



# GOVERNOR TOM WOLF

**Executive Budget**

**2019-2020**





COMMONWEALTH OF PENNSYLVANIA  
OFFICE OF THE GOVERNOR  
HARRISBURG

THE GOVERNOR

February 5, 2019

To the People of Pennsylvania:

Four years ago, when I proposed my first commonwealth budget, the fiscal health of the state was in a dire place. Through responsible budgeting and targeted investments, we have made significant strides to a bright future and made our first deposit into the Rainy Day Fund in nearly a decade.

The 2019-20 Budget is focused on key investments into the commonwealth's most valuable resource – the people of Pennsylvania. A skilled, educated workforce will attract business and industry back to the state. To do this, we must break down barriers to employment, such as child care and job training, and create training programs that are dynamic and adaptable to changes in industry.

We must also recognize the importance of agriculture in our commonwealth. The initiatives proposed will provide funding and technical assistance to support the 21st century agricultural industry.

This budget provides a holistic approach to supporting Pennsylvania workers while balancing our continued commitment to our most vulnerable Pennsylvanians and growing our Rainy Day Fund.

I look forward to continuing to work with all members of the General Assembly to move our state forward.

Sincerely,

Tom Wolf

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Commonwealth of Pennsylvania  
Pennsylvania**

For the Fiscal Year Beginning

**July 1, 2018**

*Christopher P. Morrill*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to the Commonwealth of Pennsylvania for its annual budget for the fiscal year beginning July 1, 2018. This award is valid for a period of one year.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

To view the Governor's Executive Budget online or learn more about the Pennsylvania Office of the Budget, go to [www.budget.pa.gov](http://www.budget.pa.gov). To learn more about the Commonwealth of Pennsylvania, go to [www.pa.gov](http://www.pa.gov).

# Overview of Sections within the Budget

## Preface

Includes the Governor's letter, Distinguished Budget Presentation Award, an overview of sections within the budget and the table of contents.

## Reader's Guide

Provides an explanation of the budget process, program budget structure, and the basis of budgeting and accounting, summarizes significant financial policies and lists terms used in the budget.

## A. Overview and Summaries

Provides summary information regarding program policy direction and budget themes. It discusses the economic outlook, major operating funds and overall complement and summarizes the budget for major commonwealth funds including the General Fund, Motor License Fund, Lottery Fund and Budget Stabilization Reserve (Rainy Day) Fund. It also includes General Fund and special fund financial statements and information on federal block grants, communications and selected other financial summaries.

## B. Program Budget Summary

Provides a summary of the budget by major revenue source and information for each major program by component categories and subcategories (subdivisions of programs).

## C. Summary by Fund

Provides a summary for the General Fund and Special Funds, including detailed data on revenues and a summary of expenditures for each fund. Detailed expenditure and program information is found within Section E: Department Presentations.

## D. Tax Expenditures

Provides information regarding tax expenditures for the General Fund, Motor License Fund and selected other funds. These are tax credits, deductions, exceptions and exclusions provided in law which result in a significant reduction in revenues that would otherwise be received at current tax rates.

## E. Department Presentations

Provides detailed expenditure information by agency, program and funding source. Each department presentation includes a Summary by Fund and Appropriation, Program Funding Summary, information on major programs, appropriation funding details and Program Measures.

## F. Capital Budget

Provides detailed information by agency regarding proposed capital budget projects. In addition, lists proposed funding sources and amounts needed to support the capital program for the next five years.

## G. Public Debt

Provides data on the debt obligations of the commonwealth used to fund capital programs, voter-approved bond referendums and certain disaster relief programs.

## H. Other Special Funds

Provides a brief description and financial data for all commonwealth funds not given an expanded treatment in other sections of the budget.

## I. Complement

Provides a summary by department of salaried complement on a full-time equivalent (FTE) basis. It also provides a brief description by agency and appropriation of the complement changes recommended in the budget.

## J. Statistical Data

Provides historical data for various Pennsylvania economic indicators.

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# READER'S GUIDE

This section of the budget is intended to assist readers with interpreting and understanding the content of the governor's recommended budget.

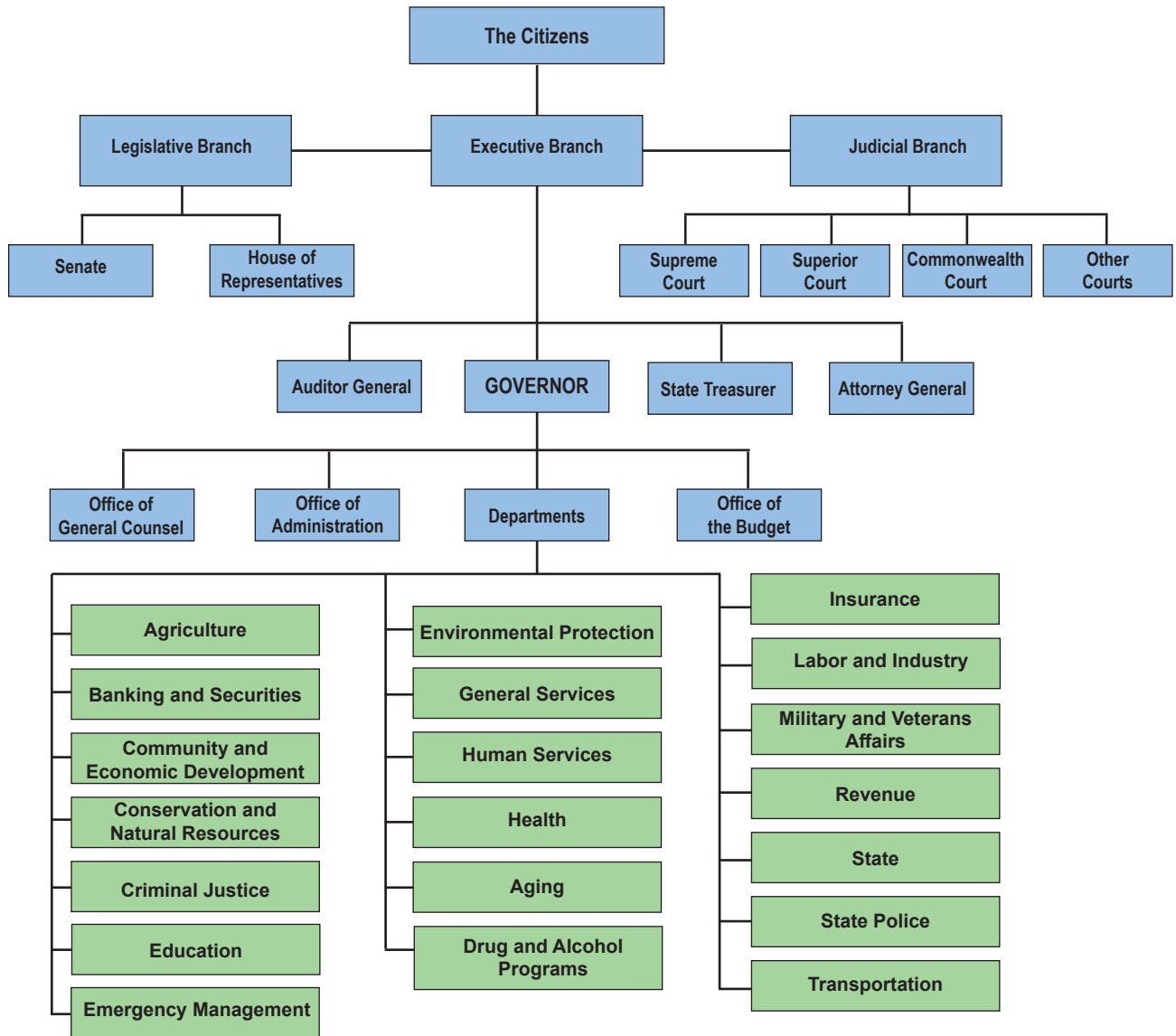
It contains an organization chart of the commonwealth, descriptions of the operating and capital budget processes, explanations of the program budget structure and the basis of budgeting and accounting, a summary of significant financial policies, terms used in the budget process and a list of common federal funds abbreviations.

The government of the commonwealth is comprised of three separate branches: the Executive Branch, the Legislative Branch and the Judicial Branch. The organization chart shown on the following page provides additional information about the structure of Pennsylvania State Government.

To view the Governor's Executive Budget online or learn more about the Pennsylvania Office of the Budget, go to [www.budget.pa.gov](http://www.budget.pa.gov). To learn more about the Commonwealth of Pennsylvania, go to [www.pa.gov](http://www.pa.gov).

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# Commonwealth of Pennsylvania Organization Chart



AGENCIES

Higher Education Assistance  
Interstate Agencies

AUTHORITIES

Automobile Theft Prevention  
Commonwealth Financing  
Economic Development Financing  
Energy Development  
Higher Education Facilities  
Industrial Development  
Infrastructure Investment  
Insurance Fraud Prevention  
Minority Business Development  
Patient Safety  
Public School Building

BOARDS

Claims  
Environmental Hearing  
Gaming Control  
Finance and Revenue  
Liquor Control  
Milk Marketing  
Municipal Retirement  
Pardons  
Public School Employees' Retirement  
State Employees' Retirement  
Tax Equalization

COMMISSIONS

Civil Service  
Crime and Delinquency  
Ethics  
Fish and Boat  
Game  
Harness Racing  
Historical and Museum  
Horse Racing  
Human Relations  
Juvenile Court Judges  
Public Utility  
Turnpike

# The Budget Process

The Pennsylvania Constitution requires that the governor submit a budget annually to be adopted by the General Assembly for the ensuing fiscal year. The General Assembly may add, change or delete any items in the budget proposed by the governor, but the governor retains veto power over the individual appropriations passed by the General Assembly. The governor may also reduce individual appropriations but may not increase them. A gubernatorial veto can be overridden only by a two-thirds majority of each house of the General Assembly.

The Governor's Budget is developed with a focus on the results of government programs and provides information about program goals, objectives, accomplishments and impacts.

The Governor's Budget is a statement of the commonwealth's program plan, the resources necessary to support that plan, a description of how resources are to be used, and an assessment of the effectiveness of programs on people and the environment. This information is presented so that the levels of expenditure are associated with levels of government services and, ultimately, with the resulting effects on important public policy issues and concerns faced by the commonwealth.

## PHASES OF THE BUDGET PROCESS

The state budget process can be divided into four phases: gubernatorial preparation and submission to the General Assembly, approval (involving the executive and legislative branches), execution, and program performance evaluation and financial audit.

### Preparation

The preparation phase of the budget process begins nearly twelve months prior to the July 1 start of that fiscal year. The first step of the preparation phase is the distribution of the budget instructions by the Governor's Budget Office and program policy guidance by the Governor's Policy Office. The program policy guidance defines major policy issues, spells out priorities and provides policy direction to the agencies for budget preparation.

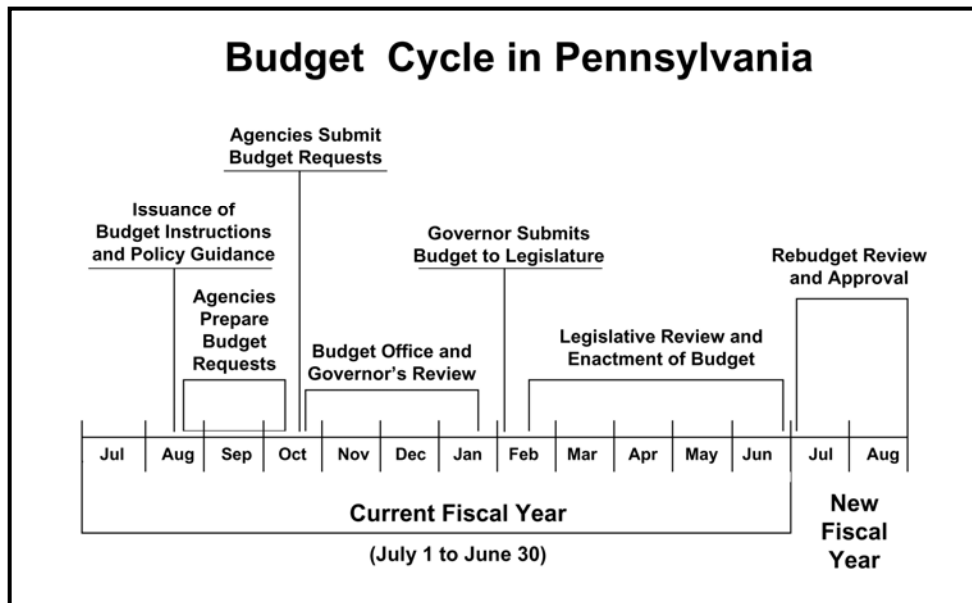
Agency budget requests are submitted to the Governor's Budget Office beginning in early October. Agencies prepare and submit their requests electronically. The Agency Program Plan, the programmatic presentation of agency budget requests, and the appropriation-level information are prepared and submitted in the format and manner specified in budget instructions issued annually by the Governor's Budget Office.

During December, the governor apprises legislative leaders of anticipated spending and revenue levels and major fiscal issues expected to be addressed in the upcoming budget.

The Secretary of the Budget and Governor's Budget Office staff review agency budget requests for accuracy and adherence to the policy guidance. The Agency Program Plan and appropriation data is used by the Governor's Budget Office to analyze the agency requests and prepare funding recommendations for the Secretary of the Budget and the governor. Total agency requests must be brought into balance with total funds estimated to be available from existing sources and any new revenue sources that are recommended. The Secretary of the Budget makes recommendations to the governor on the expenditure proposals contained in each agency budget request and, along with the Secretary of Revenue, provides revenue estimates. The governor reviews these recommendations and makes final budget decisions. The Governor's Executive Budget document is then completed and submitted to a joint session of the General Assembly by the governor through the budget address.

### Approval

Shortly after receiving the Governor's Executive Budget, the Appropriations Committees of the House of Representatives and Senate hold public hearings to review agency budget proposals. The appropriations hearings provide the legislators with an opportunity to review the specific programmatic, financial and policy aspects of each agency's programs. The legislators' decisions on the budget are reflected in the annual General Appropriation Bill and individual appropriation bills. The General Appropriation Bill contains appropriations for the executive, legislative and judicial departments, public schools and for public debt. All other appropriations are made individually by separate bills.



Appropriations made to institutions not under the absolute control of the commonwealth are considered nonpreferred appropriations and require a two-thirds vote of each house of the General Assembly for passage. The passage of the General Appropriation Bill and other appropriation bills by the General Assembly and the passage of any revenue measures which may be required to ensure a balanced budget constitute the legislative approval phase of the budget process.

At the time that the General Appropriation Bill and other appropriation bills are presented to the governor for approval, the official revenue estimates for the budget year are established by the governor. If the appropriations passed by the Legislature exceed the revenue estimates plus any available surplus, the governor has the authority and duty either to veto entire appropriation bills or to reduce the amount of appropriations in order to produce a budget that is in balance with total resources available. The governor also has the power to reduce or item veto any appropriation he thinks excessive or unnecessary, even if the total appropriations passed by the legislators do not exceed estimated resources available. A governor's item veto may be overridden by a two-thirds vote of each house of the General Assembly.

The signing of the appropriations bills and any revenue bills by the governor is the last step in the approval stage of the budget process.

On occasion, additional appropriations are made subsequent to the enactment of the General Appropriation Act. These additional appropriations are made for a purpose for which either no appropriation was originally made or where the General Assembly deems it desirable or necessary that an original appropriation be increased in the current fiscal year period. These appropriations are made in supplemental appropriation bills that are passed in the same manner as regular appropriation bills.

**Execution**

The Governor's Budget Office has the authority to request and approve agency spending plans, commonly referred to as rebudgets, and to establish authorized levels for an agency's full-time equivalent (FTE) salaried complement, i.e., personnel. The rebudgets are based primarily on the enacted appropriations. The Governor's Budget Office electronically enters allocation amounts into the accounting system based upon the approved rebudget. Program managers and administrators are responsible for operating their programs within the resources that are available and for producing the results cited in the budget.

**Audit**

The last phase of the budget cycle, which occurs after the close of the fiscal year, encompasses audit and review of program and financial performance. The Governor's Budget Office informally reviews program and financial performance and performs formal evaluations of selected programs. In addition, the Auditor General performs a financial post audit.

# The Capital Budget Process

## Preparation, Submission and Approval

The capital budget process in Pennsylvania is similar to the process used for the operating budget. The capital budget process has the following phases: preparation and submission to the General Assembly, approval, involving both the executive and legislative branches and capital budget execution.

The preparation phase follows the operating budget preparation cycle for a fiscal year beginning July 1. When agencies submit operating budget requests to the Secretary of the Budget beginning in early October, agencies also submit a capital budget request itemizing proposed capital projects they want to undertake. The Governor's Budget Office reviews capital requests and develops recommendations based on the governor's financial parameters and policies.

The governor makes final decisions on the capital budget at the same time as the operating budget. The governor's final recommendations are contained in a separate capital budget section in the Governor's Budget submitted to the General Assembly.

The governor's capital project recommendations, along with any additions or deletions made by the General Assembly, are contained in a separate bill usually known as the Capital Budget Project Itemization Act. This bill, along with the Capital Budget Act which contains the maximum debt limitations for the next fiscal year beginning July 1, must be passed by both houses of the General Assembly and presented to the governor for signature.

The governor reviews the projects contained in the Capital Budget Project Itemization Act taking into consideration his priorities, the importance of the project and the impact the project will have on agency operating budgets. The governor may approve the bill as is or item veto parts or all of the amounts contained in the bill. Any item veto may be overridden by a two-thirds vote of each house of the General Assembly. The governor's approval of the Capital Budget Project Itemization Act is the final stage of the capital budget approval process.

Each year, even if a capital budget project itemization bill is not passed, the Capital Budget Act – legislation establishing limitations on the debt to be incurred for capital projects – is passed and signed into law. The act establishes a debt ceiling for each major category of the capital program and remains in force for a single fiscal year.

## Capital Project Activation

In order for a capital project approved in an enacted project itemization act to move forward, the Department of General Services must request that it be activated. All project activation requests are reviewed by the Governor's Budget Office for consistency with the governor's priorities and policies. Projects approved by the Governor's Budget Office are scheduled for release, first for design, and then when design is complete, for construction. Project releases are made in accordance with certain fiscal guidelines in order to keep the entire capital budget at affordable levels each fiscal year.

## Debt Financing vs. Current Revenue Financing

A capital project can be funded by commonwealth debt obligations, current revenues or funds received from other jurisdictions if it meets one of the project category criteria listed in the Capital Budget Program Summary. The majority of capital projects are funded through general obligation bonds, but in accordance with commonwealth debt policy, highway capital projects are funded from current revenues of the Motor License Fund. Agencies will request either bond or current revenue funding when they submit capital project requests. The statements in section F summarize new capital projects by capital program category, then by department, capital program category and bond or current revenue sources. The capital projects for each department first list agency bond-funded projects, then list agency projects funded through current revenues.

The reader is referred to Section F: Capital Budget, which contains the governor's recommended capital budget and five-year capital program, including funding sources and amounts needed to support capital programs.

# The Commonwealth's Program Budget Structure

## COMMONWEALTH PROGRAM PLAN

The budget presentation for each commonwealth department or agency is shown on a program basis and on an appropriation basis. The Section B: Program Budget Summary provides a summary presentation by commonwealth program and shows program costs according to eight major commonwealth program classifications. These eight Commonwealth Programs are each defined in terms of broadly stated goals of state government.

The first commonwealth program, Direction and Supportive Services, includes the resources to support administrative functions that affect the overall operations of the commonwealth. The next six commonwealth programs are substantive in nature and deal with costs related to their program titles: Protection of Persons and Property; Education; Health and Human Services; Economic Development; Transportation; and Recreation and Cultural Enrichment. The last commonwealth program, Debt Service, includes the resources to meet the timely payment of commonwealth debt obligations. Debt Service is shown as a separate commonwealth program and is not merged with program expenditures so that direct program expenditures may be more clearly identified.

Program Budget Structure
<ul style="list-style-type: none"> <li>• <i>Commonwealth Program – eight major programs</i></li> <li>• <i>Program Category – defined by desired goals</i></li> <li>• <i>Program Subcategory – Program Presentation that includes an objective, narrative and funding</i></li> <li>• <i>Program Element – activities contributing toward the accomplishment of the subcategory program objective</i></li> </ul>

Each of the eight major Commonwealth Programs is subdivided into Program Categories defined by more specific goals. Program Categories are further broken down into Program Subcategories (more commonly referred to as Program Presentations in the budget book). The Program Presentations include program objectives, narratives and funding recommendations. Program narratives are further broken down into Program Elements – the basic unit of the program budget structure. Program elements are the activities that contribute to the accomplishment of the program objective of the Program Presentation.

### Department Presentations

Each agency presented in Section E of this budget book includes a Mission Statement, an Organization Overview, a Summary by Fund and Appropriation, a Program Funding Summary and a program subcategory Program Presentation.

#### Mission Statement

The mission statement is included on the title page of the department or agency presentation and describes what the agency does or intends to accomplish and why.

#### Organization Overview

The organization overview presentation displays the departmental organization chart and authorized complement count for the past five actual years.

#### Summary by Fund and Appropriation

The Summary by Fund and Appropriation (SFA) presentation is organized by fund, character of expenditure, state appropriation, and the federal funds, augmentations and restricted funds that supplement the activities funded by each state appropriation. Three fiscal years are shown on this presentation – the budget year and two prior fiscal years. The most immediate prior fiscal year is named the “available year” and the second most immediate prior fiscal year is named the “actual year.”

State funds included in the SFA presentation are the: General Fund, Motor License Fund, and Lottery Fund and all appropriations or executive authorizations made from these funds. Section C presents financial statements and revenue detail for each of these state funds.

Federal fund amounts shown on the SFA 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 they are appropriated, federal funds are deposited as General Fund revenues rather than as augmentations. Federal funds are not, however, included in the revenue sections of the budget. Instead, federal funds are shown with the state funds they supplement. Abbreviations or acronyms often are used in the federal appropriation titles shown on the SFA. The Federal Funds Identification section in this Reader's Guide lists common federal fund abbreviations.

The Summary by Fund and Appropriation example pages immediately following this section explain the layout of the SFA and provide more detail on the items discussed here.



**Program Funding Summary**

The agency Program Funding Summary presents general, special, federal and other funding organized by the program subcategory Program Presentations of the commonwealth's program budget structure rather than by appropriation. The summary is a seven-year presentation – including the actual, available and budget years previously discussed, plus four additional planning years beyond the budget year. The four planning years do not show cost projections based on desired progress toward meeting goals, but rather show the future cost consequences of current program policy including the cost of any current legislatively mandated increases that may be effective in a future year. All departmental program funding summaries are shown aggregated in Section B according to the eight major Commonwealth Programs and their identified Program Categories. Each departmental subcategory shown in its Program Funding Summary is included in one and only one of the eight major Commonwealth Programs and in one of the Program Categories.

**Program Presentation**

Each program subcategory Program Presentation includes a program goal that states the program's purpose in terms of desired accomplishments, a narrative describing program activities and services, funding recommendations that identify increases or decreases over available year funding, and a list of state appropriations that support the activities within the program.

An agency may have one or more Program Presentations, depending on the breadth and complexity of its mission, activities, goals and objectives. The reader can quickly see program presentation titles in the Table of Contents which lists every program presentation for every agency. Each program presentation begins with and is defined by one program goal. Program narratives describe program activities, services and expected outcomes and may be further broken down by program element narratives which focus on specific program activities.

Program Presentation
<ul style="list-style-type: none"> <li>• <i>Program Goal – program purpose stated as desired accomplishments</i></li> <li>• <i>Narrative – program activities and services description</i></li> <li>• <i>Program Recommendations – proposed funding increases or decreases</i></li> <li>• <i>Appropriations within this Program – appropriations supporting program activities</i></li> <li>• <i>Program measures – activities funded by the program</i></li> </ul>

The Program Recommendations section lists and briefly describes each funding increase or decrease for each state appropriation. Major funding changes are identified as Initiatives which often are more fully discussed in the Section A: Overview and Summaries section.

The Appropriations within this Program section is a seven-year presentation of the state appropriations included in the Program Presentation. As noted in the previous planning year discussion, the four planning years do not show cost projections based on desired progress toward meeting goals, but rather show the future cost consequences of current program policy including the cost of any current legislatively mandated increases that may be effective in a future year. Each state appropriation appears in only one agency and in only one Program Presentation.

Within the commonwealth's program budget structure, performance measures are used to quantify program activities and results. Program Measures is the last section in the program presentation and is a seven-year presentation of performance measures that identify program activities and outcomes in addition to the impact the proposed budget is expected to have on those activities and outcomes.

The Program Presentation example pages immediately following the Summary by Fund and Appropriation example pages in this section explain the layout of the Program Presentation and provide more detail on the items discussed here. The reader is also referred to the Terms Used in the Budget Process section of this Reader's Guide for the definitions of the terms discussed in this section.

**OTHER SPECIAL FUNDS**

The Section H: Other Special Funds provides brief descriptions and financial data for those special funds of the commonwealth not given an expanded treatment in other sections of this document.

# The Summary by Fund and Appropriation

A summary by fund and appropriation (SFA) is shown at the beginning of each agency presentation in Section E. The SFA identifies all state appropriations within the agency and those federal funds, augmentations and other funds which supplement the activities within the respective state appropriation.

**General Fund** — The fund into which the general (non-earmarked) revenues of the state are deposited and from which monies are appropriated to pay the general expenses of the state.

**General Government** — A character of expenditure which is a classification of appropriations according to their general purpose. Other characters of expenditure are institutional, grants and subsidies, capital improvements and debt service.

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

**"(F)"** Identifies a federal appropriation by the General Assembly or an executive authorization by the governor to spend federal monies.

**"(A)"** Identifies other monies which augment a state appropriation.

**"(R)"** Identifies funds which are in a restricted account and which may only be spent for very limited purposes related to the state appropriation.

## Summary by Fund

### GENERAL FUND:

#### General Government:

##### General Government Operations .....

(F) Surface Mine Conservation .....

(A) Department Services .....

Subtotal .....

##### Environmental Program Management .....

(F) Coastal Zone management .....

(F) Storm Water Permitting Initiative .....

(A) Safe Drinking Water Revolving Fund Administration .....

(R) Sewage Facilities Program Administration (EA) .....

Subtotal .....

Subtotal - State Funds .....

Subtotal - Federal Funds .....

Subtotal - Augmentations .....

Subtotal - Restricted Revenues .....

Total - General Government .....

#### Grants and Subsidies:

Black Fly Control and Research .....

West Nile Virus Control .....

Delaware River Master .....

Interstate Mining Commission .....

Susquehanna River Basin Commission .....

Delaware River Basin Commission .....

Chesapeake Bay Commission .....

Total - Grants and Subsidies .....

STATE FUNDS .....

FEDERAL FUNDS .....

AUGMENTATIONS .....

RESTRICTED REVENUES .....

GENERAL FUND TOTAL .....

### MOTOR LICENSE FUND:

#### General Government:

Dirt and Gravel Roads .....

MOTOR LICENSE FUND TOTAL .....

### OTHER FUNDS:

#### ACID MINE DRAINAGE ABATEMENT AND TREATMENT FUND:

Acid Mine Drainage Abatement and Treatment (EA) .....

DEPARTMENT TOTAL - ALL FUNDS

GENERAL FUND .....

SPECIAL FUNDS .....

FEDERAL FUNDS .....

AUGMENTATIONS .....

RESTRICTED .....

OTHER FUNDS .....

TOTAL ALL FUNDS .....

# Environmental Protection

## and Appropriation

(Dollar Amounts in Thousands)

2017-18 ACTUAL      2018-19 AVAILABLE      2019-20 BUDGET

**\$ 10,400**      **\$ 10,500**      **\$ 10,600**  
 413      630      680  
 154      75      75  
\$ 10,967      \$ 11,205      \$ 11,355

**21,325**      **21,424**      **22,524**  
 4,700      4,700      4,700  
 2,300      2,300      2,300  
 91      85      85  
 1,500      1,500      1,500  
\$ 29,916      \$ 30,009      \$ 31,109

\$ 31,725      \$ 31,924      \$ 33,124  
 7,413      7,630      7,680  
 245      160      160  
 1,500      1,500      1,500  
\$ 40,883      \$ 41,214      \$ 42,464

**\$ 3,250**      **\$ 3,250**      **\$ 3,250**  
**3,676**      **3,676**      **3,776**  
 76      76      76  
 25      25      30  
 490      500      490  
 1,000      1,000      1,000  
 190      190      200  
\$ 8,707      \$ 8,717      \$ 8,822

\$ 40,432      \$ 40,641      \$ 41,946  
 7,413      7,630      7,680  
 245      160      160  
 1,500      1,500      1,500  
\$ 49,590      \$ 49,931      \$ 51,286

\$ 4,000      \$ 4,000      \$ 4,000  
\$ 4,000      \$ 4,000      \$ 4,000

\$ 5,500      \$ 5,500      \$ 5,500

\$ 40,432      \$ 40,641      \$ 41,946  
 4,000      4,000      4,000  
 7,413      7,630      7,680  
 245      160      160  
 1,500      1,500      1,500  
 6,049      6,158      5,970  
\$ 59,639      \$ 60,089      \$ 61,256

*Identifies one of a group of special funds which are presented fully in Section C: Summary by Fund. For purposes of this presentation, State funds include the General, Motor License and Lottery funds.*

*Identifies one of a group of special funds which are presented on a limited basis in Section H: Other Special Funds.*

# Program Presentation

Each Program Presentation provides a written and financial explanation of the activities of the program. Recommendations for the continuation of current programs at essentially current levels of commitment are shown within department program subcategories. Recommendations for major program changes are identified as department Program Revision Requests (PRRs) or Initiatives which provide explanations and justification for the change.

**Program Recommendations** — Identifies the increases or decreases over the available year funds as presented in the Summary by Fund and Appropriation.

**General Government Operations** — Identifies a specific appropriation.

**Initiative** — An Initiative identifies a major program change and is explained in more depth in a presentation following the program.

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

## Program: Environmental Protection

*Goal: To protect and improve the quality of the air of the citizens of the commonwealth, to protect the land from natural and man-made sources, including oceans, water and mineral resources in a way which ensures the health and safety of the citizens while allowing economic benefits from their use.*

This program focuses on achieving DEP's mission to protect Pennsylvania's air, land, and water from pollution and to provide for the health and safety of its citizens.

Permitting and inspection functions are fundamental to most of DEP's programs and regulatory oversight. The permit approval process occurs prior to an industrial activity (or during modification), and inspections occur as specified in regulations throughout the life of the permitted activity. Both permits, and inspections cover almost every industry and are often a requirement to maintain primacy of certain federal programs.

### Program Recommendations:

This budget

\$	100	<b>General Government Operations</b> —to continue current program.
\$	1,000	<b>Environmental Program Management</b> —to continue current program. —Initiative—Rebuilding Pennsylvania's Infrastructure. To provide increased assistance to communities for flood control projects.
\$	1,100	<i>Appropriation Increase</i>

### Appropriations within this Program:

	2017-18 Actual	2018-19 Available
GENERAL FUND:		
Environmental Program Management.....	\$ 30,025	\$ 29,413
Chesapeake Bay Agricultural Source		
Abatement.....	2,645	2,535
Environmental Protection Operations.....	89,066	89,215
Black Fly Control and Research.....	3,334	3,357
West Nile Virus and Zika Virus Control.....	5,379	5,239
Delaware River Master.....	76	38
Susquehanna River Basin Commission....	473	237
Interstate Commission on the Potomac River.....	46	23

### Program Measures:

	2013-14 Actual	2014-15 Actual
<b>Protection of Air Quality</b>		
Percentage of population in counties attaining the ambient PM-2.5 (fine particles) annual standard.....	90%	90%
Percentage of population in counties attaining the 1997 ambient ozone standard	88%	88%
Percentage of population in counties attaining the 2008 ambient ozone standard	35%	42%

# Environmental Protection

## Program and Management

...r, water and environment for the health and safety  
...e people from dangerous or unnecessary radiation  
...ccupational and medical exposure and to manage  
...res against their undue destruction and depletion

### Enforcing Clean Water Standards

DEP regulates nearly 9,000 public water systems serving 10.7 million Pennsylvanians and provides consultative services for the 700,000 private residential water supplies in the state. DEP carries out its duties and responsibilities through various [programs and activities](#) related to permitting, monitoring, compliance, enforcement, and technical assistance. DEP implements all aspects of the federal Safe Drinking Water Act, including [drinking water standards](#), source water protection, operator training and certification, and capability enhancement programs for public water systems to address technical,

...t recommends the following changes: (Dollar Amounts in Thousands)

\$	100	<b>West Nile Virus Control</b> —to continue current program.
\$	5	<b>Interstate Mining Commission</b> —to continue current program.
\$	-10	<b>Susquehanna River Basin Commission</b> —nonrecurring project.
\$	10	<b>Chesapeake Bay Commission</b> —to continue current program.

(Dollar Amounts in Thousands)

	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
\$	30,932	\$ 31,358	\$ 31,358	\$ 31,358	\$ 31,358
	2,670	2,670	2,670	2,670	2,670
	93,901	94,559	94,559	94,074	94,074
	3,357	3,357	3,357	3,357	3,357
	5,378	5,378	5,378	5,378	5,378
	76	76	76	76	76
	473	473	473	473	473
	46	46	46	46	46

	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
	90%	100%	100%	100%	100%
	100%	100%	100%	100%	100%
	50%	68%	100%	100%	100%

Identifies the agency being presented.

**Program** — The agency program focuses upon objectives which can be measured in terms of quantifiable impact.

**Goal** — A statement of the program's purpose in terms of desired outcomes.

**Program Element** — Used within a program narrative to identify sub-program components.

**Narrative** — Describes program services and activities.

Underlined text indicates a live web link contained in the online version of the Governor's Executive Budget. These links connect to additional programmatic information contained on agency websites or other web locations. Please refer to the online document found at [www.budget.pa.gov](http://www.budget.pa.gov).

**Program Measures** — Indicates the expected impact of the proposed budget on services, costs, etc., involved in all programs within the entire agency.

# Basis of Budgeting and Basis of Accounting for Financial Reporting

## Basis of Budgeting For Control and Compliance – Modified Cash Basis

The commonwealth's budgets are prepared on a modified cash basis that is used to establish and ensure compliance with enacted budgets according to applicable commonwealth statutes and administrative procedures. For each commonwealth operating fund, the total amount appropriated by the General Assembly for a fiscal year may not exceed the fiscal year's estimated revenues available for appropriation, as developed by the governor, plus the unappropriated surplus fund balance (or less a deficit) of the preceding fiscal year, except for constitutionally authorized debt service payments.

With a modified cash basis of budgeting, tax receipts, non-tax receipts, augmentations and all other receipts are recognized when posted to the commonwealth's accounting system. Expenditures are recorded at the time payment requisitions and invoices are posted to the commonwealth's accounting system. Expenditures include appropriated amounts reserved for payment of contracts for the future delivery of goods and services to the commonwealth through an encumbrance process. Also, appropriated funds are retained at fiscal year-end to pay direct expenditures such as salaries, wages, travel and utility costs payable against a fiscal year's appropriation authority but expended in the subsequent fiscal year.

Budgetary control is exercised at the appropriation level (legislative spending authority level). Encumbrances and expenditures cannot exceed appropriated amounts. Appropriation transfers between departments and any supplemental appropriations require both executive and legislative branch approval. Uncommitted and unexpended appropriations return to the fund balance (lapse) at fiscal year-end and become available for appropriation in the subsequent fiscal year. Over-estimates of amounts required to meet current year obligations are lapsed in the subsequent year and under-estimates are paid from subsequent year appropriations.

Budgets are statutorily adopted each fiscal year for the General Fund and the following special revenue funds: Banking Department, Ben Franklin Technology Development Authority, Emergency Medical Services Operating, Energy Conservation and Assistance, Hazardous Material Response, HOME Investment Trust, Milk Marketing, Motor License, and Workmen's Compensation Administration. However, not all special revenue funds are controlled by statutorily adopted budgets. Controls over spending in such special revenue funds are maintained by use of spending limits (executive authorizations) established by the governor, within parameters established by the General Assembly. Budgets are also statutorily adopted for the administration of the State Employees' Retirement and Public School Employees' Retirement funds and for portions of the State Stores, Tobacco Settlement and Tuition Account Guaranteed Savings Program funds.

The commonwealth also makes appropriations to authorize expenditures for various capital projects. Capital project appropriations normally remain in effect until the completion of each project unless modified or rescinded.

## Basis of Accounting for Financial Reporting – GAAP Modified Accrual Basis

In addition to the budgetary basis financial information maintained by the commonwealth to monitor and enforce budgetary control, special account balances, principally receivable and payable items, are maintained to provide and report information in conformity with generally accepted accounting principles (GAAP) applicable to state and local governments. GAAP requires a modified accrual basis of accounting for governmental fund types. With modified accrual basis accounting, revenues are recognized when they become both measurable and available to finance expenditures. Expenditures are generally recognized and recorded when a liability to make a payment is incurred, regardless of when the cash disbursement is to be made. For proprietary and fiduciary fund types, GAAP requires a full accrual basis of accounting.

## Accounting Differences in GAAP Financial Reporting versus Budgetary Reporting

Revenues and expenditures reported and included in GAAP financial statements differ from those reported in the commonwealth's budgeting system. Among other differences, the GAAP statements generally recognize revenues when they become measurable and available rather than when cash is received; report expenditures when goods and services are received and a liability incurred rather than when cash is disbursed; include government-wide statements, representing aggregate governmental activities of the commonwealth, along with fund statements, including individual major and aggregate nonmajor funds grouped by GAAP fund type rather than by commonwealth funds; and include activities of all funds in the financial reporting entity, including agencies and authorities usually considered as independent of the commonwealth for budgetary accounting and reporting purposes. GAAP financial accounting generally requires sales/use, personal income, corporation and other tax revenue accruals as well as tax refunds payable and tax credits to be subtracted from reported tax revenues and expenditures not covered by appropriations to be included as expenditures.



## Significant Financial Policies

A summary of significant financial management policies of the commonwealth is presented here:

**Accounting** – Accounting policies are noted in the Basis of Budgeting and Basis of Accounting for Financial Reporting section immediately preceding this section. In addition to the budgetary basis financial information maintained by the commonwealth to monitor and enforce budgetary control, special account balances, principally receivable and payable items, are maintained to provide and report information in conformity with accounting principles generally accepted in the United States applicable to governments. The Governmental Accounting Standards Board (GASB) establishes accounting and financial reporting requirements for state and local governments.

**Budget Stabilization Reserve Fund** – Act 91 of 2002 provided for this fund effective July 1, 2002 to eventually establish a reserve fund amounting to 6 percent of the revenues of the General Fund. For the fiscal year beginning July 1, 2002 and in any fiscal year thereafter in which the Secretary of the Budget certifies that there is a surplus in the General Fund, 25 percent of the surplus is to be deposited by the end of the next succeeding quarter into this fund. Act 42 of 2018 provided for a transfer of an amount equal to 50 percent for the fiscal year ending June 30, 2018. A 50 percent transfer is also included in this budget. Additional information on this fund, commonly referred to as the Rainy Day Fund, is found in Section A1.

**Investments – Investment Pools** – The Fiscal Code provides the Treasury Department with investment control over most commonwealth funds. The Treasury Department uses a variety of sophisticated internal investment pools that seek to provide preservation of principal, liquidity, diversification and income for commonwealth funds. All participating funds report amounts invested in such pools as temporary and/or long-term investments; the pools themselves are not financially reported.

**Debt Issuances** – The commonwealth constitution permits debt to be issued for capital projects in approved capital budgets; purposes approved by voter referendum and response to disasters. The constitution limits outstanding capital budget debt to 1.75 times the average tax revenues during the previous five fiscal years. Voter approved and disaster relief debt are not subject to the constitutional debt limit. Capital projects addressing health, safety and public protection receive top priority for activation. Additional information on public debt and debt policies is found in the Section G Public Debt.

**Debt Policy** – The commonwealth's conservative public debt policies date back to the 1980's:

- General obligation pledges are the preferred source of security.
- Referendum questions should be submitted to the voters for critical needs only.
- Moral obligation pledges should not be provided.
- Revenue pledges are to be used by independent agencies.
- Lease revenue debt should be used only when budgetary restraints prohibit the use of current revenue funding.
- Debt service should not exceed five percent of revenues.
- Highway projects should be funded from current revenues.
- Capital projects addressing health, safety and public protection receive top priority for activation, followed by renovations to existing facilities.

Additional detail on these financial policies can be found in other sections of this document including the Section A: Overview and Summaries, Section F: Capital Budget, Section G: Public Debt and Section H: Other Special Funds.

## Terms Used in the Budget Process

**Accrual:** The accounting recognition of revenue or expenditures/expense amounts prior to cash receipt of revenue or cash disbursements for expenditures/expenses. Accruals are based on the delivery of a good or completion of a service by a specific date for which related cash receipts or disbursements have not yet occurred. Accruals are typically posted at the end of an accounting period and are reversed during a subsequent accounting period.

**Agency Program Plan:** The aggregation of program and financial information projected over a five-year period that serves as the agency input into the Commonwealth Program Plan.

**Appropriation:** Legislation requiring the governor's approval authorizing an agency, department, board, commission or institution to spend a specified amount of money for a stated purpose or purposes during a particular period of time, usually one fiscal year.

**Augmentation:** Monies such as institutional billings or fees credited to a specific appropriation of state revenues. An augmentation can usually be spent for those purposes authorized for the appropriation it augments. Although augmentations usually are appropriated in general terms with no specific dollar limits, federal aid monies must be appropriated specifically.

**Authorized Salary Complement:** A complement authorization established by the Governor's Budget Office based on funding and agency justification for positions.

**Balanced Budget:** A budget in which proposed expenditures equal actual and estimated revenues and surplus. The Constitution of Pennsylvania requires the governor to submit a balanced budget and prohibits the General Assembly from appropriating monies in excess of actual and estimated revenues and surplus.

**Bond:** A debt investment issued by the commonwealth or other public agency or authority. Bonds are used to raise money to finance new projects, maintain ongoing operations, or refinance existing other debts, and are issued for a set number of years (often 10 years plus). At maturity, the issuer repays the principal to the investor. The investor also receives regular interest payments from the issuer until the bond matures.

**Budget:** A statement of the state's program plan, the resources necessary to support that plan, a description of how and for what purposes the resources are to be used and a projection of the effects of the programs on people and the environment.

**Budget Type:** A term used to describe the components of various funding sources and status of the funding sources that determine the total funds available for each commonwealth appropriation or executive authorization. Budget Types include:

- **Appropriation or Executive Authorization** – The amount provided in an enacted appropriation bill or executively authorized and issued in approved Expenditure Symbol Notification letters.
- **Estimated Augmentations** – The amount made available in an approved allocation or allocation amendment to supplement an Appropriation or Executive Authorization from non-Federal sources.
- **Federal Transfers** – The amount of expenditures anticipated to occur in the State Appropriation or Executive Authorization in the first instance and then transferred to a related Federal Appropriation or Executive Authorization.
- **Non-Federal Transfers** – The amount of expenditures anticipated to occur in the State Appropriation or Executive Authorization in the first instance, and then transferred to another State Appropriation or Executive Authorization or Other Funds source within the same or a different Commonwealth Fund.
- **Pending Lapse** – The amount of funds from an Appropriation or Executive Authorization that may potentially lapse. These funds are no longer available for expenditure or commitment.
- **Lapse** – The amount of funds from the Appropriation or Executive Authorization for which a lapse has been processed and approved. These funds are no longer available for expenditure or commitment.
- **Federal Expiration** – The amount of lapse of Appropriation or Executive Authorization authority from a Federal Appropriation or Executive Authorization.
- **Budget Carry Forward** – The amount of prior year available funds that have carried forward to a new fiscal year.

**Capital Authorization:** The appropriations and/or debt authorization enacted in an annual capital budget to fund any permitted capital program.

**Capital Budget:** The capital budget recommends projects for the construction, renovation, improvement, acquisition and purchase of original furniture and equipment of any building, structure, facility, land or land rights. Projects must have an estimated useful life in excess of five years and an estimated cost in excess of \$100,000 or more if bond funds are used and \$300,000 or more when current revenues are used. Those projects under these thresholds are not considered capital and are funded from operating budgets. Most of the capital budget projects in the past have been paid from monies obtained by the sale of bonds.

**Character of Expenditure:** A classification of appropriations according to their general purpose, including general government, institutional, grants and subsidies, capital improvements and debt service.

**Commonwealth Program Plan (CPP):** The aggregation of all of the Agency Program Plans (APP) within the framework of the commonwealth's program structure.

**Complement:** A term synonymous with state personnel or workforce, more often used in the context of positions rather than employees or persons employed. Complement terms include:

- **Authorized Salaried Complement** – A complement authorization established by the Governor's Budget Office as part of the annual rebudget process and based on funding and agency justification for positions.
- **Complement Level** – The number of full-time equivalent wage or salaried positions authorized by appropriation and agency. The Governor's Budget Office establishes authorized salaried complement levels and the Governor's Office of Administration establishes authorized wage complement levels.
- **Full-time Equivalent (FTE)** – A numeric unit that indicates the workload of an employed person in a way that makes full- and part-time workloads comparable. A full-time worker is equivalent to one FTE and two half-time workers are also equivalent to one FTE. For budgeting purposes, an agency's total FTE count is rounded to the nearest integer.
- **Limited-Term Salaried Position** – A salaried position that has a specific date of expiration, regardless of duration, that requires the temporary, full-time or part-time employment of at least one person.
- **Position** – An authorized and individually identified group of duties and responsibilities requiring the full- or part-time employment of at least one person.
- **Salaried Position** – A position requiring the full-time or part-time employment of at least one person on a regularly scheduled basis for a period of time exceeding six months.
- **Wage Position** – A position requiring the full-time or part-time employment of one person, either on a regular schedule for a limited duration of time or on an intermittent or irregularly scheduled basis without regard to the employment duration.
- **Workforce** – Persons employed by the commonwealth.

**Comprehensive Annual Financial Report (CAFR):** A set of government financial statements that complies with accounting requirements prescribed by the Governmental Accounting Standards Board and provides information about the financial condition of the commonwealth. It is prepared primarily by accounting staff in the Office of Comptroller Operations and audited by independent auditors using GASB requirements.

**Current Commitment:** Current level of services; when used in projecting costs, the future cost consequences of current program policy. Also referred to as "Cost to Carry." The four planning years do not show cost projections based on desired progress toward meeting goals, but rather show the future cost consequences of current level of services and current program policy including the cost of any current legislatively mandated increases that may be effective in a future year.

**Deficit:** A fiscal operating result for an individual fund that may occur at the end of a fiscal year, whereby expenditures for a fiscal year exceed the actual revenues during the same period plus the prior year surplus. The deficit must be paid from the next year's revenues.

**Encumbrance:** That portion of an appropriation representing a commonwealth obligation or commitment pursuant to a contract, a purchase order, a grant or another known obligation but where an actual disbursement has not been made.

**Executive Authorization (EA):** An authorization made in the name of the governor to spend money from funds that had been previously appropriated through blanket action of the General Assembly. Usually this term is used in connection with the special funds. An example of this would be the operations of the Vocational Rehabilitation Fund.

**Expenditure:** An accounting entry indicating a disbursement has been made.

**Federal Fiscal Year (FFY):** A twelve-month period beginning October 1 and ending September 30 of the following calendar year which is used as the federal accounting and appropriation period. Referred to by the year in which the fiscal year ends. For example, October 1, 2018 to September 30, 2019 would be FFY 2019.

**Federal Funds Appropriation:** An appropriation of monies received from the federal government. All monies, regardless of source, deposited in the state treasury must be appropriated. Federal funds are appropriated for a specific time period.

**Fiduciary Funds:** These funds are used to account for assets held by the commonwealth as trustee or agent for individuals, private organizations and other government units.

**Fiscal Year:** A twelve-month period beginning July 1 and ending June 30 of the following calendar year which is used as the state's accounting and appropriation period. In the accounting system, the fiscal year is referred to by the year in which the fiscal year begins, for example, July 1, 2019 to June 30, 2020 would be Fiscal Year 2019. In the budget document, the fiscal year is referred to by using both calendar years in which the fiscal year spans, for example, July 1, 2019 to June 30, 2020 would be Fiscal Year 2019-20.

- **Actual Year** – Includes all expenditures and encumbrances chargeable to that fiscal year as of June 30 of the previous year plus available balances held for certain commitments and any supplemental appropriations enacted after June 30. In the case of continuing appropriations, the actual figure will also include any available balances. For non-appropriated and non-executively authorized restricted receipts and restricted revenues, it reflects expenditures only.
- **Available (Current) Year** – For state funds, includes amounts appropriated to date and supplemental appropriations recommended in this budget. For non-appropriated and non-executively authorized restricted receipts and restricted revenues, the best estimate of expenditures currently available is used.
- **Budget Year** – Reflects the amounts being recommended by the governor in this document for the next fiscal year.
- **Planning Years 1, 2, 3 and 4** – Reflects only the cost of the budget year projected into the future and the implementation of legislatively mandated increases that may be effective in a future year.

**Full-time Equivalent:** see **Complement**.

**Fund:** An independent fiscal and accounting entity comprising a source of money set aside by law for the purpose of carrying on specific activities in accordance with special regulations, restrictions or limitations. A fund is created by legislation. The General Fund is the fund from which most state programs are financed.

**Fund Balance:** The beginning balance is the ending balance brought forward from the previous year. The ending balance (positive or negative) is the sum of the beginning balance, revenues/receipts and lapses less expenditures within the fiscal year.

**General Appropriation Act:** A single piece of legislation containing numerous individual appropriations. The General Appropriation Act contains only appropriations for the executive, legislative and judicial departments of the commonwealth, for the public debt and for public schools. All other appropriations are made by separate acts, each concerning one subject.

**General Fund:** The major operating fund of the commonwealth. It receives all tax receipts and other types of revenue not specified by law to be placed in special funds. Except for certain restricted receipts, the income of the General Fund is appropriated in specific amounts for the ordinary programs of government. Pennsylvania's major sources of General Fund revenues are corporation taxes, consumption taxes, the Personal Income Tax and nontax revenues.

**General Obligation Bonds:** Bonds guaranteed by the full faith and credit of the commonwealth, repayment of which is from the General Fund.

**Goal:** A goal is a desired state of affairs based upon current knowledge and values. It is timeless in the sense that as achievement approaches, goals tend to be restated at a higher level of aspiration or new goals are projected. Goals reflect the basic values of society and are therefore always culture bound and subjective.

**Governmental Funds:** Collectively these funds account for and report activities that are associated with routine, ordinary governmental functions and are financed largely by tax and grant revenues. Funds include the General Fund, Special Revenue Funds, Capital Project Funds and Debt Service Funds. (See page H3 for additional information.)

**Initiative:** Changes in program purpose, level or activity as the result of changes in policy, statute, regulation or court direction are identified as Initiatives. Cost increases to operate an existing program without change in policy, law or regulation such as increased fuel costs at an institution or increased rental costs for regional offices are current commitment costs and are not identified as Initiatives.

**Item Veto:** The constitution of Pennsylvania empowers the governor to disapprove part or all of any item or items of any bill making appropriations of money. The part or parts of the bill approved become law and the item or items disapproved become void. This power is known as the item veto.

**Lapse:** The return of unencumbered or unexpended monies from an appropriation or executive authorization to the fund from which the money was appropriated. Most appropriations are for one fiscal year and any unencumbered and unexpended monies usually lapse after the end of that fiscal year.

**Lottery Fund:** A special revenue fund composed of monies received from lottery ticket sales. It provides for lottery prizes and for programs to support older Pennsylvanians including property tax and rent assistance, community care programs, mass transit fare subsidies and prescription drug costs.

**Mandated Expenditures:** Expenditures that are authorized and required by legislation, other than appropriation acts, or required by the state constitution. Such expenditures include payment of public debt.

**Motor License Fund:** A special revenue fund composed of monies received from liquid fuels taxes, licenses and fees on motor vehicles, aviation fuel tax 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.

**Nonpreferred Appropriations:** An appropriation to any charitable or educational institution not under the absolute control of the commonwealth that requires the affirmative vote of two-thirds of the members elected to each house of the General Assembly.

**Official Revenue Estimate:** The estimate of revenues for the coming fiscal year determined by the governor at the time the governor signs the General Appropriation Act. This revenue estimate is used to determine whether appropriations are in balance with available revenues.

**Operating Budget:** The operating budget is that portion of the state budget that supports the general day to day activities and expenses of state government paid out of revenues derived from taxes, license or permit fees, or other non-tax sources.

**Position:** see **Complement**.

**Preferred Appropriation:** An appropriation for the ordinary expenses of state government which only requires the approval of a majority of the Senators and Representatives elected to the General Assembly.

**Program:** A general term applied to any level of program aggregation defined in the Agency Program Plan. Included are the Commonwealth Program, the Program Category, the Program Subcategory and the Program Element.

**Program Budgeting:** A method of budgeting that relates expenditures to government program accomplishments. Program budgeting generally includes the identification of programs and their objectives, a system of measuring and reporting program results and the allocation of funds with a consideration of program effectiveness.

**Program Category:** see **Program Structure**.

**Program Performance Measure:** A general term applied to any of the substantive measures found in the agency programs. Included are impacts, outcomes, output/activity indicators, efficiency measures and need and/or demand estimators.

**Program Policy Guidelines (PPG):** Issued by the governor, the policy guidelines identify those problems confronting the commonwealth that are of major concern. The guidelines initiate the budget process in that they ask for a preliminary assessment of alternative program changes which respond to the governor's concerns.



**Program Structure:** The system used to organize goals and objectives within a logical framework so that activities of different organizational units designed to accomplish similar results can be reviewed for decision purposes within the appropriate program context. Program structure also provides the means for determining what information is required in order to identify the needs and demands on government and what information is required for the management and evaluation of program operations. Program structure terms listed in system order are:

- **Commonwealth Program** – There are eight major program classifications in the program structure: Direction and Supportive Services, Protection of Persons and Property, Education, Health and Human Services, Economic Development, Transportation, Recreation and Cultural Enrichment, and Debt Service.
- **Program Category** – The first major subdivision of the commonwealth program. The program category is defined in terms of desired goals, e.g., clean air environment.
- **Program Subcategory** – A subdivision of a program category. The subcategory focuses upon objectives that can be measured in terms of quantifiable impact. Program subcategories within agencies are commonly referred to as programs or program presentations within the Governor's Budget.
- **Program Element** – The agency activity or set of activities which produce an output or group of related outputs that contributes to the accomplishment of the objective of a single program subcategory. Program elements are the basic units of the program structure of the budget.

**Proprietary Funds:** These funds include Enterprise Funds and Internal Service Funds. Such funds account for and report activities the way a private business or industry would. They include such activities as sale of goods or services, and lending and other financing activities where purchasers or customers pay a charge or a user fee. (See page H3 for additional information.)

**Rebudget:** An agency-revised spending plan based on its enacted appropriations. The Governor's Budget Office has the authority to request and approve agency spending plans or rebudgets.

**Restricted Receipts:** Monies received by a state fund (usually the General Fund) from a source outside of the state which may be used only for a specific purpose. The funds are held in a trust capacity for a period of time and then are disbursed to authorized recipients including other state agencies. Restricted receipts do not augment an appropriation. Usually the state makes no other appropriation for the purpose specified for the restricted receipt.

**Restricted Revenue:** Monies designated either by law or by administrative decision for specific purposes. The revenues are deposited in the General Fund or in certain special funds but reported separately. Restricted revenue accounts continue from one year to the next and finance a regular operation of state government. Disbursements from restricted revenue accounts must be accounted for as expenses of state government.

**Revenue:** Monies received from taxes, fees, fines, federal grants, bond sales and other sources deposited in the state treasury and available as a source of funds to state government.

**Special Fund:** A fund in which revenues raised from special sources named by law are deposited (earmarked revenue). Such revenues can be spent only for purposes prescribed by law and for which the revenues were collected. Examples are: Motor License Fund, Game Fund and Boat Fund.

**Surplus:** A fiscal operating result that may occur in a fund at the end of a fiscal year, whereby expenditures are less than the fund's beginning balance, revenues/receipts and lapses during the same period. The surplus funds become available for appropriation during the following fiscal year.

**Tax Expenditures:** Tax credits, deductions, exemptions and exclusions provided for in law which result in a significant reduction in revenues that would otherwise be received at current tax rates. See section D.

**Workforce:** see **Complement**.

## Federal Funds Identification

The most common abbreviations used to identify federal funds in this document are:

ADA	Americans with Disabilities Act
ARC	Appalachian Regional Commission
BG	Block Grant
CCDFBG	Child Care and Development Fund Block Grant
COPS	Community Oriented Policing Services
CSBG	Community Services Block Grant
DCSI	Drug Control and Systems Improvement
DFSC	Safe and Drug Free Schools and Communities
DOE	Department of Energy
EDA	Economic Development Administration
EEOC	Equal Employment Opportunity Commission
EMAC	Emergency Management Assistance Compact
EMS	Emergency Medical Services
EPA	Environmental Protection Agency
EPCA	Energy Policy and Conservation Act
ESEA	Elementary and Secondary Education Act
FEMA	Federal Emergency Management Agency
FFY	Federal Fiscal Year (October 1 to September 30)
FHWA	Federal Highway Administration
FTA	Federal Transit Administration
HIPAA	Health Insurance Portability and Accountability Act
HHS	Health and Human Services
HUD	Department of Housing and Urban Development
ID	Intellectual Disabilities
JAG	Justice Assistance Grants
LIHEABG	Low-Income Home Energy Assistance Block Grant
LSTA	Library Services and Technology Act
LWCF	Land and Water Conservation Fund
MA	Medical Assistance
MAGLOCLEN	Middle Atlantic Great Lakes Organized Crime Law Enforcement Network
MCH	Maternal and Child Health
MCHSBG	Maternal and Child Health Services Block Grant
MH/ID	Mental Health/ Intellectual Disabilities
MHSBG	Mental Health Services Block Grant
NCHIP	National Criminal History Improvement Program
NEA	National Endowment for the Arts
NICS	National Instant Check System
NSF	National Science Foundation
NSTIC	National Strategy for Trusted Identities in Cyberspace
OEP	Office of Emergency Preparedness
OSM	Office of Surface Mining
PHHSBG	Preventive Health and Health Services Block Grant
RSAT	Residential Substance Abuse Treatment
SABG	Substance Abuse Block Grant
SAFETEA	Safe, Accountable, Flexible and Efficient Transportation Equity Act
SCDBG	Small Communities Development Block Grant
SDA	Service Delivery Area
SSA	Social Security Act
SSBG	Social Services Block Grant
SSI	Supplemental Security Income
TANFBG	Temporary Assistance to Needy Families Block Grant
TEA 21	Transportation Equity Act for the 21 <sup>st</sup> Century
USFWS	United States Fish and Wildlife Service
VA	Veterans Administration
VOCA	Victims of Crime Act
WIC	Women, Infants and Children Program
WIOA	Workforce Innovation and Opportunity Act

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Commonwealth of Pennsylvania

Governor's Executive Budget

*OVERVIEW*  
*AND*  
*SUMMARIES*

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# FISCAL AND PROGRAM POLICY DIRECTION AND BUDGET THEMES

The Fiscal and Program Policy Direction section immediately following this page presents the fiscal and program policies that guided the development of the 2019-20 Governor's Executive Budget. The revenue and expenditure recommendations included in this budget provide a solid fiscal foundation for the governor to successfully address his vision, goals and program priorities for Pennsylvania.

This section summarizes the governor's recommended budget initiatives within the following budget theme presentations: Building the Nation's Strongest Workforce; Making Pennsylvania a Better Place for Workers and Businesses; Securing the Future of Pennsylvania's Agricultural Industry; Keeping Pennsylvania Safe; Protecting Elections and Restoring Trust in Government; and Protecting the Most Vulnerable.

Theme topics vary from year to year based on the funding priorities established by the governor and the recommended budget initiatives proposed in the budget. Themes may include program revision budget recommendations. If so, detailed program revision presentations, including discussion of the program revision and its associated program measures, funding recommendations and costs by appropriation can be found in Section E: Department Presentations within the agency responsible for leading the program revision implementation.

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## Fiscal and Program Policy Direction

This section presents the fiscal and program policies that guided the development of the 2019-20 Governor's Executive Budget. For the 2019-20 fiscal year, it is critical that the commonwealth employs sound budget planning. Agency budget requests should focus on the governor's three key priority areas – Jobs that Pay, Schools that Teach, and Government that Works – as we continue to build on the progress made last year to address the state's financial challenges, fully fund our obligations, and restore education funding and other priorities.

The revenue and expenditure recommendations included in this budget provide a solid fiscal foundation for the governor to successfully achieve his vision, goals and program priorities for Pennsylvania.

Key budget development policy direction was provided by the Governor's Budget Office in August 2018 to assist agencies in developing their 2019-20 budget requests – the annual Budget Instructions and related program policy guidance. Additional guidance was provided to the agencies throughout fall 2018 as the budget development process continued.

### Budget Instructions

The 2019-20 Budget Instructions directed agencies to prepare budget requests consistent with the governor's policy guidance and seek responses to the specific issues that the governor wished to address in the 2019-20 Governor's Executive Budget. Agencies were to develop plans and policies designed to make government more efficient and effective. Agencies were asked to prepare 2019-20 budget requests building upon the administrative spending constraints and operational efficiencies initiated during the past budget planning cycle and make every effort to eliminate nonessential spending and deliver essential services at reduced cost.



**Budget  
Direction**

The budget instructions directed agency heads, program managers and fiscal officers to closely coordinate all aspects of the development of agency budget requests. The budget request was to include all data and analysis required to adequately explain and defend agency funding requests. Agency budget planning was to focus on specific budget proposals to improve the efficiency and effectiveness of program operations and to ensure that program delivery is consistent with the governor's policy guidance and the mission and goals of the commonwealth.

Agencies were directed to strengthen their multi-year planning efforts to realistically reflect future-year consequences of actions proposed in their budget requests. All financial data must be projected for the budget year as well as four future years. Projected trends are intended to show the future consequences of currently existing policy commitments. That is, the future trends in program costs if the current level of service is maintained over the five-year period. Expected trends in eligible populations served, mandated service levels and the potential for improved program and/or administrative efficiencies are among the factors to consider when preparing multi-year projections.

The budget instructions also provided guidance on the submission of capital budget project requests. When proposing capital projects, agencies were to consider the broader operating program objectives and outcomes the capital project was intended to serve. No capital project request would be recommended unless the request included a detailed estimate of annualized operating cost changes or impacts, including new positions required, that would result from completion of the project.

Agencies should continue to seek federal grants and other funding opportunities which advance agency priorities without depending on General Fund appropriations.

## Program Policy Guidance

The 2019-20 program policy guidance provided specific fiscal and program direction to the agencies. The commonwealth budget faced challenges, such as increased pension obligations, wage and benefit increases, debt service and medical and entitlement costs. In recognition of this reality, agencies were encouraged to evaluate options to generate savings wherever possible. New programs that align with the governor's priority areas may be proposed, but must be offset by achievable, sustainable savings in other areas of the agency budget.

### Program Direction

Agencies should identify legislative and regulatory changes that will streamline program operations and phase out burdensome practices or outdated programs. Furthermore, agencies should look for consolidation opportunities with the goal of saving money and streamlining operations.

Proposed new programs should be aligned to advance the governor's three key priority areas:

**Jobs that Pay:** To move Pennsylvania forward, we must have a thriving middle class. It is essential to continue to focus on economic development policies that will create family-sustaining jobs across the commonwealth.

**Schools that Teach:** We will continue our commitment to ensure that our youngest residents, regardless of where they live, have access to a high-quality education that will provide them with the tools to be successful in the 21st century.

**Government that Works:** Residents of Pennsylvania must have confidence that taxpayer dollars are being used effectively and efficiently.

Additionally, agencies should continue to focus on initiatives that support our most vulnerable residents in the most cost-effective manner.

## Performance Measurement

The 2019-20 budget planning process continued to emphasize performance measurement goal-setting as a core component of budget planning. Agencies were directed to identify key performance indicators along with strategies for achieving key results and how their funding requests relate to the goals in their annual performance plans. The Governor's Budget Office worked with agencies to select fewer, more meaningful budget book measures and to differentiate them by outcome, output, customer service, and efficiency measures. Agencies were to report more years of actual data and fewer years of estimated data. Agency funding requests were to be driven by data collected about each program's effectiveness in achieving its purpose. Where programs are not meeting performance goals, the agency should carefully consider the reasons, and be prepared to justify continued funding of underachieving programs. A core goal of the budget review process is to evaluate the impact each agency's proposed expenditure levels have on the achievement of its mission and programmatic goals.

### Measuring Program Results

The budget and policy direction given to agencies is responsive to fiscal realities and addresses the commonwealth's 2019-20 budget challenges.

The following pages present the major budget themes for the 2019-20 Governor's Executive Budget. The reader is referred to the agency program presentations in Section E: Department Presentations for specific budget recommendations for each program appropriation. The reader is also referred to the 2019-20 Budget in Brief, a separate booklet, for summary information on the 2019-20 Governor's Executive Budget, including recommended program changes and funding levels in pursuit of the administration's policy and program direction for the commonwealth.

## Introduction

Over the last four years, responsible budgeting in Pennsylvania has allowed the financial condition of the commonwealth to go from a significant deficit to a surplus, resulting in the first deposit to the Rainy Day Fund in nearly a decade. During that same time, Pennsylvania created more than 200,000 new jobs – good jobs that support families. Pennsylvania also made historic investments in education at all levels and expanded workforce funding and programs.

However, there is much more that needs to be done to build on our healthy economy, create a strong education system for all Pennsylvania students, bring more family-sustaining wage jobs to the commonwealth, and address the skills gap for 21st century industry. The 2019-20 Budget makes critical investments in our current workforce and in our children so that we have a skilled workforce and strong economy in the future, the next phase of overhauling our workforce programs that began last year with PAsmart grants.

The Statewide Workforce, Education, and Accountability Program (SWEAP) brings a holistic approach to addressing workforce issues in Pennsylvania. Through early child development, education, job training, grants, and coordinated initiatives to tackle workforce barriers, SWEAP will transform the way the commonwealth combats the skills gap. To succeed, we must create career pathways that give individuals the opportunity to gain the skills and education that will lead to career progression. One such initiative through the Department of Human Services will create a pathway for low-income parents. The Parents Pathways model coordinates education and training with social services so families can break down barriers to employment and move toward self-sufficiency.

Pennsylvania has had a long, proud history of agriculture. Over the years, major changes in the market, technology, and climate have transformed this industry. To support our farmers, the budget proposal invests in innovative approaches to agriculture. The PA Farm Bill will be a comprehensive plan to break down barriers to agriculture in Pennsylvania, support new and existing farmers, and identify best practices in the industry. Organic agriculture, urban farming, and high-priority crops such as hemp and hardwoods are fast-growing markets and, with innovation and targeted investments, Pennsylvania can continue to be a leader in these industries.

The 2019-20 Budget also makes investments to protect the citizens of Pennsylvania and those who support our servicemembers. By imposing a modest fee on municipalities that elect not to have a local police force and rely only the Pennsylvania State Police for local enforcement, we can ensure fair funding to continue our commitment to the State Police. Additionally, the Military Family Education Program will allow National Guard servicemembers to earn a benefit that will pay for higher education credits for their family members.

Governor Wolf's Ready to Start Task Force convened in the winter of 2018 with a focus on improving health outcomes and strengthening the home environment for infants, toddlers, and their families as well as preparing infants and toddlers for future school success. Many recommendations from that task force are presented in this budget, including addressing the child care waiting list, encouraging use of higher quality child care facilities, and the expansion of home visiting programs.

In January 2018, Governor Wolf signed an emergency declaration to tackle the heroin and opioid epidemic to save lives and help individuals with substance use disorder get treatment. This budget continues key investments in treatment and prevention for substance use disorder as we continue this fight.

The 2019-20 Budget offers key investments in the future, while being responsible to taxpayers. Overall growth in the budget is held to 2.79 percent, while allowing for additional Rainy Day Fund transfers and meeting the needs of our changing commonwealth. This budget proposes no tax increases. Building upon the completed phase-out of the Capital Stock and Franchise Tax, further steps to reform our business tax structure would implement full combined reporting. These reforms eliminate the Delaware Loophole for multi-state corporations and lower the Corporate Net Income Tax rate to 5.99 percent by 2024 for all corporations doing business in Pennsylvania.

# Theme: Building the Nation's Strongest Workforce

## Building the Nation's Strongest Workforce

The successful PAsmart pilot program provided investments of \$20 million dollars for STEM and computer science programs and \$10 million for job training for industry partnership and apprenticeship programs. Now, we are ready to move forward with a plan to keep building the nation's strongest workforce.

This budget builds on this effort by introducing the Statewide Workforce, Education, and Accountability Program (SWEAP) to further strengthen the commonwealth's ability to respond to changing market forces, technology, and societal needs.

Pennsylvania's future economic growth is contingent on the strength of its workforce. We continue to hear stories of businesses that are unable to find workers for open jobs. To compete with our neighbors and across the globe, the skills of our workforce must match the jobs available. Too many workers are stuck in low-wage jobs due to lack of training and opportunities for advancement.

By eliminating barriers and breaking down silos in the public and private sectors, SWEAP will help to ensure that all Pennsylvanians have the opportunity to build their lives and careers in the commonwealth.

Our plan is to create an environment for Pennsylvanians to develop skills to meet the demands of industry and access family-sustaining wage jobs by overhauling how state government supports the workforce needs of our economy. Under one reliable umbrella, Governor Wolf believes that workforce development and career training programs can be more effective and responsive to the needs of current and future employers. As our economy continues to grow and transform, Pennsylvania needs a workforce development system that is innovative, flexible, and relevant.

The businesses and institutions driving Pennsylvania's economic comeback need state government to keep up. We can meet that challenge from early child development to post-secondary career training by strengthening and supporting all Pennsylvanians – our current and future workforce.

By focusing on workforce development and workforce support from birth to employment, we will provide a comprehensive approach to coordinating education, workforce and human services strategies.

### WORKFORCE COMMAND CENTER

Tackling workforce barriers and gaps cannot be done in silos. While multiple approaches are needed to meet demands, coordination of programs is critical to removing duplication of effort, creating a responsive system, and improving outcomes.

As part of SWEAP, a command center will work to align workforce efforts across commonwealth agencies and partners to more effectively deliver services to all Pennsylvanians.

An Executive Order creating the Keystone Economic Development and Workforce Command Center will bring together multiple agencies and critical external partners to collectively and uniformly examine needs and direct resources to address Pennsylvania's workforce shortage. The command center will focus on cross-agency coordination, project management, and policy analysis while fostering a multi-faceted approach to brainstorming and innovation around issues such as the skills gap, critical worker shortages, and barriers to hiring. In addition, the command center will monitor and report out on the implementation and progress of each of the workforce programs detailed in the budget. The goal of which is to create more transparency, reduce duplication of efforts and resources, and track outcomes in removing barriers and creating opportunities for employers and workers throughout Pennsylvania.

### EARLY CHILDHOOD DEVELOPMENT AND PARENT SUPPORT

#### Establishing Parent Pathways

Removing barriers to education empowers low-income parents to obtain the skills needed for family-sustaining jobs. The **\$5 million** Parent Pathways initiative will use a multigenerational, whole-family approach to provide wraparound support to parents pursuing college or other postsecondary training options. The five to seven pilot programs may include support for housing, child care, family programming, tutoring, college system navigation, and



# Theme: Building the Nation's Strongest Workforce

career counseling. The model brings together community partners and resources, allowing parents to get the education required for a good job, breaking the cycle of poverty.

## Expanding Home Visiting

Evidence-based home-visiting programs support vulnerable pregnant women as well as at-risk infants and toddlers and their mothers. The 2019-20 Budget includes **\$5 million** in state funds to expand home-visiting services to 800 additional vulnerable families. Services will be provided by the models currently recognized by the United States Health Resources & Services Administration.

## Expanding Access to High-Rated Child Care

Access to child care can impact a family's ability to work or go to school. Pennsylvania's Child Care Works program provides financial support for child care to families with income below 200 percent of the Federal Poverty Income Guideline. However, funding has not kept pace with the demand. By the end of 2018, 4,300 children, including 2,000 infants and toddlers, were on a waiting list. This budget uses **\$15 million** in federal funds to serve an additional 970 infants and toddlers slots in high-quality STAR 3 and 4 child care programs.

## Incentivizing Better Outcomes for Child Care Programs

Keystone STARS, Pennsylvania's quality rating and improvement system for child care programs, is designed to encourage programs to grow into higher quality ratings. A **\$10 million** investment of federal funds for child care subsidy will provide a 28 percent increase for infant and toddler daily tiered add-ons for high-quality programs. The use of a tiered reimbursement model for Child Care Works provides higher add-on payments to child care providers as they increase their STARS rating. By balancing private-pay and subsidized children in child care settings, there will be greater equity and access to high-quality early learning for all of Pennsylvania's youngest children.

## EARLY EDUCATION

### Lowering the Compulsory Age of School Attendance

To bring Pennsylvania's compulsory school attendance age in line with other states, the 2019-20 Budget proposes to lower Pennsylvania's compulsory age of school attendance from the current requirement of 8 years to 6 years. This change will align with common practice and also help to ensure that children do not fall behind because they start attending school later than their peers. Regular attendance for all children can set them on a path for future success. In addition, working parents will have the comfort of knowing their child will have access to education at a critical time in their child's developmental years. It is estimated that this change will increase enrollment by more than 3,300 children between ages 6 and 7 statewide.

### Mandating an Impact Study of Universal, Free, Full-Day Kindergarten

While lowering the compulsory school age to 6 is a critical first step to align Pennsylvania's requirements with current norms, there would still be an estimated 49,000 5-year-olds not currently enrolled in school. By mandating a study on the effectiveness and impacts of lowering Pennsylvania's compulsory age of school attendance further to 5, we will be able to quantify the long-term impacts of starting school at an earlier age and identify readiness and potential implementation challenges for school districts such as physical classroom limitations, staffing needs, and multiplier effects for Pennsylvania families and workforce. This study will provide valuable information, moving Pennsylvania toward the goal of providing universal access to free, full-day kindergarten for all children and families.

### Increasing Funding for High-Quality Early Childhood Education

Children who participate in high-quality pre-k programs perform better in school, are more likely to graduate, and earn more throughout their lives compared to peers without access to early learning programs. Governor Wolf will make an additional **\$50 million** investment in early education. With \$115 million in funding increases secured over the past four years, this additional investment will more than double the funding for Pre-K Counts programs since 2014-15 and increase funding for Head Start Supplemental Assistance by 77 percent. The new funding will allow nearly 5,500 additional children to enroll in the state's high-quality early learning programs.

## SUPPORTING PENNSYLVANIA'S TEACHERS

### PA TeacherWORKS: Connecting Teachers with the Workplace

Ensuring teachers provide a curriculum that is aligned to workforce demands is vital. Through PA TeacherWORKS, the departments of Education and Labor & Industry will enhance initiatives that connect educators



# Theme: Building the Nation's Strongest Workforce

and school staff to workplace experiences within Pennsylvania businesses in order to appropriately align curriculum and career counseling for students.

By leveraging additional federal resources for current K-12 educators and staff, as well as future teachers enrolled in Pennsylvania colleges and universities, funding will support teacher placements into businesses to provide information and training on industry operations, skill demands, and entry-level requirements. In addition, future teachers at Pennsylvania higher education institutions will have the opportunity for a pre-service experience and receive a business-approved micro-credential. Businesses serve as a critical partner, providing valuable experiences to current and potential teachers that will shape the future of Pennsylvania's educator workforce.

## Attracting and Retaining the Best Teachers for Our Kids

Providing competitive wages is essential to attracting and retaining qualified education professionals. Outdated legislation from the 1980s arbitrarily sets compensation for Pennsylvania teachers and other education professionals, including counselors and school nurses, at a minimum \$18,500 per year, or \$8.90 per hour assuming a 40-hour workweek. It is important, however, to recognize that most educators spend many hours out of the classroom preparing lesson plans and reviewing student assignments. The current statutory minimum salary fails teachers, students, and families. The 2019-20 Budget proposes to increase the minimum starting salary to \$45,000 per year to better align with competitive salaries and the increasing cost of living.

## K-12, HIGHER EDUCATION, AND CAREER TRAINING

### Building on the PAsmart Pilot Program

Pennsylvania needs to have a qualified workforce that meets the demands of competitive industry. This budget builds on the success of PAsmart.

Providing an additional **\$4 million** to increase Pennsylvania's Manufacturing to Career Training Grant will nearly double the commonwealth's investment and outcomes in this program. These grants allow companies to identify and train a skilled workforce while creating a workplace culture that promotes employee advancement, employer growth, and competitive advantage in a global economy.

Governor Wolf's goal is for 60 percent of Pennsylvania residents to have some form of post-secondary degree by 2025. To accomplish this goal, Pennsylvania's workers must have access to opportunities that allow them to develop their current skill set. An investment of **\$6 million** will be used to develop and expand adult career and technical education training programs that target workers and non-traditional students who have career readiness, basic education, or remedial needs. Emphasis will be placed on innovative training models that prioritize timely completion of the program, provide qualified career and technical education instructors, and incorporate industry-recognized credentials.

### Raising the Dropout Age

Dropping out of school is a decision that could result in significant negative lifelong impacts. In 2016-17, more than 4,000 17-year-old students left school before graduating, setting them on a path that typically leads to lower annual income when compared to those with a high school diploma. By raising the compulsory school age requirements, Pennsylvania will be more in line with expectations for education and training levels in the 21st century. The budget plan proposes to raise Pennsylvania's minimum exit or dropout age for compulsory school attendance from the current requirement of 17 years old to 18 years old.

### Providing Community College Tuition Assistance

An investment of **\$8 million** through PA Community College Tuition Assistance will target the middle-skills gap and create the Educate and Stay in PA Program. This program will award one-time grants of \$2,500 to individuals who are students of or have graduated from a Pennsylvania community college and are currently working in the state. This will assist in encouraging educated and skilled workers to stay and thrive in their communities.

### Establishing the Military Family Education Program

While the Pennsylvania National Guard is keeping Pennsylvania safe, it is important that we support those who support our service members. The 2019-20 Budget includes **\$2.7 million** to establish a PA National Guard Military Family Education Program that will allow National Guard service members to earn higher education credit for their families. The benefit must be used for the cost of education at a Pennsylvania Higher Education Assistance Agency approved educational institution. This program will improve the education opportunities for Pennsylvania families

# Theme: Building the Nation's Strongest Workforce

who support National Guard service members that commit to answering the call of duty to support and defend the commonwealth and the nation.

## Creating Early Childhood Career Pathways

The 2019-20 Budget invests **\$2 million** in federal funds toward education, training, and professional supports for an apprenticeship, or work-based learning (“earn while you learn”), model for professionals serving infants and toddlers in early child care and education programs. The funding is intended for skills improvement and career advancement. A competitive procurement will select six regional entities to support the Early Childhood Career Pathways. With guidance from the Department of Human Services, the Department of Education, and the Apprenticeship and Training Office, Early Childhood Professional Development Organizations will partner with higher education institutions to ensure that credit-bearing professional development supports a participant’s movement to higher qualifications.

## Continuing Investments in Education and Career Training

The 2019-20 Budget builds on prior-year increases to provide additional funding to improve education opportunities for every student across the state, regardless of zip code, and further ensure students are workforce ready.

Throughout his first term, the governor worked with the General Assembly to provide sustained support, totaling more than \$1 billion in new education funding. Progress for all Pennsylvania schools to ensure students are college- and career-ready continues to be a priority in the 2019-20 fiscal year.

The new investments include:

- **\$200 million increase in Basic Education Funding.** This increase builds on \$633 million in basic education and Ready to Learn Block Grant funding increases over the past four fiscal years.
- **\$50 million increase in Special Education Funding.** This increase follows \$90 million in funding increases over the last four years. Of this total investment, \$300,000 will be used for Keystone Telepresence Education Grants to enable children with serious illnesses or injuries to attend class via telepresence technologies. The grants will allow the state’s Intermediate Units to purchase the telepresence equipment necessary to support homebound students.
- **\$7 million increase for the Pennsylvania State System of Higher Education.** This 1.5 percent increase allows the Pennsylvania State System of Higher Education, including its 14 state universities, to continue to focus on aligning its policy priorities and operations for student affordability and success.

## ENSURING ACCOUNTABILITY

Being accountable for program outcomes is vital to ensuring effectiveness, being nimble, and ready to make necessary adjustments to achieve the best results.

Across our workforce and education system, we will develop a transparent performance evaluation system by establishing a cross-agency and multi-sector public-facing interactive data dashboard to inform priorities, program efforts and decision-making around the investments to help families, students, workers, and employers. All involved partners will have access to data and information on public education and workforce system trends, activities, and outcomes.

# Theme: Making Pennsylvania a Better Place for Workers and Businesses

## Making Pennsylvania a Better Place for Workers and Businesses

### Increasing the Minimum Wage

Governor Wolf is proposing to increase the minimum wage to \$12 per hour for all Pennsylvania workers on July 1, 2019. Thirty-two states and territories, including all neighboring states, now have higher minimum wage levels than Pennsylvania. The minimum wage in Pennsylvania was last raised more than 10 years ago. In the meantime, the cost of living for Pennsylvanians has continued to rise, reducing the purchasing power of minimum-wage workers. Building on investments made throughout this budget, increasing the minimum wage would level the playing field and end wage stagnation for the very individuals who provide critical early childhood and social services to Pennsylvanians in need.

Employees who are paid a family-sustaining wage are more invested in their employers and more productive when they are not worried about making ends meet. This budget proposes to increase the minimum wage to \$12 per hour effective July 1, 2019, with \$0.50 increases annually until the minimum wage reaches \$15 per hour on July 1, 2025.

Pennsylvania workers earning the minimum wage must have the ability to afford basic family-sustaining necessities – housing, groceries, transportation, and child care – that enable them to avoid poverty, be productive workers, and reduce the use of public benefits. In fact, a \$12-per-hour minimum wage will save the commonwealth \$36 million in General Fund dollars in the 2019-20 Budget even after accounting for increased wages for direct care and child care workers. These savings will increase to nearly \$120 million in the 2020-21 fiscal year.

### Increasing Investments in Job Creation

The 2019-20 Budget provides an additional **\$5 million** for PA First through the Department of Community and Economic Development. A primary tool for the Governor's Action Team, PA First is a comprehensive program that offers grants for job creation and retention, infrastructure projects, and workforce development. This additional funding will provide the commonwealth the flexibility to rapidly respond to companies' needs, including workforce training opportunities for a company's existing workers, which will increase investment in the state and enable Pennsylvania to compete more effectively with other states.

### Creating a More Competitive Business Tax Climate

The 2019-20 Budget proposes business tax reforms to create a more competitive business tax climate, provide tax certainty, promote fairness for all corporations doing business in the commonwealth, and maximize new business investment. Specifically, the budget assumes the adoption of full combined reporting effective January 1, 2020, in conjunction with Corporate Net Income Tax (CNIT) rate reductions. Annual rate reductions would lower the CNIT rate to 5.99 percent by 2024.

### Building a Business One-Stop Shop

Codified into statute in 2018, the PA Business One-Stop Shop makes it simple for businesses to start and expand in Pennsylvania, spurring economic growth and job creation. It serves as the sole state source to guide aspiring entrepreneurs and established businesses through all stages of development, including planning, registering, operating, and growing a business. Services and resources are available through a website, toll-free number, and a dedicated program office housed in the Department of Community and Economic Development in close partnership with the departments of State, Revenue, Labor & Industry, and the Office of Administration.

### Investing in Innovation with the Employer Skills Fund

No one knows workforce needs better than those who demand the hiring. By providing **\$12 million** in estimated \$1 to \$2 million competitive grants for Pennsylvania employers, businesses will be empowered to develop innovative solutions to address employability skills gaps, increase recruitment return on investment, and reduce onboarding costs. This public-private partnership, spearheaded through Team PA in partnership with the Department of Community and Economic Development, will give employers the opportunity to collaborate and provide information on their most pressing needs in addressing the skills gap. In turn, the administration will provide financial support for implementation of innovative solutions. These investments will be evaluated for their effectiveness, both for workers and employers, with the goal of informing policy in this space for years to come.

# Theme: Securing the Future of Pennsylvania's Agricultural Industry

## Securing the Future of Pennsylvania's Agricultural Industry

Pennsylvania has a long, proud history of agriculture. As the industry changes, so must the way we support our farmers and agriculture businesses. Through the PA Farm Bill, a comprehensive package of funding opportunities and resources will be made available to expand this important industry.

### Developing New Resources for Agriculture Business Development and Succession Planning

Because thoughtful planning is critical to the sustainability of farms, the 2019-20 Budget proposes **\$2 million** to establish the Pennsylvania Agricultural Business Development Center. The newly created center, incorporating the Center for Farm Transitions and the Preserved Farm Resource Center into one entity, will be a resource for farmers to create business, transition, or succession plans to give them the best probability of success.

### Creating More Processing Capabilities

This budget assumes the continuation of funding for the **\$5 million** Pennsylvania Dairy Investment Program that was established in 2018 through the Commonwealth Financing Authority. The proposal also includes **\$1.5 million** to assist poultry, swine, sheep, lamb, goat, and rabbit agriculture, while helping to reduce barriers for small animal agriculture operations or small craft butcher shops.

### Removing Regulatory Burdens and Strengthening the State's Agricultural Business Climate

The 2019-20 Budget proposes **\$6 million**, including expanding REAP tax credits by \$3 million, to continue reducing regulatory burdens on farmers and incentivizing best practices to allow farmers to be more competitive while incorporating high-quality conservation practices.

### Increasing Opportunities for Pennsylvania's Agricultural Workforce

There will be nearly 75,000 job vacancies in the agriculture and food industries over the next 10 years. This budget provides **\$1 million** to increase awareness of and exposure to agriculture.

### Rebuilding and Expanding Agricultural Infrastructure

An ongoing need for disaster response readiness has been evident most recently with the threats of spotted lanternfly infestation and highly pathogenic avian influenza. The 2019-20 Budget proposes **\$5 million** to allow for a quick response to agricultural disasters.

### Making Pennsylvania the Nation's Leading Organic State

The 2019-20 Budget proposes a **\$2.6 million** increase to bolster Pennsylvania's status as a leader in food and agriculture and further enhances the growth of the organic industry by developing a comprehensive outreach program and creating state-specific guidelines and standards for marketing Pennsylvania's products to a global marketplace. This budget also includes **\$1 million** to continue to support the work of urban agriculture collaboratives and growing industries like hemp, hops, and hardwoods.

## Keeping Pennsylvania Safe

### Providing Fair Funding for Local Police Coverage

Across the commonwealth, 67 percent of municipalities rely on the State Police to provide local police support. This coverage comes at no cost to the municipality and is borne by taxpayers statewide, who support their own local police coverage through local taxes. For the State Police, this has put a strain on their ability to respond in these areas, as they assume significant additional responsibility.

To address this inequity, the 2019-20 Budget assesses a fee for every person residing in a municipality without local police coverage to pay for the additional burden placed on the State Police to provide full coverage for the municipality. The amount of the fee is on a sliding scale based on municipality size.

A total of three State Police cadet classes will be completed during the current fiscal year. The fee proposal allows three additional cadet classes to begin in 2019-20, increasing enlisted filled complement levels by more than 100 troopers when considering traditional retirement and turnover.

### Upgrading the Statewide Radio System

A statewide radio system that provides reliable communication among public safety agencies is critical to ensuring a rapid and effective response to emergencies throughout the commonwealth. The State Police budget includes nearly \$25 million for infrastructure and radio purchases to continue the multi-year transition of the Pennsylvania Statewide Radio Network (PA-STARNet) to an Association of Public Safety Communications Officials (APCO) Project 25 (P25) compliant system.

PA-STARNet is used by 22 commonwealth agencies, both chambers of the legislature, business partners, and other external organizations, including county and municipal agencies serving dispatch and mobile voice and data communications for public safety and emergency response. In addition to the funding provided for infrastructure and State Police radio purchases, the 2019-20 Budget includes **\$24.7 million** across multiple funds and agency budgets for radio replacement, in close coordination with the State Police Radio Office, to comply with the new P25 system.

# Theme: Protecting Elections and Restoring Trust in Government

## Protecting Elections and Restoring Trust in Government

### Modernizing Elections

To protect the integrity of our elections by ensuring that every vote cast can be verified by a physical record at each machine, new and more reliable voting machines are needed. The Department of State is working closely with county boards of elections to help them purchase new machines that will meet updated and modernized security and accessibility standards. To help offset the cost, the 2019-20 Budget proposes **\$15 million** to begin to pay for a portion of the cost that will be incurred by the counties to get these new systems in operation.

The budget also includes **\$2 million** to upgrade the Statewide Uniform Registry of Electors (SURE) system. Moving away from a completely custom-built application will enable the Department of State to have increased data management and reporting capabilities, cost containment, and flexibility to expand when necessary.

### Saving for a Rainy Day

The 2017-18 Budget eliminated more than \$2 billion in costs by reducing the state's workforce to the lowest level in decades, downsizing facilities, and merging human resources and information technology services across all agencies. These steps, coupled with an emphasis on efficient operations across all agencies, allowed the first deposit into the state's Rainy Day Fund in nearly a decade. The \$22 million transfer is a strong sign of fiscal responsibility, which can also result in higher bond ratings.

Continued focus on efficiencies, including employing the continuous process improvement practices of Lean management, allows the commonwealth to maintain fiscal stability and enables further planned transfers into the Rainy Day Fund resulting in a projected balance of more than \$278 million by 2024.

## Protecting the Most Vulnerable

### Ensuring the Best Care for Those with Intellectual Disabilities

The 2019-20 Budget includes a **\$15 million** initiative to increase services for individuals with intellectual disabilities and autism. This investment allows 765 individuals on the emergency waiting list with no services to receive services through the Community Living Waiver and provides community services to 100 people with unanticipated emergencies through the Consolidated Waiver

The Community Living Waiver is a cost-effective and high-quality alternative to serve those able to live at home and protect resources for those who must receive services in a residential setting. Investing in both the Community Living Waiver and the Consolidated Waiver will allow counties to meet the growing needs of existing participants and provide support for high school graduates.

### Increasing Early Intervention Rates

Early Intervention services are a key to meeting the developmental needs of children with disabilities. The 2019-20 Budget provides adequate rates to Infant/Toddler Early Intervention providers to recruit and retain qualified staff members to serve the at-risk children and families in the Early Intervention system. A **\$5 million** state investment will leverage an additional **\$1.8 million** in federal funds to allow for a 3 percent rate increase. This initiative will help providers hire and retain qualified staff in order to continue providing quality services to vulnerable children and their families.

### Continuing to Fight the Opioid Epidemic

The administration continues to work to provide real solutions to the opioid epidemic to save lives and help individuals with substance use disorder and their families get the treatment they need to live long, productive lives. To that end, Pennsylvania has taken a coordinated and innovative approach to address the epidemic, requiring the time and attention of all state agencies in some capacity. Because of the success of its Opioid Command Center, Pennsylvania has been hailed as a model in the fight against the opioid epidemic by the American Medical Association.

However, as overdose numbers continue to rise, it is clear much more must be done.

The 2019-20 Budget continues to place a significant emphasis on ensuring that individuals suffering from substance use disorder have access to meaningful treatment and can recover. This includes an additional **\$1.5 million** for naloxone. Proposed strategies will balance a coordinated approach from state agencies with data and historical experience to deploy resources effectively and efficiently.

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# Economic Outlook

The Pennsylvania [Department of Revenue](#) and the [Office of the Budget](#) utilize economic forecast data supplied by [IHS Markit](#) and [Moody's Analytics](#) in constructing the official tax revenue estimates and forecasts. Analysis and discussion throughout this section are based upon data from each source in addition to further analysis from the Department of Revenue and the Office of the Budget.

## U.S. Recent Trends and Current Conditions

The United States GDP growth continued in 2018, as the fundamentals for the U.S. economy remain sound. This growth was led by continued robust consumer spending with expenditures on durables, nondurables and services all advancing strongly.

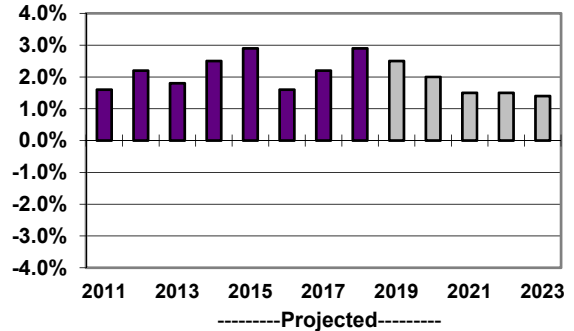
The U.S. economy is projected to see somewhat slower growth in the near-term due to a decline in stocks, widening of spreads, rising dollar, and a decline in oil prices. That erosion in confidence stems in part from early signs of slower growth abroad, rising uncertainty over a trade war and heightened fears that U.S. rate increases will slow growth. There is a slipping confidence in the strength of the global expansion which will also contribute to somewhat slower U.S. growth in the near-term than previously expected.

## The Forecast

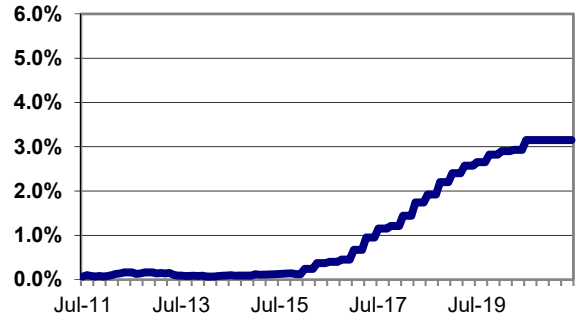
Slowing global growth, a strong dollar, fading fiscal stimulus, tightening monetary policy, weaker stock prices, the effects of recent tariffs, and the approach to capacity constraints point to a material slowing in the pace of U.S. growth in 2019. In addition, the [Federal Reserve](#) is expected to continue to gradually raise the federal funds rate and slowly shrink its balance sheets. This translates to two more federal rate hikes in 2019 and one more in 2020.

Table 1 and Table 2 are U.S. macro forecast projections from IHS Markit. Table 1 outlines the expected outlook for lower unemployment and a decrease in GDP in 2019. Table 2 notes that over the next two years there is a 60% probability of robust GDP growth, with an increase in consumer spending and business fixed investment. Table 2 also provides narrative for each economic indicator.

**Chart 1**  
REAL GROSS DOMESTIC PRODUCT  
Annual Growth



**Chart 2**  
FEDERAL FUNDS RATE



**Table 1**  
Forecast Change in  
Key U.S. Economic Indicators  
Annual Percentage Growth

Indicator	2017	2018p	2019p	2020p
Nominal GDP	4.2	5.2	4.7	4.4
Real GDP	2.2	2.9	2.5	2.0
Total Consumption	2.5	2.7	2.6	2.3
Corporate Profits (After Tax)	5.4	6.7	4.8	3.6
Unemployment Rate (Rate)	4.4	3.9	3.6	3.7
CPI	2.1	2.4	2.0	2.5
Federal Funds (Rate)	1.00	1.83	2.61	3.03

\*Assumptions in this chart, as well as other assumptions, are incorporated in the 2019-20 fiscal year revenue estimates  
p = projected

**Table 2**  
**U.S. Macro Forecast Projections from IHS Markit**  
**January 2019**

Baseline Forecast (60% Probability)	
<b>GDP Growth</b>	Robust growth, 3.1% in 2018 and 2.1% in 2019
<b>Consumer Spending</b>	A key driver of growth, up 2.8% in 2018 and 2.2% in 2019
<b>Business Fixed Investment</b>	Growth to peak at 6.9% in 2018 due to pick-up in nonfarm business-sector output and then 3.3% in 2019
<b>Housing</b>	Gradual improvement, with 1.4 million starts by late 2020
<b>Exports</b>	Rise 2.7% in 2018 and 6.0% in 2019
<b>Fiscal Policy</b>	Personal tax cuts extended, while entitlement spending will follow current program guidelines
<b>Monetary Policy</b>	Federal Reserve hikes the federal funds rate twice in 2019 and once in 2020, bringing the upper end of the target range to 3.25%
<b>Credit Conditions</b>	Gradually easing
<b>Consumer Confidence</b>	Peaks in the fourth-quarter of 2018 and trends modestly downward throughout the rest of the forecast period
<b>Oil Prices (Dollars/barrel)</b>	Brent crude oil averages \$65 in 2019 and \$68 in 2020
<b>Stock Markets</b>	The S&P rises 15.3% in 2019 (Dec. 31 to Dec. 31) and 0.6% in 2020
<b>Inflation (CPI)</b>	Core Personal Consumption Expenditures Price (PCE) inflation firms to 1.8% in 2018, 2.0% in 2019 and 2.2% in 2020
<b>Foreign Growth</b>	In 2019, Eurozone growth cools to 1.5%, while China's growth eases to 6.3%
<b>U.S. Dollar</b>	The real dollar peaks in the first-quarter of 2019 and then depreciates

## Pennsylvania Outlook

Pennsylvania benefits from a highly diversified economy with a mix of industries. No single employment sector dominates Pennsylvania. Since the turbulent diversification of the Pennsylvania economy during the 1970's and 1980's, Pennsylvania has a much more stable economy which tends to track the national economy but with less volatility. During periods of national economic contraction, Pennsylvania often will outperform the U.S. in areas such as growth in real gross state product, growth in real personal income and employment growth. Pennsylvania's unemployment rate generally trends below the U.S. rate and per capita income levels in the Commonwealth exceed national levels. However, during periods of economic expansion, Pennsylvania will often lag behind the rate of growth in the national economy.

The Marcellus shale natural gas deposit is a long-term asset for the state and region, although drilling activity has slowed due to low prices for natural gas. The buildout of infrastructure to transport the gas to market continues, with construction of pipelines, compressing stations and processing facilities continuing to benefit Pennsylvania. The buildout of pipeline infrastructure needed to move the state's natural gas production to market is continuing, both within Pennsylvania and outside of the state. Pipeline construction is boosting payrolls in the construction and metals manufacturing sectors, among others.

Portions of the state, especially the Pittsburgh area, have become magnets for high-tech jobs such as software development. Pittsburgh has continued to build on its reputation as one of the nations leading cities for startup businesses. The city has acquired regional offices for major tech companies such as Google, Apple and Uber. Other industries such as manufacturing of medical instruments also continue to show growth. A recently announced partnership between Pittsburgh and Cleveland in the field aims to boost the high-tech fortunes of both cities.

In the Southeast part of the state GlaxoSmithKline will be consolidating its drug research operations into two facilities, including one in Collegeville, Montgomery County. The company is investing \$250 million in new "smart labs" at the site, which is currently home to about 1,600 jobs.

# Overview: Economic Outlook

The education and healthcare sectors remain a vital part of the state economy. The healthcare sector expects to benefit from increased demand building upon expanded insurance coverage already provided through the [Affordable Care Act](#). Pennsylvania also boasts many top-flight research hospitals that draw patients from outside the state. The state's education providers, especially its notable research universities, not only provide jobs on campus but also help to nurture new businesses with the graduates they produce.

Projected steady growth in state revenues also point toward a favorable economic outlook for Pennsylvania. The [Independent Fiscal Office](#) reported in November 2018 that PIT growth is projected to outpace GDP growth, assuming the absence of a recession. In addition, the CNIT is projected to expand at roughly the same rate as the state economy through FY 2023-24. The [Tax Cuts and Jobs Act](#) (TCJA) expands the federal tax base, from which Pennsylvania CNIT is calculated, and effectively provides a boost to state tax revenues. From the recovery through the current fiscal year, CNIT revenues outpaced Pennsylvania GDP.

Pennsylvania is expected to add jobs at an annual average rate of 0.6% over the next five years. The healthcare sector remains the most reliable source of new jobs and investments in the state, while the construction sector pitched in with some long-awaited gains due to increased activity in residential and commercial development, as well as infrastructure rebuilding. Overall employment growth in Pennsylvania is expected to be 1.4% for 2018. The state's unemployment rate will drop to the mid-4% range.

Table 3 shows various historical and projected key economic indicators for Pennsylvania and the U.S. economy.

**Table 3**  
**Key Economic Indicators for Pennsylvania and the United States**

<b>PENNSYLVANIA: Key Economic Indicators</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Real Gross State Product (in millions, 2012 dollars)	700,783	715,586	730,604	742,733	752,026	761,059
Real Gross State Product (percentage change)	2.2%	2.1%	2.1%	1.7%	1.3%	1.2%
Total Employment (in thousands)	5,948.0	6,027.0	6,094.6	6,135.9	6,145.6	6,153.0
Total Employment (percentage change)	1.1%	1.3%	1.1%	0.7%	0.2%	0.1%
Manufacturing Employment (in thousands)	561.3	566.6	573.2	575.0	576.2	563.8
Nonmanufacturing Employment (in thousands.)	5,386.7	5,460.5	5,521.3	5,560.9	5,578.4	5,589.2
Population (in thousands)	12,808.5	12,824.8	12,835.8	12,849.3	12,865.0	12,882.2
Population (percentage change)	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Unemployment Rate (percentage)	4.9%	4.4%	3.8%	3.7%	3.9%	4.0%
Personal Income (percentage change)	3.9%	3.8%	4.1%	4.0%	3.7%	3.6%
<b>U.S. ECONOMY</b>						
Real Gross Domestic Product (percentage change)	2.0%	2.7%	2.6%	2.1%	1.7%	1.7%
Employment (percentage change)	1.4%	1.7%	1.5%	1.1%	0.6%	0.7%

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## Summary of Major Operating Funds

The total 2019-20 operating budget for the commonwealth is \$85.8 billion. It includes \$34.1 billion in the General Fund, \$2.8 billion in the Motor License Fund, \$1.9 billion in the Lottery Fund, \$29.6 billion in federal funds and \$17.3 billion in fees and other special fund revenues.

(Dollar Amounts in Thousands)

Major Operating Fund Expenditures	Actual 2017-18	Available 2018-19	Budget 2019-20	2019-20 Change from 2018-19	
				Dollars	Percent
<b>General Fund</b>	\$ 31,948,059	\$ 33,218,912	\$ 34,146,277	\$ 927,365	2.79%
<b>Motor License Fund</b>	\$ 2,886,208	\$ 3,083,556	\$ 2,855,412	\$ (228,144)	-7.40%
<b>Lottery Fund</b>	\$ 1,797,290	\$ 1,976,964	\$ 1,952,058	\$ (24,906)	-1.26%

The majority of the commonwealth's operating expenses are paid from the General Fund, Motor License Fund and Lottery Fund. The following provides an overview of major revenues and expenditures. More details regarding these funds may be found in Section C: Summary by Fund and Section E: Department Presentations.

### General Fund

#### Revenue

The General Fund is the commonwealth's largest operating fund. All tax revenue, non-tax revenue and federal grants and entitlements not specified by law to be deposited elsewhere are deposited into the General Fund. The General Assembly makes appropriations of specific amounts from tax revenue and certain non-tax revenue of the General Fund. These amounts are contained in this budget as General Fund Revenue Sources.

For 2019-20, tax revenue constitutes more than 98 percent of projected General Fund revenue. Four revenue sources (the Personal Income Tax, the Sales and Use Tax, the Corporate Net Income Tax and the Cigarette Tax) together provide over 86 percent of projected General Fund tax revenue. For non-tax revenue, which can vary significantly each fiscal year, the largest sources of revenue are typically from profit transfers from the Pennsylvania Liquor Control Board, licenses and fees, and the escheats or "unclaimed property" program.

**Recent Revenue Trends:** For the five fiscal years ending with 2017-18, total General Fund receipts increased by 20.7 percent, which represents an average annual growth rate of 3.8 percent. Revenue collections during the period were affected by the recovery from the economic recession, behavioral responses to various federal tax law changes, the phaseout of the Capital Stock and Franchise Tax and various non-recurring, non-tax revenue items. Without adjusting for tax rate and base changes, the four largest tax revenue sources (Personal Income, Sales and Use, Corporate Net Income and Cigarette) increased by 17.5 percent, which is an average annual rate of 3.3 percent. The Realty Transfer Tax (51.9 percent, 8.7 percent average annual rate) and the Inheritance Tax (20.6 percent, 3.8 percent average annual rate) also contributed to revenue growth. Collections from all other tax revenue sources declined by 4.8 percent, which is an average annual rate of -1.0 percent. The phaseout of the Capital Stock and Franchise Tax and a steady decline in the Gross Receipts Tax (-12.0 percent, -2.5 percent average annual rate) contributed to this result. Non-tax revenues increased by 70 percent over this five-year period, including receipts in 2017-18 from the lease-lease back of the Farm Show complex and the issuance of revenue bonds backed by the Tobacco Master Settlement Agreement.

Receipts from the Personal Income Tax have been steadily improving since the national economic recession. Over the last five fiscal years, growth in personal income tax receipts has averaged 3.3 percent annually. Estimates for the Personal Income Tax are developed from a series of regression equations that use forecasts of wages, salaries, interest, dividends, rents, proprietors' income, and capital gains income.

The Sales and Use Tax is levied on taxable property and services used by consumers and by businesses. Annual growth rates for this tax have been modest during the recovery from the most recent recession, increasing at an average rate of 3.1 percent annually over the past five completed fiscal years. Estimates for the Sales and Use Tax are developed from a series of regression equations that use

# Overview: Major Operating Funds

forecasts of national consumer expenditures on durable goods, non-durable goods, food services and accommodation, new and used motor vehicles, and business nonresidential investment.

The largest General Fund tax on businesses is the Corporate Net Income Tax. Annual receipts from the Corporate Net Income Tax can vary significantly from year-to-year and may experience a year-over-year decline. This variability is due to fluctuations in corporate profitability, including losses, the availability and use of tax credits and net operating loss deductions, and the timing of estimated and final state tax payments based on when a corporation's tax year begins. Corporate Net Income Tax receipts over the past five completed fiscal years have increased by 3.5 percent annually. Estimates for the Corporate Net Income Tax are developed from a regression equation that uses forecasts of national before-tax corporate profits.

## Expenditures

The General Fund is the primary funding source for most state agencies and institutions. More than 77 cents of every dollar is returned to individuals, local governments, institutions, school districts, among others, in the form of grants and subsidies. The remainder pays operating expenses and debt service.

The total General Fund budget proposed for 2019-20 is \$34.1 billion. General Fund expenditure growth is projected to increase 2.8 percent. Major program expenditures occur in the areas of education, public health and human services and state correctional institutions.

**PreK-12 Education:** The financial responsibility for public education in Pennsylvania is shared by the commonwealth and 500 local school districts. Funds provided by the commonwealth supplement funds raised locally. State aid to local school districts is provided through various school subsidy payments for basic instruction, career and technical education, debt service, pupil transportation, school employees' retirement and various special education programs.

The largest such subsidy is the Basic Education subsidy, which provides commonwealth aid to local school districts. This budget proposes approximately \$6.5 billion for the Basic Education subsidy in state funds in 2019-20, which now includes school district Ready to Learn block grants. This is an increase of \$200 million, in addition to the \$100 million increase in 2018-19. PreK-12 education increases include \$40 million, or 17.2 percent, for Pre-K Counts; \$10 million, or 14.5 percent, for Head Start Supplemental Assistance; \$10 million, or 9.8 percent, for Career and Technical Education; and \$50 million, or 4.2 percent, for Special Education. In total, state funding for preK-12 education is more than \$12.7 billion in 2019-20.

**Higher Education:** Higher education in Pennsylvania is provided through 243 degree-granting institutions, which include the 14 universities of the State System of Higher Education, four state-related universities, community colleges and various other independent institutions. The budget proposes more than \$1.8 billion for higher education.

**Health and Human Services:** The commonwealth provides support for its residents who are seeking to achieve and sustain independence. It also provides care, treatment and rehabilitation to persons with behavioral, intellectual and physical disabilities. For 2019-20, the total health and human services expenditures from all sources is \$42.4 billion; the amount from the General Fund will be \$13.4 billion, which is an increase of \$404 million or 3.1 percent.

The largest component of health and human service expenditures is the Medical Assistance (MA) program, which includes long-term living home and community-living programs. In the last ten years, these programs grew at an annual rate of 6 percent. Caseload growth continues to increase especially for the elderly. *Medicaid Expansion* closed the coverage gap for working adults and streamlined delivery of health care services and this budget continues to provide this health insurance for over 780,000 adults. General medical inflation, including increases in pharmaceutical prices, a decrease in the federal financial participation rate for *Medicaid Expansion* costs, and an increase in caseload contributes to an overall increase in the projected State MA expenditures in 2019-20. This increase is mitigated through cost containment, operational efficiencies, and proposed revenue strategies. Total funding in 2019-20 decreased by \$1.2 billion from \$29.4 billion in 2018-19 to \$28.2 billion in 2019-20. State funds are anticipated to increase from \$7.1 billion in 2018-19 to \$7.4 billion in 2019-20, which is an increase of \$269 million or 3.8 percent.

Income maintenance, including child care services and cash assistance payments for families in transition to independence and self-sufficiency, totaled \$2.9 billion from all sources for 2018-10. The 2019-



# Overview: Major Operating Funds

20 budget proposes total resources at \$2.8 billion, The commonwealth's General Fund share is increased from \$801 million to \$844 million primarily as a result of the General Assistance Cash Assistance Program. Of the \$2.8 billion, the budget provides a total of \$968 million for child care services.

The 2019-20 budget continues to provide a continuum of services for individuals with behavioral health and intellectual disabilities, ranging from home and community-based supports to quality institutional care. In June 2002, the state supported 5,098 institutional beds. By June 2019, that will be reduced to 2,263, a reduction of 56 percent. Over that period the community budgets will have grown by more than \$2.5 billion, an increase of 148.2 percent.

**State Correctional Institutions:** The 2019-20 budget proposed for the state correctional system is \$2.4 billion. From 2015-16 to 2019-20, total costs have grown from \$2.2 billion to \$2.4 billion. During this time frame, the inmate population is projected to decline by approximately 3,000, from 49,913 to 46,988.

## Motor License Fund

The Motor License Fund is one of the special revenue funds of the commonwealth and a major operating fund of the commonwealth. It is the fund that receives most of the revenues required by the Constitution of Pennsylvania to be used only for costs of construction, reconstruction, maintenance and repair of and safety on highways and bridges and for the payment of debt service on obligations incurred for such purposes. The major sources of revenue to the Motor License Fund are from motor fuels taxes, vehicle registration fees, license and operators' license fees and excise taxes imposed on products used in motor transportation. Certain revenues are further restricted to specific highway uses and are not included in the Motor License Fund estimate of revenue.

Taxes on motor fuels provided approximately 63 percent of total non-restricted Motor License Fund revenues in 2017-18. Total non-restricted fuels tax revenue has been growing incrementally over the past several years. For the five-year period ending with 2017-18, non-restricted fuels tax revenues increased at an annual average rate of 7.4 percent. For 2018-19 tax revenues are expected to decrease by 0.9 percent over fiscal year 2017-18. License and fee revenues represent the other major source of revenues for the Motor License Fund. Annual growth of receipts from these sources has also been modest in recent years. For the five-year period ending with 2017-18, license and fee revenues increased at an annual average rate of 2.1 percent. A decrease of -5.5 percent in license and fee revenue is projected for fiscal year 2018-19. For the five-year period ending with 2017-18, total non-restricted revenues increased at an annual average rate of 3.1 percent. Total Motor License Fund revenue is expected to decrease -3.7 percent for fiscal year 2018-19 versus fiscal year 2017-18.

The Department of Transportation will continue to establish and maintain a first-rate infrastructure, which unites roads, rails, waterways, airports and information networks linking goods, services, people and ideas to our community, state and world markets.

## Lottery Fund

The Lottery Fund is a special revenue fund that receives the proceeds of lottery sales. It provides funding for lottery prizes and for programs supporting older Pennsylvanians. These programs include assistance in the purchase of pharmaceuticals, property tax and rent assistance, community care programs and public transportation subsidies.

The Property Tax and Rent Rebate program within the Department of Revenue allows older Pennsylvanians, surviving spouses over age 50 and permanently disabled citizens to lead fuller lives by restoring a portion of their income through property tax and rent rebate assistance. Act 1 of Special Session No. 1 of 2006 expanded the current Property Tax / Rent Rebate program to give more Pennsylvanians a rebate while also increasing the amounts of the rebates. The expansion included increasing the household income limit from \$15,000 to \$35,000 and increasing the maximum rebate from \$500 to \$650. As a result of Act 156 of 2014, income eligibility guidelines changed so that income increases due solely to Social Security cost-of-living adjustments (COLAs) will no longer disqualify claimants from receiving rebates. Act 117 of 2016 eliminated Federal veterans' disability payments and State veterans' benefits from the definition of income when determining a claimant's eligibility for a rebate.

The Pharmaceutical Assistance Contract for the Elderly (PACE/PACENET) program provides pharmaceutical benefits to qualified older Pennsylvanians who face a growing burden from the cost of prescription drugs required to maintain healthy and productive lives.

The PENNCARE program provides home and community-based services to older Pennsylvanians to enrich their lives and enable them to delay or avoid moving to a nursing home. For 2019-20, \$305.3 million is provided for the PENNCARE appropriation which includes an increase of \$6.1 million to expand Attendant Care services to 480 additional recipients and reflects the reduction of \$49.8 million for the implementation of Community HealthChoices statewide beginning January 1, 2020, including the annualization of the southeast implementation which began January 2019. For additional details, see the Department of Aging's presentation.

The Lottery Fund also provides funds to offset program costs for older Pennsylvanians in the Department of Human Services. For 2019-20, \$397 million is provided to offset costs for the Community HealthChoices appropriation to reflect the transition of older Pennsylvanians who were previously funded from Long-Term Care, Home and Community-Based Services and the PENNCARE appropriations.

Act 44 of 2007 provides a transfer to the Public Transportation Trust Fund for distribution to transit systems providing free rides to older Pennsylvanians.

## Rainy Day Fund

Act 91 of 2002 created the Budget Stabilization Reserve Fund to replace the Tax Stabilization Reserve Fund as the commonwealth's Rainy Day Fund. The purpose of the Rainy Day Fund is to provide financial assistance to counterbalance downturns in the economy that result in revenue shortfalls in order to promote greater continuity and predictability in the funding of vital government services.

The Budget Stabilization Reserve Fund is to receive an annual transfer of 25 percent of the General Fund's fiscal year ending balance. The transfer requirement is reduced to 10 percent of the General Fund's ending balance if the balance of the Budget Stabilization Reserve Fund equals or exceeds 6 percent of actual General Fund revenues received for the fiscal year. Appropriations out of the Budget Stabilization Reserve Fund require approval by two-thirds of the members of each house of the General Assembly.

At the close of the 2001-02 fiscal year, the balance of the former Tax Stabilization Reserve Fund was nearly \$1.04 billion. In order to balance the 2001-02 and 2002-03 General Fund budgets, Act 91 of 2002 repealed the Tax Stabilization Reserve Fund and by law the entire balance was transferred to the General Fund. The General Appropriation Act of 2002 transferred \$300 million from the General Fund as an initial deposit into the new Budget Stabilization Reserve Fund. Subsequently, the General Appropriation Act of 2003 repealed this transfer and the \$300 million reverted back to the General Fund. In accordance with Act 91 of 2002, 25 percent of the General Fund's 2002-03 fiscal year ending balance, or \$69.8 million, was transferred to the Rainy Day Fund after the close of the fiscal year.

The transfer from the 2003-04 General Fund balance to the Budget Stabilization Reserve Fund of \$190 million exceeded the 25 percent statutory minimum and increased the balance in the Fund to more than \$260 million, bringing it slightly higher than the balance in 1996-97. In accordance with Act 41 of 2005, the transfer from the General Fund balance for the fiscal year 2004-05 was 15 percent of the balance; the amount transferred was \$64.4 million. Transfers of 25 percent of the General Fund balance amounted to \$171.4 million in 2005-06 and \$177 million in 2006-07.

Act 53 of 2008 suspended the transfer of surplus funds to the Budget Stabilization Reserve Fund for 2007-08. To help balance the 2009-10 budget, Act 50 of 2009 authorized the transfer of \$755 million from the Budget Stabilization Reserve Fund to the General Fund. Act 46 of 2010 authorized the transfer of \$745,000 to the General Fund. The transfer was suspended for fiscal years 2010-11 through 2015-16. There was no surplus for fiscal year 2016-17. Act 42 of 2018 reinstated the General Fund transfer at fifty percent for fiscal year 2017-18; the amount transferred was \$22 million.

The Budget Stabilization Reserve Fund is anticipated to have a balance of \$23 million as of June 30, 2019. This budget proposes the transfer of 50 percent of the 2018-19 General Fund surplus to the Budget Stabilization Reserve Fund.

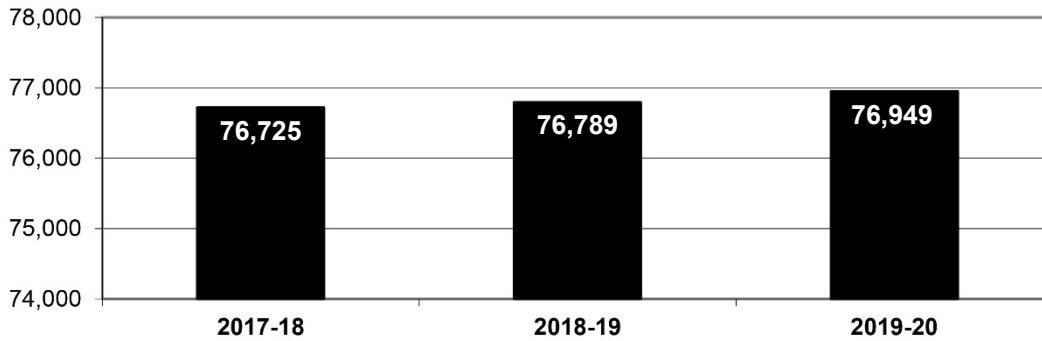


# Complement

A major component of any budget is the size of its workforce or complement. In Pennsylvania, a complement level (the number of full-time equivalent (FTE) salaried positions) is authorized by appropriation for each agency under the governor’s jurisdiction. A summary of authorized and filled salaried complement by department is included in Section I of this budget document.

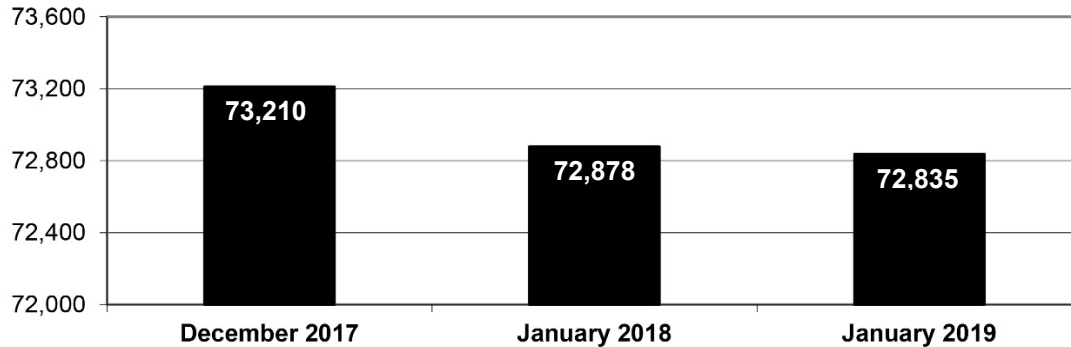
## Authorized Complement

This budget proposes an overall increase in the commonwealth’s current authorized FTE salaried complement level in 2019-20 of 160 positions, from 76,789 to 76,949 positions.



## Filled Complement

The filled complement has decreased from 73,210 to 72,835 since December 2017.





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# STATEMENTS

This section summarizes the budget for the General Fund and selected Special Funds. It includes seven year financial statements for each of these funds, a seven year summary by agency and fund, summaries by the seven commonwealth programs, and several summaries for the General Fund including income by major source and outgo by program.

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## Seven Year Financial Statements By Fund

The following financial statements are a summary of the General Fund and selected Special Fund revenues and expenditures for the 2017-18 actual year, 2018-19 available year and 2019-20 budget year, as well as future year estimates. Additional information on revenues and expenditures is detailed in subsequent tables and in Section C of this budget.

### General Fund

(Dollar Amounts in Thousands)

	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
Beginning Balance.....	\$ -1,539,333	\$ 22,362	\$ 3,134	\$ 5,066	\$ 82,693	\$ 151,152	\$ 13,135
Revenues.....	\$ 34,566,948	\$ 34,399,664	\$ 35,296,274	\$ 36,750,700	\$ 37,470,100	\$ 37,746,800	\$ 38,526,000
Adjustments <sup>*</sup> .....	-1,034,832	-1,196,847	-1,143,000	-1,202,000	-1,206,000	-1,211,000	-1,216,000
Funds Available.....	\$ 31,992,783	\$ 33,225,179	\$ 34,156,408	\$ 35,553,766	\$ 36,346,793	\$ 36,686,952	\$ 37,323,135
Total Spending.....	31,948,059	33,218,912	34,146,277	35,388,380	36,044,490	36,660,682	37,321,528
Preliminary Balance.....	\$ 44,724	\$ 6,267	\$ 10,131	\$ 165,386	\$ 302,303	\$ 26,270	\$ 1,607
Less Transfer to Budget Stabilization Reserve Fund.....	-22,362	-3,133	-5,065	-82,693	-151,151	-13,135	-803
Ending Balance.....	<u>\$ 22,362</u>	<u>\$ 3,134</u>	<u>\$ 5,066</u>	<u>\$ 82,693</u>	<u>\$ 151,152</u>	<u>\$ 13,135</u>	<u>\$ 804</u>

\* Includes refunds, lapses and adjustments to beginning balances.

## Seven Year Financial Statements By Fund

### Motor License Fund<sup>a</sup>

	(Dollar Amounts in Thousands)						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
Beginning Balance.....	\$ 73,099	\$ 216,436	\$ 680	\$ 11,168	\$ 12,635	\$ 10,865	\$ 9,796
Receipts.....	<u>3,029,545</u>	<u>2,867,800</u>	<u>2,865,900</u>	<u>2,901,500</u>	<u>2,928,600</u>	<u>2,969,000</u>	<u>3,006,000</u>
Funds Available.....	\$ 3,102,644	\$ 3,084,236	\$ 2,866,580	\$ 2,912,668	\$ 2,941,235	\$ 2,979,865	\$ 3,015,796
Less Expenditures.....	<u>-2,886,208</u>	<u>-3,083,556</u>	<u>-2,855,412</u>	<u>-2,900,033</u>	<u>-2,930,370</u>	<u>-2,970,069</u>	<u>-3,002,912</u>
Ending Balance.....	<u>\$ 216,436</u>	<u>\$ 680</u>	<u>\$ 11,168</u>	<u>\$ 12,635</u>	<u>\$ 10,865</u>	<u>\$ 9,796</u>	<u>\$ 12,884</u>

### Lottery Fund

	(Dollar Amounts in Thousands)						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
Beginning Balance.....	\$ -18,223	\$ 4,244	\$ 2,768	\$ 9,376	\$ 14,275	\$ 28,762	\$ 58,859
Add Reserve From Prior Year.....	0	0	0	0	0	0	0
Receipts.....	<u>1,819,757</u>	<u>1,975,488</u>	<u>1,958,666</u>	<u>1,983,875</u>	<u>2,000,172</u>	<u>2,017,430</u>	<u>2,035,062</u>
Funds Available.....	\$ 1,801,534	\$ 1,979,732	\$ 1,961,434	\$ 1,993,251	\$ 2,014,447	\$ 2,046,192	\$ 2,093,921
Less Expenditures.....	<u>-1,797,290</u>	<u>-1,976,964</u>	<u>-1,952,058</u>	<u>-1,978,976</u>	<u>-1,985,685</u>	<u>-1,987,333</u>	<u>-1,993,636</u>
Less Reserve for Current Year.....	0	0	0	0	0	0	-75,000
Ending Balance.....	<u>\$ 4,244</u>	<u>\$ 2,768</u>	<u>\$ 9,376</u>	<u>\$ 14,275</u>	<u>\$ 28,762</u>	<u>\$ 58,859</u>	<u>\$ 25,285</u>

<sup>a</sup> Excludes restricted revenue.

# Overview and Summaries

## Seven Year Department Summary by Fund

The following is a summary by department of 2017-18 actual expenditures, the 2018-19 amounts available, the 2019-20 amounts budgeted and future year estimates for the General Fund and selected Special Funds.

	(Dollar Amounts in Thousands)						
	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>Governor's Office</b>							
General Fund.....	\$ 6,548	\$ 6,548	\$ 6,872	\$ 6,872	\$ 6,872	\$ 6,872	\$ 6,872
<b>Executive Offices</b>							
General Fund.....	\$ 179,888	\$ 139,800	\$ 128,932	\$ 129,531	\$ 129,432	\$ 129,432	\$ 129,531
Motor License Fund.....	1,327	1,074	0	0	0	0	0
Department Total.....	\$ 181,215	\$ 140,874	\$ 128,932	\$ 129,531	\$ 129,432	\$ 129,432	\$ 129,531
<b>Lieutenant Governor</b>							
General Fund.....	\$ 1,682	\$ 1,813	\$ 1,980	\$ 1,980	\$ 1,980	\$ 1,980	\$ 1,980
<b>Attorney General</b>							
General Fund.....	\$ 95,583	\$ 105,216	\$ 113,210	\$ 115,189	\$ 115,189	\$ 115,189	\$ 115,189
<b>Auditor General</b>							
General Fund.....	\$ 41,958	\$ 42,905	\$ 43,966	\$ 43,966	\$ 43,966	\$ 44,051	\$ 43,966
<b>Treasury</b>							
General Fund.....	\$ 1,121,328	\$ 1,164,220	\$ 1,231,274	\$ 1,276,274	\$ 1,316,274	\$ 1,338,274	\$ 1,392,274
Motor License Fund.....	81,094	79,448	80,482	80,442	80,485	80,532	80,579
Department Total.....	\$ 1,202,422	\$ 1,243,668	\$ 1,311,756	\$ 1,356,716	\$ 1,396,759	\$ 1,418,806	\$ 1,472,853
<b>Aging</b>							
Lottery Fund.....	\$ 533,662	\$ 525,143	\$ 492,170	\$ 472,595	\$ 474,108	\$ 470,697	\$ 472,365
<b>Agriculture</b>							
General Fund.....	\$ 143,806	\$ 151,802	\$ 163,201	\$ 163,201	\$ 163,201	\$ 163,201	\$ 163,201
Motor License Fund.....	33,228	33,228	33,228	33,228	33,228	33,228	33,228
Department Total.....	\$ 177,034	\$ 185,030	\$ 196,429	\$ 196,429	\$ 196,429	\$ 196,429	\$ 196,429
<b>Community and Economic Development</b>							
General Fund.....	\$ 145,240	\$ 156,968	\$ 131,685	\$ 119,685	\$ 119,685	\$ 119,685	\$ 119,685
Motor License Fund.....	1,073	750	500	500	500	500	500
Department Total.....	\$ 146,313	\$ 157,718	\$ 132,185	\$ 120,185	\$ 120,185	\$ 120,185	\$ 120,185
<b>Conservation and Natural Resources</b>							
General Fund.....	\$ 105,200	\$ 122,653	\$ 85,253	\$ 87,547	\$ 84,129	\$ 88,129	\$ 89,598
Motor License Fund.....	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Department Total.....	\$ 112,200	\$ 129,653	\$ 92,253	\$ 94,547	\$ 91,129	\$ 95,129	\$ 96,598
<b>Criminal Justice</b>							
General Fund.....	\$ 2,437,713	\$ 2,602,064	\$ 2,619,390	\$ 2,630,692	\$ 2,626,695	\$ 2,608,767	\$ 2,608,528
<b>Drug and Alcohol Programs</b>							
General Fund.....	\$ 46,227	\$ 46,596	\$ 47,389	\$ 47,389	\$ 47,389	\$ 47,389	\$ 47,389
<b>Education</b>							
General Fund.....	\$ 13,242,829	\$ 13,748,081	\$ 14,213,357	\$ 14,541,161	\$ 14,648,278	\$ 14,775,673	\$ 14,900,373
Motor License Fund.....	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Department Total.....	\$ 13,243,929	\$ 13,749,181	\$ 14,214,457	\$ 14,542,261	\$ 14,649,378	\$ 14,776,773	\$ 14,901,473

# Overview and Summaries

## Seven Year Department Summary by Fund

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>Higher Education Assistance Agency</b>							
General Fund.....	\$ 321,789	\$ 322,661	\$ 372,882	\$ 430,882	\$ 430,882	\$ 430,882	\$ 430,882
<b>Emergency Management Agency</b>							
General Fund.....	\$ 30,854	\$ 23,020	\$ 16,297	\$ 16,297	\$ 14,288	\$ 14,288	\$ 14,288
<b>Environmental Protection</b>							
General Fund.....	\$ 148,801	\$ 158,539	\$ 137,773	\$ 137,773	\$ 137,060	\$ 137,060	\$ 137,060
<b>Ethics Commission</b>							
General Fund.....	\$ 2,645	\$ 2,750	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876
<b>General Services</b>							
General Fund.....	\$ 116,844	\$ 120,747	\$ 120,663	\$ 120,663	\$ 120,663	\$ 120,663	\$ 120,663
Motor License Fund.....	9,300	9,387	9,444	9,444	9,444	9,444	9,444
Department Total.....	\$ 126,144	\$ 130,134	\$ 130,107	\$ 130,107	\$ 130,107	\$ 130,107	\$ 130,107
<b>Health</b>							
General Fund.....	\$ 189,438	\$ 199,058	\$ 194,710	\$ 194,717	\$ 194,520	\$ 194,520	\$ 194,520
<b>Health Care Cost Containment Council</b>							
General Fund.....	\$ 2,752	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355
<b>Historical and Museum Commission</b>							
General Fund.....	\$ 20,633	\$ 22,353	\$ 23,555	\$ 23,555	\$ 23,555	\$ 23,555	\$ 23,555
<b>Human Services</b>							
General Fund.....	\$ 12,151,147	\$ 12,582,330	\$ 12,988,602	\$ 13,766,450	\$ 14,265,059	\$ 14,713,304	\$ 15,161,571
Lottery Fund.....	253,449	372,355	400,513	438,448	438,723	438,723	438,723
Department Total.....	\$ 12,404,596	\$ 12,954,685	\$ 13,389,115	\$ 14,204,898	\$ 14,703,782	\$ 15,152,027	\$ 15,600,294
<b>Insurance</b>							
General Fund.....	\$ 0	\$ 0	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
<b>Labor and Industry</b>							
General Fund.....	\$ 69,078	\$ 80,746	\$ 80,922	\$ 80,922	\$ 80,922	\$ 80,922	\$ 80,922
<b>Military and Veterans Affairs</b>							
General Fund.....	\$ 142,186	\$ 150,401	\$ 160,669	\$ 161,011	\$ 158,511	\$ 161,635	\$ 165,068
<b>Revenue</b>							
General Fund.....	\$ 183,612	\$ 187,478	\$ 193,864	\$ 193,864	\$ 193,864	\$ 193,864	\$ 193,864
Lottery Fund.....	831,297	915,667	888,468	897,026	901,947	907,006	911,641
Motor License Fund.....	49,085	49,685	45,360	45,580	42,734	43,211	43,211
Department Total.....	\$ 1,063,994	\$ 1,152,830	\$ 1,127,692	\$ 1,136,470	\$ 1,138,545	\$ 1,144,081	\$ 1,148,716
<b>State</b>							
General Fund.....	\$ 10,270	\$ 11,163	\$ 29,114	\$ 30,755	\$ 28,745	\$ 28,745	\$ 28,745
<b>State Police</b>							
General Fund.....	\$ 251,746	\$ 306,710	\$ 271,377	\$ 298,664	\$ 323,991	\$ 353,262	\$ 382,464
Motor License Fund.....	778,350	769,669	737,600	705,530	673,461	646,522	619,584
Department Total.....	\$ 1,030,096	\$ 1,076,379	\$ 1,008,977	\$ 1,004,194	\$ 997,452	\$ 999,784	\$ 1,002,048



# Overview and Summaries

## Seven Year Department Summary by Fund

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>Transportation</b>							
General Fund.....	\$ 1,625	\$ 1,618	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545
Lottery Fund.....	178,882	178,882	170,907	170,907	170,907	170,907	170,907
Motor License Fund.....	1,924,651	2,142,215	1,940,698	2,017,209	2,082,418	2,148,532	2,208,266
<b>Department Total.....</b>	<b>\$ 2,105,158</b>	<b>\$ 2,322,715</b>	<b>\$ 2,113,150</b>	<b>\$ 2,189,661</b>	<b>\$ 2,254,870</b>	<b>\$ 2,320,984</b>	<b>\$ 2,380,718</b>
<b>Legislature</b>							
General Fund.....	\$ 325,243	\$ 340,135	\$ 337,382	\$ 337,382	\$ 337,382	\$ 337,382	\$ 337,382
<b>Judiciary</b>							
General Fund.....	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503
<b>Government Support Agencies</b>							
General Fund.....	\$ 55,891	\$ 61,679	\$ 61,679	\$ 61,679	\$ 61,679	\$ 61,679	\$ 61,679
<b>COMMONWEALTH TOTALS:</b>							
General Fund.....	\$ 31,948,059	\$ 33,218,912	\$ 34,146,277	\$ 35,388,380	\$ 36,044,490	\$ 36,660,682	\$ 37,321,528
Motor License Fund.....	2,886,208	3,093,556	2,855,412	2,900,033	2,930,370	2,970,069	3,002,912
Lottery Fund.....	1,797,290	1,992,047	1,952,058	1,978,976	1,985,685	1,987,333	1,993,636
<b>GRAND TOTAL.....</b>	<b>\$ 36,631,557</b>	<b>\$ 38,304,515</b>	<b>\$ 38,953,747</b>	<b>\$ 40,267,389</b>	<b>\$ 40,960,545</b>	<b>\$ 41,618,084</b>	<b>\$ 42,318,076</b>

## General and Special Funds

This table shows a summary by Commonwealth Programs of 2017-18 actual expenditures, the 2018-19 amounts available, the 2019-20 amounts budgeted and future year estimates for the General Fund and selected Special Funds.

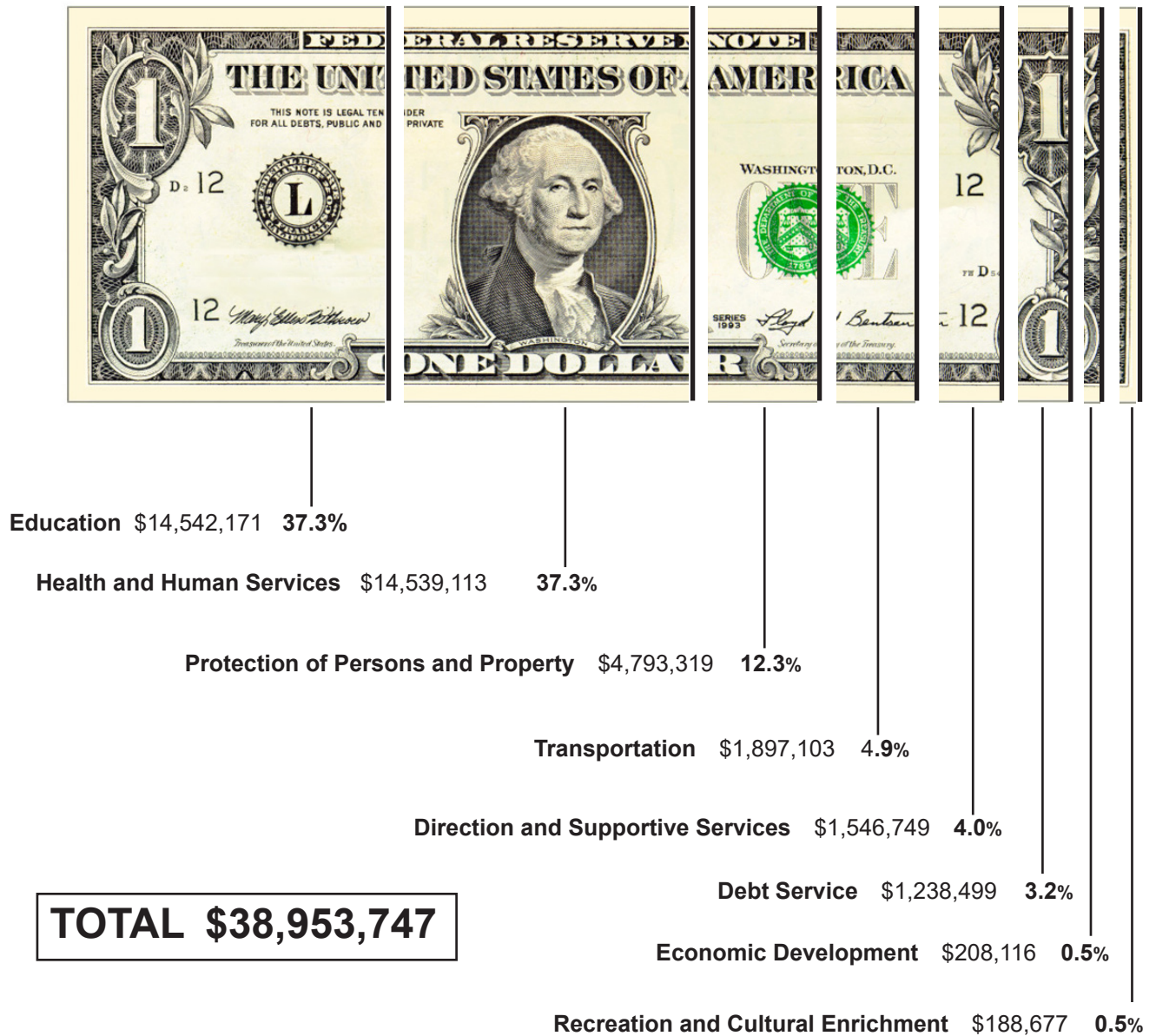
### Seven Year Commonwealth Program Summary

Commonwealth Program	(Dollar amounts in Thousands)						
	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
Direction and Supportive Services.....	\$ 1,513,179	\$ 1,587,981	\$ 1,546,749	\$ 1,559,226	\$ 1,564,802	\$ 1,574,023	\$ 1,582,272
Protection of Persons and Property.....	4,535,996	4,803,866	4,793,319	4,796,527	4,775,209	4,760,009	4,759,319
Education.....	13,521,480	14,026,510	14,542,171	14,927,975	15,035,092	15,162,487	15,287,187
Health and Human Services.....	13,577,427	14,138,126	14,539,113	15,334,308	15,833,746	16,278,104	16,727,872
Economic Development.....	209,464	230,977	208,116	196,116	196,116	196,116	196,116
Transportation .....	1,940,851	2,120,915	1,897,103	1,978,807	2,044,525	2,110,243	2,172,692
Recreation and Cultural Enrichment.....	205,236	224,600	188,677	190,971	187,553	191,553	193,022
Debt Service.....	1,127,924	1,171,540	1,238,499	1,283,459	1,323,502	1,345,549	1,399,596
<b>GENERAL FUND AND SPECIAL</b>							
<b>FUNDS TOTAL.....</b>	<b><u>\$ 36,631,557</u></b>	<b><u>\$ 38,304,515</u></b>	<b><u>\$ 38,953,747</u></b>	<b><u>\$ 40,267,389</u></b>	<b><u>\$ 40,960,545</u></b>	<b><u>\$ 41,618,084</u></b>	<b><u>\$ 42,318,076</u></b>

Distribution of the Commonwealth Dollar

**GENERAL FUND AND  
SPECIAL FUNDS**

**2019-20 Fiscal Year**  
(Dollar Amounts in Thousands)



This presentation shows the amount and portion of the total General Fund and selected special funds allocated to major program areas.

## General Fund

This table shows a summary by Commonwealth Program of 2017-18 expenditures, the 2018-19 amounts available, the 2019-20 amounts budgeted and future year estimates.

### Seven Year Commonwealth Program Summary

	(Dollar amounts in Thousands)						
	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>Commonwealth Program</b>							
Direction and Supportive Services.....	\$ 857,222	\$ 850,905	\$ 843,144	\$ 843,243	\$ 843,144	\$ 843,229	\$ 843,243
Protection of Persons and Property.....	3,561,736	3,800,787	3,807,989	3,848,460	3,859,720	3,871,063	3,900,026
Education.....	13,520,380	14,025,410	14,541,071	14,926,875	15,033,992	15,161,387	15,286,087
Health and Human Services.....	12,527,616	12,975,928	13,379,730	14,160,165	14,661,415	15,112,784	15,564,484
Economic Development.....	208,391	230,227	207,616	195,616	195,616	195,616	195,616
Recreation and Cultural Enrichment.....	198,236	217,600	181,677	183,971	180,553	184,553	186,022
Debt Service.....	1,074,478	1,118,055	1,185,050	1,230,050	1,270,050	1,292,050	1,346,050
<b>GENERAL FUND TOTAL.....</b>	<b>\$ 31,948,059</b>	<b>\$ 33,218,912</b>	<b>\$ 34,146,277</b>	<b>\$ 35,388,380</b>	<b>\$ 36,044,490</b>	<b>\$ 36,660,682</b>	<b>\$ 37,321,528</b>

# GENERAL FUND

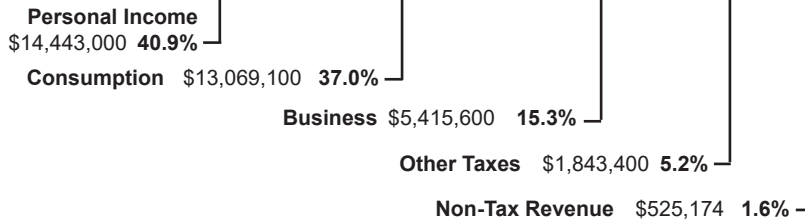
2019-20 Fiscal Year



## Income

(Dollar Amounts in Thousands)

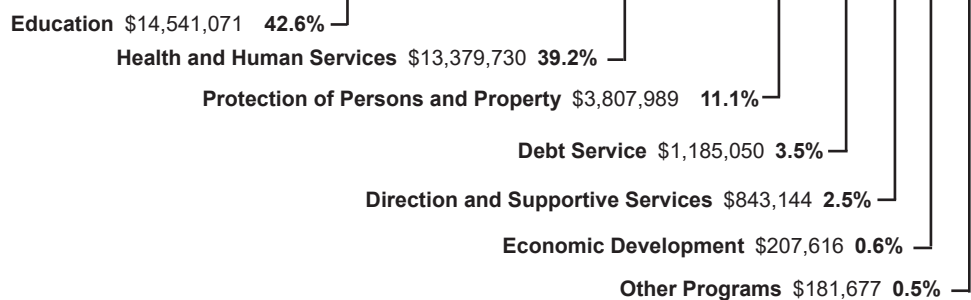
TOTAL INCOME .....	\$35,296,274
Refunds .....	-1,343,000
Beginning Balance.....	3,134
Lapses .....	200,000
<hr/>	
TOTAL .....	\$34,156,408



## Outgo

(Dollar Amounts in Thousands)

TOTAL OUTGO .....	\$ 34,146,277
Budget Stabilization	
Reserve Fund .....	5,065
Plus Ending Surplus ....	5,066
<hr/>	
TOTAL .....	\$ 34,156,408

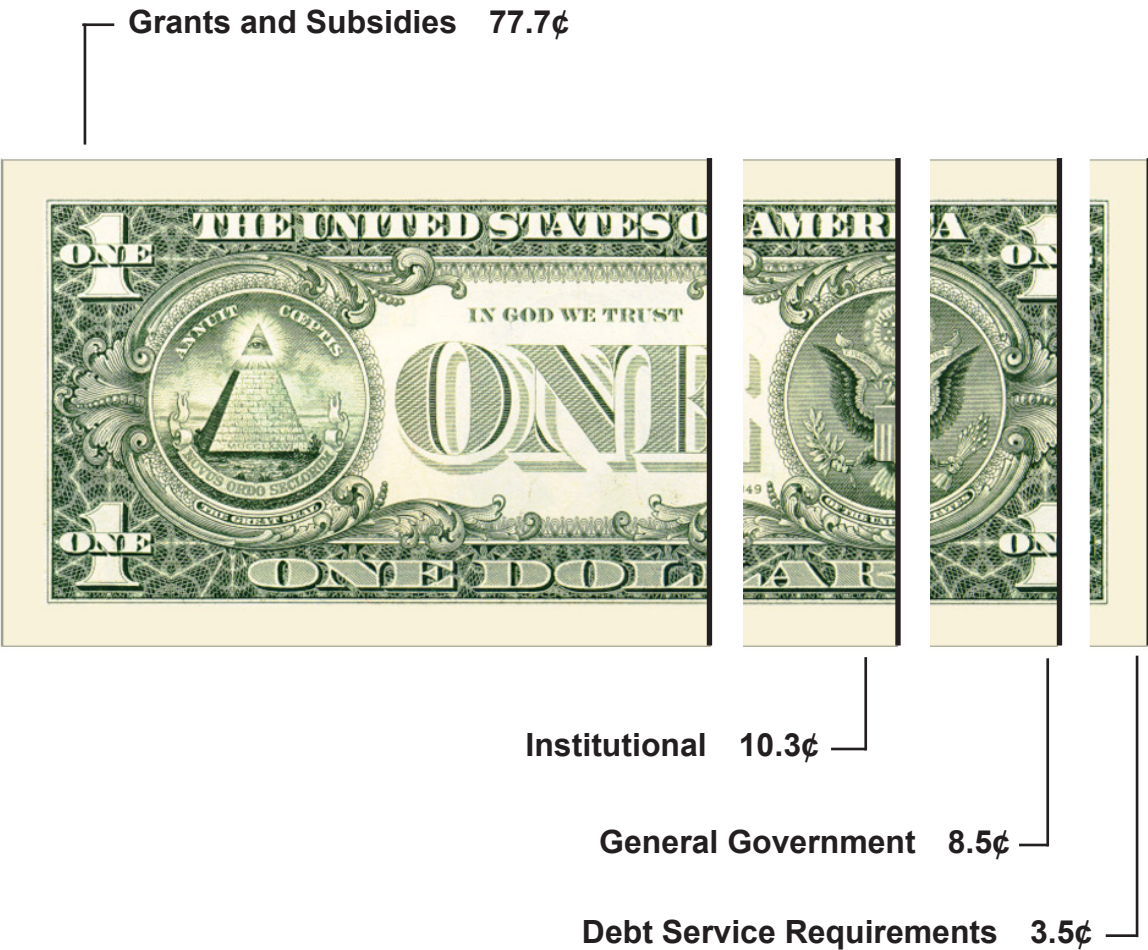


This presentation shows the amount and proportion for the major revenue sources and major program areas for the total General Fund.



# USE OF THE GENERAL FUND DOLLAR

2019-20 Fiscal Year



Over 75 cents of each General Fund dollar is returned to individuals, local governments, institutions, school districts, etc. in the form of grants and subsidies.



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# FEDERAL BLOCK GRANTS

The federal government has two primary types of grants: categorical grants and block grants. Categorical grants are generally distributed for specific purposes. Block grants are distributed to state and local governments based on a distribution formula and are available for an activity that falls within the purposes of the federal authorizing legislation. Generally, block grants provide state and local governments with greater flexibility than categorical grants.

The commonwealth implemented eight block grants based on the Federal Omnibus Reconciliation Act of 1981. Since that time, block grants have been added and revised based on changes in federal law. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 created two new block grants: Temporary Assistance to Needy Families and the Child Care and Development Fund, which replaced the Child Care Block Grant.

The Anti-Drug Abuse and Workforce Innovation and Opportunity programs have also been included because the federal government provides flexibility on the activities eligible for funding.

The tables within this section provide information on the estimated amount to be received from the federal government and an estimated distribution of the funds by program within the block grant. Generally, the amounts shown for administrative costs represent the amount allowable by the federal government. The 2018-19 estimated block grant amounts reflect the current estimate of amounts available and, therefore, may be different from amounts appropriated.

The recommended distribution by program for 2019-20 is a preliminary proposal. Opportunities for public review and comment may result in modifications to the proposed distribution.

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## Summary of Federal Block Grants

This table shows a summary by federal block grant of 2017-18 expenditures, 2018-19 available and 2019-20 amounts budgeted as presented in the 2019-20 Governor's Executive Budget.

(Dollar Amounts in Thousands)

	<b>2017-18 Actual Block Grant</b>	<b>2018-19 Available Block Grant</b>	<b>2019-20 Recommended Block Grant</b>
Anti-Drug Abuse.....	\$ 14,600	\$ 14,400	\$ 12,500
Child Care and Development Fund.....	419,058	484,615	512,557
Community Services.....	51,607	51,607	51,607
Low-Income Home Energy Assistance.....	396,500	400,500	265,063
Maternal and Child Health Services.....	32,539	32,539	32,639
Mental Health Services.....	21,000	24,663	24,679
Preventive Health and Health Services.....	11,509	11,509	12,544
Social Services.....	92,798	92,798	92,798
Substance Abuse.....	68,069	66,102	78,641
Temporary Assistance to Needy Families.....	644,657	595,668	608,421
Workforce Innovation and Opportunity.....	240,000	240,000	240,000
<b>TOTAL.....</b>	<b><u>\$ 1,992,337</u></b>	<b><u>\$ 2,014,401</u></b>	<b><u>\$ 1,931,449</u></b>

## Anti-Drug Abuse

The Justice Assistance Grant program provides funding for state and local governments to implement a wide range of drug enforcement and correctional treatment projects as well as providing victim services and juvenile and criminal justice system improvement initiatives throughout the commonwealth.

The Residential Substance Abuse Treatment program is intended to assist state and local governments in developing and implementing residential substance abuse treatment programs within state and local correctional facilities in which prisoners are incarcerated for a period of time sufficient to permit substance abuse treatment.

(Dollar Amounts in Thousands)

Department / Appropriation	2017-18 Actual Block Grant	2018-19 Available Block Grant	2019-20 Recommended Block Grant
<b>Executive Offices:</b>			
<i>Commission on Crime and Delinquency</i>			
Justice Assistance Grants.....	\$ 12,000	\$ 12,000	\$ 10,000
Justice Assistance Grants — Administration.....	1,300	1,100	1,100
Residential Substance Abuse Treatment Program.....	1,300	1,300	1,400
Subtotal.....	\$ 14,600	\$ 14,400	\$ 12,500
<b>Criminal Justice</b>			
Residential Substance Abuse Treatment Program (EA).....	\$ 502 <sup>a</sup>	\$ 502 <sup>a</sup>	\$ 502 <sup>a</sup>
<b>State Police:</b>			
Law Enforcement Projects (EA)	\$ 626 <sup>a</sup>	\$ 3,215 <sup>a</sup>	\$ 3,350 <sup>a</sup>
TOTAL.....	\$ 14,600	\$ 14,400	\$ 12,500

<sup>a</sup> Subgrants not added to total to avoid double counting.

## Child Care and Development Fund

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 created this block grant, which provides funding for an integrated child care program. This program allows states flexibility in developing programs to provide child care to children of low-income working parents and parents trying to become independent of public assistance, to provide consumer education information to parents, to promote parental choice and to implement state health, safety, licensing and registration standards. States are not required to match discretionary funds; however, there are some maintenance of effort and state matching requirements.

Department / Appropriation	2017-18 Actual Block Grant	2018-19 Available Block Grant	2019-20 Recommended Block Grant
<b>Executive Offices:</b>			
<i>Inspector General - Welfare Fraud</i>			
CCDFBG — Subsidized Day Care Fraud.....	\$ 905	\$ 905	\$ 905
<b>Human Services:</b>			
CCDFBG — Administration.....	\$ 23,205	\$ 23,206	\$ 28,640
CCDFBG — County Assistance Offices.....	15,000	0	0
CCDFBG — Child Care Services.....	284,966	376,829	396,396
CCDFBG — School Age.....	1,260	1,260	1,260
CCDFBG — Child Care Assistance.....	93,722	82,415	85,356
Subtotal.....	\$ 418,153	\$ 483,710	\$ 511,652
TOTAL.....	\$ 419,058	\$ 484,615	\$ 512,557

## Community Services

This block grant provides funding for community-based programs that offer health, nutrition, housing and employment-related services to improve the standard of living for low-income persons. Programs consolidated into the block grant include Community Action, Senior Opportunities and Services, Community Food and Nutrition, Energy Conservation and Training, Evaluation and Technical Assistance.

Federal law requires that 90 percent of the funding be distributed to Community Action Agencies (CAA). Five percent is allowed for administration and the remaining five percent is utilized for competitive projects. The remaining 90 percent of program monies are granted to existing CAAs for operating costs and low-income energy assistance efforts, the Community Action Association of Pennsylvania and competitive grants in the areas of employment training, job preparedness, community conservation corps, community economic development, summer employment and youth programs, emergency assistance and homeless 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	2017-18 Actual Block Grant	2018-19 Available Block Grant	2019-20 Recommended Block Grant
<b>Community and Economic Development:</b>			
CSBG — Administration.....	\$ 1,607	\$ 1,607	\$ 1,607
Community Services Block Grant.....	50,000	50,000	50,000
TOTAL.....	\$ 51,607	\$ 51,607	\$ 51,607

# Overview: Federal Block Grants

## Low-Income Home Energy Assistance

This block grant provides funding to assist eligible low-income individuals and families in meeting the cost of home energy through cash assistance and to alleviate crisis situations. The amounts below include weather-related contingency funding.

Department / Appropriation	(Dollar Amounts in Thousands)		
	2017-18 Actual Block Grant	2018-19 Available Block Grant	2019-20 Recommended Block Grant
<b>Community and Economic Development:</b>			
LIHEABG — Administration.....	\$ 1,500	\$ 1,500	\$ 1,500
LIHEABG — Weatherization Program.....	48,000	48,000	48,000
Subtotal.....	\$ 49,500	\$ 49,500	\$ 49,500
<b>Human Services:</b>			
LIHEABG — Administration.....	\$ 27,000	\$ 31,000	\$ 27,000
LIHEABG — Low-Income Families and Individuals.....	320,000	320,000	188,563
Subtotal.....	\$ 347,000	\$ 351,000	\$ 215,563
TOTAL.....	\$ 396,500	\$ 400,500	\$ 265,063

## Maternal and Child Health Services

This block grant provides funding for planning, promoting and evaluating health care for pregnant women, mothers, infants and children with special health care needs. This is accomplished by providing health services for mothers and children who do not otherwise have access to adequate health care and nutritional resources. Administrative costs cannot exceed ten percent. These personnel and operational costs are found in the Administration and Operation line item, which also contains some programmatic costs, such as outreach, promotional costs, laboratory supplies and help line services.

Department / Appropriation	(Dollar Amounts in Thousands)		
	2017-18 Actual Block Grant	2018-19 Available Block Grant	2019-20 Recommended Block Grant
<b>Health:</b>			
MCHSBG — Administration and Operation.....	\$ 14,641	\$ 14,641	\$ 14,847
MCHSBG — Program Services.....	17,898	17,898	17,792
TOTAL.....	\$ 32,539	\$ 32,539	\$ 32,639

# Overview: Federal Block Grants

## Mental Health Services

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

(Dollar Amounts in Thousands)

Department / Appropriation	2017-18 Actual Block Grant	2018-19 Available Block Grant	2019-20 Recommended Block Grant
<b>Human Services:</b>			
MHSBG — Administration.....	\$ 539	\$ 563	\$ 579
MHSBG — Community Mental Health Services.....	20,461	24,100	24,100
TOTAL.....	\$ 21,000	\$ 24,663	\$ 24,679

## Preventive Health and Health Services

This block grant provides funding for preventive health services. Programs include activities to promote improvements in health status through achievement of the National Year 2020 Health Objectives; programs for community and school-based fluoridation; feasibility studies and planning for emergency medical services systems and the establishment, expansion and improvement of such systems; services to victims of sex offenders; and related planning, administration and educational activities. Funding also supports efforts to eliminate disparities between the health status of the general population and that of identifiable subpopulations including geographical, racial, ethnic, gender or other groups. Administration is limited to ten percent.

(Dollar Amounts in Thousands)

Department / Appropriation	2017-18 Actual Block Grant	2018-19 Available Block Grant	2019-20 Recommended Block Grant
<b>Education:</b>			
Preventive Health and Health Services (EA).....	\$ 250 <sup>a</sup>	\$ 0 <sup>a</sup>	\$ 0 <sup>a</sup>
<b>Health:</b>			
PHHSBG — Administration and Operation.....	\$ 4,509	\$ 4,509	\$ 4,549
PHHSBG — Block Program Services.....	7,000	7,000	7,995
Subtotal.....	\$ 11,509	\$ 11,509	\$ 12,544
<b>Human Services:</b>			
PHHSBG — Domestic Violence (EA).....	\$ 100 <sup>a</sup>	\$ 100 <sup>a</sup>	\$ 100 <sup>a</sup>
TOTAL.....	\$ 11,509	\$ 11,509	\$ 12,544

<sup>a</sup> Subgrant not added to total to avoid double counting.

# Overview: Federal Block Grants

## Social Services

This block grant provides funding to help individuals achieve or maintain self-sufficiency; to prevent, reduce or eliminate dependency; to prevent or remedy abuse and neglect of children and adults; and to prevent or reduce institutional care. Most services are delivered by local entities that receive grants or contract with the Department of Human Services. These federal allocations serve to augment state appropriations, thereby increasing the total level of services provided.

In addition to funds received directly through this block grant, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 authorized transfers from the Temporary Assistance to Needy Families Block Grant.

(Dollar Amounts in Thousands)

Department / Appropriation	2017-18 Actual Block Grant	2018-19 Available Block Grant	2019-20 Recommended Block Grant
<b>Human Services:</b>			
SSBG — Administration.....	\$ 325	\$ 325	\$ 325
SSBG — County Assistance Offices.....	3,000	3,000	3,000
SSBG — Basic Institutional Programs.....	10,000	10,000	10,000
SSBG — Community Mental Health Services.....	10,366	10,366	10,366
SSBG — Community ID Services.....	7,451	7,451	7,451
SSBG — Child Welfare.....	12,021	12,021	12,021
SSBG — Child Care Services.....	30,977	30,977	30,977
SSBG — Domestic Violence Programs.....	5,705	5,705	5,705
SSBG — Rape Crisis.....	1,721	1,721	1,721
SSBG — Family Planning.....	2,000	2,000	2,000
SSBG — Legal Services.....	5,049	5,049	5,049
SSBG — Homeless Services.....	4,183	4,183	4,183
TOTAL.....	<u>\$ 92,798</u>	<u>\$ 92,798</u>	<u>\$ 92,798</u>

## Substance Abuse

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

(Dollar Amounts in Thousands)

Department / Appropriation	2017-18 Actual Block Grant	2018-19 Available Block Grant	2019-20 Recommended Block Grant
<b>Commission on Crime and Delinquency:</b>			
PA Youth Survey - DDAP (EA).....	\$ 50 <sup>a</sup>	\$ 0	\$ 50 <sup>a</sup>
<b>Criminal Justice:</b>			
SABG — Drug and Alcohol Programs (EA).....	\$ 1,965 <sup>a</sup>	\$ 1,965 <sup>a</sup>	\$ 1,965 <sup>a</sup>
<b>Drug and Alcohol Programs:</b>			
SABG — Administration and Operation.....	\$ 8,617	\$ 8,327	\$ 8,782
SABG — Drug and Alcohol Services.....	59,452	57,775	69,859
Subtotal.....	<u>\$ 68,069</u>	<u>\$ 66,102</u>	<u>\$ 78,641</u>
<b>Health:</b>			
SABG — DDAP Support Services (EA).....	\$ 337 <sup>a</sup>	\$ 150 <sup>a</sup>	\$ 152 <sup>a</sup>
<b>Human Services:</b>			
SABG — Homeless Services (EA)	1,983 <sup>a</sup>	1,983 <sup>a</sup>	1,983 <sup>a</sup>
TOTAL.....	<u>\$ 68,069</u>	<u>\$ 66,102</u>	<u>\$ 78,641</u>

<sup>a</sup> Subgrant not added to total to avoid double counting.

## Temporary Assistance to Needy Families

The Personal Responsibility and Work Opportunity Reconciliation Act (TANF) of 1996 created a block grant that makes funds available to the states to operate the Temporary Assistance to Needy Families program. Funds are available to provide temporary cash and other benefits to help needy families participating in activities designed to end dependence on government benefits and to provide services for dependent and abused children. In addition, funding may be used for services designed to prevent future dependency. This block grant requires a state maintenance of effort and establishes mandatory work participation rates. States are allowed to transfer up to a total of 30 percent of their TANF funds to the Child Care and Development Fund and Social Services block grants. No more than 10 percent may be transferred to the Social Services Block Grant. These transfers are included in the Child Care and Development Fund and the Social Services Block Grant.

Department / Appropriation	(Dollar Amounts in Thousands)		
	2017-18 Actual Block Grant	2018-19 Available Block Grant	2019-20 Recommended Block Grant
<b>Executive Offices:</b>			
<i>Inspector General - Welfare Fraud</i>			
TANFBG — Program Accountability.....	\$ 1,500	\$ 1,500	\$ 1,500
<b>Education:</b>			
TANFBG — Teenage Parenting Education (EA).....	\$ 13,784 <sup>a</sup>	\$ 13,784 <sup>a</sup>	\$ 13,784 <sup>a</sup>
<b>Labor and Industry:</b>			
TANFBG — Youth Employment and Training.....	\$ 25,000	\$ 25,000	\$ 25,000
<b>Human Services:</b>			
TANFBG — Administration.....	\$ 11,898	\$ 13,898	\$ 13,898
TANFBG — Information Systems.....	12,185	11,347	12,631
TANFBG — Statewide.....	1,072	1,072	1,072
TANFBG — County Assistance Offices.....	48,654	51,369	51,941
TANFBG — New Directions.....	111,275	109,249	111,346
TANFBG — Cash Grants.....	288,975	207,633	183,693
TANFBG — Alternatives to Abortion.....	1,000	1,000	1,000
TANFBG — Child Welfare.....	58,508	58,508	58,508
TANFBG — Child Care Assistance.....	84,590	115,092	147,832
Subtotal.....	\$ 618,157	\$ 569,168	\$ 581,921
TOTAL.....	\$ 644,657	\$ 595,668	\$ 608,421

<sup>a</sup> Subgrant not added to total to avoid double counting.



## Workforce Innovation and Opportunity

The Workforce Innovation and Opportunity (WIAO) Act of 2014 supersedes the Workforce Investment Act of 1998. WIOA retains and amends the Adult Education and Family Literacy Act, the Wagner-Peyser Act, and the Rehabilitation Act of 1973. The act took effect on July 1, 2015, however current state and local plan provisions and current performance accountability systems continue to apply until June 30, 2016. WIOA continues the three main program components: adult, youth and dislocated workers. The adult program improves the quality of the workforce, reduces dependency and enhances the productivity and competitiveness of the nation's economy by providing workforce investment activities that increase the employment, retention and earnings of participants, and increases occupational skill attainment by the participants. The youth program assists low-income youth between the ages of 14 and 21 to acquire the educational and occupational skills, training and support needed to achieve academic and employment success and transition to careers and productive adulthood. The dislocated worker program shares the same purpose of the adult program with emphasis on reemployment of these workers.

The commonwealth distributes funds by formula to 23 local agencies called local workforce investment areas for the attainment of agreed-upon performance goals.

(Dollar Amounts in Thousands)

Department / Appropriation	2017-18 Actual Block Grant	2018-19 Available Block Grant	2019-20 Recommended Block Grant
<b>Labor and Industry:</b>			
WIOA — Administration.....	\$ 11,000	\$ 11,000	\$ 11,000
WIOA — Adult Employment and Training.....	50,000	50,000	50,000
WIOA — Youth Employment and Training.....	52,000	52,000	52,000
WIOA — Statewide Activities.....	18,000	18,000	18,000
WIOA — Dislocated Workers.....	109,000	109,000	109,000
TOTAL.....	\$ 240,000	\$ 240,000	\$ 240,000

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## Public Information and Communications

The Commonwealth spends funds on activities to provide government information to the news media and the general public and for other essential communications efforts. Funds are budgeted in 28 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. The amounts that are detailed below exclude those items that are strictly educational and materials that are offered for public sale such as the "Game News" and "Pennsylvania Angler and Boater".

	(Dollar Amounts in Thousands)		
	2018-19 Estimate	2019-20 Estimate	
Governor's Office.....	\$ 1,086	\$ 1,118	2.9%
Executive Offices.....	266	279	4.9%
Aging.....	329	245	-25.5%
Agriculture.....	698	689	-1.3%
Banking and Securities.....	513	504	-1.8%
Community and Economic Development.....	182	187	2.7%
Conservation and Natural Resources.....	405	416	2.7%
Criminal Justice.....	517	529	2.3%
Drug & Alcohol Programs.....	4,317	1,090	-74.8%
Education.....	897	438	-51.2%
Emergency Management Agency.....	360	384	6.7%
Environmental Protection.....	2,541	2,616	3.0%
Fish and Boat Commission.....	280	280	0.0%
Game Commission.....	511	546	6.8%
General Services.....	151	156	3.3%
Health.....	556	583	4.9%
Historical and Museum Commission.....	381	381	0.0%
Human Services.....	822	838	1.9%
Insurance.....	425	435	2.4%
Labor and Industry.....	638	634	-0.6%
Liquor Control Board.....	551	571	3.6%
Military and Veterans Affairs.....	478	493	3.1%
Milk Marketing Board.....	9	7	-22.2%
Public Utility Commission.....	358	391	9.2%
Revenue.....	522	482	-7.7%
State.....	1,806	1,810	0.2%
State Police.....	469	481	2.6%
Transportation.....	6,701	6,701	0.0%
TOTAL	<u>\$ 26,769</u>	<u>\$ 23,284</u>	-13.0%

---- Lottery sales promotion - \$51 million will be spent on advertising campaigns to promote lottery sales and to disseminate information on the various lottery programs including property tax and rent assistance for older Pennsylvanians during 2019-20. These expenditures are expected to generate approximately \$4.8 billion in lottery revenues during 2019-20.

---- Economic development - A total of \$30 million is budgeted in the Tourism Promotion Fund restricted account to promote tourism and economic development. This will contribute to an estimated \$48 billion in 2019-20 business and leisure travel revenues to Pennsylvania and supports the State's aggressive effort to preserve and create jobs.

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Commonwealth of Pennsylvania

Governor's Executive Budget

# *PROGRAM BUDGET SUMMARY*

This section summarizes the budget by major revenue source and major program area of expenditure. This summary includes programs funded from the General Fund, the two budgeted special revenue funds, federal funds, and other revenues including augmentations, restricted receipts and revenues, and other special revenue funds.

Detailed supporting information is provided for each major program area of expenditure by component categories and subcategories (subdivisions of activities) which contribute to the commonwealth's total effort in that program. Detailed information on individual revenue sources may be found in the appropriate fund presentation in the Summary by Fund section of this document.

## Guide to the “*Summary of Revenues and Expenditures for the Operating Program*” Statement

The Summary of Revenues and Expenditures for the Operating Program comprehensive statement shown on page B3 is an “all funds” seven-year summary of revenues and expenditures for the commonwealth’s operating program. This guide is intended to assist readers with interpreting and understanding the revenue and expenditure items presented on the comprehensive statement.

### Beginning and Ending Balances

Beginning and ending balances are included only for state General Fund and state Special Funds as Federal Funds and Other Funds revenues and expenditures are considered to be self-balancing. The General Fund and Special Funds beginning and ending balances are based on their respective financial statements found in Section A2.

### Revenues

All General Fund, Special Funds, Federal Funds and Other Funds revenues contributing to the commonwealth’s operating program are shown on the statement.

**General Fund** – The General Fund is the commonwealth’s largest operating fund. It receives all tax revenue, non-tax revenue and federal grants and entitlements not specified by law to be deposited elsewhere. Tax revenue comprises 98 percent of annual General Fund revenue. The largest sources of non-tax revenue are profit transfers from the Pennsylvania Liquor Control Board, the escheats or “unclaimed property” program and licenses and fees charged by state agencies. General Fund revenue categories shown on the statement include Corporation Taxes, Personal Income Tax, Sales and Use Tax, and All Other Revenues/Taxes. A Less Refunds category is shown as a negative revenue adjustment to account for various tax refunds. Additional information on General Fund revenue sources can be found in Section C1.

**Special Funds** – Motor License and Lottery Funds contribute revenue to the commonwealth operating program. Additional information on Special Fund revenue sources can be found in Section C.

**Federal Funds** – All monies received from the federal government are deposited into the State Treasury and must be appropriated. The Department of Human Services receives the most federal funds. Other agencies receiving significant federal funds include the departments of Education, Health, Human Services, Labor and Industry, and Transportation. Additional information on federal funds budgeted by agency can be found in Section C for federal funds related to General Fund budgets and in Section E: Department Presentations in each agency’s Summary by Fund and Appropriation statement.

**Other Funds** – There are more than 150 Other Funds contributing revenue to the commonwealth’s operating program. The State Stores Fund, the Public Transportation Trust Fund, the State Gaming Fund, the Tobacco Settlement Fund and the Property Tax Relief Fund contribute significant revenues to the Other Funds revenue total. See Section H: Other Special Funds for information and financial data on these funds. Additional information on Other Funds can be found in Section E: Department Presentations on each agency’s Summary by Fund and Appropriation statement.

### Program Expenditures

Program expenditures are categorized by the eight Commonwealth Programs beginning with Direction and Supportive Services and ending with Debt Service. These programs include expenditures from all General Fund, Special Funds, Federal Funds and Other Funds contributing to total operating program expenditures as shown on pages B4 and B5. More detailed expenditure breakdowns by program category and subcategory are shown on pages B6 through B14.

Total operating program expenditures are adjusted to include expenditure reductions from General Fund or Special Fund lapses of unspent prior-year funds. Other adjustments, such as fund transfers to the operating program (resulting in expenditure increases) or fund transfers from the operating program (resulting in expenditure decreases) shown on the statement will impact total program expenditures and ending balances.

## SUMMARY OF REVENUES AND EXPENDITURES FOR THE OPERATING PROGRAM

The following table is a seven year summary of the revenues and expenditures by Commonwealth Program for the operating budget. Balances are included only for State funds - General Fund and Special Funds - as Federal Funds and Other Funds revenues and expenditures are considered to be self-balancing.

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>BEGINNING BALANCES</b>							
General Fund .....	\$ -1,539,333	\$ 22,362	\$ 3,134	\$ 5,066	\$ 82,693	\$ 151,152	\$ 13,135
Adjustment to Beginning Balance.....	15,000	-55,847	0	0	0	0	0
Adjusted Beginning Balance.....	<u>\$ -1,524,333</u>	<u>\$ -33,485</u>	<u>\$ 3,134</u>	<u>\$ 5,066</u>	<u>\$ 82,693</u>	<u>\$ 151,152</u>	<u>\$ 13,135</u>
Special Funds .....	\$ 54,876	\$ 220,680	\$ 3,448	\$ 20,544	\$ 26,910	\$ 39,627	\$ 68,655
<b>REVENUES</b>							
General Fund:							
Corporation Taxes.....	\$ 2,879,024	\$ 3,342,500	\$ 3,423,300	\$ 3,820,000	\$ 3,528,700	\$ 3,087,200	\$ 2,765,300
Personal Income Tax.....	13,398,955	13,855,100	14,443,000	15,046,600	15,512,400	16,096,100	16,704,600
Sales and Use Tax.....	10,381,360	11,102,500	11,447,100	11,891,200	12,419,200	12,508,800	12,972,900
All Other Revenues/Taxes.....	7,907,609	6,099,564	5,982,874	5,992,900	6,009,800	6,054,700	6,083,200
Less Refunds.....	-1,339,000	-1,341,000	-1,343,000	-1,352,000	-1,356,000	-1,361,000	-1,366,000
Total General Fund.....	<u>\$ 33,227,948</u>	<u>\$ 33,058,664</u>	<u>\$ 33,953,274</u>	<u>\$ 35,398,700</u>	<u>\$ 36,114,100</u>	<u>\$ 36,385,800</u>	<u>\$ 37,160,000</u>
Special Funds.....	4,737,907	4,843,288	4,824,566	4,885,375	4,928,772	4,986,430	5,041,062
Federal Funds.....	28,967,909	30,381,704	29,583,923	30,663,220	31,276,119	31,953,223	32,634,340
Other Funds.....	15,624,529	17,851,137	17,266,055	17,233,852	17,305,449	17,405,657	17,520,209
Total Revenues and Balances.....	<u>\$ 81,088,836</u>	<u>\$ 86,321,988</u>	<u>\$ 85,634,400</u>	<u>\$ 88,206,757</u>	<u>\$ 89,734,043</u>	<u>\$ 90,921,889</u>	<u>\$ 92,437,401</u>
<b>PROGRAM EXPENDITURES</b>							
Direction and Supportive							
Services.....	\$ 1,976,923	\$ 2,343,504	\$ 2,330,784	\$ 2,375,173	\$ 2,380,749	\$ 2,389,970	\$ 2,398,219
Protection of Persons and							
Property.....	9,756,567	10,308,006	10,489,491	10,545,612	10,567,105	10,613,957	10,672,780
Education.....	16,798,358	17,459,565	17,906,484	18,234,071	18,336,150	18,464,013	18,569,145
Health and Human Services.....	40,644,468	43,471,870	42,365,505	44,397,595	45,519,228	46,643,227	47,795,730
Economic Development.....	2,105,874	2,223,360	2,305,532	2,298,078	2,294,354	2,274,342	2,274,329
Transportation.....	8,024,856	8,763,088	8,370,709	8,271,478	8,368,654	8,491,387	8,606,327
Recreation and Cultural Enrichment.....	710,969	719,316	730,941	723,215	716,591	718,739	720,719
Debt Service.....	1,205,980	1,248,647	1,304,279	1,319,239	1,359,282	1,381,329	1,435,376
Total Program Expenditures.....	<u>81,223,995</u>	<u>86,537,356</u>	<u>85,803,725</u>	<u>88,164,461</u>	<u>89,542,113</u>	<u>90,976,964</u>	<u>92,472,625</u>
Less General Fund Lapses.....	-289,168	-200,000	-200,000	-150,000	-150,000	-150,000	-150,000
Less Special Fund Lapses.....	-111,395	-25,083	0	0	0	0	0
Total Operating Expenditures.....	<u>\$ 80,823,432</u>	<u>\$ 86,312,273</u>	<u>\$ 85,603,725</u>	<u>\$ 88,014,461</u>	<u>\$ 89,392,113</u>	<u>\$ 90,826,964</u>	<u>\$ 92,322,625</u>
Other Special Fund Expenditures and Transfers and Reserves.....							
	0	0	0	0	0	0	-75,000
Transfer to Budget Stabilization Reserve Fund.....							
	-22,362	-3,133	-5,065	-82,693	-151,151	-13,135	-803
<b>ENDING BALANCES</b>							
General Fund.....	<u>\$ 22,362</u>	<u>\$ 3,134</u>	<u>\$ 5,066</u>	<u>\$ 82,693</u>	<u>\$ 151,152</u>	<u>\$ 13,135</u>	<u>\$ 804</u>
Special Funds .....	<u>\$ 220,680</u>	<u>\$ 3,448</u>	<u>\$ 20,544</u>	<u>\$ 26,910</u>	<u>\$ 39,627</u>	<u>\$ 68,655</u>	<u>\$ 38,169</u>



# Program Budget Summary

## Seven Year Summary of Commonwealth Programs

The following is a summary for the seven Commonwealth Programs of 2017-18 actual expenditures, 2018-19 amounts available, 2019-20 amounts budgeted and future year estimates for all the operating funds and capital bond authorizations as presented in the 2019-20 Governor's Executive Budget. A breakdown of each Commonwealth Program by Category and Subcategory is shown on subsequent pages.

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>Direction and Supportive Services</b>							
General Fund.....	\$ 857,222	\$ 850,905	\$ 843,144	\$ 843,243	\$ 843,144	\$ 843,229	\$ 843,243
Motor License Fund.....	87,360	86,109	81,837	82,057	79,211	79,688	79,688
Lottery Fund.....	568,597	650,967	621,768	633,926	642,447	651,106	659,341
Federal Funds.....	16,790	16,303	15,480	15,480	15,480	15,480	15,480
Other Funds.....	446,954	739,220	768,555	800,467	800,467	800,467	800,467
<b>Total Operating.....</b>	<b>\$ 1,976,923</b>	<b>\$ 2,343,504</b>	<b>\$ 2,330,784</b>	<b>\$ 2,375,173</b>	<b>\$ 2,380,749</b>	<b>\$ 2,389,970</b>	<b>\$ 2,398,219</b>
<b>Protection of Persons and Property</b>							
General Fund.....	\$ 3,561,736	\$ 3,800,787	\$ 3,807,989	\$ 3,848,460	\$ 3,859,720	\$ 3,871,063	\$ 3,900,026
Motor License Fund.....	974,260	1,003,079	985,330	948,067	915,489	888,946	859,293
Lottery Fund.....	0	0	0	0	0	0	0
Federal Funds.....	795,290	848,765	889,085	886,358	886,358	886,358	886,358
Other Funds.....	4,425,281	4,655,375	4,807,087	4,862,727	4,905,538	4,967,590	5,027,103
<b>Total Operating.....</b>	<b>\$ 9,756,567</b>	<b>\$ 10,308,006</b>	<b>\$ 10,489,491</b>	<b>\$ 10,545,612</b>	<b>\$ 10,567,105</b>	<b>\$ 10,613,957</b>	<b>\$ 10,672,780</b>
<b>Education</b>							
General Fund.....	\$ 13,520,380	\$ 14,025,410	\$ 14,541,071	\$ 14,926,875	\$ 15,033,992	\$ 15,161,387	\$ 15,286,087
Motor License Fund.....	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Lottery Fund.....	0	0	0	0	0	0	0
Federal Funds.....	2,412,171	2,470,470	2,458,258	2,458,258	2,453,148	2,453,148	2,433,148
Other Funds.....	864,707	962,585	906,055	847,838	847,910	848,378	848,810
<b>Total Operating.....</b>	<b>\$ 16,798,358</b>	<b>\$ 17,459,565</b>	<b>\$ 17,906,484</b>	<b>\$ 18,234,071</b>	<b>\$ 18,336,150</b>	<b>\$ 18,464,013</b>	<b>\$ 18,569,145</b>
<b>Health and Human Services</b>							
General Fund.....	\$ 12,527,616	\$ 12,975,928	\$ 13,379,730	\$ 14,160,165	\$ 14,661,415	\$ 15,112,784	\$ 15,564,484
Motor License Fund.....	0	0	0	0	0	0	0
Lottery Fund.....	1,049,811	1,162,198	1,159,383	1,174,143	1,172,331	1,165,320	1,163,388
Federal Funds.....	22,983,705	23,946,461	23,096,456	24,178,480	24,796,489	25,473,593	26,174,710
Other Funds.....	4,083,336	5,387,283	4,729,936	4,884,807	4,888,993	4,891,530	4,893,148
<b>Total Operating.....</b>	<b>\$ 40,644,468</b>	<b>\$ 43,471,870</b>	<b>\$ 42,365,505</b>	<b>\$ 44,397,595</b>	<b>\$ 45,519,228</b>	<b>\$ 46,643,227</b>	<b>\$ 47,795,730</b>
<b>Economic Development</b>							
General Fund.....	\$ 208,391	\$ 230,227	\$ 207,616	\$ 195,616	\$ 195,616	\$ 195,616	\$ 195,616
Motor License Fund.....	1,073	750	500	500	500	500	500
Lottery Fund.....	0	0	0	0	0	0	0
Federal Funds.....	774,748	765,708	795,131	795,131	795,131	795,131	795,131
Other Funds.....	1,121,662	1,226,675	1,302,285	1,306,831	1,303,107	1,283,095	1,283,082
<b>Total Operating.....</b>	<b>\$ 2,105,874</b>	<b>\$ 2,223,360</b>	<b>\$ 2,305,532</b>	<b>\$ 2,298,078</b>	<b>\$ 2,294,354</b>	<b>\$ 2,274,342</b>	<b>\$ 2,274,329</b>
<b>Transportation</b>							
General Fund.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Motor License Fund.....	1,761,969	1,942,033	1,726,196	1,807,900	1,873,618	1,939,336	2,001,785
Lottery Fund.....	178,882	178,882	170,907	170,907	170,907	170,907	170,907
Federal Funds.....	1,922,720	2,276,326	2,267,604	2,267,604	2,267,604	2,267,604	2,267,604
Other Funds.....	4,161,285	4,365,847	4,206,002	4,025,067	4,056,525	4,113,540	4,166,031
<b>Total Operating.....</b>	<b>\$ 8,024,856</b>	<b>\$ 8,763,088</b>	<b>\$ 8,370,709</b>	<b>\$ 8,271,478</b>	<b>\$ 8,368,654</b>	<b>\$ 8,491,387</b>	<b>\$ 8,606,327</b>

# Program Budget Summary

## Seven Year Summary of Commonwealth Programs

The following is a summary for the seven Commonwealth Programs of 2017-18 actual expenditures, 2018-19 amounts available, 2019-20 amounts budgeted and future year estimates for all the operating funds and capital bond authorizations as presented in the 2019-20 Governor's Executive Budget. A breakdown of each Commonwealth Program by Category and Subcategory is shown on subsequent pages.

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>Recreation and Cultural Enrichment</b>							
General Fund.....	\$ 198,236	\$ 217,600	\$ 181,677	\$ 183,971	\$ 180,553	\$ 184,553	\$ 186,022
Motor License Fund.....	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Lottery Fund.....	0	0	0	0	0	0	0
Federal Funds.....	62,485	57,671	61,909	61,909	61,909	61,909	61,909
Other Funds.....	443,248	437,045	480,355	470,335	467,129	465,277	465,788
<b>Total Operating.....</b>	<b>\$ 710,969</b>	<b>\$ 719,316</b>	<b>\$ 730,941</b>	<b>\$ 723,215</b>	<b>\$ 716,591</b>	<b>\$ 718,739</b>	<b>\$ 720,719</b>
<b>Debt Service</b>							
General Fund.....	\$ 1,074,478	\$ 1,118,055	\$ 1,185,050	\$ 1,230,050	\$ 1,270,050	\$ 1,292,050	\$ 1,346,050
Motor License Fund.....	53,446	53,485	53,449	53,409	53,452	53,499	53,546
Lottery Fund.....	0	0	0	0	0	0	0
Federal Funds.....	0	0	0	0	0	0	0
Other Funds.....	78,056	77,107	65,780	35,780	35,780	35,780	35,780
<b>Total Operating.....</b>	<b>\$ 1,205,980</b>	<b>\$ 1,248,647</b>	<b>\$ 1,304,279</b>	<b>\$ 1,319,239</b>	<b>\$ 1,359,282</b>	<b>\$ 1,381,329</b>	<b>\$ 1,435,376</b>
Capital Bond Authorizations...	\$ 0	\$ 0	\$ 846,997	\$ 933,054	\$ 944,893	\$ 906,793	\$ 910,875
<b>Program Total.....</b>	<b>\$ 1,205,980</b>	<b>\$ 1,248,647</b>	<b>\$ 2,151,276</b>	<b>\$ 2,252,293</b>	<b>\$ 2,304,175</b>	<b>\$ 2,288,122</b>	<b>\$ 2,346,251</b>
<b>COMMONWEALTH TOTALS</b>							
General Fund.....	\$ 31,948,059	\$ 33,218,912	\$ 34,146,277	\$ 35,388,380	\$ 36,044,490	\$ 36,660,682	\$ 37,321,528
Motor License Fund.....	2,886,208	3,093,556	2,855,412	2,900,033	2,930,370	2,970,069	3,002,912
Lottery Fund.....	1,797,290	1,992,047	1,952,058	1,978,976	1,985,685	1,987,333	1,993,636
Federal Funds.....	28,967,909	30,381,704	29,583,923	30,663,220	31,276,119	31,953,223	32,634,340
Other Funds.....	15,624,529	17,851,137	17,266,055	17,233,852	17,305,449	17,405,657	17,520,209
<b>Total Operating.....</b>	<b>\$ 81,223,995</b>	<b>\$ 86,537,356</b>	<b>\$ 85,803,725</b>	<b>\$ 88,164,461</b>	<b>\$ 89,542,113</b>	<b>\$ 90,976,964</b>	<b>\$ 92,472,625</b>
Capital Bond Authorizations...	\$ 0	\$ 0	\$ 846,997	\$ 933,054	\$ 944,893	\$ 906,793	\$ 910,875
<b>Program Total.....</b>	<b>\$ 81,223,995</b>	<b>\$ 86,537,356</b>	<b>\$ 86,650,722</b>	<b>\$ 89,097,515</b>	<b>\$ 90,487,006</b>	<b>\$ 91,883,757</b>	<b>\$ 93,383,500</b>

# Program Budget Summary

## Direction and Supportive Services

The goal of this commonwealth program is to provide an efficient and effective administrative support system through which the goals and objectives of commonwealth programs can be attained. This commonwealth program supports the administration's goals to streamline state government and achieve efficiencies. The Protecting Elections and Restoring Trust in Government theme in the Overview and Summaries section highlights the administration's priorities in this program area.

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

The agencies in this program include the Governor's Office, Executive Offices, Lieutenant Governor, Auditor General, Treasury, departments of General Services and Revenue, Ethics Commission, Health Care Cost Containment Council, the State Employees' Retirement System, Government Support Agencies and the Legislature.

### Contribution by Category and Subcategory

#### General Fund and Special Funds

(Dollar Amounts in Thousands)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>Administrative and Support Services.....</b>	<b>\$ 174,618</b>	<b>\$ 143,508</b>	<b>\$ 130,732</b>	<b>\$ 130,831</b>	<b>\$ 130,732</b>	<b>\$ 130,732</b>	<b>\$ 130,831</b>
Executive Direction.....	109,558	71,502	57,849	57,948	57,849	57,849	57,948
Ethics Commission.....	2,645	2,750	2,876	2,876	2,876	2,876	2,876
Legal Services.....	3,772	4,222	4,973	4,973	4,973	4,973	4,973
Health Care Reporting.....	2,752	3,355	3,355	3,355	3,355	3,355	3,355
Government Support Agencies.....	55,891	61,679	61,679	61,679	61,679	61,679	61,679
<b>Fiscal Management.....</b>	<b>\$ 886,273</b>	<b>\$ 973,134</b>	<b>\$ 947,400</b>	<b>\$ 959,778</b>	<b>\$ 965,453</b>	<b>\$ 974,674</b>	<b>\$ 982,824</b>
Revenue Collection and Administration.....	770,718	859,171	831,305	843,683	849,358	858,494	866,729
Disbursement.....	73,597	71,058	72,129	72,129	72,129	72,129	72,129
Auditing.....	41,958	42,905	43,966	43,966	43,966	44,051	43,966
<b>Physical Facilities and Commodities Management.....</b>	<b>\$ 126,144</b>	<b>\$ 130,134</b>	<b>\$ 130,107</b>	<b>\$ 130,107</b>	<b>\$ 130,107</b>	<b>\$ 130,107</b>	<b>\$ 130,107</b>
Facility, Property and Commodity Management.....	126,144	130,134	130,107	130,107	130,107	130,107	130,107
<b>Legislative Processes.....</b>	<b>\$ 325,243</b>	<b>\$ 340,135</b>	<b>\$ 337,382</b>	<b>\$ 337,382</b>	<b>\$ 337,382</b>	<b>\$ 337,382</b>	<b>\$ 337,382</b>
Legislature.....	325,243	340,135	337,382	337,382	337,382	337,382	337,382
<b>Interstate Relations.....</b>	<b>\$ 901</b>	<b>\$ 1,070</b>	<b>\$ 1,128</b>	<b>\$ 1,128</b>	<b>\$ 1,128</b>	<b>\$ 1,128</b>	<b>\$ 1,128</b>
Interstate Relations.....	901	1,070	1,128	1,128	1,128	1,128	1,128
<b>PROGRAM TOTAL.....</b>	<b>\$ 1,513,179</b>	<b>\$ 1,587,981</b>	<b>\$ 1,546,749</b>	<b>\$ 1,559,226</b>	<b>\$ 1,564,802</b>	<b>\$ 1,574,023</b>	<b>\$ 1,582,272</b>

## Protection of Persons and Property

The goal of this commonwealth program is to provide an environment and a social system in which the lives and property of individuals and organizations are protected from natural and human-made disasters and from illegal and unfair actions. This commonwealth program supports the administration's goal to protect the public health and safety of Pennsylvania's citizens. The Keeping Pennsylvania Safe theme in the Overview and Summaries section highlights the administration's priorities in this program area.

This program addresses the substantive areas of consumer and environmental protection, certain regulatory activities, the criminal justice system and mitigation of the effects of disasters. Within these broad areas, the State Police, Department of Banking and Securities, Attorney General, Department of Criminal Justice, Public Utility Commission, Liquor Control Board, Pennsylvania Emergency Management Agency, the Judiciary, Milk Marketing Board, Department of State and the Insurance Department deal almost entirely with protection of persons and property. Several agencies such as the Executive Offices and the departments of Environmental Protection, Agriculture, Labor and Industry, Military and Veterans Affairs and Transportation are more diversified and some of their activities are included in this program as well as in other commonwealth programs.

### Contribution by Category and Subcategory

#### General Fund and Special Funds

(Dollar Amounts in Thousands)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>General Administration and Support</b> ..... \$	50,885 \$	50,439 \$	48,011 \$	48,511 \$	48,511 \$	48,511 \$	48,511
Criminal and Juvenile Justice Planning.....	35,222	30,806	31,955	32,455	32,455	32,455	32,455
Environmental Support Services.....	15,663	19,633	16,056	16,056	16,056	16,056	16,056
<b>Public Protection and Law Enforcement</b> ..... \$	1,289,986 \$	1,383,395 \$	1,338,234 \$	1,330,237 \$	1,322,986 \$	1,325,714 \$	1,325,263
State Police.....	1,030,096	1,076,379	1,008,977	1,004,194	997,452	999,784	1,002,048
Attorney General.....	95,583	105,216	113,210	115,189	115,189	115,189	115,189
Highway Safety Administration and Licensing.....	164,307	201,800	216,047	210,854	210,345	210,741	208,026
<b>Control and Reduction of Crime</b> ..... \$	2,437,713 \$	2,602,064 \$	2,619,390 \$	2,630,692 \$	2,626,695 \$	2,608,767 \$	2,608,528
Incarcerated Individuals.....	2,276,464	2,428,742	2,442,173	2,456,487	2,452,490	2,434,562	2,434,323
Reentry into Communities.....	161,249	173,322	177,217	174,205	174,205	174,205	174,205
<b>Juvenile Crime Prevention</b> ..... \$	21,780 \$	21,940 \$	22,019 \$	22,019 \$	22,019 \$	22,019 \$	22,019
Reintegration of Juvenile Delinquents.....	21,780	21,940	22,019	22,019	22,019	22,019	22,019
<b>Adjudication of Defendants</b> ..... \$	355,503 \$	355,503 \$	355,503 \$	355,503 \$	355,503 \$	355,503 \$	355,503
State Judicial System.....	355,503	355,503	355,503	355,503	355,503	355,503	355,503
<b>Public Order and Community Safety</b> ..... \$	51,780 \$	45,263 \$	47,640 \$	45,402 \$	38,055 \$	38,055 \$	38,055
Emergency Management.....	28,238	20,244	13,521	13,521	11,512	11,512	11,512
State Military Readiness.....	23,542	25,019	34,119	31,881	26,543	26,543	26,543
<b>Protection From Natural Hazards and Disasters</b> ..... \$	133,138 \$	138,906 \$	121,717 \$	121,717 \$	121,004 \$	121,004 \$	121,004
Environmental Protection and Management.....	133,138	138,906	121,717	121,717	121,004	121,004	121,004
<b>Consumer Protection</b> ..... \$	166,037 \$	174,426 \$	210,776 \$	212,417 \$	210,407 \$	210,407 \$	210,407
Consumer Protection.....	10,270	11,163	29,114	30,755	28,745	28,745	28,745
Insurance Industry Regulation.....	0	0	7,000	7,000	7,000	7,000	7,000

# Program Budget Summary

## Protection of Persons and Property (continued)

### Contribution by Category and Subcategory

#### General Fund and Special Funds

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>Consumer Protection (Continued)</b>							
Protection and Development of Agricultural Industries.....	155,767	163,263	174,662	174,662	174,662	174,662	174,662
<b>Community and Occupational Safety and Stability..... \$</b>	<b>20,490 \$</b>	<b>21,629 \$</b>	<b>19,522 \$</b>	<b>19,522 \$</b>	<b>19,522 \$</b>	<b>19,522 \$</b>	<b>19,522</b>
Community and Occupational Safety and Stability.....	17,874	18,853	16,746	16,746	16,746	16,746	16,746
Fire Prevention and Safety.....	2,616	2,776	2,776	2,776	2,776	2,776	2,776
<b>Prevention &amp; Elimination of Discriminatory Practices. \$</b>	<b>8,684 \$</b>	<b>10,301 \$</b>	<b>10,507 \$</b>	<b>10,507 \$</b>	<b>10,507 \$</b>	<b>10,507 \$</b>	<b>10,507</b>
Prevention & Elimination of Discriminatory Practices.....	8,684	10,301	10,507	10,507	10,507	10,507	10,507
<b>PROGRAM TOTAL.....</b>	<b>\$ 4,535,996 \$</b>	<b>\$ 4,803,866 \$</b>	<b>\$ 4,793,319 \$</b>	<b>\$ 4,796,527 \$</b>	<b>\$ 4,775,209 \$</b>	<b>\$ 4,760,009 \$</b>	<b>\$ 4,759,319</b>

## Education

The goal of this commonwealth program is to provide a system of learning experiences and opportunities that will permit each individual to achieve his or her full potential intellectual development through high-quality basic education and special education programs, and through high-quality career and technical education and higher education. This commonwealth program supports the administration's goals to support an agenda for excellence, a world-class education that enables all Pennsylvania children to achieve their full potential, and to expand educational opportunities and alternative pathways to teaching and leadership. The Building the Nation's Strongest Workforce and Making Pennsylvania a Better Place for Workers and Businesses themes in the Overview and Summaries section highlight the administration's priorities in advancing the commonwealth's educational system.

This commonwealth program is financed primarily through the Department of Education. Other agencies providing support are the departments of Health, Human Services, Revenue, and Labor and Industry, and the Higher Education Assistance Agency and the Tax Equalization Board.

### Contribution by Category and Subcategory

#### General Fund and Special Funds

(Dollar Amounts in Thousands)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>Educational Support Services</b> .....	\$ 29,711	\$ 30,687	\$ 32,063	\$ 32,063	\$ 32,063	\$ 32,063	\$ 32,063
Education Support Services.....	29,711	30,687	32,063	32,063	32,063	32,063	32,063
<b>Basic Education</b> .....	\$ 11,847,018	\$ 12,310,621	\$ 12,759,663	\$ 13,087,467	\$ 13,194,584	\$ 13,321,979	\$ 13,446,679
PreK-12 Education.....	11,829,282	12,293,823	12,742,443	13,070,247	13,177,364	13,304,759	13,429,459
Public Utility Realty Payments.....	17,736	16,798	17,220	17,220	17,220	17,220	17,220
<b>Higher Education</b> .....	\$ 1,644,751	\$ 1,685,202	\$ 1,750,445	\$ 1,808,445	\$ 1,808,445	\$ 1,808,445	\$ 1,808,445
Higher Education.....	1,322,962	1,362,541	1,377,563	1,377,563	1,377,563	1,377,563	1,377,563
Financial Assistance to Students.....	293,794	293,894	344,003	402,003	402,003	402,003	402,003
Financial Assistance to Institutions.....	27,995	28,767	28,879	28,879	28,879	28,879	28,879
<b>PROGRAM TOTAL</b> .....	<b>\$ 13,521,480</b>	<b>\$ 14,026,510</b>	<b>\$ 14,542,171</b>	<b>\$ 14,927,975</b>	<b>\$ 15,035,092</b>	<b>\$ 15,162,487</b>	<b>\$ 15,287,187</b>

## Health and Human Services

The goals of this commonwealth program are to ensure access to quality medical care for all citizens, support people seeking self-sufficiency, provide military readiness and assistance to veterans and maximize opportunities for individuals and families to participate in society. The Protecting the Most Vulnerable theme in the Overview and Summaries section highlights the administration's priorities to maintain essential health and human services.

This program addresses the following substantive areas: research; prevention and treatment of physical, mental health and intellectual disabilities; maternal and child health care; financial assistance for older Pennsylvanians, medically needy individuals and families in transition; and other programs to address the various issues individuals encounter in a complex society.

These activities are primarily the responsibility of the departments of Health and Human Services with contributions by the departments of Agriculture, Labor and Industry, Military and Veterans Affairs, and Revenue.

### Contribution by Category and Subcategory

#### General Fund and Special Funds

(Dollar Amounts in Thousands)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>Human Services Support</b> .....	\$ 175,132	\$ 180,847	\$ 194,840	\$ 193,664	\$ 193,664	\$ 193,664	\$ 193,664
Human Services Support.....	175,132	180,847	194,840	193,664	193,664	193,664	193,664
<b>Social Development of Individuals</b> .....	\$ 1,770,060	\$ 1,855,777	\$ 1,875,779	\$ 1,964,979	\$ 1,964,979	\$ 1,964,979	\$ 1,964,979
Human Services.....	1,310,387	1,358,671	1,389,230	1,404,230	1,404,230	1,404,230	1,404,230
Child Development.....	459,673	497,106	486,549	560,749	560,749	560,749	560,749
<b>Support of Older Pennsylvanians</b> .....	\$ 796,362	\$ 789,843	\$ 758,870	\$ 735,695	\$ 733,608	\$ 726,597	\$ 724,665
Community Services for Older Pennsylvanians.....	378,662	370,143	337,170	317,595	319,108	320,697	322,365
Homeowners and Renters Assistance.....	262,700	264,700	266,700	263,100	259,500	255,900	252,300
Pharmaceutical Assistance.....	155,000	155,000	155,000	155,000	155,000	150,000	150,000
<b>Income Maintenance</b> .....	\$ 543,411	\$ 520,702	\$ 563,071	\$ 565,651	\$ 568,489	\$ 571,613	\$ 575,046
Income Maintenance.....	522,275	498,664	541,539	541,539	541,539	541,539	541,539
Workers Compensation and Assistance.....	893	795	712	712	712	712	712
Military Compensation and Assistance.....	20,243	21,243	20,820	23,400	26,238	29,362	32,795
<b>Physical Health Treatment</b> .....	\$ 7,508,927	\$ 7,871,247	\$ 8,166,473	\$ 8,795,084	\$ 9,224,181	\$ 9,600,053	\$ 9,973,052
Medical Assistance and Health Care Delivery.....	4,409,136	4,397,322	4,083,376	4,356,415	4,516,625	4,682,570	4,854,734
Long-Term Living.....	2,744,458	3,102,365	3,713,501	4,069,066	4,338,150	4,548,077	4,748,912
Health Treatment Services.....	13,607	13,457	10,697	10,697	10,697	10,697	10,697
Health Support Services.....	51,010	56,747	57,077	57,084	56,887	56,887	56,887
Health Research.....	11,487	15,840	9,165	9,165	9,165	9,165	9,165
Emergency Food Assistance.....	21,267	21,767	21,767	21,767	21,767	21,767	21,767
Prevention and Treatment of Drug and Alcohol Abuse.....	46,227	46,596	47,389	47,389	47,389	47,389	47,389
Preventive Health.....	113,334	113,014	117,771	117,771	117,771	117,771	117,771
Veterans Homes.....	98,401	104,139	105,730	105,730	105,730	105,730	105,730
<b>Mental Health and Substance Use Services</b> .....	\$ 819,964	\$ 835,010	\$ 863,222	\$ 866,035	\$ 866,035	\$ 866,035	\$ 866,035
Mental Health and Substance Use Services.....	819,964	835,010	863,222	866,035	866,035	866,035	866,035
<b>Intellectual Disabilities</b> .....	\$ 1,963,571	\$ 2,084,700	\$ 2,116,858	\$ 2,213,200	\$ 2,282,790	\$ 2,355,163	\$ 2,430,431
Intellectual Disabilities.....	1,963,571	2,084,700	2,116,858	2,213,200	2,282,790	2,355,163	2,430,431
<b>PROGRAM TOTAL</b> .....	\$ 13,577,427	\$ 14,138,126	\$ 14,539,113	\$ 15,334,308	\$ 15,833,746	\$ 16,278,104	\$ 16,727,872



## Economic Development

The goal of this commonwealth program is to invest public resources to create jobs for Pennsylvanians. To do so, this program offers a variety of grants, loans and loan guarantees designed to stimulate economic investment, growth and expanded employment. This commonwealth program supports the administration's goal to create and maintain a business climate in which good, family-sustaining jobs can grow and communities can prosper. The Building the Nation's Strongest Workforce, Making Pennsylvania a Better Place for Workers and Businesses, and Securing the Future of Pennsylvania's Agricultural Industry themes in the Overview and Summaries section highlight the administration's efforts to stimulate Pennsylvania's economy.

This program works in tandem with numerous state authorities and agencies to aggregate and strategically invest resources to expand and retain Pennsylvania-based firms and attract new companies to the commonwealth that will offer Pennsylvania's communities stability, vitality and job opportunities. This program leverages workforce and community development resources that together with business investment enable Pennsylvania to compete on behalf of and for its business partners.

The total efforts of the Department of Community and Economic Development, the Pennsylvania Economic Development Financing Authority and the Infrastructure Investment Authority (PENNVEST) are devoted to this program. The Executive Offices, Auditor General, Housing Finance Agency, and the departments of Education, Labor and Industry, and Revenue also contribute to this program.

### Contribution by Category and Subcategory

#### General Fund and Special Funds

(Dollar Amounts in Thousands)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>Economic Development and Job Creation</b> ..... \$	52,626 \$	53,734 \$	71,127 \$	59,127 \$	59,127 \$	59,127 \$	59,127
Job Creation, Business Growth and Attraction.....	52,626	53,734	71,127	59,127	59,127	59,127	59,127
<b>Global Economic Development</b> ..... \$	5,800 \$	5,871 \$	5,871 \$	5,871 \$	5,871 \$	5,871 \$	5,871
Pennsylvania Worldwide.....	5,800	5,871	5,871	5,871	5,871	5,871	5,871
<b>Innovative Economic Development</b> ..... \$	38,980 \$	39,480 \$	36,630 \$	36,630 \$	36,630 \$	36,630 \$	36,630
Pennsylvania Innovation Economy.....	38,980	39,480	36,630	36,630	36,630	36,630	36,630
<b>Workforce Investment</b> ..... \$	50,311 \$	61,098 \$	63,464 \$	63,464 \$	63,464 \$	63,464 \$	63,464
Workforce Development.....	2,313	12,313	12,313	12,313	12,313	12,313	12,313
Vocational Rehabilitation.....	47,998	48,785	51,151	51,151	51,151	51,151	51,151
<b>Commonwealth Economic Assets</b> ..... \$	15,632 \$	20,646 \$	0 \$	0 \$	0 \$	0 \$	0
PA Happiness.....	15,632	20,646	0	0	0	0	0
<b>Community Development</b> ..... \$	46,115 \$	50,148 \$	31,024 \$	31,024 \$	31,024 \$	31,024 \$	31,024
Pennsylvania Communities.....	33,275	37,987	18,557	18,557	18,557	18,557	18,557
Public Utility Realty Payments.....	12,840	12,161	12,467	12,467	12,467	12,467	12,467
<b>PROGRAM TOTAL</b> ..... \$	<b>209,464 \$</b>	<b>230,977 \$</b>	<b>208,116 \$</b>	<b>196,116 \$</b>	<b>196,116 \$</b>	<b>196,116 \$</b>	<b>196,116</b>

## Transportation

The goal of this commonwealth program is to provide a system for the fast, convenient, efficient and safe movement of individuals and goods within the commonwealth that is interfaced with a national and international system of transportation. This commonwealth program supports the administration's goal to create and maintain a business climate in which good, family-sustaining jobs can grow and communities can prosper. The Keeping Pennsylvania Safe theme in the Overview and Summaries section highlights the administration's priorities in this program area.

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

### Contribution by Category and Subcategory

#### General Fund and Special Funds

(Dollar Amounts in Thousands)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>Transportation Systems and Services.....</b>	\$ 1,940,851	\$ 2,120,915	\$ 1,897,103	\$ 1,978,807	\$ 2,044,525	\$ 2,110,243	\$ 2,172,692
Transportation Support Services.....	62,971	63,421	63,421	63,421	63,421	63,421	63,421
Highways and Bridges.....	1,370,307	1,537,975	1,359,199	1,428,377	1,473,711	1,539,045	1,601,110
Local Highway and Bridge Assistance.....	328,691	340,637	303,576	316,102	336,486	336,870	337,254
Multimodal Transportation.....	178,882	178,882	170,907	170,907	170,907	170,907	170,907
<b>PROGRAM TOTAL.....</b>	<b>\$ 1,940,851</b>	<b>\$ 2,120,915</b>	<b>\$ 1,897,103</b>	<b>\$ 1,978,807</b>	<b>\$ 2,044,525</b>	<b>\$ 2,110,243</b>	<b>\$ 2,172,692</b>

## Recreation and Cultural Enrichment

The goal of this commonwealth program is to improve the quality of life in Pennsylvania's urban, suburban and rural communities. This program focuses resources on our recreational and cultural amenities ensuring that Pennsylvanians can fully enjoy the natural beauty of the commonwealth. This program also ensures that residents and visitors can explore the diversity of cultural traditions, the creativity of our artistic community and the bountiful history of our state and its prominence in forming the heritage of our nation.

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

In addition, the Fish and Boat Commission, Game Commission and Council on the Arts contribute to this commonwealth program.

### Contribution by Category and Subcategory

#### General Fund and Special Funds

(Dollar Amounts in Thousands)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>Recreation</b> .....	\$ 112,200	\$ 129,653	\$ 92,253	\$ 94,547	\$ 91,129	\$ 95,129	\$ 96,598
Parks and Forests Management.....	112,200	129,653	92,253	94,547	91,129	95,129	96,598
<b>Cultural Enrichment</b> .....	\$ 93,036	\$ 94,947	\$ 96,424	\$ 96,424	\$ 96,424	\$ 96,424	\$ 96,424
State Historical Preservation.....	18,633	20,353	21,555	21,555	21,555	21,555	21,555
Local Museum Assistance.....	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Development of Artists and Audiences.....	10,429	10,464	10,481	10,481	10,481	10,481	10,481
State Library Services.....	61,974	62,130	62,388	62,388	62,388	62,388	62,388
<b>PROGRAM TOTAL</b> .....	<b>\$ 205,236</b>	<b>\$ 224,600</b>	<b>\$ 188,677</b>	<b>\$ 190,971</b>	<b>\$ 187,553</b>	<b>\$ 191,553</b>	<b>\$ 193,022</b>

## Debt Service

The goal of this commonwealth program is to provide sufficient financial resources necessary to meet the timely payment of commonwealth debt obligations. Debt financing is used by the commonwealth to finance its capital programs and voter-approved bond referenda and to fund certain disaster relief programs. Most long-term financing of the commonwealth is provided by the issuance of general obligation debt. Debt financing is utilized by all other commonwealth programs to support the goals of each of the commonwealth's program categories.

The Treasury Department participates in this program.

### Contribution by Category and Subcategory

#### General Fund and Special Funds

(Dollar Amounts in Thousands)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Debt Service.....	\$ 1,127,924	\$ 1,171,540	\$ 1,238,499	\$ 1,283,459	\$ 1,323,502	\$ 1,345,549	\$ 1,399,596
Debt Service.....	1,127,924	1,171,540	1,238,499	1,283,459	1,323,502	1,345,549	1,399,596
<b>PROGRAM TOTAL.....</b>	<b>\$ 1,127,924</b>	<b>\$ 1,171,540</b>	<b>\$ 1,238,499</b>	<b>\$ 1,283,459</b>	<b>\$ 1,323,502</b>	<b>\$ 1,345,549</b>	<b>\$ 1,399,596</b>



Commonwealth of Pennsylvania

Governor's Executive Budget

# *SUMMARY*

*BY*

*FUND*

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# GENERAL FUND

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

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



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**Financial Statement**

The following financial statement and accompanying notes are a summary of the General Fund revenues and expenditures for the 2017-18 actual year, 2018-19 available year and 2019-20 budget year. The financial statement excludes augmentations and Federal funds that are detailed in subsequent tables.

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Beginning Balance</b> .....	\$ -1,539,333	\$ 22,362	\$ 3,134
Adjustment to Beginning Balance.....	15,000	-55,847	0
Adjusted Beginning Balance.....	\$ -1,524,333	\$ -33,485	\$ 3,134
<b>Revenue:</b>			
Revenue Receipts.....	\$34,566,948	\$34,399,664	\$35,296,274
Less Refunds.....	-1,339,000	-1,341,000	-1,343,000
Total Revenue.....	\$33,227,948	\$33,058,664	\$33,953,274
Prior Year Lapses.....	289,168	200,000	200,000
Funds Available.....	\$31,992,783	\$33,225,179	\$34,156,408
<b>Expenditures:</b>			
Appropriations.....	\$31,948,059	\$32,724,244	\$34,146,277
Supplemental Appropriations.....	0	494,668	0
Total State Expenditures.....	\$31,948,059	\$33,218,912	\$34,146,277
Preliminary Balance.....	\$ 44,724	\$ 6,267	\$ 10,131
Less Transfer to Budget Stabilization			
Reserve Fund.....	-22,362	-3,133	-5,065
<b>Ending Balance</b> .....	<u>\$ 22,362</u>	<u>\$ 3,134</u>	<u>\$ 5,066</u>

**NOTES ON FINANCIAL STATEMENT**  
(Dollar Amounts in Thousands)

**PROPOSED TAX AND REVENUE MODIFICATIONS**

	<b>2019-20 Estimated</b>
<b>Tax Revenue:</b>	
<b>Corporate Net Income Tax (CNIT)</b> .....	\$ -7,200
Effective January 1, 2020, cap Net Operating Losses at 40% of taxable income accompanied by mandatory combined reporting. Effective January 1, 2020, the CNIT rate is proposed to be reduced from 9.99% to 8.99%. The CNIT rate is proposed to be further reduced to 8.29% in 2021; 7.49% in 2022; 6.99% in 2023; and 5.99% in 2024 and thereafter.	
<b>Tax Credits</b> .....	\$ -3,000
Effective July 1, 2019, increase the annual cap of the Resource Enhancement Tax Credit (REAP) from \$10 million to \$13 million.	
<b>TOTAL PROPOSED TAX AND REVENUE MODIFICATIONS</b> .....	<b><u>\$ -10,200</u></b>

This budget proposes the following transfers in 2019-20:

<b>Transfer to Tobacco Settlement Fund</b> .....	\$ -115,000
A transfer of funds from the Sales and Use Tax to a restricted account for the commonwealth's Tobacco Settlement Fund debt service payments is proposed.	
<b>Transfer to Commonwealth Financing Agency</b> .....	\$ -20,000
A transfer of funds from the Sales and Use Tax to a restricted account for school construction (PlanCon) debt service payments is proposed.	
<b>Transfer to Environmental Stewardship Fund</b> .....	\$ -20,000
A transfer of funds from the Personal Income Tax to a restricted account for Growing Greener debt service payments is proposed.	
<b>Transfer to Farm Show Lease Fund</b> .....	\$ -13,300
A transfer of funds from the Personal Income Tax to a restricted account for Farm Show lease payments is proposed.	
<b>Transfer to School Safety and Security Fund</b> .....	\$ -15,000
A transfer of funds from the Personal Income Tax to a restricted account for school safety and security grants is proposed.	
<b>Transfer to SERS - Defined Contribution Fund</b> .....	\$ -3,900
A transfer of funds from the Personal Income Tax to a restricted account for the costs associated with the SERS Defined Contribution Plan established under Act 5 of 2017 is proposed.	

This budget proposes the following modifications in 2019-20:

Effective July 1, 2019, a minimum wage increase from \$7.25 per hour to \$12.00 per hour with annual increases of \$0.50 is proposed. The minimum wage increase includes tipped workers currently making less than minimum wage. The proposal will generate \$120.2 million in combined personal income and sales and use tax revenue.

A \$3 million increase in the augmentation for the Department of Labor and Industry's Bureau of Occupational and Industrial Safety from the licenses and fees collected by the department.

**NOTES ON FINANCIAL STATEMENT**

(Dollar Amounts in Thousands)

**SUPPLEMENTAL APPROPRIATIONS**

	<b>2018-19 Available</b>
<b>STATE SUPPLEMENTALS</b>	
<b>Criminal Justice</b>	
Medical Care.....	\$ 10,000
State Correctional Institutions.....	40,000
<b>Criminal Justice Total.....</b>	<b><u>\$ 50,000</u></b>
<b>Education</b>	
Early Intervention.....	\$ 14,000
<b>Health</b>	
Renal Dialysis.....	\$ -600
<b>Human Services</b>	
Cash Grants.....	\$ 17,833
Medical Assistance - Capitation.....	240,298
Medical Assistance - Workers with Disabilities.....	-5,033
Home and Community-Based Services.....	39,571
Services to Persons with Disabilities.....	21,981
Attendant Care.....	15,490
Intellectual Disabilities - Intermediate Care Facilities.....	21,469
Intellectual Disabilities - Community Waiver Program.....	55,000
Autism Intervention and Services.....	-500
Early Intervention.....	25,159
<b>Human Services Total.....</b>	<b><u>\$ 431,268</u></b>
<b>TOTAL STATE SUPPLEMENTALS.....</b>	<b><u>\$ 494,668</u></b>
<b>FEDERAL SUPPLEMENTALS</b>	
<b>Executive Offices</b>	
Project Safe Neighborhoods.....	\$ 300
Byrne Competitive Program.....	150
Comprehensive Opioid Abuse Site-Based Program.....	300
Pennsylvania NCS-X Implementation.....	200
Body Worn Camera Policy and Implementation.....	400
<b>Executive Offices Total.....</b>	<b><u>\$ 1,350</u></b>
<b>Health</b>	
EMS for Children.....	\$ 93
<b>Human Services</b>	
Medical Assistance - Physician Practice Plans.....	\$ 16
Medical Assistance - Critical Access Hospitals.....	3,551
Medical Assistance - Academic Medical Centers.....	116
Medical Assistance - Home & Community-Based Services.....	94,910
Medical Assistance - Services to Persons with Disabilities.....	7,474
Medical Assistance - Attendant Care.....	16,415
Medical Assistance - Community ID Waiver Program.....	26,280
<b>Human Services Total.....</b>	<b><u>\$ 148,762</u></b>
<b>TOTAL FEDERAL SUPPLEMENTALS.....</b>	<b><u>\$ 150,205</u></b>
<b>TOTAL SUPPLEMENTALS.....</b>	<b><u>\$ 644,873</u></b>

## Summary by Department

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	Actual	Available	Budget
<b>Governor's Office</b>			
<b>General Government</b>			
Governor's Office.....	\$ 6,548	\$ 6,548	\$ 6,872
<b>TOTAL STATE FUNDS.....</b>	<b><u>\$ 6,548</u></b>	<b><u>\$ 6,548</u></b>	<b><u>\$ 6,872</u></b>
DEPARTMENT TOTAL.....	<u>\$ 6,548</u>	<u>\$ 6,548</u>	<u>\$ 6,872</u>
<b>Executive Offices</b>			
<b>General Government</b>			
Office of Administration.....	\$ 9,718	\$ 6,156	\$ 9,822
Medicare Part B Penalties.....	100	100	0
Commonwealth Technology Services.....	54,275	16,954	0
Civil Service Commission.....	1	1	0
Office of Inspector General.....	4,042	4,070	4,151
Inspector General - Welfare Fraud.....	11,189	11,883	12,121
Office of the Budget.....	17,577	19,903	19,903
Audit of the Auditor General.....	99	0	0
Law Enforcement Activities.....	3,000	3,000	3,000
Office of General Counsel.....	3,772	4,222	4,973
Human Relations Commission.....	8,684	10,301	10,507
Council on the Arts.....	839	874	891
Juvenile Court Judges' Commission.....	2,835	2,995	3,074
Commission on Crime and Delinquency.....	11,766	7,350	8,499
Victims of Juvenile Offenders.....	1,300	1,300	1,300
Violence and Delinquency Prevention Programs.....	3,989	3,989	3,989
Subtotal.....	<u>\$ 133,186</u>	<u>\$ 93,098</u>	<u>\$ 82,230</u>
<b>Grants and Subsidies</b>			
Intermediate Punishment Treatment Programs.....	\$ 18,167	\$ 18,167	\$ 18,167
Juvenile Probation Services.....	18,945	18,945	18,945
Grants to the Arts.....	9,590	9,590	9,590
Subtotal.....	<u>\$ 46,702</u>	<u>\$ 46,702</u>	<u>\$ 46,702</u>
<b>TOTAL STATE FUNDS.....</b>	<b><u>\$ 179,888</u></b>	<b><u>\$ 139,800</u></b>	<b><u>\$ 128,932</u></b>
Federal Funds.....	151,845	177,585	202,745
Augmentations.....	152,305	436,538	449,371
Restricted.....	31,887	34,133	35,135
DEPARTMENT TOTAL.....	<u>\$ 515,925</u>	<u>\$ 788,056</u>	<u>\$ 816,183</u>
<b>Lieutenant Governor</b>			
<b>General Government</b>			
Lieutenant Governor's Office.....	\$ 1,001	\$ 1,043	\$ 1,043
Board of Pardons.....	681	770	937
Subtotal.....	<u>\$ 1,682</u>	<u>\$ 1,813</u>	<u>\$ 1,980</u>
<b>TOTAL STATE FUNDS.....</b>	<b><u>\$ 1,682</u></b>	<b><u>\$ 1,813</u></b>	<b><u>\$ 1,980</u></b>
DEPARTMENT TOTAL.....	<u>\$ 1,682</u>	<u>\$ 1,813</u>	<u>\$ 1,980</u>
<b>Attorney General</b>			
<b>General Government</b>			
General Government Operations.....	\$ 39,363	\$ 46,496	\$ 48,815
Drug Law Enforcement.....	28,966	28,607	49,682
Local Drug Task Forces.....	12,975	13,644	0

## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	Actual	Available	Budget
Strategic Response Team.....	2,000	2,460	0
Joint Local-State Firearm Task Force.....	4,040	4,378	5,218
Witness Relocation.....	1,215	1,215	1,215
Child Predator Interception.....	4,767	5,375	5,739
Tobacco Law Enforcement.....	2,057	2,241	1,741
School Safety.....	0	600	600
Subtotal.....	<u>\$ 95,383</u>	<u>\$ 105,016</u>	<u>\$ 113,010</u>
<b>Grants and Subsidies</b>			
County Trial Reimbursement.....	\$ 200	\$ 200	\$ 200
<b>TOTAL STATE FUNDS.....</b>	<u><u>\$ 95,583</u></u>	<u><u>\$ 105,216</u></u>	<u><u>\$ 113,210</u></u>
Federal Funds.....	13,103	13,225	13,897
Augmentations.....	1,268	536	425
Restricted.....	48,270	61,834	65,313
DEPARTMENT TOTAL.....	<u>\$ 158,224</u>	<u>\$ 180,811</u>	<u>\$ 192,845</u>
<b>Auditor General</b>			
<b>General Government</b>			
Auditor General's Office.....	\$ 40,136	\$ 40,506	\$ 42,043
Special Financial Audits.....	0	500	0
Board of Claims.....	1,822	1,899	1,923
Subtotal.....	<u>\$ 41,958</u>	<u>\$ 42,905</u>	<u>\$ 43,966</u>
<b>TOTAL STATE FUNDS.....</b>	<u><u>\$ 41,958</u></u>	<u><u>\$ 42,905</u></u>	<u><u>\$ 43,966</u></u>
Augmentations.....	11,763	14,195	15,675
DEPARTMENT TOTAL.....	<u>\$ 53,721</u>	<u>\$ 57,100</u>	<u>\$ 59,641</u>
<b>Treasury</b>			
<b>General Government</b>			
General Government Operations.....	\$ 36,990	\$ 36,990	\$ 36,990
Board of Finance and Revenue.....	2,956	2,956	2,956
Divestiture Reimbursement.....	23	39	40
Publishing Monthly Statements.....	15	15	10
Intergovernmental Organizations.....	901	1,070	1,128
Information Technology Modernization.....	1,870	1,000	0
Information Technology Cyber Security.....	0	0	1,000
Subtotal.....	<u>\$ 42,755</u>	<u>\$ 42,070</u>	<u>\$ 42,124</u>
<b>Grants and Subsidies</b>			
Law Enforcement & Emergency Response Personnel Death Benefit..	\$ 2,980	\$ 2,980	\$ 2,980
Transfer to ABLE Fund.....	1,130	1,130	1,130
Subtotal.....	<u>\$ 4,110</u>	<u>\$ 4,110</u>	<u>\$ 4,110</u>
<b>Debt Service</b>			
Loan and Transfer Agent.....	\$ 50	\$ 40	\$ 40
Cash Management Loan Interest (EA).....	2,413	0	0
General Obligation Debt Service.....	1,072,000	1,118,000	1,185,000
Subtotal.....	<u>\$ 1,074,463</u>	<u>\$ 1,118,040</u>	<u>\$ 1,185,040</u>
<b>TOTAL STATE FUNDS.....</b>	<u><u>\$ 1,121,328</u></u>	<u><u>\$ 1,164,220</u></u>	<u><u>\$ 1,231,274</u></u>
Augmentations.....	8,222	7,520	7,520
DEPARTMENT TOTAL.....	<u>\$ 1,129,550</u>	<u>\$ 1,171,740</u>	<u>\$ 1,238,794</u>

## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	Actual	Available	Budget
<b>Aging</b>			
Federal Funds.....	183,398	158,702	126,154
DEPARTMENT TOTAL.....	<u>\$ 183,398</u>	<u>\$ 158,702</u>	<u>\$ 126,154</u>
<b>Agriculture</b>			
<b>General Government</b>			
General Government Operations.....	\$ 30,784	\$ 32,299	\$ 33,481
Spotted Lanternfly Control.....	0	3,000	0
Agricultural Preparedness and Response.....	0	0	5,000
Agricultural Excellence.....	1,331	1,331	2,800
Agricultural Business and Workforce Investment.....	0	0	4,500
Farmers' Market Food Coupons.....	2,079	2,079	2,079
Agricultural Research.....	1,687	2,187	0
Agricultural Promotion, Education and Exports.....	303	303	0
Hardwoods Research and Promotion.....	424	424	0
Subtotal.....	<u>\$ 36,608</u>	<u>\$ 41,623</u>	<u>\$ 47,860</u>
<b>Grants and Subsidies</b>			
Livestock Show.....	\$ 215	\$ 215	\$ 0
Open Dairy Show.....	215	215	0
Youth Shows.....	169	169	169
State Food Purchase.....	19,188	19,688	19,688
Food Marketing and Research.....	494	494	0
Transfer to Nutrient Management Fund.....	2,714	2,714	6,200
Transfer to Conservation District Fund.....	869	869	869
Transfer to Agricultural College Land Scrip Fund.....	52,313	53,882	53,882
PA Preferred Program Trademark Licensing.....	605	605	3,205
University of Pennsylvania - Veterinary Activities.....	30,135	31,039	31,039
University of Pennsylvania - Center for Infectious Disease.....	281	289	289
Subtotal.....	<u>\$ 107,198</u>	<u>\$ 110,179</u>	<u>\$ 115,341</u>
<b>TOTAL STATE FUNDS.....</b>	<u><b>\$ 143,806</b></u>	<u><b>\$ 151,802</b></u>	<u><b>\$ 163,201</b></u>
Federal Funds.....	82,968	97,353	90,153
Augmentations.....	9,204	8,000	8,653
Restricted.....	13,412	15,915	14,810
DEPARTMENT TOTAL.....	<u>\$ 249,390</u>	<u>\$ 273,070</u>	<u>\$ 276,817</u>
<b>Banking and Securities</b>			
Restricted.....	8,500	9,516	10,006
DEPARTMENT TOTAL.....	<u>\$ 8,500</u>	<u>\$ 9,516</u>	<u>\$ 10,006</u>
<b>Community and Economic Development</b>			
<b>General Government</b>			
General Government Operations.....	\$ 16,161	\$ 18,987	\$ 19,309
Center for Local Government Services.....	4,132	4,132	4,287
Office of Open Records.....	2,915	3,189	3,253
Office of International Business Development.....	5,800	5,871	5,871
Marketing to Attract Tourists.....	12,892	17,839	0
Marketing to Attract Business.....	1,990	2,007	0
Base Realignment and Closure.....	550	558	565
Regional Events Security and Support.....	0	850	0
Subtotal.....	<u>\$ 44,440</u>	<u>\$ 53,433</u>	<u>\$ 33,285</u>



## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	Actual	Available	Budget
<b>Grants and Subsidies</b>			
Local Municipal Emergency Relief.....	\$ 9,000	\$ 10,535	\$ 0
Transfer to Municipalities Financial Recovery Revolving Fund.....	2,550	1,000	4,500
Transfer to Ben Franklin Tech. Development Authority Fund.....	14,500	14,500	14,500
Pennsylvania First.....	15,000	15,000	32,000
Municipal Assistance Program.....	546	546	546
Keystone Communities.....	13,507	16,707	6,357
Partnerships for Regional Economic Performance.....	9,880	9,880	9,880
Manufacturing PA.....	12,000	12,000	12,000
Tourism - Accredited Zoos.....	750	800	0
Rural Leadership Training.....	100	100	0
Super Computer Center.....	500	500	0
Infrastructure Technology Assistance Program.....	1,750	1,750	0
Early Intervention for Distressed Municipalities.....	2,367	2,367	2,367
Powdered Metals.....	100	100	0
Infrastructure and Facilities Improvement Grants.....	18,000	16,000	16,000
Food Access Initiative.....	0	1,000	0
Public Television Technology.....	250	750	250
Subtotal.....	<u>\$ 100,800</u>	<u>\$ 103,535</u>	<u>\$ 98,400</u>
<b>TOTAL STATE FUNDS.....</b>	<u>\$ 145,240</u>	<u>\$ 156,968</u>	<u>\$ 131,685</u>
Federal Funds.....	251,540	241,307	243,807
Augmentations.....	7,583	7,451	7,223
Restricted.....	2,663	5,180	35,120
DEPARTMENT TOTAL.....	<u>\$ 407,026</u>	<u>\$ 410,906</u>	<u>\$ 417,835</u>
<b>Conservation and Natural Resources</b>			
<b>General Government</b>			
General Government Operations.....	\$ 20,324	\$ 23,423	\$ 16,157
State Parks Operations.....	51,028	56,185	39,373
State Forests Operations.....	22,664	29,184	21,327
Parks and Forests Infrastructure Projects.....	0	2,500	0
Subtotal.....	<u>\$ 94,016</u>	<u>\$ 111,292</u>	<u>\$ 76,857</u>
<b>Grants and Subsidies</b>			
Heritage and Other Parks.....	\$ 2,875	\$ 3,025	\$ 0
Annual Fixed Charges - Flood Lands.....	65	65	70
Annual Fixed Charges - Project 70.....	88	88	88
Annual Fixed Charges - Forest Lands.....	7,731	7,758	7,808
Annual Fixed Charges - Park Lands.....	425	425	430
Subtotal.....	<u>\$ 11,184</u>	<u>\$ 11,361</u>	<u>\$ 8,396</u>
<b>TOTAL STATE FUNDS.....</b>	<u>\$ 105,200</u>	<u>\$ 122,653</u>	<u>\$ 85,253</u>
Federal Funds.....	41,832	43,878	46,754
Augmentations.....	62,759	59,746	58,439
Restricted.....	6,703	8,054	6,795
DEPARTMENT TOTAL.....	<u>\$ 216,494</u>	<u>\$ 234,331</u>	<u>\$ 197,241</u>
<b>Criminal Justice</b>			
<b>Institutional</b>			
Medical Care.....	\$ 250,889	\$ 280,117	\$ 295,735
Correctional Education and Training.....	42,006	43,495	42,601
State Correctional Institutions.....	1,935,259	2,056,715	2,061,718
Subtotal.....	<u>\$ 2,228,154</u>	<u>\$ 2,380,327</u>	<u>\$ 2,400,054</u>

## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	2017-18 Actual	2018-19 Available	2019-20 Budget
<b>General Government</b>			
General Government Operations.....	\$ 48,310	\$ 48,415	\$ 42,119
State Field Supervision.....	125,084	135,742	139,402
Pennsylvania Parole Board.....	11,175	12,325	12,104
Office of Victim Advocate.....	2,371	2,465	2,748
Sexual Offenders Assessment Board.....	6,397	6,568	6,741
Subtotal.....	<u>\$ 193,337</u>	<u>\$ 205,515</u>	<u>\$ 203,114</u>
<b>Grants and Subsidies</b>			
Improvement of Adult Probation Services.....	\$ 16,222	\$ 16,222	\$ 16,222
<b>TOTAL STATE FUNDS.....</b>	<u><u>\$ 2,437,713</u></u>	<u><u>\$ 2,602,064</u></u>	<u><u>\$ 2,619,390</u></u>
Federal Funds.....	6,347	12,956	12,435
Augmentations.....	23,290	26,535	33,188
Restricted.....	20,092	19,401	19,725
DEPARTMENT TOTAL.....	<u>\$ 2,487,442</u>	<u>\$ 2,660,956</u>	<u>\$ 2,684,738</u>
<b>Drug and Alcohol Programs</b>			
<b>General Government</b>			
General Government Operations.....	\$ 1,495	\$ 1,864	\$ 2,657
<b>Grants and Subsidies</b>			
Assistance to Drug and Alcohol Programs.....	\$ 44,732	\$ 44,732	\$ 44,732
<b>TOTAL STATE FUNDS.....</b>	<u><u>\$ 46,227</u></u>	<u><u>\$ 46,596</u></u>	<u><u>\$ 47,389</u></u>
Federal Funds.....	133,098	179,666	200,223
Augmentations.....	0	1	1
Restricted.....	0	0	900
DEPARTMENT TOTAL.....	<u>\$ 179,325</u>	<u>\$ 226,263</u>	<u>\$ 248,513</u>
<b>Education</b>			
<b>General Government</b>			
General Government Operations.....	\$ 25,971	\$ 26,947	\$ 28,323
Recovery Schools.....	250	250	250
Office of Safe Schools Advocate.....	372	372	379
Information and Technology Improvement.....	3,740	3,740	3,740
PA Assessment.....	50,425	49,446	50,490
State Library.....	1,866	2,022	2,280
Subtotal.....	<u>\$ 82,624</u>	<u>\$ 82,777</u>	<u>\$ 85,462</u>
<b>Institutional</b>			
Youth Development Centers - Education.....	\$ 8,286	\$ 8,285	\$ 8,285
<b>Grants and Subsidies</b>			
Basic Education Funding.....	\$ 5,995,079	\$ 6,095,079	\$ 6,537,078
Ready to Learn Block Grant.....	250,000	268,000	8,001
Pre-K Counts.....	172,284	192,284	232,284
Head Start Supplemental Assistance.....	54,178	59,178	69,178
Mobile Science and Math Education Programs.....	3,964	3,964	0
Teacher Professional Development.....	5,959	5,309	5,959
Adult and Family Literacy.....	12,075	12,075	11,675
Career and Technical Education.....	62,000	92,000	102,000
Career and Technical Education Equipment Grants.....	2,550	2,550	2,550
Authority Rentals and Sinking Fund Requirements.....	29,703	10,500	10,500
Pupil Transportation.....	549,097	549,097	549,097
Nonpublic and Charter School Pupil Transportation.....	80,009	80,009	79,442

## Summary by Department (continued)

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget
Special Education.....	1,121,815	1,136,815	1,186,815
Early Intervention.....	263,878	299,500	314,500
Tuition for Orphans and Children Placed in Private Homes.....	48,000	48,000	48,000
Payments in Lieu of Taxes.....	166	167	168
Education of Migrant Laborers' Children.....	853	853	853
PA Chartered Schools for the Deaf and Blind.....	50,187	52,336	54,084
Special Education - Approved Private Schools.....	108,010	111,089	114,738
School Food Services.....	30,000	30,000	30,000
School Employees' Social Security.....	499,500	541,205	552,327
School Employees' Retirement.....	2,264,000	2,487,500	2,648,000
Educational Access Programs.....	23,150	0	0
Services to Nonpublic Schools.....	87,939	87,939	87,939
Textbooks, Materials and Equipment for Nonpublic Schools.....	26,751	26,751	26,751
Public Library Subsidy.....	54,470	54,470	54,470
Library Services for the Visually Impaired and Disabled.....	2,567	2,567	2,567
Library Access.....	3,071	3,071	3,071
Job Training and Education Programs.....	19,175	31,670	0
Safe School Initiative.....	8,527	10,000	10,000
Trauma-Informed Education.....	0	500	0
Community Colleges.....	232,111	239,074	239,074
PA Community College Tuition Assistance.....	0	0	8,000
Transfer to Community College Capital Fund.....	48,869	48,869	48,869
Regional Community Colleges Services.....	6,750	7,003	7,003
Community Education Councils.....	2,346	2,346	2,346
Sexual Assault Prevention.....	1,000	1,000	1,000
Thaddeus Stevens College of Technology.....	14,273	14,701	14,701
State System of Higher Education.....	453,108	468,108	475,130
Penn State University - General Support.....	230,436	237,349	237,349
Pennsylvania College of Technology.....	22,074	22,736	22,736
University of Pittsburgh - General Support.....	144,210	148,536	148,536
Rural Education Outreach.....	2,763	2,846	2,846
Temple University - General Support.....	150,586	155,104	155,104
Lincoln University - General Support.....	14,436	14,869	14,869
Subtotal.....	<u>\$ 13,151,919</u>	<u>\$ 13,657,019</u>	<u>\$ 14,119,610</u>
<b>TOTAL STATE FUNDS.....</b>	<u><b>\$ 13,242,829</b></u>	<u><b>\$ 13,748,081</b></u>	<u><b>\$ 14,213,357</b></u>
Federal Funds.....	2,420,671	2,478,970	2,466,758
Augmentations.....	4,565	6,435	6,129
Restricted.....	113,226	205,887	205,886
DEPARTMENT TOTAL.....	<u>\$ 15,781,291</u>	<u>\$ 16,439,373</u>	<u>\$ 16,892,130</u>

### Higher Education Assistance Agency Grants and Subsidies

Grants to Students.....	\$ 273,391	\$ 273,391	\$ 310,233
Ready to Succeed Scholarships.....	5,000	5,000	5,000
Higher Education for the Disadvantaged.....	2,246	2,246	2,358
Higher Education of Blind or Deaf Students.....	47	47	49
Pennsylvania Internship Program Grants.....	350	450	450
Matching Payments for Student Aid.....	12,496	12,496	13,121
Institutional Assistance Grants.....	25,749	26,521	26,521
Bond-Hill Scholarships.....	697	697	800
Cheyney Keystone Academy.....	1,813	1,813	3,500
Targeted Industry Cluster Scholarship Program.....	0	0	6,300
Primary Health Care Loan Forgiveness.....	0	0	4,550
Subtotal.....	<u>\$ 321,789</u>	<u>\$ 322,661</u>	<u>\$ 372,882</u>
<b>TOTAL STATE FUNDS.....</b>	<u><b>\$ 321,789</b></u>	<u><b>\$ 322,661</b></u>	<u><b>\$ 372,882</b></u>

## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	Actual	Available	Budget
Augmentations.....	97,500	101,864	58,000
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 419,289</b>	<b>\$ 424,525</b>	<b>\$ 430,882</b>
<b>Emergency Management Agency</b>			
<b>General Government</b>			
General Government Operations.....	\$ 10,788	\$ 13,494	\$ 13,521
State Fire Commissioner.....	2,456	2,616	2,616
Subtotal.....	<u>\$ 13,244</u>	<u>\$ 16,110</u>	<u>\$ 16,137</u>
<b>Grants and Subsidies</b>			
Disaster Relief.....	\$ 2,200	\$ 5,500	\$ 0
Hazard Mitigation.....	0	1,000	0
Emergency Management Assistance Compact.....	15,000	0	0
Firefighters Memorial Flags.....	10	10	10
Red Cross Extended Care Program.....	150	150	150
Search and Rescue.....	250	250	0
Subtotal.....	<u>\$ 17,610</u>	<u>\$ 6,910</u>	<u>\$ 160</u>
<b>TOTAL STATE FUNDS.....</b>	<b>\$ 30,854</b>	<b>\$ 23,020</b>	<b>\$ 16,297</b>
Federal Funds.....	169,872	176,362	171,442
Augmentations.....	1,110	1,050	1,056
Restricted.....	2,193	2,510	2,430
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 204,029</b>	<b>\$ 202,942</b>	<b>\$ 191,225</b>
<b>Environmental Protection</b>			
<b>General Government</b>			
General Government Operations.....	\$ 13,309	\$ 17,143	\$ 13,469
Environmental Hearing Board.....	2,354	2,490	2,587
Environmental Program Management.....	29,413	30,932	28,420
Chesapeake Bay Agricultural Source Abatement.....	2,535	2,670	0
Environmental Protection Operations.....	89,215	93,190	84,523
Black Fly Control and Research.....	3,357	3,357	3,357
West Nile Virus and Zika Virus Control.....	5,239	5,378	5,378
Subtotal.....	<u>\$ 145,422</u>	<u>\$ 155,160</u>	<u>\$ 137,734</u>
<b>Grants and Subsidies</b>			
Delaware River Master.....	\$ 38	\$ 38	\$ 0
Susquehanna River Basin Commission.....	237	237	0
Interstate Commission on the Potomac River.....	23	23	0
Delaware River Basin Commission.....	217	217	0
Ohio River Valley Water Sanitation Commission.....	68	68	0
Chesapeake Bay Commission.....	275	275	0
Transfer to Conservation District Fund.....	2,506	2,506	0
Interstate Mining Commission.....	15	15	39
Subtotal.....	<u>\$ 3,379</u>	<u>\$ 3,379</u>	<u>\$ 39</u>
<b>TOTAL STATE FUNDS.....</b>	<b>\$ 148,801</b>	<b>\$ 158,539</b>	<b>\$ 137,773</b>
Federal Funds.....	217,881	223,456	251,680
Augmentations.....	31,263	36,747	37,366
Restricted.....	89,728	82,498	87,883
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 487,673</b>	<b>\$ 501,240</b>	<b>\$ 514,702</b>

## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	2017-18 Actual	2018-19 Available	2019-20 Budget
<b>Ethics Commission</b>			
<b>General Government</b>			
State Ethics Commission .....	\$ 2,645	\$ 2,750	\$ 2,876
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 2,645</u>	<u>\$ 2,750</u>	<u>\$ 2,876</u>
DEPARTMENT TOTAL.....	<u>\$ 2,645</u>	<u>\$ 2,750</u>	<u>\$ 2,876</u>
<b>General Services</b>			
<b>General Government</b>			
General Government Operations .....	\$ 51,087	\$ 52,841	\$ 55,713
Capitol Police Operations.....	11,959	13,947	13,528
Rental and Municipal Charges.....	25,024	25,024	22,302
Utility Costs.....	22,447	22,676	22,748
Excess Insurance Coverage.....	1,327	1,259	1,372
Subtotal.....	<u>\$ 111,844</u>	<u>\$ 115,747</u>	<u>\$ 115,663</u>
<b>Grants and Subsidies</b>			
Capitol Fire Protection.....	\$ 5,000	\$ 5,000	\$ 5,000
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 116,844</u>	<u>\$ 120,747</u>	<u>\$ 120,663</u>
Augmentations.....	67,309	61,818	64,023
Restricted.....	9	1,500	1,500
DEPARTMENT TOTAL.....	<u>\$ 184,162</u>	<u>\$ 184,065</u>	<u>\$ 186,186</u>
<b>Health</b>			
<b>General Government</b>			
General Government Operations .....	\$ 22,050	\$ 27,009	\$ 26,033
Quality Assurance.....	22,440	23,009	23,513
Health Innovation.....	911	911	917
Achieving Better Care - MAP Program.....	3,023	3,077	3,181
Vital Statistics.....	5,362	9,165	9,165
State Laboratory.....	3,497	3,652	4,350
State Health Care Centers.....	14,619	18,000	22,505
Sexually Transmitted Disease Screening and Treatment.....	1,701	1,757	1,757
Subtotal.....	<u>\$ 73,603</u>	<u>\$ 86,580</u>	<u>\$ 91,421</u>
<b>Grants and Subsidies</b>			
Diabetes Programs.....	\$ 100	\$ 100	\$ 0
Community-Based Health Care Subsidy.....	2,125	2,125	2,125
Newborn Screening.....	6,834	6,464	7,092
Cancer Screening Services.....	2,563	2,563	2,563
AIDS Programs and Special Pharmaceutical Services.....	17,436	12,436	12,436
Regional Cancer Institutes.....	600	700	0
School District Health Services.....	36,620	35,620	35,620
Local Health Departments.....	25,421	25,421	25,421
Local Health - Environmental.....	2,389	2,389	2,389
Maternal and Child Health Services.....	1,289	1,365	1,533
Tuberculosis Screening and Treatment.....	876	913	913
Renal Dialysis.....	6,900	6,300	6,300
Services for Children with Special Needs.....	1,728	1,728	1,728
Adult Cystic Fibrosis & Other Chronic Respiratory Illnesses.....	750	750	0
Cooley's Anemia.....	100	100	0
Hemophilia.....	959	959	0
Lupus.....	100	100	0
Sickle Cell.....	1,260	1,260	0

## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	2017-18 Actual	2018-19 Available	2019-20 Budget
Regional Poison Control Centers.....	700	700	0
Trauma Prevention.....	460	460	0
Epilepsy Support Services.....	550	550	0
Bio-Technology Research.....	5,425	5,875	0
Tourette's Syndrome.....	150	150	0
Amyotrophic Lateral Sclerosis Support Services.....	500	750	0
Lyme Disease.....	0	2,500	2,500
Leukemia/Lymphoma.....	0	200	0
Disease Management and Education Programs.....	0	0	2,669
Subtotal.....	<u>\$ 115,835</u>	<u>\$ 112,478</u>	<u>\$ 103,289</u>
<b>TOTAL STATE FUNDS.....</b>	<u><u>\$ 189,438</u></u>	<u><u>\$ 199,058</u></u>	<u><u>\$ 194,710</u></u>
Federal Funds.....	627,049	642,262	651,917
Augmentations.....	11,972	9,880	8,538
Restricted.....	59,453	67,592	71,839
DEPARTMENT TOTAL.....	<u>\$ 887,912</u>	<u>\$ 918,792</u>	<u>\$ 927,004</u>
<b>Health Care Cost Containment Council</b>			
<b>General Government</b>			
Health Care Cost Containment Council.....	\$ 2,752	\$ 3,355	\$ 3,355
<b>TOTAL STATE FUNDS.....</b>	<u><u>\$ 2,752</u></u>	<u><u>\$ 3,355</u></u>	<u><u>\$ 3,355</u></u>
DEPARTMENT TOTAL.....	<u>\$ 2,752</u>	<u>\$ 3,355</u>	<u>\$ 3,355</u>
<b>Historical and Museum Commission</b>			
<b>General Government</b>			
General Government Operations.....	\$ 18,633	\$ 20,353	\$ 21,555
<b>Grants and Subsidies</b>			
Cultural and Historical Support.....	\$ 2,000	\$ 2,000	\$ 2,000
<b>TOTAL STATE FUNDS.....</b>	<u><u>\$ 20,633</u></u>	<u><u>\$ 22,353</u></u>	<u><u>\$ 23,555</u></u>
Federal Funds.....	7,792	4,313	5,675
Augmentations.....	1,289	1,315	1,272
Restricted.....	267	275	275
DEPARTMENT TOTAL.....	<u>\$ 29,981</u>	<u>\$ 28,256</u>	<u>\$ 30,777</u>
<b>Human Services</b>			
<b>General Government</b>			
General Government Operations.....	\$ 94,477	\$ 96,196	\$ 107,884
Information Systems.....	80,655	83,901	86,206
County Administration - Statewide.....	46,865	42,260	46,813
County Assistance Offices.....	283,661	255,350	255,350
Children's Health Insurance Administration.....	592	588	1,111
Child Support Enforcement.....	16,546	16,298	16,298
New Directions.....	21,799	15,682	15,682
Subtotal.....	<u>\$ 544,595</u>	<u>\$ 510,275</u>	<u>\$ 529,344</u>
<b>Institutional</b>			
Youth Development Institutions and Forestry Camps.....	\$ 58,302	\$ 63,008	\$ 63,699
Mental Health Services.....	761,807	776,853	805,121
Intellectual Disabilities - State Centers.....	128,800	117,324	117,136
Subtotal.....	<u>\$ 948,909</u>	<u>\$ 957,185</u>	<u>\$ 985,956</u>

## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	2017-18 Actual	2018-19 Available	2019-20 Budget
<b>Grants and Subsidies</b>			
Cash Grants.....	\$ 25,457	\$ 43,290	\$ 80,864
Supplemental Grants - Aged, Blind and Disabled.....	127,947	125,784	126,532
Medical Assistance - Capitation.....	3,106,676	3,193,036	2,676,609
Medical Assistance - Fee-for-Service.....	477,690	264,352	427,035
Payment to Federal Government - Medicare Drug Program.....	658,174	754,726	769,069
Medical Assistance - Workers with Disabilities.....	26,188	25,807	31,375
Medical Assistance - Physician Practice Plans.....	10,071	10,071	6,571
Medical Assistance - Hospital-Based Burn Centers.....	3,782	3,782	3,782
Medical Assistance - Critical Access Hospitals.....	6,997	10,400	10,400
Medical Assistance - Obstetric and Neonatal Services.....	3,681	3,681	3,681
Medical Assistance - Trauma Centers.....	8,656	8,656	8,656
Medical Assistance - Academic Medical Centers.....	24,681	24,681	17,431
Medical Assistance - Transportation.....	61,511	75,054	69,653
Expanded Medical Services for Women.....	6,263	6,263	6,263
Children's Health Insurance Program.....	10,674	12,725	48,240
Medical Assistance - Long-Term Care.....	1,099,084	850,149	465,795
Medical Assistance - Community HealthChoices.....	0	662,269	2,347,851
Home and Community-Based Services.....	534,880	499,363	173,729
Long-Term Care Managed Care.....	138,294	146,926	156,933
Services to Persons with Disabilities.....	462,436	353,358	116,561
Attendant Care.....	259,815	221,445	55,619
Intellectual Disabilities - Community Base Program.....	150,734	149,379	148,725
Intellectual Disabilities - Intermediate Care Facilities.....	128,426	143,003	148,148
Intellectual Disabilities - Community Waiver Program.....	1,527,602	1,643,812	1,672,826
Intellectual Disabilities - Lansdowne Residential Services.....	340	340	340
Autism Intervention and Services.....	27,669	30,842	29,683
Behavioral Health Services.....	57,149	57,149	57,149
Special Pharmaceutical Services.....	1,008	1,008	952
County Child Welfare.....	1,180,876	1,225,354	1,259,322
Community-Based Family Centers.....	8,023	13,558	18,558
Child Care Services.....	155,691	162,482	162,332
Child Care Assistance.....	139,885	139,885	139,885
Nurse Family Partnership.....	11,978	13,178	13,178
Early Intervention.....	144,096	168,003	152,596
Domestic Violence.....	17,357	17,357	17,357
Rape Crisis.....	9,928	9,928	9,928
Breast Cancer Screening.....	1,723	1,723	1,723
Human Services Development Fund.....	13,460	13,460	13,460
Legal Services.....	2,661	2,661	2,661
Homeless Assistance.....	18,496	18,496	18,496
211 Communications.....	0	750	750
Health Program Assistance and Services.....	5,000	4,100	0
Services for the Visually Impaired.....	2,584	2,584	2,584
Subtotal.....	<u>\$ 10,657,643</u>	<u>\$ 11,114,870</u>	<u>\$ 11,473,302</u>
<b>TOTAL STATE FUNDS.....</b>	<u><b>\$ 12,151,147</b></u>	<u><b>\$ 12,582,330</b></u>	<u><b>\$ 12,988,602</b></u>
Federal Funds.....	21,812,143	22,736,738	21,882,674
Augmentations.....	2,771,321	4,078,022	3,452,790
Restricted.....	32,087	28,427	35,670
DEPARTMENT TOTAL.....	<u>\$ 36,766,698</u>	<u>\$ 39,425,517</u>	<u>\$ 38,359,736</u>
<b>Infrastructure Investment Authority</b>			
Federal Funds.....	167,500	167,500	194,182
DEPARTMENT TOTAL.....	<u>\$ 167,500</u>	<u>\$ 167,500</u>	<u>\$ 194,182</u>



## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	Actual	Available	Budget
<b>Insurance</b>			
<b>Grants and Subsidies</b>			
USTIF Loan Repayment.....	\$ 0	\$ 0	\$ 7,000
<b>TOTAL STATE FUNDS.....</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 7,000</b>
Federal Funds.....	8,750	8,750	6,000
DEPARTMENT TOTAL.....	<b>\$ 8,750</b>	<b>\$ 8,750</b>	<b>\$ 13,000</b>
<b>Labor and Industry</b>			
<b>General Government</b>			
General Government Operations.....	\$ 12,981	\$ 13,799	\$ 13,799
Occupational and Industrial Safety.....	4,893	5,054	2,947
Subtotal.....	<b>\$ 17,874</b>	<b>\$ 18,853</b>	<b>\$ 16,746</b>
<b>Grants and Subsidies</b>			
Occupational Disease Payments.....	\$ 413	\$ 362	\$ 299
Transfer to Vocational Rehabilitation Fund.....	44,889	45,626	47,942
Supported Employment.....	397	397	397
Centers for Independent Living.....	1,912	1,912	1,912
Workers' Compensation Payments.....	480	433	413
New Choices / New Options.....	500	500	500
Assistive Technology Financing.....	400	450	450
Assistive Technology Demonstration and Training.....	400	400	450
Industry Partnerships.....	1,813	4,813	4,813
Apprenticeship Training.....	0	7,000	7,000
Subtotal.....	<b>\$ 51,204</b>	<b>\$ 61,893</b>	<b>\$ 64,176</b>
<b>TOTAL STATE FUNDS.....</b>	<b>\$ 69,078</b>	<b>\$ 80,746</b>	<b>\$ 80,922</b>
Federal Funds.....	500,492	498,241	498,500
Augmentations.....	6,538	7,020	10,013
Restricted.....	2,128	2,125	2,125
DEPARTMENT TOTAL.....	<b>\$ 578,236</b>	<b>\$ 588,132</b>	<b>\$ 591,560</b>
<b>Military and Veterans Affairs</b>			
<b>General Government</b>			
General Government Operations.....	\$ 23,198	\$ 24,675	\$ 33,690
Burial Detail Honor Guard.....	99	99	99
American Battle Monuments.....	50	50	50
Armory Maintenance and Repair.....	160	160	245
Special State Duty.....	35	35	35
Subtotal.....	<b>\$ 23,542</b>	<b>\$ 25,019</b>	<b>\$ 34,119</b>
<b>Institutional</b>			
Veterans Homes.....	\$ 98,401	\$ 104,139	\$ 105,730
<b>Grants and Subsidies</b>			
Education of Veterans Children.....	\$ 120	\$ 120	\$ 125
Transfer to Educational Assistance Program Fund.....	12,500	13,000	13,265
Blind Veterans Pension.....	222	222	222
Amputee and Paralyzed Veterans Pension.....	3,714	3,714	3,714
National Guard Pension.....	5	5	5
Supplemental Life Insurance Premiums.....	164	164	164
Civil Air Patrol.....	100	100	100
Disabled American Veterans Transportation.....	336	336	336
Veterans Outreach Services.....	2,332	2,832	2,889

## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	Actual	Available	Budget
Behavioral Health Support for Veterans.....	750	750	0
Subtotal.....	<u>\$ 20,243</u>	<u>\$ 21,243</u>	<u>\$ 20,820</u>
<b>TOTAL STATE FUNDS.....</b>	<b><u>\$ 142,186</u></b>	<b><u>\$ 150,401</u></b>	<b><u>\$ 160,669</u></b>
Federal Funds.....	195,539	175,255	181,565
Augmentations.....	30,548	29,623	30,212
Restricted.....	56	100	100
DEPARTMENT TOTAL.....	<u>\$ 368,329</u>	<u>\$ 355,379</u>	<u>\$ 372,546</u>
 <b>Public Utility Commission</b>			
Federal Funds.....	5,537	6,067	5,552
Restricted.....	73,499	74,185	75,533
DEPARTMENT TOTAL.....	<u>\$ 79,036</u>	<u>\$ 80,252</u>	<u>\$ 81,085</u>
 <b>Revenue</b>			
<b>General Government</b>			
General Government Operations.....	\$ 138,996	\$ 145,596	\$ 149,770
Technology and Process Modernization.....	5,000	4,700	6,000
Commissions - Inheritance & Realty Transfer Taxes (EA).....	9,040	8,223	8,407
Subtotal.....	<u>\$ 153,036</u>	<u>\$ 158,519</u>	<u>\$ 164,177</u>
<b>Grants and Subsidies</b>			
Distribution of Public Utility Realty Tax.....	\$ 30,576	\$ 28,959	\$ 29,687
<b>TOTAL STATE FUNDS.....</b>	<b><u>\$ 183,612</u></b>	<b><u>\$ 187,478</u></b>	<b><u>\$ 193,864</u></b>
Augmentations.....	65,626	59,957	59,957
Restricted.....	110	110	110
DEPARTMENT TOTAL.....	<u>\$ 249,348</u>	<u>\$ 247,545</u>	<u>\$ 253,931</u>
 <b>State</b>			
<b>General Government</b>			
General Government Operations.....	\$ 3,694	\$ 4,644	\$ 4,319
Statewide Uniform Registry of Electors.....	4,107	4,107	7,305
Voter Registration and Education.....	486	482	497
Lobbying Disclosure.....	288	235	298
Publishing Constitutional Amendments (EA).....	1,275	1,275	1,275
Subtotal.....	<u>\$ 9,850</u>	<u>\$ 10,743</u>	<u>\$ 13,694</u>
<b>Grants and Subsidies</b>			
Election Modernization.....	\$ 0	\$ 0	\$ 15,000
Voting of Citizens in Military Service.....	20	20	20
County Election Expenses (EA).....	400	400	400
Subtotal.....	<u>\$ 420</u>	<u>\$ 420</u>	<u>\$ 15,420</u>
<b>TOTAL STATE FUNDS.....</b>	<b><u>\$ 10,270</u></b>	<b><u>\$ 11,163</u></b>	<b><u>\$ 29,114</u></b>
Federal Funds.....	10,557	22,133	20,468
Restricted.....	67,486	70,522	73,724
DEPARTMENT TOTAL.....	<u>\$ 88,313</u>	<u>\$ 103,818</u>	<u>\$ 123,306</u>

## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	Actual	Available	Budget
<b>State Police</b>			
<b>General Government</b>			
General Government Operations.....	\$ 229,153	\$ 284,762	\$ 244,777
Statewide Public Safety Radio System .....	12,981	12,332	12,692
Law Enforcement Information Technology.....	6,899	6,899	6,899
Municipal Police Training.....	1,828	1,832	1,724
Automated Fingerprint Identification System.....	885	885	885
Gun Checks.....	0	0	4,400
Subtotal.....	<u>\$ 251,746</u>	<u>\$ 306,710</u>	<u>\$ 271,377</u>
<b>TOTAL STATE FUNDS.....</b>	<b><u>\$ 251,746</u></b>	<b><u>\$ 306,710</u></b>	<b><u>\$ 271,377</u></b>
Federal Funds.....	20,228	26,839	29,915
Augmentations.....	87,801	100,799	205,657
Restricted.....	33,465	25,945	18,356
DEPARTMENT TOTAL.....	<u>\$ 393,240</u>	<u>\$ 460,293</u>	<u>\$ 525,305</u>
<b>Transportation</b>			
<b>General Government</b>			
Vehicle Sales Tax Collections.....	\$ 1,095	\$ 1,093	\$ 1,025
Voter Registration.....	530	525	520
Subtotal.....	<u>\$ 1,625</u>	<u>\$ 1,618</u>	<u>\$ 1,545</u>
<b>TOTAL STATE FUNDS.....</b>	<b><u>\$ 1,625</u></b>	<b><u>\$ 1,618</u></b>	<b><u>\$ 1,545</u></b>
Federal Funds.....	197,200	204,500	239,750
Restricted.....	7,724	7,000	7,000
DEPARTMENT TOTAL.....	<u>\$ 206,549</u>	<u>\$ 213,118</u>	<u>\$ 248,295</u>
<b>Legislature</b>			
<b>General Government</b>			
Senators' Salaries.....	\$ 8,156	\$ 8,564	\$ 8,564
Senate President - Expenses.....	343	359	359
Employees of Chief Clerk.....	2,847	2,985	2,985
Salaried Officers and Employees.....	12,873	13,573	13,573
Incidental Expenses.....	3,105	3,395	3,395
Expenses - Senators.....	1,341	1,366	1,366
Legislative Printing and Expenses.....	7,200	7,548	7,548
Committee on Appropriations (R).....	1,395	1,457	0
Committee on Appropriations (D).....	1,395	1,458	0
Committee on Appropriations (R) and (D).....	0	0	2,915
Caucus Operations (R) and (D).....	0	0	78,561
Caucus Operations (R).....	44,985	48,842	0
Caucus Operations (D).....	29,976	32,472	0
Members' Salaries, Speaker's Extra Compensation.....	28,493	28,493	28,493
Caucus Operations (R) and (D).....	0	0	125,375
Caucus Operations (R).....	63,115	65,115	0
Caucus Operations (D).....	58,260	60,260	0
Speaker's Office.....	1,810	1,810	1,810
Bi-Partisan Committee, Chief Clerk, Comptroller and EMS.....	14,834	14,834	14,834
Mileage - Representatives, Officers and Employees.....	372	372	372
Chief Clerk and Legislative Journal.....	4,993	7,993	7,993
Speaker.....	20	20	0
Chief Clerk.....	591	591	0
Floor Leader (R).....	7	7	0
Floor Leader (D).....	7	7	0
Whip (R).....	6	6	0

## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	Actual	Available	Budget
Whip (D).....	6	6	0
Chairman - Caucus (R).....	3	3	0
Chairman - Caucus (D).....	3	3	0
Secretary - Caucus (R).....	3	3	0
Secretary - Caucus (D).....	3	3	0
Chairman - Appropriations Committee (R).....	6	6	0
Chairman - Appropriations Committee (D).....	6	6	0
Chairman - Policy Committee (R).....	2	2	0
Chairman - Policy Committee (D).....	2	2	0
Caucus Administrator (R).....	2	2	0
Caucus Administrator (D).....	2	2	0
Administrator for Staff (R).....	20	20	0
Administrator for Staff (D).....	20	20	0
Contingent Expenses (R) and (D).....	0	0	709
Incidental Expenses.....	5,069	5,069	5,069
Expenses - Representatives.....	4,251	4,251	4,251
Legislative Printing and Expenses.....	10,674	10,674	10,674
National Legislative Conference - Expenses.....	511	0	0
Committee on Appropriations (R).....	3,223	3,223	3,223
Committee on Appropriations (D).....	3,223	3,223	3,223
Special Leadership Account (R).....	6,045	6,045	6,045
Special Leadership Account (D).....	6,045	6,045	6,045
Subtotal.....	<u>\$ 325,243</u>	<u>\$ 340,135</u>	<u>\$ 337,382</u>
<b>TOTAL STATE FUNDS.....</b>	<u><u>\$ 325,243</u></u>	<u><u>\$ 340,135</u></u>	<u><u>\$ 337,382</u></u>
DEPARTMENT TOTAL.....	<u>\$ 325,243</u>	<u>\$ 340,135</u>	<u>\$ 337,382</u>

### Judiciary

#### General Government

Supreme Court.....	\$ 17,150	\$ 17,150	\$ 17,150
Justice Expenses.....	118	118	118
Judicial Center Operations.....	814	814	814
Judicial Council.....	141	141	141
District Court Administrators.....	19,657	19,657	19,657
Interbranch Commission.....	350	350	350
Court Management Education.....	73	73	73
Office of Elder Justice in the Courts.....	496	496	496
Rules Committees.....	1,595	1,595	1,595
Court Administrator.....	11,577	11,577	11,577
Integrated Criminal Justice System.....	2,372	2,372	2,372
Unified Judicial System Security.....	2,002	2,002	2,002
Superior Court.....	32,377	32,377	32,377
Judges Expenses.....	183	183	183
Commonwealth Court.....	21,192	21,192	21,192
Judges Expenses.....	132	132	132
Courts of Common Pleas.....	117,739	117,739	117,739
Senior Judges.....	4,004	4,004	4,004
Judicial Education.....	1,247	1,247	1,247
Ethics Committee.....	62	62	62
Problem-Solving Courts.....	1,103	1,103	1,103
Magisterial District Judges.....	82,802	82,802	82,802
Magisterial District Judge Education.....	744	744	744
Municipal Court.....	7,794	7,794	7,794
Judicial Conduct Board.....	2,182	2,182	2,182
Court of Judicial Discipline.....	468	468	468
Subtotal.....	<u>\$ 328,374</u>	<u>\$ 328,374</u>	<u>\$ 328,374</u>

## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	Actual	Available	Budget
<b>Grants and Subsidies</b>			
Juror Cost Reimbursement.....	\$ 1,118	\$ 1,118	\$ 1,118
County Court Reimbursement.....	23,136	23,136	23,136
Senior Judge Reimbursement.....	1,375	1,375	1,375
Court Interpreter County Grant.....	1,500	1,500	1,500
Subtotal.....	<u>\$ 27,129</u>	<u>\$ 27,129</u>	<u>\$ 27,129</u>
<b>TOTAL STATE FUNDS.....</b>	<u><b>\$ 355,503</b></u>	<u><b>\$ 355,503</b></u>	<u><b>\$ 355,503</b></u>
Federal Funds.....	1,784	1,637	1,637
Restricted.....	57,048	57,048	57,048
DEPARTMENT TOTAL.....	<u>\$ 414,335</u>	<u>\$ 414,188</u>	<u>\$ 414,188</u>
<b>Government Support Agencies</b>			
<b>General Government</b>			
Legislative Reference Bureau - Salaries and Expenses.....	\$ 9,011	\$ 9,191	\$ 9,191
Printing of PA Bulletin and PA Code.....	867	867	867
Legislative Budget and Finance Committee.....	1,919	1,977	1,977
Legislative Data Processing Center.....	25,848	29,848	29,848
Joint State Government Commission.....	1,616	1,664	1,664
Local Government Commission.....	1,218	1,255	1,255
Local Government Codes.....	23	23	23
Joint Legislative Air and Water Pollution Control Committee.....	565	582	582
Legislative Audit Advisory Commission.....	271	279	279
Independent Regulatory Review Commission.....	2,048	2,109	2,109
Capitol Preservation Committee.....	785	809	809
Capitol Restoration.....	2,048	3,089	3,089
Commission on Sentencing.....	1,993	2,053	2,053
Center for Rural Pennsylvania.....	1,072	1,104	1,104
Commonwealth Mail Processing Center.....	3,381	3,506	3,506
Legislative Reapportionment Commission.....	1,000	1,030	1,030
Independent Fiscal Office.....	2,226	2,293	2,293
Subtotal.....	<u>\$ 55,891</u>	<u>\$ 61,679</u>	<u>\$ 61,679</u>
<b>TOTAL STATE FUNDS.....</b>	<u><b>\$ 55,891</b></u>	<u><b>\$ 61,679</b></u>	<u><b>\$ 61,679</b></u>
Federal Funds.....	1,280	0	0
DEPARTMENT TOTAL.....	<u>\$ 57,171</u>	<u>\$ 61,679</u>	<u>\$ 61,679</u>
<b>General Fund Total-All Funds</b>			
State Funds.....	\$ 31,948,059	\$ 33,218,912	\$ 34,146,277
Federal Funds.....	27,228,406	28,297,695	27,543,883
Augmentations.....	3,453,236	5,055,052	4,515,508
Restricted.....	670,006	779,757	827,283
FUND TOTAL.....	<u><b>\$ 63,299,707</b></u>	<u><b>\$ 67,351,416</b></u>	<u><b>\$ 67,032,951</b></u>

# General Fund Revenue Summary

## Seven Year Summary of Revenues

The following tables include all General Fund revenues available for general appropriation. This table does not include special restricted receipts, receipts augmenting appropriations or federal funds.

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>TAX REVENUE</b>							
<b>Corporation Taxes</b>							
Corporate Net Income Tax.....	\$ 2,879,024	\$ 3,342,500	\$ 3,423,300	\$ 3,820,000	\$ 3,528,700	\$ 3,087,200	\$ 2,765,300
Selective Business:							
Gross Receipts Tax.....	1,149,933	1,177,100	1,177,100	1,172,100	1,172,100	1,172,100	1,172,100
Public Utility Realty Tax.....	33,817	34,100	34,400	34,700	35,000	35,300	35,600
Insurance Premium Tax.....	450,856	400,200	403,300	411,200	427,300	475,200	494,500
Financial Institutions Taxes.....	371,314	376,400	377,500	377,200	371,700	373,500	377,800
Total - Corporation Taxes.....	<u>\$ 4,884,944</u>	<u>\$ 5,330,300</u>	<u>\$ 5,415,600</u>	<u>\$ 5,815,200</u>	<u>\$ 5,534,800</u>	<u>\$ 5,143,300</u>	<u>\$ 4,845,300</u>
<b>Consumption Taxes</b>							
Sales and Use Tax.....	\$ 10,381,360	\$ 11,102,500	\$ 11,447,100	\$ 11,891,200	\$ 12,419,200	\$ 12,508,800	\$ 12,972,900
Cigarette Tax.....	1,198,252	1,119,000	1,064,900	1,025,500	986,000	947,500	911,900
Other Tobacco Products Tax.....	119,119	128,300	134,200	138,900	142,900	146,400	149,500
Malt Beverage Tax.....	24,115	23,400	23,400	23,400	23,400	23,400	23,400
Liquor Tax.....	371,508	384,800	399,500	416,000	433,100	450,900	469,400
Total - Consumption Taxes.....	<u>\$ 12,094,354</u>	<u>\$ 12,758,000</u>	<u>\$ 13,069,100</u>	<u>\$ 13,495,000</u>	<u>\$ 14,004,600</u>	<u>\$ 14,077,000</u>	<u>\$ 14,527,100</u>
<b>Other Taxes</b>							
Personal Income Tax.....	\$ 13,398,955	\$ 13,855,100	\$ 14,443,000	\$ 15,046,600	\$ 15,512,400	\$ 16,096,100	\$ 16,704,600
Realty Transfer Tax.....	514,442	548,600	598,400	592,000	594,200	609,000	622,700
Inheritance Tax.....	1,019,323	1,059,900	1,105,900	1,097,300	1,119,200	1,125,900	1,138,900
Gaming Taxes.....	123,059	149,800	173,900	209,000	226,500	232,400	238,100
Minor and Repealed Taxes.....	-31,676	-29,400	-34,800	-36,600	-43,800	-59,100	-77,100
Total - Other Taxes.....	<u>\$ 15,024,103</u>	<u>\$ 15,584,000</u>	<u>\$ 16,286,400</u>	<u>\$ 16,908,300</u>	<u>\$ 17,408,500</u>	<u>\$ 18,004,300</u>	<u>\$ 18,627,200</u>
<b>TOTAL TAX REVENUES.....</b>	<u><b>\$ 32,003,401</b></u>	<u><b>\$ 33,672,300</b></u>	<u><b>\$ 34,771,100</b></u>	<u><b>\$ 36,218,500</b></u>	<u><b>\$ 36,947,900</b></u>	<u><b>\$ 37,224,600</b></u>	<u><b>\$ 37,999,600</b></u>
<b>NONTAX REVENUE</b>							
State Stores Fund Transfer.....	\$ 185,100	\$ 185,100	\$ 185,100	\$ 185,100	\$ 185,100	\$ 185,100	\$ 185,100
Licenses, Fees and Miscellaneous:							
Licenses and Fees.....	322,964	296,177	186,618	196,600	186,600	186,600	190,800
Miscellaneous.....	1,980,128	176,277	79,367	76,400	76,400	76,400	76,400
Fines, Penalties and Interest:							
Other.....	75,355	69,810	74,089	74,100	74,100	74,100	74,100
<b>TOTAL NONTAX REVENUES.....</b>	<u><b>\$ 2,563,547</b></u>	<u><b>\$ 727,364</b></u>	<u><b>\$ 525,174</b></u>	<u><b>\$ 532,200</b></u>	<u><b>\$ 522,200</b></u>	<u><b>\$ 522,200</b></u>	<u><b>\$ 526,400</b></u>
<b>GENERAL FUND TOTAL.....</b>	<u><u><b>\$ 34,566,948</b></u></u>	<u><u><b>\$ 34,399,664</b></u></u>	<u><u><b>\$ 35,296,274</b></u></u>	<u><u><b>\$ 36,750,700</b></u></u>	<u><u><b>\$ 37,470,100</b></u></u>	<u><u><b>\$ 37,746,800</b></u></u>	<u><u><b>\$ 38,526,000</b></u></u>

Details may not add to totals due to rounding.

# General Fund Revenues

## Adjustments to Revenue Estimate

On June 22, 2018, the Official Estimate for fiscal year 2018-19 was certified to be \$33,974,800,000. The adjustments detailed below take into account actual revenue collections through the first six months of the fiscal year and projected collections for the remainder of the fiscal year based on current expectations for the economy and revenue trends as well as tax proposals for the budget.

	(Dollar Amounts in Thousands)		
	2018-19 Official Estimate	Adjustments	2018-19 Revised Estimate
<b>TAX REVENUE</b>			
<b>Corporation Taxes</b>			
Corporate Net Income Tax.....	\$ 2,926,300	\$ 416,200	\$ 3,342,500
Selective Business:			
Gross Receipts Tax.....	1,150,600	26,500	1,177,100
Public Utility Realty Tax.....	34,200	-100	34,100
Insurance Premiums Tax.....	403,100	-2,900	400,200
Financial Institutions Tax.....	366,100	10,300	376,400
Total — Corporation Taxes.....	<u>\$ 4,880,300</u>	<u>\$ 450,000</u>	<u>\$ 5,330,300</u>
<b>Consumption Taxes</b>			
Sales and Use Tax.....	\$ 10,752,600	\$ 349,900	\$ 11,102,500
Cigarette Tax.....	1,132,300	-13,300	1,119,000
Other Tobacco Products Tax.....	120,900	7,400	128,300
Malt Beverage Tax.....	24,100	-700	23,400
Liquor Tax.....	386,300	-1,500	384,800
Total — Consumption Taxes.....	<u>\$ 12,416,200</u>	<u>\$ 341,800</u>	<u>\$ 12,758,000</u>
<b>Other Taxes</b>			
Personal Income Tax.....	\$ 14,174,100	\$ -319,000	\$ 13,855,100
Realty Transfer Tax.....	561,200	-12,600	548,600
Inheritance Tax.....	1,078,000	-18,100	1,059,900
Gaming.....	154,100	-4,300	149,800
Minor and Repealed Taxes.....	-46,700	17,300	-29,400
Total — Other Taxes.....	<u>\$ 15,920,700</u>	<u>\$ -336,700</u>	<u>\$ 15,584,000</u>
<b>TOTAL TAX REVENUE.....</b>	<u>\$ 33,217,200</u>	<u>\$ 455,100</u>	<u>\$ 33,672,300</u>
<b>NONTAX REVENUE</b>			
State Stores Fund Transfer.....	\$ 185,100	\$ 0	\$ 185,100
Licenses Fees and Miscellaneous:			
Licenses and Fees.....	276,100	20,077	296,177
Miscellaneous.....	224,200	-47,923	176,277
Fines, Penalties and Interest:			
Other.....	72,200	-2,390	69,810
<b>TOTAL NONTAX REVENUES.....</b>	<u>\$ 757,600</u>	<u>\$ -30,236</u>	<u>\$ 727,364</u>
<b>GENERAL FUND TOTAL.....</b>	<u>\$ 33,974,800</u>	<u>\$ 424,864</u>	<u>\$ 34,399,664</u>

# General Fund Revenue Sources

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

## Corporate Net Income Tax

**Tax Base:** This tax is paid by all domestic and foreign business corporations for the privilege of doing business, carrying on activities, or employing or owning capital or property in Pennsylvania and is levied on Federal taxable income with Pennsylvania modifications. When the entire business of any corporation is not transacted within Pennsylvania, taxable income usually is determined by a single sales factor apportionment formula for tax year 2013 and beyond.

**Tax Rates:**

January 1, 1995 and thereafter .....	9.99%
January 1, 1994 to December 31, 1994 .....	11.99%
January 1, 1991 to December 31, 1993 .....	12.25%
January 1, 1987 to December 31, 1990 .....	8.50%
January 1, 1985 to December 31, 1986 .....	9.50%
January 1, 1977 to December 31, 1984 .....	10.50%

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

**Proposed Change:** The base of the tax will be changed to mandatory unitary combined reporting, effective for tax years beginning after December 31, 2019. Net operating loss deductions will be capped at 40% of pre-deduction taxable income.

A lower rate will be in effect as follows:

January 1, 2020 to December 31, 2020 .....	8.99%
January 1, 2021 to December 31, 2021 .....	8.29%
January 1, 2022 to December 31, 2022 .....	7.49%
January 1, 2023 to December 31, 2023 .....	6.99%
January 1, 2024 and thereafter .....	5.99%

## Gross Receipts Tax

**Tax Base:** This tax is levied on the gross receipts from passengers, baggage, and freight transported within Pennsylvania; telegraph and telephone messages transmitted within Pennsylvania as well as mobile telecommunications services and interstate landline calls either originating or terminating in Pennsylvania and billed to a service address in Pennsylvania; sales of electric energy; and intrastate shipment of freight and oil. Beginning January 1, 2004, interstate and cellular telecommunications services are subject to the gross receipts tax. An exemption from the gross receipts tax for the resale of telecommunication services became effective January 1, 2000. Gross receipts of regulated gas companies from the sale of natural and artificial gas were exempted from the tax effective January 1, 2000. The tax on motor transportation companies was repealed effective January 1, 1998. In fiscal year 1998-99 through fiscal year 2002-03, 0.18 percent of total electric gross receipts was transferred to the Public Transportation Assistance Fund. Beginning with fiscal year 1993-94, 0.25 mill is transferred to the Alternative Fuels Incentive Grant Fund.

**Tax Rates:**

July 1, 1991 to Current .....	45 mills plus a 5 mill surtax (electric utilities pay 44 mills or a rate as adjusted by the revenue neutral reconciliation rate, which was permanently set at 15 mills for 2003 and thereafter). Beginning in 2004, an additional surcharge may apply in the event refunds for Public Utility Realty Tax Appeals exceed \$5 million in the prior fiscal year.
January 1, 1988 to June 30, 1991 .....	44 mills.
Prior to January 1, 1988 .....	45 mills.

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

## Public Utility Realty Tax

**Tax Base:** This tax is levied on the State taxable value of the property owned by utilities furnishing utility service and regulated by the Pennsylvania Public Utility Commission or similar regulatory body. The State taxable value is defined as the current market value of utility realty. Effective January 1, 2000, electric generation assets became subject to local real estate tax and were excluded from the Public Utility Realty Tax base.

**Tax Rate:** The tax rate is set each year upon determination by the Department of Revenue of the required distribution of the realty tax equivalent to local tax authorities. Revenue from an additional 7.6 mills is deposited in the General Fund.



# General Fund Revenue Sources

For tax year 2004 and thereafter, the Department of Revenue calculates a Gross Receipts Tax surcharge in the event that refunds for Public Utility Realty Tax appeals exceed \$5 million in the prior fiscal year. The surcharge for tax year 2007 was 1.2 mills and the surcharge for tax year 2008 was 2.8 mills. There was no surcharge for tax years 2009 or 2010. There has been no surcharge since tax year 2011, when it was 1.6 mills.

**Reference:** Purdon's Title 72 P.S. §8101-A—§8109-A.

## Insurance Premiums Tax

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

**Tax Rates:** The rate is 2 percent of gross premiums plus a retaliatory tax where applicable. Marine insurance companies pay a 5 percent tax on underwriting profits attributable to Pennsylvania in lieu of the gross premiums tax. A tax of 3 percent is imposed on policies written with surplus lines agents or other nonadmitted insurers.

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

## Financial Institutions Taxes

**Tax Base:** This category includes taxes levied on the taxable amount of the capital stock of banks, trust and domestic title insurance companies, and on the taxable net income of mutual thrift institutions. Act 84-2016 changed the source for income in the receipts definition from the federal tax return to the Consolidated Reports of Condition, clarified the deduction for goodwill generated from merger activity and the apportionment of receipts from investment and trading assets and activity, and changed the tax rate to 0.95 percent. Effective January 1, 2018, it provides a phased-in deduction for Edge Act corporation equity.

**Tax Rates:**

<u>Bank and Trust Company Shares Tax</u>	
January 1, 2017 and thereafter.....	0.950 percent
January 1, 2014 to December 31, 2016 .....	0.890 percent
January 1, 1990 to December 31, 2013 .....	1.250 percent
January 1, 1989 to December 31, 1989 .....	10.770 percent
January 1, 1984 to December 31, 1988 .....	1.075 percent
<u>Title Insurance Companies Shares Tax</u>	
January 1, 1990 and thereafter .....	1.250 percent
January 1, 1989 to December 31, 1989 .....	10.770 percent
January 1, 1984 to December 31, 1988 .....	1.075 percent
<u>Mutual Thrift Institution Tax</u>	
January 1, 1991 and thereafter .....	11.500 percent
January 1, 1987 to December 31, 1990 .....	12.500 percent

**Reference:** Purdon's Title 72 P.S. §7701—§7702. Bank and Trust Company Shares Tax.  
Purdon's Title 72 P.S. §8501—§8505. Mutual Thrift Institution Tax.  
Purdon's Title 72 P.S. §7801—§7806. Title Insurance Companies Shares Tax.

## Sales and Use Tax

**Tax Base:** The tax is levied on the sale at retail, including rental, of tangible personal property and certain services, or upon the use within Pennsylvania of tangible personal property, or taxable services purchased at retail if the tax was not paid at time of purchase. A tax on the occupancy of hotel rooms is imposed as part of the sales and use tax law. A transfer of 0.947 percent of revenues from this tax is deposited in the Public Transportation Assistance Fund. Beginning in fiscal year 2007-08, 4.4 percent of receipts are transferred annually to the Public Transportation Trust Fund. A transfer of \$0.7 million is made annually to the Transit Revitalization Investment District Fund starting in FY 2016-17. An amount as may be necessary to make payment for principal and interest obligations is also transferred to the Commonwealth Financing Authority beginning in FY 2016-17. The revenues shown for the General Fund are net of these transfers.

**Tax Rate:** A bracket system based on 6 percent of purchase price for Sales and Use Tax and 6 percent of rent for Hotel Occupancy Tax. The current tax rate was enacted in 1968.

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

## Cigarette Tax

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**Tax Base:** The tax is imposed and assessed on the sale or possession of cigarettes and little cigars weighing less than 4 pounds per 1,000 sticks within Pennsylvania. Only one sale of the cigarette is taxable.

**Tax Rates:** The rate is 13.00 cents per cigarette. Beginning in fiscal year 2002-03, fixed annual amounts are transferred to the Children's Health Insurance Program (CHIP) and the Agricultural Conservation Easement Purchase (ACEP) Fund. The current CHIP transfer is \$30.73 million while the ACEP transfer is \$25.49 million. An additional transfer is made to the Local Cigarette Tax Fund if prior year deposits fall below \$58 million, effective for deposits made in FY 2016-17. The transfer is equal to the difference between \$58 million and actual deposits into the fund. The revenues shown for the General Fund are net of these transfers.

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

## Other Tobacco Products Tax

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**Tax Base:** The tax is levied on smokeless tobacco, pipe tobacco, e-cigarettes, including any liquid or substance placed in or sold for use in an e-cigarette, and any other tobacco products for chewing, ingesting or smoking, except cigars.

**Tax Rates:** The tax rate on the sale of e-cigarettes, including any liquid or substance placed in or sold for use in an e-cigarette, is 40 percent of the purchase price from the wholesaler. The rate of tax on roll-your-own, pipe tobacco and smokeless tobacco is 55 cents (\$0.55) per ounce, with a minimum tax per package of 66 cents (\$0.66).

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

## Malt Beverage Tax

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

**Tax Rates:** The tax rate is two-thirds of a cent ( $2/3\phi$ ) per half pint of 8 fluid ounces or fraction thereof, and in larger quantities at the rate of one cent ( $1\phi$ ) per pint or 6 fluid ounces or fraction thereof.

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

## Liquor Tax

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

**Tax Rate:** The rate is 18 percent of the net retail purchase price. The net retail purchase price includes the wholesale cost of the product, plus mark-up, handling charge and federal tax. A wine excise tax of \$2.50 per gallon is imposed on direct wine shipments in lieu of the 18 percent liquor tax.

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

## Personal Income Tax

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**Tax Base:** The tax is paid by all residents, resident trusts 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, including cash prizes of the Pennsylvania Lottery, and (8) income from estates and trusts. The tax is also paid by non-resident individuals, estates and trusts on the following income from sources within the Commonwealth: compensation for personal services performed in Pennsylvania unless the taxpayer is a resident of a state with which there is a reciprocal agreement; net profits from activity conducted in Pennsylvania; income from the rental, ownership or disposition of any real or personal property, and income from gambling activity in Pennsylvania including prizes of the Pennsylvania State Lottery. 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. A credit is available to those individuals receiving tax forgiveness under the special provisions for poverty. Beginning in 1999, a qualified single individual with eligibility income of \$6,500 or less would receive 100 percent tax forgiveness. The eligibility income limit for each qualifying dependent of a claimant for tax forgiveness under the special tax provisions for poverty is \$9,500 beginning in 2004. The amount of forgiveness declines by 10 percent for each \$250 of income. In fiscal year 2018-19, \$5.2 million was transferred to the Public School Employees' Retirement System, \$4.9 million was transferred to the State Employees' Retirement System, and \$15.0 million was transferred to the School Safety and Security Fund.

# General Fund Revenue Sources

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

2004 and thereafter .....	3.07%
1993 to 2003 .....	2.80%
1992 .....	2.95%
1991 .....	2.60%
1987 to 1990 .....	2.10%
1986 .....	2.16%
1985 .....	2.35%

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

## Realty Transfer Tax

**Tax Base:** The tax is levied on the value of the real estate transferred by a deed, instrument or other writing. Other taxable transfers include long-term leases greater than thirty years, transfers of real estate from industrial development authorities that will not be used primarily for industrial purposes, and "deemed" transfers of real estate because of the acquisition of companies which are in the business of holding or selling real estate. Beginning in July 1994, monthly transfers to the Keystone Recreation, Park and Conservation Fund have occurred. The transfer rate was initially set at 15 percent, but was statutorily amended several times. The rate returned to 15 percent for July 2007 and thereafter. The revenues shown for the General Fund are net of this transfer.

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

**Reference:** Purdon's Title 72 P.S. §8101-C—§8113-C.

## Inheritance and Estate Taxes

**Tax Base:** The Inheritance Tax is imposed on the value of property transferred to beneficiaries of a deceased person and certain transfers made during the decedent's lifetime. The value of the transfer is established on the date of the decedent's death. The Estate Tax was levied when the Federal estate tax credit for State death taxes exceeded a decedent's Inheritance Tax liability. As a result of the American Taxpayer Relief Act of 2012, the federal estate tax credit for State death taxes is not applicable.

**Tax Rates:** Rates are based on the relationship of the decedent and the beneficiary. Transfers of non-jointly held property to spouses are taxed at a rate of 0 percent. Transfers to parents of decedents 21 years of age or younger are taxed at a rate of 0 percent (effective July 1, 2000). Transfers to lineal beneficiaries are taxed at 4.5 percent (effective July 1, 2000). Transfers to siblings of the decedents are subject to a 12 percent tax rate (effective July 1, 2000). Transfers to all other beneficiaries are taxed at 15 percent. The Estate Tax equaled the Federal credit for State death taxes, less the Inheritance Tax paid.

**Reference:** Purdon's Title 72 P.S. §9101 et seq.

## Table Game Taxes

**Tax Base:** These taxes are imposed on gross table game revenue of licensed gaming entities. Gross table game revenue is defined as total cash or cash equivalents received in the playing of table games, contest or tournament fees, and total amount of rakes collected minus cash or cash equivalents paid out, paid to purchase annuities to fund prizes, and paid for personal property distributed to patrons as a result of playing a table game. The revenue from these taxes is deposited to the General Fund. If the balance in the Budget Stabilization Reserve Fund is certified by the Secretary of the Budget to exceed \$750,000,000, the funds from these taxes will go thereafter to the Property Tax Relief Fund.

**Tax Rates:** 12 percent of gross table game revenue. However, Act 84-2016 sets the tax rate at 14 percent for all licensed gaming entities for the period August 1, 2016 through June 30, 2019. In addition to the above percentages, 34 percent of gross table game revenue from table games played on fully automated electronic gaming tables.

**Reference:** Purdon's Title 4 Pa.C.S.A. § 13A62.

## Interactive Gaming and Multi-use Gaming Device Taxes

**Tax Base:** The interactive gaming tax is imposed on gross interactive gaming revenue of interactive gaming certificate holders and a multi-use gaming device tax is imposed on the gross interactive airport gaming revenue of interactive gaming certificate holders authorized to conduct interactive gaming at qualified airports. The tax on multiple player games and single player games that simulate table games is deposited in the General Fund. The tax on single player games simulating slots is deposited in other funds. The multi-use gaming device tax is deposited in the General Fund.

# General Fund Revenue Sources

**Tax Rate:** The rate for interactive gaming tax deposited in the General Fund and the multi-use gaming device tax on games simulating table games is 14 percent of gross interactive gaming revenue. The multi-use gaming device tax rate on games simulating slots is 52 percent of gross revenue.

**Reference:** Purdon's Title 4 Pa.C.S.A. § 13B20.4 and 13B52.

## Fantasy Contest Tax

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**Tax Base:** The fantasy contest tax is imposed on the monthly fantasy contest adjusted revenue of licensed operators. Monthly fantasy contest adjusted revenue is defined as, for each fantasy contest, the total amount of all entry fees collected from all participants entering the fantasy contest minus prizes or awards paid to participants in the fantasy contest, multiplied by the in-state percentage. The in-state percentage is, for each fantasy contest, the percentage of entry fees collected from all in-state participants divided by the total entry fees collected from all participants in the fantasy contest.

**Tax Rate:** The rate is 15 percent of monthly fantasy adjusted revenue.

**Reference:** Purdon's Title 4 Pa.C.S.A. § 331.

## Video Gaming Terminal Tax

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**Tax Base:** The video gaming terminal tax is imposed on gross terminal revenue from all video gaming terminals operated by a terminal operator licensee within this commonwealth. The tax is imposed on gross terminal revenue, which is defined as the total of cash or cash equivalents received by a video gaming terminal minus the total of cash or cash equivalents paid out to players as a result of playing a video gaming terminal. The tax revenue is deposited in the Video Gaming Fund, but transferred to the General Fund at the end of each fiscal year.

**Tax Rate:** The rate is 42 percent of gross terminal revenue.

**Reference:** Purdon's Title 4 Pa.C.S.A. § 4102.

## Sports Wagering Tax

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**Tax Base:** The sports wagering tax is imposed on daily gross sports wagering revenue of sports wagering certificate holders. The tax is imposed on daily gross sports wagering revenue, which is defined as the total of cash or cash equivalents received from sports wagering minus the total of cash or cash equivalents paid to players, paid to purchase annuities to fund prizes, and paid for personal property distributed to players as a result of sports wagering.

**Tax Rate:** The rate is 34 percent of daily gross sports wagering revenue.

**Reference:** Purdon's Title 4 Pa.C.S.A. § 13C62.

## Minor and Repealed Taxes

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**Minor Taxes Include:** Tax on Legal Documents, Act of April 6, 1830, P.L. 272 (Purdon's Title 72 P.S. §3171) and excess Vehicle Rental Tax, Act of June 16, 1994, P.L. 279 (Purdon's Title 72 P.S. §8601-A). State Personal Property Tax Act, Act of June 22, 1935, P.L. 414 as amended. Electric Cooperative Law of 1990, 15 Pa.C.S.A. §7301 et seq. Agricultural Cooperative Associations Corporate Tax, Act of May 23, 1945, P.L. 893. Capital Stock and Foreign Franchise Taxes, Act of March 4, 1971, P.L.6, No.2 (Purdon's Title 72 P.S. §7601—§7606). Wine Excise Tax, Act of June 8, 2016, P.L. 273, No. 39 (Purdon's 47 P.S. § 4-488). Tavern Games Tax, Act of November 27, 2013, P.L. 1045, No. 90 (Purdon's Title 10 P.S. § 328.909a); and Consumer Fireworks Tax, Act of October 30, 2017, P.L. 672 (Purdon's Title 72 P.S. § 9401 et seq.). Also included in minor and repealed is a transfer to the Neighborhood Improvement Zone Fund, as established by Act 50 of 2009, Act 26 of 2011, and Act 87 of 2012 and a transfer to the City Revitalization and Improvement Zone Fund, as established by Act 52 of 2013.

## State Stores Fund Transfer

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The State Stores Fund Transfer is an amount determined by the Liquor Control Board to be available for transfer to the General Fund to be used for general appropriation purposes as provided by Act No. 412-½ of July 18, 1935, P.L. 1316 (Purdon's Title 47 P.S. §744-907b).

## Licenses, Fees and Miscellaneous Revenue

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

Miscellaneous revenues include 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 deposited in the Judicial Computer System Augmentation Account in accordance with Act 1988-79 (Purdon's Title 42 Pa.C.S.A. §3733). Any fines, fees or costs which are allocated to counties and municipalities are not affected by this act.

## Fines, Penalties and Interest

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This revenue source includes fines and penalties not required by law to be placed into a special fund for a specific purpose. Most of these fines and penalties collected by the various departments are an integral part of enforcement of the laws providing for licenses and fees.

# General Fund Revenue Detail

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Estimated	2019-20 Budget
<b>TAX REVENUE</b>			
<b>Coporate Net Income Tax</b> .....	\$ 2,879,024	\$ 3,342,500	\$ 3,423,300
<b>Gross Receipts Tax</b>			
Electric, Hydroelectric and Water Power.....	\$ 788,444	\$ 816,000	\$ 816,800
Telephone and Telegraph.....	364,596	364,300	363,500
Transportation.....	1,969	2,000	2,000
Alternative Fuel Incentive Grant Fund Transfer.....	-5,076	-5,200	-5,200
SUBTOTAL.....	\$ 1,149,933	\$ 1,177,100	\$ 1,177,100
<b>Public Utility Realty Tax</b> .....	\$ 33,817	\$ 34,100	\$ 34,400
<b>Insurance Premium Tax</b>			
Domestic Casualty.....	\$ 67,605	\$ 71,600	\$ 86,300
Domestic Fire.....	15,480	16,400	19,800
Domestic Life and Previously Exempted Lines.....	62,080	50,000	16,200
Excess Insurance Brokers.....	36,291	38,400	46,300
Foreign Excess Casualty.....	11,807	12,500	15,100
Foreign Excess Fire.....	3,082	3,300	4,000
Foreign Life.....	241,142	193,800	198,700
Marine-Foreign.....	121	200	200
Marine-Domestic.....	30	0	0
Title Insurance.....	10,060	10,700	12,900
Unauthorized Insurance.....	3,158	3,300	3,800
SUBTOTAL.....	\$ 450,856	\$ 400,200	\$ 403,300
<b>Financial Institutions Taxes</b>			
Federal Mutual Thrift Institutions.....	\$ 8,694	\$ 9,300	\$ 9,300
National Banks.....	251,577	255,400	256,200
State Banks.....	63,134	62,700	62,900
State Mutual Thrift Institutions.....	23,086	24,800	24,800
Trust Companies.....	24,823	24,200	24,300
SUBTOTAL.....	\$ 371,314	\$ 376,400	\$ 377,500
<b>Sales and Use Tax</b>			
Motor Vehicle.....	\$ 1,392,700	\$ 1,461,700	\$ 1,499,900
Non-Motor Vehicle.....	8,988,660	9,640,800	9,947,200
SUBTOTAL.....	\$ 10,381,360	\$ 11,102,500	\$ 11,447,100
<b>Cigarette Tax</b> .....	\$ 1,198,252	\$ 1,119,000	\$ 1,064,900
<b>Other Tobacco Products Tax</b> .....	\$ 119,119	\$ 128,300	\$ 134,200
<b>Malt Beverage Tax</b> .....	\$ 24,115	\$ 23,400	\$ 23,400
<b>Liquor Tax</b> .....	\$ 371,508	\$ 384,800	\$ 399,500
<b>Personal Income Tax</b>			
Non-Withholding.....	\$ 3,362,445	\$ 3,471,100	\$ 3,669,500
Withholding.....	10,036,510	10,384,000	10,773,500
SUBTOTAL.....	\$ 13,398,955	\$ 13,855,100	\$ 14,443,000

# General Fund Revenue Detail

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Estimated	2019-20 Budget
<b>Realty Transfer Tax</b> .....	\$ 514,442	\$ 548,600	\$ 598,400
<b>Inheritance Tax</b>			
Nonresident Inheritance and Estate Tax.....	\$ 8,010	\$ 8,000	\$ 8,400
Resident Inheritance and Estate Tax.....	1,011,313	1,051,900	1,097,500
<b>SUBTOTAL</b> .....	<u>\$ 1,019,323</u>	<u>\$ 1,059,900</u>	<u>\$ 1,105,900</u>
<b>Gaming Taxes</b> .....	\$ 123,059	\$ 149,800	\$ 173,900
<b>Minor and Repealed Taxes</b>			
Corporate Loans Tax.....	\$ 582	\$ 100	\$ 100
Excess Motor Vehicle Tax.....	7,626	8,400	8,400
Wine Excise Tax.....	1,461	1,000	1,500
Tax on Writs, Wills and Deeds.....	1,085	1,100	1,100
NIZ State Tax Transfer.....	-45,621	-41,000	-49,000
CRIZ State Tax Transfer.....	-3,905	-7,200	-8,800
Tavern Games.....	1,360	1,000	1,000
Miscellaneous Business Taxes.....	1,050	200	200
Fireworks Tax.....	408	7,800	8,000
Capital Stock and Franchise Taxes.....	1,823	-1,000	0
Other.....	2,455	200	2,700
<b>SUBTOTAL</b> .....	<u>\$ -31,676</u>	<u>\$ -29,400</u>	<u>\$ -34,800</u>
<b>TOTAL TAX REVENUE</b> .....	<u>\$ 32,003,401</u>	<u>\$ 33,672,300</u>	<u>\$ 34,771,100</u>
<b>NONTAX REVENUE</b>			
<b>State Stores Fund Transfer</b> .....	<u>\$ 185,100</u>	<u>\$ 185,100</u>	<u>\$ 185,100</u>
<b>Licenses, Fees and Miscellaneous</b>			
<b>Executive Offices</b>			
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous.....	\$ 1,936	\$ 1,936	\$ 1,936
Interest Transferred To Employee Benefits.....	-13,770	-13,770	-13,770
<b>SUBTOTAL</b> .....	<u>\$ -11,834</u>	<u>\$ -11,834</u>	<u>\$ -11,834</u>
<b>DEPARTMENT TOTAL</b> .....	<u>\$ -11,834</u>	<u>\$ -11,834</u>	<u>\$ -11,834</u>
<b>Lieutenant Governor's Office</b>			
<b>LICENSES AND FEES</b>			
Board Of Pardons Fees.....	\$ 16	\$ 19	\$ 19
Board Of Pardons - Filing Fees.....	14	13	14
<b>SUBTOTAL</b> .....	<u>\$ 30</u>	<u>\$ 32</u>	<u>\$ 33</u>
<b>DEPARTMENT TOTAL</b> .....	<u>\$ 30</u>	<u>\$ 32</u>	<u>\$ 33</u>
<b>Auditor General</b>			
<b>LICENSES AND FEES</b>			
Filing Fees - Board of Arbitration of Claims.....	\$ 1	\$ 1	\$ 1
<b>DEPARTMENT TOTAL</b> .....	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

# General Fund Revenue Detail

(Dollar Amounts in Thousands)

2017-18  
Actual

2018-19  
Estimated

2019-20  
Budget

## Attorney General

### MISCELLANEOUS REVENUE

Assessed Civil Penalties Payments.....	\$ 484	\$ 500	\$ 500
Miscellaneous Interest Offset for Appropriation 611.....	-841	-335	-335
Miscellaneous.....	218	16,167	40
Refunds of Expenditures Not Credited to Appropriations.....	27	30	30
<b>SUBTOTAL.....</b>	<b>\$ -112</b>	<b>\$ 16,362</b>	<b>\$ 235</b>

**DEPARTMENT TOTAL.....** **\$ -112** **\$ 16,362** **\$ 235**

## Treasury

### MISCELLANEOUS REVENUE

Allocation Of Treasury Costs.....	\$ 4,400	\$ 4,487	\$ 4,490
Dividend Income Reinvested - Long Term.....	1	10	10
Interest On Average Collected Balance - WIC Program.....	13	12	14
Interest On Deposits.....	126	30	30
Interest On Securities.....	-1,554	*	*
Miscellaneous.....	29	30,519	100
Redeposit of Checks.....	635	344	327
Treasury Invest Inc.....	21,311	14,909	14,988
Unclaimed Property - Claim Payments.....	-265,177	*	*
Unclaimed Property - Financial Institution Deposits.....	75,871	50,310	50,099
Unclaimed Property - Other Holder Deposits.....	260,025	254,393	244,219
Unclaimed Property-Contra acct. other holder Fees.....	0	-250,000	-278,000
Refunds Of Expend Not Credited To Approp.....	6,392	*	*
Interest Transferred To Hodge Trust Fund.....	-2	*	*
<b>SUBTOTAL.....</b>	<b>\$ 102,070</b>	<b>\$ 105,014</b>	<b>\$ 36,277</b>

**DEPARTMENT TOTAL.....** **\$ 102,070** **\$ 105,014** **\$ 36,277**

## Agriculture

### LICENSES AND FEES

Abattoir Licenses.....	\$ 1	\$ 4	\$ 1
Approved Inspectors Certificate And Registration Fees.....	3	3	3
Eating & Drinking Licenses.....	2,324	2,500	2,550
Egg Certification Fees.....	11	12	12
Ice Cream Licenses.....	145	145	150
Lab Directors' Exam Fees.....	5	5	5
Poultry Technician Licenses.....	6	6	6
Pub Weighmasters (Under Act 155).....	496	250	250
Registration Fee - Food Establishment.....	233	235	235
Rendering Plant Licenses.....	1	2	2
<b>SUBTOTAL.....</b>	<b>\$ 3,225</b>	<b>\$ 3,162</b>	<b>\$ 3,214</b>

### MISCELLANEOUS REVENUE

Interest Earnings Contra BA68.....	\$ -84	\$ *	\$ *
Miscellaneous.....	6	*	*
Right to Know.....	*	1	1
<b>SUBTOTAL.....</b>	<b>\$ -78</b>	<b>\$ 1</b>	<b>\$ 1</b>

**DEPARTMENT TOTAL.....** **\$ 3,147** **\$ 3,163** **\$ 3,215**



# General Fund Revenue Detail

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Estimated	2019-20 Budget
<b>Banking and Securities</b>			
LICENSES AND FEES			
Licenses and Fees.....	\$ 27,482	\$ 27,674	\$ 27,674
DEPARTMENT TOTAL.....	<u>\$ 27,482</u>	<u>\$ 27,674</u>	<u>\$ 27,674</u>
<b>Community and Economic Development</b>			
LICENSES AND FEES			
Municipal Indebtedness Fees.....	\$ 191	\$ 250	\$ 250
MISCELLANEOUS REVENUE			
PA 1st Principal Repayment.....	\$ 45	\$ 55	\$ 60
PA 1st Interest on Loans.....	13	12	12
Miscellaneous.....	1	2	2
Contract Interest.....	40	25	25
ID/BID Principle Repayments.....	409	350	300
ID/BID Interest on Loans.....	79	55	40
PENNWORKS Interest on Loans.....	913	850	800
PENNWORKS Penalty Charges.....	2	1	1
PENNWORKS Principle Repayment.....	4,470	4,400	4,000
GENERAL Interest on Loans.....	39	2	2
TSF Revenue Bond Proceeds.....	1,500,000	*	*
SUBTOTAL.....	<u>\$ 1,506,011</u>	<u>\$ 5,752</u>	<u>\$ 5,242</u>
DEPARTMENT TOTAL.....	<u>\$ 1,506,202</u>	<u>\$ 6,002</u>	<u>\$ 5,492</u>
<b>Conservation and Natural Resources</b>			
MISCELLANEOUS REVENUE			
Camp Leases.....	\$ 778	\$ 790	\$ 790
Ground Rents.....	16	15	15
Housing Rents.....	23	24	24
Mineral Sales.....	1	1	1
Miscellaneous.....	*	2	2
Sale of DEP Water Kits.....	1	1	1
Parks Consignment Sales.....	0	1	1
Rights-Of-Way.....	1,065	1,000	1,000
Water Leases.....	20	21	21
SUBTOTAL.....	<u>\$ 1,904</u>	<u>\$ 1,855</u>	<u>\$ 1,855</u>
DEPARTMENT TOTAL.....	<u>\$ 1,904</u>	<u>\$ 1,855</u>	<u>\$ 1,855</u>
<b>Criminal Justice</b>			
MISCELLANEOUS REVENUE			
Miscellaneous.....	\$ 44	\$ *	\$ *
Refunds of Expenditures Not Credited to Appropriations.....	4	*	*
Telephone Commissions.....	3,496	3,496	3,503
SUBTOTAL.....	<u>\$ 3,544</u>	<u>\$ 3,496</u>	<u>\$ 3,503</u>
DEPARTMENT TOTAL.....	<u>\$ 3,544</u>	<u>\$ 3,496</u>	<u>\$ 3,503</u>
<b>Education</b>			
LICENSES AND FEES			
Fees For Licensing Private Schools.....	\$ 143	\$ 145	\$ 147
Private Academic School Teacher Certification Fees.....	45	47	47
Fees For Licensing Private Driver Training Schools.....	82	91	91
Secondary Education Evaluation Fees.....	11	11	11

# General Fund Revenue Detail

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Estimated	2019-20 Budget
Teacher Certification Fees.....	2,245	2,187	2,187
Fingerprint and FBI Background Check Fees.....	577	850	975
SUBTOTAL.....	<u>\$ 3,103</u>	<u>\$ 3,331</u>	<u>\$ 3,458</u>
<b>MISCELLANEOUS REVENUE</b>			
Right to Know.....	\$ 1	\$ *	\$ *
DEPARTMENT TOTAL.....	<u>\$ 3,104</u>	<u>\$ 3,331</u>	<u>\$ 3,458</u>
<b>Environmental Protection</b>			
<b>LICENSES AND FEES</b>			
Anthracite Miners Exmn And Cert Fees.....	\$ 0	\$ 2	\$ 2
Bituminous Shot Firers And Machine Runners Exam A.....	1	*	*
Blasters' Examination And Licensing Fees.....	29	29	29
Explosives Storage Permit Fees.....	73	72	72
Government Financed Cost Contracts.....	71	56	56
Hazardous Waste Facility Annual Permit Administration Fees.....	29	27	27
Hazardous Waste Facility Permit Application Fees.....	212	137	137
Hazardous Waste Storage-Disposal Fac-Fee.....	15	83	83
Hazardous Waste Transporter License and Fees.....	47	44	44
Infectious & Chemical Waste Transport Fees.....	12	13	13
Municipal Waste Annual Permit Administration Fees.....	238	231	231
Municipal Waste Permit Application Fees.....	105	99	99
Residual Waste Permit Administration Fees.....	199	225	225
Residual Waste Permit Application/Modification Fees.....	79	69	69
Sewage Permit Fees.....	113	106	106
Submerged Land Fees.....	55	56	56
Water Bacteriological Examination Fees.....	15	13	13
Water Power And Supply Permit Fees.....	96	94	94
SUBTOTAL.....	<u>\$ 1,389</u>	<u>\$ 1,356</u>	<u>\$ 1,356</u>
<b>MISCELLANEOUS REVENUE</b>			
Ground Rentals.....	\$ 10	\$ 10	\$ 10
Miscellaneous.....	23	23	23
Payment To Occupy Submerged Lands.....	2,019	1,744	1,744
Refunds of Expenditures Not Credited to Appropriations.....	5	3	3
Rights-Of-Way.....	29	38	38
Royalties to Recovery Of Materials - Schuylkill River.....	157	190	190
SUBTOTAL.....	<u>\$ 2,243</u>	<u>\$ 2,008</u>	<u>\$ 2,008</u>
DEPARTMENT TOTAL.....	<u>\$ 3,632</u>	<u>\$ 3,364</u>	<u>\$ 3,364</u>
<b>Ethics Commission</b>			
<b>MISCELLANEOUS REVENUE</b>			
Refunds of Expenditure Not Credited to Approp.....	\$ 0	\$ 1	\$ *
DEPARTMENT TOTAL.....	<u>\$ 0</u>	<u>\$ 1</u>	<u>\$ 0</u>
<b>Gaming Control Board</b>			
<b>LICENSES AND FEES</b>			
VGT License Fees.....	\$ 180	\$ 230	\$ 230
VGT Application Fees.....	368	396	396
Cat 4 Table Games Authorization Fees.....	0	*	12,500
Sports Wagering Authorization Fees.....	0	70,000	40,000
Interactive Gaming Authorization Fees.....	0	100,000	*
SUBTOTAL.....	<u>\$ 548</u>	<u>\$ 170,626</u>	<u>\$ 53,126</u>

# General Fund Revenue Detail

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Estimated	2019-20 Budget
<b>MISCELLANEOUS REVENUE</b>			
PGCB Start-up Loan Repayments, Act 42 of 2017.....	\$ 16,595	\$ 15,139	\$ 2,076
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 17,143</b>	<b>\$ 185,765</b>	<b>\$ 55,202</b>
<b>General Services</b>			
<b>MISCELLANEOUS REVENUE</b>			
Allocation of Purchasing Costs Job 7.....	\$ 4,410	\$ 4,601	\$ 4,601
Real Estate Services.....	336	336	346
Rental of State Property.....	86	90	90
Right to Know.....	*	1	1
Sale of State Property.....	1,847	2,000	2,000
Sale of Property Escrow.....	-264	10	10
Reading State Office Building.....	288	297	306
Scranton State Office Building.....	601	619	638
Rebates to be Distributed.....	27	*	*
Miscellaneous BA15.....	30	*	*
<b>SUBTOTAL.....</b>	<b>\$ 7,361</b>	<b>\$ 7,954</b>	<b>\$ 7,992</b>
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 7,361</b>	<b>\$ 7,954</b>	<b>\$ 7,992</b>
<b>Human Services</b>			
<b>LICENSES AND FEES</b>			
Personal Care Facilities Licenses.....	\$ 54	\$ 54	\$ 60
Service Participation Fees.....	65	65	66
<b>SUBTOTAL.....</b>	<b>\$ 119</b>	<b>\$ 119</b>	<b>\$ 126</b>
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous.....	\$ 9	\$ 9	\$ 6
Refunds of Expenditures Not Credited to Appropriations.....	1	1	3
<b>SUBTOTAL.....</b>	<b>\$ 10</b>	<b>\$ 10</b>	<b>\$ 9</b>
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 129</b>	<b>\$ 129</b>	<b>\$ 135</b>
<b>Health</b>			
<b>LICENSES AND FEES</b>			
Bathing Place Program - Application Fees.....	\$ *	\$ 1	\$ 1
Birth Certificate Fees.....	7,098	6,646	6,646
Birth Certificate Fees - Transfer.....	-3,193	-3,125	-3,125
CRE Certification Fees.....	27	23	23
Home Care Agency Licensure Fees.....	255	227	227
Hospice Licensing Fees.....	25	31	31
Miscellaneous Licensure Fees.....	332	297	297
Nursing Home Licenses.....	335	339	339
Pediatric Extended Care Licensing Fees.....	11	21	8
Profit Making Hospital Licenses.....	237	232	232
Organized Camps Program Fees.....	*	1	1
Registration Fees - Hearing Aid Act.....	116	116	116
Registration Fees - Drugs Devices and Cosmetics Act.....	516	508	508
Vital Statistics Fees.....	1,133	1,426	1,426
Wholesale Prescription Drug Distribution Licenses.....	35	36	36
<b>SUBTOTAL.....</b>	<b>\$ 6,927</b>	<b>\$ 6,779</b>	<b>\$ 6,766</b>

# General Fund Revenue Detail

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Estimated	2019-20 Budget
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous.....	\$ 224	\$ 183	\$ 183
Right to Know.....	3	2	2
SUBTOTAL.....	<u>\$ 227</u>	<u>\$ 185</u>	<u>\$ 185</u>
DEPARTMENT TOTAL.....	<u>\$ 7,154</u>	<u>\$ 6,964</u>	<u>\$ 6,951</u>
<b>Historical and Museum Commission</b>			
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous.....	\$ 0	\$ 30	\$ 30
DEPARTMENT TOTAL.....	<u>\$ 0</u>	<u>\$ 30</u>	<u>\$ 30</u>
<b>Insurance</b>			
<b>LICENSES AND FEES</b>			
Agents' Licenses.....	\$ 36,058	\$ 33,104	\$ 36,000
Brokers' Licenses.....	12,857	12,025	12,500
Division of Companies Certification - Certificates and Filing Fees.....	1,989	2,053	1,995
Examination Fees and Expenses.....	4,085	3,888	3,950
Market Conduct Examination Fees.....	766	391	800
Miscellaneous Fees.....	718	640	725
Contra Transfers.....	-34,682	-29,816	-29,860
Valuation of Policies Fees.....	10,579	5,531	8,500
SUBTOTAL.....	<u>\$ 32,370</u>	<u>\$ 27,816</u>	<u>\$ 34,610</u>
MISCELLANEOUS REVENUE			
Miscellaneous.....	\$ 1	\$ *	\$ *
DEPARTMENT TOTAL.....	<u>\$ 32,371</u>	<u>\$ 27,816</u>	<u>\$ 34,610</u>
<b>Labor and Industry</b>			
<b>LICENSES AND FEES</b>			
Accessibility.....	\$ 40	\$ 43	\$ 31
Approval Of Building Plan Fees.....	700	748	539
Approval Of Elevator Plan Fees.....	999	1,419	1,024
Bedding And Upholstery Fees.....	911	1,116	805
Boiler Inspections Fees.....	3,770	4,203	3,035
Boiler Plan Fees.....	136	183	132
Elevator Inspection Fees.....	799	924	667
Flammable Liquids Storage Fees.....	135	194	140
Industrial Board.....	367	435	314
Liquefied Petroleum Gas Plan Fees.....	13	2	1
Liquefied Petroleum Gas Regis Fees.....	230	266	192
Stuffed Toys Manufacturers' Registration Fees.....	72	88	63
UCC Certifications.....	98	109	78
SUBTOTAL.....	<u>\$ 8,270</u>	<u>\$ 9,730</u>	<u>\$ 7,021</u>
MISCELLANEOUS REVENUE			
Miscellaneous.....	\$ 1	\$ 1	\$ 1
Interest Earnings Contra BA12.....	-42	40	40
Refunds of Expenditures Not Credited to Appropriations.....	1	*	*
SUBTOTAL.....	<u>\$ -40</u>	<u>\$ 41</u>	<u>\$ 41</u>
DEPARTMENT TOTAL.....	<u>\$ 8,230</u>	<u>\$ 9,771</u>	<u>\$ 7,062</u>

# General Fund Revenue Detail

(Dollar Amounts in Thousands)

2017-18  
Actual

2018-19  
Estimated

2019-20  
Budget

## Revenue

### LICENSES AND FEES

Certification And Copy Fees.....	\$ 65	\$ 69	\$ 73
Cigarette Permit Fees.....	1,688	1,688	1,688
Domestic Violence and Rape Crisis Program Fee.....	1,092	1,015	939
Autho Fees Act12010.....	24,750	*	*
Fee - Act 42 of 2017.....	128,000	*	12,500
<b>SUBTOTAL.....</b>	<b>\$ 155,595</b>	<b>\$ 2,772</b>	<b>\$ 15,200</b>

### MISCELLANEOUS REVENUE

Exempt Collections Per Act 1992-67.....	\$ 16,406	\$ 16,900	\$ 17,300
District Justice Costs.....	12,972	12,617	12,263
Act 64 Contra.....	-5,341	-4,986	-4,632
Miscellaneous.....	-468	182	182
Distribution Due Absentee.....	241	130	130
Conscience Money.....	5	2	2
Refunds of Expenditures Not Credited to Appropriations.....	28	29	31
Misc BA 18.....	1	1	1
Act 64 - Contra To Rev Code 001490-018000-106.....	0	-47	-47
Miscellaneous BA18.....	5	*	*
<b>SUBTOTAL.....</b>	<b>\$ 23,849</b>	<b>\$ 24,828</b>	<b>\$ 25,230</b>

**DEPARTMENT TOTAL.....** **\$ 179,444** **\$ 27,600** **\$ 40,430**

## State

### LICENSES AND FEES

Charities Bureau Registration Fees.....	\$ 2,904	\$ 2,805	\$ 2,856
Commission And Filing Fees - Bureau Of Elections.....	620	25	100
Commission And Filing Fees - Corporation Bureau.....	28,464	29,580	29,835
Campaign Finance Fee.....	66	85	55
Notary Public Commission Fees.....	889	925	925
<b>SUBTOTAL.....</b>	<b>\$ 32,943</b>	<b>\$ 33,420</b>	<b>\$ 33,771</b>

### MISCELLANEOUS REVENUE

Prof. & Occupational Affairs Credit Card Transfer.....	\$ -1,237	\$ *	\$ *
Interest Transferred to HAVA Program.....	-111	*	*
<b>SUBTOTAL.....</b>	<b>\$ -1,348</b>	<b>\$ 0</b>	<b>\$ 0</b>

**DEPARTMENT TOTAL.....** **\$ 31,595** **\$ 33,420** **\$ 33,771**

## State Police

### MISCELLANEOUS REVENUE

Act 64 - Contra Miscellaneous Revenue.....	\$ -103	\$ 0	\$ 0
Miscellaneous.....	223	175	175
Refunds of Expenditures Not Credited to Appropriations.....	1	300	300
Reimbursement For Lost Property.....	0	1	1
<b>SUBTOTAL.....</b>	<b>\$ 121</b>	<b>\$ 476</b>	<b>\$ 476</b>

**DEPARTMENT TOTAL.....** **\$ 121** **\$ 476** **\$ 476**

# General Fund Revenue Detail

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Estimated	2019-20 Budget
<b>Transportation</b>			
<b>MISCELLANEOUS REVENUE</b>			
Right to Know.....	\$ 11	\$ 9	\$ 9
Misc BA78.....	17	3	3
SUBTOTAL.....	<u>\$ 28</u>	<u>\$ 12</u>	<u>\$ 12</u>
DEPARTMENT TOTAL.....	<u>\$ 28</u>	<u>\$ 12</u>	<u>\$ 12</u>
<b>Other</b>			
<b>LICENSES AND FEES</b>			
Gaming Control Board - Ancillary Table Games License Fees.....	\$ 722	\$ 201	\$ 4
Slot License Fees.....	50,000	8,900	*
Liquor Control Board - Small Games of Chance – License Fees.....	49	8	8
SUBTOTAL.....	<u>\$ 50,771</u>	<u>\$ 9,109</u>	<u>\$ 12</u>
<b>MISCELLANEOUS REVENUE</b>			
Payments in Lieu of Taxes - SWIF.....	\$ 3,419	\$ 3,000	\$ 3,000
Insurance Contra IROF Return.....	1,919	1,919	*
Supreme Court.....	27	28	29
Transfers From Special Funds.....	324,210	*	3,000
SUBTOTAL.....	<u>\$ 329,575</u>	<u>\$ 4,947</u>	<u>\$ 6,029</u>
DEPARTMENT TOTAL.....	<u>\$ 380,346</u>	<u>\$ 14,056</u>	<u>\$ 6,041</u>
<b>Total Licenses, Fees and Miscellaneous.....</b>	<u>\$ 2,303,092</u>	<u>\$ 472,454</u>	<u>\$ 265,985</u>
<b>Other Fines and Penalties</b>			
<b>Attorney General</b>			
Criminal Restitution General Fund.....	\$ 46	\$ 45	\$ 45
<b>Agriculture</b>			
Amusement Rides and Attractions - Fines.....	0	3	3
General Food Fines.....	19	18	20
Civil Penalties - Food Establishments.....	9	5	5
Fines - Weights & Measurements Division.....	0	3	3
<b>Environmental Protection</b>			
Miscellaneous Fines.....	9	9	9
<b>Ethics Commission</b>			
Violations-Act 1978-170.....	43	70	75
Lobbying Act Civil Penalties Act 134-206.....	39	35	35
<b>Gaming Control Board</b>			
Miscellaneous Fines and Penalties.....	1,692	800	800
<b>Health</b>			
Non-Compliance Fines and Penalties BA67.....	8	*	*
<b>Insurance</b>			
Miscellaneous Fines.....	1,813	1,500	1,500
Surcharge on Moving Vehicles Violations.....	33,109	28,552	32,000
<b>Labor and Industry</b>			
Minor Labor Law Fines.....	0	1	1
Miscellaneous Fines.....	41	50	50
Act 64 - Contra Revenue.....	-4	3	3
<b>Public Utility Commission</b>			
Violation of Order Fines.....	1,624	500	500

# General Fund Revenue Detail

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Estimated	2019-20 Budget
<b>Revenue</b>			
CRIZ Program Penalties.....	7	5	5
Commercial Driver Fines.....	336	350	370
Act 64 Contra revenue code.....	-13,335	-13,875	-14,428
Vehicle Codes Fines - Lcl Police Enf.....	20,719	21,252	21,798
Vehicle Code Fines - Overweight Trucks.....	556	580	590
Vehicle Code Fines - St Police Enf.....	15,776	15,783	15,790
<b>Transportation</b>			
Emission Regulation Fines & Penalties.....	16	21	15
Fines - Restoration - Operating Privileges.....	10,173	11,100	11,600
Restoration of Vehicle Registration.....	2,659	3,000	3,300
SUBTOTAL.....	<u>\$ 75,355</u>	<u>\$ 69,810</u>	<u>\$ 74,089</u>
<b>Total Fines, Penalties and Interest.....</b>	<u>\$ 75,355</u>	<u>\$ 69,810</u>	<u>\$ 74,089</u>
<b>TOTAL NONTAX REVENUES.....</b>	<u>\$ 2,563,547</u>	<u>\$ 727,364</u>	<u>\$ 525,174</u>
<b>TOTAL GENERAL FUND REVENUES.....</b>	<u>\$ 34,566,948</u>	<u>\$ 34,399,664</u>	<u>\$ 35,296,274</u>

\* Less than \$500 or greater than -\$500.

Details may not add to totals due to rounding.

# General Fund Revenue Summary

## Revenue History

This table shows six years of actual General Fund revenues available for general appropriation. This table does not include special restricted receipts, receipts augmenting appropriations or federal funds.

(Dollar Amounts in Thousands)

	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual
<b>TAX REVENUE</b>						
<b>Corporation Taxes</b>						
Corporate Net Income Tax.....	\$ 2,423,441	\$ 2,501,635	\$ 2,811,484	\$ 2,842,388	\$ 2,751,473	\$ 2,879,024
Selective Business:						
Gross Receipts Tax.....	1,306,271	1,279,229	1,261,821	1,304,907	1,230,536	1,149,933
Public Utility Realty Tax.....	43,884	37,048	38,157	39,211	40,185	33,817
Insurance Premium Tax.....	446,946	432,073	454,307	464,626	433,426	450,856
Financial Institutions Taxes.....	351,477	317,875	294,080	329,997	322,544	371,314
Total - Corporation Taxes.....	<u>\$ 4,572,019</u>	<u>\$ 4,567,860</u>	<u>\$ 4,859,849</u>	<u>\$ 4,981,129</u>	<u>\$ 4,778,164</u>	<u>\$ 4,884,944</u>
<b>Consumption Taxes</b>						
Sales and Use Tax.....	\$ 8,893,714	\$ 9,129,621	\$ 9,493,107	\$ 9,795,189	\$ 10,004,459	\$ 10,381,360
Cigarette Tax.....	1,024,081	976,908	927,205	911,512	1,261,573	1,198,252
Other Tobacco Products Tax.....	0	0	0	0	83,915	119,119
Malt Beverage Tax.....	25,152	25,096	24,473	24,946	24,396	24,115
Liquor Tax.....	311,248	320,912	334,414	348,056	361,856	371,508
Total - Consumption Taxes.....	<u>\$ 10,254,195</u>	<u>\$ 10,452,537</u>	<u>\$ 10,779,199</u>	<u>\$ 11,079,703</u>	<u>\$ 11,736,199</u>	<u>\$ 12,094,354</u>
<b>Other Taxes</b>						
Personal Income Tax.....	\$ 11,371,245	\$ 11,437,304	\$ 12,107,377	\$ 12,505,964	\$ 12,664,373	\$ 13,398,955
Realty Transfer Tax.....	338,745	375,408	413,778	481,720	478,005	514,442
Inheritance Tax.....	845,258	877,423	1,002,259	962,234	977,927	1,019,323
Gaming Taxes.....	88,679 <sup>a</sup>	90,451 <sup>a</sup>	95,921 <sup>a</sup>	100,200 <sup>a</sup>	120,611 <sup>a</sup>	123,059 <sup>a</sup>
Minor and Repealed Taxes.....	597,021 <sup>bc</sup>	297,081 <sup>bc</sup>	233,936 <sup>bc</sup>	146,870 <sup>bc</sup>	-2,961 <sup>bc</sup>	-31,676 <sup>bc</sup>
Total - Other Taxes.....	<u>\$ 13,240,948</u>	<u>\$ 13,077,667</u>	<u>\$ 13,853,271</u>	<u>\$ 14,196,988</u>	<u>\$ 14,237,955</u>	<u>\$ 15,024,103</u>
<b>TOTAL TAX REVENUES.....</b>	<u><b>\$ 28,067,162</b></u>	<u><b>\$ 28,098,064</b></u>	<u><b>\$ 29,492,319</b></u>	<u><b>\$ 30,257,820</b></u>	<u><b>\$ 30,752,318</b></u>	<u><b>\$ 32,003,401</b></u>
<b>NONTAX REVENUE</b>						
State Stores Fund Transfer.....	\$ 80,000	\$ 80,000	\$ 80,000	\$ 0 <sup>d</sup>	\$ 216,400	\$ 185,100
Licenses, Fees and Miscellaneous:						
Licenses and Fees.....	137,010	109,287	110,082	116,716	119,139	322,964
Miscellaneous.....	307,338	248,832	839,933	455,091	501,867	1,980,128
Fines, Penalties and Interest:						
On Taxes.....	14,524	0	0	0	0	0
Other.....	40,911	70,969	70,167	71,954	79,276	75,355
<b>TOTAL NONTAX REVENUES.....</b>	<u><b>\$ 579,783</b></u>	<u><b>\$ 509,088</b></u>	<u><b>\$ 1,100,182</b></u>	<u><b>\$ 643,761</b></u>	<u><b>\$ 916,682</b></u>	<u><b>\$ 2,563,547</b></u>
<b>GENERAL FUND TOTAL.....</b>	<u><u><b>\$ 28,646,945</b></u></u>	<u><u><b>\$ 28,607,152</b></u></u>	<u><u><b>\$ 30,592,501</b></u></u>	<u><u><b>\$ 30,901,581</b></u></u>	<u><u><b>\$ 31,669,000</b></u></u>	<u><u><b>\$ 34,566,948</b></u></u>

<sup>a</sup> This includes revenues originally collected under the Table Games revenue classification.

<sup>b</sup> This includes revenues originally collected under the Other Selective Business Taxes revenue classification.

<sup>c</sup> This includes revenues originally collected under the Capital Stock and Franchise Taxes revenue classification.

<sup>d</sup> Act 10A of 2015 appropriates \$100 million Liquor Store Profits directly from the State Store Fund.

Details may not add to totals due to rounding.



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# MOTOR LICENSE FUND

The Motor License Fund is a special revenue fund composed of monies received from liquid fuels taxes, licenses and fees on motor vehicles, aviation fuel tax 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 \*

(Dollar Amounts in Thousands)

	2017-18 <u>Actual</u>	2018-19 <u>Available</u>	2019-20 <u>Estimated</u>
Beginning Balance.....	\$ 73,099	\$ 216,436	\$ 680
Adjustment to Beginning Balance.....	<u>0</u>	<u>0</u>	<u>0</u>
Adjusted Beginning Balance.....	\$ 73,099	\$ 216,436	\$ 680
<b>Revenue:</b>			
Revenue Receipts.....	\$ 2,948,492	\$ 2,907,200	\$ 2,865,900
Adjustment to Official Estimate.....	0	-68,700	0
Prior Year Lapses.....	<u>81,053</u>	<u>29,300</u>	<u>0</u>
<b>Funds Available</b> .....	<u>\$ 3,102,644</u>	<u>\$ 3,084,236</u>	<u>\$ 2,866,580</u>
<b>Expenditures:</b>			
Appropriations.....	\$ 2,895,789	\$ 3,093,556	\$ 2,855,412
Less Current Year Lapses.....	<u>-9,581</u>	<u>-10,000</u>	<u>0</u>
Estimated Expenditures.....	<u>\$ 2,886,208</u>	<u>\$ 3,083,556</u>	<u>\$ 2,855,412</u>
<b>Ending Balance</b> .....	<u>\$ 216,436</u>	<u>\$ 680</u>	<u>\$ 11,168</u>

\* Excludes restricted revenue.

## Summary by Department

	(Dollar Amounts in Thousands)		
	2017-18 Actual	2018-19 Available	2019-20 Budget
<b>Executive Offices</b>			
<b>General Government</b>			
Commonwealth Technology Services.....	\$ 1,327	\$ 1,074	\$ 0
DEPARTMENT TOTAL.....	<u>\$ 1,327</u>	<u>\$ 1,074</u>	<u>\$ 0</u>
<b>Treasury</b>			
<b>General Government</b>			
Administration Refunding Liquid Fuels Tax.....	\$ 533	\$ 533	\$ 533
<b>Refunds</b>			
Refunding Liquid Fuels Taxes - State Share (EA).....	\$ 5,000	\$ 5,000	\$ 5,000
Refunding Liquid Fuels Taxes - Agriculture (EA).....	4,600	4,000	4,000
Refunding Liquid Fuels Taxes - Political Subdivisions (EA).....	3,800	3,800	5,000
Refunding Liquid Fuels Taxes - Volunteer Services (EA).....	625	500	500
Refunding Liquid Fuels Taxes - Snowmobiles & ATV's (EA).....	1,000	1,000	1,000
Refunding Liquid Fuels Taxes - Boat Fund (EA).....	12,090	11,130	11,000
Subtotal.....	<u>\$ 27,115</u>	<u>\$ 25,430</u>	<u>\$ 26,500</u>
<b>Debt Service</b>			
Capital Debt Transportation Projects.....	\$ 35,581	\$ 35,620	\$ 35,661
General Obligation Debt Service.....	17,815	17,815	17,748
Loan and Transfer Agent.....	50	50	40
Subtotal.....	<u>\$ 53,446</u>	<u>\$ 53,485</u>	<u>\$ 53,449</u>
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 81,094</u>	<u>\$ 79,448</u>	<u>\$ 80,482</u>
Restricted.....	51,185	51,054	65,780
DEPARTMENT TOTAL.....	<u>\$ 132,279</u>	<u>\$ 130,502</u>	<u>\$ 146,262</u>
<b>Agriculture</b>			
<b>General Government</b>			
Weights & Measures Administration.....	\$ 5,228	\$ 5,228	\$ 5,228
<b>Grants and Subsidies</b>			
Dirt, Gravel and Low Volume Roads.....	\$ 28,000	\$ 28,000	\$ 28,000
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 33,228</u>	<u>\$ 33,228</u>	<u>\$ 33,228</u>
DEPARTMENT TOTAL.....	<u>\$ 33,228</u>	<u>\$ 33,228</u>	<u>\$ 33,228</u>
<b>Community and Economic Development</b>			
<b>General Government</b>			
Appalachian Regional Commission.....	\$ 1,073	\$ 750	\$ 500
DEPARTMENT TOTAL.....	<u>\$ 1,073</u>	<u>\$ 750</u>	<u>\$ 500</u>
<b>Conservation and Natural Resources</b>			
<b>General Government</b>			
Dirt and Gravel Roads.....	\$ 7,000	\$ 7,000	\$ 7,000
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 7,000</u>	<u>\$ 7,000</u>	<u>\$ 7,000</u>
Federal Funds.....	3,381	0	0

## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	Actual	Available	Budget
Restricted.....	11,000	11,000	11,000
DEPARTMENT TOTAL.....	<u>\$ 21,381</u>	<u>\$ 18,000</u>	<u>\$ 18,000</u>
<b>Education</b>			
<b>Grants and Subsidies</b>			
Safe Driving Course.....	\$ 1,100	\$ 1,100	\$ 1,100
DEPARTMENT TOTAL.....	<u>\$ 1,100</u>	<u>\$ 1,100</u>	<u>\$ 1,100</u>
<b>General Services</b>			
<b>General Government</b>			
Harristown Rental Charges (EA).....	\$ 112	\$ 136	\$ 153
Harristown Utility and Municipal Charges (EA).....	188	251	291
Subtotal.....	<u>\$ 300</u>	<u>\$ 387</u>	<u>\$ 444</u>
<b>Grants and Subsidies</b>			
Tort Claims Payments.....	\$ 9,000	\$ 9,000	\$ 9,000
<b>TOTAL STATE FUNDS.....</b>	<u><u>\$ 9,300</u></u>	<u><u>\$ 9,387</u></u>	<u><u>\$ 9,444</u></u>
DEPARTMENT TOTAL.....	<u>\$ 9,300</u>	<u>\$ 9,387</u>	<u>\$ 9,444</u>
<b>Revenue</b>			
<b>General Government</b>			
Collections - Liquid Fuels Tax.....	\$ 19,785	\$ 19,285	\$ 19,285
<b>Refunds</b>			
Refunding Liquid Fuels Tax (EA).....	\$ 29,300	\$ 30,400	\$ 26,075
<b>TOTAL STATE FUNDS.....</b>	<u><u>\$ 49,085</u></u>	<u><u>\$ 49,685</u></u>	<u><u>\$ 45,360</u></u>
DEPARTMENT TOTAL.....	<u>\$ 49,085</u>	<u>\$ 49,685</u>	<u>\$ 45,360</u>
<b>State Police</b>			
<b>General Government</b>			
General Government Operations.....	\$ 688,911	\$ 681,053	\$ 647,395
Statewide Public Safety Radio System.....	38,943	36,996	38,076
Law Enforcement Information Technology.....	20,697	20,697	20,697
Municipal Police Training.....	1,828	1,832	1,724
Patrol Vehicles.....	12,000	12,000	12,000
Commercial Vehicle Inspections.....	10,971	12,091	12,708
Subtotal.....	<u>\$ 773,350</u>	<u>\$ 764,669</u>	<u>\$ 732,600</u>
<b>Grants and Subsidies</b>			
Municipal Police Training Grants.....	\$ 5,000	\$ 5,000	\$ 5,000
<b>TOTAL STATE FUNDS.....</b>	<u><u>\$ 778,350</u></u>	<u><u>\$ 769,669</u></u>	<u><u>\$ 737,600</u></u>
Federal Funds.....	9,602	9,183	9,186
Augmentations.....	763	785	785
Restricted.....	865	1,561	1,500
DEPARTMENT TOTAL.....	<u>\$ 789,580</u>	<u>\$ 781,198</u>	<u>\$ 749,071</u>

## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	Actual	Available	Budget
<b>Transportation</b>			
<b>General Government</b>			
General Government Operations.....	\$ 60,921	\$ 60,921	\$ 60,921
Welcome Centers.....	3,765	4,115	4,115
Highway and Safety Improvements.....	232,000	278,000	150,000
Highway Capital Projects (EA).....	230,000	230,000	230,000
Municipal Bridge Improvements and Bundling.....	0	10,000	10,000
Highway Maintenance.....	860,542	860,860	865,084
Rural Commercial Routes.....	0	90,000	40,000
Highway Systems Technology and Innovation.....	0	16,000	16,000
Reinvestment in Facilities.....	16,000	21,000	16,000
Driver and Vehicle Services.....	162,682	172,216	184,903
Homeland Security - REAL ID.....	0	27,966	29,599
Subtotal.....	<u>\$ 1,565,910</u>	<u>\$ 1,771,078</u>	<u>\$ 1,606,622</u>
<b>Grants and Subsidies</b>			
Local Road Maintenance and Construction Payments.....	\$ 248,691	\$ 260,637	\$ 253,576
Supplemental Local Road Maintenance & Construction Payments.....	5,000	5,000	5,000
Municipal Roads and Bridges.....	30,000	30,000	30,000
Maintenance and Construction of County Bridges.....	5,000	5,000	5,000
Municipal Traffic Signals.....	40,000	40,000	10,000
Payment to Turnpike Commission (EA).....	28,000	28,000	28,000
Subtotal.....	<u>\$ 356,691</u>	<u>\$ 368,637</u>	<u>\$ 331,576</u>
<b>Refunds</b>			
Refunding Collected Monies (EA).....	\$ 2,050	\$ 2,500	\$ 2,500
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 1,924,651</u>	<u>\$ 2,142,215</u>	<u>\$ 1,940,698</u>
Federal Funds.....	1,726,520	2,074,826	2,030,854
Augmentations.....	75,816	85,924	92,024
Restricted.....	2,280,865	2,274,682	2,232,171
DEPARTMENT TOTAL.....	<u>\$ 6,007,852</u>	<u>\$ 6,577,647</u>	<u>\$ 6,295,747</u>
<b>Fund Summary</b>			
State Funds - Transportation.....	\$ 1,924,651	\$ 2,142,215	\$ 1,940,698
State Funds - Other Departments.....	961,557	951,341	914,714
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 2,886,208</u>	<u>\$ 3,093,556</u>	<u>\$ 2,855,412</u>
<b>Motor License Fund Total-All Funds</b>			
State Funds.....	\$ 2,886,208	\$ 3,093,556	\$ 2,855,412
Federal Funds.....	1,739,503	2,084,009	2,040,040
Augmentations.....	76,579	86,709	92,809
Restricted.....	2,343,915	2,338,297	2,310,451
FUND TOTAL.....	<u>\$ 7,046,205</u>	<u>\$ 7,602,571</u>	<u>\$ 7,298,712</u>

## Revenue Summary: Five Year Revenue Projections

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
Liquid Fuels Taxes.....	\$ 1,846,403	\$ 1,829,300	\$ 1,832,300	\$ 1,836,900	\$ 1,841,500	\$ 1,846,200	\$ 1,851,000
Motor Licenses and Fees.....	1,045,596	988,200	1,011,800	1,043,100	1,065,500	1,101,000	1,133,000
Other Motor License Fund Revenues.....	56,493	21,000	21,800	21,500	21,600	21,800	22,000
<b>TOTAL MOTOR LICENSE FUND REVENUES.....</b>	<b>\$ 2,948,492</b>	<b>\$ 2,838,500</b>	<b>\$ 2,865,900</b>	<b>\$ 2,901,500</b>	<b>\$ 2,928,600</b>	<b>\$ 2,969,000</b>	<b>\$ 3,006,000</b>
Aviation Restricted Revenues.....	\$ 8,553	\$ 8,200	\$ 8,800	\$ 8,800	\$ 8,800	\$ 8,800	\$ 8,800
Highway Bridge Improvement Restricted Revenues.....	\$ 225,846	\$ 229,000	\$ 231,100	\$ 233,300	\$ 235,400	\$ 237,500	\$ 239,700
State Highway Transfer Restricted Revenues.....	\$ 55,435	\$ 55,100	\$ 55,200	\$ 55,300	\$ 55,400	\$ 55,500	\$ 55,600
Oil Company Franchise Tax Restricted Revenues.....	\$ 1,016,312	\$ 1,010,600	\$ 1,012,000	\$ 1,013,400	\$ 1,014,800	\$ 1,016,200	\$ 1,017,700
Supplemental Maintenance Restricted Revenues.....	\$ 711,418	\$ 707,400	\$ 708,400	\$ 709,400	\$ 710,400	\$ 711,400	\$ 712,400

## Adjustments to Revenue Estimate

On June 22, 2018 an official estimate for the 2018-19 fiscal year of \$2,907,200,000 was certified. The 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)

	2018-19 Official Estimate	Adjustments	2018-19 Revised Estimate
Liquid Fuels Taxes.....	\$ 1,831,400	\$ -2,100	\$ 1,829,300
Motor Licenses and Fees.....	1,055,900	-67,700	988,200
Other Motor License Fund Revenues.....	19,900	1,100	21,000
<b>TOTAL.....</b>	<b>\$ 2,907,200</b>	<b>\$ -68,700</b>	<b>\$ 2,838,500</b>

## Revenue Sources

### Liquid Fuels Taxes

Actual		Estimated	
2012-13.....	\$ 1,223,141	2018-19.....	\$ 1,829,300
2013-14.....	1,294,432	2019-20.....	1,832,300
2014-15.....	1,562,431	2020-21.....	1,836,900
2015-16.....	1,659,197	2021-22.....	1,841,500
2016-17.....	1,732,660	2022-23.....	1,846,200
2017-18.....	1,846,403	2023-24.....	1,851,000

#### Tax Base and Rates:

**Liquid Fuels and Fuels Tax:** Effective January 1, 2014, Act 89 of 2013 repealed the permanent 12 cents per gallon tax imposed and assessed upon liquid fuels and fuels used or sold and delivered by registered distributors within this commonwealth.

**Alternative Fuels Tax:** The Alternative Fuels Tax became effective October 1, 1997, and is imposed on fuels other than liquid fuels or fuels used to propel motor vehicles on public highways. The tax rate applies to each gasoline gallon equivalent of alternative fuel and equals the current Oil Company Franchise Tax applicable to one gallon of gasoline.

**Motor Carriers Road Tax-International Fuel Tax Agreement:** The Motor Carriers Road Tax is levied on motor carriers operating vehicles with a gross weight or registered gross weight in excess of 26,000 pounds. The tax is equal to the Oil Company Franchise Tax described below effective January 1, 2014. Previously, the tax rate was 115 mills. Prior to October 1, 1997, an additional tax of 6 cents per gallon was collected through the motor carriers road tax. This tax was repealed and replaced by a 55 mill addition to the oil company franchise tax rate, imposed on fuels effective October 1, 1997. The 55 mill portion of the tax rate is dedicated to the Highway Bridge Restricted Account. Credit against the tax is given for liquid fuels and fuels tax and oil company franchise tax paid at the pump or directly remitted. Credit is also given for tax paid on motor fuels purchased in Pennsylvania but consumed elsewhere.

The Motorbus Road Tax which imposed taxes on the amount of motor fuel used by bus companies in their operations on highways within the commonwealth was repealed, effective January 1, 1996, with the enactment of the International Fuel Tax Agreement.

Identification markers are required to be issued annually upon a payment of \$5 per vehicle for each vehicle subject to these taxes based in the commonwealth.

**International Fuel Tax Agreement (IFTA):** Effective January 1, 1996, Pennsylvania implemented IFTA. Under this agreement, qualified vehicles are subject to payment of fuel tax obligations. Qualified vehicles are those with two axles greater than 26,000 pounds, combinations greater than 26,000 pounds and those with three or more axles regardless of weight. Therefore, 17,001 to 26,000 pound vehicles, which previously were subject to the Motor Carriers Road Tax, are not subject under IFTA. Additionally, the Motorbus Road Tax was repealed and a bus meeting the qualified vehicle definition is subject to IFTA provisions. Identification markers remain at \$5 per qualified vehicle. The underlying fuel tax rates are unaffected by IFTA.

**Oil Company Franchise Tax:** This tax is an excise tax on all taxable liquid fuels, fuels, and alternative fuels. Act 3 of 1997 imposed a tax of 153.5 mills on all taxable liquid fuels and 208.5 mills on all taxable fuels and is imposed on a cents-per-gallon equivalent basis. Act 89 of 2013 added an additional 64 mills in 2014, 49 mills in 2015, 48 mills in 2016, 41 mills in 2017, and 39 mills in 2018 and each calendar year thereafter. Act 89 of 2013 also increased the average wholesale price in 2014 through 2016, and uncaps it in 2017 and thereafter. There is also a statutory average wholesale price floor set at \$2.99 per gallon for 2017 and each year thereafter. Prior to Act 89 of 2013, Act 32 of 1983 set minimum and maximum average wholesale prices at \$0.90 and \$1.25 per gallon, respectively. Receipts from 57 mills of the tax on liquid fuels and fuels are deposited as unrestricted Motor License Fund revenue, along with the mills added by Act 89 of 2013. However, 4.17 percent of the mills added by Act 89 of 2013 are transferred to the Liquid Fuels Tax Fund. The balance of the tax rate represents revenues restricted to certain highway activities. These dedicated and restricted revenues are not included in the above estimates. Bus companies are entitled to a refund equal to 55 mills of the Oil Company Franchise Tax paid on fuels.



## Revenue Sources (continued)

### Motor Licenses and Fees

Actual		Estimated	
2012-13.....	\$ 892,517	2018-19.....	\$ 988,200
2013-14.....	893,886	2019-20.....	1,011,800
2014-15.....	950,807	2020-21.....	1,043,100
2015-16.....	962,678	2021-22.....	1,065,500
2016-17.....	1,000,528	2022-23.....	1,101,000
2017-18.....	1,045,596	2023-24.....	1,133,000

The commonwealth receives revenue from the collection of fees levied for the registration and titling of motor vehicles and for the issuance of learners' permits, operators' licenses, certificates of title and transfers of registration. Various motor vehicle registration fees were increased on April 1, 2014 per Act 89 of 2013. Act 89 of 2013 also redirects certain vehicle fees that had been deposited in the Motor License Fund to public transit and multimodal transportation programs and authorizes a fee option in lieu of suspension for driving without insurance. Starting January 1, 2017 it also provides the motor vehicle owner an option for biennial vehicle registration renewal rather than the current annual cycle.

### Other Motor License Fund Revenues

Actual		Estimated	
2012-13.....	\$ 300,581	2018-19.....	\$ 21,000
2013-14.....	258,447	2019-20.....	21,800
2014-15.....	98,274	2020-21.....	21,500
2015-16.....	35,673	2021-22.....	21,600
2016-17.....	25,341	2022-23.....	21,800
2017-18.....	56,493	2023-24.....	22,000

Other Motor License Fund revenues include the following sources:

Fines — Aeronautics fines collected under the Liquid Fuels and Fuels Tax Act.

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

Per Act 89 of 2013, the Motor License Fund will no longer receive payments from the Pennsylvania Turnpike Commission in accordance with Act 44 of 2007. These payments will now be redirected to the public transit and multimodal transportation programs.

## Revenue Detail

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

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget
<b>MOTOR FUELS TAXES</b>			
<b>Liquid Fuels Tax</b>			
Liquid Fuels Tax.....	\$ 7	\$ 0	\$ 0
Liquid Fuels Tax Penalties.....	1	0	0
Subtotal.....	<u>\$ 8</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Alternative Fuel Tax</b>			
Alternative Fuel Tax.....	\$ 14,193	\$ 14,660	\$ 15,360
Alternative Fuel Tax Interest and Penalties.....	34	40	40
Subtotal.....	<u>\$ 14,227</u>	<u>\$ 14,700</u>	<u>\$ 15,400</u>
<b>Motor Carriers Road Tax — International Fuel Tax Agreement</b>			
Motor Carriers Road/IFTA — Fuels Tax.....	\$ 132,403	\$ 134,400	\$ 134,310
Motor Carriers Road/IFTA — Registration Fees, .....			
Special Permit Fees and Fines.....	2,261	2,300	2,290
Subtotal.....	<u>\$ 134,664</u>	<u>\$ 136,700</u>	<u>\$ 136,600</u>
<b>Oil Company Franchise Tax</b>			
Oil Company Franchise Tax .....	\$ 1,018,382	\$ 1,012,200	\$ 1,013,600
OCFT - Liquid Fuels.....	529,218	518,650	518,150
OCFT - Liquid Fuels Interest.....	63	60	60
OCFT - Liquid Fuels Penalties.....	300	290	290
OCFT - Fuel Use.....	149,541	146,700	148,200
Subtotal.....	<u>\$ 1,697,504</u>	<u>\$ 1,677,900</u>	<u>\$ 1,680,300</u>
<b>TOTAL MOTOR FUELS TAXES.....</b>	<u><u>\$ 1,846,403</u></u>	<u><u>\$ 1,829,300</u></u>	<u><u>\$ 1,832,300</u></u>
<b>MOTOR LICENSES AND FEES</b>			
Operators' Licenses.....	\$ 67,569	\$ 70,500	\$ 88,200
REAL ID.....	0	0	30,300
Other Fees Collected by Bureau of Motor Vehicles.....	26,600	3,600	-63,200
Registration Fees Received from Other States/IRP.....	138,637	144,900	151,300
Special Hauling Permit Fees.....	37,224	37,500	38,500
Vehicle Registration and Titling.....	775,566	731,700	766,700
<b>TOTAL MOTOR LICENSES AND FEES.....</b>	<u><u>\$ 1,045,596</u></u>	<u><u>\$ 988,200</u></u>	<u><u>\$ 1,011,800</u></u>

## Revenue Detail (continued)

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget
<b>OTHER MOTOR LICENSE FUND REVENUES</b>			
<b>Fines and Penalties</b>			
<b>Department of Revenue</b>			
Vehicle Code Fines.....	\$ 4,145	\$ 500	\$ 500
<b>Miscellaneous Revenues</b>			
<b>Treasury Department</b>			
Treasury Investment Income.....	11,998	4,250	4,300
Treasury Gain or Loss.....	35,965	12,750	12,900
Subtotal.....	<u>\$ 47,963</u>	<u>\$ 17,000</u>	<u>\$ 17,200</u>
<b>Department of General Services</b>			
Sale of Unserviceable Property.....	\$ 479	\$ 500	\$ 500
<b>Department of Transportation</b>			
Fees for Reclaiming Abandoned Vehicles.....	\$ 48	\$ 40	\$ 50
Highway Bridge Income.....	1	0	0
Highway Encroachment Permits.....	3,621	3,230	3,870
Interest Earned - Restricted Revenue.....	-1,919 <sup>a</sup>	-1,710 <sup>a</sup>	-2,050 <sup>a</sup>
Loan Repayments - Interest.....	1,554	1,390	1,660
Miscellaneous Revenues.....	7	10	10
Recovered Damages.....	26	20	30
Refunds of Expenditures Not Credited to			
Appropriations or Allocations.....	3	0	0
Sale of Inspection Stickers.....	541	0	0
Sale of Maps and Plans.....	24	20	30
Subtotal.....	<u>\$ 3,906</u>	<u>\$ 3,000</u>	<u>\$ 3,600</u>
<b>TOTAL OTHER MOTOR LICENSE FUND REVENUES.....</b>	<u><b>\$ 56,493</b></u>	<u><b>\$ 21,000</b></u>	<u><b>\$ 21,800</b></u>
<b>TOTAL MOTOR LICENSE FUND REVENUES.....</b>	<u><b>\$ 2,948,492</b></u>	<u><b>\$ 2,838,500</b></u>	<u><b>\$ 2,865,900</b></u>

<sup>a</sup> Amounts transferred to restricted revenue account.

## Restricted Revenues Not Included in Department Total

### Aviation Revenues

Actual		Estimated	
2012-13.....	\$ 9,027	2018-19.....	\$ 8,200
2013-14.....	8,699	2019-20.....	8,800
2014-15.....	9,756	2020-21.....	8,800
2015-16.....	7,582	2021-22.....	8,800
2016-17.....	7,254	2022-23.....	8,800
2017-18.....	8,553	2023-24.....	8,800

Aviation revenue includes taxes levied on aviation gasoline and jet fuel, and income earned at state-owned airports. Effective January 2, 1998, in accordance with Act 60 of 1997, ownership of these airports was transferred to a local authority. Therefore, starting with 1997-98, aviation revenues exclude state-owned airport revenue. Aviation gasoline and jet fuel tax rates are adjusted annually based on the change in the jet fuel price index. In accordance with Act 164 of 1984, the aviation gasoline rate is not to exceed 6.0 cents per gallon nor be less than 3.0 cents per gallon. The Jet Fuel Tax is not to exceed 2.0 cents per gallon nor be less than 1.5 cents per gallon. The tax rate as of January 1, 2018, is 5.7 cents per gallon on aviation gasoline and 1.8 cents per gallon on jet fuel. Aviation restricted revenues are not included in Motor License Fund revenue totals.

	2017-18 Actual	2018-19 Available	2019-20 Budget
<b>AVIATION REVENUES</b>			
Aviation Liquid Fuels Tax.....	\$ 6,635	\$ 7,600	\$ 8,200
Interest.....	1,918	600	600
<b>TOTAL AVIATION REVENUES.....</b>	<b>\$ 8,553</b>	<b>\$ 8,200</b>	<b>\$ 8,800</b>

### Highway Bridge Improvement Revenues

Actual		Estimated	
2012-13.....	\$ 107,290	2018-19.....	\$ 229,000
2013-14.....	124,088	2019-20.....	231,100
2014-15.....	168,274	2020-21.....	233,300
2015-16.....	191,096	2021-22.....	235,400
2016-17.....	198,184	2022-23.....	237,500
2017-18.....	225,846	2023-24.....	239,700

The Highway Bridge Improvement account was created by Act 234 of 1982. The largest revenue source is the Oil Company Franchise Tax with 55 mills enacted in Act 3 of 1997 and a portion of 1.5 mills authorized in Act 89 of 2013. The overall Oil Company Franchise Tax average wholesale price provisions also apply to the millage designated for this restricted account. Fees are received from a portion of the registration fee for Pennsylvania based motor vehicles in classes 9-25, as well as temporary permit fees collected from out-of-state motor carriers for travel in Pennsylvania. Act 89 of 2013 phases in the uncapping of the average wholesale price used to calculate the Oil Company Franchise Tax.

	2017-18 Actual	2018-19 Available	2019-20 Budget
<b>HIGHWAY BRIDGE IMPROVEMENT REVENUES</b>			
Registration Fee Portion-PA-Based Motor Vehicles.....	\$ 10,699	\$ 11,000	\$ 10,900
Temporary Permit Fees.....	581	500	500
Oil Company Franchise Tax.....	214,566	217,500	219,700
<b>TOTAL HIGHWAY BRIDGE REVENUES.....</b>	<b>\$ 225,846</b>	<b>\$ 229,000</b>	<b>\$ 231,100</b>

## Restricted Revenues Not Included in Department Total (continued)

### State Highway Transfer Revenues

Actual		Estimated	
2012-13.....	\$ 23,430	2018-19.....	\$ 55,100
2013-14.....	28,110	2019-20.....	55,200
2014-15.....	39,339	2020-21.....	55,300
2015-16.....	45,888	2021-22.....	55,400
2016-17.....	49,420	2022-23.....	55,500
2017-18.....	55,435	2023-24.....	55,600

Act 32 of 1983 established the local highway turnback program funded by a restricted account within the Motor License Fund. The overall Oil Company Franchise Tax average wholesale price provisions also apply to the millage designated for this restricted account. Act 89 of 2013 directed that increased revenue from the act be transferred to the Highway Bridge Improvement restricted account for local bridge projects. Act 89 provides that, beginning in FY 2017-18, the 3 mills is to be equally divided between the State Highway Transfer Program and the Highway Bridge Improvement account.

### Oil Company Franchise Tax Revenues

Actual		Estimated	
2012-13.....	\$ 429,543	2018-19.....	\$ 1,010,600
2013-14.....	515,346	2019-20.....	1,012,000
2014-15.....	721,220	2020-21.....	1,013,400
2015-16.....	841,279	2021-22.....	1,014,800
2016-17.....	906,042	2022-23.....	1,016,200
2017-18.....	1,016,312	2023-24.....	1,017,700

Oil Company Franchise Tax Restricted Account revenues are provided by 55 mills of the Oil Company Franchise Tax as a result of Act 26 of 1991. Prior to Act 89 of 2013 revenues were restricted to the following purposes: 42 percent for maintenance, 17 percent for capital projects, 13 percent for bridges, 12 percent for municipalities, 14 percent for toll roads and 2 percent for county or forestry bridges. Act 89 of 2013 changes these percentages for maintenance and capital projects to align with the transportation investment plan as follows: 45 percent in 2013-14, 29 percent in 2014-15, 25 percent in 2015-16, and 19 percent for each fiscal year thereafter for Highway Maintenance, and 14 percent in 2013-14, 30 percent in 2014-15, 34 percent in 2015-16, and 40 percent for each fiscal year thereafter for capital projects. Act 89 of 2013 phases in the uncapping of the average wholesale price used to calculate the Oil Company Franchise Tax.

### Supplemental Maintenance Revenues

Actual		Estimated	
2012-13.....	\$ 300,681	2018-19.....	\$ 707,400
2013-14.....	360,743	2019-20.....	708,400
2014-15.....	504,854	2020-21.....	709,400
2015-16.....	588,896	2021-22.....	710,400
2016-17.....	634,229	2022-23.....	711,400
2017-18.....	711,418	2023-24.....	712,400

Supplemental Maintenance Restricted Account revenues are provided by 38.5 mills of the Oil Company Franchise Tax as a result of Act 3 of 1997. Prior to Act 89 of 2013 revenues were restricted to the following purposes: 12 percent for municipalities and 88 percent for maintenance. Act 89 of 2013 changed the percentages for maintenance to align with the transportation investment plan as follows: 68 percent in 2013-14, 49 percent in 2014-15, 40 percent each fiscal year thereafter for maintenance, and 20 percent in 2013-14, 39 percent in 2014-15, and 48 percent for each fiscal year thereafter for Expanded Highway and Bridge Maintenance. Act 89 of 2013 phases in the uncapping of the average wholesale price used to calculate the Oil Company Franchise Tax.



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# LOTTERY FUND

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

## Financial Statement

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Beginning Balance</b> .....	\$ -18,223	\$ 4,244	\$ 2,768
Reserve from Previous Year.....	<u>0</u>	<u>0</u>	<u>0</u>
Total Beginning Balance.....	<u>\$ -18,223</u>	<u>\$ 4,244</u>	<u>\$ 2,768</u>
<b>Receipts:</b>			
Gross Ticket Sales.....	\$ 4,221,382	\$ 4,685,671	\$ 4,837,944
Less Field Paid Prizes and Commissions.....	-2,580,366	-2,879,440	-3,026,828
Transfers and Earnings.....	<u>148,399</u>	<u>148,063</u>	<u>147,550</u>
Net Revenue Estimate.....	\$ 1,789,415	\$ 1,954,294	\$ 1,958,666
Prior Year Lapses.....	<u>30,342</u>	<u>21,194</u>	<u>0</u>
Total Receipts.....	<u>\$ 1,819,757</u>	<u>\$ 1,975,488</u>	<u>\$ 1,958,666</u>
<b>Funds Available</b> .....	<u>\$ 1,801,534</u>	<u>\$ 1,979,732</u>	<u>\$ 1,961,434</u>
<b>Expenditures:</b>			
Appropriated.....	\$ 1,797,290	\$ 1,992,047	\$ 1,952,058
Current Year Lapses.....	<u>0</u>	<u>-15,083</u>	<u>0</u>
Estimated Expenditures.....	<u>\$ 1,797,290</u>	<u>\$ 1,976,964</u>	<u>\$ 1,952,058</u>
Reserve for Current Year.....	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Ending Balance</b> .....	<u><u>\$ 4,244</u></u>	<u><u>\$ 2,768</u></u>	<u><u>\$ 9,376</u></u>

**NOTES ON FINANCIAL STATEMENT**

(Dollar Amounts in Thousands)

**SUPPLEMENTAL APPROPRIATIONS**

	<b>2018-19 Available</b>
<b>STATE SUPPLEMENTALS</b>	
<b>Aging</b>	
PENNCARE.....	\$ 4,947
<b>Human Services</b>	
Home and Community-Based Services.....	\$ 50,278
Medical Assistance - Community HealthChoices.....	<u>13,722</u>
<b>Human Services Total</b> .....	<u>\$ 64,000</u>
<b>TOTAL STATE SUPPLEMENTALS</b> .....	<u><u>\$ 68,947</u></u>



## Summary by Department

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget
<b>Department of Aging</b>			
<b>General Government</b>			
General Government Operations.....	\$ 8,331	\$ 8,315	\$ 8,743
<b>Grants and Subsidies</b>			
PENNCARE.....	\$ 336,062	\$ 338,725 <sup>a</sup>	\$ 305,324
Pre-Admission Assessment.....	19,916	8,750	8,750
Caregiver Support.....	12,103	12,103	12,103
Alzheimer's Outreach.....	250	250	250
Pharmaceutical Assistance Fund.....	155,000	155,000	155,000
Grants to Senior Centers.....	2,000	2,000	2,000
Subtotal.....	<u>\$ 525,331</u>	<u>\$ 516,828</u>	<u>\$ 483,427</u>
<b>TOTAL STATE FUNDS.....</b>	<b><u>\$ 533,662</u></b>	<b><u>\$ 525,143</u></b>	<b><u>\$ 492,170</u></b>
Augmentations.....	<u>774</u>	<u>722</u>	<u>763</u>
DEPARTMENT TOTAL.....	<u>\$ 534,436</u>	<u>\$ 525,865</u>	<u>\$ 492,933</u>
<b>Department of Human Services</b>			
<b>Grants and Subsidies</b>			
Medical Assistance - Long-Term Care.....	\$ 129,281	\$ 81,381	\$ 0
Home and Community-Based Services.....	120,668	120,668 <sup>b</sup>	0
Medical Assistance - Community HealthChoices.....	0	166,806 <sup>c</sup>	397,013
Medical Assistance - Transportation Services.....	3,500	3,500	3,500
DEPARTMENT TOTAL.....	<u>\$ 253,449</u>	<u>\$ 372,355</u>	<u>\$ 400,513</u>
<b>TOTAL STATE FUNDS.....</b>	<b><u>\$ 253,449</u></b>	<b><u>\$ 372,355</u></b>	<b><u>\$ 400,513</u></b>
DEPARTMENT TOTAL.....	<u>\$ 253,449</u>	<u>\$ 372,355</u>	<u>\$ 400,513</u>

## Summary by Department (continued)

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget
<b>Department of Revenue</b>			
<b>General Government</b>			
General Operations (EA).....	\$ 46,645	\$ 78,096	\$ 57,342
Lottery Advertising (EA).....	48,180	51,000	51,000
Property Tax Rent Rebate - General Operations (EA).....	14,863	15,298	15,651
On-line Vendor Commissions (EA).....	42,178	52,995	57,454
Instant Vendor Commissions (EA).....	33,517	31,361	33,199
iLottery Vendor Commission (EA).....	1,307	10,136	0
Payment of Prize Money (EA).....	381,907	412,081	407,122
Subtotal.....	<u>\$ 568,597</u>	<u>\$ 650,967</u>	<u>\$ 621,768</u>
<b>Grants and Subsidies</b>			
Property Tax & Rent Assistance for Older Pennsylvanians (EA).....	\$ 262,700	\$ 264,700	\$ 266,700
<b>TOTAL STATE FUNDS.....</b>	<u><b>\$ 831,297</b></u>	<u><b>\$ 915,667</b></u>	<u><b>\$ 888,468</b></u>
Augmentations.....	163	180	180
DEPARTMENT TOTAL.....	<u>\$ 831,460</u>	<u>\$ 915,847</u>	<u>\$ 888,648</u>
 <b>Department of Transportation</b>			
<b>Grants and Subsidies</b>			
Transfer to Public Transportation Trust Fund (EA).....	\$ 95,907	\$ 95,907	\$ 95,907
Older Pennsylvanians Shared Rides (EA).....	82,975	82,975	75,000
DEPARTMENT TOTAL.....	<u>\$ 178,882</u>	<u>\$ 178,882</u>	<u>\$ 170,907</u>
<b>TOTAL STATE FUNDS.....</b>	<u><b>\$ 1,797,290</b></u>	<u><b>\$ 1,992,047</b></u>	<u><b>\$ 1,952,058</b></u>
Augmentations.....	937	902	943
FUND TOTAL.....	<u><b>\$ 1,798,227</b></u>	<u><b>\$ 1,992,949</b></u>	<u><b>\$ 1,953,001</b></u>

<sup>a</sup> Includes recommended supplemental appropriation of \$4,947,000.

<sup>b</sup> Includes recommended supplemental appropriation of \$50,278,000.

<sup>c</sup> Includes recommended supplemental appropriation of \$13,722,000.

## Revenue Summary: Five Year Revenue Projections

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
Collections.....	\$ 1,641,016	\$ 1,806,231	\$ 1,811,116	\$ 1,839,925	\$ 1,859,822	\$ 1,880,680	\$ 1,901,912
Gaming Fund Transfers.....	145,700	141,700	146,300	142,700	139,100	135,500	131,900
Miscellaneous Revenue.....	2,699	6,363	1,250	1,250	1,250	1,250	1,250
<b>TOTAL LOTTERY FUND REVENUES.....</b>	<b>\$ 1,789,415</b>	<b>\$ 1,954,294</b>	<b>\$ 1,958,666</b>	<b>\$ 1,983,875</b>	<b>\$ 2,000,172</b>	<b>\$ 2,017,430</b>	<b>\$ 2,035,062</b>

## Revenue Sources

### Net Lottery Collections

(Dollar Amounts in Thousands)

Actual	Estimated
2012-13..... \$ 1,591,723	2018-19..... \$ 1,806,231
2013-14..... 1,597,972	2019-20..... 1,811,116
2014-15..... 1,558,742	2020-21..... 1,839,925
2015-16..... 1,675,994	2021-22..... 1,859,822
2016-17..... 1,559,914	2022-23..... 1,880,680
2017-18..... 1,641,016	2023-24..... 1,901,912

Net lottery collections consist of the proceeds from lottery ticket sales less commissions and field-paid prizes.

The Lottery currently offers sixteen terminal-based games, in addition to Keno and Xpress Sports games, as well as dozens of Fastplay and Scratch-Off games introduced throughout the year. The Pick 3 (formerly the Daily Number) was introduced in 1977; Pick 4 (formerly Big 4) debuted in 1980; Cash 5 was created in 1992; Pennsylvania joined Powerball, the state's first multi-state mega-jackpot game, in 2002; the first Millionaire Raffle debuted in 2005; Treasure Hunt began in 2007; Pick 5 (formerly Quinto) was introduced in 2008; Match 6 lotto originally debuted in 2004 and was re-introduced in 2010 after a one-year hiatus; Pennsylvania joined Mega Millions, the Lottery's second multi-state game, in 2010; and Pick 2 and Cash4Life were introduced in 2015. Wildball, an add-on game for the Pick games, was launched in September of 2016. Fast Play games were added in February 2017. Monitor games are the most recent of the traditional Lottery games added. Monitor games included Keno (launched in May 2018) and Xpress Sports (launched in August 2018). **Revenue growth is anticipated from the implementation of Act 42 of 2017. This Act authorizes the State Lottery to conduct online games which are exempt from the profit margin requirement and allows the sale of Keno. Act 42 authorizes the department to operate iLottery and Internet instant games. iLottery and Internet instant games are lottery games of chance in which, by the use of a computer, tablet computer, other mobile device or other web or mobile applications a player purchases a lottery play that reveals numbers, letters or symbols indicating whether a lottery prize has been won. All revenues from the sales of iLottery will be deposited into the Lottery Fund.**

Pennsylvania Lottery ticket prices range from 50 cents to \$30 each. Lottery prizes up to \$2,500 can be paid by any one of approximately 9,600 lottery retailers, while larger prizes must be paid through lottery area offices or headquarters.

Net lottery collections, as reported above, correspond to the Lottery Fund revenue remitted to the commonwealth and reported in the commonwealth's accounting system. Net lottery collections are derived by subtracting the commissions retained and prizes paid by local lottery agents from the total lottery ticket sales. The table below shows the calculation of net revenue amount:

(Dollar Amounts in Thousands)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Ticket Sales.....	\$ 4,221,382	\$ 4,685,671	\$ 4,837,944	\$ 4,969,634	\$ 5,038,023	\$ 5,109,200	\$ 5,183,255
Commissions.....	-210,028	-219,916	-223,947	-227,232	-230,651	-234,210	-237,913
Field Paid Prizes.....	-2,370,338	-2,659,524	-2,802,881	-2,902,477	-2,947,550	-2,994,310	-3,043,430
<b>NET LOTTERY COLLECTIONS.....</b>	<b>\$ 1,641,016</b>	<b>\$ 1,806,231</b>	<b>\$ 1,811,116</b>	<b>\$ 1,839,925</b>	<b>\$ 1,859,822</b>	<b>\$ 1,880,680</b>	<b>\$ 1,901,912</b>

## Revenue Sources (continued)

### Gaming Fund Transfers

(Dollar Amounts in Thousands)

Actual		Estimated	
2012-13.....	\$ 166,800	2018-19.....	\$ 141,700
2013-14.....	166,500	2019-20.....	146,300
2014-15.....	162,800	2020-21.....	142,700
2015-16.....	166,800	2021-22.....	139,100
2016-17.....	148,000	2022-23.....	135,500
2017-18.....	145,700	2023-24.....	131,900

Under Act 1 of Special Session No. 1 of 2006, the Gaming Fund is required to pay completely for Property Tax and Rent Rebate program expansion costs under that act beginning in 2009-10 and thereafter.

### Miscellaneous Revenue

(Dollar Amounts in Thousands)

Actual		Estimated	
2012-13.....	\$ 16	2018-19.....	\$ 6,363
2013-14.....	1,899	2019-20.....	1,250
2014-15.....	1,678	2020-21.....	1,250
2015-16.....	10,923	2021-22.....	1,250
2016-17.....	1,263	2022-23.....	1,250
2017-18.....	2,699	2023-24.....	1,250

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

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Commonwealth of Pennsylvania

## Governor's Executive Budget

# *TAX EXPENDITURES*

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

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## TAX EXPENDITURE ANALYSIS

The traditional budget process involves estimating commonwealth revenues and appropriating these moneys for numerous programs. The process is subject to intense scrutiny by interests inside and outside government. Constrained by available revenues, programs are initiated, expanded, limited, or deleted based on merit. To augment the traditional budget process, this budget includes an analysis of indirect expenditures that occur through special treatment within the tax structure. Various tax credits, deductions, exemptions, and exclusions are provided which result in reductions in revenue that would otherwise be received by the commonwealth at current tax rates. Cumulatively, they are referred to in this budget as “tax expenditures.”

The commonwealth’s tax structure contains many tax expenditures. Examples include items as diverse as the sales and use tax exemption for firewood to the S corporation exemption in the corporate net income tax. In general, they are characterized by the fact that they confer special treatment to specific taxpayers, specific activities, or specific goods or services. The tax expenditures listed in this budget are the accumulation of many prior legislative sessions, and the original intent of certain tax expenditures may no longer be valid or consistent with current policies. A comprehensive tax expenditure analysis permits an on-going evaluation of each tax expenditure.

Act 180 of 1992 revised the requirements for the Governor’s Executive Budget tax expenditure analysis. This act stipulated that the tax expenditure data be revised and updated every two years. Therefore, consistent with this provision, tax expenditures presented in this and subsequent budget documents will be updated and revised biennially. Exceptions include tax expenditures initiated, deleted, or amended by statute, expenditures where improved data allow significant revisions, or items of significant policy interest.

The 2019-20 Governor’s Executive Budget presents this tax expenditure analysis covering commonwealth taxes that have historically had annual receipts of at least \$20 million. A complete list of covered taxes is shown in the Table of Contents. The intended purposes of the current analyses are to:

- (1) Identify indirect sources of budgetary support for various activities
- (2) Present estimated costs associated with each tax expenditure
- (3) Present actual or estimated costs of administering each tax expenditure
- (4) Present actual or estimated numbers and descriptions of benefiting taxpayers
- (5) Allow for administration, legislative, and public scrutiny and facilitate discussion on each tax expenditure’s merits

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

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



The following examples of several items not considered to be tax expenditures clarify the use of these criteria:

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

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

Financial institutions and insurance companies are exempted from corporate net income tax (CNIT) and were exempted from capital stock / foreign franchise tax (CS/FT). However, these corporations are subject to alternative taxes: the bank and trust company shares tax, mutual thrift institutions tax, or insurance premiums tax. The exemption of these corporations from the CNIT and CS/FT is not in itself a tax expenditure; however, to the extent that those taxes may not impose proportionate tax burdens on the exempted companies, the overall tax structure may involve some indirect tax expenditure.

The pro rata exclusion of U.S. securities from the bank and trust company shares tax was a state legislative response to a federal prohibition against direct taxation of these obligations or income derived from them. As this cannot be altered by changing state law, this exclusion is not a tax expenditure.

There are three primary limitations on the tax expenditure estimates. First, estimated revenue foregone due to a tax expenditure should not be construed as the revenue that could be gained if the tax expenditure provision were to be rescinded in legislation. The impact of any particular piece of legislation will vary depending on how the bill is drafted, how its terms are defined, when it becomes effective, and how it relates to other parts of the tax law. In contrast, tax expenditure estimates are often based on concepts that are defined by the way that government statistics on the subject are made available to the Department. Furthermore, no attempt has been made to account for changes in taxpayer behavior that may occur because of tax law changes. For example, if the sales and use tax exemptions were rescinded for equipment and utilities directly used in manufacturing, it is possible that capital investment in manufacturing would be reduced and that these sales and use tax receipts would be less than the tax expenditure estimate.

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

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

All estimates appear in millions of dollars. The word "nominal" is used when the estimated impact is less than \$100,000. Estimates of revenue loss or beneficiary count and description that are not available are represented by "NA." Costs incurred to administer tax expenditures are estimated by major tax category or, if available, by specific tax expenditure. Identified costs for a major tax category are provided at the beginning of the tax expenditure group. No administrative costs are reported for tax expenditures that provide incentives to implement or continue programs that replace or supplement efforts that would otherwise be the responsibility of state government.

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

## CREDIT PROGRAMS

### NEIGHBORHOOD ASSISTANCE PROGRAMS

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

*Description:* A tax credit is available to banks, thrift institutions, title insurance and trust companies, insurance companies (other than foreign fire/casualty insurance companies), and corporations doing business in Pennsylvania and subject to the corporate net income tax and the capital stock/foreign franchise tax, and pass-through entities subject to the personal income tax. Unused credits may also be sold or assigned to other taxpayers.

In order to qualify, the business entity must engage in certain assistance programs in impoverished areas or contribute to neighborhood organizations that run such programs. The programs must be approved by the Department of Community and Economic Development (DCED).

If the tax credit is not used in the period the investment was made, it may be carried over for five succeeding calendar or fiscal years. Act 55 of 2007 allowed for the sale of unused tax credits, subject to a one year holding period. Purchased tax credits must be used in the taxable year in which they were purchased. They cannot be carried back, carried forward, refunded or sold.

Act 84 of 2016 amended the tax credit program to add new definitions for affordable housing, domestic violence or veterans' housing assistance. By inclusion of these amendments, tax credits may be awarded equivalent to 75 percent of the total amount contributed by business firms participating in the program.

The amount of credit awarded to a taxpayer is 55 percent of the amount contributed by a business firm, while the amount contributed to special program priorities, as defined by DCED regulations, is 75 percent. For private companies, the amount is 25 percent of the amount of qualified investment, or 35 percent of the amount invested in special program priorities. A credit equal to 75 percent of the contributions made by a business firm during a taxable year for comprehensive service projects with a five-year commitment may be awarded. A credit equal to 80 percent of the contributions made by a business firm during a taxable year for comprehensive service projects with a six-year commitment may be awarded. The amount of the credits awarded annually to a taxpayer cannot exceed \$500,000 for contributions or investments in a single project or \$1,250,000 for contributions or investments in four or more projects.

The total amount of tax credit that can be awarded in a fiscal year has changed over the years. For fiscal year 2011-12 through 2018-19, the total amount of credit that can be awarded is \$18 million, with \$2 million exclusively allocated for pass-through entities. Any of the \$2 million that is unused for pass-through entities is available to be awarded to other taxpayers. Act 100 of 2018 increased the total amount of credit that can be awarded to \$36 million for fiscal year 2019-20 and forward.

The estimate for fiscal year 2017-18 reflects actual credits awarded under the program. The estimates for future fiscal years reflect the program cap.

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

# General Fund Tax Expenditures

*Administrative Costs:* Costs to administer the Neighborhood Assistance Program credits are borne by the Department of Community and Economic Development and the Department of Revenue. Estimated costs for both departments total \$0.3 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 18.0	\$ 18.0	\$ 36.0	\$ 36.0	\$ 36.0	\$ 36.0	\$ 36.0

*Beneficiaries:* Approximately 165 companies and 125 individuals doing business in Pennsylvania benefit from this tax expenditure.

## TAX CREDIT FOR NEW JOBS

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

*Description:* Act 84 of 2016 changed the name of this tax credit from the Job Creation Tax Credit to the Tax Credit for New Jobs.

A tax credit is available to businesses and individuals creating and sustaining jobs. The tax credit equals \$1,000 per job for each year in the approved term. The tax credit is available to an employer creating at least 25 new full-time equivalent jobs or increasing their workforce by 20 percent or more within three years from a given start date. Act 85 of 2012 created an extension of the tax credit to small businesses employing 100 or fewer employees. Additionally, small businesses can qualify for the tax credit if they increase the number of their employees by 10 percent or more within three years. Act 85 of 2012 created an additional tax credit award of \$2,500 per new job created if the newly created job is filled by an unemployed individual. Changes made by Act 85 of 2012 took effect in June 2012. Act 84 of 2016 added a provision for a tax credit award of \$2,500 per job for every veteran hired.

The tax credit may be applied to the corporate net income tax, capital stock/foreign franchise tax, insurance premiums tax, gross receipts tax, bank and trust company shares tax, mutual thrift institutions tax, title insurance company shares tax, personal income tax, or any combination thereof.

The total amount of tax credit that can be awarded in a fiscal year has changed over the years. For fiscal year 2011-12 and forward, the total amount of credit that can be awarded is \$10.1 million.

The estimate for fiscal year 2017-18 reflects actual credits awarded under the program. The estimates for future fiscal years reflect the program cap.

*Purpose:* This tax credit encourages job creation and preservation in the commonwealth.

*Administrative Costs:* Costs to administer the Job Creation Tax Credit are borne by the Department of Community and Economic Development and the Department of Revenue. Estimated costs for both departments total \$0.1 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 7.7	\$ 10.1	\$ 10.1	\$ 10.1	\$ 10.1	\$ 10.1	\$ 10.1

*Beneficiaries:* Approximately 35 companies and 45 individuals doing business in Pennsylvania benefit from this tax expenditure.

## RESEARCH AND DEVELOPMENT TAX CREDIT

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

*Description:* Act 7 of 1997 established a Research and Development Tax Credit equal to 10 percent of the increase in qualified research expenses for the current taxable year over a base period. For credits issued beginning in December 2006, the credit equals 20 percent of the increase in qualified research expenses for the current taxable year over a base period for small businesses only. The credit may be applied against the corporate net income tax, capital stock/foreign franchise tax, personal income tax, or any combination thereof. Unused credits may be carried forward 15 taxable years, or sold or assigned to other taxpayers. The Research and Development Tax Credit was set to expire for taxable years ending before January 1, 2016. However, Act 84 of 2016 repealed this provision, therefore making the Research and Development Tax Credit a permanent part of the Tax Reform Code.

The total amount of tax credit that can be awarded in a fiscal year has changed over the years. For fiscal year 2011-12 and forward, the total amount of credit that can be awarded is \$55 million, with the small business set aside equal to \$11 million.

The estimate for fiscal year 2017-18 reflects actual credits awarded under the program. The estimates for future fiscal years reflect the program cap.

*Purpose:* This tax credit is intended to encourage businesses in the commonwealth to conduct research, especially research of a technological or scientific nature.

*Administrative Costs:* Costs to administer the Research and Development Tax Credit are borne by the Department of Revenue and the Department of Community and Economic Development. Estimated costs for both departments total \$0.2 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 55.0	\$ 55.0	\$ 55.0	\$ 55.0	\$ 55.0	\$ 55.0	\$ 55.0

*Beneficiaries:* Approximately 950 companies performing qualified research and development in Pennsylvania benefit from this tax expenditure.

## KEYSTONE OPPORTUNITY ZONE

*Authorization:* Act of October 6, 1998 (P.L. 702, No. 92), as amended.

*Description:* The Department of Community and Economic Development (DCED) has designated specific areas of deteriorated property as Keystone Opportunity Zones (KOZs), Keystone Opportunity Expansion Zones (KOEZs), and Keystone Opportunity Improvement Zones (KOIZs).

Economic activity occurring in these zones is exempt from most local taxation for a period of up to 15 years beginning with the creation of the particular zone. In addition to benefiting from a limited state sales and use tax exemption, zone residents and qualified businesses are exempt from the following state taxes: personal income, corporate net income, capital stock/foreign franchise, bank shares, and mutual thrift institutions taxes. In addition, qualified businesses may receive credits against insurance premiums tax for jobs created in a zone. The tax expenditure is the value of all the credits and the state taxes waived within the zone.

Several acts have changed the KOZ statute over the years. The most recent act, Act 16 of 2012, allowed communities to extend benefits to unoccupied parcels for seven to ten years in existing zones. Further, Act 16 provided for the expansion of four additional undesignated KOEZs and the creation of 15 new zones for a 10 year exemption period provided the 15 new zones meet certain criteria regarding underutilization, job creation, or capital investment. Lastly, Act 16 permitted communities to expand parcels within an existing zone if the expansion is expected to increase job creation or capital investment. The benefits for expanded parcels are limited to 15 acres per zone for a period of 10 years. The extension of benefits under Act 16 became effective in calendar year 2013.

Act 84 of 2016 included a provision to allow for the designation of 12 new Keystone Opportunity Expansion Zones consisting of 375 acres each for a period of up to 10 years effective for January 1, 2017, to December 31, 2026. In addition, existing parcels can be extended up to 10 years for state tax benefits, if the applicant can meet the job creation and capital investment requirements in the enabling legislation. Act 43 of 2017 extended the application date for the additional KOZs from October 2016 to October 2018. Act 43 of 2017 also extended the date for the Department of Community and Economic Development to approve said applications from December 2016 to December 2018.

*Purpose:* This program provides tax relief to economically distressed urban and rural communities in an attempt to revive these areas.

*Administrative Costs:* Costs to administer the Keystone Opportunity Zone program are borne by the Department of Revenue and the Department of Community and Economic Development. Estimated costs for both departments total \$0.5 million annually.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 92.1	\$ 95.1	\$ 93.0	\$ 91.7	\$ 93.0	\$ 94.4	\$ 95.9

*Beneficiaries:* Qualified businesses and residents of the designated zones within this commonwealth benefit from this tax expenditure.

## EDUCATIONAL TAX CREDITS

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*Authorization:* Article XX-B of the Public School Code of 1949 (P.L. 30, No. 14), as amended.

*Description:* Act 194 of 2014 created the Educational Tax Credits (ETC) program by consolidating both the Educational Improvement Tax Credit (EITC) and the Educational Opportunity Scholarship Tax Credit (EOSTC) in Article XVII-F of the Tax Reform Code. Act 194 of 2014 repealed Article XVII-G.1 of the Tax Reform Code containing the EOSTC. The total tax credits awarded under the ETC program are equal to the combined total of the EITC and EOSTC. The total amount of tax credits that could be awarded in a fiscal year under the EITC was \$100 million. The total tax credits that can be awarded in a fiscal year under the EOSTC is \$50 million, for a total combined tax credits that could be awarded under the ETC program of \$150 million per fiscal year. Act 194 of 2014 made numerous administrative changes to the ETC programs in order to make the program more flexible in awarding the tax credits and how they may be utilized. The tax credits awarded under the ETC program may be applied to the personal income tax, corporate net income tax, capital stock/foreign franchise tax, bank shares tax, title insurance company shares tax, insurance premiums tax, mutual thrift institutions tax, and malt beverage tax. In addition, the tax can be distributed through more than one level of pass-through entities and can be applied to the personal income tax of a spouse filing a joint return.

Act 86 of 2016 moved the credits' authorizing statute from the Tax Reform Code to the Public School Code. Act 55 of 2017 increased the amount of EITC credits that can be awarded in fiscal year 2017-18 to \$135 million. Act 39 of 2018 increased the amount of EITC credits that can be awarded in fiscal year 2018-19 and forward to \$160 million. The amount that can be awarded under the EOSTC remained unchanged at \$50 million per fiscal year.

### Educational Improvement Tax Credit (EITC)

The Educational Improvement Tax Credit (EITC) is available to banks, thrift institutions, title insurance and trust companies, insurance companies, and corporations doing business in Pennsylvania and subject to the corporate net income tax and the capital stock/foreign franchise tax, as well as S corporations and other pass-through entities that contribute to nonprofit scholarship organizations or educational improvement organizations approved by the Department of Community and Economic Development (DCED). The tax credit is granted to business firms providing proof of a contribution to a scholarship organization or an educational improvement organization equal to 75 percent of the total amount contributed during the taxable year. The tax credit must be applied in the taxable year the contribution is made. Any unused portion of the tax credit may not be carried forward or back, refunded, or transferred. A tax credit equal to 90 percent of the total amount contributed is granted if the business provides a written commitment to DCED to contribute the same amount for two consecutive tax years. The annual limit per taxpayer is \$750,000 per fiscal year for contributions to scholarship organizations and educational improvement organizations. The annual limit per taxpayer is \$200,000 per fiscal year for contributions to pre-kindergarten scholarship organizations. The tax credit shall not exceed the tax liability of a business for any given taxable year.

The estimate for fiscal year 2017-18 reflects actual credits awarded under the program for that period. The estimates for future fiscal years reflect the program cap.

*Purpose:* This program encourages taxpayers to contribute to scholarship organizations, educational improvement organizations, or pre-kindergarten scholarship organizations in order to promote expanded educational opportunities for students in the commonwealth.



# General Fund Tax Expenditures

**Administrative Costs:** Costs to administer the Educational Improvement Tax Credit program are primarily borne by the Department of Community and Economic Development along with the Department of Revenue and the Department of Education. Estimated costs for all departments total \$0.2 million per year.

(Dollar Amounts in Millions)

<b>Estimates:</b>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 135.0	\$ 160.0	\$ 160.0	\$ 160.0	\$ 160.0	\$ 160.0	\$ 160.0

**Beneficiaries** Approximately 2,290 companies, 3,530 individuals, and 960 scholarship organizations, educational improvement organizations, and pre-kindergarten scholarship organizations benefit from this tax expenditure.

## Educational Opportunity Scholarship Tax Credit (EOSTC)

Educational Opportunity Scholarship Tax Credit for business firms is equal to 75 percent of the amount contributed to a scholarship organization during a taxable year or 90 percent if the business firm provides a written commitment to provide the scholarship organization with the same amount of contribution for two consecutive tax years. Scholarship organizations providing financial assistance to eligible students in low-achieving schools must be approved by the Department of Community and Economic Development in order to participate in the program.

The credit may not exceed \$750,000 annually per business firm. The estimate for fiscal year 2017-18 reflects actual credits awarded under the program. The estimates for future fiscal years reflect the program cap.

**Purpose:** This program encourages taxpayers to contribute to scholarship organizations in order to promote expanded educational opportunities for students in low-achieving schools.

**Administrative Costs:** Costs to administer the Educational Opportunity Scholarship Tax Credit program are primarily borne by the Department of Community and Economic Development along with the Department of Revenue and the Department of Education. Estimated costs for all departments total \$0.2 million per year.

(Dollar Amounts in Millions)

<b>Estimates:</b>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0	\$ 50.0

**Beneficiaries:** Approximately 515 taxpayers will benefit from this tax expenditure.



## KEYSTONE INNOVATION ZONE

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

*Description:* The Keystone Innovation Zone (KIZ) program was created to foster growth in research and development and other high technology businesses. The zones are defined parcels operated by a partnership of business groups and higher education institutions. Existing zones may expand if the expansion is expected to increase job creation or capital investment. Benefits for expanded parcels are limited to 15 acres for a period of 10 years

Qualified businesses operating in a zone are entitled to priority consideration for a number of state programs, as well as a tax credit equal to 50 percent of the increase in its gross revenues from the previous year attributable to its activities in a zone. A KIZ company may not claim more than \$100,000 in tax credits per year. The credit may be applied against personal income, corporate net income, and capital stock/foreign franchise tax liabilities. The program cap is currently \$15 million per fiscal year.

The estimate for fiscal year 2017-18 reflects actual credits awarded under the program for that period. The estimates for future fiscal years reflect the program cap.

*Purpose:* This tax credit provides a financial incentive to foster growth of research and development and other high technology businesses in affiliation with institutions of higher education.

*Administrative Costs:* Cost to administer the KIZ program, including the review and award of KIZ tax credits, are borne by the Department of Community and Economic Development. The Department of Revenue is responsible for applying credits to taxpayer accounts. Estimated costs for both departments total \$0.2 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 14.9	\$ 15.0	\$ 15.0	\$ 15.0	\$ 15.0	\$ 15.0	\$ 15.0

*Beneficiaries:* Approximately 270 taxpayers will benefit from this expenditure.

## ENTERTAINMENT PRODUCTION TAX CREDIT

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

*Description:* Act 84 of 2016 created the Entertainment Production Tax Credit Program by amending Article XVII-D to encompass the current Film Production Tax Credit program and two new programs: the Concert Rehearsal and Tour Tax Credit and the Video Game Production Tax Credit.

Film Production Tax Credit

The current program, established by Act 55 of 2007, provides a credit of 25 percent for qualified film production expenses incurred in Pennsylvania. An additional five percent credit is available if the production is filmed in a qualified production facility that meets all minimum stage filming requirements.

The program cap has varied throughout the years. Most recently, Act 84 of 2016 increased the program cap to \$65 million and expanded the definition of qualified tax liability to include title insurance company shares tax and mutual thrift institutions tax, in addition to capital stock/foreign franchise, corporate net income, personal income, bank shares, and insurance premiums taxes. The act also authorized the reissue of unused credits from previous fiscal years.

Act 43 of 2017 created film production tax credit districts, which must meet certain location, size, and investment criteria. Up to two districts may be designated in the commonwealth. Beginning in fiscal year 2019-20, film production tax credits may be awarded exclusively for activity occurring in film production tax credit districts; the credits are in addition to the existing film production tax credits authorized under section 1716-D(A).

The estimate for fiscal year 2017-18 reflects actual credits awarded under the program for that period. The estimates for future fiscal years reflect the program cap. The impact of tax credits for film production tax credit districts is not reflected in the estimate. The impact of this provision is not currently known.

*Purpose:* This tax credit provides an incentive for filmmakers to produce films and television shows in Pennsylvania.

*Administrative Costs:* The Department of Community and Economic Development will incur the costs of awarding, reviewing, and approving the sale or transfer of credit. Estimated costs total \$0.5 million.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 65.0	\$ 65.0	\$ 65.0	\$ 65.0	\$ 65.0	\$ 65.0	\$ 65.0

*Beneficiaries:* Approximately 45 film projects will benefit from this expenditure.

## Video Game Production Tax Credit

Act 84 of 2016 created the Video Game Production Tax Credit. The credit may be claimed by qualified video game production companies, excluding contractors or subcontractors of such companies, for qualified Pennsylvania production expenses. The tax credit may be applied against corporate net income, personal income (excluding taxes withheld by an employer from an employee), capital stock/franchise, bank shares, title insurance company shares, insurance premiums, and mutual thrift institutions taxes.

The amount of credit awarded per taxpayer may not exceed 25 percent of the qualified production expenses incurred in the first four years of such expense and may not exceed 10 percent in years thereafter. The total amount of tax credits that can be awarded in any fiscal year will be \$1 million.

The credit may be claimed by qualified taxpayers beginning on July 1, 2017. The estimates for future fiscal years reflect the program cap.

*Purpose:* This tax credit provides an incentive for developers to produce video games in Pennsylvania.

*Administrative Costs:* The Department of Community and Economic Development will incur the costs of awarding, reviewing, and approving the sale or transfer of credit.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0

*Beneficiaries:* An unknown number of taxpayers will benefit from this expenditure.

## Entertainment Economic Enhancement Program

Act 84 of 2016 created the Concert Rehearsal and Tour Tax Credit. After Act 7 of 2017 briefly moved the credit to Title 12, Chapter 33 of the Pennsylvania Consolidated Statutes under the Entertainment Economic Enhancement Program, Act 43 of 2017 moved the authorizing language back to the Tax Reform Code.

The credit may be claimed by qualified concert tour promotion companies, concert tour management companies, or other concert management companies, excluding contractors or subcontractors of such companies. The tax credit may be applied against corporate net income, personal income (excluding taxes withheld by an employer from an employee), capital stock/foreign franchise, bank and trust company shares, and insurance premiums taxes.

The credit may be awarded to up to five tours per fiscal year, and each tour may be awarded up to \$800,000 in tax credits. Act 42 of 2018 provided that, for fiscal year 2018-19 only, credits may be awarded to up to 10 tours. Tax credits awarded to individual tours may not exceed certain percentages of qualified rehearsal and tour costs, based on the types of venues and number of performances at which the performer(s) will appear.

The estimates for future fiscal years reflect the program cap.

*Purpose:* This tax credit provides an incentive for entertainers to rehearse for concert tours in Pennsylvania facilities and to perform in Pennsylvania concert venues.

*Administrative Costs:* The Department of Community and Economic Development will incur the costs of awarding, reviewing, and approving the sale or transfer of credit.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.0	\$ 8.0	\$ 4.0	\$ 4.0	\$ 4.0	\$ 4.0	\$ 4.0

*Beneficiaries:* An unknown number of taxpayers will benefit from this expenditure.

## STRATEGIC DEVELOPMENT AREAS

*Authorization:* Act 151 of November 20, 2006

*Description:* The Strategic Development Areas (SDA) program was established in 2006 to provide incentives for economic development in designated areas. Act 151 of 2006 created the program to provide tax relief and tax credits to qualified companies within the SDA. The designation would be effective for a 15 year period and must be approved by the political subdivision in which it is located. By waiving these taxes for a series of years, the program hopes to foster growth in those areas. The Department of Community and Economic Development administers the program for the commonwealth.

Among the state taxes waived by the program are corporate net income, capital stock/foreign franchise, and personal income. Insurance companies and certain regulated transportation companies may earn tax credits based on the number of jobs created in a zone. Businesses operating in a zone are exempted from paying sales and use tax on items purchased for consumption in the area. At the local level, property taxes, earned income and net profit taxes, mercantile license tax, and local sales and use tax are waived for area businesses. Tax benefits may not extend beyond December 31, 2022.

*Purpose:* This program provides incentives for economic development in designated areas to foster growth.

*Administrative Costs:* Costs to administer the Strategic Development Areas program are borne by the Department of Community and Economic Development and the Department of Revenue. Estimated costs for both departments total \$0.1 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* A nominal number of taxpayers are expected to benefit from this credit program.

## RESOURCE ENHANCEMENT AND PROTECTION TAX CREDIT

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

*Description:* Act 55 of 2007 created the Resource Enhancement and Protection (REAP) Tax Credit to encourage the development of riparian forest buffers and the remediation of legacy sediment on commonwealth farmland. Depending on the type of development, a taxpayer may receive a credit of up to 75 percent of cost of a project. A maximum of \$150,000 in tax credits may be awarded per eligible applicant. The tax credit may be used against personal income, corporate net income, capital stock/foreign franchise, bank shares and trust company shares, title insurance company shares, insurance premiums, and mutual thrift institutions taxes.

The estimate for fiscal year 2017-18 reflects actual credits awarded under the program for that period. The estimates for future fiscal years reflect the program cap of \$10 million per fiscal year.

*Purpose:* This credit encourages private investment in the implementation of best management practices on agricultural operations, the planting of riparian forest buffers, and the remediation of legacy sediment.

*Administrative Costs:* Costs to administer the REAP Tax Credit are borne by the State Conservation Commission and the Department of Revenue. Estimated costs total \$0.1 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 8.0	\$ 10.0	\$ 10.0	\$ 10.0	\$ 10.0	\$ 10.0	\$ 10.0

*Beneficiaries:* Approximately 70 businesses and 160 individuals will benefit from this tax expenditure.

## KEYSTONE SPECIAL DEVELOPMENT ZONE TAX CREDIT

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

*Description:* Act 26 of 2011 created the Keystone Special Development Zone Tax Credit. The tax credit is available only to taxpayers with operations located on parcels of real property certified as Brownfields pursuant to the Land Recycling and Environmental Remediation Standards Act. The tax credit is equal to \$2,100 for each full-time equivalent employee working in the zone beginning in tax year 2012. The tax credit was to be available for 10 consecutive tax years during the 15 year period the tax credit was to be in existence, ending June 30, 2026. Act 84 of 2016 extended the end date for the credit to June 30, 2035. The tax credit may not exceed the qualified tax liability and may be carried forward for up to 10 years. Jobs used to claim this tax credit may not be used to claim the Keystone Opportunity Zone Tax Credit or the Job Creation Tax Credit. The tax credit can be used against personal income tax, corporate net income tax, capital stock/foreign franchise tax, bank shares tax, title insurance company shares tax, and mutual thrift institutions tax. Unused tax credits can be sold or assigned.

*Purpose:* This tax credit is intended to encourage businesses in the commonwealth to invest in remediated industrial sites and create jobs.

*Administrative Costs:* Costs to administer the Keystone Special Development Zone Tax Credit are borne by the Department of Revenue and the Department of Community and Economic Development.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* An unknown number of taxpayers will benefit from this tax expenditure.

## PENNSYLVANIA RESOURCE MANUFACTURING TAX CREDIT

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

*Description:* Act 85 of 2012 created the Pennsylvania Resource Manufacturing Tax Credit for an entity purchasing ethane for use in an ethylene manufacturing facility in the commonwealth that has made a capital investment of at least \$1 billion and created at least 2,500 full-time jobs. The tax credit is equal to \$0.05 per gallon of ethane purchased (\$2.10/barrel) for the period from January 1, 2017 to December 31, 2042. The tax credit may be used to offset 20 percent of a taxpayer's liabilities for personal income tax, corporate net income tax, capital stock/foreign franchise tax, bank shares tax, title insurance company shares tax, insurance premiums tax, gross receipts tax, and/or mutual thrift institutions tax. The tax credit may not be carried back, carried forward, or be used to obtain a refund. Within one year after the credit is approved, a taxpayer can apply to the Department of Community and Economic Development for approval to assign or sell eligible credits to another taxpayer. The eligible buyer of the credit may use the purchased credits to offset up to 50 percent of its Pennsylvania tax liabilities.

*Purpose:* This tax credit is intended to encourage the development of an ethane processing industry in the commonwealth.

*Administrative Costs:* Costs to administer the Pennsylvania Resource Manufacturing Tax Credit are borne by the Department of Revenue and the Department of Community and Economic Development.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.0	\$ 0.0	\$ 0.0	\$ 17.1	\$ 49.6	\$ 65.0	\$ 65.0

*Beneficiaries:* An unknown number of taxpayers will benefit from this tax expenditure.

## HISTORIC PRESERVATION INCENTIVE TAX CREDIT

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

*Description:* Act 85 of 2012 established the Historic Preservation Incentive Tax Credit for qualified taxpayers owning a Pennsylvania commercial building that qualifies as a certified historical structure according to the Internal Revenue Code. The tax credit is equal to 25 percent of the costs and expenses associated with a plan to rehabilitate a historic structure that is approved by the Pennsylvania Historical and Museum Commission or costs and expenses defined as qualified rehabilitation expenditures under the Internal Revenue Code. The tax credit may be applied to the personal income tax, corporate net income tax, capital stock/foreign franchise tax, gross receipts tax, bank shares tax, title insurance company shares tax, gross premiums tax, and/or mutual thrift institutions tax. The tax credit may not be carried back or used to obtain a refund, but it may be carried forward for up to seven taxable years following the first taxable year for which the taxpayer was entitled to claim the credit. A taxpayer without a qualified tax liability can apply to the Department of Community and Economic Development for approval to assign or sell eligible credits to another taxpayer. Purchasers and assignees of a tax credit must immediately claim the credit in the taxable year in which the purchase or assignment is made.

The tax credit is capped at \$3 million dollars annually and \$500,000 per taxpayer. The first and last years that the credit may be applied to are fiscal years 2013-14 and 2020-21, respectively. The estimates for future fiscal years reflect the program cap.

*Purpose:* This program encourages taxpayers to rehabilitate and preserve commercial buildings with historical value.

*Administrative Costs:* Costs to administer the Historic Preservation Incentive Tax Credit program are primarily borne by the Department of Community and Economic Development along with the Pennsylvania Historical and Museum Commission and the Department of Revenue. Estimated costs for all departments total per year are \$0.1 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 1.6	\$ 3.0	\$ 3.0	\$ 3.0	\$ --	\$ --	\$ --

*Beneficiaries:* An unknown number of taxpayers will benefit from this tax expenditure.



## COMMUNITY- BASED SERVICES TAX CREDIT

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

*Description:* Act 85 of 2012 established Community-Based Services Tax Credit for contributions made by business firms to providers of community-based services for individuals with intellectual disabilities, mental illness, or drug and alcohol addiction. Providers must be a nonprofit entity that provides community-based services to individuals exempt from federal taxation under Section 501(c)(3) of the Internal Revenue Code and be approved by the Department of Community and Economic Development.

The credit is equal to 50 percent of contributions made to a provider. This amount may be increased to 75 percent for business firms that contribute to a provider in two or more successive years. The tax credit may be applied to the personal income tax, corporate net income tax, capital stock/foreign franchise tax, bank shares tax, title insurance company shares tax, insurance premiums tax, and/or mutual thrift institutions tax. Tax credits may not be carried forward, carried back, and are not refundable or transferable.

The total amount of credits per business firm cannot exceed \$100,000 annually, and the total aggregate amount of all credits approved cannot exceed \$3 million in a fiscal year. The first and last years that the credit may be applied to are fiscal years 2013-14 and 2020-21, respectively. The estimates for future fiscal years reflect the program cap.

*Purpose:* This program encourages taxpayers to contribute to providers community-based services.

*Administrative Costs:* Costs to administer the Community-Based Services Tax Credit program are primarily borne by the Department of Community and Economic Development along with the Department of Human Services and the Department of Revenue. Estimated costs for all departments total \$0.2 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.0	\$ 3.0	\$ 3.0	\$ 3.0	\$ --	\$ --	\$ --

*Beneficiaries:* An unknown number of taxpayers will benefit from this tax expenditure.

## MOBILE TELECOMMUNICATIONS BROADBAND INVESTMENT TAX CREDIT

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

*Description:* Act 52 of 2013 created the Mobile Telecommunications Broadband Investment Tax Credit. Taxpayers that are a provider of mobile communications services shall be allowed a tax credit against their corporate net income tax for investment in qualified broadband equipment placed into service in Pennsylvania.

The amount of the tax credit is five percent of the purchase price of qualified broadband equipment put into service during the taxable year. The maximum amount of approved tax credits shall not exceed \$5 million in any fiscal year, nor may they exceed 50 percent of a taxpayer's corporate net income tax liability.

Any credit claimed and not used in the taxable year may be carried forward for no more than five consecutive tax years. Affiliated shareholders, members, or partners of pass-through entities that receive unused credits from the pass-through entity are required to use the tax credit immediately. They are not allowed to carry forward, carry back, obtain a refund, or sell the tax credit.

The credit was first awarded for tax year 2014. The estimate for fiscal year 2017-18 reflects actual credits awarded. The amounts for future fiscal years reflect the program cap.

*Purpose:* The tax credit is intended to encourage investment in mobile broadband services by the mobile telecommunications industry.

*Administrative Costs:* Costs to administer the Mobile Telecommunications Broadband Investment Tax Credit are borne by the Department of Revenue.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.2	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0

*Beneficiaries:* A minimal number of taxpayers will benefit from this tax expenditure.

## ORGAN AND BONE MARROW DONOR TAX CREDIT

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

**Description:** Act 193 of 2014 reestablished the Organ and Bone Marrow Donor Tax Credit as part of the Tax Reform Code retroactively for tax year 2011 and forward. Applications for tax credits must be filed by the 15<sup>th</sup> day of the fourth month following the close of the business firm's taxable year. Act 65 of 2006 created the original Organ and Bone Marrow Donor Tax Credit as a stand-alone act. It expired in 2010. The tax credit is available for business firms subject to the personal income tax, corporate net income tax, capital stock/franchise tax, bank and trust company shares tax, title insurance companies shares tax, insurance premiums tax, or mutual thrift institutions tax. The amount of the credit is equal to the employee compensation paid during the leave of absence, the cost of temporary replacement help, and any miscellaneous expenses authorized by regulation incurred with the leave of absence period. Credits cannot be applied against employer withholding tax under Article III. Credits can be carried forward for three taxable years; however, they cannot be carried back to previous taxable years, and they are not refundable. The credit against personal income tax may be passed through proportionately to the shareholders of S corporations, members of limited liability companies, or partners.

**Purpose:** The purpose of these provisions is to create a greater willingness to donate organs and/or bone marrow through employer tax credits and public education.

**Administrative Costs:** Costs to administer the Organ and Bone Marrow Tax Credit program are borne by the Department of Revenue. Estimated costs are expected to total \$0.1 million per year.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.0	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

**Beneficiaries:** A nominal number of taxpayers will benefit from this tax expenditure.

## EXEMPTIONS FOR OUT-OF-STATE ENTITIES DURING A DECLARED EMERGENCY

*Authorization:* Act 203 of October 31, 2014

*Description:* Act 203 of 2014 provides that out-of-state businesses responding to a disaster emergency declared by the Governor of Pennsylvania or the President of the United States would not be subject to: state or local business licensing or registration; PUC or regulatory requirements; state and local taxes/fees, such as unemployment insurance, sales and use tax, property tax on equipment brought in on a temporary basis, used or consumed in the commonwealth during the disaster emergency, and subsequently removed from the commonwealth, state or local occupational licensing fees or local service taxes; and state or local tax on or measured by, in whole or in part, net or gross income or receipts.

An out-of-state employee shall not be considered to have established residency that would require the individual or the employer to do the following: file and pay income taxes; be subjected to income tax withholding; or file and pay any other state or local tax or fee for disaster emergency-related work performed during the period designated.

These exemptions apply to an out-of-state business who performs work for a period of not more than 10 days before and not more than 60 days after the end of a declared disaster emergency period, and the business must be in compliance with all applicable regulatory and licensing requirements in its state of domicile. The exemption period may be extended by the Governor for a period of not more than 30 days for each declared disaster emergency.

*Purpose:* These exemptions encourage out-of-state individuals and businesses to respond to declared disasters in Pennsylvania by making the tax administration process simpler.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* An unknown number of individuals and businesses will benefit from this expenditure.

## WATERFRONT DEVELOPMENT TAX CREDIT

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

*Description:* Act 84 of 2016 created the Waterfront Development Tax Credit. The credit is available to business firms making a donation of cash or property to a waterfront development organization to fund a waterfront development project. The credit may be claimed by qualified business firms subject to personal income, corporate net income, capital stock/foreign franchise, bank and trust company shares, title insurance company shares, insurance premiums (including surplus lines), or mutual thrift institutions taxes that have made a contribution to a waterfront development organization to fund a waterfront development project.

The tax credit may not exceed 75 percent of the total contribution made by the business firm during the taxable year. Credits are available on a first come, first served basis. Total credits awarded in a fiscal year shall not exceed \$1.5 million.

The credit may be claimed beginning in fiscal year 2017-18. The estimates for future fiscal years reflect the program cap.

*Purpose:* This tax credit provides an incentive for business firms to contribute to the betterment of Pennsylvania's waterfronts.

*Administrative Costs:* The Department of Community and Economic Development will incur the costs of awarding, reviewing, and approving the sale or transfer of credit.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.0	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5

*Beneficiaries:* An unknown number of taxpayers will benefit from this credit program.

## COAL REFUSE ENERGY AND RECLAMATION TAX CREDIT

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

*Description:* Act 84 of 2016 created the Coal Refuse Energy and Reclamation Tax Credit. Credits may be awarded at a rate of \$4 per 2,000 pounds of qualified coal refuse, capped at 22.2 percent of the available budget allocation per fiscal year. The allocation is \$7.5 million for fiscal year 2016-17 and \$10 million each fiscal year thereafter. Credits are awarded by the Department of Community and Economic Development.

The Coal Refuse Energy and Reclamation Tax Credit may be used against personal income tax, corporate net income tax, capital stock and franchise tax, gross receipts tax, bank shares tax, title insurance company shares tax, insurance premiums tax, and mutual thrift institutions tax liabilities.

The tax credit can be carried forward for 15 years, but may not be carried back or refunded. Credits can be transferred to pass-through entities (Subchapter S corporations, Limited Liability Companies, and Partnerships) to a shareholder, member or partner.

An unused tax credit may be sold or assigned. A sold or assigned tax credit must be used by the purchaser or assignee in the tax year in which it was sold or assigned. The credit cannot be carried back, carried forward or refunded. A sold or assigned tax credit may only reduce a taxpayer's qualified liability by 75% in a given tax year.

The estimate for fiscal year 2017-18 reflects actual credits awarded under the program cap for that period. The estimates for future fiscal years reflect the program cap.

*Purpose:* This tax credit is designed to incentivize eligible facilities that generate electricity in the commonwealth to use coal refuse for power generation, control acid gasses for emission control, and use ash produced by the facility to reclaim mining-affected sites.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 1.4	\$ 10.0	\$ 10.0	\$ 10.0	\$ 10.0	\$ 10.0	\$ 10.0

*Beneficiaries:* An unknown number of beneficiaries will benefit from this credit program.

## MANUFACTURING AND INVESTMENT TAX CREDIT

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

*Description:* Act 84 of 2016 created the Manufacturing and Investment Tax Credit, encompassing the Manufacturing Tax Credit and the Rural Jobs and Investment Tax Credit.

Manufacturing Tax Credit

Eligible taxpayers, capable of increasing their annual taxable payroll by a minimum of \$1 million through the creation of new full-time jobs can earn a tax credit equal to up to five percent of the taxpayer's increase in annual taxable payroll. Jobs must be maintained for at least five years. The budget allocation is \$4 million a year beginning in fiscal year 2017-18. Credits are awarded by the Department of Community and Economic Development.

The Manufacturing Tax Credit may be used against personal income tax, corporate net income tax, capital stock and franchise tax, bank shares tax, title insurance company shares tax, insurance premiums tax, and mutual thrift institutions tax liabilities.

The tax credit can be carried forward for 3 years, but may not be carried back or refunded. Credits can be transferred to pass-through entities (Subchapter S corporations, Limited Liability Companies, and Partnerships) to a shareholder, member or partner.

An unused tax credit may be sold or assigned. A sold or assigned tax credit must be used by the purchaser or assignee in the tax year in which it was sold or assigned. The credit cannot be carried back, carried forward, or refunded. A sold or assigned tax credit may only reduce a taxpayer's qualified liability by 50 percent in a given tax year.

The estimate for fiscal year 2017-18 reflects actual credits awarded under the program for that period. The estimates for future fiscal years reflect the program cap.

*Purpose:* This tax credit is designed to support job creation and preservation with the commonwealth.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.0	\$ 4.0	\$ 4.0	\$ 4.0	\$ 4.0	\$ 4.0	\$ 4.0

*Beneficiaries:* An unknown number of beneficiaries may benefit from this tax credit program.

## Rural Jobs and Investment Tax Credit

The Rural Jobs and Investment Tax Credit is based on contributions made by a business firm to a rural growth fund. Eligible business firms may be approved for up to a 90 percent equivalent tax credit per contributed dollar. The budget allocation is \$1 million a year beginning in fiscal year 2017-18, and is not to exceed \$4 million for the duration of the program. The credits are awarded by the Department of Community and Economic Development.

The Rural Jobs and Investment Tax Credit may be used against bank shares tax, title insurance company shares tax, insurance premiums tax, and mutual thrift institutions tax liabilities.

The tax credit can be carried forward for 5 years, but may not be carried back or refunded. Credits can only be sold to affiliated companies. An awarded or assigned tax credit may reduce a taxpayer's qualified liability by 100 percent in a given tax year.

The estimate for fiscal year 2017-18 reflects actual credits awarded under the program for that period. The estimates for future fiscal years reflect the program cap.

*Purpose:* This tax credit is designed to stimulate growth and job creation in rural areas by providing access to capital to rural businesses from businesses supporting rural growth funds.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ --	\$ --

*Beneficiaries:* An unknown number of taxpayers may benefit from this tax credit program.



## BREWERS' TAX CREDIT

*Authorization:* Article XX, Section 2010 of the Tax Reform Code of 1971 (P.L. 6, No. 2), as amended.

*Description:* Act 84 of 2016 reinstated the limited tax credit, which provides manufacturers of malt or brewed beverages a maximum annual credit of \$200,000 for capital improvement expenditures. This tax credit cannot exceed the amount of qualifying capital expenditures (items of plant, equipment and machinery intended for use in the manufacture and sale of malt or brewed beverages within the Commonwealth) made during a calendar year. The tax credit applies to qualifying capital expenditures made after June 30, 2017.

The estimate for fiscal year 2017-18 reflects actual credits awarded under the program for that period. The estimates for future fiscal years reflect the program cap.

*Purpose:* This credit grants a limited tax subsidy for capital improvements made by brewers. This provision could help lower the risk of business failure and subsequent loss of employment opportunities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.0	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0

*Beneficiaries:* Up to 270 malt beverage taxpayers may benefit from this tax expenditure.

## MIXED-USE DEVELOPMENT TAX CREDIT

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

*Description:* Act 84 of 2016 created the Mixed-Use Development Tax Credit. The Pennsylvania Housing Finance Authority may allocate up to \$2 million per fiscal year in tax credits to be purchased by qualified purchasers.

The credits may be claimed by tax credit purchasers against personal income (excluding employer withholding), corporate net income, capital stock/foreign franchise, title insurance company shares, insurance premiums, gross receipts, and mutual thrift institutions taxes. Credits may be sold or assigned and may be carried forward for up to seven taxable years.

The credit may be claimed beginning in fiscal year 2017-18. The estimates for future fiscal years reflect maximum fiscal year allocation.

*Purpose:* This tax credit encourages increased funding of affordable housing and commercial corridor development opportunities in the commonwealth through the Pennsylvania Housing Finance Authority's Mixed-Use Development Program.

*Administrative Costs:* Costs to administer the Mixed-Use Development Tax Credit will be borne by the Pennsylvania Housing Finance Authority and the Department of Revenue.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0

*Beneficiaries:* A minimal number of taxpayers who purchased the credit will benefit from this program.

## COMPUTER DATA CENTER EQUIPMENT INCENTIVE PROGRAM

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

*Description:* Act 84 of 2016 created the Computer Data Center Equipment Incentive Program, which provides sales and use tax refunds for computer data center equipment (used to outfit, operate, or benefit a computer data center and component parts, installations, refreshments, replacement, and upgrades to the equipment). Computer data centers wishing to qualify for the sales and use tax refunds must meet certain requirements relating to the size of new investment being made to the computer data center as well as a requirement as to annual compensation of its employees. The program will provide up to \$5 million in sales and use tax refunds beginning in fiscal year 2017-18.

The estimate for fiscal year 2017-18 reflects actual credits awarded under the program for that period. The estimates for future fiscal years reflect the program cap.

*Purpose:* This program provides a limited sales and use tax refund program for computer data centers. This provision could help lower the risk of business failure and subsequent loss of employment opportunities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.0	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0	\$ 5.0

*Beneficiaries:* Approximately 720 entities could benefit from this tax expenditure.

## CORPORATE NET INCOME TAX

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

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

The tax is based on federal taxable income before net operating loss deduction and special deductions (line 28 of page 1 of federal IRS form 1120) modified by additions and subtractions to arrive at Pennsylvania taxable income. Taxes based on income and certain tax items are added back to federal taxable income. The tax rate is 9.99 percent for tax years 1995 and thereafter.

Any deductions, exemptions, or types of special treatment that are reflected in line 28 on the IRS form 1120, and not modified or adjusted by Pennsylvania statute, are not included below.

*Administrative Costs:* Costs to administer various tax expenditures associated with the corporation taxes cannot be separately identified. Tax expenditures are a significant factor associated with the need for more compliance audits and the increased complexity of such audits, as well as legal rulings, pronouncements, and bulletins. Tax expenditures also contribute significantly to the tax appeals process. The amounts below also include the nominal administrative costs associated with selective business taxes.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 5.0	\$ 5.1	\$ 5.3	\$ 5.4	\$ 5.6	\$ 5.8	\$ 6.0

## NONPROFIT CORPORATIONS

*Description:* Nonprofit corporations are exempt from the corporate net income tax. Act 7 of 1997 provided that any nonprofit corporation or entity that is an exempt organization as defined by section 501 of Internal Revenue Code of 1986 (P.L. 99-514, 26 U.S.C.) is exempt from the corporate net income tax. Corporations organized as a nonprofit but not operating as a nonprofit are excluded from this exemption. Act 4 of 1999 provided that insurance and travel agency activities carried on by an auto club are subject to the corporate net income tax. The same act restored exempt status to homeowners associations and membership organizations. The estimates below are based on unrelated business income taxed by the federal government.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 59.3	\$ 59.5	\$ 59.6	\$ 59.8	\$ 60.0	\$ 60.2	\$ 60.4

*Beneficiaries:* Approximately 2,500 nonprofit corporations operating in Pennsylvania with unrelated business income benefit from this tax expenditure.

## SALES FACTOR APPORTIONMENT WEIGHT

**Description:** Beginning in tax year 1995, corporations apportioned their net income using a three-factor formula (payroll, property, and sales) that double-weighted the sales factor. Beginning with Act 4 of 1999, there have been several acts that have steadily increased the weighting of the sales factor in the apportionment formula. Act 85 of 2012 increased the sales factor weight to 100 percent for tax years 2013 and after. Property and payroll are no longer factors in the apportionment formula.

Act 52 of 2013 modified the sourcing of sales for calculating the apportionment of income. Sales of real property, tangible property, and services will be sourced at the location of the customer instead of the location of the “income producing activity.” The same act also established a new apportionment formula for providers of satellite television services based on the value of equipment used in generating, processing, or transmitting satellite telecommunications. Both provisions are effective January 1, 2014.

**Purpose:** Corporations with a higher percentage of property and payroll invested in Pennsylvania (compared to their percentage of sales in Pennsylvania) will have less taxable income apportioned to the commonwealth. Therefore, those corporations will have a reduced tax burden. This encourages business investment in Pennsylvania in the form of property and employment.

(Dollar Amounts in Millions)

<b>Estimates:</b>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 632.2	\$ 627.9	\$ 623.7	\$ 619.4	\$ 615.2	\$ 610.9	\$ 606.7

**Beneficiaries:** More than 34,500 corporations are affected by this expenditure. Of those, 8,000 benefit (i.e., have their taxable income reduced) from the expenditure. The estimates shown above reflect the net impact and represent the change in corporate net income tax from corporations who have their taxable income reduced, as well as the impact on corporations that have their taxable income increased as a result of this tax expenditure.

## FICA TAX ON TIPS

**Description:** Eating and drinking establishments can claim a deduction from their Pennsylvania taxable income equal to the amount of FICA (Federal Insurance Contributions Act) tax on employees’ tips.

**Purpose:** This deduction corrects for a change in federal law. In 1993, a credit for the amount of FICA tax paid on employees’ tips was created in the Internal Revenue Code. Taxpayers taking the federal credit may not also take a deduction for tax paid. Pennsylvania does not permit the credit and instead allows this additional deduction from federal taxable income.

(Dollar Amounts in Millions)

<b>Estimates:</b>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 3.3	\$ 3.5	\$ 3.6	\$ 3.8	\$ 4.0	\$ 4.2	\$ 4.3

**Beneficiaries:** Approximately 2,300 taxpayers representing eating and drinking establishments could benefit from this tax expenditure.

## NET OPERATING LOSS CARRYFORWARD

**Description:** Corporations may deduct from current taxable income the net losses from previous years to arrive at their tax liability. Act 89 of 2002 increased the carryforward to 20 years for losses incurred in the 1998 taxable year and thereafter. Various acts have increased the annual cap on deductions. Act 52 of 2013 increased the annual cap on deductions for tax year 2016 to \$5 million or 30 percent of taxable income, whichever is greater.

Following the decision in *Nextel v. Commonwealth of Pennsylvania*, the \$5 million cap on net operating loss carryforward will not be available for tax years 2017 and beyond, leaving only a percentage cap. The Pennsylvania Supreme Court struck down the fixed dollar cap, finding that it violated the Uniformity Clause of the Pennsylvania Constitution. For tax year 2017, the cap remains at 30 percent of taxable income. Act 43 of 2017 increased the cap to 35 percent for tax year 2018, and 40 percent for tax years 2019 and forward.

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

(Dollar Amounts in Millions)

<b>Estimates:</b>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 360.0	\$ 433.0	\$ 498.5	\$ 531.1	\$ 531.2	\$ 525.3	\$ 532.3

**Beneficiaries:** Approximately 18,500 businesses per year benefit from this tax expenditure.

## NON-PROFIT NONSTOCK COMMODITY OR STOCK EXCHANGE

**Description:** Act 40 of 2005 excluded non-profit nonstock commodity or stock exchanges from the definition of a corporation for corporate net income tax purposes. This provision applies retroactively to taxable years beginning after December 31, 1997.

**Purpose:** This exemption provides tax relief for non-profit nonstock commodity or stock exchanges.

(Dollar Amounts in Millions)

<b>Estimates:</b>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

**Beneficiaries:** A minimal number of corporate taxpayers benefit from this tax expenditure.

## PENNSYLVANIA S CORPORATIONS

*Description:* Corporations with a valid Pennsylvania S corporation election in effect for the taxable year are subject to corporate net income tax only to the extent that they have net recognized built-in gains. Pennsylvania S corporation shareholders must include their distributive share of Pennsylvania S corporation income for Pennsylvania income tax purposes. The tax expenditure is the difference between what is paid by the shareholders under the personal income tax and what the corporations would have paid had they been fully subject to the corporate net income tax. Beginning with Act 7 of 1997, there have been several acts that have linked the Pennsylvania tax treatment of S corporations more closely with federal law.

*Purpose:* Sub-chapter S corporations are closely-held corporations and are believed to be major job creators. This provision allows tax treatment that is similar to that of the Internal Revenue Service and most other states for these businesses.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 577.3	\$ 599.8	\$ 625.5	\$ 655.4	\$ 687.0	\$ 718.8	\$ 746.7

*Beneficiaries:* Approximately 161,100 sub-chapter S corporations doing business in Pennsylvania could benefit from this tax expenditure.

## LIMITED LIABILITY COMPANIES (LLCs)

*Description:* Limited liability companies (LLCs) are hybrid business entities that combine the corporate characteristic of limited liability for all owners (members) with the tax treatment of a partnership. LLCs that are not taxed as corporations for federal purposes are exempt from the Pennsylvania corporate net income tax. Members of the LLC must include their share of the LLC's income for Pennsylvania personal income tax purposes or corporate net income tax (if a corporate member). The tax expenditure is the difference between what is paid by the members under the personal income tax and corporate net income tax and what the LLC entities would have paid under the corporate net income tax. Various acts through the years have clarified the tax treatment of LLCs and types of companies that can organize as LLCs.

*Purpose:* LLCs are a preferred type of business entity for start-up companies. They combine the limited liability of a corporation with the flexibility of a partnership. This provision allows tax treatment that is similar to that of the Internal Revenue Service and most other states for these businesses.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$1,055.2	\$1,097.3	\$1,144.6	\$1,199.0	\$1,256.8	\$1,315.0	\$1,366.4

*Beneficiaries:* As many as 158,200 companies doing business in Pennsylvania benefit from this tax expenditure.

## POWDERED METALLURGY NEXUS

**Description:** Act 55 of 2007 created a nexus exemption for the out-of-state customers of Pennsylvania powdered metallurgy parts manufacturers. This nexus exemption applies retroactively to taxable years beginning after December 31, 2004, as well as taxable years to which there is an appeal prior to the effective date.

**Purpose:** This nexus exemption ensures that Pennsylvania powdered metallurgy parts manufacturers will not lose business due to a concern that out-of-state customers may be unduly subject to Pennsylvania taxation only for contracting with such a company.

(Dollar Amounts in Millions)

<b>Estimates:</b>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

**Beneficiaries:** A minimal number of corporate taxpayers benefit from this tax expenditure.

## QUALIFIED MANUFACTURING INNOVATION & REINVESTMENT DEDUCTION

**Description:** Act 43 of 2017 created a deduction from federal income for taxpayers who invest at least \$100 million in the creation of a new or refurbished manufacturing facility within three years of a designated start date. The taxpayer will be allowed to deduct five percent of the total private capital investment from their federal income as reported on a separate company basis for five years. The deduction cannot reduce total tax liability by more than 50 percent. The deduction is non-transferable and expires at the end of the corresponding tax year. Businesses can inform the commonwealth of their intent to initiate an eligible project after the effective date of December 29, 2017.

**Purpose:** The deduction will make Pennsylvania a more attractive place to make large capital investments in modern manufacturing.

(Dollar Amounts in Millions)

<b>Estimates:</b>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

**Beneficiaries:** A minimal number of corporate taxpayers benefit from this tax expenditure.



## AIR FREIGHT FORWARDING SPECIAL APPORTIONMENT

*Description:* All business income of railroad, truck, bus or airline companies is apportioned to the Commonwealth of Pennsylvania by multiplying the income by a special apportionment factor. The numerator is the taxpayer's total revenue miles within the commonwealth during the taxable period. The denominator is the total revenue miles of the taxpayer everywhere during the taxable period. A revenue mile means the average receipts derived from the transportation by the taxpayer of persons or property one mile. This is in lieu of the standard sales factor apportionment ratio

Act 131 of 2018 allows "qualified air freight forwarding companies" to utilize special income apportionment based on revenue miles, for tax years starting after December 31, 2016. This is in addition to railroad, truck, bus, and airline companies currently using this apportionment. Qualified companies are those engaged in the air freight forwarding business and primarily use an airline with which it has common ownership and control. Such companies shall use the revenue miles of the airline.

*Purpose:* Allowing qualified air freight forwarding companies to apportion their net income in the same manner as other transportation companies creates equal treatment amongst similar tax payers.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 7.5	\$ 8.1	\$ 8.6	\$ 8.8	\$ 8.9	\$ 9.0	\$ 9.0

*Beneficiaries:* A minimal number of corporate taxpayers benefit from this tax expenditure.

## GROSS RECEIPTS TAX

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

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

A tax is levied at 50 mills on gross receipts from passengers, baggage, freight, and oil transported within the commonwealth; as well as intrastate and interstate telephone and telegraph messages transmitted on land line or cellular systems. A tax is levied at 44 mills on the sale of electric energy. The 44 mill tax rate on sales of electric energy was subject to change based on the revenue neutral reconciliation (RNR) tax rate calculated annually pursuant to Act 138 of 1996, which governs the restructuring of the electric utility industry in Pennsylvania. Act 89 of 2002 established the permanent RNR tax rate at 15 mills for tax years beginning January 1, 2003 and thereafter. The sale of natural gas was subject to the gross receipts tax before Act 4 of 1999 repealed these provisions, effective January 1, 2000. Act 84 of 2016 repealed the imposition of gross receipts tax on managed care organizations, effective January 1, 2017.

### MUNICIPALLY-OWNED PUBLIC UTILITIES

*Description:* Gross receipts of public utilities owned or operated by a municipality are exempt from tax to the extent the gross receipts are derived from business done inside the limits of the municipality. The figures for this expenditure are at the statutory utilities gross receipts tax rates applicable to the appropriate tax year.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 10.8	\$ 10.9	\$ 10.9	\$ 10.9	\$ 10.9	\$ 10.9	\$ 11.0

*Beneficiaries:* The 35 municipally-owned utilities operating in the commonwealth benefit from this tax expenditure.

### NUCLEAR GENERATING FACILITY DAMAGE

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* One hundred fifty electric suppliers could potentially benefit from this tax expenditure.

# General Fund Tax Expenditures

## ELECTRIC COOPERATIVES

*Description:* Gross receipts of electric cooperatives are exempt from the tax. The figures for this expenditure are at the statutory utility gross receipts tax rates applicable to the appropriate tax year.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 23.5	\$ 24.3	\$ 25.1	\$ 25.9	\$ 26.8	\$ 27.7	\$ 28.6

*Beneficiaries:* The 14 cooperatives in the commonwealth benefit from this tax expenditure.

## PUBLIC UTILITY REALTY TAX

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

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

Act 4 of 1999 fundamentally overhauled PURTA for tax year 1998 and thereafter. The tax rate is annually calculated by the Department of Revenue in order to raise an amount of tax revenue equal to the realty tax equivalent. The commonwealth imposes this tax on public utility realty in lieu of local real estate taxes and distributes revenue to local taxing authorities based on the realty tax equivalent.

Beginning with PURTA tax year 1998, utilities are taxed on the basis of the property's fair market value, which is the local assessed value adjusted by the common level ratio. After December 31, 1999, assets used in the generation of electricity are excluded from the PURTA tax base and the realty tax equivalent.

For fiscal years prior to 2003-04, an additional 7.6 mills of the PURTA tax base was transferred to the Public Transportation Assistance Fund. Beginning in fiscal year 2003-04, the additional 7.6 mills of the PURTA tax base has remained in the General Fund. The estimates in this portion of the analysis include the variable tax as well as the additional 7.6 mill levy.

### PROPERTY SUBJECT TO LOCAL TAXATION

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 3.3	\$ 3.3	\$ 3.4	\$ 3.4	\$ 3.4	\$ 3.5	\$ 3.5

*Beneficiaries:* The 285 public utilities could benefit from this tax expenditure.

### EASEMENTS

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 2.9	\$ 3.0	\$ 3.0	\$ 3.0	\$ 3.0	\$ 3.1	\$ 3.1

*Beneficiaries:* The 285 public utilities could benefit from this tax expenditure.

## RAILROAD RIGHTS-OF-WAY

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

*Purpose:* PURTA is intended as a tax on real property and not as a tax on property such as these rights. This tax relief may encourage the development of our railroad network that benefits the economy.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 6.8	\$ 6.9	\$ 6.9	\$ 7.0	\$ 7.1	\$ 7.1	\$ 7.2

*Beneficiaries:* The 60 railroad public utilities could benefit from this tax expenditure.

## SEWAGE SERVICES

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 6.0	\$ 6.1	\$ 6.1	\$ 6.2	\$ 6.2	\$ 6.3	\$ 6.3

*Beneficiaries:* The 55 public utilities that provide sewage services benefit from this tax expenditure.

## MUNICIPALITIES

*Description:* Municipalities or municipal authorities furnishing electric, natural gas, telephone, or water public utility services are exempt from tax.

*Purpose:* The realty used for municipally-furnished utility services is public property used for public purposes. Moreover, taxing such property would result in the municipal government funding the realty tax equivalent distributed to local taxing authorities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 3.7	\$ 3.7	\$ 3.8	\$ 3.8	\$ 3.8	\$ 3.9	\$ 3.9

*Beneficiaries:* The 635 municipal authorities and the 35 municipal public utilities benefit from this tax expenditure.

## ELECTRIC GENERATION FACILITIES

*Description:* After December 31, 1999, land and improvements indispensable to the generation of electricity are subject to local real estate tax and are excluded from the PURTA tax base and the realty tax equivalent.

*Purpose:* Electric generation facilities were removed from the PURTA tax base because electric generation is no longer regulated as a public utility function. The electric competition statute, Act 138 of 1996, changed the definition of public utility, and generation facilities can be owned by unregulated entities. This exemption allows a level playing field for participants in electricity supply.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 27.1	\$ 27.3	\$ 27.6	\$ 27.8	\$ 28.1	\$ 28.3	\$ 28.6

*Beneficiaries:* The 22 electric utilities owning generating assets in Pennsylvania benefit from this tax expenditure.

## TRANSITION CREDIT

*Description:* During the transition years 1998 through 2001, the liability of a public utility under PURTA is limited to 250 percent of its immediate prior year's liability with any reduction in the liability capped at \$100,000 per taxable year. The cost of the transition credit in current fiscal years depends on the calculation of the compensating adjustments for the affected tax years.

*Purpose:* The PURTA transition credit provides limited relief to taxpayers having a significant increase in their PURTA tax base as a result of Act 4 of 1999.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* Approximately 60 taxpayers benefit from this tax expenditure.

## INSURANCE PREMIUMS TAX

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

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

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

The basic tax rate is two percent of gross premiums plus any retaliatory tax. A three percent rate is imposed on insurance premiums for policies written with unlicensed insurers by a surplus lines agent when the insured's home state is Pennsylvania. Marine insurance companies are subject to a five percent tax on their underwriting profits in lieu of the insurance premiums tax.

The estimates in this analysis include the full amount of revenues and the retaliatory charges that would be received from affected insurance companies.

### MUTUAL BENEFICIAL ASSOCIATIONS

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

*Purpose:* Mutual beneficial associations are charitable and benevolent organizations that provide life, accident, and health benefits for their members.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 20.7	\$ 19.8	\$ 20.2	\$ 20.7	\$ 21.1	\$ 21.6	\$ 22.1

*Beneficiaries:* Approximately 60 mutual beneficial associations doing business in Pennsylvania benefit from this tax expenditure.

### NONPROFIT HOSPITAL AND MEDICAL CARE SERVICE ORGANIZATIONS

*Description:* Companies organized under the Nonprofit Hospital Plan Act (Act 378 of 1937), the Nonprofit Medical, Osteopathic, Dental and Podiatry Service Corporation Act (Act 399 of 1939), and their successor acts are exempt from the insurance premiums tax.

*Purpose:* These companies are deemed to be charitable and benevolent institutions that provide hospital and/or medical care to their subscribers.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 79.1	\$ 82.8	\$ 86.9	\$ 91.3	\$ 95.8	\$ 100.6	\$ 105.6

*Beneficiaries:* Eleven nonprofit hospital and medical care service organizations doing business in Pennsylvania benefit from this tax expenditure.

## EXTRAORDINARY MEDICAL BENEFIT

*Description:* An exemption is allowed for premiums collected by automobile insurance companies for optional extraordinary medical benefit coverage from \$100,000 to \$1,100,000. This exemption applies only to premiums collected in association with policies written after June 1, 1989.

*Purpose:* This exemption benefits private insurance companies that are required to provide the extraordinary medical coverage as a result of the repeal of Pennsylvania's Catastrophic Loss Trust Fund.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2

*Beneficiaries:* Approximately 820 automobile insurance companies licensed to do business in Pennsylvania may benefit from this tax expenditure.

## LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION CREDIT

*Description:* A tax credit is available to companies that are members of the Pennsylvania Life and Health Insurance Guaranty Association. These companies may offset a proportionate part of assessment payments made to the association against the insurance premiums tax. The credit is for the portion of the assessment that is unrecoverable through premiums and must be taken over five years.

*Purpose:* The Pennsylvania Life and Health Insurance Guaranty Association protects policyholders and claimants by providing for the payment of benefits and the continuation of coverage under life, health, and accident, and annuity policies under certain circumstances. Members are assessed to provide funds to carry out the purpose of the association. This credit provides relief to member companies by allowing them to recoup a portion of their assessment payments in the form of tax credits. This credit also provides indirect relief to subscribers to the extent that lower premium rates are maintained.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.3	\$ 82.5	\$ 49.0	\$ 49.7	\$ 49.4	\$ 11.1	\$ 5.4

*Beneficiaries:* Approximately 410 life, accident, and health insurance companies doing business in Pennsylvania may benefit from this tax expenditure.



## PROPERTY AND CASUALTY INSURANCE GUARANTY ASSOCIATION CREDIT

**Description:** A tax credit is available to companies that are members of the Pennsylvania Property and Casualty Insurance Guaranty Association (PP&CIGA). Companies may claim a credit for assessments paid to the association in a calendar year that exceed one percent of gross premiums collected from policyholders. The credit must be taken proportionately over five years, beginning the year after the assessment is paid. This tax credit was enacted as part of Act 23 of 2000 to allow member companies to recoup a portion of assessments paid to the association in the form of tax credits.

**Purpose:** PP&CIGA protects policyholders and claimants by providing for the payment of benefits and claims for property and casualty policies under certain circumstances. Members are assessed to provide funds to carry out the purpose of the association. This credit also provides indirect relief to property and casualty policyholders to the extent that lower premium rates are maintained.

(Dollar Amounts in Millions)

<b>Estimates:</b>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	\$ 0.7	\$ 1.4	\$ 2.1	\$ 2.8	\$ 3.6	\$ 3.7

**Beneficiaries:** Approximately 1,070 property and casualty insurers doing business in Pennsylvania benefit from this tax expenditure.

## INNOVATE IN PA TAX CREDIT

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

**Description:** Act 52 of 2013 created the Innovate in PA Tax Credit. A total of \$100 million in tax credits were purchased by qualified insurance companies in 2015. The credits may be claimed beginning in calendar year 2017 against insurance premiums tax (IPT) liabilities incurred for a taxable year beginning on or after January 1, 2016. The total amount of credits applied against IPT liability by all qualified taxpayers in a fiscal year may not exceed \$20 million, nor may they exceed a taxpayer's IPT liability for that year. Credits may be sold to other qualified taxpayers and may be carried forward for any taxable year that begins prior to January 1, 2026.

The amounts shown below reflect the program cap.

**Purpose:** The tax credit encourages funding of early-stage venture capital investment through the Ben Franklin Technology Partners, the Venture Investment Program, and the Life Sciences Greenhouses.

**Administrative Costs:** Costs to administer the Innovate in PA Tax Credit are borne by the Department of Community and Economic Development and the Department of Revenue. Estimated costs total \$0.1 million per year.

(Dollar Amounts in Millions)

<b>Estimates:</b>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 19.3	\$ 20.0	\$ 20.0	\$ 20.0	\$ 12.5	\$ 0.0	\$ 0.0

**Beneficiaries:** Approximately thirty taxpayers will benefit from this tax expenditure.

## BANK AND TRUST COMPANY SHARES TAX

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

The bank and trust company shares tax is imposed on every bank and trust company having capital stock and doing business in Pennsylvania.

The tax is imposed annually on the value of shares as of January 1. Beginning January 1, 2014, the taxable value of shares is computed on the most recent year-end value of an institution's total bank equity capital, adjusted to allow a deduction for United States obligations. Beginning on January 1, 2017, the tax rate on the dollar value of each taxable share of stock is increased from 0.89 to 0.95 percent.

### GOODWILL DEDUCTION

*Description:* Act 55 of 2007 provides for goodwill generated by a combination to be subtracted from a bank's book value of total bank equity capital when calculating its taxable shares. The Act also provides for goodwill to be subtracted from total assets when calculating the proportional deduction for United States obligations.

*Purpose:* This deduction removes from the tax base the intangible value assigned to goodwill under purchase accounting rules as the result of a combination with another bank.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 74.6	\$ 75.9	\$ 77.3	\$ 78.5	\$ 80.2	\$ 82.5	\$ 85.0

*Beneficiaries:* Any Pennsylvania bank involved in combination activity could benefit from this tax expenditure.

### EDGE ACT DEDUCTION

*Description:* Act 84 of 2016 provides for Edge Act subsidiary equity to be subtracted from a bank's book value of total bank equity capital when calculating its taxable shares. The deduction is phased in over 5 years, beginning January 1, 2018, allowing a 20 percent deduction that year and increasing 20 percent each year until fully phased in January 1, 2022.

*Purpose:* This deduction removes from the tax base the value of Edge Act subsidiaries for institutions which file Reports of Condition on a consolidated basis.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 2.7	\$ 5.6	\$ 8.6	\$ 11.9	\$ 15.3	\$ 15.8	\$ 16.3

*Beneficiaries:* Any Pennsylvania bank which files Reports of Condition on a consolidated basis may benefit from this tax expenditure.

## MUTUAL THRIFT INSTITUTIONS TAX

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

The mutual thrift institutions tax is imposed on the net income of savings institutions, savings banks without capital stock, savings and loan associations, and building and loan associations conducting business in Pennsylvania.

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

The current tax rate is 11.5 percent.

### NET OPERATING LOSS CARRYFORWARD

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5

*Beneficiaries:* The 60 mutual thrift companies could benefit from this tax expenditure.

### CREDIT UNIONS

*Description:* Credit unions are exempt from taxation. The tax expenditure is determined by applying the appropriate mutual thrift institutions tax rate to their net earnings.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 9.1	\$ 9.4	\$ 9.7	\$ 10.0	\$ 10.3	\$ 10.7	\$ 11.0

*Beneficiaries:* The 57 state and federal credit unions operating in Pennsylvania benefit from this tax expenditure.

## SALES AND USE TAX

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

The sales and use tax is imposed on the retail sale, consumption, rental, or use of tangible personal property in Pennsylvania. The tax is also imposed on certain services relating to such property and on the charge for specific business services. The Pennsylvania sales tax rate is six percent. By law, a one percent local tax is added to purchases made in Allegheny County, and two percent local tax is added to purchases made in Philadelphia. Effective with Act 46 of 2003 for transfers after June 30, 2003, 0.947 percent of total sales and use tax receipts are transferred monthly to the Public Transportation Assistance Fund. Act 44 of 2007 provided that 4.4 percent of sales and use tax receipts be transferred monthly to the Public Transportation Transfer Fund, effective July 1, 2007. Act 85 of 2016 created a transfer in the amount that is necessary to make payment for principal and interest obligations for outstanding indebtedness of the Commonwealth Financing Authority, beginning July 1, 2016. An annual \$0.7 million transfer to the Transit Revitalization Investment Districts, beginning in 2016 and sunseting after twenty years, was created by Act 151 of 2016. The analyses below reflect only the General Fund portion of the tax expenditures.

*Administrative Costs:* Costs incurred to administer the multiple tax expenditures associated with the sales and use tax cannot be separately identified. Tax expenditures are a significant factor associated with the need for more compliance audits and the increased complexity of compliance audits. These audits contribute significantly to the volume of appeals processed by the Department of Revenue.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 18.2	\$ 18.5	\$ 18.8	\$ 19.1	\$ 19.3	\$ 19.6	\$ 19.9

*Beneficiaries:* Information provided under the sales and use tax “Beneficiaries” heading represent an actual or estimated number and description of Pennsylvania residents, households, or businesses benefiting from that specific tax expenditure. An unreported number of non-Pennsylvania entities may also benefit from the tax expenditure.

## GENERAL/PERSONAL EXPENDITURES

### FOOD

*Description:* Generally, food and beverages intended for human consumption are exempt from taxation. These foods may be purchased from a bakery, pastry shop, donut shop, delicatessen, grocery store, supermarket, farmer’s market, convenience store, or vending machine. Sales of ready-to-eat foods are not exempt from tax and include the sale of meals, sandwiches, food from salad bars, hand-dipped or hand-served iced based products including ice cream and yogurt, hot soup, hot pizza and other hot food items, brewed coffee, and hot beverages. In addition, the exemption does not apply to soft drinks, alcoholic beverages, or food purchased from an establishment from which ready-to-eat food and beverages are sold.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$1,387.3	\$1,425.2	\$1,464.2	\$1,505.4	\$1,547.1	\$1,589.4	\$1,631.5

*Beneficiaries:* Virtually all 5.1 million households benefit from this tax expenditure.

# General Fund Tax Expenditures

## CANDY AND GUM

*Description:* The purchase at retail or use of candy and gum, regardless of where sold, is exempt from taxation.

*Purpose:* Candy and gum are considered to be food. Exempting candy and gum regardless of where sold provides for uniformity in the taxation of these items.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 64.5	\$ 66.3	\$ 68.1	\$ 70.0	\$ 71.9	\$ 73.9	\$ 75.9

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## PERSONAL HYGIENE PRODUCTS

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 44.2	\$ 45.5	\$ 47.3	\$ 49.6	\$ 51.7	\$ 53.7	\$ 55.7

*Beneficiaries:* Virtually all 5.1 million households benefit from this tax expenditure.

## NEWSPAPERS

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

*Purpose:* The purpose of this tax exemption is to encourage citizens to be well informed.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 12.7	\$ 12.3	\$ 12.0	\$ 11.8	\$ 11.7	\$ 11.6	\$ 11.4

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## MAGAZINES

*Description:* The purchase at retail or use of subscriptions for magazines is exempt from taxation. A “magazine” is a periodical published at regular intervals not exceeding three months and circulated among the general public. The exclusion includes any printed advertising material circulated with the periodical. This tax expenditure became effective July 1, 1994, under Act 48 of 1994.

*Purpose:* The purpose of this tax exemption is to encourage citizens to be well informed.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 30.3	\$ 30.4	\$ 30.6	\$ 31.0	\$ 31.5	\$ 31.8	\$ 32.1

*Beneficiaries:* An unknown number of taxpayers benefit from this tax expenditure.

## CLOTHING AND FOOTWEAR

*Description:* The purchase at retail or use of wearing apparel, footwear, and other articles of clothing worn on the human body is exempt from taxation. Additionally, the purchase at retail or use of clothing patterns and other items that are to be a component part of clothing is exempt from tax. Accessories, ornamental wear, formal day or evening apparel, furs, and sporting goods are taxable.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 663.4	\$ 629.2	\$ 637.6	\$ 648.4	\$ 658.2	\$ 666.1	\$ 673.1

*Beneficiaries:* Virtually all 5.1 million households benefit from this tax expenditure.

## PRESCRIPTION DRUGS AND ORTHOPEDIC EQUIPMENT

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 964.3	\$1,018.6	\$1,084.7	\$1,166.9	\$1,261.4	\$1,367.5	\$1,483.0

*Beneficiaries:* Approximately 2.8 million Pennsylvanians benefit from this tax expenditure.

## NON-PRESCRIPTION DRUGS

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 138.3	\$ 146.2	\$ 155.8	\$ 168.0	\$ 182.0	\$ 197.7	\$ 215.6

*Beneficiaries:* Virtually all 5.1 million households benefit from this tax expenditure.

## LIQUOR OR MALT BEVERAGE PURCHASED FROM RETAIL DISPENSER

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 128.9	\$ 136.1	\$ 143.8	\$ 151.9	\$ 159.2	\$ 166.3	\$ 179.0

*Beneficiaries:* Approximately 6.3 million people benefit from this tax expenditure.

## CHARGES FOR RETURNABLE CONTAINERS

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 10.8	\$ 11.2	\$ 11.6	\$ 11.9	\$ 12.4	\$ 12.8	\$ 13.2

*Beneficiaries:* An unknown number of businesses and households may benefit from this tax expenditure.

## CASKETS AND BURIAL VAULTS

*Description:* The purchase or use of caskets, burial vaults, markers, cremation urns, and tombstones for human graves, including foundations, is exempt from taxation.

*Purpose:* These items are considered to be the final basic necessity of life. Additionally, this exemption reduces the regressive nature of the tax and eases the burden on low-income families.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 20.3	\$ 21.1	\$ 22.1	\$ 23.1	\$ 24.1	\$ 25.2	\$ 26.3

*Beneficiaries:* As many as 128,000 households benefit from this tax expenditure annually.

## FLAGS

*Description:* The purchase or use of Pennsylvania and United States flags is exempt from taxation.

*Purpose:* The exemption of flags may be based on the perception that governmental support of national and state symbols is a worthy public policy objective.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 1.6	\$ 1.7	\$ 1.7	\$ 1.8	\$ 1.8	\$ 1.9	\$ 1.9

*Beneficiaries:* An unknown number of households, businesses, and organizations benefit from this tax expenditure.

## TEXTBOOKS

*Description:* The purchase or use of textbooks for use in schools, colleges, and universities is exempt from taxation. The purchase must be on behalf of or through schools recognized by the Department of Education as institutions of learning.

*Purpose:* The education of the commonwealth's citizens is a major policy objective of state government. This exemption helps to reduce the overall cost of obtaining an education.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 8.4	\$ 8.2	\$ 8.0	\$ 7.9	\$ 7.7	\$ 7.6	\$ 7.4

*Beneficiaries:* As many as 780,000 college students may benefit from this tax expenditure.



# General Fund Tax Expenditures

## SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) PURCHASES

*Description:* The purchase at retail or use of tangible personal property in accordance with the federal Food Stamp Act of 1977 is exempt from taxation. Primarily, exempt items are soft drinks, certain drink mixes, vegetable and fruit seeds and plants, and certain prepared cold foods.

*Purpose:* This provision is mandated by federal law for continued state participation in the federally funded food stamp program.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 7.6	\$ 8.0	\$ 8.6	\$ 9.1	\$ 9.7	\$ 10.3	\$ 11.0

*Beneficiaries:* Approximately 733,000 households benefit from this tax expenditure.

## GRATUITIES

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 98.4	\$ 103.2	\$ 108.0	\$ 113.0	\$ 117.6	\$ 122.1	\$ 126.7

*Beneficiaries:* Approximately 3.7 million households and an unknown number of businesses benefit from this tax expenditure.

## FUELS AND UTILITIES

### COAL

*Description:* The purchase or use of coal is exempt from taxation.

*Purpose:* This exemption provides special tax treatment of coal versus alternative energy forms. Other major energy sources are exempt only when used directly by the purchaser for residential use. Encouragement of coal consumption may have been perceived as providing or preserving employment when mining was a major employer within the commonwealth.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 132.7	\$ 135.2	\$ 135.5	\$ 135.1	\$ 136.1	\$ 137.3	\$ 137.9

*Beneficiaries:* Approximately 70,000 households and an unknown number of businesses benefit from this tax expenditure.

# General Fund Tax Expenditures

## FIREWOOD

*Description:* The purchase or use of firewood cut into lengths for burning or wood pellets is exempt from taxation when used as fuel for cooking, or for heating water or residential dwellings.

*Purpose:* Alternative energy sources such as heating oil, natural gas, coal, and electricity are exempt when used for residential purposes. The extension of this exemption to firewood provides consistency among all major energy sources.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 8.4	\$ 8.6	\$ 8.9	\$ 9.2	\$ 9.5	\$ 9.9	\$ 10.2

*Beneficiaries:* Approximately 140,000 households use wood as a primary heating source. In addition, there are approximately 700,000 households with working fireplaces. Both groups benefit from this tax expenditure.

## RESIDENTIAL UTILITIES

*Description:* As defined by law, “tangible personal property” specifies taxable items. Specifically omitted from this definition are electricity, steam, natural, manufactured, and bottled gas and fuel oil; basic local telecommunications service when purchased directly by the user solely for his residential use; and charges for coin-operated telephone calls. Court decisions have expanded the electricity exemption to include purchases for residential use through an agent, where there is no commercial interest.

*Purpose:* Residential utilities are considered essential for maintaining a basic standard of life. Additionally, this provision reduces the regressive nature of the tax and reduces the tax burden on families who spend a disproportionate share of income on these services.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<b>Electric:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 433.1	\$ 447.9	\$ 467.2	\$ 485.3	\$ 502.3	\$ 521.2	\$ 542.1

	<b>Fuel Oil/Gas:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 156.2	\$ 160.7	\$ 168.8	\$ 174.3	\$ 178.6	\$ 184.1	\$ 191.2

	<b>Telephone:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 37.7	\$ 39.2	\$ 40.6	\$ 41.6	\$ 42.2	\$ 42.5	\$ 42.7

*Beneficiaries:* Virtually all 5.1 million households (electricity), 3.6 million households (fuel oil/gas), and 3.0 million households (telephone) benefit from this tax expenditure.

## WATER AND SEWAGE SERVICES

*Description:* The purchase at retail or use of water (including ice) or sewage services is exempt from taxation.

*Purpose:* Water is a basic necessity of life. Additionally, this provision reduces the regressive nature of the tax and reduces the tax burden on families who spend a disproportionate share of income on this product.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 121.9	\$ 125.5	\$ 129.6	\$ 133.9	\$ 138.3	\$ 142.8	\$ 147.4

*Beneficiaries:* Approximately 4.4 million households and about 298,000 businesses benefit from this tax expenditure.

## GASOLINE AND MOTOR FUELS

*Description:* The purchase or use of gasoline and other motor fuels, taxed under the Liquid Fuels and Fuels Tax Act, is exempt from the sales and use tax.

*Purpose:* Because these items are already subject to fuels taxes, the legislature has provided for their exemption from the sales and use tax.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 975.6	\$ 995.5	\$1,073.6	\$1,169.9	\$1,245.7	\$1,314.5	\$1,373.0

*Beneficiaries:* Approximately 4.8 million households and owners of more than 2.0 million heavy trucks, buses, etc., benefit from this tax expenditure.

## MOTOR VEHICLES/VESSELS

### AIRCRAFT

*Description:* An exemption is provided for the sale at retail or use of helicopters and similar rotocraft. In addition, there is an exemption for the sale at retail of repair and replacement parts for helicopters, similar rotocraft, and fixed-wing aircraft. This exemption also covers the installation of these parts as well as other service to the aircraft.

*Purpose:* This exclusion places Pennsylvania aircraft manufacturers at a competitively neutral position relative to manufacturers in those states allowing this exemption.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 5.8	\$ 6.0	\$ 6.2	\$ 6.4	\$ 6.6	\$ 6.8	\$ 7.0

*Beneficiaries:* Approximately 110 aircraft manufacturers and repair companies may benefit from this expenditure. In addition, an unknown number of purchasers of these products and services may benefit.

## COMMON CARRIERS

*Description:* Vehicles purchased by a public utility, engaged in business as a common carrier, to be used in rendering utility services are exempt from taxation. Since the enactment of the Federal Aviation Act, effective January 1, 1995, Pennsylvania has recognized contract carriers as common carriers. Household goods carriers and private carriers remain taxable.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 77.1	\$ 80.6	\$ 83.6	\$ 86.2	\$ 88.7	\$ 91.1	\$ 93.3

*Beneficiaries:* Approximately 7,500 common carriers could benefit from this tax expenditure.

## COMMERCIAL VESSELS (Construction and Repair)

*Description:* The purchase or use of commercial vessels of 50 tons or larger is exempt from taxation if delivery is taken in Pennsylvania.

*Purpose:* This exclusion places Pennsylvania shipbuilders at a competitively neutral position relative to shipbuilders in those states allowing this exemption.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 18.9	\$ 19.5	\$ 20.1	\$ 20.7	\$ 21.2	\$ 21.7	\$ 22.2

*Beneficiaries:* As many as 10 establishments may benefit from this tax expenditure.

## COMMERCIAL VESSELS (Equipment and Maintenance)

*Description:* The purchase or use of fuel, supplies, equipment, ships or sea stores, and cleaning or maintenance supplies is exempt from taxation. This exemption applies to vessels of 50 tons or more designed for commercial use.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 4.5	\$ 4.6	\$ 4.7	\$ 4.8	\$ 4.9	\$ 5.1	\$ 5.2

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## MOTOR VEHICLES (Out-of-State Purchasers)

**Description:** The purchase or use of a motor vehicle by a non-resident, to be used outside Pennsylvania, and which is registered in another state within twenty days of delivery, is exempt from taxation. Delivery must be taken outside of Pennsylvania.

**Purpose:** The exemption protects the participation of Pennsylvania car dealers in the out-of-state market while preventing potential abuses of such an exemption by Pennsylvania residents.

(Dollar Amounts in Millions)

<b>Estimates:</b>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

**Beneficiaries:** The number of taxpayers benefiting from this expenditure is unknown.

## SCHOOL BUSES

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

**Purpose:** The costs of transporting school children are directly borne by school districts and indirectly by state government through subsidy programs. This exemption, while limiting state sales and use tax revenues, also decreases state educational subsidy costs.

(Dollar Amounts in Millions)

<b>Estimates:</b>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 20.8	\$ 20.9	\$ 21.0	\$ 21.0	\$ 21.1	\$ 21.2	\$ 21.3

**Beneficiaries:** Approximately 400 private school bus contractors and virtually all schools benefit from this tax expenditure.

## PRODUCTION EXPENDITURES

### MANUFACTURING EXEMPTION (Manufacture and Processing)

**Description:** An exemption is provided for the purchase or use of machinery, equipment, parts and supplies, or the use of services or utilities used directly in the manufacturing and processing of personal property. This exemption does not apply to motor vehicles, maintenance facilities, managerial or other nonoperational activities or materials, supplies, or equipment used relative to real estate, obtaining disinfecting or pest control services, or building maintenance and cleaning services.

**Purpose:** Exemption of manufacturing equipment and supplies prevents the multiple taxation that could occur in the production of a finished good for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<b>Estimates:</b>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$1,253.0	\$1,285.3	\$1,312.3	\$1,336.4	\$1,362.1	\$1,387.1	\$1,409.1

**Beneficiaries:** Approximately 13,800 manufacturers and an unknown number of processors and remanufacturers benefit from this tax expenditure.

## MANUFACTURING EXEMPTION (Agriculture)

*Description:* An exemption is provided for the purchase or use of machinery, equipment, parts and supplies, or the use of services or utilities used directly in farming, dairying, horticulture, floriculture, or aquaculture. This exemption does not apply to motor vehicles, maintenance facilities, managerial or other nonoperational activities or materials, supplies, or equipment used relative to real estate, obtaining disinfecting or pest control services, or building maintenance and cleaning services.

*Purpose:* Exemption of agricultural equipment and supplies prevents the multiple taxation that could occur in the production of an agricultural commodity for sale and consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 65.0	\$ 65.5	\$ 66.6	\$ 67.8	\$ 69.3	\$ 70.9	\$ 72.1

*Beneficiaries:* Approximately 58,800 farm operators benefit from this tax expenditure.

## MANUFACTURING EXEMPTION (Public Utility)

*Description:* An exemption is provided for the purchase or use of machinery, equipment, parts and supplies or the use of services or utilities used directly in producing, delivering, or rendering a public utility service. This exemption does not apply to motor vehicles (except those used as common carriers), maintenance facilities, managerial or other nonoperational activities or materials, supplies, or equipment used relative to real estate, obtaining disinfecting or pest control services, or building maintenance and cleaning services.

*Purpose:* Exemption of equipment and supplies used in producing and delivering a public utility service prevents the multiple taxation that could occur in providing the service. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 102.5	\$ 103.8	\$ 105.1	\$ 106.1	\$ 106.9	\$ 107.6	\$ 108.4

*Beneficiaries:* Approximately 820 public utilities could benefit from this tax expenditure.

## MANUFACTURING EXEMPTION (Foundations for Machinery and Equipment)

*Description:* Foundations for machinery and equipment used directly in manufacturing, farming, dairying, agriculture, horticulture, floriculture, aquaculture, processing or producing, and delivering or rendering a public utility service are exempt from taxation. Included for a public utility are sand, gravel, crushed rock, concrete, or similar material used as bedding or surrounding pipe used directly to render sewer or water service.

*Purpose:* Exemption of foundations for manufacturing equipment prevents the multiple taxation that could occur in the production of a finished good for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 2.6	\$ 2.7	\$ 2.7	\$ 2.8	\$ 2.8	\$ 2.9	\$ 2.9

*Beneficiaries:* Approximately 73,500 entities benefit from this tax expenditure.

## CONTRACT FARMING

*Description:* The purchase or use of tangible personal property or services that are directly used in farming, dairying, or agriculture for the production of food are exempt from tax even if the purchaser is not the entity directly involved in the agricultural activity. This exemption applies to machinery, equipment, parts, supplies, and utilities used in the production of food.

*Purpose:* Exemption of agricultural equipment and supplies prevents the multiple taxation that could occur in the production of an agricultural food commodity for sale and consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 36.2	\$ 36.3	\$ 36.4	\$ 36.5	\$ 36.6	\$ 36.7	\$ 36.8

*Beneficiaries:* An unknown number of businesses engaged in contract farming benefit from this tax expenditure.

## OTHER

### AIRLINE CATERING

*Description:* Airline purchases of catered food and non-alcoholic beverages served to passengers in connection with the airline service are exempt from tax.

*Purpose:* This tax exemption lowers the cost of catered food and non-alcoholic beverages purchased by airlines, which may also reduce the cost of airline travel for consumers.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.9	\$ 0.9	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.1

*Beneficiaries:* Approximately 60 airlines may benefit from this expenditure.

### COIN-OPERATED FOOD AND BEVERAGE VENDING MACHINES

*Description:* The tax on food and beverages dispensed from coin-operated vending machines is derived from total receipts collected from the machines rather than from the price of individual items sold.

*Purpose:* This provision eases reporting and administrative burdens on the vendor and reduces audit efforts required by the Department of Revenue.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6

*Beneficiaries:* As many as 210 vending machine operators may benefit from this tax expenditure.

# General Fund Tax Expenditures

## HOTEL-PERMANENT RESIDENT

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 6.1	\$ 6.3	\$ 6.5	\$ 6.8	\$ 7.0	\$ 7.2	\$ 7.2

*Beneficiaries:* Approximately 51,600 persons benefit from this tax expenditure.

## VENDOR DISCOUNT

*Description:* A licensed vendor is permitted a discount as a credit against the gross amount of tax collected provided that a tax return, with full payment due the department, is filed or postmarked on or before the due date. The discount shall be the lesser of one per cent of the amount of the tax collected and the following: \$25 for a monthly filer, \$75 for a quarterly filer, or \$150 for a semiannual filer.

*Purpose:* This provision is intended to defray the vendor's cost of collecting and remitting the sales and use tax.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 13.8	\$ 14.3	\$ 14.8	\$ 15.2	\$ 15.7	\$ 16.3	\$ 16.9

*Beneficiaries:* Approximately 188,850 vendors benefit from this tax expenditure.

## OUT-OF-STATE CREDIT

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.



## TRADE-IN VALUE

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

*Purpose:* Tangible personal property taken as a trade-in is usually resold. Therefore, it is treated as a sale for resale.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 305.9	\$ 315.5	\$ 323.1	\$ 326.0	\$ 327.3	\$ 328.8	\$ 330.3

*Beneficiaries:* Approximately 600,000 purchasers of motor vehicles annually benefit from this tax expenditure. In addition, an unknown number of entities benefit from other trade-ins (such as boats and aircraft).

## ISOLATED SALES

*Description:* Infrequent personal property sales of a non-recurring nature by persons not in the business of selling such items are exempt from taxation. By regulation, exempt entity sales can occur no more than three times nor more than a total of seven days in a year. These sales may include the sale of a lawn mower to a neighbor, liquidation of an estate, sale of a used typewriter by an insurance company, or yard sale items. Motor vehicles and property that must be registered or licensed are not granted this exemption.

*Purpose:* The exclusion of isolated sales from taxation greatly reduces compliance and administration burdens for the seller and the commonwealth.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 105.6	\$ 109.7	\$ 113.4	\$ 116.3	\$ 120.5	\$ 124.8	\$ 129.3

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## TEMPORARY USAGE

*Description:* Property purchased outside Pennsylvania by a nonresident and temporarily used in Pennsylvania for seven days or less or any length of time by a tourist or vacationer is exempt from taxation. If the property is consumed in the state it becomes taxable.

*Purpose:* Providing an exemption for temporary usage of taxable property in Pennsylvania does not discourage entry into the state by vacationers, tourists, or others who attend, or are involved in specific short term events or activities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

# General Fund Tax Expenditures

## HORSES

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*Description:* The sale of a horse is exempt from taxation if the seller is directed to deliver the horse to an out-of-state location. A horse may be temporarily delivered to a resident or agent prior to being delivered out-of-state.

*Purpose:* This exemption provides preferential treatment of horses relative to other tangible personal property by permitting temporary location in Pennsylvania before being delivered out-of-state.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 2.6	\$ 2.6	\$ 2.6	\$ 2.6	\$ 2.6	\$ 2.6	\$ 2.6

*Beneficiaries:* Approximately 2,000 Standard bred horse purchasers and an unknown number of purchasers of other types of horses benefit from this tax expenditure.

## YOUTH SPORTS PROGRAMS

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*Description:* The purchase of food and beverages from nonprofit associations which support sports programs for participants aged 18 or younger, or for persons with physical or intellectual disabilities regardless of age, is exempt from taxation.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## PURELY PUBLIC CHARITIES

**Description:** The sale of personal property or services to or for use by any institution of purely public charity as defined by Act 55 of 1997 is exempt from taxation. Act 45 of 1998 extended this exemption to include the purchase or use of certain machinery and equipment used in a construction contract with an exempt entity. The purchase or use may be made by a construction contractor or the exempt entity. Transactions unrelated to the trade or business of such organizations are taxable as are certain materials and supplies purchased for use in connection with real estate.

**Purpose:** These organizations provide public and charitable services that are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

(Dollar Amounts in Millions)

<b>Estimates:</b>	<b>Charitable Organizations:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 15.0	\$ 15.5	\$ 15.8	\$ 16.1	\$ 16.4	\$ 16.7	\$ 17.0
	<b>Volunteer Firemen's Organizations:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 15.2	\$ 15.6	\$ 15.9	\$ 16.3	\$ 16.6	\$ 16.7	\$ 16.8
	<b>Nonprofit Educational Institutions:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 74.5	\$ 76.4	\$ 78.3	\$ 79.9	\$ 81.3	\$ 82.0	\$ 82.3
	<b>Religious Organizations:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 10.2	\$ 10.5	\$ 10.7	\$ 10.9	\$ 11.2	\$ 11.4	\$ 11.5
	<b>Health &amp; Social Assistance Organizations:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 170.4	\$ 173.9	\$ 178.5	\$ 183.6	\$ 189.1	\$ 195.2	\$ 201.8

**Beneficiaries:** Approximately 32,200 organizations currently benefit from this tax expenditure.

## EXEMPT GOVERNMENTAL UNITS

**Description:** The sale of tangible personal property or services to or for use by the federal government, the commonwealth or its instrumentalities, or political subdivisions is exempt from taxation. Act 45 of 1998 extended this exemption to include the purchase or use of certain machinery or equipment used in a construction contract with a governmental unit. The purchase or use may be by a contractor or governmental unit. Based on the criteria adopted to define tax expenditures, federal transactions are not included in this study. Commonwealth transactions are also excluded because revenues would offset expenditures with no net effect. The estimates, therefore, represent the tax on local government expenditures and construction contractors.

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

(Dollar Amounts in Millions)

<b>Estimates:</b>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 392.7	\$ 406.6	\$ 422.1	\$ 439.0	\$ 457.4	\$ 476.3	\$ 495.6

**Beneficiaries:** Approximately 3,130 governmental units benefit from this tax expenditure.

## SUBSTITUTED TAX BASE

*Description:* The tax on tangible personal property purchased at least six months prior to the first taxable use in Pennsylvania may be based on the prevailing market price at the time of the taxable use. This substituted base would be in lieu of taxing the original purchase price.

*Purpose:* This alternative tax base permits taxpayers to pay tax relative to the current market value of such assets that most closely approximates current taxable value.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## OUT-OF-STATE PURCHASES

*Description:* Tangible personal property purchased and used outside the state by a nonresident who later brings the property into Pennsylvania while establishing a permanent residence or business is exempt from taxation. This property must be purchased more than six months prior to the first taxable use in Pennsylvania.

*Purpose:* This provision eases administrative costs for the commonwealth and compliance costs for the taxpayer and prevents a substantial tax liability from being imposed when a person moves to Pennsylvania.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## RAIL TRANSPORTATION EQUIPMENT

*Description:* The purchase or use of rail transportation equipment by a business in the movement of its own personal property is exempt from taxation.

*Purpose:* Exemption of rail equipment provides preferential treatment benefiting specific users of this transportation mode. Were these items not exempt, this additional cost may be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 11.8	\$ 12.2	\$ 12.6	\$ 13.0	\$ 13.3	\$ 13.7	\$ 13.9

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

# General Fund Tax Expenditures

## FISH FEED

*Description:* The purchase or use of fish feed by sportsmen's clubs, fish cooperatives, or nurseries approved by the Pennsylvania Fish Commission is exempt from taxation.

*Purpose:* The exemption provides special treatment benefiting organizations that raise fish intended for human consumption.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* An unknown number of entities benefit from this tax expenditure.

## TOURIST PROMOTION AGENCIES

*Description:* The purchase or use of supplies and materials by tourist promotion agencies for distribution to the public is exempt from taxation. To be permitted this exemption, an agency must receive grants from the state.

*Purpose:* Excluding supplies and materials used by tourist promotion agencies that receive state grants reduces the cost of performing promotional activities. The need for direct support to these agencies is decreased by providing this exemption.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* An unknown number of entities benefit from this tax expenditure.

## TROUT

*Description:* The purchase or use of brook trout, brown trout, or rainbow trout is exempt from taxation.

*Purpose:* Special treatment is conferred to those involved in the raising or sale of trout intended for human consumption.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* An unknown number of entities benefit from this tax expenditure.

## CONSTRUCTION OF MEMORIALS

*Description:* The purchase or use of materials used in the construction or erection of objects commemorating or memorializing historical events is exempt from taxation. These objects must be purchased by not-for-profit organizations and erected on publicly owned property.

*Purpose:* This exemption has been provided because these memorials are presumably erected for public benefit and gratification.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## STORAGE

*Description:* Charges for storage, other than for self-storage, of tangible personal property are exempt from taxation.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 187.9	\$ 192.9	\$ 197.7	\$ 202.1	\$ 206.3	\$ 210.6	\$ 214.6

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## STAIR LIFT DEVICES

*Description:* The purchase or use of property or services used in installing or repairing stair lift devices is exempt from taxation when the device is installed or used in the residence of a physically disabled person requiring the device to ascend or descend stairs. The physical disability must be certified by a physician.

*Purpose:* Stair lift devices could be considered essential for people with a physical disability that prevents them from ascending or descending stairs. This exemption reduces the regressive nature of the tax and eases the tax burden on people requiring the devices.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.6	\$ 0.6	\$ 0.6

*Beneficiaries:* As many as 860,000 residents who have difficulty ascending and descending stairs may benefit from this tax expenditure.

# General Fund Tax Expenditures

## BAD DEBTS

*Description:* Sales tax vendors may apply for a refund equal to 100 percent of bad debts associated with sales tax paid to the state for sales written off by the vendor and deducted for federal income tax purposes because the vendor did not receive full payment from the purchaser. Act 55 of 2007 provided that the refund for sales tax remitted and attributable to bad debt is now expanded to private label credit cards. This change applies to amounts deducted as bad debts on federal income tax returns required to be filed after January 1, 2008. No refund is granted for interest, finance charges, or expenses incurred in attempting to collect receivables.

*Purpose:* The bad debt refund provision lessens the economic impact experienced by vendors when they extend credit to customers for taxable purchases and subsequently incur uncollectible accounts receivable (bad debts).

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 3.6	\$ 3.8	\$ 4.0	\$ 4.2	\$ 4.4	\$ 4.6	\$ 4.9

*Beneficiaries:* Any of the 298,000 licensed vendors could benefit from this tax expenditure, if they extend credit or accept checks for payment.

## UNIFORM COMMERCIAL CODE FILING FEES

*Description:* Separately stated Uniform Commercial Code (UCC) filing fees, copy requests, and certification fees paid to a state or local agency are exempt from tax.

*Purpose:* UCC filing legally identifies the lien holder for personal property collateral. These fees may be perceived as incidental to the purchase or use of the tangible personal property and, as such, are exempt from tax.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 2.2	\$ 2.3	\$ 2.4	\$ 2.4	\$ 2.5	\$ 2.6	\$ 2.7

*Beneficiaries:* As many as 139,100 entities benefit from this tax expenditure annually.

## RENTAL OF FILMS FOR COMMERCIAL EXHIBITION \_\_\_\_\_

*Description:* The purchase at retail or use of motion picture films rented or licensed from a distributor for the purpose of commercial exhibition are exempt from taxation.

*Purpose:* This provision allows the entertainment services associated with these films to be delivered to the public at a reduced cost. Were these films not exempt, the additional cost would likely be passed through to the ultimate consumer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 21.3	\$ 21.8	\$ 22.3	\$ 22.8	\$ 23.3	\$ 23.8	\$ 24.2

*Beneficiaries:* Approximately 180 motion picture and video exhibition companies, 80 television broadcasting stations, and 15 cable and subscription programming companies benefit from this expenditure.

## COPIES OF AN OFFICIAL DOCUMENT \_\_\_\_\_

*Description:* The sale at retail or use of copies of an official document sold by a government agency or court are exempt from taxation. Included in copies of official documents are any copies in tangible form, including compact discs, microfilm, and similar forms of electronic media. Examples of such documents include notes of court testimony, deposition transcripts, driving records, accident reports, birth and death certificates, deeds, divorce decrees, and other similar documents.

*Purpose:* This provision eases reporting and administrative burdens on state, county, and local governments, including courts and political subdivisions.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 1.4	\$ 1.5	\$ 1.5	\$ 1.6	\$ 1.7	\$ 1.7	\$ 1.8

*Beneficiaries:* An unknown number of individuals and businesses benefit from this tax expenditure.

## INVESTMENT METAL BULLION AND INVESTMENT COINS \_\_\_\_\_

*Description:* The purchase or use of investment metal bullion and investment coins are exempt from taxation. This exemption includes the purchase or use of precious metals, where the value of the metal is primarily a function of the metal content, or a coin, where the market value exceeds the face value. This exemption does not include jewelry, works of art made from coins, or medallions.

*Purpose:* These purchases are generally for investment purposes only and, as such, are exempt from tax.

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 10.1	\$ 10.4	\$ 10.7	\$ 11.1	\$ 11.4	\$ 11.8	\$ 12.2

*Beneficiaries:* An unknown number of individuals and businesses engaged in the purchase and sale of investment bullion and coins benefit from this tax expenditure.



## CATALOGS AND DIRECT MAIL ADVERTISING

*Description:* The purchase or use of a mail order catalog or direct mail advertising literature and materials is exempt from taxation. Effective July 1, 1998, this exemption was extended to the purchase or use of electoral literature or material and certain mailing lists.

*Purpose:* The purchase of these items may be perceived as incidental to the advertising service being provided.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 3.0	\$ 3.0	\$ 3.0	\$ 3.1	\$ 3.2	\$ 3.2	\$ 3.3

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## WRAPPING AND PACKING SUPPLIES

*Description:* The purchase or use of wrapping paper, twine, bags, cartons, tape, rope, labels, nonreturnable containers, corrugated boxes used by a person engaged in the manufacture of snack food products, and all other wrapping supplies which are incidental to the delivery of personal property is exempt from taxation. This exclusion applies to retailers only. A separately stated charge for wrapping or packaging is taxable. Act 43 of 2017 expanded this definition to include kegs used to contain malt or brewed beverages.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* Approximately 58,900 retail and wholesale establishments benefit from this tax expenditure.

## CONVENTION CENTER RENTALS

*Description:* Act 84 of 2016 added an additional exclusion to the sales and use tax for the sale at retail or use of services related to the set up, tear down, or maintenance of tangible personal property rented by an authority to exhibitors at certain convention centers or public auditoriums.

*Purpose:* This exemption could promote the use of certain convention centers or public auditoriums in Pennsylvania.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

*Beneficiaries:* A minimal number of taxpayers will benefit from this tax expenditure.

# General Fund Tax Expenditures

## SERVICES

**Description:** Expenditures for services are not taxable under the sales and use tax except when specifically taxed by law.

**Purpose:** Because the primary basis for the sales and use tax is tangible personal property, the majority of services are not taxed unless they are related to taxable property. Legislation adopted in 1991 imposed the tax on charges for selected business services. Act 7 of 1997 removed computer services from the list of taxable services.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
<b>LODGING</b>							
Recreational parks, camps & campgrounds .....	\$ 12.7	\$ 13.2	\$ 13.5	\$ 13.9	\$ 14.4	\$ 14.8	\$ 15.2
<b>PERSONAL SERVICES</b>							
Dry-cleaning & laundry services .....	\$ 40.7	\$ 42.1	\$ 43.6	\$ 45.3	\$ 47.0	\$ 48.7	\$ 50.4
Personal care services .....	217.3	225.7	235.6	246.3	256.9	267.8	279.1
Funeral parlors, crematories & death care services....	67.0	69.6	72.7	76.0	79.3	82.6	86.1
Other: personal services .....	56.8	58.9	61.3	63.9	66.5	69.2	71.9
<b>BUSINESS SERVICES</b>							
Advertising, public relations, & related services.....	\$ 760.8	\$ 778.4	\$ 793.8	\$ 809.0	\$ 824.9	\$ 839.8	\$ 852.6
Services to buildings and dwellings.....	222.8	228.7	234.0	239.2	244.7	250.1	255.1
Consulting (scientific, environmental, & technical).....	355.4	362.9	369.4	376.4	383.7	390.2	395.6
Scientific research & development services .....	95.7	97.7	99.3	100.9	102.7	104.4	105.7
Information services.....	56.5	58.4	60.2	62.1	64.0	65.6	66.9
Administrative services .....	504.3	517.6	529.5	541.1	553.7	566.0	576.9
<b>COMPUTER SERVICES</b>							
Custom programming, design & data processing .....	\$ 356.9	\$ 364.1	\$ 370.1	\$ 376.3	\$ 383.0	\$ 389.1	\$ 394.0
<b>AUTOMOTIVE SERVICES</b>							
Parking lots & garages .....	\$ 74.7	\$ 77.5	\$ 80.8	\$ 84.4	\$ 87.9	\$ 91.5	\$ 95.3
<b>RECREATION SERVICES</b>							
Spectator sports admissions (excludes schools) .....	\$ 86.0	\$ 89.0	\$ 92.4	\$ 96.0	\$ 99.6	\$ 103.2	\$ 106.8
Theater, dance, music & performing arts admissions ..	108.3	111.7	115.4	119.1	122.9	126.9	130.6
Amusement & recreation industries.....	431.0	447.5	467.6	488.3	509.2	530.9	553.0
Museums, historical sites, zoos & parks.....	34.0	35.3	36.9	38.6	40.3	42.1	43.9
<b>HEALTH SERVICES</b>							
Home health care, nursing care, & other ambulatory health care services .....	\$ 509.9	\$ 527.3	\$ 547.9	\$ 574.8	\$ 604.6	\$ 636.8	\$ 670.3
Hospitals .....	1,300.8	1,345.2	1,397.8	1,466.5	1,542.4	1,624.5	1,710.1
Physician & dental services.....	1,486.6	1,537.3	1,597.5	1,675.9	1,762.7	1,856.4	1,954.3
Social assistance including day care .....	174.0	180.0	187.0	196.2	206.3	217.3	228.8
<b>PROFESSIONAL SERVICES</b>							
Legal.....	\$ 683.7	\$ 703.9	\$ 725.3	\$ 747.9	\$ 771.0	\$ 793.6	\$ 815.6
Architectural, engineering, & related services.....	293.9	301.2	306.7	311.4	316.5	320.7	324.0
Accounting, auditing and bookkeeping services .....	299.1	307.1	314.3	321.2	328.8	336.0	342.4
Specialized design .....	72.6	74.5	76.2	78.0	79.8	81.6	83.3
All other professional and technical services .....	167.4	175.8	183.9	187.8	191.9	195.7	199.1
<b>TRANSPORTATION SERVICES</b>							
Transit & ground transportation.....	\$ 32.0	\$ 33.0	\$ 33.7	\$ 34.4	\$ 35.4	\$ 36.2	\$ 36.8
Air transportation.....	3.7	3.8	3.9	4.0	4.1	4.1	4.2
Truck transportation .....	19.4	20.0	20.5	21.0	21.5	22.0	22.4
Other transportation .....	14.4	14.7	15.0	15.4	15.4	15.8	16.4
<b>MISCELLANEOUS SERVICES</b>							
Basic television .....	\$ 162.0	\$ 168.3	\$ 173.7	\$ 177.9	\$ 180.7	\$ 182.2	\$ 183.2
Tuition (college, vocational training & instruction).....	940.1	976.5	1,018.9	1,064.8	1,110.5	1,157.3	1,205.7
Electrical, plumbing, heating & AC service fees.....	NA	NA	NA	NA	NA	NA	NA
Veterinary fees.....	76.3	79.3	82.7	86.4	90.1	93.9	97.8
Financial institution fees.....	196.8	208.3	220.4	232.6	244.7	255.4	265.5
Waste management and remediation services.....	162.7	178.0	182.6	176.8	181.5	186.1	190.5

**Beneficiaries:** Virtually all 5.1 million households and all 298,000 business establishments benefit from one or more of these service tax expenditures.

## CIGARETTE TAX

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

The cigarette tax is an excise tax, based on a rate of 13 cents per cigarette, levied on the sale or possession of cigarettes in Pennsylvania. Between November 2009 and July 2016, the rate was 8 cents per cigarette. Effective November 1, 2009, the cigarette tax was also imposed on little cigars weighing no more than four pounds per thousand sticks. Only one sale of cigarettes, whether individual cigarettes, packages, cartons, or cases, is taxable. Beginning in fiscal year 2002-03, fixed annual amounts of \$30.73 million and \$20.485 million of cigarette tax receipts are transferred to the Children's Health Insurance Program (CHIP) and the Agricultural Conservation Easement Purchase (ACEP) Fund, respectively. Act 84 of 2016 increased the transfer to the ACEP fund to \$25.485 million beginning in fiscal year 2016-17. In addition, Act 84 of 2016 created a transfer from the General Fund to the Local Cigarette Tax Fund. The transfer will occur if prior year deposits into the Local Cigarette Tax Fund fall below \$58 million. In this case the General Fund will transfer the difference between \$58 million and actual deposits to the Local Cigarette Tax Fund. This transfer is effective for fiscal years 2016-17, with the first transfer occurring in 2017-18. The analyses below reflect only the General Fund portion of the tax expenditures.

*Administrative Costs:* Costs to administer the cigarette tax expenditures are nominal.

### STATE VETERANS' HOMES

*Description:* Sales to retail dealers located in state veterans' homes, for resale to residents in such homes, are exempt. Federal veterans' hospitals are exempt under federal law.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* Residents in six state veterans' homes benefit from this tax expenditure.

### UNSTAMPED CIGARETTES (200 AND UNDER)

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## COMMISSIONS ON SALES OF STAMPS

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*Description:* Cigarette stamping agents are permitted a commission of 0.586 percent of the value of all cigarette tax stamps purchased from the Department of Revenue or its authorized agents to be affixed to cigarettes for sale within the commonwealth. Prior to August 1, 2016, the commission was equal to 0.87 percent. The commission does not apply to purchases of stamps by a cigarette-stamping agent in amounts of less than one hundred dollars (\$100).

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 7.8	\$ 7.5	\$ 7.3	\$ 7.1	\$ 6.8	\$ 6.6	\$ 6.4

*Beneficiaries:* Approximately 100 cigarette stamping agents may benefit from this tax expenditure.

## TOBACCO PRODUCTS TAX

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

The other tobacco products tax is an excise tax levied on the sale or possession of tobacco products in Pennsylvania. The tax is based on weight for tobacco products other than electronic cigarettes and is based on the purchase price charged to the retailer in the case of electronic cigarettes. The tax rate for tobacco products other than electronic cigarettes is \$0.55 per ounce. For items sold in units that weigh less than 1.2 ounces, the tax is equal to the tax on an item that weighs 1.2 ounces. Tobacco products subject to this tax include roll-your-own tobacco, periques, granulated, plug cut, crimp cut, ready rubbed and other smoking tobacco, snuff, dry snuff, snuff flour, Cavendish, plug and twist tobacco, fine-cut and other chewing tobaccos, shorts, refuse scraps, clippings, cuttings and sweepings of tobacco and other kinds and forms of tobacco, prepared in such manner as to be suitable for chewing or ingesting or for smoking in a pipe or otherwise, or any combination of chewing, ingesting or smoking. The term does not include any item subject to the Cigarette Tax or cigars. The tax rate for electronic cigarettes is 40% of the purchase price charged to the retailer. Items subject to this tax include electronic oral devices that provide a vapor of nicotine or any other substance and the use of inhalation of which simulates smoking. It also includes any liquid or substance placed in or sold for use in an electronic cigarette.

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

## MALT BEVERAGE TAX

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

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

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

## LIQUOR TAX

*Authorization:* The Liquor Code, Act of June 29, 1987 (P.L. 32, No. 14) and the Emergency Liquor Sales Tax Act, Act of June 9, 1936 (Special Session, P.L. 13).

The liquor tax is imposed on all liquor sold by the Pennsylvania Liquor Control Board. The tax is assessed, since 1968, at the rate of 18 percent of the net price paid by the consumer.

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

## PERSONAL INCOME TAX

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

The personal income tax is levied against the taxable income of resident and nonresident individuals, estates and trusts, partnerships, S corporations, business trusts, and limited liability companies that are not taxed as corporations for federal purposes. Pennsylvania taxes eight classes of income: (1) compensation; (2) net profits from the operation of a business, profession, or farm; (3) net gains on income less net losses from dispositions of property; (4) net gains on income from rents, royalties, patents, and copyrights; (5) dividends; (6) interest; (7) gambling and lottery winnings; and (8) net gains on income derived through estates or trusts.

*Administrative Costs:* Costs to administer the various tax expenditures associated with the personal income tax cannot be separately identified. Additionally, administrative costs for inheritance tax are included in these estimates. The existence of tax expenditures may result in taxpayer uncertainties, which create an administrative burden on the department relative to additional compliance audits, letter rulings, pronouncements, and bulletins.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 2.4	\$ 2.5	\$ 2.6	\$ 2.6	\$ 2.7	\$ 2.8	\$ 2.9

## EXCLUSIONS FROM INCOME

### RETIREMENT INCOME

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*Description:* Payments commonly recognized as old age or retirement benefits paid to persons retired from service after reaching a specific age or after a stated period of service are exempt from taxation.

*Purpose:* The exemption limits the impact of the tax on retired persons. It also prevents taxation of previously taxed employee contributions to retirement plans.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$3,138.0	\$3,270.5	\$3,404.1	\$3,538.7	\$3,674.3	\$3,810.7	\$3,947.9

*Beneficiaries:* As many as 3.0 million retired residents and their survivors benefit from this tax expenditure.

## RETIREMENT CONTRIBUTIONS BY EMPLOYERS

*Description:* Payments made by employers for programs covering employee retirement and employer social security contributions are exempt from taxation.

*Purpose:* This provision lessens the burden of the tax on Pennsylvania wage earners and maintains fairness since the employee often does not have the right to possess the funds in the retirement plan except upon retirement or separation from the company after a set number of years of service.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 860.3	\$ 898.6	\$ 938.0	\$ 978.4	\$1,020.6	\$1,064.1	\$1,107.8

*Beneficiaries:* As many as 6.0 million employees benefit from this tax expenditure.

## NONQUALIFIED DEFERRED COMPENSATION

*Description:* Following the federal constructive receipt rule, Act 40 of 2005 stipulated that deferrals to nonqualified deferred compensation plans are not includible in compensation. This change applies to appeals which arise prior to or after the effective date of this act, July 7, 2005, and applies to taxable years beginning after December 31, 2002.

*Purpose:* With certain significant exceptions, Pennsylvania's constructive receipt rules were generally made consistent with the federal constructive receipt rules used to determine when compensation is received by a cash basis taxpayer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 44.7	\$ 47.3	\$ 50.0	\$ 52.8	\$ 55.8	\$ 59.0	\$ 62.4

*Beneficiaries:* Approximately 62,500 residents benefit from this tax expenditure.

## HEALTH SAVINGS ACCOUNTS/ARCHER MEDICAL SAVINGS ACCOUNTS (ARCHER MSAs)

*Description:* Act 67 of 2006 provided a personal income tax exemption for contributions made to Health Savings Accounts and Archer Medical Accounts, consistent with the federal treatment of such accounts. Distributions that are not used for qualified medical expenses are taxable as interest income. These changes apply to tax years beginning after December 31, 2005.

*Purpose:* This provision reduces the cost and could improve the quality and availability of health care to Pennsylvanians.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 21.9	\$ 22.7	\$ 23.4	\$ 24.2	\$ 25.0	\$ 25.8	\$ 26.7

*Beneficiaries:* Individuals filing approximately 271,700 returns are estimated to benefit from this tax expenditure. This number is expected to rise over time.

# General Fund Tax Expenditures

## EMPLOYEE BENEFIT PROGRAM EMPLOYER CONTRIBUTIONS

*Description:* Payments made by employers or labor unions for programs covering hospitalization, sickness, disability or death, supplemental unemployment benefits, group life insurance, and strike benefits are exempt from taxation. Effective January 1, 1998, this expenditure also includes personal use of employer provided property and services.

*Purpose:* This provision lessens the burden of the tax upon Pennsylvania wage earners, along with maintaining fairness, since these payments are not usually based on actual use by each wage earner.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 984.7	\$1,016.7	\$1,051.2	\$1,086.5	\$1,122.2	\$1,159.5	\$1,197.7

*Beneficiaries:* As many as 6.0 million employees benefit from this tax expenditure.

## CAFETERIA PLANS

*Description:* Payments made by employers, on behalf of employees, into a qualifying cafeteria plan are exempt from taxation if the program does not discriminate in favor of highly compensated individuals. This exemption parallels the limited exemption treatment of employee benefit programs covering hospitalization, sickness, disability or death, supplemental unemployment benefits, or strike benefits. Effective January 1, 1998, this expenditure also includes payments made on behalf of employees for personal use of employer provided property and services.

*Purpose:* This provision lessens the burden of the tax upon Pennsylvania wage earners, along with maintaining fairness, since these payments are not usually based on actual use by each wage earner.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 102.0	\$ 106.5	\$ 111.2	\$ 116.0	\$ 121.0	\$ 126.1	\$ 131.3

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## LIFE INSURANCE PROCEEDS

*Description:* Amounts paid to beneficiaries or the estate of a decedent due to the death of the decedent are exempt from tax.

*Purpose:* Life insurance proceeds are not considered compensation for services rendered. Also, premiums are often paid with after-tax dollars.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 151.9	\$ 155.6	\$ 159.4	\$ 163.3	\$ 167.3	\$ 171.3	\$ 175.5

*Beneficiaries:* The death payment beneficiaries of approximately 192,600 life insurance policies benefit from this tax expenditure.



## SICKNESS OR DISABILITY PROCEEDS

*Description:* Payments, other than regular wages or salary, received for periods of sickness or disability are excluded from compensation.

*Purpose:* These payments are excluded because they do not take the place of an employee's regular wages or salary. However, sick pay in the form of regular wages or salary is taxable.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## UNEMPLOYMENT AND SUPPLEMENTAL UNEMPLOYMENT COMPENSATION

*Description:* Amounts received as unemployment compensation or supplemental unemployment compensation are excluded from taxable income.

*Purpose:* This exemption assists unemployed persons in providing the basic necessities of life.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 68.1	\$ 68.0	\$ 67.9	\$ 68.1	\$ 68.3	\$ 68.5	\$ 68.7

*Beneficiaries:* Approximately 471,400 people benefit from this tax expenditure.

## WORKERS' COMPENSATION

*Description:* Disability, retirement, or other payments arising under workmen's compensation acts, occupational disease acts, and similar legislation are exempt from taxation.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 90.6	\$ 90.9	\$ 91.2	\$ 91.5	\$ 91.9	\$ 92.2	\$ 92.5

*Beneficiaries:* As many as 159,000 residents benefit from this tax expenditure.

# General Fund Tax Expenditures

## STRIKE BENEFITS

*Description:* Amounts designated as strike benefits are exempt from tax.

*Purpose:* These benefits are not considered compensation for services rendered and are thus excluded from tax.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## PUBLIC ASSISTANCE

*Description:* Public assistance payments from governmental entities are excluded from taxable income.

*Purpose:* This provision limits the impact of the tax on the poor and increases the effectiveness of state payments under this program.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 4.8	\$ 5.4	\$ 5.4	\$ 5.4	\$ 5.4	\$ 5.4	\$ 5.4

*Beneficiaries:* Approximately 166,000 people benefit from this tax expenditure.

## SALE OF A PRINCIPAL RESIDENCE

*Description:* Beginning January 1, 1998, the gain from a sale of principal residence is excludable from income. Prior to January 1, 1998, this expenditure was a once in a lifetime exclusion of up to \$100,000 for those 55 and over.

*Purpose:* A principal residence is typically sold to meet the changing needs of the taxpayer and not in an effort to recognize a capital gain.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 141.0	\$ 153.0	\$ 165.4	\$ 170.7	\$ 177.9	\$ 182.3	\$ 188.2

*Beneficiaries:* The owners of approximately 245,700 principal residences that are sold each year in Pennsylvania benefit from this tax expenditure.

## COMPENSATION FOR MILITARY SERVICE

*Description:* Compensation for military service by a Pennsylvania resident in a combat zone is excludable from tax. Income received for military service outside the commonwealth (whether or not it is in a combat zone) while on active duty as a member of the armed forces is excludable from compensation. Income received for active state duty for an emergency within or outside Pennsylvania is excludable from compensation.

*Purpose:* This provision reduces tax on members of the armed forces while on active duty in service of the country.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 110.8	\$ 112.2	\$ 113.7	\$ 115.2	\$ 116.9	\$ 118.6	\$ 120.2

*Beneficiaries:* Approximately 52,800 residents benefit from this tax expenditure.

## SCHOLARSHIPS, GRANTS, FELLOWSHIPS, AND STIPENDS

*Description:* Scholarships, grants, fellowships, and stipends awarded on the basis of need or academic achievement for the purpose of encouraging or allowing the recipient to further their educational development are not taxable. Fellowships and stipends are taxable if they are awarded as compensation for past, present, or future services.

*Purpose:* Awards made on the basis of detached generosity are considered to be gifts and are not taxable as income.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 182.0	\$ 194.3	\$ 207.4	\$ 221.4	\$ 236.3	\$ 252.2	\$ 269.2

*Beneficiaries:* The recipients of approximately 262,200 state and federal grants and scholarships, and an unknown number of private scholarships, grants, fellowships, and stipends benefit from this tax expenditure.

## REIMBURSEMENTS FOR ACTUAL EXPENSES

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

*Purpose:* This provision ensures that employees incurring business expenses, for which they are later reimbursed in the actual amount of the expenses, are not taxed on the reimbursements. Such expenses and reimbursements are treated as if the employer had made the expenditure directly.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 3.7	\$ 3.5	\$ 3.3	\$ 3.1	\$ 3.0	\$ 2.8	\$ 2.7

*Beneficiaries:* Approximately 31,000 taxpayers benefit from this tax expenditure.

# General Fund Tax Expenditures

## UNREIMBURSED EXPENSES

*Description:* Unreimbursed expenditures made by employees are excludable from compensation if they are necessary to enable the taxpayer to properly perform the duties of employment, reasonable in amount, directly related to the taxpayer's occupation, and customary in the taxpayer's occupation.

*Purpose:* This provision enhances the fairness of the tax for those employees who incur expenses for the benefit of the employer, in order to properly perform a job, or to retain a rate of compensation.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 61.9	\$ 61.2	\$ 60.8	\$ 60.5	\$ 60.3	\$ 60.2	\$ 60.1

*Beneficiaries:* Individuals filing approximately 1.0 million returns benefit from this tax expenditure.

## BUSINESS INCOME DEDUCTIONS

*Description:* Ordinary and reasonable expenses necessary to operate a business or profession may be deducted from the gross receipts of that business or profession. This expenditure does not measure the cost of sales and operations or wages and salaries deductions.

*Purpose:* Businesses and professions are taxed on "net" profits; therefore, expenses necessary to produce the income may be deducted before tax is computed.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<b><i>Depreciation:</i></b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 101.3	\$ 104.1	\$ 106.6	\$ 109.2	\$ 112.7	\$ 116.3	\$ 121.0

	<b><i>Other:</i></b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$1,724.0	\$1,772.2	\$1,814.4	\$1,857.5	\$1,918.5	\$1,978.4	\$2,058.6

*Beneficiaries:* Approximately 934,000 businesses and professions benefit from this tax expenditure.

## FOSTER CARE

*Description:* Payments received by foster parents are explicitly excluded from the definition of compensation.

*Purpose:* This exemption provides an incentive for families to bear the burden of caring for foster children.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 1.7	\$ 1.8	\$ 1.9	\$ 1.9	\$ 2.0	\$ 2.1	\$ 2.2

*Beneficiaries:* The foster parents of approximately 18,300 children benefit from this tax expenditure.

## QUALIFIED TUITION PROGRAMS

*Description:* Act 67 of 2006 provided a personal income tax deduction for qualified tuition program contributions. Rollovers, undistributed earnings, and distributions used for qualified higher education expenses are not taxable. This applies to taxable years beginning after December 31, 2005. Federal tax law changes enacted in 2017 permit the withdrawal of up to \$10,000 per year for qualified private primary or secondary education expenses, first effective for tax year 2018.

*Purpose:* These provisions lessen the burden of tax on families saving for post-secondary, private primary, or private secondary education.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 31.0	\$ 34.7	\$ 35.9	\$ 37.3	\$ 38.6	\$ 42.7	\$ 44.2

*Beneficiaries:* At least 122,100 taxpayers benefit from this tax expenditure.

## EXEMPTION FOR ELECTION OFFICIALS

*Description:* Compensation and other payments received by county election officials are exempt from taxation.

*Purpose:* This exemption provides an incentive to serve as a county election official.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.9	\$ 0.9	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.1

*Beneficiaries:* As many as 100,900 election officials benefit from this tax expenditure.

## PENNSYLVANIA LOTTERY NONCASH PRIZES

*Description:* Pennsylvania Lottery noncash prizes are exempt from personal income tax. Previously, all Pennsylvania Lottery prizes were exempt, until Act 84 of 2016 made cash prizes of the Pennsylvania Lottery subject to personal income tax, effective for tax years beginning on or after January 1, 2016.

*Purpose:* This provision provides an additional benefit to individuals winning noncash Pennsylvania Lottery prizes.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 1.7	\$ 1.5	\$ 1.3	\$ 1.2	\$ 0.8	\$ 0.7	\$ 0.6

*Beneficiaries:* The winners of approximately 600 noncash prizes benefit from this expenditure.

# General Fund Tax Expenditures

## STATE/LOCAL OBLIGATIONS

*Description:* State and local governments and authorities may issue bonds to raise funds in order to finance a variety of public projects, including infrastructure improvement or construction, and provide essential services. When a bond is issued, the issuer is obligated to repay the borrowed bond proceeds, at a specified rate of interest, by some future date. Interest paid on Pennsylvania government-issued municipal bonds is exempt from Pennsylvania state income taxes.

*Purpose:* Because of this tax exempt feature, investors will usually accept lower interest payments than on other types of borrowing, lowering the overall cost for the government bond issuer.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 72.2	\$ 85.4	\$ 93.4	\$ 95.0	\$ 95.0	\$ 95.0	\$ 95.0

*Beneficiaries:* Approximately 274,700 Pennsylvanians benefit from this expenditure.

## START-UP BUSINESS DEDUCTION

*Description:* Beginning with tax year 2014, Pennsylvania aligned with federal rules allowing for a \$5,000 deduction from net income for business start-up costs for personal income tax purposes. Start-up costs include any amounts paid or incurred in connection with creating an active trade or business, or investigating the creation or acquisition of an active trade or business. They may include advertising, travel, surveys, consultant fees, and training.

*Purpose:* This deduction gives businesses the same opportunity they have at the federal level and will encourage small business development, attract entrepreneurs and encourage existing businesses to expand and create new jobs.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.6	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.8

*Beneficiaries:* Approximately 10,200 new businesses will benefit from this tax expenditure.

## INTANGIBLE DRILLING COSTS

*Description:* Effective tax year 2014, a taxpayer may recover intangible drilling costs (IDCs), as defined by Section 263(c) of the Internal Revenue Code, by using either a ten-year amortization period, or elect to immediately expense up to one-third of the allowable costs and recover the remaining costs over a 10 year period beginning in the taxable year the costs are incurred.

*Purpose:* This expenditure allows entities to deduct a larger portion of costs immediately, instead of spreading those costs over the life of the well.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 1.8	\$ 2.0	\$ 2.2	\$ 2.3	\$ 2.4	\$ 2.4	\$ 2.5

*Beneficiaries:* Approximately 140 taxpayers benefit from this expenditure.

## ACHIEVING A BETTER LIFE EXPERIENCE (ABLE) SAVINGS PROGRAMS

*Description:* Act 17 of 2016 established the Achieving a Better Life Experience (ABLE) Savings Program. The Act exempted contributions made to an account, any increase in the value of those contributions, the retention or transfer during life or as a result of death of any legal interest in an account, and payment of qualified disability expenses of eligible individuals from an account from all taxation by the commonwealth and its political subdivisions. Act 43 of 2017 further provided that contributions made to an ABLE account shall be deductible from the taxable income of the contributor. Total contributions to all ABLE accounts allowable as a deduction by a contributor in a taxable year shall not exceed the limit set in Section 2503(B) of the Internal Revenue Code, nor shall the deduction result in taxable income less than zero.

*Purpose:* These provisions lessen the burden of tax on disabled individuals and their families.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.6	\$ 1.5	\$ 2.8	\$ 6.3	\$ 8.1	\$ 10.1	\$ 12.5

*Beneficiaries:* Approximately 500 disabled Pennsylvanians and their families benefit from this expenditure.

## INVOLUNTARY CONVERSIONS

*Description:* Act 84 of 2016 provided that, effective September 11, 2016, Section 1033 of the Internal Revenue Code applies to the personal income tax. Section 1033 allows a taxpayer to acquire replacement property and make an election to defer recognition of the gain following an involuntary conversion.

*Purpose:* These provisions lessen the burden of tax on taxpayers who acquire replacement property when the original property has been destroyed, stolen, seized, requisitioned, or condemned.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* An unknown number of taxpayers will benefit from this expenditure.

## CREDITS

### SPECIAL POVERTY PROVISIONS (TAX FORGIVENESS)

*Description:* Special tax forgiveness provisions allow eligible claimants to reduce their tax liability depending on the amount of their eligibility income. For tax year 2015, a taxpayer with no dependents and with eligibility income of \$8,750 or less will qualify for some amount of forgiveness. A married couple with no dependents and with eligibility income of \$15,250 or less will also qualify for some amount of forgiveness. The eligibility income limits increase by \$9,500 for each dependent.

*Purpose:* This provision provides tax relief for taxpayers with low incomes.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 261.8	\$ 255.8	\$ 249.9	\$ 243.9	\$ 238.0	\$ 232.0	\$ 226.1

*Beneficiaries:* Individuals filing approximately 1.2 million returns benefit from this tax expenditure.

### RESIDENT CREDIT

*Description:* Pennsylvania residents who have income which is subject to both Pennsylvania personal income tax and the income or wage tax of another state (excluding compensation earned in states with reciprocal agreements) may claim the lesser of the actual tax paid to the other state, or the tax calculated using Pennsylvania taxable income earned in the other state, multiplied by the current Pennsylvania tax rate as a credit against the personal income tax. Prior to Act 52 of 2013, Pennsylvania residents could also claim the resident credit for income from a foreign country.

*Purpose:* This provision prevents the double taxation of income earned by a Pennsylvania resident in another state.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 364.0	\$ 383.2	\$ 400.3	\$ 417.3	\$ 435.2	\$ 454.2	\$ 472.9

*Beneficiaries:* Individuals filing approximately 128,000 returns benefit from this tax expenditure.



## ESTIMATED TAXES

### ESTIMATED TAXES FOR FIDUCIARIES

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*Description:* Act 40 of 2005 stated that fiduciaries are allowed to adopt the federal annualization rules for calculating estimated payments. This change may lower or eliminate one or more estimated payments. These provisions apply to payments made after June 30, 2006.

*Purpose:* The adoption of annualized federal rules for calculating estimated payments for estates and trusts allow fiduciaries to have consistent payments between state and federal laws.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 5.2	\$ 4.9	\$ 4.9	\$ 5.4	\$ 5.7	\$ 6.4	\$ 6.9

*Beneficiaries:* Approximately 47,800 fiduciaries are estimated to benefit from this tax expenditure.

### ESTIMATED TAXES FOR FARMERS

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*Description:* Individuals having an estimated gross income from farming which is at least two-thirds of their total gross income may file an estimated tax declaration any time on or before January 15 of the succeeding year. If such an individual files a final return and pays the entire tax due by March 1, the return may be considered the declaration due on or before January 15. The estimates measure the interest lost due to delayed estimated payments.

*Purpose:* This provision provides assistance to farmers by allowing more liberal estimated payment rules, enhancing the farmers' cash flow.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	\$ 0.1

*Beneficiaries:* Farmers operating approximately 58,800 farms benefit from this tax expenditure.

### ESTIMATED PAYMENTS FOR SMALL AMOUNTS

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*Description:* Individuals with taxable income of \$8,000 or less not subject to withholding are not required to pay estimated taxes. The threshold was changed from \$2,500 effective January 1, 2000.

*Purpose:* These provisions reduce paperwork for the Department of Revenue and taxpayers with small amounts of income not subject to withholding.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.5

*Beneficiaries:* Approximately 1.4 million Pennsylvania residents benefit from this tax expenditure.

# General Fund Tax Expenditures

## ESTIMATED TAXES FOR PRIOR YEAR TAX FORGIVENESS RECIPIENTS \_\_\_\_\_

*Description:* Act 85 of 2012 allows taxpayers who make estimated tax payments equal to the amount of the taxpayer's tax liability for the preceding tax year to take into account a calculation for the special provisions for poverty (tax forgiveness). A taxpayer who received tax forgiveness during the prior tax year, but did not qualify for tax forgiveness in the current tax year and is required to make estimated payments, may avoid a penalty for underpayment of estimated taxes. This provision applies to tax years beginning on or after January 1, 2013. The estimates measure interest foregone on quarterly tax payments and from lost fees and penalties.

*Purpose:* This legislation is intended to give taxpayers who qualified for tax forgiveness a safe harbor from estimated payments.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2

*Beneficiaries:* Taxpayers filing nearly 32,400 returns benefit from this expenditure.

## REALTY TRANSFER TAX

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

The realty transfer tax is a documentary stamp tax on the value of any interest in real estate transferred by deed. The tax rate is one percent of the value of the real estate transferred. Each party to a document is jointly and severally liable for the tax imposed, unless the party is an excluded party or the document evidences an excludable transaction. The excluded status of a party does not relieve the other parties to a transaction from the entire tax due. The amounts below represent the General Fund portion of the realty transfer tax expenditures only and do not include expenditures for the portion transferred to the Keystone Recreation, Park, and Conservation Fund pursuant to Act 50 of 1993, as amended by Act 89 of 2002. Prior to Act 89 of 2002, 15 percent of the state levied realty transfer tax was transferred to the Keystone Recreation, Park, and Conservation Fund. Act 89 of 2002 lowered the transfer to 10 percent for January 2002 through June 2002 and to 7.5 percent for July 2002 through June 2003. In July 2003 the transfer rate returned to 15 percent. Act 67 of 2006 lowered the transfer rate to 2.1 percent for fiscal year 2006-07 only. For July 2007 and thereafter the transfer rate returned to 15 percent. Act 58 of 2015 provided for an annual transfer from the realty transfer tax to the Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund beginning in fiscal year 2015-16. The annual transfer is to be the lesser of \$25 million or 40 percent of the difference between (a) the total dollar amount of the realty transfer tax collected in the prior fiscal year and (b) the total dollar amount of the realty transfer tax official estimate for the fiscal year 2014-15 (\$447.5 million).

*Administrative Costs:* Costs to administer the realty transfer tax expenditures are approximately \$0.3 million annually.

### TRANSFERS TO GOVERNMENTAL UNITS AND VETERANS' SERVICE ORGANIZATIONS \_\_\_\_\_

*Description:* A transfer to the commonwealth, the federal government or their agencies, political subdivisions, or instrumentalities, or veterans' organizations by gift, dedication, condemnation, or in lieu of condemnation is exempt from taxation.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 5.3	\$ 5.8	\$ 5.9	\$ 5.9	\$ 6.0	\$ 6.1	\$ 6.2

*Beneficiaries:* Approximately 3,200 local governmental units and veterans' organizations could benefit from this tax expenditure.

## PARTITION OF REALTY BY CO-TENANTS

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## TRANSFERS AMONG FAMILY MEMBERS

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

*Purpose:* This exemption reduces the tax burden on families by exempting transfers to family members.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 74.8	\$ 81.7	\$ 83.1	\$ 83.7	\$ 85.1	\$ 86.5	\$ 87.9

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## TRANSFERS TO SHAREHOLDERS OR PARTNERS

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 1.8	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.1	\$ 2.1	\$ 2.1

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

# General Fund Tax Expenditures

## TRANSFERS TO OR FROM A NONPROFIT INDUSTRIAL DEVELOPMENT AGENCY \_\_\_\_\_

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

*Purpose:* These exemptions encourage transfers of realty to nonprofit organizations for industrial development and from nonprofit organizations for use in various activities that may contribute to economic development in the commonwealth.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 2.5	\$ 2.7	\$ 2.8	\$ 2.8	\$ 2.8	\$ 2.9	\$ 3.0

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## TRANSFERS BETWEEN RELIGIOUS ORGANIZATIONS \_\_\_\_\_

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 2.3	\$ 2.5	\$ 2.6	\$ 2.6	\$ 2.6	\$ 2.7	\$ 2.8

*Beneficiaries:* Approximately 16,350 religious organizations could benefit from this tax expenditure.

## TRANSFERS TO A CONSERVANCY

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

Act 84 of 2016 added agricultural, conservation or historic preservation easements transferred or sold to certain dedicated conservancies, as well as government entities, as being excluded transactions

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.4	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5

*Beneficiaries:* Approximately 70 land conservancies could benefit from this tax expenditure.

## REAL ESTATE DEVOTED TO AGRICULTURE

*Description:* A transfer of real estate devoted to the business of agriculture to a family farm business by a member of the same family is an excluded transaction. The family must own at least 75 percent of each class of stock in a family farm business. The family farm may also lease the farmland as long as it is used for farming.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* Approximately 4,710 family farm businesses could benefit from this tax expenditure.

## OWNERSHIP INTEREST IN REAL ESTATE COMPANY OR FAMILY FARM \_\_\_\_\_

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* Approximately 4,710 family farm corporations or partnerships and an unknown number of real estate companies could benefit from this tax expenditure.

## TRANSFERS OF REALTY VALUED AT \$100 OR LESS \_\_\_\_\_

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

*Purpose:* The administrative costs of collecting the revenue from a transfer of realty valued at one hundred dollars or less are thought to be greater than the revenue.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## PRODUCTION OR EXTRACTION OF COAL, OIL, NATURAL GAS, OR MINERALS \_\_\_\_\_

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* Approximately 1,970 companies may benefit from this tax expenditure.

## PUBLIC UTILITY EASEMENTS

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* The 285 public utilities could benefit from this tax expenditure.

## STANDING TIMBER OR CROPS

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## TRANSFERS TO VOLUNTEER RESCUE COMPANY

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*Description:* A transfer from the commonwealth or any of its agencies, political subdivisions, or instrumentalities for no or nominal consideration to a volunteer emergency medical services agency, volunteer fire company or volunteer rescue company is an excluded transaction.

*Purpose:* This exemption provides tax relief to volunteer emergency agencies. Without the exemption, they would be required to pay the tax. The exemption should aid volunteer emergency agencies in being able to better serve their communities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* Approximately 2,020 taxpayers could benefit from this tax expenditure.



## TRANSFERS BETWEEN VOLUNTEER AGENCIES

*Description:* A transfer between two or more volunteer emergency medical services agencies, volunteer fire companies or volunteer rescue companies is an excluded transaction.

*Purpose:* This exemption provides tax relief to volunteer emergency agencies. Without the exemption, both the grantor and the grantee would be required to pay the tax. The exemption should aid volunteer emergency agencies in being able to better serve their communities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 1.8	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.1	\$ 2.1	\$ 2.1

*Beneficiaries:* Approximately 2,020 taxpayers could benefit from this tax expenditure.

## TRANSFERS TO OR FROM A LAND BANK

*Description:* A transfer of real estate to or from a land bank is an excluded transaction. The term "land bank" shall have the same meaning as given to it in 68 Pa.C.S. § 2103.

*Purpose:* This exemption provides tax relief on transfers to or from a land bank. Land banks are used by local governments to acquire problem properties and return them to productive use.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## TRANSFERS TO CERTAIN NON-PROFIT ORGANIZATIONS FROM HOUSING AUTHORITIES WITHIN THE COMMONWEALTH

*Description:* A transfer of real estate from a Public Housing Authority (PHA) to a non-profit organization utilizing the Rental Assistance Demonstration (RAD) Program administered by the Department of Housing and Urban Development (HUD) are exempt from realty transfer tax. This applies to a county of the fifth class with a population between 115,000 and 118,000 that filed an appeal with the Board of Finance and Revenue after December 31, 2015.

*Purpose:* The RAD program was created by HUD to give PHAs a powerful tool to preserve and improve public housing properties. Without this exemption from tax, the transfer from the PHAs to non-profits organizations participating in the RAD program would be taxable.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	--	NA	NA	NA	NA	NA	NA

*Beneficiaries:* A limited number of non-profits organizations will benefit from this expenditure.

## INHERITANCE TAX

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

The inheritance tax is imposed on the value of the decedent's estate transferred to beneficiaries by will or intestacy. Inheritance tax on the transfer of non-jointly held property to spouses is levied at 0 percent. The transfer of property from children 21 years of age or younger to their parent is taxed at a rate of 0 percent. All other transfers to lineal heirs are taxed at the rate of 4.5 percent. Transfers to siblings are subject to a tax rate of 12 percent, while transfers to all other persons are taxed at a rate of 15 percent.

Inheritance tax payments are due upon the death of the decedent and become delinquent nine months after the individual's death. If inheritance taxes are paid within three months of the decedent's death, a five percent discount is allowed.

*Administrative Costs:* Costs to administer the inheritance tax expenditures are included in the personal income tax administrative cost estimates. Costs incurred to administer the multiple tax expenditures associated with inheritance tax cannot be separately identified.

## FAMILY RELATED EXEMPTIONS AND EXCLUSIONS

### PREFERENTIAL RATE FOR TRANSFERS TO LINEAL BENEFICIARIES

*Description:* Effective July 1, 2000, assets transferred to lineal beneficiaries are taxed at a 4.5 percent rate rather than the 15 percent rate for assets transferred to non-lineal heirs. Lineal beneficiaries include grandparents, parents, and lineal descendants (including adopted or step children). Prior to July 1, 2000, transfers to lineal beneficiaries were taxed at a rate of six percent.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$1,217.3	\$1,272.0	\$1,319.8	\$1,351.6	\$1,404.3	\$1,456.6	\$1,511.6

*Beneficiaries:* Approximately 38,000 estates benefit from this tax expenditure.

### TRANSFERS OF PROPERTY TO SPOUSE

*Description:* Property passing to a spouse of a decedent is exempt from inheritance tax. This estimate is based on the difference between taxing all assets transferred between spouses at the lineal rate of 4.5 percent and the spousal rate of zero percent.

*Purpose:* This provision prevents an undue tax burden on a surviving spouse especially when assets cannot be jointly owned. It allows spouses to maintain homes and other assets without being subject to inheritance tax.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$2,437.5	\$2,547.0	\$2,642.7	\$2,706.3	\$2,811.9	\$2,916.6	\$3,026.7

*Beneficiaries:* Approximately 35,000 estates benefit from this tax expenditure.

## EXEMPTION FOR TRANSFERS OF PROPERTY FROM A CHILD TO PARENT

*Description:* Property passing from a child twenty-one years of age or younger to a parent is subject to a zero percent tax rate. This estimate measures the difference between taxing child to parent transfers at the lineal rate of 4.5 percent and the child to parent rate of zero percent.

*Purpose:* This provision reduces the tax burden on families receiving assets due to the untimely death of a child. The transfer of assets to parents was previously taxed as a lineal transfer. This rate change, authorized by Act 23 of 2000, is effective for decedents dying July 1, 2000 or later.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 1.3	\$ 1.4	\$ 1.4	\$ 1.4	\$ 1.5	\$ 1.6	\$ 1.6

*Beneficiaries:* Approximately 90 estates benefit from this tax expenditure.

## PREFERENTIAL RATE FOR TRANSFERS TO SIBLINGS

*Description:* Effective July 1, 2000, assets transferred to siblings, defined as brothers or sisters with at least one parent in common, by blood or adoption, are taxed at a rate of 12 percent rather than the rate of 15 percent for assets transferred to non-lineal heirs. Prior to July 1, 2000, transfers to siblings were taxed at a rate of 15 percent.

*Purpose:* This provision reduces the tax burden on estates that transfer assets to a sibling of the decedent. It recognizes that a sibling is often a decedent's closest relative and that transfers to siblings should be taxed at a lower rate than transfers to unrelated beneficiaries.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 27.2	\$ 28.4	\$ 29.5	\$ 30.2	\$ 31.3	\$ 32.5	\$ 33.7

*Beneficiaries:* Approximately 4,600 estates benefit from this tax expenditure.

## LIFE INSURANCE PROCEEDS

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 145.9	\$ 151.3	\$ 156.9	\$ 162.8	\$ 168.8	\$ 175.0	\$ 181.5

*Beneficiaries:* Estates of the decedents associated with approximately 81,000 life insurance policies benefit from this expenditure.

# General Fund Tax Expenditures

## FEDERAL WAR RISK INSURANCE AND NATIONAL SERVICE LIFE INSURANCE PROCEEDS

*Description:* Proceeds of federal war risk insurance, national service life insurance, or other similar governmental insurance are exempt from inheritance tax.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.0	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The families of fallen Pennsylvanians benefit from this tax expenditure.

## FAMILY EXEMPTION

*Description:* A \$3,500 family exemption from inheritance tax is permitted for the decedent's surviving spouse, children, or parents living in the decedent's household at the time of death.

*Purpose:* This provision allows a small tax-free transfer of property to immediate family members residing with the decedent. Smaller taxable estates benefit to a greater extent.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 1.8	\$ 1.8	\$ 1.9	\$ 1.9	\$ 2.0	\$ 2.1	\$ 2.2

*Beneficiaries:* Approximately 7,800 families benefit from this tax expenditure.

## PERSONAL EXCLUSIONS AND DEDUCTIONS

### EMPLOYMENT BENEFITS

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

*Purpose:* This provision limits inheritance tax on employment benefits to which the decedent did not have full rights. An individual is presumed to have full rights to these employment benefits after age 59 ½, the age at which someone may utilize at least a portion of these funds without penalty under the Internal Revenue Code.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 8.7	\$ 9.3	\$ 10.0	\$ 10.7	\$ 11.4	\$ 12.2	\$ 13.0

*Beneficiaries:* Estates of the approximately 7,000 decedents of working age and under 59½ at death may benefit from this tax expenditure.

# General Fund Tax Expenditures

## ESTATE ADMINISTRATION EXPENSES

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 70.6	\$ 73.3	\$ 76.0	\$ 78.9	\$ 81.8	\$ 84.9	\$ 88.1

*Beneficiaries:* Approximately 47,600 estates benefit from this tax expenditure.

## DEBTS AND LIABILITIES OF THE DECEDENT

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 76.9	\$ 79.8	\$ 82.8	\$ 85.9	\$ 89.1	\$ 92.5	\$ 96.0

*Beneficiaries:* Approximately 35,800 estates benefit from this tax expenditure.

## SOCIAL SECURITY DEATH PAYMENTS

*Description:* The lump-sum social security death benefit is exempt from inheritance tax.

*Purpose:* This provision helps limit the impact of the tax on poorer beneficiaries. The social security death benefit could comprise the majority of assets for many small taxable estates.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0

*Beneficiaries:* As many as 60,300 estates may benefit from this tax expenditure.

## RAILROAD RETIREMENT BURIAL BENEFITS

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

*Purpose:* This provision helps limit the impact of the tax on poorer beneficiaries. The railroad retirement burial benefit could comprise the majority of assets for many small taxable estates.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* An estimated 200 estates receive lump sum benefit payments from the U.S. Railroad Retirement Board.

## ADVANCEMENTS

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* Approximately 60,300 estates might benefit from this tax expenditure.

## PROPERTY SUBJECT TO POWER OF APPOINTMENT

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## NOMINAL OWNERSHIP OF PROPERTY

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## BUSINESS RELATED EXCLUSIONS AND DEDUCTIONS

### PREFERENTIAL VALUATION OF FARMLAND

*Description:* Farmland which was devoted to agricultural use for the three years preceding the death of the decedent, and is not less than 10 contiguous acres or has an anticipated yearly gross income derived from agricultural use of \$2,000 or more, is valued based on its current use rather than its highest use.

*Purpose:* This provision helps to maintain family farms since land currently devoted to agricultural use is often more valuable if developed.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

### SMALL BUSINESS INTEREST TRANSFER EXTENDED PAYMENT SCHEDULE

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this expenditure is unknown.

## PREFERENTIAL VALUATION OF AGRICULTURAL CONSERVATION EASEMENTS

*Description:* An agricultural conservation easement is a deed restriction landowners voluntarily place on their property to protect productive agricultural land. They are used to authorize a qualified conservation organization or public agency to monitor and enforce the restrictions set forth in the agreement. Act 67 of 2006 provided that the value of an agricultural conservation easement is set at 50 percent of what the land would otherwise be valued for purposes of inheritance tax assessments.

*Purpose:* This provision helps to maintain family farms and increase participation in the preservation of the commonwealth's farmland.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.8

*Beneficiaries:* The owners of 58,200 farms might benefit from this tax expenditure.

## AGRICULTURAL TRANSFERS TO FAMILY MEMBERS

*Description:* Effective July 1, 2012, a transfer of real estate devoted to the business of agriculture between members of the same family is exempt from inheritance tax, provided that after the transfer the real estate continues to be devoted to the business of agriculture for a period of seven years beyond the decedent's date of death and the real estate derives a yearly gross income of at least \$2,000. A transfer of an agricultural commodity, agricultural conservation easement, agricultural reserve, agricultural use property or a forest reserve to lineal descendants or siblings is also exempt from inheritance tax. Retroactive to dates of death after December 31, 2012, the language was amended to apply to a transfer of real estate devoted to the business of agriculture and to a transfer of an agricultural commodity, agricultural conservation easement, agricultural reserve, agricultural use property or a forest reserve "to or for the benefit of" a member of the same family.

*Purpose:* This provision helps to maintain family farms and increase participation in the preservation of the commonwealth's farmland.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 6.0	\$ 6.0	\$ 6.1	\$ 6.1	\$ 6.2	\$ 6.2	\$ 6.3

*Beneficiaries:* The owners of 58,200 farms might benefit from this tax expenditure.



## FAMILY-OWNED BUSINESS TRANSFERS TO FAMILY MEMBERS

*Description:* Effective July 1, 2013, a transfer of a family-owned, small business interest to or for the benefit of members of the same family is exempt from inheritance tax, provided that after the transfer, the family-owned business interest continues to be owned by members of the same family or a trust whose beneficiaries are comprised solely of members of the same family for a minimum of seven years beyond the decedent's date of death. The exemption is limited to qualified family-owned business interests, defined as having fewer than 50 full-time equivalent employees, a net book value of assets less than \$5 million, and being in existence for at least five years, as of the decedent's date of death. The exemption does not apply to property transferred into the business within one year of the decedent's date of death.

*Purpose:* This provision helps to maintain family-owned, small businesses.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 6.0	\$ 6.2	\$ 6.5	\$ 6.6	\$ 6.8	\$ 7.1	\$ 7.4

*Beneficiaries:* The owners of 187,000 family-owned, small businesses might benefit from this tax expenditure.

## OTHER EXCLUSIONS

### TRANSFERS TO GOVERNMENTS

*Description:* Intervivos transfers and bequests to governments are exempt from inheritance tax.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.6

*Beneficiaries:* Approximately 3,300 estates benefit from this tax expenditure.

### TRANSFERS TO CHARITABLE AND FRATERNAL ORGANIZATIONS

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 124.4	\$ 129.1	\$ 133.9	\$ 139.0	\$ 144.2	\$ 149.6	\$ 155.2

*Beneficiaries:* An estimated 32,200 charitable and fraternal organizations might benefit from this tax expenditure.

## TABLE GAME TAXES

*Authorization:* Chapter 13A of Title 4 of the Pennsylvania Consolidated Statutes.

Act 1 of 2010 imposed table game taxes on gross table game revenue of licensed gaming entities in Pennsylvania.

The table game taxes are imposed on gross table game revenue, which is defined as total cash or cash equivalents received in the playing of table games, contest or tournament fees or payments, and total amount of rakes collected minus cash or cash equivalents paid out, paid to purchase annuities to fund prizes, and paid for personal property distributed to patrons as a result of playing a table game. The revenue from these taxes is deposited in the General Fund until such time as, on the last day of the fiscal year, the balance in the Budget Stabilization Reserve Fund is certified by the Secretary of the Budget to exceed \$750,000,000. Thereafter, the funds from these taxes are deposited in the Property Tax Relief Fund.

The tax rates are 14 percent of gross table game revenue for two years following commencement of table game operations at the facility and 12 percent thereafter, and an additional 34 percent of gross table game revenue from table games played on fully automated electronic gaming tables. However, Act 84 of 2016 sets the tax rate at 14 percent for all facilities for the period August 1, 2016, through June 30, 2019, plus the additional 34 percent on fully automated electronic gaming tables.

### PROMOTIONAL ITEM DEDUCTION

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*Description:* The deduction of promotional items from gross table game revenue includes the cost of personal property awarded to a player as a result of playing a table game. This deduction does not include travel expenses, food, refreshments, lodging, or services.

*Purpose:* This deduction removes from the tax base the value of prizes awarded as a result of table game play.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 4.4	\$ 2.1	\$ 1.9	\$ 1.8	\$ 1.8	\$ 1.9	\$ 1.9

*Beneficiaries:* All licensed gaming entities in Pennsylvania operating table games may benefit from this tax expenditure.

## OIL COMPANY FRANCHISE TAX

*Authorization:* Chapter 95 of Title 75 of the Pennsylvania Consolidated Statutes.

Act 3 of 1997 imposed a tax of 153.5 mills for all taxable liquid fuels and 208.5 mills for all taxable fuels on oil companies conducting business in Pennsylvania. Act 89 of 2013 added an additional 64 mills in 2014, 49 mills in 2015, 48 mills in 2016, 41 mills in 2017, and 39 mills in 2018 and each calendar year thereafter on all taxable liquid fuels and fuels. The oil company franchise tax is calculated annually by multiplying the average wholesale price (established by the Department of Revenue) by the millage rates above. The resulting product is the effective tax rate that is multiplied by the total taxable gallons of fuels and liquid fuels. Act 89 of 2013 set the average wholesale price at \$1.87 in 2014, \$2.49 in 2015 and 2016, and in 2017 the average wholesale price will be uncapped. There is also a statutory average wholesale price floor set at \$2.99 for 2017 and each year thereafter. Prior to Act 89, Act 32 of 1983 set minimum and maximum average wholesale prices at \$0.90 and \$1.25 per gallon, respectively. The tax rate for calendar year 2019 is 57.6 cents per gallon for liquid fuels and 74.1 cents per gallon for fuels. Receipts from 57 mills of the tax on liquid fuels and fuels are deposited as unrestricted Motor License Fund revenue, along with the mills added by Act 89 of 2013. However, 4.17 percent of the mills added by Act 89 are transferred to the Liquid Fuels Tax Fund. The estimated expenditures herein include the impact on both unrestricted and restricted Motor License Fund revenue.

*Administrative Costs:* Costs to administer the multiple tax expenditures associated with the oil company franchise tax cannot be separately identified from the other motor fuel taxes deposited into the Motor License Fund. Tax expenditures are a significant factor associated with the need for more compliance audits and the increased complexity of such audits.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7

## POLITICAL SUBDIVISIONS

*Description:* Fuels purchased by political subdivisions of the commonwealth are exempt from the tax.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 56.6	\$ 56.4	\$ 56.5	\$ 56.6	\$ 56.7	\$ 56.8	\$ 56.9

*Beneficiaries:* Approximately 3,130 governmental units benefit from these tax expenditures.

# Motor License Fund Tax Expenditures

## VOLUNTEER EMERGENCY VEHICLES

*Description:* Fuel purchased by a volunteer fire company, volunteer ambulance service, or volunteer rescue squad, and used solely in official vehicles, is exempt from the tax.

*Purpose:* Volunteer emergency organizations provide public services that are perceived to benefit citizens. This exemption permits these services to be rendered at a reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 16.3	\$ 16.2	\$ 16.2	\$ 16.3	\$ 16.3	\$ 16.3	\$ 16.4

*Beneficiaries:* Approximately 1,800 volunteer fire departments and an unknown number of other volunteer organizations benefit from these tax expenditures.

## NONPROFIT NONPUBLIC SCHOOLS

*Description:* Fuel purchased by any nonprofit nonpublic school in which a commonwealth resident may legally fulfill compulsory school attendance requirements is granted an exemption from the tax.

*Purpose:* Since state government indirectly subsidizes transporting public school children, this exemption provides similar treatment to nonprofit nonpublic schools.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3

*Beneficiaries:* As many as 3,000 nonprofit nonpublic schools may benefit from these tax expenditures.

## SECOND CLASS COUNTY PORT AUTHORITIES

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* One second class county port authority benefits from this tax expenditure.

# Motor License Fund Tax Expenditures

## ELECTRIC COOPERATIVES

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.3	\$ 0.2	\$ 0.2	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3

*Beneficiaries:* There are 13 electric cooperative in the commonwealth that benefit from these tax expenditures.

## AGRICULTURAL USE

*Description:* A full refund of tax paid is granted for fuel consumed in agricultural use relating to the actual production of farm products. Fuel used in farm machinery or equipment engaged in the production or harvesting of agricultural products is exempt from taxation under these provisions.

*Purpose:* This exemption allows farmers to provide agricultural products at a reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 4.9	\$ 4.9	\$ 4.9	\$ 4.9	\$ 4.9	\$ 4.9	\$ 5.0

*Beneficiaries:* Individuals operating approximately 58,200 farms benefit from these tax expenditures.

## TRUCK REFRIGERATION UNITS

*Description:* A full refund of tax paid is granted for undyed diesel fuel used in truck refrigeration units when the tank that fuels the refrigeration unit is used solely for that purpose and is separate from that which powers the vehicle.

*Purpose:* This provision allows a refund for fuel consumed in an off-road manner when such use can be clearly documented.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 4.9	\$ 4.9	\$ 4.9	\$ 4.9	\$ 4.9	\$ 4.9	\$ 4.9

*Beneficiaries:* Approximately 250 entities benefit from these tax expenditures.

# Motor License Fund Tax Expenditures

## POWER TAKE-OFF

*Description:* A full refund of tax paid is granted for undyed fuel consumed in a power takeoff unit used to load or unload farm feed, feed products, lime, or limestone products for agricultural use at a farm. Tax paid will be refunded provided that the fuel usage is documented by an electronic monitoring device used in conjunction with an electronically controlled engine.

*Purpose:* This provision allows a refund for fuel consumed in an off-road manner when such use can be clearly documented.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

*Beneficiaries:* Approximately 10 taxpayers benefit from these tax expenditures.

## DISCOUNT

*Description:* A distributor is permitted a variable percentage discount based on the gross tax due on the oil company franchise tax mills added by Act 89 of 2013. Returns and payments are generally due on or before the 20<sup>th</sup> day of each month for the preceding month's sales.

*Purpose:* This discount is intended to defray the cost of preparing and remitting the tax reports and payments.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 5.8	\$ 5.6	\$ 5.6	\$ 5.6	\$ 5.6	\$ 5.6	\$ 5.6

*Beneficiaries:* Approximately 840 distributors benefit from these tax expenditures.

## FOREIGN DIPLOMATS

*Description:* Fuel purchased by foreign diplomats whose countries have entered into a treaty with the United States is exempt from payment of the tax.

*Purpose:* The commonwealth grants this exemption administratively at the request of the federal government.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of foreign diplomats benefiting from these tax expenditures is unknown but presumed to be nominal.

# Motor License Fund Tax Expenditures

## BUSES

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*Description:* A bus company is entitled to a refund equal to 55 mills of the oil company franchise tax imposed on fuels consumed by motorbuses within this commonwealth.

*Purpose:* Act 3 of 1997 repealed the 6 cent surtax imposed on all motor carriers and replaced it with a 55 mill increase in the oil company franchise tax imposed on fuels. Since buses were historically exempt from the surtax, they have been granted a refund for the 55 mill surtax replacement effective January 1, 1999.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8

*Beneficiaries:* Approximately 70 bus companies benefit from this tax expenditure.

## MOTOR CARRIERS ROAD TAX / IFTA

*Authorization:* Chapter 96 of Title 75 of the Pennsylvania Consolidated Statutes.

The motor carriers road tax is equal to the current Pennsylvania oil company franchise tax or alternative fuels tax rate per gallon. This is a tax of 55 mills on each gallon of fuels and collected through the oil company franchise tax. Effective January 1, 1996, under Act 75 of 1995, Pennsylvania implemented the provisions of the International Fuel Tax Agreement (IFTA). Under IFTA, fuel consumed in “qualified motor vehicles” is subject to taxation at current rates. A qualified motor vehicle is a motor vehicle, other than a recreational vehicle, which is used, designed, or maintained for transportation of persons or property and which has two axles and a registered gross weight exceeding 26,000 pounds, three axles or more regardless of weight, or used in combination when the registered gross weight exceeds 26,000 pounds. IFTA provisions do not distinguish taxable use by vehicle types, only by weight and axle configuration. The following estimates reflect the full tax rate imposed.

*Administrative Costs:* Costs to administer the multiple tax expenditures associated with motor carrier road tax/IFTA cannot be identified separately. Tax expenditures are not believed to be a significant factor associated with the need for more compliance audits and contribute minimally to the length of time necessary to complete such audits.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0

### POLITICAL SUBDIVISIONS

*Description:* Vehicles operated by political subdivisions are exempt from the requirements of the motor carriers road tax.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 40.3	\$ 35.4	\$ 35.7	\$ 36.1	\$ 36.4	\$ 36.4	\$ 36.4

*Beneficiaries:* Approximately 3,130 governmental units benefit from this tax expenditure.

### FARM VEHICLES

*Description:* Qualified motor vehicles bearing a Pennsylvania farm truck registration operating under restricted use, and farm vehicles exempt from registration, are exempt from the motor carriers road tax.

*Purpose:* This exemption allows farmers to provide agricultural products at a reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 11.1	\$ 9.7	\$ 9.8	\$ 9.9	\$ 10.0	\$ 10.0	\$ 10.0

*Beneficiaries:* Individuals operating approximately 59,300 farms benefit from this tax expenditure.



# Motor License Fund Tax Expenditures

## EMERGENCY VEHICLES

*Description:* Fire, rescue, ambulance, and select other emergency vehicles are exempt from the motor carriers road tax.

*Purpose:* Emergency organizations provide public services that are perceived to benefit citizens. This exemption permits these services to be rendered at a reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 19.5	\$ 17.1	\$ 17.3	\$ 17.5	\$ 17.6	\$ 17.6	\$ 17.6

*Beneficiaries:* Approximately 1,800 fire departments and an unknown number of other organizations benefit from this tax expenditure.

## SPECIAL MOBILE EQUIPMENT

*Description:* Vehicles not designed or used primarily for the transportation of persons or property and that only incidentally operate or move over a highway, such as ditch digging apparatus, well-boring apparatus, earth moving and road construction machinery, are exempt from the motor carriers road tax.

*Purpose:* Exemption is granted to these vehicles because of their specialized off-highway use.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* The owners of approximately 2,200 special mobile equipment vehicles benefit from this tax expenditure.

## IMPLEMENTS OF HUSBANDRY

*Description:* A vehicle designed or adapted to be used exclusively for agricultural operations is exempt from the motor carriers road tax.

*Purpose:* This exemption allows the farmer to provide agricultural products at a reduced price.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.1	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* The owners of approximately 190 implements of husbandry vehicles benefit from this tax expenditure.

# Motor License Fund Tax Expenditures

## CHARITABLE AND RELIGIOUS ORGANIZATIONS

*Description:* Vehicles operated by charitable and religious organizations are exempt from the motor carriers road tax.

*Purpose:* These organizations provide services which are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 3.4	\$ 3.0	\$ 3.0	\$ 3.1	\$ 3.1	\$ 3.1	\$ 3.1

*Beneficiaries:* Approximately 25,200 charitable and religious organizations may benefit from this tax expenditure.

## CHURCHES

*Description:* A motorbus owned by and registered to a church, exempt under section 1901 of Title 75, is exempt from the motor carriers road tax.

*Purpose:* These organizations provide services which are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* As many as 10,400 churches may benefit from this tax expenditure.

## ELECTRIC COOPERATIVES

*Description:* Qualified motor vehicles operated by electric cooperatives are exempt from the motor carriers road tax.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The 13 electric cooperatives in the commonwealth benefit from this tax expenditure.

# Motor License Fund Tax Expenditures

## VEHICLES NEEDING EMERGENCY REPAIRS

*Description:* A qualified motor vehicle needing emergency repairs, which was granted authorization from the Pennsylvania State Police to enter this commonwealth, is exempt from the motor carriers road tax.

*Purpose:* This exemption was granted due to the temporary emergency nature of the vehicle entering Pennsylvania for needed repairs.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of individuals benefiting from this tax expenditure is unknown.

## VEHICLES SECURING REPAIRS OR RECONDITIONING

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this tax expenditure is unknown.

## SCHOOL BUSES

*Description:* Buses designed to carry 11 or more passengers used for the transportation of preprimary, primary, or secondary school students to or from public, private, or parochial schools, or school-related activities or events are exempt from the motor carriers road tax.

*Purpose:* Since state government indirectly subsidizes transporting school children, this exemption decreases state educational subsidy costs.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 18.2	\$ 16.0	\$ 16.1	\$ 16.3	\$ 16.5	\$ 16.5	\$ 16.5

*Beneficiaries:* Approximately 6,100 schools benefit from this tax expenditure.

# Motor License Fund Tax Expenditures

## RECREATIONAL VEHICLES

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*Description:* Qualified motor vehicles, such as motor homes, pickup trucks with attached campers, and buses when used exclusively for personal pleasure by individuals, are exempt from the motor carriers road tax.

*Purpose:* The motor carrier road tax/IFTA requirements are intended to apply to selected commercial vehicles. This provision exempts personal use only vehicles which would otherwise be subject to these taxing requirements.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The number of taxpayers benefiting from this tax expenditure is unknown.

## MOTOR VEHICLE CODE

*Authorization:* Title 75 of the Pennsylvania Consolidated Statutes.

The Motor Vehicle Code, contained Act 81 of 1976, became effective July 1, 1977. This amended Act 32 of 1959 known as The Vehicle Code. Contained in the Motor Vehicle Code are provisions for the titling, registration and licensing of vehicles, operation of vehicles, vehicle characteristics, and the administration and enforcement of the code.

*Administrative Costs:* Costs to administer the motor vehicle code tax expenditures are borne by the Department of Transportation and cannot be separately identified.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

### VEHICLE REGISTRATIONS

*Description:* Specific entities that request the authority to operate a motor vehicle are granted a full or partial exemption from the registration fee. Not shown below are exempt categories with unknown numbers of vehicles which include, for example, mobile/modular homes and off road construction vehicles.

*Purpose:* This exemption provides relief to the organizations or individuals cited below. Many of those cited are dependent upon charitable contributions or augmented incomes. This exemption is also an indirect means of assistance to local governments and may reduce the taxes levied by these entities.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<b>Disabled/Severely Disabled Veterans:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.4	\$ 0.4	\$ 0.4

*Beneficiaries:* The owners of approximately 5,900 vehicles benefit from this tax expenditure.

**Charitable Organizations:**

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
\$ 1.5	\$ 1.5	\$ 1.6	\$ 1.6	\$ 1.6	\$ 1.7	\$ 1.7

*Beneficiaries:* The owners of approximately 17,800 vehicles benefit from this tax expenditure.

**Former Prisoners of War:**

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* The owners of approximately 170 vehicles benefit from this tax expenditure.

**Farm Trucks:**

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
\$ 4.3	\$ 4.4	\$ 4.5	\$ 4.6	\$ 4.7	\$ 4.8	\$ 4.9

*Beneficiaries:* The owners of approximately 10,100 farm trucks benefit from this tax expenditure.

# Motor License Fund Tax Expenditures

## Emergency Vehicles:

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
\$ 7.8	\$ 7.9	\$ 8.1	\$ 8.2	\$ 8.5	\$ 8.6	\$ 8.9

*Beneficiaries:* Organizations owning approximately 13,600 vehicles benefit from this tax expenditure.

## Political Subdivisions:

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
\$ 24.9	\$ 25.2	\$ 25.8	\$ 26.1	\$ 27.0	\$ 27.3	\$ 28.3

*Beneficiaries:* Approximately 3,130 governmental units benefit from this tax expenditure.

## Older Pennsylvanians:

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
\$ 4.7	\$ 4.9	\$ 5.2	\$ 5.5	\$ 5.9	\$ 6.2	\$ 6.7

*Beneficiaries:* Older Pennsylvanians owning approximately 121,600 vehicles benefit from this tax expenditure.

## CARNIVAL TRUCKS/TRUCK TRACTORS

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* The owners of approximately 60 carnival vehicles benefit from this tax expenditure.

## BRIDGE PERMITS

*Description:* Bridges on state owned rights-of-way need periodic maintenance and construction work. Permits are issued, for a fee, by the state to perform such work. The commonwealth administratively grants an exemption from the permit fee to political subdivisions who are performing work for the state.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* As many as 3,130 political subdivisions may benefit from this tax expenditure.

# Motor License Fund Tax Expenditures

## HAULING PERMITS

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*Description:* Permits, for which a fee is charged, are issued to firms that wish to haul loads that exceed the maximum size or weight specifications of certain highways and bridges. The commonwealth administratively grants an exemption from the permit fee to political subdivisions.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* As many as 3,130 political subdivisions may benefit from this tax expenditure.

## POLICE ACCIDENT REPORTS

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*Description:* Traffic accident reports are generated as a result of any accident where there is bodily injury or death or if one or more vehicles must be towed from the scene. A fee is charged to obtain a copy of the police accident report. The commonwealth administratively grants an exemption for paying an accident report fee to political subdivisions.

*Purpose:* This exemption provides local prosecuting officials an aid in law enforcement.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* As many as 3,130 political subdivisions may benefit from this tax expenditure.

## UNEMPLOYMENT COMPENSATION INSURANCE TAX

*Administrative Costs:* The costs of administering the tax expenditure associated with the unemployment compensation insurance tax are nominal.

### LIMITATION OF THE TAXABLE WAGE BASE

*Authorization:* Act of December 5, 1936 (2nd special session, 1937 P.L. 2897, No. 1), 4(x)(1), as amended, 43 P.S. 753(x)(1).

The purpose of the tax is to provide a fund from which compensation is paid to workers who have become unemployed through no fault of their own. Contributions are required to be made by all employers who pay wages to individuals working in Pennsylvania and whose services are covered under the unemployment compensation law. This tax may include employee contributions withheld by employers from each employee's gross wages. The Pennsylvania Unemployment Compensation Law is administered by the Department of Labor and Industry.

*Description:* The commonwealth's unemployment compensation law provides for a limitation of the taxable wage base to the first \$10,000 of wages paid to each employee during a calendar year by an employer. This amount has increased annually from \$8,000 in calendar year 2012 to its current level, set in 2018. All state governments are required by the federal government to tax at least the first \$7,000 of subject wages. Many states, including Pennsylvania, have chosen to keep their bases close to the federal minimum. The estimate represents the cost of this limitation as measured by the difference between contributions based on taxable wages and contributions based on total wages. In 1988, legislation was enacted which provides for a "trigger" mechanism to regulate employer and employee contributions. The trigger mechanism, working in conjunction with the experience rating system, would change tax rates in response to a change in the taxable wage base. The methodology used for this estimate does not incorporate the changes that would occur to the tax rates as a result of tax base changes. Projected tax rates were used to estimate contributions based on currently taxable wages. The same tax rates were used to estimate contributions based on total wages paid by contributory employers.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$10,111.4	\$10,171.4	\$9,695.1	\$9,149.0	\$9,492.0	\$9,849.0	\$10,195.5

*Beneficiaries:* Pennsylvania's unemployment compensation tax system is intended to generate a sufficient amount of revenue to meet annual benefit payments. In general, under the current system, an employer with higher wage employees pays on a smaller percentage of total wages. If the taxable wage base were total wages paid to employees, the employer with the higher employee wages would have to pay a greater amount in taxes.

As of the first quarter of 2018, there were 277,064 contributory employers to the Unemployment Compensation Fund. The following is a breakdown of these employers according to major industry division<sup>1</sup>:

Natural Resources and Mining .....	3,215	Financial Activities.....	18,780
Construction .....	28,187	Professional and Business Services .....	55,454
Manufacturing .....	13,298	Education and Health Services .....	42,213
Trade.....	45,554	Leisure and Hospitality.....	27,355
Transportation, Warehousing, Utilities....	7,937	Other Services .....	29,113
Information .....	3,726	Local Government.....	1,224

<sup>1</sup>Based on NAICS industry classification. Data may not add to totals due to the unavailability of industry classification for some employers.



## PUBLIC TRANSPORTATION ASSISTANCE FUND

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

The Public Transportation Assistance Fund provides for the capital, asset maintenance, and certain other transportation needs of the commonwealth's public transit entities.

Fund revenues are derived from a motor vehicle lease tax; a motor vehicle rental fee; a fee on the sale of new tires; 0.44 percent of total sales and use tax receipts in lieu of the repealed periodicals tax; 0.09 percent of total sales and use tax receipts in lieu of the repealed lease tax on class four and above motor carriers; and 0.417 percent of sales and use tax in lieu of transfers from the public utility realty tax (PURTA) and the utilities gross receipts tax. By provisions of Act 46 of 2003, beginning in fiscal year 2003-04, revenues associated with the 7.6 mills of PURTA, previously transferred to this fund, will remain in the General Fund. Act 138 of 1996 (electric competition) provided for transfers from the utility gross receipts tax to the Public Transportation Assistance Fund beginning in fiscal year 1998-99. Act 46 of 2003 repealed this transfer effective for fiscal year 2003-04 and forward. Certain entities and transactions are exempt from these taxes and fees. With the exception of the fee on tires and the class 4 and above motor carrier tax expenditure, the remaining tax expenditures parallel those in the General Fund sales and use tax expenditures.

*Administrative Costs:* Administrative costs are believed to be nominal.

## MOTOR VEHICLE LEASE TAX AND MOTOR VEHICLE RENTAL FEE

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

A fee of \$2 per day is imposed on each rental of a motor vehicle subject to tax under Article II of the Tax Reform Code of 1971, with exceptions for carsharing rates. Act 43 of 2017 allows for a prorated fee for partial day carsharing service rentals using the following schedule: 25 cents for a period of less than two hours, 50 cents for a period of two to three hours, and \$1.25 cents for a period of three to four hours. Any rental period over four hours would incur the full \$2.00 per day fee for vehicle rentals

### COMMON CARRIERS

*Description:* Vehicles leased or rented by a public utility, engaged in business as a common carrier, to be used in rendering utility services, are exempt from taxation. Since the enactment of the Federal Aviation Act, effective January 1, 1995, Pennsylvania has recognized contract carriers as common carriers. Household goods carriers and private carriers remain taxable.

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<b>Motor Vehicle Leases:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA
	<b>Motor Vehicle Rentals:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* Approximately 7,500 common carriers could benefit from this tax expenditure.

## SCHOOL BUSES

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<b>Motor Vehicle Leases:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 2.8	\$ 2.8	\$ 2.8	\$ 2.9	\$ 2.9	\$ 2.9	\$ 2.9
	<b>Motor Vehicle Rentals:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

*Beneficiaries:* Approximately 6,100 schools may benefit from this tax expenditure.

## MOTOR CARRIERS (CLASS 4 AND ABOVE)

*Description:* Motor carriers in vehicle classes 4 and above are exempt from the motor vehicle lease tax.

*Purpose:* This exemption benefits those entities engaged in commercial leasing. Presumably, many of these vehicles are operated as common carriers that are normally treated as a utility service.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<b>Motor Vehicle Leases:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* The owners of approximately 446,000 motor carrier vehicles (class 4 and above) could benefit from this tax expenditure.

# Special Fund Tax Expenditures

## EXEMPT ORGANIZATIONS

*Description:* The lease or rental of personal property to or for use by any charitable organization, volunteer fireman's organization, nonprofit educational institution, or religious organization is exempt from taxation. Transactions unrelated to the trade or business of such organizations are taxable.

*Purpose:* These organizations provide public and charitable services that are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<b>Motor Vehicle Leases:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	NA	NA	NA	NA	NA	NA	NA

<b>Motor Vehicle Rentals:</b>						
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
NA	NA	NA	NA	NA	NA	NA

*Beneficiaries:* Approximately 32,200 organizations may benefit from this tax expenditure.

## EXEMPT GOVERNMENTAL UNITS

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<b>Motor Vehicle Leases:</b>						
	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 1.3	\$ 1.3	\$ 1.4	\$ 1.4	\$ 1.5	\$ 1.5	\$ 1.5

<b>Motor Vehicle Rentals:</b>						
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5

*Beneficiaries:* Approximately 3,130 political subdivisions may benefit from this tax expenditure.

## VENDOR DISCOUNT

*Description:* A licensed vendor is permitted a one percent discount as a credit against the gross amount of tax collected provided that a tax return, with full payment due the department, is filed or postmarked on or before the due date. Nearly all tax returns are due 20 days after the end of a collection period.

*Purpose:* This provision is intended to defray the vendor's cost of collecting and remitting the motor vehicle lease tax and motor vehicle rental fee.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 1.3	\$ 1.3	\$ 1.4	\$ 1.4	\$ 1.5	\$ 1.6	\$ 1.6

*Beneficiaries:* Approximately 1,000 vendors may benefit from this tax expenditure.

## TIRE FEE

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

## EXEMPT GOVERNMENTAL UNITS

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

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

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal	Nominal

*Beneficiaries:* Approximately 3,130 political subdivisions may benefit from this tax expenditure.

## VENDOR DISCOUNT

*Description:* A licensed vendor is permitted a one percent discount as a credit against the gross amount of tax collected provided that a tax return, with full payment due the department, is filed or postmarked on or before the due date. Nearly all tax returns are due 20 days after the end of a collection period.

*Purpose:* This provision is intended to defray the vendor's cost of collecting and remitting the tire fee.

(Dollar Amounts in Millions)

<i>Estimates:</i>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>
	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1

*Beneficiaries:* Approximately 4,400 vendors may benefit from this tax expenditure.

## RACING FUND

*Authorization:* Article XXVIII-D of the Administrative Code of 1929 (P.L. 177, No. 175), as amended.

The Racing Fund, a special revenue fund, is comprised of monies received from taxes, licenses and fees, and miscellaneous revenues collected by the State Racing Commissions derived from the regulation of harness and horse racing. Prior to December 30, 1983, thoroughbred racing tax revenues consisted of wagering, breakage, and admissions taxes. Harness racing tax revenues consisted of wagering and admissions taxes as assessed by the Race Horse Industry Reform Act (Act 135 of December 17, 1981). The Harness Racing Fund and the Horse Racing Fund were combined into the Racing Fund by Act 93 of 1983. This act also amended portions of the Race Horse Industry Reform Act relating to taxation. Act 7 of 2016, amending the Administrative Code of 1929, repealed the Race Horse Industry Reform Act (Act 135 of 1981) and replaced it with Article XXVIII-D, Race Horse Industry Reform.

The Racing Fund contains no tax expenditures as defined by this tax expenditure analysis.



Commonwealth of Pennsylvania

## Governor's Executive Budget

# *DEPARTMENT PRESENTATIONS*

This section provides detailed expenditure information by agency, program and funding source. Each department presentation includes a Summary by Fund and Appropriation, Program Funding Summary, program subcategory information and Program Measures.

The Summary by Fund and Appropriation presentation is organized by fund, character of expenditures, state appropriation and the federal funds, augmentations and other funds that supplement the activities funded by each state appropriation. Three fiscal years are displayed. The Program Funding Summary presents general, special, federal and other funding organized by program subcategory. Each program subcategory includes a program objective, a narrative describing program activities and services, funding recommendations that identify increases or decreases over available year funding, and a list of state appropriations that support the activities within the program. Program Measures is the last section in the agency presentation and is a seven-year presentation of performance measures that identify program activities and outcomes and the impact the proposed budget is expected to have on those activities and outcomes.

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# GOVERNOR'S OFFICE

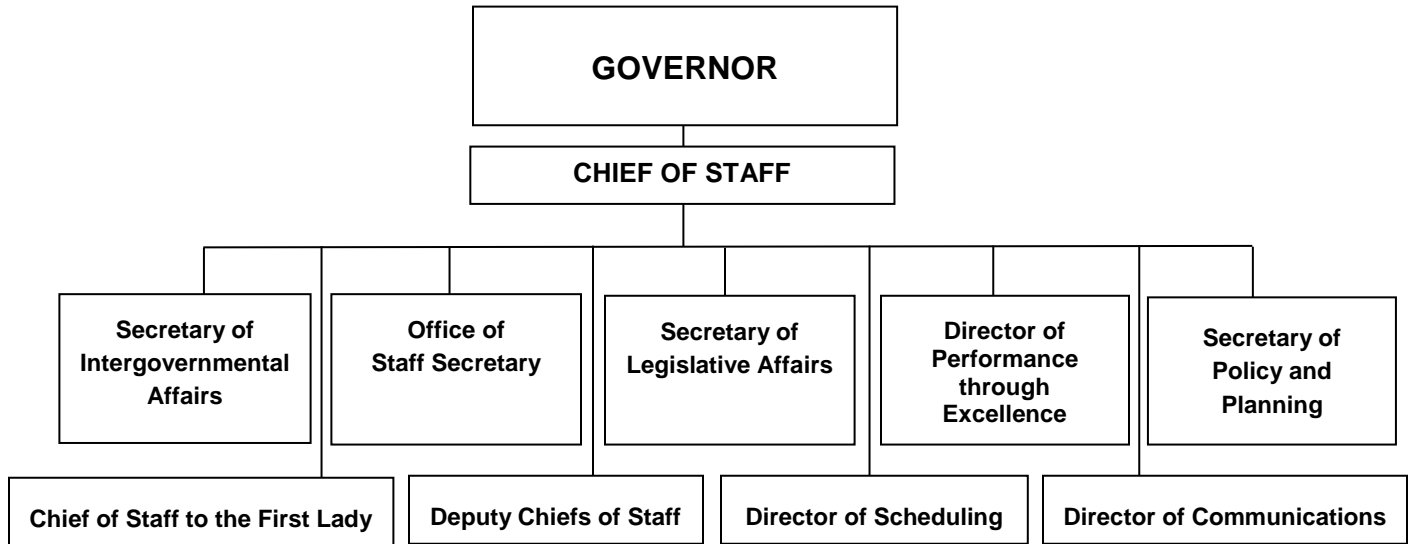
The [governor](#) directs and coordinates the work of state government and guides the programs of the agencies in the direction that ensures compliance with existing law, definable needs and administration goals.

## Programs and Goals

**Executive Direction:** *To provide an effective administrative system through which the substantive program goals of the commonwealth can be accomplished.*



# Organization Overview



- **Secretary of Intergovernmental Affairs** connects the governor with constituents, coalitions and issue groups, county and local governments and the federal government. In addition, the office oversees the appointment and nomination process for more than 450 boards and commissions and handles advance for the governor's events throughout the state.
- **Office of Staff Secretary** provides oversight of all staffing services within the Office of the Governor, including human resources, procurement, facility management, correspondence, strategic support, project oversight and budget functions.
- **Secretary of Legislative Affairs** serves as the principal representative of the Office of the Governor in all issues and activities related to the legislative process of the General Assembly. The secretary also serves as a senior policy advisor to the governor.
- **Director of Performance through Excellence** manages the operations and directs the efforts of the governor's initiative to change the way governmental agencies and employees do business, how the commonwealth measures its success and assists the governor with using these measures to chart future direction.
- **Secretary of Policy and Planning** coordinates program planning and policy development among the executive branch agencies and directs and coordinates efforts of the policy offices of the various executive branch agencies.
- **Chief of Staff to the First Lady** oversees the management of the first lady's personal initiatives, public events and outreach projects with governmental agencies and community organizations across the state.
- **Deputy Chiefs of Staff** are senior advisors on policy and operations, partner with state agencies to coordinate cohesive strategies that reflect the governor's initiatives and work with citizens and stakeholders on advancing sound policies in the commonwealth.
- **Director of Scheduling** works closely with the governor to develop and implement the governor's daily schedule, manages all invitations and advances and staffs each event to ensure that all logistical arrangements are appropriately handled.
- **Director of Communications** articulates the governor's agenda and actions to the people of Pennsylvania, while responding to inquiries about the executive branch of state government from news-gathering organizations and from the public. The director oversees the planning and management of the governor's many public undertakings and directs and supervises the communications offices in each of the executive branch agencies.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
68	68	68	68	68	68	68

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b><u>GENERAL FUND:</u></b>			
<i>General Government:</i>			
Governor's Office.....	\$ 6,548	\$ 6,548	\$ 6,872

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>EXECUTIVE DIRECTION</b>							
GENERAL FUND.....	\$ 6,548	\$ 6,548	\$ 6,872	\$ 6,872	\$ 6,872	\$ 6,872	\$ 6,872
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 6,548</b>	<b>\$ 6,548</b>	<b>\$ 6,872</b>	<b>\$ 6,872</b>	<b>\$ 6,872</b>	<b>\$ 6,872</b>	<b>\$ 6,872</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 6,548	\$ 6,548	\$ 6,872	\$ 6,872	\$ 6,872	\$ 6,872	\$ 6,872
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 6,548</b>	<b>\$ 6,548</b>	<b>\$ 6,872</b>	<b>\$ 6,872</b>	<b>\$ 6,872</b>	<b>\$ 6,872</b>	<b>\$ 6,872</b>

**Program: Executive Direction**

*Goal: To provide an effective administrative system through which the substantive program goals of the commonwealth can be accomplished.*

The Pennsylvania Constitution vests the executive authority of the commonwealth in the governor. It is the duty of the governor to ensure that the laws of the commonwealth are faithfully executed. The governor submits an annual budget to the general assembly and performs all other functions required of this office as delegated by the state constitution and in law.

This program also provides for the [Governor's Residence](#). The Residence is used for state functions and is available as a domicile for the governor and the first family. The expenses for official functions, as well as those essential to managing a household, are paid from the Governor's Office appropriation, while maintenance of the Residence is primarily the responsibility of the Department of General Services. Equipment, supplies (except food) and housekeeping services are provided by the department.

Roles of the [Governor's Office](#) include:

- Faithfully executing commonwealth law;
- Acting as Commander-in-Chief of military forces of the commonwealth;
- Appointing agency heads and officers and filling vacancies;
- Signing or vetoing bills passed by legislature;
- Convening special legislative sessions for specific purposes; and
- Making policy recommendations.

The office is focused on leading the executive branch to accomplish government that works, schools that teach and jobs that pay. Many of these initiatives have led to government reform, school investment, job growth, improvements in health care, senior protection, infrastructure improvement, battling opioid abuse, supporting veterans, environmental protection, agriculture growth, strengthening public safety and reforming the criminal justice system.

**Program Recommendations:**

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

**Governor's Office**  
 \$ 324 —to continue current program.

**Appropriations within this Program:**

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Governor's Office.....	\$ 6,548	\$ 6,548	\$ 6,872	\$ 6,872	\$ 6,872	\$ 6,872	\$ 6,872

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# EXECUTIVE OFFICES

*The mission of the Executive Offices is to assist the governor in the administration of state government.*

The Office of Administration performs central management duties and provides coordinated information technology strategies. The Office of the Budget performs central financial management duties, prepares the annual Governor's Executive Budget and provides comptroller services for most commonwealth agencies. The Office of General Counsel provides legal counsel for state agencies. The Office of State Inspector General investigates suspected improper use of state resources and recovers funds disbursed as a result of welfare benefits fraud or overpayment. The Human Relations Commission promotes equal opportunities in employment, housing, public accommodations and education. The Council on the Arts promotes the development of the arts in Pennsylvania. The Commission on Crime and Delinquency provides criminal justice system planning and technical assistance and financial assistance to crime victims. The Juvenile Court Judges' Commission provides technical and financial assistance to county court juvenile probation programs.

## Programs and Goals

**Executive Direction:** *To provide an effective administrative system through which the substantive programs of the commonwealth can be executed.*

**Legal Services:** *To provide legal advice to the governor and the cabinet, and to supervise, coordinate and administer legal services for the commonwealth.*

**Prevention and Elimination of Discriminatory Practices:** *To ensure equal opportunities and participation for all individuals regardless of race, religion, color, creed, handicap or disability, ancestry, national origin, familial status, age or sex in all areas of employment, housing, credit, commercial property, public accommodations and education.*

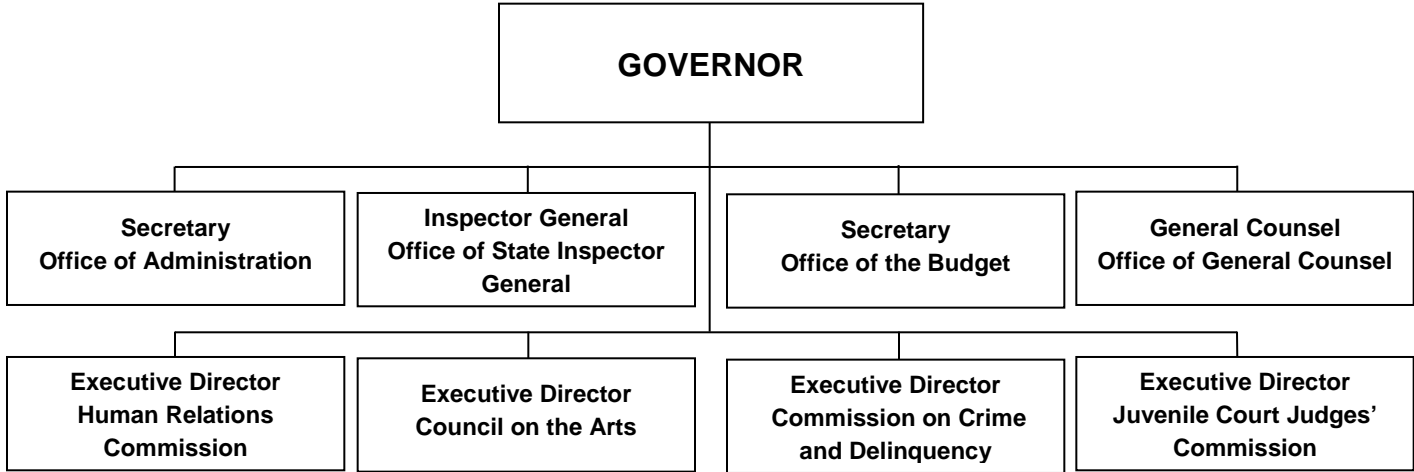
**Development of Artists and Audiences:** *To increase public exposure to quality artistic and cultural programs and to stimulate a climate that offers opportunities and encouragement to artists.*

**Criminal and Juvenile Justice Planning and Coordination:** *To provide criminal and juvenile justice system policy analysis, coordination and planning to improve criminal justice programs.*

**Reintegration of Juvenile Delinquents:** *To reduce the recurrence of juvenile delinquency through replacement of criminal behavior with socially acceptable behavior.*

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# Organization Overview



- **Office of Administration** directs the commonwealth’s deployment of technology, human resources for employees and the planning and coordination among state agencies to ensure critical government services continue during emergencies.
- **Office of State Inspector General** oversees the prevention, investigation and eradication of fraud, waste, abuse and misconduct in the programs, operations and contracting of executive agencies under the governor’s jurisdiction.
- **Office of the Budget** oversees the preparation and implementation of the state budget and the commonwealth’s uniform accounting, payroll and financial reporting systems.
- **Office of General Counsel** oversees the legal representation of executive and independent agencies across the commonwealth.
- **Human Relations Commission** is responsible for enforcing state laws that prohibit discrimination.
- **Council on the Arts** oversees the administration of the council’s funding programs, partnerships and initiatives and provides assistance to the commonwealth’s arts organizations, art programs and individual artists.
- **Commission on Crime and Delinquency** oversees the commission’s efforts to initiate, validate and financially support justice-related programs put forth by practitioners and experts in the justice system.
- **Juvenile Court Judges’ Commission** oversees the development and improvement of juvenile probation services throughout the commonwealth.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18* Actual	2018-19** Available	2019-20** Budget
1,789	1,733	1,743	1,594	3,205	3,320	3,332

\*Reflects the consolidation of human resources and information technology personnel through the Shared Services Transformation project.

\*\*Includes State Civil Service Commission.

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<b>General Government:</b>			
<b>Office of Administration</b> .....	<b>\$ 9,718</b>	<b>\$ 6,156</b>	<b>\$ 9,822<sup>a</sup></b>
(F)NSTIC Grant.....	225	225	0
(F)Information Sharing Initiative.....	246	246	0
(F)JNET MARIS Federated Person Search (EA).....	42	0	0
(F)JNET Inter-County Case Transfer (EA).....	45	45	0
(F)JNET Electronic Reporting Improvements (EA).....	107	107	0
(F)JNET JFRS - Messaging Queue (EA).....	150	0	0
(F)JNET AOPC E-Filing Rewrite (EA).....	0	441	441
(F)Homeland Security Grant Program (EA).....	134	134	134
(A)HR Shared Services.....	19,628	76,649	86,630
(A)IT Shared Services.....	13,636	235,380	249,041
(A)Integrated Enterprise System.....	39,000	41,261	39,048
(A)Temporary Clerical Pool.....	4,683	4,594	5,971
(A)Agency Services.....	1,894	2,102	2,212
(A)Benefit Administration.....	893	1,064	1,065
(A)CDL Drug and Alcohol Testing.....	194	310	310
(A)Managing for Government Responsiveness Training.....	89	325	325
(A)Group Life Insurance Program Commissions.....	100	100	100
(A)Leadership Development Institute.....	92	80	80
(A)External HR Services.....	52	53	53
(R)Agency IT Projects (EA).....	7,500	7,500	7,500
Subtotal.....	<b>\$ 98,428</b>	<b>\$ 376,772</b>	<b>\$ 402,732</b>
<b>Medicare Part B Penalties</b> .....	<b>100</b>	<b>100</b>	<b>0<sup>a</sup></b>
<b>Commonwealth Technology Services</b> .....	<b>54,275</b>	<b>16,954</b>	<b>0<sup>a</sup></b>
<b>Civil Service Commission</b> .....	<b>1</b>	<b>1</b>	<b>0</b>
(A)Fees From Agencies.....	12,809	12,699	5,012
(A)Special Merit System Services.....	625	669	264
Subtotal.....	<b>\$ 13,435</b>	<b>\$ 13,369</b>	<b>\$ 5,276</b>
<b>Office of Inspector General</b> .....	<b>4,042</b>	<b>4,070</b>	<b>4,151</b>
(A)Reimbursements for Special Fund Investigations.....	1,111	1,111	1,111
Subtotal.....	<b>\$ 5,153</b>	<b>\$ 5,181</b>	<b>\$ 5,262</b>
<b>Inspector General - Welfare Fraud</b> .....	<b>11,189</b>	<b>11,883</b>	<b>12,121</b>
(F)TANFBG - Program Accountability.....	1,500	1,500	1,500
(F)Food Stamps - Program Accountability.....	7,000	7,000	7,000
(F)Medical Assistance - Program Accountability.....	5,000	5,500	5,500
(F)CCDFBG - Subsidized Day Care Fraud.....	905	905	905
Subtotal.....	<b>\$ 25,594</b>	<b>\$ 26,788</b>	<b>\$ 27,026</b>
<b>Office of the Budget</b> .....	<b>17,577</b>	<b>19,903</b>	<b>19,903</b>
(A)Support for Commonwealth Payroll Operations.....	6,589	6,713	6,713
(A)BOA - Single Audit.....	728	704	800
(A)Comptroller Single Audit.....	3,715	2,809	3,334
(A)Support for PLCB Comptroller's Office.....	6,363	5,690	6,025
(A)Support for Comptroller Services.....	32,305	35,909	37,028
(A)OAS Support Services.....	51	80	80
(A)RCAP - eGrant System.....	344	160	160
Subtotal.....	<b>\$ 67,672</b>	<b>\$ 71,968</b>	<b>\$ 74,043</b>
<b>Audit of the Auditor General</b> .....	<b>99</b>	<b>0</b>	<b>0</b>
<b>Law Enforcement Activities</b> .....	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>
<b>Office of General Counsel</b> .....	<b>3,772</b>	<b>4,222</b>	<b>4,973</b>
(A)CLE Registration Fees.....	138	121	121
Subtotal.....	<b>\$ 3,910</b>	<b>\$ 4,343</b>	<b>\$ 5,094</b>



Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>Human Relations Commission</b> .....	<b>8,684</b>	<b>10,301</b>	<b>10,507</b>
(F)EEOC - Special Project Grant.....	1,000	900	900
(F)HUD - Special Project Grant.....	600	500	500
Subtotal.....	<u>\$ 10,284</u>	<u>\$ 11,701</u>	<u>\$ 11,907</u>
<b>Council on the Arts</b> .....	<b>839</b>	<b>874</b>	<b>891</b>
(F)NEA - Grants to the Arts - Administration.....	980	980	980
Subtotal.....	<u>\$ 1,819</u>	<u>\$ 1,854</u>	<u>\$ 1,871</u>
<b>Juvenile Court Judges' Commission</b> .....	<b>2,835</b>	<b>2,995</b>	<b>3,074</b>
(F)PA JCMS Assessment Evaluation (EA).....	156	200	0
Subtotal.....	<u>\$ 2,991</u>	<u>\$ 3,195</u>	<u>\$ 3,074</u>
<b>Commission on Crime and Delinquency</b> .....	<b>11,766</b>	<b>7,350</b>	<b>8,499</b>
(F)Plan for Juvenile Justice.....	150	150	150
(F)Justice Assistance Grants.....	12,000	12,000	10,000
(F)Justice Assistance Grants - Administration.....	1,300	1,100	1,100
(F)Statistical Analysis Center.....	200	200	250
(F)Criminal Identification Technology.....	1,500	1,500	4,000
(F)Crime Victims Compensation Services.....	8,500	8,500	8,500
(F)Crime Victims Assistance.....	85,000	110,000	130,000
(F)Violence Against Women.....	7,000	7,000	7,000
(F)Violence Against Women - Administration.....	600	600	600
(F)Residential Substance Abuse Treatment Program.....	1,300	1,300	1,400
(F)Crime Victims Assistance (VOCA) - Admin/Operations.....	4,000	4,000	5,000
(F)Juvenile Accountability Incentive Program.....	200	0	0
(F)Juvenile Justice and Delinquency Prevention.....	3,000	3,000	3,000
(F)Assault Services Program.....	600	600	600
(F)Second Chance Act - Juvenile Offender Reentry.....	1,000	1,000	1,000
(F)Project Safe Neighborhoods.....	0	300 <sup>b</sup>	750
(F)Forensic Science Program.....	1,000	1,000	1,500
(F)Justice Reinvestment Initiative.....	1,000	1,000	1,000
(F)Adam Walsh Implementation Support.....	750	750	750
(F)Byrne Competitive Program.....	2,000	150 <sup>c</sup>	300
(F)Comprehensive Opioid Abuse Site-Based Program.....	0	300 <sup>d</sup>	1,200
(F)Pennsylvania NCS-X Implementation.....	0	200 <sup>e</sup>	550
(F)Body Worn Camera Policy and Implementation.....	0	400 <sup>f</sup>	1,400
(F)Justice and Mental Health Collaboration.....	250	0	600
(F)VOCA Training.....	900	900	0
(F)Prosecutor and Defender Incentives.....	0	57	117
(F)PA Youth Survey - DDAP (EA).....	50	0	50
(F)Substance Abuse Prevention - DDAP (EA).....	205	284	202
(F)Drug Court Operations (EA).....	1,000	1,000	1,000
(F)Children's Justice Act (EA).....	250	286	166
(F)PA State Opioid Response (EA).....	0	1,325	2,700
(A)Interagency Agreements.....	2,359	2,327	698
(R)Victim & Witness Services.....	5,582	6,000	6,000
(R)Crime Victims Reimbursements.....	9,176	11,190	11,190
(R)Constables Education and Training.....	2,766	2,458	2,953
(R)Sheriff & Deputy Sheriff Education and Training.....	4,463	4,540	5,047
(R)Children's Advocacy Centers.....	2,400	2,000	2,000
(R)First Chance Trust Fund.....	0	445	445
Subtotal.....	<u>\$ 172,267</u>	<u>\$ 195,212</u>	<u>\$ 221,717</u>
<b>Victims of Juvenile Offenders</b> .....	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>
<b>Violence and Delinquency Prevention Programs</b> .....	<b>3,989</b>	<b>3,989</b>	<b>3,989</b>
(A)Interagency Agreements.....	4,907	5,628	3,190
Subtotal.....	<u>\$ 8,896</u>	<u>\$ 9,617</u>	<u>\$ 7,179</u>
Subtotal - State Funds.....	\$ 133,186	\$ 93,098	\$ 82,230
Subtotal - Federal Funds.....	151,845	177,585	202,745

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	ACTUAL	AVAILABLE	BUDGET
Subtotal - Augmentations.....	152,305	436,538	449,371
Subtotal - Restricted Revenues.....	31,887	34,133	35,135
<b>Total - General Government.....</b>	<b>\$ 469,223</b>	<b>\$ 741,354</b>	<b>\$ 769,481</b>
<b>Grants and Subsidies:</b>			
Intermediate Punishment Treatment Programs.....	\$ 18,167	\$ 18,167	\$ 18,167
Juvenile Probation Services.....	18,945	18,945	18,945
Grants to the Arts.....	9,590	9,590	9,590
<b>Total - Grants and Subsidies.....</b>	<b>\$ 46,702</b>	<b>\$ 46,702</b>	<b>\$ 46,702</b>
STATE FUNDS.....	\$ 179,888	\$ 139,800	\$ 128,932
FEDERAL FUNDS.....	151,845	177,585	202,745
AUGMENTATIONS.....	152,305	436,538	449,371
RESTRICTED REVENUES.....	31,887	34,133	35,135
<b>GENERAL FUND TOTAL.....</b>	<b>\$ 515,925</b>	<b>\$ 788,056</b>	<b>\$ 816,183</b>
<b>MOTOR LICENSE FUND:</b>			
<b>General Government:</b>			
Commonwealth Technology Services.....	\$ 1,327	\$ 1,074	\$ 0
<b>OTHER FUNDS:</b>			
<b>JUSTICE REINVESTMENT FUND:</b>			
Victim Services.....	\$ 500	\$ 250	\$ 0
Innovative Policing Grants.....	0	0	357
<b>JUSTICE REINVESTMENT FUND TOTAL.....</b>	<b>\$ 500</b>	<b>\$ 250</b>	<b>\$ 357</b>
<b>MONETARY PENALTY ENDOWMENTS TRUST FUND:</b>			
(R)NCAA - Penn State Settlement (EA).....	\$ 4,800	\$ 4,800	\$ 4,800
<b>SUBSTANCE ABUSE EDUCATION AND DEMAND REDUCTION FUND:</b>			
Substance Abuse Education & Demand Reduction Programs (EA).....	\$ 8,000	\$ 8,000	\$ 7,042
Substance Abuse Education & Demand Reduction - Admin (EA).....	300	300	300
<b>SUBSTANCE ABUSE EDUCATION AND DEMAND REDUCTION FUND TOTAL.....</b>	<b>\$ 8,300</b>	<b>\$ 8,300</b>	<b>\$ 7,342</b>
<b>SCHOOL SAFETY AND SECURITY FUND:</b>			
School Safety and Security (EA).....	\$ 0	\$ 60,000	\$ 45,000
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 179,888	\$ 139,800	\$ 128,932
MOTOR LICENSE FUND.....	1,327	1,074	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	151,845	177,585	202,745
AUGMENTATIONS.....	152,305	436,538	449,371
RESTRICTED.....	31,887	34,133	35,135
OTHER FUNDS.....	13,600	73,350	57,499
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 530,852</b>	<b>\$ 862,480</b>	<b>\$ 873,682</b>

<sup>a</sup> This budget proposes funding Office of Administration, Medicare Part B Penalties and Commonwealth Technology Services as Office of Administration.

<sup>b</sup> Includes supplemental appropriation of \$300,000.

<sup>c</sup> Includes supplemental appropriation of \$150,000.

<sup>d</sup> Includes supplemental appropriation of \$300,000.

<sup>e</sup> Includes supplemental appropriation of \$200,000.

<sup>f</sup> Includes supplemental appropriation of \$400,000.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>EXECUTIVE DIRECTION</b>							
GENERAL FUND.....	\$ 100,001	\$ 62,067	\$ 48,997	\$ 49,096	\$ 48,997	\$ 48,997	\$ 49,096
MOTOR LICENSE FUND.....	1,327	1,074	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	15,510	16,303	15,480	15,480	15,480	15,480	15,480
AUGMENTATIONS.....	144,901	428,462	445,362	476,904	476,904	476,904	476,904
RESTRICTED.....	7,500	7,500	7,500	7,500	7,500	7,500	7,500
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 269,239</b>	<b>\$ 515,406</b>	<b>\$ 517,339</b>	<b>\$ 548,980</b>	<b>\$ 548,881</b>	<b>\$ 548,881</b>	<b>\$ 548,980</b>
<b>LEGAL SERVICES</b>							
GENERAL FUND.....	\$ 3,772	\$ 4,222	\$ 4,973	\$ 4,973	\$ 4,973	\$ 4,973	\$ 4,973
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	138	121	121	121	121	121	121
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 3,910</b>	<b>\$ 4,343</b>	<b>\$ 5,094</b>	<b>\$ 5,094</b>	<b>\$ 5,094</b>	<b>\$ 5,094</b>	<b>\$ 5,094</b>
<b>PREVENTION AND ELIMINATION OF DISCRIMINATORY PRACTICES</b>							
GENERAL FUND.....	\$ 8,684	\$ 10,301	\$ 10,507	\$ 10,507	\$ 10,507	\$ 10,507	\$ 10,507
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	1,600	1,400	1,400	1,400	1,400	1,400	1,400
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 10,284</b>	<b>\$ 11,701</b>	<b>\$ 11,907</b>	<b>\$ 11,907</b>	<b>\$ 11,907</b>	<b>\$ 11,907</b>	<b>\$ 11,907</b>
<b>DEVELOPMENT OF ARTISTS AND AUDIENCES</b>							
GENERAL FUND.....	\$ 10,429	\$ 10,464	\$ 10,481	\$ 10,481	\$ 10,481	\$ 10,481	\$ 10,481
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	980	980	980	980	980	980	980
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 11,409</b>	<b>\$ 11,444</b>	<b>\$ 11,461</b>	<b>\$ 11,461</b>	<b>\$ 11,461</b>	<b>\$ 11,461</b>	<b>\$ 11,461</b>
<b>CRIMINAL AND JUVENILE JUSTICE PLANNING AND COORDINATION</b>							
GENERAL FUND.....	\$ 35,222	\$ 30,806	\$ 31,955	\$ 32,455	\$ 32,455	\$ 32,455	\$ 32,455
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	133,755	158,902	184,885	182,158	182,158	182,158	182,158
AUGMENTATIONS.....	7,266	7,955	3,888	3,888	3,888	3,888	3,888
RESTRICTED.....	24,387	26,633	27,635	27,635	27,635	27,635	27,635
OTHER FUNDS.....	13,600	73,350	57,499	59,586	63,951	68,700	68,996
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 214,230</b>	<b>\$ 297,646</b>	<b>\$ 305,862</b>	<b>\$ 305,722</b>	<b>\$ 310,087</b>	<b>\$ 314,836</b>	<b>\$ 315,132</b>

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>REINTEGRATION OF JUVENILE DELINQUENTS</b>							
GENERAL FUND.....	\$ 21,780	\$ 21,940	\$ 22,019	\$ 22,019	\$ 22,019	\$ 22,019	\$ 22,019
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 21,780</b>	<b>\$ 21,940</b>	<b>\$ 22,019</b>	<b>\$ 22,019</b>	<b>\$ 22,019</b>	<b>\$ 22,019</b>	<b>\$ 22,019</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 179,888	\$ 139,800	\$ 128,932	\$ 129,531	\$ 129,432	\$ 129,432	\$ 129,531
MOTOR LICENSE FUND.....	1,327	1,074	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	151,845	177,585	202,745	200,018	200,018	200,018	200,018
AUGMENTATIONS.....	152,305	436,538	449,371	480,913	480,913	480,913	480,913
RESTRICTED.....	31,887	34,133	35,135	35,135	35,135	35,135	35,135
OTHER FUNDS.....	13,600	73,350	57,499	59,586	63,951	68,700	68,996
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 530,852</b>	<b>\$ 862,480</b>	<b>\$ 873,682</b>	<b>\$ 905,183</b>	<b>\$ 909,449</b>	<b>\$ 914,198</b>	<b>\$ 914,593</b>

## Program: Executive Direction

*Goal: To provide an effective administrative system through which the substantive programs of the commonwealth can be executed.*

The Executive Direction program provides administrative support and policy direction for implementing, maintaining and monitoring the substantive programs of the commonwealth.

### Administration

The [Office of Administration](#) (OA) provides administrative, talent and technology services, and oversight to support and improve operations of agencies under the governor's jurisdiction. OA provides human resource (HR) and information technology (IT) services that support agencies under the governor's jurisdiction through a shared services model, which reduces costs and streamlines operations. Independent agencies, boards and commissions also utilize these services.

The [Office for Human Resource Management](#) provides policy direction and support for HR services through classification, pay, benefits, workers' compensation systems, negotiating and administering bargaining agreements, recruiting, training in management and supervisory skills and administering equal employment opportunity programs for all agencies under the governor's jurisdiction. The six Human Resource Delivery Centers serve as shared service organizations for mission-aligned agencies. These services are provided to agencies under the governor's jurisdiction as well as independent boards and commissions electing to utilize the services provided by OA.

The [Office of Continuity and Records Information Management](#) provides guidance for the continuance of essential government services during or shortly after a disruption or emergency. It serves as a liaison to independent agencies, the legislature and the judiciary. The office also provides comprehensive statements of policy and procedures on matters that affect agencies and employees of the executive branch.

The [Office for Information Technology](#) develops and administers statewide policies and standards governing the commonwealth's information technology resources and supporting enterprise shared services. The office also oversees telecommunications infrastructure and the commonwealth's cyber security program, builds and maintains enterprise and web-based applications, establishes policy and information technology standards, provides project management and promotes standardization of commonwealth business processes. Six Information Technology Delivery Centers serve as shared service organizations for mission-aligned agencies.

The [State Civil Service Commission](#) conducts hearings and renders decisions on appeals resulting from personnel actions filed by job seekers and employees in the classified

service. The commission determines whether certain positions may be exempt from the classified service and also conducts audits to ensure compliance with both merit system requirements and the application of veterans' preference under the Military and Veterans Code.

### Fraud Detection and Prevention

The [Office of State Inspector General](#) (OSIG), which was originally created by Executive Order in 1987 and statutorily created by [Act 29 of 2017](#), ensures integrity, accountability and public confidence in Pennsylvania government by preventing, investigating and eliminating fraud, waste, abuse and misconduct in agencies under the governor's jurisdiction. In addition, OSIG investigates and prosecutes welfare fraud and conducts collection activities for the public benefits programs administered by the Department of Human Services (DHS). In addition, the OSIG has been designated by the Attorney General of Pennsylvania as a criminal justice agency under Pennsylvania law. Annual reports, statistics and investigative case summaries can be found on the [OSIG website](#).

Within the OSIG, the [Bureau of Special Investigations](#) (BSI) investigates allegations of fraud, waste, abuse and misconduct in agencies under the governor's jurisdiction, including the mismanagement of state monies, employee misconduct and contract fraud and irregularities. BSI receives its [complaints](#) from private citizens, state employees and commonwealth officials. BSI also conducts program reviews when problems are suspected in a work process or program. These program reviews can occur as a result of a related investigation or can be requested by an agency's executive level management.

The OSIG's [Bureau of Fraud Prevention and Prosecution](#) (BFPP) investigates and prosecutes [welfare fraud](#) and conducts collection activities for DHS. BFPP investigates the following DHS programs: Temporary Aid to Needy Families; General Assistance; Medical Assistance, including Long Term Care; Supplemental Nutrition Assistance Program (SNAP), including the trafficking of SNAP benefits; Subsidized Child Care; Medical Assistance Transportation Program; Low Income Home Energy Assistance Program; and Special Allowance Programs.

### Commonwealth Budget and Accounting

The [Office of the Budget](#) assists the governor in formulating fiscal policies and procedures and preparing the [commonwealth budget](#) for delivery to the General Assembly. The office also establishes authorized complement levels for agencies under the governor's jurisdiction, prepares fiscal notes and reviews proposed regulations.

## Program: Executive Direction (continued)

In addition, the [Office of Comptroller Operations](#) (OCO) within the Office of the Budget is a shared service organization that performs professional accounting and financial reporting services – including accounts payable, accounts receivable, payroll and employee travel.

OCO also implements quality assurance and process improvements, internal audits, service contract reviews and other financial functions for agencies under the governor’s jurisdiction and other independent agencies, boards and commissions.

### Program Recommendations:

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

<p><b>GENERAL FUND</b>  <b>Office of Administration</b>                  \$ 17,054 —reflects transfer of program costs from Medicare Part B Penalties and Commonwealth Technology Services.                  -13,388 —reflects annualization of service billings.  <hr/>                 \$ 3,666 <i>Appropriation Increase</i></p> <p><b>Medicare Part B Penalties</b>                  \$ -100 —reflects transfer of program costs to the Office of Administration.</p> <p><b>Commonwealth Technology Services</b>                  \$ -16,954 —reflects transfer of program costs to the Office of Administration.</p>	<p><b>Civil Service Commission</b>                  \$ -1 —funding reduction.</p> <p><b>Office of Inspector General</b>                  \$ 81 —to continue current program.</p> <p><b>Inspector General - Welfare Fraud</b>                  \$ 238 —to continue current program.</p> <p>All other appropriations are recommended at the current year funding level.</p> <p><b>MOTOR LICENSE FUND</b>  <b>Commonwealth Technology Services</b>                  \$ -1,074 —reflects annualization of service billings.</p>
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### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Office of Administration.....	\$ 9,718	\$ 6,156	\$ 9,822	\$ 9,822	\$ 9,822	\$ 9,822	\$ 9,822
Medicare Part B Penalties.....	100	100	0	0	0	0	0
Commonwealth Technology Services.....	54,275	16,954	0	0	0	0	0
Civil Service Commission.....	1	1	0	0	0	0	0
Office of Inspector General.....	4,042	4,070	4,151	4,151	4,151	4,151	4,151
Inspector General - Welfare Fraud.....	11,189	11,883	12,121	12,121	12,121	12,121	12,121
Office of the Budget.....	17,577	19,903	19,903	19,903	19,903	19,903	19,903
Audit of the Auditor General.....	99	0	0	99	0	0	99
Law Enforcement Activities.....	3,000	3,000	3,000	3,000	3,000	3,000	3,000
<b>TOTAL GENERAL FUND.....</b>	<b>\$ 100,001</b>	<b>\$ 62,067</b>	<b>\$ 48,997</b>	<b>\$ 49,096</b>	<b>\$ 48,997</b>	<b>\$ 48,997</b>	<b>\$ 49,096</b>
<b>MOTOR LICENSE FUND:</b>							
Commonwealth Technology Services.....	\$ 1,327	\$ 1,074	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Maintain a highly trained state workforce by increasing training course completion rates.

Office of Administration - Human Resources

Completion rate for mandatory Enterprise Learning Management System courses.....

73%	61%	73%	74%	75%	80%	80%
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## Program: Executive Direction (continued)

Program Measures: (continued)	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Maintain and expand the delivery of cost effective, high quality human resource services to employees and agencies through the centralized Human Resource Service Center.</b>							
Office of Administration - Human Resources							
Days required to review and approve requests for classification actions on vacant positions.....	12	11	12	9	7	7	7
Days required to process requests for clerks from the temporary clerical pool.....	4	9	13	8	10	9	8
Days required to process requests for typists from the temporary clerical pool.....	6	9	12	12	12	N/A	N/A
HR Service Centers' customer satisfaction rating (scale of 1 to 4, low to high).....	3.60	3.63	3.63	3.48	3.65	3.65	4.00
<b>Reduce the number of work related accidents.</b>							
Office of Administration - Human Resources							
Workers' compensation claims filed and accepted .....	4,824	4,786	4,219	4,282	4,265	4,250	4,200
<b>Improve the commonwealth's accounting and financial reporting system.</b>							
Office of the Budget							
Average cycle time for purchase order invoices (days).....	N/A	N/A	N/A	N/A	34.05	33.86	33.67
Average cycle time for non-purchase order invoices (days) .....	N/A	N/A	N/A	N/A	35.46	34.65	33.85
Value of improper payments identified and recovered.....	N/A	N/A	N/A	N/A	\$5,579,084	\$6,259,358	\$6,500,000
<b>Hold accountable those individuals who fraudulently obtain public benefits and recover all overpaid benefits.</b>							
Office of Inspector General - Welfare Fund							
Amount of overpaid benefits collected through various means..	\$22,440,301	\$22,078,981	\$23,104,989	\$26,535,418	\$26,131,551	\$26,800,000	\$26,800,000
Amount of cost savings and collections for every dollar spent on investigative activities ....	\$12.00	\$11.51	\$11.75	\$10.28	\$10.25	\$10.30	\$10.30
Prosecutions: Resulting cost savings .....	\$1,695,475	\$1,500,345	\$1,521,232	\$1,406,352	\$1,388,897	\$1,400,000	\$1,400,000
Administrative Disqualification Hearings: Resulting cost savings .	\$496,168	\$590,119	\$986,230	\$946,648	\$677,088	\$700,000	\$700,000
Long Term Care Sanctions: Resulting cost savings.....	\$2,649,046	\$2,149,798	\$2,711,709	\$1,799,425	\$1,086,674	\$1,100,000	\$1,100,000
<b>Prevent, detect and deter fraud prior to an agency's authorization of an individual for program benefits.</b>							
Office of Inspector General - Welfare Fund							
Average amount of cost savings per welfare fraud investigator .....	\$1,273,920	\$1,216,215	\$1,240,483	\$1,088,567	\$1,212,984	\$1,213,000	\$1,213,000
Amount of cost savings based on ineligibility determinations.....	\$90,448,351	\$87,567,454	\$90,555,235	\$76,199,721	\$75,205,028	\$76,500,000	\$76,500,000
<b>Increase government agencies' awareness of the investigative services and resources available from the Office of State Inspector General.</b>							
Office of Inspector General							
General investigations .....	555	574	359	309	303	310	310
Pre-employment background investigations.....	413	510	283	264	265	265	265



**Program: Legal Services**

*Goal: To provide legal advice to the governor and the cabinet, and to supervise, coordinate and administer legal services for the commonwealth.*

The [Office of General Counsel](#) (OGC) was created by Act 164 of 1980. The general counsel serves as the chief legal advisor to the governor, heads the Office of General Counsel and appoints deputies general counsel, chief counsel and assistant counsel to assist in the performance of the responsibilities of OGC. The office represents the commonwealth, the governor, members of his cabinet and more than 30 agencies that conduct the business of the commonwealth. This includes rendering legal advice and representation concerning matters and issues arising in connection with the operation of executive agencies under the governor’s jurisdiction. The office also reviews and approves for form and legality all commonwealth deeds, leases, contracts, rules and regulations. The office provides advice to the governor on pending legislative matters and issues and reviews for constitutionality and legality all legislation presented to the governor for approval.

OGC is responsible for initiating appropriate actions or defending the commonwealth when the Attorney General declines to initiate appropriate proceedings or delegates that responsibility to OGC. Upon request by the governor, the office also has the authority to intervene in any action by or against an agency under the governor’s jurisdiction.

In addition, the general counsel serves as a member of the [Board of Commissioners on Uniform State Laws](#), the [Pennsylvania Emergency Management Agency](#), the [Joint Committee on Documents](#), the [Board of Property](#), the Local Government Records Committee, the Medical Advisory Board, the [Board of Finance and Revenue](#) and the Civil Disorder Commission.

**Program Recommendations:**

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

		<b>Office of General Counsel</b>
\$	689	—to continue current program.
	<u>62</u>	—redistribution of parking costs.
\$	751	<i>Appropriation Increase</i>

**Appropriations within this Program:**

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Office of General Counsel .....	\$ 3,772	\$ 4,222	\$ 4,973	\$ 4,973	\$ 4,973	\$ 4,973	\$ 4,973



**Program: Prevention and Elimination of Discriminatory Practices**

*Goal: To ensure equal opportunities and participation for all individuals regardless of race, religion, color, creed, handicap or disability, ancestry, national origin, familial status, age or sex in all areas of employment, housing, credit, commercial property, public accommodations and education.*

The [Pennsylvania Human Relations Commission](#) (PHRC) is a law enforcement agency responsible for identifying, preventing and eliminating illegal discriminatory practices as defined by the [Pennsylvania Human Relations Act](#) and the [Pennsylvania Fair Educational Opportunities Act](#). The commission uses two principal methods to secure compliance with these laws. First, it investigates complaints of discrimination that might result in legal proceedings. Second, it provides educational and technical assistance to schools, police organizations, businesses, governmental bodies and individuals. The educational and technical assistance is intended to inform the public of their statutory protections, promote voluntary compliance with the laws and prevent civil tensions. The commission’s Education and Outreach Services Division focuses on ensuring all students have equal access to education by eliminating the disparities

that exist in schools that are based on race, color, national origin and disabilities. The commission and its [local advisory councils](#) also offer outreach programs to provide information to community leaders and public officials regarding their civil rights, the importance of fair housing, the value of a diverse workforce and preventing cyberbullying and hate crimes.

Federal funds are received for investigating certain complaints that are dual-filed with the commission and the [Equal Employment Opportunity Commission](#) or the [U.S. Department of Housing and Urban Development](#). The commission fast-tracks cases to bring relief to victims of discrimination and those unjustly accused. To protect more Pennsylvanians from unlawful discrimination, PHRC monitors statewide trends and when warranted, initiates investigations of systemic discrimination.

**Program Recommendations:**

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

		<b>Human Relations Commission</b>
\$	-835	—nonrecurring prior year costs.
	1,041	—Initiative—to enhance the mission of the PHRC.
	<hr/>	
\$	206	<i>Appropriation Increase</i>

**Appropriations within this Program:**

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Human Relations Commission .....	\$ 8,684	\$ 10,301	\$ 10,507	\$ 10,507	\$ 10,507	\$ 10,507	\$ 10,507

## Program: Prevention and Elimination of Discriminatory Practices (continued)

<b>Program Measures:</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Reduce case processing time to conclude investigations and resolve cases more quickly.</b>							
Rate cases completed:							
Percentage of cases that are still under investigation that are more than two years old .....	15%	13%	15%	18%	15%	12%	9%
Percentage of cases closed within one year.....	44%	46%	48%	47%	48%	52%	53%
Average case age statewide (in days)	487	456	496	527	426	400	400
<b>Reduce case processing time in housing discrimination investigations to resolve cases faster whenever possible.</b>							
Number of housing discrimination cases dually filed with HUD that are closed within 100 days.....	45	49	47	44	47	47	47
<b>Increase case settlement rate in comparison to other state Fair Employment Practice Agencies and the Equal Employment Opportunity Commission.</b>							
Rate cases completed:							
Predetermination case settlement rate 43%		26%	34%	38%	38%	41%	42%
Number of community meetings and outreach events .....	47	81	90	160	100	105	110

## Program: Development of Artists and Audiences

*Goal: To increase public exposure to quality artistic and cultural programs and to stimulate a climate that offers opportunities and encouragement to artists.*

Established by the General Assembly in 1966, the [Pennsylvania Council on the Arts \(PCA\)](#) is charged with ascertaining how Pennsylvania’s artistic and cultural resources are to serve the cultural needs and aspirations of the citizens of the commonwealth and assisting communities in originating and creating their own cultural and artistic progress.

By leveraging the immense potential of Pennsylvania’s vibrant arts sector, the PCA supports economic vitality, builds community, motivates learning, promotes the commonwealth nationally and internationally and sparks innovation.

The PCA [addresses its mission](#) through a combination of [grants to the arts](#), partnerships, initiatives that leverage new opportunities and information and technical assistance.

The PCA’s [Preserving Diverse Cultures \(PDC\)](#) Division is one of the most comprehensive programs serving diverse communities in the nation. Established in 1979, the division supports the creation, development and stabilization of organizations, programs and projects whose mission is deeply rooted in and reflective of the

African American, Latinx, Asian, Native American and Hispanic (ALANAH) perspectives.

The arts are part of a vibrant and livable Pennsylvania that is competitive for retaining youth, workforce and attracting businesses. The PCA’s long range strategic plan includes objectives to engage the full potential of the arts. Communities that mobilize a set of strategies with arts at their core enhance quality of life, attract businesses and support local economic and revitalization efforts.

Working with its regional Arts in Education Partners, the PCA places teaching artists in residencies in schools and community settings. The PCA successfully leverages its arts in education infrastructure and teaching artists through new inter-agency collaborations. [Art Sparks](#), a collaboration with the Pennsylvania Turnpike Commission, places student-created works of public art in service plazas across the 550-mile roadway. The PCA’s partnership with the Department of Military and Veterans Affairs, modeled on earlier work with the Department of Aging, developed [Creative Communities of Care](#), training activities staff at all six PA Veterans’ Homes to conduct arts activities tailored to residents with dementia.

### Program Recommendations:

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

**Council on the Arts**  
\$ 17 —to continue current program.

Grants to the Arts is recommended at the current year funding level.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Council on the Arts .....	\$ 839	\$ 874	\$ 891	\$ 891	\$ 891	\$ 891	\$ 891
Grants to the Arts.....	9,590	9,590	9,590	9,590	9,590	9,590	9,590
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 10,429</b>	<b>\$ 10,464</b>	<b>\$ 10,481</b>	<b>\$ 10,481</b>	<b>\$ 10,481</b>	<b>\$ 10,481</b>	<b>\$ 10,481</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Increase participation in the arts and cultural programs.

Attendance at supported events (in thousands).....	44,608	44,608	47,547	47,547	47,547	48,000	48,000
Grant applications received/reviewed	1,358	1,350	1,500	1,500	1,500	1,500	1,500
Grant awards made .....	1,258	1,244	1,218	1,400	1,400	1,400	1,400

## Program: Criminal and Juvenile Justice Planning and Coordination

*Goal: To provide criminal and juvenile justice system policy analysis, coordination and planning to improve criminal justice programs.*

Established in 1978, the [Pennsylvania Commission on Crime and Delinquency \(PCCD\)](#) is composed of a board of justice system professionals whose mission is to enhance the quality, coordination and planning within the criminal and juvenile justice systems. PCCD facilitates the delivery of services to victims of crime and increases the safety of our communities. Several advisory committees, task forces, planning groups, boards and PCCD staff assist the commission in its role as the justice planning and policymaking agency for the commonwealth.

### **Criminal Justice**

PCCD is tasked with coordinating the functions of the criminal justice system to run more efficiently and effectively. To that end, PCCD provides planning assistance, promotes digital technology, funds innovative projects, supports the development and implementation of best practices, coordinates information sharing and facilitates collaboration among key criminal justice stakeholders throughout the commonwealth.

The commission compiles crime, corrections and sentencing [data](#); develops unified population projections for sentencing, corrections and probation and parole; provides objective, independent and comprehensive policy-relevant analysis; and responds to special justice research and data requests from federal, state and local agencies, as well as from the general public.

PCCD works with local leadership to improve county justice and local law enforcement systems. The commission has been responsible for institutionalizing [County Criminal Justice Advisory Boards \(CJABs\)](#), which consist of top-level county officials who address criminal justice issues from a systemic and policy level perspective, study best practices in the administration and delivery of criminal justice, engage in strategic planning, make recommendations and establish consensus among the members to improve the effectiveness and efficiency of the county's criminal justice system.

The commission also administers the County Intermediate Punishment program, which provides an alternative to incarceration for low-risk, non-violent offenders at the county level. This program demonstrates significant positive results in saving jail/prison days and improving offender outcomes. PCCD oversees several justice-training programs, including the legislatively mandated basic and continuing education training of sheriffs, deputy sheriffs, constables and deputy constables. The commission provides quality, relevant and current job-related training for local justice practitioners.

### **Juvenile Justice**

Since 1978, the commission has served as the commonwealth's designated state planning agency

for juvenile justice and delinquency prevention. The [Juvenile Justice and Delinquency Prevention Committee \(JJJPC\)](#) is comprised of representatives from the Juvenile Court Judges' Commission, juvenile court judges, law enforcement, chief juvenile probation officers, non-profit prevention and treatment service providers, special education specialists and other related stakeholders and is tasked by law to develop a [comprehensive plan](#) relating to juvenile justice and delinquency prevention for the commonwealth.

### **Victim Services and Child Advocacy**

PCCD's Victims' Services has three components: Victims Compensation Assistance Program (VCAP), [Victims' Services Program \(VSP\)](#) and the Children's Advocacy Center (CAC) initiative.

VCAP responds to financial losses incurred by victims of crime, through the Pennsylvania's Crime Victims Fund. This fund is supported primarily by costs assessed against certain convicted offenders, as well as restitution, donations, reimbursements from victims who are awarded civil settlements and federal Victims of Crime Act funds.

VSP administers a variety of state and federal funds designed to assist victims of crime. These funds support services such as: courtroom accompaniment, victim rights notification, assistance with victim impact statements, crisis intervention, shelter, counseling, emergency services and long-term services designed to return a victim to their pre-victimization status.

Finally, PCCD administers a program to increase the availability of localized [CAC services](#). CACs provide state-of-the-art treatment for the victims of child sexual abuse and child abuse. They coordinate medical care, treatment and other social services for victims while gathering evidence, through age-appropriate forensic interviewing and other methods employed by multi-disciplinary investigative teams, to build an effective case against the alleged offender.

### **School Safety and Security**

PCCD supports the [Office of Safe Schools Advocate](#) in the Philadelphia School District, which provides victim advocacy for students and staff who are victims of school-based violence and crimes committed on school property and ensures the school district's compliance with all laws, regulations and reporting requirements pertaining to school safety and discipline.

PCCD's role in school safety and security expanded as a result of Act 44 of 2018, which established the School Safety and Security Grant Program within PCCD and contained multiple provisions for school safety and security preparedness, including the creation of a [School Safety and Security Committee](#) within PCCD.

## Program: Criminal and Juvenile Justice Planning and Coordination (continued)

### Program Recommendations:

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

<b>Commission on Crime and Delinquency</b>		
\$	-885	—funding reduction.
	534	—to continue current program.
	1,500	—Initiative—to expand access to naloxone for first responders.
<hr style="width: 10%; margin-left: 0;"/>		
\$	1,149	<i>Appropriation Increase</i>

All other appropriations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>GENERAL FUND:</b>							
Commission on Crime and Delinquency ...	\$ 11,766	\$ 7,350	\$ 8,499	\$ 8,999	\$ 8,999	\$ 8,999	\$ 8,999
Victims of Juvenile Offenders .....	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Violence and Delinquency Prevention Programs .....	3,989	3,989	3,989	3,989	3,989	3,989	3,989
Intermediate Punishment Treatment Programs .....	18,167	18,167	18,167	18,167	18,167	18,167	18,167
<b>TOTAL GENERAL FUND.....</b>	<b>\$ 35,222</b>	<b>\$ 30,806</b>	<b>\$ 31,955</b>	<b>\$ 32,455</b>	<b>\$ 32,455</b>	<b>\$ 32,455</b>	<b>\$ 32,455</b>

### Program Measures:

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated

#### Pennsylvania Commission on Crime and Delinquency

##### Planning and Coordination: Adult:

Total number of jail days averted for all offenders who completed their Intermediate Punishment sentence during the fiscal year .....	237,433	379,658	414,165	419,723	556,428	565,000	565,000
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Percent of individuals who successfully completed their Intermediate Punishment sentence during the fiscal year .....	71%	81%	80%	78%	83%	85%	87%
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Total number of individuals actively participating in an Intermediate Punishment sentence during the fiscal year .....	6,714	10,466	13,305	15,593	16,551	15,400	15,500
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##### Planning and Coordination: Youth:

Percentage of youth with improved academic performance after participating in evidence-based programs .....	57%	69%	67%	51%	40%	50%	50%
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Percentage of youth participating in research-based programs with a demonstrated improvement related to the program's targeted behavioral outcome .....	53%	48%	52%	49%	51%	55%	58%
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## Program: Criminal and Juvenile Justice Planning and Coordination (continued)

<b>Program Measures: (continued)</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Pennsylvania Commission on Crime and Delinquency</b>							
Victim Services:							
Number of victims served by victim service programs throughout Pennsylvania through the utilization of Victims of Juvenile Offenders funds .....	32,703	33,230	34,026	39,326	41,290	38,214	38,544
Percentage of victims who are satisfied with the services provided by the Victims Compensation Assistance program .....	85.0%	97.7%	93.9%	84.3%	89.0%	87.0%	87.0%
Number of victims served by victim service programs throughout Pennsylvania through the utilization of RASA funds .....	N/A	N/A	149,887	182,593	186,658	173,367	175,587

**Program: Reintegration of Juvenile Delinquents**

*Goal: To reduce the recurrence of juvenile delinquency through replacement of criminal behavior with socially acceptable behavior.*

The [Juvenile Court Judges' Commission](#) (JCJC) is responsible for advising juvenile court judges regarding the development and improvement of juvenile probation services throughout the commonwealth. These services focus on the protection of the community, the imposition of accountability for offenses committed and the development of competencies to enable children to become responsible and productive members of the community. The provision of statewide juvenile justice training, graduate education, research, statistical information, development and implementation of evidence-based practices and a statewide quality assurance initiative have significantly improved the commonwealth's juvenile justice system.

Since 1993, the JCJC has collected outcome measures on all cases closed within juvenile probation departments in the commonwealth.

The JCJC coordinates the ongoing implementation of Pennsylvania's Juvenile Justice System Enhancement Strategy (JJSES), which is designed to enhance the capacity of Pennsylvania's juvenile justice system by employing evidence-based practices with fidelity at every stage of the juvenile justice process and collecting and analyzing the data necessary to measure the results of these efforts. Eligibility for all county Juvenile Probation Services grants are dependent on measurable evidence based practices.

**Program Recommendations:**

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

**Juvenile Court Judges' Commission**  
 \$ 79 —to continue current program.

Juvenile Probation Services is recommended at the current year funding level.

**Appropriations within this Program:**

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Juvenile Court Judges' Commission .....	\$ 2,835	\$ 2,995	\$ 3,074	\$ 3,074	\$ 3,074	\$ 3,074	\$ 3,074
Juvenile Probation Services .....	18,945	18,945	18,945	18,945	18,945	18,945	18,945
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 21,780</b>	<b>\$ 21,940</b>	<b>\$ 22,019</b>	<b>\$ 22,019</b>	<b>\$ 22,019</b>	<b>\$ 22,019</b>	<b>\$ 22,019</b>

**Program Measures:**

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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**Those involved in the juvenile justice system will acquire the knowledge and skills they need to become productive, connected and law abiding members of their communities.**

Percentage of juveniles who successfully completed a competency development activity while under supervision. ...	94.9%	95.9%	95.2%	94.1%	94.4%	94.7%	95.0%
Percentage employed or engaged in an educational/vocational activity at case closing .....	84.7%	84.4%	84.4%	84.5%	84.9%	85.3%	86.0%
Percentage of juveniles with a judicial filing of technical violations of probation while under supervision.	19.1%	19.7%	20.3%	20.3%	19.6%	19.0%	18.0%

## Program: Reintegration of Juvenile Delinquents (continued)

<b>Program Measures: (continued)</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
Percentage of juveniles who completed supervision without a new offense resulting in a Consent Decree, Adjudication of Delinquency, Accelerated Rehabilitation Disposition, Nolo Contendere or finding of guilt in a criminal proceeding.....	83.2%	83.4%	83.8%	84.0%	83.8%	82.4%	84.4%
Percentage of juveniles who complete their assigned community service obligations. ....	94.6%	94.7%	96.7%	95.0%	94.6%	95.0%	96.0%
Percentage of juveniles who made full restitution to their victim(s).....	76.7%	84.0%	83.2%	82.9%	82.4%	84.0%	85.0%



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# LIEUTENANT GOVERNOR

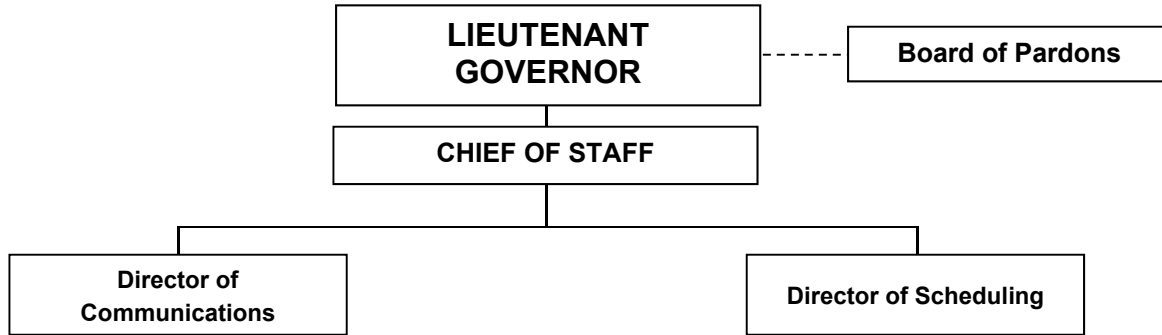
*The mission of the [lieutenant governor](#) is to perform legislative and administrative functions as delegated by the Pennsylvania Constitution and the governor.*

The lieutenant governor serves as President of the Senate and Chairman of the Board of Pardons. In case of the death, conviction on impeachment, failure to qualify or resignation of the governor, the lieutenant governor will become governor for the remainder of the term. In case of the disability of the governor, the powers, duties and emoluments of the office will transfer to the lieutenant governor until the disability is removed.

## **Programs and Goals**

**Executive Direction:** *To provide an effective administrative system through which substantive programs of the agency can be accomplished.*

## Organization Overview



- **Board of Pardons** exercises exclusive jurisdiction over all requests for executive clemency; any applicant seeking a pardon or commutation of a sentence from the governor must first secure a favorable recommendation from the board before the governor may consider the request.
- **Director of Communications** articulates the lieutenant governor's agenda and actions to the people of Pennsylvania and oversees the planning and management of the lieutenant governor's many public undertakings.
- **Director of Scheduling** works closely with the lieutenant governor to develop and implement the lieutenant governor's daily schedule, manages all invitations and ensures that all logistical arrangements are appropriately handled at each event.

### Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
13	13	14	14	15	15	16

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
Lieutenant Governor's Office.....	\$ 1,001	\$ 1,043	\$ 1,043
Board of Pardons.....	681	770	937
Total - General Government.....	<u>\$ 1,682</u>	<u>\$ 1,813</u>	<u>\$ 1,980</u>
<b>GENERAL FUND TOTAL.....</b>	<b><u>\$ 1,682</u></b>	<b><u>\$ 1,813</u></b>	<b><u>\$ 1,980</u></b>

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>EXECUTIVE DIRECTION</b>							
GENERAL FUND.....	\$ 1,682	\$ 1,813	\$ 1,980	\$ 1,980	\$ 1,980	\$ 1,980	\$ 1,980
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 1,682</b>	<b>\$ 1,813</b>	<b>\$ 1,980</b>	<b>\$ 1,980</b>	<b>\$ 1,980</b>	<b>\$ 1,980</b>	<b>\$ 1,980</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 1,682	\$ 1,813	\$ 1,980	\$ 1,980	\$ 1,980	\$ 1,980	\$ 1,980
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 1,682</b>	<b>\$ 1,813</b>	<b>\$ 1,980</b>	<b>\$ 1,980</b>	<b>\$ 1,980</b>	<b>\$ 1,980</b>	<b>\$ 1,980</b>

## Program: Executive Direction

*Goal: To provide an effective administrative system through which substantive programs of the agency can be accomplished.*

The duties of the Office of Lieutenant Governor, as prescribed by the state constitution, include presiding over the Senate; assuming the Office of Governor for the remainder of governor's term, if necessary, as a result of the death, conviction on impeachment, failure to qualify or resignation of the governor; and serving as chairman of the Pennsylvania [Board of Pardons](#), which reviews applications for reprieve, commutation of sentences and pardons. Through statute, the lieutenant governor

also serves as a member of the [Pennsylvania Military Community Enhancement Commission](#) and has served as the chairman. Also, under statute, the lieutenant governor serves as chairperson of the [Local Government Advisory Committee](#), which advises the Center for Local Government Services in the Department of Community and Economic Development and the governor's administration on the needs and concerns of local government entities.

### Program Recommendations:

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

<b>Board of Pardons</b>	
\$ 12	—redistribution of parking costs.
57	—to continue current program.
98	—Initiative—to provide additional resources to address backlog.
<u>\$ 167</u>	<i>Appropriation Increase</i>

The Lieutenant Governor's Office appropriation is recommended at the current year funding level.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Lieutenant Governor's Office.....	\$ 1,001	\$ 1,043	\$ 1,043	\$ 1,043	\$ 1,043	\$ 1,043	\$ 1,043
Board of Pardons.....	681	770	937	937	937	937	937
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 1,682</b>	<b>\$ 1,813</b>	<b>\$ 1,980</b>	<b>\$ 1,980</b>	<b>\$ 1,980</b>	<b>\$ 1,980</b>	<b>\$ 1,980</b>

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# ATTORNEY GENERAL

The Commonwealth Attorneys Act establishes the Attorney General as the chief legal and law enforcement officer of the commonwealth and defines the following fundamental duties and responsibilities of the Office of Attorney General:

- To prosecute organized crime and public corruption. This law enforcement program includes a criminal investigations unit and drug law enforcement program as well as direction of statewide and multi-county investigating grand juries and a Medicaid Fraud Control Section.
- To represent the commonwealth and all commonwealth agencies and, upon request, the Auditor General, State Treasurer and Public Utility Commission in any action brought by or against the commonwealth or its agencies.
- To furnish, upon request, legal advice to the governor or the head of any commonwealth agency.
- To review for form and legality all proposed rules and regulations for commonwealth agencies.
- To review for form and legality all commonwealth deeds, leases and contracts to be executed by commonwealth agencies.
- To collect, by suit or otherwise, all debts, taxes and accounts due to the commonwealth which shall be referred to and placed with the Attorney General.
- To administer the provisions relating to consumer protection and appoint the Advisory Committee.
- To represent the commonwealth and its residents 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.

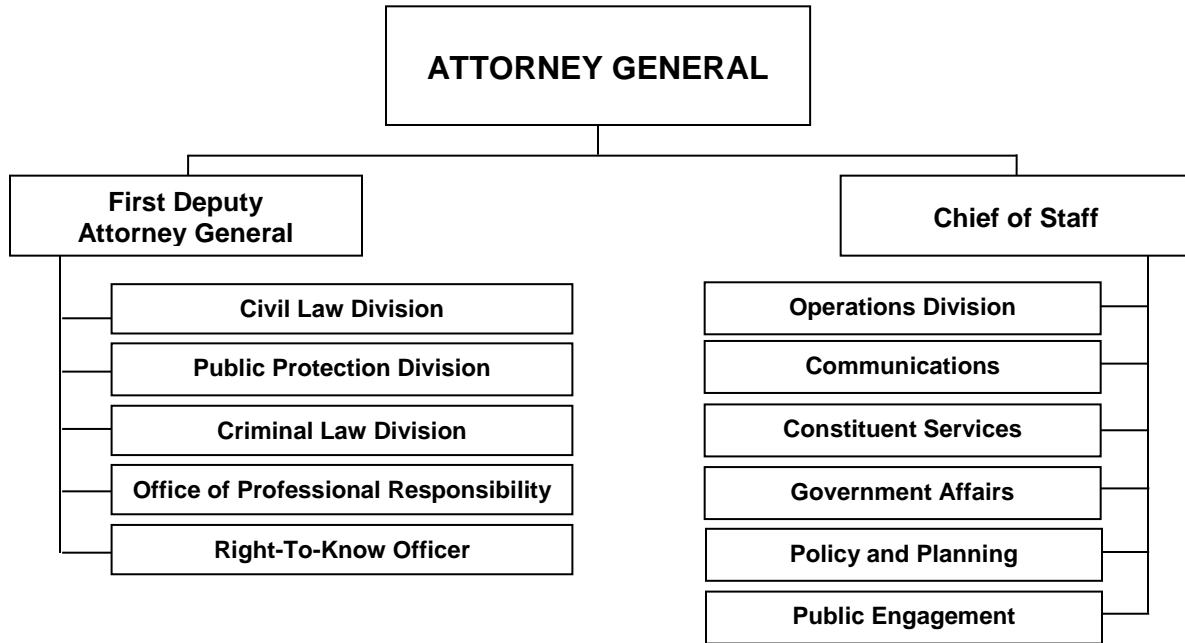
## Programs and Goals

**Public Protection and Law Enforcement:** *To enforce the criminal laws of the commonwealth; to protect the interests of Pennsylvania residents in areas of consumer protection, antitrust enforcement, operation of charitable trusts and organizations, and civil rights; and to provide legal services to commonwealth agencies.*

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## Organization Overview



- **Civil Law Division** includes the Litigation Section; Legal Review Section; Financial Enforcement and Tax Litigation Section; Torts Litigation Section; and Appellate Litigation Section.
- **Public Protection Division** includes the Bureau of Consumer Protection; Health Care Section; Antitrust Section; Charitable Trust and Organizations Section; Special Litigation and Civil Rights Enforcement Section; Tobacco Enforcement Section; and the Office of Consumer Advocate.
- **Criminal Law Division** includes the Bureau of Criminal Investigations; Bureau of Narcotics Investigation and Drug Control; Bureau of Special Investigations; Appeals and Legal Services Section; Asset Forfeiture and Money Laundering Section; Criminal Prosecutions Section; Child Predator Section; Drug Strike Force Section; Insurance Fraud Section; Medicaid Fraud Control Section; and the Special Litigation Section and Capital Appeals.
- **Operations Division** includes the Human Resources Section; Budget and Finance Section; Comptroller Section; Office Services Section; Litigation Support Section; and the Information Technology Section.

### Reported Complement

(Independent Agency – Complement Not Under the Governor’s Jurisdiction/Control)

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-2017 Actual	2017-18 Actual	2018-19 Available	2019-2020 Budget
796	803	802	827	815	907	922

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
<b>General Government Operations.....</b>	<b>\$ 39,363</b>	<b>\$ 46,496</b>	<b>\$ 48,815</b>
(F)Medicaid Fraud.....	7,795	7,917	8,589
(A)MAGLOCLEN Non-Profit.....	1,060	410	299
(A)Reimbursements.....	16	15	15
(A)Miscellaneous.....	8	11	11
(R)Seized/Forfeited Property - U.S. Homeland Security.....	0	1,300	1,300
(R)Public Protection Law Enforcement.....	11,536	14,833	15,000
(R)Coroner's Education Board.....	119	0	122
(R)Judicial Fee Account.....	2,358	5,000	5,000
(R)Collection Administration Account.....	2,500	2,500	2,500
Subtotal.....	<b>\$ 64,755</b>	<b>\$ 78,482</b>	<b>\$ 81,651</b>
(R)Office of Consumer Advocate.....	5,686	5,850	6,025
(R)Home Improvement Consumer Protection.....	2,363	2,647	2,733
(R)Investigative Funds - Outside Sources.....	7,476	9,173	9,392
 <b>Drug Law Enforcement.....</b>	 <b>28,966</b>	 <b>28,607</b>	 <b>49,682 a</b>
(F)High Intensity Drug Trafficking Areas.....	5,308	5,308	5,308
(A)Recovery of Narcotics Investigation Overtime Costs.....	159	100	100
(A)Miscellaneous.....	25	0	0
(R)Community Drug Abuse Prevention Program.....	561	840	840
(R)Seized/Forfeited Property - State Court Awarded.....	7,067	10,246	12,856
(R)Seized/Forfeited Property - U.S. Department of Justice.....	427	1,845	1,845
(R)Seized/Forfeited Property - U.S. Treasury Department.....	38	100	100
Subtotal.....	<b>\$ 42,551</b>	<b>\$ 47,046</b>	<b>\$ 70,731</b>
<b>Local Drug Task Forces.....</b>	<b>12,975</b>	<b>13,644</b>	<b>0 a</b>
<b>Strategic Response Team.....</b>	<b>2,000</b>	<b>2,460</b>	<b>0 a</b>
<b>Joint Local-State Firearm Task Force.....</b>	<b>4,040</b>	<b>4,378</b>	<b>5,218</b>
<b>Witness Relocation.....</b>	<b>1,215</b>	<b>1,215</b>	<b>1,215</b>
<b>Child Predator Interception.....</b>	<b>4,767</b>	<b>5,375</b>	<b>5,739</b>
<b>Tobacco Law Enforcement.....</b>	<b>2,057</b>	<b>2,241</b>	<b>1,741</b>
<b>School Safety.....</b>	<b>0</b>	<b>600</b>	<b>600</b>
Subtotal - State Funds.....	\$ 95,383	\$ 105,016	\$ 113,010
Subtotal - Federal Funds.....	13,103	13,225	13,897
Subtotal - Augmentations.....	1,268	536	425
Subtotal - Restricted Revenues.....	40,131	54,334	57,713
Total - General Government.....	<b>\$ 149,885</b>	<b>\$ 173,111</b>	<b>\$ 185,045</b>
 <b>Grants and Subsidies:</b>			
<b>County Trial Reimbursement.....</b>	<b>\$ 200</b>	<b>\$ 200</b>	<b>\$ 200</b>
(R)Reimbursement to Counties - Full Time District Attorney (EA).....	8,139	7,500	7,600
Subtotal - State Funds.....	\$ 200	\$ 200	\$ 200
Subtotal - Restricted Revenues.....	8,139	7,500	7,600
Total - Grants and Subsidies.....	<b>\$ 8,339</b>	<b>\$ 7,700</b>	<b>\$ 7,800</b>
STATE FUNDS.....	\$ 95,583	\$ 105,216	\$ 113,210
FEDERAL FUNDS.....	13,103	13,225	13,897
AUGMENTATIONS.....	1,268	536	425
RESTRICTED REVENUES.....	48,270	61,834	65,313
<b>GENERAL FUND TOTAL.....</b>	<b>\$ 158,224</b>	<b>\$ 180,811</b>	<b>\$ 192,845</b>

**Summary by Fund and Appropriation**

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>OTHER FUNDS:</b>			
<b>CIGARETTE FIRE SAFETY AND FIREFIGHTER PROTECTION ACT FUND:</b>			
Cigarette Fire Safety & Firefighter Protection Enforcement.....	\$ 250	\$ 50	\$ 100
<b>STATE GAMING FUND:</b>			
(R)Gaming Enforcement.....	\$ 1,300	\$ 1,340	\$ 1,460
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 95,583	\$ 105,216	\$ 113,210
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	13,103	13,225	13,897
AUGMENTATIONS.....	1,268	536	425
RESTRICTED.....	48,270	61,834	65,313
OTHER FUNDS.....	1,550	1,390	1,560
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 159,774</b>	<b>\$ 182,201</b>	<b>\$ 194,405</b>

<sup>a</sup> This budget proposes funding Drug Law Enforcement, Local Drug Task Forces and Strategic Response Team as Drug Law Enforcement.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>PUBLIC PROTECTION AND LAW ENFORCEMENT</b>							
GENERAL FUND.....	\$ 95,583	\$ 105,216	\$ 113,210	\$ 115,189	\$ 115,189	\$ 115,189	\$ 115,189
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	13,103	13,225	13,897	13,897	13,897	13,897	13,897
AUGMENTATIONS.....	1,268	536	425	126	126	126	126
RESTRICTED.....	48,270	61,834	65,313	65,191	65,313	65,191	65,313
OTHER FUNDS.....	1,550	1,390	1,560	1,510	1,510	1,510	1,510
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 159,774</b>	<b>\$ 182,201</b>	<b>\$ 194,405</b>	<b>\$ 195,913</b>	<b>\$ 196,035</b>	<b>\$ 195,913</b>	<b>\$ 196,035</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 95,583	\$ 105,216	\$ 113,210	\$ 115,189	\$ 115,189	\$ 115,189	\$ 115,189
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	13,103	13,225	13,897	13,897	13,897	13,897	13,897
AUGMENTATIONS.....	1,268	536	425	126	126	126	126
RESTRICTED.....	48,270	61,834	65,313	65,191	65,313	65,191	65,313
OTHER FUNDS.....	1,550	1,390	1,560	1,510	1,510	1,510	1,510
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 159,774</b>	<b>\$ 182,201</b>	<b>\$ 194,405</b>	<b>\$ 195,913</b>	<b>\$ 196,035</b>	<b>\$ 195,913</b>	<b>\$ 196,035</b>

## Program: Public Protection and Law Enforcement

*Goal: To enforce the criminal laws of the commonwealth; to protect the interests of Pennsylvania citizens in areas of consumer protection, antitrust enforcement, operation of charitable trusts and organizations, and civil rights; and to provide legal services to commonwealth agencies.*

The Attorney General, as the chief law enforcement officer of the commonwealth, is charged with the responsibility of investigating and prosecuting organized crime and public corruption. The agency investigates and prosecutes criminal activity and uses statewide investigative grand juries as appropriate. The Office of Attorney General works with the State Police and local law enforcement to curtail drug abuse in the commonwealth by apprehending illegal drug traffickers and stopping the diversion of prescription drugs for illicit purposes. The Office of Attorney General also prosecutes and investigates insurance fraud and is responsible for the investigation and prosecution of Medicaid fraud, environmental crimes and cases referred by district attorneys across the state that have a conflict of interest or lack the resources to prosecute certain crimes.

The Office of Attorney General plays an important role protecting the public from fraud and deceptive business practices; securing and recovering damages owed to the commonwealth and its citizens; encouraging free enterprise and competition; investigating and prosecuting consumer fraud, unfair trade practices, antitrust violations, civil rights violations and charitable scams; and providing for representation of the consumer in utility rate proceedings before the Public Utility Commission through the Office of the Consumer Advocate. The Consumer Advocate represents the consumer in cases such as competition in the electric, gas and telecommunications industries, filings of alternative regulatory plans by telephone utilities, purchased gas cases and filings by major natural gas pipelines.

The Office of Attorney General represents the commonwealth in any action brought by or against the commonwealth or its agencies, particularly tort claims. The agency protects the children of Pennsylvania against

predators by identifying, investigating and capturing online child predators using proactive, undercover operations. The agency enforces the Tobacco Settlement Agreement Act, defends enforcement in arbitration proceedings and polices the Master Settlement Agreement fully and aggressively.

The County Code provides for full-time district attorneys under certain conditions. The annual salary for a full-time district attorney is set at \$1,000 less than a common pleas court judge in that county. The commonwealth reimburses counties for 65 percent of the salary for the full-time district attorney through court document surcharge revenues deposited into the Criminal Justice Enhancement Account.

The Joint Local-State Firearm Task Force comprised of the Philadelphia District Attorney's Office, the Philadelphia Police Department and the Office of Attorney General was established to fight gun violence in the Philadelphia area. Drug law enforcement provides deployment of resources and experience in combating organized drug trafficking and drug related violent crimes from targeted neighborhoods and municipalities.

The Municipal Drug Task Force program contributes to Pennsylvania's efforts in combating both local and widespread drug trafficking operations. Municipal police officers are trained in drug enforcement procedures and benefit from the expertise provided by the Bureau of Narcotics Investigations.

The Home Improvement Consumer Protection Act requires home improvement contractors to register with the Bureau of Consumer Protection. The agency investigates alleged violations regarding home improvement contractors. The Homeowner Assistance Settlement Act authorizes the agency to provide housing consumer protection programs.

### Program Recommendations:

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

<b>GENERAL FUND</b>		<b>Drug Law Enforcement</b>	
	<b>General Government Operations</b>	\$	2,223
\$	1,968 —to continue current program.		13,644
	351 —Initiative—to reduce illegal drug diversion.		2,460
\$	2,319 <i>Appropriation Increase</i>		888
			1,860
		\$	21,075
			<i>Appropriation Increase</i>

## Program: Public Protection and Law Enforcement (continued)

### Program Recommendations: (continued)

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

\$ -13,644	<b>Local Drug Task Forces</b> —merge of Local Drug Task Forces into Drug Law Enforcement.	\$ -500	<b>Tobacco Law Enforcement</b> —reduction in administrative costs.
\$ -2,460	<b>Strategic Response Team</b> —merge of Strategic Response Team into Drug Law Enforcement.	All other appropriations are recommended at the current year funding levels.  This budget also recommends the following changes in appropriations from restricted accounts.	
\$ 200 640	<b>Joint Local-State Firearm Task Force</b> —to continue current program. —Initiative—to increase efforts on reducing gun violence.	\$ 175	<b>Office of Consumer Advocate</b> —to continue current program.
\$ 840	<i>Appropriation Increase</i>	\$ 86	<b>Home Improvement Consumer Protection</b> —to continue current program.
\$ 364	<b>Child Predator Interception</b> —to continue current program.	\$ 100	<b>Reimbursement to Counties - Full Time District Attorneys (EA)</b> —to continue current program.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 39,363	\$ 46,496	\$ 48,815	\$ 49,166	\$ 49,166	\$ 49,166	\$ 49,166
Drug Law Enforcement.....	28,966	28,607	49,682	51,310	51,310	51,310	51,310
Local Drug Task Forces.....	12,975	13,644	0	0	0	0	0
Strategic Response Team .....	2,000	2,460	0	0	0	0	0
Joint Local-State Firearm Task Force.....	4,040	4,378	5,218	5,218	5,218	5,218	5,218
Witness Relocation.....	1,215	1,215	1,215	1,215	1,215	1,215	1,215
Child Predator Interception.....	4,767	5,375	5,739	5,739	5,739	5,739	5,739
Tobacco Law Enforcement.....	2,057	2,241	1,741	1,741	1,741	1,741	1,741
School Safety .....	0	600	600	600	600	600	600
County Trial Reimbursement.....	200	200	200	200	200	200	200
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 95,583</b>	<b>\$ 105,216</b>	<b>\$ 113,210</b>	<b>\$ 115,189</b>	<b>\$ 115,189</b>	<b>\$ 115,189</b>	<b>\$ 115,189</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Utilize statewide investigative grand juries as appropriate to investigate and prosecute organized crime and public corruption.

Cases presented to the Statewide Investigating Grand Jury.....	25	84	115	38	145	145	145
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#### Curtail drug abuse in the commonwealth by apprehending illegal drug traffickers.

Local drug task force arrests.....	7,388	8,472	7,008	7,778	6,294	6,500	6,500
Drug arrests resulting from Grand Jury presentments.....	131	146	202	59	124	124	124

#### Increase compliance by estates, charities, nonprofits and health care conversions with established rules and regulations.

Review of estates, charities, nonprofits, and health care conversions for compliance with rules and regulations.....	2,148	1,928	2,205	2,109	1,816	1,950	2,000
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## Program: Public Protection and Law Enforcement (continued)

Program Measures: (continued)	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Decrease incidence of fraud and deceptive business practices and secure the recovery of damages to the commonwealth and its citizens.</b>							
Consumer complaints concerning business practices that were mediated.....	36,473	26,591	20,736	20,230	22,976	23,000	23,000
Dollar value of recoupment to consumers regarding business practices (in thousands) .....	\$22,537	\$3,652	\$2,940	\$2,881	\$3,016	\$3,300	\$3,300
Legal actions resulting from consumer tips, complaints, and other sources .....	41	110	115	114	80	100	100
Dollar value of relief awarded on behalf of consumers related to legal actions (in thousands) .....	\$626	\$23,529	\$8,116	\$368	\$3,216	\$725	\$725
Consumer complaints concerning business practices - health care industry .....	2,088	2,513	2,153	1,939	1,863	1,750	1,700
Dollar value of recoupment to consumers regarding business practices – health care industry (in thousands).....	\$1,007	\$1,270	\$1,825	\$2,172	\$893	\$850	\$800



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# AUDITOR GENERAL

*The mission of the [Auditor General](#) is to post-audit the affairs of state government agencies and certain local government agencies, officials and organizations.*

The objective is to ensure 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 ensure that all money due the commonwealth was reported and transmitted properly.

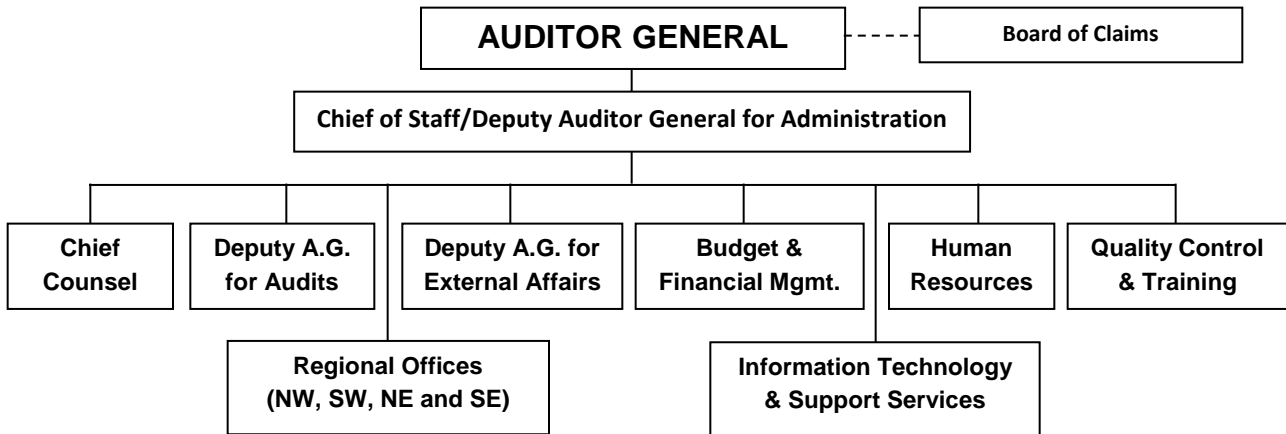
## **Programs and Goals**

**Auditing:** *To ensure that all revenue to which the commonwealth is entitled is deposited in the State Treasury and that public money is disbursed legally and properly.*

**Municipal Pension Systems:** *To assist municipal pension systems through review and audit of their pension funds.*



# Organization Overview



- **Board of Claims** arbitrates claims against the commonwealth arising from contracts entered into by the commonwealth and adjusts and settles certain other claims by or against the commonwealth.
- **Office of Chief of Staff/Administration Deputate** provides leadership and direction to the Chief Counsel, Deputy Auditor General for Audits, Deputy Auditor General for External Affairs and Regional Directors and also to the Directors of Budget & Fiscal Management, Human Resources, Quality Control & Training and Information Technology & Support Services.
- **Office of Chief Counsel** provides legal advice and support to the Auditor General, the Deputies and the bureaus within the department.
- **Deputate for Audits** manages eight bureaus that perform audits to improve overall government accountability, transparency and the effective use of taxpayer dollars. Audits include Financial and Performance audits and Attestation engagements to ensure that all monies spent by the commonwealth are spent legally and efficiently to serve the Pennsylvania taxpayers.
- **Regional Offices** are located in Northwest, Southwest, Northeast and Southeast Pennsylvania.
- **Deputate for External Affairs** oversees the department’s communications and media, as well as its work with the legislature, citizens and groups and organizations interested in the department’s work.
- **Office of Budget and Financial Management** provides operational support including budgeting, accounting, payroll and accounts payable. The office also manages the Municipal Pension State Aid and Volunteer Firefighters’ Relief Association State Aid Programs, the Municipal Pension Reporting Program (formerly known as PERC) and provides budgetary and administrative support to the Board of Claims.
- **Office of Information Technology and Support Services** manages the IT network infrastructure, including telecommunications; develops and supports systems applications and databases; processes all procurements; and manages the vehicle fleet, archives, internal storeroom, mailroom and physical facilities.
- **Office of Human Resources** administers all employment-related activities from pre-hire to retirement and assists with the development, implementation and administration of personnel policies, rules and programs.
- **Office of Quality Control and Training** oversees the maintenance of the department’s system of quality control in accordance with *Generally Accepted Government Auditing Standards (GAGAS)* issued by the Comptroller General of the United States and conducts the required internal monitoring efforts. The office also oversees the various training activities to ensure compliance with GAGAS continuing professional education requirements.

## Reported Complement

(Independent Agency – Complement Not Under the Governor’s Jurisdiction/Control)

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
496	491	491	491	475	468	462

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
Auditor General's Office.....	\$ 40,136	\$ 40,506	\$ 42,043 <sup>a</sup>
(A) Auditing Service Reimbursements.....	11,763	14,195	15,675
Special Financial Audits.....	0	500	0
Subtotal.....	\$ 51,899	\$ 55,201	\$ 57,718
Board of Claims.....	1,822	1,899	1,923
Subtotal - State Funds.....	\$ 41,958	\$ 42,905	\$ 43,966
Subtotal - Augmentations.....	11,763	14,195	15,675
Total - General Government.....	\$ 53,721	\$ 57,100	\$ 59,641
STATE FUNDS.....	\$ 41,958	\$ 42,905	\$ 43,966
AUGMENTATIONS.....	11,763	14,195	15,675
<b>GENERAL FUND TOTAL.....</b>	<b>\$ 53,721</b>	<b>\$ 57,100</b>	<b>\$ 59,641</b>
<b>OTHER FUNDS:</b>			
<b>MUNICIPAL PENSION AID FUND:</b>			
(R)Municipal Pension Aid.....	\$ 293,730	\$ 301,730	\$ 304,357
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 41,958	\$ 42,905	\$ 43,966
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	0	0	0
AUGMENTATIONS.....	11,763	14,195	15,675
RESTRICTED.....	0	0	0
OTHER FUNDS.....	293,730	301,730	304,357
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 347,451</b>	<b>\$ 358,830</b>	<b>\$ 363,998</b>

<sup>a</sup> Includes Special Financial Audits.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>AUDITING</b>							
GENERAL FUND.....	\$ 41,958	\$ 42,905	\$ 43,966	\$ 43,966	\$ 43,966	\$ 44,051	\$ 43,966
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	11,763	14,195	15,675	15,675	15,675	15,675	15,675
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 53,721</b>	<b>\$ 57,100</b>	<b>\$ 59,641</b>	<b>\$ 59,641</b>	<b>\$ 59,641</b>	<b>\$ 59,726</b>	<b>\$ 59,641</b>
<b>MUNICIPAL PENSION SYSTEMS</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	293,730	301,730	304,357	304,357	304,357	304,357	304,357
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 293,730</b>	<b>\$ 301,730</b>	<b>\$ 304,357</b>	<b>\$ 304,357</b>	<b>\$ 304,357</b>	<b>\$ 304,357</b>	<b>\$ 304,357</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 41,958	\$ 42,905	\$ 43,966	\$ 43,966	\$ 43,966	\$ 44,051	\$ 43,966
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	11,763	14,195	15,675	15,675	15,675	15,675	15,675
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	293,730	301,730	304,357	304,357	304,357	304,357	304,357
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 347,451</b>	<b>\$ 358,830</b>	<b>\$ 363,998</b>	<b>\$ 363,998</b>	<b>\$ 363,998</b>	<b>\$ 364,083</b>	<b>\$ 363,998</b>

## Program: Auditing

*Goal: To ensure that all revenue to which the commonwealth is entitled is deposited in the State Treasury and that public money is disbursed legally and properly.*

The [Department of the Auditor General](#) is provided authority through the Fiscal Code to [audit the financial affairs and the performance](#) of state government, as well as the affairs of certain local government entities. The department is also authorized to perform audits of any entity receiving funds from the commonwealth or any entity collecting funds that belong to the commonwealth.

Each year, the department performs thousands of [regular and performance audits](#) of commonwealth agencies, boards, commissions and state institutions, such as state higher education and correctional facilities, to ensure money is disbursed legally and properly. The department also examines and audits accounts of revenue collecting agents, including local government officials such as those in the magisterial district courts and county row offices, to ensure that all funds due to the commonwealth have been reported and transmitted properly and that the commonwealth's financial statements conform to Generally Accepted Accounting Principles. Finally, the department conducts audits of public entities that receive state funds, including local educational agencies, municipal pension plans, the Delaware and Susquehanna River Basin Commissions and volunteer firefighters' relief associations.

The Single Audit, which is a single financial/compliance audit of the commonwealth's federal aid programs and the commonwealth's Comprehensive Annual Financial Report, is jointly performed each year by the department and an

independent certified public accounting firm.

In accordance with Section 402 of the Fiscal Code, special audits, including performance audits, may be made at any time when, in the Auditor General's judgment, they appear to be necessary and are required to be conducted in accordance with Generally Accepted Government Auditing Standards. Special audits must also be conducted by the Auditor General at the Governor's request. The Auditor General also has the authority to demand and compel the production of documents.

The Auditor General has a variety of other responsibilities imposed by law. For example, the Auditor General is a signatory, along with the Governor and State Treasurer, for approval of short-term and long-term borrowing by state government. The Auditor General is also a statutory member of the [Pennsylvania Higher Educational Facilities Authority](#), the [State Public School Building Authority](#), the [Delaware River Port Authority](#), the Local Government Records Committee and the Joint Interstate Bridge Commission.

The department also provides administrative services for the [Board of Claims](#). The Board of Claims operates within this program as an independent judicial and administrative body with jurisdiction to hear and determine claims against the commonwealth that equal or exceed \$300.

### Program Recommendations:

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

<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2"><b>Auditor General's Office</b></td> </tr> <tr> <td style="width: 10%;">\$ 1,037</td> <td>—to continue current program.</td> </tr> <tr> <td style="border-bottom: 1px solid black;">500</td> <td>—consolidate Special Financial Audits.</td> </tr> <tr> <td>\$ 1,537</td> <td><i>Appropriation Increase</i></td> </tr> </table>	<b>Auditor General's Office</b>		\$ 1,037	—to continue current program.	500	—consolidate Special Financial Audits.	\$ 1,537	<i>Appropriation Increase</i>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2"><b>Special Financial Audits</b></td> </tr> <tr> <td style="width: 10%;">\$ -500</td> <td>—consolidated into Auditor General's Office.</td> </tr> <tr> <td colspan="2"> </td> </tr> <tr> <td colspan="2"><b>Board of Claims</b></td> </tr> <tr> <td style="width: 10%;">\$ 24</td> <td>—to continue current program.</td> </tr> </table>	<b>Special Financial Audits</b>		\$ -500	—consolidated into Auditor General's Office.	 		<b>Board of Claims</b>		\$ 24	—to continue current program.
<b>Auditor General's Office</b>																			
\$ 1,037	—to continue current program.																		
500	—consolidate Special Financial Audits.																		
\$ 1,537	<i>Appropriation Increase</i>																		
<b>Special Financial Audits</b>																			
\$ -500	—consolidated into Auditor General's Office.																		
<b>Board of Claims</b>																			
\$ 24	—to continue current program.																		

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Auditor General's Office .....	\$ 40,136	\$ 40,506	\$ 42,043	\$ 42,043	\$ 42,043	\$ 42,043	\$ 42,043
Special Financial Audits.....	0	500	0	0	0	0	0
Board of Claims .....	1,822	1,899	1,923	1,923	1,923	1,923	1,923
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 41,958</b>	<b>\$ 42,905</b>	<b>\$ 43,966</b>	<b>\$ 43,966</b>	<b>\$ 43,966</b>	<b>\$ 43,966</b>	<b>\$ 43,966</b>

## Program: Municipal Pension Systems

*Goal: To assist municipal pension systems through review and audit of their pension funds.*

In 1984, the General Assembly passed Act 205, known as the Municipal Pension Plan Funding Standard and Recovery Act. The enactment of this legislation was in response to the solvency problems facing many of the commonwealth's municipal pension systems. The act establishes criteria for determination of actuarial soundness and the amount of state-financed support that will be provided. The Auditor General is responsible for audits of approximately 2,600 governing units with approximately 2,700 municipal pension plans, for both uniformed and non-uniformed employees, where municipalities choose to allocate state aid to those funds.

The Auditor General administers the [General Municipal Pension Systems State Aid Program](#), established by Act 205 to distribute funding to municipal pension plans for police officers, paid firefighters and other full-time municipal non-uniformed employees. The program is funded through the Municipal Pension Aid Fund, which

receives all proceeds of the Foreign Casualty Insurance Premiums Tax and a portion of the Foreign Fire Insurance Premiums Tax.

The Auditor General is also responsible for distributing proceeds from the Fire Insurance Tax Fund to municipalities for payment to volunteer firefighter relief associations. Financial statements for the Municipal Pension Aid Fund and the Fire Insurance Tax Fund are presented in the Special Funds Appendix section of this budget.

In 2016, the Auditor General absorbed the duties relating to municipal pension reporting and analysis under Act 205 of 1984 and Act 293 of 1972 that were formerly conducted by the Public Employee Retirement Commission (PERC), which was abolished by Act 100 of 2016. Effective August 1, 2016, the duties were fully transitioned to the newly created [Municipal Pension Reporting Program](#) (MPRP) within the Department of the Auditor General's Office of Budget and Financial Management.

### Program Recommendations:

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

**MUNICIPAL PENSION AID FUND**  
**Municipal Pension Aid**  
 \$ 2,627 —to continue current program.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>MUNICIPAL PENSION AID FUND:</b>							
Municipal Pension Aid .....	\$ 293,730	\$ 301,730	\$ 304,357	\$ 304,357	\$ 304,357	\$ 304,357	\$ 304,357



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# 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 pre-auditing all requisitions for the expenditures of funds and for disbursement of all state monies upon proper authorization to those entitled to receive payment.

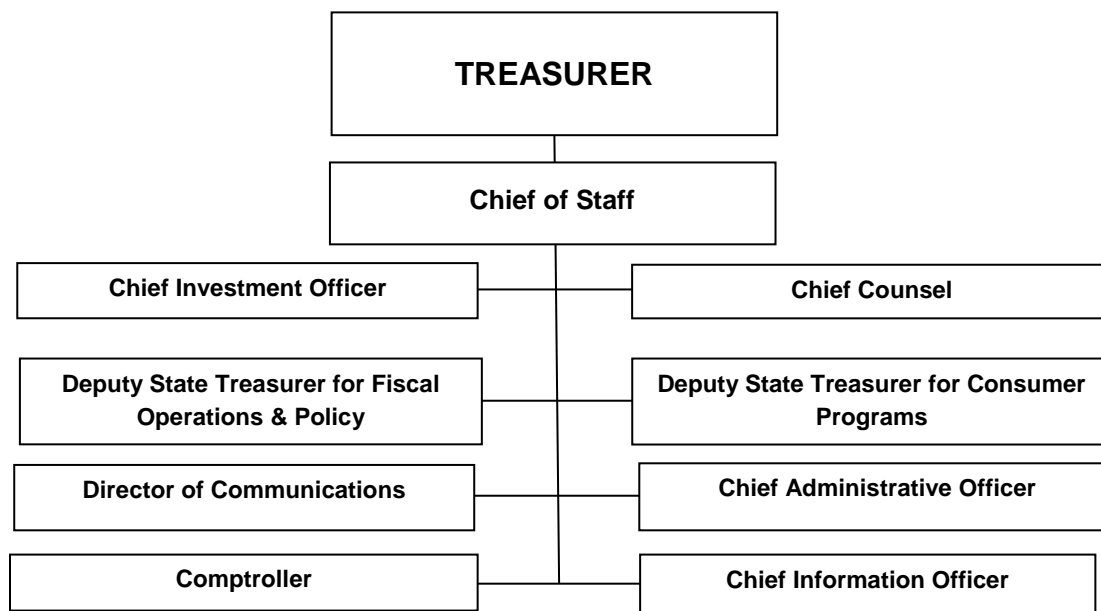
## Programs and Goals

**Disbursement:** *To receive and safeguard the monies of the commonwealth, to manage the funds to the best advantage of the commonwealth and to ensure that all disbursements of funds are legal and proper.*

**Interstate Relations:** *To promote interstate cooperation and progress through participation in various associations, commissions and organizations both regionally and nationally.*

**Debt Service:** *To provide for interest and principal requirements of notes and bonds issued by the commonwealth and other expenses related to debt service.*

# Organization Overview



- **Chief Investment Officer** oversees the managing and monitoring of investment activity of portfolios under the control of the Treasury Department. Also manages and determines the cash requirements need for cash flow of the funds overseen by the Treasury Department.
- **Deputy State Treasurer for Fiscal Operations & Policy** oversees the bureaus of Fiscal Review and Unemployment Compensation Disbursements, and advises the Treasurer on specific strategic policy matters.
- **Director of Communications** manages and directs internal and external communications.
- **Comptroller** oversees the preparation and implementation of the department’s budget, and the uniform accounting, payroll and financial reporting systems.
- **Chief Counsel** oversees the legal and legislative representation of the Treasury Department. Also oversees the operations of the Board of Finance and Revenue.
- **Deputy State Treasurer for Consumer Programs** oversees the multiple public programs operated by Treasury, including PA 529, ABLE and unclaimed property.
- **Chief Administrative Officer** directs the procurement and human resources activity of the department.
- **Chief Information Officer** is responsible for the information technology and computer systems that supports the department’s goals.

## Reported Complement

(Independent Agency – Complement Not Under the Governor’s Jurisdiction/Control)

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
377	364	353	344	364	366	367

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
General Government Operations.....	\$ 36,990	\$ 36,990	\$ 36,990
(A)Unemployment Compensation Service Reimbursements.....	4,859	5,345	5,345
(A)Administrative Service Fees.....	1,842	1,195	1,345
(A)Unclaimed Property Service Fees.....	1,521	980	830
Subtotal.....	\$ 45,212	\$ 44,510	\$ 44,510
Board of Finance and Revenue.....	2,956	2,956	2,956
Divestiture Reimbursement.....	23	39	40
Publishing Monthly Statements.....	15	15	10
Intergovernmental Organizations.....	901	1,070	1,128
Information Technology Modernization.....	1,870	1,000	0
Information Technology Cyber Security.....	0	0	1,000
Subtotal - State Funds.....	\$ 42,755	\$ 42,070	\$ 42,124
Subtotal - Augmentations.....	8,222	7,520	7,520
Total - General Government.....	\$ 50,977	\$ 49,590	\$ 49,644
<i>Grants and Subsidies:</i>			
Law Enforcement & Emergency Response Personnel Death Benefit.....	\$ 2,980	\$ 2,980	\$ 2,980
Transfer to ABLE Fund.....	1,130	1,130	1,130
Total - Grants and Subsidies.....	\$ 4,110	\$ 4,110	\$ 4,110
<i>Debt Service:</i>			
Loan and Transfer Agent.....	\$ 50	\$ 40	\$ 40
Cash Management Loan Interest (EA).....	2,413	0	0
General Obligation Debt Service.....	1,072,000	1,118,000	1,185,000
Total - Debt Service.....	\$ 1,074,463	\$ 1,118,040	\$ 1,185,040
STATE FUNDS.....	\$ 1,121,328	\$ 1,164,220	\$ 1,231,274
AUGMENTATIONS.....	8,222	7,520	7,520
<b>GENERAL FUND TOTAL.....</b>	<b>\$ 1,129,550</b>	<b>\$ 1,171,740</b>	<b>\$ 1,238,794</b>
<b>MOTOR LICENSE FUND:</b>			
<i>General Government:</i>			
Administration Refunding Liquid Fuels Tax.....	\$ 533	\$ 533	\$ 533
<i>Refunds:</i>			
Refunding Liquid Fuels Taxes - State Share (EA).....	\$ 5,000	\$ 5,000	\$ 5,000
Refunding Liquid Fuels Taxes - Agriculture (EA).....	4,600	4,000	4,000
Refunding Liquid Fuels Taxes - Political Subdivisions (EA).....	3,800	3,800	5,000
Refunding Liquid Fuels Taxes - Volunteer Services (EA).....	625	500	500
Refunding Liquid Fuels Taxes - Snowmobiles & ATV's (EA).....	1,000	1,000	1,000
Refunding Liquid Fuels Taxes - Boat Fund (EA).....	12,090	11,130	11,000
Total - Refunds.....	\$ 27,115	\$ 25,430	\$ 26,500



## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>Debt Service:</b>			
Capital Debt Transportation Projects.....	\$ 35,581	\$ 35,620	\$ 35,661
General Obligation Debt Service.....	17,815	17,815	17,748
(R)Capital Bridge Debt Service (EA).....	51,185	51,054	65,780
Loan and Transfer Agent.....	50	50	40
Subtotal - State Funds.....	\$ 53,446	\$ 53,485	\$ 53,449
Subtotal - Restricted Revenues.....	51,185	51,054	65,780
Total - Debt Service.....	<u>\$ 104,631</u>	<u>\$ 104,539</u>	<u>\$ 119,229</u>
STATE FUNDS.....	\$ 81,094	\$ 79,448	\$ 80,482
RESTRICTED REVENUES.....	51,185	51,054	65,780
<b>MOTOR LICENSE FUND TOTAL.....</b>	<b><u>\$ 132,279</u></b>	<b><u>\$ 130,502</u></b>	<b><u>\$ 146,262</u></b>
<b>OTHER FUNDS:</b>			
<b>ACHIEVING A BETTER LIFE EXPERIENCE FUND:</b>			
General Operations.....	\$ 1,130	\$ 1,130	\$ 1,130
<b>ENVIRONMENTAL STEWARDSHIP FUND:</b>			
Debt Service for Growing Greener (EA).....	\$ 26,871	\$ 26,053	\$ 0 <sup>a</sup>
<b>LIQUID FUELS TAX FUND:</b>			
Refunding Liquid Fuels Taxes - Boat Fund (EA).....	\$ 108	\$ 103	\$ 100
<b>TUITION ACCOUNT GUARANTEED SAVINGS PROGRAM FUND:</b>			
Tuition Account Program Bureau.....	\$ 3,220	\$ 3,039	\$ 3,039
(A)Application Fees.....	2,110	2,070	1,951
<b>TUITION ACCOUNT GUARANTEED SAVINGS PROGRAM FUND TOTAL.....</b>	<b><u>\$ 5,330</u></b>	<b><u>\$ 5,109</u></b>	<b><u>\$ 4,990</u></b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 1,121,328	\$ 1,164,220	\$ 1,231,274
MOTOR LICENSE FUND.....	81,094	79,448	80,482
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	0	0	0
AUGMENTATIONS.....	8,222	7,520	7,520
RESTRICTED.....	51,185	51,054	65,780
OTHER FUNDS.....	33,439	32,395	6,220
<b>TOTAL ALL FUNDS.....</b>	<b><u>\$ 1,295,268</u></b>	<b><u>\$ 1,334,637</u></b>	<b><u>\$ 1,391,276</u></b>

<sup>a</sup> This budget proposes an annual Personal Income Tax transfer to fund debt service costs for Growing Greener.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>DISBURSEMENT</b>							
GENERAL FUND.....	\$ 45,949	\$ 45,095	\$ 45,096	\$ 45,096	\$ 45,096	\$ 45,096	\$ 45,096
MOTOR LICENSE FUND.....	27,648	25,963	27,033	27,033	27,033	27,033	27,033
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	8,222	7,520	7,520	7,520	7,520	7,520	7,520
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	6,568	6,342	6,220	6,220	6,220	6,220	6,220
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 88,387</b>	<b>\$ 84,920</b>	<b>\$ 85,869</b>	<b>\$ 85,869</b>	<b>\$ 85,869</b>	<b>\$ 85,869</b>	<b>\$ 85,869</b>
<b>INTERSTATE RELATIONS</b>							
GENERAL FUND.....	\$ 901	\$ 1,070	\$ 1,128	\$ 1,128	\$ 1,128	\$ 1,128	\$ 1,128
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 901</b>	<b>\$ 1,070</b>	<b>\$ 1,128</b>	<b>\$ 1,128</b>	<b>\$ 1,128</b>	<b>\$ 1,128</b>	<b>\$ 1,128</b>
<b>DEBT SERVICE</b>							
GENERAL FUND.....	\$ 1,074,478	\$ 1,118,055	\$ 1,185,050	\$ 1,230,050	\$ 1,270,050	\$ 1,292,050	\$ 1,346,050
MOTOR LICENSE FUND.....	53,446	53,485	53,449	53,409	53,452	53,499	53,546
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	51,185	51,054	65,780	35,780	35,780	35,780	35,780
OTHER FUNDS.....	26,871	26,053	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 1,205,980</b>	<b>\$ 1,248,647</b>	<b>\$ 1,304,279</b>	<b>\$ 1,319,239</b>	<b>\$ 1,359,282</b>	<b>\$ 1,381,329</b>	<b>\$ 1,435,376</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 1,121,328	\$ 1,164,220	\$ 1,231,274	\$ 1,276,274	\$ 1,316,274	\$ 1,338,274	\$ 1,392,274
MOTOR LICENSE FUND.....	81,094	79,448	80,482	80,442	80,485	80,532	80,579
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	8,222	7,520	7,520	7,520	7,520	7,520	7,520
RESTRICTED.....	51,185	51,054	65,780	35,780	35,780	35,780	35,780
OTHER FUNDS.....	33,439	32,395	6,220	6,220	6,220	6,220	6,220
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 1,295,268</b>	<b>\$ 1,334,637</b>	<b>\$ 1,391,276</b>	<b>\$ 1,406,236</b>	<b>\$ 1,446,279</b>	<b>\$ 1,468,326</b>	<b>\$ 1,522,373</b>

## Program: Disbursement

*Goal: To receive and safeguard the monies of the commonwealth, to manage the funds to the best advantage of the commonwealth and to ensure that all disbursements of funds are legal and proper.*

The [Treasury Department](#) is required to receive and deposit all monies of the commonwealth, invest any commonwealth monies that accumulate beyond the daily needs of the various funds, manage to the best possible advantage all securities in its custody, pre-audit requisitions for the expenditure of funds, and disburse all state monies upon proper authorization to those entitled to receive payment.

The Treasury Department also maintains accounting controls and disburses all checks to recipients of public assistance. This includes pre-auditing, printing and mailing checks to individual recipients and banks. Deposits are kept in approximately 53 financial institutions throughout Pennsylvania, including approximately 13 banks that also function as active depositories.

and corporations. The board also administers the program for refunding liquid fuels taxes to groups exempt by legislation from these taxes.

The Treasury Department is required to pay death benefits, adjusted annually for inflation, to the surviving spouse or children of public safety workers, firefighters or law enforcement officers of the commonwealth killed in the performance of their duties and to reimburse political subdivisions for such payments made to survivors of local firefighters or law enforcement officers.

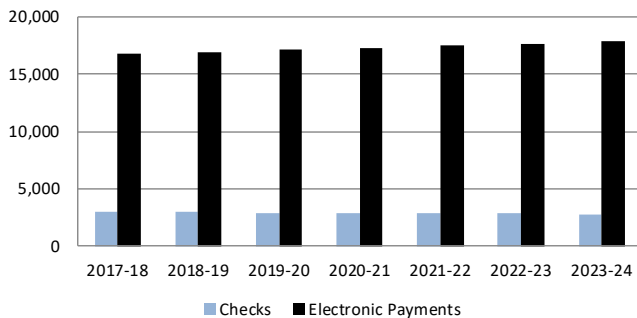
The Treasury Department administers the [Tuition Account Program](#), which provides two programs for postsecondary educational savings. The Tuition Account [Guaranteed Savings Program](#) Fund provides for the advance purchase of tuition credits for students who will attend institutions of higher education. Savings for higher education may also be made through the Tuition Account [Investment Program](#) Fund.

The State Treasurer is responsible for the administration and enforcement of the commonwealth's abandoned and [unclaimed property laws](#). Tangible and intangible property that has remained unclaimed for three or more years is reported and remitted to the Treasury Department by holders in possession of the property. The commonwealth maintains perpetual custody of the property until it is claimed by the rightful owner. Revenues generated by collection of unclaimed property are deposited directly to the General Fund.

The Treasury Department administers the [Achieving a Better Life Experience Fund](#), which provides qualifying individuals with disabilities and their families with the ability with a tax-free way to save for disability-related expenses, while maintaining government benefits.

### Treasury Disbursements

(in thousands)



The State Treasurer is Chairman of the [Board of Finance and Revenue](#) which is charged with reviewing and deciding tax appeals concerning settlements made between the commonwealth and persons, associations

### Program Recommendations:

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

<p><b>GENERAL FUND</b></p> <p><b>Divestiture Reimbursement</b> —increase in program requirements.</p> <p>\$ 1</p> <p><b>Information Technology Modernization</b> —non-recurring costs.</p> <p>\$ -1,000</p> <p><b>Information Technology Cyber Security</b> —to enhance cyber security.</p> <p>\$ 1,000</p>	<p><b>MOTOR LICENSE FUND</b></p> <p><b>Refunding Liquid Fuels Taxes - Political Subdivisions (EA)</b> —based on most recent projection of program requirements.</p> <p>\$ 1,200</p> <p><b>Refunding Liquid Fuels Taxes - Boat Fund (EA)</b> —based on most recent projection of program requirements.</p> <p>\$ -130</p>
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All other appropriations and executive authorizations are recommended at the current year funding levels.

## Program: Disbursement (continued)

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 36,990	\$ 36,990	\$ 36,990	\$ 36,990	\$ 36,990	\$ 36,990	\$ 36,990
Board of Finance and Revenue .....	2,956	2,956	2,956	2,956	2,956	2,956	2,956
Divestiture Reimbursement .....	23	39	40	40	40	40	40
Information Technology Modernization .....	1,870	1,000	0	0	0	0	0
Information Technology Cyber Security .....	0	0	1,000	1,000	1,000	1,000	1,000
Law Enforcement & Emergency Response							
Personnel Death Benefit .....	2,980	2,980	2,980	2,980	2,980	2,980	2,980
Transfer to ABLE Fund .....	1,130	1,130	1,130	1,130	1,130	1,130	1,130
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 45,949</b>	<b>\$ 45,095</b>	<b>\$ 45,096</b>	<b>\$ 45,096</b>	<b>\$ 45,096</b>	<b>\$ 45,096</b>	<b>\$ 45,096</b>
<b>MOTOR LICENSE FUND:</b>							
Administration Refunding Liquid Fuels Tax \$	533	533	533	533	533	533	533
Refunding Liquid Fuels Taxes -							
State Share (EA) .....	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Refunding Liquid Fuels Taxes -							
Agriculture (EA) .....	4,600	4,000	4,000	4,000	4,000	4,000	4,000
Refunding Liquid Fuels Taxes -							
Political Subdivisions (EA) .....	3,800	3,800	5,000	5,000	5,000	5,000	5,000
Refunding Liquid Fuels Taxes -							
Volunteer Services (EA) .....	625	500	500	500	500	500	500
Refunding Liquid Fuels Taxes -							
Snowmobiles & ATV's (EA) .....	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Refunding Liquid Fuels Taxes -							
Boat Fund (EA) .....	12,090	11,130	11,000	11,000	11,000	11,000	11,000
<b>TOTAL MOTOR LICENSE FUND .....</b>	<b>\$ 27,648</b>	<b>\$ 25,963</b>	<b>\$ 27,033</b>	<b>\$ 27,033</b>	<b>\$ 27,033</b>	<b>\$ 27,033</b>	<b>\$ 27,033</b>

## Program: Interstate Relations

*Goal: To promote interstate cooperation and progress through participation in various associations, commissions and organizations both regionally and nationally.*

Pennsylvania promotes interstate cooperation and progress through participation in various associations, commissions and organizations with other states and units of government. As a member of the Council of State Governments, National Conference of State Legislatures and the National Governors' Association, Pennsylvania helps coordinate ideas on programs, interstate progress, budgets, federal-state relations, education, labor, research, governmental techniques and general information with other states, Congress and the federal Executive Branch.

The State and Local Legal Center provides for Pennsylvania's participation in a center to advance and

defend the interests of state and local governments in matters involving federal preemption, state taxing and spending powers, the Tenth Amendment to the United States Constitution and other issues.

This program also covers Pennsylvania's cost of the Great Lakes Commission and the Council of Great Lakes Governors. These organizations were established to plan and promote a unified and balanced program for the development, use and conservation of Great Lakes Basin water resources.

### Program Recommendations:

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

\$ 7 **Intergovernmental Organizations**  
—to continue current program.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2014-15 Actual	2015-16 Available	2016-17 Budget	2017-18 Estimated	2018-19 Estimated	2019-20 Estimated	2020-21 Estimated
<b>GENERAL FUND:</b>							
Intergovernmental Organizations .....	\$ 1,036	\$ 1,025	\$ 1,032	\$ 1,032	\$ 1,032	\$ 1,032	\$ 1,032

**Program: Debt Service**

*Goal: To provide for interest and principal requirements of notes and bonds issued by the commonwealth and other expenses related to debt service.*

The commonwealth, through the [Treasury Department](#), is obligated to meet principal and interest requirements and other expenses related to debt service.

Long-term bonds are issued by the state to finance the cost of public improvements that represent a heavy financial burden which cannot be funded through current revenues. These bond issues provide funds for the

acquisition and development of public recreation and historic sites and facilities; economic revitalization efforts; low-cost loans for water supply and sewage treatment improvements; and a wide variety of construction and renovation projects for hospitals, higher education facilities, state parks, flood control, correctional institutions and various public buildings.

**Program Recommendations:**

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

<p><b>GENERAL FUND</b>                  \$ 66,995 —the net effect on principal and interest requirements and other costs relating to General Fund debt service.</p>	<p><b>MOTOR LICENSE FUND</b>                  \$ -36 —the net effect on principal and interest requirements and other costs relating to Motor License Fund debt service.</p>
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**Appropriations within this Program:**

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Publishing Monthly Statements .....	\$ 15	\$ 15	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10
Loan and Transfer Agent .....	50	40	40	40	40	40	40
Cash Management Loan Interest (EA) .....	2,413	0	0	0	0	0	0
General Obligation Debt Service .....	1,072,000	1,118,000	1,185,000	1,230,000	1,270,000	1,292,000	1,346,000
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 1,074,478</b>	<b>\$ 1,118,055</b>	<b>\$ 1,185,050</b>	<b>\$ 1,230,050</b>	<b>\$ 1,270,050</b>	<b>\$ 1,292,050</b>	<b>\$ 1,346,050</b>
<b>MOTOR LICENSE FUND:</b>							
Capital Debt Transportation Projects .....	\$ 35,581	\$ 35,620	\$ 35,661	\$ 35,736	\$ 35,779	\$ 35,826	\$ 35,873
General Obligation Debt Service .....	17,815	17,815	17,748	17,633	17,633	17,633	17,633
Loan and Transfer Agent .....	50	50	40	40	40	40	40
<b>TOTAL MOTOR LICENSE FUND .....</b>	<b>\$ 53,446</b>	<b>\$ 53,485</b>	<b>\$ 53,449</b>	<b>\$ 53,409</b>	<b>\$ 53,452</b>	<b>\$ 53,499</b>	<b>\$ 53,546</b>
<b>ENVIRONMENTAL STEWARDSHIP FUND:</b>							
Debt Service for Growing Greener (EA) .....	\$ 26,871	\$ 26,053	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

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# DEPARTMENT OF AGING

*The mission of the Department of Aging is to enhance the quality of life of older Pennsylvanians by empowering the community, the family and the individual.*

The department consolidates services for older Pennsylvanians and provides a single point of contact through which older Pennsylvanians can address their concerns to state government.

Statewide services are provided through the local Area Agencies on Aging. Services include home and community-based services, nutrition, employment, transportation, domiciliary care and protection. Additionally, the department manages the pharmaceutical assistance program for older Pennsylvanians.

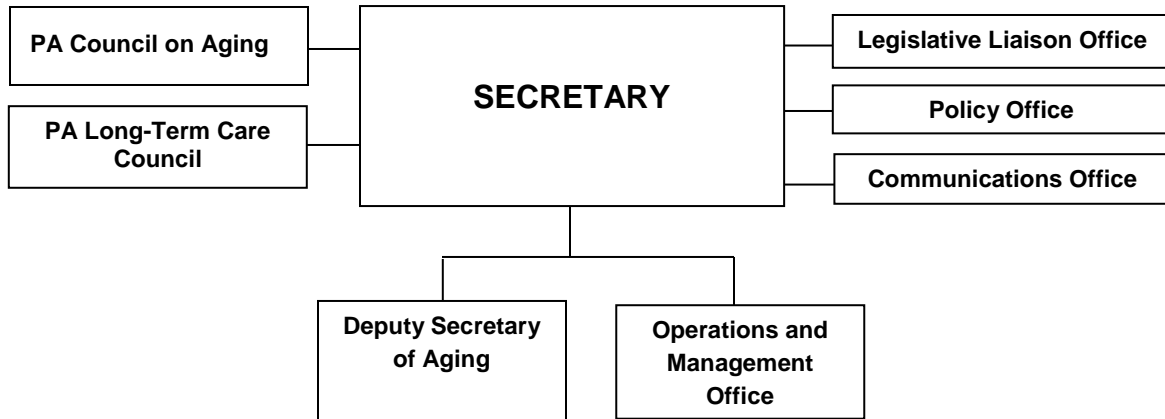
## **Programs and Goals**

**Community Services for Older Pennsylvanians:** *To enable older Pennsylvanians to maintain active and independent lives in their own homes or alternative community living arrangements.*

**Pharmaceutical Assistance:** *To assist eligible older Pennsylvanians who experience difficulty meeting the cost of prescription drugs necessary to maintain healthy lives.*



## Organization Overview



- **Deputy Secretary of Aging** oversees the Aging and Disability Resources, Ombudsman and Protective Services Offices and the Bureaus of Aging Services, Quality Assurance, Finance and Pharmaceutical Assistance.
- **Operations and Management Office** is responsible for the Education and Outreach Office, the Pennsylvania Long-Term Care Council and for the coordination of human resources and information technology with the Office of Administration.

### Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
102	102	102	100	85	84	84

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<b>General Government:</b>			
(F)Programs for the Aging - Title III - Administration.....	\$ 1,781	\$ 1,781	\$ 1,781
(F)Programs for the Aging - Title V - Administration.....	127	127	127
(F)Medical Assistance - Administration.....	2,354	2,272	2,272
(F)Programs for the Aging - Title VII - Administration.....	352	352	352
Subtotal.....	<u>\$ 4,614</u>	<u>\$ 4,532</u>	<u>\$ 4,532</u>
Total - General Government.....	<u>\$ 4,614</u>	<u>\$ 4,532</u>	<u>\$ 4,532</u>
<b>Grants and Subsidies:</b>			
(F)Programs for the Aging - Title III.....	\$ 52,000	\$ 52,000	\$ 52,000
(F)Programs for the Aging - Nutrition.....	10,000	10,000	10,000
(F)Programs for the Aging - Title V - Employment.....	8,000	8,000	8,000
(F)Programs for the Aging - Title VII - Elder Rights Protection.....	4,700	4,700	4,700
(F)Medical Assistance - Attendant Care.....	63,818	55,770	23,222
(F)Medical Assistance Support.....	9,000	9,000	9,000
(F)Medical Assistance Nursing Home Transition Administration.....	700	700	700
(F)Pre-Admission Assessment.....	20,566	4,000	4,000
(F)Programs for the Aging - Title III - Caregiver Support.....	10,000	10,000	10,000
Subtotal.....	<u>\$ 178,784</u>	<u>\$ 154,170</u>	<u>\$ 121,622</u>
Total - Grants and Subsidies.....	<u>\$ 178,784</u>	<u>\$ 154,170</u>	<u>\$ 121,622</u>
<b>GENERAL FUND TOTAL.....</b>	<b><u>\$ 183,398</u></b>	<b><u>\$ 158,702</u></b>	<b><u>\$ 126,154</u></b>
<b>LOTTERY FUND:</b>			
<b>General Government:</b>			
<b>General Government Operations.....</b>	<b>\$ 8,331</b>	<b>\$ 8,315</b>	<b>\$ 8,743</b>
(A)Day Care Licensure.....	12	11	11
(A)Digital Fingerprint Fees.....	53	27	27
Subtotal.....	<u>\$ 8,396</u>	<u>\$ 8,353</u>	<u>\$ 8,781</u>
Subtotal - State Funds.....	\$ 8,331	\$ 8,315	\$ 8,743
Subtotal - Augmentations.....	65	38	38
Total - General Government.....	<u>\$ 8,396</u>	<u>\$ 8,353</u>	<u>\$ 8,781</u>
<b>Grants and Subsidies:</b>			
<b>PENNCARE.....</b>	<b>\$ 336,062</b>	<b>\$ 338,725</b>	<b>\$ 305,324</b>
(A)Attendant Care Patient Fees.....	340	315	356
(A)Adult Protective Services.....	369	369	369
Subtotal.....	<u>\$ 336,771</u>	<u>\$ 339,409</u>	<u>\$ 306,049</u>
<b>Pre-Admission Assessment.....</b>	<b>19,916</b>	<b>8,750</b>	<b>8,750</b>
<b>Caregiver Support.....</b>	<b>12,103</b>	<b>12,103</b>	<b>12,103</b>
<b>Alzheimer's Outreach.....</b>	<b>250</b>	<b>250</b>	<b>250</b>
<b>Pharmaceutical Assistance Fund.....</b>	<b>155,000</b>	<b>155,000</b>	<b>155,000</b>
<b>Grants to Senior Centers.....</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>
Subtotal - State Funds.....	\$ 525,331	\$ 516,828	\$ 483,427
Subtotal - Augmentations.....	709	684	725
Total - Grants and Subsidies.....	<u>\$ 526,040</u>	<u>\$ 517,512</u>	<u>\$ 484,152</u>
STATE FUNDS.....	\$ 533,662	\$ 525,143	\$ 492,170
AUGMENTATIONS.....	774	722	763
<b>LOTTERY FUND TOTAL.....</b>	<b><u>\$ 534,436</u></b>	<b><u>\$ 525,865</u></b>	<b><u>\$ 492,933</u></b>

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>OTHER FUNDS:</b>			
<b>TOBACCO SETTLEMENT FUND:</b>			
Home and Community-Based Services (EA).....	\$ 0	\$ 22,363	\$ 0
<b>PHARMACEUTICAL ASSISTANCE FUND:</b>			
PACE Contracted Services (EA).....	\$ 0 <sup>b</sup>	\$ 1,285 <sup>b</sup>	\$ 0 <sup>b</sup>
(A)Dept of Corrections Claims.....	787	780	790
Administration of PACE (EA).....	1,488	1,356	1,280
<b>PHARMACEUTICAL ASSISTANCE FUND TOTAL.....</b>	<b>\$ 2,275</b>	<b>\$ 3,421</b>	<b>\$ 2,070</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	533,662	525,143	492,170
FEDERAL FUNDS.....	183,398	158,702	126,154
AUGMENTATIONS.....	774	722	763
RESTRICTED.....	0	0	0
OTHER FUNDS.....	2,275	25,784	2,070
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 720,109</b>	<b>\$ 710,351</b>	<b>\$ 621,157</b>

<sup>a</sup> Includes recommended supplemental appropriation of \$4,947,000.

<sup>b</sup> Transfer to Pharmaceutical Assistance Fund not added to the total to avoid double counting. The PACE Contracted Services (EA) for 2017-18 Actual is \$152,293,000, 2018-19 Available is \$156,285,000, and 2019-20 Budget is \$149,904,000.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>COMMUNITY SERVICES FOR OLDER PENNSYLVANIANS</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	378,662	370,143	337,170	317,595	319,108	320,697	322,365
FEDERAL FUNDS.....	183,398	158,702	126,154	102,932	102,932	102,932	102,932
AUGMENTATIONS.....	774	722	763	763	763	763	763
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	22,363	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 562,834</b>	<b>\$ 551,930</b>	<b>\$ 464,087</b>	<b>\$ 421,290</b>	<b>\$ 422,803</b>	<b>\$ 424,392</b>	<b>\$ 426,060</b>
<b>PHARMACEUTICAL ASSISTANCE</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	155,000	155,000	155,000	155,000	155,000	150,000	150,000
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	2,275	3,421	2,070	2,696	2,070	2,070	2,070
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 157,275</b>	<b>\$ 158,421</b>	<b>\$ 157,070</b>	<b>\$ 157,696</b>	<b>\$ 157,070</b>	<b>\$ 152,070</b>	<b>\$ 152,070</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	533,662	525,143	492,170	472,595	474,108	470,697	472,365
FEDERAL FUNDS.....	183,398	158,702	126,154	102,932	102,932	102,932	102,932
AUGMENTATIONS.....	774	722	763	763	763	763	763
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	2,275	25,784	2,070	2,696	2,070	2,070	2,070
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 720,109</b>	<b>\$ 710,351</b>	<b>\$ 621,157</b>	<b>\$ 578,986</b>	<b>\$ 579,873</b>	<b>\$ 576,462</b>	<b>\$ 578,130</b>

## Program: Community Services for Older Pennsylvanians

*GOAL: To enable older Pennsylvanians to maintain active and independent lives in their own homes or alternative community living arrangements.*

The commonwealth’s commitment to supporting older Pennsylvanians is demonstrated by a continuum of services ranging from independent living with the support of home and community-based services to institutional care. The commonwealth currently has over 3.1 million Pennsylvanians age 60 and older, and over 335,000 who are age 85 and older.

The [Department of Aging](#) has established a network of in-home and community-based [services](#) addressing the varied needs of older Pennsylvanians. These programs enrich the lives of older Pennsylvanians and enable at-risk older Pennsylvanians to delay or avoid institutionalization. The 52 [Area Agencies on Aging](#) (AAAs), serving all 67 counties, provide aging services at the local level. The AAAs inform older Pennsylvanians of available supports, arrange transportation services, provide job placement services and sponsor more than 540 senior centers. The senior centers provide a full range of social, recreational and educational activities. Congregate meals, served by the centers, provide participating older Pennsylvanians with a hot, nutritionally balanced meal.

At-risk older Pennsylvanians require more extensive and personalized services to remain in their homes and communities and avoid relocating to an institutional setting such as a nursing facility. The department provides counseling to individuals to apprise them of choices in the continuum of care from community services to nursing facilities. Counseling is also provided to assist individuals currently residing in nursing facilities to transition to community services when their needs can be safely met in the community. A variety of personal support services are available for the growing population of older Pennsylvanians. The continuum of services is available based on the functional and financial qualifications of the participant, ranging from home-delivered meals to intensive in-home services for older Pennsylvanians needing the

level of care available in institutional settings. Services are designed to provide the least restrictive alternative to meet the individual’s need. Persons with higher incomes share in the cost of services.

Additionally, under the [Older Adult Protective Services Act](#), protective services are provided to older Pennsylvanians who are at imminent risk of abuse, neglect, exploitation or abandonment. The department, through the AAAs, investigates reports of need and develops individualized plans to eliminate or mitigate the risks.

Attendant care services are maintained for adults with disabilities transitioning at age 60 from the [Department of Human Services’ Attendant Care program](#). The enhanced level of personal care services is provided until health changes indicate that a change in service level is appropriate.

The department assists families who support older, at-risk individuals in their home through the [Caregiver Support program](#). Working through the AAAs, the program provides benefits counseling and depending on income, financial assistance, including supplies, services and home adaptations and devices.

The commonwealth’s goal is to serve more people in the community. To reach that goal, it will transition from multiple existing fee-for-service delivery systems to a consolidated, capitated, managed long-term services and supports system called [Community HealthChoices](#) (CHC). Under this system both home and community-based and nursing facility Medicaid-funded long-term services will be delivered by private managed care organizations. CHC, which will be fully implemented by January 2020, will provide necessary services to enrolled individuals and will coordinate Medicare and Medicaid funding for dually eligible (Medicare and Medicaid) individuals and those who qualify for Medicaid long-term services and supports.

### Program Recommendations:

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

	<b>LOTTERY FUND:</b>			
	<b>General Government Operations</b>			
\$	428	—to continue current program.	–49,792	—to implement Community HealthChoices statewide beginning January 1, 2020, including annualization of the southeast implementation which began January 2019.
	<b>PENNCARE</b>			
\$	12,136	—to continue current program, including annualization of prior year expansion.	–4,947	—one-time prior year federal disallowance payment.
	6,144	—to provide attendant care services for an additional 480 recipients.	226	—Initiative—to provide for an increase in the minimum wage to \$12 an hour.
	2,832	—for increased protective service investigations.	\$ –33,401	<i>Appropriation Decrease</i>

All other appropriations are recommended at the current year funding level.

## Program: Community Services for Older Pennsylvanians (continued)

## Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>LOTTERY FUND:</b>							
General Government Operations .....	\$ 8,331	\$ 8,315	\$ 8,743	\$ 8,743	\$ 8,743	\$ 8,743	\$ 8,743
PENNCARE.....	336,062	338,725	305,324	285,749	287,262	288,851	290,519
Pre-Admission Assessment.....	19,916	8,750	8,750	8,750	8,750	8,750	8,750
Caregiver Support .....	12,103	12,103	12,103	12,103	12,103	12,103	12,103
Alzheimer's Outreach .....	250	250	250	250	250	250	250
Grants to Senior Centers.....	2,000	2,000	2,000	2,000	2,000	2,000	2,000
<b>TOTAL LOTTERY FUND .....</b>	<b>\$ 378,662</b>	<b>\$ 370,143</b>	<b>\$ 337,170</b>	<b>\$ 317,595</b>	<b>\$ 319,108</b>	<b>\$ 320,697</b>	<b>\$ 322,365</b>

## Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Increase consumers in home and community-based services and expand outreach to connect Pennsylvanians to long-term care supports and services so they may remain living at home.</b>							
Number of unduplicated persons served through the Older Americans Act..	357,790	354,130	359,589	358,553	369,823	370,010	374,540
Number of persons served in the community who have at least 3 Activities of Daily Living (ADLs)....	196,100	200,280	215,716	239,632	223,996	232,830	239,280
<b>Ensure that older Pennsylvanians who are in need of protective or ombudsman services are receiving those services.</b>							
Persons Receiving Assistance							
Protective services cases .....	22,613	24,495	27,740	31,902	33,519	35,950	38,730
Ombudsman program activities .....	18,911	19,101	19,217	19,386	19,783	19,873	19,903
<b>Increase services and support for caregivers in the Caregiver Support Program and develop a tool to better assess caregiver needs across the commonwealth.</b>							
Persons Receiving Assistance							
Number of families receiving caregiver support.....	6,319	6,504	5,189	5,112	5,168	5,250	5,350
<b>Increase long-term care options so that older Pennsylvanians and Pennsylvanians with physical disabilities can choose how and where they receive services.</b>							
Pre-Admission Assessment							
Referrals to nursing homes.....	38,326	37,261	38,328	37,960	37,536	36,490	36,380
Referrals to community services.....	48,032	51,020	61,327	62,018	64,163	66,310	69,430
Persons Receiving Assistance							
Number of congregate meals served.	119,231	121,877	114,868	111,481	109,372	105,210	102,850
Number of attendant care services provided.....	1,642	2,048	2,329	2,873	3,914	4,392	4,444
Home-delivered meals .....	38,973	43,482	43,568	47,462	61,543	66,310	69,430
Home support services .....	6,940	7,812	6,988	6,993	7,468	7,620	7,800
Personal care services.....	12,775	16,118	16,746	15,363	16,812	16,660	17,260
Insurance counseling .....	217,723	216,198	339,487	248,676	259,823	264,975	287,225

**Program: Pharmaceutical Assistance**

*Goal: To assist eligible older Pennsylvanians who experience difficulty meeting the cost of prescription drugs necessary to maintain healthy lives.*

The [Pharmaceutical Assistance Contract for the Elderly \(PACE\)](#) program provides limited pharmaceutical assistance to qualified older Pennsylvanians who are 65 years of age and older and who face the burden of the cost of drugs required to maintain healthy, productive lives.

The program has two components, PACE and PACE Needs Enhancement Tier (PACENET). PACE, the traditional, comprehensive program, is for older Pennsylvanians with an annual income at or below \$14,500 for single persons and \$17,700 for married persons. The PACENET program is for older Pennsylvanians with an annual income between \$14,500 and \$27,500 for single persons and between \$17,700 and \$35,500 for married persons.

The PACE/PACENET benefit wraps around federal Medicare Part D and covers Part D deductibles, prescriptions during the coverage gap phase, drugs excluded under Part D, drugs not on a plan’s formulary, and copayment differentials between the Part D plan coverage and the PACE/PACENET copayments. PACE pays the Medicare premiums for Part D coverage for PACE cardholders, while PACENET cardholders either pay the Part D premiums or the program’s benchmark premium, which replaced the monthly deductible for PACENET cardholders.

The PACE program acts as the enrollees’ representative and facilitates PACE cardholder enrollment into the Extra Help/Low-Income Subsidy under Part D as well as collaborating with selected prescription drug plans to

facilitate enrollment of PACE/PACENET cardholders into Part D. Cardholders pay a mandatory copayment of \$6 for generic and \$9 for brand-name prescriptions under PACE and \$8 for generic and \$15 for brand-name prescriptions under PACENET.

The department is responsible for ensuring compliance with the program requirements. In addition to careful review of eligibility, including income verification by matching with Pennsylvania income tax returns, the department audits providers to detect and deter fraud and has established both a prospective and a retrospective drug utilization review system to monitor and correct misuse of drug therapies.

The department also serves as the administrative and fiscal agent for other commonwealth-sponsored drug reimbursement programs. It processes and adjudicates claims, conducts cardholder/provider enrollment and outreach, and collects drug rebates from pharmaceutical manufacturers.

The department encourages providers, prescribing physicians and Medicare Part D partner plans to use more cost-efficient medications to ensure that enrollees have access to less expensive, therapeutic equivalent medications. In November 2017, the PACE Academic Detailing program, with [21st Century Cures Act](#) support, began expanding the geographical territory boundaries of existing outreach educators to visit prescribers and provide interactive, evidence-based training on managing pain without the overuse of opioids.

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

The Pharmaceutical Assistance Fund appropriation is recommended at the current year funding level.

**Appropriations within this Program:** (Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>LOTTERY FUND:</b>							
Pharmaceutical Assistance Fund .....	\$ 155,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 155,000	\$ 150,000	\$ 150,000

## Program: Pharmaceutical Assistance (continued)

<b>Program Measures:</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Ensure that eligible older Pennsylvanians who need help in paying for medications are enrolled in PACE/PACENET.</b>							
Comprehensive PACE Program							
Number of older Pennsylvanians enrolled (average) in PACE .....	107,913	110,033	101,436	92,731	84,418	77,339	71,152
Total prescriptions per year - PACE ...	3,622,953	3,433,030	2,872,668	2,411,439	2,147,594	1,926,514	1,734,967
Average PACE cost per prescription..	\$19.75	\$22.81	\$26.75	\$24.05	\$23.57	\$24.52	\$25.89
PACE Needs Enhancement Tier (PACENET)							
Number of older Pennsylvanians enrolled (average) in PACENET ...	167,477	158,772	155,186	152,500	148,588	151,409	152,038
Total prescriptions per year - PACENET .....	5,417,555	4,948,923	4,692,825	4,364,157	4,101,029	4,036,564	3,915,289
Average PACENET cost per prescription .....	\$20.85	\$23.53	\$25.87	\$24.54	\$24.38	\$25.57	\$26.98



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# DEPARTMENT OF AGRICULTURE

*The mission of the Department of Agriculture is to encourage and promote agriculture and related industries throughout the commonwealth.*

The department's mission is accomplished through four major programs: consumer protection, property protection, farmland preservation and farmers and agribusiness development. The department provides a full range of services to farmers and consumers from Harrisburg and through seven regional offices located around the state.

The department carries out activities to ensure wholesome and safe agricultural products for consumers; to expand existing and develop new domestic and foreign markets for Pennsylvania's farmers to compete in the global economy; 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.

## **Programs and Goals**

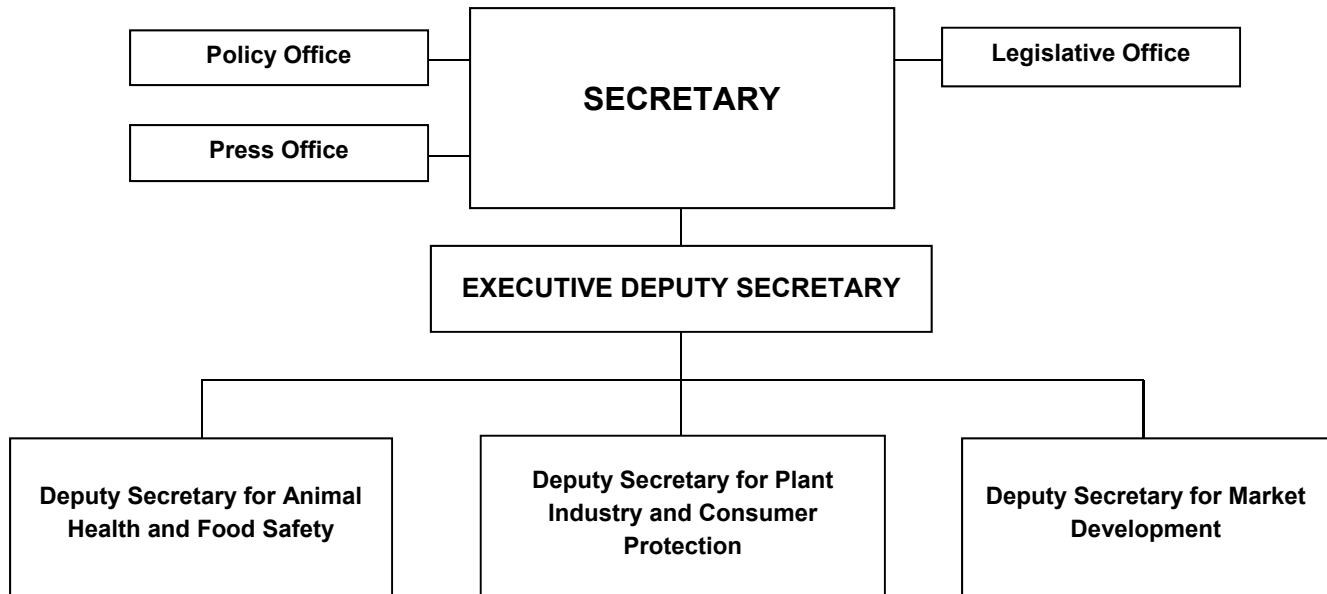
**Protection and Development of Agricultural Industries:** *To strengthen the agricultural economy and related enterprises.*

**Horse Racing Regulation:** *To prevent consumer fraud in the racing industry.*

**Emergency Food Assistance:** *To distribute surplus and donated food through institutions and counties or designated lead agencies to individuals and families who are dependent or disadvantaged to support minimum standards of living and economic independence.*

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## Organization Overview



- **Executive Deputy Secretary** is responsible for providing direction and oversight of activities in all deputates, the Bureau of Administrative Services and for the coordination of human resources and information technology with the Office of Administration.
- **Deputy Secretary for Animal Health and Food Safety** is responsible for the Bureau of Animal Health, Animal Health and Diagnostic Commission, the Bureau of Food Safety and Laboratory Services and the Bureau of Dog Law Enforcement.
- **Deputy Secretary for Plant Industry and Consumer Protection** is responsible for the Bureau of Ride and Measurement Standards, Bureau of Plant Industry, the Hardwoods Development Council and the Office of Horse Racing.
- **Deputy Secretary for Market Development** is responsible for the Bureau of Market Development, Bureau of Farmland Preservation, the Bureau of Farm Show and the Bureau of Food Distribution.

### Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
592	597	604	585	559	586	588

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
<b>General Government Operations.....</b>	<b>\$ 30,784</b>	<b>\$ 32,299</b>	<b>\$ 33,481</b>
(F)Plant Pest Detection System.....	1,300	1,300	1,300
(F)Poultry Grading Service.....	100	100	100
(F)Medicated Feed Mill Inspection.....	100	100	100
(F)National School Lunch Administration.....	1,700	1,700	1,700
(F)Emergency Food Assistance.....	4,000	4,000	4,000
(F)Biofuel Infrastructure Partnership.....	7,000	7,000	0
(F)Pesticide Control.....	1,000	1,000	1,000
(F)Agricultural Risk Protection.....	1,000	1,000	1,000
(F)Commodity Supplemental Food.....	3,500	3,500	3,500
(F)Organic Cost Distribution.....	650	650	650
(F)Animal Disease Control.....	4,000	4,000	4,000
(F)Food Establishment Inspections.....	3,500	3,500	3,500
(F)Integrated Pest Management.....	250	250	250
(F)Johnes Disease Herd Project.....	2,000	2,000	2,000
(F)Avian Influenza Surveillance.....	25,000	25,000	25,000
(F)Scrapie Disease Control.....	60	60	60
(F)Foot and Mouth Disease Monitoring.....	150	150	150
(F)Innovative Nutrient and Sediment Reduction.....	750	750	750
(F)Animal Identification.....	2,000	2,000	2,000
(F)Specialty Crops.....	2,500	3,500	3,500
(F)Emerald Ash Borer Mitigation.....	800	800	800
(F)Mediation Grant.....	200	200	0
(F)Farmland Protection.....	6,000	6,000	6,000
(F)Crop Insurance.....	2,000	2,000	2,000
(F)Spotted Lanternfly.....	5,000	12,000	12,000
(F)Animal Feed Regulatory Program.....	2,000	2,000	2,000
(F)Conservation Partnership Farmland Preservation.....	0	6,500	6,500
(F)Invasive Plant Suppression (EA).....	60	60	60
(F)Epidemiology and Laboratory Capacity (EA).....	115	0	0
(F)Food Contamination Investigation (EA).....	283	283	283
(A)Lime Control Fees.....	28	29	29
(A)Commercial Feed Inspections.....	754	690	754
(A)Milk Plant Inspections.....	21	24	24
(A)Administrative Services.....	3,838	4,251	4,720
(A)Pesticide Regulation.....	760	700	700
(A)Training Rides and Attractions.....	33	40	40
(A)Food Site Inspection.....	98	107	107
(A)Apiary Registration and Fees.....	21	20	21
(A)Transfer from Fertilizer Account.....	20	8	19
(A)Consumer Fireworks License.....	1,988	450	600
(A)Taxidermy Permit Registrations.....	106	115	100
(A)Transfer from Motor License Fund.....	0 <sup>a</sup>	0 <sup>a</sup>	0 <sup>a</sup>
(A)Transfer from Other State Agencies.....	288	212	227
(A)Vet Lab Diagnostic Fees.....	785	800	800
(A)Domestic Animal Dealer License.....	58	53	53
(A)Food Site Inspection, License and Registration Fees.....	43	25	25
(A)Certificates of Free Sale.....	120	200	200
(A)Transfer from Environmental Stewardship Fund.....	243	276	234
Subtotal.....	<b>\$ 117,006</b>	<b>\$ 131,702</b>	<b>\$ 126,337</b>
(R)Agriculture Farm Operations.....	525	567	595
(R)Dog Law Administration.....	7,811	8,753	7,822
(R)Plant Pest Management.....	421	517	556
(R)Pesticide Regulation.....	3,765	4,923	4,805
(R)National School Lunch.....	21	60	60
(R)Agronomic Regulatory Account.....	395	490	386
(R)Fruit and Vegetable Inspection and Grading.....	388	460	435
(R)Cervidae Livestock Operations.....	86	145	151

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	ACTUAL	AVAILABLE	BUDGET
<b>Spotted Lanternfly Control</b> .....	0	3,000	0 <sup>b</sup>
<b>Agricultural Preparedness and Response</b> .....	0	0	5,000 <sup>b</sup>
<b>Agricultural Excellence</b> .....	1,331	1,331	2,800
<b>Agricultural Business and Workforce Investment</b> .....	0	0	4,500
<b>Farmers' Market Food Coupons</b> .....	2,079	2,079	2,079
(F)Farmers' Market Food Coupons.....	3,500	3,500	3,500
(F)Senior Farmers' Market Nutrition.....	2,200	2,200	2,200
<b>Agricultural Research</b> .....	1,687	2,187	0
<b>Agricultural Promotion, Education and Exports</b> .....	303	303	0
<b>Hardwoods Research and Promotion</b> .....	424	424	0
Subtotal - State Funds.....	\$ 36,608	\$ 41,623	\$ 47,860
Subtotal - Federal Funds.....	82,718	97,103	89,903
Subtotal - Augmentations.....	9,204	8,000	8,653
Subtotal - Restricted Revenues.....	13,412	15,915	14,810
Total - General Government.....	<u>\$ 141,942</u>	<u>\$ 162,641</u>	<u>\$ 161,226</u>
<b>Grants and Subsidies:</b>			
Livestock Show.....	\$ 215	\$ 215	\$ 0
Open Dairy Show.....	215	215	0
Youth Shows.....	169	169	169
State Food Purchase.....	19,188	19,688	19,688
Food Marketing and Research.....	494	494	0
(F)Market Improvement.....	250	250	250
Transfer to Nutrient Management Fund.....	2,714	2,714	6,200
Transfer to Conservation District Fund.....	869	869	869
Transfer to Agricultural College Land Scrip Fund.....	52,313	53,882	53,882
PA Preferred Program Trademark Licensing.....	605	605	3,205
University of Pennsylvania - Veterinary Activities.....	30,135	31,039	31,039
University of Pennsylvania - Center for Infectious Disease.....	281	289	289
Subtotal - State Funds.....	\$ 107,198	\$ 110,179	\$ 115,341
Subtotal - Federal Funds.....	250	250	250
Total - Grants and Subsidies.....	<u>\$ 107,448</u>	<u>\$ 110,429</u>	<u>\$ 115,591</u>
STATE FUNDS.....	\$ 143,806	\$ 151,802	\$ 163,201
FEDERAL FUNDS.....	82,968	97,353	90,153
AUGMENTATIONS.....	9,204	8,000	8,653
RESTRICTED REVENUES.....	13,412	15,915	14,810
<b>GENERAL FUND TOTAL</b> .....	<u>\$ 249,390</u>	<u>\$ 273,070</u>	<u>\$ 276,817</u>
<b>MOTOR LICENSE FUND:</b>			
<i>General Government:</i>			
Weights & Measures Administration.....	\$ 5,228	\$ 5,228	\$ 5,228
<i>Grants and Subsidies:</i>			
Dirt, Gravel and Low Volume Roads.....	\$ 28,000	\$ 28,000	\$ 28,000
<b>MOTOR LICENSE FUND TOTAL</b> .....	<u>\$ 33,228</u>	<u>\$ 33,228</u>	<u>\$ 33,228</u>
<b>OTHER FUNDS:</b>			
<b>AGRICULTURAL COLLEGE LAND SCRIP FUND:</b>			
Agricultural Research Programs and Extension Services.....	\$ 0 <sup>c</sup>	\$ 0 <sup>c</sup>	\$ 0 <sup>c</sup>
<b>AGRICULTURAL CONSERVATION EASEMENT PURCHASE FUND:</b>			
Purchase of County Easements (EA).....	\$ 40,000	\$ 40,000	\$ 40,000
<b>CONSERVATION DISTRICT FUND:</b>			
Conservation District Grants (EA).....	\$ 2,851	\$ 2,877	\$ 2,905

**Summary by Fund and Appropriation**

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>ENVIRONMENTAL STEWARDSHIP FUND:</b>			
Transfer to Agricultural Conservation Easement Program (EA).....	\$ 12,773	\$ 9,717	\$ 9,351
<b>FARM PRODUCTS SHOW FUND:</b>			
General Operations (EA).....	\$ 13,241	\$ 13,438	\$ 14,042
<b>NUTRIENT MANAGEMENT FUND:</b>			
Planning, Loans, Grants and Technical Assistance (EA).....	\$ 370	\$ 387	\$ 3,270
Nutrient Management - Administration (EA).....	726	744	859
<b>NUTRIENT MANAGEMENT FUND TOTAL</b> .....	<b>\$ 1,096</b>	<b>\$ 1,131</b>	<b>\$ 4,129</b>
<b>PA RACE HORSE DEVELOPMENT TRUST FUND:</b>			
(R)Animal Health and Diagnostic Commission.....	\$ 5,350	\$ 5,350	\$ 5,350
(R)Payments to Pennsylvania Fairs.....	4,000	4,000	4,000
(R)Pennsylvania Veterinary Lab.....	5,309	5,309	5,309
(R)Transfer to Farm Products Show Fund.....	5,000	5,000	5,000
<b>PA RACE HORSE DEVELOPMENT TRUST FUND TOTAL</b> .....	<b>\$ 19,659</b>	<b>\$ 19,659</b>	<b>\$ 19,659</b>
<b>RACING FUND:</b>			
State Racing Commission.....	\$ 8,293	\$ 7,466	\$ 7,796
Equine Toxicology and Research Laboratory.....	12,950	13,025	13,769
(A)Reimbursements - Out-of-State Testing.....	26	15	15
Pennsylvania Fairs - Administration.....	207	207	0
Horse Racing Promotion.....	2,450	2,393	2,393
(R)Sire Stakes Fund.....	9,952	12,000	12,272
(R)Breeders' Fund.....	18,540	18,500	18,500
(R)PA Standardbred Breeders Development Fund.....	7,102	8,200	7,250
<b>RACING FUND TOTAL</b> .....	<b>\$ 59,520</b>	<b>\$ 61,806</b>	<b>\$ 61,995</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 143,806	\$ 151,802	\$ 163,201
MOTOR LICENSE FUND.....	33,228	33,228	33,228
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	82,968	97,353	90,153
AUGMENTATIONS.....	9,204	8,000	8,653
RESTRICTED.....	13,412	15,915	14,810
OTHER FUNDS.....	149,140	148,628	152,081
<b>TOTAL ALL FUNDS</b> .....	<b>\$ 431,758</b>	<b>\$ 454,926</b>	<b>\$ 462,126</b>

<sup>a</sup> Transfer from Motor License Fund not added to the total to avoid double counting: 2017-18 Actual is \$5,228,000, 2018-19 Available is \$5,228,000 and 2019-20 Budget is \$5,228,000.

<sup>b</sup> Agricultural Preparedness and Response includes funding for Avian Flu Preparedness and Response, Spotted Lanternfly Control and rapid response readiness.

<sup>c</sup> Not added to the total to avoid double counting: 2017-18 Actual is \$52,313,000, 2018-19 Available is \$53,882,000 and 2019-20 Budget is \$53,882,000.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>PROTECTION AND DEVELOPMENT OF AGRICULTURAL INDUSTRIES</b>							
GENERAL FUND.....	\$ 122,539	\$ 130,035	\$ 141,434	\$ 141,434	\$ 141,434	\$ 141,434	\$ 141,434
MOTOR LICENSE FUND.....	33,228	33,228	33,228	33,228	33,228	33,228	33,228
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	66,958	81,343	74,143	74,143	74,143	74,143	74,143
AUGMENTATIONS.....	9,204	8,000	8,653	8,652	8,650	8,650	8,650
RESTRICTED.....	13,412	15,915	14,810	14,810	14,810	14,810	14,810
OTHER FUNDS.....	89,620	86,822	90,086	90,056	89,980	89,978	89,976
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 334,961</b>	<b>\$ 355,343</b>	<b>\$ 362,354</b>	<b>\$ 362,323</b>	<b>\$ 362,245</b>	<b>\$ 362,243</b>	<b>\$ 362,241</b>
<b>HORSE RACING REGULATION</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	59,520	61,806	61,995	61,995	61,995	61,995	61,995
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 59,520</b>	<b>\$ 61,806</b>	<b>\$ 61,995</b>	<b>\$ 61,995</b>	<b>\$ 61,995</b>	<b>\$ 61,995</b>	<b>\$ 61,995</b>
<b>EMERGENCY FOOD ASSISTANCE</b>							
GENERAL FUND.....	\$ 21,267	\$ 21,767	\$ 21,767	\$ 21,767	\$ 21,767	\$ 21,767	\$ 21,767
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	16,010	16,010	16,010	16,010	16,010	16,010	16,010
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 37,277</b>	<b>\$ 37,777</b>	<b>\$ 37,777</b>	<b>\$ 37,777</b>	<b>\$ 37,777</b>	<b>\$ 37,777</b>	<b>\$ 37,777</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 143,806	\$ 151,802	\$ 163,201	\$ 163,201	\$ 163,201	\$ 163,201	\$ 163,201
MOTOR LICENSE FUND.....	33,228	33,228	33,228	33,228	33,228	33,228	33,228
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	82,968	97,353	90,153	90,153	90,153	90,153	90,153
AUGMENTATIONS.....	9,204	8,000	8,653	8,652	8,650	8,650	8,650
RESTRICTED.....	13,412	15,915	14,810	14,810	14,810	14,810	14,810
OTHER FUNDS.....	149,140	148,628	152,081	152,051	151,975	151,973	151,971
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 431,758</b>	<b>\$ 454,926</b>	<b>\$ 462,126</b>	<b>\$ 462,095</b>	<b>\$ 462,017</b>	<b>\$ 462,015</b>	<b>\$ 462,013</b>

## Program: Protection and Development of Agricultural Industries

*Goal: To strengthen the agricultural economy and related enterprises.*

### Consumer Protection

The Department of Agriculture works to ensure public safety and protect consumers through its work to safeguard the food supply and the environment; and assure the integrity of weighing and measuring devices.

As part of the department's work to preserve the integrity of [Pennsylvania's food system](#), it inspects more than 45,000 retail food facilities annually, making this information readily available to the public. The number of facilities the department must inspect has grown in recent years as municipalities eliminate local inspection programs, transferring responsibility to the state. The shift in inspection work has driven up the average number of inspections per inspector to well above federal recommendations.

The department also [verifies the accuracy of meters and scales](#) and [inspects amusement rides](#). As with the number of food establishments, the number of weighing and measuring devices and attractions considered amusement rides, continues to increase while fewer counties and municipalities support inspection programs. The department is working to accommodate this shifting workload by partnering with certified professionals from the private sector to ensure the weights and volumes of products consumers purchase are accurate. In addition, the department has updated and enhanced their use of mobile technology to improve productivity, ensure more devices are inspected according to their compliance schedule.

The department also guards against potentially [devastating invasive pests and diseases](#); oversees the sale, use and handling of pesticides; and monitors seeds, feed and [fertilizer for safety and accurate labeling](#). Whether inspecting nurseries, surveying for [Spotted Lanternfly](#) populations, or monitoring the growth of industrial hemp, the department is ensuring the health of Pennsylvania's ecology—and, in turn, its people.

### Stewardship

Pennsylvania leads the nation in number of farms and number of acres preserved, with totals surpassing 5,400 farms and more than 557,000 acres, respectively. The department works to [protect this land and future farms](#) from the threat of development and to keep these operations in production agriculture.

The department also maintains administrative responsibility for the [State Conservation Commission](#). Under the concurrent authority of the PA departments of Environmental Protection and Agriculture, the commission's primary mission is to ensure the wise use of Pennsylvania's natural resources, protecting and restoring the environment through soil and water conservation practices, working with county conservation districts that assist farmers with meeting nutrient and manure management requirements, and supporting rural communities as they prevent runoff through improved dirt, gravel and low-volume roads.

### Promotion and Market Development

The department helps farmers, food processors, food manufacturers and other agribusinesses access capital for investing in their operations, build brand awareness with new and established customers and reach international markets.

The [PA Preferred™](#) program offers marketing and promotional support for members who grow or process locally produced agricultural products. [PAgrows](#) helps agribusinesses access the funds to begin, continue and expand their business. PAgrows specializes in helping farmers, food processors, farm market operations and other agricultural businesses understand the lending process. The program offers technical assistance and guidance on the various local, state and federal programs available to agribusinesses.

The Next Generation Farmer Loan Program uses federal tax-exempt financing to help new and beginning farmers. The loans reduce borrowing costs and generate additional private investment that helps recipients purchase agricultural land, buildings, equipment and livestock.

The Department of Agriculture also supports Pennsylvania's 109 county and community fairs, and it operates the [Pennsylvania Farm Show Complex and Exposition Center](#). The complex hosts the state's three sponsored shows: the annual Pennsylvania Farm Show, the All-American Dairy Show and the Keystone International Livestock Exposition. The department also distributes funding to 4-H programs in more than 60 counties and Future Farmers of America chapters in 40 counties.

### Laboratory Services, Research and Extension

The department supports a comprehensive research and diagnostic laboratory system to protect against diseases, provide service to production agriculture operations, and maintain the integrity and safety of the food system. The three-part [Pennsylvania Animal Diagnostic Laboratory System \(PADLS\)](#) and the [Animal Health and Diagnostic Commission](#) work to detect, identify, contain and eradicate livestock and poultry diseases. PADLS includes the Pennsylvania Veterinary Laboratory, which is part of a nationwide network of state and federal laboratories that provide rapid and accurate diagnostic services to clients, maintain a bio-secure environment, and offer state-of-the-art testing methods for surveillance and detection.

Important partners include the Pennsylvania State University, as well as the University of Pennsylvania's School of Veterinary Medicine. The department also supports Penn State's Cooperative Extension service through the Agricultural College Land Scrip Fund to share research with those in the field and the general public.



## Program: Protection and Development of Agricultural Industries (continued)

### Program Recommendations:

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

	<b>GENERAL FUND</b>		
	<b>General Government Operations</b>		<b>Agricultural Promotion, Education and Exports</b>
\$ -250	—funding reduction.	\$ -303	—program elimination.
1,432	—to continue current program.		
<u>\$ 1,182</u>	<i>Appropriation Increase</i>	\$ -424	<b>Hardwoods Research and Promotion</b>
			—program elimination.
	<b>Spotted Lanternfly Control</b>		<b>Livestock Show</b>
\$ -3,000	—program absorbed into Agricultural Preparedness and Response.	\$ -215	—program elimination.
			<b>Open Dairy Show</b>
	<b>Agricultural Preparedness and Response</b>	\$ -215	—program elimination.
\$ 5,000	—Initiative—to increase capabilities for rapid response and disaster readiness.		
		\$ -494	<b>Food Marketing and Research</b>
	<b>Agricultural Excellence</b>		—program elimination.
\$ 1,469	—Initiative—to increase outreach and technical assistance for the beef, dairy and animal agriculture industries.	\$ 486	<b>Transfer to Nutrient Management Fund</b>
		3,000	—to continue current program.
			—Initiative—to provide conservation excellence grants and expand Agrilink loan capacity.
	<b>Agricultural Business and Workforce Investment</b>	<u>\$ 3,486</u>	<i>Appropriation Increase</i>
\$ 4,500	—Initiative—to enhance dairy industry development, provide healthy school meals, reinstate the Ag and Rural Youth grants, and generate agricultural business development.	\$ 2,600	<b>PA Preferred Program Trademark Licensing</b>
			—Initiative—to modify outreach efforts to encourage transition to organic methods.
	<b>Agricultural Research</b>		
\$ -2,187	—program elimination.		

All other appropriations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 30,784	\$ 32,299	\$ 33,481	\$ 33,481	\$ 33,481	\$ 33,481	\$ 33,481
Spotted Lanternfly Control.....	0	3,000	0	0	0	0	0
Agricultural Preparedness and Response .....	0	0	5,000	5,000	5,000	5,000	5,000
Agricultural Excellence .....	1,331	1,331	2,800	2,800	2,800	2,800	2,800
Agricultural Business and Workforce Investment .....	0	0	4,500	4,500	4,500	4,500	4,500
Agricultural Research .....	1,687	2,187	0	0	0	0	0
Agricultural Promotion, Education and Exports .....	303	303	0	0	0	0	0
Hardwoods Research and Promotion.....	424	424	0	0	0	0	0
Livestock Show.....	215	215	0	0	0	0	0
Open Dairy Show .....	215	215	0	0	0	0	0
Youth Shows.....	169	169	169	169	169	169	169
Food Marketing and Research .....	494	494	0	0	0	0	0
Transfer to Nutrient Management Fund ....	2,714	2,714	6,200	6,200	6,200	6,200	6,200
Transfer to Conservation District Fund.....	869	869	869	869	869	869	869
Transfer to Agricultural College Land Scrip Fund.....	52,313	53,882	53,882	53,882	53,882	53,882	53,882
PA Preferred Program Trademark Licensing.....	605	605	3,205	3,205	3,205	3,205	3,205
University of Pennsylvania - Veterinary Activities .....	30,135	31,039	31,039	31,039	31,039	31,039	31,039
University of Pennsylvania - Center for Infectious Disease.....	281	289	289	289	289	289	289
<b>TOTAL GENERAL FUND .....</b>	<u>\$ 122,539</u>	<u>\$ 130,035</u>	<u>\$ 141,434</u>	<u>\$ 141,434</u>	<u>\$ 141,434</u>	<u>\$ 141,434</u>	<u>\$ 141,434</u>

## Program: Protection and Development of Agricultural Industries (continued)

<b>Appropriations within this Program: (continued)</b>		(Dollar Amounts in Thousands)					
	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>FARM PRODUCTS SHOW FUND:</b>							
General Operations (EA).....	\$ 13,241	\$ 13,438	\$ 14,042	\$ 14,042	\$ 14,042	\$ 14,042	\$ 14,042
<b>MOTOR LICENSE FUND:</b>							
Weights & Measures Administration.....	\$ 5,228	\$ 5,228	\$ 5,228	\$ 5,228	\$ 5,228	\$ 5,228	\$ 5,228
Dirt, Gravel and Low Volume Roads .....	28,000	28,000	28,000	28,000	28,000	28,000	28,000
TOTAL MOTOR LICENSE FUND.....	\$ 33,228	\$ 33,228	\$ 33,228	\$ 33,228	\$ 33,228	\$ 33,228	\$ 33,228

<b>Program Measures:</b>		2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Increase awareness and consumption of food and fiber grown, harvested, processed and produced in Pennsylvania.</b>								
Development of Pennsylvania's Agriculture Industry								
Dollar value of food and agricultural exports, excluding hardwoods, due to growth in the department's international trade-related activities (in millions)								
	\$2,096	\$2,214	\$2,200	\$2,000	\$2,000	\$2,050	\$2,100	
<b>Decrease nutrient runoff and conserve Pennsylvania's natural resources through increased opportunities and incentives in addition to Best Management Practices.</b>								
Nutrient Management								
Number of farm acres covered by approved Nutrient Management Plans (in thousands) .....								
	465	475	474	455	457	465	470	
<b>Facilitate introduction of industrial hemp as a viable food and fiber crop.</b>								
Number of acres of industrial hemp planted in Pennsylvania.....								
	N/A	N/A	N/A	36	812	828	910	
<b>Decrease the risk to Pennsylvania consumers when engaging in commercial transactions.</b>								
Number of weights and measures device and system inspections .....								
	170,000	150,000	150,000	147,000	147,329	150,000	155,000	
Percentage of weighing and measuring devices inspected within their approved time interval .....								
	N/A	N/A	N/A	N/A	58%	65%	70%	
<b>Decrease threats to animal and human health in Pennsylvania through inspections and laboratory testing.</b>								
Animal Health								
Number of tests conducted by the Pennsylvania Veterinary Laboratory to support access to markets (domestic and international) .....								
	572,000	550,000	550,000	550,000	620,000	620,000	620,250	
<b>Maintain market access and improve sustainability by decreasing disease threats to Pennsylvania animal agricultural health through improved biosecurity.</b>								
Animal Health								
Number of biosecurity plans implemented due to on-farm plans audited by the Bureau of Animal Health and Diagnostic Services .....								
	N/A	N/A	N/A	N/A	253	262	272	

## Program: Protection and Development of Agricultural Industries (continued)

### Program Measures: (continued)

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Increase awareness, marketability and financial sustainability of the Pennsylvania Farm Show Complex &amp; Expo Center while supporting the mission of the Pennsylvania Department of Agriculture.</b>							
Average customer satisfaction rating for Farm Show events.....	N/A	N/A	N/A	N/A	N/A	80%	81%
Dollar value of economic impact of Farm Show Complex & Expo Center (in millions) .....	N/A	N/A	N/A	N/A	\$280	\$300	\$300
<b>Ensure that local municipalities, private sector consultants and service providers in the agricultural community have adequate training and accreditation tools to expand the pool of qualified individuals to support agricultural producers and local municipal officials in meeting environmental protection requirements.</b>							
Number of trained and accredited agricultural consultants, agricultural support service personnel and municipal staff.....	N/A	N/A	N/A	N/A	1,093	1,120	1,150
Number of training hours provided to accredited agricultural consultants, agricultural support service personnel and municipal staff.....	N/A	N/A	N/A	N/A	22,650	23,465	23,900
<b>Preserve a minimum of 200 farms annually over the next five years in advance of escalating real estate values.</b>							
Annual number of farm acres protected through meeting the goal of preserving 200 or more farms each year .....	N/A	N/A	N/A	N/A	20,000	21,000	22,050
<b>Decrease threats to plant health in Pennsylvania through survey, inspection and lab testing.</b>							
Percentage of plant industry businesses licensed in compliance with the Spotted Lanternfly Quarantine Order	N/A	N/A	N/A	N/A	2%	25%	75%
<b>Reduce foodborne illness threats through more efficient inspections.</b>							
Number of retail food facility inspections conducted annually to prevent foodborne illnesses.....	46,707	47,000	38,817	39,638	39,728	39,820	39,990
Number of retail food safety inspections conducted per food inspector .....	667	681	723	558	560	561	563

**Program: Horse Racing Regulation**

*Goal: To prevent consumer fraud in the racing industry.*

The department maintains administrative responsibilities for the [State Horse Racing Commission](#) making it responsible for the integrity of horse racing in Pennsylvania. Emphasis is placed on protecting those engaged in equine racing and those who wager on it. The commission maintains the Pennsylvania Equine Toxicology and Research Laboratory (PETRL) to ensure legitimacy of

race results. This lab performs equine blood and urine testing to ensure that no foreign, performance-enhancing substances have been introduced to race horses which would undermined the integrity and legitimacy of results. PETRL also engages in cutting edge research to identify new substances that could adversely affect the legitimacy of live horse races in Pennsylvania.

**Program Recommendations:**

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

	<b>RACING FUND</b>	
	<b>State Racing Commission</b>	
\$ 330	—to continue current program.	
	<b>Equine Toxicology and Research Laboratory</b>	
\$ 744	—to continue current program.	
	<b>Pennsylvania Fairs - Administration</b>	
\$ -207	—program costs shifted to the Pennsylvania Race Horse Development Trust Fund.	

Horse Racing Promotion is recommended at the current year funding level.

**Appropriations within this Program:**

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>RACING FUND:</b>							
State Racing Commission .....	\$ 8,293	\$ 7,466	\$ 7,796	\$ 7,796	\$ 7,796	\$ 7,796	\$ 7,796
Equine Toxicology and Research Laboratory .....	12,950	13,025	13,769	13,769	13,769	13,769	13,769
Pennsylvania Fairs - Administration .....	207	207	0	0	0	0	0
Horse Racing Promotion .....	2,450	2,393	2,393	2,393	2,393	2,393	2,393
(R)Sire Stakes Fund .....	9,952	12,000	12,272	12,272	12,272	12,272	12,272
(R)Breeders' Fund .....	18,540	18,500	18,500	18,500	18,500	18,500	18,500
(R)PA Standardbred Breeders Development Fund .....	7,102	8,200	7,250	7,250	7,250	7,250	7,250
<b>TOTAL RACING FUND .....</b>	<b>\$ 59,494</b>	<b>\$ 61,791</b>	<b>\$ 61,980</b>	<b>\$ 61,980</b>	<b>\$ 61,980</b>	<b>\$ 61,980</b>	<b>\$ 61,980</b>

**Program: Emergency Food Assistance**

*Goal: To distribute surplus and donated food through institutions and counties or designated lead agencies to individuals and families who are dependent or disadvantaged to support minimum standards of living and economic independence.*

The department administers federal and state programs that [assist residents who are at risk of hunger](#), seeking to provide more Pennsylvanians with ready access to healthy and nutritious foods. The department works to ensure that the [State Food Purchase Program](#), the [Emergency Food Assistance Program](#), and the [Farmers Market Nutrition Program](#) reach eligible residents and the programs function

efficiently and effectively. Since 2015, the department has managed the Pennsylvania Agricultural Surplus System, an innovative program that seeks to connect the state’s farmers and food manufacturers with the charitable food system, focusing on increasing the number of farms contributing food to the system and ensuring that food goes to serve each county of the commonwealth.

**Program Recommendations:**

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

All appropriations are recommended at the current year funding levels.

**Appropriations within this Program:**

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Farmers' Market Food Coupons.....	\$ 2,079	\$ 2,079	\$ 2,079	\$ 2,079	\$ 2,079	\$ 2,079	\$ 2,079
State Food Purchase.....	19,188	19,688	19,688	19,688	19,688	19,688	19,688
<b>TOTAL GENERAL FUND.....</b>	<b>\$ 21,267</b>	<b>\$ 21,767</b>	<b>\$ 21,767</b>	<b>\$ 21,767</b>	<b>\$ 21,767</b>	<b>\$ 21,767</b>	<b>\$ 21,767</b>

**Program Measures:**

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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**Increase consumer access to healthy, nutritious food for food insecure Pennsylvanians.**

Number of food insecure Pennsylvanians .....	N/A	N/A	N/A	N/A	1,599,250	1,550,000	1,500,000
Dollar value of Women, Infants, and Children (WIC) Farmers Market Nutrition Program (FMNP) vouchers redeemed .....	N/A	N/A	N/A	N/A	1,552,380	1,600,000	1,650,000
Pounds of food distributed through the State Food Purchase Program (SFPP).....	N/A	N/A	N/A	N/A	35,000,000	35,000,000	35,000,000
Pounds of food distributed through the Pennsylvania Agricultural Surplus System (PASS).....	N/A	N/A	2,200,000	2,730,000	2,249,348	3,000,000	3,000,000



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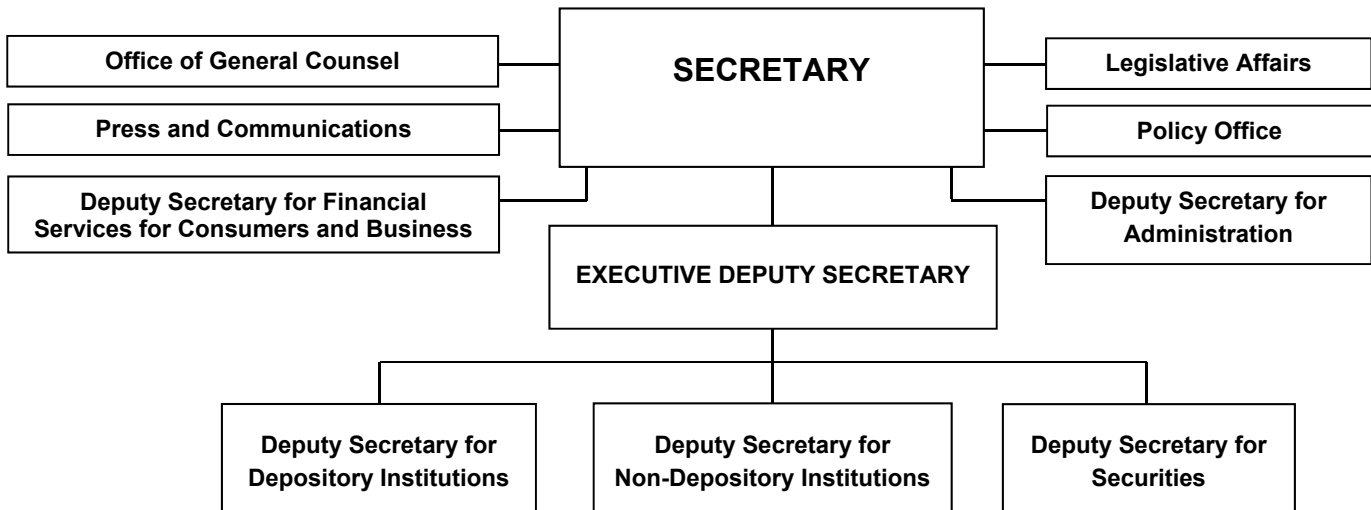
# DEPARTMENT OF BANKING AND SECURITIES

The [\*mission\*](#) of the [\*Department of Banking and Securities\*](#) is to regulate financial services and work to ensure consumers and businesses are well-informed about the marketplace.

## **Programs and Goals**

**Financial Institution and Securities Industry Regulation:** *To ensure the maintenance of an economically sound and competitive system of state-chartered financial institutions, to protect consumers in the financial marketplace and to protect investors engaged in securities transactions.*

## Organization Overview



- **Deputy Secretary for Financial Services for Consumers and Business** oversees the Consumer Services Office, Business Services Office and Financial Education, Protection and Outreach Office. The deputy promotes market transparency and effective services for consumers through financial education, consumer protection and outreach.
- **Deputy Secretary for Administration** oversees the Administrative Services Office, the Fiscal and Support Services Office and works with the Employment, Banking & Revenue Delivery Center for HR & IT services. The deputy oversees all the administrative support functions for the department.
- **Deputy Secretary for Depository Institutions** oversees the safety and soundness of examinations conducted on nearly 200 Pennsylvania state-chartered banks, credit unions, and non-depository trust companies. The deputy oversees the Bureau of Bank Supervision and the Bureau of Credit Union & Trust Supervision and Corporate Applications.
- **Deputy Secretary for Non-Depository Institutions** oversees the licensing, examination, and compliance functions for more than 25,000 non-bank financial services institutions and professionals doing business in Pennsylvania. These companies include residential mortgage lenders and brokers, check cashers, consumer discount companies, auto sales finance companies, pawnbrokers, debt management companies, debt settlement companies, and money transmitters. The deputy oversees the Licensing Office, the Bureau of Non-Depository Examination and the Compliance Office.
- **Deputy Secretary for Securities** oversees the licensing/registration, examination, and compliance functions for more than 200,000 securities entities conducting business in Pennsylvania. These entities include broker-dealers, broker-dealer agents, investment advisers, investment adviser representatives, and investment adviser notice filers. The deputy oversees the Chief Accountant Office, the Corporation Finance Office, the Securities Licensing Office and the Bureau of Securities Compliance and Examinations.

### Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
243	234	233	225	215	218	218

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	ACTUAL	AVAILABLE	BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
(R)Securities Operations (EA).....	\$ 8,500	\$ 9,516	\$ 10,006
<b>OTHER FUNDS:</b>			
<b>BANKING FUND:</b>			
General Government Operations.....	\$ 23,235	\$ 24,463	\$ 24,848
Transfer to Institution Resolution Account (EA).....	2,000	2,000	2,000
<b>BANKING FUND TOTAL</b> .....	<b>\$ 25,235</b>	<b>\$ 26,463</b>	<b>\$ 26,848</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	0	0	0
AUGMENTATIONS.....	0	0	0
RESTRICTED.....	8,500	9,516	10,006
OTHER FUNDS.....	25,235	26,463	26,848
<b>TOTAL ALL FUNDS</b> .....	<b>\$ 33,735</b>	<b>\$ 35,979</b>	<b>\$ 36,854</b>



## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>FINANCIAL SERVICES INDUSTRY</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	8,500	9,516	10,006	10,006	10,006	10,006	10,006
OTHER FUNDS.....	25,235	26,463	26,848	26,848	26,848	26,848	26,848
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 33,735</b>	<b>\$ 35,979</b>	<b>\$ 36,854</b>	<b>\$ 36,854</b>	<b>\$ 36,854</b>	<b>\$ 36,854</b>	<b>\$ 36,854</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	8,500	9,516	10,006	10,006	10,006	10,006	10,006
OTHER FUNDS.....	25,235	26,463	26,848	26,848	26,848	26,848	26,848
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 33,735</b>	<b>\$ 35,979</b>	<b>\$ 36,854</b>	<b>\$ 36,854</b>	<b>\$ 36,854</b>	<b>\$ 36,854</b>	<b>\$ 36,854</b>

## Program: Financial Services Industry Regulation

*Goal: To ensure the maintenance of an economically sound and competitive system of state-chartered financial institutions, to protect consumers in the financial marketplace and to protect investors engaged in securities transactions.*

The [Department of Banking and Securities](#) fosters a strong Pennsylvania economy by ensuring the safety and soundness of financial institutions, encouraging capital formation, regulating financial services providers, protecting [consumers](#) and investors and providing [outreach](#). The department is funded solely by assessments, fees, licenses, fines and penalties paid by entities under its jurisdiction. It is accredited by the Conference of State Bank Supervisors, the American Association of Residential Mortgage Regulators and the National Association of State Credit Union Supervisors.

The department works to preserve and protect the integrity of the financial services marketplace and promote

public confidence in the commonwealth's financial services through its oversight of:

- [Depository institutions](#) such as state-chartered banks, credit unions and non-depository trust companies;
- [Non-depository institutions](#) including residential mortgage lenders, brokers and originators, check cashers, consumer discount companies, auto sales finance companies, pawnbrokers, debt management companies, debt settlement companies and money transmitters; and
- [Securities-related](#) business in the state by broker-dealers, broker-dealer agents, investment advisers, investment adviser representatives and investment adviser notice filers.

As of June 30, 2018, the department provided regulation and oversight for the following:

Financial Institutions		Non-Depository Licensees		Securities Industry	
Credit unions	52	Mortgage originators	16,878	Securities agents	203,922
Commercial banks	43	Installment sellers	2,883	Investment adviser representatives	20,738
Savings banks	44	Mortgage lenders	2,282	Investment adviser and notice filers	3,391
Bank and trust companies	39	Sales finance companies	1,088	Broker-dealers	1,994
Non-depository trust companies	14	Check cashers	734	<b>Total Securities Industry Regulation</b>	<b>230,045</b>
<b>Total Financial Institutions</b>	<b>192</b>	Mortgage brokers	497		
		Debt management services	138		
		Mortgage discount companies	41		
		Other licensees	855		
		<b>Total Non-Depository Licensees</b>	<b>25,396</b>		

### Program Recommendations:

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

**BANKING FUND**  
**General Government Operations**  
 \$ 385 —to continue current program.

In addition, \$10,006,000 for Securities Operations is provided for securities regulation.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>BANKING FUND:</b>							
General Government Operations .....	\$ 23,235	\$ 24,463	\$ 24,848	\$ 24,848	\$ 24,848	\$ 24,848	\$ 24,848
Transfer to Institution Resolution Account (EA) .....	2,000	2,000	2,000	2,000	2,000	2,000	2,000
<b>TOTAL BANKING FUND .....</b>	<b>\$ 25,235</b>	<b>\$ 26,463</b>	<b>\$ 26,848</b>	<b>\$ 26,848</b>	<b>\$ 26,848</b>	<b>\$ 26,848</b>	<b>\$ 26,848</b>

## Program: Financial Services Industry Regulation (continued)

<b>Program Measures:</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Complete independent depository examinations in a timely manner.</b>							
Average number of days for turnaround of independent depository institution examinations .....	30.81	31.00	29.46	34.96	31.55	30.00	30.00
<b>Develop highly skilled workforce.</b>							
Percentage of depository examiners with the highest certification available for their level of experience .....	93%	91%	100%	100%	100%	90%	90%
Percentage of non-depository examiners with the highest certification available for their level of experience .....	N/A	N/A	N/A	N/A	80%	90%	90%
<b>Examine non-depository licensees on a regular basis.</b>							
Percentage of all non-depository licensees examined .....	21.7%	25.0%	22.4%	22.9%	26.0%	20.0%	20.0%
<b>Examine Securities Investment Adviser registrants on an annual basis.</b>							
Percentage of Securities Investment Adviser registrants examined on an annual basis .....	5.62%	3.98%	18.87%	20.26%	16.83%	20.00%	20.00%
<b>Respond to consumer complaints in a timely and fair manner.</b>							
Average number of days to respond to consumer complaints.....	8.64	7.00	4.73	5.29	4.23	10.00	10.00



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# DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

*The Department of Community and Economic Development's mission is to encourage the shared prosperity of all Pennsylvanians by supporting good stewardship and sustainable development initiatives across the commonwealth. With a keen eye toward diversity and inclusiveness, the department acts as an advisor and advocate, providing strategic technical assistance, training, and financial resources to help our communities and industries flourish.*

## Programs and Goals

**Job Creation, Workforce Training, Business Growth and Attraction:** *To stimulate business growth and attraction to create "jobs that pay" and ensure a high-quality workforce through targeted job training.*

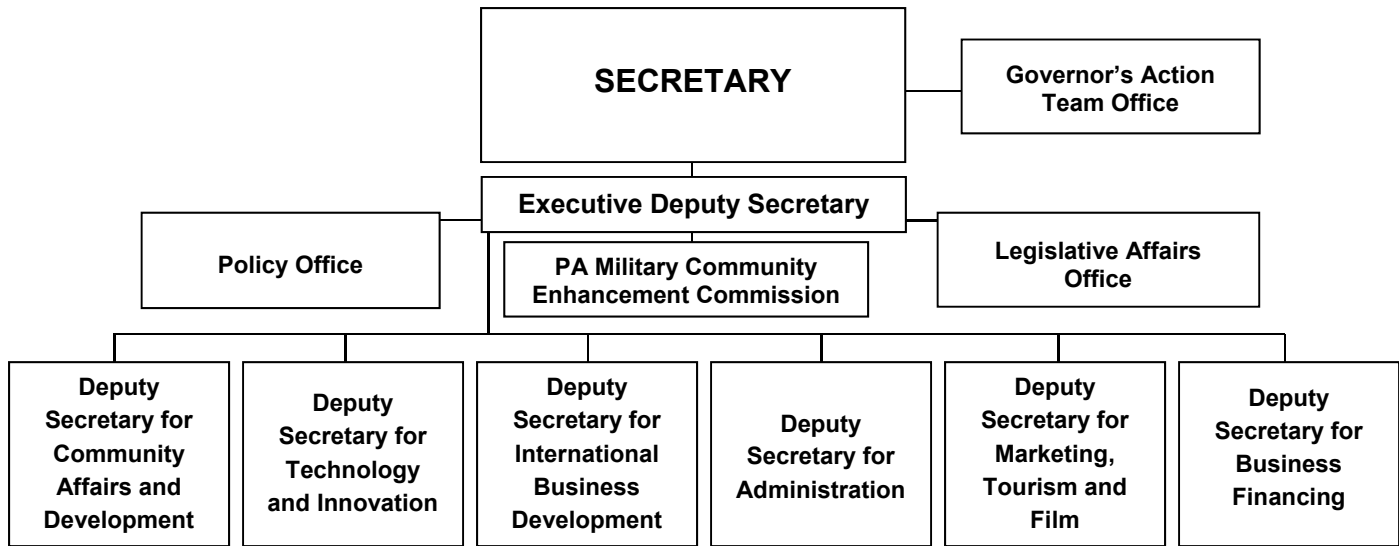
**Pennsylvania Innovation Economy:** *To provide technical support and access to capital to Pennsylvania's emerging technology-based companies and entrepreneurial community through strategic partners and networks, while leveraging other sources of capital, including private and federal funds, to increase the competitiveness of Pennsylvania's entrepreneurial ecosystem and to advance Pennsylvania's growing technology sector.*

**Pennsylvania Worldwide:** *To leverage the state's overseas network and local partnerships to increase DCED-facilitated export sales, foreign direct investments and global opportunities in targeted markets, ultimately creating and retaining jobs in the commonwealth.*

**Pennsylvania Happiness:** *To inspire the investment of time, labor and financial resources in the state by building Pennsylvania's image as a destination to visit, a place to grow a business, a community to call home and a state to feel proud of thanks to a strong quality of work and life.*

**Pennsylvania Communities:** *To provide resources and technical assistance and make impactful investments that enhance the performance and quality of Pennsylvania's local governments and communities.*

## Organization Overview



- **Deputy Secretary for Community Affairs and Development** oversees the Center for Community Development Operations, Center for Community Services, Center for Monitoring Compliance and Training, the Governor's Center for Local Government Services and the State Tax Equalization Board.
- **Deputy Secretary for Technology and Innovation** leads the commonwealth's efforts to create family-sustaining jobs through advancing technology and innovation, and supporting business growth.
- **Deputy Secretary for International Business Development** leads a professional team of international economic development specialists that contribute to the growth and strength of the commonwealth's economy by attracting foreign investment to the state and providing value-added international trade services to Pennsylvania's businesses.
- **Deputy Secretary for Administration** oversees the agency's financial, customer and administrative services and is responsible for the coordination of human resources and information technology with the Office of Administration. Leads the workforce development activities supporting the needs of Pennsylvania businesses.
- **Deputy Secretary for Marketing, Tourism and Film** leads a team of marketing professionals responsible for developing and implementing targeted marketing initiatives to promote Pennsylvania as a great place to live, work, and do business while enticing visitors and filmmakers to explore the commonwealth.
- **Deputy Secretary for Business Financing** leads a professional team of economic development specialists that contribute to the growth and strength of the commonwealth's economy by providing loans, guarantees, tax credits, and grants to business partners and providing value-added services to Pennsylvania's businesses.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
307	302	309	308	285	292	295

# Community and Economic Development

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

### GENERAL FUND:

#### General Government:

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>General Government Operations.....</b>	<b>\$ 16,161</b>	<b>\$ 18,987</b>	<b>\$ 19,309</b>
(F)ARC - Technical Assistance.....	225	1,000	1,000
(F)DOE - Weatherization Administration.....	1,300	1,300	3,800
(F)SCDBG - Administration.....	4,000	10,000	4,000
(F)SCDBG - Neighborhood Stabilization Administration.....	800	800	800
(F)CSBG - Administration.....	1,607	1,607	1,607
(F)LIHEABG - Administration.....	1,500	1,500	1,500
(F)State Small Business Credit Initiative Administration.....	487	0	0
(F)EMG Solutions Administration.....	1,000	1,000	1,000
(F)Economic Adjustment Assistance.....	9,000	9,000	9,000
(F)SCDBG - Disaster Recovery Administration.....	1,500	1,500	1,500
(F)CoC Planning Grant.....	2,000 a	2,000 a	2,000 a
(F)SCDBG/HUD Special Projects.....	2,000 b	2,000 b	2,000 b
(F)Federal Grant Initiatives.....	3,000	4,000	4,000
(F)Council of the Arts eGrant Program (EA).....	21	0	0
(A)Pennsylvania Industrial Development Authority.....	1,666	1,750	1,750
(A)Pennsylvania Economic Development Financing Authority.....	622	625	625
(A)Community Development Bank.....	50	38	38
(A)Commonwealth Financing Authority.....	3,553	3,450	3,703
(A)Local Match.....	93	100	100
(A)Governmental Transfers.....	1,064	1,085	722
(A)Reimbursements.....	196	0	0
Subtotal.....	<u>\$ 51,845</u>	<u>\$ 61,742</u>	<u>\$ 58,454</u>
(R)Small Business Advocate - Utilities.....	1,715	1,855	1,795
<b>Center for Local Government Services.....</b>	<b>4,132</b>	<b>4,132</b>	<b>4,287</b>
(A)Reimbursements.....	165	165	165
<b>Office of Open Records.....</b>	<b>2,915</b>	<b>3,189</b>	<b>3,253</b>
<b>Office of International Business Development.....</b>	<b>5,800</b>	<b>5,871</b>	<b>5,871</b>
(F)SBA State Trade and Export Promotion (STEP).....	950	950	950
<b>Marketing to Attract Tourists.....</b>	<b>12,892</b>	<b>17,839</b>	<b>0 c</b>
(A)Travel Advertisements.....	60	188	0
(A)Film Tax Credit App.....	89	50	0
(A)Reimbursements.....	25	0	0
<b>Marketing to Attract Business.....</b>	<b>1,990</b>	<b>2,007</b>	<b>0 c</b>
<b>Base Realignment and Closure.....</b>	<b>550</b>	<b>558</b>	<b>565</b>
<b>Regional Events Security and Support.....</b>	<b>0</b>	<b>850</b>	<b>0</b>
<b>Tourism Promotion:</b>			
(R)Marketing to Attract Tourists.....	0	0	27,973 c
(A)Travel Advertisements.....	0	0	60
(A)Film Tax Credit App.....	0	0	50
(A)Reimbursements.....	0	0	10
(R)Marketing to Attract Business.....	0	0	2,027 c
Subtotal.....	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 30,120</u>
Subtotal - State Funds.....	\$ 44,440	\$ 53,433	\$ 33,285
Subtotal - Federal Funds.....	29,390	36,657	33,157
Subtotal - Augmentations.....	7,583	7,451	7,223
Subtotal - Restricted Revenues.....	1,715	1,855	31,795
Total - General Government.....	<u>\$ 83,128</u>	<u>\$ 99,396</u>	<u>\$ 105,460</u>

#### Grants and Subsidies:

<b>Local Municipal Emergency Relief.....</b>	<b>\$ 9,000</b>	<b>\$ 10,535</b>	<b>\$ 0</b>
<b>Transfer to Municipalities Financial Recovery Revolving Fund.....</b>	<b>2,550</b>	<b>1,000</b>	<b>4,500</b>
<b>Transfer to Ben Franklin Tech. Development Authority Fund.....</b>	<b>14,500</b>	<b>14,500</b>	<b>14,500</b>
<b>Pennsylvania First.....</b>	<b>15,000</b>	<b>15,000</b>	<b>32,000</b>
<b>Municipal Assistance Program.....</b>	<b>546</b>	<b>546</b>	<b>546</b>
(F)FEMA Technical Assistance.....	450	450	450
(F)FEMA - Mapping.....	200	200	200

# Community and Economic Development

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>Keystone Communities</b> .....	<b>13,507</b>	<b>16,707</b>	<b>6,357</b>
(F)DOE - Weatherization.....	18,000	18,000	18,000
(F)LIHEABG - Weatherization Program.....	48,000	48,000	48,000
(F)SCDBG - Neighborhood Stabilization Program.....	17,000	17,000	17,000
(F)Assets for Independence.....	500	0	0
(F)EMG Solutions Program.....	12,000	12,000	12,000
(F)SCDBG - Disaster Recovery Grant.....	56,000	56,000	56,000
(F)Community Services Block Grant.....	50,000	50,000	50,000
(F)EDA Power Grant.....	0	3,000	3,000
(F)SCDBG Program.....	0	0	6,000
<b>Partnerships for Regional Economic Performance</b> .....	<b>9,880</b>	<b>9,880</b>	<b>9,880</b>
(F)State Small Business Credit Initiative.....	20,000	0	0
<b>Manufacturing PA</b> .....	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>
<b>Tourism - Accredited Zoos</b> .....	<b>750</b>	<b>800</b>	<b>0</b>
<b>Rural Leadership Training</b> .....	<b>100</b>	<b>100</b>	<b>0</b>
<b>Super Computer Center</b> .....	<b>500</b>	<b>500</b>	<b>0</b>
<b>Infrastructure Technology Assistance Program</b> .....	<b>1,750</b>	<b>1,750</b>	<b>0</b>
<b>Early Intervention for Distressed Municipalities</b> .....	<b>2,367</b>	<b>2,367</b>	<b>2,367</b>
<b>Powdered Metals</b> .....	<b>100</b>	<b>100</b>	<b>0</b>
<b>Infrastructure and Facilities Improvement Grants</b> .....	<b>18,000</b>	<b>16,000</b>	<b>16,000</b>
<b>Food Access Initiative</b> .....	<b>0</b>	<b>1,000</b>	<b>0</b>
<b>Public Television Technology</b> .....	<b>250</b>	<b>750</b>	<b>250</b>
(R)Industrial Sites Environmental Assessment Fund.....	671	3,000	3,000
(R)Industrialized Housing.....	277	325	325
Subtotal - State Funds.....	\$ 100,800	\$ 103,535	\$ 98,400
Subtotal - Federal Funds.....	222,150	204,650	210,650
Subtotal - Restricted Revenues.....	948	3,325	3,325
Total - Grants and Subsidies.....	\$ 323,898	\$ 311,510	\$ 312,375
STATE FUNDS.....	\$ 145,240	\$ 156,968	\$ 131,685
FEDERAL FUNDS.....	251,540	241,307	243,807
AUGMENTATIONS.....	7,583	7,451	7,223
RESTRICTED REVENUES.....	2,663	5,180	35,120
<b>GENERAL FUND TOTAL</b> .....	<b>\$ 407,026</b>	<b>\$ 410,906</b>	<b>\$ 417,835</b>
<b>MOTOR LICENSE FUND:</b>			
<i>General Government:</i>			
Appalachian Regional Commission.....	\$ 1,073	\$ 750	\$ 500
<b>OTHER FUNDS:</b>			
<b>BEN FRANKLIN TECHNOLOGY DEVELOPMENT AUTHORITY FUND:</b>			
Ben Franklin Technology.....	\$ 19,000	\$ 21,000	\$ 30,000
<b>HOME INVESTMENT TRUST FUND:</b>			
(F)Affordable Housing Act Administration.....	\$ 3,500	\$ 3,500	\$ 4,000
<b>HOUSING AFFORDABILITY AND REHABILITATION ENHANCEMENT FUND:</b>			
Housing Affordability and Rehabilitation Program (EA).....	\$ 7,101	\$ 30,000	\$ 30,050
<b>INDUSTRIAL SITES CLEANUP FUND:</b>			
Industrial Sites Cleanup - Administration (EA).....	\$ 314	\$ 314	\$ 314
Industrial Sites Cleanup - Projects (EA).....	5,300	5,915	5,300
<b>INDUSTRIAL SITES CLEANUP FUND TOTAL</b> .....	<b>\$ 5,614</b>	<b>\$ 6,229</b>	<b>\$ 5,614</b>
<b>LOCAL GOVERNMENT CAPITAL PROJECT LOAN FUND:</b>			
Local Government Capital Project Loans (EA).....	\$ 1,000	\$ 1,000	\$ 1,000

# Community and Economic Development

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>MACHINERY AND EQUIPMENT LOAN FUND:</b>			
General Operations (EA).....	\$ 778	\$ 778	\$ 778
Machinery and Equipment Loans (EA).....	45,000	31,000	11,000
<b>MACHINERY AND EQUIPMENT LOAN FUND TOTAL.....</b>	<b>\$ 45,778</b>	<b>\$ 31,778</b>	<b>\$ 11,778</b>
<b>MINORITY BUSINESS DEVELOPMENT FUND:</b>			
General Operations (EA).....	\$ 330	\$ 330	\$ 330
Minority Business Development Loans (EA).....	1,075	2,000	1,000
<b>MINORITY BUSINESS DEVELOPMENT FUND TOTAL.....</b>	<b>\$ 1,405</b>	<b>\$ 2,330</b>	<b>\$ 1,330</b>
<b>MUNICIPALITIES FINANCIAL RECOVERY REVOLVING AID FUND:</b>			
Distressed Community Assistance (EA).....	\$ 9,000	\$ 6,350	\$ 9,850
<b>SMALL BUSINESS FIRST FUND:</b>			
Administration (EA).....	\$ 1,958	\$ 1,958	\$ 1,958
Loans (EA).....	22,000	14,042	10,042
Community Economic Development Loans (EA).....	3,000	3,000	3,000
<b>SMALL BUSINESS FIRST FUND TOTAL.....</b>	<b>\$ 26,958</b>	<b>\$ 19,000</b>	<b>\$ 15,000</b>
<b>TOBACCO SETTLEMENT FUND:</b>			
Life Sciences Greenhouses.....	\$ 3,000	\$ 3,000	\$ 3,000
<b>WORKMEN'S COMPENSATION ADMINISTRATION FUND:</b>			
(R)Small Business Advocate - Workers' Compensation.....	\$ 275	\$ 275	\$ 280
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 145,240	\$ 156,968	\$ 131,685
MOTOR LICENSE FUND.....	1,073	750	500
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	251,540	241,307	243,807
AUGMENTATIONS.....	7,583	7,451	7,223
RESTRICTED.....	2,663	5,180	35,120
OTHER FUNDS.....	122,631	124,462	111,902
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 530,730</b>	<b>\$ 536,118</b>	<b>\$ 530,237</b>

<sup>a</sup> Formerly titled Emergency Center for the Homeless.

<sup>b</sup> Formerly titled SCDBG - HUD Disaster Recovery.

<sup>c</sup> Funding for Marketing to Attract Tourists and Marketing to Attract Business has been shifted to the Tourism Promotion restricted accounts.



# Community and Economic Development

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>JOB CREATION, WORKFORCE TRAINING, BUSINESS GROWTH AND ATTRACTION</b>							
GENERAL FUND.....	\$ 52,626	\$ 53,734	\$ 71,127	\$ 59,127	\$ 59,127	\$ 59,127	\$ 59,127
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	44,440	31,707	28,207	28,207	28,207	28,207	28,207
AUGMENTATIONS.....	7,244	7,048	6,938	6,938	6,938	6,938	6,938
RESTRICTED.....	2,386	4,855	4,795	4,795	4,795	4,795	4,795
OTHER FUNDS.....	87,131	89,612	64,052	64,052	64,052	64,052	64,052
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 193,827</b>	<b>\$ 186,956</b>	<b>\$ 175,119</b>	<b>\$ 163,119</b>	<b>\$ 163,119</b>	<b>\$ 163,119</b>	<b>\$ 163,119</b>
<b>PENNSYLVANIA INNOVATION ECONOMY</b>							
GENERAL FUND.....	\$ 38,980	\$ 39,480	\$ 36,630	\$ 36,630	\$ 36,630	\$ 36,630	\$ 36,630
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	22,000	24,000	33,000	33,000	33,000	33,000	33,000
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 60,980</b>	<b>\$ 63,480</b>	<b>\$ 69,630</b>	<b>\$ 69,630</b>	<b>\$ 69,630</b>	<b>\$ 69,630</b>	<b>\$ 69,630</b>
<b>PENNSYLVANIA WORLDWIDE</b>							
GENERAL FUND.....	\$ 5,800	\$ 5,871	\$ 5,871	\$ 5,871	\$ 5,871	\$ 5,871	\$ 5,871
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	950	950	950	950	950	950	950
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 6,750</b>	<b>\$ 6,821</b>	<b>\$ 6,821</b>	<b>\$ 6,821</b>	<b>\$ 6,821</b>	<b>\$ 6,821</b>	<b>\$ 6,821</b>
<b>PENNSYLVANIA HAPPINESS</b>							
GENERAL FUND.....	\$ 15,632	\$ 20,646	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	174	238	120	120	120	120	120
RESTRICTED.....	0	0	30,000	30,000	30,000	30,000	30,000
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 15,806</b>	<b>\$ 20,884</b>	<b>\$ 30,120</b>	<b>\$ 30,120</b>	<b>\$ 30,120</b>	<b>\$ 30,120</b>	<b>\$ 30,120</b>
<b>PENNSYLVANIA COMMUNITIES</b>							
GENERAL FUND.....	\$ 32,202	\$ 37,237	\$ 18,057	\$ 18,057	\$ 18,057	\$ 18,057	\$ 18,057
MOTOR LICENSE FUND.....	1,073	750	500	500	500	500	500
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	206,150	208,650	214,650	214,650	214,650	214,650	214,650
AUGMENTATIONS.....	165	165	165	165	165	165	165
RESTRICTED.....	277	325	325	325	325	325	325
OTHER FUNDS.....	13,500	10,850	14,850	14,850	14,850	14,850	14,850
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 253,367</b>	<b>\$ 257,977</b>	<b>\$ 248,547</b>	<b>\$ 248,547</b>	<b>\$ 248,547</b>	<b>\$ 248,547</b>	<b>\$ 248,547</b>

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 145,240	\$ 156,968	\$ 131,685	\$ 119,685	\$ 119,685	\$ 119,685	\$ 119,685
MOTOR LICENSE FUND.....	1,073	750	500	500	500	500	500
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	251,540	241,307	243,807	243,807	243,807	243,807	243,807
AUGMENTATIONS.....	7,583	7,451	7,223	7,223	7,223	7,223	7,223
RESTRICTED.....	2,663	5,180	35,120	35,120	35,120	35,120	35,120
OTHER FUNDS.....	122,631	124,462	111,902	111,902	111,902	111,902	111,902
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 530,730</b>	<b>\$ 536,118</b>	<b>\$ 530,237</b>	<b>\$ 518,237</b>	<b>\$ 518,237</b>	<b>\$ 518,237</b>	<b>\$ 518,237</b>

## Program: Job Creation, Workforce Training, Business Growth and Attraction

*Goal: To stimulate business growth and attraction to create “jobs that pay” and ensure a high-quality workforce through targeted job training.*

### **Pennsylvania First (PA First)**

[PA First](#) is a comprehensive program that offers grants for job creation and retention, infrastructure projects, and workforce development by providing the commonwealth the flexibility necessary to rapidly respond to companies' needs, increasing investment in the state and enabling Pennsylvania to compete more effectively with other states. [Eligible uses](#) for PA First funding include job training, land and building acquisition and construction, purchase and upgrade of machinery and equipment, construction and rehabilitation of infrastructure, working capital, and environmental assessment and remediation.

Pennsylvania's incumbent worker training program, [WEDnetPA](#), is funded through the PA First appropriation. WEDnetPA provides funding to Pennsylvania companies for essential skills and advanced technology training. WEDnetPA is a job training alliance of 26 partners, which includes nine universities in the Pennsylvania State System of Higher Education, Pennsylvania's 14 community colleges, Pennsylvania College of Technology, North Central PA Regional Planning & Development Commission, and the University of Pittsburgh at Bradford. WEDnetPA alliance partners seek the input of local workforce development boards and key economic development organizations to determine the target industries and training priorities in their regions. Since its inception, this program has trained more than one million Pennsylvania workers, including almost 107,000 in advanced technology skills.

The DCED monitors PA First projects for compliance with the commitments made by the grantee upon receipt of the funds. If the grantee does not meet its commitments and cannot provide an acceptable reason for its failure to do so, the department may require repayment of some or all the grant funds.

### **Pennsylvania Business One-Stop Shop (PA BOSS)**

The [Pennsylvania Business One-Stop Shop](#) makes it simple for businesses to start and expand in Pennsylvania, by serving as the sole source to guide aspiring entrepreneurs and established businesses through all stages of development, including planning, registering, operating and growing. Services and resources are available through a website, toll-free number and dedicated program office housed in the department. This program is an interagency, collaborative effort involving the Departments of State, Revenue and Labor & Industry and actively

engages DCED's Partnerships for Regional Economic Performance, all 2,562 local governments, state legislators and many other economic development organizations and networks to promote the program's services and resources across the commonwealth.

### **Pennsylvania Industrial Development Authority (PIDA)**

[PIDA](#) provides low-interest loans and lines of credit for a wide range of commonwealth businesses including manufacturing, industrial, health care, agricultural, research and development, hospitality, defense conversion, information technology, construction, day care, retail, and service enterprises as well as for the development of industrial parks and multi-tenant facilities. Eligible costs include real estate acquisitions, construction and renovation projects, machinery and equipment acquisitions, and working capital costs. The interest savings realized through the PIDA program enables the recipient companies to invest the savings back into the business and its workforce to remain competitive.

### **Infrastructure and Facilities Improvement Program (IFIP)**

The [Infrastructure and Facilities Improvement Program](#) awards multi-year grants to debt-issuing authorities for debt service and related costs for economic development projects. Unlike local tax increment financing projects, where incremental tax revenues generated by a project are collected and deposited into a debt service reserve fund for the payment of debt, under this program, annual grants are awarded based on the incremental amount of state personal income tax, sales tax, and hotel occupancy tax generated by the project.

### **Energy**

The Energy Advisor to the Secretary leverages Pennsylvania's massive stake in global energy to develop “home grown” energy resources and attract energy intensive industries to our the state, attracting investments that enhance Pennsylvania's manufacturing base by utilizing energy assets.

Pennsylvania has historically been a leader in coal production and in the last decade has rapidly become a leader in [natural gas production](#). A marked decline in coal-fired electric generation has led to retirements of plants across the commonwealth. These sites have premier access to rivers, roads, rail, utilities, and transmission,

# Community and Economic Development

## Program: Job Creation, Workforce Training, Business Growth and Attraction (continued)

which demands a comprehensive statewide effort to market and incentivize these sites for repositioning and redevelopment. Utilizing “Pennsylvania Energy Horizons” to obtain feedback from stakeholders allows the

department to refine where Pennsylvania should focus its energy efforts and support the commonwealth’s interest in redeveloping decommissioned coal fired power plants.

### Program Recommendations:

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

GENERAL FUND		Pennsylvania First	
\$	322	\$	12,000
	General Government Operations —to continue current program.		—Initiative—to support Team PA job growth, retention and creation projects within Pennsylvania.
\$	64		5,000
	Office of Open Records —to continue current program.		—Initiative—to provide additional agency grants, loans and loan guarantees to facilitate increased economic investment and job creation across the commonwealth.
\$	7		
	Base Realignment and Closure —to continue current program.		
		\$	17,000
			<i>Appropriation Increase</i>

Infrastructure and Facilities Improvement Grants appropriation is recommended at the current year funding level.

Additionally, the Small Business Advocate appropriation, from the restricted account, is decreased by \$60,000 to a total of \$1,795,000.

### Appropriations within this Program:

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 16,161	\$ 18,987	\$ 19,309	\$ 19,309	\$ 19,309	\$ 19,309	\$ 19,309
Office of Open Records .....	2,915	3,189	3,253	3,253	3,253	3,253	3,253
Base Realignment and Closure .....	550	558	565	565	565	565	565
Pennsylvania First .....	15,000	15,000	32,000	20,000	20,000	20,000	20,000
Infrastructure and Facilities Improvement Grants .....	18,000	16,000	16,000	16,000	16,000	16,000	16,000
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 52,626</b>	<b>\$ 53,734</b>	<b>\$ 71,127</b>	<b>\$ 59,127</b>	<b>\$ 59,127</b>	<b>\$ 59,127</b>	<b>\$ 59,127</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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To stimulate business growth and attraction to create “jobs that pay,” and ensure a high-quality workforce through targeted job training.

#### Economic Development

Jobs pledged to be created.....	16,362	13,377	6,801	10,754	5,530	5,696	7,120
Jobs pledged to be retained.....	69,875	60,740	11,182	43,726	23,897	24,614	30,767
Private funds leveraged (in thousands).....	\$2,956,250	\$1,206,987	\$606,201	\$3,389,397	\$572,312	\$583,758	\$729,698
Public funds leveraged (in thousands)	\$266,278	\$389,084	\$14,315	\$112,865	\$103,526	\$105,597	\$131,996
Businesses assisted .....	16,917	4,521	4,610	4,983	4,820	4,965	6,206
Number of trainings to PA workers (WEDNet, PREP, LGTP and CSBG) .....	40,359	78,715	107,369	136,883	96,243	111,000	138,750

## Program: Pennsylvania Innovation Economy

*Goal: To provide technical support and access to capital to Pennsylvania's emerging technology-based companies and entrepreneurial community through strategic partners and networks, while leveraging other sources of capital, including private and federal funds, to increase the competitiveness of Pennsylvania's entrepreneurial ecosystem and to advance Pennsylvania's growing technology sector.*

### **Ben Franklin Technology Development Authority**

The [Ben Franklin Technology Development Authority \(BFTDA\)](#) ensures that Pennsylvania technology-enabled companies, entrepreneurs, and innovators have the necessary tools to build their businesses. The BFTDA supports the advance of technologies in traditional and emerging industries through a series of programs that are flexible, dynamic, and built to proactively respond to changing markets in key industry sectors.

The BFTDA's current funded programs are:

- Ben Franklin Technology Partners, which are strategically located throughout the commonwealth and are designed to advance the commercialization of new technologies and support company growth; and
- Venture Investment, which provides risk capital to venture partnerships that invest in Pennsylvania-based companies.

### **The Pennsylvania Life Sciences Greenhouse Initiative**

Since 2002, Pennsylvania's three [Life Sciences Greenhouses](#) have been stimulating economic growth and job creation by providing critical capital to university-based researchers, emerging companies, and companies seeking to expand. Investments by the greenhouses are designed to advance the life sciences and stimulate economic growth, focusing on the health and welfare of Pennsylvanians, commercialization of new healthcare technologies, and creation of high-quality, sustainable jobs.

### **Partnerships for Regional Economic Performance (PREP)**

[PREP](#) supports the coordination and collaboration of over 100 economic development organizations in 10 regions across Pennsylvania. Core partners include the Industrial Development Organizations (IDOs), Local Development Districts (LDDs), and the Small Business

Development Centers (SBDCs). PREP is designed to integrate these networks by encouraging regional coordination of economic development efforts and provide customer service to the business community resulting in a comprehensive, efficient statewide economic development delivery strategy.

PREP partner organizations deliver a wide array of coordinated business development services designed to encourage the creation of new companies and increase and strengthen the capacity of Pennsylvania businesses to compete successfully in the global economy. Partners also collaborate to provide the necessary infrastructure (broadband, business sites, incubators, etc.) needed to attract, retain, and expand businesses.

[Engage!](#) is a Pennsylvania statewide business retention and expansion program designed to regularly and proactively interact with targeted companies. The overall goal of Engage! is to retain existing businesses in a community and to help them grow and expand by building solid relationships with business owners or key decision makers and economic development partners and their representatives. Engage! provides grants to assist in the identification and targeting of companies, the engagement of those companies through various outreach methods, assessment of the needs of those targeted companies and assistance to those targeted companies through referrals and direct technical assistance.

### **Manufacturing PA**

Launched in 2017, [Manufacturing PA](#) is a multi-faceted initiative designed to support Pennsylvania's manufacturing community, with an emphasis on small to medium sized manufacturers. Manufacturing PA supports Pennsylvania's manufacturing community through the department's strategic partners including Industrial Resource Centers (IRCs), Pennsylvania's colleges, universities, technical schools, and those non-profit organizations that provide critical training and workforce development opportunities.

# Community and Economic Development

## Program: Pennsylvania Innovation Economy (continued)

### Program Recommendations:

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

<p><b>GENERAL FUND</b>  <b>Super Computer Center</b>                  —program elimination.                  \$ -500</p> <p><b>Infrastructure Technology Assistance Program</b>                  —program elimination.                  \$ -1,750</p>	<p><b>Powdered Metals</b>                  —program elimination.                  \$ -100</p> <p><b>Public Television Technology</b>                  —funding reduction.                  \$ -500</p>
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All other appropriations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

GENERAL FUND:	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
Transfer to Ben Franklin Tech. Development Authority Fund.....	\$ 14,500	\$ 14,500	\$ 14,500	\$ 14,500	\$ 14,500	\$ 14,500	\$ 14,500
Partnerships for Regional Economic Performance .....	9,880	9,880	9,880	9,880	9,880	9,880	9,880
Manufacturing PA .....	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Super Computer Center .....	500	500	0	0	0	0	0
Infrastructure Technology Assistance Program .....	1,750	1,750	0	0	0	0	0
Powdered Metals .....	100	100	0	0	0	0	0
Public Television Technology.....	250	750	250	250	250	250	250
<b>TOTAL GENERAL FUND.....</b>	<b>\$ 38,980</b>	<b>\$ 39,480</b>	<b>\$ 36,630</b>	<b>\$ 36,630</b>	<b>\$ 36,630</b>	<b>\$ 36,630</b>	<b>\$ 36,630</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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To provide technical support and access to capital to Pennsylvania's emerging technology-based companies and entrepreneurial community through strategic partners and networks, while leveraging other sources of capital, including private and federal funds, to increase the competitiveness of Pennsylvania's entrepreneurial ecosystem and to advance Pennsylvania's growing technology sector.

Economic Development	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
Jobs created .....	3,462	3,014	2,350	3,068	3,261	3,400	6,180
Jobs retained .....	4,657	4,750	5,373	13,566	16,837	17,100	32,500
New technology companies established .....	278	216	130	210	167	150	322
Businesses assisted .....	3,835	17,633	18,227	15,916	17,215	17,645	18,900
Private funds leveraged (in thousands).....	\$661,044	\$1,154,325	\$1,948,731	\$845,524	\$771,786	\$775,000	\$1,490,345
Public funds leveraged (in thousands).....	\$121,630	\$143,231	\$122,792	\$77,616	\$102,906	\$101,000	\$198,715

# Community and Economic Development

## Program: Pennsylvania Worldwide

*Goal: Leverage the state's overseas network and local partnerships to increase DCED-facilitated export sales, foreign direct investments and global opportunities in targeted markets, ultimately creating and retaining jobs in the commonwealth.*

### Office of International Business Development (OIBD)

The [Office of International Business Development \(OIBD\)](#) works to promote Pennsylvania exports in key international markets and attract foreign investments to Pennsylvania. The office ensures that international companies are adequately informed of Pennsylvania's strengths – including universities and research institutions; manufacturing, energy, and life science industries; competitive business environment; and a skilled workforce – and have the resources available to enter the market

and grow in Pennsylvania. OIBD has a performance-based metrics system for its regional partners.

By increasing export capacity and establishing new connections between Pennsylvania companies, universities and partners worldwide, Pennsylvania businesses will continue to become more competitive in the global marketplace. At the same time, Pennsylvania communities will become increasingly successful in competing for international investment projects that support existing and new jobs across the commonwealth.

### Program Recommendations:

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

Office of International Business Development is recommended at the current year funding level.

### Appropriations within this Program:

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Office of International Business Development.....	\$ 5,800	\$ 5,871	\$ 5,871	\$ 5,871	\$ 5,871	\$ 5,871	\$ 5,871

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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**Leverage the state's overseas network and local partnerships to increase DCED-facilitated export sales, foreign direct investments and global opportunities in targeted markets, ultimately creating and retaining jobs in the commonwealth.**

#### Economic Development

Estimated state and local tax revenues generated (in thousands).....	N/A	\$58,350	\$43,360	\$55,414	\$46,869	\$48,275	\$49,723
Amount of export sales facilitated (in thousands).....	\$864,903	\$764,675	\$613,026	\$769,787	\$813,962	\$838,381	\$863,532
Jobs supported .....	7,495	7,934	6,434	9,025	6,649	6,848	7,053
Foreign direct investments (FDI): projects completed .....	24	26	12	20	20	21	22
Businesses assisted .....	1,364	1,424	1,118	967	1,009	1,039	1,070



# Community and Economic Development

## Program: Pennsylvania Happiness

*Goal: To inspire the investment of time, labor, and financial resources in the state by building Pennsylvania's image as a destination to visit, a place to grow a business, a community to call home, and a state to feel proud of thanks to a strong quality of work and life.*

### Marketing to Attract Tourists

Tourism is a key industry for Pennsylvania, injecting an estimated \$46 billion annually into the commonwealth's economy and generating more than \$5 billion in tax revenues each year. The [Pennsylvania Tourism Office's](#) marketing activities provide exposure to out-of-state markets for the many small Pennsylvania tourism businesses that lack the resources to advertise beyond their local area.

[Marketing to Attract Tourists](#) provides funding for a marketing agenda including the popular [visitPA.com](#) website, social media channels, media relations activities, travel guide, and a small targeted paid advertising campaign. The tourism office encourages public/private partnerships within the industry to maximize Pennsylvania's presence on the national and global travel and tourism stage. The tourism office leverages social media communities including [Facebook](#), [Instagram](#), [Twitter](#), [YouTube](#), [Pinterest](#), and others to provide highly customized, personalized, and targeted information directly to travelers, extending the reach of the office's traditional marketing efforts.

### Marketing to Attract Business

Pennsylvania competes against other states and countries to attract and retain businesses and talent. The [Work Smart. Live Happy](#) brand campaign seeks to inspire decision-makers at every level of business to commit to Pennsylvania. The state offers many competitive advantages, including its workforce, higher education system, transportation and utility infrastructure, natural resources, proximity to top U.S. and Canadian markets, abundant energy resources, and quality of life. Ensuring the right audiences know about the opportunities available in Pennsylvania, including the technical and financial assistance offered by DCED's many programs and resources, the Marketing Office executes a marketing agenda including the promotion of [dced.pa.gov](#) and the [Business One Stop Shop](#) website, social media channels, media relations activities, and targeted paid advertising campaign.

### Program Recommendations:

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

	<b>GENERAL FUND:</b>				
	<b>Marketing to Attract Tourists</b>				
\$ -17,839	—funding is shifting to the Tourism Promotion restricted account for marketing expansion.	\$ -2,007		<b>Marketing to Attract Business</b>	—funding is shifting to the Tourism Promotion restricted account for marketing expansion.
		\$ -800		<b>Tourism - Accredited Zoos</b>	—program elimination.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Marketing to Attract Tourists .....	\$ 12,892	\$ 17,839	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Marketing to Attract Business .....	1,990	2,007	0	0	0	0	0
Tourism - Accredited Zoos .....	750	800	0	0	0	0	0
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 15,632</b>	<b>\$ 20,646</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>



# Community and Economic Development

## Program: Pennsylvania Happiness (continued)

<b>Program Measures:</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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To inspire the investment of time, labor, and financial resources in the state by building Pennsylvania's image as a destination to visit, a place to grow a business, a community to call home, and a state to feel proud of thanks to a strong quality of work and life.

### Economic Development

Number of hotel rooms sold (in thousands).....	29,630	30,245	30,605	31,596	32,776	34,001	35,271
Travelers' expenditures (in thousands).....	\$39,615,000	\$39,812,000	\$40,011,000	\$43,131,000	\$44,742,000	\$46,414,000	\$48,148,000
Tax revenues generated (in thousands).....	\$4,146,000	\$4,187,000	\$4,250,000	\$4,654,000	\$4,828,000	\$5,008,000	\$5,195,000

# Community and Economic Development

## Program: Pennsylvania Communities

*Goal: Provide resources and technical assistance and make impactful investments that enhance the performance and quality of Pennsylvania's local governments and communities.*

### **Keystone Communities**

The [Keystone Communities program](#) is designed to encourage public-private partnerships in communities to jointly support local initiatives such as the growth and stability of neighborhoods and communities, social and economic diversity, and a strong and secure quality of life. The program offers designation opportunities and financial resources to assist communities in achieving revitalization goals and making physical improvements that support the commonwealth's core communities.

The Keystone Communities program offers [four designation types](#) and [several grant types](#). Any community may apply and receive designation or grant funding in whatever order the community deems appropriate depending on its local needs and circumstances. Priority is given to communities administering designated programs. Designation also offers some benefits that may assist a community in non-financial ways, such as providing a roadmap and a process to guide a community's revitalization efforts. These partnerships create more attractive places to live and encourage business, job expansion, and retention in Pennsylvania.

### **Small Cities Community Development Block Grant**

The federal [Small Cities Community Development Block Grant program](#), commonly known as the Community Development Block Grant program, provides financial assistance to expand low- and moderate-income housing opportunities; enhance economic development and job opportunities for low and moderate-income individuals; correct deficiencies in water and sewer systems; address blight; and improve streets, streetscapes, recreational facilities and public facilities in an overall effort to strengthen a pro-growth and pro-business environment.

### **HOME Investment Partnership Program**

The [HOME Investment Partnership Program \(HOME\)](#) provides municipalities with grant and technical assistance to expand the supply of safe, code compliant, and affordable housing for low- and very low-income Pennsylvanians. The department awards these funds on a [competitive basis](#) to projects which leverage other resources and demonstrate significant community impact.

The program prioritizes funding in the following areas:

- Development of rental housing for low-income households;
- Preservation of existing low-income housing units through rehabilitation of owner-occupied homes;
- Expanding the capacity of certified Community Housing Development Organizations to develop affordable housing; and
- Assistance to low income homebuyers to acquire newly constructed or existing homes.

### **Emergency Solutions Grant (ESG) Program**

The [ESG program](#) is the first step for self-sufficiency for homeless individuals and families, while also assisting other households in avoiding the causes of homelessness. ESG funds support households and individuals that earn less than 30 percent of median income. DCED awards ESG funds through a competitive application process to eligible entities in the following priority areas:

- Rapid re-housing (services to remove individuals/families from their homeless status quickly and move them into stable permanent housing);
- Homelessness prevention (services to assist individuals/families at risk of becoming homeless);
- Street outreach services;
- Emergency shelters (includes renovations, operational costs and essential services); and
- Homeless Management Information Systems

### **Community Services Block Grant**

The [Community Services Block Grant \(CSBG\)](#) aims to reduce poverty in a community or those areas of a community where poverty is a particularly acute problem. There are 43 entities that receive CSBG funds as determined by federal guidelines. Addressing the causes and conditions of poverty requires community engagement activities which remove obstacles that block self-sufficiency, such as employment and training resources; community stakeholder collaboration; literacy activities; affordable housing issues; grassroots activities that provide intervention to the causes of poverty; addressing the needs of youth through programming or coordination; and increased engagement in community planning and improvement activities.

### **Weatherization Assistance Program**

The U.S. Department of Energy's (DOE) Weatherization Assistance Program (WAP) assists low-income families who lack resources to invest in energy efficiency. Funds are used to improve the energy efficiency of low-income homes using the most advanced technologies and testing protocols available in the housing industry.

The [Pennsylvania WAP](#), funded by DOE, provides direct weatherization services through a network of public and non-profit agencies operating in all 67 counties within the commonwealth. Weatherization services primarily involve diagnostic assessment of air leakage, health and safety repairs, electric baseload measures, and client energy education.

Pennsylvania's WAP mission is to increase energy efficiency in homes by reducing energy costs and increasing comfort while safeguarding health and safety. On-site energy audits are conducted to assess conditions

# Community and Economic Development

## Program: Pennsylvania Communities (continued)

in homes and to identify the most cost-effective energy saving measures to be installed. Weatherization services include but are not limited to:

- Blower door guided air sealing to effectively locate and reduce air-leakage throughout the home;
- Installation of attic, wall, basement, and crawlspace insulation and ventilation to reduce energy loss;
- Heating system modification or replacement to increase the efficiency and/or safety of the heating system;
- Minor repairs, and/or health and safety measures are provided (when necessary) to allow the safe and effective installation of the weatherization measures; and
- Client education on the proper use and maintenance of the installed weatherization measures and ways to reduce energy waste everyday.

### **Municipal Assistance Program**

The [Municipal Assistance Program](#) was created to help local governments plan for and effectively implement a variety of services, improvements, and soundly-managed development. The program provides funding for three groups of activities:

- Shared service activities – including regionalization, consolidation or merging of services; shared personnel; high impact projects serving many municipalities or large areas; and boundary change efforts;
- Community planning – including comprehensive plans; community revitalization plans; zoning and subdivision ordinances; and Transit Revitalization Investment District (TRID) planning studies; and
- Floodplain management – reimbursements to municipalities for costs incurred in the preparation, enactment, administration and enforcement of floodplain management regulations.

### **Early Intervention Program**

In order to assist municipalities interested in improving their fiscal position, the [Early Intervention Program](#)

provides financial assistance to municipal and county governments for the development and implementation of five-year financial management plans and departmental operational overviews. The plans supply both short-term and long-term strategies to promote best management practices and ultimately avert fiscal distress.

The department's [Center for Local Government Services](#) has developed an approach to identify at-risk municipalities called the [Early Warning System](#). The system looks at multiple financial factors to determine which municipalities may be experiencing fiscal difficulties. This approach, combined with the resources available under the Early Intervention program, provides tools that aid in keeping governments from an Act 47 Municipalities Financial Recovery Program filing.

### **Municipalities Financial Recovery Program – Act 47**

The Center for Local Government Services has a responsibility to assist local governments facing potential financial insolvency. When a [municipality is declared distressed](#) by the department, the [Municipalities Financial Recovery](#) program is used to provide technical assistance in the fields of financial management and public administration, as well as financial assistance through the Distressed Municipalities Revolving Fund. Act 47 also empowers the governor to issue a declaration of fiscal emergency, enabling the department to prepare an emergency action plan and to appoint a receiver to prepare a recovery plan to be confirmed by Commonwealth Court.

### **Transportation Projects**

Funding is transferred annually to the Commonwealth Financing Authority to assist with the implementation of a variety of [transportation projects](#) including: projects that coordinate local land use with transportation assets to enhance existing communities; projects related to streetscape, lighting, sidewalk enhancement, and pedestrian safety; projects that will improve connectivity or the use of existing transportation assets; and projects related to transit-oriented development. Financial assistance provided by the authority is matched by local funding.

## Program Recommendations:

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

	<b>GENERAL FUND</b>				<b>Transfer to Municipalities Financial Recovery Revolving Fund</b>
\$	155	<b>Center for Local Government Services</b>		\$	3,500
		—to continue current program.			—Initiative—to ensure fund solvency in the Municipalities Financial Recovery Revolving Fund, which provides assistance to municipalities that are declared financially distressed.
\$	-850	<b>Regional Events Security and Support</b>			
		—program elimination.			
\$	-10,535	<b>Local Municipal Emergency Relief</b>			
		—program elimination.			



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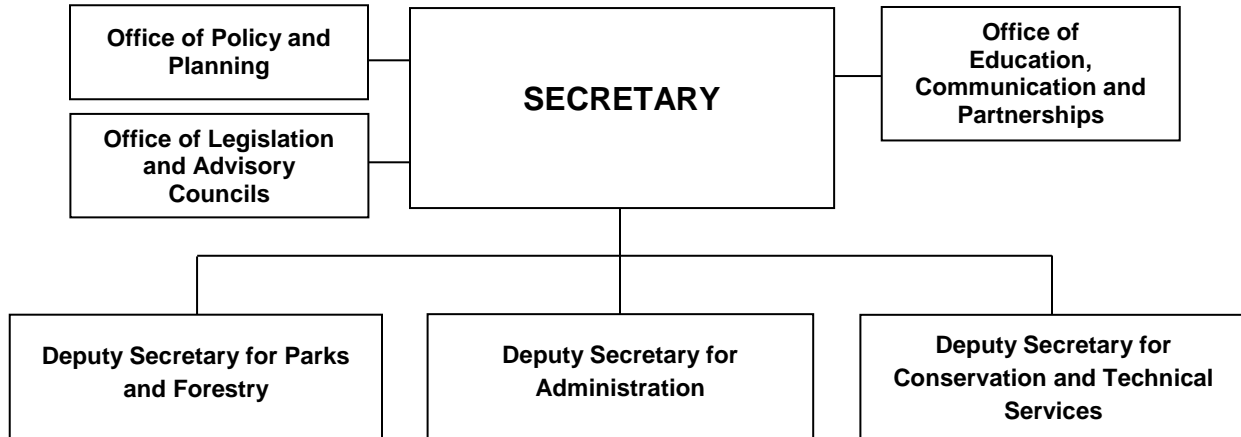
# DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

*The mission of the Department of Conservation and Natural Resources is to maintain, improve and preserve state parks; to manage state forest lands to assure their long-term health, sustainability and economic use; to provide information on ecological and geologic resources; and to administer grant and technical assistance programs that will benefit river conservation, trails and greenways, local recreation, regional heritage conservation and environmental education programs across the commonwealth.*

## **Programs and Goals**

**Parks and Forests Management:** *to manage state park and forest lands for their long-term use and enjoyment; provide the resources and expertise to help conserve and protect all the commonwealth's natural resources; and help create and sustain economically vibrant communities through quality recreational resources and investments.*

## Organization Overview



- **Deputy Secretary for Parks and Forestry** is responsible for managing and directing the operations of the bureaus of Facility Design and Construction, State Parks and Forestry.
- **Deputy Secretary for Administration** is responsible for all administrative and managerial staff functions of the department. These include budgeting and fiscal management, data resource management and the coordination of human resources and information technology with the Office of Administration.
- **Deputy Secretary for Conservation and Technical Services** is responsible for managing and directing the operations of the bureaus of Topographic and Geologic Survey and Recreation and Conservation.

### Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
1,403	1,406	1,426	1,360	1,268	1,264	1,276

# Conservation and Natural Resources

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

### GENERAL FUND:

#### General Government:

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>General Government Operations.....</b>	<b>\$ 20,324</b>	<b>\$ 23,423</b>	<b>\$ 16,157<sup>a</sup></b>
(F)Topographic and Geologic Survey Grants.....	500	400	400
(F)Land and Water Conservation Fund.....	9,000	9,000	9,000
(F)Highlands Conservation Program.....	4,500	6,500	6,500
(F)U.S. Endowment - Healthy Watershed.....	200	200	200
(F)Cooperative Endangered Species.....	28	28	28
(F)PA Recreation Trails (EA).....	7,000	7,000	7,000
(A)Payment for Department Services.....	1,633	462	170
(A)Water Well Drillers.....	38	38	38
(A)Key 93 Admin Costs.....	2,788	3,371	3,371
(A)Internet Record Imaging System.....	115	200	200
(A)Environmental Stewardship Admin Costs.....	0	459	459
Subtotal.....	<b>\$ 46,126</b>	<b>\$ 51,081</b>	<b>\$ 43,523</b>
<b>State Parks Operations.....</b>	<b>51,028</b>	<b>56,185</b>	<b>39,373<sup>a</sup></b>
(F)Coastal Zone Management.....	0	0	100
(F)Coastal Zone Management Special Projects (EA).....	50	50	50
(F)Disaster Relief (EA).....	8,000	8,000	8,000
(A)State Parks User Fees.....	24,950	26,000	26,000
(A)Reimbursement for Services.....	6,724	2,795	2,795
(A)Sale of Vehicles - Parks.....	49	82	82
Subtotal.....	<b>\$ 90,801</b>	<b>\$ 93,112</b>	<b>\$ 76,400</b>
<b>State Forests Operations.....</b>	<b>22,664</b>	<b>29,184</b>	<b>21,327<sup>a</sup></b>
(F)Forest Fire Protection and Control.....	2,000	2,000	2,000
(F)Forestry Incentives and Agriculture Conservation.....	75	75	50
(F)Forest Management and Processing.....	3,800	3,800	6,500
(F)Great Lakes Restoration.....	0	0	1
(F)Aid to Volunteer Fire Companies.....	750	850	850
(F)Natural Resource Conservation Service.....	264	150	150
(F)Forest Insect and Disease Control.....	4,000	4,000	4,000
(F)National Fish and Wildlife Foundation.....	1,000	1,000	1,300
(F)Wetland Protection Fund.....	300	300	300
(F)Wetlands Program Development (EA).....	250	250	250
(F)PA Adoptive Toolbox for Conservation Saturation (EA).....	75	75	75
(F)Eradication of Spotted Lanternfly (EA).....	40	200	0
(A)Reimbursement for Services.....	890	905	890
(A)Reimbursement - Forest Fires.....	2,211	1,332	1,332
(A)Sale of Vehicles - Forests.....	123	100	100
(A)Timber Sales.....	23,232	24,000	23,000
(A)Miscellaneous Tickets and Fines.....	6	2	2
Subtotal.....	<b>\$ 61,680</b>	<b>\$ 68,223</b>	<b>\$ 62,127</b>
<b>Parks and Forests Infrastructure Projects.....</b>	<b>0</b>	<b>2,500</b>	<b>0</b>
(R)ATV Management (EA).....	1,757	3,680	3,680
(R)Snowmobile Management (EA).....	315	503	645
(R)Snowmobile & ATV Regulation.....	1,676	771	0
(R)Forest Regeneration.....	2,516	2,850	2,220
(R)Forestry Research.....	439	250	250
Subtotal - State Funds.....	<b>\$ 94,016</b>	<b>\$ 111,292</b>	<b>\$ 76,857</b>
Subtotal - Federal Funds.....	<b>41,832</b>	<b>43,878</b>	<b>46,754</b>
Subtotal - Augmentations.....	<b>62,759</b>	<b>59,746</b>	<b>58,439</b>
Subtotal - Restricted Revenues.....	<b>6,703</b>	<b>8,054</b>	<b>6,795</b>
Total - General Government.....	<b>\$ 205,310</b>	<b>\$ 222,970</b>	<b>\$ 188,845</b>



# Conservation and Natural Resources

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>Grants and Subsidies:</b>			
Heritage and Other Parks.....	\$ 2,875	\$ 3,025	\$ 0 <sup>b</sup>
Annual Fixed Charges - Flood Lands.....	65	65	70
Annual Fixed Charges - Project 70.....	88	88	88
Annual Fixed Charges - Forest Lands.....	7,731	7,758	7,808
Annual Fixed Charges - Park Lands.....	425	425	430
Total - Grants and Subsidies.....	\$ 11,184	\$ 11,361	\$ 8,396
STATE FUNDS.....	\$ 105,200	\$ 122,653	\$ 85,253
FEDERAL FUNDS.....	41,832	43,878	46,754
AUGMENTATIONS.....	62,759	59,746	58,439
RESTRICTED REVENUES.....	6,703	8,054	6,795
<b>GENERAL FUND TOTAL.....</b>	<b>\$ 216,494</b>	<b>\$ 234,331</b>	<b>\$ 197,241</b>
<b><u>MOTOR LICENSE FUND:</u></b>			
<b>General Government:</b>			
Dirt and Gravel Roads.....	\$ 7,000	\$ 7,000	\$ 7,000
(F)Delaware Canal State Park Improvement (EA).....	3,381	0	0
Subtotal - State Funds.....	\$ 7,000	\$ 7,000	\$ 7,000
Subtotal - Federal Funds.....	3,381	0	0
Total - General Government.....	\$ 10,381	\$ 7,000	\$ 7,000
<b>Grants and Subsidies:</b>			
(R)Forestry Bridges - Excise Tax (EA).....	\$ 11,000	\$ 11,000	\$ 11,000
STATE FUNDS.....	\$ 7,000	\$ 7,000	\$ 7,000
FEDERAL FUNDS.....	3,381	0	0
RESTRICTED REVENUES.....	11,000	11,000	11,000
<b>MOTOR LICENSE FUND TOTAL.....</b>	<b>\$ 21,381</b>	<b>\$ 18,000</b>	<b>\$ 18,000</b>
<b><u>OTHER FUNDS:</u></b>			
<b>ENVIRONMENTAL EDUCATION FUND:</b>			
General Operations (EA).....	\$ 221	\$ 254	\$ 300
<b>ENVIRONMENTAL STEWARDSHIP FUND:</b>			
Heritage and Other Parks.....	\$ 0	\$ 0	\$ 2,250 <sup>b</sup>
Parks & Forest Facility Rehabilitation (EA).....	15,450	9,608	8,927
Community Conservation Grants (EA).....	5,050	5,915	6,000
Natural Diversity Conservation Grants (EA).....	300	300	300
ENVIRONMENTAL STEWARDSHIP FUND TOTAL.....	\$ 20,800	\$ 15,823	\$ 17,477
<b>KEYSTONE RECREATION, PARK AND CONSERVATION FUND:</b>			
General Government Operations.....	\$ 0	\$ 0	\$ 9,647 <sup>a</sup>
State Parks Operations.....	0	0	15,938 <sup>a</sup>
State Forests Operations.....	0	0	4,415 <sup>a</sup>
Parks & Forest Facility Rehabilitation (EA).....	29,786	27,777	24,803
Grants for Local Recreation (EA).....	24,823	23,148	20,669
Grants to Land Trusts (EA).....	9,929	9,259	8,268
KEYSTONE RECREATION, PARK AND CONSERVATION FUND TOTAL.....	\$ 64,538	\$ 60,184	\$ 83,740

# Conservation and Natural Resources

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	ACTUAL	AVAILABLE	BUDGET
<b>OIL AND GAS LEASE FUND:</b>			
General Government Operations.....	\$ 50,000	\$ 37,045	\$ 37,786 <sup>a</sup>
State Parks Operations.....	7,739	7,555	17,706 <sup>a</sup>
State Forests Operations.....	3,552	4,198	14,282 <sup>a</sup>
Transfer to Marcellus Legacy Fund (EA).....	0 <sup>c</sup>	0 <sup>c</sup>	0 <sup>c</sup>
<b>OIL AND GAS LEASE FUND TOTAL.....</b>	<b>\$ 61,291</b>	<b>\$ 48,798</b>	<b>\$ 69,774</b>
<b>STATE GAMING FUND:</b>			
Payments in Lieu of Taxes (EA).....	\$ 5,213	\$ 5,278	\$ 5,312
<b>WILD RESOURCE CONSERVATION FUND:</b>			
General Operations (EA).....	\$ 143	\$ 132	\$ 132
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 105,200	\$ 122,653	\$ 85,253
MOTOR LICENSE FUND.....	7,000	7,000	7,000
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	45,213	43,878	46,754
AUGMENTATIONS.....	62,759	59,746	58,439
RESTRICTED.....	17,703	19,054	17,795
OTHER FUNDS.....	152,206	130,469	176,735
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 390,081</b>	<b>\$ 382,800</b>	<b>\$ 391,976</b>

<sup>a</sup> This budget includes additional special fund appropriations to support program operations.

<sup>b</sup> This budget includes additional special fund appropriations to support grants and subsidies.

<sup>c</sup> Not added to avoid double counting with the program expenditures from the Environmental Stewardship Fund and the Hazardous Sites Cleanup Fund shown in various agencies. Environmental Stewardship Fund: 2017-18 Actual is \$20,000,000, 2018-19 Available is \$20,000,000, 2019-20 Budget is \$0. Hazardous Sites Cleanup Fund: 2017-18 Actual is \$15,000,000, 2018-19 Available is \$15,000,000, 2019-20 Budget is \$15,000,000.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>PARKS AND FORESTS MANAGEMENT</b>							
GENERAL FUND.....	\$ 105,200	\$ 122,653	\$ 85,253	\$ 87,547	\$ 84,129	\$ 88,129	\$ 89,598
MOTOR LICENSE FUND.....	7,000	7,000	7,000	7,000	7,000	7,000	7,000
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	45,213	43,878	46,754	46,754	46,754	46,754	46,754
AUGMENTATIONS.....	62,759	59,746	58,439	56,439	56,439	56,439	56,439
RESTRICTED.....	17,703	19,054	17,795	17,795	17,795	17,795	17,795
OTHER FUNDS.....	152,206	130,469	176,735	173,611	170,335	168,024	168,112
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 390,081</b>	<b>\$ 382,800</b>	<b>\$ 391,976</b>	<b>\$ 389,146</b>	<b>\$ 382,452</b>	<b>\$ 384,141</b>	<b>\$ 385,698</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 105,200	\$ 122,653	\$ 85,253	\$ 87,547	\$ 84,129	\$ 88,129	\$ 89,598
MOTOR LICENSE FUND.....	7,000	7,000	7,000	7,000	7,000	7,000	7,000
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	45,213	43,878	46,754	46,754	46,754	46,754	46,754
AUGMENTATIONS.....	62,759	59,746	58,439	56,439	56,439	56,439	56,439
RESTRICTED.....	17,703	19,054	17,795	17,795	17,795	17,795	17,795
OTHER FUNDS.....	152,206	130,469	176,735	173,611	170,335	168,024	168,112
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 390,081</b>	<b>\$ 382,800</b>	<b>\$ 391,976</b>	<b>\$ 389,146</b>	<b>\$ 382,452</b>	<b>\$ 384,141</b>	<b>\$ 385,698</b>

## Program: Parks and Forests Management

*Goal: To manage state park and forest lands for their long-term use and enjoyment; to provide the resources and expertise to help conserve and protect all the commonwealth's natural resources; and help create and sustain economically vibrant communities through quality recreational resources and investments.*

### Management of State Park and Forest Lands

The Department of Conservation and Natural Resources (DCNR) manages 2.6 million acres of state parks and state forest land across the commonwealth. State forests are managed for multiple uses, including protection of streams, drinking water, clean air, and conservation of many important plant and animal communities. [State forests](#) are also great places for public recreation – from hunting and fishing to hiking and mountain biking - and for scientific research. Our forestlands support a recovering forest products industry with a steady supply of forest products. Our 121 [state parks](#) protect many natural, aesthetic, geologic, scenic and historical treasures that make the commonwealth unique and diverse. About 40 million people visit state parks annually to camp, learn and enjoy nature. Numerous studies show that parks contribute to physical and mental health, draw out-of-state visitors to Pennsylvania, and generate income for nearby businesses.

The department maintains more than 4,700 structures, thousands of road miles, bridges, dams, treatment plants and other infrastructure. DCNR is also working to [reduce its footprint](#) and save money by incorporating [energy-saving features](#) in existing and new buildings, water-saving measures in our landscapes and using recycled building materials. DCNR manages forestlands to limit impacts from development, keep the deer herd in balance with the forest's ability to regenerate and combat invasive species outbreaks that threaten ash and hemlock trees.

### Stewardship of the Commonwealth's Natural Resources

DCNR uses adaptive management in its efforts to conserve the state's forests, streams and natural communities. DCNR provides leadership and guidance through technical assistance, ecological and geologic information and grant funding for research, planning,

project development and land acquisition. The department's conservation science programs and [topographic and geologic resources](#), including digital maps, data and geographic information systems, help communities make land use decisions that support sustainable development. The department also provides hands-on assistance to private forest landowners, who own three-quarters of all forestland in the state. The department's goal is to reduce forest fragmentation and loss by conserving additional forest acres and planting additional trees. DCNR is expanding its work to help the Chesapeake Bay and local streams by funding and encouraging [riparian forest buffer projects](#) across the commonwealth. DCNR is also a trustee under [Article 1, Section 27](#) of the state constitution, and uses this responsibility to ensure the highest level of natural resource conservation for current and future generations of Pennsylvanians.

### Improve Communities Through Access to Conservation and Recreation Resources

The [Community Conservation Partnerships Program](#) provides staff-level technical assistance and matching grants for community parks and trails, snowmobile and ATV trails and parks, land conservation, river conservation, forested buffers and rails-to-trails projects. These grants have assisted every Pennsylvania county and reached more than half of the commonwealth's communities.

DCNR also directly supports jobs through its [PA Outdoor Corps](#), with 6-week summer youth corps and 10-month crews made up of older youth gaining on-the-job skills by working outdoors. Projects include building trails and shelters, combatting invasive species, and learning planning and design skills. Promoting conservation as a career creates a pipeline of young people interested in restoration and recreation, helping the next generation become lifelong stewards of our natural resources.

### Program Recommendation:

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

<b>GENERAL FUND:</b>				<b>State Parks Operations</b>
	<b>General Government Operations</b>		\$ 4,610	—to continue current program.
\$ 3,069	—to continue current program.		3,667	—Initiative—to continue statewide radio upgrade.
53	—redistribution of parking costs.		1,000	—Initiative—additional resources at State Parks.
-741	—increased utilization of Oil and Gas Lease funds for current operating costs.		-10,151	—increased utilization of Oil and Gas Lease funds for current operating costs.
-9,647	—to utilize Keystone Recreation, Park and Conservation funds for current operating costs.		-15,938	—to utilize Keystone Recreation, Park and Conservation funds for current operating costs.
<hr/>			<hr/>	
\$ -7,266	<i>Appropriation Decrease</i>		\$ -16,812	<i>Appropriation Decrease</i>

# Conservation and Natural Resources

## Program: Parks and Forests Management (continued)

### Program Recommendations: (continued) This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>State Forests Operations</b></p> <p>\$ 3,480 —to continue current program.</p> <p>3,162 —Initiative—to continue statewide radio upgrade.</p> <p>–10,084 —increased utilization of Oil and Gas Lease funds for current operating costs.</p> <p>–4,415 —to utilize Keystone Recreation, Park and Conservation funds for current operating costs.</p> <hr/> <p>\$ –7,857 <i>Appropriation Decrease</i></p> <p><b>Parks and Forest Infrastructure Projects</b></p> <p>\$ –2,500 —program elimination.</p>	<p><b>Heritage and Other Parks</b></p> <p>\$ –775 —funding reduction.</p> <p>–2,250 —to utilize Environmental Stewardship funds for current costs.</p> <hr/> <p>\$ –3,025 <i>Appropriation Decrease</i></p> <p><b>Annual Fixed Charges - Flood Lands</b></p> <p>\$ 5 —for increased in lieu of tax payments in accordance with Act 85 of 2016.</p> <p><b>Annual Fixed Charges - Forest Lands</b></p> <p>\$ 50 —to continue current program.</p> <p><b>Annual Fixed Charges - Park Lands</b></p> <p>\$ 5 —to continue current program.</p>
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All other appropriations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 20,324	\$ 23,423	\$ 16,157	\$ 16,157	\$ 16,157	\$ 16,157	\$ 16,157
State Parks Operations .....	51,028	56,185	39,373	40,764	39,256	41,937	42,937
State Forests Operations.....	22,664	29,184	21,327	22,230	20,320	21,639	22,108
Parks and Forests Infrastructure Projects .	0	2,500	0	0	0	0	0
Heritage and Other Parks.....	2,875	3,025	0	0	0	0	0
Annual Fixed Charges - Flood Lands.....	65	65	70	70	70	70	70
Annual Fixed Charges - Project 70.....	88	88	88	88	88	88	88
Annual Fixed Charges - Forest Lands.....	7,731	7,758	7,808	7,808	7,808	7,808	7,808
Annual Fixed Charges - Park Lands.....	425	425	430	430	430	430	430
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 105,200</b>	<b>\$ 122,653</b>	<b>\$ 85,253</b>	<b>\$ 87,547</b>	<b>\$ 84,129</b>	<b>\$ 88,129</b>	<b>\$ 89,598</b>
<b>MOTOR LICENSE FUND:</b>							
Dirt and Gravel Roads .....	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Land Conservation: Reduce forest loss and fragmentation by conserving land and planting trees in urban and suburban communities.

Promote Responsible Stewardship of the commonwealth's natural resources

Land conservation through acquisition and easement (acres) - includes additions to parks, forests, and grants to communities .....

	6,083	36,409	5,636	6,181	6,132	8,000	8,000
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TreeVitalize - total trees planted (cumulative).....

	391,595	426,220	446,000	457,530	461,627	466,002	470,377
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Total carbon sequestered in state forest timber resources (million standard tons, annual accumulation).....

	4.38	4.58	4.65	4.85	5.00	5.18	5.36
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Number of volunteer hours .....

	N/A	N/A	N/A	147,821	145,082	146,533	147,998
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# Conservation and Natural Resources

## Program: Parks and Forests Management (continued)

<b>Program Measures: (continued)</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Promote outdoor recreation opportunities by increasing public use of state and local parks and recreational trails.</b>							
Pursue excellence in the management of State Parks and Forest Lands							
State park annual attendance							
(in millions) .....	38.00	37.90	40.50	40.20	38.10	38.10	38.10
<b>Improve communities through access to conservation and recreational resources.</b>							
Miles of new trails developed.....	83	28	42	41	18	75	75
<b>Promote responsible stewardship of the commonwealth's natural resources.</b>							
Number of youth trained and employed through the Pennsylvania Outdoor Corps.....							
	N/A	N/A	62	195	200	200	200
<b>Design, build and fund high-performing green buildings, and demonstrate energy efficiency through the use of hybrid/electric vehicles.</b>							
Operate more effectively and efficiently							
Number of LEED certified buildings in state parks and forests .....							
	10	10	13	15	15	16	17
Number of hybrid or electric vehicles in the DCNR fleet .....							
	N/A	N/A	N/A	8	6	9	27
<b>Expand the use of social media and technology to inform and engage new recreation users.</b>							
Improve communities through access to conservation and recreational resources							
Social media subscribers (cumulative).....							
	213,000	301,000	410,470	526,883	622,022	625,000	650,000

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# DEPARTMENT OF CRIMINAL JUSTICE

*The mission of the Department of Criminal Justice is to reduce recidivism and promote public safety by providing individualized treatment and education to offenders, utilizing sound decision making practices that include evidence-based approaches, employing effective methods to aid offenders in reentering society, addressing the needs of crime victims and improving county adult probation and parole services.*

The department maintains a state system for the custody and rehabilitation of convicted offenders. Included within this system are residential programs to provide supervision, counseling and treatment, enabling them to satisfactorily adjust to society. The department further supervises persons on parole, helping them to continue to reintegrate within society. The Pennsylvania Board of Probation and Parole ensures citizen safety through careful selection of individuals to be paroled. The Office of Victim Advocate administers the victim service programs by representing rights and interests of crime victims. The Sexual Offenders Assessment Board is responsible for the review of registration of sexual offenders and conducting assessments of convicted sex offenders.

## **Programs and Goals**

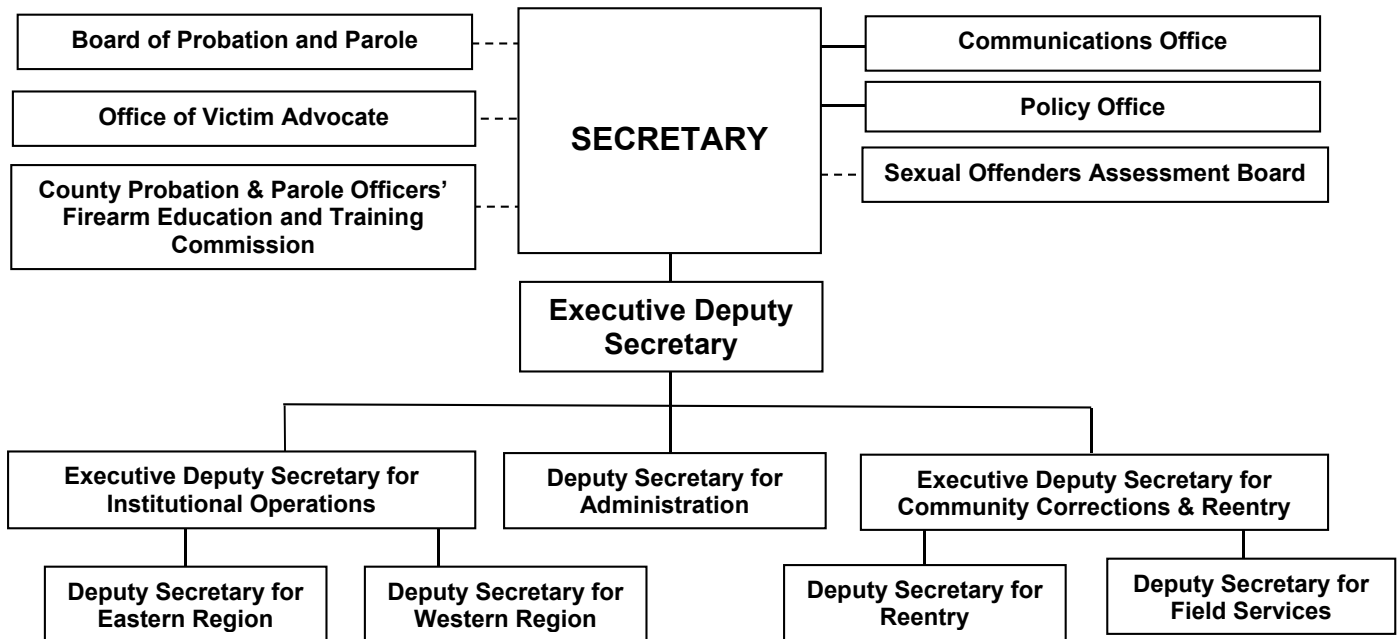
**Incarcerated Individuals:** *To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.*

**Reentry Into Communities:** *To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.*

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## Organization Overview



- **Correctional Facilities** confine offenders for a period of time specified by the courts or the Board of Probation and Parole, and prepare for release and reintegration into the community.
- **Field Supervision** is responsible for providing initial support and guidance to paroled individuals as well as ongoing supervision of the total parolee population.
- **Administration** is responsible for Correctional Industries, health care services, administration, operations and for the coordination of human resources and information technology with the Office of Administration.
- **Board of Probation and Parole** independently decides which offenders should be paroled.
- **Office of Victim Advocate** represents the interests of crime victims before the board or the department.
- **Sexual Offenders Assessment Board** independently conducts assessments for convicted sexual offenders.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
17,189	17,259	17,519	17,026	16,724	16,715	16,717

**Summary by Fund and Appropriation**

(Dollar Amounts in Thousands)

**GENERAL FUND:**

**Institutional:**

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>Medical Care.....</b>	<b>\$ 250,889</b>	<b>\$ 280,117 a</b>	<b>\$ 295,735</b>
(F)PA State Opioid Response (SOR).....	0	3,200	3,200
(A)AIDS SPBP Rebates.....	11,256	14,500	14,500
(A)Medical Reimbursements.....	393	398	390
Subtotal.....	<u>\$ 262,538</u>	<u>\$ 298,215</u>	<u>\$ 313,825</u>
<b>Correctional Education and Training.....</b>	<b>42,006</b>	<b>43,495</b>	<b>42,601</b>
(F)Correctional Education.....	750	750	750
(F)Improving Reentry Education.....	650	650	324
Subtotal.....	<u>\$ 43,406</u>	<u>\$ 44,895</u>	<u>\$ 43,675</u>
<b>State Correctional Institutions.....</b>	<b>1,935,259</b>	<b>2,056,715 b</b>	<b>2,061,718</b>
(F)Reimbursement for Incarcerated Aliens.....	1,900	3,800	3,800
(F)Criminal Justice and Mental Health Collaboration.....	25	305	106
(F)SABG - Drug and Alcohol Programs (EA).....	1,965	1,965	1,965
(F)Residential Substance Abuse Treatment Program (EA).....	502	502	502
(F)PREA Compliance (EA).....	166	0	159
(A)Reimbursements from Other Jurisdictions.....	6,707	6,500	13,000
(A)Institutional Reimbursements.....	103	153	344
(A)Community Service Centers.....	101	150	150
(A)Social Security.....	187	163	163
(A)Cable Reimbursement.....	180	191	191
(R)Rockview Farm Program (EA).....	100	183	183
Subtotal.....	<u>\$ 1,947,195</u>	<u>\$ 2,070,627</u>	<u>\$ 2,082,281</u>
Subtotal - State Funds.....	\$ 2,228,154	\$ 2,380,327	\$ 2,400,054
Subtotal - Federal Funds.....	5,958	11,172	10,806
Subtotal - Augmentations.....	18,927	22,055	28,738
Subtotal - Restricted Revenues.....	100	183	183
Total - Institutional.....	<u>\$ 2,253,139</u>	<u>\$ 2,413,737</u>	<u>\$ 2,439,781</u>

**General Government:**

<b>General Government Operations.....</b>	<b>\$ 48,310</b>	<b>\$ 48,415</b>	<b>\$ 42,119</b>
(A)County Training.....	143	174	144
(A)Miscellaneous.....	7	59	59
Subtotal.....	<u>\$ 48,460</u>	<u>\$ 48,648</u>	<u>\$ 42,322</u>
(R)Firearms Education and Training Commission.....	495	587	601
<b>State Field Supervision.....</b>	<b>125,084</b>	<b>135,742</b>	<b>139,402</b>
(F)Swift Fair and Certain.....	0	391	505
(F)Smart Supervision.....	0	685	441
(A)State Parole Supervision Fees.....	4,100	4,157	4,157
(A)Interstate Supervision Fees.....	113	90	90
Subtotal.....	<u>\$ 129,297</u>	<u>\$ 141,065</u>	<u>\$ 144,595</u>
<b>Pennsylvania Parole Board.....</b>	<b>11,175</b>	<b>12,325</b>	<b>12,104</b>
<b>Office of Victim Advocate.....</b>	<b>2,371</b>	<b>2,465</b>	<b>2,748</b>
(F)Victim Voices Post Conviction (EA).....	150	516	465
(F)OVA Dialogue Program (EA).....	114	118	123
(F)Victim Notification (EA).....	20	74	95
(F)OVA Sex Offender Registration and Notification (EA).....	105	0	0
Subtotal.....	<u>\$ 2,760</u>	<u>\$ 3,173</u>	<u>\$ 3,431</u>
<b>Sexual Offenders Assessment Board.....</b>	<b>6,397</b>	<b>6,568</b>	<b>6,741</b>
Subtotal - State Funds.....	\$ 193,337	\$ 205,515	\$ 203,114
Subtotal - Federal Funds.....	389	1,784	1,629

**Summary by Fund and Appropriation**

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
Subtotal - Augmentations.....	4,363	4,480	4,450
Subtotal - Restricted Revenues.....	495	587	601
<b>Total - General Government.....</b>	<b>\$ 198,584</b>	<b>\$ 212,366</b>	<b>\$ 209,794</b>
<b>Grants and Subsidies:</b>			
<b>Improvement of Adult Probation Services.....</b>	<b>\$ 16,222</b>	<b>\$ 16,222</b>	<b>\$ 16,222</b>
(R)County Parole Supervision Fees.....	16,980	18,631	18,941
Subtotal - State Funds.....	\$ 16,222	\$ 16,222	\$ 16,222
Subtotal - Restricted Revenues.....	16,980	18,631	18,941
<b>Total - Grants and Subsidies.....</b>	<b>\$ 33,202</b>	<b>\$ 34,853</b>	<b>\$ 35,163</b>
STATE FUNDS.....	\$ 2,437,713	\$ 2,602,064	\$ 2,619,390
FEDERAL FUNDS.....	6,347	12,956	12,435
AUGMENTATIONS.....	23,290	26,535	33,188
RESTRICTED REVENUES.....	17,575	19,401	19,725
<b>GENERAL FUND TOTAL.....</b>	<b>\$ 2,484,925</b>	<b>\$ 2,660,956</b>	<b>\$ 2,684,738</b>
<b>OTHER FUNDS:</b>			
<b>MANUFACTURING FUND:</b>			
General Operations (EA).....	\$ 87,300	\$ 99,432	\$ 87,836
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 2,437,713	\$ 2,602,064	\$ 2,619,390
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	6,347	12,956	12,435
AUGMENTATIONS.....	23,290	26,535	33,188
RESTRICTED.....	17,575	19,401	19,725
OTHER FUNDS.....	87,300	99,432	87,836
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 2,572,225</b>	<b>\$ 2,760,388</b>	<b>\$ 2,772,574</b>

<sup>a</sup> Includes recommended supplemental appropriation of \$10,000,000.

<sup>b</sup> Includes recommended supplemental appropriation of \$40,000,000.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>INCARCERATED INDIVIDUALS</b>							
GENERAL FUND.....	\$ 2,276,464	\$ 2,428,742	\$ 2,442,173	\$ 2,456,487	\$ 2,452,490	\$ 2,434,562	\$ 2,434,323
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	5,958	11,172	10,806	10,806	10,806	10,806	10,806
AUGMENTATIONS.....	19,077	22,288	28,941	14,441	14,441	14,441	14,441
RESTRICTED.....	100	183	183	183	183	183	183
OTHER FUNDS.....	87,300	99,432	87,836	87,836	87,836	87,836	87,836
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 2,388,899</b>	<b>\$ 2,561,817</b>	<b>\$ 2,569,939</b>	<b>\$ 2,569,753</b>	<b>\$ 2,565,756</b>	<b>\$ 2,547,828</b>	<b>\$ 2,547,589</b>
<b>REENTRY INTO COMMUNITIES</b>							
GENERAL FUND.....	\$ 161,249	\$ 173,322	\$ 177,217	\$ 174,205	\$ 174,205	\$ 174,205	\$ 174,205
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	389	1,784	1,629	1,629	1,629	1,629	1,629
AUGMENTATIONS.....	4,213	4,247	4,247	4,247	4,247	4,247	4,247
RESTRICTED.....	17,475	19,218	19,542	19,542	19,542	19,542	19,542
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 183,326</b>	<b>\$ 198,571</b>	<b>\$ 202,635</b>	<b>\$ 199,623</b>	<b>\$ 199,623</b>	<b>\$ 199,623</b>	<b>\$ 199,623</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 2,437,713	\$ 2,602,064	\$ 2,619,390	\$ 2,630,692	\$ 2,626,695	\$ 2,608,767	\$ 2,608,528
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	6,347	12,956	12,435	12,435	12,435	12,435	12,435
AUGMENTATIONS.....	23,290	26,535	33,188	18,688	18,688	18,688	18,688
RESTRICTED.....	17,575	19,401	19,725	19,725	19,725	19,725	19,725
OTHER FUNDS.....	87,300	99,432	87,836	87,836	87,836	87,836	87,836
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 2,572,225</b>	<b>\$ 2,760,388</b>	<b>\$ 2,772,574</b>	<b>\$ 2,769,376</b>	<b>\$ 2,765,379</b>	<b>\$ 2,747,451</b>	<b>\$ 2,747,212</b>

## Program: Incarcerated Individuals

*Goal: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.*

The department protects the public by confining individuals in [state correctional institutions](#) for the period of time specified by the courts and the Pennsylvania Board of Probation and Parole. The department is charged with maintaining safe and humane institutions while providing opportunities to the prison population for growth and change. Given that 90 percent of individuals incarcerated in the commonwealth's state correctional institutions will eventually be released into the community, the department emphasizes programs that prepare them for responsible, crime free community living. These reentry programs include [drug and alcohol treatment programs](#), [educational/vocational programs](#), and [reentry and transitional services](#). The department performs and promotes rigorous [statistics and evaluations](#) on the institutional and reentry programs and processes to ensure data-driven decisions are made when allocating resources to reduce recidivism.

### ***Institutional Operations***

In addition to protecting the public, the department emphasizes the safety and security of its staff, volunteers, incarcerated persons, and visitors to institutions. All individuals undergo a diagnostic and classification process to determine the appropriate security classification, medical needs, and programs needed for reentry into society. Two of the largest support services needed to operate the institutions are food service and facility maintenance. Staff and incarcerated individuals perform most of these functions, giving people an opportunity to learn a trade, while constructively occupying their time. Another large support service is health care provided by a combination of staff and contractors. Renal dialysis, geriatric services, infectious care treatment, and other necessary services are offered. Mental health services are also provided, including special needs units in most institutions and licensed mental health units in six institutions.

### ***Individual Programs and Reentry***

The department provides programming which will enable individuals to leave prison better prepared to adjust to life in the community. In order to increase public safety, secure parole violator centers are used for certain reentrants. These centers provide the means to reduce the number of technical parole violators returned to a state correctional institution yet maintain a secure environment for offenders assigned to the centers. Preparation for reentry begins when an individual enters the department's diagnostic and classification center. The center conducts a comprehensive assessment of the individual's risk or probability of reoffending. This assessment data is used to develop a meaningful correctional plan which details the recommended treatment and education programs for each individual and sets expectations for behavior and work performance throughout incarceration. [Prosocial connections](#) are also important to the reentrant and the department. Another treatment option is the [intermediate punishment program](#) where eligible individuals, including those with less serious offenses, participate in structured alcohol and drug treatment programs while in an institution, followed by treatment in the community.

Employment in institutional jobs and [correctional industries](#) provide people with the opportunity to learn responsibility as well as work habits and skills that can be used to find employment after release.

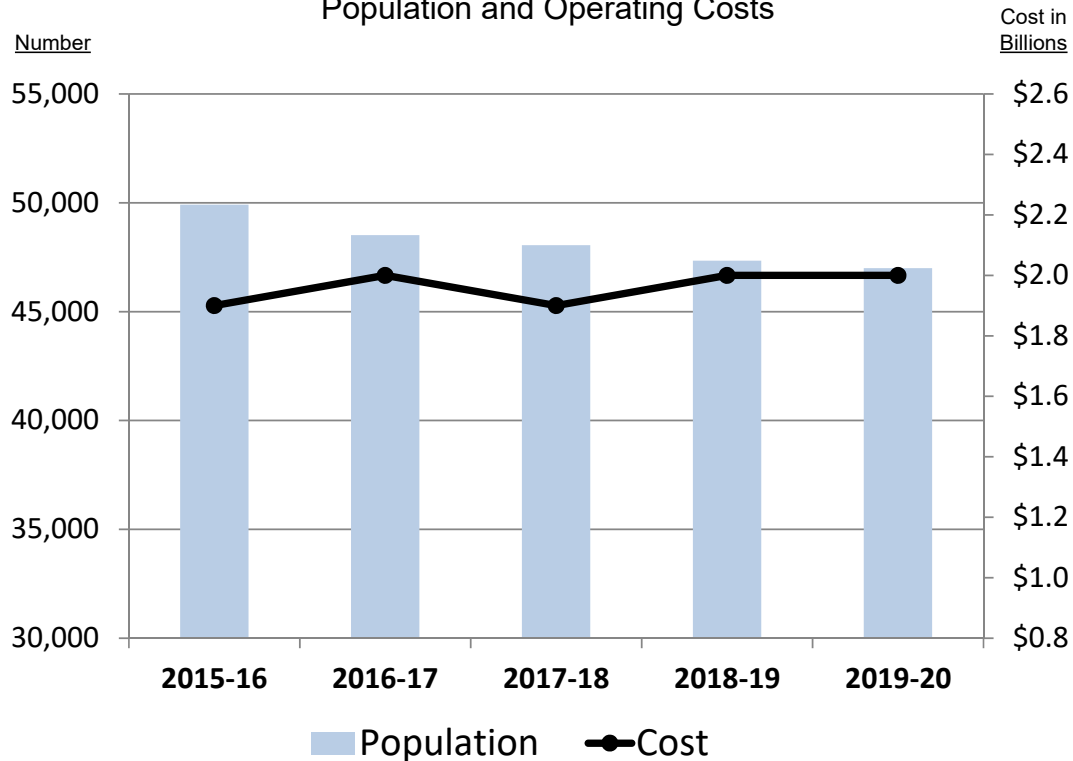
### ***Community Corrections***

The last step in reentry treatment is [community corrections](#). Community corrections centers permit highly screened individuals, who meet established criteria, to live in housing in the community. At these centers, reentrants receive 24-hour supervision and can utilize counseling services while working or attending school. The centers also offer alcohol and drug treatment services, employment assistance, specialized counseling for hard-to-place individuals, and other services.

## Program: Incarcerated Individuals (continued)

### State Correctional Institutions

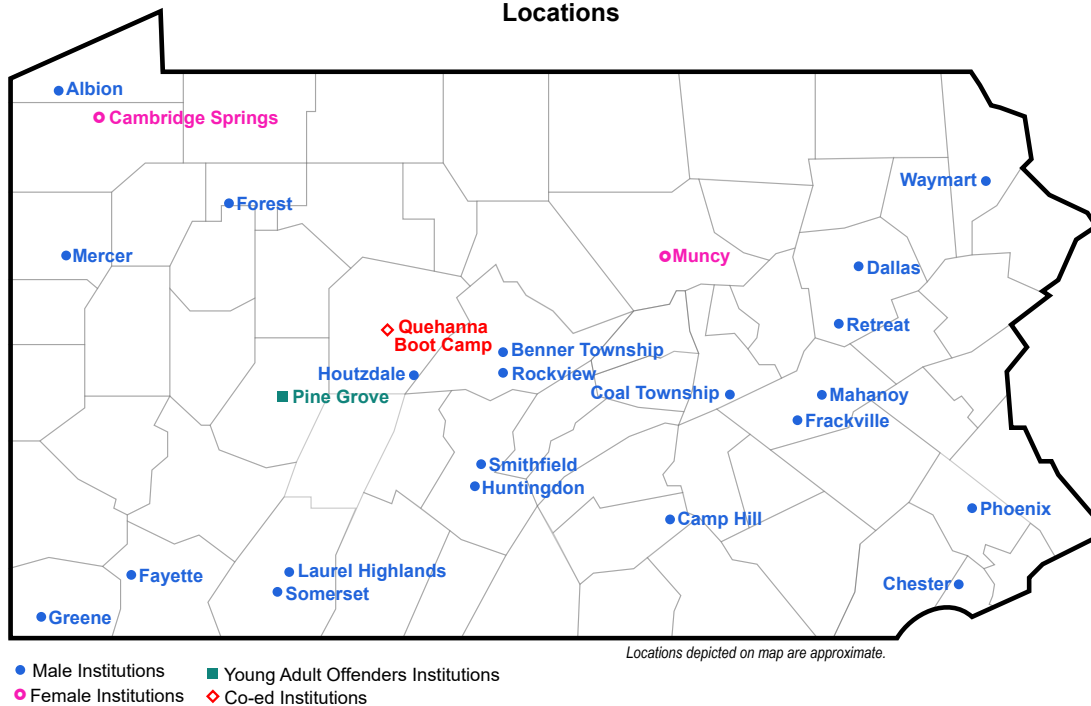
#### Population and Operating Costs



The cost of operating the state correctional institution system has increased from nearly \$1.91 billion in 2015-16 to \$2.06 billion in 2019-20, an average annual increase of 2%. Since January 2015, the population has declined from 50,904 to a projected 46,988 based on enacted and proposed legislative changes and recidivism reduction initiatives.

### State Correctional Institutions

#### Locations



## Program: Incarcerated Individuals (continued)

<b>Population by Institution</b>	<b>Population</b>	<b>Population</b>	<b>Estimated</b>	<b>Estimated</b>
<b>Institutions</b>	<b>June 2017</b>	<b>June 2018</b>	<b>Population</b>	<b>Population</b>
			<b>June 2019</b>	<b>June 2020</b>
Albion.....	2,247	2,291	2,243	2,219
Benner Township.....	2,068	2,066	2,022	2,001
Cambridge Springs.....	1,183	1,211	1,186	1,173
Camp Hill.....	3,398	3,572	3,496	3,459
Chester.....	1,273	1,283	1,256	1,243
Coal Township.....	2,312	2,309	2,261	2,237
Dallas.....	2,133	2,148	2,103	2,081
Fayette.....	2,137	2,175	2,130	2,108
Forest.....	2,376	2,389	2,339	2,315
Frackville.....	1,190	1,205	1,180	1,168
Graterford/Phoenix.....	3,619	2,594	2,544	2,621
Greene.....	1,666	1,835	1,797	1,777
Houtzdale.....	2,503	2,580	2,526	2,499
Huntingdon.....	2,161	2,194	2,148	2,125
Laurel Highlands.....	1,600	1,600	1,567	1,551
Mahanoy.....	2,381	2,370	2,320	2,296
Mercer.....	1,425	1,485	1,453	1,438
Muncy.....	1,393	1,473	1,442	1,427
Pine Grove.....	1,083	1,123	1,100	1,088
Quehanna Boot Camp.....	443	439	430	426
Retreat.....	1,132	1,089	1,066	1,055
Rockview.....	2,395	2,366	2,317	2,293
Smithfield.....	1,343	1,430	1,400	1,385
Somerset.....	2,343	2,382	2,332	2,307
Waymart.....	1,413	1,494	1,462	1,446
Community Centers.....	911	846	846	846
Other Jurisdictions.....	382	404	404	404
<b>Total.....</b>	<b>48,510</b>	<b>48,353</b>	<b>47,370</b>	<b>46,988</b>

Other jurisdictions capacity includes contract county jail beds and federal beds. Estimated population reflects current trends and proposed Justice Reinvestment Phase II legislation.

## Program: Incarcerated Individuals (continued)

### Expenditures by Institution: (Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget		2017-18 Actual	2018-19 Available	2019-20 Budget
<b>Albion</b>				<b>Graterford/Phoenix</b>			
State Funds.....	\$ 80,230	\$ 84,896	\$ 85,599	State Funds.....	\$ 159,418	\$ 185,643	\$ 175,182
Federal Funds.....	0	117	116	Federal Funds.....	0	723	738
Augmentations.....	592	565	565	Augmentations.....	1,135	2,875	2,139
TOTAL.....	<u>\$ 80,822</u>	<u>\$ 85,578</u>	<u>\$ 86,280</u>	TOTAL.....	<u>\$ 160,553</u>	<u>\$ 189,241</u>	<u>\$ 178,059</u>
<b>Benner Township</b>				<b>Greene</b>			
State Funds.....	\$ 75,406	\$ 79,791	\$ 80,453	State Funds.....	\$ 100,838	\$ 106,702	\$ 107,586
Federal Funds.....	0	110	109	Federal Funds.....	0	147	146
Augmentations.....	546	541	542	Augmentations.....	715	687	688
TOTAL.....	<u>\$ 75,952</u>	<u>\$ 80,442</u>	<u>\$ 81,104</u>	TOTAL.....	<u>\$ 101,553</u>	<u>\$ 107,536</u>	<u>\$ 108,420</u>
<b>Cambridge Springs</b>				<b>Houtzdale</b>			
State Funds.....	\$ 49,442	\$ 52,317	\$ 52,750	State Funds.....	\$ 82,002	\$ 86,771	\$ 87,490
Federal Funds.....	98	105	105	Federal Funds.....	109	114	115
Augmentations.....	376	368	368	Augmentations.....	595	576	576
TOTAL.....	<u>\$ 49,916</u>	<u>\$ 52,790</u>	<u>\$ 53,223</u>	TOTAL.....	<u>\$ 82,706</u>	<u>\$ 87,461</u>	<u>\$ 88,181</u>
<b>Camp Hill</b>				<b>Huntingdon</b>			
State Funds.....	\$ 133,777	\$ 141,557	\$ 142,730	State Funds.....	\$ 88,852	\$ 94,019	\$ 94,798
Federal Funds.....	18	595	594	Federal Funds.....	0	130	129
Augmentations.....	4,885	0	938	Augmentations.....	646	622	622
TOTAL.....	<u>\$ 138,680</u>	<u>\$ 142,152</u>	<u>\$ 144,262</u>	TOTAL.....	<u>\$ 89,498</u>	<u>\$ 94,771</u>	<u>\$ 95,549</u>
<b>Chester</b>				<b>Laurel Highlands</b>			
State Funds.....	\$ 57,509	\$ 60,854	\$ 61,358	State Funds.....	\$ 95,897	\$ 101,474	\$ 102,315
Federal Funds.....	0	84	83	Federal Funds.....	0	140	139
Augmentations.....	411	414	414	Augmentations.....	698	674	674
TOTAL.....	<u>\$ 57,920</u>	<u>\$ 61,352</u>	<u>\$ 61,855</u>	TOTAL.....	<u>\$ 96,595</u>	<u>\$ 102,288</u>	<u>\$ 103,128</u>
<b>Coal Township</b>				<b>Mahanoy</b>			
State Funds.....	\$ 71,387	\$ 75,538	\$ 76,164	State Funds.....	\$ 82,912	\$ 87,734	\$ 88,461
Federal Funds.....	142	104	103	Federal Funds.....	0	121	120
Augmentations.....	535	516	516	Augmentations.....	611	602	602
TOTAL.....	<u>\$ 72,064</u>	<u>\$ 76,158</u>	<u>\$ 76,783</u>	TOTAL.....	<u>\$ 83,523</u>	<u>\$ 88,457</u>	<u>\$ 89,183</u>
<b>Dallas</b>				<b>Mercer</b>			
State Funds.....	\$ 89,911	\$ 95,140	\$ 95,928	State Funds.....	\$ 68,896	\$ 72,903	\$ 73,507
Federal Funds.....	7	131	130	Federal Funds.....	0	100	100
Augmentations.....	651	637	637	Augmentations.....	494	480	480
TOTAL.....	<u>\$ 90,569</u>	<u>\$ 95,908</u>	<u>\$ 96,695</u>	TOTAL.....	<u>\$ 69,390</u>	<u>\$ 73,483</u>	<u>\$ 74,087</u>
<b>Fayette</b>				<b>Muncy</b>			
State Funds.....	\$ 100,705	\$ 106,561	\$ 107,445	State Funds.....	\$ 82,433	\$ 87,227	\$ 87,950
Federal Funds.....	0	147	146	Federal Funds.....	9	120	119
Augmentations.....	719	693	693	Augmentations.....	624	593	592
TOTAL.....	<u>\$ 101,424</u>	<u>\$ 107,401</u>	<u>\$ 108,284</u>	TOTAL.....	<u>\$ 83,066</u>	<u>\$ 87,940</u>	<u>\$ 88,661</u>
<b>Forest</b>				<b>Pine Grove</b>			
State Funds.....	\$ 90,158	\$ 95,401	\$ 96,191	State Funds.....	\$ 67,275	\$ 71,187	\$ 71,777
Federal Funds.....	14	131	131	Federal Funds.....	18	120	121
Augmentations.....	654	627	627	Augmentations.....	479	456	456
TOTAL.....	<u>\$ 90,826</u>	<u>\$ 96,159</u>	<u>\$ 96,949</u>	TOTAL.....	<u>\$ 67,772</u>	<u>\$ 71,763</u>	<u>\$ 72,354</u>
<b>Frackville</b>				<b>Quehanna Boot Camp</b>			
State Funds.....	\$ 54,135	\$ 57,283	\$ 57,758	State Funds.....	\$ 27,813	\$ 29,430	\$ 29,674
Federal Funds.....	0	79	78	Federal Funds.....	47	44	40
Augmentations.....	390	374	374	Augmentations.....	205	196	196
TOTAL.....	<u>\$ 54,525</u>	<u>\$ 57,736</u>	<u>\$ 58,210</u>	TOTAL.....	<u>\$ 28,065</u>	<u>\$ 29,670</u>	<u>\$ 29,910</u>



## Program: Incarcerated Individuals (continued)

### Expenditures by Institution: (Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget		2017-18 Actual	2018-19 Available	2019-20 Budget
<b>Retreat</b>				<b>Community Centers</b>			
State Funds.....	\$ 54,448	\$ 57,615	\$ 58,092	State Funds.....	\$ 109,629	\$ 114,661	\$ 124,611
Federal Funds.....	7	79	79	Federal Funds.....	0	280	81
Augmentations.....	390	377	377	Augmentations.....	101	150	150
TOTAL.....	<u>\$ 54,845</u>	<u>\$ 58,071</u>	<u>\$ 58,548</u>	TOTAL.....	<u>\$ 109,730</u>	<u>\$ 115,091</u>	<u>\$ 124,842</u>
<b>Rockview</b>				<b>Training Academy</b>			
State Funds.....	\$ 97,355	\$ 103,017	\$ 103,871	State Funds.....	\$ 4,484	\$ 4,690	\$ 4,729
Federal Funds.....	130	138	139	Federal Funds.....	0	0	0
Augmentations.....	718	688	688	Augmentations.....	0	0	0
TOTAL.....	<u>\$ 98,203</u>	<u>\$ 103,843</u>	<u>\$ 104,698</u>	TOTAL.....	<u>\$ 4,484</u>	<u>\$ 4,690</u>	<u>\$ 4,729</u>
<b>Smithfield</b>				<b>Central Office</b>			
State Funds.....	\$ 69,040	\$ 73,055	\$ 73,660	State Funds.....	\$ 45,682 <sup>a</sup>	\$ 55,377 <sup>a</sup>	\$ 55,838 <sup>a</sup>
Federal Funds.....	0	101	100	Federal Funds.....	4,880	6,990	6,824
Augmentations.....	492	469	468	Augmentations.....	0	0	0
TOTAL.....	<u>\$ 69,532</u>	<u>\$ 73,625</u>	<u>\$ 74,228</u>	TOTAL.....	<u>\$ 50,562</u>	<u>\$ 62,367</u>	<u>\$ 62,662</u>
<b>Somerset</b>				<b>Other Jurisdictions</b>			
State Funds.....	\$ 82,744	\$ 87,556	\$ 91,282	State Funds.....	\$ 12,856	\$ 13,604	\$ 13,716
Federal Funds.....	13	121	120	Federal Funds.....	369	0	0
Augmentations.....	597	590	572	Augmentations.....	0	6,639	13,137
TOTAL.....	<u>\$ 83,354</u>	<u>\$ 88,267</u>	<u>\$ 91,974</u>	TOTAL.....	<u>\$ 13,225</u>	<u>\$ 20,243</u>	<u>\$ 26,853</u>
<b>Waymart</b>							
State Funds.....	\$ 92,920	\$ 98,324	\$ 99,139				
Federal Funds.....	97	101	101				
Augmentations.....	668	646	647				
TOTAL.....	<u>\$ 93,685</u>	<u>\$ 99,071</u>	<u>\$ 99,887</u>				

<sup>a</sup> Expenditures include annual maintenance costs for closed institutions.

### Program Recommendations:

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

	<b>Medical Care</b>	—to continue current program.
\$ 11,295		—redistribution of internal services billings.
823		—additional Hepatitis C treatment.
<u>3,500</u>		
\$ 15,618	<i>Appropriation Increase</i>	
	<b>Correctional Education and Training</b>	
\$ -1,394		—to continue current program.
500		—redistribution of internal services billings.
<u>-894</u>		
\$ -894	<i>Appropriation Decrease</i>	

	<b>State Correctional Institutions</b>	—to continue current program.
\$ 54,677		—one-time drug detection costs.
-4,319		—annualization of revenues from housing of out-of-state individuals.
<u>-6,500</u>		—one-time SCI Graterford to SCI Phoenix transfer costs.
-13,013		—redistribution of internal services billings.
5,944		—non-recurring prior year carry forward.
<u>-31,786</u>		
\$ 5,003	<i>Appropriation Increase</i>	
	<b>General Government Operations</b>	
\$ 1,160		—to continue current program.
<u>-7,456</u>		—redistribution of internal service billings.
\$ -6,296	<i>Appropriation Decrease</i>	

## Program: Incarcerated Individuals (continued)

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Medical Care .....	\$ 250,889	\$ 280,117	\$ 295,735	\$ 310,735	\$ 310,735	\$ 297,235	\$ 297,235
Correctional Education and Training .....	42,006	43,495	42,601	42,601	42,601	42,601	42,601
State Correctional Institutions.....	1,935,259	2,056,715	2,061,718	2,060,346	2,052,352	2,043,496	2,043,018
General Government Operations .....	48,310	48,415	42,119	42,119	42,119	42,119	42,119
Transfer to Justice Reinvestment Fund (EA)	0	0	0	686	4,683	9,111	9,350
<b>GENERAL FUND TOTAL .....</b>	<b>\$ 2,276,464</b>	<b>\$ 2,428,742</b>	<b>\$ 2,442,173</b>	<b>\$ 2,456,487</b>	<b>\$ 2,452,490</b>	<b>\$ 2,434,562</b>	<b>\$ 2,434,323</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Reduce prison violence rates.</b>							
In-institution violence rate (on staff and on other persons combined) per 1,000 .....	50	50	52	53	53	45	45
<b>Decrease population.</b>							
Population.....	51,080	50,366	49,913	48,510	48,353	47,370	46,988
<b>Reduce recidivism.</b>							
One-year recidivism rate.....	40.5%	35.0%	41.0%	43.0%	43.0%	30.1%	30.1%
Three-year recidivism rate .....	61.4%	60.0%	63.0%	61.0%	64.0%	54.9%	54.9%

## Program: Reentry into Communities

*Goal: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.*

The primary goal is to protect the safety of the public through effective [parole decisions](#) and proper supervision of individuals returning to their communities. Successful reentry can reduce the likelihood of recidivism.

This includes making parole decisions and supervising adult parolees; revoking the parole of technical parole violators who continue to violate parole conditions; revoking the parole of violators convicted of new crimes; and discharging parolees who have fulfilled their sentences in compliance with the conditions of parole.

### Parole Decisions

[Individuals](#) must serve their minimum sentence before they become eligible for parole. To prepare people for reentry while incarcerated, the department develops a correctional plan to address drug and alcohol treatment needs, educational opportunities, vocational training, counseling services and employment opportunities within the institution.

### Reentry Preparation

To fulfill the mission of community safety, the department focuses on [preparing individuals for parole release](#) and providing continued support during the critical initial period of readjustment following a person's return to the community. The institutional reentry staff work to identify employment, housing and other issues that create obstacles or challenges to successful reentry. Upon release, an individual's needs are reassessed every six months or more frequently, if necessary.

### Supervision and Case Management

The [reentry of an individual](#) into the community requires effective supervision, which includes a balance of monitoring and enforcement of parole conditions coupled with effective case management. As part of

the department's responsibility to public safety, field agents use problem-solving case management and other [evidence-based strategies](#) to reduce the risk of reoffending. Supervision staff also help with challenges regarding their job, residence, continuity of care or other issues. Also key to public safety and a reduction of crime is the management of technical parole violators through alternative, community based interventions and specialized support programs to safely and effectively allow for continued supervision in the community.

### County Probation

In addition to operating the state parole system, a grant program is administered to support county adult probation personnel and services. Counties are reimbursed up to 80 percent of the personnel costs for pre-sentence investigations and for improved probation supervision and programs.

### Other Probation and Parole Programs

The [Office of Victim Advocate](#) represents the interests of crime victims before the board or the department.

The [Sexual Offenders Assessment Board](#) is responsible for conducting court-ordered assessments of convicted sexual offenders. The assessments are provided to district attorneys and assist in determining those offenders who may be found by the court to be sexually violent predators. The Adam Walsh Act also added additional offenses that require registration, increasing the number of individuals whose assessments will ultimately be under the purview of the Sexual Offenders Assessment Board. The board's role relating to sexual offenders includes updating and verifying the registry information for any offenders under board supervision.

### Program Recommendations:

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

<p><b>State Field Supervision</b></p> <p>\$ 1,865 —to continue current program.</p> <p>1,795 —Initiative—to continue statewide radio upgrade.</p> <hr/> <p>\$ 3,660 <i>Appropriation Increase</i></p>	<p><b>Office of Victim Advocate</b></p> <p>\$ 113 —to continue current program.</p> <p>170 —Initiative—to increase awareness of registration and compliance.</p> <hr/> <p>\$ 283 <i>Appropriation Increase</i></p>
<p><b>Pennsylvania Parole Board</b></p> <p>\$ -221 —to continue current program.</p>	<p><b>Sexual Offenders Assessment Board</b></p> <p>\$ 173 —to continue current program.</p>

## Program: Reentry into Communities (continued)

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
State Field Supervision.....	\$ 125,084	\$ 135,742	\$ 139,402	\$ 136,220	\$ 136,220	\$ 136,220	\$ 136,220
Pennsylvania Parole Board .....	11,175	12,325	12,104	12,104	12,104	12,104	12,104
Office of Victim Advocate.....	2,371	2,465	2,748	2,918	2,918	2,918	2,918
Sexual Offenders Assessment Board .....	6,397	6,568	6,741	6,741	6,741	6,741	6,741
Improvement of Adult Probation Services .	16,222	16,222	16,222	16,222	16,222	16,222	16,222
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 161,249</b>	<b>\$ 173,322</b>	<b>\$ 177,217</b>	<b>\$ 174,205</b>	<b>\$ 174,205</b>	<b>\$ 174,205</b>	<b>\$ 174,205</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Increase the number of offenders identified as appropriate for parole based on reduced risk of committing another crime.

##### State Supervision Process

##### State parolees and probationers

supervised at fiscal year end .....	39,726	41,226	41,500	42,057	41,777	41,727	42,027
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#### Decrease the percentage of supervised individuals who return to prison upon release from prison.

One-year parole recommitment rate ..	18%	20%	18%	18%	16%	16%	16%
Three-year parole recommitment rate	44%	45%	42%	42%	41%	41%	41%

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# DEPARTMENT OF DRUG AND ALCOHOL PROGRAMS

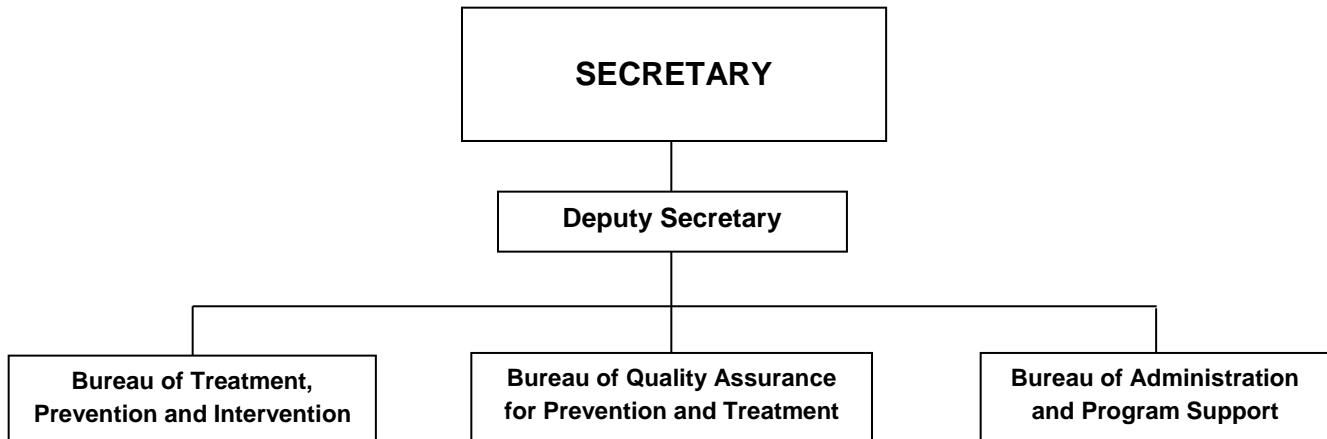
*The mission of the Department of Drug and Alcohol Programs is to engage, coordinate and lead the commonwealth's effort to prevent and reduce drug, alcohol and gambling addiction and abuse; and to promote recovery, thereby reducing the human and economic impact of the disease.*

The department develops and implements programs to reduce substance abuse and dependency through prevention, intervention, rehabilitation and treatment programs. These programs are designed to educate all population segments on the effects and dangers drug and alcohol abuse and dependency pose to public health and to mitigate the economic impact of substance abuse for the citizens of Pennsylvania.

## **Programs and Goals**

**Drug and Alcohol Abuse Prevention and Treatment:** *To provide education, intervention and treatment programs to reduce drug, alcohol and gambling addiction, abuse and dependence.*

## Organization Overview



- **Director of the Bureau of Treatment, Prevention and Intervention** provides county authorities, providers and communities throughout the commonwealth with the tools they need to effectively prevent and treat drug and alcohol problems, as well as problem gambling.
- **Director of the Bureau of Quality Assurance for Prevention and Treatment** ensures that drug and alcohol programs throughout the commonwealth meet or exceed high quality standards and licensure requirements.
- **Director of the Bureau of Administration and Program Support** supports the department programs, including fiscal management, training, data collection and analysis, administrative and clerical services, as well as coordinating human resources and information technology services.

### Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
77	81	79	79	77	82	84

# Drug and Alcohol Programs

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
<b>General Government Operations.....</b>	<b>\$ 1,495</b>	<b>\$ 1,864</b>	<b>\$ 2,657</b>
(F)SABG - Administration and Operation.....	8,617	8,327	8,782
(F)Substance Abuse Special Projects - Admin & Operation.....	2,934	4,269	2,317
(F)Opioid - State Targeted Response Administration.....	2,121	3,260	1,358
(F)State Opioid Response Administration.....	0	0	2,100
(F)DUI Intervention Project (EA).....	100	100	100
(R)Recovery House Certification.....	0	0	900
Subtotal.....	<u>\$ 15,267</u>	<u>\$ 17,820</u>	<u>\$ 18,214</u>
Subtotal - State Funds.....	\$ 1,495	\$ 1,864	\$ 2,657
Subtotal - Federal Funds.....	13,772	15,956	14,657
Subtotal - Restricted Revenues.....	0	0	900
Total - General Government.....	<u>\$ 15,267</u>	<u>\$ 17,820</u>	<u>\$ 18,214</u>
<i>Grants and Subsidies:</i>			
<b>Assistance to Drug and Alcohol Programs.....</b>	<b>\$ 44,732</b>	<b>\$ 44,732</b>	<b>\$ 44,732</b>
(F)SABG - Drug and Alcohol Services.....	59,452	57,775	69,859
(F)Substance Abuse Special Projects Grants.....	14,281	13,844	15,073
(F)Opioid - State Targeted Response.....	45,593	36,746	26,634
(F)State Opioid Response.....	0	55,345	74,000
(A)Community Restitution Payments.....	0	1	1
Subtotal.....	<u>\$ 164,058</u>	<u>\$ 208,443</u>	<u>\$ 230,299</u>
Subtotal - State Funds.....	\$ 44,732	\$ 44,732	\$ 44,732
Subtotal - Federal Funds.....	119,326	163,710	185,566
Subtotal - Augmentations.....	0	1	1
Total - Grants and Subsidies.....	<u>\$ 164,058</u>	<u>\$ 208,443</u>	<u>\$ 230,299</u>
STATE FUNDS.....	\$ 46,227	\$ 46,596	\$ 47,389
FEDERAL FUNDS.....	133,098	179,666	200,223
AUGMENTATIONS.....	0	1	1
RESTRICTED REVENUES.....	0	0	900
<b>GENERAL FUND TOTAL.....</b>	<b><u>\$ 179,325</u></b>	<b><u>\$ 226,263</u></b>	<b><u>\$ 248,513</u></b>
<b>OTHER FUNDS:</b>			
<b>COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND:</b>			
Drug and Alcohol Treatment Services (EA).....	\$ 3,000	\$ 3,000	\$ 3,100
(R)Compulsive and Problem Gambling Treatment (EA).....	5,582	6,150	6,250
<b>COMPULSIVE AND PROBLEM GAMBLING TREATMENT FUND TOTAL.....</b>	<b><u>\$ 8,582</u></b>	<b><u>\$ 9,150</u></b>	<b><u>\$ 9,350</u></b>
<b>STATE STORES FUND:</b>			
Alcohol Abuse Programs (EA).....	\$ 2,500	\$ 2,500	\$ 3,100
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 46,227	\$ 46,596	\$ 47,389
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	133,098	179,666	200,223
AUGMENTATIONS.....	0	1	1
RESTRICTED.....	0	0	900
OTHER FUNDS.....	11,082	11,650	12,450
<b>TOTAL ALL FUNDS.....</b>	<b><u>\$ 190,407</u></b>	<b><u>\$ 237,913</u></b>	<b><u>\$ 260,963</u></b>



## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>DRUG AND ALCOHOL ABUSE PREVENTION AND TREATMENT</b>							
GENERAL FUND.....	\$ 46,227	\$ 46,596	\$ 47,389	\$ 47,389	\$ 47,389	\$ 47,389	\$ 47,389
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	133,098	179,666	200,223	200,223	200,223	200,223	200,223
AUGMENTATIONS.....	0	1	1	1	1	1	1
RESTRICTED.....	0	0	900	900	900	900	900
OTHER FUNDS.....	11,082	11,650	12,450	12,837	14,572	14,215	15,327
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 190,407</b>	<b>\$ 237,913</b>	<b>\$ 260,963</b>	<b>\$ 261,350</b>	<b>\$ 263,085</b>	<b>\$ 262,728</b>	<b>\$ 263,840</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 46,227	\$ 46,596	\$ 47,389	\$ 47,389	\$ 47,389	\$ 47,389	\$ 47,389
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	133,098	179,666	200,223	200,223	200,223	200,223	200,223
AUGMENTATIONS.....	0	1	1	1	1	1	1
RESTRICTED.....	0	0	900	900	900	900	900
OTHER FUNDS.....	11,082	11,650	12,450	12,837	14,572	14,215	15,327
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 190,407</b>	<b>\$ 237,913</b>	<b>\$ 260,963</b>	<b>\$ 261,350</b>	<b>\$ 263,085</b>	<b>\$ 262,728</b>	<b>\$ 263,840</b>

## Program: Drug and Alcohol Abuse Prevention and Treatment

*Goal: To provide education, intervention and treatment programs to reduce drug, alcohol and gambling addiction, abuse and dependence.*

The [Department of Drug and Alcohol Programs](#) is tasked with the development and implementation of a comprehensive plan to reduce substance abuse and dependency. While treatment is much of the department's immediate focus, interdepartmental collaborations and external partnerships emphasize four areas: prevention and intervention, treatment and recovery support, quality assurance and workforce development.

### **Prevention and Intervention**

The department's prevention programs aim to reduce the risk factors associated with substance use through educational sessions, workshops, media presentations and information dissemination. Intervention services provide support to individuals affected by substance use problems. Services include information hotlines, drop-in centers, alcohol safety programs, and employee and student assistance programs.

The department provides county-based agencies, [Single County Authorities](#) (SCAs), with funding to ensure delivery of single and recurring prevention programs. SCAs prepare prevention and intervention plans, as well as treatment plans, tailored to meet the needs of their respective communities. The department approves these plans and formulates a statewide plan based on those findings.

### **Treatment and Recovery Support**

The department provides the SCAs with funding to deliver or purchase drug and alcohol treatment and recovery support services for uninsured and underinsured Pennsylvanians. Treatment services may be received in hospitals, residential facilities, outpatient programs or correctional settings.

The department established a 365 days per year 24/7 [toll-free call center](#) to provide confidential referral services

to the citizens of Pennsylvania seeking drug and alcohol treatment, as well as families experiencing difficulty as a result of problem drug and alcohol use/abuse.

Additionally, the department provides [community resources](#) to first responders, friends, family, health care providers, and educators on the use of Naloxone to temporarily reverse the effects of an opioid overdose.

The department also provides public education, awareness, training, and call center services relative to [compulsive and problem gambling](#), as well as prevention and treatment services to individuals with gambling addiction.

### **Quality Assurance**

The department conducts over 900 annual [inspections](#) of licensed drug and alcohol treatment facilities and programs, including the investigation of incident reports and complaints. Inspections are conducted to determine compliance with state and federal standards and regulations as a condition of receiving federal Medicare and Medicaid financial support.

Act 59 of 2017 authorizes the department to license or certify drug and alcohol [recovery houses](#), in the commonwealth, as a condition of receiving public funds. Recovery houses offer individuals recovering from drug and alcohol addiction a safe and supportive substance-free environment.

### **Workforce Development**

The department's focus on workforce development includes [education and training](#) on prevention, intervention, treatment and recovery support services for substance use disorder and human services professionals, and efforts to create a career ladder for growth in this field.

## Program Recommendations:

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

		<b>General Government Operations</b>
\$	207	—to continue current program.
	267	—Initiative—to provide administrative resources to enhance the oversight and responsiveness of the department.
	319	—Initiative—to provide for staffing realignment due to federal administrative cost parameters.
\$	793	<i>Appropriation Increase</i>

Assistance to Drug and Alcohol Programs is recommended at the current year funding level.

# Drug and Alcohol Programs

## Program: Drug and Alcohol Abuse Prevention and Treatment (continued)

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 1,495	\$ 1,864	\$ 2,657	\$ 2,657	\$ 2,657	\$ 2,657	\$ 2,657
Assistance to Drug and Alcohol Programs	44,732	44,732	44,732	44,732	44,732	44,732	44,732
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 46,227</b>	<b>\$ 46,596</b>	<b>\$ 47,389</b>	<b>\$ 47,389</b>	<b>\$ 47,389</b>	<b>\$ 47,389</b>	<b>\$ 47,389</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Provide drug and alcohol treatment services.</b>							
Number of individuals admitted to treatment* .....	N/A	N/A	N/A	28,040	29,068	27,846	25,509
Average length of outpatient treatment (in days) .....	54	53	65	65	77	77	77
Average length of inpatient treatment (in days) .....	23	22	15	15	15	15	15
Licensure and/or Federal Certification Surveys completed							
Residential drug and alcohol programs licensed/approved .....	179	191	290	291	262	262	262
Nonresidential drug and alcohol programs licensed/approved .....	495	700	740	739	730	730	730

\* Number of individuals admitted to treatment decreases from last year's budget to reflect a data source change from all admissions to only the number of individuals admitted for treatment.



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# DEPARTMENT OF EDUCATION

*The mission of the [Department of Education](#) is to academically prepare children and adults to succeed as productive citizens. The department seeks to ensure that the technical support, resources and opportunities are in place for all students, whether children or adults, to receive a high-quality education.*

The department establishes standards and measures aimed at continuous improvement of school curriculum and manages staff development and research dissemination systems to ensure that all educational institutions can select from proven practices to boost student achievement. Local school districts, school boards and other educational institutions receive technical assistance via a network of intermediate units. The department operates a major research library and leads the development of the state's public, school, academic and special libraries to meet the information, education and enrichment needs of citizens. The department supports the improvement of Pennsylvania's higher education and community colleges via educational programs, funding to support students and direct resources for facility development.

## **Programs and Goals**

**Education Support Services:** *To provide an effective administrative system through which the substantive programs of the agency can be achieved.*

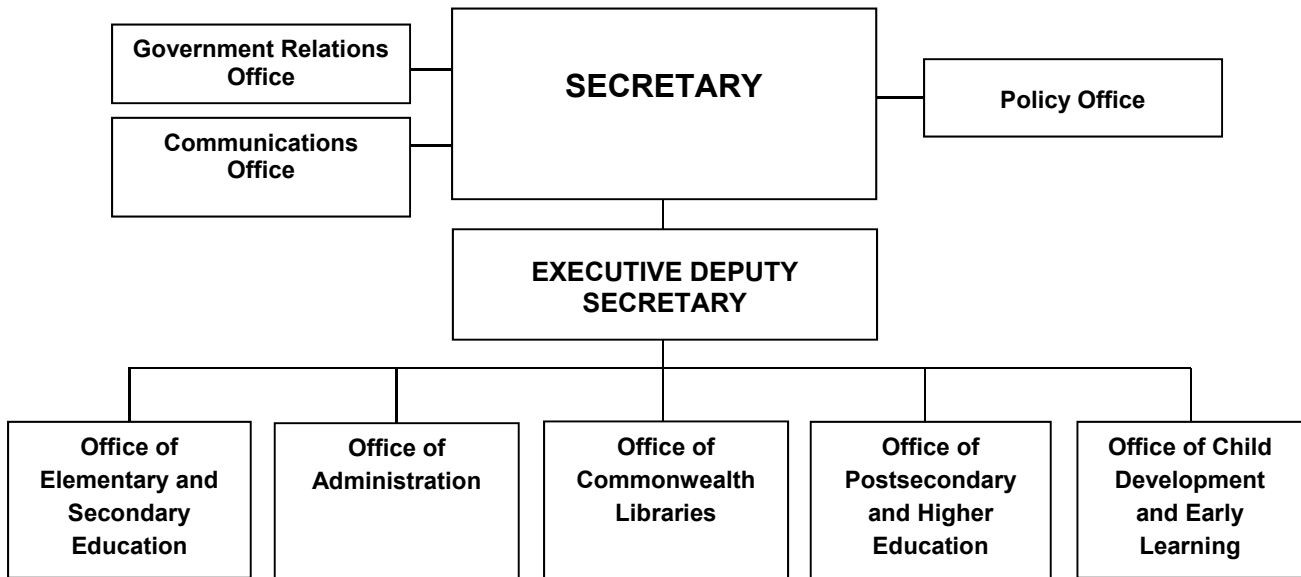
**PreK–12 Education:** *To prepare all students to graduate high school college-ready and career-ready and to be engaged citizens of the commonwealth.*

**Library Services:** *To provide and improve library services to citizens of the commonwealth, special libraries and government agencies and employees.*

**Higher Education:** *To promote access, affordability and performance in higher education through strategies to expand opportunity for students and align with employer needs, and to support the commonwealth's public institutions of higher education in achieving these goals.*

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# Organization Overview



- Office of Elementary and Secondary Education** is responsible for statewide development, administration and improvement of public and nonpublic schools that serve students in kindergarten through the 12th grade. The major components are general education, career and technical education, special education, charter schools, assessment and accountability, curriculum and instruction, community and student support services, school services, safe schools and school improvement.
- Office of Administration** is responsible for all administrative and managerial staff functions of the department. These include budgeting and fiscal management, data resource management and for the coordination of human resources and information technology with the Office of Administration.
- Office of Commonwealth Libraries** operates a major research library and leads the development of the state’s public, academic, school and special libraries to meet the information, education and enrichment needs of its residents.
- Office of Postsecondary and Higher Education** participates in long-range planning for higher education in Pennsylvania; consults with the State Board of Education on the development of regulations to assure quality postsecondary and higher education programs; oversees the authorization of degree-granting institutions and the licensure of career and trade schools; oversees the certification of teachers; coordinates the approval of academic programs as required; coordinates approval of institutions to process veterans benefits; and provides direction and coordination for adult basic and literacy education.
- Office of Child Development and Early Learning** is responsible for the statewide development, administration and improvement of the early childhood education continuum, including learning standards for early childhood, home visiting family support services, child care, early intervention and state-funded pre-kindergarten and Head Start programs. The office spans the Departments of Education and Human Services.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
535	529	529	531	500	501	499

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<b>General Government:</b>			
<b>General Government Operations.....</b>	<b>\$ 25,971</b>	<b>\$ 26,947</b>	<b>\$ 28,323</b>
(F)Adult Basic Education - Administration.....	1,114	1,114	1,114
(F)Education of Exceptional Children.....	12,000	12,000	12,000
(F)Special Education - State Personnel Development.....	2,394	2,394	2,500
(F)ESEEA - Title I - Administration.....	12,333	12,333	12,333
(F)State Approving Agency (VA).....	1,800	1,800	1,800
(F)Food and Nutrition Service.....	21,000	21,000	21,000
(F)Migrant Education - Administration.....	700	700	700
(F)Vocational Education - Administration.....	3,910	3,910	3,910
(F)Improving Teacher Quality - Title II - Administration/State.....	7,400	7,400	7,400
(F)Homeless Assistance.....	4,870	4,870	4,870
(F)Preschool Grant.....	890	940	940
(F)School Health Education Programs.....	600	650	100
(F)Preschool Development Grants.....	30,000	30,000	15,000
(F)Advanced Placement Testing.....	820	820	0
(F)Medical Assistance - Nurses' Aide Training.....	370	670	670
(F)State and Community Highway Safety.....	1,000	1,000	1,000
(F)Title IV - 21st Century Community Learning Centers - Admin.....	4,000	4,000	4,000
(F)National Assessment of Educational Progress (NAEP).....	148	148	148
(F)Striving Readers.....	50,156	0	0
(F)Migrant Education Coordination Program.....	130	130	130
(F)School Improvement Grants.....	40,000	30,000	20,000
(F)Student Support and Academic Enrichment-Administration.....	900	1,900	1,900
(F)Troops to Teachers.....	400	600	400
(F)Pennsylvania Project AWARE.....	0	1,800	0
(F)Education Innovation and Research Program.....	0	4,000	4,000
(F)Emergency Impact Aid Program.....	0	30,000	2,000
(F)Assistance for Homeless Children and Youth.....	0	13,000	13,000
(F)Refugee School Impact Development (EA).....	750	750	750
(F)Live Healthy PA (EA).....	105	0	0
(F)Preventative Health and Health Services (EA).....	250	0	0
(A)Management Services.....	5	1	0
(A)Approved Private Schools.....	538	555	583
(A)National Center for Educational Statistics.....	0	6	6
(A)EPSDT Administration.....	350	350	350
(A)Services to Nonpublic Schools - Administration.....	879	879	879
(A)National Assn. of State Boards of Education.....	20	0	0
(A)Teacher Certification Fees.....	1,079	1,573	1,655
(A)Nonpublic Textbook Administration.....	981	981	981
(A)Alternative Education.....	21	108	108
(A)SARA Reciprocity.....	10	135	135
(A)PlanCon.....	549	1,587	1,172
(A)Higher Education Fees.....	0	135	135
(A)Teacher Certification - Printable Certificates.....	29	20	20
Subtotal.....	<u>\$ 228,472</u>	<u>\$ 221,206</u>	<u>\$ 166,012</u>
(R)Private Licensed Schools.....	676	887	886
<b>Recovery Schools.....</b>	<b>250</b>	<b>250</b>	<b>250</b>
<b>Office of Safe Schools Advocate.....</b>	<b>372</b>	<b>372</b>	<b>379</b>
<b>Information and Technology Improvement.....</b>	<b>3,740</b>	<b>3,740</b>	<b>3,740</b>
(F)Statewide Longitudinal Data Systems.....	2,260	6,455	5,110
<b>PA Assessment.....</b>	<b>50,425</b>	<b>49,446</b>	<b>50,490</b>
(F)Title VI - Part A State Assessments.....	15,000	15,000	15,000
Subtotal.....	<u>\$ 72,047</u>	<u>\$ 75,263</u>	<u>\$ 74,969</u>
<b>State Library.....</b>	<b>1,866</b>	<b>2,022</b>	<b>2,280</b>
(F)LSTA - Library Development.....	8,500	8,500	8,500
(A)Penalties and Reimbursements.....	1	3	3

**Summary by Fund and Appropriation**

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
(A) Photocopy Service.....	2	1	1
(A) Keystone Fund.....	101	101	101
Subtotal.....	<u>\$ 10,470</u>	<u>\$ 10,627</u>	<u>\$ 10,885</u>
Subtotal - State Funds.....	\$ 82,624	\$ 82,777	\$ 85,462
Subtotal - Federal Funds.....	223,800	217,884	160,275
Subtotal - Augmentations.....	4,565	6,435	6,129
Subtotal - Restricted Revenues.....	676	887	886
Total - General Government.....	<u>\$ 311,665</u>	<u>\$ 307,983</u>	<u>\$ 252,752</u>
<b>Institutional:</b>			
Youth Development Centers - Education.....	<u>\$ 8,286</u>	<u>\$ 8,285</u>	<u>\$ 8,285</u>
Subtotal.....	<u>\$ 8,286</u>	<u>\$ 8,285</u>	<u>\$ 8,285</u>
<b>Grants and Subsidies:</b>			
<b>Support of Public Schools:</b>			
Basic Education Funding.....	\$ 5,995,079	\$ 6,095,079	\$ 6,537,078 <sup>a</sup>
Ready to Learn Block Grant.....	250,000	268,000	8,001 <sup>b</sup>
Pre-K Counts.....	172,284	192,284	232,284
Head Start Supplemental Assistance.....	54,178	59,178	69,178
Mobile Science and Math Education Programs.....	3,964	3,964	0
Teacher Professional Development.....	5,959	5,309	5,959
Adult and Family Literacy.....	12,075	12,075	11,675
(F) Adult Basic Education - Local.....	21,000	21,000	21,000
Career and Technical Education.....	62,000	92,000	102,000
(F) Vocational Education Act - Local.....	49,000	49,000	49,000
Career and Technical Education Equipment Grants.....	2,550	2,550	2,550
Authority Rentals and Sinking Fund Requirements.....	29,703	10,500	10,500
Pupil Transportation.....	549,097	549,097	549,097
Nonpublic and Charter School Pupil Transportation.....	80,009	80,009	79,442
Special Education.....	1,121,815	1,136,815	1,186,815
(F) Individuals with Disabilities Education - Local.....	470,000	470,000	470,000
Early Intervention.....	263,878	299,500 <sup>c</sup>	314,500
(F) Individuals with Disabilities Education.....	16,000	16,000	16,000
Tuition for Orphans and Children Placed in Private Homes.....	48,000	48,000	48,000
Payments in Lieu of Taxes.....	166	167	168
Education of Migrant Laborers' Children.....	853	853	853
PA Chartered Schools for the Deaf and Blind.....	50,187	52,336	54,084
Special Education - Approved Private Schools.....	108,010	111,089	114,738
School Food Services.....	30,000	30,000	30,000
(F) Food and Nutrition - Local.....	740,188	750,000	795,869
School Employees' Social Security.....	499,500	541,205	552,327
School Employees' Retirement.....	2,264,000	2,487,500	2,648,000
Subtotal.....	<u>\$ 12,899,495</u>	<u>\$ 13,383,510</u>	<u>\$ 13,909,118</u>
(F) ESEA - Title I - Local.....	625,000	675,000	675,000
(F) Improving Teacher Quality - Title II - Local.....	130,000	110,000	105,000
(F) Title IV 21st Century Community Learning Centers - Local.....	90,000	90,000	90,000
(F) Title III - Language Instruction for LEP & Immigrant Student.....	20,000	24,000	24,000
(F) Title VI - Rural & Low Income School - Local.....	1,700	1,700	1,830
(F) Student Support and Academic Enrichment - Local.....	16,000	40,000	45,000
(F) TANFBG - Teenage Parenting Education (EA).....	13,784	13,784	13,784
(F) Early Learning Challenge Grant (EA).....	4,199	602	0
Subtotal.....	<u>\$ 900,683</u>	<u>\$ 955,086</u>	<u>\$ 954,614</u>
<b>Other Grants and Subsidies:</b>			
Educational Access Programs.....	23,150	0	0
Services to Nonpublic Schools.....	87,939	87,939	87,939
Textbooks, Materials and Equipment for Nonpublic Schools.....	26,751	26,751	26,751

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
Public Library Subsidy.....	54,470	54,470	54,470
Library Services for the Visually Impaired and Disabled.....	2,567	2,567	2,567
Library Access.....	3,071	3,071	3,071
Job Training and Education Programs.....	19,175	31,670	0
Safe School Initiative.....	8,527	10,000	10,000
Trauma-Informed Education.....	0	500	0
Subtotal.....	\$ 225,650	\$ 216,968	\$ 184,798
(R)Empowerment School Districts.....	7,930	5,000	5,000
(R)Medical Assistance Reimbursements.....	104,620	200,000	200,000
<b>Higher Education - Other Grants and Subsidies:</b>			
Community Colleges.....	232,111	239,074	239,074
PA Community College Tuition Assistance.....	0	0	8,000
Transfer to Community College Capital Fund.....	48,869	48,869	48,869
Regional Community Colleges Services.....	6,750	7,003	7,003
Community Education Councils.....	2,346	2,346	2,346
Sexual Assault Prevention.....	1,000	1,000	1,000
Thaddeus Stevens College of Technology.....	14,273	14,701	14,701
Subtotal.....	\$ 305,349	\$ 312,993	\$ 320,993
<b>State System of Higher Education:</b>			
State Universities.....	453,108	468,108	475,130
Subtotal.....	\$ 453,108	\$ 468,108	\$ 475,130
<b>The Pennsylvania State University:</b>			
General Support.....	230,436	237,349	237,349
Pennsylvania College of Technology.....	22,074	22,736	22,736
Subtotal.....	\$ 252,510	\$ 260,085	\$ 260,085
<b>University of Pittsburgh:</b>			
General Support.....	144,210	148,536	148,536
Rural Education Outreach.....	2,763	2,846	2,846
Subtotal.....	\$ 146,973	\$ 151,382	\$ 151,382
<b>Temple University:</b>			
General Support.....	150,586	155,104	155,104
Subtotal.....	\$ 150,586	\$ 155,104	\$ 155,104
<b>Lincoln University:</b>			
General Support.....	14,436	14,869	14,869
Subtotal.....	\$ 14,436	\$ 14,869	\$ 14,869
Subtotal - State Funds.....	\$ 13,151,919	\$ 13,657,019	\$ 14,119,610
Subtotal - Federal Funds.....	2,196,871	2,261,086	2,306,483
Subtotal - Restricted Revenues.....	112,550	205,000	205,000
Total - Grants and Subsidies.....	\$ 15,461,340	\$ 16,123,105	\$ 16,631,093
STATE FUNDS.....	\$ 13,242,829	\$ 13,748,081	\$ 14,213,357
FEDERAL FUNDS.....	2,420,671	2,478,970	2,466,758
AUGMENTATIONS.....	4,565	6,435	6,129
RESTRICTED REVENUES.....	113,226	205,887	205,886
<b>GENERAL FUND TOTAL.....</b>	<b>\$ 15,781,291</b>	<b>\$ 16,439,373</b>	<b>\$ 16,892,130</b>



## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>MOTOR LICENSE FUND:</b>			
<i>Grants and Subsidies:</i>			
Safe Driving Course.....	\$ 1,100	\$ 1,100	\$ 1,100
<b>OTHER FUNDS:</b>			
<b>COMMUNITY COLLEGE CAPITAL FUND:</b>			
Community College Capital .....	\$ 0 <sup>d</sup>	\$ 0 <sup>d</sup>	\$ 0 <sup>d</sup>
<b>GOV. CASEY ORGAN &amp; TISSUE DONATION AWARENESS FUND:</b>			
Governor Casey Organ and Tissue Donation Awareness Fund (EA).....	\$ 200	\$ 190	\$ 165
<b>KEYSTONE RECREATION, PARK AND CONSERVATION FUND:</b>			
Local Libraries Rehabilitation and Development (EA).....	\$ 3,972	\$ 3,704	\$ 3,306
SSHE - Deferred Maintenance (EA).....	17,872	16,666	14,882
<b>KEYSTONE RECREATION, PARK AND CONSERVATION FUND TOTAL.....</b>	<b>\$ 21,844</b>	<b>\$ 20,370</b>	<b>\$ 18,188</b>
<b>PROPERTY TAX RELIEF FUND:</b>			
Property Tax Relief Payments (EA).....	\$ 619,300	\$ 619,500	\$ 619,500
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 13,242,829	\$ 13,748,081	\$ 14,213,357
MOTOR LICENSE FUND.....	1,100	1,100	1,100
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	2,420,671	2,478,970	2,466,758
AUGMENTATIONS.....	4,565	6,435	6,129
RESTRICTED.....	113,226	205,887	205,886
OTHER FUNDS.....	641,344	640,060	637,853
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 16,423,735</b>	<b>\$ 17,080,533</b>	<b>\$ 17,531,083</b>

<sup>a</sup> Includes \$241,999,000 previously appropriated as Ready to Learn Block Grant.

<sup>b</sup> \$241,999,000 previously appropriated as Ready to Learn Block Grant is included in Basic Education Funding appropriation.

<sup>c</sup> Includes recommended supplemental appropriation of \$14,000,000.

<sup>d</sup> Not added to the total to avoid double counting: 2017-18 Actual is \$48,869,000, 2018-19 Available is \$48,869,000, and 2019-20 Budget is \$48,869,000.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>EDUCATION SUPPORT SERVICES</b>							
GENERAL FUND.....	\$ 29,711	\$ 30,687	\$ 32,063	\$ 32,063	\$ 32,063	\$ 32,063	\$ 32,063
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	160,300	164,384	116,775	116,775	111,665	111,665	111,665
AUGMENTATIONS.....	4,461	6,330	6,024	6,024	6,024	6,024	6,024
RESTRICTED.....	676	887	886	886	886	886	886
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 195,148</b>	<b>\$ 202,288</b>	<b>\$ 155,748</b>	<b>\$ 155,748</b>	<b>\$ 150,638</b>	<b>\$ 150,638</b>	<b>\$ 150,638</b>
<b>PREK-12 EDUCATION</b>							
GENERAL FUND.....	\$ 11,828,182	\$ 12,292,723	\$ 12,741,343	\$ 13,069,147	\$ 13,176,264	\$ 13,303,659	\$ 13,428,359
MOTOR LICENSE FUND.....	1,100	1,100	1,100	1,100	1,100	1,100	1,100
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	2,251,871	2,306,086	2,341,483	2,341,483	2,341,483	2,341,483	2,321,483
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	112,550	205,000	205,000	205,000	205,000	205,000	205,000
OTHER FUNDS.....	619,500	619,690	619,665	619,665	619,665	619,665	619,665
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 14,813,203</b>	<b>\$ 15,424,599</b>	<b>\$ 15,908,591</b>	<b>\$ 16,236,395</b>	<b>\$ 16,343,512</b>	<b>\$ 16,470,907</b>	<b>\$ 16,575,607</b>
<b>LIBRARY SERVICES</b>							
GENERAL FUND.....	\$ 61,974	\$ 62,130	\$ 62,388	\$ 62,388	\$ 62,388	\$ 62,388	\$ 62,388
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	8,500	8,500	8,500	8,500	8,500	8,500	8,500
AUGMENTATIONS.....	104	105	105	105	105	105	105
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	3,972	3,704	3,306	3,259	3,275	3,379	3,475
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 74,550</b>	<b>\$ 74,439</b>	<b>\$ 74,299</b>	<b>\$ 74,252</b>	<b>\$ 74,268</b>	<b>\$ 74,372</b>	<b>\$ 74,468</b>
<b>HIGHER EDUCATION</b>							
GENERAL FUND.....	\$ 1,322,962	\$ 1,362,541	\$ 1,377,563	\$ 1,377,563	\$ 1,377,563	\$ 1,377,563	\$ 1,377,563
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	17,872	16,666	14,882	14,665	14,737	15,205	15,637
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 1,340,834</b>	<b>\$ 1,379,207</b>	<b>\$ 1,392,445</b>	<b>\$ 1,392,228</b>	<b>\$ 1,392,300</b>	<b>\$ 1,392,768</b>	<b>\$ 1,393,200</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 13,242,829	\$ 13,748,081	\$ 14,213,357	\$ 14,541,161	\$ 14,648,278	\$ 14,775,673	\$ 14,900,373
MOTOR LICENSE FUND.....	1,100	1,100	1,100	1,100	1,100	1,100	1,100
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	2,420,671	2,478,970	2,466,758	2,466,758	2,461,648	2,461,648	2,441,648
AUGMENTATIONS.....	4,565	6,435	6,129	6,129	6,129	6,129	6,129
RESTRICTED.....	113,226	205,887	205,886	205,886	205,886	205,886	205,886
OTHER FUNDS.....	641,344	640,060	637,853	637,589	637,677	638,249	638,777
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 16,423,735</b>	<b>\$ 17,080,533</b>	<b>\$ 17,531,083</b>	<b>\$ 17,858,623</b>	<b>\$ 17,960,718</b>	<b>\$ 18,088,685</b>	<b>\$ 18,193,913</b>

## Program: Education Support Services

*Goal: To provide an effective administrative system through which the substantive programs of the agency can be achieved.*

Education Support Services provides operational support to programs within the [Department of Education](#) to support the achievement of [departmental and commonwealth objectives](#). The program seeks to provide robust, cost-effective services and to improve the operational efficiency of the department through enhanced information technology support and improved fiscal applications.

In addition to providing operational support to the executive, budget, communications and legal offices of the department, 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 and trade schools and the Professional Standards and Practices Education Commission.

### Program Recommendations:

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

		<b>General Government Operations</b>
\$	627	—to continue current program.
	749	—redistribution of parking costs.
\$	1,376	<i>Appropriation Increase</i>

Information and Technology Improvement is recommended at the current year funding level.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 25,971	\$ 26,947	\$ 28,323	\$ 28,323	\$ 28,323	\$ 28,323	\$ 28,323
Information and Technology Improvement	3,740	3,740	3,740	3,740	3,740	3,740	3,740
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 29,711</b>	<b>\$ 30,687</b>	<b>\$ 32,063</b>	<b>\$ 32,063</b>	<b>\$ 32,063</b>	<b>\$ 32,063</b>	<b>\$ 32,063</b>

## Program: PreK–12 Education

*Goal: To prepare all students to graduate high school college-ready and career-ready and to be engaged citizens of the commonwealth.*

### Basic Education Funding

Pennsylvania's public education system serves more than 1.7 million PreK-12 students at over 2,900 schools in the [commonwealth's 500 school districts](#). Each school district is a local governing unit, elected or appointed pursuant to state statute and local ordinance, and separate from the commonwealth. Both the commonwealth and local school districts contribute to the financing of public elementary and secondary education, with [state funding](#) provided to the school districts – including federal education funding – to supplement the funds raised locally.

The [Basic Education Funding appropriation](#) is the largest subsidy the commonwealth provides to local school districts. To increase academic achievement, school districts are encouraged to invest in evidence-based strategies, including high-quality early childhood education, extended time learning, career and technical education, professional development for educators and personalized learning. The Department of Education supports continuous improvement and high-quality, well-rounded education opportunities for all students through targeted initiatives and provides technical assistance to schools and districts through its statewide system of support. The [commonwealth's 29 intermediate units](#) also provide professional development and technical assistance to school districts. Since 2015-16, new funding has been distributed through the [new fair funding formula](#).

### Early Childhood Learning

High-quality early learning for Pennsylvania's youngest learners facilitates their short-term and long-term academic and social success. [Early childhood programs](#) supported through the Department of Education appropriations include:

**[Pre-K Counts](#)**. This program provides high-quality early childhood education to income-eligible Pennsylvania children in diverse settings, ranging from school-based programs, [Keystone STARS](#) 3 and 4 child care centers, private academic preschools and Head Start agencies.

**[Head Start Supplemental Assistance Program](#)**. Pennsylvania's Head Start Supplemental Assistance Program is based on the federal model of Head Start, providing services to three- and four-year-old children and their families with family incomes up to 130 percent of the federal poverty guidelines. The Head Start model provides comprehensive education, health, nutrition and parent involvement services.

### College and Career-Ready

**[Pennsylvania Core Standards](#)**. The commonwealth strives to help school districts create academic programs

that are rigorous, results-focused, data informed and personalized through systems, technology and other supports.

The State Board of Education has adopted academic standards in 12 subject areas. These standards are the benchmark measures that define what students should know and be able to do at specified grade levels beginning in grade three. Recently, the State Board has adopted new core standards in [English Language Arts](#), [Mathematics](#), and [Reading and Writing in History/Social Studies](#) and Science/Technology, and the Pennsylvania State System of Assessments (PSSAs) are fully aligned to these new core standards. The [assessments](#) in English Language Arts and Mathematics are given to students in grades three through eight, and students in grades four and eight are administered the Science assessment. [Keystone Exams](#) are end-of-course exams in Literature, Algebra I and Biology aligned to core standards given to students to assess academic achievement in high school.

To better support student achievement of college and career standards, students and teachers have access to the [Standards Aligned System](#), a web-based portal created and maintained by the department, which contains standards-aligned curriculum, instructional resources and assessment information and tools.

### Career and Technical Education

[Career and Technical Education](#) serves 66,940 secondary students enrolled in [approved career and technical education programs of study](#) at high schools, charter schools and career and technical centers. Career and Technical Education programs are required to provide rigorous academic coursework to students while delivering skilled technical education designed in collaboration with workers and employers in high-demand occupations and industries. Career and Technical Education students have the opportunity to pursue career pathways in which students can earn high-value industry certifications and college credits through dual enrollment with postsecondary providers.

### Special Education

[Special education](#) programs are administered by all school districts and charter schools and may be directly operated by the districts or under contract with other school districts, intermediate units or other providers. If appropriate public education is not available, individualized education plan teams may determine that an appropriate public education can only be provided by department-approved private schools or other private agencies.

## Program: PreK–12 Education (continued)

### Program Recommendations:

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

<p><b>GENERAL FUND</b></p> <p><b>Office of Safe Schools Advocate</b> —to continue current program.</p> <p>\$ 7</p> <p><b>PA Assessment</b> —to continue current program.</p> <p>\$ 1,044</p> <p><b>Basic Education Funding</b> —Initiative—to continue sustained investment in school district basic education programs. —merge of school district Ready to Learn Block Grant into Basic Education Funding.</p> <p>\$ 200,000 241,999</p> <hr/> <p>\$ 441,999 <i>Appropriation Increase</i></p> <p><b>Ready to Learn Block Grant</b> —merge of school district Ready to Learn Block Grant into Basic Education Funding. —funding reduction.</p> <p>\$ -241,999 -18,000</p> <hr/> <p>\$ -259,999 <i>Appropriation Decrease</i></p> <p><b>Pre-K Counts</b> —Initiative—to invest in high-quality early childhood education for 3- and 4-year-olds.</p> <p>\$ 40,000</p> <p><b>Head Start Supplemental Assistance</b> —Initiative—to invest in high-quality early childhood education for 3- and 4-year-olds.</p> <p>\$ 10,000</p> <p><b>Mobile Science and Math Education Programs</b> —program elimination.</p> <p>\$ -3,964</p> <p><b>Teacher Professional Development</b> —to continue current program.</p> <p>\$ 650</p> <p><b>Adult and Family Literacy</b> —funding reduction.</p> <p>\$ -400</p> <p><b>Career and Technical Education</b> —Initiative—to establish and strengthen programs that prepare students for high-skill careers.</p> <p>\$ 10,000</p>	<p><b>Nonpublic and Charter School Pupil Transportation</b> —to continue current program.</p> <p>\$ -567</p> <p><b>Special Education</b> —Initiative—to provide increased resources for school district special education instruction.</p> <p>\$ 50,000</p> <p><b>Early Intervention</b> —to provide services to additional children from ages 3 through 5.</p> <p>\$ 15,000</p> <p><b>Payments in Lieu of Taxes</b> —to continue current program.</p> <p>\$ 1</p> <p><b>PA Chartered Schools for the Deaf and Blind</b> —to continue current program.</p> <p>\$ 1,748</p> <p><b>Special Education - Approved Private Schools</b> —to continue current program.</p> <p>\$ 3,649</p> <p><b>School Employees' Social Security</b> —to continue current program.</p> <p>\$ 11,122</p> <p><b>School Employees' Retirement</b> —to continue current program.</p> <p>\$ 160,500</p> <p><b>Job Training and Education Programs</b> —program elimination.</p> <p>\$ -31,670</p> <p><b>Trauma-Informed Education</b> —program elimination.</p> <p>\$ -500</p> <p>All other appropriations are recommended at the current year funding levels.</p> <p><b>MOTOR LICENSE FUND</b> <b>Safe Driving Course</b> Safe Driving Course is recommended at the current year funding level.</p>
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## Program: PreK–12 Education (continued)

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Recovery Schools.....	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
Office of Safe Schools Advocate .....	372	372	379	379	379	379	379
PA Assessment.....	50,425	49,446	50,490	50,490	50,490	50,490	50,490
Youth Development Centers - Education ..	8,286	8,285	8,285	8,285	8,285	8,285	8,285
Basic Education Funding.....	5,995,079	6,095,079	6,537,078	6,537,078	6,537,078	6,537,078	6,537,078
Ready to Learn Block Grant.....	250,000	268,000	8,001	8,001	8,001	8,001	8,001
Pre-K Counts.....	172,284	192,284	232,284	232,284	232,284	232,284	232,284
Head Start Supplemental Assistance .....	54,178	59,178	69,178	69,178	69,178	69,178	69,178
Mobile Science and Math Education							
Programs .....	3,964	3,964	0	0	0	0	0
Teacher Professional Development.....	5,959	5,309	5,959	5,959	5,959	5,959	5,959
Adult and Family Literacy .....	12,075	12,075	11,675	11,675	11,675	11,675	11,675
Career and Technical Education.....	62,000	92,000	102,000	102,000	102,000	102,000	102,000
Career and Technical Education							
Equipment Grants.....	2,550	2,550	2,550	2,550	2,550	2,550	2,550
Authority Rentals and Sinking Fund							
Requirements.....	29,703	10,500	10,500	201,519	197,340	197,340	197,340
Pupil Transportation.....	549,097	549,097	549,097	549,097	549,097	549,097	549,097
Nonpublic and Charter School Pupil							
Transportation .....	80,009	80,009	79,442	79,442	79,442	79,442	79,442
Special Education.....	1,121,815	1,136,815	1,186,815	1,186,815	1,186,815	1,186,815	1,186,815
Early Intervention.....	263,878	299,500	314,500	314,500	314,500	314,500	314,500
Tuition for Orphans and Children Placed in							
Private Homes .....	48,000	48,000	48,000	48,000	48,000	48,000	48,000
Payments in Lieu of Taxes.....	166	167	168	168	168	168	168
Education of Migrant Laborers' Children ...	853	853	853	853	853	853	853
PA Chartered Schools for the Deaf							
and Blind.....	50,187	52,336	54,084	57,057	57,057	57,057	57,057
Special Education - Approved Private							
Schools .....	108,010	111,089	114,738	121,046	121,046	121,046	121,046
School Food Services.....	30,000	30,000	30,000	30,000	30,000	30,000	30,000
School Employees' Social Security .....	499,500	541,205	552,327	565,031	578,027	591,322	604,922
School Employees' Retirement .....	2,264,000	2,487,500	2,648,000	2,762,800	2,861,100	2,975,200	3,086,300
Educational Access Programs.....	23,150	0	0	0	0	0	0
Services to Nonpublic Schools.....	87,939	87,939	87,939	87,939	87,939	87,939	87,939
Textbooks, Materials and Equipment for							
Nonpublic Schools .....	26,751	26,751	26,751	26,751	26,751	26,751	26,751
Job Training and Education Programs .....	19,175	31,670	0	0	0	0	0
Safe School Initiative.....	8,527	10,000	10,000	10,000	10,000	10,000	10,000
Trauma-Informed Education.....	0	500	0	0	0	0	0
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 11,828,182</b>	<b>\$ 12,292,723</b>	<b>\$12,741,343</b>	<b>\$13,069,147</b>	<b>\$ 13,176,264</b>	<b>\$ 13,303,659</b>	<b>\$13,428,359</b>
<b>MOTOR LICENSE FUND:</b>							
Safe Driving Course .....	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Improve access to high-quality early learning programs for all Pennsylvania children and families.

Early Childhood Education							
School districts offering							
pre-kindergarten .....	111	114	125	122	122	122	122
Students enrolled in pre-kindergarten							
(excluding Head Start).....	24,550	28,407	30,962	28,746	28,950	33,550	38,150
Students in state-funded Head Start							
Supplemental.....	5,643	4,781	5,728	5,703	5,549	6,070	7,000

## Program: PreK–12 Education (continued)

<b>Program Measures: (continued)</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
Students in PA Pre-K Counts program .....	12,149	13,456	18,133	18,249	21,029	23,070	27,670
<b>Early Intervention</b>							
Number of children participating in Early Intervention.....	49,665	50,817	52,811	54,650	56,447	57,500	59,000
Children who met their individual goals and no longer need Early Intervention prior to school age .....	1,792	1,720	1,535	1,700	1,700	1,725	1,770

### Increase the number of K-12 students who have demonstrated proficiency in key academic subjects and are on track for postsecondary success.

Percentage of students proficient or advanced in mathematics.....	N/A	43.2%	42.0%	45.0%	45.4%	47.6%	49.8%
Percentage of students proficient or advanced in English language arts	N/A	61.6%	62.1%	62.6%	63.1%	64.6%	66.1%
Percentage of students proficient or advanced in science .....	64.8%	64.9%	70.2%	63.6%	65.0%	66.4%	67.8%
Percentage of English learners making progress or achieving English language proficiency .....	59.7%	59.6%	52.9%	53.9%	54.9%	55.9%	56.9%
Number of students in grades 7-12 enrolled in rigorous coursework (Advanced Placement, International Baccalaureate, dual enrollment)...	N/A	97,528	97,528	104,580	110,747	116,000	121,000
Four-year adjusted cohort high school graduation rate .....	85.5%	84.8%	86.1%	86.6%	87.1%	87.6%	88.1%
Five-year adjusted cohort high school graduation rate .....	88.5%	87.1%	89.4%	89.3%	90.2%	90.5%	90.9%
Regular attendance.....	85.1%	84.9%	85.4%	84.6%	84.2%	84.5%	85.0%

### Increase collaboration between early childhood, K-12 and postsecondary education as well as business and industry partners to align instruction with Pennsylvania's current and emerging workforce needs and emphasize the value of career and technical skills.

<b>Career &amp; Technical Education</b>							
Number of students enrolled in PDE-approved career and technical education (CTE) programs of study	65,563	65,858	67,648	67,294	66,940	66,586	66,232
Percentage of CTE program completers .....	72.3%	74.0%	72.7%	74.6%	76.6%	78.6%	80.6%
Skilled workforce - percentage of CTE students awarded PA Skills Certificates.....	64.0%	64.0%	59.6%	57.3%	53.8%	55.8%	57.8%
Percentage of CTE students proficient or advanced in mathematics.....	40.8%	43.2%	47.6%	43.7%	46.2%	48.4%	50.6%
Industry certifications earned by CTE students .....	23,621	27,371	31,899	35,132	38,645	42,510	46,761
Percentage of CTE students earning postsecondary credits.....	3%	3%	2%	2%	3%	4%	5%
Number of Local Education Agencies with computer science programs .....	71	71	73	74	72	73	74



## Program: Library Services

*Goal: To provide and improve library services to citizens of the commonwealth, special libraries and government agencies and employees.*

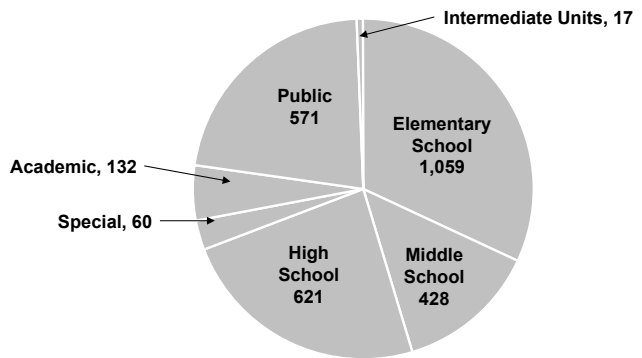
**Public Library Subsidy.** The commonwealth helps defray the cost of basic operations of Pennsylvania’s more than 600 local public libraries that had nearly 44 million visitors who borrowed nearly 65 million books and other materials. This funding provides every Pennsylvanian with access to the resources of four major research libraries: the [State Library of Pennsylvania](#), the [Carnegie Library of Pittsburgh](#), the [Free Library of Philadelphia](#) and the [libraries of The Pennsylvania State University](#).

**Library Access.** Pennsylvania is committed to ensuring that all Pennsylvanians can easily access the library resources that exist not only in their own communities but also across the commonwealth. The interlibrary delivery service makes it affordable for all state-supported libraries to participate in a statewide delivery service that moves library materials across the state in a timely and cost-effective way and encourages sharing of materials. The [POWER \(Pennsylvania Online World of Electronic Resources\) library network](#) provides online magazine and reference materials for Pennsylvania residents to use in the library or remotely.

The statewide electronic library catalog, also known as the [Access Pennsylvania Database program](#), provides Pennsylvanians online access to library holdings of more than 1,400 Pennsylvania school, public, college, university and special libraries and intermediate units. This is the largest online catalog of its type in North America. As part of the Library Access program, Pennsylvanians have online access to professional reference librarians 24/7 through Pennsylvania’s virtual reference service called [Chat with a Librarian](#).

**Library Services for Visually Impaired & Disabled.** The Carnegie Library of Pittsburgh and the Free Library of

**Number of POWER Library Participants**



Philadelphia provide unique services to persons with visual and physical limitations. In partnership with the National Library Service for the Blind and Physically Handicapped, recorded and Braille materials are available by direct mail or download for residents of all ages who cannot use a traditional book, magazine or newspaper.

**State Library.** This appropriation supports the services and operations of the Office of Commonwealth Libraries and is the primary source of funding for the [State Library of Pennsylvania](#). Located in Harrisburg, the State Library provides reference service to all branches of state government, as well as to libraries and commonwealth residents. An extensive general and legal reference collection, comprehensive collections of Pennsylvania newspapers, Pennsylvania state and U.S. government publications and 90 other databases are available. The State Library is home to the [Rare Collections Library](#), which is organized around the Assembly Collection that was purchased beginning in 1745 by Benjamin Franklin when he was Clerk of the Assembly.

### Program Recommendations:

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

	<b>State Library</b>	
\$	58	—to continue current program.
	200	—Initiative—to provide funding for temporary relocation of the State Library due to Forum Building renovations.
\$	258	<i>Appropriation Increase</i>

All other appropriations are recommended at the current year funding levels.



## Program: Library Services (continued)

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
State Library .....	\$ 1,866	\$ 2,022	\$ 2,280	\$ 2,280	\$ 2,280	\$ 2,280	\$ 2,280
Public Library Subsidy .....	54,470	54,470	54,470	54,470	54,470	54,470	54,470
Library Services for the Visually Impaired and Disabled .....	2,567	2,567	2,567	2,567	2,567	2,567	2,567
Library Access .....	3,071	3,071	3,071	3,071	3,071	3,071	3,071
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 61,974</b>	<b>\$ 62,130</b>	<b>\$ 62,388</b>	<b>\$ 62,388</b>	<b>\$ 62,388</b>	<b>\$ 62,388</b>	<b>\$ 62,388</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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**Meet the critical needs of Pennsylvania residents of all ages, from birth through adulthood, by reinforcing the role of libraries in the learning ecosystem and developing cross-sector and community relationships.**

PreK-12 attendance at public library-based programs (physical or virtual, in thousands)	3,288	3,218	3,201	3,459	3,597	3,633	3,669
Use of children's electronic resources offered through POWER Library (in thousands).....	3,269	4,525	6,384	6,401	6,895	6,964	7,034
Adult attendance at public library-based programs (physical or virtual, in thousands).....	923	863	850	1,011	1,158	1,170	1,181

**Expand programs to increase access to technologies and resources, especially to vulnerable populations, including individuals experiencing unemployment, minorities, English learners, individuals with disabilities and low-income communities.**

Number of Internet sessions in public libraries (in thousands) .....	14,180	14,867	12,822	13,004	14,146	14,287	14,430
Circulation of electronic materials in public libraries (in thousands).....	3,356	4,643	5,837	6,842	10,622	10,729	10,836
Number of items borrowed via interlibrary loan in public libraries (in thousands)	4,348	4,500	4,563	4,786	4,708	4,756	4,803
Number of libraries affiliated with federal or state Summer Food Service programs .....	N/A	34	37	40	88	106	107
Number of items borrowed through Library Services for visually impaired & disabled programs (in thousands)	N/A	1,187	1,005	1,222	1,297	1,310	1,323

**Increase awareness of the State Library of Pennsylvania's extensive research resources and services among commonwealth employees and the public.**

Number of items accessed from the State Library of Pennsylvania.....	199,021	195,050	196,383	225,561	199,038	201,028	203,039
Number of people attending public programs sponsored by the State Library .....	N/A	5,049	7,479	9,530	13,009	13,139	13,270

## Program: Higher Education

*Goal: To promote access, affordability and performance in higher education through strategies to expand opportunity for students and align with employer needs, and to support the commonwealth’s public institutions of higher education in achieving these goals.*

[Postsecondary education](#) represents an important pathway for ensuring Pennsylvania’s success in a knowledge-based, global economy. Pennsylvania’s postsecondary education system consists of 223 degree-granting institutions, including publicly supported postsecondary institutions, private colleges and universities, specialized associate degree-granting institutions and out-of-state institutions that are approved to offer coursework for credit in the commonwealth. Funding for these institutions is through appropriations and state-funded student grant programs administered by the [Pennsylvania Higher Education Assistance Agency \(PHEAA\)](#).

### **Institutional Support for Pennsylvania’s Institutions of Higher Education**

**State System of Higher Education.** Funding for the 14 universities of the [State System of Higher Education](#) is distributed through the Office of the Chancellor to the individual universities in accordance with a formula that consists of student enrollment, programs of the school, performance measures and the operational cost of the individual campuses. Although each university has an individual mission, all provide a broad liberal arts curriculum and most offer master’s and doctoral degree programs.

**Community Colleges.** Funding is shared by sponsoring counties or school districts, students through tuition payments and the commonwealth. The colleges offer two-year liberal arts curricula, two-year programs in technologies and other programs in career areas that culminate in an associate degree, certificate or diploma. Noncredit workforce development courses are also offered that provide students with training geared towards immediate entry into the workforce.

**State-Related Universities.** Funding for state-related universities provides basic support for educational

programs. The [Pennsylvania State University](#), the [University of Pittsburgh](#) and [Temple University](#) are major research universities that provide programs up to the doctoral level in varied academic disciplines and professional schools. [Lincoln University](#) provides programs in numerous disciplines at the baccalaureate and master degree levels.

**Thaddeus Stevens College of Technology.** The college provides two-year technical education programs for qualified students. These programs are provided both on a tuition basis and at no cost for financially disadvantaged students. Thaddeus Stevens is dedicated to growing Pennsylvania’s technical workforce and preparing students for high-demand jobs within the commonwealth.

### **Decreasing Time and Cost to College Completion**

In 2016, Pennsylvania established a statewide postsecondary attainment goal aligned to workforce needs: 60 percent of the population ages 25-64 will hold a postsecondary degree or industry recognized credential by 2025, with a particular focus on closing attainment gaps for historically underrepresented populations. To help reach that goal, the department has worked with local, state and national partners to help improve postsecondary pathways for students and promote on-time degree completion. The department administers a statewide college credit transfer system that enables students to transfer courses and associate degrees among 36 participating colleges and universities in Pennsylvania.

### **Aligning Postsecondary Educational Opportunities with Workforce Needs**

To help ensure that Pennsylvanians have access to postsecondary credentials that can accelerate opportunity for individuals and families, postsecondary programs are aligned to the commonwealth’s current and projected

**Full-Time Enrollments  
at State-Supported Institutions of Higher Education  
(Actual and Projected)**

Institutional Category	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
State System of Higher Education.....	94,243	90,415	90,251	90,572	91,043	91,434	91,873
Community Colleges .....	80,270	80,593	79,198	79,629	79,916	80,229	80,562
State-Related Universities .....	171,295	172,433	174,516	176,905	179,295	181,929	184,807
Thaddeus Stevens College of Technology ....	1,122	1,236	1,251	1,279	1,293	1,299	1,293
<b>TOTAL .....</b>	<b>346,930</b>	<b>344,677</b>	<b>345,216</b>	<b>348,385</b>	<b>351,547</b>	<b>354,891</b>	<b>358,535</b>

## Program: Higher Education (continued)

economic needs. In particular, Pennsylvania has focused on increasing pathways to postsecondary education and training connected to statewide and regional workforce needs, especially science, technology, engineering, mathematics (STEM) and computer science.

### Support for Minority Students

The Pennsylvania Department of Education and the United States Department of Education's Office of Civil Rights maintain a cooperative agreement designed to assess and address the continued challenges in providing higher education opportunities for African American students. In addition to operating and capital support for Cheyney and Lincoln Universities, direct support of students is provided through the [Bond-Hill Scholarship](#) program and the Keystone Honors Academy at Cheyney University.

### Support Services

The department provides leadership and support services to all sectors of higher education. Responsibilities include acting as a liaison with the national accrediting agencies, the State Board of Education, the State Board of Private Licensed Schools and other governing boards; policy review and development based on comprehensive planning and research; and implementation of the Higher Education Master Plan. The department also partners with other commonwealth agencies on workforce development strategies. Additionally, the department awards teaching certificates to those seeking certification in Pennsylvania.

## Program Recommendations:

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

<p><b>PA Community College Tuition Assistance</b></p> <p>\$ 8,000 —Initiative—to provide grants to PA Community College students working in Pennsylvania.</p>	<p><b>State System of Higher Education</b></p> <p>\$ 7,022 —Initiative—to provide a 1.5 percent increase for higher education and to improve college access and completion.</p>
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All other appropriations are recommended at the current year funding levels.

## Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Community Colleges .....	\$ 232,111	\$ 239,074	\$ 239,074	\$ 239,074	\$ 239,074	\$ 239,074	\$ 239,074
PA Community College Tuition Assistance Transfer to Community College Capital Fund.....	0	0	8,000	8,000	8,000	8,000	8,000
Regional Community Colleges Services ...	48,869	48,869	48,869	48,869	48,869	48,869	48,869
Community Education Councils.....	6,750	7,003	7,003	7,003	7,003	7,003	7,003
Sexual Assault Prevention.....	2,346	2,346	2,346	2,346	2,346	2,346	2,346
Thaddeus Stevens College of Technology	1,000	1,000	1,000	1,000	1,000	1,000	1,000
State System of Higher Education.....	14,273	14,701	14,701	14,701	14,701	14,701	14,701
The Pennsylvania State University.....	453,108	468,108	475,130	475,130	475,130	475,130	475,130
University of Pittsburgh.....	252,510	260,085	260,085	260,085	260,085	260,085	260,085
Temple University .....	146,973	151,382	151,382	151,382	151,382	151,382	151,382
Lincoln University .....	150,586	155,104	155,104	155,104	155,104	155,104	155,104
	14,436	14,869	14,869	14,869	14,869	14,869	14,869
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 1,322,962</b>	<b>\$ 1,362,541</b>	<b>\$ 1,377,563</b>	<b>\$ 1,377,563</b>	<b>\$ 1,377,563</b>	<b>\$ 1,377,563</b>	<b>\$ 1,377,563</b>

## Program: Higher Education (continued)

<b>Program Measures:</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Increase postsecondary access, affordability and completion through improved alignment between K-12 and higher education in the commonwealth.</b>							
Percentage of students enrolled in postsecondary education within 16 months of graduating from a Pennsylvania public high school...	65.4%	64.6%	65.1%	65.4%	65.7%	66.0%	66.2%
Percentage of Pennsylvania high school graduates who continue from their first year of college to their second year .....	86.7%	87.5%	87.0%	87.0%	87.2%	87.4%	87.6%
Percentage of Pennsylvania high school graduates who earn a degree within six years of graduation.....	N/A	42.1%	41.6%	43.2%	43.8%	44.8%	45.8%
Percentage of total undergraduate enrollment at public colleges and universities who are minority students .....	23.34%	24.11%	24.92%	25.88%	27.30%	27.91%	28.99%
Total enrollment in postsecondary institutions in Pennsylvania .....	927,364	910,696	924,346	933,704	952,295	966,580	981,078
<b>Increase access to postsecondary educational opportunities aligned with Pennsylvania's workforce needs so that learners of all ages earn valuable postsecondary credentials in a timely manner.</b>							
Percentage of adult basic education students who were eligible and received their Commonwealth Secondary School Diploma .....	78%	85%	88%	81%	81%	81%	81%
Percentage of adult basic education students who were eligible and entered postsecondary education or training.....	17%	18%	16%	17%	17%	18%	18%
Number of full-time students enrolled in STEM majors at the commonwealth's public colleges and universities.....	42,544	44,479	46,503	54,637	54,962	53,141	55,559
Percentage of full-time, first-time students at state system and state-related universities earning a degree within 150 percent of normal time.....	63.2%	63.2%	62.6%	63.6%	63.8%	64.0%	64.2%
Percentage of full-time, first-time students at community colleges earning a degree within 150 percent of normal time.....	14.70%	15.80%	18.91%	19.03%	19.16%	19.28%	19.41%
Number of postsecondary credentials awarded by the commonwealth's public colleges and universities ....	86,826	86,017	86,703	88,898	87,770	88,706	90,281
Percentage of Pennsylvania residents with a postsecondary degree or credential.....	43.8%	44.8%	45.6%	46.5%	48.3%	49.8%	51.4%

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# HIGHER EDUCATION ASSISTANCE AGENCY

The mission of the [Pennsylvania Higher Education Assistance Agency](#) is to provide affordable access to postsecondary education while helping to secure a strong economic future for the commonwealth through the development of a highly skilled workforce.

The 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 state grant program.

## **Programs and Goals**

**Financial Assistance to Students:** *To provide financial assistance to commonwealth residents in order to promote access to higher education.*

**Financial Aid to Institutions:** *To assist independent, postsecondary institutions to maintain enrollments and stabilize their educational costs; thereby, promoting access to institutions in all sectors for Pennsylvania students and assisting at-risk students by providing institutional funds for support services.*

## Organization Overview



- **Senior Vice President and Chief Audit Executive** serves as an independent resource for conducting internal audits and advisory services projects, as well as coordinating various external audit activities.
- **Senior Vice President of Client Relations, Loan Operations and Client Contractual Testing** is responsible for managing third-party external client relationships, including federal and alternative loan assets, as well as overseeing systems provided to remote clients. The position also oversees the operations for servicing these portfolios and the contractual testing associated with compliance of these responsibilities.
- **Senior Vice President of Human Resources** is responsible for leading all facets of human resources by providing human resources expertise and best practices to deliver quality programs and initiatives that support the organization's business model.
- **Senior Vice President and Chief Financial Officer** is responsible for all financial functions, including financial reporting, accounting, budgeting, credit, insurance, tax, public finance, treasury and administration.
- **Senior Vice President of Public Affairs** oversees public relations, legislative affairs, marketing communications, public service and State Grant and Special Program functions.
- **Senior Vice President and Chief Digital Officer** manages the development, maintenance and support of the agency's data processing systems and technology infrastructure.
- **Senior Vice President and Director of Federal Relations** is the primary liaison between the agency and the U.S. Congress, the U.S. Department of Education and other federal agencies.
- **Senior Vice President of Loan Asset Management** is responsible for all guaranty default prevention and post collection activities, as well as commercial collections and payment processing.
- **Senior Vice President and Chief Legal Officer** is responsible for reviewing and approving all agency agreements and managing all aspects of the agency's legal initiatives.
- **Chief Risk Officer** oversees agency-wide strategic and tactical leadership in establishing the risk appetite and in overall identification, assessment, communication, measurement and management of agency risk. This position is responsible for facilitating the execution of Enterprise Risk Management (ERM) processes and serves as a key enabler to achieving the business objectives of PHEAA.

### Reported Complement

(Independent Agency – Complement Not Under the Governor's Jurisdiction/Control)

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
3,507	3,736	3,691	3,692	3,397	3,223	3,100

# Higher Education Assistance Agency

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>Grants and Subsidies:</i>			
Grants to Students.....	\$ 273,391	\$ 273,391	\$ 310,233
(A)Grants to Students Supplement.....	97,000 <sup>a</sup>	101,364 <sup>a</sup>	58,000 <sup>a</sup>
Ready to Succeed Scholarships.....	5,000	5,000	5,000
Higher Education for the Disadvantaged.....	2,246	2,246	2,358
Higher Education of Blind or Deaf Students.....	47	47	49
Pennsylvania Internship Program Grants.....	350	450	450
Matching Payments for Student Aid.....	12,496	12,496	13,121
Institutional Assistance Grants.....	25,749	26,521	26,521
Bond-Hill Scholarships.....	697	697	800
Cheyney Keystone Academy.....	1,813	1,813	3,500
(A)Cheyney Keystone Academy Supplement.....	500	500	0
Targeted Industry Cluster Scholarship Program.....	0	0	6,300
Primary Health Care Loan Forgiveness.....	0	0	4,550
Subtotal - State Funds.....	\$ 321,789	\$ 322,661	\$ 372,882
Subtotal - Augmentations.....	97,500	101,864	58,000
Total - Grants and Subsidies.....	<u>\$ 419,289</u>	<u>\$ 424,525</u>	<u>\$ 430,882</u>
STATE FUNDS.....	\$ 321,789	\$ 322,661	\$ 372,882
AUGMENTATIONS.....	97,500	101,864	58,000
<b>GENERAL FUND TOTAL.....</b>	<b><u>\$ 419,289</u></b>	<b><u>\$ 424,525</u></b>	<b><u>\$ 430,882</u></b>
<b>OTHER FUNDS:</b>			
<b>HIGHER EDUCATION ASSISTANCE FUND:</b>			
(R)Targeted Industry Cluster Scholarship Program.....	\$ 6,000	\$ 6,000	\$ 0
(R)Primary Health Care Loan Forgiveness.....	4,550	4,550	0
(R)Educational Training Vouchers Program.....	1,598	1,598	1,598
<b>HIGHER EDUCATION ASSISTANCE FUND TOTAL.....</b>	<b><u>\$ 12,148</u></b>	<b><u>\$ 12,148</u></b>	<b><u>\$ 1,598</u></b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 321,789	\$ 322,661	\$ 372,882
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	0	0	0
AUGMENTATIONS.....	97,500	101,864	58,000
RESTRICTED.....	0	0	0
OTHER FUNDS.....	12,148	12,148	1,598
<b>TOTAL ALL FUNDS.....</b>	<b><u>\$ 431,437</u></b>	<b><u>\$ 436,673</u></b>	<b><u>\$ 432,480</u></b>

<sup>a</sup> Includes funding for State Grant Distance Education. Per Act 5 of 2018, students previously served under the State Grant Distance Education Pilot Program became potentially eligible for PA State Grant Program Awards.



## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>FINANCIAL ASSISTANCE TO STUDENTS</b>							
GENERAL FUND.....	\$ 293,794	\$ 293,894	\$ 344,003	\$ 402,003	\$ 402,003	\$ 402,003	\$ 402,003
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	97,500	101,864	58,000	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	12,148	12,148	1,598	1,598	1,598	1,598	1,598
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 403,442</b>	<b>\$ 407,906</b>	<b>\$ 403,601</b>	<b>\$ 403,601</b>	<b>\$ 403,601</b>	<b>\$ 403,601</b>	<b>\$ 403,601</b>
<b>FINANCIAL AID TO INSTITUTIONS</b>							
GENERAL FUND.....	\$ 27,995	\$ 28,767	\$ 28,879	\$ 28,879	\$ 28,879	\$ 28,879	\$ 28,879
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 27,995</b>	<b>\$ 28,767</b>	<b>\$ 28,879</b>	<b>\$ 28,879</b>	<b>\$ 28,879</b>	<b>\$ 28,879</b>	<b>\$ 28,879</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 321,789	\$ 322,661	\$ 372,882	\$ 430,882	\$ 430,882	\$ 430,882	\$ 430,882
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	97,500	101,864	58,000	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	12,148	12,148	1,598	1,598	1,598	1,598	1,598
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 431,437</b>	<b>\$ 436,673</b>	<b>\$ 432,480</b>	<b>\$ 432,480</b>	<b>\$ 432,480</b>	<b>\$ 432,480</b>	<b>\$ 432,480</b>

# Higher Education Assistance Agency

## Program: Financial Assistance to Students

*Goal: To provide financial assistance to commonwealth residents in order to promote access to higher education.*

[The Pennsylvania Higher Education Assistance Agency \(PHEAA\)](#) offers financial assistance programs to students in the form of grants, scholarships and work-study awards. All General Fund appropriations are transferred to PHEAA's Higher Education Assistance Fund prior to distribution to students and institutions.

[Grants to Students \(Pennsylvania State Grants\)](#) are funded by an annual appropriation from the General Fund, a portion of PHEAA's business earnings and interest earnings from the Higher Education Assistance Fund. The PHEAA Board annually determines the distribution of funds to applicants on criteria including family income, family size and the cost of attendance at the institution the student will be attending. The objective of this program is to reduce financial barriers and provide greater access to higher education for all commonwealth residents and, within the limits of the resources available, help to provide freedom of choice between public and private institutions.

[Ready to Succeed Scholarships](#) makes postsecondary educational opportunities more affordable to high-achieving students from middle-income Pennsylvania families. Students can pursue two-year and four-year postsecondary degrees at any participating Pennsylvania college, university or technical school. Matching Funds programs, including [Federal Work-Study](#), [State Work-Study](#) and [Partnerships for Access to Higher Education](#), provide funds to match federal funds and work-study

awards which students earn through both on-campus and off-campus job opportunities. Matching funds also leverage private foundation scholarships.

[The Targeted Industry Cluster Scholarship Program \(Pennsylvania Targeted Industry Program\)](#) provides grants to students enrolled in certificate programs in the energy advanced materials and diversified manufacturing and agriculture and food production fields. [The Higher Education of Blind or Deaf Students Program](#) provides assistance to blind or deaf students who are Pennsylvania residents and are enrolled in an approved institution of higher education.

[The Horace Mann Bond-Leslie Pinckney Hill Scholarship Program](#) provides grants to graduates of Lincoln University and Cheyney University of Pennsylvania who enter select graduate and professional programs at Temple University, the Pennsylvania State University, the University of Pittsburgh or one of the Pennsylvania State System of Higher Education (PASSHE) institutions. [The Cheyney Keystone Academy Program](#) provides scholarships to attract students to enroll at Cheyney University of Pennsylvania. The Pennsylvania Internship Program Grants provides scholarships to Pennsylvania residents attending Pennsylvania colleges and universities and pursuing an internship through [The Washington Center for Internships and Academic Seminars](#).

### Program Recommendations:

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

\$ 36,842	<b>Grants to Students</b> —to continue current program.	\$ 1,687	<b>Cheyney Keystone Academy</b> —to continue current program.
\$ 2	<b>Higher Education of Blind or Deaf Students</b> —to continue current program.	\$ 6,300	<b>Targeted Industry Cluster Scholarship Program</b> —to continue current program.
\$ 625	<b>Matching Payments for Student Aid</b> —to continue current program.	\$ 4,550	<b>Primary Health Care Loan Forgiveness</b> —to continue current program.
\$ 103	<b>Bond-Hill Scholarships</b> —to continue current program.		

All other appropriations are recommended at the current year funding levels.

The budget recommends a total of \$58,000,000 for the Grants to Students Supplement funded by PHEAA reserves.

# Higher Education Assistance Agency

## Program: Financial Assistance to Students (continued)

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Grants to Students.....	\$ 273,391	\$ 273,391	\$ 310,233	\$ 368,233	\$ 368,233	\$ 368,233	\$ 368,233
Ready to Succeed Scholarships.....	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Higher Education of Blind or Deaf Students.	47	47	49	49	49	49	49
Pennsylvania Internship Program Grants.....	350	450	450	450	450	450	450
Matching Payments for Student Aid .....	12,496	12,496	13,121	13,121	13,121	13,121	13,121
Bond-Hill Scholarships .....	697	697	800	800	800	800	800
Cheyney Keystone Academy.....	1,813	1,813	3,500	3,500	3,500	3,500	3,500
Targeted Industry Cluster Scholarship Program.....	0	0	6,300	6,300	6,300	6,300	6,300
Primary Health Care Loan Forgiveness .....	0	0	4,550	4,550	4,550	4,550	4,550
<b>TOTAL GENERAL FUND.....</b>	<b>\$ 293,794</b>	<b>\$ 293,894</b>	<b>\$ 344,003</b>	<b>\$ 402,003</b>	<b>\$ 402,003</b>	<b>\$ 402,003</b>	<b>\$ 402,003</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Increase enrollment and graduation rates at Pennsylvania's colleges and universities.</b>							
Grants to Students							
Applications for grants .....	629,328	606,694	577,445	546,182	542,030	525,727	522,443
Applications complete and needs tested for eligibility.....	399,842	386,567	375,111	359,911	356,339	345,621	343,462
Eligible applicants meeting qualifications.....	225,878	216,233	195,648	182,022	179,056	191,129	189,935
Eligible applicants enrolled and accepting grants .....	178,681	173,856	153,648	143,157	140,827	150,322	149,383
Eligible applicants not enrolled at a college/university.....	47,197	42,377	42,000	38,865	38,229	40,807	40,552
Grant amount as percentage of applicant's total educational cost..	11%	11%	10%	10%	9%	8.50%	6%
Students receiving Blind or Deaf Scholarships .....	102	96	93	94	70	75	75
Number of Ready to Succeed Scholarship (RTSS) Program recipients .....	N/A	3,252	3,517	3,249	3,117	3,190	3,450
Students Receiving Pennsylvania Internship Program Awards .....	50	80	68	64	64	70	70
Work Study							
Students assisted by federal, state and private funds.....	35,000	28,000	28,000	32,048	33,210	33,200	33,200
Student work study earnings (in millions) .....	\$54	\$58	\$63	\$59	\$57	\$57	\$57

### Develop a strong workforce in targeted industries in Pennsylvania through access to financial assistance for higher education.

Grants to Students							
Number of PA Targeted Industry Program (PA-TIP) applicants.....	2,625	2,786	2,681	2,984	2,887	2,900	2,900
Average Award for PA Targeted Industry Program (PA-TIP) .....	\$3,466	\$2,913	\$3,487	\$3,428	\$3,541	\$3,500	\$3,500
Number of PA Targeted Industry Program (PA-TIP) participants.....	1,391	1,613	1,625	1,871	1,714	1,700	1,700

## Program: Financial Aid to Institutions

*GOAL: To assist independent, postsecondary institutions to maintain enrollments and stabilize their educational costs; thereby, promoting access to institutions in all sectors for Pennsylvania students and assisting at-risk students by providing institutional funds for support services.*

The [Institutional Assistance Grants Program](#) provides grants to independent postsecondary institutions that are nonprofit, nondenominational and nonrecipients of direct state appropriations. The program helps to preserve and develop the diverse system of higher education in Pennsylvania by allowing Pennsylvania's independent colleges and universities to stabilize their educational costs and maintain enrollments. Eighty-nine institutions are currently eligible to participate in the program.

The Higher Education for the Disadvantaged program, more commonly known as the [Act 101 Program](#), provides funding to institutions for support services, academic advising, counseling and tutoring to economically and educationally disadvantaged students. In 2017-18, there were 32 Act 101 programs that operated at institutions across the commonwealth, serving nearly 3,900 students.

### Program Recommendations:

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

\$ 112 **Higher Education for the Disadvantaged**  
—to continue current program.

Institutional Assistance Grants is recommended at the current year funding level.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Higher Education for the Disadvantaged...	\$ 2,246	\$ 2,246	\$ 2,358	\$ 2,358	\$ 2,358	\$ 2,358	\$ 2,358
Institutional Assistance Grants .....	25,749	26,521	26,521	26,521	26,521	26,521	26,521
<b>TOTAL GENERAL FUND.....</b>	<b>\$ 27,995</b>	<b>\$ 28,767</b>	<b>\$ 28,879</b>	<b>\$ 28,879</b>	<b>\$ 28,879</b>	<b>\$ 28,879</b>	<b>\$ 28,879</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Support programs at institutions through the development and preservation of a planned system of higher education across the commonwealth (through the Institutional Assistance Grants Program).

Eligible grant recipients enrolled at eligible independent institutions .....	43,973	43,484	41,185	39,669	40,618	41,430	41,171
Per capita grants.....	\$558	\$563	\$616	\$644	\$640	\$640	\$644
Institutions aided.....	88	89	88	89	88	89	89

#### Support programs at institutions that help economically and educationally disadvantaged students succeed in higher education.

Institutional programs aided through Act 101 program.....	35	33	32	32	32	32	32
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# EMERGENCY MANAGEMENT AGENCY

The Pennsylvania Emergency Management Agency helps communities and citizens mitigate against, prepare for, respond to, and recover from emergencies including natural disasters, acts of terrorism, or other human-made disasters. PEMA supports county emergency management agencies by coordinating and engaging the whole community including federal and state partners, volunteer organizations involved in disasters, private sector business community and citizens.

The agency develops and maintains a comprehensive plan to enhance the commonwealth's capabilities to prepare for, respond to, and recover from all hazards that affect the citizens of Pennsylvania. Primarily the plan calls for the protection of life and property both prior to and in the event of natural and other disasters. The agency, through the Office of the State Fire Commissioner, provides loans to volunteer fire, ambulance and rescue companies, and coordinates state fire services. The agency also administers post-disaster aid to affected localities and citizens.

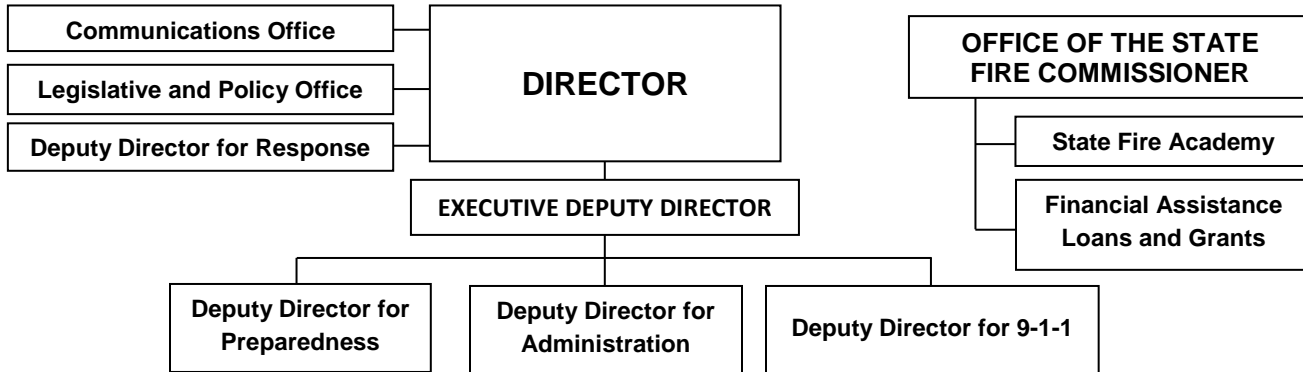
## Programs and Goals

**Emergency Management:** *To develop and maintain a statewide emergency preparedness and response program capable of immediate and effective action and rapid organizational expansion in the event of natural, technological or other human-made disasters.*

**Fire Prevention and Safety:** *To minimize the loss of life and property due to fire by developing and maintaining statewide municipal fire and emergency service capability and to promote citizen awareness to support community fire prevention and control efforts.*

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## Organization Overview



- Deputy Director for Response** oversees both the Internal Operations and External Operations offices of the agency. The Internal Operations Office includes the Commonwealth Watch and Warning Center (CWWC), which is the 24/7 state warning and public alerting point, as well as the Commonwealth Response Coordination Center (CRCC), which, when activated, serves as the primary location for state agencies and non-governmental organizations to coordinate assistance to local political subdivisions during a disaster by implementing applicable portions of the Commonwealth Emergency Operations Plan (CEOP). The External Operations Office oversees disaster preparedness and response activities needed to support state agencies and local political subdivisions during disasters or emergencies. This includes working with various agencies and organizations to identify commodities, equipment, resources, and specialized response assets, such as telecommunications resources and highly trained specialized response teams, that may be needed for disasters or other emergencies.
- Deputy Director for Preparedness** oversees and manages the Bureau of Planning, Training, and Exercise and is responsible for developing and defining strategies, goals and objectives that will formulate strategic plans for the agency, statewide emergency management and integration as well as emergency preparedness for the commonwealth. Oversees and manages Bureau of Technological Hazards; conducts technological hazard planning, including hazard planning for the commonwealth's five nuclear power plants; and trains and conducts emergency preparedness exercises to ensure that commonwealth citizens, county, and local emergency management programs, first responders and commonwealth agencies are prepared to deal with emergencies. As a recipient of Homeland Security Grant funds, identifies threats and hazards that exist in the commonwealth and identifies needed planning, organization, exercise, training, and equipment in order to mitigate, protect, prevent, respond and recover from a terroristic threat or an all-hazards incident.
- Deputy Director for Administration** oversees and manages a comprehensive administrative and management services program. Responsible for all agency activities related to staff utilization planning, classification and pay, and labor relations; and provides fiscal, budget, facility management, procurement, and grants management services. Responsible for the administration of the federal- and state-funded public assistance, individual assistance and hazard mitigation programs that provide financial assistance to disaster victims.
- Deputy Director for 9-1-1** directs the strategic planning, policy development, implementation and integration of statewide 9-1-1 systems. Leading the transition from legacy 9-1-1 to Next Generation 9-1-1 systems and development and deployment of an Emergency Services IP Network connecting all Public Safety Answering Points.
- State Fire Commissioner** is charged with meeting the diverse training, operational, and informational needs of the commonwealth's fire and emergency services community. The commissioner, who is appointed by the governor, oversees the development and operation of Pennsylvania's emergency service training program. The commissioner is responsible for the development of a comprehensive fire incident reporting system.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
195	198	198	196	190	191	191

# Emergency Management Agency

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<b>General Government:</b>			
<b>General Government Operations.....</b>	<b>\$ 10,788</b>	<b>\$ 13,494</b>	<b>\$ 13,521</b>
(F)Civil Preparedness.....	21,000	21,000	21,000
(F)Hazardous Materials Planning and Training.....	900	900	900
(F)Domestic Preparedness - First Responders (EA).....	100,000	100,000	100,000
(F)School Emergency Management Planning (EA).....	280	0	0
(F)Public Health Emergency Preparedness Training (EA).....	50	0	0
(A)Miscellaneous.....	46	0	0
(R)Online Training Educator and Reimbursement.....	0	125	55
(R)Radiological Emergency Response Planning.....	1,313	1,475	1,475
(R)Radiation Emergency Response Fund.....	880	810	750
(R)Radiation Transportation Emergency Response Fund.....	0	100	150
Subtotal.....	<u>\$ 135,257</u>	<u>\$ 137,904</u>	<u>\$ 137,851</u>
<b>State Fire Commissioner.....</b>	<b>2,456</b>	<b>2,616</b>	<b>2,616</b>
(F)Fire Prevention.....	42	42	42
(F)Firefighters Assistance Program (EA).....	150	500	500
(A)Volunteer Company Loan Program.....	250	250	250
(A)Volunteer Company Grant Program.....	800	800	800
(A)Miscellaneous.....	13	0	5
(A)Arson Fines.....	1	0	1
Subtotal.....	<u>\$ 3,712</u>	<u>\$ 4,208</u>	<u>\$ 4,214</u>
Subtotal - State Funds.....	\$ 13,244	\$ 16,110	\$ 16,137
Subtotal - Federal Funds.....	122,422	122,442	122,442
Subtotal - Augmentations.....	1,110	1,050	1,056
Subtotal - Restricted Revenues.....	2,193	2,510	2,430
Total - General Government.....	<u>\$ 138,969</u>	<u>\$ 142,112</u>	<u>\$ 142,065</u>
<b>Grants and Subsidies:</b>			
<b>Disaster Relief.....</b>	<b>\$ 2,200</b>	<b>\$ 5,500</b>	<b>\$ 0</b>
(F)Disaster Relief (EA).....	26,000	37,000	35,000
(F)SCDBG - Disaster Recovery (EA).....	8,450	6,920	0
<b>Hazard Mitigation.....</b>	<b>0</b>	<b>1,000</b>	<b>0</b>
(F)Hazard Mitigation (EA).....	13,000	10,000	14,000
<b>Emergency Management Assistance Compact.....</b>	<b>15,000</b>	<b>0</b>	<b>0</b>
<b>Firefighters Memorial Flags.....</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>Red Cross Extended Care Program.....</b>	<b>150</b>	<b>150</b>	<b>150</b>
<b>Search and Rescue.....</b>	<b>250</b>	<b>250</b>	<b>0</b>
Subtotal - State Funds.....	\$ 17,610	\$ 6,910	\$ 160
Subtotal - Federal Funds.....	47,450	53,920	49,000
Total - Grants and Subsidies.....	<u>\$ 65,060</u>	<u>\$ 60,830</u>	<u>\$ 49,160</u>
STATE FUNDS.....	\$ 30,854	\$ 23,020	\$ 16,297
FEDERAL FUNDS.....	169,872	176,362	171,442
AUGMENTATIONS.....	1,110	1,050	1,056
RESTRICTED REVENUES.....	2,193	2,510	2,430
<b>GENERAL FUND TOTAL.....</b>	<b><u>\$ 204,029</u></b>	<b><u>\$ 202,942</u></b>	<b><u>\$ 191,225</u></b>



# Emergency Management Agency

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	ACTUAL	AVAILABLE	BUDGET
<b>OTHER FUNDS:</b>			
<b>HAZARDOUS MATERIAL RESPONSE FUND:</b>			
General Operations.....	\$ 190	\$ 190	\$ 180
Hazardous Materials Response Team.....	190	190	180
Grants to Counties.....	1,347	1,330	1,260
Public and Facility Owner Education.....	190	190	180
HAZARDOUS MATERIAL RESPONSE FUND TOTAL.....	<b>\$ 1,917</b>	<b>\$ 1,900</b>	<b>\$ 1,800</b>
<b>PROPERTY TAX RELIEF FUND:</b>			
Transfer to Volunteer Company Grants Program (EA).....	\$ 5,000	\$ 5,000	\$ 5,000
<b>STATE GAMING FUND:</b>			
Transfer to Volunteer Company Grants Program (EA).....	\$ 25,000	\$ 25,000	\$ 25,000
<b>UNCONVENTIONAL GAS WELL FUND:</b>			
Emergency Response Planning (EA).....	\$ 750	\$ 750	\$ 750
First Responders Equipment and Training (EA).....	750	750	750
UNCONVENTIONAL GAS WELL FUND TOTAL.....	<b>\$ 1,500</b>	<b>\$ 1,500</b>	<b>\$ 1,500</b>
<b>VOLUNTEER COMPANIES LOAN FUND:</b>			
Volunteer Company Loans.....	\$ 10,393	\$ 20,000	\$ 20,000
<b>911 FUND:</b>			
General Operations (EA).....	\$ 6,400	\$ 6,300	\$ 6,320
Emergency Services Grants (EA).....	355,600	308,700	309,680
911 FUND TOTAL.....	<b>\$ 362,000</b>	<b>\$ 315,000</b>	<b>\$ 316,000</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 30,854	\$ 23,020	\$ 16,297
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	169,872	176,362	171,442
AUGMENTATIONS.....	1,110	1,050	1,056
RESTRICTED.....	2,193	2,510	2,430
OTHER FUNDS.....	405,810	368,400	369,300
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 609,839</b>	<b>\$ 571,342</b>	<b>\$ 560,525</b>

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>EMERGENCY MANAGEMENT</b>							
GENERAL FUND.....	\$ 28,238	\$ 20,244	\$ 13,521	\$ 13,521	\$ 11,512	\$ 11,512	\$ 11,512
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	169,680	175,820	170,900	170,900	170,900	170,900	170,900
AUGMENTATIONS.....	46	0	0	0	0	0	0
RESTRICTED.....	2,193	2,385	2,375	2,375	2,375	2,375	2,375
OTHER FUNDS.....	364,667	317,650	318,550	318,550	318,550	318,550	318,550
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 564,824</b>	<b>\$ 516,099</b>	<b>\$ 505,346</b>	<b>\$ 505,346</b>	<b>\$ 503,337</b>	<b>\$ 503,337</b>	<b>\$ 503,337</b>
<b>FIRE PREVENTION AND SAFETY</b>							
GENERAL FUND.....	\$ 2,616	\$ 2,776	\$ 2,776	\$ 2,776	\$ 2,776	\$ 2,776	\$ 2,776
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	192	542	542	542	542	542	542
AUGMENTATIONS.....	1,064	1,050	1,056	1,056	1,056	1,056	1,056
RESTRICTED.....	0	125	55	55	55	55	55
OTHER FUNDS.....	41,143	50,750	50,750	50,750	50,750	50,750	50,750
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 45,015</b>	<b>\$ 55,243</b>	<b>\$ 55,179</b>	<b>\$ 55,179</b>	<b>\$ 55,179</b>	<b>\$ 55,179</b>	<b>\$ 55,179</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 30,854	\$ 23,020	\$ 16,297	\$ 16,297	\$ 14,288	\$ 14,288	\$ 14,288
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	169,872	176,362	171,442	171,442	171,442	171,442	171,442
AUGMENTATIONS.....	1,110	1,050	1,056	1,056	1,056	1,056	1,056
RESTRICTED.....	2,193	2,510	2,430	2,430	2,430	2,430	2,430
OTHER FUNDS.....	405,810	368,400	369,300	369,300	369,300	369,300	369,300
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 609,839</b>	<b>\$ 571,342</b>	<b>\$ 560,525</b>	<b>\$ 560,525</b>	<b>\$ 558,516</b>	<b>\$ 558,516</b>	<b>\$ 558,516</b>

# Emergency Management Agency

## Program: Emergency Management

*Goal: To develop and maintain a statewide emergency preparedness and response program capable of immediate and effective action and rapid organizational expansion in the event of natural, technological or other human-made disasters.*

The [Pennsylvania Emergency Management Agency \(PEMA\)](#) was created in 1951 to address civil defense related [public planning](#) and preparedness. Since then, PEMA's responsibilities have evolved, and the agency's mission has grown into that of a statewide all-hazards emergency management agency. The agency's mission is accomplished through systematic preparation for the threats that pose the greatest risk to the safety and security of the commonwealth, including natural and human-made disasters, pandemics and acts of terrorism.

PEMA has adopted the "[Whole Community](#)" approach to emergency management that recognizes it takes all aspects of a community to effectively prepare for, protect against, respond to, recover from and mitigate against any disaster. At its core is a multi-agency coordination and training program which develops and maintains a statewide emergency force composed of state, county and local units, jointly capable of prompt and effective action to protect life and property; alleviating human suffering and hardship resulting from natural and human-made disasters; and deploying rapidly when required.

PEMA's responsibilities include programs concerning prison and community safety, initiatives related to [9-1-1 technology](#), operation and policy, [statewide chemical and nuclear power safety](#), hazardous materials transportation and individual emergency preparedness. PEMA

assists local governments with [hazard assessments](#), [emergency planning](#), warning systems and emergency communications, county [hazard mitigation plans](#), and ongoing training programs to help them maintain their readiness. PEMA maintains and operates the commonwealth's Watch and Warning Center on a 24/7 basis. In times of disaster, PEMA is responsible for all actions related to gubernatorial emergency declarations, [presidential disaster declarations](#) and all coordination with the Federal Emergency Management Agency.

The agency coordinates [urban search and rescue](#) capabilities for response to certain types of disasters. Regional rapid assessment teams are trained to provide assessment of needs in disaster areas. The agency also coordinates nine regional counter-terrorism task forces and incident support teams. PEMA acts as the federally designated state administrative agency and is responsible for managing congressionally mandated and first responder preparedness support programs.

PEMA is responsible for carrying out the provisions of the [Pennsylvania 9-1-1 Act](#), the decision-making aspects of NG9-1-1 development, ensuring compliance with legislative policy and supporting plans and procedures, collaboration among stakeholders and informing the public about relevant aspects of 9-1-1.

### Program Recommendations:

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

	<b>General Government Operations</b>		<b>Hazard Mitigation</b>
\$ 27	—to continue current program.	\$ -1,000	—nonrecurring program costs.
	<b>Disaster Relief</b>		<b>Search and Rescue</b>
\$ -5,500	—nonrecurring program costs.	\$ -250	—program elimination.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 10,788	\$ 13,494	\$ 13,521	\$ 13,521	\$ 11,512	\$ 11,512	\$ 11,512
Disaster Relief .....	2,200	5,500	0	0	0	0	0
Hazard Mitigation.....	0	1,000	0	0	0	0	0
Emergency Management Assistance							
Compact.....	15,000	0	0	0	0	0	0
Search and Rescue.....	250	250	0	0	0	0	0
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 28,238</b>	<b>\$ 20,244</b>	<b>\$ 13,521</b>	<b>\$ 13,521</b>	<b>\$ 11,512</b>	<b>\$ 11,512</b>	<b>\$ 11,512</b>

# Emergency Management Agency

## Program: Emergency Management (continued)

<b>Program Measures:</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Provide support to local leaders in the five mission areas of prevention, protection, mitigation, response, and recovery.</b>							
State and local emergency management personnel trained.....	3,955	4,163	3,447	3,850	2,683	3,500	3,500
<b>Improve the preparedness and response capabilities of individuals and communities to all hazards.</b>							
Percentage of residents prepared for a disaster.....	55%	55%	65%	57%	65%	75%	85%
Percentage of counties receiving outreach materials or CERT training from PEMA .....	55%	55%	65%	70%	75%	80%	80%

## Program: Fire Prevention and Safety

*Goal: To minimize the loss of life and property due to fire by developing and maintaining statewide municipal fire and emergency service capability and to promote citizen awareness to support community fire prevention and control efforts.*

The State Fire Commissioner oversees the development and operation of the State Fire Academy, a variety of public education and information programs, the [Volunteer Loan Assistance Program](#) (VLAP), the Fire Company and Emergency Medical Services Grant program, the [Pennsylvania Fire Information Reporting System](#) and the administration of the Firefighters' Memorial Flags Program. The commissioner is also responsible for coordinating federal, state and private fire safety funds; assisting state agencies in the development of plans related to fire safety; reviewing existing or proposed rules and regulations affecting the safety of commonwealth citizens; and providing a cost-effective fire-loss management system for the commonwealth.

The [State Fire Academy](#) in Lewistown, provides an alternative energy curriculum that specifically addresses gas production from Marcellus Shale wells and is the catalyst for the delivery of training and certification to the commonwealth's fire and emergency response community. The [Local Level Training program](#), a unique system involving the academy, community colleges, and county and local training facilities and organizations, provides a comprehensive curriculum of basic and mid-level fire, rescue, hazardous material, officer development and fire department management courses deliverable to firefighters through county and local fire departments.

The academy's training facilities and staff support the Resident Training programs offering mid-level,

advanced and specialty training in fire, rescue, hazardous material and officer development courses aimed at providing professional development opportunities for the commonwealth's fire service, state certified instructors and employees from other state agencies. Programs of interest and concern are made available to emergency services providers through the academy's "[Academy on the Road](#)" program.

[VLAP](#) provides assistance to the volunteer fire fighting, ambulance and rescue community in the form of low-interest loans for the purpose of establishing or modernizing facilities to house apparatus and equipment; purchasing new or rehabilitating old apparatus; and purchasing protective, communications and accessory equipment.

The [Fire Company and Emergency Medical Services Grant](#) program annually transfers \$25 million from the State Gaming Fund and \$5 million from the Property Tax Relief Fund to the grants program to provide approximately 2,400 grants annually to all fire companies and volunteer ambulance services to assist in maintaining or improving capability to provide fire, ambulance and rescue services.

The office is responsible for implementing the provisions of Act 168 of 1990, which provides for a flag to honor firefighters who have died in the line of duty. The office provides assistance to fire departments and surviving relatives immediately following such deaths.

### Program Recommendations:

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

All appropriations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
State Fire Commissioner .....	\$ 2,456	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616
Firefighters Memorial Flags .....	10	10	10	10	10	10	10
Red Cross Extended Care Program .....	150	150	150	150	150	150	150
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 2,616</b>	<b>\$ 2,776</b>	<b>\$ 2,776</b>	<b>\$ 2,776</b>	<b>\$ 2,776</b>	<b>\$ 2,776</b>	<b>\$ 2,776</b>

# Emergency Management Agency

## Program: Fire Prevention and Safety (continued)

<b>Program Measures:</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Improve fire department effectiveness and service delivery, and promote and enhance the safety of first responders through participation in firefighter certification programs and training opportunities.</b>							
Emergency Preparedness and Response							
State Fire Academy entry-level training graduates.....	7,977	8,120	8,305	8,350	8,296	8,400	8,700
Individuals nationally certified at Firefighter I or higher at the State Fire Academy Certification Program.....	3,593	3,700	3,648	3,310	3,586	3,600	3,600
Percent of fire departments reporting incidents to the PA Fire Information Reporting System.....	53%	58%	69%	75%	82%	91%	91%
Volunteer company loans approved (in thousands).....	\$6,695	\$9,484	\$16,003	\$10,387	\$9,294	\$12,000	\$12,000
Fire departments participating in Fire Department Recognition Program.....	475	535	506	554	388	600	650

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# DEPARTMENT OF ENVIRONMENTAL PROTECTION

*The mission of the Department of Environmental Protection is to protect Pennsylvania's air, land and water from pollution and to provide for the health and safety of its citizens through a cleaner environment. The department will work as partners with individuals, organizations, governments and businesses to prevent pollution and restore our natural resources.*

## **Programs and Goals**

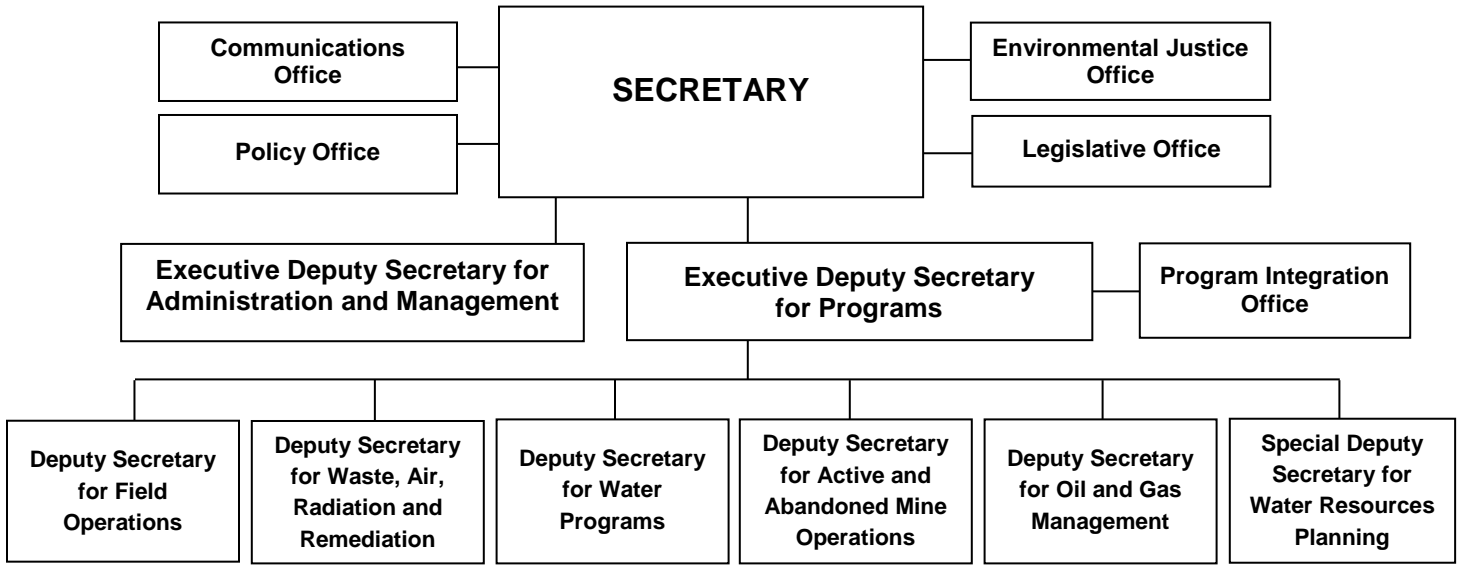
**Environmental Support Services:** *To provide administrative and technical support for the commonwealth's environmental protection programs.*

**Environmental Protection and Management:** *To protect Pennsylvania's air, land, and water from pollution and to provide for the health and safety of its citizens through a cleaner environment. This responsibility is met by enforcing clean air and water standards, managing land protection activities and ensuring waste is handled properly, ensuring safe and healthy communities, and promoting sustainable energy.*

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## Organization Overview



- **Executive Deputy Secretary for Administration and Management** oversees the agency's business management and finance functions and is responsible for the coordination of human resources and information technology with the Office of Administration. The deputy is instrumental in formulating and executing agency strategies to improve operations and staff performance.
- **Deputy Secretary for Field Operations** oversees the six regional offices.
- **Deputy Secretary for Waste, Air, Radiation and Remediation** oversees the bureaus of Waste Management, Air Quality, Radiation Protection and Environmental Cleanup and Brownfields (remediation).
- **Deputy Secretary for Water Programs** oversees a dedicated Chesapeake Bay Office and the bureaus of Waterways Engineering and Wetlands, Safe Drinking Water and Clean Water.
- **Deputy Secretary for Active and Abandoned Mine Operations** oversees the bureaus of Mining Programs, Abandoned Mine Reclamation, Mine Safety and District Mining Operations.
- **Deputy Secretary for Oil and Gas Management** directs the bureaus of Oil and Gas Planning and Program Management and District Oil and Gas Operations. Oversees the development of departmental policy as well as regulatory and technical guidance on oil and gas activities in Pennsylvania and outreach and education for the public and regulatory communities.
- **Special Deputy Secretary for Water Resources Planning** oversees the Compacts and Commission Office to lead water resource planning and partner outreach efforts.

### Authorized Complement\*

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
2,722	2,696	2,702	2,554	2,461	2,509	2,509

\*Includes Environmental Hearing Board.

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
<b>General Government Operations.....</b>	<b>\$ 13,309</b>	<b>\$ 17,143</b>	<b>\$ 13,469<sup>a</sup></b>
(A)Reimbursement - EDP Services.....	7,932	10,105	9,942
Subtotal.....	<u>\$ 21,241</u>	<u>\$ 27,248</u>	<u>\$ 23,411</u>
<b>Environmental Hearing Board.....</b>	<b>2,354</b>	<b>2,490</b>	<b>2,587</b>
Subtotal.....	<u>\$ 2,354</u>	<u>\$ 2,490</u>	<u>\$ 2,587</u>
<b>Environmental Program Management.....</b>	<b>29,413</b>	<b>30,932</b>	<b>28,420<sup>a</sup></b>
(F)Coastal Zone Management.....	4,700	4,700	4,700
(F)Construction Management Assistance Grants - Administration.....	1,400	1,400	1,400
(F)Storm Water Permitting Initiative.....	2,300	2,300	2,300
(F)Safe Drinking Water Act - Management.....	5,500	5,500	5,500
(F)Water Pollution Control Grants - Management.....	5,500	5,500	5,500
(F)Air Pollution Control Grants - Management.....	3,200	3,200	3,200
(F)Surface Mine Conservation - Management.....	6,500	6,500	6,500
(F)Wetland Protection Fund.....	840	840	840
(F)Diagnostic X-Ray Equipment Testing.....	550	550	550
(F)Water Quality Outreach Operator Training.....	200	200	200
(F)Water Quality Management Planning Grants.....	1,150	1,150	1,150
(F)Small Operators Assistance.....	300	300	300
(F)Wellhead Protection Fund.....	250	250	250
(F)Indoor Radon Abatement.....	700	700	700
(F)Non-Point Source Implementation.....	14,800	14,800	14,800
(F)Hydroelectric Power Conservation Fund.....	51	51	51
(F)Survey Studies.....	5,000	5,000	5,000
(F)National Dam Safety.....	300	300	300
(F)Training Reimbursement for Small Systems.....	3,500	3,500	3,500
(F)State Energy Program.....	15,000	15,000	15,000
(F)Pollution Prevention.....	800	800	800
(F)Energy & Environmental Opportunities.....	1,200	1,200	1,200
(F)Surface Mine Conservation.....	680	680	680
(F)Multipurpose Grants to States and Tribes.....	600	600	600
(F)Abandoned Mine Reclamation (EA).....	77,000	77,000	100,000
(F)Homeland Security Initiative (EA).....	700	1,000	1,000
(A)Payments - Department Services.....	102	1,176	1,176
(A)Safe Drinking Water Administration.....	313	300	300
(A)Water Pollution Control Administration.....	203	200	200
(A)PA DOT ISTEA Program.....	12	25	25
(A)Vehicle Sales - EPM.....	0	5	5
(R)Sewage Facilities Program Administration (EA).....	752	686	462
(R)Used Tire Pile Remediation (EA).....	934	1,003	403
Subtotal.....	<u>\$ 184,450</u>	<u>\$ 187,348</u>	<u>\$ 207,012</u>
<b>Chesapeake Bay Agricultural Source Abatement.....</b>	<b>2,535</b>	<b>2,670</b>	<b>0<sup>a</sup></b>
(F)Chesapeake Bay Pollution Abatement.....	10,200	12,700	15,000
Subtotal.....	<u>\$ 12,735</u>	<u>\$ 15,370</u>	<u>\$ 15,000</u>
<b>Environmental Protection Operations.....</b>	<b>89,215</b>	<b>93,190</b>	<b>84,523<sup>a</sup></b>
(F)EPA Planning Grant - Administration.....	8,400	8,400	8,400
(F)Water Pollution Control Grants.....	8,900	8,900	8,900
(F)Air Pollution Control Grants.....	5,010	5,010	5,010
(F)Surface Mine Control and Reclamation.....	11,344	11,344	12,344
(F)Training & Education of Underground Coal Miners.....	1,700	1,700	1,700
(F)Construction Management Assistance Grants.....	350	350	350
(F)Safe Drinking Water.....	5,700	5,700	5,700
(F)Oil Pollution Spills Removal.....	1,000	1,000	1,000
(F)Technical Assistance to Small Systems (EA).....	1,000	1,000	1,750
(F)Assistance to State Programs (EA).....	4,500	6,800	7,000
(F)Local Assistance and Source Water Protection (EA).....	6,000	7,500	8,500
(F)Great Lakes Restoration (EA).....	55	0	1
(A)Reimbursement - Laboratory Services.....	9,820	9,919	11,170

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
(A)Lab Accreditation.....	1,894	2,605	2,200
(A)Reimbursement - Department Services.....	3,601	5,297	5,297
(A)PADOT ISTEPA Program.....	1,219	1,000	1,000
(A)Clean Air Administration.....	3,860	3,860	3,860
(A)Solid Waste Abatement.....	500	500	500
(A)Safe Drinking Water Administration.....	464	450	450
(A)Safe Drinking Water Account Administration.....	0	180	180
(A)Water Pollution Control Administration.....	126	150	86
(A)Vehicle Sales - EPO.....	182	100	100
Subtotal.....	\$ 164,840	\$ 174,955	\$ 170,021
<b>Black Fly Control and Research.....</b>	<b>3,357</b>	<b>3,357</b>	<b>3,357</b>
(A)County Contributions.....	1,035	875	875
Subtotal.....	\$ 4,392	\$ 4,232	\$ 4,232
<b>West Nile Virus and Zika Virus Control.....</b>	<b>5,239</b>	<b>5,378</b>	<b>5,378</b>
(F)West Nile Virus and Zika Virus Control.....	1,000	0	0
(F)Zika Vector Control Response (EA).....	1	31	4
Subtotal.....	\$ 6,240	\$ 5,409	\$ 5,382
(R)Safe Drinking Water Account.....	1,174	4,731	6,403
(R)Radiation Protection Fund.....	11,639	14,647	14,901
(R)Clean Water Fund.....	22,893	23,748	23,210
(R)Solid Waste Abatement Fund.....	2,592	4,359	4,007
(R)Well Plugging Account.....	20,559	23,016	23,672
(R)Abandoned Well Plugging.....	117	213	2,274
(R)Orphan Well Plugging.....	903	0	382
(R)Alternative Fuels.....	4,400	6,645	8,649
(R)Industrial Land Recycling.....	289	300	300
(R)Waste Transportation Safety Account.....	2,142	2,785	2,825
(R)Electronics Material Recycling Account.....	414	365	395
Subtotal - State Funds.....	\$ 145,422	\$ 155,160	\$ 137,734
Subtotal - Federal Funds.....	217,881	223,456	251,680
Subtotal - Augmentations.....	31,263	36,747	37,366
Subtotal - Restricted Revenues.....	68,808	82,498	87,883
Total - General Government.....	\$ 463,374	\$ 497,861	\$ 514,663
<b>Grants and Subsidies:</b>			
Delaware River Master.....	\$ 38	\$ 38	\$ 0 b
Susquehanna River Basin Commission.....	237	237	0 b
Interstate Commission on the Potomac River.....	23	23	0 b
Delaware River Basin Commission.....	217	217	0 b
Ohio River Valley Water Sanitation Commission.....	68	68	0 b
Chesapeake Bay Commission.....	275	275	0 b
Transfer to Conservation District Fund.....	2,506	2,506	0 b
Interstate Mining Commission.....	15	15	39
Total - Grants and Subsidies.....	\$ 3,379	\$ 3,379	\$ 39
STATE FUNDS.....	\$ 148,801	\$ 158,539	\$ 137,773
FEDERAL FUNDS.....	217,881	223,456	251,680
AUGMENTATIONS.....	31,263	36,747	37,366
RESTRICTED REVENUES.....	68,808	82,498	87,883
<b>GENERAL FUND TOTAL.....</b>	<b>\$ 466,753</b>	<b>\$ 501,240</b>	<b>\$ 514,702</b>
<b>OTHER FUNDS:</b>			
<b>ACID MINE DRAINAGE ABATEMENT AND TREATMENT FUND:</b>			
(F)Acid Mine Drainage Abatement and Treatment (EA).....	\$ 16,086	\$ 18,191	\$ 29,898

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	ACTUAL	AVAILABLE	BUDGET
<b>CLEAN AIR FUND:</b>			
Major Emission Facilities (EA).....	\$ 17,480	\$ 17,878	\$ 18,539
Mobile and Area Facilities (EA).....	8,727	9,369	9,535
<b>CLEAN AIR FUND TOTAL</b> .....	<b>\$ 26,207</b>	<b>\$ 27,247</b>	<b>\$ 28,074</b>
<b>COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND:</b>			
General Operations (EA).....	\$ 3,665	\$ 3,866	\$ 4,227
Payment of Claims (EA).....	2,040	2,040	2,040
<b>COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND TOTAL</b> .....	<b>\$ 5,705</b>	<b>\$ 5,906</b>	<b>\$ 6,267</b>
<b>COAL LANDS IMPROVEMENT FUND:</b>			
Coal Lands Restoration (EA).....	\$ 100	\$ 175	\$ 315
<b>CONSERVATION DISTRICT FUND:</b>			
Conservation District Grants (EA).....	\$ 4,488	\$ 4,514	\$ 4,542
<b>ENERGY DEVELOPMENT FUND:</b>			
Energy Development - Administration (EA).....	\$ 165	\$ 172	\$ 149
Energy Development Loans/Grants (EA).....	51	0	1,000
<b>ENERGY DEVELOPMENT FUND TOTAL</b> .....	<b>\$ 216</b>	<b>\$ 172</b>	<b>\$ 1,149</b>
<b>ENVIRONMENTAL EDUCATION FUND:</b>			
General Operations (EA).....	\$ 1,198	\$ 753	\$ 685
<b>ENVIRONMENTAL STEWARDSHIP FUND:</b>			
General Government Operations.....	\$ 0	\$ 0	\$ 773 a
Environmental Program Management.....	0	0	1,790 a
Chesapeake Bay Agricultural Source Abatement.....	0	0	2,974 a
Environmental Protection Operations.....	0	0	4,886 a
Delaware River Master.....	0	0	127 b
Susquehanna River Basin Commission.....	0	0	846 b
Interstate Commission on the Potomac River.....	0	0	51 b
Delaware River Basin Commission.....	0	0	1,047 b
Ohio River Valley Water Sanitation Commission.....	0	0	180 b
Chesapeake Bay Commission.....	0	0	300 b
Transfer to Conservation District Fund.....	0	0	2,506 b
Watershed Protection and Restoration (EA).....	32,279	24,554	23,630
<b>ENVIRONMENTAL STEWARDSHIP FUND TOTAL</b> .....	<b>\$ 32,279</b>	<b>\$ 24,554</b>	<b>\$ 39,110</b>
<b>HAZARDOUS SITES CLEANUP FUND:</b>			
General Operations (EA).....	\$ 20,978	\$ 22,078	\$ 22,259
Hazardous Sites Cleanup (EA).....	23,750	24,000	24,000
Host Municipality Grants (EA).....	7	25	25
Small Business Pollution Prevention (EA).....	964	1,000	1,000
Transfer to Industrial Sites Cleanup Fund (EA).....	2,000	2,000	2,000
Transfer to Industrial Sites Environmental Assessment Fd (EA).....	2,000	2,000	2,000
Transfer to Household Hazardous Waste Account (EA).....	1,000	1,000	1,000
<b>HAZARDOUS SITES CLEANUP FUND TOTAL</b> .....	<b>\$ 50,699</b>	<b>\$ 52,103</b>	<b>\$ 52,284</b>
<b>MINE SAFETY FUND:</b>			
General Operations (EA).....	\$ 35	\$ 1	\$ 0
<b>NON-COAL SURFACE MINING CONSERVATION &amp; RECLAMATION FUND:</b>			
General Operations (EA).....	\$ 4,122	\$ 3,885	\$ 4,074
<b>NUTRIENT MANAGEMENT FUND:</b>			
Education, Research and Technical Assistance (EA).....	\$ 2,073	\$ 1,991	\$ 2,073
<b>RECYCLING FUND:</b>			
General Government Operations.....	\$ 0	\$ 0	\$ 1,037 a
Environmental Program Management.....	0	0	2,403 a
Environmental Protection Operations.....	0	0	6,560 a
Recycling Coordinator Reimbursement (EA).....	2,600	1,600	1,600
Reimbursement for Municipal Inspection (EA).....	400	400	400
Reimburse-Host Municipality Permit Applications Review (EA).....	10	50	20
Administration of Recycling Program (EA).....	1,152	1,264	1,264
County Planning Grants (EA).....	758	2,000	2,000

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	ACTUAL	AVAILABLE	BUDGET
Municipal Recycling Grants (EA).....	8,321	23,000	30,000
Municipal Recycling Performance Program (EA).....	19,500	19,500	20,500
Public Education/Technical Assistance (EA).....	2,756	4,800	4,550
<b>RECYCLING FUND TOTAL</b> .....	<b>\$ 35,497</b>	<b>\$ 52,614</b>	<b>\$ 70,334</b>
<b>REMINING FINANCIAL ASSURANCE FUND:</b>			
Remining Financial Assurance (EA).....	\$ 196	\$ 200	\$ 341
<b>STORAGE TANK FUND:</b>			
General Operations (EA).....	\$ 4,886	\$ 4,484	\$ 3,563
(F)Underground Storage Tanks (EA).....	1,750	1,750	1,750
(F)Leaking Underground Storage Tanks (EA).....	2,990	2,990	2,990
(A)Investment/Closing Cost Reimbursement.....	3,021	5,000	7,000
<b>STORAGE TANK FUND TOTAL</b> .....	<b>\$ 12,647</b>	<b>\$ 14,224</b>	<b>\$ 15,303</b>
<b>SURFACE MINING CONSERVATION &amp; RECLAMATION FUND:</b>			
General Operations (EA).....	\$ 5,882	\$ 6,830	\$ 5,860
<b>UNCONVENTIONAL GAS WELL FUND:</b>			
Transfer to Well Plugging Account (EA).....	\$ 6,000	\$ 6,000	\$ 6,000
<b>UNDERGROUND STORAGE TANK INDEMNIFICATION FUND:</b>			
Environmental Cleanup Program (EA).....	\$ 4,996	\$ 5,296	\$ 5,296
Pollution Prevention Program (EA).....	100	100	100
<b>UNDERGROUND STORAGE TANK INDEMNIFICATION FUND TOTAL</b> .....	<b>\$ 5,096</b>	<b>\$ 5,396</b>	<b>\$ 5,396</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 148,801	\$ 158,539	\$ 137,773
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	217,881	223,456	251,680
AUGMENTATIONS.....	31,263	36,747	37,366
RESTRICTED.....	68,808	82,498	87,883
OTHER FUNDS.....	208,526	224,756	271,705
<b>TOTAL ALL FUNDS</b> .....	<b>\$ 675,279</b>	<b>\$ 725,996</b>	<b>\$ 786,407</b>

<sup>a</sup> This budget includes additional special fund appropriations to support program operations.

<sup>b</sup> This budget includes additional special fund appropriations to support grants and subsidies.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>ENVIRONMENTAL SUPPORT SERVICES</b>							
GENERAL FUND.....	\$ 15,663	\$ 19,633	\$ 16,056	\$ 16,056	\$ 16,056	\$ 16,056	\$ 16,056
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	7,932	10,105	9,942	9,942	9,942	9,942	9,942
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	1,810	1,810	1,810	1,810	1,810
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 23,595</b>	<b>\$ 29,738</b>	<b>\$ 27,808</b>	<b>\$ 27,808</b>	<b>\$ 27,808</b>	<b>\$ 27,808</b>	<b>\$ 27,808</b>
<b>ENVIRONMENTAL PROTECTION AND MANAGEMENT</b>							
GENERAL FUND.....	\$ 133,138	\$ 138,906	\$ 121,717	\$ 121,717	\$ 121,004	\$ 121,004	\$ 121,004
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	217,881	223,456	251,680	251,680	251,680	251,680	251,680
AUGMENTATIONS.....	23,331	26,642	27,424	27,424	27,424	27,424	27,424
RESTRICTED.....	68,808	82,498	87,883	87,883	87,883	87,883	87,883
OTHER FUNDS.....	208,526	224,756	269,895	252,526	246,798	245,015	242,235
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 651,684</b>	<b>\$ 696,258</b>	<b>\$ 758,599</b>	<b>\$ 741,230</b>	<b>\$ 734,789</b>	<b>\$ 733,006</b>	<b>\$ 730,226</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 148,801	\$ 158,539	\$ 137,773	\$ 137,773	\$ 137,060	\$ 137,060	\$ 137,060
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	217,881	223,456	251,680	251,680	251,680	251,680	251,680
AUGMENTATIONS.....	31,263	36,747	37,366	37,366	37,366	37,366	37,366
RESTRICTED.....	68,808	82,498	87,883	87,883	87,883	87,883	87,883
OTHER FUNDS.....	208,526	224,756	271,705	254,336	248,608	246,825	244,045
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 675,279</b>	<b>\$ 725,996</b>	<b>\$ 786,407</b>	<b>\$ 769,038</b>	<b>\$ 762,597</b>	<b>\$ 760,814</b>	<b>\$ 758,034</b>

## Program: Environmental Support Services

*Goal: To provide administrative and technical support for the commonwealth's environmental protection programs.*

This program provides for the administrative and technical systems that direct and support the Department of Environmental Protection's (DEP) programs. It includes the executive and administrative offices, the [Office of Chief Counsel](#), information and data processing systems, the [Citizens Advisory Council](#), and the [Environmental Quality Board](#).

DEP's Information Technology Delivery Center focuses on reducing and ending paper-driven processes by developing program-specific, custom applications for permitting and inspections. DEP also utilizes off-the-shelf solutions to centralize data and make it accessible to both internal and external stakeholders.

DEP partners with other commonwealth agencies in the adoption of reusable technologies, including partnerships with the Pennsylvania Department of Community and Economic Development on digitizing the grants systems, and with the Pennsylvania Department of Transportation on developing e-inspections applications.

The Environmental Hearing Board's purpose is to safeguard the environmental rights of Pennsylvania's citizens through appeals of actions taken or instituted by DEP and/or the private sector. It is included here for presentation purposes.

### Program Recommendations:

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

<table border="0"> <tr> <td colspan="2"><b>General Government Operations</b></td> </tr> <tr> <td>\$ -1,986</td> <td>—to continue current program.</td> </tr> <tr> <td>122</td> <td>—redistribution of parking costs.</td> </tr> <tr> <td>-773</td> <td>—to utilize Environmental Stewardship funds for current operating costs.</td> </tr> <tr> <td>-1,037</td> <td>—to utilize Recycling funds for current operating costs.</td> </tr> <tr> <td><u>\$ -3,674</u></td> <td><i>Appropriation Decrease</i></td> </tr> </table>	<b>General Government Operations</b>		\$ -1,986	—to continue current program.	122	—redistribution of parking costs.	-773	—to utilize Environmental Stewardship funds for current operating costs.	-1,037	—to utilize Recycling funds for current operating costs.	<u>\$ -3,674</u>	<i>Appropriation Decrease</i>	<table border="0"> <tr> <td colspan="2"><b>Environmental Hearing Board</b></td> </tr> <tr> <td>\$ 87</td> <td>—to continue current program.</td> </tr> <tr> <td><u>10</u></td> <td>—redistribution of parking costs.</td> </tr> <tr> <td>\$ 97</td> <td><i>Appropriation Increase</i></td> </tr> </table>	<b>Environmental Hearing Board</b>		\$ 87	—to continue current program.	<u>10</u>	—redistribution of parking costs.	\$ 97	<i>Appropriation Increase</i>
<b>General Government Operations</b>																					
\$ -1,986	—to continue current program.																				
122	—redistribution of parking costs.																				
-773	—to utilize Environmental Stewardship funds for current operating costs.																				
-1,037	—to utilize Recycling funds for current operating costs.																				
<u>\$ -3,674</u>	<i>Appropriation Decrease</i>																				
<b>Environmental Hearing Board</b>																					
\$ 87	—to continue current program.																				
<u>10</u>	—redistribution of parking costs.																				
\$ 97	<i>Appropriation Increase</i>																				

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 13,309	\$ 17,143	\$ 13,469	\$ 13,469	\$ 13,469	\$ 13,469	\$ 13,469
Environmental Hearing Board .....	2,354	2,490	2,587	2,587	2,587	2,587	2,587
<b>TOTAL GENERAL FUND .....</b>	<u>\$ 15,663</u>	<u>\$ 19,633</u>	<u>\$ 16,056</u>	<u>\$ 16,056</u>	<u>\$ 16,056</u>	<u>\$ 16,056</u>	<u>\$ 16,056</u>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Eliminate the permit application backlog (pending before June 30, 2017) by December 31, 2019.

Number of permit applications prior to June 30, 2017 still pending.....	N/A	N/A	N/A	N/A	1,100	545	0
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#### Meet or exceed Permit Decision Guarantee timeframes. Close 100% of permit reviews on time by December 31, 2023.

Percentage of permits processed on time (Active in Permit Decision Guarantee)	97%	96%	94%	92%	94%	95%	96%
Percentage of permits processed on time (Permit Decision Guarantee).....	91%	88%	85%	81%	81%	90%	92%

**Program: Environmental Support Services (continued)**

<b>Program Measures: (continued)</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Update internal procedures for improvements to the permit review process. Re-evaluate 100% of permit review-related Standard Operating Procedures by June 30, 2020.</b>							
Percentage of permit review Standard Operating Procedures (SOPs) re-evaluated for process improvements .....	30%	38%	47%	73%	77%	90%	100%
<b>Respond to citizen complaints promptly. Average response time for all new complaints under 48 hours by June 30, 2020.</b>							
Average response time for all new complaints (days) .....	N/A	14.6	11.2	8.8	6.3	4.0	2.0



## Program: Environmental Protection and Management

*Goal: To protect Pennsylvania's air, land, and water from pollution and to provide for the health and safety of its citizens through a cleaner environment. This responsibility is met by enforcing clean air and water standards, managing land protection activities and ensuring waste is handled properly, ensuring safe and healthy communities, and promoting sustainable energy.*

This program focuses on achieving DEP's mission to protect Pennsylvania's air, land, and water from pollution and to provide for the health and safety of its citizens.

Permitting and inspection functions are fundamental to most of DEP's programs and regulatory oversight. The permit approval process occurs prior to an industrial activity (or during modification), and inspections occur as specified in regulations throughout the life of the permitted activity. Both permits and inspections cover almost every industry and are often a requirement to maintain primacy of certain federal programs.

### **Enforcing Clean Water Standards**

DEP regulates nearly 9,000 public water systems serving 10.7 million Pennsylvanians and provides consultative services for the 700,000 private residential water supplies in the state. DEP carries out its duties and responsibilities through various [programs and activities](#) related to permitting, monitoring, compliance, enforcement, and technical assistance. DEP implements all aspects of the federal Safe Drinking Water Act, including [drinking water standards](#), source water protection, operator training and certification, and capability enhancement programs for public water systems to address technical, managerial, and financial issues.

DEP is responsible for monitoring and assessing Pennsylvania's 86,000 miles of streams and rivers as well as more than 109,000 acres of publicly owned lakes. DEP protects natural aquatic systems for public use by monitoring and assessing surface water quality, developing water quality standards, managing non-point sources of pollution, protecting coastal zone resources, and regulating mining and oil and gas development. Protection of these waters is carried out through permitting, inspection, and enforcement activities. DEP also inspects non-permitted entities and responds to spills and complaints where waters may be affected.

The departments of Agriculture, and Conservation and Natural Resources are in the process of developing Pennsylvania's [Chesapeake Bay](#) Phase 3 Watershed Implementation Plan ([Phase 3 WIP](#)). The main focus of the Phase 3 WIP is the development and implementation of Countywide Action Plans to address local planning goals for nutrient reduction, while achieving other local priority initiatives for environmental improvement. DEP also has the lead in working with the other state and federal partners that comprise the Chesapeake Bay Program Partnership.

DEP provides support to [County Conservation Districts](#), which support the conservation and restoration of the commonwealth's water resources, and focuses efforts on technical assistance and compliance efforts to ensure that municipal sewage and storm water systems and agricultural operations are reducing nitrogen, phosphorous, and sediment discharges into local waterways.

### **Enforcing Clean Air Standards**

DEP [protects](#) the environment and the health of Pennsylvanians from air pollution by achieving the goals of the federal Clean Air Act and the Pennsylvania Air Pollution Control Act by developing air quality regulations and the State Implementation Plan to address ground-level ozone, particulate matter, sulfur and nitrogen oxides, volatile organic compounds, lead, and hazardous air pollutants. DEP designs and maintains networks to monitor ambient air quality in Pennsylvania, performs meteorological tracking, and conducts air quality modeling studies to scientifically determine whether air quality goals are achieved. Due to the location of Pennsylvania in the populated northeast corridor, DEP implements regional haze and interstate ozone transport programs.

The administration's [methane reduction strategy](#) addresses methane and volatile organic compound emissions from the oil and gas sector. DEP has implemented new source permitting requirements and is working on rules for existing sources of emissions.

### **Managing Land Protection Activities**

DEP encourages waste reduction, promotes recycling and reuse of waste products, and protects the public by providing for safe transportation, processing and disposal of municipal waste, residual waste, and hazardous waste. DEP also protects land resources by regulating above-ground and underground tanks that store petroleum and other hazardous substances.

DEP oversees the [Land Recycling Program](#) to encourage cleanup of contaminated, vacant, or otherwise underutilized properties and return them to productive use and administers the [Hazardous Sites Cleanup Program](#) to clean up threats to human health and the environment from toxic chemicals from abandoned sites or where there is no viable responsible person. The department is a key member of the [PFAS Action Team](#) to address releases of Per- and Polyfluoroalkyl Substances (PFAS) to drinking water systems and to land.

## Program: Environmental Protection and Management (continued)

Restoring and enhancing the quality of watersheds aligns several programs and agency objectives. DEP continues to work in partnerships to restore land impacted by legacy environmental issues and improve local water quality through the Land Recycling Program, the [Hazardous Sites Cleanup Program](#), and the [Abandoned Mine Land Program](#).

### Ensuring Safe and Healthy Communities

DEP's [Office of Environmental Justice](#) works to ensure that all Pennsylvanians, especially those communities that have historically been disenfranchised, are fully involved in the decisions that affect their environment and that all communities are not disproportionately burdened with environmental hazards.

DEP performs a range of licensing and inspection activities to protect residents from exposure to potentially dangerous levels of [radiation](#), such as registering radiation-producing equipment, licensing users of radioactive materials and inspecting facilities to ensure compliance.

DEP, in cooperation with state and county agencies, monitors mosquito populations, enacts [control measures](#) for the mosquitoes that may carry the West Nile Virus, and examines unknown vectors and reservoirs involved in the transmission of the virus.

DEP's emergency response personnel are available in the event of an immediate threat to public health, safety, or the environment. Staff are trained to respond to any incident or accident at Pennsylvania's nine operating nuclear power plants. While DEP's major focus is the response to spills to land and water, it also has significant involvement with air pollution incidents (fires, or industrial or

transportation-related releases) and leaking underground storage tanks.

DEP's [flood protection and stream improvement programs](#) protect lives and property through the construction of physical structures such as dams, levees, flood walls, channels, culverts, and bank stabilization works. DEP [regulates mining](#) with a goal to minimize impacts to the environment while providing a climate that encourages economic growth, as well as a safe and healthy work environment for miners.

DEP oversees the permitting, inspection, and compliance of conventional and unconventional [oil and gas](#) wells and the construction of pipelines in Pennsylvania. It also responds to complaints from the public regarding water supplies that might be affected by oil and gas operations. In addition, DEP oversees the plugging of wells that no longer serve their intended purpose.

DEP helps to improve the economic climate for firms to locate and expand in Pennsylvania through programs such as the [Small Business Assistance Program](#).

### Promoting Sustainable Energy

[DEP's energy office](#) undertakes activities to plan, track, implement, and promote energy efficiency, such as advocating for the use of energy-efficient building codes and energy management systems, renewable energy and alternative fuels. The office is also involved with energy assurance and security, fuel resource and energy financial market issues. Energy office staff assist, educate, and encourage Pennsylvanians to advance conservation and efficient use of diverse energy resources to provide a healthier environment and greater energy security.

## Program Recommendations:

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

	<b>GENERAL FUND</b>				<b>Environmental Protection Operations</b>
	<b>Environmental Program Management</b>		\$	2,429	—to continue current program.
\$	1,681	—to continue current program.		132	—Initiative-to implement Per- and Polyfluoroalkyl Substances (PFAS) testing.
	-1,790	—to utilize Environmental Stewardship funds for current operating costs.		218	—Initiative-to continue statewide radio upgrade.
	-2,403	—to utilize Recycling funds for current operating costs.		-4,886	—to utilize Environmental Stewardship funds for current operating costs.
	<hr/>			-6,560	—to utilize Recycling funds for current operating costs.
\$	-2,512	<i>Appropriation Decrease</i>		<hr/>	<i>Appropriation Decrease</i>
	<b>Chesapeake Bay Agricultural Source Abatement</b>		\$	-8,667	
\$	-2,670	—to utilize Environmental Stewardship funds for current operating costs.			

# Environmental Protection

## Program: Environmental Protection and Management (continued)

### Program Recommendations: (continued)

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

\$	-38	<b>Delaware River Master</b> —to utilize Environmental Stewardship funds for current costs.	\$	-68	<b>Ohio River Valley Water Sanitation Commission</b> —to utilize Environmental Stewardship funds for current costs.
\$	-237	<b>Susquehanna River Basin Commission</b> —to utilize Environmental Stewardship funds for current costs.	\$	-275	<b>Chesapeake Bay Commission</b> —to utilize Environmental Stewardship funds for current costs.
\$	-23	<b>Interstate Commission on the Potomac River</b> —to utilize Environmental Stewardship funds for current costs.	\$	-2,506	<b>Transfer to Conservation District Fund</b> —to utilize Environmental Stewardship funds for current costs.
\$	-217	<b>Delaware River Basin Commission</b> —to utilize Environmental Stewardship funds for current costs.	\$	24	<b>Interstate Mining Commission</b> —to continue current program.

All other appropriations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

		2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>								
Environmental Program Management.....	\$	29,413	\$ 30,932	\$ 28,420	\$ 28,420	\$ 28,420	\$ 28,420	\$ 28,420
Chesapeake Bay Agricultural Source								
Abatement.....		2,535	2,670	0	0	0	0	0
Environmental Protection Operations.....		89,215	93,190	84,523	84,523	83,810	83,810	83,810
Black Fly Control and Research.....		3,357	3,357	3,357	3,357	3,357	3,357	3,357
West Nile Virus and Zika Virus Control.....		5,239	5,378	5,378	5,378	5,378	5,378	5,378
Delaware River Master.....		38	38	0	0	0	0	0
Susquehanna River Basin Commission....		237	237	0	0	0	0	0
Interstate Commission on the Potomac								
River.....		23	23	0	0	0	0	0
Delaware River Basin Commission.....		217	217	0	0	0	0	0
Ohio River Valley Water Sanitation								
Commission.....		68	68	0	0	0	0	0
Chesapeake Bay Commission.....		275	275	0	0	0	0	0
Transfer to Conservation District Fund.....		2,506	2,506	0	0	0	0	0
Interstate Mining Commission.....		15	15	39	39	39	39	39
<b>TOTAL GENERAL FUND.....</b>	<b>\$</b>	<b>133,138</b>	<b>\$ 138,906</b>	<b>\$ 121,717</b>	<b>\$ 121,717</b>	<b>\$ 121,004</b>	<b>\$ 121,004</b>	<b>\$ 121,004</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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**Improve response to High Priority Air Quality violations. Increase the percentage of violations addressed within 180 days by 20% by June 30, 2021.**

Percentage of High Priority AQ Violations addressed within 180 days.....	N/A	41.7%	31.0%	42.4%	38.7%	45.0%	52.0%
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**Improve the significant operational compliance rate of Above Ground Storage Tanks by 10% by January 1, 2023.**

AST significant operational compliance rate.....	N/A	63.8%	59.7%	55.6%	53.6%	58.2%	58.7%
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**Eliminate health and safety hazards on abandoned mine lands. Issue 30 contracts (including emergency contracts) by October 31, 2019.**

Number of acres reclaimed through the Government Financed Construction Contract program.....	213	90	105	72	96	90	90
Cumulative acres of abandoned mineland (AML) reclaimed since inception of AML program in 1977	29,571	30,180	31,193	31,679	32,188	33,144	33,744

# Environmental Protection

## Program: Environmental Protection and Management (continued)

<b>Program Measures: (continued)</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Increase the protection of citizens in active and abandoned mining areas. Increase the number of Mine Subsidence Insurance policies by 2% and the underwritten value of property by 5% by October 31, 2019.</b>							
Mine subsidence insurance policies - new.....	4,719	2,832	3,221	5,681	5,295	5,400	5,700
Mine subsidence insurance policies issued .....	58,550	58,011	58,137	60,526	62,441	62,500	63,700
<b>Address legacy issues from oil and gas drilling. Plug 1,000 abandoned oil and gas wells by June 30, 2021.</b>							
Number of wells plugged .....	N/A	637	768	649	546	441	500
<b>Ensure best practices for agricultural operations in the Chesapeake Bay Watershed. Inspect 10% of agricultural acreage within the Watershed in fiscal year 2019-20.</b>							
Percentage of the acreage of agricultural operations in the Chesapeake Bay Watershed inspected.....	N/A	N/A	N/A	12.7%	10.6%	10.0%	10.0%
<b>Ensure that the public's drinking water is safe. Conduct 80% of community water system sanitary surveys (full inspections) due by December 31, 2019.</b>							
Percentage of community water system inspections conducted on time .....	N/A	N/A	N/A	N/A	77%	80%	80%
<b>Improve the state of the environment.</b>							
<b>Nuisance and Vector Control</b>							
Acres treated for vector control.....	N/A	598,084	391,128	463,512	518,000	400,000	400,000
<b>Safe Waste Management</b>							
Tons of municipal solid waste recycled (in millions) .....	6.12	9.12	7.15	10.30	7.25	7.30	7.35
<b>Protection of Air Quality</b>							
Percentage of population in counties monitoring below the 2015 Ambient Ozone Standard .....	N/A	N/A	60%	64%	69%	69%	83%
<b>Protection of Water Quality</b>							
Miles of impaired streams restored to attaining their designated use.....	101	N/A	319	N/A	93	N/A	50
Acres of stream buffers installed.....	753	1,862	499	1,311	398	1,500	1,500
Total number of treatment systems treating acid mine drainage .....	336	338	340	342	345	350	355
<b>Restoration of Land</b>							
Site cleanups completed under the Environmental Cleanup and Brownfields Voluntary Cleanup program .....	360	389	355	346	369	350	350
<b>Safe Drinking Water</b>							
Number of water samples tested for private well owners .....	2,137	2,458	2,091	2,295	2,922	3,000	3,000
<b>Dam Safety</b>							
Dam Emergency Action Plan compliance rate .....	92%	92%	93%	94%	95%	96%	97%
<b>Department-wide Totals</b>							
Percentage of violations resolved .....	N/A	85%	93%	89%	87%	90%	93%
Percentage of sites in full compliance with environmental regulations.....	N/A	83%	86%	87%	83%	85%	88%

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# STATE ETHICS COMMISSION

*The mission of the [State Ethics Commission](#) is to promote public confidence in state and local government through its enforcement of the Ethics Act and related legislation.*

The responsibilities of the Commission include the investigation and adjudication of individuals engaging in conduct in violation of the Ethics Act, as well as rendering advisory opinions to present or former public officials and public employees (or their appointing authorities) regarding such individuals' duties and responsibilities under the Ethics Act. The Commission also annually publishes and enforces compliance with the filing of Statement of Financial Interests forms by public officials and public employees as required by the Ethics Act. The Commission has promulgated Regulations to aid in executing its duties and responsibilities under the Ethics Act.

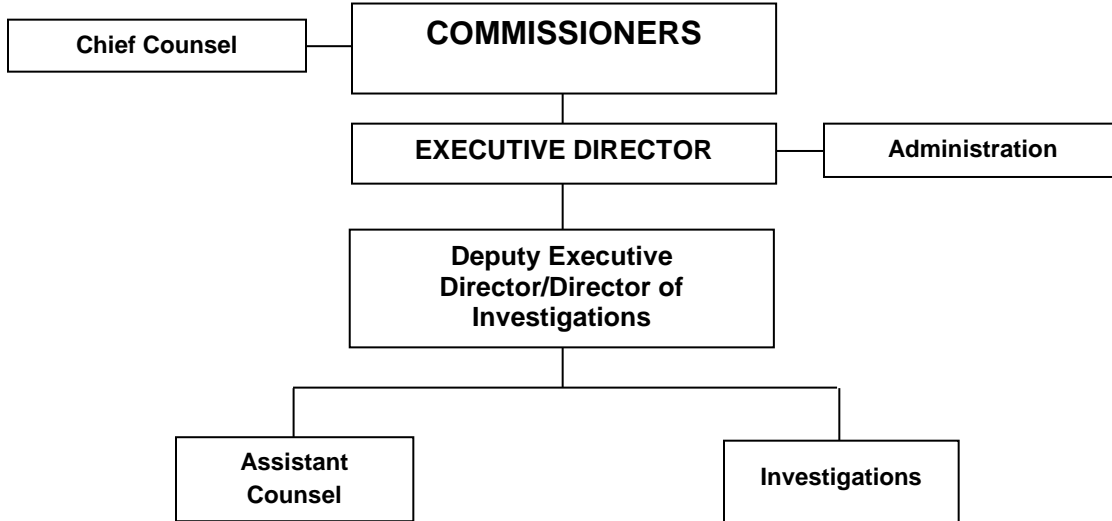
In addition to the Pennsylvania Public Official and Employee Ethics Act, the Commission also maintains duties and responsibilities under the Lobbying Disclosure Law, the Pennsylvania Race Horse Development and Gaming Act, the Medical Marijuana Act and Act 114 of 2016.

## **Programs and Goals**

**Executive Direction:** *To strengthen the faith and confidence of the people in their elected and appointed public officials and public employees through enforcement of the Ethics Act and related legislation.*

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## Organization Overview



**The Commission** has responsibilities with regards to the Ethics Act, the Lobbying Disclosure Law, the Gaming Act, the Medical Marijuana Act and Act 114 of 2016.

- [Ethics Act](#). The Commission administers and enforces financial disclosure requirements, conducts investigations and issues adjudications of individuals in violation of the Ethics Act, and provides advice and guidance in the form of written opinions to public officials and public employees regarding their responsibilities and duties under the Ethics Act.
- [Lobbying Disclosure Law](#). The Commission is authorized to issue advisory opinions as well as to conduct investigations and enforcement actions.
- [Gaming Act](#). The Commission biennially issues various lists of officials and positions subject to provisions of the Gaming Act, and provides determinations as to whether a particular individual would be subject to various prohibitions of the Gaming Act.
- [Medical Marijuana Act](#). The Commission biennially issues various lists of officials and positions subject to provisions of the Medical Marijuana Act, and provides determinations as to whether a particular individual would be subject to various prohibitions of the Medical Marijuana Act.
- [Act 114 of 2016](#). The Commission biennially issues a list of all employment positions within the State Horse Racing Commission and provides determinations as to whether a particular individual would be subject to the “revolving door/post-termination” restrictions.

### Reported Complement

(Independent Agency – Complement Not Under the Governor’s Jurisdiction/Control)

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
27	27	27	27	27	27	27

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

2017-18 ACTUAL      2018-19 AVAILABLE      2019-20 BUDGET

**GENERAL FUND:**

*General Government:*

State Ethics Commission.....	\$	2,645	\$	2,750	\$	2,876
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## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>ETHICS COMMISSION</b>							
GENERAL FUND.....	\$ 2,645	\$ 2,750	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 2,645</b>	<b>\$ 2,750</b>	<b>\$ 2,876</b>	<b>\$ 2,876</b>	<b>\$ 2,876</b>	<b>\$ 2,876</b>	<b>\$ 2,876</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 2,645	\$ 2,750	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 2,645</b>	<b>\$ 2,750</b>	<b>\$ 2,876</b>	<b>\$ 2,876</b>	<b>\$ 2,876</b>	<b>\$ 2,876</b>	<b>\$ 2,876</b>

## Program: Executive Direction

*Goal: To strengthen the faith and confidence of the people in their elected and appointed public officials and public employees through enforcement of the Ethics Act and related legislation.*

The [Pennsylvania State Ethics Commission](#) is an independent state agency charged with the responsibility of enforcing the [Public Official and Employee Ethics Act](#). The Ethics Act applies to public officials, public employees, as well as candidates and nominees for public office. The Commission's responsibilities include the investigation and adjudication of violations of the Ethics Act, as well as providing guidance to public officials and public employees regarding their duties and responsibilities under the Ethics Act through issuance of advisory opinions and educational seminars. Lastly, the Commission is responsible for the enforcement of the filing and reporting of Statements of Financial Interests by all public officials and public employees.

In addition to those duties under the Ethics Act, the Commission is also charged with responsibilities pursuant to the [Lobbying Disclosure Law](#), including enforcement of the reporting and registration provisions, as well as the investigation of actions by lobbyists/principals/lobbying firms in violation of the law. Similar to its duties under the Ethics Act, the Commission is also required to issue advisory opinions under the Lobbying Disclosure Law.

Pursuant to the [Pennsylvania Race Horse Development and Gaming Act](#), the Commission is vested with

responsibilities which include the biennial publication of lists setting forth those officials and positions subject to provisions of the Gaming Act and issuing determinations as to whether particular persons would be subject to various prohibitions under the Gaming Act.

The Commission's duties under Act 16 of 2016, known as the Medical Marijuana Act, are similar to its duties under the Gaming Act. The Commission is charged with biennially publishing a list of officials and positions subject to provisions of the Medical Marijuana Act, as well as the issuance of determinations as to whether particular persons would be subject to various restrictions under the Act.

Lastly, [Act 114 of 2016](#) assigned the Commission the additional responsibility of publishing a list of all employment positions within the State Horse Racing Commission whose duties would subject those individuals to "revolving door/post-termination" restrictions, as well as, upon request, making a determination as to whether individuals would be subject to the "revolving door/post-termination" restrictions.

### Program Recommendations:

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

\$ 126 **State Ethics Commission**  
—to continue current program.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
State Ethics Commission.....	\$ 2,645	\$ 2,750	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876

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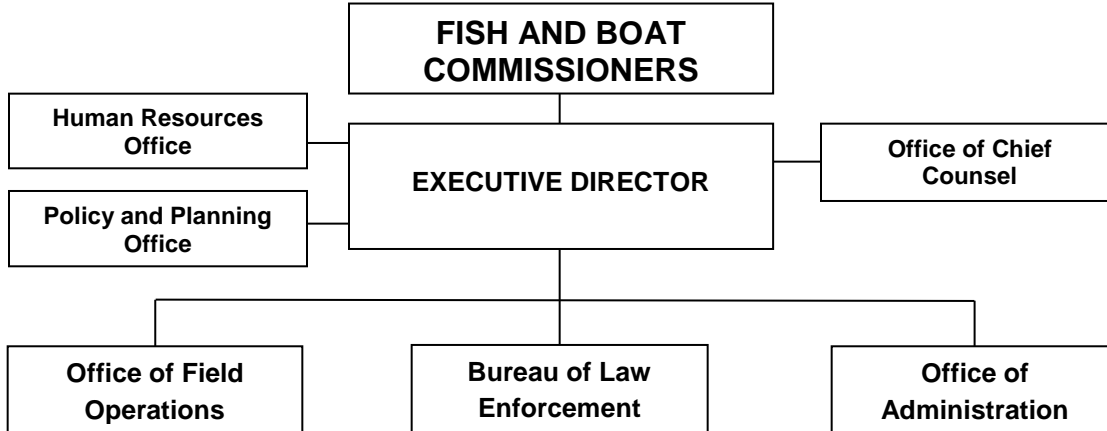
# FISH AND BOAT COMMISSION

*The mission of the Fish and Boat Commission is to protect, conserve and enhance the commonwealth's aquatic resources and provide fishing and boating opportunities.*

## **Programs and Goals**

**Recreational Fishing and Boating:** *To conserve aquatic resources including fish and wildlife populations, to provide recreational opportunities for fishing and boating on commonwealth waters and to promote safe recreational use of these aquatic resources.*

## Organization Overview



- **Deputy Director for the Office of Field Operations** manages, develops and coordinates the commission's fisheries, hatcheries, boating & outreach and engineering programs.
- **Director of the Bureau of Law Enforcement** directs the enforcement of fish laws, boating laws and certain water pollution/disturbance laws of the commonwealth. Additionally, within the scope of commission activities, directs the enforcement of Title 18 (relating to crimes and offenses) and other misdemeanors and felonies.
- **Deputy Director for the Office of Administration** manages, develops and coordinates the commission's administrative, financial, information technology, public access and real estate programs.

### Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
432	432	432	381	381	381	381

# Fish and Boat Commission

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	ACTUAL	AVAILABLE	BUDGET
<b>OTHER FUNDS:</b>			
<b>BOAT FUND:</b>			
General Operations (EA).....	\$ 12,540	\$ 14,040	\$ 14,040
(F)Miscellaneous Boat Grants (EA).....	6,127	4,014	4,051
(R)Improvement of Hazardous Dams.....	10,195	8,730	8,730
<b>BOAT FUND TOTAL.....</b>	<b>\$ 28,862</b>	<b>\$ 26,784</b>	<b>\$ 26,821</b>
<b>FISH FUND:</b>			
General Operations (EA).....	\$ 35,244	\$ 33,744	\$ 33,744
(F)Miscellaneous Fish Grants (EA).....	9,372	10,204	7,706
<b>FISH FUND TOTAL.....</b>	<b>\$ 44,616</b>	<b>\$ 43,948</b>	<b>\$ 41,450</b>
<b>STATE GAMING FUND:</b>			
Payments in Lieu of Taxes (EA).....	\$ 40	\$ 40	\$ 40
<b>UNCONVENTIONAL GAS WELL FUND:</b>			
Gas Well Fee Administration (EA).....	\$ 1,000	\$ 1,000	\$ 1,000
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	0	0	0
AUGMENTATIONS.....	0	0	0
RESTRICTED.....	0	0	0
OTHER FUNDS.....	74,518	71,772	69,311
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 74,518</b>	<b>\$ 71,772</b>	<b>\$ 69,311</b>

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>RECREATIONAL FISHING AND BOATING</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	74,518	71,772	69,311	69,311	69,311	69,311	69,311
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 74,518</b>	<b>\$ 71,772</b>	<b>\$ 69,311</b>	<b>\$ 69,311</b>	<b>\$ 69,311</b>	<b>\$ 69,311</b>	<b>\$ 69,311</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	74,518	71,772	69,311	69,311	69,311	69,311	69,311
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 74,518</b>	<b>\$ 71,772</b>	<b>\$ 69,311</b>	<b>\$ 69,311</b>	<b>\$ 69,311</b>	<b>\$ 69,311</b>	<b>\$ 69,311</b>

## Program: Recreational Fishing and Boating

*Goal: To conserve aquatic resources including fish and wildlife populations, to provide recreational opportunities for fishing and boating on commonwealth waters and to promote safe recreational use of these aquatic resources.*

Founded in 1866, the [Fish and Boat Commission](#) is charged with protecting, conserving and enhancing the commonwealth's aquatic resources, including waterways, fish, reptile and amphibian communities, and habitats of game and non-game species. From [stocking waterways](#) and [measuring the health of native animal populations](#) to patrolling lakes and [restoring habitats](#), the commission's employees strive to protect, manage and restore the resources. High-quality streams, clean water and good

habitats ensure that the commission can carry out the other part of its mission - to provide recreational [fishing](#) and [boating](#) opportunities for both Pennsylvanians and out-of-state visitors.

The commission is governed by a [Board of Commissioners](#) whose ten members are appointed by the governor. The Boating Advisory Board, a group of knowledgeable boaters appointed by the governor, advises the commission on boating matters.

### Program Recommendations:

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

All executive authorizations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>BOAT FUND:</b>							
General Operations (EA).....	\$ 12,540	\$ 14,040	\$ 14,040	\$ 14,040	\$ 14,040	\$ 14,040	\$ 14,040
<b>FISH FUND:</b>							
General Operations (EA).....	\$ 35,244	\$ 33,744	\$ 33,744	\$ 33,744	\$ 33,744	\$ 33,744	\$ 33,744



# Fish and Boat Commission

## Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Protect, conserve and enhance aquatic resources and habitats.</b>							
Number of previously unassessed streams surveyed for naturally reproducing trout .....	1,060	1,060	892	977	745	770	850
Linear feet of public access secured through fishing, boating and conservation easements.....	13,165	6,295	5,960	5,960	3,630	22,660	12,000
Number of small dam removals .....	16	22	9	15	10	12	12
Number of lake habitat improvement plans implemented .....	36	34	27	31	29	30	30
<b>Engage in targeted education and outreach activities that address the five key elements of fishing and boating participation.</b>							
Number of schools receiving trout eggs through the Trout in the Classroom program .....	247	260	283	345	355	373	391
Number of fishing licenses sold .....	859,863	841,419	885,061	879,245	845,162	845,162	845,162
Number of students reached through the Trout in the Classroom program...	28,208	29,863	35,639	35,000	41,109	43,164	45,323
Number of individuals reached through fishing education programs (including Family Fishing Programs, SMART Angler clinics, etc.) .....	4,449	5,085	11,000	11,500	11,276	11,840	12,432
Number of Mentored Youth Permits and Voluntary Youth Fishing Licenses issued .....	4,240	28,118	28,118	25,621	33,219	33,219	33,219
<b>Conduct outreach and informational efforts designed to reduce boating-related casualties.</b>							
Number of boating under the influence (BUI) citations issued by Waterways Conservation Officers .....	88	91	58	85	75	75	75
Number of boating safety education certificates issued .....	14,027	13,355	15,192	15,146	14,088	14,288	14,488
Actively registered boats.....	329,841	322,454	318,724	318,936	318,936	318,936	318,936
<b>Optimize agency efficiency through continuation of investments in information technology, employee training and development, and infrastructure planning and implementation.</b>							
Number of website visits .....	3,465,829	3,699,485	3,774,747	2,333,685	2,118,805	2,333,685	2,333,685
Number of FishBoatPA mobile app users.....	N/A	23,922	53,171	71,448	95,000	110,000	125,000



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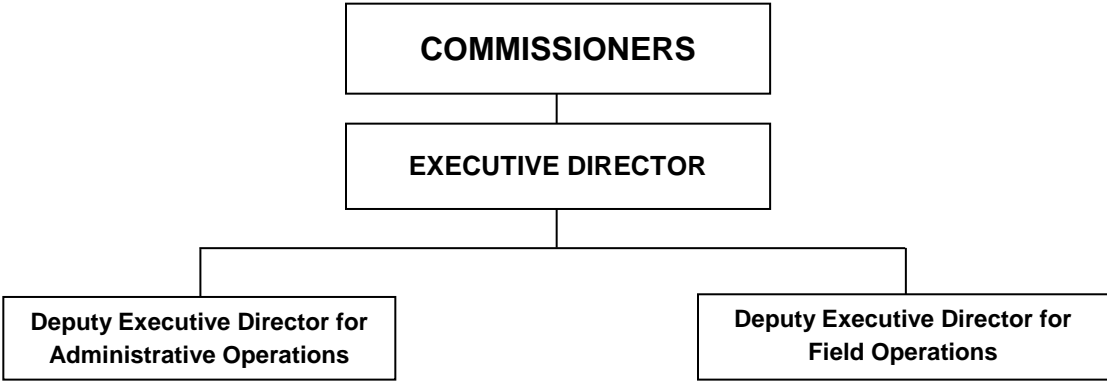
# GAME COMMISSION

*The mission of the Game Commission is to manage Pennsylvania's wild birds, wild mammals and their habitats for current and future generations.*

## **Programs and Goals**

**Wildlife Management:** *To establish habitats and environments that will sustain wildlife populations for recreational uses and for the perpetuation of species.*

# Organization Overview



- **Deputy Executive Director for Administrative Operations** is responsible for assisting in the planning and directing of statewide wildlife management programs for the Pennsylvania Game Commission and developing and maintaining administrative procedures for the day-to-day management of the agency through coordination of the agency's bureau directors.
- **Deputy Executive Director for Field Operations** is responsible for overseeing and directing agency regional field operations statewide through coordination of the agency's regional directors.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
708	714	714	686	686	686	686

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>OTHER FUNDS:</b>			
<b>GAME FUND:</b>			
General Operations (EA).....	\$ 75,583	\$ 92,668	\$ 98,840
Land Acquisition and Development (EA).....	0	100	200
(F)Pittman-Robertson Act (EA).....	25,000	25,000	25,000
(F)Miscellaneous Wildlife Grants (EA).....	2,965	5,449	3,252
(R)Natural Propagation of Wildlife (EA).....	7,500	7,500	7,500
<b>GAME FUND TOTAL.....</b>	<b>\$ 111,048</b>	<b>\$ 130,717</b>	<b>\$ 134,792</b>
<b>STATE GAMING FUND:</b>			
Payments in Lieu of Taxes (EA).....	\$ 3,686	\$ 3,686	\$ 3,686
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	0	0	0
AUGMENTATIONS.....	0	0	0
RESTRICTED.....	0	0	0
OTHER FUNDS.....	114,734	134,403	138,478
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 114,734</b>	<b>\$ 134,403</b>	<b>\$ 138,478</b>

**Program Funding Summary**

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>WILDLIFE MANAGEMENT</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	114,734	134,403	138,478	133,791	133,791	133,791	133,791
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 114,734</b>	<b>\$ 134,403</b>	<b>\$ 138,478</b>	<b>\$ 133,791</b>	<b>\$ 133,791</b>	<b>\$ 133,791</b>	<b>\$ 133,791</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	114,734	134,403	138,478	133,791	133,791	133,791	133,791
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 114,734</b>	<b>\$ 134,403</b>	<b>\$ 138,478</b>	<b>\$ 133,791</b>	<b>\$ 133,791</b>	<b>\$ 133,791</b>	<b>\$ 133,791</b>

## Program: Wildlife Management

*Goal: To establish habitats and environments that will sustain wildlife populations for recreational uses and for the perpetuation of species.*

The main responsibility of the [Game Commission](#) is the perpetuation of the species of wildlife found in Pennsylvania. The commission achieves its mission through wildlife research, management of game habitat, operation of programs for endangered and threatened species, and enforcement of the [Game and Wildlife Code](#). State Game Wardens enforce the provisions of the Game and Wildlife Code to protect the natural balance of the commonwealth's wildlife population.

The primary means of ensuring the propagation and preservation of wildlife is properly managing land and game habitats. The commission currently administers approximately 1.5 million acres of [State Game Lands](#) and is judiciously acquiring additional lands, including

critically important wetlands. The commission also administers cooperative programs to encourage good land use management and habitat improvement by private landowners. Wildlife habitat assessment techniques are used to develop management plans. These assessments apply to all Pennsylvania state game lands, farm game projects and other areas actively managed by the Game Commission.

All species receive mandated protection. However, those species considered to be game animals, such as deer, turkey and bear, receive the most attention. Also protected by the commission are [endangered and threatened species](#) such as Allegheny woodrats, northern flying squirrel and peregrine falcons.

### Program Recommendations:

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

	<b>GAME FUND</b>
	<b>General Operations (EA)</b>
\$ 6,172	—to continue current program.
	<b>Land Acquisition and Development (EA)</b>
\$ 100	—for land acquisition.

In addition, \$7,500,000 for Natural Propagation of Wildlife is provided for habitat improvement.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GAME FUND:</b>							
General Operations (EA).....	\$ 75,583	\$ 92,668	\$ 98,840	\$ 98,840	\$ 98,840	\$ 98,840	\$ 98,840
Land Acquisition and Development (EA)...	0	100	200	200	200	200	200
<b>TOTAL GAME FUND.....</b>	<b>\$ 75,583</b>	<b>\$ 92,768</b>	<b>\$ 99,040</b>	<b>\$ 99,040</b>	<b>\$ 99,040</b>	<b>\$ 99,040</b>	<b>\$ 99,040</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Ensure the propagation and preservation of wildlife through land and game management.

Number of hunting licenses sold.....	952,989	943,836	935,767	914,244	885,564	867,853	860,496
Arrests for violation of game laws.....	7,045	7,763	7,577	6,775	6,617	6,725	6,725

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# GAMING CONTROL BOARD

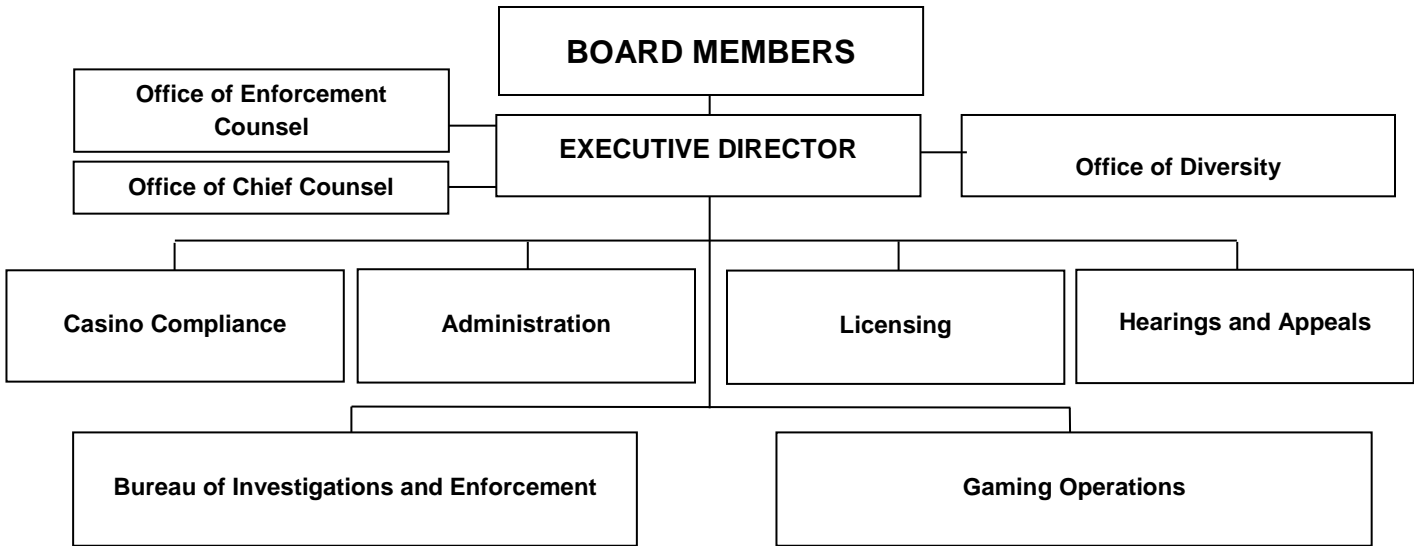
The Gaming Control Board protects the interest of the public by ensuring the integrity of legalized gaming through the strict enforcement of the law and regulations, the licensing of qualified individuals and entities, and fulfilling the objectives of legalized gaming in the commonwealth to deliver a significant source of revenue, assist the horse racing industry, provide broad economic opportunities and enhance tourism.

## Programs and Goals

**Gaming Regulation:** *To protect the interest of the public by ensuring the integrity of legalized gaming and supporting the objectives of legalized gaming in the commonwealth to deliver a significant source of revenue, assist the horse racing industry, provide broad economic opportunities and enhance tourism.*



## Organization Overview



- **Casino Compliance** oversees the onsite presence of compliance representatives at all casinos to ensure the integrity of gaming, including the proper collection, counting and recording of gaming revenue.
- **Administration** is responsible for gaming laboratory operations, compulsive and problem gambling, media and public relations, and administrative services.
- **Licensing** oversees the licensing of the state’s casinos and other gaming related entities doing business in the state as well as the employees working in and supporting the gaming industry.
- **Hearings and Appeals** oversees the hearing and appeals process.
- **Bureau of Investigations and Enforcement** ensures the integrity of the commonwealth’s gaming industry through conducting suitability and regulatory investigations.
- **Gaming Operations** oversees a staff whose responsibilities include compliance auditing in addition to the review and approval of accounting and internal controls, table game rules and equipment including cards, dice and chips.

## Reported Complement

(Independent Agency – Complement Not Under the Governor’s Jurisdiction/Control)

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
313	309	293	290	292	334	334

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	ACTUAL	AVAILABLE	BUDGET
<b>OTHER FUNDS:</b>			
<b>STATE GAMING FUND:</b>			
(R)Administration.....	\$ 35,910	\$ 41,653	\$ 41,067
(R)General Operations.....	5,755	4,500	5,000
Transfer to Casino Marketing and Capital Development (EA).....	2,000	2,000	2,000
<b>STATE GAMING FUND TOTAL.....</b>	<b>\$ 43,665</b>	<b>\$ 48,153</b>	<b>\$ 48,067</b>
<b>VIDEO GAMING FUND:</b>			
(R)Video Gaming Administration.....	\$ 0	\$ 2,000	\$ 254
<b>FANTASY CONTEST FUND:</b>			
(R)Fantasy Contest Administration.....	\$ 0	\$ 400	\$ 253
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	0	0	0
AUGMENTATIONS.....	0	0	0
RESTRICTED.....	0	0	0
OTHER FUNDS.....	43,665	50,553	48,574
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 43,665</b>	<b>\$ 50,553</b>	<b>\$ 48,574</b>

Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GAMING REGULATION</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	43,665	50,553	48,574	48,987	48,987	48,987	48,987
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 43,665</b>	<b>\$ 50,553</b>	<b>\$ 48,574</b>	<b>\$ 48,987</b>	<b>\$ 48,987</b>	<b>\$ 48,987</b>	<b>\$ 48,987</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	43,665	50,553	48,574	48,987	48,987	48,987	48,987
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 43,665</b>	<b>\$ 50,553</b>	<b>\$ 48,574</b>	<b>\$ 48,987</b>	<b>\$ 48,987</b>	<b>\$ 48,987</b>	<b>\$ 48,987</b>

## Program: Gaming Regulation

*Goal: To protect the interest of the public by ensuring the integrity of legalized gaming and supporting the objectives of legalized gaming in the commonwealth to deliver a significant source of revenue, assist the horse racing industry, provide broad economic opportunities and enhance tourism.*

To ensure the integrity of gaming in Pennsylvania, [Gaming Control Board](#) staff are present all day, every day in the commonwealth's casino venues to document and investigate all patron complaints, identify potential regulatory violations, and ensure the proper collection, counting and recording of gaming revenue in accordance with state law and board regulations.

The Bureau of Investigations and Enforcement ensures the integrity of the commonwealth's gaming industry and protects citizens' interests through enforcement and investigations. The Gaming Control Board also operates a gaming lab to test all gaming-related products to certify regulatory compliance for minimum design standards and the 85 percent minimum slot payback mandated by law. To assist problem gamblers in finding help and to heighten awareness of problem gambling, the Gaming Control Board maintains an [Office of Compulsive and Problem Gambling](#).

The Gaming Control Board promotes and ensures [diversity](#) in all aspects of the casino operations and

works with the casino industry to maximize employment opportunities for all Pennsylvania residents.

The Gaming Control Board regularly monitors and reports the impact casino gaming has on the horse racing industry and establishes and maintains effective relationships with key industry stakeholders.

In addition, the Gaming Control Board is tasked with regulatory authority of up to ten satellite casinos, sports wagering, fantasy contests, video gaming terminals at truck stops and interactive gaming pursuant to the enactment of [Act 42 of 2017](#).

Several state agencies provide support to the Gaming Control Board. The Department of Revenue manages a centralized computer system, which monitors the operation of all licensed gaming machines. The Pennsylvania State Police and the Attorney General provide criminal law enforcement oversight of the gaming industry.

### Program Recommendations:

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

This budget recommends a total of \$46,067,000 from restricted accounts in the State Gaming Fund for the operation of the Gaming Control Board in the 2019-20 fiscal year.

In addition, this budget recommends \$254,000 from the Video Gaming Fund and \$253,000 from the Fantasy Contest Fund for administration.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>STATE GAMING FUND:</b>							
(R) Administration .....	\$ 35,910	\$ 41,653	\$ 41,067	\$ 41,067	\$ 41,067	\$ 41,067	\$ 41,067
(R) General Operations .....	5,755	4,500	5,000	5,000	5,000	5,000	5,000
Transfer to Casino Marketing and Capital Development (EA) .....	2,000	2,000	2,000	2,000	2,000	2,000	2,000
<b>TOTAL STATE GAMING FUND.....</b>	<b>\$ 43,665</b>	<b>\$ 48,153</b>	<b>\$ 48,067</b>	<b>\$ 48,067</b>	<b>\$ 48,067</b>	<b>\$ 48,067</b>	<b>\$ 48,067</b>

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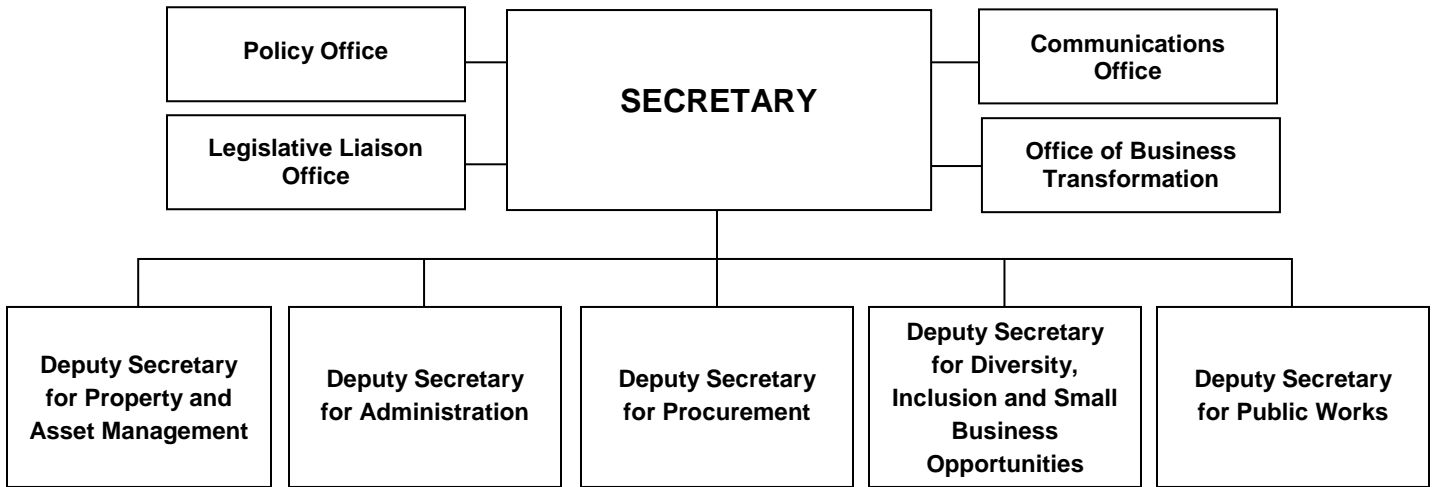
# DEPARTMENT OF GENERAL SERVICES

At [DGS](#), our mission is to help government operate more efficiently, effectively and safely to deliver exceptional value for all Pennsylvanians.

## Programs and Goals

**Facility, Property and Commodity Management:** *To deliver customer-focused, timely and reliable services in purchasing and managing surplus supplies; small and diverse business support; facility and real estate management; vertical design and construction; fleet management; insurance administration; communications, media and marketing; and Capitol Police protection.*

## Organization Overview



- **Deputy Secretary for Property and Asset Management** is responsible for the operation and maintenance of the Capitol Complex, for all commonwealth-owned and operated properties, real estate, Capitol Police and energy and resource management.
- **Deputy Secretary for Administration** is responsible for the bureaus of Commonwealth Media Services, Publications, Risk and Insurance Management, Financial and Management Services and for the coordination of human resources and information technology with the Office of Administration.
- **Deputy Secretary for Procurement** is responsible for the bureaus of Procurement, Vehicle Management and Supplies and Surplus Operations.
- **Deputy Secretary for Diversity, Inclusion and Small Business Opportunities** is responsible for assisting small and diverse businesses in competing for commonwealth contracting opportunities and managing the Bureau for Diversity, Inclusion and Small Business Opportunities.
- **Deputy Secretary for Public Works** is responsible for the bureaus of Capital Project Pre-Construction and Capital Project Construction.

### Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
1,003	954	956	956	886	894	920

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
<b>General Government Operations.....</b>	<b>\$ 51,087</b>	<b>\$ 52,841</b>	<b>\$ 55,713</b>
(A)Federal Surplus Property.....	1,581	1,527	1,775
(A)State Surplus Property.....	1,672	637	876
(A)State Construction Notices.....	17	15	15
(A)State Buildings Use.....	469	183	294
(A)Employee Liability Self Insurance Program.....	367	380	385
(A)Newsroom Services.....	5	5	5
(A)Administrative Services.....	120	128	132
(A)Media Center Reimbursements.....	237	300	300
(A)Recycling Program.....	424	423	445
(A)Metrology Fees.....	248	272	270
(A)CoStar Program.....	4,938	2,083	2,307
(A)Centralized Procurement.....	10,606	10,438	10,438
(A)Contract Administration Fees.....	0	0	60
(A)Energy Office Management Fees.....	142	142	0
(A)DGS Annex.....	409	396	301
(A)E-Verify.....	31	15	15
(A)Small Business Opportunities.....	48	0	0
(A)Real Estate Services.....	807	805	840
(A)Public Works Modernization.....	13,150	15,000	15,749
(R)Temporary Fleet Vehicles.....	9	1,500	1,500
Subtotal.....	<u>\$ 86,367</u>	<u>\$ 87,090</u>	<u>\$ 91,420</u>
<b>Capitol Police Operations.....</b>	<b>11,959</b>	<b>13,947</b>	<b>13,528</b>
(A)Capitol Police Services.....	970	739	740
Subtotal.....	<u>\$ 12,929</u>	<u>\$ 14,686</u>	<u>\$ 14,268</u>
<b>Rental and Municipal Charges.....</b>	<b>25,024</b>	<b>25,024</b>	<b>22,302</b>
(A)Agency Rental Charges.....	4,210	4,121	4,265
(A)Real Estate Lease Reimbursements.....	26,623	23,988	24,647
Subtotal.....	<u>\$ 55,857</u>	<u>\$ 53,133</u>	<u>\$ 51,214</u>
<b>Utility Costs.....</b>	<b>22,447</b>	<b>22,676</b>	<b>22,748</b>
(A)ESCO Interest.....	12	0	0
(A)DGS Annex.....	223	221	164
Subtotal.....	<u>\$ 22,682</u>	<u>\$ 22,897</u>	<u>\$ 22,912</u>
<b>Excess Insurance Coverage.....</b>	<b>1,327</b>	<b>1,259</b>	<b>1,372</b>
Subtotal - State Funds.....	\$ 111,844	\$ 115,747	\$ 115,663
Subtotal - Augmentations.....	67,309	61,818	64,023
Subtotal - Restricted Revenues.....	9	1,500	1,500
Total - General Government.....	<u>\$ 179,162</u>	<u>\$ 179,065</u>	<u>\$ 181,186</u>
<b>Grants and Subsidies:</b>			
<b>Capitol Fire Protection.....</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>
STATE FUNDS.....	\$ 116,844	\$ 120,747	\$ 120,663
AUGMENTATIONS.....	67,309	61,818	64,023
RESTRICTED REVENUES.....	9	1,500	1,500
<b>GENERAL FUND TOTAL.....</b>	<b><u>\$ 184,162</u></b>	<b><u>\$ 184,065</u></b>	<b><u>\$ 186,186</u></b>



## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	ACTUAL	AVAILABLE	BUDGET
<b><u>MOTOR LICENSE FUND:</u></b>			
<i>General Government:</i>			
Harristown Rental Charges (EA).....	\$ 112	\$ 136	\$ 153
Harristown Utility and Municipal Charges (EA).....	188	251	291
Total - General Government.....	<u>\$ 300</u>	<u>\$ 387</u>	<u>\$ 444</u>
<i>Grants and Subsidies:</i>			
Tort Claims Payments.....	\$ 9,000	\$ 9,000	\$ 9,000
<b>MOTOR LICENSE FUND TOTAL.....</b>	<b><u>\$ 9,300</u></b>	<b><u>\$ 9,387</u></b>	<b><u>\$ 9,444</u></b>
DEPARTMENT TOTAL - ALL FUNDS			
GENERAL FUND.....	\$ 116,844	\$ 120,747	\$ 120,663
MOTOR LICENSE FUND.....	9,300	9,387	9,444
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	0	0	0
AUGMENTATIONS.....	67,309	61,818	64,023
RESTRICTED.....	9	1,500	1,500
OTHER FUNDS.....	0	0	0
<b>TOTAL ALL FUNDS.....</b>	<b><u>\$ 193,462</u></b>	<b><u>\$ 193,452</u></b>	<b><u>\$ 195,630</u></b>

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>FACILITY, PROPERTY AND COMMODITY MANAGEMENT</b>							
GENERAL FUND.....	\$ 116,844	\$ 120,747	\$ 120,663	\$ 120,663	\$ 120,663	\$ 120,663	\$ 120,663
MOTOR LICENSE FUND.....	9,300	9,387	9,444	9,444	9,444	9,444	9,444
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	67,309	61,818	64,023	64,023	64,023	64,023	64,023
RESTRICTED.....	9	1,500	1,500	1,500	1,500	1,500	1,500
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 193,462</b>	<b>\$ 193,452</b>	<b>\$ 195,630</b>	<b>\$ 195,630</b>	<b>\$ 195,630</b>	<b>\$ 195,630</b>	<b>\$ 195,630</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 116,844	\$ 120,747	\$ 120,663	\$ 120,663	\$ 120,663	\$ 120,663	\$ 120,663
MOTOR LICENSE FUND.....	9,300	9,387	9,444	9,444	9,444	9,444	9,444
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	67,309	61,818	64,023	64,023	64,023	64,023	64,023
RESTRICTED.....	9	1,500	1,500	1,500	1,500	1,500	1,500
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 193,462</b>	<b>\$ 193,452</b>	<b>\$ 195,630</b>	<b>\$ 195,630</b>	<b>\$ 195,630</b>	<b>\$ 195,630</b>	<b>\$ 195,630</b>

## Program: Facility, Property and Commodity Management

*Goal: To deliver customer-focused, timely and reliable services in purchasing and managing surplus supplies; small and diverse business support; facility and real estate management; vertical design and construction; fleet management; insurance administration; communications, media and marketing; and Capitol Police protection.*

The [Department of General Services](#)' mission is to help government operate more efficiently and effectively and to safely deliver exceptional value for all Pennsylvanians. The department employs police officers, engineers, maintenance technicians, professional buyers, auto mechanics, architects, real estate professionals, custodians, accountants, project managers, equipment operators and state contracting diversity specialists.

The [Bureau of Procurement](#) contracts for services, IT, equipment and supplies for the commonwealth and establishes procurement policy for all state agencies using the aggregate purchasing power of commonwealth agencies as leverage to negotiate the best value on contracts. Negotiations are often conducted through online auctions to increase transparency and competitiveness. In addition, the bureau administers the commonwealth's cooperative purchasing program known as [COSTARS](#), serving as a conduit through which more than 8,600 registered and eligible local public procurement units (members) are able to use state contracts under the [Commonwealth Procurement Code](#).

[Public Works](#) manages every aspect of the planning, design, bidding and construction of the commonwealth's portfolio of non-highway capital projects in a professional, transparent and efficient manner to deliver innovative projects. Lean processes and software, including electronic bidding, assist employees in maximizing efficiency and monitoring project performance in real-time to ensure that projects stay on time and under budget.

The [Bureau of Vehicle Management](#) provides quality, efficient transportation services to all state agencies, managing a fleet of nearly 10,000 passenger vehicles. The bureau approves all maintenance and repairs, working with repair vendors and has reduced the overall fleet maintenance cost. The bureau also implemented the [Ground Travel Worksheet](#) that compares and determines the best value for travel between agency pool vehicles, rentals and personal mileage reimbursement.

The [PA Capitol Police](#) is an accredited law enforcement agency with full arrest powers that investigates all reported crimes within its jurisdiction of state-owned properties and buildings in Harrisburg and Scranton. It maintains a 24 hours a day/7 days a week presence in Harrisburg, where it also provides assistance to the City of Harrisburg Police Department and other surrounding local law enforcement agencies. The Capitol Police provides a variety of trainings to promote safety among state employees, public officials and the general public within and surrounding the Capitol Complex.

The [Bureau of Supplies and Surplus Operations](#) administers both [state](#) and [federal](#) surplus property programs. The department sells property no longer used by commonwealth agencies, boards and commissions to the general public through the State Surplus Store in Harrisburg, onsite auctions and online. This division also conducts private sales of Department of Transportation heavy equipment to municipalities.

The [Bureau of Publications](#) provides a wide range of print, design and mail services to agencies. Leveraging technology and private sector best practices, its most significant service delivery offerings are variable data print-to-mail and mail presort services. The bureau also hosts the online storefront, [PAPublisher](#), through which agency customers can order stationary, brochures, letterhead and a variety of other personalized products efficiently and on demand with direct distribution, eliminating an agency's need to print and store large quantities of product. Other projects and services include annual reports, brochures, newsletters, logos, stationery, book covers, mass mailings, signage, engraving and banner services. The bureau also produces [The Pennsylvania Manual](#) and the [Commonwealth Telephone Directory](#).

The [Bureau of Real Estate](#) is responsible for the purchase, sale and leasing of real property and the management of property owned and leased by the commonwealth. This includes reviewing and negotiating leases on behalf of commonwealth agencies, analyzing requests for space optimization and allocating space in state-owned and leased facilities and managing the 4,300 space [Master Parking Lease](#) in Harrisburg.

Protecting and maintaining the financial integrity of the commonwealth's assets is the mission of the department's [Bureau of Risk and Insurance Management \(BRIM\)](#). Through application of risk treatment strategies, the bureau manages the commonwealth's liability relative to state-operated vehicles, medical professionals, personal property, commonwealth real estate and other areas of significant risk opportunity. In addition, it administers the [state's Line of Duty Death Benefits](#) and consults with agencies regarding coverage, safety and loss control and evaluation of planned activities or courses of action for potential loss exposure. When claims occur, the bureau investigates, negotiates, settles/denies and/or subrogates claims.

The bureaus of [Facilities and Maintenance Management](#) provide building management and maintenance services for 20 state-owned office buildings in and around the Capitol Complex, two executive residences, two

## Program: Facility, Property and Commodity Management (continued)

Harristown-leased buildings, the master lease of Forum Place and 53 buildings on the former Harrisburg State Hospital complex. Outside of the Harrisburg area, the bureau operates the Scranton and Reading state office buildings and master leased buildings in Philadelphia and Pittsburgh.

The [Bureau of Diversity, Inclusion and Small Business Opportunities](#) implements programs and policies that promote contracting opportunities for small and diverse businesses. The bureau assists small and diverse businesses in navigating the state contracting process, completing certification requirements and ensuring contract. It is also an active partner to other agency programs that provide support services and training to small and diverse businesses.

[Commonwealth Media Services](#) (CMS) provides studio and remote broadcast television services, fixed and remote satellite up linking, web animation and graphics, marketing campaign strategy and development services and a full range of creative services to assist agencies in developing

media strategies to communicate program information to their customers, and more broadly, to the taxpayers of Pennsylvania. CMS also provides support for media archiving and the state's cable system infrastructure.

The Office of Business Transformation collaborates with the department's deputates, bureaus and offices to drive adoption and proficient use of lean thinking, principles, behaviors and tools. Its goal is to help the businesses in each deputation add more customer value by removing waste and identifying and resolving root causes of ongoing problems. In conjunction with GO-TIME, the office offers Lean Awareness and Lean Basic training, supports 5S/A3 problem solving and value stream analysis projects and provides coaching to leaders and employees who are learning to apply lean tools to day-to-day processes. In addition, it supports lean leadership development via an ongoing Lean Leadership training series. Finally, as GO-TIME's designated lean model agency, the office serves as GO-TIME's point of contact to help shape the commonwealth-wide approach to Lean implementation.

### Program Recommendation:

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

<b>GENERAL FUND</b>			
<b>General Government Operations</b>			
\$ 2,206	—to continue current program.	\$ -3,427	<b>Rental and Municipal Charges</b>
-750	—one-time cost for Statewide P25 Radio.	705	—redistribution of parking costs.
336	—redistribution of parking costs.	\$ -2,722	—increase in pro rata share of charges.
800	—Initiative—to ensure the safety and cleanliness of the buildings of the Capitol Complex and surrounding areas.		<i>Appropriation Decrease</i>
280	—Initiative—to further promote greater diversity and inclusion in how the commonwealth does business.	\$ 72	<b>Utility Costs</b>
			—increase based on current estimates.
		\$ 113	<b>Excess Insurance Coverage</b>
			—increase in insurance premiums.
<u>\$ 2,872</u>	<i>Appropriation Increase</i>		
<b>Capitol Police Operations</b>			
\$ 431	—to continue current program.		<b>MOTOR LICENSE FUND</b>
-1,250	—one-time cost for Statewide P25 Radio	\$ 17	<b>Harristown Rental Charges (EA)</b>
250	—Initiative—to upgrade and maintain security equipment.		—increase in pro rata share of charges.
150	—Initiative—to create a sustainable replacement plan for Capitol Police vehicles.	\$ 40	<b>Harristown Utility and Municipal Charges (EA)</b>
			—increase in pro rata share of charges.
<u>\$ -419</u>	<i>Appropriation Decrease</i>		

All other appropriations are recommended at the current year funding levels.

## Program: Facility, Property and Commodity Management (continued)

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 51,087	\$ 52,841	\$ 55,713	\$ 55,713	\$ 55,713	\$ 55,713	\$ 55,713
Capitol Police Operations .....	11,959	13,947	13,528	13,528	13,528	13,528	13,528
Rental and Municipal Charges .....	25,024	25,024	22,302	22,302	22,302	22,302	22,302
Utility Costs .....	22,447	22,676	22,748	22,748	22,748	22,748	22,748
Excess Insurance Coverage .....	1,327	1,259	1,372	1,372	1,372	1,372	1,372
Capitol Fire Protection .....	5,000	5,000	5,000	5,000	5,000	5,000	5,000
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 116,844</b>	<b>\$ 120,747</b>	<b>\$ 120,663</b>	<b>\$ 120,663</b>	<b>\$ 120,663</b>	<b>\$ 120,663</b>	<b>\$ 120,663</b>
<b>MOTOR LICENSE FUND:</b>							
Harristown Rental Charges (EA) .....	\$ 112	\$ 136	\$ 153	\$ 153	\$ 153	\$ 153	\$ 153
Harristown Utility and Municipal Charges (EA) .....	188	251	291	291	291	291	291
Tort Claims Payments .....	9,000	9,000	9,000	9,000	9,000	9,000	9,000
<b>TOTAL MOTOR LICENSE FUND .....</b>	<b>\$ 9,300</b>	<b>\$ 9,387</b>	<b>\$ 9,444</b>	<b>\$ 9,444</b>	<b>\$ 9,444</b>	<b>\$ 9,444</b>	<b>\$ 9,444</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Generate procurement savings for the commonwealth.

##### Procurement

DGS procurement related savings (in thousands) .....	\$74,800	\$64,499	\$106,000	\$83,208	\$153,500	\$33,000	\$33,000
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#### Increase participation of and opportunity for small diverse businesses and small businesses.

##### Small Diverse Businesses

Percentage of commonwealth contract spending awarded to small and small diverse businesses .....	15%	8%	8%	8%	11%	15%	20%
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#### Reduce energy consumption and associated energy costs in state owned facilities.

##### Energy

DGS energy use (in BTU per square foot) .....	70,274	68,695	64,582	78,678	84,313	80,000	79,000
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# DEPARTMENT OF HEALTH

*The mission of the Department of Health is to promote healthy lifestyles, prevent injury and disease, and to ensure the safe delivery of quality health care for all commonwealth citizens.*

To accomplish this mission, the department works collaboratively with public and private community partners to facilitate the development of an effective public health system. The department licenses and regulates a variety of health facilities, and provides outreach, education, prevention and treatment services. Community-based groups receive grants to provide essential services to the commonwealth's citizens including programs for women and children, nutrition, immunization, diagnosis and treatment of certain blood and communicable diseases, cancer control and prevention.

## **Programs and Goals**

**Health Support Services:** *To provide effective administration and support systems through which the substantive programs of the health delivery system and the department can be achieved.*

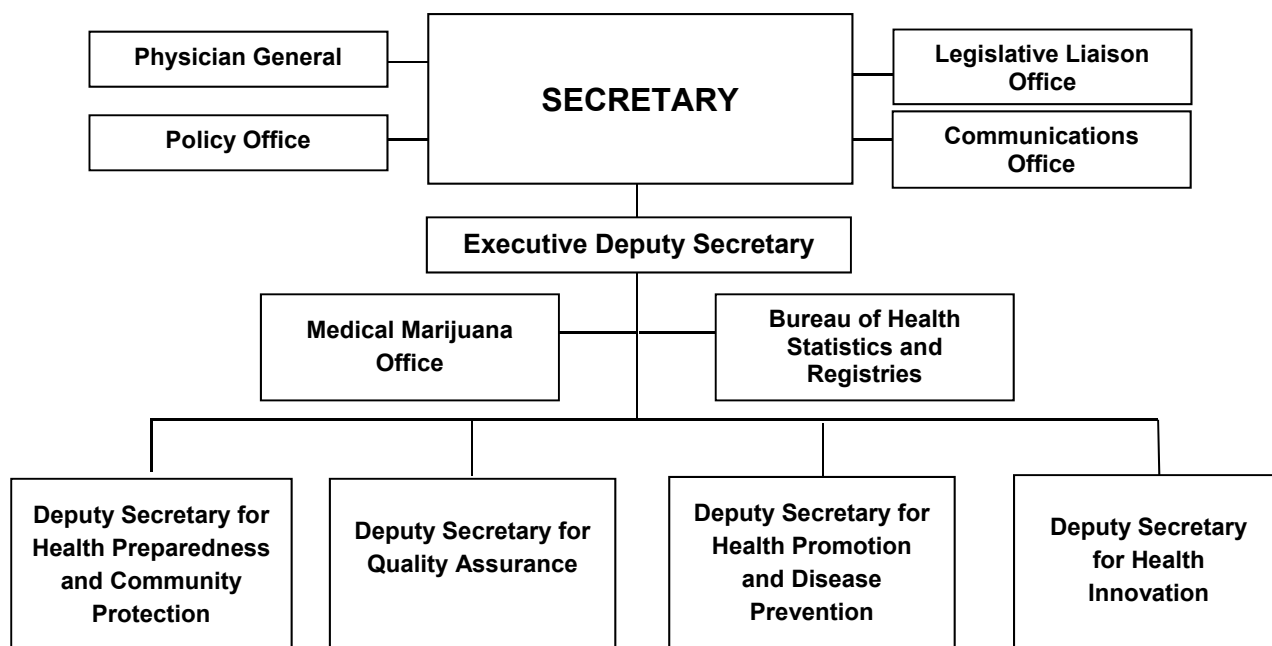
**Health Research:** *To develop better basic scientific knowledge of the nature of disease, illness and the environment, which will improve the use of existing and new health resources.*

**Preventive Health:** *To reduce morbidity and mortality through the early detection of disease and health defects and the promotion of sound health practices and remedial care.*

**Health Treatment Services:** *To maximize the individual's capacity for independent living through the provision of an array of service and support programs.*

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# Organization Overview



- Deputy Secretary for Health Preparedness and Community Protection** is responsible for the monitoring, tracking and analysis of the health status of Pennsylvania communities. The office oversees the state laboratories and licenses independent clinical labs; supervises emergency medical services and public health preparedness activities; and ensures epidemiological data collection, dissemination and analysis.
- Deputy Secretary for Quality Assurance** works to ensure the delivery of quality health care in most inpatient and outpatient health care facilities and substance abuse treatment centers throughout Pennsylvania. The office also approves building, engineering and construction plans for these facilities.
- Deputy Secretary for Health Promotion and Disease Prevention** is responsible for developing and implementing a wide variety of educational, preventive and treatment programs for people of all ages.
- Deputy Secretary for Health Innovation** is responsible for a comprehensive, multi-stakeholder statewide initiative to redesign the way we pay for, deliver and coordinate health and health care services in Pennsylvania. In addition, the office certifies managed care organizations in conjunction with the Department of Insurance.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
1,336	1,320	1,328	1,293	1,180	1,207	1,217

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<b>General Government:</b>			
<b>General Government Operations.....</b>	<b>\$ 22,050</b>	<b>\$ 27,009</b>	<b>\$ 26,033</b>
(F)WIC Administration and Operation.....	42,938	42,959	40,520
(F)Health Assessment.....	613	613	613
(F)PHHSBG - Administration and Operation.....	4,509	4,509	4,549
(F)SABG - DDAP Support Services (EA).....	337	150	152
(F)MCHSBG - Administration and Operation.....	14,641	14,641	14,847
(F)Adult Blood Lead Epidemiology.....	74	64	198
(F)EMS for Children.....	187	280 <sup>a</sup>	304
(F)TB - Administration and Operation.....	1,070	1,070	1,070
(F)Lead - Administration and Operation.....	500	600	990
(F)AIDS Health Education - Administration and Operation.....	6,511	7,511	8,511
(F)Primary Care Cooperative Agreements.....	324	468	468
(F)HIV / AIDS Surveillance.....	1,774	1,774	512
(F)HIV Care - Administration and Operation.....	5,423	4,136	4,136
(F)Cancer Prevention and Control.....	10,086	8,055	8,364
(F)Environmental Public Health Tracking.....	1,342	0	0
(F)Special Preparedness Initiatives.....	500	500	500
(F)State Loan Repayment Program.....	0	840	1,434
(F)Public Health Emergency Preparedness and Response (EA).....	52,243	52,243	54,680
(F)Learning Management System (EA).....	48	22	60
(A)Data Center Services.....	46	79	79
(A)Departmental Services.....	27	84	84
(A)Council of State and Territorial Epidemiologists (CSTE).....	38	15	15
(A)Association of State & Territorial Health Officials (ASTHO).....	1	0	0
(A)Primary Health Care Practitioner.....	4,441	4,550	4,550
Subtotal.....	<u>\$ 169,723</u>	<u>\$ 172,172</u>	<u>\$ 172,669</u>
<b>Quality Assurance.....</b>	<b>22,440</b>	<b>23,009</b>	<b>23,513</b>
(F)Medicare - Health Service Agency Certification.....	13,800	14,100	14,100
(F)Medicaid Certification.....	10,525	11,300	11,300
(A)Publication Fees.....	2	1	2
(A)Indoor Tanning Regulation Fund.....	27	80	77
(R)Nursing Home Oversight.....	355	250	404
Subtotal.....	<u>\$ 47,149</u>	<u>\$ 48,740</u>	<u>\$ 49,396</u>
<b>Health Innovation.....</b>	<b>911</b>	<b>911</b>	<b>917</b>
(F)Rural Health.....	25,000	16,660	20,800
(F)ARRA - Health Information Exchange Capacity (EA).....	767	739	739
Subtotal.....	<u>\$ 26,678</u>	<u>\$ 18,310</u>	<u>\$ 22,456</u>
<b>Achieving Better Care - MAP Program.....</b>	<b>3,023</b>	<b>3,077</b>	<b>3,181</b>
(F)Prescription Drug Monitoring.....	4,428	6,943	8,700
(F)State Opioid Response Programs (EA).....	5,084	17,454	17,300
Subtotal.....	<u>\$ 12,535</u>	<u>\$ 27,474</u>	<u>\$ 29,181</u>
<b>Vital Statistics.....</b>	<b>5,362</b>	<b>9,165</b>	<b>9,165</b>
(F)Cooperative Health Statistics.....	2,126	2,240	2,300
(F)Health Statistics.....	90	101	103
(F)Behavioral Risk Factor Surveillance System.....	460	552	535
(A)Reimbursement for Microfilming.....	23	26	23
(A)VitalChek Surcharge.....	574	573	574
(A)Reimbursement VSIA.....	664	1,387	0
(R)County Coroner/Medical Examiner Distribution (EA).....	1,337	1,371	1,371
(R)Vital Statistics Improvement Administration (EA).....	3,212	2,361	6,454
(A)VitalChek Revenue.....	860	860	861
Subtotal.....	<u>\$ 14,708</u>	<u>\$ 18,636</u>	<u>\$ 21,386</u>



## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>State Laboratory</b> .....	<b>3,497</b>	<b>3,652</b>	<b>4,350</b>
(F)Clinical Laboratory Improvement.....	680	680	680
(F)Epidemiology & Laboratory Surveillance & Response.....	13,000	8,775	8,775
(F)Food Emergency Response.....	305	305	305
(A)Blood Lead Testing.....	56	54	57
(A)Blood Lead Specimen Testing.....	2	1	3
(A)Erythrocyte Protoporphyrin Testing.....	13	12	13
(A)Alcohol Proficiency Testing.....	81	79	81
(A)Drug Abuse Proficiency.....	387	382	388
(A)Licensure for Clinical Laboratories.....	1,729	1,696	1,729
(A)Training Course Fees.....	1	1	2
Subtotal.....	<u>\$ 19,751</u>	<u>\$ 15,637</u>	<u>\$ 16,383</u>
<b>State Health Care Centers</b> .....	<b>14,619</b>	<b>18,000</b>	<b>22,505</b>
(F)Disease Control Immunization Program.....	11,899	11,899	11,899
(F)PHHSBG - Block Program Services.....	7,000	7,000	7,995
(F)Preventive Health Special Projects.....	3,038	4,335	3,579
(F)Collaborative Chronic Disease Programs.....	4,561	5,680	5,927
(F)Sexual Violence Prevention and Education.....	1,545	1,397	1,843
(F)Live Healthy.....	4,665	7,831	5,458
(F)Educate Older Adults Program (EA).....	0	391	0
(A)Interagency Reimbursement.....	3,000	0	0
Subtotal.....	<u>\$ 50,327</u>	<u>\$ 56,533</u>	<u>\$ 59,206</u>
<b>Sexually Transmitted Disease Screening and Treatment</b> .....	<b>1,701</b>	<b>1,757</b>	<b>1,757</b>
(F)Survey and Follow-Up - Sexually Transmitted Diseases.....	2,895	2,895	2,895
Subtotal.....	<u>\$ 4,596</u>	<u>\$ 4,652</u>	<u>\$ 4,652</u>
Subtotal - State Funds.....	\$ 73,603	\$ 86,580	\$ 91,421
Subtotal - Federal Funds.....	254,988	261,712	267,141
Subtotal - Augmentations.....	11,972	9,880	8,538
Subtotal - Restricted Revenues.....	4,904	3,982	8,229
Total - General Government.....	<u>\$ 345,467</u>	<u>\$ 362,154</u>	<u>\$ 375,329</u>
<b>Grants and Subsidies:</b>			
<b>Diabetes Programs</b> .....	<b>\$ 100</b>	<b>\$ 100</b>	<b>\$ 0</b>
<b>Community-Based Health Care Subsidy</b> .....	<b>2,125</b>	<b>2,125</b>	<b>2,125</b>
<b>Newborn Screening</b> .....	<b>6,834</b>	<b>6,464</b>	<b>7,092</b>
<b>Cancer Screening Services</b> .....	<b>2,563</b>	<b>2,563</b>	<b>2,563</b>
<b>AIDS Programs and Special Pharmaceutical Services</b> .....	<b>17,436</b>	<b>12,436</b>	<b>12,436</b>
(F)AIDS Health Education Program.....	3,113	3,613	2,613
(F)AIDS Ryan White and HIV Care.....	57,577	61,864	61,864
(F)Housing for Persons with AIDS.....	3,737	3,737	3,737
(R)RWHAP Rebates.....	54,549	63,610	63,610
Subtotal.....	<u>\$ 136,412</u>	<u>\$ 145,260</u>	<u>\$ 144,260</u>
<b>Regional Cancer Institutes</b> .....	<b>600</b>	<b>700</b>	<b>0</b>
<b>School District Health Services</b> .....	<b>36,620</b>	<b>35,620</b>	<b>35,620</b>
<b>Local Health Departments</b> .....	<b>25,421</b>	<b>25,421</b>	<b>25,421</b>
<b>Local Health - Environmental</b> .....	<b>2,389</b>	<b>2,389</b>	<b>2,389</b>
<b>Maternal and Child Health Services</b> .....	<b>1,289</b>	<b>1,365</b>	<b>1,533</b>
(F)MCH Lead Poisoning Prevention and Abatement.....	1,811	2,702	2,930
(F)MCHSBG - Program Services.....	17,898	17,898	17,792
(F)Women, Infants and Children (WIC).....	276,112	278,219	280,658
(F)Abstinence Education.....	3,360	3,360	4,609
(F)Traumatic Brain Injury.....	320	320	465
(F)Family Health Special Projects.....	2,000	2,057	2,203
(F)Screening Newborns.....	1,387	1,472	1,669
(F)Newborn Hearing Screening and Intervention.....	480	527	527
(F)Teenage Pregnancy Prevention.....	3,940	4,455	5,383
Subtotal.....	<u>\$ 308,597</u>	<u>\$ 312,375</u>	<u>\$ 317,769</u>

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>Tuberculosis Screening and Treatment.....</b>	<b>876</b>	<b>913</b>	<b>913</b>
(F)Tuberculosis Control Program.....	326	326	326
Subtotal.....	<u>\$ 1,202</u>	<u>\$ 1,239</u>	<u>\$ 1,239</u>
<b>Renal Dialysis.....</b>	<b>6,900</b>	<b>6,300<sup>b</sup></b>	<b>6,300</b>
<b>Services for Children with Special Needs.....</b>	<b>1,728</b>	<b>1,728</b>	<b>1,728</b>
<b>Adult Cystic Fibrosis &amp; Other Chronic Respiratory Illnesses.....</b>	<b>750</b>	<b>750</b>	<b>0<sup>c</sup></b>
<b>Cooley's Anemia.....</b>	<b>100</b>	<b>100</b>	<b>0<sup>c</sup></b>
<b>Hemophilia.....</b>	<b>959</b>	<b>959</b>	<b>0<sup>c</sup></b>
<b>Lupus.....</b>	<b>100</b>	<b>100</b>	<b>0</b>
<b>Sickle Cell.....</b>	<b>1,260</b>	<b>1,260</b>	<b>0<sup>c</sup></b>
<b>Regional Poison Control Centers.....</b>	<b>700</b>	<b>700</b>	<b>0</b>
<b>Trauma Prevention.....</b>	<b>460</b>	<b>460</b>	<b>0</b>
<b>Epilepsy Support Services.....</b>	<b>550</b>	<b>550</b>	<b>0</b>
<b>Bio-Technology Research.....</b>	<b>5,425</b>	<b>5,875</b>	<b>0</b>
<b>Tourette's Syndrome.....</b>	<b>150</b>	<b>150</b>	<b>0</b>
<b>Amyotrophic Lateral Sclerosis Support Services.....</b>	<b>500</b>	<b>750</b>	<b>0</b>
<b>Lyme Disease.....</b>	<b>0</b>	<b>2,500</b>	<b>2,500</b>
<b>Leukemia/Lymphoma.....</b>	<b>0</b>	<b>200</b>	<b>0</b>
<b>Disease Management and Education Programs.....</b>	<b>0</b>	<b>0</b>	<b>2,669<sup>d</sup></b>
Subtotal - State Funds.....	\$ 115,835	\$ 112,478	\$ 103,289
Subtotal - Federal Funds.....	372,061	380,550	384,776
Subtotal - Restricted Revenues.....	54,549	63,610	63,610
Total - Grants and Subsidies.....	<u>\$ 542,445</u>	<u>\$ 556,638</u>	<u>\$ 551,675</u>
STATE FUNDS.....	\$ 189,438	\$ 199,058	\$ 194,710
FEDERAL FUNDS.....	627,049	642,262	651,917
AUGMENTATIONS.....	11,972	9,880	8,538
RESTRICTED REVENUES.....	59,453	67,592	71,839
<b>GENERAL FUND TOTAL.....</b>	<b><u>\$ 887,912</u></b>	<b><u>\$ 918,792</u></b>	<b><u>\$ 927,004</u></b>
<b>OTHER FUNDS:</b>			
<b>TOBACCO SETTLEMENT FUND:</b>			
Tobacco Use Prevention and Cessation (EA).....	\$ 15,721	\$ 17,219 <sup>e</sup>	\$ 16,975
Health Research - Health Priorities (EA).....	44,020	48,214 <sup>f</sup>	47,529
Health Research - National Cancer Institute (EA).....	3,494	3,826 <sup>g</sup>	3,772
TOBACCO SETTLEMENT FUND TOTAL.....	<u>\$ 63,235</u>	<u>\$ 69,259</u>	<u>\$ 68,276</u>
<b>EMERGENCY MEDICAL SERVICES OPERATING FUND:</b>			
Emergency Medical Services.....	\$ 9,400	\$ 9,575	\$ 10,450
Catastrophic Medical and Rehabilitation.....	4,500	4,500	4,300
EMERGENCY MEDICAL SERVICES OPERATING FUND TOTAL.....	<u>\$ 13,900</u>	<u>\$ 14,075</u>	<u>\$ 14,750</u>
<b>GOV. CASEY ORGAN &amp; TISSUE DONATION AWARENESS FUND:</b>			
Implementation Costs (EA).....	\$ 118	\$ 118	\$ 168
Hospital and Other Medical Costs (EA).....	20	20	20
Grants to Certified Procurement Organizations (EA).....	400	346	310
Project Make-A-Choice (EA).....	110	100	150
GOV. CASEY ORGAN & TISSUE DONATION AWARENESS FUND TOTAL.....	<u>\$ 648</u>	<u>\$ 584</u>	<u>\$ 648</u>

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>MEDICAL MARIJUANA PROGRAM FUND:</b>			
General Operations (EA).....	\$ 6,988	\$ 10,559	\$ 9,579
Loan Repayment to General Fund (EA).....	0	0	3,000
<b>MEDICAL MARIJUANA PROGRAM FUND TOTAL.....</b>	<b>\$ 6,988</b>	<b>\$ 10,559</b>	<b>\$ 12,579</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 189,438	\$ 199,058	\$ 194,710
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	627,049	642,262	651,917
AUGMENTATIONS.....	11,972	9,880	8,538
RESTRICTED.....	59,453	67,592	71,839
OTHER FUNDS.....	84,771	94,477	96,253
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 972,683</b>	<b>\$ 1,013,269</b>	<b>\$ 1,023,257</b>

<sup>a</sup> Includes recommended supplemental appropriation of \$93,000.

<sup>b</sup> Reflects recommended appropriation reduction of \$600,000.

<sup>c</sup> This budget proposes funding Adult Cystic Fibrosis & Other Chronic Respiratory Illnesses, Cooley's Anemia, Hemophilia, and Sickle Cell as Disease Management and Education Programs.

<sup>d</sup> Includes \$350,000 previously budgeted as Adult Cystic Fibrosis & Other Chronic Respiratory Illnesses, \$100,000 previously budgeted as Cooley's Anemia, \$959,000 previously budgeted as Hemophilia and \$1,260,000 previously budgeted as Sickle Cell.

<sup>e</sup> Includes recommended supplemental executive authorization of \$1,680,000.

<sup>f</sup> Includes recommended supplemental executive authorization of \$4,705,000.

<sup>g</sup> Includes recommended supplemental executive authorization of \$373,000.

# Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>HEALTH SUPPORT SERVICES</b>							
GENERAL FUND.....	\$ 51,010	\$ 56,747	\$ 57,077	\$ 57,084	\$ 56,887	\$ 56,887	\$ 56,887
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	190,942	199,992	203,068	203,068	203,068	203,068	203,068
AUGMENTATIONS.....	6,851	7,034	7,080	7,080	7,080	7,080	7,080
RESTRICTED.....	355	250	404	230	0	0	0
OTHER FUNDS.....	6,988	10,559	12,579	9,579	9,579	9,579	9,579
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 256,146</b>	<b>\$ 274,582</b>	<b>\$ 280,208</b>	<b>\$ 277,041</b>	<b>\$ 276,614</b>	<b>\$ 276,614</b>	<b>\$ 276,614</b>
<b>HEALTH RESEARCH</b>							
GENERAL FUND.....	\$ 11,487	\$ 15,840	\$ 9,165	\$ 9,165	\$ 9,165	\$ 9,165	\$ 9,165
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	2,676	2,893	2,938	2,938	2,938	2,938	2,938
AUGMENTATIONS.....	2,121	2,846	1,458	1,458	1,458	1,458	1,458
RESTRICTED.....	4,549	3,732	7,825	7,825	7,825	7,825	7,825
OTHER FUNDS.....	47,514	52,040	51,301	55,461	57,666	59,595	59,932
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 68,347</b>	<b>\$ 77,351</b>	<b>\$ 72,687</b>	<b>\$ 76,847</b>	<b>\$ 79,052</b>	<b>\$ 80,981</b>	<b>\$ 81,318</b>
<b>PREVENTIVE HEALTH</b>							
GENERAL FUND.....	\$ 113,334	\$ 113,014	\$ 117,771	\$ 117,771	\$ 117,771	\$ 117,771	\$ 117,771
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	433,431	439,377	445,911	445,911	445,911	445,911	445,911
AUGMENTATIONS.....	3,000	0	0	0	0	0	0
RESTRICTED.....	54,549	63,610	63,610	63,610	63,610	63,610	63,610
OTHER FUNDS.....	15,721	17,219	16,975	16,975	16,975	16,975	16,975
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 620,035</b>	<b>\$ 633,220</b>	<b>\$ 644,267</b>	<b>\$ 644,267</b>	<b>\$ 644,267</b>	<b>\$ 644,267</b>	<b>\$ 644,267</b>
<b>HEALTH TREATMENT SERVICES</b>							
GENERAL FUND.....	\$ 13,607	\$ 13,457	\$ 10,697	\$ 10,697	\$ 10,697	\$ 10,697	\$ 10,697
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	14,548	14,659	15,398	17,478	18,580	19,545	19,714
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 28,155</b>	<b>\$ 28,116</b>	<b>\$ 26,095</b>	<b>\$ 28,175</b>	<b>\$ 29,277</b>	<b>\$ 30,242</b>	<b>\$ 30,411</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 189,438	\$ 199,058	\$ 194,710	\$ 194,717	\$ 194,520	\$ 194,520	\$ 194,520
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	627,049	642,262	651,917	651,917	651,917	651,917	651,917
AUGMENTATIONS.....	11,972	9,880	8,538	8,538	8,538	8,538	8,538
RESTRICTED.....	59,453	67,592	71,839	71,665	71,435	71,435	71,435
OTHER FUNDS.....	84,771	94,477	96,253	99,493	102,800	105,694	106,200
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 972,683</b>	<b>\$ 1,013,269</b>	<b>\$ 1,023,257</b>	<b>\$ 1,026,330</b>	<b>\$ 1,029,210</b>	<b>\$ 1,032,104</b>	<b>\$ 1,032,610</b>

## Program: Health Support Services

*Goal: To provide effective administration and support systems through which the substantive programs of the health delivery system and the department can be achieved.*

Health Support Services provide the policy direction, management, and administrative systems required to implement, maintain, and monitor the substantive programs of the department.

The [Department of Health](#) provides epidemiologic assessment of health problems that may include communicable diseases, environmental conditions, occupational hazards, infection control, and health risk behaviors. Guidelines and recommendations are issued for prevention and control of these diseases along with professional consultation and technical support to health care providers and institutions, other agencies, county health departments, and local municipalities.

The [Achieving Better Care by Monitoring All Prescriptions](#) (also known as the [Prescription Drug Monitoring Program](#)) helps prevent prescription drug abuse and protect the health and safety of our community by [monitoring](#) filled prescriptions for controlled substances. This information helps health care providers safely prescribe controlled substances and helps patients get the treatment they need.

The department conducts [surveys and inspections](#) of various health care facilities and providers to determine compliance with state and federal standards and regulations, and in some circumstances, as a condition of receiving federal Medicare and Medicaid financial support. The surveys determine compliance with various standards including sanitation, fire safety, health and level of care. In addition to inspections of health care facilities for compliance with state licensure and federal certification requirements, the department conducts formal plan reviews and approval for new construction and remodeling of health care facility projects to ensure that the projects will conform to state and federal requirements. Final inspections of the completed construction projects are conducted prior to approval for use and occupancy.

The [Indoor Tanning](#) Regulation Act requires all indoor tanning establishments to register with the department, display proper safety signage and meet the established training requirements for staff. The act authorizes the department to inspect indoor tanning facilities.

The [Healthcare-Associated Infection Prevention/Antimicrobial Stewardship Program](#) supports hospitals, nursing care facilities, and ambulatory surgical facilities in reducing the occurrence of healthcare-associated infections through implementing effective identification and reporting; reviewing and approving individual facility infection control plans; developing best practices for monitoring, surveillance and response; and maintaining a reporting program that will establish benchmarks and monitor performance in hospitals and nursing homes.

The department is responsible for oversight and regulation of managed care plans including health maintenance organizations, gatekeeper preferred provider organizations (PPOs), and point of service products. It licenses new plans, ensures availability and accessibility of health services in plan service areas, and monitors quality of care through periodic inspections and external quality reviews. The department reviews and approves provider contracts and reimbursement methods. It licenses and oversees traditional PPOs, nonprofit medical-surgical, and vision and dental plans. The department certifies managed care utilization review organizations, monitors compliance with utilization review standards, reviews complaints, and coordinates third level grievance reviews conducted by certified external review entities.

The [state public health laboratory](#) investigates disease outbreaks, emerging infectious diseases, and other threats to public health. The state public health laboratory performs approximately 200,000 tests each year, including 3,550 rabies tests and 3,000 West Nile virus tests. Tests are also performed for diseases such as HIV, meningitis, influenza, tuberculosis, botulism, Lyme disease, drugs, alcohol, and lead. The state public health laboratory is an integral part of preparedness and response throughout the commonwealth. The department licenses more than 9,000 laboratories, including independent labs and labs located within hospitals and physicians' offices, establishes performance standards, and monitors compliance through onsite inspections.

## Program: Health Support Services (continued)

Facility Inspection Frequency		# of Licensed Facilities		
Facility Type	Frequency	2016-17	2017-18	2018-19
		Abortion facilities	Inspected annually	18
Acute care hospitals	Surveyed and licensed on a three-year cycle	215	217	215
Ambulatory surgical facilities (class B and C)	Inspected annually	328	335	326
Birth centers	Inspected annually	6	6	6
End-stage renal disease facilities	One-third of facilities are surveyed annually	297	298	316
Home care agencies	Onsite inspection every three years; written surveys other two years	1,696	1,813	2,049
Home health agencies	Onsite inspection every three years; written surveys other two years	541	545	554
Hospice agencies	Onsite inspection every three years; written surveys other two years	185	183	181
Intellectual Disabilities - Intermediate Care Facilities	Surveyed within 12-months of license expiration	180	180	180
Nursing homes	Inspected annually	702	704	699
Pediatric extended care centers	Surveyed annually	15	15	15

\* Based on data counts of licensure and surveys completed prior to licensure expiration by facility type.

### Program Recommendations:

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

<p><b>General Government Operations</b></p> <p>\$ -250 —funding reduction.</p> <p>118 —to continue current program.</p> <p>-1,948 —nonrecurring prior year payments to support State Health Care Centers appropriation.</p> <p>190 —Initiative—to continue statewide radio upgrade.</p> <p>914 —Initiative—for responsive monitoring and oversight of environmental contaminants.</p> <hr/> <p>\$ -976 <i>Appropriation Decrease</i></p> <p><b>Quality Assurance</b></p> <p>\$ 504 —to continue current program.</p>	<p><b>Achieving Better Care - MAP Program</b></p> <p>\$ 104 —to continue current program.</p> <p><b>State Laboratory</b></p> <p>\$ 146 —to continue current program.</p> <p>552 —Initiative—for responsive monitoring and oversight of environmental contaminants.</p> <hr/> <p>\$ 698 <i>Appropriation Increase</i></p>
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### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>General Fund:</b>							
General Government Operations .....	\$ 22,050	\$ 27,009	\$ 26,033	\$ 26,040	\$ 25,843	\$ 25,843	\$ 25,843
Quality Assurance.....	22,440	23,009	23,513	23,513	23,513	23,513	23,513
Achieving Better Care - MAP Program.....	3,023	3,077	3,181	3,181	3,181	3,181	3,181
State Laboratory .....	3,497	3,652	4,350	4,350	4,350	4,350	4,350
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 51,010</b>	<b>\$ 56,747</b>	<b>\$ 57,077</b>	<b>\$ 57,084</b>	<b>\$ 56,887</b>	<b>\$ 56,887</b>	<b>\$ 56,887</b>

## Program: Health Support Services (continued)

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Increase annual utilization of the Prescription Drug Monitoring Program.

Number of users (prescribers, dispensers and delegates) registered for the Prescription Drug Monitoring Program .....	N/A	N/A	N/A	83,500	96,000	110,000	115,000
Number of system queries of the Prescription Drug Monitoring Program.....	N/A	N/A	N/A	877,000	1,200,000	1,600,000	1,700,000

## Program: Health Research

*Goal: To develop better basic scientific knowledge of the nature of disease, illness and the environment, which will improve the use of existing and new health resources.*

The department is responsible for coordinating the collection, analysis, and dissemination of health data, [health statistics](#), and information. The department prepares annual [health reports](#) that are available on the department's website along with the [Enterprise Data Dissemination Informatics Exchange](#) (EDDIE), an interactive health statistics tool.

The department also maintains a central repository for more than 23.5 million records of [births, deaths and other vital statistics](#) that occur in the commonwealth. Through automation of this operation, all Pennsylvania birth records from 1921 to the present are available through

the department's computer system at the central office and all branch offices. The system processes more than 500,000 requests annually for certified copies of birth and death records. This system assists in the detection of fraudulent record usage, child support enforcement, and the reporting of missing children. Birth and death records are stored digitally or on microfilm for preservation and are available for retrieval if required. [Birth certificate](#) requests have increased due to federal homeland security requirements for enhanced verification for boarding a domestic commercial flight or entering a federal building.

### Program Recommendations:

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

\$ -100	<b>Diabetes Programs</b> —program elimination.	\$ -5,875	<b>Bio-Technology Research</b> —program elimination.
\$ -700	<b>Regional Cancer Institutes</b> —program elimination.		

The Vital Statistics appropriation is recommended at the current year funding level.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Vital Statistics .....	\$ 5,362	\$ 9,165	\$ 9,165	\$ 9,165	\$ 9,165	\$ 9,165	\$ 9,165
Diabetes Programs .....	100	100	0	0	0	0	0
Regional Cancer Institutes .....	600	700	0	0	0	0	0
Bio-Technology Research.....	5,425	5,875	0	0	0	0	0
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 11,487</b>	<b>\$ 15,840</b>	<b>\$ 9,165</b>	<b>\$ 9,165</b>	<b>\$ 9,165</b>	<b>\$ 9,165</b>	<b>\$ 9,165</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Coordinate the collection and analysis of health statistics and information.

##### Vital Events (births, deaths and fetal deaths)

Vital events registered (calendar year) .....	271,697	269,203	272,623	273,888	275,255	275,255	275,255
Percentage of vital events registered according to Vital Statistics Law and Title 28 of the PA Code .....	95%	95%	82%	85%	88%	90%	90%
Applications for certified copies of birth and death records filled (calendar year) .....	454,681	510,000	646,208	487,000	597,000	695,000	750,000



## Program: Preventive Health

*Goal: To reduce morbidity and mortality through the early detection of disease and health defects and the promotion of sound health practices and remedial care.*

A key to the promotion of sound health practices is ensuring that all Pennsylvanians can access and utilize a range of preventive health and early disease detection [services](#).

The [department](#) provides public health services through its network of district offices, [state health centers](#), [county and municipal health departments](#), community-based organizations, and public health clinical providers. These programs include communicable disease tracking and prevention; investigation, intervention and control services for public health concerns; family health and chronic disease prevention, assessment, and intervention services; and special environmental health services. The six county and four city health departments also provide a range of individual and environmental public health services in their jurisdictions and these services are funded through grants and contracts awarded by the department.

### **Women and Infant Programs**

The department combines home visiting programs, CenteringPregnancy programs, and innovative inter-conception care to support mothers and babies to improve pregnancy outcomes, reduce infant mortality and improve child development.

To minimize severe health risks to infants, the department administers a [Newborn Screening and Follow-up program](#). The department ensures appropriate follow-up services for all newborns with abnormal or inconclusive test results. In addition, these newborns and their families are linked with treatment specialists who conduct diagnostic testing and coordinate the required care.

The department facilitates several programs designed to help improve the health status of women. The Breast and Cervical Cancer Early Detection program ([HealthyWoman Program](#)) provides free mammograms, breast exams, Pap tests, pelvic exams, and treatment to eligible women, ages 40 – 64, who are low income and have limited or no insurance.

State health center community health nurses conduct public educational programs and participate in local advisory teams that focus on identifying and addressing trends in injuries and deaths and improving the health and safety of women, infants, and children (also relates to Children's Programs).

The department administers the federally funded Special Supplemental Nutrition Program for Women, Infants and Children ([WIC](#)). WIC serves pregnant, breast-feeding and postpartum women, infants, and children up to five years of age who are at risk due to medical conditions and/or inadequate diet and low income. The program supplies supplemental foods that are rich in nutrients frequently lacking in the diets of the target population.

### **Children's Programs**

The department's federally funded [immunization program](#) supplies immunizations to infants, children, and adolescents to reduce the incidence of vaccine-preventable diseases in the commonwealth. The program supports the surveillance of vaccine-preventable diseases; provides consultation during disease outbreaks; assesses childhood immunization levels; conducts professional and public education programs; and initiates, processes and evaluates the child care and school immunization reporting system. In addition, the program provides guidance to school districts to keep children healthy in school and to minimize the chance of disease outbreaks. Local state health centers conduct educational programs for the public and providers to prevent disease by improving immunization rates and during epidemiological investigations to prevent and decrease disease transmission.

The department addresses lead poisoning prevention, education, and surveillance through a variety of federally funded activities. The [Lead Hazard Control Program](#) seeks to identify, control and eliminate lead-based paint hazards in homes of eligible families. The department conducts surveillance of childhood blood lead levels to identify trends in communities or populations that are disparately affected. State health center staff provide education to parents and make referrals for children with elevated blood lead levels. In addition, the department provides education and training to families and communities, contractors, and healthcare providers to promote lead poisoning prevention and testing.

The [School Health](#) program supports health services for all children who are attending elementary or secondary school, either public or private. The program reimburses 500 school districts, 160 charter schools and 10 vocational technical schools for a portion of the costs associated with providing school nursing and dental services. State health center nurses offer technical assistance and recommendations to school officials during investigation of disease in students and staff.

### **Other Health Promotion and Disease and Injury Prevention Programs**

The department promotes appropriate adult immunizations by providing information to community-based and public organizations. Vaccines are also made available to uninsured and underinsured adults through state health centers, county and municipal health departments, and federally qualified and rural health clinics. The state health center nurses offer blood pressure screenings at local events and gathering locations. The department ensures that all residents of the commonwealth

**Program: Preventive Health (continued)**

are served through an infectious disease epidemiological surveillance, investigation and control system. Reported cases of infectious diseases are investigated to determine the infection source, transmission mode, and control measures needed to prevent additional cases.

Chronic disease remains one of the leading causes of preventable and premature deaths in the commonwealth. The hepatitis C testing program affords at-risk individuals testing and education on prevention control measures. The department's [HIV](#) program employs a coordinated and integrated strategy to prevent, test, link, treat and engage/retain individuals across the continuum of HIV prevention and care services. In collaboration with the Bureau of Epidemiology, state health center nurses investigate concerns of healthcare acquired exposure or infections by offering hepatitis, HIV testing and control measure education to patients and providers.

The goal of the [Sexually Transmitted Diseases \(STD\) Program](#) is to prevent STDs and their complications. The STD Program supports a statewide network of clinical service sites that offer testing, treatment and risk-reduction information and conduct contact elicitation interviews and related investigative services.

The goal of the [Tuberculosis \(TB\)](#) program is to reduce the incidence of TB and provides outpatient examination, diagnosis and appropriate treatment for persons with TB disease and infection. State health centers offer public STD, HIV, and TB education programs and provider education relating to prevention of institutional spread and appropriate case management.

The department works with health care providers, commercial and public insurance payers, consumers, and the Centers for Medicare and Medicaid Services to transform the way patient care is managed, coordinated and delivered in rural health care settings. The innovations will lead to improved health outcomes while reducing the cost of care.

The [Tobacco Use Prevention and Control](#) program seeks to control the epidemic of disease, disability, and death related to all forms of tobacco use. Activities include community and school programs; countermarketing to prevent the initiation of tobacco use by youth; cessation programs, including a [Quitline](#), to help Pennsylvanians quit tobacco use; awareness education; and community outreach to protect non-smokers from secondhand smoke. The department provides for education and enforcement of the [Clean Indoor Air Act](#), which prohibits smoking in most public places.

The department continues its initiative to prevent tick and mosquito transmitted infections, including [Lyme disease](#), Zika virus, and West Nile virus. State health center community health nurses provide educational programs on the prevention of mosquito and tickborne diseases.

As part of the commonwealth's continued efforts to combat the heroin and [opioid epidemic](#), public awareness and education campaigns seek to improve knowledge of the use and availability of Naloxone. Under the authority of the Controlled Substance, Drug, Device and Cosmetic Act, the department issued a standing order to enable any eligible person to obtain a prescription of [Naloxone](#) – a medication that can reverse an opioid overdose. The [Opioid Data Dashboard](#) provides county level data for the public and highlights prevention, rescue, and treatment efforts. The department, in collaboration with the Department of Drug and Alcohol Programs conducted [Warm Hand-off](#) Summits to educate local communities on the approach of health providers doing a face-to-face introduction to a substance abuse specialist and making a direct referral to treatment. The department also encourages prescribers to follow opioid prescribing guidelines developed and adopted by the medical boards.

The department manages the following federally funded programs that also support health promotion and injury prevention activities:

[Cancer Prevention and Control](#) programs promote cancer education, awareness, and services to reduce cancer mortality and provide a better quality of life for Pennsylvanians dealing with the effects of cancer. These programs coordinate cancer prevention, detection, treatment, and quality of life services and resources.

The [Oral Health](#) program assesses the status of the oral health of state residents and plans and implements strategies and programs to improve oral health. The program provides oral and dental health educational materials designed to promote the prevention of tooth decay, periodontal disease, and other oral diseases. The program also promotes the beneficial health effects of fluoridation of public water systems.

The [Diabetes Prevention Program](#), [Heart Disease and Stroke Prevention Program](#) and [Obesity Prevention and Wellness Program](#) work collaboratively to promote healthy, active lifestyles in communities, health care systems, schools, early care and education centers, and worksites. These changes support the development of healthy environments that encourage positive behaviors to reduce and control diabetes and hypertension, and to prevent heart disease, obesity, stroke, and related chronic diseases and conditions.

The [Asthma Control Program](#) provides education and information to persons with asthma, caregivers, and health professionals that support the identification of triggers and self-management of asthma.

The [Violence and Injury Prevention](#) program is designed to reduce the incidence of unintentional injuries, as well as violence and injury-related fatalities, through the development of surveillance systems, educational programs for at-risk populations, and training of health

## Program: Preventive Health (continued)

professionals. The department provides funding to organizations to support safer communities by addressing childhood injuries, motor vehicle safety, fall prevention

among older adults, traumatic brain injury, and child maltreatment prevention.

### Program Recommendations:

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

<p><b>Health Innovation</b> \$ 6 —to continue current program.</p> <p><b>State Health Care Centers</b> \$ 308 —to continue current program. 1,948 —nonrecurring use of prior year funds available from General Government Operations appropriation. 2,249 —nonrecurring prior year funds.</p> <hr/> <p>\$ 4,505 <i>Appropriation Increase</i></p>	<p><b>Newborn Screening</b> \$ 628 —reflects costs associated with additional screening requirements.</p> <p><b>Maternal and Child Health Services</b> \$ 168 —reflects change in federal earnings.</p> <p><b>Epilepsy Support Services</b> \$ -550 —program elimination.</p>
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All other appropriations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Health Innovation.....	\$ 911	\$ 911	\$ 917	\$ 917	\$ 917	\$ 917	\$ 917
State Health Care Centers .....	14,619	18,000	22,505	22,505	22,505	22,505	22,505
Sexually Transmitted Disease Screening and Treatment.....	1,701	1,757	1,757	1,757	1,757	1,757	1,757
Community-Based Health Care Subsidy .....	2,125	2,125	2,125	2,125	2,125	2,125	2,125
Newborn Screening .....	6,834	6,464	7,092	7,092	7,092	7,092	7,092
Cancer Screening Services .....	2,563	2,563	2,563	2,563	2,563	2,563	2,563
AIDS Programs and Special Pharmaceutical Services .....	17,436	12,436	12,436	12,436	12,436	12,436	12,436
School District Health Services .....	36,620	35,620	35,620	35,620	35,620	35,620	35,620
Local Health Departments .....	25,421	25,421	25,421	25,421	25,421	25,421	25,421
Local Health - Environmental .....	2,389	2,389	2,389	2,389	2,389	2,389	2,389
Maternal and Child Health Services .....	1,289	1,365	1,533	1,533	1,533	1,533	1,533
Tuberculosis Screening and Treatment.....	876	913	913	913	913	913	913
Epilepsy Support Services.....	550	550	0	0	0	0	0
Lyme Disease.....	0	2,500	2,500	2,500	2,500	2,500	2,500
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 113,334</b>	<b>\$ 113,014</b>	<b>\$ 117,771</b>	<b>\$ 117,771</b>	<b>\$ 117,771</b>	<b>\$ 117,771</b>	<b>\$ 117,771</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Meet and maintain Healthy People 2020 objectives for vaccination rates among school-age children.

Percentage of kindergarten students that have 2 or more doses of measles, mumps and rubella (MMR) vaccine	N/A	N/A	N/A	93.7%	96.7%	97.0%	97.0%
Percentage of 7th grade students that have 1 dose of meningococcal vaccine (MCV) .....	N/A	N/A	88.6%	84.9%	94.8%	95.0%	96.0%

#### Increase access for women and infants to nutritious foods.

<b>Women, Infants and Children (WIC) Program</b>							
Number of children ages 2 to 5 participating in the WIC program ..	105,053	105,736	96,739	92,008	92,063	92,118	96,971
Average number of persons participating in the WIC program each month.....	249,808	251,307	240,481	226,193	228,455	230,740	250,245

## Program: Preventive Health (continued)

<b>Program Measures: (continued)</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
Average actual food cost per WIC participant, per month.....	\$46.00	\$48.00	\$46.00	\$49.76	\$50.76	\$51.76	\$48.00
Average Nutrition Services and Administration (NSA) operational costs per WIC participant, per month	\$19.00	\$25.00	\$20.00	\$21.71	\$21.91	\$22.11	\$21.00
<b>Ensure that all citizens are able to access a range of preventive health and early detection services.</b>							
<b>Community Health</b>							
Number of clinical visits for immunization services both in the state health center and community setting.....	N/A	20,780	15,471	20,105	17,505	19,550	18,000
Number of patients served for tuberculosis .....	N/A	1,600	1,507	1,775	1,666	1,750	1,800
Number of communicable disease investigations.....	N/A	28,780	32,278	51,597	59,706	52,500	53,000
Number of animal bite investigations.....	N/A	17,030	17,399	17,908	18,786	18,740	19,205
Number of patient visits in underserved areas.....	854,000	1,404,840	1,203,172	995,160	314,260	314,260	723,760
<b>Women and Children's Programs</b>							
Newborns receiving state-mandated screening for genetic conditions ...	139,034	138,000	138,976	136,236	137,164	138,000	138,500
Number of women, age 40-49, screened for breast and/or cervical cancers .....	4,022	4,000	4,000	2,800	2,732	3,000	3,000
Privately owned housing units in targeted geographical areas that are remediated for the presence of lead hazards*.....	50	54	0	0	14	120	50
<b>Other Communicable Disease Programs and Incidences Reported</b>							
HIV tests at publicly funded sites .....	78,923	70,880	72,420	79,133	91,863	92,000	92,000
Percentage of clients testing positive for HIV at department-supported HIV counseling and testing sites returning for results.....	88%	88%	88%	99%	99%	90%	90%
Incidences of gonorrhea (per 100,000 population) .....	60.3	50.6	57.0	61.8	69.6	70.0	71.0
Incidences of infectious syphilis (per 100,000 population) .....	1.5	2.3	2.3	2.0	3.3	3.5	3.8
Incidences of tuberculosis (per 100,000 population) .....	2.0	2.0	2.0	1.8	1.9	1.9	2.0
<b>Injury Prevention</b>							
Children and adults receiving injury prevention education and awareness .....	11,545	11,545	10,439	10,500	12,522	10,500	10,500
<b>Prevent initiation and reduce use of tobacco products, eliminate nonsmokers' exposure to second hand smoke, and eliminate tobacco-related health disparities.</b>							
<b>Tobacco Program</b>							
Percentage of callers to the FREE Quitline who received counseling and reported that they have stopped the use of tobacco products at the 7-month follow-up	32%	32%	31%	34%	29%	31%	33%
Percentage of adults (age 18+) who smoke .....	19%	19%	18%	18%	18%	17%	16%

\* The "Privately owned housing units" measure represents projections as shown in the three-year federal grant application.

## Program: Health Treatment Services

*Goal: To maximize the individual's capacity for independent living through the provision of an array of service and support programs.*

### Health Treatment Services

The [department](#) is responsible for coordinating a variety of specialized medical services for commonwealth patients.

The [Chronic Renal Disease Program](#) (CRDP) provides care and treatment for eligible adults with end-stage renal disease. The CRDP assists with costs related to dialysis services, renal transplantation, medications, medical management, inpatient and outpatient services, home dialysis supplies and equipment, and transportation services.

The specialty care programs provide children and adults with a variety of services for certain health conditions including adult cystic fibrosis, Cooley's anemia, hemophilia, sickle cell, and home ventilator care for children with chronic respiratory failure. Services include diagnosis, direct medical care, case management, comprehensive evaluations, and rehabilitative services, including pharmaceuticals and blood products. In a joint effort to improve utilization of state funds, individuals

who appear to be eligible for Medical Assistance or the Children's Health Insurance Program are referred to those programs.

The department is the lead agency for the commonwealth's [emergency medical services](#) (EMS) system. This includes planning, coordinating, developing, implementing, and evaluating the statewide EMS system (including emergency preparedness and response) through regional councils with advice and support from a statewide advisory council. Oversight of compliance with regulations, development and implementation of statewide EMS treatment protocols, naloxone use and programs, and implementation of the pre-hospital "Do Not Resuscitate" program are managed through the department as well.

The [Head Injury Program](#) provides case management services and post-acute head injury rehabilitation services to individuals with traumatic head injury. Services are provided through contractual agreements with head injury rehabilitation providers in the commonwealth. Funding is made available through the Emergency Medical Services Operating Fund.

The department oversees the commonwealth's [Medical Marijuana Program](#). Beginning in 2018, patients with an eligible serious medical condition have access to medical marijuana products through a safe and effective delivery method that balances the patient's need for access to the latest treatments along with the patient's care and safety. The department provides resources and information for patients and caregivers, growers, processors, dispensaries, physicians, and laboratories.

Specialty Care Programs	
Program	Minimum Receiving Treatment*
Phenylketonuria, Maple Syrup Urine Disease, Galactosemia	1,500
Renal disease	5,490
Sickle Cell disease	2,400
Hemophilia	2,185
Cooley's Anemia	55
Spina Bifida	1,260
Services for children with special needs (home ventilators)	270
Services for children with special needs (children's rehabilitation services)	770

\*Based on 2017-18 data counts of children and adults receiving treatment through department-supported programs.

### Program Recommendations:

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

\$ -400	<b>Adult Cystic Fibrosis &amp; Other Chronic Respiratory Illnesses</b>	\$ -959	<b>Hemophilia</b>
-350	—funding reduction.		—transferred to Disease Management and Education Programs.
	—transferred to Disease Management and Education Programs.		
\$ -750	<i>Appropriation Decrease</i>	\$ -100	<b>Lupus</b>
			—program elimination.
\$ -100	<b>Cooley's Anemia</b>	\$ -1,260	<b>Sickle Cell</b>
	—transferred to Disease Management and Education Programs.		—transferred to Disease Management and Education Programs.

## Program: Health Treatment Services (continued)

### Program Recommendations: (continued) This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>\$ -700 <b>Regional Poison Control Centers</b> —program elimination.</p> <p>\$ -460 <b>Trauma Prevention</b> —program elimination.</p> <p>\$ -150 <b>Tourette's Syndrome</b> —program elimination.</p> <p>\$ -750 <b>Amyotrophic Lateral Sclerosis Support Services</b> —program elimination.</p>	<p>\$ -200 <b>Leukemia/Lymphoma</b> —program elimination.</p> <p>\$ 2,669 <b>Disease Management and Education Programs</b> —for expenses related to Adult Cystic Fibrosis &amp; Other Chronic Respiratory Illnesses, Cooley's Anemia, Hemophilia, and Sickle Cell.</p>
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Renal Dialysis and Services for Children with Special Needs are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Renal Dialysis.....	\$ 6,900	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300
Services for Children with Special Needs..	1,728	1,728	1,728	1,728	1,728	1,728	1,728
Adult Cystic Fibrosis & Other Chronic							
Respiratory Illnesses.....	750	750	0	0	0	0	0
Cooley's Anemia.....	100	100	0	0	0	0	0
Hemophilia.....	959	959	0	0	0	0	0
Lupus.....	100	100	0	0	0	0	0
Sickle Cell.....	1,260	1,260	0	0	0	0	0
Regional Poison Control Centers.....	700	700	0	0	0	0	0
Trauma Prevention.....	460	460	0	0	0	0	0
Tourette's Syndrome.....	150	150	0	0	0	0	0
Amyotrophic Lateral Sclerosis Support							
Services.....	500	750	0	0	0	0	0
Leukemia/Lymphoma.....	0	200	0	0	0	0	0
Disease Management and Education							
Programs.....	0	0	2,669	2,669	2,669	2,669	2,669
<b>TOTAL GENERAL FUND.....</b>	<b>\$ 13,607</b>	<b>\$ 13,457</b>	<b>\$ 10,697</b>	<b>\$ 10,697</b>	<b>\$ 10,697</b>	<b>\$ 10,697</b>	<b>\$ 10,697</b>



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# HEALTH CARE COST CONTAINMENT COUNCIL

*The mission of the Pennsylvania Health Care Cost Containment Council is to empower purchasers of health care benefits with information that can be used to improve quality and restrain costs.*

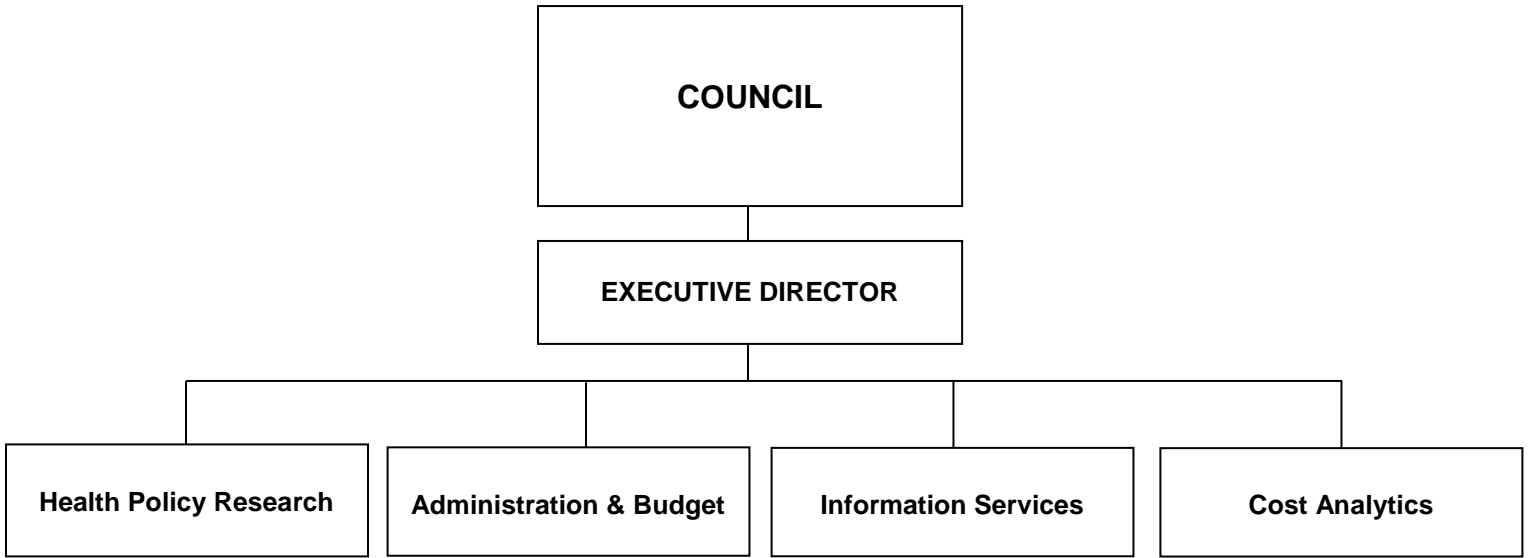
The council is charged with collecting, analyzing and reporting information that can be used to improve the quality and restrain the cost of health care in the commonwealth. The council provides purchasers of health care benefits and other stakeholders with information they can use to improve quality and restrain costs. The council is governed by a 25-member board of directors, representing business, labor, consumers, health care providers, insurers, and state government.

## **Programs and Goals**

**Health Care Reporting:** *To facilitate the continuing provision of quality, cost effective health services throughout the commonwealth by providing current data and information to the purchasers, providers, insurers, policymakers and consumers of health care services.*



## Organization Overview



- **Health Policy Research** is responsible for conducting studies, analyzing data, and publicly reporting topics of health services and health policy significance, including issues reflecting the cost and quality of care in Pennsylvania, hospital performance, quality improvement, treatment outcomes and geographic differences in health care utilization.
- **Administration and Budget** is responsible for all agency aspects related to budget and financial management, administrative services, procurement and support services, development of website content, as well as coordinating human resources services.
- **Information Services** is responsible for the online collection and verification of data used in health care studies, including hospital discharge data, insurer payment data and hospital financial data, and also develops and maintains web-based applications and oversight of website functions.
- **Cost Analytics** is responsible for the collection, analysis, methodology development and reporting of health care cost data for various users including purchasers, payers, providers, policy makers and consumers.

## Reported Complement

(Independent Agency – Complement Not Under the Governor’s Jurisdiction/Control)

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
32	31	31	31	31	31	31

# Health Care Cost Containment Council

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
Health Care Cost Containment Council.....	\$ 2,752	\$ 3,355	\$ 3,355

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>HEALTH CARE REPORTING</b>							
GENERAL FUND.....	\$ 2,752	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 2,752</b>	<b>\$ 3,355</b>	<b>\$ 3,355</b>	<b>\$ 3,355</b>	<b>\$ 3,355</b>	<b>\$ 3,355</b>	<b>\$ 3,355</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 2,752	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 2,752</b>	<b>\$ 3,355</b>	<b>\$ 3,355</b>	<b>\$ 3,355</b>	<b>\$ 3,355</b>	<b>\$ 3,355</b>	<b>\$ 3,355</b>

## Program: Health Care Reporting

*Goal: To facilitate the continuing provision of quality, cost effective health services throughout the commonwealth by providing current data and information to the purchasers, providers, insurers, policymakers and consumers of health care services.*

The [Pennsylvania Health Care Cost Containment Council \(PHC4\)](#) is an independent state agency first established by [Act 89 of 1986](#). It is governed by a 25-member board that represents health care purchasers (business and labor), consumers, health care providers, insurers and state government.

PHC4 uses advanced statistical and research methodologies, including the use of risk-adjusted data which accounts for the severity of patient illness and other risk factors to produce [reports](#) on common illnesses that affect Pennsylvanians. Publicly reported medical costs and outcomes not only help improve patient care, but also help consumers make informed choices about where to seek medical treatment.

Data from nearly five million inpatient and outpatient records from Pennsylvania hospitals and ambulatory surgery centers are collected by the council each year. The data, which include detailed financial information about hospitals and surgery centers, are verified and shared with the public through [free public reports](#). The council has collected and utilized payment data from Medicare, Medicaid and commercial health insurance plans and has incorporated hospital-specific Medicare payment data into numerous PHC4 public reports. Updating and expanding an interactive consumer friendly online database of Medicare payments for common outpatient services and treatments is also a priority for PHC4.

### Program Recommendation:

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

The Health Care Cost Containment Council appropriation is recommended at the current year funding level.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Health Care Cost Containment Council.....	\$ 2,752	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355	\$ 3,355

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# HISTORICAL AND MUSEUM COMMISSION

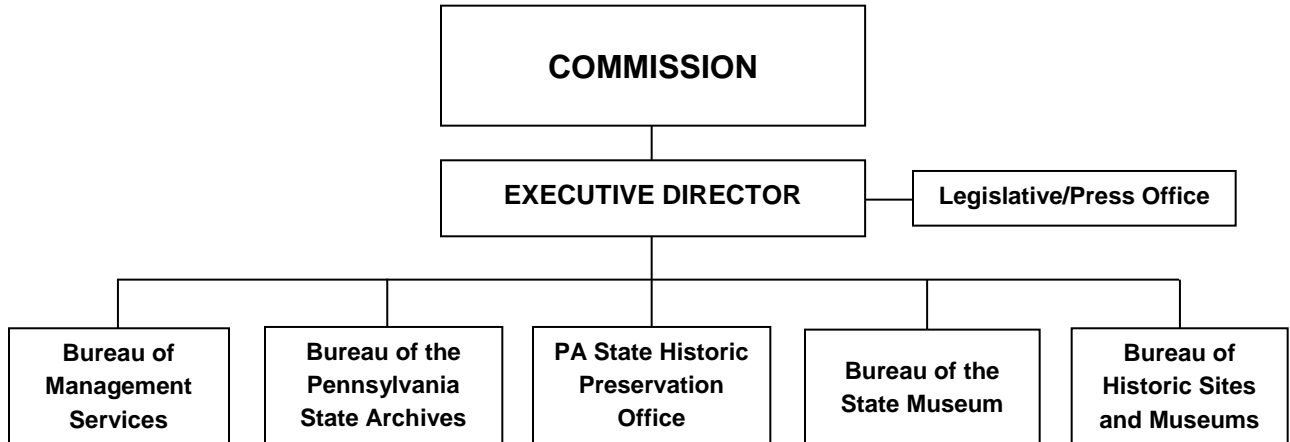
*The mission of the [Historical and Museum Commission](#) is to preserve the commonwealth's past through leadership, stewardship and service. The commission believes that future generations will be strengthened and inspired by the ideals and traditions of Pennsylvania's heritage.*

## **Programs and Goals**

**State Historic Preservation:** *To manage and safeguard Pennsylvania's historic resources through a comprehensive history and museum program to educate, interpret, research and preserve all areas of Pennsylvania history.*

**Museum Assistance:** *To assure provision of representative artifacts, specimens of history, art and science for all citizens through the support of museums and historical sites within the commonwealth.*

## Organization Overview



- [Bureau of Management Services](#) is comprised of the Marketing and Media Services Division, Fiscal and Office Support Services Division and the Architecture and Preservation Division.
- [Bureau of Pennsylvania State Archives](#)' primary function is to acquire, preserve and make available for study the permanently-valuable public records of the commonwealth, with particular attention given to the records of state government. In fulfilling its general responsibility for the preservation of historic documents, the State Archives also collects private papers relevant to Pennsylvania history.
- [PA State Historic Preservation Office](#) includes the Preservation Services Division, Archaeology and Protection Division and the Grant Programs and Planning Division. These divisions are responsible for the identification, protection and enhancement of buildings, structures and districts of historic and architectural significance in the commonwealth.
- [Bureau of the State Museum](#) oversees multidisciplinary exhibitions and educational programs on the commonwealth's prehistory, history, science, industry, technology, natural history and art at The State Museum of Pennsylvania, adjacent to the State Capitol in Harrisburg.
- [Bureau of Historic Sites and Museums](#) includes regional divisions that support the operation of historic sites and museums throughout the commonwealth that are open to the public.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
210	210	206	196	184	184	184

# Historical and Museum Commission

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<b>General Government:</b>			
<b>General Government Operations.....</b>	<b>\$ 18,633</b>	<b>\$ 20,353</b>	<b>\$ 21,555</b>
(F)Historic Preservation.....	1,332	1,300	1,300
(F)Surface Mining Review.....	175	150	150
(F)Environmental Review.....	353	375	375
(F)Institute of Museum Library Services.....	150	0	0
(F)Coastal Zone Management.....	50	50	50
(F)Highway Planning and Construction.....	6	0	0
(F)National Endowment for the Humanities.....	150	0	0
(F)National Endowment for the Arts.....	150	0	0
(F)American Battlefield Protection Program.....	3,650	1,200	3,000
(F)Hurricane Sandy Disaster Relief (EA).....	1,060	500	200
(F)Historic Property Partnerships.....	30	60	30
(F)Maritime Heritage.....	686	608	500
(F)Appalachian Development.....	0	70	70
(A)State Records Center.....	731	713	735
(A)Keystone Recreation, Park & Conservation Fund.....	558	602	537
(R)Rent and Other Income.....	132	150	150
Subtotal.....	<u>\$ 27,846</u>	<u>\$ 26,131</u>	<u>\$ 28,652</u>
Subtotal - State Funds.....	\$ 18,633	\$ 20,353	\$ 21,555
Subtotal - Federal Funds.....	7,792	4,313	5,675
Subtotal - Augmentations.....	1,289	1,315	1,272
Subtotal - Restricted Revenues.....	132	150	150
Total - General Government.....	<u>\$ 27,846</u>	<u>\$ 26,131</u>	<u>\$ 28,652</u>
<b>Grants and Subsidies:</b>			
<b>Cultural and Historical Support.....</b>	<b>\$ 2,000</b>	<b>\$ 2,000</b>	<b>\$ 2,000</b>
(R)Historical Preservation Act of 1966.....	135	125	125
Subtotal - State Funds.....	\$ 2,000	\$ 2,000	\$ 2,000
Subtotal - Restricted Revenues.....	135	125	125
Total - Grants and Subsidies.....	<u>\$ 2,135</u>	<u>\$ 2,125</u>	<u>\$ 2,125</u>
STATE FUNDS.....	\$ 20,633	\$ 22,353	\$ 23,555
FEDERAL FUNDS.....	7,792	4,313	5,675
AUGMENTATIONS.....	1,289	1,315	1,272
RESTRICTED REVENUES.....	267	275	275
<b>GENERAL FUND TOTAL.....</b>	<b><u>\$ 29,981</u></b>	<b><u>\$ 28,256</u></b>	<b><u>\$ 30,777</u></b>
<b>OTHER FUNDS:</b>			
<b>HISTORICAL PRESERVATION FUND:</b>			
General Operations (EA).....	\$ 2,423	\$ 1,865	\$ 1,742
(R)Mitigation and Special Projects.....	365	2,300	2,150
<b>HISTORICAL PRESERVATION FUND TOTAL.....</b>	<b><u>\$ 2,788</u></b>	<b><u>\$ 4,165</u></b>	<b><u>\$ 3,892</u></b>
<b>KEYSTONE RECREATION, PARK AND CONSERVATION FUND:</b>			
Historic Site Development (EA).....	\$ 12,908	\$ 12,037	\$ 10,747
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 20,633	\$ 22,353	\$ 23,555
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	7,792	4,313	5,675
AUGMENTATIONS.....	1,289	1,315	1,272
RESTRICTED.....	267	275	275
OTHER FUNDS.....	15,696	16,202	14,639
<b>TOTAL ALL FUNDS.....</b>	<b><u>\$ 45,677</u></b>	<b><u>\$ 44,458</u></b>	<b><u>\$ 45,416</u></b>



## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>STATE HISTORIC PRESERVATION</b>							
GENERAL FUND.....	\$ 18,633	\$ 20,353	\$ 21,555	\$ 21,555	\$ 21,555	\$ 21,555	\$ 21,555
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	7,792	4,313	5,675	5,675	5,675	5,675	5,675
AUGMENTATIONS.....	1,289	1,315	1,272	1,265	1,267	1,284	1,299
RESTRICTED.....	267	275	275	275	275	275	275
OTHER FUNDS.....	2,788	4,165	3,892	3,892	3,892	3,892	3,892
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 30,769</b>	<b>\$ 30,421</b>	<b>\$ 32,669</b>	<b>\$ 32,662</b>	<b>\$ 32,664</b>	<b>\$ 32,681</b>	<b>\$ 32,696</b>
<b>MUSEUM ASSISTANCE</b>							
GENERAL FUND.....	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	12,908	12,037	10,747	10,592	10,644	10,982	11,294
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 14,908</b>	<b>\$ 14,037</b>	<b>\$ 12,747</b>	<b>\$ 12,592</b>	<b>\$ 12,644</b>	<b>\$ 12,982</b>	<b>\$ 13,294</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 20,633	\$ 22,353	\$ 23,555	\$ 23,555	\$ 23,555	\$ 23,555	\$ 23,555
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	7,792	4,313	5,675	5,675	5,675	5,675	5,675
AUGMENTATIONS.....	1,289	1,315	1,272	1,265	1,267	1,284	1,299
RESTRICTED.....	267	275	275	275	275	275	275
OTHER FUNDS.....	15,696	16,202	14,639	14,484	14,536	14,874	15,186
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 45,677</b>	<b>\$ 44,458</b>	<b>\$ 45,416</b>	<b>\$ 45,254</b>	<b>\$ 45,308</b>	<b>\$ 45,663</b>	<b>\$ 45,990</b>

## Program: State Historic Preservation

*Goal: To manage and safeguard Pennsylvania's historic resources through a comprehensive history and museum program to educate, interpret, research and preserve all areas of Pennsylvania history.*

The [Pennsylvania Historical and Museum Commission](#) is the commonwealth's official history agency. The responsibilities of the PHMC are rooted in the Pennsylvania Constitution and are further defined in the History Code and the Administrative Code.

### **Executive Direction and Administration**

This program provides general policy and direction for administering the commission's operations, ensuring the direction of each program is focused on meeting the agency's mission and strategic goals. It includes legislative, marketing and public relations, human resources management, procurement, information technology and management of the commission's website, financial grant administration, fiscal and revenue management and other support services.

### **State and Local Records**

This program supports the operation of the [State Archives](#) and the [State Records Center](#). The State Archives is responsible for identifying, acquiring, preserving and providing public access to the permanently valuable and historical records created by government. This responsibility extends to the [preservation of electronic records](#) and to the use of technology to facilitate public access, which included 6,012,268 in-person and online visitors last year. The Archives maintains and preserves deeds and other significant property records, maps, photographs, official minutes of boards and commissions, reports and selected case and program files that document the significant activities of Pennsylvania's government. The State Records Center is the official repository for inactive records that must be maintained temporarily by state agencies for administrative, fiscal or legal purposes. The center maintained 237,370 boxes and was responsible for processing more than 13,000 data requests from other state agencies last year.

This program also administers state executive branch and local government records management programs and provides other services to state and local government offices. These services include preparation of records retention schedules, approval of records disposal requests, promulgation of standards for retention of records in different storage media and providing training and technical assistance to records custodians in order to increase efficiency, lower costs and protect essential records from catastrophic loss.

### **Historic Site and Museum Operations**

This program supports the operation of [twenty-nine historic sites and museums](#) throughout the commonwealth that are open to the public, in addition to the [State Museum of Pennsylvania](#). PHMC's historic sites and museums engage and educate visitors using collections and exhibition programs, living history and other types of tours to interpret Pennsylvania history. The program utilizes public-private partnerships with associate organizations at each site and museum to further provide for the interpretation of these significant properties. Facility development, educational programming and collections management and conservation of over 8.9 million historical artifacts, fine arts and natural history specimens are all part of the activities of Historic Site and Museum Operations. The program maintains and preserves 409 buildings and 2,700 acres across the commonwealth.

In addition, at several sites, the Historic Site and Museum Operations program supports a property management and lease program effected through cooperative agreements with management groups, for-profit and not-for-profit organizations to operate, maintain and utilize historic sites, buildings and agricultural lands under the custody of the commission.

### **Historic Preservation**

The PHMC's [State Historic Preservation Office](#) (SHPO) administers several federal programs created by the National Historic Preservation Act of 1966, in addition to many state programs authorized under the Pennsylvania History Code. The SHPO's work is guided by federal and state regulations and Pennsylvania's historic preservation plan. This program is responsible for: providing information, education, training and technical assistance to all Pennsylvanians about historic preservation and various incentives to protect, maintain, and reuse historic properties; advising federal and state agencies and local governments in matters of historic preservation; maintaining Pennsylvania's inventory of historic properties; identifying and nominating properties to the [National Register of Historic Places](#); managing the [Pennsylvania Historical Marker Program](#); administering several [grant programs](#) including the Keystone Historic Preservation Grant Program; working with property owners on [state](#) and [federal](#) Historic Tax Credits; and partnering with other agencies and organizations to leverage resources to promote the architectural and archaeological resources of the commonwealth.

# Historical and Museum Commission

## Program: State Historic Preservation (continued)

### Program Recommendations:

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

GENERAL FUND	
<b>General Government Operations</b>	
\$ 517	—to continue current program.
475	—Initiative—information technology upgrades.
210	—Initiative—networking costs for new archives building.
<u>\$ 1,202</u>	<i>Appropriation Increase</i>

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	<u>\$ 18,633</u>	<u>\$ 20,353</u>	<u>\$ 21,555</u>	<u>\$ 21,555</u>	<u>\$ 21,555</u>	<u>\$ 21,555</u>	<u>\$ 21,555</u>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Increase the efficiency of the State Records Center and reduce state expenditures for records storage.

##### State and Local Records

Number of in-person and online visitors served.....	201,261	4,241,406	4,930,966	6,225,433	6,012,268	5,600,000	5,600,000
Records maintained by the State Records Center (number of boxes)	257,444	266,853	265,521	237,492	237,370	220,000	220,000

#### Increase attendance at Pennsylvania's historical sites and museums.

##### Historic Site and Museum Operations

Annual ticketed visitors to commission historical sites and museums (in thousands) .....	327	384	377	332	347	357	357
Annual nonticketed visitors to commission historical sites and museums (in thousands) .....	348	230	320	296	244	315	305

#### Maintain and preserve Pennsylvania's historic sites and artifacts.

##### Historic Preservation

Historic markers .....	2,392	2,413	2,436	2,483	2,541	2,575	2,575
Evaluations for the National Register of Historic Properties .....	698	482	721	759	871	780	800
Program value of private investment projects in Rehabilitation Investment Tax Credit program (in millions)....	250	303	282	391	673	420	420
Rehabilitation Investment Tax Credit approved projects .....	30	26	33	38	43	50	50
Historic Preservation Projects and Environmental Reviews performed	6,697	6,258	6,958	5,404	5,267	6,000	6,000

# Historical and Museum Commission

## Program: Museum Assistance

*Goal: To assure provision of representative artifacts, specimens of history, art and science for all citizens through the support of museums and historical sites within the commonwealth.*

### Cultural Heritage Assistance

The Pennsylvania Historical and Museum Commission (PHMC) distributes more than \$4 million in grant funds to cultural institutions and historic properties across the state. These grants benefit local communities, helping to preserve their heritage, revitalizing neighborhoods, towns and cities and increasing quality of life for Pennsylvanians. The program is administered by the State Historic Preservation Office across three major components: the Certified Local Government program, the Cultural and Historical Support program and the Keystone Recreation, Park and Conservation Fund program. The PHMC also provides special funding opportunities with grants for historic and archival records, various federal grant programs and administers federal and state historic tax credit programs.

The [Certified Local Government Grant Program](#) awards are given to Certified Local Governments (CLG) to help municipalities with a wide array of heritage preservation activities. CLG grants support cultural resource surveys, National Register nominations, historic preservation planning, staffing and training, pooling grants and third-party administration. There are currently 45 CLGs in Pennsylvania.

The [Cultural and Historical Support Program](#) awards grants to eligible museums and official county historical

societies in Pennsylvania. The goal of this program is to strengthen Pennsylvania's museum community by supporting the general operations of eligible museums and official county historical societies that are not supported by other state agency funding programs.

The [Keystone Historic Preservation Planning Grants](#) and [Keystone Historic Preservation Construction Grants](#) programs include a competitive grant process created by [Act 50 of 1993 of the Keystone Recreation, Park and Conservation Fund Act](#). Funding is available to Pennsylvania not-for-profit organizations and public agencies that operate a publicly accessible historic property listed in or eligible for the [National Register of Historic Places](#) or to organizations that operate a contributing historic property in a listed or eligible National Register Historic District.

The [Historical & Archival Records Care Grants](#) program provides funding to improve the preservation and accessibility of historically valuable records. The grants are administered on a competitive basis, and funding for the awards is for two years.

[Federal](#) and [State](#) Historic Tax Credits are available for the rehabilitation of historic, income-producing buildings that are determined to be "certified historic structures" and where the rehabilitation work complies with the Secretary's Standards for Rehabilitation.

### Program Recommendations:

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

The Cultural and Historical Support appropriation is recommended at the current year funding level.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Cultural and Historical Support.....	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Increase support to enhance the quality of history and museum activities in Pennsylvania.

Museum support and Keystone project grants awarded.....	170	159	167	174	170	200	200
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# DEPARTMENT OF HUMAN SERVICES

*The mission of the Department of Human Services is to improve the quality of life for Pennsylvania's individuals and families. The department promotes opportunities for independence through services and supports while demonstrating accountability for taxpayer resources.*

## **Programs and Goals**

**Human Services Support:** *To provide effective administrative and support systems through which the substantive programs of the department can be operated.*

**Medical Assistance and Health Care Delivery:** *To support a health care delivery system that provides comprehensive health care services in appropriate settings for the eligible populations.*

**Long-Term Living:** *To support a community living system that empowers persons with disabilities and older Pennsylvanians to live with dignity and independence in settings they prefer, to provide meaningful choice of community living services and to ensure that those services are delivered in a high-quality, cost-effective manner.*

**Income Maintenance:** *To promote personal and parental responsibility and encourage economic independence and self-sufficiency through temporary cash assistance, job training, child care for families or individuals and nutrition support services.*

**Mental Health and Substance Abuse Services:** *To maximize the individual's capacity for independent living through the provision of an array of service and support programs.*

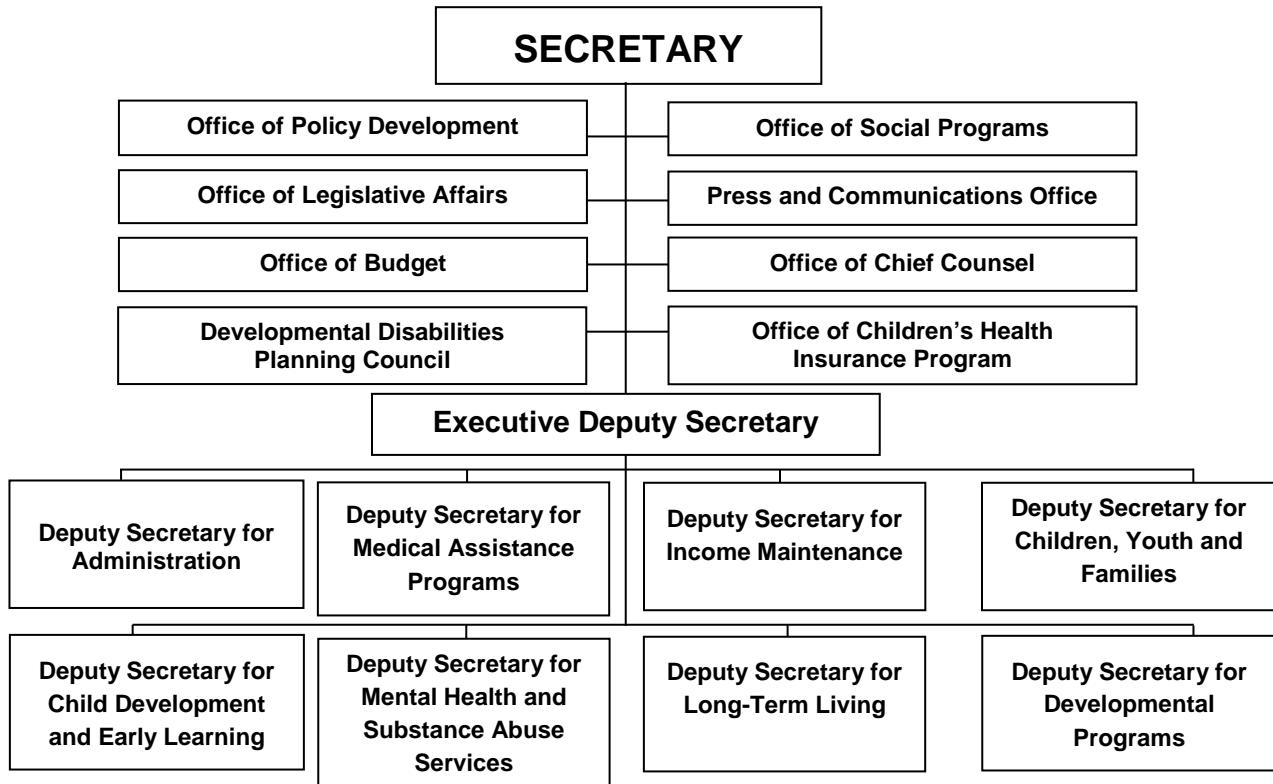
**Intellectual Disabilities:** *To maximize each individual's capacity for more independent living and participation in community life by providing needed training and support services.*

**Human Services:** *To enhance the social and economic well-being of families and individuals through the provision of an array of service and support programs.*

**Child Development:** *To promote opportunities for all Pennsylvania children and families by building systems and providing supports that help ensure access to high-quality child and family services.*

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# Organization Overview



- **Deputy Secretary for Administration** oversees the bureaus of Financial Operations; Human Services Licensing; Administrative Services; Procurement and Contract Management; Program Integrity; Hearings and Appeals; and Equal Opportunity.
- **Deputy Secretary for Medical Assistance Programs** administers the joint state/federal Medical Assistance (also known as Medicaid) program that purchases health care for more than 2.9 million Pennsylvania residents.
- **Deputy Secretary for Income Maintenance** is responsible for the oversight of the Temporary Assistance for Needy Families program; Medical Assistance eligibility; Supplemental Nutrition Assistance Program; home heating assistance; family assistance; health services; employment and training services; and child support.
- **Deputy Secretary for Children, Youth and Families** oversees the bureaus of Policy, Programs and Operations; Children and Family Services; Juvenile Justice Services; and Budget and Fiscal Support.
- **Deputy Secretary for Child Development and Early Learning** oversees the bureaus of Early Learning Resource Center Operations; Certification Services; Early Learning Policy and Professional Development; and Early Intervention Services and Family Supports.
- **Deputy Secretary for Mental Health and Substance Abuse Services** oversees the Office of the Medical Director and the bureaus of Community and Hospital Operations; Policy, Planning and Program Development; Financial Management and Administration; Children's Behavioral Health Services; and Quality Management and Data Review.
- **Deputy Secretary for Long-Term Living** oversees the bureaus of Coordinated and Integrated Services; Fee-for-Service Programs; Quality Assurance and Program Analytics; Policy Development and Communications Management; and Finance.
- **Deputy Secretary for Developmental Programs** oversees the bureaus of Community Services; Financial Management and Program Support; Policy and Quality Management; State Operated Facilities; and Autism Services.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual*	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
16,721	17,032	17,174	16,862	16,376	16,067	16,104

\* Authorized complement includes Children's Health Insurance Program positions transferred from the Insurance Department effective July 1, 2015.



## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

### GENERAL FUND:

#### General Government:

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>General Government Operations.....</b>	<b>\$ 94,477</b>	<b>\$ 96,196</b>	<b>\$ 107,884</b>
(F)Medical Assistance - Administration.....	29,782	28,319	31,392
(F)SNAP - Administration.....	7,945	8,706	6,535
(F)SSBG - Administration.....	325	325	325
(F)TANFBG - Administration.....	11,898	13,898	13,898
(F)CCDFBG - Administration.....	23,205	23,206	28,640
(F)Child Welfare - Title IV-E - Administration.....	8,890	7,728	7,891
(F)Child Welfare Services - Administration.....	1,042	951	941
(F)Community-Based Family Resource and Support - Administration.....	689	689	689
(F)Developmental Disabilities - Basic Support.....	4,287	4,353	4,353
(F)Disabled Education - Administration.....	757	753	714
(F)Early Head Start Expansion Program.....	14,950	14,950	14,950
(F)Early Learning Challenge Grant - Administration.....	510	510	131
(F)MCH - Administration.....	196	196	196
(F)MHSSBG - Administration.....	539	563	579
(F)Refugees and Persons Seeking Asylum - Administration.....	2,810	2,810	2,810
(F)Homeland Security (EA).....	125	75	75
(A)Training Reimbursement.....	457	457	457
(A)Child Abuse Reviews.....	4,899	7,846	7,846
(A)Miscellaneous Reimbursements.....	1,442	0	0
(A)Adam Walsh Clearance.....	950	1,832	1,832
Subtotal.....	<u>\$ 210,175</u>	<u>\$ 214,363</u>	<u>\$ 232,138</u>
<b>Information Systems.....</b>	<b>80,655</b>	<b>83,901</b>	<b>86,206</b>
(F)Medical Assistance - Information Systems.....	199,736	136,225	108,784
(F)SNAP - Information Systems.....	23,311	23,749	25,711
(F)TANFBG - Information Systems.....	12,185	11,347	12,631
(F)Child Welfare - Title IV-E - Information Systems.....	11,516	16,686	14,382
(F)Child Support Enforcement - Information Systems.....	10,270	12,120	9,272
(F)CHIP - Information Systems.....	14,502	18,203	9,541
(A)COMPASS Support - CHIP.....	520	613	613
(A)Medical Data Exchange.....	7	37	37
Subtotal.....	<u>\$ 352,702</u>	<u>\$ 302,881</u>	<u>\$ 267,177</u>
<b>County Administration - Statewide.....</b>	<b>46,865</b>	<b>42,260</b>	<b>46,813</b>
(F)Medical Assistance - Statewide.....	61,559	65,227	65,227
(F)SNAP - Statewide.....	38,238	39,414	39,406
(F)TANFBG - Statewide.....	1,072	1,072	1,072
(F)ARRA - Health Information Technology.....	11,476	12,291	12,291
(A)SNAP - Retained Collections.....	2,482	1,780	1,780
(A)eHealth Fees.....	312	350	468
Subtotal.....	<u>\$ 162,004</u>	<u>\$ 162,394</u>	<u>\$ 167,057</u>
<b>County Assistance Offices.....</b>	<b>283,661</b>	<b>255,350</b>	<b>255,350</b>
(F)Medical Assistance - County Assistance Offices.....	207,250	210,074	235,479
(F)SNAP - County Assistance Offices.....	138,000	140,493	130,472
(F)TANFBG - County Assistance Offices.....	48,654	51,369	51,941
(F)SSBG - County Assistance Offices.....	3,000	3,000	3,000
(F)LIHEABG - Administration.....	27,000	31,000	27,000
(F)CCDFBG - County Assistance Offices.....	15,000	0	0
Subtotal.....	<u>\$ 722,565</u>	<u>\$ 691,286</u>	<u>\$ 703,242</u>
<b>Children's Health Insurance Administration.....</b>	<b>592</b>	<b>588</b>	<b>1,111</b>
(F)Children's Health Insurance Administration.....	5,459	5,486	5,254
Subtotal.....	<u>\$ 6,051</u>	<u>\$ 6,074</u>	<u>\$ 6,365</u>



## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>Child Support Enforcement</b> .....	<b>16,546</b>	<b>16,298</b>	<b>16,298</b>
(F)Child Support Enforcement - Title IV - D.....	162,628	162,853	156,738
(A)Title IV - D Incentive Collections.....	7,099	10,816	10,894
(A)State Retained Support Collections.....	1,052	1,269	1,269
Subtotal.....	<u>\$ 187,325</u>	<u>\$ 191,236</u>	<u>\$ 185,199</u>
<b>New Directions</b> .....	<b>21,799</b>	<b>15,682</b>	<b>15,682</b>
(F)TANFBG - New Directions.....	111,275	109,249	111,346
(F)Medical Assistance - New Directions.....	9,264	16,002	14,141
(F)SNAP - New Directions.....	15,772	15,332	15,364
Subtotal.....	<u>\$ 158,110</u>	<u>\$ 156,265</u>	<u>\$ 156,533</u>
Subtotal - State Funds.....	\$ 544,595	\$ 510,275	\$ 529,344
Subtotal - Federal Funds.....	1,235,117	1,189,224	1,163,171
Subtotal - Augmentations.....	19,220	25,000	25,196
Total - General Government.....	<u>\$ 1,798,932</u>	<u>\$ 1,724,499</u>	<u>\$ 1,717,711</u>
<b>Institutional:</b>			
<b>Youth Development Institutions and Forestry Camps</b> .....	<b>\$ 58,302</b>	<b>\$ 63,008</b>	<b>\$ 63,699</b>
(F)SSBG - Basic Institutional Programs.....	10,000	10,000	10,000
(F)Food Nutrition Services.....	650	650	650
(A)Institutional Reimbursements.....	50	10	10
Subtotal.....	<u>\$ 69,002</u>	<u>\$ 73,668</u>	<u>\$ 74,359</u>
<b>Mental Health Services</b> .....	<b>761,807</b>	<b>776,853</b>	<b>805,121</b>
(F)Medical Assistance - Mental Health.....	182,146	173,542	203,542
(F)Medicare Services - State Mental Hospitals.....	17,782	20,983	20,983
(F)Homeless Mentally Ill.....	2,496	2,496	2,496
(F)MHSBG - Community Mental Health Services.....	20,461	24,100	24,100
(F)SSBG - Community Mental Health Services.....	10,366	10,366	10,366
(F)Suicide Prevention.....	996	1,496	1,496
(F)Mental Health Data Infrastructure.....	145	145	145
(F)Promoting Integration of Health Care.....	2,000	2,000	2,000
(F)System of Care Expansion.....	3,000	3,500	3,500
(F)Mental Health - Safe Schools.....	3,000	0	0
(F)Project LAUNCH.....	800	815	0
(F)Youth Suicide Prevention.....	736	756	0
(F)Transition Age Youth.....	1,500	1,500	500
(F)Early Childhood Mental Health.....	0	500	500
(F)Treatment for Individuals Experiencing Homelessness.....	0	1,000	1,000
(F)Adolescents and Young Adults at High Risk for Psychosis.....	0	400	400
(F)Integrating Primary and Behavioral Healthcare.....	0	0	1,000
(F)Bioterrorism Hospital Preparedness (EA).....	100	200	50
(F)Emergency Response - Hurricane 2017 (EA).....	0	750	0
(A)Institutional Collections.....	8,628	7,711	7,711
(A)Miscellaneous Institutional Reimbursements.....	1,431	1,107	1,107
(A)Intergovernmental Transfer.....	28,621	28,621	28,366
Subtotal.....	<u>\$ 1,046,015</u>	<u>\$ 1,058,841</u>	<u>\$ 1,114,383</u>
<b>Intellectual Disabilities - State Centers</b> .....	<b>128,800</b>	<b>117,324</b>	<b>117,136</b>
(F)Medical Assistance - State Centers.....	173,072	161,259	162,924
(F)Medicare Services - State Centers.....	600	553	505
(A)Institutional Collections - State Centers.....	8,997	7,914	8,089
(A)ID Assessment - State Centers.....	19,985	18,016	17,751
Subtotal.....	<u>\$ 331,454</u>	<u>\$ 305,066</u>	<u>\$ 306,405</u>
Subtotal - State Funds.....	\$ 948,909	\$ 957,185	\$ 985,956
Subtotal - Federal Funds.....	429,850	417,011	446,157
Subtotal - Augmentations.....	67,712	63,379	63,034
Total - Institutional.....	<u>\$ 1,446,471</u>	<u>\$ 1,437,575</u>	<u>\$ 1,495,147</u>

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>Grants and Subsidies:</b>			
<b>Cash Grants</b> .....	<b>\$ 25,457</b>	<b>\$ 43,290</b> <sup>a</sup>	<b>\$ 80,864</b>
(F)TANFBG - Cash Grants.....	288,975	207,633	183,693
(F)Other Federal Support - Cash Grants.....	17,388	16,200	6,428
(F)LIHEABG - Low-Income Families and Individuals.....	320,000	320,000	188,563
(F)Refugees and Persons Seeking Asylum - Social Services.....	14,758	14,758	14,758
Subtotal.....	<u>\$ 666,578</u>	<u>\$ 601,881</u>	<u>\$ 474,306</u>
<b>Supplemental Grants - Aged, Blind and Disabled</b> .....	<b>127,947</b>	<b>125,784</b>	<b>126,532</b>
<b>Medical Assistance - Capitation</b> .....	<b>3,106,676</b>	<b>3,193,036</b> <sup>b</sup>	<b>2,676,609</b>
(F)Medical Assistance - Capitation.....	10,122,225	10,486,702	9,430,494
(A)MA - MCO Assessment.....	1,180,518	1,563,049	1,497,972
(A)Medicaid Managed Care Gross Receipt Tax.....	0	351,720	0
(A)Statewide Hospital Assessment.....	273,252	323,803	781,631
(A)Ambulatory Surgical Center Assessment.....	0	0	12,500
Subtotal.....	<u>\$ 14,682,671</u>	<u>\$ 15,918,310</u>	<u>\$ 14,399,206</u>
<b>Medical Assistance - Fee-for-Service</b> .....	<b>477,690</b>	<b>264,352</b>	<b>427,035</b>
(F)Medical Assistance - Fee-for-Service.....	1,874,028	1,679,050	1,494,231
(F)ARRA - MA - Health Information Technology.....	60,000	45,000	45,000
(A)Hospital Assessment.....	118,433	218,046	151,546
(A)Statewide Hospital Assessment.....	444,492	531,635	225,015
(A)Emergency Ambulance Service Intergovernmental Transfer.....	0	0	5,000
Subtotal.....	<u>\$ 2,974,643</u>	<u>\$ 2,738,083</u>	<u>\$ 2,347,827</u>
<b>Payment to Federal Government - Medicare Drug Program</b> .....	<b>658,174</b>	<b>754,726</b>	<b>769,069</b>
<b>Medical Assistance - Workers with Disabilities</b> .....	<b>26,188</b>	<b>25,807</b> <sup>c</sup>	<b>31,375</b>
(F)Medical Assistance - Workers with Disabilities.....	28,113	33,609	44,805
Subtotal.....	<u>\$ 54,301</u>	<u>\$ 59,416</u>	<u>\$ 76,180</u>
<b>Medical Assistance - Physician Practice Plans</b> .....	<b>10,071</b>	<b>10,071</b>	<b>6,571</b>
(F)Medical Assistance - Physician Practice Plans.....	10,830	10,989	7,190
Subtotal.....	<u>\$ 20,901</u>	<u>\$ 21,060</u>	<u>\$ 13,761</u>
<b>Medical Assistance - Hospital-Based Burn Centers</b> .....	<b>3,782</b>	<b>3,782</b>	<b>3,782</b>
(F)Medical Assistance - Hospital-Based Burn Centers.....	4,068	4,139	4,139
Subtotal.....	<u>\$ 7,850</u>	<u>\$ 7,921</u>	<u>\$ 7,921</u>
<b>Medical Assistance - Critical Access Hospitals</b> .....	<b>6,997</b>	<b>10,400</b>	<b>10,400</b>
(F)Medical Assistance - Critical Access Hospitals.....	10,968	14,882	14,882
(A)Statewide Hospital Assessment.....	3,200	3,200	3,200
Subtotal.....	<u>\$ 21,165</u>	<u>\$ 28,482</u>	<u>\$ 28,482</u>
<b>Medical Assistance - Obstetric and Neonatal Services</b> .....	<b>3,681</b>	<b>3,681</b>	<b>3,681</b>
(F)Medical Assistance - Obstetric and Neonatal Services.....	7,186	7,311	7,311
(A)Statewide Hospital Assessment.....	3,000	3,000	3,000
Subtotal.....	<u>\$ 13,867</u>	<u>\$ 13,992</u>	<u>\$ 13,992</u>
<b>Medical Assistance - Trauma Centers</b> .....	<b>8,656</b>	<b>8,656</b>	<b>8,656</b>
(F)Medical Assistance - Trauma Centers.....	9,310	9,472	9,472
Subtotal.....	<u>\$ 17,966</u>	<u>\$ 18,128</u>	<u>\$ 18,128</u>
<b>Medical Assistance - Academic Medical Centers</b> .....	<b>24,681</b>	<b>24,681</b>	<b>17,431</b>
(F)Medical Assistance - Academic Medical Centers.....	26,546	27,007	19,074
Subtotal.....	<u>\$ 51,227</u>	<u>\$ 51,688</u>	<u>\$ 36,505</u>
<b>Medical Assistance - Transportation</b> .....	<b>61,511</b>	<b>75,054</b>	<b>69,653</b>
(F)Medical Assistance - Transportation.....	80,895	82,931	85,706
Subtotal.....	<u>\$ 142,406</u>	<u>\$ 157,985</u>	<u>\$ 155,359</u>

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>Expanded Medical Services for Women</b> .....	<b>6,263</b>	<b>6,263</b>	<b>6,263</b>
(F)TANFBG - Alternatives to Abortion.....	1,000	1,000	1,000
Subtotal.....	<u>\$ 7,263</u>	<u>\$ 7,263</u>	<u>\$ 7,263</u>
<b>Children's Health Insurance Program</b> .....	<b>10,674</b>	<b>12,725</b>	<b>48,240</b>
(F)Children's Health Insurance Program.....	405,455	439,002	386,652
(A)Medical Assistance - Assessments.....	3,758	4,282	7,870
(R)Children's Health Insurance Program.....	32,087	28,427	35,670
Subtotal.....	<u>\$ 451,974</u>	<u>\$ 484,436</u>	<u>\$ 478,432</u>
<b>Medical Assistance - Long-Term Care</b> .....	<b>1,099,084</b>	<b>850,149</b>	<b>465,795</b>
(F)Medical Assistance - Long-Term Care.....	2,289,103	1,479,793	692,338
(A)Intergovernmental Transfer.....	94,969	52,031	19,885
(A)Nursing Home Assessment.....	528,487	311,728	119,260
(A)MCO Assessment.....	4,600	0	0
(A)Statewide Hospital Assessment.....	2,681	0	0
Subtotal.....	<u>\$ 4,018,924</u>	<u>\$ 2,693,701</u>	<u>\$ 1,297,278</u>
<b>Medical Assistance - Community HealthChoices</b> .....	<b>0</b>	<b>662,269</b>	<b>2,347,851</b>
(F)Medical Assistance - Community HealthChoices.....	0	1,672,095	3,801,016
(A)Intergovernmental Transfer.....	0	30,640	62,786
(A)Nursing Home Assessments.....	0	196,678	387,065
(A)Statewide Hospital Assessment.....	0	15,541	33,940
(A)MCO Assessment.....	0	16,538	31,393
(A)NPM Adjustment Settlement Agreement.....	0	344,069	0
Subtotal.....	<u>\$ 0</u>	<u>\$ 2,937,830</u>	<u>\$ 6,664,051</u>
<b>Home and Community-Based Services</b> .....	<b>534,880</b>	<b>499,363</b> g	<b>173,729</b>
(F)Medical Assistance - Home & Community-Based Services.....	723,419	675,912 h	197,589
Subtotal.....	<u>\$ 1,258,299</u>	<u>\$ 1,175,275</u>	<u>\$ 371,318</u>
<b>Long-Term Care Managed Care</b> .....	<b>138,294</b>	<b>146,926</b>	<b>156,933</b>
(F)Medical Assistance - Long-Term Care Managed Care.....	164,347	171,363	171,722
Subtotal.....	<u>\$ 302,641</u>	<u>\$ 318,289</u>	<u>\$ 328,655</u>
<b>Services to Persons with Disabilities</b> .....	<b>462,436</b>	<b>353,358</b> i	<b>116,561</b>
(F)Medical Assistance - Services to Persons with Disabilities.....	519,217	383,000 j	129,436
Subtotal.....	<u>\$ 981,653</u>	<u>\$ 736,358</u>	<u>\$ 245,997</u>
<b>Attendant Care</b> .....	<b>259,815</b>	<b>221,445</b> k	<b>55,619</b>
(F)Medical Assistance - Attendant Care.....	253,841	212,667 l	67,938
(A)Attendant Care Parking Fines.....	51	51	51
(A)Attendant Care Patient Fee.....	486	486	486
Subtotal.....	<u>\$ 514,193</u>	<u>\$ 434,649</u>	<u>\$ 124,094</u>
<b>Intellectual Disabilities - Community Base Program</b> .....	<b>150,734</b>	<b>149,379</b>	<b>148,725</b>
(F)Medical Assistance - Community ID Services.....	55,385	56,607	54,616
(F)SSBG - Community ID Services.....	7,451	7,451	7,451
Subtotal.....	<u>\$ 213,570</u>	<u>\$ 213,437</u>	<u>\$ 210,792</u>
<b>Intellectual Disabilities - Intermediate Care Facilities</b> .....	<b>128,426</b>	<b>143,003</b> m	<b>148,148</b>
(F)Medical Assistance - ID/ICF.....	181,420	166,198	183,099
(A)ID Assessment - ID/ICF.....	21,989	18,519	18,419
Subtotal.....	<u>\$ 331,835</u>	<u>\$ 327,720</u>	<u>\$ 349,666</u>
<b>Intellectual Disabilities - Community Waiver Program</b> .....	<b>1,527,602</b>	<b>1,643,812</b> n	<b>1,672,826</b>
(F)Medical Assistance - Community ID Waiver Program.....	1,565,324	1,664,104 o	1,723,748
Subtotal.....	<u>\$ 3,092,926</u>	<u>\$ 3,307,916</u>	<u>\$ 3,396,574</u>

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>Intellectual Disabilities - Lansdowne Residential Services</b> .....	<b>340</b>	<b>340</b>	<b>340</b>
<b>Autism Intervention and Services</b> .....	<b>27,669</b>	<b>30,842</b> p	<b>29,683</b>
(F)Medical Assistance - Autism Intervention Services.....	26,585	27,406	29,568
Subtotal.....	<u>\$ 54,254</u>	<u>\$ 58,248</u>	<u>\$ 59,251</u>
<b>Behavioral Health Services</b> .....	<b>57,149</b>	<b>57,149</b>	<b>57,149</b>
(F)Access to Medication-Assisted Treatment.....	2,000	1,500	1,500
(F)State Opioid Response (EA).....	0	15,000	15,000
Subtotal.....	<u>\$ 59,149</u>	<u>\$ 73,649</u>	<u>\$ 73,649</u>
<b>Special Pharmaceutical Services</b> .....	<b>1,008</b>	<b>1,008</b>	<b>952</b>
<b>County Child Welfare</b> .....	<b>1,180,876</b>	<b>1,225,354</b>	<b>1,259,322</b>
(F)Child Welfare Services.....	13,674	13,674	13,735
(F)Child Welfare - Title IV-E.....	323,812	342,857	352,598
(F)Medical Assistance - Child Welfare.....	1,411	1,411	1,411
(F)TANFBG - Child Welfare.....	58,508	58,508	58,508
(F)SSBG - Child Welfare.....	12,021	12,021	12,021
(F)Child Welfare Training and Certification.....	16,200	16,468	16,665
(F)Community-Based Family Resource and Support.....	137	143	143
(F)Child Abuse Prevention and Treatment.....	2,100	2,100	2,100
(F)Title IV-B - Caseworker Visits.....	1,365	1,365	1,365
(F)Children's Justice Act.....	1,150	1,150	1,150
(A)Casey Family Project.....	5	50	50
(A)Birth Certificate - Mandated Reporter Training.....	1,940	953	953
Subtotal.....	<u>\$ 1,613,199</u>	<u>\$ 1,676,054</u>	<u>\$ 1,720,021</u>
<b>Community-Based Family Centers</b> .....	<b>8,023</b>	<b>13,558</b>	<b>18,558</b>
(F)Family Preservation - Family Centers.....	2,691	2,691	2,691
(F)Family Resource and Support - Family Centers.....	480	480	480
(F)Title IV-B - Family Centers.....	5,871	5,871	5,871
(F)MCH - Early Childhood Home Visiting.....	16,300	16,300	16,300
Subtotal.....	<u>\$ 33,365</u>	<u>\$ 38,900</u>	<u>\$ 43,900</u>
<b>Child Care Services</b> .....	<b>155,691</b>	<b>162,482</b>	<b>162,332</b>
(F)CCDFBG - Child Care Services.....	284,966	376,829	396,396
(F)CCDFBG - School Age.....	1,260	1,260	1,260
(F)SSBG - Child Care Services.....	30,977	30,977	30,977
(F)Head Start Collaboration Project.....	225	225	242
(F)Early Learning Challenge Grant - Child Care Services.....	18,219	10,000	0
Subtotal.....	<u>\$ 491,338</u>	<u>\$ 581,773</u>	<u>\$ 591,207</u>
<b>Child Care Assistance</b> .....	<b>139,885</b>	<b>139,885</b>	<b>139,885</b>
(F)TANFBG - Child Care Assistance.....	84,590	115,092	147,832
(F)CCDFBG - Child Care Assistance.....	93,722	82,415	85,356
(F)SNAP - Child Care Assistance.....	1,184	1,664	1,678
(A)Early Childhood Education Revenue.....	1,695	1,705	1,705
Subtotal.....	<u>\$ 321,076</u>	<u>\$ 340,761</u>	<u>\$ 376,456</u>
<b>Nurse Family Partnership</b> .....	<b>11,978</b>	<b>13,178</b>	<b>13,178</b>
(F)Medical Assistance - Nurse Family Partnership.....	2,544	2,544	2,544
Subtotal.....	<u>\$ 14,522</u>	<u>\$ 15,722</u>	<u>\$ 15,722</u>
<b>Early Intervention</b> .....	<b>144,096</b>	<b>168,003</b> q	<b>152,596</b>
(F)Medical Assistance - Early Intervention.....	63,006	62,188	63,988
(F)Education for Children with Disabilities-Early Intervention.....	16,446	15,009	15,136
Subtotal.....	<u>\$ 223,548</u>	<u>\$ 245,200</u>	<u>\$ 231,720</u>

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>Domestic Violence</b> .....	<b>17,357</b>	<b>17,357</b>	<b>17,357</b>
(F)Family Violence Prevention Services.....	3,739	3,739	3,739
(F)SSBG - Domestic Violence Programs.....	5,705	5,705	5,705
(F)PHHSBG - Domestic Violence (EA).....	100	100	100
(A)Marriage Law Fees.....	833	833	833
Subtotal.....	\$ 27,734	\$ 27,734	\$ 27,734
<b>Rape Crisis</b> .....	<b>9,928</b>	<b>9,928</b>	<b>9,928</b>
(F)SSBG - Rape Crisis.....	1,721	1,721	1,721
Subtotal.....	\$ 11,649	\$ 11,649	\$ 11,649
<b>Breast Cancer Screening</b> .....	<b>1,723</b>	<b>1,723</b>	<b>1,723</b>
(F)SSBG - Family Planning.....	2,000	2,000	2,000
Subtotal.....	\$ 3,723	\$ 3,723	\$ 3,723
<b>Human Services Development Fund</b> .....	<b>13,460</b>	<b>13,460</b>	<b>13,460</b>
Subtotal.....	\$ 13,460	\$ 13,460	\$ 13,460
<b>Legal Services</b> .....	<b>2,661</b>	<b>2,661</b>	<b>2,661</b>
(F)SSBG - Legal Services.....	5,049	5,049	5,049
Subtotal.....	\$ 7,710	\$ 7,710	\$ 7,710
<b>Homeless Assistance</b> .....	<b>18,496</b>	<b>18,496</b>	<b>18,496</b>
(F)SSBG - Homeless Services.....	4,183	4,183	4,183
(F)SABG - Homeless Services (EA).....	1,983	1,983	1,983
Subtotal.....	\$ 24,662	\$ 24,662	\$ 24,662
<b>211 Communications</b> .....	<b>0</b>	<b>750</b>	<b>750</b>
<b>Health Program Assistance and Services</b> .....	<b>5,000</b>	<b>4,100</b>	<b>0</b>
(A)DMVA Interagency Agreement.....	0	1,086	0
Subtotal.....	\$ 5,000	\$ 5,186	\$ 0
<b>Services for the Visually Impaired</b> .....	<b>2,584</b>	<b>2,584</b>	<b>2,584</b>
Subtotal.....	\$ 2,584	\$ 2,584	\$ 2,584
Subtotal - State Funds.....	\$ 10,657,643	\$ 11,114,870	\$ 11,473,302
Subtotal - Federal Funds.....	20,147,176	21,130,503	20,273,346
Subtotal - Augmentations.....	2,684,389	3,989,643	3,364,560
Subtotal - Restricted Revenues.....	32,087	28,427	35,670
Total - Grants and Subsidies.....	\$ 33,521,295	\$ 36,263,443	\$ 35,146,878
STATE FUNDS.....	\$ 12,151,147	\$ 12,582,330	\$ 12,988,602
FEDERAL FUNDS.....	21,812,143	22,736,738	21,882,674
AUGMENTATIONS.....	2,771,321	4,078,022	3,452,790
RESTRICTED REVENUES.....	32,087	28,427	35,670
<b>GENERAL FUND TOTAL</b> .....	<b>\$ 36,766,698</b>	<b>\$ 39,425,517</b>	<b>\$ 38,359,736</b>
<b>LOTTERY FUND:</b>			
<i>Grants and Subsidies:</i>			
Medical Assistance - Long-Term Care.....	\$ 129,281	\$ 81,381	\$ 0
Home and Community-Based Services.....	120,668	120,668	0
Medical Assistance - Transportation Services.....	3,500	3,500	3,500
Medical Assistance - Community HealthChoices.....	0	166,806	397,013
Total - Grants and Subsidies.....	\$ 253,449	\$ 372,355	\$ 400,513
<b>LOTTERY FUND TOTAL</b> .....	<b>\$ 253,449</b>	<b>\$ 372,355</b>	<b>\$ 400,513</b>

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>OTHER FUNDS:</b>			
<b>TOBACCO SETTLEMENT FUND:</b>			
Medical Care for Workers with Disabilities (EA).....	\$ 104,810	\$ 114,795 t	\$ 113,165
(F)Medical Assistance - Workers with Disabilities (EA).....	116,957	125,614 u	123,830
Subtotal.....	<u>\$ 221,767</u>	<u>\$ 240,409</u>	<u>\$ 236,995</u>
Uncompensated Care (EA).....	28,578	31,301 v	30,856
(F)Medical Assistance - Uncompensated Care (EA).....	36,936	34,251 w	33,764
Subtotal.....	<u>\$ 65,514</u>	<u>\$ 65,552</u>	<u>\$ 64,620</u>
Home and Community-Based Services (EA).....	45,418	0	0
(F)Medical Assistance - Community Services (EA).....	50,702	0	0
Subtotal.....	<u>\$ 96,120</u>	<u>\$ 0</u>	<u>\$ 0</u>
Medical Assistance - Long-Term Care.....	133,922	20,908	0
Medical Assistance - Community HealthChoices.....	0	149,201 x	161,920
<b>TOBACCO SETTLEMENT FUND TOTAL.....</b>	<b><u>\$ 517,323</u></b>	<b><u>\$ 476,070</u></b>	<b><u>\$ 463,535</u></b>
<b>CHILDREN'S TRUST FUND:</b>			
Children's Trust Fund (EA).....	\$ 1,400	\$ 1,400	\$ 1,400
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 12,151,147	\$ 12,582,330	\$ 12,988,602
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	253,449	372,355	400,513
FEDERAL FUNDS.....	21,812,143	22,736,738	21,882,674
AUGMENTATIONS.....	2,771,321	4,078,022	3,452,790
RESTRICTED.....	32,087	28,427	35,670
OTHER FUNDS.....	518,723	477,470	464,935
<b>TOTAL ALL FUNDS.....</b>	<b><u>\$ 37,538,870</u></b>	<b><u>\$ 40,275,342</u></b>	<b><u>\$ 39,225,184</u></b>

## Summary by Fund and Appropriation

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- <sup>a</sup> Includes recommended supplemental appropriation of \$17,833,000.
  - <sup>b</sup> Includes recommended supplemental appropriation of \$240,298,000.
  - <sup>c</sup> Reflects recommended appropriation reduction of \$5,033,000.
  - <sup>d</sup> Includes recommended supplemental appropriation of \$16,000.
  - <sup>e</sup> Includes recommended supplemental appropriation of \$3,551,000.
  - <sup>f</sup> Includes recommended supplemental appropriation of \$116,000.
  - <sup>g</sup> Includes recommended supplemental appropriation of \$39,571,000.
  - <sup>h</sup> Includes recommended supplemental appropriation of \$94,910,000.
  - <sup>i</sup> Includes recommended supplemental appropriation of \$21,981,000.
  - <sup>j</sup> Includes recommended supplemental appropriation of \$7,474,000.
  - <sup>k</sup> Includes recommended supplemental appropriation of \$15,490,000.
  - <sup>l</sup> Includes recommended supplemental appropriation of \$16,415,000.
  - <sup>m</sup> Includes recommended supplemental appropriation of \$21,469,000.
  - <sup>n</sup> Includes recommended supplemental appropriation of \$55,000,000.
  - <sup>o</sup> Includes recommended supplemental appropriation of \$26,280,000.
  - <sup>p</sup> Reflects recommended appropriation reduction of \$500,000.
  - <sup>q</sup> Includes recommended supplemental appropriation of \$25,159,000.
  - <sup>r</sup> Includes recommended supplemental appropriation of \$50,278,000.
  - <sup>s</sup> Includes recommended supplemental appropriation of \$13,722,000.
  - <sup>t</sup> Includes recommended supplemental executive authorization of \$11,201,000.
  - <sup>u</sup> Includes recommended supplemental executive authorization of \$12,744,000.
  - <sup>v</sup> Includes recommended supplemental executive authorization of \$3,055,000.
  - <sup>w</sup> Includes recommended supplemental executive authorization of \$3,343,000.
  - <sup>x</sup> Includes recommended supplemental appropriation of \$16,323,000.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>HUMAN SERVICES SUPPORT</b>							
GENERAL FUND.....	\$ 175,132	\$ 180,847	\$ 194,840	\$ 193,664	\$ 193,664	\$ 193,664	\$ 193,664
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	379,470	326,362	294,440	294,440	294,440	294,440	294,440
AUGMENTATIONS.....	8,275	10,785	10,785	10,785	10,785	10,785	10,785
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 562,877</b>	<b>\$ 517,994</b>	<b>\$ 500,065</b>	<b>\$ 498,889</b>	<b>\$ 498,889</b>	<b>\$ 498,889</b>	<b>\$ 498,889</b>
<b>MEDICAL ASSISTANCE AND HEALTH CARE DELIVERY</b>							
GENERAL FUND.....	\$ 4,405,636	\$ 4,393,822	\$ 4,079,876	\$ 4,352,915	\$ 4,513,125	\$ 4,679,070	\$ 4,851,234
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	3,500	3,500	3,500	3,500	3,500	3,500	3,500
FEDERAL FUNDS.....	12,646,083	12,846,580	11,555,210	12,275,953	12,611,330	12,994,407	13,389,642
AUGMENTATIONS.....	2,026,653	2,998,735	2,687,734	2,835,870	2,835,870	2,835,870	2,835,870
RESTRICTED.....	32,087	28,427	35,670	30,730	30,730	30,730	30,730
OTHER FUNDS.....	287,281	305,961	301,615	301,615	301,615	301,615	301,615
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 19,401,240</b>	<b>\$ 20,577,025</b>	<b>\$ 18,663,605</b>	<b>\$ 19,800,583</b>	<b>\$ 20,296,170</b>	<b>\$ 20,845,192</b>	<b>\$ 21,412,591</b>
<b>LONG-TERM LIVING</b>							
GENERAL FUND.....	\$ 2,494,509	\$ 2,733,510	\$ 3,316,488	\$ 3,634,118	\$ 3,902,927	\$ 4,112,854	\$ 4,313,689
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	249,949	368,855	397,013	434,948	435,223	435,223	435,223
FEDERAL FUNDS.....	3,949,927	4,594,830	5,060,039	5,448,398	5,659,322	5,878,773	6,107,096
AUGMENTATIONS.....	631,274	967,762	654,866	662,752	662,752	662,752	662,752
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	230,042	170,109	161,920	161,920	161,920	161,920	161,920
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 7,555,701</b>	<b>\$ 8,835,066</b>	<b>\$ 9,590,326</b>	<b>\$ 10,342,136</b>	<b>\$ 10,822,144</b>	<b>\$ 11,251,522</b>	<b>\$ 11,680,680</b>
<b>INCOME MAINTENANCE</b>							
GENERAL FUND.....	\$ 522,275	\$ 498,664	\$ 541,539	\$ 541,539	\$ 541,539	\$ 541,539	\$ 541,539
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	1,491,309	1,415,967	1,256,919	1,256,919	1,256,919	1,256,919	1,256,919
AUGMENTATIONS.....	10,945	14,215	14,411	14,411	14,411	14,411	14,411
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 2,024,529</b>	<b>\$ 1,928,846</b>	<b>\$ 1,812,869</b>	<b>\$ 1,812,869</b>	<b>\$ 1,812,869</b>	<b>\$ 1,812,869</b>	<b>\$ 1,812,869</b>
<b>MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES</b>							
GENERAL FUND.....	\$ 819,964	\$ 835,010	\$ 863,222	\$ 866,035	\$ 866,035	\$ 866,035	\$ 866,035
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	247,528	261,049	288,578	258,578	258,578	258,578	258,578
AUGMENTATIONS.....	38,680	37,439	37,184	37,184	37,184	37,184	37,184
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 1,106,172</b>	<b>\$ 1,133,498</b>	<b>\$ 1,188,984</b>	<b>\$ 1,161,797</b>	<b>\$ 1,161,797</b>	<b>\$ 1,161,797</b>	<b>\$ 1,161,797</b>



## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>INTELLECTUAL DISABILITIES</b>							
GENERAL FUND.....	\$ 1,963,571	\$ 2,084,700	\$ 2,116,858	\$ 2,213,200	\$ 2,282,790	\$ 2,355,163	\$ 2,430,431
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	2,009,837	2,083,578	2,161,911	2,262,255	2,333,963	2,408,539	2,486,098
AUGMENTATIONS.....	50,971	44,449	44,259	44,259	44,259	44,259	44,259
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 4,024,379</b>	<b>\$ 4,212,727</b>	<b>\$ 4,323,028</b>	<b>\$ 4,519,714</b>	<b>\$ 4,661,012</b>	<b>\$ 4,807,961</b>	<b>\$ 4,960,788</b>
<b>HUMAN SERVICES</b>							
GENERAL FUND.....	\$ 1,310,387	\$ 1,358,671	\$ 1,389,230	\$ 1,404,230	\$ 1,404,230	\$ 1,404,230	\$ 1,404,230
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	465,508	484,827	494,826	494,826	494,826	494,826	494,826
AUGMENTATIONS.....	2,828	2,932	1,846	1,846	1,846	1,846	1,846
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 1,778,723</b>	<b>\$ 1,846,430</b>	<b>\$ 1,885,902</b>	<b>\$ 1,900,902</b>	<b>\$ 1,900,902</b>	<b>\$ 1,900,902</b>	<b>\$ 1,900,902</b>
<b>CHILD DEVELOPMENT</b>							
GENERAL FUND.....	\$ 459,673	\$ 497,106	\$ 486,549	\$ 560,749	\$ 560,749	\$ 560,749	\$ 560,749
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	622,481	723,545	770,751	696,551	696,551	696,551	696,551
AUGMENTATIONS.....	1,695	1,705	1,705	1,705	1,705	1,705	1,705
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	1,400	1,400	1,400	1,400	1,400	1,400	1,400
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 1,085,249</b>	<b>\$ 1,223,756</b>	<b>\$ 1,260,405</b>	<b>\$ 1,260,405</b>	<b>\$ 1,260,405</b>	<b>\$ 1,260,405</b>	<b>\$ 1,260,405</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 12,151,147	\$ 12,582,330	\$ 12,988,602	\$ 13,766,450	\$ 14,265,059	\$ 14,713,304	\$ 15,161,571
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	253,449	372,355	400,513	438,448	438,723	438,723	438,723
FEDERAL FUNDS.....	21,812,143	22,736,738	21,882,674	22,987,920	23,605,929	24,283,033	24,984,150
AUGMENTATIONS.....	2,771,321	4,078,022	3,452,790	3,608,812	3,608,812	3,608,812	3,608,812
RESTRICTED.....	32,087	28,427	35,670	30,730	30,730	30,730	30,730
OTHER FUNDS.....	518,723	477,470	464,935	464,935	464,935	464,935	464,935
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 37,538,870</b>	<b>\$ 40,275,342</b>	<b>\$ 39,225,184</b>	<b>\$ 41,297,295</b>	<b>\$ 42,414,188</b>	<b>\$ 43,539,537</b>	<b>\$ 44,688,921</b>

## Program: Human Services Support

*Goal: To provide effective administrative and support systems through which the substantive programs of the department can be operated.*

Human Services Support provides management and administrative systems required to implement, maintain, and monitor programs of the department.

Information systems support the management of human services by providing timely and accurate information that enables the integration of numerous client services and tracks individual progress toward self-sufficiency. The continued creation and expansion of web-based applications allows for more online services and efficient maintenance of common client and provider databases, as well as case management systems, for use across programs.

The [Medical Assistance \(MA\) third-party liability program](#) is also included as part of Human Services Support. The recovery of MA dollars, which have been paid either incorrectly or correctly, is ongoing and occurs where other funding sources have become available or there is a requirement to recoup expended funds.

In addition, the program strives to ensure the health, safety and well-being of Pennsylvanians who are vulnerable due to age or disability by [inspecting, licensing, and otherwise regulating](#) residential and other services that support them.

### Program Recommendations:

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

	<b>General Government Operations</b>		<b>Information Systems</b>
\$ 6,565	—to continue current program.	\$ 2,305	—to continue current program.
2,522	—to reflect change in federal earnings.		
768	—Initiative—for increased inspections and licensing of personal care homes and assisted living residences.		
1,833	—Initiative—for increased inspections and licensing of residential and day-treatment programs that serve people with intellectual and developmental disabilities.		
<u>\$ 11,688</u>	<i>Appropriation Increase</i>		

The 211 Communications appropriation is recommended at the current year funding level.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 94,477	\$ 96,196	\$ 107,884	\$ 106,708	\$ 106,708	\$ 106,708	\$ 106,708
Information Systems .....	80,655	83,901	86,206	86,206	86,206	86,206	86,206
211 Communications .....	0	750	750	750	750	750	750
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 175,132</b>	<b>\$ 180,847</b>	<b>\$ 194,840</b>	<b>\$ 193,664</b>	<b>\$ 193,664</b>	<b>\$ 193,664</b>	<b>\$ 193,664</b>

## Program: Human Services Support (continued)

<b>Program Measures:</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Maintain services and supports that will improve the cost effectiveness of human services programs.</b>							
Online applications submitted through COMPASS.....	785,378	864,554	755,245	782,671	874,703	885,425	895,647
Percentage of all applications submitted online through COMPASS.....	31.3%	30.4%	33.2%	35.2%	39.5%	42.3%	44.8%
Percentage of all COMPASS users who are also using the mobile application .....	N/A	N/A	N/A	8%	33%	36%	40%
Average number of days to process an application - MA/NH/Waiver.....	N/A	19.7	12.7	12.5	11.9	11.9	11.9
Average number of days to process an application - TANF .....	N/A	12.5	10.9	9.7	9.5	9.5	9.5
Average number of days to process an application - SNAP .....	N/A	10.9	7.7	7.3	7.1	7.1	7.1

## Program: Medical Assistance and Health Care Delivery

*Goal: To support a health care delivery system that provides comprehensive health care services in appropriate settings for the eligible populations.*

Pennsylvania's [Medical Assistance \(MA\) program](#) provides access to comprehensive physical and behavioral health care services for low-income individuals and families, and the Children's Health Insurance Program (CHIP) provides free or low-cost health insurance coverage to uninsured children whose families earn too much to qualify for MA, but who could not afford to purchase private insurance. Beginning April 2015, Pennsylvania expanded Medicaid to include individuals up to 138 percent of the federal poverty level. Medicaid expansion resulted in the inclusion of over 700,000 previously uninsured individuals into the MA program.

### Medical Assistance – Capitation

Health care services for most MA recipients are provided through managed care organizations (MCOs) utilizing a per member per month rate per recipient enrolled. MCOs emphasize outpatient preventive health services and care management as a means of improving health outcomes and controlling costs. The coordinated approach allows enhanced continuity of care, improves recipients' access to primary care and specialized behavioral health programs, provides strengthened oversight of operational standards, and facilitates efficient utilization of limited health care resources.

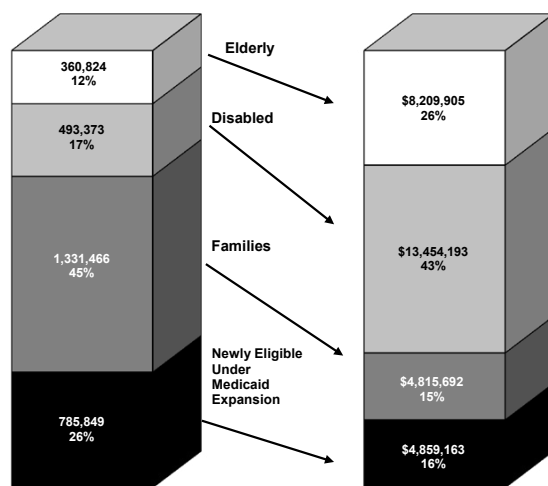
Pennsylvania's mandatory managed care program is known as [HealthChoices](#). Physical health (PH) [managed care services](#) for a majority of MA recipients are administered by the Office of Medical Assistance Programs (OMAP). The program is managed to emphasize quality, access, and value for the funds that are expended. The program is provided through grant agreements with eight risk-based MCOs in five geographic zones. PH-MCO enrollees receive medically necessary physical health services, which include inpatient, outpatient, primary care, pharmaceuticals, home health, dental, and vision services. [Community HealthChoices](#) (CHC), a mandatory managed care program for dually eligible individuals and individuals with physical disabilities, has been implemented in the southwest and southeast regions of the state. CHC, which is administered by the Office of Long-Term Living, covers the physical health benefits, home and community-based services, and nursing facility services for the enrolled population. CHC will be implemented statewide January 2020.

The HealthChoices Behavioral Health (BH), administered by the Office of Mental Health and Substance Abuse Services, is provided through contracts with counties who utilize an independent BH-MCO or through contracts directly

## Medicaid Appropriations and Enrollees by Category of Assistance

### Fiscal Year 2019-20

(Dollar Amounts in Thousands)



Although the disabled and elderly are only 29% of the total Medical Assistance population, they account for 69% of the Medical Assistance appropriations.

#### Number of Eligible People

#### Total Appropriations

Medicaid appropriations include Medical Assistance - Capitation, Medical Assistance - Fee-for-Service, Payment to Federal Government - Medicare Drug Program, Medical Assistance - Workers with Disabilities, Medical Assistance - Transportation, Medical Assistance - Long-Term Care, Medical Assistance - Community HealthChoices, Home and Community-Based Services, Long-Term Care Managed Care, Services to Persons with Disabilities, Attendant Care, Intellectual Disabilities - Intermediate Care Facilities, Intellectual Disabilities - Community Waiver Program, and Autism Intervention and Services.

**Program: Medical Assistance and Health Care Delivery (continued)**

with BH-MCOs. Services provided include psychiatric inpatient treatment, partial hospitalization, psychiatric outpatient services, Early Periodic Screening Diagnosis and Treatment services for children, case management, drug and alcohol detoxification, rehabilitation services, mobile mental health treatment, and peer support services.

Pennsylvania is focused on strategies to address the opioid crisis in the commonwealth, including providing medication-assisted treatment, increasing the instances where opioids must receive prior authorization, and providing appropriate wraparound services. Part of those services include the Centers of Excellence for opioid-related substance use disorder. The centers are a central, efficient hub around which treatment revolves. The centers have navigators/navigational care managers to assist people with opioid-related substance use disorders through the medical system and ensure they receive behavioral and physical health care, as well as any evidence-based medication-assisted treatment needed. On-going funding is provided for treatment.

**Medical Assistance – Fee-for-Service**

MA recipients not participating in the HealthChoices PH program or CHC are in the fee-for-service delivery system, including but not limited to: nursing home residents in non-CHC zones (after 30 days), Health Insurance Premium Payment eligible members, residents of state institutions, and recipients age 21 and older that are dually eligible for Medicare and Medicaid and receive services through the Office of Developmental Programs. New MA recipients are usually enrolled in fee-for-service for a brief time before choosing an MCO and enrolling in the PH HealthChoices program or CHC.

Inpatient and outpatient health care services for the remaining MA recipients are provided through the fee-for-service delivery system. Services are paid in accordance with the pre-established MA Fee Schedule. Additional payments are made to hospitals to partially offset the cost of uncompensated care or extraordinary medical services provided by hospitals to individuals with no, or inadequate, health care insurance.

OMAP has taken steps to cost-effectively manage utilization of pharmacy services without compromising access to quality care. The use of clinically-based preferred drug lists provides for supplemental drug rebates and enforces the use of drugs considered best in class. Additional efforts include prior authorization of medications

with high costs or health and safety risks to consumers and the implementation of quantity limits.

**Medical Assistance Transportation Program**

The purpose of the [Medical Assistance Transportation Program](#) (MATP) is to coordinate and provide efficient and cost-effective non-emergency medical transportation to ensure access to health care services for MA recipients who have no other means of transportation available. MATP provides funding to counties, direct vendors, and a transportation broker in Philadelphia County to provide this service. Each is responsible for providing transportation to and/or from a medical facility, physician's office, dentist's office, hospital, clinic, pharmacy, or purveyor of medical equipment for the purpose of receiving medical treatment, medical evaluation, or purchasing prescription drugs or medical equipment. The department will solicit a regional broker model to administer MATP across the state in Fiscal Year 2019-2020.

**Expanded Medical Services for Women**

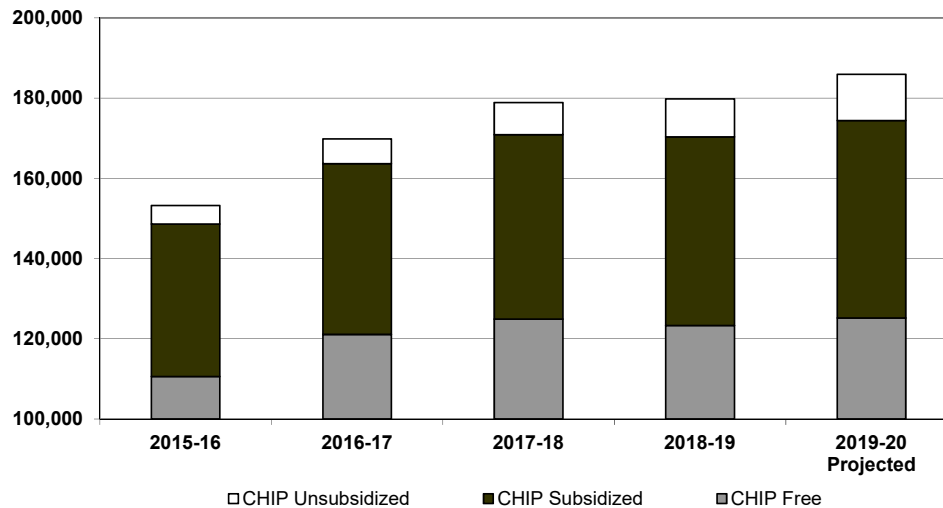
The Expanded Medical Services for Women program provides counseling and other services to women seeking alternatives to abortion. Nonprofits are awarded grants to provide services to women for up to 12 months after childbirth including food, shelter, clothing, health care, counseling, adoption services, parenting classes, assistance for post-delivery stress, and other support programs.

**Children's Health Insurance Program**

The [Children's Health Insurance Program](#) (CHIP) provides free or low-cost health insurance coverage to uninsured children whose families earn too much to qualify for MA, but who could not afford to purchase private insurance. Eligible children must be under 19 years of age, a resident of Pennsylvania, and a citizen of the United States, U.S. national, or lawfully residing as determined by the U.S. Citizenship and Immigration Service. CHIP offers a comprehensive package of benefits including well child visits, immunizations, prescription coverage, emergency care, inpatient services, mental health services, hearing, vision, and dental services. The income eligibility limit for subsidized coverage, with cost-sharing on a sliding scale, is 314 percent of the federal poverty level with higher-income families able to purchase health care coverage at the commonwealth's cost.

## Program: Medical Assistance and Health Care Delivery (continued)

### Children's Health Insurance Children Served



Pennsylvania's Children's Health Insurance Program (CHIP) has been a national leader in ensuring that access to free or subsidized health care is available for children of low-income families. It is projected that an average of 185,900 uninsured children will be served by the program in 2019-20.

### Program Recommendations:

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

<b>GENERAL FUND</b>			
<b>Children's Health Insurance Administration</b>			
\$ 31	—to continue current program.	\$ -8,350	—funding reduction.
492	—revision of federal financial participation from 89.58% to 78.08%.	16,191	—change in caseload and utilization.
		7,834	—increase in costs and clients eligible for Medicare Part A and B premiums.
\$ 523	<i>Appropriation Increase</i>	1,595	—impact from administrative/cash flow adjustments and other payments.
<b>Medical Assistance - Capitation</b>			
\$ 74,877	—change in enrollment and rate increases.	-5,700	—impact of increase in pharmacy rebates.
3,221	—nonrecurring prior year carryover funds.	-7,848	—nonrecurring settlement payment.
-37,665	—impact of increase in pharmacy rebates.	4,348	—revision of federal financial participation from a full-year blended rate of 52.1425% to 52.25% and under Affordable Care Act from 94% to 93% effective January 1, 2019 and from 93% to 90% effective January 1, 2020.
-69,640	—nonrecurring health insurance provider fee.	-3,483	—nonrecurring prior year payments and other revenue and administrative adjustments.
90,531	—revision of federal financial participation under Affordable Care Act from 94% to 93% effective January 1, 2019 and from 93% to 90% effective January 1, 2020.	-5,000	—impact of a new Emergency Ambulance Service Intergovernmental Transfer.
-16,337	—revision of federal financial participation from a full-year blended rate of 52.1425% to 52.25%.	-1,746	—net impact of change in assessment revenues.
28,674	—nonrecurring prior year payments and other revenue and administrative adjustments.	295,000	—reflects transfer of a portion of the Statewide Hospital Assessment revenue to the Medical Assistance - Capitation appropriation.
-12,500	—impact of a new Ambulatory Surgical Center assessment.	-132,158	—to implement Community HealthChoices statewide beginning January 1, 2020, including annualization of the southeast implementation which began January 2019.
-119,497	—impact of change to the Medical Assistance - MCO Assessment revenue.	2,000	—Initiative—to provide support for a disability advocacy program.
-295,000	—reflects transfer of the Statewide Hospital Assessment revenue from the Medical Assistance - Fee-for-Service appropriation.	\$ 162,683	<i>Appropriation Increase</i>
-99,595	—to implement Community HealthChoices statewide beginning January 1, 2020, including annualization of the southeast implementation which began January 2019.		
-63,496	—Initiative—savings as a result of increasing the minimum wage to \$12 an hour.		
\$ -516,427	<i>Appropriation Decrease</i>		

## Program: Medical Assistance and Health Care Delivery (continued)

### Program Recommendations: (continued) This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>Payment to Federal Government - Medicare Drug Program</b>			<b>Medical Assistance - Transportation</b>
\$ 14,817	—reflects increase in mandated payback for pharmacy services.	\$ 3,847		—change in caseload and utilization.
—474	—net impact of nonrecurring carryover funds.	267		—revision of federal financial participation under Affordable Care Act from 94% to 93% effective January 1, 2019 and from 93% to 90% effective January 1, 2020.
\$ 14,343	<i>Appropriation Increase</i>		-36	—revision of federal financial participation from a full-year blended rate of 52.1425% to 52.25%.
	<b>Medical Assistance - Workers with Disabilities</b>		-9,479	—nonrecurring federal disallowance payment.
\$ 4,260	—change in caseload and utilization.	\$ -5,401		<i>Appropriation Decrease</i>
-322	—revision of federal financial participation from a full-year blended rate of 52.1425% to 52.25%.			
1,630	—reflects impact of decrease in available Tobacco Settlement Funds.	\$ 989		<b>Children's Health Insurance Program</b>
\$ 5,568	<i>Appropriation Increase</i>	1,838		—to continue current program.
	<b>Medical Assistance - Physician Practice Plans</b>	37,819		—to provide for a rate increase.
\$ -3,500	—funding reduction.	-7,243		—revision of federal financial participation from 89.58% to 78.08%.
	<b>Medical Assistance - Academic Medical Centers</b>	-3,588		—nonrecurring prior year restricted cigarette tax revenue.
\$ -7,250	—funding reduction.	5,700		—impact of change in assessment revenue.
		\$ 35,515		—Initiative—to provide for an increase in the minimum wage to \$12 an hour.
				<i>Appropriation Increase</i>

In addition, this budget recommends \$35,670,000 in restricted cigarette tax revenue for the Children's Health Insurance Program. All other appropriations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Children's Health Insurance Administration	\$ 592	\$ 588	\$ 1,111	\$ 1,944	\$ 2,127	\$ 2,127	\$ 2,127
Medical Assistance – Capitation	3,106,676	3,193,036	2,676,609	2,845,774	2,930,640	3,033,061	3,138,554
Medical Assistance – Fee-for-Service	477,690	264,352	427,035	404,822	412,918	421,176	429,600
Payment to Federal Government – Medicare Drug Program	658,174	754,726	769,069	808,131	848,538	890,965	935,513
Medical Assistance – Workers with Disabilities	26,188	25,807	31,375	33,150	33,150	33,150	33,150
Medical Assistance – Physician Practice Plans	10,071	10,071	6,571	6,571	6,571	6,571	6,571
Medical Assistance – Hospital-Based Burn Centers	3,782	3,782	3,782	3,782	3,782	3,782	3,782
Medical Assistance – Critical Access Hospitals	6,997	10,400	10,400	10,400	10,400	10,400	10,400
Medical Assistance – Obstetric and Neonatal Services	3,681	3,681	3,681	3,681	3,681	3,681	3,681
Medical Assistance – Trauma Centers	8,656	8,656	8,656	8,656	8,656	8,656	8,656
Medical Assistance – Academic Medical Centers	24,681	24,681	17,431	17,431	17,431	17,431	17,431
Medical Assistance – Transportation	61,511	75,054	69,653	71,072	72,493	73,943	75,422
Expanded Medical Services for Women	6,263	6,263	6,263	6,263	6,263	6,263	6,263
Children's Health Insurance Program	10,674	12,725	48,240	131,238	156,475	167,864	180,084
<b>TOTAL GENERAL FUND</b>	<b>\$ 4,405,636</b>	<b>\$ 4,393,822</b>	<b>\$ 4,079,876</b>	<b>\$ 4,352,915</b>	<b>\$ 4,513,125</b>	<b>\$ 4,679,070</b>	<b>\$ 4,851,234</b>
<b>LOTTERY FUND:</b>							
Medical Assistance – Transportation Services	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 3,500



## Program: Medical Assistance and Health Care Delivery (continued)

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Maintain services and supports to eligible Pennsylvanians while helping them to improve their health and well-being.

##### Medical Assistance

Persons participating in Medical Assistance (monthly average) .....	2,147,889	2,354,542	2,716,782	2,852,697	2,907,652	2,934,635	2,971,512
Persons participating in Medical Assistance (monthly average) – Adults (ages 21 and older).....	1,063,718	1,208,923	1,521,947	1,640,007	1,684,006	1,715,455	1,747,119
Persons participating in Medical Assistance (monthly average) – Children (under age 21).....	1,084,171	1,145,619	1,194,834	1,212,690	1,223,646	1,219,180	1,224,393
Newly Medicaid-eligible adults receiving enhanced federal match under the ACA (monthly average)	N/A	486,725	724,524	785,188	785,366	785,679	785,993

##### Managed Care

Emergency Room utilization per 1,000 member-months .....	76.0	76.0	74.0	74.0	72.0	68.9	68.5
Inpatient utilization (total discharges per 1,000 member-months).....	10.00	10.00	9.00	8.00	7.00	7.13	7.00
Percentage of children from birth to 15 months visiting a physician 6 or more times in the past year .....	64.40%	64.96%	65.24%	69.49%	68.66%	69.90%	70.40%
Percentage of children ages 12 to 24 months visiting a doctor or nurse in the past year .....	96.71%	96.65%	97.01%	97.00%	96.32%	95.98%	96.48%
Percentage of children 25 months to 6 years visiting a doctor or nurse in the past year.....	87.69%	88.16%	89.00%	88.97%	88.60%	88.36%	88.86%
Percentage of pregnant women receiving over 80% of the recommended prenatal visits* .....	71.19%	72.84%	64.38%	71.50%	73.88%	70.60%	74.80%
Percentage of persons ages 2 to 20 receiving at least one dental visit during the measurement year.....	55.55%	56.71%	58.20%	60.00%	60.77%	63.00%	63.50%
Percentage of persons ages 18 to 75 with diabetes (type 1 and type 2) who had Hemoglobin A1c poor control (>9%) (Note: a lower rate equals better performance) .....	39.74%	37.19%	38.13%	37.47%	36.35%	34.69%	34.19%
Percentage of persons ages 1 to 17 on 2 or more antipsychotic medications for more than 90 days.....	N/A	N/A	2.73%	1.64%	1.55%	1.50%	1.00%

##### Transportation Program

One-way trips (in thousands).....	8,702	8,683	8,698	8,663	8,581	8,814	9,566
Cost per trip .....	\$13.52	\$12.85	\$13.48	\$15.24	\$15.67	\$17.24	\$16.61

##### Medical Care for Workers with Disabilities

Recipients enrolled in program (monthly average).....	34,933	37,067	31,032	29,223	29,697	28,702	27,976
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#### Enable eligible Pennsylvanians to secure access to quality, affordable health insurance coverage.

##### Children's Health Insurance Program

Children's Health Insurance Program (CHIP) enrollment (monthly average) .....	185,256	153,312	153,199	169,853	178,912	179,823	185,930
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## Program: Medical Assistance and Health Care Delivery (continued)

<b>Program Measures: (continued)</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
Percentage of CHIP-enrolled two-year-olds with one or more capillary or venous blood tests for lead prior to their second birthday .....	49.90%	52.86%	55.10%	60.40%	61.90%	64.40%	66.90%
Percentage of CHIP-enrolled children ages 3 to 6 receiving a well-child visit with a primary care physician	81.17%	82.35%	83.50%	82.90%	86.50%	87.80%	89.10%
Percentage of CHIP-enrolled children ages 2 to 19 receiving an annual dental visit.....	69.80%	72.42%	72.60%	72.15%	72.30%	73.20%	74.10%
CHIP-enrolled children ages <1 to 19 utilizing an emergency department (visits per 1,000 member-months)	28.40	27.94	27.86	28.56	28.50	28.00	27.40
CHIP-enrolled children ages <1 to 19 with an acute inpatient discharge (discharges per 1,000 member-months) .....	1.10	0.91	0.89	0.85	0.86	0.80	0.74

\* This measure was retired for HEDIS 2018. This is now a PA Performance Measure.

## Program: Long-Term Living

*GOAL: To support a community living system that empowers persons with disabilities and older Pennsylvanians to live with dignity and independence in settings they prefer, to provide meaningful choice of community living services and to ensure that those services are delivered in a high-quality, cost-effective manner.*

The commonwealth's commitment to supporting people with disabilities and older Pennsylvanians is demonstrated through a continuum of services ranging from independent living with the support of home and community-based services to institutional care. The department is responsible for ensuring that services are being provided in a consistent and cost-effective manner.

### Community HealthChoices (CHC)

The commonwealth's goal is to serve more people in the community. To reach that goal, it is transitioning from multiple existing Medicaid fee-for-service delivery systems to a consolidated, capitated, managed long-term services and supports system called [Community HealthChoices](#). Under CHC, physical health benefits, home and community-based services, and nursing facility services will be delivered by managed care organizations for individuals dually eligible for Medicare and Medicaid and for individuals needing the level of care provided by a nursing facility. CHC is rolling out in three phases which began in the southwest in January 2018, the southeast in January 2019, and will finish in January 2020 with the remainder of the commonwealth.

### Home and Community-Based Services

The commonwealth recognizes the value of providing greater independence, choices, and opportunities for individuals with disabilities and older Pennsylvanians

by delivering services in the home and community. For qualifying individuals who want to receive services in the community, the department currently administers five home and community-based Medicaid waiver programs, the [Act 150 program](#), and the [Living Independence for the Elderly \(LIFE\) program](#), which help individuals to live as independently as possible, integrated in their communities.

LIFE fully integrates Medicare and Medicaid funding to provide a fully coordinated and comprehensive service package to enrollees who are aged 55 and older, are nursing facility clinically eligible, and reside in an area served by a LIFE provider. The LIFE service package includes acute care, long-term care, behavioral health and pharmaceutical coverage.

### Nursing Facility Services

Institutional services are provided to eligible persons by nursing facilities that are certified, in accordance with established standards, to participate in the Medical Assistance program. Nursing facility care is available to Medical Assistance recipients who are financially eligible and are determined nursing facility clinically eligible through a level of care assessment. Nursing facility care involves daily medical treatment and rehabilitation services prescribed by a licensed physician. The services are provided by or under the supervision of licensed professional nursing personnel or other professional health personnel.

## Program Recommendations:

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

GENERAL FUND			
	<b>Medical Assistance - Long-Term Care</b>	224,614	—reflects the transfer of Intergovernmental Transfer funds and assessment revenue to Community HealthChoices.
\$ -17,600	—funding reduction.		
2,820	—increase in utilization.	-512,406	—to implement Community HealthChoices statewide beginning January 1, 2020, including annualization of the southeast implementation which began January 2019.
9,155	—reflects annualization of the one percent rate increase effective on January 1, 2019.		
-2,075	—impact of administrative/cashflow adjustments and other payments.	\$ -384,354	<i>Appropriation Decrease</i>
-31,648	—one-time impact of the use of prior year funds.		
-2,671	—revision of federal financial participation from a full-year blended rate of 52.1425% to 52.25%.	\$ 1,244,364	<b>Medical Assistance - Community HealthChoices</b>
81,381	—reflects the transfer of Lottery Funds to Community HealthChoices.		—to continue current program including annualization of the southeast implementation which began January 2019.
20,908	—reflects the transfer of Tobacco Settlement Funds to Community HealthChoices.	698,474	—to implement Community HealthChoices statewide beginning January 1, 2020.
-156,832	—impact of other provider payments shifting to Community HealthChoices.	-14,635	—impact of increase in pharmacy rebates.
		-102,790	—one-time impact of the use of prior year funds.

## Program: Long-Term Living (continued)

**Program Recommendations: (continued)** This budget recommends the following changes: (Dollar Amounts in Thousands)

-1,698	—revision of federal financial participation from a full-year blended rate of 52.1425% to 52.25%.	1,611	—Initiative—to provide for an increase in the minimum wage to \$12 an hour.
344,069	—one-time use of Tobacco Settlement Funds from the settlement of prior year disputed payments.	\$ -236,797	<i>Appropriation Decrease</i>
-255,787	—impact of available Intergovernmental Transfer funds and assessment revenue.	\$ 26,861	<b>Attendant Care</b>
-230,207	—impact of available Lottery Funds.	10,947	—to continue current program, including annualization of prior year expansion.
-12,719	—impact of available Tobacco Settlement Funds.	-5,877	—to provide home and community-based services to 840 additional individuals with disabilities.
16,511	—Initiative—to provide for an increase in the minimum wage to \$12 an hour.	-748	—nonrecurring prior year costs.
\$ 1,685,582	<i>Appropriation Increase</i>	-197,552	—revision of federal financial participation from a full-year blended rate of 52.1425% to 52.25%.
	<b>Home and Community-Based Services</b>		—to implement Community HealthChoices statewide beginning January 1, 2020, including annualization of the southeast implementation which began January 2019.
\$ 83,501	—to continue current program, including annualization of prior year expansion.	543	—Initiative—to provide for an increase in the minimum wage to \$12 an hour.
26,226	—to provide home and community-based services to 1,860 additional older Pennsylvanians.	\$ -165,826	<i>Appropriation Decrease</i>
120,668	—reflects the transfer of Lottery Funds to Community HealthChoices.		<b>LOTTERY FUND</b>
-11,663	—nonrecurring prior year costs.		<b>Medical Assistance - Long-Term Care</b>
-2,197	—revision of federal financial participation from a full-year blended rate of 52.1425% to 52.25%.	\$ -81,381	—transfer to Community HealthChoices.
-544,742	—to implement Community HealthChoices statewide beginning January 1, 2020, including annualization of the southeast implementation which began January 2019.		<b>Home and Community-Based Services</b>
2,573	—Initiative—to provide for an increase in the minimum wage to \$12 an hour.	\$ -120,668	—transfer to Community HealthChoices.
\$ -325,634	<i>Appropriation Decrease</i>		<b>Medical Assistance - Community HealthChoices</b>
	<b>Long-Term Care Managed Care</b>	\$ 49,792	—transfer from the PENNCARE appropriation in the Department of Aging. To implement Community HealthChoices statewide beginning January 1, 2020, including annualization of the southeast implementation which began January 2019.
\$ 3,406	—to continue current program, including annualization of prior year expansion.	120,668	—transfer from Home and Community-Based Services. To implement Community HealthChoices statewide beginning January 1, 2020, including annualization of the southeast implementation which began January 2019.
3,947	—impact of the Community HealthChoices expansion.	81,381	—transfer from Medical Assistance - Long-Term Care. To implement Community HealthChoices statewide beginning January 1, 2020, including annualization of the southeast implementation which began January 2019.
3,499	—to provide home and community-based services to 300 additional older Pennsylvanians.		—decrease in Lottery Funds.
-505	—nonrecurring prior year costs.	-21,634	
-340	—revision of federal financial participation from a full-year blended rate of 52.1425% to 52.25%.	\$ 230,207	<i>Appropriation Increase</i>
\$ 10,007	<i>Appropriation Increase</i>		
	<b>Services to Persons with Disabilities</b>		
\$ 35,176	—to continue current program, including annualization of prior year expansion.		
23,015	—to provide home and community-based services to 1,380 additional individuals with disabilities.		
-6,225	—nonrecurring prior year costs.		
-1,191	—revision of federal financial participation from a full-year blended rate of 52.1425% to 52.25%.		
-289,183	—to implement Community HealthChoices statewide beginning January 1, 2020, including annualization of the southeast implementation which began January 2019.		

## Program: Long-Term Living (continued)

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Medical Assistance - Long-Term Care.....	\$ 1,099,084	\$ 850,149	\$ 465,795	\$ 148,698	\$ 148,698	\$ 148,698	\$ 148,698
Medical Assistance - Community							
HealthChoices.....	0	662,269	2,347,851	3,280,083	3,540,653	3,741,929	3,933,680
Home and Community-Based Services.....	534,880	499,363	173,729	0	0	0	0
Long-Term Care Managed Care.....	138,294	146,926	156,933	164,780	173,019	181,670	190,754
Services to Persons with Disabilities.....	462,436	353,358	116,561	13,580	13,580	13,580	13,580
Attendant Care .....	259,815	221,445	55,619	26,977	26,977	26,977	26,977
<b>TOTAL GENERAL FUND.....</b>	<b>\$ 2,494,509</b>	<b>\$ 2,733,510</b>	<b>\$ 3,316,488</b>	<b>\$ 3,634,118</b>	<b>\$ 3,902,927</b>	<b>\$ 4,112,854</b>	<b>\$ 4,313,689</b>
<b>LOTTERY FUND:</b>							
Medical Assistance - Long-Term Care.....	\$ 129,281	\$ 81,381	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Home and Community-Based Services ....	120,668	120,668	0	0	0	0	0
Medical Assistance - Community							
HealthChoices.....	0	166,806	397,013	434,948	435,223	435,223	435,223
<b>TOTAL LOTTERY FUND .....</b>	<b>\$ 249,949</b>	<b>\$ 368,855</b>	<b>\$ 397,013</b>	<b>\$ 434,948</b>	<b>\$ 435,223</b>	<b>\$ 435,223</b>	<b>\$ 435,223</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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**Maintain supports and services for older Pennsylvanians and persons with physical disabilities and increase the number of these persons that live in their communities, instead of institutions, through the effective delivery of needed community-based supports.**

#### Long-Term Care \*

Number of long-term care recipients receiving institutional care (monthly average).....	49,764	48,119	49,543	50,451	39,069	27,256	5,943
Community HealthChoices - Recipients receiving institutional care (monthly average) .....	N/A	N/A	N/A	N/A	11,085	23,172	44,760
Number of long-term care recipients receiving home and community based waiver services (Waiver and Act 150) (monthly average) .....	40,496	46,020	51,271	55,994	57,971	22,178	670
Community HealthChoices - Recipients receiving home and community based waiver services (monthly average) .....	N/A	N/A	N/A	N/A	11,059	54,111	80,627
Percentage of long-term care recipients receiving institutional care (monthly average) .....	55%	51%	49%	47%	42%	40%	38%
Percentage of long-term care recipients receiving services in the community (monthly average).....	45%	49%	51%	53%	58%	60%	62%

#### Other Long-Term Living Services

Persons with developmental disabilities served in the OBRA Waiver (monthly average) .....	1,400	1,360	1,340	1,389	1,116	558	347
Recipients receiving services through the LIFE program (monthly average) .....	4,048	4,698	5,321	5,767	6,247	6,671	7,096
Number of persons transitioned to community living through the Nursing Home Transition Program	1,510	1,433	1,421	1,402	1,021	1,205	1,285

\* Long-Term Care program measures have been revised for this budget.

Persons with developmental disabilities served in the OBRA Waiver (monthly average) is a new program measure.

## Program: Income Maintenance

*Goal: To promote personal and parental responsibility and encourage economic independence and self-sufficiency through temporary cash assistance, job training, child care for families or individuals and nutrition support services.*

The broad purpose of public assistance is to provide temporary support to families and individuals in transition from dependency to economic self-sufficiency. Support may include education, job training and placement assistance, child care, transportation, other support services, and cash assistance.

### Income Assistance

Caseworkers in the county assistance offices (CAOs) review financial and non-financial criteria with applicants of [Temporary Assistance for Needy Families \(TANF\)](#), [Medical Assistance \(MA\)](#), [Low Income Home Energy Assistance Program \(LIHEAP\)](#), and the [Supplemental Nutrition Assistance Program \(SNAP\)](#) to determine eligibility for benefits.

The TANF program provides state and federal funds for temporary cash support for families in transition to self-sufficiency. TANF cash assistance is provided for a limited time to people who meet income and resource guidelines and who comply with work activity requirements or other requirements that are included on their Agreement of Mutual Responsibility (AMR). The AMR outlines the steps the individual will take and the services the CAO caseworkers will provide to enable the family to become independent from public assistance. Adults with disabilities to the extent that substantial gainful employment is not possible are required to cooperate in applying for federal benefits.

Federal regulations place a five-year lifetime limit on TANF cash assistance for most adult recipients and allow a hardship exemption for up to 20 percent of the TANF caseload. The department has implemented regulations

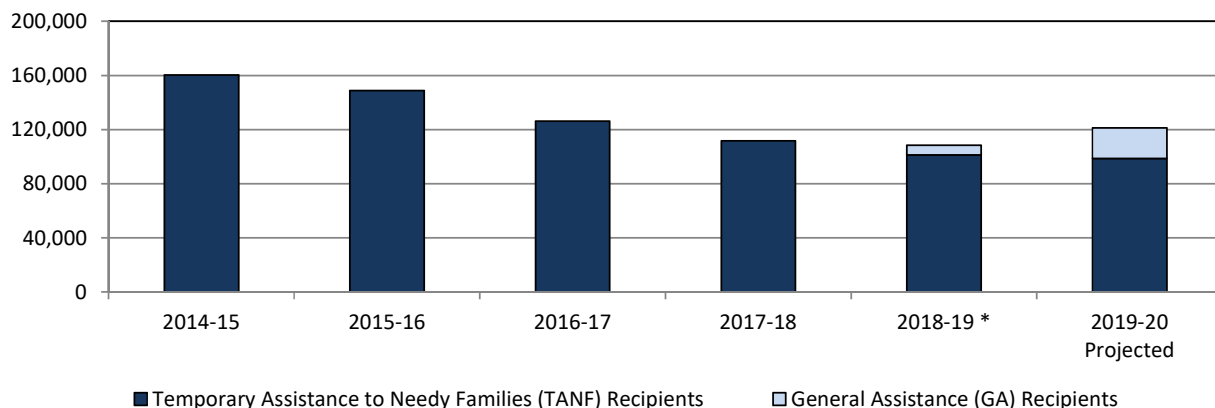
that define the hardship exemption and make provisions for extending the time period for a family with multiple barriers to employment that prevent the ability to reach self-sufficiency within the five-year limit.

The [General Assistance \(GA\) cash assistance program](#) provides support to individuals who meet specific requirements and who do not qualify for TANF. Those requirements are specified in [62 P.S. §432\(3\)](#) and include having a verified temporary or permanent mental or physical disability which precludes gainful employment, caretakers of children under the age of thirteen or of individuals with a disability, and time-limited assistance to individuals who are victims of domestic violence or who are in an approved drug or alcohol treatment facility.

LIHEAP is a 100 percent federally funded program that assists eligible households by providing funds to offset the burden of high energy costs. LIHEAP also provides funds in heating crisis situations, arranges and pays for emergency deliveries, expedites payments to avoid utility shut offs, and provides furnace repairs through other agencies. The eligibility standard includes every household member's income and is subject to annual revision based on the availability of funds. Payments are made to energy suppliers on behalf of persons responsible for paying heating costs or directly to those households where home heating is included in the rent.

SNAP is federally funded and regulated by the United States Department of Agriculture's Food and Nutrition Service, but is administered by the state to assist low-income recipients in buying the food they need to maintain a healthy lifestyle.

### Cash Grants (Caseload)



\* Reinstatement of the General Assistance Cash Assistance Program.

## Program: Income Maintenance (continued)

The Supplemental Security Income (SSI) program provides aged, blind, and disabled persons with a monthly payment based on nationally uniform eligibility standards. Presently, the monthly federal benefit rate is \$750 for individuals and \$1,125 for couples. Pennsylvania contributes a supplemental grant of \$22.10 for an individual and \$33.30 for couples to SSI recipients. A special monthly state supplement is paid to SSI-eligible persons in domiciliary care facilities and personal care homes. For SSI residents in personal care homes, the minimum personal needs allowance is \$85 a month.

The department also administers a disability advocacy program to assist mentally and physically disabled individuals in establishing their eligibility for federal SSI benefits.

### Employment, Training and Work Supports

The employment and training program, known as the Road to Economic Self-Sufficiency through Employment and Training (RESET), engages eligible individuals in activities to prepare for the workforce. RESET includes several programs and is intended to empower clients to take ownership of their journey to economic independence. The department offers programming to assist clients in obtaining employment with family-sustaining wages and benefits that lead to self-sufficiency.

The focus of all programming is to decrease dependency on public assistance and move towards self-sufficiency. In order to meet the employment needs of Pennsylvania's diverse assistance population, the department operates multiple programs based on the needs of the participant. The Employment, Advancement and Retention Network (EARN) program offers a full array of employment and training services designed to help recipients secure and retain employment and advance in their career. The Keystone Education Yields Success (KEYS) program is a collaborative program between the department and

certain higher education institutions designed to assist TANF recipients and, as funding permits, SNAP recipients in attending a higher education program. The Work Ready program provides services to help clients manage barriers that hinder them from achieving self-sufficiency.

Supportive services are also provided to facilitate and assist a client's transition to independence. Special allowances are used to support individuals as they pursue their education, job skills training, or employment goals through an approved employment and training program.

### **Child Support Enforcement**

[Pennsylvania Child Support Program](#) services are provided at the county level through cooperative agreements with the county Courts of Common Pleas and the county commissioners. The services include the establishment of paternity for a child born outside of marriage; the determination, establishment and enforcement of a financial child support obligation paid by the noncustodial parent to meet the ongoing daily needs of the child; and the procurement of medical support, including health insurance and/or the reimbursement of the uninsured child's medical expenses.

Child support enforcement services are available to children from birth to age 18 or until the child graduates from high school or becomes emancipated. The court may require child support to be paid for an individual over the age of 18 if extraordinary needs – excluding college tuition – exist. A designated portion of child support paid on behalf of a child receiving TANF benefits is passed through to the custodial parent and any residual amount is assigned to the department to reimburse cash assistance benefits issued to the child's family.

Federal funding of the Pennsylvania Child Support Program is based on its performance in establishing paternity and court orders for support, as well as collection of the ordered child support amounts.

## Program Recommendation:

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

	<b>County Administration - Statewide</b>
\$ 2,090	—to continue current program.
2,922	—to reflect change in federal earnings and other revenue.
<u>-459</u>	—use of prior year federal funds.
\$ 4,553	<i>Appropriation Increase</i>
	<b>County Assistance Offices</b>
\$ 11,230	—to continue current program.
-3,831	—to reflect change in federal earnings.
<u>-7,399</u>	—use of prior year federal funds.
\$ 0	<i>Net Appropriation Change</i>
	<b>New Directions</b>
\$ 348	—to continue current program.
652	—to reflect change in federal earnings.
<u>-1,000</u>	—use of prior year federal funds.
\$ 0	<i>Net Appropriation Change</i>

	<b>Cash Grants</b>
\$ -5,622	—impact of caseload changes.
38,196	—reinstatement of the General Assistance cash assistance program.
5,000	—Initiative—to pilot Parent Pathway programs which will provide support services to 50 families enabling low-income parents to pursue postsecondary training.
<u>37,574</u>	<i>Appropriation Increase</i>
	<b>Supplemental Grants - Aged, Blind, Disabled</b>
\$ 748	—impact of caseload increases.

The Child Support Enforcement appropriation is recommended at the current year funding level.



## Program: Income Maintenance (continued)

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
County Administration - Statewide.....	\$ 46,865	\$ 42,260	\$ 46,813	\$ 46,813	\$ 46,813	\$ 46,813	\$ 46,813
County Assistance Offices.....	283,661	255,350	255,350	255,350	255,350	255,350	255,350
Child Support Enforcement.....	16,546	16,298	16,298	16,298	16,298	16,298	16,298
New Directions.....	21,799	15,682	15,682	15,682	15,682	15,682	15,682
Cash Grants.....	25,457	43,290	80,864	80,864	80,864	80,864	80,864
Supplemental Grants - Aged, Blind and Disabled.....	127,947	125,784	126,532	126,532	126,532	126,532	126,532
<b>TOTAL GENERAL FUND.....</b>	<b>\$ 522,275</b>	<b>\$ 498,664</b>	<b>\$ 541,539</b>	<b>\$ 541,539</b>	<b>\$ 541,539</b>	<b>\$ 541,539</b>	<b>\$ 541,539</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Maintain services and supports to eligible Pennsylvanians while helping them to increase their self-sufficiency and well-being.

Persons receiving cash assistance (monthly average).....	165,794	160,490	143,930	126,283	111,594	101,438	98,729
Persons receiving State Supplemental Grants (monthly average).....	387,265	380,355	375,912	372,080	367,858	362,223	364,507
Persons receiving SNAP benefits.....	1,879,833	1,833,735	1,879,833	1,863,169	1,842,458	1,838,945	1,834,819
Households receiving energy cash payments.....	397,952	390,121	345,233	348,680	344,008	345,974	346,221
Households receiving energy crisis payments.....	133,756	130,349	89,735	87,681	109,112	95,509	97,434
TANF recipients enrolled in employment and training programs (monthly average).....	18,537	17,291	14,594	11,778	9,949	11,000	11,050
TANF recipients obtaining employment.....	50,065	54,259	54,039	52,110	51,503	52,000	52,050

## Program: Mental Health and Substance Abuse Services

*Goal: To maximize the individual's capacity for independent living through the provision of an array of service and support programs.*

The [Office of Mental Health and Substance Abuse Services](#) (OMHSAS) provides for an integrated behavioral health system addressing mental health treatment and support services, as well as substance use services. The objective of these services is to promote individual movement toward recovery. Community mental health funds, Behavioral Health Services funds for both mental health and substance use services, Act 152 funds that provide non-hospital residential substance use services, and federal grant funds are distributed to counties, county jointers, and single county authorities to provide behavioral health services. OMHSAS manages the delivery of community mental health services administered by counties under the [Pennsylvania Mental Health and Intellectual Disability \(MH/ID\) Act](#) and the [Mental Health Procedures Act](#). Medicaid-funded behavioral health services are provided through the state-administered fee-for-service behavioral health system or the [Medicaid HealthChoices Behavioral Health Managed Care program](#) either through county contracts or by direct contract with a behavioral health managed care organization.

### State Hospitals

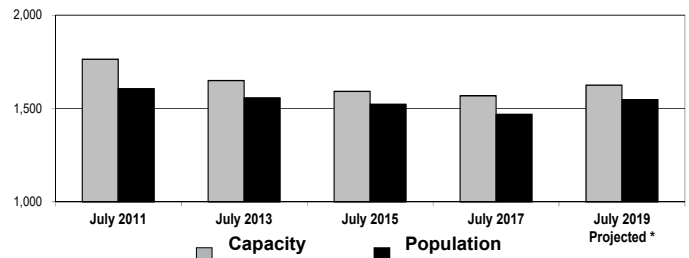
Direct mental health treatment services are currently provided through six state-operated hospitals and one restoration (long-term care) center. State hospitals provide long-term inpatient care for individuals who require intensive treatment. Additionally, they provide specialized inpatient care for the criminal and elderly (long-term) populations as well as a unit for the treatment of violent sexual predators, whose commitment in the Youth Development Center system terminates at age 21. To move individuals into the most integrated setting, efforts continue to assess and transfer individuals to community mental health programs, where services are provided in a less restrictive setting through the Community/Hospital Integration Projects Program (CHIPPs).

### County Mental Health System

The MH/ID Act requires county governments to provide an array of community-based mental health services, including unified intake, community consultation and education, support for families caring for members with mental disorders, and community residential programs. Community services are targeted to adults with serious mental illness and children and adolescents with or at risk of serious emotional disturbance. Key provisions of

service include recovery-oriented treatment, community care, and support services that enable individuals to live in the community and lead independent and productive lives. Non-residential services include family-based support, outpatient care, partial hospitalization, emergency and crisis intervention, peer to peer support, and after care. Community residential services include housing support, residential treatment, inpatient care, crisis services, and mobile therapy. Services are administered by single counties, county jointers, or through contracts with private, nonprofit organizations or agencies. Services, with some exceptions, are funded with state, federal and/or county matching funds.

**State Hospitals  
Population Compared to Capacity**



*The population at state hospitals has declined by 59 individuals (or 4 percent) since July 2011, as more people receive health services in the community. During that same period, capacity at the state hospitals has declined by 139 beds (or 8 percent).*

*\* The projected increase for July 2019 reflects additional beds and individuals to meet a settlement with the American Civil Liberties Union.*

### Substance Abuse Services

Substance use treatment services are provided to individuals with severe addictive disorders (including co-occurring mental health disorders) who are uninsured, who do not have insurance that covers the service needed, or who cannot obtain Medical Assistance benefits. Services available include the full continuum of treatment, as well as case management services, to assist this population with access to and retention in treatment to promote recovery.



Program: Mental Health and Substance Abuse Services (continued)

## Expenditures by Hospital, Restoration Center and Community Programs

(Dollar Amounts in Thousands)

	2017-18	2018-19	2019-20		2017-18	2018-19	2019-20
	Actual	Available	Budget		Actual	Available	Budget
<b>Allentown</b>				<b>Warren</b>			
State Funds.....	\$ 1,751	\$ 1,637	\$ 0	State Funds.....	\$ 21,751	\$ 24,004	\$ 25,336
Federal Funds.....	0	0	0	Federal Funds.....	23,694	23,709	24,709
Augmentations.....	0	0	0	Augmentations.....	2,294	1,700	1,700
TOTAL.....	<u>\$ 1,751</u>	<u>\$ 1,637</u>	<u>\$ 0</u>	TOTAL.....	<u>\$ 47,739</u>	<u>\$ 49,413</u>	<u>\$ 51,745</u>
<b>Clarks Summit</b>				<b>Wernersville</b>			
State Funds.....	\$ 27,143	\$ 26,778	\$ 26,651	State Funds.....	\$ 39,736	\$ 41,724	\$ 38,191
Federal Funds.....	23,693	23,708	25,708	Federal Funds.....	28,935	29,829	37,829
Augmentations.....	1,305	1,090	1,090	Augmentations.....	1,327	1,278	1,278
TOTAL.....	<u>\$ 52,141</u>	<u>\$ 51,576</u>	<u>\$ 53,449</u>	TOTAL.....	<u>\$ 69,998</u>	<u>\$ 72,831</u>	<u>\$ 77,298</u>
<b>Danville</b>				<b>Administrative Cost</b>			
State Funds.....	\$ 14,738	\$ 21,225	\$ 24,853	State Funds.....	\$ 4,791	\$ 4,849	\$ 4,895
Federal Funds.....	28,694	23,709	23,709	Federal Funds.....	0	0	0
Augmentations.....	1,548	863	863	Augmentations.....	0	0	0
TOTAL.....	<u>\$ 44,980</u>	<u>\$ 45,797</u>	<u>\$ 49,425</u>	TOTAL.....	<u>\$ 4,791</u>	<u>\$ 4,849</u>	<u>\$ 4,895</u>
<b>Norristown</b>				<b>Community Programs</b>			
State Funds.....	\$ 58,836	\$ 55,271	\$ 50,526	State Funds.....	\$ 531,294	\$ 535,710	\$ 569,669
Federal Funds.....	28,309	31,854	42,854	Federal Funds.....	61,210	57,642	55,171
Augmentations.....	1,084	1,128	1,128	Augmentations.....	28,621	28,621	28,366
TOTAL.....	<u>\$ 88,229</u>	<u>\$ 88,253</u>	<u>\$ 94,508</u>	TOTAL.....	<u>\$ 621,125</u>	<u>\$ 621,973</u>	<u>\$ 653,206</u>
<b>South Mountain State Restoration Center</b>				<b>Budgetary Reserve</b>			
State Funds.....	\$ 12,465	\$ 12,437	\$ 14,786	State Funds.....	\$ 0	\$ 580	\$ 0
Federal Funds.....	13,493	14,583	14,583	Federal Funds.....	0	1,000	1,000
Augmentations.....	1,583	1,789	1,789	Augmentations.....	0	0	0
TOTAL.....	<u>\$ 27,541</u>	<u>\$ 28,809</u>	<u>\$ 31,158</u>	TOTAL.....	<u>\$ 0</u>	<u>\$ 1,580</u>	<u>\$ 1,000</u>
<b>Torrance</b>							
State Funds.....	\$ 49,302	\$ 52,638	\$ 50,214				
Federal Funds.....	37,500	38,515	46,515				
Augmentations.....	918	970	970				
TOTAL.....	<u>\$ 87,720</u>	<u>\$ 92,123</u>	<u>\$ 97,699</u>				

**Program: Mental Health and Substance Abuse Services (continued)**

**Hospital and Restoration Center Populations for the Prior, Current and Upcoming Year**

State Mental Hospitals	Population July 2017	Population July 2018	Projected Population July 2019	Projected Bed Capacity July 2019	Projected Percentage of Capacity July 2019
Clarks Summit.....	181	176	180	200	90.0%
Danville.....	160	160	160	160	100.0%
Norristown.....	255	285	337	337	100.0%
South Mountain.....	147	140	155	159	97.5%
Torrance.....	316	312	320	351	91.2%
Warren.....	150	139	140	152	92.1%
Wernersville.....	260	252	255	266	95.9%
<b>TOTAL.....</b>	<b><u>1,469</u></b>	<b><u>1,464</u></b>	<b><u>1,547</u></b>	<b><u>1,625</u></b>	<b><u>95.2%</u></b>

**Program Recommendations:**

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

<b>Mental Health Services</b>			
\$	-780 —funding reduction.	-886	—reflects savings from the transfer of Allentown State Hospital.
	14,908 —to continue current program.		
	30,000 —one-time costs associated with the American Civil Liberties Union settlement.	-30,000	—use of prior year federal earnings.
	6,000 —facility improvements to address health and safety standards.	2,813	—Initiative—to provide home and community-based services for 45 individuals currently residing in state hospitals.
	4,708 —for staffing support at Norristown State Hospital for the American Civil Liberties Union settlement.	<u>\$ 28,268</u>	<i>Appropriation Increase</i>
	1,250 —to annualize prior year expansion of community services.	\$ -56	<b>Special Pharmaceutical Services</b>
	255 —to reflect change in other revenue.		—to continue current program.

The Behavioral Health Services appropriation is recommended at the current year funding level.

**Appropriations within this Program:**

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Mental Health Services.....	\$ 761,807	\$ 776,853	\$ 805,121	\$ 807,934	\$ 807,934	\$ 807,934	\$ 807,934
Behavioral Health Services .....	57,149	57,149	57,149	57,149	57,149	57,149	57,149
Special Pharmaceutical Services .....	1,008	1,008	952	952	952	952	952
<b>TOTAL GENERAL FUND .....</b>	<b><u>\$ 819,964</u></b>	<b><u>\$ 835,010</u></b>	<b><u>\$ 863,222</u></b>	<b><u>\$ 866,035</u></b>	<b><u>\$ 866,035</u></b>	<b><u>\$ 866,035</u></b>	<b><u>\$ 866,035</u></b>

## Program: Mental Health and Substance Abuse Services (continued)

<b>Program Measures:</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Maintain services and supports for persons with mental illness to live, work and contribute to their communities with increased health and independence.</b>							
<b>Community Mental Health Services</b>							
Persons receiving mental health inpatient and outpatient services from non-Medical Assistance funding (unduplicated).....	216,820	203,090	195,692	181,914	172,200	172,200	172,200
Persons receiving services through Medical Assistance expenditures (fee-for-service and HealthChoices) (unduplicated).....	480,014	531,912	570,175	600,000	601,050	602,100	603,155
Percentage of patients discharged from a psychiatric inpatient setting who have follow-up service 7 days from discharge (ages 21 to 64).....	58%	58%	63%	63%	63%	65%	66%
Percent of persons receiving mental health services who are employed (ages 21 to 64) <sup>1</sup> .....	N/A	20%	21%	21%	22%	22%	22%
<b>Substance Use Disorder Services</b>							
Number of individuals on Medicaid with a substance use disorder.....	N/A	175,996	220,629	235,748	245,000	250,000	255,000
Non-hospital detoxification and rehabilitation clients.....	28,512	30,421	37,809	38,986	39,840	41,522	42,875
Percentage of patients discharged from a substance use disorder hospital setting who have follow-up services 7 days from discharge (ages 21 to 64)	76%	69%	62%	65%	73%	74%	75%
Persons receiving methadone maintenance services.....	20,551	22,214	25,068	28,330	30,860	33,945	37,340
<b>State Mental Hospitals</b>							
Total persons served in state mental hospitals.....	2,363	2,209	2,114	2,045	1,967	2,100	2,095
Average cost per person in state mental hospital population <sup>2</sup> .....	\$160,624	\$180,633	\$197,080	\$204,256	\$218,425	\$207,504	\$215,081
Percentage of adults readmitted to State Mental Hospitals within 180 days of discharge <sup>3</sup> .....	N/A	2.7%	4.1%	3.2%	2.3%	3.1%	3.1%
Percentage of persons in state mental hospitals with stays longer than two years.....	40%	55%	61%	56%	53%	48%	41%

<sup>1</sup> The percent of persons receiving mental health services who are employed (ages 21 to 64) is a new measure.

<sup>2</sup> The average cost per person in state mental hospital population measure has been revised based on a data correction.

<sup>3</sup> The percentage of adults readmitted to State Mental Hospitals within 180 days of discharge is a revised measure.

## Program: Intellectual Disabilities

*Goal: To maximize each individual's capacity for more independent living and participation in community life by providing needed training and support services.*

The department supports a comprehensive array of services for people with intellectual disabilities and Autism Spectrum Disorder (ASD) including services to people living in their own home, with family members, in community residential facilities, and in non-residential programs provided through the Medicaid home and community-based waiver programs and the base program. Services are also provided in state operated institutions and private intermediate care facilities for individuals with an intellectual disability (ICF/IDs). In addition to state and federal funding, local funding is provided for the community base program as required by the [Pennsylvania Mental Health and Intellectual Disability \(MH/ID\) Act](#).

The intellectual disabilities and ASD programs have evolved from a system of large congregate residential facilities to a flexible and dynamic system of community supports and services tailored to the needs of persons living in the community. The trend toward enhancing the natural supports that exist in the family and the community and enabling individuals to participate fully in community life continues to define services.

### [Services for Individuals with Intellectual Disabilities and Autism – Community Services](#)

The MH/ID Act provides the statutory basis, along with the Medicaid Consolidated, Person/Family Directed Support, and Community Living Waivers and the Targeted Support Management state plan, to enable people to live in the community, in their own homes, apartments, the homes of family members, life-sharing settings with family or others, or staffed community homes. The program is designed to assist participants in gaining the greatest level of independence possible, encourage involvement in

community life, improve social skills, and provide support to caregivers. All services are individualized through the development of a person-centered plan.

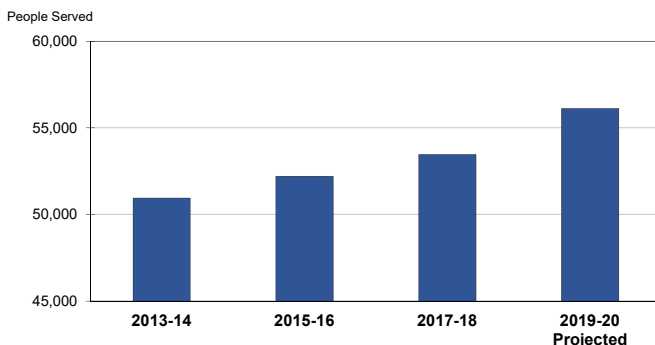
### [Services for Individuals with Autism Spectrum Disorder](#)

In addition to services for people with ASD through the Medicaid Consolidated, Person/Family Directed Support, and Community Living Waivers, the department also provides funding for a four-county managed care program to support the needs of Pennsylvanians living with ASD who may also have an intellectual disability. The [Adult Community Autism Program \(ACAP\)](#) was designed to assist participants in gaining the greatest level of independence possible, encourage involvement in community life, improve social skills and provide support to caregivers. The department also administers the [Adult Autism Waiver](#) for individuals with ASD ages 21 years and older. In addition, the department supports people with ASD of all ages through the [Autism Services, Education, Research, and Training \(ASERT\) Collaborative](#), the development of crisis programs to support individuals in need of acute intervention, family support programs, and training programs to increase provider capacity.

### ***Institutional Services***

The department provides institutional care funding for people with an intellectual disability. Services are offered through four public state centers whose primary goal is to develop residents' abilities to function more independently in preparation for living in a less restrictive environment. All facilities are currently certified for Medical Assistance under standards established by the Centers for Medicare & Medicaid Services. Private ICF/IDs provide the same intensive rehabilitative services to persons with an intellectual disability.

**Intellectual Disabilities - Community Services\***



*The number of individuals with intellectual disabilities receiving community services has increased by over 5,000 people served since 2013-14.*

\* This chart has been revised to reflect a correction to the data source.

Program: Intellectual Disabilities (continued)

## State Centers Population for the Prior, Current and Upcoming Year

	Population July 2017	Population July 2018	Projected Population July 2019	Projected Bed Capacity July 2019	Projected Percentage Capacity July 2019
<b>State Centers</b>					
Ebensburg.....	220	211	196	402	48.8%
Hamburg.....	77	17	0	0	0.0%
Polk.....	220	208	195	521	37.4%
Selinsgrove.....	224	222	210	564	37.2%
White Haven.....	117	121	115	275	41.8%
<b>TOTAL.....</b>	<b>858</b>	<b>779</b>	<b>716</b>	<b>1,762</b>	<b>40.6%</b>

## Expenditures by State Center

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget		2017-18 Actual	2018-19 Available	2019-20 Budget
<b>Ebensburg</b>				<b>White Haven</b>			
State funds.....	\$ 31,891	\$ 29,630	\$ 30,061	State funds.....	\$ 19,661	\$ 19,478	\$ 19,712
Federal funds.....	37,220	41,900	42,507	Federal funds.....	23,754	26,541	26,847
Augmentations.....	7,324	7,100	7,063	Augmentations.....	3,985	4,225	4,202
<b>TOTAL.....</b>	<b>\$ 76,435</b>	<b>\$ 78,630</b>	<b>\$ 79,631</b>	<b>TOTAL.....</b>	<b>\$ 47,400</b>	<b>\$ 50,244</b>	<b>\$ 50,761</b>
<b>Hamburg</b>				<b>Non-Facility</b>			
State funds.....	\$ 9,905	\$ 5,615	\$ 4,310	State funds.....	\$ 1,202	\$ 1,147	\$ 1,087
Federal funds.....	11,663	0	0	Federal funds.....	0	0	0
Augmentations.....	2,466	0	0	Augmentations.....	0	0	0
<b>TOTAL.....</b>	<b>\$ 24,034</b>	<b>\$ 5,615</b>	<b>\$ 4,310</b>	<b>TOTAL.....</b>	<b>\$ 1,202</b>	<b>\$ 1,147</b>	<b>\$ 1,087</b>
<b>Polk</b>				<b>Budgetary Reserve</b>			
State funds.....	\$ 32,591	\$ 30,398	\$ 30,609	State funds.....	\$ 0	\$ 0	\$ 0
Federal funds.....	37,964	43,616	43,949	Federal funds.....	23,714	5,000	5,000
Augmentations.....	7,674	7,283	7,292	Augmentations.....	0	0	0
<b>TOTAL.....</b>	<b>\$ 78,229</b>	<b>\$ 81,297</b>	<b>\$ 81,850</b>	<b>TOTAL.....</b>	<b>\$ 23,714</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>
<b>Selinsgrove</b>							
State funds.....	\$ 33,550	\$ 31,056	\$ 31,357				
Federal funds.....	39,357	44,755	45,126				
Augmentations.....	7,533	7,322	7,283				
<b>TOTAL.....</b>	<b>\$ 80,440</b>	<b>\$ 83,133</b>	<b>\$ 83,766</b>				

## Program: Intellectual Disabilities (continued)

### Program Recommendations:

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

<p><b>Intellectual Disabilities - State Centers</b></p> <p>\$ 780 —to continue current program.</p> <p>–646 —to reflect change in federal earnings and other revenue.</p> <p>–322 —revision of federal financial participation from a full-year blended rate of 52.1425% to 52.25%.</p> <hr/> <p>\$ –188 <i>Appropriation Decrease</i></p>	<p><b>Intellectual Disabilities - Community Base Program</b></p> <p>\$ –631 —to continue current program.</p> <p>–23 —revision of federal financial participation from a full-year blended rate of 52.1425% to 52.25%.</p> <hr/> <p>\$ –654 <i>Appropriation Decrease</i></p>	<p><b>Intellectual Disabilities - Intermediate Care Facilities</b></p> <p>\$ 16,350 —to continue current program.</p> <p>–1,141 —to reflect individuals transferring to the community program.</p> <p>–9,688 —nonrecurring prior year costs.</p> <p>–376 —revision of federal financial participation from a full-year blended rate of 52.1425% to 52.25%.</p> <hr/> <p>\$ 5,145 <i>Appropriation Increase</i></p>	<p><b>Intellectual Disabilities - Community Waiver Program</b></p> <p>\$ 12,914 —to continue current program, including annualization of prior year expansion.</p> <p>2,650 —to provide for the annual regional residential rate increase.</p> <p>–1,553 —revision of federal financial participation from a full-year blended rate of 52.1425% to 52.25%.</p> <p>15,003 —Initiative—to provide home and community-based services for 100 individuals currently on the emergency waiting list into the Consolidated Waiver and 765 individuals currently on the emergency waiting list into the Community Living Waiver.</p> <hr/> <p>\$ 29,014 <i>Appropriation Increase</i></p>	<p><b>Autism Intervention and Services</b></p> <p>\$ –2,170 —funding reduction.</p> <p>1,068 —to continue current program, including annualization of prior year expansion.</p> <p>–57 —revision of federal financial participation from a full-year blended rate of 52.1425% to 52.25%.</p> <hr/> <p>\$ –1,159 <i>Appropriation Decrease</i></p>
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The Intellectual Disabilities - Lansdowne Residential Services appropriation is recommended at the current year funding level.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Intellectual Disabilities - State Centers.....	\$ 128,800	\$ 117,324	\$ 117,136	\$ 117,136	\$ 117,136	\$ 117,136	\$ 117,136
Intellectual Disabilities - Community Base Program .....	150,734	149,379	148,725	148,725	148,725	148,725	148,725
Intellectual Disabilities - Intermediate Care Facilities .....	128,426	143,003	148,148	148,148	148,148	148,148	148,148
Intellectual Disabilities - Community Waiver Program .....	1,527,602	1,643,812	1,672,826	1,769,168	1,838,758	1,911,131	1,986,399
Intellectual Disabilities - Lansdowne Residential Services .....	340	340	340	340	340	340	340
Autism Intervention and Services .....	27,669	30,842	29,683	29,683	29,683	29,683	29,683
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 1,963,571</b>	<b>\$ 2,084,700</b>	<b>\$ 2,116,858</b>	<b>\$ 2,213,200</b>	<b>\$ 2,282,790</b>	<b>\$ 2,355,163</b>	<b>\$ 2,430,431</b>

## Program: Intellectual Disabilities (continued)

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Maintain supports and services for individuals with developmental disabilities and their families, including persons with autism, to more fully participate in their communities by effectively providing needed home and community-based services and supports that will increase their independence and ensure their health and well-being.</b>							
Number of persons receiving autism services .....	568	661	695	819	875	909	909
Number of persons receiving intellectual disability services.....	53,648	54,091	54,692	55,199	55,699	57,399	58,264
<b>Home and Community Services</b>							
Unduplicated persons receiving intellectual disability services during fiscal year (Waiver and Base services) .....	50,952	51,459	52,210	52,860	53,457	55,251	56,116
Unduplicated persons receiving Consolidated Waiver services during fiscal year .....	17,251	17,594	18,085	18,267	18,396	18,651	18,751
Unduplicated persons receiving Person/Family Directed Supports Waiver services during fiscal year	12,586	13,039	13,647	13,721	14,658	14,658	14,658
Unduplicated persons receiving Community Living Waiver services during fiscal year .....	N/A	N/A	N/A	N/A	1,006	2,600	3,365
Unduplicated persons receiving Base services during fiscal year ...	24,403	23,893	23,613	23,446	23,601	23,914	23,914
Number of individuals who reside in a private home (not in a provider-controlled setting) .....	37,715	38,154	38,590	39,163	39,765	39,192	39,192
<b>Persons receiving residential services (during fiscal year)</b>							
Private intermediate care facilities for persons with intellectual disabilities (ICF/ID) .....	2,263	2,219	2,155	2,071	2,028	2,000	1,950
State centers .....	1,046	996	951	915	869	776	716
Number of people moving from private ICF/ID and state centers into the community .....	66	53	86	33	127	29	50
<b>Average cost of individuals served in the community</b>							
Consolidated Waiver services .....	\$107,083	\$112,628	\$123,086	\$124,671	\$142,175	\$149,487	\$143,154
Person/Family Directed Supports Waiver services .....	\$16,988	\$18,849	\$18,789	\$20,130	\$23,007	\$25,062	\$25,640
Community Living Waiver services ....	N/A	N/A	N/A	N/A	\$31,809	\$32,877	\$54,401
Autism services .....	\$40,329	\$41,098	\$46,816	\$48,676	\$51,949	\$57,490	\$61,035
<b>Employment of Persons Receiving Intellectual Disability Services</b>							
Number of persons receiving Intellectual Disability services with an employment goal and receiving employment services ....	N/A	N/A	N/A	N/A	4,546	4,637	4,730
Number of persons receiving Intellectual Disability services with competitive, integrated employment .....	N/A	N/A	N/A	N/A	6,474	7,807	9,140

## Program: Human Services

*Goal: To enhance the social and economic well-being of families and individuals through the provision of an array of service and support programs.*

The department operates a variety of programs designed to provide supportive services to people while they overcome an adverse behavior or circumstance that has affected their lives.

### Children, Youth and Families

The Department of Human Services and county governments are jointly responsible for providing quality, effective services to children who are in need of care and protection. These services are state-supervised and county-administered. Each county is responsible for developing and implementing a program of services designed to treat and prevent child abuse, neglect, and exploitation and to provide services that reduce dependency and delinquency. The county children and youth agencies provide services to families and children to enable children to safely remain in their own homes and communities and develop natural supports and resources to gain self-sufficiency. Policies and procedures have been instituted to protect children from harm and to minimize time in out-of-home placement.

Counties provide services such as in-home services, temporary placement for children who cannot live with their own families, assistance to provide a permanent legal family for children who cannot be returned to their own families, [adoption assistance](#), day treatment services, child protective services, emergency shelter, counseling, and juvenile delinquency services.

### Youth Development Service

Pennsylvania's [juvenile justice system](#) is designed to minimize institutionalization while recognizing that confinement in a treatment environment is necessary for certain juveniles who pose a threat to themselves or others. The court may adjudicate youth to either the [Youth Development Center and Youth Forestry Camp \(YDC/YFC\) system](#) or a private facility. Both systems provide residential programming in secure settings for Pennsylvania's serious juvenile offenders and those with serious at-risk behaviors. The purpose of the system is to help juveniles develop skills and attitudes that will enable

them to become responsible, productive members of society. Included in the YDC/YFC system are specialized treatment services for sex offenders, those with drug and alcohol addiction, those with a mental health diagnosis, and those with developmental disabilities.

Education is a major component of the YDC/YFC system. Each program includes both academic and vocational curricula. Educational diagnostic testing precedes all academic placements and is used in the development of Individual Education Plans for each youth.

The Pennsylvania Academic and Career/Technical Training Alliance (PACTT) provides on-site technical assistance to its affiliated members and works to ensure that delinquent youth receive appropriate academic, and career and technical training opportunities at all levels of care throughout the duration of their active involvement within Pennsylvania's juvenile justice system. The support activities are provided across the continuum of care through a balanced combination of affiliate partnerships.

### Family Planning and Breast Cancer Screening

[Family planning](#) clinics provide educational, medical, and social services to men and women to address contraceptive or infertility issues. Services are provided through a contract with four regional councils who issue grants to approximately 250 providers across the state.

[Breast cancer screening](#) for low-income women is directed toward those at high-risk of developing breast cancer. The target group is new family planning clients, women 35 years and older, and women with a family history of breast cancer.

### Legal Services

The department provides low-income individuals assistance with family, consumer, housing, employment, and other civil legal problems through a contract with a statewide legal aid non-profit. The emphasis of the service delivery is to provide emergency legal services in situations that threaten the basic needs of individuals. These services do not include political activities or services in criminal matters.

### Domestic Violence and Rape Crisis

[Domestic violence services](#) are provided through a contract with a statewide coalition, which in turn subcontracts for services at the local level. The services to victims of domestic violence include crisis intervention, counseling, victim advocacy, information and referral, and temporary shelter for victims and their dependent children. Prevention and education programs are provided by local groups to lessen the risk of domestic violence in the community.

Administrative Complex	Population July 2017	Population July 2018	Projected Population July 2019	Projected Capacity July 2019	Projected Percentage of Capacity July 2019
YFC-Hickory Run.....	26	39	35	49	71.4%
YFC-Trough Creek .....	42	34	35	50	70.0%
Loysville.....	92	93	95	108	88.0%
South Mountain Secure Treatment Unit .....	30	29	28	36	77.8%
North Central Secure Treatment Unit .....	<u>96</u>	<u>98</u>	<u>100</u>	<u>108</u>	<u>92.6%</u>
<b>Total Current Program</b>	<b><u>286</u></b>	<b><u>293</u></b>	<b><u>293</u></b>	<b><u>351</u></b>	<b><u>83.5%</u></b>



## Program: Human Services (continued)

[Rape crisis services](#) also are provided through a contract with a statewide coalition, which in turn subcontracts for services at the local level. Rape crisis programs provide crisis intervention services, counseling, victim advocacy, information and referral, and accompaniment through police, medical, and judicial systems. Educational programs are provided to lessen the risk of sexual assault for adults and children in the community.

### Homeless Assistance

The [Homeless Assistance Program](#) operates through counties to provide case management, temporary shelter to homeless individuals, and rental assistance to those in immediate danger of becoming homeless. Shelter may be provided in large mass shelters or in hotels and motels through a voucher system.

### Human Services Block Grant

The [Human Services Block Grant](#) was established for the purpose of allocating funds to select county governments to provide locally identified county-based human services to meet the service needs of county residents. As part of this program, funding for the following six programs was combined at the local level into a flexible Human Services Block Grant: community mental health services, behavioral health services, intellectual disability community base services, human services development fund, homeless assistance programs, and Act 152 drug and alcohol services. There are currently 38 counties participating in the block grant program. Funding continues to be provided from the individual appropriations.

## Program Recommendations:

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

	<b>Youth Development Institutions and Forestry Camps</b>		<b>Health Program Assistance and Services</b>
\$ 691	—to continue current program.	\$ -4,100	—program elimination.
	<b>County Child Welfare</b>		
\$ 43,448	—for county needs-based budgets as mandated by Act 30 of 1991.		
5,520	—to continue current program.		
-15,000	—one-time impact of the use of prior year funds.		
<u>\$ 33,968</u>	<i>Appropriation Increase</i>		

All other appropriations are recommended at the current year funding levels.

## Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Youth Development Institutions and Forestry Camps .....	\$ 58,302	\$ 63,008	\$ 63,699	\$ 63,699	\$ 63,699	\$ 63,699	\$ 63,699
County Child Welfare.....	1,180,876	1,225,354	1,259,322	1,274,322	1,274,322	1,274,322	1,274,322
Domestic Violence.....	17,357	17,357	17,357	17,357	17,357	17,357	17,357
Rape Crisis.....	9,928	9,928	9,928	9,928	9,928	9,928	9,928
Breast Cancer Screening .....	1,723	1,723	1,723	1,723	1,723	1,723	1,723
Human Services Development Fund.....	13,460	13,460	13,460	13,460	13,460	13,460	13,460
Legal Services.....	2,661	2,661	2,661	2,661	2,661	2,661	2,661
Homeless Assistance .....	18,496	18,496	18,496	18,496	18,496	18,496	18,496
Health Program Assistance and Services .	5,000	4,100	0	0	0	0	0
Services for the Visually Impaired .....	2,584	2,584	2,584	2,584	2,584	2,584	2,584
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 1,310,387</b>	<b>\$ 1,358,671</b>	<b>\$ 1,389,230</b>	<b>\$ 1,404,230</b>	<b>\$ 1,404,230</b>	<b>\$ 1,404,230</b>	<b>\$ 1,404,230</b>

## Program: Human Services (continued)

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Maintain supports and services that will improve the health, well-being, development and safety of Pennsylvania's families.

##### Youth Development Centers

Youth served .....	777	769	791	803	815	800	800
Percent of youth served in work experience .....	57.92%	50.85%	52.47%	63.26%	54.00%	50.00%	50.00%

##### Children, Youth and Families Services by setting

Unduplicated annual number of children receiving child welfare services at home* .....	167,582	181,371	190,413	186,855	194,761	200,000	200,000
Out of home placements in: *							
Community residential programs .....	20,571	21,239	22,792	23,471	23,854	23,150	22,700
Group homes: Community residential programs .....	3,034	2,987	2,765	2,470	2,421	2,300	2,100
Foster care: Community residential programs .....	17,043	17,804	19,590	20,621	21,060	20,500	20,250
Other: Community residential programs .....	494	448	437	380	373	350	350
In-state institutional care programs (annual unduplicated recipients)...	2,668	2,854	2,685	1,948	1,779	1,750	1,700
Children in out-of-state programs .....	253	241	196	175	182	175	150

##### Additional Children, Youth and Families Services

Percentage of children reunited with parents or primary caregiver within 12 months of placement .....	46.6%	42.0%	42.7%	43.4%	35.5%	40.0%	45.0%
Percentage of children not returning to care within 12 months of discharge to parents or primary caregivers...	70.1%	70.1%	76.9%	82.0%	79.9%	83.0%	86.0%
Finalized adoptions .....	1,746	1,867	1,945	2,148	2,454	2,200	2,200
Children reaching permanency outside of adoption .....	8,006	8,158	8,289	7,152	7,616	8,200	8,200
Investigations of reported child abuse	26,414	36,468	43,137	46,759	46,345	46,000	46,000
Percentage of child abuse investigations substantiated .....	12.30%	10.12%	10.08%	9.93%	10.50%	10.00%	10.00%
Number of child abuse clearances processed .....	587,341	971,979	1,382,373	842,347	802,373	850,000	1,300,000
Average number of days to process a child abuse clearance .....	N/A	7.14	3.10	2.92	5.30	5.00	5.00

##### Homeless Assistance

Persons receiving homeless services	73,483	75,914	77,419	78,348	82,700	83,000	83,000
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##### Other Human Services

Domestic violence victims served .....	42,822	44,627	44,401	44,583	44,346	45,000	45,000
Rape crisis/sexual assault persons served .....	23,561	26,830	29,654	29,188	33,481	31,500	31,500
Breast cancer screening clients .....	93,723	93,723	54,716	63,699	66,898	55,000	55,000
Legal service clients .....	15,872	18,757	17,126	14,838	15,767	16,125	16,125

\* The unduplicated annual number of children receiving child welfare services at home and the out-of-home placements measures for the actual years have been revised based on a data correction.

## Program: Child Development

*Goal: To promote opportunities for all Pennsylvania children and families by building systems and providing supports that help ensure access to high-quality child and family services.*

The Departments of Human Services and Education promote opportunities for all children and families by helping to ensure access to high-quality early care, education, and family services. The focus on effective prevention strategies and high-quality early care and education programs will help Pennsylvania mitigate the social and educational disparities of young, at-risk children that influence their ability to attain economic independence and self-sufficiency as adults. In addition, research consistently shows that the economic and educational benefits of quality early learning programs extend from participating children to their families and communities.

[Keystone STARS](#) remains one of the largest, most comprehensive, quality rating improvement systems in the nation. Keystone STARS expands the reach of high-quality early child care and education in Pennsylvania for at-risk children. This program is designed to increase school readiness, increase future graduation rates of at-risk children, decrease involvement in crime and its associated costs to society, and prepare children for successful, self-

sufficient lives. Beginning in 2019-20, Early Childhood Education Professional Development Organizations (ECE PDO) will work regionally to support the child care workforce. The ECE PDOs will ensure that credit-bearing courses are available to move professionals through the educational continuum. A strong and competent early childhood workforce will increase the quality of child care and other early learning programs.

The subsidized child care program, [Child Care Works](#), allows children of families receiving cash assistance through the Temporary Assistance for Needy Families (TANF) program, families formerly receiving TANF, and low-income families to access child care while their parents are attending training or working. Families can select subsidized child care from various settings including child care centers, group child care homes, family child care homes, or relatives. Early Learning Resource Center agencies determine eligibility for subsidized child care, offer families a choice of child care services, provide information and counseling on how to select high-quality child care programs, and support early care and education program quality improvement.

The [Early Intervention](#) program, for children from birth to age three, provides services and supports to qualified children with developmental delays or disabilities and their families to maximize the child's development. These services are provided to the child and family in the child's home, community, or early childhood education setting so that the child is well-prepared for school and life success.

The department also provides voluntary, evidence-based home visiting and community-based programs that help parents improve their parenting skills, resulting in healthier pregnancies and improved child health, learning, development, and well-being. These services are provided through a combination of state funds, the federal Title IV-B - Family Center funds and the federal Maternal Child Health Early Childhood Home Visiting grant program through the following five evidence-based models: Early Head Start, Family Check-Up, Healthy Families America, Nurse-Family Partnership Program and Parents as Teachers.

<b>Child Care Funding</b> (Dollar Amounts in Thousands)	
	<b>2019-20</b>
<b>Low-Income Working Families</b>	
State Funds <sup>1</sup> .....	\$ 162,332
Federal Funds .....	<u>428,875</u>
Total .....	<u>\$ 591,207</u>
<b>TANF Recipients / Former TANF Recipients</b>	
State Funds <sup>2</sup> .....	\$ 139,885
Federal Funds .....	234,866
Other Funds .....	<u>1,705</u>
Total .....	<u>\$ 376,456</u>
<b>Grand Total</b> .....	<u><b>\$ 967,663</b></u>

<sup>1</sup> Child Care Services appropriation.  
<sup>2</sup> Child Care Assistance appropriation.

### Program Recommendation:

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

\$ 5,000 **Community-Based Family Centers**  
—Initiative—to expand evidence-based home visiting services to an additional 800 families.

\$ -150 **Child Care Services**  
—funding reduction.

## Program: Child Development (continued)

### Program Recommendations: (continued)

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

	<b>Early Intervention</b>
\$ 4,865	—to continue current program.
-71	—impact of increased federal funds.
-42	—revision of federal financial participation full year blended rate from 52.1425% to 52.25%.
-25,159	—nonrecurring prior year costs.
5,000	—Initiative—to provide a three percent increase in service rates.
<u>\$ -15,407</u>	<i>Appropriation Decrease</i>

All other appropriations are recommended at the current year funding level.

This budget recommends the amount of \$2,000,000 in the (F)CCDFBG - Child Care Services appropriation to support an Early Childhood Career Pathways initiative.

This budget recommends the amount of \$5,759,000 in the (F)CCDFBG - Child Care Services appropriation, \$1,272,000 in the (F)TANFBG - Child Care Assistance appropriation, \$2,941,000 in the (F)CCDFBG - Child Care Assistance appropriation and \$14,000 in the (F)SNAP - Child Care Assistance appropriation to provide increased tiered reimbursement rates for STAR 2, STAR 3 and STAR 4 programs to improve access to high-quality child care.

This budget recommends the amount of \$15,000,000 in the (F)CCDFBG - Child Care Services appropriation to provide subsidized child care for approximately 970 additional children of low-income families.

This budget recommends the amount of \$42,732,000 in the (F)CCDFBG - Child Care Services appropriation and \$31,468,000 in the (F)TANFBG - Child Care Assistance appropriation to provide for an increase in the minimum wage to \$12.00 an hour.

This budget also recommends the amount of \$1,800,000 in the (F)Medical Assistance - Early Intervention appropriation to provide a three percent increase in service rates.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Community-Based Family Centers.....	\$ 8,023	\$ 13,558	\$ 18,558	\$ 18,558	\$ 18,558	\$ 18,558	\$ 18,558
Child Care Services.....	155,691	162,482	162,332	205,064	205,064	205,064	205,064
Child Care Assistance .....	139,885	139,885	139,885	171,353	171,353	171,353	171,353
Nurse Family Partnership.....	11,978	13,178	13,178	13,178	13,178	13,178	13,178
Early Intervention.....	144,096	168,003	152,596	152,596	152,596	152,596	152,596
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 459,673</b>	<b>\$ 497,106</b>	<b>\$ 486,549</b>	<b>\$ 560,749</b>	<b>\$ 560,749</b>	<b>\$ 560,749</b>	<b>\$ 560,749</b>

### Program Measures:

2013-14 Actual      2014-15 Actual      2015-16 Actual      2016-17 Actual      2017-18 Actual      2018-19 Estimated      2019-20 Estimated

#### Maintain supports and services that will improve the health, well-being, development and safety of all Pennsylvania's children.

##### Child Development \*

Total children served in subsidized child care during the last month of the fiscal year .....	N/A	105,646	109,263	103,332	109,229	110,500	111,470
Percent of children in subsidized child care enrolled in Keystone STARS Level 3 and 4 facilities .....	N/A	25.15%	27.87%	30.88%	33.01%	35.00%	37.00%
Number of regulated facilities .....	N/A	6,041	7,214	7,374	7,395	7,400	7,400
Percentage of regulated facilities at Keystone STARS Level 3 or 4 .....	N/A	18.23%	17.91%	19.87%	22.24%	25.00%	27.00%

##### Early Intervention

Children participating in Early Intervention services.....	36,586	37,121	38,004	39,931	42,729	45,900	48,900
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##### Evidence Based Home Visiting Programs \*

Number of children served (funded slots) in evidence-based home visiting programs .....	2,439	5,335	5,311	5,256	8,347	8,910	9,710
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\* The Child Development and Evidence Based Home Visiting Programs measures for the actual years have been revised based on a new data source.

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# INFRASTRUCTURE INVESTMENT AUTHORITY

*The mission of the Infrastructure Investment Authority is to serve the communities and citizens of Pennsylvania by funding sewer, storm water, drinking water and various other types of projects that solve water problems not associated with traditional infrastructure systems, such as brownfields, acid mine drainage and homeowner septic problems.*

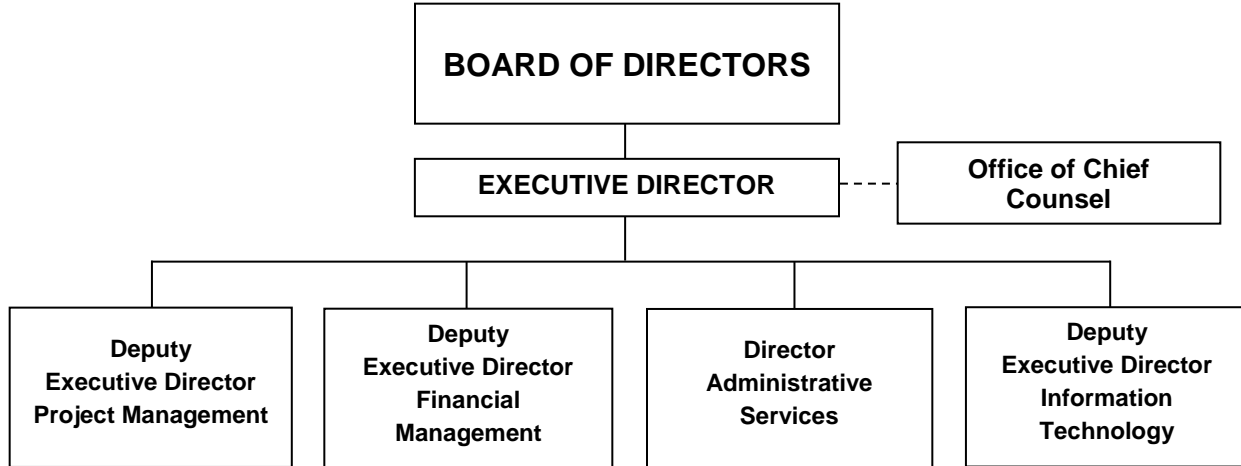
The authority administers the PENNVEST program authorized by Act 16 of 1988 that provides an investment pool of capital to rebuild and expand community drinking water systems and municipal sewage treatment facilities in the commonwealth.

## **Programs and Goals**

**PENNVEST:** *To promote public health and a clean environment and to further economic development in the commonwealth by providing a financing program, technical assistance and administrative support for community drinking water systems, municipal sewage treatment facilities, storm water control projects and various other non-traditional water-related projects.*

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## Organization Overview



- **Deputy Executive Director of Project Management** coordinates the efforts of the four PENNVEST regions in the identification, evaluation and recommendation of PENNVEST funding candidates and the nutrient credit program.
- **Deputy Executive Director of Financial Management** is responsible for the financial operations of the PENNVEST loan portfolio that includes the federal drinking water and clean water programs.
- **Director of Administrative Services** is responsible for a wide range of administrative, logistical and human resource issues that affect agency operations and personnel.
- **Deputy Executive Director of Information Technology** is responsible for day-to-day information technology operations and staff, planning, project management and technology implementation.

### Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
28	28	28	28	31	31	31

# Infrastructure Investment Authority

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>Grants and Subsidies:</i>			
(F)Sewage Projects Revolving Loan Fund.....	\$ 110,500	\$ 110,500	\$ 127,200
(F)Drinking Water Projects Revolving Loan Fund.....	57,000	57,000	66,982
Total - Grants and Subsidies.....	<u>\$ 167,500</u>	<u>\$ 167,500</u>	<u>\$ 194,182</u>
<b>GENERAL FUND TOTAL.....</b>	<b><u>\$ 167,500</u></b>	<b><u>\$ 167,500</u></b>	<b><u>\$ 194,182</u></b>
<b>OTHER FUNDS:</b>			
<b>ENVIRONMENTAL STEWARDSHIP FUND:</b>			
Storm Water, Water and Sewer Grants (EA).....	\$ 20,455	\$ 15,560	\$ 14,974
<b>MARCELLUS LEGACY FUND:</b>			
Water and Sewer Projects (EA).....	\$ 9,565	\$ 12,006	\$ 12,913
<b>PENNVEST FUND:</b>			
PENNVEST Operations (EA).....	\$ 4,183	\$ 5,195	\$ 5,052
Revenue Bond Loan Pool (EA).....	10	10	10
Grants - Other Revenue Sources (EA).....	100	2,000	5,000
(R)Revolving Loans and Administration.....	36,000	105,000 <sup>a</sup>	120,000 <sup>a</sup>
(R)Growing Greener Grants.....	0 <sup>b</sup>	0 <sup>b</sup>	0 <sup>b</sup>
(R)Revolving Loans - Conditional Funds.....	437	1,000	1,000
(R)Marcellus Grants (Marcellus Legacy Fund).....	0 <sup>c</sup>	0 <sup>c</sup>	0 <sup>c</sup>
<b>PENNVEST FUND TOTAL.....</b>	<b><u>\$ 40,730</u></b>	<b><u>\$ 113,205</u></b>	<b><u>\$ 131,062</u></b>
<b>PENNVEST DRINKING WATER REVOLVING FUND:</b>			
Additional Drinking Water Projects Revolving Loans (EA).....	\$ 100,000	\$ 112,500	\$ 114,000
Trnsfr to PENNVEST Water Pollution Control Revolving Fd (EA).....	20,000	20,000	20,000
(R)Revolving Loans - Conditional Funds.....	0	1,000	1,000
(F)Drinking Water Projects Revolving Loan Fund (EA).....	0 <sup>d</sup>	0 <sup>d</sup>	0 <sup>d</sup>
(F)Loan Program Administration (EA).....	0 <sup>e</sup>	0 <sup>e</sup>	0 <sup>e</sup>
(F)Technical Assistance to Small Systems (EA).....	0 <sup>f</sup>	0 <sup>f</sup>	0 <sup>f</sup>
(F)Assistance to State Programs (EA).....	0 <sup>g</sup>	0 <sup>g</sup>	0 <sup>g</sup>
(F)Local Assistance and Source Water Pollution (EA).....	0 <sup>h</sup>	0 <sup>h</sup>	0 <sup>h</sup>
<b>PENNVEST DRINKING WATER REVOLVING FUND TOTAL.....</b>	<b><u>\$ 120,000</u></b>	<b><u>\$ 133,500</u></b>	<b><u>\$ 135,000</u></b>
<b>PENNVEST WATER POLLUTION CONTROL REVOLVING FUND:</b>			
Additional Sewage Projects Revolving Loans (EA).....	\$ 270,000	\$ 270,000	\$ 270,000
Transfer to Drinking Water Revolving Fund (EA).....	20,000	20,000	20,000
(R)Revolving Loans - Conditional Funds.....	422	1,000	1,000
(R)Nutrient Credits.....	39	500	500
(F)Sewage Projects Revolving Loan Fund (EA).....	0 <sup>i</sup>	0 <sup>i</sup>	0 <sup>i</sup>
<b>PENNVEST WATER POLLUTION CONTROL REVOLVING FUND TOTAL.....</b>	<b><u>\$ 290,461</u></b>	<b><u>\$ 291,500</u></b>	<b><u>\$ 291,500</u></b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	167,500	167,500	194,182
AUGMENTATIONS.....	0	0	0
RESTRICTED.....	0	0	0
OTHER FUNDS.....	481,211	565,771	585,449
<b>TOTAL ALL FUNDS.....</b>	<b><u>\$ 648,711</u></b>	<b><u>\$ 733,271</u></b>	<b><u>\$ 779,631</u></b>



## Summary by Fund and Appropriation

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- <sup>a</sup> Includes \$12,715,800 for Water Pollution Control Projects, and \$6,840,400 for Drinking Water Projects in 2018-19 Available and \$11,000,000 for Water Pollution Control Projects and \$6,000,000 for Drinking Water Projects in 2019-20 Budget.
  - <sup>b</sup> Not added to the total to avoid double counting: 2017-18 Actual is \$18,103,000, 2018-19 Available is \$15,560,000 and 2019-20 Budget is \$14,974,000.
  - <sup>c</sup> Not added to the total to avoid double counting: 2017-18 Actual is \$2,104,000, 2018-19 Available is \$12,006,000 and 2019-20 Budget is \$12,913,000.
  - <sup>d</sup> Not added to the total to avoid double counting: 2017-18 Actual is \$43,000,000, 2018-19 Available is \$39,200,000 and 2019-20 Budget is \$47,200,000.
  - <sup>e</sup> Not added to the total to avoid double counting: 2017-18 Actual is \$2,500,000, 2018-19 Available is \$2,500,000 and 2019-20 Budget is \$2,532,000.
  - <sup>f</sup> Not added to the total to avoid double counting: 2017-18 Actual is \$1,000,000, 2018-19 Available is \$1,000,000 and 2019-20 Budget is \$1,750,000.
  - <sup>g</sup> Not added to the total to avoid double counting: 2017-18 Actual is \$4,500,000, 2018-19 Available is \$6,800,000 and 2019-20 Budget is \$7,000,000.
  - <sup>h</sup> Not added to the total to avoid double counting: 2017-18 Actual is \$6,000,000, 2018-19 Available is \$7,500,000 and 2019-20 Budget is \$8,500,000.
  - <sup>i</sup> Not added to the total to avoid double counting: 2017-18 Actual is \$110,500,000, 2018-19 Available is \$110,500,000 and 2019-20 Budget is \$127,200,000.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>PENNVEST</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	167,500	167,500	194,182	194,182	194,182	194,182	194,182
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	481,211	565,771	585,449	586,508	585,734	585,722	585,709
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 648,711</b>	<b>\$ 733,271</b>	<b>\$ 779,631</b>	<b>\$ 780,690</b>	<b>\$ 779,916</b>	<b>\$ 779,904</b>	<b>\$ 779,891</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	167,500	167,500	194,182	194,182	194,182	194,182	194,182
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	481,211	565,771	585,449	586,508	585,734	585,722	585,709
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 648,711</b>	<b>\$ 733,271</b>	<b>\$ 779,631</b>	<b>\$ 780,690</b>	<b>\$ 779,916</b>	<b>\$ 779,904</b>	<b>\$ 779,891</b>

## Program: PENNVEST

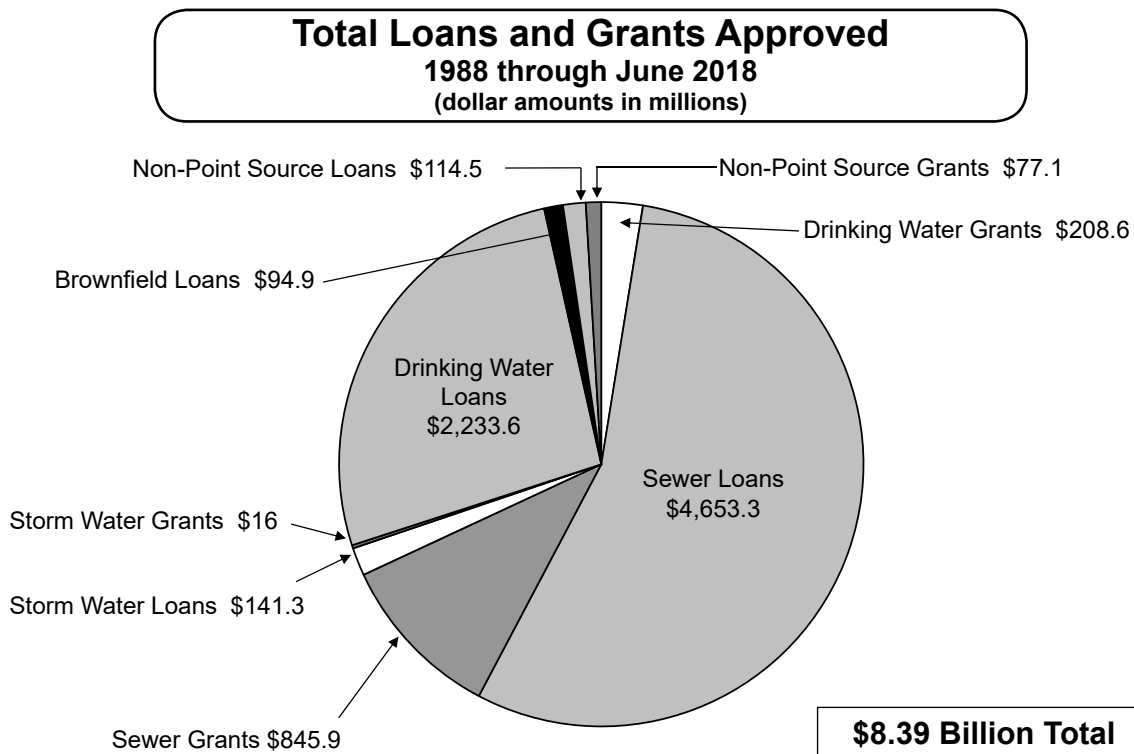
*Goal: To promote public health and a clean environment and to further economic development in the commonwealth by providing a financing program, technical assistance and administrative support for community drinking water systems, municipal sewage treatment facilities, storm water control projects and various other non-traditional water-related projects.*

The [Pennsylvania Infrastructure Investment Authority](#) (PENNVEST) program provides an investment pool of capital to rebuild and expand community [drinking water systems](#), municipal [sewage treatment](#) facilities, brownfield reclamation and remediation projects, storm water control, and [other agricultural projects](#) in the commonwealth. These systems and facilities are essential for the protection of public health and the promotion of economic development. Many systems and facilities need to be repaired, upgraded or expanded to meet environmental standards and economic development goals. In 2013, legislation was enacted that improves PENNVEST's ability, consistent with the state's [Nonpoint Source Management](#) Plan, to implement agricultural and other rural projects designed to control runoff of nutrients and other contaminants into streams in rural areas.

PENNVEST funds are used for [loans and grants](#) to municipalities, municipal authorities and private firms to improve water, sewage and storm water systems they own. Loans are available to individual homeowners to upgrade their [on-lot septic systems](#). The funds are also used to provide assistance to farmers, non-profit groups and others to install [Best Management Practices](#), such as riparian buffers that reduce nutrient contamination of rivers and streams, particularly in the Chesapeake Bay

watershed. PENNVEST, supported by the Department of Environmental Protection, helps system owners [apply for funding](#) and provides [technical assistance](#) on projects.

To facilitate fund management and accounting, several separate funds have been established. The PENNVEST Fund serves as the repository of interest and investment income and loan repayments. Loans, grants and administrative costs are paid from this fund. The PENNVEST Water Pollution Control Revolving Fund combines federal seed money and the commonwealth's required matching funds to create a revolving loan fund for sewage treatment facilities construction. The PENNVEST Drinking Water Revolving Fund combines federal seed money and the commonwealth's required matching funds to create a revolving loan fund for drinking water projects and technical assistance. The PENNVEST Revolving Fund receives the proceeds from the sale of bonds. The PENNVEST revenue bond pool is supported by loan interest and principal repayments from loans and disburses the proceeds from the sale of PENNVEST revenue bonds. The Water and Sewer Systems Assistance Bond Fund serves as the repository of interest and investment income and loan repayments related to Act 64; loans and grants are paid from this fund.



# Infrastructure Investment Authority

Program: PENNVEST (continued)

## Program Recommendation:

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

**PENNVEST FUND**  
**PENNVEST Operations (EA)**  
 \$ -143 —impact of increased federal and other fund support.

## Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>PENNVEST FUND:</b>							
PENNVEST Operations (EA) .....	\$ 4,183	\$ 5,195	\$ 5,052	\$ 5,052	\$ 5,052	\$ 5,052	\$ 5,052

## Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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### Increase the number of drinking water and wastewater facilities that comply with safe drinking water requirements, improve system treatment capacity and improve water quality.

Population affected by drinking water projects funded in each year .....	138,125	565,392	77,765	202,872	74,403	200,000	200,000
Drinking water projects approved that will maintain or bring customers' water into compliance with commonwealth drinking water standards .....	12	16	10	14	15	15	15

### Increase the number of sustainable jobs in Pennsylvania.

Sustainable jobs created by PENNVEST-funded projects.....	1,187	191	415	842	612	500	500
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### Increase the proportion of PENNVEST subsidies allocated to projects that would not occur in the absence of the subsidies.

Grant equivalent subsidy per household served.....	\$70	\$27	\$49	\$93	\$107	\$50	\$50
Percentage of total project funding allocated to projects that would otherwise have higher financing rates .....	30%	31%	31%	41%	41%	35%	35%

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# INSURANCE DEPARTMENT

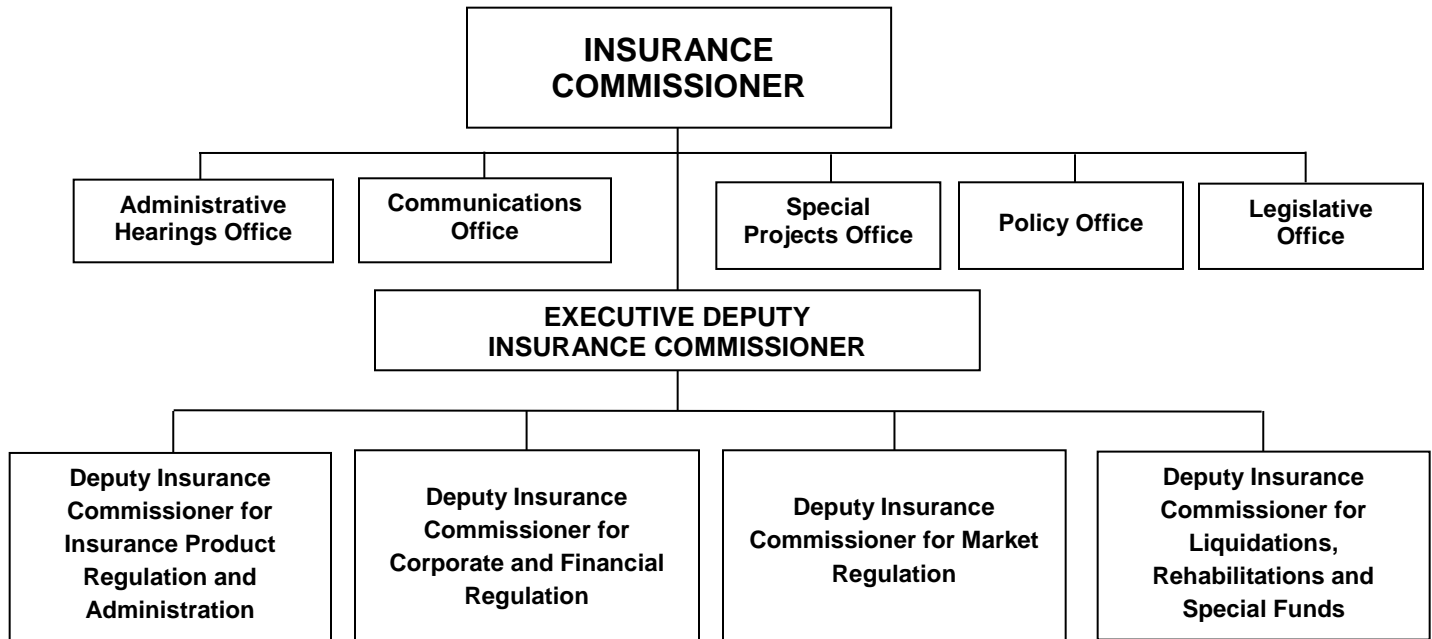
The mission of the [Insurance Department](#) is to provide a healthy regulatory environment that promotes a vibrant marketplace to serve all consumers.

The department enforces the insurance laws of the commonwealth, monitors the financial solvency of insurance companies conducting business in Pennsylvania, regulates insurance rates and policy forms, licenses insurance companies and producers to conduct business in the state and liquidates insolvent insurance companies. The department answers consumer inquiries, responds to consumer complaints and produces and distributes educational information on insurance.

## Programs and Goals

**Insurance Industry Regulation:** *To serve Pennsylvania's insurance consumers through fair and efficient regulation of the insurance industry.*

## Organization Overview



- Deputy Insurance Commissioner for Insurance Product Regulation and Administration** is responsible for reviewing and regulating insurance rates charged and policy forms sold in Pennsylvania for accident and health, property and casualty and life insurance. The office is also responsible for administrative services including budget preparation, fiscal management, revenue, accounts receivable, accounts payable, procurement, contract management and administrative support services.
- Deputy Insurance Commissioner for Corporate and Financial Regulation** is charged with ensuring that all insurance entities doing business in the commonwealth are properly licensed and maintain financial strength and stability.
- Deputy Insurance Commissioner for Market Regulation** is responsible for researching and resolving consumer complaints, testing and licensing over 270,000 licensees and investigating and examining alleged violations. The office is also responsible for enforcing statutes and regulations pertaining to licensees.
- Deputy Insurance Commissioner for Liquidations, Rehabilitations and Special Funds** plans, coordinates and directs a program to rehabilitate or liquidate financially troubled insurance companies. The office also oversees the Medical Care Availability and Reduction of Error program, the Underground Storage Tank Indemnification Fund (USTIF), the Catastrophic Loss Benefits Continuation Fund and the Workers' Compensation Security Fund.

### Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual*	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
273	272	249	244	241	250	250

\*Authorized Complement reflects the transfer of the Children's Health Insurance Program to the Department of Human Services effective July 1, 2015.

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>Grants and Subsidies:</i>			
USTIF Loan Repayment.....	\$ 0	\$ 0	\$ 7,000
(F)Health Insurance Premium Review.....	3,750	3,750	1,000
(F)Insurance Market Reform.....	5,000	5,000	5,000
Subtotal - State Funds.....	\$ 0	\$ 0	\$ 7,000
Subtotal - Federal Funds.....	8,750	8,750	6,000
Total - Grants and Subsidies.....	<u>\$ 8,750</u>	<u>\$ 8,750</u>	<u>\$ 13,000</u>
STATE FUNDS.....	\$ 0	\$ 0	\$ 7,000
FEDERAL FUNDS.....	8,750	8,750	6,000
<b>GENERAL FUND TOTAL.....</b>	<b><u>\$ 8,750</u></b>	<b><u>\$ 8,750</u></b>	<b><u>\$ 13,000</u></b>
<b>OTHER FUNDS:</b>			
<b>CATASTROPHIC LOSS BENEFITS CONTINUATION FUND:</b>			
CAT Administration (EA).....	\$ 688	\$ 988	\$ 980
CAT Claims (EA).....	6,050	6,050	6,050
<b>CATASTROPHIC LOSS BENEFITS CONTINUATION FUND TOTAL.....</b>	<b><u>\$ 6,738</u></b>	<b><u>\$ 7,038</u></b>	<b><u>\$ 7,030</u></b>
<b>INSURANCE REGULATION AND OVERSIGHT FUND:</b>			
General Government Operations.....	\$ 27,113	\$ 28,886	\$ 29,975
<b>MEDICAL CARE AVAILABILITY AND REDUCTION OF ERROR FUND:</b>			
General Operations (EA).....	\$ 14,865	\$ 15,140	\$ 13,612
Payment of Claims (EA).....	182,020	211,181	182,020
<b>MEDICAL CARE AVAILABILITY AND REDUCTION OF ERROR FUND TOTAL.....</b>	<b><u>\$ 196,885</u></b>	<b><u>\$ 226,321</u></b>	<b><u>\$ 195,632</u></b>
<b>UNDERGROUND STORAGE TANK INDEMNIFICATION FUND:</b>			
Administration (EA).....	\$ 17,001	\$ 16,759	\$ 16,539
Claims (EA).....	45,000	42,000	42,000
<b>UNDERGROUND STORAGE TANK INDEMNIFICATION FUND TOTAL.....</b>	<b><u>\$ 62,001</u></b>	<b><u>\$ 58,759</u></b>	<b><u>\$ 58,539</u></b>
<b>WORKMEN'S COMPENSATION SECURITY:</b>			
Workers' Compensation Security Fund.....	\$ 22,748	\$ 26,000	\$ 26,000
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 0	\$ 0	\$ 7,000
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	8,750	8,750	6,000
AUGMENTATIONS.....	0	0	0
RESTRICTED.....	0	0	0
OTHER FUNDS.....	315,485	347,004	317,176
<b>TOTAL ALL FUNDS.....</b>	<b><u>\$ 324,235</u></b>	<b><u>\$ 355,754</u></b>	<b><u>\$ 330,176</u></b>



## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>INSURANCE INDUSTRY REGULATION</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	8,750	8,750	6,000	6,000	6,000	6,000	6,000
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	315,485	347,004	317,176	317,176	317,176	317,176	317,176
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 324,235</b>	<b>\$ 355,754</b>	<b>\$ 330,176</b>	<b>\$ 330,176</b>	<b>\$ 330,176</b>	<b>\$ 330,176</b>	<b>\$ 330,176</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	8,750	8,750	6,000	6,000	6,000	6,000	6,000
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	315,485	347,004	317,176	317,176	317,176	317,176	317,176
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 324,235</b>	<b>\$ 355,754</b>	<b>\$ 330,176</b>	<b>\$ 330,176</b>	<b>\$ 330,176</b>	<b>\$ 330,176</b>	<b>\$ 330,176</b>

## Program: Insurance Industry Regulation

*Goal: To serve Pennsylvania's insurance consumers through fair and efficient regulation of the insurance industry.*

The [Insurance Department](#)'s core mission is the regulation of the insurance industry and the protection of insurance consumers. The department enforces the insurance laws of the commonwealth, monitors the financial solvency of insurance companies conducting business in Pennsylvania, regulates insurance rates and policy forms, licenses insurance companies and producers that conduct business in the state and liquidates insolvent insurance companies. The department also answers consumer inquiries, responds to consumer complaints and produces and distributes educational information on insurance.

### **Regulation and Consumer Protection**

The department oversees the operation of approximately 1,700 [insurance companies](#) and 270,000 [insurance producers](#), bail bondsmen, public adjusters and physical damage appraisers. The department authorizes the admission of new insurers to the state, tests and licenses insurance producers and bail bondsmen, registers health insurance navigators and exchange assisters and reviews and approves approximately 10,500 rate and policy forms each year. The department analyzes annual and quarterly financial statements and other corporate transactions filed by regulated entities, conducts onsite financial examinations of domestic insurance companies annually and conducts adjudicatory hearings.

The financial condition of insurers licensed to transact business in Pennsylvania is monitored and regulated through the department's [examination and financial analysis functions](#). The insurance commissioner serves as statutory liquidator/receiver for Pennsylvania domestic insurers found to be insolvent by the Commonwealth Court.

The department serves consumers by investigating [consumer inquiries](#) and complaints, reviewing the conduct of insurance carriers and enforcing Pennsylvania's insurance laws. The department provides the public with insurance information, education and complaint resolution services. To increase engagement with communities, the department has a consumer liaison to lead outreach and education efforts and provide resources for consumers and stakeholders.

The department's [examination of insurance companies](#) provides an in-depth analysis of the risks facing the companies and the potential effects on consumers. The department analyzes annual market conduct statements and data; conducts investigations of possible insurance law violations by producers, bail bondsmen, public adjusters, and physical damage appraisers; and undertakes onsite market conduct examinations of insurance company records, files and operations.

### **Oversight**

The Insurance Department shares responsibility to implement aspects of the federal Patient Protection and Affordable Care Act (ACA); administers special funds, including the Medical Care Availability and Reduction of Error (Mcare) Fund, the Catastrophic Loss Benefits Continuation Fund (CAT Fund) and the Underground Storage Tank Indemnification Fund (USTIF); and oversees the Workers' Compensation Security Fund.

The department has a significant role ensuring Pennsylvania's health insurers comply with the private market reform provisions of the federal [ACA](#). Pennsylvania currently participates in the federally-facilitated marketplace and works to ensure compliance with marketplace requirements. The department monitors health insurance company rates in certain markets to protect consumers against unreasonable rate increases and provides consumers information about private insurance options, particularly in the individual market. It administers grant funding provided to the state by the ACA to continue to improve and increase the transparency of the state's health insurance rate review process and effectively oversees and enforces the federal Public Health Service Act's provisions on health insurance issuers.

[The Mcare Fund](#), established pursuant to Act 13 of 2002, is responsible for payment of losses or damages, in excess of basic insurance coverage awarded in medical professional liability actions against participating health care providers.

[The CAT Fund](#) provides up to \$1 million in benefits to Pennsylvanians catastrophically injured in motor vehicle accidents between October 1, 1984 and December 31, 1989 after exceeding a threshold of \$100,000 in medical payments. Payments from the fund are projected until 2091.

[USTIF](#) provides reimbursement of remediation to eligible owners and operators of underground storage tanks. In addition to reimbursing eligible tank owners or operators for damages caused by releases from their tanks, the fund also provides similar benefits to tank installers under the Tank Installation Indemnification Program. Additionally, the fund makes annual allocations to the Department of Environmental Protection under four separate categories.

[The Workers' Compensation Security Fund](#) provides administration and payment for compensation provided by the Workers' Compensation Act to individuals who are insured by an insolvent insurer.

**Program: Insurance Industry Regulation (continued)**

**Program Recommendation:**

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

	<b>GENERAL FUND</b>		<b>INSURANCE REGULATION AND OVERSIGHT FUND</b>
	<b>USTIF Loan Repayment</b>		<b>General Government Operations</b>
\$ 7,000	—annual repayment of a loan from the Underground Storage Tank Indemnification Fund.		—redistribution of parking costs. —to continue current program.
		\$ 137	
		<u>952</u>	
		\$ 1,089	<i>Appropriation Increase</i>

**Appropriations within this Program:**

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
USTIF Loan Repayment.....	\$ 0	\$ 0	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
<b>INSURANCE REGULATION AND OVERSIGHT FUND:</b>							
General Government Operations .....	\$ 27,113	\$ 28,886	\$ 29,975	\$ 29,975	\$ 29,975	\$ 29,975	\$ 29,975

**Program Measures:**

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Support the insurance industry's need of speed to market for new property and casualty programs and policy changes.</b>							
Percentage of forms filings for property and casualty programs and policy changes opened, reviewed, and closed within 20 days of submission	N/A	94.31%	95.08%	94.12%	97.22%	90.00%	90.00%
<b>Increase the department's outreach efforts to improve consumer education regarding insurance products and services, aiding in protecting consumers from financial loss.</b>							
Number of consumer interactions .....	N/A	N/A	180,882	216,409	643,324	707,656	778,421
<b>Reduce Pennsylvania's uninsured population.</b>							
Percentage of population without health insurance .....	9.70%	8.50%	6.40%	5.60%	5.50%	4.25%	4.25%



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# DEPARTMENT OF LABOR AND INDUSTRY

*The mission of the Department of Labor and Industry is to improve the quality of life and the economic security of Pennsylvania's workers and businesses, encourage labor-management cooperation and prepare the commonwealth's workforce for the jobs of the future.*

The mission is accomplished through programs that protect the health, welfare and safety of workers, provide meaningful job training and placement services, stabilize the incomes of injured, disabled or unemployed workers and facilitate labor-management cooperation.

## Programs and Goals

**Community and Occupational Safety and Stability:** *To further economic development in the commonwealth by promoting the health, welfare and safety of employees and acting to maintain continuous production and employment through mediation.*

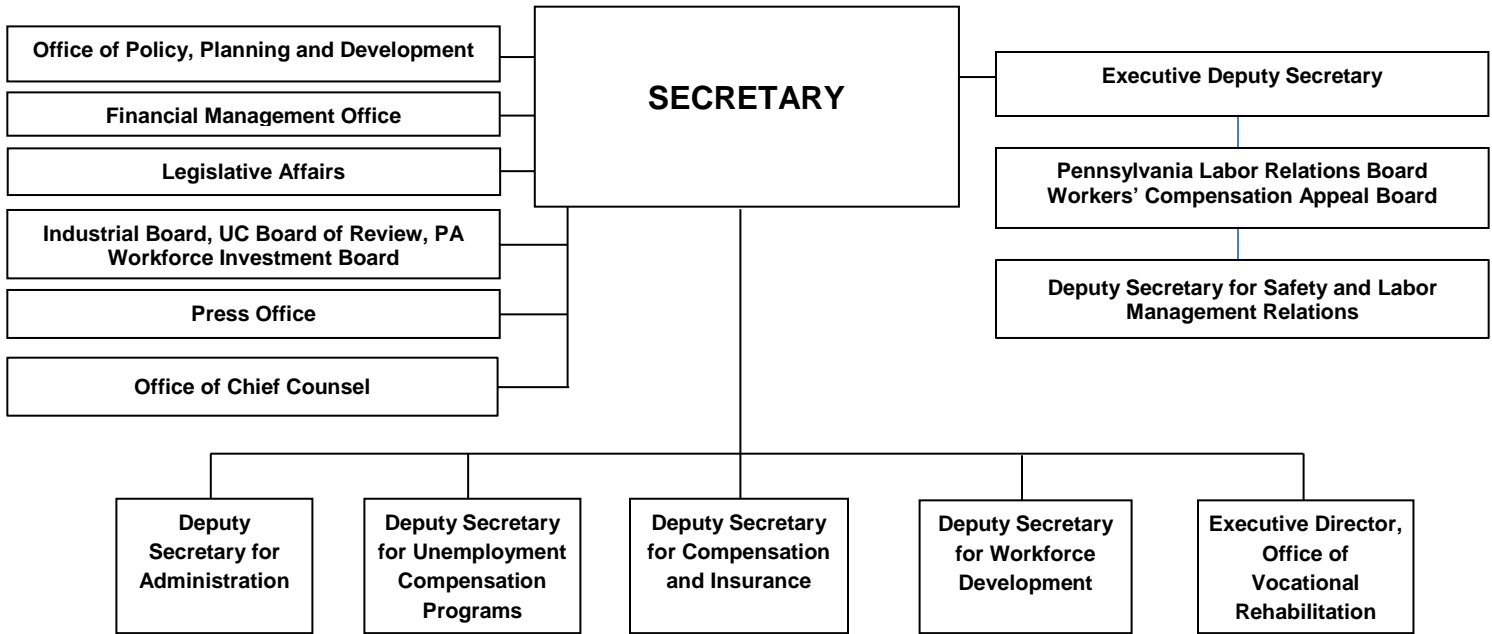
**Workers' Compensation and Assistance:** *To further economic development in the commonwealth by stabilizing the incomes of employees who become unemployed.*

**Workforce Investment:** *To provide meaningful job training and placement services in a coordinated role with other commonwealth agencies, the private sector and the federal government in order to secure unsubsidized employment for unemployed Pennsylvanians.*

**Vocational Rehabilitation:** *To enable eligible persons with disabilities to obtain competitive employment.*

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# Organization Overview



- **Deputy Secretary for Administration** is responsible for the Office of Equal Opportunity, Bureau of Administrative Services and PENNSERVE, as well as coordination of human resources and information technology with the Office of Administration.
- **Deputy Secretary for Unemployment Compensation Programs** is responsible for the offices of Unemployment Compensation Tax Services, Unemployment Compensation Benefits Policy and Unemployment Compensation Service Centers.
- **Deputy Secretary for Compensation and Insurance** oversees the State Workers' Insurance Fund, Bureau of Workers' Compensation and the Workers' Compensation Office of Adjudication.
- **Deputy Secretary for Workforce Development** oversees the Center for Workforce Information and Analysis, Bureau of Workforce Partnership and Operations, Bureau of Workforce Development Administration and the Apprenticeship and Training Office.
- **Executive Director, Office of Vocational Rehabilitation** oversees the Hiram G. Andrews Center, the Bureau of Central Operations, the Bureau of Vocational Rehabilitation Services, the Bureau of Blind and Visual Services, and the Office for the Deaf and Hard of Hearing.
- **Deputy Secretary for Safety and Labor-Management Relations** provides leadership and direction for the Bureau of Mediation, Bureau of Labor Law Compliance, Bureau of Occupational and Industrial Safety, and the Bureau of Disability Determination.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
5,898	5,902	5,902	4,693	4,231	4,234	4,240

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
<b>General Government Operations.....</b>	<b>\$ 12,981</b>	<b>\$ 13,799</b>	<b>\$ 13,799</b>
(F)Workforce Innovation and Opportunity Act - Administration.....	11,000	11,000	11,000
(F)Community Service and Corps.....	11,608	12,857	13,097
(F)Disability Determination.....	142,593	139,579	139,564
(F)New Hires.....	1,560	1,534	1,534
(A)Interpreter Registry.....	9	20	3
(A)PA One Call Fees.....	115	0	10
Subtotal.....	<u>\$ 179,866</u>	<u>\$ 178,789</u>	<u>\$ 179,007</u>
<b>Occupational and Industrial Safety.....</b>	<b>4,893</b>	<b>5,054</b>	<b>2,947</b>
(A)Inspection Fees.....	6,414	7,000	10,000 <sup>a</sup>
(F)Lead Certification and Accreditation.....	631	227	260
(R)Asbestos and Lead Certification (EA).....	2,025	2,025	2,025
(R)Vending Machine Proceeds.....	103	100	100
Subtotal - State Funds.....	\$ 17,874	\$ 18,853	\$ 16,746
Subtotal - Federal Funds.....	167,392	165,197	165,455
Subtotal - Augmentations.....	6,538	7,020	10,013
Subtotal - Restricted Revenues.....	2,128	2,125	2,125
Total - General Government.....	<u>\$ 193,932</u>	<u>\$ 193,195</u>	<u>\$ 194,339</u>
<i>Grants and Subsidies:</i>			
<b>Occupational Disease Payments.....</b>	<b>\$ 413</b>	<b>\$ 362</b>	<b>\$ 299</b>
<b>Transfer to Vocational Rehabilitation Fund.....</b>	<b>44,889</b>	<b>45,626</b>	<b>47,942</b>
<b>Supported Employment.....</b>	<b>397</b>	<b>397</b>	<b>397</b>
<b>Centers for Independent Living.....</b>	<b>1,912</b>	<b>1,912</b>	<b>1,912</b>
<b>Workers' Compensation Payments.....</b>	<b>480</b>	<b>433</b>	<b>413</b>
<b>New Choices / New Options.....</b>	<b>500</b>	<b>500</b>	<b>500</b>
<b>Assistive Technology Financing.....</b>	<b>400</b>	<b>450</b>	<b>450</b>
<b>Assistive Technology Demonstration and Training.....</b>	<b>400</b>	<b>400</b>	<b>450</b>
(F)Reed Act - Unemployment Insurance.....	5,000	5,000	5,000
(F)Reed Act - Employment Services.....	72,000	72,000	72,000
(F)WIOA - Adult Employment and Training.....	50,000	50,000	50,000
(F)WIOA - Youth Employment and Training.....	52,000	52,000	52,000
(F)WIOA - Statewide Activities.....	18,000	18,000	18,000
(F)WIOA - Dislocated Workers.....	109,000	109,000	109,000
(F)TANFBG - Youth Employment and Training.....	25,000	25,000	25,000
(F)Comprehensive Workforce Development (EA).....	2,100	2,044	2,045
Subtotal.....	<u>\$ 333,100</u>	<u>\$ 333,044</u>	<u>\$ 333,045</u>
<b>Industry Partnerships.....</b>	<b>1,813</b>	<b>4,813</b>	<b>4,813</b>
<b>Apprenticeship Training.....</b>	<b>0</b>	<b>7,000</b>	<b>7,000</b>
Subtotal - State Funds.....	\$ 51,204	\$ 61,893	\$ 64,176
Subtotal - Federal Funds.....	333,100	333,044	333,045
Total - Grants and Subsidies.....	<u>\$ 384,304</u>	<u>\$ 394,937</u>	<u>\$ 397,221</u>
STATE FUNDS.....	\$ 69,078	\$ 80,746	\$ 80,922
FEDERAL FUNDS.....	500,492	498,241	498,500
AUGMENTATIONS.....	6,538	7,020	10,013
RESTRICTED REVENUES.....	2,128	2,125	2,125
<b>GENERAL FUND TOTAL.....</b>	<b><u>\$ 578,236</u></b>	<b><u>\$ 588,132</u></b>	<b><u>\$ 591,560</u></b>

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>OTHER FUNDS:</b>			
<b>ADMINISTRATION FUND:</b>			
(F)Administration of Unemployment Compensation (EA).....	\$ 134,000	\$ 134,000	\$ 124,000
Administration of Unemployment Compensation (EA).....	1,000	1,000	1,000
(F)Workforce Development (EA).....	91,815	93,219	93,219
Workforce Development (EA).....	2,000	2,000	2,000
Central Service Administration (EA).....	2,000	0	0
<b>ADMINISTRATION FUND TOTAL.....</b>	<b>\$ 230,815</b>	<b>\$ 230,219</b>	<b>\$ 220,219</b>
<b>SPECIAL ADMINISTRATION FUND:</b>			
Administration of Unemployment (EA).....	\$ 4,840	\$ 10,000	\$ 11,000
<b>EMPLOYMENT FUND FOR THE BLIND:</b>			
General Operations.....	\$ 794	\$ 800	\$ 800
<b>HAZARDOUS MATERIAL RESPONSE FUND:</b>			
(R)Hazardous Material Response Administration.....	\$ 0	\$ 60	\$ 60
<b>REHABILITATION CENTER FUND:</b>			
General Operations.....	\$ 23,121	\$ 22,240	\$ 22,740
<b>STATE WORKERS' INSURANCE FUND:</b>			
State Workers' Insurance Fund.....	\$ 237,069	\$ 250,581	\$ 250,000
<b>UNEMPLOYMENT COMPENSATION CONTRIBUTION FUND:</b>			
(R)Reemployment Services (EA).....	\$ 10,581	\$ 5,000	\$ 10,000
(R)Service and Infrastructure Improvement (EA).....	21,845	34,650	57,405
<b>UNEMPLOYMENT COMPENSATION CONTRIBUTION FUND TOTAL.....</b>	<b>\$ 32,426</b>	<b>\$ 39,650</b>	<b>\$ 67,405</b>
<b>VOCATIONAL REHABILITATION FUND:</b>			
General Operations (EA).....	\$ 0 <sup>b</sup>	\$ 0 <sup>b</sup>	\$ 0 <sup>b</sup>
(F)Vocational Rehabilitation Services (EA).....	157,400	159,291	167,189
<b>VOCATIONAL REHABILITATION FUND TOTAL.....</b>	<b>\$ 157,400</b>	<b>\$ 159,291</b>	<b>\$ 167,189</b>
<b>WORKMEN'S COMPENSATION ADMINISTRATION FUND:</b>			
Administration of Workers' Compensation.....	\$ 78,356	\$ 71,215	\$ 70,364
Loan to Uninsured Employers Guaranty Fund (EA).....	7,500	0	0
(A)Conference Fees.....	248	300	300
<b>WORKMEN'S COMPENSATION ADMINISTRATION FUND TOTAL.....</b>	<b>\$ 86,104</b>	<b>\$ 71,515</b>	<b>\$ 70,664</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 69,078	\$ 80,746	\$ 80,922
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	500,492	498,241	498,500
AUGMENTATIONS.....	6,538	7,020	10,013
RESTRICTED.....	2,128	2,125	2,125
OTHER FUNDS.....	772,569	784,356	810,077
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 1,350,805</b>	<b>\$ 1,372,488</b>	<b>\$ 1,401,637</b>

<sup>a</sup> This budget proposes increased use of inspection fees collected by the department to augment the Occupational and Industrial Safety appropriation.

<sup>b</sup> Transfer to Vocational Rehabilitation Fund is not added to the total to avoid double counting. General Operations (EA) for 2017-18 Actual is \$44,889,000, 2018-19 Available is \$45,626,000 and 2019-20 Budget is \$47,942,000.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>COMMUNITY AND OCCUPATIONAL SAFETY AND STABILITY</b>							
GENERAL FUND.....	\$ 17,874	\$ 18,853	\$ 16,746	\$ 16,746	\$ 16,746	\$ 16,746	\$ 16,746
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	631	227	260	260	260	260	260
AUGMENTATIONS.....	6,538	7,020	10,013	10,013	10,013	10,013	10,013
RESTRICTED.....	2,025	2,025	2,025	2,025	2,025	2,025	2,025
OTHER FUNDS.....	0	60	60	60	60	60	60
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 27,068</b>	<b>\$ 28,185</b>	<b>\$ 29,104</b>	<b>\$ 29,104</b>	<b>\$ 29,104</b>	<b>\$ 29,104</b>	<b>\$ 29,104</b>
<b>WORKERS COMPENSATION AND ASSISTANCE</b>							
GENERAL FUND.....	\$ 893	\$ 795	\$ 712	\$ 712	\$ 712	\$ 712	\$ 712
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	144,153	141,113	141,098	141,098	141,098	141,098	141,098
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	558,828	562,315	551,883	551,883	551,883	551,883	551,883
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 703,874</b>	<b>\$ 704,223</b>	<b>\$ 693,693</b>	<b>\$ 693,693</b>	<b>\$ 693,693</b>	<b>\$ 693,693</b>	<b>\$ 693,693</b>
<b>WORKFORCE INVESTMENT</b>							
GENERAL FUND.....	\$ 2,313	\$ 12,313	\$ 12,313	\$ 12,313	\$ 12,313	\$ 12,313	\$ 12,313
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	355,708	356,901	357,142	357,142	357,142	357,142	357,142
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	21,845	34,650	57,405	12,950	10,000	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 379,866</b>	<b>\$ 403,864</b>	<b>\$ 426,860</b>	<b>\$ 382,405</b>	<b>\$ 379,455</b>	<b>\$ 369,455</b>	<b>\$ 369,455</b>
<b>VOCATIONAL REHABILITATION</b>							
GENERAL FUND.....	\$ 47,998	\$ 48,785	\$ 51,151	\$ 51,151	\$ 51,151	\$ 51,151	\$ 51,151
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	103	100	100	100	100	100	100
OTHER FUNDS.....	191,896	187,331	200,729	248,671	248,671	238,671	238,671
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 239,997</b>	<b>\$ 236,216</b>	<b>\$ 251,980</b>	<b>\$ 299,922</b>	<b>\$ 299,922</b>	<b>\$ 289,922</b>	<b>\$ 289,922</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 69,078	\$ 80,746	\$ 80,922	\$ 80,922	\$ 80,922	\$ 80,922	\$ 80,922
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	500,492	498,241	498,500	498,500	498,500	498,500	498,500
AUGMENTATIONS.....	6,538	7,020	10,013	10,013	10,013	10,013	10,013
RESTRICTED.....	2,128	2,125	2,125	2,125	2,125	2,125	2,125
OTHER FUNDS.....	772,569	784,356	810,077	813,564	810,614	790,614	790,614
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 1,350,805</b>	<b>\$ 1,372,488</b>	<b>\$ 1,401,637</b>	<b>\$ 1,405,124</b>	<b>\$ 1,402,174</b>	<b>\$ 1,382,174</b>	<b>\$ 1,382,174</b>



## Program: Community and Occupational Safety and Stability

*Goal: To further economic development in the commonwealth by promoting the health, welfare and safety of employees and acting to maintain continuous production and employment through mediation.*

The department administers and enforces a wide range of laws designed to enhance income security, safeguard the health of workers and the general public, protect workers' rights and promote stable labor relations and labor-management cooperation.

### **Income Security and Workers' Rights**

The [Bureau of Labor Law Compliance](#) administers and enforces Pennsylvania's laws that ensure workers are paid [minimum wage](#) and [overtime](#), all [owed wages](#) on a prescheduled day, and the [prevailing wage](#) on publicly paid construction projects. It also enforces several laws protecting certain workers' rights, specifically children workers, seasonal farm laborers, health care workers, and workers misclassified as independent contractors.

### **Labor Relations**

The [Bureau of Mediation](#) promotes stable labor relations by mediating public and private disputes pursuant to the Public Employee Relations Act and the National Labor Relations Act. Additionally, the bureau provides grievance mediation services, assists public and private sector employers and unions in forming and operating labor-management committees and offers labor-management communications training.

The [Pennsylvania Labor Relations Board](#) enforces and implements Pennsylvania laws which relate to collective bargaining in both the public and private sectors, including the Pennsylvania Labor Relations Act, the Public Employee Relations Act, and Act 111 of 1968 (police and firefighter collective bargaining). The board also selects collective bargaining representatives, prevents unfair practices in the public sector and helps to resolve collective bargaining disputes by creating arbitration panels and appointing fact finders.

### **Public Health and Safety**

The [Bureau of Occupational and Industrial Safety](#) enforces and administers a variety of public safety statutes and regulations which address building construction and accessibility, elevators, boilers, liquefied petroleum gas, flammable and combustible liquids, employee safety with regard to hazardous chemicals, accreditation and certification in lead-based paint and asbestos occupations, and the testing and certification for people charged with enforcing the [Uniform Construction Code](#). Additionally, the bureau administers the [Hazardous Material Emergency Planning & Response Act](#) by collecting tier II hazardous chemical inventory report data, material safety data sheets and site plans from every Pennsylvania employer.

Inspections and Certifications	2015-16	2016-17	2017-18	2018-19*	2019-20*
Building inspections performed	30,757	30,061	29,730	31,710	34,353
Elevator inspections performed	13,040	14,377	13,253	13,650	14,450
Boiler inspections performed	18,721	28,523	30,808	31,750	32,700
Other inspections performed	5,082	6,517	4,963	4,224	5,184
Building approvals issued	3,443	3,752	3,392	3,675	3,981
New buildings certified and renovations of existing buildings certified	1,773	1,833	1,449	1,570	1,700
Municipalities choosing to provide their own enforcement under the Uniform Construction Code Act	2,420	2,422	2,418	2,423	2,423
Certifications, accreditations & licensing (Asbestos/Lead/ Uniform Construction Code)	7,887	10,014	11,333	10,312	10,312

\* Estimated

## Program: Community and Occupational Safety and Stability (continued)

### Program Recommendations:

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

<b>Occupational and Industrial Safety</b>	
\$ -3,000	—to shift program funding structure to increased augmentations.
393	—to continue current program.
500	—Initiative—to increase staffing for elevator and boiler inspections.
<u>\$ -2,107</u>	<i>Appropriation Decrease</i>

General Government Operations is recommended at the current year funding level.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 12,981	\$ 13,799	\$ 13,799	\$ 13,799	\$ 13,799	\$ 13,799	\$ 13,799
Occupational and Industrial Safety .....	4,893	5,054	2,947	2,947	2,947	2,947	2,947
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 17,874</b>	<b>\$ 18,853</b>	<b>\$ 16,746</b>	<b>\$ 16,746</b>	<b>\$ 16,746</b>	<b>\$ 16,746</b>	<b>\$ 16,746</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Increase compliance with labor laws.

Wages collected by Bureau of Labor Law Compliance under Minimum Wage Act, Wage Payment and Collection Law, and Prevailing Wage Act .....	\$4,125,107	\$4,171,944	\$7,265,442	\$2,720,172	\$4,185,350	\$5,000,000	\$5,500,000
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#### Improve the department's ability to enforce occupational and industrial safety standards.

Bureau of Occupational and Industrial Safety fee collections (elevators, boiler, gas, flammable and combustible liquid, and building fees).....	\$7,630,413	\$8,056,514	\$7,265,442	\$8,921,463	\$12,841,532	\$15,000,000	\$15,000,000
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## Program: Workers' Compensation and Assistance

*Goal: To further economic development in the commonwealth by stabilizing the incomes of employees who become unemployed.*

This program provides income and medical services security to qualifying individuals, including workers' compensation, unemployment compensation, occupational disease payments, and Social Security disability payments.

[Workers' compensation](#) insurance provides wage loss benefits and payments for medical services to employees for injuries or diseases sustained while on the job. Occupational disease payments are made under the [Workers' Compensation Act](#) and the [Occupational Disease Act](#), primarily to workers with silicosis and related diseases, commonly referred to as "black lung."

Recent legislation increased funding. Act 60 of 2017 provides additional state funds from the Service and Infrastructure Improvement Fund for the administration of unemployment compensation. Revenues in the account are derived from a portion of employee unemployment compensation taxes. The funding is intended to support the operations of the unemployment compensation system and maintain adequate service levels during the implementation and initial deployment of technological upgrades.

### Program Recommendations:

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

	<b>GENERAL FUND:</b>	
\$ -63	<b>Occupational Disease Payments</b>	—to continue current program based on payment requirements.
\$ -20	<b>Workers' Compensation Payments</b>	—to continue current program based on payment requirements.

In addition, this budget recommends the following changes to the Workers' Compensation Program through the Workmen's Compensation Administration Fund.

	<b>WORKMEN'S COMPENSATION ADMINISTRATION FUND:</b>
\$ -851	<b>Administration of Workers' Compensation</b>
	—to continue current program.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Occupational Disease Payments.....	\$ 413	\$ 362	\$ 299	\$ 299	\$ 299	\$ 299	\$ 299
Workers' Compensation Payments .....	480	433	413	413	413	413	413
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 893</b>	<b>\$ 795</b>	<b>\$ 712</b>	<b>\$ 712</b>	<b>\$ 712</b>	<b>\$ 712</b>	<b>\$ 712</b>
<b>WORKMEN'S COMPENSATION ADMINISTRATION FUND:</b>							
Administration of Workers' Compensation.	\$ 78,356	\$ 71,215	\$ 70,364	\$ 70,364	\$ 70,364	\$ 70,364	\$ 70,364
Loan to Uninsured Employers Guaranty Fund (EA).....	7,500	0	0	0	0	0	0
<b>TOTAL WORKMEN'S COMPENSATION ADMINISTRATION FUND .....</b>	<b>\$ 85,856</b>	<b>\$ 71,215</b>	<b>\$ 70,364</b>	<b>\$ 70,364</b>	<b>\$ 70,364</b>	<b>\$ 70,364</b>	<b>\$ 70,364</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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**Reduce the cost of paying unemployment compensation claims and collecting UC taxes while improving services for claimants and employers.**

Number of new claims for unemployment compensation.....	711,082	605,480	574,996	506,405	468,385	465,000	462,000
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## Program: Workforce Investment

*Goal: To provide meaningful job training and placement services in a coordinated role with other commonwealth agencies, the private sector and the federal government in order to secure unsubsidized employment for unemployed Pennsylvanians.*

The [Department of Labor & Industry](#) oversees [workforce development programs](#) serving job seekers, incumbent workers, and employers as part of a workforce development system delivering a range of employment, training and labor market information services statewide. The department coordinates with other state agencies and local partners to deliver workforce development services. Programs help individuals, including unemployed individuals and people receiving Temporary Assistance for Needy Families, develop skills, find suitable employment in family sustaining jobs and advance along career pathways. The workforce development system also helps employers find and develop the talent they need to grow and thrive.

### Workforce Innovation and Opportunity Act

Most workforce development system activities are driven by the federal [Workforce Innovation and Opportunity Act](#) of 2014 (WIOA). WIOA was enacted to help job seekers and workers access employment, education, training and support services to succeed in the labor market and match employers with skilled workers they need to compete in the global economy. There are six core programs under WIOA: Adult, Youth, Dislocated Worker, Adult Education and Family Literacy, Wagner-Peyser and Vocational Rehabilitation, five of which are administered by Labor & Industry.

### Labor Market Information

Labor & Industry's [Center for Workforce Information & Analysis](#) disseminates labor market information through diverse products covering employment data, hiring trends and other economic indicators.

### PA CareerLink®

[PA CareerLink®](#) is a one-stop workforce development system that has improved service for businesses, job seekers and other customers by integrating systems and coordinating services.

### Industry Partnerships

[Industry Partnerships](#) are cohorts of businesses, from the same industry and in a shared labor market region, that work with economic development, education, workforce development, organized labor, and community organizations to address the overall competitiveness needs of the targeted industry. The connections created among partners catalyze the sharing of best practices, improving communications, the sharing of resources and the collective strengthening of regional economies.

### Apprenticeship and Training Office

The [Apprenticeship and Training Office](#) (ATO) provides outreach and technical support in accordance with the Pennsylvania Apprenticeship and Training Act and regulations. ATO evaluates employment, education, and economic needs in a specific geographic area to create operational plans. ATO certifies current apprenticeship and training programs, collects data, and maintains records of agreements with the goals of growing the number of Pennsylvania registered apprenticeship opportunities, educating employers and job seekers about the benefits of registered apprenticeships, and expanding apprenticeships into non-traditional areas.

## Program Recommendations:

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

All appropriations are recommended at the current year funding levels.

## Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
New Choices / New Options.....	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Industry Partnerships.....	1,813	4,813	4,813	4,813	4,813	4,813	4,813
Apprenticeship Training.....	0	7,000	7,000	7,000	7,000	7,000	7,000
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 2,313</b>	<b>\$ 12,313</b>	<b>\$ 12,313</b>	<b>\$ 12,313</b>	<b>\$ 12,313</b>	<b>\$ 12,313</b>	<b>\$ 12,313</b>

## Program: Workforce Investment (continued)

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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**Increase the number of Pennsylvanians able to obtain, retain and advance in 21st-century careers, as well as improve the global competitiveness of Pennsylvania's employers.**

Workforce Innovation and Opportunity Act youth entered employment rate .....	63%	63%	68%	69%	65%	65%	65%
Workforce Innovation and Opportunity Act adult entered employment rate .....	71.9%	74.0%	74.0%	75.4%	77.3%	73.0%	73.0%
Registered apprentices .....	14,569	10,821	12,487	14,110	15,209	16,745	18,000

## Program: Vocational Rehabilitation

*Goal: To enable eligible persons with disabilities to obtain competitive employment.*

The [Office of Vocational Rehabilitation \(OVR\)](#) assists Pennsylvanians with disabilities to secure and maintain employment and independence. OVR's Vocational Rehabilitation program is both state and federally funded, with every state dollar invested leveraging up to four times in federal funds.

Primary emphasis is placed on serving individuals with the most significant disabilities. These individuals generally require extensive, comprehensive, and unique services over an extended period of time. OVR utilizes a significant portion of funding for [training and supported employment services](#). The Workforce Innovation and Opportunity Act requires OVR to reserve 15 percent of its federal vocational rehabilitation award for Pre-Employment Transition Services (PETS) to serve students with disabilities who are eligible or potentially eligible for services to transition from secondary to postsecondary education programs and employment.

OVR's strategic objectives focus on:

- employment opportunities for individuals with disabilities through the development of innovative and collaborative programs created in partnership with industries;
- youth with disabilities successfully completing secondary education and entering the labor market;
- students with disabilities served by collaborating with local education entities, career and technology centers, families, and other stakeholders;
- work-based learning experiences for students with disabilities while they are enrolled in secondary education; and
- comprehensive workforce system enhancements through increased collaboration, physical and programmatic accessibility, and data sharing between workforce partner agencies, the Department of Labor and Industry, Department of Health, Department of Human Services and the Department of Education.

### Program Recommendations:

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

<b>Transfer to Vocational Rehabilitation Fund</b>	<b>Assistive Technology Demonstration and Training</b>
\$ 2,316 —to maximize the use of federal funds.	\$ 50 —to continue current program.

All other appropriations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Transfer to Vocational Rehabilitation Fund	\$ 44,889	\$ 45,626	\$ 47,942	\$ 47,942	\$ 47,942	\$ 47,942	\$ 47,942
Supported Employment	397	397	397	397	397	397	397
Centers for Independent Living	1,912	1,912	1,912	1,912	1,912	1,912	1,912
Assistive Technology Financing	400	450	450	450	450	450	450
Assistive Technology Demonstration and Training	400	400	450	450	450	450	450
<b>TOTAL GENERAL FUND</b>	<b>\$ 47,998</b>	<b>\$ 48,785</b>	<b>\$ 51,151</b>	<b>\$ 51,151</b>	<b>\$ 51,151</b>	<b>\$ 51,151</b>	<b>\$ 51,151</b>

## Program: Vocational Rehabilitation (continued)

<b>Program Measures:</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Increase the employment potential and personal independence of persons with disabilities.</b>							
Customers receiving financial aid for training .....	5,174	4,518	3,830	3,629	3,460	3,500	3,600
Students receiving Pre-Employment Transition Services (PETS) .....	N/A	N/A	N/A	N/A	25,601	27,000	28,000
Number of eligible participants with active plans .....	52,000	52,500	41,579	39,771	49,495	49,500	49,500
Number of participants closed as employed .....	10,000	8,841	8,404	9,311	7,885	7,900	8,000
Number of persons successfully completing independent living/specialized services	1,500	1,294	1,306	1,332	1,235	1,300	1,300



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# LIQUOR CONTROL BOARD

*The [Pennsylvania Liquor Control Board \(PLCB\)](#) serves as the commonwealth's responsible seller of wines and spirits, regulates Pennsylvania's licensed beverage industry and promotes social responsibility and alcohol education, while maximizing financial returns for the benefit of all Pennsylvanians.*

*The PLCB regulates the manufacture, importation, sale, distribution and disposition of alcohol in the commonwealth.*

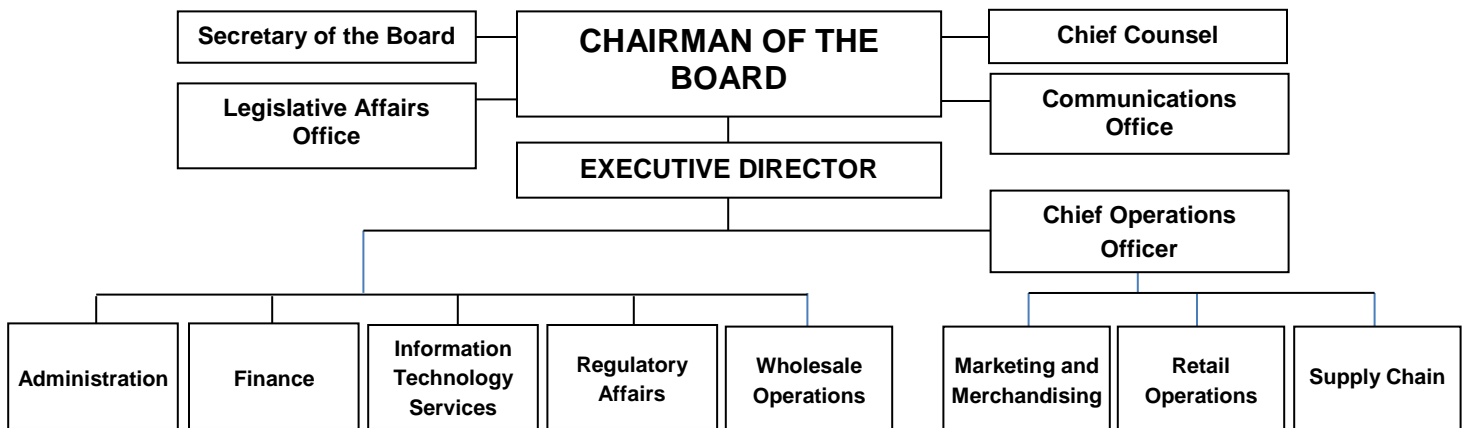
*PLCB revenues from the sale of wines and spirits and licensing fees cover the cost of merchandise sold and all Liquor Control Board operating expenses, including costs for the Pennsylvania State Police Bureau of Liquor Control Enforcement, prevention funding for the Department of Drug and Alcohol Programs, and services provided by other state agencies such as the Office of Comptroller Operations, Office of Administration, and Auditor General. Remaining proceeds from operations are transferred annually to the commonwealth's General Fund.*

## **Programs and Goals**

**Liquor Control:** To control the manufacture, distribution and sale of alcoholic beverages, while promoting safe and responsible consumption practices to the citizens of the commonwealth.



## Organization Overview



- **Administration** is responsible for developing, recommending and directing the implementation of policies, procedures and regulations. It also directs the operations and activities of the Bureaus of Human Resources, Talent Management and Support Services.
- **Finance** is responsible for budgeting, planning, forecasting, managing banking relationships, cash control, financial analyses and coordinating monthly accounting and reporting. Beyond the fiscal role, other functions include the procurement of all services, equipment and non-stock items.
- **Information Technology Services** is responsible for two major operational initiatives – the support of daily operations, IT services and the innovation and upgrade to infrastructure, retail, regulatory and inventory management systems. This includes all portfolio and project management services, oversight of IT architecture and enterprise-wide IT security. It also directs the activities of the Bureau of Enterprise Application Solutions and the Bureau of Enterprise Infrastructure and Operations.
- **Regulatory Affairs** oversees licensees throughout the commonwealth ensuring the licensed beverage industry complies with statutory requirements and regulatory mandates. It also provides leadership and resources to reduce alcohol misuse through alcohol education, training and guidance to owners and managers.
- **Supply Chain** purchases regular wine and spirits products from domestic and foreign suppliers, which includes controlling the flow of merchandise to meet customer demands. The office handles the importation, excise taxes, customs duties, warehousing and transportation of products to the retail stores.
- **Marketing and Merchandising** is responsible for directing the overall planning, organization, coordination, and direction of marketing programs, initiatives and projects for the PLCB. The director serves as the principal advisor to the board on all matters pertaining to the procurement and listing of wines and spirits. The director also oversees the activities of the Bureau of Product Selection and the Bureau of Marketing, Communication, Branding & Design.
- **Retail Operations** is responsible for overseeing the daily operations of Fine Wine & Good Spirits stores throughout the commonwealth. This includes store staffing, training, inventory control, various marketing/sales promotions, equipment enhancements, software upgrades and the implementation of new incentives.
- **Wholesale Operations** is responsible for directing, coordinating and planning all activities related to wholesale operations. It oversees and directs all activities concerning the ordering, processing and delivery of products and customer services for licensed retailers. It also directs the activities of the Bureau of Business Development and the Bureau of Consumer Relations.

### Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-2017 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
3,270	3,270	3,270	3,395	3,219	3,219	3,219

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>OTHER FUNDS:</b>			
<b>STATE STORES FUND:</b>			
General Operations (EA).....	\$ 556,950	\$ 577,600	\$ 591,980
(A) Sale of Automobiles.....	32	20	20
Purchase of Liquor (EA).....	1,396,500	1,414,400	1,432,488
Comptroller Operations (EA).....	5,690	5,690	6,025
Transfer to the General Fund (EA).....	185,100	185,100	185,100
<b>STATE STORES FUND TOTAL.....</b>	<b>\$ 2,144,272</b>	<b>\$ 2,182,810</b>	<b>\$ 2,215,613</b>

Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>LIQUOR CONTROL</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	2,144,272	2,182,810	2,215,613	2,254,383	2,307,706	2,362,513	2,418,916
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 2,144,272</b>	<b>\$ 2,182,810</b>	<b>\$ 2,215,613</b>	<b>\$ 2,254,383</b>	<b>\$ 2,307,706</b>	<b>\$ 2,362,513</b>	<b>\$ 2,418,916</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	2,144,272	2,182,810	2,215,613	2,254,383	2,307,706	2,362,513	2,418,916
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 2,144,272</b>	<b>\$ 2,182,810</b>	<b>\$ 2,215,613</b>	<b>\$ 2,254,383</b>	<b>\$ 2,307,706</b>	<b>\$ 2,362,513</b>	<b>\$ 2,418,916</b>

## Program: Liquor Control

*Goal: To control the manufacture, distribution and sale of alcoholic beverages, while promoting safe and responsible consumption practices to the citizens of the commonwealth.*

### **Retail Sales of Alcohol**

The Pennsylvania Liquor Control Board (PLCB) is the primary retailer of wines and spirits in Pennsylvania, operating about 600 Fine Wine & Good Spirits stores, including about 100 Premium Collection stores. The PLCB also offers online sales of wine and spirits – delivered to consumers' homes or stores of their choice – through [FineWineAndGoodSpirits.com](http://FineWineAndGoodSpirits.com). The PLCB aims to provide a wide variety of quality wines and spirits at competitive prices that will appeal to a demographically diverse and geographically large population of Pennsylvanians. If the PLCB does not carry products consumers seek, it strives to make those products available through Special Orders, whereby the PLCB facilitates sales directly between wine and spirits suppliers and customers.

To appeal to consumers at retail and provide a positive store shopping experience, the PLCB continues to renovate and re-brand its stores to create welcoming environments that encourage consumers to spend time exploring expanded selections of products. Fine Wine & Good Spirits also engages customers through celebrity bottle signings, in-store tasting events, and off-site events like wine and whiskey festivals. Each year, stores conduct more than 1 million ID checks and age verifications to ensure sales are only made to those 21 years of age and older.

A major initiative for the PLCB is growing e-commerce sales at [FineWineAndGoodSpirits.com](http://FineWineAndGoodSpirits.com). In September 2018, the PLCB relocated its e-commerce fulfillment center to a 30,000 square foot facility that can accommodate an online product catalogue exceeding 5,000 items. The PLCB also continues work to redesign and rebuild its e-commerce site to better suit consumers needs and expectations for online shopping.

### **Wholesale Distribution of Alcohol to Licensees**

As the wholesaler of wine and spirits to thousands of licensees, the PLCB is committed to partnering with licensees in building collaborative relationships, developing innovative delivery and product offerings, and effectively and efficiently coordinating distribution of alcohol in ways that meet wholesale customers' needs.

Licensees can order product through the [Licensee Online Order Portal \(LOOP\)](#), one of about a dozen Licensee Service Centers or retail stores. Licensees ordering in larger volume can participate in the PLCB's Licensee Delivery Program, which offers direct delivery to licensee locations from PLCB distribution centers.

The PLCB's Wholesale Operations division also actively manages the growing number of wine-to-go

retailers in Pennsylvania, including hundreds of grocery and convenience stores across the state.

### **Licensing**

The PLCB licenses and regulates more than 16,000 retail and wholesale licensees in the commonwealth, conducts about 8,000 investigations each year, and processes about 76,000 applications annually for various license and permit authorities.

While the PLCB is responsible for issuing and renewing liquor licenses, enforcement of liquor laws is the responsibility of the [Pennsylvania State Police Bureau of Liquor Control Enforcement](#). The PLCB can, however, refuse to renew a license, and Act 44 of 2017 gave the agency limited authority, through the [Licensee Compliance Program](#), to conduct onsite inspections of establishments and immediately suspend a license if a licensee fails to meet certain license requirements. The PLCB also has a nuisance bar program that uses partnerships with the local community, law enforcement agencies, and government entities to build evidence when a licensee has abused license privileges to an extent that the PLCB will object to license renewal. The [auction of expired restaurant licenses](#) by the PLCB was authorized by Act 39 of 2016, and the PLCB continues to offer multiple auction opportunities each year to individuals and entities seeking to obtain restaurant licenses.

### **Alcohol Education**

The PLCB [educates](#) the public on the responsible use of alcohol, focusing on three key pillars: delivering no-use and zero tolerance messages to those under the age of 21, encouraging responsible consumption for those over 21, and promoting responsible alcohol service and practices among licensees.

The Bureau of Alcohol Education educates the public about the dangers of underage and dangerous drinking through a variety of avenues, including a [poster contest](#) for students in kindergarten through 12<sup>th</sup> grade, a free alcohol education [conference](#), the creation and distribution of a wide range of educational materials, and training and technical assistance for organizations working to reduce issues related to irresponsible consumption.

The PLCB awards about \$1 million each year in [educational grants](#) that enable schools, colleges, community organizations, and law enforcement agencies to combat underage and dangerous drinking. Additionally, the [Responsible Alcohol Management Program \(RAMP\)](#) offers responsible service training to Pennsylvania licensees.

## Program: Liquor Control (continued)

In 2017, the PLCB introduced a new alcohol education and prevention campaign targeting Pennsylvania parents of children ages 8 through 12, [Know When. Know How](#). The objective of the campaign is to prevent underage

drinking by arming parents with the information, tools, and confidence they need to begin having meaningful and effective conversations about alcohol at an early age, before experimentation with or use of alcohol begins.

### Program Recommendations:

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

	<b>STATE STORES FUND</b>		<b>Comptroller Operations (EA)</b>
	<b>General Operations (EA)</b>	\$	335
\$ 14,380	—to continue current program.		—to continue current program.
	<b>Purchase of Liquor (EA)</b>		
\$ 18,088	—for inventory costs.		

This budget proposes a transfer of \$185.1 million from the State Stores Fund to the General Fund in 2019-20.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>STATE STORES FUND:</b>							
General Operations (EA).....	\$ 556,950	\$ 577,600	\$ 591,980	\$ 602,100	\$ 626,200	\$ 651,200	\$ 677,200
Purchase of Liquor (EA).....	1,396,500	1,414,400	1,432,488	1,461,138	1,490,361	1,520,168	1,550,571
Comptroller Operations (EA).....	5,690	5,690	6,025	6,025	6,025	6,025	6,025
Transfer to the General Fund (EA).....	185,100	185,100	185,100	185,100	185,100	185,100	185,100
<b>TOTAL STATE STORES FUND .....</b>	<b>\$ 2,144,240</b>	<b>\$ 2,182,790</b>	<b>\$ 2,215,593</b>	<b>\$ 2,254,363</b>	<b>\$ 2,307,686</b>	<b>\$ 2,362,493</b>	<b>\$ 2,418,896</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Increase revenue contributions to the General Fund by maximizing returns.</b>							
Pennsylvania State Liquor Stores.....	606	601	601	607	605	605	605
Gross sales (in thousands, excluding liquor taxes and sales taxes).....	\$1,817,774	\$1,890,235	\$1,962,153	\$2,028,317	\$2,075,511	\$2,127,400	\$2,185,900
Total contributions from State Stores Fund (in thousands, including liquor taxes, sales taxes, and General Fund transfer).....	\$534,062	\$552,162	\$592,325	\$729,503	\$712,033	\$725,206	\$738,709
<b>Increase the number of individuals that receive alcohol education to promote moderation and avoidance of abuse among legal consumers, and prevention of purchase and consumption by minors.</b>							
Alcohol education grants awarded.....	61	61	65	63	66	68	70
Alcohol education grant money awarded (in thousands).....	\$1,071	\$1,071	\$1,139	\$1,120	\$1,154	\$1,200	\$1,200
Owners/managers receiving Responsible Alcohol Management Program (RAMP) training .....	4,513	4,513	5,161	5,761	5,902	6,197	6,507
Servers/sellers receiving RAMP training.....	36,861	38,151	44,486	67,135	78,656	82,589	86,718
Establishments that are RAMP certified .....	1,151	1,186	1,471	1,455	1,589	1,668	1,752



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# DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

*Pennsylvania's Department of Military and Veterans Affairs has a dual mission: to provide quality service to the commonwealth's veterans and their families, and to oversee and support the members of the Pennsylvania National Guard.*

*The department provides resources and assistance to approximately 793,000 veterans and their families, and also provides quality care for aging and disabled veterans.*

*Military and Veterans Affairs prepares the Pennsylvania National Guard for combat, performing worldwide combat and combat support operations; provides global reach and the projection of United States military power in support of national objectives; and, at the command of the governor, also provides trained and ready personnel to support state and local authorities in times of natural disaster or civil strife.*

The department consists of the Adjutant General, the State Armory Board, the State Veterans Commission, the Pennsylvania Soldiers and Sailors Home in Erie, the Veterans Home in Hollidaysburg, the Southeastern Veterans Center in Spring City, the Gino J. Merli Veterans Center in Scranton, the Southwestern Veterans Center in Pittsburgh and the Delaware Valley Veterans Home in Philadelphia.

## **Programs and Goals**

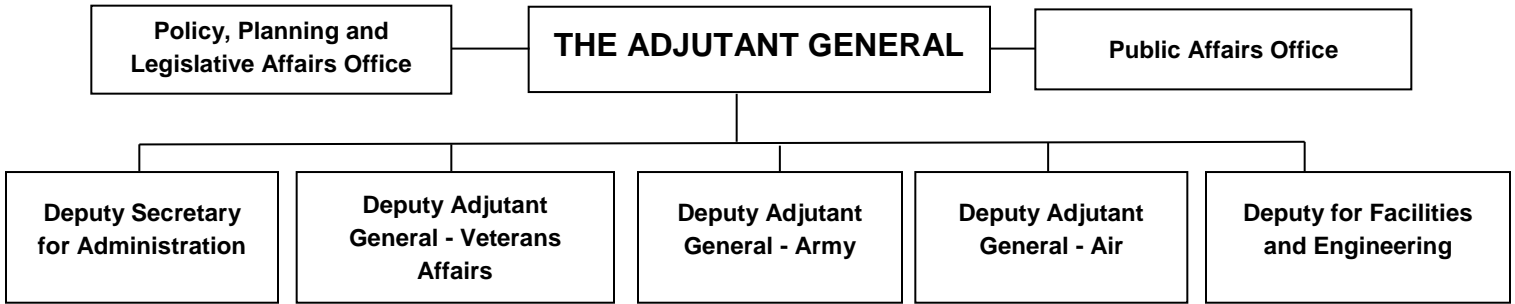
**State Military Readiness:** *To achieve and maintain a readiness capability in units of the Pennsylvania National Guard for quick and effective response to state or federal mobilization.*

**Veterans Homes:** *To provide nursing and domiciliary care for veterans.*

**Compensation and Assistance:** *To provide advisory and financial assistance to eligible Pennsylvania veterans, National Guardsmen and their dependents.*

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## Organization Overview



- Deputy Secretary for Administration** is responsible for monitoring the operations of the department to ensure adherence to federal and state policies and regulations. The office acts as liaison to the U.S. Property and Fiscal Office to process funds and reimbursements in support of federally-funded state positions and operational maintenance agreements between the agency and the federal government. It is responsible for planning, supervising and implementing administrative and procedural matters and managing the administration, office service support and policy direction for the department.
- Deputy Adjutant General for Veterans Affairs** is responsible for the administration and management of DMVA veterans programs, investigating the work of state agencies in administering laws affecting veterans, advising state agencies on veterans programs and managing the six state veterans homes. By legislative mandate, this office is the official liaison between federal, state and local governmental agencies on all matters concerning veterans' benefits. Its mission is to provide world-class advice and assistance to Pennsylvania's approximately 793,000 veterans, and to provide the highest quality of care to our aging veterans.
- Deputy Adjutant General for Army** is responsible for the staffing, equipping and training of the Pennsylvania Army National Guard, as well as assisting the Adjutant General in supervision and management of the Department of Military and Veterans Affairs.
- Deputy Adjutant General for Air** is responsible for the Pennsylvania Air National Guard reserve component of the United States Air Force and the fourth-largest Air National Guard force in the country with 4,000 members. It plays an important role in the nation's defense and supporting the commonwealth in times of need. The organization has three diverse operational wings located at six separate bases ensuring both federal and state missions are efficiently and successfully accomplished.
- Deputy for Facilities and Engineering** is responsible for the acquisition, management, maintenance, construction, operation and disposal of all land and facilities that support the Pennsylvania Army National Guard. This includes Fort Indiantown Gap National Guard training center, approximately 70 National Guard readiness centers, 20 National Guard field maintenance shops and six veterans homes.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
2,226	2,226	2,598	2,543	2,457	2,463	2,488

# Military and Veterans Affairs

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<b>General Government:</b>			
<b>General Government Operations.....</b>	<b>\$ 23,198</b>	<b>\$ 24,675</b>	<b>\$ 33,690</b>
(F)Facilities Maintenance.....	77,685	77,685	77,685
(F)Federal Construction Grants.....	50,000	25,000	25,000
(F)Spotted Lanternfly (EA).....	0	100	0
(F)PA State Opioid Response (EA).....	0	500	500
(A)Rental of Armories and Other Facilities.....	122	122	122
(A)Housing Fees.....	79	80	83
(A)Utility Reimbursements.....	173	199	199
(A)Miscellaneous.....	153	134	109
(R)Military Family Relief Assistance.....	56	100	100
Subtotal.....	<u>\$ 151,466</u>	<u>\$ 128,595</u>	<u>\$ 137,488</u>
<b>Burial Detail Honor Guard.....</b>	<b>99</b>	<b>99</b>	<b>99</b>
<b>American Battle Monuments.....</b>	<b>50</b>	<b>50</b>	<b>50</b>
<b>Armory Maintenance and Repair.....</b>	<b>160</b>	<b>160</b>	<b>245</b>
<b>Special State Duty.....</b>	<b>35</b>	<b>35</b>	<b>35</b>
Subtotal - State Funds.....	\$ 23,542	\$ 25,019	\$ 34,119
Subtotal - Federal Funds.....	127,685	103,285	103,185
Subtotal - Augmentations.....	527	535	513
Subtotal - Restricted Revenues.....	56	100	100
Total - General Government.....	<u>\$ 151,810</u>	<u>\$ 128,939</u>	<u>\$ 137,917</u>
<b>Institutional:</b>			
<b>Veterans Homes.....</b>	<b>\$ 98,401</b>	<b>\$ 104,139</b>	<b>\$ 105,730</b>
(F)Operations and Maintenance.....	46,895	47,014	49,412
(F)Medical Reimbursements.....	164	165	177
(F)Enhanced Veterans Reimbursement.....	20,791	24,791	28,791
(F)Antimicrobial Stewardship Certificate Program (EA).....	4	0	0
(A)Aid and Attendance Payments.....	7,625	7,442	7,567
(A)Residential Fees.....	15,756	16,102	16,375
(A)Estate Collections.....	3,439	2,785	2,740
(A)Insurance or Third Party Reimbursements.....	22	38	32
(A)Physical & Occupational Therapy Reimbursements.....	536	534	540
(A)Pharmaceutical Reimbursements.....	2,525	2,186	2,443
(A)Miscellaneous.....	118	1	2
Subtotal.....	<u>\$ 196,276</u>	<u>\$ 205,197</u>	<u>\$ 213,809</u>
Subtotal - State Funds.....	\$ 98,401	\$ 104,139	\$ 105,730
Subtotal - Federal Funds.....	67,854	71,970	78,380
Subtotal - Augmentations.....	30,021	29,088	29,699
Total - Institutional.....	<u>\$ 196,276</u>	<u>\$ 205,197</u>	<u>\$ 213,809</u>
<b>Grants and Subsidies:</b>			
<b>Education of Veterans Children.....</b>	<b>\$ 120</b>	<b>\$ 120</b>	<b>\$ 125</b>
<b>Transfer to Educational Assistance Program Fund.....</b>	<b>12,500</b>	<b>13,000</b>	<b>13,265</b>
<b>Blind Veterans Pension.....</b>	<b>222</b>	<b>222</b>	<b>222</b>
<b>Amputee and Paralyzed Veterans Pension.....</b>	<b>3,714</b>	<b>3,714</b>	<b>3,714</b>
<b>National Guard Pension.....</b>	<b>5</b>	<b>5</b>	<b>5</b>
<b>Supplemental Life Insurance Premiums.....</b>	<b>164</b>	<b>164</b>	<b>164</b>
<b>Civil Air Patrol.....</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Disabled American Veterans Transportation.....</b>	<b>336</b>	<b>336</b>	<b>336</b>
<b>Veterans Outreach Services.....</b>	<b>2,332</b>	<b>2,832</b>	<b>2,889</b>
<b>Behavioral Health Support for Veterans.....</b>	<b>750</b>	<b>750</b>	<b>0</b>
Subtotal.....	<u>\$ 20,243</u>	<u>\$ 21,243</u>	<u>\$ 20,820</u>
Total - Grants and Subsidies.....	<u>\$ 20,243</u>	<u>\$ 21,243</u>	<u>\$ 20,820</u>



## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	ACTUAL	AVAILABLE	BUDGET
STATE FUNDS.....	\$ 142,186	\$ 150,401	\$ 160,669
FEDERAL FUNDS.....	195,539	175,255	181,565
AUGMENTATIONS.....	30,548	29,623	30,212
RESTRICTED REVENUES.....	56	100	100
<b>GENERAL FUND TOTAL.....</b>	<b>\$ 368,329</b>	<b>\$ 355,379</b>	<b>\$ 372,546</b>
 <b>OTHER FUNDS:</b>			
<b>EDUCATIONAL ASSISTANCE PROGRAM FUND:</b>			
National Guard Education (EA).....	\$ 18 <sup>a</sup>	\$ 0 <sup>a</sup>	\$ 290 <sup>a</sup>
<b>PENNSYLVANIA VETERANS MONUMENTS AND MEMORIAL TRUST FUND:</b>			
Veterans Memorial (EA).....	\$ 350	\$ 108	\$ 200
<b>STATE TREASURY ARMORY FUND:</b>			
Armory Improvements.....	\$ 1,743	\$ 1,400	\$ 1,210
<b>VETERANS TRUST FUND:</b>			
Grants and Assistance (EA).....	\$ 1,955	\$ 1,755	\$ 1,755
 <b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 142,186	\$ 150,401	\$ 160,669
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	195,539	175,255	181,565
AUGMENTATIONS.....	30,548	29,623	30,212
RESTRICTED.....	56	100	100
OTHER FUNDS.....	4,066	3,263	3,455
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 372,395</b>	<b>\$ 358,642</b>	<b>\$ 376,001</b>

<sup>a</sup> Transfer to Educational Assistance Program Fund not added to the total to avoid double counting. The National Guard Education (EA) for 2017-18 Actual is \$12,518,000; 2018-19 Available is \$13,000,000; and 2019-20 Budget is \$13,555,000.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>STATE MILITARY READINESS</b>							
GENERAL FUND.....	\$ 23,542	\$ 25,019	\$ 34,119	\$ 31,881	\$ 26,543	\$ 26,543	\$ 26,543
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	127,685	103,285	103,185	103,185	103,185	103,185	103,185
AUGMENTATIONS.....	527	535	513	513	513	513	513
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	2,093	1,508	1,410	1,160	910	660	410
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 153,847</b>	<b>\$ 130,347</b>	<b>\$ 139,227</b>	<b>\$ 136,739</b>	<b>\$ 131,151</b>	<b>\$ 130,901</b>	<b>\$ 130,651</b>
<b>VETERANS HOMES</b>							
GENERAL FUND.....	\$ 98,401	\$ 104,139	\$ 105,730	\$ 105,730	\$ 105,730	\$ 105,730	\$ 105,730
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	67,854	71,970	78,380	78,380	78,380	78,380	78,380
AUGMENTATIONS.....	30,021	29,088	29,699	29,699	29,699	29,699	29,699
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 196,276</b>	<b>\$ 205,197</b>	<b>\$ 213,809</b>	<b>\$ 213,809</b>	<b>\$ 213,809</b>	<b>\$ 213,809</b>	<b>\$ 213,809</b>
<b>COMPENSATION AND ASSISTANCE</b>							
GENERAL FUND.....	\$ 20,243	\$ 21,243	\$ 20,820	\$ 23,400	\$ 26,238	\$ 29,362	\$ 32,795
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	56	100	100	100	100	100	100
OTHER FUNDS.....	1,973	1,755	2,045	1,755	1,755	1,755	1,755
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 22,272</b>	<b>\$ 23,098</b>	<b>\$ 22,965</b>	<b>\$ 25,255</b>	<b>\$ 28,093</b>	<b>\$ 31,217</b>	<b>\$ 34,650</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 142,186	\$ 150,401	\$ 160,669	\$ 161,011	\$ 158,511	\$ 161,635	\$ 165,068
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	195,539	175,255	181,565	181,565	181,565	181,565	181,565
AUGMENTATIONS.....	30,548	29,623	30,212	30,212	30,212	30,212	30,212
RESTRICTED.....	56	100	100	100	100	100	100
OTHER FUNDS.....	4,066	3,263	3,455	2,915	2,665	2,415	2,165
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 372,395</b>	<b>\$ 358,642</b>	<b>\$ 376,001</b>	<b>\$ 375,803</b>	<b>\$ 373,053</b>	<b>\$ 375,927</b>	<b>\$ 379,110</b>

## Program: State Military Readiness

*Goal: To achieve and maintain a readiness capability in units of the Pennsylvania National Guard for quick and effective response to state or federal mobilization.*

The [State Military Readiness](#) program provides the administrative, logistical and training support necessary for the Pennsylvania National Guard to maintain requisite readiness capability to serve during emergencies. Such emergencies may result in full or partial mobilization of the [Pennsylvania National Guard](#) for state service in the commonwealth or federal service anywhere in the world. Costs for military equipment, supplies and training are funded solely by the federal government.

The readiness capability of Pennsylvania National Guard units is evaluated according to established federal inspection and training standards. Primary efforts are directed toward having the Pennsylvania National Guard

in top readiness condition to perform state and federal missions. The training of personnel is dependent upon the operation, maintenance and repair of numerous National Guard armories and readiness centers, support facilities, Air National Guard bases and installations. A statewide communications network provides faster and more effective response to state or federal mobilization.

The commonwealth is responsible for operating a network of community armories, readiness centers and air bases serving as training locations for National Guard units. These facilities may also be utilized as mass care centers for disaster victims in addition to providing meeting and recreational facilities for local civic and youth organizations.

### Program Recommendations:

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

<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"></td> <td style="width: 10%; text-align: right;"><b>General Government Operations</b></td> <td style="width: 80%;"></td> </tr> <tr> <td style="text-align: right;">\$ 940</td> <td style="text-align: left;">—to continue current program.</td> <td></td> </tr> <tr> <td style="text-align: right;">2,500</td> <td style="text-align: left;">—Initiative—to implement the military family education program.</td> <td></td> </tr> <tr> <td style="text-align: right;">237</td> <td style="text-align: left;">—Initiative—for a veteran-centric behavioral health unit.</td> <td></td> </tr> <tr> <td style="text-align: right; border-top: 1px solid black;">5,338</td> <td style="text-align: left; border-top: 1px solid black;">—Initiative—statewide radio upgrade.</td> <td></td> </tr> <tr> <td style="text-align: right;">\$ 9,015</td> <td style="text-align: left;"><i>Appropriation Increase</i></td> <td></td> </tr> </table>		<b>General Government Operations</b>		\$ 940	—to continue current program.		2,500	—Initiative—to implement the military family education program.		237	—Initiative—for a veteran-centric behavioral health unit.		5,338	—Initiative—statewide radio upgrade.		\$ 9,015	<i>Appropriation Increase</i>		<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;"></td> <td style="width: 10%; text-align: right;"><b>Armory Maintenance and Repair</b></td> <td style="width: 80%;"></td> </tr> <tr> <td style="text-align: right;">\$ 85</td> <td style="text-align: left;">—to continue current program.</td> <td></td> </tr> </table>		<b>Armory Maintenance and Repair</b>		\$ 85	—to continue current program.	
	<b>General Government Operations</b>																								
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\$ 9,015	<i>Appropriation Increase</i>																								
	<b>Armory Maintenance and Repair</b>																								
\$ 85	—to continue current program.																								

All other appropriations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 23,198	\$ 24,675	\$ 33,690	\$ 31,452	\$ 26,114	\$ 26,114	\$ 26,114
Burial Detail Honor Guard .....	99	99	99	99	99	99	99
American Battle Monuments .....	50	50	50	50	50	50	50
Armory Maintenance and Repair .....	160	160	245	245	245	245	245
Special State Duty .....	35	35	35	35	35	35	35
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 23,542</b>	<b>\$ 25,019</b>	<b>\$ 34,119</b>	<b>\$ 31,881</b>	<b>\$ 26,543</b>	<b>\$ 26,543</b>	<b>\$ 26,543</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Maintain the strength and readiness of the Pennsylvania Army National Guard.

Pennsylvania Army National Guard End Strength Ceiling .....	15,273	15,273	15,381	15,546	14,800	14,800	14,300
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## Program: State Military Readiness (continued)

<b>Program Measures: (continued)</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
Pennsylvania Army National Guard Assigned.....	15,600	15,800	15,597	15,513	14,890	14,800	14,300
Percentage of Pennsylvania Army National Guard Current Strength.....	102%	103%	101%	100%	101%	100%	100%
Department of Defense personnel receiving training at Fort Indiantown Gap ....	127,675	118,900	117,143	112,796	157,692	157,692	157,692
Non-Department of Defense personnel receiving training at Fort Indiantown Gap.....	9,126	7,822	7,121	7,412	5,802	7,451	7,451
<b>Maintain the strength and readiness of the Pennsylvania Air National Guard.</b>							
Pennsylvania Air National Guard End Strength Ceiling .....	4,108	4,169	4,102	4,102	4,119	4,119	4,119
Pennsylvania Air National Guard Assigned.....	3,944	3,962	4,000	3,922	4,007	4,076	4,118
Percentage of the Pennsylvania Air National Guard Current Strength.....	96%	95%	98%	96%	97%	99%	100%
<b>Maintain a network of facilities and Air National Guard bases that provide a professional working environment, ensure cost effectiveness and establish the National Guard as a good neighbor.</b>							
Percentage of armories and field sites rated adequate to satisfy the mission ....	50%	53%	45%	50%	53%	53%	53%

## Program: Veterans Homes

*Goal: To provide nursing and domiciliary care for veterans.*

The Department of Military and Veterans Affairs provides Pennsylvania veterans with different levels of care, including skilled nursing, dementia and domiciliary and personal care through the six [veterans homes](#) located throughout the commonwealth: the [Pennsylvania Soldiers and Sailors Home](#) in Erie, the [Hollidaysburg Veterans Home](#) in Duncansville, the [Southeastern Veterans Center](#) in Spring City, the [Gino J. Merli Veterans Center](#) in Scranton, the [Southwestern Veterans Center](#) in Pittsburgh and the [Delaware Valley Veterans Home](#) in Philadelphia.

The United States Department of Veterans Affairs (USDVA) provides financial assistance for care received at the state veterans homes. Residents also receive a personal needs allowance from the USDVA and are charged a monthly maintenance fee.

DMVA maximizes federal funds and augmentations through participation in the [Enhanced Veterans Reimbursement](#) initiative for residents eligible for Medicaid reimbursement, Medicare Part B, Medicare Part D and PACE/PACENET.

### Veterans Homes Populations for the Prior, Current and Upcoming Year

Institution	Population July 2017	Population July 2018	Projected Population July 2019	Projected Bed Capacity July 2019	Projected Percent of Capacity July 2019
Hollidaysburg Veterans Home.....	351	351	390	424	92.0%
Pennsylvania Soldiers and Sailors Home.....	184	153	175	207	84.5%
Southeastern Veterans Center .....	265	285	289	292	99.0%
Gino J. Merli Veterans Center.....	142	164	190	196	96.9%
Southwestern Veterans Center .....	223	232	232	236	98.3%
Delaware Valley Veterans Home.....	164	130	130	130	100.0%
<b>Total.....</b>	<b>1,329</b>	<b>1,315</b>	<b>1,406</b>	<b>1,485</b>	<b>94.7%</b>

### Expenditures by Institution: (Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget		2017-18 Actual	2018-19 Available	2019-20 Budget
<b>Pennsylvania Soldiers and Sailors Home</b>				<b>Southwestern Veterans Center</b>			
State Funds.....	\$ 11,473	\$ 13,681	\$ 11,910	State Funds.....	\$ 14,110	\$ 13,559	\$ 12,888
Federal Funds.....	6,847	6,141	7,760	Federal Funds.....	12,678	14,947	16,447
Augmentations.....	2,889	2,555	3,182	Augmentations.....	4,953	4,812	4,927
<b>TOTAL.....</b>	<b>\$ 21,209</b>	<b>\$ 22,377</b>	<b>\$ 22,852</b>	<b>TOTAL.....</b>	<b>\$ 31,741</b>	<b>\$ 33,318</b>	<b>\$ 34,262</b>
<b>Hollidaysburg Veterans Home</b>				<b>Delaware Valley Veterans Home</b>			
State Funds.....	\$ 27,712	\$ 27,879	\$ 28,595	State Funds.....	\$ 10,076	\$ 14,839	\$ 15,659
Federal Funds.....	16,552	17,482	18,707	Federal Funds.....	8,368	6,178	7,564
Augmentations.....	7,449	6,898	6,388	Augmentations.....	3,733	2,737	3,071
<b>TOTAL.....</b>	<b>\$ 51,713</b>	<b>\$ 52,259</b>	<b>\$ 53,690</b>	<b>TOTAL.....</b>	<b>\$ 22,177</b>	<b>\$ 23,754</b>	<b>\$ 26,294</b>
<b>Southeastern Veterans Center</b>				<b>Central Veterans Homes Services</b>			
State Funds.....	\$ 13,485	\$ 12,199	\$ 13,635	State Funds.....	\$ 10,044	\$ 12,812	\$ 11,668
Federal Funds.....	13,007	15,061	16,183	Federal Funds.....	-	-	-
Augmentations.....	7,319	7,292	7,292	Augmentations.....	-	-	-
<b>TOTAL.....</b>	<b>\$ 33,811</b>	<b>\$ 34,552</b>	<b>\$ 37,110</b>	<b>TOTAL.....</b>	<b>\$ 10,044</b>	<b>\$ 12,812</b>	<b>\$ 11,668</b>
<b>Gino J. Merli Veterans Center</b>							
State Funds.....	\$ 11,501	\$ 9,170	\$ 11,375				
Federal Funds.....	10,402	12,161	11,719				
Augmentations.....	3,678	4,794	4,839				
<b>TOTAL.....</b>	<b>\$ 25,581</b>	<b>\$ 26,125</b>	<b>\$ 27,933</b>				

# Military and Veterans Affairs

## Program: Veterans Homes (continued)

### Program Recommendations:

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

<b>Veterans Homes</b>	
\$ 754	—to continue current program.
837	—Initiative-to pilot Adult Day Health Care at Southeastern Veterans Center.
<u>1,591</u>	<i>Appropriation Increase</i>

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Veterans Homes .....	<u>\$ 98,401</u>	<u>\$ 104,139</u>	<u>\$ 105,730</u>	<u>\$ 105,730</u>	<u>\$ 105,730</u>	<u>\$ 105,730</u>	<u>\$ 105,730</u>

## Program: Compensation and Assistance

*Goal: To provide advisory and financial assistance to eligible Pennsylvania veterans, National Guardsmen and their dependents.*

The Department of Military and Veterans Affairs administers several activities within this program.

### **Education of Children of Deceased and Disabled Veterans**

Educational grants of up to \$500 per semester are provided for children of honorably discharged veterans who have been certified as having wartime service-connected disabilities, rated as 100 percent totally and permanently disabled, or children of veterans who died in service during a period of war or armed conflict or hostile fire in peacetime as certified by the United States Department of Veterans Affairs (USDVA). Children must be between 16 and 23 years of age and living in Pennsylvania five years prior to application. They must also attend a school within Pennsylvania and demonstrate financial need.

### **Educational Assistance — National Guard**

Tuition grants are provided for certain members of the Pennsylvania National Guard who enroll in a Pennsylvania institution of higher learning with degree-granting status, as approved by the Pennsylvania Higher Education Assistance Agency. Grants are available for full- and part-time students who do not possess a bachelor's degree. These public service educational grants not only serve as an incentive to the Pennsylvania National Guard's recruiting and retention efforts but also reward those Pennsylvanians who volunteer to serve their nation and the commonwealth.

### **Blind Veterans Pension**

Pensions of \$150 per month are provided for Pennsylvania veterans who incurred functional blindness while performing active military service and are rated as blinded through service connection by the USDVA.

### **Amputee and Paralyzed Veterans Pension**

Pensions of \$150 per month are provided to Pennsylvania veterans who are rated by the USDVA to have a service-connected loss or loss of use of two or more extremities.

### **National Guard Pension**

Payment of a pension is provided to guardsmen and widowed and dependent family members. A national guardsman who is injured, otherwise disabled or dies as a result of injuries or other disability received or contracted while performing duty in active service to the commonwealth, or in the performance of other state military duty, is eligible. A monthly pension for dependents up to a maximum of \$300 per month for a period of 10 years is provided. In the case of children of a deceased member, the pension is paid until the child reaches 18 years of age.

### **Supplemental Life Insurance Premiums**

DMVA pays, or reimburses, the cost not otherwise paid for by the federal government of service members' group

life insurance premiums for eligible soldiers and airmen of the Pennsylvania National Guard.

### **Veterans Outreach Services**

The Veterans Service Organizations program provides grants to organizations for the improvement of the administration and delivery of services to Pennsylvania veterans. Grants are used solely to support accredited veterans services officers and the associated costs, including: wages, benefits, other compensation and related personnel costs; training provided by accredited veterans services advocacy staff; and equipment to be used by accredited veterans services officer staff. The American Legion, American Veterans, Veterans of Foreign Wars and Disabled American Veterans are designated to receive grants under this program. Other veterans organizations, which are members of the State Veterans Commission, may also be designated to receive grant funding.

### **Persian Gulf Conflict Veterans Benefit Program**

Veterans and beneficiaries of deceased veterans may receive compensation of a one-time benefit of \$75 per month for each month of active service in the Persian Gulf Conflict Theater of Operations (August 1990 – August 1991). The maximum compensation is \$525. An additional one-time benefit of \$5,000 will be received if the service member was declared a prisoner of war while on active service in the Persian Gulf Conflict. Beneficiaries of deceased veterans may also receive an additional \$5,000 if the service member died while on active service or died as a result of injury or illness sustained in the Persian Gulf Conflict Theater.

### **Disabled Veterans Real Estate Tax Exemption Program**

This program provides a real estate tax exemption for any honorably discharged veteran who is determined by the USDVA to be 100 percent permanently disabled. The veteran must be a resident of the commonwealth with a financial need who served during established war or armed conflict service dates and who resides in the property subject to the exemption as his or her principal dwelling. This exemption is extended to the unmarried surviving spouse upon the death of an eligible veteran provided the State Veterans Commission determines such person is in need of the exemption.

### **Military Family Relief Assistance Program**

The Military Family Relief Assistance Program was created to provide for short-term financial relief to families in need due to deployment of a family member. This program is funded through contributions from state income tax return check-offs and donations.

# Military and Veterans Affairs

## Program: Compensation and Assistance (continued)

### Program Recommendations:

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

	<b>GENERAL FUND</b>		<b>Veterans Outreach Services</b>
\$ 5	<b>Education of Veterans Children</b> —to continue current program.	\$ 57	—to continue current program.
	<b>Transfer to Educational Assistance Program Fund</b>	\$ -750	<b>Behavioral Health Support for Veterans</b> —program elimination.
\$ 265	—Initiative—to implement the military family education program.		

All other appropriations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Education of Veterans Children .....	\$ 120	\$ 120	\$ 125	\$ 125	\$ 125	\$ 125	\$ 125
Transfer to Educational Assistance Program Fund .....	12,500	13,000	13,265	15,845	18,683	21,807	25,240
Blind Veterans Pension .....	222	222	222	222	222	222	222
Amputee and Paralyzed Veterans Pension .....	3,714	3,714	3,714	3,714	3,714	3,714	3,714
National Guard Pension .....	5	5	5	5	5	5	5
Supplemental Life Insurance Premiums.....	164	164	164	164	164	164	164
Civil Air Patrol .....	100	100	100	100	100	100	100
Disabled American Veterans Transportation .....	336	336	336	336	336	336	336
Veterans Outreach Services.....	2,332	2,832	2,889	2,889	2,889	2,889	2,889
Behavioral Health Support for Veterans ....	750	750	0	0	0	0	0
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 20,243</b>	<b>\$ 21,243</b>	<b>\$ 20,820</b>	<b>\$ 23,400</b>	<b>\$ 26,238</b>	<b>\$ 29,362</b>	<b>\$ 32,795</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Improve access and increase the number of eligible veterans and family members who receive federal, state and local benefits.

Number of Burial Honors Program services .....	2,461	2,653	2,706	2,749	2,556	2,683	2,818
Number of veterans who received benefits in accordance with the Veterans Temporary Assistance (VTA) Program .....	229	585	436	522	587	605	645
Number of new federal claims for Pennsylvania veterans (compensation and pension claims).....	6,730	7,582	8,362	8,065	6,970	7,318	7,684
Number of new claims filed by participants in the Veterans Service Officer Outreach Grant Program (Act 66 of 2007) ...	14,125	14,891	18,371	32,756	27,733	27,733	27,733

#### Increase placement and referral opportunities of transitioning service members, veterans and Pennsylvania reservists for behavioral health, education/training and career placement services.

National Guard personnel receiving educational financial aid .....	2,773	2,474	2,606	2,586	2,277	2,550	2,600
National Guard personnel receiving Medical and Health Officer incentives.....	N/A	33	45	45	38	28	15
Number of veterans assisted through Veterans Trust Fund grants .....	2,997	4,320	7,965	10,992	7,310	10,992	10,992
Number of new individuals registered through the Veterans Registry - service in Armed Forces.....	N/A	N/A	3,196	7,374	4,231	5,711	5,939
Number of new individuals registered through the Veterans Registry - no service in Armed Forces.....	N/A	N/A	59	358	138	145	152



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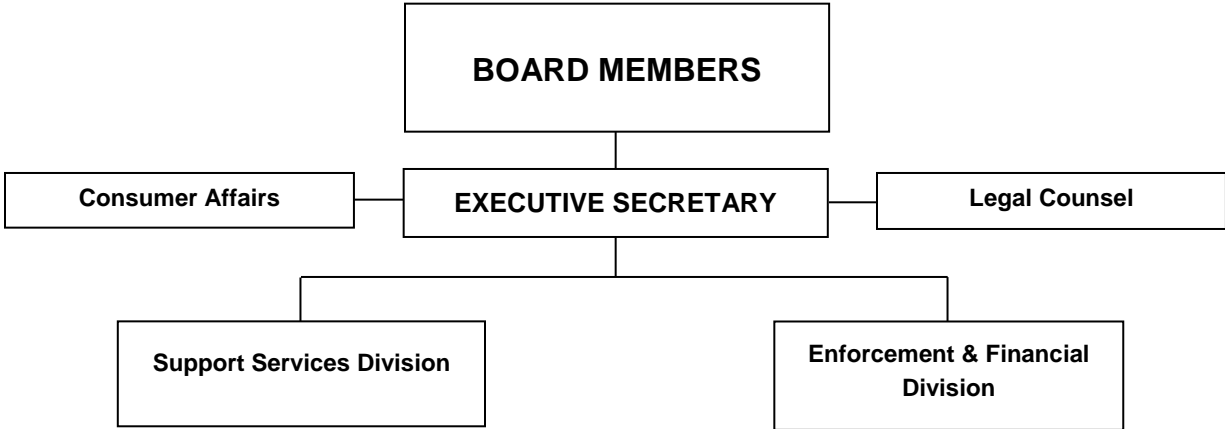
# MILK MARKETING BOARD

*The mission of the Milk Marketing Board is to ensure that Pennsylvania's dairy industry remains viable by providing a regulatory environment that facilitates a safe, adequate supply of wholesome milk while providing security for its dairy farmers and milk dealers and protection for the public health and welfare of consumers.*

## **Programs and Goals**

**Milk Industry Regulation:** *To maintain an adequate supply of wholesome fluid milk.*

# Organization Overview



- **Support Services Division Chief** is responsible for the administrative support services for the board, including fiscal and human resources oversight. Responsibilities also include licensing and bonding of dealers and subdealers.
- **Enforcement Director** is responsible for directing the Milk Marketing Auditors and the Milk Marketing Examiners in enforcing all official general orders, policies of the board, and compliance with the Milk Marketing Law and Board regulations. The division is also responsible for gathering, compiling, and interpreting financial and accounting information used by the board in hearings and other administrative proceedings; issuing price announcements; and responding to violations of the minimum retail, wholesale, and farm-level prices issued by the board.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
32	28	28	24	22	22	22

**Summary by Fund and Appropriation**

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>OTHER FUNDS:</b>			
<b>MILK MARKETING FUND:</b>			
General Operations.....	\$ 2,840	\$ 2,840	\$ 2,840

Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>MILK INDUSTRY REGULATION</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	2,840	2,840	2,840	2,840	2,840	2,840	2,840
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 2,840</b>	<b>\$ 2,840</b>	<b>\$ 2,840</b>	<b>\$ 2,840</b>	<b>\$ 2,840</b>	<b>\$ 2,840</b>	<b>\$ 2,840</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	2,840	2,840	2,840	2,840	2,840	2,840	2,840
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 2,840</b>	<b>\$ 2,840</b>	<b>\$ 2,840</b>	<b>\$ 2,840</b>	<b>\$ 2,840</b>	<b>\$ 2,840</b>	<b>\$ 2,840</b>

## Program: Milk Industry Regulation

*Goal: To maintain an adequate supply of wholesome fluid milk.*

[The Milk Marketing Board](#) is a special fund agency financed from milk industry license fees, permit fees and fines. The board supervises, inspects and regulates the milk industry of the commonwealth and establishes reasonable trade control and marketing practices. It formulates policy, holds public hearings and subsequently issues and enforces general marketing orders, rules and regulations. The board also handles prosecution and levying of penalties against violators of the Milk Marketing Law, the Milk Producers' Security Act and board regulations.

The board's major function is to ensure an adequate milk supply by setting minimum [prices paid to farmers](#),

minimum prices dealers can charge [wholesale and retail](#) customers, and minimum prices stores can charge consumers. The regulation process is complicated by the existence of federal marketing orders, which are prices established by the federal government that must be paid to producers.

The board has implemented an automated milk accounting and regulatory system. The system values milk based on component pricing, allowing adaptation to changes in the state and federal regulatory environment. Pricing information collected through the system and from public hearings is used by the board to establish minimum milk prices.

### Program Recommendation:

This budget recommends the following changes from the Milk Marketing Fund:  
(Dollar Amounts in Thousands)

General Operations is recommended at the current year funding level.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>MILK MARKETING FUND:</b>							
General Operations .....	\$ 2,840	\$ 2,840	\$ 2,840	\$ 2,840	\$ 2,840	\$ 2,840	\$ 2,840

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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**Maintain producer payment compliance at or above 99% for all payment amounts due to Pennsylvania dairy farmers.**

Percentage of producer payments made adequately and on time .....	98%	99%	99%	99%	99%	99%	99%
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**Establish a Class 1 over-order premium based upon industry testimony which enhances Pennsylvania producer revenue that also maintains orderly milk marketing in Pennsylvania.**

Public hearings held to consider the level and duration of the Class 1 over-order premium .....	2	2	2	2	2	2	2
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**Include current dealer and retail store costs in minimum resale prices.**

General and cost replacement hearings held to determine dealer and retailer costs .....	6	6	6	6	6	6	6
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**Issue licenses and permits.**

Licenses and permits issued.....	2,267	2,202	2,212	2,206	2,230	2,200	2,200
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**Audit milk dealers for compliance with milk sales rules and regulations.**

Audits of milk dealers for compliance with milk sales rules and regulations..	1,089	1,046	1,028	1,026	956	1,000	1,000
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# PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

*The mission of the [Public School Employees' Retirement System](#) is to serve the members and stakeholders of the system by providing timely and accurate payment of benefits, maintaining a financially sound system, prudently investing the assets of the system, clearly communicating members' and employers' rights and responsibilities and effectively managing the resources of the system.*

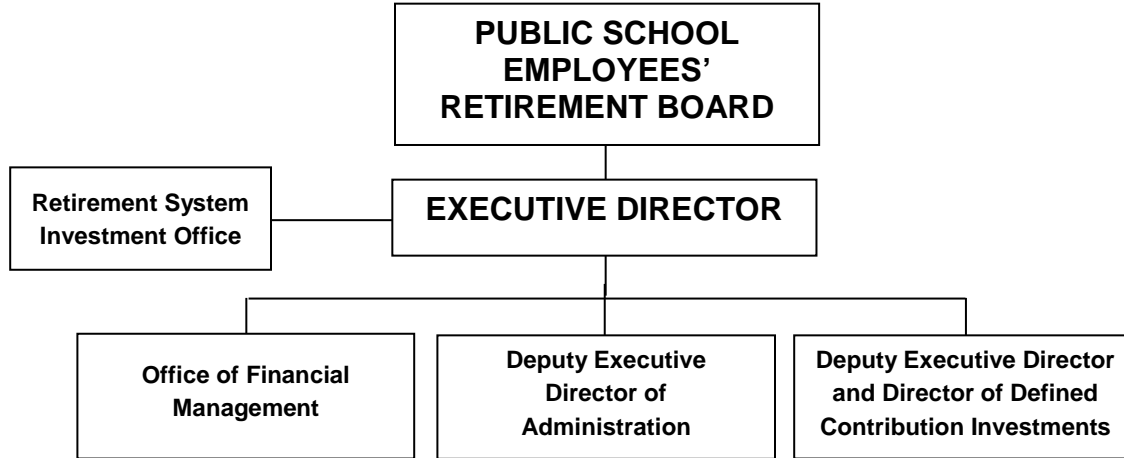
The system is responsible for administering the School Employees' Retirement Fund, the PSERS - Defined Contribution Fund, as well as [premium assistance](#) benefits and supplemental retirement allowances for annuitants.

## **Programs and Goals**

**Public School Employees' Retirement:** *To provide retirement benefits to public school employees of the commonwealth of Pennsylvania.*



## Organization Overview



- **Retirement System Investment Office** is responsible for the investment activities of the system. In compliance with the investment policy established by the board, PSERS' investment assets are allocated to numerous outside professional investment advisors and internal investment professionals.
- **Office of Financial Management** has responsibility for planning, organizing and directing a complete accounting and financial reporting system in conformance with accounting principles generally accepted nationwide. Oversight is provided for new systems development and maintenance of existing systems and ensuring appropriate accounting controls. The office is the liaison for other state and federal agencies, reporting units, financial consultants, actuaries and investment advisors for all accounting, treasury operations, taxation, actuarial and budgetary matters.
- **Deputy Executive Director of Administration** provides comprehensive leadership to assist the Executive Director to accomplish the agency mission by maintaining oversight of PSERS' administrative and information technology related services for the agency. This includes managerial responsibility for the following areas: information technology; human resources; board of trustees administration; third party contract administration; physical security; facilities; contracting and procurement; business continuity; safety; records management; and mail, imaging and printing services.
- **Deputy Executive Director and Director of Defined Contribution Investments** provides comprehensive leadership to assist the Executive Director to accomplish the agency mission by maintaining oversight of PSERS' membership-related benefit functions for both the agency's Defined Benefit (DB) and the Defined Contribution (DC) plans in addition to DC-related investment contract management. This includes managerial responsibility for the following areas: member and employer communications; member retirement counseling; member and employer data administration; benefits determinations and processing; member appeals; knowledge management of benefit policies and procedures; health insurance retirement programs including premium assistance; third-party contractor administration; and DC contract investment management.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
314	316	316	310	327	337	347

# Public School Employees' Retirement System

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>OTHER FUNDS:</b>			
<b>SCHOOL EMPLOYEES' RETIREMENT FUND:</b>			
Administration.....	\$ 52,453	\$ 51,637	\$ 51,838
Investment Related Expenses.....	20,278	22,712	34,480
(R)Health Insurance Account.....	2,067	1,910	1,967
(A)Health Options - Administration Reimbursement.....	782	1,247	1,408
<b>SCHOOL EMPLOYEES' RETIREMENT FUND TOTAL.....</b>	<b>\$ 75,580</b>	<b>\$ 77,506</b>	<b>\$ 89,693</b>
<b>PSERS - DEFINED CONTRIBUTION FUND:</b>			
(R)Administration - PSERS Defined Contribution Plan.....	\$ 89	\$ 4,950	\$ 2,454
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	0	0	0
AUGMENTATIONS.....	0	0	0
RESTRICTED.....	0	0	0
OTHER FUNDS.....	75,669	82,456	92,147
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 75,669</b>	<b>\$ 82,456</b>	<b>\$ 92,147</b>

# Public School Employees' Retirement System

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>PUBLIC SCHOOL EMPLOYEES' RETIREMENT</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	75,669	82,456	92,147	92,147	92,147	92,147	92,147
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 75,669</b>	<b>\$ 82,456</b>	<b>\$ 92,147</b>	<b>\$ 92,147</b>	<b>\$ 92,147</b>	<b>\$ 92,147</b>	<b>\$ 92,147</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	75,669	82,456	92,147	92,147	92,147	92,147	92,147
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 75,669</b>	<b>\$ 82,456</b>	<b>\$ 92,147</b>	<b>\$ 92,147</b>	<b>\$ 92,147</b>	<b>\$ 92,147</b>	<b>\$ 92,147</b>

# Public School Employees' Retirement System

## Program: Public School Employees' Retirement

*Goal: To provide retirement benefits to public school employees of the commonwealth of Pennsylvania.*

The [Public School Employees' Retirement System \(PSERS\)](#) was established in 1917 to administer retirement benefits of eligible public school employees. The School Employees' Retirement Fund uses contributions from employees and their employers, as well as earnings from investments, to pay for annuities, disability benefits and administration of the system. In 2017-18, PSERS' Pension and Health Care Premium Assistance benefit payments totaled \$6.77 billion.

PSERS undergoes an annual independent [actuarial valuation](#) to calculate the assets and liabilities of the pension fund. Based on the actuarial valuation process and legal requirements, PSERS develops the recommended employer contribution rate. Normal retirement for most public school employees is age 60, or at any age with 35 years of service. Retirement is possible after five years of service but is actuarially reduced to the equivalent of the annuity that would have been payable at normal system retirement age.

PSERS' [investment portfolio](#) is diversified to emphasize a long-term investment approach. The return objectives are to (i) realize a return that exceeds the Policy Index (the Policy Index is a custom benchmark, based on the PSERS board-established asset allocation structure that

seeks to generate a return that meets the actuarial rate of return assumption); and (ii) invest the assets to maximize returns for the level of risk taken.

PSERS' new "browser-based" system ensures the viability of PSERS' core pension administration system and provides an enhanced baseline platform with built-in features that will make future business processes and member self-service enhancements much easier to implement.

[Act 5 of 2017](#) implements a substantial change to PSERS' operations and makes significant changes to PSERS' benefit structure for future members. School employees who become new members of PSERS on July 1, 2019 and thereafter will choose one of three new retirement plan options for their retirement benefits. The new plan design options include two hybrid plans consisting of defined benefit and defined contribution components and a stand-alone defined contribution plan. All members active on July 1, 2019 will have the option to switch from their current defined benefit plan to one of the three new retirement plan options, if they so choose.

PSERS is also responsible for the administration of the School Retirees' Health Insurance Account that provides [premium assistance](#) benefits to retirees.

### Program Recommendations:

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

	<b>SCHOOL EMPLOYEES' RETIREMENT FUND</b>		
	<b>Administration</b>	<b>PSERS - DEFINED CONTRIBUTION FUND</b>	
\$ 201	—to continue current program.	<b>Administration – PSERS Defined Contribution Plan</b>	
		—nonrecurring costs.	\$ -2,496
In addition, \$34,480,000 in Investment Related Expenses will be used to support the financial activities of this program and the Retirement System Investment Office.			

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>SCHOOL EMPLOYEES' RETIREMENT FUND:</b>							
Administration.....	\$ 52,453	\$ 51,637	\$ 51,838	\$ 51,838	\$ 51,838	\$ 51,838	\$ 51,838
Investment Related Expenses .....	20,278	22,712	34,480	34,480	34,480	34,480	34,480
(R)Health Insurance Account.....	2,067	1,910	1,967	1,967	1,967	1,967	1,967
(A)Health Options - Administration							
Reimbursement .....	782	1,247	1,408	1,408	1,408	1,408	1,408
<b>TOTAL SCHOOL EMPLOYEES' RETIREMENT FUND .....</b>	<b>\$ 75,580</b>	<b>\$ 77,506</b>	<b>\$ 89,693</b>	<b>\$ 89,693</b>	<b>\$ 89,693</b>	<b>\$ 89,693</b>	<b>\$ 89,693</b>
<b>PSERS - DEFINED CONTRIBUTION FUND:</b>							
<b>Restricted Revenues</b>							
Administration – PSERS Defined Contribution Plan .....	\$ 89	\$ 4,950	\$ 2,454	\$ 2,454	\$ 2,454	\$ 2,454	\$ 2,454

# Public School Employees' Retirement System

## Program: Public School Employees' Retirement (continued)

<b>Program Measures:</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Increase members' awareness of PSERS benefits.</b>							
Percentage of retiring members attending counseling with PSERS .....	N/A	72%	70%	70%	69%	70%	70%
<b>Provide timely and accurate retirement benefit payments.</b>							
Total number of retired employees (annuitants), beneficiaries and survivor annuitants .....	213,900	219,775	224,828	235,454	233,288	236,554	243,224
<b>Provide timely and accurate retirement benefit payments.</b>							
Total Pension and Health Care Premium Assistance benefit payments (in billions).....	\$6.21	\$6.38	\$6.53	\$6.64	\$6.77	\$6.98	\$7.13



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# PUBLIC UTILITY COMMISSION

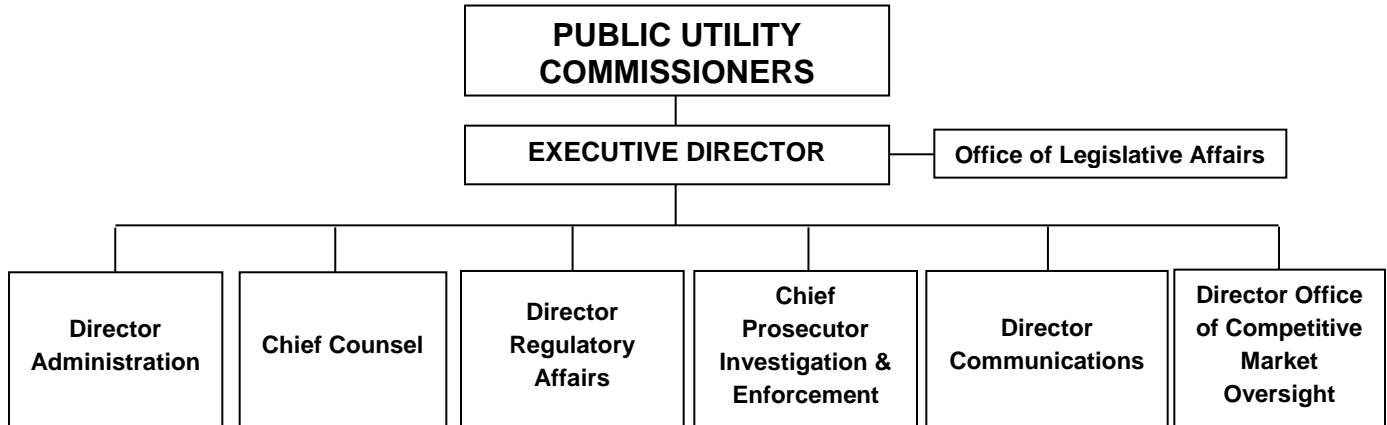
*The mission of the Public Utility Commission is to provide for regulation of public utilities and includes establishing reasonable rates, providing for safe service, conducting audits, and ensuring compliance with public utility regulations.*

The commission is comprised of five members appointed by the governor with senate confirmation.

## **Programs and Goals**

**Regulation of Public Utilities:** *To ensure that safe and adequate public utility services are available to the public at fair and reasonable rates.*

## Organization Overview



- **Director of Administration** is responsible for overseeing the Secretary's Bureau and all fiscal, administrative and personnel functions including the budget, collection of assessments, and all human resources, information technology, and procurement functions.
- **Chief Counsel** oversees the Law Bureau and provides legal support to other commission bureaus and the commission directly on regulatory matters involving fixed utilities and common carriers. Law Bureau attorneys represent the commission in all appellate and original jurisdiction actions before state and federal courts.
- **Director of Regulatory Affairs** oversees the PUC's bureaus with regulatory functions, including the Bureau of Audits, the Bureau of Consumer Services, the Bureau of Technical Utility Services, the Office of Special Assistants and the Office of Administrative Law Judge. The Director of Regulatory Affairs also is responsible for planning, organizing, coordinating, directing and overseeing regulatory staff.
- **Chief Prosecutor of Investigation & Enforcement** oversees the Bureau of Investigation and Enforcement that serves as the prosecutory bureau for purposes of representing the public interest in ratemaking and service matters before the Office of Administrative Law Judge and enforcing compliance with the state and federal motor carrier safety and gas safety laws and regulations.
- **Director of the Office of Communications** is accountable for commission media relations, employee communications and consumer education, in addition to acting as the lead staff for the Consumer Advisory Council.
- **Director of the Office of Competitive Market Oversight** serves as the commission's electric retail choice ombudsman. In this capacity, the office will oversee the development and functioning of the competitive retail electric supply market. The office also similarly monitors the retail natural gas supply market.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
520	503	503	503	516	516	516

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18	2018-19	2019-20
	ACTUAL	AVAILABLE	BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
(R)General Government Operations.....	\$ 73,499	\$ 74,185	\$ 75,533
(F)Natural Gas Pipeline Safety.....	3,840	3,977	4,414
(F)Motor Carrier Safety.....	1,697	2,090	1,138
Subtotal - Federal Funds.....	5,537	6,067	5,552
Subtotal - Restricted Revenues.....	73,499	74,185	75,533
Total - General Government.....	<u>\$ 79,036</u>	<u>\$ 80,252</u>	<u>\$ 81,085</u>
FEDERAL FUNDS.....	5,537	6,067	5,552
RESTRICTED REVENUES.....	73,499	74,185	75,533
<b>GENERAL FUND TOTAL.....</b>	<b><u>\$ 79,036</u></b>	<b><u>\$ 80,252</u></b>	<b><u>\$ 81,085</u></b>
<b>OTHER FUNDS:</b>			
<b>MARCELLUS LEGACY FUND:</b>			
Transfer to Highway Bridge Improvement (EA).....	\$ 19,131	\$ 24,012	\$ 25,826
Transfer to Environmental Stewardship Fund (EA).....	27,652	29,605	10,330
Transfer to Hazardous Sites Cleanup Fund (EA).....	18,826	19,802	20,165
County Rec Planning, Development and Rehabilitation (EA).....	11,478	14,407	15,495
Transfer to Commonwealth Financing Authority-H2O (EA).....	9,565	12,006	12,913
Transfer to Commonwealth Financing Authority (EA).....	15,305	19,210	20,661
<b>MARCELLUS LEGACY FUND TOTAL.....</b>	<b><u>\$ 101,957</u></b>	<b><u>\$ 119,042</u></b>	<b><u>\$ 105,390</u></b>
<b>UNCONVENTIONAL GAS WELL FUND:</b>			
Gas Well Fee Administration (EA).....	\$ 1,000	\$ 1,000	\$ 1,000
Conservation District Grants (EA).....	3,875	3,972	4,071
Transfer to Conservation District Fund (EA).....	3,875	3,972	4,071
Transfer to Housing Afford & Rehab Enhancement Fund (EA).....	7,101	5,000	5,000
Host Counties (EA).....	39,522	50,066	53,984
Host Municipalities (EA).....	38,728	51,457	55,483
Local Municipalities (EA).....	29,432	37,550	40,488
Transfer to Marcellus Legacy Fund (EA).....	76,523	96,049	103,303
<b>UNCONVENTIONAL GAS WELL FUND TOTAL.....</b>	<b><u>\$ 200,056</u></b>	<b><u>\$ 249,066</u></b>	<b><u>\$ 267,400</u></b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	5,537	6,067	5,552
AUGMENTATIONS.....	0	0	0
RESTRICTED.....	73,499	74,185	75,533
OTHER FUNDS.....	302,013	368,108	372,790
<b>TOTAL ALL FUNDS.....</b>	<b><u>\$ 381,049</u></b>	<b><u>\$ 448,360</u></b>	<b><u>\$ 453,875</u></b>



Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>REGULATION OF PUBLIC UTILITIES</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	5,537	6,067	5,552	5,552	5,552	5,552	5,552
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	73,499	74,185	75,533	75,533	75,533	75,533	75,533
OTHER FUNDS.....	302,013	368,108	372,790	402,859	385,503	385,427	385,353
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 381,049</b>	<b>\$ 448,360</b>	<b>\$ 453,875</b>	<b>\$ 483,944</b>	<b>\$ 466,588</b>	<b>\$ 466,512</b>	<b>\$ 466,438</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	5,537	6,067	5,552	5,552	5,552	5,552	5,552
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	73,499	74,185	75,533	75,533	75,533	75,533	75,533
OTHER FUNDS.....	302,013	368,108	372,790	402,859	385,503	385,427	385,353
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 381,049</b>	<b>\$ 448,360</b>	<b>\$ 453,875</b>	<b>\$ 483,944</b>	<b>\$ 466,588</b>	<b>\$ 466,512</b>	<b>\$ 466,438</b>

## Program: Regulation of Public Utilities

*Goal: To ensure that safe and adequate public utility services are available to the public at fair and reasonable rates.*

The [Pennsylvania Public Utility Commission](#) balances the needs of consumers and utilities to ensure safe and reliable utility service at reasonable rates; protects the public interest; educates consumers to make independent and informed utility choices; furthers economic development; and fosters new technologies and competitive markets in an environmentally sound manner.

The commission oversees nearly 9,000 entities furnishing a variety of essential services including electricity, natural gas, telephone, water, wastewater collection and steam heat. Also included are entities furnishing transportation of passengers and property by motor coach, truck, taxicab and natural gas pipeline operators including those who transport hazardous materials. The commission also is empowered to enforce federal pipeline safety laws as they relate to non-public utility gas and hazardous liquids pipeline equipment and facilities within Pennsylvania. The commission is funded by assessments on the regulated entities based upon their operating revenues along with federal grant monies.

Utility Group	Regulated Utilities		
	2017-18	2018-19*	2019-20*
Electric Distribution	15	15	15
Gas Distribution	25	25	25
Electric Suppliers	460	460	460
Gas Suppliers	286	310	330
Telephone	370	360	350
Water/Wastewater	135	133	130
Transportation	8,289	8,339	8,380
Rate Requests Received	50	45	40
Rate Cases Completed	33	30	26

\* Estimated

The focus of the commission has expanded from the traditional role of approving the cost-based rates and regulating the service of all public utilities to a broader

mandate of also enabling and facilitating competitive markets for the electric, natural gas and telecommunications industries. The commission experiences a steady number of rate requests from electric, natural gas and water companies. Commission approval of mergers and acquisitions is an ongoing process, especially affecting the water and telecommunications industries.

The commission also:

- collects unconventional gas well impact fees under [Act 13 of 2012](#) and distributes the proceeds to counties and municipalities;
- ensures Pennsylvania's seven largest electric distribution companies develop [energy efficiency and conservation](#) plans to reduce the amount of electricity consumed by residential and business consumers;
- enforces the [statute](#) requiring electric distribution companies and generation suppliers to include electricity generated from alternative energy resources in their sales to retail customers;
- monitors the [broadband](#) deployment initiatives requiring participating incumbent local exchange carriers to provide access to broadband service to all Pennsylvanians at minimum speed standards for uploads and downloads;
- ensures that telecommunications services for [eligible low-income consumers and households](#) meet or exceed national standards;
- reviews petitions authorized under [Act 11 of 2012](#) by jurisdictional water and wastewater, natural gas and electric utilities to implement a distribution system improvement charge (DSIC) funding infrastructure upgrades; and
- provides oversight of transportation services under [Act 164 of 2016](#), including services ranging from traditional taxis and limousines to ride-hailing Transportation Network Companies.

### Program Recommendations:

This budget recommends the following change from the restricted account:  
(Dollar Amounts in Thousands)

**General Government Operations**  
\$ 1,348 —to continue current program.

In addition, this budget includes distributions of \$105,390,000 from the Marcellus Legacy Fund and \$267,400,000 from the Unconventional Gas Well Fund in accordance with Act 13 of 2012.

# Public Utility Commission

## Program: Regulation of Public Utilities (continued)

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
<b>Restricted Revenues</b>							
General Government Operations .....	\$ 73,499	\$ 74,185	\$ 75,533	\$ 75,533	\$ 75,533	\$ 75,533	\$ 75,533

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Maintain safe and reliable utility services at affordable rates for consumers.

Audits conducted - Fixed utilities							
Special .....	159	176	374	384	373	375	371
Management .....	7	8	10	9	6	11	8
Audits conducted - Enforcement/investigations							
Gas safety .....	1,500	1,388	1,200	1,000	1,150	1,250	1,350
Audits conducted - Transportation							
Rail safety .....	1,700	1,683	2,056	1,900	2,000	2,050	2,050
Motor safety .....	14,000	13,520	8,000	8,000	8,300	8,500	8,500



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# DEPARTMENT OF REVENUE

*The mission of the Department of Revenue is to fairly, efficiently and accurately administer the tax laws and other revenue programs of the commonwealth to fund necessary government services.*

The department collects all tax levies as well as various fees, fines and other monies due the commonwealth. The department also supervises the administration and collection of monies for the first and second class county sales tax and various special funds.

The department prepares the official estimates of the tax yield due the commonwealth and analyzes the effect on revenues of proposed changes in either the laws or the tax structure of the commonwealth.

## **Programs and Goals**

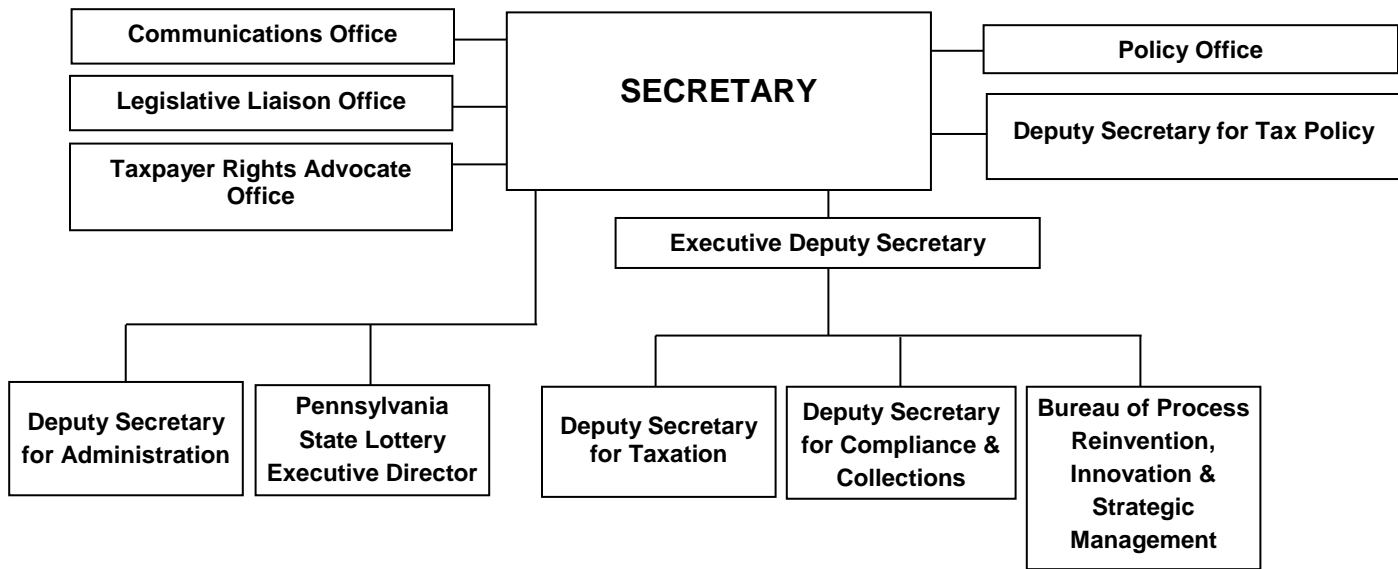
**Revenue Collection and Administration:** *To assure the availability of resources for the commonwealth's programs through the equitable and efficient administration of Pennsylvania's revenue system.*

**Community Development and Preservation:** *To equitably distribute the Public Utility Realty Tax to all reporting local taxing authorities.*

**Homeowners and Renters Assistance:** *To increase economic stability by assisting eligible Pennsylvania citizens to maintain their homes.*

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## Organization Overview



- **Executive Deputy Secretary** is responsible for the oversight of the Taxation and Compliance and Collections deputates and the Bureau of Process Reinvention and Strategic Management. This position also coordinates all information technology with the Office of Administration for the department.
- **Deputy Secretary for Administration** is responsible for all administrative and managerial staff functions of the department. These include budgeting and fiscal management, and the coordination of human resources with the Office of Administration.
- **Pennsylvania State Lottery Executive Director** is responsible for the oversight of the Lottery’s Security Office and the deputy executive directors for Administration and Finance, Marketing and Product Development, and Retailer Operations.
- **Deputy Secretary for Tax Policy** is responsible for the Board of Appeals and oversees the bureaus of Research and Audits and the Economic Development Coordinator.
- **Deputy Secretary for Taxation** oversees the Tax Registration Office and the Customer Experience Center. The deputy is also responsible for the bureaus of Corporation Taxes, Motor and Alternative Fuel Taxes, Individual Taxes and Business Trust Fund Taxes.
- **Deputy Secretary for Compliance and Collections** is responsible for the Pass Through Business Office and the bureaus of Criminal Tax Investigations; Enforcement, Planning, Analysis and Discovery; Collections and Taxpayer Services; and Compliance.
- **Bureau of Process Reinvention, Innovation and Strategic Management (PRISM)** provides project management and process reinvention services to other areas of the department. PRISM is responsible for the development and maintenance of the strategic and data governance plans and internal controls for the department.

### Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
2,001	2,046	2,046	1,952	1,746	1,757	1,757

**Summary by Fund and Appropriation**

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
<b>General Government Operations.....</b>	<b>\$ 138,996</b>	<b>\$ 145,596</b>	<b>\$ 149,770</b>
(A)Enhanced Revenue Collections.....	30,000	30,000	30,000
(A)Services to Special Funds.....	13,139	12,976	12,976
(A)EDP and Staff Support.....	7,733	6,129	6,129
(A)Reimbursed Costs from Other Agencies.....	4,802	1,100	1,100
(A)AOPC Intercept Administrative Costs.....	349	192	192
(A)Tax Information.....	832	1,070	1,070
(A)Local Sales Tax.....	6,199	6,600	6,600
(A)Cost of Collecting Philadelphia Cigarette Tax.....	795	810	810
(A)Cigarette Tax Enforcement.....	0	450	450
(A)Cigarette Fines and Penalties.....	50	62	62
(A)BTFT - Fines and Penalties.....	0	100	100
(A)Small Games of Chance.....	254	275	275
(A)RTT Local Collection.....	204	188	188
(A)Prepaid Wireless E-911.....	6	5	5
(A)Cost of 2016-17 Amnesty.....	1,176	0	0
(A)HR Consolidation Reimbursement.....	86	0	0
(A)Sale of Equipment.....	1	0	0
<b>Technology and Process Modernization.....</b>	<b>5,000</b>	<b>4,700</b>	<b>6,000</b>
<b>Commissions - Inheritance &amp; Realty Transfer Taxes (EA).....</b>	<b>9,040</b>	<b>8,223</b>	<b>8,407</b>
(R)Host Municipality Tavern Games Local Share Account.....	110	110	110
Subtotal - State Funds.....	\$ 153,036	\$ 158,519	\$ 164,177
Subtotal - Augmentations.....	65,626	59,957	59,957
Subtotal - Restricted Revenues.....	110	110	110
Total - General Government.....	<u>\$ 218,772</u>	<u>\$ 218,586</u>	<u>\$ 224,244</u>
<i>Grants and Subsidies:</i>			
<b>Distribution of Public Utility Realty Tax.....</b>	<b>\$ 30,576</b>	<b>\$ 28,959</b>	<b>\$ 29,687</b>
STATE FUNDS.....	\$ 183,612	\$ 187,478	\$ 193,864
AUGMENTATIONS.....	65,626	59,957	59,957
RESTRICTED REVENUES.....	110	110	110
<b>GENERAL FUND TOTAL.....</b>	<b><u>\$ 249,348</u></b>	<b><u>\$ 247,545</u></b>	<b><u>\$ 253,931</u></b>
<b>MOTOR LICENSE FUND:</b>			
<i>General Government:</i>			
<b>Collections - Liquid Fuels Tax.....</b>	<b>\$ 19,785</b>	<b>\$ 19,285</b>	<b>\$ 19,285</b>
<i>Refunds:</i>			
<b>Refunding Liquid Fuels Tax (EA).....</b>	<b>\$ 29,300</b>	<b>\$ 30,400</b>	<b>\$ 26,075</b>
<b>MOTOR LICENSE FUND TOTAL.....</b>	<b><u>\$ 49,085</u></b>	<b><u>\$ 49,685</u></b>	<b><u>\$ 45,360</u></b>
<b>LOTTERY FUND:</b>			
<i>General Government:</i>			
<b>General Operations (EA).....</b>	<b>\$ 46,645</b>	<b>\$ 78,096</b>	<b>\$ 57,342</b>
(A)License Fees.....	153	150	150
(A)Sale of Automobiles and Other Vehicles.....	5	15	15
(A)Annuity Assignment Fees.....	5	15	15
<b>Lottery Advertising (EA).....</b>	<b>48,180</b>	<b>51,000</b>	<b>51,000</b>
<b>Property Tax Rent Rebate - General Operations (EA).....</b>	<b>14,863</b>	<b>15,298</b>	<b>15,651</b>
<b>On-Line Vendor Commissions (EA).....</b>	<b>42,178</b>	<b>52,995</b>	<b>57,454</b>
<b>Instant Vendor Commissions (EA).....</b>	<b>33,517</b>	<b>31,361</b>	<b>33,199</b>
<b>iLottery Vendor Commissions (EA).....</b>	<b>1,307</b>	<b>10,136</b>	<b>0</b>
<b>Payment of Prize Money (EA).....</b>	<b>381,907</b>	<b>412,081</b>	<b>407,122</b>
Subtotal - State Funds.....	\$ 568,597	\$ 650,967	\$ 621,768

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
Subtotal - Augmentations.....	163	180	180
Total - General Government.....	\$ 568,760	\$ 651,147	\$ 621,948
<b>Grants and Subsidies:</b>			
Property Tax & Rent Assistance for Older Pennsylvanians (EA).....	\$ 262,700	\$ 264,700	\$ 266,700
STATE FUNDS.....	\$ 831,297	\$ 915,667	\$ 888,468
AUGMENTATIONS.....	163	180	180
<b>LOTTERY FUND TOTAL.....</b>	<b>\$ 831,460</b>	<b>\$ 915,847</b>	<b>\$ 888,648</b>
<b>OTHER FUNDS:</b>			
<b>FANTASY CONTEST FUND:</b>			
(R)Fantasy Contest Operations.....	\$ 0	\$ 1,459	\$ 210
<b>PA RACE HORSE DEVELOPMENT TRUST FUND:</b>			
Transfer to State Racing - Drug Testing.....	\$ 10,066	\$ 10,066	\$ 10,066
Transfer to State Racing - Promotion of Racing (EA).....	2,365	2,358	2,393
<b>PA RACE HORSE DEVELOPMENT TRUST FUND TOTAL.....</b>	<b>\$ 12,431</b>	<b>\$ 12,424</b>	<b>\$ 12,459</b>
<b>PROPERTY TAX RELIEF FUND:</b>			
Transfer to the State Lottery Fund.....	\$ 0 <sup>a</sup>	\$ 0 <sup>a</sup>	\$ 0 <sup>a</sup>
<b>RACING FUND:</b>			
Collections - State Racing.....	\$ 238	\$ 244	\$ 246
<b>STATE GAMING FUND:</b>			
(R)General Operations.....	\$ 6,512	\$ 8,267	\$ 8,687
Transfer to Compulsive/Problem Gambling Treatment Fund (EA).....	0 <sup>b</sup>	0 <sup>b</sup>	0 <sup>b</sup>
Transfer to the Property Tax Relief Fund (EA).....	0 <sup>c</sup>	0 <sup>c</sup>	0 <sup>c</sup>
<b>STATE GAMING FUND TOTAL.....</b>	<b>\$ 6,512</b>	<b>\$ 8,267</b>	<b>\$ 8,687</b>
<b>VIDEO GAMING FUND:</b>			
(R)Video Gaming Operations.....	\$ 0	\$ 856	\$ 494
Transfer to Compulsive/Problem Gambling Treatment Fund (EA).....	0	0 <sup>d</sup>	0 <sup>d</sup>
<b>VIDEO GAMING FUND TOTAL.....</b>	<b>\$ 0</b>	<b>\$ 856</b>	<b>\$ 494</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 183,612	\$ 187,478	\$ 193,864
MOTOR LICENSE FUND.....	49,085	49,685	45,360
LOTTERY FUND.....	831,297	915,667	888,468
FEDERAL FUNDS.....	0	0	0
AUGMENTATIONS.....	65,789	60,137	60,137
RESTRICTED.....	110	110	110
OTHER FUNDS.....	19,181	23,250	22,096
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 1,149,074</b>	<b>\$ 1,236,327</b>	<b>\$ 1,210,035</b>

<sup>a</sup> Not added to the total to avoid double counting with the program expenditures from the Lottery Fund: 2017-18 Actual is \$145,700,000, 2018-19 Available is \$141,700,000, and 2019-20 Budget is \$146,300,000.

<sup>b</sup> Not added to the total to avoid double counting with the program expenditures from the Compulsive and Problem Gambling Treatment Fund shown in the Department of Drug and Alcohol Programs: 2017-18 Actual is \$7,602,000, 2018-19 Available is \$7,619,000, and 2019-20 Budget is \$7,671,000.

<sup>c</sup> Not added to the total to avoid double counting with the program expenditures from the Property Tax Relief Fund shown in the Department of Education: 2017-18 Actual is \$619,300,000, 2018-19 Available is \$619,500,000, and 2019-20 Budget is \$619,500,000.

<sup>d</sup> Not added to the total to avoid double counting with the program expenditures from the Department of Drug and Alcohol Programs: 2018-19 Available is \$8,000, 2019-20 Budget is \$49,000.

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>REVENUE COLLECTION AND ADMINISTRATION</b>							
GENERAL FUND.....	\$ 153,036	\$ 158,519	\$ 164,177	\$ 164,177	\$ 164,177	\$ 164,177	\$ 164,177
MOTOR LICENSE FUND.....	49,085	49,685	45,360	45,580	42,734	43,211	43,211
LOTTERY FUND.....	568,597	650,967	621,768	633,926	642,447	651,106	659,341
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	65,789	60,137	60,137	60,137	60,137	60,137	60,137
RESTRICTED.....	110	110	110	110	110	110	110
OTHER FUNDS.....	19,181	23,250	22,096	22,216	22,216	22,216	22,216
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 855,798</b>	<b>\$ 942,668</b>	<b>\$ 913,648</b>	<b>\$ 926,146</b>	<b>\$ 931,821</b>	<b>\$ 940,957</b>	<b>\$ 949,192</b>
<b>COMMUNITY DEVELOPMENT AND PRESERVATION</b>							
GENERAL FUND.....	\$ 30,576	\$ 28,959	\$ 29,687	\$ 29,687	\$ 29,687	\$ 29,687	\$ 29,687
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 30,576</b>	<b>\$ 28,959</b>	<b>\$ 29,687</b>	<b>\$ 29,687</b>	<b>\$ 29,687</b>	<b>\$ 29,687</b>	<b>\$ 29,687</b>
<b>HOMEOWNERS AND RENTERS ASSISTANCE</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	262,700	264,700	266,700	263,100	259,500	255,900	252,300
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 262,700</b>	<b>\$ 264,700</b>	<b>\$ 266,700</b>	<b>\$ 263,100</b>	<b>\$ 259,500</b>	<b>\$ 255,900</b>	<b>\$ 252,300</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 183,612	\$ 187,478	\$ 193,864	\$ 193,864	\$ 193,864	\$ 193,864	\$ 193,864
MOTOR LICENSE FUND.....	49,085	49,685	45,360	45,580	42,734	43,211	43,211
LOTTERY FUND.....	831,297	915,667	888,468	897,026	901,947	907,006	911,641
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	65,789	60,137	60,137	60,137	60,137	60,137	60,137
RESTRICTED.....	110	110	110	110	110	110	110
OTHER FUNDS.....	19,181	23,250	22,096	22,216	22,216	22,216	22,216
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 1,149,074</b>	<b>\$ 1,236,327</b>	<b>\$ 1,210,035</b>	<b>\$ 1,218,933</b>	<b>\$ 1,221,008</b>	<b>\$ 1,226,544</b>	<b>\$ 1,231,179</b>



## Program: Revenue Collection and Administration

*Goal: To assure the availability of resources for the commonwealth's programs through the equitable and efficient administration of Pennsylvania's revenue system.*

This program administers the commonwealth's revenue statutes by assessing and collecting various taxes. Major revenue sources for the General Fund include corporation, personal income, inheritance, sales and use, cigarette, beverage and realty transfer taxes. Tax revenue is also collected for the first and second class county sales taxes and for the Motor License, Racing and Gaming Funds.

The department continues to expand the use of automated procedures thereby permitting quick deposit of funds and review of a tax return's accuracy. Automated processes exist that assist taxpayers in filing accurately and more efficiently. These include the [Electronic Tax Information Data Exchange System](#), an internet system for filing business taxes such as sales tax, employer

withholding tax, liquid fuels tax, fuel tax and corporation tax extensions and estimates. There are also electronic systems for filing and [payment of personal income tax](#). Revenue collection efforts are being enhanced to improve violation enforcement and improve business practices. To ensure fairness in tax administration, the department audits and verifies tax returns to detect fraud and non-filers. In addition, there is an extensive delinquent tax collection effort that involves automation as well as traditional tax collection methods.

This program is responsible for the administration of the [State Lottery](#). Through a network of private retailers, the commonwealth sells lottery tickets, the proceeds of which support [programs for older Pennsylvanians](#).

Active Filers by Tax Type	2016-17	2017-18	2018-19	2019-20	2020-21
Corporation	249,242	116,242	116,000	116,000	116,000
Sales and Use	352,082	372,680	374,355	375,587	376,819
Employer	366,837	388,289	390,114	391,959	393,814
Personal Income Tax	6,433,178	6,475,592	6,480,000	6,480,000	6,480,000
Liquid Fuels	825	830	840	850	850
Motor Carrier - IFTA	12,600	12,725	12,800	12,850	12,850
Motor Carrier - PA Only	11,850	11,975	12,025	12,200	12,200

### Program Recommendation:

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

<p><b>GENERAL FUND:</b>  <b>General Government Operations</b>            \$ 2,912 —to continue current program.  <u>1,262</u> —redistribution of parking costs.            \$ 4,174 <i>Appropriation Increase</i></p> <p><b>Technology and Process Modernization</b>            \$ 1,300 —Initiative—for system enhancements and upgrades.</p> <p><b>Commissions - Inheritance &amp; Realty Transfer Taxes (EA)</b>            \$ 184 —to continue current program.</p> <p><b>MOTOR LICENSE FUND:</b>  <b>Refunding Liquid Fuels Tax (EA)</b>            \$ -4,325 —based on current estimates.</p> <p><b>LOTTERY FUND:</b>  <b>General Operations (EA)</b>            \$ 1,497 —to continue current program.  <u>-22,251</u> —nonrecurring program expansion costs.            \$ -20,754 <i>Executive Authorization Decrease</i></p>	<p><b>Property Tax Rent Rebate - General Operations (EA)</b>            \$ 353 —to continue current program.</p> <p><b>On-Line Vendor Commissions (EA)</b>            \$ 4,459 —based on the latest projection of program requirements.</p> <p><b>Instant Vendor Commissions (EA)</b>            \$ 1,838 —based on the latest projection of program requirements.</p> <p><b>iLottery Vendor Commissions (EA)</b>            \$ -10,136 —commissions are deducted from sales.</p> <p><b>Payment of Prize Money (EA)</b>            \$ -4,959 —based on the latest projection of program requirements.</p>
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All other appropriations and executive authorizations are recommended at the current year funding levels.

## Program: Revenue Collection and Administration (continued)

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 138,996	\$ 145,596	\$ 149,770	\$ 149,770	\$ 149,770	\$ 149,770	\$ 149,770
Technology and Process Modernization....	5,000	4,700	6,000	6,000	6,000	6,000	6,000
Commissions - Inheritance & Realty							
Transfer Taxes (EA) .....	9,040	8,223	8,407	8,407	8,407	8,407	8,407
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 153,036</b>	<b>\$ 158,519</b>	<b>\$ 164,177</b>	<b>\$ 164,177</b>	<b>\$ 164,177</b>	<b>\$ 164,177</b>	<b>\$ 164,177</b>
<b>MOTOR LICENSE FUND:</b>							
Collections - Liquid Fuels Tax.....	\$ 19,785	\$ 19,285	\$ 19,285	\$ 19,680	\$ 16,734	\$ 17,211	\$ 17,211
Refunding Liquid Fuels Tax (EA).....	29,300	30,400	26,075	25,900	26,000	26,000	26,000
<b>TOTAL MOTOR LICENSE FUND.....</b>	<b>\$ 49,085</b>	<b>\$ 49,685</b>	<b>\$ 45,360</b>	<b>\$ 45,580</b>	<b>\$ 42,734</b>	<b>\$ 43,211</b>	<b>\$ 43,211</b>
<b>LOTTERY FUND:</b>							
General Operations (EA).....	\$ 46,645	\$ 78,096	\$ 57,342	\$ 60,983	\$ 61,500	\$ 62,066	\$ 62,066
Lottery Advertising (EA).....	48,180	51,000	51,000	51,000	51,000	51,000	51,000
Property Tax Rent Rebate - General							
Operations (EA) .....	14,863	15,298	15,651	16,847	17,235	17,407	17,407
On-Line Vendor Commissions (EA).....	42,178	52,995	57,454	58,132	58,839	59,575	60,341
Instant Vendor Commissions (EA).....	33,517	31,361	33,199	33,877	34,576	35,298	36,042
iLottery Vendor Commissions (EA).....	1,307	10,136	0	0	0	0	0
Payment of Prize Money (EA) .....	381,907	412,081	407,122	413,087	419,297	425,760	432,485
<b>TOTAL LOTTERY FUND.....</b>	<b>\$ 568,597</b>	<b>\$ 650,967</b>	<b>\$ 621,768</b>	<b>\$ 633,926</b>	<b>\$ 642,447</b>	<b>\$ 651,106</b>	<b>\$ 659,341</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Continually Improve Customer Service.</b>							
Customer Service							
Average wait time of customer phone calls to the Customer Experience Center (in minutes).....	6.28	11.12	7.55	10.23	11.48	10.00	10.00
Number of unanswered customer phone calls to the Customer Experience Center.....	N/A	713,523	798,371	1,817,634	2,066,988	2,000,000	2,000,000
Social media "impressions" - the number of times content from our page entered a person's screen .....	N/A	N/A	N/A	N/A	253,341	275,000	300,000
<b>Continually Improve Business Processes and Technology.</b>							
Electronic Filings							
Number of customers choosing to opt-in to receiving electronic correspondence.....	N/A	N/A	N/A	N/A	57,405	75,000	100,000
Number of electronic filing options.....	N/A	N/A	N/A	N/A	132	150	175
<b>Provide Accurate and Timely Revenue Analysis.</b>							
Operating Efficiency							
Percentage difference between actual and forecasted collections (positive values indicate actual collections greater than forecasted revenue) .	-1.75%	1.36%	0.10%	-3.38%	-0.40%	1.00%	1.00%

## Program: Revenue Collection and Administration (continued)

<b>Program Measures: (continued)</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Continually Improve Lottery Sales and Net Profits.</b>							
Lottery Operations							
Lottery operating costs as a percentage of ticket sales (includes advertising and commissions).....	9.00%	9.13%	9.07%	9.20%	9.26%	9.45%	9.42%
Lottery operating costs as a percentage of ticket sales (includes cost of lottery administration only).....	1.13%	0.94%	0.83%	1.12%	1.09%	1.09%	1.09%
Lottery active points of sale .....	15,815	16,006	16,228	17,587	18,267	19,404	21,551
Lottery profit margin .....	28.46%	27.77%	27.12%	26.14%	26.00%	25.85%	26.12%
<b>Continually Improve Public Confidence.</b>							
Operating Efficiency							
Percentage of refunds paid by the required timeframe .....	N/A	N/A	N/A	96%	91%	95%	95%
Percentage of returns processed as filed .....	N/A	N/A	N/A	90%	92%	95%	95%
Customer Service							
Number of customers attending educational events.....	N/A	N/A	1,205	1,288	1,435	1,500	1,600
<b>Increase Organizational Capacity.</b>							
Employee engagement score (based on a staff survey measuring attitudes and engagement on a 4.0 scale)..	N/A	N/A	N/A	N/A	2.94	3.00	3.00

**Program: Community Development and Preservation**

*Goal: To equitably distribute the Public Utility Realty Tax to all reporting local taxing authorities.*

A 1968 amendment to the state constitution exempted public utilities from locally administered property taxes and authorized the collection of a similar statewide tax known as the [Public Utility Realty Tax](#). The proceeds of the tax are distributed to each local taxing authority thereby providing local revenue while ensuring fair treatment for utilities.

The distribution is based on the ratio between the total tax receipts of a local taxing authority and the total tax receipts of all reporting tax authorities. This ratio is then applied to the total amount of taxes that reporting authorities could have collected had they been able to directly tax public utility realty.

**Program Recommendation:**

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

\$ 728 **Distribution of Public Utility Realty Tax**  
—reflects normal fluctuations in tax assessments.

**Appropriations within this Program:**

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Distribution of Public Utility Realty Tax .....	\$ 30,576	\$ 28,959	\$ 29,687	\$ 29,687	\$ 29,687	\$ 29,687	\$ 29,687

## Program: Homeowners and Renters Assistance

*Goal: To increase economic stability by assisting eligible Pennsylvania citizens to maintain their homes.*

This program allows Pennsylvanians 65 years of age or older, surviving spouses over 50, and permanently disabled citizens 18 years of age or older who meet household income limits to lead fuller lives by restoring a portion of their income through property tax and rent rebate assistance.

The [Property Tax and Rent Rebate Program](#) provides eligible homeowners with household incomes of \$35,000 or less with rebates from \$250 to \$650. Renters with

household income of \$15,000 or less qualify for rebates from \$500 to \$650. Certain homeowners with income under \$30,000 may be eligible for supplemental assistance that brings the maximum rebate to \$975. Income increases due solely to Social Security cost-of-living adjustments (COLAs) will not disqualify claimants from receiving rebates.

In 2017-18, the average tax assistance payment was \$323.65, and the average rent rebate was \$545.63.

### Program Recommendation:

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

\$ 2,000 **Property Tax & Rent Assistance for Older Pennsylvanians (EA)**  
—based on current estimates for participation.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>LOTTERY FUND:</b>							
Property Tax & Rent Assistance for Older Pennsylvanians (EA).....	\$ 262,700	\$ 264,700	\$ 266,700	\$ 263,100	\$ 259,500	\$ 255,900	\$ 252,300

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Continually Improve Business Processes and Technology.

Lottery Operations

Property Tax/Rent Rebate claims paid by July 1st (for applications received by June 1st).....

	N/A	N/A	N/A	92%	89%	95%	95%
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# DEPARTMENT OF STATE

*The mission of the [Department of State](#) is to promote the integrity of the electoral process; to provide the initial infrastructure for economic development through corporate organizations and transactions; and to protect the health, safety and welfare of the public. The department will encourage the highest standards of ethics and competence in the areas of elections, campaign finance, notarization, professional and occupational licensure, charitable solicitation and professional boxing, wrestling and mixed martial arts. Through the implementation of the latest technology, the department will provide exceptional public service and will remain a leader in all regulatory and enforcement policies and practices aimed at protecting every resident of the commonwealth.*

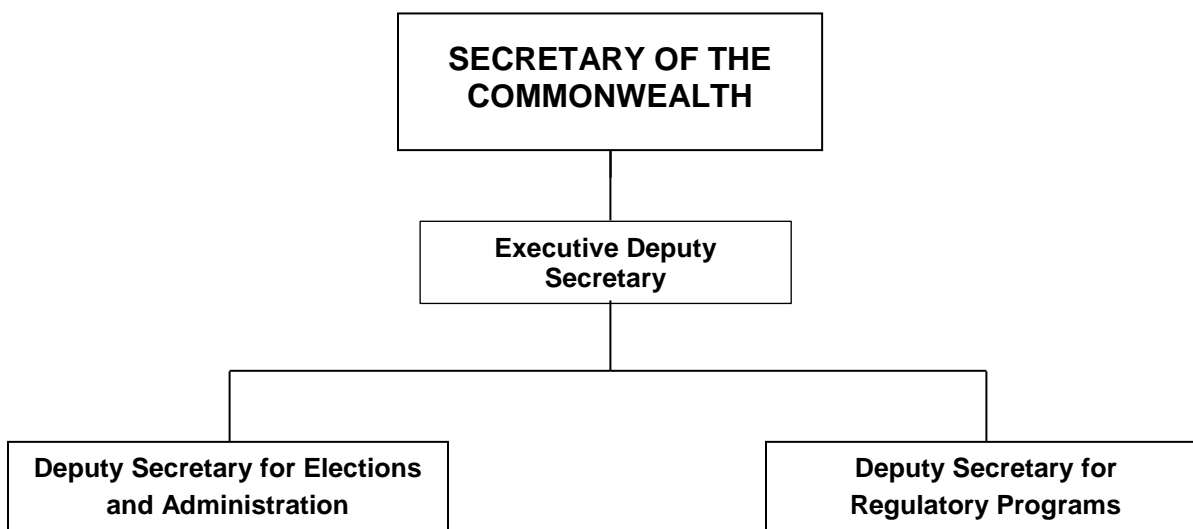
The Department of State is administered by the Secretary of the Commonwealth and includes the Bureau of Corporations and Charitable Organizations; the Bureau of Commissions, Elections and Legislation; the State Athletic Commission; the Bureau of Enforcement and Investigation; and the Bureau of Professional and Occupational Affairs, which provides support to 29 professional and occupational licensing boards and commissions.

## **Programs and Goals**

**Consumer Protection:** *To protect the consumer from fraudulent solicitation and unqualified professional and occupational practitioners and establishments.*

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# Organization Overview



- **Executive Deputy Secretary** acts as the Chief of Staff, providing coordinated supervision over executive staff and internal operations of the executive offices. The Executive Deputy is responsible for, on behalf of the Secretary of the Commonwealth, coordinating the Department of State’s Office of Legislative Affairs, Office of Policy and the Office of Communications and Press.
- **Deputy Secretary for Elections and Administration** is responsible for the Bureau of Commissions, Elections and Legislation and other administrative duties.
- **Deputy Secretary for Regulatory Programs** is responsible for the Bureau of Professional and Occupational Affairs, the Bureau of Enforcement and Investigation, the Bureau of Corporations and Charitable Organizations and the State Athletic Commission.

## Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
496	497	501	487	467	495	499

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<b>General Government:</b>			
<b>General Government Operations</b> .....	<b>\$ 3,694</b>	<b>\$ 4,644</b>	<b>\$ 4,319</b>
(F)Federal Election Reform.....	10,557	21,711	20,046
(F)Occupational Licensing Assessment (EA).....	0	422	422
(A)Departmental Services.....	0 <sup>a</sup>	0 <sup>a</sup>	0 <sup>a</sup>
(R)Professional and Occupational Affairs.....	48,039	49,723	52,474
(R)State Board of Medicine.....	8,934	9,031	9,124
(R)State Board of Osteopathic Medicine.....	1,818	2,422	2,450
(R)State Board of Podiatry.....	277	300	322
(R)State Athletic Commission.....	639	647	745
(R)Bureau of Corporations and Charitable Organizations (EA).....	7,229	7,889	8,071
Subtotal.....	<u>\$ 81,187</u>	<u>\$ 96,789</u>	<u>\$ 97,973</u>
<b>Statewide Uniform Registry of Electors</b> .....	<b>4,107</b>	<b>4,107</b>	<b>7,305</b>
<b>Voter Registration and Education</b> .....	<b>486</b>	<b>482</b>	<b>497</b>
<b>Lobbying Disclosure</b> .....	<b>288</b>	<b>235</b>	<b>298</b>
(R)Lobbying Disclosure.....	550	510	538
Subtotal.....	<u>\$ 838</u>	<u>\$ 745</u>	<u>\$ 836</u>
<b>Publishing Constitutional Amendments (EA)</b> .....	<b>1,275</b>	<b>1,275</b>	<b>1,275</b>
Subtotal - State Funds.....	\$ 9,850	\$ 10,743	\$ 13,694
Subtotal - Federal Funds.....	10,557	22,133	20,468
Subtotal - Restricted Revenues.....	67,486	70,522	73,724
Total - General Government.....	<u>\$ 87,893</u>	<u>\$ 103,398</u>	<u>\$ 107,886</u>
<b>Grants and Subsidies:</b>			
<b>Election Modernization</b> .....	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 15,000</b>
<b>Voting of Citizens in Military Service</b> .....	<b>20</b>	<b>20</b>	<b>20</b>
<b>County Election Expenses (EA)</b> .....	<b>400</b>	<b>400</b>	<b>400</b>
Total - Grants and Subsidies.....	<u>\$ 420</u>	<u>\$ 420</u>	<u>\$ 15,420</u>
STATE FUNDS.....	\$ 10,270	\$ 11,163	\$ 29,114
FEDERAL FUNDS.....	10,557	22,133	20,468
RESTRICTED REVENUES.....	67,486	70,522	73,724
<b>GENERAL FUND TOTAL</b> .....	<b><u>\$ 88,313</u></b>	<b><u>\$ 103,818</u></b>	<b><u>\$ 123,306</u></b>
<b>OTHER FUNDS:</b>			
<b>REAL ESTATE RECOVERY FUND:</b>			
Real Estate Recovery Payments (EA).....	\$ 150	\$ 150	\$ 150
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 10,270	\$ 11,163	\$ 29,114
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	10,557	22,133	20,468
AUGMENTATIONS.....	0	0	0
RESTRICTED.....	67,486	70,522	73,724
OTHER FUNDS.....	150	150	150
<b>TOTAL ALL FUNDS</b> .....	<b><u>\$ 88,463</u></b>	<b><u>\$ 103,968</u></b>	<b><u>\$ 123,456</u></b>

<sup>a</sup> Not added to total to avoid double counting: 2017-18 Actual is \$6,933,000, 2018-19 Available is \$6,014,000 and 2019-20 Budget is \$4,289,000.



## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>CONSUMER PROTECTION</b>							
GENERAL FUND.....	\$ 10,270	\$ 11,163	\$ 29,114	\$ 30,755	\$ 28,745	\$ 28,745	\$ 28,745
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	10,557	22,133	20,468	20,468	20,468	20,468	20,468
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	67,486	70,522	73,724	73,724	73,724	73,724	73,724
OTHER FUNDS.....	150	150	150	150	150	150	150
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 88,463</b>	<b>\$ 103,968</b>	<b>\$ 123,456</b>	<b>\$ 125,097</b>	<b>\$ 123,087</b>	<b>\$ 123,087</b>	<b>\$ 123,087</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 10,270	\$ 11,163	\$ 29,114	\$ 30,755	\$ 28,745	\$ 28,745	\$ 28,745
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	10,557	22,133	20,468	20,468	20,468	20,468	20,468
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	67,486	70,522	73,724	73,724	73,724	73,724	73,724
OTHER FUNDS.....	150	150	150	150	150	150	150
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 88,463</b>	<b>\$ 103,968</b>	<b>\$ 123,456</b>	<b>\$ 125,097</b>	<b>\$ 123,087</b>	<b>\$ 123,087</b>	<b>\$ 123,087</b>

## Program: Consumer Protection

*Goal: To protect the consumer from fraudulent solicitation and unqualified professional and occupational practitioners and establishments.*

The [Department of State](#) administers several programs within the Consumer Protection Program.

### **Protection of the Electoral Process**

This program ensures efficiency, integrity and uniformity in the administration of the Election Code. The Pennsylvania Voter Registration Act integrates voter registration into driver's license applications and complies with the National Voter Registration Act. A statewide voter registration database serves as the official registry of all voters in the commonwealth. Nomination petitions for statewide and legislative offices are reviewed for compliance with statutory standards and are processed for inclusion on the ballot. As required by the Election Code, committees file campaign expense reports, and the public is provided the opportunity to review the reports. The department tabulates, publishes and disseminates statistics for both voter registration and all elections. It also serves as the primary repository of the maps and descriptions of the commonwealth's 9,000 plus election precincts.

The [Bureau of Commissions, Elections and Legislation](#) works with county election officials, election stakeholders and federal and state security and law enforcement partners to maintain a [secure and safe](#) electoral process in Pennsylvania. These partnerships supplement the commonwealth's ongoing efforts to maintain the security and integrity of the statewide voter registry and other election-related software applications. This also enables the department to connect counties with free or low-cost training opportunities to supplement their own efforts to secure election infrastructure.

The department is working with counties to implement a newer generation of voting systems that utilize a [modern and secure](#) platform and that employ a [voter verifiable paper record](#). These systems will provide enhanced voter confidence in the electoral process, increased resiliency of our election process and meaningful auditability of election results. All counties are expected to transition to a new voting system no later than the 2020 Primary Election.

### **Protection through Voter Record Accuracy and Integrity**

The Bureau of Commissions, Elections and Legislation also develops and maintains an integrated voter registration database containing all electors in the commonwealth. The integrated Statewide Uniform Registry of Electors (SURE) database also includes an electronic voter registration application that makes registration easier and more convenient while enhancing the accuracy of the voter rolls. In addition to supporting public-facing web applications to assist commonwealth voters, the database also supports county election offices and their voter list maintenance activities to maintain up-to-date and accurate [voter rolls](#).

### **Protection of Public Health and Safety through Professional Licensing**

This program protects the health and safety of the public from fraudulent and unethical practitioners through the administration of the professional and occupational licensing programs. The 29 licensing boards and commissions, established by statute, ensure that professionals provide high-quality and safe services to the citizens of the commonwealth. To accomplish this, these boards and commissions have been authorized to set standards for both initial licensure and practice and to enforce their standards as well as those established by statute.

The [Bureau of Professional and Occupational Affairs](#) works with Board and Commission members, professional occupation stakeholders and the licensing community to modernize operations and the administration of licensure in the commonwealth. The bureau successfully released the [Pennsylvania Licensing System \(PALS\)](#) and will continue to pursue and implement solutions to modernize the licensing process through the reduction of processing times, increased electronic and automated workflows and continuous improvement of existing processes and technologies.

### **Protection through Regulation of Consumer Products and Promotion of Fair Business Practices**

This program encompasses the activities of the Bureau of Corporations and Charitable Organizations and the State Athletic Commission.

The [Bureau of Corporations and Charitable Organizations](#) maintains the records repository of more than 3 million companies that do business in the commonwealth and serves as the centralized filing office for Uniform Commercial Code [financing statements](#). To register a business, the bureau allows for [online filing](#) through PennFile to ensure expeditious processing of corporate documents. The bureau also administers the state's charitable solicitation law. It maintains registration and financial information on over 13,000 [charities](#) soliciting in the commonwealth, as well as more than 450 professional solicitors and fundraising counsels.

The [State Athletic Commission](#) monitors and regulates all professional and amateur boxing, kickboxing and mixed martial arts events, professional wrestling contests and the licensing of all persons who participate in these events. The individual license categories include announcer, agent, boxer, judge, manager, matchmaker, physician, promoter (including those promoting professional wrestling), referee, second, timekeeper, trainer and athletic agents. The commission is financially self-sufficient and relies solely on revenues received.

Program: Consumer Protection (continued)

**Program Recommendations:**

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

<b>GENERAL FUND</b>	
<b>General Government Operations</b>	
\$ -456	—to continue current program.
131	—Initiative—election modernization related costs.
<u>\$ -325</u>	<i>Appropriation Decrease</i>
<b>Statewide Uniform Registry of Electors</b>	
\$ 524	—to continue current program.
674	—matching funds related to federal grant award.
2,000	—Initiative—new voter registration database for election modernization.
<u>\$ 3,198</u>	<i>Appropriation Increase</i>
<b>Voter Registration and Education</b>	
\$ 15	—to continue current program.
<b>Lobbying Disclosure</b>	
\$ 63	—based on most recent projection of biennial fees.
<b>Election Modernization</b>	
\$ 15,000	—Initiative—grants to counties for new election machines; year one of a five year funding plan.

This budget includes \$538,000 from the restricted account to support Lobbying Disclosure. This is provided through a \$300 biennial fee for individuals conducting lobbying activities in the state.

This budget also recommends the following changes in appropriations and executive authorizations from restricted accounts:

\$ 2,751	<b>Professional and Occupational Affairs</b> —to continue current program.
\$ 93	<b>State Board of Medicine</b> —to continue current program.
\$ 28	<b>State Board of Osteopathic Medicine</b> —to continue current program.
\$ 22	<b>State Board of Podiatry</b> —to continue current program.
\$ 98	<b>State Athletic Commission</b> —to continue current program.
\$ 182	<b>Bureau of Corporations and Charitable Organizations (EA)</b> —to continue current program.

The Publishing Constitutional Amendments (EA), Voting of Citizens in Military Service and County Election Expenses (EA) appropriations are recommended at the current year funding levels.

Recommendations assume that fees for all boards will be sufficient to fund the recommended expenditure level.

**Appropriations within this Program:**

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 3,694	\$ 4,644	\$ 4,319	\$ 4,450	\$ 4,450	\$ 4,450	\$ 4,450
Statewide Uniform Registry of Electors .....	4,107	4,107	7,305	8,805	6,805	6,805	6,805
Voter Registration and Education .....	486	482	497	497	497	497	497
Lobbying Disclosure .....	288	235	298	298	298	298	298
Publishing Constitutional Amendments (EA) .....	1,275	1,275	1,275	1,275	1,275	1,275	1,275
Electoral College .....	0	0	0	10	0	0	0
Election Modernization .....	0	0	15,000	15,000	15,000	15,000	15,000
Voting of Citizens in Military Service .....	20	20	20	20	20	20	20
County Election Expenses (EA) .....	400	400	400	400	400	400	400
<b>TOTAL GENERAL FUND .....</b>	<u>\$ 10,270</u>	<u>\$ 11,163</u>	<u>\$ 29,114</u>	<u>\$ 30,755</u>	<u>\$ 28,745</u>	<u>\$ 28,745</u>	<u>\$ 28,745</u>

## Program: Consumer Protection (continued)

<b>Program Measures:</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Modernize the commonwealth's election infrastructure by replacing county voting equipment by April 2020.</b>							
Electoral Process							
Number of counties transitioned to new voting technology.....	0	0	0	0	0	5	67
<b>Ensure voter records are accurate and effectively maintained.</b>							
Electoral Process							
Percentage of counties that initiated National Change of Address (NCOA) list maintenance activities no later than 90 days prior to the general election .....	99%	94%	97%	100%	100%	100%	100%
Percentage of voter registration applications received timely and processed prior to the general election .....	84%	84%	81%	90%	80%	89%	90%
Percentage of pending voter registration applications processed prior to the general election .....	94%	94%	91%	85%	93%	93%	95%
<b>Improve customer service and knowledge of the commonwealth electoral process.</b>							
Electoral Process							
Bureau engagements with commonwealth residents .....	N/A	39,425	63,041	78,609	48,676	39,000	39,000
Help Desk engagements with county or commonwealth users.....	N/A	14,017	19,086	17,788	11,625	13,000	13,000
<b>Continue to modernize the department's professional licensure system (PALS) to provide timely access to employment credentials, protect public health and safety, and provide excellent customer service.</b>							
Professional Licensing							
Average application processing time (in days).....	N/A	8	11	13	14	16	14
Number of discrepancies on applications due to missing/incorrect information.....	N/A	N/A	N/A	N/A	133,681	130,000	125,000
Number of support ticket engagements.....	N/A	N/A	N/A	N/A	65,412	65,000	55,250
Average call center wait times (minutes.seconds) .....	N/A	0.29	0.57	15.57	4.15	2.45	2.15
Rate of abandoned calls .....	N/A	8%	3%	5%	15%	10%	5%
<b>Decrease the number of open cases through increased efficiencies with prosecutions and investigations to strengthen public safety and enhance transparency</b>							
Professional Licensing							
Number of open complaints.....	12,624	10,463	11,654	12,316	13,451	10,200	12,700
Number of complaints resulting from Act 6 of 2018 .....	0	0	0	0	0	0	2,500
Percentage of open cases resulting in a formal hearing.....	N/A	N/A	4%	5%	5%	7%	6%

## Program: Consumer Protection (continued)

<b>Program Measures: (continued)</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Decrease the number of open cases per employee, allowing for timely processing and ensuring public safety.</b>							
Professional Licensing							
Average caseload per prosecuting attorney.....	193	160	178	188	206	156	150
Average caseload per hearing examiner.....	N/A	N/A	N/A	106	120	163	150
Average number of days to process an open legal case .....	314	297	282	420	402	365	365
Enforcement and Investigation							
Average caseload per investigator.....	15	19	23	23	19	20	20
Average number of days to process an open investigation.....	84	107	102	115	99	100	100
<b>Increase the cooperation rate of licensed professionals referred to the Voluntary Recovery Program to 50%.</b>							
Professional Licensing							
Health Monitoring Program							
Number of licensees referred into a recovery program .....	1,410	2,244	1,990	2,099	2,100	2,150	2,200
Percentage of referred licensees that enroll in a recovery program.....	32%	24%	26%	24%	24%	25%	26%
Percentage of licensees who agreed to cooperate with the recovery program once enrolled.....	55%	49%	49%	45%	45%	46%	47%
<b>Strengthen public safety by increasing compliance in inspections for licensed facilities.</b>							
Enforcement and Investigation							
Number of inspections completed.....	20,055	21,399	21,666	23,216	23,045	23,000	23,000
Average number of inspections per inspector.....	608	648	657	716	711	700	700
Percentage of compliant inspections .	90%	89%	88%	89%	88%	87%	87%
<b>Modernize the Charities Registration System by September 2019 to allow for an online presence to file transactions.</b>							
Corporations and Charitable Organizations							
Number of filings that are deemed approved.....	7,655	2,604	543	115	14	19	10
Rejection rate of application filings ....	14%	13%	12%	10%	9%	9%	9%
Average number of days to process a transaction .....	3	5	4	5	2	3	3
<b>Increase all State Athletic Commission sporting events by 5% by fiscal year 2022-23.</b>							
State Athletic Commission							
Number of wrestling events .....	308	350	369	364	337	330	335
Number of professional, amateur and kickboxing events .....	107	109	99	105	115	100	110
Number of mixed martial arts events .	47	37	27	36	25	25	25



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# STATE EMPLOYEES' RETIREMENT SYSTEM

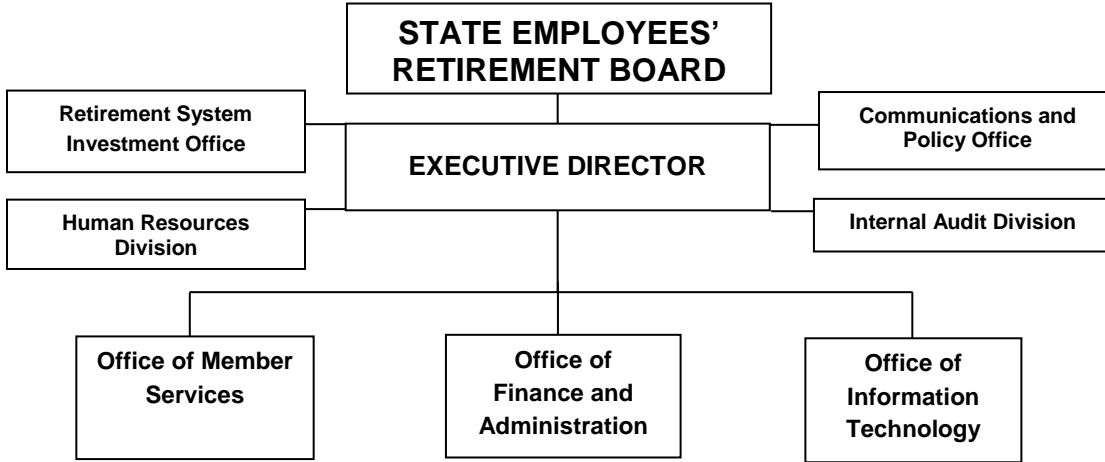
*The mission of the [State Employees' Retirement System](#) is to provide retirement benefits and services to its members through sound administration and prudent investments.*

The system is responsible for administering the State Employees' Retirement Fund, the SERS - Defined Contribution Fund, the supplemental retirement allowances and cost-of-living increases for annuitants. The system also administers the commonwealth's Deferred Compensation Program.

## **Programs and Goals**

**State Employees' Retirement:** *To provide retirement benefits to employees of the Commonwealth of Pennsylvania.*

## Organization Overview



- **Retirement System Investment Office** is responsible for the investment activities of the system. In accordance with the investment policy established by the board, the system's investment assets are allocated to numerous outside professional investment advisors and internal investment professionals.
- **Director of the Office of Member Services** is responsible for the Bureau of Member Services and the Bureau of Benefit Administration.
- **Director of the Office of Finance and Administration** is responsible for the divisions of General Accounting and the Deferred Compensation Program; Budget, Procurement and Operations; Investment Control; and Compliance and Quality Control.
- **Director of the Office of Information Technology** is responsible for the divisions of Applications, Database Administration and Technical Support.

### Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
197	197	197	187	192	201	211

# State Employees' Retirement System

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>OTHER FUNDS:</b>			
<b>STATE EMPLOYEES' RETIREMENT FUND:</b>			
State Employees' Retirement Administration.....	\$ 32,619	\$ 30,766	\$ 31,208
Investment Related Expenses.....	7,176	10,142	11,084
<b>STATE EMPLOYEES' RETIREMENT FUND TOTAL.....</b>	<b>\$ 39,795</b>	<b>\$ 40,908</b>	<b>\$ 42,292</b>
<b>SERS - DEFINED CONTRIBUTION FUND:</b>			
(R)Administration - SERS Defined Contribution Plan.....	\$ 0	\$ 4,901	\$ 3,852
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	0	0	0
AUGMENTATIONS.....	0	0	0
RESTRICTED.....	0	0	0
OTHER FUNDS.....	39,795	45,809	46,144
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 39,795</b>	<b>\$ 45,809</b>	<b>\$ 46,144</b>



# State Employees' Retirement System

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>STATE EMPLOYEES' RETIREMENT</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	39,795	45,809	46,144	46,144	46,144	46,144	46,144
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 39,795</b>	<b>\$ 45,809</b>	<b>\$ 46,144</b>	<b>\$ 46,144</b>	<b>\$ 46,144</b>	<b>\$ 46,144</b>	<b>\$ 46,144</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	39,795	45,809	46,144	46,144	46,144	46,144	46,144
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 39,795</b>	<b>\$ 45,809</b>	<b>\$ 46,144</b>	<b>\$ 46,144</b>	<b>\$ 46,144</b>	<b>\$ 46,144</b>	<b>\$ 46,144</b>

# State Employees' Retirement System

## Program: State Employees' Retirement

*Goal: To provide retirement benefits to employees of the Commonwealth of Pennsylvania.*

The [State Employees' Retirement System](#) (SERS) was established in 1923 to administer the commonwealth's employee pension plan. The State Employees' Retirement Fund is funded by employer and employee contributions and investment earnings, all of which are used solely for payment of pension benefits and administration of the [defined benefit plan](#). SERS undergoes an annual independent [actuarial valuation](#) to calculate the value of system assets and liabilities, and based on the expected employer payroll, the [employer contribution rate](#).

Most members, depending on when they entered SERS membership, contribute 6.25 percent of pay toward their pension, which is based on years of credited service, final average salary and the annual accrual rate. Normal retirement for most employees is age 60, age 50 for safety employees and members of the legislature, or at any age with 35 years of service.

[Act 5 of 2017](#) changed the benefit structure for new employees beginning January 1, 2019. New employees can choose one of three new retirement plan options: two [hybrid plans](#) containing defined benefit and defined contribution components or a stand-alone [defined contribution plan](#) (similar to a 401(k) plan). The pension component of each hybrid plan features different benefit accrual rates and different employee and employer contribution rates. The defined contribution only plan features three-year vesting for employer-contributed money and immediate access to employee contributions when employees leave commonwealth service.

SERS is also responsible for the administration of the commonwealth's [Deferred Compensation Program](#) that allows commonwealth employees to voluntarily defer a portion of their salaries to a retirement savings account.

### Program Recommendations:

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

	<b>STATE EMPLOYEES' RETIREMENT FUND</b>		<b>SERS - DEFINED CONTRIBUTION FUND</b>
	<b>State Employees' Retirement Administration</b>		<b>Administration – SERS Defined Contribution Plan</b>
\$ 442	—to continue current program.	\$ -1,049	—nonrecurring costs.

In addition, \$11,084,0000 in Investment Related Expenses will be used to support the financial activities of this program and the Retirement System Investment Office.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>STATE EMPLOYEES' RETIREMENT FUND:</b>							
State Employees' Retirement Administration .....	\$ 32,619	\$ 30,766	\$ 31,208	\$ 31,208	\$ 31,208	\$ 31,208	\$ 31,208
Investment Related Expenses .....	7,176	10,142	11,084	11,084	11,084	11,084	11,084
<b>TOTAL STATE EMPLOYEES' RETIREMENT FUND .....</b>	<b>\$ 39,795</b>	<b>\$ 40,908</b>	<b>\$ 42,292</b>	<b>\$ 42,292</b>	<b>\$ 42,292</b>	<b>\$ 42,292</b>	<b>\$ 42,292</b>
<b>SERS - DEFINED CONTRIBUTION FUND:</b>							
<b>Restricted Revenues</b>							
Administration – SERS Defined Contribution Plan .....	\$ 0	\$ 4,901	\$ 3,852	\$ 3,852	\$ 3,852	\$ 3,852	\$ 3,852

# State Employees' Retirement System

## Program: State Employees' Retirement (continued)

<b>Program Measures:</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Provide adequate retirement counseling sessions to our members as requested.</b>							
Retirement counseling sessions .....	5,400	5,500	5,300	5,200	5,900	5,100	4,900
<b>Maintain a record of the total number of retired employees.</b>							
Total number of retired employees and beneficiaries .....	120,052	122,250	124,690	127,340	129,470	131,570	133,390
<b>Maintain a record of total benefit payments.</b>							
Total benefit payments (in billions).....	\$2.80	\$2.90	\$3.10	\$3.25	\$3.33	\$3.47	\$3.61



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# STATE POLICE

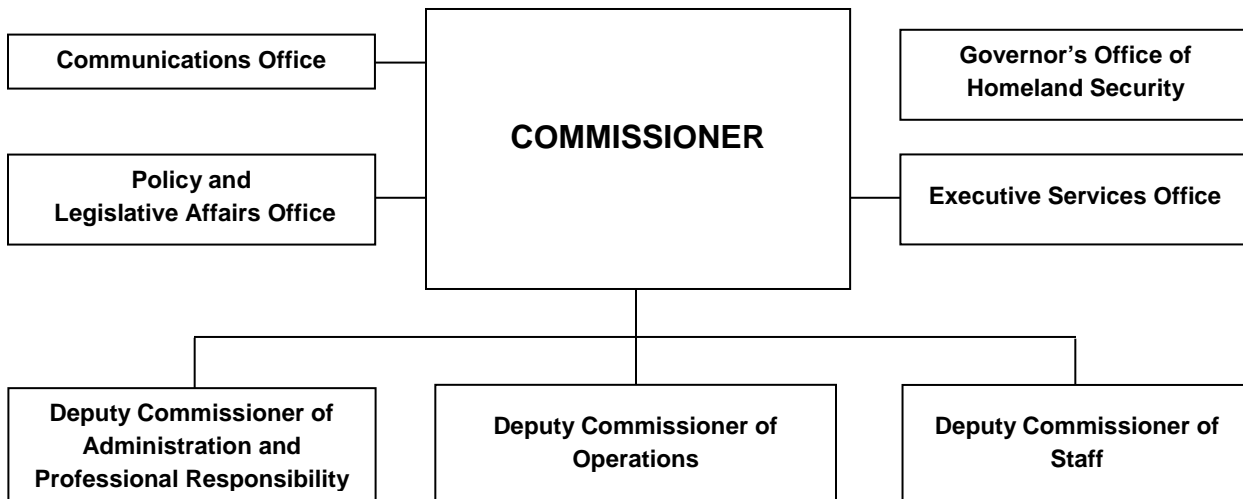
*The mission of the Pennsylvania State Police is to seek justice, preserve peace and improve the quality of life for all.*

The State Police promotes traffic safety, investigates crime and reduces criminal activity, and provides investigative assistance and support services to all law enforcement agencies within the commonwealth. In addition, the State Police maintains and provides to criminal justice agencies up-to-date law enforcement information, evaluates the competence level of law enforcement within the commonwealth and provides prompt, competent service in emergency situations. The State Police ensures personal protection and security for the governor and other persons designated by proper authority, and enforces all other state statutes as directed by proper authority.

## **Programs and Goals**

**Public Protection and Law Enforcement:** *To enforce the law and preserve the peace through detection of crime and apprehension of criminals, patrol of highways and enforcement of the Vehicle and Liquor Codes.*

## Organization Overview



- **Deputy Commissioner of Administration and Professional Responsibility** oversees the bureaus of Training and Education, Integrity and Professional Standards, Discipline Office, Member Assistance Office, the Equality and Inclusion Office and the Municipal Police Officers' Education and Training Commission.
- **Deputy Commissioner of Operations** oversees the bureaus of Patrol, Criminal Investigation, Liquor Control Enforcement, Emergency and Special Operations, and Area Commands I, II, III and IV.
- **Deputy Commissioner of Staff** oversees the bureaus of Forensic Services, Staff Services, Records and Identification, Research and Development, Communications and Information Services.

### Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
6,531	6,561	6,660	6,584	6,446	6,446	6,446

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
<b>General Government Operations.....</b>	<b>\$ 229,153</b>	<b>\$ 284,762</b>	<b>\$ 244,777</b>
(F)Area Computer Crime.....	5,465	7,145	8,745
(F)Homeland Security Grants (EA).....	2,480	3,025	3,620
(F)Law Enforcement Preparedness (EA).....	5,630	6,154	6,900
(F)Law Enforcement Projects (EA).....	626	3,215	3,350
(F)PA State Opioid Response (EA).....	0	1,250	1,250
(A)Municipality Police Coverage Fee.....	0	0	103,911
(A)Turnpike Police Coverage.....	50,675	46,000	50,000
(A)Delaware River Toll Bridge Police Coverge.....	3,071	2,400	2,600
(A)Construction Zone Patrolling.....	3,763	3,200	3,300
(A)Criminal History Record Checks.....	19,371	41,000	37,000
(A)Fingerprint Record Checks.....	2,043	2,350	2,150
(A)Reimbursement for Services.....	3,084	2,200	2,200
(A)Superload Reimbursements.....	2,979	2,000	2,400
(A)Miscellaneous.....	2,719	1,594	2,041
(R)Federal Property Forfeiture.....	-139	2,925	2,925
(R)State Drug Act Forfeiture.....	1,082	3,055	3,055
(R)State Criminal Enforcement Forfeiture.....	0	65	65
(R)Crime Lab User Fees.....	1,588	4,500	1,100
(R)Auto Theft & Insurance Fraud Investigation.....	2,655	2,650	2,650
(R)Vehicle Code Fines.....	2,500	1,300	1,300
Subtotal.....	<b>\$ 338,745</b>	<b>\$ 420,790</b>	<b>\$ 485,339</b>
(F)Office of Homeland Security (EA).....	1,977	2,000	2,000
<b>Statewide Public Safety Radio System.....</b>	<b>12,981</b>	<b>12,332</b>	<b>12,692</b>
(F)Broadband Network Planning.....	4,050	4,050	4,050
(R)Radio Systems Development Project.....	1,180	2,000	2,000
(R)Tower Management.....	164	800	800
(R)Broadband Middle Mile.....	10	5	5
Subtotal.....	<b>\$ 18,385</b>	<b>\$ 19,187</b>	<b>\$ 19,547</b>
<b>Law Enforcement Information Technology.....</b>	<b>6,899</b>	<b>6,899</b>	<b>6,899</b>
<b>Municipal Police Training.....</b>	<b>1,828</b>	<b>1,832</b>	<b>1,724</b>
(A)Pre-Employment Testing.....	85	50	50
(A)Retired Law Enforcement Identification.....	11	5	5
Subtotal.....	<b>\$ 1,924</b>	<b>\$ 1,887</b>	<b>\$ 1,779</b>
<b>Automated Fingerprint Identification System.....</b>	<b>885</b>	<b>885</b>	<b>885</b>
<b>Gun Checks.....</b>	<b>0</b>	<b>0</b>	<b>4,400</b>
(R)Firearm Records Check.....	7,711	8,145	3,956
(R)Firearms License Validation System.....	0	500	500
Subtotal.....	<b>\$ 7,711</b>	<b>\$ 8,645</b>	<b>\$ 8,856</b>
Subtotal - State Funds.....	\$ 251,746	\$ 306,710	\$ 271,377
Subtotal - Federal Funds.....	20,228	26,839	29,915
Subtotal - Augmentations.....	87,801	100,799	205,657
Subtotal - Restricted Revenues.....	16,751	25,945	18,356
Total - General Government.....	<b>\$ 376,526</b>	<b>\$ 460,293</b>	<b>\$ 525,305</b>
STATE FUNDS.....	\$ 251,746	\$ 306,710	\$ 271,377
FEDERAL FUNDS.....	20,228	26,839	29,915
AUGMENTATIONS.....	87,801	100,799	205,657
RESTRICTED REVENUES.....	16,751	25,945	18,356
<b>GENERAL FUND TOTAL.....</b>	<b>\$ 376,526</b>	<b>\$ 460,293</b>	<b>\$ 525,305</b>

**Summary by Fund and Appropriation**

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>MOTOR LICENSE FUND:</b>			
<i>General Government:</i>			
General Government Operations.....	\$ 688,911	\$ 681,053	\$ 647,395
Statewide Public Safety Radio System.....	38,943	36,996	38,076
Law Enforcement Information Technology.....	20,697	20,697	20,697
Municipal Police Training.....	1,828	1,832	1,724
Patrol Vehicles.....	12,000	12,000	12,000
(R)Vehcle Sales and Purchases.....	865	1,561	1,500
Subtotal.....	\$ 763,244	\$ 754,139	\$ 721,392
Commercial Vehicle Inspections.....	10,971	12,091	12,708
(F)Motor Carrier Safety.....	9,602	9,183	9,186
(A)Sale of Vehicles.....	13	35	35
(A)Waste Transportation Safety Enforcement.....	750	750	750
Subtotal.....	\$ 21,336	\$ 22,059	\$ 22,679
Subtotal - State Funds.....	\$ 773,350	\$ 764,669	\$ 732,600
Subtotal - Federal Funds.....	9,602	9,183	9,186
Subtotal - Augmentations.....	763	785	785
Subtotal - Restricted Revenues.....	865	1,561	1,500
Total - General Government.....	\$ 784,580	\$ 776,198	\$ 744,071
<i>Grants and Subsidies:</i>			
Municipal Police Training Grants.....	\$ 5,000	\$ 5,000	\$ 5,000
STATE FUNDS.....	\$ 778,350	\$ 769,669	\$ 737,600
FEDERAL FUNDS.....	9,602	9,183	9,186
AUGMENTATIONS.....	763	785	785
RESTRICTED REVENUES.....	865	1,561	1,500
<b>MOTOR LICENSE FUND TOTAL.....</b>	<b>\$ 789,580</b>	<b>\$ 781,198</b>	<b>\$ 749,071</b>
<b>OTHER FUNDS:</b>			
<b>DNA DETECTION FUND:</b>			
DNA Detection of Offenders (EA).....	\$ 5,191	\$ 6,222	\$ 5,182
<b>STATE GAMING FUND:</b>			
(R)Gaming Enforcement.....	\$ 28,575	\$ 29,115	\$ 29,686
<b>STATE STORES FUND:</b>			
Liquor Control Enforcement.....	\$ 31,486	\$ 31,911	\$ 32,875
(A)Enforcement Reimbursement.....	0	25	25
(A)Sale of Vehicles.....	42	10	10
<b>STATE STORES FUND TOTAL.....</b>	<b>\$ 31,528</b>	<b>\$ 31,946</b>	<b>\$ 32,910</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 251,746	\$ 306,710	\$ 271,377
MOTOR LICENSE FUND.....	778,350	769,669	737,600
LOTTERY FUND.....	0	0	0
FEDERAL FUNDS.....	29,830	36,022	39,101
AUGMENTATIONS.....	88,564	101,584	206,442
RESTRICTED.....	17,616	27,506	19,856
OTHER FUNDS.....	65,294	67,283	67,778
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 1,231,400</b>	<b>\$ 1,308,774</b>	<b>\$ 1,342,154</b>

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>PUBLIC PROTECTION AND LAW ENFORCEMENT</b>							
GENERAL FUND.....	\$ 251,746	\$ 306,710	\$ 271,377	\$ 298,664	\$ 323,991	\$ 353,262	\$ 382,464
MOTOR LICENSE FUND.....	778,350	769,669	737,600	705,530	673,461	646,522	619,584
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	29,830	36,022	39,101	39,101	39,101	39,101	39,101
AUGMENTATIONS.....	88,564	101,584	206,442	209,040	211,703	214,432	217,230
RESTRICTED.....	17,616	27,506	19,856	19,856	19,856	19,856	19,856
OTHER FUNDS.....	65,294	67,283	67,778	64,596	64,596	64,596	64,596
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 1,231,400</b>	<b>\$ 1,308,774</b>	<b>\$ 1,342,154</b>	<b>\$ 1,336,787</b>	<b>\$ 1,332,708</b>	<b>\$ 1,337,769</b>	<b>\$ 1,342,831</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 251,746	\$ 306,710	\$ 271,377	\$ 298,664	\$ 323,991	\$ 353,262	\$ 382,464
MOTOR LICENSE FUND.....	778,350	769,669	737,600	705,530	673,461	646,522	619,584
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	29,830	36,022	39,101	39,101	39,101	39,101	39,101
AUGMENTATIONS.....	88,564	101,584	206,442	209,040	211,703	214,432	217,230
RESTRICTED.....	17,616	27,506	19,856	19,856	19,856	19,856	19,856
OTHER FUNDS.....	65,294	67,283	67,778	64,596	64,596	64,596	64,596
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 1,231,400</b>	<b>\$ 1,308,774</b>	<b>\$ 1,342,154</b>	<b>\$ 1,336,787</b>	<b>\$ 1,332,708</b>	<b>\$ 1,337,769</b>	<b>\$ 1,342,831</b>



## Program: Public Protection and Law Enforcement

*Goal: To enforce the law and preserve the peace through detection of crime and apprehension of criminals, patrol of highways and enforcement of the Vehicle and Liquor Codes.*

### **Traffic Supervision**

Enforcing the commonwealth's traffic laws is a major responsibility of the State Police. The State Police has jurisdiction in all political sub-divisions within the commonwealth and routinely [aids](#) municipal, state and federal law enforcement agencies. The department patrols a significant portion of the commonwealth's roadways while providing various levels of police services and traffic enforcement to municipalities in the commonwealth. The State Police is also responsible for providing primary police services and traffic enforcement on the Pennsylvania Turnpike and the interstate highway system.

The [Commercial Vehicle Safety Division](#) seeks to reduce commercial motor vehicle crashes, fatalities and injuries through consistent, uniform and effective commercial motor vehicle safety programs.

### **Criminal Law Enforcement and Crime Prevention**

Most State Police efforts in criminal law enforcement are performed at the station level and consist of investigations of violent crimes and property crimes. At the statewide level, the department conducts special drug and narcotic investigations and investigates organized crime, terrorism, white-collar crime, public corruption, arson, computer crime and technology crimes. State Police troopers, along with local, state and federal agencies, target major drug-trafficking organizations utilizing a comprehensive strategy that involves intelligence gathering, financial background information, criminal investigation and asset forfeiture proceedings.

The State Police administers and manages the [Pennsylvania Amber Alert System](#), a child abduction alert notification system. Amber Alert utilizes the Emergency Alert System and the commonwealth's "[Alert-PA](#)" website to inform the public of an abduction of a child under the age of 18, whom the police believe to be in danger of serious bodily harm or death.

To reduce the incidence of crime, the department utilizes citizen involvement and educational crime prevention techniques. Initiatives such as Neighborhood Crime Watch, block parents, [Crime Stoppers](#), and business tip programs encourage the reporting of suspicious activity.

The State Police ensures the timely exchange of relevant information pertaining to sexually violent predators

and other sexual offenders between public agencies and officials, and the release of information regarding offenders to the public as required by [Megan's Law](#).

The State Police is responsible for managing the Pennsylvania Instant Check System (PICS). [PICS](#) provides instant access to background records on an individual to determine if the person is eligible to acquire a firearm or a license to carry a firearm.

### **Emergency Assistance**

The State Police has primary police jurisdiction in the majority of the commonwealth's land area while helping local, state and federal entities. The State Police is normally called upon whenever a medium to large-scale emergency occurs within the commonwealth. The State Police Watch Center provides situational awareness of emergencies to all levels of the department by establishing a standard alert condition procedure. [The Pennsylvania Statewide Radio Network \(PA-STARNet\)](#) is the two-way public safety radio system used by the State Police and various other commonwealth agencies. [The Governor's Office of Homeland Security](#) works with our federal agencies, regional task forces, local governments and the private sector to prevent, protect against and mitigate acts of terrorism by developing and revising the office's strategic plan; identifying and reducing the vulnerabilities of critical infrastructure and key resources through a unified outreach campaign; and collaborating with the All-Hazards Fusion Center, the Pennsylvania Criminal Intelligence Center (PaCIC) and with other recognized regional fusion centers.

### **Liquor Control and Gaming Enforcement**

[Liquor Control Enforcement](#) directs and controls coordinated enforcement of the Pennsylvania Liquor Code and related sections of the Crimes Code. Operations include covert and overt investigations, assisting municipal police agencies, conducting routine license investigations, and performing establishment audits and border patrols. The State Police is also responsible for investigating and prosecuting criminal infractions, conducting various background checks and providing overall law enforcement services at Pennsylvania's gaming facilities.

## Program: Public Protection and Law Enforcement (continued)

### Program Recommendations:

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

<b>GENERAL FUND AND MOTOR LICENSE FUND COMBINED:</b>				<b>Municipal Police Training</b>
	<b>General Government Operations</b>	\$	-216	—to continue current program.
\$	20,579			
	9,689			
	—to continue current program.			
	—for cadet class schedule, including three			
	new classes beginning in 2019-20.	\$	4,400	<b>Gun Checks</b>
	—Initiative—to charge municipalities for			—to supplement gun check fees to cover
	policing services.			Pennsylvania Instant Check System (PICS)
				costs.
	<i>Appropriation Decrease</i>			
\$	-73,643			
	<b>Statewide Public Safety Radio System</b>	\$	617	<b>Commercial Vehicle Inspections</b>
\$	2,689			—to continue current program.
	—to continue current program.			
	—to continue statewide radio system upgrade.			
\$	-1,249			
\$	1,440			
	<i>Appropriation Increase</i>			

All other appropriations are recommended at the current year funding levels.

In addition, funding for the Pennsylvania Instant Check System includes \$3,956,000 from the Firearm Records Check restricted account.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 229,153	\$ 284,762	\$ 244,777	\$ 274,179	\$ 303,516	\$ 332,787	\$ 361,989
Statewide Public Safety Radio System .....	12,981	12,332	12,692	10,577	6,567	6,567	6,567
Law Enforcement Information Technology .....	6,899	6,899	6,899	6,899	6,899	6,899	6,899
Municipal Police Training.....	1,828	1,832	1,724	1,724	1,724	1,724	1,724
Automated Fingerprint Identification System.....	885	885	885	885	885	885	885
Gun Checks.....	0	0	4,400	4,400	4,400	4,400	4,400
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 251,746</b>	<b>\$ 306,710</b>	<b>\$ 271,377</b>	<b>\$ 298,664</b>	<b>\$ 323,991</b>	<b>\$ 353,262</b>	<b>\$ 382,464</b>
<b>MOTOR LICENSE FUND:</b>							
General Government Operations .....	\$ 688,911	\$ 681,053	\$ 647,395	\$ 621,671	\$ 601,631	\$ 574,692	\$ 547,754
Statewide Public Safety Radio System .....	38,943	36,996	38,076	31,730	19,701	19,701	19,701
Law Enforcement Information Technology .....	20,697	20,697	20,697	20,697	20,697	20,697	20,697
Municipal Police Training.....	1,828	1,832	1,724	1,724	1,724	1,724	1,724
Patrol Vehicles.....	12,000	12,000	12,000	12,000	12,000	12,000	12,000
Commercial Vehicle Inspections.....	10,971	12,091	12,708	12,708	12,708	12,708	12,708
Municipal Police Training Grants.....	5,000	5,000	5,000	5,000	5,000	5,000	5,000
<b>TOTAL MOTOR LICENSE FUND.....</b>	<b>\$ 778,350</b>	<b>\$ 769,669</b>	<b>\$ 737,600</b>	<b>\$ 705,530</b>	<b>\$ 673,461</b>	<b>\$ 646,522</b>	<b>\$ 619,584</b>

### Program Measures:

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated

#### Reduce motor vehicle crashes.

Vehicle Traffic Supervision

Number of motor vehicle crashes.	78,476	79,464	76,887	80,232	83,919	82,500	81,100
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#### Reduce fatal motor vehicle crashes.

Vehicle Traffic Supervision

Number of fatal motor vehicle crashes.	627	663	651	612	584	570	570
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## Program: Public Protection and Law Enforcement (continued)

<b>Program Measures: (continued)</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Reduce DUI-related crashes.</b>							
Vehicle Traffic Supervision DUI-related crashes.....	4,415	4,469	4,482	4,889	5,038	4,950	4,870
<b>Reduce violent crime.</b>							
Criminal Law Enforcement and Crime Prevention							
Crimes per 100,000 population in State Police jurisdiction areas:							
Number of violent crimes per 100,000 population .....	112	104	111	128	122	120	118
Arrests for violent crimes per 100,000 population .....	72	74	83	94	101	103	105
Percentage of violent crimes cleared (i.e. cases solved and prosecuted or disposed of through other legal means)	72%	69%	70%	74%	73%	76%	78%
<b>Reduce property crime.</b>							
Criminal Law Enforcement and Crime Prevention							
Crimes per 100,000 population in State Police jurisdiction areas:							
Number of property crimes per 100,000 population .....	1,067	965	939	842	773	760	750
Arrests for property crimes per 100,000 population .....	319	284	298	243	245	250	250
Percentage of property crimes cleared (i.e. cases solved and prosecuted or disposed of through other legal means).....	33%	33%	35%	31%	34%	35%	36%
<b>Achieve and maintain a clearance rate at or above the state and national averages for Crime Index offenses.</b>							
Criminal Law Enforcement and Crime Prevention							
State clearance rate for Crime Index offenses .....	31%	32%	32%	28%	31%	N/A	N/A
National clearance rate for Crime Index offenses .....	23%	23%	23%	22%	22%	N/A	N/A
Crimes per 100,000 population in State Police jurisdiction areas:							
Percentage of Crime Index offenses cleared (i.e. cases solved and prosecuted or disposed of through other legal means).....	37%	37%	39%	37%	39%	41%	42%
Crime Index offenses per 100,000 population .....	1,179	1,069	1,049	970	895	880	870
Arrests for Crime Index offenses per 100,000 population .....	391	358	380	338	347	350	360
<b>Increase drug enforcement efforts.</b>							
Enforcement and Investigation							
Drug offenses per 100,000 population	237	271	320	331	365	360	350
Drug-related arrests per 100,000 population .....	190	223	273	293	316	320	330
<b>Increase compliance with liquor laws at licensed establishments.</b>							
Liquor Control Enforcement							
Liquor law violations.....	14,424	14,442	12,214	10,282	11,043	10,900	10,700

## Program: Public Protection and Law Enforcement (continued)

Program Measures: (continued)	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Ensure intelligence information obtained concerning criminal activity and possible terrorism is shared with law enforcement agencies throughout the commonwealth.</b>							
Enforcement and Investigation							
Municipal law enforcement agencies receiving information from the Pennsylvania Criminal Intelligence Center .....	1,055	1,056	1,074	1,098	1,156	1,180	1,200
Intelligence products disseminated by the Pennsylvania Criminal Intelligence Center.....	52,108	54,290	54,744	57,709	57,182	58,100	59,100
<b>Ensure the rapid collection and appropriate dissemination of accurate information on emergency situations throughout the commonwealth.</b>							
Emergency Preparedness and Response							
Department Watch Center immediate reports .....	2,047	2,390	2,451	1,838	2,341	2,380	2,420
Municipal public safety agencies receiving road closure reports from the Department Watch Center.....	1,256	1,256	1,270	1,270	1,270	1,270	1,270
<b>Increase the effectiveness of the Pennsylvania Statewide Radio Network (PA-STARNet).</b>							
Public Safety Radio System							
Percentage of statewide land area covered by Pennsylvania Statewide Radio Network (PA-STARNet).....	97%	97%	97%	97%	97%	97%	97%
Percentage of statewide road coverage by PA-STARNet.....	97%	98%	98%	98%	98%	98%	98%
<b>Increase the number of cadet applications, applicant retention rates and applicants from traditionally underrepresented groups.</b>							
Emergency Preparedness and Response							
Cadet applications .....	N/A	12,199	11,507	14,395	10,752	10,900	11,100
Cadet applications from traditionally underrepresented groups .....	N/A	4,446	4,322	5,177	4,192	4,260	4,330
Total number of individuals from traditionally underrepresented groups graduating from the Academy.....	N/A	58	47	30	40	41	41
Average length of time in months from application date until Academy start date.....	N/A	20	19	20	22	22	21
Total number of individuals graduating from the Academy.....	N/A	407	294	253	279	280	290

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# DEPARTMENT OF TRANSPORTATION

*The mission of the Department of Transportation is to provide a sustainable transportation system and quality services that are embraced by our communities and add value to our customers.*

## **Programs and Goals**

**Transportation Support Services:** *To provide an effective administrative system supporting both non-highway and highway transportation programs.*

**Highways and Bridges:** *To provide a safe and efficient state-administered highway network through road and bridge improvements, as well as through ongoing maintenance activities including winter traffic services.*

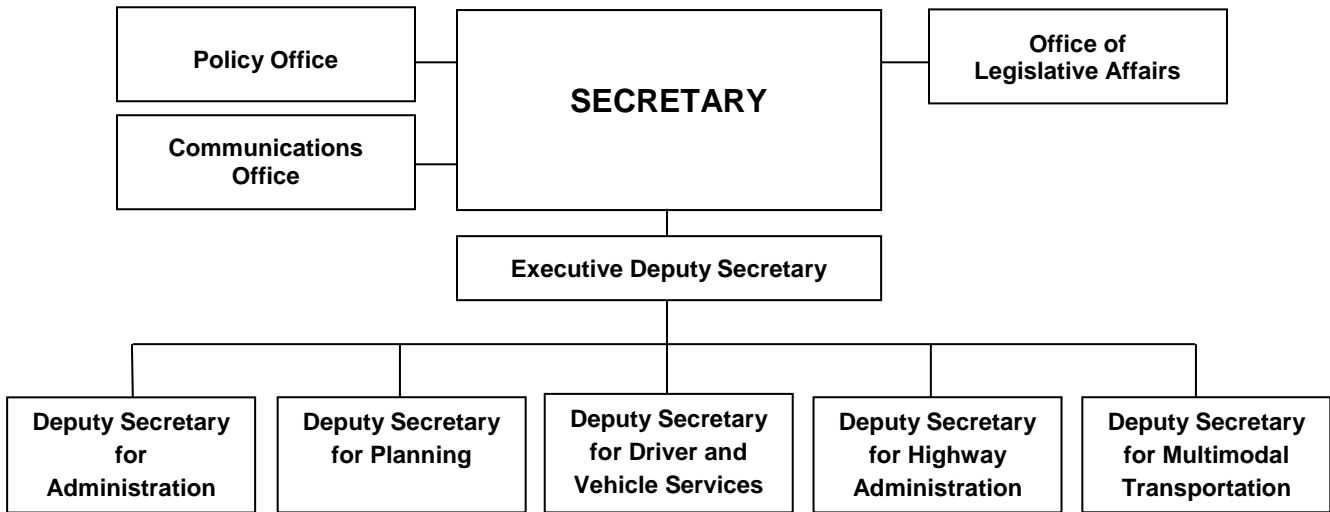
**Local Highway and Bridge Assistance:** *To assist local governments in the maintenance and construction of their portion of the total highway and bridge system.*

**Multimodal Transportation:** *To support public transportation, intercity bus, intercity rail, rail freight, ports, aviation and bicycle and pedestrian facilities options that improve the mobility and the quality of life for urban and rural Pennsylvanians, and enhance economic activity throughout the commonwealth.*

**Driver and Vehicle Services:** *To minimize traffic accidents attributable to driver error and mechanically defective vehicles and to promote highway safety programs.*

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## Organization Overview



- **Deputy Secretary for Administration** provides leadership and direction for the bureaus of Transportation Innovations Office, Fiscal Management, Office Services, Equal Opportunity, and Tourism Services, and coordinates human resources and information technology with the Office of Administration.
- **Deputy Secretary for Planning** is responsible for statewide transportation planning and programming activities and for developing and managing the commonwealth’s multimodal Twelve Year Transportation Program. Key to these activities is the management of federal highway and bridge funds, which leverage a construction program of \$2.4 billion per year.
- **Deputy Secretary for Driver and Vehicle Services** oversees nearly 1,200 driver and vehicle services employees who provide quality customer service, while keeping the safety and security of the commonwealth’s 8.9 million licensed drivers and approximately 12 million registered vehicles a paramount focus.
- **Deputy Secretary for Highway Administration** directs a team of over 9,600 employees in central office and eleven engineering districts. Responsibilities include oversight of maintenance, operations, design and construction of Pennsylvania’s highways and bridges.
- **Deputy Secretary for Multimodal Transportation** supports public transportation, intercity bus, intercity rail, rail freight, ports, aviation and bicycle and pedestrian facilities to improve the mobility and quality of life for all Pennsylvanians.

### Authorized Complement

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
11,883	11,883	11,898	11,523	11,366	11,522	11,522

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
Vehicle Sales Tax Collections.....	\$ 1,095	\$ 1,093	\$ 1,025
Voter Registration.....	530	525	520
(R)Child Passenger Restraint Fund.....	233	300	300
Subtotal - State Funds.....	\$ 1,625	\$ 1,618	\$ 1,545
Subtotal - Restricted Revenues.....	233	300	300
Total - General Government.....	\$ 1,858	\$ 1,918	\$ 1,845
<i>Grants and Subsidies:</i>			
(F)Surface Transportation Assistance.....	\$ 600	\$ 500	\$ 750
(F)FTA - Capital Improvement Grants.....	30,000	30,000	30,000
(F)TEA 21 - Access to Jobs.....	4,000	4,000	2,000
(F)Surface Transportation - Operating.....	15,000	15,000	15,000
(F)Surface Transportation Assistance Capital.....	30,000	35,000	45,000
(F)FTA - Safety Oversight.....	2,600	3,000	3,000
(F)FTA - Keystone Corridor Equipment & Purchases.....	85,000	85,000	100,000
(F)FTA - Hybrid Mass Transit Vehicles.....	30,000	30,000	37,000
(F)Line and Track Improvement.....	0	2,000	2,000
(F)ARRA - High Speed Rail.....	0	0	5,000
(R)Federal Grants - Railroad Freight Rehabilitation.....	0	200	200
(R)Reimbursements to Municipalities - Vehicle Code Fines.....	7,491	6,500	6,500
Subtotal - Federal Funds.....	197,200	204,500	239,750
Subtotal - Restricted Revenues.....	7,491	6,700	6,700
Total - Grants and Subsidies.....	\$ 204,691	\$ 211,200	\$ 246,450
STATE FUNDS.....	\$ 1,625	\$ 1,618	\$ 1,545
FEDERAL FUNDS.....	197,200	204,500	239,750
RESTRICTED REVENUES.....	7,724	7,000	7,000
<b>GENERAL FUND TOTAL.....</b>	<b>\$ 206,549</b>	<b>\$ 213,118</b>	<b>\$ 248,295</b>
<b>MOTOR LICENSE FUND:</b>			
<i>General Government:</i>			
General Government Operations.....	\$ 60,921	\$ 60,921	\$ 60,921
(A)Reimbursements.....	959	819	1,129
(A)Duplicating Services.....	321	300	300
(A)Administrative Hearings.....	12	40	40
(R)PA Unified Certification.....	240	10	0
Welcome Centers.....	3,765	4,115	4,115
Subtotal.....	\$ 66,218	\$ 66,205	\$ 66,505
Highway and Safety Improvements.....	232,000	278,000	150,000
(F)Highway Research, Planning and Construction.....	1,239,698	1,275,000	1,275,000
(A)Highway Construction Contributions and Reimbursements.....	15,015	12,813	13,000
(A)Proceeds from Sale of Right-of-Way.....	105	13	0
(A)Joint Use Leases.....	511	71	0
(A)Reimbursements.....	255	74	0
(A)Licensing Fees - Engineering Software.....	100	30	0
Highway Capital Projects (EA).....	230,000	230,000	230,000
(R)Highway Capital Projects - Excise Tax (EA).....	404,635	409,697	399,104
(R)Bridges - Excise Tax (EA).....	132,572	133,151	129,747
(R)Highway Bridge Projects (EA).....	198,000	140,000	140,000
(F)Federal Aid - Highway Bridge Projects.....	402,826	500,000	500,000
(A)Bridge Construction Contributions.....	2,586	2,800	2,800
(A)Reimbursements From Local Governments.....	257	200	200
Municipal Bridge Improvements and Bundling.....	0	10,000	10,000
Subtotal.....	\$ 2,858,560	\$ 2,991,849	\$ 2,849,851



## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>Highway Maintenance</b> .....	<b>860,542</b>	<b>860,860</b>	<b>865,084</b>
(F)Highway Research, Planning and Construction.....	25,505	149,292	148,460
(F)Disaster Recovery - FHWA.....	301	22,900	12,500
(F)Disaster Recovery - FEMA.....	2,006	45,808	12,500
(F)Highway Safety - Maintenance (EA).....	4,000	25,962	26,530
(A)Highway Maintenance Contributions.....	7,057	18,804	22,540
(A)Sale of Equipment and Supplies.....	4,675	5,000	5,000
(A)Accident Damage Claims.....	8,514	973	0
(A)Marcellus Shale Road Damage.....	721	18	0
(A)Heavy Hauling - Bonded Roads.....	454	170	0
(A)Miscellaneous.....	364	134	100
(R)Highway Maintenance - Excise Tax (EA).....	194,178	193,606	187,937
(R)Highway Maintenance Enhancement (EA).....	285,598	285,852	280,547
(R)Expanded Highway and Bridge Maintenance (EA).....	341,072	344,222	337,757
(A)Expanded Maintenance Contributions.....	651	1,000	1,000
(R)Federal Reimbursements - Highway Safety Program.....	10,648	0	0
<b>Rural Commercial Routes</b> .....	<b>0</b>	<b>90,000</b>	<b>40,000</b>
(A)Share the Road.....	0	10,000	10,000
<b>Highway Systems Technology and Innovation</b> .....	<b>0</b>	<b>16,000</b>	<b>16,000</b>
<b>Reinvestment in Facilities</b> .....	<b>16,000</b>	<b>21,000</b>	<b>16,000</b>
(A)Miscellaneous.....	5	0	0
(R)Delegated Facility Projects.....	10,519	5,000	0
Subtotal.....	\$ 1,772,810	\$ 2,096,601	\$ 1,981,955
<b>Driver and Vehicle Services</b> .....	<b>162,682</b>	<b>172,216</b>	<b>184,903</b>
<b>Homeland Security - REAL ID</b> .....	<b>0</b>	<b>27,966</b>	<b>29,599</b>
(F)Motor Carrier Safety Improvement (EA).....	1,000	3,000	3,000
(A)Photo ID Program.....	30,886	30,700	33,950
(A)Postage.....	650	564	564
(A)Reimbursement - Liquidated Damages.....	474	400	400
(A)Miscellaneous.....	161	401	401
(R)Motorcycle Safety Education.....	2,759	5,000	5,000
(R)CDL - Hazardous Material Fees.....	395	500	500
(R)Reimbursements to Other States - Apportioned Registration.....	13,372	16,000	16,000
Subtotal.....	\$ 212,379	\$ 256,747	\$ 274,317
(R)Aviation Operations.....	3,301	3,938	4,251
(F)Aviation Planning (EA).....	164	164	164
(A)Reimbursement - Flight Operations.....	559	460	460
(A)Airport Inspections and Licensing.....	19	40	40
Subtotal.....	\$ 4,043	\$ 4,602	\$ 4,915
Subtotal - State Funds.....	\$ 1,565,910	\$ 1,771,078	\$ 1,606,622
Subtotal - Federal Funds.....	1,675,500	2,022,126	1,978,154
Subtotal - Augmentations.....	75,311	85,824	91,924
Subtotal - Restricted Revenues.....	1,597,289	1,536,976	1,500,843
Total - General Government.....	\$ 4,914,010	\$ 5,416,004	\$ 5,177,543
<b>Grants and Subsidies:</b>			
<b>Local Road Maintenance and Construction Payments</b> .....	<b>\$ 248,691</b>	<b>\$ 260,637</b>	<b>\$ 253,576</b>
<b>Supplemental Local Road Maintenance &amp; Construction Payments</b> .....	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>
<b>Municipal Roads and Bridges</b> .....	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>
<b>Maintenance and Construction of County Bridges</b> .....	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>
<b>Municipal Traffic Signals</b> .....	<b>40,000</b>	<b>40,000</b>	<b>10,000</b>
<b>Payment to Turnpike Commission (EA)</b> .....	<b>28,000</b>	<b>28,000</b>	<b>28,000</b>
(R)Local Road Payments - Excise Tax (EA).....	122,298	123,640	119,382
(R)Payments to Municipalities (EA).....	84,680	86,141	82,815
(R)Local Grants for Bridge Projects (EA).....	25,000	25,000	25,000
(F)Federal Aid - Local Grants for Bridge Projects.....	10,775	12,500	12,500
(A)Bridge Reimbursements From Local Governments.....	505	100	100
(R)Local Bridge Projects (EA).....	28,187	28,050	27,550
(R)County Bridges - Excise Tax (EA).....	20,859	20,085	17,609

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
(F)Federal Aid - County Bridges.....	245	200	200
(R)County Bridge Projects - Marcellus Shale (EA).....	15,512	20,159	25,826
(R)Toll Roads - Excise Tax (EA).....	141,962	143,761	141,664
(R)Annual Maintenance Payments - Highway Transfer (EA).....	19,064	19,120	19,232
(R)Restoration Projects - Highway Transfer (EA).....	18,000	11,000	11,000
(R)Airport Development.....	5,500	5,500	6,000
(F)Airport Development (EA).....	40,000	40,000	40,000
(R)Real Estate Tax Rebate.....	250	250	250
(R)Fee for Local Use.....	29,208	33,000	33,000
(R)Federal Reimbursements - Local Bridge Projects.....	74,341	75,000	75,000
(R)Red Light Photo Enforcement.....	4,710	7,000	7,000
(R)Federal Reimbursements - Political Subdivisions.....	94,005	140,000	140,000
Subtotal.....	\$ 1,091,792	\$ 1,159,143	\$ 1,115,704
Subtotal - State Funds.....	\$ 356,691	\$ 368,637	\$ 331,576
Subtotal - Federal Funds.....	51,020	52,700	52,700
Subtotal - Augmentations.....	505	100	100
Subtotal - Restricted Revenues.....	683,576	737,706	731,328
Total - Grants and Subsidies.....	\$ 1,091,792	\$ 1,159,143	\$ 1,115,704
<b>Refunds:</b>			
Refunding Collected Monies (EA).....	\$ 2,050	\$ 2,500	\$ 2,500
Subtotal.....	\$ 2,050	\$ 2,500	\$ 2,500
STATE FUNDS.....	\$ 1,924,651	\$ 2,142,215	\$ 1,940,698
FEDERAL FUNDS.....	1,726,520	2,074,826	2,030,854
AUGMENTATIONS.....	75,816	85,924	92,024
RESTRICTED REVENUES.....	2,280,865	2,274,682	2,232,171
<b>MOTOR LICENSE FUND TOTAL.....</b>	<b>\$ 6,007,852</b>	<b>\$ 6,577,647</b>	<b>\$ 6,295,747</b>
<b>LOTTERY FUND:</b>			
<i>Grants and Subsidies:</i>			
Older Pennsylvanians Shared Rides (EA).....	\$ 82,975	\$ 82,975	\$ 75,000
Transfer to Public Transportation Trust Fund (EA).....	95,907	95,907	95,907
Total - Grants and Subsidies.....	\$ 178,882	\$ 178,882	\$ 170,907
<b>LOTTERY FUND TOTAL.....</b>	<b>\$ 178,882</b>	<b>\$ 178,882</b>	<b>\$ 170,907</b>
<b>OTHER FUNDS:</b>			
<b>HIGHWAY BEAUTIFICATION FUND:</b>			
Control of Outdoor Advertising (EA).....	\$ 408	\$ 529	\$ 529
<b>LIQUID FUELS TAX FUND:</b>			
Payments to Counties.....	\$ 30,301	\$ 28,470	\$ 29,011
Auditor General's Audit Costs (EA).....	700	700	700
LIQUID FUELS TAX FUND TOTAL.....	\$ 31,001	\$ 29,170	\$ 29,711
<b>MOTOR VEHICLE TRANSACTION RECOVERY FUND:</b>			
Reimbursement to Transportation.....	\$ 6	\$ 20	\$ 20
<b>MULTIMODAL TRANSPORTATION FUND:</b>			
Aviation Grants (EA).....	\$ 6,238	\$ 6,238	\$ 6,488
Rail Freight Grants (EA).....	10,396	10,396	10,812
Passenger Rail Grants (EA).....	8,317	8,317	8,650
Ports and Waterways Grants (EA).....	10,396	10,396	10,812
Bicycle and Pedestrian Facilities Grants (EA).....	2,079	2,079	2,162
Statewide Programs Grants (EA).....	40,000	40,000	40,000
Multimodal Administration and Oversight (EA).....	4,317	4,317	4,317
Transfer to Commonwealth Financing Authority (EA).....	53,959	56,216	66,917

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
PennPORTS-Philadelphia Regional Port Authority Debt Service.....	4,609	4,606	4,607
<b>MULTIMODAL TRANSPORTATION FUND TOTAL.....</b>	<b>\$ 140,311</b>	<b>\$ 142,565</b>	<b>\$ 154,765</b>
<b>PENNSYLVANIA INFRASTRUCTURE BANK FUND:</b>			
Infrastructure Bank Loans (EA).....	\$ 30,000	\$ 60,000	\$ 30,000
<b>PUBLIC TRANSPORTATION ASSISTANCE FUND:</b>			
Mass Transit (EA).....	\$ 226,117	\$ 236,690	\$ 243,179
Transfer to Public Transportation Trust Fund (EA).....	0 <sup>a</sup>	0 <sup>a</sup>	0 <sup>a</sup>
<b>PUBLIC TRANSPORTATION ASSISTANCE FUND TOTAL.....</b>	<b>\$ 226,117</b>	<b>\$ 236,690</b>	<b>\$ 243,179</b>
<b>GOV. CASEY ORGAN &amp; TISSUE DONATION AWARENESS FUND:</b>			
Reimbursement to Transportation (EA).....	\$ 0	\$ 0	\$ 225
<b>PUBLIC TRANSPORTATION TRUST FUND:</b>			
(R)Mass Transit Operating (EA).....	\$ 784,093 <sup>b</sup>	\$ 824,093 <sup>b</sup>	\$ 829,093 <sup>b</sup>
(R)Asset Improvement (EA).....	450,000	520,000	505,000
(R)Capital Improvement (EA).....	67,764	52,771	38,132
(R)Programs of Statewide Significance (EA).....	110,000	180,000	95,000
(R)Transit Administration and Oversight (EA).....	4,488	4,488	4,488
<b>PUBLIC TRANSPORTATION TRUST FUND TOTAL.....</b>	<b>\$ 1,416,345</b>	<b>\$ 1,581,352</b>	<b>\$ 1,471,713</b>
<b>UNCONVENTIONAL GAS WELL FUND:</b>			
Rail Freight Assistance (EA).....	\$ 1,000	\$ 1,000	\$ 1,000
<b>DEPARTMENT TOTAL - ALL FUNDS</b>			
GENERAL FUND.....	\$ 1,625	\$ 1,618	\$ 1,545
MOTOR LICENSE FUND.....	1,924,651	2,142,215	1,940,698
LOTTERY FUND.....	178,882	178,882	170,907
FEDERAL FUNDS.....	1,923,720	2,279,326	2,270,604
AUGMENTATIONS.....	75,816	85,924	92,024
RESTRICTED.....	2,288,589	2,281,682	2,239,171
OTHER FUNDS.....	1,845,188	2,051,326	1,931,142
<b>TOTAL ALL FUNDS.....</b>	<b>\$ 8,238,471</b>	<b>\$ 9,020,973</b>	<b>\$ 8,646,091</b>

<sup>a</sup> Not added to the total to avoid double counting: 2017-18 Actual is \$22,028,000, 2018-19 Available is \$22,345,000, and 2019-20 Budget is \$23,356,000.

<sup>b</sup> Lottery Fund Transfer to the Public Transportation Trust Fund not added to the total to avoid double counting. Mass Transit Operating (EA) for 2017-18 Actual is \$880,000,000, 2018-19 Available is \$920,000,000, and 2019-20 Budget is \$925,000,000.

Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>TRANSPORTATION SUPPORT SERVICES</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	62,971	63,421	63,421	63,421	63,421	63,421	63,421
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	1,292	1,159	1,469	1,469	1,469	1,469	1,469
RESTRICTED.....	473	310	300	300	300	300	300
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 64,736</b>	<b>\$ 64,890</b>	<b>\$ 65,190</b>	<b>\$ 65,190</b>	<b>\$ 65,190</b>	<b>\$ 65,190</b>	<b>\$ 65,190</b>
<b>HIGHWAYS AND BRIDGES</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	1,370,307	1,537,975	1,359,199	1,428,377	1,473,711	1,539,045	1,601,110
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	1,674,336	2,018,962	1,974,990	1,974,990	1,974,990	1,974,990	1,974,990
AUGMENTATIONS.....	41,270	42,100	44,640	44,640	44,640	44,640	44,640
RESTRICTED.....	1,719,579	1,655,789	1,617,256	1,636,280	1,638,364	1,640,448	1,642,617
OTHER FUNDS.....	30,408	60,529	30,529	25,400	30,400	30,400	30,400
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 4,835,900</b>	<b>\$ 5,315,355</b>	<b>\$ 5,026,614</b>	<b>\$ 5,109,687</b>	<b>\$ 5,162,105</b>	<b>\$ 5,229,523</b>	<b>\$ 5,293,757</b>
<b>LOCAL HIGHWAY AND BRIDGE ASSISTANCE</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	328,691	340,637	303,576	316,102	336,486	336,870	337,254
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	11,020	12,700	12,700	12,700	12,700	12,700	12,700
AUGMENTATIONS.....	505	10,100	10,100	10,100	10,100	10,100	10,100
RESTRICTED.....	535,864	588,195	583,414	580,478	580,780	581,082	581,397
OTHER FUNDS.....	31,001	29,170	29,711	29,755	29,798	29,842	29,885
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 907,081</b>	<b>\$ 980,802</b>	<b>\$ 939,501</b>	<b>\$ 949,135</b>	<b>\$ 969,864</b>	<b>\$ 970,594</b>	<b>\$ 971,336</b>
<b>MULTIMODAL TRANSPORTATION</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	178,882	178,882	170,907	170,907	170,907	170,907	170,907
FEDERAL FUNDS.....	237,364	244,664	279,914	279,914	279,914	279,914	279,914
AUGMENTATIONS.....	578	500	500	500	500	500	500
RESTRICTED.....	16,542	16,388	17,201	17,201	17,201	17,201	17,201
OTHER FUNDS.....	1,783,773	1,961,607	1,870,882	1,678,944	1,702,973	1,757,558	1,807,522
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 2,217,139</b>	<b>\$ 2,402,041</b>	<b>\$ 2,339,404</b>	<b>\$ 2,147,466</b>	<b>\$ 2,171,495</b>	<b>\$ 2,226,080</b>	<b>\$ 2,276,044</b>

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>DRIVER AND VEHICLE SERVICES</b>							
GENERAL FUND.....	\$ 1,625	\$ 1,618	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545
MOTOR LICENSE FUND.....	162,682	200,182	214,502	209,309	208,800	209,196	206,481
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	1,000	3,000	3,000	3,000	3,000	3,000	3,000
AUGMENTATIONS.....	32,171	32,065	35,315	35,315	35,315	35,315	35,315
RESTRICTED.....	16,131	21,000	21,000	21,000	21,000	21,000	21,000
OTHER FUNDS.....	6	20	20	20	20	20	20
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 213,615</b>	<b>\$ 257,885</b>	<b>\$ 275,382</b>	<b>\$ 270,189</b>	<b>\$ 269,680</b>	<b>\$ 270,076</b>	<b>\$ 267,361</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 1,625	\$ 1,618	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545	\$ 1,545
MOTOR LICENSE FUND.....	1,924,651	2,142,215	1,940,698	2,017,209	2,082,418	2,148,532	2,208,266
LOTTERY FUND.....	178,882	178,882	170,907	170,907	170,907	170,907	170,907
FEDERAL FUNDS.....	1,923,720	2,279,326	2,270,604	2,270,604	2,270,604	2,270,604	2,270,604
AUGMENTATIONS.....	75,816	85,924	92,024	92,024	92,024	92,024	92,024
RESTRICTED.....	2,288,589	2,281,682	2,239,171	2,255,259	2,257,645	2,260,031	2,262,515
OTHER FUNDS.....	1,845,188	2,051,326	1,931,142	1,734,119	1,763,191	1,817,820	1,867,827
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 8,238,471</b>	<b>\$ 9,020,973</b>	<b>\$ 8,646,091</b>	<b>\$ 8,541,667</b>	<b>\$ 8,638,334</b>	<b>\$ 8,761,463</b>	<b>\$ 8,873,688</b>

## Program: Transportation Support Services

*Goal: To provide an effective administrative system supporting both non-highway and highway transportation programs.*

The department, through the General Government Operations appropriation within the Motor License Fund, develops general guidelines for highway-related activities while directing and coordinating construction, maintenance, and safety functions discussed under the [Highways and Bridges program](#) and the [Driver and Vehicle Services program](#). Managerial responsibilities include providing support in legal, budgetary, accounting, personnel, procurement, information systems, and public relations matters. A central [municipal services staff](#) handles grant allocations to local governments and coordinates highway transfer activities which are discussed under the

Local Highway and Bridge Assistance Program section. In addition, the [State Transportation Commission](#) and the [Transportation Advisory Committee](#) are funded within this appropriation.

Funding for direct supervision and oversight of aviation, mass transportation, rail freight, ports and waterways, and bicycle and pedestrian facilities activities is shown under the [Multimodal Transportation program](#).

The Refunding Collected Monies appropriation provides for refunds of Motor License Fund overpayments associated with operator licenses, vehicle registrations, and safety inspection stickers.

### Program Recommendations:

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

General Government Operations and Refunding Collected Monies (EA) are recommended at the current year funding level.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>MOTOR LICENSE FUND:</b>							
General Government Operations .....	\$ 60,921	\$ 60,921	\$ 60,921	\$ 60,921	\$ 60,921	\$ 60,921	\$ 60,921
Refunding Collected Monies (EA) .....	2,050	2,500	2,500	2,500	2,500	2,500	2,500
<b>TOTAL MOTOR LICENSE FUND.....</b>	<b>\$ 62,971</b>	<b>\$ 63,421</b>	<b>\$ 63,421</b>	<b>\$ 63,421</b>	<b>\$ 63,421</b>	<b>\$ 63,421</b>	<b>\$ 63,421</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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**Maintain low overhead costs while providing timely, quality service in order to create the best value for all customers.**

Overhead costs as a percentage of department budget (state funds) .....	1.28%	1.13%	1.00%	1.06%	1.02%	0.96%	1.03%
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## Program: Highways and Bridges

*Goal: To provide a safe and efficient state-administered highway network through road and bridge improvements, as well as through ongoing maintenance activities including winter traffic services.*

### Highway and Bridge Construction/Reconstruction

This program contributes to the economic vitality of the commonwealth and to the mobility of its residents through major [reconstruction or construction of highways and bridges](#) on the state-owned network. The commonwealth is responsible for nearly 40,000 miles of roadway and approximately 25,000 state-owned bridges that are more than eight feet in length.

Work is performed on heavily traveled interstate and primary routes, as well as on state roads and bridges that are not part of the federal aid system. With funding available from federal aid, local construction contributions and state revenues, the department has the responsibility of developing and executing a program that will correct the most critical deficiencies on the state-administered roadway network, including projects to enhance safety and mobility.

Federal surface transportation legislation authorizes grants to states and also addresses planning, program development, and management. The department, the [State Transportation Commission](#), and the [Metropolitan and Rural Transportation Planning Organizations](#) closely coordinate public input and public comment efforts during the biennial transportation program update. All regionally developed Transportation Improvement Programs are combined to form the federally mandated [Statewide Transportation Improvement Program](#), which is then considered to be the first four-year segment of the commonwealth's [Twelve-Year Transportation Program](#). This constitutes a mutually agreed upon list of priority projects for each region of Pennsylvania.

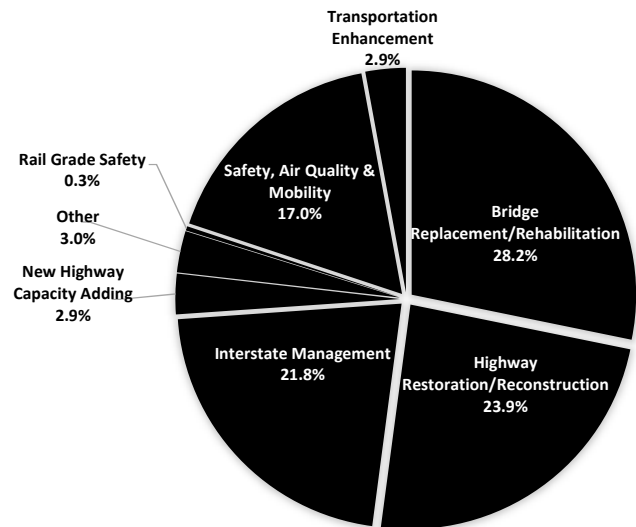
A base level of state highway and bridge improvement activity is funded by annual appropriations from the Motor License Fund. These appropriations are supplemented by a series of dedicated revenue sources.

### State Highway and Bridge Maintenance

Pennsylvania experiences high volumes of interstate traffic and is subject to severe winter weather. [Maintenance](#) work is performed by the department or by private contractors. Roadway treatments that prolong the useful life of existing infrastructure range from crack sealing and patching to more extensive surface treatment that may include resurfacing, stabilization, and lower-cost betterment projects. Bridge activity ranges from deck washing and cleaning drainage outlets, to repair and preventive maintenance of deck surface and structural components.

Unscheduled maintenance services must be performed in response to flooding, wind storms, landslides, sinkholes,

### Current Four-Year Project Distribution (October 2018 - September 2022)



and similar acts of nature. These include clean-up and repair of storm damage, which can range from isolated low-cost work to significant restoration projects across many counties. An event that is declared a national disaster becomes eligible for federal assistance, which typically covers approximately half of the total costs incurred.

The department issues special hauling permits to truck operators with excess weight or size loads for the use of specific highways and bridges. By issuing these permits, the department facilitates the movement of goods over Pennsylvania's roadways without adversely affecting the structural integrity of highways and bridges or the safe and convenient passage of traffic.

A base level of state highway and bridge maintenance activity is funded by ongoing annual appropriations from the Motor License Fund. These appropriations are supplemented by a dedicated share of the Oil Company Franchise Tax. In addition, special maintenance-related appropriations may be approved for accelerated restoration, preventive maintenance, and emergency repair based on the financial status of the Motor License Fund.

The Highway Systems Technology and Innovation appropriation includes costs associated with the department's traffic management centers, operation and maintenance of intelligent transportation equipment, traveler information provided to public, and other key traffic operations efforts. This appropriation also covers costs for 511 services including the 511 PA website, the alert service, and a mobile application to communicate with Pennsylvania travelers.



## Program: Highways and Bridges (continued)

### Program Recommendations:

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

<p><b>Highway and Safety Improvements</b> \$ -128,000 —based on current revenue estimates.</p> <p><b>Highway Maintenance</b> \$ 4,224 —to continue current program.</p>	<p><b>Rural Commercial Routes</b> \$ -50,000 —based on current revenue estimates.</p> <p><b>Reinvestment in Facilities</b> \$ -5,000 —to continue current program.</p>
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All other appropriations and executive authorizations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>MOTOR LICENSE FUND:</b>							
Welcome Centers .....	\$ 3,765	\$ 4,115	\$ 4,115	\$ 4,115	\$ 4,115	\$ 4,115	\$ 4,115
Highway and Safety Improvements.....	232,000	278,000	150,000	195,000	225,000	270,000	315,000
Highway Capital Projects (EA) .....	230,000	230,000	230,000	230,000	230,000	235,000	240,000
Municipal Bridge Improvements and Bundling .....	0	10,000	10,000	10,000	10,000	10,000	10,000
Highway Maintenance .....	860,542	860,860	865,084	889,262	904,596	919,930	931,995
Rural Commercial Routes .....	0	90,000	40,000	40,000	40,000	40,000	40,000
Highway Systems Technology and Innovation .....	0	16,000	16,000	16,000	16,000	16,000	16,000
Reinvestment in Facilities.....	16,000	21,000	16,000	16,000	16,000	16,000	16,000
Payment to Turnpike Commission (EA).....	28,000	28,000	28,000	28,000	28,000	28,000	28,000
<b>TOTAL MOTOR LICENSE FUND.....</b>	<b>\$ 1,370,307</b>	<b>\$ 1,537,975</b>	<b>\$ 1,359,199</b>	<b>\$ 1,428,377</b>	<b>\$ 1,473,711</b>	<b>\$ 1,539,045</b>	<b>\$ 1,601,110</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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#### Increase the percentage of highway system in good or excellent condition.

<b>Highway and Bridge Construction/Reconstruction</b>							
Miles of new highway construction ....	11	12	28	26	18	29	28
Miles of Interstate reconstruction or restoration .....	74	67	56	32	101	236	200
Miles of non-Interstate reconstruction or restoration .....	56	117	141	144	83	120	160
Percentage of Interstate Highway System in good condition .....	N/A	N/A	N/A	N/A	67.2%	67.1%	67.0%
Percentage of Interstate Highway System in fair condition .....	N/A	N/A	N/A	N/A	32.4%	32.5%	32.6%
Percentage of Interstate Highway System in poor condition .....	N/A	N/A	N/A	N/A	0.4%	0.4%	0.4%
Percentage of National Highway System non-Interstate highways in good condition .....	N/A	N/A	N/A	N/A	36.8%	36.6%	36.4%
Percentage of National Highway System non-Interstate highways in fair condition .....	N/A	N/A	N/A	N/A	60.9%	60.9%	60.9%
Percentage of National Highway System non-Interstate highways in poor condition .....	N/A	N/A	N/A	N/A	2.3%	2.5%	2.7%
Percentage of bridges in good condition .....	27.96%	28.44%	29.26%	30.20%	31.67%	33.00%	33.00%
Percentage of bridges in fair condition	55.59%	55.93%	55.96%	56.17%	56.19%	56.00%	56.00%
Percentage of bridges in poor condition .....	16.46%	15.64%	14.78%	13.63%	12.13%	11.00%	11.00%
Poor bridges rehabilitated/replaced ...	220	253	415	556	402	375	230



## Program: Highways and Bridges (continued)

<b>Program Measures: (continued)</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
Number of closed bridges .....	38	44	56	29	28	28	28
Number of posted bridges.....	878	805	750	653	553	500	450
Number of bridges preserved .....	209	265	216	248	229	210	250
<b>Highway and Bridge Maintenance</b>							
Miles of state maintained highways improved:							
Structural restoration.....	158	51	71	70	86	323	271
Resurfacing.....	573	1,707	1,810	1,769	2,754	2,449	2,194
Surface repairs.....	3,223	3,302	3,410	3,466	3,316	3,369	3,606

## Program: Local Highway and Bridge Assistance

*Goal: To assist local governments in the maintenance and construction of their portion of the total highway and bridge system.*

The commonwealth provides several programs to assist municipal and county governments in the maintenance and construction of their approximately 78,000 miles of roadway (roughly two-thirds of Pennsylvania highways) and 6,500 bridges that are greater than twenty feet. The majority of state funds are distributed by statutory formula, while federal funds are allocated in partnership with the [Metropolitan and Rural Transportation Planning Organizations](#).

A portion of the revenues from motor fuel taxes, certain Vehicle Code fines, and other sources are directed by law to municipal payments. Grants may be used for a broad range of highway and bridge activities. The department provides technical assistance to local governments and is responsible for assuring expenditures are made in accordance with the law.

Dedicated Motor License Fund revenues are received from a portion of the Oil Company Franchise Tax and registration fees of commonwealth-registered vehicles having a gross weight in excess of 26,000 pounds. For the local program, both municipalities and counties are eligible for grants on approximately 6,500 bridges greater

than 20 feet long owned by these political subdivisions. Projects are selected by the Metropolitan and Rural Planning Organizations and must be approved in the commonwealth's capital budget.

The [Highway Transfer program](#) was created to restore and turn back local service roads. Dedicated Motor License Fund revenues are received from a portion of the Oil Company Franchise Tax receipts. This is a voluntary program in which the department pays to upgrade a road segment to acceptable standards, transfers ownership to the political subdivision, and provides a \$4,000 per mile per year subsidy for future maintenance.

There are three programs specifically directed toward county governments. General assistance for highway maintenance and construction and assistance for economically distressed counties with the local share of bridge improvement projects are each funded from a portion of the Oil Company Franchise Tax. A third program for maintenance and construction of county bridges specifies the distribution of an annual appropriation based on each county's percentage of the total county-owned bridge deck area in the state.

### Program Recommendations:

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

<p><b>Local Road Maintenance and Construction Payments</b></p> <p>\$ -7,061 —to continue current program.</p>	<p><b>Municipal Traffic Signals</b></p> <p>\$ -30,000 —based on current revenue estimates.</p>
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All other appropriations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>MOTOR LICENSE FUND:</b>							
Local Road Maintenance and Construction Payments.....	\$ 248,691	\$ 260,637	\$ 253,576	\$ 256,102	\$ 256,486	\$ 256,870	\$ 257,254
Supplemental Local Road Maintenance & Construction Payments.....	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Municipal Roads and Bridges.....	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Maintenance and Construction of County Bridges.....	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Municipal Traffic Signals.....	40,000	40,000	10,000	20,000	40,000	40,000	40,000
<b>TOTAL MOTOR LICENSE FUND.....</b>	<b>\$ 328,691</b>	<b>\$ 340,637</b>	<b>\$ 303,576</b>	<b>\$ 316,102</b>	<b>\$ 336,486</b>	<b>\$ 336,870</b>	<b>\$ 337,254</b>

## Program: Multimodal Transportation

*Goal: To support public transportation, intercity bus, intercity rail, rail freight, ports, aviation and bicycle and pedestrian facilities options that improve the mobility and the quality of life for urban and rural Pennsylvanians, and enhance economic activity throughout the commonwealth.*

Multimodal Transportation provides support primarily for the commonwealth's non-highway infrastructure that includes public transportation, aviation, bicycle, pedestrian, passenger and freight rail, and ports. Improvements and programs for non-highway transportation are funded through various sources.

### **Public Transportation**

[Public transportation](#) service within Pennsylvania is provided by 35 transit systems. Operating grants to these organizations are determined by a base allocation equal to the prior year subsidy and supplemental funding distributed on four performance factors. The factors are total passengers, senior passengers, revenue vehicle miles, and revenue vehicle hours.

The Asset Improvement account provides public transportation capital funding to maintain and improve vehicles, communication equipment, technology, and transit facilities. Through the Programs of Statewide Significance account, the commonwealth supports affordable access to demographic groups whose mobility would otherwise be more limited.

### **Older Pennsylvanians Transit**

The commonwealth's older citizens have benefited from greater mobility through the implementation of the [Free Transit and the Shared Ride programs](#). Both programs are funded from a portion of the revenues received from the state lottery.

The Free Transit Program provides free rides on participating local fixed route operations to Pennsylvanians who are 65 years of age or older, while the Shared Ride Program enables senior citizens 65 years or older to use demand responsive service at a significant fare discount. These programs both serve to enhance the ability of older Pennsylvanians to remain connected with local services and community life.

### **PennPORTS**

Pennsylvania's ports provide a competitive advantage for the commonwealth in attracting and retaining business and a cost effective method of freight movement. Pennsylvania boasts a deepwater port in Philadelphia, a busy, sprawling inland port in Pittsburgh and a Great Lakes port in Erie with access to the world through the St. Lawrence Seaway, as well as numerous privately-owned and operated terminals throughout the commonwealth. [PennPORTS](#) supports the operation and maintenance of the ports of Erie, Pittsburgh, and Philadelphia as well as strategic planning, policy development, and project oversight.

### **Rail Freight**

The department administers programs to assist railroad owners with infrastructure improvements, acquisition, accelerated maintenance, and new construction. Through the [Rail Freight Assistance Program and the Rail Transportation Assistance Program](#), grants may be issued to private railroads, companies utilizing rail in their shipping process, and public authorities or municipalities that are conduits for rail activities. These two grant programs have been used to improve track, make acquisitions and construct new rail facilities.

The department also receives annual funding from the Unconventional Gas Well Fund to provide rail freight grants for projects related to or directly benefitting the commonwealth's Marcellus Shale gas drilling industry.

### **Aviation**

The department provides programs to improve the safety and effectiveness of the commonwealth's aviation network, including an airport inspection and licensing program. The department administers state and federal grant [programs](#) that are available for the commonwealth's public use airports. The State Aviation Development Program is used for public use airports to meet safety, security, capacity, environmental, and planning needs. The Real Estate Tax Reimbursement Program allows for publicly operated airports to receive rebates on real estate taxes for land that is essential for airport public use. In addition, capital bond funds are available through the Aviation Transportation Assistance program for airports that have a public sector sponsor.

### **Multimodal Transportation Fund Statewide Program Grants**

Act 89 established a dedicated [Multimodal Transportation Fund \(MTF\)](#) that stabilizes funding for ports and rail freight, increases aviation investments, establishes dedicated funding for bicycle and pedestrian improvements, and allows targeted funding for priority investments in any mode through the statewide program. The department provides grants to municipalities, councils of government, businesses, economic development organizations, public transportation agencies, and rail freight, passenger rail, and ports entities through the MTF to improve transportation assets that enhance communities, pedestrian safety, and transit revitalization.

## Program: Multimodal Transportation (continued)

### Program Recommendations:

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

**LOTTERY FUND**  
**Older Pennsylvanians Shared Rides (EA)**  
 \$ -7,975 —based on current ridership estimates.

The transfer to Public Transportation Trust Fund executive authorization is recommended at the current year funding level.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>LOTTERY FUND:</b>							
Older Pennsylvanians Shared Rides (EA)	\$ 82,975	\$ 82,975	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Transfer to Public Transportation Trust Fund (EA)	95,907	95,907	95,907	95,907	95,907	95,907	95,907
<b>TOTAL LOTTERY FUND</b>	<b>\$ 178,882</b>	<b>\$ 178,882</b>	<b>\$ 170,907</b>	<b>\$ 170,907</b>	<b>\$ 170,907</b>	<b>\$ 170,907</b>	<b>\$ 170,907</b>
<b>PUBLIC TRANSPORTATION TRUST FUND:</b>							
(R)Mass Transit Operating (EA)	\$ 784,093	\$ 824,093	\$ 829,093	\$ 804,093	\$ 824,093	\$ 849,093	\$ 884,093
(R)Asset Improvement (EA)	450,000	520,000	505,000	355,000	355,000	375,000	375,000
(R)Capital Improvement (EA)	67,764	52,771	38,132	25,000	25,000	25,000	25,000
(R)Programs of Statewide Significance (EA)	110,000	180,000	95,000	95,000	85,000	85,000	85,000
(R)Transit Administration and Oversight (EA)	4,488	4,488	4,488	4,488	4,488	4,488	4,488
<b>TOTAL PUBLIC TRANSPORTATION TRUST FUND</b>	<b>\$ 1,416,345</b>	<b>\$ 1,581,352</b>	<b>\$ 1,471,713</b>	<b>\$ 1,283,581</b>	<b>\$ 1,293,581</b>	<b>\$ 1,338,581</b>	<b>\$ 1,373,581</b>
<b>MULTIMODAL TRANSPORTATION FUND:</b>							
Aviation Grants (EA)	\$ 6,238	\$ 6,238	\$ 6,488	\$ 6,488	\$ 6,748	\$ 6,748	\$ 7,018
Rail Freight Grants (EA)	10,396	10,396	10,812	10,812	11,244	11,244	11,694
Passenger Rail Grants (EA)	8,317	8,317	8,650	8,650	8,996	8,996	9,356
Ports and Waterways Grants (EA)	10,396	10,396	10,812	10,812	11,244	11,244	11,694
Bicycle and Pedestrian Facilities Grants (EA)	2,079	2,079	2,162	2,162	2,248	2,248	2,338
Statewide Programs Grants (EA)	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Multimodal Administration and Oversight (EA)	4,317	4,317	4,317	4,317	4,317	4,317	4,317
Transfer to Commonwealth Financing Authority (EA)	53,959	56,216	66,917	56,866	65,318	65,718	69,598
PennPORTS-Philadelphia Regional Port Authority Debt Service	4,609	4,606	4,607	4,608	0	0	0
<b>TOTAL MULTIMODAL TRANSPORTATION FUND</b>	<b>\$ 140,311</b>	<b>\$ 142,565</b>	<b>\$ 154,765</b>	<b>\$ 144,715</b>	<b>\$ 150,115</b>	<b>\$ 150,515</b>	<b>\$ 156,015</b>

### Program Measures:

	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
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**Support public transportation, intercity bus, intercity rail, rail freight, ports and aviation operations that improve the mobility and quality of life for urban and rural Pennsylvanians, and enhance economic activity throughout the commonwealth.**

**Mass Transportation**

Passengers carried by state-assisted operators	426,900,000	430,200,000	425,700,000	403,788,000	397,360,000	397,693,000	399,363,000
Passengers per vehicle hour	39.3	39.2	38.5	36.4	35.4	34.9	35.0
<b>Older Pennsylvanians Transit</b>							
Number of free transit trips	34,650,000	34,060,000	34,580,000	33,457,000	33,705,000	33,474,000	33,615,000
Trips on state-assisted shared ride vehicles	3,900,000	4,090,000	3,920,000	3,707,000	3,479,000	3,514,000	3,549,000

## Program: Multimodal Transportation (continued)

<b>Program Measures: (continued)</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
Cost to the commonwealth per trip:							
Free transit.....	\$2.68	\$2.73	\$2.77	\$2.87	\$2.85	\$2.87	\$2.87
State-assisted shared ride vehicles ...	\$17.78	\$18.09	\$18.72	\$19.20	\$19.65	\$20.04	\$20.43
<b>Intercity Transportation</b>							
Intercity Bus:							
Passengers handled .....	397,920	377,051	236,309	226,308	211,750	199,298	201,291
Subsidy per passenger trip .....	\$5.00	\$4.94	\$6.57	\$6.98	\$8.14	\$8.67	\$8.84
Intercity Rail:							
Passengers handled .....	1,518,624	1,593,951	1,638,969	1,760,512	1,713,511	1,734,930	1,756,617
Subsidy per passenger mile.....	\$0.11	\$0.12	\$0.11	\$0.10	\$0.10	\$0.10	\$0.10
Aviation:							
Runways with a pavement condition index of fair or better.....	94%	94%	94%	86%	84%	90%	92%

## Program: Driver and Vehicle Services

*Goal: To minimize traffic accidents attributable to driver error and mechanically defective vehicles and to promote highway safety programs.*

[Driver and Vehicle Services](#) processes applications and collects fees for all vehicle registrations, titles, and operator licenses and oversees operator and vehicular licensing activities such as testing, inspections, and revocations. This includes [driver's license examination](#) which conducts driving knowledge and skills tests to certify applicants to operate passenger and commercial vehicles and motorcycles.

The [Vehicle Safety Inspection Program](#) is intended to minimize traffic accidents due to mechanical failure. The commonwealth operates an annual [Vehicle Emissions Inspection Program](#) in 25 counties. In the remaining 42 counties not required to participate in the Vehicle Emissions Inspection Program, the annual Vehicle Safety Inspection Program incorporates a visual anti-tampering check for the presence of federally-required emission control components that were installed on the vehicle by the manufacturer.

Pennsylvania enforcement officials are responsible for the issuance of citations for Vehicle Code violations. In addition to assigning points for driver infractions, the department suspends, revokes, disqualifies, or recalls driver's licenses for many violations, including

accumulation of points. This program area also administers the [Motor Voter](#) program and the commonwealth's [Organ Donor](#) program.

The department processes cancellation notices received from insurance companies. Notification of cancellation prompts the department to have registrants revalidate proper insurance coverage for the vehicle.

Driver and Vehicle Services currently has 97 offices [statewide](#) offering driver examination and/or photo licensing services and is working with private business to further decentralize its services to improve access. As part of its ongoing efforts to enhance customer service options and provide customers with another convenient option for taking their driver's skills test, the department has authorized a limited number of third party entities to administer driver skills testing. Customers can also process transactions on the department's internet renewal system.

This budget continues to include funding to comply with federal homeland security requirements, which will allow Pennsylvania residents to obtain an [optional REAL ID compliant driver's license or state identification card](#) that will be accepted for boarding a domestic commercial flight or entering a federal building.

### Program Recommendations:

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

	<b>GENERAL FUND</b>			<b>MOTOR LICENSE FUND</b>
	<b>Vehicle Sales Tax Collections</b>			<b>Driver and Vehicle Services</b>
\$	-68	—to continue current program.	\$	12,687
				—to continue current program.
	<b>Voter Registration</b>			<b>Homeland Security - REAL ID</b>
\$	-5	—to continue current program.	\$	1,633
				—to comply with federal Homeland Security requirements.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Vehicle Sales Tax Collections.....	\$ 1,095	\$ 1,093	\$ 1,025	\$ 1,025	\$ 1,025	\$ 1,025	\$ 1,025
Voter Registration.....	530	525	520	520	520	520	520
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 1,625</b>	<b>\$ 1,618</b>	<b>\$ 1,545</b>	<b>\$ 1,545</b>	<b>\$ 1,545</b>	<b>\$ 1,545</b>	<b>\$ 1,545</b>
<b>MOTOR LICENSE FUND:</b>							
Driver and Vehicle Services.....	\$ 162,682	\$ 172,216	\$ 184,903	\$ 184,100	\$ 185,990	\$ 187,753	\$ 185,737
Homeland Security - REAL ID .....	0	27,966	29,599	25,209	22,810	21,443	20,744
<b>TOTAL MOTOR LICENSE FUND.....</b>	<b>\$ 162,682</b>	<b>\$ 200,182</b>	<b>\$ 214,502</b>	<b>\$ 209,309</b>	<b>\$ 208,800</b>	<b>\$ 209,196</b>	<b>\$ 206,481</b>

## Program: Driver and Vehicle Services (continued)

<b>Program Measures:</b>	2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Estimated	2019-20 Estimated
<b>Provide exceptional customer service through a customer-focused business approach.</b>							
Number of online eGov transactions (in millions) .....	8.55	8.42	8.71	8.90	10.00	10.90	11.90
Percentage of service center customers served within 30 minutes .....	87.0%	82.0%	80.3%	79.9%	69.1%	80.0%	80.0%
Access rate of driver and vehicle services call center .....	99.4%	99.5%	99.6%	99.1%	99.1%	99.5%	99.5%



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# LEGISLATURE

*The mission of the General Assembly of Pennsylvania is to formulate and enact the public policy of the commonwealth.*

Through legislation and resolution, the General Assembly defines the functions of state government, provides for revenue for the commonwealth and appropriates money for the operation of state agencies and other purposes.

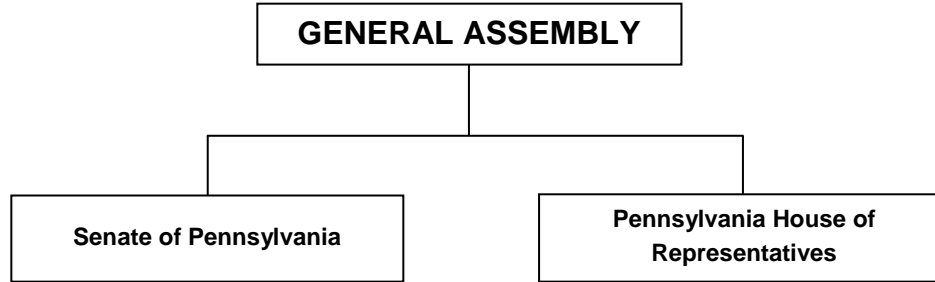
The General Assembly is composed of two bodies – the Senate and the House of Representatives. Its sessions begin on the first Tuesday of each year unless otherwise convened by proclamation of the governor.

## **Programs and Goals**

**Legislature:** *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.*



## Organization Overview



- **Senate of Pennsylvania** has 50 members who are elected by district. Senators are elected for four-year terms, staggered every two years such that half of the seats are contested at each election. Even-numbered seats and odd-numbered seats are contested in separate election years. Senators have office staff at the state Capitol in Harrisburg and in their district offices.
- **Pennsylvania House of Representatives** has 203 members, elected for two-year terms from single member districts. Representatives have office staff at the state Capitol in Harrisburg and in their district offices.

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
Senate:			
Senators' Salaries.....	\$ 8,156	\$ 8,564	\$ 8,564
Senate President - Expenses.....	343	359	359
Employees of Chief Clerk.....	2,847	2,985	2,985
Salaried Officers and Employees.....	12,873	13,573	13,573
Incidental Expenses.....	3,105	3,395	3,395
Expenses - Senators.....	1,341	1,366	1,366
Legislative Printing and Expenses.....	7,200	7,548	7,548
Committee on Appropriations (R).....	1,395	1,457	0
Committee on Appropriations (D).....	1,395	1,458	0
Committee on Appropriations (R) and (D).....	0	0	2,915
Caucus Operations (R) and (D).....	0	0	78,561
Caucus Operations (R).....	44,985	48,842	0
Caucus Operations (D).....	29,976	32,472	0
Subtotal.....	\$ 113,616	\$ 122,019	\$ 119,266
House of Representatives:			
Members' Salaries, Speaker's Extra Compensation.....	\$ 28,493	\$ 28,493	\$ 28,493
Caucus Operations (R) and (D).....	0	0	125,375
Caucus Operations (R).....	63,115	65,115	0
Caucus Operations (D).....	58,260	60,260	0
Speaker's Office.....	1,810	1,810	1,810
Bi-Partisan Committee, Chief Clerk, Comptroller and EMS.....	14,834	14,834	14,834
Mileage - Representatives, Officers and Employees.....	372	372	372
Chief Clerk and Legislative Journal.....	4,993	7,993	7,993
Speaker.....	20	20	0
Chief Clerk.....	591	591	0
Floor Leader (R).....	7	7	0
Floor Leader (D).....	7	7	0
Whip (R).....	6	6	0
Whip (D).....	6	6	0
Chairman - Caucus (R).....	3	3	0
Chairman - Caucus (D).....	3	3	0
Secretary - Caucus (R).....	3	3	0
Secretary - Caucus (D).....	3	3	0
Chairman - Appropriations Committee (R).....	6	6	0
Chairman - Appropriations Committee (D).....	6	6	0
Chairman - Policy Committee (R).....	2	2	0
Chairman - Policy Committee (D).....	2	2	0
Caucus Administrator (R).....	2	2	0
Caucus Administrator (D).....	2	2	0
Administrator for Staff (R).....	20	20	0
Administrator for Staff (D).....	20	20	0
Contingent Expenses (R) and (D).....	0	0	709
Incidental Expenses.....	5,069	5,069	5,069
Expenses - Representatives.....	4,251	4,251	4,251
Legislative Printing and Expenses.....	10,674	10,674	10,674
National Legislative Conference - Expenses.....	511	0	0
Committee on Appropriations (R).....	3,223	3,223	3,223
Committee on Appropriations (D).....	3,223	3,223	3,223
Special Leadership Account (R).....	6,045	6,045	6,045
Special Leadership Account (D).....	6,045	6,045	6,045
Subtotal.....	\$ 211,627	\$ 218,116	\$ 218,116
Total - General Government.....	\$ 325,243	\$ 340,135	\$ 337,382
<b>GENERAL FUND TOTAL.....</b>	<b>\$ 325,243</b>	<b>\$ 340,135</b>	<b>\$ 337,382</b>

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>LEGISLATURE</b>							
GENERAL FUND.....	\$ 325,243	\$ 340,135	\$ 337,382	\$ 337,382	\$ 337,382	\$ 337,382	\$ 337,382
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 325,243</b>	<b>\$ 340,135</b>	<b>\$ 337,382</b>	<b>\$ 337,382</b>	<b>\$ 337,382</b>	<b>\$ 337,382</b>	<b>\$ 337,382</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 325,243	\$ 340,135	\$ 337,382	\$ 337,382	\$ 337,382	\$ 337,382	\$ 337,382
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 325,243</b>	<b>\$ 340,135</b>	<b>\$ 337,382</b>	<b>\$ 337,382</b>	<b>\$ 337,382</b>	<b>\$ 337,382</b>	<b>\$ 337,382</b>

**Program: Legislature**

*Goal: 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.*

This program provides for the operation of the [General Assembly](#), which consists of a 50 member [Senate](#) and a 203 member [House of Representatives](#), funded

by numerous General Fund appropriations. These appropriations are detailed in the Summary by Fund and Appropriation portion of this presentation.

**Program Recommendations:**

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

**GENERAL FUND**  
**Caucus Operations (R) and (D)**  
 \$ -2,753 —to continue current program.

**Appropriations within this Program:**

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Legislature.....	\$ 325,243	\$ 340,135	\$ 337,382	\$ 337,382	\$ 337,382	\$ 337,382	\$ 337,382

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# JUDICIARY

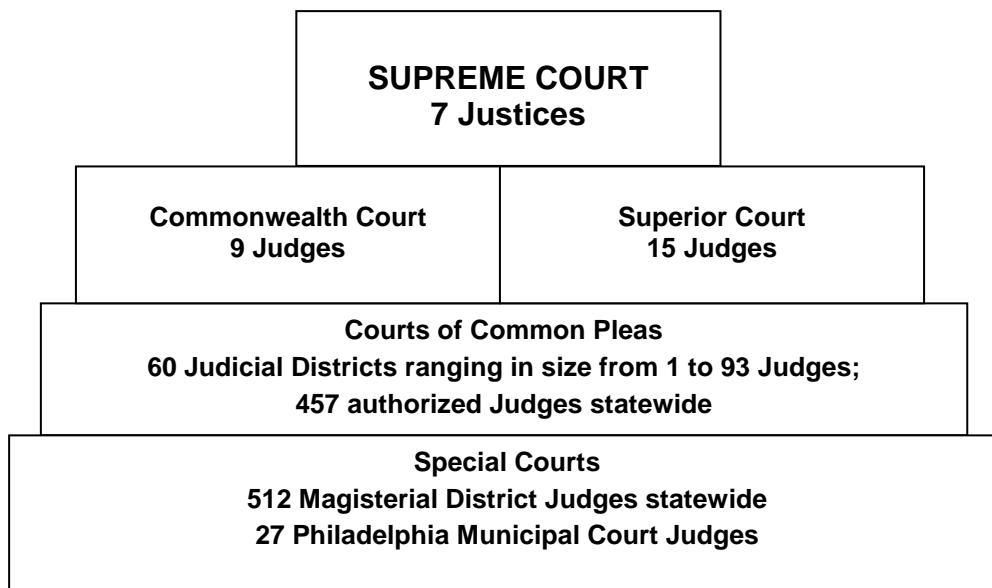
*The mission of the judicial system of the commonwealth is to provide citizens with prompt and equitable justice under the law.*

The court system includes the Supreme Court, Superior Court, Commonwealth Court, Courts of Common Pleas and community courts including Philadelphia Municipal Court, Pittsburgh Municipal Court and magisterial district courts.

## **Programs and Goals**

**State Judicial System:** *To provide the citizens of the commonwealth with prompt and equitable justice under the law.*

# Organization Overview



- **Supreme Court** is the commonwealth’s court of last resort. The judiciary’s administrative powers and jurisdictional responsibilities are vested with the seven-member court by the Pennsylvania State Constitution and a collection of statutes known as the Judicial Code. The Administrative Office of Pennsylvania Courts carries out the majority of the Supreme Court’s administrative duties. The Supreme Court has various committees and boards responsible for advising the court on procedural rules for judges, attorneys and litigants to ensure an efficient and fair judicial review.
- **Commonwealth Court** is one of Pennsylvania’s two statewide intermediate appellate courts. The Commonwealth Court is primarily responsible for matters involving state and local governments and regulatory agencies. It also acts as a trial court when lawsuits are filed by or against the commonwealth.
- **Superior Court** is one of Pennsylvania’s two statewide intermediate appellate courts. The Superior Court is responsible for appeals in criminal and civil cases from the Courts of Common Pleas and appeals on matters involving children and families. In such matters, it is often the final arbiter of legal disputes.
- **Courts of Common Pleas** are the general trial courts of Pennsylvania. These courts are responsible for appeals from the minor courts, appeals not exclusively assigned to another court and matters involving children and families.
- **Special Courts** are the first level of Pennsylvania’s judiciary. They are responsible for determining whether serious criminal cases go to the Court of Common Pleas, preliminary arraignments and preliminary hearings, and setting and accepting bail.

## Reported Complement

(Independent Agency – Complement Not Under the Governor’s Jurisdiction/Control)

2013-14 Actual	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Available	2019-20 Budget
2,198	2,203	2,195	2,192	2,133	2,135	2,135

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
<b>Supreme Court:</b>			
Supreme Court.....	\$ 17,150	\$ 17,150	\$ 17,150
Subtotal.....	\$ 17,150	\$ 17,150	\$ 17,150
Justice Expenses.....	\$ 118	\$ 118	\$ 118
Judicial Center Operations.....	814	814	814
Judicial Council.....	141	141	141
District Court Administrators.....	19,657	19,657	19,657
<b>Supreme Court:</b>			
Interbranch Commission.....	\$ 350	\$ 350	\$ 350
Court Management Education.....	73	73	73
Office of Elder Justice in the Courts.....	496	496	496
Rules Committees.....	1,595	1,595	1,595
Court Administrator.....	11,577	11,577	11,577
(F)Court Improvement Project.....	1,130	1,130	1,130
(F)PA Weighted Caseload Project.....	17	0	0
(F)Adult Drug Court Outcome Evaluation.....	300	225	225
(F)Language Access Grant.....	0	50	50
(F)STOP Violence Against Women (EA).....	337	232	232
Integrated Criminal Justice System.....	2,372	2,372	2,372
(R)Judicial Computer System.....	57,048	57,048	57,048
Unified Judicial System Security.....	2,002	2,002	2,002
Subtotal.....	\$ 77,297	\$ 77,150	\$ 77,150
<b>Superior Court:</b>			
Superior Court.....	\$ 32,377	\$ 32,377	\$ 32,377
Judges Expenses.....	183	183	183
Subtotal.....	\$ 32,560	\$ 32,560	\$ 32,560
<b>Commonwealth Court:</b>			
Commonwealth Court.....	\$ 21,192	\$ 21,192	\$ 21,192
Judges Expenses.....	132	132	132
Subtotal.....	\$ 21,324	\$ 21,324	\$ 21,324
<b>Courts of Common Pleas:</b>			
Courts of Common Pleas.....	\$ 117,739	\$ 117,739	\$ 117,739
Senior Judges.....	4,004	4,004	4,004
Judicial Education.....	1,247	1,247	1,247
Ethics Committee.....	62	62	62
Problem-Solving Courts.....	1,103	1,103	1,103
Subtotal.....	\$ 124,155	\$ 124,155	\$ 124,155
<b>Magisterial District Judges:</b>			
Magisterial District Judges.....	\$ 82,802	\$ 82,802	\$ 82,802
Magisterial District Judge Education.....	744	744	744
Subtotal.....	\$ 83,546	\$ 83,546	\$ 83,546
<b>Philadelphia Courts:</b>			
Municipal Court.....	\$ 7,794	\$ 7,794	\$ 7,794
Subtotal.....	\$ 7,794	\$ 7,794	\$ 7,794



## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>Judicial Conduct:</b>			
Judicial Conduct Board.....	\$ 2,182	\$ 2,182	\$ 2,182
Court of Judicial Discipline.....	468	468	468
Subtotal.....	<u>\$ 2,650</u>	<u>\$ 2,650</u>	<u>\$ 2,650</u>
Subtotal - State Funds.....	\$ 328,374	\$ 328,374	\$ 328,374
Subtotal - Federal Funds.....	1,784	1,637	1,637
Subtotal - Restricted Revenues.....	57,048	57,048	57,048
Total - General Government.....	<u>\$ 387,206</u>	<u>\$ 387,059</u>	<u>\$ 387,059</u>
<b>Grants and Subsidies:</b>			
<b>Reimbursement of County Costs:</b>			
Juror Cost Reimbursement.....	\$ 1,118	\$ 1,118	\$ 1,118
County Court Reimbursement.....	23,136	23,136	23,136
Senior Judge Reimbursement.....	1,375	1,375	1,375
Court Interpreter County Grant.....	1,500	1,500	1,500
Subtotal.....	<u>\$ 27,129</u>	<u>\$ 27,129</u>	<u>\$ 27,129</u>
Total - Grants and Subsidies.....	<u>\$ 27,129</u>	<u>\$ 27,129</u>	<u>\$ 27,129</u>
STATE FUNDS.....	\$ 355,503	\$ 355,503	\$ 355,503
FEDERAL FUNDS.....	1,784	1,637	1,637
RESTRICTED REVENUES.....	57,048	57,048	57,048
<b>GENERAL FUND TOTAL.....</b>	<b><u>\$ 414,335</u></b>	<b><u>\$ 414,188</u></b>	<b><u>\$ 414,188</u></b>

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>STATE JUDICIAL SYSTEM</b>							
GENERAL FUND.....	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	1,784	1,637	1,637	1,637	1,637	1,637	1,637
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	57,048	57,048	57,048	57,048	57,048	57,048	57,048
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 414,335</b>	<b>\$ 414,188</b>	<b>\$ 414,188</b>	<b>\$ 414,188</b>	<b>\$ 414,188</b>	<b>\$ 414,188</b>	<b>\$ 414,188</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	1,784	1,637	1,637	1,637	1,637	1,637	1,637
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	57,048	57,048	57,048	57,048	57,048	57,048	57,048
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 414,335</b>	<b>\$ 414,188</b>	<b>\$ 414,188</b>	<b>\$ 414,188</b>	<b>\$ 414,188</b>	<b>\$ 414,188</b>	<b>\$ 414,188</b>

## Program: State Judicial System

*Goal: To provide the citizens of the commonwealth with prompt and equitable justice under the law.*

Pennsylvania's [Unified Judicial System](#) is a layered court system consisting of the Supreme Court, Commonwealth Court, Superior Court, Courts of Common Pleas, the magisterial district courts, and Philadelphia Municipal Court. The Judiciary's core mission is the delivery of fair, timely, and accessible justice for all Pennsylvanians.

In counties other than Philadelphia, courts at the first level of the system are presided over by [Magisterial District Judges](#) who have jurisdiction over summary criminal cases, landlord-tenant matters, and other civil actions where the amount claimed does not exceed \$12,000. They also have jurisdiction to issue warrants, hold arraignments and preliminary hearings in all criminal cases, and accept guilty pleas under certain circumstances. In Philadelphia, the [Municipal Court](#) is the initial level of the court system. Its limited jurisdiction is analogous to that of the Magisterial District Judges.

The second level in the court system is the [Courts of Common Pleas](#), which are courts of general trial jurisdiction. They have original jurisdiction over all cases not exclusively assigned to another court. Appellate jurisdiction extends to appeals from final orders of the lower courts and appeals from certain state and most local government agencies.

Appeals from the Courts of Common Pleas are generally handled by one of the two intermediate-level appellate courts: [Commonwealth Court](#) and [Superior Court](#). Commonwealth Court has jurisdiction over appeals involving government agencies and officials and not-for-profit corporations, as well as original jurisdiction over Election Code matters and cases involving state officials. Superior Court has jurisdiction over all direct appeals not within the specific statutory jurisdiction of another appellate court. The [Supreme Court](#) is Pennsylvania's court of last

resort and is responsible for administration of the entire Unified Judicial System.

As defined by the state constitution, statute, and court rule, the Court Administrator of Pennsylvania heads the Administrative Office of Pennsylvania Courts (AOPC), the administrative arm of the Supreme Court in the court's oversight responsibility of the Unified Judicial System. At the direction of the Supreme Court, the AOPC has undertaken initiatives to assist those in need and educate the public by making court documents and information more accessible. In response, the [Office of Elder Justice in the Courts](#) and the [Office for Children and Families in the Courts](#) work to protect the needs of the most vulnerable. In addition, the Court is focused on the continued expansion of its [problem-solving courts](#) program, assisting with the treatment and rehabilitation of behaviors and conditions that are often linked to crime and social problems. And through the Judiciary's commitment to continued improvements in language access and interpreter services, individuals who are limited-English proficient, deaf, or hard-of-hearing are able to fully participate in court processes, preserving their access to justice.

Pennsylvania's state court system was the second system in the country to go online, and through its [Judicial Computer System](#) (JCS) has been among the nation's leaders in using technology to more efficiently administer its courts and broaden public accessibility to court information. The JCS is now an integral part of not only court operations statewide but also in supplying data for a broad array of state and local government agencies, especially in law enforcement through [JNET](#), the commonwealth's multi-agency Integrated Criminal Justice Network.

### Program Recommendations:

Judiciary is recommended at the current year funding level.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND</b>							
Judiciary .....	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503	\$ 355,503



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# GOVERNMENT SUPPORT AGENCIES

*The mission of the Government Support Agencies is to serve the members of the legislature, legislative committees, the governor, heads of state agencies and, in certain cases, citizens of the commonwealth, by providing research, fiscal and regulatory review, and administrative and operational support.*

## **Programs and Goals**

**Government Support Agencies:** *To provide research, fiscal and regulatory review, and administrative and operational support.*

## Organization Overview

- **Legislative Reference Bureau** prepares requested legislative bills and resolutions for introduction in the General Assembly; advises members of the legislature and legislative committees; and, from time to time, prepares proposed codifications of existing general statutes for adoption or rejection by the General Assembly.
- **Legislative Budget and Finance Committee** conducts studies and makes recommendations aimed at eliminating unnecessary expenditures, promoting economy in the government of the commonwealth and assuring that state funds are being expended in accordance with legislative intent and law.
- **Legislative Data Processing Center** establishes and operates computer systems capable of storing and retrieving all of the financial, factual, procedural and legal information necessary to serve all of the committees, officers and agencies of the Pennsylvania General Assembly.
- **Joint State Government Commission** is the primary non-partisan research organization that serves the General Assembly. It provides the legislature with a readily available mechanism for conducting interdisciplinary studies.
- **Local Government Commission** is a bipartisan legislative service agency affording research assistance to propose legislation that will enable local governments to be more effective and efficient in providing services.
- **Joint Legislative Air and Water Pollution Control Committee** conducts studies, holds hearings and makes recommendations to the General Assembly on environmental issues. It also makes recommendations with regard to the custodianship and care of our land, water and air to determine where there are problems, what solutions are found and what can be done to bring about positive change.
- **Legislative Audit Advisory Commission** plans and performs the audit of the General Assembly's financial transactions.
- **Independent Regulatory Review Commission** reviews commonwealth agency regulations to make certain that the agency has the statutory authority to enact the regulation and determine whether the regulation is consistent with legislative intent. The commission then considers other criteria, such as economic impact, public health and safety, reasonableness, impact on small businesses and clarity. It also acts as a clearinghouse for complaints, comments and other input from the General Assembly and the public regarding proposed and final regulations.
- **Capitol Preservation Committee** serves the citizens of the commonwealth by restoring and preserving the art, architecture and history of the Pennsylvania State Capitol and Capitol Complex.
- **Commission on Sentencing** is charged with creating and maintaining a consistent and rational statewide sentencing policy through the adoption of guidelines that promote fairer and more uniform sentencing throughout the commonwealth.
- **Center for Rural Pennsylvania** is a bipartisan, bicameral legislative agency that serves as a resource for rural policy within the Pennsylvania General Assembly. The center works with the legislature, educators, state and federal executive branch agencies and national, statewide, regional and local organizations to maximize resources and strategies that can better serve Pennsylvania's nearly 3.5 million rural residents.
- **Commonwealth Mail Processing Center** receives and performs a security scan of all incoming mail, overnight packages, and parcels and delivers to offices of the legislature, departments under the governor's jurisdiction and the judiciary.
- **Legislative Reapportionment Commission**, in accordance with the Pennsylvania Constitution, redistricts the state Senate and the state House in the year following the federal decennial census.
- **Independent Fiscal Office** provides revenue projections for use in the state budget process along with impartial and timely analysis of fiscal, economic and budgetary issues to assist commonwealth residents and the General Assembly in their evaluation of policy decisions. The office reviews and develops performance-based metrics and evaluates the efficiency of tax credit programs.

# Government Support Agencies

## Summary by Fund and Appropriation

(Dollar Amounts in Thousands)

	2017-18 ACTUAL	2018-19 AVAILABLE	2019-20 BUDGET
<b>GENERAL FUND:</b>			
<i>General Government:</i>			
<b>Legislative Reference Bureau:</b>			
Legislative Reference Bureau - Salaries and Expenses.....	\$ 9,011	\$ 9,191	\$ 9,191
Printing of PA Bulletin and PA Code.....	867	867	867
Subtotal.....	\$ 9,878	\$ 10,058	\$ 10,058
<b>Miscellaneous and Commissions:</b>			
Legislative Budget and Finance Committee.....	1,919	1,977	1,977
Legislative Data Processing Center.....	25,848	29,848	29,848
Joint State Government Commission.....	1,616	1,664	1,664
Local Government Commission.....	1,218	1,255	1,255
Local Government Codes.....	23	23	23
Joint Legislative Air and Water Pollution Control Committee.....	565	582	582
Legislative Audit Advisory Commission.....	271	279	279
Independent Regulatory Review Commission.....	2,048	2,109	2,109
Capitol Preservation Committee.....	785	809	809
Capitol Restoration.....	2,048	3,089	3,089
Commission on Sentencing.....	1,993	2,053	2,053
(F)JAG - Consolidated Project Grants (EA).....	1,280	0	0
Center for Rural Pennsylvania.....	1,072	1,104	1,104
Commonwealth Mail Processing Center.....	3,381	3,506	3,506
Legislative Reapportionment Commission.....	1,000	1,030	1,030
Independent Fiscal Office.....	2,226	2,293	2,293
Subtotal.....	\$ 47,293	\$ 51,621	\$ 51,621
Subtotal - State Funds.....	\$ 55,891	\$ 61,679	\$ 61,679
Subtotal - Federal Funds.....	1,280	0	0
Total - General Government.....	\$ 57,171	\$ 61,679	\$ 61,679
STATE FUNDS.....	\$ 55,891	\$ 61,679	\$ 61,679
FEDERAL FUNDS.....	1,280	0	0
<b>GENERAL FUND TOTAL.....</b>	<b>\$ 57,171</b>	<b>\$ 61,679</b>	<b>\$ 61,679</b>

## Program Funding Summary

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GOVERNMENT SUPPORT AGENCIES</b>							
GENERAL FUND.....	\$ 55,891	\$ 61,679	\$ 61,679	\$ 61,679	\$ 61,679	\$ 61,679	\$ 61,679
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	1,280	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	250	250	250	250
<b>SUBCATEGORY TOTAL.....</b>	<b>\$ 57,171</b>	<b>\$ 61,679</b>	<b>\$ 61,679</b>	<b>\$ 61,929</b>	<b>\$ 61,929</b>	<b>\$ 61,929</b>	<b>\$ 61,929</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 55,891	\$ 61,679	\$ 61,679	\$ 61,679	\$ 61,679	\$ 61,679	\$ 61,679
MOTOR LICENSE FUND.....	0	0	0	0	0	0	0
LOTTERY FUND.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	1,280	0	0	0	0	0	0
AUGMENTATIONS.....	0	0	0	0	0	0	0
RESTRICTED.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	250	250	250	250
<b>DEPARTMENT TOTAL.....</b>	<b>\$ 57,171</b>	<b>\$ 61,679</b>	<b>\$ 61,679</b>	<b>\$ 61,929</b>	<b>\$ 61,929</b>	<b>\$ 61,929</b>	<b>\$ 61,929</b>

# Government Support Agencies

## Program: Government Support Agencies

*Goal: To provide research, fiscal and regulatory review, and administrative and operational support.*

This program primarily supports state government legislative operations by providing research, fiscal and regulatory review, and administrative and operational support.

The [Legislative Reference Bureau](#) prepares requested legislative bills and resolutions for introduction in the General Assembly; advises members of the Legislature and legislative committees; and, from time to time, prepares proposed codifications of existing general statutes for adoption or rejection by the General Assembly.

The [Legislative Budget and Finance Committee](#) is a bipartisan, bicameral legislative service agency that conducts studies and makes recommendations aimed at eliminating unnecessary expenditures, promoting economy in the government of the commonwealth and assuring that state funds are being expended in accordance with legislative intent and law.

The [Legislative Data Processing Center](#) establishes and operates computer systems capable of storing and retrieving all of the financial, factual, procedural and legal information necessary to serve all of the committees, officers and agencies of the General Assembly.

The [Joint State Government Commission](#) serves as the bipartisan and bicameral research agency of the General Assembly.

The [Local Government Commission](#) is a bipartisan legislative service agency affording research assistance on proposed legislation that will enable local governments to be more effective and efficient in providing services.

The [Joint Legislative Air and Water Pollution Control Committee](#) conducts studies regarding air, water and mining practices in the state and makes recommendations to the General Assembly.

The [Legislative Audit Advisory Commission](#) plans and performs the audit of the General Assembly's financial transactions.

The [Independent Regulatory Review Commission](#) reviews commonwealth agency regulations to ensure that they are in the public interest.

The [Capitol Preservation Committee](#) works to preserve the art, architecture and history of the Pennsylvania Capitol Building and Complex.

The [Commission on Sentencing](#) creates and maintains a consistent and rational statewide sentencing policy through the adoption of guidelines that promote fairer and more uniform sentencing throughout the Commonwealth.

The [Center for Rural Pennsylvania](#) serves as a resource for rural policy within the General Assembly.

The Commonwealth Mail Processing Center screens and dispatches correspondence, packages and parcels.

The Legislative Reapportionment Commission receives the Census Bureau redistricting data in each year following the year of the federal decennial census. It is used as a basis for apportioning seats in the U.S. House of Representatives. Census data is also used to redraw legislative districts for the House of Representatives and the State Senate.

The [Independent Fiscal Office](#) provides nonpartisan budget information and analysis.

### Program Recommendations:

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

All appropriations are recommended at the current year funding levels.

### Appropriations within this Program:

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>GENERAL FUND:</b>							
Government Support Agencies.....	\$ 55,891	\$ 61,679	\$ 61,679	\$ 61,679	\$ 61,679	\$ 61,679	\$ 61,679



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Commonwealth of Pennsylvania

Governor's Executive Budget

# *CAPITAL BUDGET*

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## Program Summary

This section presents the 2018-19 Capital Budget and Five Year Capital Program. The proposed funding sources and amounts needed to support capital programs are projected for five fiscal years.

All projects are grouped by categories regardless of the source of funding. The six categories, as explained below, are consistently used for projects which are to be funded by commonwealth debt obligations, current revenues and funds received from other jurisdictions. Funding source distinctions are clearly noted throughout the section which itemizes the recommended capital program.

**Public Improvement Projects** — this category includes various types of renovation projects and new buildings, nonstructural improvements and the acquisition of land. The Department of General Services administers design and construction for the majority of these projects. However, Keystone Recreation, Park and Conservation and Environmental Stewardship projects are administered by the Department of Conservation and Natural Resources.

**Public Improvement — Original Furniture and Equipment Projects** — this category provides for the equipping of newly completed public improvement projects by purchasing original movable furniture and equipment through the Department of General Services. Replacement furniture and equipment to be used in existing buildings are purchased as fixed assets.

**Transportation Assistance Projects** — this category of projects includes: the purchase of rolling stock and construction or improvement of facilities operated by mass transportation agencies throughout the commonwealth; the acquisition, construction and equipping of rural and intercity common carrier surface transportation systems or any components thereof; and air transportation systems. These projects are administered by the Department of Transportation.

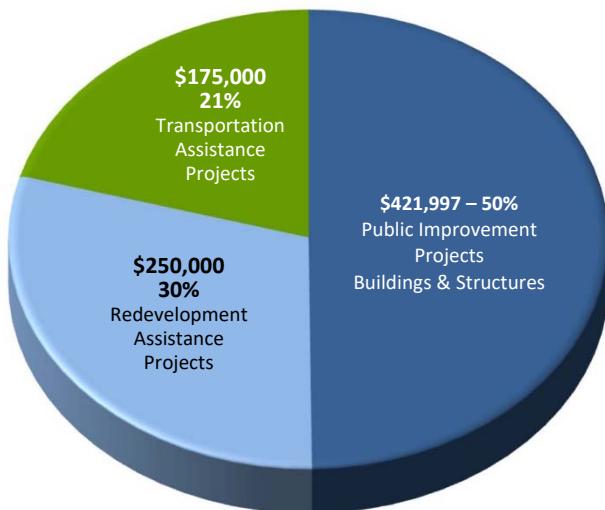
**Redevelopment Assistance Projects** — this category provides grants for the acquisition of land and the construction of buildings and other property appurtenances for municipal agencies and authorities for economic development and the prevention and elimination of blight.

**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 by the Department of Environmental Protection.

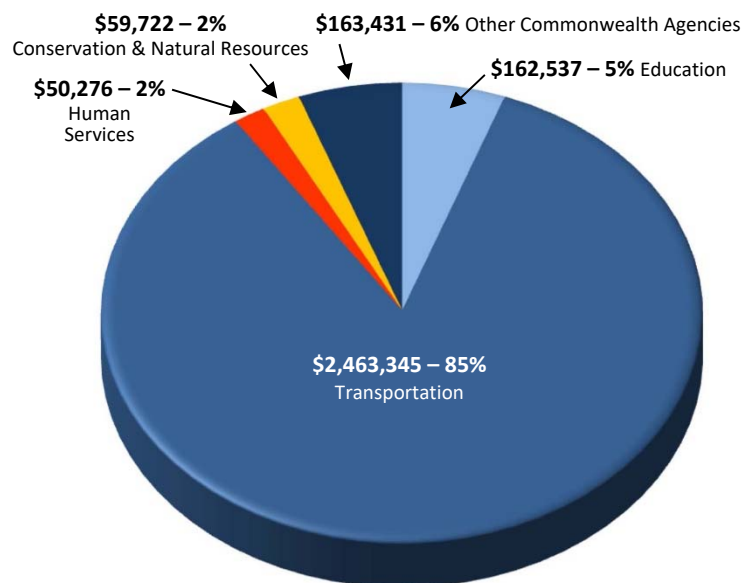
**Highway Projects** — this category includes the design, purchase of rights-of-way, construction, reconstruction and other improvements to highways and bridges on the state highway system. These projects are designed and constructed by the Department of Transportation.

**2019-20 Estimated Capital Expenditures  
Capital Facilities Bond Fund**

(Dollar Amounts in Thousands)



**Recommended 2019-20 New Project Authorizations**  
(Dollar Amounts in Thousands)



**Capital Budget Financing.** Most project authorizations recommended in the capital budget are debt financed by General Obligation Bonds. However, other capital projects are financed by current revenues either from dedicated sources or appropriations through operating budgets. An additional \$2.3 billion in 2019-20 new project authorizations (mostly highway projects) is financed by current revenues.

The Capital Budget section consists of the following three subsections.

**2019-20 New Project Authorizations** — this section itemizes and describes the new capital projects recommended for authorization in 2019-20 and their proposed source of funding. The projects are listed by department and capital project category.

**Impact on Operating Costs.** The description of each recommended capital project contains a statement concerning the impact on program operating costs expected from the implementation of the capital project. With certain exceptions, the statement indicates little or no effect on operating costs. This is due to the fact that most capital projects involve the renovation or replacement of existing facilities. Consequently, any operating cost impact is derived from such items as efficiencies in energy consumption and avoided maintenance. These items, when viewed in terms of the total agency or program budget, generally tend to be negligible.

An exception is when a large-scale project is implemented which will dramatically change efficiencies and other components of an operating budget. In this case, the expected change in operating expenses is quantified. The net change in operating cost also is quantified when new construction will result in a significant increase in the capital asset base. A more precise figure will be recommended in the agency's operating budget when the project has been completed, which is usually several years after a capital project is authorized.

There are several categories of capital authorizations for which no estimate of operating cost impact is provided. Among these are Redevelopment Assistance, Flood Control, Transportation Assistance and flood protection projects undertaken as part of

the Public Improvement category. These projects constitute improvements to the property of other entities, primarily local jurisdictions such as cities, boroughs, townships and universities, among others. Any change in operating costs will, therefore, be borne by an entity other than the commonwealth.

Finally, the Highway Projects category also will not provide a statement of operating cost impact. This is because the bulk of capital spending in this category is for the rehabilitation of the existing highway network rather than the addition of new mileage. As rehabilitation takes place, high maintenance costs are avoided. These avoided maintenance costs are then shifted to other segments of roadway where repair needs are relatively significant. As a result, the total highway operating budget experiences little net change.

**Future New Project Authorizations** — this section contains a dollar forecast of new capital projects requested during each of the fiscal years 2020-21 through 2023-24. The projections are grouped by department and capital project category.

**Estimated Capital Project Expenditures** — this section provides an estimate of expenditures for capital projects during each of the next five fiscal years. Since design, acquisition and construction of a project are not generally completed during the fiscal year in which the project is initiated, actual expenditures usually occur over several fiscal years. The estimated expenditures determine the amount of bonds which must be issued or the current revenue appropriations required in each fiscal year. The projections are listed by capital project category and agency and are further subdivided by currently authorized projects, new projects proposed for 2019-20 and projects which will be authorized in the future (through 2023-24).

## ESTIMATED CAPITAL EXPENDITURES State Funds

This table presents summary data on the source of funding and use for currently authorized and proposed capital projects. Detailed information on debt issued for capital projects is contained in the Public Debt section of this budget document.

(Dollar Amounts in Thousands)

	<u>2019-20</u> <u>Estimated</u>	<u>2020-21</u> <u>Estimated</u>	<u>2021-22</u> <u>Estimated</u>	<u>2022-23</u> <u>Estimated</u>	<u>2023-24</u> <u>Estimated</u>
<b>GENERAL OBLIGATION BOND FUNDING</b>					
<b>Revenues</b>					
Capital Facilities Bonds:					
Public Improvement Projects - Buildings and Structures.....	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000
Public Improvement Projects - Furniture and Equipment.....	10,000	10,000	10,000	10,000	10,000
Redevelopment Assistance Projects.....	275,000	275,000	275,000	275,000	275,000
Flood Control Projects.....	0	0	0	0	0
Transportation Assistance Projects.....	175,000	175,000	175,000	175,000	175,000
Less: Costs of Issue.....	-2,500	-2,500	-2,500	-2,500	-2,500
Miscellaneous Revenue.....	6,000	6,000	6,000	6,000	6,000
Change in Available Cash.....	-166,503	-80,446	-68,607	-106,707	-102,625
Total.....	<u>\$ 846,997</u>	<u>\$ 933,054</u>	<u>\$ 944,893</u>	<u>\$ 906,793</u>	<u>\$ 910,875</u>
<b>Expenditures</b>					
Capital Facilities Fund:					
Public Improvement Projects - Buildings and Structures.....	\$ 421,997	\$ 506,679	\$ 518,243	\$ 481,793	\$ 485,875
Public Improvement Projects - Furniture and Equipment.....	0	0	0	0	0
Redevelopment Assistance Projects.....	250,000	250,000	250,000	250,000	250,000
Flood Control Projects.....	0	1,375	1,650	0	0
Transportation Assistance Projects.....	175,000	175,000	175,000	175,000	175,000
Total - General Obligation Bonds.....	<u>\$ 846,997</u>	<u>\$ 933,054</u>	<u>\$ 944,893</u>	<u>\$ 906,793</u>	<u>\$ 910,875</u>
<b>FROM CURRENT REVENUES</b>					
Public Improvement Projects - Fish and Boat Fund.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Acquisition, Improvement and Restoration Projects - Keystone Recreation, Park and Conservation Fund.....	27,110	30,000	30,000	30,000	30,000
Acquisition, Rehabilitation and Development Projects Environmental Stewardship Fund.....	16,971	16,000	16,000	16,000	16,000
Highway Projects - Motor License Fund.....	2,259,504	2,901,500	2,928,600	2,969,000	3,006,000
Total Current Revenues.....	<u>\$ 2,303,585</u>	<u>\$ 2,947,500</u>	<u>\$ 2,974,600</u>	<u>\$ 3,015,000</u>	<u>\$ 3,052,000</u>
<b>TOTAL - ALL FUNDS</b> .....	<u><u>\$ 3,150,582</u></u>	<u><u>\$ 3,880,554</u></u>	<u><u>\$ 3,919,493</u></u>	<u><u>\$ 3,921,793</u></u>	<u><u>\$ 3,962,875</u></u>

## FORECAST OF NEW PROJECT AUTHORIZATIONS State Funds

This table provides a summary of the budget recommendations and potential future authorizations by department.

(Dollar Amounts in Thousands)

	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>Total</u>
Agriculture.....	\$ 5,302	\$ 33,142	\$ 33,944	\$ 25,890	\$ 25,000	\$ 123,278
Conservation and Natural Resources.....	59,722	61,641	76,695	74,369	74,000	346,427
Criminal Justice.....	31,697	28,417	29,679	22,527	22,000	134,320
Education.....	162,537	183,051	234,424	210,710	210,000	1,000,722
Environmental Protection.....	16,488	28,831	24,845	18,350	24,150	112,664
General Services.....	37,900	37,838	16,151	24,635	25,000	141,524
Historical and Museum Commission.....	22,875	23,171	22,419	22,693	22,500	113,658
Human Services.....	50,276	50,931	46,401	49,791	50,000	247,399
Military and Veterans Affairs.....	37,138	28,953	21,099	21,587	22,000	130,777
State Police.....	12,031	22,045	21,557	20,768	21,000	97,401
Transportation.....	<u>2,463,345</u>	<u>3,117,085</u>	<u>3,144,291</u>	<u>3,179,869</u>	<u>3,217,000</u>	<u>15,121,590</u>
<b>TOTAL.....</b>	<b><u>\$ 2,899,311</u></b>	<b><u>\$ 3,615,105</u></b>	<b><u>\$ 3,671,505</u></b>	<b><u>\$ 3,671,189</u></b>	<b><u>\$ 3,712,650</u></b>	<b><u>\$ 17,569,760</u></b>

## RECOMMENDED 2019-20 NEW PROJECT AUTHORIZATIONS STATE FUNDS

This table provides a summary of new project authorizations by department and capital program category within bond and current revenue sources.

(Dollar Amounts in Thousands)

### Capital Facilities Bond Funds

	Public Improvement Projects	Original Furniture & Equipment	Transportation Assistance Projects	Flood Control Projects
Agriculture.....	\$ 5,302	\$ 0	\$ 0	\$ 0
Conservation and Natural Resources.....	15,641	0	0	0
Criminal Justice.....	31,697	0	0	0
Education.....	162,537	0	0	0
Environmental Protection.....	16,488	0	0	0
General Services.....	37,900	0	0	0
Historical and Museum Commission.....	22,875	0	0	0
Human Services.....	50,276	0	0	0
Military and Veterans Affairs.....	37,138	0	0	0
State Police.....	12,031	0	0	0
Transportation.....	28,841	0	175,000	0
<b>TOTAL.....</b>	<b>\$ 420,726</b>	<b>\$ 0</b>	<b>\$ 175,000</b>	<b>\$ 0</b>

	Current Revenues		All Funds
	Highway Projects	Public Improvement Projects	
Agriculture.....	\$ 0	\$ 0	\$ 5,302
Conservation and Natural Resources.....	0	44,081	59,722
Criminal Justice.....	0	0	31,697
Education.....	0	0	162,537
Environmental Protection.....	0	0	16,488
General Services.....	0	0	37,900
Historical and Museum Commission.....	0	0	22,875
Human Services.....	0	0	50,276
Military and Veterans Affairs.....	0	0	37,138
State Police.....	0	0	12,031
Transportation.....	2,259,504	0	2,463,345
<b>TOTAL.....</b>	<b>\$ 2,259,504</b>	<b>\$ 44,081</b>	<b>\$ 2,899,311</b>



## DEPARTMENT OF AGRICULTURE

### Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b>2019-20 PUBLIC IMPROVEMENT PROJECTS</b>	
Protection and Development of Agricultural Industries.....	\$ 5,302
TOTAL.....	<u>\$ 5,302</u>
<b>SOURCE OF FUNDS</b>	
<b>General Obligation Bond Issues</b>	
Capital Facilities Fund - Buildings and Structures.....	\$ 5,302
TOTAL.....	<u>\$ 5,302</u>

# Capital Budget

## Department of Agriculture 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: Protection and Development of Agricultural Industries

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>CHESTER COUNTY</u></b>	
<b>Diagnostic Laboratory</b>	\$ 575
CONSTRUCT NEW PA EQUINE TOXICOLOGY & RESEARCH LABORATORY AT THE UNIVERSITY OF PENNSYLVANIA: Design funds.	
<b><u>DAUPHIN COUNTY</u></b>	
<b>Farm Show Complex</b>	4,727
RENOVATE FARM SHOW COMPLEX: Construction funds for renovations and upgrades to the Farm Show Complex facilities and grounds.	
 PROGRAM TOTAL.....	 <u>\$ 5,302</u>

## DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES

### Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

<b>2019-20 PUBLIC IMPROVEMENT PROJECTS</b>	<b>Total Project Cost</b>
	<hr/>
<b>2019-20 PUBLIC IMPROVEMENT PROJECTS</b>	
Parks and Forest Management.....	\$ 65,522
TOTAL.....	<u>\$ 65,522</u>
<b>SOURCE OF FUNDS</b>	
<b>General Obligation Bond Issues</b>	
Capital Facilities Fund - Buildings and Structures.....	\$ 15,641
Capital Facilities Fund - Furniture and Equipment.....	<u>0</u>
Subtotal General Obligation Bond Issues.....	<u>\$ 15,641</u>
<b>Current Revenues</b>	
Keystone Recreation, Park and Conservation Fund - Improvements and Rehabilitation.....	\$ 27,110
Growing Greener 'Environmental Stewardship Fund - Acquisition, Improvements and Rehabilitation.....	16,971
State Forestry Bridge - Parks and Forest Management.....	<u>5,800</u>
Subtotal Current Revenues.....	<u>\$ 49,881</u>
TOTAL.....	<u><u>\$ 65,522</u></u>

## Department of Conservation and Natural Resources 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: Parks and Forest Management

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>BEDFORD COUNTY</u></b>	
<b>Buchanan State Forest</b>	\$ 88
CONSTRUCTION & PROJECT CLOSE-OUT: New maintenance headquarters.	
<b><u>BUCKS COUNTY</u></b>	
<b>Washington Crossing Historic Park</b>	600
CONSTRUCTION: Upgrades to park.	
<b>Delaware Canal State Park</b>	1,553
DESIGN & CONSTRUCTION: Replacement of bridges along the Delaware Canal.	
DESIGN: Construct new resource center with /storage.	
<b><u>CAMRIA COUNTY</u></b>	
<b>Gallitzin State Park</b>	139
DESIGN: New district office.	
<b><u>CARBON COUNTY</u></b>	
<b>Hickory Run State Park</b>	262
CONSTRUCTION & PROJECT CLOSE-OUT: New visitors center with administration facilities and comfort station and demolition of the old center.	
<b>Lehigh Gorge State Park</b>	414
CONSTRUCTION: Rehabilitate White Haven public access area to include trail improvements, parking, comfort station and boat launch.	
<b><u>CENTER COUNTY</u></b>	
<b>Penn Nursery and Wood Shop</b>	275
CONSTRUCTION: Replace maintenance shop.	
<b><u>CRAWFORD COUNTY</u></b>	
<b>Pymatuning State Park</b>	22
DESIGN: Rehabilitate state park campground facilities.	
<b><u>ERIE COUNTY</u></b>	
<b>Presque Isle State Park</b>	1,500
CONSTRUCTION: Beach nourishment.	
LAND ACQUISITION: Greenway development.	
<b><u>FAYETTE COUNTY</u></b>	
<b>Ohiopyle State park</b>	180
DESIGN: Improvements to Fercliff parking lot/Additional parking facilities.	
<b><u>FOREST COUNTY</u></b>	
<b>Cornplanter State Forest</b>	20
DESIGN: Plug orphan oil and gas wells.	

## Department of Conservation and Natural Resources 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: Parks and Forest Management

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b><u>FRANKLIN COUNTY</u></b>	
<b>Caledonia State Park</b>	\$ 57
PROJECT CLOSE-OUT: Rehabilitate campground restrooms & shower houses with modern facilities.	
<b>Tuscarora State Forest</b>	108
PROJECT CLOSE-OUT: Permanent breach at Gunter Valley dam.	
<b><u>GREEN COUNTY</u></b>	
<b>Ryerson Station State Park</b>	
PROJECT CLOSE-OUT: Campground wash house.	30
CONSTRUCTION & PROJECT CLOSE-OUT: Improvements to Ryerson Station State Park -Stream corridor restoration.	3,313
CONSTRUCTION: Improvements to Ryerson Station State Park - Dam removal.	656
CONSTRUCTION & PROJECT CLOSE-OUT: Improvements to Ryerson Station State Park -Pool.	405
DESIGN: Improvements to Ryerson Station State Park -Park improvements.	91
<b><u>LYCOMING COUNTY</u></b>	
<b>Tiadaghton &amp; Tioga State Forest</b>	101
CONSTRUCTION & PROJECT CLOSE-OUT: Pine Creek trail offices.	
<b><u>MONROE COUNTY</u></b>	
<b>Gouldsboro State Park</b>	9
DESIGN: Dam rehabilitation.	
<b><u>NORTHUMBERLAND COUNTY</u></b>	
<b>Shikellamy State Park</b>	
DESIGN: Fish passageway.	23
DESIGN: Marina building.	91
<b><u>PHILADELPHIA COUNTY</u></b>	
<b>Benjamin Rush State Park</b>	172
CONSTRUCTION: Park development.	
<b><u>PIKE COUNTY</u></b>	
<b>Delaware State Forest</b>	
CONSTRUCTION; Rehabilitate Pecks Pond dam.	528
DESIGN: Construct new resource center with storage.	1,737
<b><u>POTTER COUNTY</u></b>	
<b>Denton Hill State Park</b>	360
DESIGN: Rehabilitate ski area and improvements to recreational areas.	
<b><u>SOMERSET COUNTY</u></b>	
<b>Laurel Hill State Park</b>	1,337
CONSTRUCTION: Group camp rehabilitation.	
<b><u>STATEWIDE</u></b>	
<b>Various State Parks and Forest Districts</b>	105
CONSTRUCTION CLOSE-OUT: Replace or rehabilitate Forest Fire Lookout Towers.	
 PROGRAM TOTAL.....	 \$ 15,641

## Department of Conservation and Natural Resources 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM KEYSTONE RECREATION, PARK AND CONSERVATION CURRENT REVENUES

#### Program: Parks and Forest Management

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	Total Project Cost
<b><u>ALLEGHENY COUNTY</u></b>	
<b>Point State Park, Allegheny County</b>	\$ 400
Security Measures.	
<b><u>BEAVER COUNTY</u></b>	
<b>Raccoon Creek State Park, Beaver County</b>	300
Dam Toe Drain.	
<b><u>BUCKS COUNTY</u></b>	
<b>Delaware Canal State Park</b>	2,250
Construct Canal Heritage Center.	
<b>Delaware Canal State Park</b>	225
High Falls Sub Canal Culvert Headwall Repairs CV-12.	
<b>Delaware Canal State Park</b>	250
Rodgers Run CV-13 Sub Canal Culvert Outlet Repair.	
<b>Neshaminy State Park</b>	1,000
Marina Shoreline Stabilization and Restoration.	
<b><u>BUTLER COUNTY</u></b>	
<b>Moraine State Park</b>	750
Replace Main Waterline Lake Crossing.	
<b><u>CAMERON COUNTY</u></b>	
<b>Park Region 1</b>	250
Full Service Hook-ups.	
<b>Sizerville State Park</b>	250
Regional Garage Storage Building.	
<b><u>CLEARFIELD COUNTY</u></b>	
<b>Parker Dam State Park</b>	1,000
I & I Repairs to Sewage System.	
<b><u>CRAWFORD COUNTY</u></b>	
<b>Pymatuning State Park</b>	2,000
Jamestown Campground Washhouse Replacement.	
<b>Pymatuning State Park</b>	750
Dam Embankment Toe Drain.	
<b>Pymatuning State Park</b>	1,000
Spillway Trail Extension.	

## Department of Conservation and Natural Resources 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

FROM KEYSTONE RECREATION, PARK AND CONSERVATION CURRENT REVENUES (continued)

Program: Parks and Forest Management

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	Total Project Cost
<b><u>DAUPHIN COUNTY</u></b>	
<b>Central Office</b>	\$ 235
Topo/Geo Core Storage Building.	
<b><u>ERIE COUNTY</u></b>	
<b>Presque Isle State Park</b>	3,000
Area Rehab - Replace Marina Docks.	
<b><u>ERIE COUNTY (continued)</u></b>	
<b>Presque Isle State Park</b>	1,500
Utilities Replacement - Replace 7 miles of Old Lake Road Watermain.	
<b><u>FAYETTE COUNTY</u></b>	
<b>Ohioyle State Park</b>	1,000
Rehab 4 Box Culverts & Demo 1 Culvert.	
<b>Ohioyle State Park</b>	600
Construct parking lot adjacent to Borough.	
<b><u>FULTON COUNTY</u></b>	
<b>Cowans Gap State Park</b>	300
Rehab STP - Fine Screen, Blowers, Paint Tanks.	
<b>Cowans Gap State Park</b>	1,900
Construct New Office / Relocate Residence.	
<b><u>LACKAWANA COUNTY</u></b>	
<b>Lackawanna State Park</b>	1,500
Replace Washhouses Campground.	
<b>Lackawanna State Park</b>	300
Replace Moon Lake Outlet Structure, Wall and Launch.	
<b>Lackawanna State Park</b>	1,500
Replace Washhouses Campground.	
<b><u>LUZERNE COUNTY</u></b>	
<b>Frances Slocum State Park</b>	500
Swimming Pool Rehab.	
<b><u>LYCOMING COUNTY</u></b>	
<b>Tiadaghton &amp; Tioga State Forest</b>	500
Repair slides on Slate Run road.	
<b>Tiadaghton &amp; Tioga State Forest</b>	400
Rehabilitate Waterville Mechanics Garage.	
<b>Tiadaghton &amp; Tioga State Forest</b>	350
Construct Sealed Vault Latrines, Multiple Locations.	

## Department of Conservation and Natural Resources 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

FROM KEYSTONE RECREATION, PARK AND CONSERVATION CURRENT REVENUES (continued)

Program: Parks and Forest Management

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b><u>POTTER COUNTY</u></b>	
Susquehannock State Forest Replace Gas Line, District Office.	\$ 250
<b><u>SCHUYLKILL COUNTY</u></b>	
Locust Lake State Park Campground Showerhouse Replacement Phase 1.	1,500
<b><u>SULLIVAN COUNTY</u></b>	
Worlds End State Park Cabin Road Bridge Over Loyalsock.	300
<b><u>TIOGA COUNTY</u></b>	
Tioga State Forest Construct Pre-Manufactured Restroom Facilities - Pine Creek Trail.	450
<b><u>WESTERN REGION, VARIOUS COUNTIES</u></b>	
Construct Electric Vehicle Charging Stations.	150
<b><u>EASTERN REGION, VARIOUS COUNTIES</u></b>	
Construct Electric Vehicle Charging Stations.	150
<b><u>SOUTH-CENTRAL REGION, VARIOUS COUNTIES</u></b>	
Construct Electric Vehicle Charging Stations.	150
<b><u>NORTH-CENTRAL REGION, VARIOUS COUNTIES</u></b>	
Construct Electric Vehicle Charging Stations.	150
 PROGRAM TOTAL.....	 <u>\$ 27,110</u>



## Department of Conservation and Natural Resources 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM GROWING GREENER ENVIRONMENTAL STEWARDSHIP FUND CURRENT REVENUES

#### Program: Parks and Forest Management

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b><u>BEDFORD COUNTY</u></b>	
<b>Shawnee State Park</b>	\$ 75
Construct Full Service Campsites.	
<b><u>BERKS COUNTY</u></b>	
<b>French Creek State Park</b>	406
Construct Full Service Campsites.	
<b><u>BUCKS COUNTY</u></b>	
<b>Nockamixon State Park</b>	300
Construct Solar Array at Maintenance Building.	
<b>Tyler State Park</b>	295
Construct Solar Array.	
<b><u>CAMBRIA COUNTY</u></b>	
<b>Prince Gallitzin State Park</b>	300
Construct Solar Array at Maintenance Building.	
<b>Tyler State Park</b>	350
Construct Full Service Campsites, Ph 2.	
<b><u>CLINTON &amp; CENTRE COUNTY</u></b>	
<b>Construct ATV Trails.</b>	4,000
<b><u>COLUMBIA COUNTY</u></b>	
<b>Weiser State Forest</b>	200
RMC Maintenance Building Solar Array.	
<b><u>CRAWFORD COUNTY</u></b>	
<b>Pymatuning State Park</b>	300
Construct Solar Array at Jamestown Maintenance Bldg.	
<b><u>ERIE COUNTY</u></b>	
<b>Presque Isle State Park</b>	4,000
Public Contact Facility.	
<b><u>FULTON COUNTY</u></b>	
<b>Buchanan State Forest</b>	200
Roof Mounted Solar Array Installation.	
<b><u>LACKAWANNA COUNTY</u></b>	
<b>Lackawanna State Park</b>	400
Construct Full Service Campsites.	

## Department of Conservation and Natural Resources 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM GROWING GREENER ENVIRONMENTAL STEWARDSHIP FUND CURRENT REVENUES

#### Program: Parks and Forest Management

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b><u>PIKE COUNTY</u></b>	
<b>Promised Land State Park</b>	\$ 300
Construct Solar Array at Sewage Treatment Plant.	
<b>Promised Land State Park</b>	350
Construct Full Service Campsites, Ph 2.	
<b><u>SCHUYLKILL COUNTY</u></b>	
<b>Locust Lake State Park</b>	350
Construct Full Service Campsites.	
<b><u>UNION COUNTY</u></b>	
<b>Shikellamy State Park</b>	295
Construct Solar Array.	
<b><u>WARREN COUNTY</u></b>	
<b>Chapman State Park</b>	350
Construct Full Service Campsites.	
<b><u>YORK COUNTY</u></b>	
<b>Gifford Pinchot State Park</b>	200
Construct Solar Array at Maintenance Building.	
<b>Gifford Pinchot State Park</b>	300
Construct Solar Array at Sewage Treatment Plant.	
<b>PARK REGION 1, VARIOUS COUNTIES</b>	1,000
Construct Solar Arrays at Multiple State Parks and Forest Districts in Northcentral Region.	
<b>PARK REGION 2, VARIOUS COUNTIES</b>	1,000
Construct Solar Arrays at Multiple State Parks and Forest Districts in Western Region.	
<b>PARK REGION 3, VARIOUS COUNTIES</b>	1,000
Construct Solar Arrays at Multiple State Parks and Forest Districts in Southcentral Region.	
<b>PARK REGION 4, VARIOUS COUNTIES</b>	1,000
Construct Solar Arrays at Multiple State Parks and Forest Districts in Eastern Region.	
 PROGRAM TOTAL.....	 <u>\$ 16,971</u>

## Department of Conservation and Natural Resources 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM STATE FORESTRY BRIDGE CURRENT REVENUES

#### Program: Parks and Forest Management

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>CLEARFIELD COUNTY</u></b>	
<b>Moshannon State Forest</b>	\$ 2,200
Replace 5 Structures, Various Roads.	
<b>Moshannon State Forest</b>	300
Replace Structure, Moose Grade Road over Moose Run.	
<b><u>CLINTON COUNTY</u></b>	
<b>Sproul State Forest</b>	620
Replace Structures, Wycoff Rd Over Wycoff Br & Cattaragus Rd Over Crowley Rn.	
<b><u>LACKAWANNA COUNTY</u></b>	
<b>Pinchot State Forest</b>	530
Replacement of Structures on Marina Drive and Whitedeer Way over Tirb to Hunlock Creek.	
<b><u>PERRY COUNTY</u></b>	
<b>Tuscarora State Forest</b>	300
Structure Replacement; Bridge No. 03-0023, Laurel Run Road over Unnamed Trib to Laurel Run.	
<b>Tuscarora State Forest</b>	550
Structure Replacements; Bridge A: 03-0045 & Bridge B: 03-0046, Both Over Unnamed Trib.	
<b><u>SNYDER COUNTY</u></b>	
<b>Bald Eagle State Forest</b>	350
Snyder-Middleswarth Picnic Area Road Over Swift Run.	
<b><u>SOMERSET COUNTY</u></b>	
<b>Forbes State Forest</b>	650
Replace 3 Culverts - Beam Road.	
<b><u>SULLIVAN COUNTY</u></b>	
<b>Loyalsock State Forest</b>	300
Large Culvert Replacement - Mineral Springs Rd and Loyalsock Rd.	
<b>PROGRAM TOTAL</b> .....	\$ 5,800

## DEPARTMENT OF CRIMINAL JUSTICE

### Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
	<u>          </u>
<b>2019-20 PUBLIC IMPROVEMENT PROJECTS</b>	
Institutionalization of Offenders.....	\$ 31,697
TOTAL.....	<u>\$ 31,697</u>
 <b>SOURCE OF FUNDS</b>	
<b>General Obligation Bond Issues</b>	
Capital Facilities Fund - Buildings and Structures.....	\$ 31,697
Capital Facilities Fund - Furniture and Equipment.....	<u>0</u>
Subtotal General Obligation Bond Issues.....	<u>31,697</u>
<b>Other Revenues</b>	
Buildings and Structures.....	\$ 0
TOTAL.....	<u>\$ 31,697</u>

## Department of Criminal Justice 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: Institutionalization of Offenders

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b><u>CENTRE COUNTY</u></b>	
<b>State Correctional Institution at Rockview</b>	
RENOVATE INSTITUTION: Upgrade Reservoir.	\$ 2,490
RENOVATE INSTITUTION: Replace and Add Fencing.	1,318
RENOVATE INSTITUTION: Replace Windows in Treatment Building.	144
RENOVATE INSTITUTION: Expand Parking and Re-Pave Roads & Lots.	728
<b><u>CLEARFIELD COUNTY</u></b>	
<b>Quehanna Motivational Boot Camp</b>	12
RENOVATE INSTITUTION: Project close-out of roof replacement.	
<b><u>CRAWFORD COUNTY</u></b>	
<b>State Correctional Institution at Cambridge Springs</b>	
RENOVATE INSTITUTION: Design for the installation of perimeter lighting.	1,507
RENOVATE INSTITUTION: Replace perimeter intrusion system.	1,027
RENOVATE INSTITUTION: Addition to Dietary Building.	469
<b><u>CUMBERLAND COUNTY</u></b>	
<b>State Corrections Institution of Camp Hill</b>	
RENOVATE INSTITUTION: Replace Steam Piping to Kitchen.	348
RENOVATE INSTITUTION: Renovate Boiler Plant.	180
RENOVATE INSTITUTION: Replace Plumbing Components.	355
RENOVATE INSTITUTION: Renovate Kitchen No. 2.	4,677
<b><u>DELAWARE COUNTY</u></b>	
<b>State Correctional Institution at Chester</b>	328
RENOVATE INSTITUTION: Replacement of roofs on various buildings construction.	
<b><u>ERIE COUNTY</u></b>	
<b>State Correctional Institution at Albion</b>	150
RENOVATE INSTITUTION: Renovate Chilled Water Plant.	
<b><u>FAYETTE COUNTY</u></b>	
<b>State Correctional Institution at Fayette</b>	
RENOVATE INSTITUTION: Renovate Boiler Plant.	1,454
RENOVATE INSTITUTION: Upgrade Security System.	550
<b><u>FOREST COUNTY</u></b>	
<b>State Correctional Institution at Forest</b>	
RENOVATE INSTITUTION: Perimeter security system replacement construction.	157
RENOVATE INSTITUTION: Design of upgrades and/or replacement of the institution's intercom system.	647
<b><u>GREENE COUNTY</u></b>	
<b>State Correctional Institution at Greene</b>	
RENOVATE INSTITUTION: Design of the replacement of the perimeter intrusion system.	178
RENOVATE INSTITUTION: Wall Repairs.	1,133

## Department of Criminal Justice 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS (continued)

#### Program: Institutionalization of Offenders

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>HUNTINGDON COUNTY</u></b>	
<b>State Correctional Institution at Huntingdon</b>	\$ 680
RENOVATE INSTITUTION: Replace Electrical Services.	
<b><u>INDIANA COUNTY</u></b>	
<b>State Correctional Institution at Pine Grove</b>	
RENOVATE INSTITUTION: Replace Current Perimeter Security System.	315
RENOVATE INSTITUTION: Expand and Renovate Main Control Room.	40
<b><u>LANCASTER COUNTY</u></b>	
<b>Elizabethtown Training Academy</b>	1,405
RENOVATE INSTITUTION: Design of boiler plant renovations.	
<b><u>LUZERNE COUNTY</u></b>	
<b>State Correctional Institution at Dallas</b>	360
RENOVATE INSTITUTION: Expand Visiting Room.	
<b>State Correctional Institution at Retreat</b>	
RENOVATE INSTITUTION: Complete construction and project close-out for the replacement of buried perimeter intrusion system.	120
RENOVATE INSTITUTION: Bridge repairs.	167
<b><u>LYCOMING COUNTY</u></b>	
<b>State Correctional Institution at Muncy</b>	
RENOVATE INSTITUTION: New Infirmary/Dentist Area.	35
RENOVATE INSTITUTION: Replace Existing Sewer Lines.	90
RENOVATE INSTITUTION: Replace Perimeter Intrusion System.	1,223
RENOVATE INSTITUTION: Install Water Tower.	315
<b><u>MERCER COUNTY</u></b>	
<b>State Correctional Institution at Mercer</b>	
RENOVATE INSTITUTION: Complete construction and project close-out for the expansion of the kitchen.	39
RENOVATE INSTITUTION: Complete construction and project close-out for the replacement of the perimeter intrusion system around the entire perimeter of the institution.	53
RENOVATE INSTITUTION: Design of the replacement of rubber roofing on all housing units.	722
RENOVATE INSTITUTION: Upgrade Electrical System Equip.	565
<b><u>MONTGOMERY COUNTY</u></b>	
<b>State Correctional Institution at Graterford</b>	368
RENOVATE INSTITUTION: New Administration Building.	

## Department of Criminal Justice 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS (continued)

#### Program: Institutionalization of Offenders

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b><u>NORTHUMBERLAND COUNTY</u></b>	
<b>State Correctional Institution at Coal</b>	
RENOVATE INSTITUTION: Water loop replacement construction.	\$ 35
RENOVATE INSTITUTION: Rubber roofing replacement on inmate housing construction.	3,012
<b><u>SCHUYLKILL COUNTY</u></b>	
<b>State Correctional Institution at Frackville</b>	
RENOVATE INSTITUTION: Complete construction of replacement of door control systems. Ph3.	100
RENOVATE INSTITUTION: Addition to Education Building.	53
<b>State Correctional Institution at Mahanoy</b>	
RENOVATE INSTITUTION: Face block & infrastructure repairs on housing units construction.	1,501
RENOVATE INSTITUTION: Complete construction and project close-out for rubber roofing and metal roofing replacement on inmate housing units.	76
RENOVATE INSTITUTION: Design the replacement of the alarm system.	17
RENOVATE INSTITUTION: Design for the expansion of parking and repavement of roads and parking lots.	344
<b><u>SOMERSET COUNTY</u></b>	
<b>State Correctional Institution at Laurel Highlands</b>	
RENOVATE INSTITUTION: Complete construction and project close-out for the replacement of door control systems.	100
RENOVATE INSTITUTION: Replace Perimeter Intrusion System.	140
<b>State Correctional Institution at Somerset</b>	
RENOVATE INSTITUTION: Replacement of door control systems.	677
RENOVATE INSTITUTION: Design of renovations to the distribution switchgear.	390
RENOVATE INSTITUTION: Install New Water Pump.	20
RENOVATE INSTITUTION: Replace Digital Management System Panels.	17
RENOVATE INSTITUTION: Renovate Boiler Plant.	225
<b><u>WAYNE COUNTY</u></b>	
<b>State Correctional Institution at Waymart</b>	
RENOVATE INSTITUTION: Design of boiler plant renovations.	262
RENOVATE INSTITUTION: Repoint and Repair Masonry.	274
RENOVATE INSTITUTION: Expand Parking and Pave Roads & Lots.	105
PROGRAM TOTAL.....	\$ 31,697

## DEPARTMENT OF EDUCATION

### Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

**Total  
Project  
Cost**  

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#### 2019-20 PUBLIC IMPROVEMENT PROJECTS

Higher Education - State-Related Universities.....	\$	95,000
Higher Education - State System of Higher Education.....		67,537
Educational Support Services.....		0
TOTAL.....	\$	<u>162,537</u>

#### SOURCE OF FUNDS

##### General Obligation Bond Issues

Capital Facilities Fund - Buildings and Structures.....	\$	162,537
Capital Facilities Fund - Furniture and Equipment.....		0
Subtotal General Obligation Bond Issues.....		162,537
TOTAL.....	\$	<u>162,537</u>



## Department of Education 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: Higher Education - State-Related Universities

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>ALLEGHENY COUNTY</u></b>	
<b>University of Pittsburgh</b>	
CONSTRUCTION FUNDING: Provide funding for project 1103-67 Phase 2, Renovation of Hillman Library.	\$ 3,606
CONSTRUCTION FUNDING: Provide funding for project 1103-74 Phase 2, Renovations to Chevron Science Center.	2,422
DESIGN FUNDING: Provide funding for project 1103-77 Phase 2, Clapp, Langley & Crawford Complex Renovations.	280
CONSTRUCTION FUNDING: Provide funding for project 1103-385 Phase 2, Salk Hall Addition.	9,850
CONSTRUCTION FUNDING: Provide funding for project 1103-65 Phase 4, Cathedral of Learning.	3,842
<b><u>CENTRE COUNTY</u></b>	
<b>Pennsylvania State University</b>	
CONSTRUCTION FUNDING: Provide funding for project 800-301, Recital Hall and Music Renovation - University Park.	190
DESIGN AND CONSTRUCTION FUNDING: Provide funding for College of Engineering Research and Instructional Building.	36,743
DESIGN FUNDING: Provide funding for Construction of Physics Building.	2,000
<b><u>CHESTER COUNTY</u></b>	
<b>Lincoln University</b>	
CONSTRUCTION FUNDING: Provide funding for project 1101-48 Phase 1, Renovate John Miller Dickey Hall.	870
DESIGN FUNDING: Provide funding for project 1101-50 Phase 1, Renovate and Expand Azikiwe-Nkrumah Hall.	117
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 1101-51 Phase 1, Renovate and Expand Amos Hall for Information Technology and Museum.	2,600
DESIGN FUNDING: Provide funding for renovation to Vail Hall.	4,882
DESIGN AND CONSTRUCTION FUNDING: Provide funding for Exterior Track and Basketball Court Restoration.	1,531
<b><u>LANCASTER COUNTY</u></b>	
<b>Thaddeus Stevens College of Technology</b>	
DESIGN FUNDING: Provide funding for Upgrades to Electrical System.	4,548
DESIGN FUNDING: Provide funding for a Community Learning Center.	352
DESIGN FUNDING: Provide funding for a Leonard/Dorm.	100
<b><u>MONTGOMERY COUNTY</u></b>	
<b>Pennsylvania State University</b>	
CONSTRUCTION FUNDING: Provide funding for project 800-302, Academic Building - Abington Campus.	1,067
<b><u>PHILADELPHIA COUNTY</u></b>	
<b>Temple University</b>	
CONSTRUCTION FUNDING: Provide funding for project 1104-68 Phase 1, Library and Classroom Building.	10,000
DESIGN AND CONSTRUCTION FUNDING: Paley Renovations project 1104-70	10,000
PROGRAM TOTAL.....	\$ 95,000

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: Higher Education - State System of Higher Education

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>BERKS COUNTY</u></b>	
<b>Kutztown University</b>	\$ 11,588
DESIGN FUNDING: Provide funding for DeFrancesco Education Building Renovation.	
<b><u>BUTLER COUNTY</u></b>	
<b>Slippery Rock University</b>	
CONSTRUCTION AND PROJECT CLOSE-OUT FUNDING: Provide funding for project 413-51 Phase 1, New Performing Arts Center.	
	429
CONSTRUCTION FUNDING: Provide funding for project 413-52 Phase 1, McKay Building Renovation/Addition.	
	108
DESIGN AND CONSTRUCTION FUNDING: Provide funding for the Student Success Center renovation.	
	6,450
<b><u>CHESTER COUNTY</u></b>	
<b>West Chester University</b>	
DESIGN AND CONSTRUCTION FUNDING : Provide funding for the Sturzebecker Health Science Center addition.	
	14,170
<b><u>CLARION COUNTY</u></b>	
<b>Clarion University</b>	
CONSTRUCTION FUNDING: Provide funding for project 404-63 Phase 1, ADA Compliance Upgrades, Phase 1.	
	375
PROJECT CLOSE-OUT FUNDING: Provide funding for project 404-62 Phase 1 - Renovation & Expansion of Tippin Gymnasium.	
	70
DESIGN FUNDING: Facility Space Renovation, Consolidate and Demolition.	
	270
<b><u>CLINTON COUNTY</u></b>	
<b>Lock Haven University</b>	
CONSTRUCTION FUNDING: Provide funding for project 409-63 Phase 1, Renovation & Upgrade to Campus Electrical Infrastructure.	
	561
<b><u>COLUMBIA COUNTY</u></b>	
<b>Bloomsburg University</b>	
CONSTRUCTION FUNDING: Provide funding for project 401-61 Phase 1, Waller Administration Building.	
	1,286
DESIGN FUNDING: McCormick Center Renovation.	
	525
<b><u>CUMBERLAND COUNTY</u></b>	
<b>Shippensburg University</b>	
PROJECT CLOSE-OUT FUNDING: Provide funding for project 412-55 Phase 1, Renovation of Electrical Distribution Center.	
	51
DESIGN FUNDING: Franklin Science Center Renovation.	
	880
<b><u>DELAWARE COUNTY</u></b>	
<b>Cheyney University</b>	
CONSTRUCTION FUNDING: Provide funding for completion of project 403-83 Phase 1, Browne Hall Renovation.	
	3,944
DESIGN FUNDING: Provide funding for Cope Hall Renovation/Addition.	
	2,420
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 403-85 Phase 1, Deferred Maintenance Repairs, Phase 1.	
	113

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS (continued)

#### Program: Higher Education - State System of Higher Education

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>ERIE COUNTY</u></b>	
<b>Edinboro University</b>	
DESIGN FUNDING: BF Library Addition and Renovation.	\$ 810
<b><u>INDIANA COUNTY</u></b>	
<b>Indiana University</b>	
DESIGN FUNDING: Provide funding for project 407-73 Phase 1, Weyandt/Walsh Hall Renovation or Replacement.	20,832
DESIGN AND CONSTRUCTION FUNDING: Provide funding for the demolition of Foster Hall.	523
<b><u>LANCASTER COUNTY</u></b>	
<b>Millersville University</b>	
DESIGN FUNDING: Stayer Building Renovation.	525
<b><u>MONROE COUNTY</u></b>	
<b>East Stroudsburg University</b>	
CONSTRUCTION FUNDING: Provide funding for project 405-58 Phase 1, Information Commons Construction.	1,202
<b><u>TIOGA COUNTY</u></b>	
<b>Mansfield University</b>	
CONSTRUCTION FUNDING: Provide funding for project 410-59 Phase 1, Deferred Maintenance Needs and Capital Renewal Repairs.	405
 PROGRAM TOTAL.....	<b>\$ 67,537</b>

## DEPARTMENT OF ENVIRONMENTAL PROTECTION

### Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

**Total  
Project  
Cost**  

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#### 2019-20 PUBLIC IMPROVEMENT PROJECTS

Environmental Protection and Management.....	<u>\$ 16,488</u>
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#### SOURCE OF FUNDS

##### General Obligation Bond Issues

Capital Facilities Fund - Buildings and Structures.....	<u>\$ 16,488</u>
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TOTAL.....	<u>\$ 16,488</u>
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## Department of Environmental Protection 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: Environmental Protection and Management

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>ALLEGHENY COUNTY</u></b>	
<b>Pitcairn</b>	\$ 444
CONSTRUCTION FUNDING: Provide funding for project 184-33, Flood Control - Concrete Channel Protection.	
<b><u>BEDFORD COUNTY</u></b>	
<b>Hyndman 2</b>	20
DESIGN FUNDING: Provide funds for project 183-8, Phase 2, Flood Control.	
<b><u>BUTLER COUNTY</u></b>	
<b>Butler 1</b>	834
DESIGN FUNDING: Provide funds for project 183-21 Phase 1, Sullivan Run Flood Protection.	
<b><u>CAMBRIA COUNTY</u></b>	
<b>N. B. Little Conemaugh River</b>	20
DESIGN FUNDING: Provide design funding for project 183-22, Wilmore Flood Protection.	
<b>Northern Cambria</b>	50
DESIGN FUNDING: Provide design funding for project 183-23, Flood control.	
<b><u>FAYETTE COUNTY</u></b>	
<b>Dunbar</b>	4
CONSTRUCTION FUNDING: Provide construction funds for project 180-23, Phase 1, Flood Control - Channel Improvements Project.	
<b><u>FULTON COUNTY</u></b>	
<b>Well Stream Channels</b>	180
CONSTRUCTION FUNDING: Provide construction funds for project 193-40, Construct 2 Stream Channels.	
<b><u>INDIANA COUNTY</u></b>	
<b>Wehrum AMD Treatment Facility</b>	3,666
CONSTRUCTION FUNDING: Provide funding for project 193-38, active mine treatment facility.	
<b><u>JEFFERSON COUNTY</u></b>	
<b>Weisner Hollow Slurry Dam Reclamation</b>	360
DESIGN FUNDING: Provide funds to regrade a stream channel and close off a coal refuse channel, including the overflow channels.	
<b><u>LACKAWANNA COUNTY</u></b>	
<b>Meadow Brook</b>	276
DESIGN FUNDING: Provide design funding for project 184-22 Phase 3, Additional Funding.	
<b>Rushbrook Creek</b>	37
DESIGN FUNDING: Provide design funding for project 181-21, Flood Control.	
<b>Dolf Underground Mine Fire</b>	10,172
CONSTRUCTION FUNDING: Provide funding for extinguishing underground mine fire.	

## Department of Environmental Protection 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS (continued)

#### Program: Environmental Protection and Management

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the*

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b><u>LUZERNE COUNTY</u></b>	
<b>Lackawanna River</b>	\$ 20
DESIGN FUNDING: Provide design funds for rehabilitation of flood protection.	
<b>Plymouth - Brown Creek Dam</b>	60
DESIGN FUNDING: Provide design funding for rehabilitation.	
<b><u>MONTOUR COUNTY</u></b>	
<b>Danville 2</b>	50
DESIGN FUNDING: Provide design funding for project 181-5, Flood Control.	
<b><u>WESTMORELAND COUNTY</u></b>	
<b>Jeannette 2</b>	245
CONSTRUCTION FUNDING: Provide construction funds for project 182-7 Phase 2, Flood Control.	
<b>Greater Greensburg Area</b>	50
DESIGN FUNDING: Provide design funding for project 183-10, Flood Protection.	
 PROGRAM TOTAL.....	 <u>\$ 16,488</u>

## DEPARTMENT OF GENERAL SERVICES

### Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	Total Project Cost
	<u>          </u>
 <b>2019-20 PUBLIC IMPROVEMENT PROJECTS</b>	
Facility, Property and Commodity Management.....	\$ 37,900
 TOTAL.....	 <u>\$ 37,900</u>
 <b>SOURCE OF FUNDS</b>	
<b>General Obligation Bond Issues</b>	
Capital Facilities Fund - Buildings and Structures.....	\$ 37,900
Capital Facilities Fund - Furniture and Equipment.....	<u>0</u>
 TOTAL.....	 <u>\$ 37,900</u>

## Department of General Services 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: Facility, Property and Commodity Management

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>DAUPHIN COUNTY</u></b>	
<b>Capitol Complex - Central Plant</b>	\$ 250
STUDY FUNDING: Provide funding for steam tunnel repairs.	
<b>Capitol Complex</b>	
DESIGN AND CONSTRUCTION FUNDING: Provide funding to repoint balustrades and replace plaza concrete.	1,215
CONSTRUCTION FUNDING: Provide funding for project 948-81 Phase 3, Rehabilitation and Improvements	456
<b>Capitol Complex - East Wing</b>	
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 948-94 Phase 1, Upgrade/replace emergency generators.	1,507
<b>Forum Building</b>	
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 948-82 Phase 1, Elevators.	5,919
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 948-82, Phase 1, Improvements to the Forum Building.	9,549
<b>Irvis Building</b>	
DESIGN AND CONSTRUCTION FUNDING: Provide funding for renovations and elevators upgrades.	5,410
<b>Judicial Building</b>	
DESIGN AND CONSTRUCTION FUNDING: Provide funding for a water intrusion project.	483
<b>L&amp;I and H&amp;W</b>	
DESIGN AND CONSTRUCTION FUNDING: Provide funding for caulking exteriors.	1,760
<b>22nd &amp; Forster Streets</b>	
DESIGN AND CONSTRUCTION FUNDING: Provide funding to replace the chiller.	607
<b>Commonwealth Owned Properties</b>	
DESIGN AND CONSTRUCTION FUNDING: Provide funding for Utility Service Separation and Connection Work.	2,669
<b>DGS Annex</b>	
DESIGN FUNDING: Provide funding for work to effectuate the closure and sale of the Annex.	413
<b>State Street Bridge</b>	
DESIGN FUNDING: Provide funding for upgrades to bridge.	540
<b><u>LACKAWANNA COUNTY</u></b>	
<b>Scranton State Office Building</b>	122
DESIGN AND CONSTRUCTION FUNDING: Provide funding for repair/replacement of roof.	
<b><u>PHILADELPHIA COUNTY</u></b>	
<b>Family Court Building</b>	7,000
CONSTRUCTION FUNDING: Provide funding for project 928-1 Phase 2, Family Court - 7th Floor Fit Out.	
 PROGRAM TOTAL.....	<b>\$ 37,900</b>



## HISTORICAL AND MUSEUM COMMISSION

Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b>2019-20 PUBLIC IMPROVEMENT PROJECTS</b>	
State Historic Preservation.....	\$ 22,875
TOTAL.....	<u>\$ 22,875</u>
<b>SOURCE OF FUNDS</b>	
<b>General Obligation Bond Issues</b>	
Capital Facilities Fund - Buildings and Structures.....	\$ 22,875
TOTAL.....	<u>\$ 22,875</u>

## Historical and Museum Commission 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: State Historic Preservation

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b><u>BEAVER COUNTY</u></b>	
<b>Old Economy Village</b>	\$ 360
CONSTRUCTION FUNDING: Provide funding for completion of project 947-14, Facilities Upgrades.	
<b><u>BERKS COUNTY</u></b>	
<b>Daniel Boone Homestead</b>	1,696
CONSTRUCTION FUNDING: Provide funding for project 973-7, Energy Improvements.	
<b>Conrad Weiser Homestead</b>	40
DESIGN FUNDING: Building and infrastructure renovations and demolition of non-historic structures.	
<b><u>BUCKS COUNTY</u></b>	
<b>Pennsbury Manor</b>	
CONSTRUCTION AND PROJECT CLOSE-OUT FUNDING: Provide funding for completion of project 971-9 for rehabilitation of up to 23 buildings and development of infrastructure throughout the site.	
	530
CONSTRUCTION FUNDING: Provide funding for project 971-10, for upgrades to HVAC systems with geothermal system and other energy saving equipment.	
	248
<b><u>CENTRE COUNTY</u></b>	
<b>Military Museum</b>	2,256
CONSTRUCTION FUNDING: Provide funding for project 977-9 Phase 1, for upgrades to infrastructure, sewage system, HVAC, geothermal system, and energy saving equipment.	
<b><u>DAUPHIN COUNTY</u></b>	
<b>State Archives</b>	11,623
CONSTRUCTION FUNDING: Provide funding for project 987-1 Phase 1, New Archives Building.	
<b><u>ERIE COUNTY</u></b>	
<b>Erie Maritime Museum</b>	1,867
CONSTRUCTION FUNDING: Provide funding for project 974-9, Restore US Brig Niagara.	
<b><u>LANCASTER COUNTY</u></b>	
<b>Railroad Museum</b>	
CONSTRUCTION FUNDING: Provide funding for project 980-9, Round House.	
	3,680
PROJECT CLOSE-OUT: New permanent exhibits.	
	225
<b>Landis Valley</b>	50
DESIGN FUNDING: Infrastructure upgrades.	
<b><u>LACKAWANNA COUNTY</u></b>	
<b>Scranton Cultural Center</b>	300
DESIGN FUNDING: Renovations.	
 PROGRAM TOTAL.....	 <u>\$ 22,875</u>

## DEPARTMENT OF HUMAN SERVICES

### Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b>2019-20 PUBLIC IMPROVEMENT PROJECTS</b>	
Human Services.....	\$ 50,276
TOTAL.....	<u>\$ 50,276</u>
 <b>SOURCE OF FUNDS</b>	
<b>General Obligation Bond Issues</b>	
Capital Facilities Fund - Buildings and Structures.....	\$ 50,276
Capital Facilities Fund - Furniture and Equipment.....	<u>0</u>
TOTAL.....	<u>\$ 50,276</u>

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: Human Services

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b><u>BERKS COUNTY</u></b>	
<b>Wernersville State Hospital</b>	
CONSTRUCTION AND PROJECT CLOSE-OUT FUNDING: Provide funding for project 515-26, Repair Sewer Piping.	\$ 154
PROJECT CLOSE-OUT FUNDING: Provide funding for project 515-29, Repair dam.	20
<b><u>CAMBRIA COUNTY</u></b>	
<b>Ebensburg Center</b>	
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 583-22 ph1, Upgrade fire alarm systems.	1,805
DESIGN AND CONSTRUCTION FUNDING: Provide funding for electrical upgrades.	4,006
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 583-21 ph1, Replace roofing.	1,422
<b><u>FRANKLIN COUNTY</u></b>	
<b>South Mountain Center</b>	
PROJECT CLOSE-OUT: Provide funding for project 557-21 Phase 2, Provide for Breach of Carbaugh Dam and Land Restoration.	10
<b>South Mountain Restoration Center &amp; Secure Treatment Unit</b>	
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 557-22 ph1, Replace HVAC systems.	2,905
DESIGN FUNDING : Provide funding for roof replacement.	36
<b><u>LACKAWANNA COUNTY</u></b>	
<b>Clarks Summit State Hospital</b>	
DESIGN FUNDING AND CONSTRUCTION FUNDING: Provide funding for upgrades to fire alarm systems.	2,692
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 502-33 Phase 1, Upgrade waste water treatment.	1,175
<b><u>LUZERNE COUNTY</u></b>	
<b>White Haven Center</b>	
DESIGN FUNDING AND CONSTRUCTION FUNDING: Provide funding for project 581-14, Upgrade Existing Facility to Comply with Emissions Requirements.	498
CONSTRUCTION AND PROJECT CLOSE-OUT: Provide funding for project 581-13, Upgrade HVAC.	241
DESIGN FUNDING AND CONSTRUCTION FUNDING: Provide funding for project 581-11, Upgrade steam lines.	2,190
DESIGN FUNDING : Provide funding to replace heating system.	90
DESIGN FUNDING : Provide funding for window replacement.	150
DESIGN FUNDING : Provide funding to replace HVAC system.	120
DESIGN FUNDING AND CONSTRUCTION FUNDING: Provide funding for upgrades to fire alarm systems.	1,990
<b><u>MONTGOMERY COUNTY</u></b>	
<b>Norristown State Hospital</b>	
CONSTRUCTION FUNDING: Provide funding for project 509-35 Phase 1, Upgrade HVAC System.	426
DESIGN FUNDING: Provide funding for New Forensic Building.	50

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: Human Services (continued)

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b><u>MONTOUR COUNTY</u></b>	
<b>Danville State Hospital</b>	
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 503-24, Install New Electrical Service.	\$ 169
<b>Danville State Hospital - North Central Treatment</b>	
CONSTRUCTION FUNDING: Provide funding for project 503-23 PH1, Replace HVAC.	562
<b>North Central Secure Treatment Unit</b>	
DESIGN FUNDING: Provide funding for project 503-301, Roof and window replacement.	198
<b><u>PERRY COUNTY</u></b>	
<b>Loysville Youth Development Center</b>	
CONSTRUCTION AND PROJECT CLOSE-OUT FUNDING: Provide funding for 588-13 Phase 1, Replace fire lines.	90
DESIGN AND CONSTRUCTION FUNDING: Provide funding for 588-14 Phase 1, Upgrade steam lines.	3,565
DESIGN AND CONSTRUCTION FUNDING: Provide funding for 588-09 Phase 2, Water filtration system well commissioning.	485
DESIGN FUNDING: Provide funding for HVAC upgrades.	135
DESIGN FUNDING: Provide funding for fire hydrant upgrades.	63
<b><u>SNYDER COUNTY</u></b>	
<b>Selinsgrove Center</b>	
PROJECT CLOSE-OUT FUNDING: Provide funding for project 553-34 Phase 3, Replace Water Distribution.	56
DESIGN FUNDING AND CONSTRUCTION FUNDING: Provide funding for project 553-40, Upgrades to fire alarm systems.	4,450
<b><u>VENANGO COUNTY</u></b>	
<b>Polk Center</b>	
CONSTRUCTION FUNDING: Provide funding for project 552-33, Renovation to Treatment Plant.	340
CONSTRUCTION AND PROJECT CLOSE-OUT FUNDING: Provide funding for project 552-38 Phase 1, New HVAC & Controls.	38
CONSTRUCTION FUNDING: Provide funding for project 552-39, Upgrade fire suppression system.	1,294
DESIGN FUNDING AND CONSTRUCTION FUNDING: Provide funding for repair of mortar joints.	2,425
DESIGN FUNDING AND CONSTRUCTION FUNDING: Provide funding for reroofing.	570
<b><u>WARREN COUNTY</u></b>	
<b>Warren State Hospital</b>	
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 514-27 ph2, Upgrade electric system.	5,328
DESIGN FUNDING: Provide funding for boiler replacement.	420
<b><u>WESTMORELAND COUNTY</u></b>	
<b>Torrance State Hospital</b>	
CONSTRUCTION FUNDING: Provide funding for project 513-33 Phase 1, Upgrade Boilers.	245
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 513-34 ph1, Wastewater treatment plant.	6,075
DESIGN AND CONSTRUCTION FUNDING: Provide funding for security cameras and electrical upgrades.	3,788
 PROGRAM TOTAL.....	 <u>\$ 50,276</u>

## DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

### Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b>2019-20 PUBLIC IMPROVEMENT PROJECTS</b>	
State Military Readiness.....	\$ 44,611
Veterans Homes.....	8,266
TOTAL.....	<u>\$ 52,877</u>
<b>SOURCE OF FUNDS</b>	
<b>General Obligation Bond Issues</b>	
Capital Facilities Fund - Buildings and Structures.....	\$ 37,138
<b>Other Revenues</b>	
Federal Funds.....	\$ 15,739
TOTAL.....	<u>\$ 52,877</u>

## Department of Military and Veterans Affairs 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: State Military Readiness

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

		<b>Total Project Cost</b>
<b><u>ADAMS COUNTY</u></b>		
<b><i>Gettysburg Army Reserve Center</i></b>		
REHABILITATE ARMY RESERVE CENTER: Design funds for rehabilitation of reserve center	State	\$ 240
	Fed.	350
<b><u>BUCKS COUNTY</u></b>		
<b><i>Sellersville Readiness Center</i></b>		
REHABILITATE READINESS CENTER: Project Close-out funds for rehabilitation for the readiness center.	State	5
	Fed.	0
<b><u>CARBON COUNTY</u></b>		
<b><i>Lehigh Readiness Center</i></b>		
REHABILITATE READINESS CENTER: Construction funds for rehabilitation for the readiness center.	State	89
	Fed.	150
<b><u>CHESTER COUNTY</u></b>		
<b><i>Phoenixville Readiness Center</i></b>		
REHABILITATE READINESS CENTER: Construction funds for the rehabilitation of the readiness center.	State	80
	Fed.	0
<b><i>Spring City Readiness Center</i></b>		
REHABILITATE READINESS CENTER: Design funds for the rehabilitation of the readiness center.	State	2,875
	Fed.	0
<b><u>CLEARFIELD COUNTY</u></b>		
<b><i>Clearfield Readiness Center</i></b>		
NEW CENTER: Construction funds for the construction of a new facility.	State	280
	Fed.	380
<b><u>CRAWFORD COUNTY</u></b>		
<b><i>Cambridge Springs Maintenance Shop</i></b>		
REHABILITATE MAINTENANCE SHOP: Design funds to expand/repair parking for maintenance shop.	State	280
	Fed.	160
<b><u>DAUPHIN COUNTY</u></b>		
<b><i>Harrisburg Military Post-Readiness Center</i></b>		
REHABILITATE READINESS CENTER: Design funds for the rehabilitation of the readiness center.	State	5,988
	Fed.	500
<b><i>Hershey Readiness Center</i></b>		
REHABILITATE READINESS CENTER: Design and Construction funds for MEP rehabilitation of the readiness center.	State	196
	Fed.	60
<b><i>Williamstown Readiness Center</i></b>		
REHABILITATE READINESS CENTER: Design funds for rehabilitation of the readiness center.	State	630
	Fed.	275

## Department of Military and Veterans Affairs 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: State Military Readiness (continued)

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

		<b>Total Project Cost</b>
<b><u>FAYETTE COUNTY</u></b>		
<b><i>Hiller Army Reserve Center</i></b>		
REHABILITATE RESERVE CENTER: Design and Construction funds for rehabilitation of the reserve center.	State	\$ 2,965
	Fed.	300
<b><u>LACKAWANNA COUNTY</u></b>		
<b><i>Scranton Maintenance Shop</i></b>		
REHABILITATE MAINTENANCE SHOP: Design funds for the rehabilitation of the maintenance shop.	State	50
	Fed.	700
<b><u>LEBANON COUNTY</u></b>		
<b><i>FTIG Readiness Center</i></b>		
REHABILITATE READINESS CENTER: Design funds for rehabilitation.	State	25
	Fed.	225
NEW POLICE STATION: Design and construction funds for new police station.	State	125
	Fed.	2,807
REHABILITATE READINESS CENTER: Design and Construction funds for rehabilitation of CAB.	State	2,264
	Fed.	400
REPAIRS TO MARQUETE LAKE: Construction funds.	State	7,500
	Fed.	5,300
<b><u>LUZERNE COUNTY</u></b>		
<b><i>Nanicoke Readiness Center</i></b>		
REHABILITATE READINESS CENTER: Construction and project close-out funds for the renovations of the readiness center.	State	138
	Fed.	0
<b><i>Plains Township Army Reserve Center</i></b>		
REHABILITATE RESERVE CENTER: Design and Construction funds for the rehabilitation of the reserve center.	State	1,483
	Fed.	0
<b><i>Wilkes-Barre Readiness Center</i></b>		
REHABILITATE READINESS CENTER: Design and Construction funds for the rehabilitation of the readiness center.	State	1,866
	Fed.	1,000
<b><u>MONTGOMERY COUNTY</u></b>		
<b><i>Plymouth Meeting Readiness Center</i></b>		
REHABILITATE READINESS CENTER: Design and Construction funds for the rehabilitation of the readiness center.	State	1,325
	Fed.	300



## Department of Military and Veterans Affairs 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: State Military Readiness (continued)

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

		<u>Total Project Cost</u>
<b><u>SOMERSET COUNTY</u></b>		
<b><i>Friedens Readiness Center</i></b>		
REHABILITATE READINESS CENTER: Design funds for rehabilitation of the readiness center.	State	\$ 1,300
	Fed.	2,000
Total State.....		29,704
Total Federal.....		14,907
PROGRAM TOTAL.....		<u>\$ 44,611</u>

## Department of Military and Veterans Affairs 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: Veterans Homes

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

		<b>Total Project Cost</b>
<b><u>BLAIR COUNTY</u></b>		
<b><i>Holidaysburg Veterans Home</i></b>		
VETERANS HOME: Design & Construction funds for renovations and general repairs to the veterans home.	State	\$ 512
	Fed.	0
VETERANS HOME: Design funds for construction of new community.	State	600
	Fed.	0
<b><u>CHESTER COUNTY</u></b>		
<b><i>Southeastern Veterans Center</i></b>		
NEW MAINTENANCE BUILDING: Project close-out funds for the completion of the new facility.	State	70
	Fed.	0
VETERANS CENTER: Construction funds for the renovations and general repairs of the veterans center.	State	998
	Fed.	649
<b><u>ERIE COUNTY</u></b>		
<b><i>Pennsylvania Soldiers and Sailors Home</i></b>		
VETERANS HOME: Design & Construction funds for renovations and general repairs to the veterans home.	State	3,926
	Fed.	0
<b><u>LACKAWANNA COUNTY</u></b>		
<b><i>Gino J. Merli Veterans Center</i></b>		
VETERANS CENTER: Design and Construction funds for renovations and general repairs including replacement of roof at the veterans center.	State	1,047
	Fed.	0
<b><u>PHILADELPHIA COUNTY</u></b>		
<b><i>Delaware Valley Veterans Home</i></b>		
VETERANS HOME: Construction and project-close-out funds for renovations of the veterans home.	State	281
	Fed.	183
Total State.....		\$ 7,434
Total Federal.....		832
PROGRAM TOTAL.....		<u>\$ 8,266</u>

## STATE POLICE

### Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	Total Project Cost
	<u>          </u>
<b>2019-20 PUBLIC IMPROVEMENT PROJECTS</b>	
Public Protection and Law Enforcement.....	\$ 12,031
TOTAL.....	<u>\$ 12,031</u>
 <b>SOURCE OF FUNDS</b>	
<b>General Obligation Bond Issues</b>	
Capital Facilities Fund - Buildings and Structures.....	\$ 12,031
Capital Facilities Fund - Furniture and Equipment.....	<u>0</u>
TOTAL.....	<u>\$ 12,031</u>

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUNDS

#### Program: Public Protection and Law Enforcement

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	Total Project Cost
<b><u>DAUPHIN COUNTY</u></b>	
<b>BESO HQ</b>	\$ 411
DESIGN LAND ACQUISITIONS FUNDING: Provide funding facility including site acquisition	
<b><u>ERIE COUNTY</u></b>	
<b>Erie Headquarters</b>	380
CONSTRUCTION FUNDING: Provide funding for project 218-3 Phase 1, New Headquarters Building.	
<b><u>WESTMORELAND COUNTY</u></b>	
<b>Greensburg Headquarters</b>	1,004
CONSTRUCTION FUNDING: Provide funding for project 210-5, New Headquarters.	
<b>DNA Laboratory</b>	10,236
DESIGN AND CONSTRUCTION FUNDING: Provide funding for project 210-4 Phase 1, New DNA Lab.	
 PROGRAM TOTAL.....	<b>\$ 12,031</b>

## DEPARTMENT OF TRANSPORTATION

### Summary of Recommended Authorization Amounts by Program and Source of Funds

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b>2019-20 PUBLIC IMPROVEMENT PROJECTS</b>	
State Highway, Bridge & Administration Construction/Reconstruction.....	\$ 2,021,800
<b>HIGHWAY AND BRIDGE PROJECTS</b>	
State Highway and Bridge Maintenance.....	369,704
<b>TRANSPORTATION ASSISTANCE PROJECTS</b>	
Urban Mass Transportation.....	\$ 61,250
Rail Freight Transportation.....	113,750
Subtotal.....	<u>\$ 175,000</u>
TOTAL.....	<u><u>\$ 2,566,504</u></u>
<b>SOURCE OF FUNDS</b>	
<b>General Obligation Bond Issues</b>	
Capital Facilities Fund - Public Improvement Projects.....	\$ 110,000
Capital Facilities Fund - Furniture and Equipment.....	22,000
Capital Facilities Fund - Transportation Assistance.....	175,000
Subtotal.....	<u>\$ 307,000</u>
<b>Current Revenues</b>	
Motor License Fund.....	\$ 2,259,504
Federal Funds.....	0
Local Funds.....	0
Subtotal.....	<u>\$ 2,259,504</u>
TOTAL.....	<u><u>\$ 2,566,504</u></u>

## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUND

#### Program: State Highway, Bridge & Administration Construction/Reconstruction

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>ALLEGHENY COUNTY</u></b>	
<b>District Office</b>	\$ 10,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at District Office 11-0.	
<b><u>BIAIR COUNTY</u></b>	
<b>District Office</b>	10,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at District Office 9-0.	
<b><u>CLEARFIELD COUNTY</u></b>	
<b>District Office</b>	10,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at District Office 2-0.	
<b><u>DAUPHIN COUNTY</u></b>	
<b>District Office</b>	10,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at District Office 8-0.	
<b><u>FAYETTE COUNTY</u></b>	
<b>District Office</b>	10,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at District Office 12-0.	
<b><u>INDIANA COUNTY</u></b>	
<b>District Office</b>	10,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at District Office 10-0.	
<b><u>LACKAWANNA COUNTY</u></b>	
<b>District Office</b>	10,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at District Office 4-0.	
<b><u>LEHIGH COUNTY</u></b>	
<b>District Office</b>	10,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at District Office 5-0.	
<b><u>LYCOMING COUNTY</u></b>	
<b>District Office</b>	10,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at District Office 3-0.	
<b><u>MONTGOMERY COUNTY</u></b>	
<b>District Office</b>	10,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at District Office 6-0.	
<b><u>VENANGO COUNTY</u></b>	
<b>District Office</b>	10,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at District Office 1-0.	
 PROGRAM TOTAL.....	 <u>\$ 110,000</u>

## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM CAPITAL FACILITIES BOND FUND (ORIGINAL FURNITURE FIXTURES & EQUIPMENT)

#### Program: State Highway, Bridge & Administration Construction/Reconstruction

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>ALLEGHENY COUNTY</u></b>	
<b>District Office</b>	\$ 2,000
DISTRICT OFFICE FURNITURE AND EQUIPMENT: This project will provide for furniture and equipment for renovation and/or expansion of District Office 11-0.	
<b><u>BIAIR COUNTY</u></b>	
<b>District Office</b>	2,000
DISTRICT OFFICE FURNITURE AND EQUIPMENT: This project will provide for furniture and equipment for renovation and/or expansion of District Office 9-0.	
<b><u>CLEARFIELD COUNTY</u></b>	
<b>District Office</b>	2,000
DISTRICT OFFICE FURNITURE AND EQUIPMENT: This project will provide for furniture and equipment for renovation and/or expansion of District Office 2-0.	
<b><u>DAUPHIN COUNTY</u></b>	
<b>District Office</b>	2,000
DISTRICT OFFICE FURNITURE AND EQUIPMENT: This project will provide for furniture and equipment for renovation and/or expansion of District Office 8-0.	
<b><u>FAYETTE COUNTY</u></b>	
<b>District Office</b>	2,000
DISTRICT OFFICE FURNITURE AND EQUIPMENT: This project will provide for furniture and equipment for renovation and/or expansion of District Office 12-0.	
<b><u>INDIANA COUNTY</u></b>	
<b>District Office</b>	2,000
DISTRICT OFFICE FURNITURE AND EQUIPMENT: This project will provide for furniture and equipment for renovation and/or expansion of District Office 10-0.	
<b><u>LACKAWANNA COUNTY</u></b>	
<b>District Office</b>	2,000
DISTRICT OFFICE FURNITURE AND EQUIPMENT: This project will provide for furniture and equipment for renovation and/or expansion of District Office 4-0.	
<b><u>LEHIGH COUNTY</u></b>	
<b>District Office</b>	2,000
DISTRICT OFFICE FURNITURE AND EQUIPMENT: This project will provide for furniture and equipment for renovation and/or expansion of District Office 5-0.	
<b><u>LYCOMING COUNTY</u></b>	
<b>District Office</b>	2,000
DISTRICT OFFICE FURNITURE AND EQUIPMENT: This project will provide for furniture and equipment for renovation and/or expansion of District Office 3-0.	
<b><u>MONTGOMERY COUNTY</u></b>	
<b>District Office</b>	2,000
DISTRICT OFFICE FURNITURE AND EQUIPMENT: This project will provide for furniture and equipment for renovation and/or expansion of District Office 6-0.	
<b><u>VENANGO COUNTY</u></b>	
<b>District Office</b>	2,000
DISTRICT OFFICE FURNITURE AND EQUIPMENT: This project will provide for furniture and equipment for renovation and/or expansion of District Office 1-0.	
 PROGRAM TOTAL.....	 <b>\$ 22,000</b>

## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM MOTOR LICENSE FUNDS

#### Program: State Highway, Bridge & Administration Construction/Reconstruction

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>DAUPHIN COUNTY</u></b>	
<b>Material Testing Lab</b>	\$ 8,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at the Material Testing Lab.	
<b>Fleet Management Facility</b>	5,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at the Fleet Management Facility.	
<b>Sign Shop Facility</b>	5,000
RENOVATE AND EXPANSION: This project will provide for the construction or renovation of facility. May include: site acquisition and development, design and construction of buildings and utility work.	
<b><u>LEBANON COUNTY</u></b>	
<b>Eastern Training Facility</b>	5,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at the Eastern Training Facility.	
<b><u>ALLEGHENY COUNTY</u></b>	
<b>Western Training Facility</b>	5,000
RENOVATE AND EXPANSION: This project will provide for renovation and expansion for code compliance, upgraded building systems improved program requirements and energy efficiency at the Western Training Facility.	
<b><u>BUCKS, DELAWARE, ERIE (2), FRANKLIN, FULTON, GREENE, MERCER, MONROE, PIKE, SUSQUEHANNA, TIOGA, WASHINGTON AND YORK COUNTIES</u></b>	
<b>Welcome Center</b>	70,000
RENOVATE, EXPAND OR REPLACE: Provide for renovation, expansion or replacement including; land acquisition, roof replacement, building systems, sidewalks, curbing, steps, parking lot, and sewage plant upgrades. \$5,000 each.	
<b><u>ALLEGHENY (2), CENTRE (2), CLINTON (2), COLUMBIA (2), CRAWFORD (2), CUMBERLAND (2), DAUPHIN (2), FULTON, JEFFERSON (2), LACKAWANNA, LAWRENCE (2), LUZERNE (3), MERCER (2), MONROE, MONTOUR (2), PIKE (2), SUSQUEHANNA AND VENANGO (2) COUNTIES</u></b>	
<b>Roadside Rest Area</b>	165,000
RENOVATE, EXPAND OR REPLACE: Provide for renovation, expansion or replacement including; land acquisition, roof replacement, building systems, sidewalks, curbing, steps, parking lot, and sewage plant upgrades. \$5,000 each.	
<b><u>ALL 67 COUNTIES</u></b>	
<b>Maintenance Facility</b>	511,000
<b>Two in the following counties: Allegheny, Centre, Crawford, Cumberland, Dauphin and Washington</b>	
CONSTRUCT NEW, UPGRADE OR REPLACE: Provide for the construction or renovation of facility including; site acquisition and development, design and construction of buildings, systems and utility work. \$7,000 each.	
<b>Maintenance Facility (Furniture and Equipment)</b>	43,800
<b>Two in the following counties: Allegheny, Centre, Crawford, Cumberland, Dauphin and Washington</b>	
CONSTRUCT NEW, UPGRADE OR REPLACE: This project will provide for furniture and equipment for renovation and/or expansion of Maintenance Facility. \$600 each.	
<b>Stockpile Facility</b>	335,000
CONSTRUCT NEW, UPGRADE OR REPLACE: This project will provide for the construction of a new facility with land acquisition, or renovation of an existing stockpile facility to meet code and program requirements. \$5,000 each.	



## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM MOTOR LICENSE FUNDS

#### Program: State Highway, Bridge & Administration Construction/Reconstruction

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>ALL 67 COUNTIES (continued)</u></b>	
<b>Salt Storage Shed</b>	\$ 335,000
CONSTRUCT NEW: TThis project will provide for the construction of two (2) high-capacity salt storage buildings. \$5,000 per county.	
<b>Vehicle Wash Facility</b>	402,000
CONSTRUCT NEW OR RETROFIT: This project will provide for the construction or retrofitting of two (2) vehicle wash facilities and may include; site work, utilities and equipment. \$6,000 per county.	
 PROGRAM TOTAL.....	<b>\$ 1,889,800</b>

## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM MOTOR LICENSE FUNDS

#### Program: State Highway and Bridge Maintenance - Highway

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>ALLEGHENY COUNTY</u></b>	
<b>Road Construction</b>	\$ 300
CONSTRUCTION: Sr 9900 on Beck's Run road between East Carson Street and Brownsville Road in the city of Pittsburgh.	
<b>Road Construction</b>	300
CONSTRUCTION: Sr 9900 on Smithfield Street from Fort Pitt Boulevard to Sixth Avenue in the city of Pittsburgh.	
<b>Road Construction</b>	300
CONSTRUCTION: Lane widening and signal upgrades on Sr 50 (Washington Pike) from Thoms Run Road to Mayer Street in Collier Township.	
<b>Bridge Preservation</b>	4,850
BRIDGE CONSTRUCTION: Sr 1038 bridge preservation on Sr 1038 over Allegheny River in East Deer Township.	
<b>Structure Repair</b>	4,033
REPAIR: Sr 7301 repair deteriorated steel and concrete on the structure carrying 6th Street over the Allegheny River and the 10th Street Bypass.	
<b>Slide Remediation</b>	300
SLIDE REMEDIATION: On Sr 48, Scenery Drive in Elizabeth Township.	
<b>Bridge Rehabilitation</b>	881
BRIDGE REHABILITATION: On Sr 7301 bridge rehabilitation/replacement on structure carrying South Negley Avenue over Norfolk Southern Railroad tracks and Port Authority of Allegheny County East Busway.	
<b>Bridge Preservation</b>	8,435
BRIDGE CONSTRUCTION: Paint, structural steel crack repairs on I-79 and Sr 65 bridges (Neville Island) and associated ramps in Robinson & Neville Townships, and Glenfield Borough.	
<b>Road Overlay</b>	300
RESURFACE ROAD: Mill and overlay on Sr 28 south bound, from Etna Bypass to Highland Park Bridge in O'Hara Township & Sharpsburg Borough.	
<b>Tunnel Restoration</b>	300
TUNNEL RESTORATION: Sr 7301 tunnel restoration for the Armstrong Tunnel, located on South Tenth Street from Second Avenue to Forbes Avenue in the city.	
<b>Road Overlay</b>	1,262
RESURFACE ROAD: Mill & overlay on Sr 3052, Greentree Road from Cochran Road to Old Washington Pike in Scott Township.	
<b>Road Construction</b>	4,900
CONSTRUCTION: Add additional lanes on Sr 50 by widening the existing bridge, South Fayette Township & Bridgeville Borough. Also adding additional lanes on Sr 3034 (Chartiers Street). New traffic signal, ADA curb ramps.	
<b>Road Construction</b>	1,230
CONSTRUCTION: Intersection improvement, including add turn lane, signalization improvement on Sr 3009 (South Park Road) and Sr 3010 (Logan Road) in Bethel Park Borough.	
<b>Bridge Wash</b>	240
CONTRACT: Bridge wash contract in District 11.	
<b>Road Construction</b>	300
CONSTRUCTION: Install all weather pavement markers in various locations in District 11.	

## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM MOTOR LICENSE FUNDS

#### Program: State Highway and Bridge Maintenance - Highway

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b><u>ALLEGHENY COUNTY (Continued)</u></b>	
<b>Road Overlay</b>	\$ 1,250
RESURFACE ROAD: Mill & overlay on Sr 19, Washington road from McMurray to Connor road in upper St. Clair, Mount Lebanon and Bethel park townships, mill and overlay.	
<b>Slide Remediation</b>	2,500
SLIDE REMEDIATION: On Sr 28 above Noble street in Sharpsburg borough and O'Hara township.	
<b>Road Construction</b>	1,150
HIGHWAY RESTORATION: On Sr 3048, Noblestown road in Collier township.	
<b><u>ARMSTRONG COUNTY</u></b>	
<b>Slide Remediation</b>	531
SLIDE REMEDIATION: Along Sr 1032, Boggs township roadway.	
<b><u>BEAVER COUNTY</u></b>	
<b>Road Construction</b>	30,514
RELOCATING AND REALIGNMENT: On Sr 2004 (Freedom road) from Sr 65 to Sr 989 in New Sewickley township and Conway borough. Also includes Crows Run road in Conway borough.	
<b>Road Overlay</b>	400
RESURFACE ROAD: Mill and overlay, patch and overlay SR 351, Fairlane boulevard in Big Beaver boro and Sr 168, Centennial avenue in New Gailee boro.	
<b><u>BEDFORD COUNTY</u></b>	
<b>Road Construction</b>	1,235
RELOCATING AND REALIGNMENT: Sr 30 intersection of Mount Dallas road (T-455) Snake Spring township construction of left turn lane.	
<b><u>BERKS COUNTY</u></b>	
<b>Bridge Rehabilitation</b>	2,194
BRIDGE REHABILITATION: On Sr 2016 over Reading Blue Mountain and Northern railroad.	
<b>Road Rehabilitation</b>	300
REHABILITATE ROAD: On Sr 61 median barrier and pavement markings (Perry, Windsor and Hamburg Boro).	
<b>Road Rehabilitation</b>	300
REHABILITATE VARIOUS ROADS: On Sr 1010 high friction surface treatment to various identified locations.	
<b><u>BLAIR COUNTY</u></b>	
<b>Road Overlay</b>	1,000
RESURFACE ROAD: Mill and resurfacing SR 4004 from PA 764 to PA 36.	
<b><u>BRADFORD COUNTY</u></b>	
<b>Road Overlay</b>	450
RESURFACE ROAD: Mill and resurfacing SR 2038 state route 2025 (Homets Ferry road) to SR6 Wyalusing township.	
<b>Bridge Rehabilitation</b>	336
BRIDGE REHABILITATION: SR T-762 over Seeley Creek Co bridge #38.	
<b><u>BUCKS COUNTY</u></b>	
<b>Road Construction</b>	700
CONSTRUCTION: Reconstruction on PA 563 at Penridge Air Bus park.	
<b><u>BUTLER COUNTY</u></b>	
<b>Road Construction</b>	300
CONSTRUCTION: Along PA 68 from Green lane to Main street, safety improvements.	

## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM MOTOR LICENSE FUNDS

#### Program: State Highway and Bridge Maintenance - Highway

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(Dollar Amounts in Thousands)

	Total Project Cost
<b><u>CAMBRIA COUNTY</u></b>	
<b>Road Overlay</b>	\$ 2,956
RESURFACE ROAD: Resurfacing to SR 3029 from Solomon Run road (SR 3033) to PA 271.	
<b><u>CARBON COUNTY</u></b>	
<b>Road Construction</b>	28,033
CONSTRUCTION: Widening/safety along SR 443 from Carbon Plaza Mall to Thomas J. McCall memorial bridge.	
<b>Road Construction</b>	316
CONSTRUCTION: Interchange road from end of 4-lane section (near Cherry Hill road) to Monroe county line.	
<b>Road Construction</b>	450
CONSTRUCTION: SR 209 structural removal Summit Hill boro.	
<b>Road Construction</b>	400
CONSTRUCTION: Highway resurface of Delaware Avenue (SR 2002) from Mauch Chunk road to SR 2001.	
<b>Road Rehabilitation</b>	840
REHABILITATE ROAD: Rehabilitate masonry retaining wall SR 209 (Mauch Chuck street) segment 230 to segment 240.	
<b>Bridge Overlay</b>	3,000
BRIDGE OVERLAY: SR 80 bridge overlay bundle.	
<b><u>CENTRE COUNTY</u></b>	
<b>Road Rehabilitation</b>	1,153
REHABILITATE ROAD: Safety improvements/intersection improvements SR64 Nittany Valley drive and SR 550 Zion road intersection.	
<b><u>CHESTER COUNTY</u></b>	
<b>Road Construction</b>	3,258
CONSTRUCTION: PA 82 and US 30 Business additional auxiliary lanes.	
<b><u>CLEARFIELD COUNTY</u></b>	
<b>Highway Restoration</b>	6,055
RESTORATION: SR 153 Front street, 2nd street and Market street.	
<b><u>CRAWFORD COUNTY</u></b>	
<b>Bridge Construction</b>	260
CONSTRUCTION: Bridge replacement on SR 408 (Church street) bridge over Sugar creek east branch.	
<b>Road Rehabilitation</b>	300
REHABILITATE ROAD: Safety improvements Mount Pleasant road at grade crossing with railroad/intersection.	
<b>Road Rehabilitation</b>	1,755
REHABILITATE ROAD: Various state routes, metal culverts shotcrete application.	
<b>Road Overlay</b>	420
RESURFACE ROAD: On SR 27 from the west Mead township line to the Venango county line in Randolph.	
<b>Road Overlay</b>	950
RESURFACE ROAD: Resurfacing on SR 27, SR 2034 and SR 2035 with ADA, drainage and guiderail updates.	
<b><u>CUMBERLAND COUNTY</u></b>	
<b>Road Rehabilitation</b>	4,194
REHABILITATE ROAD: Safety improvements/intersection improvements PA 34 (Spring road) and SR 1001 (Cavalry road).	
<b><u>DAUPHIN COUNTY</u></b>	
<b>Construction</b>	12,050
CONSTRUCTION: Noise walls interstate 81/83 NB merge to Mountain road.	

## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM MOTOR LICENSE FUNDS

#### Program: State Highway and Bridge Maintenance - Highway

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(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>DAUPHIN COUNTY (continued)</u></b>	
<b>Construction</b>	\$ 300
CONSTRUCTION: A park and ride in Reed, Halifax or middle Paxton township.	
<b>Road Overlay</b>	3,050
RESURFACE ROAD: Resurfacing on SR 230 (Front street) from Wood street to Tioga avenue Steelton.	
<b><u>DELAWARE COUNTY</u></b>	
<b>Construction</b>	2,000
CONSTRUCTION: Widening PA 3, Ellis to St. Albans.	
<b><u>ELK COUNTY</u></b>	
<b>Construction</b>	800
CONSTRUCTION: Reconstruct retaining wall SR 120, Bruxelles street.	
<b><u>ERIE COUNTY</u></b>	
<b>Road Construction</b>	300
CONSTRUCTION: Install all weather pavement markets in various locations.	
<b>Road Rehabilitation</b>	300
REHABILITATE ROAD: Intersection improvements SR8 (Pine avenue), SR 97 (Old French road) and East 28th street.	
<b>Road Rehabilitation</b>	402
REHABILITATE ROAD: Safety and mobility improvement on SR 19 Peach street from Edinboro road (SR 699) to Millcreek Square road and Kuntz road (SR 4026).	
<b>Road Construction</b>	3,333
CONSTRUCTION: SR 98 from Hawthorn Ridge road to the Crawford county line and SR4013 from Dunn Valley road to Talley road.	
<b>Road Rehabilitation</b>	1,720
REHABILITATE ROAD: Congestion reduction and safety improvement on SR 4034 the Bayfront Parkway.	
<b>Road Construction</b>	970
CONSTRUCTION: I-90 (American Veterans Memorial highway) from mile marker 18 to mile marker 23.	
<b>Road Rehabilitation</b>	300
REHABILITATE ROAD: Congestion reduction and safety improvement on SR 3006 US-6N (W. & E. Plumb streets) and PA-99N (Erie street).	
<b>Road Rehabilitation</b>	300
REHABILITATE ROAD: Signal improvements and upgrades on SR 6 and SR 8.	
<b><u>FAYETTE COUNTY</u></b>	
<b>Road Rehabilitation</b>	300
REHABILITATE ROAD: Safety improvements PA 21 corridor.	
<b><u>FOREST COUNTY</u></b>	
<b>Road Construction</b>	380
CONSTRUCTION: SR 62 3R on SR 62 from Hunters Station bridge to SR 36.	
<b><u>FRANKLIN COUNTY</u></b>	
<b>Road Construction</b>	1,253
CONSTRUCTION: SR 30 deep pipe replacement US 30 at tributary to Campbell's Run.	

## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM MOTOR LICENSE FUNDS

#### Program: State Highway and Bridge Maintenance - Highway

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(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>HUNTINGDON COUNTY</u></b>	
<b>Road Overlay</b>	\$ 883
RESURFACE ROAD: Resurfacing on SR 2025 Divison street (PA 747) to US 522.	
<b><u>INDIANA COUNTY</u></b>	
<b>Road Rehabilitation</b>	3,436
REHABILITATE ROAD: Intersection improvements PA 286 from Rustic Lodge road to the US 422 interchange and SR 4422 from Birchwood street to Treese avenue.	
<b>Road Overlay</b>	330
RESURFACE ROAD: Resurfacing on along PA 286 (Oakland avenue) from SR 4422 (Ben Franklin road) to SR 4032 (Philadelphia street).	
<b>Road Slide</b>	300
SLIDE REMEDIATION: On SR 3025 (Park road).	
<b><u>JEFFERSON COUNTY</u></b>	
<b>Road Overlay</b>	2,000
RESURFACE ROAD: Resurfacing and preventative maintenance along SR 410 along PA 410 from US 119 to the Jefferson/Clearfield county line.	
<b><u>LANCASTER COUNTY</u></b>	
<b>Road Construction</b>	300
CONSTRUCTION: PA-772 from School Lane to New Haven street install pedestrian facilities connecting residences, businesses, library and public park.	
<b>Road Construction</b>	500
CONSTRUCTION: SER 30 install ITS equipment US 30, US 222 & PA 283.	
<b><u>LAWRENCE COUNTY</u></b>	
<b>Bridge Construction</b>	184
CONSTRUCTION: Bridge replacement/restoration on SR 7206 on Bartholomew road (T-473) bridge over Jenkins run.	
<b>Bridge Construction</b>	183
CONSTRUCTION: Bridge replacement/restoration on Maple street over McClures run.	
<b>Bridge Construction</b>	1,925
CONSTRUCTION: Bridge replacement/restoration on SR 2006 on East Washington street over Neshannock creek.	
<b>Road Overlay</b>	300
RESURFACE ROAD: 2" Mill and overlay on SR 224 Youngstown-Poland road from Carbon Micco road to Andrews drive.	
<b><u>LEBANON COUNTY</u></b>	
<b>Road Construction</b>	300
CONSTRUCTION: Relocation of intersection SR 2001 at Wilhelm avenue to York street.	
<b><u>LEHIGH COUNTY</u></b>	
<b>Road Enhancements</b>	570
IMPROVEMENTS: This project will provide for 2-way traffic on 6th street between 7th street and Summer avenue.	
<b><u>LYCOMING COUNTY</u></b>	
<b>Road Overlay</b>	550
RESURFACE ROAD: On SR 864 in Mill Creek township.	
<b><u>MERCER COUNTY</u></b>	
<b>Road Rehabilitation</b>	300
REHABILITATE ROAD: Intersection improvements SR 418 at the intersection of SR 418 (Mercer avenue) and SR 518 and Roemer Blvd.	

## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM MOTOR LICENSE FUNDS

#### Program: State Highway and Bridge Maintenance - Highway

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(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>MERCER COUNTY (continued)</u></b>	
<b>Road Construction</b>	\$ 300
CONSTRUCTION: Install all weather pavement markets in various locations in Mercer county.	
<b>Road Construction</b>	1,700
CONSTRUCTION: Pedestrian improvements city of Hermitage.	
<b>Road Rehabilitation</b>	1,220
REHABILITATE ROAD: Restoration/replacement/betterment of 0.81 miles on SR 258 (South Pitt street & North Maple street.	
<b>Road Rehabilitation</b>	2,490
REHABILITATE ROAD: Restoration on SR 4011 in Greenville boro and Hempfiled township.	
<b>Road Construction</b>	602
CONSTRUCTION: Restoration/construction SR 173 from Kocher drive to Cranberry road.	
<b>Road Rehabilitation</b>	300
REHABILITATE ROAD: Safety improvements intersection of SR 18 and SR 4006 (Williamson road).	
<b>Road Rehabilitation</b>	300
REHABILITATE ROAD: Signal coordination, intersection improvements and signal improvements intersection of PA 18 and North 3rd street and SR 4005.	
<b><u>MONROE COUNTY</u></b>	
<b>Road Rehabilitation</b>	300
REHABILITATE ROAD: Safety improvements SR 115.	
<b><u>MONTGOMERY COUNTY</u></b>	
<b>Bridge Construction</b>	2,400
CONSTRUCTION: SR T-392 (Cromley road) over Mud creek bridge removal as part of the SEDA-COG local bridge removal bundle.	
<b>Road Overlay</b>	550
RESURFACE ROAD: Micro surfacing on SR 44 to SR 3008.	
<b>Road Rehabilitation</b>	4,100
REHABILITATE ROAD: Concrete patching, spall repair, joint sealing and diamond grinding I-80 from SR 3013 to SR 54.	
<b><u>NORTHAMPTON COUNTY</u></b>	
<b>Bridge Construction</b>	3,705
CONSTRUCTION: Replacement/rehabilitation SR 1032 over Jacoby creek and Mill race.	
<b><u>NORTHUMBERLAND COUNTY</u></b>	
<b>Road Overlay</b>	350
RESURFACE ROAD: Resurfacing SR 4001 from avenu A to SR 54.	
<b><u>SCHUYLKILL COUNTY</u></b>	
<b>Road Rehabilitation</b>	300
REHABILITATE ROAD: Intersection/safety improvements SR 61/SR 209 intersection.	
<b><u>SOMERSET COUNTY</u></b>	
<b>Road Rehabilitation</b>	1,800
REHABILITATE ROAD: Safety improvements SR 160 North of the SR 2013 intersection.	
<b><u>VENANGO COUNTY</u></b>	
<b>Road Construction</b>	300
CONSTRUCTION: Install all weather pavement markets in various locations in Venango and Warren counties.	
<b>Road Rehabilitation</b>	770
REHABILITATE ROAD: Restoration/replacement/betterment on SR 428 from US 62 to T-450.	

## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM MOTOR LICENSE FUNDS

#### Program: State Highway and Bridge Maintenance - Highway

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(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>WARREN COUNTY</u></b>	
<b>Bridge Construction</b>	\$ 435
CONSTRUCTION: Rehabilitation US 62 over the Conrail railroad.	
<b><u>WESTMORELAND COUNTY</u></b>	
<b>Road Rehabilitation</b>	300
REHABILITATE ROAD: Safety improvements US 30 bypass upgrades.	
<b>Road Construction</b>	6,200
CONSTRUCTION: PA 119 reconstruction.	
<b>Road Rehabilitation</b>	1,000
REHABILITATE ROAD: Signal upgrade and congestion management PA130/US 199/Sr 3026/SR 3030.	
<b>Road Rehabilitation</b>	700
REHABILITATE ROAD: Congestion reduction PA 981 and Ligonier street.	
<b>Road Rehabilitation</b>	22,848
REHABILITATE ROAD: Safety improvements Freeport bridge to north of White Cloud road.	
<b>Road Rehabilitation</b>	315
REHABILITATE ROAD: Congestion reduction US 30 corridor city of Jeanette and Hempfield township.	
<b>Road Rehabilitation</b>	28,000
REHABILITATE ROAD: The LVTIP project will upgrade the SR 981 corridor from the intersection with PA 819 in Mount Pleasant township to the intersection with SR 30 in Unity township.	
TOTAL STATE FUNDS.....	\$ 246,535
TOTAL FEDERAL FUNDS.....	0
TOTAL LOCAL FUNDS.....	0
PROGRAM TOTAL.....	<u>\$ 246,535</u>



## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM MOTOR LICENSE FUNDS

#### Program: State Highway and Bridge Maintenance - Bridge

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(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>ALLEGHENY COUNTY</u></b>	
<b>Rehabilitate Bridge</b>	\$ 2,250
REHABILITATE BRIDGE: On Nike site road over Conrail & Robinson Run.	
<b>Rehabilitate Bridge</b>	769
REHABILITATE BRIDGE: On West Ohio street over Norfolk Southern railroad.	
<b>Rehabilitate Bridge</b>	4,033
REHABILITATE BRIDGE: On Sixth street bridge over 10th street bypass.	
<b>Rehabilitate Bridge</b>	900
REHABILITATE BRIDGE: On Armstrong TN over Forbes avenue and 2nd avenue.	
<b>Rehabilitate Bridge</b>	4,900
REHABILITATE BRIDGE: On Washington avenue over Chartiers creek.	
<b>Replacement of Bridge</b>	900
REPLACEMENT BRIDGE: This project will replace a bridge on Boyce road over Campbells run.	
<b>Replacement of Bridge</b>	900
REPLACEMENT BRIDGE: This project will replace a bridge on I 376 ramp C to Campbells run road.	
<b>Replacement of Bridge</b>	570
REPLACEMENT BRIDGE: This project will replace a bridge on ramp Rodi road over Chalfont run.	
<b>Replacement of Bridge</b>	881
REPLACEMENT BRIDGE: This project will replace a bridge on South Negley avenue over Norfolk Southern railroad and Pat East busway.	
<b>Removal of Bridge</b>	115
REMOVAL OF BRIDGE: This project will remove the bridge on Ridge avenue over Norfolk Southern railroad.	
<b>Bridge Preservation</b>	1,600
BRIDGE PRESERVATION: This project will preserve Tarentum bridge over 4th avenue, ramp D, Norfolk Southern railroad.	
<b>Bridge Preservation</b>	4,850
BRIDGE PRESERVATION: This project will preserve New Kensington bridge over SR 9109, Norfolk Southern railroad, Pine, Allegheny river.	
<b>Bridge Preservation</b>	296
BRIDGE PRESERVATION: This project will preserve McKeesport-Duquesne bridge north bound bypass over railroad property.	
<b>Bridge Preservation</b>	444
BRIDGE PRESERVATION: This project will preserve McKeesport-Duquesne bridge Bowman avenue over 1066, ramp, G-E, Cliff street.	
<b>Bridge Preservation</b>	222
BRIDGE PRESERVATION: This project will preserve McKeesport-Duquesne bridge SR 2114 SH over (PA 148) - 5th avenue.	
<b>Bridge Preservation</b>	4,292
BRIDGE PRESERVATION: This project will preserve McKeesport-Duquesne bridge over 3 RR's, Monongahels river.	
<b>Bridge Preservation</b>	74
BRIDGE PRESERVATION: This project will preserve McKeesport-Duquesne bridge ramp H road over Cliff street.	

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### PUBLIC IMPROVEMENT PROJECTS

#### FROM MOTOR LICENSE FUNDS

#### Program: State Highway and Bridge Maintenance - Bridge

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(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>ALLEGHENY COUNTY (continued)</u></b>	
<b>Bridge Preservation</b>	\$ 1,480
BRIDGE PRESERVATION: This project will preserve McKeesport-Duquesne bridge ramp F road over 1066, 392, local streets.	
<b>Bridge Preservation</b>	222
BRIDGE PRESERVATION: This project will preserve McKeesport-Duquesne bridge ramp G road over LR 1066 ramp E (63583-2900).	
<b>Bridge Preservation</b>	296
BRIDGE PRESERVATION: This project will preserve McKeesport-Duquesne bridge ramp G road over LR 1066 ramp E (63583-2899).	
<b><u>ARMSTRONG COUNTY</u></b>	
<b>Rehabilitate Bridge</b>	392
REHABILITATE BRIDGE: On Glade drive over SR 422.	
<b><u>BEAVER COUNTY</u></b>	
<b>Replacement of Bridge</b>	262
REPLACEMENT BRIDGE: This project will replace a bridge on SR 743 on Pittsfield avenue bridge.	
<b>Replacement of Bridge</b>	262
REPLACEMENT BRIDGE: This project will replace a bridge over Blockhouse run.	
<b><u>BERKS COUNTY</u></b>	
<b>Replacement of Bridge</b>	2,194
REPLACEMENT BRIDGE: This project will replace a bridge on SR 2016 over Reading/BM/Northern RR.	
<b>Replacement of Bridge</b>	567
REPLACEMENT BRIDGE: This project will replace a bridge on Normal avenue over Sacony creek.	
<b><u>BRADFORD COUNTY</u></b>	
<b>Rehabilitate Bridge</b>	336
REHABILITATE BRIDGE: On T-762 over Seely creek.	
<b>Bridge Preservation</b>	62
BRIDGE PRESERVATION: This project will repair the bridge on SR220 over Ladds creek.	
<b>Rehabilitate Bridge</b>	248
REHABILITATE BRIDGE: On SR220 over Beaver run.	
<b><u>CARBON COUNTY</u></b>	
<b>Removal of Bridge</b>	1,121
REMOVAL OF BRIDGE: This project will remove the bridge on PA 443 over Gravers dam.	
<b>Rehabilitate Bridge</b>	11,774
REHABILITATE BRIDGE: On SR 443 over Mahoning creek.	
<b>Replacement of Bridge</b>	15,138
REPLACEMENT BRIDGE: This project will replace a bridge on SR 902 over Mahoning creek.	
<b>Removal of Bridge</b>	450
REMOVAL OF BRIDGE: This project will remove the bridge on SR209 over L.C.&N. railroad.	
<b>Bridge Preservation</b>	900
BRIDGE PRESERVATION: This project will repair the bridge on SR 1003 over I-80.	

## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM MOTOR LICENSE FUNDS

#### Program: State Highway and Bridge Maintenance - Bridge

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(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>CLARION COUNTY</u></b>	
<b>Replacement of Bridge</b>	\$ 1,402
REPLACEMENT BRIDGE: This project will replace a bridge on SR 2003 over Jack run.	
<b>Replacement of Bridge</b>	357
REPLACEMENT BRIDGE: This project will replace a bridge on SR 68 over Craggs run.	
<b><u>CLINTON COUNTY</u></b>	
<b>Replacement of Bridge</b>	1,679
REPLACEMENT BRIDGE: This project will replace a bridge on SR 150 over Bitner run.	
<b>Replacement of Bridge</b>	900
REPLACEMENT BRIDGE: This project will replace a bridge on SR 150 over Chatham run.	
<b><u>CRAWFORD COUNTY</u></b>	
<b>Replacement of Bridge</b>	260
REPLACEMENT BRIDGE: This project will replace a bridge on SR 408 Church street over Sugar creek east branch.	
<b>Bridge Preservation</b>	298
BRIDGE PRESERVATION: This project will repair the bridge on SR 2016 Shoemaker over Deckards run.	
<b>Bridge Preservation</b>	298
BRIDGE PRESERVATION: This project will repair the bridge on SR 3005 East Lake over Aubel run.	
<b>Bridge Preservation</b>	298
BRIDGE PRESERVATION: This project will repair the bridge on SR 3007 South Lake road over tributary to Pymatuning reservoir.	
<b>Bridge Preservation</b>	298
BRIDGE PRESERVATION: This project will repair the bridge on SR 3010 Espyville over Fenner run.	
<b><u>ERIE COUNTY</u></b>	
<b>Rehabilitate Bridge</b>	68
REHABILITATE BRIDGE: On SR 1009 Wales road over Six Mile creek (106443-16213).	
<b>Rehabilitate Bridge</b>	68
REHABILITATE BRIDGE: On SR 1009 Wales road over Six Mile creek (106443-16212).	
<b>Rehabilitate Bridge</b>	68
REHABILITATE BRIDGE: On SR 2006 Waterford road over French creek.	
<b>Rehabilitate Bridge</b>	68
REHABILITATE BRIDGE: On SR 2018 Elgin road over French creek south branch.	
<b>Rehabilitate Bridge</b>	68
REHABILITATE BRIDGE: On SR 3011 Knapp road over Marsh run.	
<b>Rehabilitate Bridge</b>	68
REHABILITATE BRIDGE: On SR 3025 over Trout run.	
<b>Rehabilitate Bridge</b>	86
REHABILITATE BRIDGE: On SR 90 west bound over SR 426 Findly Lake road.	
<b>Rehabilitate Bridge</b>	137
REHABILITATE BRIDGE: On SR 90 west bound over CSX railroad.	
<b>Rehabilitate Bridge</b>	137
REHABILITATE BRIDGE: On SR 90 east bound over CSX railroad.	
<b>Rehabilitate Bridge</b>	77
REHABILITATE BRIDGE: On SR 90 west bound over Norfolk Southern railroad.	

## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM MOTOR LICENSE FUNDS

#### Program: State Highway and Bridge Maintenance - Bridge

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<u>Total Project Cost</u>
<b><u>ERIE COUNTY (continued)</u></b>	
<b>Rehabilitate Bridge</b>	\$ 77
REHABILITATE BRIDGE: On SR 90 east bound over Norfolk Southern railroad.	
<b>Rehabilitate Bridge</b>	86
REHABILITATE BRIDGE: On SR 90 east bound over SR 426 Findly Lake road.	
<b>Rehabilitate Bridge</b>	137
REHABILITATE BRIDGE: On SR 90 west bound over Twenty Mile creek.	
<b>Rehabilitate Bridge</b>	137
REHABILITATE BRIDGE: On SR 90 east bound over Twenty Mile creek.	
<b><u>FAYETTE COUNTY</u></b>	
<b>Replacement of Bridge</b>	900
REPLACEMENT BRIDGE: This project will replace a bridge on SR 21 over SR 166.	
<b>Replacement of Bridge</b>	925
REPLACEMENT BRIDGE: This project will replace a bridge on SR 1055 over Ferguson run.	
<b>Replacement of Bridge</b>	5,350
REPLACEMENT BRIDGE: This project will replace a bridge on SR 2040 US 40 business over Coal Lick run.	
<b>Replacement of Bridge</b>	6,300
REPLACEMENT BRIDGE: This project will replace a bridge on SR 2040 US 40 business over Redstone creek.	
<b>Replacement of Bridge</b>	335
REPLACEMENT BRIDGE: This project will replace a bridge on SR 4046 over Lutz run.	
<b><u>FOREST COUNTY</u></b>	
<b>Bridge Preservation</b>	298
BRIDGE PRESERVATION: This project will repair the bridge on SR 3004 Golinza road over Irish run.	
<b>Bridge Preservation</b>	298
BRIDGE PRESERVATION: This project will repair the bridge on SR 4004 German Hill over Turkey run.	
<b><u>GREENE COUNTY</u></b>	
<b>Replacement of Bridge</b>	416
REPLACEMENT BRIDGE: This project will replace a bridge on township road 634 over Muddy creek.	
<b>Replacement of Bridge</b>	450
REPLACEMENT BRIDGE: This project will replace a bridge on SR 4029 over Pettit run.	
<b><u>INDIANA COUNTY</u></b>	
<b>Replacement of Bridge</b>	971
REPLACEMENT BRIDGE: This project will replace a bridge on SR 422 over Curry run.	
<b>Replacement of Bridge</b>	3,483
REPLACEMENT BRIDGE: This project will replace a bridge on SR 4055 over Marsh run.	
<b>Replacement of Bridge</b>	2,301
REPLACEMENT BRIDGE: This project will replace a bridge on SR 286 over Marsh run.	
<b>Replacement of Bridge</b>	2,301
REPLACEMENT BRIDGE: This project will replace a bridge on SR 4032 over Whites run.	
<b>Replacement of Bridge</b>	562
REPLACEMENT BRIDGE: This project will replace a bridge on SR 4026 over Little Mahoning creek.	

## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM MOTOR LICENSE FUNDS

#### Program: State Highway and Bridge Maintenance - Bridge

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>JUNIATA COUNTY</u></b>	
<b>Bridge Preservation</b>	\$ 900
BRIDGE PRESERVATION: This project will repair the bridge on SR 34 over tributary Markee creek.	
<b>Bridge Preservation</b>	900
BRIDGE PRESERVATION: This project will repair the bridge on SR 75 over tributary Tuscarora creek.	
<b>Bridge Preservation</b>	900
BRIDGE PRESERVATION: This project will repair the bridge on SR 3017 over tributary Tuscarora creek.	
<b>Rehabilitate Bridge</b>	900
REHABILITATE BRIDGE: On SR 3018 over tributary Tuscarora creek.	
<b><u>LANCASTER COUNTY</u></b>	
<b>Replacement of Bridge</b>	782
REPLACEMENT BRIDGE: This project will replace a bridge on SR 441 over tributary to Susquehanna.	
<b>Replacement of Bridge</b>	595
REPLACEMENT BRIDGE: This project will replace a bridge on SR 441 River road over tributary to Susquehanna.	
<b><u>LAWRENCE COUNTY</u></b>	
<b>Replacement of Bridge</b>	184
REPLACEMENT BRIDGE: This project will replace a bridge on T 473 over Jenkins run.	
<b>Replacement of Bridge</b>	183
REPLACEMENT BRIDGE: This project will replace a bridge on Maple street extension over McClures run.	
<b>Replacement of Bridge</b>	1,000
REPLACEMENT BRIDGE: This project will replace a bridge on Coffe run road over Coffee run.	
<b>Replacement of Bridge</b>	1,925
REPLACEMENT BRIDGE: This project will replace a bridge on East Washington street over Neshannock creek.	
<b>Bridge Preservation</b>	2,900
BRIDGE PRESERVATION: This project will repair the bridge on bypass-Falls street over Shenango river.	
<b><u>LEHIGH COUNTY</u></b>	
<b>Replacement of Bridge</b>	900
REPLACEMENT BRIDGE: This project will replace a bridge on SR 222 over Schaefer run.	
<b>Replacement of Bridge</b>	900
REPLACEMENT BRIDGE: This project will replace a bridge on SR 3012 over Schaefer run.	
<b><u>LYCOMING COUNTY</u></b>	
<b>Rehabilitate Bridge</b>	335
REHABILITATE BRIDGE: On SR 3018 over First Fork.	
<b><u>MIFFLIN COUNTY</u></b>	
<b>Bridge Preservation</b>	900
BRIDGE PRESERVATION: This project will repair the bridge on SR 103 over tributary Juniata river.	
<b><u>MONTOUR COUNTY</u></b>	
<b>Removal of Bridge</b>	2,400
REMOVAL OF BRIDGE: This project will remove the bridge on T-392 county bridge #9 over Mud creek.	

## Department of Transportation 2019-20 Projects

### PUBLIC IMPROVEMENT PROJECTS

#### FROM MOTOR LICENSE FUNDS

#### Program: State Highway and Bridge Maintenance - Bridge

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
<b><u>POTTER COUNTY</u></b>	
<b>Replacement of Bridge</b>	\$ 659
REPLACEMENT BRIDGE: This project will replace a bridge on SR 4016 over Orebed creek.	
<b>Rehabilitate Bridge</b>	756
REHABILITATE BRIDGE: On SR 6 over Lyman creek.	
<b>Rehabilitate Bridge</b>	408
REHABILITATE BRIDGE: On SR 244 over Tyler Hollow run.	
<b>Rehabilitate Bridge</b>	348
REHABILITATE BRIDGE: On SR 3001 over Birch run.	
<b><u>SCHUYLKILL COUNTY</u></b>	
<b>Bridge Preservation</b>	900
BRIDGE PRESERVATION: This project will repair the bridge on PA 901 over Mahanoy creek.	
<b><u>TIOGA COUNTY</u></b>	
<b>Bridge Preservation</b>	258
BRIDGE PRESERVATION: This project will repair the bridge on SR 15 SB over Johnson creek & SR 2016.	
<b>Bridge Preservation</b>	259
BRIDGE PRESERVATION: This project will repair the bridge on SR 15 NB over Johnson creek & SR 2016.	
<b><u>VENANGO COUNTY</u></b>	
<b>Replacement of Bridge</b>	200
REPLACEMENT BRIDGE: This project will replace a bridge on SR 3006 over Whann run.	
<b><u>WARREN COUNTY</u></b>	
<b>Rehabilitate Bridge</b>	435
REHABILITATE BRIDGE: On SR 62 over Allegheny railroad.	
<b><u>WASHINGTON COUNTY</u></b>	
<b>Rehabilitate Bridge</b>	900
REHABILITATE BRIDGE: On SR 3027 over branch of Buffalo creek.	
<b>Replacement of Bridge</b>	1,519
REPLACEMENT BRIDGE: This project will replace a bridge on SR 1059 over branch of Mingo creek.	
<b>Replacement of Bridge</b>	900
REPLACEMENT BRIDGE: This project will replace a bridge (Catholic Church) over Pigeon creek.	
<b><u>WESTMORELAND COUNTY</u></b>	
<b>Replacement of Bridge</b>	691
REPLACEMENT BRIDGE: This project will replace a bridge on SR 366 over Pucketa creek.	
<b>Rehabilitate Bridge</b>	300
REHABILITATE BRIDGE: On SR 356 over Pine run.	
<b>Replacement of Bridge</b>	900
REPLACEMENT BRIDGE: This project will replace a bridge on SR 4019 over Brush creek.	
<b><u>YORK COUNTY</u></b>	
<b>Replacement of Bridge</b>	1,020
REPLACEMENT BRIDGE: This project will replace a bridge on SR 2051 over Neill run.	
<b>Bridge Preservation</b>	450
BRIDGE PRESERVATION: This project will repair the bridge on SR 851 over Scott creek.	

**Department of Transportation 2019-20 Projects**

**PUBLIC IMPROVEMENT PROJECTS**

**FROM MOTOR LICENSE FUNDS**

**Program: State Highway and Bridge Maintenance - Bridge**

*This section provides a brief description of each recommended project, its location and cost components. Unless otherwise noted, these nonrecurring capital investments will not affect the agency's current or future operating budgets nor affect the services provided by the agency.*

(Dollar Amounts in Thousands)

	<b>Total Project Cost</b>
TOTAL STATE FUNDS.....	\$ 123,169
TOTAL FEDERAL FUNDS.....	0
TOTAL LOCAL FUNDS.....	0
PROGRAM TOTAL.....	<u>\$ 123,169</u>

TOTAL STATE FUNDS.....

TOTAL FEDERAL FUNDS.....

TOTAL LOCAL FUNDS.....

PROGRAM TOTAL.....

## FORECAST OF FUTURE NEW PROJECT AUTHORIZATIONS

### State Funds

This table provides a summary of the estimated level of future authorizations by department from bond funds and current revenue sources.

(Dollar Amounts in Thousands)

	2020-21	2021-22	2022-23	2023-24
Agriculture.....	\$ 33,142	\$ 33,944	\$ 25,890	\$ 25,000
Conservation and Natural Resources.....	61,641	76,695	74,369	74,000
Criminal Justice.....	28,417	29,679	22,527	22,000
Education.....	183,051	234,424	210,710	210,000
Environmental Protection.....	28,831	24,845	18,350	24,150
General Services.....	37,838	16,151	24,635	25,000
Historical and Museum Commission.....	23,171	22,419	22,693	22,500
Human Services.....	50,931	46,401	49,791	50,000
Military and Veterans Affairs.....	28,953	21,099	21,587	22,000
State Police.....	22,045	21,557	20,768	21,000
Transportation.....	3,117,085	3,144,291	3,179,869	3,217,000
<b>TOTAL.....</b>	<b>\$ 3,615,105</b>	<b>\$ 3,671,505</b>	<b>\$ 3,671,189</b>	<b>\$ 3,712,650</b>



## Forecast of Future Projects

This section contains estimated authorizations (State funds only) for future Capital Budgets from 2020-21 through 2023-24. Amounts in this section are grouped by department, along with the general types of projects involved, and are identified by capital project category.

(Dollar Amounts in Thousands)

### FROM CAPITAL FACILITIES BOND FUNDS

#### Agriculture

PUBLIC IMPROVEMENT PROJECTS: Provides for improvements at the Farm Show Complex and the laboratory.

2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
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\$ 33,142	\$ 33,944	\$ 25,890	\$ 25,000
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#### Conservation and Natural Resources

PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of support, day use, camping facilities and utility systems at the state parks; construction of district offices, central garages, radio communications systems and rehabilitation of forest roads in forest districts. Also may include original furniture and equipment authorizations.

15,641	30,695	28,369	28,000
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#### Criminal Justice

PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of administrative, industrial, educational and housing facilities and utilities at the state-owned correctional institutions. Also may include original furniture and equipment authorizations.

28,417	29,679	22,527	22,000
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#### 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, State-Owned Schools and for the State-Related Universities. Also may include original furniture and equipment authorizations.

183,051	234,424	210,710	210,000
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#### Environmental Protection

PUBLIC IMPROVEMENT PROJECTS: Provides for construction and improvement projects to protect the environment and the health and safety of citizens using state lands and waterways. These projects include flood protection construction. Also may include original furniture and equipment authorizations.

28,831	24,845	18,350	24,150
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#### General Services

PUBLIC IMPROVEMENT PROJECTS: Provides for the construction, renovation and improvements to state office buildings and facilities.

37,838	16,151	24,635	25,000
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#### 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 historic sites. Also may include original furniture and equipment authorizations.

23,171	22,419	22,693	22,500
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# Capital Budget

## Forecast of Future Projects

(Dollar Amounts in Thousands)

FROM CAPITAL FACILITIES BOND FUNDS (continued)	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>Human Services</b>	\$ 50,931	\$ 46,401	\$ 49,791	\$ 50,000
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of patient buildings, support facilities and utilities at the state institutions for the mentally ill and intellectually disabled, restoration centers and youth development centers. Also may include original furniture and equipment authorizations.				
<b>Military and Veterans Affairs</b>	28,953	21,099	21,587	22,000
PUBLIC IMPROVEMENT PROJECTS: Provides for land acquisition, renovations, additions and replacement at the state armories and veterans' homes. Also may include original furniture and equipment authorizations.				
<b>State Police</b>	22,045	21,557	20,768	21,000
PUBLIC IMPROVEMENT PROJECTS: Provides for renovation, expansion and construction of troop headquarters/station facilities and driver examination facilities. Also may include original furniture and equipment authorizations.				
<b>Transportation</b>	40,585	40,691	35,869	36,000
PUBLIC IMPROVEMENT PROJECTS: Provides for construction of and additions to highway maintenance and district office buildings, driver examination facilities, welcome centers and state-owned airport facilities. Also may include original furniture and equipment authorizations.				
<b>Transportation</b>	175,000	175,000	175,000	175,000
TRANSPORTATION ASSISTANCE PROJECTS: Provides for the purchase/rehabilitation of rolling stock and equipment and for construction/renovation of facilities operated by local mass transportation agencies. Also includes the purchase and improvement of rail lines.				
CAPITAL FACILITIES BOND FUNDS				
Total — Public Improvement Program.....	\$ 492,605	\$ 521,905	\$ 481,189	\$ 485,650
Total — Transportation Assistance Program.....	175,000	175,000	175,000	175,000
<b>SUBTOTAL— CAPITAL FACILITIES BOND FUNDS.....</b>	<b>\$ 667,605</b>	<b>\$ 696,905</b>	<b>\$ 656,189</b>	<b>\$ 660,650</b>

# Capital Budget

## Forecast of Future Projects

(Dollar Amounts in Thousands)

	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>FROM CURRENT REVENUES</b>				
<b>Conservation and Natural Resources</b>	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
PUBLIC IMPROVEMENT PROJECTS — KEYSTONE RECREATION, PARK AND CONSERVATION FUND: Provides for the rehabilitation, repair and development of state park and forest facilities which are critical for visitor safety and environmental protection or essential for facility operation.				
<b>Conservation and Natural Resources</b>	16,000	16,000	16,000	16,000
PUBLIC IMPROVEMENT PROJECTS — ENVIRONMENTAL STEWARDSHIP FUND: Provides for the acquisition, rehabilitation and development of open space, forests, parks and scenic environments.				
<b>Transportation</b>	\$ 2,901,500	\$ 2,928,600	\$ 2,969,000	\$ 3,006,000
HIGHWAY PROJECTS — MOTOR LICENSE FUND: 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.				
<b>CURRENT REVENUES</b>				
Total – Public Improvement Program.....	\$ 46,000	\$ 46,000	\$ 46,000	\$ 46,000
Total – Highway Program.....	2,901,500	2,928,600	2,969,000	3,006,000
<b>SUBTOTAL – CURRENT REVENUES.....</b>	<b>\$ 2,947,500</b>	<b>\$ 2,974,600</b>	<b>\$ 3,015,000</b>	<b>\$ 3,052,000</b>
<b>TOTAL – ALL PROGRAMS.....</b>	<b>\$ 3,615,105</b>	<b>\$ 3,671,505</b>	<b>\$ 3,671,189</b>	<b>\$ 3,712,650</b>

## ESTIMATED CAPITAL PROJECT EXPENDITURES BY DEPARTMENT

This table provides a summary of total estimated capital expenditures for state funds by department.

(Dollar Amounts in Thousands)

Department	2019-20 Estimated	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
Executive Offices.....	\$ 1,271	\$ 395	\$ 314	\$ 221	\$ 225
Agriculture.....	5,302	33,142	33,944	25,890	25,000
Conservation and Natural Resources.....	59,722	76,695	74,369	74,752	74,000
Community and Economic Development.....	250,000	250,000	250,000	250,000	250,000
Criminal Justice.....	31,697	28,417	29,679	22,527	22,000
Education.....	162,537	183,051	234,424	210,710	210,000
Environmental Protection.....	16,488	28,831	24,845	18,350	24,150
General Services.....	37,900	37,838	16,151	24,635	25,000
Historical and Museum Commission.....	22,875	23,171	22,419	22,693	22,500
Human Services.....	50,276	50,931	46,401	49,791	50,000
Military and Veterans Affairs.....	37,138	28,953	21,099	21,587	22,000
State Police.....	12,031	22,045	21,557	20,768	21,000
Transportation.....	2,463,345	3,117,085	3,144,291	3,179,869	3,217,000
<b>TOTAL - ALL STATE FUNDS.....</b>	<b>\$ 3,150,582</b>	<b>\$ 3,880,554</b>	<b>\$ 3,919,493</b>	<b>\$ 3,921,793</b>	<b>\$ 3,962,875</b>

## Estimate of Capital Expenditures

This table provides estimated capital expenditures by department for currently authorized capital projects, projects recommended in this budget and potential future authorizations.

(Dollar Amounts in Thousands)

	<u>2019-20</u> <u>Estimated</u>	<u>2020-21</u> <u>Estimated</u>	<u>2021-22</u> <u>Estimated</u>	<u>2022-23</u> <u>Estimated</u>	<u>2023-24</u> <u>Estimated</u>
<b>CAPITAL FACILITIES BOND FUNDS</b>					
<b>Executive Offices</b>					
Public Improvement Projects					
Projects in 2019-20 Budget					
Buildings and Structures.....	\$ 1,271	\$ 0	\$ 0	\$ 0	\$ 0
Furniture and Equipment.....	0	0	0	0	0
Future Projects (2020-24)					
Buildings and Structures.....	0	395	314	221	225
Furniture and Equipment.....	0	0	0	0	0
TOTAL - EXECUTIVE OFFICES.....	<u>\$ 1,271</u>	<u>\$ 395</u>	<u>\$ 314</u>	<u>\$ 221</u>	<u>\$ 225</u>
<b>Agriculture</b>					
Public Improvement Projects					
Projects in 2019-20 Budget					
Buildings and Structures.....	\$ 5,302	\$ 0	\$ 0	\$ 0	\$ 0
Furniture and Equipment.....	0	0	0	0	0
Future Projects (2020-24)					
Buildings and Structures.....	0	33,142	33,944	25,890	25,000
Furniture and Equipment.....	0	0	0	0	0
TOTAL - AGRICULTURE.....	<u>\$ 5,302</u>	<u>\$ 33,142</u>	<u>\$ 33,944</u>	<u>\$ 25,890</u>	<u>\$ 25,000</u>
<b>Conservation and Natural Resources</b>					
Public Improvement Projects					
Projects in 2019-20 Budget					
Buildings and Structures.....	\$ 15,641	\$ 0	\$ 0	\$ 0	\$ 0
Furniture and Equipment.....	0	0	0	0	0
Future Projects (2020-24)					
Buildings and Structures.....	0	30,695	28,369	28,752	28,000
Furniture and Equipment.....	0	0	0	0	0
TOTAL - CONSERVATION AND NATURAL RESOURCES.....	<u>\$ 15,641</u>	<u>\$ 30,695</u>	<u>\$ 28,369</u>	<u>\$ 28,752</u>	<u>\$ 28,000</u>
<b>Community and Economic Development</b>					
Public Improvement Projects					
Projects in 2019-20 Budget					
Buildings and Structures.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Furniture and Equipment.....	0	0	0	0	0
Future Projects (2020-24)					
Buildings and Structures.....	0	0	0	0	0
Furniture and Equipment.....	0	0	0	0	0
Subtotal.....	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Redevelopment Assistance Projects					
Projects Currently Authorized					
Acquisition and Construction.....	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
TOTAL - COMMUNITY AND ECONOMIC DEVELOPMENT.....	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>

## Estimate of Capital Expenditures

(Dollar Amounts in Thousands)

	<u>2019-20</u> <u>Estimated</u>	<u>2020-21</u> <u>Estimated</u>	<u>2021-22</u> <u>Estimated</u>	<u>2022-23</u> <u>Estimated</u>	<u>2023-24</u> <u>Estimated</u>
<b>Criminal Justice</b>					
Public Improvement Projects					
Projects in 2019-20 Budget					
Buildings and Structures.....	\$ 31,697	\$ 0	\$ 0	\$ 0	\$ 0
Furniture and Equipment.....	0	0	0	0	0
Future Projects (2020-24)					
Buildings and Structures.....	0	28,417	29,679	22,527	22,000
Furniture and Equipment.....	0	0	0	0	0
TOTAL CRIMINAL JUSTICE.....	<u>\$ 31,697</u>	<u>\$ 28,417</u>	<u>\$ 29,679</u>	<u>\$ 22,527</u>	<u>\$ 22,000</u>
<b>Education</b>					
Public Improvement Projects					
Projects in 2019-20 Budget					
Buildings and Structures.....	\$ 162,537	\$ 0	\$ 0	\$ 0	\$ 0
Furniture and Equipment.....	0	0	0	0	0
Future Projects (2020-24)					
Buildings and Structures.....	0	183,051	234,424	210,710	210,000
Furniture and Equipment.....	0	0	0	0	0
TOTAL - EDUCATION.....	<u>\$ 162,537</u>	<u>\$ 183,051</u>	<u>\$ 234,424</u>	<u>\$ 210,710</u>	<u>\$ 210,000</u>
<b>Environmental Protection</b>					
Public Improvement Projects					
Projects in 2019-20 Budget					
Buildings and Structures.....	\$ 16,488	\$ 0	\$ 0	\$ 0	\$ 0
Furniture and Equipment.....	0	0	0	0	0
Future Projects (2020-24)					
Buildings and Structures.....	0	27,456	23,195	18,350	24,150
Furniture and Equipment.....	0	0	0	0	0
Subtotal .....	<u>\$ 16,488</u>	<u>\$ 27,456</u>	<u>\$ 23,195</u>	<u>\$ 18,350</u>	<u>\$ 24,150</u>
Flood Control Projects					
Projects Currently Authorized					
Structures and Improvements.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Projects in 2019-20 Budget					
Structures and Improvements.....	0	0	0	0	0
Future Projects (2020-24)					
Structures and Improvements.....	0	1,375	1,650	0	0
Subtotal .....	<u>\$ 0</u>	<u>\$ 1,375</u>	<u>\$ 1,650</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL - ENVIRONMENTAL PROTECTION.....	<u>\$ 16,488</u>	<u>\$ 28,831</u>	<u>\$ 24,845</u>	<u>\$ 18,350</u>	<u>\$ 24,150</u>
<b>General Services</b>					
Public Improvement Projects					
Projects in 2019-20 Budget					
Buildings and Structures.....	\$ 37,900	\$ 0	\$ 0	\$ 0	\$ 0
Furniture and Equipment.....	0	0	0	0	0
Future Projects (2020-24)					
Buildings and Structures.....	0	37,838	16,151	24,635	25,000
Furniture and Equipment.....	0	0	0	0	0
TOTAL - GENERAL SERVICES.....	<u>\$ 37,900</u>	<u>\$ 37,838</u>	<u>\$ 16,151</u>	<u>\$ 24,635</u>	<u>\$ 25,000</u>

## Estimate of Capital Expenditures

(Dollar Amounts in Thousands)

	2019-20 Estimated	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>Historical and Museum Commission</b>					
Public Improvement Projects					
Projects in 2019-20 Budget					
Buildings and Structures.....	\$ 22,875	\$ 0	\$ 0	\$ 0	\$ 0
Furniture and Equipment.....	0	0	0	0	0
Future Projects (2020-24)					
Buildings and Structures.....	0	23,171	22,419	22,693	22,500
Furniture and Equipment.....	0	0	0	0	0
<b>TOTAL - HISTORICAL AND MUSEUM .....</b>	<b>\$ 22,875</b>	<b>\$ 23,171</b>	<b>\$ 22,419</b>	<b>\$ 22,693</b>	<b>\$ 22,500</b>
<b>Human Services</b>					
Public Improvement Projects					
Projects in 2019-20 Budget					
Buildings and Structures.....	\$ 50,276	\$ 0	\$ 0	\$ 0	\$ 0
Furniture and Equipment.....	0	0	0	0	0
Future Projects (2020-24)					
Buildings and Structures.....	0	50,931	46,401	49,791	50,000
Furniture and Equipment.....	0	0	0	0	0
<b>TOTAL - HUMAN SERVICES.....</b>	<b>\$ 50,276</b>	<b>\$ 50,931</b>	<b>\$ 46,401</b>	<b>\$ 49,791</b>	<b>\$ 50,000</b>
<b>Military and Veterans Affairs</b>					
Public Improvement Projects					
Projects in 2019-20 Budget					
Buildings and Structures.....	\$ 37,138	\$ 0	\$ 0	\$ 0	\$ 0
Furniture and Equipment.....	0	0	0	0	0
Future Projects (2020-24)					
Buildings and Structures.....	0	28,953	21,099	21,587	22,000
Furniture and Equipment.....	0	0	0	0	0
<b>TOTAL - MILITARY AND VETERANS AFFAIRS.....</b>	<b>\$ 37,138</b>	<b>\$ 28,953</b>	<b>\$ 21,099</b>	<b>\$ 21,587</b>	<b>\$ 22,000</b>
<b>State Police</b>					
Public Improvement Projects					
Projects in 2019-20 Budget					
Buildings and Structures.....	\$ 12,031	\$ 0	\$ 0	\$ 0	\$ 0
Furniture and Equipment.....	0	0	0	0	0
Future Projects (2020-24)					
Buildings and Structures.....	0	22,045	21,557	20,768	21,000
Furniture and Equipment.....	0	0	0	0	0
<b>TOTAL - STATE POLICE .....</b>	<b>\$ 12,031</b>	<b>\$ 22,045</b>	<b>\$ 21,557</b>	<b>\$ 20,768</b>	<b>\$ 21,000</b>
<b>Transportation</b>					
Public Improvement Projects					
Projects in 2019-20 Budget					
Buildings and Structures.....	\$ 28,841	\$ 0	\$ 0	\$ 0	\$ 0
Furniture and Equipment.....	0	0	0	0	0
Future Projects (2020-24)					
Buildings and Structures.....	0	40,585	40,691	35,869	36,000
Furniture and Equipment.....	0	0	0	0	0
<b>Subtotal.....</b>	<b>\$ 28,841</b>	<b>\$ 40,585</b>	<b>\$ 40,691</b>	<b>\$ 35,869</b>	<b>\$ 36,000</b>

## Estimate of Capital Expenditures

(Dollar Amounts in Thousands)

	<u>2019-20</u> <u>Estimated</u>	<u>2020-21</u> <u>Estimated</u>	<u>2021-22</u> <u>Estimated</u>	<u>2022-23</u> <u>Estimated</u>	<u>2023-24</u> <u>Estimated</u>
<b>Transportation (continued)</b>					
Transportation Assistance Projects					
Projects Currently Authorized					
Mass Transit, Rail and Air.....	\$ 61,250	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000
Projects in 2019-20 Budget					
Mass Transit, Rail and Air.....	113,750	131,000	131,000	131,000	131,000
Future Projects (2020-24)					
Mass Transit, Rail and Air.....	0	16,000	16,000	16,000	16,000
Subtotal.....	<u>\$ 175,000</u>	<u>\$ 175,000</u>	<u>\$ 175,000</u>	<u>\$ 175,000</u>	<u>\$ 175,000</u>
TOTAL - TRANSPORTATION.....	<u>\$ 203,841</u>	<u>\$ 215,585</u>	<u>\$ 215,691</u>	<u>\$ 210,869</u>	<u>\$ 211,000</u>
<b>TOTAL - CAPITAL FACILITIES BOND FUNDS</b>					
Public Improvement Projects					
Buildings and Structures.....	\$ 421,997	\$ 506,679	\$ 518,243	\$ 481,793	\$ 485,875
Furniture and Equipment.....	0	0	0	0	0
Redevelopment Assistance Projects					
Acquisition and Construction.....	250,000	250,000	250,000	250,000	250,000
Flood Control Projects					
Structures and Improvements.....	0	1,375	1,650	0	0
Transportation Assistance Projects.....					
Mass Transit, Rail and Air.....	175,000	175,000	175,000	175,000	175,000
TOTAL.....	<u>\$ 846,997</u>	<u>\$ 933,054</u>	<u>\$ 944,893</u>	<u>\$ 906,793</u>	<u>\$ 910,875</u>
<b>CURRENT REVENUES</b>					
<b>KEYSTONE RECREATION, PARK AND CONSERVATION FUND</b>					
<b>Conservation and Natural Resources</b>					
Keystone Recreation, Park and Conservation Projects - Acquisition, Improvements and Restoration.....					
Projects in 2019-20 Budget	\$ 27,110	\$ 0	\$ 0	\$ 0	\$ 0
Future Projects (2020-24)	0	30,000	30,000	30,000	30,000
Subtotal.....	<u>\$ 27,110</u>	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 30,000</u>
<b>ENVIRONMENTAL STEWARDSHIP FUND</b>					
<b>Conservation and Natural Resources</b>					
Environmental Stewardship Projects - Acquisition, Rehabilitation and Development					
Projects in 2019-20 Budget	\$ 16,971	\$ 0	\$ 0	\$ 0	\$ 0
Future Projects (2020-24)	0	16,000	16,000	16,000	16,000
Subtotal.....	<u>\$ 16,971</u>	<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>\$ 16,000</u>
TOTAL - CONSERVATION AND NATURAL RESOURCES.....	<u>\$ 44,081</u>	<u>\$ 46,000</u>	<u>\$ 46,000</u>	<u>\$ 46,000</u>	<u>\$ 46,000</u>



## Estimate of Capital Expenditures

(Dollar Amounts in Thousands)

	<u>2019-20</u> <u>Estimated</u>	<u>2020-21</u> <u>Estimated</u>	<u>2021-22</u> <u>Estimated</u>	<u>2022-23</u> <u>Estimated</u>	<u>2023-24</u> <u>Estimated</u>
<b>Transportation (continued)</b>					
<b>MOTOR LICENSE FUND</b>					
<b>Transportation</b>					
Highway and Bridge Projects					
Projects in 2019-20 Budget	\$ 2,259,504	\$ 0	\$ 0	\$ 0	\$ 0
Future Projects (2020-24)	0	2,901,500	2,928,600	2,969,000	3,006,000
<b>TOTAL - TRANSPORTATION.....</b>	<b><u>\$ 2,259,504</u></b>	<b><u>\$ 2,901,500</u></b>	<b><u>\$ 2,928,600</u></b>	<b><u>\$ 2,969,000</u></b>	<b><u>\$ 3,006,000</u></b>
<b>TOTAL - CURRENT REVENUES</b>					
Acquisition, Improvement and Restoration Projects					
Keystone Recreation, Park and Conservation Fund.....	\$ 27,110	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Acquisition, Rehabilitation and Development Projects					
Environmental Stewardship Fund.....	16,971	16,000	16,000	16,000	16,000
Highway and Bridge Projects					
Motor License Fund .....	2,259,504	2,901,500	2,928,600	2,969,000	3,006,000
<b>TOTAL - CURRENT REVENUES.....</b>	<b><u>\$ 2,303,585</u></b>	<b><u>\$ 2,947,500</u></b>	<b><u>\$ 2,974,600</u></b>	<b><u>\$ 3,015,000</u></b>	<b><u>\$ 3,052,000</u></b>
<b>TOTAL - ALL STATE FUNDS.....</b>	<b><u>\$ 3,150,582</u></b>	<b><u>\$ 3,880,554</u></b>	<b><u>\$ 3,919,493</u></b>	<b><u>\$ 3,921,793</u></b>	<b><u>\$ 3,962,875</u></b>

Totals may not add due to rounding.



Commonwealth of Pennsylvania

## Governor's Executive Budget

# *PUBLIC DEBT*

This section presents data on the debt obligations of the commonwealth. Debt financing is used by the commonwealth to finance its capital programs, finance voter-approved bond referendums, and fund certain disaster relief programs. Most long-term financing by the commonwealth is provided by the issuance of general obligation debt. Appropriation-backed debt has been used in limited instances for capital purposes. Data on such debt is included in this presentation only in the calculation of the debt ratios shown.

The Commonwealth Constitution permits debt to be issued for (i) capital projects in approved capital budgets; (ii) purposes approved by voter referendum; and (iii) response to disasters. The following items are guidelines the commonwealth follows in executing its capital and other debt financing activities:

- Referenda to authorize additional debt should be submitted to the voters only for critical needs when sufficient other resources are not available.
- The general obligation pledge of the commonwealth is the preferred source of security for commonwealth debt.
- A moral obligation pledge of the commonwealth should not be given beyond those already given.
- Revenue pledges are to be used only by independent agencies and authorities that cannot pledge the commonwealth's general obligation.
- Lease revenue debt should be used only when budgetary restraints prohibit current revenue funding for assets that are infrequently obtained and do not meet capital project definitions.
- Debt should be structured to mature within the useful life of the projects being financed.
- All long-term financing should be sold by competitive bid.
- Short-term borrowing should not comprise a majority of outstanding debt.
- Debt service paid by the General Fund should not exceed five percent of revenues.
- Capital projects addressing health, safety and public protection receive top priority for activation. New construction projects have the lowest priority.
- Highway capital projects should be funded from current revenues of the Motor License Fund.

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## DEBT AUTHORIZED, ISSUED AND OUTSTANDING

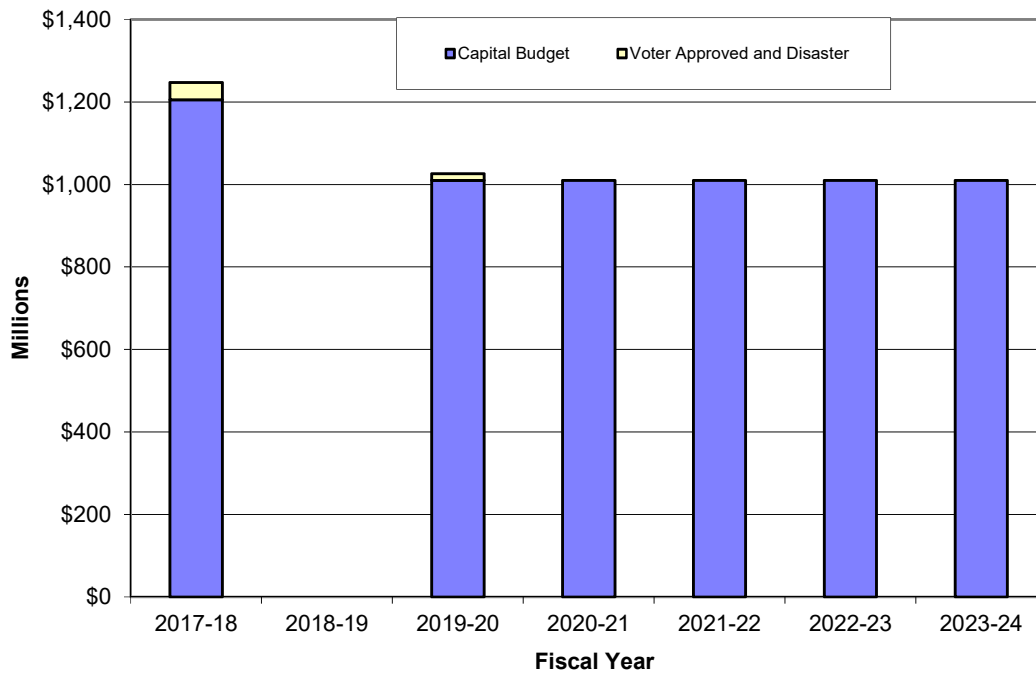
The following statement reflects the debt of the commonwealth as of December 31, 2018. Issues for which all authorized debt has been previously issued and for which said debt has been completely redeemed are not included. The Constitution permits capital budget debt to be issued without voter approval but subject to a debt limit. Except for debt issued for disaster recovery purposes, all other debt requires voter approval.

	(Dollar Amounts in Thousands)		
	Total Debt Authorized	Original Debt Issued	Debt Outstanding
<b>Debt Subject to Constitutional Limit</b>			
Capital Budget.....	\$ 161,490,365	\$ 27,405,955	\$ 7,472,054
Capital Budget Refunding Bonds Outstanding.....	NA	NA	3,409,005
Less: Capital Debt Fund Balance.....	NA	NA	0
Subtotal.....	<u>\$ 161,490,365</u>	<u>\$ 27,405,955</u>	<u>\$ 10,881,059</u>
<b>Debt Not Subject to Constitutional Limit - Voter Approved and Disaster</b>			
Disaster Relief.....	\$ 192,708	\$ 170,800	\$ 0
Disaster Relief 1996.....	110,000	26,000	0
Economic Revitalization.....	190,000	176,000	0
Land and Water Development.....	500,000	499,700	0
Vietnam Veterans' Compensation.....	65,000	62,000	0
Volunteer Companies Loan.....	100,000	50,000	0
Water Facilities - 1981 Referendum.....	300,000	288,500	0
PENNVEST- 1988 & 1992 Referenda.....	650,000	634,000	70,660
PENNVEST- 2008 Referendum.....	400,000	380,400	252,410
Agricultural Conservation Easement.....	100,000	100,000	0
Local Criminal Justice.....	200,000	197,000	0
Nursing Home Loans.....	100,000	69,000	0
Keystone Recreation, Park and Conservation.....	50,000	50,000	0
Water Supply and Wastewater Infrastructure.....	250,000	250,000	42,625
Growing Greener.....	625,000	625,000	171,493
Persian Gulf Conflict Veterans' Compensation.....	20,000	7,000	0
Refunding Bonds Outstanding.....	NA	NA	505,715
Less: Non-capital Sinking Fund Balances.....	NA	NA	-12,026
Subtotal.....	<u>\$ 3,852,708</u>	<u>\$ 3,585,400</u>	<u>\$ 1,030,877</u>
TOTAL.....	<u><u>\$ 165,343,073</u></u>	<u><u>\$ 30,991,355</u></u>	<u><u>\$ 11,911,936</u></u>

## GENERAL OBLIGATION BOND ISSUES 2017-18 Through 2023-24

This table shows the projected amount of general obligation bonds of the commonwealth to be issued during the prior and current fiscal year and the subsequent five fiscal years based on current projects. Refunding bonds are not included in the data.

**New General Obligation Bond Issues**

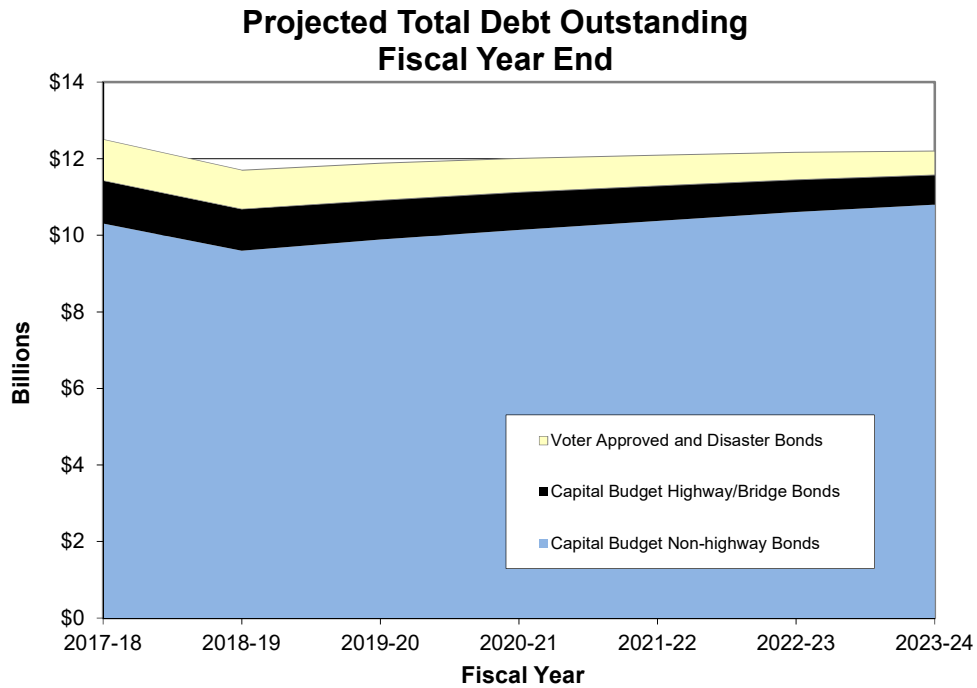


	(Dollar Amounts in Thousands)						
	2017-18 Actual	2018-19 Estimated*	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>General Obligation Bond Issues</b>							
<b>Capital Budget</b>							
Buildings and Structures.....	\$ 680,000	\$ 0	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000	\$ 550,000
Flood Control.....	0	0	0	0	0	0	0
Furnishings and Equipment.....	0	0	10,000	10,000	10,000	10,000	10,000
Redevelopment Assistance.....	175,000	0	275,000	275,000	275,000	275,000	275,000
Transportation Assistance.....	350,000	0	175,000	175,000	175,000	175,000	175,000
Bridge Projects.....	0	0	0	0	0	0	0
Subtotal.....	<u>\$ 1,205,000</u>	<u>\$ 0</u>	<u>\$ 1,010,000</u>	<u>\$ 1,010,000</u>	<u>\$ 1,010,000</u>	<u>\$ 1,010,000</u>	<u>\$ 1,010,000</u>
<b>Voter Approved and Disaster</b>							
PENNVEST -- 1988, 1992 & 2008 Ref.....	\$ 16,000	\$ 0	\$ 16,000	\$ 0	\$ 0	\$ 0	\$ 0
Water and Wastewater Referendum.....	0	0	0	0	0	0	0
Growing Greener Referendum.....	26,000	0	0	0	0	0	0
Subtotal.....	<u>\$ 42,000</u>	<u>\$ 0</u>	<u>\$ 16,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>TOTAL.....</b>	<u><b>\$ 1,247,000</b></u>	<u><b>\$ 0</b></u>	<u><b>\$ 1,026,000</b></u>	<u><b>\$ 1,010,000</b></u>	<u><b>\$ 1,010,000</b></u>	<u><b>\$ 1,010,000</b></u>	<u><b>\$ 1,010,000</b></u>

\* As of the date of this publication, no Capital Budget Bill has been passed.

## GENERAL OBLIGATION DEBT OUTSTANDING 2017-18 Through 2023-24

Outstanding debt of the commonwealth is projected using the proposed bond issuance contained in this budget and encompasses all general obligation debt. Sinking fund balances are excluded. Only capital budget debt is subject to the constitutional debt limit [Article VIII, Section 7(a)(4)].

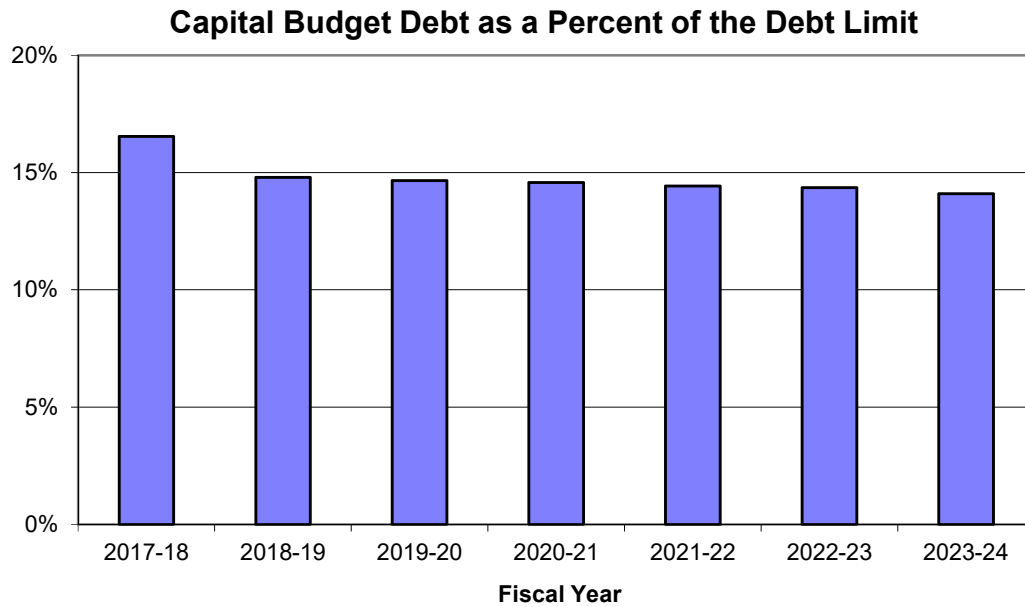


(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Estimated	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>Fiscal Year End Debt Outstanding</b>							
Capital Budget Non-Highway Bonds....	\$ 10,305,276	\$ 9,594,356	\$ 9,881,605	\$ 10,139,341	\$ 10,373,669	\$ 10,604,278	\$ 10,799,238
Capital Budget Highway/Bridge Bonds	1,120,460	1,086,286	1,035,460	981,989	916,660	847,892	775,147
Voter Approved and Disaster Bonds....	1,082,664	1,020,714	962,510	885,991	805,405	718,719	626,721
<b>TOTAL.....</b>	<b>\$ 12,508,400</b>	<b>\$ 11,701,356</b>	<b>\$11,879,575</b>	<b>\$ 12,007,321</b>	<b>\$ 12,095,734</b>	<b>\$ 12,170,889</b>	<b>\$ 12,201,106</b>

## CONSTITUTIONAL DEBT LIMIT 2017-18 Through 2023-24

The state constitution limits outstanding capital budget debt to 1.75 times the average tax revenues during the previous five (5) fiscal years. Voter approved and disaster relief debt are not subject to the constitutional debt limit. The table and chart below present actual data for one fiscal year and current projections for six fiscal years.



(Dollar Amounts in Thousands)

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Actual	Estimated	Budget	Estimated	Estimated	Estimated	Estimated

### Debt Limit Projection

#### Capital Budget Debt Subject to Constitutional Debt Limit:

##### Outstanding Debt

Beginning of Fiscal Year*	\$ 10,915,347	\$ 11,380,728	\$ 10,635,633	\$ 10,872,056	\$ 11,076,321	\$ 11,245,319	\$ 11,407,160
Debt to be Issued**	2,033,475	0	1,010,000	1,010,000	1,010,000	1,010,000	1,010,000
Debt to be Retired***	-1,568,094	-745,095	-773,577	-805,735	-841,002	-848,159	-887,785

##### Outstanding Debt

End of Fiscal Year*	<u>\$ 11,380,728</u>	<u>\$ 10,635,633</u>	<u>\$ 10,872,056</u>	<u>\$ 11,076,321</u>	<u>\$ 11,245,319</u>	<u>\$ 11,407,160</u>	<u>\$ 11,529,375</u>
Debt Limit (from below)	68,808,014	71,908,652	74,159,999	76,011,711	77,954,964	79,493,267	81,825,525
Capital Budget Debt as a percent of Debt Limit	16.5%	14.8%	14.7%	14.6%	14.4%	14.3%	14.1%

### Calculation of Debt Limit:

#### Average Tax Revenues

Previous Five Years	\$ 39,318,865	\$ 41,090,658	\$ 42,377,142	\$ 43,435,263	\$ 44,545,694	\$ 45,424,724	\$ 46,757,443
Debt Limit (1.75 times revenues)	<u>68,808,014</u>	<u>71,908,652</u>	<u>74,159,999</u>	<u>76,011,711</u>	<u>77,954,964</u>	<u>79,493,267</u>	<u>81,825,525</u>

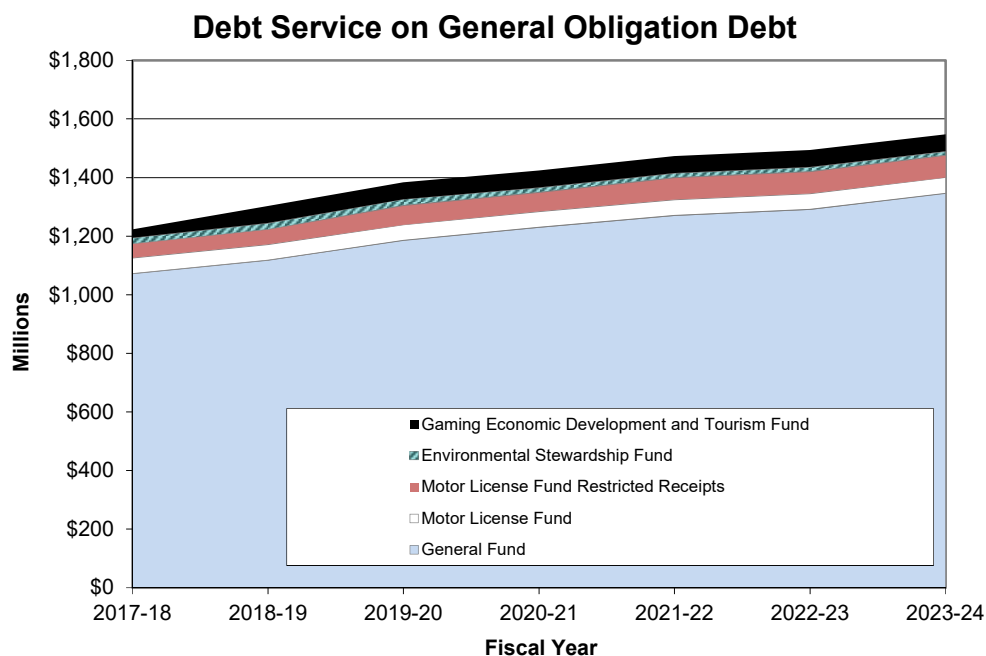
\* Actual year amount is net of June 30 Capital Debt Fund balance.

\*\* Actual year amount includes refunding bonds of \$828,475,000.

\*\*\* Actual year amount includes \$854,270,000 in bonds refunded.

## DEBT SERVICE ON GENERAL OBLIGATION DEBT 2017-18 Through 2023-24

This table shows the estimated net debt service payable by the commonwealth on currently outstanding general obligation bonds and on projected general obligation bond issues.



(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Estimated	2019-20 Budget	2020-21 Estimated	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
<b>General Fund</b>							
Capital Budget Non-Highway.....	\$ 1,041,857	\$ 1,091,980	\$ 1,155,026	\$ 1,202,388	\$ 1,232,554	\$ 1,260,175	\$ 1,316,007
Voter Approved and Disaster.....	30,143	26,020	29,974	27,603	38,050	31,382	30,482
Subtotal.....	<u>\$ 1,072,000</u>	<u>\$ 1,118,000</u>	<u>\$ 1,185,000</u>	<u>\$ 1,229,991</u>	<u>\$ 1,270,604</u>	<u>\$ 1,291,557</u>	<u>\$ 1,346,489</u>
<b>Environmental Stewardship Fund</b>							
Growing Greener II.....	\$ 20,480	\$ 21,707	\$ 21,337	\$ 16,034	\$ 16,049	\$ 14,855	\$ 13,066
<b>Gaming Economic Development and Tourism Fund</b>							
Pennsylvania Convention Center.....	\$ 28,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000	\$ 58,000
<b>Motor License Fund*</b>							
Capital Budget -- Highways.....	\$ 35,580	\$ 35,620	\$ 35,661	\$ 35,736	\$ 35,779	\$ 35,826	\$ 35,873
Capital Budget.....	17,815	17,815	17,748	17,633	17,633	17,633	17,633
Subtotal.....	<u>\$ 53,395</u>	<u>\$ 53,435</u>	<u>\$ 53,409</u>	<u>\$ 53,369</u>	<u>\$ 53,412</u>	<u>\$ 53,459</u>	<u>\$ 53,506</u>
<b>Motor License Fund Restricted Rec.</b>							
Highway Bridge Improvement -- Cap. Bdgt....	48,303	51,054	65,780	65,903	75,114	75,324	75,874
<b>TOTAL.....</b>	<u><u>\$ 1,222,178</u></u>	<u><u>\$ 1,302,196</u></u>	<u><u>\$ 1,383,526</u></u>	<u><u>\$ 1,423,297</u></u>	<u><u>\$ 1,473,179</u></u>	<u><u>\$ 1,493,195</u></u>	<u><u>\$ 1,546,935</u></u>

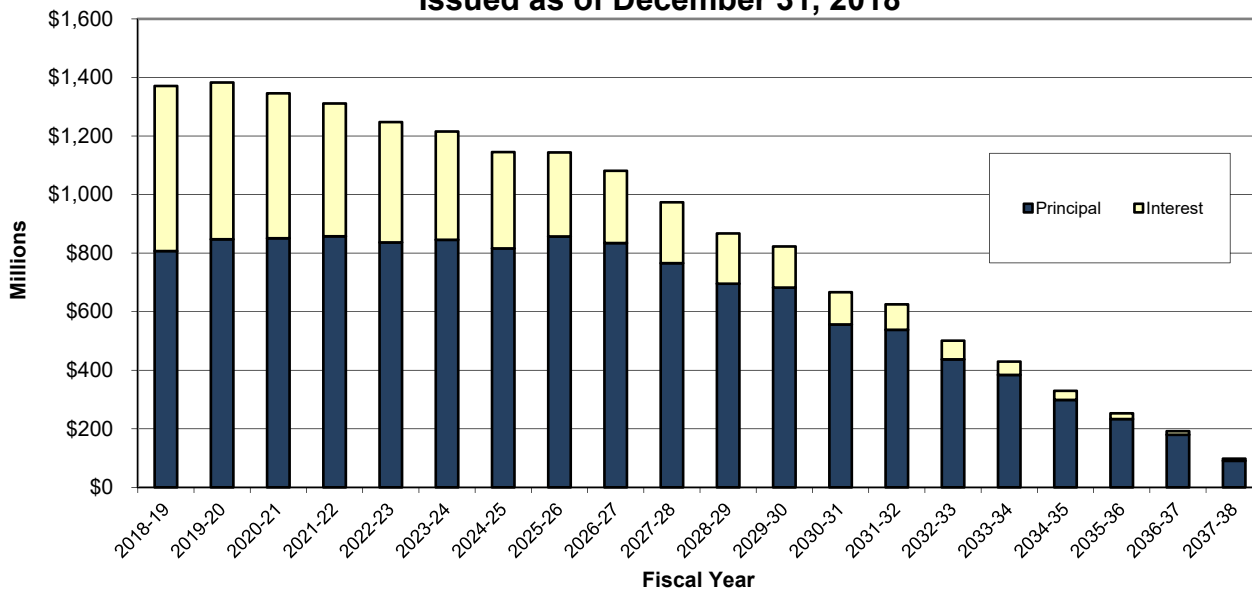
\*Build America Bond subsidies transferred to the Motor License Fund (not netted out).



## ANNUAL DEBT SERVICE ON OUTSTANDING GENERAL OBLIGATION BONDS Bonds Issued as of December 31, 2018

Fiscal year principal and interest payments on general obligation bonds issued as of the end of calendar year 2018 are shown in the table below. Debt service on projected bond issues is excluded from this data.

### Principal and Interest on Outstanding Bonds Issued as of December 31, 2018



### General Obligation Bond Annual Debt Service

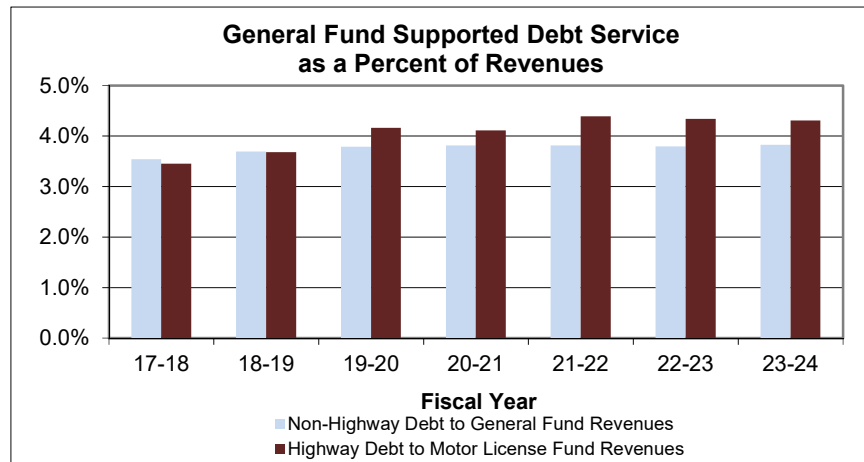
(Dollar Amounts in Thousands)

Fiscal Year	Capital Budget (Non-highway)			Capital Budget (Highway)			Voter Approved and Disaster			Grand
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Total
2018-19	\$ 710,920	\$ 460,684	\$ 1,171,604	\$ 34,175	\$ 52,498	\$ 86,673	\$ 61,950	\$ 50,731	\$ 112,681	\$ 1,370,959
2019-20	722,751	436,914	1,159,665	50,826	50,615	101,440	73,804	47,805	121,608	1,382,713
2020-21	721,227	402,634	1,123,861	53,471	48,167	101,638	76,047	44,283	120,330	1,345,829
2021-22	712,044	367,513	1,079,557	65,330	45,561	110,891	80,092	40,641	120,733	1,311,181
2022-23	681,546	332,113	1,013,659	68,768	42,381	111,149	86,166	36,640	122,806	1,247,614
2023-24	681,264	298,595	979,859	72,745	39,001	111,745	91,452	32,281	123,733	1,215,337
2024-25	645,455	266,250	911,705	76,788	35,073	111,861	93,773	27,770	121,543	1,145,109
2025-26	678,414	233,065	911,479	79,342	31,199	110,541	99,064	22,905	121,969	1,143,989
2026-27	652,976	201,114	854,090	86,238	27,525	113,763	95,146	18,205	113,351	1,081,205
2027-28	598,551	170,702	769,253	90,811	23,232	114,043	76,374	13,929	90,303	973,598
2028-29	545,327	142,626	687,953	86,991	18,600	105,591	63,197	10,454	73,651	867,196
2029-30	534,696	118,508	653,204	84,263	14,254	98,517	63,291	7,700	70,991	822,712
2030-31	452,085	95,254	547,339	62,085	10,233	72,318	42,160	4,701	46,861	666,519
2031-32	455,321	75,978	531,299	50,858	7,826	58,684	31,961	2,978	34,939	624,922
2032-33	374,480	56,378	430,858	43,253	5,661	48,913	19,313	1,881	21,193	500,964
2033-34	337,654	40,490	378,144	38,427	3,854	42,281	7,924	1,096	9,020	429,445
2034-35	255,664	27,918	283,582	37,109	2,322	39,431	5,903	756	6,659	329,672
2035-36	187,986	18,026	206,012	38,984	1,079	40,063	6,200	520	6,720	252,796
2036-37	176,020	11,729	187,749	0	0	0	3,685	332	4,017	191,766
2037-38	87,610	7,003	94,613	0	0	0	3,150	202	3,352	97,964
2038-39	93,285	3,498	96,783	0	0	0	2,015	76	2,091	98,874

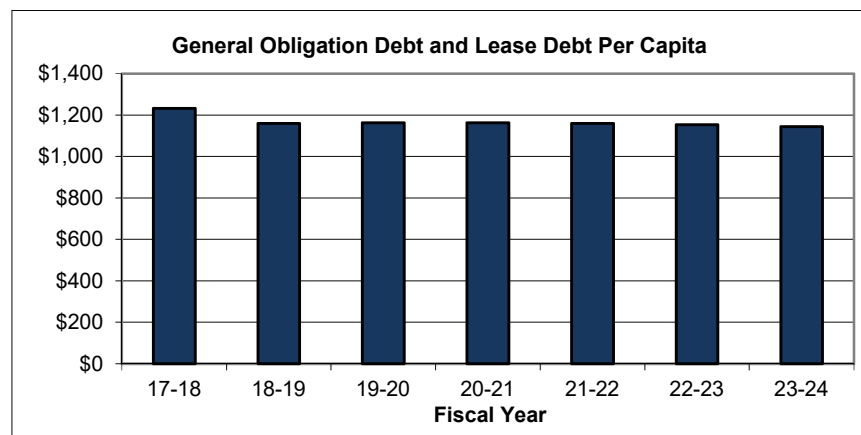
## TRENDS IN DEBT SERVICE AND DEBT RATIOS 2017-18 Through 2023-24

The charts portray projections for indicators of the cost of projected annual debt service and the burden of projected debt outstanding. Debt service and outstanding debt includes general obligation debt and debt secured by lease rental payments or operating subsidies from various commonwealth departments.

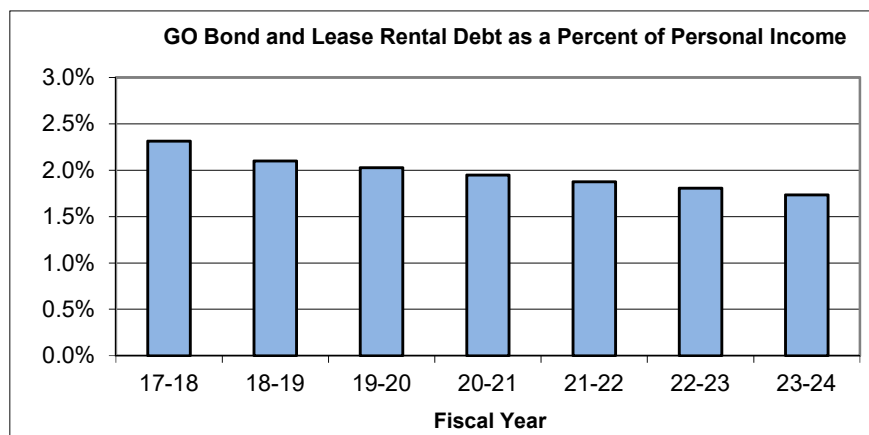
**General Fund debt service as a percent of revenues remains below Standard & Poors criteria of 5% for issuers considered to have a "low debt burden."**



**Per capita debt levels remain relatively low, although the lack of population growth in the commonwealth affects per capita levels.**



**Growing personal income keeps the planned bond issuance affordable.**



## OUTSTANDING INDEBTEDNESS OF PENNSYLVANIA AGENCIES AND AUTHORITIES

The indebtedness of the following agencies and authorities is not an obligation of the Commonwealth of Pennsylvania but represents the debt of those agencies and authorities created by the commonwealth for a public purpose. These obligations are not considered as debt under Article VIII of the State Constitution.

**Bonds and  
Notes as of  
12/31/18  
(in millions)**

<p><b>Commonwealth Financing Authority</b> Created to promote health, safety, employment, business opportunities, economic activity and the general welfare of the commonwealth. Debt service on the bonds is paid from revenues of the authority and sales tax revenue transfers.</p>	\$ 4,252.5
<p><b>Delaware River Joint Toll Bridge Commission</b> Created by Pennsylvania and New Jersey to construct, operate and maintain bridges crossing the upper Delaware River. Debt service on the bonds is paid from tolls and other revenues of the commission.</p>	698.9
<p><b>Delaware River Port Authority</b> Created by Pennsylvania and New Jersey to control and operate bridges crossing the Delaware River, it may construct or acquire other bridges, tunnels and other projects for port improvement and development. The authority operates a rapid transit system, which it constructed. Debt service on the bonds is paid from tolls, fares, rents and other revenue of the authority.</p>	1,310.8
<p><b>Pennsylvania Economic Development Financing Authority</b> Created to offer pooled bond issues of both taxable and tax-exempt bonds on behalf of local industrial and commercial development authorities for economic development projects. Debt service on the bonds is paid by loan interest and repayments and other authority revenues.</p>	5,685.9
<p><b>Pennsylvania Higher Education Assistance Agency</b> Makes or guarantees student loans for graduate and 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.</p>	4,027.9
<p><b>Pennsylvania Higher Educational Facilities Authority</b> Acquires, constructs, improves and leases (as lessor) college facilities and makes loans to colleges and universities within the commonwealth. Debt service on the bonds is paid from rentals and from loan repayments collected for the use of the facilities.</p>	5,761.7
<p><b>Pennsylvania Housing Finance Agency</b> Makes construction and permanent mortgage loans to qualified borrowers for the purchase and construction of multi and single family housing for low and moderate income persons or families. Debt service on the bonds is paid from mortgage loan interest and repayments and further secured by a "moral obligation" of the Commonwealth.</p>	2,861.6
<p><b>Pennsylvania Industrial Development Authority</b> Makes mortgage loans to local nonprofit industrial development agencies for the financing of industrial development projects. Debt service on the bonds is paid from loan interest and repayments and other authority revenues.</p>	136.1
<p><b>Pennsylvania Infrastructure Investment Authority</b> Provides low interest rate loans and grants for constructing new and for improving existing water supply and sewage disposal systems. Loans and grants are available to local governments and, in certain circumstances, to private companies. The bonds are secured by principal repayments and interest payments on loans.</p>	108.8
<p><b>Pennsylvania Turnpike Commission</b> Constructs, maintains and operates the Pennsylvania Turnpike. Debt service on the bonds is paid from tolls and other revenue sources of the commission.</p>	12,802.9
<p><b>Philadelphia Regional Port Authority</b> Operates port facilities in Bucks and Delaware counties, and the City of Philadelphia. Debt service on the bonds is paid by a pledge of the authority's revenues, rentals and receipts.</p>	8.8
<p><b>State Public School Building Authority</b> Constructs, improves, equips and makes loans to local school districts for school facilities. Debt service on the bonds is paid from rentals collected for the use of the facilities and from loan repayments.</p>	2,698.2
<p>TOTAL.....</p>	<p><u>\$ 40,354.0</u></p>



Commonwealth of Pennsylvania

## Governor's Executive Budget

# *OTHER SPECIAL FUNDS*

This section provides information and financial data for the more than 150 Other Special Funds contributing revenue to the commonwealth's operating budget. The funds included here were created to more closely relate specific revenue sources to specific programs or to support particular government programs or activities. This information is presented to demonstrate the magnitude and complexity of the commonwealth's financial structure as well as provide important details about the various funds. Additional information on Other Special Funds expenditures can be found in each agency's Summary by Fund and Appropriation statement, which is located in Section E.

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# OTHER SPECIAL FUNDS

This section contains a brief presentation of all active commonwealth funds not given an expanded treatment in the other sections of the budget. In a limited number of cases certain expenditures from funds presented in this section are included in other presentations.

Generally, the commonwealth uses a modified cash basis of accounting for financial reporting where certain revenues are reported when collected and, for certain taxes, when accrued and expenditures are reported when disbursed or committed.

For the funds included in this section, all financial data shown herein is on a calculated cash basis. Receipts include only those items actually received and credited to the funds by the Department of Revenue. Several funds carrying long-term investments show an investment adjustment to reflect the current value of the fund as of June 30. Disbursements are recorded at the time payment requisitions and invoices are posted to the commonwealth's accounting system and do not include commitments or encumbrances. Please see the Reader's Guide (Page 12) for additional discussion regarding the basis of accounting for financial reporting.

The cash beginning and ending balances reported through this format may differ from the actual cash balance in Treasury and/or the cash general ledger account in the commonwealth's accounting system due to timing differences, but the calculated cash balances reported provide an accurate reflection of the true cash position of the fund.

The vast majority of the commonwealth's 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 groups to aid in identifying their purpose. The groups are defined as follows:

**Governmental Funds:** Collectively these funds account for and report activities that are associated with routine, ordinary governmental

functions and are financed largely by tax and grant revenues. The group includes the General Fund, Special Revenue Funds, Capital Project Funds and Debt Service Funds.

**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.

**Capital Project Funds** — Bond funds are used to account for the receipt and disbursement of bond sale proceeds that 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.

**Proprietary Funds:** Include Enterprise Funds and Internal Service Funds. Such funds account for and report activities the way a private business or industry would. They include such activities as sale of goods or services, and lending and other financing activities where purchasers or customers pay a charge or a user fee.

**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.

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

**Fiduciary Funds:** These funds are used to account for assets held by the commonwealth as trustee or agent for individuals, private organizations and other government units.

The special funds are categorized on the next two pages.

# SPECIAL FUND CATEGORIES

## Governmental Funds – Special Revenue Funds

Acid Mine Drainage Abatement and Treatment Fund  
 Administration Fund  
 Agricultural College Land Scrip Fund  
 Agricultural Conservation Easement Purchase Fund  
 Anthracite Emergency Bond Fund  
 Automobile Theft Prevention Trust Fund  
 Banking Fund  
 Ben Franklin Tech Development Authority Fund  
 Boat Fund  
 Budget Stabilization Reserve Fund  
 Capitol Restoration Trust Fund  
 Catastrophic Loss Benefits Continuation Fund  
 Children's Trust Fund  
 Cigarette Fire Safety & Firefighter Protection Act  
 Enforcement Fund  
 Clean Air Fund  
 Coal Lands Improvement Fund  
 Community College Capital Fund  
 Compulsive and Problem Gambling Treatment Fund  
 Conrad Weiser Memorial Park Trust Fund  
 Conservation District Fund  
 DNA Detection Fund  
 Educational Assistance Program Fund  
 Emergency Medical Services Operating Fund  
 Energy Development Fund  
 Environmental Education Fund  
 Environmental Stewardship Fund  
 Fantasy Contest Fund  
 Farm Products Show Fund  
 Fire Insurance Tax Fund  
 Fish Fund  
 Game Fund  
 Gov Robert P. Casey Memorial Organ & Tissue  
 Donation Awareness Trust Fund  
 Growing Greener Bond Fund  
 Hazardous Material Response Fund  
 Hazardous Sites Cleanup Fund  
 Higher Education Assistance Fund  
 Highway Beautification Fund  
 HOME Investment Trust Fund  
 Homeowners Assistance Settlement Fund  
 Housing Affordability and Rehabilitation Enhancement  
 Fund  
 Industrial Development Fund  
 Industrial Sites Cleanup Fund  
 Insurance Fraud Prevention Trust Fund  
 Insurance Regulation and Oversight Fund  
 Job Training Fund  
 Justice Reinvestment Fund  
 Marcellus Legacy Fund  
 Medical Care Availability & Reduction of Error Fund  
 Medical Marijuana Program Fund  
 Milk Marketing Fund  
 Mine Safety Fund  
 Monetary Penalty Endowments Trust Fund  
 Motor Vehicle Transaction Recovery Fund  
 Multimodal Transportation Fund

Municipalities Financial Recovery Revolving Aid Fund  
 Non-Coal Surface Mining Conservation and  
 Reclamation Fund  
 Nutrient Management Fund  
 Oil and Gas Lease Fund  
 Patient Safety Trust Fund  
 Pennsylvania Economic Revitalization Fund  
 Pennsylvania eHealth Partnership Fund  
 Pennsylvania Gaming Economic Development and  
 Tourism Fund  
 Pennsylvania Historical & Museum Commission  
 Trust Fund  
 Pennsylvania Race Horse Development Trust Fund  
 Pennsylvania Veterans Monuments and Memorial  
 Trust Fund  
 PENNVEST Bond Authorization Fund  
 PENNVEST Drinking Water Revolving Fund  
 PENNVEST Fund  
 PENNVEST Water Pollution Control Revolving Fund  
 Persian Gulf Conflict Veterans' Comp Bond Fund  
 Pharmaceutical Assistance Fund  
 Philadelphia Regional Port Authority Fund  
 PlanCon Bond Projects Fund  
 Port of Pittsburgh Commission Fund  
 Property Tax Relief Fund  
 Public Transportation Assistance Fund  
 Public Transportation Trust Fund  
 Racing Fund  
 Real Estate Recovery Fund  
 Recycling Fund  
 Remining Financial Assurance Fund  
 School Safety and Security Fund  
 Self-Insurance Guaranty Fund  
 Solid Waste-Resource Recovery Development Fund  
 Special Administration Fund  
 State College Experimental Farm Fund  
 State Gaming Fund  
 State Insurance Fund  
 State School Fund  
 State Treasury Armory Fund  
 Storage Tank Fund  
 Substance Abuse Education & Demand Reduction  
 Surface Mining Conservation and Reclamation Fund  
 Tobacco Settlement Fund  
 Treasury Initiative Support Fund  
 Unconventional Gas Well Fund  
 Underground Storage Tank Indemnification Fund  
 Uninsured Employers Guaranty Fund  
 Video Gaming Fund  
 Vocational Rehabilitation Fund  
 Water and Sewer Systems Assistance Bond Fund  
 Water Supply and Wastewater Treatment Fund  
 Wild Resources Conservation Fund  
 Workers' Compensation Security Fund  
 Workmen's Compensation Administration Fund  
 Workmen's Compensation Supersedeas Fund  
 911 Fund

# SPECIAL FUND CATEGORIES

## Governmental Funds – Capital Project Funds

Capital Facilities Fund

Keystone Recreation, Park and Conservation Fund

## Governmental Funds – Debt Service Funds

Capital Debt Fund  
Growing Greener Bond Sinking Fund  
PENNVEST Redemption Fund

Water & Sewer System Assist Bond Sinking Fund  
Water Supply & Wastewater Treatment Sinking Fund

## Proprietary Funds – Enterprise Funds

Coal and Clay Mine Subsidence Insurance Fund  
Employment Fund for the Blind  
Historical Preservation Fund  
Local Government Capital Project Loan Fund  
Machinery and Equipment Loan Fund  
Minority Business Development Fund  
Pennsylvania Infrastructure Bank  
Philadelphia Taxicab & Limousine Regulatory Fund  
Philadelphia Taxicab Medallion Fund  
Rehabilitation Center Fund

Small Business First Fund  
State Restaurant Fund  
State Stores Fund  
State Workers' Insurance Fund  
Tuition Account Guaranteed Savings Program Fund  
Unemployment Comp Benefit Payment Fund  
Unemployment Compensation Contribution Fund  
Unemployment Compensation Debt Service Fund  
Veterans Trust Fund  
Volunteer Companies Loan Fund

## Proprietary Funds – Internal Service Funds

Manufacturing Fund

Purchasing Fund

## Fiduciary Funds

Achieving a Better Life Experience Fund  
Benefit Completion Fund  
City Revitalization and Improvement Fund  
Deferred Compensation Fund  
Deferred Compensation Fund Short-Term Portfolio  
Insurance Liquidation Fund  
Liquid Fuels Tax Fund  
Liquor License Fund  
Local Cigarette Tax Fund

Municipal Pension Aid Fund  
Neighborhood Improvement Zone Fund  
Pennsylvania Municipal Retirement Fund  
PSERS – Defined Contribution Fund  
Rightful Owners' Claims Payment Fund  
School Employees' Retirement Fund  
SERS – Defined Contribution Fund  
State Employees' Retirement Fund  
Tuition Account Investment Program Fund



# Achieving a Better Life Experience Fund

The Achieving a Better Life Experience (ABLE) Fund was created by Act 17 of 2016 to encourage savings accounts for individuals with disabilities. Individuals are eligible for an ABLE account if entitled to Social Security benefits based on blindness or a disability occurring before the age of 26. With the new accounts, people with disabilities will be able to accrue up to \$100,000 in savings without losing access to Social Security and other government benefits. This tax free savings account would cover qualified expenses approved by the United States Secretary of the Treasury including education, housing and transportation expenses.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 540</b>	<b>\$ 1,496</b>	<b>\$ 753</b>
<b>Receipts:</b>			
Account Deposits.....	\$ 8	\$ 5	\$ 10
Transfer from General Fund.....	1,130	1,130	1,130
Interest .....	5	40	41
Total Receipts.....	<u>1,143</u>	<u>1,175</u>	<u>1,181</u>
<b>Total Funds Available</b> .....	<b>\$ 1,683</b>	<b>\$ 2,671</b>	<b>\$ 1,934</b>
<b>Disbursements:</b>			
Treasury.....	\$ 187	\$ 1,918	\$ 1,130
Total Disbursements.....	<u>-187</u>	<u>-1,918</u>	<u>-1,130</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 1,496</b>	<b>\$ 753</b>	<b>\$ 804</b>

# Acid Mine Drainage Abatement and Treatment Fund

This fund was created in 1992 to receive money authorized by Title IV of the Federal Surface Mining Control and Reclamation Act. This fund receives up to ten percent of the commonwealth's federal Title IV grant for abandoned mine reclamation. Funds are used for acid mine drainage abatement and treatment.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 74,715</b>	<b>\$ 82,284</b>	<b>\$ 84,384</b>
<b>Receipts:</b>			
Federal Receipts.....	\$ 11,600	\$ 22,277	\$ 8,000
Interest.....	1,903	2,095	1,433
Total Receipts.....	<u>13,503</u>	<u>24,372</u>	<u>9,433</u>
<b>Total Funds Available</b> .....	<b>\$ 88,218</b>	<b>\$ 106,656</b>	<b>\$ 93,817</b>
<b>Disbursements:</b>			
Environmental Protection.....	\$ 5,934	\$ 22,272	\$ 29,898
Total Disbursements.....	<u>-5,934</u>	<u>-22,272</u>	<u>-29,898</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 82,284</b>	<b>\$ 84,384</b>	<b>\$ 63,919</b>

# 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 monies requisitioned from the commonwealth's account in the Federal Unemployment Trust Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 18,235</b>	<b>\$ 2,509</b>	<b>\$ 8,584</b>
<b>Receipts:</b>			
Federal Funds — Unemployment.....	\$ 119,566	\$ 128,000	\$ 121,000
Federal Funds — Workforce.....	56,233	110,761	94,000
Interest.....	44	121	90
Other.....	1,042	0	0
<b>Total Receipts</b> .....	<b>176,885</b>	<b>238,882</b>	<b>215,090</b>
<b>Total Funds Available</b> .....	<b>\$ 195,120</b>	<b>\$ 241,391</b>	<b>\$ 223,674</b>
<b>Disbursements:</b>			
Labor and Industry.....	\$ 192,611	\$ 232,807	\$ 220,219
<b>Total Disbursements</b> .....	<b>-192,611</b>	<b>-232,807</b>	<b>-220,219</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 2,509</b>	<b>\$ 8,584</b>	<b>\$ 3,455</b>

# 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. The income derived from the investment of the monies in the fund plus appropriations which may be made from time to time by the General Assembly serve as revenue to the fund. Monies 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. Act 26 of 2011 established a restricted revenue account in the Fund for the Department of Agriculture.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 629</b>	<b>\$ 649</b>	<b>\$ 763</b>
<b>Receipts:</b>			
Transfer from General Fund.....	\$ 52,313	\$ 53,882	\$ 53,882
Interest.....	136	114	130
<b>Total Receipts</b> .....	<b>52,449</b>	<b>53,996</b>	<b>54,012</b>
<b>Total Funds Available</b> .....	<b>\$ 53,078</b>	<b>\$ 54,645</b>	<b>\$ 54,775</b>
<b>Disbursements:</b>			
Agriculture.....	\$ 52,313	\$ 53,882	\$ 53,882
Treasury.....	116	0	0
<b>Total Disbursements</b> .....	<b>-52,429</b>	<b>-53,882</b>	<b>-53,882</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 649</b>	<b>\$ 763</b>	<b>\$ 893</b>

## Agricultural Conservation Easement Purchase Fund

This fund was created by Act 64 of 1988 to implement the referendum approved by the electorate on November 8, 1988. That referendum authorized the commonwealth to incur indebtedness of \$100 million to be used for farmland preservation through the purchase of agricultural conservation easements. Act 23 of 1992 increased the annual ceiling on easement purchases from bond sales from \$20 to \$25 million. All bonds authorized have been issued.

Act 89 of 2002 changed the annual transfer of cigarette tax revenues from the first two thirty-firsts of the cigarette tax to \$20,485,000 to be made in two equal payments by July 15th and January 15th. Act 84 of 2016 increased the annual transfer of Cigarette Tax revenues to \$25,485,000. Act 15 of 1999 created a supplemental program for farmland preservation. Beginning in 2005-06 the program receives a set percentage of the Environmental Stewardship Fund for the continued purchase of agricultural easements.

### Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 34,669</b>	<b>\$ 35,646</b>	<b>\$ 30,116</b>
<b>Receipts:</b>			
Transfer of Cigarette Tax.....	\$ 25,485	\$ 25,485	\$ 25,485
Transfer from Environmental Stewardship Fund.....	11,005	9,474	9,119
Interest.....	628	1,128	986
Total Receipts.....	<u>37,118</u>	<u>36,087</u>	<u>35,590</u>
<b>Total Funds Available</b> .....	<b>\$ 71,787</b>	<b>\$ 71,733</b>	<b>\$ 65,706</b>
<b>Disbursements:</b>			
Agriculture.....	\$ 36,141	\$ 41,617	\$ 40,000
Total Disbursements.....	<u>-36,141</u>	<u>-41,617</u>	<u>-40,000</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 35,646</b>	<b>\$ 30,116</b>	<b>\$ 25,706</b>

## Anthracite Emergency Bond Fund

This fund was created by Act 171 of 1986 to provide loans for anthracite underground mine operators who cannot obtain necessary bonding or whose bonding has been cancelled due to insolvency or bankruptcy of the original bonding company. Revenues are provided by a fee for each ton of coal estimated by certain mine operations and payments made by operators in lieu of a bond. Act 173 of 1992 extended the program to anthracite surface mine operators.

### Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 687</b>	<b>\$ 690</b>	<b>\$ 488</b>
<b>Receipts:</b>			
Operator Payments.....	\$ -7	\$ 8	\$ 8
Interest .....	10	11	6
Total Receipts .....	<u>3</u>	<u>19</u>	<u>14</u>
<b>Total Funds Available</b> .....	<b>\$ 690</b>	<b>\$ 709</b>	<b>\$ 502</b>
<b>Disbursements:</b>			
Environmental Protection .....	\$ 0	\$ 221	\$ 221
Total Disbursements .....	<u>0</u>	<u>-221</u>	<u>-221</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 690</b>	<b>\$ 488</b>	<b>\$ 281</b>

# Automobile Theft Prevention Trust Fund

The Automobile Theft Prevention Trust Fund was created by Act 171 of 1994. The purpose of the fund is to finance programs in the commonwealth to prevent, combat and reduce automobile theft as well as improve and support automobile theft prosecutions. Revenue to the fund consists of assessments on the insurance companies that conduct business in the commonwealth, interest earnings, and fines and penalties.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 8	\$ 11	\$ 20
<b>Receipts:</b>			
Assessments.....	\$ 6,990	\$ 6,994	\$ 7,250
Interest .....	3	5	5
Total Receipts .....	<u>6,993</u>	<u>6,999</u>	<u>7,255</u>
<b>Total Funds Available</b> .....	<u>\$ 7,001</u>	<u>\$ 7,010</u>	<u>\$ 7,275</u>
<b>Disbursements:</b>			
Automobile Theft Prevention Authority.....	\$ 6,990	\$ 6,990	\$ 7,251
Total Disbursements .....	<u>-6,990</u>	<u>-6,990</u>	<u>-7,251</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 11</u>	<u>\$ 20</u>	<u>\$ 24</u>

# Banking Fund

The Banking 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 the supervision of the Department of Banking and Securities. It provides for the administration of the Department of Banking and Securities and regulation of the financial services industry. The Institution Resolution Restricted Account is to be used at the discretion of the Secretary of Banking and Securities in the event of a seizure or liquidation of a financial institution, association or credit union.

Act 44 of 2017 provided for a transfer to the General Fund of amounts available in special funds. The 2017-18 Transfer to the General Fund was in accordance with the Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 35,259	\$ 25,967	\$ 26,370
<b>Receipts:</b>			
Licenses and Fees.....	\$ 29,946	\$ 27,490	\$ 26,059
Fines and Penalties.....	809	400	400
Interest.....	847	859	859
Total Receipts .....	<u>31,602</u>	<u>28,749</u>	<u>27,318</u>
<b>Total Funds Available</b> .....	<u>\$ 66,861</u>	<u>\$ 54,716</u>	<u>\$ 53,688</u>
<b>Disbursements:</b>			
Banking and Securities.....	\$ 19,894	\$ 28,346	\$ 24,848
Transfer to General Fund.....	21,000	0	0
Total Disbursements .....	<u>-40,894</u>	<u>-28,346</u>	<u>-24,848</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 25,967<sup>a</sup></u>	<u>\$ 26,370<sup>a</sup></u>	<u>\$ 28,840<sup>a</sup></u>

<sup>a</sup> Ending cash balance includes the following amounts in the Institution Resolution Restricted Account: 2017-18 Actual is \$11,500,000, 2018-19 Available is \$13,500,000 and 2019-20 Estimated is \$15,500,000.

# Ben Franklin Technology Development Authority Fund

Act 38 of 2001 created the Ben Franklin Technology Development Authority Fund. This fund merges the activities of the Ben Franklin Partnership and the Pennsylvania Technology Investment Authority (PTIA) under one authority. The Ben Franklin component assists small and medium sized technology, research and start-up companies to do applied research and development projects and to develop and introduce new products and processes. PTIA provides high-tech financing to small and medium-sized businesses; stimulates the adoption and expansion of electronic commerce; and coordinates and expands university-based research and development in high-tech fields. Revenue to the fund includes annual transfers from the General Fund, loan repayments, tax credit sale proceeds and interest earnings.

The Ben Franklin Centers support the commonwealth's technology strategy by building on regional strengths, capitalizing on new opportunities and addressing the specific needs of our diverse communities. Funds available were curtailed significantly during the 2018-19 fiscal year after exhausting supplemental funds through a prior three-year initiative that securitized Insurance Premiums Tax proceeds to provide additional funds for technology investment. Act 52 of 2013 provided \$29 million annually through Innovate in PA to augment the existing Ben Franklin Technology Partner Programs. These augmentations ended after the 2017-18 fiscal year.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 23,091</b>	<b>\$ 33,556</b>	<b>\$ 27,592</b>
<b>Receipts:</b>			
Transfer from General Fund.....	\$ 14,500	\$ 14,500	\$ 14,500
Innovate in PA Tax Credit Sale Proceeds.....	29,000 <sup>a</sup>	0	0
Loan Principal and Interest Repayments.....	3,302	3,500	3,500
Interest.....	520	970	635
Other.....	86	100	100
Total Receipts .....	<u>47,408</u>	<u>19,070</u>	<u>18,735</u>
<b>Total Funds Available</b> .....	<b><u>\$ 70,499</u></b>	<b><u>\$ 52,626</u></b>	<b><u>\$ 46,327</u></b>
<b>Disbursements:</b>			
Community and Economic Development.....	\$ 36,943 <sup>a</sup>	\$ 25,034	\$ 30,000
Total Disbursements .....	<u>-36,943</u>	<u>-25,034</u>	<u>-30,000</u>
<b>Cash Balance, Ending</b> .....	<b><u>\$ 33,556</u></b>	<b><u>\$ 27,592</u></b>	<b><u>\$ 16,327</u></b>

<sup>a</sup> Act 52 of 2013 Section 1811-F authorizes funding (approximately \$29 million per year) to be paid for Innovate in PA from restricted revenue.

# Benefit Completion Fund

This fund was created in 2003 to accumulate reserves for the payment of pensions to eligible former state employees with a statutory benefit entitlement under the State Employees' Retirement Code that exceeds the limits of Section 415(b) of the Internal Revenue Code (IRC). Reserves in this fund are disbursed to members of the retirement system in accordance with the provision of IRC Section 415(m).

The fund receives revenue from employer contributions and interest income. Employer contributions are an actuarially determined percentage of payroll sufficient to fund the benefit payments of the forthcoming calendar year and the on-going expenses to administer the plan. Management of the fund and payment of benefits is overseen by the State Employees' Retirement Board.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 2,290</b>	<b>\$ 532</b>	<b>\$ 647</b>
<b>Receipts:</b>			
Employer Contributions .....	\$ 450	\$ 1,880	\$ 1,897
Interest.....	23	10	11
Total Receipts .....	<u>473</u>	<u>1,890</u>	<u>1,908</u>
<b>Total Funds Available</b> .....	<b>\$ 2,763</b>	<b>\$ 2,422</b>	<b>\$ 2,555</b>
<b>Disbursements:</b>			
State Employees' Retirement System.....	\$ 2,231	\$ 1,775	\$ 1,839
Total Disbursements.....	<u>-2,231</u>	<u>-1,775</u>	<u>-1,839</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 532</b>	<b>\$ 647</b>	<b>\$ 716</b>

# Boat Fund

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

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 44,881</b>	<b>\$ 33,742</b>	<b>\$ 44,525</b>
<b>Receipts:</b>			
Licenses and Fees.....	\$ 8,207	\$ 6,990	\$ 6,990
Fines and Penalties.....	261	200	200
Transfer from Motor License Fund.....	200	21,020	11,000
Transfer from Liquid Fuels Tax Fund.....	0	200	100
Federal Receipts.....	5,355	4,014	4,051
Interest.....	1,029	1,114	644
Other.....	53	32	32
Total Receipts .....	<u>15,105</u>	<u>33,570</u>	<u>23,017</u>
<b>Total Funds Available</b> .....	<b>\$ 59,986</b>	<b>\$ 67,312</b>	<b>\$ 67,542</b>
<b>Disbursements:</b>			
Fish and Boat Commission.....	\$ 26,244	\$ 22,787	\$ 26,821
Total Disbursements .....	<u>-26,244</u>	<u>-22,787</u>	<u>-26,821</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 33,742</b>	<b>\$ 44,525</b>	<b>\$ 40,721</b>

# Budget Stabilization Reserve Fund

This fund was created on July 15, 2002 by Act 91 of 2002 to replace the Tax Stabilization Reserve Fund. The 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 minimizes the need to increase taxes to balance the budget of the commonwealth during periods of economic distress. Act 91 provides revenue through an annual transfer of twenty-five percent of the General Fund fiscal year end surplus. If the ending balance would equal or exceed six percent of actual General Fund revenues for the fiscal year in which the surplus occurs, the General Fund transfer would be reduced to ten percent. The transfer had been suspended for fiscal years 2010-11 through 2015-16. There was no surplus for fiscal year 2016-17. Act 42 of 2018 reinstated a transfer of fifty percent of the 2017-18 General Fund surplus. This budget proposes to continue the transfer of fifty percent of the 2018-19 General Fund Surplus to the Budget Stabilization Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 475</b>	<b>\$ 485</b>	<b>\$ 23,208</b>
<b>Receipts:</b>			
Transfer from General Fund.....	\$ 0	\$ 22,362	\$ 3,133
Interest .....	10	361	540
Total Receipts .....	10	22,723	3,673
<b>Total Funds Available</b> .....	<b>\$ 485</b>	<b>\$ 23,208</b>	<b>\$ 26,881</b>
<b>Disbursements:</b>			
Transfer to General Fund.....	\$ 0	\$ 0	\$ 0
Total Disbursements .....	0	0	0
<b>Cash Balance, Ending</b> .....	<b>\$ 485</b>	<b>\$ 23,208</b>	<b>\$ 26,881</b>

# Capital Debt Fund

Principal and interest payments on bonds issued for purposes of capital budget projects are paid from this fund. Annual appropriations from various funds for payment of interest and principal due on general obligation bonds are the primary sources of revenue. Funds in excess of interest and principal falling due in any one particular fiscal year may be used by the Board of Finance and Revenue to retire any other general obligation bonds issued to provide revenue to the Capital Facilities Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 3,953</b>	<b>\$ 45,009</b>	<b>\$ 312</b>
<b>Receipts:</b>			
Transfer from Other Funds.....	\$ 1,171,556	\$ 1,254,469	\$ 1,332,215
Refunding Bond Maturing Escrow Funds.....	2,064,575	755,572	93,971
Build America Bond Federal Subsidies.....	26,955	14,970	19,395
Interest on Securities.....	329	435	50
Debt Service Interest.....	39,759	0	0
Total Receipts .....	3,303,174	2,025,446	1,445,631
<b>Total Funds Available</b> .....	<b>\$ 3,307,127</b>	<b>\$ 2,070,455</b>	<b>\$ 1,445,943</b>
<b>Disbursements:</b>			
Treasury.....	\$ 1,197,543	\$ 1,314,571	\$ 1,348,957
Refunding Bond Maturing Escrow Funds.....	2,064,575	755,572	93,971
Total Disbursements .....	-3,262,118	-2,070,143	-1,442,928
<b>Cash Balance, Ending</b> .....	<b>\$ 45,009</b>	<b>\$ 312</b>	<b>\$ 3,015</b>

# Capital Facilities Fund

This fund is used to meet the financial costs of capital projects authorized by capital budget acts. Revenue for this fund comes principally from the sale of general obligation debt and interest earnings. Debt issued for this fund is subject to a debt limit equal to one and three quarter times the average of annual tax revenues in the preceding five fiscal years. This fund has at least one account for each category of capital projects. Interest earned on investment or deposit of monies in the fund is credited to the account in the fund to which such invested or deposited money was originally credited.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 970,389</b>	<b>\$ 1,490,082</b>	<b>\$ 469,682</b>
<b>Receipts:</b>			
Sale of Bonds.....	\$ 1,165,742	\$ 0	\$ 1,010,000
Premium on Sale of Bonds.....	59,914	0	0
Interest on Securities .....	10,762	25,000	12,500
Other .....	14,286	20,000	20,000
<b>Total Receipts</b> .....	<b>1,250,704</b>	<b>45,000</b>	<b>1,042,500</b>
<b>Total Funds Available</b> .....	<b>\$ 2,221,093</b>	<b>\$ 1,535,082</b>	<b>\$ 1,512,182</b>
<b>Disbursements:</b>			
Community and Economic Development.....	\$ 234,373	\$ 270,000	\$ 270,000
Conservation and Natural Resources.....	686	400	400
General Services.....	325,260	600,000	600,000
Transportation.....	152,833	175,000	175,000
Treasury.....	1,058	1,000	1,000
Other.....	16,801	19,000	19,000
<b>Total Disbursements</b> .....	<b>-731,011</b>	<b>-1,065,400</b>	<b>-1,065,400</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 1,490,082</b>	<b>\$ 469,682</b>	<b>\$ 446,782</b>

# Capitol Restoration Trust Fund

This fund was created by Act 327 of 1982 to finance the maintenance, restoration, preservation and rehabilitation of artifacts, documents and other historical objects or resources located within and around or associated with the State Capitol Building, and the acquisition of artifacts, documents and other historical objects or resources which contribute to the historical significance of the State Capitol Building. This fund is administered by the Capitol Preservation Committee. Revenue is derived from gifts, donations and legacies of money from individuals, organizations, public or private corporations, and from the sale of commemorative medals and other items of a similar nature which promote the historic preservation and restoration of the State Capitol Building.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 432</b>	<b>\$ 438</b>	<b>\$ 439</b>
<b>Receipts:</b>			
Contribution & Sales.....	\$ 0	\$ 1	\$ 1
Interest.....	6	10	9
<b>Total Receipts</b> .....	<b>6</b>	<b>11</b>	<b>10</b>
<b>Total Funds Available</b> .....	<b>\$ 438</b>	<b>\$ 449</b>	<b>\$ 449</b>
<b>Disbursements:</b>			
Capitol Preservation Committee.....	\$ 0	\$ 10	\$ 30
<b>Total Disbursements</b> .....	<b>0</b>	<b>-10</b>	<b>-30</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 438</b>	<b>\$ 439</b>	<b>\$ 419</b>



# Catastrophic Loss Benefits Continuation Fund

This fund was established by Act 24 of 1989 to replace the Catastrophic Loss Trust Fund. The purpose of the Catastrophic Loss Benefits Continuation Fund (CAT fund) is to pay all medical claims owed by the Catastrophic Loss Trust Fund. Monies in the former Catastrophic Loss Trust Fund were transferred to this fund effective July 1, 1989.

Act 13 of 2002 established the Medical Care Availability and Reduction of Error (Mcare) Fund and mandated that all surcharges levied and collected under the CAT fund be remitted to the Mcare Fund beginning in January 2004. Act 50 of 2009 redirected the surcharge to the General Fund for 2009-10 and 2010-11. Act 26 of 2011 redirected the surcharge to the General Fund for 2011-12 and for each fiscal year thereafter.

This fund will continue to pay claimants from its balance and interest earnings until no further obligations exist. The most recent actuarial report estimates final expenditure in 2091.

No obligation or expense of, or claim against, the fund constitutes a debt of the commonwealth or a charge against the General Fund or the Motor License Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 80,921</b>	<b>\$ 79,614</b>	<b>\$ 75,279</b>
<b>Receipts:</b>			
Interest .....	\$ 2,464	\$ 2,292	\$ 2,093
Other .....	791	500	500
Total Receipts .....	<u>3,255</u>	<u>2,792</u>	<u>2,593</u>
<b>Total Funds Available</b> .....	<b>\$ 84,176</b>	<b>\$ 82,406</b>	<b>\$ 77,872</b>
<b>Disbursements:</b>			
Insurance .....	\$ 4,562	\$ 7,127	\$ 7,030
Total Disbursements .....	<u>-4,562</u>	<u>-7,127</u>	<u>-7,030</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 79,614</b>	<b>\$ 75,279</b>	<b>\$ 70,842</b>

# Children's Trust Fund

Act 151 of 1988 created the Children's Trust Fund. Revenue is generated by a \$10 surcharge on marriage licenses and divorce applications. Expenditures are for community-based children's programs and services for child abuse and neglect prevention.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 1,528</b>	<b>\$ 1,726</b>	<b>\$ 1,390</b>
<b>Receipts:</b>			
Marriage/Divorce Surcharge.....	\$ 1,079	\$ 1,079	\$ 1,079
Children's Trust Fund Donations.....	25	24	24
Interest.....	24	40	30
Total Receipts .....	<u>1,128</u>	<u>1,143</u>	<u>1,133</u>
<b>Total Funds Available</b> .....	<b>\$ 2,656</b>	<b>\$ 2,869</b>	<b>\$ 2,523</b>
<b>Disbursements:</b>			
Human Services.....	\$ 930	\$ 1,479	\$ 1,400
Total Disbursements .....	<u>-930</u>	<u>-1,479</u>	<u>-1,400</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 1,726</b>	<b>\$ 1,390</b>	<b>\$ 1,123</b>

# Cigarette Fire Safety and Firefighter Protection Act Enforcement Fund

Act 42 of 2008 provides for cigarette fire safety, for certification of compliance by manufacturers, for package markings, and for enforcement and penalties. Certification fees are collected by the Department of Revenue at a rate of \$1,000 per brand family and \$500 for each additional listing within a brand family. Penalties are charged for specified violations. The Attorney General's Office enforces the Act. Pursuant to the enabling legislation, fund money may only be appropriated by the General Assembly to the Department of Revenue and the Office of Attorney General for the purpose of processing, testing, enforcement and oversight activities related to this act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 499	\$ 463	\$ 443
<b>Receipts:</b>			
Fees.....	\$ 111	\$ 19	\$ 19
Interest.....	7	11	9
Total Receipts .....	<u>118</u>	<u>30</u>	<u>28</u>
<b>Total Funds Available</b> .....	<u>\$ 617</u>	<u>\$ 493</u>	<u>\$ 471</u>
<b>Disbursements:</b>			
Attorney General.....	\$ 154	\$ 50	\$ 100
Total Disbursements .....	<u>-154</u>	<u>-50</u>	<u>-100</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 463</u>	<u>\$ 443</u>	<u>\$ 371</u>

# City Revitalization and Improvement Fund

The City Revitalization and Improvement Fund is a fiduciary fund established by Act 52 of 2013, which authorizes City Revitalization and Improvement Zones to provide economic development and job creation in cities with populations greater than 30,000. Each zone is comprised of parcels designated by the contracting authority constructing facilities in the zone. Bonds are issued by the contracting authority, and state and local taxes collected within a zone are used for program efforts and to repay debt service. Prior to 2016, up to two zones and one pilot zone were authorized. Beginning in 2016, up to two additional zones within cities may be approved each calendar year.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 0	\$ 3	\$ 0
<b>Receipts:</b>			
State Tax Share.....	\$ 3,907	\$ 7,200	\$ 8,800
Local Tax Share.....	186	256	0
Total Receipts .....	<u>4,093</u>	<u>7,456</u>	<u>8,800</u>
<b>Total Funds Available</b> .....	<u>\$ 4,093</u>	<u>\$ 7,459</u>	<u>\$ 8,800</u>
<b>Disbursements:</b>			
Treasury.....	\$ 4,090	\$ 7,459	\$ 8,800
Total Disbursements .....	<u>-4,090</u>	<u>-7,459</u>	<u>-8,800</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 3</u>	<u>\$ 0</u>	<u>\$ 0</u>

# Clean Air Fund

This fund was created to meet the provisions of Act 787 of 1959, as amended by Act 95 of 1992, to finance the attainment of air quality standards, the administration of the rules and regulations promulgated under these acts, the reduction of interstate air pollution transport and a program to assist businesses in meeting emission standards. Fines, civil penalties and fees from air pollution emitters, as well as appropriations from the General Assembly, federal or local governments and interest earnings are deposited in this fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 39,913</b>	<b>\$ 37,385</b>	<b>\$ 29,019</b>
<b>Receipts:</b>			
Fines and Penalties.....	\$ 2,552	\$ 1,400	\$ 1,425
Fees.....	16,251	17,725	16,788
Interest.....	1,296	1,103	793
Other.....	1,229	600	607
Total Receipts .....	<u>21,328</u>	<u>20,828</u>	<u>19,613</u>
<b>Total Funds Available</b> .....	<b>\$ 61,241</b>	<b>\$ 58,213</b>	<b>\$ 48,632</b>
<b>Disbursements:</b>			
Environmental Protection .....	\$ 23,856	\$ 29,194	\$ 28,074
Total Disbursements .....	<u>-23,856</u>	<u>-29,194</u>	<u>-28,074</u>
<b>Cash Balance, Ending</b> .....	<b><u>\$ 37,385</u></b>	<b><u>\$ 29,019</u></b>	<b><u>\$ 20,558</u></b>

# Coal and Clay Mine Subsidence Insurance Fund

This fund was created by Act 484 of 1961 to provide insurance to home owners in mining areas against damages resulting from subsidence. Revenue is derived from premiums paid by policyholders for subsidence insurance. Act 155 of 2002 updated this insurance program by further defining and establishing coverage by insurance providers and requiring the Department of Environmental Protection to prepare an annual report on the program and insurance sales. Disbursements are used to cover the payment of insurance claims and commissions to insurance agents who forward insurance applications as outlined in Act 155. A sufficient balance in the fund must be maintained to provide adequate protection for the solvency of the fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 109,998</b>	<b>\$ 114,927</b>	<b>\$ 117,561</b>
<b>Receipts:</b>			
Premiums Collected.....	\$ 6,124	\$ 5,500	\$ 5,600
Interest.....	3,101	3,150	3,217
Other.....	1	2	2
Total Receipts .....	<u>9,226</u>	<u>8,652</u>	<u>8,819</u>
<b>Total Funds Available</b> .....	<b>\$ 119,224</b>	<b>\$ 123,579</b>	<b>\$ 126,380</b>
<b>Disbursements:</b>			
Environmental Protection .....	\$ 4,297	\$ 6,018	\$ 6,267
Total Disbursements .....	<u>-4,297</u>	<u>-6,018</u>	<u>-6,267</u>
<b>Cash Balance, Ending</b> .....	<b><u>\$ 114,927</u></b>	<b><u>\$ 117,561</u></b>	<b><u>\$ 120,113</u></b>

# Coal Lands Improvement Fund

This fund was created by Act 117 of 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.

Act 44 of 2017 provided for a transfer to the General Fund of amounts available in special funds. The 2017-18 Transfer to the General Fund was in accordance with the Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 2,769	\$ 2,225	\$ 2,100
<b>Receipts:</b>			
Interest .....	\$ 37	\$ 50	\$ 44
<b>Total Receipts</b> .....	<u>37</u>	<u>50</u>	<u>44</u>
<b>Total Funds Available</b> .....	<u>\$ 2,806</u>	<u>\$ 2,275</u>	<u>\$ 2,144</u>
<b>Disbursements:</b>			
Environmental Protection .....	\$ 81	\$ 175	\$ 315
Transfer to General Fund .....	500	0	0
<b>Total Disbursements</b> .....	<u>-581</u>	<u>-175</u>	<u>-315</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 2,225</u>	<u>\$ 2,100</u>	<u>\$ 1,829</u>

# Community College Capital Fund

This fund was established by Act 46 of 2005. Fund revenue consists of an appropriation from the General Fund for transfer to the Community College Capital Fund. Monies in this fund can be disbursed only for payment of the commonwealth's annual share of approved capital debt service and lease payments to Pennsylvania's community colleges.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 5,092	\$ 3,970	\$ 1,124
<b>Receipts:</b>			
Transfer from General Fund.....	\$ 48,869	\$ 48,869	\$ 48,869
Interest.....	289	500	500
<b>Total Receipts</b> .....	<u>49,158</u>	<u>49,369</u>	<u>49,369</u>
<b>Total Funds Available</b> .....	<u>\$ 54,250</u>	<u>\$ 53,339</u>	<u>\$ 50,493</u>
<b>Disbursements:</b>			
Education.....	\$ 50,280	\$ 52,215	\$ 48,869
<b>Total Disbursements</b> .....	<u>-50,280</u>	<u>-52,215</u>	<u>-48,869</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 3,970</u>	<u>\$ 1,124</u>	<u>\$ 1,624</u>

# Compulsive and Problem Gambling Treatment Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, established the Compulsive and Problem Gambling Treatment Fund to support a compulsive and problem gambling program. This program provides public education, awareness and training regarding both the problem of compulsive and problem gambling and its treatment and prevention. Act 1 of 2010 amended the funding for this program by increasing revenues provided based on the greater of \$2 million or .002 multiplied by the gross terminal revenue of all active and operating gaming entities. It also provides for an annual \$3 million transfer to the Compulsive and Problem Gambling Treatment Fund for drug and alcohol addiction treatment services, including addiction related to compulsive and problem gambling. Act 42 of 2017 expanded gaming to include a new category of slot machine licenses, fantasy contest and sports wagering, video and interactive gaming. The act amends program funding to include .002 multiplied by the various gaming revenues, as specified in the act, for either compulsive and problem gambling related programs or for drug and alcohol addiction treatment services.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 7,113</b>	<b>\$ 7,667</b>	<b>\$ 7,126</b>
<b>Receipts:</b>			
Transfer from State Gaming Fund - Drug and Alcohol.....	\$ 3,000	\$ 3,000	\$ 3,000
Transfer from State Gaming Fund.....	4,602	4,619	4,671
Transfer of Fantasy Contest Tax.....	0	89	127
Transfer of Sports Wagering Tax.....	0	133	400
Transfer of iGaming Tax.....	0	254	308
Transfer from Video Gaming Fund.....	0	8	49
Interest .....	171	306	284
<b>Total Receipts</b> .....	<b>7,773</b>	<b>8,409</b>	<b>8,839</b>
<b>Total Funds Available</b> .....	<b>\$ 14,886</b>	<b>\$ 16,076</b>	<b>\$ 15,965</b>
<b>Disbursements:</b>			
Drug and Alcohol Programs.....	\$ 7,219	\$ 8,950	\$ 9,350
<b>Total Disbursements</b> .....	<b>-7,219</b>	<b>-8,950</b>	<b>-9,350</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 7,667</b>	<b>\$ 7,126</b>	<b>\$ 6,615</b>

# 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 interest from the \$20,000 perpetual endowment created by the estate of Colonel Conrad Weiser.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 75</b>	<b>\$ 76</b>	<b>\$ 78</b>
<b>Receipts:</b>			
Interest .....	\$ 1	\$ 2	\$ 2
<b>Total Receipts</b> .....	<b>1</b>	<b>2</b>	<b>2</b>
<b>Total Funds Available</b> .....	<b>\$ 76</b>	<b>\$ 78</b>	<b>\$ 80</b>
<b>Disbursements:</b>			
Historical and Museum Commission .....	\$ 0	\$ 0	\$ 0
<b>Total Disbursements</b> .....	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 76</b>	<b>\$ 78</b>	<b>\$ 80</b>

# Conservation District Fund

Act 110 of 2006 created the Conservation District Fund to assist local conservation districts in the conservation of soil, water and natural resources. Revenue may be provided from state appropriations, federal appropriations, interest earnings and other funds available to the State Conservation Commission. Act 13 of 2012 provided for the collection and distribution of unconventional gas well impact fees, including transfers to conservation districts from the Public Utility Commission. Of these conservation district transfers, fifty percent is distributed directly by the Public Utility Commission in equal payments to all county conservation districts. The remaining fifty percent is deposited into the Conservation District Fund to provide additional conservation district support. The Conservation Districts are delegated legal authority for permitting, inspections and enforcement for many state water programs to assist the commonwealth in meeting its regulatory obligations. This budget proposes to reduce the DEP portion of the transfer from the General Fund and replace the revenues with a transfer from the Environmental Stewardship Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 5,793</b>	<b>\$ 5,889</b>	<b>\$ 4,656</b>
<b>Receipts:</b>			
Transfer from General Fund.....	\$ 3,375	\$ 3,375	\$ 869
Transfer from Environmental Stewardship Fund.....	0	0	2,506
Transfer from Unconventional Gas Well Fund.....	3,875	3,972	4,071
Interest.....	76	121	124
<b>Total Receipts</b> .....	<b>7,326</b>	<b>7,468</b>	<b>7,570</b>
<b>Total Funds Available</b> .....	<b>\$ 13,119</b>	<b>\$ 13,357</b>	<b>\$ 12,226</b>
<b>Disbursements:</b>			
Environmental Protection.....	\$ 4,494	\$ 5,089	\$ 4,542
Agriculture.....	2,736	3,612	2,905
<b>Total Disbursements</b> .....	<b>-7,230</b>	<b>-8,701</b>	<b>-7,447</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 5,889</b>	<b>\$ 4,656</b>	<b>\$ 4,779</b>

# Deferred Compensation Fund

Act 81 of 1987 established the Commonwealth Deferred Compensation Program. The program enables commonwealth employees to defer a portion of their salaries into a retirement savings plan. The State Employees' Retirement System (SERS) is responsible for administration of the act. Contributions to the fund began in 1988. The disbursements shown under Benefits and Rollovers are employee contribution funds transferred to one of the investment plan options. Those funds, together with the interest they earn, are available to employees upon retirement.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 16,515</b>	<b>\$ 41,873</b>	<b>\$ 27,695</b>
<b>Receipts:</b>			
Employee Contributions .....	\$ 139,877	\$ 144,073	\$ 148,395
Sale or Purchase of Securities.....	72,789	34,677	52,955
Interest.....	1,376 <sup>a</sup>	1,417 <sup>a</sup>	1,460 <sup>a</sup>
<b>Total Receipts</b> .....	<b>214,042</b>	<b>180,167</b>	<b>202,810</b>
<b>Total Funds Available</b> .....	<b>\$ 230,557</b>	<b>\$ 222,040</b>	<b>\$ 230,505</b>
<b>Disbursements:</b>			
Benefits and Rollovers.....	\$ 181,063	\$ 186,495	\$ 192,090
Fees and Expenses .....	7,621	7,850	8,086
<b>Total Disbursements</b> .....	<b>-188,684</b>	<b>-194,345</b>	<b>-200,176</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 41,873</b>	<b>\$ 27,695</b>	<b>\$ 30,329</b>

<sup>a</sup> Includes interest earned on funds controlled by SERS and the Treasury Department.

# Deferred Compensation Fund — Short-Term Portfolio

Act 81 of 1987 established the Commonwealth Deferred Compensation Program. The program enables commonwealth employees to defer a portion of their salaries into a retirement savings plan. Available for the employees' investment selection is the Treasury Short-Term Money Market Account. In order to maintain the identity of the investments and deferred compensation contributions, the Deferred Compensation Fund - Short-Term Portfolio was established.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 66,603	\$ 67,514	\$ 68,885
<b>Receipts:</b>			
Transfers from Deferred Compensation Fund.....	\$ 25,306	\$ 25,812	\$ 26,328
Interest .....	970	1,535	1,531
Total Receipts .....	<u>26,276</u>	<u>27,347</u>	<u>27,859</u>
<b>Total Funds Available</b> .....	<u>\$ 92,879</u>	<u>\$ 94,861</u>	<u>\$ 96,744</u>
<b>Disbursements:</b>			
State Employees' Retirement System .....	\$ 25,365	\$ 25,976	\$ 26,496
Total Disbursements .....	<u>-25,365</u>	<u>-25,976</u>	<u>-26,496</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 67,514</u>	<u>\$ 68,885</u>	<u>\$ 70,248</u>

# DNA Detection Fund

The DNA Detection Fund was created by Act 14 of Special Session One of 1995 to account for the collection and processing of Deoxyribonucleic Acid (DNA) samples by State Police from individuals convicted, adjudicated delinquent or granted accelerated rehabilitation disposition for a felony sex offense or other specified offense. Revenues are derived from mandatory fees which are assessed on sexual offenders. Expenditures are made to establish and maintain a DNA database and DNA bank. Act 57 of 2002 reestablished this fund as well as the State DNA Data Base and State DNA Data Bank. Additional requirements provide for testing and the imposition of related costs on certain offenders, while further defining the apportionment of liability and damages against defendants.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 7,606	\$ 7,267	\$ 3,132
<b>Receipts:</b>			
Assessments.....	\$ 2,323	\$ 2,000	\$ 2,000
Interest.....	113	120	50
Total Receipts .....	<u>2,436</u>	<u>2,120</u>	<u>2,050</u>
<b>Total Funds Available</b> .....	<u>\$ 10,042</u>	<u>\$ 9,387</u>	<u>\$ 5,182</u>
<b>Disbursements:</b>			
State Police.....	\$ 2,775	\$ 6,255	\$ 5,182
Total Disbursements .....	<u>-2,775</u>	<u>-6,255</u>	<u>-5,182</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 7,267</u>	<u>\$ 3,132</u>	<u>\$ 0</u>

# Educational Assistance Program Fund

The Educational Assistance Program Fund was established in Act 212 of 2004 to fund the Educational Assistance Program for members of the National Guard. Act 78 of 2014 added the Medical and Health Officer Incentive Program to this fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 1	\$ 808	\$ 897
<b>Receipts:</b>			
Transfer from General Fund.....	\$ 12,500	\$ 13,000	\$ 13,265
Interest.....	49	51	52
Total Receipts .....	<u>12,549</u>	<u>13,051</u>	<u>13,317</u>
<b>Total Funds Available</b> .....	<u>\$ 12,550</u>	<u>\$ 13,859</u>	<u>\$ 14,214</u>
<b>Disbursements:</b>			
Military and Veterans Affairs.....	\$ 11,742	\$ 12,962	\$ 13,555
Total Disbursements .....	<u>-11,742</u>	<u>-12,962</u>	<u>-13,555</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 808</u>	<u>\$ 897</u>	<u>\$ 659</u>



# Emergency Medical Services Operating Fund

The fund was created by the Emergency Medical Services Act, Act 45 of 1985, to assist in activities relating to the prevention and reduction of premature death and disability in the commonwealth; to provide assistance, coordination and support of the development and maintenance of the comprehensive emergency medical services system; to determine qualifications, eligibility and certification of emergency medical services personnel; and to fund ambulance services. Revenue is derived from a \$10 fine levied on all moving traffic violations and a \$25 fee imposed on persons admitted to programs for Accelerated Rehabilitation Disposition (ARD) related to driving under the influence of drugs and/or alcohol. These fines are in addition to other fines imposed at the discretion of the court. This statement includes both the Emergency Medical and Catastrophic Medical and Rehabilitation components of the Act.

The Tax Reform Code of 1971, as amended by Act 43 of 2017, imposes a 12 percent tax on the sale of consumer fireworks in Pennsylvania. One-sixth of the fireworks tax collected in a fiscal year, not to exceed \$2,000,000, shall be transferred from the General Fund as follows: 75 percent for the purpose of making grants under the Emergency Medical Services Grant program and 25 percent to a special account for volunteer firefighter training.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 10,861</b>	<b>\$ 10,567</b>	<b>\$ 7,796</b>
<b>Receipts:</b>			
Fines .....	\$ 11,299	\$ 11,694	\$ 11,694
Transfer of Fireworks Tax .....	0	51	975
Interest .....	337	319	235
Other .....	296	122	122
Total Receipts .....	<u>11,932</u>	<u>12,186</u>	<u>13,026</u>
<b>Total Funds Available</b> .....	<b>\$ 22,793</b>	<b>\$ 22,753</b>	<b>\$ 20,822</b>
<b>Disbursements:</b>			
Health.....	\$ 12,226	\$ 14,957	\$ 14,750
Total Disbursements .....	<u>-12,226</u>	<u>-14,957</u>	<u>-14,750</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 10,567</b>	<b>\$ 7,796</b>	<b>\$ 6,072</b>

## Employment Fund for the Blind

This fund was created in 1967 to make loans to persons who are blind to purchase equipment, stock, merchandise and accessories necessary to put into operation vending or refreshment stands or other suitable business enterprises in suitable locations to be leased or arranged for by state agencies. Act 15 of 1999 transferred the authority to administer the fund from the Department of Human Services to the Department of Labor and Industry.

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

### Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 1,960</b>	<b>\$ 2,083</b>	<b>\$ 1,819</b>
<b>Receipts:</b>			
Vending Stand Equipment Rentals .....	\$ 207	\$ 241	\$ 241
Vending Machine Receipts .....	332	466	466
Interest .....	30	48	47
Other .....	348	0	0
Total Receipts .....	917	755	754
<b>Total Funds Available</b> .....	<b>\$ 2,877</b>	<b>\$ 2,838</b>	<b>\$ 2,573</b>
<b>Disbursements:</b>			
Labor and Industry.....	\$ 794	\$ 1,019	\$ 800
Total Disbursements .....	-794	-1,019	-800
<b>Cash Balance, Ending</b> .....	<b>\$ 2,083</b>	<b>\$ 1,819</b>	<b>\$ 1,773</b>

## 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 (PEDA) including the sale of bonds. Activities of the fund include preparation of the energy development plan, payment of administrative costs, the making of grants and loans for limited research intended to make the greatest possible contributions to energy conservation and development, and the establishment of reserves in respect to loans guaranteed or bonds issued by the authority. The fund is supported by loan repayments and interest earnings. Under statute, if the Energy Development Authority determines that funds held for the credit of the fund are more than the amount needed to carry out the purposes of the enabling law, then the authority must transfer the excess money to the General Fund.

Act 44 of 2017 provided for a transfer to the General Fund of amounts available in special funds. The 2017-18 Transfer to the General Fund was in accordance with the Act.

### Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 3,973</b>	<b>\$ 3,468</b>	<b>\$ 3,393</b>
<b>Receipts:</b>			
Interest .....	\$ 104	\$ 97	\$ 67
Total Receipts .....	104	97	67
<b>Total Funds Available</b> .....	<b>\$ 4,077</b>	<b>\$ 3,565</b>	<b>\$ 3,460</b>
<b>Disbursements:</b>			
Environmental Protection.....	\$ 109	\$ 172	\$ 1,149
Transfer to General Fund.....	500	0	0
Total Disbursements .....	-609	-172	-1,149
<b>Cash Balance, Ending</b> .....	<b>\$ 3,468</b>	<b>\$ 3,393</b>	<b>\$ 2,311</b>

# Environmental Education Fund

This fund was authorized by Act 24 of 1993 to provide environmental education programs and to provide grants to schools and other organizations. Funding is from the transfer of five percent of fines and penalties deposited in the special funds and restricted revenue accounts which are administered by the Department of Environmental Protection. Act 18 of 1995 requires that not less than 25 percent of the annual receipts of this fund shall be provided to the Department of Conservation and Natural Resources.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 1,285	\$ 1,580	\$ 1,290
<b>Receipts:</b>			
Transfers from Other Funds.....	\$ 1,181	\$ 1,177	\$ 563
Interest.....	27	53	38
Total Receipts .....	<u>1,208</u>	<u>1,230</u>	<u>601</u>
<b>Total Funds Available</b> .....	<u>\$ 2,493</u>	<u>\$ 2,810</u>	<u>\$ 1,891</u>
<b>Disbursements:</b>			
Conservation and Natural Resources.....	\$ 215	\$ 329	\$ 300
Environmental Protection .....	698	1,191	685
Total Disbursements .....	<u>-913</u>	<u>-1,520</u>	<u>-985</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 1,580</u>	<u>\$ 1,290</u>	<u>\$ 906</u>

# Environmental Stewardship Fund

The Environmental Stewardship Fund is a special revenue fund composed of monies from certain landfill fees. The fund provides for farmland preservation projects, open space protection, abandoned mine reclamation, watershed protection and restoration, water and sewer infrastructure and the improvement and conservation of commonwealth and community parks and recreational facilities. The fund originally received revenue from a 25 cent per ton, or 25 cent per three cubic yards, fee for all solid waste received at a landfill in the commonwealth. Act 90 of 2002 added an additional \$4 per ton disposal fee for all solid waste disposed of at any municipal waste landfill. For 2002-03, the first \$50 million received from this fee was deposited into this special fund. In 2003-04, and thereafter, all revenue from these fees is deposited in this special fund. Act 13 of 2012 authorized an annual transfer from the Marcellus Legacy Fund into the Environmental Stewardship Fund and Act 44 of 2017 modified this transfer. The dollars and interest generated by this fund are specifically designated for implementing the programs found in 27 Pa. Code Chapter 61. The fund is also used to service debt for the Growing Greener program.

The Governor's Budget includes modifications to multiple environmental special funds, including a number of changes to the Environmental Stewardship Fund. These changes include reducing the transfer from the Oil and Gas Lease Fund (that also goes through the Marcellus Legacy Fund), moving the debt service cost for Growing Greener out of the Environmental Stewardship Fund (now funded directly by Personal Income Tax receipts) and funding a number of items previously paid for by General Fund appropriations. The General Fund expenses replaced by the Environmental Stewardship Fund include DEP's Transfer to the Conservation District Fund, the Chesapeake Bay Agricultural Source Abatement program, multiple commissions appropriations, support for DEP operations and DCNR's Heritage and Other Parks, as reflected on the financial statement below.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 103,462</b>	<b>\$ 121,415</b>	<b>\$ 5,496</b>
<b>Receipts:</b>			
Licenses and Fees.....	\$ 72,256	\$ 68,000	\$ 68,000
Transfer from Marcellus Legacy Fund.....	27,652	29,605	10,330
Interest.....	2,638	3,024	2,582
Total Receipts .....	<u>102,546</u>	<u>100,629</u>	<u>80,912</u>
<b>Total Funds Available</b> .....	<b>\$ 206,008</b>	<b>\$ 222,044</b>	<b>\$ 86,408</b>
<b>Disbursements:</b>			
Treasury:			
Debt Service for Growing Greener.....	\$ 26,871	\$ 26,053	\$ 0
Agriculture:			
Agricultural Conservation Easement Program.....	11,248	12,759	9,351
Conservation and Natural Resources:			
Heritage and Other Parks.....	0	0	2,250
Community Conservation Grants.....	6,242	13,391	6,000
Parks and Forest Facility Rehabilitation.....	5,969	42,421	8,927
Natural Diversity Conservation Grants.....	391	1,070	300
Environmental Protection:			
General Government Operations.....	0	0	773
Environmental Program Management.....	0	0	1,790
Chesapeake Bay Agricultural Source Abatement.....	0	0	2,974
Environmental Protection Operations.....	0	0	4,886
Delaware River Master.....	0	0	127
Susquehanna River Basin Commission.....	0	0	846
Interstate Commission on the Potomac River.....	0	0	51
Delaware River Basin Commission.....	0	0	1,047
Ohio River Valley Water Sanitation Commission.....	0	0	180
Chesapeake Bay Commission.....	0	0	300
Transfer to Conservation District Fund.....	0	0	2,506
Watershed Protection and Restoration.....	15,860	105,294	23,630
Infrastructure Investment Authority:			
Storm Water, Water and Sewer Grants .....	18,012	15,560	14,974
Total Disbursements .....	<u>-84,593</u>	<u>-216,548</u>	<u>-80,912</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 121,415</b>	<b>\$ 5,496</b>	<b>\$ 5,496</b>

# Fantasy Contest Fund

As a result of Act 42 of 2017, the Fantasy Contest Fund was administratively established to receive all assessments from licensees for the administration and enforcement of fantasy contests provided by the Gaming Control Board and Department of Revenue.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 0	\$ 20	\$ 251
<b>Receipts:</b>			
Licensee Deposit Accounts.....	\$ 0	\$ 684	\$ 643
Other .....	20	0	0
<b>Total Receipts</b> .....	<u>20</u>	<u>684</u>	<u>643</u>
<b>Total Funds Available</b> .....	\$ <u>20</u>	\$ <u>704</u>	\$ <u>894</u>
<b>Disbursements:</b>			
Administrative Appropriations:			
Gaming Control Board.....	\$ 0	\$ 253	\$ 253
Revenue .....	0	200	210
<b>Total Disbursements</b> .....	<u>0</u>	<u>-453</u>	<u>-463</u>
<b>Cash Balance, Ending</b> .....	\$ <u><u>20</u></u>	\$ <u><u>251</u></u>	\$ <u><u>431</u></u>

# Farm Products Show Fund

The Farm Products Show Fund is a special revenue fund composed 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 PA Race Horse Development Trust Fund. The fund is used for salaries and expenses of the Farm Products Show Commission, for the maintenance of the Farm Show Building and for prizes and premiums.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 2,991	\$ 2,880	\$ 1,808
<b>Receipts:</b>			
Transfer from PA Race Horse Development Trust Fund.....	\$ 5,000	\$ 5,000	\$ 5,000
Rentals.....	2,828	3,000	3,000
Parking.....	2,187	2,416	2,416
Exhibit Fees.....	385	355	360
Service Charges.....	812	767	767
Concession.....	1,227	1,160	1,310
Interest.....	58	93	47
Other.....	328	197	197
<b>Total Receipts</b> .....	<u>12,825</u>	<u>12,988</u>	<u>13,097</u>
<b>Total Funds Available</b> .....	\$ <u>15,816</u>	\$ <u>15,868</u>	\$ <u>14,905</u>
<b>Disbursements:</b>			
Agriculture.....	\$ 12,936	\$ 14,060	\$ 14,042
<b>Total Disbursements</b> .....	<u>-12,936</u>	<u>-14,060</u>	<u>-14,042</u>
<b>Cash Balance, Ending</b> .....	\$ <u><u>2,880</u></u>	\$ <u><u>1,808</u></u>	\$ <u><u>863</u></u>

# Fire Insurance Tax Fund

The revenue for the Fire Insurance Tax Fund results from the 2 percent tax paid upon premiums received from foreign (out-of-state) fire insurance companies on business done within the commonwealth. The funds are distributed based on the population and market value of real estate of each municipality. In addition, the distribution formula provides for differential payment for paid and volunteer firefighters. The amount to be distributed based on paid firefighters is transferred to the Municipal Pension Aid Fund for payment. This money must be paid by the local governmental organization into the relief, pension or retirement fund of the recognized fire fighting organization serving the city, town, township or borough.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 75,099	\$ 68,633	\$ 68,609
<b>Receipts:</b>			
Tax Payable to Municipalities.....	\$ 68,497	\$ 68,497	\$ 68,497
Total Receipts .....	<u>68,497</u>	<u>68,497</u>	<u>68,497</u>
<b>Total Funds Available</b> .....	<u>\$ 143,596</u>	<u>\$ 137,130</u>	<u>\$ 137,106</u>
<b>Disbursements:</b>			
Auditor General.....	\$ 74,963	\$ 68,521	\$ 68,521
Total Disbursements .....	<u>-74,963</u>	<u>-68,521</u>	<u>-68,521</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 68,633</u>	<u>\$ 68,609</u>	<u>\$ 68,585</u>

# Fish Fund

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

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 72,714	\$ 74,916	\$ 67,465
<b>Receipts:</b>			
Licenses and Fees.....	\$ 26,000	\$ 26,164	\$ 26,164
Fines and Penalties.....	364	400	400
Restricted Funds.....	2,766	3,000	3,000
Federal Receipts.....	7,605	10,204	7,706
Interest.....	1,731	1,904	1,867
Sale of Goods.....	313	151	151
Sale of Publications.....	7	10	10
Other.....	2,250	1,056	1,056
Total Receipts .....	<u>41,036</u>	<u>42,889</u>	<u>40,354</u>
<b>Total Funds Available</b> .....	<u>\$ 113,750</u>	<u>\$ 117,805</u>	<u>\$ 107,819</u>
<b>Disbursements:</b>			
Fish and Boat Commission.....	\$ 38,834	\$ 50,340	\$ 41,450
Total Disbursements .....	<u>-38,834</u>	<u>-50,340</u>	<u>-41,450</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 74,916</u>	<u>\$ 67,465</u>	<u>\$ 66,369</u>

# Game Fund

The Game Fund is a special revenue fund composed of monies from hunting license fees, sale of wood products, fines and penalties, rents, federal contributions and interest. It provides for the administration and enforcement of the game laws and the protection and propagation of game species.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 51,961</b>	<b>\$ 68,287</b>	<b>\$ 45,852</b>
<b>Receipts:</b>			
Licenses and Fees.....	\$ 36,217	\$ 36,217	\$ 36,217
Fines and Penalties.....	1,506	1,400	1,400
Gas and Oil Leases.....	27,570	32,000	32,000
Federal Receipts.....	27,965	33,013	28,252
Habitat License Fee Transfer.....	7,500	7,500	7,500
Interest.....	1,625	2,096	1,249
Sale of Goods.....	584	600	600
Sale of Wood Products.....	10,764	8,000	8,000
Sale of Publications.....	889	600	600
Other.....	1,823	1,700	1,700
<b>Total Receipts</b> .....	<b>116,443</b>	<b>123,126</b>	<b>117,518</b>
<b>Total Funds Available</b> .....	<b>\$ 168,404</b>	<b>\$ 191,413</b>	<b>\$ 163,370</b>
<b>Disbursements:</b>			
Game Commission.....	\$ 100,117	\$ 145,561	\$ 134,792
<b>Total Disbursements</b> .....	<b>-100,117</b>	<b>-145,561</b>	<b>-134,792</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 68,287</b>	<b>\$ 45,852</b>	<b>\$ 28,578</b>

# Governor Robert P. Casey Memorial Organ and Tissue Donation Awareness Trust Fund

This fund was established by Act 102 of 1994 and derives revenue from private contributions, income tax refund check-off donations and a voluntary \$1 add-on to the fee for an original or renewal driver's license, state identification card or vehicle registration. Act 90 of 2018 increases the voluntary add-on amount to \$3 and provides for the establishment of a publicly assessable internet website within the Department of Transportation for voluntary donations of at least \$1.

After the payment of initial departmental operating costs associated with the fund, including support of the Organ and Tissue Donation Advisory Committee, any remaining funds are spent as prescribed by the Act 90: 10 percent for hospital and medical expenses, funeral expenses and incidental expenses incurred by the donor or the donor's family in connection with making an organ or tissue donation, and support services to organ donors and tissue donors and their families, such as bereavement counseling services; 50 percent for grants to certified organ procurement organizations for the development and implementation of organ donation awareness programs; 15 percent in cooperation with certified organ procurement organizations for the Project Make-A-Choice program; and 25 percent for the implementation of organ donation awareness programs in secondary schools.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 1,153</b>	<b>\$ 881</b>	<b>\$ 588</b>
<b>Receipts:</b>			
Donations - State Income Tax Forms .....	\$ 8	\$ 5	\$ 5
Donations - Driver's License Applicants .....	265	257	308
Donations - Motor Vehicle Registrations .....	439	334	401
Donations - Private .....	1	1	1
Interest .....	15	21	14
Total Receipts .....	<u>728</u>	<u>618</u>	<u>729</u>
<b>Total Funds Available</b> .....	<b>\$ 1,881</b>	<b>\$ 1,499</b>	<b>\$ 1,317</b>
<b>Disbursements:</b>			
Education.....	\$ 199	\$ 190	\$ 165
Health.....	801	721	648
Transportation.....	0	0	225
Total Disbursements .....	<u>-1,000</u>	<u>-911</u>	<u>-1,038</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 881</b>	<b>\$ 588</b>	<b>\$ 279</b>



# Growing Greener Bond Fund

This fund was created under the authority of Act 45 of 2005 to receive and distribute the proceeds from the sale of \$625 million in bonds. This money will be used to finance various environmental projects such as watershed protection, mine drainage remediation, advanced energy, flood protection, brownfields remediation, state parks and forests facilities, open space conservation, farmland preservation, capital improvement projects for fishing, boating and hunting, and for county environmental initiatives.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 1,633</b>	<b>\$ 19,816</b>	<b>\$ 4,980</b>
<b>Receipts:</b>			
Referendum Bonds.....	\$ 26,000	\$ 0	\$ 0
Premium/Discount on Sale of Bonds.....	435	0	0
Accumulated Interest Transfer for Debt Service.....	0	-6,024	-1,342
Interest.....	23	280	50
Total Receipts .....	<u>26,458</u>	<u>-5,744</u>	<u>-1,292</u>
<b>Total Funds Available</b> .....	<b>\$ 28,091</b>	<b>\$ 14,072</b>	<b>\$ 3,688</b>
<b>Disbursements:</b>			
Treasury .....	\$ 10	\$ 4	\$ 0
Agriculture:			
Purchase of County Easements.....	0	257	0
Community and Economic Development:			
Main Street Downtown Development.....	181	1,000	663
Industrial Sites Reuse.....	0	840	0
Conservation and Natural Resources:			
Parks & Recreation Improvements.....	250	544	0
State Parks/Forest Projects.....	5,881	2,809	2,000
Open Space Conservation.....	0	108	0
Environmental Protection:			
Authority Projects.....	363	1,000	865
Environmental Improvement Projects.....	1,202	1,167	0
Acid Mine Drainage Abatement.....	135	1,153	0
Fish and Boat Commission:			
Capital Improvement Projects.....	253	200	160
Game Commission:			
Capital Improvement Projects.....	0	10	0
Total Disbursements .....	<u>-8,275</u>	<u>-9,092</u>	<u>-3,688</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 19,816</b>	<b>\$ 4,980</b>	<b>\$ 0</b>

# Growing Greener Bond Sinking Fund

Payment of interest and principal due on outstanding Growing Greener bonds is made from this fund. The annual authorization from the Environmental Stewardship Fund (ESF) for general obligation debt service and interest on monies in the Growing Greener Bond Fund provide revenues to this fund. This budget proposes Personal Income Tax transfers from the General Fund in lieu of the ESF authorization.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 0	\$ 0	\$ 0
<b>Receipts:</b>			
Transfer from Environmental Stewardship Fund.....	\$ 20,480	\$ 21,707	\$ 0
Transfer of Personal Income Tax .....	0	0	20,045
Accumulated Interest Transfer for Debt Service.....	0	0	1,292
Debt Service Interest.....	858	0	0
Interest.....	0	4	0
<b>Total Receipts</b> .....	<u>21,338</u>	<u>21,711</u>	<u>21,337</u>
<b>Total Funds Available</b> .....	<u>\$ 21,338</u>	<u>\$ 21,711</u>	<u>\$ 21,337</u>
<b>Disbursements:</b>			
Treasury.....	\$ 21,338	\$ 21,711	\$ 21,337
<b>Total Disbursements</b> .....	<u>-21,338</u>	<u>-21,711</u>	<u>-21,337</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

# Hazardous Material Response Fund

The Hazardous Material Response Fund was created by Act 165 of 1990 and amended by Act 121 of 2000 to carry out Pennsylvania's responsibilities under Title III of the Federal Superfund Amendments and Reauthorization Act (SARA Title III). Revenue is generated from toxic chemical registration fees and toxic chemical release form fees. Expenditures are for training hazardous material response teams, public education programs, grants to counties for SARA Title III activities, cost recovery grants, facility and vehicle inspections, testing and administration of the program including data collection and management.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 1,976	\$ 1,718	\$ 1,036
<b>Receipts:</b>			
Toxic Chemical Release Form Fee .....	\$ 1,040	\$ 850	\$ 850
Chemical Inventory Fee .....	354	375	375
Interest .....	54	47	28
Other .....	45	25	25
<b>Total Receipts</b> .....	<u>1,493</u>	<u>1,297</u>	<u>1,278</u>
<b>Total Funds Available</b> .....	<u>\$ 3,469</u>	<u>\$ 3,015</u>	<u>\$ 2,314</u>
<b>Disbursements:</b>			
Emergency Management.....	\$ 1,751	\$ 1,919	\$ 1,800
Labor and Industry.....	0	60	60
<b>Total Disbursements</b> .....	<u>-1,751</u>	<u>-1,979</u>	<u>-1,860</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 1,718</u>	<u>\$ 1,036</u>	<u>\$ 454</u>

# Hazardous Sites Cleanup Fund

This fund was created by Act 58 of 1987 to finance the cleanup and restoration of abandoned hazardous waste sites in the commonwealth. Expenditures from this fund are for cleaning up abandoned hazardous waste sites throughout the commonwealth and restoring the land to productive use. Revenue is generated from a Hazardous Waste Fee as well as money received from parties determined responsible for site contamination. Prior to 2002-03, the fund received one-quarter mill of the Capital Stock and Franchise Tax. Act 77 of 2007 provided for a one-time transfer in 2007-08 of monies lapsed from certain appropriations within the Legislature. Beginning in 2008-09, the act also included an annual transfer to the fund of \$40 million of revenue received from the Capital Stock and Franchise Tax. Act 13 of 2012 includes an annual transfer from the Marcellus Legacy Fund beginning in 2014-15 and Act 44 of 2017 modified this transfer. The Capital Stock and Franchise Tax was eliminated on January 1, 2016.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Total Cash Balance, Beginning</b> .....	<b>\$ 78,378</b>	<b>\$ 85,486</b>	<b>\$ 58,150</b>
<b>Receipts:</b>			
Transfer of Capital Stock and Franchise Tax.....	\$ 24,403	\$ 8,052	\$ 0
Transfer from Marcellus Legacy Fund.....	18,826	19,802	20,165
Hazardous Waste Fee.....	1,999	1,650	1,700
Cost Recovery.....	1,795	1,020	1,020
Interest.....	1,574	1,935	954
Other.....	7	0	0
<b>Total Receipts</b> .....	<b>48,604</b>	<b>32,459</b>	<b>23,839</b>
<b>Total Funds Available</b> .....	<b>\$ 126,982</b>	<b>\$ 117,945</b>	<b>\$ 81,989</b>
<b>Disbursements:</b>			
Environmental Protection.....	\$ 36,496	\$ 54,795	\$ 47,284
Transfer to Industrial Sites Environmental Assessment Fund.....	2,000	2,000	2,000
Transfer to Industrial Sites Cleanup Fund.....	2,000	2,000	2,000
Transfer to Household Hazardous Waste Account.....	1,000	1,000	1,000
<b>Total Disbursements</b> .....	<b>-41,496</b>	<b>-59,795</b>	<b>-52,284</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 85,486</b>	<b>\$ 58,150</b>	<b>\$ 29,705</b>

## Higher Education Assistance Fund

This fund statement presents financial activity within the Higher Education Assistance Fund that is related only to programs funded by state and federal appropriations. The Pennsylvania Higher Education Assistance Agency (PHEAA) administers other programs through the Higher Education Assistance Fund which are not included in this presentation. Funding is used primarily for the following purposes: (1) grants to students; (2) grants to nondenominational private postsecondary educational institutions; (3) grants to institutions of higher learning for the purpose of helping the institution secure federal funds to provide direct financial aid to students; (4) funds to institutions for the Federal Work Study Program; (5) grants to minority students entering graduate professional schools under the Bond-Hill Program; (6) funds to recruit gifted students to Cheyney University; (7) funds for the higher education of disadvantaged students; and (8) funds for the higher education of blind or deaf students. Revenues to this fund are derived from General Fund appropriations by the General Assembly, federal funds and interest earnings.

### Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 30,695</b>	<b>\$ 33,741</b>	<b>\$ 35,241</b>
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 321,789	\$ 322,661	\$ 372,882
Investment Earnings .....	1,617	1,500	1,500
Federal Revenue.....	1,598	1,655	1,656
Other.....	105,984	112,414	58,000
Total Receipts .....	<u>430,988</u>	<u>438,230</u>	<u>434,038</u>
<b>Total Funds Available</b> .....	<b>\$ 461,683</b>	<b>\$ 471,971</b>	<b>\$ 469,279</b>
<b>Disbursements:</b>			
Higher Education Assistance Agency.....	\$ 427,942	\$ 436,730	\$ 432,538
Total Disbursements .....	<u>-427,942</u>	<u>-436,730</u>	<u>-432,538</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 33,741</b>	<b>\$ 35,241</b>	<b>\$ 36,741</b>

## Highway Beautification Fund

The Highway Beautification Fund was created by Act 5 of Special Session Three of 1966. Highway beautification activities are supported by licenses, fees, fines, penalties and interest. Activities include the regulating of outdoor advertising and junkyards.

### Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 642</b>	<b>\$ 680</b>	<b>\$ 473</b>
<b>Receipts:</b>			
Licenses and Fees.....	\$ 328	\$ 332	\$ 332
Interest.....	10	11	7
Total Receipts .....	<u>338</u>	<u>343</u>	<u>339</u>
<b>Total Funds Available</b> .....	<b>\$ 980</b>	<b>\$ 1,023</b>	<b>\$ 812</b>
<b>Disbursements:</b>			
Transportation.....	\$ 300	\$ 550	\$ 529
Total Disbursements .....	<u>-300</u>	<u>-550</u>	<u>-529</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 680</b>	<b>\$ 473</b>	<b>\$ 283</b>

# 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 monies from the sale of publications by the Pennsylvania Historical and Museum Commission and all monies received from admission fees or other sales by the commission at the state historical properties and/or museums. Act 173 of 2002 enables the commission to sell most commonwealth publications to the public and provides that net proceeds from the publication sales and from the sale of historical properties administered by the commission shall be deposited into the fund. The Historical Preservation Fund is designated for projects of the Historical and Museum Commission for which they have agreements to complete over a period of several fiscal years.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 8,180</b>	<b>\$ 8,318</b>	<b>\$ 5,685</b>
<b>Receipts:</b>			
Admission Fees.....	\$ 1,052	\$ 1,052	\$ 1,052
Mitigation and Special Projects.....	1,500	0	0
Interest .....	117	180	100
Other.....	257	300	300
Total Receipts .....	<u>2,926</u>	<u>1,532</u>	<u>1,452</u>
<b>Total Funds Available</b> .....	<b>\$ 11,106</b>	<b>\$ 9,850</b>	<b>\$ 7,137</b>
<b>Disbursements:</b>			
Historical and Museum Commission:			
General Operations.....	\$ 2,423	\$ 1,865	\$ 1,742
Mitigation and Special Projects.....	365	2,300	2,150
Total Disbursements .....	<u>-2,788</u>	<u>-4,165</u>	<u>-3,892</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 8,318<sup>a</sup></b>	<b>\$ 5,685<sup>a</sup></b>	<b>\$ 3,245<sup>a</sup></b>

<sup>a</sup> Includes the following amounts restricted for mitigation and special projects: 2017-18 Actual is \$6,845,000, 2018-19 Available is \$4,545,000 and 2019-20 Estimated is \$2,395,000.

# HOME Investment Trust Fund

This fund was established by Act 172 of 1992 in order to administer Pennsylvania's program under the National Affordable Housing Act of 1990. Funding is provided by the Federal Department of Housing and Urban Development on an annual basis. Expenditures are for development and support of affordable rental housing and home ownership through the acquisition, new construction, reconstruction or rehabilitation of housing.

Act 58 of 1996 transferred this program from the Department of Community Affairs to the Department of Community and Economic Development. Beginning in 2000-01 the majority of federal funds are granted directly through the implementation of the United States Department of Housing and Urban Development Integrated Disbursement and Information System and do not flow through the Department of Community and Economic Development. Administrative funds are appropriated to the department to continue the program.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 42</b>	<b>\$ 71</b>	<b>\$ 0</b>
<b>Receipts:</b>			
Federal Revenue.....	\$ 1,127	\$ 3,783	\$ 3,800
HOME Program Income.....	220	200	200
Total Receipts .....	<u>1,347</u>	<u>3,983</u>	<u>4,000</u>
<b>Total Funds Available</b> .....	<b>\$ 1,389</b>	<b>\$ 4,054</b>	<b>\$ 4,000</b>
<b>Disbursements:</b>			
Community and Economic Development.....	\$ 1,318	\$ 4,054	\$ 4,000
Total Disbursements .....	<u>-1,318</u>	<u>-4,054</u>	<u>-4,000</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 71</b>	<b>\$ 0</b>	<b>\$ 0</b>

# Homeowner Assistance Settlement Fund

This fund was established by Act 70 of 2012. Payments received pursuant to the Homeowner Assistance Settlement Agreement were deposited into this fund. Disbursements are made for the Homeowner's Emergency Mortgage Assistance Program, for housing consumer protection programs and for civil legal assistance related to housing issues.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 612	\$ 135	\$ 0
<b>Receipts:</b>			
Interest.....	\$ 6	\$ 2	\$ 0
Total Receipts .....	<u>6</u>	<u>2</u>	<u>0</u>
<b>Total Funds Available</b> .....	<u>\$ 618</u>	<u>\$ 137</u>	<u>\$ 0</u>
<b>Disbursements:</b>			
Pennsylvania Housing Finance Agency.....	\$ 0	\$ 10	\$ 0
Attorney General.....	483	126	0
Transfer to Access to Justice Account.....	0	1	0
Total Disbursements .....	<u>-483</u>	<u>-137</u>	<u>0</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 135</u>	<u>\$ 0</u>	<u>\$ 0</u>

# Housing Affordability and Rehabilitation Enhancement Fund

This fund was established by Act 105 of 2010. Revenue consists of a transfer from the Unconventional Gas Well Fund. Disbursements are made in accordance with the Housing Finance Agency Law. Act 58 of 2015 provides for additional funding to be transferred to this fund based on the amount of Realty Transfer Tax (RTT) received yearly.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 5,776	\$ 7,417	\$ 0
<b>Receipts:</b>			
Transfer from Unconventional Gas Well Fund.....	\$ 7,101	\$ 5,000	\$ 5,000
Transfer of Realty Transfer Tax.....	17,395	25,000	25,000
Interest.....	47	175	50
Total Receipts .....	<u>24,543</u>	<u>30,175</u>	<u>30,050</u>
<b>Total Funds Available</b> .....	<u>\$ 30,319</u>	<u>\$ 37,592</u>	<u>\$ 30,050</u>
<b>Disbursements:</b>			
Pennsylvania Housing Finance Agency.....	\$ 22,902	\$ 37,592	\$ 30,050
Total Disbursements .....	<u>-22,902</u>	<u>-37,592</u>	<u>-30,050</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 7,417</u>	<u>\$ 0</u>	<u>\$ 0</u>

# Industrial Development Fund

Periodic General Fund appropriations made by the General Assembly to the Pennsylvania Industrial Development Authority (PIDA) are credited to this fund. From 1992 to 1994, these appropriations were replaced by an annual \$70 million transfer of Corporate Net Income tax revenues as provided by Act 22 of 1991. This transfer ended at the close of the 1993-94 fiscal year as part of the PIDA recapitalization. Act 161 of 2014 authorized funds to be transferred by an action of the board between the Small Business First Fund, the Machinery and Equipment Loan Fund, and the Industrial Development Fund to maximize the effectiveness of the programs.

The fund makes loans to local industrial development agencies to stimulate economic activity in areas of high unemployment. Repayments of loans and other revenues, generally not credited to this fund, are used by PIDA to make additional loans.

Act 44 of 2017 provided for a transfer to the General Fund of amounts available in special funds. The 2017-18 Transfer to the General Fund was in accordance with the Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 47	\$ 0	\$ 25
<b>Receipts:</b>			
Transfer from Machinery and Equipment Loan Fund.....	\$ 0	\$ 10,000	\$ 0
Transfer from Small Business First Fund.....	0	12,103	0
Transfer from PA Export Finance Program.....	0	2,897	0
Interest.....	0	25	0
<b>Total Receipts</b> .....	<u>0</u>	<u>25,025</u>	<u>0</u>
<b>Total Funds Available</b> .....	<u>\$ 47</u>	<u>\$ 25,025</u>	<u>\$ 25</u>
<b>Disbursements:</b>			
Community and Economic Development.....	\$ 0	\$ 25,000	\$ 0
Transfer to General Fund.....	47	0	0
<b>Total Disbursements</b> .....	<u>-47</u>	<u>-25,000</u>	<u>0</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 0</u>	<u>\$ 25</u>	<u>\$ 25</u>

# Industrial Sites Cleanup Fund

Act 2 of 1995 created the Industrial Sites Cleanup Fund to provide grants and loans to political subdivisions, local economic development agencies and others who, as part of an economic development strategy, undertake voluntary cleanup of property contaminated by industrial activity. Act 6 of 2000 allows the Department of Community and Economic Development to provide performance-based loans, which may be forgiven if performance measures are met. Also, Act 6 expanded the program to include remediation of non-hazardous waste or debris. Revenue to the fund consists of transfers from the Hazardous Sites Cleanup Fund, any funds appropriated by the General Assembly, interest earnings and loan repayments. Grants and loans are prioritized based on the benefit of the project to the public health and safety, the cost effectiveness of the project, the economic distress of the area and the potential of the project to result in economic development. Revenue to the fund is primarily derived through transfers from the Hazardous Sites Cleanup Fund. This revenue source ended with the full phase-out of the Capital Stock and Franchise Tax. A replacement revenue source must be identified.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 18,201	\$ 19,915	\$ 11,590
<b>Receipts:</b>			
Loan Principal and Interest Repayments.....	\$ 894	\$ 900	\$ 900
Transfer from Hazardous Sites Cleanup Fund.....	2,000	2,000	2,000
Interest.....	490	554	350
<b>Total Receipts</b> .....	<u>3,384</u>	<u>3,454</u>	<u>3,250</u>
<b>Total Funds Available</b> .....	<u>\$ 21,585</u>	<u>\$ 23,369</u>	<u>\$ 14,840</u>
<b>Disbursements:</b>			
Community and Economic Development.....	\$ 1,670	\$ 11,779	\$ 5,614
<b>Total Disbursements</b> .....	<u>-1,670</u>	<u>-11,779</u>	<u>-5,614</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 19,915</u>	<u>\$ 11,590</u>	<u>\$ 9,226</u>

# Insurance Fraud Prevention Trust Fund

The Insurance Fraud Prevention Trust Fund was created by Act 166 of 1994. The purpose of the fund is to finance activities in the commonwealth to prevent, combat and reduce insurance fraud, by improving and supporting insurance fraud law enforcement, prosecutions and prevention. The source of funds includes assessments on the insurance companies that conduct business in the Commonwealth of Pennsylvania, fines and penalties, and interest earnings.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 4,117</b>	<b>\$ 5,465</b>	<b>\$ 4,598</b>
<b>Receipts:</b>			
Assessments, Fines and Penalties.....	\$ 14,859	\$ 15,622	\$ 16,045
Interest.....	103	137	115
Total Receipts .....	<u>14,962</u>	<u>15,759</u>	<u>16,160</u>
<b>Total Funds Available</b> .....	<b>\$ 19,079</b>	<b>\$ 21,224</b>	<b>\$ 20,758</b>
<b>Disbursements:</b>			
Insurance Fraud Prevention Authority.....	\$ 13,614	\$ 16,626	\$ 16,838
Total Disbursements .....	<u>-13,614</u>	<u>-16,626</u>	<u>-16,838</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 5,465</b>	<b>\$ 4,598</b>	<b>\$ 3,920</b>

# Insurance Liquidation Fund

The Insurance Department is responsible for administering the liquidation of insolvent domestic insurance carriers pursuant to orders of the Commonwealth Court under Article V of the Insurance Department Act. This fund is used to permit the Treasury Department to invest the assets of insolvent insurance carriers. These assets are used to pay claims and expenses incurred in the administration of domestic insurance carrier insolvencies.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 70,668</b>	<b>\$ 72,724</b>	<b>\$ 74,824</b>
<b>Receipts:</b>			
Interest .....	\$ 2,056	\$ 2,100	\$ 2,200
Total Receipts .....	<u>2,056</u>	<u>2,100</u>	<u>2,200</u>
<b>Total Funds Available</b> .....	<b>\$ 72,724</b>	<b>\$ 74,824</b>	<b>\$ 77,024</b>
<b>Disbursements:</b>			
Insurance .....	\$ 0	\$ 0	\$ 0
Total Disbursements .....	<u>0</u>	<u>0</u>	<u>0</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 72,724</b>	<b>\$ 74,824</b>	<b>\$ 77,024</b>



# Insurance Regulation and Oversight Fund

This fund was established by Act 46 of 2013 to provide for the Insurance Department's regulation, management, development and oversight of the commonwealth's insurance industry.

The Insurance Regulation and Oversight Fund receives 50 percent of all licenses and fees collected by the Insurance Department and all augmentations and reimbursements made to the department by regulated entities. The surcharge on moving vehicle violations remains in the General Fund.

At the end of the fiscal year, the fund retains an amount equal to no more than 100% of the total expenditures and commitments by the department from the immediately preceding fiscal year. If the balance in the fund at the end of the fiscal year exceeds the retention amount, then that amount of excess funds is to be returned to the General Fund within 30 days of the end of the fiscal year.

Act 44 of 2017 provided for a transfer to the General Fund of amounts available in special funds. The 2017-18 Transfer to the General Fund was in accordance with the Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 25,665</b>	<b>\$ 22,061</b>	<b>\$ 19,933</b>
<b>Receipts:</b>			
Licenses and Fees .....	\$ 34,682	\$ 29,974	\$ 32,235
Interest .....	247	386	509
Other .....	910	1,006	950
Return to General Fund .....	-1,919	-1,919	0
<b>Total Receipts</b> .....	<b>33,920</b>	<b>29,447</b>	<b>33,694</b>
<b>Total Funds Available</b> .....	<b>\$ 59,585</b>	<b>\$ 51,508</b>	<b>\$ 53,627</b>
<b>Disbursements:</b>			
Insurance .....	\$ 25,772	\$ 31,575	\$ 29,975
Transfer to General Fund .....	11,752	0	0
<b>Total Disbursements</b> .....	<b>-37,524</b>	<b>-31,575</b>	<b>-29,975</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 22,061</b>	<b>\$ 19,933</b>	<b>\$ 23,652</b>

# Job Training Fund

This fund was created by Act 5 of 2005 to facilitate advances in workforce development in the commonwealth. The Job Training Fund awards annual grants to entities in specified rural counties which run workforce education programs and services for job training assistance to incumbent workers, dislocated workers, adult and youth workers and other workforce development programs. Receipts in the fund are transfers from the Special Administration Fund and are supplemented by interest earnings and other monies appropriated to the fund. Due to anticipated shortfalls in the Unemployment Compensation Administration Fund, the department suspended transfers to the Job Training Fund beginning in 2016-17. Until such time as sufficient revenues become available, all Special Administration Fund revenues will be used for the administration of unemployment compensation.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 359</b>	<b>\$ 364</b>	<b>\$ 372</b>
<b>Receipts:</b>			
Interest .....	\$ 5	\$ 8	\$ 8
<b>Total Receipts</b> .....	<b>5</b>	<b>8</b>	<b>8</b>
<b>Total Funds Available</b> .....	<b>\$ 364</b>	<b>\$ 372</b>	<b>\$ 380</b>
<b>Disbursements:</b>			
Labor and Industry .....	\$ 0	\$ 0	\$ 0
<b>Total Disbursements</b> .....	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 364</b>	<b>\$ 372</b>	<b>\$ 380</b>

# Justice Reinvestment Fund

The Justice Reinvestment Fund was created by Act 196 of 2012 to support programs and activities that will improve the delivery of criminal justice services within the commonwealth. Funding is derived from savings to the State Correctional Institutions through implementation of Act 122 of 2012, which establishes the Justice Reinvestment Initiative (JRI). Disbursements are made according to the provisions of Act 196 and include fixed amounts to the Pennsylvania Commission on Crime and Delinquency and the Pennsylvania Commission on Sentencing. Amounts remaining in the fund after these disbursements are distributed by formula to various JRI programs.

Disbursements fund various state and county programs, such as victim services; offender risk assessment modeling; county probation grants; county innovative policing and contracts to divert short- and medium-minimum offenders from incarceration; state parole processes and coordinated safe community reentry programs.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 9,157</b>	<b>\$ 1,241</b>	<b>\$ 862</b>
<b>Receipts:</b>			
Interest.....	\$ 54	\$ 13	\$ 5
<b>Total Receipts</b> .....	<u>54</u>	<u>13</u>	<u>5</u>
<b>Total Funds Available</b> .....	<b>\$ 9,211</b>	<b>\$ 1,254</b>	<b>\$ 867</b>
<b>Disbursements:</b>			
PA Commission on Crime and Delinquency.....	\$ 5,789	\$ 392	\$ 357
PA Commission on Sentencing.....	125	0	0
Criminal Justice.....	2,056	0	0
<b>Total Disbursements</b> .....	<u>-7,970</u>	<u>-392</u>	<u>-357</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 1,241</b>	<b>\$ 862</b>	<b>\$ 510</b>

# Keystone Recreation, Park and Conservation Fund

The Keystone Recreation, Park and Conservation Fund is a special fund composed of monies from the sale of specific bonds and certain tax revenues. This fund provides for increased acquisitions, improvements and expansions of commonwealth and community parks, recreation facilities, historic sites, zoos, public libraries, nature preserves and wildlife habitats.

Act 50 of 1993 approved the transfer of 15 percent of revenues from the state Realty Transfer Tax to this fund. These monies are distributed to programs according to the formula contained in the act. Uses of this fund were specifically approved through a voter referendum. Any balance in the fund is committed for eligible projects. The Governor's Budget includes modifications to multiple environmental special funds, including changes to the Keystone Recreation, Park and Conservation Fund. These changes include funding items previously paid for by General Fund appropriations. The General Fund expenses replaced by the Keystone Recreation, Park and Conservation Fund include support for DCNR operations, as reflected on the financial statement below.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Total Cash Balance, Beginning</b> .....	<b>\$ 145,109</b>	<b>\$ 152,343</b>	<b>\$ 6,900</b>
<b>Receipts:</b>			
Realty Transfer Tax.....	\$ 95,101	\$ 101,400	\$ 109,400
Interest.....	4,028	4,078	3,275
Total Receipts .....	<u>99,129</u>	<u>105,478</u>	<u>112,675</u>
<b>Total Funds Available</b> .....	<b>\$ 244,238</b>	<b>\$ 257,821</b>	<b>\$ 119,575</b>
<b>Disbursements:</b>			
Conservation and Natural Resources:			
General Government Operations .....	\$ 0	\$ 0	\$ 9,647
State Parks Operations.....	0	0	15,938
State Forests Operations.....	0	0	4,415
Parks and Forest Facility Rehabilitation .....	20,752	75,858	24,803
Grants for Local Recreation.....	22,110	82,595	20,669
Grants to Land Trusts.....	11,624	19,997	8,268
Education.....	18,657	34,089	18,188
Historical and Museum Commission.....	8,752	38,382	10,747
Transfer to the General Fund.....	10,000	0	0
Total Disbursements .....	<u>-91,895</u>	<u>-250,921</u>	<u>-112,675</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 152,343</b>	<b>\$ 6,900</b>	<b>\$ 6,900</b>

# Liquid Fuels Tax Fund

The Liquid Fuels Tax Fund was created in 1931 to assist in funding the local roads system. Through December 2013, one-half cent per gallon of gasoline and diesel fuel taxes was deposited into the fund for semi-annual distribution to county governments and to pay registration fees for vehicles operated by mass transportation systems. Beginning January 2014, per Act 89 of 2013, a new millage rate replaced the one-half cent per gallon on gasoline and diesel fuel tax. The new rate is 4.17% of the mills imposed under Title 75, Section 9502 (A) (5). After payment of fees, remaining funds are allocated to the counties on a three-year average refund to total refund formula and must be used for highway purposes. Since the majority of counties have direct jurisdiction over a limited number of roads, a large portion of these funds are further allocated by the counties to their political subdivisions. To streamline payments to counties, the Department of Revenue delegated the authority for these payments and attendant expenses to the Department of Transportation effective in 1999-00.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 3,859</b>	<b>\$ 3,864</b>	<b>\$ 3,631</b>
<b>Receipts:</b>			
Tax on Gasoline .....	\$ 24,174	\$ 22,758	\$ 22,562
Tax on Diesel Fuel .....	6,526	6,379	6,449
Total Receipts .....	<u>30,700</u>	<u>29,137</u>	<u>29,011</u>
<b>Total Funds Available</b> .....	<b>\$ 34,559</b>	<b>\$ 33,001</b>	<b>\$ 32,642</b>
<b>Disbursements:</b>			
Transfer to Boat Fund.....	\$ 0	\$ 200	\$ 100
Transportation.....	30,695	29,170	29,711
Total Disbursements.....	<u>-30,695</u>	<u>-29,370</u>	<u>-29,811</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 3,864</b>	<b>\$ 3,631</b>	<b>\$ 2,831</b>

# Liquor License Fund

The Liquor License Fund serves as a pass-through account for liquor and/or beer license fees from hotels, restaurants and clubs. These fees are returned semi-annually to the municipalities in which the licenses are located. Interest earned on fund deposits is credited to the General Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 2,389</b>	<b>\$ 2,506</b>	<b>\$ 2,656</b>
<b>Receipts:</b>			
License Fees.....	\$ 4,513	\$ 4,557	\$ 4,602
Total Receipts .....	<u>4,513</u>	<u>4,557</u>	<u>4,602</u>
<b>Total Funds Available</b> .....	<b>\$ 6,902</b>	<b>\$ 7,063</b>	<b>\$ 7,258</b>
<b>Disbursements:</b>			
Liquor Control Board.....	\$ 4,396	\$ 4,407	\$ 4,483
Total Disbursements .....	<u>-4,396</u>	<u>-4,407</u>	<u>-4,483</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 2,506</b>	<b>\$ 2,656</b>	<b>\$ 2,775</b>

# Local Cigarette Tax Fund

The Local Cigarette Tax Fund is a fiduciary fund composed of monies received from the collection of a local option cigarette tax in cities of the first class. Act 131 of 2014 allows a school district, when authorized by the governing body of a first class city (Philadelphia), to impose and assess an excise tax on the sale or possession of cigarettes at the rate of \$0.10 per cigarette. This tax is only assessed on cigarettes currently subject to a levy under Article XII of the Tax Reform Code of 1971. The authorization for this cigarette tax shall expire on June 30, 2019. The Department of Revenue is authorized to retain the sum of the costs of collections.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 4,011	\$ 4,805	\$ 0
<b>Receipts:</b>			
Philadelphia Cigarette Tax Collections.....	\$ 55,472	\$ 41,300	\$ 39,100
Act 84 of 2016 Collection Adjustment.....	0	13,944	17,500
Interest.....	45	149	100
Offset Department of Revenue Collection Costs.....	-795	-800	-800
<b>Total Receipts</b> .....	<u>54,722</u>	<u>54,593</u>	<u>55,900</u>
<b>Total Funds Available</b> .....	<u>\$ 58,733</u>	<u>\$ 59,398</u>	<u>\$ 55,900</u>
<b>Disbursements:</b>			
Distribution to the Philadelphia School District.....	\$ 53,928	\$ 59,398	\$ 55,900
<b>Total Disbursements</b> .....	<u>-53,928</u>	<u>-59,398</u>	<u>-55,900</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 4,805</u>	<u>\$ 0</u>	<u>\$ 0</u>

# Local Government Capital Project Loan Fund

This fund was created in 1990 to assist municipal governments in acquiring equipment and facilities by providing low-interest loans to those governments which find conventional loan costs to be prohibitive. Loans are provided at a rate of 2 percent for periods not to exceed 10 years. Revenues received from loan repayment and interest accrual are returned to the fund on a revolving basis. Act 58 of 1996 transferred this program from the Department of Community Affairs to the Department of Community and Economic Development. Act 46 of 1997 extended this fund indefinitely.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 3,896	\$ 3,823	\$ 2,968
<b>Receipts:</b>			
Loan Principal and Interest Repayments.....	\$ 168	\$ 160	\$ 160
Interest .....	55	85	66
<b>Total Receipts</b> .....	<u>223</u>	<u>245</u>	<u>226</u>
<b>Total Funds Available</b> .....	<u>\$ 4,119</u>	<u>\$ 4,068</u>	<u>\$ 3,194</u>
<b>Disbursements:</b>			
Community and Economic Development.....	\$ 296	\$ 1,100	\$ 1,000
<b>Total Disbursements</b> .....	<u>-296</u>	<u>-1,100</u>	<u>-1,000</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 3,823</u>	<u>\$ 2,968</u>	<u>\$ 2,194</u>

# Machinery and Equipment Loan Fund

This fund was established by Act 120 of 1988 to provide low-interest machinery and equipment financing for Pennsylvania businesses in order to facilitate their growth, competitiveness and value-added capacity. The fund was initially capitalized by an appropriation from the Pennsylvania Economic Revitalization Fund. It is now funded from loan repayments and interest earnings. Act 22 of 2004 required the Commonwealth Financing Authority to transfer \$75 million in bond proceeds to the Department of Community and Economic Development for deposit in the fund. Act 161 of 2014 transitioned the administration of this fund to the Pennsylvania Industrial Development Authority, while also authorizing funds to be transferred by an action of the board between the Small Business First Fund, the Machinery and Equipment Loan Fund, and the Industrial Development Fund to maximize the effectiveness of the programs. The fund balance does not reflect substantial loan commitments for outstanding offers extended for business expansion projects.

Act 44 of 2017 provided for a transfer to the General Fund of amounts available in special funds. The 2017-18 Transfer to the General Fund was in accordance with the Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 59,465</b>	<b>\$ 53,009</b>	<b>\$ 18,842</b>
<b>Receipts:</b>			
Loan Principal and Interest Repayments.....	\$ 10,598	\$ 13,000	\$ 13,000
Loan Service Fees.....	57	60	60
Interest.....	1,137	1,368	1,462
Other.....	7	5	5
<b>Total Receipts</b> .....	<b>11,799</b>	<b>14,433</b>	<b>14,527</b>
<b>Total Funds Available</b> .....	<b>\$ 71,264</b>	<b>\$ 67,442</b>	<b>\$ 33,369</b>
<b>Disbursements:</b>			
Community and Economic Development.....	\$ 3,255	\$ 38,600	\$ 11,778
Transfer to General Fund.....	15,000	0	0
Transfer to Industrial Development Fund.....	0	10,000	0
<b>Total Disbursements</b> .....	<b>-18,255</b>	<b>-48,600</b>	<b>-11,778</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 53,009</b>	<b>\$ 18,842</b>	<b>\$ 21,591</b>

# Manufacturing Fund

The Manufacturing Fund, created in 1915, is a self-sustaining enterprise providing institutionalized offenders an opportunity for vocational rehabilitation. Receipts are derived from the sale of inmate manufactured goods to government agencies or government-aided organizations. Expenditures are made for the purchase of raw materials, machinery replacement, inmate wages and other costs related to the sale and manufacture of their products. Federal liability could be created by a transfer from the Manufacturing Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 29,682</b>	<b>\$ 28,918</b>	<b>\$ 5,425</b>
<b>Receipts:</b>			
Sale of Products.....	\$ 79,914	\$ 80,297	\$ 82,284
Interest.....	848	826	155
<b>Total Receipts</b> .....	<b>80,762</b>	<b>81,123</b>	<b>82,439</b>
<b>Total Funds Available</b> .....	<b>\$ 110,444</b>	<b>\$ 110,041</b>	<b>\$ 87,864</b>
<b>Disbursements:</b>			
Department of Criminal Justice.....	\$ 81,526	\$ 104,616	\$ 87,836
<b>Total Disbursements</b> .....	<b>-81,526</b>	<b>-104,616</b>	<b>-87,836</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 28,918</b>	<b>\$ 5,425</b>	<b>\$ 28</b>

# Marcellus Legacy Fund

This fund was created by Act 13 of 2012 to provide for the distribution of unconventional gas well impact fees to counties, municipalities and commonwealth agencies. The fee revenue will be used for statewide initiatives in the areas of acid mine drainage abatement, gas well management and plugging, development and rehabilitation of greenways and recreational trails, sewage treatment projects, replacement and repair of deteriorated bridges in municipalities with unconventional gas wells. Receipts deposited into the Marcellus Legacy Fund come from transfers from the Unconventional Gas Well Fund and the Oil and Gas Lease Fund. The 2015-16, 2016-17 and 2017-18 Fiscal Codes modified the transfers from the Oil and Gas Lease Fund. The Governor's 2019-20 Budget includes modifications to multiple environmental special funds, including a \$20 million reduction in the annual transfer from the Oil and Gas Lease Fund that is deposited into the Marcellus Legacy Fund then transferred to the Environmental Stewardship Fund. This budget maintains the annual \$15 million transfer from the Oil and Gas Lease Fund that is deposited into the Marcellus Legacy Fund then transferred to the Hazardous Sites Cleanup Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 6,366</b>	<b>\$ 6,433</b>	<b>\$ 603</b>
<b>Receipts:</b>			
Transfer from Unconventional Gas Well Fund.....	\$ 76,523	\$ 96,049	\$ 103,303
Transfer from Oil and Gas Lease Fund.....	35,000	35,000	15,000
Interest.....	97	164	209
Total Receipts .....	<u>111,620</u>	<u>131,213</u>	<u>118,512</u>
<b>Total Funds Available</b> .....	<b>\$ 117,986</b>	<b>\$ 137,646</b>	<b>\$ 119,115</b>
<b>Disbursements:</b>			
Public Utility Commission:			
County Grants.....	\$ 11,478	\$ 14,407	\$ 15,495
Transfer to Commonwealth Financing Authority.....	15,305	19,210	20,661
Transfer to Commonwealth Financing Authority-H2O.....	9,565	12,006	12,913
Environmental Protection.....	30	5,995	0
Infrastructure Investment Authority.....	9,566	12,006	12,913
Transfer to Highway Bridge Improvement.....	19,131	24,012	25,826
Transfer to Environmental Stewardship Fund.....	27,652	29,605	10,330
Transfer to Hazardous Sites Cleanup Fund.....	18,826	19,802	20,165
Total Disbursements .....	<u>-111,553</u>	<u>-137,043</u>	<u>-118,303</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 6,433</b>	<b>\$ 603</b>	<b>\$ 812</b>

# Medical Care Availability and Reduction of Error Fund

Act 13 of 2002, the Medical Care Availability and Reduction of Error (Mcare) Act, established the Medical Care Availability and Reduction of Error Fund and transferred to it the assets, liabilities, rights and responsibilities of the Medical Professional Liability Catastrophe Loss Fund effective October 15, 2002. The Mcare Fund is used to pay claims against participating health care providers for losses or damages awarded in medical professional liability actions against them in excess of the basic insurance coverage required by the act. In addition to the transfer of assets from the Medical Professional Liability Catastrophe Loss Fund, revenue includes an assessment on health care providers. Beginning in 2004, the moving vehicle violation surcharge revenue that accrued to the Catastrophic Loss Benefits Continuation Fund accrues to this fund for a period of ten years. Act 50 redirected the moving vehicle violation surcharge to the General Fund for 2009-10 and 2010-11. Act 26 of 2011 redirected the surcharge to the General Fund for 2011-12 and for each fiscal year thereafter.

In October 2014 there was a settlement agreement with the Pennsylvania Medical Society (PAMED), The Hospital & Healthsystem Association of Pennsylvania (HAP) and the Pennsylvania Podiatric Medical Association, which together challenged the state's transfer of \$100 million from Mcare to the General Fund and the assessment calculation formula. The settlement resolution reimbursed health care providers approximately \$139 million from an Assessment Relief Fund which represented a portion of their assessment payments in 2009-2012 and 2014. In 2015, a new assessment calculation formula reduced Mcare assessments by \$61 million from the projected 2014 year-end fund balance. The settlement enabled Pennsylvania to retain the \$100 million that was transferred out of the fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 103,550</b>	<b>\$ 117,969</b>	<b>\$ 81,777</b>
<b>Receipts:</b>			
Assessments.....	\$ 201,985	\$ 190,000	\$ 190,000
Interest .....	1,865	2,732	2,500
Other.....	1,262	0	0
Total Receipts .....	<u>205,112</u>	<u>192,732</u>	<u>192,500</u>
<b>Total Funds Available</b> .....	<b>\$ 308,662</b>	<b>\$ 310,701</b>	<b>\$ 274,277</b>
<b>Disbursements:</b>			
Insurance.....	\$ 190,078	\$ 228,924	\$ 195,632
Assessment Relief Payment.....	615	0	0
Total Disbursements .....	<u>-190,693</u>	<u>-228,924</u>	<u>-195,632</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 117,969<sup>a</sup></b>	<b>\$ 81,777<sup>a</sup></b>	<b>\$ 78,645<sup>a</sup></b>

<sup>a</sup> Ending balance includes \$30 million in the Mcare reserve account.



# Medical Marijuana Program Fund

This fund was established by Act 16 of 2016, the Medical Marijuana Act, to provide safe and effective access to medical marijuana for commonwealth patients with an eligible serious medical condition and to promote valuable research into the effectiveness and usefulness of medical marijuana. Revenue is derived from application and permit fees paid by prospective and eligible growers, processors, dispensaries and patients and from a gross receipts tax from the sale of medical marijuana by a grower/processor to a dispensary.

After repayment of the initial loan from the General Fund for the establishment of the program, any remaining funds are to be spent as prescribed by the Act: 40 percent for operations including outreach and other required projects; 15 percent to establish programs that will assist with the cost of providing medical marijuana to patients demonstrating financial hardship or need, assist patients and caregivers by waiver or cost reduction of identification card fees, reimburse caregivers for the cost of background checks; 30 percent for research into the treatment of the currently established serious medical conditions and research into the treatment of other medical conditions for which medical marijuana may have legitimate medicinal value; 10 percent for drug abuse prevention, counseling and treatment services; and 5 percent to the Pennsylvania Commission on Crime and Delinquency for distribution to local police departments which demonstrate a need relating to efforts to support the Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 51,868</b>	<b>\$ 29,689</b>	<b>\$ 6,373</b>
<b>Receipts:</b>			
Grower/Process Application and Permit Fees.....	\$ 3,630	\$ 310	\$ 1,930
Dispensary Application and Permit Fees.....	1,977	426	680
Application and Permit Fees Collected in Advance.....	20,380	1,560	0
Patient Identification Card Fees.....	1,041	3,193	6,032
Gross Receipts Tax.....	60	4,104	11,430
Interest .....	218	0	0
<b>Total Receipts</b> .....	<b>27,306</b>	<b>9,593</b>	<b>20,072</b>
<b>Total Funds Available</b> .....	<b>\$ 79,174</b>	<b>\$ 39,282</b>	<b>\$ 26,445</b>
<b>Disbursements:</b>			
Loan Repayment to the General Fund.....	\$ 0	\$ 0	\$ 3,000
Refund Permit Fees Collected in Advance.....	44,040	21,940	0
Health.....	5,445	10,969	9,579
<b>Total Disbursements</b> .....	<b>-49,485</b>	<b>-32,909</b>	<b>-12,579</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 29,689</b>	<b>\$ 6,373</b>	<b>\$ 13,866</b>

# Milk Marketing Fund

The Milk Marketing Fund is a special revenue fund composed of monies received from license fees, fines, penalties and permits relating to the milk industry. The purpose of this fund is to provide for the operation of the Milk Marketing Board and to serve as a depository for money due dairy farmers from underpayments by milk dealers.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 3,906</b>	<b>\$ 3,679</b>	<b>\$ 3,211</b>
<b>Receipts:</b>			
License and Fees .....	\$ 2,264	\$ 2,422	\$ 2,422
Fines and Penalties.....	3	8	8
Interest.....	44	77	69
Total Receipts .....	<u>2,311</u>	<u>2,507</u>	<u>2,499</u>
<b>Total Funds Available</b> .....	<b>\$ 6,217</b>	<b>\$ 6,186</b>	<b>\$ 5,710</b>
<b>Disbursements:</b>			
Milk Marketing Board.....	\$ 2,538	\$ 2,975	\$ 2,840
Total Disbursements .....	<u>-2,538</u>	<u>-2,975</u>	<u>-2,840</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 3,679</b>	<b>\$ 3,211</b>	<b>\$ 2,870</b>

# Mine Safety Fund

Act 55 of 2008 created the Mine Safety Fund to recover expenses for responding to mine emergencies. The monies are used for mine safety activities and the administration of the Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 100</b>	<b>\$ 125</b>	<b>\$ 144</b>
<b>Receipts:</b>			
Fines and Penalties.....	\$ 21	\$ 17	\$ 15
Interest.....	2	3	3
Total Receipts .....	<u>23</u>	<u>20</u>	<u>18</u>
<b>Total Funds Available</b> .....	<b>\$ 123</b>	<b>\$ 145</b>	<b>\$ 162</b>
<b>Disbursements:</b>			
Environmental Protection .....	\$ -2	\$ 1	\$ 0
Total Disbursements .....	<u>2</u>	<u>-1</u>	<u>0</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 125</b>	<b>\$ 144</b>	<b>\$ 162</b>

# Minority Business Development Fund

This fund was created by Act 206 of 1974 to accommodate the operation of the Pennsylvania Minority Business Development Authority. Revenues to the fund are from loan repayments and interest. The authority has the power to issue bonds or other obligations which would provide further revenue to the fund. Expenditures are made for loans to minority business enterprises and for operating expenses of the authority. Current law provides that funds in excess of the amounts necessary to carry out the purposes of the enabling act can be transferred to the General Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 4,094</b>	<b>\$ 3,516</b>	<b>\$ 1,680</b>
<b>Receipts:</b>			
Loan Principal and Interest Repayments.....	\$ 301	\$ 300	\$ 300
Interest.....	58	79	38
Other.....	122	375	10
Total Receipts .....	<u>481</u>	<u>754</u>	<u>348</u>
<b>Total Funds Available</b> .....	<b>\$ 4,575</b>	<b>\$ 4,270</b>	<b>\$ 2,028</b>
<b>Disbursements:</b>			
Community and Economic Development.....	\$ 1,059	\$ 2,590	\$ 1,330
Total Disbursements .....	<u>-1,059</u>	<u>-2,590</u>	<u>-1,330</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 3,516</b>	<b>\$ 1,680</b>	<b>\$ 698</b>

# Monetary Penalty Endowments Trust Fund

The Monetary Penalty Endowments Trust Fund is a special revenue fund created by Act 1 of 2013 to deposit monetary penalties assessed to higher education institutions. Fund revenues are comprised of monies from installment payments made by the institutions and interest. Fund expenditures are made by the Pennsylvania Commission on Crime and Delinquency to support child abuse treatment and prevention programs within the commonwealth.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 46,395</b>	<b>\$ 45,348</b>	<b>\$ 41,195</b>
<b>Receipts:</b>			
Interest .....	\$ 1,223	\$ 1,136	\$ 1,000
Total Receipts.....	<u>1,223</u>	<u>1,136</u>	<u>1,000</u>
<b>Total Funds Available</b> .....	<b>\$ 47,618</b>	<b>\$ 46,484</b>	<b>\$ 42,195</b>
<b>Disbursements:</b>			
PA Commission on Crime and Delinquency.....	\$ 2,270	\$ 5,289	\$ 4,800
Total Disbursements.....	<u>-2,270</u>	<u>-5,289</u>	<u>-4,800</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 45,348</b>	<b>\$ 41,195</b>	<b>\$ 37,395</b>

# Motor Vehicle Transaction Recovery Fund

The Motor Vehicle Transaction Recovery Fund was created by Act 83 of 1990 to provide protection from dealers or other agents who fail to forward fees and taxes pertaining to an application for titling or registration of a vehicle to the Department of Transportation. Revenues to the fund consist of assessments (or reassessments should the balance of the fund fall below \$500,000) on every applicant for motor vehicle dealer registration plates or for the authority to act as agent of the department with respect to vehicle titling and registration.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 2,309</b>	<b>\$ 2,360</b>	<b>\$ 2,409</b>
<b>Receipts:</b>			
Title & Registration Fees.....	\$ 24	\$ 35	\$ 35
Interest .....	33	34	34
Total Receipts .....	<u>57</u>	<u>69</u>	<u>69</u>
<b>Total Funds Available</b> .....	<b>\$ 2,366</b>	<b>\$ 2,429</b>	<b>\$ 2,478</b>
<b>Disbursements:</b>			
Transportation.....	\$ 6	\$ 20	\$ 20
Total Disbursements .....	<u>-6</u>	<u>-20</u>	<u>-20</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 2,360</b>	<b>\$ 2,409</b>	<b>\$ 2,458</b>

# Multimodal Transportation Fund

The Multimodal Transportation Fund was created by Act 89 of 2013 to provide additional funding for passenger rail, rail freight, ports and waterways, aviation, bicycle and pedestrian facilities, roads and bridges, and other modes of transportation. The program is funded by deposits from the Pennsylvania Turnpike Commission, a portion of certain Motor Vehicle Fees and the Oil Company Franchise Tax.

The Pennsylvania Constitution restricts the use of Motor License Fund revenues and the issuance of bonds utilized by PTC to make these payments. In 2017, applications for this program funding totaled more than \$240 million – far in excess of the amount available to be distributed through the Commonwealth Financing Authority.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 188,735</b>	<b>\$ 233,798</b>	<b>\$ 0</b>
<b>Receipts:</b>			
Pennsylvania Turnpike Commission.....	\$ 30,000	\$ 30,000	\$ 30,000
Motor Vehicle Fees.....	72,461	75,700	87,900
Transfer of Oil Company Franchise Tax.....	35,000	35,000	35,000
Interest.....	2,845	1,850	1,850
Other.....	5	15	15
Total Receipts.....	<u>140,311</u>	<u>142,565</u>	<u>154,765</u>
<b>Total Funds Available</b> .....	<b>\$ 329,046</b>	<b>\$ 376,363</b>	<b>\$ 154,765</b>
<b>Disbursements:</b>			
Transportation.....	\$ 44,752	\$ 284,189	\$ 87,848
Transfer to Commonwealth Financing Authority.....	50,496	92,174	66,917
Total Disbursements.....	<u>-95,248</u>	<u>-376,363</u>	<u>-154,765</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 233,798</b>	<b>\$ 0</b>	<b>\$ 0</b>

# 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 in July 1985, this fund receives a portion of the revenues from the Foreign Casualty Insurance Premiums Tax and the Foreign Fire Insurance Premiums Tax. These revenues and earnings are for distribution to municipalities for various municipal, police and fire pension funds, including post-retirement adjustments mandated by Act 147 of 1988.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 282,476</b>	<b>\$ 294,142</b>	<b>\$ 296,688</b>
<b>Receipts:</b>			
Foreign Casualty Insurance Premiums Tax.....	\$ 288,615	\$ 288,615	\$ 291,502
Foreign Fire Insurance Premiums Tax.....	14,296	13,176	13,716
Interest .....	2,485	2,485	2,509
<b>Total Receipts</b> .....	<b>305,396</b>	<b>304,276</b>	<b>307,727</b>
<b>Total Funds Available</b> .....	<b>\$ 587,872</b>	<b>\$ 598,418</b>	<b>\$ 604,415</b>
<b>Disbursements:</b>			
Auditor General.....	\$ 293,730 <sup>a</sup>	\$ 301,730 <sup>b</sup>	\$ 304,357 <sup>c</sup>
<b>Total Disbursements</b> .....	<b>-293,730</b>	<b>-301,730</b>	<b>-304,357</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 294,142</b>	<b>\$ 296,688</b>	<b>\$ 300,058</b>

<sup>a</sup> Includes post-retirement payment of \$1,483,078 as authorized by Act 147 of 1988.

<sup>b</sup> Includes post-retirement payment of \$1,336,688 as authorized by Act 147 of 1988.

<sup>c</sup> Includes post-retirement payment of \$1,204,748 as authorized by Act 147 of 1988.

# Municipalities Financial Recovery Revolving Aid Fund

This fund was created by Act 157 of 1988 to make loans and grants to assist municipalities that are declared financially distressed. Initial funding was provided through the transfer of unused funds remaining from a 1986-87 General Fund appropriation for Distressed Community Emergency Aid. In addition, Act 157 stipulated that all repayments on loans made from the fund should be redeposited into the fund and used to make additional loans and grants to distressed municipalities. Act 58 of 1996 transferred this program from the Department of Community Affairs to the Department of Community and Economic Development. Fund balance does not reflect commitments to distressed municipalities.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 10,886</b>	<b>\$ 10,299</b>	<b>\$ 4,632</b>
<b>Receipts:</b>			
Transfer from General Fund.....	\$ 2,550	\$ 1,000	\$ 4,500
Loan Principal and Interest Repayments.....	891	900	900
Interest .....	164	239	113
<b>Total Receipts</b> .....	<b>3,605</b>	<b>2,139</b>	<b>5,513</b>
<b>Total Funds Available</b> .....	<b>\$ 14,491</b>	<b>\$ 12,438</b>	<b>\$ 10,145</b>
<b>Disbursements:</b>			
Community and Economic Development.....	\$ 4,192	\$ 7,806	\$ 9,850
<b>Total Disbursements</b> .....	<b>-4,192</b>	<b>-7,806</b>	<b>-9,850</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 10,299</b>	<b>\$ 4,632</b>	<b>\$ 295</b>

# Neighborhood Improvement Zone Fund

This fund was established by Act 50 of 2009. This fund is administered by the State Treasurer and the primary administrator of the program is the Department of Revenue. An entity collecting a local tax within the neighborhood improvement zone shall, within 30 days of the end of a fiscal quarter, submit all the local taxes collected to the State Treasurer for transfer to the fund. Interest income derived from investment of the money in the fund shall be credited by the Treasury Department to the fund. Funds may only be utilized for payment of debt service on bonds issued for the improvement and development of all or any part of the neighborhood improvement zone and the purpose of constructing a facility or facility complex. Funds may not be utilized for purposes of renovating or repairing a facility or facility complex, except for capital maintenance and improvement projects. The reconciliation between the state tax share transferred and the actual liability incurred, could result in the return of the excess state tax share in the subsequent fiscal year.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 3	\$ 34	\$ 0
<b>Receipts:</b>			
State Tax Share.....	\$ 77,522	\$ 71,000	\$ 71,000
State Tax Share Return .....	-31,894	-30,000	-22,000
Local Tax Share.....	2,963	2,059	2,059
Interest.....	35	1	1
Total Receipts .....	48,626	43,060	51,060
<b>Total Funds Available</b> .....	\$ 48,629	\$ 43,094	\$ 51,060
<b>Disbursements:</b>			
Treasury.....	\$ 48,595	\$ 43,094	\$ 51,060
Total Disbursements .....	-48,595	-43,094	-51,060
<b>Cash Balance, Ending</b> .....	\$ 34	\$ 0	\$ 0

# Non-Coal Surface Mining Conservation and Reclamation Fund

This fund was created by Act 219 of 1984 to finance reclamation projects on land scarred by non-coal surface mining. Projects include recontouring, terracing and planting trees, shrubs and grasses. Revenues are provided by charging non-coal surface mining operators for licenses and permits and by fining them for failing to apply for the licenses and permits as well as by forfeiture of collateral bonds, cash or securities for failure to comply with an approved reclamation plan.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 8,705	\$ 7,732	\$ 5,969
<b>Receipts:</b>			
Licenses and Fees.....	\$ 1,839	\$ 1,800	\$ 1,800
Penalties.....	60	96	95
Interest.....	252	221	152
Collateral.....	-19	0	0
Forfeiture.....	19	0	0
Payment in Lieu of Bonds.....	126	100	100
Other.....	341	0	0
Total Receipts .....	2,618	2,217	2,147
<b>Total Funds Available</b> .....	\$ 11,323	\$ 9,949	\$ 8,116
<b>Disbursements:</b>			
Environmental Protection .....	\$ 3,591	\$ 3,980	\$ 4,074
Total Disbursements .....	-3,591	-3,980	-4,074
<b>Cash Balance, Ending</b> .....	\$ 7,732	\$ 5,969	\$ 4,042

# Nutrient Management Fund

This fund was created under the authority of Act 6 of 1993 to fund loans and grants for the implementation of nutrient management plans by agricultural operations. Revenue comes from commonwealth and federal appropriations, interest, loan repayments and gifts. Act 18 of 1995 transferred some responsibilities for the Nutrient Management Program from the Department of Environmental Protection to the Department of Agriculture. This budget proposes to increase and expand technical assistance to farmers, re-establish loan programs, and enhance business development and conservation efforts. The budget proposes to expand the scope of the Agrilink loan program to enhance and implement improved nutrient management plans.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 1,491</b>	<b>\$ 1,038</b>	<b>\$ 278</b>
<b>Receipts:</b>			
Transfer from General Fund.....	\$ 2,714	\$ 2,714	\$ 6,200
Interest.....	27	49	67
Fees.....	47	33	33
Fines .....	12	23	23
Total Receipts .....	<u>2,800</u>	<u>2,819</u>	<u>6,323</u>
<b>Total Funds Available</b> .....	<b>\$ 4,291</b>	<b>\$ 3,857</b>	<b>\$ 6,601</b>
<b>Disbursements:</b>			
Agriculture .....	\$ 803	\$ 1,493	\$ 4,129
Environmental Protection .....	2,450	2,086	2,073
Total Disbursements .....	<u>-3,253</u>	<u>-3,579</u>	<u>-6,202</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 1,038</b>	<b>\$ 278</b>	<b>\$ 399</b>

# Oil and Gas Lease Fund

Created in 1955, this fund is used to finance conservation, recreation, dams or flood control projects or to match any federal grants made for these purposes. Revenues are derived from rents and royalties from oil and gas leases of commonwealth owned land with the exception of rents and royalties from land owned by either the Pennsylvania Game or Fish and Boat Commissions. Those revenues are paid into the Game and Fish Funds. Act 46 of 2010 authorized a transfer of \$180 million to the General Fund. Act 13 of 2012 authorized annual transfers to the Marcellus Legacy Fund, and Act 44 of 2017 modified the annual transfers to the Marcellus Legacy Fund. The Governor's Budget includes modifications to multiple environmental special funds, including a number of changes to the Oil and Gas Lease Fund. These changes include reducing the transfer from the Oil and Gas Lease Fund to the Environmental Stewardship Fund (that also goes through the Marcellus Legacy Fund) and funding items previously paid for by General Fund appropriations. The General Fund expenses replaced by the Oil and Gas Lease Fund include additional support for DCNR operations, as reflected on the financial statement below.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 28,612</b>	<b>\$ 20,489</b>	<b>\$ 6,491</b>
<b>Receipts:</b>			
Rents and Royalties.....	\$ 84,141	\$ 81,000	\$ 79,000
Interest.....	932	808	122
Other.....	261	261	261
Total Receipts .....	<u>85,334</u>	<u>82,069</u>	<u>79,383</u>
<b>Total Funds Available</b> .....	<b>\$ 113,946</b>	<b>\$ 102,558</b>	<b>\$ 85,874</b>
<b>Disbursements:</b>			
Conservation and Natural Resources:			
General Government Operations.....	\$ 58,457	\$ 49,314	\$ 37,786
State Parks Operations.....	0	7,555	17,706
State Forests Operations.....	0	4,198	14,282
Transfer to Marcellus Legacy Fund.....	35,000	35,000	15,000
Total Disbursements .....	<u>-93,457</u>	<u>-96,067</u>	<u>-84,774</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 20,489</b>	<b>\$ 6,491</b>	<b>\$ 1,100</b>

# Patient Safety Trust Fund

Act 13 of 2002, known as the Medical Care Availability and Reduction of Error Act, established the Patient Safety Trust Fund for the purpose of independent review of medical facilities which will result in ensuring patient safety and reducing medical errors. Revenue to the fund includes a surcharge on medical facility licensing fees. These fees are assessed by the Department of Health, deposited in the General Fund and transferred to the Patient Safety Fund. The Patient Safety Authority established by Act 13 contracts with entities who collect, analyze and evaluate data regarding reports of serious events and incidents at medical facilities and identify patterns in frequency or severity at individual medical facilities or in certain regions of this commonwealth.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 6,960	\$ 10,234	\$ 10,647
<b>Receipts:</b>			
Surcharges.....	\$ 10,093	\$ 8,241	\$ 8,000
Interest .....	95	212	188
Other .....	620	460	200
<b>Total Receipts</b> .....	<u>10,808</u>	<u>8,913</u>	<u>8,388</u>
<b>Total Funds Available</b> .....	<u>\$ 17,768</u>	<u>\$ 19,147</u>	<u>\$ 19,035</u>
<b>Disbursements:</b>			
Patient Safety Authority.....	\$ 7,534	\$ 8,500	\$ 9,400
<b>Total Disbursements</b> .....	<u>-7,534</u>	<u>-8,500</u>	<u>-9,400</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 10,234</u>	<u>\$ 10,647</u>	<u>\$ 9,635</u>

# Pennsylvania Economic Revitalization Fund

The Pennsylvania Economic Revitalization Fund (PERF) was created by Act 104 of 1984 as a three-year \$190 million program financed through a bond issue authorized by the electorate. The fund was formally established in the 1988-89 budget as an economic development fund and authorization for the fund was eliminated in 1995-96. Project activity has completed. Any additional loan repayments received or interest earned is transferred to the General Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 2	\$ 0	\$ 0
<b>Receipts:</b>			
Loan Principal and Interest Repayments.....	\$ 0	\$ 17	\$ 0
Loan Principal/Interest Transferred to General Fund.....	0	-17	0
Interest/Interest Transfer to General Fund.....	\$ -2	\$ 0	\$ 0
<b>Total Receipts</b> .....	<u>-2</u>	<u>0</u>	<u>0</u>
<b>Total Funds Available</b> .....	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Disbursements:</b>			
Transfer to General Fund.....	\$ 0	\$ 0	\$ 0
<b>Total Disbursements</b> .....	<u>0</u>	<u>0</u>	<u>0</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>



# Pennsylvania eHealth Partnership Fund

This fund was established by Act 121 of 2012 and administered by the Pennsylvania eHealth Partnership Authority. The Authority developed, established and maintained a health information exchange that complied with federal and state law. The Authority expired on July 5, 2017.

Act 44 of 2017 provided for a transfer to the General Fund of amounts available in special funds. The 2017-18 Transfer to the General Fund was in accordance with the Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 1,991	\$ 0	\$ 0
<b>Receipts:</b>			
Interest.....	\$ 12	\$ 0	\$ 0
Total Receipts .....	12	0	0
<b>Total Funds Available</b> .....	\$ 2,003	\$ 0	\$ 0
<b>Disbursements:</b>			
Transfer to General Fund.....	\$ 2,003	\$ 0	\$ 0
Total Disbursements .....	-2,003	0	0
<b>Cash Balance, Ending</b> .....	\$ 0	\$ 0	\$ 0

# Pennsylvania Gaming Economic Development and Tourism Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, established the Pennsylvania Gaming Economic Development and Tourism Fund (GEDTF) to receive a daily assessment of 5 percent of each licensed gaming entity's gross terminal revenue. Act 42 of 2017 increased the daily assessment to 5.5 percent effective January 1, 2018 with an additional .5 percent going to the Casino Marketing and Capital Development Account within the GEDTF fund. In addition, a 6 percent assessment from new satellite casino gross terminal revenue will be deposited in the GEDTF. Proceeds of the fund are distributed through specific enacted capital budgets. Funds for economic development and tourism projects in Philadelphia and Allegheny counties were authorized in Act 53 of 2007. In addition, pursuant to Act 63 of 2008, GEDTF proceeds can be used to fund debt service for water and sewer projects, flood control projects, and high hazard unsafe dam projects located elsewhere in Pennsylvania as approved by the Commonwealth Financing Authority.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 2,155	\$ 19,029	\$ 6,076
<b>Receipts:</b>			
Gross Terminal Revenue Assessments.....	\$ 121,320	\$ 125,884	\$ 130,639
PCCA Debt Service Contribution.....	7,500	13,500	0
Build America Bonds Federal Interest Subsidy.....	8,773	8,636	8,452
Casino Marketing & Development Assessments.....	5,856	13,500	13,700
Transfer from State Gaming Fund to Casino Marketing.....	3,698	2,000	2,000
Interest.....	561	750	500
Total Receipts .....	147,708	164,270	155,291
<b>Total Funds Available</b> .....	\$ 149,863	\$ 183,299	\$ 161,367
<b>Disbursements:</b>			
Community and Economic Development.....	\$ 74,510	\$ 95,500	\$ 86,700
Casino Marketing & Development Assessments.....	0	25,054	15,700
General Services.....	222	754	1,600
Transfer to Commonwealth Financing Authority.....	56,102	55,915	55,721
Total Disbursements .....	-130,834	-177,223	-159,721
<b>Cash Balance, Ending</b> .....	\$ 19,029	\$ 6,076	\$ 1,646

<sup>a</sup> Excludes a \$4.095M remaining pledge installment owed by a casino operator that is due on April 1, 2019. This installment amount is illustrated due to cashflow timing and is not expected to be paid by this fund or any other commonwealth fund. Total anticipated obligation is \$5.130M.

# Pennsylvania Historical and Museum Commission Trust Fund

This fund, created by Act 113 of 1931, is administered by the Governor, Auditor General, State Treasurer and the Pennsylvania Historical and Museum Commission. The interest received from investment of the \$33,000 perpetual endowment to this fund in bonds of the commonwealth or any of its political subdivisions is credited to the fund. Interest earned on investments is used for the restoration, maintenance and improvement of the Cornwall Charcoal Furnace, Cornwall Borough, Lebanon County.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 186	\$ 189	\$ 193
<b>Receipts:</b>			
Interest.....	\$ 3	\$ 4	\$ 4
Total Receipts .....	3	4	4
<b>Total Funds Available</b> .....	<u>\$ 189</u>	<u>\$ 193</u>	<u>\$ 197</u>
<b>Disbursements:</b>			
Historical and Museum Commission.....	\$ 0	\$ 0	\$ 0
Total Disbursements .....	0	0	0
<b>Cash Balance, Ending</b> .....	<u>\$ 189</u>	<u>\$ 193</u>	<u>\$ 197</u>

# Pennsylvania Infrastructure Bank

This fund was established by Act 57 of 1997 to make loans to, or enter into leases with, qualified borrowers to finance the costs of transportation projects. Acts 165 and 7A of 2004 expanded this program to include financing of rail freight infrastructure. Receipts are derived from loan repayments and interest earnings.

Act 44 of 2017 provided for a transfer to the General Fund of amounts available in special funds. The 2017-18 Transfer to the General Fund was in accordance with the Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 51,868	\$ 51,953	\$ 9,107
<b>Receipts:</b>			
Loan Principal and Interest Repayments.....	\$ 14,112	\$ 15,841	\$ 21,024
Interest.....	1,311	1,313	230
Other.....	24	0	0
Total Receipts .....	15,447	17,154	21,254
<b>Total Funds Available</b> .....	<u>\$ 67,315</u>	<u>\$ 69,107</u>	<u>\$ 30,361</u>
<b>Disbursements:</b>			
Transportation.....	\$ 7,862	\$ 60,000	\$ 30,000
Transfer to General Fund.....	7,500	0	0
Total Disbursements .....	-15,362	-60,000	-30,000
<b>Cash Balance, Ending</b> .....	<u>\$ 51,953</u>	<u>\$ 9,107</u>	<u>\$ 361</u>

# Pennsylvania Municipal Retirement Fund

Act 15 of 1974 created the Pennsylvania Municipal Retirement System which replaced the Municipal Employees Retirement Law and the Municipal Police Retirement Law and combined all employees covered under both into a state-related municipal system. The fund established under Act 15 provides for payment of retirement allowances to officers, employees, firemen and police of political subdivisions (counties, 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 has control over the system's operation. A municipality may, upon meeting the requirements set forth in Act 15, elect to withdraw from participation in this fund. Withdrawals may substantially increase the level of disbursements reflected in this presentation.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Total Cash Balance, Beginning</b> .....	<b>\$ 2,321,903</b>	<b>\$ 2,526,007</b>	<b>\$ 2,475,605</b>
<b>Receipts:</b>			
Contributions.....	\$ 78,414	\$ 81,551	\$ 84,813
Interest.....	32,215	24,161	25,430
Premium / Discount on Sale of Securities.....	88,319	46,390	48,825
Net Investment Adjustment.....	115,302	-81,343	104,178
Total Receipts .....	314,250	70,759	263,246
<b>Total Funds Available</b> .....	<b>\$ 2,636,153</b>	<b>\$ 2,596,766</b>	<b>\$ 2,738,851</b>
<b>Disbursements:</b>			
Municipal Retirement Board.....	\$ 110,146	\$ 121,161	\$ 133,277
Total Disbursements .....	-110,146	-121,161	-133,277
<b>Cash Balance, Ending</b> .....	<b>\$ 2,526,007</b>	<b>\$ 2,475,605</b>	<b>\$ 2,605,574</b>

# Pennsylvania Race Horse Development Trust Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, established the Pennsylvania Race Horse Development Fund to support and advance the commonwealth's horse racing industry. Act 42 of 2017 converted it to a Trust Fund. Operating tracks receive a daily assessment as determined by the Department of Revenue. The daily assessment from each licensed gaming entity is based on a formula established in the act, which is capped at 12 percent of an entity's gross terminal revenue for that day. Proceeds are distributed to licensees conducting live horse racing. Track owners deposit 80 percent of the proceeds into a purse account. Thoroughbred tracks commit the remaining proceeds to the Breeders' Fund and a Horseman's Organization Fund. Standardbred tracks commit proceeds to the Sire Stakes Fund, the Pennsylvania Standardbred Breeders Development Fund and a Horsemen's Organizational Fund. The Fiscal Code provides for transfers to restricted accounts within the Department of Agriculture. In addition, Act 114 of 2016 added transfers to the State Racing Fund for drug testing of race horses and for promotional costs.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 3,821</b>	<b>\$ 3,325</b>	<b>\$ 2,430</b>
<b>Receipts:</b>			
Assessments.....	\$ 235,757	\$ 230,250	\$ 233,550
Interest.....	130	197	197
Total Receipts .....	235,887	230,447	233,747
<b>Total Funds Available</b> .....	<b>\$ 239,708</b>	<b>\$ 233,772</b>	<b>\$ 236,177</b>
<b>Disbursements:</b>			
Revenue.....	\$ 205,482	\$ 198,190	\$ 201,490
Agriculture.....	15,045	15,693	14,659
Transfer to Farm Products Show Fund.....	5,000	5,000	5,000
Transfer to Racing Fund - Promotion.....	2,365	2,393	2,393
Transfer to Racing Fund - Drug Testing.....	8,491	10,066	10,066
Total Disbursements .....	-236,383	-231,342	-233,608
<b>Cash Balance, Ending</b> .....	<b>\$ 3,325</b>	<b>\$ 2,430</b>	<b>\$ 2,569</b>

# Pennsylvania Veterans Monuments and Memorial Trust Fund

Act 60 of 1988 established the Pennsylvania Veterans Memorial Trust Fund to be administered by the Pennsylvania Veterans Memorial Commission. Revenues come from General Fund appropriations and public or private contributions. Funds were expended to erect a monument to Pennsylvania Veterans who served in armed conflicts in which the United States was a participant. Act 63 of 2002 expanded the use of this fund to include operation and maintenance of the memorial. Act 64 of 2018 changed the name of the fund and expanded the use of the fund to preserve all monuments and memorials dedicated to Pennsylvania Veterans and military personnel, both in Pennsylvania and abroad. Act 64 also provides that the fund receive \$23 of the fee paid by applicants for the Pennsylvania monument registration plate.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 437</b>	<b>\$ 361</b>	<b>\$ 206</b>
<b>Receipts:</b>			
Public and Private Donations.....	\$ 7	\$ 9	\$ 9
PA Monuments License Plates.....	0	30	6
Interest .....	6	5	3
Total Receipts .....	<u>13</u>	<u>44</u>	<u>18</u>
<b>Total Funds Available</b> .....	<b>\$ 450</b>	<b>\$ 405</b>	<b>\$ 224</b>
<b>Disbursements:</b>			
Military and Veterans Affairs.....	\$ 89	\$ 199	\$ 200
Total Disbursements .....	<u>-89</u>	<u>-199</u>	<u>-200</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 361</b>	<b>\$ 206</b>	<b>\$ 24</b>

# PENNVEST Bond Authorization Fund

This fund, created under the authority of Act 16 of 1988, receives the proceeds from the sale of bonds authorized by general referendum, transfers from the Water Facilities Loan Fund or from the Capital Facilities Fund for site development. Expenditures are for transfers of funds to the PENNVEST Fund, the PENNVEST Drinking Water Revolving Fund, the PENNVEST Water Pollution Control Revolving Fund, the PENNVEST Revolving Fund or the PENNVEST Non-Revolving Equity Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 5,844</b>	<b>\$ 5,928</b>	<b>\$ 0</b>
<b>Receipts:</b>			
Interest.....	\$ 84	\$ 42	\$ 0
Total Receipts .....	<u>84</u>	<u>42</u>	<u>0</u>
<b>Total Funds Available</b> .....	<b>\$ 5,928</b>	<b>\$ 5,970</b>	<b>\$ 0</b>
<b>Disbursements:</b>			
Infrastructure Investment Authority.....	\$ 0	\$ 5,970	\$ 0
Total Disbursements .....	<u>0</u>	<u>-5,970</u>	<u>0</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 5,928</b>	<b>\$ 0</b>	<b>\$ 0</b>

# PENNVEST Drinking Water Revolving Fund

This fund was created under the authority of Act 16 of 1988 to receive funds from the federal government to establish a revolving loan program for drinking water projects. Required matching state funds are transferred from the PENNVEST Bond Authorization Fund and the PENNVEST Fund. Because of the lag in receiving federal funds, cash is borrowed from other PENNVEST funds.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 179,911</b>	<b>\$ 193,417</b>	<b>\$ 105,433</b>
<b>Receipts:</b>			
Federal Funds.....	\$ 26,278	\$ 57,825	\$ 66,982
Transfer from PENNVEST Water Pollution Control Revolving Fund....	12,716	20,000	20,000
Transfer from Trustee Account.....	3,670	0	0
Loan Principal and Interest Repayments.....	3,094	20,000	20,000
Interest.....	4,908	5,043	499
<b>Total Receipts</b> .....	<b>50,666</b>	<b>102,868</b>	<b>107,481</b>
<b>Total Funds Available</b> .....	<b>\$ 230,577</b>	<b>\$ 296,285</b>	<b>\$ 212,914</b>
<b>Disbursements:</b>			
Infrastructure Investment Authority.....	\$ 37,160	\$ 190,852	\$ 201,982
<b>Total Disbursements</b> .....	<b>-37,160</b>	<b>-190,852</b>	<b>-201,982</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 193,417</b>	<b>\$ 105,433</b>	<b>\$ 10,932</b>

# PENNVEST Fund

This fund was created under the authority of Act 16 of 1988 to receive funds from sources other than the sale of general obligation bonds. These sources include appropriations from the General Fund, payments of revolving loans, interest received from revolving and non-revolving loans, investment income and the sale of assets. In addition to grants and loans for water and sewer projects, these funds can be used for administrative costs and matching funds for federal grants.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 284,000</b>	<b>\$ 293,110</b>	<b>\$ 253,009</b>
<b>Receipts:</b>			
Revolving Loan Payments.....	\$ 50,428	\$ 122,600	\$ 137,600
Transfer from Environmental Stewardship Fund.....	18,012	15,560	14,978
Transfer from Marcellus Legacy Fund.....	9,565	12,006	12,913
Interest.....	7,580	7,335	7,526
Other.....	58	22	22
<b>Total Receipts</b> .....	<b>85,643</b>	<b>157,523</b>	<b>173,039</b>
<b>Total Funds Available</b> .....	<b>\$ 369,643</b>	<b>\$ 450,633</b>	<b>\$ 426,048</b>
<b>Disbursements:</b>			
Infrastructure Investment Authority:			
Grants.....	\$ 0	\$ 2,000	\$ 5,000
Administration.....	2,459	5,314	5,052
Growing Greener Grants.....	18,103	14,069	14,978
Revenue Bond Loan Pool.....	0	10	10
Marcellus Grants.....	2,104	6,570	12,913
Revolving Loans and Administration.....	53,867	168,720	120,000
State Conditional Fund.....	0	941	1,000
<b>Total Disbursements</b> .....	<b>-76,533</b>	<b>-197,624</b>	<b>-158,953</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 293,110</b>	<b>\$ 253,009</b>	<b>\$ 267,095</b>

# PENNVEST Redemption Fund

This fund, created under the authority of Act 16 of 1988, receives repayments of non-revolving loans and investment interest along with the annual appropriation from the General Fund for general obligation debt service. Revenues are used to pay debt service on general obligation bonds issued for PENNVEST.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 2,694</b>	<b>\$ 7,477</b>	<b>\$ 13,314</b>
<b>Receipts:</b>			
Interest.....	\$ 86	\$ 112	\$ 243
Non-Revolving Loan Repayments.....	13,853	13,853	13,853
Total Receipts .....	<u>13,939</u>	<u>13,965</u>	<u>14,096</u>
<b>Total Funds Available</b> .....	<b>\$ 16,633</b>	<b>\$ 21,442</b>	<b>\$ 27,410</b>
<b>Disbursements:</b>			
Treasury.....	\$ 9,156	\$ 8,128	\$ 8,092
Total Disbursements .....	<u>-9,156</u>	<u>-8,128</u>	<u>-8,092</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 7,477</b>	<b>\$ 13,314</b>	<b>\$ 19,318</b>

# PENNVEST Water Pollution Control Revolving Fund

This fund was created under the authority of Act 16 of 1988 for funds received from the federal government to establish a revolving loan program for sewer projects. Required matching state funds are transferred from the PENNVEST Bond Authorization Fund and the PENNVEST Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 733,927</b>	<b>\$ 759,012</b>	<b>\$ 434,929</b>
<b>Receipts:</b>			
Federal Funds.....	\$ 52,518	\$ 45,500	\$ 56,000
Loan Principal and Interest Repayments.....	53,143	63,579	45,500
Interest.....	18,946	19,374	5,504
Total Receipts .....	<u>124,607</u>	<u>128,453</u>	<u>107,004</u>
<b>Total Funds Available</b> .....	<b>\$ 858,534</b>	<b>\$ 887,465</b>	<b>\$ 541,933</b>
<b>Disbursements:</b>			
Infrastructure Investment Authority.....	\$ 99,522	\$ 452,536	\$ 418,700
Total Disbursements .....	<u>-99,522</u>	<u>-452,536</u>	<u>-418,700</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 759,012</b>	<b>\$ 434,929</b>	<b>\$ 123,233</b>

# Persian Gulf Conflict Veterans Compensation Bond Fund

The Persian Gulf Conflict Veterans Compensation Bond Fund was created by Act 29 of 2006 to receive and distribute the proceeds from \$20 million in bonds approved by the electorate in November of 2006. This money is used for compensation to commonwealth veterans who were active in the Persian Gulf Theater of operations during the period from August 2, 1990 to August 31, 1991 and who have received the Southwest Asia Service Medal. The maximum compensation is \$525, except in the cases of death or the veteran was a prisoner of war. In such instances the maximum compensation is \$5,000. Act 50 of 2015 extended the application period through August 31, 2018.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 2,069	\$ 2,021	\$ 1,837
<b>Receipts:</b>			
Interest.....	\$ 29	\$ 14	\$ 0
Total Receipts .....	29	14	0
<b>Total Funds Available</b> .....	\$ 2,098	\$ 2,035	\$ 1,837
<b>Disbursements:</b>			
Military and Veterans Affairs.....	\$ 77	\$ 198	\$ 0
Total Disbursements .....	-77	-198	0
<b>Cash Balance, Ending</b> .....	\$ 2,021	\$ 1,837	\$ 1,837

# Pharmaceutical Assistance Fund

The revenue for the Pharmaceutical Assistance Fund (PACE) is received from the Lottery Fund. This fund provides a limited pharmaceutical assistance program for older Pennsylvanians who are 65 years of age or over and whose annual income does not exceed the maximum specified for program eligibility. The PACE Fund is used for pharmaceutical claims processing for the Department of Health's Special Pharmaceutical Benefits Program and several disease specific programs, as well as programs within the Insurance Department's Catastrophis Loss Benefits Continuation (Auto Cat) and the Worker's Compensation Security Fund. Funds not expended in the fiscal year in which they are appropriated are available for use in the following fiscal year. For additional information on the programs refer to the program descriptions in the Departments of Aging, Health and Insurance.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 56,883	\$ 7,642	\$ 2,990
<b>Receipts:</b>			
Transfer from Lottery Fund .....	\$ 155,000	\$ 155,000	\$ 155,000
Interest .....	604	600	400
Disease Specific Programs.....	4,606	4,250	4,250
Special Pharmaceutical Services .....	84,680	84,343	94,398
Auto Cat Program.....	726	675	675
Workers' Compensation Security Fund Program.....	2,069	1,750	1,750
Other.....	787	790	790
Total Receipts .....	248,472	247,408	257,263
<b>Total Funds Available</b> .....	\$ 305,355	\$ 255,050	\$ 260,253
<b>Disbursements:</b>			
Aging.....	\$ 156,074	\$ 162,226	\$ 151,434
Health .....	138,908 <sup>a</sup>	87,409 <sup>a</sup>	99,658 <sup>a</sup>
Insurance.....	2,731 <sup>a</sup>	2,425 <sup>a</sup>	2,425 <sup>a</sup>
Total Disbursements .....	-297,713	-252,060	-253,517
<b>Cash Balance, Ending</b> .....	\$ 7,642	\$ 2,990	\$ 6,736

<sup>a</sup> Expenditures from restricted accounts in the Department of Aging.

# Philadelphia Regional Port Authority Fund

The Philadelphia Regional Port Authority was created by Act 50 of 1989 to acquire and operate the port facilities of the former Philadelphia Port Corporation. The Philadelphia Regional Port Authority Fund handles payroll of the authority via transfer of funds from the authority's private bank accounts. The authority is authorized to issue bonds to finance port improvements and may pay off such bonds.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 356	\$ 410	\$ 279
<b>Receipts:</b>			
Transfer from Philadelphia Regional Port Authority.....	\$ 6,050	\$ 6,980	\$ 7,230
Interest.....	10	12	8
Total Receipts .....	<u>6,060</u>	<u>6,992</u>	<u>7,238</u>
<b>Total Funds Available</b> .....	<u>\$ 6,416</u>	<u>\$ 7,402</u>	<u>\$ 7,517</u>
<b>Disbursements:</b>			
Philadelphia Regional Port Operations.....	\$ 6,006	\$ 7,123	\$ 7,215
Total Disbursements .....	<u>-6,006</u>	<u>-7,123</u>	<u>-7,215</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 410</u>	<u>\$ 279</u>	<u>\$ 302</u>

# Philadelphia Taxicab and Limousine Regulatory Fund

This fund was created by Act 64 of 2013 to act as the primary operating fund for the Philadelphia Parking Authority to regulate taxicabs and limousines in the city of the first class. Revenues in the fund are derived from assessments and fees to taxicab, limousine and dispatcher utility groups. Monies in the fund are used by the Authority for administration and enforcement of the taxicab and limousine program.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 143	\$ 384	\$ 392
<b>Receipts:</b>			
Assessments.....	\$ 2,793	\$ 3,585	\$ 2,118
Interest.....	7	8	8
Total Receipts .....	<u>2,800</u>	<u>3,593</u>	<u>2,126</u>
<b>Total Funds Available</b> .....	<u>\$ 2,943</u>	<u>\$ 3,977</u>	<u>\$ 2,518</u>
<b>Disbursements:</b>			
Philadelphia Parking Authority.....	\$ 2,559	\$ 3,585	\$ 2,118
Total Disbursements .....	<u>-2,559</u>	<u>-3,585</u>	<u>-2,118</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 384</u>	<u>\$ 392</u>	<u>\$ 400</u>



# Philadelphia Taxicab Medallion Fund

This fund was created by Act 64 of 2013 for the Philadelphia Parking Authority to administer the taxicab medallion program. Revenues are generated from the sale of medallions. Expenditures are those limited to the operation and enforcement of the medallion program.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 6	\$ 7	\$ 7
<b>Receipts:</b>			
Sale of Medallions.....	\$ 340	\$ 200	\$ 275
Interest.....	1	0	0
<b>Total Receipts</b> .....	<u>341</u>	<u>200</u>	<u>275</u>
<b>Total Funds Available</b> .....	<u>\$ 347</u>	<u>\$ 207</u>	<u>\$ 282</u>
<b>Disbursements:</b>			
Philadelphia Parking Authority.....	\$ 340	\$ 200	\$ 275
<b>Total Disbursements</b> .....	<u>-340</u>	<u>-200</u>	<u>-275</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 7</u>	<u>\$ 7</u>	<u>\$ 7</u>

# PlanCon Bond Projects Fund

The PlanCon Bond Projects Fund is a special revenue fund created by Act 25 of 2016 for the reimbursement of school construction costs from the net proceeds of bonds issued through the Commonwealth Financing Authority (CFA). The act authorized up to \$2.5 billion in debt to be issued by June 30, 2025, and the first bonds were issued in October 2016. Reimbursements to school districts for approved construction costs are made by the Department of Education. Act 85 of 2016 provides for CFA debt service obligations, which includes bond issuances for PlanCon projects, to be paid through a transfer of sales and use tax receipts.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 168,147	\$ 334,774	\$ 468,498
<b>Receipts:</b>			
School Construction Bond Proceeds.....	\$ 403,894	\$ 406,455	\$ 0
Interest .....	2,727	6,334	1,500
<b>Total Receipts</b> .....	<u>406,621</u>	<u>412,789</u>	<u>1,500</u>
<b>Total Funds Available</b> .....	<u>\$ 574,768</u>	<u>\$ 747,563</u>	<u>\$ 469,998</u>
<b>Disbursements:</b>			
Education.....	\$ 239,994	\$ 279,065	\$ 275,975
<b>Total Disbursements</b> .....	<u>-239,994</u>	<u>-279,065</u>	<u>-275,975</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 334,774</u>	<u>\$ 468,498</u>	<u>\$ 194,023</u>

# Port of Pittsburgh Commission Fund

The Port of Pittsburgh Commission was created by Act 133 of 1992 to promote and encourage capital investment in port facilities and port-related projects within the port district encompassing Allegheny, Armstrong, Beaver, Butler, Clarion, Fayette, Greene, Lawrence, Washington and Westmoreland counties.

Act 140 of 2000 expanded the authority of the commission to allow for economic development projects, including certain recreation projects sponsored by third parties. Act 111 of 2001 added Indiana County and Act 131 of 2006 added Blair County to the Port District.

Grants supporting the commission's operations are deposited into this fund along with interest earnings from deposited funds. The commission also has the authority to issue bonds to finance port improvements and may pledge its revenues to pay off such bonds.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 2,381</b>	<b>\$ 2,241</b>	<b>\$ 2,479</b>
<b>Receipts:</b>			
State Grants.....	\$ 500	\$ 1,000	\$ 500
Federal Grants.....	1,087	5,747	4,000
Interest .....	33	31	34
Other .....	0	2	2
Total Receipts .....	<u>1,620</u>	<u>6,780</u>	<u>4,536</u>
<b>Total Funds Available</b> .....	<b>\$ 4,001</b>	<b>\$ 9,021</b>	<b>\$ 7,015</b>
<b>Disbursements:</b>			
Port of Pittsburgh Commission.....	\$ 1,760	\$ 6,542	\$ 5,000
Total Disbursements .....	<u>-1,760</u>	<u>-6,542</u>	<u>-5,000</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 2,241</b>	<b>\$ 2,479</b>	<b>\$ 2,015</b>

# Property Tax Relief Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, created the Property Tax Relief Fund to provide local property and wage tax relief payments to school districts. The fund receives revenue from the State Gaming Fund representing the balance of money collected in the State Gaming Fund after other distributions. Act 1 of Special Session 1 of 2006, the Taxpayer Relief Act, further provides for the distribution of funds from the Property Tax Relief Fund to school districts. In addition, transfers are made to the State Lottery Fund for an expanded Property Rent Rebate Program and supplemental senior citizen tax reduction payments. Act 78 of 2012 provides for additional funding for the Volunteer Fire Company Grants out of the Property Tax Relief Reserve Fund. The fiscal year ending balances include the Property Tax Relief Reserve Account and funding for property tax relief payments made in August and October each year. Act 42 of 2017 provides additional monies to the Property Tax Relief Fund through the expansion of gaming in the commonwealth.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 459,643</b>	<b>\$ 442,682</b>	<b>\$ 428,682</b>
<b>Receipts:</b>			
Transfer from State Gaming Fund.....	\$ 743,343	\$ 729,221	\$ 761,318
Transfer of iGaming Tax.....	0	13,409	26,092
Property Tax Relief Reserve Fund Loan Repayment.....	6,653	6,385	6,385
Interest.....	3,043	3,185	3,356
Total Receipts .....	<u>753,039</u>	<u>752,200</u>	<u>797,151</u>
<b>Total Funds Available</b> .....	<b>\$ 1,212,682</b>	<b>\$ 1,194,882</b>	<b>\$ 1,225,833</b>
<b>Disbursements:</b>			
Property Tax Relief Payments:			
Education:			
General Property Tax Relief.....	\$ 595,000	\$ 595,000	\$ 595,000
Sterling Act.....	24,300	24,500	24,500
Subtotal: Education Property Tax Relief Payments.....	<u>619,300</u>	<u>619,500</u>	<u>619,500</u>
Revenue:			
Expanded Prop Tax/Rent Rebate/Senior Tax Reductions.....	118,500	114,100	117,600
Cities and High-Burden.....	27,200	27,600	28,700
Subtotal: Revenue Property Tax Relief Payments.....	<u>145,700</u>	<u>141,700</u>	<u>146,300</u>
Total Property Tax Relief Disbursements.....	<u>765,000</u>	<u>761,200</u>	<u>765,800</u>
Emergency Management:			
Volunteer Company Grants.....	5,000	5,000	5,000
Total Disbursements.....	<u>-770,000</u>	<u>-766,200</u>	<u>-770,800</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 442,682 <sup>a</sup></b>	<b>\$ 428,682 <sup>a</sup></b>	<b>\$ 455,033 <sup>a</sup></b>

<sup>a</sup> Ending cash balance includes \$6,192,265 in the Property Tax Relief Reserve Account.

# PSERS - Defined Contribution Fund

This fund was created to meet the provisions of Act 5 of 2017 to provide for receipt and accounting of member and employer contributions, investment of those funds and payment of defined contribution benefits to retired school employees hired on or after July 1, 2019. Employers defined as school entities (school districts, intermediate units and career and technical centers) pay 100 percent of the employer share of contributions to the fund. The commonwealth pays school entities a portion of these costs from appropriated funds based on a statutory formula. Commonwealth contributions of the employer share for non-school entities are also paid from appropriated funds. Earnings from investments provide additional revenue and pay for the associated expenses of the Public School Employees' Retirement Board.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 0	\$ 6,712	\$ 6,712
<b>Receipts:</b>			
Admin Transfer.....	\$ 6,801	\$ 4,950	\$ 2,454
Contributions.....	0	0	25,545
Net Investment Adjustment.....	0	0	583
Total Receipts .....	6,801	4,950	28,582
<b>Total Funds Available</b> .....	\$ 6,801	\$ 11,662	\$ 35,294
<b>Disbursements:</b>			
Public School Employees' Retirement Board .....	\$ 89	\$ 4,950	\$ 2,454
Total Disbursements .....	-89	-4,950	-2,454
<b>Cash Balance, Ending</b> .....	\$ 6,712	\$ 6,712	\$ 32,840

# Public Transportation Assistance Fund

The Public Transportation Assistance Fund was established by Act 26 of 1991 to assist the capital, asset maintenance and other transportation needs of the commonwealth's transit entities. Act 44 of 2007 revised the purpose of this fund by transferring programs to the new Public Transportation Trust Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 8,713	\$ 9,072	\$ 9,333
<b>Receipts:</b>			
Tire Fee, Rental Fee and Lease Tax.....	\$ 142,594	\$ 147,400	\$ 152,500
Transfer of Sales and Use Tax.....	105,413	111,400	114,500
Interest.....	304	496	496
Total Receipts .....	248,311	259,296	267,496
<b>Total Funds Available</b> .....	\$ 257,024	\$ 268,368	\$ 276,829
<b>Disbursements:</b>			
Transportation:			
Grants.....	\$ 225,938	\$ 236,690	\$ 243,179
Transfer to Public Transportation Trust Fund.....	22,014	22,345	23,356
Total Disbursements .....	-247,952	-259,035	-266,535
<b>Cash Balance, Ending</b> .....	\$ 9,072	\$ 9,333	\$ 10,294

# Public Transportation Trust Fund

The Public Transportation Trust Fund was created by Act 44 of 2007 to provide dedicated funding for public transportation in the commonwealth. Act 89 of 2013 increased funding and revenue sources for the fund. Revenues come from scheduled payments by the Pennsylvania Turnpike Commission, a portion of the Sales and Use Tax, certain motor vehicle fees, vehicle code fines and surcharges, and transfers from the Public Transportation Assistance Fund and the Lottery Fund. Monies in this fund are disbursed as grants to public transit agencies for operating costs, capital and asset improvements, and programs of statewide significance.

Effective in 2022, Act 89 eliminates \$400 million in annual transfers from the Turnpike Commission to support mass transit operations. The fund balance does not reflect substantial commitments for public transportation operating and capital.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 474,237</b>	<b>\$ 592,043</b>	<b>\$ 262,719</b>
<b>Receipts:</b>			
Transfer of Sales and Use Tax.....	\$ 489,776	\$ 505,784	\$ 521,483
Pennsylvania Turnpike Commission.....	420,000	420,000	420,000
Transfer from Lottery Fund.....	95,907	191,814	95,907
Transfer from Public Transportation Assistance Fund.....	22,014	22,345	23,356
Motor Vehicle Fees.....	245,519	253,715	294,371
Vehicle Code Fines.....	32,818	32,818	32,818
Interest.....	12,208	6,000	6,000
Total Receipts.....	<u>1,318,242</u>	<u>1,432,476</u>	<u>1,393,935</u>
<b>Total Funds Available</b> .....	<b>\$ 1,792,479</b>	<b>\$ 2,024,519</b>	<b>\$ 1,656,654</b>
<b>Disbursements:</b>			
Transportation.....	\$ 1,200,436	\$ 1,761,800	\$ 1,567,620
Total Disbursements.....	<u>-1,200,436</u>	<u>-1,761,800</u>	<u>-1,567,620</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 592,043</b>	<b>\$ 262,719</b>	<b>\$ 89,034</b>

# Purchasing Fund

Created in 1933, this fund finances the purchase of materials, supplies, services and equipment by the Department of General Services and Executive Offices for use by other departments, boards and commissions. Salaries for the personnel administering the fund are paid by the fund. Revenue sources are periodic appropriations from the General Fund and reimbursements by other departments, boards and commissions for the materials and supplies provided them.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 6,237</b>	<b>\$ 9,838</b>	<b>\$ 7,902</b>
<b>Receipts:</b>			
Reimbursements to General Services.....	\$ 359,659	\$ 375,844	\$ 392,757
Reimbursements to Executive Offices.....	67,671	69,000	69,000
Interest.....	95	62	46
Total Receipts .....	<u>427,425</u>	<u>444,906</u>	<u>461,803</u>
<b>Total Funds Available</b> .....	<b>\$ 433,662</b>	<b>\$ 454,744</b>	<b>\$ 469,705</b>
<b>Disbursements:</b>			
General Services.....	\$ 356,622	\$ 377,842	\$ 394,813
Executive Offices.....	67,202	69,000	69,000
Total Disbursements .....	<u>-423,824</u>	<u>-446,842</u>	<u>-463,813</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 9,838</b>	<b>\$ 7,902</b>	<b>\$ 5,892</b>

# Racing Fund

The Racing Fund is a special revenue fund composed of monies received from taxes and license fees collected by the State Horse Racing Commission for the regulation of horse and harness racing. The administration and enforcement of racing in Pennsylvania is governed by Act 114 of 2016. The Act repealed and restructured the Race Horse Industry Reform Act (Act 93 of 1983 and subsequent amendments) and provided funding for promotional costs. Licensed racing corporations who annually conduct at least 100 days of racing continue to remit wagering taxes at the rate of 1.5 percent. License and fee revenue is derived from the licensing of jockeys and other persons participating in racing as prescribed by the State Racing Commission. Penalties and interest on taxes due, interest on securities and uncashed tickets comprise miscellaneous revenue. In addition, Act 114 provided temporary funding from the Pennsylvania Race Horse Development Trust Fund to cover the cost of the drug testing program. A permanent funding solution must be identified.

Act 114 of 2016 continues to support the breeders programs and the related restricted accounts. However, most of the revenues for these accounts comes from Act 71 of 2004, the Race Horse Development and Gaming Act. Funding is generated from gross terminal revenues from slot machines and is transferred from the Pennsylvania Race Horse Development Trust Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 32,880</b>	<b>\$ 31,463</b>	<b>\$ 27,594</b>
<b>Receipts:</b>			
Admission and Wagering.....	\$ 4,578	\$ 4,500	\$ 4,500
Licenses and Fees.....	1,212	1,100	1,100
Fines and Penalties.....	253	300	300
Transfer from Race Horse Development Fund - Promotion.....	2,365	2,393	2,393
Transfer from Race Horse Development Fund - Drug Testing.....	8,491	10,066	10,066
Other.....	1,172	1,220	1,220
Restricted Revenues.....	37,897	38,700	38,022
Interest.....	691	847	731
Total Receipts .....	<u>56,659</u>	<u>59,126</u>	<u>58,332</u>
<b>Total Funds Available</b> .....	<b>\$ 89,539</b>	<b>\$ 90,589</b>	<b>\$ 85,926</b>
<b>Disbursements:</b>			
Agriculture.....	\$ 22,243	\$ 23,960	\$ 23,973
Revenue.....	239	335	246
Agriculture - Restricted Funds.....	35,594	38,700	38,022
Total Disbursements .....	<u>-58,076</u>	<u>-62,995</u>	<u>-62,241</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 31,463</b>	<b>\$ 27,594</b>	<b>\$ 23,685</b>

# Real Estate Recovery Fund

This fund was established in 1980 to reimburse aggrieved persons any amounts unpaid from final judgements against any person licensed by the Real Estate Commission. Revenue is derived from additional fees paid by licensees, with interest on investments being retained by the fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 575</b>	<b>\$ 590</b>	<b>\$ 528</b>
<b>Receipts:</b>			
Additional License Fees.....	\$ 59	\$ 75	\$ 75
Interest .....	8	13	10
Total Receipts .....	67	88	85
<b>Total Funds Available</b> .....	<b>\$ 642</b>	<b>\$ 678</b>	<b>\$ 613</b>
<b>Disbursements:</b>			
State.....	\$ 52	\$ 150	\$ 150
Total Disbursements .....	-52	-150	-150
<b>Cash Balance, Ending</b> .....	<b>\$ 590</b>	<b>\$ 528</b>	<b>\$ 463</b>

# Recycling Fund

This fund was created by Act 101 of 1988 to finance the planning, processing, resource recovery and recycling of solid waste. Revenue is generated by a fee on all waste disposed of in landfills or processed by resource recovery facilities. Expenditures are for recycling and planning grants, market and waste minimization studies, and public information and education activities throughout the commonwealth. Act 125 of 1998 allowed for up to \$1.5 million annually for five years of Recycling Fund money to finance the cleanup of illegally deposited waste on state forest and state park lands. The fund balance does not reflect commitments directly impacting local governments as well as the Pennsylvania Recycling Markets Center at Pennsylvania State University.

Act 44 of 2017 provided for a transfer to the General Fund of amounts available in special funds. The 2017-18 Transfer to the General Fund was in accordance with the Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 86,607</b>	<b>\$ 85,139</b>	<b>\$ 61,867</b>
<b>Receipts:</b>			
Recycling Fees.....	\$ 40,205	\$ 38,000	\$ 38,000
Interest .....	2,429	2,499	1,355
Transfer from Hazardous Sites Cleanup Fund.....	1,000	1,000	1,000
Transfer from Public Ed/Tech Assistance.....	500	500	500
Other.....	44	25	25
Total Receipts .....	44,178	42,024	40,880
<b>Total Funds Available</b> .....	<b>\$ 130,785</b>	<b>\$ 127,163</b>	<b>\$ 102,747</b>
<b>Disbursements:</b>			
Environmental Protection .....	\$ 30,646	\$ 65,296	\$ 60,334
Transfer to General Fund.....	15,000	0	0
DEP Operations.....	0	0	10,000
Total Disbursements .....	-45,646	-65,296	-70,334
<b>Cash Balance, Ending</b> .....	<b>\$ 85,139</b>	<b>\$ 61,867</b>	<b>\$ 32,413</b>

# Rehabilitation Center Fund

This fund was created by Act 55 of 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. The Department of Labor and Industry is pursuing diversification and privatization of services offered at the center. These plans include training enhancement for clients of the center and economic development opportunities for the Johnstown region.

Act 44 of 2017 provided for a transfer to the General Fund of amounts available in special funds. The 2017-18 Transfer to the General Fund was in accordance with the Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 12,440</b>	<b>\$ 7,225</b>	<b>\$ 7,372</b>
<b>Receipts:</b>			
Client Fees .....	\$ 17,976	\$ 20,750	\$ 20,750
Interest.....	194	153	165
Perkins Grant.....	42	27	27
PHEAA Grants.....	56	636	636
Assistive Technology.....	307	543	543
Other.....	1,331	1,193	1,193
<b>Total Receipts</b> .....	<b>19,906</b>	<b>23,302</b>	<b>23,314</b>
<b>Total Funds Available</b> .....	<b>\$ 32,346</b>	<b>\$ 30,527</b>	<b>\$ 30,686</b>
<b>Disbursements:</b>			
Labor and Industry.....	\$ 23,121	\$ 23,155	\$ 22,740
Transfer to General Fund .....	2,000	0	0
<b>Total Disbursements</b> .....	<b>-25,121</b>	<b>-23,155</b>	<b>-22,740</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 7,225</b>	<b>\$ 7,372</b>	<b>\$ 7,946</b>



# Remining Financial Assurance Fund

Act 173 of 1992 authorized this fund to assist mine operators who qualify to purchase reclamation bonds or make payment in lieu of reclamation bonds. Revenues are the transfer of up to \$5 million from the Land and Water Development Fund and from in lieu of bond premium payments. Expenditures from this fund occur only when mine operators default.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 4,346</b>	<b>\$ 4,364</b>	<b>\$ 4,368</b>
<b>Receipts:</b>			
Operator Annual Fee.....	\$ 86	\$ 110	\$ 100
Interest.....	62	97	94
Total Receipts .....	<u>148</u>	<u>207</u>	<u>194</u>
<b>Total Funds Available</b> .....	<b>\$ 4,494</b>	<b>\$ 4,571</b>	<b>\$ 4,562</b>
<b>Disbursements:</b>			
Environmental Protection .....	\$ 130	\$ 203	\$ 341
Total Disbursements .....	<u>-130</u>	<u>-203</u>	<u>-341</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 4,364</b>	<b>\$ 4,368</b>	<b>\$ 4,221</b>

# Rightful Owners' Claims Payment Fund

The Rightful Owners' Claims Payment Fund was created by Act 45 of 2003 to make reimbursements and prompt payment of claims to an owner for a restitution payment previously held as unclaimed by any court, public corporation, public authority or instrumentality of the commonwealth, or by a public officer or political subdivision. Under the act, five percent of the funds transferred annually into the Treasury will be deposited into the Rightful Owners' Claims Payment Fund to create the capability to make a reimbursement in the event a claim is filed. The remaining ninety-five percent balance of the restitution monies annually escheated from the entities identified are to be deposited to the Crime Victims' Compensation Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 6</b>	<b>\$ 14</b>	<b>\$ 32</b>
<b>Receipts:</b>			
Transfers from Unclaimed Property Accounts.....	\$ 529	\$ 454	\$ 459
Interest.....	0	1	1
Total Receipts .....	<u>529</u>	<u>455</u>	<u>460</u>
<b>Total Funds Available</b> .....	<b>\$ 535</b>	<b>\$ 469</b>	<b>\$ 492</b>
<b>Disbursements:</b>			
Treasury Payments to Claimants.....	\$ 521	\$ 437	\$ 441
Total Disbursements.....	<u>-521</u>	<u>-437</u>	<u>-441</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 14</b>	<b>\$ 32</b>	<b>\$ 51</b>

# School Employees' Retirement Fund

The Public School Employees' Retirement Fund provides for receipt and accounting of member and employer contributions, investment of those funds and payment of benefits to retired school employees.

According to the provisions of Act 29 of 1994, starting with the employer contribution payment for the third quarter of 1995 (school salaries paid from July 1, 1995 to September 30, 1995), employers defined as school entities (school districts, intermediate units and career and technical centers) pay 100 percent of the employer share of contributions to the fund. The commonwealth pays school entities a portion of these costs from appropriated funds based on a statutory formula. Commonwealth contributions of the employer share for non-school entities are also paid from appropriated funds. These contributions are paid directly 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 employer contribution rate is determined by the fund's actuary and adopted by the board.

Act 40 of 2003 changed the retirement system's amortization, thereby lowering the employer contribution costs. Act 120 of 2010 amended the benefit structure for most new employees hired after July 1, 2011 and amended the funding provisions. Act 120 also established a new shared risk benefit plan.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 53,279,079</b>	<b>\$ 54,540,475</b>	<b>\$ 57,264,475</b>
<b>Receipts:</b>			
Transfer from General Fund —			
Employer Contribution (non-school entities).....	\$ 18,150	\$ 29,000	\$ 30,000
Transfers from State Employees' Retirement System.....	5,609	8,000	10,000
Contributions of School Employees.....	1,021,911	1,043,000	1,042,000
Contributions of Employers.....	3,978,048	4,576,000	4,755,000
Net Investment Adjustment.....	2,996,052	4,047,000	4,000,000
Total Receipts .....	<u>8,019,770</u>	<u>9,703,000</u>	<u>9,837,000</u>
<b>Total Funds Available</b> .....	<b>\$ 61,298,849</b>	<b>\$ 64,243,475</b>	<b>\$ 67,101,475</b>
<b>Disbursements:</b>			
Public School Employees' Retirement Board .....	\$ 6,758,374	\$ 6,979,000	\$ 7,132,000
Total Disbursements .....	<u>-6,758,374</u>	<u>-6,979,000</u>	<u>-7,132,000</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 54,540,475</b>	<b>\$ 57,264,475</b>	<b>\$ 59,969,475</b>

# School Safety and Security Fund

Act 44 of 2018 (amending the Public School Code) established the School Safety and Security committee within the Pennsylvania Commission on Crime and Delinquency (PCCD) for the administration of the School Safety and Security Grant Program. Act 42 of 2018 provided \$15 million in transfer funding from Personal Income Tax receipts, and \$30 million in transfer funding from various 2014-15 reinstated line item appropriation vetoes of the House and Senate. In addition, each fiscal year, the first \$15 million of all excess fines, fees and costs collected by any division of the Unified Judicial System shall be deposited into the School Safety and Security Fund.

Grant funding is dispersed throughout the commonwealth, and is used by school entities to supplement existing school spending on safety and security.

This budget proposes a transfer of \$15 million from personal income tax receipts to this fund for 2019-20.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 622</b>
<b>Receipts:</b>			
Personal Income Tax.....	\$ 0	\$ 15,000	\$ 15,000
Legislative Transfers.....	0	30,000	15,000
Excess Unified Judicial System Fines.....	0	15,000	15,000
Interest.....	0	622	500
Total Receipts .....	<u>0</u>	<u>60,622</u>	<u>45,500</u>
<b>Total Funds Available</b> .....	<b>\$ 0</b>	<b>\$ 60,622</b>	<b>\$ 46,122</b>
<b>Disbursements:</b>			
Commission on Crime and Delinquency.....	\$ 0	\$ 60,000	\$ 45,000
Total Disbursements .....	<u>0</u>	<u>-60,000</u>	<u>-45,000</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 0</b>	<b>\$ 622</b>	<b>\$ 1,122</b>

# Self-Insurance Guaranty Fund

This fund was created by Act 44 of 1993, the Pennsylvania Workers' Compensation Act. The purpose of this fund is to pay claims arising from defaulting self-insurance employers and defaulting members of self-insurance pooling arrangements under the Workers' Compensation Act for injuries occurring on or after October 30, 1993. The fund is maintained by assessments on self-insurers. Act 53 of 2000 provides for payments of claims resulting from injuries prior to October 30, 1993, through a Prefund Account funded by transfers from the Workers' Compensation Administration Fund. Act 49 of 2001 limited annual transfers to the Prefund Account to \$3.8 million. The Prefund Account and the fund are administered by the Department of Labor and Industry.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 68,323</b>	<b>\$ 66,547</b>	<b>\$ 62,401</b>
<b>Receipts:</b>			
Assessments.....	\$ 812	\$ 788	\$ 488
Workmen's Compensation Transfers.....	1,175	1,500	1,000
Interest.....	1,744	1,794	1,716
Internal Interest Transfers.....	-1,702	-1,750	-1,000
Total Receipts .....	<u>2,029</u>	<u>2,332</u>	<u>2,204</u>
<b>Total Funds Available</b> .....	<b>\$ 70,352</b>	<b>\$ 68,879</b>	<b>\$ 64,605</b>
<b>Disbursements:</b>			
Labor and Industry.....	\$ 3,805	\$ 6,478	\$ 5,000
Total Disbursements .....	<u>-3,805</u>	<u>-6,478</u>	<u>-5,000</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 66,547</b>	<b>\$ 62,401</b>	<b>\$ 59,605</b>

# SERS - Defined Contribution Fund

This fund was created to meet the provisions of Act 5 of 2017 to provide for receipt and accounting of member and employer contributions, investment of those funds and payment of defined contribution benefits to eligible members of the State Employees' Retirement System. Participation in the defined contribution plan is mandatory for most new state employees hired on or after January 1, 2019 and available to employees of non-state, public and quasi-public institutions authorized by the Retirement Code. The fund receives revenue from employee contributions, employer contributions and income derived from its investment portfolio. Employers pay 100 percent of the employer share of contributions to the fund. Investment income is used to credit interest to each member's account; to pay the administrative expenses of the retirement system; and to accumulate monies for the payment of future benefits. Management of the fund and payment of benefits are overseen by the State Employees' Retirement Board.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 5,030</b>
<b>Receipts:</b>			
Administrative Transfer.....	\$ 0	\$ 4,901	\$ 3,852
Contributions.....	0	9,400	27,800
Net Investment Adjustment.....	0	330	1,348
Total Receipts .....	<u>0</u>	<u>14,631</u>	<u>33,000</u>
<b>Total Funds Available</b> .....	<b>\$ 0</b>	<b>\$ 14,631</b>	<b>\$ 38,030</b>
<b>Disbursements:</b>			
State Employees' Retirement System .....	\$ 0	\$ 9,601	\$ 17,734
Total Disbursements .....	<u>0</u>	<u>-9,601</u>	<u>-17,734</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 0</b>	<b>\$ 5,030</b>	<b>\$ 20,296</b>

# Small Business First Fund

Act 67 of 1996 created the Small Business First Fund. The fund replaced the Air Quality Improvement Fund, Storage Tank Loan Fund and the Pennsylvania Capital Loan Fund. Balances and program commitments in those funds were transferred to the Small Business First Fund. The fund may receive transfers from the Minority Business Development Fund to facilitate its programs for small businesses. Act 50 of 2009 enabled the fund to transfer monies to the Machinery and Equipment Loan Fund in support of its activities.

This program provides low-interest loans for small businesses of 100 employees or less. Eligible projects include land and building acquisition and construction; machinery and equipment purchases; working capital; compliance with environmental regulations and municipal or commercial recycling. In addition, companies eligible to participate in this program are those impacted by the reduction in defense-related activities and those involved in exports, advanced technology and the hospitality industry. Act 161 of 2014 transitioned the administration of this fund to the Pennsylvania Industrial Development Authority, while also authorizing funds to be transferred by an action of the board between the Small Business First Fund, the Machinery and Equipment Loan Fund, and the Industrial Development Fund to maximize the effectiveness of the programs. The fund balance does not reflect commitments for business expansion.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 27,535</b>	<b>\$ 31,631</b>	<b>\$ 6,983</b>
<b>Receipts:</b>			
Loan Principal and Interest Repayments.....	\$ 9,221	\$ 9,000	\$ 9,000
Interest.....	632	788	175
Other.....	177	20	20
Total Receipts .....	10,030	9,808	9,195
<b>Total Funds Available</b> .....	<b>\$ 37,565</b>	<b>\$ 41,439</b>	<b>\$ 16,178</b>
<b>Disbursements:</b>			
Community and Economic Development.....	\$ 5,934	\$ 22,353	\$ 15,000
Transfer to Industrial Development Fund.....	0	12,103	0
Total Disbursements .....	-5,934	-34,456	-15,000
<b>Cash Balance, Ending</b> .....	<b>\$ 31,631</b>	<b>\$ 6,983</b>	<b>\$ 1,178</b>

# 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. Revenue is provided through appropriations by the General Assembly and by the repayment of loans made to municipalities.

Act 44 of 2017 provided for a transfer to the General Fund of amounts available in special funds. The 2017-18 Transfer to the General Fund was in accordance with the Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 448</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Receipts:</b>			
Interest.....	\$ 3	\$ 0	\$ 0
Total Receipts .....	3	0	0
<b>Total Funds Available</b> .....	<b>\$ 451</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Disbursements:</b>			
Transfer to General Fund.....	\$ 451	\$ 0	\$ 0
Total Disbursements .....	-451	0	0
<b>Cash Balance, Ending</b> .....	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

# 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. Act 5 of 2005 requires that all monies in excess of \$200,000 in the fund, less encumbrances for litigation, shall be transferred by June 25th of each year to either the Unemployment Compensation Contribution Fund or the Job Training Fund or both.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 4,776</b>	<b>\$ 5,651</b>	<b>\$ 200</b>
<b>Receipts:</b>			
Penalty and Interest Collections.....	\$ 1,422	\$ 10,000	\$ 10,794
Interest.....	163	206	206
Total Receipts .....	<u>1,585</u>	<u>10,206</u>	<u>11,000</u>
<b>Total Funds Available</b> .....	<b>\$ 6,361</b>	<b>\$ 15,857</b>	<b>\$ 11,200</b>
<b>Disbursements:</b>			
Labor and Industry.....	\$ 710	\$ 15,657	\$ 11,000
Total Disbursements .....	<u>-710</u>	<u>-15,657</u>	<u>-11,000</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 5,651</b>	<b>\$ 200</b>	<b>\$ 200</b>

# 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 monies 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. Interest earned is disbursed to the Pennsylvania State University.

Act 44 of 2017 provided for a transfer to the General Fund of amounts available in special funds. The 2017-18 Transfer to the General Fund was in accordance with the Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 24</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Receipts:</b>			
Interest.....	\$ 0	\$ 0	\$ 0
Total Receipts .....	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Funds Available</b> .....	<b>\$ 24</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Disbursements:</b>			
Transfer to General Fund.....	\$ 24	\$ 0	\$ 0
Total Disbursements .....	<u>-24</u>	<u>0</u>	<u>0</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

# State Employees' Retirement Fund

This fund was created in 1923 to accumulate reserves for the payment of pensions to eligible former state employees. Money in this fund is used to pay retirement, disability and death benefits to members of the State Employees' Retirement System and their beneficiaries. Membership in the system is mandatory for most state employees and available to employees of non-state 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.

The fund receives revenue from employee contributions, employer contributions and income derived from its investment portfolio. 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 monies for the payment of future benefits. Management of the fund and payment of benefits are overseen by the State Employees' Retirement Board.

Act 40 of 2003 changed the retirement system's amortization period, thereby lowering the employer contribution costs. Act 120 of 2010 amended the benefit structure for most new employees hired after December 31, 2010 and amended the funding provisions. Act 120 also established a new shared risk benefit plan.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 27,600,396</b>	<b>\$ 28,828,765</b>	<b>\$ 29,872,083</b>
<b>Receipts:</b>			
Contributions of Employees.....	\$ 434,469	\$ 381,500	\$ 387,500
Contributions of Employers.....	1,976,914	2,053,780	2,070,263
Transfer to Annuity Reserve Account.....	11,340	11,340	11,340
Directed Commissions.....	162	162	162
Net Investment Adjustment.....	2,176,183	2,117,817	2,193,457
Other.....	17,594	17,594	17,594
Total Receipts .....	<u>4,616,662</u>	<u>4,582,193</u>	<u>4,680,316</u>
<b>Total Funds Available</b> .....	<b>\$ 32,217,058</b>	<b>\$ 33,410,958</b>	<b>\$ 34,552,399</b>
<b>Disbursements:</b>			
State Employees' Retirement System.....	\$ 3,388,293	\$ 3,538,875	\$ 3,676,811
Total Disbursements .....	<u>-3,388,293</u>	<u>-3,538,875</u>	<u>-3,676,811</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 28,828,765</b>	<b>\$ 29,872,083</b>	<b>\$ 30,875,588</b>

# State Gaming Fund

Act 71 of 2004, the Pennsylvania Race Horse Development and Gaming Act, established the State Gaming Fund to receive gaming license fees and 34 percent of the gross terminal revenue (GTR) generated by licensed gaming facilities. Act 42 of 2017 expanded gaming in the commonwealth to include a new category of slot machine licenses, interactive gaming and airport gaming. The fund receives 52 percent of gross interactive gaming revenue (GIGR) generated through simulated slot machines and 14 percent of GIGR generated through simulated table games. Fund revenues are annually distributed to various programs and the remainder is transferred to the Property Tax Relief Fund. Also, licensed gaming facilities deposit an additional 4 percent of GTR for slot machines, 2 percent of gross table game revenue and 2 percent of GIGR into the fund for local share distributions where gaming facilities are located.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 136,329</b>	<b>\$ 139,452</b>	<b>\$ 133,786</b>
<b>Receipts:</b>			
State Tax Revenue.....	\$ 785,152	\$ 782,637	\$ 808,074
Licensee Deposit Accounts.....	70,186	69,714	76,876
Local Share Assessment.....	154,997	147,730	174,322
Interest.....	1,712	2,345	2,347
Other .....	4,933	4,500	5,000
Total Receipts .....	<u>1,016,980</u>	<u>1,006,926</u>	<u>1,066,619</u>
<b>Total Funds Available</b> .....	<b>\$ 1,153,309</b>	<b>\$ 1,146,378</b>	<b>\$ 1,200,405</b>
<b>Disbursements:</b>			
Revenue:			
Transfer to Compulsive and Problem Gambling Treatment Fund.....	\$ 4,602	\$ 4,619	\$ 4,671
Transfer to Compulsive and Problem Gambling Treatment Fund - Drug and Alcohol.....	3,000	3,000	3,000
Payments in Lieu of Taxes:			
Conservation and Natural Resources.....	5,213	5,278	5,312
Fish and Boat Commission.....	17	40	40
Game Commission.....	3,601	3,686	3,686
Emergency Management:			
Volunteer Company Grants.....	25,000	25,000	25,000
Community and Economic Development:			
Transfer to Commonwealth Financing Authority.....	0	5,554	13,711
Gaming Control Board:			
Local Law Enforcement Grants.....	99	0	0
Transfer to Casino Marketing and Development.....	3,698	2,000	2,000
Local Share Assessment Distribution:			
Revenue.....	123,641	115,306	130,257
Community and Economic Development.....	27,548	25,691	29,022
Education.....	1,264	1,179	1,332
Administrative Appropriations:			
Gaming Control Board.....	40,109	48,172	46,067
Revenue .....	5,150	9,990	8,687
State Police.....	26,612	32,121	29,686
Attorney General.....	960	1,735	1,460
Transfer to Property Tax Relief Fund.....	743,343	729,221	761,318
Total Disbursements .....	<u>-1,013,857</u>	<u>-1,012,592</u>	<u>-1,065,249</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 139,452 <sup>a</sup></b>	<b>\$ 133,786 <sup>a</sup></b>	<b>\$ 135,156 <sup>a</sup></b>

<sup>a</sup> Ending cash balance includes the following restricted balances: 2017-18 Actual is \$138,218,000, 2018-19 Available is \$120,414,000 and 2018-19 Estimated is \$116,390,000.

# State Insurance Fund

Act 227 of 1915 created this fund which finances expenditures related to the rebuilding, restoring or replacing of buildings, structures, equipment or other property owned by the commonwealth that 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. Receipts of the fund include reimbursement from the commonwealth's excess insurance policy, which is responsible for damages for any occurrence in excess of \$1 million. This fund satisfies the requirements of the federal government for the Disaster Insurance Program.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 5,777</b>	<b>\$ 4,583</b>	<b>\$ 4,191</b>
<b>Receipts:</b>			
Recovered Damages.....	\$ 0	\$ 694	\$ 695
Interest .....	589	589	467
Other .....	311	0	0
Total Receipts .....	<u>900</u>	<u>1,283</u>	<u>1,162</u>
<b>Total Funds Available</b> .....	<b>\$ 6,677</b>	<b>\$ 5,866</b>	<b>\$ 5,353</b>
<b>Disbursements:</b>			
General Services.....	\$ 2,094	\$ 1,675	\$ 1,561
Total Disbursements .....	<u>-2,094</u>	<u>-1,675</u>	<u>-1,561</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 4,583</b>	<b>\$ 4,191</b>	<b>\$ 3,792</b>

# State Restaurant Fund

This fund was created by Act 259 of 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 Capitol East Wing Cafeteria is the only restaurant operated through this fund. Revenue is derived from profit-sharing with the contracted vendor.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 968</b>	<b>\$ 732</b>	<b>\$ 740</b>
<b>Receipts:</b>			
Commission / Profit Sharing.....	\$ 62	\$ 62	\$ 62
Interest.....	13	16	14
Total Receipts .....	<u>75</u>	<u>78</u>	<u>76</u>
<b>Total Funds Available</b> .....	<b>\$ 1,043</b>	<b>\$ 810</b>	<b>\$ 816</b>
<b>Disbursements:</b>			
General Services.....	\$ 311	\$ 70	\$ 150
Total Disbursements .....	<u>-311</u>	<u>-70</u>	<u>-150</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 732</b>	<b>\$ 740</b>	<b>\$ 666</b>



# State School Fund

This fund was established in 1911 and is funded primarily by the sale of escheated estates and other nonpublic real estate and interest earnings of the Sinking Fund. Changes in the escheat law and lack of interest earnings from the Sinking Fund or investment of monies in the State School Fund have resulted in a low revenue level. The fund is active in only a limited sense.

The original purpose of the fund was to equalize educational advantages across the commonwealth; to provide advancements to school districts temporarily in need of aid; and to promote education in the conservation of natural resources, forestry, agriculture and other industrial pursuits. The law was amended in 1960 to change the purpose of the fund to equalization of educational opportunities, and to pay part of the cost of repair or alteration of local public school or state college buildings when required to satisfy requirements of the Department of Labor and Industry or other relevant governmental agencies. The State Board of Education periodically uses the interest earned to fund research and small projects. Expenditures from the fund are made at the direction of the State Board of Education.

Act 44 of 2017 provided for a transfer to the General Fund of amounts available in special funds. The 2017-18 Transfer to the General Fund was in accordance with the Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 672	\$ 0	\$ 0
<b>Receipts:</b>			
Interest.....	\$ 5	\$ 0	\$ 0
Total Receipts .....	<u>5</u>	<u>0</u>	<u>0</u>
<b>Total Funds Available</b> .....	\$ 677	\$ 0	\$ 0
<b>Disbursements:</b>			
Transfer to General Fund.....	\$ 677	\$ 0	\$ 0
Total Disbursements .....	<u>-677</u>	<u>0</u>	<u>0</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

# State Stores Fund

The State Stores Fund serves as the general operating fund for the Liquor Control Board. The Pennsylvania State Police also receive funds for the enforcement of the Liquor Code.

This fund receives revenues from the sale of goods in State Liquor Stores, fees not credited to the Liquor License Fund, fines and penalties, and losses and damages recovered. Expenditures cover all costs associated with the operation and administration of the Liquor Store System and enforcement of the Liquor Code. Acts 39, 85 and 166 of 2016 created significant liquor code changes, which include: expanding wine sales to licensed retailers, expanding Sunday store openings and hours, lottery sales, pricing flexibility, special liquor order changes, customer relationship management and numerous licensing changes.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 198,691</b>	<b>\$ 206,235</b>	<b>\$ 178,330</b>
<b>Receipts:</b>			
Fees, Fines and Penalties.....	\$ 48,653	\$ 32,135	\$ 32,135
Expired License Auction Proceeds.....	16,683	10,000	9,000
Sale of Goods.....	2,055,555	2,124,400	2,182,900
Liquor Sales Taxes.....	526,933	540,106	553,609
Lottery Commissions.....	1,107	1,150	1,200
Recovered Losses and Damages.....	2,793	3,000	3,000
Interest.....	2,997	3,111	2,690
Other.....	74	500	500
<b>Total Receipts</b> .....	<b>2,654,795</b>	<b>2,714,402</b>	<b>2,785,034</b>
<b>Total Funds Available</b> .....	<b>\$ 2,853,486</b>	<b>\$ 2,920,637</b>	<b>\$ 2,963,364</b>
<b>Disbursements:</b>			
Drug and Alcohol Programs.....	\$ 2,523	\$ 2,500	\$ 3,100
Liquor Control Board .....	1,902,201	1,982,690	2,030,513
State Police.....	30,494	31,911	32,910
Transfer of Liquor Sales Taxes to General Fund.....	526,933	540,106	553,609
Transfer to General Fund.....	185,100	185,100	185,100
<b>Total Disbursements</b> .....	<b>-2,647,251</b>	<b>-2,742,307</b>	<b>-2,805,232</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 206,235</b>	<b>\$ 178,330</b>	<b>\$ 158,132</b>

# State Treasury Armory Fund

Created in accordance with Act 92 of 1975, the State Treasury Armory Fund receives monies derived from the sale of any armory building, armory site or other real estate. Funds are expended solely for the purchase of equipment, furniture and fixtures, for repairs and maintenance or for the construction of new armories in the commonwealth.

Act 44 of 2017 provided for a transfer to the General Fund of amounts available in special funds. The 2017-18 Transfer to the General Fund was in accordance with the Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 3,312	\$ 2,262	\$ 1,212
<b>Receipts:</b>			
Armory Rentals.....	\$ 261	\$ 240	\$ 240
Sale of Armories and Land.....	583	307	1,488
Interest.....	40	46	68
Other.....	109	67	63
Total Receipts .....	<u>993</u>	<u>660</u>	<u>1,859</u>
<b>Total Funds Available</b> .....	<u>\$ 4,305</u>	<u>\$ 2,922</u>	<u>\$ 3,071</u>
<b>Disbursements:</b>			
Military and Veterans Affairs.....	\$ 1,743	\$ 1,710	\$ 1,210
Transfer to General Fund.....	300	0	0
Total Disbursements .....	<u>-2,043</u>	<u>-1,710</u>	<u>-1,210</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 2,262</u>	<u>\$ 1,212</u>	<u>\$ 1,861</u>

# State Workers' Insurance Fund

The State Workers' Insurance Fund (SWIF) was created by Act 338 of 1915 and operates within the Department of Labor and Industry. It is a self-sustaining fund providing workers' compensation insurance to employers, including those refused policies by private insurance firms. SWIF is subject to underwriting rules, classification and rates promulgated by rating bureaus authorized by the State Insurance Commissioner. Premium rates are established by them based on the history of accidents by industry. Administrative costs are paid from the fund including expenses related to Insurance Department and Auditor General examinations.

Act 68 of 1990 provides for the transfer of money from SWIF. Annual payments are made to the General Fund equal to the amount which would have been paid in taxes had SWIF been subject to taxes. The act also established an Advisory Council to recommend the amount of surplus in SWIF, if any, that could be distributed without jeopardizing its legal obligations to policy holders. If such a surplus exists, the SWIF Board may then recommend distribution of the surplus as refunds to current or former policyholders. The funds recommended by the board to be transferred or refunded to policyholders must be approved and appropriated by the General Assembly.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 1,422,030	\$ 1,371,838	\$ 1,355,284
<b>Receipts:</b>			
Premiums.....	\$ 167,390	\$ 163,177	\$ 155,018
Interest.....	44,213	52,475	51,432
Net Investment Adjustment.....	-27,179	20,347	20,000
Other.....	2,453	2,528	2,402
Total Receipts .....	<u>186,877</u>	<u>238,527</u>	<u>228,852</u>
<b>Total Funds Available</b> .....	<u>\$ 1,608,907</u>	<u>\$ 1,610,365</u>	<u>\$ 1,584,136</u>
<b>Disbursements:</b>			
Labor and Industry.....	\$ 233,650	\$ 250,581	\$ 250,000
Premium Tax Payment to General Fund.....	3,419	4,500	4,200
Total Disbursements .....	<u>-237,069</u>	<u>-255,081</u>	<u>-254,200</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 1,371,838</u>	<u>\$ 1,355,284</u>	<u>\$ 1,329,936</u>

# Storage Tank Fund

This fund was created by Act 32 of 1989 for the operation of an aboveground and underground storage tank regulation, registration and enforcement program. Revenues to the fund consist of registration and permit fees, fines, judgements, bond forfeitures, interest and recovered costs. Expenditures include the remediation of leaking underground storage tanks. Act 61 of 2017 authorized an increase, from \$3,000,000 to \$7,000,000 in the reimbursement that could be requested from the Underground Storage Tank Indemnification Fund (USTIF) to the Storage Tank Fund for costs associated with investigating, determining responsibility, overseeing remediation and third party response and closing out cases of spills and leaks, as well as for inspecting, determining compliance and taking enforcement action against owners of storage tanks.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 2,109</b>	<b>\$ 1,611</b>	<b>\$ 1,411</b>
<b>Receipts:</b>			
Registration Fees.....	\$ 2,924	\$ 2,971	\$ 2,938
Federal Funds - EPA.....	1,590	5,557	4,740
Fines and Penalties.....	569	570	570
Interest.....	35	68	17
Reimbursement from USTIF.....	3,021	5,000	7,000
Cost Recovery Reimbursements/Settlements.....	1,203	10	10
Other.....	10	0	0
<b>Total Receipts</b> .....	<b>9,352</b>	<b>14,176</b>	<b>15,275</b>
<b>Total Funds Available</b> .....	<b>\$ 11,461</b>	<b>\$ 15,787</b>	<b>\$ 16,686</b>
<b>Disbursements:</b>			
Environmental Protection.....	\$ 9,850	\$ 14,376	\$ 15,303
<b>Total Disbursements</b> .....	<b>-9,850</b>	<b>-14,376</b>	<b>-15,303</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 1,611</b>	<b>\$ 1,411</b>	<b>\$ 1,383</b>

# Substance Abuse Education and Demand Reduction Fund

This fund was created by Act 198 of 2002 and amended by Act 36 of 2006. The purpose of the fund is to provide research-based approaches to prevention, intervention, training, treatment and education services to reduce substance abuse and to offer statewide programs to assist families in accessing those services. The fund also provides for statewide programs to educate employers, unions and employees about the dangers of substance abuse in the workplace and provide comprehensive drug-free workplace programs and technical resources for businesses.

Revenue to the fund consists of assessments on individuals convicted, adjudicated delinquent or granted accelerated rehabilitative disposition and also those individuals who plead guilty or nolo contendere to either a violation of the Controlled Substance, Drug, Device and Cosmetic Act or a violation relating to driving under the influence of alcohol or controlled substance. The Community Drug Program, within the Office of Attorney General, is to receive 10 percent of the grant monies available for annual award through the Executive Offices.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 9,704</b>	<b>\$ 8,906</b>	<b>\$ 3,974</b>
<b>Receipts:</b>			
Assessments.....	\$ 3,232	\$ 3,125	\$ 3,125
Interest.....	275	243	243
Other.....	191	0	0
Total Receipts.....	<u>3,698</u>	<u>3,368</u>	<u>3,368</u>
<b>Total Funds Available</b> .....	<b>\$ 13,402</b>	<b>\$ 12,274</b>	<b>\$ 7,342</b>
<b>Disbursements:</b>			
Executive Offices.....	\$ 4,496	\$ 8,300	\$ 7,342
Total Disbursements.....	<u>-4,496</u>	<u>-8,300</u>	<u>-7,342</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 8,906</b>	<b>\$ 3,974</b>	<b>\$ 0</b>

# 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 failure 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. Five percent of the fines and penalties collected in one fiscal year is transferred to the Environmental Education Fund in the subsequent fiscal year. The remaining 95 percent, up to a maximum of \$500,000, is transferred to the Reclamation Fee O & M Trust Account. Act 95 of 2012 required sum-certain guarantees to cover stage III reclamation liability under a permittee's reclamation bond, to the extent funds are available.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 65,387</b>	<b>\$ 65,432</b>	<b>\$ 60,877</b>
<b>Receipts:</b>			
Licenses and Fees.....	\$ 295	\$ 326	\$ 326
Fines and Penalties.....	744	748	748
Transfer to Environmental Education Fund.....	-123	-37	-37
Reclamation Fee O & M Trust Account.....	-500	-500	-500
Interest.....	1,989	1,885	1,706
Forfeiture of Bonds.....	753	816	816
Other.....	121	300	300
<b>Total Receipts</b> .....	<b>3,279</b>	<b>3,538</b>	<b>3,359</b>
<b>Total Funds Available</b> .....	<b>\$ 68,666</b>	<b>\$ 68,970</b>	<b>\$ 64,236</b>
<b>Disbursements:</b>			
Environmental Protection.....	\$ 3,234	\$ 8,093	\$ 5,860
<b>Total Disbursements</b> .....	<b>-3,234</b>	<b>-8,093</b>	<b>-5,860</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 65,432</b>	<b>\$ 60,877</b>	<b>\$ 58,376</b>

# Tobacco Settlement Fund

The Tobacco Settlement Fund is a special revenue fund comprised of monies from all tobacco settlements under the Tobacco Master Settlement Agreement. Act 77 of 2001 created the Tobacco Settlement Fund (TSF) to receive the revenues from the Master Settlement Agreement that was reached with the five major tobacco companies on December 17, 1999. The TSF was established to provide funding for health care insurance for the uninsured, home and community-based services for seniors, tobacco use prevention and cessation, broad-based health research, medical care for workers with disabilities, hospital uncompensated care and an endowment component to preserve a portion of the receipts for future use. Since 2005-06, a portion of the tobacco revenue has been used to offset the escalating cost of long-term care services for persons with disabilities and older Pennsylvanians.

For 2018-19, the Master Settlement Agreement (MSA) funds anticipated to be received in April 2019 are to be allocated as follows: 4.5 percent for tobacco use prevention and cessation activities, 13.6 percent for health and related research, 8.18 percent for uncompensated care, 30 percent for Medicaid benefits for workers with disabilities, and 43.72 percent for health-related purposes.

This budget proposes to allocate funds for 2019-20 based on the anticipated April 2020 MSA payment. The distribution of funds is 30 percent for Medicaid benefits for workers with disabilities, 13.6 percent for health and related research, 4.5 percent for tobacco use prevention and cessation, 8.18 percent for uncompensated care and 43.72 percent for health-related purposes.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 110,920</b>	<b>\$ 101,944</b>	<b>\$ 22,193</b>
<b>Receipts:</b>			
Gross Settlements.....	\$ 349,367	\$ 382,649	\$ 377,217
Federal Receipts.....	188,429	204,692	157,594
Interest.....	1,833	4,334	1,500
Other.....	641	1,066	500
Total Receipts .....	<u>540,270</u>	<u>592,741</u>	<u>536,811</u>
<b>Total Funds Available</b> .....	<b>\$ 651,190</b>	<b>\$ 694,685</b>	<b>\$ 559,004</b>
<b>Disbursements:</b>			
Aging:			
Home and Community-Based Services (EA).....	\$ 0	\$ 22,363	\$ 0
(F)Medical Assistance - Community Services (EA).....	-1,404	-22,363	0
Community and Economic Development:			
Life Sciences Greenhouses.....	3,276	3,000	3,000
Health:			
Tobacco Use Prevention and Cessation (EA).....	10,968	26,533	16,975
Health Research - Health Priorities (EA).....	48,786	80,541	47,529
Health Research - National Cancer Institute (EA).....	3,092	7,320	3,772
Human Services:			
Medical Care for Workers with Disabilities (EA).....	98,338	122,280	113,165
(F)Medical Assistance - Workers with Disabilities (EA).....	105,658	137,843	123,830
Uncompensated Care (EA).....	25,094	59,879	30,856
(F)Medical Assistance - Uncompensated Care (EA).....	27,249	64,988	33,764
Home and Community-Based Services (EA).....	45,418	0	0
(F)Medical Assistance - Community Services (EA).....	48,849	0	0
Medical Assistance - Long-Term Care.....	133,922	20,908	0
Medical Assistance - Community HealthChoices.....	0	149,201	161,920
Total Disbursements .....	<u>-549,246</u>	<u>-672,493</u>	<u>-534,811</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 101,944</b>	<b>\$ 22,193</b>	<b>\$ 24,193</b>

# Treasury Initiative Support Fund

The Treasury Initiative Support Fund was created in 2009 to account for funding received in support of Treasury initiatives and to track spending as required by the various funding agreements. Treasury established the Keystone Home Energy Loan Program (HELP) in 2006 to offer affordable energy efficiency financing options to homeowners. These consumer loans are bundled and purchased as an investment into a Treasury investment pool. This program received funding to administer components of the Alternate Energy Investment Act of July 9, 2008, Special Session 1. It has also received funding to support the HELP loans, including funds for a geothermal energy component. Support received to assist a Micro Lending investment program is also included in this fund. In addition, Treasury has received independent foundation grants to develop a nationwide market to support the sale of energy efficiency loans and to make investments that promote energy efficiency improvements on college and university campuses in Pennsylvania.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 8,017</b>	<b>\$ 8,663</b>	<b>\$ 8,572</b>
<b>Receipts:</b>			
Program Funding.....	\$ 2,084	\$ 1,350	\$ 1,300
Interest.....	108	109	109
Other.....	-26	0	0
Total Receipts .....	<u>2,166</u>	<u>1,459</u>	<u>1,409</u>
<b>Total Funds Available</b> .....	<b>\$ 10,183</b>	<b>\$ 10,122</b>	<b>\$ 9,981</b>
<b>Disbursements:</b>			
Treasury.....	\$ 1,520	\$ 1,550	\$ 1,597
Total Disbursements.....	<u>-1,520</u>	<u>-1,550</u>	<u>-1,597</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 8,663</b>	<b>\$ 8,572</b>	<b>\$ 8,384</b>

# Tuition Account Guaranteed Savings Program Fund

Act 11 of 1992, amended by Act 58 of 2000, provided for the establishment of two programs for postsecondary educational savings. Both programs are administered by the Tuition Account Programs Bureau within the Treasury Department with oversight by the Tuition Account Programs (TAP) Advisory Board. This fund offers a guaranteed rate of return tied to tuition inflation. Revenue is derived primarily from application fees, Tuition Account Guaranteed Savings Program contracts and investment income. Fund expenditures consist mainly of payments to educational institutions for tuition and administrative costs.

The ending fund balance shown in the statement includes substantial investment assets. The net investment adjustment receipt item is included to reflect the carrying value of long-term investments as of June 30.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 1,715,292</b>	<b>\$ 2,007,109</b>	<b>\$ 1,979,538</b>
<b>Receipts:</b>			
Application Fees .....	\$ 1,995	\$ 1,798	\$ 1,800
Tuition Unit Purchases.....	203,529	213,279	213,492
Investment Earnings.....	2,256	2,258	2,261
Net Investment Adjustment.....	334,481	0	0
Total Receipts .....	<u>542,261</u>	<u>217,335</u>	<u>217,553</u>
<b>Total Funds Available</b> .....	<b>\$ 2,257,553</b>	<b>\$ 2,224,444</b>	<b>\$ 2,197,091</b>
<b>Disbursements:</b>			
Treasury.....	\$ 250,444	\$ 244,906	\$ 247,355
Total Disbursements .....	<u>-250,444</u>	<u>-244,906</u>	<u>-247,355</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 2,007,109</b>	<b>\$ 1,979,538</b>	<b>\$ 1,949,736</b>



# Tuition Account Investment Program Fund

Act 11 of 1992, amended by Act 58 of 2000, provided for the establishment of two programs for postsecondary educational savings. Both programs are administered by the Tuition Account Programs Bureau within the Treasury Department with oversight by the Tuition Account Programs Advisory Board. The Tuition Account Investment Program, launched in July 2002, provides market-based investment returns and offers participants several investment options based on age, investment risk or socially responsible investments comprising a mix of equity and fixed income portfolios. Fund revenue is derived primarily from Tuition Account Investment Program contracts and investment income. Fund expenditures consist mainly of redemption of program contracts.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 2,403,373</b>	<b>\$ 2,730,654</b>	<b>\$ 2,825,165</b>
<b>Receipts:</b>			
Tuition Investment Purchases.....	\$ 360,444	\$ 298,758	\$ 301,746
Net Investment Adjustment.....	165,135	0	0
Total Receipts .....	525,579	298,758	301,746
<b>Total Funds Available</b> .....	<b>\$ 2,928,952</b>	<b>\$ 3,029,412</b>	<b>\$ 3,126,911</b>
<b>Disbursements:</b>			
Treasury.....	\$ 198,298	\$ 204,247	\$ 210,374
Total Disbursements .....	-198,298	-204,247	-210,374
<b>Cash Balance, Ending</b> .....	<b>\$ 2,730,654</b>	<b>\$ 2,825,165</b>	<b>\$ 2,916,537</b>

# Unconventional Gas Well Fund

This fund was created by Act 13 of 2012 to provide for the collection and distribution of unconventional gas well impact fees. The fee revenue will be used by commonwealth agencies for monitoring and oversight of unconventional gas wells, emergency responder training and for rail freight assistance projects. Distributions will also be made to county conservation districts and to host counties and municipalities. Receipts deposited into the Unconventional Gas Well Fund are derived from an impact fee assessed to drillers of natural gas wells in the Marcellus Shale regions of the commonwealth. The fee is assessed per gas well and may be adjusted based on the number of wells and changes in the Consumer Price Index for all urban consumers in the Pennsylvania, New Jersey, Delaware and Maryland area.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 21,167</b>	<b>\$ 22,579</b>	<b>\$ 12,183</b>
<b>Receipts:</b>			
Impact Fee Revenues.....	\$ 214,456	\$ 258,566	\$ 276,900
Interest.....	1,001	1,462	1,638
Total Receipts .....	215,457	260,028	278,538
<b>Total Funds Available</b> .....	<b>\$ 236,624</b>	<b>\$ 282,607</b>	<b>\$ 290,721</b>
<b>Disbursements:</b>			
Public Utility Commission.....	\$ 112,338	\$ 147,393	\$ 155,026
Emergency Management.....	1,356	5,504	1,500
Fish and Boat Commission.....	852	1,254	1,000
Transportation.....	0	5,252	1,000
Transfer to Conservation District Fund.....	3,875	3,972	4,071
Transfer to Well Plugging Account.....	12,000	6,000	6,000
Transfer to Marcellus Legacy Fund.....	76,523	96,049	103,303
Transfer to Housing Affordability and Rehabilitation Enhancement Fund.....	7,101	5,000	5,000
Total Disbursements .....	-214,045	-270,424	-276,900
<b>Cash Balance, Ending</b> .....	<b>\$ 22,579</b>	<b>\$ 12,183</b>	<b>\$ 13,821</b>

# Underground Storage Tank Indemnification Fund

The Storage Tank and Spill Prevention Act, Act 32 of 1989, as amended, established the Underground Storage Tank Indemnification Fund to administer a program to provide claim payments to owners and operators of underground storage tanks who incur liability for taking corrective action or for bodily injury or property damage caused by a release from underground storage tanks. Expenses for administration of the fund are also covered. The fund is administered by the Insurance Department in conjunction with a nine member Underground Storage Tank Indemnification Board.

Act 13 of 1998 established a new loan program to assist owners of regulated underground storage tanks to upgrade their underground storage tank systems to meet federal Environmental Protection Agency upgrade requirements or to remove them from service. Act 100 of 2000 expanded the upgrade loan program to include the removal of underground storage tanks. The act also established an environmental cleanup program and a pollution prevention program that are administered by the Department of Environmental Protection. A loan of \$100 million was made to the General Fund on October 15, 2002 in accordance with Act 91 of 2002. Act 72 of 2013 changed the repayment of the \$100 million loan to the General Fund to before July 1, 2029. As of December 2018, \$67.5 million is still owed in principal and an additional \$16.941 million is owed in interest to the fund from the prior loan to the General Fund. Act 61 of 2017 increases the reimbursement to the Storage Tank Fund from \$3,000,000 to \$7,000,000, annually and extended authority for the Underground Storage Tank Environmental Cleanup Program and the Underground Storage Tank Pollution Prevention Program until June 30, 2022.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 238,496</b>	<b>\$ 266,740</b>	<b>\$ 264,081</b>
<b>Receipts:</b>			
Gallon Fee .....	\$ 52,529	\$ 53,000	\$ 53,000
Tank Capacity Fee .....	5,738	6,000	6,000
Investment Income .....	1,410	1,474	1,500
Net Investment Adjustment .....	12,045	0	0
Loan Repayments from General Fund.....	0	0	7,000
Other.....	300	400	400
Total Receipts .....	<u>72,022</u>	<u>60,874</u>	<u>67,900</u>
<b>Total Funds Available</b> .....	<b>\$ 310,518</b>	<b>\$ 327,614</b>	<b>\$ 331,981</b>
<b>Disbursements:</b>			
Environmental Protection .....	\$ 2,637	\$ 6,031	\$ 5,396
Insurance .....	41,141	57,502	58,539
Total Disbursements .....	<u>-43,778</u>	<u>-63,533</u>	<u>-63,935</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 266,740</b>	<b>\$ 264,081</b>	<b>\$ 268,046</b>

# Unemployment Compensation Benefit Payment Fund

Employers' and employees' contributions under the Unemployment Compensation Law are credited to the commonwealth's account in the Federal Unemployment Trust Fund. Requisitions of money from the Trust Fund for the payment of unemployment compensation benefits to eligible individuals are the revenue for the Unemployment Compensation Benefit Payment Fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 1,901	\$ 2,001	\$ 0
<b>Receipts:</b>			
Regular Unemployment Compensation Program.....	\$ 1,832,702	\$ 2,001,100	\$ 2,000,000
Other.....	57,210	42,000	42,000
Total Receipts .....	1,889,912	2,043,100	2,042,000
<b>Total Funds Available</b> .....	\$ 1,891,813	\$ 2,045,101	\$ 2,042,000
<b>Disbursements:</b>			
Labor and Industry.....	\$ 1,889,812	\$ 2,045,101	\$ 2,042,000
Total Disbursements .....	-1,889,812	-2,045,101	-2,042,000
<b>Cash Balance, Ending</b> .....	\$ 2,001	\$ 0	\$ 0

# Unemployment Compensation Contribution Fund

This fund was created to hold monies collected from employers under the Unemployment Compensation Law and, except for refunds of collections, transfers to the Special Administration Fund, and transfers to the Service and Infrastructure Improvement Fund are transferred to the United States Treasury for credit to the commonwealth's account in the Federal Unemployment Trust Fund established under Section 904 of the Social Security Act.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 44,069	\$ 46,872	\$ 0
<b>Receipts:</b>			
Contributions from Employers and Employees.....	\$ 2,443,081	\$ 2,513,942	\$ 2,553,000
Other.....	49,721	40,000	40,000
Total Receipts .....	2,492,802	2,553,942	2,593,000
<b>Total Funds Available</b> .....	\$ 2,536,871	\$ 2,600,814	\$ 2,593,000
<b>Disbursements:</b>			
Labor and Industry.....	\$ 2,471,377	\$ 2,566,164	\$ 2,535,595
Service and Infrastructure Improvement.....	18,622	34,650	57,405
Total Disbursements .....	-2,489,999	-2,600,814	-2,593,000
<b>Cash Balance, Ending</b> .....	\$ 46,872	\$ 0	\$ 0

# Unemployment Compensation Debt Service Fund

This fund was created in accordance with the Unemployment Compensation Law. The fund is administered by the Department of Labor and Industry and was originally used for the collection and repayment of interest on loans from the federal government to the commonwealth's account in the Unemployment Compensation Trust Fund.

Act 60 of 2012, the commonwealth's UC Reform Legislation, allowed for the issuance of bonds to repay the state's Unemployment Compensation debt to the federal government. The name of the fund was changed to the Debt Service Fund and its purpose was expanded to process payments for bond obligations and administrative expenses, payment of annual interest on federal loans, workforce investment and infrastructure improvements, and once debt levels are reduced to established thresholds, payment or transfer to the Unemployment Compensation Trust Fund for payment of unemployment compensation to individuals.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 1,783</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Receipts:</b>			
Contributions from Employers.....	\$ 535,437	\$ 527,183	\$ 157,000
Total Receipts .....	<u>535,437</u>	<u>527,183</u>	<u>157,000</u>
<b>Total Funds Available</b> .....	<b>\$ 537,220</b>	<b>\$ 527,183</b>	<b>\$ 157,000</b>
<b>Disbursements:</b>			
Labor and Industry.....	\$ 537,220	\$ 527,183	\$ 157,000
Total Disbursements .....	<u>-537,220</u>	<u>-527,183</u>	<u>-157,000</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

# Uninsured Employers Guaranty Fund

This fund was created by Act 147 of 2006, amending the Pennsylvania Workers' Compensation Act. The purpose of this fund is to pay claimants, or their dependents, workers' compensation benefits where the employer liable for the payments failed to insure or self-insure its workers' compensation liability at the time the injuries took place. Funding will then be maintained by assessments on insurers and self-insured employers. Act 132 of 2018 increased assessment revenues from 0.1% to 0.25% of the total compensation paid by all insurers or self-insured employers during the previous calendar year. Projected expenditures are dependent upon claim volume, the merits of such claims and associated claims costs. Over the past four years, various loans and transfers from the Workmen's Compensation Administration Fund were needed to keep the fund solvent. The recent passage of Act 132 is expected to allow for long term sustainability. Increased revenues are anticipated for 2019-20.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 4,403</b>	<b>\$ 7,037</b>	<b>\$ 1,522</b>
<b>Receipts:</b>			
Assessments/Self-Insurer's Security.....	\$ 3,061	\$ 2,800	\$ 7,305
Loan from Workmen's Compensation Administration Fund.....	7,500	0	0
Interest.....	52	146	24
Other.....	513	540	580
Total Receipts .....	<u>11,126</u>	<u>3,486</u>	<u>7,909</u>
<b>Total Funds Available</b> .....	<b>\$ 15,529</b>	<b>\$ 10,523</b>	<b>\$ 9,431</b>
<b>Disbursements:</b>			
Labor and Industry.....	\$ 8,492	\$ 9,001	\$ 9,300
Total Disbursements .....	<u>-8,492</u>	<u>-9,001</u>	<u>-9,300</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 7,037</b>	<b>\$ 1,522</b>	<b>\$ 131</b>

# Veterans Trust Fund

The Veterans Trust Fund was established by Act 87 of 2012. The fund is administered by the Department of Military and Veterans Affairs and consists of proceeds paid by the Department of Transportation relating to special plates for veterans and \$3 check-offs on drivers' license and motor vehicle registration applications, as well as grants, gifts, donations and other payments from an individual or governmental entity. The purpose of this fund is to provide grants for programs or projects supporting Pennsylvania veterans and their families.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 2,067</b>	<b>\$ 2,258</b>	<b>\$ 1,424</b>
<b>Receipts:</b>			
Contributions - Plates, Drivers License and Registration.....	\$ 1,670	\$ 1,350	\$ 1,400
Interest.....	36	39	25
Other.....	26	10	10
Total Receipts .....	<u>1,732</u>	<u>1,399</u>	<u>1,435</u>
<b>Total Funds Available</b> .....	<b>\$ 3,799</b>	<b>\$ 3,657</b>	<b>\$ 2,859</b>
<b>Disbursements:</b>			
Military and Veterans Affairs:			
Grants and Assistance.....	\$ 1,541	\$ 2,233	\$ 1,755
Total Disbursements .....	<u>-1,541</u>	<u>-2,233</u>	<u>-1,755</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 2,258</b>	<b>\$ 1,424</b>	<b>\$ 1,104</b>

# Video Gaming Fund

Act 42 of 2017 established the Video Gaming Fund to receive all license fees provided for in the act and 42 percent of the gross terminal revenue (GTR) generated by licensed gaming facilities. These monies are to be distributed annually to various programs as set forth in the act with the remainder being transferred to the General Fund. Also, all licensed gaming terminal operators deposit an additional 10 percent of GTR into the fund for local share distributions where the gaming terminals are located.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Receipts:</b>			
State Tax Revenue.....	\$ 0	\$ 1,700	\$ 10,238
Licensee Deposit Accounts.....	0	124	748
Local Share Assessment.....	0	405	2,438
Total Receipts .....	<u>0</u>	<u>2,229</u>	<u>13,424</u>
<b>Total Funds Available</b> .....	<b>\$ 0</b>	<b>\$ 2,229</b>	<b>\$ 13,424</b>
<b>Disbursements:</b>			
Revenue:			
Transfer to Compulsive and Problem Gambling Treatment Fund.....	\$ 0	\$ 8	\$ 49
Local Share Assessment Distribution:			
Revenue.....	0	405	2,438
Administrative Appropriations:			
Gaming Control Board.....	0	25	254
Revenue .....	0	99	494
Transfer to General Fund.....	0	1,692	10,189
Total Disbursements .....	<u>0</u>	<u>-2,229</u>	<u>-13,424</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

# Vocational Rehabilitation Fund

This fund, administered by the State Board of Vocational Rehabilitation in the Department of Labor and Industry, was created to provide vocational rehabilitation services to any person who has a disability, mental or physical, which constitutes a handicap to employment or to achieve 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, interest earned and local match.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 3,440</b>	<b>\$ 4,331</b>	<b>\$ 3,860</b>
<b>Receipts:</b>			
Transfer from General Fund.....	\$ 44,889	\$ 45,626	\$ 47,942
Federal Vocational Rehabilitation Funds.....	148,076	192,109	167,189
Interest.....	370	820	994
Other.....	9	0	0
<b>Total Receipts</b> .....	<b>193,344</b>	<b>238,555</b>	<b>216,125</b>
<b>Total Funds Available</b> .....	<b>\$ 196,784</b>	<b>\$ 242,886</b>	<b>\$ 219,985</b>
<b>Disbursements:</b>			
Labor and Industry.....	\$ 192,453	\$ 239,026	\$ 215,131
<b>Total Disbursements</b> .....	<b>-192,453</b>	<b>-239,026</b>	<b>-215,131</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 4,331</b>	<b>\$ 3,860</b>	<b>\$ 4,854</b>

# Volunteer Companies Loan Fund

Bond referenda in 1975, 1981, 1990 and 2002 authorized a total of \$100 million of bonds to be issued for acquisition and replacement of volunteer fire, ambulance and rescue company equipment and facilities. Act 208 of 1976 established a revolving loan fund known as the Volunteer Companies Loan Fund. Loans provided for under these bond issues are administered by the Office of the State Fire Commissioner. In addition to bond proceeds, revenues include loan repayments and penalty charges. To increase program participation and accessibility, Act 129 of 2013 modified loan amounts, loan periods and the number of loans allowed for emergency service providers.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 48,670</b>	<b>\$ 53,095</b>	<b>\$ 48,376</b>
<b>Receipts:</b>			
Loan Principal and Interest Repayments.....	\$ 13,628	\$ 14,000	\$ 14,000
Interest.....	1,174	1,281	1,167
Penalty Charges.....	4	0	0
Other.....	12	0	0
<b>Total Receipts</b> .....	<b>14,818</b>	<b>15,281</b>	<b>15,167</b>
<b>Total Funds Available</b> .....	<b>\$ 63,488</b>	<b>\$ 68,376</b>	<b>\$ 63,543</b>
<b>Disbursements:</b>			
Office of the State Fire Commissioner.....	\$ 10,393	\$ 20,000	\$ 20,000
<b>Total Disbursements</b> .....	<b>-10,393</b>	<b>-20,000</b>	<b>-20,000</b>
<b>Cash Balance, Ending</b> .....	<b>\$ 53,095</b>	<b>\$ 48,376</b>	<b>\$ 43,543</b>

# Water and Sewer Systems Assistance Bond Fund

Act 64 of 2008, the Water and Sewer Systems Assistance Act, and Act 50 of 2009 authorized a \$400 million bond issue, which was approved by referendum, to provide grants and loans to municipalities and public utilities for the acquisition, repair, construction, reconstruction, rehabilitation, extension, expansion and improvement of water supply and sewage treatment systems as well as the purchase or trading of nutrient credits.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 9	\$ 16,266	\$ 8,264
<b>Receipts:</b>			
Referendum Bonds.....	\$ 15,454	\$ 0	\$ 16,000
Premium or Discount on Sale of Bonds.....	796	0	0
Transfer to Water & Sewer Systems Assistance Sinking Fund.....	-9	0	0
Interest.....	9	0	0
Other.....	13	0	0
<b>Total Receipts</b> .....	<u>16,263</u>	<u>0</u>	<u>16,000</u>
<b>Total Funds Available</b> .....	<u>\$ 16,272</u>	<u>\$ 16,266</u>	<u>\$ 24,264</u>
<b>Disbursements:</b>			
Infrastructure Investment Authority.....	\$ 6	\$ 8,002	\$ 8,207
<b>Total Disbursements</b> .....	<u>-6</u>	<u>-8,002</u>	<u>-8,207</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 16,266</u>	<u>\$ 8,264</u>	<u>\$ 16,057</u>

# Water and Sewer Systems Assistance Bond Sinking Fund

This fund was established to redeem or pay interest on bonds issued for the Water and Sewer Systems Assistance program. The annual appropriation from the General Fund for general obligation debt service provides revenues to the fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 0	\$ 542	\$ 0
<b>Receipts:</b>			
Transfer from General Fund.....	\$ 22,259	\$ 20,910	\$ 25,554
Water & Sewer Systems Assist Bond Fund Interest Transfer.....	9	0	0
Debt Service Interest.....	533	0	0
<b>Total Receipts</b> .....	<u>22,801</u>	<u>20,910</u>	<u>25,554</u>
<b>Total Funds Available</b> .....	<u>\$ 22,801</u>	<u>\$ 21,452</u>	<u>\$ 25,554</u>
<b>Disbursements:</b>			
Treasury.....	\$ 22,259	\$ 21,452	\$ 25,554
<b>Total Disbursements</b> .....	<u>-22,259</u>	<u>-21,452</u>	<u>-25,554</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 542</u>	<u>\$ 0</u>	<u>\$ 0</u>



# Water Supply and Wastewater Treatment Fund

Act 218 of 2004 established the Water Supply and Wastewater Infrastructure Capitalization Program. Funding for the program is generated from the \$250 million bond issue approved by the electorate in April of 2004. Funds are allocated to the Commonwealth Financing Authority and the Infrastructure Investment Authority (PENNVEST) to be used for grants and loans for new and existing water supply and wastewater system projects in the commonwealth.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 27,961	\$ 27,386	\$ 9,439
<b>Receipts:</b>			
Interest.....	\$ 396	\$ 611	\$ 611
Total Receipts .....	<u>396</u>	<u>611</u>	<u>611</u>
<b>Total Funds Available</b> .....	<u>\$ 28,357</u>	<u>\$ 27,997</u>	<u>\$ 10,050</u>
<b>Disbursements:</b>			
Community and Economic Development.....	\$ 971	\$ 18,558	\$ 0
Total Disbursements .....	<u>-971</u>	<u>-18,558</u>	<u>0</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 27,386</u>	<u>\$ 9,439</u>	<u>\$ 10,050</u>

# Water Supply and Wastewater Treatment Sinking Fund

Monies in this fund are used to redeem or pay interest on bonds issued for the Water Supply and Wastewater Treatment Program. The annual appropriation from the General Fund for general obligation debt service provides revenues to the fund.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 0	\$ 0	\$ 0
<b>Receipts:</b>			
Transfer from General Fund.....	\$ 7,884	\$ 5,102	\$ 4,420
Total Receipts .....	<u>7,884</u>	<u>5,102</u>	<u>4,420</u>
<b>Total Funds Available</b> .....	<u>\$ 7,884</u>	<u>\$ 5,102</u>	<u>\$ 4,420</u>
<b>Disbursements:</b>			
Treasury.....	\$ 7,884	\$ 5,102	\$ 4,420
Total Disbursements .....	<u>-7,884</u>	<u>-5,102</u>	<u>-4,420</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

# Wild Resource Conservation Fund

This fund was created by Act 170 of 1982. Revenue is derived primarily from tax rebate check-offs and voluntary contributions. The fund collects information relating to population, distribution, habitat needs, limiting factors and other biological and ecological data to classify plants and to determine necessary management measures. These management measures include promotion of a statewide system of private wild plant sanctuaries; permitting of removal, collection or transplanting of endangered or threatened plant species; and regulation of the digging, harvesting, sale and exploitation of designated species.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 246	\$ 223	\$ 149
<b>Receipts:</b>			
Tax Check-Offs.....	\$ 50	\$ 50	\$ 50
License Plate Sales.....	18	18	18
Interest.....	3	5	3
Other.....	1	1	1
Total Receipts .....	<u>72</u>	<u>74</u>	<u>72</u>
<b>Total Funds Available</b> .....	<u>\$ 318</u>	<u>\$ 297</u>	<u>\$ 221</u>
<b>Disbursements:</b>			
Conservation and Natural Resources.....	\$ 95	\$ 148	\$ 132
Total Disbursements .....	<u>-95</u>	<u>-148</u>	<u>-132</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 223</u>	<u>\$ 149</u>	<u>\$ 89</u>

# Workers' Compensation Security Fund

The purpose of this fund is payment of valid claims for compensation provided by the Workers' Compensation Act to individuals who are insured by an insolvent stock company. Expenses for administration of the fund are also covered.

Through June 30, 2000, payments equal to one percent of the net written premiums received for workers' compensation insurance policies written in the commonwealth by stock companies, mutual carriers and reciprocal exchanges during the preceding annual reporting period were credited to the fund. Such payments were required only if the balance less known liabilities of the fund was determined to be less than five percent of the loss reserves of all such companies for payments of benefits under the Workers' Compensation Act.

Act 49 of 2000 removed the statutory annual assessment procedures in conjunction with giving prudent person investment authority to the Insurance Commissioner jointly with the State Treasurer for the investment of monies in the fund. This change was expected to generate increased earnings to the fund, thereby reducing the frequency of the assessment. The act requires the Insurance Department to manage the fund to maintain its actuarial soundness and a minimum balance of \$500 million as of December 31 of any given year. If the fund balance falls below \$500 million by calendar year end, the department will assess contributions to restore the balance in the fund in a timely manner.

Act 16A of 2016 authorized a transfer to the General Fund in the amount of \$165 million. Act 44 of 2017 delayed the repayment of this transfer until 2019-20. Repayment is not reflected in 2019-20 as it is prospected to be delayed further.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 687,917</b>	<b>\$ 702,427</b>	<b>\$ 681,875</b>
<b>Receipts:</b>			
Assessments and Receipts .....	\$ 5,818	\$ 5,000	\$ 5,000
Net Investment Adjustment.....	31,040	0	0
Interest .....	227	265	265
Other.....	173	183	183
Total Receipts .....	<u>37,258</u>	<u>5,448</u>	<u>5,448</u>
<b>Total Funds Available</b> .....	<b>\$ 725,175</b>	<b>\$ 707,875</b>	<b>\$ 687,323</b>
<b>Disbursements:</b>			
Insurance .....	\$ 22,748	\$ 26,000	\$ 26,000
Total Disbursements .....	<u>-22,748</u>	<u>-26,000</u>	<u>-26,000</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 702,427</b>	<b>\$ 681,875</b>	<b>\$ 661,323</b>

# Workmen's Compensation Administration Fund

This fund was created by Act 2 of 1976 to finance the expenses of the Department of Labor and Industry in administering the Pennsylvania Workers' Compensation Act and the Pennsylvania Occupational Disease Act. Act 44 of 1993 and Act 57 of 1996 amended the Workers' Compensation Act, expanding the administrative responsibilities of the department. The fund is supported by annual assessments on insurers and self-insurers under the act. These administrative funds are approved by the legislature for expenditure through the appropriation process. Administrative funds are also provided to the Office of the Small Business Advocate through the Department of Community and Economic Development to represent the interests of the employers in workers' compensation rate filings before the Insurance Department. During the 2015-16 and 2016-17 Fiscal Years, it was necessary to make transfers and/or loans from the Workmen's Compensation Administration Fund to the Uninsured Employers Guarantee Fund to keep the fund solvent.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 79,399</b>	<b>\$ 85,605</b>	<b>\$ 73,881</b>
<b>Receipts:</b>			
Assessments.....	\$ 78,036	\$ 62,685	\$ 62,500
Fines and Penalties.....	2	25	25
Other.....	868	350	300
Total Receipts.....	<u>78,906</u>	<u>63,060</u>	<u>62,825</u>
<b>Total Funds Available</b> .....	<b>\$ 158,305</b>	<b>\$ 148,665</b>	<b>\$ 136,706</b>
<b>Disbursements:</b>			
Community and Economic Development.....	\$ 406	\$ 469	\$ 280
Labor and Industry.....	64,794	74,315	70,664
Loan to Uninsured Employers Guaranty Fund.....	7,500	0	0
Total Disbursements.....	<u>-72,700</u>	<u>-74,784</u>	<u>-70,944</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 85,605</b>	<b>\$ 73,881</b>	<b>\$ 65,762</b>

# Workmen's Compensation Supersedeas Fund

The purpose of this fund is to reimburse insurers for payments made by them to claimants under the Workers' Compensation Act who are later determined to be ineligible. The fund is maintained by annual assessments on insurers and self-insurers and is administered by the Department of Labor and Industry.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 4,205</b>	<b>\$ 2,916</b>	<b>\$ 1,488</b>
<b>Receipts:</b>			
Assessments.....	\$ 16,488	\$ 23,575	\$ 25,250
Interest.....	107	167	177
Other.....	0	80	90
Total Receipts .....	<u>16,595</u>	<u>23,822</u>	<u>25,517</u>
<b>Total Funds Available</b> .....	<b>\$ 20,800</b>	<b>\$ 26,738</b>	<b>\$ 27,005</b>
<b>Disbursements:</b>			
Labor and Industry.....	\$ 17,884	\$ 25,250	\$ 25,250
Total Disbursements .....	<u>-17,884</u>	<u>-25,250</u>	<u>-25,250</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 2,916</b>	<b>\$ 1,488</b>	<b>\$ 1,755</b>

# 911 Fund

Title 35 Chapter 53 amended by Act 12 of 2015, the Public Safety Emergency Telephone Act established the 911 Fund to support a statewide integrated 911 plan. The fund is used to collect and deposit a surcharge collected by Wireless, Prepaid Wireless, VoIP and Wireline service providers on a monthly basis, the proceeds of which are remitted to the fund quarterly. Up to two percent of annual surcharge proceeds can be used by the agency for administrative costs with the remaining available balance being used for approved county grants.

## Statement of Cash Receipts and Disbursements

(Dollar Amounts in Thousands)

	2017-18 Actual	2018-19 Available	2019-20 Estimated
<b>Cash Balance, Beginning</b> .....	<b>\$ 73,809</b>	<b>\$ 75,043</b>	<b>\$ 59,013</b>
<b>Receipts:</b>			
Assessments .....	\$ 314,480	\$ 313,000	\$ 313,000
Interest.....	1,254	1,275	1,003
Total Receipts .....	<u>315,734</u>	<u>314,275</u>	<u>314,003</u>
<b>Total Funds Available</b> .....	<b>\$ 389,543</b>	<b>\$ 389,318</b>	<b>\$ 373,016</b>
<b>Disbursements:</b>			
Emergency Management:			
Administration.....	\$ 3,084	\$ 6,606	\$ 6,320
Grants.....	311,416	323,699	309,680
Total Disbursements .....	<u>-314,500</u>	<u>-330,305</u>	<u>-316,000</u>
<b>Cash Balance, Ending</b> .....	<b>\$ 75,043</b>	<b>\$ 59,013</b>	<b>\$ 57,016</b>



Commonwealth of Pennsylvania

## Governor's Executive Budget

# *COMPLEMENT*

This section provides a summary by department of authorized salaried complement on a full-time equivalent basis for the actual, available and budget years. It also provides a brief description by agency and appropriation of the changes recommended in the budget.

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**AUTHORIZED SALARIED COMPLEMENT BY AGENCY  
FULL-TIME EQUIVALENT**

The following is a summary, by department, of the commonwealth's authorized complement levels on a full-time equivalent basis.

<i>Department</i>	<i>2017-18 Actual</i>	<i>2018-19 Available</i>	<i>2019-20 Budget</i>	<i>Difference Budget vs. Available</i>
Governor's Office	68	68	68	
Executive Offices	3,205	3,301	3,313	12
Lieutenant Governor's Office	15	15	16	1
Aging	85	84	84	
Agriculture	559	586	588	2
Banking and Securities	215	218	218	
Civil Service Commission	87	19	19	
Community and Economic Development	285	292	295	3
Conservation and Natural Resources	1,268	1,264	1,276	12
Criminal Justice	16,724	16,715	16,717	2
Drug and Alcohol Programs	77	82	84	2
Education	500	501	499	-2
Emergency Management Agency	190	191	191	
Environmental Hearing Board	12	12	12	
Environmental Protection	2,449	2,497	2,497	
Fish and Boat Commission	381	381	381	
Game Commission	686	686	686	
General Services	886	894	920	26
Health	1,180	1,207	1,217	10
Historical and Museum Commission	184	184	184	
Human Services	16,376	16,067	16,104	37
Infrastructure Investment Authority	31	31	31	
Insurance	241	250	250	
Labor and Industry	4,231	4,234	4,240	6
Liquor Control Board	3,219	3,219	3,219	
Military and Veterans Affairs	2,457	2,463	2,488	25
Milk Marketing Board	22	22	22	
Municipal Employees' Retirement	32	32	32	
Public Utility Commission	516	516	516	
Revenue	1,746	1,757	1,757	
School Employees' Retirement System	327	337	347	10
State	467	495	499	4
State Employees' Retirement System	192	201	211	10
State Police	6,446	6,446	6,446	
Transportation	11,366	11,522	11,522	
<b>TOTAL ALL DEPARTMENTS</b>	<b>76,725</b>	<b>76,789</b>	<b>76,949</b>	<b>160</b>



**Summary of 2019-20 Complement Changes**

The following is a detailed listing, by department, of the recommended authorized salaried complement changes (on a full-time equivalent basis) for 2019-20. It reflects proposed eliminations, new positions and transfers between appropriations and agencies.

Department / Fund / Appropriation	Increase/ Decrease	Comment on Complement Change
<b>EXECUTIVE OFFICES</b>		
General Fund:		
Human Relations Commission.....	12	NEW: For operational support.
<b>LT. GOVERNOR'S OFFICE</b>		
General Fund:		
Board of Pardons.....	1	NEW: For pardon request backlog.
<b>AGRICULTURE</b>		
General Fund:		
PA Preferred Trademark Licensing.....	1	NEW: For expanded outreach in organic farming and PA Preferred licensing.
Nutrient Management Fund:		
Nutrient Management - Administration.....	1	NEW: For expansion of Agrilink loan capacity.
DEPARTMENT TOTAL	<u>2</u>	
<b>COMMUNITY AND ECONOMIC DEVELOPMENT</b>		
General Fund:		
General Government Operations.....	3	NEW: For support to Commonwealth Financing Authority grant programs.
<b>CONSERVATION AND NATURAL RESOURCES</b>		
General Fund:		
State Parks Operations.....	12	NEW: For parks operations.
<b>CRIMINAL JUSTICE</b>		
General Fund:		
Office of Victim Advocate.....	2	NEW: For increasing awareness of registration (1) and for compliance (1).
<b>DRUG AND ALCOHOL PROGRAMS</b>		
General Fund:		
General Government Operations.....	4	NEW: For program operations (2). TRANSFERRED: From SABG - Administration and Operation (F) (2).
Federal Funds:		
SABG - Administration and Operation (F).....	-2	TRANSFERRED: To General Government Operations.
State Opioid Response (F).....	-5	TRANSFERRED: To State Opioid Response Administration (F).
State Opioid Response Administration (F).....	5	TRANSFERRED: From State Opioid Response (F).
Federal Funds Total	<u>-2</u>	
DEPARTMENT TOTAL	<u>2</u>	
<b>EDUCATION</b>		
Federal Funds:		
School Health Education Programs (F).....	-2	Eliminated positions.
<b>GENERAL SERVICES</b>		
General Fund:		
General Government Operations.....	26	NEW: For construction management (9), for the promotion of greater diversity and inclusion (3) and for facilities management team (14).
<b>HEALTH</b>		
General Fund:		
General Government Operations.....	8	NEW: For environmental health programs.
State Laboratory.....	2	NEW: For environmental health programs.
DEPARTMENT TOTAL	<u>10</u>	

**Summary of 2019-20 Complement Changes**

Department / Fund / Appropriation	Increase/ Decrease	Comment on Complement Change
<b>HISTORICAL AND MUSEUM COMMISSION</b>		
Historical Preservation Fund:		
Historical Preservation.....	-15	TRANSFERRED: To General Operations.
General Operations.....	15	TRANSFERRED: From Historical Preservation.
DEPARTMENT TOTAL	<u>0</u>	
<b>HUMAN SERVICES</b>		
General Fund:		
General Government Operations.....	32	NEW: For program licensing support (37). TRANSFERRED: To County Administration - Statewide (-5).
County Administration - Statewide.....	5	TRANSFERRED: From General Government Operations.
DEPARTMENT TOTAL	<u>37</u>	
<b>LABOR AND INDUSTRY</b>		
General Fund:		
Occupational and Industrial Safety.....	<u>6</u>	NEW: For elevator and boiler inspections.
<b>MILITARY AND VETERANS AFFAIRS</b>		
General Fund:		
General Government Operations.....	8	NEW: For veterans centric initiative (5) and for family education program (3).
Veterans Homes.....	17	NEW: For pilot adult day health care at Southeastern Veterans Center.
DEPARTMENT TOTAL	<u>25</u>	
<b>PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM</b>		
School Employees' Retirement Fund:		
Investment Related Expenses.....	<u>10</u>	NEW: For investment office.
<b>STATE</b>		
General Fund:		
General Government Operations.....	2	NEW: For election modernation.
Professional and Occupational Affairs.....	1	NEW: For hearing examiner program.
State Athletic Commission.....	1	NEW: For increasing events.
DEPARTMENT TOTAL	<u>4</u>	
<b>STATE EMPLOYEES' RETIREMENT SYSTEM</b>		
SERS - Defined Contribution Fund:		
Administration - SERS Defined Contribution Plan..	<u>10</u>	NEW: For defined benefit rollout.
<b>GRAND TOTAL</b>	<b><u>160</u></b>	

## FILLED SALARIED COMPLEMENT BY AGENCY

The following is a summary, by department, of the commonwealth's filled salaried complement levels.

<i>Department</i>	<i>December 2017</i>	<i>January 2018</i>	<i>January 2019</i>	<i>Difference Current - Dec. 2017</i>
Governor's Office	54	61	65	11
Executive Offices	2,972	2,953	2,967	-5
Lieutenant Governor's Office	13	13	11	-2
Aging	84	81	77	-7
Agriculture	541	539	532	-9
Banking and Securities	194	193	185	-9
Civil Service Commission	83	85	17	-66
Community and Economic Development	268	266	279	11
Conservation and Natural Resources	1,228	1,226	1,200	-28
Criminal Justice	16,625	16,523	16,679	54
Drug and Alcohol Programs	59	59	67	8
Education	415	420	407	-8
Emergency Management Agency	171	169	159	-12
Environmental Hearing Board	11	11	10	-1
Environmental Protection	2,294	2,290	2,307	13
Fish and Boat Commission	366	365	354	-12
Game Commission	628	630	621	-7
General Services	844	835	829	-15
Health	1,028	1,003	1,013	-15
Historical and Museum Commission	178	177	177	-1
Human Services	15,342	15,306	15,163	-179
Infrastructure Investment Authority	27	30	28	1
Insurance	229	229	226	-3
Labor and Industry	3,825	3,807	3,767	-58
Liquor Control Board	3,155	3,163	3,165	10
Military and Veterans Affairs	2,357	2,351	2,353	-4
Milk Marketing Board	22	20	20	-2
Municipal Employees' Retirement	27	25	23	-4
Public Utility Commission	450	460	472	22
Revenue	1,634	1,628	1,601	-33
School Employees' Retirement System	296	299	311	15
State	438	429	462	24
State Employees' Retirement System	164	163	177	13
State Police	6,024	5,921	5,985	-39
Transportation	11,164	11,148	11,126	-38
<b>TOTAL ALL DEPARTMENTS</b>	<b>73,210</b>	<b>72,878</b>	<b>72,835</b>	<b>-375</b>



Commonwealth of Pennsylvania

## Governor's Executive Budget

# *STATISTICAL DATA*

This section contains historical data for various Pennsylvania economic indicators. Data is obtained from published sources noted on each page. Additional data is available from the Penn State Data Center through their homepage at ([www.pasdc.hbg.psu.edu/](http://www.pasdc.hbg.psu.edu/)).

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## SELECTED DATA ON THE COMMONWEALTH OF PENNSYLVANIA

### General

The Commonwealth of Pennsylvania (the “commonwealth” or “Pennsylvania”) is one of the nation’s most populous states, ranking sixth behind California, Texas, Florida, New York and Illinois. Pennsylvania stakes claim to a diverse economy and many thriving industries. At different times throughout its history, the commonwealth has been the nation’s principal producer of ships, iron, chemicals, lumber, oil, textiles, glass, coal and steel. This led Pennsylvania to be identified, historically, as a heavy industrial state. That reputation has changed over the last 30 years as the coal, steel and railroad industries have declined. The commonwealth’s business environment readjusted with a more diversified economic base. Currently, the major sources of growth in Pennsylvania are in the service sector, including healthcare, leisure-hospitality, transport and storage.

Pennsylvania’s agriculture industry has a long rich history and has been a driving force of the state’s economy for centuries. The agriculture industry directly accounts for approximately \$83.8 billion in economic output and over \$22.7 billion in value add, and it supports over 280,500 jobs and \$10.9 billion in earnings. Over 59,309 farms form the backbone of the state’s agricultural economy covering an area of 7.7 million acres. Agricultural diversity in the commonwealth is demonstrated by the fact that Pennsylvania ranks among the top ten states in the production of a variety of agricultural products such as mushrooms, apples, dairy, grapes, winemaking and Christmas tree production.

Pennsylvania’s extensive forests provide a vast source of material for the lumber, furniture and paper-products industries. The state has 17 million acres of forestland, which covers 59% of its land. The forest products industry accounts for over 10% of the states manufacturing workforce with economic activity of nearly \$5.5 billion annually. Other natural resources include major deposits of coal, petroleum and natural gas. Pennsylvania’s gross natural gas production, primarily from the Marcellus Shale, reached nearly 5.5 trillion cubic feet in 2017, and the state was the nation’s second-largest natural gas producer in the country. Pennsylvania ranked second in the nation in electricity generation from nuclear power, which supplied 42% of the state’s net electricity generation. The commonwealth was also the third-largest coal-producing state in the nation in 2017 and the only state mining anthracite. Pennsylvania is also one of the top 10 producing states in the country for aggregate/crushed stone. The value of non-coal mineral production in PA is around \$1.25 billion dollars annually.

In addition to its natural resources, Pennsylvania’s tourism industry ranks among the state’s leading economic drivers. Thanks to its historical significance in cities like Philadelphia and Gettysburg and its many outdoor and recreational attractions, tourism accounts for more than 490,000 jobs in Pennsylvania. The industry helps contribute approximately \$4.3 billion in tax revenue to the commonwealth and a total economic impact of about \$41 billion, annually.

Finally, the state’s geographic location makes it a prime corridor for the transportation of goods. From its extensive rail service and ports to its grid of interstate highways, Pennsylvania remains an integral part of the northeast region’s economic activity.

## Population

The commonwealth is highly urbanized. The largest Metropolitan Statistical Areas (“MSAs”) in the commonwealth are those that include the cities of Philadelphia and Pittsburgh, which together contain the majority of the state’s total population. The population of Pennsylvania, 12.8 million people in 2017, according to the U.S. Bureau of the Census, represents a population growing slower than the nation with a higher portion than the nation or the Middle Atlantic region comprised of persons 45 or over. The following tables present the population trend from 2013 to 2017 and the age distribution of the population for 2017.

### Population Trends Pennsylvania, Middle Atlantic Region and the United States 2013-2017

<u>Total Population (in thousands)</u>				<u>Total Population as a % of 2013 base</u>		
<u>As of July 1</u>	<u>PA</u>	<u>Middle Atlantic Region<sup>(a)</sup></u>	<u>United States</u>	<u>PA</u>	<u>Middle Atlantic Region<sup>(a)</sup></u>	<u>United States</u>
2013.....	12,778	41,405	319,828	100%	100%	100%
2014.....	12,790	41,507	322,157	100%	100%	101%
2015.....	12,791	41,570	324,513	100%	100%	101%
2016.....	12,787	41,602	326,812	100%	100%	102%
2017.....	12,806	41,661	329,056	100%	101%	103%

(a) Middle Atlantic Region: Pennsylvania, New York and New Jersey.

Source: U.S. Department of Commerce, Bureau of the Census

### Population by Age Group - 2017 Pennsylvania, Middle Atlantic Region and the United States

<u>Age</u>	<u>PA</u>	<u>Middle Atlantic Region<sup>(a)</sup></u>	<u>United States</u>
Under 5 Years.....	5.5%	5.7%	6.1%
5 -24 Years.....	24.5%	24.6%	25.9%
25-44 Years.....	24.8%	26.2%	26.5%
45-64 years.....	27.4%	27.0%	25.9%
65 years and over.....	17.8%	16.5%	15.6%

(a) Middle Atlantic Region: Pennsylvania, New York and New Jersey.

Source: U.S. Department of Commerce, Bureau of the Census

**Employment**

Non-agricultural employment in Pennsylvania over the five years ending in 2017 increased at an average annual rate of 0.89 percent compared with a 1.31 percent rate for the Middle Atlantic Region and 1.83 percent rate for the U.S. The following table shows employment trends from 2013 through 2017.

**Non-Agricultural Establishment Employment Trends  
Pennsylvania, Middle Atlantic Region and the United States  
2013-2017**

<u>Calendar Year</u>	<u>Total Establishment Employment (thousands)</u>			<u>Total Establishment Employment as a % of 2013 base</u>		
	<u>PA</u>	<u>Middle Atlantic Region <sup>(a)</sup></u>	<u>U.S.</u>	<u>PA</u>	<u>Middle Atlantic Region <sup>(a)</sup></u>	<u>U.S.</u>
2013.....	5,740	18,605	136,369	100%	100%	100%
2014.....	5,788	18,849	138,937	101%	101%	102%
2015.....	5,835	19,107	141,819	102%	103%	104%
2016.....	5,885	19,360	144,349	103%	104%	106%
2017.....	5,948	19,600	146,624	104%	105%	108%

(a) Middle Atlantic Region: Pennsylvania, New York and New Jersey

Non-manufacturing employment in Pennsylvania has increased in recent years and reached 91 percent of total employment by 2017. Consequently, manufacturing employment constitutes a diminished share of total employment within the commonwealth. Manufacturing, contributing 9 percent of 2017 non-agricultural employment, has fallen behind the services sector, the trade sector and the government sector as the 4th largest single source of employment within the commonwealth. In 2017, the services sector accounted for 50 percent of all non-agricultural employment while the trade sector accounted for 14 percent. The following table shows trends in employment by sector for Pennsylvania from 2013 through 2017.



**Non-Agricultural Establishment Employment by Sector  
Pennsylvania  
2013-2017  
(In Thousands)**

	2013		2014		2015		2016		2017	
	Employees	%	Employees	%	Employees	%	Employees	%	Employees	%
<b>Manufacturing:</b>										
Durable.....	346.1	6%	346.6	6%	346.0	6%	336.1	6%	335.3	6%
Non-Durable.....	218.5	4%	220.9	4%	221.6	4%	223.5	4%	226.0	4%
<b>Total Manufacturing</b>	<b>564.6</b>	<b>10%</b>	<b>567.5</b>	<b>10%</b>	<b>567.6</b>	<b>10%</b>	<b>559.5</b>	<b>10%</b>	<b>561.3</b>	<b>9%</b>
<b>Non-Manufacturing:</b>										
Trade (a).....	852.1	15%	855.3	15%	856.5	15%	852.8	14%	844.2	14%
Finance (b).....	313.1	5%	315.4	5%	316.2	5%	317.2	5%	321.0	5%
Services (c).....	2,782.9	48%	2,817.9	49%	2,855.5	49%	2,913.2	50%	2,959.9	50%
Government.....	720.5	13%	711.1	12%	704.6	12%	703.4	12%	703.4	12%
Utilities.....	246.8	4%	254.2	4%	265.4	5%	274.9	5%	283.0	5%
Construction.....	223.9	4%	228.7	4%	235.3	4%	239.1	4%	248.7	4%
Mining.....	36.0	1%	37.7	1%	33.9	1%	25.0	0%	26.6	0%
<b>Total Non-Manufacturing</b>	<b>5,175.2</b>	<b>90%</b>	<b>5,220.2</b>	<b>90%</b>	<b>5,267.4</b>	<b>90%</b>	<b>5,325.5</b>	<b>90%</b>	<b>5,386.7</b>	<b>91%</b>
<b>Total Employees (d) (e)</b>	<b>5,739.7</b>	<b>100%</b>	<b>5,787.7</b>	<b>100%</b>	<b>5,835.1</b>	<b>100%</b>	<b>5,885.0</b>	<b>100%</b>	<b>5,948.0</b>	<b>100%</b>

- (a) Wholesale Trade
  - (b) Finance, insurance and real estate
  - (c) Includes transportation, communications, electric, gas and sanitary services
  - (d) Discrepancies due to rounding
  - (e) Does not include workers involved in labor-management disputes
- Source: US Bureau of Labor and Statistics

The following table presents the percentages of non-agricultural employment in various sectors in Pennsylvania and the United States in 2017.

**Non-Agricultural Establishment Employment by Sector  
Pennsylvania and the United States**

	2017 Calendar Year	
	Pennsylvania	United States
Manufacturing.....	9.4%	8.5%
Trade (a).....	14.2	14.8
Finance (b).....	5.4	5.8
Services.....	49.8	46.6
Government.....	11.8	15.2
Utilities (c).....	4.8	3.5
Construction.....	4.2	4.7
Mining.....	0.4	0.5
<b>Total.....</b>	<b>100.0%</b>	<b>100.0%</b>

- (a) Wholesale and retail trade.
  - (b) Finance, insurance and real estate.
  - (c) Includes transportation, communications, electric, gas and sanitary services.
- Source: U.S. Department of Labor, Bureau of Labor Statistics.

Within the manufacturing sector of Pennsylvania's economy, which now accounts for about one-tenth of total non-agricultural employment in Pennsylvania, the fabricated metals industries employed the largest number of workers. Employment in the fabricated metals industries is 14 percent of Pennsylvania

manufacturing employment but only 1.3 percent of total Pennsylvania non-agricultural employment in 2017. The following table shows trends in manufacturing employment by industry for Pennsylvania from 2013 through 2017.

**Manufacturing Establishment Employment by Industry**  
**Pennsylvania**  
**2013-2017**  
(In Thousands)

	Calendar Year									
	2013	%	2014	%	2015	%	2016	%	2017	%
<b>Durable Goods:</b>										
Primary Metals.....	39.4	7.0	38.9	6.8	37.7	6.6	35.3	6.3	34.9	6.2
Fabricated Metals.....	80.8	14.3	81.1	14.3	81.6	14.4	79.5	14.2	80.1	14.3
Machinery (excluding electrical) .....	48.5	8.6	48.1	8.5	47.2	8.3	47.0	8.4	43.6	7.8
Electrical Equipment.....	26.0	4.6	26.0	4.6	26.0	4.6	26.1	4.7	26.2	4.7
Transportation Equipment.....	38.9	6.9	39.0	6.9	39.4	6.9	36.8	6.6	36.5	6.5
Furniture Related Products.....	15.1	2.7	15.1	2.7	15.1	2.7	15.1	2.7	15.1	2.7
Other Durable Goods.....	97.3	17.2	98.6	17.4	99.1	17.4	96.3	17.2	98.8	17.6
<b>Total Durable Goods.....</b>	<b>346.1</b>	<b>61.3</b>	<b>346.6</b>	<b>61.1</b>	<b>346.0</b>	<b>61.0</b>	<b>336.1</b>	<b>60.1</b>	<b>335.3</b>	<b>59.7</b>
<b>Non-Durable Goods:</b>										
Pharmaceutical/Medicine.....	17.9	3.2	17.5	3.1	17.7	3.1	17.9	3.2	18.1	3.2
Food Products.....	67.8	12.0	69.6	12.3	69.6	12.3	70.2	12.5	71.5	12.7
Chemical Products.....	40.6	7.2	39.9	7.0	40.1	7.1	40.1	7.2	40.6	7.2
Printing and Publishing.....	24.8	4.4	24.7	4.3	24.3	4.3	23.9	4.3	23.9	4.3
Plastics/Rubber Products.....	35.3	6.3	36.1	6.4	37.1	6.5	38.8	6.9	40.1	7.1
Other Non-Durable Goods.....	32.1	5.7	33.1	5.8	32.9	5.8	32.7	5.8	31.9	5.7
<b>Total Non-Durable Goods.....</b>	<b>218.5</b>	<b>38.7</b>	<b>220.9</b>	<b>38.9</b>	<b>221.6</b>	<b>39.0</b>	<b>223.5</b>	<b>39.9</b>	<b>226.0</b>	<b>40.3</b>
<b>Total Manufacturing Employees (a).....</b>	<b>564.6</b>	<b>100.0</b>	<b>567.5</b>	<b>100.0</b>	<b>567.6</b>	<b>100.0</b>	<b>559.5</b>	<b>100.0</b>	<b>561.3</b>	<b>100.0</b>

(a) Discrepancies due to rounding

Source: U.S. Department of Labor, Bureau of Labor Statistics

## Unemployment

During 2017, Pennsylvania had an annual unemployment rate of 4.9 percent. This represents a significant drop since 2013 when the unemployment rate was 7.4 percent. The following table represents the annual unemployment rate in Pennsylvania, the Middle Atlantic Region, and the United States from 2013 through 2017.

**Annual Average Unemployment Rate**  
**Pennsylvania, Middle Atlantic Region and the United States**  
**2013-2017**

<u>Calendar Year</u>	<u>PA</u>	<u>Middle Atlantic Region<sup>(a)</sup></u>	<u>United States</u>
2013.....	7.4%	7.8%	7.4%
2014.....	5.9	6.2	6.2
2015.....	5.3	5.3	5.3
2016.....	5.4	5.0	4.9
2017.....	4.9	4.8	4.4

(a) Middle Atlantic Region: Pennsylvania, New York, New Jersey.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

The following table presents the thirty largest non-governmental employers in Pennsylvania:

**Commonwealth of Pennsylvania  
Thirty Largest Non-Governmental Employers  
1st Quarter, 2018**

<u>Company</u>	<u>Rank</u>	<u>Company</u>	<u>Rank</u>
Wal-Mart Associates Inc.....	1	Vanguard Group Inc.....	16
Trustees of the University of PA.....	2	Target Corporation.....	17
Pennsylvania State University.....	3	Merck Sharp & Dohme Corporation.....	18
Giant Food Stores LLC.....	4	Western Penn Allegheny Health.....	19
UPMC Presbyterian Shadyside.....	5	Wawa Inc.....	20
United Parcel Service Inc.....	6	Milton S Hershey Medical Center.....	21
PNC Bank NA.....	7	Temple University.....	22
University of Pittsburgh.....	8	Sheetz Inc.....	23
Lowe's Home Centers LLC.....	9	Pennsylvania CVS Pharmacy LLC.....	24
Weis Markets Inc.....	10	Univeral Protection Service LLC.....	25
The Children's Hospital of Pennsylvania.....	11	East Penn Manufacturing Company.....	26
Comcast Cablevision Corp (PA).....	12	American Airlines.....	27
Home Depot USA Inc.....	13	Saint Luke's Hospital.....	28
Giant Eagle Inc.....	14	GMRI Inc.....	29
Amazon.com DEDC LLC.....	15	Lehigh Valley Hospital.....	30

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Source: Pennsylvania Department of Labor & Industry

**Personal Income**

Personal income in the commonwealth for 2017 was \$667 billion, an increase of 3 percent over the previous year. During the same period, national personal income increased by 3 percent. Based on the 2017 personal income estimates, per capita income was at \$52,096 in the commonwealth compared to per capita income in the United States of \$50,392. The following tables represent annual personal income data and per capita income from 2013 through 2017.

**Personal Income  
Pennsylvania, Mideast Region and the United States  
2013-2017**

<u>Year</u>	<u>Total Personal Income Dollars in Millions</u>			<u>Total Personal Income As a % of 2013 Base</u>		
	<u>PA</u>	<u>Mideast Region (a)</u>	<u>U.S. (b)</u>	<u>PA</u>	<u>Mideast Region (a)</u>	<u>U.S. (b)</u>
2013.....	589,000	2,552,000	14,068,960,000	0%	0%	0%
2014.....	614,000	2,649,000	14,811,388,000	4%	4%	5%
2015.....	637,000	2,763,000	15,547,661,000	8%	8%	11%
2016.....	649,000	2,821,000	15,912,777,000	10%	11%	13%
2017.....	667,000	2,902,000	16,413,551,000	13%	14%	17%

(a) Mideast Region: Pennsylvania, New York, New Jersey, Maryland, District of Columbia, and Delaware

(b) Sum of States

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

**Per Capita Income  
Pennsylvania, Mideast Region and the United States  
2013-2017**

<u>Calendar Year</u>	<u>Per Capita Income</u>			<u>As a % of U.S.</u>	
	<u>PA</u>	<u>Mideast Region (a)</u>	<u>U.S.</u>	<u>PA</u>	<u>Mideast Region (a)</u>
2013.....	46,132	52,170	44,489	104%	117%
2014.....	47,978	53,971	46,486	103%	116%
2015.....	49,815	56,166	48,429	103%	116%
2016.....	50,730	57,269	49,204	103%	116%
2017.....	52,096	58,783	50,392	103%	117%

(a) Mideast Region: Pennsylvania, New York, New Jersey, Maryland, District of Columbia, and Delaware.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The following table presents growth rates in personal income and selected components of personal income for Pennsylvania, the Mideast Region and the United States from 2013 through 2017.

**Annual Growth Rates  
Personal Income and Selected Components of Personal Income  
Pennsylvania, Mideast Region and the United States**

<u>Calendar Year</u>	<u>Pennsylvania</u>	<u>Mideast Region <sup>(a)</sup></u>	<u>United States</u>
<b>Total Personal Income</b>			
2013.....	0.6%	0.9%	1.1%
2014.....	4.0	4.2	5.2
2015.....	3.8	3.9	4.4
2016.....	2.9	3.6	4.6
2017.....	3.0	2.9	3.3
<b>Manufacturing</b>			
2013.....	1.4%	0.3%	1.1%
2014.....	2.9	2.6	4.5
2015.....	2.4	2.4	3.5
2016.....	1.4	1.2	2.8
2017.....	1.5	0.9	2.1
<b>Trade <sup>(b)</sup></b>			
2013.....	1.3%	1.3%	2.6%
2014.....	2.9	4.1	4.6
2015.....	1.9	3.6	4.2
2016.....	1.3	2.6	2.8
2017.....	1.08	1.8	2.9
<b>Finance <sup>(c)</sup></b>			
2013.....	2.8%	-1.0%	-1.2%
2014.....	2.9	3.7	2.8
2015.....	2.8	2.0	5.1
2016.....	3.5	4.1	4.6
2017.....	5.9	4.0	4.0
<b>Services <sup>(d)</sup></b>			
2013.....	0.8%	1.3%	1.8%
2014.....	4.3	6.0	6.5
2015.....	6.0	6.0	6.9
2016.....	6.4	7.0	6.7
2017.....	2.5	1.6	3.5
<b>Utilities</b>			
2013.....	3.1%	3.5%	3.7%
2014.....	2.2	8.0	5.3
2015.....	13.8	11.8	5.1
2016.....	2.9	3.7	4.4
2017.....	0.7	1.6	2.2
<b>Construction</b>			
2013.....	3.4%	4.2%	4.5%
2014.....	8.1	7.1	8.2
2015.....	6.9	7.3	8.5
2016.....	4.8	6.3	7.3
2017.....	7.8	3.9	5.2
<b>Mining</b>			
2013.....	10.7%	-14.1%	6.7%
2014.....	14.3	5.3	10.1
2015.....	-9.5	0.6	-13.3
2016.....	-20.5	-7.4	-13.6
2017.....	7.47	(D)	-2.71

(a) Mideast Region: Delaware, District of Columbia, Maryland, Pennsylvania, New York, and New Jersey.

(b) Wholesale and retail trade.

(c) Finance and insurance.

(d) Includes Forestry, Fishing, and related activities, Transportation and warehousing, and Information

(D) Data are suppressed to avoid disclosure of confidential information

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

The commonwealth’s average hourly wage rate of \$20.34 for manufacturing and production workers is below the national average of \$20.88 for 2017. The following table presents the average hourly wage rates for 2013 through 2017.

**Average Hourly Wages  
Production Workers on Manufacturing Payrolls  
Pennsylvania and the United States  
2013-2017**

<u>Calendar Year</u>	<u>PA</u>	<u>U.S.</u>
2013.....	\$ 19.16	\$ 19.29
2014.....	19.03	19.56
2015.....	18.96	19.91
2016.....	19.29	20.44
2017.....	20.34	20.88

Source: U.S. Department of Labor, Bureau of Labor and Statistics

**Market and Assessed Valuation of Real Property**

Annually, the State Tax Equalization Board, Tax Equalization Division (the “STEB”) determines an aggregate market value of all taxable real property in the commonwealth. The STEB determines the market value by applying assessment to sales ratio studies to assessment valuations supplied by local assessing officials. The market values certified by the STEB do not include property that is tax exempt but do include an adjustment correcting the data for preferential assessments granted to certain farm and forestlands.

The table below shows the assessed valuation as determined and certified by the counties and the market value and the assessed to market value ratio determined by the STEB for real property over the last ten years. In computing the market values for uneven-numbered years, the STEB is statutorily restricted to certifying only those changes in market value that result from properties added to or removed from the assessment rolls. The STEB is permitted to adjust the market valuation to reflect any change in real estate values or other economic change in value only in even-numbered years. This restriction accounts for the two-year pattern of market value changes apparent in the data below.

**Valuations of Taxable Real Property  
2013-2017**

<u>Year</u>	<u>Market Value</u> <sup>(a)</sup>	<u>Assessed Valuation</u>	<u>Rate of Assessed Valuation to Market Value</u> <sup>(a)</sup>
2013.....	\$781,362,158,748	\$499,743,087,376	64.0%
2014.....	801,633,782,130	591,554,200,204	73.8
2015.....	810,805,701,762	599,081,315,279	73.9
2016.....	839,594,528,100	599,849,032,792	71.4
2017.....	847,630,312,124	628,417,398,959	74.1

(a) Market Value difference between Regular Assessment and Preferential Assessment under Act 319 of 1974.

Source: Annual Certifications by the State Tax Equalization Board.

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