. Receipts come from the sale of inmate produced goods to government agencies or government assisted nonprofit organizations.

Expenditures are made for the purchase of raw materials, machinery, inmate wages, non-inmate labor and other costs involved in the sale and manufacture of goods.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 498	\$ 460	\$ 550
Receipts:			
Sale of Manufactured Products	\$ 15,931	\$ 16,600	\$ 17,400
Other	707	840	707
	<u>16,638</u>	<u>17,440</u>	<u>18,250</u>
Total Receipts			
Total Funds Available	\$ 17,136	\$ 17,900	\$ 18,800
Disbursements:			
Executive Offices	\$ 581	\$ 590	\$ 600
Corrections	16,095	16,760	17,600
	<u>-16,676</u>	<u>-17,350</u>	<u>-18,200</u>
Total Disbursements			
Cash Balance, Ending	<u>\$ 460</u>	<u>\$ 550</u>	<u>\$ 600</u>

MEDICAL PROFESSIONAL LIABILITY CATASTROPHE LOSS FUND

This fund was created in 1975 to make available professional liability insurance at a reasonable cost to health care providers and to establish a system through which injured parties can obtain a prompt determination and adjudication of their claims. Revenue is derived by levying an annual surcharge on health care providers.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 35,527	\$ 49,612	\$ 57,391
Receipts:			
Surcharges	\$ 79,145	\$ 105,126	\$ 124,571
Interest	3,996	3,597	3,809
Other	83	.....	.....
Total Receipts	<u>83,224</u>	<u>108,723</u>	<u>128,380</u>
Total Funds Available	\$ 118,751	\$ 158,335	\$ 185,771
Disbursements:			
Executive Offices	\$ 69,139	\$ 100,944	\$ 118,324
Total Disbursements	<u>-69,139</u>	<u>-100,944</u>	<u>-118,324</u>
Cash Balance, Ending	<u>\$ 49,612</u>	<u>\$ 57,391</u>	<u>\$ 67,447</u>

MINORITY BUSINESS DEVELOPMENT FUND

This fund was created in 1974 to accommodate the operations of the Pennsylvania Minority Business Development Authority. Receipts come from loan repayments, transfer of General Fund appropriations and interest. The Authority also has the power to issue bonds or other obligations which would provide another source of income. To date this has not been done.

Expenditures are made for loans to minority business enterprises and for operating expenses of the Authority.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 2,921	\$ 4,418	\$ 4,031
Receipts:			
Transfer from General Fund	\$ 2,000	\$ 2,000	\$ 2,000
Loan Principal Repayments	621	696	771
Loan Interest	401	451	530
Other	450	466	491
Total Receipts	<u>3,472</u>	<u>3,613</u>	<u>3,792</u>
Total Funds Available	\$ 6,393	\$ 8,031	\$ 7,823
Disbursements:			
Commerce	\$ 1,975	\$ 4,000	\$ 5,000
Total Disbursements	<u>-1,975</u>	<u>-4,000</u>	<u>-5,000</u>
Cash Balance, Ending	<u>\$ 4,418</u>	<u>\$ 4,031</u>	<u>\$ 2,823</u>

MUNICIPAL PENSION AID FUND

This fund was created by Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, and is administered by the Auditor General. Beginning on July 1, 1985, this fund receives a portion of the revenues from the Foreign Casualty Insurance Premium Tax and the Foreign Fire Insurance Premium Tax. These revenues and earnings are for distribution to municipalities for distribution to the various municipal, police, and fire pension funds.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 62,324	\$ 72,075
Receipts:			
Foreign Casualty Insurance Premium Tax	\$ 69,000	\$ 73,000
Foreign Fire Insurance Premium Tax	8,900	8,900
Interest	2,922	3,748
Total Receipts	<u>80,822</u>	<u>85,648</u>
Total Funds Available	\$ 143,146	\$ 157,723
Disbursements:			
Auditor General	\$ 71,071	\$ 81,095
Total Disbursements	<u>-71,071</u>	<u>-81,095</u>
Cash Balance, Ending	<u>\$ 72,075</u>	<u>\$ 76,628</u>

NURSING HOME LOAN DEVELOPMENT FUND

This fund serves as a depository for proceeds from the sale of General Obligation Bonds approved by referendum May 21, 1974. Net proceeds are transferred to the Nursing Home Loan Fund as needed. Interest earnings in this fund and bond proceeds not required for nursing home loans are paid into the Nursing Home Loan Sinking Fund for debt retirement.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 10,206	\$ 12,420	\$ 11,920
Receipts:			
Bond Proceeds	\$ 2,941	. . . .	. . . .
Assumption Fees	2	. . . .	. . . .
Total Receipts	<u>\$ 2,943</u>	<u>. . . .</u>	<u>. . . .</u>
Total Funds Available	\$ 13,149	\$ 12,420	\$ 11,920
Disbursements:			
Treasury	\$ 729	\$ 500	\$ 1,600
Total Disbursements	<u>\$ -729</u>	<u>\$ -500</u>	<u>\$ -1,600</u>
Cash Balance, Ending	<u>\$ 12,420</u>	<u>\$ 11,920</u>	<u>\$ 10,320</u>

NURSING HOME LOAN FUND

Loans to nursing homes for repairs, reconstruction and rehabilitation to meet safety code standards are made from this fund. Loans are made from bond proceeds transferred from the Nursing Home Loan Development Fund. Repayments of loans are transferred from this fund to the General Fund.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning .....	.....	.....	.....
Receipts:			
Transfer from Nursing Home Loan Development Fund	\$ 717	\$ 500	\$ 1,600
Total Receipts	717	500	1,600
Total Funds Available	\$ 717	\$ 500	\$ 1,600
Disbursements:			
Commerce	\$ 717	\$ 500	\$ 1,600
Total Disbursements	-717	-500	-1,600
Cash Balance, Ending .....	.....	.....	.....

NURSING HOME LOAN SINKING FUND

Moneys in this fund are used solely for the redemption of nursing home loan bonds at maturity and all interest payable on such bonds. The moneys used for this purpose are derived from earnings received from investment or deposit of balances in this fund and in the Nursing Home Loan Development Fund. An annual appropriation by the General Assembly necessary for payment of the interest and principal falling due for nursing home loan bonds is also credited to this fund.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 141	\$ 594	.....
Receipts:			
Transfer from General Fund	\$ 5,459	\$ 4,787	\$ 6,302
Interest on Securities	1,089	974	.....
Accrued Interest on Bonds Sold	16	.....	.....
Total Receipts	6,564	5,761	\$ 6,302
Total Funds Available	\$ 6,705	\$ 6,355	\$ 6,302
Disbursements:			
Treasury	\$ 6,111	\$ 6,355	\$ 6,302
Total Disbursements	-6,111	-6,355	-6,302
Cash Balance, Ending	\$ 594	.....	.....

NUTRITION EDUCATION AND TRAINING FUND

As a result of successful antitrust litigation against the National Broiler Marketing Association, et. al, the Attorney General of the Commonwealth of Pennsylvania, the State Treasurer and the Secretary of Education entered into an agreement with the United States District Court in January 1983 to establish the Nutrition Education and Training Fund to hold the proceeds of the court's award.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 199	\$ 161	\$ 111
Receipts:			
Interest	\$ 16	\$ 11	\$ 8
Total Receipts	<u>16</u>	<u>11</u>	<u>8</u>
Total Funds Available	<u>\$ 215</u>	<u>\$ 172</u>	<u>\$ 119</u>
Disbursements:			
Education	\$ 54	\$ 61	\$ 61
Total Disbursements	<u>-54</u>	<u>-61</u>	<u>-61</u>
Cash Balance, Ending	<u><u>\$ 161</u></u>	<u><u>\$ 111</u></u>	<u><u>\$ 58</u></u>

OIL AND GAS LEASE FUND

Created in 1955, this fund is used to finance conservation, recreation, dams or flood control projects or to match any Federal grants made for those purposes. Revenues are derived from rents and royalties from oil and gas leases of Commonwealth owned land with the exception of rents and royalties from land owned by either the Pennsylvania Game or Fish Commissions. Those revenues are paid into the Game and Fish Funds.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 6,090	\$ 8,865	\$ 5,865
Receipts:			
Rents and Royalties	\$ 4,724	\$ 3,500	\$ 3,000
Interest	704	100	200
Other	105	90	90
Total Receipts	<u>5,533</u>	<u>3,690</u>	<u>3,290</u>
Total Funds Available	<u>\$ 11,623</u>	<u>\$ 12,555</u>	<u>\$ 9,155</u>
Disbursements:			
Executive Offices	\$ 90	\$ 90	\$ 90
Environmental Resources	2,668	6,600	4,500
Total Disbursements	<u>-2,758</u>	<u>-6,690</u>	<u>-4,590</u>
Cash Balance, Ending	<u><u>\$ 8,865</u></u>	<u><u>\$ 5,865</u></u>	<u><u>\$ 4,565</u></u>

OIL OVERCHARGE FUND

The Oil Overcharge Fund was created in response to U.S. Department of Energy requirements that certain oil overcharge funds be deposited into interest bearing accounts, and that the interest accrued be utilized for the same purposes and in the same manner that the funds themselves are used. Activities of the fund are restricted to U.S. Department of Energy approved energy conservation projects for programs administered by State and local government. Fund revenues come from various oil overcharge settlements and the interest earned on these monies. This statement assumes that all amounts will be totally expended in the year appropriated.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning .....	.....	\$ 1,030	\$ 1,959
Receipts:			
Settlements	\$ 1,035	\$ 49	\$ 93,559
Transfer From General Fund .....	.....	3,839	.....
Payment of Energy Conservation Loans .....	.....	.....	939
Interest .....	.....	1,915	2,239
Total Receipts	<u>\$ 1,035</u>	<u>\$ 5,803</u>	<u>\$ 96,737</u>
Total Funds Available	<u>\$ 1,035</u>	<u>\$ 6,833</u>	<u>\$ 98,696</u>
Disbursements:			
Executive Offices	\$ 5	\$ 4,049	\$ 9,268
Community Affairs .....	.....	825	20,000
Housing Finance Agency .....	.....	.....	10,000
Transportation .....	.....	.....	500
Total Disbursements	<u>\$ -5</u>	<u>\$ -4,874</u>	<u>\$ -39,768</u>
Cash Balance, Ending	<u><u>\$ 1,030</u></u>	<u><u>\$ 1,959</u></u>	<u><u>\$ 58,928</u></u>

PENNSYLVANIA CAPITAL LOAN FUND

The Pennsylvania Capital Loan Program began in 1982 with funding from the U.S. Appalachian Regional Commission and the U.S. Economic Development Administration to provide low interest loans to businesses for capital development projects. Act 109 of July 1984 created this fund and provided additional funding from the Pennsylvania Economic Revitalization Fund. This fund is also supported by a legislative appropriation.

Loans are used by manufacturing, industrial and export service businesses for the purchase of land, building, machinery, equipment and working capital. County and regional economic development organizations assist the department in packaging and reviewing the loan applications.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning .....	.....	\$ 6,266	\$ 11,167
Receipts:			
Loan Principal	\$ 804	\$ 1,926	\$ 3,456
Transfer from restricted receipts	895	.....	.....
Interest	265	340	610
Appalachia Regional Commission	225	1,000	1,000
Economic Development Administration	90	1,000	.....
Transfer From General Fund	1,000	.....	.....
Transfer From Pennsylvania Economic Revitalization Fund	5,000	5,000	5,000
Other	112	75	85
	<hr/>	<hr/>	<hr/>
Total Receipts	8,391	9,341	10,151
Total Funds Available	\$ 8,391	\$ 15,567	\$ 21,318
Disbursements:			
Commerce	\$ 2,165	\$ 4,400	\$ 5,000
	<hr/>	<hr/>	<hr/>
Total Disbursements	-2,165	-4,400	-5,000
	<hr/>	<hr/>	<hr/>
Cash Balance, Ending	\$ 6,226	\$ 11,167	\$ 16,318

PENNSYLVANIA ECONOMIC REVITALIZATION FUND

On June 26, 1984 the Economic Revitalization Fund (PERF) was created by Act 104. The fund provides the vehicle to accomplish economic revitalization efforts through a \$190 million bond issue authorized by the electorate by referendum on April 10, 1984. However, Bond funding was only utilized for the first year of funding. The remaining program costs are supported by a \$105,000,000 General Fund appropriation provided by the Legislature in 1985-86.

As we enter the second half of PERF's three-year authorization, it has become apparent certain restructuring and reallocations, based on underutilization of some programs and changing needs and priorities of the Commonwealth in general, are required. Please refer to the summary table of proposed reallocations elsewhere in this volume for details of the changes proposed.

Statement of Receipts and Disbursements^a

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning .....	.....	\$ 48,110	\$ 81,429
Receipts:			
Sale of Bonds	\$ 73,000	.....	.....
Bond Discount	-1,207	.....	.....
Transfer from General Fund .....	.....	\$ 117,000	.....
Other	10	.....	.....
Interest	2,975	2,200 ^a	2,000
Less: Transfer of Excess Interest to Sinking Fund .....	.....	-1,712	-2,200
 Total Receipts	 74,778	 117,488	 -200
Total Funds Available	\$ 74,778	\$ 165,598	\$ 81,229
Disbursements:			
Agriculture .....	.....	\$ 5,000	\$ 5,000
Commerce	11,168	28,579	65,253
Community Affairs .....	.....	12,000	6,000
Education	2,668	24,332	.....
Environmental Resources	12,776	14,224	3,000
Treasury	56	34	.....
 Total Disbursements	 -26,668	 -84,169	 -79,253
Cash Balances, Ending	\$ 48,110	\$ 81,429	\$ 1,976

^aThe 1984-85 disbursements represent actual expenditures through December 31, 1985 for lapseable appropriations and expenditures plus encumbrances through June 30, 1985 for continuing appropriations. The 1985-86 and 1986-87 disbursements represent estimated expenditures and encumbrances as of June 30, 1986 and June 30, 1987 respectively.

PENNSYLVANIA ECONOMIC REVITALIZATION SINKING FUND

Annual appropriations from General Fund by the General Assembly are deposited into this fund, and together with interest earned in this fund and interest earned and transferred from the Pennsylvania Economic Revitalization Fund, are used to pay interest and principal payments due on outstanding Economic Revitalization Fund bonds.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning .....	. . . .	\$ 40,229	. . . .
Receipts:			
Transfer from General Fund	\$ 2,795	\$ 10,466	\$ 10,247
Transfer from Pennsylvania Economic Revitalization Fund . . . . .	. . . .	1,712	2,200
Interest on Securities	88	1,200	. . . .
Accrued Interest on Bonds Sold	141	. . . .	. . . .
Sale of Bonds	80,000	. . . .	. . . .
	<hr/>	<hr/>	<hr/>
Total Receipts	\$ 83,024	13,378	\$ 12,447
Total Funds Available	<hr/> \$ 83,024	<hr/> \$ 53,607	<hr/> \$ 12,447
Disbursements:			
Treasury	\$ 42,795	\$ 53,607	\$ 12,447
	<hr/>	<hr/>	<hr/>
Total Disbursements	-42,795	-53,607	-12,447
	<hr/>	<hr/>	<hr/>
Cash Balance, Ending	<hr/> <u>\$ 40,229</u>	<hr/> <u>. . . .</u>	<hr/> <u>. . . .</u>

PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION TRUST FUND

This fund, created under special Act No. 113 (P.L. 185), approved May 21, 1931, is administered by the Governor, Auditor General, State Treasurer and the Pennsylvania Historical and Museum Commission. The interest received from investment of the \$33,000 perpetual endowment to this fund in bonds of the Commonwealth, or any of its political subdivisions, is credited to the fund. Interest earned on investments is used for the restoration, maintenance and improvement of the Cornwall Charcoal Furnace, Cornwall Borough, Lebanon County.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 62	\$ 65	\$ 69
Receipts:			
Interest on Securities	\$ 3	\$ 4	\$ 4
Redemption of Securities .....	.....	.....	.....
Net Investment Adjustment .....	.....	.....	.....
Total Receipts	3	4	4
Total Funds Available	\$ 65	\$ 69	\$ 73
Disbursements:			
Historical and Museum Commission .....	.....	.....	.....
Total Disbursements .....	.....	.....	.....
Cash Balance, Ending	\$ 65	\$ 69	\$ 73

PENNSYLVANIA MUNICIPAL RETIREMENT FUND

Act 15 of 1974 created the Pennsylvania Municipal Retirement System and replaced the "Municipal Employees Retirement Law" and the "Municipal Police Retirement Law" and combined all employees covered under both into a State-related municipal system.

The fund established under that act provides for payment of retirement allowances to officers, employees, fireman and police of political subdivisions (county, cities, boroughs, and townships of the first and second class).

Any municipality may elect by ordinance to join the system. Revenues are generated from the contributions of the members of the system and investment earnings.

The board established under Act 15 has control over the system's operation. The net investment adjustment shown below is to reflect current market value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 107,074	\$ 127,342	\$ 157,209
Receipts:			
Contributions	\$ 19,582	\$ 25,142	\$ 30,852
Other	60	58	75
Interest	10,332	13,391	16,756
	<hr/>	<hr/>	<hr/>
Total Receipts	29,974	38,591	47,683
Total Funds Available	<u>\$ 137,048</u>	<u>\$ 165,933</u>	<u>\$ 204,892</u>
Disbursements:			
Executive Offices	\$ 59	\$ 1,193	\$ 1,275
Municipal Employees Retirement Board	6,359	7,531	8,654
Net Investment Adjustment	3,288	.....	.....
	<hr/>	<hr/>	<hr/>
Total Disbursements	-9,706	-8,724	-9,929
Cash Balance, Ending	<u><u>\$ 127,342</u></u>	<u><u>\$ 157,209</u></u>	<u><u>\$ 194,963</u></u>

**PHARMACEUTICAL ASSISTANCE
(CONTRACT FOR THE ELDERLY)
FUND**

This fund was created by Act 63 of 1983 in order to provide a limited pharmaceutical assistance program for the Commonwealth's senior citizens who are 65 years of age or over, and whose annual income does not exceed the maximum specified in the act for program eligibility. Funds not expended in the fiscal year in which they were appropriated shall be available for use in the following fiscal year. For additional information on the program, refer to the Department of Aging in volume two of the Governor's Executive Budget.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 99,674	\$ 162,873	\$ 162,989
Receipts:			
Transfer from Lottery Fund	\$ 115,600	\$ 100,000	\$ 100,000
Interest on Securities	8,506	8,800	8,000
Retirement Contributions	25	25	28
	<hr/>	<hr/>	<hr/>
Total Receipts	124,131	108,825	108,028
Total Funds Available	<u>\$ 223,805</u>	<u>\$ 271,698</u>	<u>\$ 271,017</u>
Disbursements:			
Aging	\$ 60,913	\$ 108,684	\$ 123,888
Executive Offices	19	25	28
	<hr/>	<hr/>	<hr/>
Total Disbursements	-60,932	-108,709	-123,916
Cash Balance, Ending	<u>\$ 162,873</u>	<u>\$ 162,989</u>	<u>\$ 147,101</u>

PROJECT 70 LAND ACQUISITION FUND

This fund was created in 1965 to finance the Commonwealth's cost of acquiring land for recreation, conservation or historical purposes and to aid local governments in acquiring land for the same purposes. As of December 31, 1970, all unencumbered money in this fund was paid into the Project 70 Land Acquisition Sinking Fund and currently this fund is inactive with the exception of some encumbrances due to pending litigation. Revenue for the fund was provided by a bond issue approved by the electorate on November 4, 1963 with the proceeds not to exceed \$70 million.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 652	\$ 652	\$ 650
Receipts:			
Other .....	.....	.....	.....
Total Receipts .....	.....	.....	.....
Total Funds Available	<u>\$ 652</u>	<u>\$ 652</u>	<u>\$ 650</u>
Disbursements:			
Environmental Resources .....	.....	\$ 2	.....
Total Disbursements .....	.....	-2	.....
Cash Balance, Ending	<u>\$ 652</u>	<u>\$ 650</u>	<u>\$ 650</u>

PROJECT 70 LAND ACQUISITION SINKING FUND

Annual appropriations by the General Assembly for payment of interest and principal falling due on Project 70 Bonds are credited to this fund. In addition, interest resulting from investment or deposit of money in the Project 70 Land Acquisition Fund is credited to this fund. All unencumbered moneys in the Project 70 Land Acquisition Fund as of December 31, 1970, were transferred to this fund. Moneys reimbursed to the Commonwealth by political subdivisions for inappropriate use of Project 70 are credited to this fund if the Project 70 Land Acquisition Fund is no longer active. Moneys in this fund are used solely to pay interest accruing on Project 70 bonds and for the redemption of such bonds.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 86	\$ 157	.....
Receipts:			
Transfer from General Fund	\$ 4,419	\$ 4,098	\$ 2,421
Sale of Real Estate .....	.....	.....	.....
Interest on Securities	71	53	.....
	<hr/>	<hr/>	<hr/>
Total Receipts	4,490	4,151	\$ 2,421
Total Funds Available	<u>\$ 4,576</u>	<u>\$ 4,308</u>	<u>\$ 2,421</u>
Disbursements:			
Treasury	\$ 4,419	\$ 4,308	\$ 2,421
	<hr/>	<hr/>	<hr/>
Total Disbursements	-4,419	-4,308	-2,421
Cash Balance, Ending	<u>\$ 157</u>	<u>.....</u>	<u>.....</u>

PURCHASING FUND

Created in 1933, this fund finances the purchase of materials, supplies and equipment by the Department of General Services for use of other departments, boards and commissions. Also salaries for the personnel administering the fund are paid by the fund. Revenue sources are periodic appropriations from the General Fund and reimbursements by other departments, boards and commissions for the materials and supplies provided them.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 3,572	\$ 5,064	\$ 3,664
Receipts:			
Reimbursement from other agencies ..	\$ 29,976	\$ 32,000	\$ 35,000
General Fund Loan	15,200	15,200	9,000
Other	556	600	600
Total Receipts	45,732	47,800	44,600
Total Funds Available	\$ 49,304	\$ 52,864	\$ 48,264
Disbursements:			
Executive Office	\$ 214	\$ 200	\$ 200
General Services*	44,026	49,000	45,000
Total Disbursements	-44,240	-49,200	-45,200
Cash Balance, Ending	\$ 5,064	\$ 3,664	\$ 3,064

*Includes repayment of General Fund loan.

REAL ESTATE RECOVERY FUND

This fund was established in 1980 to reimburse aggrieved persons the amount unpaid upon judgements, from competent jurisdiction, against any person licensed by the Real Estate Commission. Revenue is derived from additional fees paid by licensees, with interest on investments being retained by the fund.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 894	\$ 1,000	\$ 1,118
Receipts:			
Additional License Fees	\$ 78	\$ 78	\$ 78
Interest	89	100	100
	<hr/>	<hr/>	<hr/>
Total Receipts	167	178	178
Total Funds Available	<u>\$ 1,061</u>	<u>\$ 1,178</u>	<u>\$ 1,296</u>
Disbursements:			
State	\$ 61	\$ 60	\$ 60
	<hr/>	<hr/>	<hr/>
Total Disbursements	-61	-60	-60
Cash Balance, Ending	<u><u>\$ 1,000</u></u>	<u><u>\$ 1,118</u></u>	<u><u>\$ 1,236</u></u>

REHABILITATION CENTER FUND

This fund was created May 13, 1959, for the operation of the Hiram G. Andrews Rehabilitation Center and is funded from fees for services rendered by the center. Most of these services are rendered to vocational rehabilitation clients.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 608	\$ 860	\$ 1,430
Receipts:			
Clients Fees	\$ 10,352	\$ 11,387	\$ 11,400
Other	1,112	1,153	1,190
Total Receipts	<u>11,464</u>	<u>12,540</u>	<u>12,590</u>
Total Funds Available	\$ <u>12,072</u>	\$ <u>13,400</u>	\$ <u>14,020</u>
Disbursements:			
Executive Offices	\$ 938	\$ 970	\$ 1,000
Labor and Industry	10,274	11,000	11,800
Total Disbursements	<u>-11,212</u>	<u>-11,970</u>	<u>-12,800</u>
Cash Balance, Ending	<u>\$ 860</u>	<u>\$ 1,430</u>	<u>\$ 1,220</u>

SCHOOL EMPLOYES' RETIREMENT FUND

The Public School Employees' Retirement Fund provides for receipt and accounting of member and employer contributions, investment of those funds and payment of benefits to retired school employes.

The employer contribution, which is shared equally by the employing school district and the Commonwealth, is determined by the fund's actuary. The Commonwealth contribution is made by an annual appropriation from the General Fund and paid quarterly to the fund.

Earnings from investments provide additional revenue and pay for the expenses of the Public School Employees' Retirement Board. The Board is responsible for management of the fund and payment of benefits.

The cash balance shown in the statement includes substantial investment assets. The net investment adjustment item is included to reflect the current market value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$6,555,677	\$7,550,330	\$8,508,961
Receipts:			
Transfer from General Fund — Employer Contribution	\$ 375,642	\$ 431,100	\$ 433,000
Transfers from State Retirement System	1,484	1,500	1,500
Contribution of School Employes	227,215	231,000	245,000
Returned Contributions of School Employes	9,565	10,000	10,000
Contributions of School Districts	349,751	384,751	410,000
Interest on Securities	621,776	700,000	800,000
Net Investment Adjustment	141,821	.....	.....
Other	1,737	1,000	1,000
 Total Receipts	 1,728,991	 1,759,351	 1,900,500
Total Funds Available	<u>\$8,284,668</u>	<u>\$9,309,681</u>	<u>\$10,409,461</u>
Disbursements:			
Executive Offices	\$ 608	\$ 700	\$ 700
Treasury	15	20	20
Public School Employes' Retirement Board	733,715	800,000	900,000
 Total Disbursements	 <u>-734,338</u>	 <u>-800,720</u>	 <u>-900,720</u>
Cash Balance, Ending	<u>\$7,550,330</u>	<u>\$8,508,961</u>	<u>\$ 9,508,741</u>

SINKING FUND

Appropriations by the General Assembly constitute the major source of revenue to this fund. This one sinking fund existed prior to the practice of having a sinking fund for each separate bond fund. Moneys are held in this fund to cover the possible redemption of Commonwealth notes and bonds which had maturity dates from 1841 through 1871. There has been no activity on these old outstanding obligations, reportedly, since 1929. The redemption value of those obligations is \$141,320.06. Money not needed to pay principal or interest on Commonwealth debt may also be used to suppress insurrection or defend the State in war, in accordance with the Constitution of the Commonwealth of Pennsylvania. Money in this fund may be invested only in United States or Commonwealth bonds. Interest accumulating on moneys remaining in the fund is credited to the State School Fund.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 141	\$ 141	\$ 141
Receipts:			
Interest on Securities	\$ 4	.....	.....
Total Receipts	4	.....	.....
Total Funds Available	<u>\$ 145</u>	<u>\$ 141</u>	<u>\$ 141</u>
Disbursements:			
Treasury	\$ 4	.....	.....
Total Disbursements	<u>-4</u>	<u>.....</u>	<u>.....</u>
Cash Balance, Ending	<u><u>\$ 141</u></u>	<u><u>\$ 141</u></u>	<u><u>\$ 141</u></u>

SOCIAL SECURITY CONTRIBUTION FUND

This fund was established to hold both employers' and employees' share of social security deductions of Commonwealth and local government or other instrumentality employes for payment of Social Security benefits under the Federal Insurance Contribution Act (FICA). Withdrawals from the fund are made to the Federal Agency in amounts required to extend the benefits of eligible employes under the Federal old-age and survivors insurance system and for payment of refunds and overpayments made by a political subdivision.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 50,716	\$ 48,849	\$ 2,500
Receipts:			
State Employes and Political Subdivision Employes	\$1,069,574	\$1,070,000	\$1,075,000
Public School Employes	126,200	127,000	130,000
Other	2,320	2,500	2,600
Total Receipts	<u>1,198,094</u>	<u>1,199,500</u>	<u>1,207,600</u>
Total Funds Available	<u>\$1,248,810</u>	<u>\$1,248,349</u>	<u>\$1,210,000</u>
Disbursements:			
Labor and Industry	\$1,199,961	\$1,245,849	\$1,207,600
Total Disbursements	<u>-1,199,961</u>	<u>-1,245,849</u>	<u>-1,207,600</u>
Cash Balance, Ending	<u>\$ 48,849</u>	<u>\$ 2,500</u>	<u>\$ 2,500</u>

SOLID WASTE — RESOURCE RECOVERY DEVELOPMENT FUND

Created in 1974, this fund provides financial assistance to municipalities in the planning, development, construction and operation of resource recovery and solid waste disposal facilities. Loans for new facilities are restricted to municipalities in seventh and eighth class counties, while loans for existing facilities are restricted to municipalities in fifth through eighth class counties. Revenue is provided through appropriations by the General Assembly and by the repayment of loans made to municipalities.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 4,578	\$ 7,011	\$ 9,981
Receipts:			
Interest	\$ 414	\$ 550	\$ 325
Transfer From General Fund	2,100	2,500	. . . .
Net Investment Adjustment	-10	. . . .	. . . .
	<hr/>	<hr/>	<hr/>
Total Receipts	2,504	3,050	325
	<hr/>	<hr/>	<hr/>
Total Funds Available	\$ 7,082	\$ 10,061	\$ 10,306
Disbursements:			
Environmental Resources	\$ 71	\$ 80	\$ 4,015
	<hr/>	<hr/>	<hr/>
Total Disbursements	-71	-80	-4,015
	<hr/>	<hr/>	<hr/>
Cash Balance, Ending	<u>\$ 7,011</u>	<u>\$ 9,981</u>	<u>\$ 6,291</u>

SPECIAL ADMINISTRATION FUND

The purpose of this fund, administered by the Department of Labor and Industry, is to cover those administrative expenses of the Unemployment Compensation Law not properly and validly chargeable to the Administration Fund. The receipts of the fund are generated from interest and penalties collected from claimants and employers under provisions of the Unemployment Compensation Law. All moneys in excess of \$200,000 in the fund at the end of the fiscal year are transferred to the Unemployment Compensation Fund.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 615	\$ 286	\$ 500
Receipts:			
Interest and Penalties	\$ 87	.....	.....
Other .....	.....	\$ 300	\$ 300
Total Receipts	87	300	300
Total Funds Available	\$ 702	\$ 586	\$ 800
Disbursements:			
Labor and Industry	\$ 416	\$ 86	\$ 300
Total Disbursements	-416	-86	-300
Cash Balances, Ending	<u>\$ 286</u>	<u>\$ 500</u>	<u>\$ 500</u>

STATE COLLEGE EXPERIMENTAL FARM FUND

Act 56, approved May 13, 1887, authorized the sale of the eastern and western experimental farms which were purchased with Federal land grant moneys in 1862. These farms were sold for \$17,000 in 1888 and the proceeds were placed in this fund to be invested in bonds of the Commonwealth at 6 percent per annum with the interest serving as an ongoing revenue to this fund.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 26	\$ 26	\$ 27
Receipts:			
Miscellaneous	\$ 2	\$ 2	\$ 2
Total Receipts	<u>2</u>	<u>2</u>	<u>2</u>
Total Funds Available	\$ 28	\$ 28	\$ 29
Disbursements:			
Treasury	\$ 2	\$ 1	\$ 1
Total Disbursements	<u>-2</u>	<u>-1</u>	<u>-1</u>
Cash Balance, Ending	<u>\$ 26</u>	<u>\$ 27</u>	<u>\$ 28</u>

STATE EMPLOYES' RETIREMENT FUND

This fund was created in 1924 to accumulate reserves for the payment of pensions to former State employes.

Money in this fund is used to pay retirement, disability, and death benefits to members of the State Employes' Retirement System and their beneficiaries. Membership in the system is mandatory for most State employes, and employes of nonstate entities; such as, the Pennsylvania State University, the Turnpike Commission, the Delaware River Port Authority, and other public and quasi-public institutions authorized by the Retirement Code.

Revenue to the fund comes from employe contributions, employer contributions from the Commonwealth and other employers, and income derived from investments of the fund. Employer contributions are an actuarially determined percentage of payroll sufficient to fund current and future benefit payments. Investment income is used to credit interest to each member's account; to pay the administrative expenses of the retirement system; and to accumulate reserves for the payment of future benefits.

Management of the fund and payment of benefits is overseen by the State Employes' Retirement Board.

The cash balance shown in the statement includes substantial investment assets; the net investment adjustment item is to reflect the carrying value of long term investments as of June 30.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$4,442,787	\$5,054,353	\$5,658,905
Receipts:			
Contributions of Employes	\$ 137,114	\$ 140,800	\$ 145,024
State Share Contribution	450,742	452,100	400,000
Casualty Premium Tax	9,726	. . . .	. . . .
Interest on Securities	482,427	474,000	520,000
Other	290	1,602	1,712
	<hr/>	<hr/>	<hr/>
Total Receipts	1,080,299	1,068,502	1,066,736
Total Funds Available	<u>\$5,523,086</u>	<u>\$6,122,855</u>	<u>\$6,725,641</u>
Disbursements:			
State Employes Retirement System ...	\$ 455,816	\$ 463,950	\$ 496,427
Treasury	23	. . . .	. . . .
Executive Offices	260	. . . .	. . . .
Net Investment Adjustment	12,634	. . . .	. . . .
	<hr/>	<hr/>	<hr/>
Total Disbursements	-468,733	-463,950	-496,427
Cash Balance, Ending	<u>\$5,054,353</u>	<u>\$5,658,905</u>	<u>\$6,229,214</u>

STATE INSURANCE FUND

Created in 1915, this fund finances expenditures relating to the rebuilding, restoring or replacing of buildings, structures, equipment or other property owned by the Commonwealth which have been damaged or destroyed by fire or other casualty. This includes natural or man made disasters. Revenue is derived from interest earned by the fund, interest received from the Fire Insurance Tax Fund and from reimbursements by insurance companies. If needed, money may also be directly appropriated to this fund. Any amount in the fund in excess of \$3 million on December 31st of each year shall be transferred to the General Fund. This fund satisfies the requirements of the Federal Government for Disaster Insurance program.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 3,808	\$ 3,758	\$ 3,758
Receipts:			
Recovered Damages .....	.....	.....	.....
Interest	1,622	1,200	1,400
Total Receipts	<u>1,622</u>	<u>1,200</u>	<u>1,400</u>
Total Funds Available	<u>\$ 5,430</u>	<u>\$ 4,958</u>	<u>\$ 5,158</u>
Disbursements:			
General Services	\$ 1,672	\$ 1,200	\$ 1,400
Total Disbursements	<u>-1,672</u>	<u>-1,200</u>	<u>-1,400</u>
Cash Balance, Ending	<u><u>\$ 3,758</u></u>	<u><u>\$ 3,758</u></u>	<u><u>\$ 3,758</u></u>

STATE RESTAURANT FUND

This fund was created in 1943 to finance the purchase and maintenance of equipment for the operation of the restaurant in the State Capitol as well as any other restaurants in other State Office Buildings. At present, the only restaurant operated within this fund is in the Main Capitol Building and revenue is derived from the profits earned from that operation. During fiscal year 1986-87 the Main Capitol Restaurant will be enlarged and relocated into the Capitol addition.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 413	\$ 459	\$ 492
Receipts:			
Revenue from General Operations ...	\$ 3	\$ 3	\$ 10
Other	47	35	25
Total Receipts	<u>50</u>	<u>38</u>	<u>35</u>
Total Funds Available	<u>\$ 463</u>	<u>\$ 497</u>	<u>\$ 527</u>
Disbursements:			
General Services	\$ 4	\$ 5	\$ 200
Total Disbursements	<u>-4</u>	<u>-5</u>	<u>-200</u>
Cash Balance, Ending	<u><u>\$ 459</u></u>	<u><u>\$ 492</u></u>	<u><u>\$ 327</u></u>

STATE SCHOOL FUND

The fund was established in 1911 and is funded primarily by the sale of escheated estates and other nonpublic real estate and interest earnings of the Sinking Fund. Recent changes in the escheat law and lack of interest earnings from the Sinking Fund or investment of moneys in the State School Fund have resulted in a low revenue level; this fund is active in only a limited sense.

The original purpose of the fund was to equalize educational advantages across the Commonwealth; to provide advancements to school districts temporarily in need of aid; and to promote education in the conservation of natural resources, forestry, agriculture and other industrial pursuits. The law was amended in 1960 to change the purpose to equalization of educational opportunities, and paying part of the cost of repair or alteration of local public school or State college buildings when they are required to satisfy requirements of the Department of Labor and Industry or another relevant governmental agency.

Expenditures from the fund are made at the direction of the State Board of Education.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 419	\$ 475	\$ 536
Receipts:			
Sinking Fund: Interest	\$ 10	\$ 10	\$ 10
Treasury: Interest	46	51	57
Total Receipts	56	61	67
Total Funds Available	<u>\$ 475</u>	<u>\$ 536</u>	<u>\$ 603</u>
Disbursements:			
Education			
Total Disbursements .....	.....	.....	.....
Cash Balance, Ending	<u>\$ 475</u>	<u>\$ 536</u>	<u>\$ 603</u>

STATE STORES FUND

The State Stores Fund serves as the general operating fund for the Liquor Control Board. To this fund are credited revenues from the sale of goods in State Liquor Stores, fees not credited to the Liquor License Fund, fines and penalties, losses and damages recovered and loans from the General Fund to provide working capital. Expenditures cover all costs associated with the operation and administration of the Liquor Stores System and enforcement of the Liquor Control Law. Any surplus is transferred to the General Fund.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 14,765	\$ 32,887	\$ 29,916
Receipts:			
Fees	\$ 6,057	\$ 6,000	\$ 6,000
Fines and Penalties	680	700	700
Sale of Goods	744,533	766,227	781,000
Recovered Losses and Damages	632	650	650
General Fund Loans	66,000	66,000	66,000
Other	16,782	16,800	16,800
Total Receipts	834,684	856,377	871,150
Total Funds Available	\$ 849,449	\$ 889,264	\$ 901,066
Disbursements:			
Treasury	\$ 16	.....	.....
Executive Offices	13,205	\$ 13,200	\$ 13,500
Liquor Control Board*	803,341	846,148	850,000
Total Disbursements	-816,562	-859,348	-863,500
Cash Balance, Ending	\$ 32,887	\$ 29,916	\$ 37,566

*Includes repayment of General Fund Loan

STATE TREASURY ARMORY FUND

Created in accordance with Act 126 of 1979 and 92 of 1975, this fund receives monies derived from the sale of any armory building, armory site or other real estate. Funds shall be expended solely for the purchase of equipment, furniture and fixtures or for the construction of new armories in the Commonwealth.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 217	\$ 239	\$ 190
Receipts:			
Interest	\$ 22	\$ 16	\$ 13
Sale of Armories and/or Land .....	.....	.....	.....
Total Receipts	<u>22</u>	<u>16</u>	<u>13</u>
Total Funds Available	<u>\$ 239</u>	<u>\$ 255</u>	<u>\$ 203</u>
Disbursements:			
Military Affairs .....	.....	\$ 65	\$ 50
Total Disbursements .....	.....	<u>-65</u>	<u>-50</u>
Cash Balance, Ending	<u><u>\$ 239</u></u>	<u><u>\$ 190</u></u>	<u><u>\$ 153</u></u>

STATE WORKMEN'S INSURANCE FUND

The State Workmen's Insurance Fund (SWIF) was created by the Act of June 2, 1915, and operates within the Department of Labor and Industry. It is a self-sustaining fund providing workmen's compensation insurance to employers, including those refused policies by private insurance firms. SWIF is subject to underwriting rules, classifications and rates promulgated by rating bureaus authorized by the State Insurance Commissioner. Premium rates are established by them based on the history of accidents by industry. Administrative costs are paid from the fund including expenses related to Insurance Department and Auditor General examinations.

The net investment adjustment shown below is to reflect the current market value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 620,324	\$ 682,309	\$ 742,177
Receipts:			
Premiums	\$ 28,404	\$ 28,410	\$ 28,000
Other	96,539	105,000	100,000
Net Investment Adjustment	5,582	. . . .	. . . .
	<hr/>	<hr/>	<hr/>
Total Receipts	130,525	133,410	128,000
	<hr/>	<hr/>	<hr/>
Total Funds Available	\$ 750,849	\$ 815,719	\$ 870,177
Disbursements:			
Executive Offices	\$ 523	\$ 542	\$ 560
Labor and Industry	68,017	73,000	78,000
	<hr/>	<hr/>	<hr/>
Total Disbursements	-68,540	-73,542	-78,560
	<hr/>	<hr/>	<hr/>
Cash Balance, Ending	<u>\$ 682,309</u>	<u>\$ 742,177</u>	<u>\$ 791,617</u>

SUNNY DAY FUND

The purpose of this fund created by Act 32 of 1985, and administered by the Treasury Department is to provide assistance to the Governor and the Department of Commerce in their efforts to attract industrial, manufacturing or research and development enterprises to this Commonwealth. Revenue is provided through an appropriation by the General Assembly for transfer to this fund. Appropriations out of the fund require approval by two thirds of the members of the General Assembly.

This budget proposed specific uses for these funds; refer to the summary table of proposed allocations elsewhere in this volume for details.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 25,000
Receipts:			
General Fund Transfer	\$ 25,000	.....
Interest on Securities
Redemption of Securities
Total Receipts
Total Funds Available	\$ 25,000	\$ 25,000
Disbursements:			
Commerce	\$ 25,000
Total Disbursements
Cash Balance, Ending	\$ 25,000	.....

SUPPLEMENTAL STATE ASSISTANCE FUND

This fund was created by Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, and is administered by the Auditor General. Effective July 1985 the fund includes a portion of the Foreign Casualty Insurance Premium Tax which in prior years was allocated to the State Employees Retirement Fund State Police account. Those revenues will be used for loans to municipalities in danger of default on their pension program. That program could begin in the 1985-86 fiscal year; however, no requests for assistance have been received and therefore no disbursements are anticipated. Beginning in 1988 a program of General Fund aid to distressed municipalities will be provided through this fund.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 10,107
Receipts:			
Foreign Casualty Insurance Premium Tax for Loans to Municipalities	\$ 8,421	6,000
Interest Earnings	1,686	1,686
	<hr/>	<hr/>	<hr/>
Total Receipts	\$ 10,107	7,686
Total Funds Available	\$ 10,107	\$ 17,793
Disbursements:			
Auditor General
	<hr/>	<hr/>	<hr/>
Total Disbursements
Cash Balances, Ending	<hr/> <hr/>	<hr/> <hr/> \$ 10,107	<hr/> <hr/> \$ 17,793

SURFACE MINING CONSERVATION AND RECLAMATION FUND

This fund was created in 1945 to finance reclamation projects on land scarred by surface mining. Projects include recontouring, terracing and planting of trees, shrubs and grasses. Revenues are provided by charging surface mining operators for licenses and permits and by fining them for failing to apply for the licenses and permits as well as by forfeiture of collateral bonds, cash or securities for failure to comply with an approved reclamation plan.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 11,775	\$ 12,256	\$ 12,132
Receipts:			
Licenses and Fees	\$ 1,427	\$ 1,475	\$ 1,475
Interest	1,291	1,200	1,200
Forfeiture of Bonds	658	1,000	1,000
Trust Account Collateral	366	550	550
Other	640	500	500
Total Receipts	4,382	4,725	4,725
Total Funds Available	\$ 16,157	\$ 16,981	\$ 16,857
Disbursements:			
Treasury	\$ 4	. . . .	. . . .
Executive Offices	121	\$ 135	\$ 135
Environmental Resources	3,776	4,714	4,740
Total Disbursements	-3,901	-4,849	-4,875
Cash Balance, Ending	\$ 12,256	\$ 12,132	\$ 11,982

TAX NOTE SINKING FUND

Moneys in this fund are used solely for the payment of principal and interest on tax anticipation notes. Repayment of tax anticipation notes must be accomplished before the end of the fiscal period in which the notes were issued. Moneys in this fund derive from transfers from the General Fund or Motor License Fund. The amount of money transferred from either of these two funds during one fiscal year is proportionate to the amount each such fund received from the sale of tax anticipation notes.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning .....	.....	.....	.....
Receipts:			
Transfer from General Fund	\$ 730,979	\$ 515,372	\$ 525,000
Total Receipts	\$ 730,979	\$ 515,372	\$ 525,000
Total Funds Available	\$ 730,979	\$ 515,372	\$ 525,000
Disbursements:			
Treasury	\$ 730,979	\$ 515,372	\$ 525,000
Total Disbursements	-730,979	-515,372	-525,000
Cash Balance, Ending .....	.....	.....	.....

TAX STABILIZATION RESERVE FUND

Created in July of 1985 by Act 32, this fund provides financial assistance to minimize future revenue shortfalls and deficits, and promote greater continuity and predictability in the funding of vital government services. It also minimizes the need to increase taxes to balance the budget of the Commonwealth during periods of economic distress. Revenue is provided through an appropriation by the General Assembly for transfer to this fund. Appropriations out of the fund require approval by two-thirds of the members of the General Assembly.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 25,000
Receipts:			
General Fund Transfer	\$ 25,000	\$ 25,000
Interest on Securities	2,000
Redemption of Securities
Total Receipts	27,000
Total Funds Available		\$ 25,000	\$ 52,000
Disbursements:			
Total Disbursements			
Cash Balance, Ending		\$ 25,000	\$ 52,000

UNEMPLOYMENT COMPENSATION BENEFIT PAYMENT FUND

Employers' and employees' contributions under the Unemployment Compensation Law are credited to the Commonwealth's account in the Federal Unemployment Trust Fund. Requisitions of money from the Trust Fund for the payment of unemployment compensation benefits to eligible individuals are the revenue for the Unemployment Compensation Benefit Payment Fund.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 2	\$ 2	\$ 2
Receipts:			
Regular Unemployment Compensation Program	\$1,061,152	\$1,164,000	\$1,139,000
Federal Supplemental Compensation	183,005	1,700	. . . .
Extended Benefits	1,056	. . . .	. . . .
Other	31,837	33,900	27,800
	<hr/>	<hr/>	<hr/>
Total Receipts	1,277,050	1,199,600	1,166,800
Total Funds Available	<u>\$1,277,052</u>	<u>\$1,199,602</u>	<u>\$1,166,802</u>
Disbursements:			
Labor and Industry	\$1,277,050	\$1,199,600	\$1,166,800
	<hr/>	<hr/>	<hr/>
Total Disbursements	-1,277,050	-1,199,600	-1,166,800
	<hr/>	<hr/>	<hr/>
Cash Balance, Ending	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>

UNEMPLOYMENT COMPENSATION CONTRIBUTION FUND

This fund was created to hold moneys collected from employers under the Unemployment Compensation Law and, except for refunds of collections or transfers to the Special Administration Fund, the moneys are transferred to the United States Treasury for credit to the Commonwealth's account in the Federal Unemployment Trust Fund established under Section 904 of the Social Security Act.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 4	\$ 988	\$ 4
Receipts:			
Contributions of Employers and Employes	\$1,558,631	\$1,628,000	\$1,711,000
Other	34	35	35
	<hr/>	<hr/>	<hr/>
Total Receipts	1,558,665	1,628,035	1,711,035
	<hr/>	<hr/>	<hr/>
Total Funds Available	\$1,558,669	\$1,629,023	\$1,711,039
Disbursements:			
Labor and Industry	\$1,557,681	\$1,629,019	\$1,711,035
	<hr/>	<hr/>	<hr/>
Total Disbursements	-1,557,681	-1,629,019	-1,711,035
	<hr/>	<hr/>	<hr/>
Cash Balance, Ending	<u>\$ 988</u>	<u>\$ 4</u>	<u>\$ 4</u>

UNEMPLOYMENT COMPENSATION INTEREST FUND

This fund was created to pay the interest due on the Federal Unemployment Compensation Title XII Advances. The receipts in this fund are generated by employers under provisions of the Unemployment Compensation Law as amended in July, 1983. Funds are to be used exclusively for interest payments; however, if funds collected exceed interest payment requirements, such excess funds are to be used for benefit payments.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 30,660	\$ 70,213	\$ 145,113
Receipts:			
Employer's Interest Taxes	\$ 112,855	\$ 111,000	\$ 42,000
Other	2,281	10,000	13,000
Total Receipts	<u>115,136</u>	<u>121,000</u>	<u>55,000</u>
Total Funds Available	<u>\$ 145,796</u>	<u>\$ 191,213</u>	<u>\$ 200,113</u>
Disbursements:			
Labor and Industry	<u>\$ 75,583</u>	<u>\$ 46,100</u>	<u>\$ 58,200</u>
Total Disbursements	<u>75,583</u>	<u>46,100</u>	<u>58,200</u>
Cash Balance, Ending	<u><u>\$ 70,213</u></u>	<u><u>\$ 145,113</u></u>	<u><u>\$ 141,913</u></u>

VIETNAM CONFLICT VETERAN'S COMPENSATION FUND

Created in 1968, this fund provides payments to residents of the Commonwealth who were in active service in the Vietnam Theatre of Operations, as defined for the award of the Vietnam Service Medal, or their beneficiaries. The maximum compensation is \$750 except in case of death when it is \$1,000. Salaries and other necessary expenses for the proper administration of the Vietnam Conflict Veteran's Compensation Act are also paid from the fund. Revenue was derived from a bond issue that was approved by the electorate on November 6, 1973.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 406	\$ 447	\$ 477
Receipts:			
Interest	\$ 42	\$ 31	\$ 33
Total Receipts	42	31	33
Total Funds Available	\$ 448	\$ 478	\$ 510
Disbursements:			
Military Affairs	\$ 1	\$ 1	\$ 1
Total Disbursements	-1	-1	-1
Cash Balance, Ending	<u>\$ 447</u>	<u>\$ 477</u>	<u>\$ 509</u>

VIETNAM CONFLICT VETERANS' COMPENSATION SINKING FUND

The moneys in this fund are derived from appropriations by the General Assembly. Moneys in this fund are used to redeem or pay interest on bonds issued to develop revenue for the Vietnam Conflict Veterans' Compensation Fund.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 8	\$ 8	. . . .
Receipts:			
Transfer from General Fund	\$ 4,594	\$ 4,576	\$ 4,575
 Total Receipts	 4,594	 4,576	 \$ 4,575
Total Funds Available	\$ 4,602	\$ 4,584	\$ 4,575
Disbursements:			
Treasury	\$ 4,594	\$ 4,584	\$ 4,575
 Total Disbursements	 -4,594	 -4,584	 -4,575
 Cash Balance, Ending	 \$ 8	. . . .	. . . .

VOCATIONAL REHABILITATION FUND

This fund, administered by the State Board of Vocational Rehabilitation (Department of Labor and Industry), was created to provide vocational rehabilitation services to any person who has a disability (mental or physical) which constitutes a handicap to employment or to achievement of an independent living status. Services can be provided directly or through a purchase of service arrangement. Receipts for this fund come from Federal vocational rehabilitation funds, transfer of General Fund appropriations (for matching the Federal funds) and interest earned.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 1,311	\$ 302	\$ 200
Receipts:			
Transfer from General Fund	\$ 11,000	\$ 12,000	\$ 16,695
Federal Vocational Rehabilitation Funds	53,974	55,588	58,545
Other	3,413	3,500	3,600
	<hr/>	<hr/>	
Total Receipts	68,387	71,088	78,840
Total Funds Available	<u>\$ 69,698</u>	<u>\$ 71,390</u>	<u>\$ 79,040</u>
Disbursements:			
Executive Offices	\$ 2,857	\$ 2,950	\$ 3,050
Labor and Industry	66,539	68,240	75,740
	<hr/>	<hr/>	<hr/>
Total Disbursements	-69,396	-71,190	-78,790
Cash Balance, Ending	<u>\$ 302</u>	<u>\$ 200</u>	<u>\$ 250</u>

VOLUNTEER COMPANIES LOAN FUND

On November 2, 1975, a voter referendum authorized a \$10,000,000 bond issue to be used for acquisition and replacement of volunteer fire, ambulance and rescue company equipment and facilities. A second voter referendum in November 1981 authorized an additional \$15,000,000 to be added to the fund. Act 208 of 1976 established a revolving loan fund known as the "Volunteer Companies Loan Fund" administered by the Pennsylvania Emergency Management Agency. Funds amounting to \$10 million were included in the 1985-86 General Fund budget for transfer to the Volunteer Companies Loan Fund. As the low interest loans are repaid by the volunteer companies, the monies are returned to the fund for reuse.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 4,426	\$ 1,794	\$ 9,194
Receipts:			
Loan Principal Repayments	\$ 4,200	\$ 4,400	\$ 4,950
Loan Interest	612	645	688
Transfer From the General Fund .....	.....	10,000	.....
Interest on Securities	339	352	390
Miscellaneous	2	3	2
	<hr/>	<hr/>	<hr/>
Total Receipts	5,153	15,400	6,030
	<hr/>	<hr/>	<hr/>
Total Funds Available	\$ 9,579	\$ 17,194	\$ 15,224
Disbursements:			
Pennsylvania Emergency Management Agency	\$ 7,785	\$ 8,000	\$ 8,000
	<hr/>	<hr/>	<hr/>
Total Disbursements	-7,785	-8,000	-8,000
	<hr/>	<hr/>	<hr/>
Cash Balance, Ending	<u>\$ 1,794</u>	<u>\$ 9,194</u>	<u>\$ 7,224</u>

VOLUNTEER COMPANIES LOAN SINKING FUND

Moneys in this fund derive from appropriations by the General Assembly. Funds are used solely for the purpose of redeeming or paying interest on bonds issued to provide revenue for the Volunteer Companies Loan Fund.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 63	\$ 69	.....
Receipts:			
Transfer from General Fund	\$ 3,114	\$ 2,783	\$ 2,787
Interest on Securities	6	4	.....
Accrued Interest on Bonds Sold .....	.....	.....	.....
	<hr/>	<hr/>	<hr/>
Total Receipts	3,120	2,787	\$ 2,787
Total Funds Available	<u>\$ 3,183</u>	<u>\$ 2,856</u>	<u>\$ 2,787</u>
Disbursements:			
Treasury	<u>\$ 3,114</u>	<u>\$ 2,856</u>	<u>\$ 2,787</u>
	<hr/>	<hr/>	<hr/>
Total Disbursements	-3,114	-2,856	-2,787
	<hr/>	<hr/>	<hr/>
Cash Balance, Ending	<u><u>\$ 69</u></u>	<u><u>.....</u></u>	<u><u>.....</u></u>

WATER FACILITIES LOAN FUND

This fund was created by Act 167 of 1982 in order to implement the water project loan referendum approved by the electorate on November 3, 1981. That referendum authorized the Commonwealth to incur an indebtedness of \$300 million for use as loans to repair, construct, reconstruct, rehabilitate, extend and improve water supply systems or to repair, reconstruct or rehabilitate flood control facilities, dams and port facilities.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 48,753	\$ 57,725	\$ 83,779
Receipts:			
Sale of Bonds	\$ 19,632	\$ 58,800	\$ 49,000
Total Receipts	19,632	58,800	49,000
Total Funds Available	\$ 68,385	\$ 116,525	\$ 132,779
Disbursements:			
Environmental Resources	\$ 10,660	\$ 32,746	\$ 46,044
Total Disbursements	-10,660	-32,746	-46,044
Cash Balance, Ending	\$ 57,725	\$ 83,779	\$ 86,735

WATER FACILITIES LOAN REDEMPTION FUND

Moneys in this fund result from annual appropriations by the General Assembly and from interest and dividends on moneys in the Water Facilities Loan Fund. These moneys are used solely for payment of interest and principal due on outstanding Water Facilities Loan Bonds.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 884	\$ 3,579	.....
Receipts:			
Transfer from General Fund	\$ 2,787	\$ 1,783	\$ 14,633
Interest on Securities	4,987	4,693	.....
Accrued Interest on Bonds Sold	113	122	.....
	<hr/>	<hr/>	<hr/>
Total Receipts	7,887	6,598	14,633
Total Funds Available	<u>\$ 8,771</u>	<u>\$ 10,177</u>	<u>\$ 14,633</u>
Disbursements:			
Treasury	\$ 5,192	\$ 10,177	\$ 14,633
	<hr/>	<hr/>	<hr/>
Total Disbursements	-5,192	-10,177	-14,633
Cash Balance, Ending	<u>\$ 3,579</u>	<u>.....</u>	<u>.....</u>

WILD RESOURCES CONSERVATION FUND

This fund was created by Act 170 of 1982. Revenue is derived primarily from tax rebate check-offs and voluntary contributions. The fund is to be used to collect information relating to population, distribution, habitat needs, limiting factors and other biological and ecological data to classify plants and to determine necessary management measures. These management measures will include promotion of a statewide system of private wild plant sanctuaries, permitting of removal, collection, or transplanting of endangered or threatened plant species, and regulation of the digging, harvesting, sale, and exploitation of designated species.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 546	\$ 773	\$ 626
Receipts:			
Tax Check-Offs	\$ 407	\$ 410	\$ 410
Interest on Securities	58	60	60
Voluntary Donations	8	5	5
Total Receipts	<u>473</u>	<u>475</u>	<u>475</u>
Total Funds Available	\$ 1,019	\$ 1,248	\$ 1,101
Disbursements:			
Environmental Resources	\$ 246	\$ 622	\$ 600
Total Disbursements	<u>-246</u>	<u>-622</u>	<u>-600</u>
Cash Balance, Ending	<u>\$ 773</u>	<u>\$ 626</u>	<u>\$ 501</u>

WORKMEN'S COMPENSATION ADMINISTRATION FUND

This fund was created by Act No. 2 of 1976 to finance the expenses of the Department of Labor and Industry in administering the Pennsylvania Workmen's Compensation Act and the Pennsylvania Occupational Disease Act. The fund is supported by annual assessments on insurers and self-insurers under the act. These administrative funds are approved by the Legislature for expenditure through the appropriation process.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 8,057	\$ 8,035	\$ 8,000
Receipts:			
Assessments	\$ 9,273	\$ 10,900	\$ 11,000
Other	1,821	1,765	1,800
Total Receipts	11,094	12,665	12,800
Total Funds Available	<u>\$ 19,151</u>	<u>\$ 20,700</u>	<u>\$ 20,800</u>
Disbursements:			
Executive Offices	\$ 981	\$ 1,100	\$ 1,100
Labor and Industry	10,135	11,600	11,700
Total Disbursements	<u>-11,116</u>	<u>-12,700</u>	<u>-12,800</u>
Cash Balance, Ending	<u><u>\$ 8,035</u></u>	<u><u>\$ 8,000</u></u>	<u><u>\$ 8,000</u></u>

WORKMEN'S COMPENSATION SECURITY FUND

The purpose of this fund is payment of valid claims for compensation provided by the Workmen's Compensation Law to individuals who are insured by an insolvent stock company. Expenses for administration of the fund are also covered. One percent of the net written premiums by every stock insurance company received for Workmen's Compensation insurance policies written in the Commonwealth during the preceding annual reporting period is credited to the fund. Such payments are required only if the balance (less known liabilities) of the fund is determined to be less than five percent of the loss reserves of all such stock companies for payments of benefits under the Workmen's Compensation Law. The net investment adjustment shown below is to reflect the current market value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 154,823	\$ 180,014	\$ 198,164
Receipts:			
Premium Contributions	\$ 9,848	. . . .	\$ 10,000
Other	17,704	\$ 19,000	22,000
	<hr/>	<hr/>	<hr/>
Total Receipts	27,552	19,000	32,000
	<hr/>	<hr/>	<hr/>
Total Funds Available	\$ 182,375	\$ 199,014	\$ 230,164
Disbursements:			
Insurance	\$ 738	\$ 850	\$ 900
Net Investment Adjustment	1,623	. . . .	. . . .
	<hr/>	<hr/>	<hr/>
Total Disbursements	-2,361	-850	-900
	<hr/>	<hr/>	<hr/>
Cash Balance, Ending	<u>\$ 180,014</u>	<u>\$ 198,164</u>	<u>\$ 229,264</u>

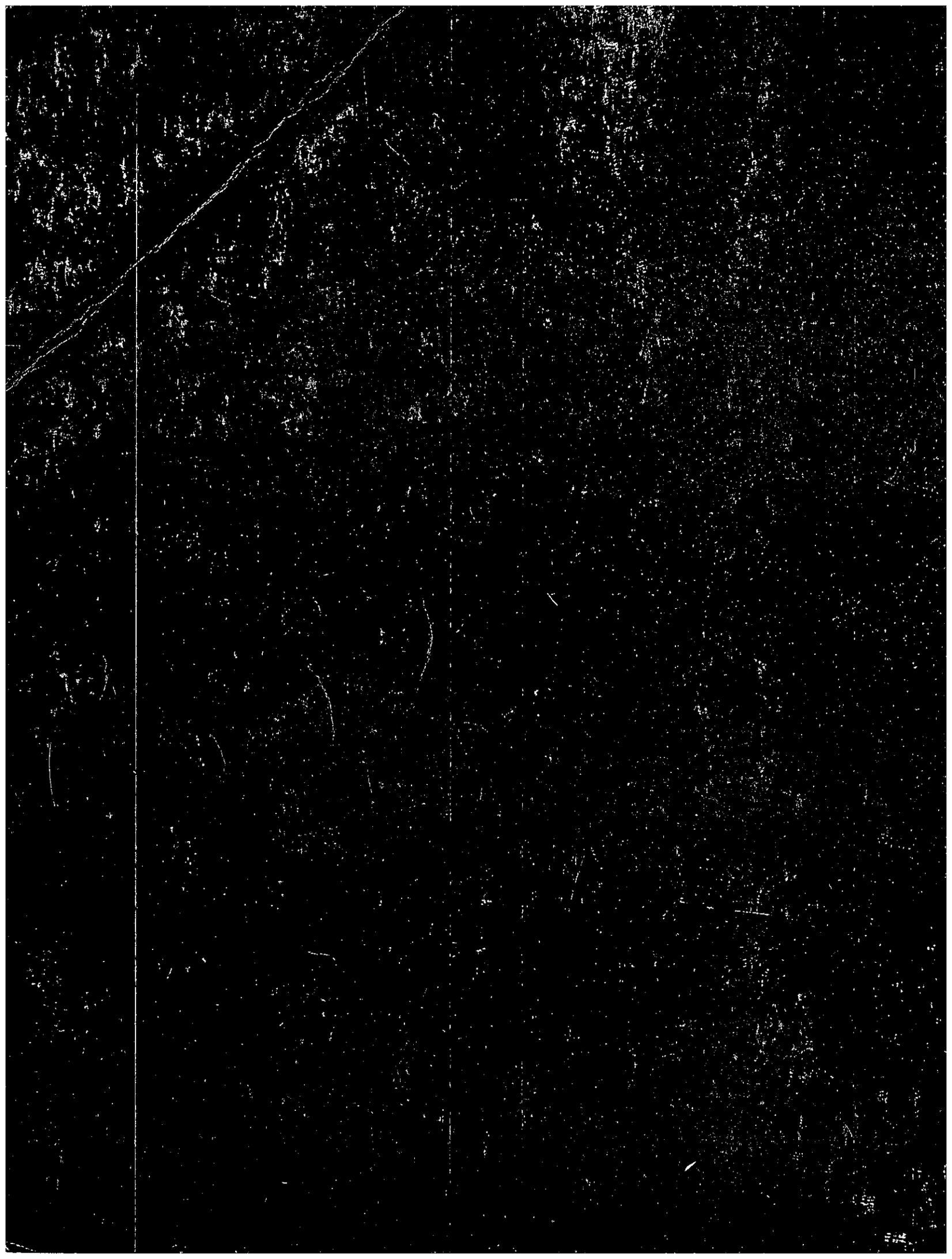
WORKMEN'S COMPENSATION SUPERSEDEAS FUND

The purpose of this fund is to reimburse insurers for payments made by them to claimants under the Workmen's Compensation Act who are later determined to be ineligible. The fund is maintained by annual assessments on insurers and self-insurers and is administered by the Department of Labor and Industry.

Statement of Cash Receipts and Disbursements

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Estimated
Cash Balance, Beginning	\$ 60	\$ 61	\$ 60
Receipts:			
Assessments	\$ 1,772	\$ 1,605	\$ 1,880
Other	45	45	50
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
Total Receipts	1,817	1,650	1,930
Total Funds Available	\$ 1,877	\$ 1,711	\$ 1,990
Disbursements:			
Labor and Industry	\$ 1,816	\$ 1,651	\$ 1,930
	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
Total Disbursements	-1,816	-1,651	-1,930
Cash Balance, Ending	<u>\$ 61</u>	<u>\$ 60</u>	<u>\$ 60</u>





1986-87
Governor's
Executive Budget



Commonwealth of Pennsylvania

Dick Thornburgh,
Governor

Office of the Budget
and Regulatory Analysis

While the state seal is the symbol used by the Commonwealth to authenticate official documents, the coat of arms on the cover of this Budget Document is the more familiar symbol of the Commonwealth of Pennsylvania, appearing on the state flag and on countless documents, letterheads and publications.

The Pennsylvania coat of arms consists of a shield, bordered in the gold of faith and constancy, supported by speed and strength personified by two rampant steeds of sable color further denoting prudence and fidelity, and crowned with an eagle — symbolizing sovereignty; underneath, the cornstalk of plenty and the olive branch of peace are bound together in love and comity. Upon the shield, a ship of black and white — wisdom and anticipation — sails upon a changeless sea of blue, teeming with justice and loyalty; a ruddy plough stands for generosity and devotion upon an eternal golden base of honor and integrity; while the three sheaves of wheat, in gold of constancy and abundance, never desert their emerald environment of gentleness and courtesy; — the whole completed by a scroll bearing the motto of the Commonwealth — Virtue, Liberty and Independence.

A state coat of arms first appeared on state paper money issued in 1777. Numerous versions were used in succeeding years until 1875 when a commission appointed for that purpose established the official coat of arms that continues to be used by the Commonwealth. This coat of arms is almost identical to the one designed by Caleb Lowmes almost 100 years earlier.

The coat of arms appearing on the cover of the Budget Document is the official coat of arms of the Commonwealth. The section divider pages of the Budget Document illustrate the coats of arms used during prior periods of Pennsylvania's history.

FOREWORD

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

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

See Volume I Foreword for discussion of significant changes to the presentations in both volumes.

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COMMONWEALTH SUMMARIES

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
GOVERNOR'S OFFICE							
GENERAL FUND.....	\$3,257	\$3,512	\$3,558	\$3,700	\$3,848	\$4,002	\$4,162
EXECUTIVE OFFICES							
GENERAL FUND.....	\$49,374	\$51,707	\$52,022	\$54,940	\$57,940	\$61,033	\$64,221
MOTOR LICENSE FUND.....	3,563	3,692	3,717	3,866	4,021	4,182	4,349
TOTAL.....	\$52,937	\$55,399	\$55,739	\$58,806	\$61,961	\$65,215	\$68,570
LIEUTENANT GOVERNOR'S OFFICE							
GENERAL FUND.....	\$648	\$680	\$690	\$718	\$746	\$776	\$807
ATTORNEY GENERAL							
GENERAL FUND.....	\$22,514	\$24,639	\$25,552	\$26,570	\$27,629	\$28,730	\$29,875
AUDITOR GENERAL							
GENERAL FUND.....	\$24,875	\$27,230	\$28,007	\$29,023	\$65,184	\$66,392	\$67,647
TREASURY							
GENERAL FUND.....	\$307,960	\$369,128	\$355,888	\$402,998	\$440,181	\$470,046	\$489,731
MOTOR LICENSE FUND.....	172,440	174,569	176,668	190,300	192,513	186,804	175,444
BANKING DEPARTMENT FUND.....	....	5	5	5	5	5	5
BOATING FUND.....	....	5	5	5	5	5	5
FAIR FUND.....	....	10	....	....	....	....	....
FARM PRODUCTS SHOW FUND.....	....	5	5	5	5	5	5
FISH FUND.....	1	5	5	5	5	5	5
GAME FUND.....	....	6	6	6	6	6	6
LOTTERY FUND.....	8	20	20	20	20	20	20
MILK MARKETING FUND.....	....	10	10	10	10	10	10
RACING FUND.....	....	10	10	10	10	10	10
TOTAL.....	\$480,409	\$543,773	\$532,622	\$593,364	\$632,760	\$656,916	\$665,241
AGING							
LOTTERY FUND.....	\$194,151	\$179,958	\$186,779	\$193,213	\$199,912	\$206,814	\$213,921
AGRICULTURE							
GENERAL FUND.....	\$30,255	\$33,032	\$24,630	\$25,294	\$25,985	\$26,703	\$27,450
FAIR FUND.....	....	3	123	....	....	....	....
FARM PRODUCTS SHOW FUND.....	1,686	1,797	1,798	1,852	1,907	1,965	2,024
RACING FUND.....	15,601	9,764	8,777	7,261	7,267	7,273	7,280
TOTAL.....	\$47,542	\$44,596	\$35,328	\$34,407	\$35,159	\$35,941	\$36,754
BANKING							
BANKING DEPARTMENT FUND.....	\$6,584	\$7,064	\$6,836	\$7,109	\$7,394	\$7,690	\$7,997
CIVIL SERVICE COMMISSION							
GENERAL FUND.....	\$1	\$1	\$1	\$1	\$1	\$1	\$1
COMMERCE							
GENERAL FUND.....	\$83,393	\$180,185	\$83,353	\$94,445	\$94,049	\$90,928	\$81,583
COMMUNITY AFFAIRS							
GENERAL FUND.....	\$22,868	\$32,291	\$27,210	\$27,405	\$27,711	\$28,031	\$28,362
CORRECTIONS							
GENERAL FUND.....	\$161,236	\$185,301	\$210,195	\$241,724	\$270,731	\$289,682	\$309,960

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND (continued)

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
CRIME COMMISSION							
GENERAL FUND.....	\$2,169	\$2,235	\$2,259	\$2,349	\$2,443	\$2,541	\$2,643
EDUCATION							
GENERAL FUND.....	\$4,035,687	\$4,349,317	\$4,519,171	\$4,700,740	\$4,893,380	\$5,100,954	\$5,316,040
MOTOR LICENSE FUND.....	2,228	2,552	2,598	2,800	2,800	2,900	3,000
TOTAL.....	\$4,037,915	\$4,351,869	\$4,521,769	\$4,703,540	\$4,896,180	\$5,103,854	\$5,319,040
EMERGENCY MANAGEMENT							
GENERAL FUND.....	\$6,953	\$19,973	\$2,449	\$2,547	\$2,649	\$2,755	\$2,865
ENVIRONMENTAL RESOURCES							
GENERAL FUND.....	\$134,185	\$149,505	\$154,029	\$157,113	\$156,999	\$162,166	\$166,638
FISH COMMISSION							
GENERAL FUND.....	\$4	\$5	\$7	\$7	\$7	\$7	\$7
BOATING FUND.....	3,700	4,265	4,393	4,471	4,585	3,555	3,138
FISH FUND.....	15,611	16,406	16,683	17,103	17,713	17,713	17,713
TOTAL.....	\$19,315	\$20,676	\$21,083	\$21,581	\$22,305	\$21,275	\$20,858
GAME COMMISSION							
GAME FUND.....	\$34,680	\$36,760	\$30,585	\$31,808	\$33,081	\$34,404	\$32,475
GENERAL SERVICES							
GENERAL FUND.....	\$111,632	\$113,211	\$112,295	\$111,684	\$109,620	\$107,687	\$107,306
MOTOR LICENSE FUND.....	16,170	31,171	27,676	30,167	31,638	35,568	38,566
BANKING DEPARTMENT FUND.....	291	291	301	302	297	297	303
BOATING FUND.....	2	2	2	2	2	2	2
FISH FUND.....	62	63	63	63	63	63	63
LOTTERY FUND.....	413	198	189	190	187	187	190
REVENUE SHARING TRUST FUND.....	52	446	240	24	....	....	....
TOTAL.....	\$128,622	\$145,382	\$140,766	\$142,432	\$141,807	\$143,804	\$146,430
HEALTH							
GENERAL FUND.....	\$121,434	\$132,661	\$134,850	\$136,289	\$140,205	\$143,550	\$146,932
HIGHER EDUCATION ASSISTANCE AGENCY							
GENERAL FUND.....	\$110,645	\$117,576	\$133,959	\$141,914	\$149,731	\$156,993	\$163,492
HISTORICAL AND MUSEUM COMMISSION							
GENERAL FUND.....	\$11,605	\$12,837	\$13,606	\$15,010	\$16,430	\$17,367	\$18,822
HOUSING FINANCE AGENCY							
GENERAL FUND.....	\$25,750	\$25,750	\$25,750	\$1,257	\$902	....	....
INSURANCE							
GENERAL FUND.....	\$7,268	\$7,584	\$7,653	\$8,032	\$8,353	\$8,687	\$9,034
LABOR AND INDUSTRY							
GENERAL FUND.....	\$54,826	\$43,292	\$43,810	\$45,309	\$46,243	\$47,242	\$48,307
MILITARY AFFAIRS							
GENERAL FUND.....	\$23,256	\$24,835	\$27,103	\$28,397	\$35,452	\$36,774	\$38,150

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND (continued)

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
MILK MARKETING BOARD							
GENERAL FUND.....	\$3,600	\$975	\$950	\$950	\$950	\$950	\$950
MILK MARKETING FUND.....	798	815	694	694	694	694	694
TOTAL.....	\$4,398	\$1,790	\$1,644	\$1,644	\$1,644	\$1,644	\$1,644
PROBATION AND PAROLE							
GENERAL FUND.....	\$21,867	\$26,490	\$29,052	\$32,606	\$33,910	\$35,268	\$36,678
PUBLIC TELEVISION NETWORK							
GENERAL FUND.....	\$8,994	\$8,811	\$10,373	\$10,748	\$11,137	\$11,543	\$11,966
PUBLIC WELFARE							
GENERAL FUND.....	\$2,609,910	\$2,733,504	\$2,791,470	\$2,847,362	\$2,989,680	\$3,100,275	\$3,218,821
LOTTERY FUND.....	167,239	169,635	170,301	170,855	171,422	172,011	172,626
TOTAL.....	\$2,777,149	\$2,903,139	\$2,961,771	\$3,018,217	\$3,161,102	\$3,272,286	\$3,391,447
REVENUE							
GENERAL FUND.....	\$145,375	\$152,242	\$157,904	\$164,335	\$171,048	\$178,054	\$185,366
MOTOR LICENSE FUND.....	10,731	12,228	12,405	12,558	12,715	12,878	13,045
LOTTERY FUND.....	348,935	421,399	398,190	402,810	407,891	413,199	418,731
RACING FUND.....	145	145	119	122	126	130	133
TOTAL.....	\$505,186	\$586,014	\$568,618	\$579,825	\$591,780	\$604,261	\$617,275
SECURITIES COMMISSION							
GENERAL FUND.....	\$1,949	\$2,154	\$2,409	\$2,505	\$2,605	\$2,709	\$2,817
STATE							
GENERAL FUND.....	\$3,437	\$4,260	\$3,125	\$3,233	\$3,352	\$3,462	\$3,583
STATE EMPLOYEES RETIREMENT SYSTEM							
GENERAL FUND.....	\$7,868	\$1,403	\$1,193	\$1,193	\$1,193	\$1,193	\$1,193
STATE POLICE							
GENERAL FUND.....	\$61,531	\$65,397	\$72,761	\$77,963	\$83,462	\$89,277	\$92,848
MOTOR LICENSE FUND.....	131,553	148,112	152,018	155,808	159,659	163,569	170,112
TOTAL.....	\$193,084	\$213,509	\$224,779	\$233,771	\$243,121	\$252,846	\$262,960
TAX EQUALIZATION BOARD							
GENERAL FUND.....	\$936	\$948	\$957	\$995	\$1,035	\$1,076	\$1,119
TRANSPORTATION							
GENERAL FUND.....	\$178,879	\$188,892	\$193,178	\$197,943	\$203,449	\$209,302	\$215,333
MOTOR LICENSE FUND.....	966,723	1,021,281	1,004,075	987,012	957,943	954,943	971,893
LOTTERY FUND.....	89,282	108,097	115,493	117,605	119,780	122,020	124,328
TOTAL.....	\$1,234,884	\$1,318,270	\$1,312,746	\$1,302,560	\$1,281,172	\$1,286,265	\$1,311,554
LEGISLATURE							
GENERAL FUND.....	\$88,417	\$99,414	\$104,246	\$108,264	\$112,753	\$117,265	\$121,954
JUDICIARY							
GENERAL FUND.....	\$101,804	\$130,683	\$127,295	\$130,702	\$134,251	\$137,937	\$141,773

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND (continued)

	(Dollar Amounts in Thousands)						
	1984-85 Actual	1985-86 Available	1986-87 Budget	1987-88 Estimated	1988-89 Estimated	1989-90 Estimated	1990-91 Estimated
COMMONWEALTH TOTAL							
GENERAL FUND.....	\$8,586,362	\$9,321,660	\$9,482,960	\$9,836,265	\$10,325,244	\$10,741,358	\$11,158,436
MOTOR LICENSE FUND.....	1,303,408	1,393,605	1,379,157	1,382,511	1,361,289	1,360,844	1,376,409
BANKING DEPARTMENT FUND.....	6,875	7,360	7,142	7,416	7,696	7,992	8,305
BOATING FUND.....	3,702	4,272	4,400	4,478	4,592	3,562	3,145
FAIR FUND.....	.....	13	123	.....	.....	.....	.....
FARM PRODUCTS SHOW FUND.....	1,686	1,802	1,803	1,857	1,912	1,970	2,029
FISH FUND.....	15,674	16,474	16,751	17,171	17,781	17,781	17,781
GAME FUND.....	34,680	36,766	30,591	31,814	33,087	34,410	32,481
LOTTERY FUND.....	800,028	879,307	870,972	884,693	899,212	914,251	929,816
MILK MARKETING FUND.....	798	825	704	704	704	704	704
RACING FUND.....	15,746	9,919	8,906	7,393	7,403	7,413	7,423
REVENUE SHARING TRUST FUND.....	52	446	240	24	.....	.....	.....
GRAND TOTAL.....	\$10,769,011	\$11,672,449	\$11,803,749	\$12,174,326	\$12,658,920	\$13,090,285	\$13,536,529



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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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
Governor's Office	\$ 3,257	\$ 3,512	\$ 3,558
GENERAL FUND TOTAL	<u>\$ 3,257</u>	<u>\$ 3,512</u>	<u>\$ 3,558</u>

GENERAL GOVERNMENT

Governor's Office	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 3,257	\$ 3,512	\$ 3,558

Provides the Governor with the necessary staff to perform the legislative, administrative and public information functions required of the office. Also provides for Pennsylvania's Liaison Office in Washington, D.C., and official entertainment and household expenses at the Governor's Home.

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation: Governor's Office	<u>\$ 3,257</u>	<u>\$ 3,512</u>	<u>\$ 3,558</u>

GOVERNOR'S OFFICE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 3,257	\$ 3,512	\$ 3,558	\$ 3,700	\$ 3,848	\$ 4,002	\$ 4,162
Executive Direction	3,257	3,512	3,558	3,700	3,848	4,002	4,162
DEPARTMENT TOTAL	<u>\$ 3,257</u>	<u>\$ 3,512</u>	<u>\$ 3,558</u>	<u>\$ 3,700</u>	<u>\$ 3,848</u>	<u>\$ 4,002</u>	<u>\$ 4,162</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	<u>\$ 3,257</u>	<u>\$ 3,512</u>	<u>\$ 3,558</u>	<u>\$ 3,700</u>	<u>\$ 3,848</u>	<u>\$ 4,002</u>	<u>\$ 4,162</u>

Program Analysis:

This program provides for the Office of the Governor, in whom the executive authority of the Commonwealth is vested. It supports the Governor in performing his functions as delegated by the State Constitution and laws passed by the General Assembly.

This program also includes funding for staff to assist with the legislative, administrative and public information functions required of the office, operation of Pennsylvania's Liaison Office in Washington, D.C., and official entertainment and household expenses at the Governor's Home.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Governor's Office	<u>\$ 3,257</u>	<u>\$ 3,512</u>	<u>\$ 3,558</u>	<u>\$ 3,700</u>	<u>\$ 3,848</u>	<u>\$ 4,002</u>	<u>\$ 4,162</u>

Executive Offices

To aid the Governor, the Office of Administration performs the duties of a central management agency and coordinates the Commonwealth's Integrated Central System. The Office of the Budget performs the duties of a central management agency, prepares the annual Governor's Budget and Five Year Financial Plan based upon the Governor's priorities and analysis of program effectiveness, and provides comptroller services for the maintenance and management of all agency accounts in the Commonwealth. The Human Relations Commission and the Pennsylvania Commission for Women promote equal opportunities for all people in employment, housing, public accommodations and education. The Governor's Energy Council studies the Commonwealth's entire energy program from production to demand, provides support to regional energy centers and coordinates the activities of the Oil Overcharge Fund. The Council on the Arts provides for encouragement and development of the arts in Pennsylvania. The Office of Policy Development provides the Governor with policy analysis and research in areas relating to economic development, human services, public safety, the environment and other areas of concern to the Commonwealth. The Commission on Crime and Delinquency provides the planning and technical assistance for the improvement of the Criminal Justice System. The Governor's Action Center provides citizens easy access to State Government. The Milrite Council seeks solutions to Pennsylvania's economic problems. The Public Employee Retirement Study Commission monitors public employe retirement plans to assure their actuarial viability. The Office of General Counsel provides legal counsel in matters affecting the operation of State agencies. The Juvenile Court Judges Commission provides technical and financial assistance to the juvenile probation staffs of the county courts. The Crime Victims Compensation Board provides financial assistance to relieve the financial hardship of individuals who have been victimized by criminal acts. The Health Facilities Hearing Board conducts preliminary hearings on appeals from decisions of the Department of Health relating to applications for certificate of need and the licensure of health care facilities. The Arbitration Panels for Health Care assist courts by conducting conciliation conferences involving medical malpractice cases. The Medical Professional Liability Catastrophe Loss Fund makes claim payments in certain medical malpractice cases.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revision:

General Fund

Appropriation	Title	1986-87 State Funds (in thousands)
Office of the Budget	PII — Budget Automation	\$ 68 ^a

To further automate and enhance the budget preparation/control process.

Commission on Crime and Delinquency	PII — Expanded Analytical Capability and Link to Criminal Justice Information System	70 ^a
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To upgrade the computer capability to better analyze data and, in the near future, link to the Criminal Justice Information System.

General Fund Total	\$ 138
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Oil Overcharge Fund

Institutional Conservation Program	Energy Conservation (Oil Overcharge)	\$ 4,859 ^b
State Energy Conservation Plan	Energy Conservation (Oil Overcharge)	2,194 ^b
Energy Extension Services	Energy Conservation (Oil Overcharge)	2,215 ^b

This Program Revision will enhance energy conservation in the Commonwealth and provide restitution to Commonwealth citizens for alleged overcharging of oil products by oil companies.

Oil Overcharge Fund Total	\$ 9,268
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DEPARTMENT TOTAL	\$ 9,406
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^aThis is only one of numerous Productivity Improvement Initiatives which are being provided one-time funding to achieve long-term cost savings and efficiency benefits. The entire Program Revision Request is summarized in Volume I.

^bThe total Program Revision will provide \$39,768,000 from the Oil Overcharge Fund. Details are presented in the appendix to the Energy Management and Conservation Subcategory in the Executive Offices.

EXECUTIVE OFFICES

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
Governor's Action Center	\$ 566	\$ 568	\$ 575
Office of Administration	3,355	4,444	4,520
Office of the Budget	19,388	19,100	19,646
ICS Development	3,553	3,235	3,290
Office of Policy Development	600	650	656
Human Resources Committee	286	295	298
Task Force on Rural Issues	99	.....	.....
Milrite Council	211	211	214
Human Relations Commission	4,855	5,041	5,081
Council on the Arts	581	724	780
Commission for Women	195	199	202
Governor's Energy Council	1,311	1,584	1,614
Commission on Crime and Delinquency	1,453	1,627	1,848
Office of General Counsel	1,176	1,319	1,357
Juvenile Court Judges Commission	378	475	556
Crime Victims Compensation Board	387	433	447
Health Facilities Hearing Board	146	170	172
Arbitration Panels for Health Care .....	.....	.....	464
Public Employe Retirement Study Commission	321	390	396
Distinguished Daughters	3	4	4
Subtotal	<u>\$ 38,864</u>	<u>\$ 40,469</u>	<u>\$ 42,120</u>
Grants and Subsidies			
Grants to the Arts	\$ 4,998	\$ 6,000	\$ 7,000
Improvement of Juvenile Probation Services	2,512	2,638	2,902
Compensation to Crime Victims	2,500	2,300	.....
Crime Victims Services	500	.....	.....
Eagleville Hospital .....	.....	300	.....
Subtotal	<u>\$ 10,510</u>	<u>\$ 11,238</u>	<u>\$ 9,902</u>
TOTAL STATE FUNDS	<u>\$ 49,374</u>	<u>\$ 51,707</u>	<u>\$ 52,022</u>
Federal Funds	\$ 7,792	\$ 8,276	\$ 6,704
Augmentations	28,692	29,391	30,190
GENERAL FUND TOTAL	<u>\$ 85,858</u>	<u>\$ 89,374</u>	<u>\$ 88,916</u>

EXECUTIVE OFFICES
Summary by Fund and Appropriation
(continued)

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Motor License Fund			
General Government			
Office of the Budget	\$ 3,563	\$ 3,692	\$ 3,717
TOTAL STATE FUNDS	<u>\$ 3,563</u>	<u>\$ 3,692</u>	<u>\$ 3,717</u>
Augmentations	\$ 698	\$ 788	\$ 754
MOTOR LICENSE FUND TOTAL	<u>\$ 4,261</u>	<u>\$ 4,480</u>	<u>\$ 4,471</u>
Department Total — All Funds			
General Fund	\$ 49,374	\$ 51,707	\$ 52,022
Special Funds	3,563	3,692	3,717
Federal Funds	7,792	8,276	6,704
Augmentaions	29,390	30,179	30,944
SUBTOTAL ALL FUNDS	<u>\$ 90,119</u>	<u>\$ 93,854</u>	<u>\$ 93,387</u>
Other Funds	\$ 76,310	\$ 114,748	\$ 139,097
TOTAL ALL FUNDS	<u>\$ 166,429</u>	<u>\$ 208,602</u>	<u>\$ 232,484</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Governor's Action Center			
State Funds	\$ 566	\$ 568	\$ 575

Provides citizens with easy access to State Government and attempts to resolve individual and family problems.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Governor's Action Center	<u>\$ 566</u>	<u>\$ 568</u>	<u>\$ 575</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Office of Administration			
State Funds	\$ 3,355	\$ 4,444	\$ 4,520
Augmentations	12,257	12,203	12,815
TOTAL	<u>\$ 15,612</u>	<u>\$ 16,647</u>	<u>\$ 17,335</u>

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

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Office of Administration	\$ 3,355	\$ 4,444	\$ 4,520
Augmentations:			
Reimbursement — Classification and Pay	1,271	1,384	1,426
Reimbursement — C.M.I.C.	9,631	9,432	10,362
Reimbursement — BMS	761	777	800
Reimbursement — Labor Relations	35	40	41
Reimbursement — Directives Management	178	181	186
Reimbursement — Bureau of EDP/Telecommunications	381	389	. . . . .
TOTAL	<u>\$ 15,612</u>	<u>\$ 16,647</u>	<u>\$ 17,335</u>

GENERAL FUND

EXECUTIVE OFFICES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Office of the Budget			
State Funds	\$ 19,388	\$ 19,100	\$ 19,646
Federal Funds	733	854	859
Augmentations	16,131	16,867	17,115
TOTAL	<u>\$ 36,252</u>	<u>\$ 36,821</u>	<u>\$ 37,620</u>

Prepares and oversees the annual Commonwealth Budget and assists the Governor in formulating fiscal policies and procedures in order to reduce State program costs and to promote program effectiveness. Also, provides comptroller services for the maintenance and management of all agency accounts of the various substantive programs of all departments, and provides for an audit of the Commonwealth's Financial Statement. These services are also provided to various special funds and authorities.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Office of the Budget	\$ 19,388	\$ 19,100	\$ 19,646
Federal Funds:			
JTPA—Program Accountability	733	854	859
Augmentation:			
Reimbursement — Comptroller Services	16,131	16,867	17,115
TOTAL	<u>\$ 36,252</u>	<u>\$ 36,821</u>	<u>\$ 37,620</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Integrated Central System (ICS)			
State Funds	\$ 3,553	\$ 3,235	\$ 3,290

Provides a computerized base of information and report generating capabilities for policymaking which permits the development and production of a centralized system which includes accounting, budgeting, personnel, payroll and purchasing records, and reduces the number of redundant steps inherent in independent systems.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
ICS Development	<u>\$ 3,553</u>	<u>\$ 3,235</u>	<u>\$ 3,290</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Office of Policy Development			
State Funds	\$ 985	\$ 945	\$ 954
Federal Funds	786	681	667
Augmentations	122	135	150
TOTAL	<u>\$ 1,893</u>	<u>\$ 1,761</u>	<u>\$ 1,771</u>

Provides for advancing the development of the Commonwealth through policy analysis in areas relating to economic and community development, human services, public safety, the environment and other areas of concern to the Commonwealth, and provides support to the State Planning Board.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Office of Policy Development	\$ 600	\$ 650	\$ 656
Human Resources Committee	286	295	298
Task Force on Rural Issues	99	.....	.....
Federal Funds:			
EDA — Planning Assistance	99	100	100
EDA — Supplemental and Basic Funding	41	11	.....
Human Services Assessment	73	.....	.....
National Occupational Information Coordinating Committee	128	103	88
Centralia Mine Fire Recovery	51	65	65
JTPA—Economic Development Committee	394	402	414
Augmentations:			
State Clearinghouse	50	75	85
Population Projection System	72	60	65
TOTAL	<u>\$ 1,893</u>	<u>\$ 1,761</u>	<u>\$ 1,771</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Milrite			
State Funds	\$ 211	\$ 211	\$ 214

Seeks solutions to Pennsylvania's economic problems by focusing on those problems which require the cooperation of labor, business and government, and which affect firms and establishments currently doing business in Pennsylvania.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Milrite	<u>\$ 211</u>	<u>\$ 211</u>	<u>\$ 214</u>

GENERAL FUND

EXECUTIVE OFFICES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Human Relations Commission			
State Funds	\$ 4,855	\$ 5,041	\$ 5,081
Federal Funds	1,167	1,350	1,200
TOTAL	<u>\$ 6,022</u>	<u>\$ 6,391</u>	<u>\$ 6,281</u>

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

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Human Relations Commission	\$ 4,855	\$ 5,041	\$ 5,081
Federal Funds:			
EEOC — Special Project Grant	1,034	1,050	1,000
HUD — Special Project Grant	133	280	200
Office of Revenue Sharing — Special Project Grant .....	.....	20	.....
TOTAL	<u>\$ 6,022</u>	<u>\$ 6,391</u>	<u>\$ 6,281</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Council on the Arts			
State Funds	\$ 581	\$ 724	\$ 780
Federal Funds	135	84	87
TOTAL	<u>\$ 716</u>	<u>\$ 808</u>	<u>\$ 867</u>

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

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Council on the Arts	\$ 581	\$ 724	\$ 780
Federal Funds:			
National Endowment for the Arts — Grants to the Arts — Administration	135	84	87
TOTAL	<u>\$ 716</u>	<u>\$ 808</u>	<u>\$ 867</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Commission for Women			
State Funds	\$ 195	\$ 199	\$ 202
Augmentations .....	.....	1	.....
TOTAL	<u>\$ 195</u>	<u>\$ 200</u>	<u>\$ 202</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Commission for Women	\$ 195	\$ 199	\$ 202
Augmentations:			
Contributions .....	.....	1	.....
TOTAL	<u>\$ 195</u>	<u>\$ 200</u>	<u>\$ 202</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Governor's Energy Council			
State Funds	\$ 1,311	\$ 1,584	\$ 1,614
Federal Funds	4,075	4,292	3,083
Augmentations	21	70	.....
TOTAL	<u>\$ 5,407</u>	<u>\$ 5,946</u>	<u>\$ 4,697</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. Also provides support to the Pennsylvania Energy Centers and coordinates the Oil Overcharge Fund.

GENERAL FUND

EXECUTIVE OFFICES

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Governor's Energy Council	\$ 1,311	\$ 1,584	\$ 1,614
Federal Funds:			
Energy Extension Services	375	357	359
State Energy Conservation Plan	1,209	1,050	909
Small Scale Appropriate Technology Grant	57	50	.....
Institutional Conservation	275	305	285
HUD — Energy Conservation and Solar Bank	2,159	2,500	1,500
Fuel Oil Survey .....	.....	30	30
Augmentations:			
Energy Council — Chevron Funds	21	70	.....
TOTAL	<u>\$ 5,407</u>	<u>\$ 5,946</u>	<u>\$ 4,697</u>

Commission on Crime and Delinquency	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 1,453	\$ 1,627	\$ 1,848
Federal Funds	210	202	195
Augmentations	161	115	110
TOTAL	<u>\$ 1,824</u>	<u>\$ 1,944</u>	<u>\$ 2,153</u>

Provides the planning for the improvement of the criminal justice system and technical assistance to all segments of the criminal justice system.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Commission on Crime and Delinquency	\$ 1,453	\$ 1,627	\$ 1,848
Federal Funds:			
Plan for Juvenile Justice	164	157	155
Criminal Justice Statistical Analysis Center	39	35	40
Jail Overcrowding and Technical Assistance	7	10	.....
Augmentations:			
Crime Victims Services	73	.....	.....
Deputy Sheriffs Education and Training	88	115	110
TOTAL	<u>\$ 1,824</u>	<u>\$ 1,944</u>	<u>\$ 2,153</u>

GENERAL FUND

EXECUTIVE OFFICES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Office of General Counsel			
State Funds	\$ 2,087	\$ 2,397	\$ 2,996
Federal Funds	193	62	.....
TOTAL	<u>\$ 2,280</u>	<u>\$ 2,459</u>	<u>\$ 2,996</u>

Provides legal counsel in matters affecting the operation of the State agencies. Also, this agency provides grants to crime victims, assistance to juvenile probation offices, conducts hearings on appeals concerning licensure of health care facilities and conducts conciliation conferences in medical malpractice cases.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Office of General Counsel	\$ 1,176	\$ 1,319	\$ 1,357
Juvenile Court Judges Commission	378	475	556
Crime Victims Compensation Board	387	433	447
Health Facilities Hearing Board	146	170	172
Arbitration Panels for Health Care .....	.....	.....	464
Federal Funds:			
Statistical Analysis Center	193	62	.....
TOTAL	<u>\$ 2,280</u>	<u>\$ 2,459</u>	<u>\$ 2,996</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Public Employe Retirement Study Commission			
State Funds	\$ 321	\$ 390	\$ 396

Provides an ongoing mechanism to monitor public employe retirement plans and develops a coordinated public employe pension policy in the Commonwealth.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Public Employe Retirement Study Commission	<u>\$ 321</u>	<u>\$ 390</u>	<u>\$ 396</u>

GENERAL FUND**EXECUTIVE OFFICES**

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Distinguished Daughters			
State Funds	\$ 3	\$ 4	\$ 4

Provides payment for the ceremonies of the distinguished daughters of Pennsylvania.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Distinguished Daughters	<u>\$ 3</u>	<u>\$ 4</u>	<u>\$ 4</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Grants to the Arts			
State Funds	\$ 4,998	\$ 6,000	\$ 7,000
Federal Funds	493	751	613
TOTAL	<u>\$ 5,491</u>	<u>\$ 6,751</u>	<u>\$ 7,613</u>

Provides funds for grants to arts organizations in order to enrich the artistic and cultural experience of Pennsylvanians.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Grants to the Arts	\$ 4,998	\$ 6,000	\$ 7,000
Federal Funds:			
National Endowment for the Arts — Grants to the Arts — Grants	493	751	613
TOTAL	<u>\$ 5,491</u>	<u>\$ 6,751</u>	<u>\$ 7,613</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Criminal Justice System			
State Funds	\$ 5,512	\$ 5,238	\$ 2,902

Provides grants to county juvenile probation agencies to upgrade services, victims of crime to alleviate economic hardships, district attorneys and other criminal justice agencies to improve crime victims' services, and health care providers to improve services for the psychiatrically impaired substance abuser adjudicated through the criminal justice system.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Improvement of Juvenile Probation Services	\$ 2,512	\$ 2,638	\$ 2,902
Compensation to Crime Victims	2,500	2,300	. . . .
Crime Victims Services	500	. . . .	. . . .
Eagleville Hospital .....	. . . .	300	. . . .
TOTAL	<u>\$ 5,512</u>	<u>\$ 5,238</u>	<u>\$ 2,902</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
Office of the Budget	Actual	Available	Budget
State Funds	\$ 3,563	\$ 3,692	\$ 3,717
Augmentations	698	788	754
TOTAL	<u>\$ 4,261</u>	<u>\$ 4,480</u>	<u>\$ 4,471</u>

Provides comptroller services for the maintenance and management of all agency accounts of the substantive programs of all departments. These services are also provided to the various departments funded out of the Motor License Fund.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
Source of Funds	Actual	Available	Budget
Appropriation:			
Office of the Budget	\$ 3,563	\$ 3,692	\$ 3,717
Augmentations:			
Reimbursement — Federal Sources	121	114	40
Reimbursement — Comptroller Services	577	674	714
TOTAL	<u>\$ 4,261</u>	<u>\$ 4,480</u>	<u>\$ 4,471</u>

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
Federal Juvenile Justice and Delinquency Prevention	\$ 3,311	\$ 2,000	\$ 2,000
Arbitration Panels for Health Care	385	523	.....
Crime Victim Payments	249	3,561	3,617
Federal Crime Victim Payments .....	.....	888	888
Victim/Witness Services .....	.....	500	1,000
Federal Criminal Justice Assistance .....	.....	1,000	2,000
Federal Crime Victim Assistance .....	.....	1,000	2,000
General Fund Total	<u>\$ 3,945</u>	<u>\$ 9,472</u>	<u>\$ 11,505</u>
Medical Professional Liability Catastrophe Loss Fund			
General Government Operations	\$ 2,399	\$ 3,227	\$ 3,324
Payment of Claims	66,778	98,000	115,000
Medical Professional Liability Catastrophe Loss Fund	<u>\$ 69,177</u>	<u>\$ 101,227</u>	<u>\$ 118,324</u>
Oil Overcharge Fund^a			
Energy Extension Services	\$ 421	\$ 155	\$ 2,215
State Energy Conservation Plan	260	57	2,194
Institutional Conservation Program	2,366	2,622	4,859
Energy Conservation	4	1,035	.....
Low Income Weatherization	137	180	.....
Oil Overcharge Fund	<u>\$ 3,188</u>	<u>\$ 4,049</u>	<u>\$ 9,268</u>
DEPARTMENT TOTAL	<u>\$ 76,310</u>	<u>\$ 114,748</u>	<u>\$ 139,097</u>

^aThe 1984-85 expenditures with the exception of Energy Conservation (Amoco) were actually incurred in the General Fund. Unspent 1984-85 funds and 1985-86 appropriations were transferred from the General Fund to the Oil Overcharge Fund to meet Federal requirements.

EXECUTIVE OFFICES

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 33,121	\$ 33,908	\$ 34,673	\$ 36,061	\$ 37,502	\$ 39,002	\$ 40,562
Executive Direction	31,945	32,589	33,316	34,650	36,035	37,476	38,975
Legal Services	1,176	1,319	1,357	1,411	1,467	1,526	1,587
 Reduction of Discriminatory Practices	 \$ 5,050	 \$ 5,240	 \$ 5,283	 \$ 5,494	 \$ 5,713	 \$ 5,942	 \$ 6,180
Prevention and Elimination of Discriminatory Practices	5,050	5,240	5,283	5,494	5,713	5,942	6,180
 Cultural Enrichment	 \$ 5,579	 \$ 6,724	 \$ 7,780	 \$ 8,811	 \$ 9,843	 \$ 10,877	 \$ 11,912
Development of Artists and Audiences	5,579	6,724	7,780	8,811	9,843	10,877	11,912
 Commonwealth Economic Development	 \$ 1,311	 \$ 1,584	 \$ 1,614	 \$ 1,679	 \$ 1,746	 \$ 1,816	 \$ 1,889
Energy Management and Conservation	1,311	1,584	1,614	1,679	1,746	1,816	1,889
 Personal Economic Development	 \$ 2,887	 \$ 2,733	 \$ 447	 \$ 465	 \$ 484	 \$ 503	 \$ 523
Income Maintenance	2,887	2,733	447	465	484	503	523
 Control and Reduction of Crime	 \$ 4,843	 \$ 5,040	 \$ 5,306	 \$ 5,634	 \$ 5,985	 \$ 6,360	 \$ 6,760
Criminal and Juvenile Justice Planning and Coordination	1,953	1,927	1,848	1,922	1,999	2,079	2,162
Reintegration of Juvenile Delinquents	2,890	3,113	3,458	3,712	3,986	4,281	4,598
 Consumer Protection	 \$ 146	 \$ 170	 \$ 636	 \$ 662	 \$ 688	 \$ 715	 \$ 744
Medical Malpractice Arbitration and Health Facilities Hearings	146	170	636	662	688	715	744
 DEPARTMENT TOTAL	 <u>\$ 52,937</u>	 <u>\$ 55,399</u>	 <u>\$ 55,739</u>	 <u>\$ 58,806</u>	 <u>\$ 61,961</u>	 <u>\$ 65,215</u>	 <u>\$ 68,570</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 28,382	\$ 28,897	\$ 29,599	\$ 30,784	\$ 32,014	\$ 33,294	\$ 34,626
Special Funds	3,563	3,692	3,717	3,866	4,021	4,182	4,349
Federal Funds	1,519	1,535	1,526	1,499	1,538	1,579	1,621
Other Funds	29,208	29,993	30,834	32,068	33,350	34,683	36,071
TOTAL	\$ 62,672	\$ 64,117	\$ 65,676	\$ 68,217	\$ 70,923	\$ 73,738	\$ 76,667

Program Analysis:

This program provides administrative support and policy direction in order to implement and maintain the substantive programs of the Commonwealth in an efficient and effective manner.

The Governor's Action Center provides citizen access to State government. For twelve years, the center has maintained a statewide, toll-free telephone hotline through which citizens have been provided information, referral and problem solving services and have gained access to State government services. In fiscal year 1984-85, the center received over 80,000 calls from Commonwealth citizens. Working closely and cooperatively with other governmental agencies, the Governor's Action Center is able to demonstrate that State government is responsive to citizen needs.

The Office of Administration provides administrative support and policy direction in order to implement and maintain programs within the Commonwealth, including the recruitment and referral of non-civil service positions in all agencies under the Governor's jurisdiction, administers the Commonwealth's affirmative action process and programs in a manner consistent with administration policy, and has responsibility for negotiating and administering collective bargaining agreements between the Commonwealth and the various unions representing State employees under the provisions of the Public Employe Relations Act of 1970. The Inspector General's Office is responsible for handling complaints of waste, mismanagement and governmental integrity in the Executive Branch of government.

Program emphasis in the 1986-87 fiscal year are on those areas of the personnel system that ensure cost containment while simultaneously improving managerial and supervisory skills, productivity and effectiveness.

Also, the Office of Administration conducts management studies to affect policy and systems changes in State programs to improve the operation, administration and organizational structuring of these programs. The Central Management Information Center is the data processing ser-

vice center for all Commonwealth central administrative systems. The center manages and maintains the Commonwealth's payroll, personnel, accounting and retirement systems for all agencies under the Governor's jurisdiction.

The Bureau of EDP/Telecommunications Technology, which was formerly the Bureau of EDP Policy and Planning and was funded from the Data Communication Network Project, provides executive direction in areas related to electronic data processing and telecommunications. The bureau is responsible for the approval of all Commonwealth EDP and telecommunications resource acquisitions and develops, coordinates and promulgates Commonwealth policy governing the acquisition, management utilization and security of these resources.

The recommended amount for the Office of Administration includes an additional \$589,000 to fully fund the Bureau of EDP/Telecommunication Technology with State funds. The bureau was previously supported by billings to Commonwealth agencies.

The Office of the Budget assists the Governor in formulating fiscal policies and procedures, and prepares the Commonwealth Budget for delivery to the General Assembly. The office also prepares fiscal notes and reviews proposed regulations as mandated by Act 149 of 1978. Emphasis continues to be placed on the review of State programs to reduce costs and to promote program effectiveness.

In addition, the Office of the Budget provides accounting, auditing, and financial advisory and supportive services to all Commonwealth agencies, and is responsible for the maintenance of the ICS accounting system. The office has been instrumental in providing much of the direction and staff support essential to successfully accomplish fiscal and management objectives, with an emphasis on professionalism in accounting, systems, auditing, and budget analysis to meet financial management objectives.

The recommended amount for the Office of the Budget includes an additional \$330,000 for a fixed asset reporting

Executive Direction (continued)

Program Analysis: (continued)

system as part of the GAAP reporting effort and a Productivity Improvement Initiative for \$68,000 to further automate and enhance the budget preparation/control process.

The Integrated Central System (ICS) facilitates policymaking and, when fully implemented, will provide integrated accounting, budgeting, payroll, purchasing and personnel systems. This improves the effectiveness of managing the Commonwealth's operations as well as improving efficiency and controlling costs by decreasing paper flow, expediting processes and improving managers' productivity.

Since the ICS accounting system totally replaced the previous system in July 1985, during the 1986-87 fiscal year, the ICS Project Team will proceed with the development of the ICS personnel/payroll system, support the management of the ICS accounting system, and support the development activities of the Department of General Services in the purchasing system.

In 1986-87, CMIC will bill agencies an equitable amount for ICS production to meet the ongoing costs of report generation and transaction processing of current systems. Funds are provided in the agency budgets for this new billing. The State funds in the Office of Administration's 1985-86 budget for ICS production have been deleted from their 1986-87 recommended amount.

The Office of Policy Development provides policy research and analytical support to the Governor and his Cabinet in areas relating to economic and community development, human services, public safety, the environment and other areas of concern to the Commonwealth. The office develops new program initiatives and suggests changes to existing programs, assesses the feasibility of proposals to improve existing programs, coordinates the implementation of Commonwealth policy, and monitors and develops responses to Federal actions. The Office of Policy Development also provides support to the State Planning Board in examining long-term trends affecting Pennsylvania, and in examining long-range objectives and action alternatives for economic development, community conservation and

human services. The State Planning Board was responsible for producing the Commonwealth's blueprint for economic development entitled *Choices for Pennsylvanians* and is currently involved in completing a long-term strategic plan for selected human services issues called *Human Services Choices for Pennsylvanians*.

Economic development initiatives will continue to be undertaken by the Economic Development Committee of the Cabinet in responding to key economic development opportunities throughout Pennsylvania. The Human Resources Committee of the Cabinet facilitates the coordination of human resources issues and projects which require interdepartmental action. The committees serve as the vehicle through which cabinet agencies coordinate programs and establish measures to enhance and improve program effectiveness, including programs geared to addressing rural issues.

The Milrite Council examines impediments to the development of industry and jobs in Pennsylvania by focusing on those problems requiring the cooperation of labor, business and government, and which affect firms and establishments currently doing business in Pennsylvania. The council is assessing the feasibility of establishing a Pennsylvania venture capital limited partnership in cooperation with the Department of Commerce, the State Employees' Retirement System, and the Public School Employees Retirement System. Also, the council will continue to administer the Area Labor Management Committee Grant Program and to work with businesses and labor leaders across the State who are interested in establishing area labor management committees.

The Public Employee Retirement Study Commission provides an ongoing mechanism to monitor public employee retirement plans in the Commonwealth. The commission also provides technical assistance to the General Assembly and the Governor in conjunction with their consideration of public pension legislation.

Distinguished Daughters provides payment for selected women designated as Distinguished Daughters of Pennsylvania to attend ceremonies at the Governor's Home.

Executive Direction (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Governor's Action Center	\$ 566	\$ 568	\$ 575	\$ 598	\$ 622	\$ 647	\$ 673
Office of Administration	3,355	4,444	4,520	4,701	4,889	5,085	5,288
Office of the Budget	19,388	19,100	19,646	20,432	21,249	22,099	22,983
ICS Development	3,553	3,235	3,290	3,422	3,559	3,701	3,849
Office of Policy Development	600	650	656	682	709	737	766
Human Resources Committee	286	295	298	310	322	335	348
Task Force on Rural Issues	99	.....	.....	.....	.....	.....	.....
Milrite	211	211	214	223	232	241	251
Public Employe Retirement Study							
Commission	321	390	396	412	428	445	463
Distinguished Daughters	3	4	4	4	4	4	5
GENERAL FUND TOTAL	\$ 28,382	\$ 28,897	\$ 29,599	\$ 30,784	\$ 32,014	\$ 33,294	\$ 34,626
MOTOR LICENSE FUND							
Office of the Budget	\$ 3,563	\$ 3,692	\$ 3,717	\$ 3,866	\$ 4,021	\$ 4,182	\$ 4,349

Legal Services

OBJECTIVE: To provide legal advice to the Governor and the Cabinet, and to supervise, coordinate and administer legal services for the Commonwealth.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 1,176	\$ 1,319	\$ 1,357	\$ 1,411	\$ 1,467	\$ 1,526	\$ 1,587

Program Analysis:

The Office of the General Counsel is headed by the General Counsel who serves as the chief legal advisor to the Governor and directs the legal activities of the Executive Branch.

This office has the responsibility to appoint the Chief Counsel in each agency, and supervise, coordinate and administer legal services. The office renders such legal advice and representation prior to initiation of any action concerning matters and issues arising in connection with the exercise of the governmental power in the operation of agencies under the Governor's jurisdiction.

There are two major areas of responsibility for the General Counsel. First, this office provides general legal assistance to the Governor. The office reviews and approves for form and legality all Commonwealth deeds, leases, contracts, rules and regulations. It also is responsible for initiating appropriate proceedings or defending the Commonwealth when the Attorney General refuses or fails to

initiate appropriate proceedings. Second, the General Counsel has the authority to intervene in any action by or against an agency under the Governor's jurisdiction whenever the Governor shall request. This authority is not altered even if the Attorney General conducts the case.

The General Counsel also serves as the Chief Administrative Officer of the Office of General Counsel, the Bureau of Correction, the Juvenile Court Judges Commission, the Crime Victims Compensation Board, the Health Facilities Hearing Board and the Arbitration Panels for Health Care.

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

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Office of General Counsel	\$ 1,176	\$ 1,319	\$ 1,357	\$ 1,411	\$ 1,467	\$ 1,526	\$ 1,587

Prevention and Elimination of Discriminatory Practices

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 5,050	\$ 5,240	\$ 5,283	\$ 5,494	\$ 5,713	\$ 5,942	\$ 6,180
Federal Funds	1,167	1,350	1,200	1,165	1,150	1,150	1,200
Other Funds .....	.....	1	.....	.....	.....	.....	.....
TOTAL	\$ 6,217	\$ 6,591	\$ 6,483	\$ 6,659	\$ 6,863	\$ 7,092	\$ 7,380

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Human Relations Commission:							
Formal complaint investigation:							
Complaints pending	3,094	4,157	5,357	6,907	8,507	10,107	11,707
New complaints filed	4,534	4,550	4,550	4,600	4,600	4,600	4,600
Complaints closed	3,471	3,350	3,000	3,000	3,000	3,000	3,000
Projected complaints pending	4,157	5,357	6,907	8,507	10,107	11,707	13,707
Pattern complaints closed	11	25	25	25	25	25	25
Informal complaints received	16,771	17,000	17,000	17,000	17,000	17,000	17,000
Commission For Women:							
Information to organizations and individuals	112,400	106,300	108,500	110,000	111,500	113,000	114,500
Public education efforts	115	118	120	122	125	128	130

Program Analysis

This program, as administered by the Human Relations Commission, is responsible for identifying, preventing, and eliminating discriminatory practices that are illegal under the Pennsylvania Human Relations Act and the Pennsylvania Fair Educational Opportunities Act. The two principal methods utilized by the commission to secure compliance with the law are providing technical assistance to organizations, business, governmental bodies and individuals to promote voluntary compliance, and processing formal complaints of discrimination which might result in formal legal proceedings being initiated.

The processing of formal complaints continues to be a major activity of the commission, but substantial resources are also being devoted to providing technical assistance to anyone who requests guidance in avoiding illegal

discriminatory acts. Promoting voluntary compliance is a cost-effective method of reducing discrimination in the Commonwealth.

The commission is also involved with major outreach programs to provide information to community leaders and public officials regarding the Pennsylvania Human Relations Act and its procedures.

The 4,534 new cases filed in 1984-85 represent an increase of 14 percent over 1983-84. The commission began 1984-85 with 3,094 complaints carried over from the previous year, making a caseload of 7,628 complaints. There have also been more informal complaints than anticipated as more individuals are contacting the commission to request informal assistance and to inquire about their rights. In 1984-85, the commission received 16,771 informal complaints. In

Prevention and Elimination of Discriminatory Practices (continued)

Program Analysis: (continued)

many cases, the assistance provided requires considerable time and effort without the need for a formal complaint.

The commission closed 3,471 cases in 1984-85, a record number. Because the number of new complaints is increasing more rapidly than the number of closures, the commission's backlog rose by 1,063 cases.

In the past several years, the commission has streamlined its procedure for processing formal complaints to discrimination. The rapid charge processing system and other procedural changes have helped to assure maximum productivity.

The commission's efforts to identify and remedy systemic discrimination will continue. This approach addresses major problems of discrimination against whole classes of employees.

Litigation remains a significant feature of the commission's workload. In 1984-85, 91 public hearings were ordered and 47 prehearing conferences and public hearings were held. In addition, the commission was involved in 32 cases in State and Federal courts.

The Commission for Women functions as the Commonwealth's advocate for women and is responsible for developing and implementing policies and programs that work to ensure equal opportunity. It has a mandate to widely disseminate information and data concerning women.

A large part of the work of the commission is the distribution of information on subjects that affect equal opportunities and full participation. The commission has received

inquiries referred by government agencies, women's organizations, human service organizations, business groups, and other sources.

The agency has utilized five major methods of disseminating information: publication of a periodical mailed directly to groups and individual leaders; publication of handbooks or checklists on specific subjects; distribution of news releases and other information to press and broadcast media; speeches to groups and broadcast appearances; and providing information to individuals requesting assistance, often distributed through legislative offices.

Citizens contact the commission seeking information or assistance in redress of discrimination. Response includes appropriate information, copies of publications and referrals to government or private agencies.

The program measure, information to organizations and individuals, includes periodic mailings and filling individual requests for information. In 1984-85, changes in maintaining the mailing list for the periodical, *WOMENews*, resulted in a more valid list and cut considerably the number of undelivered copies. During 1985-86, the six issues of *WOMENews* are being combined into a quarterly publication.

Projections of public information efforts to media and speeches for 1984-85 was previously based on the 1983-84 record of 75 appearances. Projections for future years have been altered because the number of such appearances in 1984-85 exceeded the projected figure, reaching 115.

Program Costs by Appropriation:

GENERAL FUND	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Human Relations Commission.....	\$ 4,855	\$ 5,041	\$ 5,081	\$ 5,284	\$ 5,495	\$ 5,715	\$ 5,944
Commission for Women.....	195	199	202	210	218	227	236
GENERAL FUND TOTAL.....	\$ 5,050	\$ 5,240	\$ 5,283	\$ 5,494	\$ 5,713	\$ 5,942	\$ 6,180

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 5,579	\$ 6,724	\$ 7,780	\$ 8,811	\$ 9,843	\$ 10,877	\$ 11,912
Federal Funds	628	835	700	725	725	800	850
TOTAL	\$ 6,207	\$ 7,559	\$ 8,480	\$ 9,536	\$ 10,568	\$ 11,677	\$ 12,762

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Attendance at supported events (in thousands)	50,000	53,000	53,000	57,500	58,500	59,500	60,000
Site visits and consultations	14,700	15,000	14,500	16,250	16,500	16,700	17,000
Award applications reviewed	1,715	1,950	2,000	2,253	2,281	2,320	2,350
Awards made	839	850	855	980	1,015	1,050	1,100
Information services (circulation in thousands)	130	135	120	136	137	138	139

Program Analysis:

The Commonwealth encourages cultural development in the arts through matching grants-in-aid to arts organizations and through service programs initiated by the Council on the Arts. The organizations and artists served are very diverse and range from small community organizations that engender and support local arts programs to world-renowned orchestras, museums, dance companies, theatres and festivals.

The council process depends on 14 advisory panels, each chaired by a council member and composed of nine professionals in each program area. The peer review panels are the cornerstone of the decision-making process and provide the method that assures applications receive the most informed and objective review possible. Panels also review program structure and make recommendations on the needs of their fields to the staff and to the council.

The Pennsylvania Council on the Arts functions in three ways to support and assist the arts in the Commonwealth: a grants program that responds to applications; program initiatives that address issues and problems that are beyond the capacity of a single arts institution; and, staff services

and technical assistance to arts organizations. The first two involve direct expenditure of grant funds as well as the administrative costs of staff, panelists and specialists. The third is carried out by the program staff, panelists and council members, and is supported entirely by the administrative appropriation.

Matching grants are made to nonprofit arts organizations for general support, support of specific arts projects, technical assistance, touring, and administrative and artistic development. With Federal funds, fellowships are awarded to individual artists to provide time for creative work. Because of the council's strong emphasis on the delivery of professional programs throughout the Commonwealth, in 1984-85 and 1985-86, the Council on the Arts received the largest amount granted to a state arts agency from the National Endowment for the Arts for touring.

The second method of assistance to the arts, program initiatives, addresses basic issues and challenges standard assumptions, and is an essential element in any program that is to do more than subsidize the status quo. Examples of such initiatives are: a minority arts directory, now in second

Development of Artists and Audiences (continued)

Program Analysis: (continued)

printing, and a new publication, *Across The Spectrum* both of which address the particular problems of access to minority arts groups by the mainstream and access to mainstream resources by minority organizations and artists; an initiative in literature which addresses the problems of distribution of books of poetry and fiction by Pennsylvania writers through assistance to library collections; and an initiative in community arts which serves the local arts constituency through the development of integrated data systems for compatible software. The information systems developed through the Pennsylvania Arts Information Systems Project (PAISP) have been adopted as the national standard for local arts agencies. A cooperative initiative with the State Folklife Program of the Department of Community Affairs addresses the preservation of traditional crafts by placing apprentices with master artisans in rural and minority communities. In 1985-86, the program was expanded to include traditional dance and music.

Other initiatives launched in 1985-86 include the development of a showcase to increase performances by Pennsylvania groups in the Commonwealth and the region, a directory of recipients of media arts fellowships to promote the distribution of their work, a preliminary survey of restored theatres and potential theatre restorations to serve the communities and arts groups, the development of inner-city and rural arts councils, and a model program for cooperative commissions and performance of major symphonic works by four orchestras in the State. These are long-term projects which will continue into 1986-87 and beyond.

Scheduled for initiation in 1986-87 are projects to attract more arts and cultural conferences to the State, new approaches to encourage video and radio presentation of the arts, exploration of the potential of community cable systems to serve the cultural interests of their audiences, the encouragement of the presentation of high-risk experimental work, the development of organizations to serve rural populations, and a convocation on minority arts in the context of the social and economic environment of minorities.

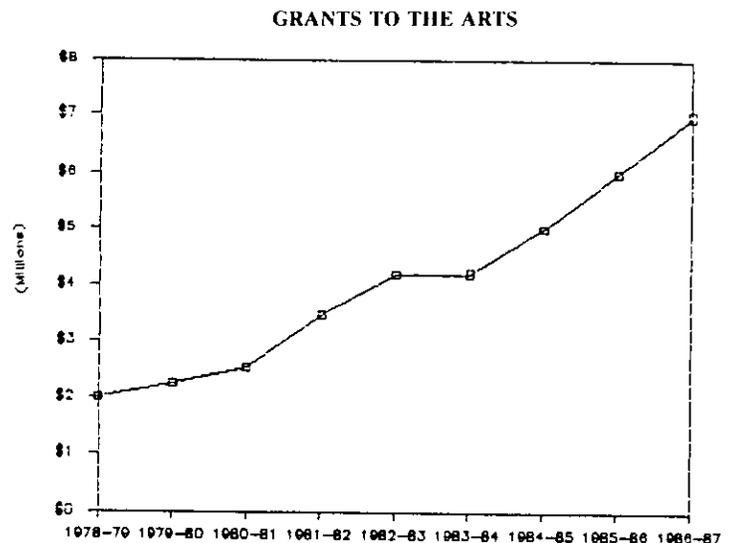
The third function of the Council in support of the arts is technical assistance and staff services to arts organizations. Site visits, consultations, and evaluations are the basis of the development and monitoring of programs. Field work is primarily a function of the program directors. They assist arts organizations in analyzing their problems and in planning solutions through their field work with staff and boards of directors, telephone conversations and correspondence, and by the initiation of special service projects, seminars and workshops.

In economic terms, the arts are a significant industry. In 1984-85, applicants to the Council on the Arts reported attendance of approximately 50 million, employment of

10,000 people, and budgets of \$300 million. In an effort to substantiate these figures and expand the data base on the arts industry, the Council on the Arts required additional information from arts organizations in 1985-86, covering the value of real estate, collections and other holdings as well as employment, taxes and annual operating costs. By 1986-87, the agency will be able to track the growth of the arts industry and maintain a base for calculating the economic impact of the arts.

The recommended amount for the Council on the Arts includes an additional \$30,000 to purchase computers to further enhance grant accounting, management, and information retrieval, and additional \$30,000 to develop the Pennsylvania Arts Stabilization Fund (PASF). The council will work with the National Arts Stabilization Fund (NASF), Pennsylvania foundations and the corporate sector in developing this fund. The fund will establish a statewide standard of financial planning for art institutions in Pennsylvania, help meet the cash flow needs of arts organizations, and develop the professional skills of staffs and boards in the responsible and successful governance of arts organizations. Also, the recommended amount for Grants to the Arts includes an additional \$1 million to meet the needs of an increasing number of grant applications, and to improve the availability and quality of arts programs in Pennsylvania.

The chart included in this program shows the increase in State funds for grants to the arts from 1978-79 to present. The chart includes the 1986-87 recommended amount and shows that State support for the arts has increased by 350 percent since 1978-79.



Development of Artists and Audiences (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Council on the Arts	\$ 581	\$ 724	\$ 780	\$ 811	\$ 843	\$ 877	\$ 912
Grants to the Arts	4,998	6,000	7,000	8,000	9,000	10,000	11,000
GENERAL FUND TOTAL	<u>\$ 5,579</u>	<u>\$ 6,724</u>	<u>\$ 7,780</u>	<u>\$ 8,811</u>	<u>\$ 9,843</u>	<u>\$ 10,877</u>	<u>\$ 11,912</u>

Energy Management and Conservation

OBJECTIVE: To increase public awareness of energy problems and to encourage public participation in the reduction of energy consumption.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 1,311	\$ 1,584	\$ 1,614	\$ 1,679	\$ 1,746	\$ 1,816	\$ 1,889
Federal Funds	4,075	4,292	3,083	2,365	2,365	2,365	2,365
Other Funds	3,209	4,119	9,268	10,745	13,940	20,095	11,353
TOTAL	\$ 8,595	\$ 9,995	\$ 13,965	\$ 14,789	\$ 18,051	\$ 24,276	\$ 15,607

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Energy center efficiency team surveys	2,500	2,500	2,700	2,700	2,700	2,700	2,700
Workshop attendance	1,900	1,900	2,100	2,100	2,100	2,100	2,100
Institutional Conservation Program technical assistance studies	175	183	315	221	328	576	348
Institutional Conservation Program energy conservation measures funded by category:							
Schools	81	99	114	84	114	186	118
Hospitals	34	52	53	40	53	84	55
Residential energy and solar projects	4,898	5,000	5,000	2,600	2,600	2,600	2,600

Program Analysis:

Pennsylvania's economy is enhanced by the stabilization of energy prices and the availability of energy supplies. The Governor's Energy Council is responsible for increasing the Commonwealth's energy stability. In addition, the Council identifies improvements and new opportunities for expanding Pennsylvania's role as an energy supplier.

The Governor's Energy Council programs are designed to achieve the goals of the Pennsylvania Energy Policy which was revised in September 1984. The goals continue to be economic efficiency in the use of energy, reliability and low cost, greater use of Pennsylvania's indigenous energy resources, and fairness in energy pricing practices. The Council also develops and coordinates programs which implement Federal energy initiatives.

Five major policy initiatives implemented by the Energy Council include: energy conservation in State buildings through development of an administrative circular requiring the collection of energy use data for most State buildings and establishment of energy reduction goals; development and release of a home energy cost estimator; intervention in the Limerick II Public Utilities Commission investigation;

completion of computerized data base on Pennsylvania coal for use in domestic and international coal marketing efforts; and enhancement of the use of renewable resources through installation of over 1,000 solar domestic hot water systems.

The Council has continued to shift the emphasis of conservation programs away from general information to specific information. The Solar Energy and Energy Conservation Bank has contributed to this effort by providing grants to homeowners for both conservation projects and solar hot water systems. The Energy Council has maximized use of the Solar Bank funds by utilizing existing delivery systems such as utilities or housing authorities to administer the funds locally. This program has the added benefit of leveraging utility and private investment in conservation and renewable energy resources. The program will be modified to provide loan principal reductions for multi-family conservation projects statewide. The program measure for this project reflects a decrease in future years due to decreasing Federal funds.

The nine Pennsylvania Energy Centers (PEC) provide small business, local government and multi-family apart-

Energy Management and Conservation (continued)

Program Analysis: (continued)

ment owners site specific energy efficiency surveys. These surveys identify energy conservation projects which have a payback of one year or less. Throughout the four year life of the PEC program, a total of 23,000 visits have been conducted resulting in a savings of over 350,000 barrels of oil equivalency, a savings of approximately \$14 million. The centers are contractually required to demonstrate energy savings of two barrels of oil equivalency for every 30 dollars spent.

Pennsylvania's schools and hospitals are aided in reducing energy consumption through the Energy Council's administration of an Institutional Conservation Program (ICP) which provides funds for making energy efficiency capital improvements. The majority of the Institutional Conservation Project funds are appropriated by the U.S. Department of Energy directly to the institution based upon the review and recommendation of the council. The council is also responsible for insuring the funds for schools or hospitals are spent in accordance with Federal and State guidelines. To date, a total of \$25.7 million has been granted to Pennsylvania's schools and another \$11.9 million to its hospitals. The program has leveraged an additional investment of approximately \$37 million from the recipient organizations. The program saves over 600,000 barrels of oil equivalency annually.

The increase in program output for energy efficiency team surveys and workshop attendance from the level reflected in the 1985-86 Budget is based on an increase of \$232,000 in the State funding level. Although Federal Funds will decrease in 1986-87 and future years, all program measures, with the exception of residential energy and solar projects, will increase as a result of additional oil overcharge funds anticipated by the Commonwealth and recommended for the Governor's Energy Council. Also, the program measures have been adjusted to reflect current funding levels and more accurate information.

In May 1985, the Oil Overcharge Fund was established in response to various oil overcharge settlements being released to the Commonwealth and U.S. Department of Energy requirements that certain oil overcharge funds be deposited into interest bearing accounts, and that the interest accrued be utilized for the same purpose and in the same manner that the funds themselves are used. Activities of the fund are restricted to U.S. Department of Energy approved energy conservation projects for programs administered by State and local government. All oil overcharge funds are listed as other funds. Recommendations for the use of the funds for 1986-87 are as follows:

<u>Agency/Appropriation</u>	<u>Amount</u>
<i>Governor's Energy Council:</i>	
Institutional Conservation Program (OIL)	\$ 4,859,000
State Energy Conservation Plan (OIL)	2,194,000
Energy Extension Services (OIL) ..	2,215,000
<i>Department of Community Affairs:</i>	
Weatherization (OIL)	20,000,000
<i>Pennsylvania Housing Finance Agency:</i>	
Energy Conservation and Solar Loan Program (OIL)	10,000,000
<i>Department of Transportation:</i>	
ECONS Program(OIL)	500,000
TOTAL	\$39,768,000

Further discussion of this program can be found under the Energy Conservation (Oil Overcharge) program revision following this subcategory.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Governor's Energy Council	<u>\$ 1,311</u>	<u>\$ 1,584</u>	<u>\$ 1,614</u>	<u>\$ 1,679</u>	<u>\$ 1,746</u>	<u>\$ 1,816</u>	<u>\$ 1,889</u>

**Energy Management and Conservation
Program Revision: Energy Conservation (Oil Overcharge)**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Other Funds	<u>.....</u>	<u>.....</u>	<u>\$ 39,768</u>	<u>\$ 40,745</u>	<u>\$ 43,940</u>	<u>\$ 50,095</u>	<u>\$ 11,353</u>

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Department of Community Affairs:							
Homes weatherized							
Current	18,600	16,750	16,750	16,750	16,750	16,750	11,084
Program Revision .....	.....	.....	26,800	26,800	26,800	26,800	.....
Pennsylvania Housing Finance Agency:							
Energy conservation and solar loans							
Current .....	.....	.....	.....	.....	.....	.....	.....
Program Revision .....	.....	.....	6,667	6,667	6,667	6,667	.....
Governor's Energy Council:							
Energy center efficiency team surveys							
Current	2,500	2,500	1,300	1,300	1,300	1,300	1,300
Program Revision .....	.....	.....	2,700	2,700	2,700	2,700	2,700
Workshop attendance							
Current	1,900	1,900	1,000	1,000	1,000	1,000	1,000
Program Revision .....	.....	.....	2,100	2,100	2,100	2,100	2,100
Institutional Conservation Program technical assistance studies							
Current	175	183	76	71	66	61	57
Program Revision .....	.....	.....	315	221	328	576	348
Institutional Conservation Program energy conservation measures funded by category:							
<i>Schools</i>							
Current	81	99	43	40	37	34	32
Program Revision .....	.....	.....	114	84	114	186	118
<i>Hospitals</i>							
Current	34	52	23	21	20	19	18
Program Revision .....	.....	.....	53	40	53	84	55

Program Analysis:

This Program Revision, encompassing four departments, is a comprehensive effort to further advance energy conservation in the Commonwealth and to provide restitution to Commonwealth citizens for alleged overcharging of oil products and violations of the Federal Petroleum Price Allocation Regulations by oil companies.

The programs will be delivered by the Governor's Energy Council, the Housing Finance Agency, and the Departments of Community Affairs and Transportation, and will involve efforts in energy conservation in various areas in these departments and agencies. An overall outline follows:

Energy Management and Conservation Program Revision: Energy Conservation (Oil Overcharge)(continued)

Program Analysis: (continued)

Background

Oil overcharge refunds, which the Commonwealth has been receiving since October 1981, are the result of litigation and other enforcement efforts by the U.S. Department of Energy against a number of oil companies, alleging that these companies overcharged oil consumers during the period of Federal price and allocation controls. After refunds are made to identifiable injured consumers such as bus companies and large industries, the remaining refunds are awarded to states to distribute. States must use these residual funds in a restitutionary fashion that complies with the appropriate court decision or settlement.

In May 1985, the Oil Overcharge Fund was established in response to these various settlements being released to the Commonwealth and to U.S. Department of Energy requirements that certain oil overcharge funds be deposited into interest bearing accounts, and that the interest accrued be utilized for the same purpose and in the same manner that the funds themselves are used. Activities of the fund are restricted to U.S. Department of Energy approved energy conservation projects.

To date, the Commonwealth has received oil overcharge funds as a result of the following settlements: Chevron, SOHIO, Warner Amendment (various settlements), Palo Pinto, Belridge, Amoco and Gulf. The Commonwealth anticipates significant oil overcharge funds in 1986-87 and 1987-88 from two major cases. In 1986-87, the Commonwealth anticipates receiving approximately \$92 million as a result of the *United States vs. Exxon Corporation* and in 1987-88, approximately \$50 million as a result of the *Stripper Well* case.

Weatherization

The Department of Community Affairs' (DCA) Weatherization Program provides grants for energy efficiency improvements in the homes of low-income persons. It is presently funded from two Federal sources: the Department of Energy's (DOE) Weatherization Program at \$14.1 million annually and the Low Income Home Energy Assistance Program (LIHEAP) at \$7.2 million annually although all projects are performed under DOE guidelines.

The weatherization program distributes funds to nonprofit and government service delivery agencies to identify and verify clients and to determine whether to install or subcontract the installation of energy conservation materials and technologies in the homes of clients.

This Program Revision Request recommends \$80 million of oil overcharge funds for DCA's weatherization efforts over the next four years with particular emphasis on

weatherizing those low-income households which continually develop large delinquencies in their heating bills. This will allow all LIHEAP funding to be retained by the Department of Public Welfare's (DPW) Energy Assistance Program, through which low-income individuals receive aid in paying fuel bills. The program measures show the anticipated impact of substituting \$20 million annually of DOE funds for \$7.2 million annually of LIHEAP funds in the Community Affairs' program.

Energy Conservation and Solar Loan Program

This program will provide low interest loans to nonprofit organizations as well as moderate income single-family homeowners and multi-family residential building owners to install rapid payback energy conservation measures. These measures include various energy efficiency improvements and passive solar improvements.

The term of the loan will be dependent upon the payback period in energy savings. It is anticipated that the payments of the first loans will commence in January 1987, thus, allowing additional funds to be borrowed by citizens.

\$10,000,000 is recommended for this program in 1986-87 and will be administered by the Pennsylvania Housing Finance Agency (PHFA).

As indicated in the program measure, it is estimated that 6,667 homes and buildings will be improved under this new program in each of the four years of the program. This estimate is based on the average cost in Community Affairs' Weatherization Program for low-income households with the assumption that improvements in the PHFA Program can go beyond weatherization into other improvements such as passive solar improvements.

Institutional Conservation Program (ICP)

The Institutional Conservation Program, administered by the Governor's Energy Council, provides matching grants to schools and hospitals to conduct energy audits and install energy conservation measures (ECM's). Public and private, nonprofit schools, colleges, and trade schools, as well as public and private hospitals that provide medical care are eligible. Applicants must perform a technical audit of the facility to determine appropriate energy measures. In addition, all operation or maintenance procedures must be in place prior to receiving a grant. Applications are ranked to determine the most cost and energy efficient use of available dollars. Conservation measures range from replacement of incandescent lights with low energy fluorescent fixtures to coal and cogeneration conversions.

There are an estimated 10,000 buildings in Pennsylvania

Energy Management and Conservation Program Revision: Energy Conservation (Oil Overcharge) (continued)

Program Analysis: (continued)

	Financial Statement (in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Beginning Balance .....	.....	\$ 1,031	\$ 1,960	\$ 58,929	\$ 76,123	\$ 40,846	.....
Receipts	\$ 1,035	5,803	96,737	57,939	8,663	9,249	\$ 11,353
Total Funds Available	\$ 1,035	\$ 6,834	\$ 98,697	\$ 116,868	\$ 84,786	\$ 50,095	\$ 11,353
Disbursements	4 ^a	4,874	39,768	40,745	43,940	50,095	11,353
Ending Balance	\$ 1,031	\$ 1,960	\$ 58,929	\$ 76,123	\$ 40,846	.....	.....

^aIn addition, \$3,184,000 was incurred in the General Fund.

eligible to participate in the ICP program. To date, Federal and oil overcharge funds have been provided to 1,839 buildings to conduct 1,000 audits and install approximately 2,000 energy conservation measures. These awards have resulted in an annual energy savings of approximately \$14 million. The recommended funding of \$4,859,000 for 1986-87 from oil overcharge funds will provide 239 technical assistance grants and, at the current program ceiling of \$100,000 per institution, approximately 101 energy conservation measures will be funded.

State Energy Conservation Plan (SECP)

The Governor's Energy Council administers the State Energy Conservation Plan which was designed to increase the efficient use of energy. The initial program activities implemented the "mandatory" measures such as an enactment of right-turn-on-red legislation, implementation of life-cycle costing procurement procedures, and establishment of minimum thermal and lighting energy standards in new residential and commercial building construction. Following completion of the mandatory programs, SECP funds have been used to assist all segments of the population to conserve energy. The funds were divided into three program categories. Funds were used in the first category for renewable energy programs such as animal waste to energy feasibility studies and solar technology workshops. The second category provided funds for residential conservation programs which included utility sponsored home audits. Finally, funds were used to sponsor industrial conservation programs such as boiler tune-ups and information transfer through roundtable discussions.

The flexibility of the SECP program will allow the recom-

mended amount of \$2,194,000 in oil overcharge funds to be used for energy conservation projects in the residential, governmental, industrial and transportation areas.

Residential energy conservation will be achieved from several programs. The most efficient way to reduce fuel costs for some low-income households is to perform furnace and hot-water heater tune-ups. A statewide program will be conducted modeled after the highly successful program conducted in Philadelphia by the Institute for Human Values. This would operate in conjunction with a proposed program that will offer special assistance to approximately one million senior citizens whose income exempts them from standard weatherization programs. In addition, a Luzerne County demonstration project used analytical techniques to identify energy conservation opportunities and perform weatherization of 40 homes. Actual energy savings are projected to be significantly greater than current weatherization methods at essentially the same cost per dwelling unit because this new approach focuses on eliminating air infiltration sites, which is a highly effective and efficient method of weatherizing low-income residences. This program will be expanded statewide.

Programs will be offered to both State and local governments. The current State building energy conservation initiative will be expanded to include those agencies not currently participating. Funds will be used to create a central data base and to train building operators on energy conservation opportunities. The Commonwealth's third party financing programs also will be extended. Based on the Commonwealth's experience, a third party initiative will be offered to local governments.

Reduction in industrial energy costs will be promoted through reactivation of the coal conversion and cogenera-

Energy Management and Conservation Program Revision: Energy Conservation (Oil Overcharge) (continued)

Program Analysis: (continued)

tion feasibility study grant program. This serves the dual purpose of reducing energy costs while increasing use of Pennsylvania coal.

Energy Extension Service (EES)

The Energy Extension Service Program is also administered by the Governor's Energy Council in conjunction with the Federal State Energy Conservation Plan. This program is designed to provide energy conservation information and programs to specified target audiences including small businesses. Past projects have included conservation workshops on various conservation topics, boiler tune-ups for State buildings and nonprofit institutions, waste water treatment workshops and feasibility grants for municipal solid waste to energy projects.

The recommended amount of \$2,215,000 in oil overcharge funds will be used to expand many of the current programs. Foremost is the State building initiative which is designed to supplement the energy conservation initiative by the Department of General Services and to reduce the State's current energy consumption by five percent. The boiler testing and tune-up program which has saved approximately \$30,000 in the past two years will be offered to additional institutions. A similar boiler program will be provided to schools, local governments and other nonprofit institutions.

Pennsylvania Energy Centers (PEC)

The most important component of the SECP and EES programs has been the Pennsylvania Energy Centers (PEC). Although private citizens can use the centers as a source of information, they are specifically tailored to serve the needs of small businesses and local governments. A key element of the center is its energy efficiency team. The team surveys business and government facilities to identify energy conservation opportunities. Since 1981, clients have saved over \$14 million in energy costs. The PECs also provide regionally specific programs that vary from an industrial roundtable

in Philadelphia to a recycling program in Bloomsburg to a tenant program in Pittsburgh.

\$800,000 of the oil overcharge funds recommended for the State Energy Conservation Plan and Energy Extension Services will be used to extend the programs currently offered by the PECs. Programs such as those previously mentioned will be replicated by other centers. New services will include local third party financing which will provide a means to finance measures recommended by energy efficiency teams, demonstration projects including a revolving loan program for nonprofit agencies, and programs promoting the use of Pennsylvania coal.

With the recommended oil overcharge funds, programs funded by the Institutional Conservation Program, State Energy Conservation Plan, and Energy Extension Services will be significantly above previous levels.

ECONS Program

The ECONS Program (an acronym for Energy Conservation, Congestion Reduction and Safety Improvement) is one of several programs in the Department of Transportation's Twelve Year Program. The ECONS Program is an ongoing program whose overall purpose is to implement highway improvements which will reduce energy consumption, reduce congestion and improve highway safety. All projects are evaluated using the following common measures of effectiveness: delay, fuel consumption, and fatal and injury accidents occurrences. The factors not only describe the degree to which a high accident location, bottleneck, urban arterial, or CBD grid poses a problem, but more importantly, they provide quantifiable estimates of potential benefits.

\$500,000 is recommended for this program in 1986-87 which is administered by the Department of Transportation. A major thrust of this program is traffic signal improvements to improve traffic flow which ultimately will conserve gasoline.

**Energy Management and Conservation
Program Revision: Energy Conservation (Oil Overcharge) (continued)**

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
OTHER FUNDS:							
OIL OVERCHARGE FUND							
Institutional Conservation Program			\$ 4,859	\$ 3,043	\$ 5,332	\$10,451	\$ 5,903
State Energy Conservation Plan			2,194	3,851	4,304	4,822	2,725
Energy Extension Services			2,215	3,851	4,304	4,822	2,725
TOTAL			<u>\$ 9,268</u>	<u>\$ 10,745</u>	<u>\$ 13,940</u>	<u>\$ 20,095</u>	<u>\$ 11,353</u>

In addition, this Program Revision also includes funding in the following subcategory in the Department of Community Affairs.

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Housing and Redevelopment							
OIL OVERCHARGE FUND							
Weatherization			\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	

In addition, this Program Revision also includes funding in the following subcategory in the Housing Finance Agency.

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Housing and Redevelopment							
OIL OVERCHARGE FUND							
Energy Conservation and Solar Loan Program			\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	

In addition, this Program Revision also includes funding in the following subcategory in the Department of Transportation.

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Highway Safety Improvement							
OIL OVERCHARGE FUND							
ECONS Program			\$ 500				

Income Maintenance

OBJECTIVE: To increase economic stability by providing financial assistance to those who have suffered financial loss as a result of being injured during the commission of a crime.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 2,887	\$ 2,733	\$ 447	\$ 465	\$ 484	\$ 503	\$ 523
Other Funds	249	4,449	4,505	4,617	4,617	4,617	4,617
TOTAL	\$ 3,136	\$ 7,182	\$ 4,952	\$ 5,082	\$ 5,101	\$ 5,120	\$ 5,140

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Claim backlog	969	450	350	350	250	150	50
Claims submitted	1,458	1,900	2,200	2,300	2,400	2,500	2,600
Claims paid	874	890	1,100	1,200	1,200	1,200	1,200
Claims denied	1,103	1,110	1,100	1,200	1,300	1,400	1,500

Program Analysis:

Act 139 of July 1976 created the Crime Victims Compensation Program as a response to the financial losses incurred by crime victims. Individuals who are injured during commission of a crime not only have to bear physical and psychological pain, but also any financial hardships that result. This program can alleviate the financial hardships that result from unpaid medical expenses or loss of income.

For individuals to receive compensation, they must have incurred a minimum out-of-pocket loss of \$100 or have lost at least two continuous weeks' earnings or support unless the victim is age 60 or older at the time of the crime. In cases where the crime victim incurs serious financial loss, the individual or dependents may receive up to \$35,000. Compensation may not be paid for pain and suffering or for property loss or damage.

The program has expanded significantly since its inception in 1976. Initially, the board received approximately 40 claims per month. Today, approximately 160 claims are received each month. One reason for this dramatic increase in claims submitted is Act 114 which was signed into law in December 1979. This Act requires that police officers notify victims of the availability of compensation. Act 114 also eliminated the \$100 minimum allowable claim requirement for victims age 60 or older.

Act 96 of 1984 expanded compensation to cover the stolen cash proceeds of a social security check in cases where it

can be determined that social security is the victim's primary source of income. The board may now award compensation when the claimant and offender are related so long as they do not reside together and the offender will not benefit from the award. In addition, any family member who assumes the liability of funeral expenses for a homicide victim may be compensated. The maximum award of compensation was increased from \$25,000 to \$35,000.

The program measures, claim backlog, claims paid and claims submitted, reflect significant changes. The claim backlog has been reduced and the claims paid increased as a result of new efficiency measures including the 1985-86 Productivity Improvement Initiative for computer equipment, and adequate funds to meet claim awards. Claims submitted continue to increase as a result of a publicity campaign to inform citizens of the program, increased popularity of the program with the news media, and increased eligibility as a result of Act 96 of 1984.

No State funds are required for this program commencing in 1986-87 as a result of the Federal Victims of Crime Act of 1984 which allocates Federal funds for crime victims' payments and State Act 96 of 1984 which allows collections and disbursements of imposed court costs from an established restricted revenue account. Since these funds are paid from restricted receipts and restricted revenue accounts, they are listed as other funds in this program.

Income Maintenance (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Crime Victims Compensation Board.....	\$ 387	\$ 433	\$ 447	\$ 465	\$ 484	\$ 503	\$ 523
Compensation to Crime Victims	2,500	2,300	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 2,887</u>	<u>\$ 2,733</u>	<u>\$ 447</u>	<u>\$ 465</u>	<u>\$ 484</u>	<u>\$ 503</u>	<u>\$ 523</u>

Criminal and Juvenile Justice Planning and Coordination

OBJECTIVE: To provide criminal and juvenile justice system policy analysis, coordination and planning which will improve criminal justice programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 1,953	\$ 1,927	\$ 1,848	\$ 1,922	\$ 1,999	\$ 2,079	\$ 2,162
Federal Funds	210	202	195	180	180	180	180
Other Funds	3,472	4,615	7,110	7,114	7,119	7,124	7,129
TOTAL	\$ 5,635	\$ 6,744	\$ 9,153	\$ 9,216	\$ 9,298	\$ 9,383	\$ 9,471

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Jail overcrowding analyses completed/plans implemented	5	4	4	2	.....	.....	.....
Police officers attending basic and advanced crime prevention training	350	350	350	350	350	350	350
Police chiefs attending crime prevention training	200	200	200	200	200	200	200
Deputy sheriffs attending basic training	100	250	300	100	100	100	100
Counties receiving technical assistance and grants for crime victims services .....	.....	43	55	60	67	67	67

Program Analysis

The Pennsylvania Commission on Crime and Delinquency (PCCD) is authorized under Act 274 of 1978, as amended, to undertake criminal and juvenile justice planning, coordination and policy analysis. In this role, the commission provides the Commonwealth a central source for planning, statistical analysis and program development for the improvement of the State's justice system. The agency also provides data analysis, research and legislative recommendations to the Governor's Office, General Assembly, concerned local officials and system practitioners.

Most of this program's activities are performed under the direction of several task forces on deputy sheriffs' training, juvenile justice and delinquency prevention, prison and jail crowding, victim/witness services, corrections/mental health, courts, and criminal justice information systems. Through their oversight, specific problem areas can be addressed with the aid of staff. These task forces are usually comprised both of commission and noncommission members representing criminal justice agencies, legislators

active in selected issues, concerned citizens and academic expertise.

Nationally recognized as an outstanding state crime prevention program, "Pennsylvania Crime Watch" continues to coordinate and support the crime prevention activities of local police departments. Crime Watch is available to all of the State's 1,200 police departments and consists of training and certification of crime prevention officers; the provision of literature, engraving tools and packaged media campaign materials; and assistance with local program development. The commission also offers a four day basic crime prevention course for police officers and crime prevention training for police chiefs. Also offered is a crime prevention package known as "A Model for Municipal Crime Prevention Programs" which seeks to mobilize local officials and crime prevention specialists in developing community-focused crime prevention programs.

PCCD is committed to assisting local efforts in providing support services to those who have been victims of crime.

Criminal and Juvenile Justice Planning and Coordination (continued)

Program Analysis: (continued)

Under the guidance of its Victim Services Advisory Committee, the commission is fostering the creation of county-based local policy boards comprised of criminal justice professionals and local service providers who define local victim service needs and in turn develop cost-effective victim/witness program strategies. This program administers technical assistance and financial grants as mandated under Act 96 of 1984 which help underwrite the costs for implementing the victim/witness service strategies. Coupled with Act 96 funding assistance, this program will administer Federal assistance funds provided through the Victims of Crime Act (VOCA) of 1984 which will also be channeled through the local policy boards. These funds will be used to support community-based comprehensive services to victims of all violent crime with particular emphasis on services to victims of sexual assault, domestic violence and child abuse. A new program measure, counties receiving technical assistance and grants for crime victims services, has been added to reflect the activities of this project.

Act 2 of 1984, which became effective August 8, 1984, mandates that deputy sheriffs with less than five years' experience must undergo 160 hours of basic training by August 1986. The act further requires all newly hired deputies to receive basic training within a year of their employment. In addition, all deputy sheriffs are required to participate in 16 to 20 hours of in-service training every two years. The act established a Deputy Sheriffs' Education and Training Board which has developed the 160 hour basic training curriculum and opened the training school in June 1985.

Having completed training needs assessments for all criminal justice agencies under the direction of an appointed Criminal Justice Training Advisory Committee, the commission will be working with these agencies to operationalize training programs which address system-wide needs. Both interdisciplinary forms of training, such as dealing with domestic violence and child abuse, as well as specialized types of training such as instruction on work release and pre-trial release screening and administration; emergency dispatch operation; special prosecutions; new criminal law and court opinions; and major investigative strategies are initial target areas which have been identified.

Since the mid 1970s, the commission's juvenile justice program has remained integral to fostering change and improvements in Pennsylvania's juvenile justice system. Under the guidance of its gubernatorially appointed Juvenile Advisory Committee, this program continues to occupy a central role in the interaction between the Department of Public Welfare, the Juvenile Court Judges' Commission, and other agencies in the development and implementation of policy and programming relative to pressing juvenile justice matters. Paramount to the commission's involvement in these

matters has been its administration of Federal funds under the Juvenile Justice and Delinquency Prevention Act formula grants program.

The Federal Justice Assistance Act of 1984 established a grant program to assist state and local governments in carrying out programs which offer a high probability of improving the functions of the criminal justice system with special emphasis on violent crime and serious offenders. Under this grant program, funding is limited to programs which meet one or more of the 18 eligible purposes contained in the act. The commission has adopted four priority areas for concentrating funds: prison and jail overcrowding; career criminals; interdicting drug trafficking; and criminal justice training.

Integral to the role of this program in its criminal justice coordination capacity has been its continued analysis of legislative issues concerning criminal justice topics which are provided either at the request of legislators or the Governor's Office. This program also continues to foster the development of criminal justice policy by conducting research on timely criminal justice matters. A preliminary report was recently completed on the impact of Pennsylvania's new Driving Under the Influence (DUI) law effective January 1983 and a report on the possible effects of Act 286 of 1982, the Guilty But Mentally Ill (GBMI) legislation, which provides for an alternative verdict or plea of guilty but mentally ill. One other example is a soon-to-be completed final report on the deterrent effects of the mandatory sentencing law.

The commission's Prison and Jail Overcrowding Task Force has issued its principal report which assesses the current and future status of correctional overcrowding and offers a comprehensive and effective package of recommendations to reduce and control overcrowding. This task force continues to oversee the adoption and implementation of initiatives to alleviate crowding, to monitor and evaluate the effects of the initiatives, and to identify further necessary changes. Assisting with the crowding issue, the Jail Overcrowding Technical Assistance Program will continue to make available small incentive grants to counties to assist them in reducing their high jail populations. An ancillary body, the Corrections/Mental Health Task Force, supports the Overcrowding Task Force and is concentrating its efforts heavily on the provision of mental health and mental retardation services for sentenced inmates.

As an ongoing assignment, the commission is continuing to work toward implementation of a State offender-based transaction statistical system (OBTS) and the development of an integrated criminal justice information system. OBTS will allow any criminal justice agency to determine the exact status of a criminal without going through various

Criminal and Juvenile Justice Planning and Coordination (continued)

Program Analysis: (continued)

criminal justice data bases in addition to allowing the commission to study the criminal justice population/system as a whole. The development of an integrated criminal justice information system (ICJIS) will facilitate the statewide sharing of data among criminal justice agencies in order to enhance the efficiency of the entire criminal justice system. OBTS will provide a tool for planning, evaluation and research; ICJIS will provide an on-line, interagency communication capability within Pennsylvania.

One other function that the commission performs is to provide periodic forums where contemporary criminal justice issues can be reviewed, researched and analyzed. Key justice system officials, legislators and other experts are afforded an opportunity to consider the need for new policies and statutory reforms for improving the justice system. Forums have occurred relative to prison crowding, career criminals, and domestic violence. Current topics being con-

sidered include comprehensive victim services, crime prevention, and interdicting drug trafficking.

Additional funds are included in this program for priority criminal justice initiatives. The first provides \$77,000 to administer the Federal Justice Assistance and Victims of Crime Acts, and to provide matching funds for training under the Justice Assistance Act. These matching funds will be used to partially defray local tuition expenses since many agencies and organizations are not in a financial posture to support new training efforts. Another initiative provides \$50,000 for consultant costs for planning an integrated criminal justice information system. In addition, a Productivity Improvement Initiative of \$70,000 is included in the recommended amount to upgrade the computer capability of the commission to better analyze data and to eventually link to the Criminal Justice Information System.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND TOTAL							
Commission on Crime and Delinquency	\$ 1,453	\$ 1,627	\$ 1,848	\$ 1,922	\$ 1,999	\$ 2,079	\$ 2,162
Crime Victims Services	500	.....	.....	.....	.....	.....	.....
Eagleville Hospital . . . . .	.....	300	.....	.....	.....	.....	.....
General Fund Total	<u>\$ 1,953</u>	<u>\$ 1,927</u>	<u>\$ 1,848</u>	<u>\$ 1,922</u>	<u>\$ 1,999</u>	<u>\$ 2,079</u>	<u>\$ 2,162</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 2,890	\$ 3,113	\$ 3,458	\$ 3,712	\$ 3,986	\$ 4,281	\$ 4,598
Federal Funds	193	62	.....	.....	.....	.....	.....
TOTAL	\$ 3,083	\$ 3,175	\$ 3,458	\$ 3,712	\$ 3,986	\$ 4,281	\$ 4,598

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Commitments as a percent of referrals	12.9%	11.9%	11.4%	10.9%	10.4%	10.4%	10.4%
Counties participating in juvenile probation grant programs	67	67	67	67	67	67	67
Children referred to court	25,688	25,588	25,088	24,099	24,888	24,788	24,688
Children arrested for violent crime	4,731	4,631	4,581	4,531	4,481	4,431	4,381
Intensive probation and aftercare programs operating	57	62	64	64	64	64	64
Juvenile justice personnel trained	980	1,200	1,250	1,300	1,350	1,400	1,400

Program Analysis:

The Juvenile Court Judges Commission is responsible for the development and improvement of juvenile probation services throughout the Commonwealth. These services focus on the effective reintegration of juvenile offenders into the community through the increased performance of the juvenile courts and their staff.

The development of statewide standards for juvenile probation, statewide training, aftercare services, a statewide statistical program, and specialized intensive probation services have had a significant impact on improving the quality of services within the Commonwealth's Juvenile Court System. The commission has been successful in obtaining the voluntary compliance of all 67 counties in the adoption of intake standards, participation in training programs, and participation in the statewide statistical program.

The number of children referred to court during calendar year 1984 decreased by 10.5 percent as compared to 1983 referrals. At the same time, the number of children arrested for violent offenses increased by 3.25 percent. The commission has been making every effort to curb violent juvenile

crime and has shifted its program emphasis to this area.

Although the percentage of children committed to institutions during the past year has remained constant at approximately 12 percent as compared to last year, the actual number has decreased from 3,491 in 1983 to 3,325 in 1984, or 166 children. The average cost to provide institutional services for a child is conservatively estimated at \$100 a day. The average length of stay for Commonwealth children institutionalized is approximately eight months. Therefore, this reduction in institutional placement has resulted in significant cost savings to the Commonwealth.

The commission is continuing to monitor aftercare and intensive probation programs. Fifteen new programs have been added during 1984-85 bringing the total to 57, or 29 aftercare and 28 intensive probation programs. The aftercare and intensive probation programs have demonstrated a recidivism rate of 8.5 and 14.0 percent respectively, while the current statewide average for recidivism as indicated in the commission's ten year cohort study is 27 percent. For the six month period ending June 30, 1985, the estimated

Reintegration of Juvenile Delinquents (continued)

Program Analysis: (continued)

savings for both programs was \$901,000. The commission anticipates adding an additional five programs in 1985-86 and an additional two programs in 1986-87.

As of June 30, 1985, the commission trained 980 juvenile justice practitioners in 20 different state of the art areas. The grant-in-aid appropriation has made it possible for 60 probation officers to receive a Master's Degree in the Administration of Justice from Shippensburg University.

During fiscal year 1985-86, the commission, in cooperation with the Department of Public Welfare and the Pennsylvania Board of Probation and Parole, established a program addressing the needs of the mentally retarded offender. The program was established in Lancaster County and modeled after their highly successful program for adult mentally retarded offenders.

The commission will also continue to work with the Department of Public Welfare, the Pennsylvania Commission on Crime and Delinquency, and other related agencies in a coordinated effort to continue the downward trend in juvenile delinquency; to deal with the problems of the violent juvenile offender; and to improve juvenile probation services in the Commonwealth.

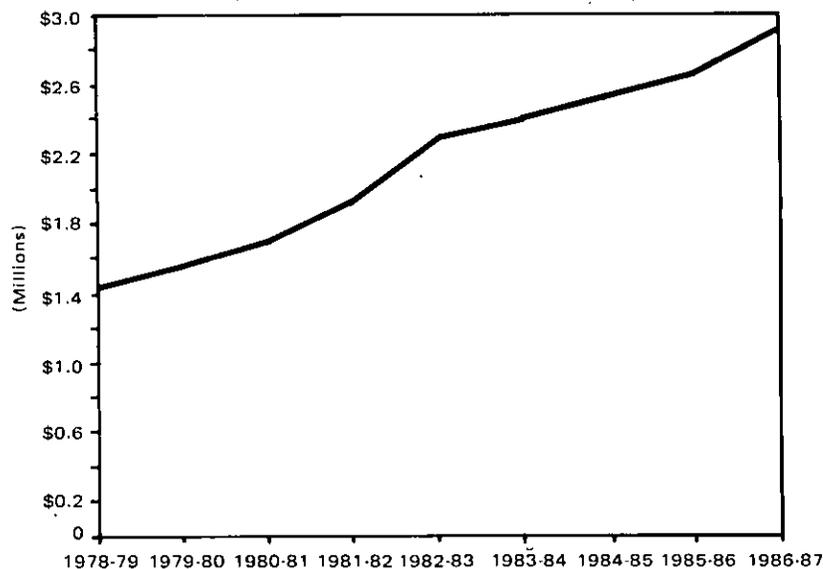
The recommended amount for the Juvenile Court Judges Commission includes an additional \$46,000 to fully fund the Statistical Analysis Center with State funds and an additional \$30,000 to monitor the consent decree conditions

of the *Coleman vs. Stanziani* settlement. In this case, the provisions of the Pennsylvania Juvenile Act which govern detention were challenged as being unconstitutional. The proposed settlement will prevent Federal Court intervention into the juvenile detention function in Pennsylvania, and is based upon the promulgation of statewide standards by the commission. Under the terms of the settlement, the commission is responsible for providing all training and technical assistance regarding the terms of the settlement to every juvenile court judge, master and juvenile probation officer in the Commonwealth, establishing a method of monitoring compliance, and conducting such monitoring on an ongoing basis.

The recommended amount for the Improvement of Juvenile Probation Services includes an additional \$264,000 which represents a ten percent increase for this program. This increase will enable the commission to expand the Intensive Probation, Aftercare Services and Mentally Retarded Juvenile Offenders Programs and to establish new pilot projects in Community Service and Restitution Programs, and Objectives-Based Case Management.

The chart included in this program shows the 100 percent increase in State funds for Improvement of Juvenile Probation Services since 1978-79. The chart includes the 1986-87 recommended amount.

**IMPROVEMENT OF JUVENILE PROBATION SERVICES
(GRANTS TO LOCAL JURISDICTIONS)**



Reintegration of Juvenile Delinquents (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Juvenile Court Judges Commission	\$ 378	\$ 475	\$ 556	\$ 578	\$ 601	\$ 625	\$ 650
Improvement of Juvenile Probation Services	2,512	2,638	2,902	3,134	3,385	3,656	3,948
GENERAL FUND TOTAL	<u>\$ 2,890</u>	<u>\$ 3,113</u>	<u>\$ 3,458</u>	<u>\$ 3,712</u>	<u>\$ 3,986</u>	<u>\$ 4,281</u>	<u>\$ 4,598</u>

Medical Malpractice Arbitration and Health Facilities Hearings

OBJECTIVE: To assist persons who have sustained injury or death as a result of tort or breach of contract by a health care provider to obtain prompt and just adjudication of their claim and to conduct preliminary hearings on appeals concerning health care facilities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 146	\$ 170	\$ 636	\$ 662	\$ 688	\$ 715	\$ 744
Other Funds	69,562	101,750	118,324	137,457	157,595	177,739	198,889
TOTAL	\$ 69,708	\$ 101,920	\$ 118,960	\$ 138,119	\$ 158,283	\$ 178,454	\$ 199,633

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Arbitration Panels for Health Care:							
Court cases settled as a result of conciliation conferences	164	185	200	215	230	245	260
Conciliation conferences held	341	350	360	370	380	390	400
Total value of settlements reached (in million of dollars)	\$40.4	\$45	\$52.5	\$60	\$62.5	\$75	\$82.5
Time incident to disposition (in months)	1	1	1	1	1	1	1
Health Facilities Hearing Board:							
Unresolved appeals carried forward	32	38	43	49	52	54	54
New appeals filed	42	50	54	58	66	70	75
Total number of open cases	74	88	97	107	118	124	129
Appeals resolved	36	45	48	55	64	70	74
Decisions appealed to Commonwealth Court	4	4	5	5	5	6	6
Time incident to disposition of appeal (in months)	9	9	9	9	9	9	9

Program Analysis:

The Arbitration Panels for Health Care is an executive agency established by the Health Care Services Malpractice Act of 1975 as part of a comprehensive program to deal with the growing unavailability of medical malpractice insurance at reasonable rates. Until 1984, the agency conducted arbitration hearings in medical malpractice cases as a means of promoting reduced insurance costs and more prompt resolution of claims.

The agency's conciliation conference service, which conducts court-supervised settlement conferences pursuant to Section 7362 of the Judicial Code, was begun in 1984 to replace the arbitration hearing system. This new service has been well received and is highly regarded by judges, attorneys and other interested legal and professional groups. It has dramatically increased the settlement rate for medical malpractice cases in those counties where the court has ordered it implemented. To achieve statewide geographic

balance, this service will be offered in the near future to other counties where the number of medical malpractice claims filed annually is high.

Projections of the annual number of conciliation conferences held have been reduced because of a decreased estimate of the number of cases in which more than one conference will be required. The expected increase this year in cases settled as result of conferences is due to the enrollment of more counties than in the prior fiscal year. However, projections for cases settled are revised downward to reflect a more gradual rate of expansion in the future.

The operating expenses of this agency were previously funded by assessments levied on health care providers based upon the average cost of an arbitration hearing. Because arbitration hearings have been replaced by the conciliation conference services, a general fund appropriation for 1986-87 is necessary.

Medical Malpractice Arbitration and Health Facilities Hearings (continued)

Program Analysis: (continued)

Should a medical malpractice award or settlement be in excess of \$200,000 per occurrence and \$600,000 annually for physicians and \$1 million for hospitals, the Medical Professional Liability Catastrophe Loss Fund becomes responsible for payment of the excess amount. The Special Funds Appendix in Volume I includes a Statement of Cash Receipts and Disbursements for this fund. The monies for this fund are also reflected as other funds in this program for the first time.

This program also includes the Health Facilities Hearing Board. This board was created by Act 48 of 1979. Its purpose is to conduct hearings throughout the State on appeals from decisions of the Department of Health relating to applications for certificate of need and decisions pertaining to licensure of health care facilities. The decision of the board may be appealed to Commonwealth Court.

All hearings are required by statute to be held in the area in which the health care facility is located. They are evidentiary in nature, with each party being given the opportunity to present testimony and documentation, and to examine

and cross-examine witnesses. The hearings are conducted by the full board and are stenographically recorded. Following the hearing, the board renders a written opinion consisting of findings which the board has based its decision. In the event of an appeal to Commonwealth Court, the appeal is heard on the basis of the record created before the board.

Prehearing conferences are held for each appeal scheduled for hearing. The purpose of the prehearing conference is to make possible a more effective use of hearing time, to explore settlement possibilities, and to expedite the orderly conduct and disposition of the appeal.

The board also rules on prehearing motions and in some instances, approves settlement agreements between the parties.

All program measures have been adjusted upward as a result of an interagency agreement with the Department of Health to hear appeals for the Women, Infants and Children Program.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Health Facilities Hearing Board	\$ 146	\$ 170	\$ 172	\$ 179	\$ 186	\$ 193	\$ 201
Arbitration Panels for Health Care			464	483	502	522	543
GENERAL FUND TOTAL	<u>\$ 146</u>	<u>\$ 170</u>	<u>\$ 636</u>	<u>\$ 662</u>	<u>\$ 688</u>	<u>\$ 715</u>	<u>\$ 744</u>

Lieutenant Governor

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

OFFICE OF THE LIEUTENANT GOVERNOR

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
Lieutenant Governor's Office	\$ 464	\$ 480	\$ 488
Board of Pardons.....	184	200	202
GENERAL FUND TOTAL	<u>\$ 648</u>	<u>\$ 680</u>	<u>\$ 690</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Lieutenant Governor's Office			
State Funds	\$ 464	\$ 480	\$ 488

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

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Lieutenant Governor's Office	<u>\$ 464</u>	<u>\$ 480</u>	<u>\$ 488</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Board of Pardons			
State Funds	\$ 184	\$ 200	\$ 202

Hears petitions for clemency in all criminal cases except impeachment and recommends adjustment in the sentence. The Board is also empowered to arbitrate prerelease cases where the sentencing court and the Department of Corrections have a disagreement as to whether an inmate should be placed in this status.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Board of Pardons	<u>\$ 184</u>	<u>\$ 200</u>	<u>\$ 202</u>

LIEUTENANT GOVERNOR

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 648	\$ 680	\$ 690	\$ 718	\$ 746	\$ 776	\$ 807
Executive Direction	648	680	690	718	746	776	807
DEPARTMENT TOTAL	<u>\$ 648</u>	<u>\$ 680</u>	<u>\$ 690</u>	<u>\$ 718</u>	<u>\$ 746</u>	<u>\$ 776</u>	<u>\$ 807</u>

LIEUTENANT GOVERNOR

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	<u>\$ 648</u>	<u>\$ 680</u>	<u>\$ 690</u>	<u>\$ 718</u>	<u>\$ 746</u>	<u>\$ 776</u>	<u>\$ 807</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 Emergency Management Council and the

Governor's Energy Council. As chairman of these councils, the Lieutenant Governor has direct responsibility for coordinating relief information and assistance during crisis like the Three Mile Island accident and the severe gasoline shortage which affected all of the eastern seaboard as well as Pennsylvania. Although the immediate effects of these events have dissipated, the ongoing monitoring and planning to react to similar occurrences is a very real part of the operation of this office. Also included in this program is the Board of Pardons which reviews applications for reprieves, commutation of sentences and pardons.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Lieutenant Governor's Office	\$ 464	\$ 480	\$ 488	\$ 508	\$ 528	\$ 549	\$ 571
Board of Pardons	184	200	202	210	218	227	236
GENERAL FUND TOTAL	<u>\$ 648</u>	<u>\$ 680</u>	<u>\$ 690</u>	<u>\$ 718</u>	<u>\$ 746</u>	<u>\$ 776</u>	<u>\$ 807</u>

Attorney General

The State constitution provides that the Attorney General shall be the chief law officer of the Commonwealth and shall exercise such powers and perform such duties as may be imposed by law.

The Commonwealth Attorneys Act establishes the Attorney General as the chief legal and law enforcement officer of the Commonwealth and provides the following fundamental duties and responsibilities of the Office of Attorney General:

To be the Commonwealth's chief law enforcement officer charged with the responsibility for the prosecution of organized crime and public corruption. This law enforcement program includes a criminal investigations unit and drug law enforcement program as well as direction of state-wide and multi-county investigating grand juries and a Medicaid Fraud Control Section.

To represent the Commonwealth and all Commonwealth agencies and upon request the Auditor General, State Treasurer, and Public Utility Commission in any action brought by or against the Commonwealth or its agencies; to furnish upon request legal advice to the Governor or the head of any Commonwealth agency.

To review for form and legality, all proposed rules and regulations for Commonwealth agencies.

To review for form and legality all Commonwealth deeds, leases and contracts to be executed by Commonwealth agencies.

To collect, by suit or otherwise, all debts, taxes, and accounts due the Commonwealth which shall be referred to and placed with the Attorney General.

To administer the provisions relating to consumer protection as well as appoint the Advisory Committee.

To represent the Commonwealth and its citizens in any action brought for violation of the Antitrust Laws of the United States and the Commonwealth.

The Attorney General, in addition, serves as a member of the Board of Pardons, the Joint Committee on Documents, the Hazardous Substances Transportation Board, the Board of Finance and Revenue, the Pennsylvania Commission on Crime and Delinquency, the Civil Disorder Commission and the Municipal Police Officers Education and Training Commission.

ATTORNEY GENERAL
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
Attorney General's Office	\$ 22,414	\$ 24,539	\$ 25,452
County Trial Reimbursement	100	100	100
	<u>\$ 22,514</u>	<u>\$ 24,639</u>	<u>\$ 25,552</u>
TOTAL STATE FUNDS			
Federal Funds	\$ 1,668	\$ 1,701	\$ 1,864
Augmentations	1,138	1,212	1,175
Restricted Revenue	2,033	2,322	2,459
	<u>\$ 27,353</u>	<u>\$ 29,874</u>	<u>\$ 31,050</u>
GENERAL FUND TOTAL			

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 22,514	\$ 22,639	\$ 25,552
Federal Funds	1,668	1,701	1,864
Augmentations	1,138	1,212	1,175
TOTAL	<u>\$ 25,320</u>	<u>\$ 25,552</u>	<u>\$ 28,591</u>

Provides for administration of the department. Administers the law enforcement powers of the Attorney General, enforces the Wire Tapping Law, provides staff and expenses for grand jury investigations, investigates wrong doing on the part of State employes or Commonwealth contractors, and provides litigation services to the State agencies. Also includes a 1984-85 appropriation for trial costs resulting from statewide grand jurors.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Attorney General's Office	\$ 22,414	\$ 22,539	\$ 25,452
County Trial Reimbursement	100	100	100
Federal Funds:			
Medicaid Fraud	1,604	1,701	1,864
Toxic Waste Investigation and Prosecution	64		
Augmentations:			
Sale of Seized Vehicles	46	30	31
Court Ordered Restitution of Drug Purchases	273	257	265
Legal Fees Reimbursement	86	162	167
Collections — Legal	206	206	212
Reimbursement for Departmental Services	417	428	441
Consumer Protection Investigation Cost Reimbursement	10	9	9
Antitrust — Legal Fees Reimbursement	100	120	50
TOTAL	<u>\$ 25,320</u>	<u>\$ 25,552</u>	<u>\$ 28,591</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Office of Consumer Advocate			
Restricted Revenue	\$ 2,033	\$ 2,322	\$ 2,459

The Office of Consumer Advocate has the responsibility to represent the interest of consumers before the Pennsylvania Public Utility Commission and before any court or agency initiating proceedings in connection with any matter involving regulation by the commission or the corresponding regulatory agency of the United States Government.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
<i>Source of Funds</i>			
Restricted Revenue:			
Office of Consumer Advocate ¹	<u>\$ 2,033</u>	<u>\$ 2,322</u>	<u>\$ 2,459</u>

^aAppropriation from a restricted revenue account.

ATTORNEY GENERAL

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 3,374	\$ 3,671	\$ 3,808	\$ 3,960	\$ 4,118	\$ 4,283	\$ 4,454
Legal Services	\$ 7,148	\$ 7,765	\$ 8,054	\$ 8,376	\$ 8,711	\$ 9,059	\$ 9,421
Commonwealth Agencies Legal Services .	7,148	7,765	8,054	8,376	8,711	9,059	9,421
Public Protection	\$ 2,887	\$ 3,057	\$ 3,171	\$ 3,298	\$ 3,430	\$ 3,567	\$ 3,710
Public Protection	2,887	3,057	3,171	3,298	3,430	3,567	3,710
Control and Reduction of Crime	\$ 9,105	\$ 10,146	\$ 10,519	\$ 10,936	\$ 11,370	\$ 11,821	\$ 12,290
Criminal Law	9,105	10,146	10,519	10,936	11,370	11,821	12,290
DEPARTMENT TOTAL	<u>\$ 22,514</u>	<u>\$ 24,639</u>	<u>\$ 25,552</u>	<u>\$ 26,570</u>	<u>\$ 27,629</u>	<u>\$ 28,730</u>	<u>\$ 29,875</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 3,374	\$ 3,671	\$ 3,808	\$ 3,960	\$ 4,118	\$ 4,283	\$ 4,454
Other Funds	418	428	441	454	468	482	496
TOTAL	\$ 3,792	\$ 4,099	\$ 4,249	\$ 4,414	\$ 4,586	\$ 4,765	\$ 4,950

Program Analysis

General Administration and Support provides for the administrative and overhead systems which support the operations of program activities necessary for the achievement of Commonwealth and agency objectives.

The success or failure of all these supportive efforts can only be indirectly reflected by the effectiveness of the ac-

tivities 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.

This subcategory includes an initiative in the amount of \$128,000 to establish an independent comptroller's office.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Attorney General's Office	\$ 3,374	\$ 3,671	\$ 3,808	\$ 3,960	\$ 4,118	\$ 4,283	\$ 4,454

Commonwealth Agencies Legal Services

OBJECTIVE: To provide legal services for governmental agencies of the Commonwealth.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 7,148	\$ 7,765	\$ 8,054	\$ 8,376	\$ 8,711	\$ 9,059	\$ 9,421
Other Funds	292	368	379	390	402	414	426
TOTAL	<u>\$ 7,440</u>	<u>\$ 8,133</u>	<u>\$ 8,433</u>	<u>\$ 8,766</u>	<u>\$ 9,113</u>	<u>\$ 9,473</u>	<u>\$ 9,847</u>

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Cases handled:							
Torts	3,364	3,635	3,993	4,395	4,825	5,300	5,700
Tax Litigation Unit	3,400	4,400	5,400	6,400	7,400	8,400	9,400
Other litigation	1,100	1,200	1,300	1,400	1,500	1,600	1,700
Deeds, leases and contracts reviewed	27,319	27,000	27,000	27,000	27,000	27,000	27,000
Rules and regulations reviewed	269	265	265	265	265	265	265
Delinquent accounts:							
Dollars collected (in thousands)	\$20,880	\$17,000	\$17,700	\$17,900	\$18,000	\$18,500	\$19,000
Cost per dollar collected .....	.07	.08	.08	.08	.08	.08	.08
New claims (priority)	18,153	18,500	19,000	19,500	20,000	22,000	23,000
Dollar Amount of New Claims (in thousands)	\$67,575	\$58,000	\$60,000	\$65,000	\$67,000	\$68,000	\$69,000

Program Analysis:

This program provides legal services for the governmental agencies of the Commonwealth as required of the Attorney General's Office by Section 204 of the Commonwealth Attorneys Act. Specifically, the Attorney General's Office represents the Commonwealth and all Commonwealth agencies and upon request the Auditor General, State Treasurer, and Public Utility Commission in any action brought by or against the Commonwealth or its agencies; furnishes upon request legal advice to the Governor or the head of any Commonwealth agency; collects, by suit or otherwise, all debts, taxes and accounts due the Commonwealth which shall be referred to and placed with the Attorney General; and reviews for form and legality, all proposed rules and regulations of Commonwealth agencies, and all Commonwealth deeds, leases, and contracts.

The number of torts cases has increased rapidly over the last several years since the Mayle decision in July of 1978 abolished the Commonwealth's use of sovereign immunity as a defense against tort claims. Subsequently, the General

Assembly reaffirmed sovereign immunity by Act 152 of 1978 except in eight specific areas where criteria for limited liability were established: (1) vehicle liability; (2) medical professional liability; (3) personal property; (4) Commonwealth real estate, highways and sidewalks; (5) potholes and other dangerous conditions; (6) care, custody, or control of domestic animals; (7) liquor store sales; and (8) National Guard activities. The increase in claims are within the areas where the Commonwealth has limited liability.

The program measures reflect the work performed by the Commonwealth Agencies Legal Services Division. Projecting future performance in this area is difficult due to the nature of the work involved; therefore, some variances naturally occur versus previous budget estimates, as discussed below.

Each week the Torts Litigation Section receives about 15 to 17 cases and settle or close approximately 10 cases. There are currently 3,635 cases pending. Typical of the cases handled are suits involving automobile accidents with the State

Commonwealth Agencies Legal Services (continued)

Program Analysis: (continued)

fleet, medical malpractice claims against the state hospitals, and suits by persons injured on State premises and highways. Overall, the number of cases handled was very close to projections for 1984-85. The differences may be attributed to normal fluctuations between estimates and actual data.

The number of deeds, leases, and contracts reviewed has decreased because of the use of preapproved forms by Commonwealth agencies, thus reducing the number of individual contracts which have to be approved.

The number of regulations and rules reviewed have been reduced due to an increase in the number of approvals required to obtain publication of regulations. The changes are expected to keep the figure relatively constant for the next several years.

The money collected from delinquent accounts was higher than estimated because of higher than anticipated amounts collected from bankruptcy referrals from prior years. The increase in the high volume accounts resulted in a corresponding drop in cost per dollar collected.

The amount of new claims was less than expected because the Department of Public Welfare processed a backload of claims in the prior fiscal year and the Department of Revenue reduced the number of personal income tax referrals with the implementation of a new automated unit. Finally, the dollar amount of new claims was higher than anticipated due to an increase in the number of bankruptcy referrals.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Attorney General's Office	<u>\$ 7,148</u>	<u>\$ 7,765</u>	<u>\$ 8,433</u>	<u>\$ 8,766</u>	<u>\$ 9,113</u>	<u>\$ 9,473</u>	<u>\$ 9,847</u>

Public Protection

OBJECTIVE: To represent and protect the interests of citizens of the Commonwealth in areas of consumer protection, antitrust enforcement, charitable trusts and organizations and civil rights.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 2,887	\$ 3,057	\$ 3,171	\$ 3,298	\$ 3,430	\$ 3,567	\$ 3,710
Other Funds	110	129	59	61	63	65	67
TOTAL	\$ 2,997	\$ 3,186	\$ 3,230	\$ 3,359	\$ 3,493	\$ 3,632	\$ 3,777

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Consumer protection:							
Consumer complaints concerning business practices investigated and mediated	17,800	18,500	18,500	18,500	18,500	18,500	18,500
Dollar value of recoupment to consumers regarding business practices (in thousands)	\$1,500	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400
Legal actions in which costs and penalties were assessed	110	110	115	120	120	120	120
Legal actions completed	50	55	60	70	70	70	70
Voluntary compliances	120	120	120	120	120	120	120
Rate cases argued by consumer advocate	24	36	49	N/A	N/A	N/A	N/A
Antitrust and oil overcharge cases:							
Investigations initiated	61	65	65	65	65	65	65
Court actions brought	10	15	15	10	7	7	7
Dollars paid or agreed to be paid to the Commonwealth or directly to its citizens (in thousands)	\$3,000	\$120,000	\$28,000	\$2,000	\$2,000	\$2,000	\$2,000
Settlements with or without court action	10	10	10	10	10	10	10
Court actions brought other than consumer protection or antitrust	1,060	1,200	1,400	1,600	1,800	2,000	2,200

Program Analysis:

Activities within this subcategory are keyed specifically to: decreasing the incidence of fraud and deceptive business practices and securing recovery of damages to the Commonwealth and its citizens which result from these practices; enforcing Federal antitrust laws which encourage free enterprise and competition; providing for enforcement of laws dealing with charitable trusts and organizations; protecting the civil rights of Pennsylvania citizens; and providing for the representation of the consumer before the Public Utility Commission.

This program involves five entities within the Public Protection Division of the Attorney General's Office: the Of-

fice of Consumer Advocate; the Antitrust Section; the Bureau of Consumer Protection; the Charitable Trusts and Organization Section; and the Civil Rights Task Force.

The Bureau of Consumer Protection was created by the Legislature in 1968. There are six offices throughout the State. These offices investigate and mediate individual, written consumer complaints and perform the following functions mandated by the law: (1) investigate commercial and trade practices including fraud, misrepresentation, and deception; (2) conduct studies, investigation and research in matters affecting consumer interests; (3) advise the legislative branch on such matters; (4) develop policy and

Public Protection (continued)

Program Analysis: (continued)

legislative programs to protect consumers; (5) promote consumer education and publicize matters relating to consumer fraud.

The bureau is primarily responsible for enforcing the Unfair Trade Practices and Consumer Protection Law, along with other consumer-oriented laws. The bureau has promulgated trade practice regulations with respect to the automobile and debt collection trades.

April 1985, marked the creation of a toll-free Consumer Protection Hotline, the first of its kind in Pennsylvania. The hotline handled over 5,000 telephone inquiries, mailed out over 1,900 consumer complaint forms and over 1,100 consumer education brochures.

Fiscal year 1984-85 also marked the first cooperative effort with the U.S. Consumer Product Safety Commission (CPSC). Through 1985-86, the Bureau will conduct 26 separate recall effectiveness checks on behalf of the CPSC.

The dollar value of recoupment to consumers in cases regarding business practices was about 7 percent higher than anticipated. This measure is difficult to estimate because of the unpredictability of court award amounts and the timing of the decisions. Also, the bureau enforces unfair debt collection practice regulations and regulations dealing with automobile purchase and repair fraud.

The second program area involves antitrust activities. The Antitrust Section is responsible for protecting the competitive free enterprise system in the Commonwealth; it is also responsible for recovering damages for the Commonwealth and for its citizens which result from unlawful anticompetitive conduct. The Antitrust Section secured final court approval of a \$1.9 million settlement against an automobile distributor and its dealers who allegedly conspired to fix the asking price of the cars sold by them. The section has also recovered \$4.25 million in settlements, working with other agencies, from highway contractors and

material suppliers for bid-rigging.

The section also represents the Commonwealth's interest in oil overcharge cases in Federal Courts. Since 1981, Pennsylvania has received \$11.9 million in refunds through litigated cases and Federal legislation. Significant additional funds from these cases are reflected in the program measures for 1985-86 and 1986-87. These cases are also reflected in the higher estimates for the measure of court and administrative actions for all years.

The third program deals with charitable trusts. The Attorney General is charged with broad responsibilities for the enforcement of charitable trusts and overseeing nonprofit corporations under common law *parens patriae* doctrine. This is a common law doctrine which allows the State to act on behalf of citizens who are unable to protect themselves. A new administrative system and the development of a Charitable Trusts and Organizations Section has provided for greater efficiency in analyzing information submitted, which is reflected in the large increase in the measure for court actions brought other than consumer protection or antitrust.

The fourth program is conducted by the Civil Rights Task Force. The Attorney General established the Task Force in an effort to expand the capabilities of the former Community Advocate Section, which it supplants. The Task Force is composed of two Regional Directors and is chaired by the Director of the Public Protection Division. The Task Force is concerned with the broad range of civil rights as well as police abuse.

The last program is conducted by the Office of Consumer Advocate which was created by the General Assembly in 1976 to represent the interests of Pennsylvania utility consumers before the Public Utility Commission and other agencies and courts which regulate the activities of public utilities.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Attorney General's Office.....	\$ 2,887	\$ 3,057	\$ 3,171	\$ 3,298	\$ 3,430	\$ 3,567	\$ 3,710

Criminal Law

OBJECTIVE: To investigate and prosecute criminal activity through active enforcement of criminal laws.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 9,105	\$ 10,146	\$ 10,519	\$ 10,936	\$ 11,370	\$ 11,821	\$ 12,290
Federal Funds	1,668	1,701	1,864	1,919	1,976	2,036	2,096
Other Funds	318	287	296	305	314	323	333
TOTAL	\$ 11,091	\$ 12,134	\$ 12,679	\$ 13,160	\$ 13,660	\$ 14,180	\$ 14,719

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Investigations initiated by the Bureau of Criminal Investigations (BCI)	305	305	305	305	305	305	305
Cases presented to the state-wide investigating Grand Jury by BCI	9	15	20	20	20	20	20
Number of arrests in BCI cases	116	116	116	116	116	116	116
Investigations initiated by Medical Fraud Control Section	86	125	125	125	125	125	125
Drug law arrests:							
Cannabis (marijuana and hashish)	269	272	272	272	272	272	272
Heroin	135	136	136	136	136	136	136
Cocaine	354	340	340	340	340	340	340
Stimulants	305	340	340	340	340	340	340
Hallucinogens	41	68	68	68	68	68	68
All other arrests	215	204	204	204	204	204	204
Total	1,319	1,360	1,360	1,360	1,360	1,360	1,360
Major drug traffickers arrested	325	340	340	340	340	340	340
Drug inspections at pharmacies, hospitals, institutions, professional and retail locations	505	600	600	600	600	600	600

Program Analysis:

Under Act 164 of 1980 the Attorney General is the Commonwealth's chief law enforcement officer. As such, the agency investigates and prosecutes criminal activity through active enforcement of criminal laws in accordance with Sections 205 and 206 of the Commonwealth Attorneys Act, with particular emphasis in the areas of public corruption and organized crime through the selective use of statewide investigating grand juries and court authorized electronic surveillance.

The criminal law effort is composed of a number of diverse activities including the Prosecutions Section, the Grand Jury Section, the Hazardous Waste Prosecutions Unit, the Criminal Tax Prosecutions Section, the Bureau of Criminal Investigation, the Bureau of Narcotics Investigation and Drug Control, and the Medicaid Fraud Control Section. During 1984-85, two former sections of the Criminal Law Division, the Organized Crime and Public Corruption Section and the Special Prosecutions Section,

Criminal Law (continued)

Program Analysis: (continued)

were combined as the Prosecutions Section. In carrying out its responsibilities, the section's staff maintain close liaison with the investigative agencies of the Office of Attorney General and with appropriate investigative agencies at the local, state, and Federal level; review investigative reports and render prosecutive opinions; prepare matters for submission to the grand juries; and try criminal cases in the Courts throughout the Commonwealth. In the public corruption area, close liaison is maintained with the State Ethics Commission to ensure the appropriate interchange of information and the proper exercise of jurisdiction by the respective offices.

Examples of cases handled by this section are multi-county gambling activities; bribery or attempted bribery of public officials; promoting prostitution; race-fixing; State Ethics Act violations; allegations of bid-rigging; arson fraud; narcotics trafficking; homicide; rent rebate fraud; counterfeit clothing; and an over \$3.6 million theft case arising from the use of farmers' milk to make cheese for companies which then declared bankruptcy. In 1984-85, 220 cases were opened.

The Grand Jury Section is designated to provide the necessary administrative support to the Grand Jury. It coordinates and schedules all matters to be brought before the Grand Jury in order to use the time of the Grand Jury most efficiently and to relieve the investigative agencies and the prosecuting attorneys of the responsibility for coordinating their matters with other agencies and other attorneys. The section also handles all legal matters which are directed at the functioning of the Grand Jury and responds to all attempts to prevent witnesses' appearances or to quash subpoenas for the production of documents and similar matters. It is also responsible for the numerous administrative details necessary to convene, select, and provide transportation and housing for the Grand Jury Panel itself. Since March 1984, the Grand Jury Section filed 50 notices with the Statewide Grand Jury, resulting in 30 presentments being returned and 182 defendants named in the presentments. A second Grand Jury was formed in September of 1985, accounting for the increase in cases over 1983-84.

The Hazardous Waste Prosecutions Unit formally opened 37 cases for investigation in 1984-85. Additionally, a grand jury investigation into a wide variety of allegations at a Western Pennsylvania hazardous waste facility was pursued to successful resolution with the return of a grand jury presentment recommending charges against the facility owner and one of his primary associates. In addition, the grand jury presentment carried recommendations that the Department of Environmental Resources (DER) pursue civil penalties against a number of waste generators who failed to comply faithfully with the requirements of Pennsylvania law. Also, during fiscal year 1984-85, the unit filed criminal prosecutions against seven individuals. In addition, prosecu-

tions were resolved through the conviction of six other individuals, resulting in the imposition of \$36,000 in criminal fines. Far costlier environmental clean-ups were also implemented in a number of these cases under the auspices of DER, based on the evidence and convictions obtained by the Hazardous Waste Prosecutions Unit.

During fiscal year 1984-85, the Bureau of Criminal Investigations initiated 305 investigations leading to 116 arrests and 47 prosecutions; two defendants were acquitted and charges against 5 were dismissed but are on appeal. Restitutions as a result of convictions amounted to \$938,318 and fines assessed amounted to \$131,245. Nine cases were presented to the Statewide Investigating Grand Jury; presentments were returned in 14 arrest cases relating to 74 separate defendants. The large increase over projections was due to an influx of tax referrals from the Department of Revenue.

The Bureau of Narcotics Investigation and Drug Control (BNI) has as its goals the immobilization of drug traffickers and the reduction of the availability of illicit drugs in an attempt to curtail drug abuse in Pennsylvania. BNI's operational activities can be categorized into two functions: 1) to enforce Act 64 and other drug related laws through the in-depth investigation and successful prosecution of criminal violations involving controlled substances; and 2) to assure compliance with the drug laws through regulatory inspections of the legitimate handlers of controlled substances (pharmacies, hospitals, and medical practitioners). The number of drug inspections performed in 1984-85 was less than previously projected due to a shift in priorities. BNI also has program and operational responsibility for the Pennsylvania State Police Drug Law Enforcement Division.

Estimates of projected total arrests, arrests by drug classification, and the arrest of major drug violators are accomplished by the collection of program data on a continual basis. From this data, various formulas have been developed that have proven to be reliable when projecting anticipated program results. Fluctuations in actual results can be attributed to program objectives and priorities, available resources, manpower, and drug availability.

The 1984-85 fiscal year was the seventh year of operation of the Medicaid Fraud Control Section. Investigations of Medicaid providers involve extensive document review and analysis followed by interviews, undercover buys and other investigative efforts in order to establish a criminal fraud case.

The decrease of investigations initiated in the actual year compared to previous projections is due to a shift in strategy. Two-thirds of the State and Federal funds for Medicaid Programs is now being expended on nursing home providers. This change in policy has resulted in less quantity but higher quality investigations.

Criminal Law (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90
GENERAL FUND							
Attorney General's Office.....	\$ 9,105	\$ 10,046	\$ 10,419	\$ 10,836	\$ 11,270	\$ 11,721	\$ 12,190
Trials of Grand Juries.....	.....	100	100	100	100	100	100
GENERAL FUND TOTAL.....	<u>\$ 9,105</u>	<u>\$ 10,146</u>	<u>\$ 10,519</u>	<u>\$ 10,936</u>	<u>\$ 11,370</u>	<u>\$ 11,821</u>	<u>\$ 12,290</u>

AUDITOR GENERAL

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

AUDITOR GENERAL

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
Auditor General's Office	\$ 24,118	\$ 26,365	\$ 27,032
Board of Claims	757	865	875
Transition — Governor .....	.....	.....	100
TOTAL STATE FUNDS	<u>\$ 24,875</u>	<u>\$ 27,230</u>	<u>\$ 28,007</u>
Federal Funds .....	.....	.....	\$ 865
Augmentations	\$ 6,376	\$ 6,492	5,759
GENERAL FUND TOTAL	<u>\$ 31,251</u>	<u>\$ 33,722</u>	<u>\$ 34,631</u>
Other Funds	\$ 55,790	\$ 60,080	\$ 65,080
TOTAL ALL FUNDS	<u>\$ 87,041</u>	<u>\$ 93,802</u>	<u>\$ 99,711</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Auditor General's Office			
State Funds	\$ 24,118	\$ 26,365	\$ 27,032
Federal Funds .....	.....	.....	865
Augmentations	6,376	6,492	5,759
TOTAL	<u>\$ 30,494</u>	<u>\$ 32,857</u>	<u>\$ 33,656</u>

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Auditor General's Office	\$ 24,118 ^a	\$ 26,365	\$ 27,032
Federal Funds:			
Reimbursement for Auditing Services .....	.....	.....	865
Augmentations:			
Reimbursement for Auditing Services	6,357	6,492	5,759
Sale of Automobiles	19	.....	.....
TOTAL	<u>\$ 30,494</u>	<u>\$ 32,857</u>	<u>\$ 33,656</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Board of Claims			
State Funds	\$ 757	\$ 865	\$ 875

Hears and determines all claims against the Commonwealth arising from contracts that involve amounts in excess of \$300. On October 5, 1978 by an Act of the Legislature the Board of Claims was created. It was formerly known as the Board of Arbitration of Claims.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Board of Claims	<u>\$ 757</u>	<u>\$ 865</u>	<u>\$ 875</u>

^aFor 1984-85 actually appropriated as \$17,345,000 for the Auditor General's Office, and \$1,822,000 for Auditor General's Office—Scranton and \$4,951,000 for Public Assistance Audits.

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
Insurance Premium — Police Retirement'	\$ 55,710	\$ 60,000	\$ 65,000
Audit — Police Retirement'	80	80	80
TOTAL	<u>\$ 55,790</u>	<u>\$ 60,080</u>	<u>\$ 65,080</u>

AUDITOR GENERAL

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Fiscal Management	\$ 19,924	\$ 22,501	\$ 23,209	\$ 24,033	\$ 24,994	\$ 25,994	\$ 27,033
Auditing	19,924	22,501	23,209	24,033	24,994	25,994	27,033
Economic Development of the Disadvantaged and Handicapped	\$ 4,951	\$ 4,729	\$ 4,798	\$ 4,990	\$ 5,190	\$ 5,398	\$ 5,614
Income Maintenance	4,951	4,729	4,798	4,990	5,190	5,398	5,614
Local Government Management .....	.....	.....	.....	.....	\$ 35,000	\$ 35,000	\$ 35,000
Municipal Pension Systems .....	.....	.....	.....	.....	35,000	35,000	35,000
DEPARTMENT TOTAL	<u>\$ 24,875</u>	<u>\$ 27,230</u>	<u>\$ 28,007</u>	<u>\$ 29,023</u>	<u>\$ 65,184</u>	<u>\$ 66,932</u>	<u>\$ 67,647</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 19,924	\$ 22,501	\$ 23,209	\$ 24,033	\$ 24,994	\$ 25,994	\$ 27,033
Federal Funds			865	900	936	973	1,012
Other Funds	62,166	66,572	70,839	76,069	81,309	86,558	91,817
TOTAL	\$ 82,090	\$ 89,073	\$ 94,913	\$ 101,002	\$ 107,239	\$ 113,525	\$ 119,862

Program Analysis

The Auditor General is required by the Fiscal Code to make all audits necessary in connection with the financial affairs of State Government. Each year, the department makes thousands of regular and special post audits of Commonwealth agencies, persons, associations, and corporations to insure money is disbursed legally and properly. Also, the Auditor General examines the accounts of revenue collecting agents to assure that all money due the Commonwealth, totaling several billions of dollars, was reported and transmitted properly. The recommended funding level will continue to support the preparation of Commonwealth financial statements in conformance with Generally Accepted Accounting Principles (GAAP). A joint audit of the General Purpose Financial Statements of the Commonwealth is being performed by the Auditor General and

an independent certified public accounting firm. For June 30, 1986, an audit of the General Purpose Financial Statements and the supporting, combining and individual fund financial statements will be performed. Also included in this subcategory are funds to support the transition of the Governor's Office in the amount of \$100,000.

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

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

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Auditor General's Office	\$ 19,167	\$ 21,636	\$ 22,234	\$ 23,123	\$ 24,048	\$ 25,010	\$ 26,010
Board of Claims	757	865	875	910	946	984	1,023
Transition — Governor's Office			100				
GENERAL FUND TOTAL	\$ 19,924	\$ 22,501	\$ 23,209	\$ 24,033	\$ 24,994	\$ 25,994	\$ 27,033

Income Maintenance

OBJECTIVE: To conduct audits of public assistance payments to determine the eligibility of persons receiving public assistance grants.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 4,951	\$ 4,729	\$ 4,798	\$ 4,990	\$ 5,190	\$ 5,398	\$ 5,614

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 1984-85 fiscal year, shows that the Auditor General reviewed 14,353 cases. The cases audited covered approximately 5 percent of the statewide case load and, of those, 2.7 percent were found to be totally or partially ineligible.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Auditor General's Office	\$ 4,951	\$ 4,729	\$ 4,798	\$ 4,990	\$ 5,190	\$ 5,398	\$ 5,614

Municipal Pension Systems

OBJECTIVE: To assist municipal pension systems through loans and disbursement of annual supplemental state assistance.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 35,000	\$ 35,000	\$ 35,000

Program Analysis:

In late 1984, the General Assembly passed Act 205 known as the Municipal Pension Plan Funding Standard and Recovery Act. The enactment of this legislation was in response to the solvency problems facing many of the Commonwealth's municipal pension systems. The act requires the submission of municipal pension plan actuarial reports to the Public Employee Retirement Study Commission (PERSC) every two years and establishes criteria for the determination of actuarial soundness and the amount of state financed support that will be provided.

The Auditor General is basically responsible for audits of municipal pension funds for non-uniformed employes where municipalities choose to allocate state aid to those funds. The municipal pension plans for non-uniformed employes total approximately 1,300. Beginning in July 1985,

the Auditor General will become responsible for administration of the Supplemental State Assistance Account which will, from July 1985 to December 1988, contain portions of the proceeds of the Foreign Casualty Premium Tax previously paid to the State Employees Retirement Board. That initial funding will be immediately available for loans to municipalities in imminent danger of defaulting on the obligations of their pension plans.

Beginning in December 1988, the Auditor General will also be responsible for disbursement of supplemental state assistance to distressed municipal pension systems based on certified state assistance amounts provided by PERSC. This assistance to distressed systems will be provided through a General Fund appropriation of up to \$35.0 million and will continue for up to 15 years.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Municipal Pension Systems	\$ 35,000	\$ 35,000	\$ 35,000

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)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
State Treasurer's Office	\$ 12,046	\$ 12,617	\$ 12,841
Transition—Auditor General	44	.....	.....
Board of Finance and Revenue	818	945	928
Council of State Governments	106	108	115
Great Lakes Commission	24	28	28
Publishing Monthly Statements	28	33	33
Replacement Checks	187	100	100
National Conference of State Legislatures	126	127	125
Education Commission of the States	55	57	61
Advisory Commission on Intergovernmental Relations	4	4	9
National Governor's Association	83	92	102
Coalition of Northeast Governors	50	50	59
Northeast-Midwest Institute	40	42	48
National Center for State Courts	100	.....	.....
Governmental Accounting Standards Board	36	36	37
Subtotal	<u>\$ 13,747</u>	<u>\$ 14,239</u>	<u>\$ 14,486</u>
Debt Service Requirements			
Interest Obligations — Penn State University .....	.....	\$ 16	\$ 16
Loan and Transfers Agent	\$ 122	228	228
Tax Note Expenses	125	168	268
Commercial Paper Costs .....	.....	600	600
Interest on Tax Anticipation Notes	30,979	41,900	25,000
General Obligation Debt Service	262,537	311,477	314,790
Subtotal	<u>\$ 293,763</u>	<u>\$ 354,389</u>	<u>\$ 340,902</u>
Grants and Subsidies			
Law Enforcement Officers' Death Benefit	\$ 450	\$ 500	\$ 500
Subtotal	<u>\$ 450</u>	<u>\$ 500</u>	<u>\$ 500</u>
TOTAL STATE FUNDS	<u>\$ 307,960</u>	<u>\$ 369,128</u>	<u>\$ 355,888</u>
Augmentations	\$ 1,114	\$ 1,225	\$ 1,004
GENERAL FUND TOTAL	<u>\$ 309,074</u>	<u>\$ 370,353</u>	<u>\$ 356,892</u>
Motor License Fund			
General Government			
Replacement Checks	\$ 8	\$ 60	\$ 60
Refunding Liquid Fuel Tax — Agricultural Use	3,368	4,200	4,200
Refunding Liquid Fuel Tax — State Share	142	300	350
Refunding Emergency Liquid Fuel Tax .....	.....	1	1
Refunding Liquid Fuel Tax — Political Subdivision Use	1,606	2,100	2,200
Administration of Refunding Liquid Fuel Tax	177	233	241
Refunding Liquid Fuel Tax — Volunteer Fire Companies, Am- bulance Services and Rescue Squads	110	150	160
Refunding Marine Liquid Fuel Tax — Boating Fund	1,100	1,750	1,750
Subtotal	<u>\$ 6,511</u>	<u>\$ 8,794</u>	<u>\$ 8,962</u>

TREASURY DEPARTMENT

Summary by Fund and Appropriation (continued)

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available		1986-87 Budget
Motor License Fund (continued)				
Debt Service Requirements				
Capital Debt — Transportation Projects	\$ 165,346	\$ 165,031		\$ 164,912
Capital Debt — General State Authority	498	498		529
Advance Construction Interstate—Interest .....	.....	60		2,130
Loan and Transfer Agent	85	186		135
Subtotal	\$ 165,929	\$ 165,775		\$ 167,706
TOTAL STATE FUNDS	\$ 172,440	\$ 174,569		\$ 176,668
Restricted Revenue	\$ 28	\$ 28		\$ 2,833
MOTOR LICENSE FUND TOTAL	\$ 172,468	\$ 174,597		\$ 179,501
 Banking Department Fund				
General Government				
Replacement Checks .....	.....	\$ 5		\$ 5
BANKING DEPARTMENT FUND TOTAL .....	.....	\$ 5		\$ 5
 Boating Fund				
General Government				
Replacement Checks .....	.....	\$ 5		\$ 5
BOATING FUND TOTAL .....	.....	\$ 5		\$ 5
 Fair Fund				
General Government				
Replacement Checks .....	.....	\$ 10		.....
FAIR FUND TOTAL .....	.....	\$ 10		.....
 Farm Products Show Fund				
General Government				
Replacement Checks .....	.....	\$ 5		\$ 5
FARM PRODUCTS SHOW FUND TOTAL .....	.....	\$ 5		\$ 5
 Fish Fund				
General Government				
Replacement Checks	\$ 1	\$ 5		\$ 5
FISH FUND TOTAL	\$ 1	\$ 5		\$ 5

TREASURY DEPARTMENT

Summary by Fund and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Game Fund			
General Government			
Replacement Checks .....	.....	\$ 6	\$ 6
GAME FUND TOTAL	<u>.....</u>	<u>\$ 6</u>	<u>\$ 6</u>
Lottery Fund			
General Government			
Replacement Checks	\$ 8	\$ 20	\$ 20
LOTTERY FUND TOTAL	<u>\$ 8</u>	<u>\$ 20</u>	<u>\$ 20</u>
Milk Marketing Fund			
General Government			
Replacement Checks .....	.....	\$ 5	\$ 5
Refund Milk Marketing Licenses and Fees .....	.....	5	5
MILK MARKETING FUND TOTAL	<u>.....</u>	<u>\$ 10</u>	<u>\$ 10</u>
Racing Fund			
General Government			
Replacement Checks .....	.....	\$ 10	\$ 10
RACING FUND TOTAL	<u>.....</u>	<u>\$ 10</u>	<u>\$ 10</u>
Department Total — All Funds			
General Fund	\$ 307,960	\$ 369,128	\$ 355,888
Special Funds	172,449	174,645	176,734
Augmentations	1,114	1,225	1,004
Restricted Revenue	28	28	2,833
SUBTOTAL ALL FUNDS	<u>\$ 481,551</u>	<u>\$ 545,026</u>	<u>\$ 536,459</u>
Other Funds	\$ 56	\$ 34	.....
TOTAL ALL FUNDS	<u>\$ 481,607</u>	<u>\$ 545,060</u>	<u>\$ 536,459</u>

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Pennsylvania Economic Revitalization Fund			
Expenses for Issuing Bonds	\$ 56	\$ 34	.....
DEPARTMENT TOTAL	<u>\$ 56</u>	<u>\$ 34</u>	<u>.....</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Treasurer's Office			
State Funds	\$ 12,090	\$ 12,617	\$ 12,841
Augmentations	1,114	1,225	1,004
TOTAL	<u>\$ 13,204</u>	<u>\$ 13,842</u>	<u>\$ 13,845</u>

Receives and deposits all monies of the Commonwealth, disburses those monies, and invests surplus monies of operating funds. Audits the disbursement records and checks for public assistance payments, maintains the accounting controls for the allocation of funds and disburses all checks to recipients of those payments.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
State Treasurer's Office	\$ 12,046	\$ 12,617	\$ 12,841
Transition—Auditor General	44	.....	.....
Augmentations:			
Expenses — Unemployment Compensation Disbursements	1,084	1,225	1,004
Fees — Federal Savings Bonds	28	.....	.....
Sale of Automobiles	2	.....	.....
TOTAL	<u>\$ 13,204</u>	<u>\$ 13,842</u>	<u>\$ 13,845</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Board of Finance and Revenue			
State Funds	\$ 818	\$ 945	\$ 928

Reviews settlements made with persons, associations, or corporations by the Departments of Revenue, Auditor General and Treasury. Hears and determines petitions for monies to which the Commonwealth may not be legally entitled.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Board of Finance and Revenue	<u>\$ 818</u>	<u>\$ 945</u>	<u>\$ 928</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Council of State Governments			
State Funds	\$ 106	\$ 108	\$ 115

Promotes interstate progress, interstate cooperation and Federal-State relations through a council, composed of representatives from all the states.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Council of State Governments	<u>\$ 106</u>	<u>\$ 108</u>	<u>\$ 115</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Development, Utilization and Regulation of Water Resources			
State Funds	\$ 24	\$ 28	\$ 28

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)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Great Lakes Commission	<u>\$ 24</u>	<u>\$ 28</u>	<u>\$ 28</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Publishing Monthly Statements			
State Funds	\$ 28	\$ 33	\$ 33

Provides for publishing statements of the General Fund and other funds of the Commonwealth.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Publishing Monthly Statements	<u>\$ 28</u>	<u>\$ 33</u>	<u>\$ 33</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Replacement Checks			
State Funds	\$ 187	\$ 100	\$ 100

Provides for issuance of replacement checks in lieu of outstanding checks too old when presented and to adjust errors.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 187</u>	<u>\$ 100</u>	<u>\$ 100</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
National Conference of State Legislatures			
State Funds	\$ 126	\$ 127	\$ 125

Assists in the promotion of interstate progress and cooperation through the National Conference of State Legislatures.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
National Conference of State Legislatures	<u>\$ 126</u>	<u>\$ 127</u>	<u>\$ 125</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Education Commission of the States			
State Funds	\$ 55	\$ 57	\$ 61

Assists in the promotion of education, through the Education Commission of the States.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Education Commission of the States	<u>\$ 55</u>	<u>\$ 57</u>	<u>\$ 61</u>

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Advisory Commission on Intergovernmental Relations			
State Funds	\$ 4	\$ 4	\$ 9

Promotes Federal, State and local relations projects including revenue/tax issues, reducing Federal regulation of state-local governments and block grant implementation. This interstate organization is composed of representatives from most states.

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Advisory Commission on Intergovernmental Relations.....	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 9</u>

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
National Governors' Association			
State Funds	\$ 83	\$ 92	\$ 102

Comprised of governors from America's fifty states and its territories, this association serves as the principle organization for coordinating ideas on programs, budgets, governmental techniques and general information concerning the states in liaison with the Congress and the Executive Branch of Government.

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
National Governors' Association.....	<u>\$ 83</u>	<u>\$ 92</u>	<u>\$ 102</u>

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Coalition of Northeastern Governors			
State Funds	\$ 50	\$ 50	\$ 59

Promotes Federal and State cooperation through a Congressional Coalition comprised of 212 bipartisan Congressman from 17 states of the Northeast—Midwest region to further regional development policy and inform its members about regional implications of Federal policies.

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Coalition of Northeastern Governors	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ 59</u>

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Northeast—Midwest Institute			
State Funds	\$ 40	\$ 42	\$ 48

Comprised of governors from America's northeastern states, this organization was established to bring together representatives from the public, private and labor sectors to focus on major issues of concern to the Northeast.

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Northeast—Midwest Institute	<u>\$ 40</u>	<u>\$ 42</u>	<u>\$ 48</u>

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
National Center for State Courts			
State Funds	\$ 100	.....	.....

Assists in funding a research and resource center for use by all State judicial systems.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriation:			
National Center for State Courts	<u>\$ 100</u>	<u>.....</u>	<u>.....</u>

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Governmental Accounting Standards Board			
State Funds	\$ 36	\$ 36	\$ 37

Provides guidance and establishes standards to promote uniformity and comparability in governmental accounting and financial reporting.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Governmental Accounting Standards Board	<u>\$ 36</u>	<u>\$ 36</u>	<u>\$ 37</u>

DEBT SERVICE REQUIREMENTS

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Financing Commonwealth Obligations			
State Funds	\$ 293,763	\$ 354,389	\$ 340,902

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)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Interest Obligations — Penn State University .....	. . . .	\$ 16	\$ 16
Loan and Transfer Agents	122	228	228
Tax Note Expenses	125	168	268
General Obligation Debt Service	262,537	311,477	314,790
Executive Authorization:			
Interest on Tax Anticipation Notes	30,979	41,900	25,000
Commercial Paper Costs .....	. . . .	600	600
TOTAL	<u>\$ 293,763</u>	<u>\$ 354,389</u>	<u>\$ 340,902</u>

GRANTS AND SUBSIDIES

Law Enforcement Officers Death Benefits	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 450	\$ 500	\$ 500

Provides payments for death benefits to the surviving spouse or children of firemen or law enforcement officers killed while on duty.

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Law Enforcement Officers Death Benefits	<u>\$ 450</u>	<u>\$ 500</u>	<u>\$ 500</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Board of Finance and Revenue Administration			
State Funds	\$ 6,511	\$ 8,794	\$ 8,962

Composed of five members, three of whom shall constitute a quorum, the Board is concerned generally with the approval and payment of claims against the Commonwealth for funds improperly or illegally paid into the State Treasury and with the payment of approved refund claims for taxes on liquid fuels used for agricultural purposes within the State, and provides for the reimbursement of marine fuels taxes as required by Act 65 of June 15, 1969. Act 78 of 1982 transferred the responsibility for making certain refunds from Treasury to the Department of Revenue.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Replacement Checks	\$ 8	\$ 60	\$ 60
Refunding Liquid Fuel Tax — Agricultural Use	3,368	4,200	4,200
Refunding Liquid Fuel Tax — State Share	142	300	350
Refunding Emergency Liquid Fuel Tax	1	1	1
Refunding Liquid Fuel Tax — Political Subdivision Use	1,606	2,100	2,200
Administration of Refunding Liquid Fuel Tax	177	233	241
Refunding Liquid Fuel Tax — Volunteer Services	110	150	160
Refunding Marine Liquid Fuel Tax — Boating Fund	1,100	1,750	1,750
 TOTAL	 <u>\$ 6,511</u>	 <u>\$ 8,794</u>	 <u>\$ 8,962</u>

DEBT SERVICE REQUIREMENTS

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Financing Commonwealth Obligations			
State Funds	\$ 165,929	\$ 165,775	\$ 167,706
Restricted Revenue ^a	28	28	2,833
TOTAL	<u>\$ 165,957</u>	<u>\$ 165,803</u>	<u>\$ 170,539</u>

Provides for interest and principal payments on general obligation bonds issued for highway purposes. Also provides for interest and expenses of issuing tax anticipation notes used to preserve the cash balance in the Motor License Fund, and for the loan and transfer agents.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Capital Debt — Highway Projects	\$ 165,346	\$ 165,031	\$ 164,912
Capital Debt — Public Improvement Projects	498	498	529
Advance Construction Interstate—Interest Payments .....	. . . .	60	2,130
Loan and Transfer Agent	85	186	135
Restricted Revenue			
Capital Debt — Aviation	28	28	2,833
TOTAL	<u>\$ 165,957</u>	<u>\$ 165,803</u>	<u>\$ 170,539</u>

^aAppropriation From Restricted Revenue Account.

**BANKING DEPARTMENT FUND
GENERAL GOVERNMENT**

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Replacement Checks			
State Funds	\$ 5	\$ 5

Provides for the issuance of checks to replace those lost or too old to cash.

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
<i>Source of Funds</i>			
Appropriation:			
Replacement Checks	<u>.....</u>	<u>\$ 5</u>	<u>\$ 5</u>

**BOATING FUND
GENERAL GOVERNMENT**

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Replacement Checks			
State Funds	\$ 5	\$ 5

Provides for the issuance of checks to replace those lost or too old to cash.

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
<i>Source of Funds</i>			
Appropriation:			
Replacement Checks	<u>.....</u>	<u>\$ 5</u>	<u>\$ 5</u>

**FAIR FUND
GENERAL GOVERNMENT**

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Replacement Checks			
State Funds	\$ 10	.....

Provides for the issuance of checks to replace those lost or too old to cash.

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 10</u>	<u>.....</u>

**FARM PRODUCTS SHOW FUND
GENERAL GOVERNMENT**

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Replacement Checks			
State Funds	\$ 5	\$ 5

Provides for the issuance of checks to replace those lost or too old to cash.

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 5</u>	<u>\$ 5</u>

**FISH FUND
GENERAL GOVERNMENT**

	1984-85	(Dollar Amounts in Thousands) 1985-86	1986-87
	Actual	Available	Budget
Replacement Checks			
State Funds	\$ 1	\$ 5	\$ 5

Provides for the issuance of checks to replace those lost or too old to cash.

	1984-85	(Dollar Amounts in Thousands) 1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 1</u>	<u>\$ 5</u>	<u>\$ 5</u>

**GAME FUND
GENERAL GOVERNMENT**

	1984-85	(Dollar Amounts in Thousands) 1985-86	1986-87
	Actual	Available	Budget
Replacement Checks			
State Funds	\$ 6	\$ 6

Provides for the issuance of checks to replace those lost or too old to cash.

	1984-85	(Dollar Amounts in Thousands) 1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>.....</u>	<u>\$ 6</u>	<u>\$ 6</u>

**LOTTERY FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Replacement Checks			
State Funds	\$ 8	\$ 20	\$ 20

Provides for the issuance of checks to replace those lost or too old to cash. Also enables the Commonwealth to refund those monies to which it is not legally entitled.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 8</u>	<u>\$ 20</u>	<u>\$ 20</u>

**MILK MARKETING FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Replacement Checks and Refund Checks			
State Funds	\$ 10	\$ 10	\$ 10

Provides for the issuance of checks to replace those lost or too old to cash. Also provides for refund checks when an excess or duplicate fee is incorrectly paid.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Replacement Checks	\$ 5	\$ 5	\$ 5
Executive Authorization:			
Refund Milk Marketing Licenses and Fees	5	5	5
TOTAL	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 10</u>

**RACING FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Replacement Checks			
State Funds	\$ 10	\$ 10

Provides for the issuance of checks to replace those lost or too old to cash.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
<i>Source of Funds</i>			
Appropriation:			
Replacement Checks	<u>. . . .</u>	<u>\$ 10</u>	<u>\$ 10</u>

TREASURY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Fiscal Management	\$ 16,121	\$ 18,873	\$ 19,173	\$ 19,585	\$ 20,013	\$ 20,457	\$ 20,920
Disbursement.....	16,121	18,873	19,173	19,585	20,013	20,457	20,920
Economic Development of the Disadvantaged and Handicapped	\$ 3,944	\$ 4,159	\$ 4,224	\$ 4,373	\$ 4,528	\$ 4,689	\$ 4,857
Income Maintenance	3,944	4,159	4,224	4,373	4,528	4,689	4,857
Financing Commonwealth Obligations	\$ 459,720	\$ 520,197	\$ 508,641	\$ 568,822	\$ 607,635	\$ 631,185	\$ 638,879
Debt Service	459,720	520,197	508,641	568,822	607,635	631,185	638,879
Improving Interstate Cooperation	\$ 600	\$ 516	\$ 556	\$ 556	\$ 556	\$ 556	\$ 556
Interstate Relations	600	516	556	556	556	556	556
Natural Resource Development and Management	\$ 24	\$ 28	\$ 28	\$ 28	\$ 28	\$ 28	\$ 28
Development, Utilization and Regulation of Water Resources	24	28	28	28	28	28	28
DEPARTMENT TOTAL	<u>\$ 480,409</u>	<u>\$ 543,773</u>	<u>\$ 532,622</u>	<u>\$ 593,364</u>	<u>\$ 632,760</u>	<u>\$ 656,915</u>	<u>\$ 665,240</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 9,601	\$ 10,003	\$ 10,145	\$ 10,547	\$ 10,965	\$ 11,399	\$ 11,851
Special Funds	6,520	8,870	9,028	9,038	9,048	9,058	9,069
Other Funds	1,114	1,225	1,004	1,044	1,086	1,129	1,174
TOTAL	\$ 17,235	\$ 20,098	\$ 20,177	\$ 20,629	\$ 21,099	\$ 21,586	\$ 22,094

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Disbursements issued	10,100,709	10,200,000	10,200,000	N/A	N/A	N/A	N/A
Interest earned on investments:							
General Fund	\$ 64,057	\$ 54,200	\$ 50,500	N/A	N/A	N/A	N/A
Motor Fund	22,458	23,610	14,540	N/A	N/A	N/A	N/A
TOTAL	\$ 86,515	\$ 77,810	\$ 65,040	N/A	N/A	N/A	N/A

Program Analysis:

The Treasury Department is required by statute to receive and deposit all monies of the Commonwealth; to invest in short-term securities any Commonwealth monies which accumulate beyond the daily needs of the various funds; to manage to the best possible advantage all securities in its custody; to preaudit all requisitions for the expenditure of funds; and to disburse all State monies upon proper authorization to those entitled to receive payment. In this connection the State Treasury is responsible for the receipt, custody and disbursement of several billions of dollars each year.

The addition of the direct deposit system has greatly reduced the number of checks issued but the number of total disbursements whether by check or direct deposit remains

high and is now included in the program measure.

The State Treasurer is also Chairman of the Board of Finance and Revenue and serves as a member of the General State Authority, various public retirement boards, the State Highway and Bridge Authority and several other important boards and commissions.

The Board of Finance and Revenue operates within this program by reviewing and deciding appeals concerning settlements made between the Commonwealth and persons, associations and corporations. The Board also administers the program for refunding certain monies to which the Commonwealth is not legally entitled. Also included within this subcategory are funds for the transition costs of the Auditor General.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
State Treasurers' Office	\$ 8,552	\$ 8,958	\$ 9,117	\$ 9,482	\$ 9,861	\$ 10,255	\$ 10,665
Board of Finance and Revenue	818	945	928	965	1,004	1,044	1,086
Replacement Checks	187	100	100	100	100	100	100
Transition—Auditor General	44	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 9,601	\$ 10,003	\$ 10,145	\$ 10,547	\$ 10,965	\$ 11,399	\$ 11,851

Disbursement (continued)
Program Costs by Appropriation (continued)

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
MOTOR LICENSE FUND							
Replacement Checks	\$ 8	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60
Refunding Liquid Fuels Tax-Agricultural Use	3,368	4,200	4,200	4,200	4,200	4,200	4,200
Refunding Liquid Fuels Tax-State Share ..	142	300	350	350	350	350	350
Refunding Liquid Fuel Tax-Political Subdivisions	1,606	2,100	2,200	2,200	2,200	2,200	2,200
Administration of Refunding Liquid Fuel Tax	177	233	241	251	261	271	282
Refunding Liquid Fuel Tax-Volunteer Services	110	150	160	160	160	160	160
Refunding Marine Liquid Fuel Tax-Boating Fund	1,100	1,750	1,750	1,750	1,750	1,750	1,750
Refunding Emergency Liquid Fuels Tax ..	1	1	1	1	1	1	1
MOTOR LICENSE FUND TOTAL ...	\$ 6,511	\$ 8,794	\$ 8,962	\$ 8,972	\$ 8,982	\$ 8,992	\$ 9,003
BANKING DEPARTMENT FUND							
Replacement Checks	5	5	5	5	5	5	5
BOATING FUND							
Replacement Checks	5	5	5	5	5	5	5
FAIR FUND							
Replacement Checks	10						
FARM PRODUCTS SHOW FUND							
Replacement Checks	5	5	5	5	5	5	5
FISH FUND							
Replacement Checks	1	5	5	5	5	5	5
GAME FUND							
Replacement Checks	6	6	6	6	6	6	6
LOTTERY FUND							
Replacement Checks	8	20	20	20	20	20	20
RACING FUND							
Replacement Checks	10	10	10	10	10	10	10
MILK MARKETING FUND							
Replacement Checks	5	5	5	5	5	5	5
Refunding Milk Marketing Licenses and Fees	5	5	5	5	5	5	5
MILK MARKETING FUND TOTAL ...	10	10	10	10	10	10	10

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 3,944	\$ 4,159	\$ 4,224	\$ 4,373	\$ 4,528	\$ 4,689	\$ 4,857

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Average monthly number of persons receiving cash grants	699,600	696,100	696,500	700,000	703,500	707,000	710,500

Program Analysis:

The Treasury Department audits the disbursement records, maintains accounting controls, and disburses all checks to recipients of Public Assistance. Approximately 31,650 Public Assistance checks are processed each working day for distribution to the recipients. This processing includes preauditing, collating, authenticating and mailing the checks to individual recipients and banks.

The Direct Delivery system distributes checks through participating banks. There are presently 356 banks which distribute approximately 21,408 checks daily. The system is in effect in Philadelphia, Pittsburgh, Harrisburg, Chester, Norristown, Bristol, Bethlehem, Erie, Scranton, Lancaster, Allentown, Marcus Hook, Reading and York. This program has reduced substantially the number of lost, stolen and

forged checks. Information from the Department of Public Welfare shows that since the program began there has been over a fifty percent reduction of replacement checks in Philadelphia, Allegheny, Dauphin and Delaware counties and a reduction of ten percent in the remaining counties covered by the Direct Delivery system.

Under the provisions of Act 101 of 1976 the Treasury Department is required to pay \$25,000 in death benefits to the surviving spouse or children of firemen or law enforcement officers of the Commonwealth killed in the performance of their duties and to reimburse political subdivisions for such payment made to survivors of their firemen or law enforcement officers.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
State Treasurer's Office	\$ 3,494	\$ 3,659	\$ 3,724	\$ 3,873	\$ 4,028	\$ 4,189	\$ 4,357
Law Enforcement Officers' Death Benefits	450	500	500	500	500	500	500
GENERAL FUND TOTAL	\$ 3,944	\$ 4,159	\$ 4,224	\$ 4,373	\$ 4,528	\$ 4,689	\$ 4,857

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 293,791	\$ 354,422	\$ 340,935	\$ 387,494	\$ 424,104	\$ 453,373	\$ 472,438
Special Funds	165,929	165,775	167,706	181,328	183,531	177,812	166,441
Augmentations	84	62	2,833	12,514	24,376	28,166	27,266
TOTAL	\$ 459,804	\$ 520,259	\$ 511,474	\$ 581,336	\$ 632,011	\$ 659,351	\$ 666,145

Program Analysis:

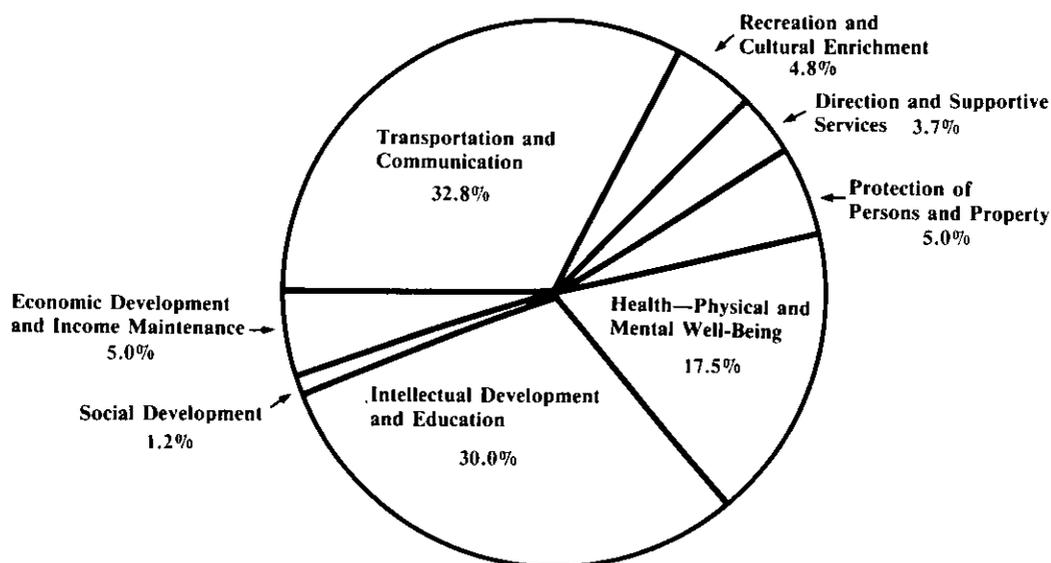
The Commonwealth, through the Treasury Department, is obligated to meet the principal and interest requirements and other expenses related to debt service.

Long-term bonds are issued by the State to cover the cost of financing public improvements which are needed at an early date but represent such a heavy financial burden that they cannot be funded through current revenues. These bond issues have provided funds over the years for projects such as the acquisition and development of public recreation and historic sites and facilities; the payment of compensation

to veterans of the Vietnam Conflict; relief for victims of disasters; accomplishing economic revitalization efforts; and a wide variety of construction and renovation projects including hospitals, higher education facilities, State parks, flood control, correctional institutions, and various public buildings. Debt service also provides funds to bring nursing homes up to the standards of the State Life Safety Code.

The following chart reflects the major programs which have benefited from Commonwealth bond expenditures.

1986-87
**DISTRIBUTION OF DEBT SERVICE BY MAJOR PROGRAM
 GENERAL FUND AND MOTOR FUND**



Debt Service (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Publishing Monthly Statements	\$ 28	\$ 33	\$ 33	\$ 33	\$ 33	... 33	\$ 33
Interest Obligations—Penn State							
University .....	...	16	16	16	16	16	16
Loan and Transfer Agents	122	228	228	228	228	228	228
Tax Note Expenses	125	168	268	268	268	268	268
Commercial Paper Cost .....	...	600	600	600	600	600	600
Interest-tax Notes	30,979	41,900	25,000	25,000	25,000	25,000	25,000
General Obligation-Debt Service	262,537	311,477	314,790	361,349	397,959	427,228	446,293
GENERAL FUND TOTAL	\$ 293,791	\$ 354,422	\$ 340,935	\$ 387,494	\$ 424,104	\$ 453,373	\$ 472,438
MOTOR LICENSE FUND							
Capital Debt-Transportation Projects....	\$ 165,346	\$ 165,031	\$ 164,912	\$ 164,998	\$ 165,051	\$ 165,066	\$ 165,075
Capital Debt-Public Improvement							
Projects	498	498	529	1,225	1,245	1,231	1,231
Advance Construction Interstate—							
Interest .....	...	60	2,130	14,790	17,100	11,380	...
Loan and Transfer Agent	85	186	135	135	135	135	135
MOTOR LICENSE FUND TOTAL...	\$ 165,929	\$ 165,775	\$ 167,706	\$ 181,328	\$ 183,531	\$ 177,812	\$ 166,441

Interstate Relations

OBJECTIVE: To promote interstate cooperation and progress.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 600	\$ 516	\$ 556	\$ 556	\$ 556	\$ 556	\$ 556

Program Analysis:

Pennsylvania helps promote interstate progress and cooperation through participation in various associations, both regionally and nationally, with other states and other units of government.

The Council on State Governments is composed of representatives from all the states and is concerned with intrastate progress, interstate cooperation and Federal-State relations.

The Education Commission of the States, composed of members from all the states and territories, assists in the needs and promotion of education through interstate cooperation.

The National Conference of State Legislatures assists in the promotion of interstate progress and cooperation through the annual national conference.

The Advisory Commission on Intergovernmental Relations promotes state and local relations projects, including Reserve/Tax issues, reducing Federal regulations of state-local governments, and block grant implementation. This interstate organization is composed of representatives from most states. The National Governors Association, comprised

coordinates ideas on programs, budgets, governmental techniques and general information concerning the states in liaison with the Congress and the Executive Branch of Government.

The Coalition of Northeastern Governors was established to bring together representatives from the public, private and labor sectors to focus on major issues of concern to the Northeast.

The Northeast-Midwest Institute is the research arm for the Congressional Coalition. The Congressional Coalition is comprised of 212 bipartisan Congressman from 17 states of the Northeast-Midwest region to further regional development policy and inform its members about regional implications of Federal policies.

Also included within this subcategory is the National Center for State Courts, a research and resource center for use by all State judicial systems and the Governmental Accounting Standards Board which provides guidance and establishes standards to promote uniformity and comparability in governmental accounting and financial reporting.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Council on State Governments	\$ 106	\$ 108	\$ 115	\$ 115	\$ 115	\$ 115	\$ 115
National Conference of State Legislatures	126	127	125	125	125	125	125
Education Commission of the States	55	57	61	61	61	61	61
National Governors Association	83	92	102	102	102	102	102
Advisory Commission on Intergovernmental Relations	4	4	9	9	9	9	9
Coalition of Northeastern Governors	50	50	59	59	59	59	59
Northeast — Midwest Institute	40	42	48	48	48	48	48
National Center For State Courts	100						
Governmental Accounting Standards Board	36	36	37	37	37	37	37
GENERAL FUND TOTAL	\$ 600	\$ 516	\$ 556	$ 556	$ 556	$ 556	$ 556

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 24	\$ 28	\$ 28	\$ 28	\$ 28	\$ 28	\$ 28

Program Analysis

This program provides for Pennsylvania's share of the cost of the Great Lakes Commission. Established in 1956 to plan and promote a unified and balanced program for the development, use and conservation of the Great Lakes

Basin water resources, this Commission is composed of members from Pennsylvania and other states bordering the Great Lakes.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Great Lakes Commission	\$ 24	\$ 28	\$ 28	\$ 28	\$ 28	\$ 28	\$ 28

Department of Aging

The Department of Aging was created by Act 70, approved June 20, 1978 in order to provide for the consolidation of services for the growing number of senior citizens in Pennsylvania who were receiving services through a variety of programs administered by various departments and agencies.

The department, which came into existence on July 1, 1979, is headed by a Secretary who serves as a cabinet-level advocate for citizens sixty years of age and older.

The department also has the responsibility of providing statewide services to the elderly through the local Area Agencies on Aging. These services include, but are not limited to: nutrition, employment, transportation, domiciliary care, in-home services and long-term care assessment and management. (LAMP).

Additionally, the department is to review and comment on the plans and programs of the Commonwealth which impact on the elderly.

The department also has responsibility for administrative oversight of the pharmaceutical assistance program for senior citizens.

Citizen participation and input is provided through a network including area agency advisory boards, regional councils and the Pennsylvania Council on Aging.

DEPARTMENT OF AGING
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Lottery Fund			
General Government			
General Government Operations	\$ 1,523	\$ 2,370	\$ 2,369
Grants and Subsidies			
Aging Programs	\$ 45,121	\$ 46,638	\$ 50,560
In-Home Services	12,000	14,000	16,000
Pre-Admission In-Home Services	4,615	11,300	12,300
Attendant Care	5,000	5,100	5,400
Senior Center Renovations	10,100	.....	.....
Drug Education"	192	50	50
Alzheimer's Disease .....	.....	500	100
Pharmaceutical Assistance	115,600	100,000	100,000
Subtotal	<u>\$ 192,628</u>	<u>\$ 177,588</u>	<u>\$ 184,410</u>
TOTAL STATE FUNDS — LOTTERY FUND	<u>\$ 194,151</u>	<u>\$ 179,958</u>	<u>\$ 186,779</u>
Federal Funds	\$ 55,352	\$ 55,794	\$ 54,313
Augmentations	249	1,653	1,973
LOTTERY FUND TOTAL	<u>\$ 249,752</u>	<u>\$ 237,405</u>	<u>\$ 243,065</u>
Department Total — All Funds			
Special Funds	\$ 194,151	\$ 179,958	186,779
Federal Funds	55,352	55,794	54,313
Augmentations	249	1,653	1,973
TOTAL ALL FUNDS	<u>\$ 249,752</u>	<u>\$ 237,405</u>	<u>\$ 243,065</u>

**LOTTERY FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 1,523	\$ 2,370	\$ 2,369
Federal Funds	2,348	1,780	1,808
TOTAL	<u>\$ 3,871</u>	<u>\$ 4,150</u>	<u>\$ 4,177</u>

Provides the administrative and support systems for the operation of the statewide senior citizen program.

Provides the overall planning and direction for elderly persons striving to achieve or maintain independent living and a role in community life.

Provides for the operation of the Pennsylvania Council on Aging.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
General Government Operations	\$ 1,523	\$ 2,370	\$ 2,369
Federal Funds:			
Programs for the Aging (III) — Administration	1,173	1,650	1,673
Programs for the Aging (V) — Administration	110	130	135
Training and Discretionary Programs (IV) — Administration...	70	.....	.....
Social Services Block Grant — Administration	995	.....	.....
TOTAL	<u>\$ 3,871</u>	<u>\$ 4,150</u>	<u>\$ 4,177</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Senior Citizen Programs			
State Funds	\$ 77,028	\$ 77,588	\$ 84,410
Federal Funds	53,004	54,014	52,505
Augmentations	249	1,653	1,973
TOTAL	<u>\$ 130,281</u>	<u>\$ 133,255</u>	<u>\$ 138,888</u>

Provides services for senior citizens through a network of 51 Area Agencies on Aging. Services provided include meals, homemaker and chore services, transportation, job development and placement, domiciliary care and the operation of senior centers.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Aging Programs	\$ 45,121	\$ 46,638	\$ 50,560
In-Home Services	12,000	14,000	16,000
Pre-Admission In-Home Services	4,615	11,300	12,300
Attendant Care	5,000	5,100	5,400
Senior Center Renovations	10,100	.....	.....
Drug Education	192	50	50
Alzheimer's Disease .....	.....	500	100
Federal Funds:			
Programs for the Aging (III) — Social Services	41,580	42,000	39,577
Programs for the Aging (V) — Employment	3,483	3,800	3,800
Training and Discretionary Programs (IV)	78	.....	.....
Programs for the Aging — Nutrition	5,300	5,500	6,000
Job Training Partnership Grants to Area Agencies on Aging ...	925	1,062	1,155
Medical Assistance—Pre-Admission Assessment	1,638	1,652	1,973
Augmentations:			
Pre-Admission Assessment	249	1,653	1,973
TOTAL	<u>\$ 130,281</u>	<u>\$ 133,255</u>	<u>\$ 138,888</u>

OTHER SPECIAL FUNDS

AGING

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Pharmaceutical Assistance			
State Funds	\$ 115,600	\$ 100,000	\$ 100,000

Funds are transferred from the Lottery Fund to the Pharmaceutical Assistance Fund to fund payments to pharmacies for the price of prescription drugs reduced by a recipient copayment. Persons over 65 with an income of up to \$12,000 if single or \$15,000 if married are eligible. Also provides for administrative costs of the department and the contractor operating the program.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Transfer to the Pharmaceutical Assistance Fund	<u>\$ 115,600</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>

DEPARTMENT OF AGING

Summary of Agency Program by Category and Subcategory

Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 1,523	\$ 2,370	\$ 2,369	\$ 2,463	\$ 2,562	\$ 2,664	\$ 2,771
Social Development of Individuals	\$ 192,628	\$ 177,588	\$ 184,410	\$ 190,750	\$ 197,350	\$ 204,150	\$ 211,150
Community Services	31,950	22,237	23,575	24,105	24,661	25,152	25,766
Community-Based Long-Term Care	45,078	55,351	60,835	66,645	72,689	78,998	85,384
Pharmaceutical Assistance	115,600	100,000	100,000	100,000	100,000	100,000	100,000
DEPARTMENT TOTAL	<u>\$ 194,151</u>	<u>\$ 179,958</u>	<u>\$ 186,779</u>	<u>\$ 193,213</u>	<u>\$ 199,912</u>	<u>\$ 206,814</u>	<u>\$ 213,921</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	\$ 1,523	\$ 2,370	\$ 2,369	\$ 2,463	\$ 2,562	\$ 2,664	\$ 2,771
Federal Funds	2,395	1,780	1,808	1,815	1,820	1,825	1,830
TOTAL	<u>\$ 3,918</u>	<u>\$ 4,150</u>	<u>\$ 4,177</u>	<u>\$ 4,278</u>	<u>\$ 4,382</u>	<u>\$ 4,489</u>	<u>\$ 4,601</u>

Program Analysis:

General Administration and Support provides administrative and overhead systems which support the operation of programs to achieve Commonwealth and department objectives efficiently and economically.

The administrative costs for the central office, the Council on Aging and its regional councils are included in this subcategory.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
STATE LOTTERY FUND							
General Government Operations	<u>\$ 1,523</u>	<u>\$ 2,370</u>	<u>\$ 2,369</u>	<u>\$ 2,463</u>	<u>\$ 2,562</u>	<u>\$ 2,664</u>	<u>\$ 2,771</u>

Community Services

OBJECTIVE: To enable older persons to continue active and independent lives

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	\$ 31,950	\$ 22,237	\$ 23,575	\$ 24,105	\$ 24,661	\$ 25,152	\$ 25,766
Federal Funds	24,608	24,421	23,566	23,512	23,512	23,512	23,512
TOTAL	\$ 56,558	\$ 46,658	\$ 47,141	\$ 47,617	\$ 48,173	\$ 48,664	\$ 49,278

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Pennsylvanians 60 years and older	2,315,000	2,354,000	2,394,000	2,435,000	2,476,000	2,518,000	2,560,000
Persons receiving assistance:							
Congregate meals (meals served/day)	121,200	127,000	128,000	129,000	130,000	131,000	132,000
Transportation (complete round trips)	82,182	90,400	90,700	91,000	91,300	91,600	91,900
Units of services delivered:							
Congregate meals (meals provided)	7,061,200	7,500,000	7,600,000	7,700,000	7,800,000	7,900,000	8,000,000
Employment Services (unsubsidized job placements)	2,551	2,900	3,000	3,000	3,000	3,000	3,000
Volunteer Services (volunteer hours)	3,089,400	3,100,000	3,150,000	3,200,000	3,250,000	3,300,000	3,350,000
Transportation (one-way passenger trips)	4,143,000	4,542,000	4,575,000	4,600,000	4,625,000	4,650,000	4,675,000

Program Analysis:

During the past several years the Commonwealth has developed a statewide system to assist those senior citizens who generally are in good health yet require some degree of aid or socialization to continue to lead active and independent lives. The 51 Area Agencies on Aging are the hub of this system which serves all 67 counties in the State. This basic delivery system serves all the elderly including those in need of more intensive assistance as described in the subcategory Community Based Long-Term Care Services.

The Area Agencies on Aging provide a wide range of services and activities. The most basic of these is outreach and information which helps to inform senior citizens of the availability of services. The Area Agencies either arrange for or provide a variety of services in the community which are designed to enable the elderly to continue to function independently with a minimal amount of outside support. As Pennsylvania's elderly population continues to grow—by the end of 1986 an estimated 2,394,000 residents will be sixty or more years of age—the Area Agencies on Aging are expected to play an increasingly important role in the provision of services. In fact, the increase in volunteer service hours in 1985-86 compared to estimates made a year ago, seems to suggest the increasing activity at Area Agen-

cies on Aging and the willingness of community members to support these important services.

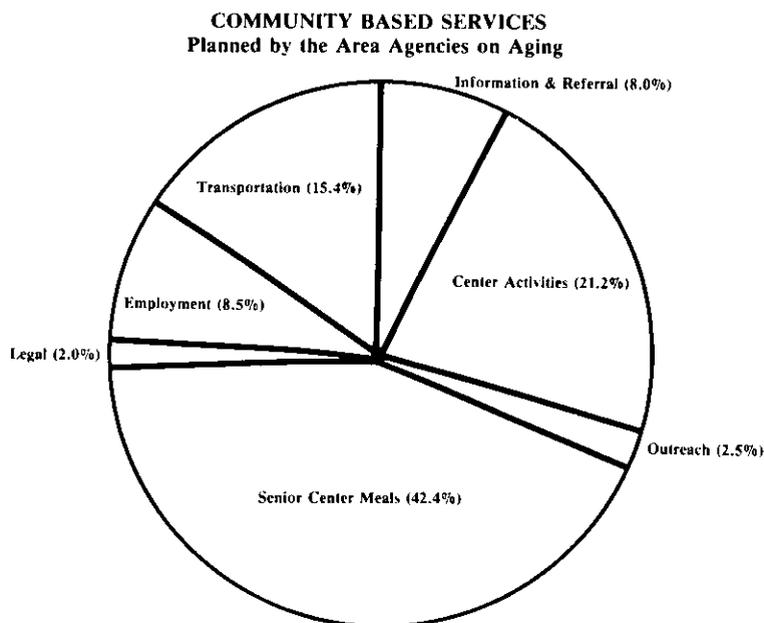
There are more than 500 senior centers in the Commonwealth which provide a full range of socialization and recreation activities, including congregating meals at noon time. Group dining has proved to be a very popular activity. During 1986-87, the senior centers expect to serve about 7.6 million hot and nutritious meals.

Each of the Area Agencies operate a job development and placement program for low income persons aged 55 and above. The major objective of the program is to assist older persons in securing unsubsidized employment in the private sector. In addition, job training and subsidized, part-time employment opportunities in community service work are provided. Job fairs, sponsored by several Area Agencies, have successfully secured employment for many senior citizens.

Frequently, older persons require special access to public and private transportation facilities in order to continue active and independent lives. The Area Agencies on Aging arrange for transportation services to assist the elderly with shopping, visits to the doctor and trips to and from senior centers.

Community Services (continued)

Program Analysis: (continued)



The above graph summarizes the planned activity of the Area Agencies on Aging during 1985-86.

In 1984-85, \$10.1 million was provided on a one-time grant basis for 469 senior centers to make repairs to bring the centers up to acceptable safety standards, increase accessibility for the handicapped, and make general improvements.

A statewide drug education program was designed in 1985 to prevent Pennsylvania's elderly from misusing drugs and medicines. The program consists of: training local service providers to inform older people about drug misuse; distributing thousands of educational brochures; and pro-

viding physicians with a self-study course on elderly-related diseases and effective medications. Several non-government organizations are also involved in the comprehensive drug education project.

An Alzheimer's disease program was developed in 1985-86 with funding of \$500,000. The program consists of education for families of Alzheimer's victims in effective coping strategies and identification of available resources, training for medical and social service providers, and expansion of local support groups. During 1985-86, program materials and information brochures were developed. Funds are provided to continue these public information initiatives.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
STATE LOTTERY FUND							
Aging Programs	\$ 21,658	\$ 21,687	\$ 23,425	\$ 23,955	\$ 24,511	\$ 25,002	\$ 25,616
Senior Center Renovations	10,100	.....	.....	.....	.....	.....	.....
Drug Education	192	50	50	50	50	50	50
Alzheimer's Disease .....	.....	500	100	100	100	100	100
LOTTERY FUND TOTAL	\$ 31,950	\$ 22,237	\$ 23,575	\$ 24,105	\$ 24,661	\$ 25,152	\$ 25,766

Community-Based Long-Term Care Services

OBJECTIVE: To enable older persons to live in their own homes and, where necessary, provide alternative living arrangements.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	\$ 45,078	\$ 55,351	\$ 60,835	\$ 66,645	\$ 72,689	\$ 78,998	\$ 85,384
Federal Funds	28,349	29,593	28,939	29,015	29,118	29,227	29,341
Other Funds	249	1,653	1,973	2,072	2,175	2,284	2,398
TOTAL	\$ 73,676	\$ 86,597	\$ 91,747	\$ 97,732	\$ 103,982	\$ 110,509	\$ 117,123

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Older persons receiving:							
Intensive community long-term care	517	1,700	2,000	2,200	2,400	2,600	2,800
Attendant care services	1,100	1,600	1,700	1,750	1,800	1,850	1,900
Home delivered meals	30,100	32,400	33,000	33,500	34,000	34,500	35,000
Homemaker services	37,700	42,300	42,500	42,700	42,900	43,100	43,300
Units of services delivered:							
Service Management (client hours)	406,000	407,000	408,000	409,000	410,000	411,000	412,000
Homemaker (client hours)	1,912,500	2,241,000	2,265,000	2,300,000	2,350,000	2,400,000	2,450,000
Chore Services (client hours)	196,700	220,000	230,000	240,000	250,000	260,000	270,000
Home delivered meals	3,932,800	4,100,000	4,200,000	4,300,000	4,400,000	4,500,000	4,600,000

Program Analysis:

Most older persons who are unable to care for themselves would prefer to remain in their own homes rather than be placed in an institutional setting such as a nursing home or personal care boarding home. A variety of personal support services have been developed and expanded recently to meet the needs of this growing group of the Commonwealth's senior citizen population.

A pre-admission assessment program for applicants of medical assistance funded nursing homes and State funded community personal care residential living arrangements was implemented on a demonstration basis to provide a comprehensive assessment of the health and social needs of the applicants so that the appropriate level of care may be identified and promptly secured. This program was expanded in the latter half of 1984 and renamed the Long-Term Care Assessment and Management Program (LAMP). In addition to the comprehensive assessments, five million dollars from the Lottery Fund was made available to provide a prescribed community service package of care for those applicants diverted from nursing home placement and funding

was provided for the management and coordination of those services by professional staff.

In 1985-86, LAMP was operational in seven counties (Allegheny, Erie, Luzerne, Wyoming, Philadelphia, Westmoreland, and York). Funding for intensive community long-term care services was increased to \$11.3 million to provide these in-home services to approximately 1,700 persons as an alternative to placement in a nursing home. Recommended funding for 1986-87 provides for over 27,000 assessments; in-home services for 2,000 persons and expansion into new service areas if an evaluation of the program proves LAMP is serving the target population in a quality and cost efficient manner.

Another new in-home service program that was implemented in 1984-85 is attendant care for senior citizens. This program provides personal care services by a specially trained attendant to assist physically disabled persons with key activities of daily living such as eating, dressing, and personal hygiene. The major goals of the program are to help prevent and/or delay institutionalization and reduce

Community-Based Long-Term Care Services (continued)

Program Analysis: (continued)

the cost of long-term care. An estimated 1,700 disabled persons will be receiving these services by the end of the 1986-87 year. The actual number of persons receiving services from this new program is higher than projected before program implementation. Services are expected to continue at this higher level.

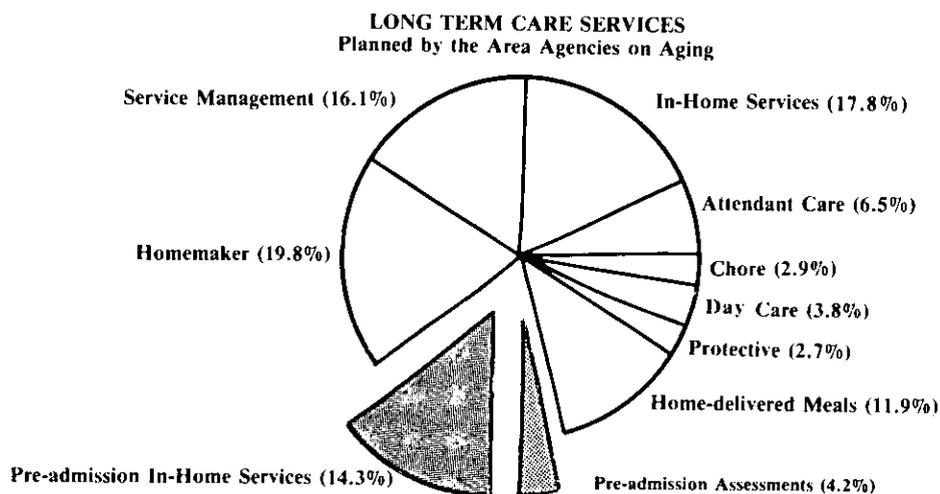
Individualized service management provides specialized assistance to older persons who are in need of multiple services or otherwise require highly personalized, intensive attention to resolve problems or arrange a plan of care. This type of service frequently involves working with family members of older persons to encourage and aid them to care for their elderly relatives. It may also involve the intervention of an attorney to arrange guardianship or prevent exploitation. Also included is therapeutic counseling to help older persons to adjust to role changes or the loss of a spouse.

The most widely utilized in-home service is homemaker service which provides the bed-bound or extremely frail elderly with light housekeeping, laundry and personal

grooming assistance when there is no other responsible person available or capable of providing these services. Approximately 42,500 senior citizens will receive homemaker services in 1986.

Chore services are provided in a similar manner and lend assistance with minor home maintenance tasks such as: replacing window panes, installing safety rails in the bathroom and cutting grass or shoveling snow. These services are provided to maintain the individual's health and safety in the home.

Another major in-home service is home-delivered meals. The disabled or frail elderly are generally unable to prepare adequate meals for themselves and are unable to participate in the group dining program of senior centers. To insure minimum levels of sound nutrition, meals are prepared in a central location and delivered to an individual's home. During 1986-87, over four million home-delivered meals will be served to an estimated 33,000 disabled or frail senior citizens.



The above graph summarizes the Area Agencies on Aging planned activities in the provision of community-based long-term care services during 1985-86.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
LOTTERY FUND							
Aging Programs	\$ 23,463	\$ 24,951	\$ 27,135	\$ 28,145	\$ 29,189	\$ 30,298	\$ 31,384
In-Home Services	12,000	14,000	16,000	18,000	20,000	22,000	24,000
Pre-Admission In-Home Services	4,615	11,300	12,300	14,500	16,500	18,700	21,000
Attendant Care	5,000	5,100	5,400	6,000	7,000	8,000	9,000
LOTTERY FUND TOTAL	\$ 45,078	\$ 55,351	\$ 60,835	\$ 66,645	\$ 72,689	\$ 78,998	\$ 85,384

Pharmaceutical Assistance

OBJECTIVE: To provide assistance to the Commonwealth's elderly citizens who are experiencing difficulties in meeting the costs of prescription drugs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	\$ 115,600	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Persons receiving benefits (end of year)	386,939	430,000	455,000	445,000	438,000	434,000	430,000
Total prescriptions per year	5,576,859	8,820,000	9,458,000	9,366,000	9,272,000	9,180,000	9,087,000
Program Expenditures (in thousands)	\$ 60,932	\$ 108,684	\$ 123,888	\$ 131,335	\$ 138,592	\$ 144,338	\$ 147,681

Program Analysis:

Act 63 of 1983 provides the Department of Aging with Lottery funds for the administration and provision of pharmaceutical assistance benefits for Commonwealth senior citizens.

When the program began on July 1, 1984, Pennsylvania residents who were 65 years of age or over were eligible for benefits if their annual income did not exceed \$9,000 in the case of single individuals or \$12,000 for married couples provided they were not qualified for payment of drugs under any other plan of public assistance or insurance program. Effective April 1, 1985, the annual income level for eligibility was increased to \$12,000 for single persons and \$15,000 for married persons.

Pharmacies are reimbursed for all legend drugs, insulin, insulin syringes, and insulin needles dispensed to senior citizens with a PACE identification card. Prescription size for most drugs is limited to a 30 day supply or 100 doses, whichever is less. Acute drugs are limited to 15 day supply. An eligible recipient must pay the difference in cost between a brand name drug and its generic equivalent drug if the physician permits substitutions and the recipient elects to

purchase the brand name drug. Virtually all of the State's 2,800 pharmacies have elected to participate in the program.

A mandatory \$4.00 co-payment to the pharmacy per prescription is required from eligible recipients. The pharmacy will be reimbursed for the remainder of the drug cost with proceeds from the Lottery Fund. The co-payment may be increased or decreased on an annual basis by the average percent change of ingredient costs for all prescription drugs covered by the program. In addition, the department may adjust the co-payment semiannually based upon the financial experience and projections of the program.

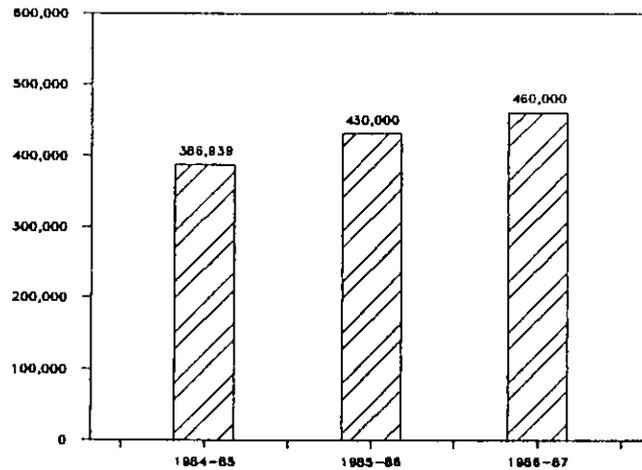
By the end of the program's first year of operation (June 30, 1985), nearly 387,000 senior citizens were enrolled in the program; over 5.5 million reduced price prescriptions were dispensed at a savings to senior citizens of over \$57 million. Program benefits and costs are projected to increase in future years as shown in the program measures above and the graphs on the following page.

A cash flow statement for the Pharmaceutical Assistance fund can be found in the appendix to Volume 1 of this Budget.

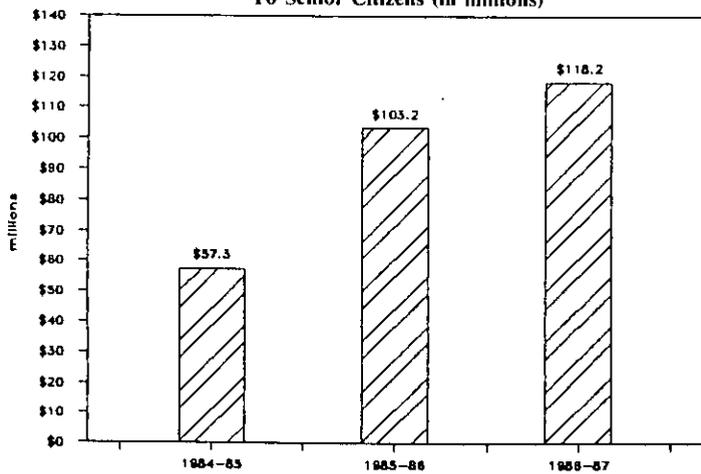
Pharmaceutical Assistance Program (continued)

Program Analysis: (continued)

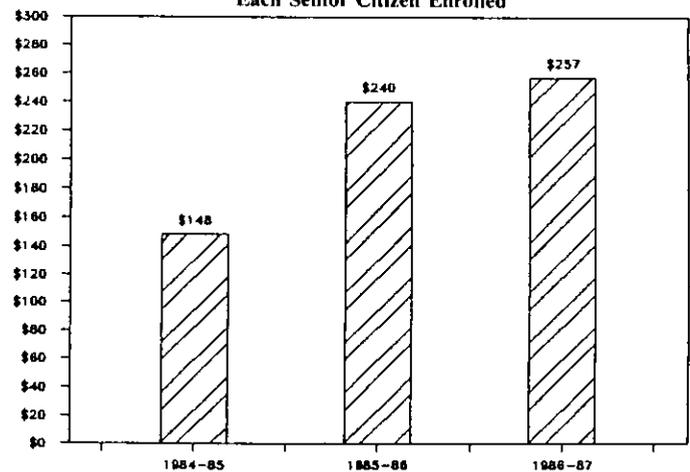
Senior Citizens Receiving Benefits



Annual Prescription Benefits To Senior Citizens (in millions)



Average Annual Benefits For Each Senior Citizen Enrolled



Program Costs by Appropriation:

(Dollar Amounts in Thousands)

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
LOTTERY FUND							
Transfer to Pharmaceutical Assistance Fund	\$ 115,600	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000

Department of Agriculture

The Department of Agriculture carries out activities to ensure wholesome and quality agricultural products for consumers; to expand existing and develop new domestic and foreign markets for Pennsylvania's agricultural products; to develop and encourage proper farming and conservation practices; to prevent, control and eradicate diseases among livestock, poultry and plants; to regulate the conduct of horse racing; and to improve the quality of life in rural Pennsylvania.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1986-87 State Funds (in thousands)
General Fund		
General Government Operations	PII—Agricultural Network	\$ 174 ^a

This Productivity Improvement Initiative would develop an Agricultural Network that would link the regional offices, racetracks and laboratories with the Department's mainframe.

Export Development and Agricultural Promotion	Export Promotion	\$ 300
General Government Operations	Export Promotion	75
	Program Revision Total	<u>\$ 375^b</u>

This Program Revision would provide funds to develop and cultivate the foreign market for Pennsylvania agricultural products.

Racing Fund

Race Horse Testing Laboratory	PII—Contracting Laboratory Services ^a
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This Productivity Improvement Initiative provides for contracting out of laboratory services currently performed.

DEPARTMENT TOTAL	<u>\$ 549</u>
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^aThese are only two of numerous productivity improvement initiatives which are being provided one-time funding to achieve long-term cost savings and efficiency benefits. The entire Program Revision Request is summarized in Volume I.
^bThe total Program Revision for Export Promotion is \$7.4 million. Details are presented in the appendix to the Industrial Development subcategory in the Department of Commerce, and in the Economic Development Thrust presentation in Volume I.

DEPARTMENT OF AGRICULTURE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 16,424	\$ 17,335	\$ 16,605
Poultry Research and Promotion	491	. . . .	. . . .
Subtotal	<u>\$ 16,915</u>	<u>\$ 17,335</u>	<u>\$ 16,605</u>
Grants and Subsidies			
Animal Indemnities	\$ 400	\$ 725	\$ 350
Acid Rain Research .....	. . . .	200	. . . .
Transfer to Farm Products Show Fund	1,000	1,000	1,000
Livestock Show	83	83	83
Open Dairy Show	66	66	66
Junior Dairy Show	28	28	28
4—H Club Shows	33	33	33
Payments to Pennsylvania Fairs	2,500	2,500	2,500
Food Assistance Program	8,000	9,000	1,500
Disease Prevention and Treatment	355	795	669
Agricultural/Animal Research	815	957	1,186
Export Development and Agricultural Promotion	60	310	610
Subtotal	<u>\$ 13,340</u>	<u>\$ 15,697</u>	<u>\$ 8,025</u>
TOTAL STATE FUNDS	<u>\$ 30,255</u>	<u>\$ 33,032</u>	<u>\$ 24,630</u>
Federal Funds	\$ 4,779	\$ 4,566	\$ 4,545
Augmentations	809	892	842
GENERAL FUND TOTAL	<u>\$ 35,843</u>	<u>\$ 38,490</u>	<u>\$ 30,017</u>
Fair Fund			
General Government			
General Operations .....	. . . .	\$ 3	\$ 123
FAIR FUND TOTAL	<u>. . . .</u>	<u>\$ 3</u>	<u>\$ 123</u>
Farm Products Show Fund			
General Government			
General Operations	\$ 1,686	\$ 1,797	\$ 1,798
FARM PRODUCTS SHOW FUND TOTAL	<u>\$ 1,686</u>	<u>\$ 1,797</u>	<u>\$ 1,798</u>

DEPARTMENT OF AGRICULTURE
Summary by Fund and Appropriation
(continued)

	1984-85	(Dollar Amounts in Thousands)	
	Actual	1985-86 Available	1986-87 Budget
Racing Fund			
General Government			
Harness Racing Commission	\$ 2,097	\$ 2,178	\$ 2,199
Horse Racing Commission	2,600	2,893	2,785
Race Horse Testing Laboratory	906	1,029	764
Payments to Pennsylvania Fairs—Administration	216	285	107
Subtotal	<u>\$ 5,819</u>	<u>\$ 6,385</u>	<u>\$ 5,855</u>
Grants and Subsidies			
Transfer to the General Fund	\$ 9,782	\$ 3,379	\$ 2,922
RACING FUND TOTAL	<u>\$ 15,601</u>	<u>\$ 9,764</u>	<u>\$ 8,777</u>
DEPARTMENT TOTAL—ALL FUNDS			
General Fund	\$ 30,255	\$ 33,032	\$ 24,630
Special Funds	17,287	11,564	10,698
Federal Funds	4,779	4,566	4,545
Augmentations	809	892	842
SUBTOTAL ALL FUNDS	<u>\$ 53,130</u>	<u>\$ 50,054</u>	<u>\$ 40,715</u>
Other Funds	\$ 8,914	\$ 15,913	\$ 16,392
TOTAL ALL FUNDS	<u>\$ 62,044</u>	<u>\$ 65,967</u>	<u>\$ 57,107</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 16,915	\$ 17,335	\$ 16,605
Federal Funds	4,779	4,566	4,545
Augmentations	809	892	842
TOTAL	\$ 22,503	\$ 22,793	\$ 21,992

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.

Engages in research and promotional activities for the benefit of both the agrarian and nonagrarian communities.

Also, provides for regulation of the labeling, distribution, transportation, use, application and storage of pesticides.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
General Government Operations	\$ 16,424 ^a	\$ 17,335 ^b	\$ 16,605
Poultry Research and Promotion	491	. . . .	. . . .
Federal Funds:			
Diagnostic Laboratory Services	80	82	82
Food and Drug Administration — Food Sanitation Inspections	163	150	150
Poultry Grading Service	134	144	135
Marketing Services .....	. . . .	25	25
Ornamental Crop Reporting	22	22	22
Pesticide Enforcement, Certification and Training	307	309	279
Medicated Feed Mill Inspection Program	17	18	18
Donated Food-Administrative Expenses	66	100	75
Plant Pest Detection	50	60	36
Household Commodity Program	3,747	3,500	3,500
Pseudorabies Pilot Project	184	153	213
Bacteriological Study	9	3	. . . .
Fruit Tree Improvement .....	. . . .	. . . .	10

^aActually expended as \$16,609,000, however adjustments made to more accurately reflect merging and formation of new Disease Prevention and Treatment appropriation.

^bActually appropriated as \$17,475,000 however, adjustments made to more accurately reflect merging and formation of new Disease Prevention and Treatment appropriation.

GENERAL FUND

AGRICULTURE

<i>Source of Funds (continued)</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Augmentations:			
Feed and Fertilizer Inspection, and Registration, Fees and Fines	\$ 308	\$ 311	\$ 311
Lime Inspection and Registration Fees and Fines	35	39	39
Soil Conditioner Inspection and Registration Fees and Fines	11	8	8
Data Processing Services	1		
Milk Plant Inspections	27	28	28
Fruit Tree Improvement	12	12	12
Donated Food Damage Claims		30	30
Animal Industry Services	8	5	5
Special Conferences and Project	12	9	9
Administrative Services	395	400	400
Chesapeake Bay Project		50	
TOTAL	\$ 22,503	\$ 22,793	\$ 21,992

GRANTS AND SUBSIDIES

Animal Health	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 1,570	\$ 2,477	\$ 2,205

Provides indemnity payments as compensation for diseased or exposed animals which are destroyed to prevent the spread of disease.

Also provides for various research, disease prevention and vaccination programs.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Animal Indemnities	400	225	350
Animal Indemnities — Recommended Supplemental		500	
Disease Prevention and Treatment	355 ^a	795 ^b	669
Agricultural/Animal Research	815 ^c	957 ^d	1,186
TOTAL	\$ 1,570	\$ 2,477	\$ 2,205

^aDisease Prevention and Treatment—Actually expended from separate appropriations as follows: Brucellosis Vaccination Program \$150,000; and \$205,000 funded from a total General Government Operations appropriation of \$16,609,000.

^bDisease Prevention and Treatment—Actually appropriated as separate appropriations as follows: Brucellosis Vaccination Program \$150,000; Livestock Diagnosis \$153,000; Poultry Diagnosis \$169,000; Field Investigation \$183,000; and \$140,000 from a total General Government Operations appropriation of \$17,475,000.

^cAgricultural/Animal Research—Actually expended from separate appropriations as follows: John's Disease \$115,000; Rabies Virus Research \$100,000; and Agricultural Research \$600,000.

^dAgricultural/Animal Research—Actually appropriated as separate appropriations as follows: John's Disease \$115,000; Rabies Virus Research \$110,000; and Agricultural Research \$732,000.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Agribusiness Development			
State Funds	\$ 3,770	\$ 4,220	\$ 4,320

Supports that portion of the Farm Show Activities not covered by Farm Products Show Fund revenues, stimulates the improvement and development of Pennsylvania's agricultural products through competitive shows, farmers' markets, promotion of and development of export markets, and supports Pennsylvania Fair activities.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Acid Rain Research .....	.....	\$ 200	.....
Transfer to Farm Products Show Fund	\$ 1,000	1,000	\$ 1,000
Livestock Show	83	83	83
Open Dairy Show	66	66	66
Junior Dairy Show	28	28	28
4-H Club Shows	33	33	33
Payments to Pennsylvania Fairs	2,500	2,500	2,500
Export Development and Agricultural Promotion	60 ^a	310 ^b	610
TOTAL	<u>\$ 3,770</u>	<u>\$ 4,220</u>	<u>\$ 4,320</u>

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Consumable Agricultural Products			
State Funds	\$ 8,000	\$ 9,000	\$ 1,500

Provides funds for costs incurred in the administration, management and implementation of food programs administered by the Department of Agriculture.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Food Assistance Program	<u>\$ 8,000</u>	<u>\$ 9,000</u>	<u>\$ 1,500</u>

^aActually expended from a separate appropriation entitled Agricultural Promotion \$60,000.

^bActually appropriated as separate appropriations as follows: Agricultural Promotion \$60,000; and Urban Farm Market Promotion \$250,000

**FAIR FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Operations			
State Funds .....	.....	\$ 3	\$ 123
Augmentations	\$ 2,500 ^a	2,500 ^a	.....
TOTAL	<u>\$ 2,500</u>	<u>\$ 2,503</u>	<u>\$ 123</u>

Reimburses local organizations for operating expenses incurred in conducting annual agricultural fairs. Conducts marketing, consumer service and agricultural research programs. If funds are available, provides grants to fairs for capital improvements.

Under the provisions of Act 93 of 1983 the Fair Fund no longer receives monies from racing and the program is supported by a direct appropriation entitled Payments to Pennsylvania Fairs.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Executive Authorization:			
General Operations .....	.....	\$ 3	\$ 123
Augmentations:			
Transfer from General Fund	2,500 ^a	2,500 ^a	.....^b
TOTAL	<u>\$ 2,500</u>	<u>\$ 2,503</u>	<u>\$ 123</u>

^aThe transfer from the General Fund is not carried forward as Augmentations to the Summary by Fund and Appropriation to avoid double counting.
^bFunds are recommended as a direct appropriation, entitled Payments to Pennsylvania Fairs.

**FARM PRODUCTS SHOW FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
General Operations			
State Funds	\$ 1,686	\$ 1,797	\$ 1,798
Augmentations	1,000 ^a	1,000 ^a	1,000 ^a
TOTAL	<u>\$ 2,686</u>	<u>\$ 2,797</u>	<u>\$ 2,798</u>

Stimulates the improvement and development of Pennsylvania's agricultural products by encouraging and staging competitive shows at the State Farm Show Complex. Provides facilities for educational, cultural, religious, sport and other activities of interest to the general public.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Executive Authorization:			
General Operations	\$ 1,686	\$ 1,797	\$ 1,798
Augmentations:			
Transfer from General Fund	1,000 ^a	1,000 ^a	1,000 ^a
TOTAL	<u>\$ 2,686</u>	<u>\$ 2,797</u>	<u>\$ 2,798</u>

**RACING FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Racing Operations			
State Funds	\$ 5,603	\$ 6,100	\$ 5,748

Develops and implements rules, regulations and procedures to insure the public and harness and horse owners of honest and safe competitive pari-mutuel harness and horse racing. Act 93 of 1983 merged the State Harness Racing Fund and the State Horse Racing Fund into the Racing Fund.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Executive Authorizations:			
Harness Racing Commission	\$ 2,097	\$ 2,178	\$ 2,199
Horse Racing Commission	2,600	2,893	2,785
Race Horse Testing Laboratory	906	1,029	764
TOTAL	<u>\$ 5,603</u>	<u>\$ 6,100</u>	<u>\$ 5,748</u>

^aThe transfer from the General Fund is not carried forward as augmentations to the Summary by Fund and Appropriation to avoid double counting.

OTHER SPECIAL FUNDS

AGRICULTURE

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Payments to Pennsylvania Fairs — Administration			
State Funds	\$ 216	\$ 285	\$ 107

Provides for the expenses incurred by the Secretary and the Department of Agriculture in administering the proposed grant program entitled Payments to Pennsylvania Fairs.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Executive Authorization:			
Payments to Pennsylvania Fairs--Administration	<u>\$ 216</u>	<u>\$ 285</u>	<u>\$ 107</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Statutory Transfers			
State Funds	\$ 9,782	\$ 3,379	\$ 2,922

Act 93 of 1983 adjusted the distribution of monies in the Racing Fund. From monies remaining in the Racing Fund after payment of necessary expenses, percentages of the amount wagered as specified are to be credited to the Breeders' Fund and to the Sire Stakes Fund. These funds are listed as separate accounts in the other funds section under the Racing Fund. All remaining monies in the Racing Fund would then be transferred to the General Fund in the subsequent fiscal year.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Executive Authorization:			
Transfer to General Fund	<u>\$ 9,782</u>	<u>\$ 3,379</u>	<u>\$ 2,922</u>

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
Agriculture Farm Operations	\$ 557	\$ 573	\$ 590
Recovery on Lost Commodities	38	30	30
Dog Law Administration	2,959	4,586	5,045
Farm Loan Program	309	200	100
General Fund Total	<u>\$ 3,863</u>	<u>\$ 5,389</u>	<u>\$ 5,765</u>
Racing Fund			
Sire Stakes Fund	\$ 3,108	\$ 3,297	\$ 3,397
Breeders' Fund	1,943	2,227	2,230
State Racing Fund Total	<u>\$ 5,051</u>	<u>\$ 5,524</u>	<u>\$ 5,627</u>
Pennsylvania Economic Revitalization Fund			
Agricultural Loans .....	.....	\$ 5,000	\$ 5,000
DEPARTMENT TOTAL	<u>\$ 8,914</u>	<u>\$ 15,913</u>	<u>\$ 16,392</u>

DEPARTMENT OF AGRICULTURE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 3,666	\$ 3,533	\$ 3,480	\$ 3,619	\$ 3,764	\$ 3,915	\$ 4,072
Consumer Protection	\$ 29,955	\$ 25,628	\$ 16,981	\$ 15,733	\$ 16,017	\$ 16,314	\$ 16,622
Consumable Agricultural Products	14,570	16,149	8,311	8,583	8,866	9,161	9,467
Regulation of Horse Racing	15,385	9,479	8,670	7,150	7,151	7,153	7,155
Property Protection	\$ 5,709	\$ 6,942	\$ 6,480	\$ 6,651	\$ 6,829	\$ 7,013	\$ 7,205
Animal Health	5,709	6,942	6,480	6,651	6,829	7,013	7,205
Agribusiness Development	\$ 8,212	\$ 8,493	\$ 8,387	\$ 8,404	\$ 8,549	\$ 8,699	\$ 8,855
Development of Agricultural Industries ..	8,212	8,493	8,387	8,404	8,549	8,699	8,855
DEPARTMENT TOTAL	<u>\$ 47,542</u>	<u>\$ 44,596</u>	<u>\$ 35,328</u>	<u>\$ 34,407</u>	<u>\$ 35,159</u>	<u>\$ 35,941</u>	<u>\$ 36,754</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 3,666	\$ 3,533	\$ 3,480	\$ 3,619	\$ 3,764	\$ 3,915	\$ 4,072
Federal Funds			10				
Other Funds	404	407	409	409	409	409	409
TOTAL	\$ 4,070	\$ 3,940	\$ 3,899	\$ 4,028	\$ 4,173	\$ 4,324	\$ 4,481

Program Analysis:

This program provides the administrative and overhead services which support the operations of the substantive programs of the department. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. Such services include overall executive direction, manpower management, fiscal accounting and management information processing.

Funds are also provided to support the Pennsylvania Crop Reporting Service. The Service is a cooperative effort of the State and Federal governments which assembles and

distributes essential facts pertaining to the agriculture of the State.

A by-product of the Pennsylvania Crop Reporting Service is the "Annual Crop and Livestock Summary" which serves as a single reference source for county and State seasonal agricultural information.

Funds amounting to \$174,000 are included in this budget for a Productivity Improvement Initiative for the development of an Agricultural Network. Productivity Improvement Initiatives for all agencies are summarized in Volume I.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 3,666	\$ 3,533	\$ 3,480	\$ 3,619	\$ 3,764	\$ 3,915	\$ 4,072

Consumable Agricultural Products

OBJECTIVE: To protect and assure the high quality of consumable agricultural products through reduction of the incidence of plant pests and misused, misrepresented, substantial or adulterated products.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 14,570	\$ 16,149	\$ 8,311	\$ 8,583	\$ 8,866	\$ 9,161	\$ 9,467
Federal Funds	4,359	4,140	4,058	4,058	4,058	4,058	4,058
Other Funds	431	458	458	458	458	458	458
TOTAL	\$ 19,360	\$ 20,747	\$ 12,827	\$ 13,099	\$ 13,382	\$ 13,677	\$ 13,983

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Food establishments requiring inspection...	48,500	48,500	49,500	49,500	49,500	49,500	49,500
Incidence of consumer complaints	2,864	2,450	2,450	2,450	2,450	2,450	2,450
Incidence of food products showing major discrepancies	9,775	9,900	10,400	10,400	10,400	10,400	10,400
Dollar value of products removed from the market (in thousands)	\$2,732	\$3,351	\$3,351	\$3,351	\$3,351	\$3,351	\$3,351
Weight and measure inspections performed	48,004	45,000	45,000	45,000	45,000	45,000	45,000
Plant samples processed	8,679	9,500	10,000	11,000	12,000	13,000	14,000
Commercial pesticide applicators licensed ..	3,178	3,200	3,200	3,200	3,200	3,200	3,200
Dollar value of commodities distributed (in thousands)	\$106,000	\$106,500	\$107,000	\$108,350	\$109,000	\$110,000	\$110,000
Consumer commodities inspected	20,600	20,600	66,600	66,600	66,600	66,600	66,600
Persons receiving donated foods (in thousands)	5,300	5,200	5,100	5,100	5,100	5,100	5,100

Program Analysis:

The Department of Agriculture is committed through regulatory efforts to protecting the health and safety of the consumer and assuring the consumer of quality agriculture products.

One of the areas defined as a priority was a program for the detection of ethylene dibromide (EDB) in food products. In early 1984 the Food and Drug Administration (FDA) recommended that states monitor EDB levels, as it was now considered to be a carcinogen and was found to be a problem in some areas of the country. Testing was performed in the department's laboratory, as well in a commercially contracted laboratory. Testing was completed early in 1985 and EDB was not found to be a problem in Pennsylvania.

Among the most significant of the department's protection activities is its efforts in food law compliance. An educational approach has been developed under which department personnel participate in training courses for food handlers. Food establishments which are inspected include all licensed food stores, processing plants, warehouses, transportation facilities, bakeries, bottling plants, nurseries, seed dealers and certain restaurants and concession stands. Additional activities guarantee the quality of animal feeds, fertilizers, liming materials and pesticides.

During 1984-85 establishments requiring inspections totaled 48,500 and the incidence of consumer complaints was 2,864. Food establishments requiring inspection have

Consumable Agricultural Products (continued)

Program Analysis: (continued)

decreased since EDB products are no longer tested. EDB is a pesticide that could be found in all food types.

In 1985-86, it is estimated that inspection activities will result in increases in incidences of major food product discrepancies. These discrepancies represent significant violations of laws, regulations or production practices observed by inspection, product analysis or label review. An incidence includes all products removed at a given location; it is not a count of each individual product removed.

The number of consumer commodities inspected has decreased from previous estimates, which were based on pending United States Department of Agriculture (USDA) amendments to the Food Distribution regulations expected to occur during 1984-85; however, the regulations are now not expected to be approved until 1986-87 and are reflected in the measures for the budget and future years. The regulations are to provide increased audits of storage facilities and a management evaluation review of participants.

The bulk of food being removed from the market is from food vehicle accidents, although fires and floods also have an impact on the dollar value of the products removed. It is anticipated that \$3.3 million will be the annual value of products removed over the next few years. This measure is directly affected by the number of food product discrepancies.

In addition to inspection of food, the department regulates the sale of feed, fertilizer, lime and seeds by requiring certain label information to ensure that consumers receive quality seeds, and inspects plant samples to detect new plant pests or diseases and to monitor known plant pests and diseases. The ultimate goal of the latter effort is to develop pest and disease free propagation stock. As a result of regulatory and surveillance operations, approximately 9,500 plant samples will be tested in laboratories during 1985-86.

The increase in plant samples processed compared to

previous estimates is due to an increase in business use of the laboratory facilities and consumer awareness of pests and insects. Consumers sent many more samples to the Plant Laboratories than previously.

The Pesticide Control Law provides for the regulation of the use, handling storage and transportation of pesticides. Regulation is achieved through the requirements of essential label information and through the certification of pesticide applicators, dealers and manufacturers. This program attempts to provide for the optimum use of pesticides, while minimizing their adverse effects on human life and the environment.

Also included in this program are activities which regulate and maintain uniform standards of legal weights and measures of Commonwealth products. It is estimated that 45,000 weights and measure inspections will be performed during 1986-87.

The Bureau of Government Donated Foods is also situated in the Department of Agriculture; it is involved with distributing Federal surplus food to institutions—schools, prisons, hospitals, etc. and administering the Temporary Emergency Food Assistance Program since 1982-83. Funds amounting to \$1.5 million are included in this budget for costs incurred in the administration, management and implementation of food programs administered by the Department of Agriculture.

The dollar value of commodities distributed has remained level in 1985-86, as projected in prior year's estimates, due to the continuation of ongoing programs such as the distribution of cheese and butter. Schools have also continued to receive bonus commodities in addition to their normal allotments.

Inspection of Amusement Rides was a new program effective January 1, 1985. During 1985-86, it is anticipated that approximately 15,000 rides and attractions will be inspected.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 6,570	\$ 7,149	\$ 6,811	\$ 7,083	\$ 7,366	\$ 7,661	\$ 7,967
Food Assistance Program	8,000	9,000	1,500	1,500	1,500	1,500	1,500
GENERAL FUND TOTAL	\$ 14,570	\$ 16,149	\$ 8,311	\$ 8,583	\$ 8,866	\$ 9,161	\$ 9,467

Regulation of Horse Racing

OBJECTIVE: To prevent consumer fraud in the racing industry.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	\$ 15,385	\$ 9,479	\$ 8,670	\$ 7,150	\$ 7,151	\$ 7,153	\$ 7,155
Other Funds	5,051	5,524	5,627	5,796	5,970	6,149	6,333
TOTAL	\$ 20,436	\$ 15,003	\$ 14,297	\$ 12,946	\$ 13,121	\$ 13,302	\$ 13,488

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Investigations to insure compliance with established rules and regulations:							
Harness.....	271	350	350	350	350	350	350
Horse	1,989	2,150	2,150	2,150	2,150	2,150	2,150
Tests conducted by the Pennsylvania Race Horse Testing Laboratory(in thousands)	2,068	2,068	.....	.....	.....	.....	.....
Participant licenses issued:							
Harness.....	9,710	9,710	9,710	9,710	9,710	9,710	9,710
Horse	18,978	20,434	20,434	20,434	20,434	20,434	20,434
Racing days approved:							
Harness.....	593	593	593	593	593	593	593
Horse	441	391	440	440	440	440	440

Program Analysis:

The activities of this program are aimed at insuring that racing events are fair and unbiased. Both the Horse and Harness Racing Commissions are administrative arms of the Department of Agriculture, and maintain offices at each of the licensed tracks. Principal duties consist of photographing and fingerprinting new applicants for licenses and conducting interviews and investigations to assure that programs, rules and regulations approved by the commissions are being satisfactorily carried out by associations and participants.

On December 30, 1983 the Governor signed Act 93 which amended the Race Horse Industry Reform Act. Act 93 merged the State Horse Racing Fund and the State Harness Racing Fund into a single State Racing Fund. The tax schedule was adjusted and the distribution of funds was revised in order to assist the racing industry by increasing the funds retained by the tracks.

The increase in the number of approved racing days for Horse Racing in 1984-85 is a result of an increase in the number of race days at Penn National. In 1985-86, however, renovations began at the Philadelphia track and this will decrease the number of race days at that track during the current fiscal year.

With the implementation of the new telebet master account system, the number of investigations to insure compliance with rules and regulations is expected to increase. The telebet system allows individuals to set up an account at the track and place bets by telephone. Funds are placed into the account by the bettor and the level is reduced when a bet is placed. Winnings are placed in the individual's account.

After stipulated racing expenses are paid, the remaining balance in the State Racing Fund is transferred to the General Fund in the subsequent fiscal year. For 1985-86, the transfer to the General Fund was \$3.3 million.

A Productivity Improvement Initiative recommended for implementation in this budget is the contracting out of all testing currently provided by the Race Horse Testing lab and the closing of that lab; this is reflected in the above measures. Results of contracting out these laboratory tests will be a cost savings for the Racing Fund, monthly outputs will increase and error rates will decrease by one percent. Productivity Improvement Initiatives for all Agencies are summarized in Volume I.

Regulation of Horse Racing (continued)

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
STATE RACING FUND							
Harness Racing Commission	\$ 2,097	\$ 2,178	\$ 2,199	\$ 2,287	\$ 2,378	\$ 2,474	\$ 2,573
Horse Racing Commission	2,600	2,893	2,785	2,896	3,012	3,133	3,258
Race Horse Testing Lab	906	1,029	764	795	826	858	893
Transfer to the General Fund	9,782	3,379	2,922	1,172	935	688	431
<hr/>							
STATE RACING FUND TOTAL	<u>\$ 15,385</u>	<u>\$ 9,479</u>	<u>\$ 8,670</u>	<u>\$ 7,150</u>	<u>\$ 7,151</u>	<u>\$ 7,153</u>	<u>\$ 7,155</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 5,709	\$ 6,942	\$ 6,480	\$ 6,651	\$ 6,829	\$ 7,013	\$ 7,205
Federal Funds	264	235	295	295	295	295	295
Other Funds	2,967	4,586	5,050	5,170	5,316	5,466	5,621
TOTAL	\$ 8,940	\$ 11,763	\$ 11,825	\$ 12,116	\$ 12,440	\$ 12,774	\$ 13,121

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Animals examined to determine disease (in thousands)	2,100	1,500	1,500	1,500	1,500	1,500	1,500
Animals quarantined	3,460,681	20,000	10,000	5,000	5,000	5,000	5,000
Animals destroyed	1,090,667	216,000	10,000	3,000	3,000	3,000	3,000
Livestock herds and flocks under surveillance	96,000	96,000	95,800	95,500	95,200	95,000	95,000
Post-mortem examinations	9,500	10,000	10,500	11,000	11,000	11,000	11,000
Health charts issued	126,000	120,000	120,000	120,000	120,000	120,000	120,000
Dogs licensed (in thousands)	1,007	1,007	1,007	1,007	1,007	1,007	1,007
Citations issued to dog owners	6,518	6,000	6,000	6,000	6,000	6,000	6,000
Dogs apprehended	10,520	12,000	12,000	12,000	12,000	12,000	12,000
Kennels licensed	1,931	1,900	1,900	1,900	1,900	1,900	1,900

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.

A significant initiative included in this subcategory is a revamping of the existing appropriation structure. Instead of numerous individual line-item or specific purpose appropriations, this budget proposes to consolidate a variety of programs into two basic areas: 1) Agricultural/Animal Research and 2) Disease Prevention and Treatment. This would enable a broader range of research to be done and permit research on currently unfocused and new areas.

Agricultural/Animal Research is composed of the following: assorted agricultural and animal research projects, Epidemiology Training, as well as funds for the Monell Chemical Senses Center. The Disease Prevention and Treat-

ment appropriation includes funding for Brucellosis, Livestock and Poultry Diagnosis as well as Poultry Surveillance programs.

Surveillance to detect disease is accomplished by maintaining laboratory diagnostic services, inspecting and supervising livestock concentration points and promoting voluntary herd health certification programs. Regulatory activities include control of interstate and intrastate livestock movement and quarantine of diseased or exposed livestock.

The livestock population of Pennsylvania has remained relatively unchanged during recent years. Cooperative State-Federal programs to eradicate tuberculosis and brucellosis have resulted in a free status for Pennsylvania since the 1982-83 fiscal year, even though high levels of brucellosis exist in certain southern states. Surveillance to detect these

Animal Health (continued)

Program Analysis: (continued)

diseases in Pennsylvania will remain critical until they have been eradicated from the United States.

As intensive livestock production practices concentrate larger numbers of animals and birds, contagious diseases occur more frequently and with greater financial impact. The Avian Influenza epidemic is a graphic example of this fact. Approximately 16 million birds were destroyed in 1983-84 and an additional 1,075,000 during 1984-85. The extension of the Avian Influenza depopulation program into 1984-85 to deal with birds that had been infected but had survived, caused increases in both the number of animals quarantined and in the number of animals destroyed. In January 1986 several cases of Avian Influenza were detected in Snyder and Fulton Counties and the flocks were depopulated. The Department of Agriculture is supervising the depopulation. A supplemental appropriation of \$500,000 for 1985-86 is recommended based on the scope of the outbreak currently anticipated, to alleviate the financial hardship on the poultry industry.

An increase in pseudorabies in swine will cause an increase in applicable measures over the next few years. As a result of the growing problem presented by pseudorabies, this budget proposes an initiative to increase the Animal Indemnities appropriation by \$125,000 and include indemnity payments for swine as a legal purpose of the program. The measure pertaining to the number of animals examined has decreased as a direct result of the decline of Avian Influenza in the Commonwealth. Diagnostic services have been expanded and will need to be constantly updated to serve the needs of an increasingly sophisticated animal industry.

Rapid transit of livestock internationally as well as interstate and intrastate poses a constant threat to the spread of diseases. Identification of livestock, traceback of infected animals to farm of origin and control of the movement of infected or exposed animals is necessary to minimize the threat of disease to Pennsylvania herds and flocks. There are over forty foreign animal diseases considered exotic to the United States but a constant threat to domestic livestock.

Health certificates are required to qualify livestock and poultry for export as well as for interstate and intrastate movement. The number of health charts issued in 1984-85 decreased over previous projections because certificates required during the avian influenza epidemic were no longer required.

Also included in this program is dog law enforcement. Primary functions include the control and regulation of the sale and transportation of dogs, kennel inspections, reimbursement of law enforcement agencies for the detention and disposition of stray dogs, subsidization of qualified agencies for building or expanding shelters and the reimbursement of owners of livestock and poultry for damage caused by dogs. Dog law enforcement activities are funded from a restricted account into which all dog related revenue is placed. Dog law activities increased significantly during 1985, as a new program of grants to animal shelters was initiated to upgrade their facilities. Dog law expenditures are reflected in this subcategory as Other Funds.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 4,139	\$ 4,465	\$ 4,275	\$ 4,446	\$ 4,624	\$ 4,808	\$ 5,000
Animal Indemnities	400	725	350	350	350	350	350
Agricultural/Animal Research	815	957	1,186	1,186	1,186	1,186	1,186
Disease Prevention and Treatment	355	795	669	669	669	669	669
GENERAL FUND TOTAL	\$ 5,709	\$ 6,942	\$ 6,480	\$ 6,651	\$ 6,829	\$ 7,013	\$ 7,205

Development of Agricultural Industries

OBJECTIVE: To strengthen the agricultural economy and related enterprises.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 6,310	\$ 6,408	\$ 6,359	\$ 6,441	\$ 6,526	\$ 6,614	\$ 6,706
Special Funds	1,902	2,085	2,028	1,963	2,023	2,085	2,149
Federal Funds	156	191	182	182	182	182	182
Other Funds	870	5,830	5,690	695	700	705	710
TOTAL	\$ 9,328	\$ 14,514	\$ 14,259	\$ 9,281	\$ 9,431	\$ 9,586	\$ 9,747

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Promotional activities for Pennsylvania Products	4,496	4,200	4,250	4,275	4,300	4,350	4,350
Products registered under the Logo Program	210	225	250	258	260	265	270
Agricultural exports (in thousands)	\$ 520,000	\$ 560,000	\$ 628,000	\$ 662,000	\$ 701,000	\$ 740,000	\$ 795,000
Event days at Farm Show Complex	482	485	485	485	485	485	485

Program Analysis:

In seeking to strengthen the agricultural economy, agribusiness development programs are designed to maintain the availability of agricultural lands and to promote Pennsylvania's crops and livestock, especially those products that significantly affect farm incomes.

Logo programs are an important element of the Department agricultural promotion efforts. Producers, packers, processors and growers participating in the "We're Growing Better" or "Keystone Pride" logo programs have incorporated one of the logos onto packaging, labels, master cartons, letterheads or invoices, advertising or point-of-sale materials. Qualifications for the programs include a high quality product, 30 or more percent of products grown or produced in Pennsylvania and firm location within the Commonwealth.

Logo programs are designed as a marketing strategy to assist firms to identify origin of their products and to increase consumer awareness of the abundance and diversity of local food and agricultural products in an attempt to increase sales in all segments of Pennsylvania agricultural industries.

Industry acceptance of logo programs as a viable means to promote Pennsylvania agricultural products has generated much support in agricultural support industries (grocery

chains, wholesale distribution centers, and restaurants) for Pennsylvania Food Products Month. Approximately 210 products are currently registered in logo programs, with a slight increase expected for the budget and future years.

Another key program is the Product Information Exchange Line, which matches commodity buyer with commodity seller. The livestock industry relies on this service, especially in the area of product grading. The department, when requested by a distant buyer, will inspect and grade livestock offered for sale by a Pennsylvania producer. The findings are then forwarded to the prospective buyer. This service protects the purchaser against product misrepresentation and strengthens the credibility of the State's livestock industry.

Pennsylvania's Crop Reporting Service, working in conjunction with the Department of Agriculture, gathers data on the cost of producing and marketing milk. This data is then used to support requests for various pricing policies in hearings before the Milk Marketing Board.

Since the department's objective is to strengthen all markets, it also has programs designed to promote such commodities as apples, honey, cherries, grapes, maple syrup, beef, milk and dairy products. In most instances, the promotion of these products is coordinated with councils

Development of Agricultural Industries (continued)

Program Analysis: (continued)

representing product interest. Members of some councils assess themselves a fee based on their productivity.

Other promotional activities for Pennsylvania products include appearances by the Pennsylvania Dairy Princess, county dairy princesses and other Statewide commodity queens at shopping centers and other public functions; and developing and displaying exhibits that depict agriculture's role in the economy of Pennsylvania as well as working with Statewide commodity organizations. A careful coordinated intra-department liaison program with the Bureau of Agricultural Development and the regional offices and inter-agency relationships with such diverse groups as the Area Agencies on Aging and the Bureau of Vocational Education, Department of Education, will enable the Commonwealth to increase the effectiveness of promotional activities for Pennsylvania products.

The department also utilizes the "Producer Buyers Guide" as a method to couple buyers and sellers in order to increase the sale of Pennsylvania Products. An additional activity in the marketing area is the stimulation of public interest in "tailgate" or "open air markets". These markets continue to link the consumer and the farmer.

Organized consumer cooperatives or buying clubs have also proliferated during the period of rising food prices and offer excellent marketing opportunities for Pennsylvania farmers. This mutually beneficial arrangement leads to better prices for farmers and lower prices and more wholesome products for consumers.

A 1984-85 initiative under this program involves a \$10 million three-year bond appropriation to provide loan guarantees and interest deferrals to financially-pressed farmers; this is one of the many programs enacted as part of the Pennsylvania Economic Revitalization Fund (PERF). PERF funds are reflected as "Other Funds" in this subcategory. An overview of PERF is presented in Volume I.

Approximately \$520 million worth of agricultural products were exported in 1984 from Pennsylvania. A large part of this export total was corn, wheat, soybeans and candy. By increasing the existing markets for Pennsylvania products, exporting aids employment and stimulates our economy.

Calendar year 1986 has been proclaimed by the Governor as the "Year of the Exporter". A program revision for

\$375,000 is included in this budget for Export Promotion. Details on the program revision are presented in the appendix to the Industrial Development subcategory in the Department of Commerce. These funds are included in the Export Development and Agricultural Promotion appropriation. The previous Agricultural Promotion appropriation has been re-defined and expanded to include this proposed initiative. The former Urban Farm Market Promotion appropriation is also included in the new appropriation.

The funds for the export development initiative will be used to establish a mentor program which would provide direct assistance to individuals and companies entering the export marketplace, and will also explore export trading companies as vehicles to expand access to foreign markets. Finally, they will work closely with the Commerce department's overseas offices to emphasize and coordinate programs which increase agricultural exports. The pertinent data base in the department will be expanded and refined, as well as hook up the department's computer system with the 67 county extension offices. The intent of the \$300,000 is to aid in promoting the exporting of the Commonwealth's agricultural products.

Included in General Government Operations is \$75,000 to be used for a study on a long-range agribusiness strategy. This study is to be done in conjunction with the academic sector and is explained in the Export Promotion Program Revision previously mentioned.

This budget again recommends \$2.5 million to support Pennsylvania fairs; these funds from the General Fund replace racing revenue lost as a result of Act 93 of 1983. This budget proposes to eliminate the Fair Fund as a special fund and continue to fund the program with a new appropriation "Payments to Pennsylvania Fairs". Since the Fair Fund by law no longer receives racing monies and is now fully funded by the General Fund, there no longer remains any reason to keep a separate special fund for this purpose.

At the Farm Show Complex, event days rose slightly in 1984-85. In order to accommodate the scheduling of additional events, a reduction in the setup and teardown time was accomplished.

Development of Agricultural Industries (continued)

Program Analysis: (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 2,049	\$ 2,188	\$ 2,039	\$ 2,121	\$ 2,206	\$ 2,294	\$ 2,386
Poultry Research and Promotion	491	.....	.....	.....	.....	.....	.....
Acid Rain Research .....	.....	200	.....	.....	.....	.....	.....
Transfer to State Farm Products Show Fund	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Livestock Show	83	83	83	83	83	83	83
Open Dairy Show	66	66	66	66	66	66	66
Junior Dairy Show	28	28	28	28	28	28	28
4-H Club Shows	33	33	33	33	33	33	33
Payments to Pennsylvania Fairs	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Export Development and Agricultural Promotion ^a	60	310	610	610	610	610	610
GENERAL FUND TOTAL	\$ 6,310	\$ 6,408	\$ 6,359	\$ 6,441	\$ 6,526	\$ 6,614	\$ 6,706
STATE FARM PRODUCTS SHOW FUND							
General Operations	\$ 1,686	\$ 1,797	\$ 1,798	\$ 1,852	\$ 1,907	\$ 1,965	\$ 2,024
STATE RACING FUND							
Payments to Pennsylvania Fairs — Administration	\$ 216	\$ 285	\$ 107	\$ 111	\$ 116	\$ 120	\$ 125
PENNSYLVANIA FAIR FUND							
General Operations .....	.....	\$ 3	\$ 123	.....	.....	.....	.....

Department of Banking

The Department of Banking protects the Public through the examination of records, accounts and policies of State-chartered financial institutions.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revision:

Appropriation	Title	1986-87 State Funds (in thousands)
Banking Department Fund		
General Operations	Export Promotion .....	.....^a

This program revision will aid businesses in export development through the provision of technical assistance and financial assistance in all phases of the export process.

DEPARTMENT TOTAL

^aThe total Program Revision for Export Promotion is \$7.4 million. Details are presented in the appendix to the Industrial Development subcategory in the Department of Commerce.

BANKING

Summary by Fund and Appropriation

	1984-85	(Dollar Amounts in Thousands)	1986-87
	Actual	1985-86 Available	Budget
Banking Department Fund			
General Government			
General Operations	\$ 6,584	\$ 7,064	\$ 6,836
 BANKING DEPARTMENT FUND TOTAL	<u>\$ 6,584</u>	<u>\$ 7,064</u>	<u>\$ 6,836</u>

BANKING DEPARTMENT FUND

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Operations			
State Funds	\$ 6,584	\$ 7,064	\$ 6,836

Supervises and examines the records, accounts, and policies of State-chartered banking institutions, State-chartered savings associations, sales finance companies, installment sellers, money transmitters, consumer discount companies, collector-repossessors, pawnbrokers, and State-chartered credit unions. Examines business development credit corporations and conducts special investigations when warranted.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Executive Authorization:			
General Operations	<u>\$ 6,584</u>	<u>\$ 7,064</u>	<u>\$ 6,836</u>

BANKING

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Consumer Protection	\$ 6,584	\$ 7,064	\$ 6,836	\$ 7,109	\$ 7,394	\$ 7,690	\$ 7,997
Regulation of Financial Institutions	6,584	7,064	6,836	7,109	7,394	7,690	7,997
DEPARTMENT TOTAL	<u>\$ 6,584</u>	<u>\$ 7,064</u>	<u>\$ 6,836</u>	<u>\$ 7,109</u>	<u>\$ 7,394</u>	<u>\$ 7,690</u>	<u>\$ 7,997</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	\$ 6,584	\$ 7,064	\$ 6,836	\$ 7,109	\$ 7,394	\$ 7,690	\$ 7,997

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Total assets of consumer credit agencies (in millions)	\$40,000	\$43,750	\$48,125	\$52,937	\$55,584	\$58,364	\$61,282
Total resources of State-chartered banks (in millions)	\$55,976	\$58,215	\$60,544	\$62,965	\$65,484	\$68,103	\$70,827
Assets in State-chartered credit unions (in millions)	\$655	\$766	\$842	\$927	\$973	\$1,022	\$1,073
Assets in State-chartered savings and loans institutions (in millions)	\$12,900	\$14,000	\$16,000	\$17,500	\$18,500	\$19,500	\$20,500
Assets of State licensed money transmitters (in millions)	\$93,422	\$102,762	\$113,037	\$124,341	\$130,558	\$137,086	\$143,940

Program Analysis:

Recently enacted State financial legislation presented a number of challenges and responsibilities to the Department of Banking. Act 125 of 1984 provided for expanded investment powers for banks, including permitting the purchase of shares of stock of Pennsylvania bank holding companies and an increase in the amount an institution may deposit in a single depository. Act 128 of 1984 provided that institutions may acquire and maintain subsidiaries which are engaged in activities permissible under the Bank Service Corporation Act, expanded the legal lending limitation, expanded limits on the purchase of acceptances, eliminated the aggregate limit on the amount of real estate loans an institution may carry, expanded the limitations on loans to executive officers, required CPA audits of all private banks, and revised the requirement for the department to examine all institutions from annually to alternate calendar years.

Act 44 of 1982 provided for the formation of multi-bank holding companies, branching in counties bi-contiguous to counties in which a bank's headquarters is located, and by 1990 statewide branching will be effective. There is much activity in the branching and holding company areas because of this act. Currently, seventy-six bank holding companies and twenty-one multi-bank holding companies are in opera-

tion; also there is one one-bank holding company merger, and one multi-bank holding company merger in process.

Efforts are in progress by banking groups to have legislation enacted that would permit interstate banking. Although it is not possible to forecast the precise result of this activity, it appears that interstate banking could become a reality, at least on a regional basis, in the near future.

The trend in the savings and loan industry in 1984 continued a substantial improvement in deposit and earnings experience. Declined interest rates gave the industry a second year of profitability after 1981 and 1982, two years of severely reduced earnings. During the high interest rate scenario of the early 1980's, Pennsylvania savings and loan associations experienced better earnings and were able to maintain higher net worth than a great number of their counterparts in other states. This was principally because of the traditional conservatism of Pennsylvania savings and loan managers. The industry in Pennsylvania, as well as nationally, remains very interest rate sensitive. The continuance of moderate interest rates will ensure continued improvement in the industry.

The main area of concern stems from the huge portfolios of long-term, low-fixed interest rate mortgages that savings

Regulation of Financial Institutions (continued)

Program Analysis: (continued)

and loan associations still hold. The deregulation within the savings and loan industry brought forward new powers authorized by State and Federal legislative and regulatory actions are being implemented in an intelligent and prudent fashion by Pennsylvania savings and loan associations, giving them the tools needed to compete in the deregulated environment. Pennsylvania savings and loan associations continue to approach all new business activities conservatively and are monitored closely by the department. At the same time the industry is maintaining its historical commitment to thrift and home financing. This commitment aids the savings and loan industry in Pennsylvania in maintaining its identity and individuality which will be beneficial in the long-term for all parties.

Consumer buying and financing continued at a brisk pace during 1984-85. This continuing surge of consumer activity in the market place resulted in a 23 percent weighted average growth rate for the licensees and chartered financial institutions supervised by the Consumer Credit Bureau. At the end of 1984-85 combined assets of consumer credit agencies, credit unions and licensed money transmitters exceeded \$133 billion dollars.

The Consumer Credit Agencies, consisting of Consumer Discount Companies and Secondary Mortgage Loan Companies, had the largest percentage of asset growth during 1984-85. Their combined assets grew 28 percent or a total dollar value of \$7.5 billion. This asset growth was 8 percent less than that of 1983-84 and could suggest that consumer buying activity may be slowing down and that a more conservative growth pattern may be anticipated in the near future.

There are 158 State-chartered banking institutions, comprised of 46 banks, 86 bank and trusts, 6 savings banks, 5 private banks, 7 trust companies, and 9 foreign bank offices. The improved economy and the recent decline in interest rates had a positive effect on the Pennsylvania banking industry, especially on bank holding company activities.

It is difficult to forecast the impact of bank holding company acquisitions that will cause gain or loss of charters in the State banking system.

State-chartered credit unions continued to experience asset growth during 1984-85, with assets increasing by \$76 million or 15 percent. This growth was only one-half of that of the preceeding year and was affected by mergers of several state-chartered credit unions into Federally chartered credit unions as well as the closing of several industries.

Money Transmitters increased their assets by approximately 8 percent, or \$8.8 billion during 1984-85. This growth is attributable to a healthy economy and a strong dollar, resulting in a substantial increase in domestic and foreign travel which increased the sales of money orders and travelers' checks. Money transmitters benefit by investing the sales proceeds of money orders and travelers' checks until they are cashed; also the rising costs of maintaining small balance checking accounts prompted more people to use money orders.

In recognition of the department's duty to protect the consumer in his role as depositor and borrower as well as its responsibility to ensure the safety and soundness of the individual banking institution, the department recently initiated a consumer compliance program, designed to ensure the banks' compliance with Federal and State laws and regulations as well as to protect the consumer.

The Banking Department will continue to review and improve program areas to maintain an economically sound and competitive system of State-chartered financial institutions.

As part of the Export Promotion Program Revision contained in this budget, Banking will work with the Departments of Commerce and Agriculture to ensure the involvement of Pennsylvania's banking community in financing new export efforts. Details on the program revision are presented in the appendix to the Industrial Development subcategory in the Department of Commerce.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
BANKING DEPARTMENT FUND							
General Operations	<u>\$ 6,584</u>	<u>\$ 7,064</u>	<u>\$ 6,836</u>	<u>\$ 7,109</u>	<u>\$ 7,394</u>	<u>\$ 7,690</u>	<u>\$ 7,997</u>

Civil Service Commission

The Civil Service Commission administers the Commonwealth's merit system. The responsibilities of the Commission include: recruitment of qualified personnel; evaluation of applicants' education and experience to determine if minimum requirements have been met; development and administration of examinations; and certification of eligibles to the appointing agencies.

CIVIL SERVICE COMMISSION
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 1	\$ 1	\$ 1
<i>TOTAL STATE FUNDS</i>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
Augmentations	\$ 6,965	\$ 7,587	\$ 7,339
GENERAL FUND TOTAL	<u>\$ 6,966</u>	<u>\$ 7,588</u>	<u>\$ 7,340</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 1	\$ 1	\$ 1
Augmentations	6,965	7,587	7,339
TOTAL	<u>\$ 6,966</u>	<u>\$ 7,588</u>	<u>\$ 7,340</u>

Recruits qualified persons for Commonwealth employment and administers the merit system in agencies operating under Civil Service.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
General Government Operations	\$ 1	\$ 1	\$ 1
Augmentations:			
Fees From Agencies	6,571	7,153	6,912
Special Merit System Services	394	434	427
TOTAL	<u>\$ 6,966</u>	<u>\$ 7,588</u>	<u>\$ 7,340</u>

CIVIL SERVICE COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Maintaining Commonwealth Merit System							
Selection ^a . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
DEPARTMENT TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

^aAll funds are other than General Fund or Special Fund.

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Other Funds	3,227	3,728	3,624	3,769	3,920	4,077	4,240
TOTAL	\$ 3,228	\$ 3,729	\$ 3,625	\$ 3,770	\$ 3,921	\$ 4,078	\$ 4,241

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs

of provided services. A high priority has been placed on expanded computerization and automated records processing. Additional significant efficiencies will be accomplished in the current year and next year through the projected increased mechanization and computerization. The implementation of a Productivity Investment Initiative approved in 1985-86 will substantially modernize all clerical and support operations which should result in significant savings.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1

Selection

OBJECTIVE: To provide a sufficient number of qualified, available persons to meet merit system manpower needs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Other Funds	\$ 3,738	\$ 3,859	\$ 3,715	\$ 3,864	\$ 4,019	\$ 4,180	\$ 4,347
TOTAL	\$ 3,738	\$ 3,859	\$ 3,715	\$ 3,864	\$ 4,019	\$ 4,180	\$ 4,347

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Total eligibles on lists	196,427	195,000	200,000	200,000	200,000	200,000	200,000
Persons scheduled for exams	123,290	140,000	150,000	150,000	160,000	160,000	170,000
Classes for which exams were made available at agencies' requests	709	741	773	805	838	872	907
Examinations with demonstrable and defensible validity evidence	581	650	720	790	838	872	907
Appeal requests received and processed	754	784	814	844	874	904	934
Certifications audited	13,750	14,000	14,100	14,300	14,400	14,700	14,800

Program Analysis:

The objective of the Civil Service Commission is to provide a sufficient number of qualified, available persons to meet merit system staffing needs. To meet this objective the commission works to attract to State service persons who possess character and ability and to appoint and promote these persons on the basis of merit and fitness.

The commission has been working to bring the Commonwealth merit system into full compliance with all Federal and State laws and regulations concerning employe selection procedures. Extensive job analysis, test documentation and test analysis is mandated by the Federal Uniform Guidelines on Employee Selection Procedures. Also required is the development and implementation of an adverse impact determination program. The development and use of suitable alternatives to traditional selection devices for which adverse impact has been identified and for which validity documentation is not sufficient to meet the guidelines must be pursued. These goals are identified directly with the following program activities; 1) the identification and elimination of adverse impact; 2) the development of more valid examinations; 3) the identification and elimination of

unfair discrimination in other parts of the Commonwealth's personnel system; and 4) the increased efficiency of operations of the Civil Service Commission in meeting the personnel management needs of the other agencies of State government; or 5) the prompt and accurate resolution or adjudication of complaints, grievances, and appeals.

The development and implementation of a system for determining and reducing adverse impact on promotions within the merit system is continuing. The commission is now able to effectively analyze selection programs within the merit system and adjust them to maximize validity and minimize adverse impact. This makes the commission's adverse impact and test validation program an essential cost prevention program. Valid examination procedures are required by Federal and State laws. Research has conclusively shown that when valid examinations are used to select or promote workers there is a marked increase in productivity and a lowering of unnecessary personnel costs caused by turn over, absenteeism and discipline problems.

The program measures which are presented are indicative of the commission workload. The measure reflecting total

Selection (continued)**Program Analysis: (continued)**

eligibles on lists shows significant increases over previous years because of more efficient methods of maintenance of the lists. Eligible list activity, examinations available, validation requirements, and appeals have been maintained at very high levels for the past few years. The more accurate counting of work output instead of reliance on estimates as in previous fiscal periods has resulted in an increase in the number of audits conducted.

The most important indicator of successful accomplishment of missions is the number of examinations which are developed in compliance with the regulations on validity. The more valid the tests, the more productive and stable the workforce will be, and the less likely that the Commonwealth becomes involved in long, costly court cases. Commission staff expects to increase the number of demonstrably valid examinations being developed by ap-

proximately 10 percent a year. Eventually all merit system examinations will be fully defensible.

A crucial part of an effective merit system is the prompt and objective review and adjudication of employe and management complaints concerning personnel actions. An important indicator of the commission's success in this regard is the number of appeal requests and hearings successfully consummated. This element of the commission's operations has seen an increase of more than 500 percent in the past five years.

The funds supporting this subcategory are received from billing various General and Special Fund departments for merit system services and from Federal funds. These billings are treated as Other Funds to avoid duplicate accounting.

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.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

General Fund

Appropriation	Title	1986-87 State Funds (in thousands)
Metals Reuse Study	Renaissance Communities Program	\$ 375 ^a
		<hr/>
<p style="margin-left: 40px;">This Program Revision will provide a community revitalization effort aimed at strengthening the economic base of economically—disadvantaged communities.</p>		
General Government Operations	Economic Development	\$ 115
Tourism and Economic Development Promotion	Economic Development	3,000
Pennsylvania Industrial Development Authority	Economic Development	3,000
Ben Franklin Partnership	Economic Development	150
Tourist Promotion Assistance	Economic Development	300
Subtotal		<hr/> \$ 6,565 ^b <hr/>

This Program Revision will aid in the alleviation of unemployment by creating job opportunities through the expansion of industry, promotion of tourism and provision of job training.

General Government Operations	Export Promotion	72
Local Development Districts	Export Promotion	200
Pennsylvania Export Trading	Export Promotion	150
Subtotal		<hr/> \$ 422 ^c <hr/>

This Program Revision will aid business in export development through the provision of technical assistance and financial assistance in all phases of the export process.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

General Fund(continued)

Appropriation	Title	1986-87 State Funds (in thousands)
Ben Franklin Partnership	Advanced Technology	\$ 5,550
Pennsylvania Energy Develop- ment Authority	Advanced Technology	200
Super Computer Center	Advanced Technology	1,750
Pittsburgh Technology Development Center	Advanced Technology	1,000
	Subtotal	<u>\$ 8,500^d</u>

This Program Revision provides assistance to Pennsylvania industries to promote the use of new technologies and processes to make traditional industry more competitive.

GENERAL FUND TOTAL \$ 15,862

Pennsylvania Economic Revitalization Fund

Business Infrastructure Development	Renaissance Communities Program	\$ 6,800 ^e
Mon Valley Revitalization	Renaissance Communities Program	2,000
Beaver Valley Revitalization	Renaissance Communities Program	1,000
Enterprise Zones Tax Credits—LERTA	Renaissance Communities Program	4,000
Enterprise Zones Tax Credits—NAA	Renaissance Communities Program .....	. . . .
Economically—Disadvantaged Communities—Reduction of State Match	Renaissance Communities Program	5,000
Community Economic Recovery Program	Renaissance Communities Program	1,000
	Subtotal	<u>\$ 19,800^u</u>

This Program Revision will provide a community revitalization effort aimed at strengthening the economic base of economically—disadvantaged communities.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1986-87 State Funds (in thousands)
Technology Assessment Program	Economic Development	\$ 6,500 ^b
	<p>This Program Revision will aid in the alleviation of unemployment by creating job opportunities through the expansion of industry promotion of tourism and provision of job training.</p>	
PCLF Export Financing	Export Promotion	\$ 6,600 ^c
	<p>This Program Revision will aid businesses in export development through the provision of technical services and financial assistance in all phases of the export process.</p>	
Advanced Technology Facilities—BFP	Advanced Technology	\$ 5,000 ^d
	<p>This Program Revision provides assistance to Pennsylvania industries to promote the use of new technologies and processes to make traditional industry more competitive.</p>	
PENNSYLVANIA ECONOMIC REVITALIZATION FUND TOTAL		\$ 37,900
Sunny Day Fund		
Midfield Terminal	Economic Development	\$ 20,000 ^b
	<p>This Program Revision will aid in the alleviation of unemployment by creating job opportunities through the expansion of industry promotion of tourism and provision of job training.</p>	
Homer Research Laboratory	Advanced Technology	\$ 5,000 ^d
	<p>This Program Revision provides assistance to Pennsylvania industries to promote the use of new technologies and processes to make traditional industries more competitive.</p>	
SUNNY DAY FUND TOTAL		\$ 25,000
DEPARTMENT TOTAL		\$ 78,762

^aThe total Program Revision for Renaissance Communities Program is \$24.9 million. The details are provided in an appendix to the Industrial Development subcategory, and in the Economic Development Thrust presentation in Volume I.

^bThe total Program Revision for Economic Development is \$36.1 million. The details are provided in an appendix to the Industrial Development subcategory in this Volume and in the Economic Development Thrust presentation in Volume I.

^cThe total Program Revision for Export Promotion is \$7.4 million. The details are provided in an appendix to the Economic Development subcategory, and in the Economic Thrust presentation in Volume I.

^dThe total Program Revision for Advanced Technology is \$18.5 million. The details are provided in an appendix to the Scientific and Technological Development, and in the Economic Thrust presentation in Volume I.

^eAlready appropriated; amendatory language required to fully utilize.

DEPARTMENT OF COMMERCE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 5,826	\$ 7,135	\$ 6,553
Tourism and Economic Development Promotion	3,750	5,100	8,100
Subtotal	\$ 9,576	\$ 12,235	\$ 14,653
Grants and Subsidies			
Industrial Development Assistance	\$ 500	\$ 500	\$ 500
Pennsylvania Industrial Development Authority	15,000	12,000	15,000
Site Development	862	1,500	1,500
Site Development—New Castle	350	.....	.....
Site Development—Copperweld .....	.....	600	.....
Site Development—Fuels Plant .....	.....	150	.....
Site Development—Pullman Standard	1,000	.....	.....
Local Development District Grants	400	650	850
Appalachian Regional Commission	386	500	400
Minority Business Development Authority	2,000	2,000	2,000
Community Facilities	4,989	5,500	5,500
Minority Business Technical Assistance	247	250	250
Labor/Management Committees	346	500	500
Pennsylvania Capital Loan Program	1,000	.....	.....
International City Project	50	100	.....
American Wind Symphony	85	85	.....
Transfer to Pennsylvania Economic Revitalization Fund	12,000	105,000	.....
Ben Franklin Partnership	18,827	22,300	28,000
Pennsylvania Energy Development Authority	1,500	1,300	1,500
Software Engineering Institute	4,500	.....	.....
Tourist Promotion Assistance	3,900	4,500	4,800
Port of Philadelphia	3,000	4,000	1,000
Port of Erie	1,125	1,125	375
Port of Pittsburgh	750	750	250
American Music Theatre Festival .....	.....	100	.....
Constitution Bicentennial—Philadelphia .....	.....	140	.....
Beaver Valley Plant Closing Study .....	.....	250	.....
Metals Reuse Study .....	.....	.....	375
Super Computer Center .....	.....	.....	1,750
Pittsburgh Technology Development Center .....	.....	1,000	2,000
J & L Site Development	1,000	2,000	2,000
Disaster Economic Development—Tornadoes .....	.....	1,150	.....
Pennsylvania Export Trading .....	.....	.....	150
Subtotal	\$ 73,817	\$ 167,950	\$ 68,700
TOTAL STATE FUNDS	\$ 83,393	\$ 180,185	\$ 83,353
Federal Funds	\$ 829	\$ 1,400	\$ 3,600
Augmentations	1,325	1,549	1,665
GENERAL FUND TOTAL	\$ 85,547	\$ 183,134	\$ 88,618
Other Funds	\$ 11,168	\$ 28,579	\$ 90,253
TOTAL ALL FUNDS	\$ 96,715	\$ 211,713	\$ 178,871

GENERAL GOVERNMENT

General Government Operations	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 9,576	\$ 12,235	\$ 14,653
Federal Funds	829	1,400	3,600
Augmentations	1,325	1,549	1,665
TOTAL	\$ 11,730	\$ 15,184	\$ 19,918

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.

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
General Government Operations	\$ 5,826	\$ 7,135	\$ 6,553
Tourism and Economic Development Promotion	3,750	5,100	8,100
Federal Funds:			
Appalachian Regional Commission — Development Facilities ..	313	600	3,000
Appalachian Regional Commission — Technical Assistance	485	600	600
Appalachian Regional Commission — High Technology Analysis	18	200	.....
EDA — Export Census	13	.....	.....
Augmentations:			
Reimbursement for Minority Business Development Authority Administration	521	528	565
Reimbursement for Nursing Home Loan Administration	188	220	236
Reimbursement for Copy Center Services	175	204	214
Reimbursement for Pennsylvania Industrial Development Authority	332	415	455
Reimbursement for Pennsylvania Energy Development Authority	109	182	195
TOTAL	\$ 11,730	\$ 15,184	\$ 19,918

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Industrial Development			
State Funds	\$ 40,130	\$ 132,650	\$ 29,025

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.
- preservation of jobs through employee stock ownership plans and assistance to economically — disadvantaged communities through the Economic Revitalization Program.
- support of regional development efforts as set forth in the Federal Appalachian Regional Development Act.
- contributions to the Pennsylvania Capital Loan Program to fill the working capital gap.
- support of the Pennsylvania Economic Revitalization Fund to stimulate economic development.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Industrial Development Assistance	\$ 500	\$ 500	\$ 500
Pennsylvania Industrial Development Authority	15,000	12,000	15,000
Site Development	862	1,500	1,500
Site Development—New Castle	350	. . . .	. . . .
Jones and Laughlin Site Development	1,000	2,000	2,000
Site Development — Pullman Standard	1,000	. . . .	. . . .
Site Development — Copperweld .....	. . . .	600	. . . .
Site Development — Fuels Plant .....	. . . .	150	. . . .
Local Development District Grants	400	650	850
Appalachian Regional Commission	386	500	400
Minority Business Development Authority	2,000	2,000	2,000
Community Facilities	4,989	5,500	5,500
Minority Business Technical Assistance	247	250	250
Labor/Management Committees	346	500	500
Pennsylvania Capital Loan Program	1,000	. . . .	. . . .
International City Project	50	100	. . . .
Transfer to Pennsylvania Economic Revitalization Fund	12,000	105,000	. . . .
Beaver Valley Plant Closing Study .....	. . . .	250	. . . .
Disaster Economic Development—Tornadoes .....	. . . .	1,150	. . . .
Metals Reuse Study .....	. . . .	. . . .	375
Pennsylvania Export Trading .....	. . . .	. . . .	150
TOTAL	<u>\$ 40,130</u>	<u>\$ 132,650</u>	<u>\$ 29,025</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Scientific and Technological Development			
State Funds	\$ 24,827	\$ 24,600	\$ 33,250

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.

Provides funds to develop energy projects and fund limited energy research through the Pennsylvania Energy Development Authority.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Ben Franklin Partnership	\$ 18,827 ^a	\$ 22,300	\$ 28,000
Pennsylvania Energy Development Authority	1,500	1,300	1,500
Software Engineering Institute	4,500	.....	.....
Pittsburgh Technology Development Center .....	.....	1,000	2,000
Super Computer Center .....	.....	.....	1,750
TOTAL	<u>\$ 24,827</u>	<u>\$ 24,600</u>	<u>\$ 33,250</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Tourism and Travel Development			
State Funds	\$ 3,985	\$ 4,825	\$ 4,800

Provides matching grants to county agencies for promoting tourism in Pennsylvania.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Tourist Promotion Assistance	\$ 3,900	\$ 4,500	\$ 4,800
American Music Theatre Festival .....	.....	100	.....
Constitution Bicentennial—Philadelphia .....	.....	140	.....
American Wind Symphony	85	85	.....
TOTAL	<u>\$ 3,985</u>	<u>\$ 4,825</u>	<u>\$ 4,800</u>

^aIncludes \$150,000 for PENNTAP and \$100,000 for Small Business Assistance, which were included in Small Business Assistance Appropriation in 1984-85.

GENERAL FUND | **COMMERCE**

	(Dollar Amounts in Thousands)		
Port Facilities	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 4,875	\$ 5,875	\$ 1,625

Assists in the expansion and improvement of the port facilities at Philadelphia, Erie and Pittsburgh.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Port of Philadelphia	\$ 3,000	\$ 4,000	\$ 1,000
Port of Erie	1,125	1,125	375
Port of Pittsburgh	750	750	250
TOTAL	<u>\$ 4,875</u>	<u>\$ 5,875</u>	<u>\$ 1,625</u>

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Pennsylvania Economic Revitalization Fund			
Engineering School Equipment	\$ 2,929	\$ 71	.....
Minority Business Assistance — Bid and Performance .....	.....	700	\$ 800
Minority Business Assistance — Loans .....	.....	700	800
Minority Business Assistance — Technical/Managerial Assistance	339	700	961
Business Infrastructure Development	1,725	13,358	24,917
Small Business Incubators — Loans	425	3,000	3,575
Small Business Incubators — Challenge Grants	750	2,250	.....
Employee Ownership Assistance — Technical Assistance .....	.....	800	1,200
Employee Ownership Assistance — Loans .....	.....	2,000	3,500
Capital Loan Fund	5,000	5,000	5,000
Beaver Valley Revitalization .....	.....	.....	1,000
Mon Valley Revitalization .....	.....	.....	2,000
Enterprise Zone Tax Credits — LERTA .....	.....	.....	4,000
Advanced Technology Facilities — BFP .....	.....	.....	5,000
Economically — Disadvantaged Communities — Reduction of State Match .....	.....	.....	5,000
Technology Assessment Program .....	.....	.....	6,500
Community Economic Recovery Program .....	.....	.....	1,000
 PENNSYLVANIA ECONOMIC REVITALIZATION FUND TOTAL	 <u>\$ 11,168</u>	 <u>\$ 28,579</u>	 <u>\$ 65,253</u>
Sunny Day Fund			
Midfield Terminal .....	.....	.....	\$ 20,000
Homer Research Laboratory .....	.....	.....	5,000
 SUNNY DAY FUND TOTAL	 <u>.....</u>	 <u>.....</u>	 <u>\$ 25,000</u>
 DEPARTMENT TOTAL	 <u>\$ 11,168</u>	 <u>\$ 28,579</u>	 <u>\$ 90,253</u>

DEPARTMENT OF COMMERCE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 1,631	\$ 2,404	\$ 1,528	\$ 1,589	\$ 1,653	\$ 1,719	\$ 1,787
Development of Business and Industry	\$ 81,762	\$ 177,781	\$ 81,825	\$ 92,856	\$ 92,396	\$ 89,209	\$ 79,796
Industrial Development	43,197	136,378	33,918	43,657	43,853	44,057	34,270
Tourism and Travel Development	7,914	9,941	11,986	12,232	12,529	12,838	13,160
Scientific and Technological Development	24,927	24,731	33,255	34,265	33,275	29,536	29,548
International Trade	5,724	6,731	2,666	2,702	2,739	2,778	2,818
DEPARTMENT TOTAL	<u>\$ 83,393</u>	<u>\$ 180,185</u>	<u>\$ 83,353</u>	<u>\$ 94,445</u>	<u>\$ 94,049</u>	<u>\$ 90,928</u>	<u>\$ 81,583</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 1,631	\$ 2,404	\$ 1,528	\$ 1,589	\$ 1,653	\$ 1,719	\$ 1,787
Other Funds	157	204	214	220	227	234	241
TOTAL	\$ 1,788	\$ 2,608	\$ 1,742	\$ 1,809	\$ 1,880	\$ 1,953	\$ 2,028

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 department 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.

The Film Bureau is located in this program. The bureau encourages major motion picture and television producers to use Pennsylvania locations in their productions. In 1985, 14 major productions, television movies, series and documentaries were filmed in Pennsylvania. It is estimated that 25 to 50 percent of a film's budget is spent in the local economy during filming on location.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government	\$ 1,631	\$ 2,404	\$ 1,528	\$ 1,589	\$ 1,653	\$ 1,719	\$ 1,787

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 43,197	\$ 136,378	\$ 33,918	\$ 43,657	\$ 43,853	\$ 44,057	\$ 34,270
Federal Funds	816	1,400	3,600	600	600	600	600
Other Funds	9,280	29,671	81,509	1,294	1,332	1,372	1,414
TOTAL	\$ 53,293	\$ 167,449	\$ 119,027	\$ 45,551	45,785	\$ 46,029	\$ 36,284

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
PIDA loan commitments (thousands).....	\$51,737	\$60,000	\$70,000	\$75,000	\$75,000	\$80,000	\$80,000
PIDA committed plant locations and expansions	131	151	177	190	190	202	202
PIDA projected employment opportunities ..	5,300	6,115	7,160	7,695	7,695	8,181	8,181
Community facility projects funded	81	86	86	86	86	86	86
Minority business loan commitments (thousands)	\$1,417	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Revenue bond/mortgage industrial projects	420	420	420	210	.....	.....	.....
Employment opportunities from revenue bond/mortgage projects	37,000	30,200	27,400	12,200	.....	.....	.....
Site development projects funded	19	17	17	17	17	17	17
Inquiries received for technical information	1,242	1,300	1,300	1,300	1,300	1,300	1,300
Pennsylvania Capital Loan Program commitments (thousands).....	\$ 3,027	\$ 4,448	\$ 4,851	\$ 3,426	\$ 3,878	\$ 4,499	\$ 4,832

Program Analysis:

Industrial Development

The health of Pennsylvania's economy is a fundamental concern as it affects the citizens of the Commonwealth and other government programs. A strong economy provides jobs for Pennsylvanians and a solid tax base, which is essential to all levels of government, while reducing the need for income maintenance expenditures.

Although the ability of one state to affect the nation's economy is very limited, a number of economic development programs have been initiated and strengthened to enable Pennsylvania to provide vital links to business growth and stability within the State despite national economic downturns.

The planning document "Choices for Pennsylvanians" developed a three-fold strategy unique among the 50 states. The economic development strategy emphasizes the following: encouraging Pennsylvania firms to stay in the Commonwealth and expand here; encouraging the start-up and development of small businesses; and selectively recruiting new investment, both domestic and international. The latter strategy involves targeting high growth fields which will complement Pennsylvania's existing industry and utilize the State's skilled labor force, research and development resources and other competitive assets.

This planning document provides the framework for at-

Industrial Development

Program Analysis: (continued)

tempting to maximize the impact of the various grant and loan programs available to assist economic development. Several State funded management support and program initiatives are recommended in this budget, along with a number of export development activities and final year funding for various PERF programs.

Capital Availability

The Pennsylvania Industrial Development Authority (PIDA) continues 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 might have been created without PIDA assistance, there can be no question that when measured in terms of its employment producing objective, the contribution of PIDA has been significant.

State funding support of the authority is recommended to increase to previous funding levels of \$15 million for 1986-87.

In 1984-85, PIDA approved 131 loans to businesses with an estimated 5,300 jobs to be generated over the following three years. This level is expected to decrease slightly to 122 loans with an estimated 4,800 jobs generated in 1985-86.

In addition, the recent passage by Congress of the Deficit Reduction Act (DEFRA) severely limits the use of the department's Revenue Bond and Mortgage program, thereby making PIDA a more attractive financing mechanism as reflected in the program measures shown for future years.

Act 49, signed May 15, 1980, enlarged the scope of PIDA and gave preference to small business. Since that amendment 336 small companies have received \$87.4 million in loans or 47 percent of the total number of PIDA loans. In 1984-85, over half of all PIDA loans went to small businesses. Another priority of PIDA has been advanced technology industries. In 1984-85, PIDA approved \$8.9 million in loans for 21 advanced technology firms. Of all the loans approved during this period, 18 percent of the funds and 16.5 percent of the loans went to advanced technology projects.

The PIDA program is also directed toward high unemployment areas through the use of higher participation rates and lower interest rates for those areas. In 1984-85, PIDA approved \$43.9 million in loans for 107 firms in high unemployment areas of the Commonwealth or 85 percent of all PIDA loans.

The Minority Business Development Authority (PMBDA), makes loans from a revolving fund supported by General Fund appropriations and provides technical assistance and program liaison to minority businesses. In-

terest rates charged on these loans are set at one-half of the prevailing prime interest rate on the date of approval by the Board. In addition to offering low interest loans and technical assistance, PMBDA continues to sponsor business seminars as an information source for the minority business community.

In its 11 years of operation, PMBDA has provided more than \$18.9 million to 248 businesses. The loans have helped preserve 1,377 jobs and created more than 2,614 additional jobs throughout the State. For 1985-86, it is anticipated that 40 loans for \$4.0 million will be authorized.

In addition, the Pennsylvania Economic Revitalization (PERF) \$190 million program will provide \$1.7 million this year to assist minority-owned businesses through loans in obtaining State contracts, by providing working capital loans and surety bond guarantees. As of December 31, 1985, eighteen loans including five working capital loans, have been approved using PERF monies. Also, six surety bond guarantees have been awarded.

Funding support for PERF programs is reflected as other funds here; an overview of all PERF funding can be found in Volume 1.

The Office of Minority Business enterprise (OMBE) has the responsibility of increasing minority business participation in all phases of contracting with the State. OMBE acts as coordinator for procurement with the objective of increasing procurement opportunities of minority businesses desiring to obtain State contracts and coordinate activities such as trade fairs, seminars and workshops. Available data shows that the number of State contracts awarded to minority businesses have increased substantially. In 1984, there were 1,098 contracts awarded worth over \$24.7 million.

The department also administers the Revenue Bond and Mortgage Program which financed 1,483 projects totalling in excess of \$3 billion in 1984-85. This program makes use of tax-exempt loans from private financial institutions and provides up to 100 percent financing for new and expanded facilities and equipment. Air and water pollution control equipment and facilities can also be financed through this program. While no State appropriation is required, the program has been responsible for substantial economic expansion within the Commonwealth.

The impact of DEFRA is reflected in the future projection of the program measures for this program. This act restricts the use of industrial development bonds (or private activity bonds) and imposes a ceiling on the amount of private activity bonds which may be issued in a state during a calendar year. This ceiling for calendar years 1984, 1985, and 1986 is equal to \$150 multiplied by the State's population and is reduced to \$100 per capita for 1987 and 1988 due to the sunset of most industrial bonds issues except those for manufacturing facilities. Pennsylvania's ceiling for 1985

Industrial Development

Program Analysis: (continued)

was \$1,782,750,000. A Gubernatorial proclamation governed the allocation to state issuers for 1985 and the Legislature has provided an allocation for the following years similar to formula established in the 1985 proclamation.

DEFRA also imposed restrictions on the kinds of transactions that can be financed, the ways in which they can be financed, and a \$40 million limit on the amount of industrial development bonds that can be issued for any one business. Since transitional rules will apply to some issuances, it is estimated that the Revenue Bond and Mortgage Program will assist an estimated 1,100 industrial, commercial, pollution control and other projects in 1985-86 which are expected to provide approximately 90,000 employment opportunities.

A relatively new program administered by the Department of Commerce is the Pennsylvania Capital Loan Fund (PCLF). It provides loans for land, buildings, machinery and equipment, as well as working capital to small businesses, especially advanced technology firms. The PCLF is specifically targeted to assist start-up and expansion of these small industries but will not be used to supplant private sector funding. The program is currently funded from two Federal sources (ARC and EDA), and State PERF monies; all funds are transferred into the Pennsylvania Capital Loan Fund (PCLF) for administration purposes. A total of \$7 million is available from these sources in 1985-86.

In 1984-85, PCLF approved 63 loans to businesses totalling over \$3.1 million, with an estimated 1,876 jobs to be created over the next three years.

This program is administered at the local level through the Local Development Districts and other industrial development groups which do the actual loan packaging, credit analysis, initial approval, servicing and monitoring with the Commonwealth having final approval.

The program is targeted to manufacturing, industrial and export service businesses which will create at least one net new job for every \$15,000 loaned. Recent legislation has increased the maximum loan amount to \$200,000 or 50 percent of the project cost, whichever is less.

To date over \$1.6 million has been loaned through the PERF portion of the PCLF program to 38 projects located throughout the State; 817 jobs will be created over the next three years as a result of these loans. The department anticipates that at current rates of utilization, a total of \$4.3 million of the \$15 million allocated will be utilized by June 30, 1987 when PERF is due to sunset.

This budget proposes, under the PERF restructuring effort, expansion of existing program restrictions to allow for capital loan guarantees for export finance transactions. More detail is provided in the Export Promotion program revision following this subcategory.

The new Employee Ownership Assistance Program

(EOAP), financed from PERF funds at \$15 million over a three year period, provides low-interest loans to eligible employe ownership groups for two purposes: technical assistance to assess the feasibility of employe ownership and to assist with the development of the enterprise; and financial assistance to help employe groups acquire and operate enterprises.

Since this program has been underutilized, this budget proposes expansion of the current uses for these monies, as outlined under the Renaissance Communities Program Revision following this subcategory. Funding in the amount of \$6.5 million is recommended to be made available for the Technology Assessment Program and \$1 million for the Community Economic Recovery Program from EOAP-PERF monies.

Physical Infrastructure

Another departmental responsibility is the delivery of Federal Appalachian regional programs to the 52 counties of the Commonwealth that fall within the Appalachian region. As one of the thirteen states belonging to the Appalachian Regional Commission (ARC), the Commonwealth contributes to the administrative support of the commission; the recommended level of support for 1986-87 is \$400,000. ARC provides Federal assistance for development highways, access roads, water and sewer systems, health and education programs, and economic development. Infrastructure funding under this program is minimal due to Federal cut-backs in the program. The focus of Pennsylvania's program continues to be enterprise development, which is discussed under the "Technical Assistance Services" section of this subcategory.

One of the major PERF-funded programs is the Business Infrastructure Program (BID), funded at \$50 million over the three-year life of PERF. The program provides loans or grants to local economic development agencies for infrastructure improvements to promote or complement specific business investment and job creation projects. Through December of 1985, five BID projects have been approved at a total value of \$1.9 million.

A third vital area of infrastructure improvement is the Site Development Program, which provides grants to local governments for water, sewer and access road projects. One-half of the \$1.5 million appropriated for this program has been targeted in 1985-86 to infrastructure improvements in Enterprise Zones.

The Community Facilities Program provides grant-in-aid assistance to communities of under 12,000 population for water and sewage line facilities and access roads. This budget provides for continued funding for this program at \$5.5 million. In fiscal year 1984-85, 81 projects totalling over \$4.9

Industrial Development

Program Analysis: (continued)

million were approved. The number of projects funded fluctuates from year-to-year depending upon the number of requests and the magnitude of the individual projects. Time requirements for design, permitting, bidding construction and coordination with other Federal agencies has made it extremely difficult to complete site development and community facility projects in a one-year time frame. Therefore, two-year appropriations are recommended for both of these on-going programs.

Promotion and Marketing

The Procurement Outreach Program (POP) operated by the department is now fully implemented in the Commonwealth. The department provides guidance on all facets of Federal procurement for the State's non-appalachian regions, and has a microfiche system to provide military specifications to interested bidders. The POP initiative has already resulted in over \$34.8 million in contract opportunities for over 300 Pennsylvania industries.

The Bureau of Domestic and International Commerce promotes the advantages of doing business in the Commonwealth to companies located both here and throughout the United States. The bureau's Domestic Division is primarily a marketing organization and interacts directly with the private sector on a daily basis.

The division responds to specific requests from industrial prospects concerning availability of buildings and/or industrial sites, financing incentives, industrial training, transportation for both raw products and finished goods, availability of labor force and skills thereof, educational facilities, quality of life, taxes, etc. The marketing efforts of the division are enhanced by the Economic Development Advertising Program, and by direct marketing trips involving a targeted area within the country.

The division's Industry Visitation Program is a result of the priority concerned with industry retention. Commerce Development Representatives each personally visit with a minimum of 80 companies per month to acquaint them with services, programs, and technical assistance that is available to the firm through the department and the Commonwealth. Results are industry expansions, new product lines, exports, etc., which equates to jobs retained and new employment opportunities. An initiative to expand staff capability in the amount of \$72,000 is proposed, with an emphasis on export promotion processes.

The State's economic development advertising campaign is recommended for an increase of \$1 million to assist in the promotion of the PERF program and to target the various foreign markets. Further discussion of this program increase can be found under the Economic Development program revision following this subcategory.

The marketing and site development needs of the Pittsburgh area are addressed under four new initiatives and one continued program for 1986-87 under the "Strategy 21" effort: a Mon Valley Revitalization Program funded at \$2,000,000; a Beaver Valley Revitalization Program funded at \$1,000,000; a Metals Retention/Reuse Study funded at \$375,000; \$50 million over a four-year period as the Commonwealth's contribution to the proposed new Midfield Terminal at Greater Pittsburgh International Airport; plus continued funding of \$2 million for Jones and Laughlin site development. Further discussion of these initiatives can be found under the Renaissance Communities program revision and the Economic Development program revision following this subcategory.

New in 1985-86 is a program to disseminate information to bank lending officers on the purpose, procedures and processes of State assistance programs available to supplement their lending programs. Many bank officials and loan officers, particularly at smaller banks and banks that lend to small businesses, may not be fully aware of these State assistance programs. The Department of Commerce is designing a series of seminars that will inform bank lending officers of the State programs available. Small business needs will be emphasized, along with ways in which the banks and small businesses can jointly benefit from the State assistance programs.

Also new in 1985-86 is the Business Outreach Program. The goal of this program is to assist governmental and local development organizations through a joint outreach effort with business. This program encourages local groups to take the initiative in developing their own programs, using private volunteers with staff assistance from the department.

The local volunteer program will be drawn from those existing local established businesses such as utilities, banks, and real estate firms that have a stake in the retention of jobs in their local economy. The local efforts will be coordinated by local economic development groups such as Chambers of Commerce and Industrial Development Corporations and Authorities. The volunteers will conduct interviews to determine local firms' needs and problems on a businessperson-to-businessperson basis.

Technical Assistance Services

In addition to emphasizing small business development through existing programs such as PIDA, PMBDA and the PCLF, the focus on small business continues through Small Business Assistance Program funded under the Ben Franklin Partnership. This funding supports the thirteen Small Business Development Centers located at various colleges and universities across the State that offer management counseling to small businesses. Services provided include

Industrial Development

Program Analysis: (continued)

assistance with accounting, record keeping, business planning, market research, etc. Most services are provided at no cost to the business. The centers are funded jointly by the Department of Commerce, the Federal Small Business Administration and the respective universities. An increase from \$100,000 to \$250,000 is recommended to significantly increase this effort.

The Small Business Action Center (SBAC) provides assistance on a day-to-day basis to small businesses dealing with State government. Since May 1980, the SBAC has received over 74,600 inquiries and has prepared, published and distributed over 151,300 copies of four publications: "Starting Small Business in Pennsylvania"; Small Business Planning Guide"; "Resource Directory for Small Business"; and "Bidding for a State Contract: A Guide to Commonwealth Procurement".

Another Ben Franklin administered small business program is the PERF-funded Small Business Incubators Loan program. This program as currently structured provides \$17 million for loans over three years for the establishment of small business incubators. This program supplements the on-going incubator development efforts of BFP and the Appalachian Regional Commission Enterprise Development programs. It is anticipated that utilization under this program will only total approximately \$6.4 million. Reallocation of these funds is recommended as part of a PERF restructuring initiative. Proposed funding for PERF programs is reflected in Volume I.

The department is also responsible for the administration of Pennsylvania's ARC program. The focus of the Pennsylvania ARC program continues to be enterprise development. Administered through the Local Development Districts (LDDs), the primary goal of the program is the creation of net new jobs through development of regional one-stop service centers to assist business start-ups or expansions in each of Pennsylvania's seven ARC regions. This emphasis on assistance to small, young companies with growing markets for Pennsylvania products has evolved into the development of a wide range of services to meet the special needs of such companies: such as product/process evaluation, business planning, financing, and locational assistance. More than 16,000 businesses have received

assistance. More than 16,000 businesses have received assistance through combined activities of the LDDs.

An increase of \$200,000 in support of the LDDs is recommended to expand their ongoing export and procurement outreach programs. More information in regard to the role of the LDDs in export promotion can be found in the Export Promotion program revision following this subcategory.

The LDDs are also involved in carrying out other enterprise development programs including revolving loan fund packaging, incubator centers, enterprise zone development and the development of one-stop shops for business assistance. In addition, the LDDs have administrative responsibilities under programs financed through PERF, specifically, the Pennsylvania Capital Loan Fund, the Family Farm Assistance Program and the Employee Ownership Assistance Program. These programs require specialized expertise and substantial investment of time by the LDD.

Lastly, this program includes the Bureau of Statistics, Research and Planning, which is engaged in program-oriented research and policy planning activities and formal studies geared to economic development. The emphasis is on information gathering, summarization, analysis and publication. The bureau is also responsible for the department's data processing and data base management requirements.

In an effort to improve the department's ability to identify industries where State assistance can have the maximum benefit in creating new jobs, State funding in the amount of \$75,000 is recommended under the General Government Operations appropriation in 1986-87 to develop a database through expansion of existing data files that would identify work force characteristics by locality and match growth-oriented businesses with their labor force needs by locality. The analysis of this data will allow the department to target resources to high unemployment areas by matching skills of the local work force with existing expanding firms; firms might be relocated from other areas to take advantage of existing labor force skills, and provide training for skills needed. More detail on this proposal can be found in the Economic Development program revision following this subcategory.

Industrial Development (continued)

Program Analysis: (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90
GENERAL FUND							
General Government Operations	\$ 2,067	\$ 2,528	\$ 2,693	\$ 2,723	\$ 2,832	\$ 2,945	\$ 3,063
Tourism and Economic Development							
Promotion	900	1,100	2,100	2,184	2,271	2,362	2,457
Industrial Development Assistance	500	500	500	500	500	500	500
Pennsylvania Industrial Development							
Assistance	15,000	12,000	15,000	15,000	15,000	15,000	15,000
Site Development	862	1,500	1,500	1,500	1,500	1,500	1,500
Site Development—New Castle	350						
Jones and Laughlin Site Development	1,000	2,000	2,000	2,000	2,000	2,000	2,000
Plant Site—Pullman Standard	1,000						
Site Development—Copperweld		600					
Site Development—Fuels Plant		150					
Local Development District Grants	400	650	850	850	850	850	850
Appalachian Regional Commission	386	500	400	400	400	400	400
Minority Business Development							
Authority	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Community Facilities	4,989	5,500	5,500	5,500	5,500	5,500	5,500
Ben Franklin Partnership	100	100	250	250	250	250	250
Minority Business Technical Assistance	247	250	250	250	250	250	250
Labor/Management Committees	346	500	500	500	500	500	500
Pennsylvania Capital Loan	1,000						
International City Project	50	100					
Transfer to PERF	12,000	105,000					
Beaver Valley Plant Closing Study		250					
Disaster Economic Development—							
Tornadoes—1985		1,150					
Metals Reuse Study			375				
Midfield Terminal				10,000	10,000	10,000	
GENERAL FUND TOTAL	\$ 43,197	\$ 136,378	\$ 33,918	\$ 43,657	\$ 43,853	\$ 44,057	\$ 34,270

**Industrial Development
Program Revision: Renaissance Communities Program**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund			\$ 2,100	\$ 1,625	\$ 1,625	\$ 1,625	\$ 1,625
Other Funds			22,800				
TOTAL			\$ 24,900	\$ 1,625	\$ 1,625	\$ 1,625	\$ 1,625

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Planning assistance: Projects resulting in community development plan							
Current	12	16	16	16	16	16	16
Program Revision			32	32	32	32	32
Metals retention/ reuse study: New jobs created							
Current							
Program Revision				11,000	11,000	11,000	11,000
Jobs retained							
Current							
Program Revision				5,000	5,000	5,000	5,000

Program Analysis:

The impact of the back-to-back national recessions in 1979 and 1982 was particularly severe in many communities in Pennsylvania. This administration has targeted a wide range of existing programs on those financially disadvantaged communities; indeed, Pennsylvania is a national leader in programs for such communities. However, additional efforts are needed to effectively address the severe economic decline in many communities resulting from the decline in traditional industries, such as steel. A comprehensive long-term approach must be developed to a problem that is long-term in nature. A concentrated effort to strengthen the economic base of these areas can best be accomplished through the utilization of existing program structures and additional funding sources. Through the restructuring of the Pennsylvania Economic Revitalization Fund (PERF) and the commitment of new General Fund resources, the Commonwealth can launch a \$24.9 million effort with a new General Fund spending level of \$2.1 million.

Funding directed at specific communities where recovery has been slow is recommended as part of the Commonwealth's commitment. This budget proposes \$375,000

for a Metals Reuse Study in the Mon Valley and \$3 million for revitalization efforts in the Mon and Beaver Valleys as part of a Valley Revitalization program.

The Metals Reuse Study focuses on primary metal manufacturing facilities in the Mon-Ohio River Valley. The decline of the primary metals industry in this region was the primary cause of unemployment. This study will collect and analyze information on the primary metal manufacturing sites and their relationship with the region, determine age and efficiencies of major processes, determine the magnitude and effectiveness of recent capital investment, analyze the markets for metal products and identify those facilities which are no longer viable for reuse for other economic activity.

Complementing this specific study is a Valley Revitalization effort for the Mid and Lower Mon Valleys and Beaver Valley. The two Mon Valley Revitalization efforts, funded at \$1 million each, and a corresponding Beaver Valley Revitalization program funded at \$1 million, will permit the development of enhanced local economic development capabilities, including staff, managerial studies, feasibility

Industrial Development

Program Revision: Renaissance Communities Program (continued)

Program Analysis: (continued)

studies, etc., to help revitalize these areas.

In addition, three new communities in the Mon and Beaver Valleys will each receive Enterprise Zone designations in order to target both existing and expanded resources to these areas.

The Metals Reuse Study and Beaver Valley Revitalization program are also part of the Commonwealth's commitment to the Allegheny County Strategy 21 effort.

A two-pronged tax credit program for enterprise zones, a Financially-Depressed Communities matching program, a Community Economic Recovery Program, and continuation of the Pennsylvania Conservation Corps program are other major new efforts to provide special help to these and other distressed areas of the Commonwealth.

The proposed tax credit program includes a \$4 million fund to encourage the abatement by local governments of property taxes under the Local Economic Revitalization Tax Act (LERTA) within Enterprise Zones, coupled with Commonwealth in-lieu-of-taxes payments on a matching basis for taxes abated; and authorization of an additional tax credit pool within the Neighborhood Assistance Act for private investments made to rehabilitate existing structures in Enterprise Zones.

Additionally, an increase of 25 percent has also been recommended in the ongoing Enterprise Zone (EZ) program administered by the Department of Community Affairs (DCA). Funding support of \$6,250,000 is recommended for 1986-87 to allow movement of some of the fourteen zones now in the planning state to the full development stage.

The Financially-Disadvantaged Communities Matching Program, funded at \$5 million, will create a pool of funds that can be used to reduce the match requirement in existing state economic and community development programs for projects in such communities.

PERF funding of the Pennsylvania Conservation Corps (PCC) at the level of \$3 million for a final year is recommended. This was originally a two year program expiring June 30, 1986; the continued program will have the same elements as before, except that the projects will be limited to economically disadvantaged communities. PCC provides work experience and job training to economically disadvan-

taged youth through projects that involve labor-intensive improvement activities on public land or facilities.

The Community Economic Recovery Program funded at \$1 million will provide grants to communities to develop an overall economic development strategy and marketing plan to assist in retaining existing jobs, business start-ups and attracting new industry.

The DCA early warning system initiatives involve \$100,000 to implement an early warning system to identify potentially fiscally-troubled municipalities and \$250,000 for technical assistance and training for such municipalities.

Other ongoing programs that provide technical, planning and financial assistance to local government organizations and businesses responsible for economic recovery efforts at the local level are Councils of Government (COG), Planning Assistance, and the Business Infrastructure Development (BID) program under PERF.

All are recommended for a funding increase with the exception of BID, which is sufficiently funded but needs program modifications to provide more program flexibility to increase its usage.

The COG's and Planning Assistance programs, administered by the Department of Community Affairs, will be increased by \$25,000 and \$100,000 respectively. Each program provides assistance to strengthen local organizations and governments by improving their efficiency and sophistication in dealing with the problems within their responsibility, thereby reducing the likelihood of fiscal problems in local communities.

The Business Infrastructure Development (BID) program has been underutilized in spite of the announcement of reduced interest rates in September. To increase demand for the program certain eligibility requirements need to be eliminated or modified, and the grant component needs to be expanded to a broader range of disadvantaged communities. Specifically proposed are setting the private matching ratio at a minimum of 2:1 for all projects and modifying the criteria for grant eligibility to make more fiscally-troubled communities eligible for grants and make BID a more flexible and effective economic tool.

**Industrial Development
Program Revision: Renaissance Communities Program (continued)**

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Metals Reuse Study			\$ 375				
PENNSYLVANIA ECONOMIC REVITALIZATION FUND (Other Funds)							
Mon-Valley Revitalization			\$ 2,000				
Beaver Valley Revitalization			1,000				
Enterprise Zone Tax Credits—LERTA .. Financially—Disadvantaged Communities—Reduction of State Match			4,000				
Community Economic Recovery Program			5,000				
Business Infrastructure Development			1,000				
			6,800				
GENERAL FUND TOTAL			\$ 19,800				

In addition to the amounts shown above, this Program Revision also includes funding in the following subcategories in the Department of Community Affairs.

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Housing and Redevelopment							
GENERAL FUND							
Enterprise Development			\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250
Areawide Intermunicipal Services							
GENERAL FUND							
Councils of Government			\$ 25	\$ 25	\$ 25	\$ 25	\$ 25
Municipal Administrative Support Capability							
GENERAL FUND							
General Government Operations			\$ 350	\$ 250	\$ 250	\$ 250	\$ 250
Community Development Planning							
GENERAL FUND							
Planning Assistance			\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
GENERAL FUND TOTAL			\$ 1,725	\$ 1,625	\$ 1,625	\$ 1,625	\$ 1,625

**Industrial Development
Program Revision: Renaissance Communities Program (continued)**

In addition to the amounts shown above, this Program Revision also includes funding in the following subcategory in the Department of Environmental Resources.

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Management of Recreation Areas and Facilities							
OTHER FUNDS							
PENNSYLVANIA ECONOMIC REVITALIZATION FUND							
Pennsylvania Conservation Corps.	<u>.....</u>	<u>.....</u>	<u>\$ 3,000</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>

**Industrial Development
Program Revision: Economic Development**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund			\$ 9,565	\$ 20,450	\$ 21,450	\$ 22,450	\$ 13,450
Other Funds			26,500				
TOTAL			\$ 36,065	\$ 20,450	\$ 21,450	\$ 22,450	\$ 13,450

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
PIDA projected employment opportunities							
Current	5,300	4,800	4,800	4,800	4,800	4,800	4,8000
Program Revision			5,200	5,200	5,200	5,200	5,200
Tourism activities: wages derived (millions)							
Current	\$1,855	\$1,938	\$2,025	\$2,117	\$2,212	\$2,316	\$2,416
Program Revision			\$2,049	\$2,165	\$2,267	\$2,377	\$2,463
Commonwealth revenue derived (millions)							
Current	\$324	\$345.6	\$364.6	\$384.7	\$405.9	\$426.2	\$447.5
Program Revision			\$367	\$389.5	\$409.9	\$430.5	\$452
Small business development centers:							
Clients counseled							
Current	4,967	5,473	5,473	5,473	5,473	5,473	5,473
Program Revision			6,806	6,806	6,806	6,806	6,806

Program Analysis:

This Program Revision involves initiatives in three major areas: Industrial Development, Job Training and Assessment, and Tourist Promotion. The proposal blends four different funding sources to accomplish the goal of alleviating unemployment and expanding the economy. By restructuring the Pennsylvania Economic Revitalization Fund (PERF) and by utilizing the Sunny Day Fund, expanding existing funding under the Departments of Commerce and Education, and providing new funding under the Capital Budget, the Commonwealth will create a multi-faceted approach totalling \$109.1 million including the commitment \$9.6 million in General Fund resources, \$73.1 million from the Capital Budget, \$20 million from the Sunny Day Fund, and \$6.5 million from PERF.

The three major areas, while seemingly disparate activities, have a common goal of providing employment opportunities, improving workforce skills, and creating a more balanced economic mix.

Industrial Development

This budget proposes six industrial development initiatives: \$50 million over four years for the proposed new Midfield Terminal at Greater Pittsburgh International Airport; an increase of \$3 million to restore our previous level of support of the Pennsylvania Industrial Development Authority (PIDA); a new Technology Assessment Program to help existing basic industries improve their manufacturing processes by incorporating technology and management; a \$75,000 Resource Analysis and Planning initiative; expansion of economic development advertising by \$1 million; and a 150 percent increase in the Small Business Assistance Program.

In order to promote a major economic development recovery of the Pittsburgh region through the "Strategy 21" initiative, the Commonwealth will reserve \$50 million over a four-year period to assist in the construction of the pro-

Industrial Development Program Revision: Economic Development (continued)

Program Analysis: (continued)

posed Midfield Terminal at Pittsburgh International Airport. These funds, \$20 million of which are included in this budget will be available to enable the Commonwealth to assist the greater Pittsburgh region in attracting the necessary private and other public financing essential to the success of this ambitious project.

Additionally, \$70 million including \$52.5 million in Federal and Other funds is provided via the Capital Budget for construction of the Southern Expressway to better link the Greater Pittsburgh International Airport into the existing highway network in the area. This funding composition may change upon completion of financial and engineering studies.

The cornerstone of our industrial development effort continues to be the Pennsylvania Industrial Development Authority (PIDA), which has increasingly targeted its loans to small business, advanced technology and areas of high unemployment. In 1984-85, nearly 50 percent of all PIDA loans went to small businesses, 17 percent went to advanced technology firms and 81 percent to high unemployment areas. This budget continues those priorities and returns PIDA General Fund support to the previous level of \$15 million.

While PIDA deals with job creation, a related initiative deals with job retention. The \$6.5 million Technology Assistance Program (TAP) will provide technical assistance and low interest loans to help existing industries remain competitive through improved technology and management. Funds for this new program will be reallocated from the underutilized PERF Employee Ownership Assistance Program, where demand has been very limited due to the difficulty of establishing viable employee-ownership programs to this more general program with the same goal of retaining existing jobs.

An initiative of \$75,000 is provided under the Department of Commerce for Resource Analysis and Planning to further develop its capability to identify industries where State assistance can have the maximum benefit creating new jobs. Program elements include identifying the types of skills available in the local work force and encouraging firms which need those skills or similar skills to locate or expand there.

Expansion of economic development advertising by \$1 million to attract new industry, assist in the promotion of the PERF Program and to target the various foreign markets is recommended. This increase also addresses the need to continue to improve the Commonwealth's image in order to allow Pennsylvania to compete effectively for site reloca-

tion and site expansion business. The increased funding will provide for a small business advertising campaign and an international campaign in our four primary foreign markets: the United Kingdom; Germany; Japan; and North American markets.

The Small Business Assistance effort, which is funded out of the Ben Franklin Partnership (BFP) appropriation, is proposed to increase from \$100,000 to \$250,000. This will allow for expansion of services at the thirteen Small Business Development Centers located at various colleges and universities across the Commonwealth. These centers offer management counseling to small business in the areas of accounting, record keeping, business planning, market research, etc. Most services are provided at no cost to the business. The centers are funded jointly by the Department of Commerce, the Federal Small Business Administration and the respective universities.

Job Training and Assessment

As we attempt to reshape the industrial texture of the Commonwealth, attention must be paid to helping the workforce make the necessary transition by assisting them in acquiring the skills that will be in demand.

To this end, a \$3 million increase is recommended for Customized Job Training under the Department of Education. This program provides training that is relevant to the specific employment needs of a company in order to provide guaranteed jobs to the unemployed, and to provide employed people an opportunity to upgrade their employment status. Since the inception of the program in 1982, over 17,000 individuals have been trained for new entry-level jobs or to upgrade their existing skills.

Tourism Promotion

As part of a continuing comprehensive approach to economic development in Pennsylvania, this budget proposes a number of funding increases for programs that stimulate increased travel to and within the Commonwealth. As a component in the job promotion effort, tourism has proved to be a tool worthy of increased funding. As depicted by the chart in this program revision, the Commonwealth's investment in tourism activities has increased by \$2.8 million since 1979. This investment has led to a \$3 billion increase in receipts derived from tourism activities, \$85 million in additional tax revenues, and resulted 7,124 additional jobs.

In order to sustain this momentum, an increase of \$2

**Industrial Development
Program Revision: Economic Development (continued)**

Program Analysis: (continued)

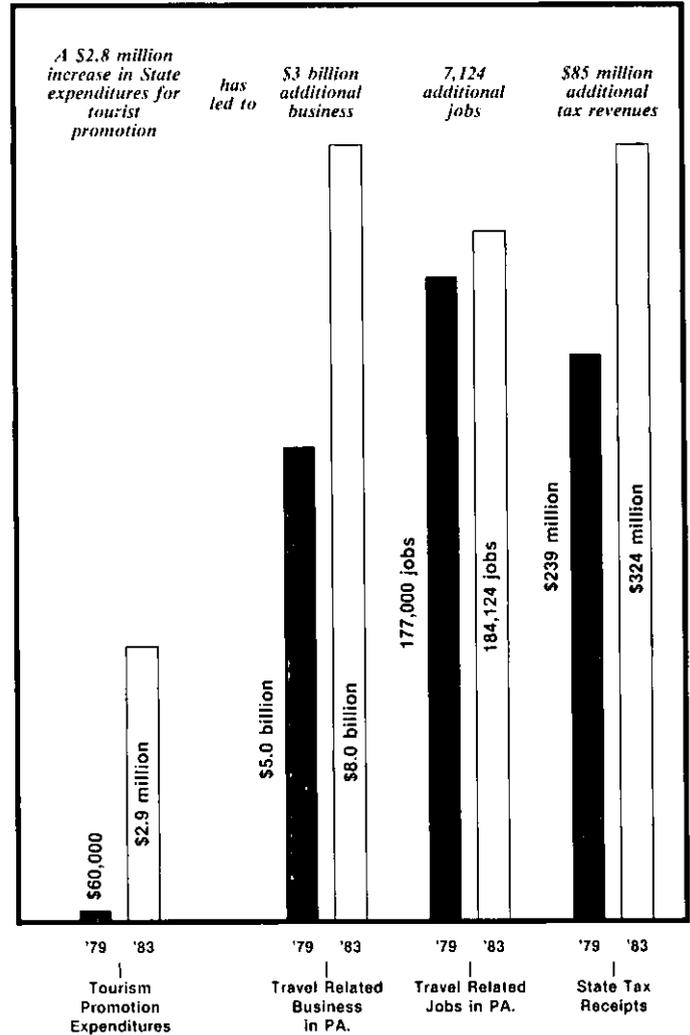
million is recommended for the tourism promotion advertising budget to allow expansion of the advertising campaign across four seasons.

Although advertising is the most extensive and influential element of travel development, the initial point of contact with the traveler entering Pennsylvania is the Welcome Center. In an effort to improve the Commonwealth's attractiveness as a tourist destination, a major expansion and rehabilitation effort is recommended for four of the eight will be constructed on Northbound I-81 in Franklin County and tourist facilities will be developed at two present rest areas as the first installment of a three-year program aimed at completely overhauling the Welcome Center component of the tourism program. Additionally, the Turnpike Commission will be renovating one of its centers. Centers scheduled for expansion and renovation are: Delaware Information Center, Fulton Information Center, Mercer Information Center and York Information Center. All of the centers are located on major interstate highways near the State's borders and thus represent the first opportunity to impact out-of-state travelers entering the Commonwealth.

This effort will be funded through the Capital Budget in the amount of \$3,054,000, plus \$40,000 under the General Government Operations appropriation of the Department of Commerce.

To reinforce all aspects of the tourism effort, the Tourist Promotion Assistance grant program is recommended for an increase of \$300,000 to \$4.8 million, making it one of the largest local tourist promotion grant programs in the nation. The additional funding will be utilized to meet unsatisfied funding demands of the local organizations and will complement the State campaign.

**Tourism Spending,
Jobs & Revenue**



**Industrial Development
Program Revision: Economic Development (continued)**

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations			\$ 115				
Tourism & Economic Development Promotion			3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Pennsylvania Industrial Development Authority			3,000	3,000	3,000	3,000	3,000
Ben Franklin Partnership			150	150	150	150	150
Tourist Promotion Assistance			300	300	300	300	300
Midfield Terminal			10,000	10,000	10,000		
GENERAL FUND TOTAL			<u>\$ 6,500</u>	<u>\$ 16,450</u>	<u>\$ 16,450</u>	<u>\$ 16,450</u>	<u>\$ 6,450</u>
PENNSYLVANIA ECONOMIC REVITALIZATION FUND							
Technology Assessment Program			<u>\$ 6,500</u>				
SUNNY DAY FUND							
Midfield Terminal			<u>\$ 20,000</u>				

In addition to the amounts shown above, this program revision also includes funding in the following subcategory in the Department of Education.

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Adult Employment Training Service							
GENERAL FUND							
Customized Job Training			<u>\$ 3,000</u>	<u>\$ 4,000</u>	<u>\$ 5,000</u>	<u>\$ 6,000</u>	<u>\$ 7,000</u>

**Industrial Development
Program Revision: Export Promotion**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 797	\$ 725	\$ 727	\$ 730	\$ 733
Other Funds	6,600	.....	.....	.....	.....
	<u>.....</u>	<u>.....</u>	<u>\$ 7,397</u>	<u>\$ 725</u>	<u>\$ 727</u>	<u>\$ 730</u>	<u>\$ 733</u>

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Agricultural exports							
Current .....	.....	.....	610,000	625,000	643,000	660,000	690,000
Program Revision	520,000	560,000	628,000	662,000	701,000	740,000	795,000
Increased jobs through Local Development Districts (LDD's)							
Current	170	290	290	290	290	290	290
Program Revision .....	.....	.....	.....	380	380	380	380

Program Analysis:

The Export Promotion theme represents a joint effort of several agencies and program areas to make foreign markets better aware of Pennsylvania's products and to assist Pennsylvania exporters and would-be exporters to enter into or expand their position in the international marketplace. International trade is vital to Pennsylvania's economy. In fact, Pennsylvania currently ranks fourth nationally in the number of jobs related to the export of manufactured products. There is considerable opportunity for expansion of exports, with the potential for major benefit to the State's economy. The Departments of Commerce, Agriculture and Banking will all work together in a concerted effort to improve what could be termed Pennsylvania's "balance of trade".

By restructuring the Pennsylvania Economic Revitalization Fund (PERF) to assure maximum utilization of funding, making a General Fund commitment to expand existing programs and providing new tools to support export promotion, the Commonwealth will be able to mount a significant effort aimed at making this "The Year of the Exporter".

A key program effort will be use of the Pennsylvania Capital Loan Fund (PCLF), where up to \$6.6 million is available, to address currently unmet export financing needs. PCLF already contains the authority to make working capital loan guarantees; this tool could be made fully operational for export financing by modifying participation rates,

amounts of assistance permitted and other constraints.

As important as an export financing mechanism is, technical assistance is of equal importance to small business. This assistance will be provided through the combined resources of the Department of Commerce and Local Development District (LDD) staffs. Increased funding to provide expanded export trading expertise is recommended for both entities. The Department of Commerce's General Government Operations appropriation has been increased by \$72,000 and LDD funds have been increased by \$200,000.

The LDD increase will permit the creation of full-time export specialists in the LDD's to provide the one-to-one relationship necessary for encouraging exporting. The business or industry is linked directly with a regional staff member who can help with all aspects of the export process. These export specialists receive intensive training in all facets of exporting.

In conjunction with this expanded staffing effort at the central and local level, the Department of Agriculture will receive \$300,000 for an export development and marketing program as well as \$75,000 in General Government Operations for a long-range agribusiness study, and the Department of Commerce will receive \$150,000 for a Pennsylvania Export Trading (PET) system.

The Department of Agriculture's program is aimed at increasing the export opportunities of the Commonwealth's

Industrial Development Program Revision: Export Promotion (continued)

Program Analysis: (continued)

agricultural producers. It includes a study on the feasibility of export trading companies as vehicles for arranging agricultural exports, expansion of a computerized trade lead system through the department's linkage with the computers in the 67 county extension offices, a "mentor" program whereby successful agricultural exporters provide direct assistance to individuals and companies entering the export market, and exploration of the use of the U.S. Export-Import Bank to increase loans and credits to foreign countries to purchase Pennsylvania agricultural products.

The department's program will also include a long-range agribusiness study which will examine major marketing trends in the agricultural industry, future national and international markets, the effects of technological changes, as well as future innovations influencing agriculture. The study is to be done in conjunction with the academic sector. While the study encompasses more than the export area, it will be a useful tool to export promotion of agricultural products.

The department's data base will be expanded to carry out this export development and marketing program. The Department of Agriculture will work closely with Commerce to coordinate programs and exchange data.

The Department of Commerce will establish a Pennsylvania Export Trading system (PET) to provide direct linkage with private sector export trading expertise, development of the PCLF export financing mechanism, use of computer software for assessment of company export potential and loan proposal development, and enhancement of a Local Development District computer networking system

already under development. Since Federal funding has been involved in projects of this nature in other states, the department will attempt to obtain either EDA or ARC funding on a 50/50 basis for a total anticipated effort of \$300,000.

In addition to these efforts, the Department of Banking will work with the Departments of Commerce and Agriculture to insure the involvement of Pennsylvania's banking community in financing new exports by small businesses, and to promote joint efforts by Pennsylvania banks and Eximbank.

Finally, the funding increase recommended for the Ben Franklin Partnership under the Advanced Technology Program Revision for the Advanced Technology Centers (ATC) will also be used to expand the involvement of Pennsylvania advanced technology companies in international export markets. Currently, through the Advanced Technology Centers, firms in selected areas of the Commonwealth receive targeted assistance to develop export markets for their products. The experience gained in these projects will be used to develop an expanded export assistance program. Under this expanded initiative a broader spectrum of Pennsylvania advanced technology companies will receive information that allows them to assess potential export markets, barriers to competing in foreign markets, and the Federal and State programs available to assist a company's entry into international trade. The focus of this effort will be on companies active in technologies with high growth potential, such as biotechnology, advanced materials, robotics, and microelectronics.

**Industrial Development
Program Revision: Export Promotion (continued)**

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 72	\$ 75	\$ 77	\$ 80	\$ 83
Local Development Districts	200	200	200	200	200
Pennsylvania Export Trading	150	150	150	150	150
GENERAL FUND TOTAL	\$ 422	\$ 425	\$ 427	\$ 430	\$ 433
OTHER FUNDS:							
PENNSYLVANIA ECONOMIC REVITALIZATION FUND							
PCLF Export Financing	\$ 6,600	.....	.....	.....	.....
TOTAL PENNSYLVANIA ECONOMIC REVITALIZATION FUND TOTAL	\$ 6,600	.....	.....	.....	.....

In addition to the amounts shown above, the Program Revision also includes funding in the following subcategory in the Department of Agriculture.

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Development of Agricultural Industries							
GENERAL FUND							
General Government Operations	\$ 75	.....	.....	.....	.....
Export Development and Agricultural Promotion	300	\$ 300	\$ 300	\$ 300	\$ 300
GENERAL FUND TOTAL	\$ 375	\$ 300	\$ 300	\$ 300	\$ 300

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 7,914	\$ 9,941	\$ 11,986	\$ 12,232	\$ 12,529	\$ 12,838	\$ 13,160

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Employment derived from tourism activities (in thousands)	184	189	194	200	204	208	212
Wages derived from tourism activities (in millions)	\$1,855	\$1,938	\$2,049	\$2,165	\$2,267	\$2,377	\$2,463
Commonwealth revenues derived from tourism activities (in millions)	\$324.0	\$345.6	\$367	\$389.5	\$409.9	\$430.5	\$452
Tourist contacts through information centers (in thousands)	475	475	550	567	584	602	620
Tourist promotion agencies receiving assistance	56	55	55	55	55	55	55
Traveler Expenditures (in millions)	\$7,991	\$8,430	\$8,953	\$9,499	\$9,998	\$10,498	\$11,023

Program Analysis:

As part of a continuing comprehensive approach to economic development in Pennsylvania, this budget proposes a number of funding increases for programs that stimulate increased travel to and within the Commonwealth. These increases build upon an initiative begun in the 1979-80 budget through the provision of a new, modest travel-tourism promotion program and increased every year since that first initiative. The "You've got a friend in Pennsylvania" campaign, introduced in 1980, was aimed at increasing the Commonwealth's share of the growing travel market. The growth of the program to its current level of \$4 million has allowed the use of all major electronic and print media and has concentrated upon the State's primary market areas.

By 1984, spurred by continually expanding financial support, annual travel and tourism revenues in Pennsylvania grew to \$8 billion. Traveler spending in Pennsylvania during the first four years of the campaign grew at a rate 5.9 percent higher than that of the years preceding the campaign. Travel-related employment reached 184,124, an increase of

7,124 jobs since 1979. State tax receipts attributed to travel spending totalled \$324 million or \$85 million greater than in 1979.

In 1984-85, the department participated in 3 eastern travel shows where Pennsylvania's exhibits were viewed by approximately 600,000 potential travellers. These shows represent the most cost effective means of distributing large quantities of literature.

However, competition for traveler spending is more intense than ever before. Media spending has increased substantially among its traditional competitors. Pennsylvania will have to increase its efforts if only to maintain the State's market share. In support of this effort, a \$2 million initiative is recommended for expansion of the tourism promotion advertising budget across four seasons. Further discussion of the program can be found under the Economic Development Program Revision following the Department of Commerce's Industrial Development subcategory.

The Commonwealth has also opened new initiatives with

Tourism and Travel Development (continued)

Program Analysis: (continued)

domestic and foreign travel through participation in major marketplaces sponsored by the Travel Industry Association of America, American Bus Association, National Tour Brokers Association and the Ontario Motorcoach Association. During 1985-86, the department will again participate in the World Travel Market to be held in London, England.

Although advertising is the most extensive and influential element of travel development, the initial point of contact with the traveler entering Pennsylvania is the welcome centers. Operated in cooperation with the Pennsylvania Department of Transportation, the present eight centers are located on major interstate routes into the Commonwealth. These centers are established to aid the traveler with directions to tourist attractions and lodging. With the decreasing availability of service station highway maps, these centers are becoming more important as indicated by the estimated 475,000 travelers visiting these centers during 1984. In an effort to improve the Commonwealth's attractiveness as a tourist destination, an initiative in the budget proposes a major expansion and rehabilitation effort for four of the existing centers, development of tourist facilities at two present rest areas, construction of a new center, and renovation by the Turnpike Commission of one of their centers. This will be the first year of a recommended three-year program aimed at completely overhauling the Welcome Center component of the tourism program. Funded in 1986-87 at the proposed level of \$3,054,000 under the Capital Budget and \$40,000 under General Government Operations, this ef-

fort is explained in greater detail under the Economic Development Program Revision following the Industrial Development Subcategory.

Public relations is another important tourism effort. Press releases are produced on a regular basis and distributed to more than 1,200 media representatives in the U.S. and Canada. These releases contribute to overall efforts of reaching the tourism audience. The department also publishes a calendar of events.

To reinforce all aspects of the advertising thrust aimed at increasing Pennsylvania's share of the available tourist market, increases are also recommended in the Tourist Promotion Assistance Grant program and the economic development advertising campaign.

The Tourist Promotion Assistance Grant Program, which provides matching funds for advertising, promotion and administrative expenses to 55 county organizations, is recommended for a seven percent increase to \$4.8 million. The additional monies will be used to meet unsatisfied funding demands of the local organizations and will complement the State campaign. The program measures reflect the impact of the increased funding in the tourist promotion programs at the statewide level and local level. These increased benefits to the Commonwealth in 1986-87 are statistically reflected by an increase of 5,000 jobs, and \$111 million increase in wages derived from tourism activities and an over \$21 million estimated increase in tax revenues to the State.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 1,079	\$ 1,116	\$ 1,186	1,192	1,239	1,289	1,341
Tourism and Economic Development							
Promotion	2,850	4,000	6,000	6,240	6,490	6,749	7,019
Tourist Promotion Assistance	3,900	4,500	4,800	4,800	4,800	4,800	4,800
American Wind Symphony	85	85	.....	.....	.....	.....	.....
American Music Theatre Festival .....	.....	100	.....	.....	.....	.....	.....
Constitution Bicentennial—Philadelphia ..	.....	140	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 7,914	\$ 9,941	\$ 11,986	\$ 12,232	\$ 12,529	\$ 12,838	\$ 13,160

Scientific and Technological Development

OBJECTIVE: To increase the scientific and technological resources of the Commonwealth.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 24,927	\$ 24,731	\$ 33,255	\$ 34,265	\$ 33,275	\$ 29,536	\$ 29,548
Other Funds	3,056	253	10,195	201	207	213	219
TOTAL	\$ 27,983	\$ 24,984	\$ 43,450	\$ 34,466	\$ 33,482	\$ 29,749	\$ 29,767

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Average amount of challenge grant (in thousands)	\$4,500	\$5,325	\$6,325	\$6,325	\$6,325	\$6,325	\$6,325
Private and Public funds committed (in millions)	\$55	\$81	\$101	\$101	\$101	\$101	\$101
Incubator facilities	16	23	27	34	36	38	38
Small business research seed grants awarded	17	20	31	31	31	31	31
Firms established through advanced technology center efforts	117	138	190	190	190	190	190
Private sector jobs created or retained (cumulative)	2,484	5,580	9,760	14,270	19,470	30,515	36,285

Program Analysis:

If the State is to continue to meet the challenge of the new technological age and obtain at least its share of future growth in jobs and productivity, Pennsylvania must again increase its already significant efforts keyed to the growth and development of advanced technology enterprises.

The centerpiece of the advanced technology program, the Ben Franklin Partnership (BFP) program, is unique because it supports the use of new technologies and processes in not only new fields and enterprises but mature industries as well. This program links private and educational resources, particularly research capabilities, to make traditional industry more competitive in the international marketplace and to spin-off new, small businesses on the leading edge of technological innovations. It also provides resources to address education and training needs, and provide entrepreneurial development services, including services to tenants of small business incubator facilities.

Several Scientific and Technological Development programs are offered under the auspices of the Ben Franklin Partnership. They include the Challenge Grant Program for

Technological Innovation and the Small Business Research Seed Grant program, PENNTAP, the Engineering Equipment program, the Seed Capital Challenge Grant program, and a tax credit for economic revitalization.

The Ben Franklin Challenge Grant Program operates through four Advanced Technology Centers located throughout the Commonwealth. Each of the four centers is organized as a consortium that serve as overseers of the program. While based at research universities, the consortia are composed of representatives from business, labor, economic development organizations, local government, and others. The basic functions of the centers are joint research and development, education and training and entrepreneurial assistance. This year 380 total projects including 235 joint research and development projects are underway with the private sector: education and training projects are being expanded; and an increased number of seminars, assistance, and other services are available for entrepreneurs. In addition, each of the centers provides support for business services to small business incubators were

Scientific and Technological Development(continued)

Program Analysis: (continued)

established at several centers.

The Ben Franklin Partnership Challenge Grant Program obtains private sector involvement and commitment first before committing public funds. This approach is more likely to result in the more rapid commercialization of research and development into the marketplace. Challenge grants are provided to assist traditional industries such as coal and steel to modernize and be more competitive, help to retain jobs and increase the Commonwealth's workforce, as well as to assist in the development of new products for new firm start-ups on the leading edge of technology. This program assists both existing businesses in Pennsylvania as well as encouraging the growth of new technology firms. Of significant note is the \$3.80 in matching funds generated for every State dollar expended under the Ben Franklin Partnership. Since its inception in 1982, State funding of \$50.3 million has generated \$169.9 million in private and other matching support.

The Small Business Research Seed Grant Program, initiated in 1983-84, provides direct funding of research and development activities for small firms. Awards to Pennsylvania based firms are made on a competitive basis, with preference to firms with 50 employees or less. Modeled after the Federal Small Business Innovation Research Act which sets aside funds from each Federal agency's research and development budgets for funding of small firms, this State program compliments this Federal effort and demonstrates that the State's economic future is tied to entrepreneurship, including the development of new products and start-up of small firms. Pennsylvania's Small Business Research Seed Grant Program is one of only five such state programs in the United States.

For 1986-87, an increase of \$5.5 million is recommended for the Ben Franklin Partnership (BFP) to provide for expansion of the Challenge and Seed grant programs in an effort to address the more than \$30 million in requests received by the centers. Further discussion of this increase can be found under the Advanced Technology program revision following this subcategory.

Complementing this General Fund support for advanced technology efforts, this budget recommends redirection of \$5 million in PERF funds to establish an Advanced Technology Facilities Program under the BFP and also allocation of \$5 million from the Sunny Day Fund to provide first-year assistance to Lehigh University in its acquisition of the Homer Research Laboratory complex from Bethlehem Steel. More information on both of these efforts can be found in the Advanced Technology Program Revision following this subcategory.

The Advanced Technology Facilities proposal is in an effort by the Commonwealth to provide a pool of funds to

address funding requests such as our current commitment to the Pittsburgh Technology Development Center, funded at \$1 million in 1985-86 and \$2 million in 1986-87, and the Super Computer Center, funded at \$1,750,000 in each of three years beginning in 1986-87. Both of these items, part of Pittsburgh's economic development strategy known as "Strategy 21", are also discussed in more detail under the Advanced Technology Program Revision following this subcategory.

All Pennsylvania Economic Revitalization Fund (PERF) funds and Sunny Day Fund monies are reflected as "Other Funds" at the beginning of this subcategory. A general overview on the proposed use of these funds can be found in Volume I.

Funding for PENNTAP is also provided as part of the Ben Franklin Partnership. PENNTAP is a partnership of the Department of Commerce and Pennsylvania State University that provides information on Federal programs and on emerging technologies in order that the Commonwealth's industry remains competitive. An increase of \$50,000 is recommended next year for PENNTAP to handle the growing sophistication of the equipment, processes and methods which business and industrial firms must incorporate into their operations.

Demand for the services of PENNTAP continues and is likely to increase as the impact of technology on traditional and new industries continues. PENNTAP has handled more than 19,300 cases with an economic benefit to the Commonwealth exceeding \$79.9 million, and has provided an effective vehicle to assist in encouraging foreign and domestic investors to locate in the Commonwealth.

Funding in the amount of \$3 million was made available last year from the Pennsylvania Economic Revitalization Fund (PERF) to purchase and upgrade existing equipment at the Commonwealth's engineering colleges and universities. The program is administered by the Ben Franklin Partnership, which approves applications based on the use of the equipment and the ability of the school to raise matching private sector funds. PERF funds totalling \$1.8 million have been approved to date. These funds have been matched by \$6.1 million in private and other sources.

Another BFP administered PERF program in the Small Business Incubators Loan program. This program as currently structured provides \$17 million for loans over 3 years for the establishment of small business incubators. Also, the BFP administers the PERF-funded Seed Capital Challenge Grant Program (\$3 million over three years) to establish seed capital venture funds at each of the four advanced technology centers. All four of these funds have been certified as having raised the required private sector match and have each received the originally planned \$750,000 from PERF.

Scientific and Technological Development (continued)

Program Analysis: (continued)

The Ben Franklin Partnership also is involved in the \$25 million tax credit program established by Act 29 of 1985. The program permits eligible corporations to convert their Pennsylvania net losses into 20 percent tax credits for new Pennsylvania plant and equipment investments. An estimated 2,000 firms could benefit from the program, depending on their 1986 commitment to new Commonwealth investments. Tax credits are limited to manufacturing, processing, and research/development activities and must result in job retention or expansion to be certified.

An advanced technology policy would not be complete without addressing the energy needs and resources of the Commonwealth. The Pennsylvania Energy Development Authority (PEDA) provides financial assistance to sponsors of energy projects which promote, develop or make efficient use of energy resources in Pennsylvania. Financial assistance in the form of low-interest loan guarantees, venture capital, and interest reduction on loans and grants is provided to projects which meet the purposes of PEDA's enabling legislation and the Energy Development Plan. Eligible energy projects involve such energy resources as coal, hydroelectric, wood waste, manure and other agricultural wastes, agricultural products such as corn and natural gas and petroleum. In addition, assistance can be extended to projects which result in more efficient uses of energy.

The program is capitalized through both State appropria-

tions and the sale of revenue bonds. While revenue bonds can be used to finance projects involving any energy resource, they are governed by the Federal Internal Revenue Code as it applies to industrial development bonds and can only be used for those projects which can demonstrate sufficient revenues for commercial viability.

Hence, the normal programs and administration of the authority are dependent upon annual state appropriations. The total amount of \$1.3 million available in state funds in the current year is legislatively earmarked for coal purposes including anthracite development, loan guarantees for coal projects, interest reduction for loans for coal projects made through the authority, and energy research.

If the legislative priority on coal projects is continued, development of only one of the several Commonwealth energy resources will be assisted over the next several years. The department and the administration has asked for legislative review of this "coal only" policy, and elimination of this restrictive earmarking in order to provide more program flexibility. In the interim, a \$200,000 increase is recommended in General Fund support for PEDA to provide funding for priority non-coal projects. Additionally, a small number of non-coal projects can also be undertaken through loan repayments and interest on authority funds invested by the State Treasurer.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 200	\$ 231	\$ 255	\$ 265	\$ 275	\$ 286	\$ 298
Ben Franklin Partnership	18,727	22,200	27,750	27,750	27,750	27,750	27,750
Pennsylvania Energy Development Authority	1,500	1,300	1,500	1,500	1,500	1,500	1,500
Pittsburgh Technology Development Center .....	.....	1,000	2,000	.....	.....	.....	.....
Software Engineering Institute	4,500	.....	.....	.....	.....	.....	.....
Super Computer .....	.....	.....	1,750	1,750	1,750	.....	.....
Homer Research Center .....	.....	.....	.....	3,000	2,000	.....	.....
GENERAL FUND TOTAL	\$ 24,927	\$ 24,731	\$ 33,255	\$ 34,265	\$ 33,275	\$ 29,536	\$ 29,548

**Scientific and Technological Development
Program Revision: Advanced Technology**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund			\$ 8,500	\$ 10,500	\$ 9,500	\$ 5,750	\$ 5,750
Other Funds			\$ 10,000				
TOTAL			\$ 18,500	\$ 10,500	\$ 9,500	\$ 5,750	\$ 5,750

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Pittsburgh Technology Development Center							
Firms established							
Current		5	5	5	5	5	5
Program Revision			20	30	30	30	30
Jobs created or retained							
Current	60	200	200	200	200	200	200
Program Revision			700	900	1,200	1,600	2,000
Ben Franklin Partnership							
Firms established through advanced technology centers							
Current	117	138	138	138	138	138	138
Program Revision		190	190	190	190	190	190
Incubator facilities assisted by advanced technology centers							
Current	16	23	26	26	26	26	26
Program Revision			27	34	36	38	38
Small business research seed grants							
Current	17	20	20	20	20	20	20
Program Revision			31	31	31	31	31

Program Analysis:

Technology development, and its incorporation into our economic base, is a key to improving the Commonwealth's economic health and in sustaining and creating jobs for the Commonwealth's work force.

Applications of advanced technology can yield improved productivity and competitiveness, lowered costs and expanded operations, and in some cases new enterprises offering new products and services. By staying on the leading edge of technological innovation, the competitive position of Pennsylvania industries can be strengthened.

The mainstay of such efforts in Pennsylvania is the nationally-recognized, state-of-the-art Ben Franklin Partnership (BFP). This partnership between higher education

institutions, the private sector and State government, presently in its fourth year, is the largest state technological innovation program in the nation and also the one with the most matching support from the private sector. To date the BFP has generated over \$169.9 million in private and other matching support with a State investment of \$50.3 million as depicted by the chart.

BFP consists of four General Fund-supported programs, three of which support advanced technology efforts: the Challenge Grant Program for Technological Innovations, the Seed Grant Program for Small Business Research, and the PENNTAP Program providing information on Federal programs and emerging coverage technologies. All are

**Scientific and Technological Development
Program Revision: Advanced Technology (continued)**

Program Analysis: (continued)

recommended for increases in this budget: \$5.2 million for Challenge Grants, \$300,000 for Seed Grants and \$50,000 for PENNTAP. These three increases also will assist in efforts to expand exports; further discussion of export assistance efforts can be found in the Export Promotion program revision following this program revision.

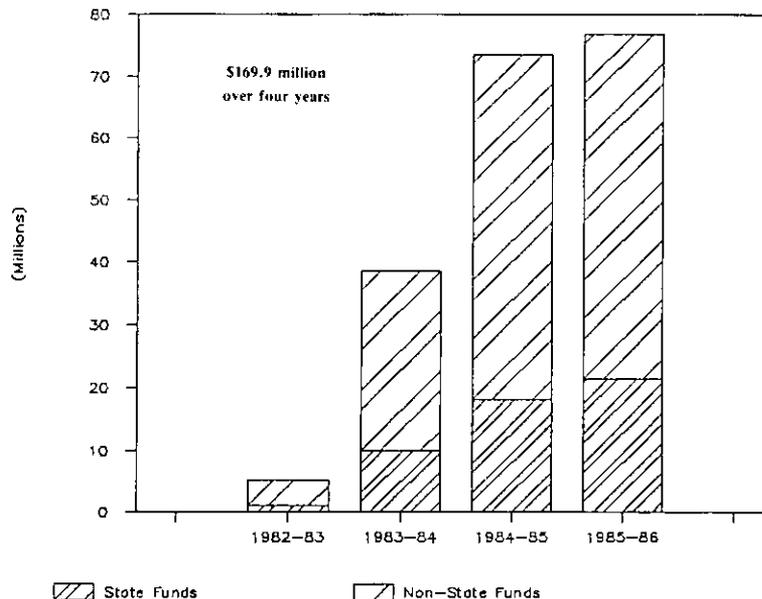
The fourth BFP program, Small Business Assistance also receives an increase of \$150,000 under the Program Revision Request supporting Commerce's Industrial Development subcategory.

Complementing this General Fund Support for advanced technology efforts, this budget recommends redirection of \$5 million in PERF funds to establish an Advanced Technology Facilities Program under the BFP and also allocation of \$5 million in monies from the Sunny Day Fund to provide first-year assistance to Lehigh University in its acquisition of the Homer Research Laboratory complex from Bethlehem Steel.

The Advanced Technology Facilities Program will provide a pool of monies available for construction of new laboratory, research and production facilities which meet state priorities. This proposed "bricks and mortar" component of BFP may already have its first potential recipients in Lehigh and Carnegie-Mellon Universities, who are finalists for designation by the National Science Foundation as Engineering Research Centers.

The other research-oriented proposal is aid to Lehigh University in its acquisition of the Homer Research Laboratory buildings and land from Bethlehem Steel. Lehigh might also utilize these funds to make improvements and renovations. This complex, involving 842 acres, 8 buildings with 600,000 square feet and a replacement value of over \$150 million, will provide a corporate research facility in the Lehigh Valley. General Fund Support of the proposal is recommended in the amount of \$3 million in 1987-88 and \$2 million in 1988-89, bringing the total Commonwealth

BEN FRANKLIN PARTNERSHIP
Challenge Grants



**Scientific and Technological Development
Program Revision: Advanced Technology**

Program Analysis: (continued)

commitment to \$10 million, provided Lehigh University and Bethlehem Steel can successfully conclude their negotiations.

The Homer facility is similar in purpose to the Pittsburgh Technology Development Center at the University of Pittsburgh, also funded in both the 1985-86 and this budget under the State's ongoing commitment to the "Strategy 21" effort in the Pittsburgh area. This budget provides for the second year of funding for the Pittsburgh Technology Development Center in the amount of \$2 million, a 100 percent increase over last year. The center will be used as an advanced research and development center, housing activities ranging from basic research to technology development, involving participation by both government and industry.

Also under the "Strategy 21" commitment, the Commonwealth is providing assistance in the amount of \$5.25 million over the next three years to a joint proposal by the University of Pittsburgh, Carnegie Mellon University and

Westinghouse Electric Corporation to establish a National Super Computer Center recently awarded by the National Science Foundation, which will eventually serve as a hub of a national communications network for related research facilities. BFP is also anticipated to be a funding source for this project, in an amount of \$250,000 per year.

Finally, an advanced technology effort would not be complete without addressing the energy needs and resources of the Commonwealth. The Pennsylvania Energy Development Authority (PEDA) provides financial assistance to sponsors of energy projects which promote, develop or make efficient use of state energy resources. A \$200,000 General Fund increase is recommended for PEDA to provide funding for research into alternative energy sources. At the same time, the return of program balance flexibility is recommended by removing legislative earmarking which limits program funding to "coal-only" projects.

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Ben Franklin Partnership			\$ 5,550	\$ 5,550	\$ 5,550	\$ 5,550	\$ 5,550
Pennsylvania Energy Development Authority			200	200	200	200	200
Super Computer			1,750	1,750	1,750		
Pittsburgh Technology Development Center			1,000				
Homer Research Center				3,000	2,000		
GENERAL FUND TOTAL			\$ 8,500	\$ 10,500	\$ 9,500	\$ 5,750	\$ 5,750
OTHER FUNDS:							
PENNSYLVANIA ECONOMIC REVITALIZATION FUND							
Advanced Technology Facilities—BFP			\$ 5,000				
SUNNY DAY FUND							
Homer Research Laboratory			\$ 5,000				
OTHER FUNDS TOTAL			\$ 10,000				

International Trade

OBJECTIVE: To expand Pennsylvania's exports and attract foreign investment.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 5,724	\$ 6,731	\$ 2,666	\$ 2,702	\$ 2,739	\$ 2,778	\$ 2,818
Federal Funds	13						
TOTAL	\$ 5,737	\$ 6,731	\$ 2,666	\$ 2,702	\$ 2,739	\$ 2,778	\$ 2,818

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Estimated State jobs attributable to foreign investments in Pennsylvania	111,996	118,500	124,500	130,500	138,500	146,500	146,500
Foreign companies located in Pennsylvania	554	580	600	640	680	720	720
Companies in trade shows	70	70	75	75	80	85	85
Exporting leads	1,300	1,200	1,200	1,200	1,200	1,200	1,200

Program Analysis:

Key strategies in the Commonwealth's economic development and job creation efforts include increasing foreign investments in Pennsylvania and expanding the markets for products of Pennsylvania firms, particularly overseas.

Departmental efforts during the past fiscal years have centered on providing assistance to small and medium-sized firms interested in exporting and promoting Pennsylvania directly with foreign investors considering establishing or expanding U.S. activities. Primary emphasis was given to small and medium-sized companies since most of them initially neither have the financial or personnel resources, nor the technical background to concentrate on foreign markets.

During 1984-85, the department participated in trade fairs in Canada, Japan, Mexico, Austria, Switzerland, Italy, Chile, Argentina, Uruguay, Bolivia and West Germany. A total of 70 Pennsylvania companies participated in these trade events. In addition, four editions of the "Export Opportunities Bulletin" were published, resulting in follow-up requests for leads by 876 Pennsylvania firms. An additional 780 firms were counseled on trade matters by the trade section.

During 1985-86, the department anticipates participating in various trade events in Austria, Canada, Mexico, Korea, Taiwan, Japan, and Belgium.

When a company participates in a trade exhibition/mis- sion, they are introduced to several potential buyers, agents, representatives and distributors who may have an interest in purchasing or handling their product line in that particular market. The company gains a first hand knowledge of the market and has the opportunity to engage in discussions with

potential representatives, distributors, agents and buyers.

In 1984-85, there were 554 foreign-related firms in Penn- sylvania; these take the form of either a direct investment, a joint venture with a Pennsylvania firm, or an acquisition of a Pennsylvania-based company. [Foreign investments consist of manufacturing, sales, distribution, retail and fran- chise enterprises and representative offices]. This is expected to increase to 580 companies by the end of 1985-86 and ac- count for the employment of over 118,500 persons, an in- crease of 6,000 since last year. For 1986-87, this trend is ex- pected to continue with 600 foreign-owned companies and 124,500 jobs attributed to foreign investments.

Potential transactions with European, Japanese and Canadian industrial prospects involve 307 companies, and these investments may create significant job opportunities in Pennsylvania.

In order to assist Pennsylvania in the international market place and to increase foreign investment and tourism, foreign representation has been established in Tokyo, Lon- don, and Frankfurt and part-time representation in Latin America and Canada. As a result of these foreign opera- tions a total of 35 foreign firms either located or expanded in Pennsylvania through the efforts of the department dur- ing January 1984 through July 1985 with a projected total employment of more than 5,800 jobs.

The primary means available to the Commonwealth for assisting export trade is to provide small businesses with assistance in overcoming the many legal, financial and logistical problems inherent in doing business international- ly. The Federal Export-Import (Eximbank) program con-

International Trade (continued)

Program Analysis: (continued)

tinues to be an important vehicle for providing financial assistance.

The Export-Import Bank of the United States (Eximbank) was created in 1934 and was established as an independent U.S. Governmental Agency in 1945. The purpose of the bank is to aid in financing and to facilitate exports by providing loans or guarantees to foreign governments or companies in order that they may purchase U.S. goods and services. Large firms have been the primary beneficiaries of these programs.

In addition to those programs geared primarily to large companies, Eximbank also has programs designed for smaller businesses, such as the "Working Capital Guarantee Program". This financing vehicle enables qualified firms to arrange commercial financing for their pre-export financing needs such as inventory purchases and production and marketing activities.

Because Eximbank did not have the necessary resources to adequately promote and service these programs, positions were approved in last year's budget to perform this task on behalf of Eximbank. Initial emphasis has been placed on marketing the "Working Capital Guarantee Program".

In order to facilitate this effort, Eximbank has agreed to present a detailed four-day training seminar to interested Pennsylvania banks and appropriate economic development personnel.

In addition to export financing programs, the department will promote contact between Pennsylvania exporters and designated "Umbrella Policy Holders" for the Foreign Credit Insurance Association program. The Umbrella program is handled by an administrator which offers short-term credit risk covering export sales. These administrators assume responsibility for collecting premiums, reporting shipments, completing forms and processing claims on behalf of the insured exporters. The Umbrella Policy offers new exporters greater access to foreign credit risk protection and lessens their paperwork burden. It also helps exporters obtain financing because the policy proceeds are assignable to any financial institution as collateral.

In an effort to address the export financing needs which are not currently being met, this budget proposes an initiative relaxing legislative constraints under the Capital Loan Fund [PCLF] for export finance transactions. The Capital Loan Fund already contains the authority to do working capital loan guarantees. This tool could be made

fully operational for export financing by relaxing constraints on participation rate, amount of assistance and company size. Underutilized Pennsylvania Economic Revitalization Fund [PERF] monies provided to the PCLF in the amount of \$5 million annually in 1984-85, 1985-86 and 1986-87 will fund this effort. It is anticipated \$6.6 million will be available in the PCLF for this purpose. For more information, refer to the Export Promotion Program Revision following the Industrial Development subcategory.

Since the enabling legislation for this initiative is being developed and many variables are not yet known, no impact from this proposal has been reflected on the program measures shown above.

The department participated in an "Invest in USA" program held in the cities of Sydney, Brisbane and Melbourne in Australia during 1985.

Added emphasis is being directed to the Canadian market for investment purposes. Canada has largely been an ignored market for investment/trade development by the various states. With closer economic ties being developed between Canada and the U.S., investment potential from Canada is very encouraging.

A relatively new tool designed to increase exports is the export trading company. This device, authorized by Federal legislation in 1982, allows competing companies or companies operating in a related field, to form a separate entity solely for the purpose of exporting goods. The trading company is allowed to set product prices and promote common products for export. The Federal legislation generally exempts a certified export trading company from anti-trust laws for exporting products. The concept is particularly important for small and medium-sized companies which individually do not have the resources to market and sell their products outside the U.S. as a large company does. The department will be providing technical assistance in this area as well.

The Department will also establish a Pennsylvania Export Trading system (PET), funded at \$150,000, to provide direct linkage with private export trading companies and export management companies, freight forwarders and investment banks to promote small business exporting. More detailed discussion of this system can be found under the Export Promotion Program Revision following the Industrial Development subcategory.

International Trade (continued)

Program Analysis: (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 849	\$ 856	\$ 891	\$ 927	\$ 964	\$ 1,003	\$ 1,043
Port of Philadelphia	3,000	4,000	1,000	1,000	1,000	1,000	1,000
Port of Erie	1,125	1,125	375	375	375	375	375
Port of Pittsburgh	750	750	250	250	250	250	250
Pennsylvania Export Trade .....	.....	.....	150	150	150	150	150
TOTAL GENERAL FUND	<u>\$ 5,724</u>	<u>\$ 6,731</u>	<u>\$ 2,666</u>	<u>\$ 2,702</u>	<u>\$ 2,739</u>	<u>\$ 2,778</u>	<u>\$ 2,818</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; grants for housing, redevelopment, flood plain management, planning and manpower training.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1986-87 State Funds (in thousands)
General Fund		
General Government Operations	Renaissance Communities Program	\$ 350
Enterprise Development	Renaissance Communities Program	1,250
Council of Governments	Renaissance Communities Program	25
Planning Assistance	Renaissance Communities Program	100

This Program Revision will provide grants to distressed areas to develop programs that will aid in economic recovery.

General Fund Total	\$ 1,725 ^a
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Oil Overcharge Fund

Weatherization	Energy Conservation (Oil Overcharge)	\$ 20,000 ^b
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This Program Revision provides grants to local entities for the weatherization of homes of low-income individuals.

Oil Overcharge Fund Total	\$ 20,000
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DEPARTMENT TOTAL	\$ 21,725
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^aThe total program revision for Renaissance Communities Program is \$24.9 million. Details are presented in the appendix to the Industrial Development subcategory in the Department of Commerce, and in the Economic Development Thrust presentation in Volume I.

^bThe total program revision for Energy Conservation is \$39.8 million. Details are presented in the appendix to the Energy Management and Conservation subcategory in the Executive Offices.

DEPARTMENT OF COMMUNITY AFFAIRS

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 7,785	\$ 8,795	\$ 7,724
Grants and Subsidies			
Community Conservation and Youth Employment	\$ 2,733	\$ 2,836	\$ 2,736
Housing and Redevelopment Assistance	8,000	10,000	10,000
Enterprise Development	4,000	5,000	6,250
Regional Councils	175	175	200
Planning Assistance	100	100	200
Flood Plain Management	75	75	100
COGNET .....	.....	100	.....
United Social Services .....	.....	110	.....
New Castle Blight Removal .....	.....	100	.....
Disaster Redevelopment Assistance — Tornadoes (1985) .....	.....	1,500	.....
Single-room Occupancy/Low-income Housing .....	.....	3,500	.....
Subtotal	\$ 15,083	\$ 23,496	\$ 19,486
TOTAL STATE FUNDS	\$ 22,868	\$ 32,291	\$ 27,210
Federal Funds	\$ 120,221	\$ 120,604	\$ 127,510
Augmentations	2,610	3,823	3,288
GENERAL FUND TOTAL	\$ 145,699	\$ 156,718	\$ 158,008
Other Funds	\$ 261	\$ 13,235	\$ 26,410
TOTAL ALL FUNDS	\$ 145,960	\$ 169,953	\$ 184,418

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 7,785	\$ 8,795	\$ 7,724
Federal Funds	2,411	2,608	1,618
Augmentations	1,026	823	788
TOTAL	\$ 11,222	\$ 12,226	\$ 10,130

Provides for the administration and operation of various programs designed to promote effective and economical delivery of municipal services by assisting communities and political subdivisions in the areas of economic opportunity to disadvantaged Pennsylvanians; housing, code enforcement and renewal; grant programs for the acquisition and development of recreational facilities; technical and financial assistance to regional planning agencies and councils of government; and regulation of industrialized housing.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
General Government Operations	\$ 7,785	\$ 8,795	\$ 7,724
Federal Funds:			
Land and Water Conservation Fund — Project Administration	75	89	50
Operator Outreach Training .....	.....	50	22
ARC — Planning Administration	25	25	45
Community Development Technical Assistance	146	200	.....
Community Services Block Grant — Administration	500	525	737
Small Communities Block Grant — Administration	860	886	754
Folk Art Project	32	23	.....
Low-Income Energy Assistance — Administration	773	800	.....
Training—Road and Street Maintenance .....	.....	10	10
Augmentations:			
Land and Water Development Act	250	.....	.....
Mobile and Industrialized Housing Act	123	139	135
Training Course Registration	267	260	260
Disaster Relief Fund	159	83	83
Energy Conservation Code Fees	225	341	310
Council on Arts — Folk Art Project	2	.....	.....
TOTAL	\$ 11,222	\$ 12,226	\$ 10,130

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Community Conservation and Youth Employment			
State Funds	\$ 2,733	\$ 2,946	\$ 2,736
Federal Funds	15,237	18,212	19,637
TOTAL	<u>\$ 17,970</u>	<u>\$ 21,158</u>	<u>\$ 22,373</u>

Provides financial assistance to municipalities, community action agencies (CAA), Opportunities Industrialization Centers (OIC) and nonprofits to develop programs aimed at chronic unemployment and the social, physical and economic deterioration of communities. In addition, the Federal Community Services Block Grant monies are utilized and targeted toward Commonwealth priorities in the employment areas.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Community Conservation and Youth Employment	\$ 2,733	\$ 2,836	\$ 2,736
United Social Services .....	.....	110	.....
Federal Funds:			
Community Services Block Grant	15,237	18,212	19,637
TOTAL	<u>\$ 17,970</u>	<u>\$ 21,158</u>	<u>\$ 22,373</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Community Revitalization Assistance			
State Funds	\$ 12,000	\$ 20,100	\$ 16,250
Federal Funds	101,380	98,439	105,680
Augmentations	1,584	3,000	2,500
TOTAL	<u>\$ 114,964</u>	<u>\$ 121,539</u>	<u>\$ 124,430</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 through rehabilitation.

Provides grants to assist nonprofit sponsors in meeting the costs of building low and moderate income housing.

Provides grants to identified enterprise development areas to plan and implement proposals to create jobs.

Provides funds to weatherize existing housing stock through the installation of insulation, storm doors and windows in homes of persons who meet income standards developed by the Federal Government agency.

Also includes funds from the Small Communities Block Grant to upgrade the housing stock of low income individuals.

Provides Federal funds to assist in relocation of Centralia residents endangered by the underground mine fire.

GENERAL FUND

COMMUNITY AFFAIRS

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Housing and Redevelopment Assistance	\$ 8,000	\$ 10,000	\$ 10,000
Enterprise Development	4,000	5,000	6,250
New Castle Blight Removal .....	.....	100	.....
Disaster Redevelopment Assistance—Tornadoes .....	.....	1,500	.....
Single-Room Occupancy/Low-Income Housing .....	.....	3,500	.....
Federal Funds:			
Low Income Energy Assistance — Weatherization	9,095	7,200	.....
DOE — Weatherization	13,386	14,100	14,100
ARC — Innovative Housing Program	-8	70	.....
Temporary Housing — Superfund Cleanup	33	100	100
Small Communities Block Grant	50,757	50,000	85,000
DOE — Weatherization — Emergency Jobs	1,179	.....	.....
Small Communities Block Grant — Emergency Jobs	6,931	3,000	201
Centralia Recovery	19,120	21,816	4,979
Rental Rehabilitation .....	.....	1,747	1,300
Hydman Disaster	887	406	.....
Augmentations:			
Return of Unused Project Monies	1,584	3,000	2,500
TOTAL	<u>\$ 114,964</u>	<u>\$ 121,539</u>	<u>\$ 124,430</u>

Regional Councils	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 175	\$ 275	\$ 200

Provides financial assistance to regional councils of elected officials to promote efforts to overcome the effects of local government fragmentation.

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Regional Councils	\$ 175	\$ 175	\$ 200
COGNET .....	.....	100	.....
TOTAL	<u>\$ 175</u>	<u>\$ 275</u>	<u>\$ 200</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Planning Assistance			
State Funds	\$ 100	\$ 100	\$ 200
Federal Funds	1,101	1,237	450
TOTAL	<u>\$ 1,201</u>	<u>\$ 1,337</u>	<u>\$ 650</u>

Provides planning grants to local planning agencies. The plans funded through this program are often prerequisites for receiving Federal funds.

Provides for planning grants and loans from the U.S. Department of Commerce to coastal communities to mitigate the impact of energy activities.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Planning Assistance	\$ 100	\$ 100	\$ 200
Federal Funds			
ARC — Land Use Development Planning	416	750	300
Coastal Zone Management — Administration	685	487	150
TOTAL	<u>\$ 1,201</u>	<u>\$ 1,337</u>	<u>\$ 650</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Flood Plain Management			
State Funds	\$ 75	\$ 75	\$ 100
Federal Funds	92	108	125
TOTAL	<u>\$ 167</u>	<u>\$ 183</u>	<u>\$ 225</u>

Provides financial assistance to municipalities to prepare and implement flood plain management plans.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Flood Plain Management Grants	\$ 75	\$ 75	\$ 100
Federal Funds			
FEMA — Technical Assistance — Flood Plain Management ...	92	108	125
TOTAL	<u>\$ 167</u>	<u>\$ 183</u>	<u>\$ 225</u>

Amounts Not Previously Detailed

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
General Fund			
Temporary Housing Unit Title Transfers .....	.....	\$ 10	\$ 10
Revolving Loan Fund	\$ 383	400	400
Total	<u>\$ 383</u>	<u>\$ 410</u>	<u>\$ 410</u>
Oil Overcharge Fund^a			
Oil Overcharge — Weatherization	<u>\$ -122^b</u>	<u>\$ 825</u>	<u>\$ 20,000</u>
Pennsylvania Economic Revitalization Fund			
Recreation Improvement and Rehabilitation	<u>.....</u>	<u>\$ 12,000</u>	<u>\$ 6,000</u>
DEPARTMENT TOTAL	<u>\$ 261</u>	<u>\$ 13,235</u>	<u>\$ 26,410</u>

^aThe 1984-85 expenditures were actually incurred in the General Fund. Unspent 1984-85 funds and 1985-86 appropriations were transferred from the General Fund to the Oil Overcharge Fund to meet Federal requirements.

^bNegative amount occurs due to a refund of expenditure.

DEPARTMENT OF COMMUNITY AFFAIRS

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 3,212	\$ 3,939	\$ 2,728	\$ 2,837	\$ 2,950	\$ 3,070	\$ 3,192
Community Physical Development	\$ 13,239	\$ 21,485	\$ 17,578	\$ 17,630	\$ 17,686	\$ 17,743	\$ 17,802
Housing and Redevelopment	13,085	21,093	17,209	17,247	17,287	17,328	17,371
Community Park and Recreation Development	154	392	369	383	399	415	431
Economic Opportunity	\$ 3,547	\$ 3,777	\$ 3,547	\$ 3,580	\$ 3,613	\$ 3,648	\$ 3,685
Community Conservation and Youth Employment	3,547	3,777	3,547	3,580	3,613	3,648	3,685
Local Government Management	\$ 2,870	\$ 3,090	\$ 3,357	\$ 3,358	\$ 3,462	\$ 3,570	\$ 3,683
Areawide Intermunicipal Services	175	275	200	200	200	200	200
Municipal Administrative Support Capability	1,751	1,858	2,120	2,091	2,164	2,241	2,320
Community Development Planning	944	957	1,037	1,067	1,098	1,129	1,163
DEPARTMENT TOTAL	<u>\$ 22,868</u>	<u>\$ 32,291</u>	<u>\$ 27,210</u>	<u>\$ 27,405</u>	<u>\$ 27,711</u>	<u>\$ 28,031</u>	<u>\$ 28,362</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 3,212	\$ 3,939	\$ 2,728	\$ 2,837	\$ 2,950	\$ 3,070	\$ 3,192
Federal Funds	32	23	.....	.....	.....	.....	.....
Other Funds	2	.....	.....	.....	.....	.....	.....
TOTAL	<u>\$ 3,246</u>	<u>\$ 3,962</u>	<u>\$ 2,728</u>	<u>\$ 2,837</u>	<u>\$ 2,950</u>	<u>\$ 3,070</u>	<u>\$ 3,192</u>

Program Analysis:

General Administration and Support provides the administrative overhead and management systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

Funds are also provided for the agency's policy planning and information program which provides publications and information to local governments as well as staff support for the department.

The Heritage Affairs Advisory Commission is also part of this subcategory. The Commission prepares and disseminates literature, public education materials and publicity relating to ethnic and nationality groups and their programs and activities.

The Governor's Council on the Hispanic Community was also established in 1979. The Council assists in insuring that the Hispanic Community receives equal opportunities under the laws of the Commonwealth.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	<u>\$ 3,212</u>	<u>\$ 3,939</u>	<u>\$ 2,728</u>	<u>\$ 2,837</u>	<u>\$ 2,950</u>	<u>\$ 3,070</u>	<u>\$ 3,192</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 13,085	\$ 21,093	\$ 17,209	\$ 17,247	\$ 17,287	\$ 17,328	\$ 17,371
Federal Funds	103,013	100,125	106,434	74,439	74,254	74,254	74,254
Other Funds	2,352	4,798	23,438	23,438	23,438	23,438	3,438
TOTAL	\$ 118,450	\$ 126,016	\$ 147,081	\$ 115,124	\$ 114,979	\$ 115,020	\$ 95,063

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
State funded activities and programs:							
Construction of new units	369	175	175	175	175	175	175
Rehabilitation of existing units	700	1,312	1,312	1,312	1,312	1,312	1,312
Community Development projects	36	44	44	44	44	44	44
Industrial and mobile homes inspected	2,762	2,700	2,700	2,700	2,700	2,700	2,700
Homes weatherized	18,600	16,750	26,808	26,808	26,808	26,808	11,084
Small Communities Block Grant:							
Jobs created and/or retained	726	1,365	1,400	1,000	1,000	1,000	1,000
Vacant commercial structures occupied ..	3	2	6	5	5	5	5
Community facilities projects	22	121	160	140	140	140	140
Housing units rehabilitated	2,104	2,400	2,400	1,600	1,600	1,600	1,600
Single Room Occupancy Units Renovated ..		100	100				

Program Analysis:

In furthering the goals of community conservation, the Commonwealth continues to pursue a series of initiatives that direct State funds to areas of greatest need. The Housing and Redevelopment Assistance Program continues to be a primary tool for revitalizing depressed and blighted neighborhoods and commercial districts, with its focus on ventures in public/private partnerships to leverage other private and public dollars for housing rehabilitation.

The increase in 1984-85 in construction of new housing units shown in the measures is the direct result of the implementation, by the U.S. Department of Housing and Urban Development (HUD), of a number of long standing Federal Housing Act Section 202 Elderly Housing Projects to which local grantees directed State funds. Projections for 1985-86 and beyond reflect a State funding level of \$10 million and the leveling off in anticipated Federal government assistance for new construction. Local grantees, therefore, will increasingly be directing State resources into

rehabilitation of existing structures and redevelopment projects.

Other key components include promoting the revitalization of central business districts, providing financial assistance to improve basic sewer and water infrastructure, and expanding State assistance for the Enterprise Development Zone program. Finally, the highly successful Main Street Program, assisting small communities to maintain the viability of core commercial/retail centers, will continue.

The Enterprise Development Zone Program, implemented during 1983-84, provides grants for locally-planned, innovative projects which have stimulated private investment and created jobs in State-designated enterprise zones. In 1985, there were 15 enterprise zones in 12 communities in the full development stage. In addition, there are 14 communities which have received grants for the purpose of developing and refining economic development strategies to enable them to compete for full enterprise zone status.

Housing and Redevelopment (continued)

Program Analysis: (continued)

Progress of fully-designated zones, and their potential for further development and leveraging of private investment, will be reviewed for continued funding, and those planning agencies with greatest potential will be graduated to full development status. A 25 percent funding increase in the amount of \$1,250,000 is recommended for these combined efforts. It is anticipated that up to 20 enterprise zones in distressed communities will experience enhanced economic development opportunities at this funding level. Complimenting this effort is a proposed two-pronged tax credit program targeted for enterprise zones, one under the Local Economic Revitalization Tax Act (LERTA) and one under the neighborhood Assistance Act (NAA). The tax credit proposals and the increased State support are outlined in more detail under the Renaissance Communities Program Revision following the Industrial Development subcategory in the Department of Commerce.

In 1984-85, the department assumed responsibility for the Federal Rental Rehabilitation Program. This program is designed to encourage private owners of rental property to undertake rehabilitation which will benefit rental tenants. Under the Rental Rehabilitation Program, landlords are required to match each dollar with an equal amount of private dollars. The maximum State Rental Rehabilitation grant may not exceed \$5,000 per unit. This program is aimed at communities which are neither Federal entitlement communities under the Community Development Block Grant nor served by the Farmer's Home Administration.

Twenty-seven communities are currently rehabilitating 654 units under this program. It is anticipated that 260 additional units will be rehabilitated during 1986-87.

Another program protecting the quality of housing in Pennsylvania is the industrialized housing program. This is the only statewide building regulatory program pertaining to single-family industrialized housing products. Under the Industrialized Housing Act of 1972, factory-made homes and units are inspected at the factory. If approved, manufacturers pay for insignias indicating approval that are attached to the unit. Fees paid for the insignias support the administrative costs of the program.

The number of industrialized and mobile homes requiring inspection increased dramatically last year, as the stabilization of mortgage rates spurred the building of more homes. It is anticipated that this measure will decrease slightly in future years because of the trend away from this type of housing.

The department also is the State Administrative Agency (SAA) under the terms of the National Mobile Home Construction and Safety Standards Act of 1974. The primary function of an SAA is to handle consumer-related problems involving the construction of mobile homes. A fee of twelve dollars is paid to the department by the U.S. Department

of Housing and Urban Development for each new mobile home certified in Pennsylvania. These revenues support program activities of the SAA.

The Building Energy Conservation Code (Act 222 of 1980) mandates the department to administer the provisions of the act for all one or two family dwelling units (R-3 Structures) including not more than five lodgers or boarders per family and all row houses, townhouses, and garden apartment construction not exceeding three stories. Prior to construction of any building classified as Use Group R-3, the builder must notify the department by certified mail of the intent to begin construction. Such notice includes a filing fee of \$10 and contains the name of the owner of the building and its location.

The department must also perform home energy audits upon request of the owner for a fee of \$35 as specified in Act 222. The fees are intended to offset the costs of administration of the program.

A major program administered by the department is the weatherization program. Federal funds are provided for energy efficiency improvements in the homes of low-income persons of the Commonwealth.

The weatherization program distributes funds to non-profit and governmental service delivery agencies to identify and verify clients as well as to install or subcontract the installation of energy conservation materials and technologies in homes of clients.

Currently, the department receives entitlement funds from the Department of Energy (DOE) and Health and Human Services' Low-Income Home Energy Assistance Program (LIHEAP). However, all weatherization efforts are being performed under DOE guidelines. A recent change to these guidelines increasing the allowable expenditure per weatherized home from \$1,000 to \$1,600, and the exhaustion of Federal Jobs Bill funds in 1984-85, caused a decrease in the number of homes weatherized in 1984-85 and 1985-86. However, the Commonwealth still leads the nation in the number of homes weatherized. As reflected by the graph in this subcategory, the department has weatherized 136,345 homes under the DOE program since program inception, or more than the other five states in DOE's Region III combined.

Of the four largest recipients of DOE funding, Pennsylvania leads by more than 20,000 homes its nearest competitor, the State of New York, even though New York's funding allocation is greater. With the increased funding support recommended from Oil Overcharge funds and continued DOE support, the Commonwealth's weatherization effort will increase by more than 60 percent.

Oil Overcharge monies in the amount of \$20,000,000 each year for the next four years are recommended as an initiative in this budget as a replacement for the LIHEAP funding.

Housing and Redevelopment (continued)

Program Analysis: (continued)

This will cause a significant increase in the volume of the weatherization program in 1986-87 through 1989-90. LIHEAP funding previously utilized under the weatherization program will now be used to meet needs under the LIHEAP program administered by the Department of Public Welfare. The Oil Overcharge funding is reflected in this subcategory as "Other Funds". For additional information on this proposal, refer to the Energy Conservation program revision presented in the Energy Management and Conservation subcategory in the Executive Offices.

Oil/gas retrofits are no longer being reflected as a separate measure to avoid double-counting, since these retrofits are done as part of a complete weatherization package and are already included in the measure for homes weatherized.

In July 1982, the department assumed formal responsibility for administering the Small Communities Block Grant (SCBG) Program from the Federal government. The purpose of this program is to provide assistance to smaller municipalities (generally those under 50,000 population) for community development activities. These activities include housing rehabilitation, community revitalization, improvement of community facilities, and economic development.

With the enactment of Act 179 of 1984, funds are now distributed on a formula basis. Eighty-five percent of the funds to be used are for grants to eligible cities, boroughs, townships and counties. Within this 85 percent allocation, 24 percent is allocated to cities, 38 percent to boroughs and townships and 38 percent to counties. There is a 13 percent setaside for discretionary projects, which the department plans to distribute according to economic development priorities. The remaining two percent is available to meet administrative costs. Under Act 179, it is estimated 250 grants annually will be approved.

Due to a departmental efforts to commit all Federal funds allocated to the Commonwealth, the 1986-87 fiscal year will reflect activity at a much higher contract level of \$85,000,000. The impact of this effort is reflected in the program measures for the program.

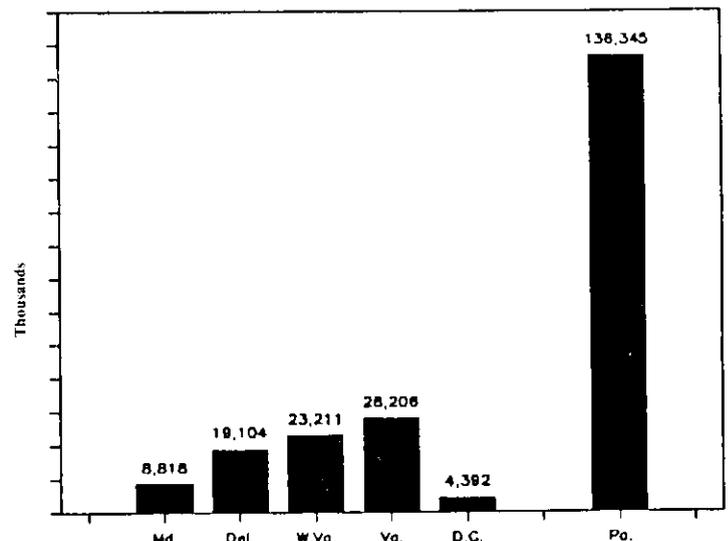
A new component of this subcategory is the recently enacted Homeless Assistance Program Act. The act provided two program components: (1) Bridge Housing under the Department of Public Welfare (DPW) to address the short-term needs of the homeless; and (2) Single-room occupancy (SRO) housing under the Department of Community Affairs to address the long-term needs of the homeless. The coordinated efforts of both departments are designed to demonstrate the merits of bridge housing and single-room occupancy housing as an organized approach to the growing problem of the homeless. Funding in the amount of \$3.5 million in 1985-86 has been provided to Community Affairs to renovate existing vacant buildings for use as units for homeless or potentially homeless individuals. The facilities

would be owned and operated by local governments, or by private non-profit agencies with close linkages to social services agencies serving the chronically mentally ill homeless individuals or other populations with special needs. A new program measure has been added indicating the number of SRO units to be renovated under this demonstration program. While it is anticipated that once the merits of this program are demonstrated, private and/or local funding will be generated to continue the program, no units beyond those to be renovated through this initiative are shown above.

Complimentary funding has been provided DPW in the amount of \$2,000,000 to provide bridge housing facilities and services. See the Department of Welfare's Family Support Services subcategory for more information.

The Housing and Redevelopment Bureau is also responsible for administering approximately \$40 million in funds made available over a five-year period by the U.S. Office of Surface Mining (OSM) for an acquisition/relocation program in Centralia. An underground mine fire has been moving beneath the surface of Centralia for 21 years. Studies conducted indicate approximately 450 households and 41 businesses are affected. Appraisals have begun and offers are being made to those affected; thus process should be complete by 1987-88. The 10 percent Federal matching requirement was waived by OSM in January of 1985, and the program is now funded at 100 percent of costs.

HOMES WEATHERIZED*
Under DOE Region III Funding



*From inception of program in November, 1977 through September, 1985

Housing and Redevelopment (continued)

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 1,085	\$ 993	\$ 959	\$ 997	\$ 1,037	\$ 1,078	\$ 1,121
Housing and Redevelopment	8,000	10,000	10,000	10,000	10,000	10,000	10,000
Enterprise Development Zones	4,000	5,000	6,250	6,250	6,250	6,250	6,250
New Castle Blight Removal .....	.....	100	.....	.....	.....	.....	.....
Single- Room Occupancy/Low-Income Housing .....	.....	3,500	.....	.....	.....	.....	.....
Disaster Redevelopment Assistance — Tornadoes 1985 .....	.....	1,500	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 13,085</u>	<u>\$ 21,093</u>	<u>\$ 17,209</u>	<u>\$ 17,247</u>	<u>\$ 17,287</u>	<u>\$ 17,328</u>	<u>\$ 17,371</u>

Community Park and Recreation Development

OBJECTIVE: To develop recreational facilities accessible to urban, suburban and rural areas.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 154	\$ 392	\$ 369	\$ 383	\$ 399	\$ 415	\$ 431
Federal Funds	75	89	50	50	50	50	50
Other Funds	250	12,000	6,000	.....	.....	.....	.....
TOTAL	\$ 479	\$ 12,481	\$ 6,419	\$ 433	\$ 449	\$ 465	\$ 481

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Land and Water Projects:							
Contracted	66	62	40	40	40	40	40
Completed	63	70	48	45	45	45	45
Technical assistance contacts	1,500	2,000	2,500	2,500	2,500	2,500	2,500
Recreation Improvement and Rehabilitation							
Act Grants:							
Park Rehabilitation and Development ...	30	40	40	.....	.....	.....	.....
Acquisition	16	25	25	.....	.....	.....	.....
Community Center Rehabilitation	20	25	25	.....	.....	.....	.....
Study Project	19	15	15	.....	.....	.....	.....
Small Communities	53	50	50	.....	.....	.....	.....
Conservation Corp .....	.....	.....	.....	.....	.....	.....	.....

Program Analysis:

This program primarily provides financial assistance to municipalities for the acquisition and preservation of local park and open space land and rehabilitation of community center buildings. Technical assistance is also provided to local governments, quasi-public and non-profit community groups, park and recreation departments, boards and commissions, and other citizens in general concerning the management, operation and maintenance of park recreation and community center facilities, and the promotion of programs and services.

Financial assistance is provided through three grant programs: The Federal Land and Water Conservation Fund (LWCF) program, the State Land and Water Program (Project 500M) and the Recreation Improvement and Rehabilitation Act (RIRA) program.

The last projects involving state Project 500M monies were contracted in fiscal year 1984-85 and are scheduled for close-out in the current year. Budget and future year activity is the result of Federal LWCF program funding.

This Federal support has averaged a little less than \$1.5 million annually over the past several years including the current year. A preliminary projection for the budget year 1986-87 is that the funding level may be slightly reduced and the program measures have been adjusted accordingly. The department also receives 50 percent reimbursement of its costs to administer the program. A reduction in the level of grant funds will also reduce the amount of the administrative costs projected for reimbursement in budget year 1986-87.

While the department will continue to monitor the Federal LWCF program and the closing of the State Project 500M bond program, its main thrust will be directed to the new bond funded recreation program included as a component of the \$190 million Pennsylvania Economic Revitalization Fund (PERF).

This program provides local governments with \$18,000,000 over a three-year period to undertake six different types of projects: park rehabilitation and develop-

Community Park and Recreation Development (continued)

Program Analysis: (continued)

ment, acquisition, community center rehabilitation, studies, small communities/small projects, and projects in cooperation with the Pennsylvania Conservation Corps Act (PCCA) Program administered by Department of Environmental Resources under PERF.

The first of three \$6 million rounds of funding was announced in fiscal year 1984-85 and 138 grants were approved for funding. These grants are reflected in the program measures which are broken down by the six project types. There were no requests received for PCCA projects, as Environmental Resources was able to fund the site development and material costs at 75 percent while DCA was limited to providing 50 percent for this type of grant. The second round of RIRA funding was announced in November with proposals due by January and project awards anticipated by May 1986.

The park rehabilitation and development, acquisition, and study grants are for the traditional types of projects funded by the bureau under the Federal Land and Water Conservation Fund and State Project \$500M Bond Program. The community center rehabilitation grants will provide for the rehabilitation of existing community centers and the conversion of surplus schools or other municipally-owned or controlled buildings for use as municipal multi-purpose community centers, primarily to house indoor recreation programs and other related community services. Also, higher priority will be given to projects that foster or compliment comprehensive economic development initiatives of a community or region. Projects contributing to economic

development efforts within a designated Enterprise Development Area or a Main Street Program activity area will automatically receive a maximum rating under the economic development selection criteria. The provision of adequate park, recreation and community center facilities adds to the "livability" factor that is becoming increasingly important to the attraction of new business and firms to a community or region.

As a component of PERF, the RIRA Program is also being administered with an objective of enhancing the economic recovery of the Commonwealth by stimulating local and regional economic development efforts. The formula for distribution of project funds factors in the unemployment and population of a region in an attempt to target funds to those parts of the State where the maximum impact can be achieved. All PERF monies are reflected as "Other Funds" in the subcategory.

The department's technical assistance program operated at a slightly reduced level in fiscal year 1984-85 because of staff concentration on the implementation of the RIRA Program. With this accomplished, the level of technical assistance is projected to increase in the current year and the budget year.

The technical assistance is utilized by local government officials, quasi-public and non-profit community groups, park and recreation departments and, boards and commissions and includes consultation (face-to-face and over-the-phone), written correspondence, personnel job referrals, training and workshop sessions, and publications.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	<u>\$ 154</u>	<u>\$ 392</u>	<u>\$ 369</u>	<u>\$ 383</u>	<u>\$ 399</u>	<u>\$ 415</u>	<u>\$ 431</u>

Community Conservation and Youth Employment

OBJECTIVE: To provide individual economic opportunity assistance to disadvantaged Pennsylvanians by providing comprehensive services to stabilize the community.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 3,547	\$ 3,777	\$ 3,547	\$ 3,580	\$ 3,613	\$ 3,648	\$ 3,685
Federal Funds	15,737	18,737	20,374	20,374	20,374	20,374	20,374
TOTAL	\$ 19,284	\$ 22,514	\$ 23,921	\$ 23,954	\$ 23,987	\$ 24,022	\$ 24,059

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Persons participating:							
Community conservation and youth employment	126,070	137,957	152,248	167,400	175,219	192,740	212,014
Community services block grant program	574,078	556,855	540,150	523,945	508,227	492,980	478,190
Employment related services and training projects	13,858	15,244	16,768	18,445	20,289	22,318	24,549
Economically disadvantaged in need of employment related services	879,791	853,398	836,718	828,351	820,068	811,868	802,126
Disadvantaged youth in grades 10 through 12 (summer jobs)	8,396	9,235	10,158	11,173	12,290	13,519	14,870
Job Placement:							
Persons completing training programs ...	6,344	8,247	10,721	10,721	10,721	10,721	10,721
Persons placed	3,722	4,839	6,290	6,500	6,500	6,500	6,500
Neighborhood Assistance Program:							
Tax credits allocated	\$8,371,625	\$8,750,000	\$8,750,000	\$8,750,000	\$8,750,000	\$8,750,000	\$8,750,000
Tax credits utilized	\$2,782,405	\$3,060,646	\$3,366,710	\$3,703,387	\$4,073,719	\$4,481,091	\$4,929,200

Program Analysis

This program is involved with improving the quality of life for the low-income and economically disadvantaged in Pennsylvania-especially minorities and youth. By providing financial and technical assistance to the public and private nonprofit organizations serving low-income persons, the Department of Community Affairs (DCA) attempts to forge partnerships of government, private industry and local citizens to foster the economic development of low-income communities and neighborhoods. Using this coordinative and locally-based approach to economic development, the department seeks to reverse the trend of business disinvestment in these communities, thus helping the residents break out of the cycle of poverty.

The department, as an advocate for Pennsylvania's low-

income citizens, administers the following Federal and State programs to aid the economically disadvantaged: the Community Services Block Grant (CSBG) program, funded by the U.S. Department of Health and Human Services; the Weatherization Assistance Program, funded by the U.S. Departments of Energy and Health and Human Services; the State Neighborhood Assistance Act Tax Credit program and the State Employment and Community Conservation program. Through these programs the department contracts with approximately 400 local organizations, which work to alleviate poverty in their respective communities.

The legislative mandates for the Community Conservation and Youth Employment Program are contained in three pieces of legislation: the Manpower Employment Assistance

Community Conservation and Youth Employment (continued)

Program Analysis: (continued)

and Training Act (TEAM), the Community Action Act (Act 9), and the Urban Assistance Act. All three programs address the problems of the economically disadvantaged and/or depressed communities and neighborhoods. Despite their common focus, the three Acts have different eligibility criteria and emphasize different service activities. Combining these pieces of legislation, a priority of the department, would standardize criteria and focus program efforts on economic development planning, pre-vocational skill development and employment training programs.

However, the existing legislation does give the department certain tools and resources no other State or Federal program possesses to address the issues of poverty. They enable the department to target the type of flexible, broad-based assistance necessary to fill the gaps which exist in other State and Federal programs and to leverage and match Federal funds.

The Community Conservation and Youth Employment program is often used by local Community Action Agencies and other non-profits in conjunction with other funding to maximize the effort to help solve the critical problems of unemployment and underemployment; elimination of social and economic conditions that result in individual dependency upon the aid and support of welfare agencies; and reduction of community and neighborhood deterioration.

The involvement of community-based nonprofit organizations is a major component of the program. By virtue of their strong ties to the community and their broad range of program involvement, these agencies can play key roles in improving the accessibility of services and enhancing the coordination of programs.

The Community Services Block Grant (CSBG) supports a variety of services and activities designed to have an impact upon the causes of poverty in Pennsylvania. Program priorities are set at the local level, and during the 1986-87 year it is expected that the community action agencies will continue to service the greatest number of persons in the areas of outreach, referral and nutrition.

Last year this network of agencies served 574,078 low-income persons in 65 counties. This significant increase is due to a change in program emphasis at the local level. Activities in the areas of outreach and referral and nutrition have more than doubled since last year. Outreach and referral and nutrition, plus the direct shelter service provided by 13 agencies, are the areas where the community action agencies play the largest role in serving the homeless. It is estimated that these 13 agencies will provide shelter to 11,325 persons during calendar year 1985.

While 90 percent of these monies go to CAA's, the remaining 10 percent is split between discretionary projects

and administration. The agencies supported by the discretionary portion of the CSBG program provide a variety of services that are related to the problem of homelessness. These services include health care, transportation, employment and training, food banks, and counseling outreach and referral services. Provision of these services will be coordinated with the Single-room Occupancy/Low-Income Housing program recently enacted by the Legislature. For more information, see the Housing and Redevelopment subcategory.

The increase in persons completing training programs is due to the department's emphasis on job training and development in fiscal year 1984-85. This caused a corresponding increase in the number placed. In addition emphasis was placed on funding job training programs that included a commitment to job placement and/or coordination with job opportunities in the private sector.

The Neighborhood Assistance Program, also administered under this subcategory, serves as a vehicle to encourage private sector involvement in developing solutions to problems that are prevalent in low-income communities. The Neighborhood Assistance Program offers tax credits to corporations that contribute to organizations administering programs that provide community services, education, job training, crime prevention, and neighborhood revitalization for low-income residents of impoverished areas. Neighborhood Assistance can be used to leverage additional resources for State programs by providing tax credit incentives to contributing businesses and corporations.

During Fiscal Year 1984-85 the Neighborhood Assistance Program approved 139 projects. These projects reported to the department that they received over \$8.3 million in contributions of cash, real estate, equipment and service from businesses as a result of the availability of Neighborhood Assistance program tax credits. This represents an increase from the \$7.8 million in contributions reported during fiscal year 1983-84, and demonstrates the continued support of the corporate community to community-based initiative through the Neighborhood Assistance Program.

During fiscal year 1984-85, the amount of tax credits utilized or requested by businesses and corporations that contributed to approved projects decreased. Since it is the contributor's option when to request and utilize approved tax credits, and they have five tax years to do so, fluctuation occurs in this measure due to tax considerations of the many businesses and corporations involved.

A legislative priority of the department is to revise the Neighborhood Assistance Program to include economic development activities for private nonprofit organizations. These activities would allow private nonprofit organizations approved under the program to solicit contributions from

Community Conservation and Youth Employment (continued)

Program Analysis: (continued)

the corporate community in return for State tax credits. Organizations could administer job development, economic development planning, and other economic development projects.

The Neighborhood Assistance Program will be used to provide funding linkages with the other grant programs that DCA administers.

To provide increased utilization of tax credits for

economic development activity within enterprise development zones, the current tax credit allocation ceiling of \$8.75 million will be increased to create an additional tax credit pool within the NAA for private investments made to rehabilitate existing structures in the zones. For a more detailed discussion of this proposal, refer to the Renaissance Communities Program Revision following the Industrial Development subcategory in the Department of Commerce.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 814	\$ 831	\$ 811	\$ 844	\$ 877	\$ 912	\$ 949
Community Conservation and Youth							
Development	2,733	2,836	2,736	2,736	2,736	2,736	2,736
United Social Services . . . . .	. . . .	110	. . . .	. . . .	. . . .	. . . .	. . . .
GENERAL FUND TOTAL	<u>\$ 3,547</u>	<u>\$ 3,777</u>	<u>\$ 3,547</u>	<u>\$ 3,580</u>	<u>\$ 3,613</u>	<u>\$ 3,648</u>	<u>\$ 3,685</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 175	\$ 275	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Political subdivisions participating	452	470	470	480	500	500	510
Councils of government receiving assistance for action projects	38	39	45	45	45	45	45

Program Analysis:

Due to expanding governmental services and escalating costs, local governing bodies have become aware of the pressing need to find more effective methods to work together for their mutual advantage. By cooperating and sharing responsibilities with neighboring municipalities, local governments can provide better and more economical services to citizens. Smaller communities particularly are benefited by broadening the geographical base for handling common governmental functions.

The Council of Governments (COG) program is used as both an aid to, and an incentive for, local governments undertaking intermunicipal cooperative efforts. The ultimate goal is to foster increased efficiency and effectiveness of municipal operations. The purposes of a COG are: strengthening local government and their capacity to deal with local problems; developing and formalizing common policies; promoting intergovernmental cooperation through joint furnishing of services, mutual aid, and parallel action; collecting and exchanging information; insuring effective communication and cooperation; encouraging action and implementation of areawide plans and policies by local, state and federal agencies.

Pennsylvania has more units of local government than all but one other state. Many services and activities have limited effectiveness because of this fragmentation. While local government officials desire increased effectiveness, they do not wish to sacrifice any autonomy or "grass roots" control. The COG concept is ideally suited for the Pennsylvania environment because it does not supplant any authority or jurisdiction of its member governments. The department's

program of financial assistance is designed to partially subsidize the cost of innovative projects, as well as administrative costs associated with the creation and establishment of a COG.

In the current fiscal year emphasis continues to be directed toward funding specific programmatic efforts rather than continued funding of the administrative operations of Councils of Government. Newer Councils of Government in the early stage of development will be able to secure funding for administrative support, but established intergovernmental organizations will be funded only if they develop productive programs supported by their member municipalities.

Currently there are 52 COGs, with 470 member municipalities. Over two and a quarter million Pennsylvanians, or nearly 20 percent of the State's population, reside in COG member municipalities. The average COG contains nine political subdivisions.

In the past, increased emphasis has been placed on grants for projects that effect cost savings or allow municipalities to undertake tasks that they otherwise could not. Currently, priority is given to grant proposals which may be transferable from community to community.

The department has funded 38 projects in 1984-85 and 39 in 1985-86. These projects include cooperative projects such as road resurfacing, refuse collection, code enforcement, park improvements and sewer maintenance which can make an important contribution to the preservation of the infrastructure vital to the conservation of Pennsylvania communities.

In a similar manner, the COG program has provided

Areawide Intermunicipal Services (continued)

Program Analysis: (continued)

assistance to the fiscal administration of municipalities in the areas of financial management improvements, wage studies and consolidation of services.

An initiative to provide these services to a greater number of municipalities, and thus improve the overall performance of local governments in delivering basic services in the most cost effective manner, is recommended in the amount of

\$25,000. This 14 percent increase will counteract the impact of inflation as well as allow for larger, more comprehensive multi-municipal action projects. This effort is part of an overall effort of economic recovery for disadvantaged communities outlined under the Renaissance Communities Program Revision following the Industrial Development subcategory in the Department of Commerce.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Regional Councils of Government	\$ 175	\$ 175	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
COGNET		100					
GENERAL FUND TOTAL	<u>\$ 175</u>	<u>\$ 275</u>	<u>\$ 200</u>	$ 200	$ 200	$ 200	$ 200

Municipal Administrative Support Capability

OBJECTIVE: To improve the administrative capability of local government.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 1,751	\$ 1,858	\$ 2,120	\$ 2,091	\$ 2,164	\$ 2,241	\$ 2,320
Federal Funds	146	260	32	32	32	32	32
Other Funds	267	260	260	260	260	260	260
TOTAL	\$ 2,164	\$ 2,378	\$ 2,412	\$ 2,383	\$ 2,456	\$ 2,533	\$ 2,612

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Technical assistance requests responded to:							
Public works and community development	662	650	650	650	650	650	650
Personnel administration	224	275	275	275	275	275	275
Financial management	1,432	1,350	1,350	1,350	1,350	1,350	1,350
Local structure	117	120	120	120	120	120	120
Police administration	653	625	625	625	625	625	625
Management	778	800	800	800	800	800	800
Building code enforcement	219	210	210	210	210	210	
Municipal employees and officials trained ..	24,270	22,000	22,000	22,000	22,500	22,500	23,000

Program Analysis:

Local government must provide basic municipal services to the citizens of Pennsylvania and also function as the implementing tool for many important State and Federal programs in such areas as housing, recreation, human services, law enforcement, environmental control and flood plain management.

Pennsylvania has an extraordinarily large number of local governments, over 2,600 in number, mostly small and generally governed by part-time officials who need assistance in the area of administration. These local governments are faced with increasingly complex decision-making requirements relating to such issues as environmental control, energy, increased legal liability, and new State and Federal regulations and procedures.

In order to achieve the department's overall objectives of community revitalization and economic development, a stable and fiscally viable municipal environment is required.

Departmental activities in this program are divided into two basic areas: consulting and training and municipal statistics and records. Consulting and Training

This function is carried out by the Municipal Consulting Division, which assists municipal officials in solving problems, making choices, improving techniques, and generally

improving the management of their resources.

The advice is provided both on-site at the municipal building and in Harrisburg. The depth of the assistance may vary among immediate advice over the telephone, short-term study, one-day contact, lengthy study and continuing assistance. The department's consulting division is the primary source of outside professional expertise for many communities.

Consulting is offered in eight functional areas: municipal financial management; code enforcement; public personnel administration; police administration and recruitment; municipal government structure and intergovernmental cooperation; public works administration and management; and community and economic development.

The department responded to 4,085 requests for assistance from local government officials in 1984-85. Currently the department is emphasizing improving the management of community physical and human resources, maintaining and strengthening local economic and tax bases, and establishing sound procedures for the collection, control and disbursement of municipal funds. To achieve these results for local governments the Municipal Consulting Division has been undertaking the following tasks: analyzing the operation of

Municipal Administrative Support Capability (continued)

Program Analysis: (continued)

police departments; establishing personnel management systems and a more productive employee-management work environment; developing locally-based community development and municipal revitalization plans and task forces designed to establish economic growth; increasing the efficiency and effectiveness of local tax collection procedures to ensure the highest possibly yield; developing the basic components of a sound financial management system (i.e. accounting, budgeting, auditing, and reporting); encouraging cost-saving through intergovernmental cooperation; emphasizing controlling municipal costs through work force utilization; providing police entry level and promotional examinations; and revising municipal code enforcement standards.

Because the department program is flexible, it can target its assistance to the specific demands, concerns and needs of particular local governments.

Management of local governments, regardless of size, requires that difficult choices must be made. To help transform these choices into opportunities for improvement, more municipal officials are requesting assistance from the Municipal Consulting Services Division. In fiscal year 1986-87 emphasis will continue to be on controlling municipal costs. Areas of special concentration will be: designing of pension ordinances; reviewing municipal insurance operations; and organization, staffing and operations of municipal police departments. The department is responding to the added emphasis municipalities are placing on infrastructure maintenance and improvement, and this emphasis is reflected under the measure for "Public Works and Community Development". Financial management is also an area of emphasis, as local governments attempt to gain more control of their resources.

Consulting activity related to "Local Structure" continues to drop from last year's estimates as fewer local governments indicate interest in Home Rule.

The increase in assistance related to "Personnel Administration" is due to increased resources to meet existing demand. The level of involvement in Police Administration technical assistance has been restructured to provide basic, comprehensive advisory assistance to more municipalities which has broadened the impact of this service.

While consulting focuses in on specific functional management problems, training deals on a direct basis with the managers who must solve these problems.

The overall goal of training, as carried out through the Municipal Training Division, is improving the administrative abilities of local governments and community development agencies and rendering them more capable of providing better municipal and public service through the vehicle of training programs and informational seminars.

The training division provides advice and assistance to large numbers of municipal officials in the context of scheduled training programs and activities. Its delivery of service straddles the direct consultive approach, which reaches officials on a one-to-one basis, and the publications approach which reaches all concerned officials at once. Programs are offered centrally, regionally, and on an on-site basis (at a municipal building). Instructors include college professors, top local government officials, employees and managers, departmental staff members and consultants. Extensive use is made of the department's municipal consultants, regional consultants and training division staff as instructors.

Training is provided in five major areas: Pennsylvania Local Government Structure and Operations, Municipal finance; Community Conservation and Development; Management; and Environmental Protection (including Energy Conservation). Training programs which help local governments meet their responsibilities and needs in economic development, community conservation and fiscal management have been given top priority.

In sponsoring training programs, the department works with State and county-based municipal associations, non-profit associations and organizations, State, local and Federal agencies, and colleges and universities.

In 1986-87 the department's training program will be placing major emphasis on the following areas: training in application preparation; grant and financial management under the block grant programs; enterprise development training, developmental financing; housing and housing rehabilitation; financial management and cost reduction; and further development of the telecommunication training initiative including production of video tapes for the department's training courses, television, and interactive teleconferences for local and community officials. The Videotape Lending Library will be expanded gradually. Additionally, the Statewide Weatherization Training Center will continue, and will provide for standardized training of weatherization workers across the State.

Municipal Statistics and Records

The Municipal Statistics and Records Division is assigned functions under several specific mandates of Pennsylvania law.

The Administrative Code of 1929 requires that the division prepare comparative statistics showing revenues, expenditures, taxation and indebtedness of local government units in Pennsylvania. The information contained in these statistics is used extensively by local government research-oriented groups in studies of local government finance, as

Municipal Administrative Support Capability (continued)

Program Analysis: (continued)

well as by colleges and universities, local government units and major banks and municipal brokers.

The Administrative Code and the respective municipal codes require uniform reports of annual audits and budgets. For over a decade, the division has shared information contained in these reports with the United State Department of Commerce. This information is used by the U.S. Department of Commerce to formulate the local tax effort variable of the formula used to calculate Federal Revenue Sharing grants to local governments. This cooperative effort between the State and Federal agencies has expedited distribution of Revenue Sharing funds allocated to Pennsylvania's local governments. The sharing of financial information with Federal agencies has eliminated several mail surveys, thus lessening the paperwork burden upon local government officials. The Municipal Statistics and Records Division responds to requests of local officials for technical assistance in taxation and finance and, to some extent, assistance in general government operations.

As required by the Local Tax Enabling Act of 1965, the department produces and makes available annually a Register of Earned Income and Occupational Privilege Taxes. The Register shows rates of taxation and names and addresses of collectors of these taxes and is used extensively by major employers, both Statewide and nationwide, and locally in Pennsylvania by major tax collection agencies.

Audits of municipal authorities, such as water and sewer authorities, are received and analyzed within this program. Statistics and directories are produced from these reports and, in conjunction with local government financial statistics, are used by financial institutions and rating services in matters concerning bond issues and indebtedness of local governments.

The computerization of the data collection, editing and analysis of information concerning programs of the Municipal Statistics and Records Division, an initiative

begun during the 1981-82 fiscal year, has been completed and has greatly enhanced the division's capability to fulfill its mandated responsibilities. This initiative has produced a database of information which is vital for studies of matters which impact on local governments. This data will provide the base for a two-part initiative for an early warning system and technical assistance effort aimed at financially disadvantaged communities within the Commonwealth. The early warning system, funded at \$100,000, will be developed and implemented to identify the communities; the technical assistance to those communities. Both efforts, included in the department's General Government Operations appropriation, are part of an overall effort of economic recovery for disadvantaged communities outlined under the Renaissance Communities Program Revision following the Industrial Development subcategory in the Department of Commerce.

Other mandates contained in the Municipality Authorities Act of 1945 and the Local Tax Enabling Act of 1965 require collecting of information from municipal authorities and school districts.

In cooperation with the Pennsylvania Department of Transportation, the department maintains a computer master file of names, addresses and telephone number of over 40,000 elected and appointed officials in Pennsylvania. This file is used to produce directories of local officials which are sold by Transportation to the private sector, and to produce highly selective mailing lists of local officials. These mailing lists are used by the department in the dissemination of information useful to local governments and to announce the availability of training offered by the department. Lists are also provided to other State agencies to assist them in distributing State-shared revenues as well as information useful to local government, the Legislature, and local government associations.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 1,751	\$ 1,858	\$ 2,120	\$ 2,091	\$ 2,164	\$ 2,241	\$ 2,320

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 944	\$ 957	\$ 1,037	\$ 1,067	\$ 1,098	\$ 1,129	\$ 1,163
Federal Funds	1,218	1,370	620	620	620	620	620
TOTAL	\$ 2,162	\$ 2,327	\$ 1,657	\$ 1,687	\$ 1,718	\$ 1,749	\$ 1,783

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
State Planning Assistance Grant:							
Total projects funded	19	22	42	40	40	40	40
Projects which have resulted in comprehensive development plans	12	16	32	32	32	32	32
Communities which have adopted comprehensive plans	28	30	58	56	56	58	60
Flood Plain Management Act:							
Communities without formally approved flood plain management regulations	1,400	1,200	1,000	800	600	400	200
Communities receiving reimbursement for costs incurred in complying with the requirement of Act 166	286	350	350	350	350	350	350
Municipalities receiving technical assistance	75	75	75	75	75	75	75
Coastal Energy Impact Program:							
Grant contracts completed	3	2	1	2	2	2	2
Public environmental and recreational facilities acquired or constructed	3	2	1	2	2	2	2
ARC Highway Related Planning Grant:							
Projects funded	4	5	5	5	5	5	5

Program Analysis

This subcategory includes a variety of programs providing technical planning assistance and coordination of regional activities to individual local governments and groups of local governments.

The State Planning Assistance Grant Program (SPAG) provides direct grants on a 50-50 matching basis to municipalities throughout Pennsylvania for preparation, update and initial implementation of municipal development plans.

This program aimed at communities preparing their first comprehensive plans, provides an opportunity for municipal leaders to take the important steps in developing strategies for community conservation, revitalization and economic

development. Since the inception of the program, 748 municipalities have been assisted.

Planning assistance is particularly important in light of the Small Communities Block Grant program. It enables local government officials to plan in advance for the use of these grants so that they can be used in the most effective manner for the benefit of the entire municipality.

In addition to assisting in advance municipal planning, the SPAG benefits local governments in that the funding has: (a) set the framework for industrial expansion, (b) identified available land for senior citizen and low and moderate income housing, (c) provided for housing need reevaluation in light of changing housing demands, (d) assisted in deter-

Community Development Planning (continued)

Program Analysis: (continued)

mining the need for additional major neighborhood rehabilitation efforts, (e) accelerated the updating of land use controls to spur economic development and (f) resulted in municipal capital improvement programs and budgets.

This program is very popular and one method of maximizing the impact of these limited dollars is to encourage multi-municipal planning efforts. To this end, nearly one-half of the projects funded continue to be multi-municipal. Such an approach to planning not only saves money but also fosters intergovernmental cooperation resulting in more economical and efficient services for the participating municipalities.

Due to unmet demand far in excess of available resources, a funding level of \$200,000 is recommended for 1986-87 to enable more municipalities to benefit from the program. The measures reflect this increased activity. This initiative is part of an overall effort aimed at promoting economic recovery in financially-disadvantaged communities, as outlined in the Renaissance Communities Program Revision following the Industrial Development subcategory in the Department of Commerce.

The Flood Plain Management Act of 1978 (Act 166) affects 2,420 Pennsylvania municipalities which have been identified as having flooding problems by the Federal Insurance Administration. The department's major responsibilities under the act include the provision of technical assistance, the review and approval of local flood plain management ordinances and regulations, grant administration and general enforcement of the act. The act requires each flood-prone municipality to gain eligibility for participation in the National Flood Insurance Program (NFIP), and to enact flood plain management regulations which meet the minimum requirements of the Federal and State programs. Failure to comply may result in withholding payment on all State grants to the municipality until such time as the municipality does comply. Due to this stipulation and a follow-up effort by departmental staff, an increased number of communities are expected to formally adopt flood plain regulations. This increased activity is also reflected in the number of communities eligible for reimbursement under Section 404 of the act.

Section 404 also provides for reimbursement to municipalities for allowable costs associated with local compliance such as the costs of preparing and adopting, administering and enforcing the required flood area ordinances. The amount of reimbursement is limited to 50 percent of allowable costs, not including those costs which are

offset by permit fees. Due to departmental efforts to encourage faster compliance, there has been a marked decrease in the number of municipalities without approved flood plain regulations and a corresponding increase in demand for reimbursement of eligible costs under Section 404. To address this increased demand, an increase of \$25,000 is recommended in 1986-87.

The department administers the Transportation Related Business Development Planning program (Section 201A-11) for the Appalachian Regional Commission (ARC). Approximately \$300,000 is expected to be available to the 52 designated Appalachian counties in 1986-87 on a 50/50 matching basis. Proposals funded must be directly related to economic development opportunities. The department reviews the project proposals, assists in preparation of the work programs and provides monitoring for which it receives \$25,000 in administrative funds from ARC. Another \$20,000 in Federal monies is provided to develop and strengthen linkages between ARC-funded small business development services and business development projects funded by Commonwealth programs. These monies help address the fragmentation of services that sometimes may occur when local governments apply for monies from many different funding sources.

Additional federal policy requirements have made these projects more complex and increased the length of time required for funding approvals by the Appalachian Regional Commission for new applications. This has resulted in delay of funding action on two or three funding applications until after the beginning of the succeeding fiscal year, reducing the number approved in a given year.

The department also administers the Coastal Energy Impact Program (CEIP) which is designed to help coastal communities cope with the impact of coastal energy activities. In 1986-87, Community Affairs anticipates approximately \$150,000 in administrative and pass-through grant funds from the National Oceanic and Atmospheric Administration, which administers the program. At this time, Pennsylvania qualifies for grants in communities along the Delaware River and Lake Erie. This program will also assist coastal communities in planning for dealing with the impacts resulting from the transportation, conversion, transfer, or storage of liquified natural gas, oil, natural gas, or coal.

The total number of public environmental and recreational facilities acquired or completed differs from last years budget because one project completion is being carried over to subsequent fiscal years.

Community Development Planning (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 769	\$ 782	\$ 737	\$ 767	\$ 798	\$ 829	\$ 863
Planning Assistance	100	100	200	200	200	200	200
Flood Plain Management Grants.....	75	75	100	100	100	100	100
GENERAL FUND TOTAL	<u>\$ 944</u>	<u>\$ 957</u>	<u>\$ 1,037</u>	<u>\$ 1,067</u>	<u>\$ 1,098</u>	<u>\$ 1,129</u>	<u>\$ 1,163</u>

Department of Corrections

The department maintains a State system for the custody and rehabilitation of convicted criminals. Included within this area are residential programs and pre-release programs to provide clients with supervision, counseling and treatment to enable them to satisfactorily adjust to society.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revision:

Appropriation	Title	1986-87 State Funds (in thousands)
General Fund		
State Correctional Institutions	Opening New State Correctional Institutions	\$ 8,762

This Program Revision provides increased housing capacity through the opening of three new institutions at Frackville, Retreat and Cresson.

DEPARTMENT TOTAL \$ 8,762

DEPARTMENT OF CORRECTIONS

Summary by Fund and Appropriation

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
General Fund			
Institutional			
State Correctional Institutions	\$ 161,236	\$ 185,301	\$ 210,195
 <i>TOTAL STATE FUNDS</i>	<u>\$ 161,236</u>	<u>\$ 185,301</u>	<u>\$ 210,195</u>
 Federal Funds	\$ 307	\$ 235	\$ 210
Augmentations	660	765	744
 GENERAL FUND TOTAL	<u>\$ 162,203</u>	<u>\$ 186,301</u>	<u>\$ 211,149</u>
 Other Funds	\$ 17,392	\$ 19,250	\$ 20,213
 TOTAL ALL FUNDS	<u>\$ 179,595</u>	<u>\$ 205,551</u>	<u>\$ 231,362</u>

INSTITUTIONAL

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Correctional Institutions			
State Funds	\$ 161,236	\$ 185,301	\$ 210,195
Federal Funds	307	235	210
Augmentations	660	765	744
TOTAL	<u>\$ 162,203</u>	<u>\$ 186,301</u>	<u>\$ 211,149</u>

Maintains a system providing care, rehabilitation and custody for those individuals committed to the Department of Corrections by the courts. The Department of Corrections presently operates eight State correctional institutions and two regional correctional facilities. Additional institutions are currently under construction or renovation and certain operating expenses are being incurred but no inmates are presently held at these sites. The State Correctional Institution at Muncy is primarily for female offenders, while Waynesburg is entirely for female offenders.

Besides providing for the basic maintenance of the institutions' inmates, medical, surgical and psychiatric care is provided to correct physical and emotional problems that may hinder the rehabilitative process. Emphasis is placed on providing the vocational and educational training necessary to remedy the general lack of adequate education and skilled work experience that most inmates have when entering the institution. Part of this training is conducted through Correctional Industries, which is financed through the Manufacturing Fund. Additional opportunities for the inmates are provided through the community service centers. These facilities provide work release and special treatment programs to aid the individual in the crucial period that usually follows upon release.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Total Proposed Expenditures by Institution:			
Central Office			
State Funds	\$ 6,180	\$ 7,678	\$ 8,538
Federal Funds	299	175	175
Augmentations .....	.....	68	35
TOTAL	<u>\$ 6,479</u>	<u>\$ 7,921</u>	<u>\$ 8,748</u>
SCI Huntingdon			
State Funds	\$ 17,721	\$ 19,626	\$ 21,547
Augmentations	36	42	42
TOTAL	<u>\$ 17,757</u>	<u>\$ 19,668</u>	<u>\$ 21,589</u>
SCI Muncy			
State Funds	\$ 8,315	\$ 9,640	\$ 10,570
Federal Funds	8	25	25
Augmentations	109	98	98
TOTAL	<u>\$ 8,432</u>	<u>\$ 9,763</u>	<u>\$ 10,693</u>

GENERAL FUND

CORRECTIONS

Total Proposed Expenditures by Institution: (continued)	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
SCI Pittsburgh			
State Funds	\$ 20,329	\$ 21,185	\$ 22,741
Federal Funds .....	.....	20	.....
Augmentations	12	13	13
TOTAL	<u>\$ 20,341</u>	<u>\$ 21,218</u>	<u>\$ 22,754</u>
SCI Cresson			
State Funds	<u>\$ 405</u>	<u>\$ 412</u>	<u>\$ 3,014</u>
SCI Frackville			
State Funds	<u>\$ 26</u>	<u>\$ 48</u>	<u>\$ 2,944</u>
SCI Camp Hill			
State Funds	\$ 23,122	\$ 26,571	\$ 29,272
Augmentations	147	140	140
TOTAL	<u>\$ 23,269</u>	<u>\$ 26,711</u>	<u>\$ 29,412</u>
SCI Rockview			
State Funds	\$ 17,140	\$ 18,967	\$ 20,638
Augmentations	61	66	66
TOTAL	<u>\$ 17,201</u>	<u>\$ 19,033</u>	<u>\$ 20,704</u>
SCI Graterford			
State Funds	\$ 29,518	\$ 33,539	\$ 36,447
Augmentations	9	10	10
TOTAL	<u>\$ 29,527</u>	<u>\$ 33,549</u>	<u>\$ 36,457</u>
SCI Dallas			
State Funds	\$ 18,914	\$ 21,595	\$ 23,784
Augmentations	63	72	72
TOTAL	<u>\$ 18,977</u>	<u>\$ 21,667</u>	<u>\$ 23,856</u>
SCI Waynesburg			
State Funds	<u>\$ 2,386</u>	<u>\$ 3,686</u>	<u>\$ 4,071</u>
SCI Smithfield			
State Funds	<u>\$ 22</u>	<u>\$ 38</u>	<u>\$ 41</u>

GENERAL FUND

CORRECTIONS

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Total Proposed Expenditures by Institution:			
(continued)			
SRCF Greensburg			
State Funds	\$ 6,426	\$ 9,249	\$ 10,164
Augmentations	19	21	21
TOTAL	<u>\$ 6,445</u>	<u>\$ 9,270</u>	<u>\$ 10,185</u>
SRCF Mercer			
State Funds	\$ 6,016	\$ 7,547	\$ 8,131
Federal Funds .....	.....	15	10
Augmentations	14	15	16
TOTAL	<u>\$ 6,030</u>	<u>\$ 7,577</u>	<u>\$ 8,157</u>
SCI Retreat			
State Funds	<u>\$ 221</u>	<u>\$ 457</u>	<u>\$ 2,804</u>
Community Service Centers			
State Funds	\$ 4,495	\$ 5,063	\$ 5,489
Augmentations	190	220	231
TOTAL	<u>\$ 4,685</u>	<u>\$ 5,283</u>	<u>\$ 5,720</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
State Correctional Institutions	\$ 161,236	\$ 185,301	\$ 210,195
Federal Funds:			
Maintenance of Federal Prisoners	100	100	100
Administration — Rehabilitation	75	110	110
Drug and Alcohol Treatment — Muncy	9	.....	.....
Library Services .....	.....	5	.....
Muriel Cuban Inmates	123	.....	.....
Spanish Language .....	.....	20	.....
Augmentations:			
Community Treatment Centers — Room and Board	190	220	231
Sale of Institutional Scraps .....	.....	182	149
Pre-Release Room and Board	22	23	24
Reimbursement for Educational Services	350	340	340
Inmate Wages — Educational	98	.....	.....
TOTAL	<u>\$ 162,203</u>	<u>\$ 186,301</u>	<u>\$ 211,149</u>

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Manufacturing Fund			
General Operations	<u>\$ 17,392</u>	<u>\$ 19,250</u>	<u>\$ 20,213</u>

DEPARTMENT OF CORRECTIONS

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Control and Reduction of Crime	\$ 161,236	\$ 185,301	\$ 210,195	\$ 241,724	\$ 270,731	\$ 289,682	\$ 309,960
Institutionalization of Offenders	161,236	185,301	210,195	241,724	270,731	289,682	309,960
DEPARTMENT TOTAL	<u>\$ 161,236</u>	<u>\$ 185,301</u>	<u>\$ 210,195</u>	<u>\$ 241,724</u>	<u>\$ 270,731</u>	<u>\$ 289,682</u>	<u>\$ 309,960</u>

Institutionalization of Offenders

OBJECTIVE: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 161,236	\$ 185,301	\$ 210,195	\$ 241,724	\$ 270,731	\$ 289,682	\$ 309,960
Federal Funds	307	235	210	210	210	210	210
Other Funds	18,052	20,015	20,957	21,968	23,029	24,143	25,313
TOTAL	\$ 179,595	\$ 205,551	\$ 231,362	\$ 263,902	\$ 293,970	\$ 314,035	\$ 335,483

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Inmates	12,799	14,069	15,050	15,700	15,900	16,100	16,150
Inmates double celled	5,304	6,380	6,640	5,952	4,512	4,912	4,912
Percentage of inmates enrolled in treatment programs	N/A	37%	37%	37%	37%	37%	37%

Program Analysis:

As the program measures and the chart below imply, the most pressing problem facing State correctional facilities is meeting the demands caused by an increasing inmate population. The provision of housing, increased security, and supplying food, clothing and medical needs to an inmate population which is presently increasing at the annual rate of over ten percent are inter-related. With next year's anticipated inmate growth rate projected at 6.9 percent, overpopulation will still pose a pressing problem.

Corrections is in the midst of its largest statewide construction expansion project ever which will provide over 3,000 permanent new cells by the end of 1988. With the prison population exceeding the prison capacity by 30 percent, Corrections is already double-celling over 6,300 inmates. Double-celling, or the placing of two inmates into a cell designed for one, is one measure that correctional officials have used to house excess population. Other measures used to relieve overcrowding include the use of prefabricated or modular housing, construction of cells in the basements of cell blocks, greater utilization of dormitory housing, the use of trailers on institutional grounds and increases in the number of community service centers.

Corrections recently converted the Waynesburg Youth Development Center, previously operated by the Department of Public Welfare for use as a State correctional institution for women providing 144 beds.

In addition, recent expansionary initiatives provided for

additional modular units at Greensburg and Camp Hill amounting to a net gain of 124 beds. In early Spring 1985 a new cell block at Greensburg was opened representing a gain of 150 cells.

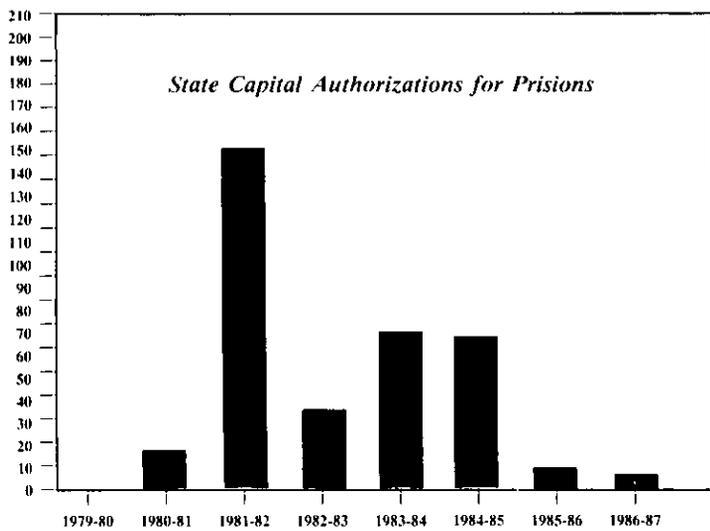
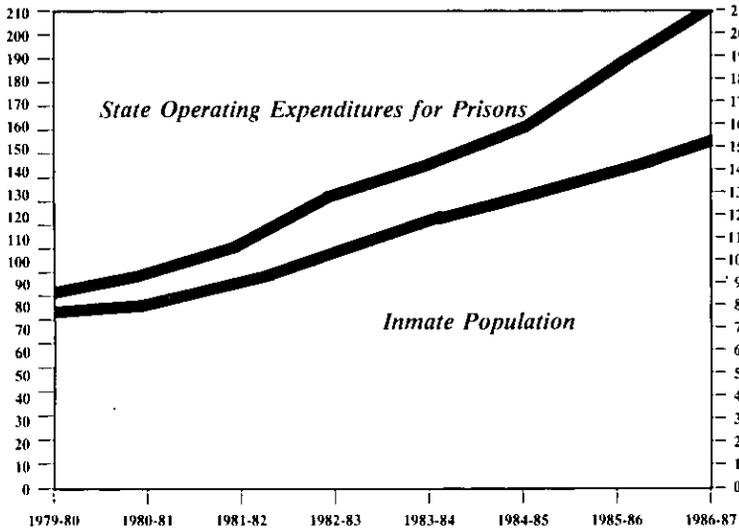
In 1986-87 a program revision will provide for the opening of three new institutions at Frackville, Cresson and Retreat increasing the cell capacity by 1,476. Additional details are available in the program revision following this subcategory. Other initiatives will provide for: continuation of the program in forensic mental health at Muncy and Graterford to assist and better treat inmates with unstable mental backgrounds including those incarcerated for sexual offenses; establishment of an Acquired Immune Deficiency Syndrome (AIDS) program; implementation of an associate degree program for inmates, establishment of both a textile and tire recapping plant at Frackville; and an increase of 750 guards and other vital staff positions.

The Department of Corrections also provides programs which will enable the inmate to leave the prison better prepared to adjust in the community than when he entered. Educational programs are provided at all levels. During fiscal year 1984-85 approximately 1,000 inmates participated monthly in Adult Basic Education; 1,100 inmates participated in the Graduate Equivalency Degree (GED) Program; 400 inmates took college level courses, and 1,100 inmates participated in vocational education programs.

Leisure time activities are especially important when an

Institutionalization of Offenders (continued)

Program Analysis: (continued)



institutional population exceeds its capacity. These activities combat idleness and depression as well as seek to provide the inmate with an outlet for time and energy. Institutional athletic competition, arts and crafts, talent and art competition, etc., are fully used as leisure time activities.

Correctional Industries provides for the manufacture and sale of various items for use by government and non-profit government-supported agencies. Approximately 1,600 inmates are employed through this program operating in 44 shops or farms. Inmates are paid a small hourly wage which varies according to the job skills required. The wages are placed in the inmate's individual account which can be then used for the purchase of personal items such as toiletries and tobacco products. The employment of inmates in meaningful work is considered a vital component of the prison expansion program. Correctional Industries is financed through the Manufacturing Fund for which a cash flow statement appears in the Special Fund Appendix at the end of Volume I of this budget.

Approximately 325 inmates participate in the community services program, which operates 16 community service centers statewide. This pre-release program permits highly screened inmates who meet established criteria to return to a community setting prior to their release. While living in a community service center, they receive 24 hour supervision and can utilize counseling services. Inmates return to the community while employed full or part-time, while pursuing academic or vocational studies, or when they utilize treatment programs not found in the institutional setting.

The department will continue its participation in the national program of accreditation of correctional institutions for their performance with advanced operational standards. With six institutions already accredited, Pennsylvania is a national leader in this area.

In addition to having custody of individuals, Corrections also provides services to county and municipal facilities. These services include inspection of all local detention facilities to ensure compliance with State standards, and providing training of county correctional employees.

Institutionalization of Offenders (continued)

Program Analysis: (continued)

The institutional populations for the prior, current and upcoming year are:

Institutions	Inmate Capacity Oct. 1985	Population Oct. 1984	Population Oct. 1985	Projected Population Oct. 1986	Projected Percent of Capacity
Huntingdon	1,370	1,834	2,020	2,082	152%
Muncy	465	417	552	580	125%
Pittsburgh	1,130	1,607	1,580	1,570	139%
Cresson .....	.....	.....	.....	.....	.....
Camp Hill	1,626	2,107	2,231	2,381	146%
Rockview	1,260	1,570	1,830	1,900	151%
Graterford	2,144	2,373	2,494	2,570	120%
Dallas	1,410	1,601	1,704	1,763	125%
Retreat .....	.....	.....	.....	.....	.....
Greensburg	408	482	757	819	201%
Mercer	304	446	524	800	263%
Waynesburg	144	28	68	95	-66%
Community Service Centers	325	334	309	370	114%
Smithfield .....	.....	.....	.....	.....	.....
Frackville .....	.....	.....	.....	.....	.....
TOTAL	<u>10,586</u>	<u>12,799</u>	<u>14,069</u>	<u>14,930</u>	<u>141%</u>

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
State Correctional Institutions	<u>\$ 161,236</u>	<u>\$ 185,301</u>	<u>\$ 210,195</u>	<u>\$ 241,724</u>	<u>\$ 270,731</u>	<u>\$ 289,682</u>	<u>\$ 309,960</u>

Institutionalization of Offenders

Program Revision: Opening New State Correctional Institutions

Recommended Program Revision Costs:

	1984-85	1985-86	(Dollar Amounts in Thousands)				
			1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	<u>.....</u>	<u>.....</u>	<u>\$ 8,762</u>	<u>\$ 14,060</u>	<u>\$ 15,751</u>	<u>\$ 16,853</u>	<u>\$ 18,033</u>

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Inmates over capacity							
Current	2,828	3,483	4,095	4,745	4,945	5,145	5,145
Program Revision .....	.....	.....	3,269	2,549	2,749	2,749	2,749
Inmates living two in a cell							
Current	5,304	6,380	7,604	8,904	9,304	9,704	9,704
Program Revision .....	.....	.....	5,952	4,512	4,912	4,912	4,912
Housing capacity							
Current	9,971	10,586	10,955	10,955	10,955	10,955	10,955
Program Revision .....	.....	.....	12,431	13,351	13,351	13,351	13,351

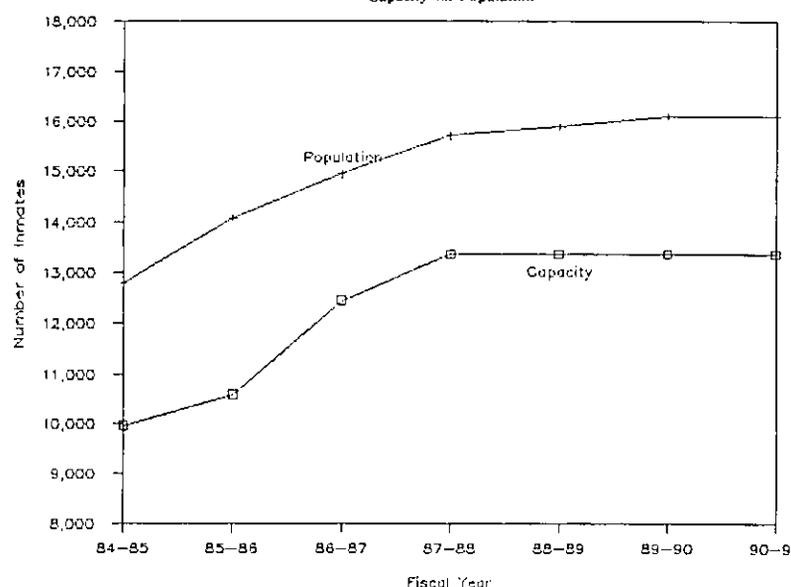
Program Analysis:

The inmate population continues to undergo tremendous growth and currently exceeds capacity by 3,500 inmates.

Research has documented numerous problems related to overpopulation in prison systems including higher rates of illness, suicide, disciplinary problems and psychiatric commitments. Increases in inmate violence, employe absenteeism and staff turnover have also been attributed to overpopulation. Furthermore, as the population increases, educational and vocational programs must be expanded to assist in rehabilitation of inmates.

To help alleviate the problems associated with overpopulation, the Commonwealth is presently constructing approximately 3,000 new permanent cells. Several hundred cells will have been opened at existing institutions opened by the end of the current fiscal year. This Program Revision provides operating funds for the opening of three new institutions—Cresson (451 cells), Frackville (543 cells), and Retreat (482 cells)—in 1986-87. Additionally, future year cost projections assume the opening of a fourth new institution at Smithfield (502 cells) and an expansion of the Graterford institution (418 cells) in 1987-88.

STATE CORRECTIONAL INSTITUTIONS
Capacity vs. Population



Program Revision Costs by Appropriation:

	1984-85	1985-86	(Dollar Amounts in Thousands)				
			1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
State Correctional Institutions	<u>.....</u>	<u>.....</u>	<u>\$ 8,762</u>	<u>\$ 14,060</u>	<u>\$ 15,751</u>	<u>\$ 16,853</u>	<u>\$ 18,033</u>

Crime Commission

The Crime Commission conducts investigations into organized crime activities. Through its investigations the Commission seeks to determine and combat causes of organized crime as well as prevent such criminal activities.

CRIME COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
Crime Commission	\$ 2,169	\$ 2,235	\$ 2,259
TOTAL STATE FUNDS	<u>\$ 2,169</u>	<u>\$ 2,235</u>	<u>\$ 2,259</u>
Federal Funds	\$ 1,439	\$ 1,800	\$ 1,800
GENERAL FUND TOTAL	<u>\$ 3,608</u>	<u>\$ 4,035</u>	<u>\$ 4,059</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Pennsylvania Crime Commission			
State Funds	\$ 2,169	\$ 2,235	\$ 2,259
Federal Funds	1,439	1,800	1,800
TOTAL	\$ 3,608	\$ 4,035	\$ 4,059

Conducts investigations into organized crime activities and into the causes of such crime. Seeks to determine and combat causes of organized crime as well as prevent such criminal activities.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Pennsylvania Crime Commission	\$ 2,169	\$ 2,235	\$ 2,259
Federal Funds:			
Leviticus Project	191	300	300
LEAA — MAGLOCLLEN	1,248	1,500	1,500
TOTAL	3,608	\$ 4,035	\$ 4,059

CRIME COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Control and Reduction of Crime	\$ 2,169	\$ 2,235	\$ 2,259	\$ 2,349	\$ 2,443	\$ 2,541	\$ 2,643
Criminal Law Enforcement	2,169	2,235	2,259	2,349	2,443	2,541	2,643
DEPARTMENT TOTAL	<u>\$ 2,169</u>	<u>\$ 2,235</u>	<u>\$ 2,259</u>	<u>\$ 2,349</u>	<u>\$ 2,443</u>	<u>\$ 2,541</u>	<u>\$ 2,643</u>

Criminal Law Enforcement

OBJECTIVE: To inquire into organized crime, public corruption and the activities of persons engaged in or associated with them.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 2,169	\$ 2,235	\$ 2,259	\$ 2,349	\$ 2,443	\$ 2,541	\$ 2,643
Federal Funds	1,439	1,800	1,800	1,800	1,800	1,800	1,800
TOTAL	\$ 3,608	\$ 4,035	\$ 4,059	\$ 4,149	\$ 4,243	\$ 4,341	\$ 4,443

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Investigations completed (yearly).....	232	230	235	245	245	245	245
Investigations referred to prosecutors, law enforcement or regulatory agencies.....	44	45	45	45	45	45	45
Intelligence inquiries from other law enforcement agencies.....	2,713	3,000	3,000	3,000	3,000	3,000	3,000
Positive responses to intelligence inquiries..	653	800	800	800	800	800	800

Program Analysis:

The Pennsylvania Crime Commission's basic function is to inquire into organized crime, public corruption and the activities of persons engaged in or associated with such activities.

The commission functions as an independent agency. It is managed by a five member commission, with one member appointed by each of the following: The Governor, the President Pro Tempore of the Senate, the Speaker of the House, the Minority Leader of the Senate, and the Minority Leader of the House. The commission members may not hold elected office nor may more than three of them be of the same political party.

In conducting its activities, the commission utilizes subpoena power, hearings, surveillances and other investigative techniques. Cooperation with and information exchange among other law enforcement agencies are cornerstones of the commission's commitment to fulfilling its mandate.

The Crime Commission completed a greater number of investigations in 1984-85 than anticipated. Many of the investigations were not as complex as in prior years which accounts for the increase. The number of investigations referred to other agencies is positively correlated to the number of completed investigations, thus the increase in that measure.

The number of positive responses to intelligence inquiries was less than anticipated in 1984-85. As law enforcement

agencies become more familiar with the the resources the commission provides, this measure is expected to increase significantly.

The commission is continuing to participate in the Leviticus Project, a Federal grant aimed at energy related crimes. This project is a consortium of seven states that cooperate in the investigation and analysis of such acts. To date, the project has been very successful. As of June 30, 1985, criminal charges stemming from Leviticus sponsored probes within the seven participating states have been brought against 240 defendants. Civil charges have been brought against 180 individuals and businesses. Also, over \$170,000,000 in suspect investments have been referred to the Internal Revenue Service.

In addition, the Commission is the grantee for MAGLOCLN, an eight state association of law enforcement agencies which provides technical services and facilitates the exchange of criminal information on a real time basis among its members.

The MAGLOCLN project is a response to the growing problem of traveling criminals, individuals who traverse jurisdictional boundaries to commit extremely sophisticated crimes. Since current records are locally based, it is extremely difficult for enforcement agencies to associate one of these criminals with a particular set of crimes. With this program, such tasks will be easier.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Crime Commission.....	\$ 2,169	\$ 2,235	\$ 2,259	\$ 2,349	\$ 2,443	\$ 2,541	\$ 2,643

Department of Education

The Department of Education promotes and encourages desirable educational change based upon research and development so that all Pennsylvanians may benefit from a continuous quality educational program which gives the greatest promise of developing each individual to his fullest potential as a contributing member of society.

The department conducts programs to assist the local school districts in improving educational and administrative techniques, curricula and guidance services; and provides consultant and data collection services on higher education. The bulk of the department's budget consists of subsidies for basic and higher education.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1986-87 State Funds (in thousands)
General Fund		
State Library	PII—Security/Control for Law Library	\$ 179

This Productivity Improvement Initiative will provide for security and automated circulation control for the Law Library.

Scotland School for Veterans Children	PII—Automated Boiler Monitoring	\$ 176
	PII—Laundry Services .....	.....
	Subtotal	\$ 355 ^a

This Program Revision will provide steam plant monitoring capabilities and will result in future year savings.

Customized Job Training	Economic Development	\$ 3,000 ^b
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This Program Revision will allow the Commonwealth to expand its Customized Job Training Program which trains workers for specific jobs available.

Improvement of Library Services	Access Pennsylvania	\$ 536
Library Access	Access Pennsylvania	2,000
School Library Catalogs	Access Pennsylvania	400
	Subtotal	\$ 2,936

This Program Revision will increase access to Statewide public library holdings for every citizen, expand the use of technology to more effectively use and share the resources of public and high school libraries, and continue to improve State support for libraries in low income communities.

PROGRAM REVISION (continued)

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1986-87 State Funds (in thousands)
General Fund (continued)		
State System of Higher Education—Deferred Maintenance	Excellence in Higher Education	\$ 2,500
Chairs of Excellence	Excellence in Higher Education	1,000
	Subtotal	<u>\$ 3,500^c</u>

This Program Revision will fund several programs designed to strengthen higher education institutions.

State System of Higher Education	Differential Funding	\$ 1,568
Pennsylvania State University	Differential Funding	1,818
University of Pittsburgh	Differential Funding	1,944
Temple University	Differential Funding	1,568
Lincoln University	Differential Funding	251
	Subtotal	<u>\$ 7,149</u>

This Program Revision will provide funding for special educational and research projects at these institutions to meet the educational and economic development needs of the Commonwealth.

Science and Engineering Equipment	Science and Engineering Equipment
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This Program Revision will provide funds totaling \$150,000,000 over a two year period for the purchase of equipment for elementary and secondary schools, vocational schools, and higher education institutions. The program will be funded by revenues from the sale of liquor store licenses.

DEPARTMENT TOTAL	<u><u>\$ 16,940</u></u>
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^aThis is only one of numerous Productivity Improvement Initiatives which are being provided one-time funding to achieve long-term cost savings and efficiency benefits. The entire Program Revision Request is summarized in Volume I.

^bThe total Program Revision for Economic Development is \$36,065,000. Details are presented in the appendix to the Industrial Development subcategory in the Department of Commerce.

^cIn addition, \$10,450,000 is budgeted in the Higher Education Assistance Agency making the total Program Revision \$13,950,000. Details are presented in the Program Revision following the Higher Education subcategory.

DEPARTMENT OF EDUCATION
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 16,559	\$ 16,647	\$ 16,770
State Library	2,526	2,721	2,661
Bicentennial Commission	50	.....	.....
Total—General Government	<u>\$ 19,135</u>	<u>\$ 19,368</u>	<u>\$ 19,431</u>
Debt Service Requirements			
General State Authority Rentals — State-Aided Institutions	<u>\$ 3,672</u>	<u>\$ 3,679</u>	<u>\$ 3,679</u>
Institutional			
Youth Development Centers Education	\$ 3,306	\$ 3,308	\$ 3,487
Correctional Institutions Education	2,881	3,430	4,622
Scranton State School for the Deaf	2,790	3,000	3,064
Scotland School for Veterans' Children	5,896	6,025	6,429
Thaddeus Stevens State School	2,957	3,036	3,112
Total—Institutional	<u>\$ 17,830</u>	<u>\$ 18,799</u>	<u>\$ 20,714</u>
Grants and Subsidies			
<i>Support of Public Schools</i>			
Equalized Subsidy for Basic Education	\$1,893,746	\$2,046,856	\$2,128,730
Agenda for Excellence	24,000	28,000	28,000
Instruction Improvement	4,000	4,000	8,000
Adult Literacy .....	.....	.....	1,000
Vocational Education	30,223	33,172	34,831
Authority Rentals and Sinking Fund Requirements	147,683	141,967	136,000
Pupil Transportation	190,000	197,000	206,850
Nonpublic Pupil Transportation	6,543	13,504	13,200
Special Education	234,426	259,245	272,207
Early Intervention—Handicapped Children	7,400	7,100	10,000
Homebound Instruction	525	525	490
Tuition for Orphans and Children Placed in Private Homes	12,644	13,369	13,750
Payments in Lieu of Taxes	53	60	72
Education of Migrant Laborers' Children	157	165	172
Education of the Disadvantaged	1,000	1,000	1,000
Special Education—Approved Private Schools	40,574	42,500	44,625
Higher Education of Blind or Deaf Students	49	50	50
Intermediate Units	9,944	10,644	11,495
School Food Services	10,844	10,844	10,844
School Employees' Social Security	126,213	140,900	149,024
School Employees' Retirement Fund:			
Contingent Reserve and Supplemental Accounts	380,339	414,943	440,993
Pension Increase for Retired Teachers	15,446	.....	.....
State Schools and Hospitals—Education	17,000	17,754	18,303
Private Residential Rehabilitation Institutions	186	.....	.....
School District Payments—Racing	3,500	3,500	3,500
Subsidy Payment Midwest School District	837	.....	.....
Birdville — Mine Subsidence .....	.....	100	.....
Peter's Township — Mine Subsidence .....	.....	285	.....
Attendance Improvement .....	.....	.....	500
Education of Indigent Children	100	114	114
Subtotal—Support of Public Schools	<u>\$3,157,432</u>	<u>\$3,387,597</u>	<u>\$3,533,750</u>

DEPARTMENT OF EDUCATION
Summary by Fund and Appropriation
(continued)

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Grants and Subsidies (continued)			
<i>Other Grants and Subsidies:</i>			
Customized Job Training	\$ 7,000	\$ 12,000	\$ 15,000
JTPA - Matching Funds	5,700	7,000	8,500
Services to Nonpublic Schools	35,606	38,490	40,030
Textbooks for Nonpublic Schools	7,394	7,413	7,330
Student Supplies for Nonpublic Schools	4,018	4,370	3,665
Teen Pregnancy and Parenthood .....	.....	473	946
Improvement of Library Services	16,979	18,350	19,500
Library Services for Blind and Handicapped	1,432	1,504	1,549
Library Access .....	.....	.....	2,000
School Library Catalog .....	.....	.....	400
College of Physicians	100	100	.....
Educational Radio and Television Grants	288	300	350
Conservatory Leadership School	30	30	30
Ethnic Heritage	100	100	100
Governor's School for the Sciences	157	157	175
Governor's School for the Arts	279	279	295
Governor's School for International Studies	75	75	115
Math and Science Instructional Development	297	.....	.....
Subtotal—Other Grants and Subsidies	<u>\$ 79,455</u>	<u>\$ 90,641</u>	<u>\$ 99,985</u>
<i>Higher Education—Other Grants and Subsidies:</i>			
Community Colleges	\$ 88,426	\$ 102,392	\$ 102,392
Higher Education of the Disadvantaged	5,470	5,689	5,860
Rural Initiatives	50	700	175
Chairs of Excellence .....	.....	.....	1,000
Psychiatric Education	250	650	750
Higher Education Equipment .....	.....	16,500	.....
Subtotal—Higher Education - Other Grants and Subsidies	<u>\$ 94,196</u>	<u>\$ 125,931</u>	<u>\$ 110,177</u>
<i>State System of Higher Education:</i>			
State System of Higher Education (SSHE)	\$ 250,051	\$ 263,803	\$ 271,717
SSHE—Recruitment of the Disadvantaged	200	200	200
SSHE—Deferred Maintenance .....	.....	2,500	2,500
SSHE—Desegregation Compliance	2,472	1,653	1,656
SSHE—Advanced Technology Curriculum .....	.....	.....	1,568
Subtotal—State System of Higher Education	<u>\$ 252,723</u>	<u>\$ 268,156</u>	<u>\$ 277,641</u>
<i>State-Related Universities:</i>			
Pennsylvania State University—Educational and General	\$ 118,557	\$ 128,269	\$ 132,117
Pennsylvania State University—Research	10,627	11,211	11,547
Pennsylvania State University—Medical Programs	3,381	3,567	3,674
Pennsylvania State University—Agricultural Research	12,647	13,343	13,743
Pennsylvania State University—Agricultural Extension Services	10,702	11,291	11,630
Pennsylvania State University—Recruitment of Disadvantaged	200	200	200
Pennsylvania State University—Soil Survey	100	.....	.....
Pennsylvania State University—Elizabethtown Hospital	3,561	3,757	3,870
Pennsylvania State University—Agricultural Extension Com- puter Network	1,900	.....	.....
Pennsylvania State University—Small Farm Project	75	.....	.....
Pennsylvania State University—Research Coal Slurry	500	.....	.....
Pennsylvania State University—Attendant Care Study	50	.....	.....
Pennsylvania State University—Buhl-Henderson Library	25	.....	.....
Pennsylvania State University—Avian Flu Research	375	.....	.....
Pennsylvania State University—Agricultural Science, Technology, and Research .....	.....	.....	1,818
Subtotal Pennsylvania State University	<u>\$ 162,700</u>	<u>\$ 171,638</u>	<u>\$ 178,599</u>

DEPARTMENT OF EDUCATION

Summary by Fund and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Grants and Subsidies (continued)			
<i>State-Related Universities: (continued)</i>			
University of Pittsburgh—Educational and General	\$ 80,819	\$ 87,902	\$ 90,539
University of Pittsburgh—Medical Programs	4,768	5,030	5,181
University of Pittsburgh—Falk Clinic	2,500	.....	.....
University of Pittsburgh—Dental Clinics	805	849	874
University of Pittsburgh—Titusville Campus	640	675	695
University of Pittsburgh—Recruitment of Disadvantaged	200	200	200
University of Pittsburgh—Biotechnology/Neuroscience .....	.....	.....	1,944
Subtotal University of Pittsburgh	\$ 89,732	\$ 94,656	\$ 99,433
Temple University—Educational and General	\$ 89,000	\$ 93,948	\$ 96,766
Temple University—Medical Programs	6,347	6,696	6,897
Temple University—Dental Clinics	805	849	874
Temple University—Hospital	2,500	2,500	2,500
Temple University—Recruitment of Disadvantaged	200	200	200
Temple University—Maxillofacial Prosthodontics	50	.....	.....
Temple University—Engineering and Computational Science .....	.....	.....	1,568
Temple University—Federalism Center .....	.....	.....	100
Subtotal Temple University	\$ 98,902	\$ 104,193	\$ 108,905
Lincoln University—Educational and General	\$ 5,519	\$ 5,822	\$ 5,996
Lincoln University—Recruitment of Disadvantaged	200	200	200
Lincoln University—Desegregation	1,000	1,000	1,000
Lincoln University—Special Programs .....	.....	.....	251
Subtotal Lincoln University	\$ 6,719	\$ 7,022	\$ 7,447
<i>Non-State-Related Universities and Colleges:</i>			
Delaware Valley College of Science and Agriculture	\$ 319	\$ 337	\$ 347
Drexel University	4,412	4,655	4,795
Hahnemann Medical College—Medical Programs	3,930	4,146	4,270
Hahnemann Medical College—Allied Health Programs	182	192	198
Thomas Jefferson University—Medical Programs	4,680	4,937	5,085
Thomas Jefferson University—Allied Health Programs	1,961	2,069	2,131
The Medical College of Pennsylvania—Medical Programs	2,326	2,454	2,528
The Medical College of Pennsylvania—Allied Health Programs	268	779	802
University of Pennsylvania—Instruction	12,549	13,239	13,636
University of Pennsylvania—Dental Clinics	805	849	874
University of Pennsylvania—Medical Programs	3,467	3,658	3,768
University of Pennsylvania—School of Veterinary Medicine	6,039	6,371	6,562
University of Pennsylvania—New Bolton	2,059	2,842	2,927
University of Pennsylvania—Food and Animal Clinics	1,436	1,580	1,627
Pennsylvania College of Podiatric Medicine	794	837	862
Pennsylvania College of Optometry	968	1,223	1,260
Eye Institute .....	.....	100	103
Philadelphia College of Art	479	505	520
Philadelphia College of Textiles and Science	421	444	457
Philadelphia College of Performing Arts	111	117	121
Philadelphia College of Osteopathic Medicine	4,229	4,462	4,596
Subtotal Non-State-Related Universities and Colleges	\$ 51,435	\$ 55,796	\$ 57,469

DEPARTMENT OF EDUCATION

Summary by Fund and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Grants and Subsidies (continued)			
<i>Non-State-Related Institutions:</i>			
Berean Training and Industrial School—Maintenance	\$ 647	\$ 682	\$ 702
Berean Training and Industrial School—Rental Payments	102	102	102
Downingtown Industrial and Agricultural School—Maintenance	715	754	777
Downingtown Industrial and Agricultural School—Rental	81	81	81
Downingtown Special Projects .....	.....	.....	50
Johnson Technical Institute	154	162	167
Williamson Free School of Mechanical Trades	57	60	62
Subtotal Non-State-Related Institutions	<u>\$ 1,756</u>	<u>\$ 1,841</u>	<u>\$ 1,941</u>
Subtotal Higher Education Subsidies	<u>\$ 758,163</u>	<u>\$ 829,233</u>	<u>\$ 841,612</u>
Total—Grants and Subsidies	<u>\$3,995,050</u>	<u>\$4,307,471</u>	<u>\$4,475,347</u>
<i>Total State Funds—General Fund</i>	<u>\$4,035,687</u>	<u>\$4,349,317</u>	<u>\$4,519,171</u>
Federal Funds	\$ 49,367	\$ 54,233	\$ 57,167
Augmentations	<u>1,818</u>	<u>1,964</u>	<u>1,696</u>
GENERAL FUND TOTAL	<u>\$4,086,872</u>	<u>\$4,405,514</u>	<u>\$4,578,034</u>
Motor License Fund			
Grants and Subsidies			
Safe Driving Course	<u>\$ 2,228</u>	<u>\$ 2,552</u>	<u>\$ 2,598</u>
<i>TOTAL STATE FUNDS—MOTOR LICENSE FUND</i>	<u>\$ 2,228</u>	<u>\$ 2,552</u>	<u>\$ 2,598</u>
Federal Funds	<u>\$ 136</u>	<u>\$ 60</u>	<u>\$ 25</u>
MOTOR LICENSE FUND TOTAL	<u>\$ 2,364</u>	<u>\$ 2,612</u>	<u>\$ 2,623</u>
DEPARTMENT TOTAL — ALL FUNDS			
General Fund	\$4,035,687	\$4,349,317	\$4,519,171
Special Funds	2,228	2,552	2,598
Federal Funds	49,503	54,293	57,192
Augmentations	<u>1,818</u>	<u>1,964</u>	<u>1,696</u>
SUBTOTAL ALL FUNDS	<u>\$4,089,236</u>	<u>\$4,408,126</u>	<u>\$4,580,657</u>
Other Funds	<u>\$ 360,977</u>	<u>\$ 424,412</u>	<u>\$ 496,402</u>
TOTAL ALL FUNDS	<u>\$4,450,213</u>	<u>\$4,832,538</u>	<u>\$5,077,059</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 16,559	\$ 16,647	\$ 16,770
Federal Funds	15,305	18,814	19,657
Augmentations	473	461	237
TOTAL	\$ 32,337	\$ 35,922	\$ 36,664

Provides the overall planning, policy guidance and coordination functions for agency programs. Supplies administrative, legal, public information, planning, research, personnel, budget and supply services to the various educational programs.

Conducts research projects for the benefit of basic and higher education, prepares statistical data for State school district subsidy calculations, the Federal elementary and secondary grant program, and others as needed.

Provides consultation to the school districts on budget, accounting, and procurement services and leadership for the improvement of basic education, including monitoring and evaluation of special education. Administers and distributes Support of Public Schools, Support of Nonpublic Schools, and distributes Federal grants to school districts. See "Grants and Subsidies" for details.

Coordinates the development of higher education in order to promote implementation of the Commonwealth's policies on higher education in accordance with the needs of students and colleges within the guidelines established by the Governor, the Legislature, the State Board of Education, and Pennsylvania law. Accounting and fiscal reviews are performed for compliance with the Auditor General and the Federal Government. Provides matching State funds to qualify for Federal funds for administration of vocational education programs.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
General Government Operations	\$ 16,559	\$ 16,647	\$ 16,770
Federal Funds:			
Adult Basic Education — Administration	217	270	284
Education of Exceptional Children	2,392	2,589	2,977
ECIA Title I Programs — Administration	1,486	1,767	2,000
State Approving Agency (VA)	593	700	650
Food and Nutrition Service	1,970	2,354	2,220
Bilingual Education	45	60	50
Migrant Education Administration	290	414	300
Common Core Data Survey	22	18	18
Civil Rights Technical Training	331	407	371
National Origin Desegregation	92	100	123

Source of Funds (continued)

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Federal Funds: (continued)			
Adult Basic Education Evaluation	\$ 235	\$ 275	\$ 285
Vocational Education	3,566	4,140	4,140
Transition Program for Refugee Children	6	10	12
Migrant Education	133	193	180
Educationally Deprived Children — Migrant	126	184	27
LEAA — School Climate Improvement	43	57	.. . .
Parent Education Partnerships	71	119	92
Preventive Health Maintenance	93	145	21
Job Training Partnership Administration — Linkage	621	1,000	1,737
Education Block Grant—Administration	2,146	2,310	2,379
Highway Safety	202	200	210
Project Excellence .....	.. . .	42	13
Early Childhood	4	219	158
Remove Architectural Barriers .....	.. . .	100	100
Emergency Immigrant Assistance .....	.. . .	3	5
Community Awareness .....	.. . .	140	132
Math and Science Training .....	.. . .	400	400
Migrant Self Esteem .....	.. . .	243	250
Addiction Prevention	297	325	360
Developmental Disabilities Act	177	.. . .	.. . .
Developmental Disabilities Public Relations	128	30	25
NOICC	19	.. . .	.. . .
Recruitment of Migrants .....	.. . .	.. . .	138
Augmentations:			
Reimbursement for EDP Services	63	63	63
Conference Fees	87	98	98
Reimbursement from SERA	1	1	1
Media Van Sale	2	.. . .	.. . .
Services to SSHE	295	224	.. . .
Chief State School Officers Grant	3	.. . .	.. . .
Environmental Education	22	75	75
TOTAL	<u>\$ 32,337</u>	<u>\$ 35,922</u>	<u>\$ 36,664</u>

State Library

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 2,526	\$ 2,721	\$ 2,661
Federal Funds	942	1,133	1,030
Augmentations	12	12	12
TOTAL	<u>\$ 3,480</u>	<u>\$ 3,866</u>	<u>\$ 3,703</u>

Promotes the improvement of library services throughout the Commonwealth by administration of a local support-incentive aid program and by conducting research and innovative programs. Operates the State Library in Harrisburg, which serves as a major reference library for State Government as well as an information base for all public libraries.

GENERAL FUND

EDUCATION

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
State Library	\$ 2,526	\$ 2,721	\$ 2,661
Federal Funds:			
Library Services — Administration	846	905	914
Nuclear Regulatory Commission Documents	14	16	16
National Endowment for Humanities	82	212	100
Augmentations			
Book Penalties and Reimbursement for Lost Books	9	9	9
LEXIS	3	3	3
TOTAL	<u>\$ 3,480</u>	<u>\$ 3,866</u>	<u>\$ 3,703</u>

Bicentennial Commission	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 50	.....	.....
Augmentations .....	.....	\$ 50	.....
TOTAL	<u>\$ 50</u>	<u>\$ 50</u>	<u>.....</u>

Provides funds for the administration of the Commonwealth Commission on the Bicentennial of the United States Constitution.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Bicentennial Commission	\$ 50	.....	.....
Augmentations:			
Contributions .....	.....	\$ 50	.....
TOTAL	<u>\$ 50</u>	<u>\$ 50</u>	<u>.....</u>

DEBT SERVICE REQUIREMENTS

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General State Authority Rentals — State-aided Institutions			
State Funds	\$ 3,672	\$ 3,679	\$ 3,679
Augmentations	550	547	547
TOTAL	<u>\$ 4,222</u>	<u>\$ 4,226</u>	<u>\$ 4,226</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)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
General State Authority Rentals — State-aided Institutions	\$ 3,672	\$ 3,679	\$ 3,679
Augmentations:			
Sublease Rentals	550	547	547
TOTAL	<u>\$ 4,222</u>	<u>\$ 4,226</u>	<u>\$ 4,226</u>

INSTITUTIONAL

Youth Development Centers — Education	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 3,306	\$ 3,308	\$ 3,487
Augmentations	4	.....	.....
TOTAL	<u>\$ 3,310</u>	<u>\$ 3,308</u>	<u>\$ 3,487</u>

Provides for administration and operation of educational programs for children assigned to youth development centers.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Youth Development Centers—Education	\$ 3,306	\$ 3,308	\$ 3,487
Augmentations:			
Department of Public Welfare Services	4	.....	.....
TOTAL	<u>\$ 3,310</u>	<u>\$ 3,308</u>	<u>\$ 3,487</u>

Correctional Institutions — Education	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 2,881	\$ 3,430	\$ 4,622
Federal Funds	2,160	3,098	3,857
TOTAL	<u>\$ 5,041</u>	<u>\$ 6,528</u>	<u>\$ 8,479</u>

Provides administration and subsidies for the operation of educational programs for inmates of State correctional institutions.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Correctional Institutions Education	\$ 2,881	\$ 3,430	\$ 4,622
Federal Funds			
Correction Education	1,827	2,429	3,075
JTPA — Correctional Education	315	641	750
Individual Diagnostic Systems	18	28	32
TOTAL	<u>\$ 5,041</u>	<u>\$ 6,528</u>	<u>\$ 8,479</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Special and Vocational Education Services			
State Funds	\$ 11,643	\$ 12,061	\$ 12,605
Federal Funds	859	1,022	1,036
Augmentations	779	894	900
TOTAL	\$ 13,281	\$ 13,977	\$ 14,541

The Scranton State School for the Deaf provides instruction for children from the nursery school level through high school.

Scotland School for Veterans' Children was established to provide a home life and elementary and secondary school education for sons and daughters of soldiers, sailors and marines who served in World Wars I and II and the Korean and Vietnam conflicts.

Thaddeus Stevens State School of Technology provides residence and vocational instruction for students, often orphaned or disadvantaged, ranging from 16 to 18 years of age.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Special and Vocational Educational Institutions			
Funds by Institution			
Scranton State School for the Deaf			
State Funds	\$ 2,790	\$ 3,000	\$ 3,064
Federal Funds	116	117	136
Augmentations	32	30	35
TOTAL	\$ 2,938	\$ 3,147	\$ 3,235
Scotland School for Veterans' Children			
State Funds	\$ 5,896	\$ 6,025	\$ 6,429
Federal Funds	516	555	550
Augmentations	32	49	50
TOTAL	\$ 6,444	\$ 6,629	\$ 7,029
Thaddeus Stevens State School of Technology			
State Funds	\$ 2,957	\$ 3,036	\$ 3,112
Federal Funds	227	350	350
Augmentations	715	815	815
TOTAL	\$ 3,899	\$ 4,201	\$ 4,277

GENERAL FUND

EDUCATION

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Scranton State School for the Deaf	\$ 2,790	\$ 3,000	\$ 3,064
Scotland School for Veterans' Children	5,896	6,025	6,429
Thaddeus Stevens State School of Technology	2,957	3,036	3,112
Federal Funds:			
Education for the Handicapped — Scranton	76	78	97
National School Milk Lunch — Scranton	30	30	30
Life Long Learning — Scranton	10	9	9
ESEA Title I — Education of Children from Low-Income Families — Scotland	292	315	310
National School Milk Lunch — Scotland	224	240	240
Project Growth — Thaddeus Stevens	227	350	350
Augmentations:			
Cafeteria Reimbursement and Rentals (Scranton)	32	30	35
Cafeteria Reimbursement (Scotland)	32	49	50
Tuition and Fees (Thaddeus Stevens)	715	815	815
TOTAL	<u>\$ 13,281</u>	<u>\$ 13,977</u>	<u>\$ 14,541</u>

GRANTS AND SUBSIDIES

Support of Public Schools	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$3,157,432	\$3,387,597	\$3,533,750
Federal Funds	19,586	22,016	22,087
TOTAL	\$3,177,018	\$3,409,613	\$3,555,837

Provides State support to school districts. Subsidy payments are made for basic instruction, vocational education, rentals and sinking fund requirements, pupil transportation, special education, instruction of students unable to attend school, financially handicapped districts, tuition for orphans and children placed in private homes, payments in lieu of taxes, education of deaf, blind, and cerebral palsied, and other handicapped children at approved private schools, education of the disadvantaged, intermediate units, school employe benefits, school food programs, and education of school-age individuals in State institutions for the handicapped.

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Equalized Subsidy for Basic Education	\$1,893,746	\$2,046,856	\$2,128,730
Agenda for Excellence	24,000	28,000	28,000
Instruction Improvement	4,000	4,000	8,000
Adult Literacy .....	.....	.....	1,000
Vocational Education	30,223 ^a	33,172	34,831
Authority Rentals and Sinking Fund Requirements	147,683	141,967	136,000
Pupil Transportation	190,000	197,000	206,850
Non-Public Pupil Transportation	6,543	13,504	13,200
Special Education	234,426 ^b	257,345	272,207
Special Education—Recommended Supplemental .....	.....	1,900	.....
Early Intervention—Handicapped Children	7,400 ^c	7,100 ^c	10,000
Homebound Instruction	525	525	490
Tuition for Orphans and Children Placed in Private Homes	12,644	13,369	13,750
Payments in Lieu of Taxes	53	60	72
Education of Migrant Laborers' Children	157	165	172
Education of the Disadvantaged	1,000	1,000	1,000
Special Education — Approved Private Schools	40,574	42,500	44,625
Higher Education of Blind or Deaf Students	49	50	50
Intermediate Units	9,944	10,644	11,495
School Food Services	10,844	10,844	10,844
School Employes' Social Security	126,213	136,500	149,024
School Employes' Social Security—Recommended Supplemental .....	.....	4,400	.....
School Employers' Retirement Fund:			
Contingent Reserve Account and Supplemental Accounts	380,339	414,943	440,993
Pension Increase for Retired Teachers	15,446	.....	.....

^aActually appropriated as \$37,223,000. Excludes \$7,000,000 for Customized Job Training which was appropriated separately beginning in 1985-86 and shown elsewhere in the budget.

^bActually appropriated as \$234,937,000. Excludes \$511,000 for various Governor's Schools. In 1985-86 these schools received separate appropriations and are detailed elsewhere in the budget.

^cFor 1984-85 and 1985-86 this appropriation was reflected as an augmentation entitled "Reimbursement—Early Intervention".

GENERAL FUND

EDUCATION

<i>Source of Funds (continued)</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations: (continued)			
State Schools and Hospitals—Education	\$ 17,000	\$ 17,754	\$ 18,303
Private Residential Rehabilitative Institutions.....	186	.....	.....
School District Payments Racing.....	3,500	3,500	3,500
Subsidy Payment Midwest School District	837	.....	.....
Birdville — Mine Subsidence .....	.....	100	.....
Peter's Township—Mine Subsidence .....	.....	285	.....
Attendance Improvement .....	.....	.....	500
Education of Indigent Children.....	100	114	114
Federal Funds:			
Education Block Grant—School District	17,528	19,104	19,593
Education Block Grant—Technology Initiative .....	.....	2,912	2,494
Education Block Grant — Computer Knowledge Enhancement	2,058	.....	.....
TOTAL	<u>\$3,177,018</u>	<u>\$3,409,613</u>	<u>\$3,555,337</u>

Job Training	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 12,700	\$ 19,000	\$ 23,500
Federal Funds	8,142	8,150	9,500
TOTAL	<u>\$ 20,842</u>	<u>\$ 27,150</u>	<u>\$ 33,000</u>

Supports the Customized Job Training Program which provides training relevant to the specific employment needs of a firm in return for the firm's pledge to hire or promote the people that were trained.

Also provides State funds necessary to match the education portion of the Federal Job Training Partnership Act funds. Job training programs are developed through this appropriation in the areas of health occupations, adult literacy and training programs for the economically disadvantaged.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Customized Job Training	\$ 7,000	\$ 12,000	\$ 15,000
JTPA — Matching Funds.....	5,700	7,000	8,500
Federal Funds:			
JTPA — Educational Training	8,142	8,150	9,500
TOTAL	<u>\$ 20,842</u>	<u>\$ 27,150</u>	<u>\$ 33,000</u>

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Support of Nonpublic Schools			
State Funds	\$ 47,018	\$ 50,273	\$ 51,025

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)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Services to Nonpublic Schools	\$ 35,606	\$ 38,490	\$ 40,030
Textbooks for Nonpublic Schools	7,394	7,413	7,330
Student Supplies for Nonpublic Schools	4,018	4,370	3,665
TOTAL	<u>\$ 47,018</u>	<u>\$ 50,273</u>	<u>\$ 51,025</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Teen Pregnancy and Parenthood			
State Funds	\$ 473	\$ 946

To assist local education agencies in creating new programs and/or expanding existing ones to meet the comprehensive needs of pregnant and parenting teenagers.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Teen Pregnancy and Parenthood	<u>\$ 473</u>	<u>\$ 946</u>

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
Library Services	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 18,411	\$ 19,854	\$ 23,449
Federal Funds	2,373	.....	.....
TOTAL	<u>\$ 20,784</u>	<u>\$ 19,854</u>	<u>\$ 23,449</u>

Provides aid to public libraries for the development of a statewide system of libraries and library services in Pennsylvania. The categories of aid are as follows: State Aid to Local Libraries, State Aid to County Libraries, State Aid to District Library Centers, State Aid to Regional Library Resource Centers, and Equalization Aid. Also provides State funds to the Free Library of Philadelphia and to the Carnegie Library of Pittsburgh to meet the costs of serving as regional libraries in the distribution of reading materials and talking books to the blind and for services to persons with other physical handicaps. Includes the equalization aid and interlibrary cooperation portion of the Library Access program revision.

	(Dollar Amounts in Thousands)		
Source of Funds	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Improvement of Library Services	\$ 16,979	\$ 18,350	\$ 19,500
Library Services for the Blind and the Handicapped	1,432	1,504	1,549
Library Access .....	.....	.....	2,000
School Library Catalogs .....	.....	.....	400
College of Physicians	100	100	.....
Federal Funds:			
Library Services and Construction Act:			
Jobs Bill	2,373	.....	.....
TOTAL	<u>\$ 20,784</u>	<u>\$ 19,854</u>	<u>\$ 23,449</u>

	(Dollar Amounts in Thousands)		
Educational Radio and Television	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 288	\$ 300	\$ 350

Purchases, produces, records, and distributes programming, and provides and procures auxiliary services for educational broadcasting. Services provided by this activity are for the support of daytime educational broadcasting for instructional purposes. Includes funds for the instructional television initiative in cooperation with PPTN.

	(Dollar Amounts in Thousands)		
Source of Funds	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Educational Radio and Television Grants	<u>\$ 288</u>	<u>\$ 300</u>	<u>\$ 350</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Conservatory Leadership School			
State Funds	\$ 30	\$ 30	\$ 30

Provides funds to support the operation of the Conservatory Leadership School.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Conservatory Leadership School	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ 30</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Ethnic Heritage Studies			
State Funds	\$ 100	\$ 100	\$ 100

Provides grants for support of ethnic heritage studies centers at the University of Pittsburgh and Balch Institute.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Ethnic Heritage Studies	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 100</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Schools for Talented Students			
State Funds	\$ 511	\$ 511	\$ 585

Provides funds to support three summer schools for exceptionally talented high school students.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Governor's School for the Sciences	\$ 157 ^a	\$ 157	\$ 157
Governor's School for the Arts	279 ^a	279	295
Governor's School for International Studies	75 ^a	75	115
TOTAL	<u>\$ 511</u>	<u>\$ 511</u>	<u>\$ 585</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Math and Science Instructional Development			
State Funds	\$ 297	.....	.....

Provided funds for programs to improve the quality of math and science instruction received by elementary and secondary students. Three programs were involved: student loan forgiveness for students with math and science backgrounds who become teachers, in-service training for current math and science teachers, and business and industry involvement in math and science instruction in schools.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Math and Science Instructional Development	<u>\$ 297</u>	<u>.....</u>	<u>.....</u>

^aFor 1984-85 these funds were included in the appropriation for Special Education.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Aid to Community Colleges and Technical Institutes			
State Funds	\$ 88,426	\$ 102,392	\$ 102,392

Provides aid to community colleges in order to achieve the purpose of extending educational opportunity in response to community or area need. The Commonwealth pays one-third of each college's approved operating expenses to a maximum of \$800 per full-time equivalent student. In addition the community colleges are reimbursed a variable stipend for each student enrolled in an occupational program. The Commonwealth also pays one-half of each college's approved capital expenses.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Community Colleges—Capital and Operating	<u>\$ 88,426</u>	<u>\$ 102,392</u>	<u>\$ 102,392</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Higher Education of the Disadvantaged			
State Funds	\$ 5,470	\$ 5,689	\$ 5,860

Provides grants to institutions of higher education for special programs for disadvantaged students.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Higher Education of the Disadvantaged	<u>\$ 5,470</u>	<u>\$ 5,689</u>	<u>\$ 5,860</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Rural Initiatives			
(Dollar Amounts in Thousands)			
State Funds	\$ 50	\$ 700	\$ 175

Provides funds to the Warren/Forest Higher Education Council to provide higher education in Warren in cooperation with various institutions and for other programs to provide higher education in rural areas of the Commonwealth.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Rural Initiatives	<u>\$ 50</u>	<u>\$ 700</u>	<u>\$ 175</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Chairs of Excellence			
State Funds			\$ 1,000

Provides matching funds for a program to bring eminent scholars to Pennsylvania institutions.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Chairs of Excellence	<u>.....</u>	<u>.....</u>	<u>\$ 1,000</u>

Psychiatric Education

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 250	\$ 650	\$ 750

Provides funds for the development of community based consultation, training, and research programs Pennsylvania for the chronically mentally ill, emotionally disturbed children, and psychiatrically impaired elderly.

Source of Funds

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation: Psychiatric Education	<u>\$ 250</u>	<u>\$ 650</u>	<u>\$ 750</u>

Higher Education Equipment

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 16,500	.....

Provides for a one-time grant program to public and private colleges and universities for the purchase of instructional equipment.

Source of Funds

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation: Higher Education Equipment	\$ 16,500	.....

State System of Higher Education

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 252,723	\$ 268,156	\$ 277,641

Provides support for the fourteen institutions of the State System of Higher Education. The System was created by Act 188 of 1982 and joins the former thirteen State Colleges and Indiana University into a university system designed to serve as centers for higher education offering a wide range of curricula at all degree levels. The System is governed by a Board of Governors nominated by the Governor and a Chancellor appointed by the Board.

Source of Funds

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation: State System of Higher Education	\$ 250,051	\$ 263,803	\$ 271,717
SSHE—Recruitment of Disadvantaged Students	200	200	200
SSHE—Deferred Maintenance .....	.....	2,500	2,500
Desegregation Compliance — Cheyney	2,472	1,653	1,656
SSHE—Advanced Technology Curriculum .....	.....	.....	1,568
TOTAL	<u>\$ 252,723</u>	<u>\$ 268,156</u>	<u>\$ 277,641</u>

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
State Aid to Universities, Colleges and Other Institutions			
State Funds	\$ 411,244	\$ 435,146	\$ 453,794

Provides aid to the State-related universities: Pennsylvania State University, University of Pittsburgh, Temple University and Lincoln University and to non-State-related universities, colleges and other institutions of learning for maintenance, instructional programs, research and extension services.

Pennsylvania State University

The Pennsylvania State University receives aid for academic services which provide resident education at the undergraduate and graduate levels leading to associate, baccalaureate, masters, doctors and certain professional degrees; for continuing and extension education for research activities at University Park; for medical education programs at the Hershey Medical Center, for twenty Commonwealth campuses and graduate centers throughout the State.

University of Pittsburgh

Receives aid for academic services which provide resident education at the undergraduate and graduate levels leading to associate, baccalaureate, masters, doctors and certain professional degrees including medicine and dentistry; for continuing education; and for research activities.

Temple University

Receives aid for academic services which provide resident education at the undergraduate and graduate levels leading to associate, baccalaureate, masters, doctors and certain professional degrees including medicine, for extension services, and for research activities.

Lincoln University

The Commonwealth provides aid to Lincoln University to maintain resident instruction in liberal arts programs and certain professional degree programs.

Non-State Related Universities and Colleges

The non-State-related colleges and universities currently receive aid from this program. These institutions offer degree and professional programs in the arts and sciences, technology, agriculture, law, medicine, allied health, optometry and podiatry.

Other Non-State-Related Institutions of Learning

Provides assistance to four institutions of secondary and postsecondary education conducting programs in manual training, industrial arts and agricultural science.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State-Related Universities			
Pennsylvania State University	\$ 162,700	\$ 171,638	\$ 178,599
University of Pittsburgh	89,732	94,656	99,433
Temple University	98,902	104,193	108,905
Lincoln University	6,719	7,022	7,447
Total-State-Related University	\$ 358,053	\$ 377,509	\$ 394,384

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Non-State-Related Universities and Colleges			
Delaware Valley College of Science and Agriculture	\$ 319	\$ 337	\$ 347
Drexel University	4,412	4,655	4,795
Hahnemann Medical College	4,112	4,338	4,468
Thomas Jefferson University	6,641	7,006	7,216
The Medical College of Pennsylvania	2,594	3,233	3,330
University of Pennsylvania	26,355	28,539	29,394
Pennsylvania College of Podiatric Medicine	794	837	862
Pennsylvania College of Optometry	968	1,323	1,363
Philadelphia College of Art	479	505	520
Philadelphia College of Textiles and Science	421	444	457
Philadelphia College of Performing Arts	111	117	121
Philadelphia College of Osteopathic Medicine	4,229	4,462	4,596
Total — Non-State-Related Universities and Colleges	\$ 51,435	\$ 55,796	\$ 57,469

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Non-State-Related Institutions			
Berean Training and Industrial School	\$ 749	\$ 784	\$ 804
Downtown Industrial and Agricultural School	796	835	908
Johnson Technical Institute	154	162	167
Williamson Free School of Mechanical Trades	57	60	62
Total — Non-State-Related Institutions	\$ 1,756	\$ 1,841	\$ 1,941

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
<i>Appropriations:</i>			
<i>State-Related Universities</i>			
Pennsylvania State University—Educational and General	\$ 118,557	\$ 128,269	\$ 132,117
Pennsylvania State University—Research	10,627	11,211	11,547
Pennsylvania State University—Medical Program	3,381	3,567	3,674
Pennsylvania State University—Agricultural Research	12,647	13,343	13,743
Pennsylvania State University—Agricultural Extension Services	10,702	11,291	11,630
Pennsylvania State University—Recruitment of Disadvantaged Students	200	200	200
Pennsylvania State University—Soil Survey	100	. . . . .	. . . . .
Pennsylvania State University—Elizabethtown Children's Hospital	3,561	3,757	3,870
Pennsylvania State University—Agricultural Extension Com- puter Network	1,900	. . . . .	. . . . .
Pennsylvania State University—Research Coal Slurry	500	. . . . .	. . . . .
Pennsylvania State University—Small Farm Project	75	. . . . .	. . . . .
Pennsylvania State University—Attendant Care Study	50	. . . . .	. . . . .
Pennsylvania State University—Buhl—Henderson Library	25	. . . . .	. . . . .
Pennsylvania State University—Avian Flu Research	375	. . . . .	. . . . .
Pennsylvania State University—Agricultural Science, Technology and Research . . . . .	. . . . .	. . . . .	1,818
Subtotal — Pennsylvania State University	<u>\$ 162,700</u>	<u>\$ 171,638</u>	<u>\$ 178,599</u>
University of Pittsburgh—Educational and General	\$ 80,819	\$ 87,902	\$ 90,539
University of Pittsburgh—Medical Program	4,768	5,030	5,181
University of Pittsburgh—Falk Clinic	2,500	. . . . .	. . . . .
University of Pittsburgh—Dental Clinic	805	849	874
University of Pittsburgh—Titusville Campus	640	675	695
University of Pittsburgh—Recruitment of Disadvantaged Students	200	200	200
University of Pittsburgh—Biotechnology/Neuroscience . . . . .	. . . . .	. . . . .	1,944
Subtotal — University of Pittsburgh	<u>\$ 89,732</u>	<u>\$ 94,656</u>	<u>\$ 99,433</u>
Temple University—Educational and General	\$ 89,000	\$ 93,948	\$ 96,766
Temple University—Medical Program	6,347	6,696	6,897
Temple University—Dental Clinic	805	849	874
Temple University—Hospital	2,500	2,500	2,500
Temple University—Recruitment of Disadvantaged Students	200	200	200
Temple University—Maxillofacial Prosthodontics	50	. . . . .	. . . . .
Temple University—Engineering and Computational Science . . . . .	. . . . .	. . . . .	1,568
Temple University—Federalism Center . . . . .	. . . . .	. . . . .	100
Subtotal	<u>\$ 98,902</u>	<u>\$ 104,193</u>	<u>\$ 108,905</u>
Lincoln University—Education and General	\$ 5,519 ^a	\$ 5,822	\$ 5,996
Lincoln University—Recruitment of Disadvantaged Students	200	200	200
Lincoln University—Enhanced Opportunity	1,000	1,000	1,000
Lincoln University—Special Programs . . . . .	. . . . .	. . . . .	251
Subtotal	<u>\$ 6,719</u>	<u>\$ 7,022</u>	<u>\$ 7,447</u>

^aFor 1984-85 actually appropriated as \$5,316,000 for Education and General and \$203,000 for Human Services; in 1985-86 actually appropriated as \$5,608,000 for Education and General and \$214,000 for Human Services.

Source of Funds (continued)	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations: (continued)			
Non-State-Related Universities and Colleges			
Delaware Valley College of Science and Agriculture	\$ 319	\$ 337	\$ 347
Drexel University	4,412	4,655	4,795
Hahnemann Medical College—Medical Programs	3,930	4,146	4,270
Hahnemann Medical College—Allied Health Program	182	192	198
The Thomas Jefferson University—Medical Programs	4,680	4,937	5,085
The Thomas Jefferson University—Allied Health Programs ..	1,961	2,069	2,131
The Medical College of Pennsylvania—Medical Programs ...	2,326	2,454	2,528
The Medical College of Pennsylvania—Allied Health Programs	268	779	802
University of Pennsylvania—Instruction	12,549	13,239	13,636
University of Pennsylvania—Dental Clinics	805	849	874
University of Pennsylvania—Medical Programs	3,467	3,658	3,768
University of Pennsylvania—School of Veterinary Medicine ..	6,039	6,371	6,562
University of Pennsylvania—New Bolton	2,059	2,842	2,927
University of Pennsylvania—Food and Animal Clinics	1,436	1,580	1,627
Pennsylvania College of Podiatric Medicine	794	837	862
Pennsylvania College of Optometry	968	1,223	1,260
Eye Institute .....	...	100	103
Philadelphia College of Art	479	505	520
Philadelphia College of Textiles Science	421	444	457
Philadelphia College of Performing Arts	111	117	121
Philadelphia College of Osteopathic Medicine	4,229	4,462	4,596
Subtotal	<u>\$ 51,435</u>	<u>\$ 55,796</u>	<u>\$ 57,469</u>
Non-State-Related Institutions			
Berean Training and Industrial School—Maintenance	\$ 647	\$ 682	\$ 702
Berean Training and Industrial School—Rental Payments	102	102	102
Downingtown Industrial and Agricultural School— Maintenance	715	754	777
Downingtown Industrial and Agricultural School—Rentals ...	81	81	81
Downingtown—Special Projects .....	...	...	50
Johnson Technical Institute	154	162	167
Williamson Free School of Mechanical Trades	57	60	62
Subtotal	<u>\$ 1,756</u>	<u>\$ 1,841</u>	<u>\$ 1,941</u>
TOTAL	<u><u>\$ 411,244</u></u>	<u><u>\$ 435,146</u></u>	<u><u>\$ 453,793</u></u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Safe Driving Course			
State Funds	\$ 2,228	\$ 2,552	\$ 2,598
Federal Funds	136	60	25
TOTAL	<u>\$ 2,364</u>	<u>\$ 2,612</u>	<u>\$ 2,623</u>

Through financial and technical aid, assists school districts in the establishment and operation of a standardized driver education program; examines, inspects and licenses private training schools and instructors. Grants are made to public high schools in the amount of \$35 for each student completing a standard driver education program.

Promotes various highway safety programs through the elementary schools and through publication of bulletins and other materials. Activities include bicycle safety, safety education for school bus drivers, and the training and maintenance of school patrols. Also analyzes and improves driver education courses of study for secondary school pupils and adults.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Safe Driving Course	\$ 2,228	\$ 2,552	\$ 2,598
Federal Funds:			
AL-CO-HOL	136	60	25
TOTAL	<u>\$ 2,364</u>	<u>\$ 2,612</u>	<u>\$ 2,623</u>

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
Vocational Education Act	\$ 30,213	\$ 36,053	\$ 40,878
Education Innovation and Support	26	22	.....
Education Consolidation and Improvement Act:			
Education of Children of Low-Income Families — Title I ...	148,199	167,268	158,000
Education of the Handicapped — Title VI	476	500	250
Adult Basic Education	4,400	4,824	4,961
Education of Handicapped	38,512	43,626	60,000
Food Nutrition Services	123,137	128,392	135,106
Library Services — Extension, Development, and Improvement	3,947	3,363	5,370
Library Services and Construction Act .....	.....	153	.....
Career Education Incentive .....	.....	2	.....
Pennsylvania State University — Land Grant Aid	50	50	50
Transition Programs — Refugee Children	681	1,000	512
Emergency Immigrant Assistance .....	.....	177	200
Math and Science Teacher Training .....	.....	3,804	3,804
Removal of Architectural Barriers .....	.....	1,900	1,900
Basic Skills Improvement	1	.....	.....
ESEA (1) Interest on Federal Funds	176	.....	.....
Education of Handicapped — Personnel Preparation	-8	.....	12
Surety Bond Proceeds	25	25	25
Science and Engineering Equipment .....	.....	.....	75,000
Subtotal — General Fund	\$ 349,835	\$ 391,159	\$ 486,068
Pennsylvania Economic Revitalization Fund:			
Education	\$ 2,668	\$ 24,332	.....
School Employes Retirement Fund:			
Administration	\$ 8,474	\$ 8,921	\$ 10,334
DEPARTMENT TOTAL	<u>\$ 360,977</u>	<u>\$ 424,412</u>	<u>\$ 496,402</u>

DEPARTMENT OF EDUCATION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 9,037	\$ 9,036	\$ 8,999	\$ 9,315	\$ 9,801	\$ 10,262	\$ 10,525
General Instruction	\$1,765,810	\$1,867,233	\$1,935,784	\$2,012,766	\$2,101,266	\$2,200,976	\$2,299,144
General Preschool Education	116,086	124,604	132,785	141,582	144,912	154,433	161,874
General Elementary and Secondary Education	1,649,724	1,742,629	1,802,999	1,871,184	1,956,354	2,046,543	2,137,270
Special Education	\$ 730,514	\$ 797,072	\$ 840,768	\$ 883,368	\$ 925,993	\$ 974,104	\$1,021,234
Mentally Handicapped Education	234,942	254,558	267,277	279,353	292,137	305,607	319,651
Physically Handicapped Education	352,385	385,407	409,714	430,528	452,786	476,402	501,046
Gifted and Talented Education	143,187	157,107	163,777	173,487	181,070	192,095	200,537
Compensatory Programs	\$ 361,173	\$ 397,113	\$ 415,753	\$ 435,037	\$ 458,719	\$ 481,023	\$ 501,064
Compensatory Preschool Education	23,502	25,098	26,078	27,112	28,229	29,419	30,644
Compensatory Elementary and Secondary Education	337,671	372,015	389,675	407,925	430,490	451,604	470,420
Vocational Education	\$ 367,562	\$ 397,286	\$ 415,728	\$ 424,807	\$ 428,722	\$ 427,213	\$ 436,483
Vocational Education	362,700	391,691	407,944	416,831	420,547	418,831	427,886
Community Education	4,862	5,595	7,784	7,976	8,175	8,382	8,597
Higher Education	\$ 764,375	\$ 835,467	\$ 848,094	\$ 878,954	\$ 909,900	\$ 945,871	\$ 983,518
Higher Education	764,375	835,467	848,094	878,954	909,900	945,871	983,518
Protection of Persons and Property	\$ 2,228	\$ 2,552	\$ 2,598	\$ 2,800	\$ 2,800	\$ 2,900	\$ 3,000
Highway Safety Education	2,228	2,552	2,598	2,800	2,800	2,900	3,000
Economic Development and Income Maintenance	\$ 16,179	\$ 23,435	\$ 27,935	\$ 28,935	\$ 29,935	\$ 30,935	\$ 31,935
Adult Employment Training Services ..	16,179	23,435	27,935	28,935	29,935	30,935	31,935
Recreation and Cultural Enrichment	\$ 21,037	\$ 22,675	\$ 26,110	\$ 27,558	\$ 29,044	\$ 30,570	\$ 32,137
State Library Services	21,037	22,675	26,110	27,558	29,044	30,570	32,137
DEPARTMENT TOTAL	<u>\$4,037,915</u>	<u>\$4,351,869</u>	<u>\$4,521,769</u>	<u>\$4,703,540</u>	<u>\$4,896,180</u>	<u>\$5,103,854</u>	<u>\$5,319,040</u>

**Summary of Enrollments in Pennsylvania
Elementary and Secondary and Vocational Education
1984-85 to 1990-91**

Program Category	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Instruction							
General Preschool Education	137,548	138,510	139,070	140,440	136,810	138,230	139,680
General Elementary and Secondary Education	1,284,671	1,247,980	1,228,340	1,212,767	1,200,127	1,189,447	1,188,654
PROGRAM CATEGORY TOTAL . . .	<u>1,422,219</u>	<u>1,386,490</u>	<u>1,367,410</u>	<u>1,353,207</u>	<u>1,336,937</u>	<u>1,327,677</u>	<u>1,328,334</u>
Special Education							
Mentally Handicapped Education	55,797	54,347	52,867	52,450	52,150	51,850	51,450
Physically Handicapped Education	136,833	138,903	139,753	140,303	140,553	140,673	140,616
Gifted and Talented Education	74,171	73,500	73,300	73,200	73,100	73,000	72,900
PROGRAM CATEGORY TOTAL . . .	<u>266,801</u>	<u>266,750</u>	<u>265,920</u>	<u>265,953</u>	<u>265,803</u>	<u>265,523</u>	<u>264,966</u>
Compensatory Programs							
Compensatory Preschool Education	14,325	14,500	14,000	14,000	14,000	14,000	14,000
Compensatory Elementary and Secondary Education	220,000	223,500	221,950	222,000	222,000	222,000	222,000
PROGRAM CATEGORY TOTAL . . .	<u>234,325</u>	<u>238,000</u>	<u>235,950</u>	<u>236,000</u>	<u>236,000</u>	<u>236,000</u>	<u>236,000</u>
Vocational Education							
Vocational Education	164,555	163,300	161,400	156,700	147,800	139,200	134,200
Community Education	33,333	34,050	36,000	36,500	37,000	37,000	37,000
PROGRAM CATEGORY TOTAL . . .	<u>197,888</u>	<u>197,350</u>	<u>197,400</u>	<u>193,200</u>	<u>184,800</u>	<u>176,200</u>	<u>171,200</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 9,037	\$ 9,036	\$ 8,999	\$ 9,315	\$ 9,801	\$ 10,262	\$ 10,525
Federal Funds	4,677	5,750	5,782	5,726	5,726	5,726	5,726
Other Funds	8,835	9,259	10,398	10,811	11,241	11,688	12,153
TOTAL	\$ 22,549	\$ 24,045	\$ 25,179	\$ 25,852	\$ 26,768	\$ 27,676	\$ 28,404

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.

The Commonwealth Commission on the Bicentennial of the United States Constitution is funded through this program. It received a continuing appropriation in 1984-85 and receives contributions to fund its activities from various sources. The commission will coordinate celebration of the Bicentennial on June 21, 1988 and will terminate on December 31, 1988.

In addition to including the executive offices of the

Department of Education, budget, publication and legal offices, this program also provides staff support to the State Board of Education and other administrative boards and commissions. These include boards for private, academic, business, trade and correspondence schools, and the Professional Standards and Practices Commission.

The funds from the School Employees Retirement Fund used for administration of the School Employees Retirement System are included in the other funds listed above. Administration of the School Employees Retirement System includes provision of benefits for retired school employes, counseling and information services for active employes, and legal services for all three public employe retirement systems. Funding is included for initiatives in the budget year for conversion of paper files to microfiche for security purposes and the purchase of replacement computer equipment.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 8,987	\$ 9,036	\$ 8,999	\$ 9,315	\$ 9,801	\$ 10,262	\$ 10,525
Bicentennial Commission	50	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 9,037	\$ 9,036	\$ 8,999	\$ 9,315	\$ 9,801	\$ 10,262	\$ 10,525

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 116,086	\$ 124,604	\$ 132,785	\$ 141,582	\$ 144,912	\$ 154,433	\$ 161,874
Federal Funds	80	98	98	97	97	97	97
TOTAL	\$ 116,166	\$ 124,702	\$ 132,883	\$ 141,679	\$ 145,009	\$ 154,530	\$ 161,971

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Enrollments	137,548	138,510	139,070	140,440	136,810	138,230	139,680
Percentage of school districts offering preschool education:							
Public	99%	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%
Nonpublic	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percentage of five year olds enrolled in preschool education:							
Public	69.8%	69.0%	69.3%	69.3%	69.1%	70.3%	70.8%
Nonpublic	20.2%	20.2%	20.2%	20.3%	20.2%	20.6%	20.6%
Enrollments in the Alternative Day Kindergartening Program	2,702	2,583	2,596	2,629	2,642	2,655	2,668
Transition class enrollments	2,603	2,000	2,000	2,000	2,000	2,000	2,000

Program Analysis:

The largest part of the general preschool program is the kindergarten program operated by all but one school district in the Commonwealth. Attendance, which is not compulsory, consists of five year olds and a small number of four year olds. The program is available as a local option in public and nonpublic schools.

Alternative Day Kindergartening permits school districts to initiate a kindergarten program that is an exception to the law requiring 180 days of school. This program was developed as a result of budgetary constraints facing many school districts.

One district converted to a regular program beginning in September and that accounts for the decrease in the measure "Enrollments in the Alternative Day Kindergartening Program".

Pre-school programs have been very successful in preparing children for first grade with many districts reporting substantial improvement in first grade reading achievement after pre-school programs were initiated.

The role that early educational experiences play in increasing a child's potential for learning cannot be overestimated. This is especially true of the educational experiences that take place both in the home and the school.

The parents' role in the early years of their child's educational development is being given increased recognition with educators developing pre-school programs involving both parents and children.

Transition classes are interim programs for children who upon the completion of kindergarten need some additional preparation before they are ready for first grade. In previous budgets, data suggested that enrollments in these classes was declining but more recent data supports just the opposite. It is believed that the reason for the increase in transition class enrollments is due to the Agenda for Excellence program which has encouraged teachers to more closely monitor the educational development of children and thus more quickly identify students not ready for promotion to first grade.

General Preschool Education (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 68	\$ 68	\$ 67	\$ 69	\$ 73	\$ 75	\$ 79
Equalized Subsidy for Basic Education ..	60,600	65,499	70,248	75,272	75,980	81,414	\$ 84,671
Authority Rentals and Sinking Fund							
Requirements	9,304	9,086	8,840	9,112	8,976	9,112	9,248
Pupil Transportation	11,970	12,608	13,445	14,404	14,747	15,560	16,415
Nonpublic Pupil Transportation	412	864	858	884	871	884	898
Intermediate Units	626	681	747	824	869	943	1,025
School Employees' Social Security	7,951	9,018	9,687	10,684	11,261	12,232	13,283
School Employees' Retirement Fund:							
Contingent Reserve and Supplemental							
Accounts	23,961	26,556	28,665	30,098	31,904	33,978	36,017
Pension Increase for Retired Teachers .	973						
School District Payments—Racing	221	224	228	235	231	235	238
GENERAL FUND TOTAL	<u>\$ 116,086</u>	<u>\$ 124,604</u>	<u>\$ 132,785</u>	<u>\$ 141,582</u>	<u>\$ 144,912</u>	<u>\$ 154,433</u>	<u>\$ 161,874</u>

General Elementary and Secondary Education

OBJECTIVE: To provide general population students with the skills, attitudes and abilities needed for effective living in our complex society.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$1,648,887	\$1,742,629	\$1,802,999	\$1,871,184	\$1,956,354	\$2,046,543	\$2,137,270
Federal Funds	22,161	25,101	25,182	24,745	24,745	24,745	24,745
Other Funds	372	4,075	4,052	4,052	4,052	4,052	4,052
TOTAL	\$1,671,420	\$1,771,805	\$1,832,233	\$1,899,981	\$1,985,151	\$2,075,340	\$2,166,067

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Public school enrollments	964,923	933,588	916,976	902,243	889,893	879,963	879,360
Nonpublic school enrollments	319,748	314,392	311,364	310,524	310,234	309,484	309,294
Median instructional cost per public school pupil	\$2,191	\$2,345	\$2,510	\$2,685	\$2,875	\$3,075	\$3,290
High school graduates	96,500	92,050	90,700	95,500	94,150	85,300	79,000
Graduates enrolling in business, technical or college programs	54,348	51,901	51,119	53,890	53,147	48,125	43,319
Teachers enrolled in math/science in-service program:							
Elementary teachers	1,000	1,000	700	700	700	700	500
Secondary teachers	110	400	600	500	500	500	400
Public/private partnerships in math/science programs	19	20	20	20	20	20	20
Scotland School for Veterans' Children—Enrollment	370	380	380	400	410	410	410

Program Analysis:

General elementary and secondary education refers to the majority of basic education school enrollments; it is composed of general and college preparatory curricula for pupils who are not disadvantaged, handicapped or enrolled in vocational training.

As reflected on the chart, the Commonwealth in recent years would have provided over 50 percent of a school district's actual instructional expense if that expense had increased at a yearly rate of seven percent per weighted average daily membership (WADM). It should be noted that over the last few years, a seven percent increase would be well above the rate of inflation.

A primary concern to the Commonwealth is the quality of education being offered in the Commonwealth's school districts. In response to this concern, the Agenda for Excellence program was initiated two years ago.

Essentially the program identified aspects of the Com-

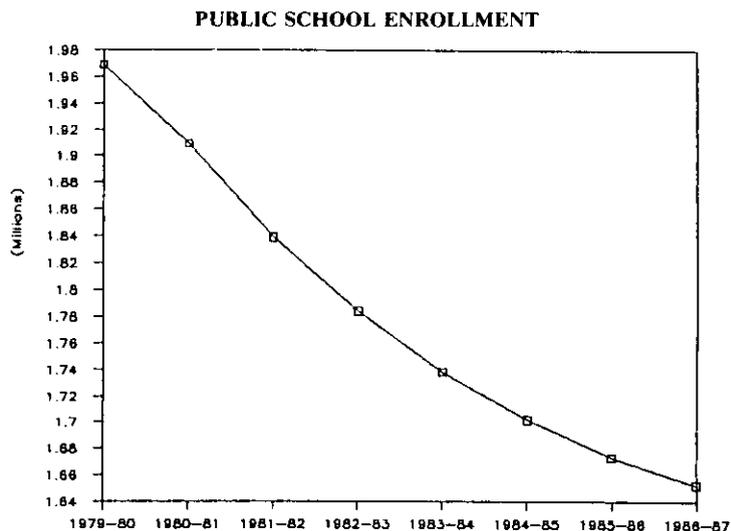
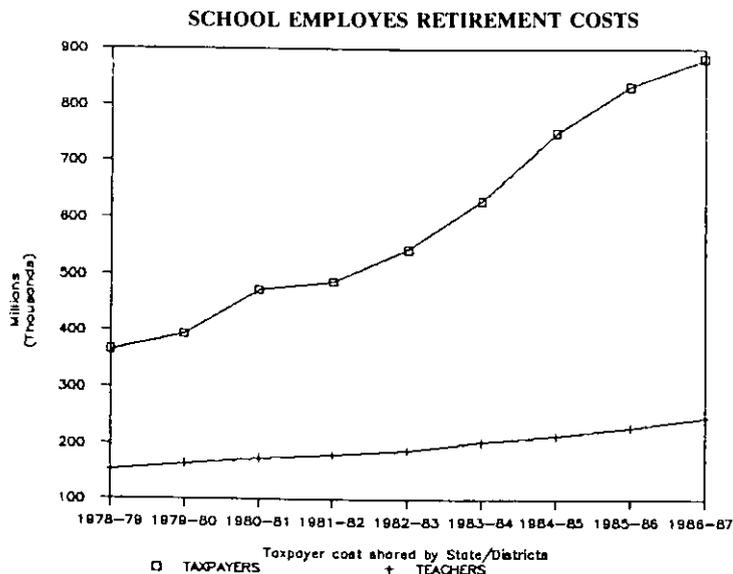
monwealth's basic educational program which were in need of improvement and proposed a comprehensive set of initiatives to address these needs and thus increase the level of student achievement.

Specific proposals included, a revision in the curriculum offered in schools with a emphasis in mathematics and science courses, competency testing and remediation in reading and mathematics and a program to recognize outstanding teachers.

New curriculum standards have been adopted with some districts adopting standards which exceed the legal mandates. During the current school year a compliance document will be sent to each district superintendent who will have to assure that the revised curriculum requirements are being met. In addition, randomly chosen schools will be visited to verify the compliance reports and any technical assistance that may be needed will be provided.

General Elementary and Secondary Education (continued)

Program Analysis: (continued)



The initial round of testing to measure student competence in reading comprehension and mathematics identified 215,506 cases where children needed remediation. In order to serve these children, remediation programs were developed in every district based on guidelines provided by the Commonwealth.

In response to national reports indicating a shortage of teachers in the areas of mathematics and science, increased emphasis has been placed on an Intern program. Under this program, individuals with degrees in either mathematics or science but who are not certified teachers are able to teach while participating in special college programs to earn the requisite certification.

The number of universities and colleges participating in this program has increased from 6 to 31 in the past year and this accounts for the upward change in the measure teachers enrolled in math/science in service programs.

Teen pregnancy continues to be a serious problem and accordingly this budget again includes a request for funds to deal with the tragic situation of children having children.

The primary emphasis is to assist local education agencies create programs or expand existing ones to meet the comprehensive needs of pregnant and parenting children.

Unfortunately, many students drop out of school prior to graduation because of a lack of interest or ability to compete academically. While Pennsylvania is well above the national average in the proportion of students who ultimately graduate, it is also true that over 20 percent of ninth graders in the Commonwealth do not complete high school. Such individuals are likely to become chronically unemployed and exacerbate the problems of adult literacy and unemployment.

In response to this problem, this program includes \$500,000 to develop and/or expand activities dealing with dropouts to fund programs which are targeted to students

who have a high probability of leaving school before finishing their education. Proposals will be solicited from all districts and will be evaluated with one year grants awarded for promising programs.

In recognition of the funding problems confronting many of the smaller Intermediate Units, this budget recommends that a revised allocation formula be implemented over a three year period.

Rather than allocating funds over the guaranteed amount on the basis of average daily membership, by the end of the third year fifty percent of the funds would be distributed on that basis with the remaining fifty percent divided equally among the Intermediate Units. This should significantly improve the ability of the smaller Intermediate Units to provide needed services.

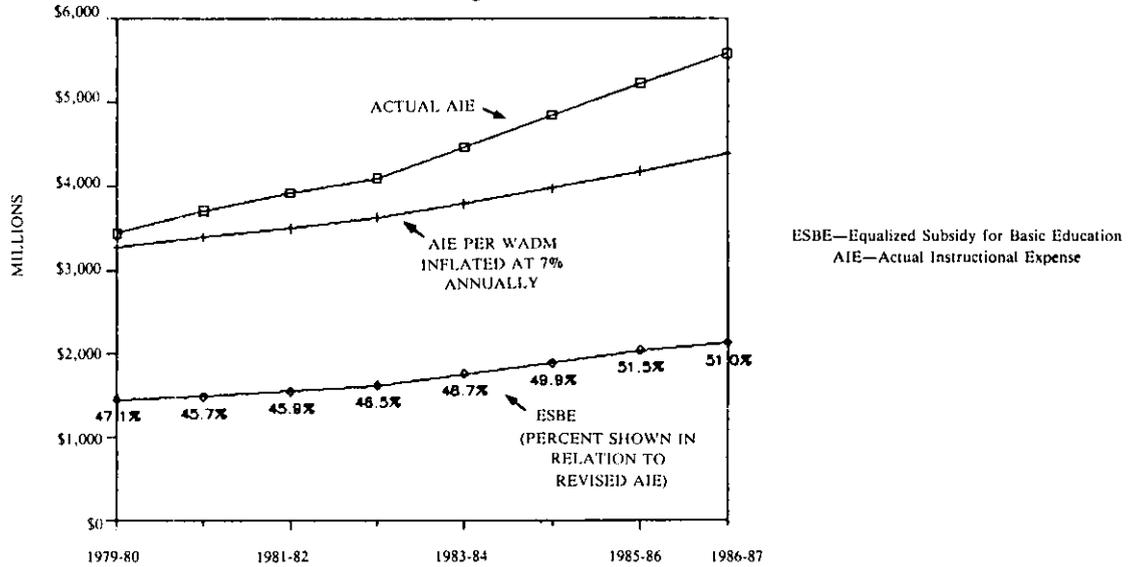
The Commonwealth subsidies for public school employee retirement, including the cost of living increases recently granted, have increased dramatically since 1978-79. The chart shows a 141 percent increase in employer costs from 1978-79 to 1986-87. Because the rate of employee contributions has not changed except for members hired after Act 31 of 1983 the cost to members has increased by only 61 percent. The chart reflects employee and employer obligations in accordance with actual rates and payrolls; it does not reflect the cash flow of the fund which is affected by employee withdrawals and time purchases, reconciliation payments by the Commonwealth, and the timing of school district payments. The new retirement systems currently under study for future school and state employees would mitigate future increases in the cost of the systems while providing adequate benefits to their members.

The School Employees retirement Fund statement showing school retirement costs is presented in the Special Funds Appendix to Volume I.

General Elementary and Secondary Education (continued)

Program Analysis: (continued)

State assistance for school instructional expenses would be over fifty percent if expenses per weighted average daily membership (WADM) had been constrained to 7% annual growth



Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 2,454	\$ 2,467	\$ 2,429	\$ 2,527	\$ 2,628	\$ 2,733	\$ 2,842
Scotland School for Veterans Children ..	5,896	6,025	6,429	6,686	6,953	7,231	7,520
Equalized Subsidy for Basic Education ..	1,066,179	1,136,005	1,172,930	1,217,633	1,273,246	1,331,359	1,389,594
Agenda for Excellence	24,000	28,000	28,000	28,000	28,000	28,000	28,000
Instruction Improvement	4,000	4,000	8,000	8,000	8,000	8,000	8,000
Authority Rentals and Sinking Fund							
Requirements	83,736	79,218	75,344	74,936	75,208	75,344	75,344
Pupil Transportation	107,730	109,926	114,595	118,456	123,564	128,662	133,731
Nonpublic Pupil Transportation	3,710	7,535	7,313	7,273	7,300	7,313	7,313
Payments in Lieu of Taxes	53	60	72	72	72	72	72
Intermediate Units	5,638	5,939	6,368	6,777	7,278	7,801	8,348
School Employees' Social Security	71,563	78,622	82,559	87,860	94,352	101,139	108,218
School Employees' Retirement Fund:							
Contingent Reserve and Supplemental							
Accounts	215,652	231,538	244,310	256,526	271,918	289,593	306,969
Pension Increase for Retired Teachers ..	8,773	.....	.....	.....	.....	.....	.....
School District Payments — Racing	1,985	1,953	1,939	1,929	1,936	1,939	1,939
Subsidy Payment Midwest School							
District	837	.....	.....	.....	.....	.....	.....
Birdville—Mine Subsidence .....	.....	100	.....	.....	.....	.....	.....
Peters Township—Mine Subsidence .....	.....	285	.....	.....	.....	.....	.....
Attendance Improvement .....	.....	.....	500	500	500	500	500
Services to Nonpublic Schools	35,606	38,490	40,030	41,631	43,296	45,028	47,279
Textbooks for Nonpublic Schools	7,394	7,413	7,330	7,330	7,330	7,330	7,330
Student Supplies for Nonpublic Schools ..	4,018	4,370	3,665	3,665	3,665	3,665	3,665
Teen Pregnancy and Parenthood .....	.....	473	946	1,135	851	568	331
Education Radio and Television Grants ..	173	180	210	218	227	236	245
Conservatory Leadership School	30	30	30	30	30	30	30
Math and Science Instructional							
Development	297	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$1,648,887	\$1,742,629	\$1,802,999	\$1,871,184	\$1,956,354	\$2,046,543	\$2,137,270

SPECIAL EDUCATION CATEGORY ANALYSIS

Special education, in partnership with basic education, is serving about 250,000 school aged students in Pennsylvania school districts, intermediate units, approved schools, private residential facilities and state schools and hospitals.

According to the concept of least restrictive environment for handicapped students, placement in approved private schools is done only when the public system has exhausted all options to appropriately provide for the educational needs of the student. The Department of Education requires prior approval of such placements by public school officials and the Bureau of Special Education. Currently, there are 36 approved private schools serving the blind, the deaf, the brain damaged, the cerebral palsied, the muscular dystrophic, the mentally retarded, and the emotionally disturbed. The majority of these schools are day programs, but 16 offer residential facilities in lieu of transportation costs to those moderately to severely handicapped individuals coming from areas beyond reasonable daily bus service.

The Bureau of Special Education, as a part of the Department of Education's obligation to oversee all school programs and in compliance with the State Plan filed with the Federal government, is initiating the second cycle of public school special education program and service audits. Over the next three years, every intermediate unit in the Commonwealth and its encompassing school districts will undergo a thorough program and service on-site audit to determine compliance with State and Federal mandates. If areas of noncompliance are cited in the audit reports, a corrective action plan will be agreed upon by the local education agency (LEA) and monitored by the Bureau of Special Education until full compliance is achieved. The basis for these audits are the State and Federal mandates affecting special education and the intermediate unit/school district special education plan. Increasing emphasis on the importance of plan accuracy has been stressed through a refined amendment process and a growing relationship between plan content, budget content, and child tracking information. Such cross checking during an audit allows the Department of Education to point out problem areas and earmark them for attention and correction.

The planning process is on-going and requires school districts and intermediate units to maintain their Special Education Plans with department approval. Such approval is given through plan updates and amendments when program and service changes are made at the local level. Copies of intermediate unit/school district plans are maintained at the local district, the intermediate unit and the Pennsylvania Bureau of Special Education.

For the current school year, special education programs are being evaluated for compliance with the Commonwealth's revised curriculum requirements. The evaluations are built into the normal program audit system and are occurring at Local Education Agencies throughout the Commonwealth.

In conjunction with this activity, technical assistance networks have been established to assist Local Educational Agencies with the development of curriculum.

A computer program has been developed that enables school districts and intermediate units to use microcomputers in formulating individualized education programs and curriculum requirements. The program dealing with curriculum is comprised of sixteen subject areas with these broken down into over three million individual instructional objective statements.

Use of this system should provide for more relevant individual educational programs and thus better enable special education students to achieve their full potential.

A further activity will be continued emphasis on the Commonwealth's programs for children who are in need of special education courses but are of preschool age. Guidelines for development and operation of these programs have been disseminated to intermediate units.

Finally, special education programs and services to minorities will be assessed in an effort to improve evaluative and programmatic skills in this area. After data collection has been completed, the Bureau of Special Education will concentrate on those local educational agencies which show overenrollment of minority students in classes for the handicapped and underenrollment of minorities in classes for the mentally gifted. Over and underenrollments will be determined by comparing the percentage of each minority in the total school district/intermediate unit school age population with the percentage of each minority in special education categories. Technical assistance in the areas of referral, evaluation, curricula, and achievement assessment will be offered where problems appear to exist.

Mentally Handicapped Education

OBJECTIVE: To identify school-aged students having mental handicaps and to provide educational opportunities which will assist them to develop according to their interests and abilities and, when possible, become assimilated into regular instructional programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 234,942	\$ 254,558	\$ 267,277	\$ 279,353	\$ 292,137	\$ 305,607	\$ 319,651
Federal Funds	852	1,048	1,054	1,043	1,043	1,043	1,043
Other Funds	25,038	27,661	35,862	35,862	35,862	35,862	35,862
TOTAL	\$ 260,832	\$ 283,267	\$ 304,193	\$ 316,258	\$ 329,042	\$ 342,512	\$ 356,556

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Pupils enrolled in programs for the mentally handicapped	55,797	54,347	52,867	52,450	52,150	51,850	51,450
Full-time equivalent enrollment	36,268	35,325	33,834	33,568	32,854	32,665	32,550
Special Education Program Audits	10	9	10	11	10	10	10
Approved Private School Evaluations	19	11	13	12	10	12	12
Budget Reviews Conducted	10	12	8	10	10	12	12
Special Education Plans Amended	450	450	450	450	450	450	450

Program Analysis:

Students in this program fall into one of two classifications. They are either socially and emotionally disturbed or they are mentally handicapped.

Socially and emotionally disturbed students have at least average IQ but function at below average level academically due to their emotional problems.

Mentally handicapped students are further classified into one of three subdivisions: educable mentally handicapped people who have less than average IQ's but who are able to cope with everyday life, the trainable mentally handicapped who can be taught to deal with the demands of everyday life and the severely and profoundly handicapped who are unable to cope with everyday life and are entirely dependant on others.

A computerized child tracking system has been developed so that the department can be aware of services to children as they move from program to program or district to district. The system has permitted the reporting of more detail information on the education of mentally handicapped in terms of full and part-time students and resource room and itinerant room enrollments. As the system has become fully implemented it has also provided a more accurate count of students in mentally handicapped programs through the

elimination of double counting and other data errors inherent in manual data systems.

The downward revision in the measures reflecting enrollment is apparently due to reporting entities classifying as physically handicapped, students that had previously been classified as mentally handicapped. This underscores an ever present problem in special education which is the consistantly proper classification of multiple handicapped students.

Mentally handicapped students in approved private schools are primarily students that are socially and emotionally disturbed. Mainstreaming of students with emphasis on public rather than private education should reduce the reliance of less severely handicapped student on private schools.

In addition to public and private schools, programs for the mentally handicapped are conducted in nine State schools and hospitals. These children are, in most cases, severely mentally retarded and there are no standardized criteria for determination of the effectiveness of their educational program.

Program audits of all special education programs being offered in the Commonwealth are conducted at least once every three years. The audits are primarily to assess the quali-

Mentally Handicapped Education (continued)

Program Analysis: (continued)

ty and effectiveness of the programs but recently the audits have been used to address the problem of overrepresentation of minorities in classes for the educable mentally handicapped and socially and emotionally disturbed.

During the normal audit process, determinations will be made on disproportionate representation of minorities in intermediate unit and school district special education programs. Screening/identification, evaluation, reevaluation and placement procedures will be analyzed to assure fairness and objectivity in placement of students.

The increased scope of the audit activity has resulted in less time being available for formal budget reviews. Accordingly the program has been relying on informal reviews at the staff level with full formal audits of one-third of the twenty-nine Intermediate Units approximately each year.

Special education plans are operational descriptions of programs and services provided to exceptional children. Since funding is based to a large extent on the plans, local educational agencies keep their plans current through the amendment process. Department of Education approval is necessary for any plan amendment in areas involving either funding or compliance with law.

Early intervention is the identification of problems facing mentally and/or physically handicapped children and the attempt to remediate them before the child's development is seriously affected. This program is more fully discussed in the Physically Handicapped Education subcategory. Funding for continuation of the program is included in the recommended amount for this subcategory.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 108	\$ 108	\$ 107	\$ 111	\$ 115	\$ 120	\$ 125
Equalized Subsidy For Basic Education ..	58,706	63,453	65,991	68,630	71,375	74,230	77,200
Authority Rentals and Sinking Fund							
Requirements	4,578	4,401	4,216	4,216	4,216	4,216	4,216
Pupil Transportation	5,890	6,107	6,412	6,665	6,927	7,199	7,483
Nonpublic Pupil Transportation	203	419	409	409	409	409	409
Special Education	117,213	129,623	136,104	142,909	150,054	157,557	165,435
Early Intervention—Handicapped							
Children	3,700	3,550	5,000	5,200	5,408	5,624	5,849
Homebound Instruction	32	32	29	29	29	29	29
Tuition for Orphans and Children Placed in Private Homes	2,782	2,941	3,025	3,146	3,272	3,403	3,539
Special Education—Approved Private Schools	8,115	8,500	8,925	9,371	9,840	10,332	10,848
Intermediate Units	308	330	356	381	408	437	467
School Employes' Social Security	3,913	4,368	4,620	4,943	5,289	5,659	6,056
School Employes' Retirement Fund:							
Contingent Reserve and Supplemental Accounts	11,791	12,863	13,671	14,355	15,216	16,205	17,177
Pension Increase for Retired Teachers ..	494						
State Schools and Hospitals—Education ..	17,000	17,754	18,303	18,879	19,470	20,078	20,709
School District Payments—Racing	109	109	109	109	109	109	109
GENERAL FUND TOTAL	\$ 234,942	\$ 254,558	\$ 267,277	\$ 279,353	\$ 292,137	\$ 305,607	\$ 319,651

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 352,385	\$ 385,407	\$ 409,714	\$ 430,528	\$ 452,786	\$ 476,402	\$ 501,046
Federal Funds	968	1,165	1,190	1,179	1,179	1,179	1,179
Other Funds	25,553	30,091	38,035	36,135	36,135	36,135	36,135
TOTAL	\$ 378,906	\$ 416,663	\$ 448,939	\$ 467,842	\$ 490,100	\$ 513,716	\$ 538,360

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Pupils enrolled in programs	136,833	138,903	139,753	140,303	140,553	140,673	140,616
Full-time equivalent enrollment	39,681	40,281	39,130	36,478	39,354	39,388	39,380
Special education program audits	10	9	10	13	10	10	10
Approved private school evaluations	19	11	13	12	10	12	12
Budget reviews conducted	10	12	8	10	10	12	12
Special education plans amended	450	400	450	450	450	450	450
Scranton School for the Deaf—enrollment .	183	190	210	210	220	220	220

Program Analysis:

This program consists of education for pupils who have special needs as the result of orthopedic disabilities, brain injuries and learning disabilities, and impairments in speech, hearing or vision.

The computerized child tracking system developed by the department has provided revised data on enrollments in these programs. The computerized system has eliminated the double counting and other data errors inherent in the previous manual system and therefore provides a more accurate count of physically handicapped students being served. The upward revision in the measures reflecting enrollment is apparently due to reporting entities classifying as physically handicapped, students that had previously been classified as mentally handicapped. This underscores an ever present problem in special education which is the consistently proper classification of multiple handicapped students.

There is concern that the educable mentally retarded students are being misclassified as learning disabled, a physically handicapped classification. Indications are that

the misclassification results in incorrect treatment and less effective education of the pupil as well as administrative difficulties in planning and budgeting. Placement of a relatively large percentage of learning disabled pupils in the regular classroom for at least part of their education contains costs.

Although placements of the physically handicapped will stabilize, educational costs are increasing because services stipulated in the individual education plan (IEPs) have become more extensive.

Finally, the concept of integration (mainstreaming) will assist the approved private schools to maintain their status on the educational continuum by reducing the number of mildly handicapped enrolled and changing the role of these schools so that they serve the multihandicapped or the severely handicapped who cannot be appropriately placed in the public school sector. The mainstreaming concept may stabilize some escalating costs in special education at the State and local levels.

The measure "Special Education Program Audits" refers

Physically Handicapped Education (continued)

Program Analysis: (continued)

to an in-depth audit conducted at least once every three years for each Intermediate Unit and its school districts. The audits provide an analysis of the number and quality of the special education programs being offered and their compliance with pertinent Federal and Commonwealth statutes.

An evaluation of an approved private school is used to determine the school's compliance with Federal and Commonwealth mandates regarding the provision of special education programs to severely involved exceptional children. Federal regulations require these evaluations to be held once every two years.

This program also conducts reviews of each Intermediate Unit's proposed budget for special education programs to ensure the proposed budget coincides with mandated programs and approved special education plans.

The measure for budget reviews conducted reflects a decrease from previous projections. This reflects a change in the budget review procedure. Rather than formally reviewing the budgets of each of the twenty-nine intermediate units, approximately one-third of the units will be formally reviewed each year. The remaining units will be informally reviewed at the staff level.

Special education plans are operational descriptions of programs and services provided to exceptional children. Since funding is based to a large extent on the plans, local educational agencies keep their plans current through the amendment process. Department of Education approval is necessary for any plan amendment in areas involving either funding or compliance with law.

The first five years of life are critical for all children and take on even greater importance for those youngsters with handicaps. A tremendous amount of growth and development takes place during this important stage. Research done on children who receive early intervention services shows that the children experience significant developmental improvements and often require fewer specialized services later in life.

In recognition of the special needs of both mentally and

physically handicapped preschool children, this budget continues and increases state funding for the Commonwealth's Early Intervention Program by \$2.9 million, or 40.8 percent. Early intervention is the identification of problems facing mentally and/or physically handicapped children and the attempt to remediate them before a child's development is seriously affected. Early intervention includes a broad range of services depending on each child's needs. Services may include infant stimulation, developmental motor skills therapy educational programs, psychological testing and treatment.

The State funds spent on early intervention services in 1984-85 and 1985-86 have been transferred to the Department of Education from the Department of Public Welfare's appropriation for early intervention services. These funds permitted the Department to expand services to 4,052 previously unserved and underserved children, in Intermediate Unit or private provider programs. The 1986-87 budget again requests that \$10 million be appropriated directly to the Department of Education for early intervention services.

During fiscal year 1984-85, the department signed an Interdepartmental Cooperative Agreement with the Departments of Public Welfare and Health to coordinate the delivery of services to handicapped infants and preschool children and establish clear responsibilities for both State and local agencies. Under this agreement, the department will insure the provision of services to all handicapped children and the Department of Public Welfare will have primary responsibility for serving mentally disabled children. The agreement also commits the Department of Health to assist in identifying and referring disabled children to appropriate service programs in the Departments of Education and Public Welfare. During 1985, local agencies (Intermediate Units, County Mental Health/Mental Retardation Offices, and local Health agencies) developed interagency agreements to improve coordination and delivery of services to handicapped infants and preschool children.

**ESTIMATED ENROLLMENTS FOR 1984-85
PHYSICALLY HANDICAPPED PROGRAMS**

Type of Handicap	Total Enrollment
Physically disabled	1,791
Brain injured and learning disabled	59,843
Hearing impaired	2,747
Visually impaired	940
Speech and language impaired	57,862
Mixed handicapped category	13,650
TOTAL	136,833

Physically Handicapped Education (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 86	\$ 87	\$ 85	\$ 89	\$ 92	\$ 96	\$ 100
Scranton State School for the Deaf	2,790	3,000	3,064	3,187	3,314	3,447	3,585
Equalized Subsidy for Basic Education ..	149,606	165,795	176,685	185,966	195,707	205,930	216,657
Authority Rentals and Sinking Fund							
Requirements	11,667	11,499	11,288	11,424	11,560	11,696	11,832
Pupil Transportation	15,010	15,957	17,169	18,059	18,993	19,973	21,001
Nonpublic Pupil Transportation	517	1,094	1,096	1,109	1,122	1,135	1,148
Special Education	93,770	103,698	108,883	114,327	120,043	126,045	132,348
Early Intervention — Handicapped							
Children	3,700	3,550	5,000	5,200	5,408	5,624	5,849
Homebound Instruction	493	493	461	461	461	461	461
Special Education—Approved Private							
Schools	32,459	34,000	35,700	37,485	39,359	41,327	43,394
Higher Education of Blind or Deaf							
Students	49	50	50	50	50	50	50
Intermediate Units	786	862	954	1,033	1,119	1,211	1,311
School Employes' Social Security	9,971	11,413	12,369	13,394	14,503	15,700	16,995
School Employes' Retirement Fund:							
Contingent Reserve and Supplemental							
Accounts	30,047	33,610	36,602	38,432	40,738	43,386	45,989
Pension Increase for Retired Teachers .	1,143	.....	.....	.....	.....	.....	.....
School District Payments—Racing	277	284	291	294	298	301	305
Educational Radio and Television Grants	14	15	17	18	19	20	21
GENERAL FUND TOTAL	\$ 352,385	\$ 385,407	\$ 409,714	\$ 430,528	\$ 452,786	\$ 476,402	\$ 501,046

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	<u>\$ 143,187</u>	<u>\$ 157,107</u>	<u>\$ 163,777</u>	<u>\$ 173,487</u>	<u>\$ 181,070</u>	<u>\$ 192,095</u>	<u>\$ 200,537</u>

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Pupils enrolled in programs for the gifted .	74,171	73,500	73,300	73,200	73,100	73,000	72,900
Special Education Program Audits	10	9	10	13	10	10	10
Budget Reviews Conducted	10	12	8	10	10	12	12
Special Education Plans Amended	270	270	270	260	260	260	260

Program Analysis:

Under the aegis of this program, twenty-nine intermediate units in conjunction with 501 school districts strive to create and maintain learning environments to challenge the Commonwealth's most academically gifted students.

The program is based on the department's special education plan which gives general structure to areas such as student identification, screening and evaluation, facilities, curriculum, instructional materials, and program evaluation while allowing for local decisions in areas such as program scope and depth, personnel selection and training and organizational patterns. In some cases, full-time programs are provided, but most often regular education with peers is supplemented with part-time special programs, resource rooms, seminars, itinerant teachers and independent study. Each program is geared to meet the particular student learning levels, rates and styles.

The law as interpreted through the courts requires that an individualized education plan be prepared for each child and reviewed annually. The State has developed procedures for parents to negotiate with school staff on an appropriate program for their child. Colleges and universities are moving toward providing teacher training programs specifically to educate the gifted with a total of 16 now offering one or more courses. Presently, gifted and talented education is the only category of special education that does not require any special teacher certification.

In response to several advocacy groups, a task force has been established to study the question of requiring special certification to teach the gifted.

A data collection and program monitoring system forms the basis for program audits resulting in an accurate perception of the overall program options, degree of compliance and additional measures needed.

An additional segment of the program consists of three special programs for exceptionally talented high school students. The Governor's School for the Arts will bring together approximately 217 students and a highly qualified staff from across the State in 1986-87 for an intensive five week summer program in the arts. The Pennsylvania School for the Sciences is a program designed to bring together students who have been identified as outstandingly talented in the sciences. The School for the Sciences, which operated for the first time in the summer of 1982, will serve approximately 87 students in 1986-87. The Governor's School for International Studies provides an educational program for talented high school students in the fields of social studies, history and foreign languages. The Governor's School for International Studies will provide intensive training for 59 students during 1986-87. Students attend a five week course of study. The initial site was the University of Pittsburgh. It is anticipated that the site will rotate among various colleges and universities throughout the Commonwealth.

The measure "Special Education Program Audits" refers to an in-depth audit conducted at least once every three years for each Intermediate Unit and its school districts. The audits provide an analysis of the number and quality of the special education programs being offered and their compliance with pertinent Federal and Commonwealth statutes.

This program also conducts reviews of each Intermediate

Gifted and Talented Education (continued)

Program Analysis: (continued)

Unit's proposed budget for special education programs to ensure the proposed budget coincides with mandated programs and approved special education plans.

Previously, budget reviews were formally held with each Intermediate Unit with representatives from the Intermediate Unit meeting with representatives from the Department of Education to discuss the budget. Recently a policy was adopted of formally reviewing approximately one-third of the Intermediate Units each year with the remaining Intermediate Units being reviewed informally at the staff level.

This accounts for the decrease in the measure reflecting budget reviews conducted.

Special education plans are operational descriptions of programs and services provided to exceptional children. Since funding is based to a large extent on the plans, local educational agencies keep their plans current through the amendment process. Department of Education approval is necessary for any plan amendment in areas involving either funding or compliance with law.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 22	\$ 22	\$ 21	\$ 22	\$ 23	\$ 24	\$ 25
Equalized Subsidy for Basic Education ..	81,431	90,062	93,664	99,625	103,610	110,148	114,554
Authority Rentals and Sinking Fund							
Requirements	6,350	6,247	5,984	6,120	6,120	6,256	6,256
Pupil Transportation	8,170	8,668	9,101	9,674	10,055	10,683	11,104
Nonpublic Pupil Transportation	281	594	581	594	594	607	607
Special Education	23,443	25,924	27,220	28,581	30,011	31,511	33,086
Intermediate Units	428	468	506	554	592	648	693
School Employee's Social Security	5,427	6,200	6,557	7,176	7,678	8,398	8,986
School Employees' Retirement Fund:							
Contingent Reserve and							
Supplemental Accounts	16,355	18,257	19,404	20,374	21,596	23,000	24,380
Pension Increase for Retired Teachers ..	618						
School District Payments — Racing	151	154	154	158	158	161	161
Governor's School for the Sciences	157	157	175	182	189	197	205
Governor's School for the Arts	279	279	295	307	319	332	345
Governor's School for International							
Studies	75	75	115	120	125	130	135
GENERAL FUND TOTAL	\$ 143,187	\$ 157,107	\$ 163,777	\$ 173,487	\$ 181,070	\$ 192,095	\$ 200,537

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 23,502	\$ 25,098	\$ 26,078	\$ 27,112	\$ 28,229	\$ 29,419	\$ 30,644
Other Funds	6,831	7,779	7,315	7,315	7,315	7,315	7,315
TOTAL	\$ 30,333	\$ 32,877	\$ 33,393	\$ 34,427	\$ 35,544	\$ 36,734	\$ 37,959

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Eligible disadvantaged children	19,000	19,000	19,000	19,000	19,000	19,000	19,000
Enrollments	14,325	14,500	14,000	14,000	14,000	14,000	14,000
Programs reviewed	20	20	20	20	20	20	20
Programs evaluated	20	20	20	20	20	20	20

Program Analysis:

This program is designed to help children who are either economically and/or educationally disadvantaged overcome any educational handicap they may experience when they enter elementary school.

More than one half of the children are enrolled in activities under Chapter I of the Federal Education Consolidation and Improvement Act (ECIA). Acceptance into this program is based solely on measures of educational deprivation. Distribution of ECIA funding among the Commonwealth's various school districts is, by Federal law, based on the result of the United States census information. The remainder of the children are in programs for children from low income families who may or may not be educationally deprived.

Preschool activities in nearly all the programs contain a

concentration of activities designed to improve basic skills in reading and mathematics. The Commonwealth reviews all programs to ensure compliance with all statutory requirements and also evaluates selected programs to measure their effectiveness.

To date, all analyses indicate these programs have a positive effect on the educational experience of the children involved. One of the largest programs in the Commonwealth, the Philadelphia preschool program, continues to show that its children perform somewhat better than similar children who are not in the program. Of particular interest is that when parents are involved in decisions about the program, their children show greater gains than children whose parents were not involved.

Compensatory Preschool Education (continued)

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Equalized Subsidy for Basic Education ..	\$ 15,150	\$ 16,375	\$ 17,030	\$ 17,711	\$ 18,419	\$ 19,156	\$ 19,922
Authority Rentals and Sinking Fund							
Requirments.....	1,181	1,136	1,088	1,088	1,088	1,088	1,088
Pupil Transportation	1,520	1,576	1,655	1,720	1,788	1,858	1,931
Nonpublic Pupil Transportation	52	108	106	106	106	106	106
Tuition for Orphans and Children Placed in Private Homes	506	535	550	572	595	619	643
Education of Migrant Laborers' Children	8	8	9	9	9	10	10
Education of the Disadvantaged	800	800	800	800	800	800	800
Intermediate Units	80	85	92	98	105	113	121
School Employees' Social Security	1,010	1,127	1,192	1,276	1,365	1,460	1,563
School Employees' Retirement Fund:							
Contingent Reserve and Supplemental Accounts	3,043	3,320	3,528	3,704	3,926	4,181	4,432
Pension Increase for Retired Teachers ..	124						
School District Payments—Racing	28	28	28	28	28	28	28
GENERAL FUND TOTAL	\$ 23,502	\$ 25,098	\$ 26,078	\$ 27,112	\$ 28,229	\$ 29,419	\$ 30,644

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 337,671	\$ 372,015	\$ 389,675	\$ 407,925	\$ 430,490	\$ 451,604	\$ 470,420
Federal Funds	2,126	2,613	2,628	2,602	2,602	2,602	2,602
Other Funds	253,611	277,362	274,803	274,803	274,803	274,803	274,803
TOTAL	\$ 593,408	\$ 651,990	\$ 667,106	\$ 685,330	\$ 707,895	\$ 729,009	\$ 747,825

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Eligible disadvantaged children	420,000	420,000	420,000	420,000	420,000	420,000	420,000
Enrollments	220,000	223,500	221,950	222,000	222,000	220,000	222,000
Programs reviewed	500	500	500	500	500	500	500
Programs evaluated	200	167	167	166	167	167	166

Program Analysis:

Economically and/or socially disadvantaged children generally begin their education under the achievement level of non-disadvantaged students. This program is designed to shorten and eventually eliminate the educational gap between these two groups.

Under the Education Consolidation and Improvement Act (ECIA), academic help is provided to children who, while not classified as special education students, are behind their peers in reading, mathematics and communication skills. The program operates at all levels, from preschool described previously, through primary, intermediate and high school years.

School districts provide a complete concentration of services on the basic skills of reading and mathematics. The State supports the districts by providing technical assistance in preparing applications, reviewing and monitoring activities on-site and in analyzing the district test results. This evaluation of test results for participants is a complete report grade by grade, building by building. Other technical assistance is offered in the proper selection of participants and the dissemination of test results.

ECIA compensatory education has three major components: supplementary education for educationally disadvantaged children in a regular school environment, public

and private; education for children of migrant workers, both summer and regular term; and the education programs in state-operated youth development centers, youth forestry camps, youth under age 21 in adult correctional institutions and youth in private residential rehabilitative institutions.

Remedial instruction in the regular school environment serves children apart in small groups for less than a hour a day for intensive instruction in the basic skills. Small districts are able to provide only this intensive instruction; large districts with larger funding provide some psychological guidance, counselling, medical and dental care. The program is supported by Federal funds under the Education Consolidation and Improvement Act in addition to State funds.

The evaluation of the regular school situation program is reported on a normal curve equivalent (NCE) scale as required by the Federal Government. NCEs are used because of the position of the Federal Government that scores from most nationally normed tests can be translated into NCEs that are comparable. In this way local districts can decide which tests they prefer locally yet the results of that testing can be compared with test scores of children across the country from many other tests.

The results of such testing in Pennsylvania show that in

Compensatory Elementary and Secondary Education (continued)

Program Analysis: (continued)

seven of the nine grades analyzed, Pennsylvania's compensatory programs are more successful than other such programs across the country. This means that many of Pennsylvania's participants are now catching up to average children.

The second portion of the compensatory program involves children of migrant workers. These children have the unique problem of their continually mobile state which results in very brief periods of schooling in each area and the fact that for a large number of them English is often a second language.

The summer educational programs conducted by the Commonwealth deal with the social, emotional and educational needs of the migrant child. For example, offerings might include personal health and hygiene instruction in support of diagnostic and prescriptive instruction in the basic skills. The programs are provided by contract with local agencies such as state universities. The educational and medical history of each child is available through the National Migrant Student Record Transfer System. This information is utilized by specifically trained teachers who must improve student self-esteem and self-confidence while offering an appropriate educational program for their

students. The uniqueness of this educational program is required due to the transient way of life of the migrant child.

The third part of the program is education in the Commonwealth's youth development centers, youth forestry camps and private residential rehabilitative institutions. The instruction in these institutions is compensatory because an ongoing needs assessment continues to indicate that on the average students are functioning three or more years below normal based on their chronological age. As a result, additional programs are designed to provide remedial instruction on an individual or small group basis. Review and comparison of pre and post test scores for reading and mathematics indicate that students are progressing at a rate of one and one-half months for each month in the program. This fact is even more significant when you consider that prior to enrollment in this program the average gain for students in reading and mathematics was less than one-half month for each month of their previous educational experience.

The Commonwealth reviews programs to ensure compliance with all statutory requirements and evaluates selected programs to determine their effectiveness.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 45	\$ 45	\$ 44	\$ 46	\$ 48	\$ 50	\$ 52
Youth Development Centers							
Education	3,306	3,308	3,487	3,626	3,771	3,922	4,079
Equalized Subsidy for Basic Education	213,993	239,482	251,190	263,452	278,595	292,133	303,818
Authority Rentals and Sinking Fund							
Requirements	16,688	16,610	16,048	16,184	16,456	16,592	16,592
Pupil Transportation	21,470	23,049	24,408	25,583	27,037	28,333	29,450
Nonpublic Pupil Transportation	739	1,580	1,558	1,571	1,597	1,610	1,610
Tuition for Orphans and Children Placed							
in Private Homes	9,356	9,893	10,175	10,581	11,005	11,445	11,903
Education of Migrant Laborers' Children	149	157	163	169	176	183	190
Education of the Disadvantaged	200	200	200	200	200	200	200
Intermediate Units	1,124	1,245	1,356	1,464	1,592	1,718	1,838
School Food Services	10,844	10,844	10,844	10,844	10,844	10,844	10,844
School Employees' Social Security	14,262	16,485	17,585	18,975	20,645	22,272	23,831
School Employees' Retirement Fund:							
Contingent Reserve and							
Supplemental Accounts	42,978	48,548	52,037	54,639	57,917	61,682	65,383
Pension Increase for Retired Teachers	1,792						
Educational Radio and Television Grants	43	45	53	55	57	59	61
Private Residential Rehabilitative							
Institutions	186						
School District Payments — Racing	396	410	413	417	424	427	427
Education of Indigent Children	100	114	114	119	126	134	142
GENERAL FUND TOTAL	\$ 337,671	\$ 372,015	\$ 389,675	\$ 407,925	\$ 430,490	\$ 451,604	\$ 470,420

Vocational Education

OBJECTIVE: To prepare high school students for vocation occupations which have opportunities for gainful employment in Pennsylvania's economy.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 362,700	\$ 391,691	\$ 407,944	\$ 416,831	\$ 420,547	\$ 418,831	\$ 427,886
Federal Funds	3,184	3,985	4,005	3,969	3,969	3,969	3,969
Other Funds	32,396	50,250	41,693	41,693	41,693	41,693	41,693
TOTAL	\$ 398,280	\$ 445,926	\$ 453,642	\$ 462,493	\$ 466,209	\$ 464,493	\$ 473,548

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Enrollments in occupational programs	164,555	163,300	161,400	156,700	147,800	139,200	134,200
Graduates from occupational programs	52,600	52,300	51,600	50,100	47,300	44,500	43,000
Graduates available for employment	34,700	34,700	34,100	33,100	31,200	29,400	28,400
Graduates available for employment employed within one year	28,500	28,500	28,000	27,100	25,600	24,100	23,300
Area Vocational Technical Schools (AVTS) audits	18	16	18	17	17	17	16
AVTS audit exceptions	515	600	550	500	400	300	300
Thaddeus Stevenson School of Technology- Enrollment	440	445	445	445	465	465	465

Program Analysis:

It is the intent of this program that any student not planning to attend college, have the opportunity to learn vocational skills which will prepare the student for employment.

Vocational education curricula includes agriculture, office and health occupations, wholesale and retail services, occupational home economics and technical and industrial occupations with instruction taking place in both comprehensive high schools and area vocational-technical schools. The curricula is continuously being reviewed by the Department of Education as well as the various industries.

Special activities such as remedial programs for disadvantaged and/or handicapped students, cooperative education programs which provide on-the-job training through agreements with business and industry, work study programs and development and dissemination of programs to eliminate sex bias and stereotyping in vocational curriculum help improve the effectiveness of vocational services.

This budget includes funding from the Pennsylvania

Economic Revitalization Fund for the purchase or lease of new vocational-technical equipment and the upgrading of existing vocational-technical equipment.

Area vocational-technical schools and school districts which are not participating members of an area vocational-technical school are eligible for this funding which allows them to expand the scope and diversity of their vocational education programs and to replace worn out or obsolete equipment. As of December 1985, approximately \$9 million has been allocated to qualifying educational institutions. For more information on the Pennsylvania Economic Revitalization Fund, see Volume I.

Act 115 of 1982 changed the method of funding vocational education to a weighted system compared to the previous law which specified that payments would be made on average daily membership and cost differentials.

Just as the weighting factors for secondary and kindergarten students recognize educational cost differen-

Vocational Education (continued)

Program Analysis: (continued)

tials in the basic instruction subsidy, weighting factors in the vocational education subsidy recognize the inherent cost differentials in educating various classes of students.

Each area vocational technical school under goes a comprehensive compliance audit every five years. The audit review evaluates the procedures and practices of the school relative to Chapter Six of the Pennsylvania State Board Regulations, Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972 and Section 504 of the Rehabilitation Act of 1973.

During the 1984-85 year the number of specific areas addressed by the compliance audit increased from 46 to 135 with over half of the areas dealing with Civil Rights. This expansion in the scope of the audit accounts for the increase in the measure reflecting audit exceptions. It is anticipated that as the Department of Education works with the various

Area Vocational Technical Schools this measure will decline.

Just as the Commonwealth instituted major changes in its basic education programs in order to strengthen the quality of education being offered, plans have been developed to improve the vocational-technical education system.

Essentially the reforms fall into four areas: strengthening program approval standards for secondary vocational-technical programs; developing a system of financial incentives designed to reward schools and programs which demonstrate that a majority of their graduates are employed in their field of study; establishment of a Keystone Skills Certificate for students who demonstrate a mastery of occupational competencies upon graduation; and improved coordination of vocational education and training programs between secondary and post secondary institutions. Planning for the implementation of each element is underway and should be completed during the 1986-87 fiscal year.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 2,128	\$ 2,139	\$ 2,106	\$ 2,191	\$ 2,278	\$ 2,369	\$ 2,464
Thaddeus Stevens Trade School	2,957	3,036	3,112	3,236	3,365	3,500	3,640
Equalized Subsidy for Basic Education ..	248,081	270,185	280,992	285,590	285,502	280,161	283,896
Vocational Education	25,027	26,837	28,496	29,635	30,821	32,054	33,336
Authority Rentals and Sinking Fund							
Requirements	14,179	13,770	13,192	12,920	12,376	11,696	11,424
Pupil Transportation	18,240	19,109	20,065	20,423	20,332	19,973	20,276
Nonpublic Pupil Transportation	629	1,310	1,279	1,254	1,201	1,136	1,109
Intermediate Units	954	1,034	1,116	1,169	1,198	1,211	1,265
School Employes' Social Security	12,116	13,667	14,455	15,148	15,525	15,701	16,408
School Employes' Retirement Fund:							
Contingent Reserved and							
Supplemental Accounts	36,512	40,251	42,776	44,915	47,610	50,705	53,747
Pension Increase for Retired Teachers ..	1,529	.....	.....	.....	.....	.....	.....
School District Payments — Racing	333	338	338	330	316	300	293
Educational Radio and Television Grants	15	15	17	20	23	25	28
GENERAL TOTAL.....	\$ 362,700	\$ 391,691	\$ 407,944	\$ 416,831	\$ 420,547	\$ 418,831	\$ 427,886

Community Education

OBJECTIVE: To provide educational opportunities for citizens 16 years of age and over whose lack of basic educational skills or English language limitations constitute a substantial impairment of their ability to adapt to and function successfully within contemporary society.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 4,862	\$ 5,595	\$ 7,784	\$ 7,976	\$ 8,175	\$ 8,382	\$ 8,597
Federal Funds	4,131	5,310	6,071	6,068	6,068	6,068	6,068
Other Funds	4,400	4,824	4,961	4,961	4,961	4,961	4,961
TOTAL	\$ 13,393	\$ 15,729	\$ 18,816	\$ 19,005	\$ 19,204	\$ 19,411	\$ 19,626

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Enrollment in Adult Basic Education Programs	29,338	30,000	31,000	31,500	32,000	32,000	32,000
Adult education classes under contract	1,116	1,116	1,116	1,116	1,116	1,116	1,116
Corrections Education:							
Enrollments in programs in correctional institutions	3,995	4,050	5,750	6,400	6,700	7,129	7,556
Classes presented	155	160	224	249	261	281	301
General Educational Development Diplomas (GED's) issued	21,876	22,000	22,000	22,300	22,300	22,300	22,300

Program Analysis:

For a myriad of reasons, there are a number of adults who do not have basic skills in reading, mathematics and the English language. The main thrust of this program is to provide these people with opportunities to achieve basic level skills in these areas.

There are 221 Adult Basic Education programs in the Commonwealth for the current fiscal year. During the 1984-85 fiscal year, of the 29,338 enrollees, 4,064 completed the eighth grade program, 6,889 participated in General Educational Development (GED) courses with 3,106 passing the test and 1,978 either obtained a job or moved to a better job as a direct result of participating in the program.

In recognition of the need for adult literacy training nationwide, the Federal government included adult literacy programs as part of the Job Training Partnership Act. These programs are designed to enable people to enter or reenter the workforce with the basic educational skills necessary to meet the needs of employers.

Currently there are 82 adult literacy programs in Pennsylvania funded with a combination of Federal and Com-

monwealth dollars under the Job Training Partnership Act.

Through General Educational Development courses, this program offers continuing educational opportunities to adults who have mastered basic skills in reading, mathematics and the English language. Upon successful completion of the course students are awarded a Commonwealth Secondary School Diploma. This budget recommends \$1 million to further expand adult literacy programs.

A substantial basic education program is provided to adults at the Commonwealth's ten correctional institutions. Adults who are incarcerated in the institutions are provided the opportunity to participate in an education program which includes: an assessment component that diagnoses the academic achievement levels of each inmate entering an educational program; a basic education curriculum with instruction geared to preparation for the General Education Development diploma; remedial instruction in reading and mathematics; and vocational education and training with the emphasis on providing entry level employment skills. There are also opportunities to obtain college level instruc-

Community Education (continued)

Program Analysis: (continued)

tion and job placement services on a selected regional basis throughout the State system.

The population of the ten State operated correctional institutions has expanded to over 12,000 adults. The education programs throughout the State system service approximately 30 percent of this population. Educational involvement is on a voluntary basis with each prison within the system developing an education program unique to the physical environment and the specific needs of its clients. The student inmates are provided a monetary incentive to attend classes based on the Bureau of Correction's statewide Inmate Compensation Plan. This is an indexed plan based on the minimum wage received for the work assignment.

SCI—Camp Hill has an education program that has over 26 different programs, an assessment counselor, and a job placement specialist. College courses are available at the institution through Harrisburg Area Community College. The vocational component has eight full-time programs including computer operations, carpentry, drafting, electronics, printing, barbering, and small gas engine repair. Part-time programs are offered in a variety of trade and industrial programs and office practice. Academic instruction in the basic skills areas and a special education component are also provided.

SCI—Dallas has an education program that includes an assessment unit and 24 full and part-time programs. The vocational component operates 4 full-time programs: auto body repair, barbering, bookkeeping, carpet installation, and welding. There are also part-time vocational offerings in a variety of trades and industrial areas. The basic education curriculum includes an English as a second language program and college courses as offered through Luzerne Community College.

SCI—Graterford—This is the largest correctional facility in Pennsylvania. The vocational offerings of the institution include full-time courses in carpentry, barbering, dental technology, air conditioning/refrigeration and small gas engine repairs, welding, and business practice. The basic education courses are organized around a learning center concept. A job placement specialist has been hired to help inmates in finding post-release employment. College courses are available through contract with Montgomery County Community College.

SRF—Greensburg—This institution is a medium security, short-term institution. In the past year the population of this facility has increased by 49.2 percent and the educational offerings have been expanded. Vocational courses offered at the prison include commercial art, automotive repair, carpentry and plumbing. An academic component includes remedial reading, math, basic skills and GED instruction. Greensburg also incorporated one of the first job

placement programs in the State institution system. College courses are available through the Westmoreland Area Community College.

SCI—Huntingdon—Opened in 1889, this institution is the second oldest in the State system. The vocational offerings at this institution include full-time programs in auto-mechanics, office practice, and printing and a building trades program is planned. A variety of part-time trades and industrial courses are offered in the evening hours. Huntingdon took the lead in the State system in obtaining apprenticeship approval in a number of their vocational offerings. College courses are made available through a contract with St. Francis College.

SRF—Mercer—Serves a 14 county area in Northwest Pennsylvania. The Education Department has vocational offerings in auto-mechanics, office practice, construction trades, and electronics. Mercer has also incorporated a job placement specialist in their program. A computer accounting and food service program have recently been initiated. College courses are available through a contract with the Pennsylvania State University.

SCI—Muncy—This is a predominantly female institution. The Education Department has vocational offerings in both traditional and non-traditional areas such as auto-mechanics, micro-computers, driver training, home economics and office practice; home maintenance will begin this year. Academic instruction leading to a GED diploma is available and a job placement specialist has been hired. College courses are available through a contract with Bloomsburg University.

SCI—Pittsburgh—Opened in 1882, this is the oldest operating State institution. The Education Department has full-time vocational offerings in: welding, auto-mechanics and an auto body repair program. An academic component offering career awareness courses, basic instruction, and GED classes is available. A job-placement specialist is also employed to help the students make job contacts. The University of Pittsburgh offers college courses leading to a bachelor degree.

SCI—Rockview—The education program at Rockview offers full-time vocational training in drafting, masonry, and shoe-repair. Part-time programs in a variety of trades and industrial areas are provided during the evening hours. A forestry and agricultural program is also operating in cooperation with Penn State and Centre County Vocational Technical School. Postsecondary courses are offered in conjunction with Penn State.

SCI—Waynesburg—The newest State correctional institution came into being July 1, 1984. Educational offerings now include basic skills, and vocational component includes cosmetology and business practice program.

Community Education (continued)

Program Analysis: (continued)

Three new institutions: Cresson, Frackville, and Retreat, are scheduled to begin operations in 1986-87. An assessment of the educational requirements for those institutions will be made during the fiscal year and programs will be initiated for estimated 750 inmates when those populations are in place.

The Governor's Office of Budget has completed a study of the corrections education program. The study was designed to measure the effects of this education on post release behavior and adjustment.

The results of the study indicate that education, by itself, is probably not an effective instrument for reducing

recidivism, although it might be effective if combined with some other treatment such as job placement. In response to those findings, the Department has established several job placement programs in the prison system.

The Commonwealth's commitment to this program, regardless of its effect on recidivism, is based on the intrinsic value of education and the fact that the prison population in general is severely educationally disadvantaged.

Also included in this program is the Pennsylvania Ethnic Heritage Studies Center, which became operational at the University of Pittsburgh in April, 1975 and now includes a program at the Balch Institute in Philadelphia.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 164	\$ 165	\$ 162	\$ 169	\$ 176	\$ 183	\$ 190
Correctional Institutions Education	2,881	3,430	4,622	4,807	4,999	5,199	5,407
Adult Literacy			1,000	1,000	1,000	1,000	1,000
Job Training Partnership	1,717	1,900	1,900	1,900	1,900	1,900	1,900
Ethnic Heritage	100	100	100	100	100	100	100
GENERAL FUND TOTAL	\$ 4,862	\$ 5,595	\$ 7,784	\$ 7,976	\$ 8,175	\$ 8,382	\$ 8,597

Higher Education

OBJECTIVE: To fulfill Pennsylvania's requirements for graduates of higher education programs, to respond to the demands of students for higher education, and to support the public institutions providing those programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 764,375	\$ 835,467	\$ 848,094	\$ 878,954	\$ 909,900	\$ 945,871	\$ 983,518
Federal Funds	331	406	409	409	409	409	409
Other Funds	1,800	11,547	75,597	75,597	597	597	597
TOTAL	\$ 766,506	\$ 847,420	\$ 924,100	\$ 954,960	\$ 910,906	\$ 946,877	\$ 984,524

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Capitol Semester Interns	133	102	115	115	115	115	115
Programs evaluated	2,007	2,092	2,035	1,478	1,487	1,397	1,318
Special studies conducted	85	80	85	80	85	80	85
Higher Education Equal Opportunity Grants (Act 101 Grants)	71	74	75	76	77	78	79
Enrollment in state supported institutions ..	290,206	290,785	288,695	288,751	289,232	290,461	291,207
Office of Civil Rights reviews	32	32	32	32	32	32	32
Teacher certifications	21,956	23,000	23,000	24,000	24,000	25,000	25,000
Districts with apprenticeship programs .....	.....	5	15	501	501	501	501
Tests administered to candidates for certification .....	.....	.....	500	10,000	10,500	11,000	11,000

Program Analysis:

Higher education in Pennsylvania is provided through 242 degree-granting institutions which include the 14 universities of the State System of Higher Education (SSHE), four state-related universities, 12 state-aided colleges and universities, 14 community colleges, and over 198 independent colleges, universities, and specialized degree-granting institutions. Because these institutions offer a significant spectrum of programs and services throughout the state, they are an important asset to the Commonwealth and to its citizens, businesses and industries.

The growth in the number and size of these institutions has been promoted not only by individual perceptions of the worth of a college education but also through the State government's recognition of the value of an educated populace as evidenced in the appropriations to higher education institutions. The Commonwealth's funding of higher education supports a wide variety of academic curricula, at both public and private institutions, to satisfy educational

needs of individuals as well as those of the State for specialized manpower, an educated populace, a research capability, and the intangible inspiration and creativity generated by the learning process and the association of scholars. The economic return on the Commonwealth's investment in higher education is many-faceted. It includes direct institutional expenditures of economic significance, heightened citizen expectation for goods and quality of life, and a training and research capability which attracts new businesses and industries to the State.

The Commonwealth's recognition of the importance of higher education is reflected in the level of funding provided for Pennsylvania's institutions of higher education and for student aid. A recent report on higher education spending ranked Pennsylvania 21st in the nation for the increase in funding from 1984-85 to 1985-86. Pennsylvania had the 4th largest budget for student aid in fiscal year 1984-85 in the nation.

Higher Education (continued)

Program Analysis: (continued)

Funding for 1985-86

To support the Governor's initiative entitled Agenda for Excellence in Education, the State Board of Education has adopted major changes in the regulations for certifying professional school personnel. To prepare better trained educators to meet the learning needs of students, the Department of Education has begun the implementation of activities to improve the quality and content of teacher education programs and to provide an induction program for first-year teachers. Funding for the second year of this initiative at over \$900,000 is included in the budget. The program includes development and implementation of a testing program, coordination of the apprenticeship program in school districts, discussion with the higher education community on an increased emphasis on academic preparation for certification, and establishment of a continuing professional development program for teachers and administrators.

The Governor's Commission on Financing Higher Education, appointed on December 6, 1983, was charged by the Governor to evaluate current methods of funding Pennsylvania's colleges and universities, and to recommend how scarce resources for higher education can most appropriately be allocated to maximize quality education and student access.

The commission found that the current method of incremental funding for institutions of higher education in Pennsylvania, built on a base which was not related to data analysis, should be replaced by a more rational system. While there was no recommendation to reduce the current funding level for State supported institutions, it was recommended that increases in funding consider data related to some measure of the production of the institutions and the changes over time in their demographics.

This budget includes funds to begin the transition to such differential funding. A further discussion of the changes is included in the differential funding program revision following this subcategory.

Funding for two other programs recommended by the commission is included in this budget. The second year of funding to match SSHE institutional funds for deferred maintenance projects which were carried over when the SSHE became an independent system is included.

The second project provides \$1,000,000 in seed money, to be matched by private contributions, to establish chairs of excellence at Pennsylvania institutions. Each of these programs is discussed in the program revision statement following this subcategory.

Enrollment Projections

Although the recent past of higher education has been dynamic, characterized by growth in enrollments and resources, higher education has entered a period that will

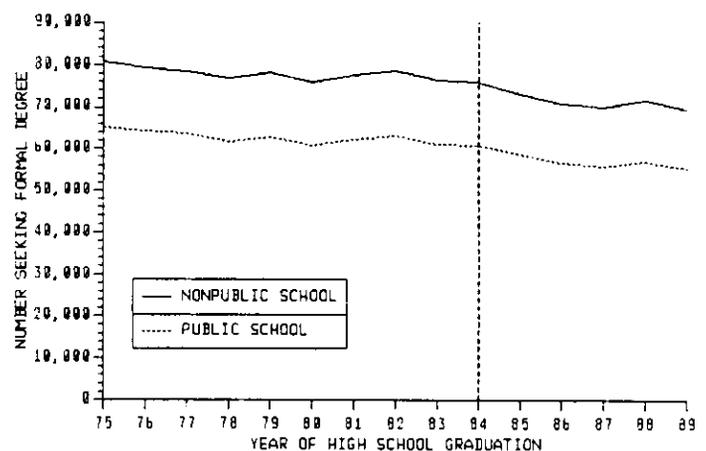
be generally characterized nationally by declining enrollments, limited fiscal resources and adjustments in institutional missions.

In Pennsylvania, however, total enrollment has increased rather steadily over the past decade and projections indicate only a slight decline over the next five years.

The projected decline in enrollments in Pennsylvania has two basic components. First, the 18 to 24 year-old age group in Pennsylvania is declining. Population projections indicate that the 18 year-old age group peaked in 1979 and in the 1980s this traditional college student pool will decline by 20 to 25 percent. This decline in college-age students is one of the most severe in the nation. The effect of this decline in Pennsylvania is currently being partially offset by a marked rise in the number of older, part-time students. From 1975 to 1984, the number of high school graduates decreased by over 18.5 percent; however, the proportion of graduates choosing to continue their education at a degree-granting institution increased substantially. In fact, although participation rates are a continuing area of concern, Pennsylvania's high school graduates are attending college and other postsecondary programs at the highest levels in 14 years.

In spite of the increases in the proportion of graduates attending postsecondary education and in part time attendance, college enrollments will decline over the next two years.

Figure 1
High School Graduates Continuing Study in a Degree-Granting Institution With Projections For 1984 Through 1988



Higher Education (continued)

Program Analysis: (continued)

The 1984 report entitled *Parents, Programs and Pennsylvania Students' Plans for Postsecondary Education* issued by the Pennsylvania Association of Colleges and Universities (PACU) was undertaken to assess the relative influence of community, school, family, and individual student factors on the decision to go on to postsecondary education and to develop recommendations for increasing the participation of Pennsylvania students in higher education.

The analyses showed that the single factor most influencing student plans is their parents' preferences for their postsecondary activities. In part those preferences are affected by socioeconomic status and related factors.

The report recommended that the Department of Education, PHEAA, school districts, and postsecondary institutions enhance the general public awareness of postsecondary opportunities, financial aid resources, and choices to be made early in the high school curriculum and the benefits

of postsecondary education. The implementation of these recommendations may have an impact on enrollment patterns in future years as the students now entering high school, and their parents, become more interested in and prepared for the availability of postsecondary education.

Table 1 indicates that the State supported institutions are projecting a .3 percent increase in overall FTE enrollments between 1984-85 and 1990-91. The state-related universities have projected a 1.1 percent decline in enrollment over the projection period. The community colleges have anticipated the largest enrollment increase of any sector amounting to 2.2 percent between 1984-85 and 1990-91. The State System of Higher Education projects a very slight increase of only .6 percent over the entire period. The state-aided institutions have projected a small increase of 1.0 percent over the same period.

Table 1

Full-Time Equivalent Enrollments at State-Supported Institutions of Higher Education, Actual and Projected

Institutional Category	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
State System of Higher Education	78,266	78,393	78,521	78,676	78,882	78,872	78,737
State-Related Universities	112,507	112,520	112,310	112,006	111,778	111,528	111,252
Community Colleges	62,246	62,388	60,651	60,833	61,321	62,714	63,628
State-Aided Institutions	37,187	37,484	37,213	37,236	37,251	37,347	37,590
TOTAL	290,206	290,785	288,695	288,751	289,232	290,461	291,207

Projections of College Graduate Supply

Along with higher education enrollment size, the mix of enrollments by discipline will shape the future of higher education.

Students have, in recent years, become more aware of the job market and economic realities. For that reason they are choosing job-oriented disciplines with good employment rates such as the health professions, engineering, computer

sciences, and business. Particularly impressive is the growth in related technologies in these fields.

Table 2 shows current projections of degrees to be awarded by the State supported degree-granting institutions of higher education in Pennsylvania through 1990-91. The charts following show the Department of Education's degree projections for all institutions including the private sector.

Higher Education (continued)

Program Analysis: (continued)

Table 2
Higher Education Degrees Awarded by State-Supported
Institutions of Higher Education,
Actual and Projected

Institutional Category	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
State System of Higher Education	14,436	14,770	14,889	14,986	15,070	14,721	14,690
State-Related Universities ^a	23,264	23,259	23,243	23,238	23,245	23,273	23,272
Community Colleges ^a	7,045	7,241	7,278	7,325	7,410	7,470	7,607
State-Aided Institutions	10,094	10,178	10,236	10,238	10,299	10,290	10,299
TOTAL	54,839	55,448	55,646	55,787	56,024	55,754	55,868

^aIncludes technologies

Figure 2

Associate And Baccalaureate Degrees Awarded By Higher Education
Institutions With Projections For 1984-85 To 1988-89

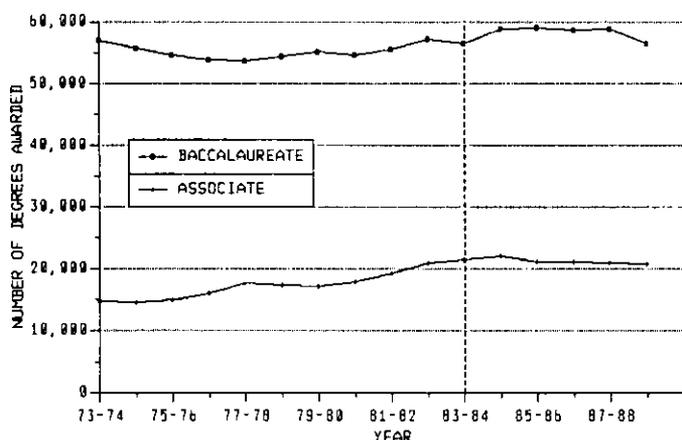
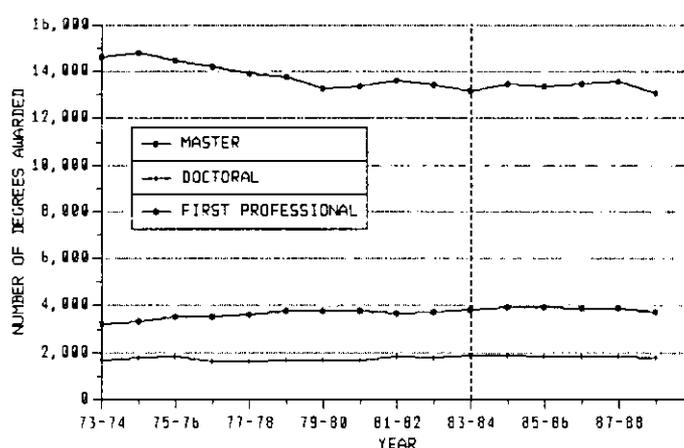


Figure 3

Degrees Awarded Above the Baccalaureate By Higher Education
Institutions With Projections For 1984-85 To 1988-89



Employment Trends

The Department of Education's annual follow-up studies of graduates can be used as a measure of the success that recent graduates at every level and in each discipline have had in finding employment that is related to their field of study. The department prepares a yearly report based on a survey of the graduates of the previous spring. The most recent report indicates that the rate of employment of 1984 baccalaureate degree recipients has increased from 49 percent in 1983 to 54 percent. By program area, however, there were substantial differences in degree-related employment for baccalaureate graduates. For graduates in engineering, for example, the rate of degree-related employment dropped from 71 to 58 percent in 1983, rose in 1984 to 69.1 percent. In contrast, degree-related employment rose from 57.4 to 58.5 percent for baccalaureate graduates in the field

of agriculture and decreased from 77 percent to 57 percent for those graduates in library science.

While associate degree and doctoral degree graduates fared somewhat better in 1984, the general pattern is still one of decline in degree-related employment at all levels compared with the graduates of 1981 who were not affected by the recent recession. Recent information on the recruiting of college graduates in 1985, however, indicates that only about a 2 percent increase in hiring will occur from 1985-86.

The postgraduate activities of 1984 graduates at various degree levels are shown in Figure 4, while Figure 5 gives similar data for baccalaureate degree recipients in selected program areas.

While specific fields of study do vary widely in the degree to which their graduates find it easy to obtain related employment at the time of graduation, it should also be remembered that liberal arts and sciences graduates, for ex-

Higher Education (continued)

Program Analysis: (continued)

Figure 4

Proportion Of Postgraduate Activity For Each Degree Level As Of 1984

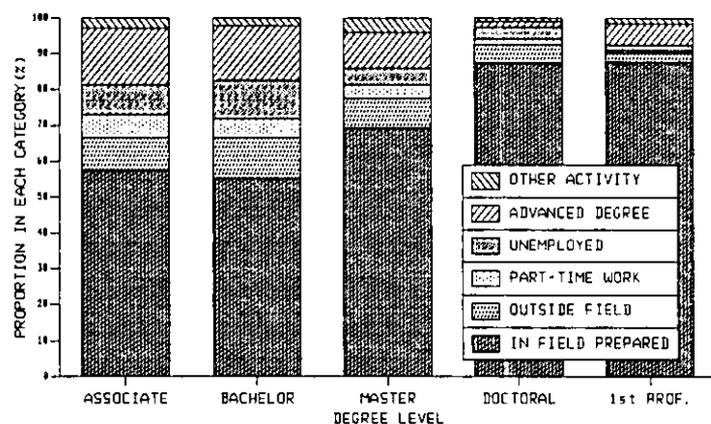
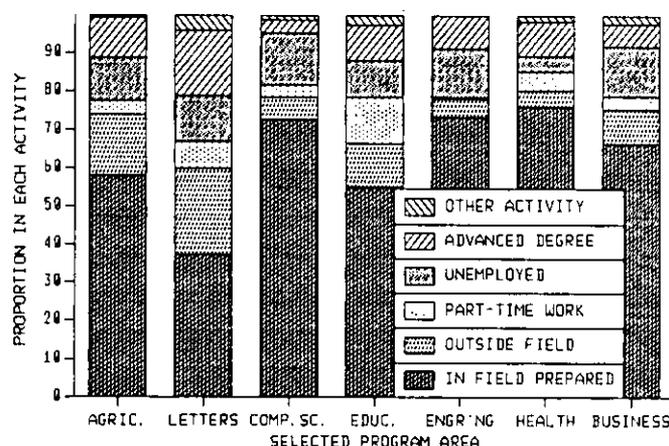


Figure 5

Baccalaureate Patterns Of 1984 Postgraduate Activity By Selected Program Area



ample, do not obtain directly relevant employment as often as most graduates. This does not mean that they find their education to be valueless. They may, in fact, be more likely to be successful in the long run because of the intellectual skills they have developed than will the more narrowly specialized graduates in a field such as engineering who, initially, easily obtain a relatively high salaried position. The more specialized graduates may find it difficult to rise beyond a certain point in their careers when more generalized management skills become important.

Program Budget Considerations

As priorities of the State of Pennsylvania have changed in recent years, the importance of certain academic disciplines has increased. While the overall mission of Pennsylvania's higher education institutions is to provide a broad and liberal education to all graduates within the limitations of a particular program and degree level, certain programs

are of strategic concern because they play a crucial role in meeting the economic and social needs of the Commonwealth by providing trained and skilled professionals to help meet those needs.

Figure 6 provides a pie diagram of 1984-85 FTE enrollments by major program area in state-supported institutions of higher education. Actual and projected FTE enrollments, as provided by these institutions for the program areas, are presented in Table 3. The thrust to develop high technology industry in Pennsylvania has resulted in increased attention to computer science. In addition, mounting concern over the need for individuals who are skilled in languages other than English and are familiar with other cultures has resulted in greater concern about area studies/foreign languages. The importance of education in realizing Pennsylvania's goals is seen as also requiring a detailed look at the need for teachers in certain specialties. Selected program categories which reflect these concerns are emphasized in the narrative.

Higher Education (continued)

Program Analysis: (continued)

Table 3
Actual 1984-85 and Projected 1985-86 to 1990-91
State-Supported Institution FTE Enrollments by Subject Area^a

Subject Area	Number and Percent of Total	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91	Change
Agricultural and Renewable Natural Resources	#	3,439	3,339	3,269	3,213	3,168	3,100	3,032	-11.83
	%	1.18	1.15	1.13	1.11	1.10	1.07	1.04	
Arts and Letters	#	40,295	41,039	39,954	40,098	40,240	40,664	40,970	1.68
	%	13.88	14.11	13.84	13.89	13.91	14.00	14.07	
Business, Management, Data Processing	#	60,945	60,978	60,923	60,955	61,003	61,213	61,213	0.74
	%	21.00	20.97	21.10	21.11	21.09	21.07	21.08	
Communications and Related Technologies	#	8,467	8,525	8,510	8,508	8,513	8,506	8,521	0.64
	%	2.92	2.93	2.95	2.95	2.94	2.93	2.93	
Computer and Information Sciences	#	12,616	12,610	12,616	12,693	12,794	12,827	12,884	2.12
	%	4.35	4.34	4.37	4.40	4.42	4.42	4.42	
Education	#	28,405	28,394	28,376	28,254	28,280	28,355	28,345	-0.21
	%	9.79	9.77	9.83	9.78	9.78	9.76	9.73	
Engineering, Architecture and Environmental Design	#	21,685	21,830	21,701	21,714	21,758	21,800	21,902	1.00
	%	7.47	7.51	7.52	7.52	7.52	7.51	7.52	
Engineering and Related Technologies	#	6,928	6,929	7,030	6,977	7,047	7,135	7,211	4.08
	%	2.39	2.38	2.44	2.42	2.44	2.46	2.48	
Health Professions, Health Sciences, and Biological Sciences	#	38,444	38,423	38,314	38,396	38,559	39,834	39,025	1.51
	%	13.25	13.21	13.27	13.30	13.33	13.37	13.40	
Home Economics, Human Services and Public Affairs	#	14,618	14,629	14,356	14,333	14,284	14,236	14,111	-3.47
	%	5.04	5.03	4.97	4.96	4.94	4.90	4.85	
Industrial, Repair, Construction and Transport Technologies	#	2,611	2,708	2,530	2,555	2,598	2,669	2,727	4.44
	%	0.92	0.95	0.93	1.01	1.03	1.06	1.08	
Law	#	3,324	3,279	3,267	3,266	3,266	3,268	3,268	1.68
	%	1.14	1.13	1.13	1.13	1.13	1.12	1.12	
Physical Sciences, Mathematics and Related Technologies	#	16,109	16,119	16,144	16,196	16,244	16,277	16,328	1.17
	%	5.55	5.54	5.59	5.61	5.62	5.60	5.60	
Social Sciences, Psychology, Area Studies and Foreign Languages	#	25,008	24,941	24,894	24,848	24,823	24,765	24,651	-1.43
	%	8.62	8.58	8.62	8.60	8.58	8.53	8.46	
Multi-Interdisciplinary Studies	#	7,312	7,042	6,811	6,745	6,655	6,812	6,869	-6.06
	%	2.52	2.42	2.36	2.34	2.30	2.34	2.36	
TOTAL	#	290,206	290,785	288,695	288,751	289,232	290,461	291,207	0.34
	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

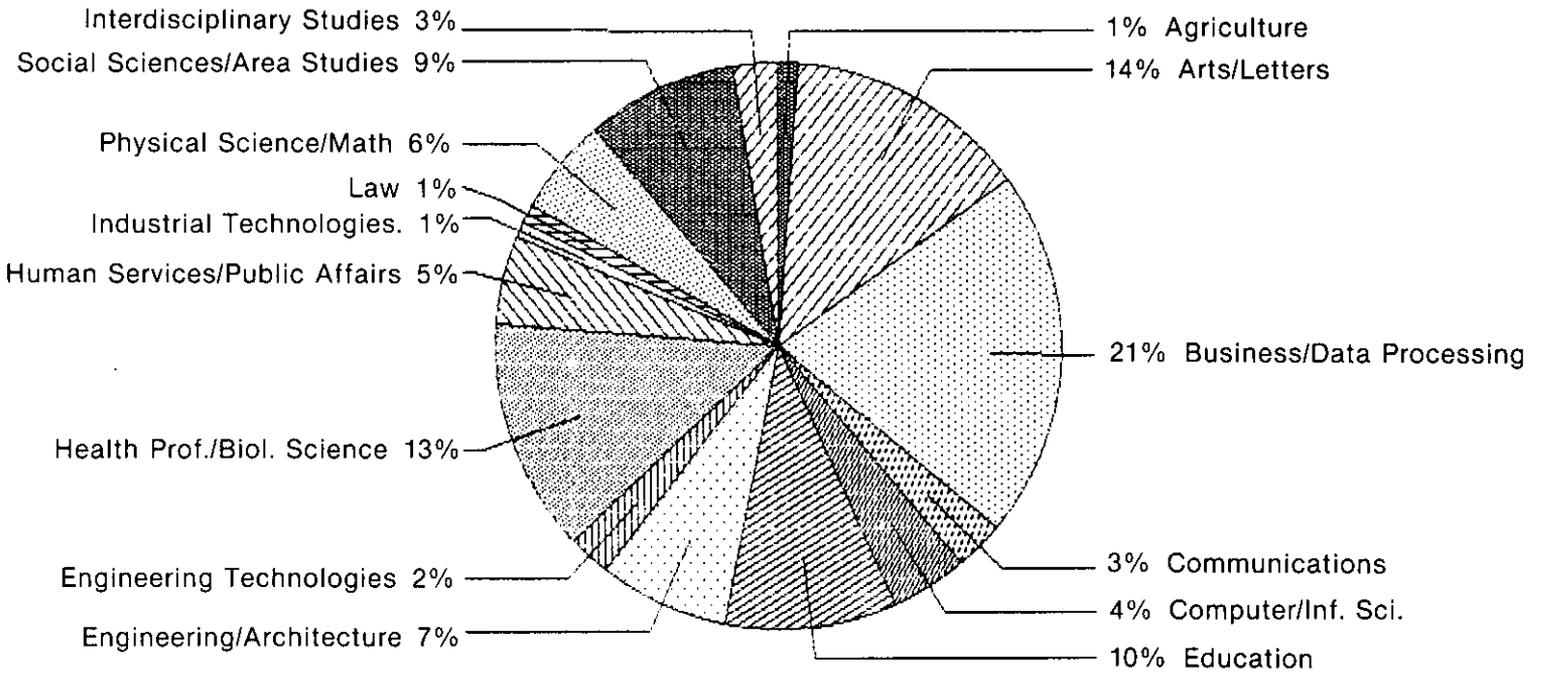
^aProjections of full-time equivalent enrollment made by the state-supported institutions from the base year of 1984-85.

Higher Education (continued)

Program Analysis: (continued)

Figure 6

FTE Enrollments In State-supported Institutions Of Higher Education



Agriculture

Agriculture, for example, has come to the fore as the State's leading industry because of the decline of steelmaking which had, until now, been the State's major industry. Educational programs in agriculture and natural resources are currently being offered at two state-supported institutions: The Pennsylvania State University and Delaware Valley College of Science and Agriculture.

Full-time equivalent enrollment in this program area is projected to decline from 3,439 in 1984-85 to 3,032 in 1990-91 (see Table 3). The decline is partly the result of the recent poor farm economy; but a survey has shown that it may also reflect the effect of lower tuitions at out-of-state landgrant institutions and a preference of potential students for main campus rather than branch campus matriculation. Enrollments are, therefore, expected to continue to decrease throughout this decade.

While there has been an overall leveling of basic farm-worker employment, other employment opportunities show great promise for future graduates. Agricultural business management and agricultural engineering are by far in the greatest demand. There is also a projected need for college-trained educators, agronomists, environmentalists, nutritionists, plant scientists, economists and computer specialists. These individual disciplines are important to insure an increase in agricultural productivity. It is becoming evident that there will be an increased demand (world-wide) for food during the 1980s with a consequent increase in demand for specialists in these disciplines.

As students continue to react to the job market, the enrollment in colleges of agriculture will drift to the more specialized skill areas such as management, marketing and system analysis within the agriculture discipline. At present, placement at the bachelor's degree level is good nationwide; the latest statistics from the U.S. Department of Agriculture

Higher Education (continued)

Program Analysis: (continued)

show that the overall job market is being satisfied. However, shortages currently exist in terms of those with advanced degrees in agricultural business management, agricultural engineering, animal science, food science, natural resources, plant science and soil science. The graduates of 1984 had an unemployment rate of 11 percent compared with 10.7 percent for all baccalaureate graduates. Also, 57.4 percent were employed in degree-related agriculture and natural resources positions compared to 51.8 percent for similar baccalaureate degree-related employment in general.

Teacher Education

A disparity currently exists between the number of teachers prepared each year and the number that find teaching employment. However, the size of the disparity appears to be decreasing over that which existed during the period of the early and mid-seventies (see Figures 7 and 8).

The oversupply has been caused primarily by an earlier dramatic increase in the number of teachers prepared, which stabilized in the late sixties and early seventies, followed by a marked decline in the number prepared coupled with a decline in elementary and secondary enrollments during the same period. Although it is true that basic education enrollments have continued to decline with a concurrent overall decline in demand for elementary and secondary education teachers, the demand for certain specialty areas such as vocational education and special education has nevertheless persisted. This situation is seen as continuing

in the immediate future although shortages may eventually ensue as an aging teacher work force begins to reach retirement age.

In response to this problem, fewer students have been seeking to become teachers and many institutions have been making internal program shifts to other curricular areas such as business, computer science, the health sciences and the health professions. The extent to which the institutions of higher education need to make further program shifts is not yet fully known. The trends in this area must be carefully watched for the next few years in order to avoid oversupply, or future undersupply of teachers in the state.

The Department of Education now projects a continued decrease in enrollments for grades 6 through 12 and of degree graduates in secondary education. Graduates in elementary education and enrollments in grades K through 5 are projected to increase. Overall enrollments in basic education schools are projected to decrease by 119,500 or 5.7 percent between 1984-85 and 1989-90. This projected increase in elementary enrollments corresponds to the increasing number of births resulting from the maturing of the baby boom generation. As these children continue to enter school, there will be some increase in demand for teachers in general during the 1980s, especially at the elementary level, and in the 1990s at the secondary level.

Newly certificated graduates in education are projected to decrease from 5,987 in 1983-84 to 5,400 in 1989-90. The decrease in numbers will occur in elementary education (2,263 to 2,200), in secondary education (1,270 to 1,200 and

Figure 7
Postgraduate Teaching Activity Of Certificated Graduates
In Elementary Education

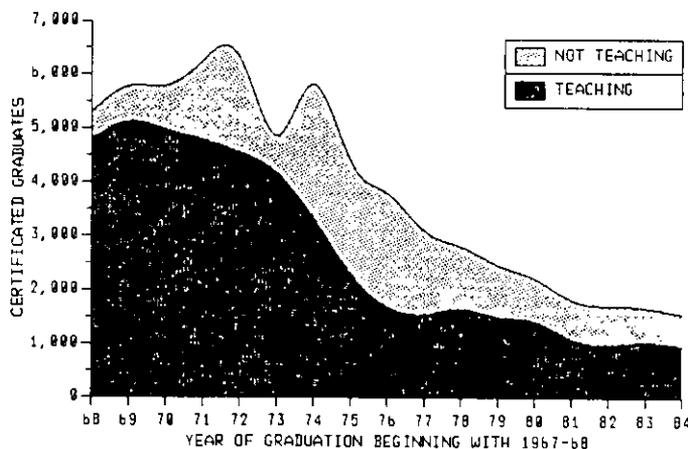
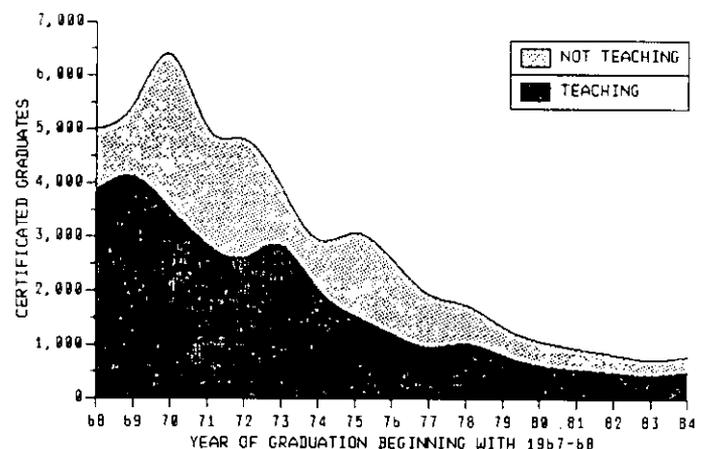


Figure 8
Postgraduate Teaching Activity Of Certificated Graduates
In Secondary Education



Higher Education (continued)

Program Analysis: (continued)

in special education (1,094 to 1,050). Of the students receiving teaching certificates in 1983-84, 60.2 percent were employed as teachers.

Mathematics and Physical Science Teachers

The current awareness of the importance of high technology in the future economic growth of industry in the United States and the Commonwealth has also called attention to the science curricula of the public schools. It has been a matter of growing concern to the Commonwealth that there may be, to some degree, a shortage of trained teachers in the areas of mathematics and the physical sciences. A recent examination of the data concerning employment of mathematics and science teachers made by the Department of Education has indicated that when the current pool of previously certificated graduates is exhausted, there may be a temporary shortage situation (see Figures 9 through 14). It is hoped, however, that the current effort to encourage more students to become teachers of mathematics and science by offering PHEAA grants to them will begin to pay off in three to four years when shortages may be expected. In the 1990s further efforts may be needed as secondary school enrollments begin to increase rather than decrease.

Business, Management, Commerce and Data Processing

Full-time equivalent enrollment in this area is projected to increase by approximately .7 percent between 1984-85 and 1990-91. For the sixth consecutive year, growth in enrollments in this area has occurred. Enrollments for 1985-86 are up slightly over 1984-85. In the State System of Higher Education, where business has until now been a fast growing "new mission" curriculum, it is now estimated that enrollments will decrease slightly from 17,218 FTEs in 1984-85 to 17,151 in 1990-91.

Students with master's degrees in any of these fields will have especially good job opportunities. The growth in graduate and baccalaureate degree business opportunities is the result of changes in job requirements. More complex computers and other technological advances and the need for familiarity with government regulations have resulted in demand for college graduates in positions traditionally held by those less well educated. Student response to this growing job market is projected to increase the total number of degrees conferred between 1984-85 and 1990-91 by 2 percent for associate degrees, 5 percent for bachelor's degrees and 2.1 percent for graduate degrees. Business graduates were a little more successful in obtaining degree-related employment in 1984, when the rate for baccalaureate graduates was 65 percent in contrast to a 1983 rate of 60 percent. This still represents a decline from 68.8 percent in 1981. For those with a master's degree in business the rate of job-related employment was slightly higher than in 1983.

The College Placement Council projects that minor increases in graduate employment in business will continue to occur through 1986.

Computer Science

Department of Education graduate follow-up data on 1984 graduates indicates that computer science baccalaureate degree recipients had a continued high rate for full-time related employment of 70.9 percent (see Figure 5).

A continued and deepening shortage of computer-related specialists is foreseen as business and industry increase their demand for such specialists and continue to lure away those who would otherwise go on to graduate work. This trend will also have a negative long-term effect since it limits the number of graduates who would otherwise teach the needed specialists of the future. There are currently not enough specialists being produced to meet the needs of rapidly growing microcomputer and other computer-related industries.

Engineering/Architecture

Programs in engineering and architecture are supported by the Commonwealth through grants and subsidies to the state-related universities, state-aided colleges and universities and community colleges. Although fluctuations resulting from changes in government policy, availability of research funds, and technological advancements are characteristic of this field, the trend for the next several years will be an increase in job opportunities.

Given the demand for engineers and the high salaries currently being offered, many higher education institutions are finding it difficult to find and maintain quality faculty in most engineering fields. This is particularly true in the area of petroleum engineering. This problem could become worse in the next few years because the high rate of employment of baccalaureate degree recipients will, in turn, limit graduate school enrollments. This problem is national in scope and will require innovative approaches at the national level in order to resolve the resulting competition between employers and the graduate schools. Community colleges, however, are now training paraprofessionals in engineering. These people can fill a great many of the needs for manpower and would add to the productivity of professional engineers.

Of the students receiving bachelor's degrees in engineering in 1984 roughly 21 percent sought advanced degrees on either a full- or part-time basis. Employment success of those with bachelor's degrees in engineering was fair with 69 percent finding full-time discipline-related employment. In 1981, however, 85 percent found related employment. Students with bachelor's degrees in architecture were somewhat more successful in finding employment with 72 percent finding full-time related employment (see Figure 5).

Higher Education (continued)

Program Analysis: (continued)

Figure 9

Postgraduate Teaching Activity Of Certificated Graduates In Mathematics

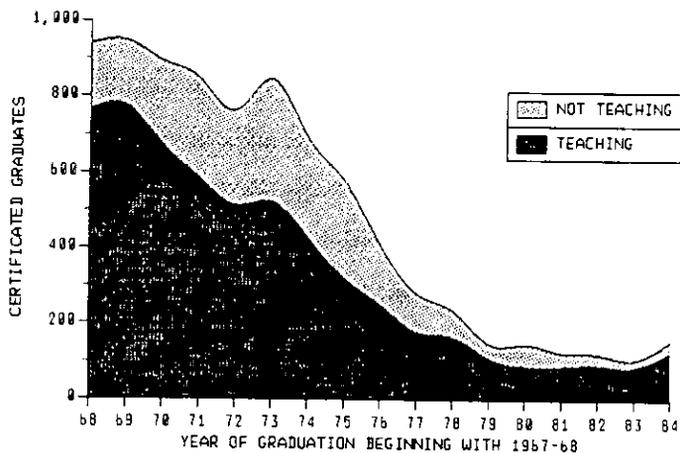


Figure 10

Postgraduate Teaching Activity Of Certificated Graduates In General Science

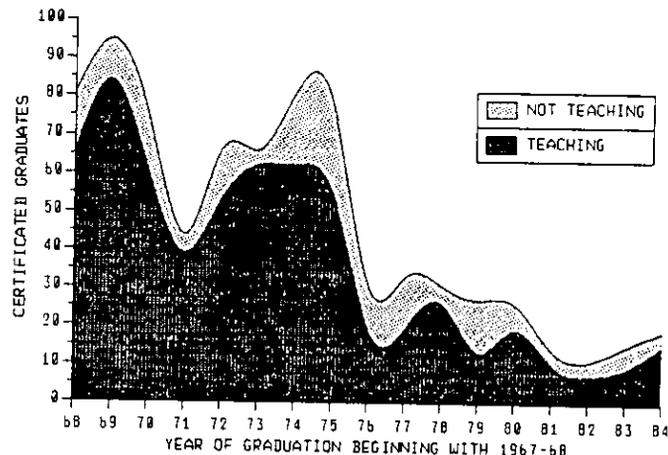


Figure 11

Postgraduate Teaching Activity Of Certificad Graduates In Biological Science

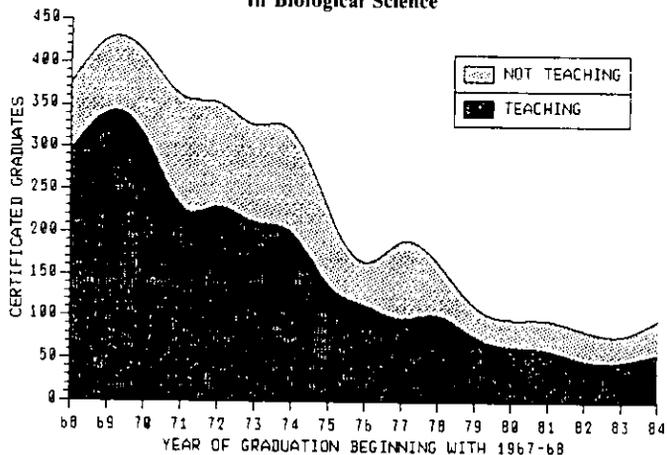


Figure 12

Postgraduate Teaching Activity Of Certificated Graduates In Chemistry

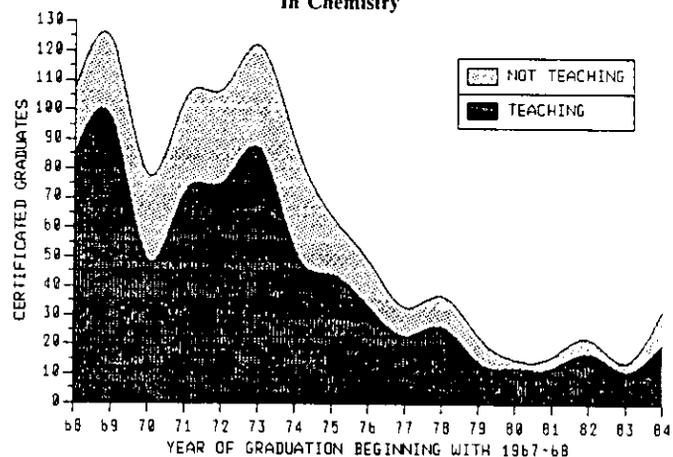


Figure 13

Postgraduate Teaching Activity Of Certificated Graduates In Physics

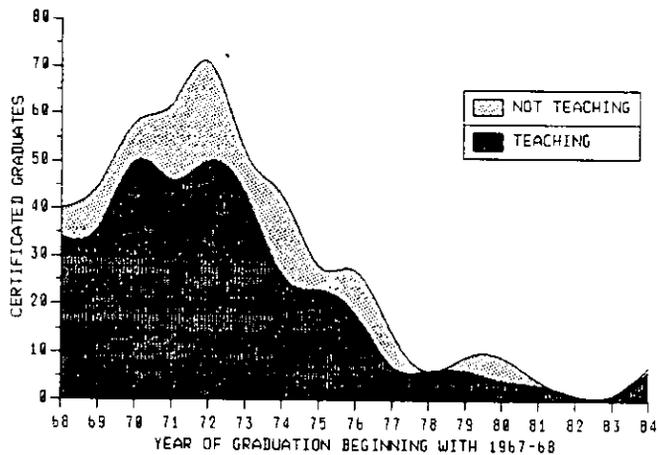
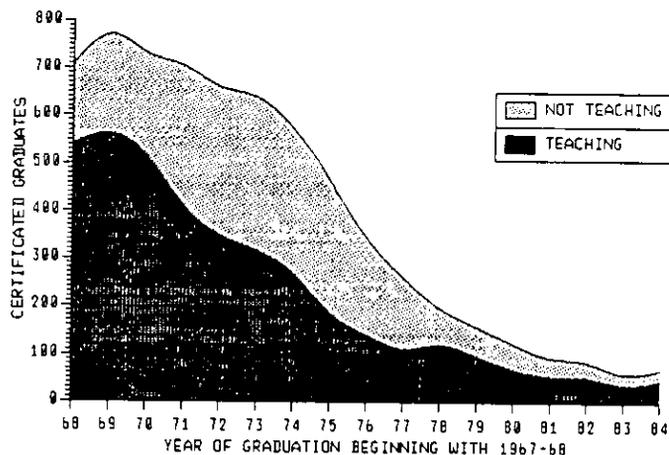


Figure 14

Postgraduate Teaching Activity Of Certificated Graduates In Foreign Language Education



Higher Education (continued)

Program Analysis: (continued)

High Technology

There can be no doubt that the continued, constantly accelerating development of high technology and high technology products will have an important role in the daily life of Pennsylvania's citizens and in the economy of Pennsylvania as a whole. The field of medicine has already experienced dramatic changes in the ability of physicians to diagnose and treat illnesses and the promise of the more recent technologies such as those in the field of genetic manipulation promise even more dramatic change.

As the use of technological advances such as computers, electronic networking and robotics enters into the marketplace, there is a correspondingly greater demand for higher education institutions to provide training for those who must utilize, repair or maintain the products of technology. Furthermore, the firm of Deutch, Shea, and Evans, publishers of the High Technology Index, indicate that they anticipate a shortage of technologists by 1987 due primarily to the impact of a marked increase in the needs of the defense industry in conjunction with the nation's developing economy.

Higher education institutions will be required to continue their efforts to upgrade their equipment and laboratories; to recruit capable faculty despite competition from business and industry; and to develop curricula designed to train those who create high technology, as well as those who use the products of high technology in their work and those who repair and maintain the products of high technology. Increasingly, workers who have been displaced by the products of the nation's technology will have to be trained by the institutions of higher education to be users and/or maintainers of that technology.

Health Care Professionals

The Commonwealth is a major national producer of trained health care personnel, particularly of physicians and registered nurses; and this area is, therefore, of perennial concern. Programs to train health care professionals are expensive and careful monitoring is required to see that such programs are not producing substantially more health personnel than the Commonwealth's needs would warrant. Currently graduates are, as a whole, finding work related to their training with very little difficulty (see Figure 5).

The State System of Higher Education and the community colleges are major suppliers of people trained in the health technologies. Although programs in these areas are presently expanding at these institutions and in vocational schools, there remains a shortage of trained personnel such as dental hygienist, dental assistants, medical assistants and laboratory technicians.

Until recently the labor market for nursing, nationwide

and in the State, was expanding. The reasons included adoption of new techniques, more intense inpatient care, new providers and approaches as well as a growing elderly population which consumed a great share of nursing services in hospitals and nursing homes. Studies on both the State and Federal levels indicated that acute shortages or maldistributions of registered nurses existed in many types of health facilities.

Recent observations indicate that, in general, the problem of professional nursing shortages may be somewhat lessened because of economy measures implemented by many hospitals to reduce health care costs. However, in some nurse specialties, such as intensive care services, shortages will continue to exist. Furthermore, spot shortages in some inner city hospitals and in rural health facilities may continue to be a problem because of the difficulties in recruiting or attracting nurses to accept positions in these areas.

In general the outlook for employment in the health technologies, para-medical and nursing fields appears to be good. This is especially true in light of the mounting concern over rapidly increasing costs of health care, and of proposals to use paraprofessionals more extensively in many facets of health care in an attempt to control costs. Many of these paraprofessionals would come from the curriculum areas mentioned above. It would appear, therefore, that these programs should be selectively encouraged.

The 1985-86 budget continues to maintain support for medical schools in order to prevent further erosion in the financial condition of the schools and enhance their ability to offer quality medical education at a reasonable price.

Research as a State Resource

An essential ingredient for a healthy economy and the creation of new jobs in any region is the existence of vigorous research universities. Regions with the most dynamic economies are those where research and development investments have been heavy. The research university not only provides new ideas, technologies, and products to industry but also educates and motivates graduates to turn those ideas, technologies, and products into industry and jobs.

A significant part of the mission of higher education in Pennsylvania is that of furthering man's knowledge through research which in turn has direct benefits with respect to Pennsylvania's economy.

The Pennsylvania State University is the primary recipient of the funds designated by the Commonwealth to support agricultural and other organized research. Historically, line item appropriations devoted specifically to research have been provided to Penn State because it is the Commonwealth's land-grant university. As early as 1901, funds were provided for specific research activities.

The primary continuing investment in research at the

Higher Education (continued)

Program Analysis: (continued)

Pennsylvania State University has been in agriculture and food sciences, where the long-range economic contribution of the land-grant university research centers has been immense. The research investment at the Pennsylvania State University has more recently turned to areas such as energy and the environment and medical technology.

In agriculture and food sciences, research at the Pennsylvania State University has led to discoveries which have reduced the cost and increased the productivity of the agricultural industry. It has been calculated that the annual rate of return on agricultural research funding ranges from 30 to 60 percent.

For example, the mushroom industry in Pennsylvania is able to compete in the world market primarily due to the improvement in production efficiency made possible by research at Penn State.

More recently, Penn State researchers have found that the daily administration of a growth hormone to swine improves the utilization of their nutrition by decreasing the amount of fatty tissue and increasing the muscle mass. Such an increase in feed efficiency means a potential saving of one to two billion dollars per year.

Although immediate measurable benefits are sometimes realized from research efforts, research support more typically represents an investment in the future. Recognition is given to the longer-range social and economic impacts of research when making decisions on the allocation of resources. The continued increase in State support for organized research is a means of promoting a long-term, responsive position on the ever changing needs of the Commonwealth and the nation. In this regard, colleges and universities can play a major role in the economic development of the Commonwealth through the creation of a climate which will attract new high technology industries to the State. Research and development activities in this area, in partnership with private enterprise, would be a step towards creating this climate.

Significant progress toward this goal was made during 1983 as a result of the development of four advanced technology centers by the Ben Franklin Partnership Challenge Grant Program. The grant program, in the Department of Commerce, provides matching State funding to consortiums of Pennsylvania's research universities, other higher education institutions, business, labor and other groups and organizations through four regional advanced technology centers in the Commonwealth.

The partnership was designed to create and preserve jobs by introducing new technology to existing industries and to help in starting new firms in growing industries that high technology has created. The centers are located at Philadelphia University City Science Center, Pennsylvania State University (with two satellite centers at Erie and

Harrisburg/York/Lancaster), Lehigh University and the University of Pittsburgh/Carnegie Mellon University Center.

Work is being done on the development of robots, new hybrid plants, methods to neutralize acid mine drainage, coal slurry combustion, clothing for the handicapped, computer-controlled wheelchairs, new processes for tooth-root implants, new methods of breast cancer detection, new vaccines and less flammable fabrics for aircraft interiors. Such research efforts should provide a financial return to the State that far exceeds the State's funding costs similar to that already experienced by the State with regard to past research efforts by Commonwealth higher education institutions.

Public and Community Services

Public and community services are provided throughout the Commonwealth by institutional departments, extension centers, branch campuses, and cooperative arrangements with public schools and other institutions. These programs are offered by the State System of Higher Education, the State-related universities and the community colleges. The bulk of this program, however, is related to activities of the Pennsylvania State University.

Steady increases are expected in both enrollments in non-degree programs and in attendance at conferences, institutes and workshops. These increases will be generated by all sectors of higher education. Increased participation in conferences and workshops is particularly anticipated at the State-related institutions.

The Cooperative Extension Service offers informational services, including an environmental newsletter, without charge to any Commonwealth resident.

The appropriations to Penn State include funds for the Agricultural Extension Statewide Computer Network. The program will place a microcomputer in each county extension office, linked into a statewide network for agricultural extension. In 1984-85 funds were provided to purchase the equipment necessary to establish the network; for the current year and thereafter operating costs and program development are funded. This network will enhance the operations of the County offices, and give those offices the ability to advise citizens on the uses of computers in agriculture and business.

The second aspect of the program of public and community services, short-term instructional courses or workshops, includes activities of the Cooperative Extension Service as well as the programs of the State System of Higher Education and the community colleges. These short-term instructional courses usually take the form of conferences or workshops of less than a week's duration and concern specific topics; often they are sponsored by an industry or business for the benefit of their employees.

Higher Education (continued)

Program Analysis: (continued)

The third facet of this program is the area of non-degree or noncredit education. Enrollments in these programs are expected to expand rapidly in the State System of Higher Education, state-related universities and the community colleges. The trend of increased participation in adult education in Pennsylvania follows that of the nation.

As the program grows in popularity, more institutions will increase their involvement; in fact, many Pennsylvania educators believe this will be the most rapidly increasing program for higher education.

Institutional Support Services

Institutions of higher education carry on activities which are not tied directly to instruction, public and community services, financial assistance or research. These activities include library and learning center services, guidance counseling, placement services, provision of audio visual materials, operation and maintenance of physical plants, computer support and general administration, all of which are essential to the operation of educational programs. The Commonwealth provides financial support for the cost of these institutional support services; some of which are variable and can be made responsive to enrollment and internal efficiencies.

The Higher Education Equal Opportunity Act provides State grants to colleges for tutorial and counseling services for the economically and educationally disadvantaged. Participating students are given the opportunity to achieve their educational goals through specialized tutorial, counseling and study skills services, regardless of race, sex, creed, handicap or national origin. Approximately one-half of the students served are minority students.

The 1983 agreement between the Department of Education and the U.S. Office for Civil Rights provided a five year plan for the enhancement of Cheyney University which includes an annual appropriation, administered by the Department of Education, to ensure that academic programs, equipment, and support services will be comparable to those at similar institutions. The five year total for enhancement in those areas is \$8,710,000; the 1986-87 mandate is for \$1,656,000. In addition, the agreement calls for improvements and renovations to campus buildings and grounds. Most of those projects are included in the Capital budget plan, however, the 1984-85 General Fund appropriation also included \$350,000 for improvement of campus walkways, security, and lighting.

The agreement also includes funds for the enhancement of Lincoln University which total \$5,000,000 in appropriated funds and two capital projects.

Department of Education Support

The Department of Education provides leadership and support for State initiatives and coordination services involving all the sectors of postsecondary education. Responsibilities include liaison with the Pennsylvania Higher Education Assistance Agency, the Chancellor's Office of the State System of Higher Education, national accrediting agencies, the State Board's Council of Higher Education, and other governing boards; policy review and development based on comprehensive planning and research; and implementation of a postsecondary education master planning process and the Commonwealth of Pennsylvania Plan for Equal Opportunity in the State-Supported Institutions of Higher Education.

Extensive staff support has been provided for the Governor's Commission on the Financing of Higher Education. This support will be continued in the exploration and development of recommendations contained in the Commission's report and in the implementation of initiatives and policies stemming from the recommendations.

The measure of programs evaluated increases from that shown last year because new teacher certification regulations adopted by the State Board of Education as part of the Excellence in Education initiatives require review of every teacher certification program. Since there are several certifications at each college providing teachers education a very large number of certifications will need to be accomplished in the next few years. These initial certifications will be done through review of documentation; in the future on site visits will occur for the recurring evaluations.

The 1983 agreement between the Department of Education and the Office for Civil Rights in the U.S. Department of Education provided for the Equal Opportunity Professional Education Fund for graduates of Cheyney and Lincoln Universities. The fund, to be administered by the Department of Education, will be used to place graduates of those schools in programs at Temple University, the University of Pittsburgh, and the Pennsylvania State University in medicine, dentistry, law and other post graduate programs. In the course of the five year plan about 200 students will receive awards totaling \$1,686,000.

In addition to their regularly appropriated funds, the Community Colleges in 1986-87 will continue expenditure of the more than \$12 million made available to them for vocational/technical equipment from the Pennsylvania Economic Revitalization Fund.

Higher Education (continued)

Program Analysis: (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 2,497	\$ 2,510	\$ 2,750	\$ 2,901	\$ 2,904	\$ 2,952	\$ 3,217
General State Authority Rentals	3,672	3,679	3,679	3,679	3,679	3,679	3,679
Educational Radio and Television Grants	43	45	53	55	57	59	61
Community Colleges	88,426	102,392	102,392	106,488	110,748	115,178	119,785
Higher Education of the Disadvantaged - State System of Higher Education (SSHE)	5,470	5,689	5,860	6,094	6,338	6,592	6,856
SSHE Disadvantaged Students	250,051	263,803	271,717	284,217	295,585	307,409	319,706
SSHE Deferred Maintenance	200	200	200	200	.....	.....	.....
Desegregation Compliance — Cheyney ..	2,472	1,653	1,656	1,630	.....	.....	.....
SSHE—Advanced Technology							
Curriculum .....	.....	1,568	.....	.....	.....	.....	.....
Higher Education Equipment .....	.....	16,500	.....	.....	.....	.....	.....
Rural Initiatives	50	700	175	175	175	175	175
Chairs of Excellence .....	.....	.....	1,000	1,000	1,000	1,000	1,000
Psychiatric Education	250	650	750	750	750	750	750
Pennsylvania State University	162,700	171,638	178,599	185,740	192,958	200,677	208,704
University of Pittsburgh	89,732	94,656	99,433	103,403	107,351	111,624	116,088
Temple University	98,902	104,193	108,905	113,150	117,363	121,953	126,727
Lincoln University	6,719	7,022	7,447	7,697	6,756	7,027	7,308
State Aided Colleges and Universities ...	51,435	55,796	57,470	59,766	62,156	64,642	67,230
State Aided Institutions	1,756	1,841	1,941	2,009	2,080	2,154	2,232
GENERAL FUND TOTAL	<u>\$ 764,375</u>	<u>\$ 835,467</u>	<u>\$ 848,094</u>	<u>\$ 878,954</u>	<u>\$ 909,900</u>	<u>\$ 945,871</u>	<u>\$ 983,518</u>

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**Higher Education
Program Revision: Excellence in Higher Education**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	<u>.....</u>	<u>.....</u>	<u>\$ 13,950</u>	<u>\$ 14,510</u>	<u>\$ 17,930</u>	<u>\$ 20,006</u>	<u>\$ 21,110</u>

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Part-time students receiving State grants							
Current
Program Revision	27,149	31,220	34,340	36,060	36,060
Part-time students receiving both State and Pell grants							
Current
Program Revision	22,181	25,510	28,060	29,460	29,460
Chairs of Excellence: Endowed Chairs							
Current
Program Revision	2	4	6	8	10
Visiting Professors:							
Current
Program Revision	12	12	12	12	12

Program Analysis:

The Governor's Commission on the Financing of Higher Education was charged to evaluate current methods of funding Pennsylvania's colleges and universities and recommend ways to improve the allocation of existing resources, provide adequate support for those institutions, and to maximize the quality of higher education and student access. The final report from the Commission recommended the following initiatives to produce excellence in higher education.

This Program Revision supports programs in both the Department of Education and the Higher Education Assistance Agency. Its four components are discussed below.

Grants to Part Time Students

The Higher Education Grant Program, based on Act 541 of 1966, limits eligibility for student assistance grants to students enrolled full time. However, an increasing proportion of Pennsylvania students are enrolling on a part time basis. In 1979-80, approximately 22 percent of the undergraduates in Pennsylvania colleges, universities, and business and trade schools were enrolled less than full time;

in the 1985-86 year, about 25 percent of undergraduates are part time and the trend is expected to continue.

Factors causing the increase in part time attendance are believed to include the rising cost of full time attendance and changes in the characteristics of students. In an economy which is dramatically shifting from heavy industry to services and high technology, many older students have returned to the classrooms to pursue new careers. The proportion of women students has increased and many are attending school who must continue to meet with other family, financial, and/or job responsibilities. Many students of all ages who are underemployed are attending school part time while continuing to work to support themselves and their families.

In response to this trend, and increasing its impetus, colleges have developed more flexible schedules and programs. The schools are aware that without the part time student body, their enrollments would be decreasing.

Federal regulations allow the award of College Work Study, Pell Grant, Supplemental Educational Opportunity Grants, and the National Direct Student Loans to part time students; most of these funds are restricted to students who are enrolled at least half time.

Higher Education

Program Revision: Excellence in Higher Education (continued)

Program Analysis: (continued)

The financial assistance needs of part time students are of significance to their ability to enroll in post secondary education and of consequence to institutional enrollments and the development of the State's human resources. The Commission on the Financing of Higher Education discussed this issue and in their recommendations proposed that it be addressed. Accordingly, \$8 million is included in the budget for a grant program for financially needy part time students. Eligibility will be limited to students enrolled at least half time in formal academic and technical programs of at least two years in duration.

Merit Scholarships

The Commission on the Financing of Higher Education has recognized a need to encourage academically excellent high school students to remain in Pennsylvania for their higher education. The Commission's recommendations suggest that a merit scholarship program be established for those students.

In addition to rewarding academic excellence and encouraging enrollment in Pennsylvania institutions, this program will increase the awareness in high school students of the importance of academic achievement.

As the program is envisioned, students who show high achievement of the Preliminary Scholastic Aptitude Test, who do not receive cash awards as National Merit Scholars, and who attend a Pennsylvania college or university, would receive grants which are a proportion of tuition but average about \$1,000 each.

This program will complement the Honors Program scholarships which will begin in 1988 and will include students pursuing higher education in other than Pennsylvania schools.

College Work Study

Funds are recommended to expand the College Work Study program. The matching funds will enable participating colleges and universities to capture the maximum share of Federal dollars for campus based student aid programs,

enable PHEAA to continue its progress in the Off Campus Work Study program which matches Federal funds, and expand the State Work Study program.

The State Work Study program matches students in high technology and economic development jobs with private employers on a fifty-fifty cost sharing basis, an option not available through traditional work study programs. It also permits foundations to provide cost sharing with non-profit employers in special public interest projects.

Chairs of Excellence

This Program Revision provides funds to strengthen the academic and research capabilities of the State-related universities and the State System of Higher Education by giving them additional capability to bring eminent scholars to their campuses.

Private gift support for higher education has increased rapidly across the nation over the past two decades. The climate of economic revitalization in Pennsylvania is expected to make private and corporate support increasingly available for higher education. Because of the national prominence of eminent scholars and the benefit brought to Pennsylvania students by the establishment of chairs, this is an appropriate program in which private citizens and corporations can commit resources to increase excellence in public higher education in Pennsylvania.

The budget includes \$1,000,000 to match private giving. It is anticipated that this appropriation will provide matching funds of \$250,000 each for two endowed chairs with an estimated total cost of \$1 million each and matching of half the cost of 12 one-year visiting professorships.

SSHE Deferred Maintenance

When the State System of Higher Education (SSHE) was established on July 1, 1983, the state of repair of the buildings belonging to the fourteen member universities varied greatly. Many buildings needed major repairs to restore them to full use; some had been closed because they were structurally unsafe, lined with asbestos, or functionally

**Higher Education
Program Revision: Excellence in Higher Education (continued)**

Program Analysis: (continued)

unusable.

Since its inception, the System has taken responsibility for campus maintenance and repair and is funding those needs as they occur from current year funds. For the problems which existed at the time of the System's organization, however, sufficient funds are not available in the current institutional budgets to fully fund the repair costs. Those needs, prioritized in the categories of health and safety

of students and staff, utility repair, roof repair and replacement, and building and grounds integrity, have an estimated cost of \$10 million.

Funding for these projects is to be shared equally by the Commonwealth and the universities; funds were approved in the 1985-86 budget for the first of the two years of the program. This budget includes funds for the final Commonwealth share of \$2,500,000.

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
State System of Higher Education —							
Deferred Maintenance			\$ 2,500				
Chairs of Excellence			1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
GENERAL FUND TOTAL			\$ 3,500	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000

In addition to the amounts shown above, this Program Revision includes funding in the following subcategory in the Higher Education Assistance Agency:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Financial Assistance to Students							
GENERAL FUND							
Grants to Part Time Students			\$ 8,000	\$ 9,600	\$ 11,520	\$ 12,096	\$ 12,700
Merit Scholarships			1,000	2,000	3,000	4,000	4,000
Matching Funds			1,450	1,910	2,410	2,910	3,410
GENERAL FUND TOTAL			\$ 10,450	\$ 13,510	\$ 16,930	\$ 19,006	\$ 20,110

**Higher Education
Program Revision: Differential Funding
Recommended Program Revision Costs:**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
State Funds	\$ 7,149	.....	.....	.....	.....

Program Analysis:

The Governor's Commission on the Financing of Higher Education found that Commonwealth funding of higher education institutions has, in recent history, been characterized by incremental funding. That is, each institution received the same incremental increase without respect to need or productivity. The commission recommended that the incremental funding system be replaced by a system based on data collected for that purpose and on the benefits to the Commonwealth provided by a particular institution or program. Differential funding also was envisioned as adjusting funding levels for new initiatives and special projects. However, existing funding levels were viewed as a base level which differential funding would not affect.

The Department of Education is establishing a sophisticated management information system of data which is to be collected from each state-funded institution and will be descriptive of the institution's finances and programs; that data will not be available for the 1986-87 budget year. In the absence of the data the budget provides for a three percent increase in each appropriation for which an increase is necessary. Annual increases in funding are generally necessary and differential funding will be distributed among the institutions based on data generated through the forthcoming higher education information system and Commonwealth priorities.

Another component of differential funding which is to be funded this year is special programs related to educational and economic development of the Commonwealth. These programs appear in the public universities of the State System of Higher Education and State-related Universities. Each program reflects the strengths of the individual institution and the need of the Commonwealth for research and education in the area.

The programs to be funded are:

State System of Higher Education,

Advanced Technology Curriculum Initiatives \$1,568,000

For technology programs in the State System including the electrical engineering technology project at California University which will enhance the economic development of the Mon Valley.

Pennsylvania State University

Agricultural Science, Technology, and Research \$1,818,000

This project will supplement research efforts, especially in molecular biology, through researchers skilled in biological, agricultural, and engineering methods; and through dissemination of information about new technology to assist the agricultural industry.

University of Pittsburgh

Biotechnology/Neuroscience \$1,944,000

To establish a center of excellence in biotechnology and neuroscience research and training. The center will build on existing expertise in nuclear magnetic resonance, neural development, biomechanics, and cancer research.

Temple University

Engineering and Computational Science... \$1,568,000

For the development of new degree and training programs in computer-assisted design and manufacture and for the super computer center.

Lincoln University

Support for Special Programs \$ 251,000

This project will enhance higher education of urban residents of Pennsylvania and establish new training programs that prepare criminal justice students and urban affairs and management students to address urban needs.

Another important component of the Commission's proposals for funding higher education was the recommendation of contracting for services for economic, cultural, and educational development in the Commonwealth. As envisioned by the commission, those contracts will be with private institutions, including those now called the State-aided colleges and universities, for services in special areas

**Higher Education
Program Revision: Differential Funding (continued)**

Program Analysis: (continued)

such as health care, veterinary science, special research, and the arts. Funding for the contracting portion of the commission's recommendation will be under discussion in the new fiscal year for possible funding in future years.

Differential funding is a new concept for Pennsylvania and as such will be a dynamic process of changes rather than one change based on an established framework. The commission provided only very general guidelines for these

changes and they will be developed over the years in cooperation with the Department of Education and in close consultation with the colleges and universities to be affected by these changes. The new appropriations in the budget and the framework for change were established based on meetings with each of the State-related and State-aided colleges and universities and with representatives of the State System of Higher Education.

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
State System of Higher Education: Advanced Technology/Curriculum Initiatives	\$ 1,568	.....	.....	.....	.....
Pennsylvania State University: Agricultural Science, Technology, and Research.....	\$ 1,818	.....	.....	.....	.....
University of Pittsburgh:							
Biotechnology/Neuroscience.....	\$ 1,944	.....	.....	.....	.....
Temple University: Engineering and Computational Science	\$ 1,568	.....	.....	.....	.....
Lincoln University: Special Programs.....	\$ 251	.....	.....	.....	.....
TOTAL	<u>.....</u>	<u>.....</u>	<u>\$ 7,149^a</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>

^aFor future years these funds are included in the Educational and General line items pending their distribution.

**Higher Education
Program Revision: Science and Engineering Equipment**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Other Funds	\$ 75,000	\$ 75,000	.....	.....	.....

Program Analysis:

As part of the program to enhance basic and higher education in the Commonwealth and in response to the demonstrated need for science and technology equipment in every segment of the educational system this budget proposes a major, one-time, project to provide for those needs.

Funds from the sale of liquor licenses, as discussed in other section of this document, are expected to make available substantial one-time income which would be dedicated to this project. The \$150 million for education would be available over the next two years. The program would be administered by the Department of Education.

The distribution will include funds for computer and science laboratory equipment in public elementary and secondary schools, capital equipment for advanced technology instruction in area vocational technical schools and community colleges, computer facilities and scientific equipment at each university of the State System of Higher Education and science and engineering equipment for other colleges and universities. The two-year plan is as follows:

	1986-87	1987-88
Elementary and Secondary Schools.....	\$ 5,000	\$ 5,000
Area Vocational Technical Schools.....	15,000	15,000
Community Colleges	15,000	15,000
State System of Higher Education	15,000	15,000
Science and Engineering Universities ...	25,000	25,000
Total	\$75,000	\$75,000

In addition to the \$150 million dedicated to educational equipment, up to \$10 million will be available for a guaranteed loan program for former State store employes. Any individual or group of individuals displaced from State employment by the transition who wants to acquire a private retail wine or liquor license would be eligible to apply for a loan guarantee of up to 70 percent of the amount borrowed to purchase the license and to acquire stock and equip the store.

Program Revision Cost by Appropriation

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
OTHER FUNDS							
Liquor License Revenues	\$ 75,000	\$ 75,000	.....	.....	.....

Highway Safety Education

OBJECTIVE: To minimize traffic accidents through the promotion of highway safety programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	\$ 2,228	\$ 2,552	\$ 2,598	\$ 2,800	\$ 2,800	\$ 2,900	\$ 3,000
Federal Funds	136	60	25	25	25	25	25
TOTAL	\$ 2,364	\$ 2,612	\$ 2,623	\$ 2,825	\$ 2,825	\$ 2,925	\$ 3,025

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Eligible pupils	164,790	164,990	163,475	155,020	144,395	136,650	133,805
Enrollments in school driving courses	102,913	105,000	106,000	106,000	110,000	110,000	110,000
Classroom instruction enrollment	97,687	98,000	99,500	99,500	100,000	102,000	102,000
Practice driving enrollments	66,419	66,500	67,000	67,000	68,000	69,000	70,000
Police trained in DUI enforcement	530	575	650	650	650	650	650
Driver education instructors certified	1,200	1,200	1,150	1,100	1,100	1,000	1,000
Driver education courses certified	462	470	470	470	470	470	470

Program Analysis:

This program subsidizes school districts for driver education programs which are intended to teach high school students driving technique, motor vehicle law and highway safety. School districts which participate in the program are reimbursed \$35 per student. This \$35 has not been increased since 1965 to keep up with the increased cost of instructor salaries, fuel, insurance premiums, and rental fees for the driver education cars. Therefore, an increasing number of school districts are dropping the driver education course from their curriculum or charging a fee for participation. In the 1984-85 school year 461 districts of 501 received reimbursement. Of the remaining 40 districts, seven negated their eligibility by charging their students an instruction fee, others did not offer an approved program and some offered no program.

There have been numerous studies conducted by various insurance companies that indicate, at least to the satisfaction of the sponsoring insurance company, that students taking driver education courses tend to have fewer and less costly accidents than students not taking the courses. These findings

promote the most frequently cited benefit of this program which is special insurance rates for participants.

The Commonwealth also provides through the Department of Education instruction in the skills of detection, apprehension, testing, and prosecution of persons operating motor vehicles under the influence of alcohol or drugs and the maintenance and repair of chemical test equipment. These courses are open to all municipal police officers throughout the Commonwealth. Two courses are offered to police officers, one involves teaching officers to recognize and process drunken drivers while the other involves instruction in the maintenance of equipment used in chemical testing for intoxication.

The measure, police trained in DUI enforcement, is lower than was previously estimated but is still generally higher than previous years. A possible reason for the decrease is that police forces are finding that they only need one or two people trained to effectively administer an enforcement program.

Highway Safety Education (continued)

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
MOTOR LICENSE FUND							
Safe Driving Course.....	<u>\$ 2,228</u>	<u>\$ 2,552</u>	<u>\$ 2,598</u>	<u>\$ 2,800</u>	<u>\$ 2,800</u>	<u>\$ 2,900</u>	<u>\$ 3,000</u>

Adult Employment Training Service

OBJECTIVE: To improve the employment capabilities of those persons in the Commonwealth who are unemployed or underemployed.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 16,179	\$ 23,435	\$ 27,935	\$ 28,935	\$ 29,935	\$ 30,935	\$ 31,935
Federal Funds	7,542	7,624	9,718	8,968	8,968	8,968	8,968
TOTAL	\$ 23,721	\$ 31,059	\$ 37,653	\$ 37,903	\$ 38,903	\$ 39,903	\$ 40,903

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Adult extension enrollment	71,000	70,000	69,500	69,000	69,000	69,000	69,000
Providers prepared to offer economic development training programs	261	265	269	273	275	275	275
Trainees enrolled in economic development training programs	18,708	23,650	24,500	25,500	26,600	27,700	27,700
Trainees completing instruction during the year	9,541	12,150	12,800	13,500	14,300	15,100	15,100
Trainees placed in jobs after completing instruction	4,701	6,390	6,800	7,300	7,800	8,300	8,300

Program Analysis:

This program's main emphasis is to provide training to adults to help them secure employment or should they currently have a job, to provide advanced training to help them improve their employment situation.

A main component of this effort is the Customized Job Training program. By supplying firms with workers specifically trained for the jobs that are available, this program plays an important role in fostering economic development. In addition, training is also provided to present employees to enable them to use new technologies and equipment. During the 1984-85 fiscal year, 45 educational agencies provided training to employees at 108 firms.

Customized Job Training is a part of the Economic Development Program Revision Request which is detailed in the appendix to the Industrial Development subcategory in the Department of Commerce.

This program also contains a career support aspect designed to satisfy workers' needs for job acquisition, job maintenance and career transition. Job acquisition efforts are naturally targeted to the unemployed while job maintenance is designed to prevent unemployment by pro-

viding technical updating and retraining to employees. Career transition services will be provided by various post secondary institutions and will offer unemployed people courses in pre-employment and job search skills to enable them to enter careers where there is a projected demand for workers.

The Federal Comprehensive Employment and Training Act expired September 30, 1982 and was replaced by the Job Training Partnership Act of October 1982 which took effect October 1983.

Under the Job Training Partnership Act, State government, local government and the private sector must work cooperatively in the development, planning and implementation of programs. Eight percent of the funds under Title II-A of the Act are earmarked for the involvement of the education community in providing vocational skills training, counseling and remedial services to participants under the act with the matching funds provided from State and local sources. Up to 20 percent of the education funds can be used for coordination and linkage activities between education institutions and entities responsible for the local

Adult Employment Training Service (continued)

Program Analysis: (continued)

administration of employment and training services.

Previously the measure "Adult extension enrollment" included participants in the Customized Job Training program

but these individuals are now reflected in the measure "Trainees enrolled in economic development training programs". This accounts for the revisions in those measures.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Vocational Education	\$ 5,196	\$ 6,335	\$ 6,335	\$ 6,335	\$ 6,335	\$ 6,335	\$ 6,335
Customized Job Training	7,000	12,000	15,000	16,000	17,000	18,000	19,000
JTPA Matching Funds	3,983	5,100	6,600	6,600	6,600	6,600	6,600
GENERAL FUND TOTAL	\$ 16,179	\$ 23,435	\$ 27,935	\$ 28,935	\$ 29,935	\$ 30,935	\$ 31,935

State Library Services

OBJECTIVE: To provide and improve library services to citizens of the Commonwealth, to special libraries and to agencies and employes of government.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 21,037	\$ 22,675	\$ 26,110	\$ 27,558	\$ 29,044	\$ 30,570	\$ 32,137
Federal Funds	3,315	1,133	1,030	1,030	1,030	1,030	1,030
Other Funds	3,959	3,528	5,382	5,382	5,382	5,382	5,382
TOTAL	\$ 28,311	\$ 27,336	\$ 32,552	\$ 33,970	\$ 35,456	\$ 36,982	\$ 38,549

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Percentage of State population served by State-aided libraries	96.5%	97%	97.5%	98%	98%	98.3%	98.5%
Items lent (in thousands).....	40,708	41,880	42,068	42,800	43,200	43,765	44,495
Libraries receiving State aid	569	573	575	577	579	581	583
Titles in State library collection listed in machine readable catalog data base	279,000	425,000	578,000	606,000	634,000	662,000	690,000
Reference questions handled by State library staff	67,570	73,000	74,000	74,000	74,000	74,000	74,000
Interlibrary loan requests handled by State library staff	19,307	21,000	25,000	26,000	27,000	28,000	29,000

Program Analysis:

The State Library is the agency of the Commonwealth charged with developing, improving and coordinating library services and systems in the State. The many functions of the State Library are undergoing major changes as computer related processes are applied to their operation. Both microfiche and on-line data bases are affecting the way the library operates. Their use is giving the staff of the library an expanded function as they move away from manual card catalog and reference searches to a readily available data base. That enhanced functioning will modernize the State Library's several collections and those of the many public and school libraries which are following this course.

The library in the Forum Building in Harrisburg is the major research library serving Commonwealth government as well as a major resource library serving all residents of the Commonwealth through local libraries and directly to individuals who visit the library. Its strengths include an extensive general and legal reference collection, and comprehensive collections of Pennsylvania newspapers, Pennsylvania State Government publications, and U.S. government publications. Computer search services provide

reference and research assistance to State Government personnel: DIALOG and MEDLINE provide access to more than 250 data bases in government, science, business, statistics, education, health and other fields of concern to the State Government, and enable library staff to identify documents, journal articles and technical reports appropriate to a user's specific needs. LEXIS enables staff to conduct a full text search in order to provide answers to detailed legal questions. The Library recently introduced a computer-output-microfiche (COM) catalog listing most materials acquired since 1974 to facilitate use of the total collection. The COM catalog has been distributed to other State agency libraries in Harrisburg and to key public and academic libraries throughout the Commonwealth to make the library's resources more readily accessible to users statewide.

The State Library has in the past three years increased its focus on its role as a resource to the State government complex in Harrisburg. Monthly orientation for State government staff and the microfiche catalog have increased use of the library and, as reflected in the measure, have greatly increased the use of the library's reference services.

State Library Services (continued)

Program Analysis: (continued)

In the spring of 1986, the Library will begin to use a computer program to search its catalog, handle all borrower transactions, and check in current issues of its 4,100 periodical subscriptions. State agency offices with terminals linked to the Department of Education computer will have direct access to the Library catalog for determining library holdings and availability.

During 1985-86 the library is converting its main card catalog into an integrated and computer readable format which will make searches more efficient. The catalog is the central focus of data development and interchange both within the library and among other libraries. It provides the mechanics for using the library, monitoring circulation and acquisitions, and interlibrary loan. The online catalog will improve and increase access to the library's collections and expedite elimination of the card catalog which is a labor intensive and costly operation. The measure of titles listed in the machine readable catalog data base reflects the impact of the online catalog initiative and shows the progress expected over the next several years toward completion of the project.

A productivity improvement initiative for the State Library is funded to provide for security and circulation control for the law library. The purchase of security equipment and contracted services to catalog holdings into the secure system will result in greater access to the collection for individuals and other libraries and fewer losses from the collection. Productivity Improvement Initiatives for all agencies are summarized in Volume I.

The school library function provides the necessary organizational structure to make the connection between those who have information resources and those who need them in the school community. One component provides field advisory services and activities related to planning and administering school library media programs and leadership for school library media specialists throughout the State as they fulfill their roles as teachers and librarians in the dissemination of educational information. Technical support and services are also provided to assist educators in utilizing microcomputers and instructional television as an integral part of the K-12 curriculum.

The Resource Center provides information and resources on educational problems and concerns to school districts, intermediate units and Department of Education staff through the use of automated information retrieval systems. By the spring of 1986, the records of the Resource Center holdings will be converted into machine-readable format and will be available on-line. This will enable staff to respond to information requests from the field in a more cost-effective and timely manner.

The library development function coordinates a statewide system of public libraries, administers a program of State-aid to public libraries and promotes sharing of library

resources through a variety of cooperative programs affecting libraries statewide. Pennsylvanians are served by 476 public libraries located throughout the State; these 476 public libraries include approximately 639 outlets, including branches and reading rooms in such places as Philadelphia (one library with 50 branches), Pittsburgh (one library with 18 branches, and Bucks County (one library with five branches). In addition to branches and reading rooms, the city and county libraries operate approximately 35 bookmobiles, serving several hundred places in the State by periodic visits of one or more hours duration on cycles ranging from one week to one month.

Pennsylvania's public libraries serve their communities in many ways beyond the traditional roles of providing materials for reading and study.

Public libraries throughout the Commonwealth are using technology services to provide speedy access to information. More and more libraries, such as Allentown, are converting to computerized on-line catalogs that are easier to use than the traditional card catalog. Electronic mail and telefacsimile speed the transmission of information from one library to another.

Libraries offer special service to different groups. Dauphin County, New Hope, Pittsburgh and Philadelphia and many other libraries have programs to serve the information needs of local businesses. Bethlehem provides services and reading material to its Spanish-speaking population while New Castle and Aliquippa have special programs and collections for unemployed job seekers. In these and other kinds of programs, the statewide library system extends standard and innovative services to a broad spectrum of the citizenry of the Commonwealth.

Funding for the programs and the scope of their service to the Commonwealth are greatly enhanced by the Access Pennsylvania program revision which is discussed in greater detail following this section. It began in 1985-86 with increased equalization aid to meet the needs of libraries in low income areas and for the new fiscal year includes \$400,000 to begin converting high school library catalogs to machine readable form and encourage the sharing of those catalogs, and \$2,000,000 for the statewide library card and the interlibrary loan support programs.

Library services to the handicapped are provided by specially designated Regional Libraries for the Blind and Physically Handicapped, operated by the public libraries of Pittsburgh and Philadelphia. These libraries maintain computerized selection and circulation systems in order to provide users of records, braille and large-type materials their books and periodicals more rapidly and without duplicating previously-read materials. The Regional Libraries work closely with local public libraries and other agencies in identifying and providing service to persons with visual or physical handicaps which prevent their using conventional printed material.

State Library Services (continued)

Program Analysis: (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
State Library	\$ 2,526	\$ 2,721	\$ 2,661	\$ 2,767	\$ 2,878	\$ 2,993	\$ 3,113
Improvement of Library Services	16,979	18,350	19,500	20,280	21,091	21,935	22,812
Library Access .....	.....	.....	2,000	2,500	3,000	3,500	4,000
School Library Catalogs .....	.....	.....	400	400	400	400	400
Library Services for the Blind and Handicapped	1,432	1,504	1,549	1,611	1,675	1,742	1,812
College of Physicians	100	100	.....	.....	.....	.....	.....
TOTAL	<u>\$ 21,037</u>	<u>\$ 22,675</u>	<u>\$ 26,110</u>	<u>\$ 27,558</u>	<u>\$ 29,044</u>	<u>\$ 30,570</u>	<u>\$ 32,137</u>

**State Library Services
Program Revision: Access Pennsylvania**

Recommended Program Revision Costs:

	1984-85	1985-86	(Dollar Amounts in Thousands)				
			1986-87	1987-88	1988-89	1989-90	1990-91
State Funds			\$ 2,936	\$ 3,458	\$ 3,980	\$ 4,503	\$ 5,027
Federal Funds			900	900	900	900	900
TOTAL			\$ 3,836	\$ 4,358	\$ 4,880	\$ 5,403	\$ 5,927

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Materials circulated by public libraries (in thousands)							
Current	40,000	40,000	40,000	40,100	40,200	40,300	40,400
Program Revision			42,000	42,500	43,000	43,500	44,000
Books loaned among libraries (in thousands)							
Current	500	500	500	500	350	350	350
Program Revision			520	540	560	580	600
High school library catalogs in machine readable form							
Current	3	4	4	5	6	7	8
Program Revision		12	116	266	466	716	1,016

Program Analysis:

Access Pennsylvania, An Agenda for Knowledge and Information through Libraries, was announced by Governor Thornburgh on September 4, 1984 and initiated in 1985. The program is the result of the Library Planning Council report "Comprehensive Plan for Libraries in Pennsylvania: Recommendations for Improved Access to Library Resources" which was developed in response to the Governor's charge to the Council to develop a comprehensive plan listing current resources and needs of libraries throughout the state and to identify ways to help libraries provide more efficient service to their communities.

Access Pennsylvania will assure that all Pennsylvanians, regardless of where they live, can get the books, articles, films or tapes they need from any library. The programs of Access Pennsylvania fall into three key areas:

- Development of a statewide library card system that will allow all Pennsylvanians to use any publicly-supported library and expansion of the interlibrary loan system.
- Development of machine readable catalogs for school libraries in order to integrate schools into a statewide interlibrary loan network.

— Revision of the equalization aid component of the State Aid to Public Libraries to assist libraries in economically distressed communities.

InterLibrary Loan

More than \$250 million is spent annually on libraries in Pennsylvania. This is money from local communities, school districts, and state and federal governments to support our public, school, college and university libraries. Yet with the explosion of information (727,000 book titles were published in 1980), no library can purchase everything published. Access Pennsylvania is designed to make the resources available in Pennsylvania's 4,000 libraries to residents across the state.

Currently Pennsylvania's public libraries loan one book each second or about 40 million books to Pennsylvania's more than 4 million registered borrowers. Access Pennsylvania will allow an individual to borrow a book from any publicly supported library in the state.

By expanding the use of technology in libraries, people will be able to get the material they need, regardless of their location. A system of computers and telefacsimile machines

**State Library Services
Program Revision: Access Pennsylvania (continued)**

Program Analysis: (continued)

will be used to provide copies of patents to inventors, current technology to manufacturers and census data for market analysis to business people. In addition, it is anticipated that over 500,000 books will be loaned through interlibrary loan in 1986-87. Compensation for the cost of loaning books to other institutions will assure the availability of materials throughout the state.

A pilot project has been established in 20 counties in 1985-86 to provide experience in the statewide library card system. The preliminary reactions of State and local library staff involved in those projects have been quite favorable.

School Libraries

School libraries will be assisted in using technology to enhance access to their own collections and to the collections of others. By helping school libraries use computers to catalog their collections according to standard formats and to join computer-based library networks, it can assured that library books, films and tapes are more readily available

to all who need them. Information about their holdings can be shared online with other libraries in the school district or intermediate unit, other school districts, and with public and academic libraries when appropriate. As school libraries more effectively join in resource sharing, they can become a conduit for students to the world of books and information in their school library, in the school district, the intermediate unit, or the many libraries in the community and the state.

A pilot project is providing experience in this conversion in several school districts in 1985-86; the proposed funding will expand the program to 104 new libraries in 1986-87.

Equalization Aid

Act 50 of 1985 amended the Library Code to provide for equalization aid to the libraries in economically distressed areas; funding was provided for the aid in the Improvement of Library Services subsidy appropriation for 1986-86.

Program Revision Cost by Appropriation

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Improvement of Library Services	\$ 536	\$ 558	\$ 580	\$ 603	\$ 627
Library Access	2,000	2,500	3,000	3,500	4,000
School Library	400	400	400	400	400
GENERAL FUND TOTAL	\$ 2,936	\$ 3,458	\$ 3,980	\$ 4,503	\$ 5,027

Emergency Management Agency

The Pennsylvania Emergency Management Agency develops and maintains a comprehensive plan and program for the civil defense of the Commonwealth. Primarily, the plan calls for the protection of life and property both under enemy attack and in the event of natural disasters and man-made disasters. The agency also provides loans to volunteer fire, ambulance and rescue companies, and coordinates State fire services.

EMERGENCY MANAGEMENT AGENCY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 1,675	\$ 1,692	\$ 1,585
Office of Fire Safety	728	861	864
Subtotal	<u>\$ 2,403</u>	<u>\$ 2,553</u>	<u>\$ 2,449</u>
Grants and Subsidies			
Emergency Grid Pilot Program	\$ 50	.....	.....
Emergency Grid Pilot .....	.....	\$ 35	.....
August Flood—Disaster Relief	\$ 2,500	.....	.....
Forrest County—Disaster Relief .....	.....	35	.....
Emergency and Disaster Relief—Tornadoes (1985)	2,000	.....	.....
Emergency and Disaster Relief (1985)—Tornadoes and November Flood .....	.....	2,950	.....
Hurricane Gloria—September 1985 .....	.....	2,000	.....
Disaster Relief — Flood (November, 1985) .....	.....	2,400	.....
Transfer to Volunteer Companies Loan Fund .....	.....	10,000	.....
Subtotal	<u>\$ 4,550</u>	<u>\$ 17,420</u>	<u>.....</u>
TOTAL STATE FUNDS	<u>\$ 6,953</u>	<u>\$ 19,973</u>	<u>\$ 2,449</u>
Federal Funds	\$ 1,922	\$ 5,303	\$ 2,794
Augmentations	626	100	100
GENERAL FUND SUBTOTAL	<u>\$ 9,501</u>	<u>\$ 25,376</u>	<u>\$ 5,343</u>
Other Funds	\$ 5,071	\$ 6,332	\$ 2,550
TOTAL ALL FUNDS	<u>\$ 14,572</u>	<u>\$ 31,708</u>	<u>\$ 7,893</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 1,675	\$ 1,692	\$ 1,585
Federal Funds	1,922	5,293	2,784
Augmentations	626	100	100
TOTAL	<u>\$ 4,223</u>	<u>\$ 7,085</u>	<u>\$ 4,469</u>

Provides essential services and facilities during periods of emergency. Coordinates State, county and local activities associated with emergency services. Coordinates Pennsylvania's civil defense operations with those of other states through the Federal Emergency Management Program.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
General Government Operations	\$ 1,675	\$ 1,692	\$ 1,585
Federal Funds:			
Civil Preparedness Reimbursements	1,885	3,078	2,584
Flash Flood Project — Warning System	37	415	200
Flood — November, 1985 .....	.....	1,800	.....
Augmentation:			
Reimbursements — Nuclear Facility	626	100	100
TOTAL	<u>\$ 4,223</u>	<u>\$ 7,085</u>	<u>\$ 4,469</u>

GENERAL FUND

EMERGENCY MANAGEMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Fire Prevention and Safety			
State Funds	\$ 728	\$ 861	\$ 864
Federal Funds .....	.....	10	10
TOTAL	<u>\$ 728</u>	<u>\$ 871</u>	<u>\$ 874</u>

Provides for the administration and operation of the Volunteer Loan Company Program which provides low interest loans to rescue and fire companies and units; the administration and operation of the Lewistown Fire School which provides training classes to professional as well as volunteer fire and ambulance personnel; and operating funds for the Fire Commissioner to coordinate and organize all fire functions.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Office of Fire Safety	\$ 728	\$ 861	\$ 864
Federal Funds:			
Fire Prevention .....	.....	10	10
TOTAL	<u>\$ 728</u>	<u>\$ 871</u>	<u>\$ 874</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Fire Prevention and Safety			
State Funds	\$ 10,000	.....

Provides funds to the Volunteer Companies Loan Fund for low interest loans to rescue and fire companies and units.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Transfer to Volunteer Companies Loan Fund	<u>.....</u>	<u>\$ 10,000</u>	<u>.....</u>

GENERAL FUND

EMERGENCY MANAGEMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Disaster Relief Program			
State Funds	\$ 4,550	\$ 7,420	.....

Provides financial assistance to localities in Pennsylvania for storm and flood damage.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Emergency Grid Pilot Program	\$ 50	.....	.....
Emergency Grid Pilot .....	.....	\$ 35	.....
August Flood — Disaster Relief	2,500	.....	.....
Forrest County — Disaster Relief .....	.....	35	.....
Emergency and Disaster Relief — Tornadoes (1985)	2,000	.....	.....
Emergency and Disaster Relief (1985) — Tornadoes and November Flood* .....	.....	2,950	.....
Hurricane Gloria — September, 1985 .....	.....	2,000	.....
Disaster Relief — Flood (November, 1985) .....	.....	2,400	.....
TOTAL	<u>\$ 4,550</u>	<u>\$ 7,420</u>	<u>.....</u>

*Recommended language change.

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
Disaster Relief Assistance	\$ 333	\$ 850	\$ 100
Receipts from Federal Government—Contributions for Civil Defense	177	482	250
Emergency Management and Disaster Assistance	4,561	5,000	2,200
TOTAL	<u>\$ 5,071</u>	<u>\$ 6,332</u>	<u>\$ 2,550</u>

EMERGENCY MANAGEMENT AGENCY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Emergency Services	\$ 6,953	\$ 19,973	\$ 2,449	\$ 2,547	\$ 2,649	\$ 2,755	\$ 2,865
Emergency Management	6,225	9,112	1,585	1,648	1,714	1,783	1,854
Fire Prevention and Safety	728	10,861	864	899	935	972	1,011
DEPARTMENT TOTAL	<u>\$ 6,953</u>	<u>\$ 19,973</u>	<u>\$ 2,449</u>	<u>\$ 2,547</u>	<u>\$ 2,649</u>	<u>\$ 2,755</u>	<u>\$ 2,865</u>

Emergency Management

OBJECTIVE: To develop and maintain a statewide emergency force capable of immediate and effective action in event of natural disasters and rapid expansion to effectively cope with nuclear disasters.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 6,225	\$ 9,112	\$ 1,585	\$ 1,648	\$ 1,714	\$ 1,783	\$ 1,854
Federal Funds	1,922	5,293	2,784	2,762	2,842	2,924	3,009
Other Funds	5,697	6,432	2,650	1,750	1,750	1,750	1,750
TOTAL	\$ 13,844	\$ 20,837	\$ 7,019	\$ 6,160	\$ 6,306	\$ 6,457	\$ 6,613

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Counties having an approved emergency management program	67	67	67	67	67	67	67

Program Analysis:

This program has seen unusual activity in the last few months, as the Commonwealth and the Pennsylvania Emergency Management Agency (PEMA) has reacted swiftly to a series of natural disasters affecting its citizens. First the tornadoes of May 31-June 1, then Hurricane Gloria in late September and finally the November flood required swift emergency action and significant State funding. To date \$2.4 million in State funds from PEMA and \$2.6 million from other State agencies has been provided to alleviate the damage caused by the tornadoes, \$2 million provided to assist in recovery from Gloria and \$2.4 million provided to assist those affected by the November floods. Large numbers of Federal, State, and local manpower have been marshalled into the affected areas. For the November flood, an estimated \$20 million in Federal funds will be available; an additional \$2.5 million in State funds are also recommended for supplemental assistance to disaster victims.

Since its creation in 1951, PEMA has conducted a basic and continuing organization and training program designed to develop and maintain a State-wide emergency force composed of State, county and local units jointly capable of: (a) prompt and effective action aimed at the protection of life and property and the alleviation of human suffering and hardship resulting from natural and man-made disasters; and (b) rapid organizational expansion required for civil defense.

The Commonwealth's civil preparedness and response capability in the event of emergencies is provided through the maintenance of a State-wide assessment, planning, warn-

ing, training and education, communications and radiation-monitoring network and the nucleus of an organization to facilitate employment of resources to protect life and property. Federal, State, county and local emergency management activities and training are coordinated through this program.

Counties are required to have an approved emergency management program consisting of: (1) a statement of accomplishments; (2) required financial needs; (3) hazard vulnerability; and (4) goals indicating projected activity. The Federal Emergency Management Agency (FEMA) now requires an annual review and update of these plans. All 67 counties now have approved emergency management programs.

The Federal Government provides matching funds for a portion of the cost of PEMA's operations as long as PEMA meets Federal requirements.

The relative degree of emphasis placed on various aspects of the basic PEMA program has been and will continue to be shifted, as warranted, by changing conditions. For example, during past years major emphasis has been moved from basic measures (fallout shelters, radiological defense, etc.) to natural and other than war-time disaster preparations. The necessity for this was demonstrated by the catastrophic floods of the seventies and the Three Mile Island Nuclear Facility incident of 1979.

One particular area of increasing emphasis is that of readiness training, as measured through a comprehensive exercise program. With the development of a much more

Emergency Management (continued)

Program Analysis: (continued)

extensive and integrated program of training, exercises and tests, resulting both from specific Federal requirements and PEMA's own determination of the necessity for capability building within all of the counties of the Commonwealth, the agency's practical focus on preparedness has been greatly strengthened at relatively low cost. This effort is directed at the ability of the county and local levels to provide a comprehensive and coordinated first line response to emergency conditions.

PEMA is also continuing its implementation of a Statewide communication capability, consisting of a dedicated emergency management radio system for use by State and local emergency management agencies during emergency situations. The first phase, using both State and Federal funding, provided for radio communications between the State emergency operations center, State/area emergency operations centers and 54 of 67 county emergency operation centers.

In 1986-87, with anticipated Federal funding, it is expected that radio communications will be extended to and from all 67 counties. It is also intended to maximize mobile communications within the Commonwealth. Other action during 1986-87 will permit VHF interface, purchase and installa-

tion of emergency generator systems and station security systems.

Long-term objectives of the program include the future interface with a State-owned backbone microwave system, protection of established radio sites from atmospheric interference, completion of radio/mobile coverage for the entire Commonwealth, and the reduction of system cost through shared usage.

Fiscal year 1986-87 marks the third year of implementation of a multi-year Federal program titled "Integrated Emergency Management System (IEMS)" at all levels of government nationwide. The concept of this program is to consolidate the development of required response plans which have common and unique capabilities across the full spectrum of hazards, rather than focusing on the requirements of specific hazards. Although this program initiative is relatively new at the Federal level, it is the concept the Commonwealth has followed for many years. This recognition by the Federal government of an all hazards approach has lifted the restriction on the use of Federal funding specifically earmarked for enemy attack response planning and has provided for more Federal funds for other disaster programs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 1,675	\$ 1,692	\$ 1,585	\$ 1,648	\$ 1,714	\$ 1,783	\$ 1,854
Emergency Grid Pilot Program	50	.....	.....	.....	.....	.....	.....
Emergency Grid Pilot .....	.....	35	.....	.....	.....	.....	.....
August Flood — Disaster Relief	2,500	.....	.....	.....	.....	.....	.....
Forrest County — Disaster Relief .....	.....	35	.....	.....	.....	.....	.....
Emergency and Disaster Relief — Tor- nadoes (1985)	2,000	.....	.....	.....	.....	.....	.....
Emergency and Disaster Relief (1985) — Tornadoes and November Flood .....	.....	2,950	.....	.....	.....	.....	.....
Hurricane Gloria — September, 1985 ...	.....	2,000	.....	.....	.....	.....	.....
Disaster Relief — Flood (November, 1985) .....	.....	2,400	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 6,225	\$ 9,112	\$ 1,585	\$ 1,648	\$ 1,714	\$ 1,783	\$ 1,854

Fire Prevention and Safety

OBJECTIVE: To minimize the loss of life and property due to fire.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 728	\$ 10,861	\$ 864	\$ 899	\$ 935	\$ 972	\$ 1,011
Federal Funds		10	10				
TOTAL	\$ 728	\$ 10,871	\$ 874	\$ 899	\$ 935	\$ 972	\$ 1,011

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Local fire training graduates	20,820	21,000	21,500	22,000	22,500	23,000	23,500
Fire school graduates	1,679	1,500	1,550	1,600	1,650	1,700	1,750
Volunteer loans granted (in thousands)	\$7,785	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000

Program Analysis:

The State Fire Commissioner is responsible for coordinating Federal, State and private fire safety funds in Pennsylvania; assisting State agencies in the development of any plans related to fire safety; reviewing existing or proposed rules and regulations affecting the safety of Commonwealth citizens; and providing a cost-effective fire loss management system for the Commonwealth.

Through its contacts with government agencies, the business community, consumers, and the fire service the Fire Commissioner's Office renders technical assistance, collects, reviews, and disseminates pertinent information about fire death data and fire prevention and control techniques and conducts Statewide fire safety educational programs for the total fire community.

The State Fire Academy at Lewistown is the main fire training delivery mechanism. The school includes a fire training facility which has five floors of 15 different model compartments which simulate apartment and housing units and can be fired and used to train fire fighters in actual interior house fires. A six floor drill tower for training activities is also part of this complex. Special areas include fire pits and steel fuel tanks, outdoor simulation of street areas with hydrants and water supplies. A control building adjacent to this outside training area is equipped with regulatory controls which provide water, fuel and fire intensities to the fire building or pit areas.

The academy provides advanced professional development of fire service officers, command personnel, instructors, and other specialists engaged in fire prevention and suppression activities; acts as educational hub for all other

fire and emergency services training in Pennsylvania; serves the Commonwealth's fire community; and coordinates the activities of the Pennsylvania Fire Service Professional Qualifications Board, which is responsible for administering a voluntary certification program for fire service personnel in the Commonwealth. A new program being undertaken is the voluntary certification of fire service personnel. This program establishes for the first time, minimum standards for firefighters. It is anticipated that quarterly tests will be administered to implement the voluntary certification procedure for Firefighter I. A minimum of thirty evaluators are required to administer the various skills evolutions as required by the National Joint Council of Fire Service Organizations. A minimum goal of 200 certifications per year has been set with the voluntary certification of additional fire service personnel expected to follow.

The academy will graduate over 21,500 local fire personnel in 1986-87. The measure for number of fire school graduates is lower than projected in the preceeding budget. This is attributed to the deterioration of the Burn Building, which resulted in restricting activity in certain areas of the building. This in turn, limited participation in fire suppression classes. Estimates for future years have been reduced to reflect a lower base figure while repairs are being made.

In addition to training provided at the academy, a local outreach program (organized and coordinated by two field supervisors) provides training to local fire personnel annually through both safety, fire prevention/detection, and fire suppression programs.

Another area of assistance to the fire fighting and preven-

Fire Prevention and Safety (continued)

Program Analysis: (continued)

tion community is the fiscal assistance of the Volunteer Company Loan Fund. The purpose of the fund is to improve the capabilities of volunteer fire companies, ambulance services and rescue squads through the provision of low interest loans for the purpose of establishing or modernizing facilities to house fire fighting apparatus, purchasing new apparatus or equipment (protective and communication as well as fire fighting) and purchasing any other accessory equipment. Priority is given to replacement of outmoded or unsafe equipment and provision of additional equipment needed to meet unusual demand. Interest is at two percent per annum for a maximum of ten years. Loans of \$10,000 or less are limited to five years.

There have been three amendments since the enactment of this program. Act 145 of 1978 authorized refinancing of private loans incurred by volunteer agencies between November 4, 1975 and April 30, 1978. It also authorized loans for repair or rehabilitation of apparatus and equipment. Act 65 of 1980 contained the following changes: 1)

authorized the Commonwealth of Pennsylvania to make loans to volunteer agencies for the purpose of purchasing used equipment and vehicles and purchasing utility or special service vehicles; 2) reduced the minimum amount of a loan to \$1,000; 3) permitted a political subdivision to pledge the credit of the political subdivision in the amount necessary to meet the loan requirement; and 4) removed the final date for the refinancing of debt, thereby eliminating the need for periodic amendments to the original Act to extend the refinancing authorization.

Finally, on May 11, 1982, Act 118 was signed into law. This law provides changes in the maximum amounts of eligible funding. In the November 1981 election, the voters approved a referendum establishing a bond issue in the amount of \$15,000,000. Of the \$15,000,000, seven million dollars was made available in July 1982 and eight million in April 1983.

Included in the 1985-86 budget was a \$10 million transfer from the General Fund.

Program Costs by Appropriation:

	1984-85	1985-86	(Dollar Amounts in Thousands)					
			1986-87	1987-88	1988-89	1989-90	1990-91	
GENERAL FUND								
Office of Fire Safety	\$ 728	\$ 861	\$ 864	\$ 899	\$ 935	\$ 972	\$ 1,011	
Transfer to Volunteer Companies Loan Fund		10,000						
GENERAL FUND TOTAL	<u>\$ 728</u>	<u>\$ 10,861</u>	<u>\$ 864</u>	<u>\$ 899</u>	<u>\$ 935</u>	<u>\$ 972</u>	<u>\$ 1,011</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, the State Board for Certification of Sewage Treatment and Waterworks Operators and the Water Facilities Loan Board.

ENVIRONMENTAL RESOURCES

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1986-87 State Funds (in thousands)
General Fund		
Solid Waste Disposal Planning Grants	Resource Recovery and Recycling Expansion	\$ -1,000
Resource Recovery Grants	Resource Recovery and Recycling Expansion	-2,500
	Subtotal	<u>\$ -3,500</u>

This Program Revision will expand the Commonwealth's efforts to oversee the proper disposal of solid waste.

Office of Protection	Abandoned Surface Mine Reclamation Expansion ...	\$ 1,264
Abandoned Surface Mine Reclamation	Abandoned Surface Mine Reclamation Expansion ...	2,000
	Subtotal	<u>\$ 3,264</u>

This Program Revision will expand the reclamation of abandoned surface mines in the Commonwealth.

Pennsylvania Economic Revitalization Fund

Pennsylvania Conservation Corps	Renaissance Communities Program	\$ 3,000 ^a
	DEPARTMENT TOTAL	<u>\$ 2,764</u>

^aThe total Program Revision for Renaissance Communities Program is \$24.9 million. Details are provided in the appendix to the Industrial Development subcategory in the Department of Commerce.

DEPARTMENT OF ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 7,289	\$ 7,300	\$ 7,518
Electronic Data Processing Support	485	900	900
Economic Revitalization Administration	137	155	160
Office of Resources Management	13,000	13,700	14,658
Chesapeake Bay Agricultural Source Abatement	1,000	1,161	1,193
Deep Mine Safety	2,922	2,989	3,022
Office of Protection	31,278	33,133	37,380
Laboratory and Regional Office Equipment .....	.....	.....	1,862
Radon Testing .....	.....	1,000	1,169
Hazardous Waste Control	5,100	7,834	8,735
Canonsburg Remedial Action	1,014	1,207	500
Black Fly Control	581	1,500	2,000
Water Quality Testing Laboratory	277	305	311
State Forestry Operations	11,303	10,134	10,251
Gypsy Moth and Other Insect Control	2,045	2,243	2,282
State Parks	26,829	28,067	28,656
Fabridam .....	.....	800	.....
Subtotal	<u>\$ 103,260</u>	<u>\$ 112,428</u>	<u>\$ 120,597</u>
Grants and Subsidies			
Flood Control Projects	\$ 194	\$ 220	\$ 780
Storm Water Management Grants .....	.....	250	250
Sewage Facilities Planning Grants	500	500	500
Sewage Facilities Enforcement Grants	1,338	1,650	1,650
Sewage Treatment Plant Operations Grants	17,100	18,185	19,000
Solid Waste Disposal Planning Grants	799	1,000	.....
Resource Recovery Grants	2,100	2,500	.....
Delaware River Master	43	47	61
Ohio River Basin Commission	15	16	5
Susquehanna River Basin Commission	230	235	240
Interstate Commission on the Potomac River Basin	21	22	22
Delaware River Basin Commission	669	708	742
Ohio River Valley Water Sanitation Commission	89	90	97
Chesapeake Bay Commission .....	.....	75	75
Small Watershed Projects	100	100	100
Local Soil and Water District Assistants	750	800	950
Interstate Mining Commission	10	10	10
Emergency Mine Subsidence Relief	72	200	.....
Abandoned Surface Mine Reclamation .....	.....	.....	2,000
Annual Fixed Charges — Flood Lands	12	13	13
Annual Fixed Charges — Project 70	9	12	12
Annual Fixed Charges — Forest Lands	1,190	1,194	1,225
Huntingdon Correctional Institution Utilities .....	.....	2,000	.....
Vector Control	499	500	500
Water Supply Project-Beccaria	185	.....	.....
Clearfield County — Water Project .....	.....	400	.....
Hempfield Township — Water Project .....	.....	300	.....
Castle Shannon — Water Project .....	.....	50	.....
Ferguson Township — Water Project .....	.....	50	.....
Hatboro Borough — Water Project .....	.....	350	.....
Catasauqua Borough — Water Project .....	.....	400	.....
Appalachian States Low-Level Waste Compact .....	.....	200	200

DEPARTMENT OF ENVIRONMENTAL RESOURCES

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

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Grants and Subsidies (continued)			
Three Mile Island Clean-Up	\$ 5,000	\$ 5,000	\$ 5,000
Subtotal	<u>\$ 30,925</u>	<u>\$ 37,077</u>	<u>\$ 33,432</u>
TOTAL STATE FUNDS	<u>\$ 134,185</u>	<u>\$ 149,505</u>	<u>\$ 154,029</u>
Federal Funds	\$ 59,838	\$ 149,021	\$ 108,312
Augmentations	12,074	16,944	15,468
GENERAL FUND TOTAL	<u>\$ 206,097</u>	<u>\$ 315,470</u>	<u>\$ 277,809</u>
Other Funds	\$ 21,315	\$ 35,880	\$ 23,580
TOTAL ALL FUNDS	<u>\$ 227,412</u>	<u>\$ 351,350</u>	<u>\$ 301,389</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 7,911	\$ 8,355	\$ 8,578
Federal Funds	2,190	1,739	1,748
Augmentations	422	504	523
TOTAL	\$ 10,523	\$ 10,598	\$ 10,849

Provides for the overall executive direction and administration of the department including personnel, fiscal management, systems management, office services, public information and planning and research. Conducts all legal matters of the department including enforcement actions. Provides for the expenses of the department's boards, councils and commissions.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
General Government Operations	\$ 7,289	\$ 7,300	\$ 7,518
Electronic Data Processing Support	485	900	900
Economic Revitalization Administration	137	155	160
Federal Funds:			
Surface Mine Conservation	1,357	865	872
Environmental Protection Agency — Planning Grant	303	256	271
Construction Management Assistance Grants — Administration	482	518	539
Safe Drinking Water — Administration	48	100	66
Augmentations:			
Reimbursement Payment for Department Services	4		
Reimbursement — Computer Services	33	35	35
Reimbursement — Clean Air Fund	51	54	56
Reimbursement — Solid Waste Abatement Fund	103	109	112
Reimbursement — Clean Water Fund	51	54	56
Reimbursement — Water Facilities Loan Fund	180	252	264
TOTAL	\$ 10,523	\$ 10,598	\$ 10,849

GENERAL FUND

ENVIRONMENTAL RESOURCES

Office of Resources Management	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 14,000	\$ 14,861	\$ 15,851
Federal Funds	28,696	68,510	66,267
Augmentations	147	291	339
TOTAL	\$ 42,843	\$ 83,662	\$ 82,457

Provides for engineering services relevant to all department operations. Also constructs water structure, stream clearance, channel improvements and minor mine reclamation projects. Also provides detailed surveys of the Commonwealth's geologic, mineral and ground-water resources and prepares topographic maps for every area of the Commonwealth.

This program also is responsible for administering efforts to control stormwater run off in order to protect property and control erosion as well as providing for the Commonwealth's involvement in the National Dam Inspection Program. This requires periodic inspections of existing dams and detailed review of the designs of proposed dams. Finally this program controls the drilling and abandonment of oil and gas wells.

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Office of Resources Management	\$ 13,000	\$ 13,700	\$ 14,658
Chesapeake Bay Agricultural Source Abatement	1,000	1,161	1,193
Federal Funds:			
Chesapeake Bay Pollution Abatement	240	2,200	2,200
Coastal Zone Management	474	1,200	1,500
Water Resources Planning Act	69	75	35
National Water Use Data System	21	50	35
Bituminous Demonstration Project		100	101
Surface Mine Conservation	185	267	280
Emergency and Disaster Assistance	12	200	200
Land and Water Conservation Fund	1,731	2,000	1,200
Land and Water Conservation Fund — Jobs Bill	98		
ARC — Abandoned Mine Restoration Research		125	126
Upper Delaware National Scenic River	29	33	20
Abandoned Mine Reclamation	25,468	60,000	60,000
Centralia Mine Fire Recovery		225	150
Topographic and Geologic Survey Grants	29	75	50
Bituminous Coal Resources	80	85	80
Federal Surface Mine Control and Reclamation	241	350	290
State 404 Program Assumption Study	19	120	
Bond Forfeiture Bounty Program		1,405	
Augmentations:			
Agricultural Assessment Program			
Topographic and Geologic Survey — Water Well Drillers Act			
Receipts	39	40	40
Topographic and Geologic Survey — Services Rendered	1	1	1
Reimbursement — Wild Resources Conservation Fund	81	200	225
Payments for Departmental Services	23	50	70
Sale of Vehicles	3		3
TOTAL	\$ 42,843	\$ 83,662	\$ 82,457

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Deep Mine Safety			
State Funds	\$ 2,922	\$ 2,989	\$ 3,022
Federal Funds	612	970	954
TOTAL	<u>\$ 3,534</u>	<u>\$ 3,959</u>	<u>\$ 3,976</u>

Conducts safety inspections of all deep coal mines, cleaning and preparation plants, breakers, washeries and all metal and nonmetallic deep mines. Issues various permits relative to underground coal mining. Develops qualification examinations for the certification of miners, machine runners, shot-fires, and mine officials together with assisting in the development of qualification examinations for the certification of mine inspectors and electricians. Coordinates program to provide for training in mine rescue and first aid. Maintains statistics on all fatal and nonfatal accidents, natural deaths, roof fall accidents and accidents which occur in or around coal mines resulting in serious injuries. Investigates complaints submitted by the general public on hazardous mining conditions caused by deep mining.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Deep Mine Safety	\$ 2,922	\$ 2,989	\$ 3,022
Federal Funds:			
Training and Education of Underground Coal Miners	498	700	687
Surface Mine Control and Reclamation — Deep Mine Safety ..	61	170	160
Office of Surface Mining — Deep Mine Safety	53	100	107
TOTAL	<u>\$ 3,534</u>	<u>\$ 3,959</u>	<u>\$ 3,976</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Office of Protection			
State Funds	\$ 38,250	\$ 44,979	\$ 51,957
Federal Funds	26,249	75,264	37,535
Augmentations	1,997	4,104	2,279
TOTAL	<u>\$ 66,496</u>	<u>\$ 124,347</u>	<u>\$ 91,771</u>

Provides for safeguarding the health and welfare of the Commonwealth's inhabitants by monitoring and evaluating environmental conditions and quickly acting to eliminate environmental hazards which would be detrimental to the health and safety of people.

Includes controlling all aspects of surface mining including the use of explosives, administering a mine subsidence insurance program, regulating the disposal of solid waste, establishing and maintaining air and water quality standards, assisting local governments in financing sewage treatment plants, enforcing sanitary regulations in public places and institutions, and inspecting and licensing users of ionizing radiation sources. Also includes funds from the Preventive Health and Health Services Block Grant for a rat control program.

GENERAL FUND

ENVIRONMENTAL RESOURCES

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Office of Protection	\$ 31,278	\$ 33,133 ^a	\$ 37,380
Laboratory and Regional Office Equipment .....	.....	.....	1,862
Radon Testing .....	.....	1,000	1,169
Hazardous Waste Control	5,100	7,834	8,735
Canonsburg Remedial Action	1,014	1,207	500
Black Fly Control	581	1,500	2,000
Water Quality Testing Laboratory	277	305	311
Federal Funds:			
Surface Mine Control and Reclamation	6,442	8,125	8,495
E.P.A. — Planning Grant — Administration	3,253	3,800	3,400
Water Pollution Control Grants	2,364	3,030	3,030
Surface Mine Control and Reclamation Administration	605	.....	.....
Air Pollution Control Grants	3,647	4,550	4,291
Radiation Regulation and Monitoring	65	118	88
Diagnostic X-Ray Equipment — Testing	27	31	31
Preventive Health and Health Services Block Grant	1,284	1,500	1,500
Preventive Health and Health Services Block Grant — Administration	87	128	128
Uranium Mill Tailings	1,359	19,138	1,350
Water Quality Management Planning	364	830	.....
Flue Gas Desulfurization	19	.....	.....
Surface Mine Control and Reclamation — Laboratories	313	550	471
Rural Clean Water	130	250	297
Construction Management Assistance Grants	3,519	4,250	4,250
Water Quality Outreach Operator Training Grant	20	75	65
Water Quality Management Planning Grants	677	1,039	1,039
Super Fund Projects	504	25,000	6,250
Safe Drinking Water Act	749	2,100	2,100
Small Operators Assistance Program	821	750	750
Augmentations:			
Automobile/Vehicle	2	.....	.....
Clean Air Fund	635	700	508
Clean Water Fund	636	950	750
Payments for Departmental Services	230	116	116
Reimbursement — Sampling Agreement	3	.....	.....
Natural Gas Policy Act Filing Fees	127	150	150
Conservation Well Permit Fees	86	.....	.....
Solid Waste Abatement Fund	220	220	220
Food Site Inspection Services — Department of Education	18	38	38
Philadelphia Strip Mine Reclamation	40	.....	.....
Reimbursement — Well Plugging Account .....	.....	171	360
Black Fly Program .....	.....	137	137
Hazardous Waste Reimbursement — Wade Site .....	.....	1,622	.....
Total	<u>\$ 66,496</u>	<u>\$ 124,347</u>	<u>\$ 91,771</u>

^aAppropriated as: Office of Protection — \$31,068,000; Municipal/Residual Waste — \$599,000; Oil and Gas Regulatory Expansion — \$873,000; Water Quality Expansion — \$265,000; and Groundwater Quality Monitoring — \$328,000.

GENERAL FUND ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
State Forestry Operations			
State Funds	\$ 13,348	\$ 12,377	\$ 12,533
Federal Funds	2,091	2,538	1,808
Augmentations	4,649	6,791	7,012
TOTAL	\$ 20,088	\$ 21,706	\$ 21,353

Manages State forest lands and prevents and controls forest fires on all forested lands throughout the State. Conducts annual programs to protect forest lands from insect damage. Produces tree seedlings for reforestation of idle land and provides technical forest management assistance to owners of forest land.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriations:			
State Forestry Operations	\$ 11,303	\$ 10,134	\$ 10,251
Gypsy Moth and Other Insect Control	2,045	2,243	2,282
Federal Funds:			
Renewable Resources Evaluation	6	25	25
Forest Fire Protection and Control	284	315	315
Forestry Incentives and Agricultural Conservation	30	30	30
Cooperative Forest Insect and Disease Control	580	580	500
Watershed Protection and Flood Prevention — Technical Assistance .....	.....	10	10
Resource Conservation and Development .....	.....	8	8
Forest Management and Processing	122	320	320
Forest Insect and Disease Control	1,069	1,250	600
Augmentations:			
Reimbursement for Services to State Parks	43	100	100
Reimbursement From Counties for Gypsy Moth Spraying	12	350	390
Sale of Forest Products	4,401	6,211	6,392
Reimbursement for Forest Fire Control	95	25	25
Sale of Vehicles	11	.....	.....
Payments for Departmental Services	87	105	105
TOTAL	\$ 20,088	\$ 21,706	\$ 21,353

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Parks			
State Funds	\$ 26,829	\$ 28,867	\$ 28,656
Augmentations	4,859	5,254	5,315
TOTAL	\$ 31,688	\$ 34,121	\$ 33,971

Administers the operation, maintenance and protection of the State Park System. Maintains a comprehensive outdoor recreational program, cooperates with other agencies (Federal, State and local) associated with outdoor recreational development or grants-in-aid and encourages private enterprise to provide related services. Participates in nature interpretation and environmental education activities.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
State Parks	\$ 26,829	\$ 28,067	\$ 28,656
Fabridam .....	.....	800	.....
Augmentations:			
Reimbursement for Sewerage Systems Use	100	95	100
Reimbursement for Use of King's Gap	20	15	20
State Park User Fees	4,418	5,134	5,180
Private Donations	46	10	15
Sale of Vehicles	1	.....	.....
Concessions	1	.....	.....
Prior Year Revenue	273	.....	.....
TOTAL	\$ 31,688	\$ 34,121	\$ 33,971

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Storm Water Control			
State Funds	\$ 194	\$ 470	\$ 1,030

Provides the State's share of the costs of building major flood control structures through Federal, State and local cooperation and also provides funding for rebuilding decaying stream walls. Also provides funds to counties to develop flood warning systems and storm water management plans.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Flood Control Projects	\$ 194	\$ 220	\$ 780
Storm Water Management Grants.....	. . . .	250	250
TOTAL	<u>\$ 194</u>	<u>\$ 470</u>	<u>\$ 1,030</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Sewage Facilities Assistance			
State Funds	\$ 18,938	\$ 20,335	\$ 21,150

Provides grants to municipalities for planning and enforcing sewage facilities programs and provides payments to municipalities, school districts and institutional districts for operation and maintenance of sewage treatment facilities. Also, makes available grants to municipalities for constructing and upgrading sewage treatment facilities.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Sewage Facilities Planning Grants.....	\$ 500	\$ 500	\$ 500
Sewage Facilities Enforcement Grants	1,338	1,650	1,650
Sewage Treatment Plant Operations Grants	17,100	17,955	19,000
Sewage Treatment Plant Operations Grants—Pending Supplemental.....	. . . .	230	. . . .
TOTAL	<u>\$ 18,938</u>	<u>\$ 20,335</u>	<u>\$ 21,150</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Solid Waste — Resource Recovery Assistance			
State Funds	\$ 2,899	\$ 3,500	.....

Provides grants to municipalities for aid in developing plans for solid waste management systems and for construction of resource recovery facilities.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Solid Waste Disposal Planning Grants	\$ 799	\$ 1,000	.....
Resource Recovery Grants	2,100	2,500	.....
TOTAL	<u>\$ 2,899</u>	<u>\$ 3,500</u>	<u>.....</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Interstate Water Compacts			
State Funds	\$ 1,067	\$ 1,193	\$ 1,242

Provides for Pennsylvania's contribution to various interstate compacts designed to oversee development of several water basins. Provides the State's share of the expenses of the Delaware River Master who allocates the water of the Delaware River in accordance with a United States Supreme Court decree.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Delaware River Master	\$ 43	\$ 47	\$ 61
Ohio River Basin Commission	15	16	5
Susquehanna River Basin Commission	230	235	240
Interstate Commission on the Potomac River Basin	21	22	22
Delaware River Basin Commission	669	708	742
Ohio River Valley Water Sanitation Commission	89	90	97
Chesapeake Bay Commission .....	.....	75	75
TOTAL	<u>\$ 1,067</u>	<u>\$ 1,193</u>	<u>\$ 1,242</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Conservation Districts Assistance			
State Funds	\$ 850	\$ 900	\$ 1,050

Offers aid to county conservation districts to enable them to hire full-time executive assistants and to qualify for Federal small watershed projects.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Small Watershed Projects	\$ 100	\$ 100	\$ 100
Local Soil and Water District Assistants	750	800	950
TOTAL	<u>\$ 850</u>	<u>\$ 900</u>	<u>\$ 1,050</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Mine Activities			
State Funds	\$ 82	\$ 210	\$ 2,010

Provides for Pennsylvania's share of the Interstate Mining Commission. Also provides the General Fund contribution to surface mine reclamation projects and loans to homeowners for emergency mine subsidence relief.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Interstate Mining Commission	\$ 10	\$ 10	\$ 10
Emergency Mine Subsidence Relief	72	200	. . . .
Abandoned Surface Mine Reclamation .....	. . . .	. . . .	2,000
TOTAL	<u>\$ 82</u>	<u>\$ 210</u>	<u>\$ 2,010</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Payments in Lieu of Taxes			
State Funds	\$ 1,211	\$ 1,219	\$ 1,250

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)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Annual Fixed Charges — Flood Lands	\$ 12	\$ 13	\$ 13
Annual Fixed Charges — Project 70	9	12	12
Annual Fixed Charges — Forest Lands	1,190	1,194	1,225
TOTAL	<u>\$ 1,211</u>	<u>\$ 1,219</u>	<u>\$ 1,250</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Utility Expansion Grants			
State Funds	\$ 2,000	.....

Provides the State's share of the cost of improving utility services involving State institutional facilities.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Huntingdon Correctional Institution Utilities	<u>.....</u>	<u>\$ 2,000</u>	<u>.....</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Vector Control			
State Funds	\$ 499	\$ 500	\$ 500

Provides grants to municipalities for establishing and maintaining rat control programs.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Vector Control	<u>\$ 499</u>	<u>\$ 500</u>	<u>\$ 500</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Water Projects			
State Funds	\$ 185	\$ 1,550	.....

Provided a contribution to various local water projects.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Water Supply Project -- Beccaria	\$ 185	.....	.....
Clearfield County -- Water Project .....	.....	\$ 400	.....
Hempfield Township -- Water Project .....	.....	300	.....
Castle Shannon -- Water Project .....	.....	50	.....
Ferguson Township -- Water Project .....	.....	50	.....
Hatboro Borough -- Water Project .....	.....	350	.....
Catasauqua Borough -- Water Project .....	.....	400	.....
TOTAL	<u>\$ 185</u>	<u>\$ 1,550</u>	<u>.....</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Radiation Protection			
State Funds	\$ 5,000	\$ 5,200	\$ 5,200

Provides for Pennsylvania's contributions to interstate radiation compacts and a share of Three Mile Island cleanup.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Appalachian States Low-Level Waste Compact .....	.....	\$ 200	\$ 200
Three Mile Island Clean-Up	\$ 5,000 ^a	5,000	5,000
TOTAL	<u>\$ 5,000</u>	<u>\$ 5,200</u>	<u>\$ 5,200</u>

^aActually appropriated to Department of Commerce. Shown here for comparability.

OTHER FUNDS

ENVIRONMENTAL RESOURCES

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
Radiation Protection Fund	\$ 389	\$ 1,994	\$ 2,026
Clean Water Fund	1,340	4,631	1,944
Snowmobile Regulation	269	273	287
Clean Air Act	1,109	3,172	989
Solid Waste Abatement Fund	658	1,014	450
Mine Drainage Treatment Feed	122	100	47
Well Plugging Account .....	.....	1,272	910
GENERAL FUND TOTAL	<u>\$ 3,887</u>	<u>\$ 12,456</u>	<u>\$ 6,653</u>
Oil and Gas Lease Fund			
General Operations	<u>\$ 2,633</u>	<u>\$ 6,600</u>	<u>\$ 4,500</u>
Pennsylvania Economic Revitalization Fund			
Pennsylvania Conservation Corps	\$ 6,398	\$ 8,602	\$ 3,000
Recreational Improvement and Rehabilitation Act	6,378	5,622	.....
PENNSYLVANIA ECONOMIC REVITALIZATION FUND TOTAL	<u>\$ 12,776</u>	<u>\$ 14,224</u>	<u>\$ 3,000</u>
Resource Recovery Fund			
General Operations	<u>.....</u>	<u>.....</u>	<u>\$ 5,627</u>
Surface Mining Conservation and Reclamation Fund			
General Operations	<u>\$ 1,651</u>	<u>\$ 2,000</u>	<u>\$ 3,200</u>
Wild Resource Conservation Fund			
General Operations	<u>\$ 368</u>	<u>\$ 600</u>	<u>\$ 600</u>
DEPARTMENT TOTAL	<u>\$ 21,315</u>	<u>\$ 35,880</u>	<u>\$ 23,580</u>

DEPARTMENT OF ENVIRONMENTAL RESOURCES

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 7,911	\$ 8,355	\$ 8,578	\$ 8,799	\$ 9,031	\$ 9,357	\$ 8,795
Natural Resource Development and Management	\$ 30,560	\$ 30,905	\$ 34,834	\$ 35,730	\$ 36,953	\$ 38,230	\$ 39,555
Management of Forest Resources	14,538	13,571	13,758	14,260	14,780	15,323	15,887
Management of Water and Mineral Resources	16,022	17,334	21,076	21,470	22,173	22,907	23,668
Protection from Health and Safety Hazards	\$ 68,864	\$ 81,353	\$ 81,936	\$ 82,757	\$ 79,996	\$ 82,320	\$ 84,740
Air Pollution Control	2,875	2,989	2,992	3,112	3,237	3,366	3,500
Water Quality Management	24,181	28,419	28,910	29,586	29,924	30,274	30,641
Community Environmental Management	6,928	9,053	8,039	8,341	8,654	8,981	9,320
Solid Waste Management	11,669	15,630	13,940	14,725	15,315	15,927	16,565
Regulation of Mining	7,478	9,066	10,506	11,408	11,865	12,338	12,830
Environmental Support Services	8,674	8,789	10,680	9,169	9,537	9,919	10,316
Radiation Protection	7,059	7,407	6,869	6,416	1,464	1,515	1,568
Recreation	\$ 26,850	\$ 28,892	\$ 28,681	\$ 29,827	\$ 31,019	\$ 32,259	\$ 33,548
Management of Recreation Areas and Facilities	26,850	28,892	28,681	29,827	31,019	32,259	33,548
DEPARTMENT TOTAL	<u>\$ 134,185</u>	<u>\$ 149,505</u>	<u>\$ 154,029</u>	<u>\$ 157,113</u>	<u>\$ 156,999</u>	<u>\$ 162,166</u>	<u>\$ 166,638</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 7,911	\$ 8,355	\$ 8,578	\$ 8,799	\$ 9,031	\$ 9,357	\$ 8,795
Federal Funds	2,190	1,739	1,748	1,800	1,854	1,909	1,966
Other Funds	422	504	523	549	579	609	641
TOTAL	<u>\$ 10,523</u>	<u>\$ 10,598</u>	<u>\$ 10,849</u>	<u>\$ 11,148</u>	<u>\$ 11,464</u>	<u>\$ 11,875</u>	<u>\$ 11,402</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 are the operations of the Citizens Advisory Council, the Environmental Hearing

Board, the Environmental Quality Board, the Water Facilities Loan Board as well as the administration of the Pennsylvania Conservation Corps Act and the Recreation Improvement and Rehabilitation Act programs of the Economic Revitalization Fund.

The recommended program costs for 1986-87 include \$900,000 for the third year of leasing and acquiring new computer equipment and software. This will continue the modernization of the department's data processing capability.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 7,289	\$ 7,300	\$ 7,518	\$ 7,819	\$ 8,131	\$ 8,457	\$ 8,795
Electronic Data Processing Support	485	900	900	900	900	900	.....
Economic Revitalization Administration	137	155	160	80	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 7,911</u>	<u>\$ 8,355</u>	<u>\$ 8,578</u>	<u>\$ 8,799</u>	<u>\$ 9,031</u>	<u>\$ 9,357</u>	<u>\$ 8,795</u>

Management of Forest Resources

OBJECTIVE: To provide or assist in effective management of forest lands and to reduce plant loss and damage caused by insects, disease, and forest fires.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 14,538	\$ 13,571	\$ 13,758	\$ 14,260	\$ 14,780	\$ 15,323	\$ 15,887
Federal Funds	2,091	2,538	1,808	2,488	2,708	3,928	2,708
Other Funds	5,017	7,391	7,612	7,617	8,062	8,549	9,347
TOTAL	\$ 21,646	\$ 23,500	\$ 23,178	\$ 24,365	\$ 25,550	\$ 27,800	\$ 27,942

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Forest fires.....	1,250	1,250	1,250	1,250	1,250	1,250	1,250
Acres burned per fire.....	5.2	5.2	5.2	5.2	5.2	5.2	5.2
Acres of private timber land affected by professional assistance	94,500	95,000	95,000	95,000	95,000	95,000	95,000
Acres reforested	8,900	8,900	8,900	8,900	8,900	8,900	8,900
Miles of safety strip maintained	130	130	130	130	130	130	130
Acres receiving insect suppression treatment .	203,000	205,000	300,000	400,000	400,000	300,000	300,000
Acres receiving silvicultural treatment	14,400	14,400	14,400	14,400	14,400	14,400	14,400

Program Analysis:

This program has the overall responsibility for the protection and enhancement of Pennsylvania's vast forest reserves. Specifically, the program is responsible for the management of two million acres of State forest lands; for providing management assistance to the more than 490,000 owners of private forest lands; and for overseeing fire, insect and disease control activities. These millions of acres of forest lands represent a variety of resources such as timber, watersheds, wildlife habitat and recreation areas to the citizens of the Commonwealth.

Through the application of multiple-use management the two million acres of State forest land provide both economic and social benefits to the Commonwealth. While they are difficult to measure in economic terms, the social benefits and recreational opportunities provided by State forests are significant. State forest lands are managed for municipal water use, natural gas production and underground storage as well as for a wide variety of activities such as hiking, camping, hunting, fishing, cross-country skiing, canoeing,

snowmobiling and other nature activities. The harvest of timber from State forests generated over \$4.2 million in revenues in 1984-85.

The main threats to the Commonwealth's forest are fires, insects and disease. Forest fires, most of which are caused by humans, burn an average of 6,000 to 9,000 acres per year. While many fires start accidentally, about one-third are maliciously set. The department continues its enforcement and educational efforts to reduce this destruction.

The gypsy moth continues to be the major forest pest problem in Pennsylvania as well as the northeastern United States. As shown in the graph below there was a significant decrease in the number of acres defoliated by this pest in the Commonwealth in 1983 and 1984. However there may be a n increase in 1985 as the gypsy moth continues to spread wetward. The pest remains a serious problem in eastern Pennsylvania, defoliating areas for a second, third and fourth year and causing high mortality on State and privately-owned forest lands. With the westward spread and

Management of Forest Resources (continued)

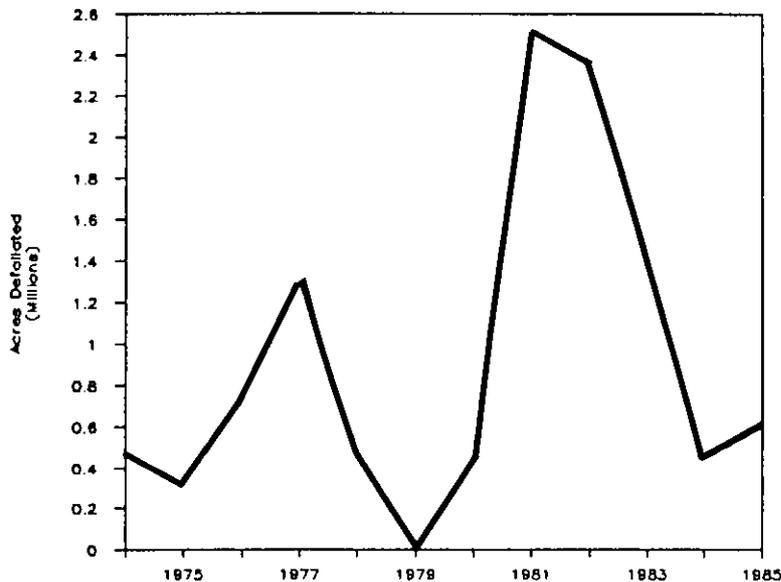
Program Analysis: (continued)

the continuing problem in the east, it is still likely that the pest will be established State-wide within 10 years.

The department will continue to provide, with the cooperation of county governments, a gypsy moth suppression program aimed at reducing the impact of the pest on private residential and recreational landowners. The approach in this program remains one of integrated pest management with principal reliance on a biological spray material, *Bacillus thuringiensis* (Bt). Uninhabited privately-

owned lands are not treated because of the enormous costs involved. However, personnel are available to advise private landowners with regard to the need for treating their land. Non-inhabited high-value State-owned forest lands will be treated as necessary with an EPA-approved gypsy moth growth inhibitor, Dimilin, because of its effectiveness and lower cost per acre. New insecticides and methods of application will continue to be tested and evaluated in the continuing effort to reduce costs and improve efficiency.

**GYPSY MOTH DEFOLIATION
IN PENNSYLVANIA**



Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
State Forestry Operations	\$ 11,303	\$ 10,134	\$ 10,251	\$ 10,661	\$ 11,087	\$ 11,531	\$ 11,992
Gypsy Moth and Other Insect Control ..	2,045	2,243	2,282	2,374	2,468	2,567	2,670
Annual Fixed Charges — Forest Lands ..	1,190	1,194	1,225	1,225	1,225	1,225	1,225
GENERAL FUND TOTAL	\$ 14,538	\$ 13,571	\$ 13,758	\$ 14,260	\$ 14,780	\$ 15,323	\$ 15,887

Management of Water and Mineral Resources

OBJECTIVE: To provide effective management of water and mineral resources in order to maximize economic benefits from the utilization of these resources to insure against their undue destruction and depletion.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 16,022	\$ 17,334	\$ 21,076	\$ 21,470	\$ 22,173	\$ 22,907	\$ 23,668
Federal Funds	28,696	68,510	66,267	64,817	64,504	64,534	64,565
Other Funds	4,431	8,891	8,039	6,540	6,542	6,554	6,567
TOTAL	\$ 49,149	\$ 94,735	\$ 95,382	\$ 92,827	\$ 93,219	\$ 93,995	\$ 94,800

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Total abandoned mine restoration projects .	80	150	170	190	200	200	200
Abandoned mine sites designated as potential safety problems	1,174	1,048	902	736	560	384	208
Erosion control plans and permits received .	80	105	105	105	105	105	105
Major geologic, mineral and groundwater resource mapping projects completed ...	14	10	14	14	14	14	14
Obstruction and encroachment permits approved	1,704	1,800	1,800	1,800	1,800	1,800	1,800
Dam inspections	1,125	1,400	1,800	1,800	1,800	1,800	1,800
Acres of abandoned land reclaimed	461	460	1,000	1,000	1,000	1,000	1,000

Program Analysis:

Pennsylvania's vast water and mineral resources are managed through comprehensive planning, regulatory activities and project development.

The planning process develops long-range programs for multi-purpose water uses and insures adequate supplies for drinking as well as industrial, agricultural and commercial uses. Programs are also developed for acid mine drainage, pollution abatement and for mine reclamation.

Planning and design work to resolve environmental degradation problems resulting from past coal mining practices is another aspect of this program. Work done under Project 500 deals with the abatement of acid mine drainage, the control and extinguishment of underground mine fires and refuse bank mine fires and the control of surface subsidence from abandoned deep mines. Planning and design

work is also performed for projects covered by the Federal Surface Mine Control and Reclamation Act which addresses abandoned mine problems affecting the public health and safety. With the assumption of primacy, that is the responsibility for administering Federal programs, the Commonwealth has been granted substantially more funds. This is reflected in the number of mine restoration projects, rising sharply from the actual year. In addition a Program Revision increasing State funds available for reclamation work is recommended. An explanation of this proposal is appended to this subcategory.

Following planning and design, this program is responsible for the construction of flood control, recreational and mine drainage restoration projects. It is also responsible for stream improvement functions which restore and rehabilitate

Management of Water and Mineral Resources(continued)

Program Analysis: (continued)

flood damaged stream channels to provide protection from more frequent flooding. The Commonwealth continues to be involved in a cooperative effort with local governments, with the municipality sustaining the flood damage funding land acquisition and utility relocation and the Commonwealth paying for the design and construction of the facility.

To manage and administer water resources regulatory programs, three acts were passed in 1978 which provided for the regulation of the construction, maintenance and operation of dams, water obstructions and encroachments on streams and lakes in Pennsylvania and their contingent flood plains. These same acts also provide for the administration of a Storm Water Management Program.

The Dam Safety and Encroachment Act authorizes the regulation of dams and reservoirs throughout the Commonwealth in order to protect the health, safety and welfare of the citizens and their properties. This act also provides for a Statewide program for regulation of construction, operation and maintenance of obstructions, encroachments and changes to the course, current, cross sections or the relocation of any streams and their related 100-year floodway to protect life, property, safety and the riparian rights of the public. The Commonwealth has compiled an inventory of high risk dams and begun an accelerated inspection program of those dams. The second year of a two year initiative for \$298,000 is contained in this budget to increase dam safety inspections, permitting and environmental assessments.

Flood plain management is authorized by the Flood Plain Management Act. More active involvement in this program area is anticipated in order to decrease the loss of life and

property damage resulting from floods similar to the Agnes, Eloise, and Johnstown Floods.

The Storm Water Management Program is authorized by the Storm Water Management Act. This act is oriented towards managing and controlling storm water runoff to protect public and private property, decrease flooding along waterways, control erosion and sedimentation, minimize the cost of public facilities to carry and control stormwater and protect and conserve groundwater and groundwater recharge areas.

Closely tied to water resources is the management of the Commonwealth's soil resources. Sedimentation from erosion is one aspect of non-point source pollution of streams and rivers. Equally important is the preservation of valuable food-producing topsoil. Another aspect of this is the non-point pollution by nutrients eroded with farmland topsoil, particularly into the Chesapeake Bay.

The Clean Streams Law and the associated rules and regulations of the Erosion Control Program affect every soil-disturbing activity of landowners and developers. Required are surface water controls, soil stabilization measures and sedimentation facilities at every site. Soil conservation districts are used throughout the Commonwealth with training and assistance provided by the department.

The management of Pennsylvania's mineral resources, including the need to find new mineral resources, is carried out through this program. Currently emphasis is placed on energy resources and geologic hazards.

The recommended amounts include \$385,000 for the completion of the transfer of acid mine drainage treatment operations to the General Fund. These plants began with special funds which are no longer available.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Office of Resources Management	\$ 13,000	\$ 13,700	\$ 14,658	\$ 15,244	\$ 15,854	\$ 16,488	\$ 17,148
Chesapeake Bay Agricultural Source							
Abatement	1,000	1,161	1,193	1,241	1,292	1,345	1,399
Abandoned Mine Reclamation			2,000	2,000	2,000	2,000	2,000
Flood Control Projects	194	220	780	500	500	500	500
Delaware River Master	43	47	61	63	65	67	69
Ohio River Basin Commission	15	16	5	5	5	5	5
Susquehanna River Basin Commission ..	230	235	240	250	260	270	280
Interstate Commission on the Potomac							
River Basin	21	22	22	22	22	22	22
Delaware River Basin Commission	669	708	742	770	800	835	870
Small Watershed Projects	100	100	100	100	100	100	100
Local Soil and Water District Assistants .	750	800	950	950	950	950	950
Storm Water Management Grants		250	250	250	250	250	250
Chesapeake Bay Commission		75	75	75	75	75	75
GENERAL FUND TOTAL	\$ 16,022	\$ 17,334	\$ 21,076	\$ 21,470	\$ 22,173	\$ 22,907	\$ 23,668

**Management of Water and Mineral Resources
Program Revision: Abandoned Surface Mine Reclamation Expansion**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 3,264	\$ 3,315	\$ 3,367	\$ 3,422	\$ 3,479
Other Funds	1,200	1,200	1,200	1,200	1,200
TOTAL	\$ 4,464	\$ 4,515	\$ 4,567	\$ 4,622	\$ 4,679

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Acres of land reclaimed							
Current	461	460	450	450	450	450	450
Program Revision .....	.....	.....	1,000	1,000	1,000	1,000	1,000

Program Analysis:

Pennsylvania has been a leading producer of coal since the late 1800s. Since that time, the Commonwealth has produced one-third of the coal mined in the United States. Unfortunately, much of this mining activity was conducted without the regulatory control of today and, therefore, has left extensive environmental problems. Recognition of this led to the passage of the Bituminous Coal Open Pit Mining Conservation Act in 1945 which, among other regulatory measures, began the bonding of mining companies to assure that reclamation obligations would be met. However, the bonding rates were low; after the energy crisis of the 1970s this shortcoming created major problems in reclamation of abandoned sites.

The oil crisis of 1974 caused the market price of coal to more than double. Many surface mining operations were begun to take advantage of these high prices. Some of these were new companies, underfunded and operated by the inexperienced. Others were overly optimistic expansions by existing enterprises. But when the boom times ended in the late 1970s, even the best, most experienced companies felt the strain. Too often operators simply shut down operations and walked away from their reclamation obligations.

The Federal Surface Mining Control Act went into effect in August 1977. This legislation addressed the growing problem of abandoned mines with an increased Federal regulatory program and increased bonding rates. A tax on coal was also part of this act. The proceeds are used to reclaim abandoned mines worked before 1977, those for which existing bonds were insufficient to fund reclamation

or which were not bonded at all. It is estimated that there are perhaps 180,000 acres, some almost 100 years old, which fall into this category. Of these, about one-half will be reclaimed. The regulatory programs, both Federal and State, began to limit the potential problems by closely inspecting new and existing operations to assure compliance, and that reclamation closely followed active mining, not allowing a problem to develop.

Unfortunately, the number of sites for which the bonds have been forfeited increased sharply over the past seven years. Not only did marginal operations shut down, but the Department of Environmental Resources also required all sites to be re-permitted, thereby causing sites which had been dormant to be declared abandoned and forfeiture proceedings begun. Today the department estimates that a total of 25,800 acres will be declared forfeited, of which about 21,000 will need reclamation.

In July 1982, the department was granted primacy for enforcing the Federal Surface Mining program. This gave the Commonwealth additional capabilities (and funding) to limit future problems and environmental damage. In addition to the aforementioned re-permitting, the department has increased bonding rates to levels consistent with funding reclamation work, is aggressively inspecting sites and is working with mine operators to assure that this valuable mineral resource is obtained with minimized environmental damage.

This Program Revision addresses the need for additional funding of reclamation work on the 21,000 acres for which

**Management of Water and Mineral Resources
Program Revision: Abandoned Surface Mine Reclamation Expansion (continued)**

Program Analysis: (continued)

the bonds are expected to be forfeited. As indicated earlier, the amounts of the bonds on these "pre-primacy" sites are generally insufficient to totally fund reclamation. Some of these sites will be reclaimed by operators of other nearby sites as part of their permit requirements, or as penalty for violations of regulations. The net result is that an additional \$97 million is needed to reclaim about 14,800 acres of bond forfeiture sites. It is recommended that a 20 year program be undertaken, with \$4.5—\$5.0 million in reclamation being done each year. Funding is to come from three sources. The first is an increase in the fee paid for a mining permit. Increasing this from \$50 to \$100 per acre will generate approximately \$2.4 million per year. This is not an annual fee,

but paid once for each site.

Secondly, staff not entirely involved with actual reclamation projects will be funded from the General Fund instead of the Surface Mining Conservation and Reclamation Fund. These are primarily inspectors and engineers. This initiative is shown in the Regulation of Mining subcategory for \$1,264,000. This will free a like amount in the special fund for reclamation projects.

The third source of funding is a General Fund appropriation for \$2,000,000. Together, these three sources represent a cooperative effort between the mining industry and the Commonwealth to remedy the backlog of abandoned surface mine sites for which bonds have been forfeited.

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Office of Protection	\$ 1,264	\$ 1,315	\$ 1,367	\$ 1,422	\$ 1,479
Abandoned Surface Mine Reclamation	2,000	2,000	2,000	2,000	2,000
GENERAL FUND TOTAL	<u>.....</u>	<u>.....</u>	<u>\$ 3,264</u>	<u>\$ 3,315</u>	<u>\$ 3,367</u>	<u>\$ 3,422</u>	<u>\$ 3,479</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 2,875	\$ 2,989	\$ 2,992	\$ 3,112	\$ 3,237	\$ 3,366	\$ 3,500
Federal Funds	3,647	4,550	4,291	4,291	4,291	4,291	4,291
Other Funds	1,609	3,672	1,489	1,489	1,489	1,489	1,489
TOTAL	\$ 8,131	\$ 11,211	\$ 8,772	\$ 8,892	\$ 9,017	\$ 9,146	\$ 9,280

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Percent of time air basins contamination concentrations exceed acceptable standards	4%	6%	6%	6%	6%	6%	6%
Inspections	9,463	9,000	9,000	9,000	9,000	9,000	9,000
Abatement orders issued	207	200	200	200	200	200	200
Plan approvals issued	526	500	500	500	500	500	500
Operating permits in effect	4,714	5,175	5,595	6,020	6,445	6,870	7,295

Program Analysis:

The Commonwealth's efforts to combat air pollution began in 1960. Major program expansion came as a result of the Federal Clean Air Act of 1970. The 1977 amendments to this Federal act increased involvement below the Federal level. The overall statewide program is committed to review, revise, and update control requirements in a manner that will achieve satisfactory air quality, meet State implementation requirements, and provide for industrial growth and environmentally sound energy utilization.

It is important to note that Philadelphia and Allegheny Counties maintain quasi-independent programs that are not reflected in either subcategory financial or program measure data.

The program measure, Percent of Time Air Basin Contaminations Exceed Acceptable Standards, represents long-term annual air quality information relative only to total suspended particulates, settleable particulates, sulfur oxides, and nitrogen oxides. This measure is impacted by program effectiveness, economic conditions, long distance transports and meteorological conditions. There are, in effect, thirteen

air basins in the Commonwealth. While Philadelphia and Allegheny Counties are excluded from this measure, these areas have been very successful in reducing most pollutants.

While ambient monitoring is the best measure of overall air quality, source monitoring is the focus of the compliance effort. The department maintains a computerized emission inventory system that includes approximately 800 facilities with approximately 7,500 individual air contaminant sources. Nearly 600 of these facilities have significant actual emission of one or more of the five Federal criteria pollutants or the potential for emission of hazardous substances and source owners or operators are required by law to provide data to the department. Outputs from this system are used for regulatory planning, modeling of emissions, background for permitting activity, and for fulfilling requests from the public for information on emissions and types of sources.

Continuous emission monitoring (CEM) is another type of source monitoring. CEM is performed with in-stack equipment that must be operated by owners of certain large

Air Pollution Control (continued)

Program Analysis: (continued)

facilities and is used primarily to measure sulfur oxides and opacity. CEM has assumed an increasing role in compliance efforts as well as providing industry with additional flexibility, such as emission averaging, to achieve compliance.

A third source monitoring technique involves stack testing performed by mobile teams. Mobile stack testing provides the ability and flexibility to move equipment to any facility that may be emitting unacceptable levels of pollutants. Approximately 200 such tests are performed each year.

The compliance aspect of the program has several important elements:

PLAN APPROVALS. This item reflects the technical review effort that must be expended as part of the permit process. As existing sources are brought into compliance, the permit program assures that any new source is initially constructed with the best available control technology. This permitting program provides a vital planning tool to assure attainment and maintenance of ambient air quality standards. Although new hazardous waste regulations for incineration and for burning waste fuels are in effect, there should not be an increase of plan approval requests. Rather than retrofit, owners are more likely to refuse to burn restricted materials in order to comply.

OPERATING PERMITS. This indicator is a measure of the inspection and enforcement efforts necessary to assure that sources and control equipment are installed as proposed and that they are maintained and operated as designed.

The base estimates for this measure have been changed to reflect permit consolidation. Previously each piece of source equipment at a given site was permitted. These are now being consolidated so that a site permit is being utilized

to cover multiple pieces of source equipment.

ABATEMENT ORDERS. These are various types of legal documents issued to or negotiated with firms that are in violation of emission standards or other regulatory requirements. Rather than use criminal citations, the department, and often the courts, negotiate letter agreements, compliance orders and consent decrees with firms in violation of air emission standards, especially in those cases where time is needed to abate the problems.

INSPECTIONS. Various types of inspections are conducted by field personnel. Compliance monitoring inspections are conducted once or twice a year at facilities with significant actual or potential emissions to determine if sources are being maintained in compliance with the air quality regulations. Initial operating permit inspections are conducted to assure the installation of new and modified air contamination sources and air cleaning devices as approved by the department. Permit renewal inspections involve all sources with operating permits and are conducted either annually or bi-annually depending on the significance of the source and its emissions. Complaint/emergency investigations constitute a fourth type of inspection. In 1984-85 there was an increase in complaints and subsequent investigations. This resulted in the increase in inspections shown.

Supporting the monitoring and compliance efforts is control strategy development, a continuous process of program evaluation and planning providing a mechanism for ensuring that acceptable levels of air quality are achieved and maintained.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Office of Protection.....	<u>\$ 2,875</u>	<u>\$ 2,989</u>	<u>\$ 2,992</u>	<u>\$ 3,112</u>	<u>\$ 3,237</u>	<u>\$ 3,366</u>	<u>\$ 3,500</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 24,181	\$ 28,419	\$ 28,910	\$ 29,586	\$ 29,924	\$ 30,274	\$ 30,641
Federal Funds	7,678	9,474	8,681	8,666	8,607	8,427	8,394
Other Funds	1,612	6,003	2,901	2,413	2,413	2,413	2,413
TOTAL	\$ 33,471	\$ 41,896	\$ 40,492	\$ 40,665	\$ 40,944	\$ 41,114	\$ 41,448

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Sewage and other point source inspections ..	8,362	3,200	3,200	3,200	3,200	3,200	3,200
Enforcement actions	333	200	200	200	200	200	200
Permits issued for new or improved water pollution control facilities	170	200	200	200	200	200	200
Approvals of flammable liquid tank installation	1,151	1,200	1,200	1,200	1,200	1,200	1,200

Program Analysis:

Surface and groundwater pollution problems in Pennsylvania are attributable to a variety of sources. These are considered in two general categories: point and non-point sources. Point sources are those such as sewage discharges, industrial waste discharges, and storm or combined sewer drainage that are conveyed to a body of water in a pipe or channel. Non-point sources include diffused discharges such as ground water polluted by sewage, industrial waste, toxic substances, stormwater runoff, drainage from abandoned mines, and agricultural runoff. In addition to the point and non-point source pollutants, many of which are chronic in nature, problems of an acute nature are created by the addition of substances in the State's waters through spills and accidents which are most often related to storage or transportation of materials.

In areas with heavy industrial and population concentrations, sewage and industrial wastes are the major pollution sources. Storm and combined sewer runoff add to these pollution problems. In western, and parts of central Pennsylvania, drainage from abandoned bituminous coal mines creates serious water quality problems. Active mines are also potential sources of pollution. The same situation exists in the anthracite areas of northeastern Pennsylvania. Oil and gas well operations, found primarily in the northwestern portion of the State, are also pollution sources. More widespread pollution problems in Pennsylvania include malfunctioning on-lot sewage disposal facilities, as well as

agricultural, construction and other earthmoving operations which can have serious erosion and sedimentation impacts. Another potential pollutant is discharged heated water which comes from the large number of power plants scattered throughout the State.

Pollution means more than dumping wastes into a body of water. Water treatment plants are very effective in preventing infectious water-borne diseases caused by normal waste production, but they are less effective in dealing with toxic chemicals that were released into the environment in accelerated amounts during the post-war industrial boom. The scientific community is just now realizing the consequences of these toxic materials and that some of them are carcinogenic.

Through its planning, permitting, surveillance and monitoring, enforcement, and grants administration activities, this program carries out its duties and responsibilities for developing water quality standards for surface and ground water, regulating water pollution control facilities, and maintaining a statewide surface and groundwater quality monitoring program.

This program has resulted in the investment of over 10 billion dollars by industries, municipalities, and others in water pollution control facilities in Pennsylvania. On an overall basis, 79 percent of the State's 13,000 miles of major streams comply with State/Federal water quality standards.

Water Quality Management (continued)

Program Analysis: (continued)

In 1985-86, expansions were begun in two areas critical to the quality of water in the Commonwealth. The first involves the monitoring of the quality of the groundwater. A permanent system of sampling wells and site equipment will be established in 50 groundwater basins believed most critical and vulnerable to contamination. This network will measure the ambient ground water quality, present and future. The second year of this two year program expansion will cost \$127,000. This also provides \$260,000 to move the responsibility for inspecting underground storage tanks (primarily gasoline) from the State Police Fire Marshal to the department, underscoring the threat to the groundwater by thousands of potentially leaking tanks. Estimates of the impact of this new responsibility will be added to the program measures in future years as data is developed.

The water quality permitting function of the department

is the second area increased in 1985-86. Funds in the amount of \$175,000 have been added to provide full year funding for the first year's expansion. The second phase of this expansion, the monitoring and compliance activities, is included in the budget, at a cost of \$351,000. These two expansions have been needed for the permitting, monitoring and compliance efforts for municipal and industrial discharges of wastewater.

The program measure for sewage and other point source inspections decreases because of revisions in the enforcement program required by the U.S. Environmental Protection Agency. The emphasis for inspection has shifted from inspection of most wastewater discharges, regardless of size or impact, to more intense inspection of selected major dischargers, those which account for most discharges.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Office of Protection.....	\$ 4,877	\$ 5,689	\$ 7,352	\$ 8,012	\$ 8,332	\$ 8,664	\$ 9,012
Water Quality Testing Laboratory	277	305	311	324	337	350	364
Sewage Facilities Planning Grants	500	500	500	500	500	500	500
Sewage Facilities Enforcement Grants ...	1,338	1,650	1,650	1,650	1,650	1,650	1,650
Sewage Treatment Plant Operations Grants.....	17,100	18,185	19,000	19,000	19,000	19,000	19,000
Ohio River Valley Water Sanitation Commission	89	90	97	100	105	110	115
Huntingdon State Correctional Institu- tion Utilities.....		2,000					
GENERAL FUND TOTAL	\$ 24,181	\$ 28,419	\$ 28,910	\$ 29,586	\$ 29,924	\$ 30,274	\$ 30,641

Community Environmental Management

OBJECTIVE: To minimize the incidence of diseases associated with home and community environment.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 6,928	\$ 9,053	\$ 8,039	\$ 8,341	\$ 8,654	\$ 8,981	\$ 9,320
Federal Funds	2,120	3,728	3,728	3,728	3,728	3,728	3,728
Other Funds .....	.....	175	175	158	158	158	158
TOTAL	\$ 9,048	\$ 12,956	\$ 11,942	\$ 12,227	\$ 12,540	\$ 12,867	\$ 13,206

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Inspections of food establishments	14,245	18,000	18,250	18,500	18,500	18,500	18,500
Inspections of public bathing places, and schools	3,300	3,000	3,000	3,000	3,000	3,000	3,000
Communities receiving State grants for rat and other vector control	38	40	45	45	45	45	45
Inspections of public drinking water supplies	1,203	3,500	3,500	3,500	3,500	3,500	3,500
Sanitary surveys of public drinking water supplies	481	700	800	800	800	800	800

Program Analysis:

One of man's most basic needs is an adequate supply of high quality drinking water. There are approximately 2,400 community water supplies in Pennsylvania serving 10 million year-round residents in municipalities, mobile home parks, institutions, etc. Hundreds of these supplies need major repair, expansion, upgrading, or improvement in operation and maintenance. As a result, numerous community waterworks have difficulty meeting bacteriological, chemical, or community standards for safe drinking water. The deteriorated facilities and lack of expertise in managing and operating community water systems placed an estimated 3 million residents at risk of being served unsafe water.

In recognition of water supply problems, a public referendum authorized a \$300 million bond issue of which at least \$220 million is dedicated to loans for community water systems to initiate remedial action. This Water Facilities Loan Program was implemented in January, 1984. Approximately 55 loans for improvement of various community water supply facilities have been approved with over 30 applications expected to be filed in 1986-87

In addition to the community water systems, there are approximately 8,000 noncommunity water supply systems in

the Commonwealth, serving facilities such as eating and drinking establishments, commercial or industrial locations, schools, motels, camps and parks. There are also 700,000 private water supplies serving 2 million residents of which two-thirds are estimated to be unsafe due to improper construction and/or bacteriological and chemical impurities. This program provides consultative services and inspections to prevent, identify and correct water quality threats. This includes the Giardia Monitoring Team which focuses on unfiltered surface water sources.

Another increasingly important water source are the 49 establishments bottling water in Pennsylvania and the 26 establishments in other states shipping bottled water into the Commonwealth for public sale. With increasing public awareness and concerns over quality of drinking water, this market is growing. The suppliers are now considered community water systems, subject to the standards of that program.

On May 1, 1984 the Pennsylvania Safe Drinking Water Act was signed. Under this act the department assumed primacy, that is primary responsibility to enforce and administer the provisions of the Federal Safe Drinking Water

Community Environmental Management (continued)

Program Analysis: (continued)

act, in February, 1985. With primacy increased Federal funds have become available to provide for these increased responsibilities. Another feature is that all community and noncommunity water systems will come under this program, including 3,000 not previously regulated.

Safe food is also essential to human health. If food is contaminated, it can cause illness, even death. Mishandling of food increases the risk of food-borne diseases.

The department is mandated to insure the safety of food provided to the public from the State's food service facilities. The department is responsible for the establishment and implementation of uniform regulations and standards throughout the State and must evaluate the food programs of county and local health departments. Five county health departments and numerous city, borough, and first class township health departments are responsible for licensing and inspecting 34,000 establishments. The department licenses and inspects 16,000 establishments located in municipalities not having their own health departments.

The food protection program utilizes inspections, consultation, and legal action in directly regulating the food establishments. Studies show a direct relationship between the frequency of inspection and the sanitary conditions of the establishments. Establishments free of significant violations at the time of inspection present a decreased hazard of illness to the public. Coupled with this enforcement program, the department cooperates with the restaurant industry, academic institutions and professional organizations in training about 2,000 food service personnel annually.

The actual number of food establishments inspected in 1984-85 was less than previously projected. This temporary decrease resulted from the shifting of resources to respond to the natural disaster in northwestern Pennsylvania during this period. Inspections are expected to increase in the current year.

The Program Measure for the inspection of public bathing places, and schools formerly included the inspection of organized camps and campground. The number of inspec-

tions is shown decreasing, the inspection of camps and campgrounds is no longer being done.

This budget does include another expansion of the program of inspection and compliance for seasonal farm labor camps in the mushroom industry. This will provide sanitation and safety standards for visiting works. The expansion will cost \$32,000.

The school programs provide high environmental sanitation standards and safety to the Commonwealth's 3,644 public and private academic schools. School inspections are conducted as mandated by State law.

This program also contains a Vector Control Program, the purpose of which is to solve insect and rodent problems that threaten public health by advancing community environmental improvement with grants-in-aid designed to eliminate rat sources through training and education of municipal workers, supervising insect control operations; conducting applied research projects and directing emergency State vector control operations during natural disasters. Targeted areas include dumps, dilapidated buildings, out-buildings, litter, overgrown and crumbling stone-wall stream banks, incinerators and disposal sites, as well as root clogged storm and sanitary sewer systems. Although the Program Measure showing the number of communities receiving state grants for rat and vector control is shown decreasing, this does not represent a decline in the program. Rather it shows that the grants-in-aid are longer and going to fewer communities. The total amount remains approximately the same.

The summer of 1985 showed the positive effects of the Black Fly Control Program. Even with only a few counties participating, the black fly was dramatically reduced in central Pennsylvania, freeing many citizens as well as visitors and tourists from the torments associated with the pest. Because of the success of this program other counties in Central Pennsylvania and in river basins in other areas of the State are also interested in the program and an additional \$455,000 is provided in this budget for expansion.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Office of Protection.....	\$ 5,663	\$ 5,503	\$ 5,539	\$ 5,761	\$ 5,991	\$ 6,231	\$ 6,480
Black Fly Control.....	581	1,500	2,000	2,080	2,163	2,250	2,340
Vector Control.....	499	500	500	500	500	500	500
Water Supply Project—Beccaria.....	185	.....	.....	.....	.....	.....	.....
Clearfield County Water Project.....	.....	400	.....	.....	.....	.....	.....
Hempfield Township Water Project.....	.....	300	.....	.....	.....	.....	.....
Castle Shannon Water Project.....	.....	50	.....	.....	.....	.....	.....
Ferguson Township Water Project.....	.....	50	.....	.....	.....	.....	.....
Hatboro Borough Water Project.....	.....	350	.....	.....	.....	.....	.....
Catasauqua Borough Water Project.....	.....	400	.....	.....	.....	.....	.....
GENERAL FUND TOTAL.....	\$ 6,928	\$ 9,053	\$ 8,039	\$ 8,341	\$ 8,654	\$ 8,981	\$ 9,320

Solid Waste Management

OBJECTIVE: To minimize present or potential hazards to human health and the environment from improper and inadequate solid waste management practices

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 11,669	\$ 15,630	\$ 13,940	\$ 14,725	\$ 15,315	\$ 15,927	\$ 16,565
Federal Funds	3,776	28,800	9,650	9,963	10,291	10,635	10,997
Other Funds	878	2,856	6,297	14,218	25,271	17,949	56,503
TOTAL	\$ 16,323	\$ 47,286	\$ 29,887	\$ 38,906	\$ 40,877	\$ 44,511	\$ 84,065

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Hazardous waste inspections performed ...	1,317	1,000	1,000	1,000	1,000	1,000	1,000
Hazardous waste facilities permitted and licensed under Act 97	5	150	150	50	50	50	50
Abandoned site inspections or investigations	324	348	418	488	488	225	225
Municipal and residual waste facilities permitted	490	180	250	480	600	600	600
Hazardous waste sites receiving remedial action	7	10	14	17	19	21	21

Program Analysis:

Solid waste management has been and will continue to be a major environmental issue. Pennsylvania citizens and industry generate an estimated 9 million tons of municipal waste, 25 million tons of residual waste, and 5 million tons of hazardous waste per year that are regulated under this program.

Solid waste is a generic term that includes within its definition wastes generated from residential, commercial, industrial and agricultural activities. Solid wastes are classified into three major groups.

MUNICIPAL WASTES: Any garbage, refuse or waste resulting from the operation of residential, municipal, commercial or institutional establishments and community activities.

RESIDUAL WASTES: Any discarded material or other waste resulting from an industrial, mining, water treatment, wastewater treatment or air pollution control facility, provided that the waste is not hazardous. Residual waste does not include agricultural waste produced in normal farming operations or coal mining and mineral waste.

HAZARDOUS WASTE: Any discarded material or other waste which, because of its quantity, concentrations, or characteristics may: (1) cause or significantly contribute to an increase in mortality, or (2) pose a substantial hazard to human health or the environment when improperly treated, stored, transported, or disposed of.

While Pennsylvania's solid waste management program began in 1968, the early years dealt basically with municipal solid waste. Thousands of industrial plants continued to generate wastes that escaped the control of water pollution, air pollution and land protection laws. In particular, the hazardous waste problem became increasingly critical due to thousands of abandoned and active land disposal sites where at least the threat of potential health hazards exists. Transporters of hazardous wastes too often simply continued to dump toxic materials in remote areas, in strip mines or in mine shafts. The wastes were often transported in drums that were stacked in warehouses, or in the open, to rust and leak with no care taken to prevent health and pollution hazards.

Solid Waste Management (continued)

Program Analysis: (continued)

Recognizing the national scope of waste problems, Congress passed the 1976 Resource Conservation and Recovery Act (RCRA). The act gave EPA the authority to develop a nationwide program to regulate hazardous waste from cradle to grave. The Federal Government since 1980 has concentrated its program and funding on hazardous solid waste. Responsibilities under RCRA are divided between the Federal government and the states.

In 1984, RCRA was amended, greatly expanding the scope of the original act. The act now severely regulates generators of small quantities of hazardous waste, establishes new regulations and restrictions on surface impoundments and land disposal and makes other substantive changes. States must phase in these tougher standards over the next few years.

In July of 1980, the General Assembly significantly upgraded Pennsylvania's solid waste legislation through passage of the Solid Waste Management Act (Act 97). This statute authorized the department to implement a comprehensive program including control of municipal, residual and hazardous waste. Of particular importance was the fact that Act 97 made it possible for the Commonwealth to accept primary enforcement responsibility (primacy) from the Federal government for Pennsylvania's hazardous waste programs. Application has been made and Federal authorization received, effective February 1986.

Pennsylvania is one of the leading producers of hazardous waste. The State's industries generate 5 million tons of hazardous waste annually, of which one million tons are disposed off-site. Currently 28 percent of Pennsylvania's hazardous waste to be disposed off-site is exported to as many as 24 states.

The hazardous waste program involves control of materials from the point of generation to the point of disposal. All entities engaged in hazardous waste management must complete notifications to the department. Storage, treatment and disposal facilities must acquire department permits. Transporters must be licensed. Manifest documents of all shipments must be tracked to insure proper disposal. Facilities operating without department permits are subject to investigation, enforcement and remedial actions. Illegal activities are halted through enforcement measures while plans and documents are reviewed and per-

mits are issued. Department inspection, surveillance, monitoring and enforcement is required by State and Federal law for all facilities and activities. This expanded Federal and State effort has created a new regulated community of approximately 2,400 generators, transporters and storage treatment/disposal facilities. The program measure showing the number of site inspections has been revised in the future years to reflect the decrease in the number of facilities handling and disposing hazardous waste as well as increasingly complex Federal inspection requirements.

Since passage of the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 (Superfund), the Commonwealth has been heavily involved in the abandoned hazardous waste site clean up program. An increase for continued expansion in the hazardous waste cleanup program in the amount of \$270,000 is included in the budget.

Although approximately 80 percent of the Commonwealth's solid waste effort is devoted to the control of hazardous wastes, this category is the smallest of the three solid waste groups in terms of tonnage.

In terms of volume, residual waste represents the largest portion of solid waste. Permits have been required for the disposal of residual waste since 1970. However, department policy in early program years directed all available resources to permitting of municipal waste landfills and closing open dumps. In 1974, the department began permitting residual waste sites. However, with the priority given to the hazardous waste program, progress has been slow.

Over 95 percent of the 9 million tons of municipal waste is disposed of in sanitary landfills; four percent is incinerated and one percent is recycled. Many current sites are reaching capacity and, due to public concern and opposition, new sites are not being established. As a result, local governments are having greater difficulty in finding landfills to accept their wastes and are experiencing escalating costs for this method of disposal.

The past two years have seen an expansion of capabilities for adequate regulatory oversight of municipal and residual waste management. This budget includes \$262,000 for the third year of a four year expansion. Closely linked to this is the resource recovery program revision appended to this subcategory.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Office of Protection	\$ 3,670	\$ 4,296	\$ 5,205	\$ 5,641	\$ 5,867	\$ 6,101	\$ 6,346
Hazardous Waste Control	5,100	7,834	8,735	9,084	9,448	9,826	10,219
Solid Waste Disposal Planning Grants ...	799	1,000	.....	.....	.....	.....	.....
Resource Recovery Grants	2,100	2,500	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 11,669	\$ 15,630	\$ 13,940	\$ 14,725	\$ 15,315	\$ 15,927	\$ 16,565

**Solid Waste Management
Program Revision: Resource Recovery and Recycling Expansion**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund			\$ -3,500	\$ -3,500	\$ -3,500	\$ -3,500	\$ -3,500
Other Funds			5,627	13,539	14,583	17,252	55,796
TOTAL			\$ 2,127	\$ 10,039	\$ 11,083	\$ 13,752	\$ 52,296

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Tons of municipal waste disposed by resource recovery or recycling facilities							
Current	450,000	450,000	450,000	460,000	470,000	480,000	500,000
Program Revision			540,000	669,000	828,000	1,074,000	3,359,000

Program Analysis:

About one-half of Pennsylvania counties, representing 50 percent of the Commonwealth's population, are served by landfills with less than five years capacity remaining. Historically, landfills have had significant operational problems, causing ground and surface-water contamination and other nuisances to surrounding communities. This has generated strong local opposition to siting of new landfills and to the expansion of existing landfills. Therefore, as landfills reach capacity or close, no new capacity has been developed. Nor have municipalities developed alternative disposal methods to landfilling.

Currently 95 percent of municipal waste is landfilled. Four percent is incinerated, of which one percent is processed through a resource recovery or waste-to-energy facility. The other one percent is recycled. Clearly this over-reliance on landfills for municipal waste disposal, plus the critical lack of landfill capacity over much of the Commonwealth demands that alternatives to landfills be used.

Safe, practical alternatives do exist: mass-burn incinerators, usually with the generation of steam and cogenerated electricity; resource recovery facilities, including ferrous and non-ferrous metal recovery and refuse-derived-fuel; and recycling. And, while it is true that landfills will always be needed, use of these alternatives can greatly reduce our dependence upon and extend the life of landfills. For example, incineration reduces the volume of waste going into a landfill by as much as 90 percent.

This Program Revision begins a plan which will provide needed processing and disposal facilities by creating incen-

tives to shift the emphasis from landfilling to resource recovery facilities and recycling programs over the next 12 years. Its goal is to process 50 percent of municipal waste by resource recovery and incineration, 10 percent (or more) by recycling, and 40 percent by landfills. It consists of four main parts: county control of planning and waste flow, resource recovery incentives, siting incentives and assurances to host communities, and recycling incentives.

Counties must assume the responsibility to assure adequate, permitted disposal and processing capacity from local governments. Of course, local governments will have significant participation in the adoption of plans and ordinances. But county governments will play the key role, adopting waste flow control ordinances and planning adequate disposal. All feasibility, project development and performance grants for resource recovery facilities will require consistency with county plans.

Grants and assistance will be the main resource recovery incentives. They will focus on the development of the best and most economic facility designs and plans. In addition to feasibility planning, funds will be available for the development phase of projects and for performance grants in the first two years of operation of a facility. Financing for the actual construction of resource recovery facilities is available through private sources. Private sector involvement in ownership and/or operation will be encouraged.

Host communities will be entitled to a number of assurances, including the receipt of inspection reports and monitoring results, and joint inspections of waste facilities.

Solid Waste Management

Program Revision: Resource Recovery and Recycling Expansion (continued)

Program Analysis: (continued)

Host communities will also be guaranteed prompt notification of any enforcement or emergency action at disposal or processing facilities. Communities hosting new facilities or major expansion of existing facilities will be intitled to a minimum \$1 per ton host-community benefit fee on waste disposed of at the facility. Municipal waste landfill operators will be required to provide free quarterly water well testing for all homeowners whose property is contiguous to the landfill.

Municipal governments can provide the education, service, and community-wide momentum necessary to implement a successful recycling program. This Program Revision will stimulate the collection of recyclables through increased curbside separation and statewide education and

promotion efforts. In addition, markets for recycled materials are to be expanded so that recycling achieves its full potential. Technical and financial assistance for municipal curbside collection and separation programs will be provided, as well as a modest short-term performance grant for each ton of materials collected and sold for recycling.

To fund this Program Revision, a modest fee is to be imposed on waste disposed of at landfills, excluding process residue received from resource recovery plants. The fee would be three dollars per ton in the first year, four dollars in the second, and five dollars in the third through tenth years.

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Solid Waste Disposal Planning Grants			\$ -1,000	\$ -1,000	\$ -1,000	\$ -1,000	\$ -1,000
Resource Recovery Grants			-2,500	-2,500	-2,500	-2,500	-2,500
GENERAL FUND TOTAL . . . . .			$ -3,500	$ -3,500	$ -3,500	$ -3,500	<u>\$ -3,500</u>

Regulation of Mining

OBJECTIVE: To maximize the economic benefits from mining activities while minimizing the negative environmental, health and safety consequences of such activities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 7,478	\$ 9,066	\$ 10,506	\$ 11,408	\$ 11,865	\$ 12,338	\$ 12,830
Federal Funds	7,876	9,845	10,199	10,199	10,199	10,199	10,199
Other Funds	254	321	510	260	260	260	260
TOTAL	\$ 15,608	\$ 19,232	\$ 21,215	\$ 21,867	\$ 22,324	\$ 22,797	\$ 23,289

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Surface mining permits:							
Issued	1,004	570	570	570	600	800	800
Disapproved	36	40	25	25	25	25	25
Complete and partial inspections performed:							
Surface mines	34,057	36,000	37,000	37,000	37,000	37,000	37,000
Deep mines	1,543	1,800	1,800	1,800	1,800	1,800	1,800
Oil and gas fields	11,423	12,000	12,000	12,000	12,000	12,000	12,000
Surface mine enforcement actions	2,100	2,000	2,000	2,000	2,000	2,000	2,000
Mine subsidence insurance policies in effect	26,957	30,000	33,000	36,000	39,000	43,000	48,000
Employees trained in mine safety	7,220	8,000	8,000	8,000	8,000	8,000	8,000
Well permit applications processed	9,613	6,240	6,240	6,240	6,240	6,240	6,240

Program Analysis:

The purpose of this program is to minimize adverse environmental impact from active mining operations. Through the administration of State and Federal laws, this program regulates active surface mining operations, coal refuse disposal, and the surface effects of active underground mining related to subsidence. Focusing on the important coal industry, regulatory activities are designed to assure proper land reclamation, prevent water and air pollution and protect the health and safety of the public.

In the 1977 Federal Surface Mine Control and Reclamation Act, Congress recognized the national importance of an adequate program to control the adverse environmental impacts of mining. This legislation established a new set of standards for controlling subsidence, coal refuse disposal and surface effects of underground mines, as well as surface mining. To foster a strong State role in this regulatory effort, the act provided for delegation by the Federal government of primary enforcement responsibility (primacy). On

July 31, 1982, Pennsylvania was delegated primary enforcement responsibility.

The additional State and Federal funds related to the Coal Mining Primacy program have enabled the department to expand its staff and facilities to meet the levels of regulatory involvement required in the delegated program. Significant output requirements are: once-per-month inspections, a complete quarterly inspection, ten day response to problems or complaints received through the Federal Office of Surface Mining (OSM) and bond release inspections within 30 days of receipt of the application. Less extensive partial inspections are conducted in each of the other two months of the quarter. An initiative for \$1,264,000 is included. This will transfer inspection and engineering staff to the General Fund from a special fund, thereby making more monies available for reclamation work. A Program Revision which includes this initiative is appended to the Management of Water and Mineral Resources subcategory.

Regulation of Mining (continued)

Program Analysis: (continued)

Primacy has required more effort to be expended in the permitting of mining operations because of the increased level of review detail. This has increased the length of time it takes to process a permit. Further, the amount of permit application activity has more than doubled since 1977, and data requirements have expanded to levels far exceeding the pre-Federal Act program. Another important program under primacy is the assistance to small coal operators for the preparation of certain technical portions of their permit applications. This program is Federally funded but is administered by the department. During the past two years, the department has conducted extensive re-permitting of surface mines in the Commonwealth. This, coupled with more stringent requirements, have reduced the number of permit applications but have not greatly reduced the number of active mines as many mines were, in reality, inactive. The number of deep mines, on the other hand, have decreased, primarily due to economic conditions.

Another activity of the mining program is the offering of mine subsidence insurance to residential and small commercial owners of property and private structures. This insurance program is directed by the Coal and Clay Mine Subsidence Insurance Board. A special fund is administered by the board in which premium and investment income are deposited and from which insurance claims and costs are paid. The growth in the number and value of policies has steadily increased since the beginning of the fund. With increasing property values and public awareness, this trend is expected to continue. The increased demand for this program necessitated an increase in resources for inspection and policy writing in fiscal year 1985-86. A cash flow statement for this fund is included in the appendix to Volume I of this budget.

Over half of Pennsylvania's coal production comes from underground coal mining where the potential for accidents far exceeds that found in surface mining operations. The number of fatalities has continued to be low in Pennsylvania, although it is higher than the all-time low established in 1978-79. At the same time, disabling injuries have also been

on the rise. The reality of increased accidents results in the obligation of mine management, mine labor and government to cooperate in a unified effort to make the deep mine working environment as safe as possible.

The Office of Deep Mine Safety has, for several years, been engaged in conducting mine safety training programs to minimize the number of accidents. Certification requirements for underground mine workers are also managed by this program thereby directly influencing the type and degree of expertise of personnel working in responsible positions underground. The number of mine employees trained in mine safety, however, is expected to decrease for several reasons. As mentioned before, the number of active deep mines is decreasing. In addition there are fewer new employees, who are the primary recipient of the required safety training.

The Bureau of Oil and Gas Management is responsible for administering laws and regulations covering the oil and gas industry in Pennsylvania. Through a permitting system for drilling activity, inspecting drilling and storage sites, and monitoring and enforcement actions, the program works toward protecting the environment and balancing conflicting interests of the oil, gas and coal industries. Over the past year there has been a restructuring of regulatory requirements governing oil and gas activities; new bonding requirements, expansion of permitting activities, restrictions for the protection of water supplies and natural resources, revised casing and plugging regulations, and other technical activities. This budget contains the second of a two year expansion in the Bureau of Oil and Gas Management to accommodate this restructuring; the cost is \$624,000. Also included is \$341,000 for full year funding of last year's expansion. It should be noted that the program measure showing well permit applications processed decreased substantially from the levels previously shown. This does not mean a decrease in actual drilling. Rather it shows that, with the new bonding and regulatory requirements, fewer "frivolous" applications, that is, for sites on which no drilling will actually occur, are being submitted.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Deep Mine Safety Inspections	\$ 2,922	\$ 2,989	3,022	\$ 3,142	\$ 3,269	\$ 3,399	\$ 3,535
Office of Protection	4,474	5,867	7,474	8,256	8,586	8,929	9,285
Interstate Mining Commission	10	10	10	10	10	10	10
Emergency Mine Subsidence Relief	72	200	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 7,478	\$ 9,066	\$ 10,506	\$ 11,408	\$ 11,865	\$ 12,338	\$ 12,830

Environmental Support Services

OBJECTIVE: To provide technical and administrative support for the Commonwealth's environmental protection programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 8,674	\$ 8,789	\$ 10,680	\$ 9,169	\$ 9,537	\$ 9,919	\$ 10,316
Federal Funds	313	550	471	471	471	471	471
Other Funds	873	1,266	1,266	1,316	1,316	1,316	1,316
TOTAL	\$ 9,860	\$ 10,605	\$ 12,417	\$ 10,956	\$ 11,324	\$ 11,706	\$ 12,103

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Inorganic analyses	509,536	760,000	900,000	900,000	900,000	900,000	900,000
Organic samples	7,136	6,200	6,200	6,200	6,200	6,200	6,200
Court appearances	19	20	20	20	20	20	20
Bacteriological analyses	31,998	37,500	37,500	37,500	37,500	37,500	37,500
Radiological samples	2,322	2,600	2,600	2,600	2,600	2,600	2,600

Program Analysis:

This program encompasses the technical and administrative support efforts of the Commonwealth's environmental protection activities.

The laboratory program is an essential service function for all Environmental Protection bureaus and provides analytical data for the determination of pollution levels in the total environment. Toxic chemicals and metals are analyzed in streams and lakes, solid waste, drinking water, industrial waste and fish; radiation is measured from a multitude of media including milk and other food stuffs, water and air; bacteria are monitored in drinking water, bathing beaches and sewage treatment plants; direct services are provided to homeowners to determine water potability; and inorganic pollutants are measured in air, water, mine drainage, industrial waste and sewage outflow.

Laboratory services continue to become increasingly complex as more potential hazards are identified and as additional and more frequent samplings are required. Program expansions in Solid Waste Management, Water Quality Management, Management of Water and Mineral Resources, Radiation Protection and Regulation of Mining (including Oil and Gas Management) continues to increase

workloads as well as add to the complexity of analysis. A major portion of the increase in inorganic analysis, for example, results from more frequent surface mine inspection sampling. Program measures concerning the number of inorganic analysis and bacteriological analysis have been revised downward from previous estimates. This results from a reassessment based on actual totals rather than more theoretical estimates. To fulfill its responsibility, the laboratory continues to acquire the most modern equipment as well as automating functions where possible. This budget contains \$1,862,000, a one time appropriation to equip a new consolidated laboratory and Harrisburg Regional Office building. Also important are skilled personnel, quality assurance and the best methodologies to provide the most accurate information.

Management Services furnishes administrative and clerical support to the Office of Environmental Protection. Functions include bonding for mining, hazardous waste and mine subsidence (including the computerization of this function); budget and fiscal management; grant execution; and data processing as well as maintenance of central filing and analysis systems.

Environmental Support Services (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Office of Protection	\$ 8,674	\$ 8,789	\$ 8,818	\$ 9,169	\$ 9,537	\$ 9,919	\$ 10,316
Laboratory and Regional Office Equipment .....	.....	.....	1,862	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 8,674</u>	<u>\$ 8,789</u>	<u>\$ 10,680</u>	<u>\$ 9,169</u>	<u>\$ 9,537</u>	<u>\$ 9,919</u>	<u>\$ 10,316</u>

Radiation Protection

OBJECTIVE: To protect all individuals from unnecessary radiation exposure from natural and artificial radiocontamination and unnecessary occupational and medical exposure.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90
General Fund	\$ 7,059	\$ 7,407	\$ 6,869	\$ 6,416	\$ 1,464	\$ 1,515	\$ 1,568
Federal Funds	1,451	19,287	1,469	119	119	119	119
Other Funds	389	1,994	2,026	2,331	2,699	2,834	2,975
TOTAL	\$ 8,899	\$ 28,688	\$ 10,364	\$ 8,866	\$ 4,282	\$ 4,468	\$ 4,662

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Radiation user inspections performed	693	500	2,500	2,500	2,500	2,500	2,500
Users brought into compliance through inspections	38	25	500	500	500	500	500
Nuclear plant off-site samples	2,480	3,000	3,200	3,800	3,800	3,800	3,800

Program Analysis:

Act 147 of 1984, the Radiation Protection Act, named the Department of Environmental Resources as the agency responsible for the registration, licensing, regulation and control of radiation sources and users within the Commonwealth. A major aspect of this act is the increase and dedication of fees and penalties to the funding of Radiation Protection program activities.

Sources of potentially serious exposure to ionizing radiation include nuclear power plants, shipments of radioactive materials, and large industrial, university and hospital users of radiation sources. On an individual basis, unnecessary radiation exposure can occur to individual patients of the healing arts profession utilizing X-ray equipment or radioactive materials in routine practice. Methods of exposure control include: (1) regulation and inspection, (2) environmental radiation surveillance and (3) public safety near nuclear plants.

The first of these three activities is carried out by registering equipment and licensing the possession and handling of materials at all radiation sources and by performing inspections. Enforcement actions are taken if needed to obtain compliance with existing laws and regulations. A public information program concerning medical radiation exposure is also conducted.

The second activity, the off-site sampling program, conducts routine surveillance in the environs of the nuclear

power generating facilities in the Commonwealth. These are: Beaver Valley Power Station, Limerich Generating Station, Peach Bottom Atomic Power Station, Susquehanna Steam Electric Station and Three Mile Island Nuclear Station. The radiation protection program involves environmental monitoring of air, soil, water, food, and vegetation around nuclear power plants, and has extended the emergency thermoluminescent dosimetry system to better evaluate accidental release of radioactivity.

The third involves insuring the safety of citizens in the vicinity of nuclear power plants. The entire professional staff of the Bureau of Radiation Protection has completed the Federal Emergency Management Agency's course on accident assessment. All have been trained in the implementation of the State Emergency Plan for nuclear accidents. Candidates for field team membership are trained formally in the use of field instrumentation. Quarterly, this equipment is set up and used as part of a proficiency maintenance training effort. Major exercises have been conducted at each of the operational nuclear power plant sites in Pennsylvania with several drills preceding each exercise. These exercises will occur on an annual basis at each site. At least one drill each year has full State participation by all agencies involved and a Federal critique of the drill is issued.

In addition to the routine activities above, four additional areas are of importance to the program:

Radiation Protection (continued)

Program Analysis: (continued)

(1) The continued decontamination and recovery of the TMI-II reactor. Very slow progress has been occurring at TMI-II, but progress is being made. It is anticipated that the decontamination process, the removal of the core, and subsequent shipments of radioactive wastes offsite will take many more years. The \$5 million per year contribution to the cleanup continues; 1986-87 will be the fifth year of this six year effort.

(2) The top priority site in the Federal government's Uranium Mill Tailings Remedial Action Program is located in Canonsburg. The industrial park in this municipality was operated as a uranium and radium processing plant approximately 40 years ago and a large amount of radioactive material is buried at the facility. Remedial action of on-site contamination has been completed. Action on off-site areas will be completed in 1986-87.

(3) Congress, in 1980, passed the Low Level Radiation Waste Policy Act which requires the states to be responsible for disposal of low level radiation waste generated within their borders. Act 120 of 1985, signed by the Governor on December 22, 1985, established the Appalachian States Low-Level Radioactive Waste Compact. This act provides for the State to enter into an agreement with West Virginia to establish a disposal site in the Commonwealth. Delaware and Maryland are also eligible to become parties to the compact. During the next year specific criteria for determining the method and site for disposal will be made. This budget includes \$200,000 for the Commonwealth's contribution to the implementation of this compact.

(4) Greater knowledge is becoming available concerning a potential health problem caused by Radon in private dwellings. Radon is a naturally occurring radioactive gas produced in rocks and soils. It migrates through basement cracks and other openings and is subsequently trapped in weather tight living spaces. The inhalation of particulate decay products of radon presents an increased risk of lung cancer. In January 1985, a major effort was begun to determine the extent of the problem, to develop possible solutions and to identify those dwellings which require remedial action to prevent potentially dangerous buildup of radon. With full year funding available in fiscal year 1985-86, the department is making significant progress. In addition, a low cost, homeowner's loan program for remedial action is being established through the Pennsylvania Housing Finance Agency. It should be noted that, because of the radon program, inspection activities in other areas of radiation protection decline in 1985-86; this is reflected in the program measures which show a decrease for that year. Manpower was temporarily reassigned so that the program could begin as quickly as possible and as fully as possible. As new people are recruited, existing manpower will return to more normal inspections and compliance duties.

With the implementation of Act 147 as well as new regulations, the number of radiation user inspections will increase dramatically with a concomitant increase in the number of users brought into compliance through inspections.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Office of Protection.....	\$ 1,045	.....	.....	.....	.....	.....	.....
Canonsburg Remedial Action	1,014	\$ 1,207	\$ 500	.....	.....	.....	.....
Radon Testing.....	.....	1,000	1,169	\$ 1,216	\$ 1,264	\$ 1,315	\$ 1,368
Three Mile Island Clean-up	5,000	5,000	5,000	5,000	.....	.....	.....
Appalachian States Low-level Waste Compact.....	.....	200	200	200	200	200	200
GENERAL FUND TOTAL	\$ 7,059	\$ 7,407	\$ 6,869	\$ 6,416	\$ 1,464	\$ 1,515	\$ 1,568

Management of Recreation Areas and Facilities

OBJECTIVE: To provide open space areas and recreation facilities to maximize outdoor recreation opportunities for all Commonwealth citizens and out-of-state visitors.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 26,850	\$ 28,892	\$ 28,681	\$ 29,827	\$ 31,019	\$ 32,259	\$ 33,548
Other Funds	17,904	19,751	8,602	5,310	5,320	5,330	5,340
TOTAL	\$ 44,754	\$ 48,643	\$ 37,283	\$ 35,137	\$ 36,339	\$ 37,589	\$ 38,888

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
State park attendance in visitor days (thousands)	37,835	36,000	36,500	37,000	37,000	37,000	37,000
Major maintenance or restoration projects completed	192	158	175	175	175	175	175
Parks with major maintenance projects	84	86	85	85	85	85	85

Program Analysis:

The purpose of this program is to insure to the citizens of the Commonwealth the availability of outdoor recreation and programs within a reasonable driving distance of their homes. A total of 113 recreation areas encompassing nearly 281,889 acres provided recreational facilities, programs and activities to over 37 million visitors in the 1984-85 fiscal year. A new area, the White Clay Creek Interstate Park in Chester County, opened in 1984. The State Park System also contributes significantly to Pennsylvania's tourist efforts, with approximately 15 percent of the attendance composed of out-of-state visitors.

During the 1970's, the State Park System experienced rapid expansion and improvement through the Project 70 and Project 500 Bond Issues. As facilities were constructed, greater emphasis had to be placed on funding operational requirements due to the great demand by the using public. As a result, the funding level for maintenance programs suffered. The older parks, many constructed in the 1930's, suffered the most from insufficient repair and restoration monies. But even some of the newer parks have been in operation for a sufficient time period to begin to develop maintenance deficiencies. To address this problem, a Major Maintenance Program for the Park System was initiated in 1981-82. By devoting existing park user fees to this effort, the massive investment made in the State's rich and varied recreational resources can be restored and maintained.

It will take many years to reverse the serious maintenance backlog that developed during the last decade. Many of the facilities within the State Park System came to the point where major repair efforts became necessary to avoid the closure of complete State parks due to safety and health factors. Through the Major Maintenance Program, facilities are being restored to a point where preventive maintenance can replace uneconomical emergency repair efforts. The 1985-86 program is projected to include 158 projects at 86 parks. While this is a lower number of projects than previously projected, it does not represent a decrease in activity. The smaller projects are now being completed therefore larger, more extensive projects are being selected. This accounts for the drop in actual projects with expenditures remaining at about the same level. These projects will include renovation or repair of roads, water systems, sewage treatment plants, swimming pools and beaches, boating facilities and structures such as comfort stations, bath houses, offices and visitor centers.

Given the problems of rising costs and limited availability of operating funds, the Bureau of State Parks has encouraged volunteer work by local civic groups, scouting organizations and private individuals. Act 136 of 1981 formalized the department's efforts to obtain the services of individuals without compensation for interpretive functions, visitor services, conservation measures and development or other activities. Since passage of this Act, the number of

Management of Recreation Areas and Facilities (continued)

Program Analysis: (continued)

people involved has steadily increased. For example, during the 1983-84 fiscal year, 692 private individuals provided over 76,605 man-hours of effort in the parks.

The park system continues to experience very heavy weekend usage which creates overloading of facilities and demands closure during these periods in order to protect the facility as well as the general public. Overloading on weekends strains the ability of the operational staff to accommodate this influx of users and allows limited time to provide services to users and proper maintenance to Commonwealth property. Efforts toward distribution of attendance continue to be placed on local programming and increased weekday usage is encouraged to insure visitor safety and protect the ecological system of the parks.

On September 19, 1984 the Governor signed Act 106, the

Recreational Improvement and Rehabilitation Act, and Act 112, the Pennsylvania Conservation Corps (PCC) Act. Both are funded by the Pennsylvania Economic Revitalization Fund. Continuation of the PCC program is recommended in 1986-87 at a \$3 million level as part of the Renaissance Communities Program shown in the Department of Commerce. Funds utilized for PERF programs are included in the Other Funds reflected here, and are also detailed in Volume I.

The highest priorities are given to projects which restore degraded natural resources, rehabilitate or renovate existing facilities in or near urban or suburban areas, provide training with marketable job skills, provide long-term benefits and generate revenues in excess of project costs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
State Parks	\$ 26,829	\$ 28,067	\$ 28,656	\$ 29,802	\$ 30,994	\$ 32,234	\$ 33,523
Annual Fixed Charges—Flood Lands.....	12	13	13	13	13	13	13
Annual Fixed Charges—Project 70.....	9	12	12	12	12	12	12
Fabridam .....	.....	800	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 26,850	\$ 28,892	\$ 28,681	\$ 29,827	\$ 31,019	\$ 32,259	\$ 33,548

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)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
Grants and Subsidies			
Atlantic States Marine Fisheries Commission	\$ 4	\$ 5	\$ 7
GENERAL FUND TOTAL	<u>\$ 4</u>	<u>\$ 5</u>	<u>\$ 7</u>
Boating Fund			
General Government			
General Operations	\$ 3,700	\$ 4,265	\$ 4,393
TOTAL STATE FUNDS	<u>\$ 3,700</u>	<u>\$ 4,265</u>	<u>\$ 4,393</u>
Federal Funds	\$ 661	\$ 293	\$ 302
Augmentations	14	10	10
BOATING FUND TOTAL	<u>\$ 4,375</u>	<u>\$ 4,568</u>	<u>\$ 4,705</u>
Fish Fund			
General Government			
General Operations	\$ 15,611	\$ 16,406	\$ 16,683
TOTAL STATE FUNDS	<u>\$ 15,611</u>	<u>\$ 16,406</u>	<u>\$ 16,683</u>
Federal Funds	\$ 1,178	\$ 1,321	\$ 2,401
Augmentations	4,438	4,618	4,755
FISH FUND TOTAL	<u>\$ 21,227</u>	<u>\$ 22,345</u>	<u>\$ 23,839</u>
Department Total — All Funds			
General Fund	\$ 4	\$ 5	\$ 7
Special Funds	19,311	20,671	21,076
Federal Funds	1,839	1,614	2,703
Augmentations	4,452	4,628	4,765
TOTAL ALL FUNDS	<u>\$ 25,606</u>	<u>\$ 26,918</u>	<u>\$ 28,551</u>

GRANTS AND SUBSIDIES

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Atlantic States Marine Fisheries Commission			
State Funds	\$ 4	\$ 5	\$ 7

Provides for Pennsylvania's contribution to the Atlantic States Marine Fisheries Commission which develops a joint program for the better utilization of the Atlantic seaboard fisheries.

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Atlantic States Marine Fisheries Commission	<u>\$ 4</u>	<u>\$ 5</u>	<u>\$ 7</u>

**BOATING FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Operations			
State Funds	\$ 3,700	\$ 4,265	\$ 4,393
Federal Funds	661	293	302
Augmentations	14	10	10
TOTAL	<u>\$ 4,375</u>	<u>\$ 4,568</u>	<u>\$ 4,705</u>

Promotes watercraft safety, maintains and develops boating waterways and enforces the boating laws and regulations on the inland waters of the Commonwealth for safety in pleasure boating.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Executive Authorization:			
General Operations	\$ 3,700	\$ 4,265	\$ 4,393
Federal Funds:			
Department of the Interior — Heritage Conservation and Recreation Services	61	7	. . . .
U.S. Coast Guard Grant—Boating Safety	600	286	302
Augmentations:			
Sale of Vehicles	14	10	10
TOTAL	<u>\$ 4,375</u>	<u>\$ 4,568</u>	<u>\$ 4,705</u>

**FISH FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Operations			
State Funds	\$ 15,611	\$ 16,406	\$ 16,683
Federal Funds	1,178	1,321	2,401
Augmentations	4,438	4,618	4,755
TOTAL	<u>\$ 21,227</u>	<u>\$ 22,345</u>	<u>\$ 23,839</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)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Executive Authorization:			
General Operations	\$ 15,611	\$ 16,406	\$ 16,683
Federal Funds:			
Anadromous Fish Act	17	.....	.....
Fish and Wildlife Restoration Act	800	1,173	2,291
Commercial Fish Act	61	39	80
Department of the Interior — Heritage Conservation and Recreation Services	265	101	.....
Mid-Atlantic Fisheries Management Council	5	4	4
Small Operator Assistance Programs	13	4	3
Surface Mine Regulatory Program	17	.....	23
Augmentations:			
Sale of Vehicles	44	50	50
Reimbursement for Services — Boating Fund	4,375	4,568	4,705
Pennsylvania Conservation Corps	19	.....	.....
TOTAL	<u>\$ 21,227</u>	<u>\$ 22,345</u>	<u>\$ 23,839</u>

FISH COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 3,380	\$ 3,638	\$ 3,838	\$ 3,916	\$ 4,033	\$ 3,699	\$ 3,729
Recreation	\$ 15,935	\$ 17,038	\$ 17,245	\$ 17,665	\$ 18,272	\$ 17,576	\$ 17,129
Recreational Fishing and Boating	15,935	17,038	17,245	17,665	18,272	17,576	17,129
DEPARTMENT TOTAL	<u>\$ 19,315</u>	<u>\$ 20,676</u>	<u>\$ 21,083</u>	<u>\$ 21,581</u>	<u>\$ 22,305</u>	<u>\$ 21,275</u>	<u>\$ 20,858</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 4	\$ 5	\$ 7	\$ 7	\$ 7	\$ 7	\$ 7
Special Funds	3,376	3,633	3,831	3,909	4,026	3,692	3,722
Federal Funds	50	41	83	120	120	120	120
Other Funds	632	602	616	632	647	647	647
TOTAL	\$ 4,062	\$ 4,281	\$ 4,537	\$ 4,668	\$ 4,800	\$ 4,466	\$ 4,496

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary

concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services. This subcategory provides for Pennsylvania's contribution to the Atlantic States Marine Fisheries Commission which develops a joint program for the better utilization of the Atlantic seaboard fisheries.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Atlantic States Marine Fisheries Commission	\$ 4	\$ 5	\$ 7	\$ 7	\$ 7	\$ 7	\$ 7
BOATING FUND							
General Operations	\$ 587	\$ 565	\$ 581	\$ 592	\$ 607	\$ 473	\$ 450
FISH FUND							
General Operations	\$ 2,789	\$ 3,068	\$ 3,250	\$ 3,317	\$ 3,419	\$ 3,219	\$ 3,272

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	\$ 15,935	\$ 17,038	\$ 17,245	\$ 17,665	\$ 18,272	\$ 17,576	\$ 17,129
Federal Funds	1,789	1,573	2,620	3,001	2,992	2,992	2,992
Other Funds	3,820	4,026	4,149	4,253	4,358	3,328	2,911
TOTAL	\$ 21,544	\$ 22,637	\$ 24,014	\$ 24,919	\$ 25,622	\$ 23,896	\$ 23,032

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Fishing licenses sold	1,068,594	1,120,000	1,112,000	1,134,000	1,156,000	1,156,000	1,156,000
Pounds of fish stocked in Commonwealth streams and lakes	2,558,266	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
Boats registered	230,000	238,000	246,000	255,000	264,000	264,000	264,000
Fatal accidents reported	13	25	25	25	25	25	25
Convictions for violation of Fish and Boating Laws	11,600	13,000	13,000	13,000	13,000	13,000	13,000

Program Analysis:

The end product of this program is the enjoyment and pleasure derived by anglers and boaters on Commonwealth waterways. The success of this program can be measured by the fact that fishing license sales and boat registrations are continually increasing. With additional leisure time becoming available, the demand for outdoor water-related recreational opportunities is also increasing steadily.

Satisfying greater demands for increased hatchery production, cleaner streams and more and better boating access and launching facilities has become an increasingly difficult task. In recognition of the rising costs associated with these programs, the General Assembly authorized a fish

license fee increase in 1982 which has increased revenues but still keeps fees within reach of most citizens. The funding of boating programs continues to be augmented by that portion of the Liquid Fuels Tax paid on gasoline consumed by motor boats.

Of particular interest this year was a coordinated State and Federal law enforcement crackdown in January, 1984. In cooperation with the Game Commission and the U.S. Fish and Wildlife Service, the Fish Commission moved against the illegal sale of fish and wildlife. The courts also cooperated by giving tough sentences to the offenders, including jail sentences. Covert activities against offenders will continue for the most effective protection of our resources.

Recreational Fishing and Boating (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
BOATING FUND							
General Operations	\$ 3,113	\$ 3,700	\$ 3,812	\$ 3,879	\$ 3,978	\$ 3,082	\$ 2,688
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FISH FUND							
General Operations	\$ 12,822	\$ 13,338	\$ 13,433	\$ 13,786	\$ 14,294	\$ 14,494	\$ 14,441
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Game Commission

The Game Commission administers and enforces the game laws of the Commonwealth and provides for the protection and propagation of wildlife.

GAME COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Game Fund			
General Government			
General Operations	\$ 34,680	\$ 36,760	\$ 30,585
	<hr/>	<hr/>	<hr/>
TOTAL STATE FUNDS	<u>\$ 34,680</u>	<u>\$ 36,760</u>	<u>\$ 30,585</u>
Federal Funds	\$ 5,309	\$ 3,575	\$ 3,765
Augmentations	239	710	182
	<hr/>	<hr/>	<hr/>
GAME FUND TOTAL	<u>\$ 40,228</u>	<u>\$ 41,045</u>	<u>\$ 34,532</u>

**GAME FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Operations			
State Funds	\$ 34,680	\$ 36,760	\$ 30,585
Federal Funds	5,309	3,575	3,765
Augmentations	239	710	182
TOTAL	<u>\$ 40,228</u>	<u>\$ 41,045</u>	<u>\$ 34,532</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)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Executive Authorization:			
General Operations	\$ 34,680 ^a	\$ 36,760	\$ 30,585
Federal Funds:			
National Park Service	179	150	75
Pittman-Robinson Act Reimbursements	4,974	3,339	3,600
Endangered Species	106	36	40
Surface Mine Regulatory Program	50	50	50
Augmentations:			
Sale of Vehicles	135	124	135
Sharecrop and Agricultural Leases	53	22	22
Pennsylvania Conservation Corps	51	564	25
TOTAL	<u>\$ 40,228</u>	<u>\$ 41,045</u>	<u>\$ 34,532</u>

^aIncludes a year-end encumbrance for \$6,137,000 which funds the new headquarters building. This encumbrance was moved into the available year.

GAME COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 9,510	\$ 9,362	\$ 5,042	\$ 5,243	\$ 5,454	\$ 5,672	\$ 5,429
Recreation	\$ 25,170	\$ 27,398	\$ 25,543	\$ 26,565	\$ 27,627	\$ 28,732	\$ 27,046
Wildlife Management	25,170	27,398	25,543	26,565	27,627	28,732	27,046
DEPARTMENT TOTAL	<u>\$ 34,680</u>	<u>\$ 36,760</u>	<u>\$ 30,585</u>	<u>\$ 31,808</u>	<u>\$ 33,081</u>	<u>\$ 34,404</u>	<u>\$ 32,475</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	<u>\$ 9,510</u>	<u>\$ 9,362</u>	<u>\$ 5,042</u>	<u>\$ 5,243</u>	<u>\$ 5,454</u>	<u>\$ 5,672</u>	<u>\$ 5,429</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GAME FUND							
General Operations	<u>\$ 9,510</u>	<u>\$ 9,362</u>	<u>\$ 5,042</u>	<u>\$ 5,243</u>	<u>\$ 5,454</u>	<u>\$ 5,672</u>	<u>\$ 5,429</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	\$ 25,170	\$ 27,398	\$ 25,543	\$ 26,565	\$ 27,627	\$ 28,732	\$ 27,046
Federal Funds	5,309	3,575	3,765	3,965	4,165	4,165	4,165
Other Funds	239	710	182	157	157	157	157
TOTAL	\$ 30,718	\$ 31,683	\$ 29,490	\$ 30,687	\$ 31,949	\$ 33,054	\$ 31,368

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Hunting licenses sold	1,220,102	1,098,000	1,159,000	1,159,000	1,159,000	1,159,000	1,159,000
Deer population	780,000	850,000	800,000	800,000	800,000	800,000	800,000
Deer taken	140,180	135,000	135,000	135,000	130,000	130,000	130,000
Acres open to public hunting	8,600,061	8,536,000	8,473,000	8,409,000	8,345,000	8,282,000	8,218,000
Arrests for violation of game laws	9,860	10,000	9,000	9,000	9,000	9,000	9,000
Pheasant released to supplement native population	210,093	210,000	210,000	210,000	210,000	210,000	210,000

Program Analysis:

The primary thrust of this program is to insure the perpetuation of various species of wildlife. As the measures indicate, the number of deer taken per license issued has remained relatively constant and would seem to confirm the adequacy of the Commonwealth's deer population.

An important ancillary benefit of the Commission's propagation program is land management. In addition to the approximately 1,271,000 acres owned and managed by the Commission, additional land is made available for hunting through cooperative programs with private landowners and this encourages private landowners to practice good land

management. Even with these actions taken by the Commission, current indications show a decrease in the overall acres available for public hunting as more and more land is being purchased by developers for housing developments.

As part of the Commission's current endangered species program approximately 30 Canadian bald eagles have been released throughout Pennsylvania. This particular program which is scheduled for the next two to three years is designed to repopulate the Commonwealth's bald eagle population.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GAME FUND							
General Operations	\$ 25,170	\$ 27,398	\$ 25,543	\$ 26,565	\$ 27,627	\$ 28,732	\$ 27,046

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.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revision:

Appropriation	Title	1986-87 State Funds (in thousands)
General Fund		
General Government Operations	P11—Computer Aided Design and Drafting Control Processing Unit	\$ 430 ^a
<p>This Productivity Improvement Initiative will provide for procurement of a mini-computer to support architectural and engineering design and drafting workstations of the Department of General Services and Environmental Resources, the Historical and Museum Commission, and other future using agencies.</p>		
General Government Operations	Automated Purchasing System and Network Expansion .....	.....
Automated Purchasing System	Automated Purchasing System and Network Expansion	715
	Program Revision Total	<u>\$ 715^b</u>
	DEPARTMENT TOTAL	<u><u>\$ 1,145</u></u>

^aThis is only one of numerous Productivity Improvement Initiatives which are being provided one-time funding to achieve long-term cost savings and efficiency benefits. The entire Program Revision Request is summarized in Volume 1.
^bThe total Program Revision will cost \$3.2 million. Details are presented in the appendix to the Procurement and Distribution of Commodities subcategory.

DEPARTMENT OF GENERAL SERVICES

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 42,212	\$ 43,753	\$ 45,626
Harristown Rental Charges	7,837	7,951	7,948
Disadvantaged Business Enterprise	28	100	100
Capitol Dome Repair	500	.....	.....
Utility Costs	8,103	8,530	9,322
Harristown Utility and Municipal Charges	5,469	5,700	5,831
Printing and Distribution of the Pennsylvania Manual	165	.....	165
Automated Purchasing System .....	.....	.....	715
Subtotal	<u>\$ 64,314</u>	<u>\$ 66,034</u>	<u>\$ 69,707</u>
Debt Service Requirements			
General State Authority Rentals	\$ 43,189	\$ 42,352	\$ 40,263
Grants and Subsidies			
Capitol Fire Protection	\$ 250	\$ 325	\$ 325
Tort Claims Payments	3,000	2,500	.....
Subtotal	<u>\$ 3,250</u>	<u>\$ 2,825</u>	<u>\$ 325</u>
Capital Improvements			
Energy Conservation Projects	\$ 879	\$ 2,000	\$ 2,000
Subtotal	<u>\$ 879</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>
TOTAL STATE FUNDS	<u>\$ 111,632</u>	<u>\$ 113,211</u>	<u>\$ 112,295</u>
Federal Funds .....	.....	\$ 7	.....
Augmentations	13,645	19,403	9,666
GENERAL FUND TOTAL	<u>\$ 125,277</u>	<u>\$ 132,621</u>	<u>\$ 121,961</u>
Motor License Fund			
Debt Service Requirements			
General State Authority Rentals	\$ 1,170	\$ 1,171	\$ 1,176
Grants and Subsidies			
Tort Claims Payments	\$ 15,000	\$ 30,000	\$ 26,500
MOTOR LICENSE FUND TOTAL	<u>\$ 16,170</u>	<u>\$ 31,171</u>	<u>\$ 27,676</u>
Banking Department Fund			
General Government			
Harristown Rental Charges	\$ 171	\$ 171	\$ 175
Harristown Utility and Municipal Charges	120	120	126
BANKING DEPARTMENT FUND TOTAL	<u>\$ 291</u>	<u>\$ 291</u>	<u>\$ 301</u>

DEPARTMENT OF GENERAL SERVICES

Summary by Fund and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Boating Fund			
Debt Service Requirements			
General State Authority Rentals	\$ 2	\$ 2	\$ 2
BOATING FUND TOTAL	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>
Fish Fund			
Debt Service Requirements			
General State Authority Rentals	\$ 62	\$ 63	\$ 63
FISH FUND TOTAL	<u>\$ 62</u>	<u>\$ 63</u>	<u>\$ 63</u>
Lottery Fund			
General Government			
Harristown Rental Charges	\$ 231	\$ 109	\$ 103
Harristown Utility and Municipal Charges	182	89	86
LOTTERY FUND TOTAL	<u>\$ 413</u>	<u>\$ 198</u>	<u>\$ 189</u>
Revenue Sharing Trust Fund			
General Government			
Moving and Relocation Expenses	\$ 52	\$ 446	\$ 240
REVENUE SHARING TRUST FUND TOTAL	<u>\$ 52</u>	<u>\$ 446</u>	<u>\$ 240</u>
Department Total — All Funds			
General Fund	\$ 111,632	\$ 113,211	\$ 112,295
Special Funds	16,990	32,171	28,471
Federal Funds .....	.....	7	.....
Augmentations	13,645	19,403	9,666
TOTAL ALL FUNDS	<u>\$ 142,267</u>	<u>\$ 164,792</u>	<u>\$ 150,432</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 50,577	\$ 51,804	\$ 54,389
Federal Funds .....	.....	7	.....
Augmentations	12,591	18,243	8,501
TOTAL	\$ 63,168	\$ 70,054	\$ 62,890

Provides for direction and coordination of the department's programs which include acting as purchasing agent for all agencies, maintaining a system for the distribution of Federal and State surplus property, providing for the insurance and leased space requirements of agencies, maintaining the Commonwealth automotive fleet, providing engineering and architectural services, furnishing the necessary maintenance, janitorial, and custodial services for Commonwealth owned building, and operating the Disadvantaged Business Enterprise Program. Will assume responsibility for the Commonwealth's Data Communication Network effective July 1, 1986.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
General Government Operations	\$ 42,212	\$ 43,753	\$ 45,626
Harristown Rental Charges	7,837	7,951	7,948
Disadvantaged Business Enterprise Program	28	100	100
Capitol Dome Repair	500	.....	.....
Automated Purchasing System .....	.....	.....	715
Federal Funds:			
Coal-Oil Fuel Mixture .....	.....	7	.....
Augmentations:			
Sales and Rental Automotive Equipment	6,885	8,370	.....^a
Commissions Earned—Employee Group Life Insurance			
Administration	50	50	50
Receipt of Service Charge—Federal Surplus Property	300	250	300
Reimbursement for Reproduction Services	3,354	3,450	.....^a
Rental of Sound Equipment	30	26	28
Employee Liability Self-Insurance Plan	34	49	49
Information Center — Centrex	131	154	163
General State Authority Fiscal Function	69	74	76
Newsroom Services	12	13	14
Computer Services	38	37	36
Micrographic Service	1,058	1,300	.....^a
Plans Forfeiture	32	25	26
Reimbursements for State Buildings Use .....	.....	858	887
Media Center Reimbursements .....	.....	622	660
Commonwealth Data Network	598	2,965	6,212
TOTAL	\$ 63,168	\$ 70,054	\$ 62,890

^aWill be operated through the Purchasing Fund effective July 1, 1986.

GENERAL FUND

GENERAL SERVICES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Utility Costs			
State Funds	\$ 13,572	\$ 14,230	\$ 15,153
Augmentations .....	.....	160	165
TOTAL	<u>\$ 13,572</u>	<u>\$ 14,390</u>	<u>\$ 15,318</u>

Provides for the payment of water, sewerage, electricity and heating fuel bills.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Utility Costs	\$ 8,103	\$ 8,530	\$ 9,322
Harristown Utility and Municipal Charges	5,469	5,700	5,831
Augmentations:			
Special Fund Billings .....	.....	160	165
TOTAL	<u>\$ 13,572</u>	<u>\$ 14,390</u>	<u>\$ 15,318</u>

	(Dollar Amounts in Thousands)		
	1983-84 Actual	1984-85 Available	1985-86 Budget
Printing and Distribution of the Pennsylvania Manual			
State Funds	\$ 165	.....	\$ 165

Provides for the biennial printing and distribution of the Pennsylvania Manual.

	(Dollar Amounts in Thousands)		
	1983-84 Actual	1984-85 Available	1985-86 Budget
Source of Funds			
Appropriations:			
Printing and Distribution of the Pennsylvania Manual	<u>\$ 165</u>	<u>.....</u>	<u>\$ 165</u>

DEBT SERVICE REQUIREMENTS

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General State Authority Rentals			
State Funds	\$ 43,189	\$ 42,352	\$ 40,263
Augmentations	1,054	1,000	1,000
TOTAL	<u>\$ 44,243</u>	<u>\$ 43,352</u>	<u>\$ 41,263</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.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
General State Authority Rentals	\$ 43,189	\$ 42,352	\$ 40,263
Augmentations:			
Fees from Student Union Rentals	1,054	1,000	1,000
TOTAL	<u>\$ 44,243</u>	<u>\$ 43,352</u>	<u>\$ 41,263</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Capitol Fire Protection			
State Funds	\$ 250	\$ 325	\$ 325

Provides payment to the city of Harrisburg for fire protection rendered to the Capitol Building.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Capitol Fire Protection	<u>\$ 250</u>	<u>\$ 325</u>	<u>\$ 325</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Tort Claims			
State Funds	\$ 3,000	\$ 2,500	.....^a

Provides for the payment of tort claims settled either through the litigation process or through prelitigation negotiations.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Tort Claims Payments	<u>\$ 3,000</u>	<u>\$ 2,500</u>	<u>.....^a</u>

^aWill be billed to agencies effective July 1, 1986.

CAPITAL IMPROVEMENTS

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Capital Improvements			
State Funds	\$ 879	\$ 2,000	\$ 2,000

· Provides funds to purchase and install various energy saving devices in Commonwealth owned buildings.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Energy Conservation Projects	<u>\$ 879</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>

DEBT SERVICE REQUIREMENTS

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General State Authority Rentals			
State Funds	\$ 1,170	\$ 1,171	\$ 1,176

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)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
General State Authority Rentals	<u>\$ 1,170</u>	<u>\$ 1,171</u>	<u>\$ 1,176</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Tort Claims			
State Funds	\$ 15,000	\$ 30,000	\$ 26,500

Provides for the payment of tort claims which are settled either through a litigation process or through prelitigation negotiations.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Tort Claims Payments	<u>\$ 15,000</u>	<u>\$ 30,000</u>	<u>\$ 26,500</u>

**BANKING DEPARTMENT FUND
GENERAL GOVERNMENT**

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 291	\$ 291	\$ 301

Provides for the payment of rent, water, electricity and heating fuel in the Harristown building where the space is used by the Banking Department.

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Source of Funds			
Executive Authorizations:			
Harristown Rental Charges	\$ 171	\$ 171	\$ 175
Harristown Utility and Municipal Charges	120	120	126
TOTAL	<u>\$ 291</u>	<u>\$ 291</u>	<u>\$ 301</u>

**BOATING FUND
DEBT SERVICE REQUIREMENTS**

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
General State Authority Rentals			
State Funds	\$ 2	\$ 2	\$ 2

Provides for rental payments to the General State Authority for the use of grounds, buildings, and equipment which were acquired, financed, and constructed by the Authority.

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
General State Authority Rentals	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>

**FISH FUND
DEBT SERVICE REQUIREMENTS**

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
General State Authority Rentals			
State Funds	\$ 62	\$ 63	\$ 63

Provides for rental payments to the General State Authority for the use of grounds, buildings, and equipment which were acquired, financed, and constructed by the Authority. The Commonwealth secures title to the buildings and property after the total cost of each has been matched by rental payments.

<i>Source of Funds</i>	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Appropriation:			
General State Authority Rentals	<u>\$ 62</u>	<u>\$ 63</u>	<u>\$ 63</u>

**LOTTERY FUND
GENERAL GOVERNMENT**

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 413	\$ 198	\$ 189

Provides for the payment of rent, water, electricity and heating fuel in the Harristown buildings where the space is used by Department of Revenue in administration of State Lottery functions.

<i>Source of Funds</i>	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Executive Authorizations:			
Harristown Rental Charges	\$ 231	\$ 109	\$ 103
Harristown Utility and Municipal Charges	182	89	86
TOTAL	<u>\$ 413</u>	<u>\$ 198</u>	<u>\$ 189</u>

**REVENUE SHARING TRUST FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Moving and Relocation Expenses			
State Funds	\$ 52	\$ 446	\$ 240

Provides for payment of costs associated with moving, consolidating, or abandoning facilities of various departments.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
<i>Source of Funds</i>			
Executive Authorization:			
Moving and Relocation Expenses	<u>\$ 52</u>	<u>\$ 446</u>	<u>\$ 240</u>

DEPARTMENT OF GENERAL SERVICES

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 4,853	\$ 6,331	\$ 6,640	\$ 6,682	\$ 7,114	\$ 7,226	\$ 7,681
Commodity Management	\$ 4,838	\$ 4,828	\$ 4,851	\$ 4,887	\$ 4,474	\$ 4,652	\$ 4,839
Procurement and Distribution of Commodities	4,151	4,114	4,126	4,133	3,690	3,837	3,991
Disposition and Utilization of Surplus and Donated Commodities	687	714	725	754	784	815	848
Physical Facilities Management	\$ 55,510	\$ 57,172	\$ 60,294	\$ 61,184	\$ 63,067	\$ 64,464	\$ 66,674
Management and Operation of Facilities ..	55,510	57,172	60,294	61,184	63,067	64,464	66,674
Financing Commonwealth Obligations	\$ 44,423	\$ 43,588	\$ 41,504	\$ 39,662	\$ 35,595	\$ 31,862	\$ 28,593
Payment of General State Authority Rentals	44,423	43,588	41,504	39,662	35,595	31,862	28,593
Management of Commonwealth Liability ..	\$ 18,998	\$ 33,463	\$ 27,477	\$ 30,017	\$ 31,557	\$ 35,600	\$ 38,643
Risk Management and Tort Claims	18,998	33,463	27,477	30,017	31,557	35,600	38,643
DEPARTMENT TOTAL	<u>\$ 128,622</u>	<u>\$ 145,382</u>	<u>\$ 140,766</u>	<u>\$ 142,432</u>	<u>\$ 141,807</u>	<u>\$ 143,804</u>	<u>\$ 146,430</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 4,853	\$ 6,331	6,640	\$ 6,682	\$ 7,114	\$ 7,226	\$ 7,681
Other Funds	4,621	5,652	972	1,011	1,051	1,093	1,137
TOTAL	\$ 9,474	\$ 11,983	\$ 7,612	\$ 7,693	\$ 8,165	\$ 8,319	\$ 8,818

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of various specific programs but, which because of their generalized nature, cannot be reasonably charged to any one substantive program. Such services include overall executive direction, manpower management, fiscal accounting and management information processing.

The costs for records retention and paperwork management are reflected in this subcategory. An additional \$50,000 has been provided for preparation, storage and preservation of the Governor's official papers.

This program also will assume responsibility for the Commonwealth's Data Communications Network effective July 1, 1986; provides support for the printing and distribution of the Pennsylvania Manual, which is issued bi-annually; and administers the Disadvantaged Business Enterprise Program.

Two activities funded in this program will be financed through the Purchasing Fund effective July 1, 1986—Reprographic Services and Micrographic Services provided to other agencies.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 4,660	\$ 6,231	\$ 6,375	\$ 6,578	\$ 6,841	\$ 7,114	\$ 7,399
Printing and Distribution of the Pennsylvania Manual	165	.....	165	.....	165	.....	165
Disadvantaged Business Enterprise Program	28	100	100	104	108	112	117
GENERAL FUND TOTAL	\$ 4,853	\$ 6,331	\$ 6,640	\$ 6,682	\$ 7,114	\$ 7,226	\$ 7,681

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 4,151	\$ 4,114	\$ 4,126	\$ 4,133	\$ 3,690	\$ 3,837	\$ 3,991
Other Funds	7,483	11,335	6,212	6,460	6,719	6,988	7,267
TOTAL	\$ 11,634	\$ 15,449	\$ 10,338	\$ 10,593	\$ 10,409	\$ 10,825	\$ 11,258

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Value of purchases made (in thousands) ...	332,787	340,000	350,000	360,000	370,000	380,000	390,000
Tests and inspections made on commodities	914	9,000	17,800	17,800	17,800	17,800	17,800
Specifications established, reviewed or amended	5,320	5,300	5,310	5,320	5,330	5,340	5,350
Bid evaluations and requisitions reviewed and processed	6,604	6,500	6,550	6,600	6,650	6,700	6,800
Requests for telecommunications proposal and/or service-surveyed, written, evaluated and awarded or processed	8,685	8,771	8,859	8,948	9,037	9,128	8,217

Program Analysis:

This program includes the purchasing functions for all agencies of the Commonwealth. It provides the method through which the Commonwealth enters into contracts for the vast spectrum of goods and services procured for the various agencies. A program revision including \$1.3 million over two years is included in this budget for a consulting contract to develop an automated purchasing system. Details are included in the appendix for this subcategory. Tests and inspections are also conducted to determine conformance with acceptable standards of quality.

Effective July 1, 1986 the Data Communications Network will be transferred to General Services. All costs for the network will be billed to user agencies and these are shown above as "Other Funds". A program revision including expansion of the network, at a 1986-87 cost of \$2.5 million, is proposed in this budget. Details of this proposed program revision are included in the appendix to this subcategory.

Maintaining the Commonwealth automotive fleet is another responsibility of the department; this funding is being transferred to the Purchasing Fund effective July 1, 1986.

This program also assists local governments by allowing them to participate in Commonwealth contracts for the purchase of goods and materials. Currently 35 percent of the Commonwealth's political subdivisions are using this service even though 71 percent have qualified. Although exact savings are difficult to quantify, this practice undoubtedly produces a savings of tax dollars at the local level.

Included in this program is the Vendor Information and Support Division which is designed to allow vendors a pre-bid view of all contracts for goods and services of \$5,000 or more. This division has been very active in increasing minority vendor participation. As a result of their efforts, minority participation in Commonwealth purchases continued to increase.

The decrease in the program measure for bid evaluations in 1984-85 is due to the local bid/local award authorization to purchase up to \$5,000 in goods or services being extended to all using agencies of the Commonwealth. This extension improves the efficiency and effectiveness of the purchasing system, while simultaneously supporting local economies. Requests for telecommunications proposals are

Procurement and Distribution of Commodities (continued)

Program Analysis: (continued)

increasing significantly compared to previous projections due to the break-up of American Telephone and Telegraph. The department must now competitively bid items that were previously sole source.

In the past, the primary concern in most procurement transactions has been the initial cost. It has since been recognized that after the initial purchase of an item, or completion of a facility or system, a substantial amount of tax

monies continue to be spent for energy, maintenance, repair and related costs. The purchasing concept of life cycle costing has come to be recognized as both viable and essential. This system has therefore been adopted for those acquisitions requiring substantial operating and maintenance costs over their life spans. The Department of General Services is responsible for the development, implementation, and coordination of an effective life cycle costing program.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 4,151	\$ 4,114	\$ 3,411	\$ 3,548	\$ 3,690	\$ 3,837	\$ 3,991
Automated Purchasing System .....	.....	.....	715	585	.....	.....	.....
GENERAL FUND TOTAL	\$ 4,151	\$ 4,114	\$ 4,126	\$ 4,133	\$ 3,690	\$ 3,837	\$ 3,991

**Procurement and Disbursement Of Commodities
Program Revision: Automated Purchasing System and Network Expansion**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 715	\$ 585	.....	.....	.....
Other Funds	\$ 2,467	\$ 2,715	\$ 2,974	\$ 3,242	\$ 3,522
TOTAL	\$ 3,182	\$ 3,300	\$ 2,974	\$ 3,242	\$ 3,522

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Computer terminals on the network	2,259	3,300	3,900	3,900	3,900	3,900	3,900

Program Analysis:

Use of the Commonwealth Data Communications Network has grown dramatically and significantly faster than originally projected in the 1982 proposal, with 3,300 terminals in eight agencies now linked. Advancements in communications, particularly computer technology as well as increased capabilities through the Integrated Central System, have contributed to the greater demand by user agencies. Costs have also been increased by the divestiture of the American Telephone and Telegraph Company. This Program Revision is to provide funding for the necessary linkages of 600 anticipated new terminals in 1986-87 and the increased costs of operating this expanded network. This will increase capacity from 3,300 terminals to 3,900; funds for the purchase of terminals are included in the individual agencies' budgets and are not shown here.

The network will be transferred to the Department of General Services (DGS) from the Office of Administration on July 1, 1986, as part of a reorganization and formation of the Bureau of Telecommunications and Information Technology Services. The intent of the reorganization is to achieve an integrated voice and data network under one agency.

There are currently eight agencies on the network: The departments of Education, Health, Labor and Industry, Public Welfare, Revenue and Transportation, the Pennsylvania State Police and the Office of Administration.

This Program Revision will fund all costs for this network growth in 1986-87 through billings from DGS to those agencies on the network based on circuits in use or to be installed plus anticipated usage rates; these billings are shown above as "Other Funds." Funds to pay these billings have

been provided in each of the agencies' budgets. Previously, all Commonwealth agencies were billed for operating costs based on anticipated future benefits.

Significant costs have been avoided with the implementation of the network, primarily in reduced operating and fixed asset costs through economies of scale and in complement reductions. Similar savings are anticipated in the future, but are difficult to estimate with any degree of precision.

The network is an integral part of the user agencies' data processing systems. Without the network, the agencies would need to develop their own individual networks at significantly higher costs, or cut back on services. This investment in technology is expected to generate significant efficiency savings to the Commonwealth, as well as increased levels of service.

Automated Purchasing System

This Program Revision Request also includes \$1.3 million over the next two years to fund the development of an automated contract preparation and purchase order process. The process developed will be integrated with the central agency purchasing system being developed by the Integrated Central System (ICS). This purchasing system development effort will give agencies the ability to generate purchase documents in one-third the time it now takes, greatly streamlining the current process. Substantial cost and efficiency savings are projected once the contract, purchase order, and data base systems are fully operational.

Procurement and Distribution of Commodities

Program Revision: Automated Purchasing System and Network Expansion

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Automated Purchasing System	<u>.....</u>	<u>.....</u>	<u>\$ 715</u>	<u>\$ 585</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>

Disposition and Utilization of Surplus and Donated Commodities

OBJECTIVE: To derive maximum utilization of all surplus and donated commodities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 687	\$ 714	\$ 725	\$ 754	\$ 784	\$ 815	\$ 848
Other Funds	300	250	300	312	324	337	350
TOTAL	<u>\$ 987</u>	<u>\$ 964</u>	<u>\$ 1,025</u>	<u>\$ 1,066</u>	<u>\$ 1,108</u>	<u>\$ 1,152</u>	<u>\$ 1,198</u>

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Value of Federal surplus property (in thousands):							
On hand	\$ 4,500	\$ 4,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Distributed	\$ 5,725	\$ 7,000	\$ 8,000	\$ 9,000	\$ 9,500	\$10,000	\$ 10,500
State surplus items transferred for interagency use	26,500	26,700	27,000	27,200	27,400	27,600	28,000

Program Analysis:

This program involves the proper administration of all surplus property, including both Federal surplus property and surplus property belonging to the Commonwealth.

Functioning as an intermediary between the Federal government and eligible tax supported or nonprofit tax exempt health, education and civil defense organizations, and eligible senior citizen groups, the department obtains surplus Federal property from various military and other Federal government installations at no cost other than for screening and transportation. The property is then sold to eligible organizations for a nominal service charge. The utilization of Federal surplus property by the eligible organizations saves a significant amount of tax dollars at the local level by providing needed products at a fraction of their cost in the open market.

Surplus Commonwealth property is administered through a system of either transferring the Commonwealth's surplus property to a requesting agency or disposing of it through sales to the general public or as trade-ins on new goods, thus assuring the maximum utilization of the Commonwealth's property.

The program measure showing Federal Surplus Property on hand was higher in 1984-85 than anticipated due to inventory which is now listed as scrap because of no interest having been shown by eligible organizations. The scrap will be sold in 1986-87. The reduction of items distributed is due to the reduction of surplus property being made available by the Federal Government.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	<u>\$ 687</u>	<u>\$ 714</u>	<u>\$ 725</u>	<u>\$ 754</u>	<u>\$ 784</u>	<u>\$ 815</u>	<u>\$ 848</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 54,754	\$ 56,237	\$ 59,564	60,668	\$ 62,583	\$ 63,980	\$ 66,181
Special Funds	756	935	730	516	484	484	493
Federal Funds .....	.....	7	.....	.....	.....	.....	.....
Other Funds	102	1,067	1,083	1,090	1,097	1,105	1,113
TOTAL	\$ 55,612	\$ 58,246	\$ 61,377	\$ 62,274	\$ 64,164	\$ 65,569	\$ 67,787

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Work orders executed	18,206	20,000	20,000	20,000	20,000	20,000	20,000
Lease agreements executed	685	685	685	685	685	685	685
Agency funded projects for design, survey, and/or inspection work	286	325	331	335	335	335	335
Capital facilities projects in design and/or construction:							
Number	186	320	325	335	342	361	361
Value (in thousands)	537,800	575,000	575,000	600,000	600,000	610,000	610,000

Program Analysis:

The property management functions in this program include maintenance, janitorial, custodial, mechanical repair and police services for the grounds and buildings of the Capitol Complex and Harrisstown in Harrisburg plus the State office buildings in Pittsburgh, Philadelphia, Scranton, Altoona, and Reading.

In addition, this program seeks to assure the efficient acquisition and utilization of space and facilities. This involves contracting for the rent of office space for Commonwealth activities that cannot be adequately housed in Commonwealth-owned buildings, surveying the space requirements and determining space allocation for all Commonwealth-owned and leased building, as well as the responsibility for agency moves. The cost of such moves is provided for from a continuing appropriation from the Revenue Sharing Trust Fund and from allocations from the department's General Government Operation appropriation.

Another important activity of this program is to provide the Commonwealth with the best possible technical services and contracts for constructing capital improvements (other than highway projects), renovating and rehabilitating present buildings and assuring that all capital projects are com-

pleted in the most efficient manner. This program is responsible for preparing plans, designs, surveys and specifications for all construction projects under the Department of General Services' jurisdiction. Each project is closely monitored via frequent inspections during construction to insure compliance with State laws and building codes. Presently 320 capital facilities projects with a value of over half a billion dollars are under design or construction.

The number of agency funded projects and capital facilities projects increased from 1983-84 to 1984-85 but not to levels previously projected due to revised scheduling decisions.

A Productivity Improvement Initiative of \$430,000 has been provided for a MMI computer support system to enable the Department of Environmental Resources and the Historical and Museum Commission to share computer resources with General Services. Productivity Improvement Initiatives are summarized for all agencies in Volume I. An additional \$250,000 has also been provided for the utilities and maintenance of the new capitol addition scheduled to open in January, 1987.

This program also provides \$2 million for the third year

Management and Operation of Facilities (continued)

Program Analysis: (continued)

of a program to upgrade Commonwealth facilities to reduce energy costs. At current energy prices, investments in projects to reduce energy consumption produce significant sav-

ings which result in rapid payback of the project costs. These projects are being done throughout the Commonwealth prioritized according to payback period.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 31,716	\$ 31,731	\$ 34,138	\$ 34,536	\$ 35,918	\$ 37,356	\$ 38,850
Harristown Rental Charges	7,837	7,951	7,948	7,798	7,200	6,474	6,469
Capitol Dome Repair	500						
Utility Costs	8,103	8,530	9,322	9,945	10,833	11,266	11,716
Harristown Utility and Municipal Charges	5,469	5,700	5,831	6,064	6,307	6,559	6,821
Capitol Fire Protection	250	325	325	325	325	325	325
Energy Conservation Projects	879	2,000	2,000	2,000	2,000	2,000	2,000
GENERAL FUND TOTAL	\$ 54,754	\$ 56,237	\$ 59,564	\$ 60,668	\$ 62,583	\$ 63,980	\$ 66,181
BANKING DEPARTMENT FUND							
Harristown Rental Charges	\$ 171	\$ 171	\$ 175	\$ 171	\$ 161	\$ 156	\$ 156
Harristown Municipal and Utility Costs ..	120	120	126	131	136	141	147
BANKING FUND DEPARTMENT TOTAL	\$ 291	\$ 291	\$ 301	\$ 302	\$ 297	\$ 297	\$ 303
STATE LOTTERY FUND							
Harristown Rental Charges	\$ 231	\$ 109	\$ 103	\$ 101	\$ 94	\$ 90	\$ 90
Harristown Utility and Municipal Charges	182	89	86	89	93	97	100
STATE LOTTERY FUND TOTAL ...	\$ 413	\$ 198	\$ 189	\$ 190	\$ 187	\$ 187	\$ 190
REVENUE SHARING TRUST FUND							
Moving and Relocation Expenses	\$ 52	\$ 446	\$ 240	\$ 24			

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 43,189	\$ 42,352	\$ 40,263	\$ 38,430	\$ 34,392	\$ 30,729	\$ 27,462
Special Funds	1,234	1,236	1,241	1,232	1,203	1,133	1,131
Other Funds	1,054	1,000	1,000	1,000	1,000	1,000	1,000
TOTAL	\$ 45,477	\$ 44,588	\$ 42,504	\$ 40,662	\$ 36,595	\$ 32,862	\$ 29,593

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General State Authority Rentals	\$ 43,189	\$ 42,352	\$ 40,263	\$ 38,430	\$ 34,392	\$ 30,729	\$ 27,462
MOTOR LICENSE FUND							
General State Authority Rentals	\$ 1,170	\$ 1,171	\$ 1,176	\$ 1,167	\$ 1,138	\$ 1,068	\$ 1,066
FISH FUND							
General State Authority Rentals	\$ 62	\$ 63	\$ 63	\$ 63	\$ 63	\$ 63	\$ 63
BOATING FUND							
General State Authority Rentals	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2

Risk Management and Tort Claims

OBJECTIVE: To provide for the reduction of potential risks and for the equitable settlement of tort claims.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 3,998	\$ 3,463	\$ 977	\$ 1,017	\$ 1,057	\$ 1,100	\$ 1,143
Special Funds	15,000	30,000	26,500	29,000	30,500	34,500	37,500
Other Funds	85	99	99	103	107	111	115
TOTAL	\$ 19,083	\$ 33,562	\$ 27,576	\$ 30,120	\$ 31,664	\$ 35,711	\$ 38,758

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Claims filed	7,874	8,622	9,441	10,338	11,320	12,395	13,573
Claims closed (includes settlements, judgements and denials)	7,385	7,824	8,215	8,626	9,057	9,510	9,986
Claims Pending	5,236	6,034	7,260	8,792	11,235	14,120	17,707
Amount of claims pending (in thousands) ..	\$195,208	\$224,489	\$269,387	\$331,346	\$414,183	\$517,729	\$647,141

Program Analysis:

This program has been substantially affected by three significant court decisions in the past seven years. First, the Commonwealth's previous use of sovereign immunity as a defense against tort claims was abolished by the Mayle decision in July 1978. Subsequently, by Act 152 of 1978, the General Assembly reaffirmed sovereign immunity, but also established criteria for limited amounts of liability in eight specific areas: (1) vehicle liability; (2) medical-professional liability; (3) personal property; (4) Commonwealth real estate, highways and sidewalks; (5) potholes and other dangerous conditions; (6) care, custody or control of domestic animals; (7) liquor store sales; and (8) National Guard activities.

Then, in early 1984, the Pennsylvania Supreme Court struck down the dollar limitation on awards for pre-Act 152 cases. The Commonwealth Court recently upheld the dollar limitations for post-Act 152 cases, however, the case has been appealed to the Supreme Court. A final decision is expected in 1986.

As a response to the Mayle decision and Act 152, a self-insurance program was established jointly by the Department of General Services and the Office of Attorney General to provide for the handling of tort claims brought against the Commonwealth, its officials and employees. Claims in

the pre-litigation stage are investigated and handled by qualified and experienced evaluators in the Department of General Services. Claims in litigation are defended by the Tort Litigation Unit in the Office of Attorney General with investigative services provided by the Department of General Services. In either situation, the actual payment of claims is made from the appropriated funds for this program. The torts program has been incorporated into the overall Risk Management Program, which provides loss prevention activities to reduce the potential risks as much as possible.

As a result of the adverse ruling on pre-Act 152 cases, the cost of claims settled and pending has increased substantially. Similarly, the number of claims filed is also increasing sharply due to increased public awareness of Act 152. Particularly impacted have been cases involving vehicle liability, with the result that the Motor License Fund 1985-86 appropriation for tort claims payments will have to be increased by \$10 million over the \$20 million originally appropriated. The projections for 1985-86 and future year Motor License Fund needs have been revised to reflect the most current data. And if the constitutionality of the award limits on post-Act 152 claims is also struck down in the above-mentioned appeal to the State Supreme Court, further cost increases in this program will probably occur in

Risk Management and Tort Claims (continued)

Program Analysis: (continued)

the General Fund as well as in the Motor License Fund. The projections shown do not take such an eventuality into consideration.

General Fund tort claims costs will be billed to agencies effective July 1, 1986. Funds have been provided in individual agency budgets to cover the projected billings.

Claims incurred (paid plus reserves) for liability cases in a given year are often not completely paid out for many years (up to ten years). Because of this unpredictability as to the time of settlement coupled with the uncertainty as to amount of settlement, it is very difficult to determine accurate reserves for open claims. However, reserves are being assigned to open claims by the claims evaluators and litigation attorneys and adjusted accordingly to reflect updated claim developments.

The program measure data shown above differs significantly from last year's estimates due primarily to large increases in the average amount of court awards, plus other revisions reflecting emerging historical trends.

The activities of the program will be analyzed as more claims and risk experience becomes available and the impact of the lifting of the dollar limitation become better known. This program has provided a mechanism for efficient relief to injured members of the public, along with an emphasis on the prevention and control of damages.

This program also has the responsibility of administering Commonwealth's numerous self-insurance programs, the State Insurance Fund, the employe bond program, and other miscellaneous insurance programs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 998	\$ 963	\$ 977	\$ 1,017	\$ 1,057	\$ 1,100	\$ 1,143
Tort Claims Payments	3,000	2,500	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 3,998</u>	<u>\$ 3,463</u>	<u>\$ 977</u>	<u>\$ 1,017</u>	<u>\$ 1,057</u>	<u>\$ 1,100</u>	<u>\$ 1,143</u>
MOTOR LICENSE FUND							
Tort Claims Payments	<u>\$ 15,000</u>	<u>\$ 30,000</u>	<u>\$ 26,500</u>	<u>\$ 29,000</u>	<u>\$ 30,500</u>	<u>\$ 34,500</u>	<u>\$ 37,500</u>

Department of Health

The Department of Health is responsible for planning and coordinating all the health resources of the Commonwealth. In addition, the department provides some direct public health services, including programs for children, treatment for certain blood diseases, programs for communicable diseases, and subsidies for research and development.

The Secretary of Health receives assistance and information from approximately fifty advisory groups, the most prominent being: the Advisory Health Board, the Drug, Device and Cosmetic Board, the Advisory Committee for Clinical Laboratories, the Statewide Health Coordinating Council, and the Advisory Council on Drug and Alcohol Abuse.

Some Federal funds supporting General Government Operations, State Public Health Laboratory, and State Health Care Centers are also reflected as augmentations.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1986-87 State Funds (in thousands)
General Fund		
Vital Statistics	P II — Vital Statistics Automation	\$ 300 ^a
<p>This Productivity Improvement Initiative will provide an automated retrieval system for birth records.</p>		
Assistance to Drug and Alcohol Abuse Programs	Preventing Teen Suicide	392 ^b
<p>This Program Revision will create new programs and/or expand existing ones to meet the comprehensive needs of teenagers.</p>		
DEPARTMENT TOTAL		<u>\$ 692</u>

^aThis is only one of numerous Productivity Improvement Initiatives which are being provided one-time funding to achieve long-term cost savings and efficiency benefits. The entire Program Revision Request is summarized in Volume 1.

^bIn addition \$858,000 is budgeted in the Department of Public Welfare making the total Program Revision \$1,250,000. Details are presented following the Acute Mental Health Services Subcategory in Public Welfare.

DEPARTMENT OF HEALTH

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 10,868	\$ 11,018	\$ 11,019
TMI — Health Studies	319	510	351
Quality Assurance	3,361	2,840	3,645
Vital Statistics	3,870	3,880	4,151
State Laboratory	2,740	2,798	2,819
State Health Care Centers	13,470	13,405	13,588
Vietnam Herbicides Information Commission	138	230	236
Diabetes Task Force	171	301	307
Cancer Registry	496	600	608
Arthritis Task Force	44	150	150
Subtotal	<u>\$ 35,477</u>	<u>\$ 35,732</u>	<u>\$ 36,874</u>
Grants and Subsidies			
School Health Examinations	\$ 18,700	\$ 18,700	\$ 18,200
Local Health Departments	18,020	18,380	18,999
Local Health Departments — Environmental	3,291	6,510	6,627
Maternal and Child Health	801	819	844
Emergency Health Services	1,838	1,881	881
Hemophilia Services	1,232	1,412	1,454
Sickle Cell Anemia	717	743	765
Sickle Cell Anemia — Summer Camps	25	25	.
Cooley's Anemia	200	216	222
Renal Disease	7,300	8,852	8,987
Home Ventilators	386	500	515
Coalworker's Pneumoconiosis Services	427	645	645
Spina Bifida	749	850	950
Keystone State Games	100	100	100
Benedum Geriatric Screening .....	.	125	.
Adult Cystic Fibrosis	135	198	204
Screening and Treatment — Venereal Disease	346	402	402
Screening and Treatment — Tuberculosis	490	620	620
Assistance to Drug and Alcohol Abuse Programs	26,911	28,918	30,878
Pennsylvanian's Aware .....	.	200	.
Cancer Control, Prevention and Research	1,998	4,000	4,000
The Institute for Cancer Research, Fox Chase, Philadelphia	435	535	535
Pittsburgh Cancer Institute	250	250	.
The Wistar Institute — Research, Philadelphia	208	208	208
Lupus Disease — Research	80	80	80
Cardiovascular Studies — University of Pennsylvania	62	125	125
Cardiovascular Studies — St. Francis Hospital, Pittsburgh	62	125	125
Central Pennsylvania Oncology Group	104	104	104
Burn Foundation of Greater Delaware Valley	161	250	250
Sunshine Foundation	25	.	.
United Neighborhood Facilities Health Care — Erie	150	150	.
Aids Education .....	.	.	250
Cerebral Palsy — St. Christopher's Hospital, Philadelphia	598	850	850
Cleft Palate Clinic — Lancaster	52	52	52
Cleft Palate Clinic — Pittsburgh	52	52	52
Tay Sachs Disease — Jefferson Medical College	52	52	52
Subtotal	<u>\$ 85,957</u>	<u>\$ 96,929</u>	<u>\$ 97,976</u>
TOTAL STATE FUNDS	<u>\$ 121,434</u>	<u>\$ 132,661</u>	<u>\$ 134,850</u>

DEPARTMENT OF HEALTH

Summary by Fund and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Federal Funds	\$ 102,861	\$ 111,013	\$ 106,249
Augmentations	11,608	12,147	14,137
GENERAL FUND TOTAL	<u>\$ 235,903</u>	<u>\$ 255,821</u>	<u>\$ 255,236</u>
Other Funds .....	.....	.....	\$ 5,500
TOTAL ALL FUNDS	<u>\$ 235,903</u>	<u>\$ 255,821</u>	<u>\$ 260,736</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 10,868	\$ 11,018	\$ 11,019
Federal Funds	5,075	6,891	5,638
Augmentations	7,116	7,407	7,712
TOTAL	\$ 23,059	\$ 25,316	\$ 24,369

Provides for the overall executive direction and administration of the department including personnel, fiscal management, office services, public information, legal, data processing, systems development, purchasing, health statistics, comprehensive health planning, venereal disease prevention, migrant health programs and drug and alcohol programs. Provides for expenses of the department's boards, councils and commissions. Includes the administrative funding for the Alcohol, Drug Abuse and Mental Health, Maternal and Child Health, and Preventive Health and Health Services Block Grants.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
General Government Operations	\$ 10,868	\$ 11,018	\$ 11,019
Federal Funds:			
State Health Planning and Development Agency	564	1,000	1,100
Cooperative Health Statistics	324	446	394
Indochinese Refugee Program	77	116	116
D.D. Detection and Awareness	73	.....	.....
D.D. Statewide Directory of Services and Services Providers ..	28	.....	.....
D.D. Information System Prevention Efforts	49	.....	.....
D.D. Unmet Needs Assessment	23	.....	.....
D.D. Parent Training	56	.....	.....
D.D. Phenylketonuria	15	.....	.....
Consolidated D.D. Programs .....	.....	207	.....
Health Resources Recruitment Project	29	75	.....
National Health Services Corps	63	130	192
FHWA — Emergency Medical Services Program	7	.....	.....
FHWA — Driving Under Influence Management Grant	77	80	50
Social Security Administration (XVI) — Drug and Alcohol			
Referral and Monitoring	33	35	37
Alcohol, Drug Abuse and Mental Health Block Grant —			
Administration	1,462	1,453	1,379
Maternal and Child Health Block Grant — Administration	1,490	2,160	1,750
Preventive Health and Health Services Block Grant —			
Administration	286	319	300
Antibody Testing	303	401	.....
Aids Surveillance Investigation .....	.....	79	87
Drake Health Registry .....	.....	260	200
Centralia Mine Fire Recovery	116	130	33

Source of Funds (continued)	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Augmentations:			
Data Processing Reimbursement	\$ 1,752	\$ 1,727	\$ 1,712
Drug and Alcohol Annual Conference Fees	50	50	50
Pennsylvania State University/Hershey Medical Center — Elizabethtown Hospital for Children and Youth	4,461	4,744	5,048
Reimbursement from Federal Funds	144 ^a	186 ^b	187
Payments for Indirect Costs	225	250	265
Payment for Chargebacks	480	450	450
Printing	4		
TOTAL	\$ 23,059	\$ 25,316	\$ 24,369

Three Mile Island (TMI) — Health Studies	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 319	\$ 510	\$ 351

Provides for various health related studies (population, evaluation of pregnancy outcome, congenital neonatal hypothyroidism, health related economic costs, health behavior impacts, radiation dose assessment, radiation cytogenetic, and cancer registry) resulting from the March 28, 1979 accident at the Three Mile Island nuclear generating plant.

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Three Mile Island (TMI) — Health Studies	\$ 319	\$ 510	\$ 351

^aExcludes \$219,000 to avoid duplicated count of Federal funds listed General Government-Federal.

^bExcludes \$152,000 to avoid duplicated count of Federal funds listed under General Government-Federal.

GENERAL FUND

HEALTH

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Quality Assurance			
State Funds	\$ 3,361	\$ 2,840	\$ 3,645
Federal Funds	3,474	4,147	3,600
Augmentations	97	140	140
TOTAL	<u>\$ 6,932</u>	<u>\$ 7,127</u>	<u>\$ 7,385</u>

Provides programmatic control over the regulatory programs for health care facilities, conducts surveys for State licensure and Medicare and Medicaid certifications in nursing homes, other long-term care facilities, acute care facilities, surgical clinics, abortion clinics, out-patient clinics and renal dialysis clinics, insures all facilities comply with Title VI Civil Rights Act and State Human Relations Act; develops quality standards for all health care providers regulated by the Health Department.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Quality Assurance	\$ 3,361	\$ 2,840	\$ 3,645
Federal Funds:			
Medicare — Health Service Agency Certification	1,900	2,100	1,989
Medicaid Certification	1,540	2,012	1,576
Inpatient Psychiatric Unit Surveys	34	35	35
Augmentations:^a			
Publication Fees	14	15	15
Reimbursement for Intermediate Care Facility/Mentally Retarded Facilities Reviews	83	125	125
TOTAL	<u>\$ 6,932</u>	<u>\$ 7,127</u>	<u>\$ 7,385</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Vital Statistics			
State Funds	\$ 3,870	\$ 3,880	\$ 4,151
Augmentations	50	52	52
TOTAL	<u>\$ 3,920</u>	<u>\$ 3,932</u>	<u>\$ 4,203</u>

Assures the proper collection, registration and preservation of information on all births, deaths, fetal deaths, marriages, divorces and annulments occurring in Pennsylvania.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Vital Statistics	\$ 3,870	\$ 3,880	\$ 4,151
Augmentations:			
Reimbursement for Microfilming	50	52	52
TOTAL	<u>\$ 3,920</u>	<u>\$ 3,932</u>	<u>\$ 4,203</u>

^aExcludes "Reimbursement from Federal Funds" in the amount of \$3,400,000 in the actual year and \$3,444,000 in the available year to avoid duplication of Federal funds listed under Quality Assurance.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Laboratory			
State Funds	\$ 2,740	\$ 2,798	\$ 2,819
Federal Funds	100	179	129
Augmentations	556	559	462
TOTAL	\$ 3,396	\$ 3,536	\$ 3,410

Develops and administers a comprehensive program involving the setting of clinical laboratory standards, licensing of all clinical laboratories, determining proficiency levels in all clinical laboratories, providing training and specialized testing, and direct laboratory support to certain department programs. Contains divisions for bacteriology, virology, immunology, clinical chemistry, hematology, laboratory licensure and training.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
State Laboratory	\$ 2,740	\$ 2,798	\$ 2,819
Federal Funds:			
Medicare — Health Services Agency Certification — State Laboratory	100	129	129
Physician's Laboratory Training .....	.....	50	.....
Augmentations:			
Licensure of Clinical Laboratories	208	183	183
Reimbursement from Federal Funds	301 ^a	329 ^b	232
Blood Lead Testing — Chester	11	11	11
Low Volume Proficiency Testing	24	24	24
Training Fees	8	8	8
Symposium Fees	4	4	4
TOTAL	\$ 3,396	\$ 3,536	\$ 3,410

^aExcludes \$91,000 to avoid duplicated count of Federal funds listed under the State Laboratory.
^bExcludes \$129,000 to avoid duplicated count of Federal funds listed under the State Laboratory.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Health Care Centers			
State Funds	\$ 13,470	\$ 13,405	\$ 13,588
Federal Funds .....	.....	.....	70
Augmentations	3,763	3,577	3,573
TOTAL	<u>\$ 17,233</u>	<u>\$ 16,982</u>	<u>\$ 17,231</u>

Provides for the management of staff in the district offices and State Health Centers and provides for public health programs that can be categorized as: communicable diseases, chronic diseases, chronic respiratory diseases, maternal and child health, and crippled children.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
State Health Care Centers	\$ 13,470	\$ 13,405	\$ 13,588
Federal Funds:			
Medical Assistance — State Health Centers .....	.....	.....	70
Augmentations:			
Early Periodic Screening Diagnosis and Treatment	19	19	26
Payments — Departmental Services	7	7	.....
Reimbursement from Federal Funds	3,737	3,551	3,467
Medical Assistance— State Health Centers .....	.....	.....	80
TOTAL	<u>\$ 17,233</u>	<u>\$ 16,982</u>	<u>\$ 17,231</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Information Programs and Registries			
State Funds	\$ 849	\$ 1,281	\$ 1,301

Provides for the administration and operations of specific informational programs and continued maintenance of mandated health registries.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Vietnam Herbicides Information Commission	\$ 138	\$ 230	\$ 236
Diabetes Task Force	171	301	307
Cancer Registry	496	600	608
Arthritis Task Force	44	150	150
TOTAL	<u>\$ 849</u>	<u>\$ 1,281</u>	<u>\$ 1,301</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
School Health Examinations			
State Funds	\$ 18,700	\$ 18,700	\$ 18,200

Provides for reimbursement to school districts for providing certain health services to school children that will ensure that the children will develop their maximum potential. The funds are used to pay for school nurses, dental hygiene, examination services, and periodic vision and hearing tests.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
School Health Examinations	<u>\$ 18,700</u>	<u>\$ 18,700</u>	<u>\$ 18,200</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Local Health Departments			
State Funds	\$ 21,311	\$ 24,890	\$ 25,626
Augmentations .....	.....	282	.....
TOTAL	<u>\$ 21,311</u>	<u>\$ 25,172</u>	<u>\$ 25,626</u>

Provides health services reimbursement to those counties having an organized and locally funded county health department. The current rate of reimbursement for county health departments is \$4.50 per person or fifty percent of the operating budget, whichever is lower. Currently reimbursement is provided to five full-time county health departments (Philadelphia, Allegheny, Erie, Bucks, Chester) and city health departments in Allentown and Bethlehem. Also provides environmental health service reimbursement based on a per capita grant of \$1.50 per resident population.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Local Health Departments	\$ 18,020	\$ 18,380	\$ 18,999
Local Health Departments — Environmental	3,291	6,510	6,627
Augmentations:			
Antibody Testing and Counseling .....	.....	282	.....
TOTAL	<u>\$ 21,311</u>	<u>\$ 25,172</u>	<u>\$ 25,626</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Maternal and Child Health			
State Funds	\$ 801	\$ 819	\$ 844
Federal Funds	77,019	80,813	78,286
TOTAL	<u>\$ 77,820</u>	<u>\$ 81,632</u>	<u>\$ 79,130</u>

Establishes maternal care and child health care services in areas the Commonwealth deems most in need. Program is directed towards reducing mortality and improving developmental disabilities in children. Includes all funding for the maternal and child health programs under the Federal Maternal and Child Health Services Block Grant.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Maternal and Child Health	\$ 801	\$ 819	\$ 844
Federal Funds:			
Special Supplemental Food Program for Women, Infants, and Children (WIC)	55,061	59,200	59,500
Maternal and Child Health — Improved Pregnancy Outcome ..	6	6	.....
Genetic Screening, Education	155	311	311
Genetic Screening	15	15	15
Crippled Children's Services — Projects	331	331	.....
Maternal and Child Health Services Block Grant — Crippled Children Programs	5,979	6,000	5,760
Maternal and Child Health Services Block Grant — Maternal and Child Health Services	13,953	13,000	11,750
Maternal and Child Health — St. Christopher's Hospital .....	.....	750	.....
Maternal and Child Health — Spina Bifida .....	.....	50	.....
Maternal and Child Health Services Block Grant — Supplemental Security Income	950	1,150	950
Jobs Bill — Maternal and Child Health Services	569	.....	.....
TOTAL	<u>\$ 77,820</u>	<u>\$ 81,632</u>	<u>\$ 79,130</u>

GENERAL FUND

HEALTH

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Prevention and Treatment Services			
State Funds	\$ 13,945	\$ 16,569	\$ 15,745
Federal Funds	5,530	7,393	7,275
Augmentations	26	130	2,198
TOTAL	\$ 19,501	\$ 24,092	\$ 25,218

Provides for the prevention and treatment of diseases (hemophilia, sickle cell anemia, cooley's anemia, renal, spina bifida, black lung, and others). Also provides assistance through grants and contracts for development of comprehensive area emergency medical care. Includes all funding for the preventive health programs under the Federal Preventive Health and Health Services Block Grant.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Emergency Health Services	\$ 1,838	\$ 1,881	\$ 881
Hemophilia Services	1,232	1,412	1,454
Sickle Cell Anemia	717	743	765
Sickle Cell Anemia — Summer Camp	25	25	.....
Cooley's Anemia	200	216	222
Renal Disease	7,300	8,050	8,987
Renal Disease — Recommended Supplemental .....	.....	802	.....
Home Ventilators	386	500	515
Coalworkers's Pneumoconiosis Services	427	645	645
Spina Bifida	749	850	950
Keystone State Games	100	100	100
Benedum Geriatric Screening .....	.....	125	.....
Adult Cystic Fibrosis	135	198	204
Screening and Treatment — Venereal Disease	346	402	402
Screening and Treatment — Tuberculosis	490	620	620
Federal Funds:			
Black Lung Clinic Program	932	1,011	600
Migrant Health Services	634	740	765
Disease Control — Immunization Program	272	884	338
Surveys and Follow-up Venereal Disease	531	700	769
Diabetes Control	231	342	370
Tuberculosis Control	85	104	104
Emergency Medical Services — Public Information .....	.....	20	40
Preventive Health and Health Services Block Grant — Emergency Medical Services	764	905	800
Preventive Health and Health Services Block Grant — Health Education and Prevention	381	475	475
Preventive Health and Health Services Block Grant — Tuber- culosis Programs	569	569	569
Preventive Health and Health Services Block Grant — Hypertension Services	607	940	810
Preventive Health and Health Services Block Grant — Diabetes Task Force	206	218	218
Preventive Health and Health Services Block Grant — Fluoridation Services	1	80	80
Medical Assistance — Home Ventilators	82	170	170
Medical Assistance — Renal Disease .....	.....	.....	932
Adult Cystic Fibrosis	115	115	115
Pediatric Rheumatology	120	120	120
Augmentations:			
MA — Home Ventilators	26	130	130
Medical Assistance — Renal Disease .....	.....	.....	1,068
Emergency Medical Services Operating Fund .....	.....	.....	1,000
TOTAL	\$ 19,501	\$ 24,092	\$ 25,218

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Assistance to Drug and Alcohol Abuse Programs			
State Funds	\$ 26,911	\$ 29,118	\$ 30,878
Federal Funds	11,663	11,590	11,251
TOTAL	<u>\$ 38,574</u>	<u>\$ 40,708</u>	<u>\$ 42,129</u>

Provides grants to counties and to private facilities to finance drug and alcohol abuse treatment and prevention programs. Includes all funding for the drug and alcohol abuse programs under the Federal Alcohol, Drug Abuse and Mental Health Block Grant.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Assistance to Drug and Alcohol Abuse Programs	\$ 26,911	\$ 28,918	\$ 30,878
Pennsylvanian's Aware .....	.....	200	.....
Federal Funds:			
Alcohol, Drug Abuse and Mental Health Block Grant —			
Alcohol Problem	4,731	4,617	4,515
Alcohol, Drug Abuse and Mental Health Block Grant — Drug			
Problems	6,833	6,741	6,609
Support for Youth Development Centers .....	.....	127	127
Juvenile Treatment Alternatives to Street Crime	99	105	.....
TOTAL	<u>\$ 38,574</u>	<u>\$ 40,708</u>	<u>\$ 42,129</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Health Research and Support Activities			
State Funds	\$ 3,535	\$ 5,827	\$ 5,677

Provides funds for supporting research and efforts relative to special health conditions with special emphasis on cancer.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Cancer Control, Prevention and Research	\$ 1,998	\$ 4,000	\$ 4,000
The Institute for Cancer Research, Fox Chase, Philadelphia ...	435	535	535
Pittsburgh Cancer Institute	250	250	.....
The Wistar Institute — Research, Philadelphia	208	208	208
Lupus Disease — Research	80	80	80
Cardiovascular Studies — University of Pennsylvania	62	125	125
Cardiovascular Studies — St. Francis Hospital, Pittsburgh	62	125	125
Central Pennsylvania Oncology Group	104	104	104
Burn Foundation of Greater Delaware Valley	161	250	250
Sunshine Foundation	25	.....	.....
United Neighborhood Facilities Health Care — Erie	150	150	.....
Aids Education .....	.....	.....	250
TOTAL	<u>\$ 3,535</u>	<u>\$ 5,827</u>	<u>\$ 5,677</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Chronic, Catastrophic and Degenerative Diseases			
State Funds	\$ 754	\$ 1,006	\$ 1,006

Provides funds for the detection and treatment of various chronic, catastrophic and degenerative diseases including cerebral palsy, cleft palate, and Tay-Sachs disease.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Cerebral Palsy — St. Christopher's Hospital, Philadelphia	\$ 598	\$ 850	\$ 850
Cleft Palate Clinic — Lancaster	52	52	52
Cleft Palate Clinic — Pittsburgh	52	52	52
Tay Sachs Disease — Jefferson Medical College	52	52	52
TOTAL	<u>\$ 754</u>	<u>\$ 1,006</u>	<u>\$ 1,006</u>

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
Emergency Medical Services Operating Fund	<u>.....</u>	<u>.....</u>	<u>\$ 5,500</u>

DEPARTMENT OF HEALTH

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 7,873	\$ 7,909	\$ 7,963	\$ 8,308	\$ 8,897	\$ 9,270	\$ 9,622
Comprehensive Health Systems							
Development	\$ 15,736	\$ 15,945	\$ 15,628	\$ 14,994	\$ 15,747	\$ 16,356	\$ 16,951
Medical Research and Health							
Information	8,415	9,071	8,947	8,954	9,379	9,721	10,056
Medical Facilities Review	4,070	3,561	4,368	4,545	4,746	4,940	5,136
Health Services Development	3,251	3,313	2,313	1,495	1,622	1,695	1,759
Health Maintenance	\$ 53,050	\$ 59,175	\$ 59,633	\$ 60,056	\$ 60,655	\$ 61,100	\$ 61,551
Health Maintenance and Disease							
Prevention	45,127	50,863	51,534	51,823	52,211	52,511	52,820
Detection and Diagnosis	7,923	8,312	8,099	8,233	8,444	8,589	8,731
Patient Care	\$ 44,775	\$ 49,632	\$ 51,626	\$ 52,931	\$ 54,906	\$ 56,824	\$ 58,808
Outpatient Treatment	17,586	20,131	20,349	20,940	21,676	22,305	22,949
Inpatient Treatment	278	383	399	399	399	399	399
Prevention/Intervention of Drug and							
Alcohol Abuse	5,382	5,984	6,176	6,318	6,566	6,824	7,092
Treatment of Drug and Alcohol Abuse ..	21,529	23,134	24,702	25,274	26,265	27,296	28,368
DEPARTMENT TOTAL	<u>\$ 121,434</u>	<u>\$ 132,661</u>	<u>\$ 134,850</u>	<u>\$ 136,289</u>	<u>\$ 140,205</u>	<u>\$ 143,550</u>	<u>\$ 146,932</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 7,873	\$ 7,909	\$ 7,963	\$ 8,308	\$ 8,897	\$ 9,270	\$ 9,622
Federal Funds	3,352	4,152	3,740	3,740	3,740	3,740	3,740
Other Funds	3,664	3,715	3,821	3,821	3,821	3,821	3,821
TOTAL	\$ 14,889	\$ 15,776	\$ 15,524	\$ 15,869	\$ 16,458	\$ 16,831	\$ 17,183

Program Analysis:

Management systems are developed, coordinated and provided to support the operations of health programs. The success or failure of these support services have an impact on the effectiveness of the department's programs.

During 1986-87, the department will continue to utilize Integrated Central Systems (ICS) terminals at the executive, bureau and field level offices to assist the agency in the maintenance of a comprehensive fiscal management program. The department also has in place a personnel management system and an automated inventory program.

User information needs have been steadily increasing in the past several years, with the rapid development of data user sophistication and user oriented personal computing. Currently the Health Data Center's computer, telecommunications network, peripherals and related software support 45 major systems, encompassing 82 subsystems, utilizing approximately 3,020 programs.

The administrative costs associated with the State Public

Health Laboratory and the State Health Care Centers are also included in this subcategory. The State Public Health Laboratory, with facilities at Lionville, is responsible for the provision, coordination, counseling, and consultation concerning the laboratory support needs of all department programs as well as maintaining a liaison and a working relationship with: the State Public Health Laboratory in each of the other states; Federal government and university-based laboratories; and the clinical laboratory community of the Commonwealth.

The State Health Care Centers provide public health services to citizens of the Commonwealth through a network of 6 District Offices and 69 Health Care Centers covering all counties except Allegheny, Bucks, Chester, Erie and Philadelphia, and three municipalities, Allentown, Bethlehem and York. The counties and municipalities have local health departments partially funded through grants by the department.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 3,912	\$ 3,966	\$ 3,967	\$ 4,141	\$ 4,492	\$ 4,695	\$ 4,871
State Laboratory	55	56	56	59	60	63	65
State Health Care Centers	3,906	3,887	3,940	4,108	4,345	4,512	4,686
TOTAL	\$ 7,873	\$ 7,909	\$ 7,963	\$ 8,308	\$ 8,897	\$ 9,270	\$ 9,622

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 8,415	\$ 9,071	\$ 8,947	\$ 8,954	\$ 9,379	\$ 9,721	\$ 10,056
Federal Funds	684	1,043	627	627	627	627	627
Other Funds	1,615	1,682	1,749	1,749	1,749	1,749	1,749
TOTAL	\$ 10,714	\$ 11,796	\$ 11,323	\$ 11,330	\$ 11,755	\$ 12,097	\$ 12,432

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Vital events (births, deaths, fetal deaths, marriages and divorces):							
Registered and processed	416,100	416,200	416,300	416,400	416,500	416,600	416,700
Percent registered and processed within 30 days	40%	40%	40%	41%	43%	44%	45%
Applications for certified copies of birth and death records:							
Filled	480,000	461,500	458,000	454,500	451,000	447,500	444,400
Percent filled within 10 days	77%	78%	78%	79%	79%	79%	79%
Epidemiological studies and research projects conducted	30	30	30	30	30	30	30
Cancer Registry:							
Pennsylvania general hospitals reporting to the Pennsylvania Cancer Registry ...	209	261	261	261	261	261	261
Percent of Pennsylvania general hospitals reporting	76%	100%	100%	100%	100%	100%	100%
Abstracts received on a yearly basis	58,500	60,000	60,500	61,000	61,500	62,000	62,000

Program Analysis:

Timely and accurate health information is essential to the effective functioning of the Department of Health, other State agencies and the public community. Reliable health information is needed to contain the outbreak of communicable diseases; identify the existence and extent of health problems; evaluate the adequacy of health facilities, services and manpower; and evaluate alternative methods for the delivery of health care services. In addition, dissemination of health data to Pennsylvanians, as well as Federal, State and local agencies is of major importance to the department.

One focus of this subcategory is collection and dissemination of health data. The State Health Data Center, as a designated State center for health statistics under P.L. 95-623, serves as the focal point in Pennsylvania for coordinating the collection, analysis and dissemination of health statistics and information. The center maintains statistical information on the health status of the population, (including leading causes of death, life expectancy, and infant mortality). The center handles about 3,000 requests for services each year. The Data Center conducts an annual survey of all hospitals and nursing homes in Pennsylvania to sup-

Medical Research and Health Information (continued)

Program Analysis: (continued)

port the need for information on health resources and health services availability, utilization, staffing and patient characteristics.

The State Health Data Center's Vital Records Division is the repository for all records of births, deaths, fetal deaths, marriages and divorces which occurred to Pennsylvania residents. In 1986-87, approximately 159,700 births, 124,100 deaths, 3,700 fetal deaths, 90,000 marriages, 38,800 divorces are projected to be registered. These vital records are the primary source for important medical and health information such as: life expectancy, mortality statistics on causes of death and birth or fertility rates. In 1986-87, it is estimated that approximately 350,000 birth certificates will be issued by the department for a fee, with approximately 86,000 free birth certificates issued to veterans, and 159,700 issued free to new parents. The department anticipates issuing approximately 239,000 death certificates for a fee, and issuing 90,000 free to veterans or their next of kin. The division utilizes a state-wide network of 314 local registrars to collect original birth and death records. The Vital Statistics Law allows these local registrars to issue certified copies of death records while the original records are in their possession. In fiscal year 1986-87, it is estimated that over 690,000 certified copies of deaths will be issued by local registrars.

In 1986-87, the Division of Vital Records will receive additional funds for a Productivity Improvement Initiative-Vital Statistics Automation. Approximately 7,000,000 birth records from 1924-1958 will be data entered to create a totally automated retrieval system, thereby reducing costs and eliminating excessive response time needed in order to retrieve hard copy records manually. Productivity Improvement Initiatives for all agencies are summarized in Volume I.

Containing rising health care costs will continue to be a priority in fiscal year 1986-87. Movement towards a competitive health care environment through the collection and dissemination of health care cost, utilization, and quality data from individual providers is an important component of containing costs. The provision of this data will enable consumers, businesses, and insurers to compare health care providers and make informed decisions about health care purchases. In fiscal year 1986-87, the Department of Health will continue to implement Phase II of the Governor's strategy to control costs by developing a more comprehensive system to collect relevant health data, analyze it, and distribute it to the general public as well as to those who

pay for the care such as insurers and businesses. This comprehensive system will be fully developed by the end of the fiscal year.

The second focus of this subcategory is medical and public health research designed to determine the existence and extent of health problems and to evaluate alternative methods for the delivery of health care services. To accomplish this, the Department of Health administers diverse activities, research projects and studies related to the etiology, distribution, and trend of major diseases. The department also provides epidemiologic assessment of health problems that include environmental-occupational hazards, health risk behavior and life style of the general public or selected populations, and provides professional consultation and technical support for other agencies, county health departments and local municipalities. Examples of the department's health research activities follow.

Under Act 99-1982 known as the Vietnam Herbicides Information Act, the Department of Health is responsible for the establishment and maintenance of a registry of Pennsylvania's Vietnam Veterans who were possibly exposed to herbicides used in Vietnam. The program is also responsible for the initiation of programs to educate health professionals regarding current detection, diagnosis and treatment of symptoms associated with herbicide exposure and the promotion and maintenance of public information on Vietnam herbicides.

A registry of veterans, exposed to herbicides in Vietnam was implemented effective October 1, 1984. The registry currently has over 47,000 participants' data on file and efforts are continuing to obtain information from an additional 150,000 Vietnam veterans. The Department of Health has updated a physicians manual for over 9,400 doctors to provide an overview of problems due to exposure to herbicides in Vietnam. Audio cassettes have been sent to teaching hospitals as an additional means of educating health professionals. A toll free telephone number, 300,000 informational brochures, public service announcements, advertisements and the news media have been utilized to promote public awareness and increase contacts.

In March 1983, the Pennsylvania Cancer Advisory Board published the Pennsylvania Cancer Plan, which provides guidelines for implementing the 1980 Pennsylvania Cancer Control, Prevention and Research Act in four areas: a Pennsylvania cancer registry; prevention, screening and detection;

Medical Research and Health Information (continued)

Program Analysis: (continued)

cancer rehabilitation; and epidemiology. The Pennsylvania Cancer Registry was established in fiscal year 1982-83 in south central and southeastern Pennsylvania and is now operational statewide. The registry data will be used to develop programs, assess programs and conduct epidemiological and research activities. Approximately 60,000 entries are expected during 1985-86 and 60,500 entries in 1986-87. The registry serves as the focal point for definitive information concerning the manner in which cancer is effecting the residents of Pennsylvania.

The TMI Health Research Program continues to assess health effects (associated with the low-level radiation incident of March 1979) upon the local population. These ef-

forts include the following: a special study of pregnancy outcome within a ten mile radius of TMI; annual updates for TMI population registry and TMI mother/child registry; design of special morbidity surveys and continuous epidemiologic surveillance around all nuclear plants in Pennsylvania survey.

As part of its overall program in Environmental Health, the department continues to conduct appropriate medical and public health investigations of toxic hazardous waste sites, the underground mine fire in Centralia, the Drake Chemical Superfund site, radon exposure and other specific areas as they arise.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 2,391	\$ 2,424	\$ 2,424	\$ 2,530	\$ 2,745	\$ 2,869	\$ 2,977
Three Mile Island—Health Related							
Studies	319	510	351	365	380	395	411
Vital Statistics	3,870	3,880	4,151	4,005	4,165	4,332	4,505
Vietnam Herbicides Information							
Commission	138	230	236	245	255	265	276
Institute for Cancer Research, Fox							
Chase, Philadelphia	435	535	535	535	535	535	535
The Wistar Institute—Research	208	208	208	208	208	208	208
Lupus Disease—Research	80	80	80	80	80	80	80
Cardiovascular Studies—Philadelphia	62	125	125	125	125	125	125
Cardiovascular Studies—St. Francis							
Hospital, Pittsburgh	62	125	125	125	125	125	125
Central Penn Oncology Group	104	104	104	104	104	104	104
Cancer Registry	496	600	608	632	657	683	710
Pittsburgh Cancer Institute	250	250					
GENERAL FUND TOTAL	\$ 8,415	\$ 9,071	\$ 8,947	\$ 8,954	\$ 9,379	\$ 9,721	\$ 10,056

Medical Facilities Review

OBJECTIVE: To insure that health facilities meet minimum standards for health and safety and to insure that adequate and accessible health care can be provided to the citizens of Pennsylvania.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 4,070	\$ 3,561	\$ 4,368	\$ 4,545	\$ 4,746	\$ 4,940	\$ 5,136
Federal Funds	3,631	4,426	3,839	3,839	3,839	3,839	3,839
Other Funds	438	492	494	494	494	494	494
TOTAL	\$ 8,139	\$ 8,479	\$ 8,701	\$ 8,878	\$ 9,079	\$ 9,273	\$ 9,469

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Health care facilities in Pennsylvania surveyed and licensed:							
Hospitals (biennially)	261	261	261	261	261	261	261
Skilled and intermediate care nursing homes	665	695	705	715	725	735	745
Intermediate care facilities/MR	114	122	142	152	162	172	182
Freestanding birth centers	8	9	9	10	10	10	10
Home health agencies	270	350	400	450	480	500	500
Ambulatory surgical centers	9	20	25	35	40	40	40
Clinical laboratories	1,033	1,350	1,700	2,050	2,400	2,700	2,700
Psychiatric units	115	120	125	125	130	130	130
Product violations issued on misbranded and/or adulterated merchandise	185	185	185	190	190	190	190

Program Analysis:

The Department of Health is responsible for assuring that the citizens of the Commonwealth have access to a high standard of health care. The department is responsible for the enforcement of compliance with regulations pertaining to hospitals, nursing homes, home health agencies, primary care providers, and intermediate care facilities for the mentally retarded.

Survey teams periodically conduct program surveys of these facilities for compliance with standards of sanitation, fire safety, health and level of care required for Medicare and Medicaid certification and a State license. Survey deficiencies are indicated and requests for an acceptable plan of correction within a specific time period are presented to the health care facilities' administration.

In the Commonwealth of Pennsylvania, there are approximately 84,000 citizens residing in 665 nursing care facilities and 8,800 in 114 Intermediate Care Facilities for the Mentally Retarded (ICF/MRs). These facilities must have a State license in order to operate and, in addition, must be cer-

tified by the department that they comply with Federal standards if they choose to receive Medicare and Medicaid reimbursement. To meet State and Federal regulations, the department must inspect each nursing home and ICF/MR annually and, in addition, monitor those institutions that have demonstrated serious deficiencies. In addition to these yearly licensure services, there are 50 or more facilities which are monitored at any given time because of provisional status. Approximately 300 complaints concerning patient care are investigated each year.

The department also insures compliance with State and Federal regulations for 261 acute care general hospitals and 30 psychiatric hospitals (the latter for Federal purposes only) in its implementation of the licensure and Federal certification programs.

With the enactment of the Health Care Facilities Act (1980-136) in November 1980, additional statutory requirements for licensing three new categories of Health Care providers became effective. These three new categories are

Medical Facilities Review (continued)

Program Analysis: (continued)

(1) birth centers which provide an alternative to the traditional hospital setting for uncomplicated obstetrical deliveries, (2) home health agencies and (3) ambulatory surgical centers now operating in the Commonwealth. The final regulations for birth centers became effective in June 1985. Regulations for health agencies and ambulatory surgical centers are expected to be finalized in fiscal year 1986-87. The birth centers measure has decreased because fewer centers are being established and some are closing due to the expense of malpractice insurance.

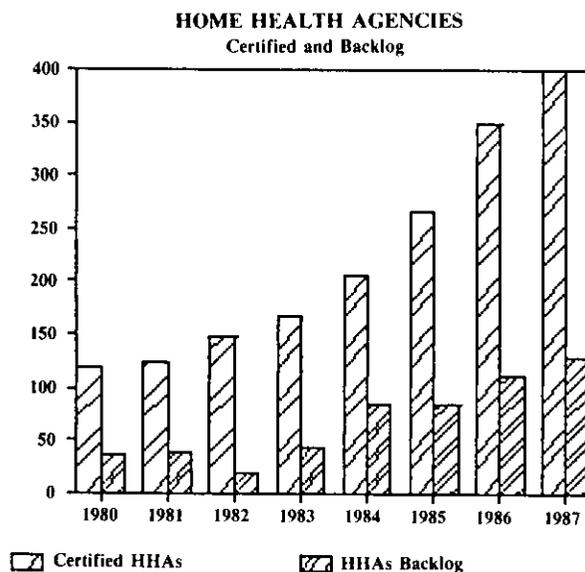
Act 136 also requires the department to eliminate, to the extent possible, duplication of inspections of health care facilities by various state agencies. Procedures have been implemented to conduct survey activities by the hospital surveyors during regular licensure visits to preclude the necessity for separate surveys by other agencies.

Federal funding for department Medicare and other Federal activities for 1986-87 is dependent upon continuation of complete survey activities. In order to complete these survey activities and implement the required Home Health Agency licensure procedures, an increase of \$885,000 is included in the 1986-87 budget. This graph indicates the current and projected Home Health Agencies and possible growth in the backlog if additional funding is not provided. Pennsylvania is experiencing a 17.2 percent growth rate in home health agencies and the number of nursing homes and related long care facilities is expected to increase by an additional 30 facilities in 1986-87. If the Department of Health does not meet the Federal requirements for Medicare and Medical Assistance Certification, there is the possibility of losing approximately \$3.5 million in Federal reimbursement for these activities.

The department has the responsibility for supervising the manufacture, distribution, storage and sale of drugs, devices, cosmetics and hearing aids within the Commonwealth. Defective drugs, devices and cosmetics are routinely cited and destroyed under staff supervision to protect consumers. The department prepares and distributes a Generic Drug Formulary so that the public may have the benefits of lower-cost prescription drugs. Copies are distributed to all pharmacies across the State and to physicians on request. Regulations are prepared and finalized in order to provide enforcement over controlled substances, drugs, devices and cosmetics, sales of hearing aids and drugs permitted for interchange or substitution.

The Department of Health is mandated to develop a program assuring that all clinical laboratory services provided in the Commonwealth meet or exceed standards of performance which are technically feasible and clinically useful. The activities and services incorporated in this program include (1) an on site inspection used for evaluation and an annual licensure of each clinical laboratory, (2) refresher and updated training and education of clinical laboratory personnel, (3) confirmation testing of certain samples from licensed clinical laboratories, or special testing as a means of developing and maintaining confidence and reliable clinical laboratory service at the community level.

The incorporation of physician's office laboratories under the Clinical Laboratory Act has increased the number of annual inspections, revisits, training requests and reference needed, so that 1,350 clinical laboratories are currently being licensed. A portion of these costs will be recovered through the annual licensing fee.



Medical Facilities Review (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 435	\$ 441	\$ 441	\$ 461	\$ 498	\$ 522	\$ 541
Quality Assurance	3,361	2,840	3,645	3,791	3,943	4,101	4,265
State Laboratory	274	280	282	293	305	317	330
GENERAL FUND TOTAL	<u>\$ 4,070</u>	<u>\$ 3,561</u>	<u>\$ 4,368</u>	<u>\$ 4,545</u>	<u>\$ 4,746</u>	<u>\$ 4,940</u>	<u>\$ 5,136</u>

Health Services Development

OBJECTIVE: To develop a coordinated health care delivery system.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 3,251	\$ 3,313	\$ 2,313	\$ 1,495	\$ 1,622	\$ 1,695	\$ 1,759
Federal Funds	1,256	1,810	1,731	1,731	1,731	1,731	1,731
Other Funds	925	963	7,503	7,503	7,503	7,503	7,503
TOTAL	\$ 5,432	\$ 6,086	\$ 11,547	\$ 10,729	\$ 10,856	\$ 10,929	\$ 10,993

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Short-term hospital beds:							
Needed	46,491	44,166	41,958	41,958	41,958	41,958	41,958
Available	52,829	51,204	50,961	50,741	50,545	50,292	50,000
Long-term care beds:							
Needed	85,880	87,673	89,466	91,259	93,052	94,845	94,845
Available	79,465	83,982	84,822	85,669	86,527	87,392	87,500
Applications reviewed and processed by the State Health Planning and Development Agency:							
Approved	290	270	257	245	234	225	216
Disapproved	9	16	18	19	20	21	21
Withdrawn	6	10	10	10	10	10	10
Emergency medical technicians certified annually:							
Initial certification	3,600	4,600	4,600	4,600	4,600	4,600	4,600
Recertification	3,400	3,900	3,900	3,900	3,900	3,900	3,900
Ambulance services in State	1,113	1,113	1,113	1,113	1,113	1,113	1,113
Health maintenance organizations reviewed for quality of care	13	23	30	32	34	35	36

Program Analysis:

The emphasis of the Department of Health's efforts in health service development is to work with health care providers and local communities in the State to develop a more effective health care system capable of providing quality health care services at an affordable cost.

The problems of rapidly increasing health care costs, unneeded hospital beds and the geographic maldistribution of health resources are widely recognized. The department's approaches in dealing with these problems are: health planning, certificate of need, development of health resources, and health financing and program development.

The health planning efforts, mandated by the National Health Planning and Resources Development Act of 1974. (P.L. 93-641) established three major types of health plan-

ning organizations: eight local health systems agencies (HSAs); the State Health Planning and Development Agency (SHPDA); and the Statewide Health Coordinating Council (SHCC). The department coordinates planning activities with these entities.

Local HSAs have the basic responsibility to: improve the health of residents in the health service area; increase accessibility, acceptability, continuity and quality of services; restrain increases in cost of providing services; and prevent unnecessary duplication of health resources. The local HSAs incorporate these ideals into a health system plan which is followed by an annual implementation plan.

The Department of Health was designated the State Health Planning and Development Agency with the respon-

Health Services Development (continued)

Program Analysis: (continued)

sibility for preparing the State Health Plan and providing support services to the Statewide Health Coordinating Council and the Health Care Policy Board created under the Health Facilities Act.

The third organization, the Statewide Health Coordinating Council (SHCC) is composed of consumers and representatives of the provider organizations, appointed by the Governor. The Council functions include: review and coordination of HSA plans; preparation and annual revision of the State Health Plan; and annual review of HSA budgets.

The Department of Health is also responsible for the administration of a Federally mandated certificate of need program. In 1979, a Certificate Of Need (CON) Law (Act 48, The Health Care Facilities Act of 1979 as amended) was enacted in an effort to comply with the Federal law and reduce the rate of health costs inflation due to unnecessary capital expenditures in health facilities. This act requires the department to determine the need for hospitals and nursing homes to make major capital investments in physical plants or acquisition of expensive equipment. The process for issuing a certificate of need begins with the local Health Systems Agencies reviewing proposed capital expenditures and making recommendations. The Secretary of Health makes the final decision (subject to appeal) based on need. The number of short-term hospital beds needed and available are projected to decrease in the future due in part to the impact of Diagnostic Related Groups (DRGS). However, in 1984-85 the number increased because of more accurate reporting. The number of long term beds needed and available are estimated to increase because of the increasing elderly population, which will require long term care.

The number of applications approved by the State Health Planning and Development Agency peaked in 1984-85 and will start declining in later years. The number of applications withdrawn has been revised from previous projections to more accurately reflect what occurred in 1984-85.

In recognition of the important relationship between the payment and the delivery of services, the department seeks to influence the health financing system so as to positively impact health services using two program strategies:

regulatory and developmental. The department oversees a broad range of health plans, including health maintenance organizations (HMOs) and non-profit medical-surgical, optometric and dental service plans, as well as Pennsylvania Blue Shield's health plans.

The department promotes the development of alternative delivery systems such as health maintenance organizations, capitated health care delivery systems and primary care centers. Growth in the number of HMOs in the Commonwealth has taken place. Efforts such as the three past Governor's Conferences on Alternative Health Delivery Systems, pilot feasibility studies and public service announcements have contributed to this growth. In 1985 Federal Medicare regulations were published which made it easier for federally qualified HMOs or State certified HMOs to offer prepaid health services to Medicare beneficiaries. The Commonwealth had 19 HMOs serving 619,000 Pennsylvania consumers, as of September, 1985.

On July 3, 1985 the Pennsylvania Emergency Medical Services System Act became law. As a result, the Department of Health will maintain and coordinate a program for planning, developing, and upgrading Emergency Medical Services (EMS) Systems throughout the Commonwealth. The major requirements of the Act are (1) that ambulance services meet minimum standards for staffing and equipment; (2) collection of patient data from hospitals and ambulance services to evaluate care; (3) completion of a statewide EMS development plan within one year. A new funding source, the Emergency Medical Services Operating Fund was also established by the act, and will augment the current EMS appropriation, (See Special Fund Appendix, Volume I.)

The Emergency Medical Technician (EMT) Paramedic Act authorizes the department to develop and promulgate training standards for emergency medical technicians and paramedics. There were 7,000 emergency medical technicians and 1,300 paramedics certified in fiscal year 1984-85. Continued training is necessary to replace attrition losses each year. Fluctuations in the number of certified EMTs is due primarily to the voluntary nature of the program. The projected increase is due to efforts by the American Trauma Society and other organizations to encourage individuals to volunteer.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 1,413	\$ 1,432	\$ 1,432	\$ 1,495	\$ 1,622	\$ 1,695	\$ 1,759
Emergency Health Services	1,838	1,881	881	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 3,251	\$ 3,313	\$ 2,313	\$ 1,495	\$ 1,622	\$ 1,695	\$ 1,759

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 45,127	\$ 50,863	\$ 51,534	\$ 51,823	\$ 52,211	\$ 52,511	\$ 52,820
Federal Funds	62,187	67,316	66,122	66,035	66,035	66,035	66,035
Other Funds	1,853	2,097	1,759	1,759	1,759	1,759	1,759
TOTAL	\$ 109,167	\$ 120,276	\$ 119,415	\$ 119,617	\$ 120,005	\$ 120,305	\$ 120,614

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Resident live births	156,799	156,000	156,000	155,000	155,000	155,000	155,000
Percent low birth weight live births	6.7%	6.7%	6.8%	6.8%	6.8%	6.8%	6.9%
Death rate of children under one year of age per 1,000 live births	10.4	10.2	10.0	9.8	9.6	9.4	9.2
High risk pregnant women in maternity care projects	23,057	23,000	23,000	23,000	23,000	23,000	23,000
Infants and preschool children under health supervision	66,759	65,908	65,908	65,908	65,908	65,908	65,908
Children immunized against diphtheria, pertussis, tetanus, measles, polio and rubella	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Reported incidences of vaccine preventable diseases in children	107	110	110	100	100	100	100
Communicable disease cases investigated	10,776	11,000	11,000	11,000	11,000	11,000	11,000
Communicable disease incidences reported:							
Venereal disease	12,125	12,125	12,120	11,920	11,910	11,910	11,910
AIDS	124	250	500	1,000	1,500	1,500	1,500
Others (less animal bites)	14,374	14,500	14,500	14,500	14,500	14,500	14,500
Patient visits by migrant workers and their dependents	29,224	30,000	32,000	32,000	32,000	32,000	32,000
Persons participating in the Special Supplemental Food Program for Women, Infants and Children (WIC) (monthly average)	147,985	146,700	146,700	146,700	146,700	146,700	146,700
Average monthly WIC nutrition education contacts	49,328	49,903	48,903	48,903	48,903	48,903	48,903
Persons completing a standard diabetes patient education program	397	400	400	400	400	400	400
Persons screened for hypertension	142,863	140,000	140,000	140,000	140,000	140,000	140,000
Hypertension cases discovered by screening	19,859	19,000	19,000	19,000	19,000	19,000	19,000
Hypertension cases diagnosed and referred for treatment	15,442	15,000	15,000	15,000	15,000	15,000	15,000

Health Maintenance and Disease Prevention (continued)

Program Analysis: (continued)

The prevention of disease has always been the primary mission of the Department of Health. It has been learned through experience that although it is possible to control or almost eradicate the most common communicable diseases by mass immunizations of the population, there are continued threats to public health that require ongoing prevention efforts. The prevention of disease encompasses three areas: the environment, health services, and lifestyle.

The department provides programs of health supervision for infants and preschoolers in State Health Centers and other Child Health Service projects. In each setting, infants and preschoolers receive health assessments which include: physical examinations, growth and development assessments and screening for health problems (hearing, vision, anemias, tuberculosis and dental). During fiscal year 1985-86, data for the number of infants and preschool children under health supervision reflect a decrease from estimates because more accurate counts of individual children are now available from a new automated data system.

The immunization program is primarily targeted at preschool children. The 50,000 children immunized is a maintenance level of preschool vaccination. Over 99 percent of the children enrolled in all public schools and private schools reporting in 1984-85 were fully immunized. The measure, reported incidences of vaccine preventable disease in children, shows a decrease from 1983-84 to 1984-85 however future year projections are not expected to decrease at the rate previously projected.

The 1986-87 budget contains a new immunization program designed to reduce childhood death and disabilities resulting from disease. The Department of Health will receive \$280,000 to vaccinate children under age five for Haemophilus Influenza Type B (HIB). This new immunizing agent will prevent approximately 30 deaths and over 200 cases of mental retardation annually caused by HIB disease among children below five years of age. Additional services to high risk infants and preschool-aged children are also provided in State Health Centers. Low birth weight infants and children with congenital anomalies or handicapping conditions are specially targeted for these additional services. Detecting health problems and early referrals leads to more desirable health outcome for these high risk children. These services are currently coordinated with services offered by the Departments of Public Welfare and Education. In 1986-87, the State Health Centers expect to receive an estimated \$150,000 in Medical Assistance reimbursement.

Lack of early prenatal care, coupled with economic and social disadvantage, results in greater risk for maternal complications and poor pregnancy outcomes for low income women. The department provides comprehensive maternity services, with emphasis on outreach and early enrollment

into care; especially for adolescents. Maternity service includes education to promote healthy maternal behavior; screening, early detection, and appropriate timely medical intervention for preventable maternal/fetal complications and psychosocial support services for the childbearing women.

In 1986-87, the Maternity Program is expected to provide 23,000 high risk pregnant women with intensive prenatal and maternity care services. Of the 23,000 women in the program approximately 16 percent are 17 years or younger. The program has expanded to Fayette, Greene and Lawrence counties and the cities of Easton, Erie, Norristown and Reading, effective January 1985. The department is supporting the development of regional perinatal networks in the Commonwealth which encourage appropriate referral and efficient inter-hospital transport systems for high risk mothers and newborns. The networks would provide education to evaluate and improve the quality of care based on standard data.

The Department of Health administers the Federally funded Special Supplemental Food Program for Women, Infants and Children (WIC). This program provides food supplements and nutrition education to pregnant or nursing women and children who are at nutritional risk due to poor health, inadequate diet and low income. WIC services are provided through 25 local agencies covering 67 counties. The participant is supplied with vouchers stating the kinds and amounts of foods to be purchased. These are used at authorized grocery, drug stores and dairies to purchase milk, cheese, infant formula, cereals, juices, eggs, etc. The average food cost is currently \$26.14 per participant per month. Nutrition education and counseling are made available on a regular basis to program participants.

The High Risk Infant Follow-Up System focuses special support for follow-up of high risk infants, born weighing less than 1,500 grams. As a group, these very low birth weight infants experience more vision, hearing and developmental problems. The goal of this system is to ensure that each low birth weight infant receives timely assessments and interventions for vision, hearing and development that can contribute to his or her optimal development. This program, which was previously provided as a pilot project, will be expanded state-wide in 1986. Among the department's services to high risk infants and their families is the Sudden Infant Death Syndrome (SIDS) Program which has as its primary purpose the provision of supportive services to families following a sudden infant death. The program identifies infants considered at risk for SIDS, refers them for evaluation and follows them at home as warranted. Education regarding SIDS is provided to health professionals and others who normally impact on

Health Maintenance and Disease Prevention (continued)

Program Analysis: (continued)

families following such a death. Early and appropriate intervention is seen as a first and important step towards assisting these families to resolve grief in a healthy manner and to prevent possible psychological and physiological dysfunction.

The percent of low birth weight live births is increasing due to early detection of fetal/maternal complications through devices such as fetal monitors. An increase in successful premature deliveries has occurred through caesarean sections, and medical advances in neonatal care.

Disabled and blind children receiving Supplemental Security Income (SSI) are referred by the Social Security Administration to the Department of Health. Funds from the Maternal and Child Health Block Grant are used to provide rehabilitation services for blind and disabled individuals, under the age of 16, receiving SSI benefits.

Approximately four percent of the babies born in this country have a serious genetic condition. The genetic program seeks to improve public knowledge about genetic disease and public access to genetic services by supporting educational programs for both health professionals and citizens groups and by providing selected genetic services for low-income patients. To achieve its goals, this program has worked through several comprehensive human genetic centers and community-based sickle cell anemia testing and counseling programs.

Family planning services help women who seek, but have difficulty achieving pregnancy and help others delay pregnancy until there is the best chance for having a healthy baby born to a healthy mother. The department participates with the Department of Public Welfare in an integrated multi-agency health service delivery system serving more than 240,000 high risk, low income women throughout the Commonwealth.

The control of communicable diseases is fundamental to the prevention of illness. Reported cases of communicable diseases are investigated by the department to determine the source of infection, mode of transmission and control measures to prevent additional cases. A few of the diseases investigated include Acquired Immune Deficiency Syndrome (AIDS), giardiasis, hepatitis, salmonellosis, shigellosis, toxic shock syndrome, and trichinosis. Improved diagnosis techniques and an increased awareness of AIDS have resulted in an increase in the number of reported cases from previous years. The 1986-87 budget includes a new state appropriation for AIDS of \$250,000. This appropriation will be used to educate high risk groups, health workers and the general public about this disease.

The complex process of educating Pennsylvanians to engage in sound health practices to enhance the prevention of disease and early death and disability continues as a ma-

ajor challenge to the Department of Health, other public and private organizations and agencies which share in the responsibility. The leading causes of premature death and disability in Pennsylvania are heart disease, stroke, cancer, accidents, influenza, arthritis, diabetes, and cirrhosis. Contributing to these conditions are demographic characteristics, the environmental and behavioral risk factors such as smoking, alcohol abuse, high-fat diets, physical inactivity and stress. Public health experts estimate that as much as half of all premature deaths are attributed to the major modifiable health risks.

Risk reduction programs use methods such as incentives, health risk appraisals, risk factor screening, self-help kits, group discussion, and individual counseling to help people stop smoking, eat properly, exercise, adhere to hypertensive regimens and reduce other chronic disease risks. The department implements community risk reduction projects and comprehensive school health education programs.

The Governor's Advisory Board on Arthritis, within the Department of Health, has responsibility for assessing programs and resources for arthritis, and making recommendations relating to programs involving this population. Major features of the board's program plan include professional and public education which will impact on reduction of complications, reduction in need for institutional care, improvement of institutional care standards, reduction in bed confinement and loss of workdays, improvement in home environment and promotion of community health services. Initial efforts have been concentrated on self-help arthritis courses, and in-service education programs for public health workers and a professional educational program for physicians. In 1984-85 approximately 1,000 individuals participated in the Arthritis Self-Help courses. An analysis of professional educational needs among physicians was completed in June 1985 while a survey of rehabilitation needs is expected to be completed in March 1986.

The Pennsylvania Cancer Advisory Board published the Pennsylvania Cancer Plan in 1983. Under this plan the Department of Health implemented the Cancer Control, Prevention and Research program, as well as the Cancer Registry. The priority areas of the Cancer program include; prevention, screening and detection; education and information; clinical research; community outreach; epidemiology and biostatistical studies. There are eleven breast and cervical cancer projects, five continuing education projects, a hospital based tumor registry project; 33 school health curriculum projects; an oncological community group and an investigation of rehabilitation needs of cancer patients. The increase in funding in 1985-86 will allow the Cancer program to begin development of the following: a document on the aspects of colo-rectal cancer; cer-

Health Maintenance and Disease Prevention (continued)

Program Analysis: (continued)

vical cancer programs in hospitals; smoking cessation interventions; initiatives in skin and oral cancers; epidemiological studies relating to occupational cancers; a cancer incidence report and studies based on incidence rates; pilot projects relative to nutritional interventions and cancer resource manuals for patients and their families.

In 1985-86, the Diabetes Control Program is involved in the following: Pennsylvania Diabetes Task Force activities; working with local diabetes patient education services to improve quality and availability; assisting the Pennsylvania Diabetes Academy to develop and deliver professional education materials and programs for health care providers in local areas; working towards the reimbursement of diabetes outpatient education services by all major health insurers in the State; and cooperating with other programs in mutually beneficial linkage activities.

Hypertension (high blood pressure) has long been known as the "silent killer" because it often goes undetected for years until serious damage to the body's organ systems has occurred. In Pennsylvania there are approximately 3 million persons with elevated blood pressure. The department will screen about 140,000 persons in 1986-87. As a result about 15,000 cases of previously undetected or uncontrolled hypertension will be found and referred for proper treatment. Screenings by all agencies in the program have been more carefully targeted than in previous years. As a result updated figures have been adjusted to reflect recent experience.

The Migrant Health Program provides seasonal farm workers and their dependents with comprehensive, accessible medical care. In 1984-85 program statistics totalled 5,840 individuals seen for a total of 29,224 encounters for medical services including dental and vision care. The program served more migrants in 1984-85 by expanding activities in Berks county.

Public health programs are administered in part through a field structure consisting of six district offices and a network of 69 Health Centers which serve all but five counties within the State. The remaining five counties and three municipalities are served by local health departments receiving grants from the department. The District Offices and State Health Centers also provide health maintenance services, including health teaching and supervision of patients, diagnosed with chronic illnesses, or disabling conditions.

The State Public Health Laboratory at Lionville provides special laboratory services which are essential to the epidemiologic investigation of communicable disease outbreaks in the Commonwealth. The laboratory maintains a state of readiness to provide essential laboratory services not available elsewhere on a timely basis; administers a clinical laboratory improvement program; and supports department programs in the areas of infectious disease, chronic disease, metabolic disease and toxicology. The State Public Health Laboratory provides statewide rabies testing seven days a week for critical animal species when a person has been placed at risk through a bite or other close contact with an animal.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 543	\$ 551	\$ 551	\$ 575	\$ 624	\$ 652	\$ 677
State Laboratory	2,000	2,042	2,058	2,140	2,226	2,315	2,408
State Health Care Centers	3,906	3,887	3,941	4,108	4,345	4,512	4,686
AIDs Education			250	260	270	280	290
School Health Examinations	14,399	14,399	14,014	14,014	14,014	14,014	14,014
Local Health Departments	18,020	18,380	18,999	18,999	18,999	18,999	18,999
Local Health Departments —							
Environmental	3,291	6,510	6,627	6,627	6,627	6,627	6,627
Maternal and Child Health	801	819	844	844	844	844	844
Cancer and Research Control Prevention	1,998	4,000	4,000	4,000	4,000	4,000	4,000
Arthritis Task Force	44	150	150	156	162	168	175
Sickle Cell Anemia-Summer Camps	25	25					
Keystone State Games	100	100	100	100	100	100	100
GENERAL FUND TOTAL	\$ 45,127	\$ 50,863	\$ 51,534	\$ 51,823	\$ 52,211	\$ 52,511	\$ 52,820

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 7,923	\$ 8,312	\$ 8,099	\$ 8,233	\$ 8,444	\$ 8,589	\$ 8,731
Federal Funds	4,155	4,612	4,020	4,019	4,019	4,019	4,019
Other Funds	1,172	1,183	1,198	1,198	1,198	1,198	1,198
TOTAL	\$ 13,250	\$ 14,107	\$ 13,317	\$ 13,450	\$ 13,661	\$ 13,806	\$ 13,948

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Persons screened for:							
Venereal diseases	202,000	202,000	200,000	200,000	200,000	200,000	200,000
Tuberculosis	225,185	225,000	225,000	225,000	225,000	225,000	225,000
Black lung	12,137	12,000	11,000	10,000	10,000	10,000	10,000
Lead poisoning	20,761	22,000	22,000	22,000	22,000	22,000	22,000
Phenylketonuria and hypothyroidism	156,700	156,000	156,000	155,000	155,000	155,000	155,000
Abnormalities discovered by screening:							
Venereal diseases	3,142	3,100	3,100	3,050	3,050	3,050	3,050
Tuberculosis	4,323	4,300	4,300	4,300	4,300	4,300	4,300
Black lung	8,558	8,000	7,000	7,000	7,000	7,000	7,000
Lead poisoning	650	750	800	800	800	800	800
Phenylketonuria and hypothyroidism	48	51	51	51	51	51	51
Cases diagnosed and referred for treatment:							
Venereal diseases	3,142	3,100	3,100	3,050	3,050	3,050	3,050
Tuberculosis	4,323	4,300	4,300	4,300	4,300	4,300	4,300
Black lung	8,558	8,000	7,000	7,000	7,000	7,000	7,000
Lead poisoning	650	750	800	800	800	800	800
Phenylketonuria and hypothyroidism	48	51	51	51	51	51	51

Program Analysis:

Early detection and diagnosis can often limit the severity of diseases and, in many cases, prevent the development of more serious pathological conditions. The department's programs provide screening for circulatory disorders; black lung, tuberculosis and other respiratory disorders; diabetes; dental problems; venereal disease; cervical cancer; anemias; developmental disorders; neuro-sensory disorders; and certain neonatal metabolic disorders.

Primary detection and diagnostic services under the Sexually Transmissible Disease program are provided through interviewing patients with syphilis and gonorrhea, then examining and treating recent sexual partners. Health Depart-

ment personnel confirm therapy on all patients found with disease, and then conduct interviews and investigations. The department screened 7,000 more persons than projected in 1984-85 due to the procurement of less expensive culture tests.

The department, under the Tuberculosis Control program, operates 66 chest clinics for the detection and diagnosis of tuberculosis disease and tuberculosis infection. The clinics are assisted by the six health districts of the department and the eight independent health departments. In fiscal year 1984-85 a total of 225,185 persons were screened for tuberculosis with 876 patients diagnosed as having

Detection and Diagnosis (continued)

Program Analysis: (continued)

tuberculosis disease and 3,447 patients diagnosed as tuberculosis infectious. All of those diagnosed were referred for treatment.

The department's Coalworkers' Respiratory Disease program provides screening, diagnosis, treatment, rehabilitation, counseling/education, self-help and referral to all miners ill with pulmonary disease. The department's program, which is both State and Federally funded, has used Federal funds to support expansion of services in treatment centers and home care activities while State supported activities handle seven full care centers housed in hospitals throughout the anthracite and bituminous coal regions. During 1984-85, 17 clinic sites provided screenings to 12,137 individuals. The number of individuals screened has increased because of the inclusion of Chronic Obstructive Pulmonary Disease (COPD) patients served under the Federal black lung appropriation. Under the Federal program, non-miner participants such as individuals ill with pulmonary disease as a result of dusty occupations are also enrolled. This number also increased because of an increase in clinic outreach activities.

Data from the Childhood Lead Poisoning Needs Assessment has identified fifteen communities of 25,000 or more population with children having a greater degree of risk. The department's program screens more than 20,000 children in nine high risk communities to detect those with blood lead symptoms, provides medical management as appropriate, and environmental follow-up to abate the lead source. Projects now function in Allegheny, Philadelphia, Lackawanna, Luzerne, Lehigh, Delaware, Erie and Dauphin counties. In 1985-86, the department plans to implement a computer based lead poisoning surveillance system. This system will enable the department to derive necessary state-wide rates for lead poisoning, identify clusters of cases and areas where environmental health investigations may be indicated.

State law mandates that all infants born in Pennsylvania be screened for phenylketonuria (PKU) and neonatal hypothyroidism. Pennsylvania's incidence of PKU is ap-

proximately one in 10,000 births, and of neonatal hypothyroidism approximately one in 4,500 births. Without early detection and prompt treatment, there is permanent brain damage and subsequent severe mental retardation. These diseases are estimated to account for 2 to 3 percent of residents in institutions for the mentally retarded. Additional affected individuals are living in the community as life-long dependent citizens. Some 35 cases of congenital hypothyroidism and 16 of PKU are expected to be detected and referred for treatment in 1986-87. The State Public Health Laboratory oversees the screening method for these diseases and is responsible for the performance of confirmatory tests.

The Pennsylvania Public School Code requires that all children of school age attending or who should be attending public and non-public schools receive a program of health services as specified by State law and department regulations. The School Health Examination program reimburses school districts for providing medical, dental and nursing services on the basis of compliance with Code and professional standards. The goal of the program is to improve the health status of the school age population in the Commonwealth. Its focus is health maintenance and some of the services provided are fluoridation of water supplies, reduction of environmental hazards, screening and testing procedures to detect pre-clinical disease and problems such as vision, hearing, scoliosis and skin tests for tuberculosis, as well as emergency and first aid care. School immunization law requires that all children are immunized against diphtheria, tetanus, mumps, measles and rubella. Since there has been a decline in school enrollment, the average daily membership (ADM) which is used to calculate reimbursement has declined. In 1986-87, the funding provided for School Health Examinations includes \$200,000 to establish three to five pilot school-based health clinic sites. The school-based health clinic concept has been very successful in other states and would provide a broader array of medical services in the school setting.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Government Operations	\$ 1,087	\$ 1,102	\$ 1,102	\$ 1,150	\$ 1,248	\$ 1,304	\$ 1,353
State Laboratory	411	420	423	440	458	476	495
State Health Care Centers	1,348	1,341	1,359	1,416	1,498	1,556	1,616
Diabetes Task Force	171	301	307	319	332	345	359
School Health Examinations	4,301	4,301	4,186	4,186	4,186	4,186	4,186
Coalworker's Pneumoconiosis Services . .	17	26	26	26	26	26	26
Screening and Treatment—Venereal Disease	346	402	402	402	402	402	402
Screening and Treatment—Tuberculosis . .	190	242	242	242	242	242	242
Benedum Geriatrics Center		125					
Tay Sachs Disease—Jefferson Medical College, Philadelphia	52	52	52	52	52	52	52
GENERAL FUND TOTAL	\$ 7,923	\$ 8,312	\$ 8,099	\$ 8,233	\$ 8,444	\$ 8,589	\$ 8,731

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 17,586	\$ 20,131	\$ 20,349	\$ 20,940	\$ 21,676	\$ 22,305	\$ 22,949
Federal Funds	11,938	11,997	11,453	11,454	11,454	11,454	11,454
Other Funds	1,941	2,015	3,113	3,113	3,113	3,113	3,113
TOTAL	\$ 31,465	\$ 34,143	\$ 34,915	\$ 35,507	\$ 36,243	\$ 36,872	\$ 37,516

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Children receiving outpatient treatment through department supported programs:							
Cardiac	3,485	3,500	3,550	3,600	3,650	3,700	3,750
Cleft palate	3,300	3,300	3,300	3,300	3,300	3,300	3,300
Cystic fibrosis	563	575	580	590	595	600	605
Hemophilia	454	458	465	473	480	488	495
Speech and hearing	22,000	22,000	22,000	22,000	22,000	22,000	22,000
Orthopedic	5,004	5,600	5,650	5,700	5,750	5,800	5,850
Phenylketonuria	466	486	506	526	546	566	566
Epilepsy	343	350	355	360	365	370	375
Renal Disease	242	274	306	338	370	402	434
Cooley's Anemia	22	20	20	19	19	19	19
Sickle Cell Anemia	700	700	700	710	710	710	710
Spina Bifida	1,111	1,236	1,361	1,361	1,361	1,361	1,361
Home Ventilators	16	17	17	17	17	17	17
Adults receiving outpatient treatment and/or services through department supported programs for:							
Renal Disease	5,796	6,594	7,332	8,100	8,868	9,636	10,404
Black Lung	9,964	10,500	12,000	13,000	13,000	13,000	13,000
Tuberculosis	17,400	17,400	17,400	17,400	17,400	17,400	17,400
Venereal Disease	29,800	29,800	29,500	29,000	29,000	29,000	29,000
Hemophilia	500	510	520	525	530	530	535
Cystic Fibrosis	157	160	165	170	175	180	185
Cooley's Anemia	16	16	19	21	21	21	21
Sickle Cell Anemia	650	650	650	660	660	660	660
Spina Bifida	93	118	143	143	143	143	143

Program Analysis:

Outpatient treatment services are more economical and cost-effective than inpatient care and are utilized whenever possible to provide needed treatment services for chronic respiratory diseases, physical rehabilitation and reconstruction, chronic diseases other than respiratory, catastrophic blood disorders and acute conditions.

The department provides extensive outpatient support services to victims of chronic respiratory diseases. The Coal Workers' Respiratory Disease Program provides screening, diagnostic, rehabilitative, educational, referral and follow-up care to all miners ill with pulmonary disease within the Commonwealth. In 1984-85 seventeen sites provided services

Outpatient Treatment (continued)

Program Analysis: (continued)

to 9,964 patients. The main thrust of these services is prevention of more serious conditions with emphasis on education, self-help and rehabilitation. While there is a significant increase in the measures of those receiving black lung treatment and/or services compared to last year's estimates, this is not due to a greater incidence of the disease. It appears that the incidence is declining due to more surface mining and cleaner working environments. The significant increase in outpatient treatment is due to the success of clinical outreach activities, which emphasize self-help, early detection and rehabilitation.

The Tuberculosis Control Program has 66 chest clinics that provide for the total management of persons with tuberculosis disease. This consists of bacteriological studies, periodic x-ray examinations, physician and nursing evaluations, and the renewal of drugs issued. For 17,400 patients, a shortened program of chemotherapy has been implemented which results in greater patient compliance and lower costs. Additionally, a twice weekly observed ingestion program for noncompliant patients is continuing and will lead to greater patient compliance and fewer tuberculosis infectious persons in the general population.

In 1979 the General Assembly provided funds to establish a Home Ventilator Program for children with chronic respiratory failure. Services are administered by The Children's Hospital of Philadelphia. This program permits 17 children with chronic respiratory problems to have life support equipment and nursing care in their homes at about one-third the cost of in-hospital care.

The Orthopedic Program provides outpatient care to children suffering from orthopedic conditions, amputations, and other related conditions. Services include: prosthetics, orthotics, orthopedic shoes, therapeutic and support services. These services are provided to over 5,000 patients at 40 orthopedic clinics throughout the state.

The Cleft Palate Program provides comprehensive services which include pediatrics, plastic surgery, general dentistry, orthodontia, prosthodontics, etc. to children under 21 years of age. The program serves over 3,300 cleft palate and related plastic surgery patients annually.

The Spina Bifida program assists patients and their families with some of the health care costs not covered by insurance or other third party resources. Two in every 1,000 births result in a Spina Bifida child. During the first month of fetal life, unknown factors interfere with development causing the infant's spinal cord to protrude through his/her back at birth. The condition can be corrected neurosurgically, but the child may still have severe nervous, orthopedic and urologic problems. Due to medical advances, there has been a dramatic increase in the number of surviving children. As of June 1985, a total of 1,204 patients (1,111 children and 93 adults) were registered in the Spina Bifida

program. Additional funds of \$100,000 have been provided in the 1986-87 budget to fund the increase in patient population. The department has added an additional measure for adults in the Spina Bifida program.

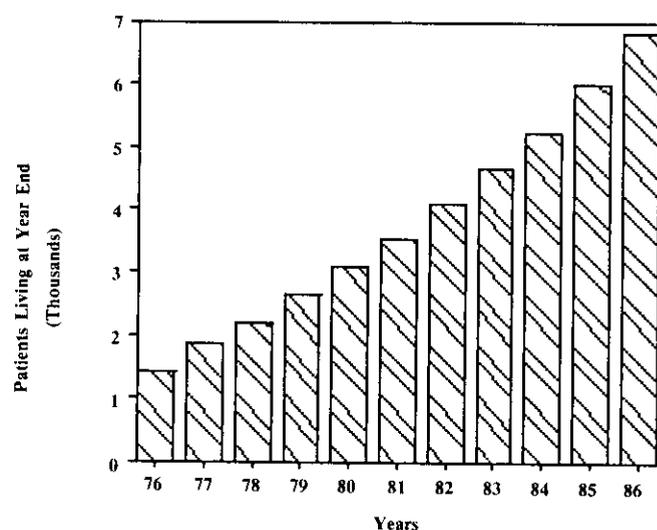
The department also operates programs for patients suffering from certain blood diseases, including Hemophilia, Sickle Cell Anemia and Cooley's Anemia. Hemophilia is a genetically transmitted disease where affected individuals have a deficiency of critical blood clotting factors. Affected individuals develop chronic diseases due to frequent hemorrhages, particularly in joints and muscles. Of the estimated 1,200 hemophiliacs in Pennsylvania, over 950 are enrolled under this program. It is estimated that the actual number of patients will not reach the maximum because some individuals prefer to obtain treatment from private physicians. The Hemophilia Program consists of eight specialized centers which offer comprehensive evaluation, rehabilitation services and blood products for hospital outpatients or home use. Patients must be registered with a program to receive these benefits and insure their third party resources are used before State program funds are expended.

Sickle Cell Anemia is a genetically determined red blood cell disorder which affects approximately 2,000 persons of the black population in Pennsylvania. There are 1,350 patients currently receiving medical and psycho-social services at six Sickle Cell centers.

Cooley's Anemia is found predominantly in individuals of Mediterranean ancestry. While the incidence of Cooley's Anemia cannot be estimated, currently there are 38 patients receiving care under this program.

The Renal Disease program provides dialysis, drugs, medical supplies and transportation services to persons having chronic renal failure. New admissions average 1,361 per

CHRONIC RENAL PATIENT CENSUS



Outpatient Treatment (continued)

Program Analysis: (continued)

year with discharges averaging 563 per year. Thus, the patient census increases at the average rate of 800 per year. By June 1987, the case load is expected to increase to 7,638 patients. The census of patients has been steadily increasing as the graph illustrates. It is for this reason that the Governor's budget proposes a supplemental increase of \$802,000 in 1985-86. In 1986-87, the Renal program will begin to receive funding estimated at \$2,000,000 from Medical Assistance for services provided eligible recipients. The Renal program also supports an organ donor program that promotes transplantation which is less expensive than dialysis and improves the quality of life of kidney patients. The program reimburses the balance of cost which is not satisfied by third party resources.

The Department of Health provides specific programs for children afflicted with epilepsy, cardiac problems, speech and hearing disorders, cystic fibrosis etc. In some areas the number of children receiving outpatient treatment services has decreased due to the declining birth rate and increased efforts in collection of third party payments.

The department provides comprehensive treatment services to diagnosed phenylketonuria (PKU) infants. In

1983-84, a project was initiated to register all females in the State who had abnormal PKU results on their initial newborn screening tests. PKU females who are 12 years of age or older will be located, contacted, and counseled regarding their greatly increased risk of bearing children with various birth defects. Because many of these females re-entered the outpatient treatment program, the number of PKU patients receiving treatment has increased substantially.

The Sexually Transmissible Disease Program provides clinical services for the diagnosis and treatment of sexually transmitted disease. These services are provided to insure that patients with suspected disease have access to free diagnostic and treatment services, and also provide diagnosis and treatment to those who have been exposed to a sexually transmitted infection. Prompt treatment of infectious patients and their partners contributes to disease prevention.

Clinical services are offered in a variety of settings, including State and community health centers, family planning clinics and practicing physicians' offices. This also allows minors to seek and receive care under the Commonwealth's Minor Treatment Law.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 1,087	\$ 1,102	\$ 1,102	\$ 1,150	\$ 1,248	\$ 1,304	\$ 1,353
State Health Centers	4,310	4,290	4,348	4,532	4,796	4,980	5,171
Hemophilia Treatment	1,232	1,412	1,454	1,454	1,454	1,454	1,454
Sickle Cell Anemia	717	743	765	765	765	765	765
Cooley's Anemia	200	216	222	222	222	222	222
Renal Disease	7,300	8,852	8,987	9,346	9,720	10,109	10,513
Home Ventilators	386	500	515	515	515	515	515
Coalworker's Pneumoconiosis	410	619	619	619	619	619	619
Spina Bifida	637	723	807	807	807	807	807
Adult Cystic Fibrosis	135	198	204	204	204	204	204
Screening and Treatment — Tuberculosis	295	372	372	372	372	372	372
Sunshine Foundation	25						
United Neighborhood Facilities Health							
Care—Erie	150	150					
Cerebral Palsy — St. Christopher's							
Hospital	598	850	850	850	850	850	850
Cleft Palate Clinic — Lancaster	52	52	52	52	52	52	52
Cleft Palate Clinic — Pittsburgh	52	52	52	52	52	52	52
GENERAL FUND TOTAL	\$ 17,586	\$ 20,131	\$ 20,349	\$ 20,940	\$ 21,676	\$ 22,305	\$ 22,949

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 278	\$ 383	\$ 399	\$ 399	\$ 399	\$ 399	\$ 399
Federal Funds	3,885	3,952	3,379	3,379	3,379	3,379	3,379
TOTAL	\$ 4,163	\$ 4,335	\$ 3,778	$ 3,778	$ 3,778	$ 3,778	$ 3,778

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Persons receiving inpatient hospital care from department programs.....	2,557	930	955	984	1,004	1,026	1,036
Children treated under the cardiac inpatient program	220	225	225	230	230	230	230

Program Analysis:

One of the principal concerns of patient management is to provide treatment services at the least expensive level of care that is consistent with standards of good medical practice. The emphasis in all of the department's programs is to utilize outpatient treatment whenever possible. Inpatient hospital and nursing care is provided for only the most complex medical conditions that require the facilities and services available in an inpatient setting. Because inpatient care is very expensive, programs providing this type of care have imposed strict controls on admissions and, where possible, are using outpatient services to avoid hospital admissions.

Some of the programs operated by the department which provide inpatient care are tuberculosis control, children's cardiac surgery, cleft palate, cystic fibrosis, orthopedic, speech, hearing, spina bifida, and other disabling conditions of children. The department's children's cardiac inpatient

program provides intensive diagnostic procedures such as cardiac catheterization and echocardiograms.

The increase in the number of persons receiving inpatient hospital care in 1984-85 was due to the availability of Federal funds under the Maternal and Child Health Block Grant-Supplemental Appropriations Act (Jobs Bill). This appropriation was utilized to fund the prenatal and delivery costs of pregnant women in unemployed families, under the Family Support Services Program. Services were also provided to children with unemployed parents who require health and medical services. This service returns to the prior level, effective in 1985-86.

The measure children treated under the cardiac program shows an increase compared to last years estimates due to the dissemination of a directory of the Department of Health's services for children which generated more referrals to the program.

Inpatient Treatment (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Spina Bifida	\$ 112	\$ 127	\$ 143	\$ 143	\$ 143	\$ 143	\$ 143
Screening and Treatment — Tuberculosis	5	6	6	6	6	6	6
Burn Foundation — Greater Delaware							
Valley	161	250	250	250	250	250	250
GENERAL FUND TOTAL	<u>\$ 278</u>	<u>\$ 383</u>	<u>\$ 399</u>	$ 399	$ 399	$ 399	$ 399

Prevention/Intervention of Drug and Alcohol Abuse

OBJECTIVE: To provide community and school educational services to the citizens of Pennsylvania alerting them to the varied dangers of drug and/or alcohol abuse.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 5,382	\$ 5,984	\$ 6,176	\$ 6,318	\$ 6,566	\$ 6,824	\$ 7,092
Federal Funds	2,753	2,846	2,661	2,661	2,661	2,661	2,661
TOTAL	\$ 8,135	\$ 8,830	\$ 8,837	\$ 8,979	\$ 9,227	\$ 9,485	\$ 9,753

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Prevention:							
Persons Viewing Films	114,000	100,000	100,000	100,000	100,000	100,000	100,000
General information materials distributed — ENCORE	534,000	458,000	450,000	450,000	450,000	450,000	450,000
Teachers and parents trained	825	825	1,000	1,000	1,000	1,000	1,000
Educational contacts	118,400	118,400	260,000	260,000	260,000	260,000	260,000
Providers approved annually:							
Prevention providers	114	114	125	125	125	125	125
Intervention providers	122	122	127	127	132	132	132
Schools for Driving Under the Influence (DUI) offenders	62	62	62	62	62	62	62
DUI instructors certified annually	295	N/A	N/A	N/A	N/A	N/A	N/A
Enrollments in DUI schools	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Percent of enrollments who completed DUI schools	93%	N/A	N/A	N/A	N/A	N/A	N/A

Program Analysis:

Prevention activities are developed to provide all Pennsylvania citizens with accurate and timely information on the effects of alcohol and other drugs and to assist individuals in developing or improving critical life skills that will allow them to choose a substance abuse free lifestyle. Although school education remains the primary focus of prevention activities, citizens of all ages are in need of prevention services. Local providers develop and conduct educational sessions, workshops, media presentations, public information and activity oriented experiences for county residents. During 1984-85 the prevention efforts were expanded as shown by the increase in the program measure "Prevention Providers Approved Annually". This number increased from 100 to 114 providers.

The number of educational contacts, a program measure of service delivery at the local level, has been decreasing over the past two years. The lack of timely and accurate repor-

ting by local providers rather than an actual reduction in contacts is believed to be the primary reason for this decline. In 1985-86, a concerted effort will be made to improve the timeliness and quality of data submitted. The majority of school-based prevention is facilitated by a cooperative agreement between the Department of Health and the Department of Education. The "Here's Looking at You, Two" curriculum has been voluntarily implemented in 400 of the Commonwealth's 501 school districts. During 1984-85, a Student Assistance Program (SAP) was pilot tested in four school districts in Pennsylvania. This program is an early intervention activity that trains teachers and other school personnel to be able to identify students who are using/abusing substances and refer them for professional help. In 1986-87, the Office of Drug and Alcohol Programs will receive \$392,000 to expand the Student Assistance Program in a cooperative effort with the Office of Mental Health in

Prevention/Intervention of Drug and Alcohol Abuse (continued)

Program Analysis: (continued)

the Department of Welfare as part of a Program Revision — Preventing Teen Suicide. (See Department of Public Welfare Actue Mental Health Services subcategory). In addition, \$400,000 is provided in 1986-87 budget, for prevention activities in two areas: the Student Absentee Program, and the Treatment Alternatives to Street Crime Program. Measures have been adjusted to reflect these initiatives.

Intervention programs focus on assisting in decision-making and supporting clients until they can cope with the situation independently. Referral is provided if the need for a structured treatment regimen or other service is indicated. Intervention services in Pennsylvania include: a statewide network of hotlines and drop-in centers; alcohol highway safety programs; programs for pregnant and parenting teenagers; occupational programs; and Treatment Alternatives to Street Crime programs. Programs for pregnant and parenting teenagers who excessively use alcohol and drugs have begun in the five counties which account for 45 percent of the state's births to adolescents.

The Department of Health is no longer responsible for the certification of Alcohol Highway Safety Instructors. Instead PennDOT has contracted with a private consultant to certify instructors. In 1985-86, the program measure "DUI Instructors Certified Annually" will be deleted. The focus in DUI will be on the development and implementation of effective intervention and treatment programs. In 1984-85, 25,500 people were evaluated via the Court Reporting Network (CRN), the statutorily mandated evaluation instrument given to all DUI offenders. Approximately 20,700 or 81 percent of the people evaluated were problem drinkers. Therefore, imprisonment and Alcohol Highway Safety School alone will not deter these problem drinkers from becoming repeat offenders. In 1984-85, a pilot DUI group

intervention project was initiated in ten counties. In 1985-86, an intervention program for juvenile DUI offenders will be initiated. This program is known as the Underage Drinking Project.

The Drug and Alcohol program is continuing to work with each State agency on the operation of the State Employee Assistance Program (SEAP). During 1984-85, 447 people were referred to SEAP.

The Treatment Alternatives to Street Crime (TASC) program is operational in eleven counties. TASC provides court officials with an alternative to confinement for the non-violent drug and alcohol dependent criminal justice offenders. The program has shown only a 5 percent rearrest rate of the 3,100 offenders participating in the program since 1981. In 1984, Pennsylvania became the first state to implement a TASC program for juvenile offenders. The first year's data shows that 508 juveniles were screened for acceptance into the program and 238 were accepted. The rate of juveniles rearrested while under supervision was 5.04 percent.

The support services provided through the Educational Needs Clearinghouse for Outreach, Research and Emergency (ENCORE) are essential to the delivery of prevention education and information services at the local level. ENCORE's free loan audiovisual library is used extensively by teachers, community and parent organizations, drug and alcohol providers and trainers. In 1986-87, the measure "persons viewing films" does not necessarily assess film library usage. This measure is calculated from the film evaluation form completed by the persons requesting the films. Many of the forms are never completed and returned.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Assistance to Drug and Alcohol Abuse							
Program	\$ 5,382	\$ 5,784	\$ 6,176	\$ 6,318	\$ 6,566	\$ 6,824	\$ 7,092
Pennsylvania Aware		200					
GENERAL FUND TOTAL	<u>\$ 5,382</u>	<u>\$ 5,984</u>	<u>\$ 6,176</u>	<u>\$ 6,318</u>	<u>\$ 6,566</u>	<u>\$ 6,824</u>	<u>\$ 7,092</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 21,529	\$ 23,134	\$ 24,702	\$ 25,274	\$ 26,265	\$ 27,296	\$ 28,368
Federal Funds	9,020	8,859	8,677	8,677	8,677	8,677	8,677
TOTAL	\$ 30,549	\$ 31,993	\$ 33,379	\$ 33,951	\$ 34,942	\$ 35,973	\$ 37,045

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Inpatient programs licensed/approved:							
Hospitals	88	91	94	96	98	100	102
Non-hospitals	127	135	141	148	156	161	166
Outpatient programs licensed/approved.....	264	270	276	283	289	295	301
Total beds available	4,405	4,600	4,762	4,912	5,062	5,312	5,412
Patients enrolled in treatment:							
Male	53,448	55,011	55,694	56,269	56,850	57,437	58,037
Female	15,836	16,800	17,111	17,287	17,465	17,645	17,836
Patients who completed treatment	19,808	21,000	22,747	23,547	24,347	25,247	26,147
Admissions with primary diagnosis:							
Drug abuse	21,667	22,302	22,673	22,933	23,178	23,637	23,847
Alcohol abuse	45,780	47,984	48,561	49,281	50,065	50,532	51,000

Program Analysis:

The abuse of drugs and alcohol is one of the factors greatly affecting the health of Pennsylvania citizens. The responsibility of the Commonwealth to provide for the treatment of drug and alcohol abuse was established by the Pennsylvania Drug and Alcohol Abuse Control Act of 1972. The program measures summarized in this analysis indicate the impact of publicly funded treatment programs throughout the Commonwealth.

Services are provided to residents of the Commonwealth through a contract process to local governmental units in each county or groups of counties. The local governmental bodies, called Single County Authorities (SCAs), plan and implement community-based services in line with the department's decentralized planning and treatment philosophy. Most SCAs contract with independent providers for treatment, prevention and intervention services, although some SCAs administer their own direct services through functional units.

Treatment programs for substance abusers are provided in hospitals, prisons, shelters, residential units, day care and

outpatient programs. Treatment often consists of a combination of short-term treatment, or detoxification, and long-term treatment, or rehabilitation. Some facilities have also developed after-care procedures which extend support after formal treatment had ended.

It is estimated that there will be 21,000 clients completing treatment, which is 29 percent of total client admissions, during the 1986-87 fiscal year. Total anticipated admissions to treatment for fiscal year 1986-87 should be approximately 72,805 due to the infusion of additional State funds, particularly an initiative for the homeless of \$300,000. A total of 479 drug and alcohol treatment programs were licensed/approved during 1984-85. The total beds available for treatment services are 4,405 as of June 1985. This figure has increased due to an effort by private providers to expand inpatient drug and alcohol services. The drug admissions are 31 percent of the total admissions while alcohol abuse admissions are 66 percent of total admissions. The remaining 3 percent is for diagnosis of both drug and alcohol abuse. Males represent 77 percent of all admissions and females

Treatment of Drug and Alcohol Abuse(continued)

Program Analysis: (continued)

account for 23 percent of the total. An increase in admission for women is due largely to Federal block grant funds that were earmarked exclusively for new services for women. Other current trends noted in admission data include record totals for alcohol, particularly for the 15 - 34 age group which now comprise 33 percent of total alcohol admissions. Treatment of cocaine abuse is now 3.4 percent of total admissions, a dramatic increase from a low of .04 percent

recorded in 1977-78. Total client admissions may fluctuate due to: changes in the combined State and Federal treatment support for services and the effect of Driving Under the Influence (DUI) arrests. Long-term admissions are giving way to shorter-term approaches and outpatient services are being reinforced, since inpatient resources are limited. Utilization review efforts at the State and local level will insure that the maximum numbers of persons will be served.

Program Costs: by Appropriation

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Assistance to Drug and Alcohol							
Programs	<u>\$ 21,529</u>	<u>\$ 23,134</u>	<u>\$ 24,702</u>	<u>\$ 25,274</u>	<u>\$ 26,265</u>	<u>\$ 27,296</u>	<u>\$ 28,368</u>

Higher Education Assistance Agency

The Higher Education Assistance Agency provides financial aid to higher education students in the form of grants, loans, and employment opportunities through the coordination of State and Federal aid programs. In addition the agency provides institutional assistance grants to private institutions enrolling students who participate in the grant program and administers the Information Technology Education program.

HIGHER EDUCATION ASSISTANCE AGENCY

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1986-87 State Funds (in thousands)
Grants to Part Time Students	Excellence in Higher Education	\$ 8,000

This Program Revision will provide a new grant program for the growing number of students attending Pennsylvania institutions on a less than full time basis.

Merit Scholarships	Excellence in Higher Education	\$ 1,000
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This program will provide for scholarships in each school district for academically excellent students planning to attend Pennsylvania institutions.

Matching Funds	Excellence in Higher Education	\$ 1,450
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This program will enable the participating colleges and universities to capture the maximum share of Federal dollars for campus based student aid programs and expand the State work study program.

DEPARTMENT TOTAL	\$ 10,450 ^a
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^aThe total Program Revision for Excellence in Higher Education is \$13,450,000. Details are presented in the appendix to the Higher Education subcategory in the Department of Education.

HIGHER EDUCATION ASSISTANCE AGENCY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
Grants and Subsidies			
Grants to Full Time Students	\$ 85,757	\$ 91,000	\$ 96,000
Grants to Part Time Students .....	.....	.....	8,000
Merit Scholarships .....	.....	.....	1,000
Student Aid Funds Matching	2,268	3,090	4,540
Administration	225	50	50
Equal Opportunity Professional Education	258	348	490
Institutional Assistance Grants	17,137	17,888	18,604
Computer Training	1,800	1,872	1,947
Computer Purchases	3,200	3,328	3,328
TOTAL STATE FUNDS	<u>\$ 110,645</u>	<u>\$ 117,576</u>	<u>\$ 133,959</u>
Federal Funds	\$ 2,807	.....	.....
GENERAL FUND TOTAL	<u>\$ 113,452</u>	<u>\$ 117,576</u>	<u>\$ 133,959</u>
Other Funds	\$ 207,884	\$ 165,811	\$ 197,702
TOTAL ALL FUNDS	<u>\$ 321,336</u>	<u>\$ 283,387</u>	<u>\$ 331,661</u>

GRANTS AND SUBSIDIES

Higher Education Assistance	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 105,645	\$ 112,376	\$ 128,684

The Commonwealth's scholarship and loan program is administered through the Pennsylvania Higher Education Assistance Agency. It provides scholarships to qualified students of the Commonwealth who need financial assistance to attend postsecondary institutions of higher learning, and guarantees loans made for the purpose of assisting residents in meeting their expenses of higher education. Matching funds are provided to assist students in securing grants and loans from the Federal Government.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Grants to Full-Time Students	\$ 85,757	\$ 91,000	\$ 96,000
Grants to Part-Time Students .....	.....	.....	8,000
Merit Scholarships .....	.....	.....	1,000
Student Aid Funds—Matching	2,268	3,090	4,540
Administration	225	50	50
Equal Opportunity Professional Education	258	348	490
Institutional Assistance Grants	17,137	17,888	18,604
TOTAL	<u>\$ 105,645</u>	<u>\$ 112,376</u>	<u>\$ 128,684</u>

General Elementary and Secondary Education	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 5,000	\$ 5,200	\$ 5,275
Federal Funds	2,807	.....	.....
TOTAL	<u>\$ 7,807</u>	<u>\$ 5,200</u>	<u>\$ 5,275</u>

Funds the training of teachers in computer education and provides grants for acquisition of computers for school districts.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Computer Training	\$ 1,800	\$ 1,872	\$ 1,947
Computer Purchases	3,200	3,328	3,328
Federal Funds:			
Education Block Grant—Computer Knowledge Enhancement ..	2,807	.....	.....
TOTAL	<u>\$ 7,807</u>	<u>\$ 5,200</u>	<u>\$ 5,275</u>

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Higher Education Assistance Fund			
State Insured Loan Guaranty Program	\$ 12,278	.....	.....
Reserve for Losses on Guaranteed Loans	126,090	95,000	128,700
State/Federal Administration Augmentations	55,135	35,161	31,936
Parent Loan Reserve	899	1,018	1,440
Loan Sale Discount Account	2,000	4,495	.....
Contract Servicing	11,482	19,127	27,126
Supplemental Loan Account .....	.....	11,010	8,500
 DEPARTMENT TOTAL	 <u>\$ 207,884</u>	 <u>\$ 165,811</u>	 <u>\$ 197,702</u>

HIGHER EDUCATION ASSISTANCE AGENCY

Summary of Agency Program by Category and Subcategory

General Fund

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Higher Education	\$ 105,645	\$ 112,376	\$ 128,684	\$ 136,428	\$ 144,026	\$ 151,060	\$ 157,321
Financial Assistance to Students	\$ 88,508	\$ 94,488	\$ 110,080	\$ 117,080	\$ 123,904	\$ 130,133	\$ 135,557
Financial Assistance to Institutions	17,137	17,888	18,604	19,348	20,122	20,927	21,764
General Instruction	\$ 5,000	\$ 5,200	\$ 5,275	\$ 5,486	\$ 5,705	\$ 5,933	\$ 6,171
General Elementary and Secondary Education	\$ 5,000	\$ 5,200	\$ 5,275	\$ 5,486	\$ 5,705	\$ 5,933	\$ 6,171
DEPARTMENT TOTAL	<u>\$ 110,645</u>	<u>\$ 117,576</u>	<u>\$ 133,959</u>	<u>\$ 141,914</u>	<u>\$ 149,731</u>	<u>\$ 156,993</u>	<u>\$ 163,492</u>

HIGHER EDUCATION ASSISTANCE AGENCY

Financial Assistance to Students

OBJECTIVE: To supplement post-secondary education programs for the development of the Commonwealth's personnel resources by providing financial assistance to Commonwealth residents attending institutions of higher education.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 88,508	\$ 94,488	\$ 110,080	\$ 117,080	\$ 123,904	\$ 130,133	\$ 135,557
Other Funds	207,884	165,811	197,702	197,702	197,702	197,702	197,702
TOTAL	\$ 296,392	\$ 260,299	\$ 307,782	\$ 314,782	\$ 321,606	\$ 327,835	\$ 333,259

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Applications for grants	226,584	219,560	219,560	219,560	219,560	219,560	219,560
Applications for grants processed	155,337	153,320	150,160	150,160	150,160	150,160	150,160
Applicants enrolled full time eligible for and receiving grants	110,757	108,940	109,320	109,320	109,320	109,320	109,320
Percent of applicants aided	71.3	71.1	72.8	72.8	72.8	72.8	72.8
Students assisted by Federal college based student aid (matching fund) programs ..	113,675	114,000	122,289	123,000	124,000	125,000	126,000
Students receiving Guaranteed Loans	233,025	249,836	256,732	266,106	275,481	284,855	294,230
Applicants enrolled part time eligible for and receiving grants			27,149	31,220	34,340	36,060	36,060
Merit scholarships			501	501	501	501	501

Program Analysis:

Financial assistance to students in post secondary education is supported through the programs of the Pennsylvania Higher Education Assistance Agency (PHEAA).

PHEAA currently provides direct financial assistance to students through three programs; the Higher Education Scholarship (Grant) Program, the Guaranteed Loan Program, and the Matching Fund Program. All funds for the various financial assistance programs administered by PHEAA flow through the Higher Education Assistance Fund. A cash flow statement for the Higher Education Assistance Fund appears in the Special Fund Appendix at the end of Volume I of this Budget.

Two new programs to aid students are included in the budget: grants for students enrolled part-time and merit scholarships for academically excellent students. Both of

these programs are discussed in the program revisions presentation which follows the Higher Education subcategory in the Department of Education.

The largest component of PHEAA's financial assistance program is the grant program which covers both basic financial assistance and assistance to veterans. Since its inception in 1966, the State Higher Education Grant Program has been particularly sensitive to the needs of low income families, large families, veterans of military service and those who have suffered special hardship due to the death, disability, retirement, or unemployment of the family's major wage earner. Continuing increases in educational costs intensified these needs and are creating demands to provide aid for middle income families. It has been the objective of the program to help remove the financial barriers and thereby pro-

Financial Assistance to Students (continued)

Program Analysis: (continued)

vide access to higher education for all needy Commonwealth residents and, within the limits of the resources available, help to provide freedom of choice between subsidized public colleges and the full-charge private colleges and other postsecondary schools so as to ensure utilization of all facilities and access to all types of instruction.

PHEAA grants are distributed on a formula basis which considers parental contributions and educational costs. The size of the grant thus varies by parental income, the tuition and fees charged by the institution the student attends and the financial assistance received by the student from other sources.

The budgeted amount for grants includes funds to increase the maximum grant to make it more tuition sensitive and thereby provide access to a wider range of institutions.

It is estimated that in 1985-86 roughly 71 percent of the students who received PHEAA grants also received Federal Pell Grants. This compares to the 75 percent who received both types of financial aid in 1980-81. The average full-year

Pell grant to Pennsylvania students in 1981-82 was roughly \$1,071; in 1985-86 it is \$1,475.

Students used this combination of State and Federal financial aid to meet educational costs at a variety of types of institutions of higher education. In 1985-86, between PHEAA and Pell grants, an average of approximately 40 percent of a student's educational costs are covered. The average recipient of these grants attending a four-year college has the highest percent of educational costs funded at a State System of Higher Education institution and the lowest percent of educational costs is met at private institutions of higher education. The table below illustrates the percent of educational costs covered for an average recipient of PHEAA and Pell at different types of institutions in the 1985-86 academic year.

The second major component of the financial assistance program is the Guaranteed Student Loan Program (GSLP). The Loan Guaranty Program enables Pennsylvania residents enrolled at least half time in undergraduate or graduate pro-

**Proportion of Educational 1985-86 Academic Year Costs of Common Recipients
Funded by State and Federal Grants
(50% of State Grant Applicants are Common Recipients)**

Institutional Type	Educational Cost ^a	Average Full-Year State Grant	(Dollar Amounts in Thousands)				Percent of Educational Costs
			Percent of Educational Costs	Average Full-Year PELL Grant	Percent of Educational Costs	Combined Average Grant	
Independent Four-Year	\$10,311	\$1,444	14.0%	\$1,428	13.8%	\$2,872	27.8%
State System of Higher Education	4,150	649	15.6%	1,403	33.8%	2,052	49.4%
State-Related Universities	6,148	1,013	16.5%	1,495	24.3%	2,508	40.8%
Junior Colleges	6,857	1,155	16.9%	1,613	23.5%	2,768	40.4%
Community Colleges	2,517	436	17.3%	1,299	51.6%	1,735	68.9%
Nursing Schools	4,712	837	17.8%	1,438	30.5%	2,275	48.3%
Business, Trade, Technical	4,958	1,116	22.5%	1,651	33.3%	2,767	55.8%

^aEducational costs indicated are those used in the Federal PELL Program and do not include personal expenses.

Financial Assistance to Students (continued)

Program Analysis: (continued)

grams in an eligible post secondary institution to secure long-term educational loans from several types of participating lenders. Participating lenders extend loans to students to fill the gap left between their resources (parental contribution, savings and other financial aid) and educational costs. The Auxiliary Loans to Assist Students Program or PLUS program supplements the GSLP and allows graduate students, independent undergraduate students and parents of dependent undergraduate students to borrow funds from participating commercial lenders. PLUS loans are available at 12 percent interest and repayment of the loan begins 60 days after the loan is issued. Student PLUS loan borrowers who are enrolled in school full time may defer the start of principal repayment until after the full-time enrollment period, but the borrower is responsible for paying the interest that accrues during the deferment.

PHEAA anticipates guaranteeing \$600 million in GSLP loans during 1985-86 and \$632 million in 1986-87. In addition, PHEAA anticipates guaranteeing \$50 million in PLUS loans in 1985-86 and \$52 million in 1986-87.

The Matching Fund program ensures that Pennsylvania students and institutions are afforded maximum access to the Federal student financial aid programs. It also provides for the delivery of services to State and other public agencies and is used by the State universities and community colleges on campus. The required match for Federal funds which participating institutions dedicate to off-campus employment or internship experiences and funds for professional development workshops for financial aid personnel at participating institutions are also part of the program funds.

The availability of employment near campus has become a major factor in the decision a student makes regarding the choice of schools; the number of students who require earnings from employment in order to finance their education has increased. There is also an increase in the number of students that have found that at least one term of work experience when combined with the associate or baccalaureate degree is helpful in securing full-time employment.

Funds are included in the budgeted amount to expand the college work study program. These additional funds, matched by funds from the institutions and private employers, will provide earning opportunities for students needing financial assistance while providing useful employment experience to those students.

Act 330 of 1982, amended by Act 5 of 1983, authorized issuance of tax-exempt bonds to fund a supplemental student loan program. Undergraduate and graduate students who no longer qualify for existing Federally supported student loan programs or who need financial assistance in addition to the amounts available under existing program parameters are benefiting from the new loan programs. Parents are also able to obtain loans to help meet the costs of post-secondary education and reduce the debt burden for their children. Prior to the close of 1983, the agency temporarily funded a \$300 million tax exempt student loan program and subsequently has moved to permanent financing of two separate tax exempt loan programs with the 1984 Series A bond program and the 1985 Series A bond program. The 1984 bonds finance a revolving fund of \$100 million to provide loans to health professions students. The 1985 series is intended to be a revolving fund of \$202 million to fund the PHEAA/HELP program, which combines the Federal loan programs and a privately insured supplemental loan program to meet the costs of education.

A 1983 agreement between the Department of Education and the Office for Civil Rights in the U. S. Department of Education provided for the Equal Opportunity Professional Education Fund for graduates of Cheyney and Lincoln Universities. The fund, to be administered by the Department of Education, will be used to place graduates of those schools in programs at Temple University, the University of Pittsburgh, and the Pennsylvania State University in medicine, dentistry, law and other post graduate programs. In the course of the five year plan about 200 students will receive awards totaling \$1,686,000. The budget includes \$490,000 for the 1986-87 cost of the program.

Program Costs by Appropriation:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
(Dollar Amounts in Thousands)							
GENERAL FUND							
Grants to Full Time Students.....	\$ 85,757	\$ 91,000	\$ 96,000	\$ 99,840	\$ 103,834	\$ 107,987	\$ 112,306
Grants to Part Time Students.....	.....	.....	8,000	9,600	11,520	12,096	12,701
Merit Scholarships.....	.....	.....	1,000	2,000	3,000	4,000	4,000
Student Aid Funds—Matching.....	2,268	3,090	4,540	5,000	5,500	6,000	6,500
Administration.....	225	50	50	50	50	50	50
Equal Opportunity Professional Education.....	258	348	490	590	.....	.....	.....
GENERAL FUND TOTAL.....	\$ 88,508	\$ 94,488	\$ 110,080	\$ 117,080	\$ 123,904	\$ 130,133	\$ 135,557

HIGHER EDUCATION ASSISTANCE AGENCY

Financial Aid to Institutions

OBJECTIVE: To assist independent postsecondary institutions to maintain enrollments and stabilize their educational costs thereby promoting access to institutions in all sectors for Pennsylvania students.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 17,137	\$ 17,888	\$ 18,604	\$ 19,348	\$ 20,122	\$ 20,927	\$ 21,764

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Grant recipients enrolled at eligible independent institutions	29,415	29,210	29,872	30,171	30,473	30,778	31,086
Per capita grant	584	615	617	635	654	674	694
Eligible institutions	86	88	88	88	88	88	88

Program Analysis:

The Institutional Assistance Grants (IAG) Program, by design of the General Assembly at the time of enactment in July 1974, serves as an integral part of the Commonwealth's commitment to the development and preservation of a diverse system of postsecondary education encompassing the programs of both the independent and public sector institutions. The objectives of the program are carried out through formula grants to assist independent postsecondary institutions to maintain enrollments and to assist in the effort to stabilize their educational costs so as to facilitate utilization of all postsecondary education resources in the Commonwealth. The IAG Program also serves to promote full access to institutions in all sectors by assisting student attendance at Pennsylvania independent colleges and universities.

Eligible institutions, as specified in the authorizing legislation, are those institutions approved for purposes of the State Higher Education Grant Program that are not a state-owned college or university, a state-related university, or a community college, that are independent and are not

operated for profit, and that are not a seminary or school of theology or a sectarian or denominational institution. The appropriation legislation has also for the last eight years excluded any institution which is the recipient of a direct State appropriation. There are currently 88 eligible institutions participating in the IAG Program.

The IAG payments are based on the number of state student grant recipients certified as enrolled at IAG-eligible institutions during the academic year. The total available resources are divided by the total number of certified recipients to establish a per capita grant to be made to each institution. An advance payment of approximately 90 percent of the projected entitlement is given to the institutions in September in order to allow the State funds to be a meaningful part of the school budget. A final reconciliation payment is made by the following June to complete payment to the colleges. Each institution must execute a participation agreement and must also submit an annual audit report as assurance that the Institutional Assistance Grants monies are used only for non-sectarian educational costs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Institutional Assistance Grants	\$ 17,137	\$ 17,888	\$ 18,604	\$ 19,348	\$ 20,122	\$ 20,927	\$ 21,764

HIGHER EDUCATION ASSISTANCE AGENCY

General Elementary and Secondary Education

OBJECTIVE: To provide general population students with the skills, attitudes, and abilities needed for effective living in our complex society.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 5,000	\$ 5,200	\$ 5,275	\$ 5,486	\$ 5,705	\$ 5,933	\$ 6,171
Federal Funds	2,807	.....	.....	.....	.....	.....	.....
TOTAL	\$ 7,807	\$ 5,200	\$ 5,275	\$ 5,486	\$ 5,705	\$ 5,933	\$ 6,171

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Teachers trained in microcomputer education	2,000	2,475	2,570	2,500	2,500	2,500	2,500
Teachers trained as instructors in microcomputer education .....	.....	.....	180	900	1,000	1,000	1,000
Regional Resource Centers	14	14	14	14	14	14	14
Outreach Sites .....	.....	4	4	9	9	9	9
New classrooms using microcomputers	55	67	65	200	250	300	350
Teachers using program hardware and courseware	4,000	5,000	6,000	7,000	8,000	9,000	10,000

Program Analysis:

The Information Technology Education Act, (Act 145) which was signed into law on July 9, 1984, provides funding to improve and strengthen the computer skills of students and teachers in the elementary and secondary schools of the Commonwealth through the establishment of Regional Computer Resource Centers (RCRC). The Regional Centers currently (1) provide teacher training in computer information technology, (2) help design computer-oriented elementary and secondary school curricula, (3) assist teachers and school administrators in the evaluation of education computer software, (4) review school proposals to acquire and upgrade computer equipment and implement computer-oriented instruction, (5) assist in the coordination of the purchase of computer hardware and software for Pennsylvania's schools, and (6) loan equipment and computer software to non-public schools. Resource Centers reflecting the Commonwealth's demography have been established at 14 sites (four at intermediate units, eight at colleges and universities, and two in the Philadelphia area). In addition, four outreach sites have been established dur-

ing 1985-86 to accommodate teachers and/or students located in remote areas or to respond to specific school curriculum needs.

This program is being coordinated with the Pennsylvania Higher Education Assistance Agency (PHEAA) Science Teacher Education Program (STEP), which provides graduate-level courses for teachers of science and mathematics at some of the same sites. STEP training is heavily though not exclusively weighted to computer use in science and mathematics instructions.

The allocation for teacher training funds five graduate level microcomputer courses at each of the 14 Regional Computer Resource Centers, allows some centers to offer more than one course each semester, and provides for teaching courses at "outreach sites" in areas geographically inconvenient to centers and/or in areas where the high demand level or specialized nature of the courses cannot be handled by the centers. The allocation for establishment and operation of the Regional Computer Resource Centers and "outreach sites" provides funds for staffing, operational

General Elementary and Secondary Education (continued)

Program Analysis: (continued)

equipment and supplies, maintenance, and other overhead costs as required. Funds are also included for similar operational costs both at the Clarion STEP/Information Technology Education Act coordinating facility and at PHEAA headquarters. Staff at the centers coordinate teacher training, including one-day sessions as required on state-of-the-art microcomputer hardware and courseware. They are responsible for maintaining regularly scheduled times for access to the center and its services by teachers in both public and non-public schools in the regions. RCRC staff also coordinate activities of the Regional Boards, facilitate the loan of computer equipment to non-public school students, and conduct support services to school

districts attempting to establish comprehensive plans for the use of microcomputers in the education of kindergarten through 12th grade students.

The appropriation for equipment and software funds equipment for training at the Centers and outreach sites, equipment and courseware grants for public schools, and equipment loans to non-public school students. The program requires that school districts must develop independently or with the help of the Regional Center staff a comprehensive plan for use of such equipment or courseware. Priority is given to school districts with minimal amounts of microcomputer equipment and/or with high aid ratios.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Computer Training	\$ 1,800	\$ 1,872	\$ 1,947	\$ 2,025	\$ 2,106	\$ 2,190	\$ 2,278
Computer Purchases	3,200	3,328	3,328	3,461	3,599	3,743	3,893
GENERAL FUND TOTAL	<u>\$ 5,000</u>	<u>\$ 5,200</u>	<u>\$ 5,275</u>	<u>\$ 5,486</u>	<u>\$ 5,705</u>	<u>\$ 5,933</u>	<u>\$ 6,171</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

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1986-87 State Funds (in thousands)
General Fund		
General Government Operations	PII—Office Automation	\$ 144 ^a
This Productivity Improvement Initiative will support the automation of administrative operations through the purchase of computer equipment.		
DEPARTMENT TOTAL		\$ 144

^aThis is only one of numerous Productivity Improvement Initiatives which are being provided funding to achieve long-term savings and efficiency benefits. The entire Program Revision Request is summarized in Volume I.

HISTORICAL AND MUSEUM COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 9,243	\$ 10,019	\$ 10,106
Maintenance Program	500	500	500
Legislative Oral History	128	.....	.....
Flag Conservation	100	.....	.....
Subtotal	<u>\$ 9,971</u>	<u>\$ 10,519</u>	<u>\$ 10,606</u>
Grants and Subsidies			
Museum Assistance	\$ 1,604	\$ 2,193	\$ 3,000
Local History Grants	30	.....	.....
Commodore Perry Monument .....	.....	50	.....
Canal-Lock Plymouth .....	.....	75	.....
Subtotal	<u>\$ 1,634</u>	<u>\$ 2,318</u>	<u>\$ 3,000</u>
TOTAL STATE FUNDS	<u>\$ 11,605</u>	<u>\$ 12,837</u>	<u>\$ 13,606</u>
Federal Funds	\$ 541	\$ 552	\$ 535
Augmentations	319	580	506
GENERAL FUNDS TOTAL	<u>\$ 12,465</u>	<u>\$ 13,969</u>	<u>\$ 14,647</u>
Other Funds	\$ 367	\$ 435	\$ 485
TOTAL ALL FUNDS	<u>\$ 12,832</u>	<u>\$ 14,404</u>	<u>\$ 15,132</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
General Government Operations			
State Funds	\$ 9,971	\$ 10,519	\$ 10,606
Federal Funds	541	552	535
Augmentations	319	580	506
TOTAL	<u>\$ 10,831</u>	<u>\$ 11,651</u>	<u>\$ 11,647</u>

Coordinates and directs the preservation of Pennsylvania's heritage through the collection of public records, natural history specimens, objects of art, historical objects and historic sites; and by promoting acquisition, restoration, and operation of historical sites within the Commonwealth.

Among the major sites are Washington Crossing, Brandywine Battlefield, Old Economy and Pennsbury Manor. Some of the major museums are the William Penn Memorial Museum, Landis Valley Farm Museum, Fort Pitt and the Anthracite Museum Complex.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriation:			
General Government Operations	\$ 9,243	\$ 10,019	\$ 10,106
Maintenance Program	500	500	500
Legislative Oral History	128	.....	.....
Flag Conservation	100	.....	.....
Federal Funds:			
Division of Historic Preservation	399	500	450
National Archives and Records Service Bouquet Papers	2	2	.....
Division of Historical Preservation	10	.....	.....
Computer Library Center .....	.....	15	.....
Historical Records Program	130	35	.....
National Endowment for the Humanities .....	.....	.....	60
National Historical Publications and Records .....	.....	.....	25
Augmentations:			
Hope Lodge Fund	35	.....	55
Historic Preservation Fund	246	580	451
Land Records	16	.....	.....
Photo Copy Service	22	.....	.....
TOTAL	<u>\$ 10,831</u>	<u>\$ 11,651</u>	<u>\$ 11,647</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
Museum Assistance	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 1,604	\$ 2,193	\$ 3,000

Provides assistance to qualified museums, through grants to encourage and expand public programs.

	(Dollar Amounts in Thousands)		
Source of Funds	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Museum Assistance	<u>\$ 1,604^a</u>	<u>\$ 2,193^b</u>	<u>\$ 3,000</u>

	(Dollar Amounts in Thousands)		
Local History Grants	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 30	\$ 125	. . . .

Provides assistance to history related institutions in the form of mini-grants, to undertake local history research, planning and programming projects.

	(Dollar Amounts in Thousands)		
Source of Funds	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Local History Grants	\$ 30	. . . .	. . . .
Commodore Perry Monument .....	. . . .	50	. . . .
Canal-Lock Plymouth .....	. . . .	75	. . . .
TOTAL	<u>\$ 30</u>	<u>\$ 125</u>	<u>. . . .</u>

^aThis reflects the total amount appropriated for State-Aided Museums. The funds were actually appropriated separately; University of Pennsylvania Museum \$159,000, Carnegie Museum \$159,000, Franklin Institute \$477,000, Academy of Natural Sciences \$291,000, Museum of the Philadelphia Civic Center \$159,000, Buhl Planetarium \$159,000, and the Morris Arboretum \$200,000.

^bThis reflects the total amount appropriated for State-Aided Museums. The funds were actually appropriated separately; University of Pennsylvania Museum \$165,000, Carnegie Museum \$165,000, Franklin Institute \$496,000, Academy of Natural Science \$303,000, Museum of the Philadelphia Civic Center \$165,000, Buhl Planetarium \$165,000, Afro-American Historical and Cultural Museum \$104,000, Everhart Museum \$30,000, Mercer Museum \$50,000 and the Morris Arboretum \$250,000. Also includes \$300,000 to assist qualified museums through grants to expand planning and programming to encourage public programs.

HISTORICAL AND MUSEUM COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 916	\$ 1,183	\$ 1,371	\$ 1,426	\$ 1,483	\$ 1,542	\$ 1,604
Administration of Public Records	\$ 840	\$ 888	\$ 915	\$ 952	\$ 990	\$ 1,030	\$ 1,071
Preserving Valuable Records	840	888	915	952	990	1,030	1,071
Cultural Enrichment	9,849	10,716	11,320	12,632	13,957	14,795	16,147
Development and Promotion of Penn- sylvania State and Local History....	404	329	339	351	364	378	394
Museum Development and Operations...	7,038	8,055	8,543	9,765	10,996	12,236	13,485
Development and Preservation of Historic Sites and Properties	2,407	2,382	2,438	2,516	2,597	2,181	2,268
DEPARTMENT TOTAL	<u>\$ 11,605</u>	<u>\$ 12,837</u>	<u>\$ 13,606</u>	<u>\$ 15,010</u>	<u>\$ 16,430</u>	<u>\$ 17,367</u>	<u>\$ 18,822</u>

HISTORICAL AND MUSEUM COMMISSION

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 916	\$ 1,183	\$ 1,371	\$ 1,426	\$ 1,483	\$ 1,542	\$ 1,604
Other Funds	50	55	50	50	50	50	50
TOTAL	<u>\$ 966</u>	<u>\$ 1,238</u>	<u>\$ 1,421</u>	<u>\$ 1,476</u>	<u>\$ 1,533</u>	<u>\$ 1,592</u>	<u>\$ 1,654</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.

A Productivity Improvement Initiative in the amount of \$144,000 to be funded in 1986-87 will support the automation of administrative operations through the purchase of computer equipment.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	<u>\$ 916</u>	<u>\$ 1,183</u>	<u>\$ 1,371</u>	<u>\$ 1,426</u>	<u>\$ 1,483</u>	<u>\$ 1,542</u>	<u>\$ 1,604</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 840	\$ 888	\$ 915	\$ 952	\$ 990	\$ 1,030	\$ 1,071
Federal Funds	142	37	.....	.....	.....	.....	.....
Other Funds	16	20	20	20	20	20	20
TOTAL	<u>\$ 998</u>	<u>\$ 945</u>	<u>\$ 935</u>	<u>\$ 972</u>	<u>\$ 1,010</u>	<u>\$ 1,050</u>	<u>\$ 1,091</u>

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Requests processed involving state government records	1,230	1,500	1,700	2,200	2,500	2,500	2,500
Requests processed involving county municipal records	2,680	2,800	3,000	3,500	4,000	4,500	5,000
Responses to service requests—State Archives	23,200	23,800	24,500	25,000	25,500	26,000	26,500
Responses to service requests in Commonwealth Land Office	21,450	21,800	22,500	23,500	24,000	25,000	26,000
Pages of Archives and historical manuscripts	88,300,000	88,800,000	89,600,000	91,000,000	94,000,000	97,000,000	104,000,000
Percent of material on microfilm	8%	9%	10%	12%	14%	16%	18%

Program Analysis:

There are three basic approaches to achieving the objectives of this program. The first is to assure the availability of selected records for examination by students, historians, scholars and other interested persons. This requires the identification, cataloging, preserving and storing of records so they will be available when needed.

The second approach pertains to the need to preserve county and local government records. This is accomplished through advising and guiding government authorities in

planning and preparing retention schedules and in the preservation of these documents.

The third approach involves the preservation and retention of records which by law or administrative directive must be preserved for posterity.

The success of this program is reflected in the measures shown above. These measures indicate the magnitude of materials handled and the amount of material available.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	<u>\$ 840</u>	<u>\$ 888</u>	<u>\$ 915</u>	<u>\$ 952</u>	<u>\$ 990</u>	<u>\$ 1,030</u>	<u>\$ 1,071</u>

HISTORICAL AND MUSEUM COMMISSION

Development and Promotion of Pennsylvania State and Local History

OBJECTIVE: To extend knowledge of Pennsylvania's historical heritage and promote interest in it.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 404	\$ 329	\$ 339	\$ 351	\$ 364	\$ 378	\$ 394
Federal Funds	4	15	.....	.....	.....	.....	.....
TOTAL	\$ 408	\$ 344	\$ 339	\$ 351	\$ 364	\$ 378	\$ 394

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Pages of historical material added to the collection	272,000	273,000	275,000	280,000	285,000	290,000	290,000
Responses to service requests	18,850	19,000	19,500	20,000	20,500	21,000	21,500
Historic marker proposals reviewed	74	80	86	90	94	100	150

Program Analysis:

The commission assures the preservation of historical data through the preparation of advance studies and source publications on Pennsylvania history for scholars and serious students and the development of booklets, pamphlets, leaflets and folders for the general reader. The commission is charged with the administration of an applied history (internship) program, a historical marker program, a minority studies program and an oral history program.

An up-to-date bibliography of Pennsylvania history is maintained to respond to inquiries from the public and private sector. Technical assistance, advice, guidance and information on history and historical events are provided through commission reference services. These activities result in inquiries from a number of sources (in person, mail, telephone) regarding Pennsylvania history. Emphasis is given to working with historical societies as extensions which supplement the commission's programs and encourage the interests of young people, through various history programs.

The measure reflecting pages of historical material published has been moved to the subcategory Development and Preservation of Historical Sites and Properties because of the centralization of the publications program.

Increases in the public's knowledge and appreciation of Pennsylvania's history cannot be measured, but the nature of the demands upon the commission for services can serve as an indication of the success of this program.

The commission will continue to promote Pennsylvania history through these and other activities such as the historical markers program and providing for the placement of historical markers in virtually all of the 67 counties in the Commonwealth. Through such other methods as public service announcements, the distribution of literature and information the commission hopes to promote and further develop interest in Pennsylvania and its contributions to history.

HISTORICAL AND MUSEUM COMMISSION

Development and Promotion of Pennsylvania State and Local History (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 246	\$ 329	\$ 339	\$ 351	\$ 364	\$ 378	\$ 394
Local History	30	.....	.....	.....	.....	.....	.....
Legislative Oral History	128	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 404</u>	<u>\$ 329</u>	<u>\$ 339</u>	<u>\$ 351</u>	<u>\$ 364</u>	<u>\$ 378</u>	<u>\$ 394</u>

HISTORICAL AND MUSEUM COMMISSION

Museum Development and Operations

OBJECTIVE: To assure provision of representative artifacts and specimens of history, art and science for the enlightenment, enjoyment and visual experience of all citizens.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 7,038	\$ 8,055	\$ 8,543	\$ 9,765	\$ 10,996	\$ 12,236	\$ 13,485
Federal Funds .....	.....	.....	.....	.....	.....	.....	.....
Other Funds	253	411	390	406	422	439	457
TOTAL	\$ 7,291	\$ 8,466	\$ 8,933	\$ 10,171	\$ 11,418	\$ 12,675	\$ 13,942

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
State-operated museums and historic sites:							
Annual visits	1,690,000	1,784,000	1,853,000	1,933,000	2,005,000	2,076,000	2,139,000
Exhibits/programs developed and presented	1,298	1,350	1,370	1,380	1,390	1,400	1,400
Museum assistance grants awarded	37	99	105	110	110	110	110

Program Analysis:

A recent reorganization plan for the Historical and Museum Commission was implemented during the 1984-85 fiscal year. As a result of the reorganization, the activities reflected in this subcategory and the subcategory, Development and Preservation of Historical Sites and Properties were realigned. Those activities which are administered through the Bureau of Historic Sites and Museums include directing, managing and operating the 26 historic sites and museums and are addressed in this subcategory. Those activities which are the responsibility of the Bureau for Historic Preservation and the Bureau of Historical and Museum Services are addressed in the subcategory, Development of Historical Sites and Properties.

Management and support services are provided to the historic sites and museums in the regions through professional and technical assistance, fiscal management and research and development. An initiative was undertaken in 1983-1984 which brought direct improvement is the documentation and compilation of maintenance needs for buildings and grounds. This initiative, which resulted in funding for the commission's Major Maintenance and Repair Program, provides support for improvements to the Bureau's facilities through a comprehensive maintenance and repair plan.

Regionalized services provide the historic sites and museums, operated by the commission, with improved capabilities to serve the public. Maintenance, fiscal and operational needs are better coordinated and less costly, and programs are more effectively promoted and sponsored. As a result individuals, families, senior citizens and school children who comprise the visiting public receive a more lasting impression and positive experience.

The State Museum and the twenty-six (26) historic sites and museums serve as resource centers, providing a wide range of services and programs to the public. Education relating to the material cultural heritage of the Commonwealth is provided. Collections are utilized through a program of exhibition and exhibit interpretation. Objects are preserved and cared for through programs of collections management. Support groups at historic sites and museums continue to perform services such as generating volunteers, co-sponsoring educational and public events, administering sales and gift shops and raising money for acquisitions. Public and educational programs presenting rural and urban life are offered, along with lectures and seminars on curatorial advice and ethnic studies. A Mobile Museum program brings Pennsylvania's history to the people. This program is also responsible for the administration of funds to

HISTORICAL AND MUSEUM COMMISSION

Museum Development and Operations (continued)

Program Analysis: (continued)

VISITATION AT STATE-OWNED MUSEUMS							
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
William Penn Memorial Museum	256,508	232,000	237,000	243,000	248,000	254,000	260,000
Pennsylvania Farm Museum	59,040	62,000	65,000	71,000	76,000	82,000	87,000
Fort Pitt Museum	29,840	31,000	32,000	33,500	34,500	35,500	36,500
Pennsylvania Military Museum	77,158	83,000	86,000	90,000	93,000	95,000	97,000
Railroad Museum of Pennsylvania	124,441	128,000	133,000	138,000	143,000	148,000	153,000
Pennsylvania Lumber Museum	23,824	24,200	24,800	25,300	25,800	26,300	27,000
Anthracite Museum Complex:							
Anthracite Museum—Scranton	9,096	11,000	12,000	12,800	13,600	14,000	14,500
Anthracite Museum—Ashland	10,162	12,000	12,200	12,500	13,000	13,600	14,200
Eckley Miners' Village	17,871	18,500	19,000	19,600	20,000	20,600	21,500
Pennsylvania Mobile Museum	46,643	50,000	55,000	62,000	66,000	70,000	75,000
Visitation at State-Owned Museums — Subtotal	<u>624,583</u>	<u>651,700</u>	<u>676,000</u>	<u>707,700</u>	<u>732,900</u>	<u>759,000</u>	<u>785,700</u>
VISITATION AT SELECTED STATE HISTORICAL SITES							
Property							
Washington Crossing	441,248	460,000	475,000	490,000	505,000	515,000	520,000
Brandywine Battlefield	89,278	100,000	103,000	107,000	110,000	114,000	116,000
Ephrata Cloister	54,082	64,000	69,000	75,000	80,000	86,000	92,000
Old Economy	37,735	38,500	39,000	39,500	40,000	41,000	42,000
Flagship Niagara	17,386	20,000	22,000	25,000	28,000	32,000	36,000
Daniel Boone	40,823	42,000	45,000	48,000	52,000	56,000	60,000
Pennsbury Manor	51,238	60,000	65,000	70,000	75,000	78,000	81,000
Drake Well Museum	34,381	35,000	35,600	36,100	36,700	37,400	39,000
Bushy Run Battlefield	93,935	95,000	95,000	96,000	96,600	97,400	97,900
Conrad Weiser Park	32,914	34,000	34,500	35,000	35,500	35,800	36,000
Cornwall Iron Furnace	15,547	16,000	16,300	16,800	17,200	17,700	18,200
Graeme Park	11,318	12,500	13,500	15,000	16,500	17,500	18,500
Hope Lodge	7,744	8,500	9,000	10,000	10,800	11,800	13,000
Joseph Priestly House	5,397	8,000	11,000	14,000	16,000	19,000	21,000
Old Chester Court House	285	400	600	800	1,000	1,500	2,000
Pottsgrove Manor	4,287	5,500	6,000	6,500	7,000	7,500	8,200
Visitation at Selected State Historical Sites — Subtotal	<u>937,589</u>	<u>999,400</u>	<u>1,040,000</u>	<u>1,084,500</u>	<u>1,127,300</u>	<u>1,167,600</u>	<u>1,200,800</u>
Historical Property Managed/Leased	<u>80,472</u>	<u>83,000</u>	<u>85,000</u>	<u>88,000</u>	<u>90,000</u>	<u>93,000</u>	<u>95,000</u>
TOTAL — MUSEUMS AND HISTORIC SITES	<u><u>1,642,644</u></u>	<u><u>1,734,100</u></u>	<u><u>1,801,000</u></u>	<u><u>1,880,200</u></u>	<u><u>1,950,200</u></u>	<u><u>2,019,600</u></u>	<u><u>2,081,500</u></u>

HISTORICAL AND MUSEUM COMMISSION

Museum Development and Operations (continued)

Program Analysis: (continued)

State-Aided Museums and provides these institutions and other history related organizations with outreach program support, information and assistance. For 1986-87 \$3.0 million is recommended to provide assistance to museums in the Commonwealth. Included in that amount are six traditionally funded State-aided museums. Although these museums are now included in the Museum Assistance Program they are to be continued at least at the 1985-86 level of funding of \$1,459,000, Afro-American Museum \$104,000, Everhart Museum \$30,000, Mercer Museum \$50,000, Morris Arboretium \$250,000, and \$1,107,000 for General Museum Assistance.

The success of Pennsylvania's museum system can best be measured in the interest generated by the general public. Visitation figures are one of the best indicators of the success of this program. They provide the Commission with visitation data necessary to determine utilization of facilities through exhibits and other attractions which stimulate interest in the museum system. Overall commission historical site and museum visitations are affected by the economic environment of the State and the Nation. Institutions with similar purposes and functions are affected by the same economic impact. Visitations at commission historical sites and museums do vary from year to year as a result of

changes in special programs and initiatives which affect public participation. Generally, commission visitations may increase or decrease marginally from year to year where there is a significant change in the economy. The Pennsylvania Historical and Museum Commission in the 1983-84 fiscal year implemented several initiatives to promote history and overall programs at historic sites and museums. Through a comprehensive marketing and promotional strategy, an increase in public interest generated by this campaign has and will continue to increase visitations at historic sites and museums. Two historical sites, the Morton Homestead and Governor Printz park will show visitation under the managed/leased measure because of their status this year as new additions to that program.

Within this subcategory the Historical Preservation Fund includes funds from the sale of publications of the Pennsylvania Historical and Museum Commission and all moneys received from fees or other sales by the Commission at the State historical properties and/or museums. Most of the revenue results from admission fees and sale of publications and souvenirs and is used by the Commission to augment General Government Operations. (See Special Fund Appendix in Volume I for Statement of Cash Receipts and Disbursements.)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 5,434	\$ 5,912	\$ 5,543	\$ 5,765	\$ 5,996	\$ 6,236	\$ 6,485
Museum Assistance	1,604	2,143	3,000	4,000	5,000	6,000	7,000
GENERAL FUND TOTAL	<u>\$ 7,038</u>	<u>\$ 8,055</u>	<u>\$ 8,543</u>	<u>\$ 9,765</u>	<u>\$ 10,996</u>	<u>\$ 12,236</u>	<u>\$ 13,485</u>

HISTORICAL AND MUSEUM COMMISSION

Development and Preservation of Historical Sites and Properties

OBJECTIVE: To utilize and interpret historic sites and properties as related to Pennsylvania's history and to promote an understanding and appreciation of the State's historical heritage.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 2,407	\$ 2,382	\$ 2,438	\$ 2,516	\$ 2,597	\$ 2,181	\$ 2,268
Federal Funds	395	450	535	556	578	601	625
Other Funds	367	529	531	531	531	531	531
TOTAL	\$ 3,169	\$ 3,411	\$ 3,504	\$ 3,603	\$ 3,706	\$ 3,313	\$ 3,424

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Objects undergoing conservation/preservation	32	225	250	300	350	400	450
Objects maintained under the historic objects inventory	1,141,000	1,150,000	1,155,000	1,160,000	1,170,000	1,175,000	1,180,000
Historic markers placed	1,485	1,490	1,493	1,496	1,500	1,503	1,505
Historic markers refurbished or replaced	202	200	200	200	200	200	200
Historic buildings undergoing conservation/preservation	373	370	370	370	370	370	370
Historic properties surveyed	1,575	4,500	4,000	4,000	4,000	4,000	4,000
Historic properties evaluated for the National Register of Historic Properties	317	350	400	400	500	500	500
Historic properties reviewed for tax benefits	314	350	400	450	500	550	550
State/Federal projects reviewed for impact on historic properties	2,724	2,500	2,500	2,500	2,500	2,500	2,500
Applications reviewed/made for historic preservation grants	33	35	40	40	45	45	45

Program Analysis:

Activities included in this subcategory are administered through the Bureau for Historic Preservation and Bureau of Historical and Museum Services.

The Bureau for Historic Preservation is primarily responsible for the identification, protection and enhancement of buildings, structures, and districts of historic and architectural significance in public and private ownership within the Commonwealth.

The historic preservation program in Pennsylvania has developed rapidly over the past decade, partly in response

to the infusion of Federal funds from the Department of the Interior's (National Park Service) historic preservation program and the growing recognition that the State's rich historic heritage can be recycled and reused to enhance the economic base and the many communities of the Commonwealth. From 1971 to 1980 the level of Federal funds increased with a shift in emphasis from acquisition and development grants to survey and outreach projects. There was also a steady increase in State funding for the Commission's preservation program. Beginning in 1981, the level

Development and Preservation of Historical Sites and Properties (continued)

Program Analysis: (continued)

of Federal funds for state programs was reduced; however, the level of Federal funding has now stabilized allowing for both operational and grant support.

The program operates on a dollar-for-dollar match and is used to support administrative personnel and operating costs as well as continuation of the historic sites survey and National Register nomination projects.

Under the auspices of this program the Commission's preservation effort also provides: better communications between the Pennsylvania Historical and Museum Commission and local preservationists; improved education of the public on preservation issues; assistance to local preservation organizations to improve their ability to provide and carry forward preservation programs; and most importantly maintain standards of historic significance for Pennsylvania's resources. A major initiative was undertaken in 1984-1985 to establish a program of "certified local governments" which provides assistance and funding for preservation activities of qualified local government programs.

Finally, in 1982-1983 a plan was outlined to assist with start-up and provide capital support for a statewide program to protect and preserve endangered historic public and private buildings, structures and landmarks. Through the establishment of a non-profit statewide revolving fund a program was implemented for the preservation of historic properties which offers the Commonwealth unlimited benefit. A number of historic properties have now been preserved that might have been lost to demolition or neglect.

Program Services

The program administered by the Bureau of Historical and Museum Services was revised by the reorganization of the Historical and Museum Commission on July 1, 1984. The mission of this program is to plan, direct, coordinate, and implement program services, collection services, exhibition management and marketing-sales-publications services.

Another responsibility of this program is to oversee and direct the planning, construction and major maintenance of the buildings and structures administered by the commission. Periodic surveys identify buildings' needs and major maintenance projects are designed to meet those needs. Special emphasis is placed on the necessity of giving special care and consideration to the historic fabric of heritage buildings. An adjunct of this activity is a new program for major maintenance which was established in 1984-1985 to correct existing problems of buildings' infrastructure. The proper application of the funds in this program will arrest deteriorating building materials such as roofs and water systems which can cause rapid deterioration if not corrected in a timely fashion. This program is in the third year of a

five year plan to maintain structures on a cyclical basis and prevent costly replacement programs in years ahead. The recommended budget for 1986-87 includes \$500,000 to continue the correction of these major maintenance problems.

The commission's Property Management and Lease Program, instituted three years ago, has placed into the private or corporate non-profit sector many historic properties previously maintained by the Commission. Once too costly for the Commonwealth to operate and maintain directly, these properties are now used for historically-related purposes at a much reduced administrative operating cost.

The Historical Marker Program maintains over 1,400 roadside markers throughout Pennsylvania.

Collection Services

The second major element of this program is Collection Services which manages and directs the historical objects collections for the agency. This program acquires, registers, and stores the nearly 2,000,000 objects in the Commonwealth's collections. These objects are properly researched and made available for exhibition in 27 museums and historic sites owned by the Commonwealth and are additionally available for research and publication purposes. Another four hundred cultural institutions in Pennsylvania may borrow these objects for research, exhibition and educational purposes. Also included in this program is the responsibility for acquisition and accession of objects (legal title transfer), inventory recording and photographing objects. A new program funded in the 1984-1985 fiscal year has made it possible to create the Commonwealth Conservation Center to provide for better care for collections. Not only through proper temporary storage conditions and bureau handling techniques, but by climate control and sometimes conservation treatments, the Pennsylvania collections receive better care thereby reducing the cost of overall preservation. Additionally, conservation services are provided to the General Assembly Flag Project whereby 400 Civil War flags will be conserved for the Capitol building. An additional effort and initiative currently under study is the improvement and expansion of collections storage capability. Currently, collections are stored at 31 locations. The proposed plan is to consolidate the storage under proper environmental controls.

Exhibitions Management

The third major element of this program is Exhibitions Management. A reorganization of this activity will make it possible to manage exhibitions across the State in museums and historic sites. Travelling exhibits will be developed as

Development and Preservation of Historical Sites and Properties (continued)

Program Analysis: (continued)

well. A long range exhibit program is being planned whereby new procedures and standards of operation will provide many more exhibit modules in the same work period.

Marketing, Sales and Publications

The fourth major element of this program is marketing, sales and publications. Coordinating these separate functions has saved administrative costs and caused greater communication among staffs with similar activities. Marketing has prepared the way for sales and publications by better defining the Commission's real audience and market place. The Commission plans to reproduce limited selections from its Pennsylvania collections for sale and create facsimiles of other collection pieces for sale in museum shops. Along with Commission publications at bookstores, sales outlets will offer reproductions and facsimiles as well. Publications range from pre-history through each generation of Penn-

sylvania history to the present. In addition, a quarterly magazine "Pennsylvania Heritage" is published.

Two of the program measures listed show significant changes from the previous year. State/Federal projects reviewed for impact on historic properties shows an increase over figures shown in last year's budget. This has been brought about by major increases in Federal requirements. Because the Commission now records and maintains all reviews on electronic data processing, the extent of projects reviewed is considerably more accurate and is reflected in the updated figures. As a result of decreased historic preservation grant funding through the National Park Service the total number of applications reviewed has been reduced. In addition the size of project applications in terms of dollars requested has increased. The result of the two factors has had an impact on the total number of applications received, reviewed and funded.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 1,807	\$ 1,882	\$ 1,938	\$ 2,016	\$ 2,097	\$ 2,181	\$ 2,268
State Museums Maintenance	500	500	500	500	500	.....	.....
Flag Conservation	100	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 2,407</u>	<u>\$ 2,382</u>	<u>\$ 2,438</u>	<u>\$ 2,516</u>	<u>\$ 2,597</u>	<u>\$ 2,181</u>	<u>\$ 2,268</u>

Housing Finance Agency

The Housing Finance Agency provides funding for construction and substantial rehabilitation of multi-family housing and purchase, rehabilitation, home improvement and energy conservation for single-family homes.

A Homeowner's Emergency Assistance Program also provides assistance through the provision of temporary mortgage assistance payments to those threatened with loss of their home due to financial hardship.

HOUSING FINANCE AGENCY

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revision:

Appropriation	Title	1986-87 State Funds (in thousands)
Oil Overcharge Fund		
Energy Conservation and Solar Loan Program	Energy Conservation (Oil Overcharge)	\$ 10,000 ^a
<p>This Program Revision provides for low interest loans to make energy conservation improvements to single-family and multi-family residential buildings.</p>		
DEPARTMENT TOTAL		<u><u>\$ 10,000^a</u></u>

^aThe total Program Revision will cost \$39,768,000 in three agencies. Details are presented in the appendix to the Energy Management and Conservation subcategory in the Executive Offices.

HOUSING FINANCE AGENCY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
Grants and Subsidies			
Transfer to PHFA—Homeowners Emergency Assistance	\$ 25,750	\$ 25,750	\$ 25,750
GENERAL FUND TOTAL	<u>\$ 25,750</u>	<u>\$ 25,750</u>	<u>\$ 25,750</u>
Other Funds . . . . .	. . . . .	. . . . .	\$ 10,000
TOTAL ALL FUNDS	<u>\$ 25,750</u>	<u>\$ 25,750</u>	<u>\$ 35,750</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Homeowners Emergency Assistance			
State Funds	\$ 25,750	\$ 25,750	\$ 25,750

Provides funds to the Pennsylvania Housing Finance Agency (PHFA) to provide homeowners with emergency mortgage assistance when they are threatened with the loss of their home due to no fault of their own.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Transfer to PHFA — Homeowners Emergency Assistance	<u>\$ 25,750</u>	<u>\$ 25,750</u>	<u>\$ 25,750</u>

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Oil Overcharge Fund			
Energy Conservation and Solar Loan Program	<u> </u>	<u> </u>	<u>\$ 10,000</u>

HOUSING FINANCE AGENCY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 2,000	\$ 2,000	\$ 2,000	\$ 1,257	\$ 902	.....	.....
Housing and Redevelopment	\$ 23,750	\$ 23,750	\$ 23,750	.....	.....	.....	.....
Housing and Redevelopment Assistance .	23,750	23,750	23,750	.....	.....	.....	.....
DEPARTMENT TOTAL	<u>\$ 25,750</u>	<u>\$ 25,750</u>	<u>\$ 25,750</u>	<u>\$ 1,257</u>	<u>\$ 902</u>	<u>.....</u>	<u>.....</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 1,257</u>	<u>\$ 902</u>	<u>.....</u>	<u>.....</u>

Program Analysis:

General Administration and Support provides the administrative overhead and management systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

The administrative funds reflected in this subcategory only

reflect the costs of administering the Homeowners Emergency Mortgage Assistance program (HEMA) and not the entire operational costs of the agency. Approximately half of the administrative costs reflected are those of Consumer Credit Counseling agencies who act as an administrative arm of PHFA.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Transfer to PHFA—Homeowners							
Emergency Assistance	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 1,257</u>	<u>\$ 902</u>	<u>.....</u>	<u>.....</u>

Housing and Redevelopment Assistance

OBJECTIVE: To assist private enterprise to provide and maintain housing for Commonwealth citizens.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 23,750	\$ 23,750	\$ 23,750	.....	.....	.....	.....
Other Funds .....	.....	.....	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	.....
TOTAL	\$ 23,750	\$ 23,750	\$ 33,750	\$ 10,000	\$ 10,000	\$ 10,000	.....

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
HEMAP Loans Closed	2,100	2,100	1,763	.....	.....	.....	.....
Energy Improvement: Number of Homes .....	.....	.....	6,667	6,667	6,667	6,667	.....

Program Analysis:

The Pennsylvania Housing Finance Agency (PHFA) is currently involved in the administration of two programs in cooperation with the Commonwealth; the Homeowners' Emergency Mortgage Assistance Program, primarily capitalized through transfers from the General Fund, and the Radon Reduction Loan Program, funded by PHFA bonds with the Commonwealth contributing funding to lower the interest rates and to cover potential bad debts.

The Homeowners Emergency Mortgage Assistance program (HEMA) was established by the General Assembly with the enactment of Act 91 of 1983 and signed into law by the Governor on December 23, 1983. The program is aimed at protecting homeowners from losing their homes to mortgage or tax sale foreclosures as a result of circumstances beyond their control.

General Fund appropriations in the amount of \$25,750,000 in both 1984-85 and 1985-86 were provided to fund this program. The enabling legislation provided for a tax credit revenue generating method as a funding source, but this funding source did not generate sufficient support for this program. To date, only \$101,000 has been generated from tax credits. This budget provides the third and final year of funding from the General Fund in the amount of \$25,750,000.

HEMA provides mortgage assistance payments to eligible recipients in the form of loans sufficient to bring the mortgage current. Additionally, the agency can provide continuing assistance for a period of up to thirty-six months. Although Act 91 calls for repayment of the assistance, a pay-

ment schedule is not developed, and interest does not accrue until the homeowner has the financial ability to repay the loan.

As mandated by the act, the agency has implemented this program through the use of consumer credit counseling agencies throughout the Commonwealth who provide counseling, screening and referral services. Counseling agencies also serve as a negotiator for the borrower and lender in an attempt to work out a forbearance agreement in lieu of applying for a State Homeowners' Emergency Mortgage Assistance Loan. If the problem cannot be resolved, assistance in making application is provided by the counseling agency.

To be eligible for assistance, (1) the property must be the primary residence of the homeowner; (2) the homeowner must be suffering financial hardship due to circumstances beyond his/her control; (3) there must be a reasonable prospect of the homeowner resuming full mortgage payments within 36 months; (4) the mortgage must be at least 60 days contractually delinquent and the financial institutions must have indicated its intention to foreclose; and (5) the homeowner must have obtained financial counseling.

Payments under this program are made directly to the financial institution on behalf of the homeowner. These payments are of two types: (1) arrearages including costs, escrowed funds and fees, and (2) monthly mortgage assistance payments in an amount that would not cause the homeowners total housing expense to exceed 35 percent of net effective income.

Housing Assistance (continued)

Program Analysis: (continued)

Initial response to the program for information was significant. However, based on program criteria established in the act and program guidelines developed by the agency, many of these individuals were either not eligible for assistance or resolved their problem through the counseling efforts of the counseling agencies. Of the approximately 13,798 applications received since program inception, 4,410 or 34 percent have met program criteria and been approved for assistance totalling approximately \$55.3 million. Of this total, 2,273 loans have been approved for monthly assistance in the amount of \$45.4 million and 2,137 arrearage loans totalling \$9.9 million. The monthly assistance loans are based on a thirty-six month time frame and 10 percent attrition on monthly assistance is assumed due to the recertification process required for each 12 month period.

The enabling legislation will sunset on December 23, 1986. Based on current approval rates, average loan amounts for both arrearage and monthly assistance loans, and average length of assistance, projections indicate that sufficient funds will be available to fund all approved loans received through that date.

The program measure data reflects anticipated loan closings over the three-year life of the program.

The second cooperative effort between the Commonwealth and PHFA is the Radon Reduction Loan Program, announced by the Governor on October 10, 1985, providing for a \$3 million low-interest loan program to assist homeowners in eliminating radon from their homes.

Financed through PHFA bonds, the program provides for two percent interest loans for families with incomes under \$36,000 and loans at eight or nine percent to families with incomes over that amount. The Commonwealth, through the Department of Community Affairs' Housing and Redevelopment program, will provide funds in the amount of \$500,000 in 1985-86 and \$1,000,000 in 1986-87 to reduce the interest rates and to cover potential loan default. Pro-

gram guidelines have been drafted and submitted to the bond rating agency. It is anticipated that loans will be available in the spring of 1986. The funding for this program is not reflected in the budget as the financing of this program is through PHFA bonds.

In addition to these two programs, the Housing Finance Agency will be assuming the responsibility for a new housing-related initiative for the Commonwealth. The Energy Conservation and Solar Bank Program, funded at \$40 million over the next four years from Oil Overcharge funds, will provide low-interest loans to moderate income households to make energy conservation investments in their homes. These funds are reflected as "Other Funds" in this subcategory and will be transferred at the rate of \$10 million a year to PHFA. This program will provide low interest loans to nonprofit organizations as well as moderate income single-family homeowners and multi-family residential building owners to install rapid payback energy conservation measures.

The term of the loan will be dependent upon the payback period in energy savings. It is anticipated that the payments of the first loans will commence in January 1987, thus, allowing additional funds to be borrowed by citizens. Under this revolving loan program, 50 percent of the funding will be allocated to single-family segments, 30 percent to multi-family segments and 20 percent to eligible nonprofit organizations.

As indicated in the program measures, it is estimated that 6,667 homes will be improved under this new program in each of the four years of the program. This estimate is based on the average of \$1,272 per home cost experience by Community Affairs' weatherization program for low-income households. Because improvements in this PHFA program can go beyond weatherization into passive solar improvements, etc., a slightly higher average cost of \$1,500 per home was assumed for this program.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Transfer to PHFA — Homeowners							
Emergency Assistance	\$ 23,750	\$ 23,750	\$ 23,750	.....	.....	.....	.....

Insurance Department

The Insurance Department executes the insurance laws of the Commonwealth, examines and supervises domestic insurance companies, settles complaints and regulates insurance rates. The department also licenses Pennsylvania and out-of-state companies, makes investigations of alleged violations of the law and supervises the dissolution of companies.

INSURANCE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 7,268	\$ 7,559	\$ 7,653
Malpractice Study .....	.....	25	.....
TOTAL STATE FUNDS	<u>\$ 7,268</u>	<u>\$ 7,584</u>	<u>\$ 7,653</u>
Augmentations	\$ 714	\$ 835	\$ 870
GENERAL FUND TOTAL	<u>\$ 7,982</u>	<u>\$ 8,419</u>	<u>\$ 8,523</u>
Other Funds	\$ 3,200	\$ 25,480	\$ 25,309
TOTAL ALL FUNDS	<u>\$ 11,182</u>	<u>\$ 33,899</u>	<u>\$ 33,832</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 7,268	\$ 7,584	\$ 7,653
Augmentations	714	835	870
TOTAL	<u>\$ 7,982</u>	<u>\$ 8,419</u>	<u>\$ 8,523</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. In the 1985-86 fiscal year, funds were included for a Malpractice Study.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
General Government Operations	\$ 7,268	\$ 7,559	\$ 7,653
Malpractice Study .....	.....	25	.....
Augmentations:			
Reimbursement for Companies in Liquidation	230	330	360
Reimbursement — Pennsylvania Bulletin and Code Regulations	119	115	115
Reimbursement — Duplicating and Mailing Services	25	20	20
Reimbursement — Workmen's Compensation Security Fund Services	20	45	50
Reimbursement — Examination Travel	320	325	325
TOTAL	<u>\$ 7,982</u>	<u>\$ 8,419</u>	<u>\$ 8,523</u>

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Catastrophic Loss Trust Fund			
Administration	\$ 3,200	\$ 5,480	\$ 5,309
Claims		20,000	20,000
CATASTROPHIC LOSS TRUST FUND TOTAL	<u>\$ 3,200</u>	<u>\$ 25,480</u>	<u>\$ 25,309</u>

INSURANCE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Consumer Protection	\$ 7,268	\$ 7,584	\$ 7,653	\$ 8,032	\$ 8,353	\$ 8,687	\$ 9,034
Regulation of Insurance Industry	7,268	7,584	7,653	8,032	8,353	8,687	9,034
DEPARTMENT TOTAL	<u>\$ 7,268</u>	<u>\$ 7,584</u>	<u>\$ 7,653</u>	<u>\$ 8,032</u>	<u>\$ 8,353</u>	<u>\$ 8,687</u>	<u>\$ 9,034</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 7,268	\$ 7,584	\$ 7,653	\$ 8,032	\$ 8,353	\$ 8,687	\$ 9,034
Other Funds	3,914	26,315	26,179	26,391	26,612	26,842	27,081
TOTAL	\$ 11,182	\$ 33,899	\$ 33,832	\$ 34,423	\$ 34,965	\$ 35,529	\$ 36,115

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Consumer savings from departmental intervention in insurance claim disputes (in thousands)	\$6,600	\$7,800	\$8,500	\$8,900	\$8,900	\$8,900	\$8,900
Companies examined	153	180	185	190	190	190	190
Companies in liquidation	32	27	25	23	23	23	20
Complaints received and processed	27,795	33,350	38,450	38,450	38,450	38,450	38,450
Rate filings reviewed	8,750	8,800	8,800	8,850	8,900	8,900	8,900
Insurance policy/form filings reviewed	35,484	36,000	36,500	36,500	37,000	37,000	37,000
Insurance companies regulated:							
In-State	340	350	355	355	360	360	370
Out-of-State	1,024	1,040	1,065	1,090	1,095	1,095	1,100
Foreign	29	33	36	36	36	36	36
Agents and brokers licenses:							
New	117,025	145,000	147,000	147,000	148,000	150,000	153,000
Renewals	368,823	145,000	367,000	147,000	320,000	150,000	325,000

Program Analysis:

The insurance industry is one of the few finance-related areas of the economy that is exempt from direct Federal regulation. At the same time, insurance is a constantly changing industry; new concepts, new forms and vehicles of insurance and new roles for insurance companies seem to emerge daily. It is important that the Commonwealth, through the Insurance Department, maintain an effective regulatory program due to the size, scope and complexity of the industry, while continuing the perception that Pennsylvania is a good place for insurance companies to do business and invest their money.

The Insurance Department is legally mandated to examine and audit the financial condition of approximately 1,400 insurance companies doing business in Pennsylvania, examine and license over 400,000 insurance agents and brokers,

review for approval or disapproval rate and policy form filings, license insurance companies to do business in the State and enforce the insurance laws of Pennsylvania. The department also handles an estimated 100,000 consumer inquiries and complaints annually and prepares and distributes educational material on insurance.

The department emphasizes the needs and concerns of both the consumer and the insurance industry. It insures that the industry is responsive to the needs of the consumer by making available to the consumer reliable insurance coverages at reasonable rates. The Bureau of Insurance Consumer Affairs processed 27,795 written complaints in 1984-85 through offices located in Harrisburg, Philadelphia, Pittsburgh and Erie. The department places major emphasis on enforcement activities within the Bureau of Field In-

Regulation of Insurance Industry (continued)

Program Analysis: (continued)

vestigations and Enforcement and continues to maintain a close working relationship with various law enforcement agencies in detecting, combating and prosecuting fraudulent insurance activities. Savings to consumers resulting from departmental intervention, as shown in the graph at the end of this subcategory, were \$6.6 million in fiscal year 1984-85 and are estimated to reach \$7.8 million in 1985-86. An initiative in the investment review area for \$99,000 is included in the 1986-87 budget.

The department publishes and updates consumers' guides to automobile insurance, homeowners' insurance and life insurance which allows Pennsylvanians to compare rates among the various companies operating in the Commonwealth. New publications were issued relating to the implementation of a regulatory program for Life Care Facilities as well as for implementation of the new automobile insurance law.

Among the major issues to be addressed by the department during the coming year are: insurance company investment law revision; solvency of insurance companies; investigation of insurance fraud; unisex auto insurance rates and availability of insurance products.

The insurance industry is currently in a state of transition. Bad loss experience and lower interest rates have led property-casualty insurers to more restrictive underwriting and a tight market for liability insurance coverage. Life insurers are responding to competitive pressures within the financial services industry by aggressively marketing new products which can strain the financial resources of smaller companies. The impact of these conditions requires the department to continue closely monitoring the cash flow, loss reserve development and financial solvency of licensed insurers.

Due to the existing insurance cycle, which causes very tight industry underwriting as well as restrictive markets and consumer unwillingness to accept negative claim decisions, complaints have increased in 1984-85. This trend is expected to continue for the next two years and then level off.

The economic conditions of the last few years have had the greatest effect on the examination and auditing functions. New companies must be examined yearly while troubled companies require examination more often than the statutory period of every four years.

In fiscal year 1984-85, the number of insurance companies regulated by the department increased from 1,264 to 1,393 and it is expected that 100 additional companies will seek admission into Pennsylvania in fiscal year 1986-87. This growth in companies affects not only the company admission function but also agent licensing, company examinations, rate filings, forms filings, and enforcement functions.

In the Health Insurance area, there is great interest in new

types of insurers such as Health Maintenance Organizations (HMOs) and Health Insuring Organizations (HIOs). In examining the applications of HMOs, the department must assure itself for the protection of the public that the HMO is and will remain financially viable. It further examines the contracts and rates to make sure that they meet the standards required by law.

The department is committed to cost containment in health care. It manifests this interest in the examination and approval of the various hospital and provider contracts of the various Blue Cross Corporations throughout the State. Much time and effort is and will be expended in seeing that these contracts are of a nature that will further health care cost containment principles.

The department has begun to license continuing care providers in accordance with the Continuing Care Provider Registration and Disclosure Act that became effective in December 1984. This involves an analysis of the financial feasibility of the provider and a review of the disclosure statement which the provider disseminates to residents. Regulation of continuing care providers will require annual review of financial documents and disclosure statements and examinations of each provider at least once every four years. The department will also compile an annual directory of licensed providers.

As the insurance industry transforms itself, as a necessary response to consumers' needs for "one stop" financial services, its products, pricing mechanisms and marketing methods must also be transformed. Regulation of rates and policies must then be as flexible and as innovative as the products being reviewed.

The Motor Vehicle Financial Responsibility Act which became effective October 1, 1984 replaced the existing No-Fault Automobile Insurance system. Under the new auto insurance law, the Catastrophic Loss Trust Fund has been established to provide medical and rehabilitation benefits to injured Pennsylvanians that incur medical expense in excess of \$100,000 in an auto related accident. The fund provides for up to \$1 million in lifetime aggregate benefits to claimants that may face financial ruin if it were not for the fund. It is anticipated that up to 275 claimants will apply for fund benefits in a year. The fund provides coverage for approximately 7 million motor vehicle owners with an annual estimated revenue of \$35 million generated by a \$5 fee charged to each motor vehicle covered by the fund.

As a result of both the enactment of the Motor Vehicle Financial Responsibility Law of 1984 and the 1984 Supreme Court ruling upholding an order of the Insurance Commissioner declaring sex-based rating of automobile insurance to be unfairly discriminatory, insurance company rate change filings reflecting the disallowing of gender-based

Regulation of Insurance Industry (continued)

Program Analysis: (continued)

rates are beginning to generate intense public concern. This has and will continue to result in a substantial increase in complaints received by the Bureau of Insurance Consumer Affairs regarding both anticipated increased premium costs for young female drivers, and the potential of restricted market availability of automobile insurance for young male drivers. In addition to handling such complaints, the bureau will also have to closely monitor whether young males are being routinely placed into the Pennsylvania Automobile Insurance (Assigned Risked) Plan; the potential at least exists

of more restrictive underwriting standards being applied by insurance companies.

Complaints received and processed in 1984-85 increased by 15 percent, and it is anticipated that a 20 percent increase will occur in both 1985-86 and 1986-87. This will also result in considerably increased reviews and investigations.

In recognition of this situation, this budget funds increased investigating staff for both General Fund and Catastrophic Loss Trust Fund (CLTF) activities. CLTF costs are shown as Other Funds.



Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 7,268	\$ 7,559	\$ 7,653	\$ 8,032	\$ 8,353	\$ 8,687	\$ 9,034
Malpractice Study		25					
GENERAL FUND TOTAL	<u>\$ 7,268</u>	<u>\$ 7,584</u>	<u>\$ 7,653</u>	<u>\$ 8,032</u>	<u>\$ 8,353</u>	<u>\$ 8,687</u>	<u>\$ 9,034</u>

Department of Labor and Industry

The Department of Labor and Industry serves the labor and industrial interests of the Commonwealth by promoting the health, welfare and safety of employes; maintaining continuous production and employment by acting to reduce industrial strife; rehabilitating the vocationally handicapped; stabilizing the income of employes who become victims of certain occupational diseases or who sustain work related injuries; promoting apprenticeship training programs and assisting displaced workers in retraining and/or relocation.

DEPARTMENT OF LABOR AND INDUSTRY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 13,561	\$ 13,359	\$ 13,194
Right to Know Act	900	1,354	1,150
Subtotal	<u>\$ 14,461</u>	<u>\$ 14,713</u>	<u>\$ 14,344</u>
Debt Service Requirements			
Unemployment Compensation Interest	\$ 17,000	.....	.....
Grants and Subsidies			
Occupational Disease Payments	\$ 8,641	\$ 8,374	\$ 7,806
Transfer to Vocational Rehabilitation Fund	11,000	12,000	15,540
Workmen's Compensation Payments	1,036	1,033	921
Transfer to Office of Employment Security	1,100	.....	.....
Teenage Pregnancy and Parenthood .....	.....	625	1,211
Job Training for Welfare Recipients .....	.....	2,000	2,000
Job Training Partnership	1,588	2,247	1,988
Greater Philadelphia Assistance Program .....	.....	200	.....
Harmarville Rehabilitation Center .....	.....	100	.....
Retraining Dislocated Workers .....	.....	2,000	.....
Subtotal	<u>\$ 23,365</u>	<u>\$ 28,579</u>	<u>\$ 29,466</u>
TOTAL STATE FUNDS	<u><u>\$ 54,826</u></u>	<u><u>\$ 43,292</u></u>	<u><u>\$ 43,810</u></u>
Federal Funds	\$ 180,798	\$ 228,933	\$ 218,285
GENERAL FUND TOTAL	<u><u>\$ 235,624</u></u>	<u><u>\$ 272,225</u></u>	<u><u>\$ 262,095</u></u>
Other Funds	\$ 238,974	\$ 251,033	\$ 261,705
TOTAL ALL FUNDS	<u><u>\$ 474,598</u></u>	<u><u>\$ 523,258</u></u>	<u><u>\$ 523,800</u></u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 14,461	\$ 14,713	\$ 14,344
Federal Funds	2,742	2,800	2,882
TOTAL	<u>\$ 17,203</u>	<u>\$ 17,513</u>	<u>\$ 17,226</u>

Provides for the overall direction, coordination, establishment of policies and regulations and operation of programs relating to consumer protection, accident prevention, industrial relations, manpower training, income maintenance and other areas relating to labor and industry. Also provides departmental administrative support in the areas of legal services, public relations, personnel, budget, procurement and management methods.

Provides an economic base for individuals unable to sustain a minimally acceptable level of existence because of occupational disease or injury. Also provides a program of public employes' retirement, disability and survivors insurance through the administration of the Federal Social Security Program for employes of the Commonwealth and its political subdivisions.

Insures that minimum and prevailing wages are paid when legally mandated to those persons who are employed, including migrant labor.

Provides for registration of farm labor contractors under the migrant labor program.

Provides for administrative support of the Job Training Partnership Program (JTPA).

Provides for administration of the Right to Know Act (Act 74 of 1984).

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
General Government Operations	\$ 13,561	\$ 13,359	\$ 13,194
Right to Know	900	1,354	1,150
Federal Funds:			
Balance of State — CETA	55	.....	.....
Job Training Partnership — Administration.....	2,670 ^a	2,800	2,882
National Occupational Information Coordinating Committee...	17	.....	.....
TOTAL	<u>\$ 17,203</u>	<u>\$ 17,513</u>	<u>\$ 17,226</u>

^a\$47,000 of this amount actually appropriated to Aging from the Lottery Fund.

DEBT SERVICE REQUIREMENTS

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Unemployment Compensation Interest			
State Funds	\$ 17,000	.....	.....

Provided funds for the payment of interest on funds borrowed from the Federal government to meet claimant benefit requirements under the unemployment compensation program.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Unemployment Compensation Interest	<u>\$ 17,000</u>	<u>.....</u>	<u>.....</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Occupational Disease Payments			
State Funds	\$ 8,641	\$ 8,374	\$ 7,806

Provides grants to alleviate economic hardships of persons who are disabled due to certain occupational diseases, principally silicosis and silica-related diseases.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Occupational Disease Payments	<u>\$ 8,641</u>	<u>\$ 8,374</u>	<u>\$ 7,806</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Employability Development—Physically and Mentally Disadvantaged			
State Funds	\$ 11,000	\$ 12,000	\$ 15,540
Federal Funds	33,418	39,678	41,942
TOTAL	\$ 44,418	\$ 51,678	\$ 57,482

Operates to enable the physically and mentally disadvantaged to prepare for and function as a part of the labor force by providing physical restoration, training, counseling and placement services. Also responsible for making disability determinations for the Federal Social Security Disability Insurance (SSD) program, the Supplemental Security Income (SSI) Program and the Federal Coal Mine Health and Safety Act.

Provides funds to expand and improve services under the Centers for Independent Living (CILs) program.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Transfer to Vocational Rehabilitation Fund	\$ 11,000	\$ 12,000	\$ 15,540
Federal Funds:			
Disability Determination	33,418	39,678	41,942
TOTAL	\$ 44,418	\$ 51,678	\$ 57,482

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Workmen's Compensation Payments			
State Funds	\$ 1,036	\$ 1,033	\$ 921

Provides for payments to self-insured employers and insurance carriers to raise the compensation of those employees receiving compensation for injuries prior to January 17, 1968, to \$60 dollars per week.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Workmen's Compensation Payments	\$ 1,036	\$ 1,033	\$ 921

GENERAL FUND

LABOR AND INDUSTRY

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Employability Development—Socially and Economically Disadvantaged			
State Funds	\$ 1,100	\$ 4,925	\$ 3,211

Provides funds for services to the socially and economically disadvantaged, including employable welfare recipients and to pregnant teenagers and teenage parents.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Transfer to Office of Employment Security	\$ 1,100	.....	.....
Teen Pregnancy and Parenthood .....	.....	625	1,211
Job Training for Welfare Recipients .....	.....	2,000	2,000
Greater Philadelphia Assistance Program .....	.....	200	.....
Harmarville Rehabilitation Center .....	.....	100	.....
Retraining Dislocated Workers .....	.....	2,000	.....
TOTAL	<u>\$ 1,100</u>	<u>\$ 4,925</u>	<u>\$ 3,211</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Job Training Partnership			
State Funds	\$ 1,588	\$ 2,247	\$ 1,988
Federal Funds	144,638	186,455	173,461
TOTAL	<u>\$ 146,226</u>	<u>\$ 188,702</u>	<u>\$ 175,449</u>

Provides grants to Service Delivery Areas (SDA) and other eligible entities to aid the entry and productive participation of unskilled and unemployed youth, adults and dislocated workers in the job market through the provision of training, education and job placement activities.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Job Training Partnership	\$ 1,588	\$ 2,247	\$ 1,988
Federal Funds:			
Service Delivery Areas	84,357	106,940	102,678
Summer Youth	39,296	42,961	42,883
Incentive Grants	1,402	10,000	7,303
Technical Assistance	993	3,927	1,646
Dislocated Workers	14,977	13,643	13,250
Older Workers	2,152 ^a	4,112	3,100
Veterans' Employment	300	1,187	1,187
Job Training Welfare Recipients .....	.....	2,685	1,000
Teenage Pregnancy and Parenthood .....	.....	1,000	414
Special Barrier Grants	1,161	.....	.....
TOTAL	<u>\$ 146,226</u>	<u>\$ 188,702</u>	<u>\$ 175,449</u>

^aActually appropriated to the Department of Aging from the Lottery Fund.

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Administration Fund			
Administration of Unemployment Compensation	\$ 164,100	\$ 168,660	\$ 173,900
	=====	=====	=====
Rehabilitation Center Fund			
Operation of Rehabilitation Center	\$ 11,276	\$ 11,970	\$ 12,800
	=====	=====	=====
Vocational Rehabilitation Fund			
Administration of Vocational Rehabilitation*	\$ 52,508	\$ 59,190	\$ 63,250
	=====	=====	=====
Worker's Compensation Administration Fund			
Administration of Workmen's Compensation	\$ 11,090	\$ 11,213	\$ 11,755
	=====	=====	=====
DEPARTMENT TOTAL	\$ 238,974	\$ 251,033	\$ 261,705
	=====	=====	=====

*Excludes transfer to General Fund.

DEPARTMENT OF LABOR AND INDUSTRY

Summary of Agency Program by Category and Subcategory

General Fund and Special Fund

(Dollar Amounts in Thousands)

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 2,432	\$ 2,224	\$ 2,197	\$ 2,285	\$ 2,376	\$ 2,471	\$ 2,570
Personal Economic Development	\$ 42,044	\$ 30,393	\$ 31,258	\$ 32,253	\$ 32,665	\$ 33,120	\$ 33,620
Employability Development — Socially and Economically Handicapped	2,688	6,872	5,199	5,199	5,199	5,199	5,199
Employability Development — Physically and Mentally Handicapped	11,000	12,300	15,540	16,812	17,484	18,183	18,911
Income Maintenance	28,356	11,221	10,519	10,242	9,982	9,738	9,510
Labor Management Relations	\$ 2,319	\$ 2,495	\$ 2,464	\$ 2,563	\$ 2,666	\$ 2,773	\$ 2,884
Labor Relations Stability	2,319	2,495	2,464	2,563	2,666	2,773	2,884
Community and Housing Hygiene and Safety	\$ 7,614	\$ 7,780	\$ 7,496	\$ 7,797	\$ 8,109	\$ 8,434	\$ 8,771
Accident Prevention	7,614	7,780	7,496	7,797	8,109	8,434	8,771
Consumer Protection	\$ 417	\$ 400	\$ 395	\$ 411	\$ 427	\$ 444	\$ 462
Regulation of Consumer Products and Promotion of Fair Business Practices	417	400	395	411	427	444	462
DEPARTMENT TOTAL	<u>\$ 54,826</u>	<u>\$ 43,292</u>	<u>\$ 43,810</u>	<u>\$ 45,309</u>	<u>\$ 46,243</u>	<u>\$ 47,242</u>	<u>\$ 48,307</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 2,432	\$ 2,224	\$ 2,197	\$ 2,285	\$ 2,376	\$ 2,471	\$ 2,570

Program Analysis:

This subcategory contains those necessary services which cannot reasonably be charged directly to substantive programs due to their generalized nature. The success or failure of these supportive services can only be indirectly reflected

by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 2,432	\$ 2,224	\$ 2,197	\$ 2,285	\$ 2,376	\$ 2,471	\$ 2,570

Employability Development—Socially and Economically Handicapped

OBJECTIVE: To enhance the ability of the handicapped unemployed and underemployed to function as a part of the labor force and to gain full employment.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 2,688	\$ 6,872	\$ 5,199	\$ 5,199	\$ 5,199	\$ 5,199	\$ 5,199
Federal Funds	147,380	189,255	176,343	149,680	149,770	149,861	149,956
TOTAL	\$ 150,068	\$ 196,127	\$ 181,542	\$ 154,879	\$ 154,969	\$ 155,060	\$ 155,155

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Job Training Partnership Program:							
Enrollments	122,713	126,305	128,813	131,408	134,036	136,717	139,451
Placements	19,321	22,058	22,500	22,950	23,409	23,877	24,354
Cash welfare recipients served	49,561	51,601	52,633	53,686	54,759	55,854	56,972
AFDC applicants (WIN Program):							
Total registrants	93,093	93,000	93,000	93,000	93,000	93,000	93,000
Participants entering employment	31,000	10,000	10,000	10,000	10,000	10,000	10,000

Program Analysis:

While there are no single, easy, short-term solutions to the problems of joblessness that have resulted from Pennsylvania's transitional economy, it is clear that if dislocated workers and economically disadvantaged individuals are to secure employment they must have access to job training programs that will prepare them for the jobs of today and for the jobs which are likely to exist in the near future.

On October 1, 1983, the Job Training Partnership Act (JTPA) began providing employment and training services throughout the nation for economically disadvantaged and unemployed individuals. Under JTPA, State governments, local governments and the private sector work in partnership to develop and operate job training programs with the ultimate goal of providing unsubsidized employment.

Governors are given increasing responsibilities including redesigning Service Delivery Areas within the State; establishing Statewide goals and priorities for job training; coordinating all other jobs training resources available in the State with the JTPA program; overseeing the programmatic activities of each local Private Industry Council; ensuring fiscal accountability for all funds, including auditing of each program at least once every two years; and administering directly the State education coordination program and dislocated workers and older workers programs. Governors carry out their responsibilities in conjunction with a State Job Training Coordinating Council.

JTPA includes three basic programs: (1) Training Services for the Disadvantaged (Title II-A), (2) Summer Youth Programs (Title II-B), and (3) Employment and Training

Assistance for Dislocated Workers (Title III). Federal funds to support these three programs are allocated to Pennsylvania by the formula contained in the act, which is based on the number of persons unemployed and economically disadvantaged.

The law specifies that 78 percent of the basic funding provided in JTPA Title II-A be passed through to Service Delivery Areas by formula, based on unemployment levels and the levels of economically disadvantaged individuals within each Service Delivery Area.

The remaining 22 percent of the Title II-A funds are used for the following purposes: 8 percent for State Education and Coordination Grants, 3 percent for Older Workers programs, 6 percent for Incentive Grants to Service Delivery Areas based on exceptional performance, and 5 percent for administration, auditing and special programs. Separate authorizations are received for summer youth programs (Title II-B) and the Dislocated Workers program (Title III).

The Department of Labor and Industry is the lead agency in administering this program. However, the Departments of Aging and Education as well as the Executive Offices also share some of this responsibility.

The major portion of the Title II-A funds is subgranted by the Department of Labor and Industry to the Service Delivery Areas (SDAs) based on their approved spending plans. The allowable program activities include: pre-entry level training in job readiness and basic educational skills, entry level training in basic occupations skills, upgrade skills training, retraining, counseling, job search assistance, and

Employability Development—Socially and Economically Handicapped (continued)

Program Analysis:

job development and employment generating activities.

The educational and training component of JTPA is carried out by the Department of Education through four major program efforts: adult literacy training; dropout prevention, retraining and training in advanced technologies; and State corrections training.

In total, these programs are directed at assisting Pennsylvania's economically disadvantaged citizens to enter or reenter the workforce equipped with the basic educational and occupational skills necessary to meet the needs of employers. At the same time these efforts assist in reducing dependency on public assistance. Based on the agency's efforts to prioritize service to the most needy members of the community, 50 percent or 54,631 of all JTPA enrollments across Pennsylvania were recipients of Public Assistance in one form or another during program year 1984.

The final major component of Title II of JTPA is the Summer Youth Program, also administered by the Department of Labor and Industry through the SDAs.

Over 45,000 economically disadvantaged youth, aged 14 through 21 were provided with on-the-job training and work experience during the summer of 1985.

The third basic JTPA program is authorized under Title III of the act to provide employment and training assistance for dislocated workers. During program year 1984, which began on July 1, 1984, and ended on June 30, 1985, 33 dislocated programs totaling \$12.7 million were funded throughout the Commonwealth.

State funds have also been provided in 1985-86 for prevocational and educational programs for General Assistance Welfare Recipients and for support service programs for pregnant and/or parenting youth. A total of 3,000 welfare recipients and 1,460 pregnant and/or parenting youth are expected to be served during 1985-86.

Statistical evidence shows that the JTPA program has been effectively implemented. Under Title II-A, programs for economically disadvantaged adults and youth, a total of 39,656 individuals were trained. While the U.S. Department of Labor standard for the adult entered employment rate was 55 percent, actual performance during the nine month transition year was 66 percent. A total of 8,727 individuals received assistance under Title III, employment and training assistance for dislocated workers. Of these, 4,104 completed training and 2,719 or 66 percent gained unsubsidized employment.

Program Costs by Appropriation:

GENERAL FUND	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Transfer to Office of Employment Security	\$ 1,100						
Job Training Partnership	1,588	2,247	1,988	1,988	1,988	1,988	1,988
Teen Pregnancy and Parenthood		625	1,211	1,211	1,211	1,211	1,211
Job Training for Welfare Recipients		2,000	2,000	2,000	2,000	2,000	2,000
Retraining Dislocated Workers		2,000					
GENERAL FUND TOTAL	\$ 2,688	\$ 6,872	\$ 5,199	$ 5,199	$ 5,199	$ 5,199	$ 5,199

Further evidence of successful operation is highlighted by the program measures. The number of enrollments for 1984-85 was 122,713, 14 percent higher than projections. Almost 50,000 welfare recipients were served and over 19,000 individuals were placed in jobs in Pennsylvania. The placement rate and number of welfare recipients served, while slightly below levels originally planned, are true indicators of program success.

It is anticipated that experience in operating JTPA programs and continued emphasis on placement activities will allow further achievements during the upcoming year of operation.

The regular Work Incentive (WIN) Program terminated September 29, 1982 and its successor, the WIN Demonstration Program is being operated by the Department of Public Welfare. The Department of Labor and Industry's Office of Employment Security (OES) provides services for this program under contract to the Department of Public Welfare. Services are provided to recipients under the Aid to Families with Dependent Children (AFDC) program, a Federal category of public assistance.

The WIN Program, which is operated Statewide, emphasizes the targeting of resources toward immediate job placement rather than training or work experience. The Department of Public Welfare reimburses OES for the following services: work registration for all recipients of cash public assistance who are directed to the OES office as a part of the welfare application process; appraisal of each applicant to match needs to become job ready with available services; job search workshops to provide guidance in the most successful methods for seeking jobs; referral to open jobs listed by employers; and job development services.

Registrations under the WIN Demonstration Program were below the original estimates because of a reduction in the AFDC welfare caseload. Therefore, projected registrations for future years have been reduced to 93,000. The number of participants entering employment is estimated for the actual year because the final report for fiscal year 1984 is not yet available. The performance measure of participants entering employment will reflect only placements made by the job service in 1985 and future years instead of including self-obtained of including self-obtained employment as had been previously reported. This change in reporting along with the lower AFDC caseloads account for the lower estimates.

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 11,000	\$ 12,000	\$ 15,540	\$ 16,812	\$ 17,484	\$ 18,183	\$ 18,911

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Handicapped persons of employable age ...	656,901	659,729	662,557	665,385	668,213	671,042	673,883
Caseload:							
Carry-over from previous years	45,742	46,358	46,590	46,823	47,057	47,292	47,528
New referrals	37,820	38,198	38,580	38,966	39,356	39,749	40,147
Total caseload	83,562	84,556	85,170	85,789	86,413	87,041	87,675
Cases closed:							
Ineligible	16,974	17,059	17,144	17,230	17,316	17,403	17,490
Rehabilitated	11,430	11,693	11,766	11,839	11,912	11,987	12,056
Competitive	8,543	8,623	8,666	8,709	8,752	8,796	8,840
Noncompetitive	2,887	3,070	3,100	3,130	3,160	3,191	3,216
Nonrehabilitated	8,800	8,800	8,910	9,000	9,050	9,100	9,158
Total cases closed	37,204	37,552	37,820	38,069	38,278	38,490	38,704
Cases carried over	46,358	46,590	46,823	47,057	47,292	47,528	47,766
Severely disabled rehabilitated	10,490	10,280	10,075	9,783	9,676	9,482	9,282

Program Analysis:

This public service program, provided by the Commonwealth in cooperation with the Federal Government, has as its target group the estimated 660,000 citizens of the Commonwealth who have a physical or mental disability which results in a handicap to employment.

Eligibility criteria for vocational rehabilitation programs require that there be a reasonable expectation that services will enable the individual to perform some work activity, whether competitive or noncompetitive. The program's services are directed toward the client's attaining a vocational objective, with results evaluated in terms of improvement in work status.

Primary emphasis, as mandated by the Federal Rehabilitation Act of 1973 as amended in 1978, continues to be placed on serving and rehabilitating severely handicapped individuals. These clients require more extensive and varied services and, in general, this client population requires multiple services over an extended period of time.

This subcategory also includes the Hiram G. Andrews

Rehabilitation Center in Johnstown. The center is funded through the Rehabilitation Center Fund from fees for services rendered. Most of the services are rendered to vocational rehabilitation clients. As of June 30, 1985 the center's resident population was 352 and its community based population was 162. A financial statement for the fund is included in Volume I.

Statistics presented are based on the Federal fiscal year which runs October 1 to September 30 of each year. Although this yearly time frame does not coincide with the Pennsylvania fiscal year, the figures nonetheless represent an entire year and are, therefore, valid for purposes of comparison.

The program measures shown for 1984-85 indicate the total caseload was 83,562, of which 37,204 were processed and closed. The caseload total is a combination of the total active caseload at the end of the previous year as well as new referrals received throughout the year.

Of the 37,204 active cases closed in 1984-85, 16,974 were

Employability Development—Physically and Mentally Handicapped (continued)

Program Analysis: (continued)

closed because they were ineligible for services. This determination is made after a thorough evaluation for which the results indicate: it could not be determined that a disability existed; the disability was not a vocational handicap; or disability was too severe to permit a reasonable expectation that the client could go to work. For measurement purposes here, reasons for ineligibility also include clients who are no longer interested in services, cannot be located, or have died. Of the remaining 20,230 cases closed who did receive services, 11,430 or 57 percent were rehabilitated and 8,800 or 43 percent could not be rehabilitated. Of significant importance regarding rehabilitated cases is the fact that 92 percent of these cases are classified severely handicapped compared with 89 percent the previous year.

Of the 11,430 cases closed as rehabilitated, 75 percent of those individuals were placed in competitive employment; the remaining 25 percent were employed in sheltered and protected employment and as homemakers. It should be noted that, statewide, 23 percent of the rehabilitants were public assistance recipients. A most significant factor in rehabilitating the disabled public assistance recipient is that after being placed back into competitive employment, the need for public assistance is reduced or eliminated. Findings indicate the average earnings for the rehabilitated public assistance recipient amount to \$165 per week.

The accompanying table indicates the varying degrees of success accomplished with different categories of disability. Certain handicaps have a higher probability for successful rehabilitation than others. Cases shown as closed in Column 1 are all clients either successfully rehabilitated, or closed as not rehabilitated after they have been accepted for services. Successful rehabilitants are those clients who complete a vocational rehabilitation plan and become suitably employed.

Compared to last year's data, the information indicates a 14 percent increase in the cost per rehabilitated case. Weekly earnings of clients rehabilitated in competitive employment increased an average of \$164 per week from time of referral to successful rehabilitation. The percent of clients unemployed upon acceptance to the program remained at 71 percent in fiscal year 1985. The program also placed a slightly higher percentage of individuals into competitive employment; 75 percent in 1984-85 versus 74 percent in 1983-84.

In an effort to address the needs of those severely handicapped who are judged ineligible for vocational rehabilitation services due to the severity of their disabilities,

\$1,075,000 in State funds has been provided to expand and improve the Centers for Independent Living (CILs) program begun with Federal Vocational Rehabilitation funds, and to provide independent living and employment-related services through the Office of Vocational Rehabilitation's district offices.

The State funding will allow for expansion of services at three existing CILs and the establishment of a new CIL. About half of the new funds will be used by the four regional offices where there are current CILs and the regional office where the new CIL will be located. A broad range of services will be provided through this combined effort of the CILs and the regional offices, including referral and counseling services, education and training, adaptive appliances, home modification, independent living skills training, transportation, housing assistance and referral, medical evaluation and treatment, and any other services necessary to prepare an individual for employment or living independently in the community.

The goal of this joint effort is to improve the ability of a severely handicapped person to enter the vocational rehabilitation program; to live more independently in the community; and eventually to secure and maintain employment.

An additional \$500,000 of State funds has been included in the 1986-87 budget to establish a demonstration Supported Employment program. Supported Employment is a new service designed to improve employment opportunities for handicapped persons previously considered too disabled to obtain competitive employment. Supported Employment simultaneously combines placement in competitive jobs with training on the job site for a severely disabled person. The program will provide on-site job trainers and several support services, including long-term follow-up, social skills training, money management, and assistance with other issues affecting employment. The new State funds requested will be combined with existing funds from the Departments of Public Welfare and Education to support several demonstration sites across the Commonwealth. A Statewide Task Force, which includes State agencies (Office of Vocational Rehabilitation, Bureau of Job Training Partnership, Offices of Mental Health and Mental Retardation, Bureau of Blindness and Visual Services, Bureau of Special Education, Bureau of Vocational Education, and the Development Disabilities Planning Council), service providers, and advocates, has directed the implementation of this project.

Employability Development—Physically and Mentally Handicapped (continued)

Program Analysis: (continued)

OFFICE OF VOCATIONAL REHABILITATION
CASELOAD DATA BY DISABLING CONDITION
October 1, 1984 to September 30, 1985

Disabilities	(1) Closed After Acceptance For Service	(2) Cases Rehabilitated		(3) Clients Unemployed at Acceptance		(4) Rehabilitations Placed in Competitive Employment		(5) Rehabilitations Placed in Sheltered and Protected Employment and as Homemakers and Unpaid Family Workers		(6) Average Change Weekly Income Rehab. Competitive Employment	(7) Average Cost Per Rehab.
	Total	Number	% of Col.1	Number	% of Col.2	Number	% of Col.2	Number	% of Col.2	Amount	Amount
Visual	413	247	60%	199	81%	207	84%	40	16%	\$175.00	\$1,526.00
Hearing	1,990	1,632	82%	660	40%	936	57%	696	43%	\$124.00	\$ 915.00
Orthopedic Deformities	5,235	3,054	58%	2,219	73%	2,215	73%	839	27%	\$184.00	\$1,927.00
Amputee or Loss of Limb	858	636	74%	276	43%	338	53%	298	47%	\$131.00	\$2,439.00
Mental Disorders	5,993	2,645	44%	2,241	85%	2,365	89%	280	11%	\$171.00	\$1,459.00
Mental Retardation	2,211	1,107	50%	985	89%	840	76%	267	24%	\$128.00	\$2,258.00
Other Disabling conditions	3,530	2,109	60%	1,546	73%	1,642	78%	467	22%	\$128.00	\$2,258.00
Total	20,230	11,430	57%	8,126	71%	8,543	75%	2,887	25%	\$164.00	\$1,711.00
Drug and Alcohol	1,631	831	51%	697	84%	791	95%	40	5%	\$186.00	\$1,447.00
Public Assistance	6,184	2,639	43%	2,117	80%	1,677	64%	962	36%	\$165.00	\$1,899.00
Severely Disabled	18,508	10,490	57%	7,349	70%	7,656	73%	2,834	27%	\$157.00	\$1,745.00
Social Security Disability Insurance Beneficiaries	2,051	970	47%	629	65%	337	35%	633	65%	\$197.00	\$2,360.00
Substantially Disabled	1,722	940	55%	777	83%	887	94%	53	6%	\$169.00	\$1,332.00

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Transfer to Vocational Rehabilitation Fund	\$ 11,000	\$ 12,000	\$ 15,540	\$ 16,812	\$ 17,484	\$ 18,183	\$ 18,911

Income Maintenance

OBJECTIVE: To increase the economic stability of citizens of the Commonwealth by protecting and insuring the earnings of employes from factors over which they have no control.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 28,356	\$ 11,221	\$ 10,519	\$ 10,242	\$ 9,982	\$ 9,738	\$ 9,510
Federal Funds	33,418	39,678	41,942	43,200	44,496	45,831	47,206
Other Funds	175,190	179,873	185,655	193,081	200,804	208,837	217,190
TOTAL	\$ 236,964	\$ 230,772	\$ 238,116	\$ 246,523	\$ 255,282	\$ 264,406	\$ 273,906

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Minimum wage violations cited	653	700	700	700	700	700	700
Persons receiving subminimum rates	1,888	1,920	1,980	2,000	2,000	2,000	2,000
Claims for nonpayment of wages	2,341	2,500	2,800	3,000	3,000	3,000	3,000
Nonpayment of wage claims settled	1,171	1,250	1,400	1,500	1,500	1,500	1,500
Inspections made to insure prevailing rates used and paid on public works projects	4,815	5,000	5,000	5,000	5,000	5,000	5,000
Claimants qualifying for occupational disease payments out of Commonwealth funds	4,212	4,000	3,760	3,520	3,260	3,020	2,780
New claimants eligible for workmen's compensation payments	93,465	95,000	96,500	98,000	98,000	98,000	98,000
Individuals filing for unemployment compensation	731,998	730,000	730,000	730,000	730,000	730,000	730,000

Program Analysis:

The Department of Labor and Industry administers a number of programs to increase the economic stability of citizens in the Commonwealth. These programs fall generally into two categories: those which provide income protection for the person who is employed, and those which provide cash assistance to the individual and his dependents when he becomes unemployed.

The first category includes the State's programs of minimum wage, wage payment and collection, and prevailing wage enforcement.

The number of persons receiving sub-minimum wages has steadily decreased from 4,092 in fiscal year 1980-81 (when the rate reached the present \$3.35 per hour) to 1,888 in fiscal year 1984-85, a reduction of 53 percent which is attributable

to aggressive education and enforcement programs. Since fiscal year 1980-81, 41,701 individuals received \$1,678,480 in wages collected under the Minimum Wage Law. A 43 percent decrease in violations cited is a result of a concentrated effort to educate in areas recently identified by a revised reporting system.

The increase in claims for unpaid wages in fiscal year 1984-85 is attributable to claims for fringe benefits/wage supplements. The percentage of these claims which are collectible is far below claims for straight wages as the employer determines policy for payment of fringe benefits; the law determines payment of wages. In fiscal year 1984-85, \$326,660 was collected for 1,218 claimants under the Wage Payment and Collection Law.

Income Maintenance (continued)

Program Analysis: (continued)

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 in whole or in part by State Government and public agencies of its political subdivisions within the Commonwealth. Payment of prevailing wage rates is ensured by field inspections conducted by prevailing wage inspectors. Last year 4,815 inspections were performed.

The second category includes unemployment compensation, workers' compensation, occupational disease payments, and Social Security disability payments.

Workers' compensation is a system of payments made through private insurance companies, the State Workmen's Insurance Fund and self-insured employers to employes who sustain injuries or diseases during the course of their employment. Act 2 of 1976 established the Workers' Compensation Administration Fund to cover State administrative expenses for regulation of the system, and provides for legislative approval of the level of expenditure each year.

The impact of workers' compensation is reflected in the dollar value of income replaced by payments and the number of awards for payment. The maximum level of compensation for new claimants is tied to the statewide average weekly wage.

Act 263 of 1974 provided for the Commonwealth to make payments to insurers and self-insured companies in order to raise the rate of compensation payable to employes injured prior to March 17, 1968, to \$60 per week. It is estimated that payments in 1985-86 will be \$921,000.

Occupational disease payments are made primarily to victims of silicosis and related diseases, commonly referred to as "black lung". Victims of these diseases are covered by three different programs, depending on their date of last exposure and disability: the bi-weekly program and monthly program (both Commonwealth-supported under the Occupational Disease Law) and the Workmen's Compensation Act as amended in 1973 which primarily shifts responsibility to industry for claimants exposed after July 1, 1972, although the Commonwealth shares partial responsibility for cases through June 30, 1976.

Both the bi-weekly and the monthly programs reflect marginal decreases in claimant levels due to the Federal Black Lung Act assuming payments for some claimants currently on State roles, and to attrition. The Federal Black Lung program has significantly leveled off due to more stringent medical standards and the elimination of certain "presumptions of disability" previously provided for by the United States Department of Labor.

The number of claimants qualifying for occupational disease payments out of Commonwealth Funds is estimated to decrease in 1986-87 to 3,760 claimants.

The Unemployment Compensation Program is an integral part of this subcategory. The program provides cash assistance to individuals and their dependents during periods of involuntary unemployment.

The rate of compensation generally varies between 52 to 57 percent of the worker's average weekly earnings, up to a maximum for 1985 of \$224 per week. Claimants may also receive up to a maximum of \$8.00 per week in dependent's allowance for two or more dependents. Claimants who are entitled to a weekly benefit rate of \$75 or more have their weekly check reduced by 5 percent. However, the maximum weekly benefit rate will continue to be calculated at sixty-six and two-thirds percent of the Statewide average weekly wage.

Pennsylvania's Unemployment Compensation (UC) system became solvent in 1984 for the first time since 1973. This reversed a trend started in the early 1970s where yearly payments exceeded revenue to a point where a two to one margin was reached in recent years. Pennsylvania borrowed from the Federal Government to make up the difference between revenue and payments. In 1982 the Federal government began charging interest on all loans for UC payments.

The first temporary corrective action was taken in 1980. However, due to the severe impact of the international and national recession additional permanent changes to the system became necessary. On July 21, 1983 revisions to the UC system that restructured both the tax and benefits sides to restore equity into the program became effective.

The 1983 amendments will increase employer contributions to the fund by an estimated \$1.67 billion and decrease benefit expenditures by an estimated \$440 million over the 1983-1986 period. Beginning January 1, 1984, workers began contributing to the unemployment fund at the rate of 0.1 percent of their gross wages. Employes contributed \$58 million in 1984 and are expected to increase Trust Fund deposits by \$221 through 1986.

The 1983 amendments also assessed a separate tax on employers to generate revenue to pay the interest accruing on the outstanding interest bearing Federal loans. In July 1985, the law was amended reducing the interest tax rate to 0.3 percent from 1.0 percent for 1986. This amendment decreased estimated interest tax contributions for 1986 by \$189 million at a savings to employers of \$56 per employe. This reduction was made possible due to cost saving measures instituted by the department to reduce interest accruals and an improved economy. Employers will pay an estimated \$270 million into the Interest Fund for the period 1984-86.

The State's Unemployment Compensation Law was also revised in July 1985 to exclude seasonal workers in the vegetable and fruit canning and freezing industries from receiving benefits should they be offered seasonal employ-

Income Maintenance (continued)

Program Analysis: (continued)

ment in the subsequent year. Savings to the Trust Fund are estimated to be \$1 million annually.

The combined effect of the improving economy and the 1983 amendments resulted in a positive cash flow in 1984 that enabled Pennsylvania to reduce its Federal unemployment loan balance by \$490 million, the first year unemployment loans were reduced since 1975 when the Trust Fund began borrowing. The portion of the debt being reduced by voluntary repayments is the outstanding interest bearing loans. Pennsylvania is expected to eliminate the interest bearing debt in May of 1986.

In addition, the 1983 amendments enabled Pennsylvania to meet the Federal incentive solvency standards and qualify for: an increase of 0.1 rather than 0.3 percent in the Federal Unemployment Tax Act Tax rate for 1983, 1984 and 1985; and a deferral of 80 percent of the interest obligations due in 1983, 1984 and 1985. Since the interest bearing loans are projected to be repaid in 1986 and no additional loans or interest accruals are forecast after 1986, Pennsylvania's last interest payment on deferrals will occur in 1989.

Another activity relating to this subcategory is the work of the Bureau of Disability Determination, which is agent for the Federal Social Security Administration (SSA). This office receives applications for disability benefits from the SSA. It is the responsibility of the Bureau of Disability Determination to gather the medical evidence for each claim, and to recommend payment of benefits under the guidelines established by the SSA. All final decisions regarding eligibility for benefits are made by the SSA.

The SSA also sends to the bureau claims of program beneficiaries to be reviewed for continuing disability. Some claims are sent because the disabling condition is expected to improve and others are sent for periodic review. New standards for review of these claims have been mandated by the Social Security Disability Reform Act of 1984. These changes are expected to make the review process more equitable.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 1,679	\$ 1,814	\$ 1,792	\$ 1,864	\$ 1,939	\$ 2,017	\$ 2,098
Occupational Disease Payments	8,641	8,374	7,806	7,494	7,194	6,906	6,630
Worker's Compensation Payments	1,036	1,033	921	884	849	815	782
Unemployment Compensation Interest	17,000	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 28,356	\$ 11,221	\$ 10,519	\$ 10,242	\$ 9,982	\$ 9,738	\$ 9,510

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 2,319	\$ 2,495	\$ 2,464	\$ 2,563	\$ 2,666	\$ 2,773	\$ 2,884

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Public bargaining units:							
Mediation notices assigned	927	975	975	1,000	1,000	1,000	1,000
Cases mediated	533	635	635	650	650	650	650
Percent of cases mediated	57.5%	65%	65%	65%	65%	65%	65%
Percent of notices involving work stoppages	4.1%	7%	7%	7%	7%	7%	7%
Private bargaining units:							
Dispute notices received	3,024	3,250	3,250	3,250	3,250	3,250	3,250
Cases mediated and closed by Bureau ..	139	170	170	170	170	170	170
Percent of cases mediated	4.6%	5%	5%	5%	5%	5%	5%
Percent of cases mediated by Bureau involving work stoppage	9.4%	15%	15%	15%	15%	15%	15%
Unfair practice cases concluded:							
Public Employe Relations Act	425	390	390	400	400	400	400
Police and Firemen (Act 111)	53	45	45	55	55	55	55
Pennsylvania Labor Relations Act	41	20	20	20	20	20	20
Representation cases concluded:							
Public Employes Relation Act	249	235	235	245	245	245	245
Police and Firemen (Act 111)	53	30	30	40	40	40	40
Pennsylvania Labor Relations Act	9	10	10	10	10	10	10

The Bureau of Mediation promotes labor relations stability by providing mediation services to the public and private sectors.

Under the Public Employe Relations Act, parties to a contract in the public sector must notify the bureau of the possible need for mediation services when no agreement is reached between the parties within twenty-one days after negotiations have commenced, but no later than one hundred fifty days prior to the end of the contract.

While the 927 mediation notices received from the public sector in 1984 are down slightly from 1983's 995 notices, the important trend here is that only 57.4 percent of the 1984 notices actually required the active participation of a state mediator compared to the 1979-83 average of 64.9 percent. This decrease is attributable to changing economic conditions and the parties' familiarization with the bargaining process.

In 1985 and future years it is estimated that the percent of public sector cases mediated will return to the historical average of approximately 65 percent of those initially flagged as possibly needing services. However, the number of notices received is anticipated to increase since approximately 25 new bargaining units are being certified every year, including county and local government units and support units of school districts which include cafeteria staffs, janitorial staffs and bus drivers.

In the private sector, dispute notices are governed by the National Labor Relations Act and Pennsylvania Act 177 of 1937. Although a copy of the dispute notice must be filed with the Bureau of Mediation when the Federal Mediation and Conciliation Service is notified, the law does not require that professional mediator services be used.

The average private sector caseload for 1971-1983 was 120 cases per year. During 1984 the Bureau mediated 139 private

Labor Relations Stability

Program Analysis: (continued)

sector cases representing a 16 percent increase over the 1971-83 average. As with public sector disputes, private sector disputes are expected to increase in 1985-86 and beyond.

The percent of private sector cases mediated during 1984 was 4.6 percent. This compares with the 1979-1983 average of 4.3 percent. This increase is due to changes in the Federal Mediation and Conciliation Service's system of entering private sector disputes. The bureau has entered some of the cases which the Federal Service usually handled, due to the department's concern that cases be resolved as quickly as possible to minimize any negative effects on the State's economy. Disputes mediated in 1985-86 and beyond are expected to hold at about 5 percent of notices received.

The average private sector cases involving work stoppages in the same time frame (1971-1983) was 33. In 1984 an unusually low number of cases mediated resulted in work stoppages, therefore, the percent of private sector cases involving work stoppages fell from the 1971-1983 average of 29.3 percent to 9.4 percent in 1984. While 1984's rate was below the twelve year average, it did increase significantly compared to the previous year. This increase may be attributed to improved economic conditions. Projections remain at 15 percent for work stoppages in future years.

The Pennsylvania Labor Relations Board has administrative and adjudicative responsibility for labor-management relations in both the private and public sectors in the Commonwealth.

The Labor Relations Board was created in 1937 to administer the policies and provisions of the Pennsylvania Labor Relations Act (PLRA), which guarantees collective bargaining rights to the State's private sector employees not covered by the National Labor Relations Act. Under the PLRA, the board has the responsibility to resolve questions of representation and to prevent and discourage unfair labor practices. The PLRA covers only those private sector employers whose activities do not impact on interstate commerce or which have a relatively low dollar volume of business.

With enactment of the Public Employee Relations Act of

1970, collective bargaining rights were granted to most of the State's public employees. The purpose of this act is to promote orderly constructive relationships between public employees and their employers subject to the right of the citizens to maintain their health, safety and welfare. The board is delegated the responsibility of carrying out this policy directive through the exercise of its responsibilities for representation cases, unfair labor practice adjudication and impasse resolution. In 1977, the board's public sector jurisdiction was made all encompassing by virtue of a Pennsylvania Supreme Court decision which gave the board authority over police and firefighting collective bargaining issues arising from Act 111 of 1968.

The board's program measures include specific data in relationship to the three acts it administers: The Public Employee Relations Act (PERA), Act 111 of 1968 and the Pennsylvania Labor Relations Act (PLRA).

During 1984-85 the board concluded 425 unfair practice and 249 representation cases under its PERA jurisdiction, as well as 53 unfair practice cases and 53 representation cases pertaining to police and firefighters covered by Act 111. These results are close to projections made in last year's analysis for these measures. Also during 1984-85 the board concluded 41 unfair practice cases and nine representation cases relating to Pennsylvania's private sector. While the number of private sector unfair practice cases concluded was over four times greater than projected in last year's measures, this was mostly due to filings and subsequent conclusions of multiple charges addressing the same complained of activities rather than an increase in actual situations handled.

Based upon the current labor-management climate in the Commonwealth, it is estimated that approximately 275 representation cases and 455 unfair labor practice cases will be concluded by the board under the three statutes in 1986-87. As a neutral forum in which to resolve issues disputed in these cases, the board serves to promote a stable labor relations climate in the Commonwealth.

Program Costs by Appropriation:

	1984-85	1985-86	(Dollar Amounts in Thousands)					
			1986-87	1987-88	1988-89	1989-90	1990-91	
GENERAL FUND								
General Government Operations	\$ 2,319	\$ 2,495	\$ 2,464	\$ 2,563	\$ 2,666	\$ 2,773	\$ 2,884	

Accident Prevention

OBJECTIVE: To eliminate fire and other hazards in multiple dwelling units, workplaces and other places of public habitation and assembly.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 7,614	\$ 7,780	\$ 7,496	\$ 7,797	\$ 8,109	\$ 8,434	\$ 8,771

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Fire and Panic Act activities:							
Building plans reviewed	15,613	15,700	15,800	15,900	16,000	16,100	16,200
Building plans approved	10,519	10,550	10,600	10,700	10,800	10,900	11,000
Inspections performed	63,257	63,383	64,250	64,893	65,542	66,198	67,759
Violation orders issued	382	455	460	463	468	475	485
Violation orders closed	446	450	455	458	463	475	485
Violation orders remaining open	109	114	119	124	129	129	129
Equipment inspections under:							
Boiler Law	16,104	18,000	16,500	18,500	16,750	18,750	17,000
Liquified Petroleum Law	5,287	5,300	5,400	5,500	5,600	5,700	5,800
Elevator Law	19,506	19,000	19,000	19,000	19,000	19,000	19,000

Program Analysis:

The department began preparation for implementation of an important new program, the Worker and Community Right to Know Program, during 1984-85. The Right to Know Law was passed in October 1984 and mandated the department to develop and distribute a list of hazardous substances, maintain information about these substances, assist employers with educational programs for their employees, inform the public about the program, and provide requested information on hazardous substances to the general public. In addition, the department must establish complaint procedures, conduct investigations, issue compliance orders, and assess penalties for non-compliance.

Certain provisions of the law were to become effective in October 1985, while others were to become effective one and two years after the promulgation of regulations. However, due to litigation seeking to invalidate the act in its entirety, federal court stayed implementation and enforcement of the law until December 5, 1985. Following the Court's decision on the validity of the law on December 12, 1985, the department began implementing the law consistent with the scope of the law as upheld by the Court.

The Department of Labor and Industry continues to have the responsibility for enforcing a variety of other safety regulations that apply to buildings and various types of machinery and equipment. The majority of the regulations

require a basic process of plan review and approval followed by a field inspection to confirm that the construction or installation was done in accordance with approved plans. Final occupancy permits or certificates are then issued.

Under the provisions of the State's Fire and Panic Act (Act 299 of 1927), the Department of Labor and Industry has the responsibility for enforcing the fire safety regulations that apply to a wide variety of buildings, including office buildings, apartment buildings, hotels and schools. Plans for all new construction and additions to all existing construction for these buildings are examined and approved.

The cities of Philadelphia, Pittsburgh and Scranton were exempted from the Fire and Panic Act at the time of its enactment since they already had fire safety laws and regulations in effect. Each of these cities continues to be responsible for enforcement of their own fire safety laws and regulations.

The department also maintains responsibility for inspection of personal care boarding homes. Following identification by the Department of Public Welfare, the department conducts inspections to ensure compliance with State regulations.

The department is further involved in the enforcement of Act 222 of 1980, the Building Energy Conservation Law. This law is designed to improve the energy efficiency of new

Accident Prevention (continued)

Program Analysis: (continued)

buildings. Approximately 80 percent of all buildings submitted for Fire and Panic approval must also comply with the Energy Conservation Law.

A number of program measures under Fire and Panic Act activities show changed levels of activities compared to last year's budget. The number of complaints for Fire and Panic Violations during 1984-85 was lower than anticipated. As a result of this decrease the violation orders issued and those remaining open were also less than anticipated.

Improved economic conditions, especially lower interest rates, resulted in increased building construction in 1984-85 and large increases in the number of building plans reviewed and approved by the department.

Also included in this subcategory are three equipment inspection programs. Act 451 of 1929 requires boilers and pressure vessels to be inspected. Boilers are required to be inspected annually, and pressure vessels require biennial inspections. The act permits inspection by insurance carriers, however, the commonwealth must inspect in instances where the insurance carrier does not perform the inspection. There

has been a gradual increase over the last few years in the number of inspections conducted by Commonwealth inspectors. This is due to increased costs for insurance carriers to maintain an inspection staff.

Act 475 of 1951, the Liquefied Petroleum Gas Law, requires the department to license suppliers of liquefied petroleum gas. Random inspections are conducted at supply locations and customers of bulk dealers. The gradual increase in the number of random inspections conducted will continue because of computerization and other program improvements.

Act 452 of 1929, the Elevator Law, requires the department to inspect passenger and freight elevators. Approximately 80 percent of the inspections required by the State law are conducted by insurance companies or fee companies.

The impact of accident prevention programs is difficult to measure. It is impossible to confidently estimate how many people were not injured or killed because of accidents that were prevented by the enforcement of these laws.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 6,714	\$ 6,426	\$ 6,346	\$ 6,601	\$ 6,865	\$ 7,140	\$ 7,426
Right to Know	900	1,354	1,150	1,196	1,244	1,294	1,345
GENERAL FUND TOTAL	\$ 7,614	\$ 7,780	\$ 7,496	\$ 7,797	\$ 8,109	\$ 8,434	\$ 8,771

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 417	\$ 400	\$ 395	\$ 411	\$ 427	\$ 444	\$ 462

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Activities under the Bedding and Upholstery and the Stuffed Toy Laws:							
Manufacturers, importers and dealers ...	5,400	5,400	5,400	5,400	5,400	5,400	5,400
Registrations, licenses and certificates ...	8,149	8,150	8,150	8,150	8,150	8,150	8,150
Inspections performed	6,143	7,100	7,100	7,100	7,100	7,100	7,100
Violation Orders Issued.....	990	1,000	1,000	1,000	1,000	1,000	1,000
Percent of total.....	16	16	16	16	16	16	16
Private employment agencies:							
Agency representatives registered	832	835	835	835	835	835	835
Complaints resulting in refunds.....	8	15	15	15	15	15	15
Dollars refunded.....	\$4,957	\$10,000	\$11,000	\$11,000	\$11,000	\$11,000	\$11,000
Prosecutions initiated.....	1	3	3	3	3	3	3
Prosecutions closed	1	3	3	3	3	3	3
Agency licenses issued	303	325	325	325	325	325	325

Program Analysis:

This program involves two activities: prevention of the use of unsafe, unclean or misrepresented materials in bedding, upholstery and stuffed toys; and regulation of employment agencies to prevent unfair business practices.

The department is required under the Bedding and Upholstery Law (Act 249 of 1937) to adopt rules and regulations and provide penalties relating to the manufacture, repair, renovating, cleansing, sterilizing and disinfecting of mattresses, pillows, bolsters, featherbeds and other filled bedding, cushions, upholstered furniture and bulk materials intended for sale or lease. Also, the department is responsible for enforcing the Stuffed Toy Law (Act 372 of 1961) regulating the manufacture of stuffed toys intended for sale or use in Pennsylvania and for the registration of such manufacturers.

Last year a program measure for laboratory analyses was included in this subcategory. Effective January 1, 1986, this

laboratory function was transferred to the Department of General Services as part of a reorganization and centralization of laboratory services. Since the function is no longer performed by the Department of Labor and Industry, the measure has been deleted. Labor and Industry still retains responsibility for the remainder of these programs.

Under the provisions of the State's Employment Agency Law (Act 261 of 1941) the department is responsible for defining, regulating and providing for the licensing and registration of employment agents and their representatives, including private employment agents, theatrical employment agencies and nurse registries.

The program measure data for refunds and prosecutions are significantly less than previously indicated due to positive changes in the private employment agency industry. Future years' projections have also been lowered to reflect this improvement.

Regulation of Consumer Products and Promotion of Fair Business Practices (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90
GENERAL FUND							
General Government Operations	<u>\$ 417</u>	<u>\$ 400</u>	<u>\$ 395</u>	<u>\$ 411</u>	<u>\$ 427</u>	<u>\$ 444</u>	<u>\$ 462</u>

Liquor Control Board

The Pennsylvania Liquor Control Board controls the manufacture, possession, sale, consumption, importation, use, storage, transportation and delivery of liquor, alcohol and malt or brewed beverages in the Commonwealth.

The Board consists of three members appointed by the Governor with Senate confirmation.

The dollar amounts shown are from the State Stores Fund, a special enterprise fund, and are reflected herein as "Other Funds."

LIQUOR CONTROL BOARD

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Other Funds ^a	\$ 209,174	\$ 213,221	\$ 210,843
DEPARTMENT TOTAL	\$ 209,174	\$ 213,221	\$ 210,843

^aAll funds are other than General Fund or Special Funds.

Other Funds

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Pennsylvania Liquor Stores			
State Funds	\$ 168,451	\$ 174,455	\$ 176,025

Operates the Pennsylvania Liquor Stores system. Licenses alcoholic beverage dealers.
Enforces the Commonwealth's alcoholic beverage laws and regulations.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
<i>Source of Funds</i>			
Other Funds:			
General Operations	<u>\$ 168,451</u>	<u>\$ 174,455</u>	<u>\$ 176,025</u>

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Transfer to the General Fund			
State Funds	\$ 35,000	\$ 33,000	\$ 29,000

Provides for the statutory transfer to the General Fund of surpluses in the State Stores Fund.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
<i>Source of Funds</i>			
Other Funds:			
Transfer of State Stores Fund Surplus	<u>\$ 35,000</u>	<u>\$ 33,000</u>	<u>\$ 29,000</u>

LIQUOR CONTROL BOARD

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Consumer Protection
Liquor Control*

*All funds are other than General or Special Funds.

Liquor Control

OBJECTIVE: To protect the public welfare, health, peace, and morals of the people of the Commonwealth by controlling the manufacture of and transactions in liquor, alcohol and malt or brewed beverages.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Other Funds	\$ 209,174	\$ 213,221	\$ 210,843	\$ 212,479	\$ 215,131	\$ 215,798	\$ 218,478
Subtotal	<u>\$ 209,174</u>	<u>\$ 213,221</u>	<u>\$ 210,843</u>	<u>\$ 212,479</u>	<u>\$ 215,131</u>	<u>\$ 215,798</u>	<u>\$ 218,478</u>
Transfer of Sales Tax to General Fund ^a	\$ 41,563	\$ 43,292	\$ 44,127	\$ 44,522	\$ 44,918	\$ 45,313	\$ 45,765
Transfer of Emergency Tax to General Fund ^a	106,901	110,030	112,152	113,157	114,162	115,167	116,316
TOTAL	<u><u>\$ 357,638</u></u>	<u><u>\$ 366,543</u></u>	<u><u>\$ 367,122</u></u>	<u><u>\$ 370,158</u></u>	<u><u>\$ 374,211</u></u>	<u><u>\$ 376,278</u></u>	<u><u>\$ 380,559</u></u>

^aExcluded from summary presentations.

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Pennsylvania State Liquor Stores	713	704	711	715	715	715	715
Gross sales (includes taxes) (in thousands) .	\$743,726	\$766,227	\$781,000	\$ 788,000	\$ 795,000	\$ 802,000	\$ 810,000
Licenses and permits issued (all types)	56,721	57,000	57,200	57,400	57,600	57,800	58,000
Enforcement investigations	26,828	27,00	28,000	28,500	29,000	29,500	30,000

Program Analysis:

In Pennsylvania, all bottle sales (with a few exceptions) of both wines and spirits are made through State Liquor Stores. Private establishments may be licensed to sell by the drink only, and they must purchase their bottle stock from the State. Malt and brewed beverages are not handled through State Stores but dealers must be licensed. Pennsylvania law also embodies the principle of local option whereby citizens of any municipality have the right to decide by referendum whether they shall live in a "wet" or "dry" community.

In implementing such a control policy, the Liquor Control Board operates approximately 704 retail and/or wholesale stores supported by a regional warehouse system. With annual purchases of approximately \$425 million, Pennsylvania is the largest single buyer of wines and spirits in the United States.

Licenses and/or permits are required for nearly everyone handling alcoholic beverages in Pennsylvania except retail customers. The board is instrumental in the enforcement of

Commonwealth alcoholic beverage laws and regulations.

The liquor control system also provides revenue to the General Fund from the sales and use tax, the emergency tax and the surplus from the State Stores Fund, the board's general operating fund. Total revenue from these three sources totalled \$183.5 million in 1984-85.

The existing system of Pennsylvania Liquor Stores faces severe strain in the coming years. While Pennsylvania is by far the largest control state in terms of state store sales, it is also the least efficient of the large control states. Operating costs consistently represent a substantially higher percentage of gross sales than in comparable states. Coupled with a mark-up that is consistent with other states this results in relatively low net profits in Pennsylvania.

Changes in social attitudes concerning alcoholic beverage consumption as well as other factors such as the increase in the Federal Excise Tax can do nothing but aggravate this situation and heighten the justification for transition to a private liquor system in Pennsylvania.

Liquor Control (continued)**Program Analysis: (continued)**

Privatization would not only provide a system of liquor control which would be responsive to economic and social changes but it would ameliorate the variety of other problems plaguing the current system such as poor service and limited product selection while maintaining the revenue contributions to the Commonwealth.

Transition to a private liquor system in Pennsylvania has been proposed by the Governor.

Due to the uncertainty and complexity of the transition proposal the projections shown here reflect the current system. However, the major one-time revenue from the initial sale of the state store system is discussed in the Program Revision entitled Science and Engineering Equipment which is shown in the Department of Education where the funds would be used.

Department of Military Affairs

The Department of Military Affairs provides organized combat-ready units, both Army and Air National Guard, for call to Federal duty in the event of national emergency and to State duty in time of disaster or civil disorder. Their duties are to protect the lives and property of the people of Pennsylvania; preserve peace, order and public safety; and administer the laws that provide for the well-being of Pennsylvania veterans and their dependents.

The Department of Military Affairs consists of the Adjutant General and the State Armory Board, the State Veterans' Commission, the Soldiers and Sailors Home at Erie, the Veterans Home at Hollidaysburg, and the Southeastern Veterans Home at Spring City.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revision:

Appropriation	Title	1986-87 State Funds (in thousands)
General Fund		
Southeastern Veterans Home	Southeastern Veterans Home	\$ 1,922

This Program Revision provides for the operational expenses of the Southeastern Veterans Home to maintain and care for Domiciliary Care Veterans.

DEPARTMENT TOTAL \$ 1,922

DEPARTMENT OF MILITARY AFFAIRS

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 10,539	\$ 10,834	\$ 11,394
American Battle Monuments	33	3	3
Armory Maintenance and Repair	482	500	500
Gettysburg Memorial .....	.....	75	.....
Subtotal	<u>\$ 11,054</u>	<u>\$ 11,412</u>	<u>\$ 11,897</u>
Institutional			
Erie Soldiers and Sailors Home	\$ 2,588	\$ 2,935	\$ 3,073
Hollidaysburg Veterans Home	7,821	8,474	8,314
Southeastern Veterans Home .....	.....	.....	1,922
Subtotal	<u>\$ 10,409</u>	<u>\$ 11,409</u>	<u>\$ 13,309</u>
Grants and Subsidies			
Education of Veterans Children	\$ 45	\$ 75	\$ 75
Education — National Guard	295	305	305
Veterans Assistance	1,264	1,328	1,328
Blind Veterans Pension	171	186	169
National Guard Pension	18	20	20
National Guard — Unemployment Compensation .....	.....	100	.....
Subtotal	<u>\$ 1,793</u>	<u>\$ 2,014</u>	<u>\$ 1,897</u>
TOTAL STATE FUNDS	<u><u>\$ 23,256</u></u>	<u><u>\$ 24,835</u></u>	<u><u>\$ 27,103</u></u>
Federal Funds	\$ 2,617	\$ 3,998	\$ 3,407
Augmentations	3,853	3,904	4,140
GENERAL FUND TOTAL	<u><u>\$ 29,726</u></u>	<u><u>\$ 32,737</u></u>	<u><u>\$ 34,650</u></u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 10,539	\$ 10,834	11,394
Federal Funds	322	783	420
Augmentations	164	460	160
TOTAL	<u>\$ 11,025</u>	<u>\$ 12,077</u>	<u>\$ 11,974</u>

Provides the administrative and overhead systems for the various substantive National Guard and veterans' programs. Maintains a statewide warning communications network, an armory system, and training program for National Guardsmen. Assists veterans and their dependents in obtaining benefits due them under State and Federal laws by coordinating all matters relating to veterans' affairs. Distributes the grants described in the "Grants and Subsidies" section.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
General Government Operations	\$ 10,539	\$ 10,834	\$ 11,394
Federal Funds:			
National Guard — Maintenance Facilities and Training Sites ...	322	783	420
Augmentations:			
Rental of Armories and Other Facilities	140	145	145
Reimbursement Services Provided Lt. Governor's Mansion	24	15	15
PEMA-State Active Duty .....	.....	300	.....
TOTAL	<u>\$ 11,025</u>	<u>\$ 12,077</u>	<u>\$ 11,974</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
American Battle Monuments			
State Funds	\$ 33	\$ 78	\$ 3

Provides for routine maintenance and caretaking of grounds in foreign lands where American battle monuments are located. Also included in 1985-86 was a one time payment to help defray the Commonwealth's share of the cost of renovating and maintaining monuments at the Gettysburg Battleground.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
American Battle Monuments	\$ 33	\$ 3	\$ 3
Gettysburg Memorial .....	.....	75	.....
TOTAL	<u>\$ 33</u>	<u>\$ 78</u>	<u>\$ 3</u>

GENERAL FUND

MILITARY AFFAIRS

	(Dollar Amounts in Thousands)		
Armory Maintenance and Repair	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 482	\$ 500	\$ 500

Provides for maintenance and repair work within the statewide armory system.

	(Dollar Amounts in Thousands)		
Source of Funds	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Armory Maintenance and Repair	<u>\$ 482</u>	<u>\$ 500</u>	<u>\$ 500</u>

INSTITUTIONAL

	(Dollar Amounts in Thousands)		
State Veterans Homes	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 10,409	\$ 11,409	\$ 13,309
Federal Funds	2,295	3,215	2,827
Augmentations	3,689	3,444	3,980
TOTAL	<u>\$ 16,393</u>	<u>\$ 18,068</u>	<u>\$ 20,146</u>

Provides for the operation of the Soldiers and Sailors Home at Erie and the Veterans Home at Hollidaysburg and the Southeastern Veterans Home at Spring City, including domiciliary and nursing care for indigent, invalid or disabled Pennsylvania veterans. Skilled nursing care and related medical services, supportive personal care and individual services are provided for residents.

	(Dollar Amounts in Thousands)		
Total Proposed Expenditures by Institution	1984-85 Actual	1985-86 Available	1986-87 Budget
Erie Soldiers and Sailors Home			
State Funds	\$ 2,588	\$ 2,935	3,073
Federal Funds	630	895	814
Augmentations	1,019	1,044	1,090
TOTAL	<u>\$ 4,237</u>	<u>\$ 4,874</u>	<u>\$ 4,977</u>
Hollidaysburg Veterans Home			
State Funds	\$ 7,821	\$ 8,474	\$ 8,314
Federal Funds	1,665	2,320	1,887
Augmentations	2,670	2,400	2,691
TOTAL	<u>\$ 12,156</u>	<u>\$ 13,194</u>	<u>\$ 12,892</u>

GENERAL FUND

MILITARY AFFAIRS

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Total Proposed Expenditures by Institution			
(continued)			
Southeastern Veterans Home			
State Funds	\$ 1,922
Federal Funds	126
Augmentations	\$ 199
TOTAL	<u>.....</u>	<u>.....</u>	<u>\$ 2,247</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Erie Soldiers and Sailors Home	\$ 2,588	\$ 2,935	\$ 3,073
Holidaysburg Veterans Home	7,821	8,474	8,314
Southeastern Veterans Home .....	.....	.....	1,922
Federal Funds:			
Domiciliary and Nursing Home Care Reimbursements	2,295	3,215	2,827
Augmentations:			
Aid and Attendance Payments for Nursing Care Patients	971	830	980
Residents Fees	2,718	2,614	2,985
Building and Office Space Rent .....	.....	.....	15
TOTAL	<u>\$ 16,393</u>	<u>\$ 18,068</u>	<u>\$ 20,146</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Education Benefits			
State Funds	\$ 340	\$ 380	\$ 380

Provides a maximum grant of \$40 per credit to qualified Pennsylvania National Guard enrolled in an approved Pennsylvania institution of higher learning, in accordance with Act 152 of 1980. Also provides grants 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.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Education of Veterans Children	\$ 45	\$ 75	\$ 75
Education — National Guard	295	305	305
TOTAL	<u>\$ 340</u>	<u>\$ 380</u>	<u>\$ 380</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Veterans Compensation and Assistance			
State Funds	\$ 1,435	\$ 1,514	\$ 1,497

Provides temporary assistance to veterans who are in need of financial support. Funds for food, clothing, fuel and shelter are made available for a period of up to three months. Grants pensions of \$100 a month to Pennsylvania veterans, who while performing active military service, suffered disease or injury which resulted in functional blindness.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Veterans Assistance	\$ 1,264	\$ 1,328	\$ 1,328
Blind Veterans Pension	171	186	169
TOTAL	<u>\$ 1,435</u>	<u>\$ 1,514</u>	<u>\$ 1,497</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
National Guard Payments			
State Funds	\$ 18	\$ 120	\$ 20

Provides pension payments to the family of any soldier of the Pennsylvania National Guard who died of injuries or was killed in the line of duty while in active service under order of the Governor. Also provides one time payment to National Guardsmen who were placed on active duty in 1985-86 to assist the tornado devastated western region of the Commonwealth.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
National Guard Pension	\$ 18	\$ 20	\$ 20
National Guard Unemployment Compensation .....	. . . .	100	. . . .
TOTAL	<u>\$ 18</u>	<u>\$ 120</u>	<u>\$ 20</u>

DEPARTMENT OF MILITARY AFFAIRS

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 1,593	\$ 1,654	\$ 1,700	\$ 1,768	\$ 1,839	\$ 1,912	\$ 1,989
Physical Health Treatment	\$ 10,409	\$ 11,409	\$ 13,309	\$ 14,147	\$ 20,728	\$ 21,557	\$ 22,419
Domiciliary and Nursing Home Care	10,409	11,409	13,309	14,147	20,728	21,557	22,419
Maintenance of Public Order	\$ 8,925	\$ 9,208	\$ 9,597	\$ 9,961	\$ 10,339	\$ 10,733	\$ 11,143
Disaster Assistance	8,925	9,208	9,597	9,961	10,339	10,733	11,143
Compensation	\$ 2,329	\$ 2,564	\$ 2,497	\$ 2,521	\$ 2,546	\$ 2,572	\$ 2,599
Compensation and Assistance	2,329	2,564	2,497	2,521	2,546	2,572	2,599
DEPARTMENT TOTAL	<u>\$ 23,256</u>	<u>\$ 24,835</u>	<u>\$ 27,103</u>	<u>\$ 28,397</u>	<u>\$ 35,452</u>	<u>\$ 36,774</u>	<u>\$ 38,150</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 1,593	\$ 1,654	\$ 1,700	\$ 1,768	\$ 1,839	\$ 1,912	\$ 1,989
Federal Funds	94	533	170	170	170	170	170
TOTAL	\$ 1,687	\$ 2,187	\$ 1,870	\$ 1,938	\$ 2,009	\$ 2,082	\$ 2,159

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 1,560	\$ 1,576	\$ 1,697	\$ 1,765	\$ 1,836	\$ 1,909	\$ 1,986
American Battle Monuments	33	3	3	3	3	3	3
Gettysburg Memorial .....	.....	75	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 1,593	\$ 1,654	\$ 1,700	\$ 1,768	\$ 1,839	\$ 1,912	\$ 1,989

Domiciliary and Nursing Home Care

OBJECTIVE: To provide skilled nursing and domiciliary care for veterans.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 10,409	\$ 11,409	\$ 13,309	\$ 14,147	\$ 20,728	\$ 21,557	\$ 22,419
Federal Funds	2,295	3,215	2,827	2,899	5,289	5,376	5,466
Other Funds	3,689	3,444	3,980	4,203	6,000	6,126	6,258
TOTAL	\$ 16,393	\$ 18,068	\$ 20,116	\$ 21,249	\$ 32,017	\$ 33,059	\$ 34,143

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Total number of beds in veterans' homes:							
Erie	175	175	175	175	175	175	175
Hollidaysburg	381	381	381	381	381	381	600
Southeastern			150	150	330	330	330
Population in homes:							
Erie	150	162	175	175	175	175	175
Hollidaysburg	366	377	377	377	377	377	495
Southeastern			142	142	142	313	313
Percent of bed capacity utilized:							
Erie	86%	93%	100%	100%	100%	100%	100%
Hollidaysburg	95%	95%	95%	95%	95%	95%	95%
Southeastern			95%	95%	95%	95%	95%
Average skilled nursing care days per patient:							
Erie	350	350	350	350	350	350	350
Hollidaysburg	350	350	350	350	350	350	350
Southeastern						350	350
Cost per skilled nursing care day:							
Erie	\$115	\$118	\$122	\$126	\$130	\$134	\$138
Hollidaysburg	\$114	119	\$124	\$129	\$134	\$140	\$145
Southeastern					\$129	\$134	\$140
Average domiciliary care days per patient:							
Erie	262	274	287	301	316	325	335
Hollidaysburg	350	350	350	350	350	350	350
Southeastern			204	350	350	350	350
Cost per domiciliary care day:							
Erie	\$ 45	\$ 47	\$ 49	\$ 51	\$ 56	\$ 57	\$ 59
Hollidaysburg	\$ 87	\$ 90	\$ 94	\$ 98	\$102	\$106	\$110
Southeastern			\$160	\$165	\$130	\$110	\$115

Program Analysis:

The Department of Military Affairs is legally mandated to provide skilled nursing and domiciliary care for veterans who are disabled, indigent or in need of care. There are currently two veterans homes providing such care: the Soldiers and Sailors Home in Erie and the Veterans Home at

Hollidaysburg. The program receives assistance from the Federal Government at levels of \$7.30 per patient day for domiciliary care, \$17.05 per patient day for nursing home care, and \$6.00 per day for aid-in-attendance given directly to the patient. In addition, residents pay a maintenance fee

Domiciliary and Nursing Home Care (continued)

Program Analysis: (continued)

to help offset the costs of services rendered to them.

The expansion and renovations at Erie have resulted in a 175 bed facility and the provision of space for increased rehabilitation and therapy services. Increased staff has also been recommended in this budget to enable Erie to accept additional applicants to the domiciliary unit which which help decrease anticipated costs per day for domiciliary patients. The facility now provides 75 nursing care beds and 100 domiciliary beds.

The facility at Hollidaysburg is now providing both

domiciliary and nursing care services for 381 veterans.

Further hospital services will become available late 1986 at Spring City in Chester County as the site of the Southeastern Veterans Home. Seventy-five domiciliary beds should be available in November 1986 with an additional 75 on line for spring of 1987.

Additional details are provided in the Program Revision following this subcategory.

The projected measures for nursing and domiciliary care days are based on capacity rather than actual population.

The institutional populations for the prior, current and upcoming years are:

Institution	Projected July 1986 Capacity	Population July 1984	Population July 1985	Projected Population July 1986	Projected Percent of Capacity
Erie Soldiers and Sailors Home	175	138	148	165	95%
Hollidaysburg Veterans Home	381	376	378	378	99%
Southeastern Veterans Home					

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Erie Soldiers and Sailors Home	\$ 2,588	\$ 2,935	\$ 3,073	\$ 3,195	\$ 3,324	\$ 3,457	\$ 3,595
Hollidaysburg Veterans Home	7,821	8,474	8,314	8,647	8,992	9,352	9,726
Southeastern Veterans Home			1,922	2,305	8,412	8,748	9,098
GENERAL FUND TOTAL	\$ 10,409	\$ 11,409	\$ 13,309	\$ 14,147	\$ 20,728	\$ 21,557	\$ 22,419

**Domiciliary and Nursing Home Care
Program Revision: Southeastern Veterans Home**

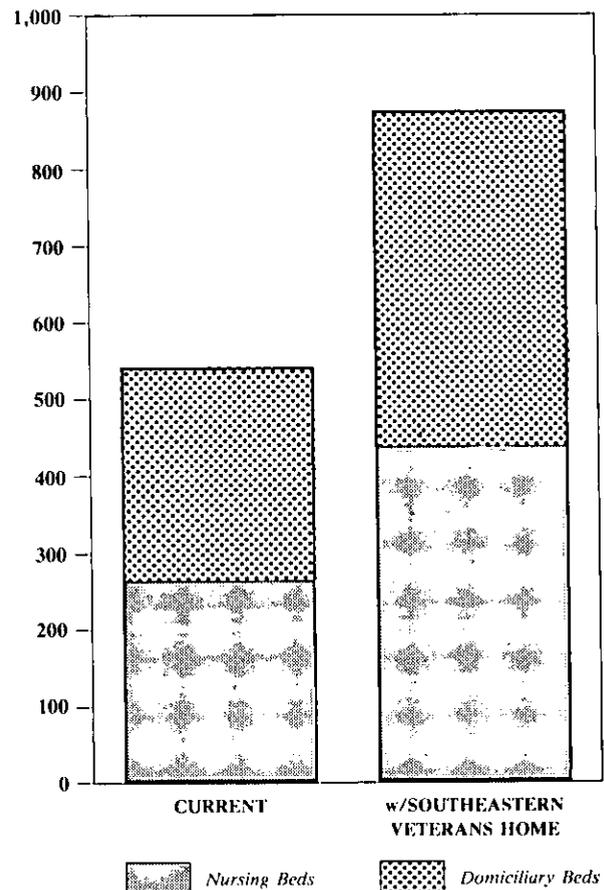
Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
State Funds			\$ 1,922	\$ 2,305	\$ 8,412	\$ 8,748	\$ 9,098

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Total number of beds in veterans homes							
Southeastern Veterans Home							
Current							
Program Revision			150	150	330	330	330
Population in homes:							
Southeastern Veterans Home							
Current							
Program Revision			143	143	314	314	314

**Veterans Homes Capacity
Before and After
Southeastern Veterans Home**



Program Analysis:

This \$1.94 million proposal provides for operational expenses for the Southeastern Veterans Home near Spring City, Chester County. Renovations are anticipated soon at 15 existing "cottages" which will provide domiciliary or living quarters for 150 veterans—75 of which should be ready for occupancy in late Fall, 1986 and 75 in the Spring of 1987. This project will result in a substantial increase in the total capacity of State veterans homes as shown on the chart below.

This Program Revision also provides for the renovation of New Horizons Hall into a 180 capacity facility for nursing care patients. This 180 bed facility will open July 1988.

The Pennhurst Center, which currently houses several hundred mentally retarded residents, is scheduled to be phased out for such use by January 1987 when the remaining residents are transferred to State-supported community living arrangements.

The Southeastern Veterans Home will be served by an extensive transportation network and is convenient for veterans of the greater Philadelphia area, and the whole of Eastern Pennsylvania. The region is served by two public transportation lines and the new Pottstown Expressway (U.S. 422).

**Domiciliary and Nursing Home Care
 Program Revision: Southeastern Veterans Home (continued)**

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Southeastern Veterans Home	<u>.....</u>	<u>.....</u>	<u>\$ 1,922</u>	<u>\$ 2,305</u>	<u>\$ 8,412</u>	<u>\$ 8,748</u>	<u>\$ 9,098</u>

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 8,925	\$ 9,208	\$ 9,597	\$ 9,961	\$ 10,339	\$ 10,733	\$ 11,143
Federal Funds	228	250	410	410	410	410	410
Other Funds	164	460	160	160	160	160	160
TOTAL	\$ 9,317	\$ 9,918	\$ 10,167	\$ 10,531	\$ 10,909	\$ 11,303	\$ 11,713

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Total number of armories.....	104	104	104	104	104	104	104
Operating buildings	267	267	267	267	267	267	267
Pennsylvania National Guard personnel ...	22,605	22,938	22,938	22,938	22,938	22,938	22,938
Percentage of authorized strength level	97%	100%	100%	100%	100%	100%	100%

Program Analysis:

This program provides for the administrative, logistical and training support necessary for the Pennsylvania National Guard to maintain the requisite readiness capability to serve during emergencies. Such emergencies may result in full or partial mobilization of the Pennsylvania National Guard for State service in the Commonwealth, or Federal service anywhere in the world. Costs for military equipment and supplies and training, such as monthly training assemblies and 15 days annual training, are funded 100 percent by the Federal Government. The Commonwealth is responsible for providing for the operation, maintenance and repair of the armories.

The readiness capability of Pennsylvania National Guard units is evaluated according to established Federal inspection and training standards. Of great concern is to have the Pennsylvania National Guard in top readiness condition in order to perform its State and Federal missions. The training of personnel is directly dependent upon the adequacy of the operation, maintenance and repair of Air National Guard bases and installations and numerous Army National Guard armories and support facilities. To provide a quicker and more effective response to State or Federal mobiliza-

tion, an emergency operation center ties in to appropriate agencies in times of statewide emergency.

Included within this program are those activities essential to operate a network of 104 community armories which serve as training locations for the National Guard units. These armories may also be utilized as mass care centers for disaster victims and to provide meeting and recreational facilities for local civic and youth organizations.

The majority of the 104 armories supported under this program have not been maintained adequately over the years. The armories have deteriorated and essential maintenance and repair projects have been deferred from year to year. For many years, annual requests for funds to reduce the backlog of essential maintenance and repair went unheeded. However, over the last several years, \$500,000 has been provided each year to reduce this backlog of essential maintenance and repair. This budget provides \$500,000 to continue to help reduce this backlog. Restoration of the armories is particularly important so that the life of these structures can be extended and the costs of new construction avoided. Additionally, funds have been provided for emergency repairs and utility cost increases at the armories.

Disaster Assistance (continued)

Program Analysis: (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 8,443	\$ 8,708	\$ 9,097	\$ 9,461	\$ 9,839	\$ 10,233	\$ 10,643
Armory Maintenance and Repair	482	500	500	500	500	500	500
TOTAL	<u>\$ 8,925</u>	<u>\$ 9,208</u>	<u>\$ 9,597</u>	<u>\$ 9,961</u>	<u>\$ 10,339</u>	<u>\$ 10,733</u>	<u>\$ 11,143</u>

Compensation and Assistance

OBJECTIVE: To provide advisory and financial assistance to eligible Pennsylvania veterans, National Guardsmen and their dependents.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 2,329	\$ 2,564	\$ 2,497	\$ 2,521	\$ 2,546	\$ 2,572	\$ 2,599

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Veterans in Pennsylvania	1,585,000	1,580,000	1,575,000	1,570,000	1,565,000	1,560,000	1,555,000
Recipients of veterans emergency assistance	17,765	18,000	18,000	17,500	17,000	16,500	16,000
Recipients of blind veterans pensions	143	143	141	155	155	155	155
Students receiving financial aid	91	91	91	100	110	120	130
Students completing courses of instruction .	20	20	30	35	35	35	35
National Guard personnel receiving educational financial aid	800	900	900	1,100	1,200	1,250	1,300

Program Analysis:

The Department of Military Affairs administers several aid programs within this subcategory.

Veterans Assistance — Temporary financial assistance is provided for eligible veterans, widows, widowers and dependents who are in need of financial assistance. Financial assistance is authorized for food, fuel, shelter and clothing and is limited to a period not exceeding three months. During fiscal year 1984-85 there were 17,765 veterans and their dependents assisted under this program. With the improved economy, future year projections should stabilize and eventually decline.

Blind Veterans Pension — This program provides pensions of \$100 per month for those Pennsylvania veterans who incurred functional blindness while performing active military service. During fiscal year 1984-85 there were 143 veterans receiving this pension.

National Guard Pensions — This program is responsible for the payment of a pension to guardsmen, widows and dependent families. A National Guardsman who is injured or otherwise disabled, or dies as a result of injuries or other disability received or contracted while performing duty in active service of the Commonwealth or in the performance of other State Military Duty under competent order or authority, is eligible. Current law provides for a monthly pensions for dependents to a maximum of \$300 per month for a period of ten years. In the case of minor children of

a deceased member, the pension is paid until the minor child reaches 18 years of age and a tuition credit of 50 percent at all State-owned universities or approved trade schools for a period not exceeding eight semesters or four years is also authorized for children of deceased guard personnel who are killed or die while on State active duty.

Education of Children of Deceased and Disabled Veterans — This program provides financial assistance of \$200 per semester to children of eligible deceased or 100 percent disabled veterans attending institutions of higher learning or other schools to receive higher education and/or training within the Commonwealth. This program is separate from any scholarship program administered by the Pennsylvania Higher Education Assistance Agency (PHEAA). During fiscal year 1984-85 there were 91 eligible veterans' children receiving the educational gratuity.

Education — National Guard — Act No. 152 of 1980 provides a tuition grant to certain members of the Pennsylvania National Guard who enroll in a Pennsylvania institution of higher learning, with degree-granting status as approved by the Department of Education. The grant will be one-half of the cost of the credit, with a maximum of \$40 per credit while satisfactorily enrolled. Assistance is limited to a maximum of six credits per quarter or semester or twelve credits per year.

Compensation and Assistance (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 536	\$ 550	\$ 600	\$ 624	\$ 649	\$ 675	\$ 702
Education of Veterans Children	45	75	75	75	75	75	75
Education — National Guard	295	305	305	305	305	305	305
Veterans Assistance	1,264	1,328	1,328	1,328	1,328	1,328	1,328
Blind Veterans Pensions	171	186	169	169	169	169	169
National Guard Pension	18	20	20	20	20	20	20
National Guard Unemployment Compensation .....	.....	100	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 2,329	\$ 2,564	\$ 2,497	\$ 2,521	\$ 2,546	\$ 2,572	\$ 2,599

Milk Marketing Board

The Milk Marketing Board supervises, inspects and regulates the milk industry of the Commonwealth and establishes reasonable trade control and marketing practices.

MILK MARKETING BOARD

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
Transfer to Milk Marketing Board	\$ 950	\$ 975	\$ 950
Underpayments to Dairy Farmers	2,650	.....	.....
GENERAL FUND TOTAL	<u>\$ 3,600</u>	<u>\$ 975</u>	<u>\$ 950</u>
 Milk Marketing Fund			
General Government			
General Operations	\$ 798	\$ 815	\$ 694
TOTAL STATE FUNDS	<u>\$ 798</u>	<u>\$ 815</u>	<u>\$ 694</u>
MILK MARKETING FUND TOTAL	<u>\$ 798</u>	<u>\$ 815</u>	<u>\$ 694</u>
 Department Total — All Funds			
General Fund	\$ 3,600	\$ 975	\$ 950
Special Funds	798	815	694
TOTAL ALL FUNDS	<u>\$ 4,398</u>	<u>\$ 1,790</u>	<u>\$ 1,644</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Milk Marketing Board			
State Funds	\$ 3,600	\$ 975	\$ 950

The Milk Marketing Board is a special fund agency financed from license fees, permit fees and fines. This General Fund appropriation is made to provide sufficient funds for the Board's operations. In 1984-85, General Fund monies were appropriated in order to aid farmers who were not paid by bankrupt producers. In 1985-86, \$25,000 was included for a one-time milk pricing study.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Transfer to Milk Marketing Board	\$ 950	\$ 975	\$ 950
Underpayments to Dairy Farmers	2,650	.....	.....
TOTAL	<u>\$ 3,600</u>	<u>\$ 975</u>	<u>\$ 950</u>

MILK MARKETING FUND

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Operations			
State Funds	\$ 798	\$ 815	\$ 694
Augmentations	950 ^a	975 ^a	950 ^a
TOTAL	<u>\$ 1,748</u>	<u>\$ 1,790</u>	<u>\$ 1,644</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)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Executive Authorization:			
General Operations	\$ 798	\$ 815	\$ 694
Augmentation:			
Transfer from General Fund	950	950	950
TOTAL	<u>\$ 1,748</u>	<u>\$ 1,790</u>	<u>\$ 1,644</u>

^aAugmentation includes the transfer from the General Fund, which is not carried forward to the Summary by Fund and Appropriation to avoid double counting.

MILK MARKETING BOARD

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Consumer Protection	\$ 4,398	\$ 1,790	\$ 1,644	\$ 1,644	\$ 1,644	\$ 1,644	\$ 1,644
Regulation of Milk Industry.....	4,398	1,790	1,644	1,644	1,644	1,644	1,644
DEPARTMENT TOTAL	<u>\$ 4,398</u>	<u>\$ 1,790</u>	<u>\$ 1,644</u>	$ 1,644	$ 1,644	$ 1,644	$ 1,644

Regulation of Milk Industry

OBJECTIVE: To maintain an adequate supply of wholesome fluid milk.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 3,600	\$ 975	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950
Special Funds	798	815	694	694	694	694	694
TOTAL	\$ 4,398	\$ 1,790	$ 1,644	$ 1,644	$ 1,644	$ 1,644	\$ 1,644

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Supply of fluid milk to demand for fluid milk	126%	126%	126%	126%	126%	126%	126%
Public hearings held	2	6	6	6	6	6	6
Licenses and permits issued	2,964	3,035	3,035	3,035	3,035	3,035	3,035
Dealer audits made to determine compliance with rules and regulations	1,858	1,950	1,950	1,950	1,950	1,950	1,950
Citations issued against license violators ...	126	70	70	60	60	60	60

Program Analysis:

A major new function of the Milk Marketing Board has emerged with the recent enactment of the Milk Producers' Security Act 136 of 1984. Under this act, in order to protect producers, each milk dealer must file with the Board either a corporate surety or a collateral bond. The bond must be in an amount equal to a minimum of 30 percent or a maximum of 75 percent of the highest aggregate amount owed by the dealer to producers during any 40 day period in the preceeding 12 months.

If a dealer elects to have the minimum bond of 30 percent as opposed to the maximum coverage of 75 percent, the dealer must also pay each month into the Milk Producers Security Fund two cents per hundredweight on all milk purchased from producers during the prior month. This fund, as well as bonds posted by dealers, are to be used to reimburse milk producers for payments owed them by any dealers declaring bankruptcy. Under certain financial conditions, a trusteeship arrangement for financially troubled dealers may be required by the Board.

The Board's major function continues to be that of insuring an adequate milk supply by the setting of minimum prices paid to farmers, minimum prices dealers can charge wholesale and retail customers, and minimum prices stores can charge consumers.

The regulation process is complicated by the existence of Federal Marketing Orders. The majority of Commonwealth farmers are covered by Federal Orders, which are prices established in Washington that must be paid to producers. Pennsylvania's Milk Marketing Board, however, establishes prices that must be paid to producers as well as minimum prices stores can charge consumers. The board also has the authority to set maximum prices, but as yet this has not been done.

In areas influenced by Federal Orders, the Federal Order pricing system is adopted by the board for minimum prices paid to producers. In these areas the Federal Order producer class price and the Pennsylvania Milk Marketing Board producer class price are the same.

For the consumer, the price for milk is set in a bracketing system so that depending on the marketing area, an eighteen or twenty cent increase or decrease in the producer price will increase or decrease the price of a gallon of standard milk two cents, a half-gallon one cent, and a quart one half-cent.

The ratio between the supply of fluid milk to demand for fluid milk is one of the board's key impact indicators. This ratio, based on a long-term established economic policy, assumes that when supplies of fluid milk approximate 125

Regulation of Milk Industry (continued)

Program Analysis: (continued)

percent of fluid sales a proper balance exists between supply and demand for milk. If the ratio exceeds the 125 percent level by more than eight percentage points, it alerts the board that supply is out of line with demand, calling for a review of producer and resale prices. Conversely, if the ratio drops by more than eight percentage points it alerts the board that demand is out of line with supply and producer prices should be reviewed to provide sufficient incentive to farmers for expanded production. The measurements used to construct this ratio are milk receipts for fluid consumption and fluid milk sales in Pennsylvania.

In addition to price policy, the Board licenses milk dealers of various classes, milk haulers, weighers and testers. The number of licenses and permits issued declined in 1984-85 and it is anticipated that the number of licenses and permits issued in the current and future years will decline slightly

due to mergers, incorporations, etc.

The number of public hearings held are based on market conditions during any fiscal year. During 1984-85, two hearings were held. The number of hearings decreased over previous estimates due to involvement with the Security Fund.

Dealer audits are performed to determine compliance with pertinent laws and regulations. The board also issues citations against license violators. As a result of Act 136, the new uniform system of accounts and the availability of unit cost data, the number of citations increased in 1984-85 as more violations were uncovered.

The 1984-85 and future year projections of citations reflect revised guidelines which emphasize serious violations and provide more severe penalties for these situations.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Transfer to Milk Marketing Fund	\$ 950	\$ 975	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950
Underpayments to Dairy Farmers	2,650	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 3,600</u>	<u>\$ 975</u>	<u>\$ 950</u>	$ 950	$ 950	$ 950	$ 950
MILK MARKETING FUND							
General Operations	<u>\$ 798</u>	<u>\$ 815</u>	$ 694	$ 694	$ 694	$ 694	<u>\$ 694</u>

Board of Probation and Parole

The Board of Probation and Parole rehabilitates and supervises persons on probation or parole, helping them to reintegrate within society. The board attempts to allow an early and controlled release of persons from correctional institutions as well as detect those who cannot adjust to the community. Beyond cases normally under the State's jurisdiction, State probation services and presentence investigations are provided upon request from the courts.

BOARD OF PROBATION AND PAROLE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 18,631	\$ 19,490	\$ 20,552
Grants and Subsidies			
Improvement of Adult Probation Services	\$ 3,236	\$ 7,000	\$ 8,500
TOTAL STATE FUNDS	<u>\$ 21,867</u>	<u>\$ 26,490</u>	<u>\$ 29,052</u>
Federal Funds	\$ 16	.....	.....
GENERAL FUND TOTAL	<u>\$ 21,883</u>	<u>\$ 26,490</u>	<u>\$ 29,052</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 18,631	\$ 19,490	\$ 20,552
Federal Funds	16	.....	.....
TOTAL	<u>\$ 18,647</u>	<u>\$ 19,490</u>	<u>\$ 20,552</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)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
General Government Operations	\$ 18,631	\$ 19,490	\$ 20,552
Federal Funds:			
NIC — Case Classification and Workload Management	9	.....	.....
NIC — State Local Probation Project	7	.....	.....
TOTAL	<u>\$ 18,647</u>	<u>\$ 19,490</u>	<u>\$ 20,552</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Improvement of Adult Probation Services			
State Funds	\$ 3,236	\$ 7,000	\$ 8,500

Assists counties in improving adult probation services by providing funds for probation officers who meet standards established by the board.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Improvement of Adult Probation Services	<u>\$ 3,236</u>	<u>\$ 7,000</u>	<u>\$ 8,500</u>

BOARD OF PROBATION AND PAROLE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 2,074	\$ 2,163	\$ 2,281	\$ 2,373	\$ 2,467	\$ 2,566	\$ 2,669
Control and Reduction of Crime	19,793	24,327	26,771	30,233	31,443	32,702	34,009
Reintegration of the Adult Offender	19,793	24,327	26,771	30,233	31,443	32,702	34,009
DEPARTMENT TOTAL	<u>\$ 21,867</u>	<u>\$ 26,490</u>	<u>\$ 29,052</u>	<u>\$ 32,606</u>	<u>\$ 33,910</u>	<u>\$ 35,268</u>	<u>\$ 36,678</u>

PROBATION AND PAROLE

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 2,074	\$ 2,163	\$ 2,281	\$ 2,373	\$ 2,467	\$ 2,566	\$ 2,669
Federal Funds	16	.....	.....	.....	.....	.....	.....
TOTAL	<u>\$ 2,090</u>	<u>\$ 2,163</u>	<u>\$ 2,281</u>	<u>\$ 2,373</u>	<u>\$ 2,467</u>	<u>\$ 2,566</u>	<u>\$ 2,669</u>

Program Analysis:

General Administration and Support provides the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by

the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	<u>\$ 2,074</u>	<u>\$ 2,163</u>	<u>\$ 2,281</u>	<u>\$ 2,373</u>	<u>\$ 2,467</u>	<u>\$ 2,566</u>	<u>\$ 2,669</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 19,793	\$ 24,327	\$ 26,771	\$ 30,233	\$ 31,443	\$ 32,702	\$ 34,009

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Probationers and parolees in case load:							
County	75,721	77,993	80,333	81,940	82,759	82,759	82,759
State	15,983	16,523	17,100	17,442	17,616	17,792	17,969
Inmates released on parole or reparole (new parolees)	3,702	3,688	3,824	3,831	3,866	3,887	3,915
Cases in which investigations were conducted:							
Preparole	5,734	5,655	5,894	5,889	5,950	5,979	6,024
Presentence	1,031	1,036	1,046	1,046	1,046	1,046	1,046
New parolees who continue/complete active supervision	2,665	2,655	2,715	2,720	2,745	2,760	2,780
And as a percent of new parolees	72%	72%	71%	71%	71%	71%	71%
New parolees likely to return to prison for technical violations and/or new offense	1,037	1,033	1,109	1,111	1,121	1,127	1,135
And as a percent of new parolees	28%	28%	29%	29%	29%	29%	29%
Average cases per parole officer	72	72	77	79	80	81	81

Program Analysis:

The Pennsylvania Board of Probation and Parole operates in a complex and interdependent criminal justice system in the Commonwealth. The primary functions of the board are to grant parole and supervise adult offenders with a maximum sentence of two years or more; revoke the parole of technical parole violators and criminal violators convicted of new crimes; and, discharge from parole clients under supervision who have fulfilled their sentences in compliance with the conditions governing parole. Under the direction of the county courts, cases with maximum sentences under two years can be certified to the State under special probation and parole supervision.

Among the 15,983 clientele under the board's supervision in June 1985, about 62 percent were State parolees. The remaining percentage of the State's caseload consisted of 23 percent County Court certifications to State supervision and

15 percent were out of state cases residing in Pennsylvania under the Interstate Compact Agreement. The State's caseload is 17 percent of the approximately 91,704 probationers and parolees in the Commonwealth. With the continued growth in prison populations in the Commonwealth, the probation and parole population will also continue to increase. Between fiscal year 1983-84 and 1984-85 county caseloads increased by 13.8 percent due in part to the "Driving Under the Influence" legislation.

The primary goal of the Board of Probation and Parole is to protect the community from crime through a supervision process. If an individual fails to meet the standards of conduct, the board acts to recommit the offender. In 1984-85, 1,563 technical and criminal parole violators were returned to prison. These violators were released at different points in time and therefore cannot be directly related to

Reintegration of the Adult Offender (continued)

Program Analysis: (continued)

the program measures, which only address the parolees released within any specified year.

The community-based correction system involves a supervision process consisting of client evaluation through background investigations, client counseling and referral to social service agencies, and client surveillance. There are five major types of investigative reports prepared by agents: pre-parole investigations, pre-sentence investigations, Pardon Board investigations, prison classification summaries and background investigations for other states' cases. During the 1984-85 fiscal year, approximately 9,496 major investigative reports were completed by agents. These case investigations constitute a major component of an agents workload beyond the requirements of supervising a caseload. The pre-parole investigation is the most prevalent type of investigation in the workload. There were 5,734 pre-parole investigations completed last fiscal year reflecting a 20 percent growth over the last three fiscal years. In contrast, pre-sentence investigations have remained comparatively stable and are not projected to increase in number if current practices remain constant.

The agency has developed many programs to deal with increasing caseloads. The most comprehensive effort implemented is a model program sponsored by the National Institute of Corrections to improve case classification and workload management. This innovative approach to resource management shifts attention for caseload management to a more objective framework of workload management. Two important elements underlie the system. First, major components of work have been subjected to time study and translated into a workload formula. Second, discretion in supervision case decision-making has been structured by both a) the use of a standard interview for case planning classification, and b) the use of uniform instruments for client risk assessment and case needs assessment for purposes of determining the level of supervision required. The result of a uniform classification system is the development of workload budgets, enabling managers to allocate work in a fair and efficient manner. The agency will thus be able to more effectively target limited manhours on the higher risk clientele as workloads increase.

The concepts of probation and parole ultimately are evaluated in terms of their cost-effectiveness in maximizing the number of offenders who adjust successfully to society. Probation and parole fail when an offender is returned to prison for new convictions and technical violations. It is the ability of agents to detect unstable or illicit behavior prior to the commission of a new crime, and subsequently to bring about revocation for technical violations, that affords the community maximum safeguards and, consequent-

ly, program effectiveness. A measure of program performance is the proportion of offenders who benefit from the rehabilitative effects of probation or parole, and subsequently become productive law abiding citizens in society. Agency performance is monitored by the tracking of parole outcome for one, two and three years after release. Statistics indicate that the likelihood of an individual failing supervision increases from 12 percent to 28 percent cumulative from the first to the third year of supervision. A failure to reintegrate is most likely to occur in the first year of parole; by the third year, one third of inmates will have been returned to prison.

The board has revised their data gathering standards to conform to national standards of reporting as evidenced by a new program measure - "new parolees continued/completed active supervision." The measure "new parolees likely to abscond" has been discontinued due to the above added measure.

One useful measure of program effectiveness is client employment which is an underlying factor effecting recidivism and has primary economic benefits to the Commonwealth. Employed offenders serving sentences on the street are taxpayers as well as tax burdens. The unemployment rate among offenders who were able to work in June, 1985 was relatively high at 30 percent. Major program efforts in terms of supervision priorities are being made to reduce the rate of unemployment in order to increase the economic benefits of probation and parole supervision. When examining correctional programming alternatives in terms of costs and benefits, it is noteworthy that probation and parole supervision provides tax revenue benefits over 9.9 million dollars per annum and also provide correctional services at a lower cost than incarceration. Comparable budgetary data reveals that it costs the Commonwealth approximately ten times less to supervise a client compared to housing an inmate in an institution.

In addition to the operation of State parole, the board has had the responsibility of administering a grant-in-aid program for the continuation and improvement of county adult probation personnel and services since 1966-67. The grant is only for the additional costs incurred by the counties for improvements made to probation agencies. In recent years the counties have made substantial improvements in their services.

Also included is \$100,000 to continue a program to provide individualized and specialized services to mentally retarded adult offenders, at the county level. The board will pay for the cost of probation offices and the Department of Public Welfare will provide funding to counties to hire social workers.

Reintegration of the Adult Offender (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 16,557	\$ 17,327	\$ 18,271	\$ 19,001	\$ 19,762	\$ 20,552	\$ 21,374
Improvement of Adult Probation Services	3,236	7,000	8,500	11,232	11,681	12,150	12,635
GENERAL FUND TOTAL	<u><u>\$ 19,793</u></u>	<u><u>\$ 24,327</u></u>	<u><u>\$ 26,771</u></u>	<u><u>\$ 30,233</u></u>	<u><u>\$ 31,443</u></u>	<u><u>\$ 32,702</u></u>	<u><u>\$ 34,009</u></u>

Public Television Network

The Public Television Network promotes and encourages public television in Pennsylvania. The network facilities provide services to the seven public television stations including the recording, storage, and delivery of programs and the interconnection of the stations for statewide program production and exchange. The network also administers a program of grants to support station operations, instructional television services, program production, and program acquisition.

PUBLIC TELEVISION NETWORK

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1986-87 State Funds (in thousands)
General Fund		
Public Television Station Grants	Public Television Improvements	\$ 1,000

This is the first year in a multi year program of matching funds for equipment at the seven public television stations of the network.

DEPARTMENT TOTAL	<u>\$ 1,000</u>
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PUBLIC TELEVISION NETWORK

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
Public Television Network — General Government Operations .	\$ 3,054	\$ 2,661	\$ 2,723
Public Television Network — Public Television Station Grants .	5,940	6,150	7,650
 GENERAL FUND TOTAL	<u>\$ 8,994</u>	<u>\$ 8,811</u>	<u>\$ 10,373</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 3,054	\$ 2,661	\$ 2,723

Promotes the growth and improvement of public television in Pennsylvania. Operates network facilities connecting the seven public television stations that allow a variety of programs to be broadcast simultaneously or separately.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
General Government Operations	<u>\$ 3,054^a</u>	<u>\$ 2,661</u>	<u>\$ 2,723</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Public Television Station Grants			
State Funds	\$ 5,940	\$ 6,150	\$ 7,650

Provides grants to the seven public television stations for operations, programming, instructional television, and station equipment.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Public Television Station Grants	<u>\$ 5,940^b</u>	<u>\$ 6,150</u>	<u>\$ 7,650</u>

^aActually appropriated as part of \$6,144,000 appropriation for operations.

^bActually appropriated as part of \$6,144,000 appropriation for operations and \$2,850,000 appropriation for program services.

PUBLIC TELEVISION NETWORK

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 3,054	\$ 2,661	\$ 2,723	\$ 2,832	\$ 2,945	\$ 3,063	\$ 3,186
General Administration and Support	3,054	2,661	2,723	2,832	2,945	3,063	3,186
Recreation and Cultural Enrichment	\$ 5,940	\$ 6,150	\$ 7,650	\$ 7,916	\$ 8,192	\$ 8,480	\$ 8,780
Public Television Services	5,940	6,150	7,650	7,916	8,192	8,480	8,780
DEPARTMENT TOTAL	<u>\$ 8,994</u>	<u>\$ 8,811</u>	<u>\$ 10,373</u>	<u>\$ 10,748</u>	<u>\$ 11,137</u>	<u>\$ 11,543</u>	<u>\$ 11,966</u>

General Administration and Support

OBJECTIVE: To provide for the development and coordination of noncommercial public television in Pennsylvania.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	<u>\$ 3,054</u>	<u>\$ 2,661</u>	<u>\$ 2,723</u>	<u>\$ 2,832</u>	<u>\$ 2,945</u>	<u>\$ 3,063</u>	<u>\$ 3,186</u>

Program Analysis:

The Pennsylvania Public Television Network Commission, created in 1968, governs the public television network, performs statewide coordinating functions, and makes grants for various purposes to each of the stations. Through the network each station has access to programs produced by other Pennsylvania stations as well as programs acquired from outside sources.

The basic duties of the PPTN Commission are operation of the network interconnection service and aid to the network stations for broadcast operations, instructional television services, programming and capital facilities. The network operation provides statewide promotion and audience research services, guidance and coordination for special projects such as instructional television, and leadership of the system through the commission.

The microwave system linking the stations and the network operating center in Hershey is the only system in the Commonwealth permitting the full time distribution of video signals to the major population centers of the Commonwealth. The system is used for the distribution of programming, however, because of the nature of television broadcasting operations, significant time periods can be identified in which the system can be made available for other uses. The network commission's initiative to promote and support the use of the system for video-conferencing by State agencies will continue in 1986-87 resulting in a reduction of travel time and expense for State agencies.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 3,054	\$ 2,661	\$ 2,723	\$ 2,832	\$ 2,945	\$ 3,063	\$ 3,186
GENERAL FUND TOTAL	<u>\$ 3,054</u>	<u>\$ 2,661</u>	<u>\$ 2,723</u>	<u>\$ 2,832</u>	<u>\$ 2,945</u>	<u>\$ 3,063</u>	<u>\$ 3,186</u>

Public Television Services

OBJECTIVE: To provide for the development and support of Pennsylvania's noncommercial public television stations.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	<u>\$ 5,940</u>	<u>\$ 6,150</u>	<u>\$ 7,650</u>	<u>\$ 7,916</u>	<u>\$ 8,192</u>	<u>\$ 8,480</u>	<u>\$ 8,780</u>

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Households watching public television at least once a week	1,803,000	1,835,000	1,845,000	1,875,000	1,890,000	1,920,000	1,950,000
Contributing memberships	217,000	220,000	235,000	245,000	250,000	260,000	270,000
Original programming as a percentage of total broadcasting	6.1%	6.1%	6.0%	5.8%	5.6%	5.5%	5.4%

Program Analysis:

The Pennsylvania Public Television Network (PPTN) links the seven independent noncommercial television stations in Pennsylvania to create a system in which the stations provide programming through independent and group efforts to the people of Pennsylvania. The stations are located in Bethlehem, Erie, Philadelphia, Pittsburgh, Pittston, University Park, and Harrisburg.

On the average, each PPTN member station offers 6,000 hours of programming a year which includes instructional programming selected by teachers and administrators for use in Pennsylvania's elementary and secondary classrooms. Subject matter of the seventy plus series ranges from current affairs and science to music, art and Pennsylvania history and culture. The broadcast schedule also provides programs for children not yet in school or for viewing after school hours. Series such as Sesame Street, 3-2-1 Contact, Reading Rainbow, Mister Roger's Neighborhood, The Electric Company and many others, not only entertain but help instruct. Audience research shows that about 80 percent of all children between the ages of two and five are regular viewers of public television programming. Approximately half of each station's schedule provides general and special interest programming for families and adults. Quality music, drama and dance performances are regular evening features. Public affairs programs examine local, State, national and global issues and events. Special interests are served with programs ranging from gardening and college courses to physical fitness and ethnic or cultural interests. Each sta-

tion develops its schedule to serve the needs of Pennsylvanians within its viewing area, making use of programs from all available sources.

Funding for non-commercial public television in Pennsylvania comes from several sources: foundations, business and industry, 26.9 percent; members and contributors, 33.6 percent; universities, schools and local government, 4.8 percent; Commonwealth appropriations to the PPTN Commission, 17.7 percent; Federal funds through the Corporation for Public Broadcasting and other Federal programs, 14.2 percent; and 2.8 percent from other miscellaneous sources.

The Instructional Television (ITV) initiative which provides funds to the stations to support the costs of delivering instructional television to the school districts, is being continued in the budget year. In this program, the Department of Education provides the instructional programming for distribution, such as the "Science Unlimited" project now in use. The programs are keyed to the competencies required at each grade level.

The services provided by stations include the personnel and operating costs of broadcast and the duplication and distribution costs of delivering instructional television materials to school districts. The ITV personnel at stations coordinate and/or conduct teacher training workshops, compile and distribute teacher guides, arrange preview sessions for program evaluation, and work with school and Intermediate Unit personnel in the selection, coordination, scheduling, and evaluation of the programming.

Public Television Services (continued)

Program Analysis: (continued)

One of the important services provided by public television stations is the production and statewide broadcast of programs and series which respond to the needs and interests of concerned Pennsylvanians in areas such as public affairs, culture, recreation and education. The key purpose of this programming is to provide information which will give viewers an opportunity to analyze and understand the issues and options and will provide for informed participation in the resolution of Pennsylvania's problems. The programming appropriation provides for the costs of television production.

Public broadcasting is the only communications medium

which binds the State's four corners together and there is evidence that indicates that public television is serving more Pennsylvanians than ever before. Membership income over the last five years has increased by 92 percent in Pennsylvania and totals more than \$10,000,000. Economic development, human services, community conservation, criminal justice, and job training are the top priorities of government for the 1986-87 fiscal year. Public television programming can assist in bringing understanding to these topics so that the electorate may reach an informed consensus.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Public Television Station Grants	<u>\$ 5,940</u>	<u>\$ 6,150</u>	<u>\$ 7,650</u>	<u>\$ 7,916</u>	<u>\$ 8,192</u>	<u>\$ 8,480</u>	<u>\$ 8,780</u>

**Public Television Services
Program Revision: Public Television Improvements**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	<u>.....</u>	<u>.....</u>	<u>\$ 1,000</u>	$ 1,000	$ 1,000	$ 1,000	$ 1,000

Program Analysis:

Public television stations in Pennsylvania, most of which came into being about twenty years ago, are facing major expenditures for replacement of aging equipment. This problem of decaying infrastructure is resulting in production delays, increased time spent on equipment maintenance due to a lack of parts availability, and increased frequency of transmitter, antenna, and transmission line failure.

The stations are finding that while their fund raising efforts for program acquisition and station operations are fairly successful, they are substantially less successful in generating public interest in contributions for basic equipment needs.

Federal support through the Public Telecommunications Facilities Program has been explored for these needs but other priorities of that program have diminished funding

for basic replacement for the foreseeable future.

While the grants provided to the stations through the Pennsylvania Public Television Network (PPTN) Commission include some funds for modest equipment upgrading, the demand for equipment replacement is so great that a major additional funding program has become necessary.

The PPTN Commission has identified specific equipment needs at each station. Funds are provided in this budget to begin a multi-year program to help meet the most pressing station equipment needs. Local matching of at least twenty percent of those funds is encouraged.

The national reputation of Pennsylvania public television and the quality of viewing for Commonwealth residents will be maintained by this program revision.

Program Revision Cost by Appropriation

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Public Television Station Grants	<u>.....</u>	<u>.....</u>	<u>\$ 1,000</u>	$ 1,000	$ 1,000	$ 1,000	$ 1,000

Public Utility Commission

The Public Utility Commission insures that safe and adequate public utility services are available at fair and reasonable rates. This is accomplished through enforcement of the Public Utility Law and promulgation of regulations adopted by the Commission.

The Commission is comprised of five members appointed by the Governor with Senate confirmation.

The dollar amounts shown are not appropriations from the General Fund. The Commission receives a budgetary authorization ceiling and then bills the utilities for the amounts of the approved estimate of expenditures and expends directly from the funds collected.

PUBLIC UTILITY COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
Federal Funds	\$ 380	\$ 549	\$ 662
Restricted Revenue	22,525	24,290	24,510
GENERAL FUND TOTAL	<u>\$ 22,905</u>	<u>\$ 24,839</u>	<u>\$ 25,172</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
Federal Funds	\$ 380	\$ 549	\$ 662
Restricted Revenue	22,525	24,290	24,510
TOTAL	<u>\$ 22,905</u>	<u>\$ 24,839</u>	<u>\$ 25,172</u>

Protects the consumer by regulating the rates charged by the public utility companies and by developing a comprehensive, long-range plan to assure adequate utility capacity for the future. Inspects railroad grade crossings to insure compliance with safety standards.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Federal Funds:			
Natural Gas Pipeline Safety	\$ 140	\$ 140	\$ 140
Railroad Safety	240	149	262
Motor Carrier Safety .....	. . . .	260	260
Restricted Revenue:			
General Government Operations ^a	22,525	24,290	24,510
TOTAL	<u>\$ 22,905</u>	<u>\$ 24,839</u>	<u>\$ 25,172</u>

^aAppropriation from a restricted revenue account.

PUBLIC UTILITY COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Consumer Protection
Regulation of Public Utilities ^a
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPARTMENT TOTAL	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

^aAll 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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Federal Funds	\$ 380	\$ 549	\$ 662	\$ 672	\$ 704	\$ 727	\$ 745
Other Funds	22,525	24,290	24,510	25,490	26,510	27,570	28,673
TOTAL	\$ 22,905	\$ 24,839	\$ 25,172	\$ 26,162	\$ 27,214	\$ 28,297	\$ 29,418

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Utilities regulated:							
Electric	17	17	17	17	17	17	17
Others	4,806	4,846	4,874	4,901	4,930	4,952	4,975
Rate increases requested (millions):							
Electric	645	1,042	395	1,050	450	1,100	480
Others	100	664	412	667	529	734	563
Rate increases approved: (millions):							
Electric	207	438	166	441	189	462	201
Others	48	295	186	294	240	322	252
Service Termination Mediations	15,627	14,639	13,821	13,407	13,004	12,608	12,219
Audits conducted:							
Financial	30	30	30	32	32	34	34
Energy/Fuel	77	76	76	76	76	76	76
Management	3	4	5	6	6	7	7
Consumer complaints investigated	6,185	6,804	7,485	8,234	9,058	9,898	10,100
Rail safety investigations conducted	54,593	51,600	52,000	52,400	52,600	52,600	52,600
Motor safety compliance checks	5,285	5,400	5,480	5,520	5,520	5,520	5,560
Gas safety inspections and investigations...	1,009	1,100	1,100	1,100	1,100	1,100	1,100

Program Analysis:

The Pennsylvania Public Utility Commission's responsibilities and the service which it performs as an arm of the General Assembly are to further the intent of that legislative body, as expressed in the Public Utility Code, that safe and adequate service be available to the public at fair and reasonable rates.

The types of utilities regulated are electric, gas, steam heat, water, telephone, telegraph, and sewage-collection and disposal services; transportation of passengers and property by railroad, aircraft, boat, ferry, and motor carrier; and transportation of certain products by pipeline.

In addition to its primary duty of ensuring that adequate service at reasonable rates is available to the public, the Commission is required or empowered to:

- prescribe rates for common carriers by motor vehicle, and to establish accounting and service requirements for them;
- regulate the formation, merger, and consolidation of public utilities;
- determine whether a public utility should be permitted to discontinue service to the public other than for non-payment for service rendered;

Regulation of Public Utilities (continued)

Program Analysis: (continued)

- regulate the crossing of public highways by the facilities of public utilities;
- inspect the properties, test the equipment and examine the books and other records of utilities;
- prescribe systems of account for public utilities;
- determine whether the issuance of utility stocks and long-term debt by public utilities is necessary or proper for the present and probable future capital needs of the utilities;
- inquire into the reasonableness, from the point of view of the public interest, of contracts between public utilities and municipalities, and of contracts for services between public utilities and their affiliates; and
- assess all its expenses on utilities in accordance with Act 33 of March 3, 1972.

In 1984, the responsibilities of the Commission were increased by Acts 74, 123, and 234. Act 74 provided additional requirements for regulating the rates of natural gas utilities. Act 123 requires the Commission to determine the necessity and propriety of any construction costs of an electric generating unit which is expected to require the affected utility to incur an aggregate of at least \$10,000 of capital expenses. Act 234 provides additional requirements for audit for the conversion of generating units from oil or gas to coal

and for the recovery of conversion costs, and for the approval of the construction of generating units fueled by nuclear energy, oil, or natural gas.

The program measures for the commission reflect both the volume of overall activity and the dollar value of rate requests approved. Some of the measures differ significantly from estimates shown in last year's budget. There was a substantial decrease in rate increases requested and approved for all utilities for fiscal year 1984. The percentage of rate increases approved was also lower than the historical average of approximately 55-60 percent. These declines are largely attributable to changing economic conditions. Rate requests historically have tended to rise and fall dramatically from year to year, a tendency that is reflected in the future year projections.

The total number of fixed utility audits was also less than anticipated in fiscal year 1984, due to an increase in complexity of the audits and to changing priorities. The audits of energy/fuel utilities did not decline, however, because the level of these audits is set by law.

The number of consumer complaints investigated was also slightly lower than projections, however, this measure is expected to increase as consumers become more aware of the services of the commission in this area.

DEPARTMENT OF PUBLIC WELFARE

The Department of Public Welfare provides financial assistance and medical services to the economically dependent through public assistance grants and medical assistance payments, provides care, treatment and rehabilitation to the socially, mentally and physically disabled; and engages in activities, including education and research, which serve to prevent or reduce economic, social, mental and physical disabilities.

Services are provided directly through administration of program services and indirectly through programs of standard setting, regulation, supervision, licensing, grants subsidies and purchase of services.

The public welfare system is headed by a Secretary who is served by an Advisory Public Welfare Board.

The actual delivery of welfare services is executed through regional offices, county boards of assistance and various types of institutions.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1986-87 State Funds (in thousands)
State Centers for the Mentally Retarded	P11—Food Services Renovations — Selinsgrove	\$ 1,600 ^a
	This Productivity Improvement Initiative will provide improvements to the food services operation at Selinsgrove State Center.	
Medical Assistance— Community Mental Health	Medical Assistance — Community Mental Health	\$ 30,622
Community Mental Health	Medical Assistance — Community Mental Health	644
	Subtotal	<u>\$ 31,266</u>
	This Program Revision will provide for the transfer of Medical Assistance ambulatory psychiatric services to the community mental health system.	
Community Mental Health	Preventing Teen Suicide	\$ 858 ^b
	This Program Revision will create new programs and/or expand existing ones to meet the comprehensive needs of teenagers.	
Community Mental Health	Community Mental Health Expansion	\$ 10,000
	This Program Revision will significantly expand the provision of community mental health services.	
State Centers for the Mentally Retarded	Community Mental Retardation Partnership	\$ -4,272
Community Based Services— Mentally Retarded	Community Mental Retardation Partnership	3,278
Community Residential Services—Mentally Retarded	Community Mental Retardation Partnership	5,844
Intermediate Care Facilities— Mentally Retarded	Community Mental Retardation Partnership	1,200
	Subtotal	<u>\$ 6,050</u>
	This Program Revision will provide for expansion and comprehensive changes in the delivery of community services for the mentally retarded.	
Human Services Development Fund	Services for Multiple Needy Clients	\$ 2,000
	This Program Revision will provide grants to develop a model coordinated service system for Multiple Needy Clients.	
	DEPARTMENT TOTAL	<u><u>\$ 51,774</u></u>

^aThis is only one of numerous Productivity Improvement Initiatives which are being provided one-time funding to achieve long-term cost savings and efficiency benefits. The entire Program Revision Request is summarized in Volume I.

^bIn addition \$392,000 is budgeted in the Department of Health, Prevention/Intervention of Drug and Alcohol Abuse Subcategory making the total Program Revision \$1,250,000.

DEPARTMENT OF PUBLIC WELFARE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
General Fund			
General Government			
General Government Operations	\$ 18,220	\$ 18,604	\$ 17,791 ✓
Monitoring Community Residential Contracts	100	100	108 ✓
Information Systems	22,975	25,205	25,318 ✓
County Assistance Offices	145,000	153,347	159,616 ✓
County Administration — Statewide	25,208	25,878	26,461 ✓
Program Accountability	7,454	7,114	7,347 ✓
Pennsylvania Employment Program	6,109	6,400	6,483 ✓
Services for the Visually Handicapped	5,533	5,402	5,510 ✓
Subtotal	\$ 230,599	\$ 242,050	\$ 248,634
 Institutional			
Youth Development Centers and Forestry Camps	\$ 26,525	\$ 27,217	\$ 27,846 ✓
State General Hospitals	11,728	8,000	1 ✓
State General Hospital — Connellsville	4,500	.....	.....
State General Hospital — Philipsburg .....	.....	2,000	.....
State Mental Hospitals	305,881	304,578	292,590 ✓
State Centers for the Mentally Retarded	122,661	104,860	103,924 ✓
Subtotal	\$ 471,295	\$ 446,655	\$ 424,361
 Grants and Subsidies			
Cash Grants	\$ 559,222	\$ 576,633	\$ 576,146 ✓
Medical Assistance — Transportation	13,700	10,535	10,535 ✓
Medical Assistance — Outpatient	233,254	275,225	229,090 ✓
Medical Assistance — Inpatient	468,746	465,011	433,909 ✓
Medical Assistance — Capitation Program	4,749	18,507	79,986 ✓
Long-Term Care Facilities	122,377	135,570	143,043 ✓
Supplemental Security Income	46,808	51,311	53,675 ✓
Community Mental Health Services	98,036	110,315	125,244 ✓
Medical Assistance — Community Mental Health .....	.....	.....	30,622 ✓
Eastern Pennsylvania Psychiatric Institute	6,651	6,776	6,776 ✓
Community Based Services — Mentally Retarded	48,593	60,233	68,891 ✓
Elwyn Institute	240	200	200 ✓
Community Residential Services — Mentally Retarded	113,519	126,501	133,032 ✓
Philadelphia Association for Retarded Citizens	208	208	208 ✓
Intermediate Care Facilities — Mentally Retarded	28,515	35,015	45,254 ✓
Early Intervention	15,100	15,700	16,328 ✓
Beacon Lodge Camp — Blind Services	35	40	40 ✓
Rudolphy Residence for the Blind .....	.....	160	.....
Overbrook School for the Blind .....	.....	150	.....
County Child Welfare Programs	118,644	116,250	119,988 ✓
Day Care Services	16,885	23,000	24,000 ✓
Arsenal Family and Children's Center — Pittsburgh	104	106	106 NP
Home for Crippled Children — Pittsburgh	520	530	530 NP
Childrens Heart Hospital — Philadelphia	1,238	1,563	1,563
Mercy Hospital Study .....	.....	200	.....

DEPARTMENT OF PUBLIC WELFARE

Summary by Fund and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Grants and Subsidies (continued)			
Western Psychiatric Institute and Clinic	\$ 6,136	\$ 6,522	\$ 6,522 ^W
Adult Services Block Grant	1,855	.....	.....
Domestic Violence and Rape Crisis	1,881	.....	.....
Domestic Violence .....	.....	1,773	2,729 ✓
Rape Crisis .....	.....	665	895 ✓
Breast Cancer Screening .....	.....	100	100 ✓
Legal Services	1,000	1,500	1,500 ✓
Human Services Development Fund .....	.....	2,000	4,543 ✓
Attendant Care .....	.....	500	1,020 ✓
Bridge Housing .....	.....	2,000	2,000 ✓
Subtotal	<u>\$1,908,016</u>	<u>\$2,044,799</u>	<u>\$2,118,475</u>
TOTAL STATE FUNDS	<u>\$2,609,910</u>	<u>\$2,733,504</u>	<u>\$2,791,470</u>
Federal Funds	\$2,178,517	\$2,337,185	\$2,313,502
Augmentations	161,053	163,798	148,910
GENERAL FUND TOTAL	<u>\$4,949,480</u>	<u>\$5,234,487</u>	<u>\$5,253,882</u>
Lottery Fund			
Grants and Subsidies			
Medical Assistance — Long-Term Care	\$ 140,000	\$ 140,000	\$ 140,000
Medicare Part B Payments	8,000	8,182	8,528
Pre-Admission Assessment	1,639	1,653	1,973
Supplemental Grants to the Aged	17,600	17,600	17,600
Community Mental Retardation Services — Elderly .....	.....	2,200	2,200
Subtotal	<u>\$ 167,239</u>	<u>\$ 169,635</u>	<u>\$ 170,301</u>
TOTAL STATE FUNDS	<u>\$ 167,239</u>	<u>\$ 169,635</u>	<u>\$ 170,301</u>
Federal Funds	\$ 1,638	\$ 1,652	\$ 1,973
LOTTERY FUND TOTAL	<u>\$ 168,877</u>	<u>\$ 171,287</u>	<u>\$ 172,274</u>
Department Total — All Funds			
General Fund	\$2,609,910	\$2,733,504	\$2,791,470
Special Fund	167,239	169,635	170,301
Federal Funds	2,180,155	2,338,837	2,315,475
Augmentations	161,053	163,798	148,910
DEPARTMENT TOTAL	<u>\$5,118,357</u>	<u>\$5,405,774</u>	<u>\$5,426,156</u>
Other Funds	\$ 6,264	\$ 203	.....
TOTAL ALL FUNDS	<u>\$5,124,621</u>	<u>\$5,405,977</u>	<u>\$5,426,156</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 41,295	\$ 43,909	\$ 43,217
Federal Funds	55,712	69,739	70,686
Augmentations	1,127	1,818	1,286
TOTAL	\$ 98,134	\$ 115,466	\$ 115,189

Provides the administrative and support systems for the operation of the various substantive health, social and economic development programs. Directs the development and implementation of the Commonwealth health, social and economic development policies and programs.

Provides direction and overhead support for youth development centers, general hospitals, institutions for the retarded, institutions for the mentally ill, and information systems.

Provides overall planning and direction for a comprehensive social services system.

Promotes the reduction of ill health among Pennsylvania residents by licensing and regulating selected medical facilities, and provides direction for health programs for Pennsylvania residents who are unable to purchase adequate health care services.

Provides the overall planning and direction for individuals striving to attain and maintain a minimally acceptable level of living.

Provides funding for the monitoring of providers of community residential services to the mentally retarded.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
General Government Operations	\$ 18,220	\$ 18,604	17,791
Information Systems	22,975	25,205	25,318
Monitoring Community Residential Contracts	100	100	108
Federal Funds:			
Child Welfare Services	2,277	2,277	2,277
Rehabilitation Services and Facilities Administration	640	640	640
Medical Assistance — Administration	13,131	14,985	15,175
Maintenance Assistance — Training	40		
Social Services Block Grant — Administration	6,021	5,850	5,670
Maintenance Assistance Administration	4,808	4,676	5,255
Food Stamps	1,689	2,073	2,327
ESEA, Title I — Administration	324	363	375
Developmental Disabilities Basic Support	3,155	3,723	3,723
Refugees and Persons Seeking Asylum	36	275	132
Long-Term Care Channeling	773		

GENERAL FUND

PUBLIC WELFARE

<i>Source of Funds (continued)</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Federal Funds: (continued)			
Mental Health Community Services	\$ 164	\$ 384	\$ 284
Manpower Development — Mental Health	171	202	158
Assistance Payments Demonstration Grant	164	.....	.....
Maintenance Assistance — Information Systems	7,815	10,819	11,082
Medical Assistance — Information Systems	11,257	18,127	18,986
Food Stamps — Information Systems	2,613	3,957	3,723
Child Support Enforcement — Information Systems	216	720	356
Alcohol and Drug Abuse and Mental Health Services Block Grant	418	250	250
Children and Youth Community Mental Services .....	.....	148	148
Special Needs Adoption .....	.....	125	125
Child and Adolescent Services .....	.....	145	.....
Augmentations:			
Reimbursement for Institutional Collections	580	650	628
Services to Other Agencies	76	78	78
Management Development Services	471	490	580
Vendor Payments — IRS .....	.....	600	.....
TOTAL	\$ 98,134	\$ 115,466	\$ 115,189

County Administration	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 183,771	\$ 192,739	\$ 199,907
Federal Funds	181,685	195,597	202,586
Augmentations	380	428	445
TOTAL	\$ 365,836	\$ 388,764	\$ 402,938

Provides staff to determine eligibility to receive cash grants, medical assistance and food stamps. Provides the social and employment services intended to strengthen family life and help persons realize their maximum potential for achieving self-sufficiency. Program Accountability provides staff to make collections from financially responsible relatives of recipients as well as audit various public assistance programs.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
County Administration — Statewide	\$ 25,208	\$ 25,878	\$ 26,461
County Assistance Offices	145,000	153,347	159,616
Program Accountability	7,454	7,114	7,347
Pennsylvania Employment Program	6,109	6,400	6,483

<i>Source of Funds (continued)</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Federal Funds:			
Maintenance Assistance — County Administration	\$ 4,690	\$ 5,400	\$ 7,029
Medical Assistance — County Administration	19,229	21,360	23,486
Food Stamps — County Administration	5,557	6,256	5,962
Social Services Block Grant — County Assistance Offices	14,498	14,498	14,498
Maintenance Assistance — County Assistance Offices	45,890	45,619	48,295
Medical Assistance — County Assistance Offices	19,060	20,433	20,992
Food Stamps — County Assistance Offices	22,569	24,864	25,633
Maintenance Assistance — Program Accountability	1,254	1,408	1,485
Child Support Enforcement — Program Accountability	34,828	37,978	39,508
Food Stamps — Program Accountability	1,633	1,831	1,929
Medical Assistance — Program Accountability	500	627	660
Work Incentive Program — Pennsylvania Employment Program	11,840	11,904	12,086
Food Stamp Job Search Project	89	.	.
Work Saturation Project	48	919	1,023
Social Services Block Grant — SSI Advocacy .....	.	2,500	.
Augmentations:			
Fee for Material from Outside Vendors	15	20	20
Child Support Receipts	365	408	425
TOTAL	<u>\$ 365,836</u>	<u>\$ 388,764</u>	<u>\$ 402,938</u>

Low Income Home Energy Assistance Block Grant	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Federal Funds	\$ 140,468	\$ 133,500	\$ 134,700

Provides funds for services to assist eligible households in meeting the costs of home energy. The amount of benefits to an eligible household varies according to income, family size and weather region. Benefits are provided through direct payments to fuel suppliers or cash payments to those households which pay for heat in their rents. Outreach activities are conducted to ensure that eligible households are aware of available energy assistance.

GENERAL FUND

PUBLIC WELFARE

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Federal Funds:			
Low-Income Home Energy Assistance Block Grant —			
Administration	\$ 11,968	\$ 12,500	\$ 12,000
Low-Income Home Energy Assistance Block Grant	127,500	121,000	122,700
Oil Overcharge — Low Income Energy Assistance	1,000	.....	.....
TOTAL	<u>\$ 140,468</u>	<u>\$ 133,500</u>	<u>\$ 134,700</u>

Visually Handicapped Services	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 5,533	\$ 5,402	\$ 5,510
Federal Funds	5,041	5,940	6,171
Augmentations	1	.....	.....
TOTAL	<u>\$ 10,575</u>	<u>\$ 11,342</u>	<u>11,681</u>

Provides remedial eye care, vocational rehabilitation for persons who are visually handicapped, grants to vocational rehabilitation agencies and funding for the operation of the six district offices for the visually handicapped.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Visually Handicapped Services	\$ 5,533	\$ 5,402	\$ 5,510
Federal Funds:			
Rehabilitation Services and Facilities for the Blind — Basic			
Support	4,966	5,625	5,850
Vocational Rehabilitation Services for Social Security Disability			
Beneficiaries	50	130	133
Vocational Rehabilitation Services for Supplemental Security			
Income Recipients	25	145	148
Rehabilitation Services .....	.....	40	40
Augmentations:			
Visually Handicapped—Miscellaneous	1	.....	.....
TOTAL	<u>\$ 10,575</u>	<u>\$ 11,342</u>	<u>\$ 11,681</u>

INSTITUTIONAL

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Youth Development Centers and Forestry Camps			
State Funds	\$ 26,525	\$ 27,217	\$ 27,846
Federal Funds	2,236	2,267	525
Augmentations	12	55	55
TOTAL	\$ 28,773	\$ 29,539	\$ 28,426

Maintains a system to socially rehabilitate and train youths, ages 10 to 18, committed as delinquent by the courts, to meet acceptable standards of behavior and to increase their readiness to return to school or jobs.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Total Expenditures by Institution			
YDC Cornwells Heights			
State Funds	\$ 7,912	\$ 7,673	\$ 7,849
Federal Funds	620	592	147
Augmentations	1	4	4
TOTAL	\$ 8,533	\$ 8,269	\$ 8,000
YDC Loysville			
State Funds	\$ 5,440	\$ 5,833	\$ 5,975
Federal Funds	459	600	106
Augmentations	7	43	43
TOTAL	\$ 5,906	\$ 6,476	\$ 6,124
YDC New Castle			
State Funds	\$ 9,751	\$ 10,105	\$ 10,339
Federal Funds	751	749	177
Augmentations	3	6	6
TOTAL	\$ 10,505	\$ 10,860	\$ 10,522
YF Camp 2 — Hickory Run			
State Funds	\$ 2,240	\$ 2,422	\$ 2,476
Federal Funds	240	179	56
Augmentations .....	.....	.....	.....
TOTAL	\$ 2,480	\$ 2,601	\$ 2,532
YF Camp 3— Trough Creek			
State Funds	\$ 1,182	\$ 1,184	\$ 1,207
Federal Funds	166	147	39
Augmentations	1	2	2
TOTAL	\$ 1,349	\$ 1,333	\$ 1,248

GENERAL FUND

PUBLIC WELFARE

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Youth Development Centers and Forestry Camps	\$ 26,525	\$ 27,217	\$ 27,846
Federal Funds:			
Social Services Block Grant— Youth Centers	1,841	1,550	.....
Food Nutrition Service	384	510	525
Juvenile Justice and Delinquency Prevention	11	207	.....
Augmentations:			
Cafeteria Receipts	12	55	55
TOTAL	<u>\$ 28,773</u>	<u>\$ 29,539</u>	<u>\$ 28,426</u>

State General Hospitals	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 16,228	\$ 10,000	\$ 1
Federal Funds	45,756	52,158	19,495
Augmentations	34,145	35,317	13,830
TOTAL	<u>\$ 96,129</u>	<u>\$ 97,475</u>	<u>\$ 33,326</u>

Provides hospitalization and other medical services to people in formerly depressed areas of the Commonwealth. The current trend is toward reducing financial dependency upon the Commonwealth by having the various communities assume full financial responsibility for the hospitals.

Total Proposed Expenditures by Hospital:	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Ashland			
State Funds	\$ 1,778	\$ 679	.....
Federal Funds	7,240	10,969	8,552
Augmentations	5,864	9,105	6,088
TOTAL	<u>\$ 14,882</u>	<u>\$ 20,753</u>	<u>\$ 14,640</u>
Coaldale			
State Funds	\$ 834	\$ 907	.....
Federal Funds	4,900	8,940	6,622
Augmentations	4,623	7,190	4,808
TOTAL	<u>\$ 10,357</u>	<u>\$ 17,037</u>	<u>\$ 11,430</u>
Connellsville			
State Funds	\$ 5,273	\$ 4,600	.....
Federal Funds	2,897	1,288	.....
Augmentations	2,397	622	.....
TOTAL	<u>\$ 10,567</u>	<u>\$ 6,510</u>	<u>.....</u>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Total Proposed Expenditures by Hospital:			
(continued)			
Hazleton			
State Funds	\$ 346	. . . .	. . . .
Federal Funds	11,590	7,683	. . . .
Augmentations	8,408	6,541	. . . .
TOTAL	<u>\$ 20,344</u>	<u>\$ 14,224</u>	<u>. . . .</u>
Nanticoke			
State Funds	\$ 706	. . . .	. . . .
Federal Funds	4,657	4,350	. . . .
Augmentations	2,179	1,695	. . . .
TOTAL	<u>\$ 7,542</u>	<u>\$ 6,045</u>	<u>. . . .</u>
Philipsburg			
State Funds	\$ 1,464	\$ 2,000	. . . .
Federal Funds	5,494	2,858	. . . .
Augmentations	4,563	3,549	. . . .
TOTAL	<u>\$ 11,521</u>	<u>\$ 8,407</u>	<u>. . . .</u>
Seranton			
State Funds	\$ 4,699	\$ 907	. . . .
Federal Funds	5,426	9,634	. . . .
Augmentations	3,724	2,896	. . . .
TOTAL	<u>\$ 13,849</u>	<u>\$ 13,437</u>	<u>. . . .</u>
Shamokin			
State Funds	\$ 1,128	\$ 907	\$ 1*
Federal Funds	3,552	6,436	4,321
Augmentations	2,387	3,719	2,934
TOTAL	<u>\$ 7,067</u>	<u>\$ 11,062</u>	<u>\$ 7,256</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
State General Hospitals	\$ 11,728	\$ 8,000	\$ 1
Connellsville State General Hospital	4,500	. . . .	. . . .
Phillipsburg State General Hospital .....	. . . .	2,000	. . . .
Federal Funds:			
Medical Assistance — State General Hospitals	7,870	7,558	3,333
Medicare Services — State General Hospitals	37,886	44,600	16,162
Augmentations:			
Cafeteria Reimbursements	24	27	. . . .
Institutional Collections	33,509	34,936	13,830
Miscellaneous	514	201	. . . .
Coal Workers Respiratory Group	98	153	. . . .
TOTAL	<u>\$ 96,129</u>	<u>\$ 97,475</u>	<u>\$ 33,326</u>

*The State appropriation of \$1,000 is for the purpose of holding Federal and augmenting funds under State accounts.

GENERAL FUND

PUBLIC WELFARE

Mental Health Services	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Mental Hospitals and Restoration Center			
State Funds	\$ 305,881	\$ 304,578	\$ 292,590
Federal Funds	108,450	129,143	106,395
Augmentations	39,585	40,718	46,479
TOTAL	\$ 453,916	\$ 474,439	\$ 445,464

The State mental hospitals are intended to provide a therapeutic residential environment for those mentally disabled persons requiring a hospital program in the form of a multidisciplinary approach consisting of psychiatric, medical, nursing, psychological, social service, educational and therapeutic activities. The inpatient population has been decreasing since 1955. The State restoration center provides rehabilitative treatment to restore former psychiatric patients to a self-sufficient status, enabling institutionalized patients to return to the community. The center also provide intensive outpatient and short-term inpatient treatment services to delay or eliminate the need for extended institutional placement.

Total Proposed Expenditures by Hospital and Center:	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Allentown			
State Funds	\$ 16,857	\$ 16,134	\$ 15,499
Federal Funds	4,306	5,923	4,880
Augmentations	1,708	1,758	2,007
TOTAL	\$ 22,871	\$ 23,815	\$ 22,386
Clarks Summit			
State Funds	\$ 16,891	\$ 15,952	\$ 15,324
Federal Funds	6,080	7,957	6,555
Augmentations	1,454	1,495	1,706
TOTAL	\$ 24,425	\$ 25,404	\$ 23,585
Danville			
State Funds	\$ 19,886	\$ 18,779	\$ 18,040
Federal Funds	8,640	11,485	9,462
Augmentations	2,062	2,121	2,421
TOTAL	\$ 30,588	\$ 32,385	\$ 29,923
Dixmont			
State Funds	\$ 527	.....	.....
Federal Funds .....	.....	.....	.....
Augmentations .....	.....	.....	.....
TOTAL	\$ 527	.....	.....

GENERAL FUND

PUBLIC WELFARE

Total Proposed Expenditures by Hospital: (continued)	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Eastern State School and Hospital			
State Funds	\$ 6,331	\$ 8,870	\$ 8,521
Federal Funds	7,976	7,402	6,098
Augmentations	1,071	1,102	1,258
TOTAL	\$ 15,378	\$ 17,374	\$ 15,877
Farview			
State Funds	\$ 13,925	\$ 15,839	\$ 15,216
Federal Funds	46	.....	.....
Augmentations	6,998	7,199	8,218
TOTAL	\$ 20,969	\$ 23,038	\$ 23,434
Harrisburg			
State Funds	\$ 18,884	\$ 18,021	\$ 17,312
Federal Funds	3,828	5,881	4,845
Augmentations	1,711	1,760	2,009
TOTAL	\$ 24,423	\$ 25,662	\$ 24,166
Haverford			
State Funds	\$ 19,463	\$ 20,101	\$ 19,310
Federal Funds	3,249	3,747	3,087
Augmentations	1,808	1,860	2,123
TOTAL	\$ 24,520	\$ 25,708	\$ 24,520
Mayview			
State Funds	\$ 32,476	\$ 35,469	\$ 34,073
Federal Funds	12,769	11,821	9,739
Augmentations	5,004	5,148	5,876
TOTAL	\$ 50,249	\$ 52,438	\$ 49,688
Norristown			
State Funds	\$ 32,904	\$ 31,542	\$ 30,300
Federal Funds	14,054	16,671	13,735
Augmentations	5,086	5,231	5,971
TOTAL	\$ 52,044	\$ 53,444	\$ 50,006
Philadelphia			
State Funds	\$ 29,615	\$ 30,088	\$ 28,904
Federal Funds	6,690	7,740	6,377
Augmentations	2,351	2,418	2,760
TOTAL	\$ 38,656	\$ 40,246	\$ 38,041
Somerset			
State Funds	\$ 10,288	\$ 9,698	\$ 9,316
Federal Funds	2,958	3,462	2,852
Augmentations	608	625	713
TOTAL	\$ 13,854	\$ 13,785	\$ 12,881
Torrance			
State Funds	\$ 17,877	\$ 15,610	\$ 14,995
Federal Funds	7,416	9,772	8,051
Augmentations	1,633	1,680	1,918
TOTAL	\$ 26,926	\$ 27,062	\$ 24,964

GENERAL FUND

PUBLIC WELFARE

Total Proposed Expenditures by Hospital: (continued)	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Warren			
State Funds	\$ 20,544	\$ 20,782	\$ 19,964
Federal Funds	7,481	7,646	6,299
Augmentations	2,587	2,661	3,038
TOTAL	\$ 30,612	\$ 31,089	\$ 29,301
Wernersville			
State Funds	\$ 14,672	\$ 14,466	\$ 13,897
Federal Funds	6,160	7,575	6,241
Augmentations	1,948	2,004	2,288
TOTAL	\$ 22,780	\$ 24,045	\$ 22,426
Woodville			
State Funds	\$ 25,892	\$ 23,850	\$ 22,911
Federal Funds	5,634	9,880	8,139
Augmentations	2,176	2,239	2,556
TOTAL	\$ 33,702	\$ 35,969	\$ 33,606
South Mountain Restoration Center			
State Funds	\$ 8,605	\$ 9,377	\$ 9,008
Federal Funds	11,163	12,181	10,035
Augmentations	1,377	1,417	1,617
TOTAL	\$ 21,145	\$ 22,975	\$ 20,660
Western Restoration Center			
State Funds	\$ 244	.....	.....
Federal Funds .....	.....	.....	.....
Augmentations	3	.....	.....
TOTAL	\$ 247	.....	.....

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
State Mental Hospitals	\$ 305,881	\$ 304,578	\$ 292,590
Federal Funds:			
Medical Assistance — State Mental Hospitals	91,200	97,513	82,898
Medicare Services — State Mental Hospitals	16,626	30,676	23,315
Food Nutrition Services — State Mental Hospitals	182	182	182
Library Services — Title I — State Mental Hospitals	12	5	.....
Technical Assistance and Energy Conservation — State Mental Hospitals	55	.....	.....
Energy Conservation Program	375	767	.....
Augmentations:			
Cafeteria Reimbursements	162	.....	.....
Sale of Reclaimable Materials	6	.....	.....
Institutional Collections	38,906	39,658	45,879
Miscellaneous Institutional Reimbursements	511	1,060	600
TOTAL	\$ 453,916	\$ 474,439	445,464

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Mental Retardation Services			
State Centers for the Mentally Retarded			
State Funds	\$ 122,661	\$ 104,860	\$ 103,924
Federal Funds	151,669	146,263	140,979
Augmentations	12,826	12,386	11,890
TOTAL	\$ 287,156	\$ 263,509	\$ 256,793

Centers for the Mentally Retarded assist persons with mental retardation in achieving their maximum potential self-sufficiency through programmed care, treatment and training in a residential facility.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Total Proposed Expenditures by Center:			
Altoona			
State Funds	\$ 2,240	\$ 2,241	\$ 2,311
Federal Funds	3,535	3,790	3,712
Augmentations	175	180	180
TOTAL	\$ 5,950	\$ 6,211	\$ 6,203
Ebensburg			
State Funds	\$ 12,675	\$ 12,207	\$ 12,592
Federal Funds	15,324	16,441	16,103
Augmentations	755	777	779
TOTAL	\$ 28,754	\$ 29,425	\$ 29,474
Hamburg			
State Funds	\$ 9,865	\$ 8,870	\$ 9,150
Federal Funds	11,900	12,651	12,376
Augmentations	957	986	988
TOTAL	\$ 22,722	\$ 22,507	\$ 22,514
Laurelton			
State Funds	\$ 7,064	\$ 6,645	\$ 6,854
Federal Funds	8,968	9,756	9,555
Augmentations	694	715	717
TOTAL	\$ 16,726	\$ 17,116	\$ 17,126
Pennhurst			
State Funds	\$ 10,434	\$ 6,812	\$ 1,584
Federal Funds	12,086	5,860	2,216
Augmentations	1,220	670	148
TOTAL	\$ 23,740	\$ 13,342	\$ 3,948
Polk			
State Funds	\$ 22,722	\$ 20,554	\$ 21,199
Federal Funds	28,410	28,614	28,031
Augmentations	2,403	2,377	2,383
TOTAL	\$ 53,535	\$ 51,545	\$ 51,613

GENERAL FUND

PUBLIC WELFARE

Total Proposed Expenditures by Center: (continued)	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Selinsgrove			
State Funds	\$ 17,688	\$ 17,380	\$ 17,928
Federal Funds	22,236	23,715	23,226
Augmentations	2,246	2,348	2,353
TOTAL	\$ 42,170	\$ 43,443	\$ 43,507
Western			
State Funds	\$ 9,362	\$ 8,825	\$ 9,103
Federal Funds	11,595	12,852	12,587
Augmentations	1,062	1,093	1,096
TOTAL	\$ 22,019	\$ 22,770	\$ 22,786
White Haven			
State Funds	\$ 9,582	\$ 9,577	\$ 9,879
Federal Funds	13,635	14,521	14,222
Augmentations	1,327	1,367	1,370
TOTAL	\$ 24,544	\$ 25,465	\$ 25,471
Embreeville			
State Funds	\$ 8,670	\$ 7,880	\$ 8,128
Federal Funds	10,910	9,904	9,700
Augmentations	789	812	813
TOTAL	\$ 20,369	\$ 18,596	\$ 18,641
Woodhaven			
State Funds	\$ 8,101	.....	.....
Federal Funds	7,819	.....	.....
Augmentations	265	.....	.....
TOTAL	\$ 16,185	.....	.....
Allentown MR Unit			
State Funds	\$ 277	\$ 229	\$ 236
Federal Funds	539	593	581
Augmentations	80	83	83
TOTAL	\$ 896	\$ 905	\$ 900
Clarks Summit MR Unit			
State Funds	\$ 445	\$ 470	\$ 485
Federal Funds	562	586	574
Augmentations	78	81	81
TOTAL	\$ 1,085	\$ 1,137	\$ 1,140
Mayview MR Unit			
State Funds	\$ 1,148	\$ 940	\$ 970
Federal Funds	1,346	1,844	1,806
Augmentations	256	263	263
TOTAL	\$ 2,750	\$ 3,047	\$ 3,039
Norristown MR Unit			
State Funds .....	.....	.....	\$ 1,204
Federal Funds .....	.....	.....	1,261
Augmentations .....	.....	.....	.....
TOTAL .....	.....	.....	\$ 2,465

Total Proposed Expenditures by Center: (continued)	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Philadelphia MR Unit			
State Funds .....	.....	\$ 18	\$ 19
Federal Funds .....	.....	1,867	1,828
Augmentations .....	.....	100	100
TOTAL .....	.....	\$ 1,985	\$ 1,947
Somerset MR Unit			
State Funds	\$ 1,153	\$ 982	\$ 1,013
Federal Funds	1,305	1,541	1,509
Augmentations	220	226	227
TOTAL	\$ 2,678	\$ 2,749	\$ 2,749
Torrance MR Unit			
State Funds	\$ 856	\$ 854	\$ 881
Federal Funds	924	1,082	1,060
Augmentations	203	209	210
TOTAL	\$ 1,983	\$ 2,145	\$ 2,151
Wernersville MR Unit			
State Funds	\$ 379	\$ 376	\$ 388
Federal Funds	575	646	632
Augmentations	96	99	99
TOTAL	\$ 1,050	\$ 1,121	\$ 1,119

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
State Centers for the Mentally Retarded	\$ 122,661	\$ 104,860	\$ 103,924
Federal Funds:			
Medical Assistance—State Centers	151,042	145,652	140,804
Library Services — Title I — State Centers	10	15	.....
Food Nutrition Services — State Centers	596	596	175
Medical Library Resource Improvement Grant—State Centers (Embreeville)	4	.....	.....
Hospital Improvement Grants—State Centers	17	.....	.....
Augmentations:			
Cafeteria Reimbursements	4	.....	.....
Sale of Reclaimable Materials	6	.....	.....
Institutional Collections	12,798	12,351	11,865
Miscellaneous Institutional Reimbursements	18	35	25
TOTAL	\$ 287,156	\$ 263,509	\$ 256,793

GRANTS AND SUBSIDIES

Cash Grants	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 559,222	\$ 576,633	\$ 576,146
Federal Funds	422,681	438,941	444,460
Augmentations	61,429	60,367	63,200
TOTAL	\$1,043,332	\$1,075,941	\$1,083,806

The cash grants are designed to help all eligible persons obtain a decent and healthful standard of living through direct cash assistance. The grant categories are Aid to Dependent Children, State Blind Pensions and General Assistance.

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Cash Grants	\$ 559,222	\$ 563,220	\$ 576,146
Cash Grants—Recommended Supplemental .....	. . . .	13,413	. . . .
Federal Funds:			
Maintenance Assistance — Cash Grants	422,315	435,147	444,460
August Flood — Disaster Relief	366	. . . .	. . . .
Disaster Relief Tornado .....	. . . .	1,469	. . . .
Disaster Relief — Hurricane .....	. . . .	825	. . . .
Disaster Relief — Tropical Storm .....	. . . .	1,500	. . . .
Augmentations:			
Public Assistance Payments — Restitutions and Overpayments .	13,480	14,226	15,340
Child Support Program	47,830	44,949	47,860
PEMA — August 1984 Flood—Disaster Relief	119	. . . .	. . . .
PEMA — Tornado—Disaster Relief .....	. . . .	425	. . . .
PEMA — Hurricane — Disaster Relief .....	. . . .	267	. . . .
PEMA — Tropical Storm — Disaster Relief .....	. . . .	500	. . . .
TOTAL	\$1,043,332	\$1,075,941	\$1,083,806

Medical Assistance Transportation	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 13,700	\$ 10,535	\$ 10,535
Federal Funds	8,400	6,408	6,408
TOTAL	\$ 22,100	\$ 16,943	\$ 16,943

The Medical Assistance Transportation provides funding to county governments to provide transportation to Medical Assistance clients.

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Medical Assistance Transportation	\$ 13,700	\$ 10,535 ^a	\$ 10,535
Federal Funds:			
Medical Assistance — Transportation	8,400	6,408	6,408
TOTAL	\$ 22,100	\$ 16,943	\$ 16,943

^aActual appropriation totalled \$14,081,000 with \$3,546,000, included in Medical Assistance — Outpatient appropriation.

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Medical Assistance			
State Funds	\$ 829,126	\$ 894,313	\$ 886,028
Federal Funds	806,583	894,250	885,956
Augmentations	10,972	11,725	11,725
TOTAL	<u>\$1,646,681</u>	<u>\$1,800,288</u>	<u>\$1,783,709</u>

Provides all eligible persons under age 65 with physician services whenever rendered, inpatient hospital care, post hospital care, clinic services, nursing care in the home, private nursing home care, and nursing care in public institutions. Similar services are provided for persons over age 65 for whom such care is not already furnished under Medicare.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Medical Assistance — Outpatient	\$ 233,254	\$ 244,053	229,090
Medical Assistance — Outpatient — Recommended Supplemental .....	. . . . .	31,172 ^a	. . . . .
Medical Assistance — Inpatient	468,746	416,883	433,909
Medical Assistance — Inpatient — Recommended Supplemental Medical Assistance — Capitation Program .....	. . . . . 4,749	48,128 ^b 59,603	. . . . . 79,986
Medical Assistance — Capitation Program — Recommended Reduction .....	. . . . .	-41,096 ^c	. . . . .
Long-Term Care Facilities	122,377	135,570	143,043
Federal Funds:			
Medical Assistance — Outpatient	207,067	239,400	193,429
Medical Assistance — Inpatient	266,286	278,566	246,485
Medical Assistance — Capitation Program	6,682	15,748	58,325
Medical Assistance — Long-Term Care	326,548	360,536	387,717
Augmentations:			
Medical Assistance Collections — Outpatient	294	302	302
Medical Assistance — Medicare Part B Recovery	658	658	658
Medical Assistance Collections — Inpatient	6,807	7,327	7,327
Medical Assistance Refunds — Inpatient	2,576	2,773	2,773
Medical Assistance Collections — Long-Term Care	354	370	370
Medical Assistance Refunds — Long-Term Care	283	295	295
TOTAL	<u>\$1,646,681</u>	<u>\$1,800,288</u>	<u>\$1,783,709</u>

^aRepresents a reallocation of \$16,378,000 from the Medical Assistance — Capitation Program appropriation; \$3,546,000 transferred from the Medical Assistance Transportation appropriation; and a recommended supplemental appropriation of \$11,248,000.

^bRepresents a reallocation of \$24,718,000 from the Medical Assistance — Capitation Program appropriation and a recommended supplemental appropriation of \$23,410,000.

^cRepresents a reallocation of Capitation funds to the Outpatient and Inpatient appropriations.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Supplemental Grants — Aged, Blind and Disabled			
State Funds	\$ 46,808	\$ 51,311	\$ 53,675

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.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Supplemental Grants — Aged, Blind and Disabled	\$ 46,808	\$ 49,351	\$ 53,675
Supplemental Grants — Aged, Blind and Disabled — Recommended Supplemental .....	. . . .	1,960	. . . .
TOTAL	<u>\$ 46,808</u>	<u>\$ 51,311</u>	<u>\$ 53,675</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Community Mental Health Services			
State Funds	\$ 98,036	\$ 110,315	\$ 155,866
Federal Funds	24,562	26,353	43,669
TOTAL	<u>\$ 122,598</u>	<u>\$ 136,668</u>	<u>\$ 199,535</u>

Provides services mandated by the Mental Health and Mental Retardation Act of 1966 to mentally ill persons. The Act assures the continuous provision of services to persons in need at the community level.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Community Mental Health Services	\$ 98,036	\$ 110,315	\$ 125,244
Medical Assistance — Community Mental Health Services .....	. . . .	. . . .	30,622
Federal Funds:			
Alcohol, Drug Abuse and Mental Health Services Block Grant ..	15,162	16,953	14,226
Social Services Block Grant — Community Mental Health Services	9,400	9,400	4,900
Medical Assistance — Community Mental Health Services .....	. . . .	. . . .	24,543
TOTAL	<u>\$ 122,598</u>	<u>\$ 136,668</u>	<u>\$ 199,535</u>

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Eastern Pennsylvania Psychiatric Institute			
State Funds	\$ 6,651	\$ 6,776	\$ 6,776

This grant is provided to Medical College of Pennsylvania for research into the causes, treatment and prevention of mental health problems; consultation and training for mental health personnel in institutional and community programs; and for management of the Eastern Pennsylvania Psychiatric Institute.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Eastern Pennsylvania Psychiatric Institute.....	<u>\$ 6,651</u>	<u>\$ 6,776</u>	<u>\$ 6,776</u>

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Community Based Services — Mentally Retarded			
State Funds	\$ 206,175	\$ 237,857	\$ 263,913
Federal Funds	60,444	86,191	89,535
Augmentations	576	984	. . . .
TOTAL	<u>\$ 267,195</u>	<u>\$ 325,032</u>	<u>\$ 353,448</u>

Provides services mandated by the Mental Health and Mental Retardation Act of 1966 to persons with mental retardation. The act assures the continuous provision of services to persons in need at the community level.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Community Based Services — Mentally Retarded	\$ 48,593	\$ 60,233	\$ 68,891
Elwyn Institute	240	200	200
Community Residential Services — Mentally Retarded	113,519	126,501	133,032
Philadelphia Association for Retarded Citizens	208	208	208
Intermediate Care Facilities — Mentally Retarded	28,515	35,015	45,254
Early Intervention	15,100	15,700	16,328

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
<i>Source of Funds (continued)</i>			
Federal Funds:			
Medical Assistance — Community Based Services	\$ 1,402	\$ 5,236	\$ 4,066
Medical Assistance — Community Residential Services	3,140	13,623	13,234
Medical Assistance — Intermediate Care Facilities — Mentally Retarded	35,422	46,970	59,273
Social Services Block Grant — Community Services for the Mentally Retarded	14,397	14,397	6,997
Social Services Block Grant — Community Residential Services	5,965	5,965	5,965
Mainstreaming Pre-School Handicapped Children	118	. . . .	. . . .
Augmentations:			
Intermediate Care Facilities — Prior Year Settlements	576	984	. . . .
TOTAL	<u>\$ 267,195</u>	<u>\$ 325,032</u>	<u>\$ 353,448</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Grants for the Blind			
State Funds	\$ 35	\$ 350	\$ 40

The Beacon Lodge Camp — Blind Services appropriation provides an opportunity for blind individuals to participate in summer recreational programs.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
<i>Source of Funds</i>			
Appropriations:			
Beacon Lodge Camp — Blind Services	\$ 35	\$ 40	\$ 40
Rudolphy Residence for the Blind .....	. . . .	160	. . . .
Overbrook School for the Blind .....	. . . .	150	. . . .
TOTAL	<u>\$ 35</u>	<u>\$ 350</u>	<u>\$ 40</u>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
County Child Welfare Programs			
State Funds	\$ 118,644	\$ 116,250	\$ 119,988
Federal Funds	83,051	65,650	60,850
TOTAL	\$ 201,695	\$ 181,900	\$ 180,838

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.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
County Child Welfare	\$ 118,644	\$ 116,250	\$ 119,988
Federal Funds:			
Child Welfare Services	21,920	17,500	17,500
Maintenance Assistance	48,000	35,000	35,000
Social Services Block Grant — Child Welfare	11,431	11,450	6,650
Refugees and Persons Seeking Asylum	1,700	1,700	1,700
TOTAL	\$ 201,695	\$ 181,900	\$ 180,838

Day Care Services	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 16,989	\$ 23,106	\$ 24,106
Federal Funds	42,544	43,059	42,661
TOTAL	\$ 59,533	\$ 66,165	\$ 66,767

Day care service is out-of-home care provided for part of a day to children under 12 years of age of low income families whose parent(s) or caretaker(s) is working or receiving employment-related training. The primary goal of the program is to enable the parent(s) or caretaker(s) to achieve or maintain economic self-support by working. These services also promote the development of the child and provide a safe and healthful environment.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Day Care Services	\$ 16,885	\$ 23,000	\$ 24,000
Arsenal Family and Children's Center — Pittsburgh	104	106	106
Federal Funds:			
Social Services Block Grant — Day Care	42,544	42,419	42,021
Child Abuse Prevention Training .....	. . . .	640	640
TOTAL	\$ 59,533	\$ 66,165	\$ 66,767

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1983-84 Actual	1984-85 Available	1985-86 Budget
Medical Facilities Chronic Disease Hospitals—State Aided			
State Funds	\$ 1,758	\$ 2,293	\$ 2,093

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)		
Source of Funds	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Home for Crippled Children, Pittsburgh	\$ 520	\$ 530	\$ 530
Children's Heart Hospital, Philadelphia	1,238	1,563	1,563
Mercy Hospital Study .....	.....	200	.....
TOTAL	<u>\$ 1,758</u>	<u>\$ 2,293</u>	<u>\$ 2,093</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Mental Health — Western Psychiatric Institute and Clinic			
State Funds	\$ 6,136	\$ 6,522	\$ 6,522

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.

	(Dollar Amounts in Thousands)		
Source of Funds	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Western Psychiatric Institute and Clinic	<u>\$ 6,136</u>	<u>\$ 6,522</u>	<u>\$ 6,522</u>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Social Services			
State Funds	\$ 4,736	\$ 8,538	\$ 12,787
Federal Funds	39,235	41,726	58,426
TOTAL	<u>\$ 43,971</u>	<u>\$ 50,264</u>	<u>71,213</u>

Provides various social services such as legal, family planning, homemaker, home health, chore, home delivered meals and protective services.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Adult Services Block Grant	\$ 1,855	. . . .	. . . .
Domestic Violence and Rape Crisis	1,881	. . . .	. . . .
Domestic Violence .....	. . . .	\$ 1,773	\$ 2,729
Rape Crisis .....	. . . .	665	895
Breast Cancer Screening .....	. . . .	100	100
Legal Services	1,000	1,500	1,500
Human Services Development Fund .....	. . . .	2,000	4,543
Attendant Care .....	. . . .	500	1,020
Bridge Housing .....	. . . .	2,000	2,000
Federal Funds:			
Social Services Block Grant — Adult Services	11,788	. . . .	. . . .
Social Services Block Grant — Social Services	451	. . . .	. . . .
Social Services Block Grant — Legal Services	6,676	6,688	6,688
Social Services Block Grant — Family Planning	4,780	5,020	5,020
Social Services Block Grant — Domestic Violence and Rape Crisis	2,521	. . . .	. . . .
Social Services Block Grant — Domestic Violence .....	. . . .	1,656	1,656
Social Services Block Grant — Rape Crisis .....	. . . .	870	870
Social Services Block Grant — Human Services Development Fund	4,000	16,100	32,800
Social Services Block Grant — Shelter Care	3,000	3,000	3,000
Social Services Block Grant — Attendant Care	3,370	4,700	4,700
Refugees and Persons Seeking Asylum	2,492	3,500	3,500
Preventive Health and Health Services Block Grant — Rape Crisis	157	192	192
TOTAL	<u>\$ 43,971</u>	<u>\$ 50,264</u>	<u>\$ 71,213</u>

**STATE LOTTERY FUND
GRANTS AND SUBSIDIES**

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Medical Assistance			
State Funds	\$ 149,639	\$ 149,835	\$ 150,501
Federal Funds	1,638	1,652	1,973
TOTAL	<u>\$ 151,277</u>	<u>\$ 151,487</u>	<u>\$ 152,474</u>

Provides nursing home care to eligible persons under the Medical Assistance program, funding for pre-admission assessment for the elderly, and funding for Medicare Part B payments.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Medical Assistance — Long-Term Care Facilities	\$ 140,000	\$ 140,000	\$ 140,000
Preadmission Assessment	1,639	1,653	1,973
Medicare Part B Payments	8,000	8,182	8,528
Federal Funds:			
Medical Assistance — Preadmission Assessment	1,638	1,652	1,973
TOTAL	<u>\$ 151,277</u>	<u>\$ 151,487</u>	<u>\$ 152,474</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Grants to the Aged			
State Funds	\$ 17,600	\$ 19,800	\$ 19,800

Provides State supplemental payments for those individuals in the Federal Supplemental Security Income (SSI) Program. Also provides for specialized services for aged population with mental retardation.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Supplemental Grant to the Aged	\$ 17,600	\$ 17,600	\$ 17,600
Community Mental Retardation Services — Elderly .....	.....	2,200	2,200
TOTAL	<u>\$ 17,600</u>	<u>\$ 19,800</u>	<u>\$ 19,800</u>

OTHER FUNDS | **PUBLIC WELFARE**

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
Southeastern Pennsylvania Institutional Area Service Unit	<u>\$ 6,264</u>	<u>\$ 203</u>	<u>. . . .</u>

DEPARTMENT OF PUBLIC WELFARE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 31,938	\$ 34,643	\$ 34,160	\$ 35,522	\$ 36,939	\$ 38,411	\$ 39,938
Medical Programs	\$1,038,471	\$1,099,319	\$1,081,941	\$1,081,792	\$1,150,558	\$1,196,301	\$1,243,950
Alternative Health Care Delivery Systems	4,749	18,507	79,986	91,885	103,638	116,185	129,569
Preventive Health Services	11,688	14,084	13,110	13,066	13,263	13,416	13,570
Treatment — Outpatient Services	224,143	264,683	218,607	216,146	220,176	224,198	228,560
Treatment — Inpatient Services	533,875	524,822	485,222	483,009	506,022	521,779	537,755
Long-Term Care Services	264,016	277,223	285,016	277,686	307,459	320,723	334,496
Mental Health	\$ 418,262	\$ 429,873	\$ 463,394	\$ 470,712	\$ 491,753	\$ 509,442	\$ 527,826
Mental Health Systems Support	23,127	25,139	25,438	25,924	26,429	26,954	27,501
Community Services	12,733	14,246	18,859	19,613	20,398	21,214	22,062
Acute Mental Health Services	58,863	65,958	99,683	108,688	111,619	114,636	117,759
Rehabilitative Services	17,658	19,952	26,824	27,897	29,013	30,173	31,380
Institutional Care	305,881	304,578	292,590	288,590	304,294	316,465	329,124
Social Development of Individuals	\$ 175,102	\$ 183,414	\$ 192,767	\$ 200,518	\$ 208,587	\$ 216,909	\$ 225,513
Youth Development Services	26,526	27,217	27,846	28,960	30,120	31,320	32,580
Family Support Services	148,576	156,197	164,921	171,558	178,467	185,589	192,933
Mental Retardation	\$ 330,087	\$ 346,240	\$ 371,339	\$ 399,467	\$ 423,345	\$ 447,737	\$ 472,662
Mental Retardation Systems Support	8,790	12,962	14,644	15,657	16,525	17,416	18,332
Community Based Services	56,362	66,702	74,285	79,133	83,364	87,717	92,193
Community Residential Services	113,759	126,701	133,232	145,151	155,021	165,012	175,129
Private Intermediate Care Facilities	28,515	35,015	45,254	51,445	56,031	60,692	65,432
State Centers	122,661	104,860	103,924	108,081	112,404	116,900	121,576
Economic Development of the Disadvantaged and Handicapped	\$ 783,289	\$ 809,650	\$ 818,170	\$ 830,206	\$ 849,920	\$ 863,486	\$ 881,558
Income Maintenance	783,289	809,650	818,170	830,206	849,920	863,486	881,558
DEPARTMENT TOTAL	<u>\$2,777,149</u>	<u>\$2,903,139</u>	<u>\$2,961,771</u>	<u>\$3,018,217</u>	<u>\$3,161,102</u>	<u>\$3,272,286</u>	<u>\$3,391,447</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 31,938	34,643	\$ 34,160	\$ 35,522	\$ 36,939	\$ 38,411	\$ 39,938
Federal Funds	35,568	48,439	50,569	52,216	53,804	55,450	57,156
Other Funds	1,127	1,818	1,286	1,323	1,361	1,400	1,441
TOTAL	\$ 68,633	\$ 84,900	\$ 86,015	\$ 89,061	\$ 92,104	\$ 95,261	\$ 98,535

Program Analysis

General Administration and Support within each substantive program area provides the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and department objectives.

The administrative costs for regional offices, various com-

missions and advisory committees, and the central office are included in this subcategory.

A primary concern of the Commonwealth is to minimize these administrative costs in relation to the costs of provided services.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 8,963	\$ 9,438	\$ 8,842	\$ 9,192	\$ 9,549	\$ 9,921	\$ 10,308
Information Systems	22,975	25,205	25,318	26,330	27,390	28,490	29,630
GENERAL FUND TOTAL	\$ 31,938	\$ 34,643	\$ 34,160	\$ 35,522	\$ 36,939	\$ 38,411	\$ 39,938

Alternative Health Care Delivery Systems

OBJECTIVE: To support a health care delivery system in which appropriate health services are available to all who are eligible and to develop and evaluate new health care delivery systems and payment mechanisms that will efficiently provide high quality comprehensive care to the population.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 4,749	\$ 18,507	\$ 79,986	\$ 91,885	\$ 103,638	\$ 116,185	\$ 129,569
Federal Funds	6,682	15,748	58,325	69,570	81,000	93,232	106,314
TOTAL	\$ 11,431	\$ 34,255	\$ 138,311	\$ 161,455	\$ 184,638	\$ 209,417	\$ 235,883

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Medical Assistance recipients:							
Fee for service delivery	1,140,219	1,121,348	1,035,266	1,022,120	1,010,315	998,523	986,743
Alternative health care delivery	9,699	31,570	128,440	145,310	160,850	176,390	191,930
Services provided by the alternate health care delivery systems:							
Physician services	29,097	107,338	494,494	559,445	619,275	679,100	738,930
Dental services	14,549	54,932	252,462	284,315	316,165	346,710	377,260
Pharmaceutical services	38,796	299,284	1,373,871	1,554,325	1,720,550	1,886,775	2,053,000

Program Analysis:

In the Medical Assistance program, the majority of providers are paid a fee for each service rendered to a Medical Assistance recipient. This fee for service system can encourage the over and unnecessary utilization of health care services since the greater the number of services rendered, the greater the reimbursement the provider receives. The department is working to develop alternative health care delivery systems which depart from the fee for service concept, with the goal to encourage the provision of care in the most efficient and effective way possible.

One alternative to the fee for service system is the health maintenance organization (HMO). An HMO is an organized health care delivery system which provides comprehensive health care services to an enrolled population in exchange for a fixed periodic payment for each enrolled member.

HMOs effectively deliver health care services while emphasizing outpatient, preventive health services and, at the same time, keeping costs under control. Because HMOs are paid a fixed or predetermined premium for each client, the HMO is given an incentive to provide only those services which are needed and to emphasize preventive health care. If a client uses more health care services than anticipated,

the HMO loses money; if the person uses less, the HMO makes money. Under these conditions, providers of health care within an HMO system can benefit by helping clients to stay healthy, thus reducing hospital utilization.

One limitation on the use of HMOs for Medical Assistance recipients was the Federal requirement that HMOs must be Federally qualified under the Public Health Service Act. To encourage enrollment in HMOs, the Federal Omnibus Budget Reconciliation Act of 1981 eliminated this requirement. When HMOs were developed, their enrollments were limited to a maximum of 50 percent Medicare and Medical Assistance beneficiaries and at least 50 percent from the general public. The Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982 raised the limit on the number of Medicaid and Medicare enrolled recipients in private HMOs to 75 percent in October 1982. This change provides an incentive for HMOs to expand their Medical Assistance/Medicare enrollment.

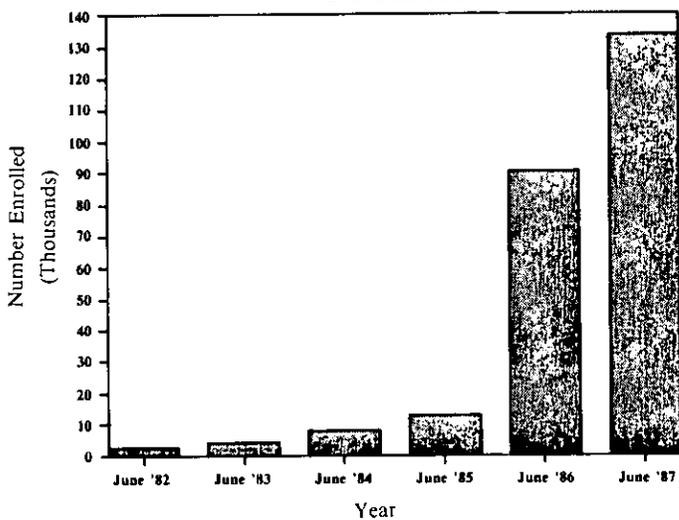
The department has encouraged recipient participation in prepaid capitation plans and steady progress has been made each year as can be seen on the chart below. In June, 1982, approximately 2,400 recipients were enrolled in HMOs and by June, 1985, 12,790 recipients were enrolled. Presently the

Alternative Health Care Delivery Systems (continued)

Program Analysis: (continued)

department has approximately 14,825 persons enrolled in HMOs in Philadelphia, Allegheny, Westmoreland, Bucks, Armstrong and Delaware counties, with the goal being to continue increasing enrollment. These efforts are hampered in that HMOs do not serve all geographic areas of Pennsylvania, some HMOs do not serve welfare recipients, and other HMOs limit the number of Medical Assistance recipients they will serve.

CAPITATION ENROLLMENT
As of June 30th



Another alternative means of health care delivery is the health insuring organization (HIO). Federal regulations define an HIO as a fiscal agent that pays for medical services provided to recipients in exchange for a premium or subscription charge paid by the State Medicaid Agency, and which assumes an underwriting risk. The HIO is paid a fixed amount of money per recipient, per month, and the HIO pays for all of the medical services required by its enrolled recipients. Like HMOs, HIOs are given an incentive to keep health care costs low by emphasizing preventive health care. If the HIO spends more money than it is paid, it loses money; if the HIO spends less money than it is paid, it makes a profit.

HIOs may include a broad range of organizations, including insurance companies. Because HIOs are fiscal agents and not providers, they do not have to meet the Federal requirements set forth for HMOs under Section 1903(m) of the Social Security Act. HIOs are also exempt from the re-

quirement that they have at least 25 percent non-Medical Assistance/Medicare enrollees. The department is implementing an HIO demonstration project for portions of the Philadelphia area. The new program, known as Health PASS (Philadelphia Accessible Services System), will be operated by the Health America Corporation and will serve approximately 96,000 recipients living in the south and west Philadelphia area. With approval of the required Federal waivers, enrollment of recipients for the program will begin in January 1986, with the first medical services provided through the HIO beginning in March 1986. It is anticipated that recipients will be phased into the program over a six month period.

The department applied for and received approval for a Federal waiver allowing this special demonstration project to be operated under a case management concept. The Department of Public Welfare, in cooperation with the HIO contractor, will assure that a primary care physician is available for each recipient in the demonstration area. The primary care physician will manage the recipient's access to other physician services and to hospital services under the program. The use of the case manager system is expected to reduce unnecessary service utilization, yet ensure that the enrolled recipients receive all necessary medical care.

The measures for this subcategory have changed from those printed previously. The measures printed last year anticipated start-up of the HIO in May 1985, pending approval of the Federal waivers; however this approval was not received until December 1985 and the measures have been adjusted to reflect the delayed implementation. The measures for services provided by the alternate health care delivery systems have been adjusted beginning in 1985-86 and beyond to reflect the inclusion of the utilization characteristics of the HIO. Because the HIO will serve all recipients in the defined area, it should reflect higher utilization mirroring the overall Medical Assistance Program, rather than the experience of the HMO's where Medical Assistance enrollment does not proportionately represent the categories of assistance found in the program as a whole.

The department will continue its exploration of alternatives to the fee for service system of health care delivery. The liberalization of regulations regarding HMO enrollments and the development of health insuring organizations should help to contain escalating costs while effectively meeting the health care needs of the eligible recipient population.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Medical Assistance—Capitation	\$ 4,749	\$ 18,507	\$ 79,986	\$ 91,885	\$ 103,638	\$ 116,185	\$ 129,569

Preventive Health Services

OBJECTIVE: To reduce the intensity and incidence of disease by providing diagnostic and preventive health services.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 11,688	\$ 14,084	\$ 13,110	\$ 13,066	\$ 13,263	\$ 13,416	\$ 13,570
Federal Funds	17,273	21,181	19,958	20,165	20,975	21,628	22,314
TOTAL	\$ 28,961	\$ 35,265	\$ 33,068	\$ 33,231	\$ 34,238	\$ 35,044	\$ 35,884

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Children screened	122,636	123,208	124,084	124,480	124,880	125,280	125,680
Children screened who were found to have abnormalities	61,318	61,604	62,042	62,240	62,440	62,640	62,840
Children and adults receiving:							
Preventive dental care (regular check-up, cleaning, etc.)	304,187	305,558	307,730	308,715	309,705	310,695	311,690
Preventive vision care (eye check-up)	51,507	51,748	52,116	52,285	52,450	52,615	52,785
Preventive medical exam (regular check-up)	2,085	2,095	2,110	2,115	2,125	2,130	2,140

Program Analysis:

The first stage of the health care delivery system is the prevention of disease. A good health care delivery system will dedicate a significant amount of time, effort and money to the primary stages of health care delivery so that less suffering will occur and the use of resources will be reduced in the more intensive stages of health care. In large part, prevention is an individual responsibility. A person's overall health is dependent on a variety of personal habits, such as smoking, drinking, wearing automobile seat belts and exercise. Educating the individual to accept and understand this responsibility is part of prevention. The Department of Health's programs play a major role in this education process.

The Department of Public Welfare's responsibility for prevention of disease is being met by ensuring the availability of regular medical examinations and preventive health services. Regular check-ups and preventive services performed by physicians, optometrists, and dentists may help to prevent diseases from reaching advanced stages. The department pays practitioners and clinics for providing regular health examinations to Medical Assistance recipients, as well as special prenatal preventive health services, and medical screening for children.

One of the most important forms of preventive health care is prenatal care. This is because infant morbidity and mortality is strongly related to the lack of prenatal care. Medical Assistance provides payment for prenatal care in the form of family planning services, routine examinations and vitamins for expectant mothers, as well as screening and counseling services. Through the provision of such prenatal health care services, families can learn of the possibilities of disease, and can be assisted in the prevention of disease.

The Department of Public Welfare also conducts a program which periodically screens eligible children under 21 years of age, and refers those children requiring medical care to treatment. This program, called Early Periodic Screening, Diagnosis and Treatment (EPSDT), is offered to families on a voluntary basis. EPSDT was developed to bring needed medical care to eligible children during the early stages of disease.

The EPSDT program is the largest preventive health program available under Medical Assistance and is designed to provide recipients with relatively inexpensive tests and observations in order to detect and treat conditions which would require costly medical care if left unchecked. Several national studies have indicated that the EPSDT program is not only

Preventive Health Services (continued)

Program Analysis: (continued)

good for children, but is also a major cost containment activity since children who are regularly screened have health care costs up to 40 percent lower than children of similar circumstances who do not participate in the program.

To encourage recipients to obtain preventive health services, EPSDT, family planning services and supplies, and services furnished to pregnant women are exempted from the copayment requirements implemented by the department beginning September 1, 1984.

The program measures printed above have changed from those printed last year. The measures have been adjusted to reflect estimated utilization by the number of persons eligible for Medical Assistance projected for 1985-86 and beyond. The measures for 1985-86 and beyond do not reflect the impact of increases in enrollment in capitation programs since it is not known at this time what the resulting decrease in utilization by specific service will be.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Medical Assistance—Outpatient.....	\$ 10,063	\$ 11,919	\$ 11,134	\$ 11,073	\$ 11,121	\$ 11,173	\$ 11,223
Medical Assistance—Inpatient.....	1,625	2,165	1,976	1,993	2,142	2,243	2,347
GENERAL FUND TOTAL.....	<u>\$ 11,688</u>	<u>\$ 14,084</u>	<u>\$ 13,110</u>	<u>\$ 13,066</u>	<u>\$ 13,263</u>	<u>\$ 13,416</u>	<u>\$ 13,570</u>

Treatment — Outpatient Services

OBJECTIVE: To assure adequate high quality outpatient health services to improve and maintain physical well-being and to avoid unnecessary inpatient care for the eligible population.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 216,143	\$ 256,501	\$ 210,079	\$ 207,163	\$ 210,729	\$ 214,271	\$ 218,132
Special Funds	8,000	8,182	8,528	8,983	9,447	9,927	10,428
Federal Funds	193,303	225,142	176,681	173,134	176,909	180,705	184,791
Other Funds	4,367	4,492	2,343	960	960	960	960
TOTAL	\$ 421,813	\$ 494,317	\$ 397,631	\$ 390,240	\$ 398,045	\$ 405,863	\$ 414,311

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Visits:							
Physician	4,574,504	4,640,248	4,706,144	4,721,205	4,736,310	4,751,470	4,766,675
Dentist	2,427,799	2,195,163	2,211,985	2,219,065	2,226,165	2,233,290	2,240,435
Podiatrist	128,222	128,154	130,035	130,450	130,870	131,285	131,710
Chiropractor	422,919	417,788	421,619	422,970	424,320	425,680	427,040
Outpatient clinic visits:							
Independent Medical/Surgical Clinic	345,945	340,911	343,854	344,955	346,060	347,165	348,275
General Hospital	4,337,205	4,418,395	4,460,411	4,474,685	4,489,000	4,503,370	4,517,780
Rural Health Clinic	45,057	43,930	44,373	44,515	44,660	44,800	44,945
Prescriptions and orders filled:							
Pharmacy	13,374,867	12,701,512	12,923,834	13,337,395	13,380,075	13,422,895	13,465,845
Medical Supplier	138,561	146,674	150,778	151,260	151,745	152,230	152,720

Program Analysis:

Outpatient services include the majority of services offered to a person who does not need 24 hour care in a health care facility. Outpatient services include clinic and office care (medical, podiatric, chiropractic, dental, rehabilitation, rural health, and drug and alcohol), pharmaceutical services, ambulance transportation, home health care, medical appliances and prosthetic devices. Currently under the Medical Assistance program all medically needy are not covered for pharmaceutical services and medical appliances and prosthetic devices and only medically needy individuals under the age of twenty one are eligible for dental services. The medically needy are persons who do not receive cash assistance grants, but spend a significant portion of their income for medical expenses.

In the outpatient portion of the Medical Assistance program, providers of service are primarily reimbursed on a fee for service basis, according to the Medical Assistance Fee Schedule. In the past several years, substantial progress

has been made in revising the fee schedule. Effective January 1, 1983, the department updated the schedule to incorporate the procedure codes and terminology used by Medicare and deleted several obsolete procedure codes. The revised fee schedule changed numerous specific reimbursement policies. For example, the maximum fee payable to a practitioner for services performed in a hospital was increased from \$200 to \$500. The chiropractor's visit fee was increased from \$7.00 to \$8.50, and the podiatrist visit fee was increased from \$8.00 to \$9.50. Under the revised fee schedule, assistant surgeons now qualified for payment, and the fees for all surgical procedures were increased.

Between January and June of 1983, the department further revised the fee schedule. Prior to 1983, clinics open less than forty hours a week were receiving \$6.00 per visit. In January 1983 this fee was increased to \$10.00. In March 1983 the department increased the fees for durable medical equipment, prosthetics and orthotics, removed obsolete items

Treatment — Outpatient Services (continued)

Program Analysis: (continued)

from the fee schedule, and replaced them with more updated items.

On July 1, 1984, the fee schedule was revised by expanding the procedures covered in the areas of diagnostic radiology, nuclear medicine, radiation therapy, pathology, and medical diagnostic services. In addition, the dual drug dispensing fees for retail and institutional pharmacies of \$2.25 and \$1.55 per prescription respectively were eliminated in favor of a single dispensing fee and increased to \$2.50 per prescription. On September 1, 1984 this dispensing fee was increased to \$2.75 and physicians' home and office visit fees were increased from \$11.00 to \$11.50. In January 1985 fees for prosthetic and orthotic devices were increased, and new items were added to the list of compensable devices.

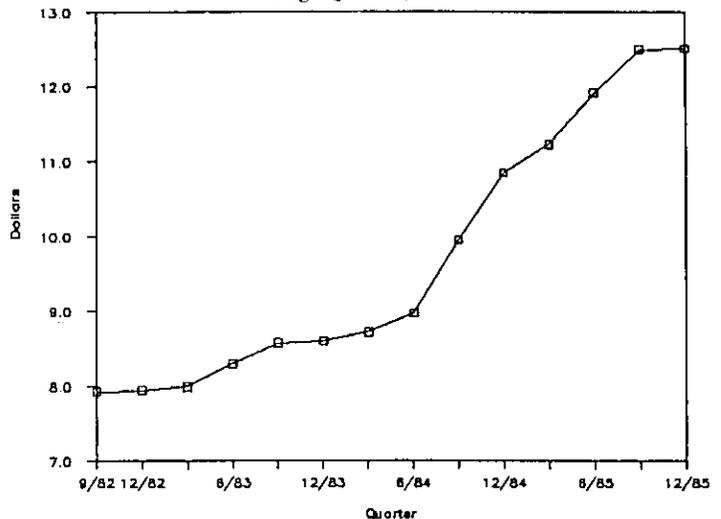
Effective April 1, 1985 fees for services furnished by physician and outpatient hospital clinics were increased to a level representing approximately 50 percent of the providers' statewide average usual charges. Also, the visit fee for home health agencies was increased from \$18.00 to \$25.00 per visit, and the maximum fee payable to a practitioner for services performed in a hospital was increased from \$500.00 to \$1,000. On October 1, 1985, fees for physician home and office visits, hospital outpatient clinic visits, and emergency use of the emergency room were increased to approximately 70 percent of the providers' reported usual charges.

While fee increases have been implemented, the department has initiated several measures to contain program costs. To involve recipients in the costs of their health care and to deter unnecessary utilization of health care services the department implemented a recipient copayment system on September 1, 1984. The copayment amount ranges from \$.50 to \$3.00, depending on the type and cost of the service, with the provider of service responsible for collecting the copayment. A number of exemptions from the copayment requirement have been made. Those individuals who are under 18 years of age, pregnant, enrolled in pre-paid capitation programs, and some patients in medical institutions are exempt from the copayment. In addition, to prevent undue hardship on recipients, no copayment is required for emergency services, laboratory services, family planning services, psychiatric partial hospitalization, specific drugs and medical supplies, blood and blood products, oxygen, rental of durable medical equipment, and home health care services. A recipient's total copay liability is limited to \$90 for each six month period, with a recipient's payment over that level reimbursed to the individual. The department has also made the admission review criteria for short procedure unit (SPU) services stricter, and has limited payments for dispensing fees on certain prescriptions to recipients in nursing homes to one dispensing fee per drug dispensed within a 30 day period.

During 1984-85, centralized prior authorization of selected services was implemented. In March 1985 selected items of durable medical equipment and surgical supplies, as well as most prosthetic and orthotic devices, required review under the centralized prior authorization system. In May 1985 centralized prior authorization for selected dental services (dentures, space maintainers, surgical extractions, all crowns except stainless steel crowns, multiple extractions of six or more teeth during one visit, etc.) was implemented. Centralized prior authorization assures statewide uniformity which allows recipients equal access to necessary medical services and items while at the same time controls costs by reducing payments for unnecessary services. The result of this activity is shown in the program measure visits to dentists which has been changed from that printed previously to reflect the estimated annual impact of this program in 1985-86 and beyond.

As can be seen in the graph, the average quarterly cost per service for the pharmacy provider type (including drugs, medical supplies, durable medical equipment and family planning drugs) has increased each quarter over the past two and one half years. In the first quarter of fiscal year 1982-83, the average amount approved per drug claim was \$7.93.

PHARMACEUTICAL PAYMENTS
Average Quarterly Cost/Service



compared with an average cost of \$12.51 for the quarter ending December 1985, an increase of 57.8 percent. By individual months the increase in amount approved per claim has shown a similar pattern. In July 1982 the average drug claim was \$7.85; in December 1985 the average amount approved per claim was \$12.59, an increase of 60.4 percent. There are several factors which impact on the cost per service including the increase in the product portion of payment, increases in dispensing fee in July 1984 and September

Treatment—Outpatient Services (continued)

Program Analysis: (continued)

1984 as discussed above and changes in department Medical Assistance regulations including the elimination of the requirement for prior authorization for all drug claims over \$15.00, limiting payment to only one dispensing fee per month for maintenance drugs in nursing homes, and implementation of the recipient copay.

The department is proposing to revise the method of determining the estimated acquisition cost (EAC) for drugs and establishing a State Maximum Allowable Cost (MAC) Program to pay for selected multi-source drugs. Currently the EAC for legend and nonlegend (over the counter) drugs, for both multi-source and sole source drugs, is found by taking the current Drug Topics Red Book Average Wholesale Price (AWP) for the drug in the most common package size. The department is proposing a procedure to revise the present method for determining the EAC of a drug or the ingredient portion of the total reimbursement, including all sole source drugs (drugs which are manufactured by one company or are under patent protection) and those drugs which do not have an established Federal or state MAC price. Under this proposal, the EAC would be calculated as the Red Book AWP minus 10 percent. The "percent off AWP" concept serves to take advantage of the discounts given to pharmacies by drug manufacturers thereby having the EAC price fall more closely in line with price generally and currently paid by providers. In addition, a 10 percent reduction of the AWP would more closely conform to the Federal requirement of setting the cost of each drug at the agency's best estimate of what price providers generally are paying for a drug.

In its report issued September 1984, the Office of Inspector General of the Health Care Financing Administration of the Department of Health and Human Services reported that in reviewing 3,469 drug purchases, 99.6 percent of the purchases averaged 15.9 percent below AWP. Moreover, purchase discounts were available and were taken by pharmacies in all areas of the selected states studied regardless of population by both chain-owned and independently owned pharmacies.

The department is also proposing to expand the Federal Maximum Cost (MAC) program by establishing state MAC prices for other selected multi-source drugs. The method to determine the upper limit of reimbursement of the state MAC will involve arraying the EAC, which is the AWP minus 10 percent, of all products listed in the Department

of Health's Generic Drug Formulary from the highest to the lowest price. The price for the drug will be established at the 70th percentile from the lowest price of the drugs which are generically equivalent. The department believes that by establishing the MAC price at this level of the EAC, the price will be high enough to include most of the generically equivalent drugs, yet low enough to show savings from the higher costing brand name products. In all cases regarding payment for drugs, the department will pay the lowest of EAC, Federal MAC or State MAC, whichever applies.

The Recommended Budget provides for the transfer of responsibility for administration and management of the ambulatory psychiatric services component (psychiatric clinics and psychiatric partial hospitalization services) of the Medical Assistance Outpatient program to the community mental health program beginning July 1, 1986. For 1986-87, \$30.6 million in State funds is transferred for this purpose. For further discussion refer to the Program Revision Medical Assistance—Community Mental Health following the Acute Mental Health Services subcategory.

The program measures presented in this subcategory represent actual and anticipated utilization under the fee for service system by those persons eligible for Medical Assistance and have changed from those printed previously. The average monthly number of persons eligible for Medical Assistance is projected to increase slightly in 1985-86 and beyond from the average monthly number eligible in 1984-85. However, the projected utilization in 1985-86 and beyond is not simply a straight percentage increase, but rather a function of aid category utilization patterns for each outpatient provider type. Because each aid category tends to utilize a particular service in different intensities, changes in the case mix in a given year (i.e. proportionately more high utilizers to the total eligibility than previously or vice versa) will be reflected in changes in the number of services for that provider type.

The measures presented for the years 1985-86 and beyond represent utilization before the impact of increased enrollment in capitation programs is taken into account. While this initiative will reduce fee for service utilization, this decrease is not reflected due to the uncertainty of the impact on a service by service basis. The impact is reflected, however, in the dollar projections.

Treatment—Outpatient Services (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Medical Assistance — Outpatient	\$ 214,520	\$ 254,701	\$ 210,079	\$ 207,163	\$ 210,729	\$ 214,271	\$ 218,132
State General Hospitals	1,623	800	.....	.....	.....	.....	.....
State General Hospital—Philipsburg .....	.....	1,000	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 216,143</u>	<u>\$ 256,501</u>	<u>\$ 210,079</u>	<u>\$ 207,163</u>	<u>\$ 210,729</u>	<u>\$ 214,271</u>	<u>\$ 218,132</u>
LOTTERY FUND							
Medicare Part B Payments	\$ 8,000	\$ 8,182	\$ 8,528	\$ 8,983	\$ 9,447	\$ 9,927	\$ 10,428
LOTTERY FUND TOTAL	<u>\$ 8,000</u>	<u>\$ 8,182</u>	<u>\$ 8,528</u>	<u>\$ 8,983</u>	<u>\$ 9,447</u>	<u>\$ 9,927</u>	<u>\$ 10,428</u>

Treatment — Inpatient Services

OBJECTIVE: To insure the availability of quality inpatient services to the eligible population in order to reduce morbidity and length of disability and to minimize time in the hospital.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 533,875	\$ 524,822	\$ 485,222	\$ 483,009	\$ 506,022	\$ 521,779	\$ 537,755
Federal Funds	350,114	369,399	309,868	290,496	303,769	312,404	321,141
Other Funds	40,128	41,905	22,567	10,120	10,120	10,120	10,120
TOTAL	\$ 924,117	\$ 936,126	\$ 817,657	\$ 783,625	\$ 819,911	\$ 844,303	\$ 869,016

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Persons eligible for Medical Assistance	1,140,219	1,121,348	1,035,266	1,022,120	1,010,315	998,523	986,743
Inpatient hospital admissions:							
DRG hospitals	255,232	250,958	231,693	228,750	226,110	223,470	220,835
Non-DRG hospitals	48,442	47,635	43,978	43,845	42,920	42,420	41,915
Average length of stay in days:							
Rehabilitation hospitals	13.62	13.14	13.14	13.14	13.14	13.14	13.14
Private psychiatric hospitals	15.21	14.19	14.19	14.19	14.19	14.19	14.19
Average cost per day:							
Rehabilitation hospitals	\$238.11	\$251.74	\$251.30	\$262.85	\$274.95	\$287.60	\$300.85
Private psychiatric hospitals	\$255.01	\$258.48	\$258.19	\$270.05	\$282.50	\$295.50	\$309.10
Average cost per case:							
DRG hospitals	\$1,838	\$1,955	\$1,928	\$2,020	\$2,110	\$2,205	\$2,308
Admissions disallowed as a result of hospital utilization review:							
DRG hospitals	4,624	4,485	4,141	4,090	4,040	3,995	3,950
Non-DRG hospitals	1,937	1,906	1,760	1,740	1,720	1,700	1,680
Days disallowed as a result of hospital utilization review:							
DRG day outliers	1,521	1,458	1,346	1,330	1,315	1,300	1,285
Non-DRG hospitals	30,843	30,276	27,952	27,600	27,280	26,960	26,645

Program Analysis:

Inpatient hospital care is intensive and costly in comparison to those health services described in the preceding subcategories. This subcategory includes care for Medical Assistance patients in general, rehabilitation, and private psychiatric hospitals, as well as care for any patient in State General Hospitals and care provided in selected other hospitals.

The Commonwealth currently operates seven general hospitals and assists two chronic disease hospitals. Originally, the State General Hospitals were intended to provide low cost care to patients in the coal mining regions of the State. With the advent of Medicare, Medical Assistance and third party insurers such as Blue Cross, patients are now being fully charged for using the facilities. With increasing third

Treatment — Inpatient Services (continued)

Program Analysis: (continued)

party support, it is anticipated that the local communities will take over the institutions and manage them with the intention of gearing the institutions to the particular needs of each area. On September 6, 1985, Connellsville State General Hospital was divested. There are still seven hospitals in the State General Hospital system. In 1985-86, the Department of Welfare expects to transfer Nanticoke, Hazleton, Scranton and Philipsburg. It is anticipated that the three remaining hospitals (Shamokin, Ashland and Coaldale) will be

transferred by the end of fiscal year 1986-87. There is a one thousand dollar state appropriation proposed for 1986-87, to hold federal and augmenting fund collections. Sufficient funds have been appropriated to complete divestiture. No additional appropriations are required. The Commonwealth assists two chronic disease hospitals, the Children's Heart Hospital and the Home for Crippled Children, which care for chronically ill indigent patients. These hospitals have chosen not to participate in the Medical Assistance program.

	Patient Capacity July 1985	Projected Capacity July 1986	Population July 1985	Projected Population July 1986	Projected Percent of Capacity July 1986
State General Hospitals					
Ashland	183	183	91	98	53%
Coaldale	156	156	77	80	51%
Hazleton	162	.....	96	.....	.....
Nanticoke	82	.....	50	.....	.....
Philipsburg	132	.....	58	.....	.....
Scranton	124	.....	46	.....	.....
Shamokin	72	72	33	36	50%
TOTAL	911	411	451	214	52%

Coverage is provided to eligible Medical Assistance recipients on a 24 hour basis for room, board and professional services. The Medical Assistance patient is entitled to the same quality and standard of care as is normally furnished other patients. Initially a recipient can only be eligible for admission under Medical Assistance upon the recommendation of a physician, dentist or podiatrist. Payment will not be made for diagnostic tests and procedures that are not related to the diagnoses that require that particular inpatient stay. Hospital care solely for cosmetic procedures as well as diagnostic or therapeutic procedures solely for experimental, research, or educational purposes are not payable through Medical Assistance.

Upon recommendations from the Governor's Task Force on Health Care Cost Containment and language in the General Appropriations Act of 1983, on July 1, 1984 the method of payment for acute care general hospitals under the Medical Assistance program was changed from a retrospective cost reimbursement system to a diagnosis specific prospective payment system. The payment system is prospective in that no settlement or adjustment is made following the payment for the hospital stay.

Under the prospective payment system, the department bases payment for inpatient hospital services on the classification of inpatient hospital discharges by diagnosis

related groups (DRGs). A DRG is assigned to each Medical Assistance discharge based on the recipient's diagnoses, procedures performed during the recipient's hospital stay, and the recipient's sex, age and discharge status. Rates are established for each DRG, designed to reflect the average amount of resources used to treat specific inpatient cases.

The department's prospective payment rates for fiscal years 1984-85 and 1985-86 were determined by blending the hospital's group average rate with its hospital specific rate for each DRG. For fiscal 1984-85, payment was based on 75 percent of the hospital's specific cost per case and 25 percent of the hospital's group average cost per case. For fiscal 1985-86, payment reflects 50 percent of the hospital's hospital specific cost per case and 50 percent of the hospital's group average cost per case. For fiscal years 1986-87 and thereafter, the department's payment for compensable inpatient hospital services under the DRG payment system will be based on the hospital's group average cost per case. For children's hospitals, payment is made with each hospital considered its own group.

In addition to the DRG prospective payment for a patient discharged from a hospital, the department reimburses participating hospitals for costs for depreciation and interest for buildings and fixtures and for costs for direct medical education. Projected payments are made on an interim basis

Treatment — Inpatient Services (continued)

Program Analysis: (continued)

with final payment based on an audit of those costs at the end of the fiscal year. If the hospital stay meets the requirements for either a day or cost outlier, as defined by the department, the prospective payment amount is also adjusted. An outlier represents an inpatient hospital case having either an extremely long length of stay or extraordinarily high costs in comparison to most discharges for the same DRG. When provided to an inpatient, the department makes separate payments to the practitioner for direct care services provided by that practitioner (licensed physician, dentist, optometrist, podiatrist or chiropractor) or by a midwife who is under salary or contract with the hospital. These services are reimbursed in accordance with the fees established under the Medical Fees Schedule through the Medical Assistance—Outpatient appropriation.

Drug and alcohol treatment/rehabilitation, psychiatric, and rehabilitation hospitals, as well as psychiatric units of general hospitals and Department of Health approved drug and alcohol treatment/rehabilitation units of general hospitals are excluded from the prospective payment system. Since DRGs were based on acute care data from a nationwide sample of acute care general hospitals, classifying patients into groups that are clinically similar and are comparable with respect to use of resources, they are not clinically appropriate for these services. The methods of treatment and associated length of stay for these services have a wide range of variation based on the ability of a patient to respond to the treatment and how providers define the minimum length of stay to complete their program. Payment for these services continues to be made on a retrospective cost related basis subject to limits.

Two initiatives are recommended for 1986-87 as part of our cost containment efforts. Payment procedures for ambulatory surgical centers are being developed and the payment system for hospital-based short procedure units, facilities where same day surgery is performed, will be revised, with the rate for these facilities set consistent with other outpatient services. This revision is anticipated to reduce State requirements by \$3.0 million in 1986-87. In addition, inpatient drug detoxification for General Assistance recipients under Medical Assistance will be limited, resulting in 1986-87 State fund savings of \$6.5 million.

Beginning in February 1982, the department implemented Concurrent Hospital Review (CHR) activities to cover all Medical Assistance hospital admissions. By June 1982, all admissions and continued stays were being reviewed. With implementation of the prospective payment system, the department conducts the review of inpatient hospital services under the DRG Post Admission Review Process, beginning with admissions on and after July 1, 1984. The objec-

tives of the DRG Review Process are to assure that admissions are necessary and appropriate medical care is rendered, and to control costs related to inpatient care. The recommended budget anticipates that the present concurrent review of inpatient hospital admissions will be replaced by a prior or pre-certification program for inpatient hospital services and for ambulatory services, resulting in State funds savings of \$2.0 million in 1986-87. Outlier days and outlier costs for neonatal and burn cases are also reviewed for medical necessity after discharge. Any admission, outlier, or extension of stay not deemed medically necessary will not be reimbursed.

In order to involve recipients in the costs of their health care and to discourage unnecessary utilization of services, the department implemented copayment on September 1, 1984 for nonexempt services and recipients. Under the copayment program, a \$3.00 per day copay, up to a maximum of \$21.00 per inpatient hospital admission, is required, with the provider of service responsible for collecting the copayment. A recipient's total copay liability is limited to \$90 for each six month period, with a recipient's payment over that level reimbursed by the department to the individual.

The department continues to emphasize that third party resources, such as Medicare and other insurance, available to a recipient be utilized as a method of containing Medical Assistance program costs. Savings under third party liability can be realized in several ways. First, the provider of service is aware that other medical coverage is available and collects payment from that resource, with that payment not being billed to the department. Claims for reimbursement are also checked by the department's automated claims processing system to identify if third party resources are available to the individual. If such is the case, the claim is rejected, the provider is informed of what resources are available and where to bill, and Medical Assistance expenditures are cost avoided. In addition, the department periodically runs special computerized tape matches with insurers such as Blue Cross, Blue Shield, and Medicare to determine whether Medical Assistance eligibles have additional health care coverage available to them. If it is found that Medical Assistance has paid for services that are reimbursable under other third party coverage, those payments are recovered from the appropriate source, and the computerized Medical Assistance eligibility file is updated so that claims can be appropriately cost avoided in the future. Case recoveries are also made by the Medical Recovery Unit in the Office of Fraud and Abuse Investigation and Recovery in the department. That unit is responsible for collecting third party resources available to Medical Assistance reci-

Treatment — Inpatient Services (continued)

Program Analysis: (continued)

patients for the payment of medical services. This Office is also responsible for recovering monies erroneously paid to or fraudulently claimed by providers of medical services.

The program measures for this subcategory have been revised from those printed previously due to the changes that have taken place in the Medical Assistance inpatient hospital program as discussed above. Since the current payment system for acute care community general hospitals is based on the prospective payment system using DRGs, measures have been added to show hospital admissions, average cost

per case and other information on DRG and non-DRG hospitals. Data continues to be shown on average length of stay and cost per day for two types of hospitals, rehabilitation hospitals and private psychiatric hospitals and those units which are not covered by the DRG payment system. In addition, these measures have been adjusted to reflect the anticipated effect of the increased enrollment in capitation programs in 1985-86 and thereafter on the fee for service component.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 2,202	\$ 2,067	\$ 2,017	\$ 2,098	\$ 2,182	\$ 2,269	\$ 2,360
County Administration—Statewide	10,928	11,148	11,161	11,607	12,071	12,554	13,056
County Assistance Offices	28,590	29,663	30,140	31,346	32,600	33,904	35,260
Medical Assistance—Inpatient	467,121	462,846	431,933	428,071	449,270	463,147	477,171
Medical Assistance—Outpatient	8,671	8,605	7,877	7,794	7,806	7,812	7,815
State General Hospitals	10,105	7,200	1	. . . .	. . . .	. . . .	. . . .
State General Hospital—Connellsville	4,500	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .
State General Hospital—Philipsburg . . . . .	. . . .	1,000	. . . .	. . . .	. . . .	. . . .	. . . .
Home for Crippled Children, Pittsburgh	520	530	530	530	530	530	530
Children's Heart Hospital, Philadelphia	1,238	1,563	1,563	1,563	1,563	1,563	1,563
Mercy Hospital Study . . . . .	. . . .	200	. . . .	. . . .	. . . .	. . . .	. . . .
GENERAL FUND TOTAL	\$ 533,875	\$ 524,822	\$ 485,222	\$ 483,009	\$ 506,022	\$ 521,779	\$ 537,755

Long-Term Care Services

OBJECTIVE: To insure the availability of high quality care in skilled nursing facilities (SNF) or intermediate care facilities (ICF) for those who do not require intensive care but cannot be maintained within a family household unit.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 122,377	\$ 135,570	\$ 143,043	\$ 135,614	\$ 165,284	\$ 178,439	\$ 192,098
Special Funds	141,639	141,653	141,973	142,072	142,175	142,284	142,398
Federal Funds	328,186	362,188	389,690	379,399	420,253	438,325	457,094
Other Funds	637	665	665	665	665	665	665
TOTAL	\$ 592,839	\$ 640,076	\$ 675,371	\$ 657,750	\$ 728,377	\$ 759,713	\$ 792,255

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Average monthly number of recipients receiving institutional long-term care:							
Skilled nursing care	7,760	6,697	5,875	5,935	5,995	6,055	6,115
Intermediate care	36,610	37,905	39,314	39,710	40,105	40,505	40,910
Nursing care cases reviewed	55,880	56,744	144,205	146,510	147,450	148,405	149,370

Program Analysis:

The provision of skilled nursing or intermediate care to persons eligible for Medical Assistance is the primary emphasis of this subcategory. Funds for the State restoration center, mental health, and mental retardation institutional patients are not reflected here.

Nursing homes certified to participate in the Medical Assistance program provide one or both of two levels of care in accordance with established standards. The most intense level, skilled nursing care, involves skilled nursing and rehabilitation services rendered under the general direction of a licensed physician. Such services are furnished by or under the supervision of licensed professional nursing personnel or by other professional health personnel. In addition, services are required and provided on a daily basis and as a practical matter, can only be provided on an inpatient basis. The less intense level of care, intermediate care, is a planned program of health care and management that is provided under the direction of a physician to recipients with a mental or physical disability whose needs cannot be met in a less intensive setting.

Skilled nursing facilities and intermediate care facilities provide services to two major categories of patients: (1) those who need temporary care in order to be restored to the community and (2) those who need continuing care on a long-

term basis. The first category of patients consists most often of persons discharged from an inpatient hospital setting who require medical services while convalescing after intensive medical services, such as surgery. These persons may be of any age. The second category of patients consists of persons who may or may not have been in an inpatient hospital setting but who have a chronic disabling condition which would prevent them from returning to the community. Most of the persons in this category are 65 years of age or older. While some of the patients are Medical Assistance recipients at the time of their admission to a nursing home, the majority of the Medical Assistance nursing home recipients enter the nursing home as private pay patients, and become eligible for Medical Assistance only after exhausting their personal resources.

Private profit and nonprofit nursing homes and facilities operated under the County Institution District Law are reimbursed allowable costs up to ceilings calculated for each Metropolitan Statistical Area (MSA) and non-MSA within the State according to the department's established methodology. For private nursing homes, four MSA groupings are used, with two MSA groupings used for county nursing facilities. Physically disabled and hospital-based nursing facilities are currently reimbursed their allowable costs

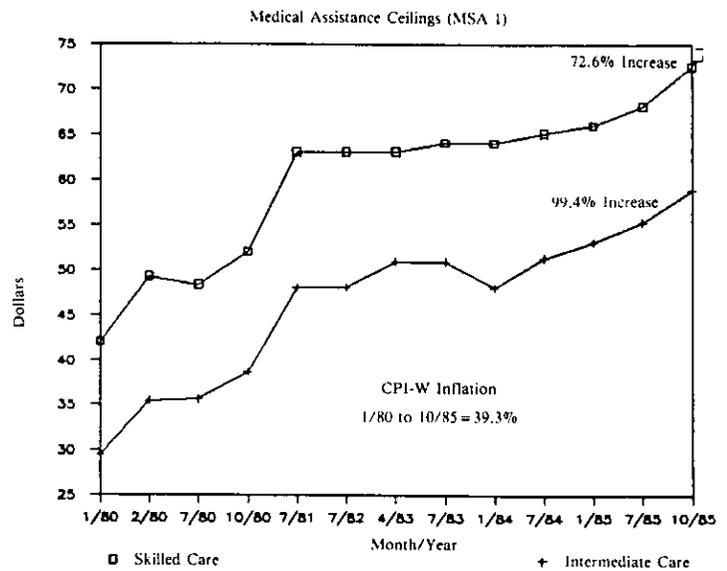
Long-Term Care Services (continued)

Program Analysis: (continued)

up to Statewide ceilings calculated for each type of facility. The ceilings are used to limit operating costs only. Payment for capital depreciation and interest are paid outside of the ceilings.

Effective July 1, 1985 the department revised its ceiling setting methodology to establish ceilings based on the 55th percentile per diem cost of each ceiling setting group. This change in ceiling setting methodology was made to account for additional nursing hours that were recognized as allowable for the intermediate level of care. Effective July 1, 1985 the maximum number of nursing hours per patient per day recognized as allowable was increased from 2.4 to 2.6 hours. Effective October 1, 1985, the department again revised nursing home ceilings, establishing ceilings based on the greater of the 55th percentile or 107 percent of the median per diem, whichever is higher. Additional funding is included in 1986-87 to provide for changes in ceilings for services beginning July 1, 1986. Also effective July 1, 1986, it is recommended that hospital-based nursing homes be combined with the regular private profit making and private nonprofit nursing homes when the new reimbursement ceilings for 1986-87 are computed. It is anticipated that \$1.1 million in State fund savings will be realized from the elimination of this special class in fiscal 1986-87. The following graphs depict the changes in Medical Assistance ceilings for both the skilled nursing and intermediate care levels that have occurred for private and county nursing homes, using MSA 1, for the period January, 1980 to October 1985.

County Nursing Homes



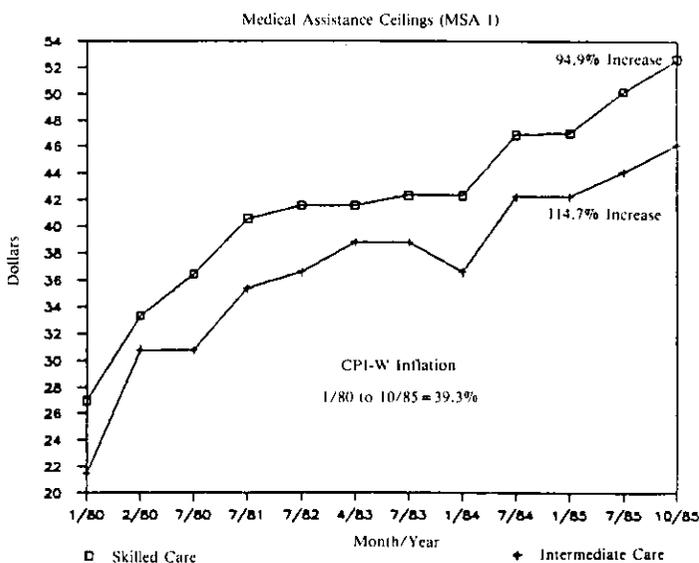
The skilled and intermediate care ceilings that are indicated for 1/80 were in effect from 10/78 through 1/80.

The budget also includes \$527,000 in State funds to provide additional staff so that the annual Medical Assistance utilization review of each nursing home and the appropriateness of each patient's level of care can be expanded. It is anticipated that more frequent reviews of the level of care will result in more appropriate placements of individuals, resulting in a State fund savings of \$1.1 million in 1986-87. The program measures for this subcategory have been adjusted from those shown previously, beginning in 1986-87, to reflect the anticipated impact of this initiative.

The Federal Deficit Reduction Act of 1984 was signed into law on July 18, 1984. One provision of the act amends Title XIX of the Social Security Act in regard to payment for depreciation, interest, and other costs related to the negotiation or settlement of the sale or purchase of any capital asset of any hospital or nursing facility enrolled in the Medical Assistance program. The law requires that the Medical Assistance program adjust its payment for services on or after October 1, 1984 to preclude a step-up in cost basis for any asset that was purchased on or after July 18, 1984, in order to ensure receipt of Federal matching funds. For asset transfers affected by the law, a step-up in cost basis was permitted from the date of the transfer through September 30, 1984. Effective October 1, 1984 the cost basis was adjusted to reflect no step-up.

While long-term care has traditionally been associated with institutionalized care, the emphasis in recent years has begun to change as the proportion of elderly individuals to the total population increases and as the cost of nursing

PRIVATE NURSING HOMES



The skilled and intermediate care ceilings that are indicated for 1/80 were in effect from 7/77 through 1/80.

Long-Term Care Services (continued)

Program Analysis: (continued)

home care continues to escalate. Attention is increasingly being given to developing alternative programs and support services which allow an individual to remain in the community in the least restrictive setting appropriate for that person.

In Pennsylvania, a number of long-term care alternatives have been developed, using a multi-agency approach and utilizing funding from State, Federal, and Lottery Fund sources. These changes are designed to strengthen both informal and formal community support systems and attempt to decrease the emphasis on the use of nursing home care. Beginning in November 1982, the special monthly State supplement of \$147.30 paid to Supplemental Security Income (SSI) eligible persons in domiciliary care facilities was extended to those SSI eligible persons residing in licensed personal care boarding homes. In September 1982, the Medical Assistance outpatient fee for home health care visits was increased from \$13.00 to \$18.00, and this fee was further increased to \$25.00 per visit in April, 1985.

In 1983-84, a State demonstration program was initiated which is now known as Long-Term Care Assessment and Management Program (LAMP). The department has entered into an agreement with the Department of Aging to continue the demonstration effort in seven counties during 1985-86. LAMP sites assess all persons requesting Medical Assistance payment for nursing home care to determine the individual's need for skilled or intermediate care and to explore the use of community services as an alter-

native to placement in a nursing home. Whenever appropriate, those clients who would otherwise be institutionalized will be provided with a prescribed community services package which will enable them to remain at home. The budget provides Lottery Funds to expand this program in 1986-87 if LAMP demonstrates that it is serving the intended population in a cost effective manner. For further discussion, refer to the subcategory Community-Based Long-Term Care Services in the Department of Aging.

A new in-home services program of attendant care was authorized in 1984-85 with \$5 million in Lottery Funding provided to the Department of Aging for attendant care services to senior citizens and \$3.4 million in Federal Social Services Block Grant funding allocated to the Department of Public Welfare for similar services to persons under 60 years of age. In 1986-87, \$5.4 million is recommended for this program in the Department of Aging, and \$5.7 million in the Department of Public Welfare from the respective funding sources. This program provides personal care services by a specially trained attendant to assist physically disabled persons with key activities of daily living such as eating, dressing, and personal hygiene. The major goals of the program are to help prevent and/or delay institutionalization and to reduce the cost of long-term care. This program is also discussed in the subcategory Community-Based Long-Term Care Services in the Department of Aging.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Long-Term Care Facilities	\$ 122,377	\$ 135,570	\$ 143,043	\$ 135,614	\$ 165,284	\$ 178,439	\$ 192,098
LOTTERY FUND							
Medical Assistance — Long-Term Care							
Facilities	\$ 140,000	\$ 140,000	\$ 140,000	\$ 140,000	\$ 140,000	\$ 140,000	\$ 140,000
Pre-Admission Assessment	1,639	1,653	1,973	2,072	2,175	2,284	2,398
LOTTERY FUND TOTAL	\$ 141,639	\$ 141,653	\$ 141,973	\$ 142,072	\$ 142,175	\$ 142,284	\$ 142,398

MENTAL HEALTH CATEGORY ANALYSIS

Prior to 1966, public mental health services were traditionally provided in the State mental hospitals. With the passage of the Mental Health and Mental Retardation Act of 1966, a wide range of services were developed at the community level. This approach to service delivery minimizes the disruption of the continuity of the individual's life style.

In this budget presentation, mental health services are viewed as a continuum from least intensive to most intensive. The purpose of the continuum is to provide services as early as possible in order to avoid the necessity of long-term care and hospitalization.

The initial point of entry into the mental health services system is generally through the community services component. Crisis intervention and emergency services are utilized to identify and resolve problems soon after they occur. Other services include public education, consultation, prevention and service coordination. Problem resolution may involve referral to a more intensive community service.

If additional services are required once a problem is identified, the acute mental health services component of the system can be utilized. Services provided, ranging in increasing levels of intensity, are outpatient, partial hospitalization, and short-term inpatient services.

Rehabilitative services are utilized both by individuals living in the community who require specialized skill training and by patients of mental hospitals who require additional training prior to living independently in the community. Residential, vocational, and social rehabilitative services are included in this component.

The State mental hospitals are utilized by individuals who require other long-term or specialized treatment and rehabilitation. This component is viewed as the most intensive.

The major goal of the mental health services system is to prevent and treat mental disability by providing services as early as possible in the least intensive setting.

Efforts are continuing to make the most efficient use of available resources and to prevent the escalation of costs in the State mental hospital program. The department is continuously reviewing facilities in the Commonwealth to determine methods for more effective and efficient use of resources.

As a result of the Federal Omnibus Reconciliation Act of 1981, the Commonwealth assumed administrative responsibility for former Federal grants to community Mental Health centers. Funding is provided through the Alcohol, Drug Abuse, and Mental Health Services Block Grant.

The 1986-87 Budget provides funding for the expansion of community residential placement, outreach, vocational, and family support services, and mental health services to county prisons, shelters and personal care homes through a Program Revision for Community Mental Health Expansion. A new initiative for the Prevention of Teen Suicide will be developed by the department in conjunction with the Departments of Health and Education. Improvements in the accountability for partial hospitalization in the mental health program are anticipated by implementing the Program Revision for Medical Assistance—Community Mental Health.

Mental Health Systems Support

OBJECTIVE: To maintain a system in which mental health services are available to all those in need of them and to assure the provision of a continuum of care and aftercare services for all clients as they move through the mental health service delivery system.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 23,127	\$ 25,139	\$ 25,438	\$ 25,924	\$ 26,429	\$ 26,954	\$ 27,501
Federal Funds	10,524	11,422	8,471	8,500	8,529	8,559	8,589
TOTAL	\$ 33,651	\$ 36,561	\$ 33,909	\$ 34,424	\$ 34,958	\$ 35,513	\$ 36,090

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Persons provided mental health services in the county program	223,406	235,247	247,715	260,844	274,669	289,227	304,556
Total new admissions to county programs .	89,134	91,540	94,012	96,550	99,156	101,833	104,582
Cases closed in county programs.....	88,897	95,475	102,425	109,881	118,012	126,745	136,124

Program Analysis:

The Commonwealth's program of mental health services is provided through State operated mental hospital programs and county directed community mental health programs. Systems supports are designed to develop and maintain the entire mental health service delivery system. State-level planning and evaluation, coordination, administration, manpower development, research and demonstration serve to support and improve the total mental health delivery system. At the county level, the Mental Health and Mental Retardation Act of 1966 mandates planning, coordination and monitoring of community services.

The value underlying the Commonwealth's mental health system goals is independence. Mental health programs are on a continuum of decreasing care intensity and increasing independence. The overall goals are to prevent the occurrence of disability from mental illness and to restore persons who become mentally disabled to their maximum level of independent functioning with the least intensive degree of intervention necessary. This approach should minimize the use of the more intensive, complicated and costly services available in the delivery system.

Attaining the mental health goals involves the interdependence of the systems support subcategory with four other subcategories. From the least intensive care and program dependence to the most intensive care and program dependence, the subcategories are Community Services, Acute Mental Health Services, Rehabilitative Services and Institutional Care.

An important factor in the monitoring and evaluation of mental health programs is the collection and reporting of quantifiable information. Data collection is accomplished through the use of the consolidated community reporting (CCR) system, the patient/client information system (PCIS), and various special reports and surveys.

Utilization of program services, represented by the measure, persons provided mental health services in the county program, is estimated to continue increasing at an approximate annual rate of five percent.

Persons provided mental health services is an unduplicated count. It is comprised of the beginning year caseload, new admissions and readmissions of clients who were active in the mental health system during a previous fiscal year.

Mental Health Systems Support (continued)**Program Analysis: (continued)**

Clients who had their case closed during fiscal year 1984-85 and subsequently reopened during this fiscal year are not included.

Total admissions to county programs is projected to increase about three percent annually and the number of cases closed in county programs is expected to increase approximately seven percent annually. These two measures are duplicated counts which reflect the movement that occurs in the community mental health system.

The 1986-87 Program Revision — Medical Assistance — Community Mental Health Services provides \$644,000 in State funds to County Mental Health programs for additional administrative and management staff to implement the MA transfer program. These County Mental Health staff will monitor the number and appropriateness of clients receiving MA reimbursed outpatient and partial hospitalization services, oversee provider contracts, and strengthen quality assurance and case management activities.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 1,558	\$ 1,682	\$ 1,640	\$ 1,706	\$ 1,774	\$ 1,845	\$ 1,919
Eastern Pennsylvania Psychiatric Institute	6,651	6,776	6,776	6,776	6,776	6,776	6,776
Community Mental Health Services	8,782	10,159	10,500	10,920	11,357	11,811	12,284
Western Psychiatric Institute and Clinic .	6,136	6,522	6,522	6,522	6,522	6,522	6,522
GENERAL FUND TOTAL	\$ 23,127	\$ 25,139	\$ 25,438	\$ 25,924	\$ 26,429	\$ 26,954	\$ 27,501

Community Services — Mental Health

OBJECTIVE: To reduce the disabling effect of a mental condition by providing services to the general population including services that diminish the severity of temporary personal crisis.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 12,733	\$ 14,246	\$ 18,859	\$ 19,613	\$ 20,398	\$ 21,214	\$ 22,062
Federal Funds	1,498	1,607	1,046	1,046	1,046	1,046	1,046
TOTAL	\$ 14,231	\$ 15,853	\$ 19,905	\$ 20,659	\$ 21,444	\$ 22,260	\$ 23,108

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Persons receiving emergency and crisis intervention services	65,323	65,976	66,636	67,302	67,975	68,655	69,342
Contacts with mental health emergency service system	253,743	263,904	266,543	269,209	271,900	274,619	277,366
Facilities providing crisis intervention	43	44	44	44	44	44	44

Program Analysis:

Persons generally enter the mental health system due to the occurrence of a crisis or emergency episode in a person's life or as a result of a more gradual and progressive disability. A nonemergency situation usually results in a referral to the base service unit where evaluation of the client's service needs, referral to appropriate services, and case management are provided to insure that the client receives the required services.

Emergency services are available on a 24-hour basis to persons with a mental disability who need immediate care. Usually emergency care is needed to prevent aggressive behavior by a person toward self or others. Occasionally emergency care culminates in an involuntary commitment to an inpatient facility. Prior to commitment, the Mental Health County Administrator or delegate must determine if the person meets the definition for involuntary examination. If appropriate, the individual is examined by a physician and an involuntary commitment determination is made. Where prompt care increases a person's likelihood of stabilization from emotional distress, emergency services are available on a voluntary basis.

As part of emergency services, all 44 county/joinder programs provide a 24-hour crisis intervention program. Crisis intervention serves those persons who use emergency services while experiencing a personal crisis that has the potential to produce deterioration of their mental stability. When the mental health system is notified of an emergency, a crisis intervention team will provide routine services such as

counseling, diagnosis, evaluation and referral. In crisis intervention these services are intensified and the time span is reduced from days to hours. If further mental health services are needed, the crisis intervention program strives to match the person with an appropriate program outside a mental hospital or other inpatient hospital setting. Every effort is made to maintain the individual as a functioning member of the community.

For fiscal year 1985-86 it is anticipated that 65,976 persons will require emergency mental health services. It is estimated that 263,904 hours of service will be provided to these individuals. It should be noted that these 263,904 hours are face-to-face contacts with the client and do not include other types of emergency services. The hours of face-to-face contacts and the number of persons receiving these services are projected to increase at a rate of one percent annually.

The hours of emergency services and the number of persons receiving these services represents a substantial increase over the previous year's data. In addition to the natural growth in this service, corrections in reporting by a large county program added approximately 100,000 hours of service and 3,500 clients.

The 1986-87 Program Revision for Community Mental Health Expansion includes an additional \$4.0 million in State funds to expand services in outreach and monitoring those individuals with mental health problems who reside in the Community.

Community Services — Mental Health (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Community Mental Health Services	<u>\$ 12,733</u>	<u>\$ 14,246</u>	<u>\$ 18,859</u>	<u>\$ 19,613</u>	<u>\$ 20,398</u>	<u>\$ 21,214</u>	<u>\$ 22,062</u>

**Community Services—Mental Health
Program Revision: Community Mental Health Expansion**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 10,000	\$ 10,400	\$ 10,816	\$ 11,249	\$ 11,699

Program Analysis:

This Program Revision will develop a variety of community residential alternatives to psychiatric hospitalization. No new State revenue is required to accomplish this, rather, State mental health dollars will be transferred from the State Mental Hospital budget and channeled into additional community residential support services. This Program Revision will expand and improve Community Residential Rehabilitation (CRR) by 310 placements, provide services to shelters/personal care homes, and provide continuity of care services for persons with mental illness. The purpose of the Program Revision is to reduce the need for rehospitalization of persons who have previously been hospitalized, usually at a State hospital, and expanded community services to those clients previously not served by either the institutional or community systems. Studies have shown that the existence of well developed community support services can lead to long-term community functioning for chronic mentally ill individuals. The services proposed will support stable residential arrangements for clients discharged from in-patient facilities and will increase community tenure, prevent homelessness, and prevent the need for hospitalization or rehospitalization, all at significantly less expense than the cost of inpatient hospital services.

The total expenditures for services provided through this Program Revision will be \$10,000,000 allocated as follows:

Community Outreach—\$4,000,000

Each year approximately 225,000 persons receive outpatient mental health services in Pennsylvania while approximately 163,000 persons receive case management services. The clients who receive case management services average 2.6 hours of face-to-face contact with a staff person per year. Many clients need significantly more assistance in utilizing mental health services appropriately. In many cases, it is necessary to provide outreach and quality assurance services to ensure that clients receive mental health services appropriate to their needs as well as providing assistance to help stabilize their living situation in the community.

In-home, outreach service capacity is a vital factor in increasing long-term community tenure, particularly for those

individuals who are treatment resistive. Meeting clients in their own environment provides valuable insight into potential problems within the living setting, and provides necessary services to clients who would otherwise not seek assistance from the MH service system. Many of these treatment resistive clients are those most at risk of needing repeated inpatient services or of becoming homeless.

The community mental health service delivery system will provide better outreach, assurance of quality care, involuntary outpatient commitment monitoring and community support services to persons who require individualized assistance in utilizing available mental health services.

Family Support Services—\$1,000,000

Seriously mentally ill persons are now found in larger numbers living with parents and families. Studies indicate that about 52% or 3,936 of the 7,569 clients discharged from Pennsylvania mental hospitals in 1984-85 returned to live with their parents or families. Parents and families are an appropriate and primary source of residential care for persons with mental illness, but few generic support services are available to those families. The establishment of this service is in part a response to family advocacy for the development of services similar to those which are already available to other handicapped groups such as the mentally retarded.

Community Residential Rehabilitation (CRR)—\$4,000,000

In 1981 an estimated 5,735 spaces were determined to be needed in CRR programs. As of June 30, 1986, there will be 3,410 spaces operational. The establishment of 310 new spaces will increase the total spaces to 3,720. Services will be available for multi-need, high priority populations.

Services for Community Forensic Programs, Shelters/Personal Care Homes and Vocational Programs—\$1,000,000

Additional services include crisis intervention/emergency services, case management and aftercare to persons on parole or probation and others recently released from county prisons who are mentally ill. In addition, training will be

**Community Services—Mental Health
Program Revision: Community Mental Health Expansion (continued)**

Program Analysis: (continued)

provided to county mental health personnel who work with these clients.

Studies of personal care homes and shelters indicate that between 8 percent and 30 percent of the homeless and 30 percent of the residents in personal care homes have a history of mental illness. Additional mental health services will be more readily available to these individuals.

Numerous studies indicate there is a gap in services for mentally handicapped adolescents between leaving school and entering employment. Supported employment and other work oriented projects are intended to close that gap. In conjunction with the Office of Vocational Rehabilitation/employment and training opportunities for emotionally disturbed adolescents leaving school will be established.

Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Community Mental Health Services	<u>.....</u>	<u>.....</u>	<u>\$ 4,000</u>	<u>\$ 4,160</u>	<u>\$ 4,326</u>	<u>\$ 4,500</u>	<u>\$ 4,679</u>

In addition to the amount shown above, this program revision is also included in the following subcategory.

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Rehabilitative Services							
GENERAL FUND							
Community Mental Health Services	<u>.....</u>	<u>.....</u>	<u>\$ 6,000</u>	<u>\$ 6,240</u>	<u>\$ 6,490</u>	<u>\$ 6,749</u>	<u>\$ 7,020</u>

Acute Mental Health Services

OBJECTIVE: To reduce dependence on more intensive community treatment services.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 58,863	\$ 65,958	\$ 99,683	\$ 108,688	\$ 111,619	\$ 114,636	\$ 117,759
Federal Funds	8,965	9,619	30,798	35,801	35,848	35,872	35,884
TOTAL	\$ 67,828	\$ 75,577	\$ 130,481	\$ 144,489	\$ 147,467	\$ 150,508	\$ 153,643

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Persons receiving services on an outpatient basis	233,139	257,808	275,410	294,219	314,236	335,634	358,489
Outpatient hours (in thousands)	1,399	1,494	1,596	1,705	1,821	1,945	2,077
Persons receiving partial hospitalization ...	39,160	41,745	43,122	44,545	46,015	47,534	49,102
Hours of partial hospitalization services (in thousands)	7,508	7,973	8,236	8,508	8,789	9,079	9,378
Persons receiving inpatient services	16,863	17,920	18,959	20,059	21,222	22,453	23,755
Days of inpatient services	303,094	292,099	296,189	300,337	304,543	308,807	320,693

Program Analysis:

Acute mental health services provide both treatment and prevention. As treatment deals with a person's current mental health needs, it works as a preventor against greater mental disability. This treatment/prevention function works toward the mental health goal of providing therapeutic services in the community that foster independence. The three types of acute care services are outpatient, partial hospitalization and short-term inpatient.

Outpatient Services

Outpatient treatment includes psychiatric, psychological, social and vocational elements. Often included in these treatments is chemotherapy which is medically supervised. Outpatient services can be used by an individual, groups and families. Services are provided on a regular schedule that is appropriate for the client's mental health needs. Among the three acute care services, outpatient services require the highest degree of independence by the client. Services are restricted to less than three hours per day.

The data for the measure, persons receiving services on

an outpatient basis, indicates an estimated annual increase of 6.8 percent in utilization. Due to the unreliability of the methodology used last year to establish an unduplicated number for the persons receiving services on an outpatient basis, the measure has reverted back to a duplicated count of persons. Annual outpatient hours are also projected to increase in part due to the increase in persons using the services. In addition, improved revenue collection by county programs has resulted in increased availability dollars for the provision of services. The data in these measures indicate that a client receives an average of slightly less than six hours of outpatient services per year.

Partial Hospitalization Services

Partial hospitalization provides care and treatment to those persons not able to immediately maintain or resume community roles and responsibilities on a full-time basis. These services are more intensive and comprehensive than outpatient services but less intensive than 24-hour care. Services are provided on a planned and regularly scheduled basis

Acute Mental Health Services (continued)

Program Analysis: (continued)

for parts of days, nights, or weeks. The flexibility allows persons to maintain contacts with their community, family and employment. The program also provides a supportive environment for those persons who are resuming community relationships after short and long-term inpatient care.

It is projected that the number of persons receiving partial hospitalization services will increase by about 3.3 percent annually and the hours of partial hospitalization services provided will increase by 3.3 percent annually.

Short-term Inpatient Services

Short-term inpatient care is 24-hour continuous hospitalization in a licensed community psychiatric facility for a maximum of 60 days. Community inpatient services are appropriate when an individual requires intensive treatment during periods of unusual stress. Supervision as well as intensive treatment are provided to individuals who are unable to manage themselves because of deep depression, severely disturbed behavior or extreme confusion.

This intensive community service benefits the client in that

disruption in an individual's life is minimized and contact with family and friends can be maintained. These factors can help reduce an individual's longer term dependence on mental health systems.

It is anticipated that the number of persons receiving inpatient services will increase at an annual rate of about 6 percent and the days of inpatient service will increase at an annual rate of 1.4 percent. Currently each community inpatient episode lasts an average of 18 days; however, this average is expected to slowly decrease to 13.5 days by fiscal year 1990-91.

The 1986-87 budget includes increased funds to address the problems associated with teenage suicide and the necessary mental health support services and services to persons in county jails. The Program Revision for Preventing Teen Suicide (\$858,000) is designed to provide additional partial hospitalization and out-patient services and strengthen the service system linkages between the mental health and education systems. The Program Revision follows this subcategory.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Community Mental Health Services	\$ 58,863	\$ 65,958	\$ 69,061	\$ 71,824	\$ 74,696	\$ 77,684	\$ 80,792
Medical Assistance—Community Mental Health Services . . . . .	. . . . .	. . . . .	30,622	36,864	36,923	36,952	36,967
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
GENERAL FUND TOTAL	\$ 58,863	\$ 65,958	\$ 99,683	\$ 108,688	\$ 111,619	\$ 114,636	\$ 117,759

**Acute Mental Health Services
Program Revision: Medical Assistance—Community Mental Health**

Recommended Program Revision Costs:

	1984-85	1985-86	(Dollar Amounts in Thousands)				
			1986-87	1987-88	1988-89	1989-90	1990-91
General Fund			\$ 31,266	\$ 38,152	\$ 38,211	\$ 38,240	\$ 38,255
Federal Funds			25,187	30,834	30,881	30,905	30,917
TOTAL			\$ 56,453	\$ 68,986	\$ 69,092	\$ 69,145	\$ 69,172

Program Analysis:

This Program Revision will transfer the responsibility for administration of the Medical Assistance funded ambulatory psychiatric services from the Office of Medical Assistance (OMA) to the Office of Mental Health (OMH). The benefits of this transfer will be to increase Federal financial participation, enhance county and State level controls on the expenditures, and provide improved management and coordination of services at the county level as discussed in "Choices".

The department has determined that the accountability for partial hospitalization and outpatient mental health programs needs to be improved. There has been concern that these program be more closely monitored to make certain that eligible clients are receiving services in a cost-efficient way. Presently, the Office of Mental Health licenses partial hospitalization programs. The Office of Medical Assistance presently treats the partial hospitalization program as one rather small component of the large Medical Assistance Program. By transferring it to the Office of Mental Health, closer program oversight will be provided.

Those positions needed by the Office of Mental Health to assume program administration and oversight responsibilities will be provided within existing resources. In order to accomplish both the cost containment/accountability goals of the transfer and achieve maximum Federal funding for the services, medical assistance funded community psychiatric services must be incorporated into the county

administered community mental health system. The Office of Mental Health will require that a large portion of the management and accountability responsibility for the program be carried out by county mental health programs which currently do not have adequate staffing or administrative/technical support to meet this challenge.

This Program Revision proposes that \$644,000 additional funds be given to the county programs to hire staff to implement this accountability process and that each county program be allocated additional funds for the administrative and technical upgrading necessary to effectively monitor this program. Without this additional funding, the necessary fiscal controls, accountability measures, and program improvements cannot be implemented.

In addition to the oversight and utilization review performed directly by the Office of Mental Health, county MH/MR programs will be required to monitor contracts for Medical Assistance funded services. Further, county MH/MR programs will be required to perform utilization review on all partial hospitalization and out-patient providers to assure that the proper clients are receiving clinically necessary services, that the appropriate services are being provided to individual clients and the the length of stay is appropriate. The county programs will oversee the current 241 partial hospitalization and 346 outpatient provider sites.

Program Revision Costs by Appropriation:

	1984-85	1985-86	(Dollar Amounts in Thousands)				
			1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Medical Assistance—Community Mental Health Services			\$ 30,622	\$ 36,864	\$ 36,923	\$ 36,952	\$ 36,967
Community Mental Health Services			644	1,288	1,288	1,288	1,288
GENERAL FUND TOTAL			\$ 31,266	\$ 38,152	\$ 38,211	\$ 38,240	\$ 38,255

**Acute Mental Health Services
Program Revision: Preventing Teen Suicide**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	<u>\$</u>	<u>\$</u>	<u>\$ 1,250</u>	<u>\$ 1,300</u>	<u>\$ 1,352</u>	<u>\$ 1,406</u>	<u>\$ 1,463</u>

Program Analysis:

In 1984, 150 Pennsylvania teenagers committed suicide. Suicide is now the second leading cause of death among adolescents in Pennsylvania. Many reported adolescent suicides are not reported as suicides, but as accidental or undetermined deaths, because of the stigma to the family. Experts believe that for every suicidal death there are 50 to 120 attempts. Studies suggest that only a small fraction of adolescent suicide attemptors seek help. Other studies have found that nearly 50 percent of suicidal adolescents were involved in some form of drug and alcohol abuse shortly before their suicidal death. More and more schools are recognizing that there is a critical need to recognize, intervene, and prevent adolescent suicide, yet schools do not have the expertise or resources to develop and implement the skills and procedures necessary to help seriously troubled students. School personnel and peers must be trained to recognize the signs of suicidal behavior. County mental health programs must have the resources and expertise to respond.

In a joint effort, the Departments of Education, Health and Public Welfare will expand the scope of the already established and successful Student Assistance Program by including: the identification, intervention and referral of teenage students at risk of suicide and students with other signs of mental illness; and providing ongoing support, consultation, and inservice training to school personnel. The Student Assistance Program was developed as a comprehensive approach to recognizing and intervening in the prevention of drug and alcohol abuse in the school system.

The Department of Public Welfare's mental health program expansion will provide the impetus for schools to identify, intervene and appropriately refer students who are believed to be at risk of suicide; to provide direct linkages to community mental health services for suicidal students and their families; and to reduce the likelihood of adolescent suicide attempts and increase the number of depressed or suicidal adolescents who seek and receive mental health treatment.

Specifically, the funding for this Program Revision will enable the department to fulfill five critical objectives: (1) to enable schools to identify, intervene, and appropriately refer students with drug and alcohol problems and those who are at risk of suicide; (2) to provide ongoing support, consultation and in-service training to school personnel; (3) to provide direct linkages to community mental health/mental retardation and drug and alcohol services for student chemical abusers and for suicidal students and their families; (4) to reduce the likelihood of adolescent suicide attempts and increase the number of depressed or suicidal adolescents who seek and receive mental health treatment; (5) to increase the Department of Health's capability to provide expanded student assistance programs to additional school districts.

The Department of Public Welfare will fund a team of mental health adolescent specialists that will develop a mental health curriculum to be added to the Student Assistance Program, train local school personnel and mental health base service unit staff to work with the Student Assistance Program (\$257,000); county MH/MR programs for prevention of suicide and related adolescent MH treatment and for support services for counties with school districts trained in Student Assistance (\$601,000).

The Department of Health will contract with regional drug and alcohol Student Assistance Program specialists (\$50,000), who will work under the direction of the Regional Department of Education Drug and Alcohol staff. Specifically, the Office of Drug and Alcohol Programs (ODAP) will: (1) train a team of mental health adolescent specialists and integrate the mental health curriculum into the schools; (2) instruct 300 school administrators, nurses, and teachers on the model; (3) instruct single county authority representatives and base service unit staff on the model, (\$192,000). ODAP will provide ten single county authorities with \$15,000 each to establish effective adolescent drug and alcohol evaluation services, (\$150,000).

**Acute Mental Health Services
Program Revision: Preventing Teen Suicide (continued)**

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Community Mental Health	<u>.....</u>	<u>.....</u>	<u>\$ 858</u>	<u>\$ 892</u>	<u>\$ 928</u>	<u>\$ 965</u>	<u>\$ 1,004</u>

In addition to the amount shown above this Program Revision is also included in the Prevention/Intervention of Drug and Alcohol Abuse subcategory in the Department of Health.

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Prevention/Intervention of Drug and Alcohol Abuse							
GENERAL FUND							
Assistance to Drug and Alcohol Abuse Programs	<u>.....</u>	<u>.....</u>	<u>\$ 392</u>	<u>\$ 408</u>	<u>\$ 424</u>	<u>\$ 441</u>	<u>\$ 459</u>

Rehabilitative Services

OBJECTIVE: To reduce dependence on the mental health service system by enabling mentally disabled individuals to live in as independent a manner as possible through the provision of an array of residential rehabilitation services and supportive vocational and social rehabilitative services.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 17,658	\$ 19,952	\$ 26,824	\$ 27,897	\$ 29,013	\$ 30,173	\$ 31,380
Federal Funds	6,116	6,562	6,255	6,255	6,255	6,255	6,255
TOTAL	\$ 23,774	\$ 26,514	\$ 33,079	\$ 34,152	\$ 35,268	\$ 36,428	\$ 37,635

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Persons receiving community residential rehabilitative services	5,299	6,105	6,105	6,105	6,105	6,105	6,105
Persons discharged to independent living ..	1,509	1,739	1,739	1,739	1,739	1,739	1,739
Community residential rehabilitative slots available	2,960	3,410	3,720	3,720	3,720	3,720	3,720
Days of community residential rehabilitative services	899,297	1,036,014	1,036,014	1,036,014	1,036,014	1,036,014	1,036,014
Persons receiving vocational rehabilitation services	5,325	5,645	5,905	6,177	6,460	6,757	7,067
Days of vocational rehabilitation	267,253	283,288	300,285	318,302	337,400	357,644	379,103
Persons receiving social rehabilitation services	13,605	14,422	15,287	16,204	17,176	18,206	19,299
Hours of social rehabilitation (in thousands)	1,980	2,099	2,226	2,361	2,503	2,654	2,787

Program Analysis:

Unlike other community services, rehabilitative services are oriented toward, but not exclusively for, individuals discharged from a State mental hospital into the community. Since 1965-66, the State mental hospital population census has declined from 35,071 to less than 8,364 as of July 1, 1985. This decline does not indicate fewer mentally disabled individuals living in the State. Rather, it indicates that these mentally disabled individuals are rejoining or remaining in the community rather than residing in a State mental hospital. After a stay in the hospital, many individuals require a transitional period of residential, vocational, and/or social programming before they are able to assume community roles and responsibilities on a full-time basis. With

the emphasis on community care, a population with needs similar to the mentally disabled discharged from State hospitals has developed in the community. The emergence of this population in the community has resulted in an increase in persons without a previous stay in a State mental hospital using rehabilitative services.

Residential Services

Community residential rehabilitation (CRR) facilities provide transitional living arrangements for those mental health clients who are unable to make a successful adjustment to community living. CRR programs provide rehabilitative

Rehabilitative Services (continued)

Program Analysis: (continued)

training in community living skills. After a period in the program, clients are expected to be capable of functioning in an independent living situation with minimal follow-along or to be ready for placement in a long-term sheltered setting, such as domiciliary care or foster care.

In a CRR program, the provider acts as landlord to the client; i.e., the provider owns or leases the residential site and subleases to the client. Three levels of residential programming are provided.

Full Care: provides intensive and structured living accommodations and a full range of personal assistance and psychosocial rehabilitation for mentally disabled persons who display severe community adjustment problems. On site staff are present whenever clients are present. Planned program activities are geared toward increased independence in residential and community functioning. The anticipated length of stay is 6 to 12 months. Full care facilities are either clustered apartments or group homes.

Partial Care: provides living accommodations with staff regularly scheduled and on call the remaining hours. Clients, who display community adjustment problems, are provided personal assistance, psychosocial services and rehabilitation training. The expected length of stay is from 6 months to 2 years. Two levels of supervision are included in partial care.

Moderate Supervision: provides daily on-site supervision of three hours per day or more and community living skills. Training includes self-care, homemaking, time and money management, leisure use, and utilization of community agencies and resources. Moderate supervision settings are typically clustered apartments or group homes.

Minimum Supervision: provides on-site supervision of less than three hours per day. Training services are geared toward maintaining residential and community living skills. This setting is provided for clients with a high level of functioning and who may be expected to become independent. Program settings are usually clustered or scattered site apartments. Projections for persons discharged to independent living are higher than previously projected. This increase results in greater utilization of existing program spaces. During the 1985-86 fiscal year, 6,105 persons are expected to be served in 3,410 slots at an average of 5.6 months per person. Approximately 29 percent of persons served in 1985-86 are expected to be discharged to independent living.

Last fiscal year, funding was provided to Community Mental Health Services for further expansion of community residential rehabilitation beds by 450. During fiscal year 1985-86, the department will be working with county programs to insure this increase will be implemented.

The 1986-87 budget includes a Program Revision for \$4.0 million in State funds for 310 residential spaces for adults,

children and adolescents and will include additional intensive supervision spaces for the patients being discharged from State mental hospitals and more severely mentally ill individuals in the community. See the Program Revision — Community Mental Health Expansion for additional information.

Vocational Services

The importance of the full rehabilitation of an individual is recognized within the mental health system. Full rehabilitation facilitates independence and community integration. Vocational services are oriented toward assisting an individual achieve the highest level of vocational adaptation. Vocational rehabilitation activities include vocational evaluation, job counseling, work adjustment training, and sheltered employment.

An estimated 5,645 persons will receive 283,288 days of vocational rehabilitative services in fiscal year 1985-86. The number of clients for fiscal year 1985-86 is higher than the number that was estimated last year. This difference is due to special program efforts and funding provided to counties to meet the needs of mentally ill patients. It is estimated that each client would receive 51 days of service in fiscal year 1986-87. It is anticipated that the number of clients served will increase at an annual rate of 4.6 percent and the days of service will increase at a rate of six percent annually.

The 1986-87 budget also includes additional funding for vocational services designed to meet the needs of the mentally ill.

Socialization Services

Social rehabilitation services are designed to make community or independent living possible through teaching or improving self-care, personal behavior and social adjustment. These service objectives are aimed at raising an individual's level of social competency and decreasing the need for structured supervision. Activities include social education, adult day training programs, in-home training, day and evening recreation and socialization programs, drop-in centers, and psychiatric resocialization programs.

It is anticipated that during fiscal year 1985-86, 14,422 clients will receive 2,099,000 hours of social rehabilitative services. These estimates are substantially higher than previous projections. This may be due to special efforts that have encouraged the development and expansion of social rehabilitative services. For coming years, it is expected that the number of persons and hours of social rehabilitation services will increase at an annual rate of six percent.

The measure, days of social rehabilitation, was changed

Rehabilitative Services (continued)

Program Analysis: (continued)

last year to hours of social rehabilitation. Days implied that people spent the entire day in social activities. Changing the measure to reflect hours is a more accurate reflection of the nature of the service which is generally provided on less than a full day basis.

The 1986-87 budget includes \$1.0 million in State funds for the support services to families of the mentally ill designed to assist families to support mentally ill individuals at home and reduce the need for emergency and inpatient services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Community Mental Health Services	<u>\$ 17,658</u>	<u>\$ 19,952</u>	<u>\$ 26,824</u>	<u>\$ 27,897</u>	<u>\$ 29,013</u>	<u>\$ 30,173</u>	<u>\$ 31,380</u>

Institutional Care

OBJECTIVE: To reduce the mental disabilities of individuals and to restore their capacity to function in a community setting or an alternate treatment or residential setting in as short a period of time as possible by providing high quality, intensive inpatient psychiatric care, treatment, and programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 305,881	\$ 304,578	\$ 292,590	\$ 288,590	\$ 304,294	\$ 316,465	\$ 329,124
Federal Funds	108,450	129,143	106,395	97,366	95,385	93,487	91,674
Other Funds	45,849	40,921	46,479	41,572	40,753	39,950	39,163
TOTAL	\$ 460,180	\$ 474,642	\$ 445,464	\$ 427,528	\$ 440,432	\$ 449,902	\$ 459,961

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Rated bed capacity in State mental hospitals	10,207	9,165	8,849	7,678	7,093	6,801	6,801
State Mental Hospital population at end of fiscal year	8,364	7,756	7,198	6,680	6,199	5,753	5,339
Admissions to State mental hospitals	7,166	7,823	7,831	7,782	7,289	7,000	6,500
Discharges from State mental hospitals	7,788	8,431	8,389	8,300	7,770	7,446	6,914
Length of stay for residents of State mental hospitals:							
From: - but less than:							
0 - 6 months	1,926	1,784	1,656	1,536	1,425	1,438	1,335
6 months - 1 year	816	776	720	668	620	575	534
1 year - 3 years	1,584	1,474	1,368	1,269	1,178	1,093	1,014
3 years - 5 years	995	930	863	801	744	863	800
5 years - 10 years	1,028	931	864	802	682	633	588
10 years - 20 years	617	543	503	468	620	575	534
20 - years	1,398	1,318	1,224	1,136	930	576	534
Persons readmitted to State mental hospitals	3,369	3,755	3,759	3,735	3,498	3,360	3,120
Persons referred to and served by a base service unit upon discharge	4,349	4,627	5,033	5,395	5,828	5,957	5,877

Program Analysis

The State mental hospitals provide active inpatient psychiatric treatment. Specialized regional services based on population need are provided to psychiatric/geriatric patients, chronically ill, children and youth, and forensic populations. This specialization reflects the State's commitment to meeting its residents' needs through the integration and continuum of care between the community and hospital programs.

Since fiscal year 1965-66 the State mental hospital inpatient population has declined approximately 79 percent. This decline is attributed to improved programming, trained professional staff, shifts toward community receptivity, chemotherapy and community-based treatment centers which enable mentally disabled individuals to remain in the community.

It is reasonable to assume these factors will continue to

Institutional Care (continued)

Program Analysis: (continued)

reduce the size of the State Mental Hospital system.

The availability of community resources such as nursing homes, personal care homes, community residential facilities has enhanced the State hospitals discharge capabilities. In the last year, there were more community placements of long term care, skilled and intermediate patients, which resulted in an overall drop in the State mental hospital system census. The patient census for FY 84-85 totalled 8,364. Twenty-six percent were long term care patients whose potential for community placement will contribute significantly to the future decline in the hospital patient census over the next six years. This will be reflected in the State mental hospitals by shorter length of stay for patients and lower readmission rates.

It is projected that the next six year period will see a one-third reduction in patient population. The patient composi-

tion will consist of short term to intermediate extended psychiatric patients. The provision of long term care services will not be necessary and the system will be delivering specialized psychiatric services to hard core chronically mentally ill population groups (i.e. young adults, children and youth, elderly, and forensic.)

The 1986-87 Program Revision—Community Mental Health Expansion includes a one time transfer of State funds to the community mental health program to meet the service needs of those patients projected to leave the State mental hospitals from July 1, 1985 to June 30, 1987. Program Revisions totalling \$10 million in State funds are included in the community mental health program for these new services. See the Program Revision following the Community Services—Mental Health subcategory.

The hospital and restoration center populations for the prior, current and upcoming year are:

	Projected Patient Capacity July 1986	Population July 1984	Population July 1985	Projected Population July 1986	Projected Percent of Capacity July 1986
State Mental Hospitals					
Allentown.....	450	460	406	409	90.9%
Clarks Summit	510	580	511	461	90.4%
Danville	640	698	589	542	84.7%
Eastern State School and Hospital	184	171	154	184	100.0%
Farview	275	226	236	275	100.0%
Harrisburg	450	454	438	425	94.4%
Haverford	407	411	380	358	88.0%
Mayview	913	913	774	762	83.5%
Norristown.....	1,070	1,076	1,001	983	91.9%
Philadelphia.....	635	661	655	661	104.1%
Somerset.....	285	295	290	281	98.6%
Torrance.....	529	597	503	461	87.1%
Warren.....	589	770	564	549	93.2%
Wernersville.....	580	577	532	487	84.0%
Woodville.....	657	727	589	545	83.0%
South Mountain.....	688	782	742	607	88.2%
TOTAL	8,862	9,398	8,364	7,990	90.2%

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
State Mental Hospitals	\$ 305,881	\$ 304,578	\$ 292,590	\$ 288,590	\$ 304,294	\$ 316,465	\$ 329,124

Youth Development Services

OBJECTIVE: To minimize the incidence of juvenile delinquency and to develop the capacity for constructive community living among court adjudicated youths that are committed to the Commonwealth's youth development facilities and forestry camps.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 26,526	\$ 27,217	\$ 27,846	\$ 28,960	\$ 30,120	\$ 31,320	\$ 32,580
Federal Funds	2,236	2,267	525	520	530	541	552
Other Funds	12	55	55	55	55	55	55
TOTAL	\$ 28,774	\$ 29,539	\$ 28,426	\$ 29,535	\$ 30,705	\$ 31,916	\$ 33,187

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Court adjudicated juveniles in Commonwealth	15,000	15,000	15,000	14,500	14,500	14,500	14,000
Court adjudicated juveniles admitted to State children and youth programs	885	870	850	835	825	820	800
Average daily census of State-operated programs:							
Non-secure programs	285	285	300	300	300	300	300
Security programs	253	260	265	265	260	260	260

Program Analysis:

The primary purpose of the Youth Development Center and Youth Forestry Camp (YDC/YFC) system is to bring about positive change in the court adjudicated juveniles committed to its care. The services provided by the YDCs and YFCs will enable these juveniles to return to the community and function in a socially responsible manner. More specifically this program system serves committed delinquents ages 12 to 18, with special focus on those youth who are serious offenders or have special needs.

Pennsylvania's juvenile justice system is designed in a manner that enables a youth to receive the intensity of treatment required in the least restrictive setting possible. This structure is in keeping with the department's efforts to minimize widespread institutionalization while recognizing that confinement in a treatment environment is necessary for certain juveniles who pose a threat to themselves or others. As a result, additional secure beds are being provided at existing facilities.

The YDC/YFC system consists of three distinct types of residential programs: youth development centers, youth forestry camps, and secure treatment units.

Specialized program services have been developed within the YDC system. At the New Castle YDC, three specialized programs are operating. The first is a program entitled "Project 5". This is a 16-bed treatment unit designed to serve the emotionally disturbed male delinquent. Youths are admitted who exhibit severe emotional problems but do not meet the criteria for placement into the mental health system.

The second specialized program at New Castle is a sexual offender unit. This program serves male offenders 15-17 years of age who are committed for serious sexual offenses. Programming occurs within a secure setting and is designed to impress upon the youth the seriousness of his crime and provide alternatives for him in managing his behavior.

The third specialized program at YDC New Castle is the girls residential program. This program provides residential services to 32 female offenders ranging in age from 13 to 20. The goal of this program is to alter the delinquent behavior of its residents by focusing on the adolescents physical and sexual victimization.

The Loysville YDC also has an array of specialized services to meet the needs of Pennsylvania's delinquent youth.

Youth Development Services (continued)

Program Analysis: (continued)

At this facility, youngsters live in 16 bed cottage units. Each cottage is programmatically designed around a specialty area. One cottage services the younger immature aggressive delinquent while another provides services to the borderline, dull normal youth with social and cultural limitations. Two other cottage units manage the hard-core anti-social youngster who is not suitable for security and the delinquent with dull normal intelligence who has the verbal skills to engage in an insight oriented approach to changing his behavior.

At the Bensalem YDC, specialized services are provided in drug and alcohol counseling as well as mental health services.

The department operates two youth forestry camps which are small non-secure facilities located in state parks. Youth Forestry Camp 3 provides specialized wilderness programming designed to push the youngster to his physical and emotional limits so that he can realize his true capacities. This program also provides mental health and drug and alcohol services.

In addition to the non-secure residential beds described

above, the Commonwealth also provides secure care beds located on the grounds of New Castle and Bensalem YDCs. Two satellite secure units are also administratively connected to the Loysville YDC: the North Central Secure Treatment Unit and the South East Secure Treatment Unit. The purpose of the security units is to provide residential services in a structurally secure environment to Pennsylvania's most violent, chronic offenders.

The North Central Secure Treatment Unit provides two specialized programs. The first is a community re-entry program designed to provide community living experience to the youth prior to his release from the facility. Apprenticeship programs with local merchants and life skills training are the major thrusts of this program design. Also available is an intensive wilderness challenge experience. The purpose of this program is to identify for students, while they are in placement, their capacities so that they have realistic goals to work toward.

The Loysville YDC also administers the South East Secure Treatment Unit. This unit is designed to serve male juveniles between the ages of 14-18 who have committed serious offenses and are also mentally retarded.

	Capacity Oct. 1985	Projected Capacity Oct. 1986	Population Oct. 1985	Projected Population Oct. 1986	Percent of Oct. 1986 Capacity
Security Program					
Cornwells Heights	94	94	89	94	100%
Loysville	46	70	47	70	100%
New Castle	90	90	69	90	100%
Camp 2 — Hickory Run	20	20	22	20	100%
Total Security Program	250	274	227	274	100%
Residential Program					
Cornwells Heights	64	64	64	64	100%
Loysville	72	72	68	72	100%
New Castle	112	128	82	128	100%
Camp 2 — Hickory Run	52	52	48	52	100%
Camp 3 — Trough Creek	50	50	52	50	100%
Total Residential Program	350	336	314	336	100%
TOTAL ALL PROGRAMS	600	640	541	640	100%

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Youth Development Centers and Forestry Camps	\$ 26,526	\$ 27,217	\$ 27,846	\$ 28,960	\$ 30,120	\$ 31,320	\$ 32,580

Family Support Services

OBJECTIVE: To promote and strengthen family life and to prevent the breakup of the family unit because of emotional, economic or social problems.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 148,576	\$ 156,197	\$ 164,921	\$ 171,558	\$ 178,467	\$ 185,589	\$ 192,933
Federal Funds	179,834	166,757	176,770	174,765	174,345	175,103	175,946
Augmentations	1	.....	.....	.....	.....	.....	.....
TOTAL	\$ 328,411	\$ 322,954	\$ 341,691	\$ 346,323	\$ 352,812	\$ 360,692	\$ 368,879

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Incidence of reported child abuse	20,088	21,000	22,000	23,000	24,000	25,000	26,000
Children receiving child welfare services:							
In home	43,456	44,750	45,600	46,300	47,000	47,600	48,100
In placement out of home	12,810	13,100	13,200	13,200	13,200	13,200	13,200
In placement two years or more	4,084	3,900	3,750	3,600	3,450	3,300	3,150
Agency arranged adoptions	672	690	720	740	755	770	780
Children receiving day care	22,600	23,200	23,200	23,200	23,200	23,200	23,200
Domestic violence:							
Clients	43,000	44,000	51,000	51,000	51,000	51,000	51,000
Days of shelter provided	121,800	125,000	145,000	145,000	145,000	145,000	145,000
Rape crisis/sexual assault:							
Clients	9,968	12,000	14,000	14,000	14,000	14,000	14,000
Service hours	100,000	101,000	112,000	112,000	112,000	112,000	112,000
Legal service clients	43,000	43,000	43,000	43,000	43,000	43,000	43,000
Family planning clients	83,200	83,200	83,200	83,200	83,200	83,200	83,200
Visually handicapped services provided	34,124	35,700	35,800	35,900	36,000	36,100	36,200

Program Analysis:

The purpose of this program is to promote the independence and self-sufficiency of individuals and families by providing a variety of social services intended to reduce the emotional and social problems that frequently accompany financial need. It is expected that some of the services will in turn facilitate employment thereby reducing financial dependence.

Children are often the victims when emotional, social, or economic problems strike a family. The provision of services to children who are in need of care and protection is

the joint responsibility of the Department of Public Welfare and county government. Each county is responsible for developing and administering a program of services designed to treat and prevent child abuse, neglect, and exploitation and to provide services which reduce dependency and delinquency. The county children and youth program includes services to parents and children to enable children to remain in their own homes and communities; temporary placement services for children who cannot live with their own family; adoption services; assistance to provide a permanent legal

Family Support Services (continued)

Program Analysis: (continued)

family for any child who cannot be returned to his own family; and any service or care ordered by the court for children who have been adjudicated dependent or delinquent.

The Department of Public Welfare emphasizes treatment in a child's home when outside intervention and care is considered necessary. Protective services, homemaker services, life skills education, and counseling are all delivered with this objective in mind.

Another child welfare service objective is reduction of the time children must remain in temporary placement away from their families. Case planning and case review procedures have been established to insure that children will remain in placement only as long as necessary. The program measure, children in placement for two years or more, is declining which suggests that the Department's goal of a one percent annual reduction is being achieved.

In those cases where a child in placement cannot be returned home, the department is placing more emphasis on adoption. The program measures for agency arranged adoptions show a decrease from those reported a year ago in the number of children whose adoptions have been finalized. Two resources are being used to address this situation. First, the Federal Adoption Assistance program is providing additional funding to support adoption of children with special needs. The department also is working to implement Act 64 of 1984 which mandates registration of hard to place children with the Pennsylvania Adoption Cooperative Exchange. This statewide network seeks to match children needing adoptive parents with potential parent applicants.

An additional \$1 million has been recommended for special grants to child welfare agencies to improve coordination of and access to services which prevent or reduce abuse to children.

Day care activities serve a dual purpose of providing a developmental approach to child care, and enabling parental employment or vocational training so that families can achieve and maintain economic self-sufficiency. The community based delivery program includes family day care, infant-toddler care, preschool and school-age care. The department has developed a system of reimbursement for actual units of care provided, which encourages and rewards efficiency and economy among providers in the system. State funding for day care was \$6.1 million higher in 1985-86 than in the previous year. Up to \$1.5 million of this amount is being used for "latchkey" programs for school-age children before and after school and during school vacations.

Services to victims of domestic violence and sexual assault are provided through grants to two statewide coalitions. State and Social Service Block Grant funds are used to purchase emergency shelter services, counseling, a 24-hour hotline, and preventive educational programs. Recommend-

ed total funding in 1986-87 is twenty-three percent higher than the prior year. State funding initially became available for these centers after enactment of legislation which levied an additional fine on persons convicted of violent crimes. The increase in domestic violence clients and days of shelter from those reported a year ago reflect the increased funding available for these services.

The department also contracts for a legal services program designed to provide low income people with access to legal assistance in civil matters. The emphasis of the service delivery is directed to providing emergency legal services for situations which threaten the basic needs of individuals. These services do not include political activities, services to organizations, or services in criminal matters. The program measure, legal service hours, has been changed to legal service clients since the contractor is now required to report the number of clients served rather than the hours of service.

Family planning service meets contraceptive needs or infertility problems through the provision of educational, medical, and social services. The service enables individuals to determine family size, to space children, and to prevent or reduce the incidence of unplanned pregnancies.

Services for the blind and visually handicapped are provided both directly by agency staff and through contracts with private providers. A primary goal of the program is to help the blind and visually handicapped develop the adaptive skills necessary to function independently in the home, community and work place.

The Human Services Development Fund was initiated in 1984-85 in the amount of \$4 million and expanded to \$18.1 million in 1985-86 by including funds previously available in the Adult Services Block Grant. In addition to the provision of adult services, counties may use the fund for existing categorical services, generic services, new services, or coordinated planning and management activities. The fund is based on the concept that the counties can best decide how to fill in service gaps at the local level. An analysis of the county plans reveals that the counties have used the broad discretion of the fund both responsibly and creatively and have maintained their commitment to adult services. The fund is considered an important adjunct to the State categorical human service programs. It allows the counties to individualize their programs and make them more comprehensive according to local needs. Recommended total funding in 1986-87 increases to \$37.3 million which includes \$4.5 million in State funds. Two million of these new funds will be used to improve the coordination of services for multiple needs clients. Further information is in the Program Revision—Services For Multiple Needy Clients following this subcategory.

Homeless persons will receive temporary shelter care

Family Support Services (continued)

Program Analysis: (continued)

through an allocation of \$3 million from the Social Services Block Grant to local governments and voluntary agencies for the provision of short-term emergency shelter or subsidized rental assistance.

Additional assistance for the homeless will be available in 1986-87 by continuing the \$2 million State funding of the new Bridge Housing program begun in the later part of

1985-86. Bridge housing facilities will provide short-term housing and access to appropriate supportive services such as health care, social services, education, and job training to enable domestic violence victims, unemployed adults, substance abusers, or other low-income individuals to achieve self-sufficiency.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 2,640	\$ 2,551	\$ 2,490	\$ 2,590	\$ 2,694	\$ 2,802	\$ 2,914
County Child Welfare	118,644	116,250	119,988	124,790	129,800	135,000	140,400
Day Care Services	16,884	23,000	24,000	25,000	26,000	27,000	28,000
Breast Cancer		100	100	104	108	112	116
Domestic Violence		1,773	2,729	2,838	2,952	3,070	3,193
Rape Crisis		665	895	931	968	1,007	1,047
Domestic Violence and Rape Crisis	1,881						
Legal Services	1,000	1,500	1,500	1,560	1,622	1,687	1,754
Adult Services Block Grant	1,855						
Human Services Development Fund		2,000	4,543	4,800	5,100	5,400	5,700
Bridge Housing		2,000	2,000	2,000	2,000	2,000	2,000
Attendant Care		500	1,020	1,065	1,110	1,155	1,200
Ruldolphy Residence—Blind		160					
Overbrook School — Blind		150					
Visually Handicapped	5,533	5,402	5,510	5,730	5,959	6,197	6,445
Beacon Lodge Camp — Blind Services ..	35	40	40	40	40	40	40
Arsenal Family and Children's Center ...	104	106	106	110	114	119	124
GENERAL FUND TOTAL	<u>\$ 148,576</u>	<u>\$ 156,197</u>	<u>\$ 164,921</u>	<u>\$ 171,558</u>	<u>\$ 178,467</u>	<u>\$ 185,589</u>	<u>\$ 192,933</u>

**Family Support Services
Program Revision: Services for Multiple Needy Clients**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 2,000	\$ 2,000	.....	.....	.....

Program Analysis:

This Program Revision provides for the development of a model human services delivery system which addresses the case management and service needs of multiple needy clients and families that are not currently being served adequately through existing categorical programs. The Program Revision includes funding for grants to assist counties to develop projects which demonstrate model human services delivery systems and also includes funding to perform independent evaluations of county programs and demonstration projects which focus on integrated and coordinated human services delivery systems as discussed in "Choices", which are targeted to multiple needy clients and families.

During the past two years, the department has established several policy initiatives to address the needs of multiple needy families and their clients. These policy initiatives should insure expanded coordination in the human services system and reduce duplication of services and gaps in service delivery; insure access to human services, particularly for difficult to serve clients and those with multiple needs; and expand the flexibility of local human services systems to meet unique or changing local needs, while insuring accountability and quality of services.

Presently, the Commonwealth administers several categorically funded county programs. These include county mental health, mental retardation, child welfare, aging, drug and alcohol, and day care. In addition, funding is provided through the Human Services Development Fund block grant for adult services programs as well as for generic, innovative, and categorical programs initiated by the counties. In the case of multiple needy clients, these programs have had insufficient resources and staff coordination. Many projects currently funded by the Human Services Development Fund suggest that counties are beginning to address the needs as well as service gaps for multiple needy clients. Departmental staff have met with county commissioners and their staff to identify issues related to service delivery and together they have implemented several administrative changes to improve service delivery and coordination for this target population.

There is a need for earlier identification and coordination of services for multiple needy clients. These clients are often served for several years by several different programs. Earlier identification and joint service provision for these clients and their families will reduce the likelihood of interagency problems and result in more favorable service outcome for the client and their family. In addition, treating the entire family or household fosters a successful outcome for an individual family member or client of a particular categorical program. Just as a family unit may have more than one dysfunction requiring human services intervention, there are also many dually diagnosed individuals who need the services of more than one categorical program. These examples emphasize the need for service coordination and illustrate the types of cases which the human services system in the Commonwealth should be addressing.

This Program Revision builds upon these efforts in an organized manner to insure that appropriate demonstration models and evaluations of those models are available for implementation, and will encourage counties to serve multiple needy clients and families with innovative programming and administration. The purpose of the demonstration is to identify appropriate models which assure the provision of needed services to the target population and include administrative, fiscal, and programmatic components which are transferrable to other counties with similar clients.

There is a need for the development and evaluation of model county human services delivery systems and county demonstration projects which address service coordination, case management, and the integration of categorical programs to insure that effective ones are duplicated by other counties. This Program Revision is an investment in the future of human services in the Commonwealth, whereby effective and efficient delivery systems will be recognized and become the models for other county efforts. The benefit of this strategy far outweighs the initial costs and promotes the appropriate use of public funds in the future.

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Human Services Development Fund	\$ 2,000	\$ 2,000	.....	.....	.....

MENTAL RETARDATION CATEGORY ANALYSIS

With the passage of the Mental Health and Mental Retardation Act of 1966, the public recognized the potential for serving persons with mental retardation in community settings rather than in institutions. This budget presentation delineates services, in part, by the location of services, and further, by the degree of restrictiveness.

The goal of the mental retardation service system is to provide the skills and training required for individuals to reach their greatest potential in the least restrictive setting. Services provided are viewed on a continuum of restrictiveness. Restrictiveness is related to the degree of independence and freedom that the individual is able and prepared to manage. For many years, the potential of persons with mental retardation to function in settings which were less restrictive than institutions was not recognized.

The continuum identifies the least restrictive services as those community based services provided to individuals who either live at home with families or live independently in the community. A variety of support services are provided to this population so that they can maintain their independence.

Residential services are provided for those individuals who require additional training prior to moving to a more independent setting or who will require a higher degree of support to function in the community. Several levels of restrictiveness are represented within the community residential services component. Community based support services are also provided to this population.

Licensed community residential facilities for the mentally retarded represent the least restrictive of residential settings. Individualized developmental programs are provided for children and adults. Special medical and behavior shaping services also are made available to enable retarded individuals to remain in community settings.

State-operated intermediate care facilities for the mentally retarded (ICFs/MR) provide habilitative services to clients who require intensive treatment programs. Ten State centers and seven mental retardation units on the grounds of State hospitals comprise this service mode. Over half of the funding for the State-operated ICFs/MR is made available through the Medicaid program (Title XIX of the Social Security Act).

Non-State operated intermediate care facilities for the mentally retarded provide community residential services as an alternative to placement in State-operated facilities. These facilities qualify for the same Federal reimbursement through the Medicaid program as State-operated facilities.

Beginning in Fiscal Year 1983-84, Federal Medicaid funds have been made available for Community Residential Programs through limited waivers available under Section 2176 of the 1981 Omnibus Reconciliation Act. Additional community residential service capacity under the 2176 Medicaid Program is financed by transfer of funds from State centers. Clients from State centers, as well as individuals referred from the community have been placed under this program. This major change has reduced State and Federal costs in the State centers and provided a method for obtaining Federal participation in the cost of community MR programs.

The 1986-87 Budget includes Program Revisions under the Community Mental Retardation Partnership which will continue deinstitutionalization of patients from State centers and expand community placements for these and others presently living in the community but in need of residential placement and services. Case management and adult day services have been expanded in an effort to meet a critical need in the community.

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 8,790	\$ 12,452	\$ 14,134	\$ 15,147	\$ 16,015	\$ 16,906	\$ 17,822
Special Funds		510	510	510	510	510	510
Federal Funds	9,279	9,364	6,271	6,292	6,313	6,334	6,356
TOTAL	\$ 18,069	\$ 22,326	\$ 20,915	\$ 21,949	\$ 22,838	\$ 23,750	\$ 24,688

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Persons receiving mental retardation services at end of year	41,593	43,402	44,161	45,093	45,916	46,642	47,284
Persons potentially eligible for MR services	107,195	107,380	107,566	107,750	107,936	108,121	108,306
Persons who are in:							
State operated residential programs	5,978	5,301	4,718	4,068	3,568	3,068	2,568
State funded residential programs	6,239	6,741	7,491	8,241	8,991	9,741	10,491
Private residential programs	1,833	2,433	2,683	2,933	3,183	3,433	3,683

Program Analysis:

The mental retardation service delivery system provides a continuum of supportive services which are available in a variety of modalities from most restrictive to least restrictive depending upon individual client needs. The service delivery system is founded on the principle of normalization which requires that persons with mental retardation have access to patterns and conditions of everyday life which are as close as possible to the norms and patterns of the mainstream of society.

Systems support is an essential component of the mental retardation service system providing resources for planning, coordination, evaluation, administration, and personnel development. Such activities contribute to the improvement of existing services and support planning for those persons in need of services. The mental retardation category includes four subcategories, in addition to Mental Retardation Systems Support. The subcategories, Community Based Services, Community Residential Services, Private Intermediate Care Facilities, and State Centers, summarize major groups of services designed to reach system objectives.

The measure, persons receiving MR services at the end of the fiscal year, is comprised of persons who currently receive services through county MR programs, including

those residing in State-operated, State-funded and private residential programs. The increase in this measure is related primarily to the overall increase in the county MR caseload which is explained in the Community Based Subcategory Analysis. The measure, persons potentially eligible for MR services, was calculated at 0.9 percent of the total State population and is related to the projected prevalence of mental retardation in the general population. This measure reflects a slightly higher number of persons due primarily to a slightly higher estimate of Pennsylvania population for 1984 and for the planning years.

The last three measures in this subcategory reflect persons who are in 1) State-operated residential programs composed of State centers and mental retardation units on the grounds of State mental hospitals; 2) State-funded (county-administered) and licensed community MR residential programs; and 3) private residential programs composed of large and small intermediate care facilities for the mentally retarded (ICFs/MR).

Data for the measure, persons who are in state-operated residential programs, shows a decrease in 1985-86 due to the conversion of Woodhaven to an ICF/MR facility in 1985-86, Pennhurst dispersal efforts and the implementa-

Mental Retardation Systems Support (continued)

Program Analysis: (continued)

tion of the medicaid community waiver process. Data for the measure, State-funded residential programs, in 1984-85 reflect actual persons residing in community MR residential facilities at the end of the fiscal year and an increase of residents in 1985-86 related to the reduction in state-center population. In the measure, private residential programs, data reflects an increase in private ICF/MR clients in 1985-86 due to Woodhaven Center's change of status to a private ICF/MR facility, and the conversion of 324 beds at Elwyn.

Data collection and reporting systems provide the means to measure the effect of the delivery system on its clients.

Data are collected and reported mainly through the use of two information systems: the patient/client information system (PCIS) and consolidated community reporting (CCR). PCIS is an integrated computerized management information system which collects, stores and retrieves data for use in monitoring and analyzing client activity in State centers, MR units and community MR residential facilities. The system is capable of producing management reports at the facility, regional and central office levels, and produced State-operated facilities' resident profiles. CCR provides information support for community-based services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 1,151	\$ 1,223	\$ 1,194	\$ 1,242	\$ 1,292	\$ 1,344	\$ 1,398
Community Based Services — Mentally Retarded	7,539	11,129	12,832	13,793	14,606	15,441	16,298
Monitoring Community Residential Contracts	100	100	108	112	117	121	126
GENERAL FUND TOTAL	\$ 8,790	\$ 12,452	\$ 14,134	\$ 15,147	\$ 16,015	\$ 16,906	\$ 17,822
LOTTERY FUND							
Community Mental Retardation Services — Elderly . . . . .	. . . . .	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510
LOTTERY FUND TOTAL . . . . .	. . . . .	\$ 510	$ 510	$ 510	$ 510	$ 510	$ 510

Community Based Services

OBJECTIVE: To enable mentally retarded individuals to live in a community setting by providing services and support to the family and/or mentally retarded individual.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 56,362	\$ 65,012	\$ 72,595	\$ 77,443	\$ 81,674	\$ 86,027	\$ 90,503
Special Funds		1,690	1,690	1,690	1,690	1,690	1,690
Federal Funds	8,517	12,233	6,893	6,893	6,893	6,893	6,893
TOTAL	\$ 64,879	\$ 78,935	\$ 81,178	\$ 86,026	\$ 90,257	\$ 94,610	\$ 99,086

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Persons added to county MR caseload	7,310	7,323	7,335	7,348	7,361	7,373	7,386
Persons removed from county MR caseload	5,868	6,119	6,277	6,416	6,539	6,647	6,743
Active persons in county MR caseload	39,765	40,969	42,027	42,959	43,782	44,508	45,150
Persons living in independent and family arrangements	93,146	92,923	93,138	93,371	93,596	93,831	94,016
Preschool handicapped children receiving early intervention services	8,360	8,388	8,388	8,388	8,388	8,388	8,388
MR persons and/or their families provided family support services	13,675	15,000	15,000	15,000	15,000	15,000	15,000
Persons on waiting lists to receive adult day services	2,623	1,831	2,531	2,531	2,531	2,531	2,531
Persons receiving adult day services	12,990	14,247	16,030	17,280	18,530	19,780	21,030

Program Analysis:

The initial contact with the mental retardation (MR) service system is through community-based services. These nonresidential services include specific programs, such as early intervention services, family support services, and adult day services, which are made available to clients and their families through the county mental retardation program. These services are the least restrictive available to meet the needs of persons with mental retardation and present a significant alternative to placement in more restrictive residential settings.

The first three program measures in this subcategory depict client flow in the county MR program. Actual year figures are aggregates based on consolidated community reporting (CCR) by individual counties. In fiscal year 1984-85, 39,765 persons comprised the county MR caseload. This number is higher than estimated due to lower number

of removals from the county caseload and overall increase in numbers served in community-based services. Actual data show that 7,310 persons were added to the caseload in 1984-85; projections for subsequent years are based on a ratio of county caseload additions to persons potentially eligible for MR services, which was 6.8 percent. Actual data reported show 5,868 removals for 1984-85. These removals from the county MR caseload were considerably lower than projected in last year's presentation primarily due to the leveling off of the purging of inactive cases by some counties in prior years. Projections for the measure, persons removed from county MR caseloads, for subsequent years are calculated at 13 percent of the caseload. This projection factor is based on the actual removal rate in relation to the actual caseload for fiscal year 1984-85.

Community Based Services (continued)

Program Analysis: (continued)

Early Intervention Services

Early intervention services are designed to enhance the developmental progress of children with mental disabilities or at risk of developing mental disabilities, and to facilitate their entry into the public school system. Services include, but are not limited to, psychological services, physical, occupational, recreational and speech therapy, medical services, assessment, evaluation services and other services necessary to assure the child's maximum growth. The majority of children served in these programs are able to advance into higher level programs in the public schools either in general or special education classes. The need for more specialized services, including residential placements, is averted to the extent that children's needs are addressed early in life through this program.

Early intervention services for preschool children are usually conducted in day care settings and include training and instruction in the areas of self-help skills, fine and gross motor coordination, socialization, communication and related skills. Homebound programs are also provided. The basic program promotes development specified in the child's individualized program plan. Parent participation is encouraged as an integral part of the child's plan of development.

During fiscal year 1984-85, the department signed an interdepartmental cooperative agreement with the Departments of Education and Health to coordinate the delivery of services to handicapped infants and preschool children and establish clear responsibilities for both State and local agencies. Under this agreement, the department has primary responsibility for serving mentally disabled children and the Department of Education insures provision of services to all handicapped children. The agreement also commits the Department of Health to assist in identifying and referring disabled children to the appropriate service programs in the Departments of Public Welfare and Education. During the spring of 1985, local agencies providing early intervention services were required to develop interagency agreements with other providers of early intervention in their area.

The measure, preschool handicapped children receiving early intervention services, shows the actual number of children served through these programs in fiscal year 1984-85 as reported through the consolidated community reporting system (CCR). The actual number served (8,360) is higher than last year's projection due primarily to the continued efforts to identify children who are eligible for services. In 1985-86 early intervention service will be provided to 28 additional children identified by several counties. Throughout the planning years, efforts will be made to maintain current levels of programming.

Family Support Services

Family support services are designed to provide support to persons with mental retardation in the least restrictive setting appropriate to meet individual needs. Services are provided to individuals and their families with the objectives of preventing institutionalization and assisting persons with mental retardation in the successful adjustment from an institutional to a community life style.

Family support services include the following: (1) respite care—the provision of a temporary residence to a person with mental retardation when his family is experiencing stress, personal crisis, illness or need of a vacation; (2) family aid—the provision of sitter or companionship services for a few hours at a time which will allow the family to participate in various activities; (3) homemaker services—the provision of homemakers to perform essential household duties; (4) in-home therapy—the provision of occupational, physical or other rehabilitative therapies to the homebound person; (5) family education training services—the provision of programs designed to assist parents and other family members in dealing appropriately with a family member with mental retardation; (6) recreation and socialization services—the provision of leisure time programs; (7) special innovative services—the provision of unique services which cannot be classified in other categories, such as specialized driver's education.

However, beginning in fiscal year 1983-84, the concept of family support services was broadened beyond the scope of those services known as family resource services to include other types of family and client supports such as: (1) communications training — the provision of speech therapy, audiologic training and dactylogic therapy to enable the retarded person to communicate effectively in his/her environment; (2) hearing aid evaluations to benefit persons with hearing deficits; (3) mobility training — the provision of appropriate programming to enable the retarded person to function more independently at home and in the community; (4) behaviorial programming — the provision of training to assist the retarded person in acquiring appropriate behavior; adaptive appliances — the provision of therapeutic equipment and special devices to enable retarded persons who are physically handicapped to be maintained at home and integrated into activities in the community; (5) home rehabilitation — minor renovations to the home of a family to enable them to care for a retarded person in the home; (6) special diets — assistance in planning or preparation of meals for medically involved persons.

Of the total number of persons living either independently or with their families, 13,675 persons and/or their families were provided one or more family support services in fiscal

Community Based Services (continued)

Program Analysis: (continued)

year 1984-85. The number of persons served in fiscal year 1984-85 was less than previously projected due to slower expansion of local programs than anticipated. Many programs were initiated in the second half of the fiscal year rather than on July 1. The number in 1985-86 is expected to increase as local programs are able to increase matching funds.

Adult Day Services

Adult day services consist of prevocational and vocational training services. Traditional prevocational services have included adult day care which provides a program of activity to adults for whom vocational services are currently inappropriate. Specific activities emphasize personal and life management skills that prepare adults for entry into vocational training. Traditional vocational training services have included assessment, vocational and work evaluations, personal and work adjustment, and skill training usually provided in the work activity center or regular work program of a sheltered workshop. The expansion of adult day services will extend through ensuing years. The measure, persons receiving adult day services, reflects an increase to 12,990 due to: (1) the jointly funded program between the department and the Office of Vocational Rehabilitation, (2) increase of persons in the community due to the waiver process and, (3) an intensive effort to provide appropriate transitional training programs for graduates of Intermediate Units programs. This long-term effort is designed to improve existing types of services by structuring them in such a way as to promote a greater degree of movement of trainees into higher level habilitation programs and eventually into competitive employment. Another important aspect of this planning effort is the expansion of the range and types of vocational training opportunities for adults with mental retardation to include an emphasis on the merits of non-traditional training alternatives such as mobile work forces,

transitional employment and work stations in industry. It is anticipated that redirection of adult day services for persons with mental retardation will be a long-term project requiring the cooperation of public and private agencies at all levels.

The number of persons receiving adult day services at the end of fiscal year 1985-86 is expected to increase because of the Medicaid community waiver, the Pennhurst out-of-region placements and jointly funded demonstration projects of the Office of Vocational Rehabilitation and the Office of Mental Retardation and ongoing efforts to provide appropriate programs for recent Intermediate Unit graduates. The measure, persons receiving adult day services, increased in fiscal year 1985-86 due to additional State funding for initiatives in Day Care Services (792), Dual Diagnosis (100) and waivers (365). The number of persons receiving adult day services is expected to remain relatively stable through the planning years due to the long-term nature of the effort to redirect adult day services to promote a greater amount of client movement to higher levels of rehabilitation and eventually to competitive employment. Data for the measure, persons on waiting lists to receive adult day services, are expected to decrease to 1,831 in 1985-86 due to the number of individuals that will be served by this expansion in fiscal year 1985-86.

In order to further reduce waiting lists, an additional \$1.1 million has been included for adult day services. For more information, refer to the following Program Revision for Community Based Services.

The funds are targeted for training recent intermediate unit graduates. The measure, persons receiving adult day services reflects the increase in funding.

The Program Revision also provides a \$1,473,000 increase for community based services associated with 750 new community residential placements and \$698,000 for additional case managers.

Program Cost by Appropriation:

	1984-85	1985-86	(Dollar Amounts in Thousands)				
			1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Community Based Services—Mentally Retarded	\$ 41,054	\$ 49,104	\$ 56,059	\$ 60,254	\$ 63,806	\$ 67,452	\$ 71,194
Philadelphia Association of Retarded Citizens	208	208	208	208	208	208	208
Early Intervention	15,100	15,700	16,328	16,981	17,660	18,367	19,101
GENERAL FUND TOTAL	\$ 56,362	\$ 65,012	\$ 72,595	\$ 77,443	\$ 81,674	\$ 86,027	\$ 90,503
LOTTERY FUND							
Community Mental Retardation Services — Elderly		\$ 1,690	\$ 1,690	\$ 1,690	\$ 1,690	\$ 1,690	\$ 1,690
LOTTERY FUND TOTAL		\$ 1,690	\$ 1,690	\$ 1,690	\$ 1,690	\$ 1,690	\$ 1,690

**Community Based Services
Program Revision: Community Mental Retardation Partnership**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund			\$ 6,050	\$ 16,000	\$ 26,000	\$ 36,000	\$ 46,000
Federal Funds			1,700	14,400	23,400	32,400	41,400
TOTAL			\$ 7,750	\$ 30,400	\$ 49,400	\$ 68,400	\$ 87,400

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Persons residing in community residential facilities:							
Current	6,590	7,189	7,158	7,158	7,158	7,158	7,158
Program Revision			8,158	9,158	10,158	11,158	12,158
New community residential placements:							
Annual			1,000	1,000	1,000	1,000	1,000
Total			1,000	2,000	3,000	4,000	5,000

Program Analysis:

The current mental retardation service system has developed over a period of approximately 20 years. This development has not been uniform in all county programs. There are a number of counties in which community programs have not developed the capacity to address the needs of all local clients. Gaps in the community mental retardation system sometimes result in service denial, inadequate service, and out-of-home placement in State institutions. The initiatives described in this Program Revision will help counties develop programs so that Pennsylvanians with mental retardation can reasonably expect to receive services in their home communities.

Since 1966, community mental retardation programs have been predominately State funded. Through recent Federal initiatives, the Commonwealth can now obtain Federal participation in the cost of some community mental retardation programs. The majority of projected expenses for community residential expansion will be eligible for Federal participation through Title XIX of the Social Security Act. Federal approval of this initiative, through the Individual Waiver Process will enable Pennsylvanians, who would otherwise have to receive services in State operated facilities, to remain in their home communities.

The Department of Public Welfare is committed to part-

nerships with other State agencies, county governments, and the private sector to develop a complete service system that provides community care, education and training for all mentally retarded Pennsylvanians. Given the local economic development and employment opportunities that will be generated by these initiatives, local communities and the private sector will be encouraged to assist in start-up costs. In all cases, the Commonwealth will work to secure additional funding sources to support its new initiatives.

Case management is not only designed to perform a coordinating function, linking clients with necessary services but should also be the single most important factor assuring an acceptable quality of life for Pennsylvanians with mental retardation. Ideally the case manager is able to serve as a partner with the client and family in developing an individual program, securing services and monitoring the deliver of services. If case management is to be effective, ratios of case manager to clients must be realistic. Case management must be clearly defined and uniformly understood. Case managers must be free to focus exclusively on achieving client benefit. Specifically, in the course of implementing this Program Revision, the department will promulgate a new definition of case management to assure that key functions of case management are uniformly practiced throughout the Com-

Community Based Services

Program Revision: Community Mental Retardation Partnership (continued)

Program Analysis: (continued)

monwealth. These will include: individual habilitation planning, referral/placement, quality assurance and utilization monitoring. Counties will reorganize their administration of case management in accord with this definition and to assure that case management is administered in such a way as to assure that case managers are free to focus exclusively on all client needs.

In conjunction with the definition and reorganization of case management, the department will provide additional funds to counties for effective case manager to client ratios.

Pennsylvania must expand vocational training programs to eliminate waiting lists and assure that adults with mental retardation do not lose skills acquired through their school years. At the same time, there is a need to direct existing service models toward vocational training and employment. Pennsylvania must work with vocational training providers to use new training technologies and develop new service models.

Careful development of new programs will do more than address waiting lists. Adults will be prepared for competitive employment and given the opportunity to earn a living and contribute to the economy. Opportunities for placement will be created, permitting trainees to move to less restrictive, less costly programs. The resulting movement will create openings to address the training needs of young adults leaving the education system.

There are approximately 2,500 State institution residents who have satisfied the purposes of their placement and no longer benefit by a continued stay in the facility. Pennsylvania needs to expand community residential arrangements so that people with retardation, regardless of the severity of their disabilities, have opportunities to live, learn and work in their home communities.

In the last 20 years Pennsylvania has developed a range of community residential programs. These programs have been developed to serve persons with varying degrees of disability in family-scale settings. Programs range from highly supervised and structured therapeutic settings to semi-independent and family living programs. Community residential arrangements are developed to varying degrees in each county mental retardation program.

For the most part, community living arrangements have been developed on the "family" model. They are relatively small and are most often fully integrated into local housing areas. In order to further promote the objectives of developmental growth and full citizenship in the community, all future residential arrangements should conform to the integrated "family" model.

New community family scale residential arrangements will be developed each year for the next five years. These will be distributed throughout Pennsylvania according to documented local need. Approximately half of the beds developed each year will be earmarked for presently institutionalized persons. Half will be devoted to persons currently identified by county programs as in need of out-of-home placement.

In the past two decades, Pennsylvania has created a strong local system of education, training and support for its citizens with mental retardation. This is in accord with the Mental Health and Mental Retardation Act of 1966 mandate for each community to provide a complete service system capable of satisfying the needs of all persons with mental retardation.

In the Spring of 1985, the department sought to evaluate the extent to which this ideal has been achieved. Two consistent findings emerged demonstrating that most people with retardation now live, learn, work, and worship in their own communities; and many people with retardation are on waiting lists because community service demand far exceeds community service availability.

Most Pennsylvanians with mental retardation live in their own homes. When family situations or client needs make this impossible, Pennsylvania provides a range of alternate residential arrangements outside the natural home. Over 2,200 people with mental retardation living in their own homes are in need of community residential arrangements in Pennsylvania. Approximately 1,000 of these people are in urgent or emergency need of placement. These are persons who have never been institutionalized. The same conditions that contributed to this backlog of unmet need create a predictable long-term need for residential placements.

This Program Revision will provide State resources totaling \$10,322,000 for the support of 1,000 new community placements and community-based services. Of the one thousand placements, 750 placements will be added to community residential facilities (\$5,844,000) and 250 placements will be added to Intermediate Care Facilities-Mentally Retarded (ICF/MRs) (\$1,200,000). The remaining funds are to support the resulting increased demand in Community Based Services (\$1,473,000), Adult Day Services and supportive employment demonstration projects in cooperation with the Office of Vocational Rehabilitation (\$1,107,000) and need for additional case managers (\$698,000).

**Community Based Services
Program Revision: Community Mental Retardation Partnership (Continued)**

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Community Based Services- Mental Retardation	<u>.....</u>	<u>.....</u>	<u>\$ 3,278</u>	<u>\$ 5,081</u>	<u>\$ 8,259</u>	<u>\$ 11,433</u>	<u>\$ 14,608</u>

In addition to the amount shown above this Program Revision is also included in the following subcategories:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Community Residential Services							
GENERAL FUND							
Community Residential Services— Mentally Retarded	<u>.....</u>	<u>.....</u>	<u>\$ 5,844</u>	<u>\$ 9,059</u>	<u>\$ 14,720</u>	<u>\$ 20,382</u>	<u>\$ 26,044</u>
Private Intermediate Care Facilities							
GENERAL FUND							
Intermediate Care Facilities—Mentally Retarded.....	<u>.....</u>	<u>.....</u>	<u>\$ 1,200</u>	<u>\$ 1,860</u>	<u>\$ 3,021</u>	<u>\$ 4,185</u>	<u>\$ 5,348</u>
State Centers							
GENERAL FUND							
State Centers for the Mentally Retarded .	<u>.....</u>	<u>.....</u>	<u>\$ -4,272</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>

Community Residential Services

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 Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 113,759	\$ 126,701	\$ 133,232	\$ 145,151	\$ 155,021	\$ 165,012	\$ 175,129
Federal Funds	9,105	19,588	19,199	19,199	19,199	19,199	19,199
TOTAL	\$ 122,864	\$ 146,289	\$ 152,431	\$ 164,350	\$ 174,220	\$ 184,211	\$ 194,328

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Persons residing in community residential MR facilities at end of fiscal year	6,239	6,741	7,491	8,241	8,991	9,741	10,491
during fiscal year	6,443	6,945	7,695	8,445	9,195	9,945	10,695
Additional community residential service capacity:							
For those residing in institutions	361	319	750	650	600	600	600
For those residing in the community	135	47	823	475	450	450	450
Residents of community residential MR facilities transferred to independent or family living arrangements	329	300	300	300	300	300	300

Program Analysis:

Following the evaluation and program plan development for a client with mental retardation, appropriate services must be provided if the client is to reach optimal functioning in society. In some cases, the client may be able to continue residence in the family or in an independent setting. In other cases, the client may need a more structured residential program in the community as preparation for independent or family living.

Community Residential Mental Retardation (CRF) Facilities serve both privately and publicly funded clients. CRF programs are licensed by the department under the Regulations for Community Residential Mental Retardation Facilities and are funded through the county program.

The CRF program provides residential alternatives to institutionalization for persons with mental retardation unable to live independently or with their families. Through this program, persons with mental retardation have an opportunity to live in culturally normative residential settings within the community. The ultimate goal is to help individuals become as economically self-sufficient and in-

dependent as possible and encourage each person to become an active participant in community life. Individualized services necessary to fulfill development needs are available through programs for both children and adults. Special medical and/or behavior shaping services are available in these settings to address individual needs.

Community Residential MR facilities are developed by counties in response to service needs identified in county plans and budget estimates. The measures, additional community residential service capacity required for those residing in institutions and in the community, for fiscal year 1984-85 report the actual increase in existing CRF bed capacity. The 1985-86 fiscal year figures represent activity based on available funding and the future year projections reflect the estimated need indicated by the counties' annual plans. The increases in fiscal year 1985-86 for those residing in institutions result from the anticipated placement of clients through the Medicaid Community Waiver and the Pennhurst placements.

Data shows that 6,239 persons were residing in CRFs at

Community Residential Services (continued)

Program Analysis: (continued)

the end of the 1984-85 fiscal year. The actual number of fiscal year 1984-85 is less than projected last year due to the inability of counties to place all 1984-85 Medicaid Community Waiver clients during the 1984-85 fiscal year. In 1985-86, funding has been provided to modify existing community residential programs to meet the need of 100 dual diagnosed patients. Persons will be selected primarily from State facilities (State Centers, MR Units, and Mental Hospitals), although a smaller number of similarly diagnosed persons will also be selected from existing community programs. Selections will be made by a team of MH/MR professionals.

Thirty-six late start up waiver clients scheduled for placement in 1984-85 will be placed in the community early in fiscal year 1985-86. The number of clients at the end of fiscal

year 1985-86 reflects the inclusion of 402 additional Medicaid Community Waiver clients.

During the 1984-85 fiscal year, 329 residents moved to independent or family living arrangements. This figure is more than last year's estimate due primarily to the (1) success of the CRF program in preparing for independent or family living, and (2) increased number of support services in the community.

The Program Revision for Community Mental Retardation Partnership includes an expansion of community residential slots by 750. State funds totalling \$5,844,000 has been provided to support the expansion. For more detailed information, refer to the program revision following the subcategory for Community Based Services.

Program Cost Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Community Residential Services —							
Mentally Retarded	\$ 113,519	\$ 126,501	\$ 133,032	\$ 144,951	\$ 154,821	\$ 164,812	\$ 174,929
Elwyn Institutes	240	200	200	200	200	200	200
GENERAL FUND TOTAL	\$ 113,759	\$ 126,701	\$ 133,232	\$ 145,151	\$ 155,021	\$ 165,012	\$ 175,129

Private Intermediate Care Facilities

OBJECTIVE: To enable institutionalized mentally retarded individuals to increase their capacity for community and family living by promoting the acquisition of requisite skills and behavior, and to move them into community settings.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 28,515	\$ 35,015	\$ 45,254	\$ 51,445	\$ 56,031	\$ 60,692	\$ 65,432
Federal Funds	35,422	46,970	59,273	67,900	71,294	74,860	78,603
Other Funds	576	984	.....	.....	.....	.....	.....
TOTAL	\$ 64,513	\$ 82,969	\$ 104,527	\$ 119,345	\$ 127,325	\$ 135,552	\$ 144,035

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Persons served in private ICF/MR program:							
In facilities with fifteen or less beds	351	448	698	948	1,198	1,448	1,698
In facilities with more than fifteen beds ..	1,482	1,985	1,985	1,985	1,985	1,985	1,985

Program Analysis:

The Private Intermediate Care Facility for the Mentally Retarded (ICF/MR) program is part of the Federal/State Medicaid (Title XIX) Program. The private ICF/MR program provides intensive habilitative services to mentally retarded persons and persons with related conditions. Large facilities are single or multiple buildings on campus-like sites accommodating more than 15 persons. Small facilities are located on noncontiguous sites in the community and serve 15 or less persons.

Persons served in private ICFs/MR are typically more disabled and require more intensive services than those currently served in community residential MR facilities. The majority of persons are severely or profoundly retarded with many secondary handicaps.

In the continuum of long-term care, large ICFs/MR are equivalent to State centers. Persons enter by way of referrals from county MR programs, State Centers, and other ICFs/MR and the community. Private ICFs/MR are required to meet stringent Federal requirements for licensure and certification. The requirements pertain to the program services and staffing of the facilities, as well as the environment and safety of the persons served. The Pennsylvania Department of Health, as the State Survey Agency, is

responsible for conducting survey activities and recommends licensure and certification to the Department of Public Welfare (DPW). DPW both licenses and certifies ICFs/MR.

The small, private program (15 or less beds) consisted of 351 beds in Fiscal Year 1984-85. During fiscal year 1985-86, this number increased to 448 beds due to the addition of 47 beds through conversion of a previously State-funded program, and the addition of 50 beds that were previously maintained by a large (16 beds or more), private ICF/MR program.

During the 1984-85 fiscal year, the large private ICFs/MR (16 beds or greater) served 1,482 persons. This number has expanded to 1,985 beds due to the conversion Woodhaven Center to the non-State ICF/MR program, the conversion during Fiscal Year 1985-86 of previously State funded beds at Elwyn, and to a reduction resulting from a 60-bed program closing and clients transferring into small ICF/MRs.

The Program Revision—Community Mental Retardation Partnership provides an additional \$1.2 million in State funds for the development of 250 new ICF beds in facilities with fifteen or less beds. The details of the Program Revision follow the subcategory for Community Based Services.

Private Intermediate Care Facilities (continued)

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Intermediate Care Facilities — Mentally Retarded.....	<u>\$ 28,515</u>	<u>\$ 35,015</u>	<u>\$ 45,254</u>	<u>\$ 51,445</u>	<u>\$ 56,031</u>	<u>\$ 60,692</u>	<u>\$ 65,432</u>

State Centers

OBJECTIVE: To provide a structured program environment for mentally retarded individuals to increase their capacity in as short a time as possible for community and family living by promoting the acquisition of requisite skills and behavior and to move them into appropriate alternative community settings.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 122,661	\$ 104,860	\$ 103,924	\$ 108,081	\$ 112,404	\$ 116,900	\$ 121,576
Federal Funds	151,669	146,263	140,979	146,611	152,468	158,560	164,896
Other Funds	12,826	12,386	11,890	12,373	12,744	13,127	13,520
TOTAL	\$ 287,156	\$ 263,509	\$ 256,793	\$ 267,065	\$ 277,616	\$ 288,587	\$ 299,992

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
People living in State centers at end of fiscal year	5,490	4,816	4,246	3,716	3,330	2,956	2,568
People living in mental retardation units at end of fiscal year	488	485	472	352	232	112	.....
People moving from State centers and mental retardation units to community residential settings	337	635	500	500	500	500	500

Program Analysis:

In the continuum of mental retardation services, the most restrictive settings include the nine State-owned centers and seven mental retardation units located on the grounds of State mental hospitals. The population of these facilities has steadily decreased since the late sixties; a trend directly attributable to the continued emphasis on provision of supportive services in the community.

The total June 30, 1985 resident population for all State centers and mental retardation units was 5,490.

The resident profile for June 30, 1985 indicates that approximately 4 percent of all residents are under 21 years of age, 89 percent are between the ages of 21 and 64, and 7 percent are 65 years of age and older. The resident profile also reflects that 6 percent of all residents are mildly retarded, 10 percent are moderately retarded, 25 percent are severely retarded and 58 percent are profoundly retarded. These figures reflect continued movement toward a more aged and disabled population due mainly to fewer overall admissions, stricter admission guidelines for children and higher functioning clients, and a high incidence of community placements of higher functioning residents. The direction of these facilities will continue to require modification to provide for the needs of this changing population.

The development of the community mental health/mental retardation services system, provided impetus for the

creation of residential settings within the community, a prerequisite of the department's deinstitutionalization program. During the 1970's, as the development of community alternatives to institutionalization was accomplished, the role of the centers altered. The primary goal of the centers and MR units now is to prepare clients for community living and to move them into appropriate alternative settings as soon as they are ready. Most recently the department has been developing and utilizing the Medicaid community waiver process and the small (15 beds or less) intermediate care facilities for the mentally retarded (ICFs/MR) as a means of providing community alternatives to institutionalization.

The measure, people living in State Centers at the end of the fiscal year for 1985-86, indicates a continued effort to move clients to community placements. It is expected that additional placements from these facilities will occur in fiscal year 1986-87.

The measure, people moving from State Centers and mental retardation units to community residential settings, indicates the continuing effort being made to provide clients with the most appropriate treatment in the least restrictive setting. This total includes patients transferred as a result of 1984-85 Waivers (36), 1985-86 Waivers (319) and the Woodhaven Center conversion as an ICF/MR (280).

State Centers (continued)

Program Analysis: (continued)

The current Department of Public Welfare Five-Year Plan for mental retardation facilities defines statewide goals and objectives with specific time frames for the attainment of each objective. The overall objective of the five-year plan is to continue to reduce the population in State operated facilities through the 2176 Medicaid Waiver program.

As part of the initiative to provide dual diagnosed clients with specialized services, one specialized care unit of ten beds will be established at Polk State Center in fiscal year 1985-86 with State funds that total \$445,000. In a continued expansion of the dual diagnosis program, one additional specialized care unit will be established on State Mental Hospital grounds with a 10 bed dual diagnosis program during fiscal year 1986-87.

In fiscal year 1984-85, Temple University was granted the

Woodhaven contract with the understanding that Woodhaven would achieve private ICF/MR certification. Conversion to an ICF/MR facility occurred on October 1, 1985. The 1985-86 budget year reflects the removal of 280 Woodhaven clients from State Center's census.

The department has negotiated a settlement agreement with the plaintiffs in the Pennhurst case. The agreement, submitted to the Federal Court for approval, provides for the closure of Pennhurst by July 1, 1986. During 1984-85 Pennhurst client census was reduced to 317 residents. All MR Centers and Units will continue to maintain Medical Assistance certification throughout Fiscal Year 1984-85.

The budget recommendation includes a Productivity Improvement Initiative of \$1.6 million for food service renovation at Selinsgrove State Center.

The State Centers population for the prior, current, and upcoming year are:

	Projected Bed Capacity July 1986	Population July 1984	Population July 1985	Projected Population July 1986	Projected Percent Capacity July 1986
State Centers					
Altoona	138	135	131	135	97%
Ebensburg	616	612	611	579	96%
Embreeville	381	294	299	325	85%
Hamburg	436	429	428	410	94%
Laurelton	400	364	346	350	87%
Pennhurst	396	467	329	100	25%
Polk	1,107	1,104	1,019	919	83%
Selinsgrove	1,007	1,017	1,004	943	93%
Western	520	516	504	520	100%
White Haven	566	541	538	535	94%
Woodhaven		271	281		
TOTAL STATE CENTERS	5,567	5,750	5,490	4,816	86%
Mentally Retarded Units					
Allentown	43	41	39	40	93%
Clarks Summit	52	42	40	50	96%
Mayview	120	114	116	115	95%
Somerset	127	102	96	90	70%
Torrance	94	89	93	90	95%
Wernersville	49	44	38	48	97%
Philadelphia	97	81	66	52	96%
TOTAL MENTALLY RETARDED UNITS	582	513	488	485	83%
GRAND TOTAL	6,149	6,263	5,978	5,301	86%

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
State Centers for the Mentally Retarded .	\$ 122,661	\$ 104,860	\$ 103,924	\$ 108,081	\$ 112,404	\$ 116,900	\$ 121,576

Income Maintenance

OBJECTIVE: To insure that all handicapped, dependent or incipiently dependent individuals are enabled to live at minimum standards of health and decency by providing cash grants.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 765,689	\$ 792,050	\$ 800,570	\$ 812,606	\$ 832,320	\$ 845,886	\$ 863,958
Special Funds	17,600	17,600	17,600	17,600	17,600	17,000	17,600
Federal Funds	717,414	734,945	747,509	746,768	746,331	746,503	746,847
Other Funds	61,794	60,775	63,625	68,882	65,439	65,437	65,450
TOTAL	\$1,562,497	\$1,605,370	\$1,629,304	\$1,645,856	\$1,661,690	\$1,675,446	\$1,693,855

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Average monthly number of persons receiving cash grants	699,600	696,100	696,500	700,000	703,500	707,000	710,500
Aged, blind and disabled persons receiving supplemental grants	161,939	166,663	173,100	177,600	180,700	182,600	183,400
Amount of reimbursement collections (in thousands)	89,802	95,300	107,400	117,600	126,800	136,200	146,400
Cash value of food stamps issued each month (in thousands)	45,846	45,300	44,700	44,700	44,700	44,700	44,700
Persons eligible who have been referred to Work Registration Program	157,897	155,400	153,900	153,900	153,900	153,900	153,900
Persons eligible for public assistance cash grants on the basis of income level (in thousands)	1,400	1,400	1,400	1,400	1,400	1,400	1,400

Program Analysis:

The Income Maintenance personload includes the following categories of assistance: Aid to Families with Dependent Children (AFDC); General Assistance (GA); State Blind Pension (SBP); Food Stamp Program; and Supplemental Security Income (SSI). GA, SBP and the SSI supplement are completely State funded. AFDC receives approximately 56 percent in Federal funds and 44 percent in State funds. Eligibility for assistance is determined by the staff in county assistance offices. As of June 1985, AFDC represents approximately 64 percent of the total personload; GA represents 17 percent; SSI 19 percent; and SBP less than one percent. Food stamps are used by persons of all categories of assistance and by non-public assistance persons as well. During 1984-85, a monthly average of more than one million persons participated in the food stamp

program.

A grant increase averaging five percent was implemented for GA and AFDC recipients on October 1, 1984. Concurrently, a new Comprehensive Poverty Standard was established to determine the amount of benefit levels. An additional grant increase of approximately five percent went into effect on January 1, 1986.

The Welfare Reform legislation mandated a work registration program which involves the Office of Employment Security and the department's Pennsylvania Employment Program. The Pennsylvania Employment Program (PEP) was initially a demonstration program authorized by the 1976 amendments to the Public Welfare Code. As a demonstration, 31 counties participated in the program. Act 1982-75 required that the program be expanded statewide.

Income Maintenance (continued)

Program Analysis: (continued)

Staff was assigned to each county assistance office to implement the expansion. With this staff and a private employment agency voucher program, efforts are made to find full time, permanent employment for employable recipients and applicants for GA and AFDC, thereby reducing their need for public assistance. During 1984-85, there were 8,262 direct placements made by the County Assistance Office (CAO) staff and 951 placements through the private employment agency voucher program. Additionally, there were 31,690 persons enrolled in the work registration program who obtained jobs through self-placement and 25,998 who were placed due to efforts of the Office of Employment Security. There were 12,125 persons removed from the rolls as a result of sanctions for not complying with program requirements, and 170,138 recipients enrolled in the Community Work Experience Program (CWEP). The CWEP provides work experience for recipients who have not located full-time employment through the Office of Employment Security or the Pennsylvania Employment Program. The program became operational in February 1983. During 1984-85, 43,117 persons were actually placed under this program.

Another aspect of the work registration effort is carried out through the Employment Incentive Program (EIP), under which Federal and State tax credits are granted up to three years to employers who employ a cash assistance recipient for at least one year.

Since the program's inception in September 1983, nearly 9,000 public assistance recipients have obtained permanent employment through the EIP Program. The use of the EIP voucher has grown dramatically in each year of the program. During the first eight months of fiscal year 1984-85, the number of public assistance recipients who obtained employment was nearly two and one-half times the number employed in the first year of the program.

The Commonwealth is in the second year of a three-year federally-awarded Work Saturation in an Urban Area Project, which integrates new programs with the existing Pennsylvania Work Registration Program in Philadelphia. Some of the new programs include: the use of an instrument to assess job readiness and to refer individuals to appropriate programs; intensive remedial education and work experience program; and job readiness/search workshops.

Development continues with the Family Assistance Management Information System (FAMIS), which is a computerized client data file that enhances the department's ability to administer various programs such as cash assistance, food stamps and the work registration program. Initiatives in fiscal year 1985-86 were directed toward the development of systems to minimize fraud and abuse. The recommended budget provides support for current com-

mitments and a minimal expansion of the FAMIS data base.

The Office of Fraud and Abuse Investigation and Recovery is the department's primary unit for benefits recovery. The office establishes and collects claims which arise when a client, through fraud or error, has previously received more benefits than the client was entitled to receive. The goal of the office is to maximize collections in a cost efficient manner and to provide a deterrent to welfare fraud. During 1984-85, actual collections amounted to \$89.8 million.

The Office of Income Maintenance is charged with conducting reviews of cases to assure compliance with regulations and eliminate fraud. In 1984-85, a validation unit was established to more thoroughly investigate questionable applications for public assistance and error prone cases already receiving assistance. With a more thorough screening process, inappropriate payments to clients are expected to be reduced.

The department is mandated by the Federal government to increase accuracy rates in the AFDC, Medical Assistance, and Food Stamp Programs. Fiscal sanctions may be taken if certain accuracy rates are not reached by specified time periods. The department is continuing its efforts to reach those goals.

Another program of assistance is the supplemental grants which complement Supplemental Security Income (SSI), a Federal program for aged, blind and disabled low income persons. The Federal government administers the program and provides a basic monthly rate of \$336.00 for an individual and \$504.00 for a couple. To these Federal levels, the Commonwealth adds a maximum of \$32.40 and \$48.70 respectively.

A special monthly State supplement is paid to Supplemental Security Income eligible persons in domiciliary care facilities and personal care boarding homes. Act 105 of 1980 requires the licensing of personal care boarding homes which are integrated with and on the same grounds as skilled nursing or intermediate care facility.

The domiciliary care program became operational with the placement of its first clients in May 1976. This program provides those SSI recipients aged 18 and over with functional limitations with the opportunity to live in the community in a home approved by a State certified placement agency as a domiciliary home. The primary program goals are to provide an appropriate level of care to meet essential needs without inducing avoidable dependency, and to provide an alternative to institutional care for those whose needs can be met more appropriately in the community. In November 1982, this special supplement was also provided to SSI recipients residing in personal care boarding homes (PCBHs) licensed under Act 105 of 1980. In January 1985,

Income Maintenance (continued)

Program Analysis: (continued)

the special supplement was extended to SSI recipients in PCBHs attached to nursing facilities which will effectively increase the number of recipients for the special supplement.

In order to help the mentally and physically disabled obtain chronically needy GA benefits, and whenever possible, Federal SSI benefits and eliminate unnecessary use of the State General Assistance Program, the Department of Public Welfare has implemented a statewide Disability Advocacy Program. Staff in all County Assistance Offices (CAO) actively assists public assistance recipients to complete the complex Federal SSI application process and, where appropriate, to participate in appeals when these federal benefits are denied. Trained staff work closely with physicians, county mental health and mental retardation programs, and other health and social services agencies to assist clients to obtain necessary documentation of disability. This program will serve to enhance cash and other benefits available to disabled citizens in the Commonwealth and better control costs in the State-funded General Assistance program.

The department administers and funds Medical Assistance Transportation which began on October 1, 1983. Under this program, State and Federal funding is made available to county governments and private contractors to provide necessary non-emergency medical transportation to public

assistance clients.

The department also administers the Low-Income Home Energy Assistance Program which provides financial assistance to those families least able to afford to heat their homes. Cash payments are made to fuel distributors and utility companies on behalf of eligible families or directly to those households who have the cost of home heating included in their rental payments. A crisis component of the program helps with heating emergencies by providing for emergency deliveries of fuel and repairs to faulty heating systems.

This program area also includes the county assistance offices and the staff which administer the cash assistance, energy assistance, food stamp, medical assistance eligibility and work registration programs. The recommended budget provides \$1.3 million to improve the working environment of the offices through renovations, relocation or purchase of modular furniture and \$574,000 is recommended for the installation of 300 computerized workstations. Additional funding is recommended to implement an electronic funds transfer system in selected counties that will provide a more expeditious and efficient means of making cash grants available.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 1,706	\$ 1,643	\$ 1,608	\$ 1,672	\$ 1,739	\$ 1,809	\$ 1,881
Cash Grants	559,222	576,633	576,146	576,006	585,108	588,264	591,418
Medical Assistance Transportation	13,700	10,535	10,535	10,956	11,395	11,850	12,324
County Assistance Offices	116,410	123,684	129,476	134,654	140,040	145,636	151,460
County Administration—Statewide	14,280	14,730	15,300	15,912	16,549	17,206	17,894
Supplemental Grants—Aged, Blind and Disabled	46,808	51,311	53,675	58,910	62,414	65,446	72,679
Program Accountability	7,454	7,114	7,347	7,640	7,945	8,260	8,590
Pennsylvania Employment Program	6,109	6,400	6,483	6,856	7,130	7,415	7,712
GENERAL FUND TOTAL	\$ 765,689	\$ 792,050	\$ 800,570	\$ 812,606	\$ 832,320	\$ 845,886	\$ 863,958
LOTTERY FUND							
Supplemental Grants—Aged, Blind and Disabled	\$ 17,600	\$ 17,600	\$ 17,600	\$ 17,600	\$ 17,600	\$ 17,600	\$ 17,600
LOTTERY FUND TOTAL	\$ 17,600	\$ 17,600	\$ 17,600	\$ 17,600	\$ 17,600	\$ 17,600	\$ 17,600

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.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revision:

Appropriation	Title	1986-87 State Funds (in thousands)
	General Fund	
General Government Operations	PII—Portable Computers	\$ 222 ^a

This Productivity Improvement Initiative will provide for the acquisition of computers to be used by field auditors. Use of computers should result in increased revenue collections for the Commonwealth.

DEPARTMENT TOTAL	\$ 222
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^aThis is only one of numerous Productivity Improvement Initiatives which are being provided one-time funding to achieve long-term cost savings and efficiency benefits. The entire Program Revision Request is summarized in Volume I.

DEPARTMENT OF REVENUE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 65,252	\$ 67,300	\$ 68,889
Commissions — Inheritance and Realty Transfer Tax			
Collections	1,563	1,700	1,700
Subtotal	<u>\$ 68,815</u>	<u>\$ 69,000</u>	<u>\$ 70,589</u>
Grants and Subsidies			
Distribution of Public Utility Realty Tax	\$ 78,560	\$ 83,242	\$ 87,315
TOTAL STATE FUNDS	<u>\$ 145,375</u>	<u>\$ 152,242</u>	<u>\$ 157,904</u>
Augmentations	\$ 7,163	\$ 7,575	\$ 7,242
GENERAL FUND TOTAL	<u>\$ 152,538</u>	<u>\$ 159,817</u>	<u>\$ 165,146</u>
Motor License Fund			
General Government			
Collection—Liquid Fuels Tax	\$ 4,861	\$ 5,007	\$ 5,105
Refunding Liquid Fuels Tax	5,870	7,221	7,300
MOTOR LICENSE FUND TOTAL	<u>\$ 10,731</u>	<u>\$ 12,228</u>	<u>\$ 12,405</u>
Lottery Fund			
General Government/Lottery			
General Government Operations	\$ 36,333	\$ 39,392	\$ 38,612
Personal Income Tax for Lottery Prizes	15,259	15,192	14,291
Payment of Prize Money	163,571	231,703	185,232
Payment of Commissions	400	400	.....
Refunding Lottery Monies	10	10	10
Subtotal	<u>\$ 215,573</u>	<u>\$ 286,697</u>	<u>\$ 238,145</u>
Grants and Subsidies			
Property Tax and Rent Assistance for the Elderly	\$ 97,820	\$ 98,135	\$ 124,150
Senior Citizens Inflation Dividend	35,542	36,567	35,895
Subtotal	<u>\$ 133,362</u>	<u>\$ 134,702</u>	<u>\$ 160,045</u>
TOTAL STATE FUNDS	<u>\$ 348,935</u>	<u>\$ 421,399</u>	<u>\$ 398,190</u>
Augmentations	\$ 1,414	\$ 1,501	\$ 2,095
LOTTERY FUND TOTAL	<u>\$ 350,349</u>	<u>\$ 422,900</u>	<u>\$ 400,285</u>

DEPARTMENT OF REVENUE

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

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Racing Fund			
General Government			
Collections—Racing	\$ 145	\$ 145	\$ 119
RACING FUND TOTAL	<u>\$ 145</u>	<u>\$ 145</u>	<u>\$ 119</u>
 Department Total — All Funds			
General Fund	\$ 145,375	\$ 152,242	\$ 157,904
Special Funds	359,811	433,772	410,714
Augmentations	8,577	9,076	9,337
TOTAL ALL FUNDS	<u>\$ 513,763</u>	<u>\$ 595,090</u>	<u>\$ 577,955</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 66,815	\$ 69,000	\$ 70,589
Augmentations	7,163	7,575	7,242
TOTAL	<u>\$ 73,978</u>	<u>\$ 76,575</u>	<u>\$ 77,831</u>

Directs enforcement of all tax statutes of the Commonwealth. Major activities include determining and implementing policies and procedures for tax collection and tax settlements, preparing the official Commonwealth revenue estimates, conducting field audits, preparing and mailing out tax forms and instructions, and the processing of returns.

Major taxes administered and enforced include sales tax, personal income tax, corporation taxes and cigarette and beverage taxes.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
General Government Operations	\$ 65,252	\$ 67,300	\$ 68,889
Executive Authorization:			
Commissions — Inheritance and Realty Transfer Tax			
Collections	1,563	1,700	1,700
Augmentations:			
Audit of State Authorities	1	1	1
Cigarette Fines and Penalties	13	13	13
Reimbursement For Cost of Services Provided to Special Funds	3,461	3,517	3,570
Reimbursement For Cost of Escheat Sales	354	477	477
Reimbursement For EDP and Staff Support	3,279	3,522	3,136
Reimbursement For Providing Tax Information	51	45	45
Seminar Registration Fees	4	. . . .	. . . .
TOTAL	<u>\$ 73,978</u>	<u>\$ 76,575</u>	<u>\$ 77,831</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Distribution of Public Utility Realty Tax			
State Funds	\$ 78,560	\$ 83,242	\$ 87,315

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.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Distribution of Public Utility Realty Tax	\$ 78,560	\$ 82,689	\$ 87,315
Distribution of Public Utility Realty Tax — Recommend Supplemental .....	.....	553	.....
TOTAL	<u>\$ 78,560</u>	<u>\$ 83,242</u>	<u>\$ 87,315</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Collection—Liquid Fuels Tax			
State Funds	\$ 10,731	\$ 12,228	\$ 12,405

Administers and enforces the Liquid Fuels Tax Act, Fuel Use Tax Act and Motor Carriers Act and Bus Compact. Activities include issuing permits and performing annual audits. Act 78 of 1982 gave the department responsibility for making certain refunds including the Liquid Fuels Tax.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Collection — Liquid Fuels Tax	\$ 4,861	\$ 5,007	\$ 5,105
Executive Authorization:			
Refunding Liquid Fuels Tax	5,870	7,221	7,300
TOTAL	<u>\$ 10,731</u>	<u>\$ 12,228</u>	<u>\$ 12,405</u>

**LOTTERY FUND
GENERAL GOVERNMENT/LOTTERY**

General Operations	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 36,333	\$ 39,392	\$ 38,612
Augmentations	1,414	1,501	2,095
TOTAL	<u>\$ 37,747</u>	<u>\$ 40,893</u>	<u>\$ 40,707</u>

Provides for the operation of the Lottery Bureau and provides for the administration of the Commonwealth's program of property tax and rent rebate for the elderly and the senior citizen's inflation dividend.

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Executive Authorization:			
General Operations	\$ 36,333	\$ 39,392	\$ 38,612
Augmentations:			
License Fees	95	95	95
Reimbursement for Telephone Lines	1,319	1,406	2,000
TOTAL	<u>\$ 37,747</u>	<u>\$ 40,893</u>	<u>\$ 40,707</u>

Personal Income Tax For Lottery Prizes	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 15,259	\$ 15,192	\$ 14,291

Act 29 of 1983 exempted Pennsylvania Lottery winnings from the Pennsylvania Income Tax for the prize winner but required a transfer from the Lottery Fund to the General Fund of the tax liability. This appropriation provides for that transfer.

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Executive Authorization:			
Personal Income Tax For Lottery Prizes	<u>\$ 15,259</u>	<u>\$ 15,192</u>	<u>\$ 14,291</u>

OTHER SPECIAL FUNDS

REVENUE

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Payment of Prize Money			
State Funds	\$ 163,571	\$ 231,703	\$ 185,232

Provides funds to pay the winners of Commonwealth Lotteries.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Executive Authorization:			
Payment of Prize Money	<u>\$ 163,571</u>	<u>\$ 231,703</u>	<u>\$ 185,232</u>

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Payment of Commissions			
State Funds	\$ 400	\$ 400	.....

Provides for commissions on sales of lottery tickets with electronic transfer of ticket proceeds, it is no longer necessary to pay banks a commission.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Executive Authorization:			
Payment of Commissions	<u>\$ 400</u>	<u>\$ 400</u>	<u>.....</u>

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Refunding Lottery Monies			
State Funds	\$ 10	\$ 10	\$ 10

Provides for refunds of lottery monies.

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Executive Authorization:			
Refunding Lottery Monies	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 10</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Assistance for the Elderly			
State Funds	\$ 133,362	\$ 134,702	\$ 160,045

Allows for a partial rebate of both the property taxes and rent that is paid by the elderly. In December 1979, the passage of Act No. 131 established an inflation dividend program to provide additional grants to persons receiving property tax or rent rebates.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Executive Authorizations:			
Property Tax and Rent Assistance for the Elderly	\$ 97,820	\$ 98,135	\$ 124,150
Senior Citizens Inflation Dividend	35,542	36,567	35,895
TOTAL	<u>\$ 133,362</u>	<u>\$ 134,702</u>	<u>\$ 160,045</u>

RACING FUND
GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Collections — Racing			
State Funds	\$ 145	\$ 145	\$ 119

Provides for the financial administration of pari-mutuel betting at racing tracks. Activities include providing forms and maintaining systems of accounting, examining books and records of the corporations conducting harness racing, and collecting taxes from the corporations.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Executive Authorization:			
Collections — Racing	<u>\$ 145</u>	<u>\$ 145</u>	<u>\$ 119</u>

DEPARTMENT OF REVENUE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 7,053	\$ 7,256	\$ 7,577	\$ 7,805	\$ 8,039	\$ 8,280	\$ 8,528
Fiscal Management	\$ 359,465	\$ 436,289	\$ 395,205	\$ 408,351	\$ 422,157	\$ 436,431	\$ 451,185
Revenue Collection and Administration	280,905	353,047	307,890	316,671	325,893	335,353	345,054
Public Utility Realty Payments	78,560	83,242	87,315	91,680	96,264	101,078	106,131
Homeowners and Renters Assistance	\$ 138,668	\$ 142,469	\$ 165,836	\$ 163,669	\$ 161,584	\$ 159,550	\$ 157,562
Homeowners and Renters Assistance	138,668	142,469	165,836	163,669	161,584	159,550	157,562
DEPARTMENT TOTAL	<u>\$ 505,186</u>	<u>\$ 586,014</u>	<u>\$ 568,618</u>	<u>\$ 579,825</u>	<u>\$ 591,780</u>	<u>\$ 604,261</u>	<u>\$ 617,275</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 7,053	\$ 7,256	\$ 7,577	\$ 7,805	\$ 8,039	\$ 8,280	\$ 8,528
Other Funds	4,013	4,236	4,236	4,295	4,252	4,270	4,217
TOTAL	<u>\$ 11,066</u>	<u>\$ 11,492</u>	<u>\$ 11,813</u>	<u>\$ 12,100</u>	<u>\$ 12,291</u>	<u>\$ 12,550</u>	<u>\$ 12,745</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	<u>\$ 7,053</u>	<u>\$ 7,256</u>	<u>\$ 7,577</u>	<u>\$ 7,805</u>	<u>\$ 8,039</u>	<u>\$ 8,280</u>	<u>\$ 8,528</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)

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 59,762	\$ 61,744	\$ 63,012	\$ 64,850	\$ 66,745	\$ 68,696	\$ 70,707
Special Funds	221,143	291,303	244,878	251,821	259,148	266,657	274,347
Other Funds	4,564	4,840	5,101	5,014	5,079	5,134	5,261
TOTAL	\$ 285,469	\$ 357,887	\$ 312,991	\$ 321,685	\$ 330,972	\$ 340,487	\$ 350,315

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Total General Fund state receipts collected by the Department of Revenue (millions)	\$8,148.3	\$8,496.7	\$8,847.8	\$9,374.4	\$9,905.6	\$10,432.4	\$11,003.0
Total Motor License Fund receipts collected by the Department of Revenue (in millions)	\$1,003.6	\$1,011.2	\$1,006.7	\$1,032.1	\$1,020.1	\$1,021.2	\$1,027.5
Total lottery ticket sales (millions)	\$1,294.7	\$1,321	\$1,361	\$1,402	\$1,444	\$1,487	\$1,531
Revenue collection costs per \$100 of General Fund receipts	\$.73	\$.72	\$.71	\$.69	\$.67	\$.66	\$.64
Revenue collection costs per \$100 of Motor License Fund receipts	\$.48	\$.50	\$.51	\$.51	\$.53	\$.55	\$.56
Lottery Bureau operating costs as a percent of ticket sales	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%
Collections from delinquent accounts (in millions)	\$208.5	\$221.3	\$232.4	\$241.7	\$253.8	\$266.5	\$279.8
Percent of money deposited on the day received	87%	90%	90%	90%	90%	90%	90%
Amounts due as a result of audit assessments (Millions)	\$86.0	\$88.0	\$90.6	\$93.3	\$96.0	\$98.8	\$100.0
Tax returns processed (Thousands)	6,758	6,618	6,618	6,618	6,618	6,618	6,618
Personal Income	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Sales and Use	1,460	1,460	1,460	1,460	1,460	1,460	1,460
Corporation	158	158	158	158	158	158	158
Average processing time (in work days)							
Personal Income	10.9	10.3	10.3	10.3	10.3	10.3	10.3
Sales and Use	7.1	3.0	3.0	3.0	3.0	3.0	3.0
Average settlement time for corporation tax documents (in calendar days)	165	165	165	165	165	165	165
Average processing time for personal income tax refund (in calendar days)	38	30	30	30	30	30	30

Revenue Collection and Administration (continued)

Program Analysis:

This program provides for the thorough and equitable administration of all the Commonwealth's revenue statutes and for the assessment and collection of various taxes. Among the taxes collected are all corporation taxes, inheritance taxes, the Realty Transfer Tax, Cigarette and Beverage Taxes, the Sales Use and Hotel Occupancy Tax, the Personal Income Tax, taxes imposed under the Liquid Fuels Tax Act, Fuels Use Tax Act, Motor Carriers Road Tax and Bus Compact Fuels Tax, and taxes received from corporations conducting horse and harness racing.

A major program component is assurance that all taxes are economically collected. The department intends to maintain tax administration costs between \$.50 and \$.90 for each \$100 collected in every tax category.

In order to improve efficiency while reducing administrative costs, this program is issuing Sales Tax coupon books.

This policy provides Sales Tax licensees with a coupon book containing all the necessary filing materials for an entire year. By providing this material in one mailing, there will be a reduction in mailings by over one million items resulting in savings of over \$100,000.

In conjunction with the coupon book program, an automated remittance processing system has been installed to process Sales Tax returns. Sales Tax forms have been redesigned with optical character recognition capability to allow for the automated processing of returns.

The automated processing system permits more timely depositing of tax payments, provides for better response to licensee inquiries and enables quicker identification of non-filers.

A computer assisted collection system for delinquent Personal Income Taxes which was started last year, has been very successful and accounts for the projected increase in the measure reflecting collections from delinquent accounts.

The measure reflecting Sales and Use Tax returns processed shows a decline from previous years as these returns are now filed four times a year instead of five.

Auditing of taxpayer records is a crucial function of any tax collection program. To increase the efficiency of its auditing operations, the recommended amount for this program includes \$222,000 for a Productivity Improvement Initiative that would provide for the purchase of portable computers to be used by field auditors.

The use of computers will reduce the amount of time it takes to perform an audit and, therefore, will allow for more audits to be conducted. This should result in increased collections for the Commonwealth.

Changes in the measures average settlement time for corporation tax documents and average processing time for personal income tax refunds are due to the time being calculated in calendar days rather than working days as it had been previously.

The program administers the Pennsylvania Lottery in addition to tax collections. Not only has the program been successful in efforts to raise funds to benefit senior citizens, it has become one of the world's largest and most efficient lotteries. Quality marketing of new games, maintenance of high standards of integrity and effective use of private retailers are responsible for these achievements.

Revenue Collection and Administration (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 58,199	\$ 60,044	\$ 61,312	\$ 63,150	\$ 65,045	\$ 66,996	\$ 69,007
Commissions — Inheritance and Realty Transfer Tax	1,563	1,700	1,700	1,700	1,700	1,700	1,700
GENERAL FUND TOTAL	<u>\$ 59,762</u>	<u>\$ 61,744</u>	<u>\$ 63,012</u>	<u>\$ 64,850</u>	<u>\$ 66,745</u>	<u>\$ 68,696</u>	<u>\$ 70,707</u>
MOTOR LICENSE FUND							
Collections—Liquid Fuels Tax	\$ 4,861	\$ 5,007	\$ 5,105	\$ 5,258	\$ 5,415	\$ 5,578	\$ 5,745
Refunding Liquid Fuels Taxes	5,870	7,221	7,300	7,300	7,300	7,300	7,300
MOTOR LICENSE FUND TOTAL...	<u>\$ 10,731</u>	<u>\$ 12,228</u>	<u>\$ 12,405</u>	<u>\$ 12,558</u>	<u>\$ 12,715</u>	<u>\$ 12,878</u>	<u>\$ 13,045</u>
LOTTERY FUND							
General Operations	\$ 31,027	\$ 31,625	\$ 32,821	\$ 33,598	\$ 34,606	\$ 35,644	\$ 36,714
Personal Income Tax for Lottery Prizes .	15,259	15,192	14,291	14,721	15,162	15,614	16,076
Payment of Prize Money	163,571	231,703	185,232	190,812	196,529	202,381	208,369
Payment of Commissions	400	400	.....	.....	.....	.....	.....
Refunding Lottery Monies	10	10	10	10	10	10	10
LOTTERY FUND TOTAL	<u>\$ 210,267</u>	<u>\$ 278,930</u>	<u>\$ 232,354</u>	<u>\$ 239,141</u>	<u>\$ 246,307</u>	<u>\$ 253,649</u>	<u>\$ 261,169</u>
RACING FUND							
Collections — Racing	\$ 145	\$ 145	\$ 119	\$ 122	\$ 126	\$ 130	\$ 133

Public Utility Realty Payments

OBJECTIVE: To provide equitable distribution to all local taxing authorities of the tax on realty of public utilities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	<u>\$ 78,560</u>	<u>\$ 83,242</u>	<u>\$ 87,315</u>	<u>\$ 91,680</u>	<u>\$ 96,264</u>	<u>\$ 101,078</u>	<u>\$ 106,131</u>

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Taxing authorities receiving funds.....	3,099	3,094	3,137	3,137	3,137	3,137	3,137

Program Analysis:

Pursuant to an amendment to the State Constitution adopted in 1968, this program provides for the distribution to each reporting local taxing authority of its share of the funds that the local taxing authority would have received from public utilities had they been allowed to tax the realty of the utilities in their respective jurisdictions.

The distribution is based on the ratio between the total tax receipts of a local taxing authority and the total tax receipts of all reporting tax authorities. This ratio is then applied to the total amount of taxes that reporting authorities could have collected had they been able to tax the realty of public utilities.

During recent years this program has received significant increases in funding for two primary reasons. First, some utilities have undertaken major renovations, thereby increasing the assessed value of their property and, secondly, there have been increases in the tax rates of various taxing authorities.

The measures for the first two years reflect the exact number of taxing authorities receiving funds, while the remaining years indicate the total number of authorities eligible to receive funds. Generally there is less than 100 percent participation as some authorities who are eligible for only nominal amounts do not file a request for their share.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Distribution of Public Utility Realty Tax	<u>\$ 78,560</u>	<u>\$ 83,242</u>	<u>\$ 87,315</u>	<u>\$ 91,680</u>	<u>\$ 96,264</u>	<u>\$ 101,078</u>	<u>\$ 106,131</u>

Homeowners and Renters Assistance

OBJECTIVE: To increase the economic stability of citizens of the Commonwealth by providing to eligible citizens assistance in maintaining their place of residence.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	\$ 138,668	\$ 142,469	\$ 165,836	\$ 163,669	\$ 161,584	\$ 159,550	\$ 157,562

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Applications for property tax or rent assistance	451,120	448,938	512,054	499,838	484,568	470,316	456,064
People provided property tax or rent assistance	443,000	441,000	503,000	491,000	476,000	462,000	448,000
Percent provided property tax or rent assistance	98.2%	98.2%	98.2%	98.2%	98.2%	98.2%	98.2%
Percent of checks mailed on July 1	87.3%	87.9%	87.9%	87.9%	87.9%	87.9%	87.9%

Program Analysis:

This program aids citizens of the Commonwealth by providing property tax and rent assistance to those who meet certain requirements.

Property tax and rent assistance rebates are available to the elderly, widows and widowers and permanently disabled citizens and are intended to allow these people to lead fuller lives by restoring part of their limited income. Maintaining them in their home, or in rented homes through rent assistance, adds to their personal dignity and emotional security as well as being of financial benefit.

The Property Tax and Rent Assistance for the Elderly pro-

gram provides a percentage rebate of property tax or rent based on income while the Senior Citizens Inflation Dividend provides a flat dollar amount based on income.

The historical decline in the eligible population is due primarily to pension increases which put people into higher income categories and ultimately cause some people to lose their eligibility.

In response to this situation, the Administration supported Act 53 of 1985 that, effective with tax year 1985, raised the income ceiling from \$12,000 to \$15,000.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
LOTTERY FUND							
General Operations	\$ 5,306	\$ 7,767	\$ 5,791	\$ 5,929	\$ 6,106	\$ 6,290	\$ 6,478
Property Tax and Rent Assistance for the Elderly	97,820	98,135	124,150	122,909	121,679	120,463	119,258
Senior Citizens Inflation Dividend	35,542	36,567	35,895	34,831	33,799	32,797	31,826
LOTTERY FUND TOTAL	\$ 138,668	\$ 142,469	\$ 165,836	\$ 163,669	\$ 161,584	\$ 159,550	\$ 157,562

Securities Commission

The Securities Commission oversees the State controlled securities industry to ensure compliance with Commonwealth statutes.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revision:

Appropriation	Title	1986-87 State Funds (In thousands)
General Fund		
General Government Operations	PII—Expansion of EDP Capabilities	\$ 120 ^a
DEPARTMENT TOTAL		<u>\$ 120</u>

This Productivity Improvement Initiative provides for expansion of EDP capabilities in the Division of Corporation Finance.

^aThis is only one of numerous productivity improvement initiatives which are being provided one-time funding to achieve long-term cost savings and efficiency benefits. The entire Program Revision Request is summarized in Volume I

SECURITIES COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 1,949	\$ 2,154	\$ 2,409
TOTAL STATE FUNDS	\$ 1,949	\$ 2,154	\$ 2,409
Augmentations .....	.....	.....	\$ 10
GENERAL FUND TOTAL	\$ 1,949	\$ 2,154	\$ 2,419

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 1,949	\$ 2,154	\$ 2,409
Augmentations .....	.....	.....	10
Total	<u><u>\$ 1,949</u></u>	<u><u>\$ 2,154</u></u>	<u><u>\$ 2,419</u></u>

Protects the investing public through the registration and regulation of salesmen and companies dealing in securities. Issues orders to persons and corporations attempting to sell securities without approval and seeks prosecution of violators of the Pennsylvania Securities Act. Determines the eligibility for exemption from registration of securities proposed to be issued in the Commonwealth.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
General Government Operations	\$ 1,949	\$ 2,154	\$ 2,409
Augmentation:			
Reimbursement from Crime Commission	10
Total	<u><u>\$ 1,949</u></u>	<u><u>\$ 2,154</u></u>	<u><u>\$ 2,419</u></u>

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SECURITIES COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Consumer Protection	\$ 1,949	\$ 2,154	\$ 2,409	\$ 2,505	\$ 2,605	\$ 2,709	\$ 2,817
Regulation of Securities Industry	1,949	2,154	2,409	2,505	2,605	2,709	2,817
DEPARTMENT TOTAL	<u>\$ 1,949</u>	<u>\$ 2,154</u>	<u>\$ 2,409</u>	<u>\$ 2,505</u>	<u>\$ 2,605</u>	<u>\$ 2,709</u>	<u>\$ 2,817</u>

Regulation of Securities Industry

OBJECTIVE: To reduce the incidence of fraud to prevent public investors from being unfairly taken advantage of in securities transactions, while at the same time facilitating legitimate capital formation in the State.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 1,949	\$ 2,154	\$ 2,409	\$ 2,505	\$ 2,605	\$ 2,709	\$ 2,817
Other Funds .....	.....	.....	10	10	10	10	10
TOTAL	\$ 1,949	\$ 2,154	\$ 2,419	\$ 2,515	\$ 2,615	\$ 2,719	\$ 2,827

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Dollar amount of securities applications received (in billions)	\$2,516	\$4,000	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500
Dollar amount of securities cleared for sale (in billions)	\$1,809	\$2,000	\$2,500	\$3,000	\$3,000	\$3,000	\$3,000
Securities filings received	6,268	7,400	9,000	10,800	13,000	15,000	16,000
Securities filings cleared	5,124	6,600	7,600	9,300	10,800	13,600	16,400
Broker-dealers registered	1,246	1,600	1,900	2,200	2,500	2,800	3,100
Agents registered	36,952	43,000	49,000	55,000	61,000	67,000	73,000
Investment Advisers registered	223	270	290	310	330	350	370

Program Analysis:

The major recent thrust of the Securities Commission has been to enhance the availability of venture capital to small business in Pennsylvania. To facilitate the ability of business to raise capital in Pennsylvania, the commission has adopted certain regulations to reduce the burdens imposed on issuers. The venture capital industry is a vital and continuously growing source of private investor funds in Pennsylvania. Among the most significant achievements to facilitate capital formation were proposed amendments to the commission's Regulation 102.111, which became effective on September 23, 1985. With this action, Pennsylvania became the lead state in the nation for classifying venture capital companies as "institutional investors." Local issuers will now be able to raise capital for their companies through sales of securities directly to venture capital companies without being required to make any filing with the commission.

Other positive changes have also been made; expansion of the limited offering exemption through the amendment of Regulation 204.010 which increased the number of offerees permitted in private securities transactions from 50

to 90 and the number of purchasers permitted from 25 to 35, and the goal of reducing unnecessary regulatory requirements was also advanced by participation in the national Temporary Agent Transfer Program, which permits agents of broker-dealers to transfer from one broker to another without unnecessary delays.

The commission also is in the process of developing additional initiatives designed to identify and eliminate unnecessary regulatory requirements without compromising investor protection.

The primary function of the Pennsylvania Securities Commission is to encourage the financing of legitimate business and industry in the Commonwealth while protecting the investing public from fraudulent and unfair practices in the securities industry. The commission works toward this objective under the Pennsylvania Securities Act of 1972, which requires the registration of securities broker-dealers, agents, and investment advisers.

In order for securities to be offered for sale in Pennsylvania, the issuer must comply with the registration re-

Regulation of Securities Industry (continued)

Program Analysis: (continued)

quirements of the Pennsylvania Securities Act of 1972. Securities offered and sold in Pennsylvania must be registered under this act unless eligible for an exemption. This applies to all securities sold in Pennsylvania, including securities which have been registered under Federal requirements. In cases of some exemptions, a filing must be made with the Pennsylvania Securities Commission. Registration statements under Sections 205 and 206 of the 1972 act are analyzed and reviewed for full accurate disclosure of all relevant data to determine completeness, correctness and compliance with registration requirements. The increase in the dollar amounts of both securities applications received and cleared for sale is directly attributed to the passage of Act 52 of 1984. This act required larger mutual funds (money market funds) to make annual filings with the commission and also to pay annual fees.

In addition to the review and analysis of securities filings, the commission requires certain companies to file post-effective reporting forms because such companies are not required to file similar materials with the U.S. Securities and Exchange Commission. These forms disclose, among other things, the amount of securities sold, use of proceeds, financial information, significant changes in business of the company, etc. The purpose of these post-effective filings is to determine that monies are used in a manner consistent with the disclosure materials; that the companies are providing investors with accurate reporting of the activities of the companies; and that investors are provided with complete and proper financial information.

In addition to enforcing the Securities Act of 1972, the commission has responsibility for administering the provisions of the Takeover Disclosure Law of 1976. This law pro-

vides protection for Pennsylvania corporations, shareholders, employes and the public from the use of takeover offers without a complete disclosure of information concerning the offers.

Through its representation on various committees of the North American Securities Administrators Association, Inc., the commission has been working with other state, federal and independent regulatory agencies and the various stock exchanges to develop uniform filing requirements that alleviate the burden on the securities industry by eliminating duplicative examination and registration requirements involved in complying with various state and Federal filing procedures.

The commission is continuing its policy of maintaining cooperative investigatory programs with Federal, other state and other Commonwealth agencies in pursuing those enforcement activities where securities' violations have occurred. In May of 1982, the commission became the second Pennsylvania State agency to join the Leviticus Project—a multi-state law enforcement network created to combat coal-related crimes.

The commission's application for Leviticus membership was prompted by the large number of filings it receives in energy-related offerings being made to Pennsylvanians. During the past fiscal year, the commission has continued its participation in the Leviticus project.

The 1986-87 budget includes \$120,000 for a Productivity Improvement Initiative to expand the existing computer capabilities in the Division of Corporation Finance. Productivity Improvement Initiatives for all agencies are summarized in Volume I.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 1,949	\$ 2,154	\$ 2,409	\$ 2,505	\$ 2,605	\$ 2,709	\$ 2,817

Department of State

The Department of State compiles, publishes and certifies all election returns; issues all commissions to elected and appointed officials; records and punctuates all laws passed by the General Assembly; administers corporate and selected noncorporate business laws; administers the professional and occupational licensing boards; and regulates solicitation activities, boxing and wrestling matches.

The Department of State is administered by the Secretary of the Commonwealth and includes the State Athletic Commission, the Commission on Charitable Organizations, and 25 professional and occupational licensing boards.

DEPARTMENT OF STATE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 2,749	\$ 3,092	\$ 2,707
Publishing Constitutional Amendments	74	60	60
Electoral College Expenses	6	.....	.....
Census Reconciliation—Administration .....	.....	250	.....
Subtotal	<u>\$ 2,829</u>	<u>\$ 3,402</u>	<u>\$ 2,767</u>
Grants and Subsidies			
Voting of Citizens in Military Service	\$ 8	\$ 8	\$ 8
Voter Registration by Mail	600	350	350
Census Reconciliation—County Reimbursement .....	.....	500	.....
Subtotal	<u>\$ 608</u>	<u>\$ 858</u>	<u>\$ 358</u>
TOTAL STATE FUNDS	<u>\$ 3,437</u>	<u>\$ 4,260</u>	<u>\$ 3,125</u>
Augmentations	\$ 9,525	\$ 10,621	\$ 10,938
GENERAL FUND TOTAL	<u>\$ 12,962</u>	<u>\$ 14,881</u>	<u>\$ 14,063</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 2,749	\$ 3,092	\$ 2,707
Augmentations	2,320	2,408	2,655
Restricted Revenues	7,740	8,763	8,833
TOTAL	<u>\$ 12,809</u>	<u>\$ 14,263</u>	<u>\$ 14,195</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)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
General Government Operations	\$ 2,749	\$ 3,092	\$ 2,707
Augmentations:			
Reimbursement from Professional Licensure Augmentation			
Account	535 ^a	550 ^a	550 ^a
Fees — Registration of Charitable Organizations	223	220	220
Auctioneers Licenses	87	94	98
Medical, Osteopathic and Podiatry Fees	1,245	1,314	1,557
Boxing and Wrestling Fees	230	230	230
Restricted Revenue:			
Professional Licensure Augmentation Account ^b	7,740	8,763	8,833
TOTAL	<u>\$ 12,809</u>	<u>\$ 14,263</u>	<u>\$ 14,195</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Publishing Constitutional Amendments			
State Funds	\$ 74	\$ 60	\$ 60

Meets the cost of publishing all proposed constitutional amendments three months prior to the November election and the primary election in at least two newspapers of general circulation in all counties where newspapers are published.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Executive Authorization:			
Publishing Constitutional Amendments	<u>\$ 74</u>	<u>\$ 60</u>	<u>\$ 60</u>

^aNot carried forward to the Summary by Fund and Appropriation to avoid double counting.

^bAppropriation from Restricted Revenue Account.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Electoral College Expenses			
State Funds	\$ 6	.....	.....

Provides for the expenses of the members of the electoral college.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Electoral College Expenses	<u>\$ 6</u>	<u>.....</u>	<u>.....</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Census Reconciliation — Administration			
State Funds	\$ 250	.....

Provides funds for the administration of the census reconciliation project.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Census Reconciliation — Administration	<u>.....</u>	<u>\$ 250</u>	<u>.....</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Voting of Citizens in Military Services			
State Funds	\$ 8	\$ 8	\$ 8

Reimburses county boards of election at the rate of \$.40 per ballot for each military absentee ballot cast during an election.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Voting of Citizens in Military Services	<u>\$ 8</u>	<u>\$ 8</u>	<u>\$ 8</u>

GENERAL FUND **STATE**

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Voter Registration by Mail			
State Funds	\$ 600	\$ 350	\$ 350

Reimburses county boards of election and the United States Post Office for all mailing costs incurred in registering voters by mail.

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Voter Registration by Mail	<u>\$ 600</u>	<u>\$ 350</u>	<u>\$ 350</u>

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Census Reconciliation — County Reimbursement			
State Funds		\$ 500	

Provides reimbursement to counties for this project.

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Census Reconciliation — County Reimbursement	<u>.....</u>	<u>\$ 500</u>	<u>.....</u>

DEPARTMENT OF STATE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 730	\$ 1,114	\$ 1,030	\$ 1,071	\$ 1,114	\$ 1,159	\$ 1,205
Consumer Protection	\$ 1,400	\$ 1,388	\$ 1,140	\$ 1,186	\$ 1,233	\$ 1,282	\$ 1,333
Regulation of Consumer Products and Promotion of Fair Business Practices	1,400	1,388	1,140	1,186	1,233	1,282	1,333
Maintenance of Professional and Occupational Standards ^a .....	.....	.....	.....	.....	.....	.....	.....
Electoral Process	\$ 1,307	\$ 1,758	\$ 955	\$ 976	\$ 1,005	\$ 1,021	\$ 1,045
Maintenance of Electoral Process	1,307	1,758	955	976	1,005	1,021	1,045
DEPARTMENT TOTAL	<u>\$ 3,437</u>	<u>\$ 4,260</u>	<u>\$ 3,125</u>	<u>\$ 3,233</u>	<u>\$ 3,352</u>	<u>\$ 3,462</u>	<u>\$ 3,583</u>

^aAll funds are other than General Fund or Special Fund.

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 730	\$ 1,114	\$ 1,030	\$ 1,071	\$ 1,114	\$ 1,159	\$ 1,205
Other Funds	535	550	550	550	550	550	550
TOTAL	\$ 1,265	\$ 1,664	\$ 1,580	\$ 1,621	\$ 1,664	\$ 1,709	\$ 1,755

Program Analysis:

This subcategory includes the executive offices and the legal and administrative services which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The Department of State, through these administrative support programs, has a plan-

ning capability which assists program directors in improving their services to the public. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	<u>\$ 730</u>	<u>\$ 1,114</u>	<u>\$ 1,030</u>	<u>\$ 1,071</u>	<u>\$ 1,114</u>	<u>\$ 1,159</u>	<u>\$ 1,205</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 1,400	\$ 1,388	\$ 1,140	\$ 1,186	\$ 1,233	\$ 1,282	\$ 1,333
Other Funds	453	450	450	450	450	450	450
TOTAL	\$ 1,853	\$ 1,838	\$ 1,590	\$ 1,636	\$ 1,683	\$ 1,732	\$ 1,783

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Application reviews of fictitious names, businesses, corporations, trademarks, etc	71,014	72,000	73,000	74,000	75,000	76,000	76,000
Corporation name reservations and information requests issued	166,346	170,000	173,000	176,000	179,000	182,000	182,000
Estimate of currently soliciting groups requiring licensing	12,300	12,400	12,500	12,600	12,700	12,800	12,900
Currently soliciting groups complying with regulations	5,500	6,000	6,500	7,000	7,500	8,000	8,500
Investigations of Charities Act violations ..	40	50	60	70	80	90	100
Cease and desist letters issued	266	225	215	210	105	100	100
Boxing and wrestling events requiring regulation	268	270	270	270	270	270	270

Program Analysis:

This program encompasses the activities of the Corporation Bureau, the Commission on Charitable Organizations and the Athletic Commission.

The Corporation Bureau is responsible for registering all businesses in the Commonwealth, and currently has an estimated 1,795,300 fictitious names, businesses, corporations and secured filings on file. The goal of the Corporation Bureau is to promote a more favorable atmosphere for commerce to enter Pennsylvania. An important initiative included in the 1985-86 budget was for the automation of the Uniform Commercial Code. Responses to information inquiries will be greatly improved as a result of this initiative. Replacement of the manual index cards with a computerized data file will also provide a new dimension of physical security for original documents.

The Commission on Charitable Organizations is responsible for the registration of charitable organizations, professional fund raisers and solicitors, as well as regulation

of the actual solicitation and distribution of collected funds. Violations of the Charitable Solicitations Act usually arise from failure to register, renew registration or comply with Cease and Desist Letters. Act 90 of 1982 revised registration requirements and specifically excluded certain organizations from these requirements. Organizations no longer required to register include fire and ambulance companies, veterans' organizations, libraries, hospitals and educational institutions.

There are currently approximately 6,000 registrations of charitable organizations. This number reflects an actual, active registration of a charitable organization, whereas prior projections were imprecise estimates. Charitable organization listings are now also computerized.

The major objective of the bureau is to increase the awareness and understanding of the Charitable Solicitations Act among Pennsylvania consumers and charitable organizations. To achieve this objective increased activity

Regulation of Consumer Products and Promotion of Fair Business Practices (continued)

Program Analysis: (continued)

through seminars, public service announcements and speaking engagements before small groups is expected. Inquiries and investigations of suspected violations are now emphasized. Special efforts are also made to include outside legal assistance to aid in speedy criminal litigations of charities which continue to operate against a cease and desist order. The commission has developed reciprocity with the postal inspector, State District Attorney's Association, and referral to the Attorney General's Office. As the public becomes more aware of the registration requirements to solicit funds,

there should be a decrease in the number of cease and desist letters.

The State Athletic Commission is charged with licensing boxers, wrestlers, and officials, as well as the regulation of boxing and wrestling events. The Athletic Commissioners are attempting to stimulate boxing and wrestling activity in Pennsylvania as a means to increase revenue. Potential promoters are being cultivated and negotiations are under way to continue bringing championship events into the Commonwealth.

Program Costs by Appropriation:

	1984-85	1985-86	(Dollar Amounts in Thousands)				1989-90	1990-91
			1986-87	1987-88	1988-89			
GENERAL FUND								
General Government Operations	\$ 1,400	\$ 1,388	\$ 1,140	\$ 1,186	\$ 1,233	\$ 1,282	\$ 1,333	

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Other Funds	\$ 8,537	\$ 9,621	\$ 9,938	\$ 10,336	\$ 10,749	\$ 11,179	\$ 11,626

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Licenses and renewals issued	234,988	480,000	235,000	485,000	240,000	490,000	240,000
Applicants passing examination	28,157	29,000	29,000	29,000	29,000	29,000	29,000
Applicants failing examinations for license .	21,690	20,000	20,000	20,000	20,000	20,000	20,000
Investigations	2,425	2,500	2,500	2,600	2,600	2,700	2,700
Routine inspections	13,989	14,500	14,500	15,000	15,000	15,000	15,000
Complaints processed by legal staff	1,989	2,000	2,100	2,200	2,200	2,200	2,200
Suspensions and revocations by boards	165	170	170	170	170	170	170

Program Analysis:

The focus of this program is one of assuring acceptable professional and technical services to the Commonwealth's residents. To accomplish this, twenty-five boards of the Bureau of Professional and Occupational Affairs (BPOA) utilize licensing, enforcement and administrative powers to regulate and service the various professions.

Mechanisms utilized in controlling the quality of practitioners include regulating age, education, experience and degree of technical expertise demonstrated through applications and subsequent written examination and/or demonstrated practical ability. Requirements for continuing education also serve as a means of meeting the constantly changing developments in the various professions and occupations.

The use of the legal and investigatory machinery of the bureau has also been a major means of monitoring the vast numbers of licensees.

The program measures reflect the major functions of the bureau: testing, licensing and enforcement. The first three measures reflect the testing and licensing functions, while the last four reflect the enforcement functions.

The measures dealing with applicants failing the examination have shown an increase from the previous year. The increase can be attributed to an increase in the numbers of candidates taking the Real Estate and Certified Public Accountant (CPA) examinations where the failure rates have traditionally been high.

Continued emphasis has been placed on improving the performance of the entire enforcement area, which includes the Automated Case Tracking System (ACTS) as well as the Law Enforcement Division. Plans are underway to upgrade the ACTS system with a more powerful computer program, which will provide more meaningful tracking of complaints. Numerous improvements are underway in the division including: on-going formal training programs, implementation of tighter performance controls, more substantive review of investigative reports including the development of the tracking system, upgrade of the tools available to investigators through training and utilization of computer capabilities, and the development of a system for monitoring disciplinary actions to be located within the Law Enforcement Division. Previous initiatives to improve the pro-

Maintenance of Professional and Occupational Standards (continued)**Program Analysis: (continued)**

ductivity in this area (that is, the "800" hot-line for consumer complaints, board newsletters and local newspaper advertisements of punitive board actions against licensees) are established and will remain ongoing.

BPOA is participating with other agencies to develop a joint program to reduce inappropriate and unnecessary use of prescription drugs in Pennsylvania and is now meeting with other concerned agencies to develop an efficient, cost-effective method of identifying drug diversion and diverters. A program sponsored by the American Medical Association with the designation of Prescription Abuse Data Synthesis (PADS) is the focus of the initial attempt to deal with this problem from a cooperative agency perspective.

The decrease in the measure dealing with the number of investigations can be attributed to a procedural change in the handling of non-compliance violations uncovered during a routine inspection. These investigation statistics reflect legal office requests resulting from consumer complaints.

The decrease in the number of routine inspections over previous estimates is attributed to a study of inspection workload, staff productivity and other factors that indicate that biennial routine inspections were more cost effective.

Effective July 1, 1978, Act 124 created a restricted Pro-

fessional Licensure Augmentation (PLAA) account enabling this program to be funded from fees and fines collected by the Bureau of Professional and Occupational Affairs. Thus, the bureau operates entirely out of earmarked funds, considered for budgetary purposes as "Other" funds, rather than from a General Fund appropriation.

After seven year's experience with the PLAA concept and the current exposure to the sunset review process, it has been determined that every individual board should take steps to equalize revenues with expenditures over each two year period by adjusting license fees where required. The methodology to accomplish this task is in place and fee adjustment packages are being submitted according to schedule.

In accordance with Act 11-A of 1985, funds authorized for the Bureau of Professional and Occupational Affairs are no longer treated as augmentations to State's General Fund appropriation, but are accounted for as a separate appropriation. Funds for the administrative reimbursement to the department are included in the General Administration and Support subcategory, while BPOA program funds are shown here.

Maintenance of the Electoral Process

OBJECTIVE: To insure that the electoral process conforms to legally defined specifications, that appointed and elected officials meet the legal requirements for their respective positions, and that an official record of the laws and resolutions of the legislative branch and the official acts of the executive branch is maintained.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 1,307	\$ 1,758	\$ 955	\$ 976	\$ 1,005	\$ 1,021	\$ 1,045

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Voting age population (in thousands).....	9,000	9,000	9,100	9,100	9,200	9,200	9,200
Percent of voting age population actually voting	53%	30%	47%	30%	49%	49%	49%
Voter registration by mail.....	792,000	450,000	560,000	450,000	577,200	577,200	577,200
Total voter registration transactions.....	984,000	550,000	700,000	550,000	700,000	700,000	700,000
Persons filing for vacant offices	223	1,500	230	2,000	235	2,000	235
Gubernatorial commissions issued.....	532	500	550	660	600	600	600
Notary public commissions issued.....	17,628	16,500	16,500	16,800	16,800	16,800	16,800
Campaign expense audits	21	35	28	35	30	30	30

Program Analysis:

Public policy is formulated by citizens through electoral participation. Because the electoral process is the basic public policymaking mechanism, it is important to insure that this process conforms to legally defined specifications. Abuse of the electoral process causes decline in voter participation. This is particularly distressing in a democracy because those who do not vote may be interested but regard the franchise as a useless exercise. The measures dealing with voter participation reflect the entire voting age population rather than just those who have registered. This more accurately reflects the scope of the voter apathy problem.

Efforts in this program are, therefore, keyed towards ensuring efficiency, honesty and uniformity in the administration of the Election Code. Some of the more serious problems within the election system have included: often burdensome registration and voting procedures; the lack of easily obtainable published information concerning the

State's electoral process; instances of unfair and unjust administration of election processes; and a pervading lack of consistency in activities at all levels of election administration.

A number of programs have been implemented to rectify the problem areas identified. Efficiency-oriented solutions include administration of the voter registration by mail program; enfranchising new groups of citizens not formerly accessible to registration and voting; comprehensive revision of the Election Code; and distribution of various public information publications detailing election laws and procedures. To assure honesty of elections, a monitoring system for campaign finance reports has been implemented; a detailed examination of petitions is conducted to ensure all requirements are met; and continuing certification of ballot information is maintained concerning candidates and their status throughout the election year.

Maintenance of the Electoral Process (continued)

Program Analysis: (continued)

The number of candidates filing for vacant offices each year reflects the impact of national or statewide elections. 1984-85 was in line with prior years' projected figure.

Other functions in this program fall under the commissioning area and include commissioning gubernatorial appointees to boards and commissions and preparing commissions for judges, justices of the peace and notaries public. In addition, extraditions are prepared for the Governor and bond issues for the Commonwealth are processed. Finally, a record of all legislation passed by the General Assembly is maintained by docketing the bills and assigning act numbers.

Included in the measures are the number of voter registration transactions processed annually. The actual numbers exceeded projections by 184,000. Transactions processed for

voter registration by mail applications increased by 192,000 over those projected. These significant increases were due to the tremendous voter registration activity in preparation for the 1984 Presidential election. This is not expected to be a long-term trend. The percentage of voting age population voting also reflects the interest in the Presidential election. The revised figure is 53 percent from a projection of 48 percent.

The number of notary public commissions issued has significantly exceeded projections. This could be attributed to the fact that many companies are now sponsoring employee applicants to provide both internal convenience and customer service. Also, many individuals seek a notaryship as a part-time source of income. Future projections reflect this trend.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 619	\$ 590	\$ 537	\$ 558	\$ 581	\$ 603	\$ 627
Publishing Constitutional Amendments ..	74	60	60	60	60	60	60
Electoral College Expenses	6	.....	.....	.....	6	.....	.....
Census Reconciliation—Administration ..	.....	250	.....	.....	.....	.....	.....
Voting of Citizens in Military Service ...	8	8	8	8	8	8	8
Voter Registration by Mail	600	350	350	350	350	350	350
Census Reconciliation — County Reimbursement .....	.....	500	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 1,307	\$ 1,758	\$ 955	\$ 976	\$ 1,005	\$ 1,021	\$ 1,045

State Employees' Retirement System

The State Employees' Retirement System is responsible for administering the State Employees' Retirement Fund; and the supplemental retirement allowances and cost-of-living increases for annuitants.

STATE EMPLOYEES' RETIREMENT SYSTEM

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
Grants and Subsidies			
National Guard — Employer Contribution	\$ 1,379	\$ 1,403	\$ 1,193
Pension Increase for Annuitants	6,489	. . . . .	. . . . .
GENERAL FUND TOTAL	<u>\$ 7,868</u>	<u>\$ 1,403</u>	<u>\$ 1,193</u>
Other Funds	\$ 5,090	\$ 5,020	\$ 4,882
TOTAL ALL FUNDS	<u>\$ 12,958</u>	<u>\$ 6,423</u>	<u>\$ 6,075</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
National Guard — Employer Contribution			
State Funds	\$ 1,379	\$ 1,403	\$ 1,193

Provides for amortization of the present and future deficits in the accounts of certain National Guard members of the system for whom the Federal government is not making the required employer contribution.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
National Guard — Employer Contribution	<u>\$ 1,379</u>	<u>\$ 1,403</u>	<u>\$ 1,193</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Pension Increase for Annuitants			
State Funds	\$ 6,489	.....	.....

Provides for funding of increases in payments to annuitants of the system based on their years of service and years of retirement. This appropriation was distributed to General Fund agencies for the increase in their employer payment to the Fund.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Pension Increase for Annuitants	\$ 6,489	.....	.....
TOTAL	<u>\$ 6,489</u>	<u>.....</u>	<u>.....</u>

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Employees' Retirement Fund			
Administration	\$ 5,090	\$ 5,020	\$ 4,882
DEPARTMENT TOTAL	<u>\$ 5,090</u>	<u>\$ 5,020</u>	<u>\$ 4,882</u>

STATE EMPLOYES' RETIREMENT SYSTEM

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 7,868	\$ 1,403	\$ 1,193	\$ 1,193	\$ 1,193	\$ 1,193	\$ 1,193
General Administration and Support	7,868	1,403	1,193	1,193	1,193	1,193	1,193
DEPARTMENT TOTAL	<u>\$ 7,868</u>	<u>\$ 1,403</u>	$ 1,193	$ 1,193	$ 1,193	$ 1,193	<u>\$ 1,193</u>

STATE EMPLOYEES' RETIREMENT SYSTEM

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 7,868	\$ 1,403	\$ 1,193	\$ 1,193	\$ 1,193	\$ 1,193	\$ 1,193
Other Funds	5,090	5,020	4,882	5,077	5,280	5,491	5,711
TOTAL	\$ 12,958	\$ 6,423	\$ 6,075	\$ 6,270	\$ 6,473	\$ 6,684	\$ 6,904

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Benefit payments processed	11,402	11,800	11,400	11,400	11,400	11,400	11,400
Average processing time for benefit payments (in days)	15	12	10	10	10	10	10
Return on investment (in millions)	\$390.0	\$427.0	\$467.6	\$512.0	\$560.7	\$613.9	\$672.2

Program Analysis:

The State Employees' Retirement System (SERS) was established to administer the pension plan created by statute in 1924. Contributions by the employee and the employing agency are made to the State Employees' Retirement Fund which uses those moneys and interest earnings for administration of the system and payment of benefits. This special fund presentation is shown in the appendix to Volume 1 of this Budget.

The Commonwealth's benefits for its annuitants are funded through agency contributions to the State Employees' Retirement System. In 1985-86 agency contributions to the system total over \$450 million; the combined employer/employee cost is about 23 percent of payroll.

A major task of State government in the coming year will be to establish a new retirement system for future employees.

The proposed revision to the retirement system for new employees, and those existing employees who elect to join it, would provide adequate benefits at a more fiscally acceptable cost to the Commonwealth. The basic employee contribution to the system, which is now either 5 percent or 6.25 percent of salary, depending on the starting date of employment, would not be required for members of that system.

Legislation establishing such a system has been drafted for the State system and for the School Employees' Retirement System as well.

The 1986-87 employer retirement contribution has been

budgeted at an overall rate of 15 percent with differential billing levels to take into consideration the cost to the system of the age 50 retirement offered to enforcement personnel and legislators. The billing rate will be 14.5 percent of payroll for the general population and 19 percent for the affected payrolls of the Department of Public Welfare, Liquor Control Board, Corrections, and the State Police. The rate for the Legislature will be changed proportionately. The rate as determined by the actuary assumes an employee contribution rate of 6.25 percent for employees hired after July 22, 1983 in accordance with Act 31 of 1983.

This budget includes funds to continue the twenty year amortization of the deficiency in National Guard employee accounts created by the Federal government's inadequate employer contributions. Those employees were assured of full retirement benefits when they joined the State system in 1968. Refusal of the Federal government, which is their employer, to increase its contributions as the system's contribution rate increases would result, without the Commonwealth's intervention, in reduced retirement eligibility for those employees as they retire. Although the 1986-87 contribution rate for retirement will be over 14 percent the Federal government refuses to contribute more than the 7 percent they began contributing in 1968 for both retirement and social security. Since Social Security must be funded first and Social Security exceeds 7 percent in this fiscal year

STATE EMPLOYEES' RETIREMENT SYSTEM

General Administration and Support (continued)

Program Analysis: (continued)

there will be no contribution to the system for retirement costs. The funding of that deficit over the next fifteen years will fulfill the State's commitment to employees affected by the deficit.

Administration of the system is funded by interest earnings of the fund; the Legislature annually appropriates the moneys for administration within the fund. That appropriation is shown above as other funds. Funding is included to continue the pilot field office program which is being established to enhance the retirement counseling function.

Currently one of the largest statewide public plans in the nation, the State Employees' Retirement System serves a membership of over 175,000. Once an employee becomes a member of the system, he begins making contributions from

each paycheck. The system, in conjunction with the Commonwealth Management Information Center, maintains on computer approximately 116,000 active account records and credits interest to these accounts each quarter year. Other functions of the SERS are the processing of applications for reinstatement of prior State service, for purchase of credit for military service, and for conversion of one type of coverage to another.

The Retirement System oversees a portfolio of investments valued at more than 5.6 billion dollars. The Retirement Board and its staff, working with the legal, investment, and actuarial advisors to the system, strive to maintain a system that is financially sound, efficient and responsive to the requirements of its membership.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
National Guard—Employer Contribution	\$ 1,379	\$ 1,403	\$ 1,193	\$ 1,193	\$ 1,193	\$ 1,193	\$ 1,193
Pension Increase for Retired Teachers and Annuitants	6,489	.....	.....	.....	.....	.....	.....
TOTAL	<u>\$ 7,868</u>	<u>\$ 1,403</u>	<u>\$ 1,193</u>				

State Police

The State Police enforce the law and preserve the peace through the detection of crime and the apprehension of criminals, the patrol of highways, the enforcement of the Vehicle Code and the abatement of certain fire hazards.

The State Police receive a General Fund appropriation for criminal law enforcement and a Motor License Fund transfer for traffic patrol activities. In 1986-87 the ratio will be 32 percent General Fund and 68 percent Motor License Fund. In addition, the State Police receive augmentations from the Turnpike Commission for turnpike patrol and from the sale of patrol cars replaced by new vehicles.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revision:

Appropriation	Title	1986-87 State Funds (in thousands)
General Fund		
General Government Operations	PII—Operational Productivity Management System . .	\$ 208*
DEPARTMENT TOTAL		<u>\$ 208</u>

This Productivity Improvement Initiative will allow for the placement of personal computers in each troop headquarters and substation to improve the overall operational efficiency of the State Police.

*Total cost is \$650,000 including \$442,000 from Motor License Fund. This is only one of numerous Productivity Improvement Initiatives which are being provided one-time funding to achieve long-term cost savings and efficiency benefits. The entire Program Revision Request is summarized in Volume I.

STATE POLICE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
General Government			
General Government Operations	\$ 58,000	\$ 63,100	\$ 70,447
Municipal Police Training	3,531	2,247	2,314
Soft Body Armor .....	.....	50	.....

TOTAL STATE FUNDS	<u>\$ 61,531</u>	<u>\$ 65,397</u>	<u>\$ 72,761</u>
Federal Funds	\$ 1,675	\$ 3,330	\$ 515
Augmentations	10,575	11,572	12,080

GENERAL FUND TOTAL	<u>\$ 73,781</u>	<u>\$ 80,299</u>	<u>\$ 85,356</u>
Motor License Fund			
General Government			
Transfer to General Fund — General Government Operations ..	\$ 130,286	\$ 145,866	\$ 149,704
Transfer to General Fund — Municipal Police Training	1,267	2,246	2,314

MOTOR LICENSE FUND TOTAL	<u>\$ 131,553</u>	<u>\$ 148,112</u>	<u>\$ 152,018</u>
Department Total — All Funds			
General Fund	\$ 61,531	\$ 65,397	\$ 72,761
Special Funds	131,553	148,112	152,018
Federal Funds	1,675	3,330	515
Augmentations	10,575	11,572	12,080

TOTAL ALL FUNDS	<u>\$ 205,334</u>	<u>\$ 228,411</u>	<u>\$ 237,374</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 61,531	\$ 65,397	\$ 72,761
Federal Funds	1,675	3,330	515
Augmentations	142,128	159,684	164,098
TOTAL	\$ 205,334	\$ 228,411	\$ 237,374

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.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
General Government Operations	\$ 58,000	\$ 63,100	\$ 70,447
Municipal Police Training	3,531	2,247	2,314
Federal Funds:			
FHWA — Northwestern University Traffic Institute Training ..	30	20	.....
FHWA — Highway Traffic Safety Educational Training Program	41	46	.....
FHWA — Summer Slowdown — 55	455	475	.....
FHWA — Upgrading of Breath Testing Equipment	39	.....	.....
FHWA — Operation C.A.R.E.	341	325	90
FHWA — Program Management	10	15	20
LEAA — Aid to Local Law Enforcement	38	96	.....
NHTSA — Evaluation Grant .....	.....	7	.....
NHTSA — Evaluation Grant III .....	.....	30	.....
NHTSA — Spare Line Painting .....	.....	475	.....
NHTSA — Speed Enforcement Task Force	91	510	.....
NHTSA — Driver Improvement Course	11	4	.....
NHTSA — Increased DUI Enforcement	370	300	.....
NHTSA — Traffic Accident Prevention	11	27	.....
NHTSA — Alcohol Safety Program .....	.....	6	.....
NHTSA — Evaluation Project Grant	4	7	.....
NHTSA — Alcohol Safety Training	19	67	.....
NHTSA — Unconventional Vehicles .....	.....	500	.....
NHTSA — Instructor Training .....	.....	20	.....
NHTSA — Northwestern Retraining .....	.....	5	.....
NHTSA — Selecting Traffic Enforcement .....	.....	.....	405
NHTSA — Aid to Local Law Enforcement .....	.....	110	.....
NHTSA — Fingerprint System .....	.....	60	.....
NHTSA — Blood Alcohol Testing Equipment .....	.....	25	.....
NHTSA — Safety Assistance Programs .....	.....	200	.....

<i>Source of Funds (continued)</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Federal Funds: (continued)			
FHWA — Municipal Police Officers Education and Training ..	\$ 20	.....	.....
FHWA — Speed Training Devices	195	.....	.....
Augmentations:			
Transfer From Turnpike Commission for Traffic Control.....	9,234	\$ 10,150	\$ 10,455
Transfer From Motor License Fund — General Government Operations ^a	130,286	145,866	149,704
Transfer From Motor License Fund — Municipal Police Training ^a	1,267	2,246	2,314
Reimbursement for Tuition of Municipal Police	207	250	225
Sale of Automobiles	567	650	650
Reimbursement for Electronic Surveillance Training	27	30	30
Criminal History Record Information Fee	357	375	575
Photo License Centers Billings.....	65	32	65
Training School Fees	42	45	45
Computer Services PCCD.....	25	25	25
Reimbursement for Services	51	15	10
TOTAL	\$ 205,334	\$ 228,411	\$ 237,374

^aThe transfers from the Motor License Fund are not carried forward to the Summary By Fund and Appropriation to avoid double counting.

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Highway Activities			
State Funds	\$ 131,553	\$ 148,112	\$ 152,018

Provides reimbursement to the General Fund for State Police relating to highway safety, traffic patrol and municipal police training.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
<i>Source of Funds</i>			
Appropriations:			
Transfer to General Fund — General Government Operations ..	\$ 130,286	\$ 145,866	\$ 149,704
Transfer to General Fund — Municipal Police Training	1,267	2,246	2,314
TOTAL	<u>\$ 131,553</u>	<u>\$ 148,112</u>	<u>\$ 152,018</u>

STATE POLICE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 23,997	\$ 26,171	\$ 27,510	\$ 28,618	\$ 29,769	\$ 30,968	\$ 32,206
Traffic Safety and Supervision	\$ 114,656	\$ 129,985	\$ 133,455	\$ 136,786	\$ 140,172	\$ 143,609	\$ 149,354
Operator Qualifications Control	5,017	5,862	5,989	6,136	6,286	6,439	6,696
Vehicle Standards Control	2,447	2,736	2,844	2,915	2,986	3,058	3,181
Traffic Supervision	107,192	121,387	124,622	127,735	130,900	134,112	139,477
Control and Reduction of Crime	\$ 53,558	\$ 56,121	\$ 62,405	\$ 66,856	\$ 71,561	\$ 76,535	\$ 79,597
Crime Prevention	552	866	986	1,058	1,133	1,213	1,262
Criminal Law Enforcement	53,006	55,255	61,419	65,798	70,428	75,322	78,335
Maintenance of Public Order	\$ 381	\$ 625	\$ 704	\$ 756	\$ 810	\$ 868	\$ 901
Emergency Assistance	381	625	704	756	810	868	901
Community Safety	\$ 492	\$ 607	\$ 705	\$ 755	\$ 809	\$ 866	\$ 902
Fire Prevention	492	607	705	755	809	866	902
DEPARTMENT TOTAL	<u>\$ 193,084</u>	<u>\$ 213,509</u>	<u>\$ 224,779</u>	<u>\$ 233,771</u>	<u>\$ 243,121</u>	<u>\$ 252,846</u>	<u>\$ 262,960</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 7,100	\$ 8,044	\$ 8,947	\$ 9,596	\$ 10,282	\$ 11,008	\$ 11,448
Special Funds	16,897	18,127	18,563	19,022	19,487	19,960	20,758
Federal Funds	10	.....	20	20	20	20	20
TOTAL	<u>\$ 24,007</u>	<u>\$ 26,171</u>	<u>\$ 27,530</u>	<u>\$ 28,638</u>	<u>\$ 29,789</u>	<u>\$ 30,988</u>	<u>\$ 32,226</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 residence, and background investigations on State job applicants. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

This budget provides \$1,965,000 to implement the fourth year of a four year program to train 160 State Police Cadets

per year to help maintain a sufficient level of enlisted personnel. A \$650,000 PII is recommended to allow for the placement of personal computers in each troop headquarters and substation to improve operational efficiency. These recommended amounts have been prorated throughout all subcategories to illustrate more specific funding requirements, and are funded from both the General and Motor License Funds.

Funds have also been provided to continue the "White Collar Crime Unit", to investigate criminal wrongdoing within the white collar area and related areas such as public corruption and misconduct and to maintain the State Police at present operational levels.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	<u>\$ 7,100</u>	<u>\$ 8,044</u>	<u>\$ 8,947</u>	<u>\$ 9,596</u>	<u>\$ 10,282</u>	<u>\$ 11,008</u>	<u>\$ 11,448</u>
MOTOR LICENSE FUND							
Transfer to General Fund—General							
Government Operations	<u>\$ 16,897</u>	<u>\$ 18,127</u>	<u>\$ 18,563</u>	<u>\$ 19,022</u>	<u>\$ 19,487</u>	<u>\$ 19,960</u>	<u>\$ 20,758</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds ¹	\$ 5,017	\$ 5,862	\$ 5,989	\$ 6,136	\$ 6,286	\$ 6,439	\$ 6,696
Other Funds	25	32	40	40	40	40	40
TOTAL	\$ 5,042	\$ 5,894	\$ 6,029	\$ 6,176	\$ 6,326	\$ 6,479	\$ 6,736

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Accidents investigated by State Police attributable to unqualified drivers	51,402	52,500	53,000	53,500	54,000	54,500	55,000
Licensed operators	7,469,888	7,544,582	7,620,028	7,696,228	7,773,191	7,850,923	7,929,432
Reexamined operators	123,596	135,000	135,000	135,000	135,000	135,000	135,000
Safety education classes held	5,963	6,022	6,082	6,143	6,205	6,267	6,329

Program Analysis:

The Commonwealth's Driver Licensing Program has been developed to assure that persons operating vehicles on the highways of the Commonwealth are physically and mentally qualified to do so in a safe manner. For this reason, it has been and continues to be necessary to examine new driver license applicants and reexamine existing licensed drivers to determine their driving ability, physical and mental qualifications, and knowledge of the rules of safe driving.

The driver licensing program is a combined effort of the State Police and the Department of Transportation. The Department of Transportation performs administrative direction and maintains records, while the State Police performs the actual task of examining new applicants and reexamining existing licensed drivers. Driver examinations are conducted for new operators, school bus operators, motorcycle operators, applicants desiring to operate trucks, truck tractors and semi-trailers, pedalcycle operators and special driver examinations as directed by the Department of Transportation's Bureau of Traffic Safety Operations. These special examinations are normally: (1) random operator reexaminations which entail a vision test by State Police Driver License Examiners and a physical examination by a physician to certify that there is no medical condition which would impair the operator's driving ability; and (2) required reexaminations for those drivers who have accumulated ex-

cessive points under the Commonwealth's point system for driver control.

The State Police operate 42 off-street, 35 on-street and three visual examination sites throughout the State, thereby providing convenient accessibility to all citizens of the Commonwealth. Forty-eight enlisted and 101 civilian Driver License Examiners are stationed at various locations around the State to administer the driver license examinations. Personnel performing the driver licensing examinations have received, in the past few years, a considerable amount of training in the operation of the various types of vehicles for which a driver's license is required. Specific training has been received from the Motorcycle Safety Foundation in the safe operation of motorcycles and the Pennsylvania Motor Truck Association in the operation of trucks, truck-tractors and semi-trailers. School bus seminars have also been held in conjunction with the Department of Transportation to continually improve testing procedures for school bus drivers.

Expansion of the State Police's automated driver testing program is continuing in an effort to provide a uniform system of testing throughout the State and to enable more driver license examiners to be available for the driving portions of a driver's examination. The State Police now have 21 examination points equipped with those testing units and one mobile van which will be utilized in the rural areas of

Operator Qualifications Control (continued)

Program Analysis: (continued)

the State. Additionally, Federal funds have enabled the State Police to acquire new vision testing equipment and automated testing equipment.

The traffic safety education programs of the State Police are an integral part of the Operator Qualifications Program. Each county troop has a Safety Education Officer assigned who, as part of his activities, presents defensive driving and other traffic safety education programs geared to meet specific traffic safety needs of a particular age group or geographical area. Special emphasis is placed on youthful drivers, ages 16 to 24, who, statistics indicate, have more accidents than older drivers. Specific programs are provided on drunk driving, motorcycle safety, bicycle safety and pedestrian safety programs and selected accident prevention programs which are all a part of the total highway safety effort.

Total accidents showed an increase of 5.9 percent from the previous year and miles driven in the State also increased slightly to 72.5 billion miles. It is assumed that both increases are a direct result of the upturn in the economy and the access to cheaper and more accessible fuel supplies. An increase in licensed operators is also reflected in driver licensing activities, the result of a large number of teenagers reaching the driving age. Teenagers contributed to a disproportionate number of alcohol-related fatal accidents in 1984. The overall increase in accidents signifies the need

to maintain increased special enforcement efforts and also to continue the efforts to encourage the general public to abide by the 55 MPH National Speed Limit. Since 1981 there has been a considerable increase in the number of operators re-examined as a result of the point program which now requires re-exams rather than attendance at driver improvement schools. In the 1984-85 fiscal year, however, there was a decrease in the number of re-exams which may signify that a leveling off point has been achieved.

The driver licensing program responsibility of the State Police is conducted by both enlisted and civilian Driver License Examiners. In the last several years the State Police has been able to hire and train a number of new civilian Driver License Examiners which has allowed them to reduce enlisted personnel temporarily assigned to this function and to replace some enlisted members who had been permanently assigned as Driver License Examiners.

The number of safety education programs increased by over 12 percent in 1984-85, due to the added emphasis placed on educating the general public as to the perils of driving impaired and the value of wearing seatbelts.

Additional funds have been provided in this budget to implement the fourth year of a four year program to train 160 State Police cadets per year to help maintain a sufficient level of enlisted personnel and to maintain the State Police at satisfactory operational levels.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
MOTOR LICENSE FUND							
Transfer to General Fund —							
General Government Operations	<u>\$ 5,017</u>	<u>\$ 5,862</u>	<u>\$ 5,989</u>	<u>\$ 6,136</u>	<u>\$ 6,286</u>	<u>\$ 6,439</u>	<u>\$ 6,696</u>

Vehicle Standards Control

OBJECTIVE: To minimize the number of traffic accidents attributable to vehicle mechanical defects.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	\$ 2,447	\$ 2,736	\$ 2,844	\$ 2,915	\$ 2,986	\$ 3,058	\$ 3,181

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Accidents investigated by State Police attributable to mechanical failure	3,463	3,550	3,600	3,600	3,600	3,600	3,600
Certified inspection stations	21,351	21,000	21,000	21,000	21,000	21,000	21,000
Inspection station visitations	17,517	17,500	17,500	17,500	17,500	17,500	17,500

Program Analysis:

The vehicle inspection program within the Commonwealth is currently conducted jointly by the Pennsylvania Department of Transportation and the Pennsylvania State Police. The Department of Transportation performs administrative functions such as issuing certificates of appointment to inspection stations and selling and distributing the inspection stickers.

Seventy enlisted members are currently assigned as Inspection Station Supervisors with fifty-nine alternates providing additional help as needed. The field work performed by State Police Inspection Station Supervisors consists primarily of visiting each inspection station once a year, and investigating applicants for inspection stations. During these unannounced visits, the station is checked for sufficient and proper tools, qualified mechanics, accurate record keeping and an exact inventory of, and sufficient security for, inspection stickers. Inspection Station Supervisors are also responsible for examining mechanics desiring to be certified to perform vehicle inspections, investigating applicants for car dealer licenses, messenger services and full agents for issuance of temporary registration plates, inspecting specially constructed and reconstructed vehicles, and personally performing the annual inspection of all school buses. Other duties involve the examination of vehicles involved in fatal accidents for which vehicle failure was listed as the cause, the investigation of complaints about improper inspections and fraudulent repairs, checking and verifying serial numbers on stolen vehicles or out-of-state vehicles with serial plates missing, and the inspection of salvage lots. The State Police are also required to supervise the vehicle inspection programs mandated for all mass transit vehicles in the Com-

monwealth, and all new holders of public convenience certificates (taxicabs) in cities of the first class.

School bus safety inspections are a major portion of State Police mandated responsibilities, with troopers performing the actual safety inspection prior to operation during the school year. This responsibility was entrusted to the State Police as many of the school bus mechanical systems had been neglected in the past resulting in unsafe conditions for the children riding these buses. The inspections are normally conducted in July and August of each year with monthly school bus spot checks conducted during each school year. The State Police also has one member assigned fulltime to the Southeastern Pennsylvania Transit Authority (SEPTA) to oversee their vehicle inspection program, with other mass transit systems throughout the Commonwealth overseen on an as-needed basis. In the past year, school bus and mass transit vehicles inspected totaled 21,627 and 3,498 respectively, which demonstrates the extent of the agency's responsibilities.

The vehicle inspection program, mandated by the Pennsylvania Vehicle Code, is a key element of the highway safety efforts of the Commonwealth. Accidents attributable to mechanical failure are low in comparison to those attributable to unqualified drivers and the actions of motor vehicle operators; however, the program's objective is to prevent accidents by keeping mechanically defective vehicles off the Commonwealth's highways. Since no data are available concerning the number of accidents prevented through the vehicle inspection process, the effectiveness of the program can only be determined through analysis of the number of accidents which have occurred as a result of mechanical

Vehicle Standards Control (continued)

Program Analysis: (continued)

failure. Accidents attributable to mechanical failure increased slightly in fiscal year 1984-85. It is anticipated that this number will continue to increase slightly in future years. For the third year in a row there has been a slight increase in the number of inspection stations and while inspection station visitations showed a slight decrease both remain relatively constant when compared with previous years. These

measures are expected to continue at these levels for future years.

Additional funds have been provided in this budget to implement the fourth year of a four year program to train 160 State Police cadets per year to help maintain a sufficient level of enlisted personnel and to maintain the State Police at satisfactory operational levels

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
MOTOR LICENSE FUND							
Transfer to General Fund—General							
Government Operations	<u>\$ 2,447</u>	<u>\$ 2,736</u>	<u>\$ 2,844</u>	<u>\$ 2,915</u>	<u>\$ 2,986</u>	<u>\$ 3,058</u>	<u>\$ 3,181</u>

Traffic Supervision

OBJECTIVE: To minimize the number of traffic accidents and to aid local police in traffic law enforcement through proper training and traffic assistance.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	\$ 107,192	\$ 121,387	\$ 124,622	\$ 127,735	\$ 130,900	\$ 134,112	\$ 139,477
Federal Funds	1,665	3,330	495	.....	.....	.....	.....
Other Funds	9,741	10,768	11,069	11,069	11,069	11,069	11,069
TOTAL	\$ 118,598	\$ 135,485	\$ 136,186	\$ 138,804	\$ 141,969	\$ 145,181	\$ 150,546

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Accidents investigated by State Police attributable to actions of the operator ...	19,255	19,500	20,000	20,000	20,000	20,000	20,000
Traffic citations issued	422,303	440,000	445,000	445,000	445,000	445,000	445,000
Arrests for hazardous moving violations ...	285,451	300,000	305,000	305,000	305,000	305,000	305,000
Incidents of motorist assistance	78,753	70,000	70,000	70,000	70,000	70,000	70,000
State Police arrests for intoxication	4,920	5,000	5,000	5,000	5,000	5,000	5,000
Tests administered by State Police for intoxication	3,227	3,500	3,500	3,500	3,500	3,500	3,500
Tests administered by State Police for municipalities	1,988	2,000	2,000	2,000	2,000	2,000	2,000
Local police trained in basic course	848	950	1,050	1,050	1,050	1,050	1,050
Responses by State Police for assistance in traffic cases	66,969	68,000	69,000	70,000	70,000	70,000	70,000

Program Analysis:

Enforcing the Commonwealth's traffic laws is a major responsibility of the Pennsylvania State Police. The emphasis of the department is reducing traffic accidents and bringing the motoring public into voluntary compliance with all traffic laws through patrol and enforcement activities. Traffic patrol and enforcement are provided by the State Police throughout the State in those municipalities where there are no full-time police departments, and on all Interstate highways. Traffic assistance is also provided, upon request, to municipalities with full-time police departments.

The Pennsylvania State Police utilize various patrol and enforcement techniques; however, the very presence of visible police patrols continues to have the greatest impact in the reduction of traffic accidents. In this regard, the State

Police attempt to allocate patrol activities to those areas and locations with high traffic and accident volume. Additional programs have also been incorporated into enforcement activities which have had a positive effect. Specifically, the Aerial Speed Enforcement Program and the use of unconventional patrol vehicles have been effective in combating those speeders that utilize CB radios and radar detecting devices. The State Police also provide enforcement activities in commercial vehicle weight enforcement, and will ultimately provide vehicle noise enforcement as mandated by the Vehicle Code.

The Aerial Speed Enforcement Program currently utilizes seven State Police helicopters statewide on designated highways identified by the Department of Transportation

Traffic Supervision (continued)

Program Analysis: (continued)

as having a high incidence of speeding or speed related accidents. The State Police have also acquired three fixed wing aircraft with Federal funds specifically for 55 miles-per-hour enforcement.

Adequate funding also enables the State Police to also conduct various enforcement programs and acquire new and replacement equipment. These programs include: providing a concentrated accident reduction effort over major holiday periods on Interstate highways; utilizing off-duty enlisted personnel during the summer weekends for 55 miles-per-hour enforcement on non-Interstate highways; acquiring replacement radar for units currently in use and for special alcohol enforcement efforts. Additionally, the State Police continue to utilize 47 unconventional vehicles of various makes and models throughout the State for 55 miles-per-hour enforcement. All of these programs are aimed at enforcing the 55 miles-per-hour national maximum speed limit and increasing highway traffic safety.

The Vehicle Weight Enforcement Program, which is a combined effort of the State Police and the Department of Transportation, consists of thirty mobile weighing teams working throughout the State enforcing the Commonwealth's vehicle weight and size limitations. There is also one permanent weigh station located on Interstate 80. State Police members provide the enforcement activity while Transportation personnel are responsible for the scale operations.

The State Police perform other non-enforcement activities in this program, including the investigation of accidents, providing assistance to motorists, the control and orderly movement of traffic, serving of warrants for traffic violations, and assisting the Department of Transportation in picking up suspended driver licenses and recovering monies due the Commonwealth because of bad checks issued for driver licenses or vehicle registrations.

The State Police also provide a number of traffic services even to those municipalities with full-time police departments. Assistance is provided in accident investigation, traf-

fic direction, traffic control for major activities which the local department cannot handle, radar enforcement on local highways with a high incidence of speed violations, helicopter patrol, breath testing services, and, in some situations, communications. Additionally, the State Police provide basic police training for municipal police officers and offer an assortment of short traffic courses for in-service training. Recent amendments to Act 120 have added the City of Philadelphia to the municipal police training program. These courses are offered at the State Police Academy in Hershey and at four regional training centers located in Wyoming, Collegeville, Greensburg, Meadville, and other certified training institutions throughout the Commonwealth.

Increased alcohol enforcement by the State Police was responsible for increases in the number of arrests for intoxication, the number of intoxication tests administered for the State Police, and the number of intoxication tests administered by the State Police for municipalities. These increases reflect a leveling off from the 1983-84 year in which most alcohol statistics doubled. The increase in the alcohol related measures can be partly attributed to increased emphasis on traffic and alcohol enforcement. If these programs are continued, it is anticipated that the number of alcohol arrests will continue to increase in future years, especially as driving under the influence receives increased emphasis.

Vehicle miles remained fairly constant while total accidents showed a slight increase. The number of traffic citations issued increased by 24 percent and arrests for hazardous moving violations increased by 16 percent. These increases are consistent with projections based upon a review of the previous five year trend.

Additional funds have been provided in this budget to implement the fourth year of a four year program to train 160 State Police cadets per year to help maintain a sufficient level of enlisted personnel and to maintain the State Police at satisfactory operational levels.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
MOTOR LICENSE FUND							
Transfer to General Fund—General							
Government Operations	\$ 105,925	\$ 119,141	\$ 122,308	\$ 125,328	\$ 128,397	\$ 131,509	\$ 136,770
Transfer to General Fund—Municipal							
Police Training	1,267	2,246	2,314	2,407	2,503	2,603	2,707
MOTOR LICENSE FUND TOTAL...	<u>\$ 107,192</u>	<u>\$ 121,387</u>	<u>\$ 124,622</u>	<u>\$ 127,735</u>	<u>\$ 130,900</u>	<u>\$ 134,112</u>	<u>\$ 139,477</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 552	\$ 866	\$ 986	\$ 1,058	\$ 1,133	\$ 1,213	\$ 1,262

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
National juvenile crime rate (per 100,000 population)	2,790	2,850	2,900	2,900	2,900	2,900	2,900
State juvenile crime rate (per 100,000 population)	2,308	2,350	2,400	2,400	2,400	2,400	2,400
Juveniles arrested by State Police	8,978	9,100	9,200	9,200	9,200	9,200	9,200
Juveniles receiving State Police preventive contacts	3,007	3,037	3,067	3,098	3,129	3,160	3,190
Juvenile offenders handled informally	4,034	4,074	4,115	4,156	4,197	4,239	4,281
Liaison visits to courts, schools, police departments, etc.	5,584	5,639	5,696	5,753	5,810	5,868	5,926
Attendance at youth aid programs	150,268	150,768	151,268	151,768	152,268	152,768	153,268
Attendance at crime prevention programs ..	89,064	89,954	90,854	91,762	92,680	93,607	94,543

Program Analysis:

Combating crime is not the responsibility of police alone. It requires the active, organized involvement of the public if any significant results are to be realized. Crime decreased by 4.9 percent in 1984 and initial statistics for the first half of 1985 reveal a decrease of 1.0 percent. In order to maintain or increase this downward trend, persons of all ages, sex, and socioeconomic backgrounds need to be made aware of, and become involved in, crime prevention.

Since many crimes are preventable, the State Police have elicited citizen participation by providing guidance as to: precautions the average individual may take to protect his/her person, family, and property from crime; steps that neighbors may take towards protecting one another from crime; measures which individuals may take to reduce physical danger and property loss should they become a victim of crime; and steps citizens may take to help police solve crimes. The State Police have specific programs to deal with

rape, burglary, child molestation, and bunco. These programs are presented to "target audiences" composed of the category of persons most likely to be victims of that particular crime. Additionally, communities, neighborhood groups and citizens are encouraged, through the State Police public education and awareness programs, to participate in other crime prevention activities such as crime watch groups, operation identification, and block parents. Further emphasis is provided through the news media by utilizing news releases to issue crime prevention tips, and to alert the public to any crimes which may be occurring frequently during a given time period within a community.

Youth aid continues to be a part of crime prevention activities, even though it has been combined with community relations activities. This activity includes: the counseling of juveniles who appear to be drifting toward a conflict with the law, and in those cases when increased parental guidance

Crime Prevention (continued)**Program Analysis: (continued)**

is indicated, counseling with the juvenile's parents or guardians; conducting liaison visits with the courts, schools and police departments relative to juvenile problems which are of a common interest; and the development of Youth Aid Programs. Additionally, the State Police is participating in an "Operation Home Free" program which is designed to provide for the return of runaway/missing children.

The national juvenile crime index arrest rate showed a slight increase while the rate for the entire state showed a slight decrease. The number of juveniles arrested by the State Police alone, however, showed an increase for the first time in six years. The reason for significant increase in the number of juvenile offenders handled informally is not clear at this time; it may signify an upward trend or reflect the efforts of the State Police crime prevention officers. The measure designed to report attendance at youth aid programs shows a very large increase which is the result of a major change

in reporting methods intended to better reflect the actual number of youths attending these programs and an increase in the number of program presentations. Attendance at crime prevention programs decreased because of the same reporting method change. The number of crime watch programs showed a slight increase but the total numbers of crime watchers declined slightly which could reflect waning interest in this program on the part of the general public. The number of liaison visits to courts, schools, police departments, etc. and the number of juveniles receiving State Police contacts showed a decrease, however, both still remain at a two year high.

Additional funds have been provided in this budget to implement the fourth year of a four year program to train 160 State Police cadets per year to help maintain a sufficient level of enlisted personnel and to maintain the State Police at satisfactory operational levels.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	<u>\$ 552</u>	<u>\$ 866</u>	<u>\$ 986</u>	<u>\$ 1,058</u>	<u>\$ 1,133</u>	<u>\$ 1,213</u>	<u>\$ 1,262</u>

Criminal Law Enforcement

OBJECTIVE: To maximize the percentage of sound crime case clearances and the percentage of convictions.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 53,006	\$ 55,255	\$ 61,419	\$ 65,798	\$ 70,428	\$ 75,322	\$ 78,335
Other Funds	809	772	971	971	971	971	971
TOTAL	\$ 53,815	\$ 56,027	\$ 62,390	\$ 66,769	\$ 71,399	\$ 76,293	\$ 79,306

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Statewide crimes against persons	37,784	39,000	39,000	39,000	39,000	39,000	39,000
Statewide crimes against property	325,240	340,000	340,000	340,000	340,000	340,000	340,000
Crimes against persons investigated by State Police:							
Total	2,476	2,600	2,600	2,600	2,600	2,600	2,600
Percent resulting in arrests	55.5%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%
Percent of those arrested who are convicted	65.1%	60%	60%	60%	60%	60%	60%
Crimes against property investigated by State Police:							
Total	36,500	37,000	37,000	37,000	37,000	37,000	37,000
Percent resulting in arrests	20.1%	20%	20%	20%	20%	20%	20%
Percent of those arrested who are convicted	76.8%	77%	77%	77%	77%	77%	77%
Criminal investigations regarding arson	3,489	3,600	3,600	3,600	3,600	3,600	3,600
Arson arrests	302	450	450	450	450	450	450

Program Analysis:

State Police activities in this program are geared toward controlling the incidence of crime. Many factors affect the type and volume of crime that occurs within the Commonwealth: density and size of community population, economic conditions, cultural conditions, and effective strength of law enforcement agencies.

There are two ways in which to measure the productivity of the police effort in the criminal justice system. There is the clearance rate, which is the percentage of reported crimes for which an arrest is made, and the conviction rate, which is the percentage of convictions resulting from total arrests. Clearance rates for crimes of violence (murder, rape, rob-

bery, kidnapping and assault) are consistently higher than other crimes for several reasons: there is a victim; there is usually a witness (often the victim); and the occurrence of these types of crimes afford the investigator more substantial evidence with which to conduct the investigation. On the other hand, crimes against property (burglary, larceny, auto theft, etc.) have a lower clearance rate because there is usually no witness to the crime and there is less concrete evidence with which the investigator can work.

The State Police are responsible for conducting criminal investigations anywhere in the Commonwealth where there is no organized police agency, and also for providing in-

Criminal Law Enforcement (continued)

Program Analysis: (continued)

vestigative and technical assistance to any full-time municipal police department on request. Additionally, the State Police provide investigative assistance in the areas of drugs and narcotics, organized crime, white collar crime, public corruption, arson, etc. Investigations of these particular activities involve covert operations, intelligence gathering and reporting, surveillance, and expertise in a specific field.

The White Collar Crime Unit is involved in many major criminal investigations throughout the Commonwealth. The Pennsylvania State Police Division of Drug Law Enforcement continues to combat the importation, manufacture, distribution and use of illegal drugs in the Commonwealth through overt and covert operations initiated and conducted by enlisted members both alone and in conjunction with other municipal, State and Federal agencies. Since 1980 fraud investigation units have been concentrating on covert investigations such as sting operations and infiltration of highly structured criminal groups who specialize in stealing truck tractors and trailers and other types of heavy construction equipment. These units have been operating in the densely populated sections of Pennsylvania and have recovered millions of dollars worth of stolen property.

Arson investigation has also become increasingly emphasized and specialized over the last several years due to a large increase nationwide in the incidence of arson. The State Police utilize 44 Fire Marshals in the field and three administrative personnel at department headquarters who actively investigate and coordinate all arson or suspicious fire-related occurrences. These Fire Marshals are augmented by 57 trained alternates, some of whom are being utilized almost full time, to perform fire investigative services when required.

The State Police Fire Marshals, in addition to conducting inspections of flammable and combustible liquid installations and inspections of areas or buildings for fire hazards, are responsible for arson investigations. These investigations have increased considerably since 1976 due to an escalation of deliberately set fires occurring within the Commonwealth. However, beginning in 1980, there have been fluctuations indicating a greater public awareness, more stringent penalties in the law and better cooperation with law enforcement and fire service agencies at all levels. This is evidenced by initial arson investigations increasing only slightly in 1984 while arson arrests continue to decrease. Furthermore, this constancy in arson investigations reflects the emphasis that has been placed on the crime by the insurance industry which is making it increasingly difficult to collect reimbursement for damages where a fire is questionable.

The Pennsylvania State Police are actively involved in conducting a course of training in the legal and technical aspects of wiretapping and electronic surveillance for investigative

and law enforcement officers of the Commonwealth. The training, under regulations and standards established by the Attorney General and the Commissioner of the State Police, provides for the certification and periodic recertification of Commonwealth investigative or law enforcement officers eligible to conduct wiretapping or electronic surveillance. The State Police have a number of Criminal Investigation Unit members who are certified to conduct wiretapping and electronic surveillance and who have been called upon to conduct one party consent and court-ordered wiretaps and electronic surveillance for municipal, county and State agencies of the Commonwealth.

The State Police serve as the Commonwealth's central repository for criminal history record information, which includes criminal identification records, fingerprint records and gun registration records. The State Police have traditionally provided criminal investigative training courses to municipal police. Local police have access to the Commonwealth Law Enforcement Assistance Network (CLEAN) and the statewide crime laboratories of the State Police.

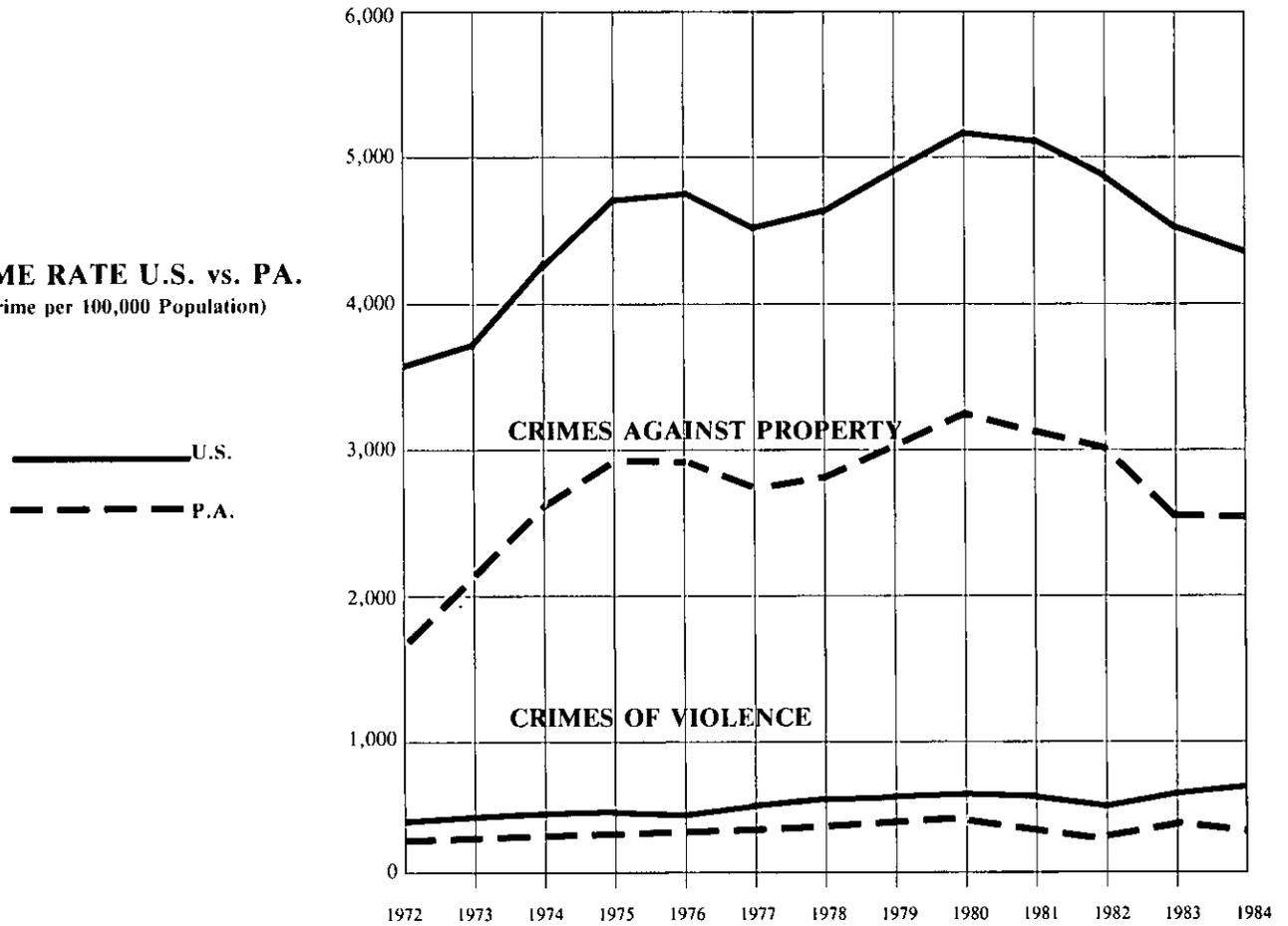
The Motor Vehicle Theft Unit provides investigative assistance to all police agencies of the Commonwealth and Federal investigative agencies by providing investigative expertise in motor vehicle theft operations, the identification of suspect vehicles and current modus operandi of professional vehicle theft rings and vehicle thieves. This unit also provides assistance to all levels of police authority in instances where vehicles are involved in the commission of a crime. Working with the Department of Transportation's Bureau of Motor Vehicles, the assistance is rendered in a timely fashion so as to enhance the investigation of vehicle related crime.

The total number of crimes reported in 1984 decreased 1.9 percent from the number reported in 1983, according to the Pennsylvania Uniform Crime Report. Part I Offenses, the more serious offenses, decreased by 4.9 percent, while Part II Offenses, the lesser offenses, increased by 0.6 percent. Through the first three months of 1985, crime in Pennsylvania continued to show a decline with Part I Offenses down by 4.8 percent and Part II Offenses up by 3.2 percent. A survey of some of the municipalities in the Commonwealth that have reported decreases in crime for 1985 indicates that many of them credit neighborhood crime watches for much of the decrease. It is anticipated that the downward trend in crime will bottom out in the near future, and then rates will remain relatively constant over the next several years.

Additional funds have been provided in this budget to implement the fourth of a four year program to train 160 State Police cadets per year to help maintain a sufficient level of enlisted personnel and to maintain the State Police at satisfactory operational levels.

Criminal Law Enforcement (continued)
Program Analysis: (continued)

CRIME RATE U.S. vs. PA.
 (Crime per 100,000 Population)



Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 49,475	\$ 52,958	\$ 59,105	\$ 63,391	\$ 67,925	\$ 72,719	\$ 75,628
Municipal Police Training	3,531	2,247	2,314	2,407	2,503	2,603	2,707
Soft Body Armor .....	.....	50	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 53,006	\$ 55,255	\$ 61,419	\$ 65,798	\$ 70,428	\$ 75,322	\$ 78,335

Emergency Assistance

OBJECTIVE: To respond to special situations in order to minimize loss of life, bodily injury, property loss and other economic losses through the prevention of civil disorder and the control of riotous and natural or man made disaster situations.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 381	\$ 625	\$ 704	\$ 756	\$ 810	\$ 868	\$ 901

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Emergency assistance situations requiring State Police response	15	25	25	25	25	25	25
Arrests by State Police stemming from emergency assistance situations	87	50	50	50	50	50	50
Total person hours spent on disorders	17,488	10,000	10,000	10,000	10,000	10,000	10,000

Program Analysis:

The State Police are normally called upon whenever any special situations occur within the Commonwealth. The department has responsibilities to be properly trained and prepared to respond to special situations which may arise, to gather intelligence for determining potential trouble areas or problems, and to perform prevention activities which may diffuse any anticipated civil disorder.

Community Relations Officers assigned to each Troop provide the majority of the efforts relative to civil disorders. They are responsible for maintaining liaison with communities in developing plans to minimize community tension, maintaining communications between the State Police and disaffected community groups during civil disorders, and being aware of the presence of tension and tension-inducing factors within the community.

Emergency assistance can be defined as special situations that would include a substantial disturbance and/or a breach of the peace or public disorder and are normally the result of group disorders. The more recent civil disorders that have occurred have evolved out of strikes. Disorders in the other categories are somewhat less frequent and less predictable than strikes. The State Police must be prepared to handle any civil disorder or emergency which may occur. Toward this end, each troop has developed a Civil Disorder/Emergency Plan for its area of responsibility which is updated yearly and provides information relative to needs or operational considerations should a situation occur. Ad-

ditionally, all State Police members have been trained in the effective handling of civil disorders, disturbances, emergency responses and the attitudes and responsibilities expected of each.

Two accident areas which require specialized training for emergency responses are nuclear and hazardous substance accidents. The State Police have instituted a Radiological Monitoring Course for all cadets to cover nuclear transportation accidents and their response plans for nuclear accidents. In order to minimize the chances of such transportation accidents, the Radiation Protection Act of 1984 requires that the State Police escort all shipments of spent nuclear fuel through or within the Commonwealth.

Activities in this program can vary considerably from year to year due to the uncertainties surrounding the many causes which produce special situations. This has largely been due to relatively calm labor years in terms of strikes, the absence of fuel shortages and the lessening of anti-nuclear demonstrations. Any large strikes such as occurred several years ago in the coal and trucking industries, would increase activity considerably in comparison to past fiscal years where only a few sporadic labor strikes and various demonstrations required State Police involvement.

However the unusually high number of person hours spent on disorders in 1984-85 was the result of flooding in Somerset and Bedford counties in August, 1984, and tornadoes in several counties in May and June, 1985.

Emergency Assistance (continued)**Program Analysis: (continued)**

As in previous years, the needs, outputs and impacts of this program for future years cannot be accurately projected. Individual civil disorders tend to occur over particular actions or inactions on the part of individuals or groups. Certain events can somewhat be anticipated in advance, such as impending strikes which can develop into civil disorders, and appropriate action may be taken to try and avoid any

disturbances. Other instances are spontaneous and cannot initially be eliminated through preventive contacts.

Additional funds have been provided in this budget to implement the fourth year of a four year program to train 160 State Police cadets per year to help maintain a sufficient level of enlisted personnel and to maintain the State Police at satisfactory operational levels.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 381	\$ 625	\$ 704	\$ 756	\$ 810	\$ 868	\$ 901

Fire Prevention

OBJECTIVE: To minimize fire hazards endangering persons or property.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 492	\$ 607	\$ 705	\$ 755	\$ 809	\$ 866	\$ 922

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Corrections formally ordered and made ...	10	10	10	10	10	10	10
Accidental fires reported to State Police ...	750	700	700	700	700	700	700

Program Analysis:

Currently, fire prevention activities involve primarily the inspection of flammable tank installations, including modifications to existing installations, and the enforcement of the regulations governing the storage and handling of flammable liquids.

Applicants proposing to install flammable liquid storage facilities must obtain written construction approval indicating compliance with established regulations. Once the storage facility has been constructed, a State Police Fire Marshal makes a safety inspection of the facility to determine if it is properly installed and conforms with the approved construction plan. If any unsafe conditions are found, corrections are ordered and the facility is then reinspected. In 1986-87 the responsibility of enforcing the regulations governing the storage and handling of flammable liquids will be transferred to the Department of Environmental Resources.

Other duties performed by State Police Fire Marshals within this program include the investigation of reported fire hazards, the presentation of fire prevention programs to

community groups, and the coordination of fire prevention activities with local, State and private-related organizations. The State Police also have a statewide chain of 1,905 assistants to the Fire Marshal exclusive of Allegheny and Philadelphia counties, normally local Fire Chiefs or Assistant Fire Chiefs appointed by the Commissioner, who are provided training along with locally appointed Fire Marshals on fire investigation techniques and cause recognition. Assistance is also provided to local Fire Marshals, when requested, in the investigation of fires of undetermined origin.

Activities in the inspection of flammable liquid installations are projected to remain somewhat constant. This is basically the result of decreased construction of service station facilities within the Commonwealth.

Additional funds have been provided in this budget to implement the fourth year of a four year program to train 160 State Police cadets per year to help maintain a sufficient level of enlisted personnel and to maintain the State Police at satisfactory operational levels.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	\$ 492	\$ 607	\$ 705	\$ 755	\$ 809	\$ 866	\$ 922

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

	1984-85	(Dollar Amounts in Thousands) 1985-86	1986-87
	Actual	Available	Budget
General Fund			
General Government			
General Government Operations	\$ 936	\$ 948	\$ 957
GENERAL FUND TOTAL	<u>\$ 936</u>	<u>\$ 948</u>	<u>\$ 957</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 936	\$ 948	\$ 957

Determines the aggregate market value of assessed taxable real property in each political subdivision and school district in the Commonwealth for use in determining Commonwealth subsidies to school districts and public libraries and for determining certain tax limitations.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
General Government Operations	<u>\$ 936</u>	<u>\$ 948</u>	<u>\$ 957</u>

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TAX EQUALIZATION BOARD

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 936	\$ 948	\$ 957	\$ 995	\$ 1,035	\$ 1,076	\$ 1,119
General Administration and Support	\$ 936	\$ 948	\$ 957	\$ 995	\$ 1,035	\$ 1,076	\$ 1,119
DEPARTMENT TOTAL	<u>\$ 936</u>	<u>\$ 948</u>	<u>\$ 957</u>	<u>\$ 995</u>	<u>\$ 1,035</u>	<u>\$ 1,076</u>	<u>\$ 1,119</u>

TAX EQUALIZATION BOARD

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	<u>\$ 936</u>	<u>\$ 948</u>	<u>\$ 957</u>	<u>\$ 995</u>	<u>\$ 1,035</u>	<u>\$ 1,076</u>	<u>\$ 1,119</u>

Program Analysis:

The State Tax Equalization Board is an independent administrative board created to ensure equitable distribution of tax funds among the State's school districts. The board determines annually the aggregate market value of taxable real property in each of the more than 2,500 municipalities and 501 school districts in the Commonwealth and certifies the market value to the Secretary of Education. The results are used in determining distribution of State subsidies to

school districts and local libraries, in lieu of tax payments under Project 70 Land Acquisitions, limitations on real estate taxes in school districts lying in more than one county, tax limitations in financing community colleges and overall tax limitations for political subdivisions and school districts. The program includes holding of hearings and analysis of real estate values and transactions.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
General Government Operations	<u>\$ 936</u>	<u>\$ 948</u>	<u>\$ 957</u>	<u>\$ 995</u>	<u>\$ 1,035</u>	<u>\$ 1,076</u>	<u>\$ 1,119</u>

Department of Transportation

The responsibility of the Department of Transportation is to provide for the fast, efficient and safe movement of people and goods within the Commonwealth through a balanced transportation system. The Department was formed July 1, 1970 by an act of the Legislature combining the former Department of Highways with other transportation-related activities in various departments.

Restricted revenue appropriated for aviation operations, airport development and the real estate tax rebate program and executively authorized for the advance construction interstate, bridge improvement and local road turnback programs are shown as "Other Funds — Restricted Revenue" on the Summary by Fund and Appropriation and Detail pages and as "Other Funds" in the appropriate subcategories.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1986-87 State Funds (in thousands)
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Motor License Fund

Highway and Safety Improvement	Advance Construction Interstate ^a
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This Program Revision will allow the department to continue Interstate Restoration at a high level and have all Interstate gaps under construction within the budget year.

Highway and Safety Improvement	Economic Development
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This Program Revision Request will provide State funding for the Southern Expressway Project which is a portion of Strategy 21.

State Bridges	Bridge Restoration and Replacement—Phase II ^b
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This Program Revision will allow for continuation of the Commonwealth's ongoing bridge restoration and replacement program through an additional 2,000 State and local bridge projects.

Oil Overcharge Fund

Highway and Safety Improvement	Energy Conservation (Oil Overcharge)	\$ 500 ^c
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This Program Revision will provide funds for the department's Energy Conservation, Congestion Reduction and Safety Improvement Program.

DEPARTMENT TOTAL	\$ 500
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^aThe total cost of the Program is \$190 million in FRANS issuances in 1986-87. These costs are shown as Other Funds within the Advance Construction Interstate Program Revision Request.

^bActual project costs begin 1988-89.

^cThe total Program Revision will cost \$39.8 million. Details are presented in the appendix to the Energy Management and Conservation subcategory in the Executive Offices.

DEPARTMENT OF TRANSPORTATION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
General Fund			
General Government			
Mass Transportation Operations	\$ 1,060	\$ 1,200	\$ 1,216
Comprehensive Rail Study	10	250	250
Railroad Bridge Inspections .....	.....	.....	175
Transfer to Motor License Fund — Vehicle Sales Tax			
Collection	1,432	1,461	1,505
Pennsylvania Coordinate System	100	145	149
High Speed Intercity Rail Passenger Commission	1,600	882	500
Indiantown Gap National Cemetery	8	.....	.....
Subtotal	<u>\$ 4,210</u>	<u>\$ 3,938</u>	<u>\$ 3,795</u>
Grants and Subsidies			
Mass Transportation Assistance	\$ 166,277	\$ 174,525	\$ 180,000
Rural and Intercity Rail and Bus Transportation	3,803	5,535	5,435
Freight Rail Assistance	4,389	4,594	3,748
Civil Air Patrol	200	300	200
Subtotal	<u>\$ 174,669</u>	<u>\$ 184,954</u>	<u>\$ 189,383</u>
TOTAL STATE FUNDS	<u>\$ 178,879</u>	<u>\$ 188,892</u>	<u>\$ 193,178</u>
Federal Funds	\$ 41,098	\$ 15,844	\$ 10,493
Augmentations	671	664	463
GENERAL FUND TOTAL	<u>\$ 220,648</u>	<u>\$ 205,400</u>	<u>\$ 204,134</u>

DEPARTMENT OF TRANSPORTATION

Summary by Fund and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Motor License Fund			
General Government			
General Government Operations	\$ 20,335	\$ 20,545	\$ 21,337
Refunding Monies Collected Through the Department of Transportation	1,562	1,725	1,725
Highway and Safety Improvement	120,000	129,000	147,485
Advance Construction Interstate .....	.....	15,800	.....
Highway Maintenance	543,500	548,181	548,638
Highway Maintenance—Supplemental .....	.....	5,401	.....
Salt Storage Buildings .....	.....	1,500	1,500
Heavy Equipment Acquisition .....	.....	15,500	.....
Local Bridge Inspection .....	.....	.....	1,740
Secondary Roads — Maintenance and Resurfacing	51,572	51,843	51,362
Safety Administration and Licensing	43,835	47,764	49,303
Subtotal	<u>\$ 780,804</u>	<u>\$ 837,259</u>	<u>\$ 823,090</u>
Debt Service Requirements			
State Highway and Bridge Authority Rentals	<u>\$ 28,807</u>	<u>\$ 29,200</u>	<u>\$ 27,900</u>
Grants and Subsidies			
Local Road Maintenance and Construction Payments	\$ 150,998	\$ 148,721	\$ 147,158
Supplemental Local Road Maintenance and Construction Payments	5,000	5,000	5,000
Philadelphia Payment — Franchise Tax	1,114	1,101	927
Subtotal	<u>\$ 157,112</u>	<u>\$ 154,822</u>	<u>\$ 153,085</u>
TOTAL STATE FUNDS	<u>\$ 966,723</u>	<u>\$1,021,281</u>	<u>\$1,004,075</u>
Federal Funds	\$ 588,205	\$ 827,822	\$ 851,922
Augmentations	17,360	29,408	28,923
Restricted Revenue	85,816	156,177	157,341
MOTOR LICENSE FUND TOTAL	<u>\$1,658,104</u>	<u>\$2,034,688</u>	<u>\$2,042,261</u>

DEPARTMENT OF TRANSPORTATION

Summary by Fund and Appropriation (continued)

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Lottery Fund			
General Government			
Ridership Verification .....	.....	\$ 218	\$ 100
Grants and Subsidies			
Elderly Free Transit	\$ 56,656	\$ 65,079	\$ 70,393
Shared Rides	28,272	38,000	38,000
Demand Response Equipment Grants	954	2,300	2,300
Transfer to Motor License Fund — Vehicle Registration — Elderly	3,400	2,500	4,700
Subtotal	<u>\$ 89,282</u>	<u>\$ 107,879</u>	<u>\$ 115,393</u>
TOTAL LOTTERY FUND	<u>\$ 89,282</u>	<u>\$ 108,097</u>	<u>\$ 115,493</u>
Department Total — All Funds			
General Fund	\$ 178,879	\$ 188,892	\$ 193,178
Special Funds	1,056,005	1,129,378	1,119,568
Federal Funds	629,303	843,666	862,415
Augmentations	18,031	30,072	29,386
Restricted Revenue	85,816	156,177	157,341
SUBTOTAL ALL FUNDS	<u>\$1,968,034</u>	<u>\$2,348,185</u>	<u>\$2,361,888</u>
Other Funds	\$ 44,644	\$ 115,277	\$ 286,803
TOTAL ALL FUNDS	<u>\$2,012,678</u>	<u>\$2,463,462</u>	<u>\$2,648,691</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Public Transit and Goods Movement			
State Funds	\$ 1,070	\$ 1,450	\$ 1,641
Federal Funds	34,070	9,024	3,093
Augmentations	414	197	263
TOTAL	<u>\$ 35,554</u>	<u>\$ 10,671</u>	<u>\$ 4,997</u>

Provides administrative coordination, planning and support for all urban, rural and intercity mass transportation as well as rail freight transportation. Efficient and effective urban mass transportation is promoted through analysis of local transit operations and procedures, coordination and funding of urban area planning and study projects, and review of local operating subsidy and capital project requests. Activities designed to continue and improve rail and bus service between Pennsylvania's urbanized areas and bus service in rural areas include: preparing and coordinating needs studies; analyzing existing and proposed service levels; and evaluating the overall effectiveness of the program. Administrative direction of the Elderly Transit program is also funded as part of this General Fund appropriation, while the actual subsidies to transit operators are paid from the Lottery Fund.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Mass Transportation Operations	\$ 1,060	\$ 1,200	\$ 1,216
Comprehensive Rail Study	10	250	250
Railroad Bridge Inspections .....	. . . .	. . . .	175
Federal Funds:			
Urban Mass Transportation Technical Studies Grants	1,000	1,000	407
Title IV Rail Assistance — Program Operations and Planning ..	200	250	155
Capital Assistance Elderly and Handicapped Programs —			
Administration	45	70	70
Surface Transportation Assistance — Program Operations and			
Planning	525	525	441
Ride Sharing — Operation and Planning	46	49	20
Urban Mass Transportation Capital Assistance	28,188	3,000	. . . .
Urban Mass Transportation Capital Grants	25	50	. . . .
Urban Mass Transportation Capital Improvement Grants	4,041	4,000	2,000
Petroleum Violation Escrow Account .....	. . . .	80	. . . .
Augmentations:			
Reimbursements from Aviation Restricted Revenue	144	68	75
Reimbursements from Capital Facilities Fund	120	. . . .	. . . .
Lease Recovery Costs — Ridesharing	83	77	120
MLF Reimbursement — Schuylkill Expressway Project .....	. . . .	4	3
Ridesharing — State Employees Program — User Fees	42	40	55
Rail Line Right of Way Appraisal	25	. . . .	. . . .
Reimbursements — Administrative — Comprehensive Rail			
Study .....	. . . .	8	10
TOTAL	<u>\$ 35,554</u>	<u>\$ 10,671</u>	<u>\$ 4,997</u>

GENERAL FUND

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Vehicle Sales Tax Collection			
State Funds	\$ 1,432	\$ 1,461	\$ 1,505

Provides for the collection of the General Fund's Motor Vehicle Sales Taxes.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Transfer to Motor License Fund — Vehicle Sales Tax			
Collection	<u>\$ 1,432</u>	<u>\$ 1,461</u>	<u>\$ 1,505</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Pennsylvania Coordinate System			
State Funds	\$ 100	\$ 145	\$ 149

Provides for the placing of survey markers at various locations throughout the State for the purpose of developing maps and determining boundary lines.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Pennsylvania Coordinate System	<u>\$ 100</u>	<u>\$ 145</u>	<u>\$ 149</u>

GENERAL FUND

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
High Speed Intercity Rail Passenger Commission			
State Funds	\$ 1,600	\$ 882	\$ 500
Federal Funds .....	.....	140	.....
Total	<u>\$ 1,600</u>	<u>\$ 1,022</u>	<u>\$ 500</u>

Provides for the continued funding of the High Speed Intercity Rail Passenger Commission which is empowered to investigate, study, and make recommendations concerning the need for and establishment and operation of a high speed intercity rail passenger system in the Commonwealth.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
High Speed Intercity Rail Passenger Commission	\$ 1,600	\$ 882	\$ 500
Federal Funds:			
High Speed Rail Study .....	.....	140	.....
Total	<u>\$ 1,600</u>	<u>\$ 1,022</u>	<u>\$ 500</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Indiantown Gap National Cemetery			
State Funds	\$ 8	.....	.....

Provided funds for the placing of signs on Interstate Route 81 indicating Indiantown Gap National Cemetery.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Indiantown Gap National Cemetery	<u>\$ 8</u>	<u>.....</u>	<u>.....</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Mass Transportation Assistance			
State Funds	\$ 166,277	\$ 174,525	\$ 180,000

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)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Mass Transportation Assistance	<u>\$ 166,277</u>	<u>\$ 174,525</u>	<u>\$ 180,000</u>

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Rural and Intercity Rail and Bus Transportation			
State Funds	\$ 8,192	\$ 10,129	\$ 9,183
Federal Funds	7,028	6,680	7,400
Augmentations	257	467	200
TOTAL	<u>\$ 15,477</u>	<u>\$ 17,276</u>	<u>\$ 16,783</u>

Ensures continuation of vital rail services by assisting financially in the purchase, rehabilitation and subsidization of rail lines that were not included in the Consolidated Rail Corporation (ConRail) system; and provides operating subsidies for passenger rail and bus service in small urban and rural areas and between urbanized areas that lack adequate public transportation.

GENERAL FUND

TRANSPORTATION

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Rural and Intercity Rail and Bus Transportation	\$ 3,803	\$ 5,535	\$ 5,435
Freight Rail Assistance	4,389	4,594	3,748
Federal Funds:			
Title IV Rail Assistance — Capital (Current Revenues) .....	. . . . .	50	. . . . .
Surface Transportation Assistance — Operating Subsidy	3,621	3,330	3,400
Surface Transportation Assistance — Capital (Bond Projects) ..	3,268	3,300	4,000
Northern Central Railroad Branch Rehabilitation Project	139	. . . . .	. . . . .
Augmentations:			
Local Reimbursements — Intercity Transportation Projects	257	467	200
TOTAL	<u>\$ 15,477</u>	<u>\$ 17,276</u>	<u>\$ 16,783</u>

Civil Air Patrol	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 200	\$ 300	\$ 200

Pays for instructional aids and other equipment used in local civil air patrol programs.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Civil Air Patrol	<u>\$ 200</u>	<u>\$ 300</u>	<u>\$ 200</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Government Operations			
State Funds	\$ 21,897	\$ 22,270	\$ 23,062
Federal Funds	5	286	. . . .
Augmentations	1,027	440	429
TOTAL	<u>\$ 22,929</u>	<u>\$ 22,996</u>	<u>\$ 23,491</u>

Develops basic policy guidelines for the highway program, while directing and coordinating specific construction, maintenance and safety and licensing activities. Among the various managerial responsibilities, support is provided in legal, budgetary, accounting, personnel, procurement, information systems and public relations matters. In addition to supervisory functions performed by departmental employees, the work of the Inspector General's office, the State Transportation Commission and the Advisory Committee are included within this program. Transportation also provides certain reproduction services to other State agencies on a reimbursable basis.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
General Government Operations	\$ 20,335	\$ 20,545	\$ 21,337
Executive Authorization:			
Refunding Monies Collected Through Department of Transportation	1,562	1,725	1,725
Federal Funds:			
Highway Research, Planning and Construction	5	286	. . . .
Augmentations:			
Reimbursements from General Fund — Mass Transportation . . .	179	100	104
Reimbursements for Commonwealth Duplicating Services	76	220	200
Reimbursements for Commonwealth Photographic Services	298	. . . .	. . . .
Reimbursements from Aviation Restricted Revenue	222	120	125
Reimbursement For Video Services	244	. . . .	. . . .
Sale of Equipment	8	. . . .	. . . .
TOTAL	<u>\$ 22,929</u>	<u>\$ 22,996</u>	<u>\$ 23,491</u>

MOTOR LICENSE FUND

TRANSPORTATION

Highway and Safety Improvement	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 120,000	\$ 144,800	\$ 147,485
Federal Funds	450,043	648,284	683,500
Augmentations	5,846	6,500	6,300
Restricted Revenue ^a	57,014	147,300	316,300
TOTAL	\$ 632,903	\$ 946,884	\$1,153,585

Provides for the improvement of highways and bridges that contribute to the economic growth of the Commonwealth and the mobility of the State's citizens, while undertaking safety improvements that reduce personal injury and property damage. The scope of this program covers all 67 counties within the State and includes Federal Interstate, Primary, Secondary, Urban and Appalachia Roads as well as roads on the 100 percent State system. Within the limitations of funding available from Federal aid, local construction contributions and State current revenues, Transportation is charged with the responsibility of developing and executing a program that will correct the most critical deficiencies on the State-administered highway system.

The highway improvement process begins with research, involving long range planning of highway needs and testing of materials and methods to improve the quality and safety of highways improved. To achieve a safe and efficient highway system, plans are formulated for the design, redesign and location of roadways, bridges and structures. Technical matters involved in the acquisition of necessary rights-of-way are also handled. Finally, the construction, reconstruction and safety improvement of roads and bridges on the State highway system are supervised by Transportation personnel who inspect these activities for adherence to established standards.

The Highway and Safety Improvement program also involves improvements to those State-owned bridges enumerated in the "Highway Bridge Capital Budget Act of 1982-83." These improvements are funded from truck axle tax revenues deposited in a restricted account within the Motor License Fund and with Federal funds. Bond expenditures which are scheduled to begin in 1986-87 are shown in the Capital Budget section of this budget. Debt Service expenditures from the restricted revenues are shown in the Treasury Department as "Restricted Revenue." State funds expended from the restricted account are shown above as "Restricted Revenue" and the accompanying Federal funds are also shown in the amounts above.

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Highway and Safety Improvement	\$ 120,000	\$ 129,000	\$ 147,485
Advance Construction Interstate .....	.....	15,800	.....
Federal Funds:			
Highway Research, Planning and Construction	332,713	505,200	572,100
Federal-Aid-Highway Bridge Projects	89,257	118,284	95,000
Appalachia Development Highway System	27,540	24,400	16,000
Forest Highways .....	.....	100	100
Highway Safety Program	533	300	300
Augmentations:			
Bridge—Construction Contributions	179	250	200
Bridge—Reimbursements from Local Governments	55	250	100
Highway Construction Contributions	5,367	5,730	5,730
Reimbursements from Aviation Restricted Revenues	76	80	80
Reimbursements from General Fund — Mass Transportation	168	170	170
Rental Reimbursement — Photo ID Program .....	.....	20	20
Sale of Equipment	1	.....	.....
Restricted Revenue:			
Highway Bridge Projects ^a	57,014	96,700	104,300
ACI Project Expenditures ^b .....	.....	50,600	212,000
TOTAL	\$ 632,903	\$ 946,884	\$1,153,585

^aExecutive Authorization from restricted revenue account.

^bThis executive authorization is not carried forward to the Summary by Fund and Appropriation to avoid double counting.

MOTOR LICENSE FUND

TRANSPORTATION

Highway Maintenance	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 595,072	\$ 622,425	\$ 603,240
Federal Funds	135,369	173,620	163,200
Augmentations	5,933	17,180	17,000
TOTAL	\$ 736,374	\$ 813,225	\$ 783,440

Performs maintenance activities necessary to keep roadway surfaces in a safe and usable condition. Work carried out by Transportation forces or by contract includes patching, surface treatment, resurfacing, restabilization and minor betterment projects, plus repair of bridges, tunnels and minor storm damage. Snow and ice control services are performed on all State-administered highways as well as on an additional one thousand miles of selected city streets which were assigned to the department by Act 60 of the 1970 Legislative Session. Other important maintenance activities, not involved directly with the roadway surface itself, include washing, manufacturing and repairing highway signs, repainting pavement markings, and repairing or replacing such safety features as traffic signals, guard-rails, median barriers and right-of-way fences.

Repairs to flood-damaged highways are financed through this program, with most of these costs being reimbursed by the Federal Government. Federal assistance is also available for resurfacing, restoration, rehabilitation and reconstruction (4-R Program) work.

Separate authorization and accounting is provided under this program for the one cent of the gasoline tax used for secondary roads maintenance and resurfacing funds as required by Act 161 of the 1974 session of the Legislature.

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Highway Maintenance	\$ 543,500	\$ 548,181	\$ 548,638
Highway Maintenance — Supplemental .....	.....	5,401	.....
Salt Storage Buildings .....	.....	1,500	1,500
Heavy Equipment Acquisition .....	.....	15,500	.....
Local Bridge Inspection .....	.....	.....	1,740
Executive Authorization:			
Secondary Roads — Maintenance and Resurfacing	51,572	51,843	51,362
Federal Funds:			
Highway Research, Planning and Construction	134,690	170,970	159,800
State and Community Highway Safety	140	150	200
Federal Emergency Management Agency	539	2,500	.....
Local Bridge Inspection .....	.....	.....	3,200
Augmentations:			
Highway Maintenance Contributions	1,907	2,050	2,070
Reimbursements from Other State Agencies — Equipment			
Rental	22	25	25
Sale of Automobiles	65	150	150
Sale of Equipment	416	350	350
Vendor Surcharge — Breach of Contract .....	.....	10	10
Reimbursements for Heavy Hauling — Bonded Roads	422	5,600	5,600
Reimbursements — Manufacture and Sale of Signs	59	225	225
Reimbursements — Accident Damage Claims	2,959	8,700	8,500
Fees for Signs — Other State Agencies	18	.....	.....
Fees for Signs — Non State Agencies	55	.....	.....
Reimbursements — Rental Photo ID Program	9	10	10
Keep Pennsylvania Beautiful Contributions .....	.....	50	50
Recovered Permit Compliance Cost	1	10	10
TOTAL	\$ 736,374	\$ 813,225	\$ 783,440

Safety Administration and Licensing	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 43,835	\$ 47,764	\$ 49,303
Federal Funds	730	1,600	2,620
Augmentations	5,157	5,831	6,119
TOTAL	\$ 49,722	\$ 55,195	\$ 58,042

Provides for processing applications and collecting fees for all vehicle registration and operator licenses. Additional functions are to enforce the driver point system; to keep records of State vehicle safety and emission inspections, to maintain a public safety education and information section; and to supply certified copies of records of traffic accidents to other agencies both within and outside the State. Other responsibilities include: providing assistance to Commonwealth agencies, municipalities and nonprofit organizations, regulating the transportation of hazardous substances on the highway and operating a data collection system for accident analysis. Location and cause of accident information is utilized to arrange a priority listing of dangerous road sections; actual safety improvement work is funded within the Highway and Safety Improvement program and Highway Maintenance program.

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Safety Administration and Licensing	\$ 43,835	\$ 47,764	\$ 49,303
Federal Funds:			
State and Community Highway Safety	730	1,600	2,620
Augmentations:			
Reimbursements from Other State Agencies — Computer Support	44	150	150
Reimbursements — Photo ID Program	3,352	3,200	3,200
Reimbursements From General Fund — Motor Vehicle Sales Tax ^a	1,432	1,461	1,519
Sale of Equipment	1	.	.
Reimbursement — Emission Mechanic Training Courses	21	20	20
Reimbursement — Motorcycle Safety Program	307	1,000	1,230
TOTAL	\$ 49,722	\$ 55,195	\$ 58,042

^aThis transfer from the General Fund is not carried forward to the Summary by Fund and Appropriation to avoid double counting.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Aviation Operations			
Federal Funds	\$ 1,555	\$ 3,055	\$ 1,752
Augmentations	829	868	554
Restricted Revenue ^a	5,342	5,907	5,320
TOTAL	<u>\$ 7,726</u>	<u>\$ 9,830</u>	<u>\$ 7,626</u>

Maintains and operates the Bureau of Aviation within the Department of Transportation, and all State-owned airports—the two largest being Harrisburg International (HIA) and Capital City. In addition to the costs shown, bond funds are used to finance direct capital project costs within this program. Bond expenditures are reflected in the Capital Budget section of this budget. Restricted revenue appropriated for Aviation Operations is shown as “Restricted Revenue.”

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Federal Funds:			
Airport Development Aid Program	\$ 45	\$ 86	\$ 72
Federal Aid — HIA	559	1,293	972
Federal Aid — Other State Airports	951	1,676	708
Augmentations:			
Reimbursements for Cost of Utility Services — HIA	483	494	223
Reimbursements for Cost of Utility Services — Other	85	60	31
Reimbursements — Flight Operations	261	300	300
Sale of Automobiles and Other Vehicles .....	.....	14	.....
Restricted Revenue:			
Aviation Operations ^a	5,342	5,907	5,320
TOTAL	<u>\$ 7,726</u>	<u>\$ 9,830</u>	<u>\$ 7,626</u>

^aAppropriation from restricted revenue account.

DEBT SERVICE REQUIREMENTS

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Highway and Bridge Authority Rentals			
State Funds	\$ 28,807	\$ 29,200	\$ 27,900

Makes rental payments to the State Highway and Bridge Authority for highways and bridges constructed with funds borrowed by the authority as a means of expanding the construction program beyond the level permitted by current revenues in previous years.

Bond borrowings since 1968 were made as General Obligations of the Commonwealth, for which debt service requirements are appropriated to the Treasury Department. State Highway and Bridge Authority rentals will continue for those projects currently under rental.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
State Highway and Bridge Authority Rentals	<u>\$ 28,807</u>	<u>\$ 29,200</u>	<u>\$ 27,900</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Local Road and Bridge Assistance			
State Funds	\$ 157,112	\$ 154,822	\$ 153,085
Federal Funds	503	977	850
Augmentations .....	.....	50	40
Restricted Revenue ^a	21,260	50,600	43,490
TOTAL	\$ 178,875	\$ 206,449	\$ 197,465

Provides financial aid to local municipalities to assist them in the maintenance and construction of their portion of the total highway system. With the passage of Act 32 of 1983 the local subsidy was set at 20 percent of the flat fuel tax and 20 percent of a portion (3.5 percent) of the current 6 percent oil franchise tax paid into the Motor License Fund. As part of the 1981 oil franchise tax legislation (which pre-empted all other similar taxes within the Commonwealth) Philadelphia receives a separate appropriation annually in an amount equal to two percent of the retail sales within the city less the increased allocation to Philadelphia. In addition, the General Assembly established in 1980 an annual appropriation of \$5 million to be returned to local governments for further highway improvements.

Payment of the funds to municipalities is closely regulated and controlled to determine that monies are expended for maintenance and construction of roads according to law. The distribution is made on a 50 percent mileage and 50 percent population formula.

Provides grants to local governments of up to 80 percent of the non-Federal cost of repairing, removing or replacing local bridges enumerated in the Highway Bridge Capital Budget Act of 1982-83. These grants are made from a restricted revenue account in the Motor License Fund and are shown above as "Restricted Revenue." Accompanying Federal funds are also shown in the amounts above.

Also provides funds from a restricted revenue account in the Motor License Fund for restoration projects and annual maintenance payments associated with the local turnback program. State funds expended from the restricted account are shown above as "Restricted Revenue."

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Local Road Maintenance and Construction Payments	\$ 150,998	\$ 148,721	\$ 147,158
Supplemental Local Road Maintenance and Construction Payments	5,000	5,000	5,000
Executive Authorization:			
Philadelphia Payment — Franchise Tax	1,114	1,101	927
Federal Funds:			
Federal Aid — Local Grants for Bridge Projects	503	977	850
Augmentations:			
Reimbursements — Local Governments .....	.....	50	40
Restricted Revenue:			
Local Grants for Bridge Projects ^a	7,856	36,700	29,400
Annual Maintenance Payments — Highway Transfer ^a	2,552	4,375	5,813
Restoration Projects — Highway Transfer ^a	10,852	9,525	8,277
TOTAL	\$ 178,875	\$ 206,449	\$ 197,465

MOTOR LICENSE FUND

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Airport Development			
Restricted Revenue ^a	\$ 2,200	\$ 2,750	\$ 4,000

Provides assistance to local governments and authorities for development of aeronautical facilities and rehabilitation of runways. Restricted revenues appropriated for Airport Development and runway rehabilitation are shown as "Restricted Revenue."

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Restricted Revenue:			
Airport Development ^a	\$ 2,200	\$ 2,750	\$ 3,500
Runway Rehabilitation ^a.....	.....	.....	500
TOTAL	<u>\$ 2,200</u>	<u>\$ 2,750</u>	<u>\$ 4,000</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Real Estate Tax Rebate			
Restricted Revenue ^a	\$ 220	\$ 231

As provided in Act 164 of 1984 all aviation gasoline revenues are dedicated to a real-estate rebate program for privately-owned public use airports within the Commonwealth. Restricted revenue appropriated for the Real Estate Tax Rebate Program is shown as "Restricted Revenue"...

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Restricted Revenue:			
Real Estate Tax Rebate ^a	<u>\$ 220</u>	<u>\$ 231</u>

^aAppropriation from restricted revenue account.

**LOTTERY FUND
GENERAL GOVERNMENT**

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Ridership Verification			
State Funds	\$ 218	\$ 100

Provides for rider verification audits within the Department of Transportation's Elderly Free Transit and Elderly Shared Rides Programs.

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Source of Funds			
Appropriation:			
Ridership Verification	<u>\$ 218</u>	<u>\$ 100</u>

GRANTS AND SUBSIDIES

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Transit for the Elderly			
State Funds	\$ 85,882	\$ 105,379	\$ 110,693

Allows elderly citizens to ride the Commonwealth's transit systems without charge during non-peak hours through the week and all day on weekends and holidays by providing the systems with cash subsidies. Also provides demand-responsive services and equipment grants particularly in rural areas that do not have fixed route systems.

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Source of Funds			
Executive Authorizations:			
Elderly Free Transit	\$ 56,656 ^a	\$ 65,079	\$ 70,393
Elderly Shared Rides	28,272 ^a	38,000	38,000
Demand Response Equipment Grants	954	2,300	2,300
TOTAL	<u>\$ 85,882</u>	<u>\$ 105,379</u>	<u>\$ 110,693</u>

^aPart of the Free Transit for the Elderly Executive Authorizations in 1984-85.

OTHER SPECIAL FUNDS**TRANSPORTATION**

	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Vehicle Registration			
State Funds	\$ 3,400	\$ 2,500	\$ 4,700

Transfers to the Motor License Fund as general revenue the amount of fees lost as a result of lower vehicle registration fees paid by the Commonwealth's Senior Citizen population.

<i>Source of Funds</i>	1984-85 Actual	(Dollar Amounts in Thousands) 1985-86 Available	1986-87 Budget
Executive Authorization:			
Transfer to Motor License Fund — Vehicle Registration — Elderly	<u>\$ 3,400</u>	<u>\$ 2,500</u>	<u>\$ 4,700</u>

Amounts Not Previously Detailed

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
General Fund			
Federal Grants — Capital Assistance Elderly and Handicapped Programs .....	.....	\$ 850	.....
Van Pool Leases — Contingency Costs .....	.....	10	.....
Federal Grants — Railroad Freight Rehabilitation	\$ 650	2,000	\$ 2,000
Federal Grants — Ridesharing Program	81	575	.....
Local Share — Railroad Freight Rehabilitation .....	.....	100	50
Reimbursements from Grantees — Ridesharing .....	.....	125	.....
User Fees — Ridesharing — State Employees .....	.....	25	.....
GENERAL FUND TOTAL	\$ 731	\$ 3,685	\$ 2,050
Motor License Fund			
Federal Reimbursements to Political Subdivisions — Highway Safety Program	\$ 2,128	\$ 4,000	\$ 4,000
Federal Reimbursements to Political Subdivisions — TOPICS	3,069	2,000	3,000
Federal Grants — Airport Development Aid Program .....	.....	500	2,500
Federal Reimbursements for Roads off the State System Costs .....	.....	8,100	5,000
Federal Urban System Funds .....	.....	27,000	20,000
Reimbursements to Municipalities — Vehicle Code Fines and Penalties	10,508	9,700	10,000
Reimbursement for Right-of-Way Costs .....	.....	20	.....
Federal Reimbursements — Flood Related Costs	539	2,000	2,000
Reimbursement to Other States — Apportioned Registration Plan	593	3,200	4,000
Land Use Under Elevated Highways .....	.....	50	.....
Federal Advances — Delaware Housing .....	.....	.....	.....
Federal Reimbursements — Bridge Projects	2,254	29,000	16,000
Motorcycle Safety Education	307	110	1,000
Cash Security Deposits — Motor Vehicle Responsibility	10	.....	.....
Equipment Rental Security Deposits .....	.....	50	50
Carpool Service Costs .....	.....	25	25
Advance Construction Interstate — FRANS .....	.....	.....	190,000
MOTOR LICENSE FUND TOTAL	\$ 19,408	\$ 85,755	\$ 257,575
Highway Beautification Fund			
Control of Junkyards	\$ 28	\$ 323	\$ 272
Control of Outdoor Advertising	292	484	346
HIGHWAY BEAUTIFICATION FUND TOTAL	\$ 320	\$ 807	\$ 618
Liquid Fuels Tax Fund			
Payments to Counties	\$ 24,185	\$ 25,030	\$ 26,060
LIQUID FUELS TAX FUND TOTAL	\$ 24,185	\$ 25,030	\$ 26,060
Oil Overcharge Fund			
ECONS Program .....	.....	.....	\$ 500
DEPARTMENT TOTAL	\$ 44,644	\$ 115,277	\$ 286,803

DEPARTMENT OF TRANSPORTATION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Administration and Support	\$ 22,049	\$ 22,442	\$ 23,219	\$ 24,079	\$ 24,973	\$ 25,903	\$ 26,870
Transportation Systems and Services	\$1,076,484	\$1,137,086	\$1,121,802	\$1,115,302	\$1,089,491	\$1,090,328	\$1,110,903
State Highway Improvement	136,707	164,445	170,734	158,655	130,361	101,467	94,774
State Highway Maintenance	582,076	609,425	589,500	589,500	589,500	613,000	633,000
Local Highway Assistance	157,112	154,822	154,825	155,217	155,674	156,235	157,560
Urban Mass Transportation	166,713	175,015	180,505	185,925	191,508	197,259	203,183
Rural and Intercity Rail and Bus Transportation	10,172	11,679	10,538	9,805	9,648	9,667	9,686
Air Transportation	200	300	200	200	200	200	200
State Bridges	23,504	21,400	15,500	16,000	12,600	12,500	12,500
Highway Safety	\$ 46,967	\$ 50,525	\$ 52,108	\$ 45,445	\$ 46,794	\$ 47,875	\$ 49,308
Highway Safety Projects	1,700	1,300	1,300	1,300	1,300	1,300	1,300
Safety Administration and Licensing ..	45,267	49,225	50,808	44,145	45,494	46,575	48,008
Elderly Transit	\$ 89,384	\$ 108,217	\$ 115,617	\$ 117,734	\$ 119,914	\$ 122,159	\$ 124,473
Elderly Transit	89,384	108,217	115,617	117,734	119,914	122,159	124,473
DEPARTMENT TOTAL	<u>\$1,234,884</u>	<u>\$1,318,270</u>	<u>\$1,312,746</u>	<u>\$1,302,560</u>	<u>\$1,281,172</u>	<u>\$1,286,265</u>	<u>\$1,311,554</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 152	\$ 172	\$ 157	\$ 164	\$ 170	\$ 177	\$ 184
Special Funds	21,897	22,270	23,062	23,915	24,803	25,726	26,686
Federal Funds	5	286	.....	.....	.....	.....	.....
Other Funds	1,073	462	458	469	469	469	469
TOTAL	\$ 23,127	\$ 23,190	\$ 23,677	\$ 24,548	\$ 25,442	\$ 26,372	\$ 27,339

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Mass Transportation Operations	\$ 152	\$ 172	\$ 157	\$ 164	\$ 170	\$ 177	\$ 184
MOTOR LICENSE FUND							
General Government Operations	\$ 20,335	\$ 20,545	\$ 21,337	\$ 22,190	\$ 23,078	\$ 24,001	\$ 24,961
Refunding Monies Collected Through the Department of Transportation	1,562	1,725	1,725	1,725	1,725	1,725	1,725
MOTOR LICENSE FUND TOTAL ...	\$ 21,897	\$ 22,270	\$ 23,062	\$ 23,915	24,803	25,726	26,686

State Highway Improvement

OBJECTIVE: To provide a highway system capable of meeting the more vital economic and recreational needs of the Commonwealth by affording a reasonably accessible means of transporting passengers and cargo.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 100	\$ 145	\$ 149	\$ 155	\$ 161	\$ 167	\$ 174
Special Funds	136,607	164,300	170,585	158,500	130,200	101,300	94,600
Federal Funds	277,886	444,600	551,900	349,500	304,200	301,500	301,500
Other Funds	8,902	8,777	200,018	128,481	48,338	9,360	9,383
TOTAL	\$ 423,495	\$ 617,822	\$ 922,652	\$ 636,636	\$ 482,899	\$ 412,327	\$ 405,657

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Vehicles miles traveled:							
Interstate highways (billions)	8,833	8,920	9,010	9,100	9,190	9,280	9,380
All other highways (billions)	46,574	47,040	47,510	47,990	48,460	48,950	49,440
Miles of highway requiring construction or reconstruction	915	892	872	852	827	812	785
Miles of highway constructed or reconstructed	63	100	100	105	95	107	100
Value of highway projects designed (thousands)	\$530,000	\$700,000	\$655,000	\$290,000	\$275,000	\$270,000	\$265,000
Value of highway construction lettings (thousands)	\$519,000	\$680,000	\$630,000	\$275,000	\$260,000	\$255,000	\$250,000

Program Analysis:

The State Highway Improvement program involves major construction and reconstruction of the Interstate highway system and the construction of high priority missing links. Bridge projects are included in the State Bridge subcategory.

A major priority of the transportation program continues to be the completion and reconstruction of Pennsylvania's Interstate Highway System. Discussion on the acceleration of this program can be found in the Advance Construction Interstate Program Revision Request.

Economic development of the Commonwealth will be further stimulated by the completion of various non-Interstate "missing links". These include the Route 22-220 complex in Blair and Cambria Counties, the Donora to I-70 Connector in Westmoreland County, the State College Bypass and the Southern Tier Expressway in Erie County.

With the passage of Act 251 in 1982, the department assumed the Commonwealth's "non-highway" coordinate

system responsibility. This function involves the placing of survey markers at various locations throughout the State for the purpose of developing maps and determining boundary lines.

The Recommended Program Costs include as part of Other Funds expenditures from the Highway Beautification Fund. These funds are expended by the department for control of outdoor advertising, control of junkyards, and landscaping and scenic development.

Also included in the Recommended Program Costs is \$500,000 as Other Funds in 1986-87 for Energy Conservation, Congestion Reduction and Safety Improvement projects. This recommendation is part of the Energy Conservation (Oil Overcharge) Program Revision Request which is presented in the appendix to the Energy Management and Conservation subcategory in the Executive Offices.

State Highway Improvement (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Pennsylvania Coordinate System	<u>\$ 100</u>	<u>\$ 145</u>	<u>\$ 149</u>	<u>\$ 155</u>	<u>\$ 161</u>	<u>\$ 167</u>	<u>\$ 174</u>
MOTOR LICENSE FUND							
Highway and Safety Improvement	\$ 107,800	\$ 119,300	\$ 142,685	\$ 132,700	\$ 106,100	\$ 83,200	\$ 82,200
Advance Construction Interstate . . . . .	. . . . .	15,800	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
State Highway and Bridge Authority							
Rentals	28,807	29,200	27,900	25,800	24,100	18,100	12,400
MOTOR LICENSE FUND TOTAL	<u>\$ 136,607</u>	<u>\$ 164,300</u>	<u>\$ 170,585</u>	<u>\$ 158,500</u>	<u>\$ 130,200</u>	<u>\$ 101,300</u>	<u>\$ 94,600</u>

**State Highway Improvement
Program Revision: Advance Construction Interstate**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Other Funds	\$ 190,000	\$ 119,000	\$ 39,000	.....	.....

Program Analysis:

There is a major reconstruction program presently underway to restore the Commonwealth's Interstate System to a high serviceability level. The Department of Transportation has committed the maximum amount of available Federal Interstate Restoration Funds to this effort. Included in this program has been the transfer of \$375 million of Interstate completion apportionments to Interstate restoration over four years as permitted by Federal Law.

A related objective is to have all interstate construction gaps under construction during the budget year and to have all segments open to traffic by 1990. Interstate Completion funds have been authorized by Congress through 1990.

Based on the imposition of projected Federal Obligation Limits Pennsylvania will not have sufficient Federal Funds to continue a high level of Interstate restoration and have

all interstate gaps completed by 1990. An alternative included in a provision of Federal Law allows the Commonwealth to utilize 100 percent State Funds in advance of future Federal Reimbursements. Under Advance Construction Interstate (ACI) states can undertake construction projects with current revenues or with borrowing Federal Revenue Anticipation Notes (FRANS) until Federal Funds become available. The ACI concept was proposed in the Governor's 1985-86 budget (\$15.8 million current revenues, \$29.5 million FRANS) and subsequently authorized by the General Assembly. This budget proposes the issuance of FRANS at \$190 million for 1986-87 and \$348 million in total to have all remaining Interstate gaps under construction during the budget year and open to traffic by 1990.

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
OTHER FUNDS							
Advance Construction Interstate							
FRANS	\$ 190,000	\$ 119,000	\$ 39,000	.....	.....

State Highway Maintenance

OBJECTIVE: To provide general routine maintenance, betterments and resurfacing necessary to preserve the quality of existing State-administered roads and to provide prompt winter services to enable the safe passage of vehicles.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 8	.....	.....	.....	.....	.....	.....
Special Funds	582,068	\$ 609,425	\$ 589,500	\$ 589,500	\$ 589,500	\$ 613,000	\$ 633,000
Federal Funds	124,687	162,620	148,000	148,000	148,000	148,000	148,000
Other Funds	6,472	19,230	19,050	19,050	19,050	19,050	19,050
TOTAL	\$ 713,235	\$ 791,275	\$ 756,550	\$ 756,550	\$ 756,550	\$ 780,050	\$ 800,050

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Miles of State maintained highways	43,019	42,518	42,157	41,909	41,682	41,462	41,263
Miles of State maintained highway improved:							
Resurfaced	668	635	552	548	548	608	688
Surface treated	6,322	5,574	5,662	5,448	5,448	5,448	5,448
Total	6,990	6,209	6,214	5,996	5,996	6,056	6,136
Maintenance:							
Tons of patching material applied	201,000	174,000	185,000	185,000	185,000	185,000	185,000
Miles of shoulder grading and cutting	27,934	27,027	27,000	27,000	27,000	27,000	27,000
Value of major maintenance contract lettings (in thousands)	\$208,500	\$210,000	\$211,500	\$192,000	\$192,000	\$207,000	\$227,000
Value of other maintenance contracts (in thousands)	\$76,200	\$75,000	\$78,500	\$77,800	\$77,800	\$77,800	\$77,800
Hauling and Occupancy Permits Issued:							
Over weight/over size	177,500	180,000	180,000	180,000	180,000	180,000	180,000
Posted Highway/Bridge/Hill	750	750	750	750	750	750	750
Occupancy	25,350	21,000	21,000	21,000	21,000	21,000	21,000
Truck weight and safety enforcement							
Trucks weighed	391,400	392,000	392,000	392,000	392,000	392,000	392,000
Weight violations	6,067	5,700	5,800	5,900	6,000	6,000	6,100
Trucks inspected	28,828	6,000	6,500	7,000	8,000	8,000	8,000
Safety violations	7,955	1,500	1,700	1,800	2,000	2,000	2,000

Program Analysis:

Pennsylvania, with one of the largest State maintained highway systems in the nation and one which is subjected to severe winters, is faced with significant and challenging maintenance demands.

Revenue initiatives passed by the General Assembly in 1983 have assured the critical funding necessary for surface improvements and general maintenance.

The 1986-87 highway maintenance budget will allow the

department to continue to emphasize Pennsylvania's program for durable resurfacing of high-volume primary highways. Pennsylvania has about 10,000 miles of primary highways which carry high volumes of truck traffic. The department has labelled these highways the Priority Commercial Network. Rehabilitation projects on the Priority Commercial Network, which cost \$250,000 per mile and up, involve drainage improvements, base repair, guiderail in-

State Highway Maintenance (continued)

Program Analysis: (continued)

stallation, shoulder stabilization, and bituminous overlays of 1.5-5 inches or joint repair/slab replacement for certain concrete sections.

The department no longer uses thin bituminous overlays which had been used both on primary highways and secondary roads prior to 1979. These applications had an unacceptably high failure rate with failures creating a series of shallow potholes. Instead, the department has extended its surface treatment program along the lines of other states and many local governments. Surface treatment projects, which cost \$20,000 per mile and up, involve drainage improvements, base repair, bituminous "scratch coat" where needed to restore the road's cross-section, and an oil-aggregate application. Double oil-aggregate applications and pre-coated aggregate can be used on higher volume roads. Over 30,000 miles of the State system can be economically repaired using surface treatment techniques (surface treatment is not applicable to the State's 2,000 miles of stabilized roads).

Department efforts have been reoriented toward preventive maintenance on all roads. Drainage-related activities are those which get water off the road and keep it off the road. These include pipe replacement, ditch cleaning, shoulder cutting/grading, oil and aggregate skin patching and joint/crack sealing.

The department has set a goal of over 6,000 miles of surface improvement for 1986-87. The appropriation request of \$600 million will provide for approximately 552 miles of resurfacing and approximately 5,662 miles of surface treatment and surface repairs. All the higher cost per mile resurfacing and approximately 50 percent of the surface treatment miles will be completed by contract. The total miles of surface improvement on State highways for the future years is kept at a relatively constant level by applying projected productivity savings to the surface improvement program and moving aggressively on the State highway turn-

back program. The level of resurfacing and surface treatment as projected in future years provides for a desired 15-20 year and 5-7 year improvements cycle, respectively.

A separate appropriation of \$1.5 million is recommended to continue the second year of the department's four-year salt storage building program.

The department issues special permits to truck operators in the cases of weight restrictions or special operating restrictions on certain highways and bridges. By issuing these permits the department is able to facilitate economic growth in the Commonwealth without adversely affecting the structural integrity of the highways and bridges or the safe and convenient passage of traffic.

The truck weight and safety enforcement program is credited with reducing maintenance costs for highways and bridges and increasing the safety of the public by minimizing the number of dangerously overloaded trucks. A new concept in weighing high volumes of trucks has been implemented. Semi-permanent weigh stations incorporate mobile, high-speed, weigh-in-motion equipment and instrumentation with existing road side rest areas. The program yields greater effectiveness at a fraction of the cost to construct permanent weigh stations. Weight teams also check critical safety items on vehicles in conjunction with weight enforcement as a part of the Motor Carrier Safety Assistance program. Beginning in 1985-86 the number of truck inspections and safety violations drop substantially due to the implementation of new Federal Motor Carrier Regulations. These regulations will require much more lengthy inspections. As department personnel became more familiar with these regulations an increased number of inspections will result.

State bridge projects funded out of the Highway Maintenance appropriation are shown within the State Bridge subcategory.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Indiantown Gap National Cemetery	\$ 8						
MOTOR LICENSE FUND							
Highway Maintenance	\$ 530,496	\$ 535,181	\$ 535,924	\$ 535,755	\$ 535,576	\$ 560,389	\$ 580,193
Highway Maintenance Supplemental		5,401					
Secondary Roads—Maintenance and Resurfacing	51,572	51,843	52,076	52,245	52,424	52,611	52,807
Salt Storage Buildings		1,500	1,500	1,500	1,500		
Heavy Equipment Acquisition		15,500					
MOTOR LICENSE FUND TOTAL	\$ 582,068	\$ 609,425	\$ 589,500	\$ 589,500	\$ 589,500	\$ 613,000	\$ 633,000

Local Highway Assistance

OBJECTIVE: To assist local governments in the maintenance and construction of their portion of the total highway system.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	\$ 157,112	\$ 154,822	\$ 154,825	\$ 155,217	\$ 155,674	\$ 156,235	\$ 157,560
Federal Funds	503	977	4,050	4,000	3,800	3,800	3,800
Other Funds	58,207	129,505	111,615	113,431	107,279	129,472	125,070
TOTAL	\$ 215,822	\$ 285,304	\$ 270,490	\$ 272,648	\$ 266,753	\$ 289,507	\$ 286,430

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Miles of highway locally administered:							
Total	68,450	69,010	69,588	70,096	70,503	70,858	71,193
Percent of all highways in the Commonwealth	61.4%	61.9%	62.3%	62.6%	62.8%	63.1%	63.3%
Miles of local highways improved	1,326	1,200	1,100	1,000	900	800	800
Local bridges:							
Total	28,510	28,515	28,520	28,525	28,530	28,535	28,544
Substandard	11,148	11,481	11,763	12,045	12,376	12,687	12,972
Brought up to standard through axle-tax bridge program	42	93	93	44	64	90	150

Program Analysis:

The Commonwealth provides a number of financial programs to assist municipalities in the maintenance and construction of their highway bridge systems.

Nearly twenty percent of Pennsylvania's twelve cents per gallon liquid fuels tax and twenty percent of the thirty-five mills of the oil franchise tax are currently made available to local governments for use on their roads as a result of the following legislatively mandated programs. The first one-half cent of the twelve cent gallonage tax is deposited directly into the Liquid Fuels Tax Fund and apportioned to the 67 counties. Of the remaining eleven and one-half cent fuels tax, twenty percent is distributed from the Motor License Fund to 2,572 municipalities. Also included in the distribution to municipalities is twenty percent of 3.5 percent of the current 6 percent oil franchise tax. As part of the oil franchise tax legislation, Philadelphia receives a separate payment annually in an amount equal to two percent of the retail sales within the City less the increased allocation to Philadelphia. In addition, the General Assembly established in 1980 an annual appropriation of \$5 million to be returned to local governments for further highway improvements.

Since the distribution of the above mentioned State grants between maintenance and construction activities is determined by local governments, the number of local miles improved shown for 1984-85 and future years represents a rough estimate of program outputs based on 1983-84 program levels. It is assumed that in the future all estimated road improvements will begin to decrease as the local municipalities place more of an emphasis on road maintenance as opposed to road reconstruction.

Act 32 of 1983 established a local highway turnback program by authorizing the establishment of a separate restricted revenue account within the Motor License Fund. Funding for this program currently consists of three mills of the oil franchise tax. Funds collected into this account are used for restoration work to bring the road up to acceptable standard and to provide an annual maintenance payment in the amount of \$2,500 per mile. The department has the funding mechanism and legal authority to pursue a long standing proposal to return approximately 12,000 miles of functionally-local highways to the Commonwealth's municipalities. At the current level of funding about 6,000 miles of State roads will eventually be turned back to local

Local Highway Assistance (continued)

Program Analysis: (continued)

governments. The restoration and annual maintenance payment executive authorizations are shown only as a part of Other Funds in the Recommended Program Costs.

Currently approximately 39 percent of the over 28,000 local bridges are substandard. In recognition of this bridge problem at the local, as well as the State level, the General Assembly passed the Highway Bridge Capital Act of 1982-83. Provided with this legislation, the Department of Transportation has taken an active role in assisting Pennsylvania's municipalities in the replacement and rehabilitation of their bridges. The department possesses the authority to grant monies to local governments for the replacement and repair of more than 400 local bridges throughout the Commonwealth. The 1984-85 data for local bridges brought up to standard through the axle tax bridge program is lower than what was shown in last years budget due to a slower rate of local bridge project lettings than anticipated. The data for the future years show increases in order to reflect the impact of a second phase of the Bridge Restoration and Replacement Program. Details of Phase II are presented in the Program Revision following the State Bridge subcategory. The local bridge executive authorization from the axle tax-bridge restricted revenue account is shown only as

a part of Other Funds in the Recommended Program Costs.

As authorized in Act 234 of 1982, a \$36 per axle tax on heavy trucks is being used in conjunction with matching Federal and local funds as the mechanism to fund the local and State bridge projects. This tax is currently being challenged in the courts. In the event this revenue generating provision is determined to be unconstitutional remedial legislation will be sought to continue the necessary replacement and rehabilitation bridge projects.

This budget proposes a separate appropriation for local bridge inspection work. The work to be performed involves primarily "catch-up" postings which cannot carry legal loads at operating stress levels. The program would be administered by the department and is intended to assist local governments in meeting the requirements of National Bridge Inspection Standards as mandated by Federal law. This action will eliminate the potential loss of Federal aid for non-compliance with standards as well as minimizing future tort liability in this area. Given the benefits to be realized by local governments, it is proposed that the State funds needed to support this program be deducted from their liquid fuels tax allocations. Legislation will be required to implement this proposal.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
MOTOR LICENSE FUND							
Local Bridge Inspection			\$ 1,740	\$ 800	\$ 800	\$ 800	\$ 800
Local Road Maintenance and Construction Payments	\$ 150,998	\$ 148,721	147,158	148,523	149,013	149,523	150,797
Supplemental Local Road Maintenance and Construction Payments	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Philadelphia Payment — Franchise Tax .	1,114	1,101	927	894	861	912	963
MOTOR LICENSE FUND TOTAL...	<u>\$ 157,112</u>	<u>\$ 154,822</u>	<u>\$ 154,825</u>	<u>\$ 155,217</u>	<u>\$ 155,674</u>	<u>\$ 156,235</u>	<u>\$ 157,560</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 166,713	\$ 175,015	\$ 180,505	\$ 185,925	\$ 191,508	\$ 197,259	\$ 203,183
Federal Funds	32,656	8,279	2,427	2,427	2,427	2,427	2,427
Other Funds	449	1,760	284	294	304	314	324
TOTAL	\$ 199,818	\$ 185,054	\$ 183,216	\$ 188,646	\$ 194,239	\$ 200,000	\$ 205,934

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Urban mass transit person-trips:							
Millions annually	390.1	388.5	387.4	386.1	384.9	383.8	382.7
Percent of urban trips ^a	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Percent of urban work trips ^a	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%
Percent of Philadelphia and Pittsburgh work trips ^a	15.5%	15.5%	15.5%	15.5%	15.5%	15.5%	15.5%
Urban passengers carried by State-assisted operators: (millions annually)	372.2%	370.6%	369.5%	368.3%	367.0%	365.9%	364.8
Cost of average urban mass transit trips: ^b							
To user	76.3¢	86.8¢	91.1¢	99.5¢	107.9¢	117.2¢	127.7¢
To Commonwealth	60.7¢	65.9¢	69.5¢	72.9¢	76.2¢	79.6¢	88.0¢
To Federal Government	13.9¢	15.5¢	11.0¢	9.9¢	9.1¢	8.5¢	8.0¢
To Local Government	18.6¢	17.6¢	18.6¢	19.2¢	19.9¢	20.5¢	21.2¢
Total cost	\$1.65	\$1.81	\$1.95	\$2.09	\$2.23	\$2.39	\$2.55

^aAuto and transit trips only.

^bState-assisted carriers only.

Program Analysis:

One of the major achievements of the Commonwealth's transit program has been the formulation and passage by the General Assembly of a predictable funding program for urban transit agencies.

Prior to the passage of Act 101 of 1980 transit operators were subsidized up to 66⅔ percent of their actual net fare-box loss—expenses less fares, Lottery Fund grants and Federal subsidies—with the remaining 33⅓ percent furnished by local governments. The State subsidy under Act 101 was changed to a minimum of 66⅔ percent of the calculated loss, with certain efficiency incentives established that, if met, enabled the operators to be subsidized by the Commonwealth for as much as 75 percent of their losses, thereby reducing the local government share to 25 percent.

In recognition of the evergrowing cost of providing ade-

quate mass transit services, Act 49 of 1984 revised upward the assumed revenue factor used in calculating State grants to the transit agencies. While this change was intended to recognize the higher efficiencies and fare box revenues being realized by mass transit agencies, Act 49 did allow transit agencies to utilize actual revenues in excess of assumed revenues for any purpose for the furtherance of service. Additionally, Act 49 increased the Lottery Fund fare reimbursements for the free transit program from 75 percent to 100 percent. This increase in Lottery funds has assisted the urban transit systems in reducing their operating deficits.

This budget proposes a General Fund subsidy of \$180 million which represents a 3.1 percent increase over the available year and \$108.4 million from the Lottery Fund, a 5.9 percent increase. In addition a capital budget of \$26.9

Urban Mass Transportation (continued)

Program Analysis: (continued)

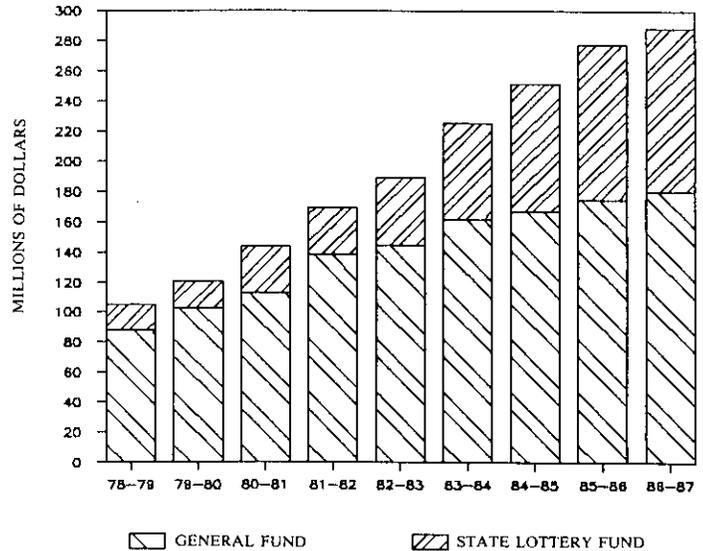
million is proposed for transit equipment and related infrastructure improvements. The Lottery Fund grant amounts are reflected in the Elderly Transit subcategory Recommended Program Costs (see chart for total General Fund and Lottery Fund transit subsidies). This represents a sizeable State commitment to mass transit.

Consideration should be given to studying the feasibility of an alternate State funding formula. The current formula is more complex than is necessary and does not reflect constructive incentives to fairly distribute appropriated funds.

Local transit tax enabling legislation should be considered to provide a long-term source of funding for mass transit. A stable locally-enacted revenue source would make possible a true State-local partnership in what is threatening to become a predominately State funded program.

The data for the "Cost of average urban transit trips to user" shows increases versus last year's budget due to anticipated fare increases by the transit authorities.

MASS TRANSIT OPERATING ASSISTANCE



Program Costs by Appropriation:

	1984-85	1985-86	(Dollar Amounts in Thousands)				
			1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Mass Transportation Operations	\$ 436	\$ 490	\$ 505	\$ 525	\$ 546	\$ 568	\$ 591
Mass Transportation Assistance	166,277	174,525	180,000	185,400	190,962	196,691	202,592
GENERAL FUND TOTAL	<u>\$ 166,713</u>	<u>\$ 175,015</u>	<u>\$ 180,505</u>	<u>\$ 185,925</u>	<u>\$ 191,508</u>	<u>\$ 197,259</u>	<u>\$ 203,183</u>

Rural and Intercity Rail and Bus Transportation

OBJECTIVE: To facilitate the development of improved rail passenger and cargo service between major urban areas of the Commonwealth, thereby providing relief for the frequent utilization beyond capacity of intercity highway and air systems, and to provide bus service that will increase the mobility of those rural Pennsylvanians who lack access to an automobile.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 10,172	\$ 11,679	\$ 10,538	\$ 9,805	\$ 9,648	\$ 9,667	\$ 9,686
Federal Funds	8,442	7,565	8,066	6,302	5,520	4,712	4,914
Other Funds	907	2,567	2,200	2,206	2,212	2,218	2,224
TOTAL	\$ 19,521	\$ 21,811	\$ 20,804	\$ 18,313	\$ 17,380	\$ 16,597	\$ 16,824

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Bus Transportation:							
Rural and small urban passengers	3,518,000	3,725,000	3,839,000	3,925,000	4,051,000	4,183,000	4,305,772
Intercity passengers	259,000	275,000	385,000	417,000	453,000	492,000	515,000
Total cost per passenger:							
Rural and small urban	\$1.93	\$2.02	\$2.11	\$2.21	\$2.27	\$2.35	\$2.44
Intercity	\$10.15	\$11.30	\$11.60	\$11.90	\$12.20	\$12.50	\$12.80
Average fare:							
Rural and small urban	\$.93	\$.93	\$.93	\$.99	\$1.02	\$1.04	\$1.07
Intercity	\$5.66	\$5.70	\$5.80	\$5.90	\$6.00	\$6.10	\$6.20
Rail Passenger:							
Average fare	\$12.23	\$12.23	\$12.37	\$12.69	\$13.04	\$13.49	\$13.95
State cost per patron on assisted runs ...	\$5.00	\$7.78	\$8.30	\$9.00	\$9.75	\$10.08	\$10.44
Rail Freight:							
Miles of rail lines:							
State assisted	256	230	230	230	230	230	230
State owned	181	155	155	155	155	155	155
Miles of rail lines rehabilitated:							
Federal/local assistance program	25	25	25	25	25	25	25
Emergency rail freight assistance program	50	50	50	50	50	50	50

Program Analysis:

Commonwealth activities involve four separate intercity and/or rural transportation programs: rural and small urban area public transit similar in nature, if not in scope, to SEPTA in Philadelphia and PAT in Pittsburgh; intercity bus service of the nature operated by Greyhound and Trailways; intercity rail passenger service operated by Amtrak and rail freight service of importance to local shippers on the State's Rail Branchline System.

Act 10 of 1976 provided the Pennsylvania Department of Transportation with the legislative authorization to provide financial assistance to the Commonwealth's small urban and rural public transportation systems. In 1978, the Federal government passed similar legislation which made Federal funding available for rural and small urban transit systems. The Federal funds are apportioned to each state based on rural population distribution as determined by the U.S. Cen-

Rural and Intercity Rail and Bus Transportation (continued)

Program Analysis: (continued)

sus Bureau. The Pennsylvania Department of Transportation administers the Federal funding apportioned to Pennsylvania.

Through 1984-85, nearly \$23 million in Federal funding has been obligated for rural transit projects in Pennsylvania. Approximately \$14 million has been expended for operating subsidies and \$7 million for facilities and equipment. During 1984-85, 19 rural transit systems shared in the allocation of \$2.7 million of Federal operating assistance, \$1.2 million of State operating assistance and \$1.2 million in lottery reimbursements. These 19 systems served all or parts of 23 counties and provided nearly 4 million rides.

In many areas, rural transit systems funded through this appropriation provide the only alternative to private auto transport. While the total funding request is not as large as other State administered transit programs, the importance of the programs and the financial impact on the State's rural communities are significant.

The department will continue to reward rural transit systems which exhibit improved performance and efficiency through a program of incentive grants. Systems which show improved performance through increases in ridership per hour of service offered, revenue per hour of service, or a decrease in subsidy per passenger, are awarded additional State operating assistance. The 1986-87 Budget includes a small allowance for the State share of small capital projects (total cost less than \$100,000) not eligible for bond financing under the State's system of capital project budgeting.

The 1986-87 Budget will enable the department to support continuation of essential intercity bus services on a minimum of thirteen routes, with provision for at least one new project. It is estimated that approximately 385,000 passengers will utilize these services during 1986-87.

Effects of the Federal Bus Regulatory Reform Act of 1982 are reflected in the 1986-87 Budget. The department continues to experience a significant increase in the number of inquiries regarding intercity bus operating assistance. With the regulation of service termination having been relaxed considerably, there has been a trend toward redirection of resources toward the more profitable charter market at the expense of scheduled public transportation services. There are numerous routes throughout the Commonwealth which transport a substantial number of passengers but operate below the break-even point. As private operators propose termination of such services, the department will continue to evaluate the economic and social impacts of service termination and the merits of public subsidy. Where warranted and providing adequate funding is available, the department will consider providing financial support to continue these services based on the following criteria: strong ridership base, reasonable cost recovery through passenger fares, reasonable expenses, availability of alternative modes of

travel within the corridor and preserving the spirit of competition encouraged by deregulation.

The department will continue to review and revise (if appropriate) program policies to assure a viable network of intercity bus service throughout the Commonwealth, within the limits of available funding.

The data for bus transportation—intercity passengers is lower in 1984-85 than projected in last year's budget due to slower than anticipated ridership recovery from the Greyhound strike which occurred during 1983-84. The higher cost per passenger and higher average fare for intercity bus transportation versus last year's budget is due to projected higher industry expenses and declining ridership.

Intercity rail passenger service in Pennsylvania as distinguished from local or regional commuter service is presently provided by the National Railroad Passenger Corporation (Amtrak). The majority of it is operated as part of Amtrak's National System without financial assistance from the Commonwealth. However, service frequency or scheduling on some Amtrak routes has been found to be insufficient to meet Pennsylvania's needs, and in other cases, communities on routes not on the Amtrak System have asked that service be established. To meet such needs, the department has taken advantage of Federal law which directs the corporation to cooperate with a state which makes application for additional service or establishment of a new route. Funds are included in Amtrak's annual budget to finance its share of capital costs and operating deficits incurred to equip and operate such service, as long as matching State funding is available. The funding ratio for operating deficits applicable to Pennsylvania's sponsored services planned for 1986-87 is 35 percent Amtrak, 65 percent State for established service and 55 percent Amtrak, 45 percent State for the first twelve months of new services.

Current state-supported service includes one daily round trip between Pittsburgh and New York City (the Pennsylvanian) and 23 weekly one-way trips between Harrisburg and Philadelphia (Keystone). It is anticipated that the budget amount will also support 12 months of one additional daily round trip between Pittsburgh and Philadelphia. The program measures do not reflect funding for potential experimental services or an increased level of Commonwealth-supported marketing activities.

The higher average fare and higher State cost for rail passenger versus last year's budget is due to the increase in trip length of average fares.

The vast majority of the rail freight projects that have been implemented since 1976 were funded through the Federal Local Rail Service Assistance program, which provided from 70 to 100 percent Federal share of project costs (depending on the program year and type of project). Since lines that were excluded from the Conrail system ceased to

Rural and Intercity Rail and Bus Transportation (continued)

Program Analysis: (continued)

be eligible for additional Federal funding in 1981, only those lines were continued that had a good chance at long-term operation. Those lines are being continued with a combination of State and local funds and have been acquired with Federal, State and local funds. In addition, operating assistance is being provided to the Delaware and Hudson Railway with State funds.

The Delaware and Hudson provides essential freight services to a number of communities in northeastern Pennsylvania. It also provides a through-route to New England which has the potential of being an important route for Pennsylvania coal. Twenty-two branch lines are receiving some sort of assistance (maintenance, rehabilitation and/or operating subsidies). The nineteen active lines being served carry approximately 25,000 carloads annually to 90 shippers. For the lines continuing in the program that were acquired by the Commonwealth or are already publicly owned, the State will fund one-half of the operating deficit (excluding maintenance-of-way). The State will bear 80 percent of the maintenance-of-way costs. The Federal program has been restructured, and continued Federal funds will be available for only rehabilitation, construction and acquisitions, at 70 percent of total project costs. Depending on the

type and cost of projects selected for Federal funding, some State rail funds will be used as a partial match. Larger projects will be funded through a restricted receipt account with no State funding involved.

As a result of the Northeast Rail Service Act of 1981, Conrail was granted an expedited abandonment procedure. Conrail has abandoned in excess of 1,200 miles in Pennsylvania of which 370 miles were determined eligible for State assistance if purchased privately from Conrail. The department has provided assistance for emergency accelerated maintenance work on twenty-eight branch lines totalling 151 miles purchased privately from Conrail. This assistance was at the 80 percent level. Currently, the department is monitoring the third round of the expedited abandonments by Conrail and is developing preservation strategies for branch lines acquired by local groups. Also, technical assistance is being provided by the department to any local groups that are interested in retaining rail freight service. The number of rail freight lines receiving State assistance is down versus last year's budget due to the Federal Government's prohibition of further abandonments by Conrail. This program provides funding for the first year of a two year program to inspect all 128 bridges on Commonwealth-owned rail lines.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Mass Transportation Operations	\$ 370	\$ 418	\$ 430	\$ 447	\$ 465	\$ 484	\$ 503
Comprehensive Rail Study	10	250	250	.....	.....	.....	.....
Railroad Bridge Inspections .....	.....	.....	175	175	.....	.....	.....
Rural and Intercity Rail and Bus							
Transportation	3,803	5,535	5,435	5,435	5,435	5,435	5,435
Freight Rail Assistance	4,389	4,594	3,748	3,748	3,748	3,748	3,748
High Speed Intercity Rail Passenger							
Commission	1,600	882	500	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 10,172	\$ 11,679	\$ 10,538	\$ 9,805	\$ 9,648	\$ 9,667	\$ 9,686

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 200	\$ 300	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
Federal Funds	1,554	3,055	1,752	76	77	81	86
Other Funds	8,371	10,245	12,605	9,711	9,837	9,967	10,102
TOTAL	\$ 10,125	\$ 13,600	\$ 14,557	\$ 9,987	\$ 10,114	\$ 10,248	\$ 10,388

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Total landing areas:							
Public use	173	175	176	178	179	180	182
Personal use	643	680	715	740	765	800	825
Harrisburg International Airport:							
Passengers handled	760,045	816,481	876,919	942,192	1,012,687	1,088,822	1,149,822
Flights handled	162,712	182,571	205,210	231,018	260,440	293,981	314,842
Tons of cargo handled	20,852	21,783	22,761	23,788	24,866	26,088	28,301
Operating surplus	773,000	635,000	2,198,272	109,666	109,666	109,666	109,666
Capital expenditures	\$488,285	\$1,179,000	1,424,998	\$5,788,000	\$21,271,100	\$500,000	\$500,000
Value of airport development grants (thousands)	\$ 2,200	\$ 2,750	\$ 3,500	$ 3,500	$ 3,500	$ 3,500	$ 3,500

Program Analysis:

Aviation plays a major role in the movement of passengers and cargo throughout the Commonwealth. With 816 landing areas, Pennsylvania is fifth nationally in both the number of airports and in landing facilities per square mile. In addition to facilitating the movement of people and goods, air transportation facilities bring substantial benefits to the State directly through air transportation or related jobs and indirectly through additional incentives to industry to locate and conduct business in Pennsylvania. To insure these benefits of air transportation, the Department of Transportation currently operates four airports and participates each year in the funding of numerous improvement projects at non-State owned public airports.

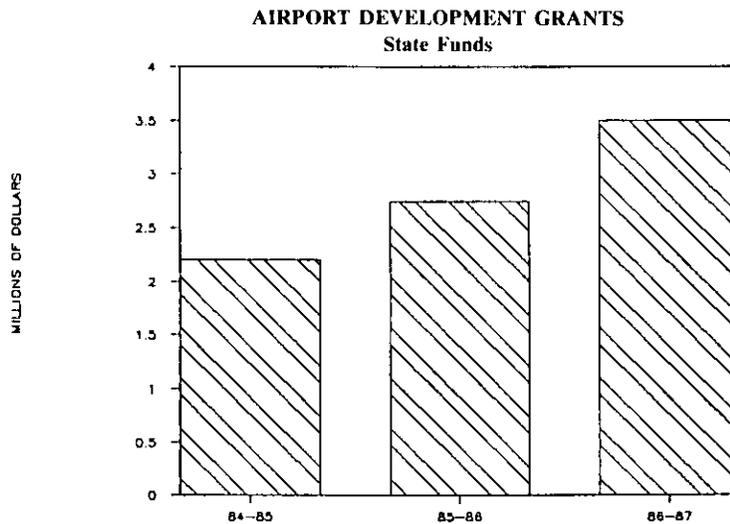
Air passenger service in Pennsylvania is provided by 15 of the nation's 29 major and national carriers, 18 regional airlines, and 2 foreign airlines. The State has two of the most active airports in the country—Pittsburgh ranks 12th and Philadelphia ranks 14th nationally in terms of originating passengers. These two airports account for 90 percent of all airline enplanements in Pennsylvania. Four additional

public airports provide scheduled passenger service with air carriers; 11 other public airports are served with commuter airlines. The other 140 public use airports in the State are general aviation fields, and the approximately 370 remaining airports in Pennsylvania are privately-owned and operated for corporate, agricultural, recreational or experimental use. In addition, 279 heliports and 10 seaplane bases provide for a total of 816 landing facilities in Pennsylvania. A landing facility is defined as any area suitable for landing aircraft and licensed as such by the Department of Transportation's Bureau of Aviation.

With the exception of Harrisburg International Airport (HIA), which is owned by the Commonwealth all airline service airports in Pennsylvania are operated by local governments or authorities. A longstanding department objective has been to transfer ownership of the Harrisburg International Airport to a local authority. This budget assumes that the transfer to include both the Harrisburg International and Capital City Airports will occur within the 1986-87 budget year. Although HIA/Capital City Airport divestiture is an-

Air Transportation (continued)

Program Analysis: (continued)



anticipated in 1986 future year measures are shown for comparative purposes.

While air cargo has received less public attention than passenger service, airline freight has resumed the consistent growth pattern of the early 1970's and a promising future is predicted for air cargo. Given the aviation industry's inherent time advantages and the increased capability in handling cargo containers, tonnage is expected to rise. This increased activity is being experienced in particular at the Harrisburg International Airport and is reflected in the program measures. Harrisburg International Airport is also continuing to show steady growth in passengers handled. The number of passengers handled in 1984 at this State-owned facility increased over 1983. The data shown for "passengers handled" and "flights handled" is higher than the data shown in last year's budget due to an improving national economy and increased airline services at the Harrisburg International Airport. The data shown for "Harrisburg International Airport: Operating Surplus" is generally higher than in last years' budget due to recent increases in rental rates and landing fees and the fact that the department is holding the line on all unnecessary expenditures.

The Pennsylvania Transportation Commission's 12 year Aviation Program, combined with the Statewide Aviation Plan, provides basic guidelines for allocation of those resources available to the Commonwealth for aviation activities. However, economic and energy problems and the use of more fuel efficient aircraft have in the past had a deleterious effect on the restricted revenue account that provides funds for these programs. In recognition of this the General Assembly recently passed a comprehensive funding program. Act 164 of 1984 increased both the aviation and jet fuels taxes and created the following new programs: a rebate program for real estate taxes paid by privately-owned public use airports, a revolving loan program for airport

development, a runway marking program, a highway directional sign program to install directional signs to airports and a high visibility marker program to mark power lines near runways.

The pattern of air passenger service today continues to involve a heavy concentration of scheduled service for major cities, particularly Philadelphia and Pittsburgh, with reduced service between cities of moderate size. Improved North-South service is needed in central Pennsylvania. The small to medium size communities that provide commuter service have fairly adequate service to the major terminals. As a result, the present system is apparently adequate to meet current needs of those citizens who utilize the major trunk line routes, but is less than satisfactory to meet the needs of medium-sized and small communities.

Future needs of Pennsylvania's citizens will exceed the existing system, particularly adding to the congestion already affecting major air terminals. The continued increase of air passenger travel has added to the congestion of large city airport facilities, while creating additional demand for better facilities to serve smaller airports. The State aviation system plan does provide the basis for future development of adequate air passenger service for the Commonwealth.

The recommended aviation budget for 1986-87 includes the initiation of a grant program to restore and extend the life of runways and taxiways at public airports. Many airports are experiencing cracking in these bituminous surfaces. This problem if left uncorrected will result in continued deterioration due to seepage of ice, water, and anti-skid materials. The grants will pay for the entire cost of the contract repair with the airport owner required to provide engineering and administrative work.

Appropriations from aviation restricted revenues are shown only as part of Other Funds in the Recommended Program Costs.

Air Transportation (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Civil Air Patrol.....	<u>\$ 200</u>	<u>\$ 300</u>	$ 200	$ 200	$ 200	$ 200	<u>\$ 200</u>

State Bridges

OBJECTIVE: To provide a highway bridge system capable of meeting the more vital economic and recreational needs of the Commonwealth by affording a reasonably accessible means of transporting passengers and cargo.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	\$ 23,504	\$ 21,400	\$ 15,500	\$ 16,000	\$ 12,600	\$ 12,500	\$ 12,500
Federal Funds	172,940	206,184	135,600	123,500	94,800	96,100	86,500
Other Funds	57,248	117,200	113,600	40,100	24,750	41,400	37,200
Subtotal	\$ 253,692	\$ 344,784	\$ 264,700	\$ 179,600	\$ 132,150	\$ 150,000	136,200
Bond Funds ^a .....	.....	.....	\$ 66,000	\$ 107,000	\$ 28,000	.....	.....
TOTAL	\$ 253,692	\$ 344,784	\$ 330,700	\$ 286,600	\$ 160,150	\$ 150,000	\$ 136,200

^aExcluded from all summary presentations.

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Bridges maintained	26,485	26,500	26,515	26,530	26,545	26,560	26,575
Bridges with weight restrictions	1,082	2,010	1,945	1,877	1,818	1,731	1,656
Bridges replaced or repaired	248	265	201	218	275	250	250
Bridges designed	265	201	218	275	250	250	250
Value of bridges designed (in thousands) ..	\$ 300,000	\$ 195,000	\$ 80,000	\$ 130,000	\$ 100,000	\$ 100,000	\$ 100,000
Value of bridge lettings (in thousands)	\$ 244,000	\$ 300,000	\$ 195,000	\$ 80,000	\$ 130,000	\$ 100,000	\$ 100,000

Program Analysis:

Pennsylvania with over 26,000 bridges has one of the largest state owned bridge systems in the nation. Many of these bridges are either structurally deficient, functionally obsolete or restricted because of vehicle weight considerations.

Recognizing the importance of bridges to the Commonwealth's transportation network, in 1982 the General Assembly passed companion bills (Acts 234 and 235) establishing a restricted revenue account within the Motor License Fund for the purpose of financing over 500 specified State bridge projects. These bridge projects are funded with Federal, local and other funds. The other funds are generated through a \$36 per axle fee on all heavy trucks travelling within the Commonwealth. In addition to State

bridge projects funded through the axle-tax bridge program, bridge funding will also continue to be available within the Highway Maintenance and Highway Improvement appropriations.

With the additional axle-tax revenues authorized by the State Legislature, the Department of Transportation is continuing the most comprehensive bridge replacement/rehabilitation program in the nation. The department's program will affect bridges of all sizes and in every region of the Commonwealth. Efforts will be concentrated on opening closed bridges and on repairing bridges in order to remove posted weight restrictions. In total some 901 State bridges are programmed for repair/replacement during the five year period beginning July 1985. Some of the major

State Bridges (continued)

Program Analysis: (continued)

bridges under construction include Towanda Bridge in Bradford County, Clarks Ferry Bridge in Dauphin County and the Bloomfield Bridge and the Clarton-Glassport Bridge in Allegheny County. Major bridge projects scheduled for construction in 1985-86 include the Clarion River Bridge in Clarion County, the Mon-City Bridge in Allegheny County, the Matsonford Bridge in Montgomery County and the Catawissa Bridge in Columbia County. The Girard/Belmont Bridge and the Walnut Street Bridges in Philadelphia and the Packer Island Bridges in Northumberland County are scheduled for construction in 1986-87.

Beginning in 1985-86 the bridges with weight restrictions program measure includes 990 State bridges which are expected to be weight restricted as a result of the Federal Governments strict enforcement of the National Bridge Inspection Standards requiring posting of bridges up to 40 tons. Current department policy is to only post bridges up to a 20 ton limit. Future year projections also reflect these

stricter Federal standards.

The program measures for "bridges replaced or repaired, bridges designed, value of bridges designed and value of bridge lettings" show increases in later planning years. These increases reflect the impact of a second phase of the Bridge Restoration and Replacement Program consisting of 860 additional State bridge projects. Details of Phase II are presented in the appendix to this subcategory.

As mentioned above, the axle-tax is a major funding source for the State's bridge program. This tax is currently being challenged in the courts. In the event this revenue generating provision is determined to be unconstitutional, remedial legislation will be sought to continue the necessary replacement and rehabilitation of State bridge projects.

Executive authorizations from the axle-tax restricted revenue account are shown as other funds in the recommended program costs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
MOTOR LICENSE FUND							
Highway and Safety Improvement	\$ 10,500	\$ 8,400	\$ 3,500	\$ 4,000	\$ 600	\$ 500	\$ 500
Highway Maintenance	13,004	13,000	12,000	12,000	12,000	12,000	12,000
MOTOR LICENSE FUND TOTAL ...	<u>\$ 23,504</u>	<u>\$ 21,400</u>	<u>\$ 15,500</u>	<u>\$ 16,000</u>	<u>\$ 12,600</u>	<u>\$ 12,500</u>	<u>\$ 12,500</u>

State Bridges

Program Revision: Bridge Restoration and Replacement—Phase II

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Federal Funds	\$ 44,000	\$ 95,000	\$ 95,000
Other Funds	12,000	50,000	50,000
TOTAL	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>\$ 56,000</u>	<u>\$ 145,000</u>	<u>\$ 145,000</u>

Program Analysis:

The passage of Acts 234 and 235 in 1982 marked the beginning of an unprecedented accelerated bridge restoration and replacement program within the Commonwealth of Pennsylvania. This legislation, commonly referred to as the Billion Dollar Bridge Program, authorized State funding as well as providing a State funding mechanism to finance 979 bridge restoration and replacement projects at an estimated cost of \$1.37 billion. The necessary funding for this program is generated through a \$36 per axle fee on all heavy trucks travelling within the Commonwealth's borders.

Since the beginning of the program the Department of Transportation has proceeded to construction with 464 bridge restoration and replacement projects at a cost of \$545 million. Between now and the end of 1988 the remaining 515 projects worth \$825 million are scheduled to proceed to construction.

As work on these 979 original projects winds down towards completion legislative authorization is needed to begin the design phase on additional bridges that require restoration and rehabilitation. This will insure continuity in the Commonwealth's Bridge Program and the full utilization of Federal Bridge Funds anticipated to be available in future years. Through the implementation of the Billion Dollar Bridge Program II, the Commonwealth intends to eliminate all bridge limited weight postings on the Priority Commercial Network and the Agricultural Access Network.

The proposed Phase II of the Commonwealth's Bridge Restoration and Replacement Program consists of 2,000 State and local bridges at a cost of \$1 billion, including Federal funds.

Executive authorizations from the axle-tax restricted revenue account are shown as other funds in the recommended program revision costs.

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
OTHER FUNDS							
Highway Bridge Projects (1)	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>\$ 12,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>

In addition to the amounts shown above, this Program Revision also includes funding in the Local Highway Assistance subcategory.

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
OTHER FUNDS							
Local Grants for Bridge Projects (1)	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>\$ 30,000</u>	<u>\$ 30,000</u>

⁽¹⁾Executively authorized from a restricted revenue account.

Highway Safety Projects

OBJECTIVE: To decrease the incidence and severity of traffic accidents, injuries and fatalities on highways by improving highway design and traffic flow.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Special Funds	\$ 1,700	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300	\$ 1,300
Federal Funds	9,900	8,500	8,000	8,000	8,000	8,000	8,000
Other Funds	2,228	4,100	4,100	3,900	3,500	3,100	3,100
TOTAL	\$ 13,828	\$ 13,900	\$ 13,400	\$ 13,200	\$ 12,800	\$ 12,400	\$ 12,400

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Traffic fatalities (Rate per 100 million vehicle miles)	2.36	2.35	2.25	2.15	2.06	1.97	1.87
Traffic fatalities attributable to roadway factors.....	73	70	67	60	54	48	40
Traffic accidents attributable to roadway factors.....	17,623	16,970	16,340	15,525	14,750	13,650	12,600
Traffic accidents:							
Interstate highways.....	6,570	6,250	5,900	5,550	5,200	4,850	4,500
Rate on interstate highways (per 100 million vehicle miles)	74.3	68.5	62.7	57.1	51.8	46.9	42.1
All other highways.....	131,402	129,500	128,000	126,000	124,000	122,000	120,000
Rate on all other highways (per 100 million vehicle miles)	201.4	196.5	192.3	187.4	182.6	177.9	173.2

Program Analysis:

Highway accidents are generally the result of one or more of the following factors: driver error, vehicle failure, or hazardous roadway conditions. A grass roots movement to save lives through highway safety prevention measures is emerging. Traffic fatalities have declined from 2,204 in 1979 to 1,752 in 1984 as drunk driving is decreasing and the use of seat belts and child safety seats is increasing. A vigorous department safety program will contribute to save additional lives through six key initiatives funded by Federal Highway Safety Funds. The key initiatives are: substantially increase the use of seat belts through a voluntary effort, decrease DUI accidents through enhanced enforcement and educational efforts, improve the effectiveness and response time of emergency medical services personnel, particularly in isolated, rural, high accident areas, conduct a vigorous truck safety inspection program, identify and rehabilitate or suspend problem or high-risk drivers as identified by sophisticated data analysis, and implement a comprehensive

highway safety program for young drivers.

Logically, accidents attributable to driver error or vehicular failure should occur in random location patterns. Therefore, at those locations with disproportionately high numbers of accidents, it may be assumed that the roadway itself is a prime contributing factor to the accidents. Over 8,000 high accident locations on the State highway system are identified through the computerized accident records system. Major and minor safety and traffic flow improvement projects are developed to be implemented as funds become available. Federal funds for these projects are provided from the 1982 Surface Transportation Act.

The Department of Transportation projects that this program will prevent eleven traffic fatalities, 255 traffic injuries, and 270 reportable traffic accidents at the recommended program level. The recommended program level is based on the amount of Federal funds available, the Department's continued emphasis on restoration of the existing highway

Highway Safety Projects (continued)

Program Analysis: (continued)

network, and application of the current highway capital guidelines to this program. Under these definitions, the majority of the safety improvement projects will be accomplished as "betterments" using the Highway Maintenance appropriation rather than the Highway and Safety Improvement appropriation and are reflected in the Highway Maintenance subcategory.

The data shown in the program measures for traffic fatalities, injuries and accidents in the current budget and future years represent the best estimates available of the im-

part of planned increases in special enforcement, changing economic and traffic patterns, and increased awareness and enforcement of the Commonwealth's drunk driving laws. The upward revision of data shown for traffic fatalities and accidents attributable to roadway factors versus last year's budget is due to the high correlation of roadway factors with weather conditions, i.e. precipitation, temperature etc. Variability in annual weather conditions produces significant variation in the number and percent of accidents attributable to roadway factors.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
MOTOR LICENSE FUND							
Highway and Safety Improvement	<u>\$ 1,700</u>	$ 1,300	$ 1,300	$ 1,300	$ 1,300	$ 1,300	<u>\$ 1,300</u>

Safety Administration and Licensing

OBJECTIVE: To minimize traffic accidents attributable to driver error and mechanically defective vehicles and to promote highway safety programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 1,432	\$ 1,461	\$ 1,505	\$ 1,565	\$ 1,628	\$ 1,693	\$ 1,761
Special Funds	43,835	47,764	49,303	42,580	43,866	44,882	46,247
Federal Funds	730	1,600	2,620	2,000	2,000	2,000	2,000
Other Funds	4,634	7,680	9,600	9,625	9,675	9,730	9,730
TOTAL	\$ 50,631	\$ 58,505	\$ 63,028	\$ 55,770	\$ 57,169	\$ 58,305	\$ 59,738

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
State heavy truck registrations	86,000	86,000	86,000	86,000	86,000	86,000	86,000
State motor vehicle registrations	7,724,686	7,801,932	7,879,952	7,958,751	8,038,339	8,118,722	8,199,909
Vehicles inspected:							
Safety inspection	7,524,000	7,525,000	7,525,500	7,526,000	7,526,500	7,527,000	7,527,500
Emission inspection	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000
Vehicles repaired:							
Safety inspection	2,580,000	2,580,000	2,580,000	2,580,000	2,580,000	2,580,000	2,580,000
Emission inspection	651,000	651,000	651,000	651,000	651,000	651,000	651,000
Licensed operators	7,469,884	7,544,582	7,620,028	7,696,228	7,773,191	7,850,923	7,929,452
Operator licenses revoked, suspended, re-examined or restricted	609,000	621,000	633,000	645,000	657,000	670,000	683,000
Motor vehicle titles/sales tax returns processed	2,718,122	2,753,457	2,789,252	2,825,512	2,862,244	2,899,453	2,937,146
International Registration Plan audits (truck fleets)	600	600	800	800	800	1,000	1,000

Program Analysis:

A primary responsibility of the Department of Transportation within the Safety Administration and Licensing program is to process applications and collect fees for all vehicle registrations and operator licenses. Last year, over 7.7 million motor vehicles were registered within the Commonwealth. This figure is expected to rise slightly (1 percent per year) over the next five years due to moderately increasing trends in the auto industry. These vehicle and operator licensing activities produce more than 29 percent of all Motor License Fund receipts.

Design of the new vehicle registration system has now been completed and implementation has begun. A statistical quality control program is underway to provide more consistently error-free processing of title and registration ap-

plications. The Safety Administration area handles over 25 million transactions for Pennsylvania's vehicle owners, dealers and drivers each year. In July of 1984, a consultant contract was executed to provide resources to supplement department systems and user personnel in the design and implementation of a new Vehicle Registration and Titling System. On June 30, 1985, the design phase was completed. In August of 1985, an implementation contract was signed with the consultant and work is currently underway. Implementation plans indicate that the new system should become operational during the fall of 1986.

Design of the new Driver Licensing and Control System began in July 1984. A contract was executed with a consultant to assist in technical development. Implementation will

Safety Administration and Licensing (continued)

Program Analysis: (continued)

begin in May 1986. Through a phased implementation approach, many of the benefits of the new system will be realized by the end of 1986.

The new Vehicle Registration System will improve the timeliness of service and the quality of the products produced. These products include certificate of title, certificate of Junk, registration cards, registration stickers, axle tax stickers, truck weight decals, automated correspondence and management control reports. The new Driver Licensing and Control System will provide interactive communications with the National Driver Register to identify drivers suspended in other states, replacement of many data entry functions with leading edge scanning technology, collection of Social Security number, eye color and height for better detection of license abuse, prompt initiation of sanctions and immediate restoration of driving privileges when eligible. In addition, the new system will provide same day deposit of all money improving Department of Transportation cash flow.

The testing, inspection and revocation aspects of the operator and vehicular licensing activities within this program provide many opportunities to enforce safety standards. Another major activity, the accident analysis program, deals entirely with safety by assembling listings of high accident locations which are used to establish priorities for improvements funded through the Highway Safety Projects program.

The department has achieved considerable success in its data collection system for accident locations. Computer programs have been written to arrange in priority order those highway locations which have experienced statistically more accidents than similar highways with similar traffic volumes. Another priority list arranges locations that have had an inordinate number of accidents in which vehicles ran off the road or hit fixed objects. Such ranking of nearly 9,000 high-accidents locations provides the Department with a systematic means of selecting the highest priority locations for those actual improvements carried out within the Highway Safety Projects subcategory.

Driver error continues to be the most prevalent 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 to identify those with mental or physical disabilities. The State Police currently 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 principal causal factor. The department 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. Concern over the large number of vehicle accidents that involve drunk drivers caused the General Assembly to enact a strict drunk driving law in 1982.

The safety inspection program for the Commonwealth's 7.5 million motor vehicles is intended to minimize traffic accidents due to mechanical failure. The department licenses inspection stations and trains and licenses vehicle inspectors while maintaining all necessary records. The State Police periodically check inspection stations and the work of mechanics to assure compliance with approved safety standards. Based on a random sample of inspection station reports, an estimated 2.6 million vehicles will be repaired during the current fiscal year as a result of the inspection system. The norm for the past two years had been a 35 percent failure rate; current year statistics do not indicate that the failure rate will change under the annual inspection program.

The emission inspection program for the Commonwealth inspects 3.1 million vehicles annually and is intended to reduce subject vehicle carbon monoxide and hydrocarbon pollutants and improve the air quality. The areas affected are the Pittsburgh and Allentown-Bethlehem-Easton metropolitan areas (specific zip codes) and the Philadelphia region consisting of five counties. The department licenses inspection stations, trains and licenses vehicle inspection mechanics and periodically checks inspection stations, records and work of the mechanics to assure compliance with approved emission program requirements. Based on Federally mandated standards approximately 651,000 vehicles will be subject to adjustments or repairs as a result of the emission inspection program. The fee for the emission test had been \$5 since the program's inception, but on September 1, 1985, increased to \$8.

As part of the International Registration plan agreement with other participating states, the Commonwealth is conducting an ongoing audit of all Pennsylvania-based truck fleets participating in this program.

Safety Administration and Licensing (continued)

Program Analysis: (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Collections — Vehicle Sales Tax	<u>\$ 1,432</u>	<u>\$ 1,461</u>	<u>\$ 1,505</u>	<u>\$ 1,565</u>	<u>\$ 1,628</u>	<u>\$ 1,693</u>	<u>\$ 1,761</u>
MOTOR LICENSE FUND							
Safety Administration and Licensing	<u>\$ 43,835</u>	<u>\$ 47,764</u>	<u>\$ 49,303</u>	<u>\$ 42,580</u>	<u>\$ 43,866</u>	<u>\$ 44,882</u>	<u>\$ 46,247</u>

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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 102	\$ 120	\$ 124	\$ 129	\$ 134	\$ 139	\$ 145
Special Funds	89,282	108,097	115,493	117,605	119,780	122,020	124,328
TOTAL	\$ 89,384	\$ 108,217	\$ 115,617	\$ 117,734	\$ 119,914	\$ 122,159	\$ 124,473

Program Measures:

	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Free transit trips by the elderly	63,489,000	69,145,000	68,905,000	68,865,000	68,827,000	68,816,000	68,816,000
Trips on State assisted shared ride vehicles .	4,809,000	6,200,000	6,800,000	6,936,000	7,075,000	7,216,000	7,360,000
Cost to the Commonwealth per trip:							
Fare	86¢	96¢	\$1.02	\$1.05	\$1.09	\$1.12	\$1.15
On State assisted demand responsive vehicles	\$5.94	\$6.18	\$5.58	\$5.48	\$5.37	\$5.27	\$5.16

Program Analysis:

The Commonwealth's senior citizens have benefited from State lottery proceeds since 1973 with the implementation of the Free Transit Program for Senior Citizens. Under this program senior citizens are eligible for free rides on participating local fixed route operations during off-peak hours on weekdays and all day on weekends and holidays. In July 1980, the free service was extended to commuter rail lines and the fare program was expanded to fund reduced fares for senior citizens on shared-ride demand responsive services. These programs recognize the limited availability of private transportation for Pennsylvania's senior citizens and their heavy reliance upon public transportation facilities. They further recognize that many retired persons must live within a fixed and limited income and cannot afford to use public transit as often as they would like. These programs increase the mobility of the Commonwealth's citizens 65 years of age and older.

Currently more than 70 participating transit agencies are under contract with the Commonwealth to provide free fixed route service. Ridership has increased significantly over the years to its projected level of approximately 69 million (including transfers) free rides in 1985-86. The reimbursement rate in 1984-85 was 100 percent of the average or base fare with an adjustment made for transfers. The adjustment for transfers is eliminated in 1985-86. The increase in per trip

cost to the Commonwealth from 1984-85 to 1985-86 reflects both the elimination of the transfer adjustment and the increase in SEPTA's base fare from 85¢ to \$1.00.

The Shared-Ride Program for Senior Citizens authorized by Act 101 of 1980 as amended by Act 49 of 1984 permits senior citizens 65 years of age and older to ride on shared-ride services and pay only 25 cents or 10 percent of the regular fare whichever is greater with the Lottery Fund paying the difference between full fare and the senior citizen share. The Shared-Ride Program services are available to senior citizens in most parts of the Commonwealth.

From 1983-84 to 1984-85 operators participating in the program increased from 69 to 87, ridership increased from 2.9 million to 4.8 million and program funding requirements increased from \$11.3 million to \$28.3 million. In part these tremendous increases are directly related to the change in funding from a 75 percent Lottery/25 percent senior citizen split to a 90 percent Lottery/10 percent senior citizen split. Indirectly this change in funding enabled senior citizens to make more trips and to afford longer more costly trips.

The average cost to the Lottery Fund per trip has increased from \$4.73 (adjusted from 75 percent to 90 percent for comparison) in 1983-84 to \$5.94 in 1984-85, a 26 percent increase. Current records indicate that the average cost per trip in the first two months of 1985-86 was \$6.20, a 4 per-

Elderly Transit (continued)

Program Analysis: (continued)

cent increase over 1984-85 and a 31 percent increase over the adjusted 1983-84 figure. In order to insure the strict accountability and maximum productivity of this program and the preservation of State Lottery Funds for other Senior Citizen Programs, State regulations were promulgated during 1985-86.

Act 49 of 1984 also provides for an annual \$2.3 million executive authorization for demand response equipment grants.

Also, Act 171 of 1982 authorizes the Governor to annually transfer from the Lottery Fund to the Motor License Fund the amount of fees lost as a result of reduced vehicle registration fees paid by certain eligible senior citizens.

The 1986-87 recommended budget provides \$100,000 for the second year of the rider verification initiative.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Mass Transportation Operations	\$ 102	\$ 120	\$ 124	\$ 129	\$ 134	\$ 139	\$ 145
LOTTERY FUND							
Ridership Verification		\$ 218	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Elderly Free Transit	\$ 56,656	65,079	70,393	72,505	74,680	76,920	79,228
Shared Rides	28,272	38,000	38,000	38,000	38,000	38,000	38,000
Transfer to Motor License Fund—							
Vehicle Registration—Elderly	3,400	2,500	4,700	4,700	4,700	4,700	4,700
Demand Response Equipment Grants ...	954	2,300	2,300	2,300	2,300	2,300	2,300
LOTTERY FUND TOTAL	\$ 89,282	\$ 108,097	\$ 115,493	\$ 117,605	\$ 119,780	\$ 122,020	\$ 124,328

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)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
General Fund			
General Government			
Senate	\$ 23,813	\$ 27,374	\$ 28,621
House of Representatives	52,324	59,224	62,197
Legislative Reference Bureau	3,244	3,183	3,342
Legislative Budget and Finance Committee	1,257	1,282	1,320
Legislative Data Processing	1,650	1,900	2,000
Legislative Miscellaneous and Commissions	6,129	6,451	6,766
TOTAL STATE FUNDS	\$ 88,417	\$ 99,414	\$ 104,246
Augmentations	\$ 7	\$ 5	\$ 5
GENERAL FUND TOTAL	\$ 88,424	\$ 99,419	\$ 104,251

GENERAL GOVERNMENT

Senate	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
State Funds	\$ 23,813	\$ 27,374	\$ 28,621

Performs the duties and functions required of the Senate by Articles II and III of the Constitution of Pennsylvania.

Source of Funds	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Salaries			
Fifty Senators	\$ 2,400	\$ 3,100	\$ 3,200
Employees of Senate President	130	140	140
Employees of Chief Clerk	1,875	1,875	1,950
Salaried Officers and Employees	2,500	2,900	3,004
Postage			
Chief Clerk and Legislative Journal	80	80	140
Contingent Expenses			
President	5	5	5
President Pro Tempore	20	20	20
Floor Leader (D)	6	6	6
Floor Leader (R)	6	6	6
Whip (D)	3	4	3
Whip (R)	3	4	3
Chairman of the Caucus (D)	3	3	3
Chairman of the Caucus (R)	3	3	3
Secretary of the Caucus (D)	3	3	3
Secretary of the Caucus (R)	3	3	3
Chairman of the Appropriations Committee (D)	6	6	6
Chairman of the Appropriations Committee (R)	6	6	6
Chairman of the Policy Committee (D)	2	2	2
Chairman of the Policy Committee (R)	2	2	2
Caucus Administrator (D)	2	2	2
Caucus Administrator (R)	2	2	2
Miscellaneous Expenses			
Incidental Expense	600	600	600
Committee on Appropriations (D)	604	706	706
Committee on Appropriations (R)	604	706	706
Expenses — Senators	825	600	600
Legislative Printing and Expenses	3,900	4,900	5,000
Special Leadership Account (D)	2,550	2,945	3,250
Special Leadership Account (R)	2,550	2,945	3,250
Legislative Management Committee (D)	2,560	2,900	3,000
Legislative Management Committee (R)	2,560	2,900	3,000
TOTAL	<u>\$ 23,813</u>	<u>\$ 27,374</u>	<u>\$ 28,621</u>

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
House of Representatives			
State Funds	\$ 52,324	\$ 59,224	\$ 62,197

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)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
Source of Funds			
Appropriations:			
Salaries			
Members' Salaries, Speaker's Extra Compensation	\$ 9,100	\$ 10,950	\$ 10,995
House Employes (R)	3,428	3,771	3,849
House Employes (D)	3,738	3,771	3,849
Speakers Office	379	417	459
Bi-Partisan Committee, Chief Clerk, Comptroller	4,255	4,681	4,850
Mileage			
Representatives, Officers and Employes	554	554	554
Postage			
Chief Clerk and Legislative Journal	343	395	425
Contingent Expenses			
Speaker	20	20	20
Chief Clerk	290	290	290
Floor Leader (R)	6	6	6
Floor Leader (D)	6	6	6
Whip (R)	3	4	4
Whip (D)	3	4	4
Chairman—Caucus (R)	3	3	3
Chairman—Caucus (D)	3	3	3
Secretary—Caucus (R)	3	3	3
Secretary—Caucus (D)	3	3	3
Chairman—Appropriations Committee (R)	6	6	6
Chairman—Appropriations Committee (D)	6	6	6
Chairman—Policy Committee (R)	2	2	2
Chairman—Policy Committee (D)	2	2	2
Caucus Administrator (R)	2	2	2
Caucus Administrator (D)	2	2	2
Administrator for Staff (D)	20	20	20
Administrator for Staff (R)	20	20	20
Comptroller Special Transfer Account	2	2	2
Miscellaneous Expenses			
Legislative Office for Research Liaison	205	343	354
School for New Members	15	.	15
Incidental Expenses	4,500	5,000	5,000
Committee on Appropriations (D)	604	706	777
Committee on Appropriations (R)	604	706	777
Expenses—Representatives	2,030	2,030	2,030
Legislative Printing and Expenses	7,000	8,500	8,943
National Legislative Conference—Expenses	82	225	225
Special Leadership Account (D)	1,871	2,713	2,985
Special Leadership Account (R)	2,466	2,713	2,985
Legislative Management Committee (D)	4,692	4,848	5,333
Legislative Management Committee (R)	4,407	4,848	5,333
Commonwealth Emergency Medical System	25	25	25
Members' Home Office Expenses	1,624	1,624	2,030
TOTAL	<u>\$ 52,324</u>	<u>\$ 59,224</u>	<u>\$ 62,197</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Legislative Reference Bureau			
State Funds	\$ 3,244	\$ 3,183	\$ 3,342

Serves as a staff arm of the Legislature. Drafts bills and resolutions, provides advice and counsel to members of the Legislature, performs legislative research and provides copies of bills and legislation to the general public upon request.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Salaries and Expenses	\$ 2,571	\$ 2,571	\$ 2,827
Contingent Expenses	10	15	15
Printing of Pennsylvania Bulletin and Pennsylvania Code	663	597	500
TOTAL	<u>\$ 3,244</u>	<u>\$ 3,183</u>	<u>\$ 3,342</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Legislative Budget and Finance Committee			
State Funds	\$ 1,257	\$ 1,282	\$ 1,320

Performs duties and functions relating to the study of the revenues, expenditures and fiscal operations of the agencies, boards and commissions of the Commonwealth.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Legislative Budget and Finance Committee	<u>\$ 1,257</u>	<u>\$ 1,282</u>	<u>\$ 1,320</u>

GENERAL FUND

LEGISLATURE

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Legislative Data Processing Center			
State Funds	\$ 1,650	\$ 1,900	\$ 2,000
Augmentations	7	5	5
TOTAL	<u>\$ 1,657</u>	<u>\$ 1,905</u>	<u>\$ 2,005</u>

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)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Legislative Data Processing Committee	\$ 1,650	\$ 1,900	\$ 2,000
Augmentation:			
Reimbursement for Data Processing Services	7	5	5
TOTAL	<u>\$ 1,657</u>	<u>\$ 1,905</u>	<u>\$ 2,005</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Legislative Miscellaneous and Commissions			
State Funds	\$ 6,129	\$ 6,451	\$ 6,766

Provides for those permanent commissions and committees which are necessary to provide the Legislature with current information, and to maintain liaison with various national, state and local organizations. It further provides for the various study commissions and committees periodically established to investigate and recommend solutions to various problems that arise from time to time and for the compilation and distribution of various municipal codes.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Joint State Government Commission	\$ 1,329	\$ 1,388	\$ 1,445
Local Government Commission	328	361	387
Local Government Codes	33	50	45
Joint Legislative Air and Water Pollution Control Committee ..	171	206	212
Flags for Overseas Military	40	40	40
Legislative Audit Advisory Commission	175	20	125
Ethics Commission	420	451	514
Independent Regulatory Review Commission	689	716	748
Capitol Renovation Committee	115	115	115
Capitol Restoration	2,600	2,600	2,600
Civil War Flags .....	.	100	100
Colonial History .....	.	60	60
Bicentennial — U.S. Constitution .....	.	125	125
Commission on Sentencing	229 ^a	219 ^a	250
TOTAL	<u>\$ 6,129</u>	<u>\$ 6,451</u>	<u>\$ 6,766</u>

^aOriginally appropriated as part of Judiciary.

LEGISLATURE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Legislative Process	\$ 88,417	\$ 99,414	\$ 104,246	\$ 108,264	\$ 112,753	\$ 117,265	\$ 121,954
Legislature	88,417	99,414	104,246	108,264	112,753	117,265	121,954
DEPARTMENT TOTAL	<u>\$ 88,417</u>	<u>\$ 99,414</u>	<u>\$ 104,246</u>	<u>\$ 108,264</u>	<u>\$ 112,753</u>	<u>\$ 117,265</u>	<u>\$ 121,954</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)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 88,417	\$ 99,414	\$ 104,246	\$ 108,264	\$ 112,753	\$ 117,265	\$ 121,954
Other Funds	7	5	5	5	5	5	5
TOTAL	\$ 88,424	\$ 99,419	\$ 104,251	\$ 108,269	\$ 112,758	\$ 117,270	\$ 121,959

Program Analysis:

The General Assembly, which consists of a 50 member Senate and a 203 member House of Representatives, is funded by many General Fund appropriations. These appropriations are detailed in the appropriation portion of this presentation.

There is a continued effort on the part of the House and Senate to acquire more adequate professional staff to provide more useful analytical studies for use in debating Commonwealth issues.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND TOTAL	\$ 88,417	\$ 99,414	\$ 104,246	\$ 108,264	\$ 112,753	\$ 117,265	\$ 121,954

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

	(Dollar Amounts in Thousands)		
	1984-85	1985-86	1986-87
	Actual	Available	Budget
General Fund			
General Government			
Supreme Court	\$ 4,226	\$ 5,557	\$ 5,841
Supreme Court Justice Expenses .....	.....	130	130
Comprehensive Computer Plan .....	.....	300	.....
Civil Rules Procedural Committee	189	192	207
Criminal Rules Procedural Committee	164	184	226
State Board of Law Examiners	235	212	232
Judicial Inquiry and Review Board	423	436	455
Court Administrator	2,765	2,700	2,911
District Justice Education	297	307	321
Superior Court	8,188	10,970	11,380
Superior Court Justice Expenses .....	.....	184	184
Commonwealth Court	4,205	5,452	5,888
Commonwealth Court Justice Expenses .....	.....	112	112
Courts of Common Pleas	25,636	26,725	27,898
Common Pleas Senior Judges	1,358	1,129	1,576
Common Pleas — Judicial Education	319	325	335
Community Courts — District Justices of the Peace	20,954	23,975	24,798
Philadelphia Traffic Court	252	309	322
Philadelphia Municipal Court	1,762	2,002	2,105
Law Clerks	182	182	182
Subtotal	\$ 71,155	\$ 81,383	\$ 85,103
Grants and Subsidies			
Reimbursement of County Court Costs	\$ 28,980	\$ 25,987	\$ 25,987
Appellate Court County Reimbursement .....	.....	7,988	.....
District Justice Reimbursement .....	.....	14,475	14,400
Juror Cost Reimbursement	1,669	850	1,669
National Center for State Courts .....	.....	.....	136
Subtotal	\$ 30,649	\$ 49,300	\$ 42,192
TOTAL STATE FUNDS	\$ 101,804	\$ 130,683	\$ 127,295
Augmentations	\$ 1,031	\$ 913	\$ 913
GENERAL FUND TOTAL	\$ 102,835	\$ 131,596	\$ 128,208

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Supreme Court			
State Funds	\$ 8,299	\$ 10,018	\$ 10,323
Augmentations	630	583	583
TOTAL	\$ 8,929	\$ 10,601	\$ 10,906

Holds the supreme judicial powers of the Commonwealth. It consists of seven justices, one of whom is the Chief Justice, elected by qualified electors of the Commonwealth for a term of ten years.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Supreme Court	\$ 4,226	\$ 5,557 ^a	\$ 5,841
Supreme Court Justice Expenses .....	.....	130	130
Comprehensive Computer Plan .....	.....	300	.....
Civil Rules Procedural Committee	189	192	207
Criminal Rules Procedural Committee	164	184	226
State Board of Law Examiners	235	212	232
Judicial Inquiry and Review Board	423	436	455
Court Administrator	2,765	2,700	2,911
District Justice Education	297	307	321
Augmentations:			
Law Student Fees to State Board of Law Examiners	449	430	430
Filing Fees	150	140	140
Registration Fees — District Justice Education	31	13	13
TOTAL	\$ 8,929	\$ 10,601	\$ 10,906

^aIncludes \$1,318,000 actually appropriated as part of the \$5,418,000 appropriation Appellate Court Home Office Expenses.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Superior Court			
State Funds	\$ 8,188	\$ 11,154	\$ 11,564
Augmentaions	249	180	180
TOTAL	<u>\$ 8,437</u>	<u>\$ 11,334</u>	<u>\$ 11,744</u>

Represents the court of intermediate appeal and its jurisdiction is provided by law. It is composed of 15 judges, of whom one is the President Judge, elected by the qualified electors of the State for ten year terms.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Superior Court	\$ 8,188	\$ 10,970 ^a	\$ 11,380
Superior Court Justice Expenses .....	.....	184	184
Augmentations:			
Filing Fees	249	180	180
TOTAL	<u>\$ 8,437</u>	<u>\$ 11,334</u>	<u>\$ 11,744</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Commonwealth Court			
State Funds	\$ 4,205	\$ 5,564	\$ 6,000
Augmentaions	152	150	150
TOTAL	<u>\$ 4,357</u>	<u>\$ 5,714</u>	<u>\$ 6,150</u>

The Commonwealth Court is a court of record of statewide original and appellate jurisdiction. The Court has original jurisdiction on all civil actions and proceedings by the Commonwealth or any officer acting in his official capacity and all civil actions and proceedings against the Commonwealth or any officer acting in his official capacity. It is composed of nine judges, of whom one is the President Judge, elected by the qualified electors of the State for ten year terms.

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Source of Funds			
Appropriations:			
Commonwealth Court	\$ 4,205	\$ 5,452 ^b	\$ 5,888
Commonwealth Court Justice Expenses .....	.....	112	112
Augmentations:			
Filing Fees	152	150	150
TOTAL	<u>\$ 4,357</u>	<u>\$ 5,714</u>	<u>\$ 6,150</u>

^aIncludes \$2,900,000 actually appropriated as part of the \$5,418,000 appropriation Appellate Court Home Office Expenses.

^bIncludes \$1,200,000 actually appropriated as part of the appropriation Appellate Court Home Office Expenses.

GENERAL FUND **JUDICIARY**

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Courts of Common Pleas			
State Funds	\$ 27,313	\$ 28,179	\$ 29,809

There is one common pleas court for each judicial district. Each district and number of judges are provided by law. These courts have unlimited original jurisdiction in all cases except as may be otherwise provided by law.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Courts of Common Pleas	\$ 25,636	\$ 26,725	\$ 27,898
Common Pleas Senior Judges	1,358	1,129	1,576
Common Pleas — Judicial Education	319	325	335
TOTAL	<u>\$ 27,313</u>	<u>\$ 28,179</u>	<u>\$ 29,809</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Community Courts—District Justices of the Peace			
State Funds	\$ 20,954	\$ 23,975	\$ 24,798

Community courts may be established or discontinued by a vote of the majority of the electors in a judicial district. After establishment, they replace the justices of the peace, or the Municipal Court and Traffic Court in Philadelphia. The term of the judges of community courts is ten years.

Where a community court has not been established or where one has been discontinued, there is a district justice of the peace. Presently there are no community courts but there are district justices of the peace in 553 magisterial districts. The jurisdiction of district justices of the peace is as provided by law. Their term of office is six years.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Community Courts—District Justices of the Peace	<u>\$ 20,954</u>	<u>\$ 23,975</u>	<u>\$ 24,798</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Philadelphia Traffic Court and Philadelphia Municipal Court			
State Funds	\$ 2,196	\$ 2,493	\$ 2,609

These courts exist so long as a community court is not established. The number of judges is provided by law. They serve for a term of six years.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Philadelphia Traffic Court	\$ 252	\$ 309	\$ 322
Philadelphia Municipal Court	1,762	2,002	2,105
Law Clerks	182	182	182
TOTAL	<u>\$ 2,196</u>	<u>\$ 2,493</u>	<u>\$ 2,609</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Reimbursement of County Court Costs			
State Funds	\$ 28,980	\$ 48,450	\$ 40,387

Provides reimbursement of costs incurred by counties in the administration and operation of all common pleas courts established pursuant to Article V, Section 1 of the Pennsylvania Constitution.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Reimbursement of County Court Costs	\$ 28,980	\$ 25,987	\$ 25,987
Appellate Court County Reimbursement .....	. . . .	7,988	. . . .
District Justice Reimbursement .....	. . . .	14,475	14,400
TOTAL	<u>\$ 28,980</u>	<u>\$ 48,450</u>	<u>\$ 40,387</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
Juror Cost Reimbursement			
State Funds	\$ 1,669	\$ 850	\$ 1,669

In accordance with Act 78 of 1980, provides for reimbursement of costs incurred by counties in relationship to juror payments and related mileage expenses.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriation:			
Juror Cost Reimbursement	\$ 1,669	\$ 850	<u>\$ 1,669</u>

	(Dollar Amounts in Thousands)		
	1984-85 Actual	1985-86 Available	1986-87 Budget
National Center for State Courts			
State Funds	\$ 136	\$ 136

To provide annual registration dues to continue membership in a national organization designed to modernize State Court Systems, provide staffing, methods, instruction etc.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1984-85 Actual	1985-86 Available	1986-87 Budget
Appropriations:			
Philadelphia Traffic Court	<u>\$ 136</u>	<u>\$ 136</u>

JUDICIARY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
Adjudication of Defendants	\$ 101,804	\$ 130,683	\$ 127,295	\$ 130,702	\$ 134,251	\$ 137,937	\$ 141,773
State Judicial System	101,804	130,683	127,295	130,702	134,251	137,937	141,773
DEPARTMENT TOTAL	<u>\$ 101,804</u>	<u>\$ 130,683</u>	<u>\$ 127,295</u>	<u>\$ 130,702</u>	<u>\$ 134,251</u>	<u>\$ 137,937</u>	<u>\$ 141,773</u>

State Judicial System

OBJECTIVE: To provide Pennsylvania citizens with prompt and equitable justice under the law.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
General Fund	\$ 101,804	\$ 130,683	\$ 127,295	\$ 130,702	\$ 134,251	\$ 137,937	\$ 141,773
Other Funds	1,031	913	913	913	913	913	913
TOTAL	\$ 102,835	\$ 131,596	\$ 128,208	\$ 131,615	\$ 135,164	\$ 138,850	\$ 142,686

Program Analysis:

The judicial power of the Commonwealth is vested in a Unified Judicial System consisting of the Supreme Court, the Superior Court, the Commonwealth Court, Courts of Common Pleas, Community Courts, Philadelphia Municipal Court, Pittsburgh Magistrates Court, Traffic Court of Philadelphia and district justices.

The supreme judicial powers in the Commonwealth rest in the Supreme Court which consists of seven justices. It has limited jurisdiction of appeals from final orders of the Courts of Common Pleas in specified classes of cases as prescribed by the Legislature, including appeals from Commonwealth Court in matters which commenced in that Court, and direct appeals from all lower courts in certain cases involving constitutional questions and from certain judicial agencies. The Court has discretionary jurisdiction to review other appeals from Superior and Commonwealth Courts upon allowance by any two justices and may, on its own motion, assume plenary jurisdiction of any matter pending before any court of the Commonwealth.

The Supreme Court exercises general supervisory and administrative authority over all courts, judges and district justices. This authority includes the assignment of judges and justices. It also appoints the Court Administrator of Pennsylvania, who supervises the Administrative Office of Pennsylvania Courts as required for the prompt and proper disposition of the business of all courts and justices of the peace.

The Supreme Court has the power to prescribe general rules governing practice, procedure and the conduct of all courts in the Unified Judicial System.

The Superior Court consists of 15 judges. It has exclusive appellate jurisdiction of all appeals from final orders of the Courts of Common Pleas regardless of the nature of the controversy except those within the exclusive jurisdiction of the Supreme or Commonwealth Courts.

The Commonwealth Court consists of nine judges and is a court of original and appellate jurisdiction. It has original jurisdiction on all civil actions and proceedings by the Commonwealth or any officer acting in his official capacity and all civil proceedings against the Commonwealth or any of-

ficer acting in his official capacity. In the latter category, its jurisdiction is exclusive; in the former, concurrent with the Common Pleas Court.

Original jurisdiction for most major cases rests in the Courts of Common Pleas. There is one Common Pleas Court for each of the 60 judicial districts, often with several divisions and judges. Throughout the Commonwealth, there are 329 Common Pleas judges, an increase of 20 over recent years as a result of Act 150 of 1984. These courts have unlimited original jurisdiction except as otherwise provided by law.

The Philadelphia Municipal Court is a court of record whose 22 judges must be lawyers. Its limited jurisdiction is analogous to that of District Justice Courts.

The 554 District Justice Courts, the Pittsburgh Court, and the Philadelphia Traffic Court have original jurisdiction in minor cases such as traffic violations.

The Administrative Office of Pennsylvania Courts is directed by the Court Administrator and performs administrative functions as directed by the Supreme Court. It is primarily the administrative arm of the Supreme Court.

The Minor Judiciary Education Board is responsible for administering the qualifying and continuing district justice education program as required by the Constitution and by acts of the General Assembly, with the Administrative Office of Pennsylvania Courts acting as the administrative agency for the board. The board conducts education programs for individuals who are not members of the Bar to qualify as district justice and for the annual continuing education of all district justices.

In addition to providing direction of certain courts and court activities, the Commonwealth provides direct grants to reimburse counties a portion of their juror's payments and mileage expenses.

Funds have been provided in this budget to maintain the County Court Reimbursement Program including the full reimbursement of the costs of maintaining Appellate Court Justices Offices. Additional funds have been provided to provide counties assistance in maintaining their District Justice Program.

State Judicial System (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90	1990-91
GENERAL FUND							
Judiciary (All Judiciary Appropriations) .	<u>\$ 101,804</u>	<u>\$ 130,683</u>	<u>\$ 127,295</u>	<u>\$ 130,702</u>	<u>\$ 134,251</u>	<u>\$ 137,937</u>	<u>\$ 141,773</u>



