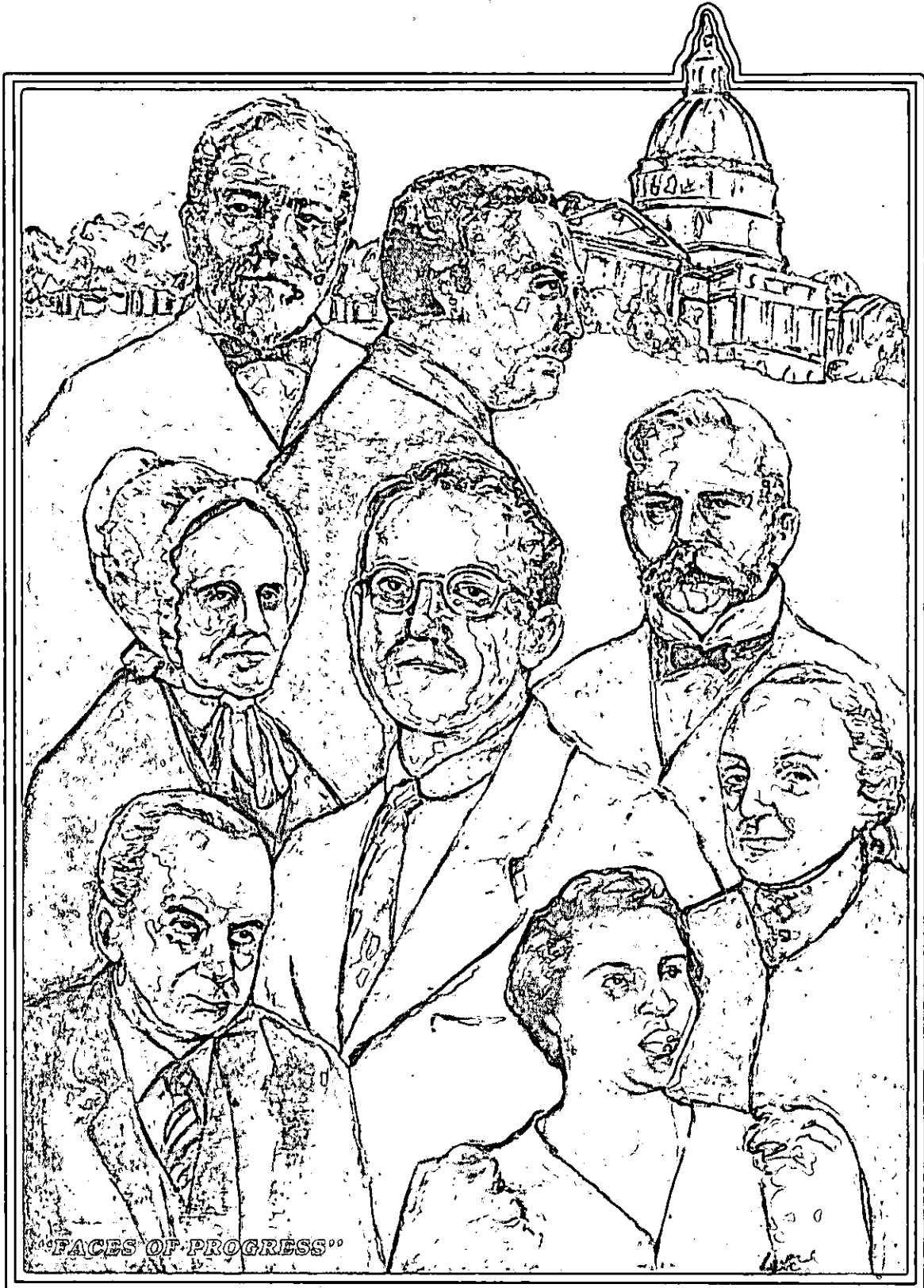


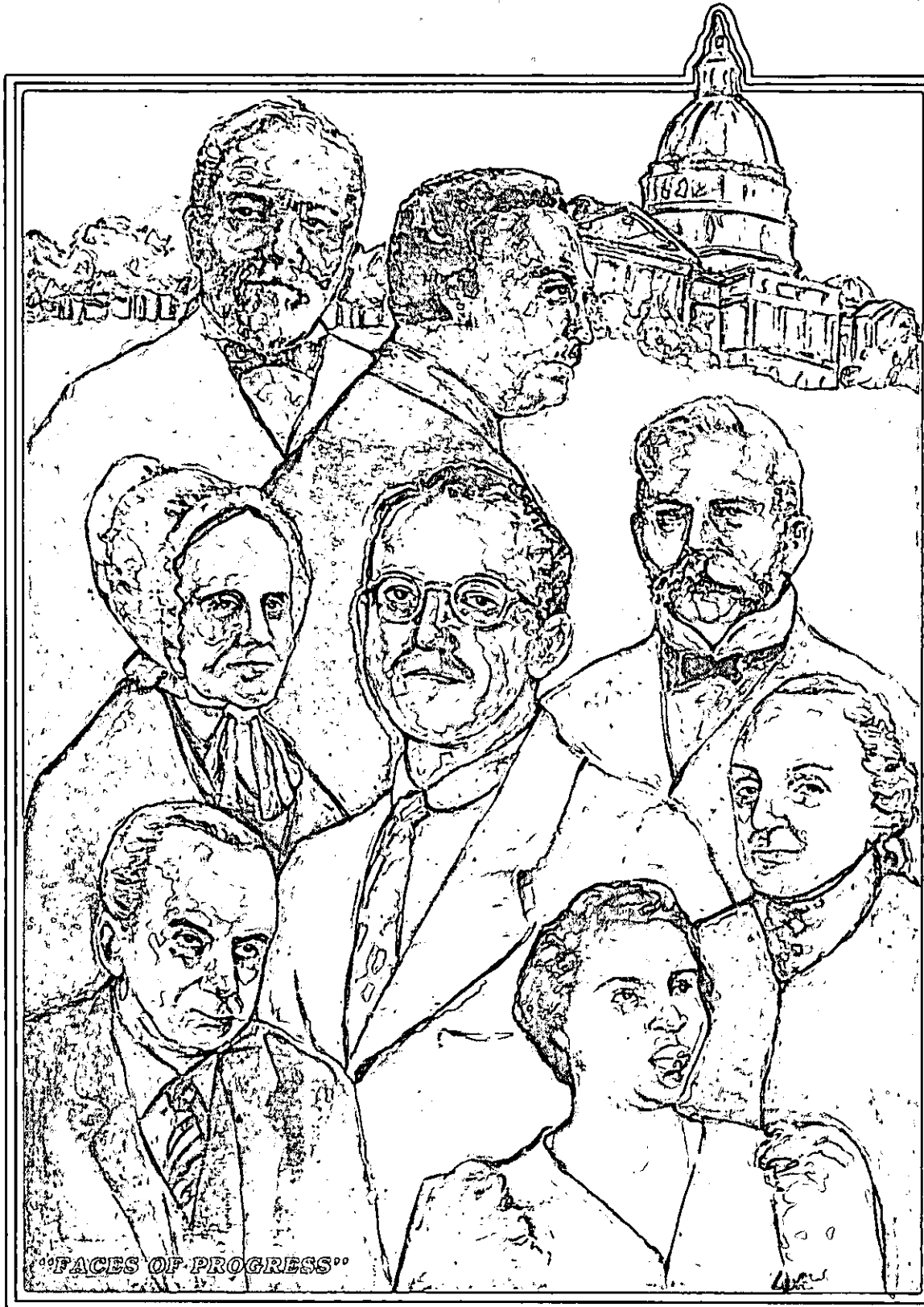
*Governor's
Executive Budget
1984-85*



Commonwealth of Pennsylvania

*Dick Thornburgh,
Governor*

*Governor's
Executive Budget
1984-85*



Commonwealth of Pennsylvania

*Dick Thornburgh
Governor*

FOREWORD

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

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

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

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

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

The resources available to the Commonwealth in the coming fiscal period are allocated on the basis of the program subcategories. Recommendations for major program changes in 1984-85 are identified as Program Revisions which provide detailed justification.

Beyond 1984-85, the projections of financial data, as well as impacts, show the future implications of the 1984-85 recommendations and policies.

Consequently, the five year plan is a base line which represents the future program effort and financial resources needed to sustain the 1984-85 level of commitment.

Significant features which should be kept in mind when reviewing this budget include:

- The program measures have undergone significant updating for the first time in several years in order to make them less technical, more easily understood and more consistent with current programs and objectives. The program analyses relate to this year's measures without discussion of all the individual changes, additions or deletions of previous year's measures. In a few instances measures have been identified for which data will be developed in the future. These measures are shown with N.A. for not available rather than data.

- There have also been some modifications, additions and deletions to various departmental subcategory presentations. The most significant of these are:
- Creation of a Pharmaceutical Assistance Program subcategory (Department of Aging).
 - Creation of a single comprehensive Higher Education subcategory from 15 individual discipline presentations (Department of Education).
 - Creation of a Solid Waste Management subcategory (Department of Environmental Resources).
 - Creation of a State Bridges subcategory (Department of Transportation)
- The amounts shown as “Federal Funds” include appropriations to date as well as anticipated adjustments because of increases or decreases in the amount of funds to be received. Because of the manner in which Federal funds are appropriated, they are deposited as General Fund revenues rather than augmentations. They are not, however, included in the revenue sections of the budget, but continue to be shown with the State funds which they supplement.
- Federal Block Grants are summarized in a special presentation in this volume and the details are included in individual agency and program presentations in Volume II.
- In several cases the budget proposes departmental reorganizations or the restructuring of appropriations within departments. For ease of comparison, all columns in the budget presentation are shown consistent with the recommendation in the budget year. This means, however, that the amounts shown in the actual and available columns will not be consistent with those shown in accounting reports and appropriations acts. When this occurs, explanations have been included in the budget. The major item of this nature in this budget is:
- The proposed Department of Corrections. Included in this Department are the Board of Probation and Parole, previously shown as a separate agency, and the Bureau of Correction, which is under the jurisdiction of the General Counsel.
- Several independent agencies are shown in the budget with an executive department. This is done because of program similarities and it should not be interpreted that the executive department exercises any authority over the independent agency. Shown in this way are:
- Pennsylvania Higher Education Assistance Agency (Department of Education)
 - Pennsylvania Public Television Network (Department of Education)
 - Independent Regulatory Review Commission (Executive Offices)
 - Pennsylvania Housing Finance Agency (Department of Community Affairs)
- An appendix is included in Volume I showing descriptions and financial statements for all of the active special funds of the Commonwealth not otherwise reflected in the budget.

TABLE OF CONTENTS

A. STATEMENTS

Five Year Financial Statement-General Fund	A3
Five Year Financial Statements-Special Funds	A4
Five Year Summary by Department and Fund	A8
Pie Chart by Program-General and Special Funds	A12
Five Year Commonwealth Program Summary-General and Special Funds	A13
Pie Chart by Program-General Fund	A14
Five Year Commonwealth Program Summary-General Fund	A15
Five Year Summary of Commonwealth Programs-Operating and Capital	A16
Pie Charts-General Fund, Income and Outgo	A18
Program Summary-General Fund	A19
Program Revisions-Summary	A20
Pie Chart by Character of Expenditure-General Fund	A24
Federal Block Grants	A25
Transition to a Private Liquor System	A37
Public Information and Communications	A38

B. PROGRAM BUDGET SUMMARY

Commonwealth Program Budget	B3
Five Year Summary by Commonwealth Programs	B4
Direction and Supportive Services	B6
Protection of Persons and Property	B9
Health-Physical and Mental Well-Being	B13
Intellectual Development and Education	B16
Social Development	B19
Economic Development and Income Maintenance	B22
Transportation and Communication	B27
Recreation and Cultural Enrichment	B29

C. SUMMARY BY FUND

General Fund

Financial Statement	C5
Notes on Financial Statement	C6
State Funds by Department	C8
Federal Funds by Department	C9
Other Funds by Department	C10
Governor's Office	C11
Executive Offices	C11
Lieutenant Governor	C12
Attorney General	C12
Auditor General	C12
Treasury Department	C13
Aging, Department of	C14
Agriculture, Department of	C14
Civil Service Commission	C15
Commerce, Department of	C15
Community Affairs, Department of	C16
Corrections, Department of	C16
Crime Commission	C16
Education, Department of	C17
Emergency Management Agency	C20
Environmental Resources, Department of	C20
Fish Commission	C21
General Services, Department of	C21
Health, Department of	C22
Historical and Museum Commission	C23
Insurance Department	C23

Labor and Industry, Department of	C23
Military Affairs, Department of	C24
Milk Marketing Board	C24
Public Utility Commission	C24
Public Welfare, Department of	C25
Revenue, Department of	C26
Securities Commission	C26
State, Department of	C26
State Employees' Retirement System	C27
State Police	C27
Tax Equalization Board	C27
Transportation, Department of	C27
Legislature	C28
Judiciary	C28
General Fund Total-All Funds	C29
General Fund Revenue Summary	C30
Adjustments to Revenue Estimate	C31
Revenues	C32
Motor License Fund	
Financial Statement	C62
Notes on Financial Statement	C63
Summary by Department	C64
Adjustments to Revenue Estimate	C67
Revenues	C68
Game Fund	
Financial Statement	C76
Summary by Department	C77
Revenues	C78
Fish Fund	
Financial Statement	C84
Summary by Department	C85
Revenues	C86
Boating Fund	
Financial Statement	C90
Summary by Department	C91
Revenues	C92
Banking Department Fund	
Financial Statement	C96
Summary by Department	C97
Revenues	C98
Milk Marketing Fund	
Financial Statement	C102
Summary by Department	C103
Revenues	C104
State Farm Products Show Fund	
Financial Statement	C108
Summary by Department	C109
Revenues	C110

State Racing Fund	
Financial Statement	C114
Summary by Department	C115
Revenues	C116
Pennsylvania Fair Fund	
Financial Statement	C122
Summary by Department	C123
Revenues	C124
State Lottery Fund	
Financial Statement	C128
Summary by Department	C129
Revenues	C131
Revenue Sharing Trust Fund	
Financial Statement	C136
Summary by Department	C137
Revenues	C138
D. Capital Budget	
Forecast of Debt Limit and Outstanding Debt	D4
Forecast of Outstanding Debt by Category of Project	D5
Forecast of Capital Budget Bond Issues	D6
Capital Facilities Fund Financial Statement	D7
Forecast of Debt Service Requirements	D8
Summary of Estimated Capital Project Expenditures-State Funds	D10
Forecast of New Project Authorizations	D11
Recommended New Project Authorizations	D13
Agriculture, Department of	D14
Corrections, Department	D16
Education, Department of	D19
Environmental Resources, Department of	D21
Game Commission	D25
General Services, Department of	D27
Military Affairs, Department of	D29
Public Welfare, Department of	D31
State Police	D35
Transportation, Department of	D37
Summary of Future New Project Authorizations-State Funds	D53
Forecast of Future Projects-Departments	D54
Summary of Estimated Capital Project Expenditures	D57
Estimate of Capital Project Expenditures-Departments	D58
E. SINKING FUNDS AND PUBLIC DEBT	
Bonds Authorized, Issued and Outstanding	E3
Forecast of Bond Issues	E4
Principal and Interest Requirements—1984-85	E5
Terms of Bonds Outstanding	E6
Annual Debt Service on Outstanding Bonds and Authority Rentals	E8
Outstanding Indebtedness of Pennsylvania Agencies and Authorities	E10
F. OTHER SPECIAL FUNDS	
Administration Fund	F6
Agricultural College Land Scrip Fund	F7
Anna R. Eaby and Viola V. Shearer Memorial Trust Fund	F8

Capital Debt Fund	F9
Capital Facilities Fund	F10
Capitol Restoration Trust Fund	F11
Coal and Clay Mine Subsidence Insurance Fund	F12
Coal Lands Improvement Fund	F13
Conrad Weiser Memorial Park Trust Fund	F14
Disaster Relief Fund	F15
Disaster Relief Redemption Fund	F16
Employment Fund for the Bind	F17
Energy Development Fund	F18
Fire Insurance Tax Fund	F19
Higher Education Assistance Fund	F20
Highway Beautification Fund	F21
Historical Preservation Fund	F22
Hospital Construction Fund	F23
Industrial Development Fund	F24
Land and Water Development Fund	F25
Land and Water Development Sinking Fund	F26
Liquid Fuels Tax Fund	F27
Liquor License Fund	F28
Manufacturing Fund	F29
Medical Professional Liability Catastrophe Loss Fund	F30
Minority Business Development Fund	F31
Nursing Home Loan Development Fund	F32
Nursing Home Loan Fund	F33
Nursing Home Loan Sinking Fund	F34
Nutrition Education and Training Fund	F35
Oil and Gas Lease Fund	F36
Pennsylvania Historical and Museum Commission Trust Fund	F37
Pennsylvania Municipal Retirement Fund	F38
Pharmaceutical Assistance Fund	F39
Project 70 Land Acquisition Fund	F40
Project 70 Land Acquisition Sinking Fund	F41
Purchasing Fund	F42
Real Estate Recovery Fund	F43
Rehabilitation Center Fund	F44
School Employes' Retirement Fund	F45
Sinking Fund	F46
Social Security Contribution Fund	F47
Solid Waste-Resource Recovery Development Fund	F48
Special Administration Fund	F49
State College Experimental Farm Fund	F50
State Employes' Retirement Fund	F51
State Insurance Fund	F52
State Restaurant Fund	F53
State School Fund	F54
State Stores Fund	F55
State Workmen's Insurance Fund	F56
Surface Mining Conservation and Reclamation Fund	F57
Tax Note Sinking Fund	F58
Unemployment Compensation Benefit Payment Fund	F59
Unemployment Compensation Contribution Fund	F60
Vietnam Conflict Veterans' Compensation Fund	F61
Vietnam Conflict Veterans' Compensation Sinking Fund	F62
Vocational Rehabilitation Fund	F63
Volunteer Companies Loan Fund	F64

Volunteer Company Loan Sinking Fund	F65
Water Facilities Loan Fund	F66
Water Facilities Loan Redemption Fund	F67
Wild Resources Conservation Fund	F68
Workmen's Compensation Administration Fund	F69
Workmen's Compensation Security Fund	F70
Workmen's Compensation Supersedeas Fund	F71

Commonwealth of Pennsylvania



Governor's Office

HARRISBURG

February 7, 1984

To the Members of the General Assembly
and all Pennsylvanians:

I am pleased to present my 1984-85 budget, the sixth since I took office. The budgets I have presented during this period have been responsible documents which carefully balanced the important needs of our citizens against our collective ability to pay. This 1984-85 budget does the same.

We are emerging from an economic recession secure in the knowledge that our cost-cutting and tight management practices have allowed us to withstand a period of restricted finances.

This budget contains clear indications that Pennsylvania is beginning to feel the effects of a national economic recovery. But because we historically have lagged somewhat behind such recoveries, I have fashioned a budget which features expansion of programs designed to take advantage of a continued economic upturn and which targets spending increases to those citizens most in need of our help.

I am proposing a ten percent cut in the corporate net income tax to supplement the significant business tax rate reforms enacted in 1983. In addition, I propose to allow the personal income tax to fall to a lower level. Together, these measures should provide short and long-term stimulation to the Pennsylvania economy.

The total Commonwealth budget for the 1984-85 fiscal year is just over \$15.3 billion. It is comprised of \$8.5 billion in the General Fund, about \$1.2 billion in the Motor License Fund, \$2.3 billion in fees and other special fund revenues, and \$3.3 billion in Federal funds. The General Fund represents only a 5.7 percent increase over the previous year. For the sixth year in a row, proposed state spending will defy the anticipated rate of inflation.

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

Sincerely,

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

Dick Thornburgh
Governor

Statements



**Marion Anderson—1902
Singer**

Marion Anderson displayed exceptional musical ability as a small child singing in the Union-Baptist Church Choir in Philadelphia. Local supporters provided funds for her musical training; and at age 23 she won first place in competition with 300 other singers, resulting in an engagement with the New York Philharmonic Orchestra at Lewisohn Stadium in New York. Grants and scholarship aid enabled her to continue her musical training in this country and in Europe. She made her Berlin debut in 1930 and her London debut in 1932, followed by concert tours throughout the world. Her most memorable appearance was on Easter Sunday, 1939, when she sang before 75,000 people at the Lincoln Memorial after she had been refused use of Constitution Hall in Washington, D.C., because of her race. Marion Anderson's distinguished musical career also included performances at the Metropolitan Opera House in 1955 and 1957. In 1958, President Eisenhower appointed Miss Anderson delegate to the 13th General Assembly of the United Nations. In 1963 she received the Presidential Medal of Freedom.

Miss Anderson's contralto voice is noted for its power, its deep but rich sound and its unusual agility and tonal variety. She was the first black singer to achieve international recognition as a concert artist.

GENERAL FUND

Five Year Financial Statement

The projections beyond the 1984-85 fiscal year show future implications of the present budgetary policies and recommendations only. Revenue estimates are based upon currently scheduled rates and reflect the proposed reduction in the corporate net income tax rate.

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Beginning Balance	\$ 7,521	\$ -234,658	\$ 3,089	.....	.....	.....	.....
Revenues	7,362,808	8,223,200	8,577,900	\$ 9,190,900	\$ 9,824,700	\$10,498,600	\$11,213,000
Adjustments ^a	-607	-2,100	-60,500	-66,400	-72,700	-79,400	-86,600
Proposed Tax Reduction .....	.....	.....	-16,600	-68,500	-92,400	-111,300	-119,800
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Funds Available	\$ 7,369,722	\$ 7,986,442	\$ 8,503,889	\$ 9,056,000	\$ 9,659,600	\$10,307,900	\$11,006,600
Expenditures	-7,604,380	-7,983,353	-8,500,456	-9,036,419	-9,584,108	-10,145,244	-10,714,875
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Ending Balance	<u>\$ -234,658</u>	<u>\$ 3,089</u>	<u>\$ 3,433^b</u>	<u>\$ 19,581</u>	<u>\$ 75,492</u>	<u>\$ 162,656</u>	<u>\$ 291,725</u>

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

^bEnding balance not carried forward after 1984-85.

FIVE YEAR FINANCIAL STATEMENTS

Motor License Fund^a

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Beginning Balance	\$ 4,040	\$ -33,002	\$ 4,242	\$ 306	\$ 214	\$ 6,511	\$ 9,663
Receipts	1,132,228	1,271,700	1,247,100	1,263,600	1,280,800	1,289,200	1,298,900
Fund Available	<u>\$1,136,268</u>	<u>\$1,238,698</u>	<u>\$1,251,342</u>	<u>\$1,263,906</u>	<u>\$1,281,014</u>	<u>\$1,295,711</u>	<u>\$1,308,563</u>
Less Expenditures	-1,169,270	-1,234,456	-1,251,036	-1,263,692	-1,274,503	-1,286,048	-1,295,234
Ending Balance	<u>\$ -33,002</u>	<u>\$ 4,242</u>	<u>\$ 306</u>	<u>\$ 214</u>	<u>\$ 6,511</u>	<u>\$ 9,663</u>	<u>\$ 13,329</u>

Game Fund

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Beginning Balance	\$ 22,282	\$ 18,728	\$ 14,311	\$ 11,068	\$ 5,299	.....	.....
Receipts	30,267	33,543	30,258	29,640	28,640	\$ 29,140	\$ 29,640
Funds Available	<u>\$ 52,549</u>	<u>\$ 52,271</u>	<u>\$ 44,569</u>	<u>\$ 40,708</u>	<u>\$ 33,939</u>	<u>\$ 29,140</u>	<u>\$ 29,640</u>
Less Expenditures	-33,821	-37,960	-33,501	-35,409	-37,429	-39,525	-41,701
Ending Balance	<u>\$ 18,728</u>	<u>\$ 14,311</u>	<u>\$ 11,068</u>	<u>\$ 5,299</u>	<u>\$ -3,490^b</u>	<u>\$ -10,385^b</u>	<u>\$ -12,061</u>

Fish Fund

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Beginning Balance	\$ 7,844	\$ 8,790	\$ 8,956	\$ 8,735	\$ 8,047	\$ 6,757	\$ 4,822
Receipts	19,425	20,754	21,251	22,020	22,623	23,152	23,563
Funds Available	<u>\$ 27,269</u>	<u>\$ 29,544</u>	<u>\$ 30,207</u>	<u>\$ 30,755</u>	<u>\$ 30,670</u>	<u>\$ 29,909</u>	<u>\$ 28,385</u>
Less Expenditures	-18,479	-20,588	-21,472	-22,708	-23,913	-25,087	-26,379
Ending Balance	<u>\$ 8,790</u>	<u>\$ 8,956</u>	<u>\$ 8,735</u>	<u>\$ 8,047</u>	<u>\$ 6,757</u>	<u>\$ 4,822</u>	<u>\$ 2,006</u>

^aExcludes restricted revenue.

^bEnding deficits not carried forward.

**FIVE YEAR FINANCIAL STATEMENTS
(Continued)**

Boating Fund

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Beginning Balance	\$ 4,404	\$ 4,781	\$ 4,059	\$ 3,376	\$ 2,684	\$ 1,920	\$ 999
Receipts	3,607	3,294	3,765	3,881	4,021	4,087	4,156
Funds Available	<u>\$ 8,011</u>	<u>\$ 8,075</u>	<u>\$ 7,824</u>	<u>\$ 7,257</u>	<u>\$ 6,705</u>	<u>\$ 6,007</u>	<u>\$ 5,155</u>
Less Expenditures	-3,230	-4,016	-4,448	-4,573	-4,785	-5,008	-5,242
Ending Balance	<u>\$ 4,781</u>	<u>\$ 4,059</u>	<u>\$ 3,376</u>	<u>\$ 2,684</u>	<u>\$ 1,920</u>	<u>\$ 999</u>	<u>\$ -87</u>

Banking Department Fund

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Beginning Balance	\$ 2,368	\$ 2,513	\$ 2,855	\$ 2,883	\$ 2,806	\$ 2,636	\$ 2,366
Receipts	7,078	7,502	7,415	7,674	7,963	8,261	8,561
Funds Available	<u>\$ 9,446</u>	<u>\$ 10,015</u>	<u>\$ 10,270</u>	<u>\$ 10,557</u>	<u>\$ 10,769</u>	<u>\$ 10,897</u>	<u>\$ 10,927</u>
Less Expenditures	-6,933	-7,160	-7,387	-7,751	-8,133	-8,531	-8,943
Ending Balance	<u>\$ 2,513</u>	<u>\$ 2,855</u>	<u>\$ 2,883</u>	<u>\$ 2,806</u>	<u>\$ 2,636</u>	<u>\$ 2,366</u>	<u>\$ 1,984</u>

Milk Marketing Fund

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Beginning Balance	\$ 328	\$ 326	\$ 259	\$ 165	\$ 71	\$ 3	.....
Receipts	1,767	1,664	1,720	1,720	1,820	1,870	\$ 1,970
Funds Available	<u>\$ 2,095</u>	<u>\$ 1,990</u>	<u>\$ 1,979</u>	<u>\$ 1,885</u>	<u>\$ 1,891</u>	<u>\$ 1,873</u>	<u>\$ 1,970</u>
Less Expenditures	-1,769	-1,731	-1,814	-1,814	-1,888	-1,948	-2,048
Ending Balance	<u>\$ 326</u>	<u>\$ 259</u>	<u>\$ 165</u>	<u>\$ 71</u>	<u>\$ 3</u>	<u>\$ -75^b</u>	<u>\$ -78</u>

^bEnding deficits not carried forward.



**FIVE YEAR FINANCIAL STATEMENTS
(Continued)**

State Farm Products Show Fund

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Beginning Balance	\$ 673	\$ 448	\$ 492	\$ 370	\$ 171	\$ 41	\$ 27
Receipts	2,649	2,692	2,613	2,645	2,828	3,062	3,195
Funds Available	<u>\$ 3,322</u>	<u>\$ 3,140</u>	<u>\$ 3,105</u>	<u>\$ 3,015</u>	<u>\$ 2,999</u>	<u>\$ 3,103</u>	<u>\$ 3,222</u>
Less Expenditures	-2,874	-2,648	-2,735	-2,844	-2,958	-3,076	-3,199
Ending Balance	<u>\$ 448</u>	<u>\$ 492</u>	<u>\$ 370</u>	<u>\$ 171</u>	<u>\$ 41</u>	<u>\$ 27</u>	<u>\$ 23</u>

State Racing Fund^a

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Beginning Balance	\$ 11,354	\$ 10,699	\$ 11,054	\$ 4,328	\$ 4,264	\$ 1,078	\$ 734
Receipts	19,721	23,190	16,039	16,290	13,437	13,441	13,444
Funds Available	<u>\$ 31,075</u>	<u>\$ 33,889</u>	<u>\$ 27,093</u>	<u>\$ 20,618</u>	<u>\$ 17,701</u>	<u>\$ 14,519</u>	<u>\$ 14,178</u>
Less Expenditures	-20,376	-22,835	-22,765	-16,354	-16,623	-13,785	-13,806
Ending Balance	<u>\$ 10,699</u>	<u>\$ 11,054</u>	<u>\$ 4,328</u>	<u>\$ 4,264</u>	<u>\$ 1,078</u>	<u>\$ 734</u>	<u>\$ 372</u>

Pennsylvania Fair Fund

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Beginning Balance	\$ 96	\$ 50	.....	\$ 48	\$ 48	\$ 48	\$ 48
Receipts	2,126	2,315	\$ 2,553	\$ 2,553	\$ 2,553	\$ 2,553	\$ 2,553
Funds Available	<u>\$ 2,222</u>	<u>\$ 2,365</u>	<u>\$ 2,553</u>	<u>\$ 2,601</u>	<u>\$ 2,601</u>	<u>\$ 2,601</u>	<u>\$ 2,601</u>
Less Expenditures	-2,172	-2,365	-2,505	-2,553	-2,553	-2,553	-2,553
Ending Balance	<u>\$ 50</u>	<u>.....</u>	<u>\$ 48</u>	<u>\$ 48</u>	<u>\$ 48</u>	<u>\$ 48</u>	<u>\$ 48</u>

^aAll figures represent the merging of the State Harness Racing Fund and the State Horse Racing Fund as stipulated by Act 93 of 1983.

**FIVE YEAR FINANCIAL STATEMENTS
(Continued)**

State Lottery Fund

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Beginning Balance	\$ 89,826	\$ 214,607	\$ 267,574	\$ 189,680	\$ 127,705	\$ 74,081	\$ 56,531
Add: Reserve From Previous Year	44,193	73,137	100,352	104,516	106,156	109,037	112,232
Receipts	504,991	811,562	842,365	857,501	880,015	904,261	930,509
Funds Available	<u>\$ 639,010</u>	<u>\$1,099,306</u>	<u>\$1,210,291</u>	<u>\$1,151,697</u>	<u>\$1,113,876</u>	<u>\$1,087,379</u>	<u>\$1,099,272</u>
Less Expenditures	-351,266	-731,380	-916,095	-917,836	-930,758	-918,616	-929,986
Less Reserve for Current Years	-73,137	-100,352	-104,516	-106,156	-109,037	-112,232	-115,796
Ending Balance	<u>\$ 214,607</u>	<u>\$ 267,574</u>	<u>\$ 189,680</u>	<u>\$ 127,705</u>	<u>\$ 74,081</u>	<u>\$ 56,531</u>	<u>\$ 53,490</u>

Revenue Sharing Trust Fund

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Beginning Balance	\$ 245	\$ 2,583	.....	.....	.....	.....	.....
Receipts	\$ 2,700	210	\$ 70	.....	.....	.....	.....
Funds Available	<u>\$ 2,945</u>	<u>\$ 2,793</u>	<u>\$ 70</u>	.....	.....	.....	.....
Less Expenditures	-362	-2,793	-70	.....	.....	.....	.....
Ending Balance	<u>\$ 2,583</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Governor's Office							
General Fund	\$ 3,165	\$ 3,169	\$ 3,299	\$ 3,464	\$ 3,637	\$ 3,819	\$ 4,010
Executive Offices							
General Fund	\$ 42,659	\$ 45,239	\$ 52,492	\$ 54,449	\$ 56,641	\$ 57,668	\$ 60,019
Motor License Fund	3,430	3,426	3,563	3,741	3,928	4,124	4,330
TOTAL	\$ 46,089	\$ 48,665	\$ 56,055	\$ 58,190	\$ 60,569	\$ 61,792	\$ 64,349
Lieutenant Governor's Office							
General Fund	\$ 591	\$ 609	\$ 683	\$ 717	\$ 753	\$ 790	\$ 830
Attorney General							
General Fund	\$ 20,147	\$ 20,630	\$ 23,000	\$ 24,150	\$ 25,358	\$ 26,625	\$ 27,957
Auditor General							
General Fund	\$ 22,015	\$ 23,210	\$ 24,601	\$ 25,830	\$ 27,122	\$ 28,478	\$ 29,902
Treasury							
General Fund	\$ 263,576	\$ 295,203	\$ 326,114	\$ 369,232	\$ 409,540	\$ 435,110	\$ 463,216
Motor License Fund	173,877	174,866	174,540	174,875	174,807	174,905	174,971
Game Fund	4	6	6	6	6	6	6
Fish Fund	3	5	5	5	5	5	5
Boating Fund	3	5	5	5	5	5	5
Banking Department Fund	3	5	5	5	5	5	5
Milk Marketing Fund	3	5	8	8	8	8	8
State Farm Products Show Fund	3	5	5	5	5	5	5
State Racing Fund	6	10	10	10	10	10	10
Pennsylvania Fair Fund	3	5	5	5	5	5	5
State Lottery Fund	8	8	8	8	8	8	8
TOTAL	\$ 437,489	\$ 470,123	\$ 500,711	\$ 544,164	\$ 584,404	\$ 610,072	\$ 638,244
Aging							
General Fund	\$ 1,521	\$ 1,462	\$ 1,607	\$ 1,725	\$ 1,812	\$ 1,902	\$ 1,998
State Lottery Fund	22,718	129,840	172,280	169,250	175,300	180,400	184,800
TOTAL	\$ 24,239	\$ 131,302	\$ 173,887	\$ 170,975	\$ 177,112	\$ 182,302	\$ 186,798
Agriculture							
General Fund	\$ 18,856	\$ 29,496	\$ 21,810	\$ 22,142	\$ 23,051	\$ 24,168	\$ 25,230
State Farm Products Show Fund	1,871	1,643	1,730	1,839	1,803	1,721	1,744
State Racing Fund	20,062	22,448	22,542	16,124	16,385	13,539	13,551
Pennsylvania Fair Fund	2,169	1,695	.....	.....	.....	.....	.....
TOTAL	\$ 42,958	\$ 55,282	\$ 46,082	\$ 40,105	\$ 41,239	\$ 39,428	\$ 40,525
Banking							
Banking Department Fund	\$ 6,930	\$ 6,841	\$ 7,090	\$ 7,445	\$ 7,817	\$ 8,208	\$ 8,618
Civil Service Commission							
General Fund	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Commerce							
General Fund	\$ 40,500	\$ 61,300	\$ 80,747	\$ 81,042	\$ 81,351	\$ 81,677	\$ 77,018
Community Affairs							
General Fund	\$ 18,095	\$ 31,060	\$ 18,698	\$ 31,077	\$ 31,476	\$ 31,893	\$ 32,331
State Lottery Fund .....	.....	.....	25,750	25,850	25,955	2,315	2,431
TOTAL	\$ 18,095	\$ 31,060	\$ 44,448	\$ 56,927	\$ 57,431	\$ 34,208	\$ 34,762

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND

(continued)

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Corrections							
General Fund	\$ 149,067	\$ 159,943	\$ 184,430	\$ 209,768	\$ 238,014	\$ 270,348	\$ 307,410
Crime Commission							
General Fund	\$ 2,115	\$ 2,094	\$ 2,178	\$ 2,287	\$ 2,401	\$ 2,521	\$ 2,647
Education							
General Fund	\$3,508,925	\$3,805,850	\$4,115,745	\$4,416,010	\$4,721,211	\$5,029,469	\$5,337,400
Motor License Fund	2,801	2,706	2,605	2,575	2,510	2,450	2,400
State Lottery Fund .....	.....	.....	10,500	11,025	11,577	12,156	12,764
Federal Revenue Sharing Trust Fund .....	.....	2,500	.....	.....	.....	.....	.....
TOTAL	\$3,511,726	\$3,811,056	\$4,128,850	\$4,429,610	\$4,735,298	\$5,044,075	\$5,352,564
Emergency Management							
General Fund	\$ 2,282	\$ 2,738	\$ 2,403	\$ 2,523	\$ 2,649	\$ 2,781	\$ 2,920
Environmental Resources							
General Fund	\$ 112,740	\$ 118,560	\$ 133,768	\$ 136,158	\$ 143,441	\$ 151,523	\$ 156,240
Fish Commission							
General Fund	\$ 4	\$ 4	\$ 160	\$ 160	\$ 4	\$ 4	\$ 4
Fish Fund	13,622	15,281	15,908	16,703	17,538	18,415	19,336
Boating Fund	3,120	3,909	4,036	4,238	4,450	4,673	4,907
TOTAL	\$ 16,746	\$ 19,194	\$ 20,104	\$ 21,101	\$ 21,992	\$ 23,092	\$ 24,247
Game Commission							
Game Fund	\$ 29,761	\$ 32,334	\$ 28,955	\$ 30,403	\$ 31,923	\$ 33,519	\$ 35,195
General Services							
General Fund	\$ 110,900	\$ 105,825	\$ 112,433	\$ 113,960	\$ 116,365	\$ 117,734	\$ 116,563
Motor License Fund	8,172	15,220	14,210	15,710	18,210	21,210	21,210
Fish Fund	62	63	63	63	63	63	63
Boating Fund	2	2	2	2	2	2	2
Banking Department Fund .....	.....	314	292	301	311	318	320
State Lottery Fund	508	591	413	415	430	441	441
Federal Revenue Sharing Trust Fund	362	293	70	.....	.....	.....	.....
TOTAL	\$ 120,006	\$ 122,308	\$ 127,483	\$ 130,451	\$ 135,381	\$ 139,768	\$ 138,599
Health							
General Fund	\$ 108,680	\$ 119,341	\$ 120,946	\$ 124,838	\$ 127,483	\$ 130,341	\$ 133,385
Historical and Museum Commission							
General Fund	\$ 10,310	\$ 10,379	\$ 11,320	\$ 11,814	\$ 12,334	\$ 12,879	\$ 13,453
Insurance							
General Fund	\$ 6,983	\$ 7,069	\$ 7,452	\$ 7,825	\$ 8,216	\$ 8,626	\$ 9,057
Labor and Industry							
General Fund	\$ 36,506	\$ 60,040	\$ 61,477	\$ 44,769	\$ 45,182	\$ 45,633	\$ 46,125
Military Affairs							
General Fund	\$ 19,691	\$ 22,587	\$ 24,591	\$ 28,545	\$ 30,907	\$ 32,256	\$ 33,665
Milk Marketing Board							
General fund	\$ 950	\$ 950	\$ 950	\$ 950	\$ 1,050	\$ 1,100	\$ 1,200
Milk Marketing Fund	766	773	804	804	788	788	788
TOTAL	\$ 1,716	\$ 1,723	\$ 1,754	\$ 1,754	\$ 1,838	\$ 1,888	\$ 1,988

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND

(continued)

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Public Welfare							
General Fund	\$ 2,607,883	\$ 2,570,399	\$ 2,584,117	\$ 2,705,965	\$ 2,821,680	\$ 2,957,497	\$ 3,100,561
State Lottery Fund .....	.....	100,000	169,139	170,961	173,131	174,785	176,544
TOTAL	\$ 2,607,883	\$ 2,670,399	\$ 2,753,256	\$ 2,876,926	\$ 2,994,811	\$ 3,132,282	\$ 3,277,105
Revenue							
General Fund	\$ 125,889	\$ 135,727	\$ 146,579	\$ 158,203	\$ 171,159	\$ 185,724	\$ 202,108
Motor License Fund	10,062	11,028	11,510	11,824	12,157	12,510	12,851
State Racing Fund	308	377	213	220	228	236	245
State Lottery Fund	279,804	446,741	472,860	472,195	473,088	473,949	474,978
TOTAL	\$ 416,063	\$ 593,873	\$ 631,162	\$ 642,442	\$ 656,632	\$ 672,419	\$ 690,182
Securities Commission							
General Fund	\$ 1,500	\$ 1,691	\$ 1,975	\$ 2,074	\$ 2,178	\$ 2,287	\$ 2,401
State							
General Fund	\$ 3,764	\$ 3,474	\$ 3,564	\$ 3,717	\$ 3,883	\$ 4,056	\$ 4,246
State Employees' Retirement System							
General Fund	\$ 1,157	\$ 1,157	\$ 9,879	\$ 9,879	\$ 9,879	\$ 9,879	\$ 9,879
State Police							
General Fund	\$ 54,613	\$ 55,553	\$ 59,919	\$ 61,795	\$ 64,816	\$ 67,988	\$ 71,319
Motor License Fund	119,931	123,001	131,671	138,186	145,026	152,206	159,749
TOTAL	\$ 174,544	\$ 178,554	\$ 191,590	\$ 199,981	\$ 209,842	\$ 220,194	\$ 231,068
Tax Equalization Board							
General Fund	\$ 887	\$ 929	\$ 966	\$ 1,014	\$ 1,065	\$ 1,118	\$ 1,174
Transportation							
General Fund	\$ 155,570	\$ 173,280	\$ 179,918	\$ 190,062	\$ 201,152	\$ 212,630	\$ 225,044
Motor License Fund	850,997	906,209	912,937	916,781	917,865	918,643	919,723
State Lottery Fund	48,228	60,300	65,145	68,132	71,269	74,562	78,020
TOTAL	\$ 1,054,795	\$ 1,139,789	\$ 1,158,000	\$ 1,174,975	\$ 1,190,286	\$ 1,205,835	\$ 1,222,787
Legislature							
General Fund	\$ 63,886	\$ 76,142	\$ 80,211	\$ 84,221	\$ 88,433	\$ 92,854	\$ 97,497
Judiciary							
General Fund	\$ 88,952	\$ 97,242	\$ 102,423	\$ 106,053	\$ 109,864	\$ 113,865	\$ 118,065

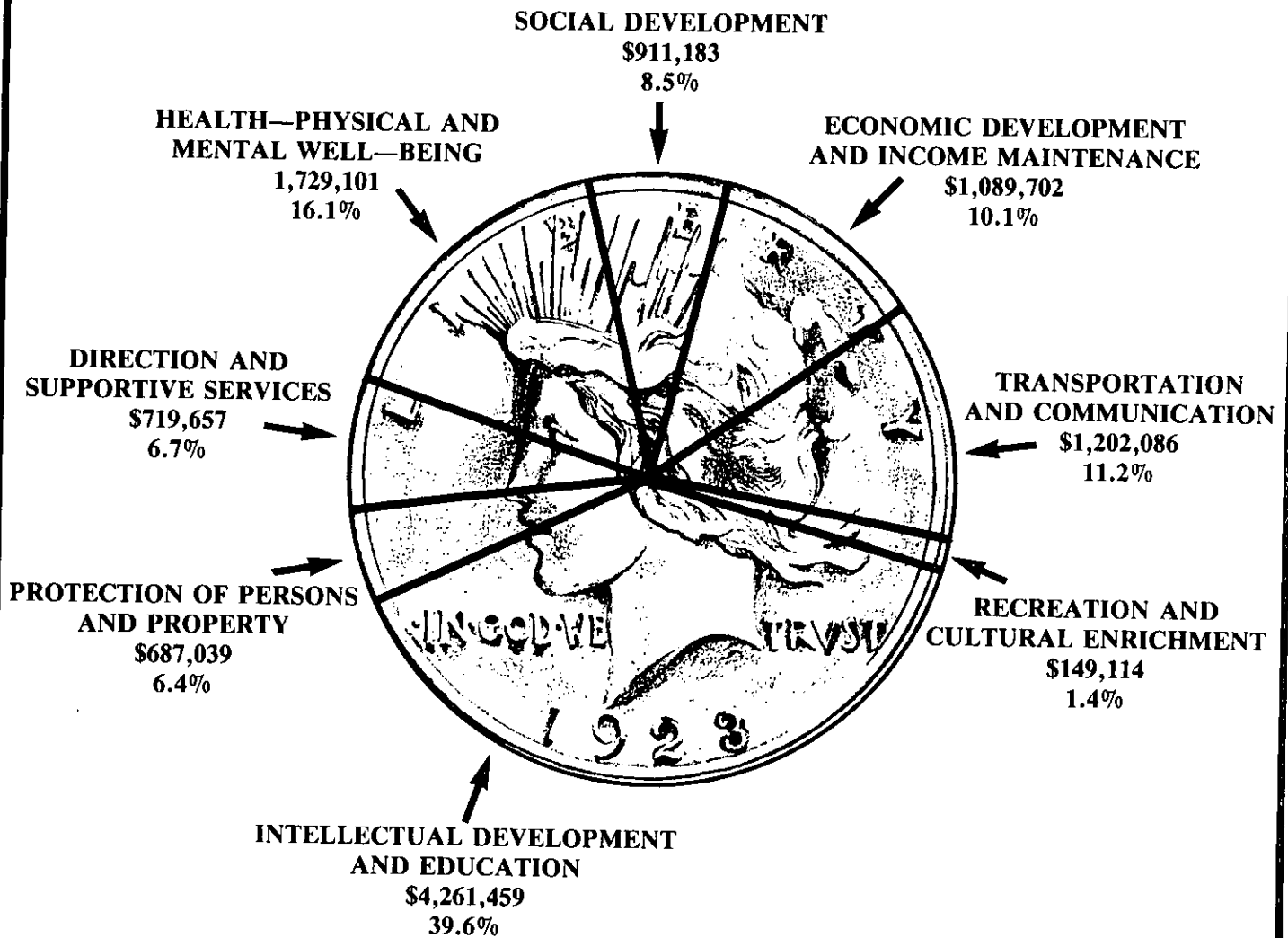
FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND

(continued)

Commonwealth Total							
General Fund	\$ 7,604,380	\$ 8,042,353	\$ 8,500,456	\$ 9,036,419	\$ 9,584,108	\$10,145,244	\$10,714,875
Motor License Fund	1,169,270	1,236,456	1,251,036	1,263,692	1,274,503	1,286,048	1,295,234
Game Fund	29,765	32,340	28,961	30,409	31,929	33,525	35,201
Fish Fund	13,687	15,349	15,976	16,771	17,606	18,483	19,404
Boating Fund	3,125	3,916	4,043	4,245	4,457	4,680	4,914
Banking Department Fund	6,933	7,160	7,387	7,751	8,133	8,531	8,943
Milk Marketing Fund	769	778	812	812	796	796	796
State Farm Products Show Fund	1,874	1,648	1,735	1,844	1,808	1,726	1,749
State Racing Fund	20,376	22,835	22,765	16,354	16,623	13,785	13,806
Pennsylvania Fair Fund	2,172	1,700	5	5	5	5	5
State Lottery Fund	351,266	737,480	916,095	917,836	930,758	918,616	929,986
Federal Revenue Sharing Trust Fund ..	362	2,793	70	.....	.....	.....	.....
GRAND TOTAL	<u>\$ 9,203,979</u>	<u>\$10,104,808</u>	<u>\$10,749,341</u>	<u>\$11,296,138</u>	<u>\$11,870,726</u>	<u>\$12,431,439</u>	<u>\$13,024,913</u>

Distribution of the Commonwealth Dollar GENERAL FUND AND SPECIAL FUNDS

1984-85 Fiscal Year
(Dollar Amounts in Thousands)



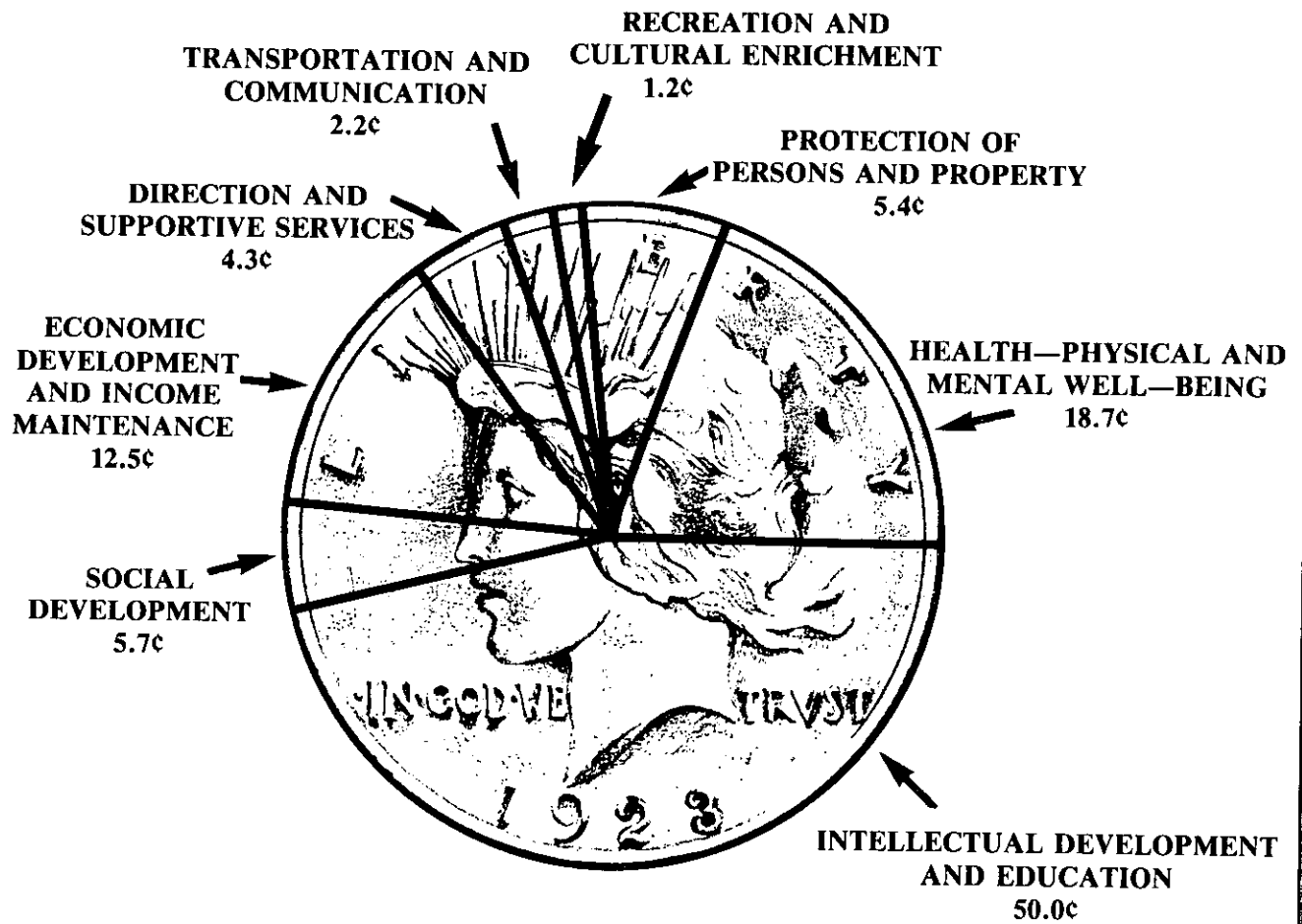
TOTAL \$10,749,341

GENERAL FUND AND SPECIAL FUNDS

Five-Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Recommended	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Commonwealth Program							
Direction and Supportive Services	\$ 481,081	\$ 676,331	\$ 719,657	\$ 743,431	\$ 770,493	\$ 796,454	\$ 821,389
Protection of Persons and Property	598,605	640,988	687,039	722,395	773,543	827,492	885,197
Health—Physical and Mental Well-Being	1,507,711	1,605,533	1,729,101	1,858,795	1,988,962	2,120,116	2,256,953
Intellectual Development and Education	3,617,868	3,931,485	4,261,459	4,583,191	4,910,722	5,234,294	5,561,493
Social Development	704,207	863,763	911,183	925,070	950,063	977,173	1,002,347
Economic Development and Income Maintenance	1,035,385	1,048,628	1,089,702	1,093,600	1,091,158	1,074,611	1,077,520
Transportation and Communication	1,122,319	1,192,164	1,202,086	1,214,398	1,225,414	1,235,996	1,248,130
Recreation and Cultural Enrichment . . .	136,803	145,916	149,114	155,258	160,371	165,303	171,884
GENERAL FUND AND SPECIAL FUNDS TOTAL	<u>\$ 9,203,979</u>	<u>\$10,104,808</u>	<u>\$10,749,341</u>	<u>\$11,296,138</u>	<u>\$11,870,726</u>	<u>\$12,431,439</u>	<u>\$13,024,913</u>

Distribution of the Commonwealth Dollar GENERAL FUND 1984-85 Fiscal Year



\$1.00

GENERAL FUND

Five-Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Recommended	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Commonwealth Program							
Direction and Supportive Services	\$ 319,183	\$ 336,116	\$ 368,754	\$ 383,897	\$ 400,062	\$ 414,447	\$ 430,664
Protection of Persons and Property	392,381	426,366	459,810	491,974	533,857	580,970	628,777
Health—Physical and Mental Well-Being	1,507,711	1,505,533	1,587,462	1,716,459	1,845,637	1,976,376	2,112,753
Intellectual Development and Education	3,617,868	3,928,985	4,250,959	4,572,166	4,899,145	5,222,138	5,548,729
Social Development	486,600	528,362	486,487	506,637	528,202	552,808	575,943
Economic Development and Income Maintenance	1,031,157	1,045,024	1,061,946	1,065,622	1,063,097	1,070,257	1,073,011
Transportation and Communication	159,244	177,640	184,888	195,815	207,713	219,617	232,617
Recreation and Cultural Enrichment	90,236	94,327	100,150	103,849	106,395	108,631	112,381
GENERAL FUND TOTAL	<u>\$ 7,604,380</u>	<u>\$ 8,042,353</u>	<u>\$ 8,500,456</u>	<u>\$ 9,036,419</u>	<u>\$ 9,584,108</u>	<u>\$10,145,244</u>	<u>\$10,714,875</u>

FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS

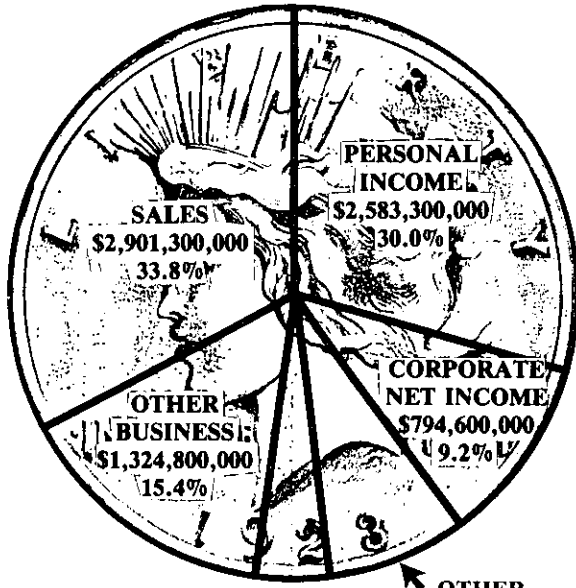
(Dollar Amounts in Thousands)

	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Esitmed	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
DIRECTION AND SUPPORTIVE SERVICES							
GENERAL FUND.....	\$ 319,183	\$ 336,116	\$ 368,754	\$ 383,897	\$ 400,062	\$ 414,447	\$ 430,664
SPECIAL FUNDS.....	161,898	340,215	350,903	359,534	370,431	382,007	390,725
FEDERAL FUNDS.....	1,542	2,091	2,651	2,706	2,817	2,935	3,054
OTHER FUNDS.....	63,076	67,025	72,700	76,183	79,869	83,743	87,869
TOTAL-OPERATING.....	\$ 545,699	\$ 745,447	\$ 795,008	\$ 822,320	\$ 853,179	\$ 883,132	\$ 912,312
CAPITAL BOND AUTHORIZATION.	\$ 21,642	\$ 32,530	\$ 2,095	\$ 4,181	\$ 1,806	\$	\$ 100
PROGRAM TOTAL.....	\$ 567,341	\$ 777,977	\$ 797,103	\$ 826,501	\$ 854,985	\$ 883,132	\$ 912,412
PROTECTION OF PERSONS AND PROPERTY							
GENERAL FUND.....	\$ 392,381	\$ 426,366	\$ 459,810	\$ 491,974	\$ 533,857	\$ 580,970	\$ 628,777
SPECIAL FUNDS.....	206,224	214,622	227,229	230,421	239,686	246,522	256,420
FEDERAL FUNDS.....	26,577	36,298	29,082	29,652	28,920	27,826	30,031
OTHER FUNDS.....	274,141	269,655	281,048	289,264	296,195	303,835	311,517
TOTAL-OPERATING.....	\$ 899,323	\$ 946,941	\$ 997,169	\$ 1,041,311	\$ 1,098,658	\$ 1,159,153	\$ 1,226,745
CAPITAL BOND AUTHORIZATION.	\$ 34,585	\$ 69,255	\$ 57,063	\$ 20,962	\$ 22,506	\$ 28,200	\$ 16,756
PROGRAM TOTAL.....	\$ 933,908	\$ 1,016,196	\$ 1,054,232	\$ 1,062,273	\$ 1,121,164	\$ 1,187,353	\$ 1,243,501
HEALTH-PHYSICAL AND MENTAL WELL-BEING							
GENERAL FUND.....	\$ 1,507,711	\$ 1,505,533	\$ 1,587,462	\$ 1,716,459	\$ 1,845,637	\$ 1,976,376	\$ 2,112,753
SPECIAL FUNDS.....	.....	100,000	141,639	142,336	143,325	143,740	144,200
FEDERAL FUNDS.....	1,049,648	1,095,006	1,154,078	1,237,987	1,304,844	1,380,483	1,461,735
OTHER FUNDS.....	93,475	102,333	106,129	110,016	114,654	118,229	121,946
TOTAL-OPERATING.....	\$ 2,650,834	\$ 2,802,872	\$ 2,989,308	\$ 3,206,798	\$ 3,408,460	\$ 3,618,828	\$ 3,840,634
CAPITAL BOND AUTHORIZATION.	\$	\$ 2,692	\$ 6,207	\$ 15,875	\$ 12,844	\$ 14,050	\$ 16,794
PROGRAM TOTAL.....	\$ 2,650,834	\$ 2,805,564	\$ 2,995,515	\$ 3,222,673	\$ 3,421,304	\$ 3,632,878	\$ 3,857,428
INTELLECTUAL DEVELOPMENT AND EDUCATION							
GENERAL FUND.....	\$ 3,617,868	\$ 3,928,985	\$ 4,250,959	\$ 4,572,166	\$ 4,899,145	\$ 5,222,138	\$ 5,548,729
SPECIAL FUNDS.....	.....	2,500	10,500	11,025	11,577	12,156	12,764
FEDERAL FUNDS.....	34,158	43,133	42,065	42,096	42,233	42,410	42,492
OTHER FUNDS.....	320,844	360,225	439,973	449,518	383,530	392,466	402,472
TOTAL-OPERATING.....	\$ 3,972,870	\$ 4,334,843	\$ 4,743,497	\$ 5,074,805	\$ 5,336,485	\$ 5,669,170	\$ 6,006,457
CAPITAL BOND AUTHORIZATION.	\$ 37,120	\$ 13,444	\$ 10,243	\$ 20,000	\$ 21,000	\$ 22,000	\$ 23,000
PROGRAM TOTAL.....	\$ 4,009,990	\$ 4,348,287	\$ 4,753,740	\$ 5,094,805	\$ 5,357,485	\$ 5,691,170	\$ 6,029,457
SOCIAL DEVELOPMENT							
GENERAL FUND.....	\$ 486,600	\$ 528,362	\$ 486,487	\$ 506,637	\$ 528,202	\$ 552,808	\$ 575,943
SPECIAL FUNDS.....	217,607	335,401	424,696	418,433	421,861	424,365	426,404
FEDERAL FUNDS.....	384,571	427,738	436,381	444,268	456,645	469,620	483,608
OTHER FUNDS.....	13,868	16,318	18,820	20,829	23,445	24,938	26,548
TOTAL-OPERATING.....	\$ 1,102,646	\$ 1,307,819	\$ 1,366,384	\$ 1,390,167	\$ 1,430,153	\$ 1,471,731	\$ 1,512,503
CAPITAL BOND AUTHORIZATION.	\$	\$	\$	\$	\$	\$	\$
PROGRAM TOTAL.....	\$ 1,102,646	\$ 1,307,819	\$ 1,366,384	\$ 1,390,167	\$ 1,430,153	\$ 1,471,731	\$ 1,512,503

FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS (CONTINUED)

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Esitimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE							
GENERAL FUND.....	\$ 1,031,157	\$ 1,045,024	\$ 1,061,946	\$ 1,065,622	\$ 1,063,097	\$ 1,070,257	\$ 1,073,011
SPECIAL FUNDS.....	4,228	3,604	27,756	27,978	28,061	4,354	4,509
FEDERAL FUNDS.....	855,329	1,096,664	1,069,416	1,063,134	1,074,247	1,070,287	1,073,226
OTHER FUNDS.....	42,579	52,858	59,158	63,835	68,557	74,136	80,234
TOTAL-OPERATING.....	\$ 1,933,293	\$ 2,198,150	\$ 2,218,276	\$ 2,220,569	\$ 2,233,962	\$ 2,219,034	\$ 2,230,980
CAPITAL BOND AUTHORIZATION.	\$ 3,460	\$ 45,872	\$ 1,430	\$ 2,344	\$ 994	\$	\$ 300
PROGRAM TOTAL.....	\$ 1,936,753	\$ 2,244,022	\$ 2,219,706	\$ 2,222,913	\$ 2,234,956	\$ 2,219,034	\$ 2,231,280
TRANSPORTATION AND COMMUNICATION							
GENERAL FUND.....	\$ 159,244	\$ 177,640	\$ 184,888	\$ 195,815	\$ 207,713	\$ 219,617	\$ 232,617
SPECIAL FUNDS.....	963,075	1,014,524	1,017,198	1,018,583	1,017,701	1,016,379	1,015,513
FEDERAL FUNDS.....	503,896	646,148	568,662	509,130	567,748	548,822	535,620
OTHER FUNDS.....	94,327	150,276	279,509	210,139	226,893	222,906	213,341
TOTAL-OPERATING.....	\$ 1,720,542	\$ 1,988,588	\$ 2,050,257	\$ 1,933,667	\$ 2,020,055	\$ 2,007,724	\$ 1,997,091
CAPITAL BOND AUTHORIZATION.	\$ 747,800	\$ 104,270	\$ 44,722	\$ 35,500	\$ 36,500	\$ 37,500	\$ 38,500
PROGRAM TOTAL.....	\$ 2,468,342	\$ 2,092,858	\$ 2,094,979	\$ 1,969,167	\$ 2,056,555	\$ 2,045,224	\$ 2,035,591
RECREATION AND CULTURAL ENRICHMENT							
GENERAL FUND.....	\$ 90,236	\$ 94,327	\$ 100,150	\$ 103,849	\$ 106,395	\$ 108,631	\$ 112,381
SPECIAL FUNDS.....	46,567	51,589	48,964	51,409	53,976	56,672	59,503
FEDERAL FUNDS.....	10,291	16,182	10,058	10,213	9,409	10,096	10,669
OTHER FUNDS.....	11,152	12,189	12,551	12,550	13,290	13,645	13,917
TOTAL-OPERATING.....	\$ 158,246	\$ 174,287	\$ 171,723	\$ 178,021	\$ 183,070	\$ 189,044	\$ 196,470
CAPITAL BOND AUTHORIZATION.	\$	\$ 2,926	\$ 84	\$ 6,138	\$ 8,350	\$ 7,250	\$ 7,550
PROGRAM TOTAL.....	\$ 158,246	\$ 177,213	\$ 171,807	\$ 184,159	\$ 191,420	\$ 196,294	\$ 204,020
COMMONWEALTH TOTALS							
GENERAL FUND.....	\$ 7,604,380	\$ 8,042,353	\$ 8,500,456	\$ 9,036,419	\$ 9,584,108	\$ 10,145,244	\$ 10,714,875
SPECIAL FUNDS.....	1,599,599	2,062,455	2,248,885	2,259,719	2,286,618	2,286,195	2,310,038
FEDERAL FUNDS.....	2,866,012	3,363,260	3,312,393	3,339,186	3,486,863	3,552,479	3,640,435
OTHER FUNDS.....	913,462	1,030,879	1,269,888	1,232,334	1,206,433	1,233,898	1,257,844
TOTAL-OPERATING.....	\$ 12,983,453	\$ 14,498,947	\$ 15,331,622	\$ 15,867,658	\$ 16,564,022	\$ 17,217,816	\$ 17,923,192
CAPITAL BOND AUTHORIZATION.	\$ 844,607	\$ 270,989	\$ 121,844	\$ 105,000	\$ 104,000	\$ 109,000	\$ 103,000
PROGRAM TOTAL.....	\$ 13,828,060	\$ 14,769,936	\$ 15,453,466	\$ 15,972,658	\$ 16,668,022	\$ 17,326,816	\$ 18,026,192

INCOME



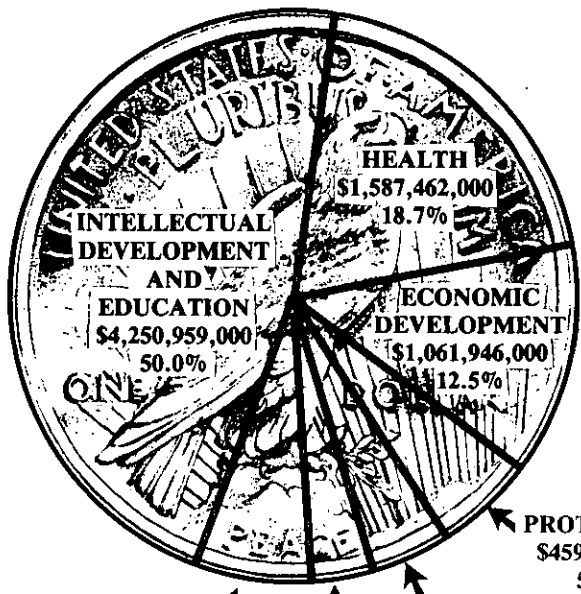
Commonwealth of Pennsylvania

1984-85 Fiscal Year GENERAL FUND

TOTAL INCOME	\$8,601,400,000
LESS REFUNDS	-84,000,000
TAX REDUCTION	-16,600,000
BEGINNING BALANCE	3,089,000

TOTAL \$8,503,889,000

OUTGO



TOTAL OUTGO	\$8,500,456,000
PLUS ENDING SURPLUS	3,433,000

TOTAL \$8,503,889,000

GENERAL FUND

Program Summary

	(Dollar Amounts in Thousands)			
	1983-84		1984-85	
Direction and Supportive Services	\$ 336,116	4.2%	\$ 368,754	4.3%
Protection of Persons and Property	426,366	5.3%	459,810	5.4%
Health—Physical and Mental Well-Being	1,505,533	18.7%	1,587,462	18.7%
Intellectual Development and Education	3,928,985	48.8%	4,250,959	50.0%
Social Development	528,362	6.6%	486,487	5.7%
Economic Development and Income Maintenance....	1,045,024	13.0%	1,061,946	12.5%
Transportation and Communications	177,640	2.2%	184,888	2.2%
Recreation and Cultural Enrichment	94,327	1.2%	100,150	1.2%
GENERAL FUND TOTAL	\$8,042,353	100.0%	\$8,500,456	100.0%

SUMMARY OF PROGRAM REVISIONS

The 1984-85 Commonwealth Budget reflects those new initiatives, program decreases, increases and expansions, which are recommended to address the most pressing economic, consumer and social problems confronting the citizens of Pennsylvania.

GENERAL FUND

Department/Appropriation	Program Revision Title	1984-85 State Funds (in thousands)
Commerce		
Ben Franklin Partnership	Expansion of Technological Development	\$ 9,650
Pennsylvania Energy Development Authority	Expansion of Technological Development	1,500
	Program Revision Total	<u>\$ 11,150</u>
Economic Recovery Program	Expansion of Industrial Development Activities	\$ 1,000
Enterprise Development	Expansion of Industrial Development Activities	5,000
Pennsylvania Capital Loan Program	Expansion of Industrial Development Activities	2,000
Pennsylvania Industrial Development Authority	Expansion of Industrial Development Activities	5,000
Pennsylvania Minority Business Development Authority	Expansion of Industrial Development Activities	1,000
Labor/Management Resource Center	Expansion of Industrial Development Activities	500
Site Development	Expansion of Industrial Development Activities	1,000
	Program Revision Total	<u>\$ 15,500^a</u>
	Department Total	<u>\$ 26,650</u>
Community Affairs		
Enterprise Development	Expansion of Industrial Development Activities	<u>\$ 4,000^a</u>
	Department Total	<u>\$ 4,000</u>

SUMMARY OF PROGRAM REVISIONS
(continued)

GENERAL FUND
(continued)

Department/Appropriation	Program Revision Title	1984-85 State Funds (in thousands)
Education		
Strengthening Curricula	Agenda for Excellence.....	\$ 10,000
Testing for Literacy Skills	Agenda for Excellence.....	28,000
Excellence in Teaching Awards	Agenda for Excellence.....	<u>10,000</u>
	Program Revision Total	<u>\$ 48,000</u>
School Employes' Retirement Fund -- Pension Increase for Retired Teachers	Pension Increase for Retired Teachers and Annuitants	11,500 ^b
Science and Engineering Equipment	Science and Engineering Equipment.....	<u>.....</u> ^c
	Department Total	<u>\$ 59,500</u>
Environmental Resources		
Sewage Facilities Enforcement Grants	Sewage Facilities Construction Grants.....	\$ -825
Sewage Treatment Plant Operations Grants	Sewage Facilities Construction Grants.....	-8,550
Sewage Facilities Construction Grants	Sewage Facilities Construction Grants.....	<u>9,375</u>
	Program Revision Total	<u>.....</u>
Office of Protection	Expansion of Solid Waste Activities.....	\$ 235
Hazardous Waste Control	Expansion of Solid Waste Activities.....	2,100
Solid Waste Disposal Planning Grants	Expansion of Solid Waste Activities.....	200
Resource Recovery Grants	Expansion of Solid Waste Activities.....	<u>3,000</u>
	Program Revision Total	<u>\$ 5,535</u>
	Department Total	<u>\$ 5,535</u>

SUMMARY OF PROGRAM REVISIONS

(continued)

GENERAL FUND

(continued)

Department/Appropriation	Program Revision Title	1984-85 State Funds (in thousands)
General Services		
Energy Conservation Projects	Energy Conservation	\$ 2,000
	Department Total	<u>\$ 2,000</u>
Public Welfare		
Treatment — Outpatient Services	Increased Medical, Surgical and Diagnostic Fees	\$ 5,000
Cash Assistance	Cash Grant Increase	\$ 28,865
Medical Assistance — Outpatient	Cash Grant Increase	2,493
Medical Assistance — Inpatient	Cash Grant Increase	<u>1,790</u>
	Program Revision Total	<u>\$ 33,148^c</u>
	Department Total	<u>\$ 38,148</u>
State Employees' Retirement System		
State Employees' Retirement Fund—Pension Increase for Annuitants	Pension Increase for Retired Teachers and Annuitants	\$ 8,500 ^b
	Department Total	<u>\$ 8,500</u>
	GENERAL FUND TOTAL	<u><u>\$ 144,333</u></u>

SUMMARY OF PROGRAM REVISIONS
(continued)

LOTTERY FUND

Department/Appropriation	Program Revision Title	1984-85 State Funds (in thousands)
Aging		
In-Home Services Pre-Admission	Expansion of In-Home Services.....	\$ 5,000
In-Home Services	Expansion of In-Home Services.....	12,000
	Program Revision Total	<u>\$ 17,000^d</u>
Renovation Grants	Renovation of Senior Centers.....	<u>\$ 10,000</u>
	Department Total	<u>\$ 27,000</u>
Community Affairs		
Homeowners Emergency Assistance	Homeowners Emergency Assistance	<u>\$ 25,750</u>
	Department Total	<u>\$ 25,750</u>
Education		
Early Intervention — Handicapped Children	Early Intervention — Handicapped Children	<u>\$ 10,500</u>
	Department Total	<u>\$ 10,500</u>
Public Welfare		
Attendant Care	Attendant Care — Adult Handicapped	\$ 5,000
Pre-Admission Assessment	Expansion of In-Home Services.....	<u>1,639^d</u>
	Department Total	<u>\$ 6,639</u>
	LOTTERY FUND TOTAL	<u>\$ 69,889</u>
	TOTAL PROGRAM REVISIONS	<u>\$ 214,222</u>

^aThe total Program Revision will cost \$19.5 million. Details are presented in the appendix to the Industrial Development subcategory in the Department of Commerce.

^bThe total Program Revision will cost \$20 million. Details are presented in the appendix to the Elementary and Secondary Education subcategory in the Department of Education.

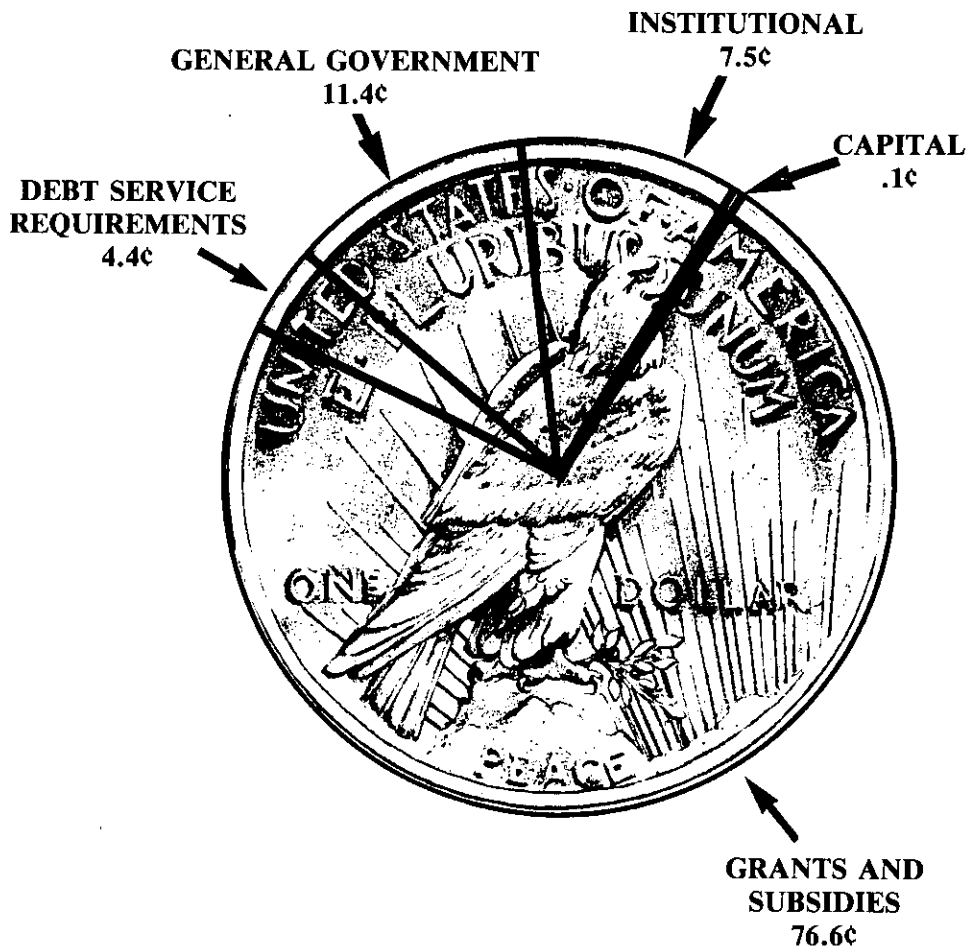
^cThe total Program Revision will provide \$150 million over two years from the sale of State liquor licenses. Details are presented in the appendix to the Higher Education subcategory in the Department of Education.

^dThe total Program Revision will provide \$18,639,000. Details are presented in the appendix to the Community-Based Long-Term Care Services subcategory in the Department of Aging.

^eDetails are presented in the appendix to the Income Maintenance subcategory in the Department of Public Welfare.

USE OF THE GENERAL FUND DOLLAR

1984-85 Fiscal Year



\$1.00

FEDERAL BLOCK GRANTS

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

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

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

The estimates of total funding for each block are very preliminary. The State must begin planning for the use of these funds long before the Federal appropriation process is complete and final Federal allocations of funds are known. Funding shown for 1983-84 includes one time monies provided by the Federal Jobs Bill for a number of the block grants.

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

SUMMARY OF FEDERAL BLOCK GRANTS

(Dollar Amounts in Thousands)

	1982-83 Actual Block	Total	1983-84 Estimate Categorical	Block	Total	1984-85 Recommended Block
Categorical						
Community Services.....	\$ 16,345	\$ 16,345		\$ 17,148	\$ 17,148	\$ 15,700
Small Communities	19,176	19,176		64,886	64,886	58,282
Education.....	\$ 2,854	20,958	23,812	227	22,023	22,250
Maternal and Child Health.....	1,235	14,238	15,473	100	21,886	21,986
Preventive Health and Health Services.....	316	4,640	4,956		4,839	4,839
Alcohol, Drug Abuse, and Mental Health ..	131	27,370	27,501	5	32,073	32,078
Low-Income Energy Assistance	234	161,477	161,711		152,890	152,890
Social Services.....		127,016	127,016		151,383	151,383
Job Training Partnership		2,000	2,000		144,548	144,548
TOTAL	\$ 4,770	\$ 393,220	\$ 397,990	\$ 332	\$ 611,676	\$ 612,008

COMMUNITY SERVICES

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

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

The ninety percent funding requirement to existing Community Action Agencies (CAAs) has been continued for future years of the program, 5 percent being allowed for administration and the remaining 5 percent being utilized for competitive projects. The 90 percent program monies are being granted to existing CAAs for maintenance or operating costs, energy coordination; Pennsylvania Intergovernmental Council; Pennsylvania Director's Association for Community Action; and competitive grants in the areas of employment training, job preparedness, community conservation corps, community economic development, summer employment and youth programs and emergency assistance. The 1983-84 funding level reflects a nominal carryover of unexpended 1982-83 funding authority. Also reflected in 1983-84 and 1984-85 is funding approved under Federal Emergency Jobs Act.

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

(Dollar Amounts in Thousands)

Appropriation / Program	1982-83 Actual			1983-84 Estimate			1984-85 Recommended
	Categorical	Block	Total	Categorical	Block	Total	Block
Administration	\$ 374	\$ 374	.....	\$ 395	\$ 395	\$ 700
Headstart	491	491	.....	.....	.....	.....
Community Services	15,383	15,383	.....	15,198	15,198	14,000
Community Services — Jobs	1,522	1,522	1,000
Economic Development Committee	97	97	.....	33	33	.....
TOTAL	\$ 16,345	\$ 16,345	.....	\$ 17,148	\$ 17,148	\$ 15,700

SMALL COMMUNITIES

Program funds provide assistance in expanding low and moderate income housing opportunities; promote more rational land use; increase economic opportunities for low and moderate income persons; and correct deficiencies in public facilities that affect the public health and safety.

The program also recognizes housing and community facility needs and community preservation through the rehabilitation of existing housing. The Department also intends to cooperate with the U.S. Department of Housing and Urban Development in the implementation of the Demonstration Rental Rehabilitation Program.

The 1983-84 funding level represents the anticipated expenditure of program funds and is higher than the annual award from the U.S. Department of Housing and Urban Development since the program is operated on a multiple year funding cycle. It is anticipated that multi-year contract commitments made by the U.S. Department of Housing and Urban Development will be completed during the 1984-85 fiscal year. The balance of the funds will be allocated to small communities for economic development programs and community conservation. Additional funding approved under the Federal Emergency Jobs Act is also reflected.

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

(Dollar Amounts in Thousands)

Appropriation / Program	1982-83 Actual			1983-84 Estimate			1984-85 Recommended
	Categorical	Block	Total	Categorical	Block	Total	Block
Administration	\$ 683	\$ 683	.....	\$ 800	\$ 800	\$ 860
Small Communities (DCA)	18,493	18,493	.....	54,000	54,000	53,422
Small Communities — Jobs	10,086	10,086	4,000
TOTAL	\$ 19,176	\$ 19,176	.....	\$ 64,886	\$ 64,886	\$ 58,282

EDUCATION

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

(Dollar Amounts in Thousands)

Appropriation / Program	1982-83 Actual			1983-84 Estimate			1984-85 Recommended
	Categorical	Block	Total	Categorical	Block	Total	Block
Administration:							
Civil Rights	\$ 35		\$ 35	\$ 11		\$ 11	
Community Education	5		5				
Career Education	43		43	63		63	
Basic Skills	7		7	3		3	
Strengthening State Agencies	70		70	42		42	
Education Innovation	45		45	13		13	
Administration of School Libraries	92		92	44		44	
Education Block Grant — Administration		2,093	2,093		2,205	2,205	2,200
Subtotal	\$ 297	\$ 2,093	\$ 2,390	\$ 176	\$ 2,205	\$ 2,381	\$ 2,200
School Districts:							
Title II Basic Skills	\$ 9		\$ 9				
Title IV Education Improvement	2,127		2,127	\$ 51		\$ 51	
Career Education	421		421				
Education Block Grant — School District Distribution		17,334	17,334		17,914	17,914	18,194
Education Block Grant — School Improvement		733	733		66	66	
Education Block Grant — Technology Initiative		798	798		1,838	1,838	1,606
Subtotal	\$ 2,557	\$ 18,865	\$ 21,422	\$ 51	\$ 19,818	\$ 19,869	\$ 19,800
TOTAL	\$ 2,854	\$ 20,958	\$ 23,812	\$ 227	\$ 22,023	\$ 22,250	\$ 22,000

MATERNAL AND CHILD HEALTH

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

Consolidated programs include maternal and child health services/crippled children's services, supplemental security income, disabled children's services, lead based paint poisoning prevention, and genetic diseases.

The Omnibus Budget Reconciliation Act of 1981 provides that the Department of Health and Human Services (DHHS) monitor administrative expenses to insure they do not exceed traditional levels. In accordance with DHHS final rules and regulations, administrative costs will not exceed 10 percent.

(Dollar Amounts in Thousands)

Appropriation / Program	1982-83 Actual			1983-84 Estimate			1984-85 Recommended
	Categorical	Block	Total	Categorical	Block	Total	Block
Administration .....	.....	\$ 1,559	\$ 1,559	.....	\$ 1,621	\$ 1,621	\$ 1,490
Maternal and Child Health Services	\$ 73	8,823	8,896	.....	10,531	10,531	10,560
Crippled Children's Services .....	.....	3,856	3,856	.....	3,850	3,850	3,900
Supplemental Security Income Services	862	.....	862	.....	950	950	950
Genetic Disease Testing and Counseling ...	300	.....	300	\$ 100	.....	100	.....
Jobs Bill — Maternal and Child Health Services .....	.....	.....	.....	.....	4,934	4,934	386
TOTAL	\$ 1,235	\$ 14,238	\$ 15,473	\$ 100	\$ 21,886	\$ 21,986	\$ 17,286

PREVENTIVE HEALTH AND HEALTH SERVICES

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

During 1982-83 some State and local health programs continued to operate from categorical funds awarded prior to October 1, 1981 reducing the amount of block grant funding necessary to maintain programs at approximate prior levels. Unused block grant funds are carried forward to next fiscal year.

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

(Dollar Amounts in Thousands)

Appropriation / Program	1982-83 Actual			1983-84 Estimate			1984-85 Recommended
	Categorical	Block	Total	Categorical	Block	Total	Block
Administration:							
Department of Health		\$ 291	\$ 291		\$ 279	\$ 279	\$ 250
Department of Environmental Resources (DER)		91	91		128	128	128
Emergency Medical Services		890	890		905	905	905
Health Education and Prevention		1,315	1,315		409	409	335
Tuberculosis Programs		297	297		569	569	569
Health Education/Risk Reduction	\$ 281		281				
Hypertension	35		35		898	898	860
Diabetes					132	132	132
Fluoridation					20	20	20
Arthritis					58	58	
Rodent Control (DER)		1,542	1,542		1,284	1,284	1,284
Rape Crisis Centers (DPW)		214	214		157	157	157
TOTAL	\$ 316	\$ 4,640	\$ 4,956	\$ 4,839	\$ 4,839	\$ 4,839	\$ 4,640

ALCOHOL DRUG ABUSE AND MENTAL HEALTH

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

(Dollar Amounts in Thousands)

Appropriation / Program	1982-83 Actual			1983-84 Estimate			1984-85 Recommended
	Categorical	Block	Total	Categorical	Block	Total	Block
Community Mental Health Administration		\$ 277	\$ 277		\$ 879	\$ 879	\$ 1,164
Alcohol and Drug Abuse — Administration		1,419	1,419		1,420	1,420	1,420
Mental Health — Community Mental Health		12,655	12,655		14,930	14,930	14,930
Jobs Bill — Community Mental Health					859	859	
Alcohol Grant Programs		4,421	4,421		4,965	4,965	4,638
Preventive Alcohol Services		369	369				
Drug Grant Programs		8,229	8,229		8,249	8,249	6,725
Jobs Bill — Alcohol and Drug Abuse					771	771	
NIAAA — Alcohol Formula Grant	\$ 35		35				
NIDA — Drug Formula Grant	19		19				
NIAAA — Public Inebriate Grant							
NIDA — State Prevention Coordinator	4		4	\$ 5		5	
NIDA — Statewide Treatment Services to Drug Abusers	73		73				
TOTAL	\$ 131	\$ 27,370	\$ 27,501	\$ 5	\$ 32,073	\$ 32,078	\$ 28,877

LOW-INCOME ENERGY ASSISTANCE

This block grant provides funds to assist eligible low income people to meet the cost of home energy and to provide low cost residential weatherization or other energy related home repairs for low income households. It replaces without substantial change the previous categorical program of low income energy assistance.

The block grant amount appropriated for 1983-84 was based on early estimates of the Federal 1984 funding level plus carry-over of funds appropriated in 1982-83 but not expended. Because of the uncertainty of the Federal funding, the 1984-85 recommended amount estimates funding below that available in the 1983-84 year.

Up to 15 percent of the estimated Federal allocation to Pennsylvania may be used for weatherization. Eight million in new funds for weatherization will be provided in 1984-85 to the Department of Community Affairs to continue operation of this program.

Appropriation / Program	(Dollar Amounts in Thousands)						
	1982-83 Actual			1983-84 Estimate			1984-85 Recommended
	Categorical	Block	Total	Categorical	Block	Total	Block
Community Affairs:							
Low-Income Energy Assistance —							
Administration		\$ 489	\$ 489		\$ 800	\$ 800	\$ 800
Low-Income Energy Assistance —							
Weatherization		16,300	16,300		11,050	11,050	7,200
Public Welfare:							
Emergency Energy Conservation	\$ 234		\$ 234				
Low-Income Energy Assistance Block							
Grant (1984) — Administration		13,688 ^a	13,688		13,378 ^b	13,378	11,978 ^d
Low-Income Energy Assistance Block							
Grant		131,000	131,000		127,662 ^c	127,662	107,845
TOTAL	\$ 234	\$ 161,477	\$ 161,711		\$ 152,890	\$ 152,890	\$ 127,823

^aIncludes expenditures of \$2,826,000 from the Low Income Energy Assistance (1982) — Administration appropriation and \$10,862,000 from the Low Income Energy Assistance (1983) — Administration appropriation.

^bIncludes the Low Income Energy Assistance (1983) — Administration appropriation of \$2,100,000 and the Low Income Energy Assistance (1984) — Administration appropriation of \$11,278,000.

^cIncludes the Low Income Families and Individuals appropriation for \$113,900,000; additional available funds equalling \$13,262,000; and \$500,000 in Oil Overcharge Funds.

^dIncludes the Low Income Energy Assistance (1984) — Administration appropriation of \$2,100,000 and the Low Income Energy Assistance (1985) — Administration appropriation of \$9,878,000.

SOCIAL SERVICES

This block grant provides funds to help those with special needs to achieve and maintain a greater degree of economic self-sufficiency, and to prevent neglect, abuse or exploitation of children and adults who are unable to protect their own interests. A Human Services Development Fund will be established and distributed to the counties in 1984-85 for use at their discretion. The \$5.5 million budgeted amounts to approximately one percent of the counties' total allocations for their six human service programs.

(Dollar Amounts in Thousands)

Appropriation / Program	1982-83 Actual			1983-84 Estimate			1984-85 Recommended
	Categorical	Block	Total	Categorical	Block	Total	Block
Administration:							
General Government		\$ 6,021	\$ 6,021		\$ 6,521	\$ 6,521	\$ 6,381
Information Systems		157	157				
Program Accountability		63	63				
Department of Aging		955	955		955	955	995
Human Resources Committee		266	266		272	272	298
Human Services Choices					187	187	222
Subtotal		\$ 7,462	\$ 7,462		\$ 7,935	\$ 7,935	\$ 7,896
Services:							
County Assistance		\$ 14,435	\$ 14,435		\$ 14,498	\$ 14,498	\$ 15,698
Visually Handicapped		2,331	2,331		2,328	2,328	
Youth Development		1,252	1,252		1,841	1,841	1,841
Community Mental Health		7,400	7,400		7,400	7,400	9,400
Community Mental Retardation		7,417	7,417		7,400	7,400	20,362
County Child Welfare		11,413	11,413		11,450	11,450	11,450
Day Care		42,055	42,055		47,784	47,784	43,313
Social Services		400	400		460	460	460
Domestic Violence and Rape Crisis		2,084 ^a	2,084		2,229	2,229	2,376
Legal Services		6,688 ^b	6,688		6,688	6,688	6,688
Family Planning		4,597	4,597		4,597	4,597	4,780
Aging Programs		13,400	13,400		14,595	14,595	
Shelter					3,000	3,000	
SSI Advocacy					3,000	3,000	
Attendant Care					3,087	3,087	
Subtotal		\$ 113,472	\$ 113,472		\$ 130,357	\$ 130,357	\$ 116,368
Block Grant to Counties:							
Adult Services Block Grant		\$ 6,082	\$ 6,082		\$ 13,091	\$ 13,091	\$ 11,788
Human Services Development Fund							5,500
Subtotal		\$ 6,082	\$ 6,082		\$ 13,091	\$ 13,091	\$ 17,288
TOTAL		\$ 127,016	\$ 127,016		\$ 151,383	\$ 151,383	\$ 141,552

^aActually appropriated as part of \$2,484,000 for Social Services.

^bActually appropriated as part of a \$12,770,000 appropriation for the Adult Services Block Grant.

JOB TRAINING PARTNERSHIP

The Federal Job Training Partnership Act places responsibility for two titles of the Act with the Commonwealth. Title II - Training Services for Disadvantaged aids the entry and productive participation of unskilled and unemployed youth and adults in the workforce through the provision of training, education, and job placement activities. Title III - Dislocated Worker Program provides training and related employment assistance to workers who have been laid off or have received notice of unemployment due to the closing of a plant or facility; laid off workers who are unlikely to be able to return to their previous occupation; and long-term unemployed. Services may include such activities as job search assistance, retraining, prelayoff assistance, and relocation.

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

Administration of these titles is shared by the Departments of Labor and Industry, Education, and Aging. However, since Labor and Industry has prime responsibility for the overall administration of the program, all administrative funds will be appropriated to that department and subgranted to other agencies as needed. Any unused portion of the five percent administrative funds may be used to fund special training project priorities of the Governor.

Both the Dislocated Worker portion under Title III and the Educational Training portion of Title II-A require a non-Federal match based on the current level of State unemployment as compared to the national level. The matching requirement is decreased when unemployment rates are higher than national averages. It is estimated that a total of \$12.1 million in State funding will be required to meet this matching requirement. These funds are reflected under the Departments of Education and Labor and Industry.

(Dollar Amounts in Thousands)

Appropriation / Program	1982-83 Actual			1983-84 Estimate			1984-85 Recommended
	Categorical	Block	Total	Categorical	Block	Total	Block
Administration:							
Labor and Industry	\$ 5,229	\$ 5,229	\$ 5,142
Subtotal	\$ 5,229 ^a	\$ 5,229 ^a	\$ 5,142
Program Services:							
Service Delivery Areas	\$ 73,125	\$ 73,125	\$ 80,222
Summer Youth Program	36,200	36,200	37,307
State Educational Training Program	6,995	6,995	8,228
Incentive Grants	5,625	5,625	6,171
Older Worker Programs	2,812	2,812	3,085
Dislocated Worker	\$ 1,000	\$ 1,000	.....	10,300	10,300	10,823
Dislocated Worker—Jobs Bill	1,000	1,000	.....	3,870	3,870	.....
Veterans Programs	392	392	.....
Subtotal	\$ 2,000	\$ 2,000	.....	\$ 139,319	\$ 139,319	\$ 145,836
TOTAL	\$ 2,000	\$ 2,000	.....	\$ 144,548	\$ 144,548	\$ 150,978

^aActually appropriated as follows: Department of Aging \$38,000; Office of Budget — Program Accountability \$569,000; Economic Development Committee \$226,000; and Education \$750,000; Labor and Industry \$1,683,000 and Model Employment and Training \$1,963,000.

Transition to a Private Liquor System

In November, 1983 the Governor proposed a phased five year transition to a completely private liquor distribution system in Pennsylvania to replace the current State monopoly system.

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

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

Purpose	(Dollar Amounts in Thousands)	
	1984-85 Budget	1985-86 Estimated
To elementary or secondary schools for improvement or acquisition of computer or scientific laboratory facilities.....	\$ 5,000	\$ 5,000
To area vocational technical schools for capital equipment needed for classroom instruction to promote career opportunities in advanced technology fields	15,000	15,000
To community colleges for capital equipment needed for classroom instruction to promote career opportunities in advanced technology fields	15,000	15,000
To the State System of Higher Education for improvement of computer facilities and scientific equipment at each State university	15,000	15,000
To science and engineering colleges and universities for capital equipment needed for classroom instruction to promote career opportunities in advanced technology fields	25,000	25,000

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

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

PUBLIC INFORMATION AND COMMUNICATIONS

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

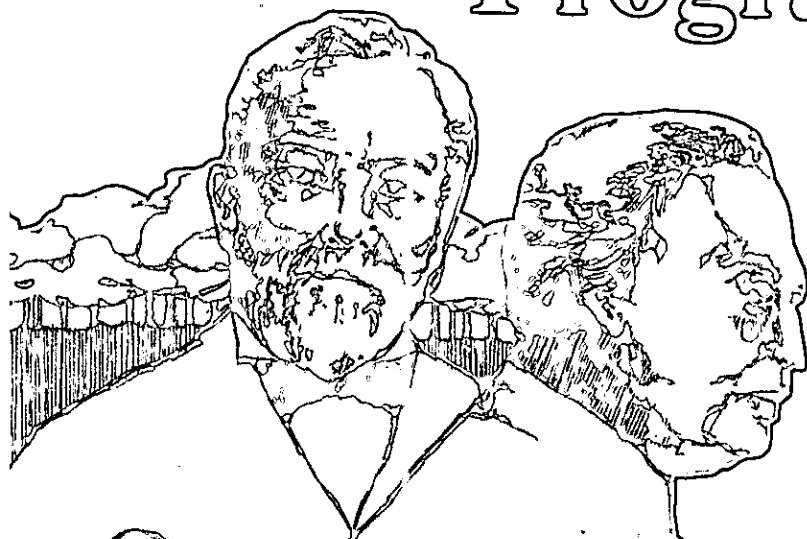
(Dollar Amounts in Thousands)

	1983-84 Estimated	1984-85 Budget
Governor's Office	\$ 670	\$ 696
Executive Offices	161	173
Department of Aging	125	130
Department of Agriculture	205	221
Banking Department	22	23
State Civil Service Commission	43	45
Department of Commerce	190	186
Department of Community Affairs	205	213
Department of Corrections	141	146
Crime Commission	51	54
Department of Education	464	375
Emergency Management Agency	44	47
Department of Environmental Resources	422	553
Fish Commission	63	65
Game Commission	42	44
Department of General Services	39	39
Department of Health	196	203
Historical and Museum Commission	42	46
Insurance Department	51	56
Department of Labor and Industry	90	94
Liquor Control Board	87	97
Department of Military Affairs	117	123
Public Utility Commission	161	188
Department of Public Welfare	166	173
Department of Revenue	108	143
Securities Commission	6	7
Department of State	103	126
State Police	91	94
Tax Equalization Board	45	47
Department of Transportation	552	582
TOTAL	\$ 4,702	\$ 4,989

The Commonwealth also spends funds in these areas:

- *Lottery sales promotion* — \$8.0 million is spent on advertising campaigns to promote lottery sales and to disseminate information on the various lottery programs including property tax and rent assistance for 447,000 elderly citizens during 1984-85. These expenditures are expected to generate approximately \$842 million in lottery revenues during 1984-85.
- *Economic development* — A total of \$4,300,000 is recommended from the General Fund to promote tourist and business development. This has contributed to the approximately \$7.1 billion in 1983 travel revenues to Pennsylvania and supports the State's aggressive effort to preserve and create jobs.

Program Budget Summar



Philip Murray—1886-1952.
Labor Leader

Philip Murray, born in Blantyre, Scotland, became interested in the Scottish trade-union movement at age 10 when he went to work in the mines. In 1903, the Murray family emigrated to Western Pennsylvania where Philip immediately found work in the coal mines.

In 1904, a dispute with the company weighman and Murray's subsequent discharge from his job resulted in a sympathy strike and Murray's election as president of the local union. This was the beginning of a long union career. He was elected to the executive board of the United Mine Workers of America in 1912 and was elected international vice president of the union in 1919. In 1935, Murray helped lead the movement which separated the Congress of Industrial Organizations from the American Federation of Labor. He became vice president of the Congress of Industrial Organizations in 1936 and was put in charge of the CIO's Steel Workers' Organizing Committee. In 1940, Philip Murray succeeded John L. Lewis as president of the Congress of Industrial Organizations, and two years later he was elected president of the United Steel Workers, holding both positions until his death.

Although Philip Murray fought tenaciously for the rights of his union, he opposed revolutionary elements in the labor movement and recognized employers' as well as workers' rights in the industrial and social system. He was a man of patience, warmth and negotiating skill. Philip Murray, more than any other individual, was responsible for fashioning the industrial union movement into a stable and permanent entity.

Commonwealth Program Budget

This section summarizes the 1984-85 budget by the eight major program areas in which the Commonwealth provides services to its residents. It crosses departmental lines as well as individual special funds. As such it provides an overview of the major recommendations of this budget for program improvements or continuation.

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

FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
DIRECTION AND SUPPORTIVE SERVICES							
GENERAL FUND.....	\$ 319,183	\$ 336,116	\$ 368,754	\$ 383,897	\$ 400,062	\$ 414,447	\$ 430,664
SPECIAL FUNDS.....	161,898	340,215	350,903	359,534	370,431	382,007	390,725
FEDERAL FUNDS.....	1,542	2,091	2,651	2,706	2,817	2,935	3,054
OTHER FUNDS.....	63,076	67,025	72,700	76,183	79,869	83,743	87,869
TOTAL-OPERATING.....	\$ 545,699	\$ 745,447	\$ 795,008	\$ 822,320	\$ 853,179	\$ 883,132	\$ 912,312
PROTECTION OF PERSONS AND PROPERTY							
GENERAL FUND.....	\$ 392,381	\$ 426,366	\$ 459,810	\$ 491,974	\$ 533,857	\$ 580,970	\$ 628,777
SPECIAL FUNDS.....	206,224	214,622	227,229	230,421	239,686	246,522	256,420
FEDERAL FUNDS.....	26,577	36,298	29,082	29,652	28,920	27,826	30,031
OTHER FUNDS.....	274,141	269,655	281,048	289,264	296,195	303,835	311,517
TOTAL-OPERATING.....	\$ 899,323	\$ 946,941	\$ 997,169	\$ 1,041,311	\$ 1,098,658	\$ 1,159,153	\$ 1,226,745
HEALTH-PHYSICAL AND MENTAL WELL-BEING							
GENERAL FUND.....	\$ 1,507,711	\$ 1,505,533	\$ 1,587,462	\$ 1,716,459	\$ 1,845,637	\$ 1,976,376	\$ 2,112,753
SPECIAL FUNDS.....	.....	100,000	141,639	142,336	143,325	143,740	144,200
FEDERAL FUNDS.....	1,049,648	1,095,006	1,154,078	1,237,987	1,304,844	1,380,483	1,461,735
OTHER FUNDS.....	93,475	102,333	106,129	110,016	114,654	118,229	121,946
TOTAL-OPERATING.....	\$ 2,650,834	\$ 2,802,872	\$ 2,989,308	\$ 3,206,798	\$ 3,408,460	\$ 3,618,828	\$ 3,840,634
INTELLECTUAL DEVELOPMENT AND EDUCATION							
GENERAL FUND.....	\$ 3,617,868	\$ 3,928,985	\$ 4,250,959	\$ 4,572,166	\$ 4,899,145	\$ 5,222,138	\$ 5,548,729
SPECIAL FUNDS.....	.....	2,500	10,500	11,025	11,577	12,156	12,764
FEDERAL FUNDS.....	34,158	43,133	42,065	42,096	42,233	42,410	42,492
OTHER FUNDS.....	320,844	360,225	439,973	449,518	383,530	392,466	402,472
TOTAL-OPERATING.....	\$ 3,972,870	\$ 4,334,843	\$ 4,743,497	\$ 5,074,805	\$ 5,336,485	\$ 5,669,170	\$ 6,006,457
SOCIAL DEVELOPMENT							
GENERAL FUND.....	\$ 486,600	\$ 528,362	\$ 486,487	\$ 506,637	\$ 528,202	\$ 552,808	\$ 575,943
SPECIAL FUNDS.....	217,607	335,401	424,696	418,433	421,861	424,365	426,404
FEDERAL FUNDS.....	384,571	427,738	436,381	444,268	456,645	469,620	483,608
OTHER FUNDS.....	13,868	16,318	18,820	20,829	23,445	24,938	26,548
TOTAL-OPERATING.....	\$ 1,102,646	\$ 1,307,819	\$ 1,366,384	\$ 1,390,167	\$ 1,430,153	\$ 1,471,731	\$ 1,512,503

FIVE YEAR SUMMARY OF COMMONWEALTH PROGRAMS (CONTINUED)

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Esitimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE							
GENERAL FUND.....	\$ 1,031,157	\$ 1,045,024	\$ 1,061,946	\$ 1,065,622	\$ 1,063,097	\$ 1,070,257	\$ 1,073,011
SPECIAL FUNDS.....	4,228	3,604	27,756	27,978	28,061	4,354	4,509
FEDERAL FUNDS.....	855,329	1,096,664	1,069,416	1,063,134	1,074,247	1,070,287	1,073,226
OTHER FUNDS.....	42,579	52,858	59,158	63,835	68,557	74,136	80,234
TOTAL-OPERATING.....	\$ 1,933,293	\$ 2,198,150	\$ 2,218,276	\$ 2,220,569	\$ 2,233,962	\$ 2,219,034	\$ 2,230,980
TRANSPORTATION AND COMMUNICATION							
GENERAL FUND.....	\$ 159,244	\$ 177,640	\$ 184,888	\$ 195,815	\$ 207,713	\$ 219,617	\$ 232,617
SPECIAL FUNDS.....	963,075	1,014,524	1,017,198	1,018,583	1,017,701	1,016,379	1,015,513
FEDERAL FUNDS.....	503,896	646,148	568,662	509,130	567,748	548,822	535,620
OTHER FUNDS.....	94,327	150,276	279,509	210,139	226,893	222,906	213,341
TOTAL-OPERATING.....	\$ 1,720,542	\$ 1,988,588	\$ 2,050,257	\$ 1,933,667	\$ 2,020,055	\$ 2,007,724	\$ 1,997,091
RECREATION AND CULTURAL ENRICHMENT							
GENERAL FUND.....	\$ 90,236	\$ 94,327	\$ 100,150	\$ 103,849	\$ 106,395	\$ 108,631	\$ 112,381
SPECIAL FUNDS.....	46,567	51,589	48,964	51,409	53,976	56,672	59,503
FEDERAL FUNDS.....	10,291	16,182	10,058	10,213	9,409	10,096	10,669
OTHER FUNDS.....	11,152	12,189	12,551	12,550	13,290	13,645	13,917
TOTAL-OPERATING.....	\$ 158,246	\$ 174,287	\$ 171,723	\$ 178,021	\$ 183,070	\$ 189,044	\$ 196,470
COMMONWEALTH TOTALS							
GENERAL FUND.....	\$ 7,604,380	\$ 8,042,353	\$ 8,500,456	\$ 9,036,419	\$ 9,584,108	\$ 10,145,244	\$ 10,714,875
SPECIAL FUNDS.....	1,599,599	2,062,455	2,248,885	2,259,719	2,286,618	2,286,195	2,310,038
FEDERAL FUNDS.....	2,866,012	3,363,260	3,312,393	3,339,186	3,486,863	3,552,479	3,640,435
OTHER FUNDS.....	913,462	1,030,879	1,269,888	1,232,334	1,206,433	1,233,898	1,257,844
TOTAL-OPERATING.....	\$ 12,983,453	\$ 14,498,947	\$ 15,331,622	\$ 15,867,658	\$ 16,564,022	\$ 17,217,816	\$ 17,923,192

DIRECTION AND SUPPORTIVE SERVICES

(Dollar Amounts in Thousands)

	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
General Fund	\$ 319,183	\$ 336,116	\$ 368,754	\$ 383,897	\$ 400,062	\$ 414,447	\$ 430,664
Special Funds	161,898	340,215	350,903	359,534	370,431	382,007	390,725
Federal Funds	1,542	2,091	2,651	2,706	2,817	2,935	3,054
Other Funds	63,076	67,025	72,700	76,183	79,869	83,743	87,869
TOTAL	\$ 545,699	\$ 745,447	\$ 795,008	\$ 822,320	\$ 853,179	\$ 883,132	\$ 912,312

This program area provides effective administrative support and policy direction necessary to carry out and guide the substantive programs of the Commonwealth. Some of the services provided include a statewide system of personnel classification and management, the Commonwealth's program budgeting system, a uniform centralized accounting system, the Integrated Central System and Data Communications Network, policy research and analytical support, and revenue collection.

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

The Office of Administration coordinates the Pennsylvania Management Intern Program through which the Commonwealth can develop high caliber career managers for an increasingly complex government. Recent graduates of selected masters' degree programs are chosen through a combination of interviews and ratings for a training program consisting of three phases. The three phases include a five week rotational assignment in each of four key management areas: budgeting including comptroller operations, management information systems, policy development, and employe relations; a five week rotational assignment in three State agencies; and participation in a long-term research project involving a major issue facing State government. In addition, all management interns receive briefings from the major State agencies, boards and commissions. For the 1983-84 year, 22 interns were selected from 80 candidates.

The Integrated Central System (ICS) facilitates policymaking and will provide integrated accounting, budgeting, payroll, purchasing and personnel systems when completed. Subsystems are currently established for

accounting and budgeting. In 1984-85, ICS costs for production and development are divided into separate line item appropriations. An additional \$877,000 is recommended for ICS development and \$1 million is recommended for ICS production.

The Data Communications Network is designed to improve and expand data communications in the Commonwealth while reducing costs. The budget contains an additional \$176,000 to continue development of the Network and to establish the Network Control Center in its permanent location.

The Office of the Budget assists the Governor in formulating fiscal policies and procedures, prepares the annual Governor's Budget, and provides accounting, auditing, and financial advisory and supportive services to Commonwealth agencies. The Office of the Budget has been instrumental in providing much of the direction, staff support and requirement setting essential in moving toward the adoption of generally accepted accounting principles (GAAP) and the ICS accounting subsystems. The budget includes an additional \$130,000 for an audit of the Auditor General as mandated by Section 402 of the Fiscal Code and an additional \$1.1 million for an independent audit of the Commonwealth's Financial Statement in order to further conform to generally accepted accounting principles. The conversion of the State's financial statements to GAAP in conjunction with the Auditor General is expected to strengthen the Commonwealth's position in the financial markets and will result in substantial savings in the costs of issuing bonds and notes.

The Office of Policy Development provides policy research and analytical support to the Governor and his Cabinet in areas relating to economic development, human services, public safety and other issues of concern to the Commonwealth. The Office of Policy Development is also responsible for the State Occupational Information Coordinating Committee (SOICC). The budget includes an additional \$250,000 for SOICC to implement a statewide

economic data base and occupational information system which will help link potential employers to site locations and potential workers to employers, and will facilitate planning for training programs and career choices for dislocated workers.

Funding is recommended for two initiatives to enhance the Commonwealth's revenue collection activities. \$180,000 is recommended to upgrade remittance processing equipment in order to speed the deposit of Commonwealth revenues and thus maximize interest earnings while \$500,000 is recommended to implement an automated collection system to expedite delinquent account collections.

A significant component of the State's personnel management system is provided by the Civil Service Commission. The Commission is making progress in bringing the Commonwealth into full compliance with all Federal and State laws and regulations concerning employe selection procedures. Program goals for 1984-85 continue to include the identification and elimination of adverse impact and the development of more valid examinations. Significant reform

of the current system is continuing. The Senior Management Service is increasing the Commonwealth's ability to select the most competent senior managers and enhance their mobility among agencies and positions.

The 1984-85 budget provides \$2 million for a number of energy conservation projects in Commonwealth-owned buildings. When completed, these projects will reduce energy costs to the Commonwealth with a payback period of one to two years. The initial energy conservation projects include the Departments of General Services, Education, Military Affairs and Welfare, and the Bureau of Correction.

A Program Revision, Pension Increase for Retired Teachers and Annuitants, is included in the presentation for the State Employees Retirement System. It will fund an increase in benefits to annuitants based upon their years of service and their years of retirement. The program will benefit annuitants of the State Employees Retirement System and the Public School Employees Retirement System, and will be funded by \$20 million in State funds plus contributions from Federal, special and other funds.

DIRECTION AND SUPPORTIVE SERVICES

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
General Administration and Support	\$ 65,803	\$ 70,114	\$ 87,219	\$ 91,559	\$ 96,745	\$ 99,548	\$ 104,296
Fiscal Management	\$ 287,626	\$ 460,247	\$ 477,949	\$ 488,570	\$ 500,724	\$ 513,477	\$ 526,862
Revenue Collection and Administration ..	209,218	379,744	394,430	403,742	414,356	425,493	437,180
Disbursement	60,820	61,965	63,869	64,196	64,704	65,237	65,798
Auditing	17,588	18,538	19,650	20,632	21,664	22,747	23,884
Commodity Management	\$ 4,551	\$ 3,808	\$ 4,070	\$ 4,273	\$ 4,487	\$ 4,711	\$ 4,947
Procurement, Storage and Distribution of Commodities	4,551	3,808	4,070	4,273	4,487	4,711	4,947
Physical Facilities Management	\$ 47,465	\$ 49,266	\$ 53,410	\$ 55,470	\$ 57,724	\$ 59,940	\$ 61,817
Provision and Operation of Facilities	47,465	49,266	53,410	55,470	57,724	59,940	61,817
Management of Commonwealth Liability ..	\$ 11,750	\$ 16,754	\$ 16,798	\$ 19,338	\$ 22,380	\$ 25,924	\$ 25,970
Risk Management and Tort Claims	11,750	16,754	16,798	19,338	22,380	25,924	25,970
Legislative Processes	\$ 63,886	\$ 76,142	\$ 80,211	\$ 84,221	\$ 88,433	\$ 92,854	\$ 97,497
Legislature	63,886	76,142	80,211	84,221	88,433	92,854	97,497
Program Total	<u>\$ 481,081</u>	<u>\$ 676,331</u>	<u>\$ 719,657</u>	<u>\$ 743,431</u>	<u>\$ 770,493</u>	<u>\$ 796,454</u>	<u>\$ 821,389</u>

PROTECTION OF PERSONS AND PROPERTY

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
General Fund	\$ 392,381	\$ 426,366	\$ 459,810	\$ 491,974	\$ 533,857	\$ 580,970	\$ 628,777
Special Fund	206,224	214,622	227,229	230,421	239,686	246,522	256,420
Federal Funds	26,577	36,298	29,082	29,652	28,920	27,826	30,031
Other Funds	274,141	269,655	281,048	289,264	296,195	303,835	311,517
TOTAL	\$ 899,323	\$ 946,941	\$ 997,169	\$ 1,041,311	\$ 1,098,658	\$ 1,159,153	\$ 1,226,745

This program includes the many components of the criminal justice system, as well as all Commonwealth licensing and regulatory functions, the various consumer protection and consumer advocacy programs, emergency preparedness and highway safety.

The most pressing problem facing the criminal justice system is the rapid growth of the prison population and corresponding pressure on the limited prison space available, which has resulted in prison overcrowding. Pennsylvania has already reacted to this problem by approving over \$140 million for the construction of approximately 3,000 new permanent cells at eight institutions. This budget recommends an additional \$48 million in capital improvements for our prison system, including another 152 cells at the Greensburg Regional Correctional Facility and the second phase of a major renovation of the Pittsburgh State Correctional Institution.

These approved or recommended expansions will be available beginning 1986. In the interim, measures must be undertaken to meet actual and projected increases in inmate population of 11.4 percent this year and 8 percent next year. As in the past, these increases in prison population will have to be accommodated by short-term solutions such as double-celling of inmates, the use of prefabricated modular cells, and expansion of community service centers.

In an effort to reduce multiple cell occupancy and to handle the magnitude of increases experienced this year and anticipated next year, this budget contains major funding initiatives addressing prison overcrowding. Over \$10 million is provided for the proper staffing and operation of existing permanent and modular facilities.

In addition, a second initiative provides \$6 million to expand inmate capacity by providing eleven new 60-65 person modular units at seven existing institutions, opening of two new community service centers and conversion of the Waynesburg Youth Development Center for use as a correctional institution for female offenders. It is anticipated these measures will increase inmate capacity by 832 by the end of 1984-85. Included in these initiatives is an increase

of almost 400 guard and other vital staff positions. This is in addition to the 202 new guard positions approved in the current year.

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

Another integral part of the incarceration process recommended for funding emphasis is the probation and parole effort. Increasing prison populations eventually result in increased caseloads for the Board of Probation and Parole. To maintain the average caseload per agent at acceptable levels, approximately \$400,000 has been provided for hiring new agents and related support personnel. This will insure that probation remains an effective alternative to incarceration.

The expansion of the prison system and the increased inmate population and its related problems make it more imperative than ever to elevate the Bureau of Correction to Departmental status and house the probation and parole function within it. This budget, therefore, calls for creation of a Department of Corrections.

And, as a final initiative in this area, the budget assists local jurisdictions in dealing with their increasing prison populations by providing a ten percent increase in State support to the county probation program.

The budget for the Pennsylvania State Police continues funding of previous initiatives. This includes providing funds for the continuation of the program to train 160 State Police cadets in 1984-85. Also, the State Police will continue a program utilizing civilian personnel to actively solicit community participation in crime prevention efforts. In addition, the agency's communication system will be modernized, utilizing a loop microwave system.

To assist citizens, police officers and fire service personnel, county jail officers and local governments in dealing with the crime problem and jail overcrowding, the budget contains \$262,000 in additional funding for several initiatives to be conducted by the Pennsylvania Commission on Crime

and Delinquency.

Four counties now participating in the Commission's county jail overcrowding technical assistance project will receive demonstration and incentive grants. Additional areas receiving emphasis are the continued operation of crime prevention programs and coordination of a new crime victims services program. The crime prevention program includes training police chiefs and police officers in basic and advanced crime prevention, training fire service personnel in arson recognition and control, and implementing model crime prevention programs, particularly in Enterprise Development Areas.

The Juvenile Court Judges Commission has also received funding to provide grants to county juvenile probation officers to operate additional aftercare and intensive probation programs. The additional funds will help to reduce recidivism of juvenile delinquents, while also reducing costly and unnecessary institutionalization of juvenile offenders.

The budget provides an 11 percent increase to the Office of the Attorney General to continue its efforts in the crime investigation and enforcement areas.

Our capabilities in the area of emergency preparedness continue to be improved by installation of a new teletype system for the alert and warning system, and implementation of a statewide communication capability consisting of a dedicated emergency management radio system for use by State and Local Emergency Management Systems (LEMS), which consolidates the development of response plans that have common and unique capabilities across the full spectrum of hazards.

In the past, numerous initiatives were funded in the area of regulatory and licensing activities including efforts in the Departments of Insurance, State and Banking and in the Securities Commission. The benefits to both the State and private sector from coordination of regulatory efforts of the

various Commonwealth agencies are now being realized. The continuation of these efforts is still a priority. This budget includes a 17 percent increase in funding for the Securities Commission and funds for expansion of EDP capabilities in the Insurance Department.

Enhancements to the Department of Transportation's vehicle registration program are continuing. A statistical quality control program is underway to provide more consistently error-free processing of title and registration applications. The International Registration Program (IRP) has expanded with the addition of four states in 1983. A new data processing system has been developed to provide more efficient handling of IRP applications. A fleet registration system is under development. A feasibility study is currently being conducted to explore additional ways to provide more decentralized vehicle registration and driver license services throughout the Commonwealth.

As part of Transportation's overall effort to improve the data processing systems of both the vehicle registration and driver license programs, this budget includes initiatives totalling \$1,900,000.

Beginning in August, 1984, Commonwealth licensed inspection stations will begin inspecting approximately 3.1 million vehicles for Federally mandated emissions standards. The areas affected will be the Pittsburgh and Allentown-Bethlehem-Easton metropolitan areas (specific zip codes) and the Philadelphia region consisting of five counties

This budget continues past initiatives within the Judicial branch of government. The Commonwealth will continue paying 80 percent of all county court juror costs incurred beyond the first three days of impanelization. The budget provides increased funding for those direct costs historically assumed by the Commonwealth including all appellate court judge and employe salaries, benefits and operating costs plus common pleas and district court justice salaries and benefits.

PROTECTION OF PERSONS AND PROPERTY

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
General Administration and Support	\$ 42,449	\$ 44,436	\$ 51,854	\$ 50,680	\$ 53,197	\$ 55,830	\$ 58,585
Traffic Safety and Supervision	\$ 165,089	\$ 170,347	\$ 181,559	\$ 190,111	\$ 198,019	\$ 206,492	\$ 215,121
Operator Qualifications Control	23,972	25,356	27,447	28,872	30,142	31,419	32,763
Vehicle Standards Control	21,412	22,818	24,693	25,705	26,760	27,857	29,000
Traffic Supervision	98,207	99,955	106,984	112,673	118,232	124,031	130,123
Highway Safety Projects	16,786	17,467	17,608	17,975	17,972	18,236	18,236
Highway Safety Education	4,712	4,751	4,827	4,886	4,913	4,949	4,999
Control and Reduction of Crime	\$ 205,751	\$ 217,115	\$ 246,078	\$ 273,363	\$ 304,723	\$ 340,138	\$ 380,447
Juvenile Crime Prevention	3,395	3,414	3,720	3,774	3,831	3,891	3,953
Criminal Law Enforcement	56,229	57,283	62,019	64,022	67,175	70,470	73,937
Reintegration of Offenders	146,127	156,418	180,339	205,567	233,717	265,777	302,557
Adjudication of Defendants	\$ 88,952	\$ 97,242	\$ 102,423	\$ 106,053	\$ 109,864	\$ 113,865	\$ 118,065
State Judicial System	89,952	97,242	102,423	106,053	109,864	113,865	118,065
Maintenance of Public Order	\$ 10,722	\$ 11,631	\$ 12,483	\$ 13,128	\$ 13,809	\$ 14,463	\$ 15,164
Prevention and Control of Civil Disorder	1,292	1,402	1,524	1,658	1,803	1,895	2,005
Emergency Disaster Assistance	9,430	10,229	10,959	11,470	12,006	12,568	13,159
Consumer Protection	\$ 48,306	\$ 59,549	\$ 52,553	\$ 47,561	\$ 49,401	\$ 48,163	\$ 49,911
Regulation of Consumer Products	11,303	20,043	12,016	12,628	13,270	13,933	14,630
Regulation of Financial Institutions	6,930	6,841	7,090	7,445	7,817	8,208	8,618
Regulation of Securities Industry	1,500	1,691	1,975	2,074	2,178	2,287	2,401
Regulation of Insurance Industry	6,983	7,069	7,452	7,825	8,216	8,626	9,057
Regulation of Horse Racing	19,874	22,182	22,266	15,835	16,082	13,221	13,217
Regulation of Milk Industry	1,716	1,723	1,754	1,754	1,838	1,188	1,988
Protection from Natural Hazards and Disasters	\$ 22,102	\$ 23,854	\$ 22,189	\$ 23,144	\$ 25,489	\$ 28,776	\$ 27,368
Flood Control	2,385	2,554	2,771	2,999	3,254	3,381	3,524
Management of Forest Resources	14,160	14,359	14,901	15,427	\$7,421	20,359	18,575
Animal Health	5,557	6,941	4,517	4,718	4,814	5,036	5,269
Community Housing Hygiene and Safety ..	\$ 9,437	\$ 11,029	\$ 11,769	\$ 11,943	\$ 12,329	\$ 12,739	\$ 13,171
Accident Prevention	7,022	7,084	7,400	7,770	8,159	8,567	8,996
Fire Prevention	2,415	3,945	4,369	4,173	4,170	4,172	4,175

PROTECTION OF PERSONS AND PROPERTY

Contribution by Category and Subcategory

General Fund and Special Funds (Continued)

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Electoral Process	\$ 1,084	\$ 1,063	\$ 1,046	\$ 1,073	\$ 1,106	\$ 1,140	\$ 1,184
Maintenance of Electoral Process	1,084	1,063	1,046	1,073	1,106	1,140	1,184
 Prevention and Elimination of Discriminatory Practices	 \$ 4,713	 \$ 4,722	 \$ 5,085	 \$ 5,339	 \$ 5,606	 \$ 5,886	 \$ 6,181
Reduction of Discriminatory Practices ...	4,713	4,722	5,085	5,339	5,606	5,886	6,181
Program Total	<u>\$ 598,605</u>	<u>\$ 640,988</u>	<u>\$ 687,039</u>	<u>\$ 722,395</u>	<u>\$ 773,543</u>	<u>\$ 827,492</u>	<u>\$ 885,197</u>

HEALTH-PHYSICAL AND MENTAL WELL-BEING

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
General Fund	\$ 1,507,711	\$ 1,505,533	\$ 1,587,462	\$ 1,716,459	\$ 1,845,637	\$ 1,976,376	\$ 2,112,753
Special Funds .....	.....	100,000	141,639	142,336	143,325	143,740	144,200
Federal Funds	1,049,648	1,095,006	1,154,078	1,237,987	1,304,844	1,380,483	1,461,735
Other Funds	93,475	102,333	106,129	110,016	114,654	118,229	121,946
TOTAL	<u>\$ 2,650,834</u>	<u>\$ 2,802,872</u>	<u>\$ 2,989,308</u>	<u>\$ 3,206,798</u>	<u>\$ 3,408,460</u>	<u>\$ 3,618,828</u>	<u>\$ 3,840,634</u>

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

The Federal Omnibus Budget Reconciliation Act (OBRA) of 1981 required that Federal Medicaid payments to the states be reduced by three percent in the 1982 Federal fiscal year, four percent in 1983, and four and one-half percent in 1984 from the amounts normally available to the states under the current formula. While this section of OBRA expires September 30, 1984, it is anticipated that Federal legislation will be enacted requiring a three percent reduction in Federal Medicaid payments to the states beginning October 1, 1984. It is estimated that these reductions will cost the Commonwealth \$39.3 million in the State's 1984-85 fiscal year.

A number of steps are being taken to deal with this funding reduction and the rapidly increasing costs of institutional care. These include actions to improve the administration of the program through emphasizing fraud control, cost avoidance and recovery from third party payors, prudent purchasing, centralized prior authorization, health systems screening, increased use of capitation programs, and the Medical Assistance Management Information System. In addition, in order to discourage unnecessary utilization, a recipient copay is being proposed for non-exempt individuals and services.

To provide incentives for hospitals to better manage costs, the current retrospective cost based reimbursement system will be replaced with a diagnosis specific prospective payment system, as recommended by the Governor's Health Care Cost Containment Task Force. Under the proposed reimbursement system, payment for inpatient hospital services will be made at pre-determined specific rates for each discharge, with the rate varying depending on the type of case being treated as indicated by the patient's diagnosis. This prospective payment system will be implemented for general hospitals beginning July 1, 1984. The Federal government has adopted a prospective diagnosis related payment system in the Medicare program which will affect most

hospitals in Pennsylvania beginning in 1984. Thus the State and Federal governments will be consistent in their payment systems.

A Program Revision is recommended to increase medical, surgical and diagnostic fees by \$5 million in State funds which represents half year costs to be implemented during 1984-85. It is expected this will result in cost containment by encouraging more use of outpatient services as opposed to hospital care. The recommended budget also includes \$1,639,000 in Lottery Funds to continue implementing and to expand the preadmission assessment program for applicants to Medical Assistance funded nursing homes and State funded community sheltered living arrangements. Lottery Funds will also provide \$5 million to increase in-home services for persons participating in the pre-admission assessment program, as described in the Social Development Commonwealth Program Plan.

During the 1984-85 fiscal year, Medical Assistance will require \$972.1 million in State and Lottery Funds. This is a \$75.2 million increase over the amount available in the 1983-84 fiscal year. While this represents an 8.4 percent increase, it reflects substantial progress in cost containment when compared to the average annual increase of 12 percent over the last 5 years.

The Administration continues to place a high priority on the Medical Assistance Management Information System (MAMIS). MAMIS is an integrated computer processing system developed with the overall objectives of promptly processing and paying each eligible provider for every valid claim as well as consolidating and organizing data and preparing reports needed for managing and controlling the Medical Assistance program. This system is reducing error rates and is providing better control of fraud and abuse.

The Commonwealth provides for the care and rehabilitation of the mentally ill through the operation of institutions and grants to counties for community based services. The recommended budget for 1984-85 includes approximately \$416.7 million in State funds for mental health services. Emphasis continues to be placed on the efficient management of the State institutional system and the adequate provision

of rehabilitative services in the community programs. In fiscal year 1982-83, 4,462 clients served and discharged from State institutions were referred to and served by community mental health programs.

The budget provides \$2 million for the expansion of after-care services for the mentally ill, including increased funding for residential rehabilitation placements, vocational and social rehabilitation services, and the provision of case management services. In fiscal year 1984-85, the aftercare expansion will be provided through the use of Social Services Block Grant (Title XX) funds.

The recommended budget also includes \$1,574,000 million for the expansion of 50 beds at Farview State hospital. The additional beds will be utilized for adult male forensic patients requiring evaluation and treatment in a maximum security mental health setting.

The Alcohol Drug Abuse and Mental Health Services Block Grant provides additional funds for the community mental health programs. These funds continue to be utilized for the provision of community residential rehabilitative services.

The Federal Omnibus Budget Reconciliation Act (OBRA) of 1981 provides for the consolidation of funding for major health care services and programs in three block grants: Alcohol, Drug Abuse and Mental Health Services; Maternal and Child Health Services; and Preventive Health and Health Services. These block grant funds are administered by the Department of Health and replace many Federal categorical funds previously provided to the states and directly to providers of service for specific health services. The Commonwealth has assumed responsibility for the administration and allocation of all of these health block grant funds.

Solid waste management is one of the most pressing environmental problems facing the Commonwealth. In light of this, the budget recommends \$5.5 million to expand the Commonwealth's activities in four areas of solid waste management. First, \$2.1 million is included to maintain the State's competitive position for Federal Superfund dollars to clean up hazardous waste sites. Second, the Department of Environmental Resources will strengthen its regulation of landfill operations to prevent improper disposal methods and promote public confidence in future sitings. Third, an additional \$200,000 will be available to local governments to improve their management planning efforts to stave off future solid waste problems. Fourth, resource recovery projects will be eligible for State assistance through a \$3 million grant program designed to encourage waste-to-energy initiatives.

Due to a cutback in Federal funding a Program Revision is recommended to make available to municipalities grants to partially subsidize the huge front-end costs of sewage facilities construction. Reductions in existing State grants for sewage facilities enforcement and operations will provide the initial funding for this construction assistance program.

Dealing with the radioactive waste at the Canonsburg Industrial Park continues to be another important activity of this program. To date the Commonwealth has been concentrating on feasibility studies and preliminary survey work. In the spring of 1984 the actual cleanup operation will begin. This project will last for three years, with the Federal government paying 90 percent of the cost. This budget recommends an appropriation of \$1,143,000 as the Commonwealth's share of the second year's cost.

HEALTH - PHYSICAL AND MENTAL WELL-BEING

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
General Administration and Support	\$ 28,695	\$ 30,135	\$ 36,751	\$ 40,735	\$ 42,833	\$ 45,046	\$ 47,376
Physical Health Treatment	\$ 986,559	\$1,064,507	\$1,146,133	\$1,233,986	\$1,321,089	\$1,414,410	\$1,515,133
Medical Research and Health							
Information	7,680	7,814	8,162	8,470	8,847	9,245	9,660
Medical Facilities Review	6,600	6,688	7,084	7,522	7,980	8,402	8,869
Health Services Development	4,447	11,449	45,502	73,244	84,203	96,073	108,921
Disease Prevention	51,048	59,410	58,144	60,155	60,780	61,511	62,334
Disease and Diagnosis	6,984	8,514	8,698	8,807	8,940	9,103	9,287
Outpatient Treatment	189,225	204,893	195,873	201,312	207,668	214,268	221,118
Inpatient Treatment	460,610	489,599	513,687	538,991	584,963	635,021	689,770
Life Maintenance	236,467	251,700	283,565	309,406	330,947	353,324	376,984
Control and Treatment of Drug and Alcohol	23,498	24,440	25,418	26,079	26,761	27,463	28,190
Mental Health	\$ 427,455	\$ 440,363	\$ 463,463	\$ 488,479	\$ 514,282	\$ 538,614	\$ 564,864
Mental Health Systems Support	21,872	22,604	23,119	23,526	23,957	24,402	24,861
Community Services	11,381	11,809	11,922	12,399	12,895	13,411	13,947
Acute Mental Health Services	53,527	55,670	56,547	58,809	61,161	63,607	66,151
Rehabilitative Services	16,182	16,870	21,370	22,225	23,114	24,039	25,001
Inpatient Services (State Mental Hospitals)	324,493	333,410	350,505	371,520	393,155	413,155	434,904
Protection from Health Hazards	\$ 65,002	\$ 70,528	\$ 82,754	\$ 95,595	\$ 110,758	\$ 122,046	\$ 129,580
Air Pollution Control	4,269	4,093	4,341	4,566	4,781	4,941	5,089
Water Quality Management	41,304	42,952	48,017	58,372	71,344	80,815	85,357
Community Environmental Agreement ..	5,404	5,273	5,602	5,852	6,115	6,391	6,681
Solid Waste Management	4,662	6,826	12,577	14,677	16,309	17,079	18,993
Radiological Health	868	1,867	2,081	1,485	1,034	1,086	1,140
Environmental Support Services	8,495	9,517	10,136	10,643	11,175	11,734	12,320
Program Total	<u>\$1,507,711</u>	<u>\$1,605,533</u>	<u>\$1,729,101</u>	<u>\$1,858,795</u>	<u>\$1,988,962</u>	<u>\$2,120,116</u>	<u>\$2,256,953</u>

INTELLECTUAL DEVELOPMENT AND EDUCATION

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
General Fund	\$ 3,617,868	\$ 3,928,985	\$ 4,250,959	\$ 4,572,166	\$ 4,899,145	\$ 5,222,138	\$ 5,548,729
Special Funds .....	.....	2,500	10,500	11,025	11,577	12,156	12,764
Federal Funds	34,158	43,133	42,065	42,096	42,233	42,410	42,492
Other Funds	320,844	360,225	439,973	449,518	383,530	392,466	402,472
TOTAL	\$ 3,972,870	\$ 4,334,843	\$ 4,743,497	\$ 5,074,805	\$ 5,336,485	\$ 5,669,170	\$ 6,006,457

In recognition of the need to improve the quality of education in the Commonwealth's public school system, the Governor has proposed an ambitious program to create a new standard of excellence in curricula, implement remedial education programs and identify and reward outstanding teachers. These goals are contained in Governor Thornburgh's "Agenda for Excellence in Pennsylvania Public Schools". The proposed budget for 1984-85 includes \$48.0 million for this program. This is in addition to the normal ongoing funding for local education support.

Funding will be made available to school districts to fully implement the revised curriculum standards recently given preliminary approval by the State Board of Education for implementation in the fall of 1985. These standards will require additional credits for high school graduation in English, mathematics, science, social services and humanities.

Funding will also be provided to implement a system of periodic student testing for an acceptable level of competence in reading and mathematics. Those students whose level of achievement is unsatisfactory will receive remedial courses to improve their competency level. In addition, school districts will be given an opportunity to develop an "Excellence in Teaching" award program which will provide State funded awards of \$2,000 for up to five percent of each district's teachers. Each school district would determine the criteria to be used with Department of Education approval.

In conjunction with the effort to improve the quality of education in public schools, the budget provides \$500,000 to improve the quality and content of teacher education programs, criteria for admission to those programs, revision of standards for certification, and the design and implementation of an induction process for first year educators. A standard statewide testing program for teacher certification will also be developed and implemented.

Act 31 of 1983 revised the method of distributing subsidy payments to school districts by providing each district

with a base level of aid per student as well as supplemental payments based on the number of low income families living in the district and on the population density of the district. The 1984-85 budget includes an increase of \$123.7 million or 7.0 percent for the Equalized Subsidy for Basic Education (ESBE) appropriation. The total recommended funding level for ESBE of \$1.9 billion will support increases for school districts ranging from 2 percent to 7.5 percent. In addition to the ESBE funding, \$1.2 billion in State funds is recommended to fund other public school services including vocational education, transportation, special education, and intermediate units.

A \$10.5 million program is proposed to identify and serve more preschool age children with physical and mental handicaps. By making State Lottery funding available, early intervention services will be provided to more children thereby maximizing their growth and development during the critical early years.

The Commonwealth is required to reimburse school districts \$3.20 an hour for each instructional hour of approved vocational extension courses offered. This amount has not been revised since 1961 and is far below the actual costs incurred. In order to update the reimbursement for this program the 1984-85 budget includes the first year of a two-year program to raise the reimbursement level to \$9.00 an hour. The rate will increase to \$6.10 an hour for 1984-85 and to \$9.00 an hour in 1985-86.

The 1984-85 budget reflects two significant changes in the pupil transportation program. First, the cost of providing transportation to mentally and physically handicapped students will be reflected in a separate appropriation with the Commonwealth's level of support increased from approximately 39 percent to 50 percent. Secondly, the reimbursement formula will be changed from a vehicle based formula to a student based formula. This change will greatly simplify administration and allow for more accurate cost projections.

Unless adult education needs are more fully met, the Com-

monwealth is likely to be further burdened by rising costs associated with unemployment and welfare. Accordingly, \$1.0 million is included in this budget to begin a grant program under which non-profit providers (school districts, intermediate units, colleges, community based organizations, etc.) would administer Adult Basic Education/General Education Development programs.

To recognize the needs of retired school district employes, this budget recommends \$11.5 million to support an increase to the benefits of current annuitants based on their years of service and years of retirement. In accordance with the Public School Employes Retirement Code the school districts will share the cost of this increase with the Commonwealth.

A recommended funding increase of over \$52.0 million for the institutional appropriations and student aid represents a strong and continuing commitment to higher education. That increase, which is greater than any experienced by higher education since 1975-76, will provide sufficient funds to ensure the continued improved quality

of higher education in Pennsylvania.

In basic, vocational, and higher education there is a pressing need for equipment to keep pace with instructional demands of our technological society. From basic computers in the elementary schools to oscilloscopes, microcomputers, and other advanced technology equipment for the schools of engineering, millions of dollars of needs can be easily estimated. Steps toward meeting that need must be a priority for local, private, institutional, and Commonwealth planners this year and in the immediate future.

This budget includes a proposal to dedicate the two-year proceeds from the proposed sale of liquor store franchises almost entirely to grants for computer, laboratory, and engineering equipment purchases. The total expenditure of \$150.0 million, \$75.0 million in 1984-85 and \$75.0 million in 1985-86, together with funds generated by local and private efforts, should have a major impact on the quality of education and the competence of our workforce in advanced technology areas for many years to come.

INTELLECTUAL DEVELOPMENT AND EDUCATION

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
General Administration and Support	\$ 9,475	\$ 8,691	\$ 9,147	\$ 9,604	\$ 10,085	\$ 10,589	\$ 11,118
General Instruction	\$1,524,782	\$1,623,765	\$1,785,961	\$1,947,856	\$2,091,390	\$2,248,631	\$2,380,623
General Pre-School Education	91,438	100,165	113,181	126,139	135,604	149,350	163,357
General Elementary and Secondary Education	1,433,344	1,523,600	1,672,780	1,821,717	1,955,786	2,099,281	2,217,266
Special Education	\$ 588,601	\$ 652,065	\$ 720,511	\$ 777,410	\$ 843,082	\$ 911,206	\$ 983,694
Mentally Handicapped Education	204,082	226,998	254,438	270,185	290,273	314,371	332,822
Physically Handicapped Education	274,804	302,920	335,623	363,606	394,424	426,506	464,374
Gifted and Talented Education	109,715	122,147	130,450	143,619	158,385	170,329	186,498
Compensatory Programs	\$ 304,915	\$ 361,311	\$ 380,790	\$ 415,300	\$ 451,478	\$ 494,906	\$ 537,663
Compensatory Pre-School Education	17,814	21,891	23,238	24,993	26,977	28,960	34,684
Compensatory Elementary and Secondary Education	287,101	339,420	357,552	390,307	424,501	465,946	502,979
Vocational Education	\$ 317,216	\$ 355,535	\$ 367,357	\$ 399,564	\$ 441,195	\$ 462,289	\$ 506,638
Vocational Secondary Education	314,505	351,209	362,207	394,253	435,714	456,630	500,792
Community Education	2,711	4,326	5,150	5,311	5,481	5,659	5,846
Higher Education	\$ 872,879	\$ 930,118	\$ 997,693	\$1,033,457	\$1,073,492	\$1,106,673	\$1,141,757
Assistance to Higher Education	789,112	847,601	909,160	943,073	981,170	1,012,420	1,046,226
Financial Assistance to Students	83,767	82,517	88,533	90,384	92,322	94,253	95,531
Program Total	<u>\$3,617,868</u>	<u>\$3,931,485</u>	<u>\$4,261,459</u>	<u>\$4,583,191</u>	<u>\$4,910,722</u>	<u>\$5,234,294</u>	<u>\$5,561,493</u>

SOCIAL DEVELOPMENT

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
General Fund	\$ 486,600	\$ 528,362	\$ 486,487	\$ 506,637	\$ 528,202	\$ 552,808	\$ 575,943
Special Funds	217,607	335,401	424,696	418,433	421,861	424,365	426,404
Federal Funds	384,571	427,738	436,381	444,268	456,645	469,620	483,608
Other Funds	13,868	16,318	18,820	20,829	23,445	24,938	26,548
TOTAL	\$ 1,102,646	\$ 1,307,819	\$ 1,366,384	\$ 1,390,167	\$ 1,430,153	\$ 1,471,731	\$ 1,512,503

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

The State Lottery Fund is a major source of funds for grants to the Area Agencies on Aging. During 1984-85, nearly \$60 million in Lottery Fund monies will be made available to the Commonwealth's 50 Area Agencies on Aging for the provision of social services to senior citizens. Of these funds, \$12,000,000 is being recommended for the expansion of in-home services for the frail elderly with the objective of providing an alternative to long-term care in an institutional setting.

A demonstration pre-admission assessment program for applicants for Medical Assistance funded nursing homes and State funded community sheltered living arrangements is being implemented in six counties during 1983-84 to assure that an appropriate level of care is provided. The budget recommendation for 1984-85 includes \$1,639,000 for pre-admission assessments and \$5,000,000 for the provision of in-home services so that this program may be implemented in additional counties.

The Lottery Fund will also provide \$10 million on a one-time grant basis in 1984-85 for the more than 500 senior citizen centers to make repairs and improvements to comply with fire and safety standards, increase accessibility to the handicapped, and make general renovations.

Recently the General Assembly passed and Governor Thornburgh signed the Pharmaceutical Assistance Program for Senior Citizens. Scheduled for implementation on July 1, 1984, the program will assist many senior citizens with their prescription purchases. The Lottery Fund will provide \$100 million for this program in 1984-85.

Amendments are being proposed to amend the Mass Transit Assistance Act (101) to increase the reimbursement to transit operators from 75 percent to 100 percent of the revenues they lose through the free elderly transit program. In 1984-85 an additional \$2,200,000 is provided to fund this proposed reimbursement change. Also included is

\$2,000,000 to provide services in non-fixed route transit services in rural areas.

Services for persons with mental retardation continue to emphasize community programming and appropriate residential placement. Institutional programs have traditionally received substantial reimbursement through the Medicaid (Title XIX) program for services. Generally, services in the community have been funded by State, county and private resources. Waiver requests have been submitted to the Federal government to permit the Medicaid (Title XIX) reimbursement of certain community-based services for approximately 331 persons in fiscal year 1983-84 and an additional 479 persons in fiscal year 1984-85. These persons are either residents in institutions or are at risk of being institutionalized.

Community programming and residential placement are further emphasized in fiscal year 1984-85. Funding equal to \$2,496,000 for the expansion of family support services for mentally retarded persons and their families has been recommended. An increase of \$496,000 in the funding for case management services has also been recommended. Case management services are necessary to properly assist, support and monitor formerly institutionalized clients in the community programs. Beginning in fiscal year 1984-85, the funding for the expansion of these community services will be provided through the Social Services Block Grant (Title XX).

In fiscal year 1983-84, funding was provided for contractual monitoring of formerly institutionalized clients in community residential settings. Additional funding of \$300,000 to expand the monitoring efforts has been recommended in the 1984-85 budget.

The community mental retardation program includes the provision of early intervention services to mentally retarded children. An expansion of \$1,200,000 for these services to meet the current estimated need has been recommended. Funding for the provision of early intervention services and the recommended expansion in fiscal year 1984-85 will be provided by the State Lottery Fund; a total of \$14.5 million. An additional \$10.5 million early intervention program for

handicapped pre-school children is described in the Intellectual Development and Education program.

The budget also includes \$5,000,000 of State Lottery Fund monies to implement a non-medical attendant care program for adults, ages 18 to 59, who are physically handicapped but mentally alert. The program will provide in-home services for physically handicapped adults who do not require daily medical and nursing care so that they may remain in or return to their own homes. In addition to providing im-

portant services for handicapped individuals this program will create jobs for several hundred attendants.

Funding for the visually handicapped will increase substantially in 1984-85. By making State Lottery funding available to this segment of the Commonwealth's citizenry, total program funding will increase by over 30 percent or by \$2,619,000. This will provide increased services in rehabilitation, orientation and mobility instruction and reduce backlogs in statewide services.

SOCIAL DEVELOPMENT

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
General Administration and Support	\$ 1,019	\$ 980	\$ 963	\$ 1,032	\$ 1,100	\$ 1,174	\$ 1,254
Social Development of Individuals	\$ 161,385	\$ 193,138	\$ 175,341	\$ 181,902	\$ 189,143	\$ 196,547	\$ 204,303
Youth Development Services	31,181	32,920	29,265	30,223	31,676	33,164	34,681
Family Support Services	130,204	160,218	146,076	151,679	157,467	163,383	169,622
Support of the Aged	\$ 219,220	\$ 336,963	\$ 398,944	\$ 391,665	\$ 394,004	\$ 395,364	\$ 396,206
Support of the Aged	219,220	336,963	398,944	391,665	394,004	395,364	396,206
Mental Retardation	\$ 322,583	\$ 332,682	\$ 335,935	\$ 350,471	\$ 365,816	\$ 384,088	\$ 400,584
Mental Retardation Systems Support	12,784	13,403	14,999	15,599	16,229	16,881	17,557
Community Based Services	46,854	48,470	50,020	52,158	54,387	56,719	59,142
Community Residential Services	100,244	109,244	113,519	118,060	122,782	127,693	132,801
Private Intermediate Care Facilities	24,000	24,581	28,515	29,941	31,438	35,326	37,092
State Centers	138,701	136,984	128,882	134,713	140,980	147,469	153,992
Program Total	<u>\$ 704,207</u>	<u>\$ 863,763</u>	<u>\$ 911,183</u>	<u>\$ 925,070</u>	<u>\$ 950,063</u>	<u>\$ 977,173</u>	<u>\$1,002,347</u>

ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
General Fund	\$ 1,031,157	\$ 1,045,024	\$ 1,061,946	\$ 1,065,622	\$ 1,063,097	\$ 1,070,257	\$ 1,073,011
Special Funds	4,228	3,604	27,756	27,978	28,061	4,354	4,509
Federal Funds	855,329	1,096,664	1,069,416	1,063,134	1,074,247	1,070,287	1,073,226
Other Funds	42,579	52,858	59,158	63,835	68,557	74,136	80,234
TOTAL	\$ 1,933,293	\$ 2,198,150	\$ 2,218,276	\$ 2,220,569	\$ 2,233,962	\$ 2,219,034	\$ 2,230,980

This program involves three disparate activities targeted at a single goal: the economic well-being of the Commonwealth's populace. Economic development has the ultimate objective of providing jobs for the workforce; job training strives to improve workforce skills needed for those jobs; and income maintenance provides assistance for those who, through no fault of their own, cannot maintain an acceptable standard of living without such assistance.

The economic stimulus provided to the national economy through lower tax payments, significantly lower rates of inflation and unemployment and sharply declining interest rates has generated a solid national recovery from the recession that began in mid-1981. Pennsylvania's recovery, as anticipated, has been slower than that of the nation but is nonetheless encouraging.

Creating an economic climate that will enable Pennsylvania to take maximum advantage of this national economic recovery is the highest priority of this Administration. A strong economy provides jobs as well as the solid tax base essential to all levels of government and reduces the need for income maintenance expenditures.

Economic Development

In response to the recession, the Commonwealth undertook during 1983-84 a number of innovative economic development and jobs-related initiatives in furtherance of the comprehensive strategy set forth in the Governor's *Blueprint for Economic Development*. These included implementation of the Job Training Partnership Act, initiation of Enterprise Development Areas, the Pennsylvania Energy Development Authority (PEDA) program and acceleration of the Ben Franklin Partnership. In addition, State participation in the construction of a new Convention Center in Philadelphia is planned as another means of furthering economic development in southeastern Pennsylvania and throughout the state through the attraction of additional tourism expenditures.

To ensure that Pennsylvania and Pennsylvanians participate fully in the economic recovery and to adequately face the challenges of an economy in transition, this budget

proposes both to continue many of these important initiatives as well as to embark on new ones. Particular emphasis is placed on job training, developing and improving our economic base, and improving our industrial mix by developing new advanced technology industries while at the same time facilitating the application of advanced technology concepts to our existing industries.

Effective economic development efforts will require a partnership between government and the private sector in efforts to enhance the infrastructure and quality of life in our communities. Historically, a majority of funds for this purpose were used for the traditional urban renewal approach which focused primarily on demolition of older structures and land clearance. This budget continues this Administration's policy of rehabilitation and community conservation and increased neighborhood involvement in such activities.

The major thrusts in the economic development area are contained in two Program Revisions, summarized in Volume II of this budget, entitled Expansion of Industrial Development Activities and Expansion of Technological Development. New and/or expanded programs are proposed in numerous key areas: a major commitment to enterprise development areas, economic recovery, export development and capital loan programs; expansion of Ben Franklin Partnership (BFP), Pennsylvania Industrial Development Authority (PIDA), Pennsylvania Energy Development Authority (PEDA), Pennsylvania Minority Business Development Authority (PMBDA), and Site Development activities; and creation of a Labor/Management Resource Center.

A \$9 million Commerce/Community Affairs joint venture into a greatly expanded Enterprise Development Program is an important component of this budget. This dual approach provides \$5 million in Commerce set-asides for infrastructure improvements in Economic Development Areas (EDA) through regular PIDA, Community Facilities and Site Development Program channels, and \$4 million to Community Affairs for jobs-related community development projects in EDAs. In addition, Community Affairs will in-

creasingly target its Federal block grant funds toward enterprise development areas.

A \$1 million economic recovery program is recommended to assist local communities address severe economic problems caused by plant closings or cutbacks and the resulting unemployment, decreased tax revenues and closing of supply and service firms. The proposed program includes facilitation of employe buyouts of their work plants through employe stock ownership plans and direct planning grants to provide local economic recovery strategies.

The existing Federally-funded capital loan program, which provides working capital to small businesses, is now an uncertain funding source. A \$2 million State appropriation is recommended to strengthen this program; it is targeted to start-up and expansion of small manufacturing, industrial and export service businesses, but will not be used to supplant private sector funding.

The Ben Franklin Partnership encourages the development of scientific and technological innovation through education and research in an attempt to expand the skilled workforce and increase Pennsylvania's competitive opportunities in the growth industries of the future. BFP also helps to alter Pennsylvania's industrial mix, which historically caused the State to suffer more from national economic slowdowns and to recover more slowly than other parts of the nation, by encouraging the creation of new and developing technology-based businesses, where much of the future job growth will occur. This program includes funding for challenge grants for joint university/private sector efforts to establish Advanced Technology Centers in Pennsylvania higher education institutions. The program has been highly successful, with private participation exceeding 60 percent versus the 50 percent envisioned; an increase of \$10 million is being recommended, a doubling of the current level and a twenty-fold increase over 1982-83, its initial year.

PIDA, the cornerstone of our economic development program, is recommended to receive a \$5 million General Fund increase to be targeted specifically towards industrial development in the areas of advanced technology and small business incubators. The basic PIDA program will continue to maintain its emphasis on assisting small businesses in high unemployment areas.

One of the most important factors influencing the overall economic condition of the Commonwealth is energy. In recognition of this fact a \$2 million funding level is proposed for PEDDA. The funds will be used for limited energy research and pilot projects in an effort to meet the goals of economic self-sufficiency in the use of energy, reliability and diversity of energy supply, and greater use of indigenous Pennsylvania energy resources.

PMBDA is recommended to receive a 50 percent increase, to better achieve the goal of maximizing participation of minority firms in the free enterprise system while at the same time enhancing cooperative working relationships among economic development organizations, financial institutions, local governments and private industry.

The Site Development program, which provides grants to local governments for water, sewer and access road projects,

is recommended to double in size to \$2 million.

The final component of these two Program Revisions is \$500,000 to establish a Labor/Management Resource Center in Pennsylvania. The center will serve as a Statewide resource for business, labor, government and academia for the acquiring and dissemination of knowledge and assistance on productivity issues to assist Pennsylvania's older industries to become more competitive in the national and international economies.

Other important economic programs are also receiving increased funding. Attracting new firms and encouraging existing ones to provide new jobs in the State will continue through a \$900,000 increase in the commercial and industrial advertising program and through a significant program to promote foreign investments in Pennsylvania and exports of Pennsylvania products. Through the proposed new state delivery program for the Eximbank, the Department of Commerce will be able to provide direct assistance to established small Pennsylvania firms interested in exporting. Concurrently, the Agricultural Research and Promotion effort assists in expanding markets for Pennsylvania agricultural products both here and abroad.

Pennsylvania's extensive efforts to assist small businesses earned it the #1 ranking from a national publication last year. These efforts will be continued and strengthened through increased funding for the Commonwealth's Small Business Development Centers as well as the increased funding available through the Pennsylvania Capital Loan Program. Also available to business and industry is the Small Business Action Center, a one-stop shop where a firm can be assisted with government regulatory requirements and be made aware of all State and Federal assistance programs.

Tourism is one of the major industries of the State. Through the efforts supported by recent budgets, the Commonwealth has ranked among the top five states in the nation in terms of total travel expenditures in the past several years. This budget recommends a \$200,000 expansion of current tourist promotion activities to continue to improve our position in family and group travel and in convention markets.

Spurred by the continuing degradation of the water quality of the Chesapeake Bay and the economic benefits derived from this unique natural resource, a \$2,000,000 (\$900,000 State; \$1,100,000 Federal) program is recommended to curb agricultural run-off in the lower Susquehanna River basin. In addition to reducing the nutrient loading in the Bay, Pennsylvania farmers will benefit from lessened fertilizer needs and reduced soil erosion. A \$250,000 program of grants to counties for development of storm water management plans is also recommended.

To adequately address the severe economic hardships posed by numerous impending mortgage foreclosures, a third major Program Revision in this budget proposes an amended and strengthened Homeowners Emergency Assistance program funded from the Lottery Fund. A predictable and stable funding base for this important program is recommended to replace the uncertain corporate cash contribution/tax credit funding mechanism created

under the existing Act 91 program. Corrections to other deficiencies in the current program are also proposed in order to minimize administrative costs while assuring that funds are directed to those low and moderate income families experiencing the greatest hardship. At the same time, the cuts made to Community Affairs' Neighborhood Assistance program by Act 91 are proposed to be rescinded before that important program is unnecessarily crippled.

Oil overcharge funds continue to be available to the Commonwealth as a result of settlement of litigation brought by the U.S. Department of Energy against oil companies and refineries for alleged violations of the Federal Petroleum Price Allocation Regulations. In 1984-85, the Commonwealth anticipates receiving approximately \$15 million in oil overcharge funds. One half of this amount is recommended for the Department of Community Affairs Weatherization Program. The remaining half is recommended for the Governor's Energy Council in order to fund the Institutional Program, Pennsylvania Energy Centers, coal conversion and alternative fuel use studies, an industrial coal conversion service package and municipal waste to energy projects.

Job Training

If Pennsylvania is to continue to improve its economic condition through the impacts of the initiatives outlined above, it is essential that a skilled workforce is available to take advantage of available jobs.

To this end this budget continues to take full advantage of the Federal Job Training Partnership Act (JTPA). This act, a replacement for the Comprehensive Employment and Training Act, is designed to aid the entry or re-entry and productive participation of unskilled and unemployed youth and adults and dislocated workers into the workforce through the provision of job training education and job placement activities. JTPA is a training program and as such prohibits the use of any funds for public service employment. It is estimated that over \$150 million in Federal funds will be available in 1984-85, and \$12.1 million in State funds have been recommended to fulfill the matching requirements.

Utilization of the Commonwealth's successful Customized Job Training (CJT) program has continued to increase. Employer satisfaction and interest with the program has been exceptional, and this budget expands funding to \$6 million to fund the increased number of applications.

Another major program affecting the workforce is the Community Services Block Grant (CSBG), which the State is administering. The thrust of the \$16 million CSBG is a range of employment and training programs and services which combat the causes of poverty. Some of the services provided include employment training programs for economically disadvantaged youth and adults; creation of Community Conservation Corps to provide vocational training and work experience in community improvement projects; and emergency assistance to meet immediate and urgent individual and family needs of low-income persons,

such as health services, nutritious food, housing and employment.

Under the Vocational Rehabilitation program, \$1,400,000 in funding has been recommended to expand and improve services at existing centers for independent living (CILs) and to establish a new center in the Wilkes-Barre/Scranton area. These CILs provide a broad range of services aimed at allowing the severely handicapped to bridge the gap between institutionalization and independence by improving their ability to live more independently, creating the possibility of entering vocational rehabilitation training and eventually securing employment.

Income Maintenance

Effective July 1, 1984, the cash grants for all family sizes will be permanently increased as the Department of Public Welfare makes the transition from the current Woodbury Standard to the Comprehensive Poverty Standard (CPS). The CPS will become the new standard in the determination of benefit levels for those seeking public assistance through cash grants.

The budget includes funding to increase the number of staff involved in the Department of Public Welfare's cost avoidance and recovery efforts related to fraudulent or erroneous public assistance benefit payments.

A work registration program, based on the mandates of Act 75, has been implemented. Act 75 provides for registration of all non-exempt applicants for assistance prior to authorization. Following authorization of cash assistance, all those registered are required to participate in the work registration program including: assessment and job search by the Office of Employment Security; enrollment in the Department of Public Welfare's Pennsylvania Employables Program for intensive job finding and training activities; and participation in the Community Work Experience Program. The recommended budget includes funding for the expansion of the Pennsylvania Employment Program by increasing the number of staff available in the County Assistance Offices to provide job search and placement services. In addition, \$25 million in tax credits is being made available annually to encourage employers to hire welfare recipients.

The Federal Omnibus Reconciliation Act of 1981 created a Low-Income Energy Assistance Block Grant. The purpose of this block grant is to provide assistance to low income individuals to offset high energy costs through payments to fuel vendors. Funding for weatherization activities to conserve energy and lower fuel bills is also provided.

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

The other major income maintenance program is Unemployment Compensation. This system has been out of balance since the early 1970's. Corrective action was taken

on July 21, 1983 to restructure both the tax and benefits structures to restore equity to the fund. The 1983 amendments will enable Pennsylvania to meet the Federal incentive solvency standards and qualify for: an increase of 0.1 rather than 0.3 percent in the Federal Unemployment Tax Act tax rate for 1983, 1984 and 1985; a reduction from 10 to 9 percent in the rate of interest assessed on outstanding loans during 1983; and a deferral of 80 percent of the in-

terest obligations due in 1983, 1984 and 1985.

Compensation to crime victims and crime victims services remain a priority of this Administration. This budget includes additional funds for further efficiency measures which will allow the Crime Victims Compensation Board to process more claims and reduce its backlog, and a significant increase in funding for compensation awards to reflect faster claim processing.

ECONOMIC DEVELOPMENT AND INCOME MAINTENANCE

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
General Administration and Support	\$ 11,343	\$ 10,919	\$ 10,473	\$ 11,071	\$ 11,685	\$ 12,340	\$ 13,035
Commonwealth Economic Development ...	\$ 47,906	\$ 68,850	\$ 90,363	\$ 90,428	\$ 91,024	\$ 91,640	\$ 87,286
Tourism and Travel Development	6,730	7,157	7,880	7,928	7,978	8,031	8,086
Industrial Development	23,139	29,254	42,026	42,162	42,305	42,455	42,613
Scientific and Technological Development	6,444	15,976	27,122	27,128	27,134	27,141	22,148
International Trade	2,501	7,285	2,384	2,422	2,462	2,504	2,548
Agribusiness Development	7,873	8,215	9,913	9,698	10,000	10,307	10,629
Energy Management	1,219	963	1,038	1,090	1,145	1,202	1,262
Economic Development of Disadvantaged and Handicapped	\$ 892,941	\$ 867,802	\$ 868,341	\$ 853,849	\$ 844,182	\$ 843,576	\$ 842,963
Income Maintenance	865,168	832,003	825,347	810,055	799,539	798,107	796,623
Achieving Economic Independence— Socially and Economically Disadvantaged	13,246	21,356	26,426	27,200	28,011	28,805	29,662
Achieving Economic Independence— Physically and Mentally Handicapped	10,905	10,865	12,863	12,841	12,828	12,807	12,765
Community Conservation and Youth Employment	3,622	3,578	3,705	3,753	3,804	3,857	3,913
Community Physical Development	\$ 23,025	\$ 36,059	\$ 48,910	\$ 61,150	\$ 61,157	\$ 37,418	\$ 37,435
Housing and Redevelopment	23,025	36,059	48,910	61,150	61,157	37,418	37,435
Improvement of Local Government Operations and Institutions	\$ 28,767	\$ 32,400	\$ 36,242	\$ 40,346	\$ 44,933	\$ 50,062	\$ 55,792
Area-wide Services	150	150	200	200	200	200	200
Municipal Administrative Support Capability	27,851	31,277	35,029	39,091	43,634	48,717	54,399
Community Development Planning	766	973	1,013	1,055	1,099	1,145	1,193
Natural Resource Development and Management	\$ 22,505	\$ 23,397	\$ 25,884	\$ 27,062	\$ 28,265	\$ 29,435	\$ 30,623
Management of Land Resources	7,938	9,181	9,599	10,090	10,574	10,985	11,384
Regulation of Mineral Resources	14,567	14,216	16,285	16,972	17,691	18,450	19,239
Labor-Management Relations	\$ 2,275	\$ 2,396	\$ 2,477	\$ 2,601	\$ 2,731	\$ 2,868	\$ 3,012
Industrial Relations Stability	2,275	2,396	2,477	2,601	2,731	2,868	3,012
Veterans Compensation	\$ 6,623	\$ 6,805	\$ 7,012	\$ 7,093	\$ 7,181	\$ 7,272	\$ 7,374
Vietnam Veterans Compensation	6,623	6,805	7,012	7,093	7,191	7,272	7,374
Program Total	<u>\$1,035,385</u>	<u>\$1,048,628</u>	<u>\$1,089,702</u>	<u>\$1,093,600</u>	<u>\$1,091,158</u>	<u>\$1,074,611</u>	<u>\$1,077,520</u>

TRANSPORTATION AND COMMUNICATION

(Dollar Amounts in Thousands)

	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
General Fund	\$ 159,244	\$ 177,640	\$ 184,888	\$ 195,815	\$ 207,713	\$ 219,617	\$ 232,617
Special Funds	963,075	1,014,524	1,017,198	1,018,583	1,017,701	1,016,379	1,015,513
Federal Funds	503,896	646,148	568,662	509,130	567,748	548,822	535,620
Other Funds	94,327	150,276	279,509	210,139	226,893	222,906	213,341
TOTAL	\$ 1,720,542	\$ 1,988,588	\$ 2,050,257	\$ 1,933,667	\$ 2,020,055	\$ 2,007,724	\$ 1,997,091

The current revenue structure of the Motor License Fund will allow the Department of Transportation to continue a policy of maintaining the Commonwealth's highways at a high level while proceeding on a number of high priority Interstate and "missing link" highway projects. As part of recent legislation, the General Assembly established a Local Highway Turnback Program by authorizing a separate restricted revenue account within the Motor License Fund. Funds collected in this account are being used for restoration work to bring roads up to an acceptable standard and for an annual per mile maintenance payment. At the current level of funding, 5,000 miles of State roads will eventually be turned back to local governments.

Replacement and rehabilitation of the Commonwealth's bridges will continue at an accelerated rate due to funds being generated through a \$36 per axle tax on all heavy trucks travelling within the Commonwealth's borders. In total over 900 State and local bridges are programmed for repair/replacement during the five-year period beginning July 1984. The axle tax is currently being challenged in the Commonwealth's court system. In the event this revenue generating provision is determined to be unconstitutional, alternative funding will be sought to continue the necessary replacement and rehabilitation of State and local bridges.

The Federal government's recent decision not to proceed with curtailment and eventual elimination of all urban mass transit operating subsidies has greatly eased the situation in this program. With Federal involvement now projected to remain stable in future years, this budget again calls for a cap on the predictable funding law that will yield an affordable and responsible State transit program. This cap, which would limit annual growth in the General Fund subsidy to not more than the percentage increase in the statewide

transit cost index, would provide a \$5.2 million increase to \$167 million in 1984-85. State support of urban mass transit operating expenses will have increased by 90 percent under this Administration.

In addition, the Lottery Fund free transit for the elderly program will increase by \$4.8 million including \$2 million for demand responsive services for rural areas not having fixed route transit systems.

Even with the stabilization of Federal aid and increases in State support, alternative local financing options for mass transit still need to be explored as part of the broader issue of local tax reform.

This budget continues the commitment towards transit capital projects that already has seen massive improvements during this Administration in the Commonwealth's transit vehicle fleets and physical plants. A \$204.7 million transit capital budget, including \$34.1 million in State bond funds, is coupled with continuation of the bus rehabilitation and innovative bus pool purchase programs in a multi-faceted effort at correcting the years of neglect that have beset local transit agency fleets.

Increased assistance is also provided to rural and intercity transportation through programs devoted to nonurbanized area transit companies, intercity bus and rail passenger services, rural transit programs and rail freight — including funding to deal with another round of Conrail abandonments.

Finally, while the aviation program is sustained at current levels, a proposed major revision of both the program itself and the revenues supporting it is in the developmental stage. Discussions are currently underway with both the airlines and airport operators aimed at developing a comprehensive new program and revenue revision proposal.

TRANSPORTATION AND COMMUNICATION

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
General Administration and Support	\$ 31,624	\$ 30,230	\$ 31,338	\$ 32,330	\$ 33,401	\$ 34,534	\$ 35,722
Transportation Systems and Services	\$1,090,695	\$1,161,934	\$1,170,748	\$1,182,068	\$1,192,013	\$1,201,462	\$1,212,408
State Highway Improvement	253,320	252,225	263,965	266,362	267,234	265,489	263,776
State Highway Maintenance	527,039	564,361	566,122	565,778	565,416	565,036	564,637
Local Highway Assistance	134,888	149,928	143,548	144,497	144,263	143,697	143,400
Urban Mass Transportation	149,211	166,988	173,056	183,508	194,862	206,456	218,899
Intercity Rail and Rural Bus Transportation	8,969	9,617	10,744	11,253	11,799	12,122	12,723
Air Transportation	115	114	114	113	113	112	111
Water Transportation	691	637	634	604	586	558	499
State Bridges	16,462	18,064	12,565	9,953	7,740	7,992	8,363
Program Total	<u>\$1,122,319</u>	<u>\$1,192,164</u>	<u>\$1,202,086</u>	<u>\$1,214,398</u>	<u>\$1,225,414</u>	<u>\$1,235,996</u>	<u>\$1,248,130</u>

RECREATION AND CULTURAL ENRICHMENT

(Dollar Amounts in Thousands)

	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
General Fund	\$ 90,236	\$ 94,327	\$ 100,150	\$ 103,849	\$ 106,395	\$ 108,631	\$ 112,381
Special Funds	46,567	51,589	48,964	51,409	53,976	56,672	59,503
Federal Funds	10,291	16,182	10,058	10,213	9,409	10,096	10,669
Other funds	11,152	12,189	12,551	12,550	13,290	13,645	13,917
TOTAL	\$ 158,246	\$ 174,287	\$ 171,723	\$ 178,021	\$ 183,070	\$ 189,044	\$ 196,470

The Commonwealth encourages cultural development in the arts through matching grants-in-aid to arts organizations and through service programs initiated by the Council on the Arts. Technical assistance is provided to help artists and arts organizations to develop greater professional skills and to promote greater distribution of the arts throughout the Commonwealth. Quality programs are encouraged through an ongoing evaluation process.

The budget includes a 19 percent increase in funds for Grants to the Arts so that the Council can meet the needs of an increasing number of grant applicants which, subsequently, will provide more and better arts programs for Pennsylvania.

Increased funding of \$1 million is provided for aid to local libraries to continue the major increase in support provided over the past few years. Those increases, totaling 91 percent over the last five years, are making possible enhanced service levels and information provision in the public libraries of every county.

This program provides support for Pennsylvania's public television network consisting of seven stations located throughout the Commonwealth and a central network facility. The system provides educational, cultural, public affairs and other programming to most areas of the Commonwealth. In addition to increased operating support, one million dollars is recommended to provide updating and

replacement of network equipment.

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

This program is charged with exhibiting and caring for the material culture of the Commonwealth and with providing adequate maintenance and conservation care so as to preserve them for future generations. This initiative in maintenance and preservation will allow the preservation of these historic facilities and assure that they will not be left to deteriorate until they are useless as exhibits and educational devices.

Funding is continued for operation and maintenance of the State Park system. A special emphasis has been undertaken, utilizing the Community Work Experience Program, to provide further park maintenance efforts. In addition two parts of the Federal Jobs Bill have been utilized fully to augment park operations through labor intensive development projects.

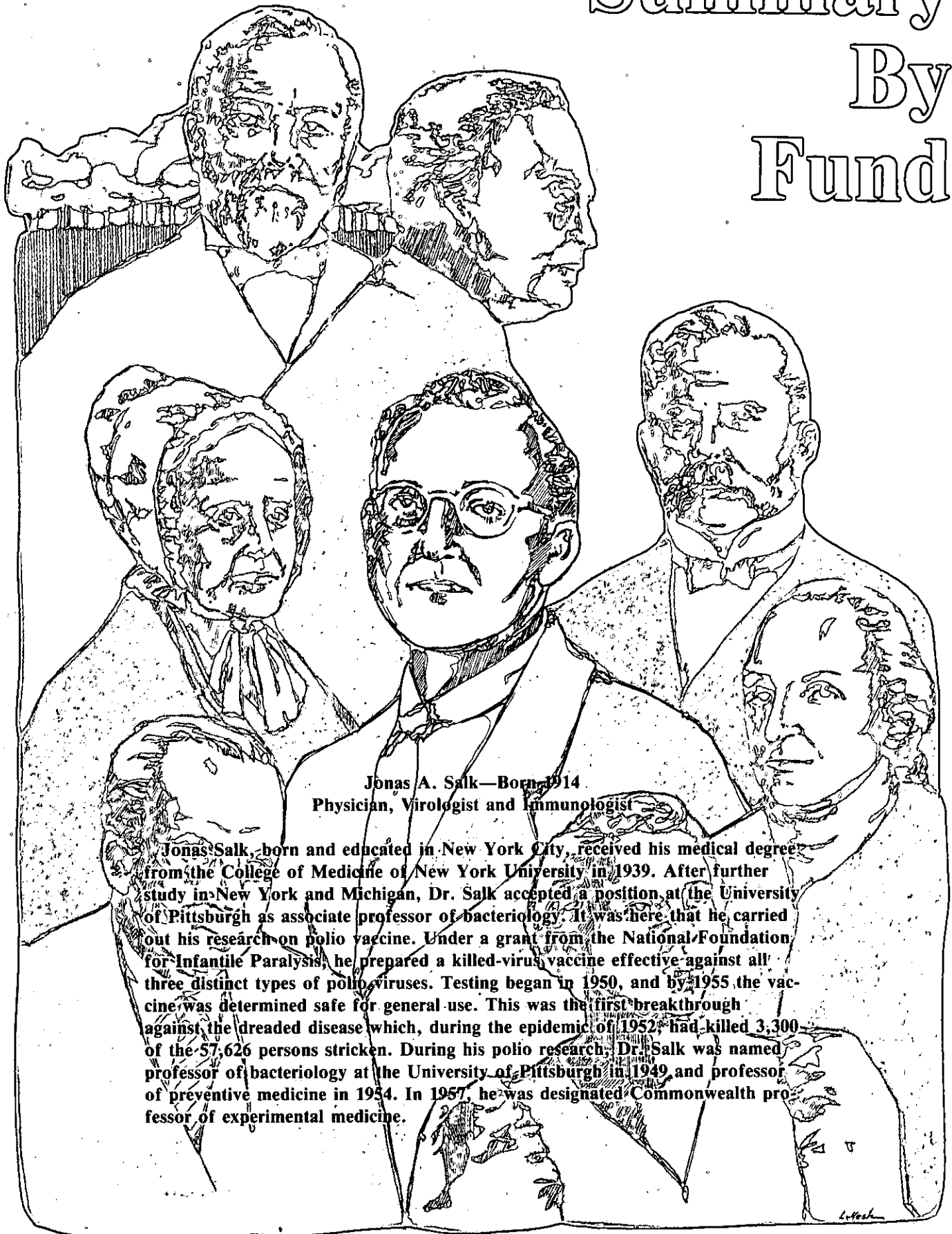
RECREATION AND CULTURAL ENRICHMENT

Contribution by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated		1988-89 Estimated
General Administration and Support	\$ 2,606	\$ 2,552	\$ 2,772	\$ 2,910	\$ 3,056	\$ 3,209	\$ 3,369
Recreation	\$ 93,512	\$ 100,008	\$ 98,206	\$ 102,645	\$ 105,242	\$ 107,760	\$ 111,852
Management of Recreation Areas and Facilities	36,471	37,370	37,809	39,315	39,801	40,213	41,534
Recreational Hunting	31,867	34,545	31,168	32,713	34,185	35,672	37,329
Recreational Fishing and Boating	18,640	21,188	22,097	23,184	24,025	25,022	26,174
Local Recreation Areas and Facilities ...	6,534	6,905	7,132	7,433	7,231	6,853	6,815
Cultural Enrichment	\$ 40,685	\$ 43,356	\$ 48,136	\$ 49,703	\$ 52,073	\$ 54,334	\$ 56,663
Development and Promotion of Penn- sylvania State and Local History	340	374	389	408	428	449	471
Museum Development and Operation ...	7,959	8,092	8,425	8,705	9,016	9,331	9,629
Development and Preservation of Historic Sites and Properties	2,659	2,806	3,550	3,896	4,249	4,457	4,710
State Library Services	17,547	19,626	21,015	22,184	23,394	24,613	25,844
Development of Artists and Audiences ..	4,756	4,759	5,585	5,614	5,645	5,677	5,711
Public Television Services	7,424	7,699	9,172	8,896	9,341	9,807	10,298
Program Total	<u>\$ 136,803</u>	<u>\$ 145,916</u>	<u>\$ 149,114</u>	<u>\$ 155,258</u>	<u>\$ 160,371</u>	<u>\$ 165,303</u>	<u>\$ 171,884</u>

Summary By Fund



Jonas A. Salk—Born 1914
Physician, Virologist and Immunologist

Jonas Salk, born and educated in New York City, received his medical degree from the College of Medicine of New York University in 1939. After further study in New York and Michigan, Dr. Salk accepted a position at the University of Pittsburgh as associate professor of bacteriology. It was here that he carried out his research on polio vaccine. Under a grant from the National Foundation for Infantile Paralysis, he prepared a killed-virus vaccine effective against all three distinct types of polio viruses. Testing began in 1950, and by 1955 the vaccine was determined safe for general use. This was the first breakthrough against the dreaded disease which, during the epidemic of 1952, had killed 3,300 of the 57,626 persons stricken. During his polio research, Dr. Salk was named professor of bacteriology at the University of Pittsburgh in 1949, and professor of preventive medicine in 1954. In 1957, he was designated Commonwealth professor of experimental medicine.

GENERAL FUND

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

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

GENERAL FUND

Financial Statement

	(Dollar Amounts in Thousands)	
	1983-84	1984-85
Beginning Balance	\$ -234,658	\$ 3,089
Revenue:		
Official Estimate	\$8,221,238	\$8,577,900
Adjustment to Official Estimate	1,962	. . . .
Corporate Tax Reduction Proposal .....	. . . .	-16,600
Less Refunds Reserve	-80,800	-84,000
Accrued Revenue Unrealized	361,600	385,100
Less Revenues Accrued Previously	-322,900	-361,600
Total Revenue	<u>\$8,181,100</u>	<u>\$8,500,800</u>
Prior Year Lapses	40,000	. . . .
Funds Available	<u>\$7,986,442</u>	<u>\$8,503,889</u>
Expenditures:		
Appropriations	\$7,948,145	\$8,500,456
Supplemental Appropriations	94,208	. . . .
Less Current Year Lapses	-59,000	. . . .
Estimated Expenditures	<u>-7,983,353</u>	<u>-8,500,456</u>
Ending Balance	<u>\$ 3,089</u>	<u>\$ 3,433</u>

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

REVENUE REFUNDS

	1983-84 Estimated	1984-85 Budget
Department of Revenue		
Corporate Taxes	\$ 41,600	\$ 41,700
Sales and Use Tax	6,400	6,500
Personal Income Tax	29,000	32,000
Other Monies	3,800	3,800
Total Revenue Refunds	<u>\$ 80,800</u>	<u>\$ 84,000</u>

REVENUE REDUCTION PROPOSAL

	1983-84 Estimated	1984-85 Budget
Reduce the corporate net income tax rate, by nearly 10%, from 10.5% to 9.5% effective January 1, 1985	<u>.....</u>	<u>\$ -16,600</u>

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

SUPPLEMENTAL APPROPRIATIONS

	1983-84 Estimated
Executive Offices	
Compensation to Crime Victims	\$ 850
Treasury	
Law Enforcement Officers Death Benefits	\$ 200
Agriculture	
Avian Influenza	\$ 2,000
Corrections	
State Correctional Institutions	\$ 3,000
Education	
School Employes Social Security	\$ 5,500
Pupil Transportation	45,030
School Retirement	28,381
Tuition for Orphans and Children Placed in Private Homes.....	770
DEPARTMENT TOTAL	<u>\$ 79,681</u>
Health	
School Health Exams	\$ 423
Renal Disease	1,000
DEPARTMENT TOTAL	<u>\$ 1,423</u>
Military Affairs	
Veterans Assistance	\$ 400
Public Welfare	
Community Residential Services for the Mentally Retarded	\$ 3,697
Community Services for the Mentally Retarded	944
Medical Assistance — Capitation	-48,947 ^a
Medical Assistance — Outpatient	21,880
Medical Assistance — Inpatient	3,479
Long-Term Care Facilities	18,588
Supplemental Grants — Aged, Blind and Disabled	2,000
DEPARTMENT TOTAL	<u>\$ 1,641</u>
Revenue	
Public Utility Realty Tax Assistance	\$ 27
Securities Commission	
General Government Operations	\$ 140
Judiciary	
Superior Court	\$ 160
Courts of Common Pleas	2,200
Community Courts — District Justices	2,300
Philadelphia Traffic Court	36
Philadelphia Municipal Court	150
DEPARTMENT TOTAL	<u>\$ 4,846</u>
TOTAL DEFICIENCIES	<u>\$ 94,208</u>

^aOf this amount \$43,947,000 will be reallocated to the other Medical Assistance appropriations as indicated and \$5 million will be reappropriated for other items on this list.

GENERAL FUND

STATE FUNDS BY DEPARTMENT

The following is a summary, by department of 1982-83 actual expenditures, of 1983-84 amounts available and of 1984-85 amounts budgeted from the General Fund as presented in the budget.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Governor's Office.....	\$ 3,165	\$ 3,169	\$ 3,299
Executive Offices	42,659	45,239	52,492
Lieutenant Governor's Office	591	609	683
Attorney General	20,147	20,630	23,000
Department of the Auditor General	22,015	23,210	24,601
Treasury Department	263,576	295,203	326,114
Department of Aging.....	1,521	1,462	1,607
Department of Agriculture	18,856	29,496	21,810
State Civil Service Commission	1	1	1
Department of Commerce	40,500	61,300	80,747
Department of Community Affairs.....	18,095	31,060	18,698
Department of Corrections.....	149,067	159,943	184,430
Crime Commission.....	2,115	2,094	2,178
Department of Education	3,508,925	3,805,850	4,115,745
Emergency Management Agency	2,282	2,738	2,403
Department of Environmental Resources.....	112,740	118,560	133,768
Fish Commission	4	4	160
Department of General Services	110,900	105,825	112,433
Department of Health	108,680	119,341	120,946
Historical and Museum Commission	10,310	10,379	11,320
Insurance Department	6,983	7,069	7,452
Department of Labor and Industry	36,506	60,040	61,477
Department of Military Affairs	19,691	22,587	24,591
Milk Marketing Board.....	950	950	950
Department of Public Welfare.....	2,607,883	2,570,399	2,584,117
Department of Revenue	125,889	135,727	146,579
Securities Commission.....	1,500	1,691	1,975
Department of State	3,764	3,474	3,564
State Employees' Retirement System	1,157	1,157	9,879
State Police	54,613	55,553	59,919
Tax Equalization Board	887	929	966
Department of Transportation	155,570	173,280	179,918
Legislature	63,886	76,142	80,211
Judiciary.....	88,952	97,242	102,423
 TOTAL	 <u>\$7,604,380</u>	 <u>\$8,042,353</u>	 <u>\$8,500,456</u>

GENERAL FUND

FEDERAL FUNDS BY DEPARTMENT

The following is a summary of Federal Funds, by department, of 1982-83 expenditures, the 1983-84 amounts available and the 1984-85 amounts budgeted as presented in the General Fund budget. Excluded are revenue sharing monies which are shown in the special fund—Revenue Sharing Trust Fund. The General Assembly specifically appropriates Federal Funds by Federal source.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Executive Offices	\$ 8,482	\$ 16,395	\$ 15,012
Attorney General	1,565	1,861	1,808
Department of the Auditor General .....	.....	.....	586
Department of Aging	2,331	2,578	2,610
Department of Agriculture	922	6,642	4,181
Department of Commerce	437	5,085	3,625
Department of Community Affairs	63,072	131,944	124,068
Department of Corrections	321	291	181
Crime Commission	993	1,675	1,700
Department of Education	36,123	50,972	49,796
Emergency Management Agency	1,725	2,473	2,124
Department of Environmental Resources	39,231	77,571	102,601
Department of General Services	321	106	.....
Department of Health	79,569	111,225	93,966
Historical and Museum Commission	359	753	425
Department of Labor and Industry	37,348	175,122	180,725
Department of Military Affairs	1,061	2,167	1,891
Public Utility Commission	275	275	289
Department of Public Welfare	2,016,727	2,042,846	2,084,258
State Police	998	2,441	1,748
Department of Transportation	80,217	83,313	25,979
Judiciary	115	4	.....
TOTAL	<u>\$2,372,192</u>	<u>\$2,715,739</u>	<u>\$2,697,573</u>

GENERAL FUND

OTHER FUNDS BY DEPARTMENT

The following is a summary of Other Funds, by department, of 1982-83 expenditures, the 1983-84 amounts available and the 1984-85 amounts budgeted as presented in the General Fund budget.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Executive Offices	\$ 27,723	\$ 28,974	\$ 29,174
Attorney General	2,202	2,444	2,793
Department of the Auditor General	6,295	5,592	5,837
Treasury Department	656	929	926
Department of Aging .....	.....	15	.....
Department of Agriculture	674	979	979
State Civil Service Commission	6,211	6,624	7,023
Department of Commerce	1,182	1,237	1,292
Department of Community Affairs	1,550	1,796	2,625
Department of Corrections	652	700	722
Department of Education	14,324	1,735	76,370
Department of Environmental Resources	11,770	11,689	11,919
Department of General Services	11,259	13,881	14,894
Department of Health	11,722	16,075	16,963
Historical and Museum Commission	336	363	397
Insurance Department	272	345	395
Department of Labor and Industry	322	.....	.....
Department of Military Affairs	2,007	2,984	3,342
Public Utility Commission	20,526	21,543	22,405
Department of Public Welfare	128,931	145,468	154,408
Department of Revenue	5,168	7,975	7,961
Department of State	7,805	10,187	10,530
State Police	9,226	10,130	9,561
Department of Transportation	515	1,105	1,140
Legislature	7	5	5
Judiciary	776	669	615
TOTAL	\$ 272,111	\$ 293,444	\$ 382,276

Summary by Department and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Governor's Office			
General Government			
Governor's Office	\$ 3,165	\$ 3,169	\$ 3,299
DEPARTMENT TOTAL	<u>\$ 3,165</u>	<u>\$ 3,169</u>	<u>\$ 3,299</u>
Executive Offices			
General Government			
Governor's Action Center	\$ 599	\$ 608	\$ 632
Office of Administration	3,818	3,261	3,391
Office of the Budget	17,059	17,463	19,010
Audit of the Auditor General .....	.....	.....	130
Audit of the Commonwealth's Financial Statement .....	.....	.....	1,100
ICS Development	1,975	2,281	3,249
ICS Production .....	.....	.....	1,000
Data Communications Network	400	650	852
Office of Policy Development	544	555	827
Milrite Council	204	208	216
Human Relations Commission	4,538	4,544	4,867
Council on the Arts	561	562	585
Commission for Women	175	178	218
Governor's Energy Council	1,219	963	1,038
Commission on Crime and Delinquency	1,319	1,505	1,767
Office of General Counsel	1,391	1,486	1,545
Juvenile Court Judges Commission	372	372	387
Crime Victims Compensation Board	348	346	395
Health Facilities Hearing Board	154	166	173
Public Employe Retirement Study Commission	198	310	350
Distinguished Daughters	3	4	4
Rural Affairs Task Force .....	.....	500	125
Subtotal	<u>\$ 34,877</u>	<u>\$ 35,962</u>	<u>\$ 41,861</u>
Grants and Subsidies			
Grants to the Arts	\$ 4,195	\$ 4,197	\$ 5,000
Improvement of Juvenile Probation Services	2,300	2,392	2,631
Compensation to Crime Victims	1,287	2,000	2,500
Labor Management Committees .....	.....	500	500
Subtotal	<u>\$ 7,782</u>	<u>\$ 9,277</u>	<u>\$ 10,631</u>
TOTAL STATE FUNDS	<u>\$ 42,659</u>	<u>\$ 45,239</u>	<u>\$ 52,492</u>
Federal Funds	\$ 8,482	\$ 16,395	\$ 15,012
Other Funds	27,723	28,974	29,174
DEPARTMENT TOTAL	<u>\$ 78,864</u>	<u>\$ 90,608</u>	<u>\$ 96,678</u>

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

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Office of the Lieutenant Governor			
General Government			
Lieutenant Governor's Office	\$ 407	\$ 412	\$ 478
Board of Pardons	184	197	205
DEPARTMENT TOTAL	<u>\$ 591</u>	<u>\$ 609</u>	<u>\$ 683</u>
Attorney General			
General Government			
General Government Operations	\$ 20,147	\$ 20,630	\$ 23,000
TOTAL STATE FUNDS	<u>\$ 20,147</u>	<u>\$ 20,630</u>	<u>\$ 23,000</u>
Federal Funds	\$ 1,565	\$ 1,861	\$ 1,808
Other Funds	677	712	760
Other Funds—Restricted Revenue	1,525	1,732	2,033
DEPARTMENT TOTAL	<u>\$ 23,914</u>	<u>\$ 24,935</u>	<u>\$ 27,601</u>
Auditor General			
General Government			
Auditor General's Office	\$ 15,224	\$ 15,986	\$ 16,945
Public Assistance Audit	4,427	4,672	4,951
Scranton Office	1,722	1,719	1,822
Board of Claims	642	833	883
TOTAL STATE FUNDS	<u>\$ 22,015</u>	<u>\$ 23,210</u>	<u>\$ 24,601</u>
Federal Funds .....	.....	.....	\$ 586
Other Funds	\$ 6,295	\$ 5,592	5,837
DEPARTMENT TOTAL	<u>\$ 28,310</u>	<u>\$ 28,802</u>	<u>\$ 31,024</u>

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

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Treasury Department			
General Government			
State Treasurer's Office	\$ 11,413	\$ 11,529	\$ 12,221
Board of Finance and Revenue	906	896	931
Council of State Governments	106	106	106
Great Lakes Commission	23	26	26
Replacement Checks	185	70	257
National Conference of State Legislatures	110	119	126
Education Commission of the States	50	54	55
Advisory Commission on Intergovernmental Relations	4	4	4
National Governor's Association	69	78	84
Coalition of Northeast Governors	50	50	50
Northeast-Midwest Institute	25	40	40
Subtotal	<u>\$ 12,941</u>	<u>\$ 12,972</u>	<u>\$ 13,900</u>
Debt Service Requirements			
Interest Obligations — Penn State University .....	.....	\$ 15	\$ 16
Publishing Monthly Statements	\$ 26	26	28
Loan and Transfers Agent	86	150	183
Tax Note Expenses	129	160	168
Interest on Tax Anticipation Notes	44,265	43,892	45,000
Sinking Funds:			
Project 70 Land Acquisition	5,324	5,493	4,419
Land and Water Development	34,688	36,537	38,082
Capital Debt Fund	142,124	167,889	190,660
Vietnam Conflict Veterans' Compensation	4,608	4,598	4,595
Disaster Relief Redemption Fund	14,032	14,313	14,176
Nursing Home Loans	3,673	5,562	6,436
Volunteer Fire and Rescue Loan	1,280	2,746	3,114
Water Facilities Debt .....	.....	400	4,937
Subtotal	<u>\$ 250,235</u>	<u>\$ 281,781</u>	<u>\$ 311,814</u>
Grants and Subsidies			
Law Enforcement Officers' Death Benefit	\$ 400	\$ 450	\$ 400
Subtotal	<u>\$ 400</u>	<u>\$ 450</u>	<u>\$ 400</u>
TOTAL STATE FUNDS	<u>\$ 263,576</u>	<u>\$ 295,203</u>	<u>\$ 326,114</u>
Other Funds	\$ 656	\$ 929	\$ 926
DEPARTMENT TOTAL	<u>\$ 264,232</u>	<u>\$ 296,132</u>	<u>\$ 327,040</u>

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

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Department of Aging			
General Government			
General Government Operations	\$ 1,521	\$ 1,462	\$ 1,607
TOTAL STATE FUNDS	<u>\$ 1,521</u>	<u>\$ 1,462</u>	<u>\$ 1,607</u>
Federal Funds	\$ 2,331	\$ 2,578	\$ 2,610
Other Funds .....	.....	15	.....
DEPARTMENT TOTAL	<u>\$ 3,852</u>	<u>\$ 4,055</u>	<u>\$ 4,217</u>
 Department of Agriculture			
General Government			
General Government Operations	\$ 17,030	\$ 16,000	\$ 16,640
Food Distribution .....	.....	726	.....
Agricultural Development Commission .....	.....	.....	100
Agricultural Research	212	310	310
Agricultural Promotion	8	60	60
Poultry Research and Promotion .....	.....	.....	500
Subtotal	<u>\$ 17,250</u>	<u>\$ 17,096</u>	<u>\$ 17,610</u>
Grants and Subsidies			
Brucellosis Vaccination Program	\$ 150	\$ 150	\$ 150
Animal Indemnities	246	225	225
Avian Influenza .....	.....	2,000	.....
Transfer to State Farm Products Show Fund	1,000	1,000	1,000
Livestock Show	83	83	83
Open Dairy Show	66	66	66
Junior Dairy Show	28	28	28
4-H Club Shows	33	33	33
Emergency Food Program .....	.....	8,000	.....
Johne's Disease .....	.....	115	115
Transfer to Pennsylvania Fair Fund .....	.....	700	2,500
Subtotal	<u>\$ 1,606</u>	<u>\$ 12,400</u>	<u>\$ 4,200</u>
TOTAL STATE FUNDS	<u>\$ 18,856</u>	<u>\$ 29,496</u>	<u>\$ 21,810</u>
Federal Funds	\$ 922	\$ 6,642	\$ 4,181
Other Funds	674	979	979
DEPARTMENT TOTAL	<u>\$ 20,452</u>	<u>\$ 37,117</u>	<u>\$ 26,970</u>

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

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Civil Service Commission			
General Government			
General Government Operations	\$ 1	\$ 1	\$ 1
TOTAL STATE FUNDS	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
Other Funds	\$ 6,211	\$ 6,624	\$ 7,023
DEPARTMENT TOTAL	<u>\$ 6,212</u>	<u>\$ 6,625</u>	<u>\$ 7,024</u>
Department of Commerce			
General Government			
General Government Operations	\$ 5,588	\$ 5,500	\$ 5,972
Commercial Advertising	3,143	3,400	4,300
Subtotal	<u>\$ 8,731</u>	<u>\$ 8,900</u>	<u>\$ 10,272</u>
Grants and Subsidies			
Industrial Development Assistance	\$ 474	\$ 500	\$ 500
Pennsylvania Industrial Development Authority	15,000	15,000	20,000
Site Development	985	1,000	2,000
Local Development District Grants	88	100	400
Appalachian Regional Commission	473	550	500
Minority Business Development Authority	2,000	2,000	3,000
Community Facilities	1,000	6,000	2,500
Small Business Assistance	474	250	500
Minority Business Technical Assistance .....	.....	250	250
J & L Site Development .....	.....	1,000	.....
Ben Franklin Partnership	1,350	10,350	20,000
Pennsylvania Energy Development Authority .....	.....	500	2,000
Three Mile Island Clean-Up	5,000	5,000	5,000
Labor/Management Resource Center .....	.....	.....	500
Pennsylvania Capital Loan Program .....	.....	.....	2,000
Economic Recovery Program .....	.....	.....	1,000
Enterprise Development .....	.....	.....	5,000
Tourist Promotion Assistance	3,300	3,500	3,700
Port of Philadelphia	1,000	3,000	1,000
Port of Erie	375	1,650	375
Port of Pittsburgh	250	1,750	250
Subtotal	<u>\$ 31,769</u>	<u>\$ 52,400</u>	<u>\$ 70,475</u>
TOTAL STATE FUNDS	<u>\$ 40,500</u>	<u>\$ 61,300</u>	<u>\$ 80,747</u>
Federal Funds	\$ 437	\$ 5,085	\$ 3,625
Other Funds	1,182	1,237	1,292
DEPARTMENT TOTAL	<u>\$ 42,119</u>	<u>\$ 67,622</u>	<u>\$ 85,664</u>

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

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Department of Community Affairs			
General Government			
General Government Operations	\$ 6,833	\$ 6,974	\$ 7,587
Grants and Subsidies			
Community and Economic Development	\$ 750	.....	.....
Community Conservation and Youth Employment	2,707	\$ 2,736	\$ 2,736
Housing and Redevelopment Assistance	7,500	16,000	4,000
Enterprise Development .....	.....	.....	4,000
Regional Councils	150	150	200
Planning Assistance	100	100	100
Flood Plain Management	55	100	75
Transfer to PHFA—Homeowners Emergency Assistance .....	.....	5,000	.....
Subtotal	<u>\$ 11,262</u>	<u>\$ 24,086</u>	<u>\$ 11,111</u>
TOTAL STATE FUNDS	<u>\$ 18,095</u>	<u>\$ 31,060</u>	<u>\$ 18,698</u>
Federal Funds	\$ 63,072	\$ 131,944	\$ 124,068
Other Funds	1,550	1,796	2,625
DEPARTMENT TOTAL	<u>\$ 82,717</u>	<u>\$ 164,800</u>	<u>\$ 145,391</u>
 Department of Corrections			
General Government			
General Government Operations	\$ 17,435	\$ 17,820	\$ 19,620
Institutional			
State Correctional Institutions	\$ 128,664	\$ 139,035	\$ 161,410
Grants and Subsidies			
Improvement of Adult Probation Services	\$ 2,968	\$ 3,088	\$ 3,400
TOTAL STATE FUNDS	<u>\$ 149,067</u>	<u>\$ 159,943</u>	<u>\$ 184,430</u>
Federal Funds	\$ 321	\$ 291	\$ 181
Other Funds	652	700	722
DEPARTMENT TOTAL	<u>\$ 150,040</u>	<u>\$ 160,934</u>	<u>\$ 185,333</u>
 Crime Commission			
General Government			
Crime Commission	\$ 2,115	\$ 2,094	\$ 2,178
TOTAL STATE FUNDS	<u>\$ 2,115</u>	<u>\$ 2,094</u>	<u>\$ 2,178</u>
Federal Funds	\$ 993	\$ 1,675	\$ 1,700
DEPARTMENT TOTAL	<u>\$ 3,108</u>	<u>\$ 3,769</u>	<u>\$ 3,878</u>

Summary by Department and Appropriation
(continued)

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Department of Education			
General Government			
General Government Operations	\$ 15,822	\$ 14,300	\$ 14,872
Teacher Preparation and Certification			500
State Library	2,235	2,262	2,583
Pennsylvania Public Television Network—Operations	4,787	4,952	6,150
Pennsylvania Public Television Network—Programs	2,637	2,747	3,022
Youth Development Centers Education	3,488	3,618	3,618
Correctional Institution Education	2,454	2,465	3,081
Total—General Government	\$ 31,423	\$ 30,344	\$ 33,826
Debt Service Requirements			
General State Authority Rentals — State-Aided Institutions	\$ 3,612	\$ 3,629	\$ 3,768
Institutional			
Scranton State School for the Deaf	\$ 2,408	\$ 2,414	\$ 2,572
Scotland School for Veterans' Children	5,290	5,511	5,731
Thaddeus Stevens State School	2,363	2,382	2,487
Total—Institutional	\$ 10,061	\$ 10,307	\$ 10,790
Grants and Subsidies			
<i>Support of Public Schools</i>			
Equalized Subsidy for Basic Education	\$1,627,800	\$1,767,800	\$1,891,546
Strengthening Curricula			10,000
Testing for Literacy Skills			28,000
Excellence in Teaching Awards			10,000
Adult Literacy			1,000
Vocational Education	23,850	36,260	37,223
Authority Rentals and Sinking Fund Requirements	145,000	137,646	143,150
Pupil Transportation	135,070	189,995	163,403
Pupil Transportation Special Education	15,830	16,210	21,669
Nonpublic Pupil Transportation	6,000	7,378	6,233
Special Education	200,080	216,677	234,519
Homebound Instruction	521	625	525
Tuition for Orphans and Children Placed in Private Homes	11,000	11,470	11,744
Payments in Lieu of Taxes	50	50	53
Education of Migrant Laborers' Children	141	147	157
Education of the Disadvantaged	1,000	1,000	1,000
Special Education—Approved Private Schools	36,611	38,076	40,741
Higher Education of Blind or Deaf Students	50	50	50
Intermediate Units	9,562	9,562	9,944
School Food Services	11,026	10,715	10,844
School Employes' Social Security	105,900	119,300	131,000
School Employes' Retirement Fund:			
Contingent Reserve and Supplemental Accounts	277,552	313,813	356,370
Pension Increase for Retired Teachers			11,500
Former Teachers' Account	2	5	2
State Schools and Hospitals—Education	15,676	16,071	17,195
Private Residential Rehabilitation Institutions	186	186	186
Philadelphia Settlement	24,000		
School District Payments—Racing			3,500
Education of Indigent Children	100	100	100
Subtotal—Support of Public Schools	\$2,647,007	\$2,893,136	\$3,141,654

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

Department of Education (continued)	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Grants and Subsidies (continued)			
<i>Other Grants and Subsidies:</i>			
JTPA - Matching Funds		\$ 4,900	\$ 6,000
Services to Nonpublic Schools	\$ 30,643	32,157	34,218
Textbooks for Nonpublic Schools	7,406	7,450	7,413
Student Supplies for Nonpublic Schools	3,453	3,652	3,707
Improvement of Library Services	14,000	16,000	17,000
Library Services for Blind and Handicapped	1,312	1,364	1,432
Educational Radio and Television Grants	300	300	500
Community Colleges—Capital and Operating	64,066	82,792	88,426
Higher Education of the Disadvantaged	4,868	5,112	5,470
State System of Higher Education	230,444	235,053	251,507
Transfer to Higher Education Assistance Agency:			
Grants	80,147	80,147	85,757
Student Aid Funds—Matching	2,120	2,120	2,268
Administration—Loans and Grants	1,500	250	250
Institutional Assistance Grants	15,400	16,016	17,137
Conservatory Leadership School	60	30	30
Ethnic Heritage	100	100	100
Pennsylvania School for the Sciences	100	150	200
Governor's School for the Arts	268	268	279
Governor's School for International Studies			75
Math and Science Instructional Development		300	400
Desegregation Compliance — Cheyney		1,500	2,472
Medical Training		2,500	
Commonwealth Scholarship Fund			258
Subtotal—Other Grants and Subsidies	\$ 456,187	\$ 492,161	\$ 524,899
<i>State-Related Universities:</i>			
Pennsylvania State University—Educational and General	\$ 106,608	\$ 110,801	\$ 118,557
Pennsylvania State University—Research	9,550	9,932	10,627
Pennsylvania State University—Medical Programs	3,039	3,160	3,381
Pennsylvania State University—Agricultural Research	11,366	11,820	12,647
Pennsylvania State University—Agricultural Extension Services	9,618	10,002	10,702
Pennsylvania State University—Elizabethtown Hospital	3,200	3,328	3,561
Pennsylvania State University—Soil Survey	100	100	100
Pennsylvania State University—Recruitment of Disadvantaged		200	200
Pennsylvania State University—Buhl—Henderson Library		25	
Subtotal Penn State University	\$ 143,481	\$ 149,368	\$ 159,775
University of Pittsburgh—Educational and General	\$ 72,651	\$ 75,438	\$ 80,719
University of Pittsburgh—Medical Programs	4,285	4,456	4,768
University of Pittsburgh—Dental Clinics	724	752	805
University of Pittsburgh—Titusville Campus	575	598	640
University of Pittsburgh—Recruitment of Disadvantaged		200	200
Subtotal University of Pittsburgh	\$ 78,235	\$ 81,444	\$ 87,132
Temple University—Educational and General	\$ 78,155	\$ 81,160	\$ 86,841
Temple University—Medical Programs	5,704	5,932	6,347
Temple University—Dental Clinics	724	752	805
Temple University—Hospital	2,500	2,500	2,500
Temple University—Maxillofacial Prosthodontics		50	
Temple University—Recruitment of Disadvantaged		200	200
Subtotal Temple University	\$ 87,083	\$ 90,594	\$ 96,693

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

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Department of Education (continued)			
Grants and Subsidies (continued)			
<i>State-Related Universities: (continued)</i>			
Lincoln University—Educational and General	\$ 4,258	\$ 4,422	\$ 4,816
Lincoln University—Human Services	183	190	203
Lincoln University—Desegregation .....	. . . .	1,000	1,000
Lincoln University—Recruitment of Disadvantaged .....	. . . .	200	200
Subtotal Lincoln University	<u>\$ 4,441</u>	<u>\$ 5,812</u>	<u>\$ 6,219</u>
<i>Non-State-Related Universities and Colleges:</i>			
Delaware Valley College of Science and Agriculture	\$ 307	\$ 307	\$ 307
Drexel University	4,079	4,242	4,242
Hahnemann Medical College—Medical Programs	3,532	3,673	3,930
Hahnemann Medical College—Allied Health Programs	175	175	175
Thomas Jefferson University—Medical Programs	4,206	4,374	4,680
Thomas Jefferson University—Allied Health Programs	1,886	1,886	1,886
The Medical College of Pennsylvania—Medical Programs	2,091	2,174	2,326
The Medical College of Pennsylvania—Allied Health Programs	258	258	258
University of Pennsylvania—Instruction	11,375	11,728	11,728
University of Pennsylvania—Dental Clinics	724	752	805
University of Pennsylvania—Medical Programs	3,116	3,240	3,467
University of Pennsylvania—School of Veterinary Medicine	5,427	5,644	6,039
University of Pennsylvania—New Bolton	1,500	1,560	1,669
University of Pennsylvania—Food and Animal Clinics	750	780	780
Pennsylvania College of Podiatric Medicine	742	742	794
Pennsylvania College of Optometry	905	905	968
Philadelphia College of Art	461	461	461
Philadelphia College of Osteopathic Medicine	3,800	3,952	4,229
Philadelphia College of Textiles and Science	405	405	405
Philadelphia College of Performing Arts	107	107	107
Subtotal Non-State-Related Universities and Colleges	<u>\$ 45,846</u>	<u>\$ 47,365</u>	<u>\$ 49,256</u>
<i>Non-State-Related Institutions:</i>			
Berean Training and Industrial School—Maintenance	\$ 559	\$ 600	\$ 624
Berean Training and Industrial School—Rental Payments	100	100	102
Downingtown Industrial and Agricultural School—Maintenance	687	687	715
Downingtown Industrial and Agricultural School—Debts .....	. . . .	100	81
Johnson School of Technology	148	148	154
Williamson Free School of Mechanical Trades	55	55	57
Subtotal Non-State-Related Institutions	<u>\$ 1,549</u>	<u>\$ 1,690</u>	<u>\$ 1,733</u>
Total—Grants and Subsidies	<u>\$3,463,829</u>	<u>\$3,761,570</u>	<u>\$4,067,361</u>
Total State Funds—General Fund	<u><u>\$3,508,925</u></u>	<u><u>\$3,805,850</u></u>	<u><u>\$4,115,745</u></u>
Federal Funds	\$ 36,123	\$ 50,972	\$ 49,796
Other Funds	14,324	1,735	1,370
Other Funds — Restricted Revenue .....	. . . .	. . . .	75,000
DEPARTMENT TOTAL	<u><u>\$3,559,372</u></u>	<u><u>\$3,858,557</u></u>	<u><u>\$4,241,911</u></u>

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

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Emergency Management Agency			
General Government			
General Government Operations	\$ 1,594	\$ 1,675	\$ 1,675
Office of Fire Safety	688	728	728
Subtotal	<u>\$ 2,282</u>	<u>\$ 2,403</u>	<u>\$ 2,403</u>
Grants and Subsidies			
Flood and Storm Damage — Allentown .....	.....	\$ 335	.....
TOTAL STATE FUNDS	<u>\$ 2,282</u>	<u>\$ 2,738</u>	<u>\$ 2,403</u>
Federal Funds	\$ 1,725	\$ 2,473	\$ 2,124
DEPARTMENT TOTAL	<u>\$ 4,007</u>	<u>\$ 5,211</u>	<u>\$ 4,527</u>
Department of Environmental Resources			
General Government			
General Government Operations	\$ 6,700	\$ 6,703	\$ 7,728
Electronic Data Processing Support .....	.....	.....	3,557
Office of Resources Management	13,091	12,200	13,087
Floodwall Repair/Replacement—Danville	47	.....	.....
Chesapeake Bay Agricultural Source Abatement .....	.....	.....	900
Deep Mine Safety	2,674	2,810	2,922
Office of Protection	28,982	29,698	31,653
Hazardous Waste Control	999	3,000	5,100
Canonsburg Remedial Action .....	.....	991	1,143
Black Fly Control .....	.....	100	100
State Forestry Operations	10,285	11,004	11,339
Gypsy Moth and Other Insect Control	2,932	2,253	2,180
Study of Flora .....	.....	150	.....
State Parks	25,339	26,035	26,873
Subtotal	<u>\$ 91,049</u>	<u>\$ 94,944</u>	<u>\$ 106,582</u>
Grants and Subsidies			
Flood Control Projects	\$ 200	\$ 220	\$ 220
Storm Water Management Grants .....	.....	.....	250
Sewage Facilities Planning Grants	500	500	500
Sewage Facilities Enforcement Grants	1,171	1,650	825
Sewage Treatment Plant Operations Grants	15,953	16,800	8,550
Sewage Facilities Construction Grants .....	.....	.....	9,375
Solid Waste Disposal Planning Grants	489	600	800
Resource Recovery Grants .....	.....	.....	3,000
Delaware River Master	41	41	43
Ohio River Basin Commission .....	.....	15	15
Susquehanna River Basin Commission	225	230	230
Interstate Commission on the Potomac River Basin	18	21	21
Delaware River Basin Commission	604	639	669
Ohio River Valley Water Sanitation Commission	88	88	90
Small Watershed Projects	91	100	100
Local Soil and Water District Assistants	250	750	750
Interstate Mining Commission	10	10	10
Emergency Mine Subsidence Relief .....	.....	75	.....

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

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Department of Environmental Resources (continued)			
Grants and Subsidies (continued)			
Annual Fixed Charges — Flood Lands	\$ 12	\$ 13	\$ 13
Annual Fixed Charges — Project 70	6	10	12
Annual Fixed Charges — Forest Lands	772	788	1,213
Slippery Rock State College Utilities	761	300	.....
Rockview State Correctional Institution Utilities .....	.....	266	.....
Vector Control	500	500	500
Subtotal	<u>\$ 21,691</u>	<u>\$ 23,616</u>	<u>\$ 27,186</u>
TOTAL STATE FUNDS	<u><u>\$ 112,740</u></u>	<u><u>\$ 118,560</u></u>	<u><u>\$ 133,768</u></u>
Federal Funds	\$ 39,231	\$ 77,571	\$ 102,601
Other Funds	11,770	11,689	11,919
DEPARTMENT TOTAL	<u><u>\$ 163,741</u></u>	<u><u>\$ 207,820</u></u>	<u><u>\$ 248,288</u></u>
 Fish Commission			
Grants and Subsidies			
Atlantic States Marine Fisheries Commission	\$ 4	\$ 4	\$ 4
Transfer to Fish Fund—Free Fishing Licenses .....	.....	.....	156
DEPARTMENT TOTAL	<u><u>\$ 4</u></u>	<u><u>\$ 4</u></u>	<u><u>\$ 160</u></u>
 Department of General Services			
General Government			
General Government Operations	\$ 39,644	\$ 39,588	\$ 42,363
Harristown Rental Charges	8,148	7,939	7,837
Utility Costs	6,644	7,457	8,060
Harristown Utility and Municipal Charges	4,596	5,160	5,469
Replacement of Fleet Vehicles	530	.....	.....
Printing and Distribution of the Pennsylvania Manual	160	.....	165
Minority Contractors Information Center .....	.....	100	100
Subtotal	<u>\$ 59,722</u>	<u>\$ 60,244</u>	<u>\$ 63,994</u>
Debt Service Requirements			
General State Authority Rentals	\$ 47,053	\$ 43,331	\$ 43,189
Grants and Subsidies			
Capitol Fire Protection	\$ 125	\$ 250	\$ 250
Tort Claims Payments	4,000	2,000	3,000
Subtotal	<u>\$ 4,125</u>	<u>\$ 2,250</u>	<u>\$ 3,250</u>
Capital Improvements			
Energy Conservation Projects .....	.....	.....	\$ 2,000
TOTAL STATE FUNDS	<u><u>\$ 110,900</u></u>	<u><u>\$ 105,825</u></u>	<u><u>\$ 112,433</u></u>
Federal Funds	\$ 321	\$ 106	.....
Other Funds	11,259	13,881	\$ 14,894
DEPARTMENT TOTAL	<u><u>\$ 122,480</u></u>	<u><u>\$ 119,812</u></u>	<u><u>\$ 127,327</u></u>

Summary by Department and Appropriation
(continued)

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Department of Health			
General Government			
General Government Operations	\$ 11,661	\$ 11,386	\$ 11,845
TMI — Health Studies	332	327	340
Quality Assurance	3,792	3,660	3,865
Vital Statistics	3,843	3,831	3,981
State Laboratory	2,592	2,740	2,850
State Health Care Centers	13,322	13,293	13,825
Vietnam Herbicides .....	.....	150	200
Diabetes Task Force .....	.....	208	217
Subtotal	<u>\$ 35,542</u>	<u>\$ 35,595</u>	<u>\$ 37,123</u>
Grants and Subsidies			
School Health Examinations	\$ 19,320	\$ 18,923	\$ 18,702
Local Health Departments	12,717	18,165	18,020
Local Health Environmental	3,273	3,291	3,291
Maternal and Child Health	742	772	803
Special Supplemental Food Program for Women, Infants and Children (WIC)	1,385	.....	.....
Emergency Health Services	1,612	1,773	1,844
Hemophilia Services	1,248	1,384	1,384
Sickle Cell Anemia	593	700	728
Cooley's Anemia	174	212	212
Renal Disease	4,195	5,166	6,527
Home Ventilators	371	371	386
Coalworker's Pneumoconiosis	601	632	632
Spina Bifida	544	750	750
Adult Cystic Fibrosis	144	194	194
Screening and Treatment — Venereal Disease	350	379	394
Screening and Treatment — Tuberculosis	573	596	620
Assistance to Drug and Alcohol Programs	23,498	24,440	25,418
Cancer Program .....	.....	3,925	2,000
The Institute for Cancer Research, Fox Chase, Philadelphia ..	418	418	435
The Wistar Institute — Research, Philadelphia	200	200	208
Lupus Disease — Research	80	80	80
Cardiovascular Studies — University of Pennsylvania	60	60	62
Cardiovascular Studies — St. Francis Hospital, Pittsburgh ..	60	60	62
Central Pennsylvania Oncology Group	100	100	104
Burn Foundation of Greater Delaware Valley	155	155	161
Sunshine Foundation .....	.....	75	.....
United Neighborhood Facilities — Erie .....	.....	150	.....
Keystone State Games .....	.....	50	52
Cerebral Palsy — St. Christopher's Hospital, Philadelphia ..	575	575	598
Cleft Palate Clinic — Lancaster	50	50	52
Cleft Palate Clinic — Pittsburgh	50	50	52
Tay Sachs Disease — Jefferson Medical College	50	50	52
Subtotal	<u>\$ 73,138</u>	<u>\$ 83,746</u>	<u>\$ 83,823</u>
TOTAL STATE FUNDS	<u>\$ 108,680</u>	<u>\$ 119,341</u>	<u>\$ 120,946</u>
Federal Funds	\$ 79,569	\$ 111,225	\$ 93,966
Other Funds	11,722	16,075	16,963
DEPARTMENT TOTAL	<u>\$ 199,971</u>	<u>\$ 246,641</u>	<u>\$ 231,875</u>

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

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Historical and Museum Commission			
General Government			
General Government Operations	\$ 8,975	\$ 9,054	\$ 9,916
Grants and Subsidies			
State-aided Museums	\$ 1,335	\$ 1,325	\$ 1,404
TOTAL STATE FUNDS	<u>\$ 10,310</u>	<u>\$ 10,379</u>	<u>\$ 11,320</u>
Federal Funds	\$ 359	\$ 753	\$ 425
Other Funds	336	363	397
DEPARTMENT TOTAL	<u>\$ 11,005</u>	<u>\$ 11,495</u>	<u>\$ 12,142</u>
Insurance Department			
General Government			
General Government Operations	\$ 6,983	\$ 7,069	\$ 7,452
TOTAL STATE FUNDS	<u>\$ 6,983</u>	<u>\$ 7,069</u>	<u>\$ 7,452</u>
Other Funds	\$ 272	\$ 345	\$ 395
DEPARTMENT TOTAL	<u>\$ 7,255</u>	<u>\$ 7,414</u>	<u>\$ 7,847</u>
Department of Labor and Industry			
General Government			
General Government Operations	\$ 13,588	\$ 13,820	\$ 14,370
Debt Service Requirements			
Unemployment Compensation Interest .....	.....	\$ 18,000	\$ 17,000
Grants and Subsidies			
Occupational Disease Payments	\$ 9,981	\$ 10,088	\$ 9,390
Transfer to Vocational Rehabilitation Fund	10,400	10,400	12,400
Workmen's Compensation Payments	1,137	1,107	1,129
Work Incentive Program	300	.....	.....
Transfer to Office of Employment Security	1,100	1,100	1,100
Job Training Partnership .....	.....	5,525	6,088
Subtotal	<u>\$ 22,918</u>	<u>\$ 28,220</u>	<u>\$ 30,107</u>
TOTAL STATE FUNDS	<u>\$ 36,506</u>	<u>\$ 60,040</u>	<u>\$ 61,477</u>
Federal Funds	\$ 37,348	\$ 175,122	\$ 180,725
Other Funds	322	.....	.....
DEPARTMENT TOTAL	<u>\$ 74,176</u>	<u>\$ 235,162</u>	<u>\$ 242,202</u>

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

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Department of Military Affairs			
General Government			
General Government Operations	\$ 9,423	\$ 10,030	\$ 11,081
Feasibility Study — Third Veterans Home	3	75	3
American Battle Monuments	3	3	3
Armory Maintenance and Repair	482	500	750
Subtotal	<u>\$ 9,908</u>	<u>\$ 10,608</u>	<u>\$ 11,834</u>
Institutional			
Erie Soldiers and Sailors Home	\$ 2,436	\$ 2,483	\$ 2,632
Hollidaysburg Veterans Home	5,925	7,815	8,284
Subtotal	<u>\$ 8,361</u>	<u>\$ 10,298</u>	<u>\$ 10,916</u>
Grants and Subsidies			
Education of Veterans Children	\$ 66	\$ 75	\$ 75
Education — National Guard	250	250	295
Veterans Assistance	900	1,150	1,265
Blind Veterans Pension	186	186	186
National Guard Pension	20	20	20
Subtotal	<u>\$ 1,422</u>	<u>\$ 1,681</u>	<u>\$ 1,841</u>
TOTAL STATE FUNDS	<u>\$ 19,691</u>	<u>\$ 22,587</u>	<u>\$ 24,591</u>
Federal Funds	\$ 1,061	\$ 2,167	\$ 1,891
Other Funds	2,007	2,984	3,342
DEPARTMENT TOTAL	<u>\$ 22,759</u>	<u>\$ 27,738</u>	<u>\$ 29,824</u>
 Milk Marketing Board			
General Government			
Transfer to Milk Marketing Board	\$ 950	\$ 950	\$ 950
DEPARTMENT TOTAL	<u>\$ 950</u>	<u>\$ 950</u>	<u>\$ 950</u>
 Public Utility Commission			
General Government			
Federal Funds	\$ 275	\$ 275	\$ 289
Other Funds—Restricted Revenue	20,526	21,543	22,405
DEPARTMENT TOTAL	<u>\$ 20,801</u>	<u>\$ 21,818</u>	<u>\$ 22,694</u>

Summary by Department and Appropriation
(continued)

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Department of Public Welfare			
General Government			
General Government Operations	\$ 19,886	\$ 19,200	\$ 18,900
Monitoring Community Residential Contracts .....	. . . .	100	404
Information Systems	15,308	17,500	23,721
County Assistance Offices	139,233	135,500	146,188
County Administration — Statewide	19,482	24,500	27,265
Program Accountability	6,503	6,633	8,137
Pennsylvania Employment Program	5,379	5,690	6,547
Services for the Visually Handicapped	2,647	2,558	. . . .
Subtotal	<u>\$ 208,438</u>	<u>\$ 211,681</u>	<u>\$ 231,162</u>
Institutional			
Youth Development Institutions and Forestry Camps	\$ 29,735	\$ 31,534	\$ 27,849
State General Hospitals	1,159	1,200	1,200
State Mental Hospitals	288,813	293,254	305,881
State Centers for the Mentally Retarded	131,923	130,742	122,661
Subtotal	<u>\$ 451,630</u>	<u>\$ 456,730</u>	<u>\$ 457,591</u>
Grants and Subsidies			
Cash Grants	\$ 645,968	\$ 583,412	\$ 559,222
Public Assistance — Transportation Block Grant .....	. . . .	7,000	9,300
Medical Assistance — Outpatient	192,312	210,080	208,030
Medical Assistance — Inpatient	418,453	443,030	455,970
Medical Assistance — Capitation Program	1,332	8,201	42,125
Long-Term Care Facilities	224,289	135,588	124,377
Intermediate Care Facilities — Mentally Retarded	24,000	24,581	28,515
Supplemental Security Income	56,950	59,882	63,408
Community Mental Health Services	88,915	92,488	98,035
Eastern Pennsylvania Psychiatric Institute	6,195	6,395	6,651
Community Based Services for the Mentally Retarded	58,056	60,111	48,593
Community Residential Services — Mentally Retarded	100,244	109,371	113,519
Philadelphia Association for Retarded Citizens	200	200	208
Beacon Lodge Camp — Blind Services	30	30	31
Residential Homes for the Blind .....	. . . .	30	. . . .
County Child Welfare Programs	104,464	133,644	108,644
Day Care Services	15,982	16,660	17,000
Arsenal Family and Children's Center — Pittsburgh	100	100	104
Home for Crippled Children — Pittsburgh	500	500	520
Childrens Heart Hospital — Philadelphia	940	1,190	1,238
Western Psychiatric Institute and Clinic	5,600	5,900	6,136
Adult Services Block Grant	1,785	1,785	1,856
Domestic Violence and Rape Crisis	1,500	1,810	1,882
Subtotal	<u>\$1,947,815</u>	<u>\$1,901,988</u>	<u>\$1,895,364</u>
TOTAL STATE FUNDS	<u>\$2,607,883</u>	<u>\$2,570,399</u>	<u>\$2,584,117</u>
Federal Funds	\$2,016,727	\$2,042,846	\$2,084,258
Other Funds	128,931	145,468	154,408
DEPARTMENT TOTAL	<u>\$4,753,541</u>	<u>\$4,758,713</u>	<u>\$4,822,783</u>

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

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Department of Revenue			
General Government			
General Government Operations	\$ 62,173	\$ 64,000	\$ 66,260
Commissions — Inheritance and Realty Transfer Tax Collections	1,347	1,700	1,700
Subtotal	<u>\$ 63,520</u>	<u>\$ 65,700</u>	<u>\$ 67,960</u>
Grants and Subsidies			
Distribution of Public Utility Realty Tax	\$ 62,369	\$ 70,027	\$ 78,619
TOTAL STATE FUNDS	<u>\$ 125,889</u>	<u>\$ 135,727</u>	<u>\$ 146,579</u>
Other Funds	5,168	7,975	7,961
DEPARTMENT TOTAL	<u>\$ 131,057</u>	<u>\$ 143,702</u>	<u>\$ 154,540</u>
 Securities Commission			
General Government			
General Government Operations	\$ 1,500	\$ 1,691	\$ 1,975
DEPARTMENT TOTAL	<u>\$ 1,500</u>	<u>\$ 1,691</u>	<u>\$ 1,975</u>
 Department of State			
General Government			
General Government Operations	\$ 3,295	\$ 3,035	\$ 3,140
Publishing Constitutional Amendments	16	60	60
Electoral College Expenses .....	.....	.....	6
Subtotal	<u>\$ 3,311</u>	<u>\$ 3,095</u>	<u>\$ 3,206</u>
Grants and Subsidies			
Voting of Citizens in Military Service	\$ 4	\$ 8	\$ 8
Voter Registration by Mail	349	350	350
County Election Expenses	100	21	.....
Subtotal	<u>\$ 453</u>	<u>\$ 379</u>	<u>\$ 358</u>
TOTAL STATE FUNDS	<u>\$ 3,764</u>	<u>\$ 3,474</u>	<u>\$ 3,564</u>
Other Funds	\$ 7,805	\$ 10,187	\$ 10,530
DEPARTMENT TOTAL	<u>\$ 11,569</u>	<u>\$ 13,661</u>	<u>\$ 14,094</u>

Summary by Department and Appropriation
(continued)

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Employees' Retirement System			
Grants and Subsidies			
National Guard — Employer Contribution	\$ 1,157	\$ 1,157	\$ 1,379
Pension Increase for Annuitants .....	.....	.....	8,500
DEPARTMENT TOTAL	<u>\$ 1,157</u>	<u>\$ 1,157</u>	<u>\$ 9,879</u>
State Police			
General Government			
General Government Operations	\$ 53,286	\$ 54,234	\$ 58,534
Municipal Police Training	1,253	1,206	1,267
In-Service Training of Municipal Police	74	113	118
TOTAL STATE FUNDS	<u>\$ 54,613</u>	<u>\$ 55,553</u>	<u>\$ 59,919</u>
Federal Funds	\$ 998	\$ 2,441	\$ 1,748
Other Funds	9,226	10,130	9,561
DEPARTMENT TOTAL	<u>\$ 64,837</u>	<u>\$ 68,124</u>	<u>\$ 71,228</u>
Tax Equalization Board			
General Government			
General Government Operations	\$ 887	\$ 929	\$ 966
DEPARTMENT TOTAL	<u>\$ 887</u>	<u>\$ 929</u>	<u>\$ 966</u>
Department of Transportation			
General Government			
Mass Transportation Operations	\$ 1,143	\$ 1,000	\$ 1,323
Comprehensive Rail Study .....	.....	.....	250
Transfer to Motor License Fund — Vehicle Sales Tax Collection	1,377	1,432	1,489
Pennsylvania Coordinate System	150	153	159
Subtotal	<u>\$ 2,670</u>	<u>\$ 2,585</u>	<u>\$ 3,221</u>
Grants and Subsidies			
Mass Transportation Assistance	\$ 144,460	\$ 161,305	\$ 166,531
Rural and Intercity Rail and Bus Transportation	4,666	5,450	5,677
Freight Rail Assistance	3,674	3,490	4,389
Accelerated Rail Maintenance .....	.....	350	.....
Civil Air Patrol	100	100	100
Subtotal	<u>\$ 152,900</u>	<u>\$ 170,695</u>	<u>\$ 176,697</u>
TOTAL STATE FUNDS	<u>\$ 155,570</u>	<u>\$ 173,280</u>	<u>\$ 179,918</u>
Federal Funds	\$ 80,217	\$ 83,313	\$ 25,979
Other Funds	515	1,105	1,140
DEPARTMENT TOTAL	<u>\$ 236,302</u>	<u>\$ 257,698</u>	<u>\$ 207,037</u>

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

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Legislature			
General Government			
Senate	\$ 17,589	\$ 21,185	\$ 22,668
House of Representatives	39,012	43,808	46,875
Legislative Reference Bureau	3,065	3,060	3,244
Legislative Budget and Finance Committee	600	1,800	757
Legislative Data Processing	1,200	1,248	1,323
Legislative Miscellaneous and Commissions	2,420	5,041	5,344
	<hr/>	<hr/>	<hr/>
TOTAL STATE FUNDS	\$ 63,886	\$ 76,142	\$ 80,211
	<hr/>	<hr/>	<hr/>
Other Funds	\$ 7	\$ 5	\$ 5
	<hr/>	<hr/>	<hr/>
DEPARTMENT TOTAL	\$ 63,893	\$ 76,147	\$ 80,216
	<hr/>	<hr/>	<hr/>
Judiciary			
General Government			
Supreme Court	\$ 4,057	\$ 4,044	\$ 4,356
Civil Rules Procedural Committee	157	188	202
Criminal Rules Procedural Committee	187	189	202
State Board of Law Examiners	160	207	235
Judicial Inquiry and Review Board	328	306	423
Court Administrator	2,595	2,651	2,810
District Justice Education	307	316	330
Commission on Sentencing	197	211	229
Superior Court	6,512	7,318	7,813
Commonwealth Court	3,562	3,565	4,205
Courts of Common Pleas	21,232	23,908	25,594
Common Pleas Senior Judges	1,033	815	1,023
Common Pleas — Judicial Education	290	199	319
Community Courts — District Justices of the Peace	17,692	20,130	21,332
Philadelphia Traffic Court	217	245	260
Philadelphia Municipal Court	1,460	1,619	1,759
Law Clerks	182	182	182
	<hr/>	<hr/>	<hr/>
Subtotal	\$ 60,168	\$ 66,093	\$ 71,274
	<hr/>	<hr/>	<hr/>
Grants and Subsidies			
Reimbursement of County Court Expenses	\$ 27,200	\$ 29,480	\$ 29,480
Juror Cost Reimbursement	1,584	1,669	1,669
	<hr/>	<hr/>	<hr/>
Subtotal	\$ 28,784	\$ 31,149	\$ 31,149
	<hr/>	<hr/>	<hr/>
TOTAL STATE FUNDS	\$ 88,952	\$ 97,242	\$ 102,423
	<hr/>	<hr/>	<hr/>
Federal Funds	\$ 115	\$ 4	.....
Other Funds	776	669	\$ 615
	<hr/>	<hr/>	<hr/>
DEPARTMENT TOTAL	\$ 89,843	\$ 97,915	\$ 103,038
	<hr/>	<hr/>	<hr/>

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

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund Total — All Funds			
State Funds	\$ 7,604,380	\$ 8,042,353	\$ 8,500,456
Federal Funds	2,372,192	2,715,739	2,697,573
Other Funds	272,111	293,444	382,276
TOTAL	<u><u>\$10,248,683</u></u>	<u><u>\$11,051,536</u></u>	<u><u>\$11,580,305</u></u>

GENERAL FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Estimated	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
TAX REVENUE							
Corporation Taxes							
Corporate Net Income	\$ 818,578	\$ 776,700	\$ 794,600	\$ 880,400	\$ 1,005,600	\$ 1,134,100	\$ 1,223,200
Capital Stock and Franchise	363,520	387,500	414,500	445,300	478,500	514,200	552,500
Selective Business:							
Utilities Gross Receipts	503,648	524,700	567,100	609,600	655,400	704,500	757,300
Public Utility Realty	111,564	181,500	143,100	157,500	173,200	190,500	209,500
Insurance Premiums	103,168	113,300	119,100	126,200	133,800	141,900	150,400
Financial Institutions	50,706	69,100	73,800	79,200	83,200	87,300	91,700
Other	8,830	6,700	7,200	7,300	7,400	7,500	7,500
Total—Corporation Taxes	\$ 1,960,014	\$ 2,059,500	\$ 2,119,400	\$ 2,305,500	\$ 2,537,100	\$ 2,780,000	\$ 2,992,100
Consumption Taxes							
Sales and Use	\$ 2,365,061	\$ 2,669,200	\$ 2,881,400	\$ 3,077,800	\$ 3,258,600	\$ 3,451,200	\$ 3,677,200
Cigarette	250,733	240,300	240,300	240,300	240,300	240,300	240,300
Malt Beverage	27,904	27,900	28,700	29,100	29,500	29,900	30,300
Liquor	107,467	111,100	114,600	118,100	121,700	126,000	130,500
Total—Consumption Taxes	\$ 2,751,165	\$ 3,048,500	\$ 3,265,000	\$ 3,465,300	\$ 3,650,100	\$ 3,847,400	\$ 4,078,300
Other Taxes							
Personal Income Tax	\$ 2,078,995	\$ 2,554,500	\$ 2,579,700	\$ 2,777,900	\$ 2,966,500	\$ 3,168,800	\$ 3,406,200
Realty Transfer	82,815	107,400	115,200	124,300	134,100	144,700	156,100
Inheritance	250,599	277,100	297,800	320,100	344,100	369,900	397,500
Minor and Repealed	613	700	700	700	700	700	700
Total—Other Taxes	\$ 2,413,022	\$ 2,939,700	\$ 2,993,400	\$ 3,223,000	\$ 3,445,400	\$ 3,684,100	\$ 3,960,500
TOTAL TAX REVENUE	\$ 7,124,201	\$ 8,047,700	\$ 8,377,800	\$ 8,993,800	\$ 9,632,600	\$10,311,500	\$11,030,900
NONTAX REVENUE							
Liquor Store Profits	\$ 50,000	\$ 35,000	\$ 38,000	\$ 35,000	\$ 30,000	\$ 25,000	\$ 20,000
Licenses, Fees and Miscellaneous:							
Licenses and Fees	30,885	29,400	35,600	35,600	35,600	35,600	35,600
Miscellaneous	140,523	93,500	108,900	108,900	108,900	108,900	108,900
Fines, Penalties and Interest:							
On Taxes	16,663	17,000	17,000	17,000	17,000	17,000	17,000
Other	536	600	600	600	600	600	600
TOTAL NONTAX REVENUES	\$ 238,607	\$ 175,500	\$ 200,100	\$ 197,100	\$ 192,100	\$ 187,100	\$ 182,100
General Fund Total	\$ 7,362,808	\$ 8,223,200	\$ 8,577,900	\$ 9,190,900	\$ 9,824,700	\$10,498,600	\$11,213,000

ADJUSTMENTS TO REVENUE ESTIMATE

On January 24, 1984 a revised official estimate for the 1983-84 fiscal year of \$8,221,238,000 was certified to reflect revised estimates due to the enactment of Act 90 of 1983 relating to changes in the Tax Reform Code.

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

	(Dollar Amounts in Thousands)		
	1983-84 Official Estimate	Adjustments	1983-84 Revised Estimate
TAX REVENUE			
Corporation Taxes			
Corporate Net Income	\$ 800,650	\$ -23,950	\$ 776,700
Capital Stock and Franchise	387,040	+ 460	387,500
Selective Business:			
Utilities Gross Receipts	528,200	-3,500	524,700
Public Utility Property	181,500	. . . .	181,500
Insurance Premiums	117,700	-4,400	113,300
Financial Institutions	73,300	-4,200	69,100
Other	6,600	+ 100	6,700
Total—Corporation Taxes	<u>\$2,094,990</u>	<u>\$ -35,490</u>	<u>\$2,059,500</u>
Consumption Taxes			
Sales and Use	\$2,627,248	\$ + 41,952	\$2,669,200
Cigarette	236,400	+ 3,900	240,300
Malt Beverage	28,800	-900	27,900
Liquor	107,000	+ 4,100	111,100
Total—Consumption Taxes	<u>\$2,999,448</u>	<u>\$ + 49,052</u>	<u>\$3,048,500</u>
Other Taxes			
Personal Income Tax	\$2,542,000	\$ + 12,500	\$2,554,500
Realty Transfer	109,900	-2,500	107,400
Inheritance	267,100	+ 10,000	277,100
Minor and Repealed	700	. . . .	700
Total—Other Taxes	<u>\$2,919,700</u>	<u>\$ + 20,000</u>	<u>\$2,939,700</u>
TOTAL TAX REVENUE	<u>\$8,014,138</u>	<u>\$ + 33,562</u>	<u>\$8,047,700</u>
NONTAX REVENUE			
Liquor Store Profits	\$ 30,000	\$ + 5,000	\$ 35,000
Licenses, Fees and Miscellaneous			
Licenses and Fees	25,400	+ 4,000	29,400
Miscellaneous	135,600	-42,100	93,500
Fines, Penalties and Interest			
On Taxes	15,600	+ 1,400	17,000
Other	500	+ 100	600
TOTAL NONTAX REVENUES	<u>\$ 207,100</u>	<u>\$ -31,600</u>	<u>\$ 175,500</u>
GENERAL FUND TOTAL	<u>\$8,221,238</u>	<u>\$ + 1,962</u>	<u>\$8,223,200</u>

Corporate Net Income Tax

Actual	Estimated		
1977-78	\$783,027,705	1983-84	\$ 776,700,000
1978-79	849,427,602	1984-85	794,600,000
1979-80	856,343,492	1985-86	880,400,000
1980-81	814,678,513	1986-87	1,005,600,000
1981-82	856,570,721	1987-88	1,134,100,000
1982-83	818,578,435	1988-89	1,223,200,000

The Corporate Net Income Tax is paid by all domestic and foreign business corporations for the privilege of doing business in, carrying on activities in, or employing or owning capital or property in Pennsylvania and is levied on Federal net taxable income with Pennsylvania modifications. Building and loan associations, banks, savings institutions, trust companies, insurance and surety companies and nonprofit corporations without authority to issue capital stock are exempt from the tax. When the entire business of any corporation is not transacted within this Commonwealth, the taxable income in Pennsylvania is determined by a three factor apportionment formula. The present rate of this tax is ten and one-half percent.

The tax was first enacted in 1935 as an emergency tax and was reenacted every two years at various rates until it was made a permanent tax in 1957 at a rate of six percent. The rate was increased from six to seven percent for tax years 1967 and 1968, and from seven to seven and one-half percent for the tax year 1969. Subsequently, the rate for the tax year 1969 and thereafter was increased from seven and one-half to twelve percent. Effective July 1, 1972 the rate of the tax was reduced to eleven percent and further reduced to nine and one-half percent effective on January 1, 1974. The current ten and one-half percent tax rate became effective as a temporary rate on January 1, 1977 and was made permanent in 1983.

Beginning in 1953, a tentative payment of the current year's tax amounting to 50 percent of the immediate prior year's tax liability was required to be paid four months into the tax year. In 1961 the requirement was raised to 80 percent and then to 90 percent in 1970. An alternative method of computing the tentative payment based upon 90 percent of taxable income received or accrued during

the first three months of the current tax year annualized, was provided in 1971. Substantial revisions to the tentative payment began in 1978 with implementation over a six year period of an optional four payment installment system for the 90 percent tentative payment; and provisions for the filing of an amended tentative tax liability.

The final payment representing the difference between the total tax liability computed on the annual return for a tax year and the total tentative tax payments made for that tax year are due, along with the final return, 105 days after close of the tax year.

Deductions from taxable income for the accelerated cost recovery system (ACRS) provided by the Federal Economic Recovery Tax Act of 1981 were not allowed for the 1981 and 1982 tax years for Pennsylvania corporate net income tax purposes. Beginning with 1983 one-half of the excess of the deduction for depreciation over that allowed under prior legislation are permitted. Full deduction for ACRS can be taken in 1984. Recovery of previous depreciation deductions not allowed because of the phase-in of ACRS begin in 1984 at the rate of 25 percent of the total disallowed deductions per year.

A credit against the corporate net income tax is allowed for up to 70 percent of the amount invested in approved neighborhood assistance programs up to a maximum of \$250,000 annually for any taxpayer with a limit of \$8,750,000 in any one fiscal year for all taxpayers.

Effective for tax years beginning in 1981, corporations were allowed to deduct and carryover net operating losses. The maximum carryover period was one year for the 1981 tax year and increased by an additional year each subsequent tax year through 1983 after which it will remain at a maximum of three years.

GENERAL FUND REVENUE SOURCES

Capital Stock and Franchise Tax

Actual	Estimated
1977-78	1983-84
1978-79	1984-85
1979-80	1985-86
1980-81	1986-87
1981-82	1987-88
1982-83	1988-89

The Capital Stock and Franchise Taxes are levied on the capital stock value of domestic and foreign business corporations doing business or having property or capital employed in the State on that portion of the capital stock value allocable to Pennsylvania under a statutory apportionment formula. That portion of capital stock value of domestic or foreign corporations devoted to manufacturing, processing or research and development is exempt from the tax. Act No. 179 of 1980, exempted family farm corporations, as defined in the Act, from the tax beginning with tax year 1981 and thereafter. The current rate of the tax is ten mills or one percent of the taxable value of the capital stock attributable to Pennsylvania subject to a minimum tax payment of \$75.

The rate for both taxes was increased from five to six mills effective January 1, 1967. Beginning with taxable year 1969 the rate for both taxes was increased from six to seven mills. For the taxable year 1971 and thereafter, the rate for both taxes was increased from seven to ten mills.

Both taxes are subject to a tentative payment of current year's taxes. A tentative payment requirement was enacted in 1956 at 80 percent and increased to 90 percent in 1970. The tentative reports and tax payments are due by the fifteenth day of the fourth month after the beginning of the current taxable year. The remaining tax payments must be paid within 105 days following the close of the taxable year.

GENERAL FUND REVENUE SOURCES

Utilities Gross Receipts Tax

Actual	Estimated
1977-78.....\$312,110,720	1983-84.....\$524,700,000
1978-79.....343,535,406	1984-85.....567,100,000
1979-80.....380,249,621	1985-86.....609,600,000
1980-81.....432,323,974	1986-87.....655,400,000
1981-82.....501,535,788	1987-88.....704,500,000
1982-83.....503,647,842	1988-89.....757,300,000

The Utilities Gross Receipts Tax is levied on the gross receipts from business transacted within Pennsylvania by specified utilities owned, operated or leased by corporations, associations or individuals. Gross receipts of municipally owned or operated public utilities from the furnishing of a public utility service within the limits of the municipality are exempt from the tax. The tax rate is 45 mills for all utilities except motor transportation companies which are taxed at the rate of eight mills.

All firms except municipally owned or operated public utilities and motor transportation companies, are required to transmit tentative reports annually together with the tentative payment of the current year's tax calculated by applying the current tax rate to 90 percent of the tax base for the preceding prior year. The tentative report and payment is required to be made by the fifteenth day of the fourth month following the close of the previous tax year. The remaining tax is due and payable by April 15

following the close of the tax year along with the final tax return for that year.

The tentative payment and report was first required in 1961 at a millage rate that effectively required an 80 percent tentative payment. The Tax Reform Code of 1971 increased that requirement to 90 percent effective for the 1972 tax year.

Act 24 of 1980, approved March 27, 1980, provides a tax credit for railroad expenditures on the maintenance and improvement of rights-of-way. The credit is 25 percent of the amount expended in Pennsylvania for such purposes in 1980 and each year thereafter. The credit is to be applied to the succeeding tax year and is effective only for tax years 1981 through 1986. For these tax years the taxpayer will qualify for the credit only if it spends an amount at least twice the amount of the tax credit granted for the prior year. The credit may not exceed the total of tax due for any year.

GENERAL FUND REVENUE SOURCES

Public Utility Realty Tax

Actual	Estimated
1977-78\$ 64,966,672	1983-84 .....\$181,500,000
1978-79 41,216,799	1984-85 143,100,000
1979-80 175,827,991	1985-86 157,500,000
1980-81 93,320,535	1986-87 173,200,000
1981-82 104,155,884	1987-88 190,500,000
1982-83 111,563,813	1988-89 209,500,000

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

Utilities furnishing public utility sewage services and any municipality or municipal authority furnishing any public utility service, are exempt from the tax. In addi-

tion hydroelectric facilities are exempt for a period of ten years if placed in service after July 1, 1983.

Payment of the tax and a report showing the amount and method of computing state taxable value as at the end of the preceding calendar year is required on June 1 of each year.

Act No. 27, July 4, 1979, repealed the Public Utility Realty Tax Act, reenacted its provisions as Article XI-A of the Tax Reform Code of 1971, explicitly defined as taxable, retroactive to January 1, 1978, that portion of property declared exempt from the tax by the Pennsylvania Supreme Court in 1977 and also imposed a one time surtax of 105 mills payable during fiscal year 1979-80, to recover refunds payable due to the court's decision.

Insurance Premiums Tax

Actual	Estimated
1977-78.....\$ 85,534,197	1983-84.....\$113,300,000
1978-79..... 92,534,768	1984-85..... 119,100,000
1979-80..... 96,845,211	1985-86..... 126,200,000
1980-81..... 98,112,220	1986-87..... 133,800,000
1981-82..... 104,056,951	1987-88..... 141,900,000
1982-83..... 103,168,259	1988-89..... 150,400,000

The Insurance Premiums Tax is levied at the rate of two percent of the gross premiums on all business transacted within the Commonwealth during each calendar year by domestic and foreign insurance companies except purely mutual beneficial associations and nonprofit hospital and medical associations. A retaliatory tax is also imposed on taxable companies incorporated in other states where that state imposes a higher tax burden upon Pennsylvania companies doing insurance business in that state.

The tax on foreign companies is based on the amount of business transacted in Pennsylvania. Receipts from the two percent tax on foreign fire insurance and foreign casualty companies are deposited respectively in the Fire Insurance Tax Fund and in a General Fund restricted receipt account and are distributed for the benefit of local volunteer and paid fire companies and local police retirement systems. The portion of these dedicated taxes in excess of two percent due from the retaliatory provisions plus an amount for administration of the tax is deposited in the General Fund as general revenue. Those portions of these taxes not deposited as a general revenue are not

included in the actual amounts or the estimates shown above.

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

An 80 percent tentative payment is required for life and limited life insurance companies, both foreign and domestic. Initially enacted in 1961, an additional 10 percent was enacted in 1970 increasing the tentative payment requirement to 90 percent for such companies. Thus, companies are required to transmit tentative reports annually together with a tentative payment of the current year's tax computed by applying the current rate of tax to 90 percent of the tax base for the immediate prior year. Alternatively the taxpayer may elect to estimate the tentative tax payment at an amount not less than 90 percent of the tax as finally reported. The reports and payments must be submitted by April 15 of each year while the remaining amount due must be paid by April 15 of the following year.

Financial Institutions Taxes

Actual	Estimated
1977-78 \$ 82,295,477	1983-84 \$ 69,100,000
1978-79 75,996,459	1984-85 73,800,000
1979-80 62,426,046	1985-86 79,200,000
1980-81 42,555,094	1986-87 83,200,000
1981-82 34,995,151	1987-88 87,300,000
1982-83 50,705,906	1988-89 91,700,000

Financial Institutions taxes include taxes levied on banks, private banks, trust and title insurance companies, savings institutions with capital stock and mutual thrift institutions.

The financial institutions taxes were amended in December 1983 in response to the Pennsylvania Supreme Court's decision in *Dale National Bank v. Commonwealth* that held United States obligations were improperly taken into account in the computation of the Bank Shares Tax. The tax was amended effective January 1, 1984 to be levied at a rate of 1.075 percent on the dollar value of each share of capital stock. The value of the capital stock is adjusted to proportionally exclude the value of United States obligations in the same proportion that the book value of such United State obligations bear to the book value of total assets.

Prior to 1984, the tax was levied on the actual value of capital stock shares at a rate of 15 mills. The rate was increased from eight to ten mills effective for the calendar year 1967 and from ten to thirteen mills effective for calendar year 1969. The Tax Reform Code of 1971 increased the rate from thirteen to fifteen mills effective for the taxable year 1971 and thereafter.

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

An excise tax of eleven and one-half percent is levied on net earnings or income of mutual thrift institutions and savings institutions with capital stock. The tax rate

was increased from six to seven and one-half percent for the taxable year 1967 and thereafter. Beginning with calendar 1969 the tax rate was increased from seven and one-half to eleven and one-half percent. In 1982, Act No. 184 enacted provisions allowing mutual thrift institutions to carry forward net operating losses up to a maximum of three years and deduct them from its future year's tax liability. This provision is to be phased in over a three year period beginning in 1981.

Taxes on mutual thrift institutions were subject to an 80 percent tentative payment requirement enacted in 1964. An additional 10 percent tentative payment was enacted in 1970 increasing the tentative payment requirement to 90 percent for such institutions. Thus, such institutions were annually required to transmit tentative reports, together with a tentative payment of current year's tax computed by applying the current rate of tax to 90 percent of the tax base for the immediate prior year or the second preceeding year for tax years beginning in 1979. Alternatively, the taxpayer may elect to estimate the tentative tax payment at an amount not less than 90 percent of the tax as finally reported. Tentative reports are due and tax prepayments are payable by April 15 of the current calendar year, with the remaining amount due payable by April 15 of the next year.

An excise tax effective only for 1983 was also enacted in December 1983 to recover for the Commonwealth the total refunds claimed, to be claimed and unpaid Bank Shares Tax due to the *Dale* case. Those tax receipts are intended to match those lost receipts and are not included in the estimate above.

GENERAL FUND REVENUE SOURCES

Other Selective Business Taxes

Actual		Estimated	
1977-78	\$ 5,120,601	1983-84	\$ 6,700,000
1978-79	5,677,225	1984-85	7,200,000
1979-80	6,838,526	1985-86	7,300,000
1980-81	7,203,987	1986-87	7,400,000
1981-82	8,074,848	1987-88	7,500,000
1982-83	8,830,281	1988-89	7,500,000

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

Until the 1977-78 fiscal year, of the taxes in this category, the largest source of revenue was the Corporation Income Tax. This tax is levied on those business cor-

porations not specifically exempted from the tax, carrying or activities or owning property in Pennsylvania and not subject to the Corporate Net Income Tax. The tax rate and payment provisions are identical to those for the Corporate Net Income Tax. Two court cases (*Complete Auto Transit, Inc. v. Brady*, 97 S. Ct. 1076 (March 7, 1977) and *Commonwealth v. Universal Carloading Distributing Co., Inc.*, — 29 Pennsylvania Commonwealth Court . No. 553 (April 14, 1977) render the majority of corporations heretofore liable under the Corporation Income Tax, now liable under the Corporate Net Income Tax and the Capital Stock or Franchise Tax. The Corporation Income Tax was repealed for years ending on or after January 1, 1981 by the Act of December 21, 1981, P.L. 482, No. 141.

GENERAL FUND REVENUE SOURCES

Sales and Use Tax

Actual	Estimated
1977-78 .....\$1,753,183,948	1983-84 .....\$2,669,200,000
1978-79 1,895,499,315	1984-85 2,881,400,000
1979-80 1,995,829,179	1985-86 3,077,800,000
1980-81 2,086,165,545	1986-87 3,258,600,000
1981-82 2,229,436,147	1987-88 3,451,200,000
1982-83 2,365,061,364	1988-89 3,677,200,000

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

for machinery and equipment which is exempt from the tax are also exempt from tax.

Every person maintaining a place of business in Pennsylvania who sells or leases taxable tangible personal property or services must apply for a sales tax license and collect and remit the tax. Vendors who collect \$600 or more in a calendar quarter are required to remit collections monthly by the 20th day of the following month. Vendors collecting more than \$75 in the third calendar quarter but less than \$600 for the same calendar quarter report quarterly and transmit collections within 20 days of the end of the collection quarter. Acceleration of the second calendar quarter collections requires the vendor to file a single return for the months of April and May on or before the 15th day of June, and a single return for the month of June by the 20th of July. Vendors collecting less than \$75 annually are required to remit on a semi-annual basis by February 20 and August 20, or in certain instances are required to remit an annual return by January 15.

Sales tax on motor vehicles is collected when application for a certificate of title is made.

GENERAL FUND REVENUE SOURCES

Cigarette Tax

Actual		Estimated	
1977-78	\$251,136,649	1983-84	\$240,300,000
1978-79	250,524,530	1984-85	240,300,000
1979-80	252,422,989	1985-86	240,300,000
1980-81	254,661,433	1986-87	240,300,000
1981-82	254,922,336	1987-88	240,300,000
1982-83	250,733,055	1988-89	240,300,000

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

Only one sale of the cigarettes is taxable.

The tax is imposed upon the sale or possession of cigarettes within the Commonwealth at the rate of nine-tenth of a cent per cigarette.

GENERAL FUND REVENUE SOURCES

Malt Beverage Tax

Actual		Estimated	
1977-78	\$ 26,122,416	1983-84	\$ 27,900,000
1978-79	27,387,612	1984-85	28,700,000
1979-80	27,767,984	1985-86	29,100,000
1980-81	27,628,182	1986-87	29,500,000
1981-82	28,396,880	1987-88	29,900,000
1982-83	27,903,790	1988-89	30,300,000

The Malt Beverage Tax is levied against manufacturers, distributors and importers who produce, manufacture, sell, transport, store or deliver malt or brewed beverages within the Commonwealth.

The tax rate is two-thirds of a cent per half-pint, one cent per pint and \$2.48 per barrel. The tax is paid monthly by the various taxpayers directly to the Department of Revenue and deposited into the General Fund through the Department of Revenue as provided by Act 104 of May 5, 1933, P.L. 284 as amended by Act 222 of July 9, 1935, P.L. 628.

Act No. 82, enacted May 9, 1974 amended the Malt Beverage Law providing a tax credit for domestic manufacturers of malt or brewed beverages. The credit is for "qualifying capital expenditures" and may not exceed the amount of the expenditures or \$100,000 a year. The act was effective for the period January 1, 1974 to December 31, 1976, but has been extended to December 31, 1982.

GENERAL FUND REVENUE SOURCES

Liquor Tax

Actual		Estimated	
1977-78	\$ 84,140,952	1983-84	\$111,100,000
1978-79	89,793,659	1984-85	114,600,000
1979-80	93,200,522	1985-86	118,100,000
1980-81	97,177,826	1986-87	121,700,000
1981-82	113,736,213	1987-88	126,000,000
1982-83	107,467,032	1988-89	130,500,000

The Liquor Tax is the Emergency Liquor Sales Tax which is levied at the rate of 18 percent of the net purchase price on all liquor sold by the Pennsylvania Liquor Control Board. The tax rate was increased from 15 to 18 percent by Act 413 of January 1, 1968, P.L. (1976)

917 which provides that the taxes so collected be credited to the General Fund.

The six percent sales tax is also imposed on all liquors sold in Pennsylvania and is reflected in the Sales and Use Tax receipts.

GENERAL FUND REVENUE SOURCES

Personal Income Tax

Actual	Estimated
1977-78	\$1,346,599,347
1978-79	1,572,005,881
1979-80	1,693,996,653
1980-81	1,911,580,655
1981-82	2,011,990,338
1982-83	2,078,995,121
1983-84	\$2,554,500,000
1984-85	2,579,700,000
1985-86	2,777,900,000
1986-87	2,966,500,000
1987-88	3,168,800,000
1988-89	3,406,200,000

A personal income tax was enacted by Act No. 93 of the 1971 Session replacing the tax enacted by Article III of the Tax Reform Code of 1971 which was declared unconstitutional by the Pennsylvania Supreme Court. The tax is payable on the taxable income received or accrued after May 31, 1971 of all residents, resident trusts and estates and taxable income attributable to Pennsylvania for nonresidents and nonresident estates and trusts. The tax is imposed at a flat rate of 2.45 percent on eight separate classes of income (1) compensation, (2) net profits, (3) interest, (4) dividends, (5) income from the disposition of property, (6) net gains from rents, royalties, patents and copyrights, (7) gambling and lottery winnings, and (8) income from estates and trusts. Income not falling into one of the enumerated classes is not taxable. 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. There are no personal exemptions. Credit against the tax is allowed for gross or net income taxes paid to other states by Pennsylvania residents and tax payments made under the previous law.

The tax was initially enacted at a rate of 2.3 percent. The rate was lowered effective January 1, 1974 to 2.0 percent and remained at that rate until the tax rate was temporarily raised to 2.2 percent effective January 1, 1978. The temporary rate continued until 1983 when it became permanent at the 2.2 percent rate. Subsequently, in 1983, the tax rate was increased to 2.45 percent, retroactive to January 1, 1983 and will fall to 2.35 percent on July 1, 1984.

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

A full or partial exemption from the tax or a refund of taxes paid is provided for taxpayers who are eligible under standards of poverty defined in Act No. 32 of 1974. An individual is eligible for a 100 percent "poverty income" exemption or refund if total income for the taxable year is \$3,000 or less. The basic standard is increased to \$4,200 if the taxpayer has one dependent, and by another \$750 for each additional dependent. A partial exemption or refund of 90 percent of the tax is provided for a claimant whose income exceeds the applicable basic standards by no more than \$100. Thereafter, the allowable percentage exemption is reduced by 10 percent for each \$100 of additional total income.

GENERAL FUND REVENUE SOURCES

Realty Transfer Tax

Actual		Estimated	
1977-78	\$ 80,956,352	1983-84	\$107,400,000
1978-79	93,899,649	1984-85	115,200,000
1979-80	84,085,823	1985-86	124,300,000
1980-81	76,518,044	1986-87	134,100,000
1981-82	67,848,059	1987-88	144,700,000
1982-83	82,815,032	1988-89	156,100,000

The Realty Transfer Tax is levied at the rate of one percent of the value of property transferred through the medium of a deed, instrument or other writing. The tax is paid through the purchase of stamps which

are affixed to the legal document presented for recording.

The tax is collected by the county recorder of deeds and transmitted periodically to the Commonwealth.

GENERAL FUND REVENUE SOURCES

Inheritance Tax

Actual	Estimated
1977-78 .....\$162,586,853	1983-84 .....\$277,100,000
1978-79 172,817,462	1984-85 297,800,000
1979-80 173,218,520	1985-86 320,100,000
1980-81 196,268,464	1986-87 344,100,000
1981-82 218,398,951	1987-88 369,900,000
1982-83 250,598,463	1988-89 397,500,000

The Inheritance Tax is a transfer tax levied on the clear value of property transferred to beneficiaries of a deceased person. The value of the transfer is established on the date of the decedent's death. Lineal beneficiaries are taxed at the rate of 6 percent and collaterals are taxed at fifteen percent. Property passing to lineal beneficiaries may qualify for a \$2,000 family exemption. Transfers to the U.S. Government, the Commonwealth, charities or eleemosynary societies are exempt from this tax.

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

An Estate Tax equal to the amount of Federal Estate Tax credit is levied on estates situated in Pennsylvania and applies to residents and nonresidents.

GENERAL FUND REVENUE SOURCES

Minor and Repealed Taxes

Actual		Estimated	
1977-78	\$ 667,520	1983-84	\$ 700,000
1978-79	689,589	1984-85	700,000
1979-80	655,259	1985-86	700,000
1980-81	606,343	1986-87	700,000
1981-82	585,789	1987-88	700,000
1982-83	613,332	1988-89	700,000

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

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

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

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

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

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

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

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

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

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

Building and Loan Association Stock Tax-Act of June 22, 1897, P.L. 178 — Repealed by Act of March 15, 1937, P.L. 62.

Mercantile License Tax System-Act of May 2, 1899, P.L. 184 — Repealed by Act of May 7, 1943, P.L. 237 (effective January 1, 1944).

GENERAL FUND REVENUE SOURCES

Liquor Store Profits

Actual		Estimated	
1977-78	\$ 20,000,000	1983-84	\$ 35,000,000
1978-79	25,000,000	1984-85	38,000,000
1979-80	30,000,000	1985-86	35,000,000
1980-81	66,688,000	1986-87	30,000,000
1981-82	40,000,000	1987-88	25,000,000
1982-83	50,000,000	1988-89	20,000,000

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

412 ½ of July 18, 1935, P.L. 1316.

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

GENERAL FUND REVENUE SOURCES

Licenses, Fees and Miscellaneous Revenue

Actual	Estimated
1977-78	1983-84
\$103,852,628	\$122,900,000
1978-79	1984-85
125,536,853	144,500,000
1979-80	1985-86
177,215,870	144,500,000
1980-81	1986-87
165,647,652	144,500,000
1981-82	1987-88
172,599,251	144,500,000
1982-83	1988-89
171,407,897	144,500,000

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

Miscellaneous Revenues includes all other income to be used for general appropriation purposes in the General Fund except monies which are given to the State by in-

dividuals, or are provided by law to be used only for a specific purpose. The largest source of miscellaneous revenue in the General Fund is interest earnings on securities and deposits. Other major sources are transfers from special funds, escheats and district justice costs. Act No. 204 enacted July 15, 1976, the "Magisterial District Reform Act", provides that costs and expenses incidental to district officers shall be paid by the county where located. Costs are to be collected by district justices and paid to the Commonwealth monthly to be deposited as miscellaneous revenue into the General Fund.

GENERAL FUND REVENUE SOURCES

Fines, Penalties and Interest

Actual		Estimated	
1977-78	\$ 7,493,819	1983-84	\$ 17,600,000
1978-79	7,850,162	1984-85	17,600,000
1979-80	7,882,000	1985-86	17,600,000
1980-81	13,364,856	1986-87	17,600,000
1981-82	20,618,680	1987-88	17,600,000
1982-83	17,198,557	1988-89	17,600,000

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

Also included are fines and penalties other than those

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

GENERAL FUND REVENUE DETAIL

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

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
TAX REVENUE			
Corporate Net Income Tax	\$ 818,578,435	\$ 776,700,000	\$ 794,600,000
Capital Stock and Franchise Taxes			
Capital Stock Taxes—Domestic	\$ 211,214,543	\$ 225,148,000	\$ 240,836,000
Franchise Taxes—Foreign	152,305,033	162,352,000	173,664,000
Subtotal	\$ 363,519,576	\$ 387,500,000	\$ 414,500,000
Utilities Gross Receipts			
Telephone and Telegraph	\$ 99,587,211	\$ 103,750,000	\$ 112,134,000
Electric, Hydroelectric and Water Power	295,940,230	308,310,000	333,224,000
Motor Transportation	983,256	1,024,000	1,107,000
Transportation	1,882,107	1,961,000	2,119,000
Gas	105,255,038	109,655,000	118,516,000
Subtotal	\$ 503,647,842	\$ 524,700,000	\$ 567,100,000
Public Utility Realty Tax	\$ 111,563,813	\$ 181,500,000	\$ 143,100,000
Insurance Premiums Tax			
Domestic Casualty	14,872,734	\$ 16,333,000	\$ 17,169,000
Domestic Marine	21,756	24,000	25,000
Domestic Fire	13,892,895	15,257,000	16,038,000
Domestic Life and Previously Exempted Lines	6,571,831	7,217,000	7,587,000
Unauthorized Insurance	399,001	438,000	461,000
Foreign Life	60,101,212	66,004,000	69,382,000
Foreign Excess Casualty	2,812,886	3,089,000	3,247,000
Foreign Marine	7,503	8,000	9,000
Foreign Excess Fire	1,217,051	1,337,000	1,405,000
Excess Insurance Brokers	2,973,191	3,265,000	3,432,000
Title Insurance	298,199	328,000	345,000
Subtotal	\$ 103,168,259	\$ 113,300,000	\$ 119,100,000
Financial Institutions Taxes			
Trust Companies	\$ 9,938,717	\$ 13,544,000	\$ 14,465,000
State Banks	10,282,904	14,013,000	14,966,000
National Banks	29,757,672	40,553,000	43,311,000
State Mutual Thrift Institutions	632,503	862,000	921,000
Federal Mutual Thrift Institutions	94,110	128,000	137,000
Subtotal	\$ 50,705,906	\$ 69,100,000	\$ 73,800,000

GENERAL FUND REVENUE DETAIL

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Other Selective Business Taxes			
Excise—Foreign	\$ -1,687	.....	.....
Corporate Loans—Domestic	5,242,854	\$ 3,978,000	\$ 4,275,000
Corporate Loans—Foreign	976,094	741,000	796,000
Tax on Electric Cooperative Corporations	20,937	16,000	17,000
Corporate Net Income Tax on Agricultural Cooperative Associations	89,508	68,000	73,000
Corporation Income	142,521	108,000	116,000
Gross Receipts—Private Bankers	150,606	114,000	123,000
Department of Justice Collections	2,209,438	1,675,000	1,800,000
Bonus For Right of Way	10	.....	.....
Subtotal	<u>\$ 8,830,281</u>	<u>\$ 6,700,000</u>	<u>\$ 7,200,000</u>
Sales and Use Tax	<u>\$2,365,061,364</u>	<u>\$2,669,200,000</u>	<u>\$2,881,400,000</u>
Cigarette Tax	<u>\$ 250,733,055</u>	<u>\$ 240,300,000</u>	<u>\$ 240,300,000</u>
Malt Beverage Tax	<u>\$ 27,903,790</u>	<u>\$ 27,900,000</u>	<u>\$ 28,700,000</u>
Liquor Tax	<u>\$ 107,467,032</u>	<u>\$ 111,100,000</u>	<u>\$ 114,600,000</u>
Personal Income Tax	<u>\$2,078,995,121</u>	<u>\$2,554,500,000</u>	<u>\$2,579,700,000</u>
Realty Transfer Tax	<u>\$ 82,815,032</u>	<u>\$ 107,400,000</u>	<u>\$ 115,200,000</u>
Inheritance Tax			
Resident Transfer Inheritance and Estate Tax	\$ 249,509,130	\$ 275,895,000	\$ 296,505,000
Nonresident Transfer Inheritance and Estate Tax	1,089,333	1,205,000	1,295,000
Subtotal	<u>\$ 250,598,463</u>	<u>\$ 277,100,000</u>	<u>\$ 297,800,000</u>
Minor and Repealed Taxes			
Tax on Writs, Wills and Deeds	\$ 583,733	\$ 666,000	\$ 666,000
Distilled Spirits	1,058	1,000	1,000
Rectified Spirits	538	1,000	1,000
Wines	28,003	32,000	32,000
Subtotal	<u>\$ 613,332</u>	<u>\$ 700,000</u>	<u>\$ 700,000</u>
TOTAL TAX REVENUE	<u>\$7,124,201,301</u>	<u>\$8,047,700,000</u>	<u>\$8,377,800,000</u>
NONTAX REVENUES			
Liquor Store Profits	<u>\$ 50,000,000</u>	<u>\$ 35,000,000</u>	<u>\$ 38,000,000</u>

GENERAL FUND REVENUE DETAIL

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Licenses, Fees and Miscellaneous			
Governor's Office			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations . . .	\$ 316	\$ 100	. . . .
Subtotal	\$ 316	\$ 100	. . . .
Executive Office			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 4,190	\$ 15,000	\$ 15,000
Crime Victim's Award Restitution	6,896	7,000	7,000
Crime Conviction — Imposed Costs	2,383,636	2,400,000	2,400,000
Refunds of Expenditures Not Credited to Appropriation	10,031	3,000	3,000
Subtotal	\$ 2,404,753	\$ 2,425,000	\$ 2,425,000
Lieutenant Governor's Office			
LICENSES AND FEES			
Board of Pardon Fees	\$ 4,068	\$ 4,300	\$ 4,700
MISCELLANEOUS REVENUE			
Refund of Expenditures Not Credited to Appropriations	486	200	. . . .
Subtotal	\$ 4,554	\$ 4,500	\$ 4,700
Auditor General			
LICENSES AND FEES			
Filing Fees	\$ 5,886	\$ 6,000	\$ 6,300
Subtotal	\$ 5,886	\$ 6,000	\$ 6,300
Attorney General			
MISCELLANEOUS REVENUE			
Antitrust Case Payments	\$ 5,304	\$ 500,000	\$ 2,500,000
Assessed Civil Penalties Payments	198,236	200,000	200,000
Miscellaneous	57,725	5,000	5,000
Refund of Expenditures Not Credited to Appropriations	5,114	2,000	2,000
Subtotal	\$ 266,379	\$ 707,000	\$ 2,707,000
Treasury Department			
MISCELLANEOUS REVENUE			
Interest on Securities	\$ 42,220,423	\$ 39,190,000	\$ 52,626,000
Interest on Deposits	4,764,411	2,289,000	4,360,000
Allocation of Treasury Cost	1,544,182	1,600,000	1,600,000
Premium on Sale of Securities	13,875	20,000	20,000
Interest on Securities—Liquor License Fund	223,201	185,000	200,000
Redeposit of Checks	974,871	830,000	1,000,000
Refund of Expenditures Not Credited to Appropriations	4,492	5,000	5,000
Miscellaneous	3,221	. . . .	4,000
Subtotal	\$ 49,748,676	\$ 44,119,000	\$ 59,815,000

GENERAL FUND REVENUE DETAIL

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Department of Aging			
MISCELLANEOUS REVENUE			
Refund of Expenditures Not Credited to Appropriations	\$ 994	\$ 6,000	. . . .
Total	<u>\$ 994</u>	<u>\$ 6,000</u>	<u>. . . .</u>
 Department of Agriculture			
LICENSES AND FEES			
Carbonated Beverage License	\$ 24,090	\$ 26,150	\$ 25,000
Egg Certification Fees	29,225	27,000	28,000
Cold Storage Warehouse Licenses	4,805	3,900	3,750
Egg Opening Licenses	150	200	300
Seed Testing and Certification Fees	76,022	62,500	66,000
Bakery Licenses	42,101	40,525	42,000
Ice Cream Licenses	43,830	39,550	41,750
Domestic Animal Dealers Licenses	11,994	6,500	7,500
Abattoir Licenses	19,900	16,000	10,000
Rendering Plant Licenses	725	825	750
Horse Slaughtering Licenses	100	100	100
Approved Inspector's Certificate and Registration Fees	7,330	7,400	8,000
Garbage Feeders Licenses	525	840	550
Poultry Technician Licenses	180	250	280
Miscellaneous Licenses and Fees	21,427	26,750	54,350
Farm Product Inspection Fees	10,993	11,000	11,000
Veterinarian Diagnostic Lab Fees	136,191	110,000	110,000
Public Weighmaster's Liquid Fuels Licenses	41,985	44,375	45,625
Public Weighmaster's Solid Fuels Licenses	33,450	36,250	37,500
Livestock Branding Fees	245	100	100
Pesticide Dealers License and Fees	9,420	11,000	11,200
Pesticide Application License and Fees	84,600	85,000	75,000
Pesticide Registration Fees	78,190	68,000	69,400
 MISCELLANEOUS REVENUE			
Sale of Surplus Products	1,181	1,000	1,000
Miscellaneous	12,147	10,100	100
Refund of Expenditures Not Credited to Appropriations	6,277	5,000	1,000
Sale of Dressed Meats — MAEC	13,777	11,000	11,000
Subtotal	<u>\$ 710,860</u>	<u>\$ 651,315</u>	<u>\$ 661,255</u>
 Civil Service Commission			
MISCELLANEOUS REVENUE			
Refund of Expenditures Not Credited to Appropriations	\$ 341	\$ 300	\$ 300
Miscellaneous	251	. . . .	. . . .
Subtotal	<u>\$ 592</u>	<u>\$ 300</u>	<u>\$ 300</u>
 Department of Commerce			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 14,085	\$ 10,000	\$ 20,000
Refund of Expenditures Not Credited to Appropriations	6,761	4,000	10,000
Nursing Home Loans — Repayments	5,072,658	5,500,000	5,600,000
Subtotal	<u>\$ 5,093,504</u>	<u>\$ 5,514,000</u>	<u>\$ 5,630,000</u>

GENERAL FUND REVENUE DETAIL

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Department of Community Affairs			
LICENSES AND FEES			
Municipal Indebtedness Fees	\$ 47,724	\$ 50,000	\$ 50,000
MISCELLANEOUS REVENUE			
Miscellaneous	20,666	25,000	25,000
Refunds of Expenditures Not Credited to Appropriations ...	87,891	90,000	100,000
Subtotal	\$ 156,281	\$ 165,000	\$ 175,000
Crime Commission			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations ...	\$ 649	\$ 700	\$ 700
Subtotal	\$ 649	\$ 700	\$ 700
Department of Education			
LICENSES AND FEES			
Secondary Education Evaluation Fees	\$ 113,460	\$ 88,000	\$ 90,000
Private Trade School License Fees	34,915	36,000	36,500
Business School License Fees	48,930	50,000	50,500
Correspondence School License Fees	10,610	10,500	11,000
Private Academic School License Fees	59,970	58,475	59,975
Private Driver Training School Fees	23,505	23,500	24,500
Teachers Certification Fees	312,045	300,330	295,000
Teachers Certification Fees — Private Academy	11,590	12,000	13,500
MISCELLANEOUS			
Miscellaneous	230	115,000	.....
Refunds to Expenditures Not Credited to Appropriations ...	223,342	.....	.....
Subtotal	\$ 838,597	\$ 693,805	\$ 580,975
Emergency Management Agency			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations ...	\$ 1,263	\$ 1,000	\$ 1,000
Subtotal	\$ 1,263	\$ 1,000	\$ 1,000
Department of Environmental Resources			
LICENSES AND FEES			
Bathing Place Licenses	\$ 1,595	\$ 1,000	\$ 1,000
Sewage and Industrial Waste Permit Fees	167,000	160,000	.....
Restaurant Licenses	533,800	550,000	550,000
Miscellaneous Licenses and Fees	37,995	41,800	41,800
Registration Fees for Organized Camps	5,290	3,810	3,810
Explosive Storage Permit Fees	133,470	153,000	153,000
Blasters' Examination and Licensing Fees	55,790	64,600	65,000
Examination and Certificate Fees	22,417	15,000	15,000
Bituminous Miners' Examination and Certificate Fees	5,067	2,000	2,500
Bituminous Shot Firers and Machine Runners Examination and Certificates	299	750	1,000
Anthracite Miners' Examination and Certificate Fees	287	200	200
Water Power and Supply Permit Fees	78,652	70,300	70,750
Dams and Encroachment Fees	98,089	100,000	100,000
Water Bacteriological Examinations	51,217	40,000	40,000
Sewage Enforcement Examination Fees	2,835	2,100	2,100
Sewage Enforcement-Certificate Copy Fees	3,225	1,140	1,140
Surface Mine Drainage Permit Fees	-340	.....	.....
Natural Gas Well Classification Permit	170,950	100,000	170,000
Hazardous Waste Treatment Storage or Disposal	218,000	140,000	140,000
Hazardous Waste Transporter Licenses Application Fees ...	8,400	25,000	9,000

GENERAL FUND REVENUE DETAIL

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Department of Environmental Resources (continued)			
MISCELLANEOUS REVENUE			
Minerals Sales	\$ 362,791	\$ 425,000	\$ 425,000
Camp Leases	188,755	195,000	195,000
Water Leases	7,142	7,000	7,000
Rights-of-Way	115,866	108,900	109,000
Recovered Damages	2,407	.....	.....
Housing Rents	14,286	13,000	13,000
Ground Rents	20,360	22,800	24,000
Royalties for Recovery of Materials-Schuylkill River	61,384	61,400	50,000
Miscellaneous	49,604	49,900	20,500
Surface Subsidence Assistance Loans—Principal Amounts ..	4,602	5,000	5,000
Refunds of Expenditures Not Credited to Appropriations ...	112,677	100,000	.....
Payment to Occupy Submerged Lands	14,856	17,500	17,500
Stumpage	15,504	.....	.....
Subtotal	<u>\$ 2,564,272</u>	<u>\$ 2,476,200</u>	<u>\$ 2,232,300</u>
Department of General Services			
MISCELLANEOUS REVENUE			
Sale of State Property	\$ 245,522	\$ 100,000	.....
Sale of Publications	60,429	90,000	65,000
Sale of Unserviceable Property	258,088	250,000	250,000
Rental of State Property	150,887	100,000	250,000
Recovery on Insurance and Surety Bonds	284	300	300
Mileage of State Automobiles	508,039	550,000	.....
Contract Forfeitures and Damages .....	.....	2,000	2,000
Allocation of Property Costs	5,015,499	4,066,000	5,540,000
Real Estate Services	82,242	80,000	80,000
Miscellaneous	436,990	550,000	500,000
Refunds of Expenditures Not Credited to Appropriations ...	41,305	80,000	75,000
Subtotal	<u>\$ 6,799,285</u>	<u>\$ 5,868,300</u>	<u>\$ 6,762,300</u>
Department of Health			
LICENSES AND FEES			
Vital Statistics Fees	\$ 1,960,018	\$ 1,960,018	\$ 1,960,018
Registration Fees-Drugs Devices and Cosmetics Act	388,116	388,116	388,116
Profit Making Hospital Licenses	72,855	72,855	72,855
Nursing Home Licenses	223,561	223,562	223,562
Life Safety Code Disposition Fees	220,206	220,206	220,206
Birth Center Licensure Fees	50	450	50
MISCELLANEOUS REVENUE			
Miscellaneous	1,713,722	1,713,722	1,713,722
Refunds of Expenditures Not Credited to Appropriations ...	26,628	26,623	26,623
Subtotal	<u>\$ 4,605,156</u>	<u>\$ 4,605,552</u>	<u>\$ 4,605,152</u>
Historical and Museum Commission			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 991	\$ 5,000	\$ 5,000
Refunds of Expenditures Not Credited to Appropriations ...	109,576	500	500
Subtotal	<u>\$ 110,567</u>	<u>\$ 5,500</u>	<u>\$ 5,500</u>

GENERAL FUND REVENUE DETAIL

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Insurance Department			
LICENSES AND FEES			
Agents' Licenses	\$ 7,305,252	\$ 6,021,000	\$ 10,672,000
Brokers' Licenses	416,970	223,000	539,000
Examination Fees and Expenses	1,070,552	1,071,000	1,071,000
Valuation of Policies Fees	960,851	1,000,000	1,000,000
Miscellaneous Fees	5,361	6,000	6,000
Miscellaneous Licenses	20,760	21,000	21,000
Physical Damage Appraiser Licenses	12,610	70,000	46,000
Division of Companies Certification — Certificates' and Filing Fees	334,055	350,000	350,000
Agents and Brokers' Certification Fees	140,980	162,000	162,000
MISCELLANEOUS REVENUE			
Miscellaneous	6,914	7,000	7,000
Subtotal	<u>\$ 10,274,305</u>	<u>\$ 8,931,000</u>	<u>\$ 13,874,000</u>
Labor and Industry			
LICENSES AND FEES			
Bedding and Upholstery Fees	\$ 235,810	\$ 264,000	\$ 274,000
Boiler Inspection Fees	790,831	1,000,000	1,040,000
Elevator Inspection Fees	818,837	750,000	800,000
Employment Agents' Licenses	49,650	49,000	49,000
Projectionists' Examination and License Fees	10,041	10,000	10,000
Approval of Elevator Plan Fees	77,465	70,000	73,000
Industrial Homework Permit Fees	200	400	400
Employment Agents' Registration Fees	8,740	9,600	9,600
Liquified Petroleum Gas Registration Fees	114,605	107,000	112,000
Stuffed Toys Manufacturers Registration Fees	15,255	16,000	17,000
Approval of Building Plan Fees	1,636,551	2,000,000	2,080,000
MISCELLANEOUS REVENUE			
Miscellaneous	7,831	12,000	12,000
Refunds of Expenditures Not Credited to Appropriations	129,667	150,000	150,000
Indirect Costs Reimbursements — BVR	456,499	.....	.....
Indirect Costs Reimbursements — CETA — Balance of State	5,269	.....	.....
Indirect Costs Reimbursements — Special Grant	6,062	.....	.....
Subtotal	<u>\$ 4,363,313</u>	<u>\$ 4,438,000</u>	<u>\$ 4,627,000</u>
Department of Military Affairs			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 1,532	\$ 2,000	.....
Refunds of Expenditures Not Credited to Appropriations	3,634	35,000	.....
Subtotal	<u>\$ 5,166</u>	<u>\$ 37,000</u>	.....

GENERAL FUND REVENUE DETAIL

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Board of Probation and Parole			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 6	\$ 50	.....
Refunds of Expenditures Not Credited to Appropriations ...	79	11,950	\$ 10,000
Subtotal	\$ 85	\$ 12,000	\$ 10,000
 Public Utility Commission			
LICENSES AND FEES			
General Assessment Fees .....	.....	\$ 100	\$ 100
 MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations ...	.....	100	100
Subtotal .....	.....	\$ 200	\$ 200
 Department of Public Welfare			
LICENSES AND FEES			
Private Mental Hospital Licenses	\$ 9,231	\$ 9,300	\$ 9,300
 MISCELLANEOUS REVENUE			
Miscellaneous	1,317	120,000	100,000
Refunds of Expenditures Not Credited to Appropriations ...	38,186	40,000	50,000
Subtotal	\$ 48,734	\$ 169,300	\$ 159,300
 Department of Revenue			
LICENSES AND FEES			
Cigarette Permit Fees	\$ 705,207	\$ 710,000	\$ 710,000
Certificate and Copy Fees	26,521	27,973	27,963
Dog Licenses	167,520	400	.....
Domestic Violence and Rape Crisis Program Fees	841,131	1,136,000	1,225,000
 MISCELLANEOUS REVENUE			
Abandoned Property Revenue	30,499,378	14,000,000	7,000,000
Waterway Obstruction Rents	20	50	50
Miscellaneous	194,507	25,177	25,000
Refunds of Expenditures Not Credited to Appropriations ...	27,569	125,000	44,905
District Justice Cost	9,228,876	9,300,000	9,500,000
Distribution Due Absentee	257,979	210,000	210,000
Subtotal	\$ 41,948,708	\$ 25,534,600	\$ 18,742,918
 Pennsylvania Securities Commission			
LICENSES AND FEES			
Section 205 — Security Registration and Amendment	\$ 375,040	\$ 442,000	\$ 450,000
Section 206 — Security Registration and Amendment Fees ..	186,602	145,000	48,000
Mutual Funds and Investment Company Section			
2031-205-205-206	3,249,791	2,100,000	2,500,000
Brokers/Dealers Registration Fees — Initial	24,625	27,000	28,000
Brokers/Dealers Registration Fees — Renewal	90,485	104,000	95,000
Brokers/Dealers Registration Fees — Pa. Office — Initial ..	24,918	4,000	4,000
Brokers/Dealers Registration Fees — Pa. Office — Renewal	.....	24,000	24,000
Amendments to Broker/Dealer Filings Section 304	8,180	7,000	.....
Securities Agents Filing Fees — Initial	184,400	225,000	225,000
Securities Agents Filing Fees — Renewal	474,130	500,000	540,000
Securities Agents Filing Fees — Transfer	19,720	20,000	20,000

GENERAL FUND REVENUE DETAIL

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Pennsylvania Securities Commission (continued)			
LICENSES AND FEES (continued)			
Amendments to Security Agents Filings — Section 304	\$ 12,280	\$ 12,500	.....
Investment Advisors Filing Fees — Initial	2,700	4,000	\$ 4,000
Investment Advisors Filing Fees — Renewal	15,400	17,000	17,000
Amendment to Investment Advisor's Filings — Section 304 ..	1,410	1,400	.....
Section 202G Security Exemption Fees	975	1,000	1,000
Section 2031 and 203(0)II Section Exemption Fees	17,300	30,000	31,000
Section 203(D) Security Exemption Fees	294,825	400,000	410,000
Section 203(N) Security Exemption Fees	1,200	1,100	1,200
Section 203(P) Security Exemption Fees	2,500	2,000	2,200
Takeover Disclosure Filing Fees Section IV Registration	3,600	5,000	.....
Costs — Examination, Auditing, Investigation, Prosecution — Except Takeover Costs	13,917	25,000	35,000
MISCELLANEOUS REVENUE			
Miscellaneous	1,926	1,500	2,000
Subtotal	<u>\$ 5,005,924</u>	<u>\$ 4,098,500</u>	<u>\$ 4,437,400</u>
Department of State			
LICENSES AND FEES			
Commission and Filing — Corporation Bureau	\$ 3,811,627	\$ 4,144,000	\$ 4,920,000
Recorder of Deeds Fees	29,887	30,000	27,000
Notary Public Commission Fees	373,866	386,000	386,000
Commissions and Filing Fees — Bureau of Elections	81,494	60,000	6,000
MISCELLANEOUS REVENUE			
Miscellaneous	92	100	.....
Subtotal	<u>\$ 4,296,966</u>	<u>\$ 4,620,100</u>	<u>\$ 5,339,000</u>
State Police			
MISCELLANEOUS REVENUE			
Miscellaneous	\$ 156,459	\$ 165,000	\$ 165,000
Reimbursement for Lost Property	688	700	700
Refunds of Expenditures Not Credited to Appropriations ...	102,091	112,000	110,000
Subtotal	<u>\$ 259,238</u>	<u>\$ 277,700</u>	<u>\$ 275,700</u>
Department of Transportation			
MISCELLANEOUS REVENUE			
VW Rail Spur Lease Recovery	\$ 102,680	\$ 150,000	\$ 150,000
Refunds of Expenditures Not Credited to Appropriations ...	335,976	200,000	200,000
Subtotal	<u>\$ 438,656</u>	<u>\$ 350,000</u>	<u>\$ 350,000</u>

GENERAL FUND REVENUE DETAIL

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Legislative Miscellaneous and Commissions			
MISCELLANEOUS REVENUE			
Miscellaneous — State Ethics Commission	\$ 120	\$ 10	.....
Subtotal	\$ 120	\$ 10	.....
Commonwealth Court			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations ...	\$ 17,856	\$ 16,000	\$ 16,000
Subtotal	\$ 17,856	\$ 16,000	\$ 16,000
Other			
MISCELLANEOUS REVENUE			
Conscience Money	\$ 2,460	\$ 2,000	\$ 2,000
Transfer from Harness Racing Fund	2,631,170	815,627	.....
Transfer from Horse Racing Fund	6,597,532	6,348,691	.....
Transfer from State Racing Fund .....	.....	.....	11,054,000
Transfer from Unemployment Compensation Benefit Payment Fund	85,990	.....	.....
Refunds Not Credited to Appropriations (SWIF)	22,119,090	.....	.....
Subtotal	\$ 31,436,242	\$ 7,166,318	\$ 11,056,000
TOTAL LICENSES, FEES AND MISCELLANEOUS ..	\$ 171,407,897	\$ 122,900,000	\$ 144,500,000
Fines, Penalties and Interest on Taxes			
Penalties on Excise Taxes — Corporations	\$ 416,064	\$ 420,000	\$ 420,000
Interest on Excise Taxes — Corporation (Department of Revenue)	7,112,393	7,260,000	7,260,000
Corporation Net Income Tax	9,077,956	9,260,000	9,260,000
Realty Transfer Tax	56,771	60,000	60,000
Other Fines and Penalties			
Department of Agriculture			
General Food Fines	3,875	3,940	2,500
Pesticide Fines and Penalties	1,800	1,000	1,020
Egg Fines	1,115	1,200	1,200
Marketing Law Fines	2,560	5,000	5,000
Miscellaneous	3,911	2,000	900
Horse Racing Fines and Penalties	54,910	60,000	65,500
Harness Racing Fines and Penalties	29,790	40,000	45,000
Department of Education			
PDE School Licensing	100	.....	.....
Department of Environmental Resources			
Miscellaneous Fines	22,550	35,500	35,500
Blasters Fines	900	.....	.....
Migrant Labor Camp Fines .....	.....	5,000	5,000

GENERAL FUND REVENUE DETAIL

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Other Fines and Penalties (continued)			
Department of General Services			
Traffic Violations	\$ 30,761	\$ 35,000	\$ 35,000
Department of Insurance			
Miscellaneous Fines	180,210	190,000	200,000
Department of Labor and Industry			
Miscellaneous Fines	6,824	10,000	10,000
Minor Labor Law Fines	2,300	2,150	2,150
Boiler Inspection Fines .....	. . . .	350	350
Department of Military Affairs			
Court Marital Fines	60	100	100
Public Utility Commission			
Violation of Order Fines	177,575	193,000	185,000
Department of Revenue			
Malt Liquor Fines and Penalties	5,194	5,000	5,000
Miscellaneous Fines	514	660	680
Spiritous and Vinous Liquor Fines and Penalties	58	100	100
Motor Law Fines Prior to July 1, 1976	10,308	10,000	. . . .
Ethics Commission			
Violations — Act 190, 1978	58	. . . .	. . . .
TOTAL FINES, PENALTIES AND INTEREST	\$ 17,198,557	\$ 17,600,000	\$ 17,600,000
TOTAL NONTAX REVENUE	\$ 238,606,454	\$ 175,500,000	\$ 200,100,000
TOTAL GENERAL FUND REVENUES	\$7,362,807,755	\$8,223,200,000	\$8,577,900,000

Motor License Fund

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

The Fund provides for highway 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)	
	1983-84	1984-85
Beginning Balance	\$ —33,002	\$ 4,242
Revenue:		
Official Estimate	\$1,233,500	1,249,000
Accrued Revenues Unrealized	116,000	114,100
Less Revenues Accrued Previously	—99,800	—116,000
Total Revenue	\$1,249,700	\$1,247,100
Prior Year Lapses	22,000	.....
Funds Available	\$1,238,698	\$1,251,342
Expenditures:		
Appropriated	\$1,231,456	\$1,251,036
Supplemental Appropriations	5,000	.....
Less Current Year Lapses	—2,000	.....
Estimated Expenditures	-1,234,456	-1,251,036
Ending Balance	\$ 4,242	\$ 306

*Excludes restricted revenue

NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

SUPPLEMENTAL APPROPRIATIONS

	1983-84 Estimated
General Services	
Tort Claims—Payments	\$ 2,000
Transportation	
Highway Maintenance	3,000
 Total Supplementals	<u>\$ 5,000</u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Department of Transportation			
General Government			
General Government Operations	\$ 20,199	\$ 19,570	\$ 20,353
Refunding Monies Collected Through the Department of Transportation	2,506	1,700	2,000
Highway and Safety Improvement	92,545	93,000	99,800
Highway Maintenance	480,249	521,600	524,174
Secondary Roads — Maintenance and Resurfacing	53,028	49,311	48,826
Safety Administration and Licensing	38,211	40,900	44,436
Subtotal	<u>\$ 686,738</u>	<u>\$ 726,081</u>	<u>\$ 739,589</u>
Debt Service Requirements			
State Highway and Bridge Authority Rentals	<u>\$ 29,371</u>	<u>\$ 30,200</u>	<u>\$ 29,800</u>
Grants and Subsidies			
Local Road Maintenance and Construction Payments	\$ 127,473	\$ 144,200	\$ 137,540
Supplemental Local Road Maintenance and Construction Payments	5,000	5,000	5,000
Philadelphia Payment — Franchise Tax	2,415	728	1,008
Subtotal	<u>\$ 134,888</u>	<u>\$ 149,928</u>	<u>\$ 143,548</u>
Total State Funds	<u>\$ 850,997</u>	<u>\$ 906,209</u>	<u>\$ 912,937</u>
Federal Funds	\$ 437,094	\$ 576,180	\$ 554,228
Other Funds	17,211	21,631	21,421
Other Funds—Restricted Revenue	9,680	53,204	161,518
DEPARTMENT TOTAL	<u>\$1,314,982</u>	<u>\$1,557,224</u>	<u>\$1,650,104</u>
Executive Offices			
General Government			
Office of the Budget	\$ 3,430	\$ 3,426	\$ 3,563
Total State Funds	<u>\$ 3,430</u>	<u>\$ 3,426</u>	<u>\$ 3,563</u>
Other Funds	\$ 797	\$ 847	\$ 833
DEPARTMENT TOTAL	<u>\$ 4,227</u>	<u>\$ 4,273</u>	<u>\$ 4,396</u>

**Summary by Department
(Continued)**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Treasury Department			
General Government			
Replacement Checks	\$ 55	\$ 60	\$ 60
Refunding Liquid Fuel Tax — Agriculture	3,534	4,000	4,000
Administration of Refunding Liquid Fuel Tax	202	211	219
Refunding Liquid Fuel Tax — State Share	145	400	400
Refunding Emergency Liquid Fuel Tax .....	. . . .	1	1
Refunding Liquid Fuel Tax — Political Subdivision Use	1,551	2,100	2,100
Refunding Liquid Fuel Tax — Volunteer Fire Companies, Am- bulance Services and Rescue Squads	96	150	150
Refunding Marine Liquid Fuel Tax — Boating Fund	1,378	1,600	1,600
Subtotal	<u>\$ 6,961</u>	<u>\$ 8,522</u>	<u>\$ 8,530</u>
Debt Service Requirements			
Capital Debt — Transportation Projects	\$ 166,147	\$ 165,716	\$ 165,346
Capital Debt — Public Improvement Projects	681	498	498
Loan and Transfer Agent	88	130	166
Subtotal	<u>\$ 166,916</u>	<u>\$ 166,344</u>	<u>\$ 166,010</u>
Total State Funds	<u>\$ 173,877</u>	<u>\$ 174,866</u>	<u>\$ 174,540</u>
Other Funds—Restricted Revenue	\$ 28	\$ 28	\$ 53
DEPARTMENT TOTAL	<u>\$ 173,905</u>	<u>\$ 174,894</u>	<u>\$ 174,593</u>
Department of Education			
Grants and Subsidies			
Safe Driving Course	\$ 2,801	\$ 2,706	\$ 2,605
Total State Funds	<u>\$ 2,801</u>	<u>\$ 2,706</u>	<u>\$ 2,605</u>
Federal Funds	\$ 70	\$ 225	\$ 225
DEPARTMENT TOTAL	<u>\$ 2,871</u>	<u>\$ 2,931</u>	<u>\$ 2,830</u>
Department of General Services			
Debt Service Requirements			
General State Authority Rentals	\$ 1,172	\$ 1,220	\$ 1,210
Grants and Subsidies			
Tort Claims — Payments	\$ 7,000	\$ 14,000	\$ 13,000
DEPARTMENT TOTAL	<u>\$ 8,172</u>	<u>\$ 15,220</u>	<u>\$ 14,210</u>

**Summary by Department
(Continued)**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Department of Revenue			
General Government			
Collection — Liquid Fuels Tax	\$ 4,062	\$ 4,178	\$ 4,645
Refunding Liquid Fuels Taxes	6,000	6,850	6,865
DEPARTMENT TOTAL	<u>\$ 10,062</u>	<u>\$ 11,028</u>	<u>\$ 11,510</u>
Pennsylvania State Police			
General Government			
Transfer to General Fund — General Government Operations ..	\$ 118,604	\$ 121,682	\$ 130,286
Transfer to General Fund — Municipal Police Training	1,253	1,206	1,267
Transfer to General Fund — In-Service Training	74	113	118
DEPARTMENT TOTAL	<u>\$ 119,931</u>	<u>\$ 123,001</u>	<u>\$ 131,671</u>
Fund Summary			
State Funds — Transportation	\$ 850,997	\$ 906,209	\$ 912,937
State Funds — Other Departments	318,273	330,247	338,099
Total State Funds	<u>\$1,169,270</u>	<u>\$1,236,456</u>	<u>\$1,251,036</u>
Federal Funds	\$ 437,164	\$ 576,405	\$ 554,453
Other Funds	18,008	22,478	22,254
Other Funds—Restricted Revenue	9,708	53,232	161,571
FUND TOTAL	<u>\$1,634,150</u>	<u>\$1,888,571</u>	<u>\$1,989,314</u>

ADJUSTMENTS TO REVENUE ESTIMATE

On July 21, 1983, a revised official estimate for the 1983-84 fiscal year of \$1,227,800,000 was certified.

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

(Dollar Amounts in Thousands)

	1983-84 Official Estimate	Adjustments	1983-84 Revised Estimate
Liquid Fuels Taxes	\$ 798,700	\$ +4,100	\$ 802,800
Motor Licenses and Fees	378,700	. . . .	378,700
Other Motor Receipts	50,400	+1,600	52,000
 TOTAL	 <u>\$ 1,227,800</u>	 <u>\$ +5,700</u>	 <u>\$ 1,233,500</u>

MOTOR LICENSE FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Estimated	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Liquid Fuels Taxes	\$ 698,028	\$ 802,800	\$ 828,500	\$ 836,700	\$ 841,100	\$ 845,300	\$ 850,600
Motor Licenses and Fees	380,834	378,700	369,500	377,300	390,200	394,100	398,000
Other Motor Receipts	57,974	52,000	51,000	52,000	52,000	52,000	52,000
TOTAL MOTOR LICENSE FUND REVENUES	<u>\$1,136,836</u>	<u>\$1,233,500</u>	<u>\$1,249,000</u>	<u>\$1,266,000</u>	<u>\$1,283,300</u>	<u>\$1,291,400</u>	<u>\$1,300,600</u>
 Aviation Restricted Revenues	 \$ 6,068	 \$ 6,899	 \$ 6,808	 \$ 7,086	 \$ 7,376	 \$ 7,678	 \$ 7,995
Highway Bridge Improvement Restricted Revenues	\$ 55,124	\$ 69,200	\$ 69,200	\$ 69,200	\$ 69,200	\$ 69,200	\$ 69,200
State Highway Transfer Restricted Revenues .....	.....	\$ 9,100	\$ 13,400	\$ 14,300	\$ 15,100	\$ 15,900	\$ 16,700

MOTOR LICENSE FUND REVENUE SOURCES

LIQUID FUELS TAXES

Actual	Estimated
1977-78.....\$487,100,857	1983-84.....\$802,800,000
1978-79.....496,925,458	1984-85.....828,500,000
1979-80.....551,240,949	1985-86.....836,700,000
1980-81.....553,528,978	1986-87.....841,100,000
1981-82.....705,462,511	1987-88.....845,300,000
1982-83.....698,028,330	1988-89.....850,600,000

The revenues are derived from five separate sources: the Liquid Fuels Tax; the Fuel Use Tax; the Motor Carriers Road Tax; the Interstate Bus Compact Fuels Tax; and the Oil Company Franchise Tax.

The Liquid Fuels Tax is an excise tax imposed upon all liquid fuels used or sold and delivered within the Commonwealth. The tax, ultimately borne by the consumer, is imposed upon and collected by the distributor. After discounts, all monies collected are placed in the Motor License Fund, except that an amount equal to one-half cent per gallon is placed in the Liquid Fuels Tax Fund. Fuels sold and delivered to the U.S. Government, the Commonwealth and any of its political subdivisions, public authorities, nonprofit schools, volunteer fire companies, ambulance services, rescue squads, and those fuels sold and delivered under the Commerce Clause of the Constitution of the United States are exempt from payment of the tax. In addition to these exemptions, reimbursement is made for fuels used for certain agricultural purposes. The present rate of the Liquid Fuels Tax of twelve cents per gallon became effective August 8, 1983. Previously the tax rate was eleven cents per gallon having been raised from nine cents per gallon on July 4, 1979.

The Fuel Use Tax is a tax levied upon all dealer users for the use of fuels within the Commonwealth other than fuels taxed under the Liquid Fuels Tax Act. All monies collected, less allowed discounts, are paid into the Motor License Fund and the Liquid Fuels Tax Fund in the same proportion as the Liquid Fuels Tax monies. Exempt from this tax are fuels sold and delivered under the Commerce Clause of the Constitution of the United States, fuels used and sold by the Commonwealth and any of its political subdivisions, fuels sold and delivered to the U.S. Government, fuels (less than 50 gallons) brought into the Commonwealth in the fuel tanks of motor vehicles, fuels used by public authorities, volunteer fire companies, ambulance services, rescue squads and nonprofit schools, and fuels used for certain agricultural purposes. The present rate of the Fuel Use Tax of twelve cents per gallon became effective August 8, 1983. Previously the tax rate was eleven cents per gallon having been raised from nine cents per gallon July 4, 1979.

The Motor Carriers Road Tax Act levies a tax on motor carriers operating commercial motor vehicles having a gross weight or registered gross weight in excess of 17,000 pounds. The tax rate is twelve cents per gallon computed on the basis of the number of gallons of fuel used within the State. Prior to August 8, 1983 the tax rate was eleven cents per gallon. In addition the Act required identification markers for each vehicle not registered in Pennsylvania to be issued annually upon a payment of \$25 per vehicle. Act No. 234 of December 8, 1982 reduced this fee to \$5.00 effective March 31, 1983.

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

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

MOTOR LICENSE FUND REVENUE SOURCES

MOTOR LICENSES AND FEES

Actual	Estimated
1977-78	1983-84
\$326,764,797	\$378,700,000
1978-79	1984-85
329,110,763	369,500,000
1979-80	1985-86
325,536,773	377,300,000
1980-81	1986-87
374,522,738	390,200,000
1981-82	1987-88
401,039,612	394,100,000
1982-83	1988-89
380,834,066	398,000,000

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

OTHER MOTOR LICENSE FUND REVENUES

Actual	Estimated
1977-78	1983-84
\$ 32,269,571	\$ 52,000,000
1978-79	1984-85
39,587,126	51,000,000
1979-80	1985-86
103,111,500	52,000,000
1980-81	1986-87
52,688,738	52,000,000
1981-82	1987-88
60,644,234	52,000,000
1982-83	1988-89
57,973,437	52,000,000

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

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

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

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

This category also includes an appropriation from the General Fund of \$57 million in 1979-80.

MOTOR LICENSE FUND REVENUE DETAIL

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

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
LIQUID FUELS TAXES			
Liquid Fuels Tax			
Liquid Fuels Tax	\$ 447,110,646	\$ 465,790,000	\$ 466,390,000
Liquid Fuels Tax Penalties	326,166	340,000	340,000
Liquid Fuels Tax Interest	65,800	70,000	70,000
Total	\$ 447,502,612	\$ 466,200,000	\$ 466,800,000
 Fuel Use Tax			
Fuel Use Tax	\$ 70,392,827	\$ 80,450,000	\$ 87,190,000
Fuel Use Tax Penalties	404,335	460,000	500,000
Fuel Use Tax Interest	166,565	190,000	210,000
Total	\$ 70,963,727	\$ 81,100,000	\$ 87,900,000
 Motor Carriers Road Tax			
Motor Carriers Road—Fuels Tax	\$ 12,508,360	\$ 15,100,000	\$ 16,200,000
Motor Carriers Road Tax Registration Fees and Special Permit Fees	3,030,316	2,400,000	1,700,000
Total	\$ 15,538,676	\$ 17,500,000	\$ 17,900,000
 Interstate Bus Compact Fuels Tax			
Interstate Bus Compact Fuels Tax	\$ 668,617	\$ 800,000	\$ 800,000
Interstate Bus Compact Tax Penalties	1,352	.....	.....
Interstate Bus Compact Fuels Tax Interest	4,377	.....	.....
Total	\$ 674,346	\$ 800,000	\$ 800,000
 Oil Company Franchise Tax			
Oil Company Franchise Tax	\$ 163,348,969	\$ 237,200,000	\$ 255,100,000
Total	\$ 163,348,969	\$ 237,200,000	\$ 255,100,000
TOTAL LIQUID FUELS TAXES	\$ 698,028,330	\$ 802,800,000	\$ 828,500,000
 MOTOR LICENSES AND FEES			
Operators' Licenses	\$ 40,366,821	\$ 39,007,000	\$ 37,500,000
Special Hauling Permit Fees	4,534,887	4,317,000	4,500,000
Vehicle Registration and Titling	320,275,511	319,876,000	312,100,000
Other Fees Collected by Bureau of Motor Vehicles	9,177,138	9,900,000	8,900,000
Registration Fees Received From Other States/ARP	6,479,709	5,600,000	6,500,000
TOTAL MOTOR LICENSES AND FEES	\$ 380,834,066	\$ 378,700,000	\$ 369,500,000

MOTOR LICENSE FUND REVENUE DETAIL

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
OTHER MOTOR LICENSE FUND REVENUES			
Gross Receipts Tax			
Gross Receipts Tax	\$ 258,575	\$ 300,000	\$ 300,000
Total	\$ 258,575	\$ 300,000	\$ 300,000
Fines and Penalties			
Department of Transportation			
Vehicle Code Fines	\$ 1,972,445	\$ 1,972,000	\$ 1,972,000
Department of Revenue			
Vehicle Codes Fines	18,997,247	19,034,000	19,734,000
Total	\$ 20,969,692	\$ 21,006,000	\$ 21,706,000
Miscellaneous Revenues			
Treasury Department			
Interest on Securities	\$ 5,023,611	\$ 6,371,000	\$ 8,010,000
Interest on Securities Liquid Fuels Tax Fund	564,714	600,000	750,000
Redeposit of Checks	67,509	70,000	70,000
Interest on Deposit — Motor License Fund	-31,240	.....	.....
Interest on Deposit — Cash Advancement Accounts	128,754	150,000	190,000
Department of General Services			
Sale of Unserviceable Property	\$ 505,477	\$ 503,000	\$ 500,000
Department of Transportation			
Highway Encroachment Permits	\$ 911,808	\$ 897,000	\$ 900,000
Highway Bridges Income	72,643	73,000	75,000
Sale of Maps and Plans	421,026	448,000	474,000
Sale of Gas, Oil and Anti-Freeze	2,362,977	2,367,000	2,371,000
Recovered Damages	2,655	3,000	3,000
Contract Deposit Forfeitures	10,063	10,000	10,000
Sale of Inspection Stickers	21,825,643	16,895,000	15,200,000
Miscellaneous Revenues	4,758,024	2,217,000	160,000
Refunds of Expenditures Not Credited to Appropriations or Allocations	114,501	82,000	275,000
Fees for Reclaiming Abandoned Vehicles	3,910	4,000	4,000
Sale of Abandoned Vehicles	2,487	4,000	2,000
Department of Revenue			
Miscellaneous Revenue	\$ 200	.....	.....
Refunds of Expenditures Not Credited to Appropriations ..	408	.....	.....
Total	\$ 36,745,170	\$ 30,694,000	\$ 28,994,000
TOTAL OTHER MOTOR LICENSE FUND REVENUES ..	\$ 57,973,437	\$ 52,000,000	\$ 51,000,000
TOTAL MOTOR LICENSE FUND REVENUES	\$1,136,835,833	\$1,233,500,000	\$1,249,000,000

MOTOR LICENSE FUND REVENUE SOURCES

Restricted Revenues Not Included in Department Total

AVIATION REVENUES

Actual	Estimated
1977-78	\$5,439,731
1978-79	6,019,850
1979-80	5,189,252
1980-81	7,202,253
1981-82	6,279,919
1982-83	6,068,294
1983-84	\$6,899,000
1984-85	6,808,000
1985-86	7,086,000
1986-87	7,376,000
1987-88	7,678,000
1988-89	7,995,000

Aviation revenue is derived from taxes levied on aviation gasoline and jet fuel, and from income earned at State-owned airports. The current tax rate is one and one-half cents per gallon on fuel for propeller-driven aircraft, one cent per gallon on fuel for jet or turbo-jet aircraft. Airport income consists primarily of rents, concessions, utility refunds and landing fees. Aviation restricted revenues are not included in Motor License Fund Revenue totals.

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
AVIATION REVENUES			
Aviation Liquid Fuels Tax	\$2,823,454	\$2,965,000	\$3,113,000
Harrisburg International Airport Operations	3,077,047	3,631,000	3,454,000
State Airport Operations	167,793	303,000	241,000
TOTAL AVIATION REVENUES	<u>\$6,068,294</u>	<u>\$6,899,000</u>	<u>\$6,808,000</u>

HIGHWAY BRIDGE IMPROVEMENT REVENUES

Actual	Estimated
1977-78	1983-84
1978-79	1984-85
1979-80	1985-86
1980-81	1986-87
1981-82	1987-88
1982-83	1988-89
\$55,124,235	\$69,200,000

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

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
HIGHWAY BRIDGE IMPROVEMENT REVENUES			
Axle Tax	<u>\$ 55,124,235</u>	<u>\$ 69,200,000</u>	<u>\$ 69,200,000</u>

MOTOR LICENSE FUND REVENUE SOURCES

Restricted Revenues Not Included in Department Total

STATE HIGHWAY TRANSFER REVENUES

Actual	Estimated
1977-78	1983-84 \$ 9,100,000
1978-79	1984-85 13,400,000
1979-80	1985-86 14,300,000
1980-81	1986-87 15,100,000
1981-82	1987-88 15,900,000
1982-83	1988-89 16,700,000

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

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
STATE HIGHWAY TRANSFER REVENUES			
Local Turnback	<u> </u>	<u>\$ 9,100,000</u>	<u>\$ 13,400,000</u>

Game Fund

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

Financial Statement

	(Dollar Amounts in Thousands)	
	1983-84	1984-85
Beginning Balance	\$ 18,728	\$ 14,311
Receipts:		
Revenue Estimate	\$ 32,143	\$ 30,258
Prior Year Lapses	<u>1,400</u>	<u> </u>
Total Receipts	<u>33,543</u>	<u>30,258</u>
Funds Available	\$ 52,271	\$ 44,569
Expenditures:		
Appropriated	<u>\$ 37,960</u>	<u>\$ 33,501</u>
Estimated Expenditures	—37,960	—33,501
Ending Balance	<u><u>\$ 14,311</u></u>	<u><u>\$ 11,068</u></u>

Summary by Department

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Game Commission			
General Government			
General Operations	\$ 29,761	\$ 32,334	\$ 28,955
 Treasury Department			
General Government			
Replacement Checks	\$ 4	\$ 6	\$ 6
Total State Funds	<u>\$ 29,765</u>	<u>\$ 32,340</u>	<u>\$ 28,961</u>
 Federal Funds	 \$ 3,892	 \$ 5,500	 \$ 4,410
Other Funds	164	120	130
 FUND TOTAL	 <u>\$ 33,821</u>	 <u>\$ 37,960</u>	 <u>\$ 33,501</u>

GAME FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Estimated	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
License and Fees.....	\$ 16,599	\$ 16,981	\$ 16,511	\$ 16,500	\$ 16,500	\$ 16,500	\$ 16,500
Fines and Penalties	637	640	640	640	640	640	640
Miscellaneous Revenues.....	7,641	8,757	8,587	7,500	6,000	6,000	6,000
Total Game Fund Revenues	<u>\$ 24,877</u>	<u>\$ 26,378</u>	<u>\$ 25,738</u>	<u>\$ 24,640</u>	<u>\$ 23,140</u>	<u>\$ 23,140</u>	<u>\$ 23,140</u>
 Augmentations	 \$ 4,056	 \$ 5,765	 \$ 4,520	 \$ 5,000	 \$ 5,500	 \$ 6,000	 \$ 6,500
TOTAL GAME FUND RECEIPTS ...	<u><u>\$ 28,933</u></u>	<u><u>\$ 32,143</u></u>	<u><u>\$ 30,258</u></u>	<u><u>\$ 29,640</u></u>	<u><u>\$ 28,640</u></u>	<u><u>\$ 29,140</u></u>	<u><u>\$ 29,640</u></u>

GAME FUND REVENUE SOURCES

Licenses and Fees

Actual	Estimated
1977-78\$ 14,713,912	1983-84\$ 16,980,700
1978-79 14,528,918	1984-85 16,510,700
1979-80 15,406,680	1985-86 16,500,000
1980-81 16,259,145	1986-87 16,500,000
1981-82 16,915,323	1987-88 16,500,000
1982-83 16,598,729	1988-89 16,500,000

The Game Commission issues an annual resident hunting and trapping license for wild birds and animals for a fee of \$8.00 for persons 17 to 64 years of age and a \$5.00 fee for persons aged 12 to 16 and 65 and above. These fees were established September 1, 1973, having been increased from \$6.70 for persons 17 to 64 years of age, \$5.20 for persons 65 years and above and \$4.20 for persons 12 to 16 years of age. The Commission also issues nonresident licenses for hunters and trappers. For the license year beginning in 1979 the nonresident fees were increased from \$40.35 to \$50.50 for hunting licenses and for the license year beginning in 1980 and thereafter \$60.50 and from \$40.00 to \$350.00 for trapping licenses. In addition, nonresident hunters may obtain a special three-day license for a fee of \$3.00 which allows hunting on a regulated shooting ground. In a year when the Commission declares an open season, licenses for hunting antlerless deer are issued to residents and nonresidents for a \$3.00 fee. In 1981 the Commission obtained the authority through Act 37 to issue \$5.00 resident bear licenses and \$15.00 non-resident bear licenses. Other fees deposited in the Game Fund include receipts from the issuance of special game permits and special archery licenses.

Fines and Penalties

Actual	Estimated
1977-78\$ 487,650	1983-84\$ 640,000
1978-79 483,474	1984-85 640,000
1979-80 542,422	1985-86 640,000
1980-81 578,238	1986-87 640,000
1981-82 683,549	1987-88 640,000
1982-83 636,455	1988-89 640,000

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

Miscellaneous Revenues

Actual	Estimated
1977-78\$ 3,394,592	1983-84\$ 8,757,100
1978-79 5,226,208	1984-85 8,587,100
1979-80 5,826,620	1985-86 7,500,000
1980-81 6,830,427	1986-87 6,000,000
1981-82 9,159,410	1987-88 6,000,000
1982-83 7,641,458	1988-89 6,000,000

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

GAME FUND REVENUE DETAIL

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

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Licenses and Fees			
Resident Hunting Licenses	\$ 8,206,477	\$ 8,200,000	\$ 8,200,000
Resident Junior Hunting Licenses	745,072	740,000	740,000
Nonresident Hunting Licenses	4,401,754	4,300,000	4,300,000
Special Game Permits	78,607	80,000	80,000
Special Antlerless Deer Licenses	1,133,512	1,620,000	1,150,000
Special Archery Licenses	567,442	565,000	565,000
Nonresident Trapping Licenses	700	700	700
Special Three-day Nonresidential Regulated Shooting Ground Licenses	5,910	6,000	6,000
Resident Senior Hunting Licenses	351,608	350,000	350,000
Muzzle-loading Hunting Licenses	393,582	400,000	400,000
Right of Way Licenses	210,433	210,000	210,000
Resident Bear Licenses	444,937	450,000	450,000
Non-resident Bear Licenses	15,495	16,000	16,000
Hunting License Issuing Agents' Application Fees	43,200	43,000	43,000
TOTAL	\$ 16,598,729	\$ 16,980,700	\$ 16,510,700
Fines and Penalties			
Game Law Fines	\$ 636,455	\$ 640,000	\$ 640,000
TOTAL	\$ 636,455	\$ 640,000	\$ 640,000
Miscellaneous Revenue			
Sports Promotional Publications and Materials	\$ 3,852	.....	.....
Sale of Coal	941,201	\$ 1,000,000	\$ 1,000,000
Sale of Wood Products	2,546,431	3,400,000	3,400,000
Interest on Deposits	15,802	20,000	20,000
Sale of Publications .....	.....	175,000	205,000
Sale of Unserviceable Property	4,875	3,000	3,000
Sale of Skins and Guns	61,373	60,000	60,000
Rental of State Property	9,600	9,600	9,600
Miscellaneous Revenue	252,467	242,000	250,000
Interest on Securities	2,645,688	2,780,000	2,580,000
Gas and Oil Ground Rentals and Royalties	115,865	250,000	250,000
Refund of Expenditures Not Credited to Appropriations	17,882	.....	.....
Sale of Nonusable Property	1,347	3,000	3,000
Miscellaneous Revenue License Division	8,705	9,000	.....
Redeposit of Checks	1,262	.....	.....
Sale of Game News	583,911	585,000	585,000
Sale of Miscellaneous Mineral Permits	274	1,000	1,000
Sale of Stone, Sand, Gravel and Limestone	18,048	9,000	9,000
Sale of Grain and Hay	78,726	80,000	80,000
Sale of Maps	7,591	8,000	8,000
Wildlife Management Promotional Revenue	80,832	5,500	6,500
Sale of Wood Products — PR Tracts	148,990	100,000	100,000
Sale of Deputy Uniforms	26,109	17,000	17,000
Working Together For Wildlife — NonGame Fund	70,627	.....	.....
TOTAL	\$ 7,641,458	\$ 8,757,100	\$ 8,587,100
TOTAL REVENUES	\$ 24,876,642	\$ 26,377,800	\$ 25,737,800

GAME FUND REVENUE DETAIL

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Augmentations			
NPS Reimbursements — Land Acquisition	\$ 1,021,207	.....	.....
Sale of Automobiles and Other Vehicles	163,750	\$ 100,000	\$ 100,000
Department of the Interior—Heritage Conservation and Recreation Services .....	.....	345,000	100,000
Federal Reimbursement — Pittman Robinson Act	2,829,116	5,300,000	4,300,000
Sharecrop and Agriculture Licenses U.S. ....	.....	10,000	10,000
Endangered Species Program	41,828	10,000	10,000
TOTAL	\$ 4,055,901	\$ 5,765,000	\$ 4,520,000
TOTAL RECEIPTS	\$ 28,932,543	\$ 32,142,800	\$ 30,257,800

Fish Fund

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

Financial Statement

	(Dollar Amounts in Thousands)	
	1983-84	1984-85
Beginning Balance	\$ 8,790	\$ 8,956
Receipts:		
Revenue Estimate	\$ 20,434	\$ 21,251
Prior Year Lapses	320	.....
	20,754	21,251
Funds Available	\$ 29,544	\$ 30,207
Expenditures:		
Appropriated	\$ 20,588	\$ 21,472
	—20,588	—21,472
Ending Balance	\$ 8,956	\$ 8,735

Summary by Department

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Fish Commission			
General Government			
General Operations	\$ 13,622	\$ 15,281	\$ 15,908
 Treasury Department			
General Government			
Replacement Checks	\$ 3	\$ 5	\$ 5
 Department of General Services			
Debt Service Requirements			
General State Authority Rentals	\$ 62	\$ 63	\$ 63
Total State Funds	<u>\$ 13,687</u>	<u>\$ 15,349</u>	<u>\$ 15,976</u>
 Federal Funds	 \$ 1,318	 \$ 1,205	 \$ 1,005
Other Funds	3,474	4,034	4,491
 FUND TOTAL	 <u>\$ 18,479</u>	 <u>\$ 20,588</u>	 <u>\$ 21,472</u>

FISH FUND SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
	Actual	Estimated	Budget	Estimated	Estimated	Estimated	Estimated
Licenses and Fees	\$ 12,019	\$ 13,080	\$ 13,460	\$ 13,663	\$ 13,808	\$ 14,001	\$ 14,001
Fines and Penalties	244	250	260	270	280	290	300
Miscellaneous	2,018	1,865	2,035	2,150	2,228	2,257	2,287
Total Fish Fund Revenues	<u>\$ 14,281</u>	<u>\$ 15,195</u>	<u>\$ 15,755</u>	<u>\$ 16,083</u>	<u>\$ 16,316</u>	<u>\$ 16,548</u>	<u>\$ 16,588</u>
Augmentations	\$ 4,792	\$ 5,239	\$ 5,496	\$ 5,937	\$ 6,307	\$ 6,604	\$ 6,975
TOTAL FISH FUND RECEIPTS	<u><u>\$ 19,073</u></u>	<u><u>\$ 20,434</u></u>	<u><u>\$ 21,251</u></u>	<u><u>\$ 22,020</u></u>	<u><u>\$ 22,623</u></u>	<u><u>\$ 23,152</u></u>	<u><u>\$ 23,563</u></u>

FISH FUND REVENUE SOURCES

Licenses and Fees

	Actual		Estimated
1977-78	\$ 7,118,382	1983-84	\$ 13,080,000
1978-79	8,448,542	1984-85	13,460,000
1979-80	9,301,263	1985-86	13,663,000
1980-81	9,583,606	1986-87	13,808,000
1981-82	9,995,756	1987-88	14,001,000
1982-83	12,019,371	1988-89	14,001,000

The Commonwealth issues resident fishing licenses to persons between the ages of 16 and 64 if the applicant can prove that he has been a resident of the Commonwealth for 60 days. Through the passage of Act 180 on June 25, 1982 the resident fees were increased from the \$9.00 fee passed in January of 1979 the resident fee was \$7.50 and prior to January 1, 1974 the fee was \$5.00. The Commonwealth also issues senior resident fishing licenses to persons 65 years of age and older for a fee of \$2.00. Beginning January 1, 1979 an individual eligible for a senior resident license has been able to purchase a lifetime license for a fee of \$10.00. Act 180 of June 25, 1982 also increased non-resident fees from \$14.00 to \$20.00 and the tourist fishing license from \$9.00 to \$15.00. Tourist licenses are valid for a period of seven consecutive days. From January 1, 1974 to January 1, 1979 these fees were respectively \$12.50 and \$7.50. Prior to January 1, 1974 the fees were \$9.50 and \$5.00. Other sources of revenue include special eel licenses, Lake Erie commercial fishing licenses and commercial holiday licenses.

Fines and Penalties

	Actual		Estimated
1977-78	\$ 148,284	1983-84	\$ 250,000
1978-79	196,195	1984-85	260,000
1979-80	219,129	1985-86	270,000
1980-81	219,030	1986-87	280,000
1981-82	210,174	1987-88	290,000
1982-83	243,659	1988-89	300,000

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

Miscellaneous Revenue

	Actual		Estimated
1977-78	\$ 934,494	1983-84	\$ 1,865,000
1978-79	1,135,671	1984-85	2,035,000
1979-80	1,582,996	1985-86	2,150,000
1980-81	1,572,879	1986-87	2,228,000
1981-82	2,202,554	1987-88	2,257,000
1982-83	2,017,519	1988-89	2,287,000

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

FISH FUND REVENUE DETAIL

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

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Licenses and Fees			
Resident Fishing Licenses	\$ 10,680,038	\$ 11,400,000	\$ 11,700,000
Resident Senior Fishing Licenses	109,506	124,000	128,000
Nonresident Fishing Licenses	842,585	1,039,000	1,091,000
Tourist Fishing Licenses	200,909	313,000	328,000
Lake Erie Licenses	2,495	3,000	3,000
Commercial Hatchery Licenses	6,720	6,000	6,000
Fee—Fishing Lake Licenses	13,650	14,000	14,000
Miscellaneous Permits and Fees	11,079	11,000	11,000
Technical Service Fees—Non-Government Organizations	692	1,000	1,000
Scientific Collector's Permits	3,790	4,000	5,000
Lifetime Fishing Licenses — Senior Resident	133,685	150,000	158,000
Membership Fees — Pennsylvania League of Angling Youth	9,897	10,000	10,000
H.R. Stackhouse Facilities User Fees	4,325	5,000	5,000
TOTAL	\$ 12,019,371	\$ 13,080,000	\$ 13,460,000
 Fines and Penalties			
Fish Law Fines	\$ 243,659	\$ 250,000	\$ 260,000
TOTAL	\$ 243,659	\$ 250,000	\$ 260,000
 Miscellaneous Revenue			
Sale of Publications	\$ 34,522	\$ 36,000	\$ 40,000
Sale of Unserviceable Property	221	1,000	4,000
Miscellaneous Revenue	238,105	225,000	275,000
Refund of Expenditures not Credited to Appropriations	57,985	.....	.....
Interest on Securities and Deposits	817,201	750,000	825,000
Rental of Fish Commission Property	8,567	9,000	15,000
Income from Sand and Gravel Dredging	210,183	200,000	200,000
In Lieu Payments for Fishways	75,000	75,000	75,000
Redeposit of Checks	687	.....	.....
Sale of Pennsylvania Angler	264,017	325,000	341,000
Sale of Patches	1,636	1,000	2,000
Deputy Waterways Patrolmen—Reimbursements	2,984	3,000	3,000
Van Dyke Shad Station—Reimbursements	102,176	85,000	85,000
Restitution For Fish Killed	198,883	150,000	165,000
Angler Incentive Program—Deputy Waterways Patrolmen	635	.....	.....
Sale of Recreational Fishing Promotional Items	4,717	5,000	5,000
TOTAL	\$ 2,017,519	\$ 1,865,000	\$ 2,035,000
TOTAL REVENUES	\$ 14,280,549	\$ 15,195,000	\$ 15,755,000
 Augmentations			
Sale of Automobiles and Other Vehicles	\$ 49,844	\$ 25,000	\$ 50,000
Reimbursement for Services—Boating Fund	3,125,000	4,009,000	4,441,000
Reimbursement for Services—Land and Water Development Fund	299,000	.....	.....
Federal Reimbursement — Restoration	1,318,176	1,205,000	1,005,000
TOTAL	\$ 4,792,020	\$ 5,239,000	\$ 5,496,000
TOTAL RECEIPTS	\$ 19,072,569	\$ 20,434,000	\$ 21,251,000

Boating Fund

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

Financial Statement

	(Dollar Amounts in Thousands)	
	1983-84	1984-85
Beginning Balance	\$ 4,781	\$ 4,059
Receipts:		
Revenue Estimate	\$ 3,294	\$ 3,765
Total Receipts	\$ 3,294	\$ 3,765
Funds Available	\$ 8,075	\$ 7,824
Expenditures:		
Appropriated	\$ 4,016	\$ 4,448
Estimated Expenditures	— 4,016	— 4,448
Ending Balance	\$ 4,059	\$ 3,376

Summary by Department

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Fish Commission			
General Government			
General Operations	\$ 3,120	\$ 3,909	\$ 4,036
Department of General Services			
Debt Service Requirements			
General State Authority Rentals	\$ 2	\$ 2	\$ 2
Treasury Department			
General Government			
Replacement Checks	\$ 3	\$ 5	\$ 5
Total State Funds	<u>\$ 3,125</u>	<u>\$ 3,916</u>	<u>\$ 4,043</u>
Federal Funds	\$ 100	\$ 90	\$ 395
Other Funds	5	10	10
 FUND TOTAL	 <u>\$ 3,230</u>	 <u>\$ 4,016</u>	 <u>\$ 4,448</u>

BOATING FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Estimated	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Licenses and Fees	\$ 1,031	\$ 1,082	\$ 1,135	\$ 1,190	\$ 1,248	\$ 1,309	\$ 1,373
Fines and Penalties	83	85	90	95	100	105	110
Miscellaneous	2,286	2,027	2,135	2,268	2,345	2,345	2,345
Total Boating Fund Revenues	<u>\$ 3,400</u>	<u>\$ 3,194</u>	<u>\$ 3,360</u>	<u>\$ 3,553</u>	<u>\$ 3,693</u>	<u>\$ 3,759</u>	<u>\$ 3,828</u>
Augmentations	\$ 105	\$ 100	\$ 405	\$ 328	\$ 328	\$ 328	\$ 328
TOTAL BOATING FUND RECEIPTS	<u>\$ 3,505</u>	<u>\$ 3,294</u>	<u>\$ 3,765</u>	<u>\$ 3,881</u>	<u>\$ 4,021</u>	<u>\$ 4,087</u>	<u>\$ 4,156</u>

BOATING FUND REVENUE SOURCES

Licenses and Fees

Actual		Estimated	
1977-78	\$ 849,598	1983-84	\$ 1,082,000
1978-79	895,096	1984-85	1,135,000
1979-80	910,889	1985-86	1,190,000
1980-81	939,314	1986-87	1,248,000
1981-82	975,810	1987-88	1,309,000
1982-83	1,031,283	1988-89	1,373,000

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

Fines and Penalties

Actual		Estimated	
1977-78	\$ 31,512	1983-84	\$ 85,000
1978-79	42,381	1984-85	90,000
1979-80	62,938	1985-86	95,000
1980-81	64,817	1986-87	100,000
1981-82	67,714	1987-88	105,000
1982-83	82,950	1988-89	110,000

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

Miscellaneous Revenue

Actual		Estimated	
1977-78	\$ 1,464,324	1983-84	\$ 2,027,000
1978-79	1,514,403	1984-85	2,135,000
1979-80	1,918,981	1985-86	2,268,000
1980-81	2,059,095	1986-87	2,345,000
1981-82	2,266,403	1987-88	2,345,000
1982-83	2,285,430	1988-89	2,345,000

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

BOATING FUND REVENUE DETAIL

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

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Licenses and Fees			
Motor Boat Registration Fees	\$1,006,259	\$1,056,000	\$1,109,000
Boat Mooring Permits—Walnut Creek Access	21,235	22,000	22,000
Boat Capacity Plate Fees	3,789	4,000	4,000
TOTAL	<u>\$1,031,283</u>	<u>\$1,082,000</u>	<u>\$1,135,000</u>
Fines and Penalties			
Motor Boat Fines	\$ 82,950	\$ 85,000	\$ 90,000
TOTAL	<u>\$ 82,950</u>	<u>\$ 85,000</u>	<u>\$ 90,000</u>
Miscellaneous			
Transfer From Motor License and Liquid Fuels Tax Funds	\$1,377,720	\$1,500,000	\$1,575,000
Miscellaneous	427,171	27,000	10,000
Interest on Securities	480,539	500,000	550,000
TOTAL	<u>\$2,285,430</u>	<u>\$2,027,000</u>	<u>\$2,135,000</u>
TOTAL REVENUES	<u>\$3,399,663</u>	<u>\$3,194,000</u>	<u>\$3,360,000</u>
Augmentations			
Sale of Automobiles	\$ 4,882	\$ 10,000	\$ 10,000
Federal Reimbursement — Coastal Zone Management Act .....	.....	.....	318,000
Federal Reimbursement — Land and Water Conservation Fund	100,204	90,000	77,000
TOTAL	<u>\$ 105,086</u>	<u>\$ 100,000</u>	<u>\$ 405,000</u>
TOTAL RECEIPTS	<u>\$3,504,749</u>	<u>\$3,294,000</u>	<u>\$3,765,000</u>

Banking Department Fund

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

Financial Statement

	(Dollar Amounts in Thousands)	
	1983-84	1984-85
Beginning Balance	\$ 2,513	\$ 2,855
Receipts:		
Revenue Estimate	\$ 7,502	\$ 7,415
Total Receipts	\$ 7,502	\$ 7,415
Funds Available	\$ 10,015	\$ 10,270
Expenditures:		
Appropriated	\$ 7,160	\$ 7,387
Estimated Expenditures	—7,160	—7,387
Ending Balance	\$ 2,855	\$ 2,883

BANKING DEPARTMENT FUND

Summary by Department

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Banking Department			
General Government			
General Operations	\$ 6,930	\$ 6,841	\$ 7,090
Treasury Department			
General Government			
Replacement Checks	\$ 3	\$ 5	\$ 5
General Services			
General Government			
Harristown Rental Charges .....	.....	\$ 184	\$ 172
Harristown Utility and Municipal Charges .....	.....	130	120
DEPARTMENT TOTAL .....	.....	\$ 314	\$ 292
FUND TOTAL	\$ 6,933	\$ 7,160	\$ 7,387

BANKING DEPARTMENT FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Licenses and Fees	\$ 6,638	\$ 7,166	\$ 7,082	\$ 7,340	\$ 7,625	\$ 7,921	\$ 8,218
Fines and Penalties	1	3	2	2	2	2	2
Miscellaneous Revenues.....	334	333	331	332	336	338	341
TOTAL BANKING DEPARTMENT FUNDS REVENUES.....	<u>\$ 6,973</u>	<u>\$ 7,502</u>	<u>\$ 7,415</u>	<u>\$ 7,674</u>	<u>\$ 7,963</u>	<u>\$ 8,261</u>	<u>\$ 8,561</u>

BANKING DEPARTMENT FUND REVENUE SOURCES

Licenses and Fees

Actual		Estimated	
1977-78	\$ 4,949,567	1983-84	\$ 7,166,500
1978-79	4,812,692	1984-85	7,082,329
1979-80	5,426,733	1985-86	7,340,000
1980-81	6,166,828	1986-87	7,625,000
1981-82	6,596,197	1987-88	7,921,000
1982-83	6,637,982	1988-89	8,218,000

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

Fines and Penalties

Actual		Estimated	
1977-78	\$ 1,775	1983-84	\$ 2,500
1978-79	990	1984-85	1,500
1979-80	675	1985-86	1,500
1980-81	1,150	1986-87	1,500
1981-82	120	1987-88	1,500
1982-83	1,085	1988-89	1,500

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

Miscellaneous Revenues

Actual		Estimated	
1977-78	\$ 16,061	1983-84	\$ 332,500
1978-79	61,455	1984-85	331,125
1979-80	139,573	1985-86	332,000
1980-81	212,622	1986-87	336,000
1981-82	399,699	1987-88	338,000
1982-83	333,499	1988-89	341,000

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

BANKING DEPARTMENT FUND REVENUE DETAIL

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

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Licenses and Fees			
Banking Examinations	\$ 2,497,831	\$ 3,182,000	\$ 3,224,638
Banking — Overhead Assessments	1,766,613	1,371,946	1,426,824
Banking — Application Fees	99,927	50,000	70,000
Banking — Publications	1,223	1,000	900
Banking — Miscellaneous Fees	1,200	1,200	1,200
Foreign Bank Application Fees .....	.....	.....	2,000
Savings Association — Examinations	585,468	760,096	615,697
Savings Association — Overhead Assessments	316,228	342,784	356,495
Savings Association — Application Fees	10,510	9,000	10,500
Savings Association — Publication	298	400	375
Consumer Credit — Examinations	678,045	799,596	716,000
Consumer Credit — Overhead Assessments	48,089	51,678	60,000
Miscellaneous .....	.....	.....	400
Consumer Credit — Pawnbroker Licenses	3,200	3,400	3,400
Consumer Credit — Installment Seller Licenses	175,525	175,000	175,000
Consumer Credit — Consumer Discount Company Licenses	202,000	187,500	187,500
Consumer Credit — Money Transmitter Licenses	5,200	3,900	3,900
Consumer Credit — Sales Finance Licenses	188,800	180,000	180,000
Consumer Credit — Collector Repossessor Licenses	17,200	16,000	16,000
Consumer Credit — Second Mortgage Licenses	40,625	31,000	31,500
TOTAL	\$ 6,637,982	\$ 7,166,500	\$ 7,082,329
Fines and Penalties			
Banking Fines and Penalties	\$ 1,085	\$ 2,500	\$ 1,500
TOTAL	\$ 1,085	\$ 2,500	\$ 1,500
Miscellaneous Revenues			
Interest on Securities	\$ 328,683	\$ 328,000	\$ 326,000
Sale of Unserviceable Property	1,262	200	.....
Miscellaneous	452	1,000	1,000
Interest on Deposits	3,102	3,300	4,125
TOTAL	\$ 333,499	\$ 332,500	\$ 331,125
TOTAL REVENUES	\$ 6,972,566	\$ 7,501,500	\$ 7,414,954

Milk Marketing Fund

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

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

MILK MARKETING FUND

Financial Statement

	(Dollar Amounts in Thousands)	
	1983-84	1984-85
Beginning Balance	\$ 326	\$ 259
Receipts:		
Revenue Estimate	\$ 699	\$ 720
Transfer from General Fund	950	950
Prior Year Lapses	15	.....
Security Fund .....	.....	50
Total Receipts	<u>1,664</u>	<u>1,720</u>
Funds Available	\$ <u>1,990</u>	\$ <u>1,979</u>
Expenditures:		
Appropriated	\$ 1,731	\$ 1,814
Less Current Year Lapses .....	.....	.....
Estimated Expenditures	<u>-1,731</u>	<u>-1,814</u>
Ending Balance	\$ <u><u>259</u></u>	\$ <u><u>165</u></u>

Summary by Department

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Milk Marketing Board			
General Government	\$ 766	\$ 773	\$ 804
Treasury Department			
Replacement Checks	\$ 3	\$ 5	\$ 5
Refund Milk Marketing Licenses and Fees		3	5
DEPARTMENT TOTAL	<u>\$ 3</u>	<u>\$ 8</u>	<u>\$ 10</u>
Total State Funds	<u>\$ 769</u>	<u>\$ 781</u>	<u>\$ 814</u>
Other Funds	\$ 1,000	\$ 950	\$ 1,000
FUND TOTAL	<u>\$ 1,769</u>	<u>\$ 1,731</u>	<u>\$ 1,814</u>

MILK MARKETING FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Estimated	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Licenses and Fees	\$ 608	\$ 598	\$ 598	\$ 598	\$ 598	\$ 598	\$ 598
Fines and Penalties	24	20	20	20	20	20	20
Miscellaneous Revenue	102	81	102	102	102	102	102
Total Milk Marketing Fund Revenues .	<u>\$ 734</u>	<u>\$ 699</u>	<u>\$ 720</u>	<u>\$ 720</u>	<u>\$ 720</u>	<u>\$ 720</u>	<u>\$ 720</u>
Augmentations	<u>\$ 1,000</u>	<u>\$ 950</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,100</u>	<u>\$ 1,150</u>	<u>\$ 1,250</u>
TOTAL MILK MARKETING FUND RECEIPTS	<u>\$ 1,734</u>	<u>\$ 1,649</u>	<u>\$ 1,720</u>	<u>\$ 1,720</u>	<u>\$ 1,820</u>	<u>\$ 1,870</u>	<u>\$ 1,970</u>

MILK MARKETING FUND REVENUE SOURCES

Licenses and Fees

Actual		Estimated	
1977-78	\$ 294,734	1983-84	\$ 598,020
1978-79	747,796	1984-85	598,020
1979-80	305,584	1985-86	598,000
1980-81	609,073	1986-87	598,000
1981-82	605,996	1987-88	598,000
1982-83	608,379	1988-89	598,000

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

Fines and Penalties

Actual		Estimated	
1977-78	\$ 2,150	1983-84	\$ 20,000
1978-79	2,975	1984-85	20,000
1979-80	7,500	1985-86	20,000
1980-81	14,050	1986-87	20,000
1981-82	28,900	1987-88	20,000
1982-83	23,550	1988-89	20,000

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

Miscellaneous Revenues

Actual		Estimated	
1977-78	\$ 11,773	1983-84	\$ 81,300
1978-79	26,758	1984-85	101,506
1979-80	73,960	1985-86	102,000
1980-81	94,936	1986-87	102,000
1981-82	118,578	1987-88	102,000
1982-83	101,777	1988-89	102,000

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

MILK MARKETING FUND REVENUE DETAIL

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

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Licenses and Fees			
Milk Dealers Licenses	\$ 556,604	\$ 547,100	\$ 547,100
Milk Dealers License Transfer Fees	30	20	20
Milk Testers Certificate Fees	6,780	6,800	6,800
Milk Weighers Certificate Fees	28,305	28,000	28,000
Milk Testers and Weighers Examination Fees	5,290	5,100	5,100
Milk Haulers Licenses Fees	11,370	11,000	11,000
TOTAL	\$ 608,379	\$ 598,020	\$ 598,020
 Fines and Penalties			
Milk Marketing Act Fines	\$ 23,550	\$ 20,000	\$ 20,000
TOTAL	\$ 23,550	\$ 20,000	\$ 20,000
 Miscellaneous Revenue			
Interest on Securities	\$ 73,578	\$ 80,000	\$ 100,000
Other	14,762	200	200
Interest on Deposits	742	800	1,006
Redeposit of Checks .....	.....	300	300
Refunds of Expenditures Not Credited to Appropriation.....	12,695	.....	.....
TOTAL	\$ 101,777	\$ 81,300	\$ 101,506
TOTAL REVENUES	\$ 733,706	\$ 699,320	\$ 719,526
 Augmentations			
Appropriation from General Fund	\$ 950,000	\$ 950,000	\$ 950,000
Security Fund	50,000	.....	50,000
TOTAL	\$ 1,000,000	\$ 950,000	\$ 1,000,000
TOTAL RECEIPTS	\$ 1,733,706	\$ 1,649,320	\$ 1,719,526

State Farm Products Show Fund

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

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

STATE FARM PRODUCTS SHOW FUND

Financial Statement

	(Dollar Amounts in Thousands)	
	1983-84	1984-85
Beginning Balance	\$ 448	\$ 492
Receipts:		
Revenue Estimate	\$ 1,650	\$ 1,613
Transfer from General Fund	1,000	1,000
Prior Year Lapses	42	.....
Total Receipts	2,692	2,613
Funds Available	\$ 3,140	\$ 3,105
Expenditures:		
Appropriated	\$ 2,648	\$ 2,735
Estimated Expenditures	-2,648	-2,735
Ending Balance	\$ 492	\$ 370

STATE FARM PRODUCTS SHOW FUND

Summary by Department

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Department of Agriculture			
General Government			
General Operations	\$ 1,871	\$ 1,643	\$ 1,730
 Treasury Department			
General Government			
Replacement Checks	\$ 3	\$ 5	\$ 5
<i>Total State Funds</i>	<u>\$ 1,874</u>	<u>\$ 1,648</u>	<u>\$ 1,735</u>
 Other Funds	 \$ 1,000	 \$ 1,000	 \$ 1,000
 FUND TOTAL	 <u>\$ 2,874</u>	 <u>\$ 2,648</u>	 <u>\$ 2,735</u>

STATE FARM PRODUCTS SHOW FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Estimated	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Fees	\$ 198	\$ 209	\$ 209	\$ 213	\$ 217	\$ 222	\$ 226
Miscellaneous	1,350	1,441	1,404	1,432	1,461	1,490	1,519
Total State Farm Products Show Show Fund Revenues	<u>\$ 1,548</u>	<u>\$ 1,650</u>	<u>\$ 1,613</u>	<u>\$ 1,645</u>	<u>\$ 1,678</u>	<u>\$ 1,712</u>	<u>\$ 1,745</u>
Augmentations	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,150	\$ 1,350	\$ 1,450
TOTAL STATE FARM PRODUCTS SHOW FUND RECEIPTS	<u>\$ 2,548</u>	<u>\$ 2,650</u>	<u>\$ 2,613</u>	<u>\$ 2,645</u>	<u>\$ 2,828</u>	<u>\$ 3,062</u>	<u>\$ 3,195</u>

STATE FARM PRODUCTS SHOW FUND REVENUE SOURCES

Fees

Actual		Estimated	
1977-78	\$ 152,051	1983-84	\$ 209,000
1978-79	249,154	1984-85	209,000
1979-80	242,893	1985-86	213,000
1980-81	250,356	1986-87	217,000
1981-82	199,478	1987-88	222,000
1982-83	198,249	1988-89	226,000

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

Miscellaneous Revenue

Actual		Estimated	
1977-78	\$ 809,674	1983-84	\$ 1,441,200
1978-79	849,017	1984-85	1,404,000
1979-80	982,211	1985-86	1,432,000
1980-81	1,039,730	1986-87	1,461,000
1981-82	1,336,624	1987-88	1,490,000
1982-83	1,349,594	1988-89	1,519,000

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

STATE FARM PRODUCTS SHOW FUND REVENUE DETAIL

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

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Fees			
Exhibit Fees — Competitive — Farm Show	\$ 8,045	\$ 9,000	\$ 9,000
Exhibit Fees — Commercial	190,204	200,000	200,000
TOTAL	\$ 198,249	\$ 209,000	\$ 209,000
 Miscellaneous Revenue			
Concession Revenue	\$ 322,617	\$ 320,000	\$ 285,000
Service Charges	164,519	182,800	183,000
Rentals	423,057	500,000	500,000
Sale of Exhibits — Net Proceeds	9,540	5,000	10,800
Miscellaneous Revenue	27,380	21,000	15,000
Refund of Expenditures Not Credited to Appropriations	471	5,000	500
Interest on Securities	95,834	90,000	92,900
Parking Fees	240,933	250,000	254,000
Redposit of Checks	14	400	100
Salary Reimbursement — Dairy and Livestock Association ..	26,147	27,000	27,700
Keystone Food and Agricultural Exposition	5,526	.....	.....
Ticket Sales — Farm Youth	33,556	40,000	35,000
TOTAL	\$1,349,594	\$1,441,200	\$1,404,000
TOTAL REVENUES	\$1,547,843	\$1,650,200	\$1,613,000
 Augmentations			
Transfer from General Fund	\$1,000,000	\$1,000,000	\$1,000,000
TOTAL	\$1,000,000	\$1,000,000	\$1,000,000
TOTAL RECEIPTS	\$2,547,843	\$2,650,200	\$2,613,000

State Racing Fund

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

All figures represent the merging of the State Harness Racing Fund and the State Horse Racing Fund as stipulated by Act 93 of 1983.

Financial Statement*

	(Dollar Amounts in Thousands)	
	1983-84	1984-85
Beginning Balance	\$ 10,699	\$ 11,054
Receipts:		
Revenue Estimate	\$ 23,023	\$ 16,039
Prior Year Lapses	167	.....
Total Receipts	23,190	16,039
Funds Available	\$ 33,889	\$ 27,093
Expenditures:		
Appropriated	\$ 22,835	\$ 22,765
Estimated Expenditures	—22,835	—22,765
Ending Balance	\$ 11,054	\$ 4,328

*The 1983-84 figures represent the merging of the State Harness Racing Fund and the State Horse Racing Fund as stipulated by Act 93 of 1983.

Summary by Department

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Department of Agriculture			
General Government			
Harness Racing Commission	\$ 1,806	\$ 2,025	\$ 2,106
Horse Racing Commission	2,409	2,801	2,801
Race Horse Testing Laboratory	1,016	957	995
Pennsylvania Fair Fund Administration	188	266	276
Subtotal	<u>\$ 5,419</u>	<u>\$ 6,049</u>	<u>\$ 6,178</u>
Grants and Subsidies			
Transfer to the General Fund	\$ 9,229	\$ 7,095	\$ 11,054
Transfer to the Pennsylvania Fair Fund	2,026	1,557	.....
School District Pymnts	1,750	3,500	.....
Community Facilities	1,638	1,592	.....
Transfer to Sire Stakes Fund .....	.....	1,425 ^a	2,850 ^a
Transfer to Breeders' Fund .....	.....	1,230 ^a	2,460 ^a
Subtotal	<u>\$ 14,643</u>	<u>\$ 16,399</u>	<u>\$ 16,364</u>
DEPARTMENT TOTAL	<u>\$ 20,062</u>	<u>\$ 22,448</u>	<u>\$ 22,542</u>
Department of Revenue			
General Government			
Collections — State Racing	\$ 308	\$ 377	\$ 213
Treasury Department			
General Government			
Replacement Checks — State Racing	\$ 6	\$ 10	\$ 10
FUND TOTAL	<u>\$ 20,376</u>	<u>\$ 22,835</u>	<u>\$ 22,765</u>

^aPreviously the amounts for these funds were shown as restricted receipts not included in racing revenues or expenditures. Act 93 of 1983 included specified percentages of the amounts wagered to be transferred from the State Racing Fund to the Breeders' and the Sire Stakes funds. This budget therefore includes transfers to the two Funds as racing fund revenues and expenditures beginning with the date the act was signed (December 30, 1983).

STATE RACING FUND REVENUE SUMMARY^a

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Estimated	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Tax Revenues	\$ 17,416	\$ 20,517	\$ 14,131	\$ 14,305	\$ 11,599	\$ 11,602	\$ 11,605
License and Fees	311	238	316	315	316	316	316
Fines and Penalties	1	43	53	53	53	53	53
Miscellaneous	1,842	2,225	1,539	1,617	1,469	1,470	1,470
Total Racing Fund Revenues	<u>\$ 19,570</u>	<u>\$ 23,023</u>	<u>\$ 16,039</u>	<u>\$ 16,290</u>	<u>\$ 13,437</u>	<u>\$ 13,441</u>	<u>\$ 13,444</u>

^aAll figures represent the merging of the State Harness Racing Fund and the State Horse Racing Fund as stipulated by Act 93 of 1983.

STATE RACING FUND REVENUE SOURCES

Tax Revenues

Actual	Estimated
1977-78\$ 25,595,236	1983-84\$ 20,517,360
1978-79 23,201,968	1984-85 14,130,742
1979-80 22,481,024	1985-86 14,304,949
1980-81 20,736,015	1986-87 11,599,490
1981-82 20,806,945	1987-88 11,602,032
1982-83 17,415,623	1988-89 11,604,574

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

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

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

Licenses and Fees

Actual	Estimated
1977-78\$ 401,745	1983-84\$ 237,611
1978-79 381,931	1984-85 315,867
1979-80 414,322	1985-86 315,016
1980-81 423,986	1986-87 315,965
1981-82 352,472	1987-88 316,015
1982-83 311,427	1988-89 316,064

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

STATE RACING FUND REVENUE SOURCES

Fines and Penalties

Actual		Estimated	
1977-78	\$ 25,130	1983-84	\$ 43,167
1978-79	32,365	1984-85	53,000
1979-80	53,340	1985-86	53,011
1980-81	59,525	1986-87	53,021
1981-82	43,504	1987-88	53,032
1982-83	975	1988-89	53,042

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

Miscellaneous Revenue

Actual		Estimated	
1977-78	\$ 1,255,191	1983-84	\$ 2,225,165
1978-79	1,579,544	1984-85	1,538,750
1979-80	2,083,762	1985-86	1,617,000
1980-81	2,061,359	1986-87	1,469,000
1981-82	2,901,600	1987-88	1,470,000
1982-83	1,841,687	1988-89	1,470,000

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

STATE RACING FUND REVENUE DETAIL

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

	1982-83 Actual ^a	1983-84 Estimated ^a	1984-85 Budget
Tax Revenue			
State Admission Tax	\$ 328,535	\$ 502,410	\$ 349,215
Wagering Tax	16,580,244	19,539,000	13,294,000
Breakage Tax	506,844	475,950	487,527
TOTAL	\$ 17,415,623	\$ 20,517,360	\$ 14,130,742
Licenses and Fees			
License Fees	\$ 311,177	\$ 237,611	\$ 315,867
Pre and Post Racing Testing Laboratory Service Fees	250	. . . .	. . . .
TOTAL	\$ 311,427	\$ 237,611	\$ 315,867
Fines and Penalties			
Racing Fines and Penalties	\$ 975	\$ 43,167	\$ 53,000
TOTAL	\$ 975	\$ 43,167	\$ 53,000
Miscellaneous			
Uncashed Tickets	\$ 667,225	\$ 566,355	\$ 666,955
Interest on Securities	1,091,595	1,632,810	849,795
Miscellaneous	66,383	. . . .	. . . .
Redeposit of Checks	548	. . . .	. . . .
Interest On Deposits	2,156	12,000	8,000
Owner-by-Agent Security Deposit Forfeits	13,780	14,000	14,000
TOTAL	\$ 1,841,687	\$ 2,225,165	\$ 1,538,750
TOTAL REVENUES	\$ 19,569,712	\$ 23,023,303	\$ 16,038,359

^aThe 1982-83 and 1983-84 amounts represent the merging of the State Harness Racing Fund and the State Horse Racing Fund as stipulated by Act 93 of 1983.

Pennsylvania Fair Fund

The Pennsylvania Fair Fund is a special revenue fund formerly composed of revenues transferred from the State Harness Racing and State Horse Racing Funds. Under the provisions of Act 93 of 1983 the Fair Fund no longer receives any racing monies; funding is now provided via a transfer from the General Fund. The fund provides for assistance to agricultural fairs and for marketing, consumer service and agricultural research programs.

Financial Statement

	(Dollar Amounts in Thousands)	
	1983-84	1984-85
Beginning Balance	\$ 50	.....
Receipts:		
Revenue Estimate	\$ 1,611	\$ 53
Transfer from General Fund	700	2,500
Prior Year Lapses	4	.....
	<hr/>	<hr/>
Total Receipts	2,315	2,553
Funds Available	\$ 2,365	\$ 2,553
Expenditures:		
Appropriated	\$ 2,400	\$ 2,505
Less Current Year Lapses	—35	.....
	<hr/>	<hr/>
Estimated Expenditures	—2,365	—2,505
Ending Balance	<hr/> <hr/>	<hr/> <hr/> \$ 48

Summary by Department

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Department of Agriculture			
General Government			
Pennsylvania Fair Fund, General Operations	\$ 2,169	\$ 1,695	. . . .
Grant and Subsidy			
Transfer from the General Fund .....	. . . .	700	\$ 2,500
DEPARTMENT TOTAL	<u>\$ 2,169</u>	<u>\$ 2,395</u>	<u>\$ 2,500</u>
Treasury Department			
General Government			
Replacement Checks	\$ 3	\$ 5	\$ 5
FUND TOTAL	<u>\$ 2,172</u>	<u>\$ 2,400</u>	<u>\$ 2,505</u>

FAIR FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Estimated	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Miscellaneous	\$ 2,076	\$ 2,311	\$ 2,553	\$ 2,553	\$ 2,553	\$ 2,553	\$ 2,553
TOTAL FAIR FUND REVENUES ...	<u>\$ 2,076</u>	<u>\$ 2,311</u>	<u>\$ 2,553</u>	<u>\$ 2,553</u>	<u>\$ 2,553</u>	<u>\$ 2,553</u>	<u>\$ 2,553</u>

FAIR FUND REVENUE SOURCES**Miscellaneous Revenue**

Actual		Estimated	
1977-78	\$ 2,585,890	1983-84	\$ 2,311,292
1978-79	2,948,644	1984-85	2,553,000
1979-80	2,785,356	1985-86	2,553,000
1980-81	2,690,288	1986-87	2,553,000
1981-82	2,630,127	1987-88	2,553,000
1982-83	2,075,906	1988-89	2,553,000

As a result of Act 93, signed December 30, 1983, the Pennsylvania Fair Fund no longer receives monies from horse or harness racing. However, beginning in 1983-84, General Fund money is provided for transfer to the Fair Fund. The 1984-85 budget recommends \$2,500,000 to be transferred to the Fair Fund. In addition, small amounts are received from interest on securities.

FAIR FUND REVENUE DETAIL

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

	1982-83 Actual	1983-84 Estimated	1984-85 Budget
Miscellaneous Revenues			
Transfer from State Racing Fund	\$ 2,025,812	\$ 1,557,292	. . . . .
Transfer from General Fund .....	. . . . .	700,000	\$ 2,500,000
Interest on Securities and Deposits	49,224	53,000	52,000
Miscellaneous	870	1,000	1,000
 TOTAL REVENUES	 <u>\$ 2,075,906</u>	 <u>\$ 2,311,292</u>	 <u>\$ 2,553,000</u>

State Lottery Fund

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

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

Financial Statement

	(Dollar Amounts in Thousands)	
	1983-84	1984-85
Beginning Balance	\$ 214,607	\$ 267,574
Reserve from Previous Year ^a	73,137	100,352
Adjusted Beginning Balance	<u>\$ 287,744</u>	<u>\$ 367,926</u>
Receipts:		
Revenue Estimate	809,600	842,365
Prior Year Lapses	1,962	.....
Funds Available	<u>\$1,099,306</u>	<u>\$1,210,291</u>
Expenditures:		
Appropriated	\$ 737,480	\$ 916,095
Less Current Year Lapses	<u>-6,100</u>	<u>.....</u>
Estimated Expenditures	-731,380	-916,095
Reserve for Current Year ^a	-100,352	-104,516
Ending Balance	<u><u>\$ 267,574</u></u>	<u><u>\$ 189,680</u></u>

^aAct No. 131 of 1979 provides the amount in the State Lottery Fund shall include the June 30 balance plus eighty percent of projected revenues after Lottery Fund administrative expenses for the subsequent fiscal year. "Reserve from Previous Year" equals 20 percent of the prior year revenues after prior year administrative expenses have been deducted.

Summary by Department

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Department of Revenue			
General Government			
General Operations	\$ 34,890	\$ 36,731	\$ 38,550
Personal Income Tax for Lottery Prizes .....	.....	14,900	15,600
Payment of Prize Money	103,000	255,200	264,800
Payment of Commissions	400	400	400
Refunding State Lottery Monies	10	10	10
Subtotal	<u>\$ 138,300</u>	<u>\$ 307,241</u>	<u>\$ 319,360</u>
Grants and Subsidies			
Property Tax and Rent Assistance for the Elderly	\$ 101,637	\$ 101,200	\$ 113,300
Senior Citizens Inflation Dividend	39,867	38,300	40,200
Subtotal	<u>\$ 141,504</u>	<u>\$ 139,500</u>	<u>\$ 153,500</u>
TOTAL STATE FUNDS	<u>\$ 279,804</u>	<u>\$ 446,741</u>	<u>\$ 472,860</u>
Other Funds	<u>\$ 589</u>	<u>\$ 985</u>	<u>\$ 1,369</u>
DEPARTMENT TOTAL	<u>\$ 280,393</u>	<u>\$ 447,726</u>	<u>\$ 474,229</u>
Treasury Department			
General Government			
Replacement Checks	<u>\$ 8</u>	<u>\$ 8</u>	<u>\$ 8</u>
Department of Aging			
Grants and Subsidies			
Aging Programs	\$ 18,618	\$ 29,840	\$ 45,280
Pharmaceutical Assistance Program .....	.....	100,000	100,000
In-Home Services .....	.....	.....	12,000
Pre-Admission In-Home Services .....	.....	.....	5,000
Senior Center Renovations .....	.....	.....	10,000
Transportation Grants	4,100	.....	.....
TOTAL STATE FUNDS	<u>\$ 22,718</u>	<u>\$ 129,840</u>	<u>\$ 172,280</u>
Federal Funds	\$ 51,416	\$ 64,546	\$ 47,525
Other Funds .....	.....	770	3,277
DEPARTMENT TOTAL	<u>\$ 74,134</u>	<u>\$ 195,156</u>	<u>\$ 223,082</u>
Department of Community Affairs			
General Government			
Transfer to PHFA—Homeowner's Emergency Assistance— Administration .....	.....	.....	<u>\$ 2,000</u>
Grants and Subsidies			
Transfer to PHFA—Homeowner's Emergency Assistance .....	.....	.....	<u>\$ 23,750</u>
DEPARTMENT TOTAL	<u>.....</u>	<u>.....</u>	<u>\$ 25,750</u>

**Summary by Department
(Continued)**

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Department of Education			
Grants and Subsidies			
Early Intervention—Handicapped Children	<u>.....</u>	<u>.....</u>	<u>\$ 10,500</u>
Department of General Services			
General Government			
Harristown Rental Charges	\$ 309	\$ 332	\$ 231
Harristown Utility and Municipal Charges	199	259	182
DEPARTMENT TOTAL	<u>\$ 508</u>	<u>\$ 591</u>	<u>\$ 413</u>
Department of Public Welfare			
General Government			
Services for the Visually Handicapped	<u>.....</u>	<u>.....</u>	<u>\$ 8,000</u>
Grants and Subsidies			
Medical Assistance—Long-Term Care Facilities .....	.....	\$ 100,000	\$ 140,000
Pre-Admission Assessment .....	.....	.....	1,639
Early Intervention Services for the Mentally Retarded .....	.....	.....	14,500
Attendant Care .....	.....	.....	5,000
Subtotal	<u>.....</u>	<u>\$ 100,000</u>	<u>\$ 161,139</u>
TOTAL STATE FUNDS	<u>.....</u>	<u>\$ 100,000</u>	<u>\$ 169,139</u>
Federal Funds	<u>.....</u>	<u>.....</u>	<u>\$ 7,257</u>
DEPARTMENT TOTAL	<u>.....</u>	<u>\$ 100,000</u>	<u>\$ 176,396</u>
Department of Transportation			
Grants and Subsidies			
Free Transit for the Elderly	\$ 44,839	\$ 56,900	\$ 59,745
Vehicle Registration — Elderly	3,389	3,400	3,400
Rural Transit .....	.....	.....	2,000
DEPARTMENT TOTAL	<u>\$ 48,228</u>	<u>\$ 60,300</u>	<u>\$ 65,145</u>
TOTAL STATE FUNDS	<u>\$ 351,266</u>	<u>\$ 737,480</u>	<u>\$ 916,095</u>
Federal Funds	\$ 51,416	\$ 64,546	\$ 54,782
Other Funds	589	1,755	4,646
FUND TOTAL	<u>\$ 403,271</u>	<u>\$ 803,781</u>	<u>\$ 975,523</u>

STATE LOTTERY FUND REVENUE SUMMARY

Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Estimated	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Collections	\$ 495,762	\$ 791,700	\$ 823,500	\$ 842,100	\$ 861,100	\$ 880,400	\$ 900,200
Miscellaneous Revenue	8,740	17,900	18,865	15,401	11,415	8,861	7,809
Loan Repayment .....	.....	.....	.....	.....	7,500	15,000	22,500
TOTAL STATE LOTTERY FUND REVENUES	<u>\$ 504,502</u>	<u>\$ 809,600</u>	<u>\$ 842,365</u>	<u>\$ 857,501</u>	<u>\$ 880,015</u>	<u>\$ 904,261</u>	<u>\$ 930,509</u>

STATE LOTTERY FUND REVENUE SOURCES

Collections

Actual	Estimated		
1977-78	\$155,998,222	1983-84	\$791,700,000
1978-79	180,764,456	1984-85	823,500,000
1979-80	189,575,997	1985-86	842,100,000
1980-81	207,578,872	1986-87	861,100,000
1981-82	270,327,124	1987-88	880,400,000
1982-83	495,762,319	1988-89	900,200,000

Collections consist of the net proceeds from lottery ticket sales less commissions and some prizes. Currently prizes of \$500 or less for the three computer games and prizes of \$25 or less for instant games can be paid by the ticket agents. The State Lottery is currently operating 4 games; the "Daily Number" game introduced in March 1977, the "Big 4" game introduced in November, 1980, and the "Lotto" game introduced in April 1982; all utilize computer sales terminals located across the Commonwealth. The fourth game is the instant game which during the course of a year may consist of 4 or 5 variations of instant game tickets. Ticket prices are \$1 for "Instant Game" tickets and "Lotto" tickets which consist of 2 plays to pick 6 of 40 numbers. "Daily Number" and "Big 4" game ticket prices range from \$.50 to \$5.00.

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

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Ticket Sales	\$ 885,179	\$1,268,800	\$1,319,600	\$1,349,300	\$1,379,700	\$1,410,700	\$1,442,400
Commissions	-60,031	-88,816	-92,372	-94,451	-96,579	-98,749	-100,968
Field Paid Prizes	-329,386	-388,284	-403,728	-412,749	-422,021	-431,551	-441,232
COLLECTIONS	\$ 495,762	\$ 791,700	\$ 823,500	\$ 842,100	\$ 861,100	\$ 880,400	\$ 900,200

Miscellaneous Revenue

Actual	Estimated		
1977-78	\$ 474,149	1983-84	\$ 17,900,000
1978-79	3,082,000	1984-85	\$ 18,865,000
1979-80	5,265,522	1985-86	\$ 15,401,000
1980-81	8,458,076	1986-87	\$ 11,415,000
1981-82	10,147,084	1987-88	\$ 8,861,000
1982-83	8,739,910	1988-89	\$ 7,809,000

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

STATE LOTTERY FUND REVENUE SOURCES

Loan Repayments

Actual		Estimated	
1977-78 .....	.....	1983-84 .....	.....
1978-79 .....	.....	1984-85 .....	.....
1979-80 .....	.....	1985-86 .....	.....
1980-81 .....	.....	1986-87	\$ 7,500,000
1981-82 .....	.....	1987-88	15,000,000
1982-83 .....	.....	1988-89	22,500,000

Loan repayments represent emergency mortgage assistance loans being repaid by individuals to the Lottery Fund. The loans will be issued during the 1984-85, 1985-86 and 1986-87 fiscal years and will be repaid over a three to eight year period after a two year grace period.

STATE LOTTERY FUND REVENUE DETAIL

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

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Estimated	1984-85 Budget
Collections	\$ 495,762,319	\$ 791,700,000	\$ 823,500,000
Miscellaneous	8,739,910	17,900,000	18,865,000
TOTAL STATE LOTTERY FUND REVENUES	<u>\$ 504,502,229</u>	<u>\$ 809,600,000</u>	<u>\$ 842,365,000</u>

Revenue Sharing Trust Fund

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

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

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

Federal legislation eliminated Revenue Sharing Funds for state governments beginning with the 1981-82 fiscal year. However, in 1982-83 the Federal Government released a reserve held for contingencies.

REVENUE SHARING TRUST FUND

Financial Statement

	(Dollar Amounts in Thousands)	
	1983-84	1984-85
Beginning Balance	\$ 2,583	.....
Receipts:		
Revenue Estimate	\$ 210	\$ 70
Total Receipts	210	70
Funds Available	\$ 2,793	\$ 70
Expenditures:		
Appropriated	\$ 2,793	\$ 70
Estimated Expenditures	-2,793	-70
Ending Balance .....	.....	.....

REVENUE SHARING TRUST FUND

Summary by Department

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Department of Education			
Grants and Subsidies			
Special Education .....	.....	\$ 2,500	.....
Department of General Services			
General Government			
Moving and Relocation Expenses	\$ 362	293	\$ 70
FUND TOTAL	<u>\$ 362</u>	<u>\$ 2,793</u>	<u>\$ 70</u>

REVENUE SHARING TRUST FUND REVENUE SUMMARY

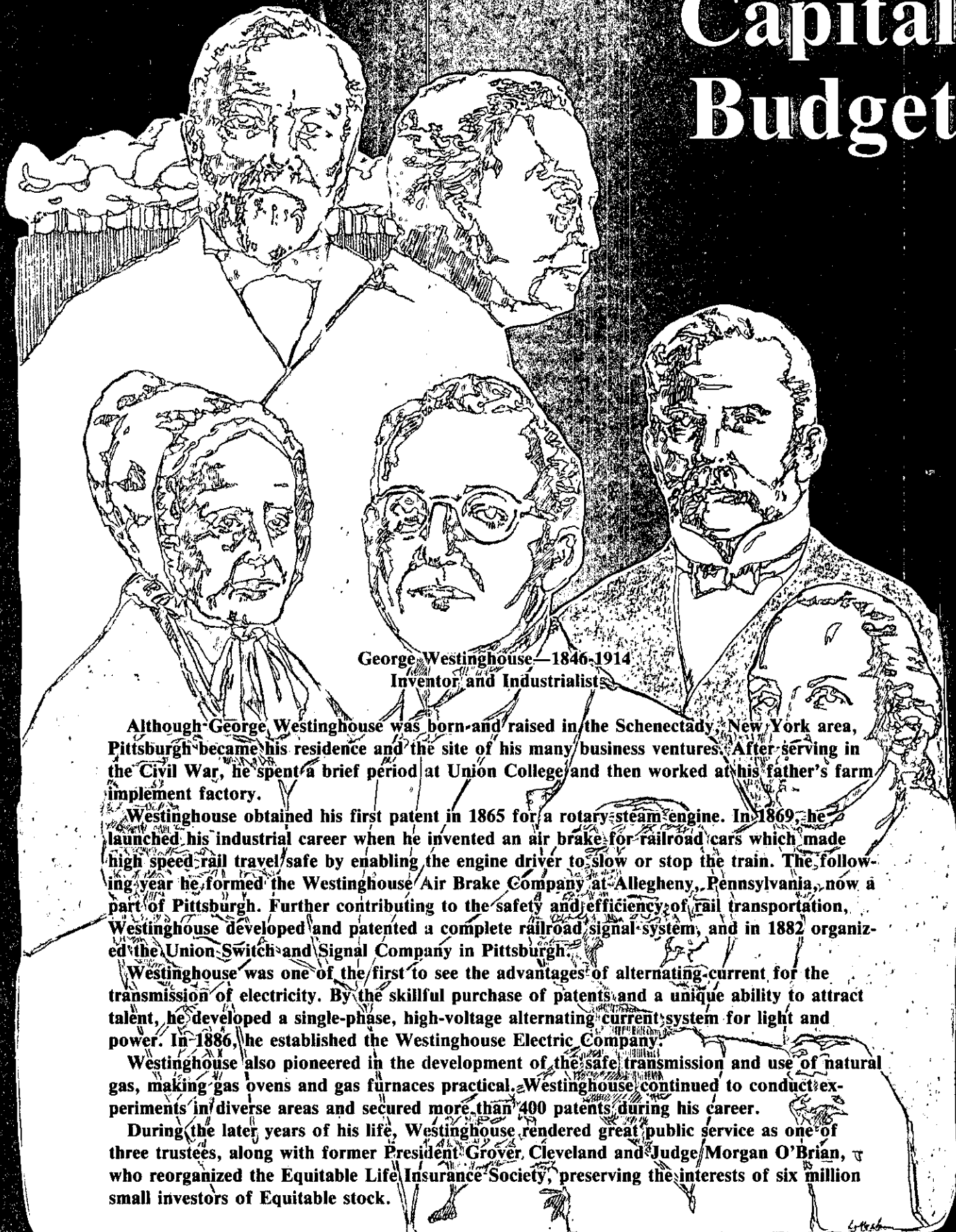
Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Estimated	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Miscellaneous Revenues							
Receipts from Federal Government	\$ 2,489	.....	.....	.....	.....	.....	.....
Interest on Securities	210	\$ 210	\$ 70	.....	.....	.....	.....
Total Revenue Sharing Trust							
Fund Revenues	<u>\$ 2,699</u>	<u>\$ 210</u>	<u>\$ 70</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>

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

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

Capital Budget



George Westinghouse—1846-1914
Inventor and Industrialist

Although George Westinghouse was born and raised in the Schenectady, New York area, Pittsburgh became his residence and the site of his many business ventures. After serving in the Civil War, he spent a brief period at Union College and then worked at his father's farm implement factory.

Westinghouse obtained his first patent in 1865 for a rotary steam engine. In 1869, he launched his industrial career when he invented an air brake for railroad cars which made high speed rail travel safe by enabling the engine driver to slow or stop the train. The following year he formed the Westinghouse Air Brake Company at Allegheny, Pennsylvania, now a part of Pittsburgh. Further contributing to the safety and efficiency of rail transportation, Westinghouse developed and patented a complete railroad signal system, and in 1882 organized the Union Switch and Signal Company in Pittsburgh.

Westinghouse was one of the first to see the advantages of alternating current for the transmission of electricity. By the skillful purchase of patents and a unique ability to attract talent, he developed a single-phase, high-voltage alternating current system for light and power. In 1886, he established the Westinghouse Electric Company.

Westinghouse also pioneered in the development of the safe transmission and use of natural gas, making gas ovens and gas furnaces practical. Westinghouse continued to conduct experiments in diverse areas and secured more than 400 patents during his career.

During the later years of his life, Westinghouse rendered great public service as one of three trustees, along with former President Grover Cleveland and Judge Morgan O'Brien, who reorganized the Equitable Life Insurance Society, preserving the interests of six million small investors of Equitable stock.

CAPITAL BUDGET

This section contains the 1984-85 Capital Budget and Five Year Capital Program. The bonded indebtedness required to support the capital programs is projected and, along with currently outstanding debt, is compared to the Constitutional debt limit.

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

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

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

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

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

The Capital Budget section consists of the following subsections.

1984-85 New Project Authorizations — This section itemizes and describes the new capital projects recommended for authorization in 1984-85, and their proposed source of funding. The projects are listed by department and program.

Forecast of Future Projects — This section contains a forecast of new capital projects to be initiated during each of the fiscal years 1985-86 through 1988-89. The projections are grouped by department and capital project category.

Estimate of Capital Expenditures — This section provides an estimate of expenditures for capital projects during each of the next five fiscal years. Since design, acquisition and construction of a project is not generally completed during the fiscal year in which the project is initiated, payment of costs incurred usually occurs over several fiscal years. The estimated expenditures determine the amount of bonds which must be issued, or current revenue appropriations required, each fiscal year. The projections are listed by capital project category and subdivided by projects currently authorized, new projects proposed for 1984-85, and future projects (1985-89).

**FORECAST OF DEBT LIMIT AND OUTSTANDING DEBT
1983-84 Through 1988-89**

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

	1983-84	1984-85	(Dollar Amounts in Thousands)		1987-88	1988-89
			1985-86	1986-87		
Average Tax Revenues Previous Five Years	\$ 8,384,703	\$ 8,994,334	\$ 9,592,940	\$10,189,891	\$10,889,783	\$11,685,926
Debt Limit ^a	14,673,230	15,740,085	16,787,645	17,832,309	19,057,120	20,450,371
Outstanding Debt—Beginning of Fiscal Year	3,815,561	3,780,293	3,867,763	3,970,211	3,996,678	3,915,308
Bonds to be Issued	165,000	302,000	340,000	290,000	205,000	185,000
Bonds to be Retired	<u>—200,268</u>	<u>—214,530</u>	<u>—237,552</u>	<u>—263,533</u>	<u>—286,370</u>	<u>—303,205</u>
Outstanding Debt—End of Fiscal Year	<u>\$ 3,780,293</u>	<u>\$ 3,867,763</u>	<u>\$ 3,970,211</u>	<u>\$ 3,996,678</u>	<u>\$ 3,915,308</u>	<u>\$ 3,797,103</u>
% of Debt to Debt Limit	25.8%	24.6%	23.6%	22.4%	20.5%	18.6%

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

**FORECAST OF OUTSTANDING DEBT BY CATEGORY OF PROJECT
1983-84 Through 1988-89**

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

(Dollar Amounts in Thousands)

	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Public Improvement Projects						
Outstanding Debt — Beginning ..	\$1,614,006	\$1,627,033	\$1,684,688	\$1,702,711	\$1,734,563	\$1,757,253
Bonds to be issued	100,000	150,000	120,000	145,000	145,000	145,000
Bonds to be retired	-86,973	-92,345	-101,977	-113,148	-122,310	-130,190
Outstanding Debt — End	<u>\$1,627,033</u>	<u>\$1,684,688</u>	<u>\$1,702,711</u>	<u>\$1,734,563</u>	<u>\$1,757,253</u>	<u>\$1,772,063</u>
Highway Projects						
Outstanding Debt — Beginning ..	\$1,909,745	\$1,817,305	\$1,751,165	\$1,799,820	\$1,798,875	\$1,681,900
Bonds to be issued .....	.....	30,000	150,000	110,000	5,000	.....
Bonds to be retired	-92,440	-96,140	-101,345	-110,945	-121,975	-129,475
Outstanding Debt — End	<u>\$1,817,305</u>	<u>\$1,751,165</u>	<u>\$1,799,820</u>	<u>\$1,798,875</u>	<u>\$1,681,900</u>	<u>\$1,552,425</u>
Transportation Assistance Projects						
Outstanding Debt — Beginning ..	\$ 247,410	\$ 286,710	\$ 316,220	\$ 357,035	\$ 358,745	\$ 368,280
Bonds to be issued	55,000	50,000	65,000	30,000	40,000	35,000
Bonds to be retired	-15,700	-20,490	-24,185	-28,290	-30,465	-31,365
Outstanding Debt — End	<u>\$ 286,710</u>	<u>\$ 316,220</u>	<u>\$ 357,035</u>	<u>\$ 358,745</u>	<u>\$ 368,280</u>	<u>\$ 371,915</u>
Community College Projects						
Outstanding Debt — Beginning ..	\$ 27,720	\$ 26,685	\$ 25,590	\$ 24,425	\$ 23,200	\$ 21,905
Bonds to be issued .....	.....	.....	.....	.....	.....	.....
Bonds to be retired	-1,035	-1,095	-1,165	-1,225	-1,295	-1,365
Outstanding Debt — End	<u>\$ 26,685</u>	<u>\$ 25,590</u>	<u>\$ 24,425</u>	<u>\$ 23,200</u>	<u>\$ 21,905</u>	<u>\$ 20,540</u>
Original Furniture and Equipment Projects						
Outstanding Debt — Beginning ..	\$ 16,680	\$ 22,560	\$ 48,100	\$ 46,530	\$ 43,915	\$ 50,900
Bonds to be issued	10,000	30,000	5,000	5,000	15,000	5,000
Bonds to be retired	-4,120	-4,460	-6,570	-7,615	-8,015	-8,500
Outstanding Debt — End	<u>\$ 22,560</u>	<u>\$ 48,100</u>	<u>\$ 46,530</u>	<u>\$ 43,915</u>	<u>\$ 50,900</u>	<u>\$ 47,400</u>
Redevelopment Assistance Projects						
Outstanding Debt — Beginning ..	.....	.....	\$ 42,000	\$ 39,690	\$ 37,380	\$ 35,070
Bonds to be issued .....	.....	\$ 42,000	.....	.....	.....	.....
Bonds to be retired .....	.....	.....	-2,310	-2,310	-2,310	-2,310
Outstanding Debt — End	<u>.....</u>	<u>\$ 42,000</u>	<u>\$ 39,690</u>	<u>\$ 37,380</u>	<u>\$ 35,070</u>	<u>\$ 32,760</u>
Total Projects						
Outstanding Debt — Beginning ..	\$3,815,561	\$3,780,293	\$3,867,763	\$3,970,211	\$3,996,678	\$3,915,308
Bonds to be issued	165,000	302,000	340,000	290,000	205,000	185,000
Bonds to be retired	-200,268	-214,530	-237,552	-263,533	-286,370	-303,205
Outstanding Debt — End	<u>\$3,780,293</u>	<u>\$3,867,763</u>	<u>\$3,970,211</u>	<u>\$3,996,678</u>	<u>\$3,915,308</u>	<u>\$3,797,103</u>

**FORECAST OF CAPITAL BUDGET BOND ISSUES
1983-84 Through 1988-89**

This table includes only those bonds to be issued under Article 8, Section 7(a)(4) of the Pennsylvania Constitution for projects included in a capital budget. A forecast of all Commonwealth general obligation bonds to be issued is contained in the Public Debt section of this budget document. (Section E of Volume 1).

	(Dollar Amounts in Thousands)					
	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Public Improvement Projects	\$ 100,000	\$ 150,000	\$ 120,000	\$ 145,000	\$ 145,000	\$ 145,000
Highway Projects . . . . .	. . . .	30,000	150,000	110,000	5,000	. . . .
Transportation Assistance Projects	55,000	50,000	65,000	30,000	40,000	35,000
Furniture and Equipment Projects	10,000	30,000	5,000	5,000	15,000	5,000
Redevelopment Assistance Projects . . . . .	. . . .	42,000	. . . .	. . . .	. . . .	. . . .
TOTAL	\$ 165,000	\$ 302,000	\$ 340,000	\$ 290,000	\$ 205,000	\$ 185,000

**CAPITAL FACILITIES FUND FINANCIAL STATEMENT^a
1984-85 Through 1988-89**

	(Dollar Amounts in Thousands)					
	Public Improvement Projects	Transportation Assistance Projects	Highway Projects	Original Furniture & Equipment	Redevelopment Assistance Projects	Total
Balance, July 1, 1984	\$ 48,000	\$ 31,000	\$ 600	\$ 1,200	.....	\$ 80,800
Revenue: Bond Issues	150,000	50,000	30,000	30,000	\$ 42,000	302,000
Estimated Expenditures	<u>-163,167</u>	<u>-65,000</u>	<u>-20,000</u>	<u>-26,341</u>	<u>-42,000</u>	<u>-316,508</u>
Balance, July 1, 1985	\$ 34,833	\$ 16,000	\$ 10,600	\$ 4,859	.....	\$ 66,292
Revenue: Bond Issues	120,000	65,000	150,000	5,000	.....	340,000
Estimated Expenditures	<u>-144,298</u>	<u>-74,320</u>	<u>-150,000</u>	<u>-7,175</u>	<u>.....</u>	<u>-375,793</u>
Balance, July 1, 1986	\$ 10,535	\$ 6,680	\$ 10,600	\$ 2,684	.....	\$ 30,499
Revenue: Bond Issues	145,000	30,000	110,000	5,000	.....	290,000
Estimated Expenditures	<u>-144,961</u>	<u>-31,850</u>	<u>-110,000</u>	<u>-4,971</u>	<u>.....</u>	<u>-291,782</u>
Balance, July 1, 1987	\$ 10,574	\$ 4,830	\$ 10,600	\$ 2,713	.....	\$ 28,717
Revenue: Bond Issues	145,000	40,000	5,000	15,000	.....	205,000
Estimated Expenditures	<u>-144,555</u>	<u>-36,901</u>	<u>-15,000</u>	<u>-12,982</u>	<u>.....</u>	<u>-209,438</u>
Balance, July 1, 1988	\$ 11,019	\$ 7,929	\$ 600	\$ 4,731	.....	\$ 24,279
Revenue: Bond Issues	145,000	35,000	.....	5,000	.....	185,000
Estimated Expenditures	<u>-144,980</u>	<u>-36,270</u>	<u>.....</u>	<u>-5,913</u>	<u>.....</u>	<u>-187,163</u>
Balance, July 1, 1989	<u>\$ 11,039</u>	<u>\$ 6,659</u>	<u>\$ 600</u>	<u>\$ 3,818</u>	<u>.....</u>	<u>\$ 22,116</u>

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

**FORECAST OF DEBT SERVICE REQUIREMENTS
1984-85 Through 1988-89**

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

	(Dollar Amounts in Thousands)				
	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND					
Department of General Services					
General State Authority Rentals	\$ 44,322	\$ 42,196	\$ 40,971	\$ 39,130	\$ 35,072
Department of Education					
General State Authority Rentals	4,201	4,201	4,201	4,201	4,201
Treasury Department					
Capital Debt Fund					
—Public Improvement Projects (including GSA).....	141,331	159,538	177,596	192,522	213,530
—Transportation Assistance Projects	46,434	52,305	60,360	62,467	64,564
—Community College Projects ^a	2,014	2,020	2,016	2,018	2,016
—Original Furniture and Equipment Projects	6,743	9,654	12,489	12,997	13,746
—Redevelopment Assistance Projects.....	3,732	6,042	5,845	5,649	5,452
TOTAL—GENERAL FUND.....	\$ 248,777	\$ 275,956	\$ 303,478	\$ 318,984	\$ 338,581
MOTOR LICENSE FUND					
Department of General Services					
General State Authority Rentals	\$ 1,166	\$ 1,166	\$ 1,166	\$ 1,166	\$ 1,166
Department of Transportation					
Highway and Bridge Authority Rentals	30,229	30,110	28,608	26,894	25,055
Treasury Department					
Capital Debt Fund					
—Highway Projects (including S.H.B.A.)...	165,346	165,031	164,911	164,997	165,050
—Public Improvement Projects	498	1,137	1,178	1,178	1,178
TOTAL—MOTOR LICENSE FUND ..	\$ 197,239	\$ 197,444	\$ 195,863	\$ 194,235	\$ 192,449
FISH FUND					
Department of General Services					
General State Authority Rentals	\$ 63	\$ 63	\$ 63	\$ 63	\$ 63
TOTAL—FISH FUND	\$ 63	\$ 63	\$ 63	\$ 63	\$ 63
BOATING FUND					
Department of General Services					
General State Authority Rentals	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2
TOTAL—BOND FUND.....	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2

**FORECAST OF DEBT SERVICE REQUIREMENTS
1984-85 Through 1988-89
(continued)**

	(Dollar Amounts in Thousands)				
	1984-85	1985-86	1986-87	1987-88	1988-89
OTHER FUNDS					
Public School Building Authority—					
Community College Projects ^b	\$ 553	\$ 553	\$ 553	\$ 552	\$ 550
Motor License Fund Restricted Receipts					
Aviation—Airport Public Improvement					
Projects	28	53	184	184	184
Aviation—General State Authority Rentals ..	39	39	39	39	39
Highway Bridge Improvement—Highway					
Projects .....	.....	4,913	24,906	38,793	40,746
TOTAL—OTHER FUNDS	<u>\$ 620</u>	<u>\$ 5,558</u>	<u>\$ 25,682</u>	<u>\$ 39,568</u>	<u>\$ 41,519</u>
TOTAL DEBT SERVICE—ALL FUNDS	<u>\$ 446,701</u>	<u>\$ 479,023</u>	<u>\$ 525,088</u>	<u>\$ 552,852</u>	<u>\$ 572,614</u>

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

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

**ESTIMATED CAPITAL PROJECT EXPENDITURES
State Funds
1984-85 Through 1988-89**

	(Dollar Amounts in Thousands)				
	1984-85	1985-86	1986-87	1987-88	1988-89
FROM GENERAL OBLIGATION BONDS					
Public Improvement Projects—Buildings and Structures	\$ 163,167	\$ 144,298	\$ 144,961	\$ 144,555	\$ 144,980
Public Improvement Projects—Original Furniture and Equipment	26,341	7,175	4,971	12,982	5,913
Redevelopment Assistance Projects	42,000	.....	.....	.....	.....
Transportation Assistance Projects	65,000	74,320	31,850	36,901	36,270
Highway Projects	20,000	150,000	110,000	15,000	.....
Total—Bond Funds	<u>\$ 316,508</u>	<u>\$ 375,793</u>	<u>\$ 291,782</u>	<u>\$ 209,438</u>	<u>\$ 187,163</u>
FROM CURRENT REVENUES					
Public Improvement Projects—Game Fund ...	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Public Improvement Projects—Fish Fund	46	.....	75	165	.....
Public Improvement Projects—Boating Fund ..	346	250	225	115	100
Highway Projects—Motor License Fund	54,300	54,400	54,400	54,400	54,400
Highway Projects—Major License Fund Restricted Revenue	120,000	40,000	31,000	9,000	.....
Total—Current Revenues	<u>\$ 177,692</u>	<u>\$ 97,650</u>	<u>\$ 88,700</u>	<u>\$ 66,680</u>	<u>\$ 57,500</u>
TOTAL—ALL STATE FUNDS	<u><u>\$ 494,200</u></u>	<u><u>\$ 473,443</u></u>	<u><u>\$ 380,482</u></u>	<u><u>\$ 276,118</u></u>	<u><u>\$ 244,663</u></u>

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

	1984-85	1985-86	(Dollar Amounts in Thousands)		1988-89	Total
			1986-87	1987-88		
Department of Agriculture	\$ 1,430	\$ 3,125	\$ 1,325	. . . . .	\$ 400	\$ 6,280
Department of Corrections	48,133	13,275	12,425	\$ 17,300	9,925	101,058
Department of Education	10,243	20,000	21,000	22,000	23,000	96,243
Department of Environmental Resources	6,861	9,275	12,350	11,300	11,100	50,886
Game Commission	1,973	3,000	3,000	3,000	3,000	13,973
Department of General Services	2,095	3,400	1,475	. . . . .	. . . . .	6,970
Historical and Museum Commission . . . . .	. . . . .	1,500	2,175	1,600	2,000	7,275
Department of Military Affairs	1,896	7,000	2,875	5,600	375	17,746
Department of Public Welfare	6,207	10,875	12,125	12,650	16,700	58,557
State Police	257	1,050	1,750	1,050	1,000	5,107
Department of Transportation	151,685	85,500	86,500	87,500	88,500	499,685
TOTAL	<u>\$ 230,780</u>	<u>\$ 158,000</u>	<u>\$ 157,000</u>	<u>\$ 162,000</u>	<u>\$ 156,000</u>	<u>\$683,780</u>

**RECOMMENDED 1984-85 NEW PROJECT AUTHORIZATIONS
STATE FUNDS
Summary by Department**

(Dollar Amounts in Thousands)

	Bond Funds			Current Revenues		Total All Funds
	Public Improvement Projects	Original Furniture & Equipment	Transportation Assistance Projects	Public Improvement Projects	Highway Projects	
Department of Agriculture	\$ 1,430	.....	.....	.....	.....	\$ 1,430
Department of Corrections	48,133	.....	.....	.....	.....	48,133
Department of Education	10,243	.....	.....	.....	.....	10,243
Department of Environmental Resources...	6,777	\$ 84	.....	.....	.....	6,861
Game Commission .....	.....	.....	.....	\$ 1,973	.....	1,973
Department of General Services	2,095	.....	.....	.....	.....	2,095
Department of Military Affairs	1,896	.....	.....	.....	.....	1,896
Department of Public Welfare	5,480	727	.....	.....	.....	6,207
State Police	257	.....	.....	.....	.....	257
Department of Transportation	1,551	.....	\$ 43,171	.....	\$ 106,963	151,685
TOTAL	<u>\$ 77,862</u>	<u>\$ 811</u>	<u>\$ 43,171</u>	<u>\$ 1,973</u>	<u>\$ 106,963</u>	<u>\$ 230,780</u>

DEPARTMENT OF AGRICULTURE

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contin- gencies	Total Project Cost
1984-85 PUBLIC IMPROVEMENT PROJECTS				
Development of Agricultural Industries	\$ 1,300	.....	\$ 130	\$ 1,430
TOTAL PROJECT	<u>\$ 1,300</u>	<u>.....</u>	<u>\$ 130</u>	<u>\$ 1,430</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 1,300	.....	\$ 130	\$ 1,430
TOTAL	<u>\$ 1,300</u>	<u>.....</u>	<u>\$ 130</u>	<u>\$ 1,430</u>

Department of Agriculture 1984-85 Projects

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Conti- gencies	Total Project Cost
FROM BOND FUNDS				
Program: Development of Agricultural Industries				
<i>Farm Show Complex — Harrisburg</i>				
IMPROVEMENT/REPLACEMENT OF MAIN EXHIBITION AREA FLOOR: This project provides for the demolition and removal of the present floor and construction of an 8" reinforced concrete floor with plastic barrier and non-skid surface.	\$ 1,300	. . . .	\$ 130	\$ 1,430
PROGRAM TOTAL	<u>\$ 1,300</u>	<u>. . . .</u>	<u>\$ 130</u>	<u>\$ 1,430</u>

DEPARTMENT OF CORRECTIONS

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Conti- gencies	Total Project Cost
1984-85 PUBLIC IMPROVEMENT PROJECTS				
State Correctional Institutions	\$ 40,110	. . . .	\$ 8,023	\$ 48,133
TOTAL PROJECTS	<u>\$ 40,110</u>	<u>. . . .</u>	<u>\$ 8,023</u>	<u>\$ 48,133</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 40,110	. . . .	\$ 8,023	\$ 48,133
TOTAL	<u>\$ 40,110</u>	<u>. . . .</u>	<u>\$ 8,023</u>	<u>\$ 48,133</u>

Department of Corrections 1984-85 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Conti- gencies	Total Project Cost
FROM BOND FUNDS				
Program: State Correctional Institutions				
<i>State Correctional Institution—Camp Hill</i>				
RENOVATION OF MAIN GATE: The main Gate House, which is the principal pedestrian entrance to the institution, is to be enlarged to provide space for the inmate holding room, visitors' waiting area, toilet rooms for visitors and a control room for protection and security of the gate house officer. Security will be improved with the installation of electrically controlled doors and the installation of a walk-through metal detector.	\$ 241	. . . . .	\$ 48	\$ 289
<i>State Correctional Institution—Graterford</i>				
ADDITIONAL FUNDS FOR PROJECT NO. DGS 577-16, FIELD HOUSE AND ATHLETIC FIELD: This project will provide additional funding for the new field house and athletic field project which was authorized in Act No. 1981-166. This will increase the funding for this project to \$2,715,000.	908	. . . . .	182	1,090
<i>State Regional Correctional Institution—Greensburg</i>				
PHASE II EXPANSION: This project will provide for two additional housing units (total 152 cells) and will also include enlargement of the yard, relocation and installation of a double fence, fence lighting and relocation and expansion of various support services.	6,585	. . . . .	1,317	7,902
<i>State Correctional Institution—Huntingdon</i>				
RENOVATION OF ELECTRICAL DISTRIBUTION SYSTEM: This project will upgrade the electrical distribution system by replacing all obsolete and overloaded switches, transformers, feeders, and related equipment needed to supply existing and projected loads.	584	. . . . .	117	701
WATER DISTRIBUTION SYSTEM IMPROVEMENTS: This project provides for the replacement of water lines, valves and hydrants, installation of a steel standpipe, the drilling of two new wells and the construction of well houses, well pumps and treatment facilities.	1,483	. . . . .	297	1,780

CAPITAL BUDGET

Department of Corrections 1984-85 Projects

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS (continued)				
<i>State Correctional Institution—Pittsburgh</i>				
<p>PHASE II REPLACEMENT PROGRAM: This second phase includes: a) construction of 480 replacement housing units; b) a new hospital building, which includes a mental health facility; c) addition to and remodeling of the Maintenance Building and North Cell Block, which will be gutted and designed for multipurpose facilities including a barber shop, auditorium and space for Correctional Industries; d) remodeling of the South Cell Block and the use of this space for vocational and academic education programs and library facilities; e) remodeling of the Rotunda area for treatment and counseling facilities; f) construction of new kitchen and dining facilities; and g) construction of a new Services Building.</p>				
	\$ 29,839	. . . . .	\$ 5,968	\$ 35,807
<i>State Correctional Institution—Waynesburg</i>				
<p>PERIMETER FENCE AND LIGHTING: This project provides for the installation of a perimeter fence and lighting around this former Youth Development Center site so that it can be utilized at a State correctional facility.</p>				
	470	. . . . .	94	564
PROGRAM TOTAL	<u>\$ 40,110</u>	<u>.</u>	<u>\$ 8,023</u>	<u>\$ 48,133</u>

DEPARTMENT OF EDUCATION

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contingencies	Total Project Cost
1984-85 PUBLIC IMPROVEMENT PROJECTS				
Higher Education — State System of Higher Education	\$ 4,536	. . . .	\$ 907	\$ 5,443
Higher Education — State Related Universities	4,000	. . . .	800	4,800
TOTAL PROJECTS	<u>\$ 8,536</u>	<u>. . . .</u>	<u>\$ 1,707</u>	<u>\$ 10,243</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 8,536	. . . .	\$ 1,707	\$ 10,243
TOTAL	<u>\$ 8,536</u>	<u>. . . .</u>	<u>\$ 1,707</u>	<u>\$ 10,243</u>

CAPITAL BUDGET

Department of Education 1984-85 Projects

FROM BOND FUNDS	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contin- gencies	Total Project Cost
Program: Higher Education — State System of Higher Education				
<i>Bloomsburg University</i>				
NEW BOILER: This project will provide for a new an- thracite boiler to update the campus heating plant.	\$ 1,200	. . . . .	\$ 240	\$ 1,440
<i>East Stroudsburg University</i>				
RENOVATION OF STEAM LINES: This project will relocate and replace approximately 3,500 feet of old unin- sulated steel pipe with rick-well insulated pipe which sup- ports the eastern and southern portions of the campus. It also includes the installation of eleven new steam manholes.	1,400	. . . . .	280	1,680
<i>Slippery Rock University</i>				
RENOVATION OF STEAM LINES: This project will pro- vide for the second phase of replacement of deteriorated steam lines with longer lasting fiberglass lines.	1,295	. . . . .	259	1,554
RENOVATION OF ELECTRICAL DISTRIBUTION SYSTEM: This project will provide for upgrading of the electrical distribution system serving the old portion of the campus, upgrading of the emergency lighting system to pre- sent Labor and Industry standards, combine separate elec- trical service where economical to achieve lower utility rate, and extend underground service and campus lighting to the recreation/stadium area of the campus.. . . .	641	. . . . .	128	769
PROGRAM TOTAL	\$ 4,536	. . . . .	\$ 907	\$ 5,443
Program: Higher Education — State Related Universities				
<i>University of Pittsburgh</i>				
RENOVATION OF STEAM DISTRIBUTION SYSTEM: This project provides for replacement of two 10" steam lines with two 14" steamlines in a tunnel, with appropriate discharge and condensate lines and required manholes ser- ving 16 campus buildings.	\$ 4,000	. . . . .	\$ 800	\$ 4,800
PROGRAM TOTAL	\$ 4,000	. . . . .	\$ 800	\$ 4,800

DEPARTMENT OF ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
1984-85 PUBLIC IMPROVEMENT PROJECTS				
Forestry	\$ 2,586	. . . .	\$ 260	\$ 2,846
Flood Control	3,276	. . . .	655	3,931
Recreation	84	. . . .	. . . .	84
TOTAL PROJECTS	<u><u>\$ 5,946</u></u>	<u><u>. . . .</u></u>	<u><u>\$ 915</u></u>	<u><u>\$ 6,861</u></u>

SOURCE OF FUNDS

General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 5,862	. . . .	\$ 915	\$ 6,777
Capital Facilities Fund — Furniture and Equipment	84	. . . .	. . . .	84
TOTAL	<u><u>\$ 5,946</u></u>	<u><u>. . . .</u></u>	<u><u>\$ 915</u></u>	<u><u>\$ 6,861</u></u>

Department of Environmental Resources 1984-85 Projects

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Conti- gencies	Total Project Cost
FROM BOND FUNDS				
Program: Forestry				
<i>Forest District No. 1</i>				
REHABILITATE STATE FOREST ROADS: This project will provide for regrading, resurfacing and strengthening the road beds, and replacing inadequate drainage structures and bridges in order to accommodate heavier loads	\$ 180	. . . . .	\$ 18	\$ 198
<i>Forest District No. 2</i>				
REHABILITATE STATE FOREST ROADS: This project will provide for regrading, resurfacing and strengthening the road beds and replacing inadequate drainage structures and bridges in order to accommodate heavier loads.	101	. . . . .	10	111
<i>Forest District No. 3</i>				
REHABILITATE STATE FOREST ROADS: This project will provide for regrading, resurfacing and strengthening the road beds, and replacing inadequate drainage structures and bridges in order to accommodate heavier loads	145	. . . . .	15	160
<i>Forest District No. 4</i>				
REHABILITATE STATE FOREST ROADS: This project will provide for regrading, resurfacing and strengthening the road beds, and replacing inadequate drainage structures and bridges in order to accommodate heavier loads	99	. . . . .	10	109
<i>Forest District No. 5</i>				
REHABILITATE STATE FOREST ROADS: This project will provide for regrading, resurfacing and strengthening the road beds, and replacing inadequate drainage structures and bridges in order to accommodate heavier loads	92	. . . . .	9	101
<i>Forest District No. 7</i>				
REHABILITATE STATE FOREST ROADS: This project will provide for regrading, resurfacing and strengthening the road beds, and replacing inadequate drainage structures and bridges in order to accommodate heavier loads	349	. . . . .	35	384
<i>Forest District No. 9</i>				
REHABILITATE STATE FOREST ROADS: This project will provide for regrading, resurfacing and strengthening the road beds, and replacing inadequate drainage structures and bridges in order to accommodate heavier loads.	211	. . . . .	21	232

Department of Environmental Resources 1984-85 Projects

	(Dollar Amounts in Thousands)			
FROM BOND FUNDS (continued)	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
Program: Forestry (continued)				
<i>Forest District No. 10</i>				
REHABILITATE STATE FOREST ROADS: This project will provide for regrading, resurfacing and strengthening the road beds, and replacing inadequate drainage structures and bridges in order to accommodate heavier loads.....	\$ 357	. . . . .	\$ 36	\$ 393
<i>Forest District No. 12</i>				
REHABILITATE STATE FOREST ROADS: This project will provide for regrading, resurfacing and strengthening the road beds, and replacing inadequate drainage structures and bridges in order to accommodate heavier loads.....	305	. . . . .	31	336
<i>Forest District No. 13</i>				
REHABILITATE STATE FOREST ROADS: This project will provide for regrading, resurfacing and strengthening the road beds, and replacing inadequate drainage structures and bridges in order to accommodate heavier loads.....	162	. . . . .	16	178
<i>Forest District No. 15</i>				
REHABILITATE STATE FOREST ROADS: This project will provide for regrading, resurfacing and strengthening the road beds, and replacing inadequate drainage structures and bridges in order to accommodate heavier loads.....	188	. . . . .	19	207
<i>Forest District No. 16</i>				
REHABILITATE STATE FOREST ROADS: This project will provide for regrading, resurfacing and strengthening the road beds, and replacing inadequate drainage structures and bridges in order to accommodate heavier loads.....	184	. . . . .	18	202
<i>Forest District No. 19</i>				
REHABILITATE STATE FOREST ROADS: This project will provide for regrading, resurfacing and strengthening the road beds, and replacing inadequate drainage structures and bridges in order to accommodate heavier loads.....	95	. . . . .	10	105
<i>Forest District No. 20</i>				
REHABILITATE STATE FOREST ROADS: This project will provide for regrading, resurfacing and strengthening the road beds, and replacing inadequate drainage structures and bridges in order to accommodate heavier loads.....	118	. . . . .	12	130
PROGRAM TOTAL	<u>\$ 2,586</u>	<u>.</u>	<u>\$ 260</u>	<u>\$ 2,846</u>

CAPITAL BUDGET

Department of Environmental Resources 1984-85 Projects

	Base Project Cost	Land Cost	(Dollar Amounts in Thousands) Design & Contingencies	Total Project Cost
FROM BOND FUNDS (continued)				
Program: Flood Control				
<i>Exeter Borough — Luzerne County</i>				
FLOOD PROTECTION: This project will provide 3,200 feet of channel improvement and three sediment basins along Hicks Creek. The waterway capacity of the Slocum and Sturmer Avenue culverts will also be increased	\$ 1,417	. . . . .	\$ 283	\$ 1,700
<i>Hopewell Dam — Berks and Chester Counties</i>				
DAM SAFETY: This project will modify the Hopewell Dam to provide a safe spillway capacity	263	. . . . .	53	316
<i>Jeanette City and Penn Borough — Westmoreland County</i>				
FLOOD PROTECTION: This project will consist of replacement of the concrete walls between 5th and 6th Streets, replacement of 2,000 feet of culvert, rehabilitation of the existing levee system, construction of a downstream ponding area and construction of a 300 foot rolled embankment freeboard levee	1,155	. . . . .	231	1,386
<i>Johnstown — Cambria County</i>				
FLOOD PROTECTION: This project will consist of 1,920 feet of concrete culvert from the city line downstream to Rogers Avenue	441	. . . . .	88	529
PROGRAM TOTAL	<u>\$ 3,276</u>	<u>.</u>	<u>\$ 655</u>	<u>\$ 3,931</u>
Program: Recreation				
<i>Presque Isle State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 163-16: This will provide original furnishings and equipment for the water and sanitary system improvement project.	\$ 26	. . . . .	. . . . .	\$ 26
<i>Prince Gallitzin State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 193-35: This will provide original furnishings and equipment for the water storage tank project.	4	. . . . .	. . . . .	4
<i>Pymatuning State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 103-3: This will provide original furnishings and equipment for the sanitary facilities project.	35	. . . . .	. . . . .	35
<i>Raccoon Creek State Park</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS 146-5: This will provide original furnishings and equipment for the park improvement project.	19	. . . . .	. . . . .	19
PROGRAM TOTAL	<u>\$ 84</u>	<u>.</u>	<u>.</u>	<u>\$ 84</u>

GAME COMMISSION

		(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1984-85 PUBLIC IMPROVEMENT PROJECTS				
Recreation	\$ 1,973	.....	\$ 1,973
TOTAL PROJECTS	<u>.....</u>	<u>\$ 1,973</u>	<u>.....</u>	<u>\$ 1,973</u>
SOURCE OF FUNDS				
Current Revenues				
Game Fund	\$ 1,973	.....	\$ 1,973
TOTAL	<u>.....</u>	<u>\$ 1,973</u>	<u>.....</u>	<u>\$ 1,973</u>

CAPITAL BUDGET

Game Commission 1984-85 Projects

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contin- gencies	Total Project Cost
FROM CURRENT REVENUES				
Program: Recreation				
<i>Blair County</i>				
ACQUISITION OF STATE GAME LANDS: This will provide for acquisition of approximately 2,000 acres of land in Juniata and Taylor Townships to be used for hunting.	\$ 600	.....	\$ 600
<i>Cambria County</i>				
ACQUISITION OF STATE GAME LANDS: This will provide for acquisition of approximately 1,740 acres of land in Cresson and Washington Townships to be used for hunting.....	185	.....	185
<i>Jefferson and Elk Counties</i>				
ACQUISITION OF STATE GAME LANDS: This will provide for acquisition of approximately 3,498 acres of land in Polk, Heath, Spring Creek and Horton Townships to be used for hunting	708	.....	708
<i>Monroe County</i>				
ACQUISITION OF STATE GAME LANDS: This will provide for acquisition of approximately 1,600 acres of land in Jackson Township to be used for hunting	480	.....	480
PROGRAM TOTAL	<u>.....</u>	<u>\$ 1,973</u>	<u>.....</u>	<u>\$ 1,973</u>

DEPARTMENT OF GENERAL SERVICES

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contin- gencies	Total Project Cost
1984-85 PUBLIC IMPROVEMENT PROJECTS				
Management and Operation of Facilities	\$ 1,746	. . . .	\$ 349	\$ 2,095
TOTAL PROJECTS	<u>\$ 1,746</u>	<u>. . . .</u>	<u>\$ 349</u>	<u>\$ 2,095</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 1,746	. . . .	\$ 349	\$ 2,095
TOTAL	<u>\$ 1,746</u>	<u>. . . .</u>	<u>\$ 349</u>	<u>\$ 2,095</u>

CAPITAL BUDGET

Department of General Services 1984-85 Projects

		(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS				
Program: Management and Operation of Facilities				
<i>Capitol Complex</i>				
UPGRADE LIGHTING SYSTEMS: This project will upgrade the lighting systems in the Health and Welfare and the Labor and Industry buildings with energy efficient computer controlled zone switching systems.	\$ 1,000	. . . . .	\$ 200	\$ 1,200
<i>Lieutenant Governors Home</i>				
UPGRADE HEATING/VENTILATION SYSTEM: This project will provide for the installation of a new improved HVAC plant for the home.	246	. . . . .	49	295
<i>Central Management Information Center</i>				
RENOVATION OF COMPUTER CENTER: This project will provide for renovations needed to accommodate additional computer equipment. The renovations include the installation of air conditioning, an electrical transformer, motor alternators and generators, a raised floor, and electrical circuits.	500	. . . . .	100	600
PROGRAM TOTAL	<u>\$ 1,746</u>	<u>.</u>	<u>\$ 349</u>	<u>\$ 2,095</u>

DEPARTMENT OF MILITARY AFFAIRS

		(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
1984-85 PUBLIC IMPROVEMENT PROJECTS				
Disaster Assistance	\$ 1,580	. . . .	\$ 316	\$ 1,896
TOTAL PROJECTS	<u>\$ 1,580</u>	<u>. . . .</u>	<u>\$ 316</u>	<u>\$ 1,896</u>

SOURCE OF FUNDS

General Obligation Bond Issues				
Capital Facilities Fund — Buildings and Structures	\$ 1,580	. . . .	\$ 316	\$ 1,896
TOTAL	<u>\$ 1,580</u>	<u>. . . .</u>	<u>\$ 316</u>	<u>\$ 1,896</u>

CAPITAL BUDGET

Department of Military Affairs 1984-85 Projects

FROM BOND FUNDS	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contin- gencies	Total Project Cost
Program: Disaster Assistance				
<i>York National Guard Armory</i>				
ARMORY BUILDING: This project provides for construction of a 14,800 sq. ft. Armory Building including space for a drill hall, offices, supply rooms, arms vaults, bathrooms and showers, and parking for both military and civilian use.				
	\$ 1,580	. . . . .	\$ 316	\$ 1,896
PROGRAM TOTAL	<u>\$ 1,580</u>	<u>.</u>	<u>\$ 316</u>	<u>\$ 1,896</u>

DEPARTMENT OF PUBLIC WELFARE

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
1984-85 PUBLIC IMPROVEMENT PROJECTS				
Youth Development Centers	\$ 288	. . . .	\$ 57	\$ 345
State General Hospitals	875	. . . .	108	983
State Mental Hospitals	2,072	. . . .	336	2,408
State Centers for the Mentally Retarded	2,060	. . . .	411	2,471
TOTAL PROJECTS	<u>\$ 5,295</u>	<u>. . . .</u>	<u>\$ 912</u>	<u>\$ 6,207</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund—Buildings and Structures	\$ 4,568	. . . .	\$ 912	\$ 5,480
Capital Facilities Fund—Furniture and Equipment	727	. . . .	. . . .	727
TOTAL	<u>\$ 5,295</u>	<u>. . . .</u>	<u>\$ 912</u>	<u>\$ 6,207</u>

CAPITAL BUDGET

Department of Public Welfare 1984-85 Projects

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS				
Program: Youth Development Centers				
<i>Cornwells Heights YDC</i>				
INSTALL CEILINGS IN BUILDINGS No. 4, No. 5, and No. 6: This project will replace damaged drop ceilings with plastered ceilings to eliminate constant damage by students at the facilities	\$ 157	.....	\$ 31	\$ 188
<i>New Castle YDC</i>				
IMPROVE ELECTRICAL DISTRIBUTION SYSTEM: This project will replace and relocate eleven high voltage transfer switches from underground manholes to an above ground level that have deteriorated and constitute a safety hazard.	131	.....	26	157
PROGRAM TOTAL	\$ 288	.....	\$ 57	\$ 345
 Program: State General Hospitals				
<i>Ashland State General Hospital</i>				
ALTERATIONS TO BOILER PLANT: This project will provide for updating of the coal handling system, condensate return system, make-up feed, and deaerating systems to improve efficiency, and installation of pollution control devices to meet air quality standards.....	\$ 540	.....	\$ 108	\$ 648
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS PROJECT 530-6: This project will provide furniture and equipment for the competed intensive care/cardiac unit.	105	.....	.....	105
<i>Philipsburg State General Hospital</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS PROJECT 537-11: This project will provide furniture and equipment for the relocated intensive care unit.	105	.....	.....	105
<i>Shamokin State General Hospital</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS PROJECT 539-10: This project will provide furniture and equipment for the completed renovation of two ward areas.	125	.....	.....	125
PROGRAM TOTAL	\$ 875	.....	\$ 108	\$ 983

CAPITAL BUDGET

Department of Public Welfare 1984-85 Projects

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Conti- gencies	Total Project Cost
FROM BOND FUNDS				
Program: State Mental Hospitals				
<i>Farview State Hospital</i>				
ORIGINAL FURNITURE AND EQUIPMENT FOR DGS PROJECT 505-15: This project will provide original furniture and equipment for the renovated clinic, patient therapy and living areas, and staff offices project.	\$ 392	.....	.....	\$ 392
<i>Harrisburg State Hospital</i>				
RENOVATE SECONDARY ELECTRICAL SYSTEM IN BUILDINGS No. 13, No. 14, and No. 17: This project will provide for the upgrading and improvement in the electrical systems in these buildings to meet current lighting and load standards.	315	.....	\$ 63	378
<i>Somerset State Hospital</i>				
COAL FIRED BOILER: This project will replace a deteriorated obsolete boiler with a new energy efficient fluidized bed coal-fired boiler.	1,050	.....	210	1,260
<i>Torrance State Hospital</i>				
ELECTRICAL LINES: This project will replace deteriorated overhead electrical service lines with an underground cable system.	315	.....	63	378
PROGRAM TOTAL	<u>\$ 2,072</u>	<u>.....</u>	<u>\$ 336</u>	<u>\$ 2,408</u>

CAPITAL BUDGET

Department of Public Welfare 1984-85 Projects

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contin- gencies	Total Project Cost
FROM BOND FUNDS				
Program: State Centers for the Mentally Retarded				
<i>Hamburg Center</i>				
RENOVATE RESTROOM AND BATHING AREAS: This project will provide for the upgrading of the restroom and bathing areas in Buildings No. 3 and No. 6, including privacy partitioning.	\$ 682	. . . . .	\$ 136	\$ 818
<i>Polk Center</i>				
RENOVATE HEATING SYSTEM IN NORTHSIDE BUILDING: This project will provide for renovating the heating system in Northside building through the removal of old radiators and the installation of convectors and controls to improve heating efficiency and patient health. . .	304	. . . . .	61	365
<i>Selinsgrove Center</i>				
NEW BATHROOMS, UNIT II: This project will provide for the construction of new bathing areas in Unit II to allow privacy for patients during bathing.	166	. . . . .	33	199
INSTALL THERMAL PANES IN CENTRAL BUILDING: This project will provide for the replacement of metal window frames with energy efficient thermal pane windows to conserve energy and eliminate drafts.	226	. . . . .	45	271
<i>Western Center</i>				
RENOVATE HEATING AND AIR CONDITIONING IN CLINIC BUILDING: This project will provide for the replacement and upgrading of the obsolete heating and air conditioning systems to improve safety, patient comfort, and conserve energy.	367	. . . . .	73	440
COAL BUNKER: This project will provide for the replacement of the coal bunker and super structure to increase coal handling efficiency and eliminate safety hazards.	315	. . . . .	63	378
PROGRAM TOTAL	\$ 2,060	. . . . .	\$ 411	\$ 2,471

STATE POLICE

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contingencies	Total Project Cost
1984-85 PUBLIC IMPROVEMENT PROJECTS				
General Administration and Support	\$ 214	. . . .	\$ 43	\$ 257
TOTAL PROJECTS	<u>\$ 214</u>	<u>. . . .</u>	<u>\$ 43</u>	<u>\$ 257</u>
 SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund—Buildings and Structures	\$ 214	. . . .	\$ 43	\$ 257
TOTAL	<u>\$ 214</u>	<u>. . . .</u>	<u>\$ 43</u>	<u>\$ 257</u>

State Police 1984-85 Projects

FROM BOND FUNDS

Program: General Administration and Support

Substation at York

RENOVATE AND EXPAND SUBSTATION BUILDING:

This project will provide for; (1) general renovation/upgrading of the electrical, plumbing, lighting and heating systems, and miscellaneous structural improvements and modifications in the existing facility, and (2) construction of a 750 sq. ft. addition.....

PROGRAM TOTAL

	Base Project Cost	(Dollar Amounts in Thousands) Land Cost	Design & Contingencies	Total Project Cost
	\$ 214	.....	\$ 43	\$ 257
	<u>\$ 214</u>	<u>.....</u>	<u>\$ 43</u>	<u>\$ 257</u>

DEPARTMENT OF TRANSPORTATION

	Base Project Cost	(Dollar Amounts in Thousands)		Total Project Cost
		Land Cost	Design & Conti- gencies	
1984-85 TRANSPORTATION ASSISTANCE PROJECTS				
Mass Transit	\$ 204,724	.....	.....	\$ 204,724
Rural and Intercity Rail Service	17,800	.....	.....	17,800
Subtotal Transportation Assistance Projects	<u>\$ 222,524</u>	<u>.....</u>	<u>.....</u>	<u>\$ 222,524</u>
1984-85 HIGHWAY PROJECTS				
Highway and Safety Improvement	<u>\$ 758,339</u>	<u>\$ 40,282</u>	<u>\$ 34,284</u>	<u>\$ 832,905</u>
1984-85 PUBLIC IMPROVEMENT PROJECTS				
Highway Transportation	<u>\$ 1,293</u>	.....	<u>\$ 258</u>	<u>\$ 1,551</u>
TOTAL PROJECTS	<u>\$ 982,156</u>	<u>\$ 40,282</u>	<u>\$ 34,542</u>	<u>\$1,056,980</u>
SOURCE OF FUNDS				
General Obligation Bond Issues				
Capital Facilities Fund—Transportation Assistance Projects	\$ 43,171	.....	.....	\$ 43,171
Capital Facilities Fund—Public Improvement Projects	1,293	.....	\$ 258	1,551
Subtotal General Obligation Bonds	<u>\$ 44,464</u>	<u>.....</u>	<u>\$ 258</u>	<u>\$ 44,722</u>
Current Revenues				
Motor License Fund	\$ 95,691	\$ 6,846	\$ 4,426	\$ 106,963
Federal Funds	\$ 826,429	\$ 33,436	\$ 29,858	\$ 889,723
Other Funds	\$ 15,572	.....	.....	\$ 15,572
TOTAL	<u>\$ 982,156</u>	<u>\$ 40,282</u>	<u>\$ 34,542</u>	<u>\$1,056,980</u>

Department of Transportation 1984-85 Projects

	(Dollar Amounts in Thousands)			
FROM BOND FUNDS	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
Program: Highway Transportation				
<i>Chester County Highway Maintenance Building</i>				
ADDITION: This project provides for a 1,170 sq. ft. one story addition to the existing structure to house a vehicle lift—maintenance area. Also included are new stair enclosures to meet fire and safety regulations.	\$ 174	.....	\$ 35	\$ 209
<i>Lycoming County District Office</i>				
ADDITION: This project provides for a 7,800 sq. ft. one story and basement addition to the existing structure to house general offices, drafting and storage rooms.	687	.....	137	824
<i>Lehigh County</i>				
ANTI-SKID STORAGE BUILDING: This project provides for construction of 10,560 sq. ft. building for storage of anti-skid material.	126	.....	25	151
<i>Westmoreland County</i>				
ANTI-SKID STORAGE BUILDING: This project provides for construction of a 10,560 sq. ft. building for storage of anti-skid material.	126	.....	25	151
<i>Northumberland County</i>				
SATELLITE MAINTENANCE BUILDING: This project provides for construction of a 2,520 sq. ft. building to maintain and house highway maintenance equipment for the northern region of Northumberland County	180	.....	36	216
PROGRAM TOTAL	<u>\$ 1,293</u>	<u>.....</u>	<u>\$ 258</u>	<u>\$ 1,551</u>

CAPITAL BUDGET

Department of Transportation 1984-85 Project

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design & Conti- gencies	Total Project Cost
FROM BOND FUNDS:				
Program: Mass Transit				
<i>Berks Area Transportation Authority</i>				
PURCHASE OF EQUIPMENT, SERVICE VEHICLES, SHELTERS, AND FACILITY RENOVATIONS: This project provides for facility renovations including paving, fencing, fire and safety alterations and rehabilitating the money counting room to improve security and operation. Also included are the purchase of registering fareboxes, service vehicles, shop tools, and office equipment.				
	Bond \$ 92	.....	.....	\$ 92
	Fed. 440	.....	.....	440
	Other 18	.....	.....	18
<i>Cambria County Transit Authority</i>				
REHABILITATION OF INCLINE PLANE AND PURCHASE OF SERVICE VEHICLES, TOOLS AND EQUIPMENT: This project provides for further rehabilitation work on the incline plane. Also included is the purchase of shop tools and equipment and two service automobiles.				
	Bond 489	.....	.....	489
	Fed. 2,350	.....	.....	2,350
	Other 98	.....	.....	98
PURCHASE OF BUSES AND EQUIPMENT AND CONSTRUCTION OF A STORAGE AND MAINTENANCE BUILDING: This project provides for the purchase of four transit coaches, two smaller vehicles, six new radios and related equipment. Also includes the construction of a bus storage and maintenance facility and purchase of replacement office equipment and furniture, and ten bus shelters.				
	Bond 152	.....	.....	152
	Fed. 729	.....	.....	729
	Other 30	.....	.....	30
<i>Center Area Transportation Authority</i>				
PURCHASE OF A PARA-TRANSIT VEHICLE, RENOVATIONS TO A WAITING AREA, AND PURCHASE OF RELATED BUS EQUIPMENT: This project provides for the purchase of a new para-transit vehicle for the elderly and handicapped, fareboxes, radios, shelters, and signs. Also included is renovations at the downtown area for waiting passengers.				
	Bond 66	.....	.....	66
	Fed. 315	.....	.....	315
	Other 13	.....	.....	13
<i>Erie Metropolitan Transit Authority</i>				
PURCHASE OR RADIOS AND RELATED BUS EQUIPMENT: This project provides for the purchase of three supervisory vehicles, replacement of garage equipment, and radios. Also included is the purchase of a forklift, a welding machine, an engine stand, a service truck with snowplow, and a bus wheel washer.				
	Bond 100	.....	.....	100
	Fed. 480	.....	.....	480
	Other 20	.....	.....	20

Department of Transportation 1984-85 Project

		(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM BOND FUNDS: (continued)				
Program: Mass Transit (continued)				
<i>Lehigh and Northampton Transit Authority</i>				
PURCHASE OF BUSES, SERVICE VEHICLES, AND RELATED BUS EQUIPMENT: This project provides for the purchase of ten buses, a service truck and supervisory vehicles. Also included is the purchase of shop equipment and replacement bus stop signs.				
	Bond	\$ 385	.....	\$ 385
	Fed.	1,848	.....	1,848
	Other	77	.....	77
 PURCHASE OF VANS: This project provided for the purchase of six vans equipped with lifts.				
	Bond	28	.....	28
	Fed.	132	.....	132
	Other	5	.....	5
 <i>Luzerne County Transportation Authority</i>				
PURCHASE OF BUSES, SERVICE VEHICLES, AND BUS RELATED EQUIPMENT: This project provides for the purchase of ten buses, supervisory vehicles, and a tow truck. Also included is the purchase of registering fareboxes, electronic destination signs, and air conditioner conversion kits.				
	Bond	442	.....	442
	Fed.	2,122	.....	2,122
	Other	88	.....	88
 <i>New Castle Area Transportation Authority</i>				
PURCHASE OF BUS RELATED EQUIPMENT, ROOF REPAIR, AND GARAGE FEASIBILITY STUDY: This project provides for a feasibility study to determine the need of a new maintenance and storage facility — and until a new facility is constructed, repairs will be needed on the roof of the old garage. Also included is the purchase of tools, signs, and office equipment.				
	Bond	21	.....	21
	Fed.	102	.....	102
	Other	4	.....	4

Department of Transportation 1984-85 Projects

		(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contingencies		Total Project Cost
FROM BOND FUNDS (continued)					
Program: Mass Transit (continued)					
<i>Port Authority of Allegheny County</i>					
ADDITIONAL FUNDS FOR PCC TROLLEY REHABILITATION: This project provides for the rehabilitation of 45 trolleys.....	Bond \$ 833	.....	.....		\$ 833
	Fed. 4,000	.....	.....		4,000
	Other 167	.....	.....		167
LIGHT RAIL TRANSIT — STAGE I, ADDITIONAL FUNDS (PT-19): This project provides for the engineering-design and construction of the 10.5 mile light rail line between South Hills Village and Golden Triangle, including power supply and communications systems, panhandle bridge improvements, a downtown subway system, 50-55 new light rail vehicles, a new maintenance and storage facility, station improvements, and a tunnel through Mt. Lebanon.....	Bond 15,292	.....	.....		15,292
	Fed. 73,402	.....	.....		73,402
	Other 3,058	.....	.....		3,058
<i>Southeastern Pennsylvania Transportation Authority</i>					
COMMUTER RAIL CAR REHABILITATION — PHASE II: This project provides for the second phase of a rehabilitation program for the commuter rail cars. The rehabilitation program consists of the complete inspection, overhaul, and replacement of equipment and systems..	Bond 840	.....	.....		840
	Fed. 4,031	.....	.....		4,031
	Other 168	.....	.....		168
CHESTNUT HILL RAIL BRANCH CONNECTION: This project provides for the construction of a rail connection between the Norristown Branch of the Reading Division and the Chestnut Hill West Branch. This connection will reroute Chestnut Hill West Branch trains from the Pennsylvania side to the Reading Division side of the regional high speed rail network allowing for the total elimination of Amtrak involvement in the operation of the Chestnut Hill West Line.	Bond 367	.....	.....		367
	Fed. 1,760	.....	.....		1,760
	Other 73	.....	.....		73
9TH STREET BRANCH TRACK AND SIGNAL IMPROVEMENTS: This project provides for track and signal improvements to modernize the system from Diamond Interlocking to 16th Street Interlocking and from Wayne Junction to Jenkintown.	Bond 1,535	.....	.....		1,535
	Fed. 7,368	.....	.....		7,368
	Other 307	.....	.....		307

CAPITAL BUDGET

Department of Transportation 1984-85 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Contingencies	Total Project Cost
FROM BOND FUNDS (continued)				
<i>Southeastern Pennsylvania Transportation Authority</i>				
<i>(continued)</i>				
COMMUTER RAIL CAR MODERNIZATION — PHASE III: This project provides for the retrofilling of 322 main transformers in the commuter cars that have been contaminated with polychlorinated byphenyls (PCB's).				
Bond	\$ 1,400	. . . . .	. . . . .	\$ 1,400
Fed.	6,720	. . . . .	. . . . .	6,720
Other	280	. . . . .	. . . . .	280
WAYNE JUNCTION SUBSTATION MODERNIZATION: This project provides for the modernization/rehabilitation of the Wayne Junction Substation Facility which provides traction power to the entire Reading Division of SEPTA's Regional High Speed Lines. As part of this project, one new solid state static frequency converter will be installed at Wayne Junction.				
Bond	2,033	. . . . .	. . . . .	2,033
Fed.	9,760	. . . . .	. . . . .	9,760
Other	407	. . . . .	. . . . .	407
FACILITIES IMPROVEMENTS: This project provides for: track and roadway improvements — including ditching and associated drainage improvements, ballast dressing, raising, lining, and tamping, and right-of-way cleanup; the rebuilding of six crossings with either a rubber type or rail chair type of surface; signal modernization; electric traction rehabilitation on the Chestnut Hill West Branch; and bridge rehabilitations, including structural, bridge timber deck replacements, and bridge surface renewals on selected bridges on the regional high speed network.				
Bond	3,333	. . . . .	. . . . .	3,333
Fed.	16,000	. . . . .	. . . . .	16,000
Other	667	. . . . .	. . . . .	667
FRANKFORD ELEVATED REHABILITATION: This project provides for the rehabilitation of approximately 5.25 miles of the Frankford Elevated from Girard Avenue to Bridge-Pratt terminal. Rehabilitation consists of placing new continuous longitudinal beams under the structure; removal of the existing trusses; replacement of the existing concrete deck; new decks on three bridges; replacement of contact rail; signal system and switches; and, reconstruction/rehabilitation of eleven passenger stations.				
Bond	6,667	. . . . .	. . . . .	6,667
Fed.	32,000	. . . . .	. . . . .	32,000
Other	1,333	. . . . .	. . . . .	1,333
<i>Westmoreland County Transit Authority</i>				
PURCHASE OF BUS RELATED EQUIPMENT AND CONSTRUCTION OF A STORAGE FACILITY: This project provides for the installation of bus stop signs, shelters at selected sites, purchase of radio equipment, and construction of a parts storage room.				
Bond	46	. . . . .	. . . . .	46
Fed.	222	. . . . .	. . . . .	222
Other	9	. . . . .	. . . . .	9
<hr/>				
Total Bond Funds	\$ 34,121	. . . . .	. . . . .	\$ 34,121
Total Federal Funds	163,781	. . . . .	. . . . .	163,781
Total Other Funds	6,822	. . . . .	. . . . .	6,822
<hr/>				
PROGRAM TOTAL	\$ 204,724	. . . . .	. . . . .	\$ 204,724
<hr/>				

CAPITAL BUDGET

Department of Transportation 1984-85 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design & Conti- gencies	Total Project Cost
FROM BOND FUNDS (continued)				
Program: Rural and Intercity Rail Service				
<i>Berks and Montgomery Counties</i>				
BRIDGE REHABILITATION — COLEBROOKDALE INDUSTRIAL BRANCH, NO. 3.74 and No. 4.21: Provides for structural rehabilitation of two bridges in the Colbrookdale Industrial area.				
Bond	\$ 80	.....	.....	\$ 80
Fed.	.....	.....	.....	.....
Other	20	.....	.....	20
<i>Erie County</i>				
RAIL REHABILITATION — ERIE TO ST. MARY'S: Provides for 125 miles of track rehabilitation — Hammermill Paper Company.				
Bond	1,700	.....	.....	1,700
Fed.	.....	.....	.....	.....
Other	1,700	.....	.....	1,700
<i>Lackawanna County</i>				
RAIL REHABILITATION — DELAWARE AND HUDSON RAILWAY MAINLINE: Provides for 45 miles of track and signal rehabilitation.				
Bond	3,000	.....	.....	3,000
Fed.	.....	.....	.....	.....
Other	3,000	.....	.....	3,000
<i>Lehigh County</i>				
TUNNEL REHABILITATION — PERKIOMEN BRANCH, USRA NO. 906: Provides for 0.32 miles of tunnel liner replacment.				
Bond	320	.....	.....	320
Fed.	.....	.....	.....	.....
Other	80	.....	.....	80
<i>Monroe County</i>				
RAIL REHABILITATION — EAST STROUDSBURG TO SCRANTON: Provides for 60 miles of track rehabilitation.				
Bond	2,200	.....	.....	2,200
Fed.	.....	.....	.....	.....
Other	2,200	.....	.....	2,200
<i>Northumberland County</i>				
RAIL REHABILITATION — DELAWARE AND HUDSON, SUNBURY MAILINE: Provides for 28 miles of track rehabilitation.				
Bond	1,750	.....	.....	1,750
Fed.	.....	.....	.....	.....
Other	1,750	.....	.....	1,750
Total Bond Funds	\$ 9,050	.....	.....	\$ 9,050
Total Federal Funds	.....	.....	.....	.....
Total Other Funds	8,750	.....	.....	8,750
PROGRAM TOTAL	<u>\$ 17,800</u>	<u>.....</u>	<u>.....</u>	<u>\$ 17,800</u>

CAPITAL BUDGET

Department of Transportation 1984-85 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES

Program: Highway and Safety Improvement

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
ALLEGHENY COUNTY, L.R. 763, I-376: Fort Pitt Bridge/Tunnel, Monogahela River, City of Pittsburgh: Restoration: Length 0.1 Miles.	State	\$ 4,000	.....	\$ 200	\$ 4,200
	Fed.	36,000	.....	1,800	37,800
ALLEGHENY COUNTY, L.R. 1016, I-79: Interstate 79, Station Southbound, Bridgeville Borough and Collier Township: Restoration: Length 3.0 Miles.	State	1,000	.....	50	1,050
	Fed.	9,000	.....	450	9,450
ALLEGHENY COUNTY, L.R. 1016, I-79: Interstate 79, Kirwin Heights Interchange to Parkway Interchange, Collier, Scott, Robinson Townships: Restoration: Length 4.0 Miles.	State	150	.....	.....	150
	Fed.	1,350	.....	.....	1,350
ALLEGHENY COUNTY, L.F. 1016, I-79: Interstate I-79, Parkway Interchange to Neville Island, Robinson and Kennedy Townships: Restoration: Length 6.0 Miles.	State	175	.....	.....	175
	Fed.	1,575	.....	.....	1,575
ALLEGHENY COUNTY, L.R. 1016, I-79: Interstate I-79, Neville Island Bridge to I-279 Interchange, Newville, Aleppo, Ohio, Townships: Restoration: Length 6.0 Miles.	State	200	.....	.....	200
	Fed.	1,800	.....	.....	1,800
ALLEGHENY COUNTY, L.R. 1016, I-79: Interstate 79, I-279 Interchange to Butler County Line: Bridge Restoration: Length 5.7 Miles.	State	500	.....	25	525
	Fed.	4,500	.....	225	4,725
ALLEGHENY COUNTY, L.R. 1021, I-79: Interstate 79, I-279 Interchange to Butler County Line, Franklin Park Borough, Marshall Township: Restoration: Length 6.0 Miles.	State	200	.....	.....	200
	Fed.	1,800	.....	.....	1,800
ALLEGHENY COUNTY, L.R. 1026, I-579: Crosstown Ramps, Ramp J and Ramp L, City of Pittsburgh: Restoration: Length 0.2 Miles.	State	200	.....	20	220
	Fed.	1,800	.....	180	1,980
BERKS COUNTY, L.R. 1011, I-176: Interstate 176, Reading to Morgantown: Restoration: Length 11.0 Miles.	State	541	.....	21	562
	Fed.	4,867	.....	191	5,058
BERKS COUNTY, L.R. 285 (12M), I-78: Interstate 78, Lenhartsville to Lehigh County Line: Restoration Climbing Lane: Length 8.0 Miles.	State	2,688	.....	108	2,796
	Fed.	24,196	.....	972	25,168
BERKS COUNTY, L.R. 285, (17M), I-78: Interstate 78, T.R. 61 to 2.9 Miles East of Hamburg: Restoration: Length 4.0 Miles.	State	2,141	\$ 45	85	2,271
	Fed.	19,267	405	765	20,437
BUCKS COUNTY, L.R. 1000, I-95: Interstate 95, Middletown and Bensalem Townships: Restoration: Length 9.0 Miles.	State	545	2	40	587
	Fed.	4,900	18	360	5,278
BUCKS COUNTY, L.R. 362, (014), PA 232: Second Street Park Bridge: Railroad Bridge over Conrail, Upper Southampton Township, south of Turnpike: Bridge Replacement: Length 0.1 Miles.	State	96	2	22	120
	Fed.	277	8	68	353

Department of Transportation 1984-85 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES (continued)
Program: Highway and Safety Improvement (continued)

	Base Project Cost	Land Cost	Design Cost	Total Project Cost
BUTLER COUNTY, L.R. 1021, (011), I-79: Interstate 79, Allegheny County Line to Lancaster and Muddy Creek Township Line: Restoration: Length 15.0 Miles.	State \$ 595 Fed. 5,360	. . . . . . . .	\$ 76 680	\$ 671 6,040
CAMBRIA COUNTY, L.R. 1022, (04A), U.S. 219: Interchange/New Germany Area, at Township Road 417; Interchange: Length 0.6 Miles.	State 520 Fed. 2,080	\$ 22 88	30 120	572 2,288
CAMBRIA COUNTY, L.R. 1022, (02A), U.S. 219: Mount Airy Interchange, at Township Road 753 Richland Township: Interchange Improvement: Length 0.6 Miles.	State 625 Fed. 2,500	30 120	24 96	679 2,716
CAMBRIA COUNTY, L.R. 52, T.R. 22: East of Mundys Corner (T-507) to Stewarts Run (T-431), Jackson Township: 4 Lanes Reconstruction with Access Control Improvements: Length 1.5 Miles.	State 1,676 Fed. 5,026	25 75	50 150	1,751 5,251
CAMBRIA COUNTY, L.R. 52, T.R. 22: Stewarts Run (T-431 to Airport Road, (T-617), Jackson and Cambria Townships: 4 Lane Reconstruction with Access Control Improvements: Length 1.8 Miles.	State 2,004 Fed. 6,012	25 75	50 150	2,079 6,237
CAMBRIA COUNTY, L.R. 52, T.R. 22: Airport Road (T-617) to Lake Rowena, Cambria Township: 4-Lane Reconstruction with Access Control Improvement: Length 4.2 Miles	State 1,270 Fed. 3,812	25 75	50 150	1,345 4,037
CENTRE COUNTY, L.R. 1009, (B03), I-80: Interstate 80, Centre and Clearfield Counties: Bridge Deck Rehabilitation: Length: 0.1 Miles.	State 110 Fed. 988	. . . . . . . .	5 48	115 1,036
CLARION COUNTY, L.R. 1009, (028), I-80: Interstate 80, Exit 9 to Exit 11: Restoration: Length 8.0 Miles.	State 1,014 Fed. 9,126	. . . . . . . .	47 419	1,061 9,545
COLUMBIA COUNTY, L.R. 1009, (13A), I-80: Interstate 80, West of Lightstreet Interchange to West of Lime Ridge Interchange: Restoration: Length 4.0 Miles.	State 291 Fed. 2,615	. . . . . . . .	9 78	300 2,693
COLUMBIA COUNTY, L.R. 1009, (13B), I-80: Interstate 80, West of Lime Ridge Interchange to West of Mifflinville Interchange: Restoration: Length 1.0 Miles.	State 403 Fed. 3,627	. . . . . . . .	12 109	415 3,736
COLUMBIA COUNTY, L.R. 1009, (012), I-80: Interstate 80, Montour County Line to East of Buckhorn Interchange: Restoration: Length 7.2 Miles.	State 1,179 Fed. 6,380	. . . . . . . .	79 455	1,258 6,835
COLUMBIA COUNTY, L.R. 1009, (12B), I-80: Interstate 80, East of Buckhorn Interchange to West of Lightstreet Interchange: Restoration: Length 2.0 Miles.	State 212 Fed. 1,908	. . . . . . . .	6 58	218 1,966
CUMBERLAND COUNTY, L.R. 799, I-81: Interstate 81, Susquehanna River to Franklin County: Restoration: Length 36.0 Miles.	State 650 Fed. 5,850	. . . . . . . .	33 292	683 6,142

CAPITAL BUDGET

Department of Transportation 1984-85 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Cost	Total Project Cost
FROM CURRENT REVENUES (continued)				
Program: Highway and Safety Improvement (continued)				
DAUPHIN COUNTY, L.R. 1005, I-81: Interstates 81 and 83, Cumberland County to Lebanon County: Restoration: Length 18.0 Miles.	State \$ 111 Fed. 1,000	..... .....	\$ 6 50	\$ 117 1,050
DELAWARE COUNTY, L.R. 1010 (600), I-476: Blue Route/Conestoga Road to Schuylkill Expressway, South of Conestoga — Amtrak Railroad, Vicinity of Radnor, Radnor Township: 6 Lane Divided Relocation: Includes Traffic Route 30 Interchange: Length 3.7 Miles.	State 5,045 Fed. 45,405	\$ 410 3,690	398 3,582	5,853 52,677
ELK COUNTY, L.R. 59, (C00), U.S. 219: Boot Jack Hill, U.S. 219 to PA 120, 1 Lane north bound Truck By-Pass: Ridgeway Boro and Ridgeway Township: Length 1.5 Miles.	State 360 Fed. 6,834	..... .....	..... .....	360 6,834
ERIE COUNTY, L.R. 1003, (A00): Bayfront Port Access Road, I-79 and 12th Street to East Lake Road, City of Erie: Site acquisition to construct two lanes: Length 0.8 Miles.	State Fed.	3,379 10,100	..... .....	3,379 10,100
ERIE COUNTY, L.R. 797, I-90: Interstate 90, Ohio Line to New York Line: Restoration: Length 51.0 Miles.	State 202 Fed. 1,817	..... .....	2 18	204 1,835
FRANKLIN COUNTY, L.R. 799 (632), I-81: Interstate 81, Maryland State Line to Cumberland County: Restoration: Length 16.0 Miles.	State 128 Fed. 792	..... .....	12 80	140 872
FULTON COUNTY, L.R. 267, I-70: Interstate 70, State Line to Bedford County Line: Restoration: Length 19.8 Miles.....	State 1,022 Fed. 9,199	..... .....	51 459	1,073 9,658
GREENE COUNTY, L.R. 1030, I-79: Interstate 79, West Virginia to the Washington County Line: Restoration: Length 23.1 Miles.	State 653 Fed. 3,360	..... .....	60 320	713 3,680
JEFFERSON COUNTY, L.R. 1009, (203), I-80: Interstate 80, Western Section Exit 11 to East of Exit 15: Restoration Includes 17 Bridges: Length 17.0 Miles.....	State 982 Fed. 8,836	..... .....	75 670	1,057 9,506
JEFFERSON COUNTY, L.R. 1009, (205), I-80: Interstate 80, Eastern Section West of L.R. 33042 to Clearfield County Line: Restoration: Length 7.7 Miles.	State 473 Fed. 4,255	..... .....	45 410	518 4,665
LACKAWANNA COUNTY, L.R. 1002, (A15), I-380: Interstate 380, 81 and 84 Signing, Through Lackawanna County: Interstate Signing: Length 26.0 Miles.	State 77 Fed. 698	..... .....	8 75	85 773
LACKAWANNA COUNTY, L.R. 1002, (20M), I-380: Interstate 380, I-81 to Monroe County Line: Restoration: Length 13.4 Miles.	State 190 Fed. 1,710	..... .....	16 142	206 1,852

Department of Transportation 1984-85 Projects

(Dollar Amounts in Thousands)

	Base Project Cost	Land Cost	Design Cost	Total Project Cost
FROM CURRENT REVENUES (continued)				
Program: Highway and Safety Improvement (continued)				
LACKAWANNA COUNTY, L.R. 35078, (005): Davis Street Extension (Roadway), City of Scranton, Borough of Taylor: 2 Lane Relocation, Reconstruct and Extend Roadway: Length 1.0 Miles.	State \$ 517 Fed. 1,551	\$ 62 188	\$ 25 75	\$ 604 1,814
LANCASTER COUNTY, L.R. 215, (A13), U.S. 30: U.S. 30 East, U.S. 30 Bypass, East to Village of Leaman Place East of Lancaster: Widening/Channelization: Length 6.9 Miles.....	State 750 Fed. 2,250	..... .....	..... .....	750 2,250
LEHIGH COUNTY, L.R. 1045, (H10), I-78: Interstate 78, Haafsville to Ruppssville Road, Upper Macungie Township: 4 Lane Divided Relocation: Length 3.3 Miles.	State 1,068 Fed. 9,600	..... .....	..... .....	1,068 9,600
LEHIGH COUNTY, L.R. 1045, (H20), I-78: Interstate 78, Ruppssville Road to Minesite Road, Upper Macungie Township South Whitehall Township: 4 Lane Divided Relocation: Length 2.7 Miles.....	State 3,237 Fed. 29,130	..... .....	..... .....	3,237 29,130
LEHIGH COUNTY, L.R. 1045, (H30), I-78: Interstate 78, Minesite Road to Allentown/Sacred Heart Hospital, South Whitehall Township: 6 Lane Divided Relocation: Length 1.4 Miles.....	State 2,759 Fed. 24,829	659 5,925	124 1,121	3,542 31,875
LEHIGH COUNTY, L.R. 1045, (H40), I-78: Interstate 78, Allentown/Sacred Heart Hospital to Fish Hatchery Road, Salisbury Township: 6 Lane Divided Relocation: Length 1.5 Miles.....	State 2,704 Fed. 24,332	118 1,066	122 1,098	2,944 26,496
LEHIGH COUNTY, L.R. 1045, (H50), I-78: Interstate 78, Fish Hatchery Road to Summit Lawn, City of Allentown, Salisbury Township: 6 Lane Divided Relocation: Length 2.7 Miles.....	State 4,911 Fed. 44,196	460 4,146	221 1,993	5,592 50,335
LEHIGH COUNTY, L.R. 1045, (H60), I-78: Interstate 78, Summit Lawn to Lanark, Upper Saucon Township: 6 Lane Divided Relocation: Length 2.0 Miles.	State 3,715 Fed. 33,437	403 3,626	168 1,508	4,286 38,571
LYCOMING COUNTY, L.R. 1036, (A10), U.S. 15: Appalachia Thruway Foy Avenue, Foy Avenue to Oak Lynn, North of Williamsport: 4 Lane Divided Relocation: Length 3.3 Miles.	State 5,896 Fed. 23,582	..... .....	..... .....	5,896 23,582

Department of Transportation 1984-85 Projects

(Dollar Amounts in Thousands)

		Base Project Cost	Land Cost	Design Cost	Total Project Cost
FROM CURRENT REVENUES (continued)					
Program: Highway and Safety Improvement (continued)					
LYCOMING COUNTY, L.R. 1036, (A20), U.S. 15: Ap- palachia Thruway, Oak Lynn to South of Powys, North of Williamsport: 2 Lane Relocation: On 4 Lane Right-of-Way: Length 2.8 Miles.	State Fed.	\$ 2,648 10,591	..... .....	..... .....	\$ 2,648 10,591
LYCOMING COUNTY, L.R. 1036, (A30), U.S. 15; Ap- palachia Thruway, South of Powys to Trout Run, North of Williamsport: 2 Lane Relocation, 4 Lane Right-of-Way: Length 4.5 Miles.	State Fed.	6,091 24,364	..... .....	..... .....	6,091 24,364
MERCER COUNTY, L.R. 1021, I-79: Interstate 79, Lawrence County to Interstate 80, Springfield and Findley Townships: Restoration: Length 6.2 Miles.	State Fed.	216 1,947	..... .....	\$ 3 27	219 1,974
MERCER COUNTY, L.R. 1021, I-79: Interstate 79, I-80 to Crawford County, Springfield, Findley, Jackson Lake, New Vernon, Deer Creek Townships: Restoration: Length 18.1 Miles.	State Fed.	105 941	..... .....	1 9	106 950
MONROE COUNTY, L.R. 1009, I-80: Truck Weigh Sta- tion Westbound, West of I-380: Weigh Station: Length 0.7 Miles.	State Fed.	340 3,060	\$ 8 72	12 108	360 3,240
MONROE COUNTY, L.R. 1002, I-380: Interstate 380, I-80 to Wayne County: Restoration: Length 12.3 Miles.	State Fed.	261 2,343	..... .....	10 94	271 2,437
MONROE COUNTY, L.R. 794, I-80: Interstate 80, T.R. 209 to T.R. 191: Restoration: Length 2.4 Miles.	State Fed.	400 3,605	..... .....	16 144	416 3,749
MONROE COUNTY, L.R. 1002, I-80: Interstate 80, T.R. 209 to T.R. 33: Restoration: Length 2.0 Miles.	State Fed.	437 3,938	..... .....	15 135	452 4,073
MONROE COUNTY, L.R. 1002, I.80: Interstate 80, I-380 to T.R. 33: Restoration: Length 8.1 Miles.	State Fed.	1,687 15,189	9 78	60 540	1,756 15,807
MONROE COUNTY, L.R. 1002, I-80: Interstate 80, I-380 to T.R. 33: Restoration Climbing Lane: Length 8.0 Miles.	State Fed.	2,507 22,561	9 78	60 540	2,576 23,179
MONROE COUNTY, L.R. 794, (09M), I-80: Interstate 80, Broad Street to Bridge Street, Stroudsburg: Restoration: Length 2.2 Miles.	State Fed.	246 2,214	..... .....	12	258 2,214
MONTOUR COUNTY, L.R. 1009, (017), I-80: Montour Restoration, Northumberland County Line to East of LR 47046 Overpass: Restoration: Length 11.7 Miles.	State Fed.	254 2,282	..... .....	100 600	354 2,882

Department of Transportation 1984-85 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Cost	Total Project Cost
FROM CURRENT REVENUES (continued)				
Program: Highway and Safety Improvement (continued)				
MONTOUR COUNTY, L.R. 1009, (17B), I-80: Interstate 80, East of L.R. 47046 Overpass to East of Danville Interchange: Restoration: Length 3.0 Miles.	State \$ 286 Fed. 2,578	..... .....	\$ 9 77	\$ 295 2,655
MONTOUR COUNTY, L.R. 1009, (17C), I-80: Interstate 80, East of Danville Interchange to Columbia County Line: Restoration: Length 4.0 Miles.	State 283 Fed. 2,551	..... .....	9 76	292 2,627
NORTHUMBERLAND COUNTY, L.R. 1009, (016), I-80: Interstate 80, Union County Line to L.R. 49059 underpass: Restoration: Length 5.4 Miles.	State 142 Fed. 1,281	..... .....	70 450	212 1,731
NORTHUMBERLAND COUNTY, L.R. 1009, (016B), I-80: Interstate 80, L.R. 49059 Underpass to Montour County Line: Restoration: Length 2.0 Miles.	State 221 Fed. 1,992	..... .....	7 59	228 2,051
PHILADELPHIA COUNTY, L.R. 67045, (8), I-676: Vine Street Expressway, Bridge over the Schuylkill River: Restoration: Length 0.1 Miles.	State 116 Fed. 1,048	..... .....	10 91	126 1,139
PHILADELPHIA COUNTY, L.R. 67360: East Market Street, from Juniper Street to 5th Street: Reconstruct to 48 Feet: Reconstruction: Length 0.7 Miles.	State 500 Fed. 1,500	..... .....	..... .....	500 1,500
PHILADELPHIA COUNTY, L.R. 1000, (D1R), I-95: Interstate 95 over Orthodox Street: Restoration: Length 0.7 Miles.	State 715 Fed. 6,440	..... .....	..... .....	715 6,440
PHILADELPHIA COUNTY, L.R. 1000, (12M), I-95: Interstate 95 in City of Philadelphia, I-95 Bridge: over Grant Avenue: Bridge Deck Replacement: Length 0.1 Miles. ..	State 127 Fed. 1,141	..... .....	..... .....	127 1,141
PHILADELPHIA COUNTY, L.R. 1000, I-95: Interstate 95, State Road Viaduct: Restoration: Length 0.5 Miles. .	State 2,046 Fed. 18,414	\$ 4 36	149 1,339	2,199 19,789
PHILADELPHIA COUNTY, L.R. 67045, I-676: Interstate 676, Vine Street Expressway, Schuylkill River Restoration: Length 1.2 Miles.	State 132 Fed. 1,188	4 36	10 86	146 1,310
PHILADELPHIA COUNTY, L.R. 1000, I-95: Interstate 95, Bermuda/Margaretta Ramp Atacony Street Viaduct: Restoration: Length 1.0 Miles.	State 275 Fed. 2,475	3 27	29 180	307 2,682

Department of Transportation 1984-85 Projects

	(Dollar Amounts in Thousands)			
	Base Project Cost	Land Cost	Design Cost	Total Project Cost
FROM CURRENT REVENUES (continued)				
Program: Highway and Safety Improvement (continued)				
PHILADELPHIA COUNTY, L.R. 1000, I-95: Interstate 95, Pennypack Creek and Pike: Restoration: Length 2.0 Miles.....	State \$ 253 Fed. 2,277	\$ 3 27	\$ 18 162	\$ 274 2,466
PHILADELPHIA COUNTY, L.R. 1000, I-95: Interstate 95, Allegheny, Venango, Castor, Richmond, and Whear-sheaf Townships: Restoration: Length 0.2 Miles.	State 165 Fed. 1,485	3 27	12 108	180 1,620
PHILADELPHIA COUNTY, L.R. 1000, I-95: Interstate 95, over Fraley Carver, Van Kirk, Comley streets and Railroad: Restoration: Length 0.3 Miles.	State 440 Fed. 3,960	4 36	32 268	476 4,264
PHILADELPHIA COUNTY, L.R. 1000, I-95: Interstate 95, Westmoreland to Tioga Streets: Restoration: Length 3.0 Miles.....	State 352 Fed. 3,168	2 18	26 230	380 3,416
SCHUYLKILL COUNTY, L.R. 1083, PA 61: St. Clair Arterial, St. Clair Borough: Relocation/Reconstruction: Length 2.0 Miles.	State 562 Fed. 1,688	..... .....	..... .....	562 1,688
SCHUYLKILL COUNTY, L.R. 1005, I-81: Interstate 81, Southern section, Lebanon County to Ravine: Restoration: Length 7.0 Miles.	State 382 Fed. 3,542	..... .....	16 140	398 3,682
SCHUYLKILL COUNTY, L.R. 1005, I-81: Interstate 81, Northern section, Frackville to Luzerne County: Restora-tion: Length 16.0 Miles.	State 991 Fed. 8,922	..... .....	30 348	1,021 9,270
SCHUYLKILL COUNTY, L.R. 1005, I-81: Interstate 81, Middle section, Ravine to Frackville: Restoration: Length 19.8 Miles.	State 380 Fed. 3,415	..... .....	16 139	396 3,554
UNION COUNTY, L.R. 1009, (011), I-80: Interstate 80, Centre County Line to East of Mile Run Interchange: Restoration: Length 16.2 Miles.	State 1,710 Fed. 7,095	..... .....	50 370	1,760 7,465
UNION COUNTY, L.R. 1009, (015), I-80: Interstate 80, East of Mile Run Interchange to West of L.R. 629 under-pass: Restoration: Length 16.2 Miles.....	State 250 Fed. 1,245	..... .....	60 180	310 1,425
UNION COUNTY, L.R. 1009, (11C), I-80: Interstate 80, West of L.R. 629 Underpass to Northumberland County Line: Restoration: Length 3.0 Miles.	State 310 Fed. 2,794	..... .....	9 84	319 2,878
UNION COUNTY, L.R. 1009, (20M), I-80: Interstate 80, Clinton County to Northumberland County: Lewis, East Buffalo, White and Deer Townships: Restoration: Length 16.2 Miles.	State 140 Fed. 1,260	..... .....	..... .....	140 1,260

CAPITAL BUDGET

Department of Transportation 1984-85 Projects

(Dollar Amounts in Thousands)

FROM CURRENT REVENUES (continued)

Program: Highway and Safety Improvement (continued)

	Base Project Cost	Land Cost	Design Cost	Total Project Cost
VENANGO COUNTY, L.R. 1009, I-80: Interstate 80, Traffic Route 308 to Butler County: Clinton, and Scrubgrass Townships: Restoration: Length 7.6 Miles.	State \$ 300 Fed. 2,700	..... .....	\$ 3 27	\$ 303 2,727
WARREN COUNTY, L.R. 61047, (A00), T.R. 6: Dorcon Road Middle section, Warren Bypass Connection to L.R. 61054, Vicinity of Warren: Restoration: Length 1.1 Miles.	State 199 Fed. 595	\$ 4 12	32 95	235 702
WASHINGTON COUNTY, L.R. 798, (04R), I-70: From West Virginia Line to L.R. 62232, West Alexander Borough and Donegal Township: Restoration: Length 5.4 Miles. .	State 390 Fed. 3,510	..... .....	..... .....	390 3,510
WASHINGTON COUNTY, L.R. 1030, (1), I-79: Interstate 79, Green County Line to Interstate 70, Amwell and South Strabane Townships: Restoration: Length 9.0 Miles.	State 797 Fed. 7,170	1 9	40 360	838 7,539
WESTMORELAND COUNTY, L.R. 187, T.R. 22: Delmont (L.R. 69) to Five Points (L.R. 64035), Salem Township: 4 Lane Reconstruction with Access Control Improvements: Length 2.7 Miles.	State 1,500 Fed. 4,500	125 375	125 375	1,750 5,250
WESTMORELAND COUNTY, L.R. 187, T.R. 22: Five Points (L.R. 64035) to Shieldsburg (L.R. 68), Salem Township: 4 Lane Reconstruction with Access Control Improvements: Length 4.6 Miles.	State 2,500 Fed. 7,500	250 750	250 750	3,000 9,000
WESTMORELAND COUNTY, L.R. 68, T.R. 22: Shieldsburg (L.R. 187) to New Alexandria (L.R. 64049), Salem Township and New Alexandria Borough: 4 Lane Reconstruction with Access Control Improvements: Length 2.7 Miles.	State 2,000 Fed. 6,000	250 750	250 750	2,500 7,500
WESTMORELAND COUNTY, L.R. 68, T.R. 22: New Alexandria (L.R. 64049) to PA 982 (L.R. 64049), Derry Township: 4 Lane Reconstruction with Access Control Improvements: Length 2.7 Miles.	State 1,500 Fed. 4,500	250 750	250 750	2,000 6,000
WESTMORELAND COUNTY, L.R. 68, T.R. 22, PA 982 (L.R. 64057) to Westinghouse Road (L.R. 64218), Derry Township: 4 Lane Reconstruction with Access Control Improvements: Length 1.0 Miles.	State 750 Fed. 2,250	125 375	125 375	1,000 3,000
WESTMORELAND COUNTY, L.R. 68, T.R. 22: Westinghouse Road (L.R. 64218) to Indiana County Line, Derry Township: 4 Lane Reconstruction with Access Control Improvements: Length 3.1 Miles.	State 2,000 Fed. 6,000	125 375	125 375	2,250 6,750
Total State Funds	\$ 95,691	\$ 6,846	\$ 4,426	\$ 106,963
Total Federal Funds	662,648	33,436	29,858	725,942
PROGRAM TOTAL	<u>\$ 758,339</u>	<u>\$ 40,282</u>	<u>\$ 34,284</u>	<u>\$ 832,905</u>

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

	(Dollar Amounts in Thousands)			
	1985-86	1986-87	1987-88	1988-89
Department of Agriculture	\$ 3,125	\$ 1,325	. . . .	\$ 400
Department of Corrections	13,275	12,425	\$ 17,300	9,925
Department of Education	20,000	21,000	22,000	23,000
Department of Environmental Resources	9,275	12,350	11,300	11,100
Game Commission	3,000	3,000	3,000	3,000
Department of General Services	3,400	1,475	. . . .	. . . .
Historical and Museum Commission	1,500	2,175	1,600	2,000
Department of Military Affairs	7,000	2,875	5,600	375
Department of Public Welfare	10,875	12,125	12,650	16,700
State Police	1,050	1,750	1,050	1,000
Department of Transportation	85,500	86,500	87,500	88,500
TOTAL	\$ 158,000	\$ 157,000	\$ 162,000	\$ 156,000

CAPITAL BUDGET

Forecast of Future Projects

This section contains estimated authorizations (State funds only) for future capital improvements for the fiscal years 1985-86 through 1988-89. Amounts in this section have been grouped by department and are identified by capital project category. The source of funding for the projects will be from bond funds, with the exception of the highway program and the State game land acquisition program which will be financed from current revenues.

	(Dollar Amounts in Thousands)			
	1985-86	1986-87	1987-88	1988-89
	Estimated	Estimated	Estimated	Estimated
Department of Agriculture				
PUBLIC IMPROVEMENT PROJECTS: Provides for improvements at the Farm Show Complex and the Headquarters Building. Also includes the purchase of original furniture and equipment to furnish such facilities.				
	\$ 3,125	\$ 1,325	. . . . .	\$ 400
Department of Corrections				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of administrative, industrial, educational and housing facilities, and utilities at the State-owned correctional institutions. Also includes purchase of original furniture and equipment to furnish such facilities.				
	13,275	12,425	\$ 17,300	9,925
Department of Education				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction, expansion, renovation and conversion of classroom and auxiliary buildings, utilities, and recreational facilities for the State System of Higher Education, the State-owned schools, and for the State-related universities. Also includes the purchase of original furniture and equipment to furnish such facilities.				
	20,000	21,000	22,000	23,000
Department of Environmental Resources				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of support, day use, camping facilities, and utility systems at State parks; construction of district offices, central garages, radio communication systems, and rehabilitation of forest roads in State forest districts; and construction of flood protection projects. Also includes purchase of original furniture and equipment to furnish such facilities.				
	9,275	12,350	11,300	11,100

CAPITAL BUDGET

Forecast of Future Projects

	(Dollar Amounts in Thousands)			
	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Game Commission				
PUBLIC IMPROVEMENT PROJECTS: Provides for acquisition of additional State game lands.	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Department of General Services				
PUBLIC IMPROVEMENT PROJECTS: Provides for renovation and improvements of State office buildings and facilities.	3,400	1,475	. . . .	. . . .
Historical and Museum Commission				
PUBLIC IMPROVEMENT PROJECTS: Provides for restoration and renovation of historic facilities, installation of fire and security systems, development of fixed exhibits, and miscellaneous building and utility improvements at Commonwealth owned museums and historical sites. Also includes the purchase of original furniture and equipment to furnish such facilities.	1,500	2,175	1,600	2,000
Department of Military Affairs				
PUBLIC IMPROVEMENT PROJECTS: Provides for land acquisition, renovations, additions and replacement facilities at the State armories and veterans' homes. The 1985-86 projection also includes funding for a new veterans' home for southeast Pennsylvania. Also includes the purchase of original furniture and equipment to furnish such facilities.	7,000	2,875	5,600	375
Department of Public Welfare				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of patient buildings, support facilities, and utilities at the State institutions for the mentally ill and mentally retarded, restoration centers, general hospitals, and youth development centers. Also includes the purchase of original furniture and equipment to furnish such facilities.	10,875	12,125	12,650	16,700
State Police				
PUBLIC IMPROVEMENT PROJECTS: Provides for renovation, expansion, and construction of troop headquarters/station facilities. Also includes the purchase of original furniture and equipment to furnish such facilities.	1,050	1,750	1,050	1,000

CAPITAL BUDGET

Forecast of Future Projects

	1985-86 Estimated	(Dollar Amounts in Thousands)		1988-89 Estimated
		1986-87 Estimated	1987-88 Estimated	
Department of Transportation				
Department of Transportation				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of facilities at the State-owned airports, construction of and additions to highway maintenance and district office buildings, and construction of driver examination facilities.				
	\$ 500	\$ 500	\$ 500	\$ 500
HIGHWAY PROJECTS: Provides for the purchase of right-of-way, construction, and reconstruction of highways and bridges on the Commonwealth road system; and major Federally-designated safety projects.				
	50,000	50,000	50,000	50,000
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 branch lines to be abandoned by the Consolidated Rail Corporation (ConRail).				
	35,000	36,000	37,000	38,000
Total—Public Improvement Projects	<u>\$ 73,000</u>	<u>\$ 71,000</u>	<u>\$ 75,000</u>	<u>\$ 68,000</u>
Total—Highway Projects	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Total—Transportation Assistance Projects	\$ 35,000	\$ 36,000	\$ 37,000	\$ 38,000
TOTAL	<u><u>\$ 158,000</u></u>	<u><u>\$ 157,000</u></u>	<u><u>\$ 162,000</u></u>	<u><u>\$ 156,000</u></u>

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

Department	(Dollar Amounts in Thousands)				
	1984-85 Estimated	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Agriculture.....	\$ 1,238	\$ 871	\$ 1,735	\$ 2,163	\$ 2,511
Commerce	42,350	.....	.....	.....	.....
Corrections	46,909	83,410	91,506	67,512	24,813
Education.....	48,381	17,201	16,887	38,837	54,448
Emergency Management Agency	3	139	.....	.....	.....
Environmental Resources	23,449	13,426	8,791	15,980	20,945
Fish Commission	392	250	300	280	100
Game Commission	3,000	3,000	3,000	3,000	3,000
General Services	43,815	16,417	14,264	10,769	21,910
Health.....	2,611	.....	.....	.....	.....
Historical and Museum Commission	858	155	293	1,048	1,948
Military Affairs.....	185	498	1,935	3,998	5,521
Public Welfare	19,042	11,299	12,039	15,487	15,973
State Police	502	4,283	1,958	870	1,555
Transportation	261,465	322,494	227,774	116,174	91,939
TOTAL	\$ 494,200	\$ 473,443	\$ 380,482	\$ 276,118	\$ 244,663

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
BOND FUNDS	1984-85 Estimated	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Department of Agriculture					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 1,136	\$ 70	.....	.....	.....
Projects in 1983-84 Budget (Pending)					
Buildings and Structures	82	617	\$ 1,234	\$ 1,028	\$ 946
Projects in 1984-85 Budget					
Buildings and Structures	20	153	20	.....	.....
Future Projects (1985-89)					
Buildings and Structures .....	.....	31	481	1,135	1,178
Furniture and Equipment .....	.....	.....	.....	.....	387
TOTAL—AGRICULTURE	\$ 1,238	\$ 871	\$ 1,735	\$ 2,163	\$ 2,511
Department of Commerce					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 350	.....	.....	.....	.....
Subtotal	\$ 350	.....	.....	.....	.....
Redevelopment Assistance Projects					
Projects in 1983-84 Budget (Pending)					
Site Acquisition	\$ 42,000	.....	.....	.....	.....
Subtotal	\$ 42,000	.....	.....	.....	.....
TOTAL—COMMERCE	\$ 42,350	.....	.....	.....	.....
Department of Corrections					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 43,159	\$ 57,951	\$ 52,500	\$ 34,055	.....
Projects in 1983-84 Budget (Pending)					
Buildings and Structures	3,269	11,992	18,847	12,635	\$ 5,318
Projects in 1984-85 Budget					
Buildings and Structures	481	7,219	14,439	12,033	11,551
Future Projects (1985-89)					
Buildings and Structures .....	.....	70	1,142	3,425	5,997
Furniture and Equipment .....	.....	6,178	4,578	5,364	1,947
TOTAL—CORRECTIONS	\$ 46,909	\$ 83,410	\$ 91,506	\$ 67,512	\$ 24,813
Department of Education					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 43,557	\$ 12,825	\$ 6,907	\$ 16,686	\$ 33,551
Furniture and Equipment	962	.....	.....	.....	.....
Projects in 1983-84 Budget (Pending)					
Buildings and Structures	254	1,905	3,810	3,175	2,921
Furniture and Equipment	3,506	.....	.....	.....	.....
Projects in 1984-85 Budget					
Buildings and Structures	102	1,536	3,072	2,560	2,458
Future Projects (1984-88)					
Buildings and Structures .....	.....	192	3,098	9,073	13,522
Furniture and Equipment .....	.....	743	.....	7,343	1,996
TOTAL—EDUCATION	\$ 48,381	\$ 17,201	\$ 16,887	\$ 38,837	\$ 54,448

CAPITAL BUDGET

Estimate of Capital Expenditures

BOND FUNDS (continued)	(Dollar Amounts in Thousands)				
	1984-85 Estimated	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Emergency Management Agency					
Public Improvement Projects					
Projects in 1983-84 Budget (Pending)					
Buildings and Structures	\$ 3	\$ 139	.....	.....	.....
TOTAL—EMERGENCY MANAGEMENT	\$ 3	\$ 139	.....	.....	.....
Department of Environmental Resources					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 19,054	\$ 9,448	\$ 4,653	\$ 9,006	\$ 10,551
Furniture and Equipment	37	.....	.....	.....	.....
Projects in 1983-84 Budget (Pending)					
Buildings and Structures	3,527	1,011	1,570	1,384	856
Projects in 1984-85 Budget					
Buildings and Structures	747	2,676	1,084	903	867
Furniture and Equipment	84	.....	.....	.....	.....
Future Projects (1984-88)					
Buildings and Structures .....	.....	90	1,484	4,687	7,769
Furniture and Equipment .....	.....	201	.....	.....	902
TOTAL—ENVIRONMENTAL RESOURCES	\$ 23,449	\$ 13,426	\$ 8,791	\$ 15,980	\$ 20,945
Department of General Services					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 24,816	\$ 15,673	\$ 12,320	\$ 6,297	\$ 14,544
Furniture and Equipment	18,927	.....	.....	.....	.....
Projects in 1983-84 Budget (Pending)					
Buildings and Structures	52	396	792	2,708	5,572
Projects in 1984-85 Budget					
Buildings and Structures	20	314	628	523	502
Future Projects (1985-89)					
Buildings and Structures .....	.....	34	524	1,241	1,292
TOTAL—GENERAL SERVICES	\$ 43,815	\$ 16,417	\$ 14,264	\$ 10,769	\$ 21,910
Department of Health					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 2,611	.....	.....	.....	.....
TOTAL—HEALTH	\$ 2,611	.....	.....	.....	.....
Historical and Museum Commission					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 855	\$ 31	.....	\$ 256	\$ 620
Projects in 1983-84 Budget (Pending)					
Buildings and Structures	3	109	\$ 47	.....	.....
Future Projects (1985-89)					
Buildings and Structures .....	.....	15	246	792	1,286
Furniture and Equipment .....	.....	.....	.....	.....	42
TOTAL—HISTORICAL AND MUSEUM	\$ 858	\$ 155	\$ 293	\$ 1,048	\$ 1,948

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
BOND FUNDS (continued)	1984-85 Estimated	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Department of Military Affairs					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 148	.....	.....	\$ 512	\$ 1,241
Projects in 1983-84 Budget (Pending)					
Buildings and Structures	19	\$ 144	\$ 289	241	221
Projects in 1984-85 Budget					
Buildings and Structures	18	284	568	474	455
Future Projects (1985-89)					
Buildings and Structures .....	.....	70	1,078	2,585	3,425
Furniture and Equipment .....	.....	.....	.....	186	179
TOTAL—MILITARY AFFAIRS	\$ 185	\$ 498	\$ 1,935	\$ 3,998	\$ 5,521
Department of Public Welfare					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 15,922	\$ 8,535	\$ 4,585	\$ 5,865	\$ 3,103
Furniture and Equipment	2,098	.....	.....	.....	.....
Projects in 1983-84 Budget (Pending)					
Buildings and Structures	238	1,787	3,574	2,979	2,740
Projects in 1984-85 Budget					
Buildings and Structures	57	869	1,739	1,450	1,391
Furniture and Equipment	727	.....	.....	.....	.....
Future Projects (1985-89)					
Buildings and Structures .....	.....	108	1,748	5,147	8,279
Furniture and Equipment .....	.....	.....	393	46	460
TOTAL—PUBLIC WELFARE	\$ 19,042	\$ 11,299	\$ 12,039	\$ 15,487	\$ 15,973
State Police					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 435	\$ 188	.....	\$ 256	\$ 620
Projects in 1983-84 Budget (Pending)					
Buildings and Structures	11	373	\$ 160	.....	.....
Projects in 1984-85 Budget					
Buildings and Structures	56	3,660	1,632	.....	.....
Future Projects (1985-89)					
Buildings and Structures .....	.....	9	166	571	935
Furniture and Equipment .....	.....	53	.....	43	.....
TOTAL—STATE POLICE	\$ 502	\$ 4,283	\$ 1,958	\$ 870	\$ 1,555

CAPITAL BUDGET

Estimate of Capital Expenditures

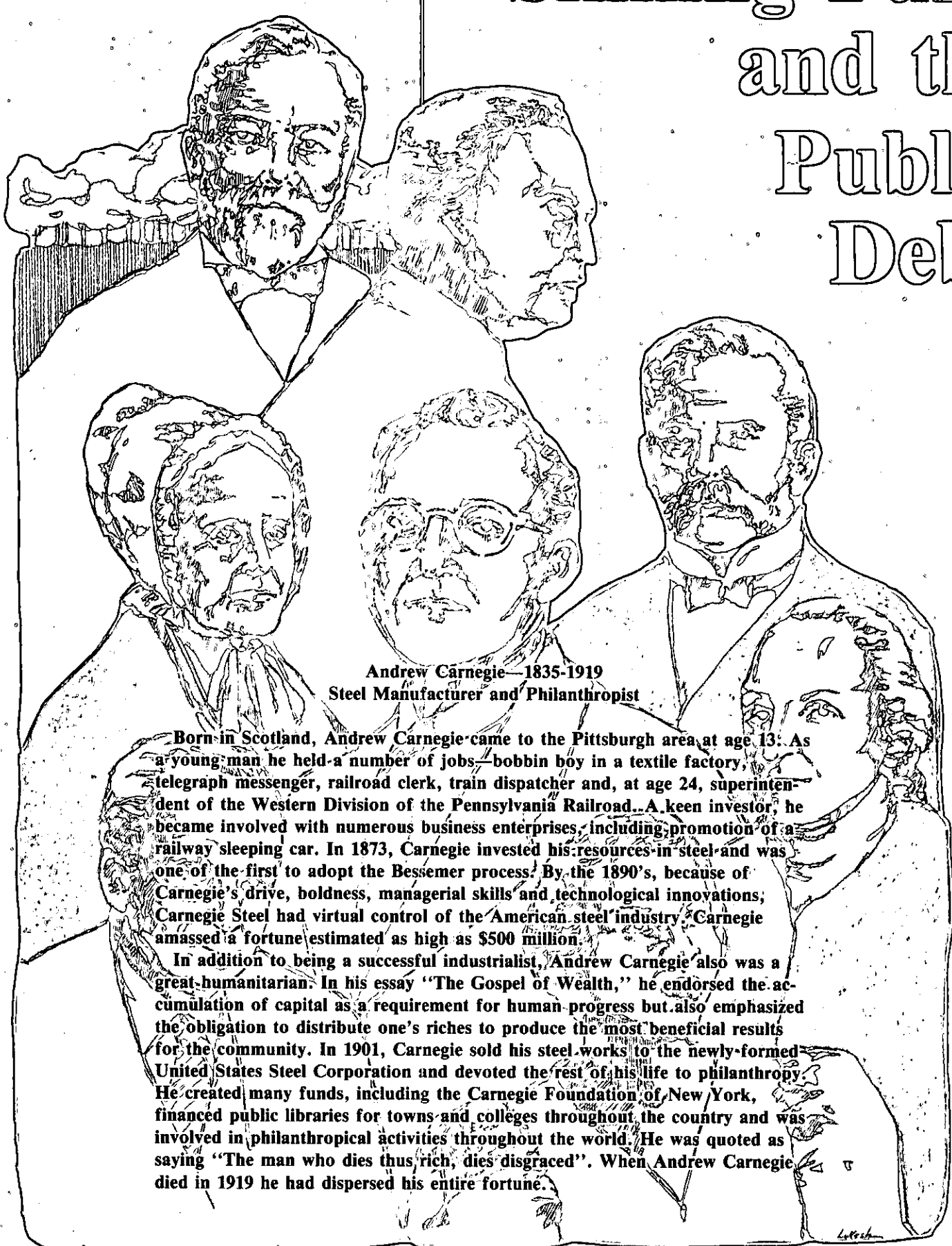
	(Dollar Amounts in Thousands)				
BOND FUNDS (continued)	1984-85 Estimated	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Department of Transportation					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures	\$ 2,146	\$ 3,250	. . . .	\$ 256	\$ 620
Projects in 1983-84 Budget (Pending)					
Buildings and Structures	4	132	\$ 57	. . . .	. . . .
Projects in 1984-85 Budget					
Buildings and Structures	15	387	387	387	294
Future Projects (1985-89)					
Buildings and Structures .....	. . . .	5	80	230	355
Subtotal	<u>\$ 2,165</u>	<u>\$ 3,774</u>	<u>\$ 524</u>	<u>\$ 873</u>	<u>\$ 1,269</u>
Highway Projects					
Projects Currently Authorized					
Highway—Railroad Bridges	\$ 20,000	\$ 150,000	\$ 110,000	\$ 15,000	. . . .
Subtotal	<u>\$ 20,000</u>	<u>\$ 150,000</u>	<u>\$ 110,000</u>	<u>\$ 15,000</u>	. . . .
Transportation Assistance Projects					
Projects Currently Authorized					
Mass Transit and Branch Rail Lines	\$ 65,000	\$ 55,000	. . . .	. . . .	. . . .
Projects in 1984-85 Budget					
Mass Transit and Branch Rail Lines .....	. . . .	19,320	\$ 16,100	\$ 7,751	. . . .
Future Projects (1985-89)					
Mass Transit and Branch Rail Lines .....	. . . .	. . . .	15,750	29,150	\$ 36,270
Subtotal	<u>\$ 65,000</u>	<u>\$ 74,320</u>	<u>\$ 31,850</u>	<u>\$ 36,901</u>	<u>\$ 36,270</u>
TOTAL—TRANSPORTATION	<u>\$ 87,165</u>	<u>\$ 228,094</u>	<u>\$ 142,374</u>	<u>\$ 52,774</u>	<u>\$ 37,539</u>
 TOTAL—BOND FUNDS					
Public Improvement Projects					
Buildings and Structures	\$ 163,167	\$ 144,298	\$ 144,961	\$ 144,555	\$ 144,980
Furniture and Equipment	26,341	7,175	4,971	12,982	5,913
Redevelopment Assistance Projects					
Site Acquisition	42,000	. . . .	. . . .	. . . .	. . . .
Highway Projects					
Highway—Railroad Bridges	20,000	150,000	110,000	15,000	. . . .
Transportation Assistance Projects					
Mass Transit and Branch Rail Lines	65,000	74,320	31,850	36,901	36,270
TOTAL	<u>\$ 316,508</u>	<u>\$ 375,793</u>	<u>\$ 291,782</u>	<u>\$ 209,438</u>	<u>\$ 187,163</u>

CAPITAL BUDGET

Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
CURRENT REVENUES	1984-85 Estimated	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Fish Commission					
Public Improvement Projects					
Projects Currently Authorized					
Boating Fund	\$ 346	\$ 250	\$ 225	\$ 115	\$ 100
Fish Fund	46	.....	75	165	.....
TOTAL—FISH COMMISSION	<u>\$ 392</u>	<u>\$ 250</u>	<u>\$ 300</u>	<u>\$ 280</u>	<u>\$ 100</u>
Game Commission					
Public Improvement Projects					
Projects Currently Authorized					
Game Fund	\$ 1,027	\$ 802	.....	.....	.....
Projects in 1984-85 Budget					
Game Fund	1,973	.....	.....	.....	.....
Future Projects (1985-89)					
Game Fund .....	.....	2,198	\$ 3,000	\$ 3,000	\$ 3,000
TOTAL—GAME COMMISSION	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>
Department of Transportation					
Highway Projects					
Projects Currently Authorized					
Motor License Fund	\$ 54,300	\$ 50,100	\$ 41,900	\$ 36,300	\$ 35,000
Motor License Fund Restricted Revenue ..	120,000	40,000	31,000	9,000	.....
Projects in 1984-85 Budget					
Motor License Fund .....	.....	4,300	8,600	12,900	13,500
Future Projects (1985-89)					
Motor License Fund .....	.....	.....	3,900	5,200	5,900
TOTAL—TRANSPORTATION	<u>\$ 174,300</u>	<u>\$ 94,400</u>	<u>\$ 85,400</u>	<u>\$ 63,400</u>	<u>\$ 54,400</u>
TOTAL—CURRENT REVENUES					
Public Improvement Projects					
Boating Fund	\$ 346	\$ 250	\$ 225	\$ 115	\$ 100
Fish Fund	46	.....	75	165	.....
Game Fund	3,000	3,000	3,000	3,000	3,000
Highway Projects					
Motor License Fund	54,300	54,400	54,400	54,400	54,400
Motor License Fund Restricted Revenue	120,000	40,000	31,000	9,000	.....
TOTAL	<u>\$ 177,692</u>	<u>\$ 97,650</u>	<u>\$ 88,700</u>	<u>\$ 66,680</u>	<u>\$ 57,500</u>
TOTAL—ALL STATE FUNDS	<u>\$ 494,200</u>	<u>\$ 473,443</u>	<u>\$ 380,482</u>	<u>\$ 276,118</u>	<u>\$ 244,663</u>

Sinking Fund and the Public Debt



Andrew Carnegie—1835-1919
Steel Manufacturer and Philanthropist

Born in Scotland, Andrew Carnegie came to the Pittsburgh area at age 13. As a young man he held a number of jobs—bobbin boy in a textile factory, telegraph messenger, railroad clerk, train dispatcher and, at age 24, superintendent of the Western Division of the Pennsylvania Railroad. A keen investor, he became involved with numerous business enterprises, including promotion of a railway sleeping car. In 1873, Carnegie invested his resources in steel and was one of the first to adopt the Bessemer process. By the 1890's, because of Carnegie's drive, boldness, managerial skills and technological innovations, Carnegie Steel had virtual control of the American steel industry. Carnegie amassed a fortune estimated as high as \$500 million.

In addition to being a successful industrialist, Andrew Carnegie also was a great humanitarian. In his essay "The Gospel of Wealth," he endorsed the accumulation of capital as a requirement for human progress but also emphasized the obligation to distribute one's riches to produce the most beneficial results for the community. In 1901, Carnegie sold his steel works to the newly-formed United States Steel Corporation and devoted the rest of his life to philanthropy. He created many funds, including the Carnegie Foundation of New York, financed public libraries for towns and colleges throughout the country and was involved in philanthropical activities throughout the world. He was quoted as saying "The man who dies thus rich, dies disgraced". When Andrew Carnegie died in 1919 he had dispersed his entire fortune.

BONDS AUTHORIZED, ISSUED AND OUTSTANDING

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

The following statement reflects the bonded indebtedness of the Commonwealth as of December 31, 1983. Issues which have been completely redeemed are not included.

	(Dollar Amounts in Thousands)				
	Total Bonds Issued	Bonds Redeemed To Date	Bonds Outstanding	Sinking Fund	Net Indebtedness
Project 70 Land Acquisition ^a	\$ 70,000	\$ 51,045	\$ 18,955	\$ 51	\$ 18,904
Land and Water Development	455,000	86,715	368,285	78	368,207
Vietnam Veterans' Compensation ^a	62,000	14,485	47,515	8	47,507
Disaster Relief	165,000	24,440	140,560	9	140,551
Nursing Home Loan Agency ^a	63,000	11,810	51,190	307	50,883
Volunteer Companies' Loan ^a	25,000	2,070	22,930	62	22,868
Water Facilities Loan ^a	10,000	. . . .	10,000	44	9,956
Matured Loans Unclaimed ^a .....	. . . .	. . . .	141	91	50
General State Authority	1,165,250	850,487	352,871	37,775	315,096
State Highway and Bridge Authority	580,000	423,590	156,410	. . . .	156,410
State Public School Building Authority	8,150	2,695	5,455	. . . .	5,455
Capital Facilities	4,063,330	865,235	3,198,085	2,470	3,195,615
 Total Outstanding Debt	 <u>\$6,666,730</u>	 <u>\$2,332,572</u>	 <u>\$4,372,397</u>	 <u>\$ 40,895</u>	 <u>\$4,331,502</u>

^aNot applicable to Constitutional Debt Limit.

FORECAST OF BOND ISSUES

1983-84 Through 1988-89

This table includes all general obligation debt forecast to be issued by the Commonwealth. All general obligation debt is issued under the authority of Article 8 of the Constitution of Pennsylvania.

	(Dollar Amounts in Thousands)					
	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Capital Budget						
Public Improvements	\$ 100,000	\$ 150,000	\$ 120,000	\$ 145,000	\$ 145,000	\$ 145,000
Highways .....	.....	30,000	150,000	110,000	5,000	.....
Transportation Assistance	55,000	50,000	65,000	30,000	40,000	35,000
Furniture and Equipment	10,000	30,000	5,000	5,000	15,000	5,000
Redevelopment Assistance .....	.....	42,000	.....	.....	.....	.....
Total	<u>\$ 165,000</u>	<u>\$ 302,000</u>	<u>\$ 340,000</u>	<u>\$ 290,000</u>	<u>\$ 205,000</u>	<u>\$ 185,000</u>
Special Purpose						
Land and Water Development .	\$ 10,000	\$ 18,000	\$ 10,000	\$ 5,000	.....	.....
Disaster Relief	5,000	.....	.....	.....	.....	.....
Nursing Home Loan	10,000	10,000	5,000	.....	.....	.....
Water Facilities	40,000	60,000	80,000	70,000	40,000	.....
Total	<u>\$ 65,000</u>	<u>\$ 88,000</u>	<u>\$ 95,000</u>	<u>\$ 75,000</u>	<u>\$ 40,000</u>	<u>.....</u>
TOTAL	<u><u>\$ 230,000</u></u>	<u><u>\$ 390,000</u></u>	<u><u>\$ 435,000</u></u>	<u><u>\$ 365,000</u></u>	<u><u>\$ 245,000</u></u>	<u><u>\$ 185,000</u></u>

PRINCIPAL AND INTEREST REQUIREMENTS

1984-85

The following statement shows the amounts necessary to meet the principal and interest requirements during 1984-85 on currently outstanding bonded debt of the Commonwealth. Differences between the appropriations requested for each item and the principal requirements are made up by interest earned on securities and certain augmentations. Funds are also requested for debt service on anticipated issues.

	(Dollar Amounts in Thousands)		
	Principal	Interest	Total
General Fund			
Project 70 Land Acquisition Bonds	\$ 3,680	\$ 739	\$ 4,419
Land and Water Development Bonds	15,285	21,822	37,107
Vietnam Veterans' Compensation Bonds	1,865	2,730	4,595
Disaster Relief Bonds	5,490	8,273	13,763
Nursing Home Loan Agency Bonds	2,790	3,221	6,011
Volunteer Companies Loan Bonds	1,210	1,904	3,114
Capital Facilities	54,570	75,261	129,831
Capital Facilities—Equipment	2,960	1,050	4,010
Capital Facilities—Community Colleges	810	1,204	2,014
Capital Facilities—Transportation Assistance	17,850	20,539	38,389
Water Facilities Loan Bonds	525	774	1,299
TOTAL REQUIREMENTS—BONDS	<u>\$ 107,035</u>	<u>\$ 137,517</u>	<u>\$ 244,552</u>
Authority Rentals			\$ 44,322
Requirements for Anticipated Issues			32,161
Estimated Interest on Tax Notes			45,000
TOTAL GENERAL FUND DEBT SERVICE			<u><u>\$ 366,035</u></u>
Motor License Fund			
Capital Facilities—Transportation	\$ 72,125	\$ 93,221	\$ 165,346
Capital Facilities	205	293	498
Capital Facilities—Aviation Restricted Receipts	12	16	28
TOTAL REQUIREMENTS BONDS	<u>\$ 72,342</u>	<u>\$ 93,530</u>	<u>\$ 165,872</u>
Authority Rentals			\$ 31,395
TOTAL MOTOR LICENSE FUND DEBT SERVICE			<u><u>\$ 197,267</u></u>
Fish Fund			
Authority Rentals			\$ 63
TOTAL FISH FUND DEBT SERVICE			<u><u>\$ 63</u></u>
Boating Fund			
Authority Rentals			\$ 2
TOTAL BOATING FUND DEBT SERVICE			<u><u>\$ 2</u></u>

TERMS OF BONDS OUTSTANDING

The following chart reflects the terms of the Commonwealth's general obligation bonds outstanding as of December 31, 1983. Date of issue and net interest rate is shown for each bond issue as well as the first and last years of scheduled principal payments.

Purpose of Bonds	Series	Date of Issue	Net Interest Rate	First and Last Year of Maturity	Original Amount in Thousands
Project 70 Land Acquisition	Q	July 15, 1965	3.03%	1971-85	\$ 27,000
	Q	March 15, 1969	3.36%	1973-87	23,000
	Q	June 15, 1969	4.99%	1970-84	10,000
Land and Water Development	Q	November 15, 1970	6.26%	1973-00	10,000
	S	May 1, 1969	5.62%	1971-98	25,000
	U	June 15, 1969	5.88%	1971-98	40,000
	U	November 15, 1970	6.36%	1973-00	13,000
	U	March 1, 1971	5.23%	1973-00	25,000
	U	October 15, 1971	5.13%	1974-01	50,000
	U	April 15, 1972	5.26%	1974-01	50,000
	U	September 15, 1973	5.48%	1976-03	48,000
	U	October 1, 1974	7.12%	1977-04	50,000
	U	January 15, 1976	6.24%	1977-95	30,000
	U	June 15, 1976	6.28%	1977-95	18,000
	U	December 1, 1976	5.82%	1978-96	18,000
	U	August 1, 1977	5.32%	1979-97	30,000
	U	January 1, 1979	6.75%	1980-98	20,000
	Vietnam Veterans' Compensation	U	March 1, 1980	9.16%	1981-99	20,000
U		July 1, 1982	10.75%	1984-02	10,000
U		April 1, 1983	8.26%	1984-02	8,000
Capital Facilities	V	June 15, 1969	5.95%	1971-98	28,000
	V	November 15, 1970	6.11%	1973-00	27,000
	V	April 1, 1974	5.36%	1976-03	7,000
	S	October 15, 1968	4.15%	1971-98	75,000
	S	May 1, 1969	5.62%	1971-98	75,000
	S	January 1, 1970	6.82%	1972-99	50,000
	S	March 15, 1970	5.92%	1972-99	75,000
	S	October 15, 1970	6.08%	1973-00	25,000
	S	January 1, 1971	5.57%	1973-00	50,000
	S	April 15, 1971	5.11%	1973-00	50,000
	S	August 1, 1971	5.79%	1974-01	52,000
	S	January 1, 1972	5.31%	1974-01	75,000
	S	June 1, 1972	4.99%	1974-01	50,000
	S	September 15, 1972	5.09%	1975-02	25,000
	S	December 1, 1972	4.82%	1975-02	65,000
	S	April 15, 1973	5.29%	1975-02	60,000
	S	August 1, 1973	5.49%	1976-03	50,000
	S	April 1, 1974	5.36%	1976-03	50,000
	S	October 1, 1974	7.12%	1977-04	50,000
	S	May 15, 1975	6.44%	1976-94	50,000
	S	November 15, 1975	6.72%	1977-95	20,000
	S	April 1, 1976	6.32%	1977-95	50,000
	S	June 15, 1976	6.28%	1977-95	50,000
	S	September 1, 1976	5.95%	1978-96	50,000
	S	December 1, 1976	5.82%	1978-96	18,000
	S	April 15, 1977	5.30%	1978-96	28,000
	S	August 1, 1977	5.32%	1979-97	40,000
	S	February 1, 1978	5.60%	1979-97	50,000
	S	June 15, 1978	6.06%	1979-97	50,000
S	January 1, 1979	6.75%	1980-98	10,000	
S	March 1, 1980	9.16%	1981-99	45,000	
S	October 15, 1980	8.56%	1982-00	13,000	
S	May 15, 1981	10.60%	1982-00	35,000	
S	November 15, 1981	10.16%	1983-01	30,000	
S	July 1, 1982	10.75%	1984-02	40,000	
S	April 1, 1983	8.26%	1984-02	20,000	
S	June 1, 1983	8.61%	1984-02	45,000	
Capital Facilities—Equipment	S	June 15, 1976	6.28%	1976-85	4,000
	S	December 1, 1976	5.82%	1977-86	4,000

PUBLIC DEBT

Purpose of Bonds	Series	Date of issue	Net Interest Rate	First and Last Year of Maturity	Original Amount in Thousands
	S	August 1, 1977	5.32%	1978-87	\$ 5,000
	S	June 15, 1978	6.06%	1978-87	4,000
	S	March 1, 1980	9.16%	1980-89	3,000
	S	October 15, 1980	8.56%	1981-90	2,000
	S	November 15, 1981	10.16%	1982-91	3,000
	S	April 1, 1983	8.26%	1983-92	2,000
Capital Facilities—Highways	T	February 15, 1969	4.79%	1971-98	75,000
	T	August 15, 1969	5.84%	1972-99	100,000
	T	January 1, 1970	6.78%	1972-99	75,000
	T	June 1, 1970	6.44%	1972-99	100,000
	T	September 1, 1970	6.03%	1973-00	75,000
	T	January 1, 1971	5.57%	1973-00	75,000
	T	March 1, 1971	5.17%	1973-00	50,000
	T	April 15, 1971	5.11%	1973-00	50,000
	T	June 15, 1971	5.75%	1973-00	100,000
	T	January 1, 1972	5.31%	1974-01	50,000
	T	March 1, 1972	5.03%	1974-01	50,000
	T	June 1, 1972	4.99%	1974-01	50,000
	T	July 1, 1972	5.32%	1975-02	50,000
	T	December 1, 1972	4.82%	1975-02	80,000
	T	April 15, 1973	5.28%	1975-02	70,000
	T	August 1, 1973	5.49%	1976-03	85,000
	T	April 1, 1974	5.36%	1976-03	93,000
	T	June 15, 1974	6.39%	1976-03	157,000
	T	May 15, 1975	6.44%	1976-94	50,000
	T	August 15, 1975	6.78%	1977-95	180,000
	T	November 15, 1975	6.72%	1977-95	80,000
	T	January 15, 1976	6.24%	1977-95	70,000
	T	April 1, 1976	6.32%	1977-95	50,000
	T	June 15, 1976	6.28%	1977-95	65,000
	T	September 1, 1976	5.95%	1978-96	70,000
	T	December 1, 1976	5.82%	1978-96	107,000
	T	August 1, 1977	5.32%	1979-97	45,000
	T	February 1, 1978	5.60%	1979-97	35,000
Capital Facilities—Community Colleges ...	T	January 1, 1979	6.75%	1980-98	10,000
	S	May 1, 1969	5.62%	1971-98	6,000
	S	October 15, 1970	6.08%	1973-00	10,000
	S	August 1, 1971	5.79%	1974-01	10,000
	S	September 15, 1973	5.49%	1976-03	2,000
Capital Facilities—Transportation Assistance.....	S	May 1, 1969	5.62%	1970-98	10,800
	S	August 1, 1973	5.49%	1974-03	15,000
	S	May 15, 1975	6.44%	1975-94	15,000
	S	April 1, 1976	6.32%	1976-95	10,000
	S	September 1, 1976	5.95%	1977-96	10,000
	S	August 1, 1977	5.32%	1978-96	10,000
	S	February 1, 1978	5.60%	1978-97	10,000
	S	January 1, 1979	6.75%	1979-98	10,000
	S	March 1, 1980	9.16%	1980-99	15,000
	S	October 15, 1980	8.56%	1981-00	25,000
	S	May 15, 1981	10.56%	1981-00	40,000
	S	November 15, 1981	10.16%	1982-01	25,000
	S	July 1, 1982	10.75%	1983-02	25,000
	S	April 1, 1983	8.26%	1983-02	30,000
	S	June 1, 1983	8.61%	1983-02	40,000
Disaster Relief.....	D	February 1, 1973	4.91%	1975-02	25,000
	D	September 15, 1973	5.48%	1976-03	75,000
	D	June 15, 1978	6.06%	1979-97	15,000
	D	January 1, 1979	6.75%	1980-98	20,000
	D	October 15, 1980	8.56%	1982-00	30,000
State Public School Building Authority	X	April 1, 1968	5.06%	1970-97	8,150
Nursing Home Loan Agency	N	May 15, 1975	6.44%	1976-94	25,000
	N	April 15, 1977	5.30%	1978-96	15,000
	N	January 1, 1979	6.75%	1980-98	13,000
	N	April 1, 1983	8.26%	1984-02	10,000
Volunteer Companies' Loan.....	C	April 15, 1977	5.32%	1978-96	10,000
	C	July 1, 1982	10.75%	1984-02	7,000
	C	April 1, 1983	8.26%	1984-02	8,000
Water Facilities	W	April 1, 1983	8.26%	1984-02	10,000

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

Bonds Issued as of December 31, 1983

(Dollar Amounts in Thousands)

Fiscal Year	Authority Rentals		Series S	Series X	Series T	Series U
	General State Authority	State Highway and Bridge Authority	Capital Improvements	Public School Building Authority	Transportation	Land and Water
1983-84	\$51,517	\$31,544	\$173,088	\$551	\$165,716	\$36,937
1984-85	49,793	30,229	174,245	553	165,346	37,106
1985-86	47,666	30,110	169,463	553	165,031	36,599
1986-87	46,442	28,608	165,408	553	164,911	36,389
1987-88	44,600	26,894	158,956	552	164,997	36,208
1988-89	40,542	25,055	157,668	550	165,050	36,036
1989-90	37,369	18,868	155,114	548	165,066	35,867
1990-91	31,229	12,823	150,721	544	165,074	35,662
1991-92	25,956	7,183	145,906	540	164,976	35,471
1992-93	21,169	.....	142,813	540	164,850	35,272
1993-94	15,364	.....	139,478	539	164,784	35,081
1994-95	6,765	.....	136,280	531	164,956	34,893
1995-96	5,895	.....	125,480	533	136,009	34,752
1996-97	4,577	.....	106,834	529	103,992	28,698
1997-98	.....	.....	98,242	523	99,942	25,903
1998-99	.....	.....	85,308	..	97,184	21,153
1999-00	.....	.....	73,681	..	84,609	19,150
2000-01	.....	.....	56,295	..	66,564	17,071
2001-02	.....	.....	38,408	..	46,501	11,455
2002-03	.....	.....	20,450	..	27,775	7,613
2003-04	.....	.....	7,200	..	17,469	3,760

PUBLIC DEBT

Fiscal Year	<u>Series D</u>	<u>Series Q</u>	<u>Series V</u>	<u>Series C</u>	<u>Series N</u>	<u>Series W</u>	Total
	Disaster Relief	Project 70	Vietnam Veterans' Compensation	Volunteer Companies Loan Fund	Nursing Home Loan Agency	Water Facilities Loan	
1983-84	\$13,912	\$5,493	\$4,598	\$2,746	\$5,492	\$ 800	\$492,393
1984-85	13,762	4,419	4,594	3,114	6,011	1,298	490,470
1985-86	13,627	4,308	4,584	2,856	5,942	1,251	481,988
1986-87	13,499	2,421	4,575	2,787	5,901	1,209	472,702
1987-88	13,366	761	4,565	2,720	5,864	1,167	460,650
1988-89	13,233	763	4,560	2,650	5,820	1,125	453,052
1989-90	13,102	764	4,562	2,578	5,602	1,083	440,523
1990-91	12,960	763	4,559	2,509	5,737	1,041	423,622
1991-92	12,827	770	4,560	2,436	5,700	999	407,323
1992-93	12,688	770	4,559	2,366	5,671	957	391,656
1993-94	12,537	769	4,562	2,292	5,640	914	381,960
1994-95	12,395	775	4,567	2,220	5,609	871	369,862
1995-96	12,246	779	4,575	2,143	3,313	827	326,552
1996-97	12,085	780	4,574	2,063	3,270	782	268,183
1997-98	11,930	778	4,572	1,114	1,919	736	245,659
1998-99	10,471	783	2,592	1,032	1,868	690	221,081
1999-00	8,514	785	2,602	950	643	643	191,577
2000-01	6,833	.....	478	868	596	596	149,300
2001-02	6,869	.....	482	789	549	549	105,602
2002-03	6,904	.....	487	440	550	550	64,768
2003-04	.....	.....	491	.....	.....	.....	28,920

**Outstanding Indebtedness of
Pennsylvania Agencies and Authorities**

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

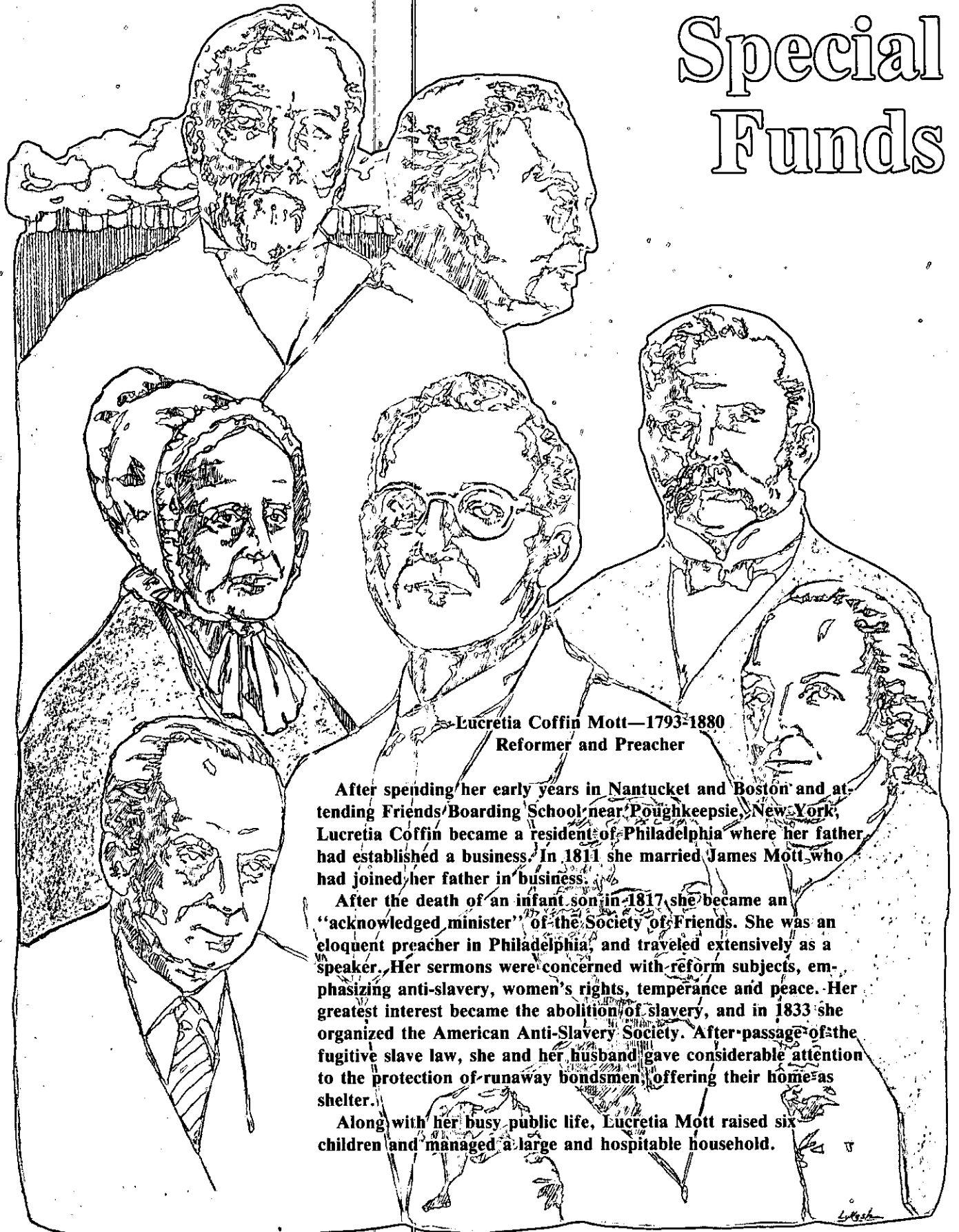
	As of December 31, 1983 (in thousands)	
	Notes	Bonds
Higher Education Facilities		
Acquires, constructs, improves and leases (as lessor) college facilities for colleges and universities within the Commonwealth. Debt service on the bonds is paid from rentals collected for the use of the facilities.	\$ 113,177	\$ 252,995
State Public School Building Authority		
Constructs, improves and equips public buildings for local school districts. Debt service on the bonds is paid from rentals collected for the use of the facilities.....	.....	457,676 ^a
Pennsylvania Turnpike Commission		
Constructs, maintains and operates the Pennsylvania Turnpike. Debt service on the bonds is paid from tolls and other revenue sources of the Commission.....	.....	78,678
Pennsylvania Industrial Development Authority		
Makes mortgage loans to local nonprofit industrial development agencies for the financing of industrial development projects. Debt service on the bonds is paid from loan interest and repayments and other authority revenues ...	.....	104,960
Pennsylvania Housing Finance Agency		
Makes construction and permanent mortgage loans to qualified borrowers for the purchase and construction of multi and single family housing for low and moderate income persons or families. Debt service on the bonds is paid from mortgage loan interest and repayments and further secured by the "moral obligation" of the Commonwealth. Debt service on the notes is paid by the sale of the mortgage to a Federal agency.	54,190	1,062,535

^aIs not reduced for bonds tendered at the end of 1983.

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

	As of December 31, 1983 (in thousands)	
	Notes	Bonds
Pennsylvania Higher Education Assistance Agency		
Makes or guarantees student loans for graduate or undergraduate programs to students or parents, or to lending institutions or postsecondary institutions. Debt service on the bonds is paid by loan interest and repayments and other agency revenues.	\$ 100,000	\$ 209,000
Pennsylvania Energy Development Authority		
Makes or guarantees loans for energy projects including the conversion and technological improvement of energy systems utilizing Pennsylvania coal or renewable energy resources. Debt service on the bonds is paid by the revenues of the Authority .....	.....	.....
Delaware River Port Authority		
Created by Pennsylvania and New Jersey to control and operate bridges crossing the Delaware River, it may construct or acquire other bridges or tunnels, projects for port improvement and development and has constructed and operates a rapid transit system. Debt service on the bonds is paid from tolls, fares, rents and other revenue of the Authority. ....	.....	291,060
Delaware River Joint Toll Bridge Commission		
Created by Pennsylvania and New Jersey to construct, operate and maintain bridges crossing the upper Delaware River. Debt service on the bonds is paid from tolls and other revenues of the Commission. ....	.....	4,320
TOTAL	<u>\$ 267,367</u>	<u>\$2,461,224</u>

Other Special Funds



Lucretia Coffin Mott—1793-1880
Reformer and Preacher

After spending her early years in Nantucket and Boston and attending Friends Boarding School near Poughkeepsie, New York, Lucretia Coffin became a resident of Philadelphia where her father had established a business. In 1811 she married James Mott who had joined her father in business.

After the death of an infant son in 1817 she became an "acknowledged minister" of the Society of Friends. She was an eloquent preacher in Philadelphia, and traveled extensively as a speaker. Her sermons were concerned with reform subjects, emphasizing anti-slavery, women's rights, temperance and peace. Her greatest interest became the abolition of slavery, and in 1833 she organized the American Anti-Slavery Society. After passage of the fugitive slave law, she and her husband gave considerable attention to the protection of runaway bondsmen, offering their home as shelter.

Along with her busy public life, Lucretia Mott raised six children and managed a large and hospitable household.

OTHER SPECIAL FUNDS APPENDIX

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

OTHER SPECIAL FUNDS

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

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

Generally, the Commonwealth uses a modified accrual accounting system wherein receipts are credited on a cash basis and expenditures are reflected when disbursed or committed. All financial data shown herein is on a strictly cash basis, which means that the beginning and ending balances are cash plus investments. Receipts include only those items actually received and credited to the funds by the Department of Revenue. Disbursements represent checks drawn by the Treasury Department and do not include commitments, encumbrances or vouchers payable.

Several funds carrying long-term investments show an adjustment to reflect the current market value of those investments as of June 30, 1983.

This format for displaying financial data was chosen for its simplicity and easy adaptability to all funds. As such, the data may not present the best statement of the funds' condition nor accurately describe the operating characteristics of the funds.

One recurring detail on the financial statements requires further explanation. In those funds with complement, the State share of retirement is taken from general revenue of the fund and paid into a restricted account within the fund from which payments are made to the State Employees' Retirement Fund by the Governor's Office. Receipts and disbursements shown as a result of such transactions may not be equal within any given fiscal year.

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

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

Special Revenue Funds — These funds are used to account for certain taxes and other revenue earmarked by law to be utilized for a particular purpose.

Working Capital Funds — This group includes those funds established to provide capital for some enterprise or operation. Initial fund capital is ordinarily derived as an advance from the General Fund.

Bond Funds — Bond Funds are used to account for the receipt and disbursement of bond sale proceeds.

Sinking Funds — Sinking Funds accrue moneys for the payment of interest and principal on long-term debt.

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

Enterprise and Other Funds — This group accommodates the operation of public service programs financed wholly or mostly by user charges.

ADMINISTRATION FUND

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

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 4,041	\$ 10,217
Receipts:		
Federal Unemployment Trust Fund	\$ 146,492	\$ 137,084
Federal CETA Funds	2,444	357
Other	22,690	17,132
Total Receipts	171,626	154,573
Total Funds Available	\$ 175,667	\$ 164,790
Disbursements:		
Executive Offices	\$ 14,738	\$ 14,338
Labor and Industry	150,712	145,573
Total Disbursements	—165,450	—159,911
Cash Balance, Ending	\$ 10,217	\$ 4,879

AGRICULTURAL COLLEGE LAND SCRIP FUND

This fund was established in 1862 with \$500,000 received from the sale of lands and scrip which was donated to the Commonwealth by an Act of Congress to establish a college for the benefit of Agriculture and the Mechanical Arts (Pennsylvania State University). The income derived from the investment of the money in the fund plus appropriations which may be made from time to time by the General Assembly serve as revenue to the fund. Moneys in this fund can be disbursed only for use by the officially designated land grant college (Pennsylvania State University) for the benefit of Agriculture and Mechanical Arts. The net investment adjustment shown below is to reflect the carrying value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 628	\$ 639
Receipts:		
Interest on Securities	\$ 39	\$ 36
Net Investment Adjustment		
Total Receipts	39	36
Total Funds Available	\$ 667	\$ 675
Disbursements:		
Treasury	\$ 28	\$ 36
Total Disbursements	—28	—36
Cash Balance, Ending	\$ 639	\$ 639

**ANNA R. EABY AND VIOLA V. SHEARER
MEMORIAL TRUST FUND**

This fund was created as a result of the bequests contained in the last will and testaments of Anna R. Eaby and viola V. Shearer. The Administrative Code permits every administrative department to accept gifts and/or donations of money, securities or other personal property, which, or the income of which, is to be used in conducting the work of such department or for the benefit of the inmates or patients of any State institution administered by such department. The fund is replenished by revenue received from investment of these two bequests. The Elizabethtown Hospital for Children and Youth administers the fund and the income produced from the investments is used to provide for needy patients' personal items and recreational and resource materials.

Act 166 of 1982 transferred the operational function of the Elizabethtown Hospital for Children and Youth to the Pennsylvania State University, Milton Hershey Medical Center. In September 1982, these funds were transferred to the Elizabethtown Hospital.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 87	.....
Receipts:		
Interest on Securities — Viola V. Shearer	1	.....
Total Receipts	1	.....
Total Funds Available	\$ 88	.....
Disbursements:		
Health	\$ 88	.....
Total Disbursements	—88	.....
Cash Balance, Ending .....	.....	.....

CAPITAL DEBT FUND

Annual appropriations by the General Assembly for payment of interest and principal due on general obligation bonds are credited to this fund. Money in the fund is used solely for the payment of interest and principal due on general obligation bonds. If more money is available than is needed to pay the interest and principal falling due in any one particular fiscal year, such additional money may be used by the Board of Finance and Revenue to retire any other general obligation bonds issued to provide revenue to the Capital Facilities Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 4	\$ 33
Receipts:		
Transfer from Other Funds	\$ 309,381	\$ 329,446
Rentals — Pier 124	4,452	2,762
Rentals — State - Aided and State-Related Institutions	6,298	6,463
Interest Subsidy — Higher Education Construction Projects	158	158
Accrued Interest on Bonds Sold	719	. . . .
Interest on Securities	125	50
Total Receipts	<u>321,133</u>	<u>\$ 338,879</u>
Total Funds Available	<u>\$ 321,137</u>	<u>\$ 338,912</u>
Disbursements:		
Treasury	\$ 321,104	\$ 338,912
Total Disbursements	<u>—321,104</u>	<u>—338,912</u>
Cash Balance, Ending	<u>\$ 33</u>	<u>. . . .</u>

CAPITAL FACILITIES FUND

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

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 21,709	\$ 92,768
Receipts:		
Sale of Bonds	\$ 196,893	\$ 165,000
Interest on Securities	4,614	5,000
Other	4,629	5,500
Total Receipts	206,136	175,500
Total Funds Available	\$ 227,845	\$ 268,268
Disbursements:		
General Services	\$ 69,985	\$ 115,871
Transportation	64,876	71,397
Treasury	216	200
Total Disbursements	—135,077	—187,468
Cash Balance, Ending	\$ 92,768	\$ 80,800

CAPITOL RESTORATION TRUST FUND

This fund was created in 1982 to finance the maintenance, restoration, preservation and rehabilitation of artifacts, documents and other historical objects or resources located within and around or associated with the State Capitol Building; and the acquisition of artifacts, documents and other historical objects or resources which contribute to the historical significance of the State Capitol Building. This fund is administered by the Capitol Preservation Committee. Revenue is derived from gifts, donations and legacies of money from individuals, organizations, public or private corporations; and from the sale of commemorative medals and other items of a similar nature which promote the historic preservation and restoration of the State Capitol Building.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning
Receipts:		
Contributions and Sales	\$ 26
Other	\$ 2
Total Receipts	\$ 28
Total Funds Available	\$ 28
Disbursements:		
Capitol Preservation Committee
Total Disbursements
Cash Balance, Ending	\$ 28

COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND

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

The net investment adjustment item is shown below to reflect the carrying value of long term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 3,473	\$ 4,225
Receipts:		
Premiums Collected	\$ 829	\$ 791
Interest	352	448
Net Investment Adjustment	34	. . . .
Other	36	. . . .
Total Receipts	<u>1,251</u>	<u>1,239</u>
Total Funds Available	<u>\$ 4,724</u>	<u>\$ 5,464</u>
Disbursements:		
Executive Offices	\$ 29	\$ 30
Environmental Resources	470	788
Total Disbursements	<u>-499</u>	<u>-818</u>
Cash Balance, Ending	<u>\$ 4,225</u>	<u>\$ 4,646</u>

COAL LANDS IMPROVEMENT FUND

This fund was created in 1965 to finance the restoration of land acquired by the Commonwealth through eminent domain or amicable methods which has been defaced by open pit or strip mining and has been declared a health hazard. Initially the fund was provided a \$1 million appropriation but subsequent revenue is derived from the sale of restored land and interest on investments.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 109	\$ 117
Receipts:		
Interest	\$ 8	\$ 9
Total Receipts	8	9
Total Funds Available	\$ 117	\$ 126
Disbursements:		
Environmental Resources .....	.....	.....
Total Disbursements .....	.....	.....
Cash Balance, Ending	\$ 117	\$ 126

CONRAD WEISER MEMORIAL PARK TRUST FUND

This fund was created to provide for control, management, supervision, restoration and improvement of the Conrad Weiser Memorial Park, Berks County. Source of revenue for the fund is income and interest from the \$20,000 perpetual endowment created by the estate of Colonel Conrad Weiser. The net investment adjustment shown below is to reflect the current market value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 28	\$ 33
Receipts:		
Interest on Securities	\$ 1	\$ 1
Redemption of Securities	12	. . . .
Total Receipts	13	1
Total Funds Available	41	34
Disbursements:		
Historical and Museum Commission	\$ 8	\$ 7
Total Disbursements	—8	—7
Cash Balance, Ending	\$ 33	\$ 27

DISASTER RELIEF FUND

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

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 10,332	\$ 7,866
Receipts:		
Bond Proceeds .....	. . . .	\$ 10,000
Interest Earned	\$ 988	. . . .
Total Receipts	988	10,000
Total Funds Available	\$ 11,320	\$ 17,866
Disbursements:		
Community Affairs	\$ 3,454	\$ 7,000
Total Disbursements	—3,454	—7,000
Cash Balance, Ending	\$ 7,866	\$ 10,866

DISASTER RELIEF REDEMPTION FUND

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

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 57	\$ 9
Receipts:		
Transfer from General Fund	\$ 14,032	\$ 13,903
Interest on Securities	2	. . . .
Total Receipts	<u>14,034</u>	<u>13,903</u>
Total Funds Available	<u>\$ 14,091</u>	<u>\$ 13,912</u>
Disbursements:		
Treasury	\$ 14,082	\$13,912
Total Disbursements	<u>-14,082</u>	<u>-13,912</u>
Cash Balance, Ending	<u>\$ 9</u>	<u>. . . .</u>

EMPLOYMENT FUND FOR THE BLIND

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

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

At no time is the fund to exceed the sum of \$150,000.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 285	\$ 160
Receipts:		
Federal Reimbursement — Business Enterprise Program	\$ 75	\$ 200
Vending Stand Equipment Rentals	285	300
Vending Machine Receipts	114	150
Other	45	75
Total Receipts	519	725
Total Funds Available	\$ 804	\$ 885
Disbursements:		
Public Welfare	\$ 644	\$ 766
Total Disbursements	—644	—766
Cash Balance, Ending	\$ 160	\$ 119

ENERGY DEVELOPMENT FUND

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

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning
Receipts:		
Oil Overcharge Consent Order Funds	\$ 1,400
Sale of Bonds
Interest	60
Total Receipts	<u>\$ 1,460</u>
Total Funds Available	<u>\$ 1,460</u>
Disbursements:		
Pennsylvania Energy Development Authority	\$ 1,400
Total Disbursements	<u>-1,400</u>
Cash Balance, Ending	<u>.....</u>	<u>\$ 60</u>

FIRE INSURANCE TAX FUND

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

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 21,498	\$ 22,032
Receipts:		
Foreign Fire Insurance Premiums Tax Payable to Municipalities	\$ 21,940	\$ 22,400
Total Receipts	21,940	22,400
Total Funds Available	\$ 43,438	\$ 44,432
Disbursements:		
Revenue	\$ 21,406	\$ 21,500
Total Disbursements	—21,406	—21,500
Cash Balance, Ending	\$ 22,032	\$ 22,932

HIGHER EDUCATION ASSISTANCE FUND

Moneys in this fund are currently used for the following purposes: (1) maintenance of a monetary reserve to be used for all expenses associated with loans guaranteed by the Pennsylvania Higher Education Assistance Agency (PHEAA); (2) provision of scholarships; (3) provision of grants to nonsectarian private postsecondary educational institutions; (4) provision of grants to institutions of higher learning for the purpose of helping the institution secure Federal funds to provide direct financial aid to students; and (5) payment of PHEAA administrative costs. Revenue to this fund is derived from appropriations by the General Assembly of General Fund money, gifts, Federal funds and interest earnings and servicing fees. The net investment adjustment item is shown below to reflect the current market value of long term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 89,956	\$ 90,137
Receipts:		
Transfer from General Fund	\$ 99,167	\$ 98,533
Interest Earning	9,331	10,874
Federal Revenue	52,310	57,360
Other	19,283	54,935
Net Investment Adjustment		
Total Receipts	180,091	221,702
Total Funds Available	\$ 270,047	\$ 311,839
Disbursements:		
Executive Offices	\$ 986	\$ 1,129
Pennsylvania Higher Education Assistance Agency .	178,924	189,045
Total Disbursements	—179,910	—190,174
Cash Balance, Ending	\$ 90,137	\$ 121,665

HIGHWAY BEAUTIFICATION FUND

The Highway Beautification Fund was created by Act 5, 1966 Third Special Session. Activities include control of outdoor advertising, control of junkyards, and landscaping and scenic development. Although General Fund monies were initially appropriated to establish the fund, highway beautification activities are now supported fully by Federal aid, licenses and fees, fines and penalties, and interest.

Each year the Governor issues executive authorizations which establish the amount to be spent by the Department of Transportation in each of the three highway beautification activities.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 226	\$ 644
Receipts:		
Licenses and Fees	\$ 328	\$ 320
Federal Highway Beautification Funds	969	1,054
Other	92	59
Total Receipts	1,389	1,433
Total Funds Available	\$ 1,615	\$ 2,077
Disbursements:		
Transportation	\$ 971	\$ 1,250
Treasury .....	.....	1
Total Disbursements	-971	-1,251
Cash Balance, Ending	\$ 644	\$ 826

HISTORICAL PRESERVATION FUND

This fund was created for expenditure by the Historical and Museum Commission for the preservation, care and maintenance of State historical properties, museums and records and for the financing of historical research and publication programs. Money in the fund can also be used to purchase publications and souvenirs of a historical nature for sale at Commission administered properties. This fund is made up of moneys arising from the sale of publications of the Pennsylvania Historical and Museum Commission and all moneys received from admission fees or other sales by the Commission at the State historical properties and/or museums. Most of the revenue results from admission fees and sale of publications and souvenirs.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 757	\$ 782
Receipts:		
Admission Fees	\$ 412	\$ 450
Other	246	217
Total Receipts	658	667
Total Funds Available	\$ 1,415	\$ 1,449
Disbursements:		
Historical and Museum Commission	\$ 633	\$ 667
Total Disbursements	—633	—667
Cash Balance, Ending	\$ 782	\$ 782

HOSPITAL CONSTRUCTION FUND

The fund was established in the Department of Public Welfare in 1947. Reorganization Plan No. 5 of 1973 transferred the administration of this fund to the Department of Health. The fund receives Federal moneys and transmits them to approved public health facilities and services (hospital, mental health enter, sheltered workshops) construction project applicants.

Beginning in fiscal year 1983-84, all reimbursible hospital construction costs are paid directly to the approved construction project applicant.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 35	.....
Receipts:		
Receipts from the Federal Government	529	.....
Total Receipts	529	.....
Total Funds Available	\$ 564	.....
Disbursements:		
Health	\$ 564	.....
Total Disbursements	—564	.....
Cash Balance, Ending .....	.....	.....

INDUSTRIAL DEVELOPMENT FUND

To this fund are credited General Fund appropriations made by the General Assembly to the Pennsylvania Industrial Development Authority (PIDA). The moneys are used to make loans to local industrial development agencies to stimulate economic activity in areas of high unemployment. Repayments of loans, while not credited to this fund, are used by PIDA to make additional loans.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 9,319	\$ 7,135
Receipts:		
Transfer from General Fund	\$ 15,000	\$ 15,000
Interest on Securities	551	770
Total Receipts	<u>15,551</u>	<u>15,770</u>
Total Funds Available	<u>\$ 24,870</u>	<u>\$ 22,905</u>
Disbursements:		
Commerce	\$ 17,735	\$ 20,000
Total Disbursements	<u>-17,735</u>	<u>-20,000</u>
Cash Balance, Ending	<u>\$ 7,135</u>	<u>\$ 2,905</u>

LAND AND WATER DEVELOPMENT FUND

This fund was created in 1968 to finance projects to eliminate land and water scars, air pollution and subsidence due to past coal mining operations, to aid political subdivisions in constructing or improving sewage treatment plants, to develop public outdoor recreation lands and to aid local governments in acquiring land for recreation purposes. In addition, administrative expenses incurred in support of any of these activities may be paid with monies in this fund. Revenue is derived from the sale of Land and Water Development Bonds as approved by the electorate on May 16, 1967. The bond proceeds are not to exceed \$500 million.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 195	\$ 6,559
Receipts:		
Sale of Bonds	\$ 17,474	\$ 10,000
Federal Augmentations	4,043	1,000
Other	691	300
Total Receipts	22,208	11,300
Total Funds Available	\$ 22,403	\$ 17,859
Disbursements:		
Executive Offices	\$ 623	\$ 600
Fish Commission	1,013	123
Game Commission	296	264
Community Affairs	2,718	1,820
Historical and Museum Commission	358	. . . .
Environmental Resources	10,836	9,000
Total Disbursements	—15,844	—11,807
Cash Balance, Ending	\$ 6,559	\$ 6,052

LAND AND WATER DEVELOPMENT SINKING FUND

Moneys in this fund result from annual appropriations by the General Assembly and from interest and dividends on invested balances in this fund and in the Land and Water Development Fund. These moneys are used solely for payment of interest and principal due on outstanding Land and Water Development Bonds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 108	\$ 42
Receipts:		
Transfer from General Fund	\$ 34,688	\$ 36,495
Interest on Securities	503	400
Accrued Interest on Bonds Sold	61	.....
Total Receipts	35,252	36,895
Total Funds Available	\$ 35,360	\$ 36,937
Disbursements:		
Treasury	\$ 35,318	\$ 36,937
Total Disbursements	—35,318	—36,937
Cash Balance, Ending	\$ 42	.....

LIQUID FUELS TAX FUND

The Liquid Fuels Tax Fund was created in 1931 by an act of the General Assembly to assist in funding the local roads system. One-half cent per gallon of the tax on gasoline and diesel fuel is deposited into the fund for semi-annual distribution to county governments and payment of registration fees for vehicles operated by mass transportation systems. After payment of fees, remaining funds are allocated to the counties on a road mileage-population formula and must be used for highway purposes. Since the majority of counties have direct jurisdiction over a limited number of roads, a large portion of these funds are further allocated by the counties to their political subdivisions.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 918	\$ 819
Receipts:		
Tax on Gasoline	\$ 21,113	\$ 21,872
Tax on Diesel Fuel	3,321	3,832
Miscellaneous	70	. . . .
Total Receipts	<u>24,504</u>	<u>25,704</u>
Total Funds Available	<u>\$ 25,422</u>	<u>\$ 26,523</u>
Disbursements:		
Revenue	\$ 24,603	\$ 25,808
Total Disbursements	<u>-24,603</u>	<u>-25,808</u>
Cash Balance, Ending	<u>\$ 819</u>	<u>\$ 715</u>

LIQUOR LICENSE FUND

This fund serves as a pass-through account for fees for hotel, restaurant and club liquor and/or beer licenses. These fees are returned semi-annually to the municipalities in which the licensees are located. Interest earned on fund deposits is credited to the General Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 2,507	\$ 2,515
Receipts:		
Liquor License Fees	\$ 5,344	\$ 5,350
Beer License Fees	130	130
Other	4	.....
Total Receipts	<u>5,478</u>	<u>5,480</u>
Total Funds Available	<u>\$ 7,985</u>	<u>\$ 7,995</u>
Disbursements:		
Liquor Control Board	\$ 5,470	\$ 5,470
Total Disbursements	<u>-5,470</u>	<u>-5,470</u>
Cash Balance, Ending	<u>\$ 2,515</u>	<u>\$ 2,525</u>

MANUFACTURING FUND

This fund created in 1915, codified the laws dealing with prison inmate labor. Receipts come from the sale of inmate produced goods to government agencies or government assisted nonprofit organizations.

Expenditures are made for the purchase of raw materials, machinery, inmate wages, non-inmate labor and other costs involved in the sale and manufacture of goods.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 794	\$ 191
Receipts:		
Sale of Manufactured Products	\$ 13,022	\$ 14,330
Other	720	705
Total Receipts	13,742	15,035
Total Funds Available	\$ 14,536	\$ 15,226
Disbursements:		
Executive Offices	\$ 527	\$ 525
Correction	13,818	14,322
Total Disbursements	—14,345	—14,847
Cash Balance, Ending	\$ 191	\$ 379

MEDICAL PROFESSIONAL LIABILITY CATASTROPHE LOSS FUND

This fund was created in 1975 to make available professional liability insurance at a reasonable cost to health care providers and to establish a system through which injured parties can obtain a prompt determination and adjudication of their claims. Revenue is derived by levying an annual surcharge on health care providers.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 27,733	\$ 34,788
Receipts:		
Surcharges	\$ 42,681	\$ 57,764
Interest	3,248	2,474
Refund of Annuities	82	. . . .
Total Receipts	<u>46,011</u>	<u>60,238</u>
Total Funds Available	<u>\$ 73,744</u>	<u>\$ 95,026</u>
Disbursements:		
Operating Expenses	\$ 972	\$ 1,531
Reinsurance Premium .....	. . . .	641
Claims Payments	37,984	54,248
Total Disbursements	<u>-38,956</u>	<u>-56,420</u>
Cash Balance, Ending	<u>\$ 34,788</u>	<u>\$ 38,606</u>

MINORITY BUSINESS DEVELOPMENT FUND

This fund was created in 1974 to accommodate the operations of the Pennsylvania Minority Business Development Authority. Receipts come from loan repayments, transfer of General Fund appropriations and interest. The Authority also has the power to issue bonds or other obligations which would provide another source of income. To date this has not been done.

Expenditures are made for loans to minority business enterprises and for operating expenses of the Authority.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 2,577	\$ 3,539
Receipts:		
Transfer from General Fund	\$ 2,000	\$ 2,000
Loan Principal Repayments	664	480
Loan Interest	296	310
Other	308	400
Total Receipts	3,268	3,190
Total Funds Available	\$ 5,845	\$ 6,729
Disbursements:		
Commerce	\$ 2,306	\$ 4,329
Total Disbursements	—2,306	—4,329
Cash Balance, Ending	\$ 3,539	\$ 2,400

NURSING HOME LOAN DEVELOPMENT FUND

This fund serves as a depository for proceeds from the sale of General Obligation Bonds approved by referendum May 21, 1974. Net proceeds are transferred to the Nursing Home Loan Fund as needed. Interest earnings in this fund and bond proceeds not required for nursing home loans are paid into the Nursing Home Loan Sinking Fund for debt retirement.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 6,280	\$ 12,068
Receipts:		
Bond Proceeds	\$ 9,800	.....
Total Receipts	9,800	.....
Total Funds Available	\$ 16,080	\$ 12,068
Disbursements:		
Treasury	\$ 4,012	\$ 5,094
Total Disbursements	—4,012	—5,094
Cash Balance, Ending	\$ 12,068	\$ 6,974

NURSING HOME LOAN FUND

Loans to nursing homes for repairs, reconstruction and rehabilitation to meet safety code standards are made from this fund. Loans are made from bond proceeds transferred from the Nursing Home Loan Development Fund. Repayments of loans are transferred from this fund to the General Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning .....	. . . . .	. . . . .
Receipts:		
Transfer from Nursing Home Loan Development Fund	\$ 4,012	\$ 5,094
Loan Principal and Interest payments .....	. . . . .	. . . . .
Total Receipts	\$ 4,012	\$ 5,094
Total Funds Available	\$ 4,012	\$ 5,094
Disbursements:		
Commerce	\$ 4,012	\$ 5,094
Total Disbursements	—4,012	—5,094
Cash Balance, Ending .....	. . . . .	. . . . .

NURSING HOME LOAN SINKING FUND

Moneys in this fund are used solely for the redemption of Nursing Home Bonds at maturity and all interest payable on such bonds. The moneys used for this purpose are derived from earnings received from investment or deposit of balances in this fund and in the Nursing Home Loan Development Fund which are credited to this fund. An annual appropriation by the General Assembly necessary for payment of the interest and principal falling due for nursing home loan bonds is also credited to this fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 353	\$ 34
Receipts:		
Transfer from General Fund	\$ 3,972	\$ 4,558
Interest on Securities	665	900
Accrued Interest on Bonds Sold	45	.....
Total Receipts	<u>4,682</u>	<u>5,458</u>
Total Funds Available	<u>\$ 5,035</u>	<u>\$ 5,492</u>
Disbursements:		
Treasury	\$ 5,001	\$ 5,492
Total Disbursements	<u>-5,001</u>	<u>-5,492</u>
Cash Balance, Ending	<u>\$ 34</u>	<u>.....</u>

NUTRITION EDUCATION AND TRAINING FUND

As a result of successful antitrust litigation against the National Broiler Marketing Association, et. al, the Attorney General of the Commonwealth of Pennsylvania, the State Treasurer and the Secretary of Education entered into an agreement with the United States District Court in January, 1983 to establish the Nutrition Education and Training Fund to hold the proceeds of the court's award.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning .....	.....	\$ 226
Receipts:		
Court Award	\$ 226	.....
Interest .....	.....	\$ 18
Total Receipts	226	18
Total Funds Available	\$ 226	\$ 244
Disbursements:		
Education .....	.....	\$ 63
Total Disbursements .....	.....	—63
Cash Balance, Ending	\$ 226	\$ 181

OIL AND GAS LEASE FUND

Created in 1955, this fund is used to finance conservation, recreation, dams or flood control projects or to match any Federal grants made for those purposes. Revenues are derived from rents and royalties from oil and gas leases of Commonwealth owned land with the exception of rents and royalties from land owned by either the Pennsylvania Game or Fish Commissions. Those revenues are paid into the Game and Fish Funds

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 9,851	\$ 5,930
Receipts:		
Rents and Royalties	\$ 3,097	\$ 2,500
Interest	885	500
Other	225	200
Total Receipts	4,207	3,200
Total Funds Available	\$ 14,058	\$ 9,130
Disbursements:		
Executive Offices	\$ 86	\$ 90
Environmental Resources	8,042	6,000
Total Disbursements	—8,128	—6,090
Cash Balance, Ending	\$ 5,930	\$ 3,040

PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION TRUST FUND

This fund, approved under special Act No. 113 (P.L. 185), approved May 21, 1931, is administered by the Governor, Auditor General, State Treasurer and the Pennsylvania Historical and Museum Commission. The interest received from investment of the \$33,000 perpetual endowment to this fund in bonds of the Commonwealth, or any of its political subdivisions, is credited to the fund. Interest earned on investments is used for the restoration, maintenance and improvement of the Cornwall Charcoal Furnace, Cornwall Borough, Lebanon County.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 56	\$ 67
Receipts:		
Interest on Securities	\$ 3	\$ 1
Redemption of Securities	25	. . . .
Net Investment Adjustment	8	
Total Receipts	36	1
Total Funds Available	\$ 92	\$ 68
Disbursements:		
Historical and Museum Commission	-25	-7
Cash Balance, Ending	\$ 67	\$ 61

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 that Act provides for payment of retirement allowances to officers, employees, fireman and police of political subdivisions (county, cities, boroughs, townships of the first and second class).

Any municipality may elect by ordinance to join the system. Revenues are generated from the contributions of the members of the system and investment earnings.

The Board established under Act 15 has control over the system's operation. The net investment adjustment shown below is to reflect current market value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 75,716	\$ 91,399
Receipts:		
Contributions	\$ 12,275	\$ 14,099
Other	9,291	9,163
Net Investment Adjustment	—1,894	. . . .
Total Receipts	19,672	23,262
Total Funds Available	\$ 95,388	\$ 114,661
Disbursements:		
Municipal Employees Retirement Board	\$ 3,989	\$ 5,003
Total Disbursements	—3,989	—5,003
Cash Balance, Ending	\$ 91,399	\$ 109,658

**PHARMACEUTICAL ASSISTANCE
(CONTRACT FOR THE ELDERLY)
FUND**

This fund was created by Act 63 of 1983 in order to provide a limited pharmaceutical assistance program for the Commonwealth's senior citizens who are 65 years of age or over, and whose annual income does not exceed the maximum specified in the Act for program eligibility. Funds not expended in the fiscal year in which they were appropriated shall be available for use in the following fiscal year. Expenditures are expected to be incurred late in the 1983-84 year in order to implement the program no later than July 1, 1984. For additional information on the program, refer to the Department of Aging in volume two of the Governor's Executive Budget.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
	_____	_____
Cash Balance, Beginning
Receipts:		
Transfer from Lottery Fund	\$ 100,000
Interest on Securities	2,000
Total Receipts	_____	_____
Total Funds Available	\$ 102,000
Disbursements:		
Aging	\$ 460
Total Disbursements	_____	_____
Cash Balance, Ending	_____	\$ 101,540

PROJECT 70 LAND ACQUISITION FUND

This fund was created in 1965 to finance the Commonwealth's cost of acquiring land for recreation, conservation or historical purposes and to aid local governments in acquiring land for the same purposes. As of December 31, 1970, all unencumbered money in this fund was paid into the Project 70 Land Acquisition Sinking Fund and currently this fund is inactive with the exception of some encumbrances due to pending litigation. Revenue for the fund was provided by a bond issue approved by the electorate on November 4, 1963 with the proceeds not to exceed \$70 million.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 649	\$ 666
Receipts:		
Other	\$ 29	\$ 30
Total Receipts	29	30
Total Funds Available	\$ 678	\$ 696
Disbursements:		
Environmental Resources	\$ 12	\$ 15
Total Disbursements	—12	—15
Cash Balance, Ending	\$ 666	\$ 681

PROJECT 70 LAND ACQUISITION SINKING FUND

Annual appropriations by the General Assembly for payment of interest and principal falling due on Project 70 Bonds are credited to this fund. In addition, interest resulting from investment or deposit of money in the Project 70 Land Acquisition Fund is credited to this fund. All unencumbered moneys in the Project 70 Land Acquisition Fund as of December 31, 1970, were transferred to this fund. Moneys reimbursed to the Commonwealth by political subdivisions for inappropriate use of Project 70 are credited to this fund if the Project 70 Land Acquisition Fund is no longer active. Moneys in this fund are used solely to pay interest accruing on Project 70 bonds and for the redemption of such bonds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 141	\$ 16
Receipts:		
Transfer from General Fund	\$ 5,324	\$ 5,442
Sale of Real Estate	83	10
Interest on Securities	75	25
Total Receipts	<u>5,482</u>	<u>5,477</u>
Total Funds Available	<u>\$ 5,623</u>	<u>\$ 5,493</u>
Disbursements:		
Treasury	\$ 5,607	\$ 5,493
Total Disbursements	<u>—5,607</u>	<u>—5,493</u>
Cash Balance, Ending	<u>\$ 16</u>	<u>16</u>

PURCHASING FUND

Created in 1933, this fund finances the purchase of materials, supplies and equipment by the Department of General Services for use of other departments, boards and commissions. Also salaries for the personnel administering the fund are paid by the fund. Revenue sources are periodic appropriations from the General Fund and reimbursements by other departments, boards and commissions for the materials and supplies provided them.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 2,073	\$ 2,609
Receipts:		
Reimbursement from other agencies	\$ 27,429	\$ 28,000
General Fund Loan	7,500	7,500
Other	529	550
Total Receipts	35,458	36,050
Total Funds Available	\$ 37,531	\$ 38,659
Disbursements:		
Executive Office	\$ 198	\$ 200
General Services*	34,724	35,700
Total Disbursements	—34,912	—35,900
Cash Balance, Ending	\$ 2,609	\$ 2,759

*Includes repayment of General Fund loan.

REAL ESTATE RECOVERY FUND

This fund was established in 1980 to reimburse aggrieved persons the amount unpaid upon judgements, from competent jurisdiction, against any person licensed by the Real Estate Commission. Revenue is derived from additional fees paid by licensees, with interest on investments being retained by the fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 700	\$ 759
Receipts:		
Additional License Fees	\$ 53	\$ 50
Interest	55	60
Total Receipts	108	110
Total Funds Available	\$ 808	\$ 869
Disbursements:		
State	\$ 49	\$ 60
Total Disbursements	49	60
Cash Balance, Ending	\$ 759	\$ 809

REHABILITATION CENTER FUND

This fund was reated May 13, 1959, for the operation of the Johnstown Rehabilitation Center and is funded by moneys arising from fees for services rendered by the center. Most of these services are rendered to vocational rehabilitation clients.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 1,022	\$ 851
Receipts:		
Clients Fees	\$ 8,618	\$ 9,040
Other	1,141	1,107
Total Receipts	9,759	10,147
Total Funds Available	\$ 10,781	\$ 10,998
Disbursements:		
Executive Offices	\$ 858	\$ 1,020
Labor and Industry	9,072	9,496
Total Disbursements	—9,930	—10,516
Cash Balance, Ending	\$ 851	\$ 482

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.

The employer contribution, which is shared equally by the employing school district and the Commonwealth, is determined by the fund's actuary. The Commonwealth contribution is made by an annual appropriation from the General Fund and paid quarterly to the fund.

Earnings from investments provide additional revenue and pay for the expenses of the Public School Employees' Retirement Board. The Board is responsible for management of the fund and payment of benefits.

The cash balance shown in the statement includes substantial investment assets. The net investment discount item is included to reflect the current market value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$4,253,418	\$5,863,095
Receipts:		
Transfer from General Fund — Employer Contribution	\$ 202,678	\$ 353,000
Transfers from State Retirement System	2,874	3,000
Contribution of School Employees	172,133	221,000
Returned Contributions of School Employees	7,821	8,000
Contributions of School Districts	247,333	
Interest on Securities	504,046	301,000
Net Investment Adjustment	1,011,404	566,000
Other	75,743	2,000
Total Receipts	2,224,032	1,454,000
Total Funds Available	\$6,477,450	\$7,317,095
Disbursements:		
Executive Offices	\$ 506	\$ 600
Treasury	21	20
Public School Employees' Retirement Board	613,828	700,000
Total Disbursements	—614,355	—700,620
Cash Balance, Ending	\$5,863,095	\$6,616,475

SINKING FUND

Appropriations by the General Assembly constitute the major source of revenue to this fund. This one sinking fund existed prior to the practice of having a sinking fund for each separate bond fund. Moneys are held in this fund to cover the possible redemption of Commonwealth notes and bonds which had maturity dates from 1841 through 1871. There has been no activity on these old outstanding obligations, reportedly, since 1929. The redemption value of those obligations is \$141,320.06. Money not needed to pay principal or interest on Commonwealth debt may also be used to suppress insurrection or defend the State in war, in accordance with the Constitution of the Commonwealth of Pennsylvania. Money in this fund may be invested only in United States or Commonwealth bonds. Interest accumulating on moneys remaining in the fund is credited to the State School Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 447	\$ 91
Receipts:		
Interest on Securities	\$ 4	.....
Transfer from State School Fund .....	.....	50
Total Receipts	4	50
Total Funds Available	\$ 451	\$ 141
Disbursements:		
Treasury	\$ 360	.....
Total Disbursements	—360	.....
Cash Balance, Ending	\$ 91	\$ 141

SOCIAL SECURITY CONTRIBUTION FUND

This fund was established to hold both employers' and employees' share of social security deductions of Commonwealth and local government or other instrumentality employees for payment of Social Security benefits under the Federal Insurance Contribution Act (FICA). Withdrawals from the Fund are made to the Federal Agency in amounts required to extend the benefits of eligible employees under the Federal old-age and survivors insurance system and for payment of refunds and overpayments made by a political subdivision.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 13,352	\$ 4,598
Receipts:		
State Employees	\$ 312,068	\$ 341,324
Public School Employees	463,322	499,959
Political Subdivisions Employees	258,160	284,112
Other	3,746	4,096
Total Receipts	1,037,296	1,129,491
Total Funds Available	\$1,050,648	\$1,134,089
Disbursements:		
Labor and Industry	\$1,046,050	\$1,131,358
Total Disbursements	-1,046,050	-1,131,358
Cash Balance, Ending	\$ 4,598	\$ 2,731

SOLID WASTE — RESOURCE RECOVERY DEVELOPMENT FUND

Created in 1974, this fund provides financial assistance to municipalities in the planning, development, construction and operation of resource recovery and solid waste disposal facilities. Loans for new facilities are restricted to municipalities in seventh and eighth class counties, while loans for existing facilities are restricted to municipalities in fifth through eighth class counties. Revenue is provided through appropriations by the General Assembly and by the repayment of loans made to municipalities.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 4,065	\$ 4,175
Receipts:		
Interest	\$ 434	\$ 300
Total Receipts	434	300
Total Funds Available	\$ 4,499	\$ 4,475
Disbursements:		
Environmental Resources	\$ 324	\$ 1,500
Total Disbursements	—324	—1,500
Cash Balance, Ending	\$ 4,175	\$ 2,975

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 employers under provisions of the Unemployment Compensation Law. Total expenditures from the fund are limited to no more than \$200,000 in any fiscal year and all moneys in excess of \$200,000 in the fund are transferred to the Unemployment Contribution Compensation Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 2,175	\$ 378
Receipts:		
Interest and Penalties	\$ 1,896	\$ 2,082
Other	162	178
Total Receipts	2,058	2,260
Total Funds Available	\$ 4,233	\$ 2,638
Disbursements:		
Labor and Industry	\$ 3,855	\$ 2,438
Total Disbursements	—3,855	—2,438
Cash Balances, Ending	\$ 378	\$ 200

STATE COLLEGE EXPERIMENTAL FARM FUND

Act 56, approved May 13, 1887, authorized the sale of the eastern and western experimental farms which were purchased with Federal land grant moneys in 1862. These farms were sold for \$17,000 in 1888 and the proceeds were placed in this fund to be invested in bonds of the Commonwealth at 6 percent per annum with the interest serving as an ongoing revenue to this fund.

The net investment adjustment item is shown below to reflect the current market value of long term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 25	\$ 25
Receipts:		
Miscellaneous	\$ 2	\$ 2
Net Investment Adjustment .....	.....	.....
Total Receipts	<u>2</u>	<u>2</u>
Total Funds Available	<u>\$ 27</u>	<u>\$ 27</u>
Disbursements:		
Treasury	\$ 2	\$ 1
Total Disbursements	<u>-2</u>	<u>-1</u>
Cash Balance, Ending	<u><u>\$ 25</u></u>	<u><u>\$ 26</u></u>

STATE EMPLOYES' RETIREMENT FUND

This fund was created in 1924 to accumulate reserves for the payment of pensions to former State employes.

Money in this fund is used to pay retirement, disability, and death benefits to members of the State Employees' Retirement System and their beneficiaries. Membership in the system is mandatory for most state employes, and employes of nonstate entities; such as, the Pennsylvania State University, the Turnpike Commission, the Delaware River Port Authority, and other public and quasi-public institutions authorized by the Retirement Code.

Revenue to the fund comes from employe contributions, employer contributions from the Commonwealth and other employers, and income derived from investments of the fund. Employer contributions are an actuarially determined percentage of payroll sufficient to fund current and future benefit payments. Investment income is used to credit interest to each member's account; to pay the administrative expenses of the Retirement System; and to accumulate reserves for the payment of future benefits.

Management of the fund and payment of benefits is overseen by the State Employees' Retirement Board.

The cash balance shown in the statement includes substantial investment assets; the net investment adjustment item is to reflect the carrying value of long term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$3,119,313	\$3,884,428
Receipts:		
Contributions of Employes	\$ 124,544	\$ 152,230
State Share Contribution	337,040	441,705
Casualty Premium Tax	9,223	8,872
Interest on Securities	334,368	377,105
Other	851	600
Net Investment Adjustment	219,370	. . . .
Total Receipts	1,125,396	980,512
Total Funds Available	\$4,244,709	\$4,864,940
Disbursements:		
State Employees Retirement System	\$ 360,281	\$ 385,600
Treasury .....	. . . .	. . . .
Executive Offices .....	. . . .	. . . .
Net Investment Adjustment .....	. . . .	120,542
Total Disbursements	—360,281	—506,142
Cash Balance, Ending	\$3,884,428	\$4,358,798

STATE INSURANCE FUND

Created in 1915, this fund finances expenditures relating to the rebuilding, restoring or replacing of buildings, structures, equipment or other property owned by the Commonwealth which have been damaged or destroyed by fire or other casualty. This includes natural or man made disasters. Revenue is derived from interest earned by the fund, interest received from the Fire Insurance Tax Fund and from reimbursements by insurance companies. If needed, money may also be directly appropriated to this fund. Any amount in the fund in excess of \$3 million on December 31st of each year shall be transferred to the General Fund. This fund satisfies the requirements of the Federal Government for Disaster Insurance program.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 2,107	\$ 3,446
Receipts:		
Recovered Damages	\$ 40	\$ 24
Interest	1,661	1,800
Total Receipts	<u>1,701</u>	<u>1,824</u>
Total Funds Available	<u>\$ 3,808</u>	<u>\$ 5,270</u>
Disbursements:		
General Services	\$ 362	\$ 1,470
Total Disbursements	<u>—362</u>	<u>—1,470</u>
Cash Balance, Ending	<u><u>\$ 3,446</u></u>	<u><u>\$ 3,800</u></u>

STATE RESTAURANT FUND

This fund was creted in 1943 to finance the purchase and maintenance of equipment for the operation of the restaurant in the State Capitol as well as any other restaurants in other State Office Buildings. Revenue is derived from the profits earned from the operation of the restaurant and vending machines in the Main Capitol Building and other State Office Buildings

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 341	\$ 382
Receipts:		
Revenue from General Operations	\$ 16	\$ 3
Other	29	29
Total Receipts	45	32
Total Funds Available	\$ 386	\$ 414
Disbursements:		
General Services	\$ 4	\$ 4
Total Disbursements	—4	—4
Cash Balance, Ending	\$ 382	\$ 410

STATE SCHOOL FUND

The fund was established in 1911 and is funded primarily by the sale of escheated estates and other nonpublic real estate and interest earnings of the Sinking Fund. Recent changes in the escheat law and lack of interest earnings from the Sinking Fund or investment of moneys in the State School Fund have resulted in a low revenue level; this fund is active in only a limited sense.

The original purpose of the fund was to equalize educational advantages across the Commonwealth; to provide advancements to school districts temporarily in need of aid; and to promote education in the conservation of natural resources, forestry, agriculture and other industrial pursuits. The law was amended in 1960 to change the purpose to equalization of educational opportunities, and paying part of the cost of repair or alteration of local public school or State college buildings when they are required to satisfy requirements of the Department of Labor and Industry or other relevant governmental agency.

Expenditures from the fund are made at the direction of the State Board of Education.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 67	\$ 467
Receipts:		
Historical and Museum Commission; Sale of Unappropriated Lands .....	.....	.....
Sinking Fund: Interest	\$ 322	.....
Treasury: Interest	26	.....
Other	52	.....
Total Receipts	<u>400</u>	<u>.....</u>
Total Funds Available	<u>\$ 467</u>	<u>\$ 467</u>
Disbursements:		
Education: .....	.....	45
Treasury .....	.....	50
Total Disbursements	<u>.....</u>	<u>-95</u>
Cash Balance, Ending	<u>\$ 467</u>	<u>\$ 372</u>

STATE STORES FUND

The State Stores Fund serves as the general operating fund for the Liquor Control Board. To this fund are credited revenues from the sale of goods in State Liquor Stores, fees not credited to the Liquor License Fund, fines and penalties, losses and damages recovered and loans from the General Fund to provide working capital. Expenditures cover all costs associated with the operation and administration of the Liquor Stores System and enforcement of the Liquor Control Law. Any surplus is transferred to the General Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 24,892	\$ 27,039
Receipts:		
Fees	\$ 5,983	\$ 5,900
Fines and Penalties	684	685
Sale of Goods	746,495	766,452
Recovered Losses and Damages	648	650
General Fund Loans	66,000	78,000
Other	17,880	17,500
Total Receipts	837,690	869,187
Total Funds Available	\$ 862,582	\$ 896,226
Disbursements:		
Executive Offices	\$ 13,243	\$ 15,000
Liquor Control Board*	822,300	869,922
Total Disbursements	—835,543	—884,922
Cash Balance, Ending	\$ 27,039	\$ 11,304

*Includes repayment of General Fund Loan

STATE WORKMEN'S INSURANCE FUND

The State Workmen's Insurance Fund (SWIF) was created by the Act of June 2, 1915, and operates within the Department of Labor and Industry. It is a self-sustaining fund providing workmen's compensation insurance to employers, including those refused policies by private insurance firms. SWIF is subject to underwriting rules, classifications and rates promulgated by rating bureaus authorized by the State Insurance Commissioner. Premium rates are established by them based on the history of accidents by industry. Administrative costs are paid from the fund including expenses related to Insurance Department and Auditor General examinations.

The net investment adjustment shown at the end of the "Actual Year" reflects the current market value of long-term investments as of June 30, as shown in Treasury Department records.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 530,940	\$ 601,316
Receipts:		
Premiums	\$ 53,694	\$ 51,750
Other	62,208	63,500
Net Investment Adjustment	29,277	.....
Total Receipts	145,179	115,250
Total Funds Available	\$ 676,119	\$ 716,566
Disbursements:		
Executive Offices	\$ 526	\$ 500
Labor and Industry	74,277	77,000
Total Disbursements	-74,803	-77,500
Cash Balance, Ending	\$ 601,316	\$ 639,066

SURFACE MINING CONSERVATION AND RECLAMATION FUND

This fund was created in 1945 to finance reclamation projects on land scarred by surface mining. Projects include recontouring, terracing and planting of trees, shrubs and grasses. Revenues are provided by charging surface mining operators for licenses and permits and by fining them for failing to apply for the licenses and permits as well as by forfeiture of collateral bonds, cash or securities for failure to comply with an approved reclamation plan.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 9,472	\$ 11,622
Receipts:		
Licenses and Fees	\$ 1,740	\$ 1,800
Interest	1,091	680
Forfeiture of Bonds	693	600
Trust Account Collateral	961	1,000
Other	406	400
Total Receipts	<u>4,891</u>	<u>4,480</u>
Total Funds Available	\$ 14,363	\$ 16,102
Disbursements:		
Executive Offices	\$ 97	\$ 100
Environmental Resources	2,644	7,493
Total Disbursements	<u>-2,741</u>	<u>-7,593</u>
Cash Balance, Ending	<u>\$ 11,622</u>	<u>\$ 8,509</u>

TAX NOTE SINKING FUND

Moneys in this fund are used solely for the payment of principal and interest on tax anticipation notes. Repayment of tax anticipation notes must be accomplished before the end of the fiscal period in which the notes were issued. Moneys in this fund derive from transfers from the General Fund or Motor License Fund. The amount of money transferred from either of these two funds during one fiscal year is proportionate to the amount each such fund received from the sale of tax anticipation notes.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning .....	.....	.....
Receipts:		
Transfer from General Fund	\$ 994,265	\$1,013,891
Total Receipts	\$ 994,265	\$1,013,891
Total Funds Available	\$ 994,265	
Disbursements:		
Treasury	\$ 994,265	\$1,013,891
Total Disbursements	-994,265	-1,013,891
Cash Balance, Ending .....	.....	.....

UNEMPLOYMENT COMPENSATION BENEFIT PAYMENT FUND

Employers' 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)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 132	\$ 14
Receipts:		
Regular Unemployment Compensation Program ...	\$2,165,523	\$1,569,000
Federal Supplemental Compensation	359,460	438,400
Extended Benefits	238,534	66,700
Other	51,018	33,650
Total Receipts	<u>2,814,535</u>	<u>2,107,750</u>
Total Funds Available	<u>\$2,814,667</u>	<u>\$2,107,764</u>
Disbursements:		
Labor and Industry	\$2,814,653	\$2,107,754
Total Disbursements	<u>-2,814,653</u>	<u>-2,107,754</u>
Cash Balance, Ending	<u><u>\$ 14</u></u>	<u><u>\$ 10</u></u>

UNEMPLOYMENT COMPENSATION CONTRIBUTION FUND

This fund was created to hold moneys collected from employers under the Unemployment Compensation Law and, except for refunds of collections or transfers to the Special Administration Fund, the moneys are transferred to the United States Treasury for credit to the Commonwealth's account in the Federal Unemployment Trust Fund established under Section 904 of the Social Security Act.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 144	\$ 84
Receipts:		
Contributions of Employers	\$ 991,267	\$1,401,780
Other	8	18,000
Total Receipts	991,275	1,419,780
Total Funds Available	\$ 991,419	\$1,419,864
Disbursements:		
Labor and Industry	\$ 991,335	\$1,419,814
Total Disbursements	-991,335	-1,419,814
Cash Balance, Ending	\$ 84	\$.50

VIETNAM CONFLICT VETERAN'S COMPENSATION FUND

Created in 1968, this fund provides payments to residents of the Commonwealth who were in active service in the Vietnam Theatre of Operations, as defined for the award of the Vietnam Service Medal, or their beneficiaries. The maximum compensation is \$750 except in case of death when it is \$1,000. Salaries and other necessary expenses for the proper administration of the Vietnam Conflict Veteran's Compensation Act are also paid from the fund. Revenue was derived from a bond issue that was approved by the electorate on November 6, 1973.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 340	\$ 368
Receipts:		
Interest	\$ 30	\$ 32
Total Receipts	30	32
Total Funds Available	\$ 370	\$ 400
Disbursements:		
Treasury	\$ 2	\$ 1
Total Disbursements	—2	—1
Cash Balance, Ending	\$ 368	\$ 399

VIETNAM CONFLICT VETERANS' COMPENSATION SINKING FUND

The moneys in this fund are derived from appropriations by the General Assembly. Moneys in this fund are used to redeem or pay interest on bonds issued to develop revenue for the Vietnam Conflict Veterans' Compensation Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 8	\$ 8
Receipts:		
Transfer from General Fund	\$ 4,608	\$ 4,590
Total Receipts	<u>4,608</u>	<u>4,590</u>
Total Funds Available	<u>\$ 4,616</u>	<u>\$ 4,598</u>
Disbursements:		
Treasury	\$ 4,608	\$ 4,598
Total Disbursements	<u>-4,608</u>	<u>-4,598</u>
Cash Balance, Ending	<u><u>\$ 8</u></u>	<u><u>.....</u></u>

VOCATIONAL REHABILITATION FUND

This fund, administered by the State Board of Vocational Rehabilitation (Department of Labor and Industry), was created to provide vocational rehabilitation services to any person who has a disability (mental or physical) which constitutes a handicap to employment or to achievement of an independent living status. Services can be provided directly or through a purchase of service arrangement. Receipts for this fund come from Federal vocational rehabilitation funds, transfer of General Fund appropriations (for matching the Federal funds) and interest earned.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 7,697	\$ 3,036
Receipts:		
Transfer from General Fund	\$ 10,400	\$ 10,400
Federal Vocational Rehabilitation Funds	35,013	40,400
Other	4,582	4,700
Total Receipts	<u>49,995</u>	<u>55,500</u>
Total Funds Available	<u>\$ 57,692</u>	<u>\$ 58,536</u>
Disbursements:		
Executive Offices	\$ 2,863	\$ 3,020
Labor and Industry	51,793	54,800
Total Disbursements	<u>—54,656</u>	<u>—57,820</u>
Cash Balance, Ending	<u>\$ 3,036</u>	<u>\$ 716</u>

VOLUNTEER COMPANIES LOAN FUND

On November 2, 1975, a voter referendum authorized a \$10,000,000 bond issue to be used for acquisition and replacement of volunteer fire, ambulance and rescue company equipment and facilities. A second voter referendum in November 1981, authorized an additional \$15,000,000 to be added to the fund. Act 208 of 1976 established a revolving loan fund known as the "Volunteer Companies Loan Fund" administered by the Pennsylvania Emergency Management Agency. As the low interest loans are repaid by the volunteer companies, the moneys are returned to the fund for reuse.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 587	\$ 9,442
Receipts:		
Bond Proceeds	\$ 14,584	.....
Loan Principal Repayments	2,377	\$ 2,750
Loan Interest	315	450
Interest on Securities	462	300
Total Receipts	17,738	3,500
Total Funds Available	\$ 18,325	\$ 12,942
Disbursements:		
Pennsylvania Emergency Management Agency	\$ 8,883	\$ 9,000
Total Disbursements	-8,883	-9,000
Cash Balance, Ending	\$ 9,442	\$ 3,942

VOLUNTEER COMPANIES LOAN SINKING FUND

Moneys in this fund derive from appropriations by the General Assembly. Funds are used solely for the purpose of redeeming or paying interest on bonds issued to provide revenue for the Volunteer Companies Loan Fund.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 7	\$ 60
Receipts:		
Transfer from General Fund	\$ 1,280	\$ 2,681
Interest on Securities .....	.....	5
Accrued Interest on Bonds Sold	53	.....
Total Receipts	<u>1,333</u>	<u>2,686</u>
Total Funds Available	\$ 1,340	\$ 2,746
Disbursements:		
Treasury	\$ 1,280	\$ 2,746
Total Disbursements	<u>-1,280</u>	<u>-2,746</u>
Cash Balance, Ending	<u>\$ 60</u>	<u>.....</u>

WATER FACILITIES LOAN FUND

This fund was created by Act 167 of 1982 in order to implement the water project loan referendum approved by the electorate on November 3, 1981. That referendum authorized the Commonwealth to incur an indebtedness of \$300 million for use as loans to repair, construct, reconstruct, rehabilitate, extend and improve water supply systems or to repair, reconstruct or rehabilitate flood control facilities, dams and port facilities.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning .....	.....	\$ 9,798
Receipts:		
Sale of Bonds	\$ 9,800	\$ 50,000
Interest	14	700
Total Receipts	<u>\$ 9,814</u>	<u>50,700</u>
Total Funds Available	<u>\$ 9,814</u>	<u>\$ 60,498</u>
Disbursements:		
Treasury	\$ 16	\$ 80
Environmental Resources .....	.....	8,500
Transportation .....	.....	1,500
Total Disbursements	<u>-16</u>	<u>-10,080</u>
Cash Balance, Ending	<u>\$ 9,798</u>	<u>\$ 50,418</u>

WATER FACILITIES LOAN REDEMPTION FUND

Moneys in this fund result from annual appropriations by the General Assembly and from interest and dividends on moneys in the Water Facilities Loan Fund. These moneys are used solely for payment of interest and principal due on outstanding Water Facilities Loan Bonds.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning .....	.....	\$ 44
Receipts:		
Transfer from General Fund .....	.....	\$ 148
Interest on Securities .....	.....	1,374
Accrued Interest on Bonds Sold	\$ 44	.....
Total Receipts	<u>44</u>	<u>1,522</u>
Total Funds Available	\$ 44	\$ 1,566
Disbursements:		
Treasury .....	.....	\$ 800
Total Disbursements	<u>.....</u>	<u>800</u>
Cash Balance, Ending	<u>\$ 44</u>	<u>\$ 766</u>

WILD RESOURCES CONSERVATION FUND

This fund was created by Act 170 of 1982. Revenue is derived primarily from tax rebate check-offs and voluntary contributions. The fund is to be used to collect information relating to population, distribution, habitat needs, limiting factors and other biological and ecological data to classify plants and to determine necessary management measures. These management measures will include promotion of a statewide system of private wild plant sanctuaries, permitting of removal, collection, or transplanting of endangered or threatened plant species, and regulation of the digging, harvesting, sale, and exploitation of designated species.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning .....	. . . .	\$ 197
Receipts:		
Tax Check-Offs	\$ 185	\$ 260
Voluntary Donations	12	20
Total Receipts	<u>\$ 197</u>	<u>280</u>
Total Funds Available	<u>\$ 197</u>	<u>\$ 477</u>
Disbursements:		
Environmental Resources .....	. . . .	\$ 230
Total Disbursements .....	. . . .	<u>-230</u>
Cash Balance, Ending	<u>\$ 197</u>	<u>\$ 247</u>

WORKMEN'S COMPENSATION ADMINISTRATION FUND

This fund was created by Act No. 2 of 1976 to finance the expenses of the Department of Labor and Industry in administering the Pennsylvania Workmen's Compensation Act and the Pennsylvania Occupational Disease Act. The fund is supported by annual assessments on insurers and self-insurers under the Act. These administrative funds are approved by the Legislature for expenditure through the appropriation process.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 8,508	\$ 8,300
Receipts:		
Assessments	\$ 9,086	\$ 9,159
Other	1,862	2,024
Total Receipts	<u>10,948</u>	<u>11,183</u>
Total Funds Available	<u>\$ 19,456</u>	<u>\$ 19,483</u>
Disbursements:		
Executive Offices	\$ 981	\$ 1,015
Labor and Industry	10,175	10,959
Total Disbursements	<u>-11,156</u>	<u>-11,974</u>
Cash Balance, Ending	<u>\$ 8,300</u>	<u>\$ 7,509</u>

WORKMEN'S COMPENSATION SECURITY FUND

The purpose of this fund is payment of valid claims for compensation provided by the Workmen's Compensation Law to individuals who are insured by an insolvent stock company. Expenses for administration of the fund are also covered. One percent of the net written premiums by every stock insurance company received for Workmen's Compensation insurance policies written in the Commonwealth during the preceeding annual reporting period is credited to the fund. Such payments are required only if the balance (less known liabilities) of the fund is determined to be less than five percent of the loss reserves of all such stock companies for payments of benefits under the Workmen's Compensation Law. The net investment adjustment shown below is to reflect the curent market value of long-term investments as of June 30.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 101,913	\$ 130,087
Receipts:		
Premium Contributions	\$ 12,817	\$ 10,395
Other	12,771	13,000
Net Investment Adjustment	2,653	. . . .
Total Receipts	28,241	23,395
Total Funds Available	\$ 130,154	\$ 153,482
Disbursements:		
Insurance	\$ 67	\$ 98
Total Disbursements	—67	—98
Cash Balance, Ending	\$ 130,087	\$ 153,384

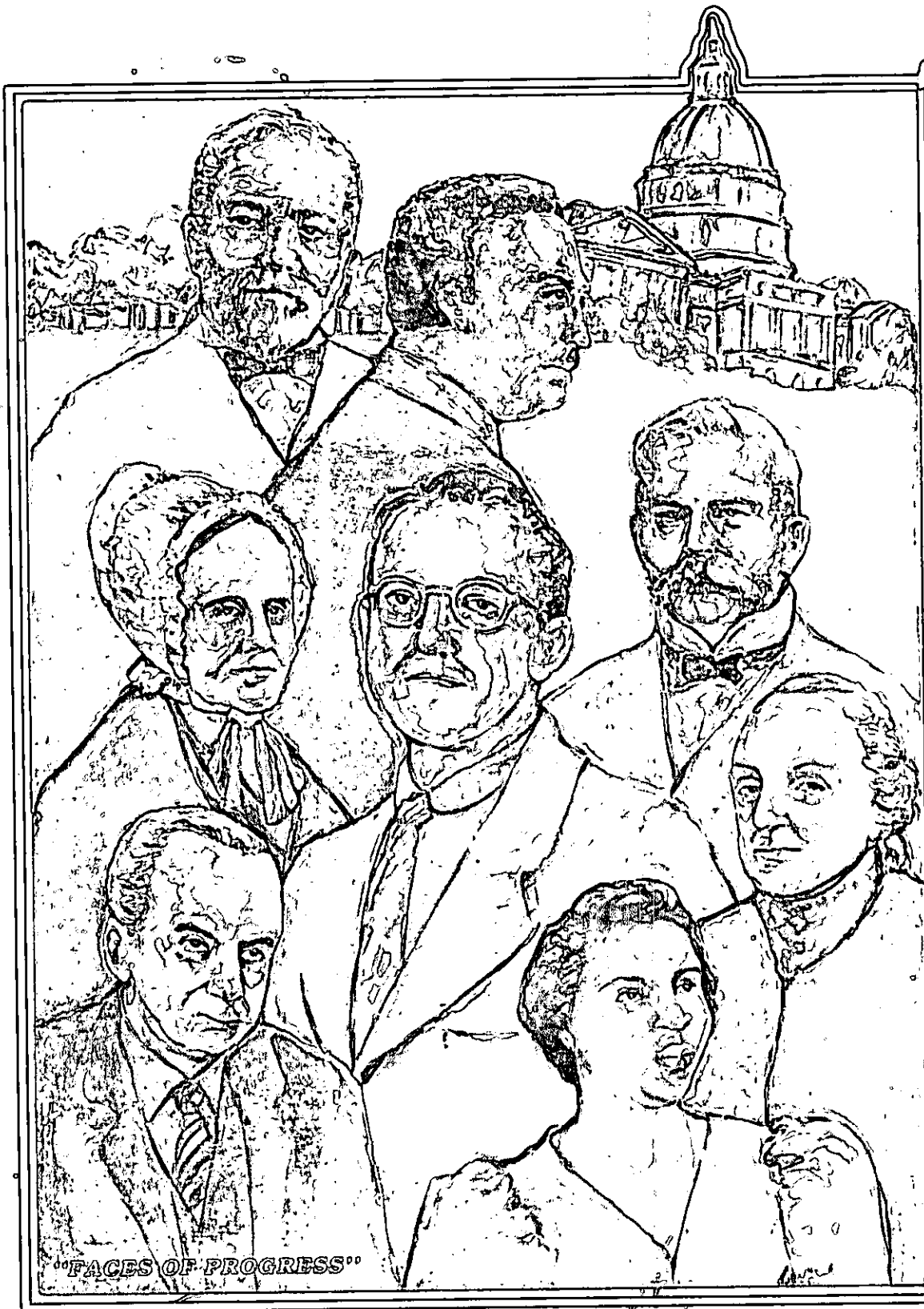
WORKMEN'S COMPENSATION SUPERSEDEAS FUND

The purpose of this fund is to reimburse insurers for payments made by them to claimants under the Workmen's Compensation Act who are later determined to be ineligible. The fund is maintained by annual assessments on insurers and self-insurers and is administered by the Department of Labor and Industry.

Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Estimated
Cash Balance, Beginning	\$ 53	\$ 59
Receipts:		
Assessments	\$ 987	\$ 1,600
Other	33	39
Total Receipts	1,020	\$1,639
Total Funds Available	\$ 1,073	\$ 1,698
Disbursements:		
Labor and Industry	\$ 1,014	\$ 1,635
Total Disbursements	—1,014	—1,635
Cash Balance, Ending	\$ 59	\$ 63

*Governor's
Executive Budget
1984-85*



Commonwealth of Pennsylvania

*Dick Thornburgh
Governor*

FOREWORD

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

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

TABLE OF CONTENTS

Commonwealth Summaries

Five Year Summary by Department and Fund	3
--	---

Departmental Presentation

Governor's Office	9
Summary by Fund and Appropriation	11
Summary by Category and Subcategory	13
Executive Direction	14
Executive Offices	15
Summary by Fund and Appropriation	17
Restricted Receipts	31
Summary by Category and Subcategory	32
Executive Direction	33
Legal Services	36
Prevention and Elimination of Discriminatory Practices	37
Development of Artists and Audiences	39
Energy Management and Conservation	41
Income Maintenance	43
Criminal and Juvenile Justice Planning and Coordination	44
Reintegration of Juvenile Delinquents	46
Medical Malpractice Arbitration and Health Facilities Hearings	48
Lieutenant Governor	51
Summary by Fund and Appropriation	53
Summary by Category and Subcategory	55
Executive Direction	56
Attorney General	57
Summary by Fund and Appropriation	59
Summary by Category and Subcategory	62
General Administration and Support	63
Commonwealth Agencies Legal Services	64
Public Protection	65
Criminal Law	67
Auditor General	71
Summary by Fund and Appropriation	73
Restricted Receipts	76
Summary by Category and Subcategory	77
Auditing	78
Income Maintenance	79
Treasury	81
Summary by Fund and Appropriation	83
Summary by Category and Subcategory	100
Disbursement	101
Income Maintenance	104
Debt Service	105
Interstate Relations	107
Development, Utilization and Regulation of Water Resources	108
Aging	109
Summary by Fund and Appropriation	111
Summary by Category and Subcategory	115
General Administration and Support	116
Community Services	117
Renovations of Senior Citizen Centers	119
Expansion of In-Home Services	120
Community Based Long Term Care	122
Pharmaceutical Assistance Program	124

Agriculture	125
Summary by Fund and Appropriation	127
Restricted Receipts	135
Summary by Category and Subcategory	136
General Administration and Support	137
Consumable Agricultural Products	138
Regulation of Horse Racing	140
Animal Health	142
Development of Agricultural Industries	144
Banking	147
Summary by Fund and Appropriation	149
Summary by Category and Subcategory	151
Regulation of Financial Institutions	152
Civil Service Commission	155
Summary by Fund and Appropriation	157
Summary by Category and Subcategory	159
General Administration and Support	160
Selection	161
Commerce	163
Summary by Fund and Appropriation	165
Summary by Category and Subcategory	170
General Administration and Support	171
Industrial Development	172
Expansion of Industrial Development Activities	176
Tourism and Travel Development	180
Scientific and Technological Development	182
Expansion of Technological Development	184
International Trade	186
Community Affairs	189
Summary by Fund and Appropriation	191
Restricted Receipts	198
Summary by Category and Subcategory	199
General Administration and Support	200
Housing and Redevelopment	201
Homeowners Emergency Assistance	205
Community Park and Recreation Development	207
Community Conservation and Youth Employment	208
Areawide Intermunicipal Services	210
Municipal Administrative Support Capability	212
Community Development Planning	215
Corrections	217
Summary by Fund and Appropriation	219
Summary by Category and Subcategory	224
General Administration and Support	225
Institutionalization of Offenders	226
Reintegration of the Adult Offender	228
Crime Commission	231
Summary by Fund and Appropriation	233
Summary by Category and Subcategory	235
Criminal Law Enforcement	236
Education	239
Summary by Fund and Appropriation	241
Restricted Receipts	269
Summary by Category and Subcategory	270
Summary of Enrollments	271
General Administration and Support	272
General Preschool Education	273
General Elementary and Secondary Education	275

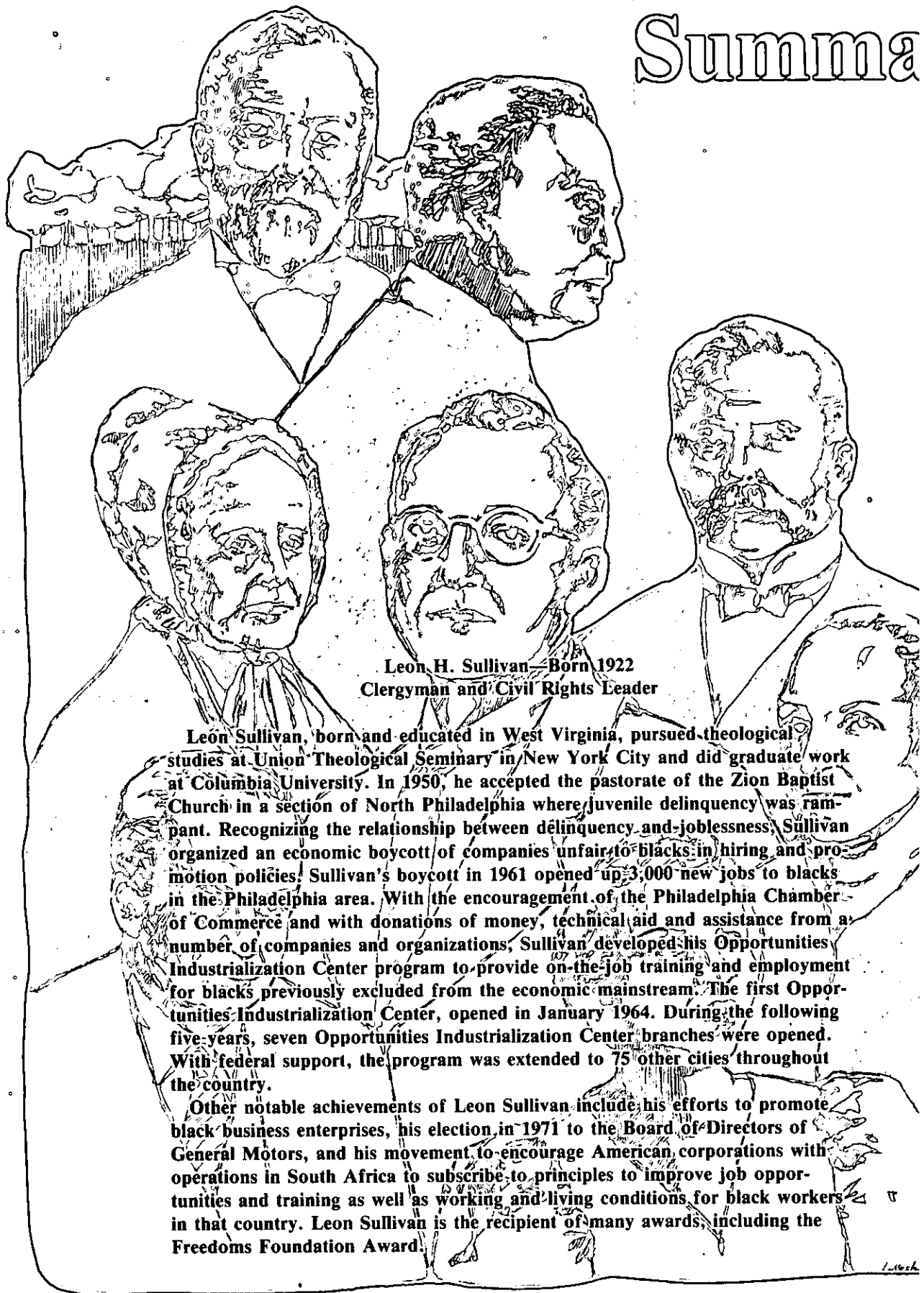
Agenda for Excellence	277
Post Retirement Adjustment	279
Special Education Category Analysis	281
Mentally Handicapped Education	283
Early Intervention-Handicapped Children	286
Physically Handicapped Education	288
Gifted and Talented Education	291
Compensatory Preschool Education	293
Compensatory Elementary and Secondary Education	295
Vocational Education	297
Community Education	299
Higher Education	302
Science and Engineering Equipment	316
Financial Assistance to Students	317
Highway Safety Education	321
Adult Employment Training Services	323
State Library Services	325
Public Television Services	328
Emergency Management Agency	331
Summary by Fund and Appropriation	333
Restricted Receipts	336
Summary by Category and Subcategory	337
Emergency Management	338
Fire Prevention and Safety	340
Environmental Resources	343
Summary by Fund and Appropriation	345
Restricted Receipts	357
Summary by Category and Subcategory	358
General Administration and Support	359
Management of Forest Resources	360
Management of Water and Mineral Resources	363
Air Pollution Control	366
Water Quality Management	369
Sewage Facilities Construction Grants	371
Community Environmental Management	372
Solid Waste Management	374
Expansion of Solid Waste Activities	376
Regulation of Mining	379
Environmental Support Services	381
Radiation Protection	383
Management of Recreation Areas and Facilities	385
Fish Commission	387
Summary by Fund and Appropriation	389
Summary by Category and Subcategory	393
General Administration and Support	394
Recreational Fishing and Boating	395
Game Commission	397
Summary by Fund and Appropriation	399
Summary by Category and Subcategory	401
General Administration and Support	402
Wildlife Management	403

General Services	405
Summary by Fund and Appropriation	407
Summary by Category and Subcategory	418
General Administration and Support	419
Procurement and Distribution of Commodities	420
Disposition and Utilization of Surplus and Donated Commodities	422
Management and Operation of Facilities	423
Energy Conservation Projects	425
Payment of General State Authority Rentals	426
Risk Management and Tort Claims	427
Health	429
Summary by Fund and Appropriation	431
Summary by Category and Subcategory	443
General Administration and Support	444
Medical Research and Health Information	445
Medical Facilities Review	447
Health Services Development	449
Health Maintenance and Disease Prevention	452
Detection and Diagnosis	456
Outpatient Treatment	459
Inpatient Treatment	462
Prevention/Intervention of Drug and Alcohol Abuse	463
Treatment of Drug and Alcohol Abuse	465
Historical and Museum Commission	467
Summary by Fund and Appropriation	469
Restricted Receipts	472
Summary by Category and Subcategory	473
General Administration and Support	474
Preserving Valuable Records	475
Development and Promotion of Pennsylvania State and Local History	477
Museum Development and Operation	478
Development and Preservation of Historical Sites and Properties	480
Insurance	483
Summary by Fund and Appropriation	485
Summary by Category and Subcategory	487
Regulation of Insurance Industry	488
Labor and Industry	491
Summary by Fund and Appropriation	493
Summary by Category and Subcategory	499
General Administration and Support	500
Employability Development-Socially and Economically Handicapped	501
Employability Development-Physically and Mentally Handicapped	504
Income Maintenance	507
Labor Relations Stability	510
Accident Prevention in Multiple Dwellings	512
Regulation of Consumer Products and Promotion of Fair Business Practices	514
Liquor Control Board	515
Summary by Fund and Appropriation	517
Summary by Category and Subcategory	520
Liquor Control	521
Military Affairs	523
Summary by Fund and Appropriation	525
Summary by Category and Subcategory	531
General Administration and Support	532
Domiciliary and Nursing Home Care	533
Disaster Assistance	535
Compensation and Assistance	537

Milk Marketing Board	539
Summary by Fund and Appropriation	541
Summary by Category and Subcategory	544
Regulation of Milk Industry	545
Public Utility Commission	547
Summary by Fund and Appropriation	549
Summary by Category and Subcategory	551
Regulation of Public Utilities	552
Public Welfare	555
Summary by Fund and Appropriation	557
Restricted Receipts	586
Summary by Category and Subcategory	587
General Administration and Support	588
Alternative Health Care Delivery	589
Preventive Health Services	591
Treatment-Outpatient Services	593
Increased Medical, Surgical and Diagnostic Fees	595
Treatment-Inpatient Services	596
Long-Term Care Services	600
Mental Health Category Analysis	603
Mental Health Systems Support	604
Community Services-Mental Health	606
Acute Mental Health Services	608
Rehabilitative Services	610
Institutional Care	613
Youth Development Services	616
Family Support Services	618
Attendent Care-Adult Handicapped	621
Mental Retardation Category Analysis	622
Mental Retardation Systems Support	623
Community Based Services	625
Community Residential Services	629
Private Intermediate Care Facilities	631
State Centers	633
Income Maintenance	635
Cash Grant Increase	639
Revenue	641
Summary by Fund and Appropriation	643
Summary by Category and Subcategory	651
General Administration and Support	652
Revenue Collection and Administration	653
Public Utility Realty Payments	656
Homeowners and Renters Assistance	657
Securities Commission	659
Summary by Fund and Appropriation	661
Summary by Category and Subcategory	663
Regulation of Securities Industry	664
State	667
Summary by Fund and Appropriation	669
Summary by Category and Subcategory	673
General Administration and Support	674
Regulation of Consumer Products and Promotion of Fair Business Practices	675
Maintenance of Professional and Occupational Standards	677
Maintenance of the Electoral Process	679
State Employees' Retirement System	681
Summary by Fund and Appropriation	683
Summary by Category and Subcategory	685
General Administration and Support	686
Post Retirement Adjustment	688

State Police	691
Summary by Fund and Appropriation	693
Summary by Category and Subcategory	697
General Administration and Support	698
Operator Qualifications Control	699
Vehicle Standards Control	701
Traffic Supervision	703
Crime Prevention	705
Criminal Law Enforcement	707
Emergency Assistance	710
Fire Prevention	712
Tax Equalization Board	713
Summary by Fund and Appropriation	715
Summary by Category and Subcategory	717
General Administration and Support	718
Transportation	719
Summary by Fund and Appropriation	721
Restricted Receipts	737
Summary by Category and Subcategory	738
General Administration and Support	739
State Highway Improvement	740
State Highway Maintenance	742
Local Highway Assistance	744
Urban Mass Transportation	746
Rural and Intercity Rail and Bus Transportation	748
Air Transportation	751
State Bridges	753
Highway Safety Projects	755
Safety Administration and Licensing	757
Free Elderly Transit	759
Legislature	761
Summary by Fund and Appropriation	763
Summary by Category and Subcategory	768
Legislature	769
Judiciary	771
Summary by Fund and Appropriation	773
Summary by Category and Subcategory	779
State Judicial System	780

Commonwe Summa



Leon H. Sullivan—Born 1922
Clergyman and Civil Rights Leader

Leon Sullivan, born and educated in West Virginia, pursued theological studies at Union Theological Seminary in New York City and did graduate work at Columbia University. In 1950, he accepted the pastorate of the Zion Baptist Church in a section of North Philadelphia where juvenile delinquency was rampant. Recognizing the relationship between delinquency and joblessness, Sullivan organized an economic boycott of companies unfair to blacks in hiring and promotion policies. Sullivan's boycott in 1961 opened up 3,000 new jobs to blacks in the Philadelphia area. With the encouragement of the Philadelphia Chamber of Commerce and with donations of money, technical aid and assistance from a number of companies and organizations, Sullivan developed his Opportunities Industrialization Center program to provide on-the-job training and employment for blacks previously excluded from the economic mainstream. The first Opportunities Industrialization Center, opened in January 1964. During the following five years, seven Opportunities Industrialization Center branches were opened. With federal support, the program was extended to 75 other cities throughout the country.

Other notable achievements of Leon Sullivan include his efforts to promote black business enterprises, his election in 1971 to the Board of Directors of General Motors, and his movement to encourage American corporations with operations in South Africa to subscribe to principles to improve job opportunities and training as well as working and living conditions for black workers in that country. Leon Sullivan is the recipient of many awards, including the Freedoms Foundation Award.

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Governor's Office							
General Fund	\$ 3,165	\$ 3,169	\$ 3,299	\$ 3,464	\$ 3,637	\$ 3,819	\$ 4,010
Executive Offices							
General Fund	\$ 42,659	\$ 45,239	\$ 52,492	\$ 54,449	\$ 56,641	\$ 57,668	\$ 60,019
Motor License Fund	3,430	3,426	3,563	3,741	3,928	4,124	4,330
TOTAL	\$ 46,089	\$ 48,665	\$ 56,055	\$ 58,190	\$ 60,569	\$ 61,792	\$ 64,349
Lieutenant Governor's Office							
General Fund	\$ 591	\$ 609	\$ 683	\$ 717	\$ 753	\$ 790	\$ 830
Attorney General							
General Fund	\$ 20,147	\$ 20,630	\$ 23,000	\$ 24,150	\$ 25,358	\$ 26,625	\$ 27,957
Auditor General							
General Fund	\$ 22,015	\$ 23,210	\$ 24,601	\$ 25,830	\$ 27,122	\$ 28,478	\$ 29,902
Treasury							
General Fund	\$ 263,576	\$ 295,203	\$ 326,114	\$ 369,232	\$ 409,540	\$ 435,110	\$ 463,216
Motor License Fund	173,877	174,866	174,540	174,875	174,807	174,905	174,971
Game Fund	4	6	6	6	6	6	6
Fish Fund	3	5	5	5	5	5	5
Boating Fund	3	5	5	5	5	5	5
Banking Department Fund	3	5	5	5	5	5	5
Milk Marketing Fund	3	5	8	8	8	8	8
State Farm Products Show Fund	3	5	5	5	5	5	5
State Racing Fund	6	10	10	10	10	10	10
Pennsylvania Fair Fund	3	5	5	5	5	5	5
State Lottery Fund	8	8	8	8	8	8	8
TOTAL	\$ 437,489	\$ 470,123	\$ 500,711	\$ 544,164	\$ 584,404	\$ 610,072	\$ 638,244
Aging							
General Fund	\$ 1,521	\$ 1,462	\$ 1,607	\$ 1,725	\$ 1,812	\$ 1,902	\$ 1,998
State Lottery Fund	22,718	129,840	172,280	169,250	175,300	180,400	184,800
TOTAL	\$ 24,239	\$ 131,302	\$ 173,887	\$ 170,975	\$ 177,112	\$ 182,302	\$ 186,798
Agriculture							
General Fund	\$ 18,856	\$ 29,496	\$ 21,810	\$ 22,142	\$ 23,051	\$ 24,168	\$ 25,230
State Farm Products Show Fund	1,871	1,643	1,730	1,839	1,803	1,721	1,744
State Racing Fund	20,062	22,448	22,542	16,124	16,385	13,539	13,551
Pennsylvania Fair Fund	2,169	1,695	.....	.....	.....	.....	.....
TOTAL	\$ 42,958	\$ 55,282	\$ 46,082	\$ 40,105	\$ 41,239	\$ 39,428	\$ 40,525
Banking							
Banking Department Fund	\$ 6,930	\$ 6,841	\$ 7,090	\$ 7,445	\$ 7,817	\$ 8,208	\$ 8,618
Civil Service Commission							
General Fund	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Commerce							
General Fund	\$ 40,500	\$ 61,300	\$ 80,747	\$ 81,042	\$ 81,351	\$ 81,677	\$ 77,018
Community Affairs							
General Fund	\$ 18,095	\$ 31,060	\$ 18,698	\$ 31,077	\$ 31,476	\$ 31,893	\$ 32,331
State Lottery Fund .....	.....	.....	25,750	25,850	25,955	2,315	2,431
TOTAL	\$ 18,095	\$ 31,060	\$ 44,448	\$ 56,927	\$ 57,431	\$ 34,208	\$ 34,762

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND

(continued)

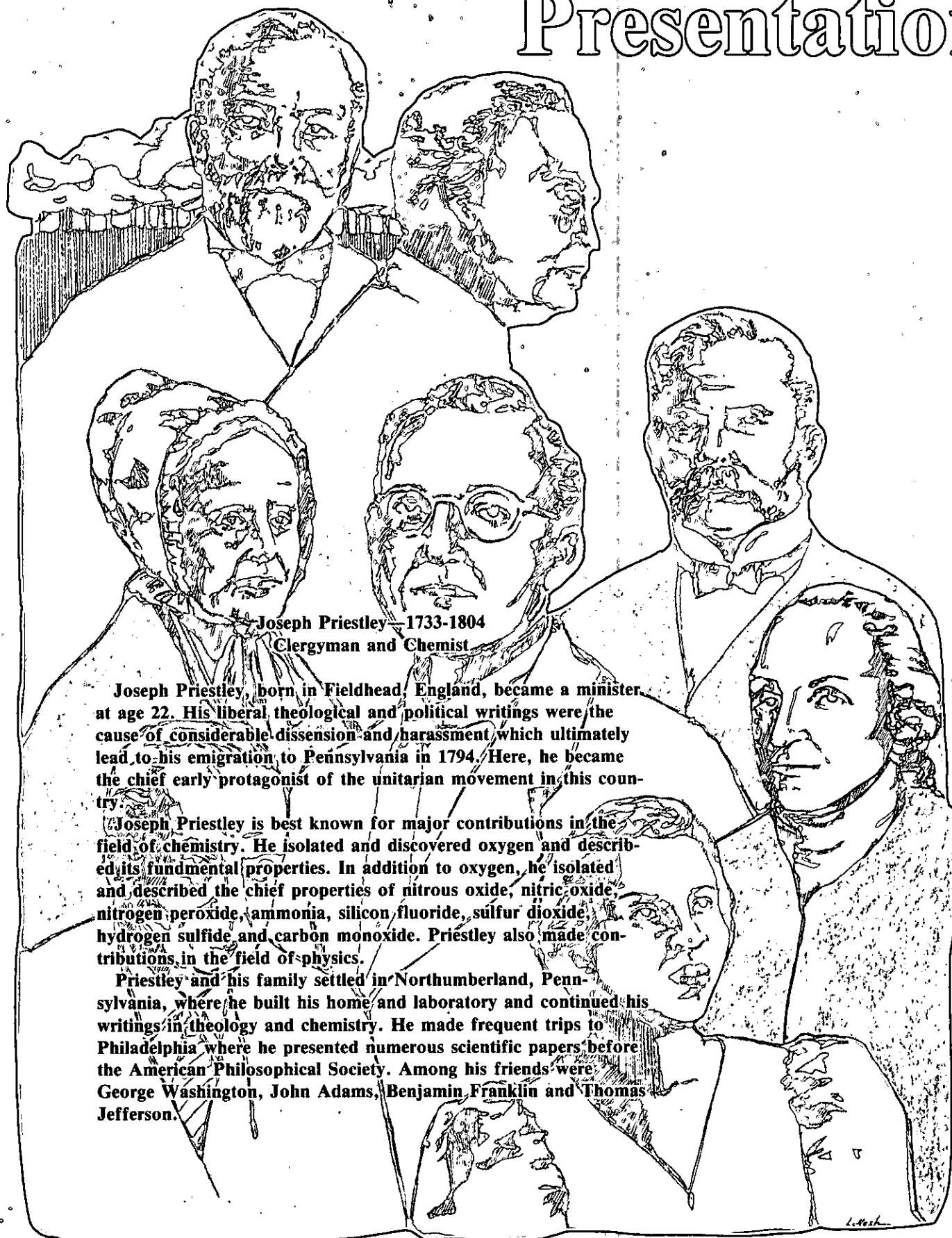
	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Corrections							
General Fund	\$ 149,067	\$ 159,943	\$ 184,430	\$ 209,768	\$ 238,014	\$ 270,348	\$ 307,410
Crime Commission							
General Fund	\$ 2,115	\$ 2,094	\$ 2,178	\$ 2,287	\$ 2,401	\$ 2,521	\$ 2,647
Education							
General Fund	\$3,508,925	\$3,805,850	\$4,115,745	\$4,416,010	\$4,721,211	\$5,029,469	\$5,337,400
Motor License Fund	2,801	2,706	2,605	2,575	2,510	2,450	2,400
State Lottery Fund .....	.....	.....	10,500	11,025	11,577	12,156	12,764
Federal Revenue Sharing Trust Fund .....	.....	2,500	.....	.....	.....	.....	.....
TOTAL	\$3,511,726	\$3,811,056	\$4,128,850	\$4,429,610	\$4,735,298	\$5,044,075	\$5,352,564
Emergency Management							
General Fund	\$ 2,282	\$ 2,738	\$ 2,403	\$ 2,523	\$ 2,649	\$ 2,781	\$ 2,920
Environmental Resources							
General Fund	\$ 112,740	\$ 118,560	\$ 133,768	\$ 136,158	\$ 143,441	\$ 151,523	\$ 156,240
Fish Commission							
General Fund	\$ 4	\$ 4	\$ 160	\$ 160	\$ 4	\$ 4	\$ 4
Fish Fund	13,622	15,281	15,908	16,703	17,538	18,415	19,336
Boating Fund	3,120	3,909	4,036	4,238	4,450	4,673	4,907
TOTAL	\$ 16,746	\$ 19,194	\$ 20,104	\$ 21,101	\$ 21,992	\$ 23,092	\$ 24,247
Game Commission							
Game Fund	\$ 29,761	\$ 32,334	\$ 28,955	\$ 30,403	\$ 31,923	\$ 33,519	\$ 35,195
General Services							
General Fund	\$ 110,900	\$ 105,825	\$ 112,433	\$ 113,960	\$ 116,365	\$ 117,734	\$ 116,563
Motor License Fund	8,172	15,220	14,210	15,710	18,210	21,210	21,210
Fish Fund	62	63	63	63	63	63	63
Boating Fund	2	2	2	2	2	2	2
Banking Department Fund .....	.....	314	292	301	311	318	320
State Lottery Fund	508	591	413	415	430	441	441
Federal Revenue Sharing Trust Fund	362	293	70	.....	.....	.....	.....
TOTAL	\$ 120,006	\$ 122,308	\$ 127,483	\$ 130,451	\$ 135,381	\$ 139,768	\$ 138,599
Health							
General Fund	\$ 108,680	\$ 119,341	\$ 120,946	\$ 124,838	\$ 127,483	\$ 130,341	\$ 133,385
Historical and Museum Commission							
General Fund	\$ 10,310	\$ 10,379	\$ 11,320	\$ 11,814	\$ 12,334	\$ 12,879	\$ 13,453
Insurance							
General Fund	\$ 6,983	\$ 7,069	\$ 7,452	\$ 7,825	\$ 8,216	\$ 8,626	\$ 9,057
Labor and Industry							
General Fund	\$ 36,506	\$ 60,040	\$ 61,477	\$ 44,769	\$ 45,182	\$ 45,633	\$ 46,125
Military Affairs							
General Fund	\$ 19,691	\$ 22,587	\$ 24,591	\$ 28,545	\$ 30,907	\$ 32,256	\$ 33,665
Milk Marketing Board							
General fund	\$ 950	\$ 950	\$ 950	\$ 950	\$ 1,050	\$ 1,100	\$ 1,200
Milk Marketing Fund	766	773	804	804	788	788	788
TOTAL	\$ 1,716	\$ 1,723	\$ 1,754	\$ 1,754	\$ 1,838	\$ 1,888	\$ 1,988

FIVE-YEAR DEPARTMENTAL SUMMARY BY FUND

(continued)

	(Dollar Amounts in Thousands)						
	1982-83 Actual	1983-84 Available	1984-85 Budget	1985-86 Estimated	1986-87 Estimated	1987-88 Estimated	1988-89 Estimated
Public Welfare							
General Fund	\$ 2,607,883	\$ 2,570,399	\$ 2,584,117	\$ 2,705,965	\$ 2,821,680	\$ 2,957,497	\$ 3,100,561
State Lottery Fund .....	.....	100,000	169,139	170,961	173,131	174,785	176,544
TOTAL	\$ 2,607,883	\$ 2,670,399	\$ 2,753,256	\$ 2,876,926	\$ 2,994,811	\$ 3,132,282	\$ 3,277,105
Revenue							
General Fund	\$ 125,889	\$ 135,727	\$ 146,579	\$ 158,203	\$ 171,159	\$ 185,724	\$ 202,108
Motor License Fund	10,062	11,028	11,510	11,824	12,157	12,510	12,851
State Racing Fund	308	377	213	220	228	236	245
State Lottery Fund	279,804	446,741	472,860	472,195	473,088	473,949	474,978
TOTAL	\$ 416,063	\$ 593,873	\$ 631,162	\$ 642,442	\$ 656,632	\$ 672,419	\$ 690,182
Securities Commission							
General Fund	\$ 1,500	\$ 1,691	\$ 1,975	\$ 2,074	\$ 2,178	\$ 2,287	\$ 2,401
State							
General Fund	\$ 3,764	\$ 3,474	\$ 3,564	\$ 3,717	\$ 3,883	\$ 4,056	\$ 4,246
State Employees' Retirement System							
General Fund	\$ 1,157	\$ 1,157	\$ 9,879	\$ 9,879	\$ 9,879	\$ 9,879	\$ 9,879
State Police							
General Fund	\$ 54,613	\$ 55,553	\$ 59,919	\$ 61,795	\$ 64,816	\$ 67,988	\$ 71,319
Motor License Fund	119,931	123,001	131,671	138,186	145,026	152,206	159,749
TOTAL	\$ 174,544	\$ 178,554	\$ 191,590	\$ 199,981	\$ 209,842	\$ 220,194	\$ 231,068
Tax Equalization Board							
General Fund	\$ 887	\$ 929	\$ 966	\$ 1,014	\$ 1,065	\$ 1,118	\$ 1,174
Transportation							
General Fund	\$ 155,570	\$ 173,280	\$ 179,918	\$ 190,062	\$ 201,152	\$ 212,630	\$ 225,044
Motor License Fund	850,997	906,209	912,937	916,781	917,865	918,643	919,723
State Lottery Fund	48,228	60,300	65,145	68,132	71,269	74,562	78,020
TOTAL	\$ 1,054,795	\$ 1,139,789	\$ 1,158,000	\$ 1,174,975	\$ 1,190,286	\$ 1,205,835	\$ 1,222,787
Legislature							
General Fund	\$ 63,886	\$ 76,142	\$ 80,211	\$ 84,221	\$ 88,433	\$ 92,854	\$ 97,497
Judiciary							
General Fund	\$ 88,952	\$ 97,242	\$ 102,423	\$ 106,053	\$ 109,864	\$ 113,865	\$ 118,065
Commonwealth Total							
General Fund	\$ 7,604,380	\$ 8,042,353	\$ 8,500,456	\$ 9,036,419	\$ 9,584,108	\$10,145,244	\$10,714,875
Motor License Fund	1,169,270	1,236,456	1,251,036	1,263,692	1,274,503	1,286,048	1,295,234
Game Fund	29,765	32,340	28,961	30,409	31,929	33,525	35,201
Fish Fund	13,687	15,349	15,976	16,771	17,606	18,483	19,404
Boating Fund	3,125	3,916	4,043	4,245	4,457	4,680	4,914
Banking Department Fund	6,933	7,160	7,387	7,751	8,133	8,531	8,943
Milk Marketing Fund	769	778	812	812	796	796	796
State Farm Products Show Fund	1,874	1,648	1,735	1,844	1,808	1,726	1,749
State Racing Fund	20,376	22,835	22,765	16,354	16,623	13,785	13,806
Pennsylvania Fair Fund	2,172	1,700	5	5	5	5	5
State Lottery Fund	351,266	737,480	916,095	917,836	930,758	918,616	929,986
Federal Revenue Sharing Trust Fund ..	362	2,793	70	.....	.....	.....	.....
GRAND TOTAL	\$ 9,203,979	\$10,104,808	\$10,749,341	\$11,296,138	\$11,870,726	\$12,431,439	\$13,024,913

Department Presentation

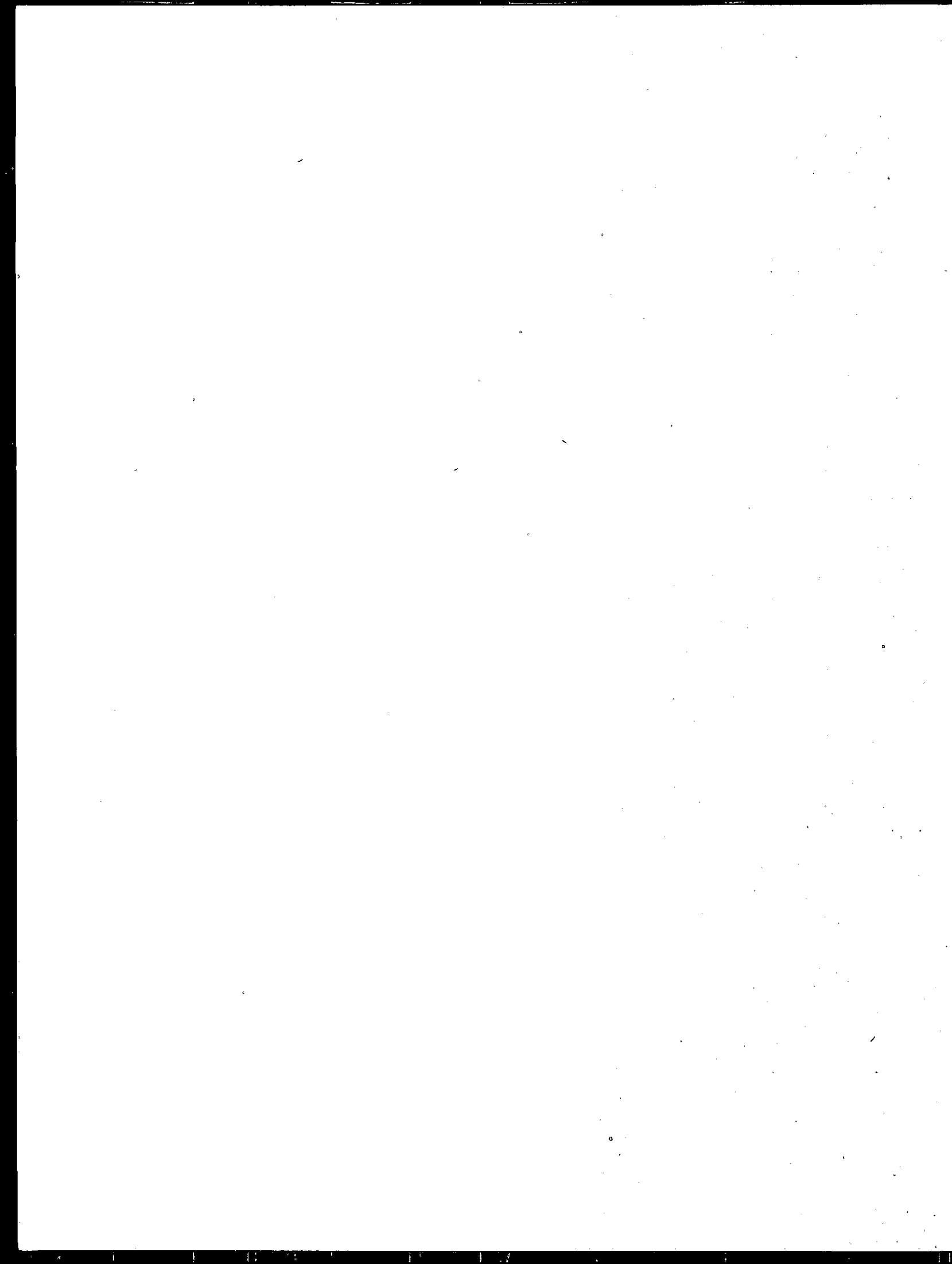


Joseph Priestley—1733-1804
Clergyman and Chemist

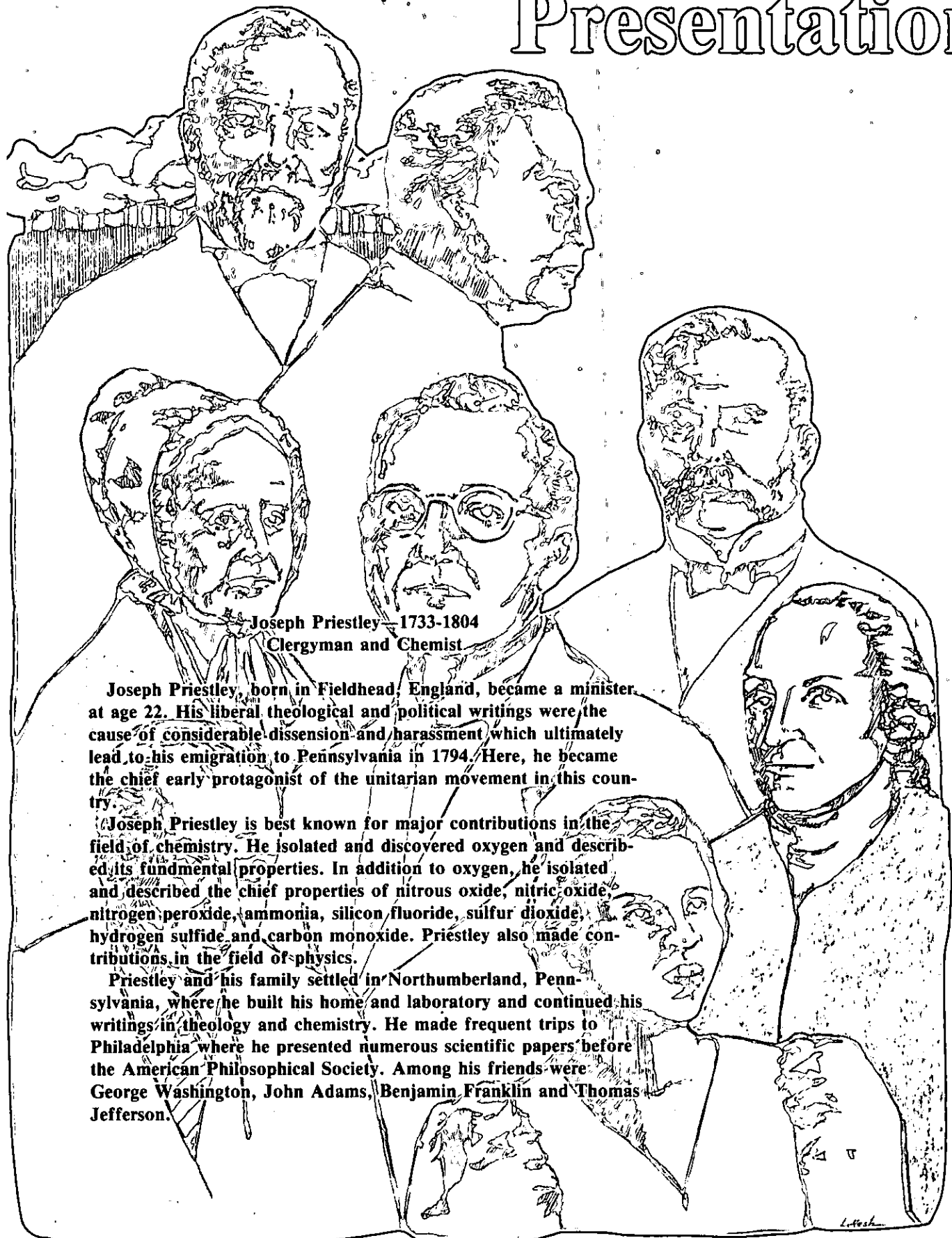
Joseph Priestley, born in Fieldhead, England, became a minister at age 22. His liberal theological and political writings were the cause of considerable dissension and harassment which ultimately lead to his emigration to Pennsylvania in 1794. Here, he became the chief early protagonist of the unitarian movement in this country.

Joseph Priestley is best known for major contributions in the field of chemistry. He isolated and discovered oxygen and described its fundamental properties. In addition to oxygen, he isolated and described the chief properties of nitrous oxide, nitric oxide, nitrogen peroxide, ammonia, silicon fluoride, sulfur dioxide, hydrogen sulfide and carbon monoxide. Priestley also made contributions in the field of physics.

Priestley and his family settled in Northumberland, Pennsylvania, where he built his home and laboratory and continued his writings in theology and chemistry. He made frequent trips to Philadelphia where he presented numerous scientific papers before the American Philosophical Society. Among his friends were George Washington, John Adams, Benjamin Franklin and Thomas Jefferson.



Department Presentation



Joseph Priestley—1733-1804
Clergyman and Chemist

Joseph Priestley, born in Fieldhead, England, became a minister at age 22. His liberal theological and political writings were the cause of considerable dissension and harassment which ultimately lead to his emigration to Pennsylvania in 1794. Here, he became the chief early protagonist of the unitarian movement in this country.

Joseph Priestley is best known for major contributions in the field of chemistry. He isolated and discovered oxygen and described its fundamental properties. In addition to oxygen, he isolated and described the chief properties of nitrous oxide, nitric oxide, nitrogen peroxide, ammonia, silicon fluoride, sulfur dioxide, hydrogen sulfide and carbon monoxide. Priestley also made contributions in the field of physics.

Priestley and his family settled in Northumberland, Pennsylvania, where he built his home and laboratory and continued his writings in theology and chemistry. He made frequent trips to Philadelphia where he presented numerous scientific papers before the American Philosophical Society. Among his friends were George Washington, John Adams, Benjamin Franklin and Thomas Jefferson.

Governor's Office

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

GOVERNOR'S OFFICE

Summary by Fund and Appropriation

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
General Fund			
General Government			
Governor's Office.....	\$ 3,165	\$ 3,169	\$ 3,299
GENERAL FUND TOTAL.....	<u>\$ 3,165</u>	<u>\$ 3,169</u>	<u>\$ 3,299</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Governor's Office			
State Funds	\$ 3,165	\$ 3,169	\$ 3,299

Provides the Governor with the necessary staff to perform the legislative, administrative and public information functions required of the office. Also provides for Pennsylvania's Liaison Office in Washington, D.C., and official entertainment and household expenses at the Governor's Home.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Governor's Office.....	<u>\$ 3,165^a</u>	<u>\$ 3,169^a</u>	<u>\$ 3,299^a</u>

^aExcludes \$50,000 in 1982-83 and 1983-84 for payment of dues to the Coalition of Northeastern Governors. Also, excludes \$25,000 in 1982-83 and \$40,000 in 1983-84 for payment of dues to the Northeast-Midwest Institute. In 1984-85, the payments are included as separate appropriations in the Treasury Department.

GOVERNOR'S OFFICE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 3,165	\$ 3,169	\$ 3,299	\$ 3,464	\$ 3,637	\$ 3,819	\$ 4,010
Executive Direction	3,165	3,169	3,299	3,464	3,637	3,819	4,010
DEPARTMENT TOTAL	<u>\$ 3,165</u>	<u>\$ 3,169</u>	<u>\$ 3,299</u>	<u>\$ 3,464</u>	<u>\$ 3,637</u>	<u>\$ 3,819</u>	<u>\$ 4,010</u>

Executive Direction

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	<u>\$ 3,165</u>	<u>\$ 3,169</u>	<u>\$ 3,299</u>	<u>\$ 3,464</u>	<u>\$ 3,637</u>	<u>\$ 3,819</u>	<u>\$ 4,010</u>

Program Analysis

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

Supporting the Governor in providing an effective administrative system through which the substantive programs

of the Commonwealth can be achieved, this program also includes funding for staff to assist with the legislative, administrative and public information functions required of his office, operation of Pennsylvania's Liaison Office in Washington, D.C., and official entertainment and household expenses at the Governor's Home.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Governor's Office.....	<u>\$ 3,165</u>	<u>\$ 3,169</u>	<u>\$ 3,299</u>	<u>\$ 3,464</u>	<u>\$ 3,637</u>	<u>\$ 3,819</u>	<u>\$ 4,010</u>

Executive Offices

To aid the Governor, the Office of Administration performs the duties of a central management agency and coordinates the Commonwealth's Integrated Central System and Data Communications Network. The Office of the Budget performs the duties of a central management agency, prepares the annual Governor's Budget and Five Year Financial Plan based upon the Governor's priorities and analysis of program effectiveness, and provides comptroller services for the maintenance and management of all agency accounts in the Commonwealth. The Human Relations Commission and the Pennsylvania Commission for Women promote equal opportunities for all people in employment, housing public accommodations and education. The Governor's Energy Council studies the Commonwealth's entire energy program from production to demand. The Council on the Arts provides for encouragement and development of the arts in Pennsylvania. The Office of Policy Development provides the Governor with policy analysis and research in areas relating to economic development, human services, public safety and other issues of concern to the Commonwealth. The Rural Affairs Task Force develops initiatives which will contribute significantly to understanding and addressing rural needs. The Commission on Crime and Delinquency provides the planning and technical assistance for the improvement of the Criminal Justice System. The Governor's Action Center provides citizens easy access to State Government. The Milrite Council seeks solutions to Pennsylvania's economic problems. The Public Employee Retirement Study Commission monitors public employee retirement plans to assure their actuarial viability. The Office of General Counsel provides legal counsel in matters affecting the operation of State agencies. The Juvenile Court Judges Commission provides technical and financial assistance to the juvenile probation staffs of the county courts. The Crime Victims Compensation Board provides financial assistance to relieve the financial hardship of individuals who have been victimized by criminal acts. The Health Facilities Hearing Board conducts preliminary hearings on appeals from decisions of the Department of Health relating to applications for certificate of need and the licensure of health care facilities. The Arbitration Panels for Health Care conducts hearings involving medical malpractice cases if requested by the claimant.

EXECUTIVE OFFICES

Summary by Fund and Appropriation

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
General Fund			
General Government			
Governor's Action Center	\$ 599	\$ 608	\$ 632
Office of Administration	3,818	3,261	3,391
Office of the Budget	17,059	17,463	19,010
Audit of the Auditor General .....	.....	.....	130
Audit of the Commonwealth's Financial Statement .....	.....	.....	1,100
ICS Development	1,975	2,281	3,249
ICS Production .....	.....	.....	1,000
Data Communications Network	400	650	852
Office of Policy Development	544	555	827
Milrite Council	204	208	216
Human Relations Commission	4,538	4,544	4,867
Council on the Arts	561	562	585
Commission for Women	175	178	218
Governor's Energy Council	1,219	963	1,038
Commission on Crime and Delinquency	1,319	1,505	1,767
Office of General Counsel	1,391	1,486	1,545
Juvenile Court Judges Commission	372	372	387
Crime Victims Compensation Board	348	346	395
Health Facilities Hearing Board	154	166	173
Public Employe Retirement Study Commission	198	310	350
Distinguished Daughters	3	4	4
Rural Affairs Task Force .....	.....	500	125
Subtotal	<u>\$ 34,877</u>	<u>\$ 35,962</u>	<u>\$ 41,861</u>
Grants and Subsidies			
Grants to the Arts	\$ 4,195	\$ 4,197	\$ 5,000
Improvement of Juvenile Probation Services	2,300	2,392	2,631
Compensation to Crime Victims	1,287	2,188	2,500
Labor Management Committees .....	.....	500	500
Subtotal	<u>\$ 7,782</u>	<u>\$ 9,277</u>	<u>\$ 10,631</u>
TOTAL STATE FUNDS	<u>\$ 42,659</u>	<u>\$ 45,239</u>	<u>\$ 52,492</u>
Federal Funds	\$ 8,482	\$ 16,395	\$ 15,012
Other Funds	27,723	28,974	29,174
GENERAL FUND TOTAL	<u>\$ 78,864</u>	<u>\$ 90,608</u>	<u>\$ 96,678</u>

EXECUTIVE OFFICES

Summary by Fund and Appropriation (Continued)

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Motor License Fund			
General Government			
Office of the Budget	\$ 3,430	\$ 3,426	\$ 3,563
<i>Total State Funds</i>	<u>\$ 3,430</u>	<u>\$ 3,426</u>	<u>\$ 3,563</u>
Other Funds	\$ 797	\$ 847	\$ 833
MOTOR LICENSE FUND TOTAL	<u>\$ 4,227</u>	<u>\$ 4,273</u>	<u>\$ 4,396</u>
 • Department Total — All Funds			
General Fund	\$ 42,659	\$ 45,239	\$ 52,492
Special Funds	3,430	3,426	3,563
- Federal Funds	8,482	16,395	15,012
Other Funds	28,520	29,821	30,007
TOTAL ALL FUNDS	<u>\$ 83,091</u>	<u>\$ 94,881</u>	<u>\$ 101,074</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Governor's Action Center			
State Funds	\$ 599	\$ 608	\$ 632

Provides citizens with easy access to State Government and attempts to resolve individual and family problems.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Governor's Action Center	<u>\$ 599</u>	<u>\$ 608</u>	<u>\$ 632</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Office of Administration			
State Funds	\$ 3,818	\$ 3,261	\$ 3,391
Other Funds	10,494	10,454	10,672
TOTAL	<u>\$ 14,312</u>	<u>\$ 13,715</u>	<u>\$ 14,063</u>

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

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Office of Administration	\$ 3,818	\$ 3,261	\$ 3,391
Other Funds:			
Reimbursement — Classification and Pay	1,162	1,187	1,235
Reimbursement — C.M.I.C.	7,901	8,333	8,466
Reimbursement — BMS	1,244	903	939
Reimbursement — Labor Relations	26	31	32
Reimbursement — Commonwealth Management Training Program	161	.....	.....
TOTAL	<u>\$ 14,312</u>	<u>\$ 13,715</u>	<u>\$ 14,063</u>

GENERAL FUND

EXECUTIVE OFFICES

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Office of the Budget			
State Funds	\$ 17,059	\$ 17,463	\$ 20,240
Federal Funds	434	569	995
Other Funds	15,920	17,720	17,796
TOTAL	<u>\$ 33,413</u>	<u>\$ 35,752</u>	<u>\$ 39,031</u>

Prepares and oversees the annual Commonwealth Budget and assists the Governor in formulating fiscal policies and procedures in order to reduce State program costs and to promote program effectiveness. Also, provides comptroller services for the maintenance and management of all agency accounts of the various substantive programs of all departments, and provides for an audit of the Auditor General and an audit of the Commonwealth's Financial Statement. These services are also provided to various special funds and authorities.

<i>Source of Funds</i>	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Appropriations:			
Office of the Budget	\$ 17,059	\$ 17,463	\$ 19,010
Audit of the Auditor General .....	.....	.....	130
Audit of the Commonwealth's Financial Statement .....	.....	.....	1,100
Federal Funds:			
CETA Accounting	434	.....	.....
Job Training Partnership Act — Program Accountability .....	.....	569	995
Other Funds:			
Reimbursement — Comptroller Services	15,920	17,720	17,796
TOTAL	<u>\$ 33,413</u>	<u>\$ 35,752</u>	<u>\$ 39,031</u>

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Integrated Central System			
State Funds	\$ 1,975	\$ 2,281	\$ 4,249

Provides a computerized base of information and report generating capabilities for policymaking which permits the development and production of a centralized system which includes accounting, budgeting, personnel, payroll and purchasing records, and reduces the number of redundant steps inherent in independent systems.

<i>Source of Funds</i>	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Appropriations:			
ICS Development	\$ 1,975	\$ 2,281	\$ 3,249
ICS Production .....	.....	.....	1,000
TOTAL	<u>\$ 1,975</u>	<u>\$ 2,281</u>	<u>\$ 4,249</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Data Communications Network			
State Funds	\$ 400	\$ 650	\$ 852
Other Funds	1,200	606	631
TOTAL	<u>\$ 1,600</u>	<u>\$ 1,256</u>	<u>\$ 1,483</u>

Provides for the integration of computer and data communications throughout the Commonwealth into a single network. The Network will provide improved and expanded data communications while reducing costs to the Commonwealth.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Data Communications Network	\$ 400	\$ 650	\$ 852
Other Funds:			
Agency Contributions	1,200	240	250
BMS — Bureau of EDP Policy and Planning .....	.....	366	381
TOTAL	<u>\$ 1,600</u>	<u>\$ 1,256</u>	<u>\$ 1,483</u>

	(Dollar Amounts in Thousands)		
Office of Policy Development	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 544	\$ 555	\$ 827
Federal Funds	762	1,166	1,070
Other Funds .....	.....	55	75
TOTAL	<u>\$ 1,306</u>	<u>\$ 1,776</u>	<u>\$ 1,972</u>

Provides for advancing the development of the Commonwealth through policy analysis and research in areas relating to economic development, human services, public safety and other issues of concern to the Commonwealth, and provides support to the State Planning Board.

GENERAL FUND

EXECUTIVE OFFICES

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Office of Policy Development	\$ 544	\$ 555	\$ 827
Federal Funds:			
EDA — Planning Assistance	85	68	68
CETA Title II — Economic Development Committee	146	33	
Community Services Block Grant — Economic Development Committee	97	33	
Job Training Partnership Act — Economic Development Committee		226	304
Social Services Block Grant — Office of Policy Development ..		187	222
Social Services Block Grant — Human Resources Committee ..	266	272	298
EDA — Supplemental and Basic Funding	129	56	30
Human Services Assessment	39	192	60
National Occupational Information Coordinating Committee ...		99	88
Other Funds:			
State Clearinghouse		55	75
TOTAL	<u>\$ 1,306</u>	<u>\$ 1,776</u>	<u>\$ 1,972</u>

Milrite	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 204	\$ 208	\$ 216

Seeks solutions to Pennsylvania's economic problems by focusing on those problems which require the cooperation of labor, business and government, and which affect firms and establishments currently doing business in Pennsylvania.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Milrite	<u>\$ 204</u>	<u>\$ 208</u>	<u>\$ 216</u>

GENERAL FUND

EXECUTIVE OFFICES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Human Relations Commission			
State Funds	\$ 4,538	\$ 4,544	\$ 4,867
Federal Funds	1,047	1,300	1,275
TOTAL	<u>\$ 5,585</u>	<u>\$ 5,844</u>	<u>\$ 6,142</u>

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

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Human Relations Commission	\$ 4,538	\$ 4,544	\$ 4,867
Federal Funds:			
EEOC — Special Project Grant	772	1,100	1,100
HUD — Special Project Grant	275	200	175
TOTAL	<u>\$ 5,585</u>	<u>\$ 5,844</u>	<u>\$ 6,142</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Council on the Arts			
State Funds	\$ 561	\$ 562	\$ 585
Federal Funds	91	131	138
TOTAL	<u>\$ 652</u>	<u>\$ 693</u>	<u>\$ 723</u>

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

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Council on the Arts	\$ 561	\$ 562 ^a	\$ 585
Federal Funds:			
National Endowment for the Arts — Basic State Grant	91	131	138
TOTAL	<u>\$ 652</u>	<u>\$ 693</u>	<u>\$ 723</u>

^aActually appropriated as \$521,000 for the Council on the Arts and \$41,000 for the Council's Public Relations Office.

GENERAL FUND

EXECUTIVE OFFICES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Commission for Women			
State Funds	\$ 175	\$ 178	\$ 218
Federal Funds	28		
Other Funds	2	4	
TOTAL	<u>\$ 205</u>	<u>\$ 182</u>	<u>\$ 218</u>

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

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Commission for Women	\$ 175	\$ 178	\$ 218
Federal Funds:			
CETA Title II — Work Training Program	28		
Other Funds:			
National Women's Education Fund	2	4	
TOTAL	<u>\$ 205</u>	<u>\$ 182</u>	<u>\$ 218</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Governor's Energy Council			
State Funds	\$ 1,219	\$ 963	\$ 1,038
Federal Funds	4,352	12,407	10,665
Other Funds	107	135	
TOTAL	<u>\$ 5,678</u>	<u>\$ 13,505</u>	<u>\$ 11,703</u>

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

GENERAL FUND

EXECUTIVE OFFICES

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Governor's Energy Council	\$ 1,219	\$ 963	\$ 1,038
Federal Funds:			
Energy Extension Services	618	700	359
State Energy Conservation Plan (EPCA)	2,711	2,200	986
Small Scale Appropriate Technology Grant .....	.....	17	150
Institutional Conservation Program	612	800	120
Jobs Bill — Institutional Conservation Program .....	.....	100	.....
Supplemental State Energy Conservation Plan (ECPA)	411	.....	.....
HUD — Energy Conservation and Solar Bank .....	.....	2,000	1,500
ARC — Industry Coal Conversion Assistance .....	.....	40	.....
Oil Overcharges — Energy Extension Services .....	.....	850	.....
Oil Overcharges — State Energy Conservation Plan (EPCA) .....	.....	750	545
Oil Overcharges — Institutional Conservation Program .....	.....	4,450	6,686
Oil Overcharges — Low Income Energy Assistance .....	.....	500	.....
Oil Overcharges — Coal Conversion and Alternative Fuel Studies .....	.....	.....	228
Oil Overcharges — Industrial Coal Conversion Study .....	.....	.....	91
Other Funds:			
Energy Council — Chevron Funds	107	135	.....
TOTAL	<u>\$ 5,678</u>	<u>\$ 13,505</u>	<u>\$ 11,703</u>

Commission on Crime and Delinquency	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 1,319	\$ 1,505	\$ 1,767
Federal Funds	1,304	272	209
TOTAL	<u>\$ 2,623</u>	<u>\$ 1,777</u>	<u>\$ 1,976</u>

Provides the planning for the improvement of the criminal justice system and technical assistance to all segments of the criminal justice system.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Commission on Crime and Delinquency	\$ 1,319	\$ 1,505	\$ 1,767
Federal Funds:			
Plan for Juvenile Justice	267	188	159
LEAA — State Planning	1,018	.....	.....
Criminal Justice Statistical Analysis Center	11	44	35
Jail Overcrowding and Technical Assistance	8	40	15
TOTAL	<u>\$ 2,623</u>	<u>\$ 1,777</u>	<u>\$ 1,976</u>

GENERAL FUND

EXECUTIVE OFFICES

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Office of General Counsel			
State Funds	\$ 2,265	\$ 2,370	\$ 2,500
Federal Funds	95	146	150
TOTAL	<u>\$ 2,360</u>	<u>\$ 2,516</u>	<u>\$ 2,650</u>

Provides legal counsel in matters affecting the operation of the State agencies. Also, this agency provides grants to crime victims, assistance to juvenile probation offices and conducts hearings on appeals concerning licensure of health care facilities.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Office of General Counsel	\$ 1,391	\$ 1,486	\$ 1,545
Juvenile Court Judges Commission	372	372	387
Crime Victims Compensation Board	348	346	395
Health Facilities Hearing Board	154	166	173
Federal Funds:			
Statistical Analysis Center	95	146	150
TOTAL	<u>\$ 2,360</u>	<u>\$ 2,516</u>	<u>\$ 2,650</u>

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Public Employe Retirement Study Commission			
State Funds	\$ 198	\$ 310	\$ 350

Provides an ongoing mechanism to monitor public employe retirement plans and develops a coordinated public employe pension policy in the Commonwealth.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Public Employe Retirement Study Commission	<u>\$ 198</u>	<u>\$ 310</u>	<u>\$ 350</u>

GENERAL FUND **EXECUTIVE OFFICES**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Distinguished Daughters			
State Funds	\$ 3	\$ 4	\$ 4

Provides payment for the ceremonies of the distinguished daughters of Pennsylvania.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Distinguished Daughters	<u>\$ 3</u>	<u>\$ 4</u>	<u>\$ 4</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Rural Affairs Task Force			
State Funds		\$ 500	\$ 125

Develops initiatives which will contribute significantly to understanding and addressing rural needs.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Rural Affairs Task Force	<u>.....</u>	<u>\$ 500</u>	<u>\$ 125</u>

GRANTS AND SUBSIDIES

	1982-83	(Dollar Amounts in Thousands) 1983-84	1984-85
	Actual	Available	Budget
Grants to the Arts			
State Funds	\$ 4,195	\$ 4,197	\$ 5,000
Federal Funds	369	404	510
TOTAL	<u>\$ 4,564</u>	<u>\$ 4,601</u>	<u>\$ 5,510</u>

Provides funds for grants to arts organizations in order to enrich the artistic and cultural experience of Pennsylvanians.

	1982-83	(Dollar Amounts in Thousands) 1983-84	1984-85
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Grants to the Arts	\$ 4,195	\$ 4,197	\$ 5,000
Federal Funds:			
National Endowment for the Arts — Basic State Grant.....	289	274	342
National Endowment for the Arts — Interarts Program .....	.....	50	60
National Endowment for the Arts — Artists-in-Schools.....	80	80	90
National Endowment for the Arts — Folk Arts .....	.....	.....	18
TOTAL	<u>\$ 4,564</u>	<u>\$ 4,601</u>	<u>\$ 5,510</u>

	1982-83	(Dollar Amounts in Thousands) 1983-84	1984-85
	Actual	Available	Budget
Improvement of Juvenile Probation Services			
State Funds	\$ 2,300	\$ 2,392	\$ 2,631

Provides grants to county juvenile probation agencies for upgrading their services. The grants are used to provide additional staff and to raise the quality of juvenile probation staff through minimum standards and training programs.

	1982-83	(Dollar Amounts in Thousands) 1983-84	1984-85
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Improvement of Juvenile Probation Services	<u>\$ 2,300</u>	<u>\$ 2,392</u>	<u>\$ 2,631</u>

GENERAL FUND

EXECUTIVE OFFICES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Compensation to Crime Victims			
State Funds	\$ 1,287	\$ 2,188	\$ 2,500

Provides payments to alleviate economic hardships of persons who have been injured during the commission of a crime where the injured party is a victim or a bystander to that crime. In cases where the bystander or victim is killed, payments are made to the victim's dependents.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Compensation to Crime Victims	\$ 1,287	\$ 1,338	\$ 2,500
Compensation to Crime Victims — Recommended			
Supplemental .....	.....	850	.....
TOTAL	<u>\$ 1,287</u>	<u>\$ 2,188</u>	<u>\$ 2,500</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Labor Management Committees			
State Funds	\$ 500	\$ 500

Provides grants to industry and area labor-management committees for start-up costs.

	(Dollar Amounts in Thousands)		
Source of Funds	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Labor Management Committees	<u>.....</u>	<u>\$ 500</u>	<u>\$ 500</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Office of the Budget			
State Funds	\$ 3,430	\$ 3,426	\$ 3,563
Other Funds	797	847	833
TOTAL	<u>\$ 4,227</u>	<u>\$ 4,273</u>	<u>\$ 4,396</u>

Provides comptroller services for the maintenance and management of all agency accounts of the substantive programs of all departments. These services are also provided to the various departments funded out of the Motor License Fund.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Office of the Budget	\$ 3,430	\$ 3,426	\$ 3,563
Other Funds:			
Reimbursement — Federal Sources	171	170	174
Reimbursement — Comptroller Services	626	677	659
TOTAL	<u>\$ 4,227</u>	<u>\$ 4,273</u>	<u>\$ 4,396</u>

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
Juvenile Justice and Delinquency Prevention	\$ 5,325	\$ 2,273	\$ 4,000
Arbitration Panels for Health Care	564	583	500
TOTAL	<u>\$ 5,889</u>	<u>\$ 2,856</u>	<u>\$ 4,500</u>

EXECUTIVE OFFICES

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 29,621	\$ 31,252	\$ 36,494	\$ 38,158	\$ 40,041	\$ 40,745	\$ 42,756
Executive Direction	28,230	29,766	34,949	36,536	38,338	38,957	40,879
Legal Services	1,391	1,486	1,545	1,622	1,703	1,788	1,877
Reduction of Discriminatory Practices	\$ 4,713	\$ 4,722	\$ 5,085	\$ 5,339	\$ 5,606	\$ 5,886	\$ 6,181
Prevention and Elimination of Discriminatory Practices	4,713	4,722	5,085	5,339	5,606	5,886	6,181
Cultural Enrichment	\$ 4,756	\$ 4,759	\$ 5,585	\$ 5,614	\$ 5,645	\$ 5,677	\$ 5,711
Development of Artists and Audiences	4,756	4,759	5,585	5,614	5,645	5,677	5,711
Commonwealth Economic Development ...	\$ 1,219	\$ 963	\$ 1,038	\$ 1,090	\$ 1,145	\$ 1,202	\$ 1,262
Energy Management and Conservation ..	1,219	963	1,038	1,090	1,145	1,202	1,262
Personal Economic Development	\$ 1,635	\$ 2,534	\$ 2,895	\$ 2,915	\$ 2,936	\$ 2,958	\$ 2,981
Income Maintenance	1,635	2,534	2,895	2,915	2,936	2,958	2,981
Control and Reduction of Crime	\$ 3,991	\$ 4,269	\$ 4,785	\$ 4,892	\$ 5,005	\$ 5,123	\$ 5,247
Criminal and Juvenile Justice Planning and Coordination	1,319	1,505	1,767	1,855	1,948	2,045	2,147
Reintegration of Juvenile Delinquents ...	2,672	2,764	3,018	3,037	3,057	3,078	3,100
Consumer Protection	\$ 154	\$ 166	\$ 173	\$ 182	\$ 191	\$ 201	\$ 211
Medical Malpractice Arbitration and Health Facilities Hearings	154	166	173	182	191	201	211
DEPARTMENT TOTAL	<u>\$ 46,089</u>	<u>\$ 48,665</u>	<u>\$ 56,055</u>	<u>\$ 58,190</u>	<u>\$ 60,569</u>	<u>\$ 61,792</u>	<u>\$ 64,349</u>

Executive Direction

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 24,800	\$ 26,340	\$ 31,386	\$ 32,795	\$ 34,410	\$ 34,833	\$ 36,549
Special Funds	3,430	3,426	3,563	3,741	3,928	4,124	4,330
Federal Funds	1,196	1,735	2,065	2,091	2,171	2,257	2,342
Other Funds	28,411	29,682	30,007	31,509	33,084	34,738	36,475
TOTAL	\$ 57,837	\$ 61,183	\$ 67,021	\$ 70,136	\$ 73,593	\$ 75,952	\$ 79,696

Program Analysis:

This program provides those administrative and overhead systems which are necessary for the achievement of substantive Commonwealth programs.

The Governor's Action Center provides citizen access to State government. In calendar year 1983, almost 88,000 Pennsylvanians received information, referral or problem-solving services through the agency's statewide toll-free telephone hotline. In addition, the agency stands ready to serve as a rumor control center in times of crisis. Working closely and cooperatively with other governmental agencies, the Governor's Action Center is able to demonstrate that State government is responsive to citizen needs.

The Office of Administration performs a wide range of functions for the Commonwealth. Personnel services are provided to employees of the Executive Offices. The Bureau of Personnel designs, develops, coordinates, implements, administers and monitors personnel management policy and programs designed to support the Governor's overall direction in managing the State work force. A significant component of the Bureau of Personnel is the Commonwealth Management Training Program which provides skills training to improve the efficiency and effectiveness of managers. The Bureau of Labor Relations negotiates and administers collective bargaining agreements between the Commonwealth and the various unions representing State employees under the provisions of the Public Employee Relations Act of 1970. The Bureau of Affirmative Action develops policies and procedures designed to eliminate discrimination against women and members of all minority groups.

In addition, the Bureau of Management Services conducts management studies to affect policy and systems changes in State programs in order to improve the operation, administration and organizational structuring of these programs. The Central Management Information Center (CMIC) is the data processing service center for all Commonwealth central administrative systems. CMIC manages

and maintains the Commonwealth's payroll, retirement and accounting systems for all agencies under the Governor's jurisdiction.

The Office of the Budget assists the Governor in formulating fiscal policies and procedures, and administers them for the Governor. The Office of the Budget prepares the Commonwealth Budget for delivery to the General Assembly and prepares necessary material to explain and defend the budget. The office also prepares fiscal notes and reviews proposed regulations as mandated by Act 149 of 1978. Emphasis continues to be placed on the review of State programs to reduce costs and to promote program effectiveness.

In addition, the Office of the Budget provides accounting, auditing, and financial advisory and supportive services to all Commonwealth agencies. The office has been instrumental in providing much of the direction, staff support and requirement setting essential in moving toward the adoption of generally accepted accounting principals (GAAP) and the ICS accounting systems.

The recommended budget for the Office of the Budget includes \$848,000 for increased audit activities, appropriation of general fund activities for payroll deduction accounting which were previously billed, enhanced budget analysis and program evaluations, and acquisition of approved EDP equipment for the Consolidated Data Information Center (CDIC) in order to meet increasing demands for comptroller operations EDP support. Also, \$130,000 is recommended for an audit of the Auditor General as mandated by Section 402 of the Fiscal Code and \$1.1 million is recommended for an independent audit of the Commonwealth's Financial Statement in order to further conform to generally accepted accounting principles (GAAP). Both audits are recommended as separate line item appropriations. Conversion of the financial statements to GAAP and review by an independent auditor in conjunction with the Auditor General is expected to strengthen the Commonwealth's position in

Executive Direction (continued)**Program Analysis: (continued)**

the financial markets and to result in substantial savings in the costs of issuing bonds and notes.

The Welfare Reform Act (Act 75 of 1982) requires an evaluation of the economic and social impact of the act on general assistance recipients who are classified as transitionally needy. The Office of the Budget and the Department of Public Welfare with the assistance of the Office of Policy Development are conducting a scientific study as required by Act 75. The study will be completed and distributed to the General Assembly in July, 1984.

The Bureau of EDP Policy and Planning, which is funded from the Data Communications Network appropriation, develops and implements electronic data processing policies and procedures for effective and efficient management, acquisition and utilization of all Commonwealth EDP resources. This includes the development and implementation of a Commonwealth EDP Master Plan and the Data Communications Network which will result in efficient and economical EDP services for all Commonwealth programs. The recommended amount includes an additional \$176,000 in order to move circuit terminations to the Network Control Center and to continue development of the Network.

The Integrated Central System facilitates policymaking and provides integrated accounting, budgeting, payroll, purchasing and personnel systems. This improves the effectiveness of managing the Commonwealth's operations as well as improving efficiency and control costs by decreasing paper flow, expediting processes and improving managers' productivity. In the 1984-85 year, emphasis will again be in the accounting and budgeting areas. For the first time, ICS costs for production and development are divided into separate line items. One million dollars is recommended for ICS production in order to continue the production of ICS subsystems, especially the accounting and budgeting subsystems. The recommended amount for ICS development includes an additional \$877,000 to continue the development of the accounting, budgeting, personnel, payroll and purchasing subsystems.

The Office of Policy Development provides substantive policy research and analytical support to the Governor and his Cabinet in areas relating to economic development, human services, public safety and other issues of concern to the Commonwealth. The office develops new program initiatives and suggests changes to existing programs, assesses the feasibility of proposals to improve existing programs, coordinates the implementation of Commonwealth policy, and monitors and develops responses to Federal actions. The Office of Policy Development also provides support to the State Planning Board in examining long-term trends affecting Pennsylvania and in establishing long-range objectives and action alternatives for economic development, community conservation and human services.

The recommended amount for the Office of Policy Development includes \$250,000 for the State Occupational Information Coordinating Committee (SOICC) to implement a

statewide economic data base and occupational information system. This system will help link potential employers to site locations and potential workers to employers, and facilitate planning for training programs and career choices for dislocated workers.

In addition, the Office of Policy Development works closely with the Economic Development and Human Resources Committees of the Cabinet in responding to issues which involve more than one agency or programmatic area. The Human Resources Committee facilitates the coordination of human resources issues and projects which require interdepartmental action. The Committee serves as the vehicle through which human service agencies coordinate programs and establishes measures to enhance and improve program effectiveness. The Economic Development Committee functions to ensure that State economic development programs and Federal programs administered by the State are firmly guided by a common set of policies and priorities that will result in more jobs and employment opportunities for Pennsylvanians. The Committee serves as the vehicle through which key State economic development related agencies focus their resources on projects that will improve Pennsylvania's economic climate.

The Rural Affairs Task Force will contribute significantly to understanding and addressing rural needs. The Task Force will be co-chaired by the directors of the Human Resources and Economic Development Committees. Formal commencement of the Task Force activities is not expected until early 1984.

The Milrite Council examines impediments to the development of industry and jobs in Pennsylvania by focusing on those problems requiring the cooperation of labor, business and government, and which affect firms and establishments currently doing business in Pennsylvania. The Council will continue to promote investment vehicles to be capitalized with pension funds, implement a grant program for area labor-management committees and continue to participate in the Ben Franklin Partnership Program.

The Public Employe Retirement Study Commission provides an ongoing mechanism to monitor public employe retirement plans and to develop a coordinated public employe pension policy in the Commonwealth. The Commission administers the municipal pension system actuarial reporting program and prepares actuarial notes for all proposed legislation affecting State or municipal pension plans. In 1984-85, the Commission will address the public pension issues which include fiduciary responsibility and liability, intrastate portability of service credit, and asset management and investment. An additional \$28,000 is recommended for actuarial consultant services which will allow the Commission to respond to requests for these services in a more expeditious manner.

Distinguished Daughters provides payment for selected women designated as Distinguished Daughters of Pennsylvania to attend ceremonies at the Governor's Home.

Executive Direction (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Governor's Action Center	\$ 599	\$ 608	\$ 632	\$ 664	\$ 697	\$ 732	\$ 769
Office of Administration	3,818	3,261	3,391	3,561	3,739	3,926	4,122
Office of the Budget	17,059	17,463	19,010	19,961	20,959	22,007	23,107
Audit of the Auditor General .....	.....	.....	130	.....	.....	.....	.....
Audit of the Commonwealth's Financial Statement .....	.....	.....	1,100	1,155	1,213	.....	.....
ICS Development	1,975	2,281	3,249	3,411	3,582	3,761	3,949
ICS Production .....	.....	.....	1,000	1,050	1,103	1,158	1,216
Data Communications Network	400	650	852	895	940	987	1,036
Office of Policy Development	544	555	827	868	911	957	1,005
Milrite	204	208	216	227	238	250	263
Public Employe Retirement Study Commission	198	310	350	368	386	405	425
Distinguished Daughters	3	4	4	4	4	5	5
Rural Affairs Task Force .....	.....	500	125	131	138	145	152
Labor Management Committees .....	.....	500	500	500	500	500	500
GENERAL FUND TOTAL	<u>\$ 24,800</u>	<u>\$ 26,340</u>	<u>\$ 31,386</u>	<u>\$ 32,795</u>	<u>\$ 34,410</u>	<u>\$ 34,833</u>	<u>\$ 36,549</u>
MOTOR LICENSE FUND							
Office of the Budget	<u>\$ 3,430</u>	<u>\$ 3,426</u>	<u>\$ 3,563</u>	<u>\$ 3,741</u>	<u>\$ 3,928</u>	<u>\$ 4,124</u>	<u>\$ 4,330</u>

Legal Services

OBJECTIVE: To provide legal advice to the Governor and the Cabinet, and to supervise, coordinate and administer legal services for the Commonwealth.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	<u>\$ 1,391</u>	<u>\$ 1,486</u>	<u>\$ 1,545</u>	<u>\$ 1,622</u>	<u>\$ 1,703</u>	<u>\$ 1,788</u>	<u>\$ 1,877</u>

Program Analysis:

This program was initiated upon passage of the Commonwealth Attorneys Act of 1980 which established the Office of General Counsel. The Office of General Counsel is headed by the General Counsel who is appointed by the Governor and who serves as the chief legal advisor to the Governor.

This office has the responsibility to appoint the Chief Counsel in each agency, and supervise, coordinate and administer legal services. The office renders such legal advice and representation prior to initiation of any action concerning matters and issues arising in connection with the exercise of the governmental power in the operation of agencies under the Governor's jurisdiction.

There are two major areas of responsibility for the General Counsel. First, this office provides general legal assistance to the Governor. The office reviews and approves for form and legality all Commonwealth deeds, leases, contracts, rules and regulations. It also is responsible for initiating appropriate proceedings or defending the Commonwealth when the Attorney General refuses or fails to

initiate appropriate proceedings. Second, the General Counsel has the authority to intervene in any action by or against an agency under the Governor's jurisdiction whenever the Governor shall request. This authority is not altered even if the Attorney General conducts the case.

The General Counsel also serves as the Chief Administrative Officer of the Office of General Counsel, the Bureau of Correction, the Juvenile Court Judges Commission, the Crime Victims Compensation Board, the Health Facilities Hearing Board and the Arbitration Panels for Health Care.

In addition, the General Counsel serves as a member of the Board of Commissioners on Uniform State Laws, the Pennsylvania Emergency Management Agency, the Joint Committee on Documents, the Board of Property, the Commission on Charitable Organizations, the Local Government Records Committee, the Medical Advisory Board, the Board of Finance and Revenue and the Civil Disorder Commission.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Office of General Counsel	<u>\$ 1,391</u>	<u>\$ 1,486</u>	<u>\$ 1,545</u>	<u>\$ 1,622</u>	<u>\$ 1,703</u>	<u>\$ 1,788</u>	<u>\$ 1,877</u>

Prevention and Elimination of Discriminatory Practices

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 4,713	\$ 4,722	\$ 5,085	\$ 5,339	\$ 5,606	\$ 5,886	\$ 6,181
Federal Funds	1,075	1,300	1,275	1,100	890	820	780
Other Funds	2	4	.....	.....	.....	.....	.....
TOTAL	\$ 5,790	\$ 6,026	\$ 6,360	\$ 6,439	\$ 6,496	\$ 6,706	\$ 6,961

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Formal complaint investigation:							
Cases pending	2,506	2,309	2,147	2,027	1,907	1,787	1,667
New cases filed	3,073	3,150	3,200	3,200	3,200	3,200	3,200
Cases closed	3,270	3,312	3,320	3,320	3,320	3,320	3,320
Projected cases pending	2,309	2,147	2,027	1,907	1,787	1,667	1,547
Pattern complaint cases closed	20	25	25	25	25	25	25
Informal complaints received	13,925	14,000	14,000	14,000	14,000	14,000	14,000
Individual requests filed for information concerning women's issues	2,050	2,300	2,600	3,000	3,400	3,700	4,000
Information services concerning women's issues	20,280	23,000	25,000	27,500	30,000	33,000	35,000

Program Analysis:

This program, as administered by the Human Relations Commission, is responsible for identifying, preventing and eliminating discriminatory practices that are illegal under the Pennsylvania Human Relations Act and the Pennsylvania Fair Educational Opportunities Act. The two principal methods utilized by the Commission to secure compliance with the law are providing technical assistance to organizations, business, governmental bodies and individuals to promote voluntary compliance, and processing formal complaints of discrimination which might result in formal legal proceedings being initiated.

The processing of formal complaints continues to be a major activity of the Commission, but substantial resources are also being devoted to providing technical assistance to anyone who requests guidance in avoiding illegal discriminatory acts. Industry, for example, has been active in requesting the Commission to review affirmative action plans, labor contracts, maternity leave policies and personnel policies in order to prevent financially expensive set-

tlements of back wages and benefits due because of illegal discrimination. Promoting voluntary compliance is a cost-effective method of reducing discrimination in the Commonwealth.

The Commission is also involved with major outreach programs to provide information to community leaders and public officials regarding the Pennsylvania Human Relations Act and its procedures.

The number of new cases filed each year continues to increase steadily. There has also been an increase in the number of informal complaints as more individuals are contacting the Commission to request informal assistance and to inquire about their rights. In many cases, the assistance provided requires considerable time and effort without the need for a formal complaint. The number of complaints received and closed surpassed projections of a year ago as a result of continued procedural and efficiency standards, and Act 247 of 1982 which authorized the appointment of hearing examiners to conduct public hearings. The program

Prevention and Elimination of Discriminatory Practices (continued)

Program Analysis: (continued)

measures have been adjusted accordingly to reflect the increase in case activity.

In the past several years, the Commission has streamlined its procedure for processing formal complaints of discrimination. The rapid charge processing system and other procedural changes have helped to assure maximum productivity.

The Commission's efforts to identify and remedy systemic discrimination will continue. This approach addresses major problems of discrimination against whole classes of employees.

Litigation remains a significant feature of the Commission's workload. In 1982-83, 47 public hearings were ordered and 32 prehearing conferences and public hearings were held. Nineteen of those cases were settled prior to the public hearing and 12 final orders were issued. In addition, the Commission was involved in 55 cases in State and Federal courts. Rulings upheld the Commission's regulatory authority and upheld Commission Orders involving sex discrimination in compensation, discrimination by volunteer fire companies, childbirth leave and discrimination based on handicap or disability.

On May 9, 1983, Commonwealth Court ruled in *Timothy Baker v. PHRC* that the Human Relations Commission must offer formal hearings to all complainants prior to dismissal of the complaint. These hearings must be conducted in accordance with the Administrative Agency Law. Subsequently, an additional \$141,000 is included in the recommended amount in order to avoid a significant increase in the Commission's case backlog.

As the State's advocate for women, the Pennsylvania Commission for Women regularly responds to two kinds of citizens' needs - information and assistance.

The information program publishes a bi-monthly periodical with news of women's issues and activities, and government actions of interest to women. It is sent to leaders of women's organizations, to government offices, and to individuals who request it. Requests have increased steadily and the quantity sent to groups has been decreased so that new requests can be met.

Individual publications on subjects such as credit rights, day care, discrimination, and job hunting are prepared and reprinted as needed. However, supplies of these resources have been severely depleted after two years of curtailed printing.

Information is provided to citizens through a periodical column and numerous individual requests for assistance. Both staff and the volunteer Commissioners respond to numerous speaking requests.

Citizens seeking assistance with discrimination complaints receive prompt and complete response with evaluation of their complaints, information, explanation and, if appropriate, possible courses of action for redress.

The recommended amount for the Commission for Women includes an additional \$33,000 in order to increase information services. The program measures for the Commission for Women reflect an increase in information services as a result of the additional recommended funds. The program measures have also been adjusted to reflect more accurate data.

Program Costs by Appropriation:

			(Dollar Amounts in Thousands)				
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Human Relations Commission	\$ 4,538	\$ 4,544	\$ 4,867	\$ 5,110	\$ 5,366	\$ 5,634	\$ 5,916
Commission for Women	175	178	218	229	240	252	265
GENERAL FUND TOTAL	<u>\$ 4,713</u>	<u>\$ 4,722</u>	<u>\$ 5,085</u>	<u>\$ 5,339</u>	<u>\$ 5,606</u>	<u>\$ 5,886</u>	<u>\$ 6,181</u>

Development of Artists and Audiences

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 4,756	\$ 4,759	\$ 5,585	\$ 5,614	\$ 5,645	\$ 5,677	\$ 5,711
Federal Funds	460	535	648	730	730	730	730
TOTAL	\$ 5,216	\$ 5,294	\$ 6,233	\$ 6,344	\$ 6,375	\$ 6,407	\$ 6,441

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Attendance at supported events (in thousands)	30,911	31,245	31,506	31,754	32,052	32,224	32,475
Site visits and consultations	10,118	9,804	10,100	10,250	10,346	10,415	10,520
Award applications reviewed	1,501	1,760	1,850	1,875	1,900	1,925	1,950
Awards made	706	650	730	730	730	730	730
Information services (circulation in thousands)	124	131	133	135	136	137	138

Program Analysis:

Pennsylvania's arts organizations serve millions of its citizens each year making a vital contribution to life in the Commonwealth. The organizations and artists served by the Pennsylvania Council on the Arts range from small community organizations that engender and support local arts activities to world-renowned orchestras and museums.

In economic terms, the arts are a significant industry. The 1983-84 applicants to the Council on the Arts reported attendance of more than 30 million, employment of approximately 10,000 people, and operating budgets totaling \$301 million. These figures reflect operations only and do not include capital campaigns or the value of real estate, collections, other holdings, or the multiplier effect on the economy which is generally calculated at a five to one ratio.

The Pennsylvania Council on the Arts functions in three ways to support and assist the arts in the Commonwealth: a grants program that responds to applications; program initiatives that address issues and problems that are beyond the capacity of a single arts institution; and staff services and technical assistance to arts organizations. The first two

involve direct expenditure of grant funds as well as the administrative costs of staff, panelists and specialists. The third is carried out by the program staff, panelists and Council members, and is supported entirely by the administrative appropriation.

Matching grants are made to nonprofit arts organizations for general support, support of specific arts projects, technical assistance, touring, and administrative and artistic development. With Federal funds, fellowships are awarded to individual artists for creative work.

The second method of assistance to the arts, program initiatives, addresses basic issues and challenges standard assumptions, and is an essential element in any program that is to do more than subsidize the status quo. Two very different but equally important initiatives are currently underway and a third has just been completed. The minority arts directory which has just been published, addresses the particular problems of access to minority arts groups by the mainstream and access to mainstream resources by minority organizations and artists. An initiative in literature ad-

Development of Artists and Audiences (continued)

Program Analysis: (continued)

dresses the problems of distribution of books of poetry and fiction, and an initiative in community arts addresses services to the local arts constituency through the development of integrated data systems for compatible software.

The third function of the Council in support of the arts is technical assistance and staff services to arts organizations. Site visits, consultations, and evaluations are the basis of the development and monitoring of programs. Field work is primarily a function of the program directors. They assist arts organizations in analyzing their problems and in planning solutions through their field work with staff and boards of directors, seminars and workshops, telephone conversations and correspondence, and by the initiation of special service projects from the Council Office.

The Council process depends on 14 advisory panels, each chaired by a Council member and composed of nine professionals in the particular art discipline. The "peer review"

panels are the cornerstone of the decision making process and provide the method that assures that applications receive the most informed and objective review possible. Panels also review program structure and make recommendations on the needs of their fields to the staff and to the Council.

The recommended amount for Grants to the Arts includes an additional \$803,000 so that the Council on the Arts can meet the needs of an increasing number of grant applications. The program measures for applications reviewed and awards made reflect the anticipated results of an increase in grant funds.

In addition, the program measure, site visits and consultations, has been adjusted downward for all years due to increasing travel costs and subsequent reduction of on-site visits. The program measure, attendance at supported events, has been adjusted upward as a result of better documentation resources with acquired EDP equipment.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Council on the Arts	\$ 561	\$ 562	\$ 585	\$ 614	\$ 645	\$ 677	\$ 711
Grants to the Arts	4,195	4,197	5,000	5,000	5,000	5,000	5,000
GENERAL FUND TOTAL	\$ 4,756	\$ 4,759	\$ 5,585	\$ 5,614	\$ 5,645	\$ 5,677	\$ 5,711

Energy Management and Conservation

OBJECTIVE: To increase public awareness of energy problems and to encourage public participation in the reduction of energy consumption.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 1,219	\$ 963	\$ 1,038	\$ 1,090	\$ 1,145	\$ 1,202	\$ 1,262
Federal Funds	4,352	12,407	10,665	8,972	8,222	8,222	8,222
Other Funds	107	135	.....	.....	.....	.....	.....
TOTAL	\$ 5,678	\$ 13,505	\$ 11,703	\$ 10,062	\$ 9,367	\$ 9,424	\$ 9,484

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Energy Center Efficiency Team Surveys ...	6,726	6,000	4,000	4,000	4,000	4,000	4,000
Workshop Attendance	2,669	5,000	3,250	3,250	3,250	3,250	3,250
ICP Technical Assistance Studies	95	89	117	100	100	100	100
ICP Energy Conservation Measures funded by category:							
Schools	117	314	544	329	303	303	303
Hospitals	48	63	165	100	92	92	92
Residential Energy and Solar Projects .....	.....	4,200	5,950	5,250	5,250	5,250	5,250

Program Analysis:

Pennsylvania's economic development is dependent upon the cost and availability of energy. The Governor's Energy Council (GEC) is responsible for devising strategies that increase energy security and mitigate the negative economic effect of rising energy costs. This authority was granted by the Governor in an Executive Order issued July 9, 1979.

The Governor's Energy Council programs are designed to achieve the goals of the Pennsylvania Energy Policy. They are economic efficiency in the use of energy, reliability and diversity of energy supply, greater use of Pennsylvania's indigenous energy resources, and fairness in energy pricing practices. The Council also develops and coordinates programs which implement Federal energy initiatives.

Four major policy initiatives implemented by the Energy Council include: an investigation of regulatory reform designed to increase efficiencies in electrical generation and delivery; cofunding of cogeneration/coal conversion project studies; promotion of Pennsylvania's abundant renewable resources; and establishment of third party financing for energy conservation measures in State buildings. The results of these efforts, along with information gained through the housing stock/conservation marketing survey

and the Pennsylvania Least Cost Energy Study Project, will be used to refine and update the Policy. The update will be a major effort in the 1984-85 year.

The Council has continued to shift the emphasis of conservation programs toward site specific information. For residential energy users, the Council staff administers the Residential Conservation Service which requires the participation of all major electric and gas utilities. This service provides comprehensive inventories of energy conservation opportunities specific to a home. As part of its strategy to improve the cost-effectiveness of utility conservation programs, the Council continually evaluates the progress of each utility and actively intervenes to encourage greater utility investment in conservation and renewable energy resources. The Council is also implementing the "Home Energy Score Card" which provides an energy efficiency rating for homes. This rating will be used by home buyers and sellers, real estate appraisers, and lenders in determining the true value of a home by including its energy costs.

The ten Pennsylvania Energy Centers (PEC) provide small business, local government and multi-family apartment owners site specific energy efficiency team conservation

Energy Management and Conservation (continued)

Program Analysis: (continued)

surveys. These surveys identify energy conservation projects which have a payback of one year or less. Throughout the three year life of the PEC program, a total of 20,000 visits have been conducted resulting in a savings of over 220,000 barrels of oil equivalency, an approximate savings of \$6 million. The Centers are contractually required to demonstrate energy savings of two barrels of oil equivalency for every 30 dollars spent.

Pennsylvania's schools and hospitals are aided in reducing energy consumption through the Energy Council's administration of an Institutional Conservation Program (ICP) which provides funds for making energy efficiency capital improvements. The full magnitude of the Institutional Conservation Program is not reflected in the budget because the project funds from the U.S. Department of Energy go directly to institutions based upon the review and recommendation of the Council. A total of \$19.5 million has been granted to Pennsylvania's schools and another \$8.5 million to its hospitals. The program saves over 1 million barrels of oil annually.

The program measure, Workshop Attendance, reflects significant changes from previous projections due to instituting a policy whereby scheduled workshops are cancelled if low attendance would result in a delivery cost of more than \$150 per attendee. Workshop attendance also reflects a significant increase in 1983-84 due to the Energy Council concentrating on cost-efficient workshops. Attendance in 1984-85 is expected to drop as a result of decreased Federal

funds. The program measure, Energy Center Efficiency Team Surveys, has been adjusted downward due to better documentation procedures and also reflects a significant reduction in 1984-85 as a result of decreasing Federal funds. The other three measures reflect additional Federal residential and solar energy project funds and oil overcharge funds.

An additional \$36,000 is recommended in State funds for the Energy Council to administer the Institutional Conservation Program due to continued and increasing oil overcharge funds available to the Commonwealth. A majority of the current oil overcharge funds are recommended for this program and current Federal regulations disallow the use of these funds for administration. The additional State funds will allow the Energy Council to more efficiently administer this program and subsequently, will result in a larger number of capital energy improvements to Pennsylvania schools and hospitals.

The Commonwealth anticipates receiving approximately \$15 million in oil overcharges in 1984-85. \$7.5 million is recommended for various Energy Council programs and \$7.5 million is recommended for the Department of Community Affairs Weatherization Program. Recommendations for the Energy Council include \$864,000 for funding the Pennsylvania Energy Centers, coal conversion and alternative fuel use studies, an industrial coal conversion service package and municipal waste to energy projects. The remaining amount, \$6.6 million, is recommended for the Institutional Conservation Program.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Governor's Energy Council	\$ 1,219	\$ 963	\$ 1,038	\$ 1,090	\$ 1,145	\$ 1,202	\$ 1,262

Income Maintenance

OBJECTIVE: To increase economic stability by providing financial assistance to those who have suffered financial loss as a result of being injured during the commission of a crime.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	<u>\$ 1,635</u>	<u>\$ 2,534</u>	<u>\$ 2,895</u>	<u>\$ 2,915</u>	<u>\$ 2,936</u>	<u>\$ 2,958</u>	<u>\$ 2,981</u>

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Claim backlog	1,693	1,590	1,160	810	510	260	60
Claims Submitted	1,285	1,440	1,500	1,550	1,600	1,650	1,700
Claims paid	507	670	650	650	650	650	650
Claims denied	881	1,200	1,200	1,200	1,200	1,200	1,200

Program Analysis:

Act 139 of July 1976 created the Crime Victims Compensation Program as a response to the suffering of crime victims. Individuals who are injured during commission of a crime not only have to bear physical and psychological pain but also financial hardships. This program can alleviate the financial hardships that result from unpaid medical expenses or loss of income.

For individuals to receive compensation, they must have incurred a minimum out-of-pocket loss of \$100 or have lost at least two continuous weeks' earnings or support unless the victim is age 60 or older at the time of the crime. In cases where the crime victim incurs serious financial loss, the individual or dependents may receive up to \$25,000. Compensation may not be paid for pain and suffering or for property loss or damage.

The program has expanded significantly since its inception in 1976. Initially, the Board received approximately 40 claims per month. Today, approximately 120 claims are received each month. One reason for this dramatic increase

in claims submitted is Act 114 which was signed into law in December of 1979. This Act requires that police officers notify victims of the availability of compensation. Act 114 also eliminated the \$100 minimum allowable claim requirement for victims age 60 or older.

The program measures have again been revised to more accurately reflect all claim indicators. All of these measures have been adjusted compared to previous budget estimates as a result of continued improvement in documentation procedures. The program measures also reflect an increase in claims paid, a decrease in the claim backlog and an increase in claims denied as a result of various efficiency measures on the part of the Board.

The recommended amounts include an additional \$35,000 for administration so that the Board can further reduce their claim backlog and an additional \$312,000 for crime victims compensation due to the Board processing more claims and increased claim awards involving medical costs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND:							
Crime Victims Compensation Board	\$ 348	\$ 346	\$ 395	\$ 415	\$ 436	\$ 458	\$ 481
Compensation to Crime Victims	1,287	2,188	2,500	2,500	2,500	2,500	2,500
GENERAL FUND TOTAL	<u>\$ 1,635</u>	<u>\$ 2,534</u>	<u>\$ 2,895</u>	<u>\$ 2,915</u>	<u>\$ 2,936</u>	<u>\$ 2,958</u>	<u>\$ 2,981</u>

Criminal and Juvenile Justice Planning and Coordination

OBJECTIVE: To provide criminal and juvenile justice system policy analysis, coordination and planning which will improve criminal justice programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 1,319	\$ 1,505	\$ 1,767	\$ 1,855	\$ 1,948	\$ 2,045	\$ 2,147
Federal Funds	1,304	272	209	217	226	235	244
TOTAL	\$ 2,623	\$ 1,777	\$ 1,976	\$ 2,072	\$ 2,174	\$ 2,280	\$ 2,391

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Jail overcrowding analyses completed/plans implemented	4	2	4	4	.....	.....	.....
Police officers attending basic and advanced crime prevention training	1,141	290	525	700	700	700	700
Police chiefs attending crime prevention training .....	.....	.....	300	400	400	200	200
Fire service personnel attending arson recognition and control courses .....	.....	200	1,200	1,200	1,200	1,200	1,200

Program Analysis:

The Pennsylvania Commission on Crime and Delinquency is authorized under Act 274 of 1978, as amended, to undertake criminal and juvenile justice planning, coordination and policy analysis.

The Commission functions as the Commonwealth's central source of planning, statistical analysis and program development for the improvement of the State's Justice System and is responsible for providing data analysis, research and legislative recommendations to the Governor's Office and the General Assembly. One of the Commission's primary roles is to examine criminal justice problems, propose viable solutions, and monitor and evaluate the impact that those solutions have on the various components of the justice system. The Commission also administers Federal funds under the Federal Juvenile Justice and Delinquency Prevention Act of 1974, as amended.

Most of the Commission's initiatives are developed under the direction of its many task forces on prison and jail crowding, victim services, career criminals, corrections/mental health, courts and criminal justice information systems, and its Juvenile Advisory Committee. The Commission also contributes to the Governor's Task Forces on Arson and

Crime Against the Elderly. Programs developed and managed by the Commission include Pennsylvania Crime Watch, the statewide crime prevention campaign; a variety of training programs for fire and police personnel to combat arson, prevent crime and abate elderly crime victimization; and several technical assistance initiatives to help counties deal with crowded prisons and to better prosecute repeat offenders.

Another of the Commission's mandates is to provide a periodic forum within which contemporary criminal justice issues can be reviewed, researched and analyzed. The forum function provides a valuable way in which key justice system officials, legislators, and other experts can consider the need for new policies and statutory reforms for improving the criminal justice system. Forums have occurred relative to prison crowding, career criminal and domestic violence. Other forums are anticipated on the issue of comprehensive victim services and strategies for making crime prevention a permanent function of police departments.

The Commission will continue to measure the effects of the mandatory sentencing law on sentencing practices and prison and jail conditions, and will continue to monitor the

Criminal and Juvenile Justice Planning and Coordination (continued)**Program Analysis: (continued)**

implementation of a tougher drunk driving statute in Pennsylvania. The Commission will also continue to work with the Bureau of Correction to assess the capacity shortfall of the correction system. The Commission also plans to examine the need for a State program for the training and certification of all criminal justice system personnel. As an ongoing assignment, the Commission will continue to work toward implementation of a State offender based statistics system capable of enabling line criminal justice agencies to track criminal offenders through all levels of the justice process.

Additional funds are included in this program for priority criminal justice initiatives. One provides \$102,000 to continue operating crime prevention programs and for planning

and coordinating a new crime victim services program. Another initiative provides \$100,000 for demonstration and incentive grants to four counties participating in the Commission's county jail crowding technical assistance project.

Program measures are included in this program for the first time as a result of a Commonwealth-wide program measure review and the Commission operating more measurable analyses and training programs. The program measures for 1983-84 reflect a decrease in activity due to a significant loss of Federal funds and subsequently, new priorities of the Commission. The program measures also reflect an increase in activity in 1984-85 as a result of recommended initiatives.

Program Costs by Appropriation:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Commission on Crime and Delinquency .	<u>\$ 1,319</u>	<u>\$ 1,505</u>	<u>\$ 1,767</u>	<u>\$ 1,855</u>	<u>\$ 1,948</u>	<u>\$ 2,045</u>	<u>\$ 2,147</u>

Reintegration of Juvenile Delinquents

OBJECTIVE: To reduce the recurrence of juvenile delinquency through replacement of criminal behavior with socially acceptable behavior.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 2,672	\$ 2,764	\$ 3,018	\$ 3,037	\$ 3,057	\$ 3,078	\$ 3,100
Federal Funds	95	146	150	158	166	174	183
TOTAL	\$ 2,767	\$ 2,910	\$ 3,168	\$ 3,195	\$ 3,223	\$ 3,252	\$ 3,283

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Percentage of referrals who have prior referrals	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Commitments as a percent of referrals	12.0%	11.5%	11.0%	10.5%	10.0%	10.0%	10.0%
Informal adjustments and consent decrees as a percent of disposition of cases	31%	33%	34%	35%	36%	36%	36%
Counties participating in juvenile probation grant programs	63	63	63	63	63	63	63

Program Analysis:

The Juvenile Court Judges Commission is responsible for the development and improvement of juvenile probation services throughout the Commonwealth. These services focus on the effective reintegration of juvenile offenders into the community through the increased performance of the juvenile courts and their staff.

The development of statewide standards for juvenile probation, statewide training, aftercare services, a statewide statistical program, and specialized intensive probation services have had a significant impact on improving the quality of services within the Commonwealth's Juvenile Court System. The Commission has been successful in obtaining the voluntary compliance of all 67 counties in the adoption of intake standards, participation in training programs, and participation in the statewide statistical program.

The grants-in-aid for the improvement of juvenile probation services have been a significant aid to the counties in enabling them to maintain the cost of obtaining and keeping professional probation staff. Participation in this program requires the counties to adhere to standards developed by the Commission on the operation of juvenile court intake and a juvenile probation merit system. A further requirement is that each participating county expends a

designated amount of their grant-in-aid on state of the art training, thereby maintaining the high levels of professionalism within the Commonwealth's juvenile probation system.

To date, the Commission has sponsored 21 different training programs for 700 juvenile court personnel addressing areas such as orientation for new court personnel, intermediate and advanced counselling, adolescent psychology, management theory, passive restraint and juvenile law. Four more programs are planned and by the end of 1983, the Commission will have provided training to over 800 Juvenile Court personnel in the aforementioned areas. The grant-in-aid has also provided 61 probation officers with an opportunity to receive a Master's Degree in the Administration of Justice.

Currently, 63 of the Commonwealth's counties participate in the Commission's grant-in-aid program. During 1983, Blair County joined the program bringing the total from 62 to 63 participating counties.

During 1982, juvenile probation officers worked with 28,055 delinquent youths that did not require placement in public, private institutions or other forms of court-ordered care. The number of youths institutionalized or requiring

Reintegration of Juvenile Delinquents (continued)

Program Analysis: (continued)

some form of court-ordered care decreased during 1982 from 4,407 to 3,811 or 13.5 percent. The total cost of probation services during 1982 was approximately \$20 million for the 28,055 youths on probation. Therefore, the approximate cost to work with youths on probation during 1982 was \$713. In contrast, the average cost to place a youth in any institution during 1982 was \$25,000 per youth.

The Commission is continuing to monitor the aftercare and intensive probation initiatives. During the first six months of 1983, those counties participating in the intensive probation programs have reduced the cost of placement from \$2 million to \$1.3 million or 35 percent. During the same time frame, the number of youths placed in institutions dropped from 166 to 101 or 39 percent. To date, only three of the 60 youths assigned to the intensive probation program have been rearrested. The latest data on aftercare

programs indicates that out of 222 children receiving after-care services, 28 have recidivated or 12.6 percent. When compared with the 30 percent statewide recidivism rate for children institutionalized, this represents a significant decrease. Therefore, it is a major priority of the Commission to continue its efforts to develop and strengthen probation services throughout the Commonwealth.

The recommended amount for Improvement of Juvenile Probation Services includes an additional \$239,000 for intensive probation and aftercare initiatives. This amount will allow the Commission to develop six new intensive probation programs and three new aftercare programs.

Program measures have been adjusted for all years to reflect the most accurate information available from the Commission's Data System.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Juvenile Court Judges Commission	\$ 372	\$ 372	\$ 387	\$ 406	\$ 426	\$ 447	\$ 469
Improvement of Juvenile Probation Services	2,300	2,392	2,631	2,631	2,631	2,631	2,631
GENERAL FUND TOTAL	<u>\$ 2,672</u>	<u>\$ 2,764</u>	<u>\$ 3,018</u>	<u>\$ 3,037</u>	<u>\$ 3,057</u>	<u>\$ 3,078</u>	<u>\$ 3,100</u>

Medical Malpractice Arbitration and Health Facilities Hearings

OBJECTIVE: To assist persons who have sustained injury or death as a result of tort or breach of contract by a health care provider to obtain prompt and just adjudication of their claim and to conduct preliminary hearings on appeals concerning health care facilities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 154	\$ 166	\$ 173	\$ 182	\$ 191	\$ 201	\$ 211
Other Funds	564	583	500	500	500	500	500
TOTAL	\$ 718	\$ 749	\$ 673	\$ 682	\$ 691	\$ 701	\$ 711

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Arbitration Panels for Health Care:							
Prior cases carried forward	33	34	34	34	34	34	34
New cases filed	14	20	20	20	20	20	20
Cases settled	13	20	20	20	20	20	20
Panel hearings	7	5	5	5	5	5	5
Time incident to disposition (in months) .	12	15	15	15	15	15	15
Health Facilities Hearing Board:							
Unresolved appeals carried forward	22	27	29	29	30	31	31
New appeals filed	33	30	32	34	34	35	36
Total number of open cases	55	57	61	63	64	66	67
Appeals resolved	28	28	32	33	33	35	36
Time incident to disposition of appeal (in months)	9	9	9	9	9	9	9

Program Analysis

The Arbitration Panels for Health Care were established by the Health Care Services Act of 1976 as part of a comprehensive program to deal with the growing problem of the unavailability of medical malpractice insurance at reasonable rates.

On September 26, 1980, in *Mattos v Thompson and Frankston*, the State Supreme Court issued an opinion finding unconstitutional that section of the Health Care Services Act which gave the Arbitration Panels exclusive jurisdiction over medical malpractice claims. The court found that the procedures established under the Act resulted in long delays which impermissibly infringed upon the constitutional right to a jury trial. The rest of the Act was left intact.

As a result of that court decision, the program has undergone a major revision as a large number of claims were transferred to the court system. As of September 30, 1983, a small number of claims remain in the Office of the Ad-

ministrator. In addition, the Office has been assisting several of the courts of common pleas with the claims transferred by holding conciliation conferences for those claims.

The operating expenses of the Arbitration Panels are funded through assessments on the various health care providers. General Fund monies are not used to support this program.

Program measures have again been adjusted downward for all years to more accurately reflect the decreased activity of the Arbitration Panels due to the 1980 State Supreme Court ruling.

This program also includes the Health Facilities Hearing Board. This Board was created by Act 48 of 1979. Its purpose is to conduct hearings throughout the State on appeals from decisions of the Department of Health relating to applications for certificate of need and decisions pertaining to licensure of health care facilities. The decision of the Board may be appealed to Commonwealth Court on the

Medical Malpractice Arbitration and Health Facilities Hearings (continued)

Program Analysis: (continued)

record made before the Board.

Prehearing conferences are held for each appeal scheduled for hearing. The purpose of the prehearing conference is to make possible a more effective use of hearing time, to explore settlement possibilities, and to expedite the orderly conduct and disposition of the appeal.

The Board also rules on prehearing motions and in some instances, approves settlement agreements between the parties.

The program measure, total number of open cases, reflects increases for all years. The increases in open cases are a result of appeals taking longer than anticipated.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Health Facilities Hearing Board	<u>\$ 154</u>	<u>\$ 166</u>	<u>\$ 173</u>	<u>\$ 182</u>	<u>\$ 191</u>	<u>\$ 201</u>	<u>\$ 211</u>

Lieutenant Governor

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

OFFICE OF THE LIEUTENANT GOVERNOR

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
Lieutenant Governor's Office	\$ 407	\$ 412	\$ 478
Board of Pardons	184	197	205
GENERAL FUND TOTAL	<u>\$ 591</u>	<u>\$ 609</u>	<u>\$ 683</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Lieutenant Governor's Office			
State Funds	\$ 407	\$ 412	\$ 478

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

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Lieutenant Governor's Office	<u>\$ 407</u>	<u>\$ 412</u>	<u>\$ 478</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Board of Pardons			
State Funds	\$ 184	\$ 197	\$ 205

Hears petitions for clemency in all criminal cases except impeachment and recommends adjustment in the sentence. The Board is also empowered to arbitrate prerelease cases where the sentencing court and the Department of Corrections have a disagreement as to whether an inmate should be placed in this status.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Board of Pardons	<u>\$ 184</u>	<u>\$ 197</u>	<u>\$ 205</u>

LIEUTENANT GOVERNOR

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 591	\$ 609	\$ 683	\$ 717	\$ 753	\$ 790	\$ 830
Executive Direction	591	609	683	717	753	790	830
DEPARTMENT TOTAL	<u>\$ 591</u>	<u>\$ 609</u>	<u>\$ 683</u>	<u>\$ 717</u>	<u>\$ 753</u>	<u>\$ 790</u>	<u>\$ 830</u>

LIEUTENANT GOVERNOR

Executive Direction

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 591	\$ 609	\$ 683	\$ 717	\$ 753	\$ 790	\$ 830

Program Analysis

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

In addition to these functions prescribed by law, he also serves the Governor in many other important areas and is Chairman of the Emergency Management Council and the

Governor's Energy Council. As chairman of these councils, the Lieutenant Governor is faced with the direct responsibility of coordinating relief information and assistance during crisis like the Three Mile Island accident and the severe gasoline shortage which affected all of the eastern seaboard as well as Pennsylvania. Although the immediate effects of these events have dissipated, the ongoing monitoring and planning to react to similar occurrences is a very real part of the operation of this office. Also included in this program is the Board of Pardons which reviews applications for reprieves, commutation of sentences and pardons.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Lieutenant Governor's Office	\$ 407	\$ 412	\$ 478	\$ 502	\$ 527	\$ 553	\$ 581
Board of Pardons.....	184	197	205	215	226	237	249
GENERAL FUND TOTAL	\$ 591	\$ 609	\$ 683	\$ 717	\$ 753	\$ 790	\$ 830

Attorney General

The State constitution provides that the Attorney General shall be the chief law officer of the Commonwealth and shall exercise such powers and perform such duties as may be imposed by law.

The Commonwealth Attorneys Act establishes the Attorney General as the chief legal and law enforcement officer of the Commonwealth and provides the following fundamental duties and responsibilities of the Office of Attorney General:

To be the Commonwealth's chief law enforcement officer charged with the responsibility for the prosecution of organized crime and public corruption. This law enforcement program includes a criminal investigations unit and drug law enforcement program as well as direction of state-wide and multi-county investigating grand juries and a Medicaid Fraud Control Section.

To represent the Commonwealth and all Commonwealth agencies and upon request the Auditor General, State Treasurer, and Public Utility Commission in any action brought by or against the Commonwealth or its agencies; to furnish upon request legal advice to the Governor or the head of any Commonwealth agency.

To review for form and legality, all proposed rules and regulations for Commonwealth agencies.

To review for form and legality all Commonwealth deeds, leases and contracts to be executed by Commonwealth agencies.

To collect, by suit or otherwise, all debts, taxes, and accounts due the Commonwealth which shall be referred to and placed with the Attorney General.

To administer the provisions relating to consumer protection as well as appoint the Advisory Committee.

To represent the Commonwealth and its citizens in any action brought for violation of the Antitrust Laws of the United States and the Commonwealth.

The Attorney General, in addition, serves as a member of the Board of Pardons, the Joint Committee on Documents, the Hazardous Substances Transportation Board, the Board of Finance and Revenue, the Pennsylvania Commission on Crime and Delinquency, the Civil Disorder Commission and the Municipal Police Officers Education and Training Commission.

ATTORNEY GENERAL

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 20,147	\$ 20,630	\$ 23,000
TOTAL STATE FUNDS	\$ 20,147	\$ 20,630	\$ 23,000
Federal Funds	\$ 1,565	\$ 1,861	\$ 1,808
Other Funds	677	712	760
Other Funds—Restricted Revenue	1,525	1,732	2,033
GENERAL FUND TOTAL	\$ 23,914	\$ 24,935	\$ 27,601

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Government Operations			
State Funds	\$ 20,147	\$ 20,630	\$ 23,000
Federal Funds	1,565	1,861	1,808
Other Funds	677	712	760
TOTAL	<u>\$ 22,389</u>	<u>\$ 23,203</u>	<u>\$ 25,568</u>

Provides for administration of the department. Administers the law enforcement powers of the Attorney General, enforces the Wire Tapping Law, provides staff and expenses for grand jury investigations and investigates wrong doing on the part of State employes or Commonwealth contractors. Also provides litigation services to the State agencies.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
General Government Operations	\$ 20,147	\$ 20,630	\$ 23,000
Federal Funds:			
Medicaid Fraud	1,476	1,761	1,808
LEAA — Hazardous Waste Investigation	65	.....	.....
LEAA — Wiretapping and Eavesdropping Unit	2	.....	.....
Study of Odometer Tampering	22	.....	.....
Hazardous Waste Prosecution .....	.....	100	.....
Other Funds:			
Sale of Seized Vehicles	25	25	25
Court Ordered Restitution of Drug Purchases	85	85	85
Legal Fees Reimbursement	119	96	118
Debts, Taxes, and Accounts	79	80	80
Reimbursement for Departmental Services	337	392	412
Consumer Protection Investigation Cost Reimbursement	4	4	10
Antitrust — Legal Fees Reimbursement	28	30	30
TOTAL	<u>\$ 22,389</u>	<u>\$ 23,203</u>	<u>\$ 25,568</u>

GENERAL FUND	ATTORNEY GENERAL
---------------------	-------------------------

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Office of Consumer Advocate			
Other Funds — Restricted Revenue	\$ 1,525	\$ 1,732	\$ 2,033

The Office of Consumer Advocate has the responsibility to represent the interest of consumers before the Pennsylvania Public Utility Commission and before any court or agency initiating proceedings in connection with any matter involving regulation by the Commission or the corresponding regulatory agency of the United States Government.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Other Funds:			
Office of Consumer Advocate ^a	<u>\$ 1,525</u>	<u>\$ 1,732</u>	<u>\$ 2,033</u>

^aAppropriation from a restricted revenue account.

ATTORNEY GENERAL

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 2,524	\$ 2,693	\$ 3,002	\$ 3,152	\$ 3,310	\$ 3,475	\$ 3,649
Legal Services	\$ 6,863	\$ 6,904	\$ 7,697	\$ 8,082	\$ 8,486	\$ 8,910	\$ 9,356
Commonwealth Agencies Legal Services ..	6,863	6,904	7,697	8,082	8,486	8,910	9,356
Public Protection	\$ 2,915	\$ 3,060	\$ 3,412	\$ 3,583	\$ 3,762	\$ 3,950	\$ 4,147
Public Protection	2,915	3,060	3,412	3,583	3,762	3,950	4,147
Control and Reduction of Crime	\$ 7,845	\$ 7,973	\$ 8,889	\$ 9,333	\$ 9,800	\$ 10,290	\$ 10,805
Criminal Law	7,845	7,973	8,889	9,333	9,800	10,290	10,805
DEPARTMENT TOTAL	<u>\$ 20,147</u>	<u>\$ 20,630</u>	<u>\$ 23,000</u>	<u>\$ 24,150</u>	<u>\$ 25,358</u>	<u>\$ 26,625</u>	<u>\$ 27,957</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 2,524	\$ 2,693	\$ 3,002	\$ 3,152	\$ 3,310	\$ 3,475	\$ 3,649
Other Funds	337	392	412	433	455	478	502
TOTAL	\$ 2,861	\$ 3,085	\$ 3,414	\$ 3,585	\$ 3,765	\$ 3,953	\$ 4,151

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of program activities necessary for the achievement of Commonwealth and agency objectives.

The success or failure of all these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the cost of provided services.

This subcategory has been revised from previous budgets

to now include only normal direct administrative and overhead costs of the Attorney General and the Office of Management Services; previously it had also included all costs involved in contract, lease and deed review, tort claims and other liability cases, review of proposed rules and regulations, civil rights cases involving Bureau of Corrections prisoners and cases involving payment of benefits by the Department of Welfare, which are now included in the new subcategory Commonwealth Agencies Legal Services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	<u>\$ 2,524</u>	<u>\$ 2,693</u>	<u>\$ 3,002</u>	<u>\$ 3,152</u>	<u>\$ 3,310</u>	<u>\$ 3,475</u>	<u>\$ 3,649</u>

Commonwealth Agencies Legal Services

OBJECTIVE: To provide legal services for governmental agencies of the Commonwealth.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 6,863	\$ 6,904	\$ 7,697	\$ 8,082	\$ 8,486	\$ 8,910	\$ 9,356
Other Funds	198	176	198	204	210	217	224
TOTAL	\$ 7,061	\$ 7,080	\$ 7,895	\$ 8,286	\$ 8,696	\$ 9,127	\$ 9,580

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Cases handled:							
Torts	825	907	997	1,097	1,207	1,320	1,451
Other litigation	775	1,000	1,100	1,200	1,300	1,500	1,650
Deeds, leases and contracts reviewed	26,000	28,600	31,400	34,500	37,900	41,500	45,000
Rules and regulations reviewed	570	598	627	658	680	712	740
Delinquent accounts:							
Dollars collected (in thousands)	\$15,069	\$15,800	\$16,000	\$16,500	\$17,000	\$17,500	\$18,000
Cost per dollar collected	\$.09	\$.09	\$.09	\$.10	\$.10	\$.10	\$.11
New claims (priority)	20,707	23,000	25,000	27,000	28,000	29,000	30,000

Program Analysis:

This subcategory provides legal services for the governmental agencies of the Commonwealth as required of the Attorney General's office by Section 204 of the Commonwealth Attorneys Act. Specifically, the Attorney General's office represents the Commonwealth and all Commonwealth agencies and upon request the Auditor General, State Treasurer, and Public Utility Commission in any action brought by or against the Commonwealth or its agencies; furnishes upon request legal advice to the Governor or the head of any Commonwealth agency; collects, by suit or otherwise, all debts, taxes and accounts due the Commonwealth which shall be referred to and placed with the Attorney General; and reviews for form and legality, all proposed rules and regulations of Commonwealth agencies, and all Commonwealth deeds, leases, and contracts.

This is a new subcategory including all activities carried out under the former Collection of Delinquent Accounts subcategory, plus many other activities previously shown in the General Administration and Support subcategory. Among the activities moved into this program from General Administration and Support are the review of some 26,000

contracts, leases and deeds and 570 proposed rules and regulations annually and litigation involving 825 tort claims cases and 775 other liability cases annually.

The delinquent accounts measures have changed markedly from the figures shown in last year's budget. The number of new claims has increased sharply because the Departments of Public Welfare and Transportation came on-line in the collections system for the first time. Dollars collected, meanwhile, decreased because 1981-82 actual collections included unusually large one-time payments from railroad bankruptcies and these 1981-82 collections were used last year as the basis for projections. Projections in this budget are based on 1982-83 collections.

The number of tort claims and other litigation cases shown in the measure above is much lower than the level discussed within the General Administration and Support program analysis last year. This is because the data above reflects cases disposed of, while numbers used last year reflected case inventory; the differences between case disposals and inventory reflects both the increasing backlog in the court system and the increasingly litigious nature of our society.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 6,863	\$ 6,904	\$ 7,697	\$ 8,082	\$ 8,486	\$ 8,910	\$ 9,356

Public Protection

OBJECTIVE: To represent and protect the interests of citizens of the Commonwealth in areas of consumer protection, antitrust enforcement, charitable trusts and organizations and civil rights.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 2,915	\$ 3,060	\$ 3,412	\$ 3,583	\$ 3,762	\$ 3,950	\$ 4,147
Federal Funds	22	.....	.....	.....	.....	.....	.....
Other Funds	1,557	1,766	2,073	2,175	2,282	2,394	2,512
TOTAL	\$ 4,494	\$ 4,826	\$ 5,485	\$ 5,758	\$ 6,044	\$ 6,344	\$ 6,659

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Consumer protection:							
Consumer complaints concerning business practices investigated and mediated	15,425	17,500	17,500	17,500	17,500	17,500	17,500
Dollar value of recoupment to consumers regarding business practices (in thousands)	\$1,203	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300	\$1,300
Legal actions in which costs and penalties were assessed	99	100	110	115	120	120	120
Legal actions completed	46	50	55	60	70	70	70
Voluntary compliances	120	120	120	120	120	120	120
Rate cases argued by consumer advocate	24	27	N/A	N/A	NA/	N/A	N/A
Antitrust:							
Investigations initiated	56	60	65	70	70	70	70
Court actions brought .....	.....	2	2	2	2	2	2
Dollars paid or agreed to be paid to the Commonwealth or directly to its citizens (in thousands)	\$1,731	\$3,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Settlements with or without court action	23	33	10	10	10	10	10
Court actions brought other than consumer protection or antitrust	150	155	155	155	155	155	155

Program Analysis:

Activities within this subcategory are keyed specifically to: decreasing the incidence of fraud and deceptive business practices and securing recovery of damages to the Commonwealth and its citizens which result from these practices; enforcing Federal antitrust laws which encourage free enterprise and competition; providing for enforcement of laws dealing with charitable trusts and organizations; protecting the civil rights of Pennsylvania citizens; and providing for the representation of the consumer before the Public Utility Commission.

This program involves five entities within the Public Protection Division of the Attorney General's Office: the Of-

fice of Consumer Advocate; the Antitrust Section; the Bureau of Consumer Protection; the Charitable Trusts and Organization Section; and the Community Advocate Section.

The Bureau of Consumer Protection was created by the Legislature in 1966. There are eight offices throughout the State. It has responsibility for enforcing nine Acts: (1) the Unfair Trade Practices and Consumer Protection Law, (2) the Generic Drug Law, (3) the Mobile Home Park Law, (4) the Hearing Aid Sales Registration Law, (5) the Utility Service Tenants Rights Acts, (6) the Landlord Tenant Act, (7) the Home Improvement Finance Act, (8) the Motor Vehi-

Public Protection (continued)

Program Analysis: (continued)

cle Sales Finance Act and (9) the Goods and Services Installment Sales Act. Also, the Bureau enforces unfair debt collection practice regulations and regulations dealing with automobile purchase and repair fraud.

Two of the program measures reflecting the Bureau's activities, consumer complaints investigated and mediated and dollar value of recoupment to consumers, show declines from last year's budget. It is assumed these are statistical anomalies resulting from investigations like odometer tampering which do not typically involve or generate individual consumer complaints or large amounts of repayments to consumers. A new measure has also been added, indicating that 120 complaints annually are handled via voluntary compliance on the part of the business involved.

The second program area involves antitrust activities. Since the Commonwealth does not have its own antitrust statute, the Antitrust Section enforces the Federal Sherman and Clayton Acts and proceeds under *parens patriae* authority in other matters; this is a common law doctrine which allows the State to act on behalf of citizens who are unable to protect themselves. The program staff also conducts training programs and is now reviewing State regulations of various commissions and boards to determine which are unnecessary and anti-competitive.

A number of new program measures have been added to this year's budget to more fully reflect antitrust activities. The \$3.5 million settlement figure shown for 1983-84 is the anticipated result of several major cases now nearing settlement; substantial recoveries are also anticipated in the next few years in highway construction bid-rigging cases based on anticipated enactment of an anti-bidrigging statute. The large number of settlements in 1982-83 and 1983-84 are the result of individual settlements with numerous defendants in one major case; a return to normal settlement numbers is anticipated for 1984-85 and future years. Finally, no court actions were brought in 1982-83 because all antitrust claims filed were settled without litigation; again, it is expected that normal litigation patterns will resume, beginning this year.

The third program deals with charitable trusts. The Attorney General is charged with broad responsibilities for the enforcement of charitable trusts and overseeing nonprofit

corporations under common law *parens patriae* doctrine.

The fourth program is the Community Advocate. This activity centers on efforts to investigate complaints of official misconduct and police abuse. It also negotiates and conducts litigation to establish group homes for juveniles, mentally ill, or mentally retarded.

The last program is conducted by the Office of Consumer Advocate. A measure has been added to this year's budget to show rate cases argued by that office. This figure excludes proceedings not involving major rate cases, appeal proceedings pending before the Commonwealth and Supreme Courts of Pennsylvania, and natural gas and telephone proceedings before Federal regulatory agencies and courts. Budget and future year estimates of participation in rate cases are dependant upon the size and timing of utility rate increase requests, so estimates of the number rate cases the Consumer Advocate will argue in those years are not possible to determine at this time.

The amount included in this budget for the next fiscal year no longer simply reflects the Consumer Advocate's request. Prior to 1983-84, the Consumer Advocate submitted a budget request to the Governor and to the chairman of both legislative appropriation committees; each of the three recipients subsequently recommended a budget amount. The amount that was authorized was the lowest recommended figure of the three, but in no instance could the amount be more than five one hundredths of one percent of the total gross intrastate operating revenues of all public utilities subject to the jurisdiction of the Public Utility Commission (PUC) for the preceding calendar year; this latter limit still applies.

Act 25 of 1983, however, required that the Consumer Advocate go through the same budget process as most other Commonwealth agencies; the amount included in this budget for 1984-85 is, therefore, the amount recommended by the Governor. The source of funds for the Consumer Advocate's budget is an assessment on public utilities regulated by the PUC rather than State funds; as such, it is shown only as part of "Other Funds" in the Recommended Program Costs above. The amount recommended is \$2,033,000.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	<u>\$ 2,915</u>	<u>\$ 3,060</u>	<u>\$ 3,412</u>	<u>\$ 3,583</u>	<u>\$ 3,762</u>	<u>\$ 3,950</u>	<u>\$ 4,147</u>

Criminal Law

OBJECTIVE: To investigate and prosecute criminal activity through active enforcement of criminal laws

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 7,845	\$ 7,973	\$ 8,889	\$ 9,333	\$ 9,800	\$ 10,290	\$ 10,805
Federal Funds	1,543	1,861	1,808	1,981	2,175	.....	.....
Other Funds	110	110	110	110	110	110	110
TOTAL	\$ 9,498	\$ 9,944	\$ 10,807	\$ 11,424	\$ 12,085	\$ 10,400	\$ 10,915

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Investigations initiated by the Bureau of Criminal Investigations	246	240	210	210	210	210	210
Cases presented to the state-wide investigating Grand Jury	16	16	16	16	16	16	16
Prosecutions initiated in non-drug related cases	185	248	256	257	257	257	257
Investigations initiated by Medical Fraud Control Section	97	125	150	150	150	150	150
Drug law arrests:							
Cannabis (marijuana and Hashish)	274	270	270	270	270	270	270
Heroin	107	135	135	135	135	135	135
Cocaine	255	270	270	270	270	270	270
Stimulants	381	337	337	337	337	337	337
Hallucinogens	81	68	68	68	68	68	68
All other arrests	275	270	270	270	270	270	270
Total	1,373	1,350	1,350	1,350	1,350	1,350	1,350
Major drug traffickers arrested	290	338	338	338	338	338	338
Drug inspections at pharmacies, hospitals, institutions, professional and retail locations	694	800	800	800	800	800	800

Program Analysis:

Under Act 164 of 1980 the Attorney General is the Commonwealth's chief law enforcement officer. As such, the agency investigates and prosecutes criminal activity through active enforcement of criminal laws in accordance with Sections 205 and 206 of the Commonwealth Attorneys Act, with particular emphasis in the areas of public corruption and organized crime through the selective use of statewide investigating grand juries and court authorized electronic surveillance.

The criminal law effort is composed of a number of

diverse activities including the Organized Crime and Public Corruption Section, the Grand Jury Section, the Special Prosecutions Section, the Hazardous Waste Prosecutions Unit, the Bureau of Criminal Investigation, the Bureau of Narcotics Investigation and Drug Control, and the Medicaid Fraud Control Section.

The Organized Crime and Public Corruption Section provides legal supervision for a variety of criminal investigations and prosecutes the cases that result from those investigations. The primary focus is on public corruption in-

Criminal Law (continued)**Program Analysis: (continued)**

volving State officials and investigations and prosecutions under Pennsylvania's Corrupt Organizations Act. Criminal cases involving groups of people and in a number of counties are handled by this section when their size or complexity requires involvement by the Attorney General's Office. Examples of cases handled by this section are the investigation of job selling in the Office of Auditor General, bribery of public officials, falsification of employment documentation by State employes, food stamp fraud, counterfeit inspection sticker fraud, extortion by public officials, organized large-scale theft rings, and arson fraud rings.

In carrying out its responsibilities, the staff of the Organized Crime and Public Corruption Section maintains close liaison with the investigative agencies of the Office of Attorney General and with the appropriate investigative agencies at the State and local levels. They review investigative reports and render prosecutive opinions. When prosecuting cases, they prepare them for submission to the Investigating Grand Jury, authorize search warrants and criminal complaints pursuant to recent changes in the Pennsylvania Rules of Criminal Procedure and approve consensual electronic surveillance. Attorneys for the section present their cases in the courts throughout the Commonwealth, at both the trial and appellate level. In the public corruption area, close liaison is maintained with the State Ethics Commission to insure the appropriate interchange of information and the proper exercise of jurisdiction by the respective offices. This section also works with the Federal agencies having responsibility in the area of organized crime and with State law enforcement agencies and similar investigative bodies with such responsibilities.

The Grand Jury Section is designated to provide the necessary administrative support to the Grand Jury. It coordinates and schedules all matters to be brought before the Grand Jury in order to use the time of the Grand Jury most efficiently and to relieve the investigative agencies and the prosecuting attorneys of the responsibility for coordinating their matters with other agencies and other attorneys. The section also handles all legal matters which are directed at the functioning of the Grand Jury and responds to all attempts to prevent witnesses' appearances or to quash subpoenas for the production of documents and similar matters. It is also responsible for the numerous administrative details necessary to convene, select, and provide transportation and housing for the Grand Jury panel itself.

Shortly after the conclusion of the first Grand Jury in September of 1981, the Attorney General petitioned the Supreme Court of Pennsylvania for the empanelment of a second Multi-County Investigating Grand Jury, and it was empaneled on January 25, 1982. In seven months, 16 cases have been brought before the new Grand Jury, 11 during the past fiscal year. Of this number three were ongoing in-

vestigations carried over from the previous Grand Jury, involving, among other matters, arson, welfare fraud, and public corruption.

The Special Prosecution Section is responsible for the handling of criminal matters referred by the other State agencies and district attorneys. Among the cases handled by the Section were cases concerning widespread arson, two major murder cases, and an extensive drug trafficking investigation which was presented to the Multi-County Investigating Grand Jury, as well as a rent rebate/State tax return forgery/fraud investigation.

One of the more important areas within this program is hazardous waste prosecutions. In 1981-82 hazardous waste prosecutions resulted in the assessment of approximately \$1.3 million in fines. This was an extraordinary year because of the assessment of two large fines that totalled almost \$1.2 million. As expected, fines returned to a more normal level of \$221,750 in 1982-83. Twenty-seven new cases were formally opened for investigation during 1982-83. Among these cases were major investigations into illegal hazardous waste dumping by a major steel manufacturer, as well as an unprecedented investigation into violations of Pennsylvania's anti-racketeering statute. This latter investigation is believed to be unique in its application of racketeering prohibitions to the hazardous waste field.

The Bureau of Criminal Investigation (BCI) has the responsibility of investigating State corruption, organized crime, any crime for which assistance is requested by the local district attorney, any crime in which the Attorney General supersedes a local district attorney either at the request of a local judge or on the Attorney General's own volition, any crime when assistance is requested by another State agency, and appeals of any of the aforementioned offenses.

During fiscal year 1982-83, the BCI initiated 246 investigations, leading to 80 arrests and 51 prosecutions, of which 46 resulted in convictions and 29 are still before the courts. The BCI cases prosecuted other than through the Grand Jury resulted in the recovery/restitution of \$79,000 and the imposition of fines totalling \$41,000. Also, the BCI's Technical Services Unit performed four court-authorized wiretaps and extensive consensual electronic surveillances and assisted numerous State and local and Federal agencies in wiretaps.

The Bureau of Narcotics Investigation and Drug Control (BNI) has as its goals the immobilization of drug traffickers and the reduction of the availability of illicit drugs in an attempt to curtail drug abuse in Pennsylvania. BNI's operational activities can be categorized into two functions: 1) to enforce Act 64 and other drug related laws through the in-depth investigation and successful prosecution of criminal violations involving controlled substances; and 2) to assure compliance with the drug laws through regulatory inspections of the legitimate handlers of controlled substances

Criminal Law (continued)

Program Analysis: (continued)

(pharmacies, hospitals, and medical practitioners). BNI also has program and operational responsibility for the Pennsylvania State Police Drug Law Enforcement Division.

During fiscal year 1982-83, BNI effected 1,373 arrests statewide, including 290 subjects who were identified as major drug traffickers under BNI's violator classification system. BNI seized 12 clandestine drug manufacturing laboratories resulting in the arrest of 26 lab operators. Of the total defendants arrested, approximately 83 percent were charged with trafficking while only 2 percent were charged with simple possession, the remaining 14 percent were charged with various violations (e.g., professional misconduct, forged prescriptions, etc.). Although the majority of these arrests are still pending adjudication, BNI's cumulative conviction rate for the past three years is 83 percent. BNI recovered \$85,000 in 1982-83 through court-ordered restitution and seized an additional \$248,000 in cash and 37 vehicles.

The 1982-83 fiscal year was the fifth year of operation of the Medicaid Fraud Control Section. Investigations of

Medicaid providers involve extensive document review and analysis followed by interviews, undercover buys and other investigative efforts in order to establish a criminal fraud case. Field auditors were added to this program in 1982-83; it is anticipated that these auditors will concentrate on nursing home fraud.

During the past year there have been 97 Medicaid Fraud cases opened for investigations, 25 providers arrested and 34 convictions obtained. The courts also ordered fines of over \$49,000 and restitution of over \$221,000. During the same period an additional 45 cases have been closed for administrative reasons. These reasons include no fraud found, provider out of business, complaint not substantiated, and referrals to other agencies. The referrals to other agencies are for follow-up administrative action when criminal prosecution is not available. Some of the other departments that this information is made available to are the Department of Public Welfare, the Department of State, the Department of Health and the Federal Department of Health and Human Services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 7,845	\$ 7,973	\$ 8,889	\$ 9,333	\$ 9,800	\$ 10,290	\$ 10,805

AUDITOR GENERAL

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

AUDITOR GENERAL

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
Auditor General's Office	\$ 15,224	\$ 15,986	\$ 16,945
Public Assistance Audit	4,427	4,672	4,951
Scranton Office	1,722	1,719	1,822
Board of Claims	642	833	883
TOTAL STATE FUNDS	\$ 22,015	\$ 23,210	\$ 24,601
Federal Funds .....	.....	.....	\$ 586
Other Funds	\$ 6,295	\$ 5,592	5,837
GENERAL FUND TOTAL	\$ 28,310	\$ 28,802	\$ 31,024

GENERAL GOVERNMENT

	1982-83	(Dollar Amounts in Thousands) 1983-84	1984-85
Auditor General's Office	Actual	Available	Budget
State Funds	\$ 16,946	\$ 17,705	\$ 18,767
Federal Funds .....	.....	.....	586
Other Funds	6,295	5,592	5,837
TOTAL	<u>\$ 23,241</u>	<u>\$ 23,297</u>	<u>\$ 25,190</u>

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

	1982-83	(Dollar Amounts in Thousands) 1983-84	1984-85
Source of Funds	Actual	Available	Budget
Appropriations:			
Auditor General's Office	\$ 15,224	\$ 15,986	\$ 16,945
Auditor General's Office — Scranton	1,722	1,719	1,822
Federal Funds:			
Reimbursement for Auditing Services .....	.....	.....	586
Other Funds:			
Reimbursement for Auditing Services	\$ 6,242	\$ 5,592	5,837
Sale of Automobiles	53	.....	.....
TOTAL	<u>\$ 23,241</u>	<u>\$ 23,297</u>	<u>\$ 25,190</u>

	1982-83	(Dollar Amounts in Thousands) 1983-84	1984-85
Public Assistance Audits	Actual	Available	Budget
State Funds	\$ 4,427	\$ 4,672	\$ 4,951

Audits public assistance payments to confirm eligibility of recipients.

	1982-83	(Dollar Amounts in Thousands) 1983-84	1984-85
Source of Funds	Actual	Available	Budget
Appropriation:			
Public Assistance Audits	<u>\$ 4,427</u>	<u>\$ 4,672</u>	<u>\$ 4,951</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Board of Claims			
State Funds	\$ 642	\$ 833	\$ 883

Hears and determines all claims against the Commonwealth arising from contracts that involve amounts in excess of \$300. On October 5, 1978 by an Act of the Legislature the Board of Claims was created. It was formerly known as the Board of Arbitration of Claims.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Board of Claims	<u>\$ 642</u>	<u>\$ 833</u>	<u>\$ 883</u>

Restricted Receipts Not Included in Department Total

	1982-83	(Dollar Amounts in Thousands) 1983-84	1984-85
	Actual	Available	Budget
Insurance Premium — Police Retirement	\$ 54,283	\$ 58,000	\$ 60,000
Audit — Police Retirement	80	80	80
TOTAL	<u>\$ 54,363</u>	<u>\$ 58,080</u>	<u>\$ 60,080</u>

AUDITOR GENERAL

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Fiscal Management	\$ 17,588	\$ 18,538	\$ 19,650	\$ 20,632	\$ 21,664	\$ 22,747	\$ 23,884
Auditing	17,588	18,538	19,650	20,632	21,664	22,747	23,884
Economic Development of the Disadvantaged and Handicapped	\$ 4,427	\$ 4,672	\$ 4,951	\$ 5,198	\$ 5,458	\$ 5,731	\$ 6,018
Income Maintenance	4,427	4,672	4,951	5,198	5,458	5,731	6,018
DEPARTMENT TOTAL	<u>\$ 22,015</u>	<u>\$ 23,210</u>	<u>\$ 24,601</u>	<u>\$ 25,830</u>	<u>\$ 27,122</u>	<u>\$ 28,478</u>	<u>\$ 29,902</u>

Auditing

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 17,588	\$ 18,538	\$ 19,650	\$ 20,632	\$ 21,664	\$ 22,747	\$ 23,884
Federal Funds			586	615	646	678	712
Other Funds	6,295	5,592	5,837	6,129	6,435	6,757	7,095
TOTAL	\$ 23,883	\$ 24,130	\$ 26,073	\$ 27,376	\$ 28,745	\$ 30,182	\$ 31,691

Program Analysis

The Auditor General is required by the Fiscal Code to make all audits necessary in connection with the financial affairs of State Government. Each year, the Department makes thousands of regular and special post audits of Commonwealth agencies, persons, associations, and corporations to insure money is disbursed legally and properly. Also, the Auditor General examines the accounts of revenue collecting agents to assure that all money due the Commonwealth, totaling several billions of dollars, was reported and transmitted properly. The recommended funding level will continue to support an initiative begun during 1983-84 to prepare Commonwealth financial statements in conformance with Generally Accepted Accounting Principles

(GAAP). For the fiscal year ending June 30, 1984 a balance sheet audit is being planned and will be performed jointly by the Auditor General's office and an independent certified public accounting firm.

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

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

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 15,224	\$ 15,986	\$ 16,945	\$ 17,792	\$ 18,682	\$ 19,616	\$ 20,597
Scranton Office	1,722	1,719	1,822	1,913	2,009	2,109	2,214
Board of Claims	642	833	883	927	973	1,022	1,073
GENERAL FUND TOTAL	\$ 17,588	\$ 18,538	\$ 19,650	\$ 20,632	\$ 21,664	\$ 22,747	\$ 23,884

Income Maintenance

OBJECTIVE: To conduct audits of public assistance payments to determine the eligibility of persons receiving public assistance grants.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	<u>\$ 4,427</u>	<u>\$ 4,672</u>	<u>\$ 4,951</u>	<u>\$ 5,198</u>	<u>\$ 5,458</u>	<u>\$ 5,731</u>	<u>\$ 6,018</u>

Program Analysis

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

The latest audit report issued, covering the 1982-83 fiscal year, shows that the Auditor General reviewed 14,150 cases. The cases audited covered approximately 5 percent of the statewide case load and, of those, 2 percent were found to be totally or partially ineligible.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Public Assistance Audits	<u>\$ 4,427</u>	<u>\$ 4,672</u>	<u>\$ 4,951</u>	<u>\$ 5,198</u>	<u>\$ 5,458</u>	<u>\$ 5,731</u>	<u>\$ 6,018</u>

Treasury Department

The Treasury Department is responsible for receiving all Commonwealth monies and for depositing such monies in State depositories approved by the Board of Finance and Revenue; for managing all securities in its custody to the best advantage of the Commonwealth; for preauditing all requisitions for the expenditures of funds; and for disbursement of all State monies upon proper authorization to those entitled to receive payment.

TREASURY DEPARTMENT
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
State Treasurer's Office	\$ 11,413	\$ 11,529	\$ 12,221
Board of Finance and Revenue	906	896	931
Council of State Governments	106	106	106
Great Lakes Commission	23	26	26
Replacement Checks	185	70	257
National Conference of State Legislatures	110	119	126
Education Commission of the States	50	54	55
Advisory Commission on Intergovernmental Relations	4	4	4
National Governor's Association	69	78	84
Coalition of Northeast Governors	50	50	50
Northeast-Midwest Institute	25	40	40
Subtotal	<u>\$ 12,941</u>	<u>\$ 12,972</u>	<u>\$ 13,900</u>
Debt Service Requirements			
Interest Obligations — Penn State University		\$ 15	\$ 16
Publishing Monthly Statements	\$ 26	26	28
Loan and Transfers Agent	86	150	183
Tax Note Expenses	129	160	168
Interest on Tax Anticipation Notes	44,265	43,892	45,000
Sinking Funds:			
Project 70 Land Acquisition	5,324	5,493	4,419
Land and Water Development	34,688	36,537	38,082
Capital Debt Fund	142,124	167,889	190,660
Vietnam Conflict Veterans' Compensation	4,608	4,598	4,595
Disaster Relief Redemption Fund	14,032	14,313	14,176
Nursing Home Loans	3,673	5,562	6,436
Volunteer Fire and Rescue Loan	1,280	2,746	3,114
Water Facilities Debt .....	.....	400	4,937
Subtotal	<u>\$ 250,235</u>	<u>\$ 281,781</u>	<u>\$ 311,814</u>
Grants and Subsidies			
Law Enforcement Officers' Death Benefit	\$ 400	\$ 450	\$ 400
Subtotal	<u>\$ 400</u>	<u>\$ 450</u>	<u>\$ 400</u>
TOTAL STATE FUNDS	<u>\$ 263,576</u>	<u>\$ 295,203</u>	<u>\$ 326,114</u>
Other Funds	\$ 656	\$ 929	\$ 926
GENERAL FUND TOTAL	<u>\$ 264,232</u>	<u>\$ 296,132</u>	<u>\$ 327,040</u>
Motor License Fund			
General Government			
Replacement Checks	\$ 55	\$ 60	\$ 60
Refunding Liquid Fuel Tax — Agricultural Use	3,534	4,000	4,000
Refunding Liquid Fuel Tax — State Share	145	400	400
Refunding Emergency Liquid Fuel Tax .....	.....	1	1
Refunding Liquid Fuel Tax — Political Subdivision Use	1,551	2,100	2,100
Administration of Refunding Liquid Fuel Tax	202	211	219
Refunding Liquid Fuel Tax — Volunteer Fire Companies, Ambulance Services and Rescue Squads	96	150	150
Refunding Marine Liquid Fuel Tax — Boating Fund	1,378	1,600	1,600
Subtotal	<u>\$ 6,961</u>	<u>\$ 8,522</u>	<u>\$ 8,530</u>

TREASURY DEPARTMENT

Summary by Fund and Appropriation (continued)

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Motor License Fund (continued)				
Debt Service Requirements				
Capital Debt — Transportation Projects	\$ 166,147	\$ 165,716		\$ 165,346
Capital Debt — General State Authority	681	498		498
Loan and Transfer Agent	88	130		166
Subtotal	<u>\$ 166,916</u>	<u>\$ 166,344</u>		<u>\$ 166,010</u>
TOTAL STATE FUNDS	<u><u>\$173,877</u></u>	<u><u>\$174,866</u></u>		<u><u>\$ 174,540</u></u>
Other Funds	\$ 28	\$ 28		\$ 28
MOTOR LICENSE FUND TOTAL	<u><u>\$ 173,905</u></u>	<u><u>\$ 174,894</u></u>		<u><u>\$ 174,568</u></u>
 Game Fund				
General Government				
Replacement Checks	\$ 4	\$ 6		\$ 6
GAME FUND TOTAL	<u><u>\$ 4</u></u>	<u><u>\$ 6</u></u>		<u><u>\$ 6</u></u>
 Fish Fund				
General Government				
Replacement Checks	\$ 3	\$ 5		\$ 5
FISH FUND TOTAL	<u><u>\$ 3</u></u>	<u><u>\$ 5</u></u>		<u><u>\$ 5</u></u>
 Boating Fund				
General Government				
Replacement Checks	\$ 3	\$ 5		\$ 5
BOATING FUND TOTAL	<u><u>\$ 3</u></u>	<u><u>\$ 5</u></u>		<u><u>\$ 5</u></u>
 Banking Department Fund				
General Government				
Replacement Checks	\$ 3	\$ 5		\$ 5
BANKING DEPARTMENT FUND TOTAL	<u><u>\$ 3</u></u>	<u><u>\$ 5</u></u>		<u><u>\$ 5</u></u>
 Milk Marketing Fund				
General Government				
Replacement Checks	\$ 3	\$ 5		\$ 5
Refund Milk Marketing Licenses and Fees .....	.....	.....		3
MILK MARKETING FUND TOTAL	<u><u>\$ 3</u></u>	<u><u>\$ 5</u></u>		<u><u>\$ 8</u></u>

TREASURY DEPARTMENT

Summary by Fund and Appropriation (continued)

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
State Farm Products Show Fund			
General Government			
Replacement Checks	\$ 3	\$ 5	\$ 5
	<u>3</u>	<u>5</u>	<u>5</u>
STATE FARM PRODUCTS SHOW FUND TOTAL	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 5</u>
State Racing Fund			
General Government			
Replacement Checks	\$ 6	\$ 10	\$ 10
	<u>6</u>	<u>10</u>	<u>10</u>
TOTAL RACING FUND TOTAL	<u>\$ 6</u>	<u>\$ 10</u>	<u>\$ 10</u>
State Lottery Fund			
General Government			
Replacement Checks	\$ 8	\$ 8	\$ 8
	<u>8</u>	<u>8</u>	<u>8</u>
STATE LOTTERY FUND TOTAL	<u>\$ 8</u>	<u>\$ 8</u>	<u>\$ 8</u>
Pennsylvania Fair Fund			
General Government			
Replacement Checks	\$ 3	\$ 5	\$ 5
	<u>3</u>	<u>5</u>	<u>5</u>
PENNSYLVANIA FAIR FUND TOTAL	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 5</u>
Department Total — All Funds			
General Fund	\$ 263,576	\$ 295,203	\$ 326,114
Special Funds	173,913	174,920	174,597
Other Funds	684	957	954
	<u>438,173</u>	<u>471,080</u>	<u>501,665</u>
TOTAL ALL FUNDS	<u>\$ 438,173</u>	<u>\$ 471,080</u>	<u>\$ 501,665</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Treasurer's Office			
State Funds	\$ 11,413	\$ 11,529	\$ 12,221
Other Funds	656	929	926
TOTAL	<u>\$ 12,069</u>	<u>\$ 12,458</u>	<u>\$ 13,147</u>

Receives and deposits all monies of the Commonwealth, disburses those monies, and invests surplus monies of operating funds. Audits the disbursement records and checks for public assistance payments, maintains the accounting controls for the allocation of funds and disburses all checks to recipients of those payments.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
State Treasurer's Office	\$ 11,413	\$ 11,529	\$ 12,221
Other Funds:			
Expenses — Unemployment Compensation Disbursements	572	929	926
Fees — Federal Savings Bonds	25	.....	.....
Reimbursement — Mass Mailing Services	44	.....	.....
Reimbursement — Data Processing Services	14	.....	.....
Sale of Automobiles	1	.....	.....
TOTAL	<u>\$ 12,069</u>	<u>\$ 12,458</u>	<u>\$ 13,147</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Board of Finance and Revenue			
State Funds	\$ 906	\$ 896	\$ 931

Reviews settlements made with persons, associations, or corporations by the Departments of Revenue, Auditor General and Treasury. Hears and determines petitions for monies to which the Commonwealth may not be legally entitled.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Board of Finance and Revenue	<u>\$ 906</u>	<u>\$ 896</u>	<u>\$ 931</u>

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Council of State Governments				
State Funds	\$ 106	\$ 106		\$ 106

Promotes interstate progress, interstate cooperation and Federal-State relations through a council, composed of representatives from all the states.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Source of Funds				
Appropriation:				
Council of State Governments	<u>\$ 106</u>	<u>\$ 106</u>		<u>\$ 106</u>

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Development, Utilization and Regulation of Water Resources				
State Funds	\$ 23	\$ 26		\$ 26

Plans and promotes a balanced program for the development, use and conservation of the water resources of the Great Lakes Basin through a commission, composed of members from states bordering the Great Lakes.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Source of Funds				
Appropriation:				
Great Lakes Commission	<u>\$ 23</u>	<u>\$ 26</u>		<u>\$ 26</u>

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Replacement Checks			
State Funds	\$ 185	\$ 70	\$ 257

Provides for issuance of replacement checks in lieu of outstanding checks too old when presented and to adjust errors.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 185</u>	<u>\$ 70</u>	<u>\$ 257</u>

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
National Conference of State Legislatures			
State Funds	\$ 110	\$ 119	\$ 126

Assists in the promotion of interstate progress and cooperation through the National Conference of State Legislatures.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
National Conference of State Legislatures	<u>\$ 110</u>	<u>\$ 119</u>	<u>\$ 126</u>

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Education Commission of the States			
State Funds	\$ 50	\$ 54	\$ 55

Assists in the promotion of education, through the Education Commission of the States.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Education Commission of the States	<u>\$ 50</u>	<u>\$ 54</u>	<u>\$ 55</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Advisory Commission on Intergovernmental Relations			
State Funds	\$ 4	\$ 4	\$ 4

Promotes Federal, State and local relations projects including revenue/tax issues, reducing Federal regulation of state-local governments and block grant implementation. This interstate organization is composed of representatives from most states.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Advisory Commission on Intergovernmental Relations	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 4</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
National Governors' Association			
State Funds	\$ 69 ^a	\$ 78	\$ 84

Comprised of governors from America's fifty states and its territories, this association serves as the principle organization for coordinating ideas on programs, budgets, governmental techniques and general information concerning the states in liaison with the Congress and the Executive Branch of Government.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
National Governors' Association	<u>\$ 69^a</u>	<u>\$ 78</u>	<u>\$ 84</u>

^aIn the actual year the amount was included in the Governor's Office appropriation.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Coalition of Northeastern Governors			
State Funds	\$ 50	\$ 50	\$ 50

Promotes Federal and State cooperation through a Congressional Coalition comprised of 212 bipartisan Congressman from 17 states of the Northeast—Midwest region to further regional development policy and inform its members about regional implications of Federal policies.

<i>Source of Funds</i>	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Appropriation:			
Coalition of Northeastern Governors	<u>\$ 50^a</u>	<u>\$ 50^a</u>	<u>\$ 50</u>

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Northeast—Midwest Institute			
State Funds	\$ 25	\$ 40	\$ 40

Comprised of governors from America's northeastern states, this organization was established to bring together representatives from the public, private and labor sectors to focus on major issues of concern to the Northeast.

Source of Funds	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Appropriation:			
Northeast—Midwest Institute	<u>\$ 25</u>	<u>\$ 40</u>	<u>\$ 40</u>

^aIn the actual and available years the amount was included in the Governor's Office appropriation.

DEBT SERVICE REQUIREMENTS

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Financing Commonwealth Obligations			
State Funds	\$ 250,235	\$ 281,781	\$ 311,814

Provides for interest and principal requirements of notes and bonds issued by the Commonwealth and other expenses related to debt service.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Interest Obligations — Penn State University		\$ 15	\$ 16
Publishing Monthly Statements	\$ 26	26	28
Loan and Transfer Agents	86	150	183
Tax Note Expenses	129	160	168
Sinking Funds:			
Project 70	5,324	5,493	4,419
Land and Water Development	34,688	36,537	38,082
Capital Debt	142,124	167,889	190,660
Vietnam Veterans' Compensation	4,608	4,598	4,595
Disaster Relief	14,032	14,313	14,176
Nursing Home Loan	3,673	5,562	6,436
Volunteer Fire and Rescue Loan	1,280	2,746	3,114
Water Facilities Debt		400	4,937
Executive Authorization:			
Interest on Tax Anticipation Notes	44,265	43,892	45,000
TOTAL	<u>\$ 250,235</u>	<u>\$ 281,781</u>	<u>\$ 311,814</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Law Enforcement Officers Death Benefits			
State Funds	\$ 400	\$ 450	\$ 400

Provides payments for death benefits to the surviving spouse or children of firemen or law enforcement officers killed while on duty.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Law Enforcement Officers Death Benefits	\$ 400	\$ 250	\$ 400
Law Enforcement Officers Death Benefits — Recommended Supplemental .....	.....	200	.....
TOTAL	<u>\$ 400</u>	<u>\$ 450</u>	<u>\$ 400</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Board of Finance and Revenue Administration			
State Funds	\$ 6,961	\$ 8,522	\$ 8,530

Composed of five members, three of whom shall constitute a quorum, the Board is concerned generally with the approval and payment of claims against the Commonwealth for funds improperly or illegally paid into the State Treasury and with the payment of approved refund claims for taxes on liquid fuels used for agricultural purposes within the State, and provides for the reimbursement of marine fuels taxes as required by Act 65 of June 15, 1969. Act 78 of 1982 transferred the responsibility for making certain refunds from Treasury to the Department of Revenue.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Replacement Checks	\$ 55	\$ 60	\$ 60
Refunding Liquid Fuel Tax — Agricultural Use	3,534	4,000	4,000
Refunding Liquid Fuel Tax — State Share	145	400 ^a	400
Refunding Emergency Liquid Fuel Tax .....	.....	1	1
Refunding Liquid Fuel Tax — Political Subdivision Use	1,551	2,100	2,100
Administration of Refunding Liquid Fuel Tax	202	211	219
Refunding Liquid Fuel Tax — Volunteer Services	96	150	150
Refunding Marine Liquid Fuel Tax — Boating Fund	1,378	1,600	1,600
TOTAL	\$ 6,961	\$ 8,522	\$ 8,530

^a Act 78 of 1982 transferred the responsibility for making refunds of some Liquid Fuels Tax from the Board of Finance and Revenue in Treasury to the Department of Revenue. \$6,000,000 was executively authorized to the Department of Revenue and returned (lapsed) from the Treasury appropriation.

DEBT SERVICE REQUIREMENTS

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Financing Commonwealth Obligations			
State Funds	\$ 166,916	\$ 166,344	\$ 166,010
Other Funds	28	28	28
TOTAL	<u>\$ 166,944</u>	<u>\$ 166,372</u>	<u>\$ 166,038</u>

Provides for interest and principal payments on general obligation bonds issued for highway purposes. Also provides for interest and expenses of issuing tax anticipation notes used to preserve the cash balance in the Motor License Fund, and for the loan and transfer agents.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Capital Debt — Transportation Projects	\$ 166,147	\$ 165,716	\$ 165,346
Capital Debt — Public Improvement Projects	681	498	498
Loan and Transfer Agent	88	130	166
Other Funds:			
Restricted Revenue — Aviation	28	28	28
TOTAL	<u>\$ 166,944</u>	<u>\$ 166,372</u>	<u>\$ 166,038</u>

**GAME FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Replacement Checks			
State Funds	\$ 4	\$ 6	\$ 6

Provides for the issuance of checks to replace those lost or too old to cash.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 4</u>	<u>\$ 6</u>	<u>\$ 6</u>

**FISH FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Replacement Checks			
State Funds	\$ 3	\$ 5	\$ 5

Provides for the issuance of checks to replace those lost or too old to cash.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 5</u>

**BOATING FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Replacement Checks			
State Funds	\$ 3	\$ 5	\$ 5

Provides for the issuance of checks to replace those lost or too old to cash.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Replacement Checks	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 5</u>

**BANKING DEPARTMENT FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Replacement Checks			
State Funds	\$ 3	\$ 5	\$ 5

Provides for the issuance of checks to replace those lost or too old to cash.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Replacement Checks	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 5</u>

**MILK MARKETING FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Replacement Checks and Refund Checks			
State Funds	\$ 3	\$ 5	\$ 5

Provides for the issuance of checks to replace those lost or too old to cash. Also provides for refund checks when an excess or duplicate fee is incorrectly paid.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Replacement Checks	\$ 3	\$ 5	\$ 5
Executive Authorization:			
Refund Milk Marketing Licenses and Fees .....	.....	.....	\$ 3
TOTAL	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 8</u>

**STATE FARM PRODUCTS SHOW FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Replacement Checks			
State Funds	\$ 3	\$ 5	\$ 5

Provides for the issuance of checks to replace those lost or too old to cash.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Replacement Checks	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 5</u>

**STATE RACING FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Replacement Checks			
State Funds	\$ 6	\$ 10	\$ 10

Provides for the issuance of checks to replace those lost or too old to cash.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Replacement Checks	<u>\$ 6</u>	<u>\$ 10</u>	<u>\$ 10</u>

**STATE LOTTERY FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Replacement Checks			
State Funds	\$ 8	\$ 8	\$ 8

Provides for the issuance of checks to replace those lost or too old to cash. Also enables the Commonwealth to refund those monies to which it is not legally entitled.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Replacement Checks	<u>\$ 8</u>	<u>\$ 8</u>	<u>\$ 8</u>

**PENNSYLVANIA FAIR FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Replacement Checks			
State Funds	\$ 3	\$ 5	\$ 5

Provides for the issuance of checks to replace those lost or too old to cash.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Replacement Checks	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 5</u>

TREASURY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Fiscal Management	\$ 16,226	\$ 17,592	\$ 18,308	\$ 18,365	\$ 19,143	\$ 19,676	\$ 20,237
Disbursement	16,226	17,592	18,308	18,365	19,143	19,676	20,237
Economic Development of the Disadvantaged and Handicapped	\$ 3,675	\$ 3,929	\$ 4,088	\$ 4,272	\$ 4,466	\$ 4,669	\$ 4,882
Income Maintenance	3,675	3,929	4,088	4,272	4,466	4,669	4,882
Financing Commonwealth Obligations	\$ 417,151	\$ 448,125	\$ 477,824	\$ 520,766	\$ 560,304	\$ 585,236	\$ 612,634
Debt Service	417,151	448,125	477,824	520,766	560,304	585,236	612,634
Improving Interstate Cooperation	\$ 414	\$ 451	\$ 465	\$ 465	\$ 465	\$ 465	\$ 465
Interstate Relations	414	451	465	465	465	465	465
Natural Resource Development and Management	\$ 23	\$ 26	\$ 26	\$ 26	\$ 26	\$ 26	\$ 26
Development, Utilization and Regulation of Water Resources	23	26	26	26	26	26	26
DEPARTMENT TOTAL	<u>\$ 437,489</u>	<u>\$ 470,123</u>	<u>\$ 500,711</u>	<u>\$ 544,164</u>	<u>\$ 584,404</u>	<u>\$ 610,072</u>	<u>\$ 638,244</u>

Disbursement

OBJECTIVE: To receive and safeguard the monies of the Commonwealth; to manage the funds to the best advantage of the Commonwealth; and to assure that all disbursements of funds are legal and proper.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 9,229	\$ 9,016	\$ 9,721	\$ 10,037	\$ 10,534	\$ 11,055	\$ 11,603
Special Funds	6,997	8,576	8,587	8,598	8,609	8,621	8,634
Other Funds	656	929	926	972	1,021	1,072	1,126
TOTAL	\$ 16,882	\$ 18,521	\$ 19,234	\$ 19,607	\$ 20,164	\$ 20,748	\$ 21,363

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Checks issued	8,803,281	8,700,000	8,700,000	N/A	N/A	N/A	N/A
Interest earned on investments:							
General Fund	47,207	41,664	57,186	N/A	N/A	N/A	N/A
Motor Fund	5,686	7,121	8,950	N/A	N/A	N/A	N/A
TOTAL	52,893	48,785	66,136	N/A	N/A	N/A	N/A

Program Analysis:

The Treasury Department is required by statute to receive and deposit all monies of the Commonwealth; to invest in short-term securities any Commonwealth monies which accumulate beyond the daily needs of the various funds; to manage to the best possible advantage all securities in its custody; to preaudit all requisitions for the expenditure of funds; and to disburse all State monies upon proper authorization to those entitled to receive payment. In this connection the State Treasury is responsible for the receipt, custody and disbursement of several billions of dollars each year.

In addition, the State Treasurer is Chairman of the Board of Finance and Revenue and serves as a member of the General State Authority, various public retirement boards, the State Highway and Bridge Authority and several other important boards and commissions.

The Board of Finance and Revenue operates within this program by reviewing and deciding appeals concerning settlements made between the Commonwealth and persons, associations and corporations. The Board also administers the program for refunding certain monies to which the Commonwealth is not legally entitled.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 8,138	\$ 8,050	\$ 8,533	\$ 8,960	\$ 9,408	\$ 9,878	\$ 10,372
Board of Finance and Revenue	906	896	931	977	1,026	1,077	1,131
Replacement Checks	185	70	257	100	100	100	100
GENERAL FUND TOTAL	\$ 9,225	\$ 9,016	\$ 9,721	\$ 10,037	\$ 10,534	\$ 11,055	\$ 11,603

Disbursement (continued)

Program Costs by Appropriation: (continued)

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
MOTOR LICENSE FUND							
Replacement Checks	\$ 55	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60
Refunding Liquid Fuels Tax-Agricultural Use	3,534	4,000	4,000	4,000	4,000	4,000	4,000
Refunding Liquid Fuels Tax-State Share ..	145	400	400	400	400	400	400
Refunding Liquid Fuel Tax-Political Subdivisions.....	1,551	2,100	2,100	2,100	2,100	2,100	2,100
Administration of Refunding Liquid Fuel Tax	202	211	219	230	241	253	266
Refunding Liquid Fuel Tax-Volunteer Services.....	96	150	150	150	150	150	150
Refunding Marine Liquid Fuel Tax-Boating Fund	1,378	1,600	1,600	1,600	1,600	1,600	1,600
Refunding Emergency Liquid Fuels Tax ..	.....	1	1	1	1	1	1
MOTOR LICENSE FUND TOTAL...	\$ 6,961	\$ 8,522	\$ 8,530	\$ 8,541	\$ 8,552	\$ 8,564	\$ 8,577
GAME FUND							
Replacement Checks	\$ 4	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6	\$ 6
FISH FUND							
Replacement Checks	\$ 3	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
BOATING FUND							
Replacement Checks	\$ 3	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
BANKING DEPARTMENT FUND							
Replacement Checks	\$ 3	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
MILK MARKETING FUND							
Replacement Checks	\$ 3	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
Refunding Milk Marketing Licenses and Fees .....	.....	.....	3	3	3	3	3
MILK MARKETING FUND TOTAL .	\$ 3	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
STATE FARM PRODUCTS SHOW FUND							
Replacement Checks	\$ 3	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5
STATE RACING FUND							
Replacement Checks	\$ 6	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10	\$ 10
STATE LOTTERY FUND							
Replacement Checks	\$ 8	\$ 8	\$ 8	\$ 8	\$ 8	\$ 8	\$ 8
PENNSYLVANIA FAIR FUND							
Replacement Checks	\$ 3	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5	\$ 5

Disbursement (continued)

Program Costs by Appropriation (continued)

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
STATE FARM PRODUCTS SHOW FUND							
Replacement Checks	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>
STATE HARNESS RACING FUND							
Replacement Checks	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>
STATE HORSE RACING FUND							
Replacement Checks	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>
STATE LOTTERY FUND							
Replacement Checks	<u>\$ 8</u>	<u>\$ 8</u>	<u>\$ 8</u>	<u>\$ 8</u>	<u>\$ 8</u>	<u>\$ 8</u>	<u>\$ 8</u>
PENNSYLVANIA FAIR FUND							
Replacement Checks	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>

Income Maintenance

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	<u>\$ 3,675</u>	<u>\$ 3,929</u>	<u>\$ 4,088</u>	<u>\$ 4,272</u>	<u>\$ 4,466</u>	<u>\$ 4,669</u>	<u>\$ 4,882</u>

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Average monthly number of persons receiving cash grants	768,724	701,700	709,900	714,700	709,800	705,600	701,300

Program Analysis

The Treasury Department audits the disbursement records, maintains accounting controls, and disburses all checks to recipients of Public Assistance. Approximately 35,440 Public Assistance checks are processed each working day for distribution to the recipients. This processing includes preauditing, collating, authenticating and mailing the checks to individual recipients and banks.

The Direct Delivery system distributes checks through participating banks. There are presently 543 banks which distribute approximately 21,465 checks daily. The system is in effect in Philadelphia, Pittsburgh, Harrisburg, Chester, Norristown, Bristol, Bethlehem, Erie, Scranton, Lancaster, Allentown, Marcus Hook, Reading and York. This program has reduced substantially the number of lost, stolen and forged checks. Information from the Department of Public

Welfare shows that since the program began there has been over a fifty percent reduction of replacement checks in Philadelphia, Allegheny, Dauphin and Delaware counties and a reduction of ten percent in the remaining counties covered by the Direct Delivery system.

Under the provisions of Act 101 of 1976 the Treasury Department is required to pay \$25,000 in death benefits to the surviving spouse or children of firemen or law enforcement officers of the Commonwealth killed in the performance of their duties and to reimburse political subdivisions for such payment made to survivors of their firemen or law enforcement officers.

Public Assistance Disbursements was merged with the State Treasurer's Office in 1982-83, therefore funding for this subcategory is now from the State Treasurer's Office.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
State Treasurer's Office	\$ 3,275	\$ 3,479	\$ 3,688	\$ 3,872	\$ 4,066	\$ 4,269	\$ 4,482
Law Enforcement Officers' Death Benefits	400	450	400	400	400	400	400
GENERAL FUND TOTAL	<u>\$ 3,675</u>	<u>\$ 3,929</u>	<u>\$ 4,088</u>	<u>\$ 4,272</u>	<u>\$ 4,466</u>	<u>\$ 4,669</u>	<u>\$ 4,882</u>

Debt Service

OBJECTIVE: To provide for interest and principal requirements of notes and bonds issued by the Commonwealth and other expenses related to debt service.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 250,235	\$ 281,781	\$ 311,814	\$ 354,432	\$ 394,049	\$ 418,895	\$ 446,240
Special Funds	166,916	166,344	166,010	166,334	166,255	166,341	166,394
Other Funds	28	28	28	4,966	25,090	38,977	40,930
TOTAL	\$ 417,179	\$ 448,153	\$ 477,852	\$ 525,732	\$ 585,394	\$ 624,213	\$ 653,564

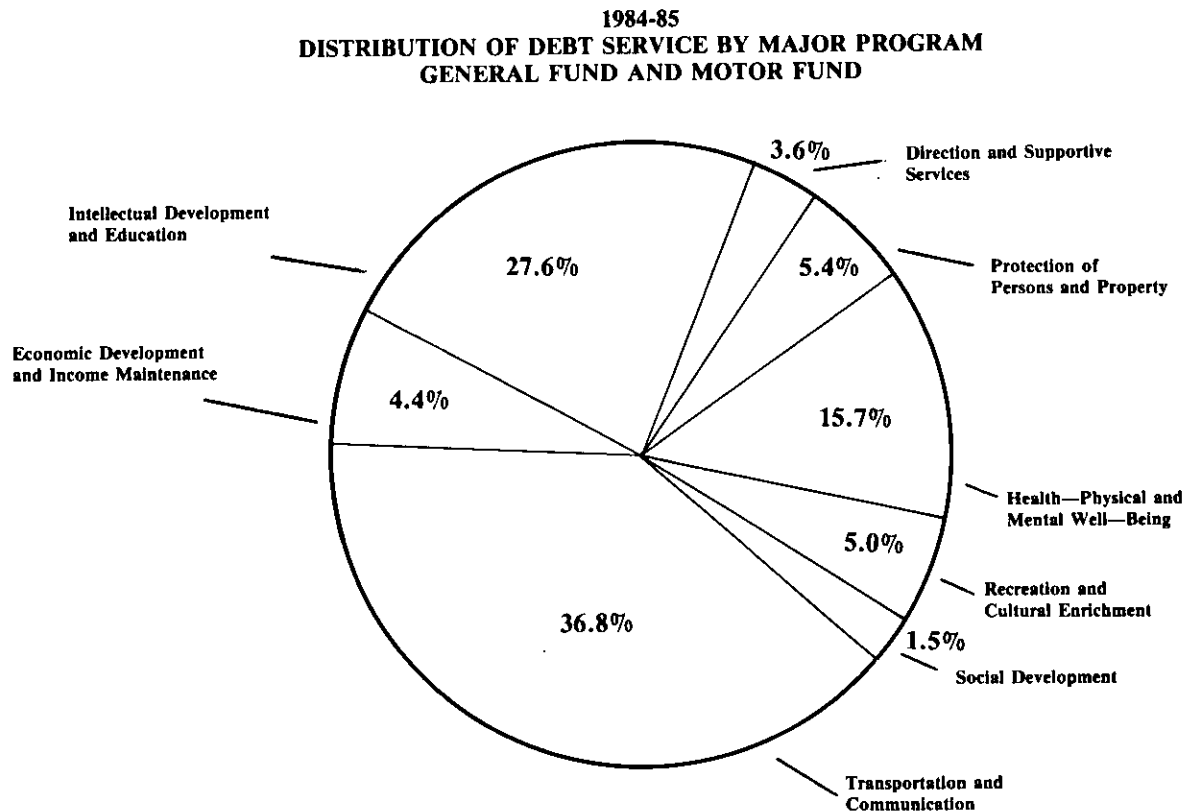
Program Analysis:

The Commonwealth, through the Treasury Department, is obligated to meet the principal and interest requirements and other expenses related to debt service.

Long-term bonds are issued by the State to cover the cost of financing public improvements which are needed at an early date but represent such a heavy financial burden that they cannot be funded through current revenues. These bond issues have provided funds over the years for projects such as the acquisition and development of public recreation and historic sites and facilities; the payment of compensation

to veterans of the Vietnam Conflict; relief for victims of disasters; and a wide variety of construction and renovation projects including hospitals, higher education facilities, State parks, flood control, correctional institutions, and various public buildings. Debt service also provides funds to bring nursing homes up to the standards of the State Life Safety Code.

The following chart reflects the major programs which have benefited from Commonwealth bond expenditures.



Debt Service (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Interest Obligations—Penn State							
University		\$ 15	\$ 16	\$ 16	\$ 16	\$ 16	\$ 16
Publishing Monthly Statements	\$ 26	26	28	28	28	28	28
Loan and Transfer Agents	86	150	183	183	183	183	183
Tax Note Expenses	129	160	168	168	168	168	168
Interest-tax Notes	44,265	43,892	45,000	45,000	45,000	45,000	45,000
Sinking Funds:							
Project 70	5,324	5,493	4,419	4,308	2,421	761	763
Land and Water Development	34,688	36,537	38,082	40,172	41,856	41,988	41,613
Capital Debt	142,124	167,889	190,660	218,810	247,944	265,291	288,946
Vietnam Veterans' Compensation	4,608	4,598	4,595	4,584	4,575	4,565	4,560
Disaster Relief	14,032	14,313	14,176	14,267	14,117	13,964	13,808
Nursing Home Loan	3,673	5,562	6,436	10,029	9,062	9,175	9,015
Volunteer Fire and Rescue Loan	1,280	2,746	3,114	2,856	2,787	2,720	2,650
Water Facilities Debt		400	4,937	14,011	25,892	35,036	39,490
GENERAL FUND TOTAL	\$ 250,235	\$ 281,781	\$ 311,814	\$ 354,432	\$ 394,049	\$ 418,895	\$ 446,240
MOTOR LICENSE FUND							
Loan and Transfer Agent	\$ 88	\$ 130	\$ 166	\$ 166	\$ 166	\$ 166	\$ 166
Capital Debt-Transportation Projects	166,147	165,716	165,346	165,031	164,911	164,997	165,050
Capital Debt-Public Improvement Projects	681	498	498	1,137	1,178	1,178	1,178
MOTOR LICENSE FUND TOTAL ...	\$ 166,916	\$ 166,344	\$ 166,010	\$ 166,334	\$ 166,255	\$ 166,341	\$ 166,394

Interstate Relations

OBJECTIVE: To promote interstate cooperation and progress.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 414	\$ 451	\$ 465	\$ 465	\$ 465	\$ 465	\$ 465

Program Analysis:

Pennsylvania helps promote interstate progress and cooperation through participation, both regionally and nationally, with other states and other units of government.

The Council on State Governments is composed of representatives from all the states and is concerned with intrastate progress, interstate cooperation and Federal-State relations.

The Education Commission of the States, composed of members from all the states and territories, assists in the needs and promotion of education through interstate cooperation.

The National Conference of State Legislatures assists in the promotion of interstate progress and cooperation through the annual national conference.

The Advisory Commission on Intergovernmental Relations promotes state and local relations projects, including Reserve/Tax issues, reducing Federal regulations of state-local governments, and block grant implementation. This

interstate organization is composed of representatives from most states. The National Governors Association, comprised of governors from America's fifty states and its territories, coordinates ideas on programs, budgets, governmental techniques and general information concerning the states in liaison with the Congress and the Executive Branch of Government.

The Coalition of Northeastern Governors was established to bring together representatives from the public, private and labor sectors to focus on major issues of concern to the Northeast.

The Northeast-Midwest Institute is the research arm for the Congressional Coalition. The Congressional Coalition is comprised of 212 bipartisan Congressman from 17 states of the Northeast-Midwest region to further regional development policy and inform its members about regional implications of Federal policies.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Council on State Governments	\$ 106	\$ 106	\$ 106	\$ 106	\$ 106	\$ 106	\$ 106
National Conference of State Legislatures	110	119	126	126	126	126	126
Education Commission of the States	50	54	55	55	55	55	55
National Governors Association	69	78	84	84	84	84	84
Advisory Commission on Intergovernmental Relations	4	4	4	4	4	4	4
Coalition of Northeastern Governors	50	50	50	50	50	50	50
Northeast — Midwest Institute	25	40	40	40	40	40	40
GENERAL FUND TOTAL	\$ 414	\$ 451	\$ 465	\$ 465	\$ 465	\$ 465	\$ 465

Development, Utilization and Regulation of Water Resources

OBJECTIVE: To maximize economic benefits from the utilization of water resources at the same time insuring the availability of a sufficient quantity of water to meet the current and future needs of the Commonwealth.

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 23	\$ 26	\$ 26	\$ 26	\$ 26	\$ 26	\$ 26

Program Analysis:

This program provides for Pennsylvania's share of the cost of the Great Lakes Commission. Established in 1956 to plan and promote a unified and balanced program for the development, use and conservation of the Great Lakes

Basin water resources, this Commission is composed of members from Pennsylvania and other states bordering the Great Lakes.

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Great Lakes Commission	\$ 23	\$ 26	\$ 26	\$ 26	\$ 26	\$ 26	\$ 26

Department of Aging

The Department of Aging was created by Act 70, approved June 20, 1978 in order to provide for the consolidation of services for the growing number of senior citizens in Pennsylvania who were receiving services through a variety of programs administered by various departments and agencies.

The department, which came into existence on July 1, 1979, is headed by a Secretary who serves as a cabinet-level advocate for citizens sixty years of age and older.

The department also has the responsibility of providing statewide services to the elderly through the local Area Agencies on Aging. These services include, but are not limited to: nutrition, employment, transportation, domiciliary care and in-home services.

Additionally, the department is to review and comment on the plans and programs of the Commonwealth which impact on the elderly.

The department recently gained the additional responsibility for the administrative oversight of the newly enacted Pharmaceutical Assistance Program for Senior Citizens.

Citizen participation and input is provided through a network including area agency advisory boards, regional councils and the Pennsylvania Council on Aging.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1984-85 State Funds (in thousands)
Lottery Fund		
In-Home Services Pre-Admission	Expansion of In-Home Services.....	\$ 5,000 ^a
In-Home Services	Expansion of In-Home Services.....	12,000 ^a
<p>This Program Revision would provide for the expansion of services to those persons identified through Pre-Admission Assessment efforts as more appropriately cared for through in-home services and an expansion of the current delivery of in-home services for the elderly.</p>		
Renovation Grants	Renovation of Senior Citizens Centers.....	10,000
<p>This Program Revision would provide grants for renovation of senior citizens centers to conform to fire and safety standards, handicapped accessibility and improvement of overall physical conditions.</p>		
DEPARTMENT TOTAL		<u>\$ 27,000</u>

^aIn addition, \$1,639,000 is budgeted in the Department of Public Welfare making the total program revision \$18,639,000. Details are presented in the Community-Based Long-Term Care Services subcategory.

DEPARTMENT OF AGING
Summary by Fund and Appropriation

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 1,521	\$ 1,462	\$ 1,607
	<u> </u>	<u> </u>	<u> </u>
TOTAL STATE FUNDS	<u>\$ 1,521</u>	<u>\$ 1,462</u>	<u>\$ 1,607</u>
Federal Funds	\$ 2,331	\$ 2,578	\$ 2,610
Other Funds .....	.....	15	.....
	<u> </u>	<u> </u>	<u> </u>
GENERAL FUND TOTAL	<u>\$ 3,852</u>	<u>\$ 4,055</u>	<u>\$ 4,217</u>
 State Lottery Fund			
Grants and Subsidies			
Aging Programs	\$ 18,618	\$ 29,840	\$ 45,280
Pharmaceutical Assistance Program .....	.....	100,000	100,000
In-Home Services .....	.....	.....	12,000
Pre-Admission In-Home Services .....	.....	.....	5,000
Senior Center Renovations .....	.....	.....	10,000
Transportation Grant	4,100	.....	.....
	<u> </u>	<u> </u>	<u> </u>
TOTAL STATE FUNDS — STATE LOTTERY FUND	<u>\$ 22,718</u>	<u>\$ 129,840</u>	<u>\$ 172,280</u>
Federal Funds	\$ 51,416	\$ 64,546	\$ 47,525
Other Funds .....	.....	770	3,277
	<u> </u>	<u> </u>	<u> </u>
STATE LOTTERY FUND TOTAL	<u>\$ 74,134</u>	<u>\$ 195,156</u>	<u>\$ 223,082</u>
 Department Total — All Funds			
General Fund	\$ 1,521	\$ 1,462	\$ 1,607
Special Funds	22,718	129,840	172,280
Federal Funds	53,747	67,124	50,135
Other Funds .....	.....	785	3,277
	<u> </u>	<u> </u>	<u> </u>
TOTAL ALL FUNDS	<u>\$ 77,986</u>	<u>\$ 199,211</u>	<u>\$ 227,299</u>

GENERAL GOVERNMENT

General Government Operations	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 1,521	\$ 1,462	\$ 1,607
Federal Funds	2,331	2,578	2,610
Other Funds .....	.....	15	.....
TOTAL	\$ 3,852	\$ 4,055	\$ 4,217

Provides the administrative and support systems for the operation of the statewide aging program.

Provides the overall planning and direction for elderly persons striving to achieve or maintain independent living and a role in community life.

Provides for the operation of the Pennsylvania Council on Aging.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
General Government Operations	\$ 1,521	\$ 1,462	\$ 1,607
Federal Funds:			
Programs for the Aging (III) — Administration	1,167	1,325	1,395
Programs for the Aging (V) — Administration	77	110	120
Programs for the Aging (IVA) — Administration	118	.....	.....
Long-Term Care Planning and Development (IVC) — Administration	14	.....	.....
Training and Discretionary Programs (IV) — Administration .....	.....	150	100
Social Services Block Grant — Administration	955	955	995
Job Training Partnership — Administration .....	.....	38	.....
Other Funds:			
Reimbursements for Training AAA Staff .....	.....	15	.....
TOTAL	\$ 3,852	\$ 4,055	\$ 4,217

STATE LOTTERY FUND GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Aging Programs			
State Funds	\$ 22,718	\$ 29,840	\$ 72,280
Federal Funds	51,416	64,546	47,525
Other Funds .....	.....	770	3,277
TOTAL	\$ 74,134	\$ 95,156	\$ 123,082

Provides services to the elderly through a network of 50 Area Agencies on Aging. Services provided include meals, homemaker and chore services, transportation, job development and placement, domiciliary care and the operation of senior centers.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Aging Programs	\$ 18,618	\$ 29,840	\$ 45,280
In-Home Services .....	.....	.....	12,000
Pre-Admission In-Home Services .....	.....	.....	5,000
Senior Center Renovations .....	.....	.....	10,000
Transportation Grants	4,100	.....	.....
Federal Funds:			
Programs for the Aging (III) — Social Services	30,921	38,000	38,000
Programs for the Aging (V) — Employment	3,191	3,500	3,800
Programs for the Aging (IV) — Training	111	.....	.....
Training and Discretionary Programs (IV) .....	.....	200	200
Social Services Block Grant — Aging	13,400	14,595	.....
Programs for the Aging — Nutrition	3,606	5,000	5,300
CETA (III) — Promoting Older Worker Equal Rights	187	.....	.....
Job Training Partnership Grants to Area Agencies on Aging .....	.....	937	225
JTPA Older Workers .....	.....	1,875	.....
Jobs Bill Employment of Older Americans .....	.....	439	.....
Other Funds:			
Pre-Admission Assessment .....	.....	770	3,277
TOTAL	\$ 74,134	\$ 95,156	\$ 123,082

OTHER SPECIAL FUNDS

AGING

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Pharmaceutical Assistance Program			
State Funds	\$ 100,000	\$ 100,000

Funds are transferred from the Lottery Fund to the Pharmaceutical Assistance Fund to fund payments to pharmacies for the price of prescription drugs reduced by a recipient copayment. Persons over 65 with an income of up to \$9,000 if single or \$12,000 if married are eligible. Also provides for administrative costs of the department and the contractor operating the program.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Executive Authorization:			
Transfer to the Pharmaceutical Assistance Fund	<u>.....</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>

DEPARTMENT OF AGING

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 1,521	\$ 1,462	\$ 1,607	\$ 1,725	\$ 1,812	\$ 1,902	\$ 1,998
Social Development of Individuals	\$ 22,718	\$ 129,840	\$ 172,280	\$ 169,250	\$ 175,300	\$ 180,400	\$ 184,800
Community Services	13,968	15,692	33,180	23,980	24,830	25,700	26,620
Community-Based Long-Term Care	8,750	14,148	39,100	45,270	50,470	54,700	58,180
Pharmaceutical Assistance Program .....	.....	100,000	100,000	100,000	100,000	100,000	100,000
DEPARTMENT TOTAL	<u>\$ 24,239</u>	<u>\$ 131,302</u>	<u>\$ 173,887</u>	<u>\$ 170,975</u>	<u>\$ 177,112</u>	<u>\$ 182,302</u>	<u>\$ 186,798</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 1,521	\$ 1,462	\$ 1,607	\$ 1,725	\$ 1,812	\$ 1,902	\$ 1,998
Federal Funds	2,331	2,578	2,610	2,662	2,715	2,770	2,825
Other Funds .....	.....	15	.....	.....	.....	.....	.....
TOTAL	<u>\$ 3,852</u>	<u>\$ 4,055</u>	<u>\$ 4,217</u>	<u>\$ 4,387</u>	<u>\$ 4,527</u>	<u>\$ 4,672</u>	<u>\$ 4,823</u>

Program Analysis:

General Administration and Support provides administrative and overhead systems which support the operation of programs to achieve Commonwealth and department objectives efficiently and economically.

The administrative costs for the central office, the Council on Aging and its regional councils are included in this subcategory.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	<u>\$ 1,521</u>	<u>\$ 1,462</u>	<u>\$ 1,607</u>	<u>\$ 1,725</u>	<u>\$ 1,812</u>	<u>\$ 1,902</u>	<u>\$ 1,998</u>

Community Services

OBJECTIVE: To enable older persons to continue active and independent lives

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 13,968	\$ 15,692	\$ 33,180	\$ 23,980	\$ 24,830	\$ 25,700	\$ 26,620
Federal Funds	27,250	33,789	24,710	24,920	24,920	24,920	24,920
TOTAL	\$ 41,218	\$ 49,481	\$ 57,890	\$ 48,900	\$ 49,750	\$ 50,620	\$ 51,540

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Pennsylvanians 60 years and older	2,238,000	2,276,000	2,315,000	2,354,000	2,394,000	2,435,000	2,476,000
Persons receiving assistance:							
Congregate meals (meals served/day)	106,522	115,480	116,500	118,000	119,000	120,000	121,000
Transportation (complete round trips)	84,031	83,700	84,000	84,100	84,200	84,300	84,400
Units of services delivered:							
Congregate meals (meals provided)	6,214,612	6,785,700	7,000,000	7,100,000	7,200,000	7,300,000	7,400,000
Employment Services (unsubsidized job placements)	1,319	5,400	5,400	5,400	5,400	5,400	5,400
Volunteer Services (volunteer hours)	1,508,000	1,511,000	1,540,000	1,550,000	1,600,000	1,650,000	1,700,000
Transportation (one-way passenger trips)	3,181,152	3,720,000	3,750,000	3,775,000	3,800,000	3,825,000	3,850,000

Program Analysis:

The activities included in this program are designed to provide a variety of resources in the community to enable the elderly to continue functioning independently with a minimal amount of outside support. Generally, the individuals served enjoy good health yet require some degree of aid or socialization in order to continue to lead independent lives.

The number of elderly in Pennsylvania continues to increase; by 1985 it is projected that there will be 2,315,000 Pennsylvanians over age sixty.

During the past several years, the Commonwealth has developed a statewide system to meet the needs of the elderly. Currently all 67 counties are served by 50 Area Agencies on Aging that serve as providers and administrators of a variety of services. These Area Agencies are now recognized as the principal components in the provision of services for older persons. This basic delivery system serves all the elderly including those in need of more intensive assistance as described in the subcategory Community-Based Long-Term Care Services.

The Area Agencies provide a wide range of services and activities. The most basic are those of information, referral, counseling and outreach to inform senior citizens of the availability of services. There are more than 500 senior centers in the Commonwealth which provide a full range of socialization and recreation activities, including congregational meals at noon time. Group dining has proved to be a very popular activity. During 1984-85, the senior centers expect to serve about 7 million congregational meals.

Each of the Area Agencies operate a job development and placement program for low income persons aged 55 and above. The major objective of the program is to assist older persons in securing unsubsidized employment in the private sector. In addition, job training and subsidized, part-time employment opportunities in community service work is provided. Job fairs, sponsored by several Area Agencies, have successfully secured employment for many senior citizens.

Frequently, older persons require special access to public and private transportation facilities in order to continue ac-

Community Services (continued)

Program Analysis: (continued)

tive and independent lives. The Area Agencies on Aging arrange for transportation services to assist the elderly with shopping, visits to the doctor and trips to and from senior centers.

During 1982-83, a \$4.1 million one-time grant from the State Lottery Fund was distributed to the Area Agencies on Aging for the purchase or leasing of vehicles and equipment

for use in senior citizen transportation.

In 1984-85 \$10 million is provided on a one-time grant basis for the senior citizen centers to make repairs to bring the centers up to acceptable safety standards, increase accessibility for the handicapped, and make general improvements.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
STATE LOTTERY FUND							
Aging Programs	\$ 9,868	\$ 15,692	\$ 23,180	\$ 23,980	\$ 24,830	\$ 25,700	\$ 26,620
Transportation Grants	4,100	.....	.....	.....	.....	.....	.....
Senior Center Renovations .....	.....	.....	10,000	.....	.....	.....	.....
STATE LOTTERY FUND TOTAL ...	<u>\$ 13,968</u>	<u>\$ 15,692</u>	<u>\$ 33,180</u>	<u>\$ 23,980</u>	<u>\$ 24,830</u>	<u>\$ 25,700</u>	<u>\$ 26,620</u>

**Community Services
Program Revision: Renovation of Senior Citizen Centers**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 10,000	.....	.....	.....	.....

Program Analysis:

Over 500 senior centers have been established in the Commonwealth. These centers support the social, emotional and physical well-being of Pennsylvania's senior citizens by sponsoring programs that are designed to enhance the dignity, support the independence and encourage the involvement of senior citizens in the community. In order to achieve these goals, each facility should be in a physical condition which ensures the safety of senior citizens and facilitates access for those who are disabled.

This proposal would make \$10 million in Lottery Funds available on a one-time grant basis for senior citizen centers to make repairs and improvements. As currently envisioned, a priority order for distributing the funds would be established: (1) to comply with fire and safety standards; (2) to make the center accessible to the handicapped; and (3) to maintain the senior citizen center in a condition that provides for the health, welfare and safety of senior citizens.

Program Revision Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
LOTTERY FUND							
Renovate Senior Centers	\$ 10,000	.....	.....	.....	.....

Community-Based Long-Term Care Services Program Revision: Expansion of In-Home Services

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 18,639	\$ 24,736	\$ 30,125	\$ 33,940	\$ 37,000
Federal Funds	1,638	2,336	3,325	3,740	4,200
TOTAL	<u>.....</u>	<u>.....</u>	<u>\$ 20,277</u>	<u>\$ 27,072</u>	<u>\$ 33,450</u>	<u>\$ 37,680</u>	<u>\$ 41,200</u>

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Older persons receiving:							
Home delivered meals:							
Current	22,566	24,940	25,000	25,000	25,000	25,000	25,000
Program Revision .....	.....	.....	34,600	37,800	40,500	42,100	43,000
Homemaker services							
Current	25,584	39,850	40,000	40,000	40,000	40,000	40,000
Program Revision .....	.....	.....	53,200	56,800	59,800	61,700	62,700

Program Analysis

Community-based care and support services permit elderly individuals to remain in their own homes. Escalating costs for institutionalization and a preference for the elderly to remain within the community have made community-based long-term care services popular and economically attractive. A wide range of in-home services is currently being provided by the Area Agencies on Aging, such as home-delivered meals, chore, homemaker, and home health services.

These services are being expanded with the objective of providing an alternative to long-term care in an institutional setting. The number of persons that will receive in-home services with these additional funds is difficult to project precisely since this depends on the degree of functional disability of the persons served which determines the quantity and mix of services provided. It is anticipated, however, that nearly 25,000 additional persons will receive some form of community-based long-term care. About 1.2 million additional home-delivered meals will be served; approximately 500,000 additional homemaker hours will be provided; and other in-home services such as home health and chore services could be expanded by over thirty percent.

A demonstration Pre-Admission Assessment program for applicants for Medical Assistance funded nursing home and

State funded community sheltered living arrangements is being implemented in six counties during 1983-84. The assessments will consist of a comprehensive evaluation of the various health and social service needs of a dependent, functionally limited individual who is a potential candidate for nursing home or sheltered residence placement. The intent of these assessments is to reduce inappropriate placements by referring clients, whenever practicable, to more appropriate residential settings by utilizing in-home and other community support services. If the results of the 1983-84 demonstrations are encouraging, approximately eight additional counties will begin a Pre-Admission Assessment program in 1984-85. The administrative costs of the program will be funded through the Pre-Admission Assessment appropriation in the Department of Public Welfare while funding for the in-home services component of the program will be made available to the Department of Aging.

This program expansion is made possible through the use of State Lottery Fund revenues. For additional information on the services provided, refer to the subcategory Community-Based Long-Term Care Services immediately preceding this page.

Community-Based Long-Term Care Services
Program Revision: Expansion of In-Home Services (continued)

Program Revision Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
LOTTERY FUND							
In-Home Services	\$ 12,000	\$ 14,000	\$ 16,000	\$ 18,000	\$ 20,000
Pre-Admission In-Home Services	5,000	8,400	10,800	12,200	12,800
LOTTERY FUND TOTAL	<u>.....</u>	<u>.....</u>	<u>\$ 17,000</u>	<u>\$ 22,400</u>	<u>\$ 26,800</u>	<u>\$ 30,200</u>	<u>\$ 32,800</u>

In addition to the amounts shown above, this Program Revision also includes funding in the following subcategory in the Department of Public Welfare.

Long-Term Care Services

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
LOTTERY FUND							
Pre-Admission Assessment	<u>.....</u>	<u>.....</u>	<u>\$ 1,639</u>	<u>\$ 2,336</u>	<u>\$ 3,325</u>	<u>\$ 3,740</u>	<u>\$ 4,200</u>

Community-Based Long-Term Care Services

OBJECTIVE: To enable older persons to live in their own homes and, where necessary, provide alternative living arrangements.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 8,750	\$ 14,148	\$ 39,100	\$ 45,270	\$ 50,470	\$ 54,700	\$ 58,180
Federal Funds	24,166	30,757	22,815	22,880	22,880	22,880	22,880
Other Funds .....	.....	770	3,277	4,672	6,650	7,480	8,400
TOTAL	\$ 32,916	\$ 45,675	\$ 65,192	\$ 72,822	\$ 80,000	\$ 85,060	\$ 89,460

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Older persons receiving:							
Home delivered meals	22,566	24,940	34,600	37,800	40,500	42,100	43,000
Homemaker services	25,584	39,850	53,200	56,800	59,800	61,700	62,700
Units of services delivered:							
Service Management (client hours)	237,637	307,400	431,800	461,100	485,500	501,100	509,700
Homemaker (client hours)	1,345,117	1,585,600	2,115,000	2,278,000	2,394,000	2,468,000	2,508,000
Chore Services (client hours)	159,035	159,900	208,600	222,700	235,500	242,100	246,600
Home delivered meals	2,947,034	3,273,300	4,510,000	4,924,000	5,273,000	5,480,000	5,596,000
Placement Services (persons placed)	1,880	3,200	4,250	6,400	7,300	7,600	7,700

Program Analysis:

Although most older persons are able to meet their own needs, a significant proportion, especially as they grow older, require more intensive services if they are to remain in the community. A variety of personal support services have been developed to meet the needs of this group of the elderly.

Certain types of services are especially useful to the disabled elderly and the Commonwealth has been making a deliberate effort to provide increased assistance to this segment of the population. Every effort is made to provide services which enable individuals to remain in their own homes. The State Lottery Fund provided an additional \$7.5 million for the expansion of in-home services during 1983-84.

Individualized service management provides specialized assistance to older persons who are in need of multiple services or otherwise require highly personalized, intensive attention to resolve problems or arrange a plan of care. This type of service frequently involves working with family members of older persons to encourage and aid them to care for their elderly relatives. It may also involve the intervention of an attorney to arrange guardianship or prevent ex-

ploitation. Also included is therapeutic counseling to help older persons to adjust to role changes or the loss of a spouse.

The most widely utilized in-home service is homemaker service which provides the bed-bound or extremely frail elderly with light housekeeping, laundry and personal grooming assistance when there is no other responsible person available or capable of providing these services. Approximately 53,000 senior citizens will receive homemaker services in 1984.

Chore services are provided in a similar manner and lend assistance with minor home maintenance tasks such as: replacing window panes, installing safety rails in the bathroom and cutting grass or shoveling snow. These services are provided to maintain the individual's health and safety in the home.

Another major in-home service is home-delivered meals. The disabled or frail elderly are generally unable to prepare adequate meals for themselves and are unable to participate in the group dining program of senior centers. To insure

Community-Based Long-Term Care Services (continued)

Program Analysis: (continued)

minimum levels of sound nutrition, meals are prepared in a central location and delivered to an individual's home. During 1983-84, over three million home-delivered meals will be served to an estimated 24,940 disabled or frail senior citizens.

A number of elderly are unable to care for themselves in their own homes yet do not require nursing home care. The Commonwealth has been actively developing programs to provide a range of residential options for this population.

A Pre-Admission program for applicants of Medical Assistance funded nursing homes and State funded community sheltered living arrangements was implemented on a demonstration basis in 1983-84. The purpose of the program is to determine the needs of the applicants so that necessary services and the appropriate level of care may be identified and promptly secured. This program as well as in-home services for the elderly will be expanded in 1984-85 as explained in the Program Revision on the following page.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
STATE LOTTERY FUND							
Aging Programs	\$ 8,750	\$ 14,148	\$ 22,100	\$ 22,870	\$ 23,670	\$ 24,500	\$ 25,380
In-Home Services .....	.....	.....	12,000	14,000	16,000	18,000	20,000
Pre-Admission In-Home Services .....	.....	.....	5,000	8,400	10,800	12,200	12,800
STATE LOTTERY FUND TOTAL ...	<u>\$ 8,750</u>	<u>\$ 14,148</u>	<u>\$ 39,100</u>	<u>\$ 45,270</u>	<u>\$ 50,470</u>	<u>\$ 54,700</u>	<u>\$ 58,180</u>

Pharmaceutical Assistance Program

OBJECTIVE: To provide assistance to the Commonwealth's elderly citizens who are experiencing difficulties in meeting the costs of prescription drugs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	<u> </u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Estimated persons participating	605,000	605,000	605,000	605,000	605,000
Annual prescriptions per person	18	18	18	18	18
Total annual prescriptions	10,890,000	10,890,000	10,890,000	10,890,000	10,890,000

Program Analysis:

Act 63 of 1983 provides the Department of Aging with State Lottery funds for the administration and provision of benefits for this new program which is scheduled to be implemented July 1, 1984.

Residents of Pennsylvania who are 65 years of age or over, and who have annual incomes not exceeding \$9,000 in the case of single individuals and \$12,000 in the case of married couples are eligible for assistance if they are not qualified for payment of drugs under any other plan of assistance or insurance program. In 1984-85, an estimated 605,000 persons will participate in the program and about 10.9 million prescriptions will be subsidized. Since this is a new program, the program measures shown above are estimates and can not be determined with precision until the program is in operation for at least the first year.

The drugs covered by this program are all legend drugs, insulin, insulin syringes, and insulin needles. Neither drugs used for experimental purposes, nor prescriptions acquired

through mail order delivery are covered. Prescription size is limited to a 30 day supply or 100 doses, whichever is less, and participating pharmacies must be licensed by the Commonwealth.

An eligible recipient must pay the difference in cost between a brand name drug and its generically equivalent drug if the physician permits substitution but the recipient elects to purchase the brand name drug.

A mandatory \$4.00 co-payment to the pharmacy per prescription is required from eligible recipients. The pharmacy will be reimbursed for the remainder of the drug cost with proceeds from the Lottery Fund. The co-payment shall increase or decrease on an annual basis by the average percent change of ingredient costs for all prescription drugs covered by the program. In addition, the Department may adjust the co-payment semiannually based upon the financial experience and projections of the program and after consultation with the Pharmaceutical Review Board.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
STATE LOTTERY FUND							
Transfer to Pharmaceutical Assistance							
Fund	<u> </u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ 100,000</u>

Department of Agriculture

The Department of Agriculture carries out activities to ensure wholesome and quality agricultural products for consumers; to expand existing and develop new domestic and foreign markets for Pennsylvania's agricultural products; to develop and encourage proper farming and conservation practices; to prevent, control and eradicate diseases among livestock, poultry and plants; to regulate the conduct of horse racing; and to improve the quality of life in rural Pennsylvania.

DEPARTMENT OF AGRICULTURE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 17,030	\$ 16,000	\$ 16,640
Food Distribution .....	.....	726	.....
Agricultural Development Commission .....	.....	.....	100
Agricultural Research	212	310	310
Agricultural Promotion	8	60	60
Poultry Research and Promotion .....	.....	.....	500
Subtotal	<u>\$ 17,250</u>	<u>\$ 17,096</u>	<u>\$ 17,610</u>
Grants and Subsidies			
Brucellosis Vaccination Program	\$ 150	\$ 150	\$ 150
Animal Indemnities	246	225	225
Avian Influenza .....	.....	2,000	.....
Transfer to State Farm Products Show Fund	1,000	1,000	1,000
Livestock Show	83	83	83
Open Dairy Show	66	66	66
Junior Dairy Show	28	28	28
4-H Club Shows	33	33	33
Emergency Food Program .....	.....	8,000	.....
Johne's Disease .....	.....	115	115
Transfer to Pennsylvania Fair Fund .....	.....	700	2,500
Subtotal	<u>\$ 1,606</u>	<u>\$ 12,400</u>	<u>\$ 4,200</u>
TOTAL STATE FUNDS	<u><u>\$ 18,856</u></u>	<u><u>\$ 29,496</u></u>	<u><u>\$ 21,810</u></u>
Federal Funds	\$ 922	\$ 6,642	\$ 4,181
Other Funds	674	979	979
GENERAL FUND TOTAL	<u><u>\$ 20,452</u></u>	<u><u>\$ 37,117</u></u>	<u><u>\$ 26,970</u></u>
State Farm Products Show Fund			
General Government			
General Operations	\$ 1,871	\$ 1,643	\$ 1,730
STATE FARM PRODUCTS SHOW FUND TOTAL	<u><u>\$ 1,871</u></u>	<u><u>\$ 1,643</u></u>	<u><u>\$ 1,730</u></u>
State Racing Fund			
General Government			
Harness Racing Commission	\$ 1,806	\$ 2,025	\$ 2,106
Horse Racing Commission	2,409	2,801	2,801
Race Horse Testing Laboratory	1,016	957	995
Pennsylvania Fair Fund Administration	188	266	276
Subtotal	<u><u>\$ 5,419</u></u>	<u><u>\$ 6,049</u></u>	<u><u>\$ 6,178</u></u>

DEPARTMENT OF AGRICULTURE

Summary by Fund and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Racing Fund (continued)			
Grants and Subsidies			
Transfer to the General Fund	\$ 9,229	\$ 7,095	\$ 11,054
Transfer to the Pennsylvania Fair Fund	2,026	1,557	.....
School District Payments	1,750	3,500	.....
Community Facilities	1,638	1,592	.....
Transfer to Sire Stakes Fund .....	.....	1,425	2,850
Transfer to Breeders' Fund .....	.....	1,230	2,460
Subtotal	\$ 14,643	\$ 16,399	\$ 16,364
STATE RACING FUND TOTAL	\$ 20,062	\$ 22,448	\$ 22,542
 Pennsylvania Fair Fund			
General Government			
General Operations	\$ 2,169	\$ 1,695	.....
PENNSYLVANIA FAIR FUND	\$ 2,169	\$ 1,695	.....
 Department Total — All Funds			
General Fund	\$ 18,856	\$ 29,496	\$ 21,810
Special Funds	24,102	25,786	24,272
Federal Funds	922	6,642	4,181
Other Funds	674	979	979
TOTAL ALL FUNDS	\$ 44,554	\$ 62,903	\$ 51,242

GENERAL GOVERNMENT OPERATIONS

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Government Operations			
State Funds	\$ 17,250	\$ 17,096	\$ 17,610
Federal Funds	922	6,642	4,181
Other Funds	674	979	979
TOTAL	\$ 18,846	\$ 24,717	\$ 22,770

Provides the overall planning, policy guidance and coordination for agency programs and supplies administrative, legal, public information, planning and research, personnel, fiscal management and supply services to the various substantive operational programs.

Protects the consumer by insuring that certain commodities comply with quality, grade and weight standards.

Engages in the protection and improvement of plant and animal health through the evaluation and control of disease.

Attempts to strengthen the agricultural economy through activities aimed at improving farm family income and promotes the self-sufficiency of rural residents through programs which provide access to vitally needed family services.

Engages in research and promotional activities for the benefit of both the agrarian and nonagrarian communities.

Also, provides for regulation of the labeling, distribution, transportation, use, application and storage of pesticides.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
General Government Operations	\$ 17,030	\$ 16,000	\$ 16,640
Food Distribution .....	.....	726	.....
Agricultural Development Commission .....	.....	.....	100
Agricultural Research	212 ^a	310	310
Agricultural Promotion	8 ^a	60	60
Poultry Research and Promotion .....	.....	.....	500
Federal Funds:			
Diagnostic Laboratory Services	81	82	82
Food and Drug Administration — Food Sanitation Inspections	179	200	163
Poultry Grading Service	128	135	145
Marketing Services	30	50	50
CETA Rural Housing Rehabilitation	15	.....	.....
Ornamental Crop Reporting	22	22	22
Pesticide Enforcement, Certification and Training	341	334	309
Medicated Feed Mill Inspection Program	21	27	20
Rural Development Council .....	.....	14	.....
Donated Food-Administrative Expenses	68	70	70
Plant Pest Detection	37	80	60
Food Storage and Distribution .....	.....	2,368	.....
Household Commodity Program .....	.....	2,500	2,500
CCC Cheese Processing Program .....	.....	500	500
Reimbursable Cheese Inspection Program .....	.....	40	40
Pseudorabies Pilot Project .....	.....	220	220

^aActually appropriated as a single appropriation: Agricultural Research and Promotion \$220,000.

GENERAL FUND

AGRICULTURE

<i>Source of Funds (continued)</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Other Funds:			
Feed and Fertilizer Inspection, and Registration, Fees and Fines	\$ 350	\$ 356	\$ 356
Lime Inspection and Registration Fees and Fines	44	48	48
Soil Conditioner Inspection and Registration Fees and Fines ...	8	8	8
Data Processing Services	1	4	4
Milk Plant Inspections	23	28	28
Apple Marketing Transfer	2	2	2
Milk Marketing Reimbursement	7	7	7
Fruit Tree Improvement	14	12	12
Donated Food Damage Claims	185	40	40
Animal Industry Services	5	3	3
Special Conferences and Projects .....	.....	40	40
Administrative Services	30	431	431
Weights and Measures Inspections	5	.....	.....
TOTAL	<u>\$ 18,846</u>	<u>\$ 24,717</u>	<u>\$ 22,770</u>

GRANTS AND SUBSIDIES

Animal Health	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 396	\$ 2,490	\$ 490

Provides indemnity payments as compensation for diseased or exposed animals which are destroyed to prevent the spread of disease. Act 225 of December 7, 1982 changed the method of funding dog law enforcement activities from general appropriations to a restricted account is supported solely from dog law fees and fines. Estimates of the expenditures from this new account are shown along with other departmental restricted accounts.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Brucellosis Vaccination Program	\$ 150	\$ 150	\$ 150
Animal Indemnities	246	225	225
Avian Influenza—Recommended Supplemental .....	.....	2,000	.....
Johne's Disease .....	.....	115	115
TOTAL	<u>\$ 396</u>	<u>\$ 2,490</u>	<u>\$ 490</u>

GENERAL FUND

AGRICULTURE

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Agribusiness Development			
State Funds	\$ 1,210	\$ 1,910	\$ 3,710

Supports that portion of the Farm Show Activities not covered by State Farm Products Show Fund revenues, stimulates the improvement and development of Pennsylvania's agricultural products through competitive shows and effective December 30, 1983, subsidizes Pennsylvania Fair Fund activities.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Transfer to State Farm Products Show Fund	\$ 1,000	\$ 1,000	\$ 1,000
Livestock Show	83	83	83
Open Dairy Show	66	66	66
Junior Dairy Show	28	28	28
4-H Club Shows	33	33	33
Transfer to Pennsylvania Fair Fund .....	.....	700	2,500
TOTAL	<u>\$ 1,210</u>	<u>\$ 1,910</u>	<u>\$ 3,710</u>

Consumable Agricultural Products	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 8,000	.....

Provides grants to local organizations to feed the needy.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Emergency Food Program	<u>\$ 8,000</u>	.....

**STATE FARM PRODUCTS SHOW FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Operations			
State Funds	\$ 1,871	\$ 1,643	\$ 1,730
Other Funds	1,000 ^a	1,000 ^a	1,000 ^a
TOTAL	<u>\$ 2,871</u>	<u>\$ 2,643</u>	<u>\$ 2,730</u>

Stimulates the improvement and development of Pennsylvania's agricultural products by encouraging and staging competitive shows at the State Farm Show Complex. Provides facilities for educational, cultural, religious, sport and other activities of interest to the general public.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Executive Authorization:			
General Operations	\$ 1,871	\$ 1,643	\$ 1,730
Other Funds:			
Transfer from General Fund	1,000 ^a	1,000 ^a	1,000 ^a
TOTAL	<u>\$ 2,871</u>	<u>\$ 2,643</u>	<u>\$ 2,730</u>

**STATE RACING FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Racing Commissions—Operations			
State Funds	\$ 5,231	\$ 5,783	\$ 5,902

Develops and implements rules, regulations and procedures to insure the public and harness and horse owners of honest and safe competitive pari-mutuel harness and horse racing. Act 93 of 1983 merged the State Harness Racing Fund and the State Horse Racing Fund into the State Racing Fund.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Executive Authorizations:			
Harness Racing Commission	\$ 1,806	\$ 2,025	\$ 2,106
Horse Racing Commission	2,409	2,801	2,801
Race Horse Testing Laboratory	1,016	957	995
TOTAL	<u>\$ 5,231</u>	<u>\$ 5,783</u>	<u>\$ 5,902</u>

^aThe transfer from the General Fund is not carried forward as other funds to the Summary by Fund and Appropriation to avoid double counting.

OTHER SPECIAL FUNDS

AGRICULTURE

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Pennsylvania Fair Fund Administration			
State Funds	\$ 188	\$ 266	\$ 276

Provides for the expenses incurred by the Secretary and the Department of Agriculture in administering the Pennsylvania Fair Fund.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Executive Authorizations:			
Pennsylvania Fair Fund Administration.....	<u>\$ 188</u>	<u>\$ 266</u>	<u>\$ 276</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Statutory Transfers			
State Funds	\$ 14,643	\$ 16,399	\$ 16,364

Act 93 of 1983 adjusted the distribution of monies in the newly formed Racing Fund. From monies remaining in the State Racing Fund after payment of necessary expenses, percentages of the amount wagered as specified are to be credited to the Breeders' Fund and to the Sire Stakes Fund. All remaining monies in the State Racing Fund would then be transferred to the General Fund in the subsequent fiscal year.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Executive Authorizations:			
Transfer to General Fund	\$ 9,229 ^a	\$ 7,095 ^b	\$ 11,054
Transfer to Pennsylvania Fair Fund	2,026 ^c	1,557 ^d	.....
School District Payments	1,750 ^e	3,500 ^f	.....
Community Facilities	1,638 ^g	1,592 ^h	.....
Transfer to Sire Stakes Fund .....	.....	1,425 ⁱ	2,850 ^j
Transfer to Breeders' Fund .....	.....	1,230 ^j	2,460 ^j
TOTAL	<u>\$ 14,643</u>	<u>\$ 16,399</u>	<u>\$ 16,364</u>

^aActually authorized as separate transfers to the General Fund from the State Horse Racing Fund at \$6,598,000 and the State Harness Racing Fund at \$2,631,000.
^bActually authorized as separate transfers to the General Fund from the State Horse Racing Fund at \$6,279,000 and the State Harness Racing Fund at \$816,000.
^cActually authorized as separate transfers to the Pennsylvania Fair Fund from the State Horse Racing Fund at \$1,448,000 and the State Harness Racing Fund at \$578,000.
^dActually authorized as separate transfers to the Pennsylvania Fair Fund from the State Horse Racing Fund at \$1,378,000 and the State Harness Racing Fund at \$179,000.
^eActually authorized as separate transfers for School District Payments from the State Horse Racing Fund at \$875,000 and the State Harness Racing Fund at \$875,000.
^fActually authorized as separate transfers for School District Payments from the State Horse Racing Fund at \$1,750,000 and the State Harness Racing Fund at \$1,750,000.
^gActually authorized as separate transfers for Community Facilities from the State Horse Racing Fund at \$888,000 and the State Harness Racing Fund at \$750,000.
^hActually authorized as separate transfers for Community Facilities from the State Horse Racing Fund at \$842,000 and the State Harness Racing Fund at \$750,000.
ⁱPreviously the amounts for these funds were shown as restricted receipts not included in racing revenues or expenditures.

**FAIR FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Operations			
State Funds	\$ 2,169	\$ 1,695	.....
Other Funds .....	.....	700 ^a	\$ 2,500 ^a
TOTAL	<u>\$ 2,169</u>	<u>\$ 2,395</u>	<u>\$ 2,500</u>

Reimbruses local organizations for operating expenses incurred in conducting annual agricultural fairs. Conducts marketing, consumer service and agricultural research programs. If funds are available, provides grants to fairs for capital improvements.

Beginning in 1983-84 monies were transferred from the General Fund to the Fair Fund to support these activities. Under the provisions of Act 93 of 1983 the Fair Fund no longer receives monies from racing.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Executive Authorization:			
General Operations	\$ 2,169	\$ 1,695	.....
Other Funds:			
Transfer from General Fund .....	.....	700	\$ 2,500
TOTAL	<u>\$ 2,169</u>	<u>\$ 2,395</u>	<u>\$ 2,500</u>

^aThe transfer from the General Fund is not carried forward as Other Funds to the Summary by Fund and Appropriation to avoid double counting.

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
Weighmasters Liquid Fuels Licenses	\$ 8	\$ 8	\$ 8
Weighmasters Solid Fuels Licenses	7	7	7
Agriculture Farm Operations	1,026	1,100	1,125
Recovery on Lost Commodities	81	81	81
Dog Law Administration ^a	2,784	3,000	3,200
Security Deposits	5	5	5
Farm Loan Program	2	3	4
TOTAL	<u>\$ 3,913</u>	<u>\$ 4,204</u>	<u>\$ 4,430</u>
State Racing Fund^b			
Sire Stakes Fund	\$ 2,203	\$ 1,300	.....
Breeders' Fund	2,425	1,200	.....
STATE RACING FUND TOTAL	<u>\$ 4,628</u>	<u>\$ 2,500</u>	<u>\$ 5,300</u>
DEPARTMENT OF AGRICULTURE TOTAL	<u>\$ 8,541</u>	<u>\$ 6,704</u>	<u>\$ 4,430</u>

^aPreviously funded from General Fund appropriations. Act 225 of 1982 created a restricted account.

^bAct 93 of 1983, signed into law December 30, 1983, merged the former State Horse and State Harness Racing Funds into the State Racing Fund. Under this law, both the Breeders' and the Sire Stakes funds became restricted accounts in the State Racing Fund. This change is reflected here effective December 30, 1983.

DEPARTMENT OF AGRICULTURE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 3,487	\$ 3,410	\$ 3,195	\$ 3,355	\$ 3,523	\$ 3,699	\$ 3,884
Consumer Protection	\$ 26,187	\$ 36,869	\$ 28,622	\$ 22,509	\$ 23,090	\$ 20,579	\$ 20,942
Consumable Agricultural Products	6,313	14,687	6,356	6,674	7,008	7,358	7,725
Regulation of Horse Racing	19,874	22,182	22,266	15,835	16,082	13,221	13,217
Property Protection	\$ 5,557	\$ 6,941	\$ 4,517	\$ 4,718	\$ 4,814	\$ 5,036	\$ 5,269
Animal Health	5,557	6,941	4,517	4,718	4,814	5,036	5,269
Agribusiness Development	\$ 7,727	\$ 8,062	\$ 9,748	\$ 9,523	\$ 9,812	\$ 10,114	\$ 10,430
Development of Agricultural Industries ..	7,727	8,062	9,748	9,523	9,812	10,114	10,430
DEPARTMENT TOTAL	<u>\$ 42,958</u>	<u>\$ 55,282</u>	<u>\$ 46,082</u>	<u>\$ 40,105</u>	<u>\$ 41,239</u>	<u>\$ 39,428</u>	<u>\$ 40,525</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 3,487	\$ 3,410	\$ 3,195	\$ 3,355	\$ 3,523	\$ 3,699	\$ 3,884
Other Funds	35	451	451	451	451	451	451
TOTAL	<u>\$ 3,522</u>	<u>\$ 3,861</u>	<u>\$ 3,646</u>	<u>\$ 3,806</u>	<u>\$ 3,974</u>	<u>\$ 4,150</u>	<u>\$ 4,335</u>

Program Analysis:

This program provides the administrative and overhead services which support the operations of the substantive programs of the Department. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

Funds are also provided to support the Pennsylvania Crop Reporting Service. The Service is a cooperative effort of the

State and Federal governments which assembles and distributes essential facts pertaining to the agriculture of the State.

A by-product of the Pennsylvania Crop Reporting Service is the "Annual Crop and Livestock Summary" which serves as a single reference source for county and State seasonal agricultural information.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	<u>\$ 3,487</u>	<u>\$ 3,410</u>	<u>\$ 3,195</u>	<u>\$ 3,355</u>	<u>\$ 3,523</u>	<u>\$ 3,699</u>	<u>\$ 3,884</u>

Consumable Agricultural Products

OBJECTIVE: To protect and assure the high quality of consumable agricultural products through reduction of the incidence of plant pests and misused, misrepresented, substantial or adulterated products.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 6,313	\$ 14,687	\$ 6,356	\$ 6,674	\$ 7,008	\$ 7,358	\$ 7,725
Federal Funds	647	6,119	3,662	622	622	622	622
Other Funds	632	492	492	492	492	492	492
TOTAL	\$ 7,592	\$ 21,298	\$ 10,510	\$ 7,788	\$ 8,122	\$ 8,472	\$ 8,839

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Food establishments requiring inspection...	119,488	121,507	121,507	121,507	121,507	121,507	121,000
Incidence of consumer complaints	2,224	2,450	2,450	2,450	2,450	2,450	2,450
Incidence of food products showing major discrepancies	9,905	9,905	9,905	9,905	9,905	9,905	9,905
Dollar value of products removed from the market (in thousands)	\$ 3,107	\$ 3,400	\$ 3,400	\$ 3,400	\$ 3,400	\$ 3,400	\$ 3,400
Weight and measure inspections performed	29,157	29,750	30,000	30,000	30,000	30,000	30,000
Plant samples processed	9,287	9,200	9,400	9,600	9,800	10,000	10,200
Commercial pesticide applicators licensed ..	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Dollar value of commodities distributed (in thousands)	\$ 90,000	\$ 116,000	\$ 94,000	\$ 76,000	\$ 70,000	\$ 70,000	\$ 70,000
Consumer commodities inspected	15,150	15,250	15,000	15,000	15,000	15,000	15,000
Persons receiving donated foods (in thousands)	5,000	6,000	5,000	3,500	2,750	2,750	2,750

Program Analysis:

The Department of Agriculture is vitally interested in the continued strengthening and well-being of the agriculture industry in Pennsylvania. Through its regulatory efforts it also makes a substantial contribution toward protecting the health and safety of the consumer and assuring the consumer of a quality product.

Among the most significant of its protection activities is the department's efforts in food law compliance. An educational approach has been developed under which department personnel participate in training courses for food handlers. Food establishments which are inspected include all licensed food stores, processing plants, warehouses, transporta-

tion facilities, bakeries, bottling plants, nurseries, seed dealers and certain restaurants and concession stands. Additional activities guarantee the quality of animal feeds, fertilizers, liming materials and pesticides.

During 1982-83 the establishments requiring inspections totaled 119,488 and the incidence of consumer complaints was 2,224. The measure pertaining to the incidence of consumer complaints has increased over previous estimates due to an increased level of consumer awareness. It is expected to level off in the near future.

In 1983-84, it is estimated that there will be approximately 9,905 incidences of major food product discrepancies. This

Consumable Agricultural Products (continued)

Program Analysis: (continued)

is a substantial decrease over prior years' estimates as a result of improved quality control in dairy plants and farms, fewer dating violations, and increased use of warning letters as required under revised regulations. These discrepancies represent significant violations of laws, regulations or production practices observed by inspection, product analysis or label review. An incidence includes all products removed at a given location; it is not a count of each individual product removed.

The largest bulk of food being removed is from food vehicle accidents, although fires and floods also have an impact on the dollar value of the products removed from the market. It is anticipated that \$3.4 million will be the annual average over the next few years. This measure is directly affected by the number of food product discrepancies.

In addition to inspection of food, the department regulates the sale of feed, fertilizer, lime and seeds by requiring certain label information to insure that consumers receive quality seeds, and inspects plant samples to detect new plant pests or diseases and to monitor known plant pests and diseases. The ultimate goal of the latter effort is to develop pest and disease free propagation stock. As a result of regulatory and surveillance operations, approximately 9,200 plant samples will be tested in laboratories during 1983-84.

The Pesticide Control Law provides for the regulation of the use, handling, storage and transportation of pesticides. Regulation is achieved through the requirement of essential label information and through the certification of

pesticide applicators, dealers and manufacturers. This program attempts to provide for the optimum use of pesticides while minimizing their adverse effects on human life and the environment.

Also included in this program are activities which regulate and maintain uniform standards of legal weights and measures of Commonwealth products. It is estimated that 30,000 weights and measures inspections will be performed during 1984-85. The increase in the number of inspections performed is a result of the inspection of bulk plant petroleum meters beginning in February, 1982. The emphasis in this program area has been redirected, with increased emphasis now being placed on the inspection of devices for measuring and weighing rather than on individual product inspections.

The Bureau of Government Donated Foods is also situated in the Department of Agriculture; it is involved with distributing Federal surplus food to institutions—schools, prisons, hospitals, etc. In 1982-83 the needy family distribution program was incorporated into the Bureau; it involves food distribution to the disadvantaged.

Value of donated foods available in 1983-84 increased due to the availability of additional Federal surplus food and the one-time State-funded Emergency Food Program; both were provided to assist needy individuals during the recent recession. It is presently anticipated that Federal surplus commodities will be reduced in 1984-85 and again in 1985-86, and then as the economy improves level off to include only the basic institutional program.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 6,313	\$ 5,961	\$ 6,356	\$ 6,674	\$ 7,008	\$ 7,358	\$ 7,725
Food Distribution .....	.....	726	.....	.....	.....	.....	.....
Emergency Food Program .....	.....	8,000	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 6,313	\$ 14,687	\$ 6,356	\$ 6,674	\$ 7,008	\$ 7,358	\$ 7,725

Regulation of Horse Racing

OBJECTIVE: To prevent consumer fraud in the racing industry.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 19,874	\$ 22,182	\$ 22,266	\$ 15,835	\$ 16,082	\$ 13,221	\$ 13,217

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Investigations to insure compliance with established rules and regulations:							
Harness	425	506	506	506	506	506	506
Horse	1,185	1,150	1,120	1,095	1,095	1,095	1,095
Tests conducted by the Pennsylvania Race Horse Testing Laboratory(in thousands)	2,062	2,072	2,072	2,072	2,072	2,072	2,072
Participant licenses issued:							
Harness	12,553	12,500	8,000	8,000	8,000	8,000	8,000
Horse	21,161	21,161	21,161	21,161	21,161	21,161	21,161
Racing days approved:							
Harness	602	600	600	600	600	600	600
Horse	537	488	488	488	488	488	488

Program Analysis:

The activities of this program are aimed at insuring that racing events are fair and unbiased. In 1984-85, it is estimated that licenses will be given to 8,000 participants in harness racing and 21,161 participants in the area of horse racing.

Both the Horse and Harness Racing Commissions are administrative arms of the Department of Agriculture, and maintain offices at each of the licensed tracks. Principal duties consist of photographing and fingerprinting new applicants for licenses and conducting interviews and investigations to assure that programs, rules and regulations approved by the Commissions are being satisfactorily carried out by associations and participants.

On December 30, 1983 the Governor signed Act 93 which amended the Race Horse Industry Reform Act. Act 93 merge the State Horse Racing Fund and the State Harness Racing Fund into a single State Racing Fund. The tax schedule was adjusted and the distribution of funds was

revised in order to assist the racing industry by increasing the funds retained by the tracks.

Under previous legislation racing funds were provided for School District payments, the Department of Commerce's Community Facilities program and the Pennsylvania Fair Fund. Act 93 no longer provides racing funds for those programs, and this budget proposes to replace these lost racing funds with General Fund appropriations. The School District payments are now included in the Department of Education, Community Facilities is included in the Department of Commerce and the Transfer to the Fair Fund is in the Department of Agriculture.

After stipulated racing expenses are paid, the remaining balance in the State Racing Fund is transferred to the General Fund in the subsequent fiscal year. For 1984-85, this transfer to the General Fund is estimated to be \$11.0 million.

Regulation of Horse Racing (continued)

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
STATE RACING FUND							
Harness Racing Commission	\$ 1,806	\$ 2,025	\$ 2,106	\$ 2,211	\$ 2,322	\$ 2,438	\$ 2,559
Horse Racing Commission	2,409	2,801	2,801	2,941	3,088	3,242	3,404
Race Horse Testing Lab	1,016	957	995	1,045	1,098	1,153	1,210
Transfer to the General Fund	9,229	7,095	11,054	4,328	4,264	1,078	734
Transfer to the Pennsylvania Fair Fund .	2,026	1,557	.....	.....	.....	.....	.....
School District Payments	1,750	3,500	.....	.....	.....	.....	.....
Community Facilities	1,638	1,592	.....	.....	.....	.....	.....
Transfer to Sire Stakes Fund .....	.....	1,425	2,850	2,850	2,850	2,850	2,850
Transfer to Breeders' Fund .....	.....	1,230	2,460	2,460	2,460	2,460	2,460
STATE RACING FUND							
TOTAL	<u>\$ 19,874</u>	<u>\$ 22,182</u>	<u>\$ 22,266</u>	<u>\$ 15,835</u>	<u>\$ 16,082</u>	<u>\$ 13,221</u>	<u>\$ 13,217</u>

Animal Health

OBJECTIVE: To improve the health and reduce the incidence of damage to and by animals.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 5,557	\$ 6,941	\$ 4,517	\$ 4,718	\$ 4,814	\$ 5,036	\$ 5,269
Federal Funds	81	302	302	82	82	82	82
Other Funds	2,789	3,003	3,203	3,403	3,403	3,403	3,403
TOTAL	\$ 8,427	\$ 10,246	\$ 8,022	\$ 8,203	\$ 8,299	\$ 8,521	\$ 8,754

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Animals examined to determine disease (in thousands)	9,000	9,150	9,150	9,150	9,150	9,150	9,150
Animals quarantined	39,000	15,000,000	38,000	38,000	38,000	38,000	38,000
Animals destroyed	2,900	15,000,000	3,000	3,000	3,000	3,000	3,000
Livestock herds and flocks under surveillance	96,582	96,500	96,500	96,500	96,500	96,500	96,500
Post-mortem examinations	9,985	10,000	11,000	11,000	11,000	11,000	11,000
Health charts issued	159,389	160,000	160,000	160,000	160,000	160,000	160,000
Dogs licensed (in thousands)	992	930	1,000	1,000	1,000	1,000	1,000
Citations issued to dog owners	4,970	5,000	5,500	5,500	5,500	5,500	5,500
Dogs apprehended	10,362	10,200	11,000	11,000	11,000	11,000	11,000
Kennels licensed	1,488	1,650	1,650	1,650	1,650	1,650	1,650

Program Analysis:

This program supports a wide range of activities aimed at the prevention, control and eradication of transmissible diseases of domestic animals and poultry.

Surveillance to detect disease is accomplished by maintaining laboratory diagnostic services, inspecting and supervising livestock concentration points and promoting voluntary herd health certification programs. Regulatory activities include control of interstate and intrastate livestock movement and quarantine of diseased or exposed livestock.

The livestock population of Pennsylvania has remained relatively unchanged during recent years. Cooperative State-Federal programs to eradicate tuberculosis and brucellosis have resulted in a free status for Pennsylvania for the 1982-83 fiscal year, even though high levels of brucellosis

exist in certain southern states. Surveillance to detect these diseases in Pennsylvania will remain critical until they have been eradicated from the United States.

As intensive livestock production practices concentrate larger numbers of animals and birds, contagious diseases occur more frequently and with greater financial impact. Diagnostic services need to be constantly updated to serve the needs of an increasingly sophisticated animal industry.

Rapid transit of livestock internationally as well as interstate and intrastate poses a constant threat to spread diseases. Identification of livestock, traceback of infected animals to farm of origin and control of the movement of infected or exposed animals is necessary to minimize the threat of disease to Pennsylvania herds and flocks. There

Animal Health (continued)

Program Analysis: (continued)

are over forty foreign animal diseases considered exotic to the United States but a constant threat to domestic livestock. The value of livestock and poultry on Pennsylvania farms in 1982 exceeded \$1.4 billion while cash receipts from the sale of livestock products in 1981 was \$2.1 billion.

The sharp increases in the incidence of disease and quarantines imposed during 1983-84 is due to the outbreak of the avian influenza which occurred at that time. This also resulted in increased quarantines among poultry. Avian Influenza is a virus disease which can infect all species of birds, such as chickens, turkeys, ducks, geese and wild fowl. The present outbreak began with a mild form of the disease characterized by respiratory problems, low mortality and low production losses in Lancaster County in the Spring of 1983. The disease was probably introduced into commercial flocks by wild ducks or geese. The disease subsequently changed in virulence and symptoms and spread rapidly, with much higher mortality rates and production losses.

The influenza virus can be spread by contact with infected litter, crates, and trucks hauling birds to slaughter or any other movement, through contaminated eggs or egg flats and by improper disposal of dead birds. Humans and other animals can also transfer the virus on their bodies, shoes or clothing. Evidence indicates that the virus can also be spread by the movement of the virus in the air (wind and wild birds).

A Federal-State task force was formed to combat the out-

break of Avian Influenza. The Federal government has been supportive with significant funding assistance, and the Governor has included a \$2 million recommended supplemental appropriation in 1983-84 to assist the farmers with costs not covered by the Federal government. This budget includes \$500,000 for a new Poultry Research and Promotion program to assist the Commonwealth's poultry industry's efforts to recapture markets lost because of the Avian Influenza epidemic and to expand its markets.

Also included in this program is dog law enforcement. Primary functions include the control and regulation of the sale and transportation of dogs, kennel inspections, reimbursement of law enforcement agencies for the detention and disposition of stray dogs, subsidization of qualified agencies for building or expanding shelters and the reimbursement of owners of livestock and poultry for damage caused by dogs. Act 225 of 1982 substantially altered existing dog related legislation. This act was effective January 1, 1983. The Act provides that any dog related revenue is to be placed in a restricted account. Also, any expenditures are to be drawn from the same source of funds. Such expenditures are reflected in this subcategory as Other Funds.

The Dog Law Act also increased the cost of dog licenses. As a result of this increase it is expected that the number of dogs licensed will decline temporarily in 1983-84. With additional dog wardens on staff the number of licenses are expected to increase in the budget and future years.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 5,161	\$ 4,451	\$ 4,027	\$ 4,228	\$ 4,439	\$ 4,661	\$ 4,894
Brucellosis Vaccination Program	150	150	150	150	150	150	150
Animal Indemnities	246	225	225	225	225	225	225
Avian Influenza .....	.....	2,000	.....	.....	.....	.....	.....
Johne's Disease .....	.....	115	115	115	.....	.....	.....
GENERAL FUND TOTAL	\$ 5,557	\$ 6,941	\$ 4,517	\$ 4,718	\$ 4,814	\$ 5,036	\$ 5,269

Development of Agricultural Industries

OBJECTIVE: To strengthen the agricultural economy and related enterprises.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 3,499	\$ 4,458	\$ 7,742	\$ 7,395	\$ 7,706	\$ 8,075	\$ 8,352
Special Funds	4,228	3,604	2,006	2,128	2,106	2,039	2,078
Federal Funds	194	221	217	217	217	217	217
Other Funds	2	33	33	33	33	33	33
TOTAL	\$ 7,923	\$ 8,316	\$ 9,998	\$ 9,773	\$ 10,062	\$ 10,364	\$ 10,680

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Promotional activities for Pennsylvania Products	4,467	4,502	4,520	4,538	4,556	4,574	4,592
Products registered under the Logo Program	190	225	234	242	250	258	266
Agricultural exports (in thousands)	\$ 580,000	\$ 504,000	\$ 550,000	\$ 590,000	\$ 595,000	\$ 600,000	\$ 605,000
Event days at Farm Show Complex	451	475	480	480	480	480	480

Program Analysis:

In seeking to strengthen the agricultural economy, agribusiness development programs are designed to maintain the availability of agricultural lands and to promote Pennsylvania's crops and livestock, especially those products that significantly affect farm incomes.

The Department's Product Information Exchange Line matches commodity buyer with commodity seller. The livestock industry relies on this service, especially in the area of product grading. The Department, when requested by a distant buyer, will inspect and grade livestock offered for sale by a Pennsylvania producer. The findings are then forwarded to the prospective buyer. This service protects the purchaser against product misrepresentation and strengthens the credibility of the State's livestock industry.

Pennsylvania's Crop Reporting Service, working in conjunction with the Pennsylvania Department of Agriculture, gathers data on the cost of producing and marketing milk. This data is then used to support requests for various pricing policies in hearings before the Milk Marketing Board.

Since the Department's objective is to strengthen all markets, it also has programs designed to promote such commodities as apples, honey, cherries, grapes, maple syrup, beef, milk and dairy products. In most instances, the promotion of these products is coordinated with councils

representing product interest. Members of these councils assess themselves a fee based on their productivity. These funds are then used for promotional activities. Coordinated promotional and marketing activities have accounted for a substantial increase in new market contacts.

New measures have been included which more accurately reflect the department's mission. Promotional activities for Pennsylvania products includes appearances by the Pennsylvania Dairy Princess; county dairy princesses and other Statewide commodity queens and displaying of exhibits that depict agriculture's role in the economy of Pennsylvania as well as working with Statewide commodity organizations. A careful coordinated intra-department liaison program with the Bureau of Agricultural Development and the regional offices and inter-agency relationships with such diverse groups as the Area Agencies on Aging and the Bureau of Vocational Education, Department of Education, will enable the Commonwealth to make a steady increase in the annual number of promotional activities for Pennsylvania products. Products registered under the Logo Program will represent the commodities that utilize the "Pennsylvania We're Growing Better" logo numerically. The Department utilizes the "Producer Buyers Guide" as a method to couple buyers and sellers in order to increase

Development of Agricultural Industries (continued)

Program Analysis: (continued)

the sale of Pennsylvania Products. An additional activity in the marketing area is the stimulation of public interest in "tailgate" or "open air markets". These markets continue to link the consumer and the farmer. In addition to the well-established Harrisburg open-air market on the Farm Show grounds, a market was established in Philadelphia.

The fourth annual Pennsylvania Agricultural Food Exposition was held at Independence Mall in Philadelphia and the second annual Farm and Food Show was held at Point Park in Pittsburgh. These food expositions introduced Pennsylvania's agricultural community to Philadelphia, southeastern Pennsylvania and Pittsburgh, western Pennsylvania.

Organized consumer cooperatives or buying clubs have also proliferated during the period of rising food prices and offer excellent marketing opportunities for Pennsylvania farmers. This mutually beneficial arrangement leads to better prices for farmers and lower prices and more wholesome products for consumers.

Approximately \$580 million worth of agricultural products were exported in 1982 from Pennsylvania. A large part of this export total was corn, wheat and soybeans. Due to the drought, the Avian Influenza outbreak, and the strong dollar, it is anticipated that total will drop considerably dur-

ing the 1983-84 fiscal year.

Many factors, such as weather and economics affect agricultural exports. Funds amounting to \$100,000 have been included for the department to initiate an Agricultural Development Commission (ADC). The ADC has three objectives: (1) to attract new Agriculture-related businesses to Pennsylvania and to expand existing businesses, (2) to promote the consumption of Pennsylvania-grown and processed food, and (3) to promote Pennsylvania's image as an agricultural state.

To aid the poultry industry, \$500,000 is recommended for Poultry Research and Promotion. The funds are to be used to formulate a program to recapture any markets that may have been lost due to the Avian Influenza outbreak, as well as to further expand the Commonwealth's share of the poultry market.

This budget recommends \$2.5 million to be transferred from the General Fund to the Pennsylvania Fair Fund to replace racing revenue lost as a result of Act 93 of 1983.

At the Farm Show Complex, event days tapered off in 1982-83. In order to accommodate the scheduling of additional events, a reduction in the setup and teardown time is being attempted.

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 2,060	\$ 2,178	\$ 3,062	\$ 3,215	\$ 3,376	\$ 3,545	\$ 3,722
Agricultural Development Commission ...			100	100	100	100	100
Agricultural Research	212	310	310	310	310	310	310
Agricultural Promotion	8	60	60	60	60	60	60
Poultry Research and Promotion			500				
Transfer to State Farm Products Show Fund	1,000	1,000	1,000	1,000	1,150	1,350	1,450
Livestock Show	83	83	83	83	83	83	83
Open Dairy Show	66	66	66	66	66	66	66
Junior Dairy Show	28	28	28	28	28	28	28
4-H Club Shows	33	33	33	33	33	33	33
Transfer to Pennsylvania Fair Fund		700	2,500	2,500	2,500	2,500	2,500
GENERAL FUND TOTAL	\$ 3,499	\$ 4,458	\$ 7,742	\$ 7,395	\$ 7,706	\$ 8,075	\$ 8,352
STATE FARM PRODUCTS SHOW FUND							
General Operations	\$ 1,871	\$ 1,643	\$ 1,730	\$ 1,839	\$ 1,803	\$ 1,721	\$ 1,744
STATE RACING FUND							
Fair Fund Administration	\$ 188	\$ 266	\$ 276	\$ 289	\$ 303	\$ 318	\$ 334
PENNSYLVANIA FAIR FUND							
General Operations	\$ 2,169	\$ 1,695					

Department of Banking

The Department of Banking protects the Public through the examination of records, accounts and policies of State-chartered financial institutions.

BANKING

Summary by Fund and Appropriation

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Banking Department Fund			
General Government			
General Operations	\$ 6,930	\$ 6,841	\$ 7,090
BANKING DEPARTMENT FUND TOTAL	<u>\$ 6,930</u>	<u>\$ 6,841</u>	<u>\$ 7,090</u>

BANKING DEPARTMENT FUND

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Operations			
State Funds	\$ 6,930	\$ 6,841	\$ 7,090

Supervises and examines the records, accounts, and policies of State-chartered banking institutions, State-chartered savings associations, sales finance companies, installment sellers, money transmitters, consumer discount companies, collector-repossessors, pawnbrokers, and State-chartered credit unions. Examines business development credit corporations and conducts special investigations when warranted.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Executive Authorization:			
General Operations	<u>\$ 6,930</u>	<u>\$ 6,841</u>	<u>\$ 7,090</u>

BANKING

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Consumer Protection	\$ 6,930	\$ 6,841	\$ 7,090	\$ 7,445	\$ 7,817	\$ 8,208	\$ 8,618
Regulation of Financial Institutions	6,930	6,841	7,090	7,445	7,817	8,208	8,618
DEPARTMENT TOTAL	<u>\$ 6,930</u>	<u>\$ 6,841</u>	<u>\$ 7,090</u>	<u>\$ 7,445</u>	<u>\$ 7,817</u>	<u>\$ 8,208</u>	<u>\$ 8,618</u>

Regulation of Financial Institutions

OBJECTIVE: To insure the maintenance of an economically sound and competitive system of State-chartered financial institutions.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 6,930	\$ 6,841	\$ 7,090	\$ 7,445	\$ 7,817	\$ 8,208	\$ 8,618

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Total assets of consumer credit agencies (in millions)	\$20,000	\$20,200	\$20,500	\$20,700	\$20,900	\$21,000	\$21,200
Total resources of State-chartered banks (in millions)	\$56,375	\$60,885	\$65,756	\$71,016	\$76,697	\$82,833	\$89,460
Assets in State-chartered credit unions (in millions)	\$446	\$490	\$539	\$593	\$652	\$717	\$789
Assets in State-chartered savings and loans institutions (in millions)	\$10,750	\$11,288	\$11,852	\$12,445	\$13,067	\$13,720	\$14,406
Assets of State licensed money transmitters (in millions)	\$81,000	\$83,430	\$85,490	\$87,570	\$89,610	\$91,670	\$96,253

Program Analysis:

Recently enacted Federal and State financial legislation presented a number of challenges and responsibilities to the Department of Banking. The department met the new responsibilities presented by the Federal Garn-St Germain Depository Institutions Act of 1982 and implemented the necessary procedural changes. An important aspect of this Act was the financial aid provided by the Federal Deposit Insurance Company to qualifying institutions.

State Act 1982-44 provided for the formation of multi-bank holding companies, branching in counties contiguous to counties in which a bank's headquarters is located and by 1990, statewide branching will be effective. There is much activity in the branching and holding company areas because of this Act. Currently, thirty-four bank holding companies and seven multi-bank holding companies are in operation. State approved multi-bank holding companies may also include national banks. Currently, there are five one-bank holding company mergers and seven multi-bank holding company mergers in process.

Other activities related to bank holding companies included the implementation of a new bank holding company examination report and intense training efforts to acquaint bank examiners with the more complex and time consuming examinations required for holding companies.

The licensees and chartered financial institutions supervised by the Consumer Credit Bureau i.e. Consumer Credit Agencies, Credit Unions and Money Transmitters benefited from the overall improvement of the economy during 1983. Improved consumer confidence and purchasing contributed to their asset growth of \$3 billion, or 3 percent from 1981-82 to 1982-83. Although outstanding assets now exceed \$101 billion, this growth fell far short of the original 15 percent asset growth projections.

Changing factors beyond the Department's control, such as new Federal laws, national and international economic conditions and new advances in automated financing, make it extremely difficult to construct accurate future projections. Nevertheless, an estimated 5 percent combined asset rate factor has been used for the purposes of this projection, and is believed to be a reasonable projection for the licensees and chartered financial institutions supervised by the Consumer Credit Bureau.

During 1983, Secondary Mortgage Loan Companies and Consumer Discount Companies continued consolidating branch offices into highly automated centralized locations. However, during the early part of 1983 these consolidations began slowing, and it appears they have now stabilized. Their asset growth has also remained fairly stable during

Regulation of Financial Institutions (continued)

Program Analysis: (continued)

the past year. Total assets of the Secondary Mortgage Loan Companies remained at approximately \$18 billion, while Consumer Discount Companies remained at approximately \$2 billion.

Car sales increased substantially during 1982-83, which led to a significant dollar increase in auto financing. The number of Motor Vehicle Installment Sellers and Sales Finance Licensees remained relatively the same as 1981-82, primarily due to intensive automation and centralization of many sales finance company operations along with larger, but fewer, individual auto dealerships.

The 152 State-chartered banking institutions, comprised of 44 banks, 90 bank and trusts, 8 savings banks, 5 private banks and 5 trust companies, reflected continued growth in assets during the past year with commercial banks experiencing a 10.1 percent increase in total assets from 1981-82 to 1982-83. During this time the savings banks had a 5.8 percent growth in total assets, up from 4.9 percent the previous year. The average growth of all State-chartered institutions was 8.9 percent. Savings banks currently have 29.8 percent of total deposits of all State-chartered institutions, 1.3 percent lower than the previous year. The decline compared to the estimates in the 1983-84 Budget of deposits in savings banks reflects the difficulty these institutions have experienced as a result of economic conditions and competition from money market mutual funds. Recently enacted legislation permits banking institutions to offer a deposit instrument to compete with the money market mutual funds. These money market deposit accounts are responsible for the bulk of the growth in deposits during this period.

Because of the involvement of the Federal Government and the overall economic conditions in the banking world which have just begun to improve, there can be no prudent prediction for great growth over the current period and several years thereafter. A growth rate of 8 percent has been predicted in the program measures "Total assets in State chartered banks" based on a stabilization or perhaps slight improvement in the economy.

State-chartered credit unions experienced the largest percentage of asset growth. During 1982 their assets increased by 44 percent from \$309 million in 1981-82 to \$446 million

in 1982-83. Fifty percent of this growth of \$137 million resulted from the conversion of a large Federally chartered credit union to a State charter.

The moderate decline in average interest rates since August of 1982 has resulted in improved interest rate margins and profits for savings and loan associations. The Federal Garn-St Germain Depository Institutions Act of 1982 has provided the savings and loan industry with new opportunities to function successfully in the highly competitive environment experienced by all savings institutions, including state and federally chartered savings and loan associations, commercial banks and other financial institutions. Savings associations are now evaluating their competitive capability and viability as the first step in adopting and implementing strategic plans in the restructured financial services marketplace. Certain associations are considering conversion from the mutual to the stock form or organization, which will provide these associations with an additional source of capital. Legislation to permit conversion to permanent stock status, and to provide statewide branching authority for savings and loan associations, was enacted by the Pennsylvania Legislature in 1982.

It is difficult to project accurately the increases in the resources of State-chartered savings and loan associations due to the uncertainty which exists with respect to the future cost of money. It is believed, however, the Federal Reserve will act promptly to prevent any substantial increases in interest rates. A growth rate of 5 percent per year has been reflected in the program measures applicable to savings and loan associations.

Money Transmitters increased their assets by approximately 4 percent, or \$3 billion between 1981-82 and 1982-83. Their total assets now exceed \$81 billion. This smaller than anticipated asset growth was directly related to the reduced income caused by a decline in interest rates and the slowdown in travel-related sales and services during 1981-82. No significant asset growth is anticipated until sales of travel-related services improve.

The Banking Department will continue to review and improve program areas to maintain an economically sound and competitive system of State-chartered financial institutions.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
BANKING DEPARTMENT FUND							
General Operations	\$ 6,930	\$ 6,841	\$ 7,090	\$ 7,445	\$ 7,817	\$ 8,208	\$ 8,618

Civil Service Commission

The Civil Service Commission administers the Commonwealth's merit system. The responsibilities of the Commission include: recruitment of qualified personnel; evaluation of applicants' education and experience to determine if minimum requirements have been met; development and administration of examinations; and certification of eligibles to the appointing agencies.

CIVIL SERVICE COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 1	\$ 1	\$ 1
TOTAL STATE FUNDS	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>
Other Funds	\$ 6,211	\$ 6,624	\$ 7,023
GENERAL FUND TOTAL	<u>\$ 6,212</u>	<u>\$ 6,625</u>	<u>\$ 7,024</u>

GENERAL GOVERNMENT

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
General Government Operations			
State Funds	\$ 1	\$ 1	\$ 1
Other Funds	6,211	6,624	7,023
TOTAL	\$ 6,212	\$ 6,625	\$ 7,024

Recruits qualified persons for Commonwealth employment and administers the merit system in agencies operating under Civil Service.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
General Government Operations	\$ 1	\$ 1	\$ 1
Other Funds:			
Fees From Agencies	5,920	6,252	6,571
Special Merit System Services	291	372	452
TOTAL	\$ 6,212	\$ 6,625	\$ 7,024

CIVIL SERVICE COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Maintaining Commonwealth Merit System							
Selection ^a . . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
DEPARTMENT TOTAL	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

^aAll funds are other than General Fund or Special Fund.

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Other Funds	2,682	3,079	3,265	3,428	3,599	3,779	3,968
TOTAL	<u>\$ 2,683</u>	<u>\$ 3,080</u>	<u>\$ 3,266</u>	<u>\$ 3,429</u>	<u>\$ 3,600</u>	<u>\$ 3,780</u>	<u>\$ 3,969</u>

Program Analysis

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected

by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>

Selection

OBJECTIVE: To provide a sufficient number of qualified, available persons to meet merit system manpower needs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Federal Funds .....	.....	.....	.....	.....	.....	.....	.....
Other Funds	\$ 3,529	\$ 3,545	\$ 3,758	\$ 3,946	\$ 4,143	\$ 4,350	\$ 4,567
TOTAL	\$ 3,529	\$ 3,545	\$ 3,758	\$ 3,946	\$ 4,143	\$ 4,350	\$ 4,567

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Total eligibles on lists	144,721	140,000	145,000	145,000	145,000	150,000	150,000
Persons scheduled for exams	153,416	160,000	165,000	170,000	180,000	190,000	200,000
Classes for which exams were made available at agencies' requests	722	744	774	805	837	870	904
Examinations with demonstrable and defensible validity evidence	436	571	701	805	837	870	904
Appeal requests received and processed	668	693	720	745	770	800	830
Certifications audited	3,142	3,300	3,460	3,640	3,820	4,010	4,210

Program Analysis

Attraction to State service of persons who possess character and ability and the appointment and promotion of these persons on the basis of merit and fitness is the main objective of the Commission.

The Commission has been working to bring the Commonwealth merit system into full compliance with all Federal and State laws and regulations concerning employe selection procedures. Extensive job analysis, test documentation and test analysis is mandated by the Federal Uniform Guidelines on Employee Selection Procedures. Also required is the development and implementation of an adverse impact determination program. The development and use of suitable alternatives to traditional selection devices for which adverse impact has been identified and for which validity documentation is not sufficient to meet the guidelines must be pursued. These goals are identified directly with the following program activities; 1) the identification and elimination of adverse impact; 2) the development of more valid examinations; 3) the identification and elimination of

unfair discrimination in other parts of the Commonwealth's personnel system; and 4) the increased efficiency of operations of the Civil Service Commission in meeting the personnel management needs of the other agencies of State government.

During fiscal 1981-82 the basic adverse impact analysis and elimination system was developed, tested and it's implementation begun. This appointment monitoring system will be utilized to improve selection procedures so as to reduce or eliminate adverse impact. Also, the development and implementation of a system for determining and reducing adverse impact on promotions within the merit system is continuing. The Commission is now able to effectively analyze selection programs within the merit system and adjust them to maximize validity and minimize adverse impact.

The program measures which are presented are indicative of the Commission workload. Eligible list activity, examinations available, validation requirements, and appeals have been maintained at very high levels for the past few years.

Selection(continued)**Program Analysis: (continued)**

The most important indicator of successful accomplishment of missions is the number of examinations which can be developed which comply with the regulations on validity. The more valid the tests, the more productive and stable the workforce will be, and the less likely that the Commonwealth becomes involved in long, costly civil rights cases.

A crucial part of an effective merit system is the prompt and objective review and adjudication of employe and management complaints concerning personnel actions. An important indicator of the Commission's success in this

regard is the number of appeal requests and hearings successfully consummated. This element of the Commission's operations has seen an increase of more than 500 percent in the past five years. Also, included in this subcategory is an initiative, for \$69,000 to upgrade and improve data processing and information management.

The funds supporting this subcategory are received from billing various General and Special Fund departments for merit system services and from Federal funds. These billings are treated as Other Funds to avoid duplicate accounting.

Department of Commerce

The Department of Commerce is responsible for the economic development of the Commonwealth by advancing the growth and stability of business and industry. The department focuses mainly on attracting new industries to the State and expanding existing industries, developing an environment conducive to economic growth, developing the climate for the growth of existing business and industry, and promoting the Commonwealth as a national and international vacationland.

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1984-85 State Funds (in thousands)
Ben Franklin Partnership	Expansion of Technological Development	\$ 9,650
Pennsylvania Energy Develop- ment Authority	Expansion of Technological Development	1,500
This Program Revision will increase technological pursuits in Pennsylvania.		
Economic Recovery Program	Expansion of Industrial Development Activities	1,000
Enterprise Development	Expansion of Industrial Development Activities	5,000
Pennsylvania Capital Loan Program	Expansion of Industrial Development Activities	2,000
Pennsylvania Industrial Development Authority	Expansion of Industrial Development Activities	5,000
Pennsylvania Minority Business Development Authority	Expansion of Industrial Development Activities	1,000
Labor/Management Resource Center	Expansion of Industrial Development Activities	500
Site Development	Expansion of Industrial Development Activities	1,000
This Program Revision will aid in the overall expansion of industrial activity in the Commonwealth.		
DEPARTMENT TOTAL		\$ 26,650

DEPARTMENT OF COMMERCE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 5,588	\$ 5,500	\$ 5,972
Commercial Advertising	3,143	3,400	4,300
Subtotal	\$ 8,731	\$ 8,900	\$ 10,272
Grants and Subsidies			
Industrial Development Assistance	\$ 474	\$ 500	\$ 500
Pennsylvania Industrial Development Authority	15,000	15,000	20,000 15,000
Site Development	985	1,000	2,000 1,000
Local Development District Grants	88	100	400
Appalachian Regional Commission	473	550	500
Minority Business Development Authority	2,000	2,000	3,000 2,000
Community Facilities	1,000	6,000	2,500
Small Business Assistance	474	250	500
Minority Business Technical Assistance .....	.....	250	250
J & L Site Development .....	.....	1,000	.....
Ben Franklin Partnership	1,350	10,350	20,000
Pennsylvania Energy Development Authority .....	.....	500	2,000
Three Mile Island Clean-Up	5,000	5,000	5,000
Labor/Management Resource Center .....	.....	.....	500
Pennsylvania Capital Loan Program .....	.....	.....	2,000
Economic Recovery Program .....	.....	.....	1,000
Enterprise Development .....	.....	.....	5,000
Tourist Promotion Assistance	3,300	3,500	3,700 3,900
Port of Philadelphia	1,000	3,000	1,000
Port of Erie	375	1,650	375
Port of Pittsburgh	250	1,750	250
Subtotal	\$ 31,769	\$ 52,400	\$ 70,475
TOTAL STATE FUNDS	\$ 40,500	\$ 61,300	\$ 80,747
Federal Funds	\$ 437	\$ 5,085	\$ 3,625
Other Funds	1,182	1,237	1,292
GENERAL FUND TOTAL	\$ 42,119	\$ 67,622	\$ 85,664

GENERAL GOVERNMENT

General Government Operations	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 8,731	\$ 8,900	\$ 10,272
Federal Funds	437	5,085	3,625
Other Funds	1,182	1,237	1,292
TOTAL	\$ 10,350	\$ 15,222	\$ 15,189

Provides for the overall planning, policy guidance and coordination for agency programs and supplies the necessary administrative, legal, public information, planning and research, personnel, fiscal management and supply services for the operation of the various substantive programs.

Promotes international trade, tourism, industrial and technological development as a means of increasing the economic vitality of the Commonwealth. Assists in the economic, scientific and technological growth of the Commonwealth by creating new employment opportunities through the development of new and expanded industrial projects and scientific and technological resources and administers the grant and subsidy programs created for this purpose.

Also coordinates activities generated by the Federal—State Appalachian Development Program.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
General Government Operations	\$ 5,588	\$ 5,500	\$ 5,972
Commercial Advertising	3,143	3,400	4,300
Federal Funds:			
Appalachian Regional Commission — Development Facilities ..		3,000	3,000
Appalachian Regional Commission — Technical Assistance	394	600	600
Appalachian Regional Commission — High Technology Analysis		25	25
CETA — Technical Assistance	26	45	
EDA Export Census	17	15	
Oil Overcharge — Energy Development Authority		1,400	
Other Funds:			
Reimbursement for Minority Business Development Authority Administration	504	473	520
Reimbursement for Nursing Home Loan Administration	218	250	237
Reimbursement for Copy Center Services	180	157	176
Reimbursement for Pennsylvania Industrial Development Authority	280	357	359
TOTAL	\$ 10,350	\$ 15,222	\$ 15,189

5,800
3750

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Industrial Development			
State Funds	\$ 20,494	\$ 26,650	\$ 38,150

- Stimulates the expansion of industrial and agribusiness development in the Commonwealth through:
- grants to county industrial groups to offset a portion of operating costs.
 - long-term, low interest loan programs aimed at fostering the location of new industries or the expansion of existing industries and minority business enterprises.
 - aid to distressed communities in upgrading their infrastructure in order to promote industrial development within designated Enterprise Development Areas.
 - grants to localities to eliminate physical site deficiencies and to provide for new basic facilities.
 - preservation of jobs through employee stock ownership plans and assistance to distressed communities through the Economic Recovery Program.
 - support of regional development efforts as set forth in the Federal Appalachian Regional Development Act.
 - contributions to the Pennsylvania Capital Loan Program to fill the working capital gap.
 - support of a Labor/Management Resource Center to improve productivity and quality of worklife.

	(Dollar Amounts in Thousands)		
<u>Source of Funds</u>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Industrial Development Assistance	\$ 474	\$ 500	\$ 500
Pennsylvania Industrial Development Authority	15,000	15,000	20,000
Site Development	985	1,000	2,000
Local Development District Grants	88	100	400
Appalachian Regional Commission	473	550	500
Minority Business Development Authority	2,000	2,000	3,000
Community Facilities	1,000	6,000	2,500
Small Business Assistance	474 ^a	250	500
Minority Business Technical Assistance .....	.....	250	250
Jones and Laughlin Site Development .....	.....	1,000	1,000
Labor/Management Resource Center .....	.....	.....	500
Pennsylvania Capital Loan Program .....	.....	.....	2,000
Economic Recovery Program .....	.....	.....	1,000
Enterprise Development .....	.....	.....	5,000
TOTAL	\$ 20,494	\$ 26,650	\$ 38,150

^aActually appropriated as Minority Business Technical Assistance \$224,000, Technical Assistance \$150,000 and Small Business Development Centers \$100,000.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Scientific and Technological Development				
State Funds	\$ 6,350	\$ 15,850		\$ 27,000

Makes grants to various educational and research institutions to promote, stimulate and encourage basic and applied scientific research and development and scientific and technological education as a tool in advancing the State's economic growth.

Provides funds for Pennsylvania's share of Three Mile Island Clean-Up.

Provides funds to develop energy projects and fund limited energy research through the Pennsylvania Energy Development Authority.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Source of Funds				
Appropriations:				
Ben Franklin Partnership	\$ 1,350	\$ 10,350		\$ 20,000 18,600
Three Mile Island Clean-Up	5,000	5,000		5,000
Pennsylvania Energy Development Authority .....	.....	500		2,000 1,500
TOTAL	\$ 6,350	\$ 15,850		\$ 27,000

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Tourism and Travel Development				
State Funds	\$ 3,300	\$ 3,500		\$ 3,700

Provides matching grants to county agencies for promoting tourism in Pennsylvania.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Source of Funds				
Appropriation:				
Tourist Promotion Assistance	\$ 3,300	\$ 3,500		\$ 3,700 3,900

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Port Facilities			
State Funds	\$ 1,625	\$ 6,400	\$ 1,625

Assists in the expansion and improvement of the port facilities at Philadelphia, Erie and Pittsburgh.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Port of Philadelphia	\$ 1,000	\$ 3,000	\$ 1,000
Port of Erie	375	1,650	375
Port of Pittsburgh	250	1,750	250
TOTAL	<u>\$ 1,625</u>	<u>\$ 6,400</u>	<u>\$ 1,625</u>

3,000
1,125
750

DEPARTMENT OF COMMERCE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 1,686	\$ 1,628	\$ 1,335	\$ 1,402	\$ 1,472	\$ 1,546	\$ 1,623
Development of Business and Industry	\$ 38,814	\$ 59,672	\$ 79,412	\$ 79,640	\$ 79,879	\$ 80,131	\$ 75,395
Industrial Development	23,139	29,254	42,026	42,162	42,305	42,455	42,613
Tourism and Travel Development	6,730	7,157	7,880	7,928	7,978	8,031	8,086
Scientific and Technological Development	6,444	15,976	27,122	27,128	27,134	27,141	22,148
International Trade	2,501	7,285	2,384	2,422	2,462	2,504	2,548
DEPARTMENT TOTAL	<u>\$ 40,500</u>	<u>\$ 61,300</u>	<u>\$ 80,747</u>	<u>\$ 81,042</u>	<u>\$ 81,351</u>	<u>\$ 81,677</u>	<u>\$ 77,018</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 1,686	\$ 1,628	\$ 1,335	\$ 1,402	\$ 1,472	\$ 1,546	\$ 1,623
Other Funds	180	157	176	183	190	198	206
TOTAL	<u>\$ 1,866</u>	<u>\$ 1,785</u>	<u>\$ 1,511</u>	<u>\$ 1,585</u>	<u>\$ 1,662</u>	<u>\$ 1,744</u>	<u>\$ 1,829</u>

Program Analysis

General Administration and Support provides for the administrative and overhead systems which support the operations of the programs necessary for the achievement of Commonwealth and Department objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

The Bureau of Motion Picture and TV Development is

located in this program. The Bureau encourages major motion picture and television producers to use Pennsylvania locations in their productions. In 1982-83, thirteen major productions, five documentaries and many television commercials have been filmed in Pennsylvania. The estimated economic impact was \$8.7 million. It is estimated that 25 to 50 percent of a film's budget is spent in the local economy during filming on location. In 1983-84, four major projects have already been filmed and six more are in the planning stages. The estimated economic impact is \$9 million.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government	<u>\$ 1,686</u>	<u>\$ 1,628</u>	<u>\$ 1,335</u>	<u>\$ 1,402</u>	<u>\$ 1,472</u>	<u>\$ 1,546</u>	<u>\$ 1,623</u>

Economic Revitalization Adm. - \$780,000

Industrial Development

OBJECTIVE: To expand industrial employment opportunities through the location or expansion of industrial facilities within Pennsylvania.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 23,139	\$ 29,254	\$ 42,026	\$ 42,162	\$ 42,305	\$ 42,455	\$ 42,613
Federal Funds	420	3,670	3,625	3,600	3,600	3,600	3,600
Other Funds	1,002	1,080	1,116	1,160	1,207	1,256	1,306
TOTAL	\$ 24,561	\$ 34,004	\$ 46,767	\$ 46,922	\$ 47,112	\$ 47,311	\$ 47,519

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
PIDA loan commitments (thousands)	\$56,057	\$108,000	\$58,000	\$58,000	\$58,000	\$58,000	\$58,000
PIDA committed plant locations and expansions	163	314	169	169	169	169	169
PIDA projected employment opportunities ..	7,395	14,250	7,652	7,652	7,652	7,652	7,652
Community facilities grants (thousands) ...	\$2,621	\$7,900	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Minority business loan commitments (thousands)	\$2,700	\$2,700	\$3,300	\$3,300	\$3,300	\$3,300	\$3,300
Revenue bond/mortgage industrial projects	307	394	374	374	190	.....	.....
Community facility projects funded	51	142	45	45	45	45	45
Site development projects funded	17	13	30	30	30	30	30
Employment opportunities from revenue bond/mortgage projects	31,978	36,758	35,640	35,640	18,050	.....	.....
Inquiries received for technical information	1,293	1,300	1,350	1,350	1,350	1,350	1,350
Pennsylvania Capital Loan Program commitments (thousands)	\$1,084	\$4,097	\$5,200	\$8,000	\$8,750	\$10,500	\$13,000

Program Analysis:

The health of Pennsylvania's economy is a fundamental concern as it affects the citizens of the Commonwealth and other government programs. A strong economy provides jobs for Pennsylvanians and a solid tax base, which is essential to all levels of government, while reducing the need for income maintenance expenditures.

Although the ability of one state to affect the nation's economy is very limited, a number of economic development programs have been initiated and strengthened to enable Pennsylvania to provide vital links to business growth and stability within the State despite national economic downturns.

The planning document "Choices for Pennsylvania" developed a three-fold strategy unique among the 50 states. The three phases are: to encourage Pennsylvania firms to stay in the Commonwealth and expand here; to encourage the start-up and development of small businesses; and to selectively recruit new investment, both domestic and international. The latter strategy involves targeting high growth fields which will complement Pennsylvania's existing industry and will be complemented by the State's skilled labor force, research and development resources and other competitive assets.

This planning document provides the framework for at-

Industrial Development (continued)

Program Analysis: (continued)

tempting to maximize the impact of the various grant and loan programs available to assist economic development.

The Pennsylvania Industrial Development Authority (PIDA), has continued to promote the expansion of employment by offering long-term, low interest loans to companies expanding or locating in Pennsylvania. While there is no way of knowing how many employment opportunities might have been created without PIDA assistance, there can be no question that when measured in terms of its employment producing objective, the contribution of PIDA has been significant. Therefore, the continuation of this program is essential, particularly at a time when the State's recovery is underway yet there is still significant unemployment. PIDA's support of employment development in those areas of the Commonwealth identified as having substantial and persistent unemployment and development of new investment methods will help greatly in increasing much needed employment opportunities.

In 1982-83, PIDA approved 163 loans to businesses with an estimated 7,395 jobs to be created over the following three years. In 1983-84, an estimated 314 loans will be granted resulting in 14,250 jobs. The increase in the number of PIDA projects and other PIDA program measures for 1983-84 over actual figures is the result of higher unemployment rates which made more counties eligible for higher PIDA participation rates and lower interest rates. Consequently, there was a greater incentive for businesses to apply for PIDA loans. PIDA has also approved \$34.0 million in loans for 94 firms in high unemployment areas of the Commonwealth.

Act 49, signed May 15, 1980, enlarged the scope of PIDA and gave preference to small business. Since that amendment, 236 small companies have received \$63.0 million in loans. Another priority of PIDA has been advanced technology industries. In 1982-83, PIDA approved \$7.8 million in loans for 18 advanced technology firms.

The Minority Business Development Authority (PMBDA), makes loans from a revolving fund supported by General Fund appropriations and provides technical assistance and program liaison to minority businesses. Interest charged on these loans is established at one-half of the New York prime rate on the date of approval by the Board. In addition to offering low interest loans and technical assistance, PMBDA sponsors business seminars as an information source for the minority business community.

The Office of Minority Business Enterprise (OMBE) has the responsibility of increasing minority business participation in all phases of contracting with the State. OMBE acts as coordinator for procurement with the objective of increasing procurement opportunities of minority businesses desiring to obtain State contracts and coordinates activities such as trade fairs, seminars and workshops. Available data shows that the number of state contracts awarded to minori-

ty businesses have increased substantially. In 1981, 171 contracts were awarded, while in 1982, there were 271 contracts worth over \$16.7 million,—a 58 percent increase.

Also included in this subcategory are the Site Development and Industrial Development Assistance programs. Time requirements for design, permitting, bidding, construction and coordination with other Federal agencies has made it extremely difficult to complete site development matching grant projections in one year. Therefore, a two-year appropriation is recommended for the Site Development program.

The Bureau of Domestic and International Commerce promotes the advantages of doing business in the Commonwealth to companies located both here and throughout the United States. The work is very competitive in nature as thousands of organizations are aggressively seeking new industries and/or service organizations. An information processing center has been established to enable the bureau to respond to prospect specifications in a more timely manner. The center also maintains an inventory of more than 67 million square feet of industrial space, and over 95 thousand acres of industrial sites and parks.

Other areas which contribute to the Commonwealth's overall economic development effort are the State's participation in the Appalachian program and the administration of the Community Facilities and the Revenue Bond and Mortgage programs.

Since 52 counties of Pennsylvania are within the Appalachian region, the Commonwealth is a member of the Appalachian Regional Commission (ARC). Created in 1966, the ARC provides Federal assistance to the thirteen member states for such uses as the development of highways, access roads, water and sewer systems, health and education programs, and economic development. State funding is the Commonwealth's share of the administration costs of both the ARC and of the Local Development Districts that administer the projects on the local level; the project costs themselves generally involve Federal funding only.

The focus of the Pennsylvania ARC program continues to be enterprise development. The primary goal is the creation of net new jobs through development of regional one-stop service centers to assist business start-ups or expansions in each of Pennsylvania's seven ARC regions. This emphasis on assistance to small, young companies with growing markets for Pennsylvania products has evolved into the development of a wide range of services to meet the special needs of such companies. Thus far, core services available through the regional one-stop centers include product/process evaluation, business planning, financing, and locational assistance. Other special business expansion services available include training, technology transfer, labor-management committees, and assistance in obtaining Federal

Industrial Development (continued)

Program Analysis: (continued)

procurement contracts and foreign export leads. During 1984-85, these services will be strengthened and expanded throughout the fifty-two counties of Appalachian Pennsylvania. Preliminary estimates indicate that in the first full year of operation, almost \$10 million in new sales and 1,000 jobs have been generated.

The Community Facilities program provides grant-in-aid assistance to communities for water and sewage line facilities and access roads. This budget recommends an increase in the level of General Fund support for the Community Facilities program to \$2.5 million; this \$1.5 million increase is to replace racing revenue formerly supporting this program but eliminated by Act 93 of 1983. The number of projects funded fluctuates from year to year depending upon the number of requests and the magnitude of the individual projects. As with the Site Development Program, time requirements for design, permitting, bidding, construction and coordination with other Federal agencies has made it extremely difficult to complete community facilities matching grant projects in one year. Therefore, a two-year appropriation is recommended for the Community Facilities program.

The department administers the Revenue Bond and Mortgage Program which financed 1,382 projects totalling in excess of \$1.7 billion in 1982-83. This program makes use of tax-exempt loans from private financial institutions and provides up to 100 percent financing for new and expanded facilities and equipment. Air and water pollution control equipment and facilities can also be financed through this program. While no State appropriation is required it has been responsible for substantial economic expansion within the Commonwealth. Applicable measures for this program have been modified to specifically reflect its impact. The measure now only includes industrial projects. The decreases in 1982-83 over previous years can be attributed somewhat to changes centered in the Federal Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), which became effective January 1, 1983. In addition to the modifications of the program contained in this Act, the Act further eliminates the program effective December 31, 1986. In addition to industrial projects, the Revenue Bond and Mortgage Program will assist an estimated 920 commercial, pollution control and other projects in 1983-84 which are expected to provide 74,631 employment opportunities.

The department will continue the small business program established over the past three years and will continue to emphasize small business development through the existing PIDA, PMBDA and the Pennsylvania Capital Loan (PCLP) programs as well as in the areas of advanced technology and travel development.

Under the auspices of the Office of Small Business Development are the Small Business Action Center, the

Nursing Home Loan Agency and the Bureau of Minority Business Development. Since May, 1980, the Small Business Action Center (SBAC) has received nearly 33,000 inquiries. Since 1981, the SBAC has prepared and published and distributed over 46,000 copies of the publication, "Starting A Small Business"; 16,000 booklets of "Planning a Small Business"; and 16,500 copies of "Managing A Small Business".

During 1982-83, the Small Business Action Center has implemented a Library Outreach Program, which targets libraries throughout Pennsylvania in an attempt to reach the would-be small business person. This program consists of a business consultant traveling to various District Libraries, handing out promotional material on the SBAC, speaking to small business persons and placing advertisements in libraries with return coupons for information from the Small Business Action Center.

The Procurement Outreach Program (POP) operated by the Small Business Action Center is now fully implemented in the Appalachian areas of the Commonwealth. The Small Business Action Center also provides guidance on all facets of Federal procurement to the State's non-Appalachian regions. The Small Business Action Center has a microfiche system to provide military specifications to an interested bidder. Since March, 1983, the Small Business Action Center has participated in six Federal procurement seminars and has had personal contact with all major Federal purchasing agencies in the Commonwealth. The POP initiative has already resulted in over \$1 million in contract opportunities among twenty small industries.

The focus on small business continues through the Small Business Assistance appropriation. This appropriation includes increased funding for Penn TAP and Small Business Development Centers. These funds will assist thirteen Small Business Development Centers located at various colleges and universities across the State which offer management counseling to small businesses. Services provided include assistance with accounting, record keeping, business planning, market research, etc. Most services are provided at no cost to the business. The centers are funded by the Department of Commerce, the Small Business Administration and the respective universities.

New and increased programs totalling \$19.5 million are recommended for 1984-85. These include the first State funding for the Pennsylvania Capital Loan Program (PCLP), a new Enterprise Development program involving both Commerce and Community Affairs, a new Economic Recovery program, the establishment of a Labor/Management Resource Center and increased funding for PIDA, PMBDA and Site Development. A consolidated Program Revision for these programs is contained in an appendix to

Industrial Development (continued)

Program Analysis: (continued)

this subcategory.

Lastly, this program includes the Bureau of Statistics, Research and Planning, which is engaged in program-oriented research and policy planning activities and formal

studies geared to economic development. The emphasis is on data gathering, summarization, analysis and publication and data processing and data base management.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 1,862	\$ 1,804	\$ 2,801	\$ 2,937	\$ 3,080	\$ 3,230	\$ 3,388
Commercial Advertising	783	800	1,075	1,075	1,075	1,075	1,075
Industrial Development Assistance	474	500	500	500	500	500	500
Pennsylvania Industrial Development Authority	15,000	15,000	20,000	15,000 20,000	20,000	20,000	20,000
Site Development	985	1,000	2,000	1,000 2,000	2,000	2,000	2,000
Local Development District Grants	88	100	400	400	400	400	400
Appalachian Regional Commission	473	550	500	500	500	500	500
Minority Business Development Authority	2,000	2,000	3,000	2,000 3,000	3,000	3,000	3,000
Community Facilities	1,000	6,000	2,500	5,000 2,500	2,500	2,500	2,500
Small Business Assistance	474	250	500	250 500	500	500	500
Minority Business Technical Assistance		250	250	250	250	250	250
Jones and Laughlin Site Development		1,000		1,000			
Labor/Management Resources			500	500	500	500	500
Pennsylvania Capital Loan Program			2,000	1,000 2,000	2,000	2,000	2,000
Economic Recovery Program			1,000	— 1,000	1,000	1,000	1,000
Enterprise Development			5,000	— 5,000	5,000	5,000	5,000
GENERAL FUND TOTAL	\$ 23,139	\$ 29,254	\$ 42,026	\$ 42,162	\$ 42,305	\$ 42,455	\$ 42,613

passed: ~~6/2/85~~

International City Project - \$50,000
 Site Development - New Castle - \$350,000
 Plant Site - Pullman Standard - \$1,000,000

**Industrial Development
Program Revision: Expansion of Industrial Development Activities**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	<u>.....</u>	<u>.....</u>	<u>\$ 19,500</u>	<u>\$ 19,500</u>	<u>\$ 19,500</u>	<u>\$ 19,500</u>	<u>\$ 19,500</u>

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
PIDA loan commitments (thousands)							
Current	\$56,057	\$108,000	\$53,000	\$53,000	\$53,000	\$53,000	\$53,000
Program Revision .....	.....	.....	\$58,000	\$58,000	\$58,000	\$58,000	\$58,000
PIDA committed plant locations and expansions							
Current	163	314	154	154	154	154	154
Program Revision .....	.....	.....	169	169	169	169	169
PIDA projected employment opportunities							
Current	7,395	14,250	6,992	6,992	6,992	6,992	6,992
Program Revision .....	.....	.....	7,652	7,652	7,652	7,652	7,652
Minority Business Loan Commitments (thousands)							
Current	\$2,700	\$2,700	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Program Revision .....	.....	.....	\$3,300	\$3,300	\$3,300	\$3,300	\$3,300
Pennsylvania Capital Loan Program Commitments (thousands)							
Current	\$1,084	\$4,097	\$3,020	\$2,086	\$2,085	\$2,292	\$2,710
Program Revision .....	.....	.....	\$5,200	\$8,000	\$8,750	\$10,500	\$13,000
Site development projects funded							
Current	17	13	15	15	15	15	15
Program Revision .....	.....	.....	30	30	30	30	30
Employe stock ownership feasibility studies funded							
Current .....	.....	.....	.....	.....	.....	.....	.....
Program Revision .....	.....	.....	5	5	5	5	5
Communities receiving aid under economic recovery program							
Current .....	.....	.....	.....	.....	.....	.....	.....
Program Revision .....	.....	.....	15	15	15	15	15
Enterprise development area projects ^a							
Current .....	.....	.....	.....	.....	.....	.....	.....
Program Revision .....	.....	.....	68	67	66	65	65

^aExcludes projects funded under the demonstration program funded from Community Affairs' 1982-83 Housing and Redevelopment Program.

Industrial Development

Program Revision: Expansion of Industrial Development Activities (continued)

Program Analysis:

This Program Revision involves both the Department of Commerce and the Department of Community Affairs, and has seven separate components as discussed below.

Economic Recovery Program

As a direct result of the national and international economic situation, a growing number of communities in Pennsylvania are being faced with severe economic problems. As plants have closed or cut back their production levels, workers are displaced. Often, these workers cannot find new jobs and either remain unemployed or move from the community. As a result of both plant closings and unemployment, tax revenues to the communities decrease and supplier industries and service-type firms close because they are no longer needed, further reducing the tax base. As these factors compound each other, the entire community becomes more and more distressed.

This Program Revision proposes a new two part program to aid these communities by providing added resources to employees and communities. The first part is aimed at preserving jobs through the facilitation of employee buy-outs of their work facility through Employee Stock Ownership Plans (ESOP). The second part will provide assistance to enable communities in economic distress to actively deal with their economic problems by development of local economic recovery strategies.

Enterprise Development Program

Due to structural changes in the economy and the recession, many communities are faced with problems of high unemployment, low incomes and deteriorating housing and physical environments.

The ultimate solution to the problems of these distressed areas rests in the joint ability of the public and private sectors to create environments which increase the rewards for investment, production and employment.

In order to address this problem in a more comprehensive manner, the Department of Community Affairs began an Enterprise Development Demonstration program funded under the Housing and Redevelopment program they administer.

Criteria utilized to identify those areas of most need were high and persistent unemployment, poverty substantially higher than the State average and general economic decline. To ensure consistency and objectivity in the identification process, the basic selection criteria established by the Department required that communities be eligible under the Federal Urban Development Action Grant (UDAG) program. The

distribution of eligible UDAG communities was fairly equal across the State and complemented and ensured consistency with funding efforts under the Small Communities Block Grant (SCBG) program. Other key ingredients necessary to secure designation as an enterprise development area were public/private involvement, local commitment and preliminary financial commitments.

The Department, working through the Economic Development Committee of the Cabinet, established an interagency arsenal of State assistance including, but not limited to, low-interest loans under the Pennsylvania Industrial Development Authority (PIDA), tax credits under the Neighborhood Assistance Act, Job Training and other services under the Community Services Block Grant, Housing Assistance under the Pennsylvania Housing Finance Agency, Community Development Assistance under the Small Communities Block Grant (SCBG), and others.

This significant State commitment is being expanded through the recommendation of a separate funding stream in the amount of \$4 million for Enterprise Development in the Department of Community Affairs, \$5 million in Enterprise Development setasides in existing programs of the Department of Commerce and increased targeting by Community Affairs of its Federal block grant programs.

Currently, there are ten Enterprise Development Areas (EDAs) in seven cities which are in the implementation stage, meaning they are involved in specific activities to reduce unemployment, improve housing or provide infrastructure improvements. There are an additional seventeen involved in the planning stage. The increased funding in Community Affairs, as well as designated setasides in many of the programs administered by both the Departments of Community Affairs and Commerce, will be utilized to provide second year funding to the currently active Enterprise Development Areas and first year funding of development proposals in those planning areas which demonstrate significant local public and private commitment necessary to achieve full designation as an Enterprise Development Area.

The setasides from three Department of Commerce programs in support of this Program Revision are as follows:

- \$2 million for Site Development projects.
- \$1 million for Community Facilities projects.
- \$2 million for PIDA projects.

These funds are in addition to the regular appropriations and will be specifically targeted to EDAs. Applications submitted by communities which have already received EDA designation have frequently indicated the need to upgrade their infrastructure in order to assist in efforts to promote industrial development within the designated EDAs; thus there is a demonstrable need for specifically targeted grant assistance in these programs.

Industrial Development Program Revision: Expansion of Industrial Development Activities (continued)

Program Analysis:

Pennsylvania Capital Loan Program (PCLP)

The Pennsylvania Capital Loan Program provides working capital to small businesses, especially advanced technology firms. The PCLP will be specifically targeted to assist start-up and expansion of these small industries but will not be used to supplant private sector funding. The program is currently funded from two Federal sources which, because of funding uncertainties, need to be supplemented with state funding to strengthen the program.

The program is administered through the Local Development Districts and other industrial development groups which do the actual loan packaging, credit analysis, initial approval, servicing and monitoring with the Commonwealth having final approval. All repayments of loans revert back to the loan fund.

The program is targeted to manufacturing, industrial and export service businesses which will create at least one net new job for every \$15,000 loaned. The loan funds can be used for working capital as well as land, buildings, machinery and equipment with a maximum State participation of 20 percent of the total project cost or \$50,000, whichever is less.

Pennsylvania Industrial Development Authority (PIDA)

The PIDA portion of this Program Revision is a tie-in with the Expansion of Scientific and Technological Development Program Revision discussed in a subsequent Commerce subcategory. PIDA has been a cornerstone of the Commonwealth industrial development activities; this Program Revision proposes a \$5 million increase to PIDA to be targeted specifically at industrial development in the areas of advanced technology and small business incubators.

PIDA has already increasingly been used as a means to promote the development of advanced technology companies in Pennsylvania. Currently, the PIDA Board gives preference to advanced technology companies by ensuring a closing date for loans no later than two months after approval of the loan. The Board has also set a goal of 25 percent for advanced technology loans as a percentage of total loan approvals. During 1982-83, \$7.8 million in loans were awarded to advanced technology firms by PIDA.

Pennsylvania Minority Business Development Authority (PMBDA)

The Pennsylvania Minority Business Development Authority was established in 1974. Its goal is to encourage full participation of minority firms in the free enterprise

system by making long-term, low-interest loans and guarantees. The program is targeted to viable or potentially viable enterprises owned and operated by socially or economically disadvantaged persons belonging to ethnic or minority groups.

PMBDA's second key objective is to enhance cooperative working relationships among economic development organizations, financial institutions, local government and private industry. These relationships generate additional capital for further development of minority businesses. Additional funds of \$1 million are recommended in this Program Revision in order to meet the increasing demands on the program.

Labor/Management Resource Center

The primary mission of the proposed Labor/Management Resource center will be to improve productivity of industries in Pennsylvania. The center will serve business, labor, government and academia as a statewide resource offering the leading edge of knowledge and assistance on productivity issues.

The Resource Center will be a statewide, nonprofit entity supported by financial contributions from founders, sponsors and members, including the State. The State contribution of \$500,000 will serve as a challenge grant to be matched by industry and labor. Leadership will be provided by a Board of Directors including leading business people, labor union leaders, government officials and academic authorities who are publicly committed to increased productivity and improved management.

The Center will acquire knowledge and expertise on productivity by researching, advising and experimenting within a diverse group of organizations including labor and business. The services will be available to both small and large firms in Pennsylvania and will be provided by a professional staff trained in all business disciplines and experienced in a wide spectrum of interests. The Center's services will offer organizations of all kinds the tools they can use to build their own productivity efforts.

Site Development

The Site Development Program, which provides grants to local governments for water, sewer and access road projects, is recommended to double in size to \$2 million. This will make possible local infrastructure improvements that would otherwise have to be deferred or not undertaken due to limited local resources.

**Industrial Development
Program Revision: Expansion of Industrial Development Activities (continued)**

Program Revision Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Economic Recovery Program	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Enterprise Development	5,000	5,000	5,000	5,000	5,000
Pennsylvania Capital Loan Program	2,000	2,000	2,000	2,000	2,000
Pennsylvania Industrial Development Authority	5,000	5,000	5,000	5,000	5,000
Pennsylvania Minority Business Development Authority	1,000	1,000	1,000	1,000	1,000
Labor/Management Resource Center	500	500	500	500	500
Site Development	1,000	1,000	1,000	1,000	1,000
TOTAL	<u>.....</u>	<u>.....</u>	<u>\$ 15,500</u>	<u>\$ 15,500</u>	<u>\$ 15,500</u>	<u>\$ 15,500</u>	<u>\$ 15,500</u>

In addition to the amounts shown above, this Program Revision also includes funding in the following subcategory in the Department of Community Affairs.

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Housing and Redevelopment							
GENERAL FUND							
Enterprise Development	<u>.....</u>	<u>.....</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ 4,000</u>

Tourism and Travel Development

OBJECTIVE: To expand income and employment in Pennsylvania through expanded tourism, travel and recreation.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	<u>\$ 6,730</u>	<u>\$ 7,157</u>	<u>\$ 7,880</u>	<u>\$ 7,928</u>	<u>\$ 7,978</u>	<u>\$ 8,031</u>	<u>\$ 8,086</u>

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Employment derived from tourism activities (in thousands)	178	182	182	183	184	180	173
Wages derived from tourism activities (in thousands)	\$1,528,445	\$1,650,720	\$1,738,208	\$1,848,384	\$1,954,666	\$2,921,207	\$2,979,631
Commonwealth revenues derived from tourism activities (in thousands)	\$306,405	\$331,023	\$350,491	\$372,341	\$393,515	\$409,287	\$420,631
Tourist contacts through information centers (in thousands)	454	481	500	517	533	548	563
Tourist promotion agencies receiving assistance	58	58	58	58	58	58	58

Program Analysis:

The Commonwealth has ranked among the five top states in the nation in terms of total traveler expenditures realized for the past several years and has experienced a heightened visibility as a travel destination due to the initiation of a major travel marketing and advertising program in 1979-80. Increased funds amounting to \$625,000 have been included in this budget for expanding this program.

The "You've got a friend in Pennsylvania," campaign has been aimed at increasing the Commonwealth's share of the growing travel market. The campaign has used all major electronic and print media and has concentrated upon the State's primary market areas.

Other appropriate State agencies are now involved with the department's advertising program. Although informal cooperation has occurred over the years, formal cooperation is now manifest in the fulfillment of inquiries generated through the publication entitled the "Best of Friends". This wider and extended cooperation is improving service to the traveling public and is generating an awareness among the various State agencies of their involvement with travel and tourism development.

Regarding general promotional programs in 1982-83, the department participated in 4 eastern travel shows where Pennsylvania's exhibits were viewed by approximately 800,000 potential travellers. These shows represent the most cost effective means of distributing large quantities of literature.

The Commonwealth has also opened new initiatives with domestic and foreign travel through participation in major marketplaces sponsored by the Travel Industry Association of America, American Bus Association, National Tour Brokers Association and the Ontario Motorcoach Association. During 1983-84, the department will participate in the world travel market to be held in London, England.

The initial point of contact with the traveler entering Pennsylvania is the welcome centers. Operated in cooperation with the Pennsylvania Department of Transportation, these eight centers are located on major interstate routes into the Commonwealth. These centers are established to aid the traveler with directions to tourist attractions and lodging. With the decreasing availability of service station highway maps, the importance of these centers should not be

Tourism and Travel Development (continued)

Program Analysis: (continued)

underestimated as indicated by the estimated 454,000 travelers visiting these centers during 1982-83. It is anticipated that in excess of 481,000 individuals will visit these tourist information centers in 1983-84.

The travel/tourism marketing program has resulted in an increase of visitation to Pennsylvania. Projected increases in wages derived from tourism are tied to projected growth in travel-related employment.

During 1983, research shows that United States residents who traveled away from home overnight or on day trips to places 100 miles or more away spent \$7.1 billion in Pennsylvania. During 1982-83, the department initiated a program to increase Pennsylvania's share of the meetings and conventions market.

Public relations is another important tourism effort. Press kits are produced on a seasonal basis and distributed to more than 1,200 media representatives in the U.S. and Canada. An additional 25 special feature and events releases are sent to the media throughout the year. These feature articles con-

tribute to overall efforts of reaching the tourism audience. Also, during 1982-83 the department initiated publication of an annual calendar of Pennsylvania events.

The department is also involved in tracking and measuring the benefits derived from the investment in travel development as well as providing a statistical base for marketing strategies and decision.

Two special programs play important roles in tourism. One is the Tourist Promotion Assistance Grant program, which provides matching funds for advertising, promotion and administrative expenses to 58 county organizations. Funded at \$3.7 million dollars, it is the largest program of its kind in the United States. The other is State participation in the construction of a new Convention Center in Philadelphia, which will assist tourism and attract travel and tourism dollars into the Commonwealth. This latter program will actually be administered under Community Affairs Housing and Redevelopment subcategory.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 1,070	\$ 1,057	\$ 955	\$ 1,003	\$ 1,053	\$ 1,106	\$ 1,161
Commercial Advertising	2,360	2,600	3,225	3,225	3,225	3,225	3,225
Tourist Promotion Assistance	3,300	3,500	3,700	3,700	3,700	3,700	3,700
GENERAL FUND TOTAL	\$ 6,730	\$ 7,157	\$ 7,880	\$ 7,928	\$ 7,978	\$ 8,031	\$ 8,086

American Wind Symphony - \$85,000

Scientific and Technological Development

OBJECTIVE: To increase the scientific and technological resources of the Commonwealth.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 6,444	\$ 15,976	\$ 27,122	\$ 27,128	\$ 27,134	\$ 27,141	\$ 22,148
Federal Funds		1,400					
TOTAL	\$ 6,444	\$ 17,376	\$ 27,122	\$ 27,128	\$ 27,134	\$ 27,141	\$ 22,148

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Average amount of challenge grant (in thousands)	\$250	\$2,500	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Private funds committed (in million)	\$2.9	\$16.3	\$28.0	\$28.0	\$28.0	\$28.0	\$28.0
Number of advanced technology center assisted firms located in incubator facilities	10	30	50	60	60	65	65
New ideas and inventions evaluated	200	400	1,000	1,000	1,000	1,000	1,000

Program Analysis:

Efforts to encourage scientific and technological development in the Commonwealth are aimed at strengthening the technological position of Pennsylvania's industries and encouraging the growth, development and nurturing of new enterprises on the leading edge of technological innovation. Scientific and technological development efforts are aimed at fostering effective partnerships among Pennsylvania's higher education institutions and the private sector, and at building further strengths in selected areas of research and development in which Pennsylvania's higher education institutions are recognized as national centers of excellence.

Technology development and its incorporation into the economy is recognized as a key factor in advancing economic health and in the sustenance and creation of new employment. The Ben Franklin Partnership is the Commonwealth's principal effort to encourage economic growth in the area of advanced technology. Advanced technology can develop applications for existing manufacturing processes leading to improved productivity, competitiveness, lowered costs and expanded operations. It can also generate new enterprises offering new products and services.

Two specific programs are offered under the auspices of the Ben Franklin Partnership. They are the Challenge Grant Program for Technological Innovation and the Small Business Research Seed Grant Program.

The Ben Franklin Challenge Grant Program operates through four Advanced Technology Centers located throughout the Commonwealth. The Ben Franklin Partnership Board designated these four Centers on a competitive basis in 1982 and provided initial funding of the Centers for their first six months of operation during the 1982-83 year through a \$1 million State appropriation. This \$1 million in State funds was matched by \$2.9 million in private sector support and provided the basis for early operation of the four Centers. In 1983-84 \$10 million in State funds were provided which generated \$16.3 million in private sector match; this budget proposes an increase to \$20 million which is expected yield \$28 million in private contributions.

Each of the four Centers has been organized as a consortium. While based at research universities, these consortiums serve as overseers of the program and are composed of representatives from business, labor, economic development organizations, local government, and others. The basic functions of the Centers are joint research and development education and training, and entrepreneurial assistance. A number of joint research and development projects were begun with the private sector: education and training projects were initiated; and seminars, assistance, and other services were provided for entrepreneurs. In addition, small business incubators were established at several Centers.

The Ben Franklin Partnership Challenge Grant Program

Scientific and Technological Development(continued)

Program Analysis: (continued)

is geared at obtaining private sector involvement and commitment first, with public funds coming second. This is more likely to result in the more rapid commercialization of research and development into the marketplace. Challenge grants are provided to assist traditional industries such as coal and steel to modernize and be more competitive, help to retain jobs and increase the Commonwealth's workforce, as well as to assist in the development of new products for new firm start-ups on the leading edge of technology. This program assists both existing businesses in Pennsylvania as well as encouraging the growth of new technology firms.

The Small Business Research Seed Grant Program was initiated in 1983-84. This program provides direct funding of research and development activities for small firms. Awards are made on a competitive basis. Preference is given to firms with 50 employees or less, and firms must be Pennsylvania-based. Applications are accepted for research and development in nine areas identified by the Board as

having the greatest potential for job growth in the Commonwealth. Initial applications were due October 15, 1983, with nine awards made in 1983-84. Pennsylvania's Small Business Research Seed Grant Program is one of only four such state programs in the United States. It is an effective supplemental tool to encourage the expansion of entrepreneur-based smaller firms, which are the type of firm projected to have the most job growth in the future.

Cost sharing proposals to clean-up the health and safety problem at Three Mile Island (TMI), and to obtain the technological research value from the accident, include \$5 million as Pennsylvania's contribution.

An additional \$1.5 million has been included for the Pennsylvania Energy Development Authority, which is now under the auspices of the Department of Commerce.

A consolidated program revision for technological activities is recommended and is discussed in an appendix to this subcategory.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 94	\$ 126	\$ 122	\$ 128	\$ 134	\$ 141	\$ 148
Ben Franklin Partnership	1,350	10,350	20,000	18,600	20,000	20,000	20,000
Three Mile Island Clean-Up	5,000	5,000	5,000	5,000	5,000	5,000	.....
Pennsylvania Energy Development Authority .....	.....	500	2,000	2,000	2,000	2,000	2,000
GENERAL FUND TOTAL	\$ 6,444	\$ 15,976	\$ 27,122	\$ 27,128	\$ 27,134	\$ 27,141	\$ 22,148

**Scientific and Technological Development
Program Revision: Expansion of Technological Development**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 11,150	\$ 11,150	\$ 11,150	\$ 11,150	\$ 11,150

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Average challenge grant (in thousands):							
Current	\$250	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Program Revision .....	.....	.....	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Amount of private funds committed (in millions):							
Current	\$2.9	\$16.3	\$17.0	\$17.0	\$17.0	\$17.0	\$7.0
Program Revision .....	.....	.....	\$28.0	\$28.0	\$28.0	\$28.0	\$28.0
Advanced Technology Center—assisted firms located in incubator facilities:							
Current	10	30	40	40	50	50	50
Program Revision .....	.....	.....	50	60	60	65	65
New ideas and inventions evaluated:							
Current	200	400	500	500	500	500	500
Program Revision .....	.....	.....	1,000	1,000	1,000	1,000	1,000

Program Analysis:

Ben Franklin Partnership (BFP)

It is recommended that funding for this highly innovative, and highly successful, State/university/private sector partnership increase by almost 100 percent to \$20 million. Private participation is presently exceeding 60 percent versus the 50 percent envisioned, as the Commonwealth's \$10 million in challenge grants has generated \$16.3 million in private funding for 1983-84. With an increase in the funding level to \$20 million, it is expected the additional \$11 million would be generated from private sources for 1984-85, thus increasing total private contributions for 1984-85 to \$28 million. The Ben Franklin Partnership has become a cornerstone of our efforts to better insulate Pennsylvania from boom or bust cycles by developing advanced technology as a leading industry. Emphasis will continue to center on expanding the skills of our workforce, increasing our competitive opportunities in the growth industries of the future and improving our industrial mix.

The Ben Franklin Partnership Fund Board established four Advanced Technology Centers (ATC) within the Commonwealth in Bethlehem, State College, Philadelphia and

Pittsburgh. While these centers are administered through research universities, they are operated as consortiums of private sector, labor, economic development groups and higher education institutions. Each of the centers is required to carry out three activities:

- Joint research and development with the private sector, in order to more rapidly commercialize technology into applications to existing industries and establish new firms making new products.
- Education and training, geared to assisting all higher education institutions to modify curriculum and programs, to institute new training opportunities and otherwise fill gaps in existing state and federal education and training programs.
- Entrepreneurial development, including advisory assistance to new firms in becoming established; provision of small business incubators close to universities to provide a cloistered environment for R&D firms to become established in the State; and related seminar and other training opportunities.

**Scientific and Technological Development
Program Revision: Expansion of Technological Development (continued)**

Program Analysis: (continued)

The over 200 projects funded in 1983-84 under the Ben Franklin Partnership include:

- Robotics lab and research program development.
- Development of the Easton Business and Technology Center and various small business incubators.
- Cooperative development of a Nuclear Power Technician training program.
- National “on-line” computer network demonstration program to link public and private resources to the small business community.
- Artificial heart development.
- Robotics testing for industrial processers.
- Determination of how certain drugs are affected or altered by space flight.
- Develop a new blood pump for use with heart-lung machines.
- Use of a non-aqueous medium for coal cleaning.
- Acid mine drainage experiments.
- Loan packaging and business development assistance.
- Marketing strategy for recruiting new businesses and industries to Harrisburg area.
- Government contract procurement.

Pennsylvania Energy Development Authority (PEDA)

The purpose of PEDA is to provide needed funds to develop energy projects and fund limited energy research. PEDA specifically provides:

- Loans and loan guarantees to private industry and public agencies to fund limited scale coal and renewable resource development and industrial coal conversions.
- Grants to fund limited research to increase the efficient use of Pennsylvania’s indigenous resources.

PEDA will only fund applied research projects such as coal testing and characterization and such research projects as fluidized bed combustors, combined cycle gasifiers and coal/oil mixtures.

PEDA will be empowered to sell tax-exempt revenue bonds for loans to projects that develop Pennsylvania’s indigenous energy resources and that are uneconomic if financed privately with taxable funds.

Program Revision Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Ben Franklin Partnership	\$ 9,650	\$ 9,650	\$ 9,650	\$ 9,650	\$ 9,650
Pennsylvania Energy Development Authority	1,500	1,500	1,500	1,500	1,500
TOTAL	\$ 11,150	\$ 11,150	\$ 11,150	\$ 11,150	\$ 11,150

International Trade

OBJECTIVE: To expand Pennsylvania's exports and attract foreign investment.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 2,501	\$ 7,285	\$ 2,384	\$ 2,422	\$ 2,462	\$ 2,504	\$ 2,548
Federal Funds	17	15	.....	.....	.....	.....	.....
TOTAL	\$ 2,518	\$ 7,300	\$ 2,384	\$ 2,422	\$ 2,462	\$ 2,504	\$ 2,548

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
State jobs attributable to foreign investments in Pennsylvania	98,000	102,532	106,000	110,000	114,500	116,700	120,000
Foreign companies located in Pennsylvania	440	479	500	520	550	580	600
Tonnage of cargo handled (thousands):							
Port of Philadelphia	58,000	62,000	66,000	70,000	74,000	78,000	82,000
Port of Erie	550	555	560	565	566	567	568
Port of Pittsburgh	65,000	65,000	65,000	65,000	65,000	65,000	65,000
Companies in trade shows	35	60	60	60	60	60	60
Exporting leads	700	800	900	1,000	1,100	1,200	1,300

Program Analysis:

The international economic development efforts of the Commonwealth have the specific objectives of increasing employment and income through expanded Pennsylvania exports to foreign countries and through the attraction of foreign-owned firms to establish manufacturing or other facilities in Pennsylvania.

Departmental efforts during the past several fiscal years have centered on providing assistance to small and medium-sized firms interested in exporting and promoting Pennsylvania directly with foreign interests considering American investment. Primary emphasis was given to small and medium-sized companies since most of them initially neither have the financial nor the personnel resources to concentrate on foreign markets. During 1982-83, the Department participated in trade fairs in Singapore, Australia, Brazil, Columbia, West Germany, Venezuela and Spain. A total of 35 Pennsylvania companies participated in these trade shows. During 1983-84, the Department will be joined by approximately 60 companies at trade fairs in Australia, Peru, Mexico, West Germany, Denmark, Sweden, Norway and Belgium.

When a company participates in a trade exhibition/mission, it is introduced to several potential buyers, agents,

representatives, distributors, or licensees who may have an interest in purchasing or handling its product line in that particular market. The company gains a first-hand knowledge of the market and has the opportunity of developing leads, potential representatives, distributors, agents and buyers.

The Bureau of International Commerce was awarded the President's "E" Award in May, 1982. The "E" Award program began in 1961 and stands for excellence in exporting. To receive this award, recipients must have significantly increased exports or made significant contributions to the export field over a three-year period. In May 1980, the United States Department of Commerce estimated the value of Pennsylvania's exports of manufactured goods for 1981 at approximately \$15.4 billion dollars. This figure does not include commodity exports such as agricultural products and coal.

There are currently 479 internationally owned firms in Pennsylvania. This is an increase of 39 companies over 1982-83's figures. The bulk of the increase was the result of foreign operations acquiring American-owned companies. They account for the employment of over 102,532 persons, an increase of 9,905 since last year. Based on a report releas-

International Trade (continued)

Program Analysis: (continued)

ed by the Conference Board, a leading authority on foreign investment in the United States, Pennsylvania ranked fourth in 1982 with seventeen (17) new direct manufacturing investments. For 1984-85, this trend is expected to continue with 500 foreign-owned companies and 106,000 jobs attributable to foreign investments.

Potential transactions with European, Japanese and Canadian industrial prospects involve 100 companies, and these investments may create significant job opportunities in Pennsylvania. The classification of new, direct investment includes joint ventures between a U.S. firm and a foreign firm or the acquisition of a U.S. firm.

In order to assist Pennsylvania firms in the international marketplace and to increase foreign investment and tourism, foreign representation has been established in Tokyo, Japan; Mexico City, Mexico; London, England; and Frankfurt, West Germany. Additionally, contacts are made with businesses in other countries including Canada, Scandinavia, Africa, the Middle East, Australia and Southeast Asia. As a result of the establishment of these foreign offices, the Commonwealth has attracted a total of 17 foreign operations with a projected total employment of 1,800. The level of leads generated by the overseas representatives is reflected in the program measures. Leads, if carried through to fruition, result in increased international business and additional employment for Pennsylvania residents.

The Export-Import Bank of the United States (Eximbank) was created in 1934 and established as an independent U.S. Governmental Agency in 1945. The purpose of the Bank is to aid in financing and to facilitate exports, primarily of

capital goods, e.g. railroad equipment, by providing loans or guarantees to foreign governments or companies in order that they may purchase those products; large firms have been the primary beneficiaries of these programs.

Eximbank also has programs especially for the small business person but due to a lack of the necessary personnel or financial resources to adequately promote and service these program themselves, Eximbank is allowing state governmental agencies to undertake this task. In order to facilitate this effort, Eximbank has offered to provide basic personnel training, and promotional and other necessary materials. It is the intent of the Department of Commerce to actively promote Eximbank programs by organizing and participating in seminars throughout the State, making personal visits to Pennsylvania companies, and advertising the programs in various publications, as well as take applications for both programs and communicate with Eximbank officials to insure that they are properly completed. The other major task will be to obtain necessary credit information on the Pennsylvania applicants through various private sources. To undertake these efforts, \$138,000 has been included in this budget.

Also included are appropriations for the Ports of Philadelphia, Erie and Pittsburgh. The funds are used to support efforts initiated by the separate Port Authorities to upgrade and expand their facilities, including maintenance repair and administrative actions oriented toward increasing the import/export activity in these international shipping centers. Tonnage figures for all of the ports have been revised to reflect more accurate data.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 876	\$ 885	\$ 759	\$ 797	\$ 837	\$ 879	\$ 923
Port of Philadelphia	1,000	3,000	1,000	1,000	1,000	1,000	1,000
Port of Erie	375	1,650	375	375	375	375	375
Port of Pittsburgh	250	1,750	250	250	250	250	250
GENERAL FUND TOTAL	\$ 2,501	\$ 7,285	\$ 2,384	\$ 2,422	\$ 2,462	\$ 2,504	\$ 2,548

Department of Community Affairs

The Department of Community Affairs provides a system of services and programs permitting the development and redevelopment of Pennsylvania's communities to enhance the total environment of citizens. The Department seeks to improve the capabilities of local governments to meet critical social and economic problems and to develop human resources so each citizen will have an equal opportunity to achieve the full measure of the State's economic prosperity. It carries out these activities through technical consultation and assistance; grants for housing, redevelopment, flood plain management, planning and manpower training.

015,

COMMUNITY AFFAIRS

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1984-85 State Funds (In thousands)
General Fund		
Enterprise Development	Expansion of Industrial Activities	\$ 4,000 ^a

This Program Revision would provide grants to distressed areas to develop programs that will aid in the economic recovery of the area.

GENERAL FUND TOTAL \$ 4,000

Lottery Fund

Homeowners Emergency Assistance	Homeowners Emergency Assistance	\$ 25,750
---------------------------------	---------------------------------------	-----------

This Program Revision would provide loans to homeowners who have been adversely affected by the recent recession and are in danger of mortgage foreclosure.

LOTTERY FUND TOTAL \$ 25,750

DEPARTMENT TOTAL \$ 25,750

^aThe total Program Revision for Expansion of Industrial Activities is \$19,500,000. Details are presented in the appendix to the Industrial Development subcategory in the Department of Commerce.

DEPARTMENT OF COMMUNITY AFFAIRS

Summary by Fund and Appropriation

(Dollar Amounts in Thousands)			
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 6,833	\$ 6,974	\$ 7,587
Grants and Subsidies			
0 Community and Economic Development	\$ 750	.....	.....
10 Community Conservation and Youth Employment	2,707	\$ 2,736	\$ 2,736
11 Housing and Redevelopment Assistance	7,500	16,000	4,000
12 Enterprise Development .....	.....	.....	4,000
14 Regional Councils	150	150	200
16 Planning Assistance	100	100	100
18 Flood Plain Management	55	100	75
20 Transfer to PHFA—Homeowners Emergency Assistance (15) .....	.....	5,000	.....
Subtotal	<u>\$ 11,262</u>	<u>\$ 24,086</u>	<u>\$ 11,111</u>
TOTAL STATE FUNDS	<u>\$ 18,095</u>	<u>\$ 31,060</u>	<u>\$ 18,698</u>
Federal Funds	\$ 63,072	\$ 131,944	\$ 124,068
Other Funds	1,550	1,796	2,625
GENERAL FUND TOTAL	<u>\$ 82,717</u>	<u>\$ 164,800</u>	<u>\$ 145,391</u>
State Lottery Fund			
General Government			
Transfer to PHFA—Homeowners Emergency Assistance— Administration .....	.....	.....	\$ 2,000
Grants and Subsidies			
Transfer to PHFA—Homeowners Emergency Assistance .....	.....	.....	\$ 23,750
STATE LOTTERY FUND TOTAL	<u>.....</u>	<u>.....</u>	<u>\$ 25,750</u>
DEPARTMENT TOTAL — ALL FUNDS			
General Fund	\$ 18,095	\$ 31,060	\$ 18,698
Special Funds .....	.....	.....	25,750
Federal Funds	63,072	131,944	124,068
Other Funds	1,550	1,796	2,625
TOTAL ALL FUNDS	<u>\$ 82,717</u>	<u>\$ 164,800</u>	<u>\$ 171,141</u>

GENERAL GOVERNMENT

General Government Operations	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 6,833	\$ 6,974	\$ 7,587
Federal Funds	2,453	4,004	2,654
Other Funds	1,550	1,796	2,625
TOTAL	\$ 10,836	\$ 12,774	\$ 12,866

Provides for the administration and operation of various programs designed to promote effective and economical delivery of municipal services by assisting communities and political subdivisions in the areas of economic opportunity to disadvantaged Pennsylvanians; housing, code enforcement and renewal; grant programs for the acquisition and development of recreational facilities; technical and financial assistance to regional planning agencies and councils of government; and regulation of industrialized housing.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
(81) General Government Operations	\$ 6,833	\$ 6,974	\$ 7,587
Federal Funds:			
(32) Land and Water Conservation Fund — Project Administration	174	125	75
Water Pollution Control Training		10	
(10) Safe Drinking Water Act	22	37	10
(CARRYOVER) EA — Operator Outreach Training	2	8	2
Comprehensive Planning Assistance	149		
(18) ARC — Planning Administration	38	50	25
Farmer's Home Administration — Rural Investment Strategy ..	15		
CETA — Management and Program Capabilities	129	45	
Energy Audits (Act 222)	23		
Energy Conservation Training	15	27	
(45) Community Development Technical Assistance	315	229	182
(60) Community Services Block Grant — Administration	374	395	700
(59) Small Communities Block Grant — Administration	683	800	860
(58) Folk Art Project	25	40	10
(69) Low-Income Energy Assistance — Administration	489	800	800
Cultural Heritage Awareness Project		38	
Emergency Jobs — Recreation		1,400	
Other Funds:			
Land and Water Development Act	828	332	150
Mobile and Industrialized Housing Act	157	227	145
Training Course Registration	325	275	260
Disaster Relief Fund	188	190	144
Energy Conservation Code Fees	34	26	98
Council on Arts — Folk Art Project	18	10	
Centralia Recovery — Land and Water		736	1,828
TOTAL	\$ 10,836	\$ 12,774	\$ 12,866

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Community Conservation and Youth Employment			
State Funds	\$ 2,707	\$ 2,736	\$ 2,736
Federal Funds	15,543	17,290	15,000
TOTAL	<u>\$ 18,250</u>	<u>\$ 20,026</u>	<u>\$ 17,736</u>

Provides financial assistance to municipalities, community action agencies (CAA), Opportunities Industrialization Centers (OIC) and nonprofits to develop programs aimed at chronic unemployment and the social, physical and economic deterioration of communities. In addition the Federal Community Services Block Grant monies are utilized and targeted toward Commonwealth priorities in the employment areas.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
(50) Community Conservation and Youth Employment	\$ 2,707	\$ 2,736	\$ 2,736
Federal Funds:			
CETA — Spanish Speaking Centers	137	40	.....
(63) Community Services Block Grant	15,383	15,198	14,000
Community Services Block Grant — Technical Assistance	23	314	.....
(12) Community Services Block Grant — Emergency Jobs .....	.....	1,522	1,000
Intake and Prevocational Training .....	.....	216	.....
TOTAL	<u>\$ 18,250</u>	<u>\$ 20,026</u>	<u>\$ 17,736</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Community Revitalization Assistance			
State Funds	\$ 8,250	\$ 16,000	\$ 8,000
Federal Funds	43,725	108,702	105,552
TOTAL	<u>\$ 51,975</u>	<u>\$ 124,702</u>	<u>\$ 113,552</u>

Provides grants to communities and redevelopment authorities to improve blighted neighborhoods through redevelopment, housing code enforcement, and the provision of low and moderate income housing through rehabilitation.

Provides grants to assist nonprofit sponsors in meeting the costs of building low and moderate income housing.

Provides grants to identified enterprise development areas to plan and implement proposals to create jobs.

Provides funds to weatherize existing housing stock through the installation of insulation, storm doors and windows in homes of persons who meet income standards developed by the Federal Government Agency.

Also includes funds from the Small Communities Block Grant to upgrade the housing stock of low income individuals.

Provides Federal funds to assist in relocation of Centralia residents endangered by the underground mine fire.

GENERAL FUND

COMMUNITY AFFAIRS

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
(14) Housing and Redevelopment Assistance	\$ 7,500	\$ 16,000	\$ 4,000
NEW - () Enterprise Development			4,000
Community Economic Development	750		
Federal Funds:			
(64) Low Income Energy Assistance — Weatherization	16,300	11,050	7,200
(47) DOE — Weatherization	8,410	14,000	14,100
(66) ARC — Innovative Housing Program	466	200	100
Historic Preservation in Housing	11		
Temporary Housing — Brady's Bend	28	151	
Temporary Housing — Northwestern Pennsylvania	17		
(62) Small Communities Block Grant	18,493	54,000	53,422
(13) Oil Overcharge — Weatherization		4,450	7,550
DOE — Weatherization — Emergency Jobs		7,400	
(11) Small Communities Block Grant — Emergency Jobs		10,086	4,000
(EA) Centralia Recovery		7,365	19,180
TOTAL	<u>\$ 51,975</u>	<u>\$ 124,702</u>	<u>\$ 113,552</u>

53,422
(IN BUD)

Regional Councils

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 150	\$ 150	\$ 200

Provides financial assistance to regional councils of elected officials to promote efforts to overcome the effects of local government fragmentation.

Source of Funds

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
(09) Regional Councils	<u>\$ 150</u>	<u>\$ 150</u>	<u>\$ 200</u>

GENERAL FUND

COMMUNITY AFFAIRS

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Planning Assistance			
State Funds	\$ 100	\$ 100	\$ 100
Federal Funds	1,119	1,748	725
TOTAL	<u>\$ 1,219</u>	<u>\$ 1,848</u>	<u>\$ 825</u>

Provides planning grants to local planning agencies. The plans funded through this program are often prerequisites for receiving Federal funds.

Provides for planning grants and loans from the U.S. Department of Commerce to coastal communities to mitigate the impact of energy activities.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
(65) Planning Assistance	\$ 100	\$ 100	\$ 100
Federal Funds			
(15) ARC — Land Use Development Planning	423	789	300
(7) Coastal Zone Management — Administration	696	940	425
Renewable Energy Guidelines .....	.....	19	.....
TOTAL	<u>\$ 1,219</u>	<u>\$ 1,848</u>	<u>\$ 825</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Flood Plain Management			
State Funds	\$ 55	\$ 100	\$ 75
Federal Funds	232	200	137
TOTAL	<u>\$ 287</u>	<u>\$ 300</u>	<u>\$ 212</u>

Provides financial assistance to municipalities to prepare and implement flood plain management plans.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
(39) Flood Plain Management Grants	\$ 55	\$ 100	\$ 75
Federal Funds			
(18) FEMA — Technical Assistance — Flood Plain Management ...	232	200	137
TOTAL	<u>\$ 287</u>	<u>\$ 300</u>	<u>\$ 212</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Homeowners Emergency Assistance			
State Funds	\$ 5,000	.....

Provides funds to the Pennsylvania Housing Finance Agency (PHFA) to begin implementation of the Homeowners Emergency Mortgage Assistance Act (Act 91 of 1983). This program is funded from the Lottery Fund beginning in 1984-85.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Transfer to PHFA — Homeowners Emergency Assistance	\$ 5,000	.....

**STATE LOTTERY FUND
GENERAL GOVERNMENT**

		(Dollar Amounts in Thousands)	
	1982-83	1983-84	1984-85
	Actual	Available	Budget
Homeowners Emergency Assistance			
State Funds	\$ 2,000

Provides funds to Pennsylvania Housing Finance Agency (PHFA) to administer a mortgage assistance program for homeowners in imminent danger of foreclosure.

		(Dollar Amounts in Thousands)	
	1982-83	1983-84	1984-85
	Actual	Available	Budget
Source of Funds			
Executive Authorization:			
Transfer to PHFA — Homeowners Emergency Assistance	\$ 2,000

GRANT AND SUBSIDIES

		(Dollar Amounts in Thousands)	
	1982-83	1983-84	1984-85
	Actual	Available	Budget
Homeowners Emergency Assistance			
State Funds	\$ 23,750

Provides funds to Pennsylvania Housing Finance Agency (PHFA) to make loans under a mortgage assistance program for homeowners in imminent danger of foreclosure.

		(Dollar Amounts in Thousands)	
	1982-83	1983-84	1984-85
	Actual	Available	Budget
Source of Funds			
Executive Authorization:			
Transfer to PHFA — Homeowners Emergency Assistance	\$ 23,750

Restricted Receipts Not Included in Department Total

	1983-84 Actual	(Dollar Amounts in Thousands) 1984-85 Available	1985-86 Budget
General Fund			
Urban Planning Account	<u>\$ 258</u>	<u>.....</u>	<u>.....</u>

DEPARTMENT OF COMMUNITY AFFAIRS

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 2,904	\$ 2,692	\$ 2,469	\$ 2,592	\$ 2,721	\$ 2,857	\$ 3,000
Community Physical Development	\$ 8,993	\$ 21,797	\$ 35,048	\$ 47,213	\$ 47,387	\$ 23,818	\$ 24,009
Housing and Redevelopment	8,993	21,746	34,734	46,883	47,040	23,454	23,627
Community Park and Recreation Development .....	.....	51	314	330	347	364	382
Economic Opportunity	\$ 3,622	\$ 3,578	\$ 3,705	\$ 3,753	\$ 3,804	\$ 3,857	\$ 3,913
Community Conservation and Youth Employment	3,622	3,578	3,705	3,753	3,804	3,857	3,913
Local Government Management	\$ 2,576	\$ 2,993	\$ 3,226	\$ 3,369	\$ 3,519	\$ 3,676	\$ 3,840
Areawide Intermunicipal Services	150	150	200	200	200	200	200
Municipal Administrative Support Capability	1,660	1,870	2,013	2,114	2,220	2,331	2,447
Community Development Planning	766	973	1,013	1,055	1,099	1,145	1,193
DEPARTMENT TOTAL	<u>\$ 18,095</u>	<u>\$ 31,060</u>	<u>\$ 44,448</u>	<u>\$ 56,927</u>	<u>\$ 57,431</u>	<u>\$ 34,208</u>	<u>\$ 34,762</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 2,904	\$ 2,692	\$ 2,469	\$ 2,592	\$ 2,721	\$ 2,857	\$ 3,000
Federal Funds	25	78	.....	.....	.....	.....	.....
Other Funds	131	10	.....	.....	.....	.....	.....
TOTAL	\$ 3,060	\$ 2,780	\$ 2,469	\$ 2,592	\$ 2,721	\$ 2,857	\$ 3,000

Program Analysis:

General Administration and Support provides the administrative overhead and management systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

Funds are also provided for the Agency's policy planning and information program which provides publications and information to local governments as well as staff support for the Department.

The Heritage Affairs Advisory Commission is also part

of this subcategory. The Commission prepares and disseminates literature, public education materials and publicity relating to ethnic and nationality groups and their programs and activities.

The Governor's Council on the Hispanic Community was also established in 1979. The Council assists in insuring that the Hispanic Community receives equal opportunities under the laws of the Commonwealth.

Additional funding in the amount of \$115,000 is recommended to provide staff to fulfill the expanded program monitoring responsibility due to the block grant programs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 2,904	\$ 2,692	\$ 2,469	\$ 2,592	\$ 2,721	\$ 2,857	\$ 3,000

Housing and Redevelopment

OBJECTIVE: To reduce to an acceptable level the percentage of Pennsylvania families living in substandard housing and blighted neighborhoods.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 8,993	\$ 21,746	\$ 8,984	\$ 21,033	\$ 21,085	\$ 21,139	\$ 21,196
Special Funds .....	.....	.....	25,750	25,850	25,955	2,315	2,431
Federal Funds	44,920	110,302	107,212	91,735	82,885	73,690	71,335
Other Funds	320	1,179	2,215	1,202	720	601	387
TOTAL	\$ 54,233	\$ 133,227	\$ 144,161	\$ 139,820	\$ 130,645	\$ 97,745	\$ 95,349

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Substandard dwelling units	434,000	439,000	444,000	449,000	454,000	459,000	464,000
State funded activities and programs:							
Construction of new units	104	600	280	280	280	280	280
Rehabilitation of existing units	4,331	2,500	1,800	1,800	1,800	1,800	1,800
Redevelopment projects	37	50	30	30	30	30	30
Community revitalization projects	41	.....	.....	.....	.....	.....	.....
Industrial and mobile homes inspected	1,362	1,300	1,400	1,400	1,400	1,400	1,400
Homes weatherized	32,938	22,009	20,149	19,949	17,949	17,949	17,949
Oil/gas furnace retrofits	4,946	12,215	15,302	16,255	17,230	18,323	19,445
Small Communities Block Grant:							
Jobs created and/or retained	1,200	2,000	1,520	1,200	1,200	1,200	1,200
Vacant commercial structures occupied	50	50	50	50	50	50	50
Community facilities projects	17	18	17	17	17	17	17
Housing units rehabilitated	1,700	1,700	1,700	1,700	1,700	1,700	1,700

Program Analysis:

The Housing and Redevelopment Assistance Act continues to be the State's primary tool for revitalizing its depressed and blighted neighborhoods and commercial districts.

In furthering the goals of community conservation, the department is pursuing a series of initiatives that direct State funds to areas of greatest need.

These initiatives focus on ventures in public/private partnerships to leverage other private and public dollars for housing rehabilitation; promoting the revitalization of commercial centers through the Main Street program, stimulating the growth of new businesses; and providing infrastructure funding.

A strategic part of this effort is the Enterprise Develop-

ment Area Program designed to link together private resources, local commitments and State assistance to promote private enterprise and create jobs.

The Enterprise Development Area Program was implemented during fiscal years 1982-83 and 1983-84 with 1982-83 housing and redevelopment funds but will be funded from a separate appropriation for that purpose in 1984-85. Funding is recommended at the level of \$4,000,000. Further discussion of the program can be found in the Expansion of Industrial Development program revision under the Department of Commerce.

In 1981-82, the department began an effort to recover and redirect millions of dollars of existing prior appropriation balances and to identify significant amounts of returned pro-

Housing and Redevelopment (continued)

Program Analysis: (continued)

ject and interest monies on previously committed funds. The success the department experienced allowed it to expand its program efforts dramatically in 1982-83 and moderately in 1983-84. The impact of these recaptured funds is reflected in the dramatic increase in the number of rehabilitated units in 1982-83 and to a lesser degree in 1983-84. A slightly reduced program level is projected for future years. While not as dramatic, this purging effort by the department will continue to supplement funds appropriated by the Legislature. The department is making an effort to utilize these funds before utilizing the funds provided in the 1983-84 Budget. For this reason, a major portion of the \$16,000,000 appropriated in 1983-84 as a continuing appropriation will be available to help maintain program effort in the 1984-85 fiscal year. Additionally, administrative funds have been provided in the 1984-85 Budget to assist the department in the close-out of a backlog of prior year projects. This effort plus available uncommitted 1983-84 monies and a 1984-85 recommended amount of \$4,000,000 will allow the department to maintain a constant level of competitive program activity while clearing residual funds from prior year appropriations.

The fluctuation in the number of new housing units is not a result of fluctuation in State funding but due to the funding relationship with the Federal Department of Housing and Urban Development (HUD) Section 202 Elderly Housing program, emphasis on multi-family or elderly units in 1983-84, and utilization of private developers as opposed to cities and housing authorities in 1984-85. These projects are funded with a nominal amount of State funds since the Commonwealth is only required to pick up the difference between total costs and the amount of Federal HUD funding. The level of new units produced is held constant from 1984-85 forward due to the difficulty in estimating future year Federal levels of program activity or emphasis.

The provision of enterprise development monies as a separate funding stream will impact upon the funds spent under normal redevelopment activity as the department attempts to target expenditures to those areas identified under the enterprise development program. At the same time, due to the benefits to be derived upon designation as an enterprise development area, many communities will direct their proposals toward that program in an effort to qualify for funding. This will cause a drop in the number of requests for redevelopment not incorporated within the enterprise development concept.

Another program protecting the quality of housing in Pennsylvania is the industrialized housing program. This operation is the only statewide building regulatory program pertaining to single family industrialized housing products. Under the Industrialized Housing Act of 1972, factory-made

homes and units are inspected at the factory. If approved, manufacturers pay for insignias indicating approval to be attached to the unit. Fees paid for the insignias support the administrative costs of the program.

The number of industrialized and mobile homes requiring inspection will increase due to the stabilization of mortgage rates spurring the building of more homes. It is anticipated that this measure will remain fairly constant in future years.

The department also is the State Administrative Agency (SAA) under the terms of the National Mobile Home Construction and Safety Standards Act of 1974. The primary function of an SAA is to handle consumer-related problems involving the construction of mobile homes. A fee of twelve dollars is paid to the department by the U.S. Department of Housing and Urban Development for each new mobile home certified in Pennsylvania. These revenues support program activities of the SAA.

The Building Energy Conservation Code (Act 222 of 1980) mandates the department to administer the provisions of the act for all one or two family dwelling units (R-3 Structures) including not more than five lodgers or boarders per family and all rowhouses, townhouses, and garden apartment construction not exceeding three stories. Prior to construction of any building classified as Use Group R-3, the builder must notify the department by certified mail of his intent to begin construction. Such notice includes a filing fee of \$10 and contains the name of the owner of the building and its location.

The department must also perform home energy audits upon request of the owner for a fee of \$35 as specified in Act 222. The fees are intended to offset the costs of administration of the program.

The department administers a weatherization program by providing Federal funds for energy efficiency improvements in the homes of low-income persons of the Commonwealth.

The weatherization program distributes funds to sixty local non-profit and governmental service delivery agencies to identify and verify clients as well as install or subcontract the installation of energy conservation materials and technologies on homes of clients.

Currently the department receives entitlement funds from the Department of Energy (DOE), Health and Human Services' Low-Income Home Energy Assistance Program (LIHEAP), Jobs Bill (1983-84 only), and Petroleum Violation Escrow (Oil Overcharge) funds. These funds are distributed by the department on a need/production capability basis and services are provided in all 67 counties of the Commonwealth.

Because of varied funding sources and regulations, the department has developed and implemented a comprehen-

Housing and Redevelopment (continued)

Program Analysis: (continued)

sive approach to programming the weatherization funds into distinct packages. The separation and packaging allows for funding of various weatherization packages with uniformity of application, regardless of funding source. These weatherization packages are: (1) the standard package including weatherization materials applied to the building exterior based on an energy audit; (2) the furnace efficiency modification package, and (3) the low cost/no cost package which is limited to installation of anti-infiltration materials and can only be used by the local agencies when a backlog of eligible units exist that cannot be serviced by the next heating season. The low cost/no cost program is operational only during winter months.

The combined funding level from the four sources (LIHEAP, DOE, Jobs and Oil Overcharge) is \$36,900,000 for 1983-84, an increase of \$12,190,000 over the 1982-83 level. This funding increase is due to the oil overcharge monies and the Jobs funding.

In 1982-83, 32,938 homes were weatherized and 4,946 oil/gas retrofits were performed while in 1983-84 22,009 homes were weatherized and 12,215 oil/gas/coal retrofits were performed. The shift in program emphasis is a result of several factors: (1) a reduction in LIHEAP funding, (2) expansion to other energy conservation programs including oil/gas and coal retrofits, low cost/no cost infiltration, and (3) Federal weatherization regulations in effect under the LIHEAP program which limited the weatherization measures that could be undertaken in order to decrease expenditures per unit and thus allow more units to be improved.

The decreasing future year trend in homes weatherized reflects the one time nature of Jobs Bill money and anticipated decreases in available oil overcharge funds.

In another program area, the department assumed formal responsibility for administering the Small Communities Block Grant (SCBG) Program from the Federal government in July of 1982. Its purpose is to provide assistance to smaller municipalities (generally those under 50,000 population) for community development activities. These activities include housing rehabilitation, community revitalization, improvement of community facilities, and economic development.

A funding level of approximately \$54 million is anticipated in both 1983-84 and 1984-85.

In addition, \$10,086,000 was made available from the Federal Emergency Jobs Bill in 1983-84 for expenditure under the SCBG program. These funds, to be expended over the 1983-84 and 1984-85 fiscal years, impact on the "jobs created" measure by increasing program activity over those two fiscal years.

Up to 20 percent of the 1984-85 SCBG funding will be reserved for preservation and creation of jobs. The SCBG Program will provide competitive grants to address single purpose projects as well as comprehensive and multi-year projects.

The Disaster Projects Division provides technical assistance to those communities which have suffered a natural disaster. Thus far, the State has invested approximately \$190 million in 120 local rebuilding projects.

This Division will also be responsible for administering approximately \$40 million in funds made available over a five year period by U.S. Office of Surface Mining for an acquisition/relocation program in Centralia. An underground mine fire has been moving beneath the surface of Centralia for 21 years. Over 30 residential properties have already been purchased, families relocated, and buildings removed to escape the noxious gases and subsidence and their effect on the surface. Studies conducted indicate approximately 450 households and 41 businesses are affected. Appraisals will begin and offers made to those affected. The process should be complete by 1987-88. The 10 percent Federal matching requirement will be met from State Land and Water bond funds and is reflected in the "other funds" section of this subcategory.

A final concern in the housing area is the impact the recent recession has had on homeowners and their ability to retain one of their major investments, their home. A Homeowners Emergency Mortgage Assistance program was enacted (Act 91 of 1983) to assist those in imminent danger of foreclosure. This budget recommends changes to this program and an alternate funding source. This Program Revision is discussed more fully in the appendix to this subcategory.

Housing and Redevelopment(continued)

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 743	\$ 746	\$ 984	\$ 1,033	\$ 1,085	\$ 1,139	\$ 1,196
Housing and Redevelopment	7,500	16,000	4,000	8,000 16,000	16,000	16,000	16,000
Community Economic Development	750	.....	.....	.....	.....	.....	.....
Enterprise Development .....	.....	.....	4,000	4,000	4,000	4,000	4,000
Homeowners Emergency Assistance .....	.....	5,000	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 8,993	\$ 21,746	\$ 8,984	\$ 21,033	\$ 21,085	\$ 21,139	\$ 21,196
STATE LOTTERY FUND							
Homeowners Emergency Assistance—							
Administration .....	.....	.....	\$ 2,000	\$ 2,100	\$ 2,205	\$ 2,315	\$ 2,431
Homeowners Emergency Assistance—							
Loans .....	.....	.....	23,750	23,750	23,750	.....	.....
STATE LOTTERY FUND TOTAL .....	.....	.....	\$ 25,750	\$ 25,850	\$ 25,955	\$ 2,315	\$ 2,431

**Housing and Redevelopment
Program Revision: Homeowners Emergency Assistance**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 25,750	\$ 25,850	\$ 25,955	\$ 2,315	\$ 2,431

Program Analysis:

This Program Revision would amend the recently-enacted Homeowners Emergency Assistance Program (Act 91 of 1983) to improve program efficiency and provide an assured and stable funding source for this highly desirable program.

Proposed is a \$23,750,000 per year, three-year loan program from the Lottery Fund to provide loans to unemployed homeowners for the specific purpose of avoiding mortgage foreclosures. The Act 91 program, while having many desirable elements, has several problem areas, the most serious being its lack of an assured funding source. Corporate cash contributions are not likely to be sufficient to serve as virtually the only source of funds for a program of this importance, based on the experience with a similar funding mechanism in the Department of Community Affairs under the Neighborhood Assistance Program.

The Neighborhood Assistance Program, which allows donations of goods and services as well as cash, and which yields readily visible and tangible benefits to the communities in which the potential corporate contributors are physically located, has a utilization rate of only 45 percent of the contribution allowed by law. If the same experience occurs in the Act 91 program, the program would realize only \$10 million annually versus the \$21 million envisioned under the current law. And the possibility of less than 45 percent participation is very real, due both to the requirement for cash donations in the Homeowners Emergency Assistance Program and the lack of a tangible community improvement which is often the most attractive feature for a contributing corporation or business.

This, therefore, is clearly not a viable funding mechanism for this type of program. About a year ago there were nearly 743,000 Pennsylvanians out of work, representing 13.6% of the work force, and according to an independent study over 20,000 mortgages were either in the process of being foreclosed or were 90 days delinquent. Since that time more than 200,000 people have returned to work as the economic situation has improved. Still, the need for a mortgage assistance program exists. It is, therefore, proposed that \$23,750,000 in each of the next three fiscal years be made available from the Lottery Fund to the Pennsylvania Housing Finance Agency (PHFA) for the Homeowners Emergency Assistance Program. Also recommended is \$2 million annually for PHFA to administer the program.

Unfortunately, as noted earlier, the recently enacted pro-

gram has other serious deficiencies beyond the funding problem already addressed. This budget, therefore, proposes the following changes to refine Act 91:

—Income ceilings above which no assistance will be given should be administratively established by PHFA in order to assure that funds are directed to the low and moderate-income families experiencing the greatest hardship.

—Costs covered under the loan program should be restricted to major housing costs, i.e. principal, interest, taxes, and insurance. Other costs, such as maintenance and utilities, should be excluded from any mortgage assistance package since State and Federal programs already exist to assist needy people in these areas.

—There should be a maximum loan limit for any one recipient in order to serve a greater number of eligible households.

—Repayment of loans should take place over a specified period of time. A three to eight year repayment period, after an initial two-year grace period beginning with the loan date, is recommended.

—The targeting feature established with a housing cost/income relationship built into the Act at present can more effectively be achieved with the income and loan ceilings proposed above. The 35 percent-of-income rule is too rigid to suit the differing circumstances applicants are likely to be in. Instead, the program should be flexible within broad income and loan limit guidelines.

—The role of the lending institutions in administering the program should be enhanced, making use of existing private sector expertise and avoiding creation of another costly layer of bureaucracy at the State level.

Another provision of Act 91 that must be amended is the reduction in tax credits to the Neighborhood Assistance Program. For at the same time that tax credits were made available to the Homeowners Emergency Assistance Program, Act 91 reduced tax credits provided under the Neighborhood Assistance Program to \$1.5 million in fiscal years 1984-85 through 1986-87 and reduces the current fiscal year's tax credit availability in the program from \$8.75 million to \$3.75 million.

In altering the Neighborhood Assistance tax credit program in the middle of a fiscal year, we are sending an unfortunate signal to firms and businesses in Pennsylvania who participate in this model public/private sector program.

Housing and Redevelopment

Program Revision: Homeowners Emergency Assistance (continued)

Program Analysis: (continued)

Instead of simply transferring their contributions from one program to another, private sector donors are equally as likely to lose confidence in the predictability or practicality of entering into any form of partnership with the State. Therefore, this Program Revision also would restore the original Neighborhood Assistance Program tax credit limits.

In summary, these recommended changes in the Homeowners Emergency Assistance Program are consistent with the original intent of providing a secure funding base for the program, keeping administrative costs to a minimum

and insuring eventual repayment of the loans.

In addition, a predictable funding level for the Homeowners Emergency Mortgage Assistance Program, along with these suggested program refinements, should make it possible to assist more than the 6,500 homeowners in each of the three program years envisioned under Act 91.

These changes will also insure the re-availability of tax credits for the Neighborhood Assistance Program, thus guaranteeing the continued viability of that valuable program.

Program Revision Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
LOTTERY FUND							
Emergency Homeowners Assistance	\$ 23,750	\$ 23,750	\$ 23,750	.....	.....
Emergency Homeowners Assistance Administration	2,000	2,100	2,205	\$ 2,315	\$ 2,431
TOTAL	<u>.....</u>	<u>.....</u>	<u>\$ 25,750</u>	<u>\$ 25,850</u>	<u>\$ 25,955</u>	<u>\$ 2,315</u>	<u>\$ 2,431</u>

Community Park and Recreation Development

OBJECTIVE: To develop recreational facilities accessible to urban, suburban and rural areas.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund		\$ 51	\$ 314	\$ 330	\$ 347	\$ 364	\$ 382
Federal Funds	\$ 174	1,525	75	75	75	75	75
Other Funds	849	332	150	.....	.....	.....	.....
TOTAL	\$ 1,023	\$ 1,908	\$ 539	\$ 405	\$ 422	\$ 439	\$ 457

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Land and Water Projects:							
Contracted	78	80	90	60	60	60	60
Completed	139	174	124	94	94	94	94
Technical assistance contacts	7,000	3,250	3,250	3,250	3,250	3,250	3,250

Program Analysis:

The department provides both financial and technical assistance to municipalities on recreational facilities and programs. The financial assistance is primarily provided through two grant programs designed to assist municipalities in the acquisition and development of park and recreational areas and facilities. These two programs are the Federal Land and Water Conservation Fund (LWCF) program and the State Land and Water Program (P-500).

The State Land and Water program was utilized to reduce local matching requirements for the Federal Land and Water Conservation program, thus enabling the communities with greatest need to participate. The Department's share of State P-500 funds is nearly exhausted and was scheduled for termination on June 30, 1983. However, the Governor signed Act 1983-18 on July 1, 1983 granting an indefinite extension to the P-500 fund. The Federal Land and Water Program also received an extension through Congress' restoration of funds for 1983. Additionally, under the Jobs Bill passed by Congress, the Department received \$1.4 million from the Federal Small Business Administration (SBA) for

tree planting, landscaping and minor park rehabilitation.

The continuation and/or enactment of these three programs provided an influx of unexpected program monies as well as administrative funds. Through these resources the Department will be able to continue program efforts at constant levels through 1984-85. The impact of the Jobs-SBA Reforestation Program will be felt primarily in 1983-84 while, due to the application process, the impact of P-500 funds occurs mainly in the future years. LWCF funds are assumed to continue at current levels through the foreseeable future.

The Department's technical assistance effort will continue to operate, but at a substantially reduced level because of emphasis on program implementation. The technical assistance is utilized by local government officials, quasi-public and non-profit community groups, park and recreation departments and, boards and commissions and includes consultation (face-to-face and over-the-phone), written correspondence, personnel job referrals, training and workshop sessions, and publications.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 51	\$ 314	\$ 330	\$ 347	\$ 364	\$ 382

Community Conservation and Youth Employment

OBJECTIVE: To provide individual economic opportunity assistance to disadvantaged Pennsylvanians by providing comprehensive services to stabilize the community.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 3,622	\$ 3,578	\$ 3,705	\$ 3,753	\$ 3,804	\$ 3,857	\$ 3,913
Federal Funds	16,046	17,730	15,700	14,700	14,700	14,700	14,700
TOTAL	\$ 19,668	\$ 21,308	\$ 19,405	\$ 18,453	\$ 18,504	\$ 18,557	\$ 18,613

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Persons participating:							
Community conservation and youth employment	115,543	127,097	139,806	141,204	142,616	141,903	140,484
Community services block grant program ..	536,664	536,664	547,397	550,137	551,532	548,775	543,288
Employment related services and training projects	24,721	25,528	27,378	27,651	28,204	28,063	27,783
Economically disadvantaged in need of employment related services	829,600	829,600	827,941	827,941	819,662	811,466	803,352
Disadvantaged youth in grades 10 through 12 (summer jobs)	11,666	12,832	13,474	14,147	14,854	14,706	14,412
Job Placement:							
Persons completing training programs	2,635	2,800	2,960	3,240	3,500	3,790	4,100
Persons placed	1,992	2,200	2,450	2,700	3,000	3,450	4,000
Neighborhood Assistance Program:							
Tax credits allocated	\$8,210,787	\$8,750,000	\$8,750,000	\$8,750,000	\$8,750,000	\$8,750,000	\$8,750,000
Tax credits utilized	\$3,828,520	\$4,000,000	\$4,500,000	\$5,500,000	\$7,000,000	\$7,500,000	\$7,500,000

Program Analysis:

The department through this program seeks to improve the quality of life for the low-income and economically disadvantaged in Pennsylvania—especially minorities and youth. By providing financial and technical assistance to the more than 150 public and private nonprofit organizations serving low income persons, the department attempts to forge partnerships of government, private industry and local citizens to foster the economic development of low-income communities and neighborhoods. Using this coordinative and locally-based approach to economic development, the department seeks to reverse the trend of business disinvestment in these communities, thus helping the residents break out of the cycle of poverty.

The legislative mandates for the Employment and Com-

munity Conservation program give the Department certain tools and resources no other State or Federal program possesses to address the issues of poverty. They enable the department to target the type of flexible, broad-based assistance necessary to fill the gaps which exist in other State and Federal programs, and leverage and match Federal funds.

The involvement of community-based nonprofit organizations is a major component of the program. By virtue of their strong ties to the community and their broad range of program involvement, these agencies can play key roles in improving the accessibility of services and enhancing the coordination of programs.

For 1984-85 the department will continue to address the

Community Conservation and Youth Employment (continued)

Program Analysis: (continued)

Governor's priorities for Economic Development and Community Conservation. Funds will be targeted towards a statewide series of projects which offer comprehensive community-wide solutions to improving the economic status of low-income persons.

The department was designated as lead agency for the Community Service Block Grant (CSBG). This program provides a range of economic development programs and services which will impact on the causes of poverty. Some of the services anticipated are in the areas of: (1) employment training programs for economically disadvantaged youth and adults; (2) creation of "Community Conservation Corps" to provide vocational training and work experience in community improvement projects; and (3) emergency assistance to meet immediate and urgent individual and family needs of low-income persons for health services, nutritious food, housing and employment related assistance.

Due to a federal change in program priorities and a change in the method of calculation, the number of participants in "Employment related services and training projects" drops substantially from those reflected in last year's budget. Estimates were based on the prior year program which emphasized high client volume through outreach information and referral programs and operated at a much lower cost per client served. The use of these programs as a base resulted in highly inflated figures. The statistics now reflected are based on actual program progress reports.

The program measures attempt to reflect the activity of both the State funded program and the Federal Community Services Block Grant (CSBG) program.

The number of persons participating under programs funded from both sources reflects a minimal annual increase through 1986-87 even though both funding streams either remain constant or decrease slightly. The Department feels this is realistic due to continuing improvement in the cost-

effective delivery of services under these programs. The trend for the last two planning years (1987-88 and 1988-89) begins to decrease as inflation begins to catch up with the program costs despite the economies implemented to maximize the funds available.

There has been a significant increase versus last year's budget in persons placed due to increased coordination with the Job Training Partnership Act program (JTPA) and targeting of training to community needs rather than generalized training. A gradual increase is anticipated similar to the trend under persons participating.

The final program in this subcategory is the Neighborhood Assistance (NAA) program which encourages investment by business firms in neighborhood organizations which can offer and provide assistance in the areas of job training, education, crime prevention, and community service.

Business firms qualify for tax credits against their tax liability. They have five years to utilize these credits once approved.

The legislatively set maximum \$8,750,000 annually was recently adjusted as part of legislation enacted for the Homeowners Emergency Mortgage Assistance Program. This legislation reduced the ceiling under the NAA program to \$3,750,000 for 1983-84 and \$1,750,000 for each of the next three fiscal years (1984-85, 1985-86 and 1986-87). Since the new program also utilizes tax credits as a method for generation of program funds, a reduction to the NAA was inserted by the General Assembly to offset some of the possible revenue loss anticipated under the Homeowners Emergency Mortgage Assistance Act. A technical and programmatic modification of this act is anticipated in the next legislative session. Restoration of the NAA to \$8,750,000 ceiling for 1983-84 and future years will be one of the priorities considered.

Program measures for NAA assume the restoration of the ceiling and, therefore, have not been adjusted.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 915	\$ 842	\$ 969	\$ 1,017	\$ 1,068	\$ 1,121	\$ 1,177
Community Conservation and Youth Development	2,707	2,736	2,736	2,736	2,736	2,736	2,736
GENERAL FUND TOTAL	<u>\$ 3,622</u>	<u>\$ 3,578</u>	<u>\$ 3,705</u>	<u>\$ 3,753</u>	<u>\$ 3,804</u>	<u>\$ 3,857</u>	<u>\$ 3,913</u>

Areawide Intermunicipal Services

OBJECTIVE: To provide effective and economical municipal services through the development of regionally coordinated activities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 150	\$ 150	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Political subdivisions participating	452	455	470	485	495	515	545
Councils of government receiving assistance for action projects	36	36	43	45	48	48	50

Program Analysis:

The Department's Bureau of Local Government Services administers the Council of Governments (COGs) Assistance program established under Act 78 of 1970.

There are over 2,600 political subdivisions within the Commonwealth, and it is this proliferation of units of local government that leads to fragmentation of public services and increased costs. While local government officials desire increase effectiveness, they do not wish to sacrifice any autonomy or "grass roots" control. The Council of Government is ideally suited for the Pennsylvania environment because it does not supplant any authority or jurisdiction of its member governments.

Since 1970 the Councils of Government/Intergovernmental Projects Program has been used as both an aid to and an incentive for local governments undertaking inter-municipal cooperative efforts. The ultimate goal is to foster increased efficiency and effectiveness of municipal functions. The program of financial assistance is designed to partially subsidize the cost of innovative projects, as well as administrative costs associated with the creation and establishment of a COG. These grants do not sustain the COG totally, but often do make the difference between their survival or demise. COGs undertake joint municipal services for their member governments when individual jurisdictions are

unable to perform these functions separately as economically or efficiently. The average COG contains nine political subdivisions and encompasses eight to ten program service areas.

Most COG efforts center on improving communications among local officials, elementary forms of cooperation, and consideration of regional studies. These services may vary from one COG to another but typically include police protection, refuse collection, pollution control, recreation, code enforcement, solid waste management, etc. Many COGs have been active in economic development, attempting to foster industrial growth in their regions. Energy and transportation have been the focus of COG projects, including urban mass transit systems.

In the current fiscal year emphasis continues to be directed toward funding specific programmatic efforts rather than continued funding of the administrative operations of Councils of Government. Newer Councils of Government in the early stage of development will be able to secure funding for administrative support, but established intergovernmental organizations will be funded only if they develop productive programs supported by their member municipalities.

Currently there are 52 COGs, with 452 member municipalities. Over two and a quarter million Pennsylva-

Areawide Intermunicipal Services (continued)

Program Analysis: (continued)

nians, or nearly 20 percent of the State's population, reside in COG member municipalities. There has been a small incremental growth in the number of municipalities participating in areawide intermunicipal services due to recognition by the municipal officials that they must improve municipal effectiveness and efficiency.

In the past two years increasing emphasis has been placed on grants for projects that effect cost savings, or allow

municipalities to undertake tasks that they otherwise could not. The problem encountered in this approach has been that the limited size of grants offered tends to limit the scale of projects ventured.

In an attempt to correct this shortcoming, an increase of \$50,000 is recommended in order to permit the Department to increase the amount of each grant and also increase the number of active projects funded.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND			<i>175</i>				
Regional Councils of Government	\$ 150	\$ 150	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>

Municipal Administrative Support Capability

OBJECTIVE: To improve the administrative capability of local government.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 1,660	\$ 1,870	\$ 2,013	\$ 2,114	\$ 2,220	\$ 2,331	\$ 2,447
Federal Funds	354	311	194	182	182	182	182
Other Funds	250	275	260	260	260	260	260
TOTAL	\$ 2,264	\$ 2,456	\$ 2,467	\$ 2,556	\$ 2,662	\$ 2,773	\$ 2,889

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Technical assistance requests responded to:							
Public works and community development	425	350	350	350	350	350	350
Personnel administration	277	275	275	275	275	275	275
Financial management	1,288	1,100	1,200	1,200	1,200	1,200	1,200
Local structure	225	210	220	220	220	220	220
Police administration	760	370	370	370	370	370	370
Management	785	780	780	780	780	780	780
Building code enforcement	200	210	210	210	210	210	210
Municipal employees and officials trained..	22,192	21,000	21,500	21,500	21,500	21,500	21,500

Program Analysis:

Local government must provide basic municipal services to the citizens of Pennsylvania and also function as the implementing tool for many important State and Federal programs in such areas as housing, recreation, human services, law enforcement, environmental control and flood plain management.

Pennsylvania has an extraordinarily large number of local governments, over 2,600 in number, mostly small and generally governed by part-time officials who need assistance in the area of administration. These local governments are faced with increasingly complex decision-making requirements relating to such issues as environmental control, energy, increased legal liability, and new State and Federal regulations and procedures. A major emphasis in the Department of Community Affairs is to help local governments to develop and revitalize communities by providing direct and comprehensive training and technical assistance services to local officials.

Consulting and Training

The Department provides direct consulting advice and technical assistance to assist municipal officials improve their administrative operations in such areas as municipal financial management, code enforcement, personnel administration, police administration and recruitment, government structure, public works administration and management, community and economic development and intergovernmental cooperation. The demand for these services is substantially higher than the capability to supply the service.

Increased demand is reflected in the "Public Works and Community Development" areas as a result of the Small Communities Block Grant program.

Interest in the financial management area remains high due to continuing municipal financial stress and the need to identify municipalities in financial distress. To aid in identification of these municipalities, the Department plans to institute an "early warning system" to direct technical

Municipal Administrative Support Capability (continued)

Program Analysis: (continued)

and/or consulting assistance to alleviate some of the conditions creating the financial distress.

The decrease in the area of "police administration" is a result of giving priority to other areas of technical assistance.

The Department has been emphasizing improving the management of community physical and human resources, maintaining and strengthening the local economic (tax) base and establishing sound procedures for the collection, control and disbursement of funds.

While consulting focuses in on specific functional management problems, training deals on a direct basis with the managers who must solve these problems. Over 22,192 local personnel were trained in 1982-83. A significant increase is reflected due to a much higher than anticipated level of trainee participation in the area of financial training.

Ever increasing demands on limited local resources will necessitate trained fiscal personnel at the local level. Therefore, the higher level of participation is anticipated to continue in future years.

The Municipal Training Division provides advice and assistance to large numbers of municipal officials in the context of scheduled training programs and activities. Its delivery of service straddles the direct consultative approach which reaches officials on a one-to-one basis and the publications approach which reaches all concerned officials at once. Programs are offered centrally, regionally, and on an on-site basis (at a municipal building). Instructors include college professors, top local government officials, employees and managers, departmental staff members and consultants. Extensive use is made of the department's municipal consultants, regional consultants and training division staff as instructors.

Training is provided in five major areas: Pennsylvania Local Government Structure and Operations; Municipal Finance; Community Conservation and Development; Management; and Environmental Protection (including Energy Conservation). Training programs which help local governments meet their responsibilities and needs in economic development and community conservation have been given top priority.

In sponsoring training programs, the department works with State and county based municipal associations, non-profit associations and organizations, State, local and Federal agencies, Penn State's Extension Service and other colleges and universities.

In 1984-85 the department's training program will be placing major emphasis on the following areas: responsibilities under the Small Communities Block Grants, Community Services Block Grants and the Enterprise Development Area Program; housing and housing rehabilitation; police and fire management training; and further development of the telecommunication training initiative including production

of videotapes for the Department's training courses, television, and interactive teleconferences for local and community officials.

Municipal Statistics and Records

As provided by the Administrative Code of 1929, the department gathers and publishes local government statistics comparing revenues, expenses, taxation, and indebtedness of all local government units in Pennsylvania. Other mandates contained in the Municipality Authorities Act of 1945 and the Local Tax Enabling Act of 1965 require the division to collect information from municipal authorities and school districts. Therefore, the division is in direct contact with 5,579 units of local jurisdiction for reporting purposes.

The information contained in these statistics is used extensively by the Legislature in its consideration of taxation and assessment reform, local government research-oriented groups, State agencies, colleges and universities and local government units in matters where information on local finance is necessary for decision making, program evaluation, legislative concerns and the like.

The conversion of data collection procedures from a manual operation to a computer-assisted database management system is being continued. Funding in the amount of \$160,000 is recommended to continue this initiative. Certain segments of the system have been brought on line periodically over the past year and one-half including data collection and reports generation for local government officials, data collection of local government revenues and expenses and data collection for the register for earned income and occupational privilege taxes. When finalized, this computerization will constitute a database for Pennsylvania local government which will be a major source of information for use in decision making, allocation of resources, program evaluation, budgetary processes, etc., as they impact on local government in Pennsylvania.

Information contained in the financial reporting forms is also shared with the Governments Division of the U.S. Bureau of the Census. The Bureau of the Census uses these reports to gather information on local taxation and intergovernmental revenues to develop the data elements used to calculate Federal Revenue Sharing allocations to units of local government and to gather other information on revenues and expenses of local units. Through the elimination of mail surveys conducted by the Bureau of the Census to obtain information directly from Pennsylvania local governments, the paper work burden upon local units has been greatly reduced and equitable distribution of Federal Revenue Sharing Grants has been assured.

In cooperation with the Pennsylvania Department of

Municipal Administrative Support Capability (continued)

Program Analysis: (continued)

Transportation, the department maintains a computer master file of names, addresses and telephone numbers of over 40,000 elected and appointed officials in Pennsylvania. This file is used to produce directories of local officials which are sold by PennDOT to the private sector and to produce highly selective mailing lists of local officials. These mailing lists are used by the department in the dissemination of information useful to local governments and to announce the availability of training offered by the department. Lists are also provided to other State agencies for distribution of State-shared revenues and information useful to local government, the Legislature, and local government associations.

The department annually produces a register for earned income and occupational privileges taxes which lists each potential taxing authority in the State, its rate of taxation of these taxes as imposed by these jurisdictions and the names and addresses of collectors of these taxes. The register is used extensively by major employers within the State and by many local wage and occupational privilege tax collectors.

Reports of municipal authorities created under the Municipal Authorities Act of 1945 are received and analyzed by the department. A directory and statistics for the 2,507 municipal authorities is produced annually and are used by financial institutions and bond rating services in analyses of local indebtedness.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	<u>\$ 1,660</u>	<u>\$ 1,870</u>	<u>\$ 2,013</u>	<u>\$ 2,114</u>	<u>\$ 2,220</u>	<u>\$ 2,331</u>	<u>\$ 2,447</u>

Community Development Planning

OBJECTIVE: To provide technical planning assistance and guidance to enable development of regionally coordinated activities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 766	\$ 973	\$ 1,013	\$ 1,055	\$ 1,099	\$ 1,145	\$ 1,193
Federal Funds	1,553	1,998	887	315	275	275	275
TOTAL	\$ 2,319	\$ 2,971	\$ 1,900	\$ 1,370	\$ 1,374	\$ 1,420	\$ 1,468

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
State Planning Assistance Grant:							
Total projects funded	18	19	12	11	10	10	10
Projects which have resulted in comprehensive development plans	14	16	13	13	12	12	12
Communities which have adopted comprehensive plans	29	29	30	29	28	27	27
Flood Plain Management Act:							
Communities without required flood plain management plans	2,020	1,870	1,670	1,470	1,270	1,070	870
Communities receiving reimbursement for costs incurred in complying with the requirement of Act 166	200	200	200	150	150	150	150
Municipalities receiving technical assistance	N/A	100	75	75	75	75	75
Coastal Energy Impact Program:							
Grant contracts completed	2	4	2	1	.....	.....	.....
Public environmental and recreational facilities acquired or constructed	2	4	2	1	.....	.....	.....
ARC Highway Related Planning Grant:							
Projects funded	11	6	10	10	10	10	10

Program Analysis:

Under this program, the Department provides financial and technical assistance to Pennsylvania's municipalities through administration of five programs: the State Planning Assistance Grant, the Flood Plain Management Act, the Coastal Energy Impact Program, the Appalachian Regional Commission's (201A-11) Highway Related Planning Grant, and National Flood Insurance.

The State Planning Assistance Grant Program (SPAG) provides direct grants on a 50-50 matching basis to municipalities throughout Pennsylvania for preparation, update and initial implementation of municipal development plans.

This program, legislatively authorized in 1969, is aimed at communities preparing their first comprehensive plans, thus providing an opportunity for municipal leaders to take the important steps in developing strategies for community conservation, revitalization and economic development.

Planning assistance is particularly important in light of the Small Communities Block Grant program in that it enables local government officials to plan in advance for the use of these grants so that they can be used in the most effective manner for the benefit of the entire municipality.

Some of the many benefits of the Planning Assistance Program grants to local governments are that the funding

Community Development Planning (continued)

Program Analysis: (continued)

has (a) set the framework for industrial expansion, (b) identified available land for senior citizen and low and moderate income housing, (c) provided for housing need reevaluation in light of changing housing demands, (d) assisted in determining the need for additional major neighborhood rehabilitation efforts, (e) accelerated the updating of land use controls to spur economic development and (f) resulted in municipal capital improvement programs and budgets.

One method of maximizing the impact of limited dollars is to encourage multi-municipal planning activities; to this end virtually all projects funded are multi-municipal. Such an approach to planning not only saves money, but fosters inter-governmental cooperation leading to less costly, more efficient services for neighboring municipalities.

The Flood Plain Management Act of 1978 (Act 166) affects 2,420 Pennsylvania municipalities which have been identified as having flooding problems by the Federal Insurance Administration. The Act requires each flood-prone municipality to gain eligibility for participation in the National Flood Insurance Program (NFIP), and to enact flood plain management regulations which meet the minimum requirements of the Federal and State programs. Currently 1,870 of the 2,420 flood plain municipalities are not eligible for participation in NFIP. Failure to participate may result in complete withholding of all funds payable to the municipality from the General Fund or any other fund by the State Treasurer until such time as the municipality becomes fully compliant with all such requirements.

The department's major responsibilities under the act include the provision of technical assistance, the review and approval of local flood plain management ordinances and regulations, grant administration and general enforcement of the act.

Section 404 of the act provides for reimbursement to municipalities for allowable costs associated with local compliance such as the costs of preparing and adopting, administering and enforcing the required flood area or-

dinances. The amount of reimbursement is limited to 50 percent of allowable costs, not including those costs which are offset by permit fees. Utilization of these funds has not been as great as anticipated; therefore, the recommended level has dropped to \$75,000.

The department administers Section 201A-11 funds for the Appalachian Regional Commission (ARC). Approximately \$300,000 will be granted to municipal and county governments and multi-county planning and development commissions during fiscal year 1984-85 for preparation of development plans for areas adjacent to highway corridors in Appalachian Pennsylvania. The plans must be directly related to economic development opportunities which contribute to community conservation. This is a matching grant program, with ARC providing 70 percent and the local agency 30 percent. The department is responsible for reviewing the project proposals, assisting with preparing the work programs, and monitoring the projects.

The department also administers the Coastal Energy Impact Program (CEIP) which is designed to help coastal communities cope with the impact of coastal energy activities. In 1984-85, Community Affairs will receive approximately \$425,000 in administrative and pass-through grant funds from the National Oceanic and Atmospheric Administration, which administers the program. Two broad types of grant assistance are available: (1) grants for facilities and services required as a result of Outer Continental Shelf Energy Activity and (2) grants for preventing or reducing the loss of valuable environmental or recreational resources when such losses result from coastal energy activity. At this time, Pennsylvania qualifies for grants under the latter and communities along the Delaware River and Lake Erie are eligible. This program will also assist coastal communities in planning for dealing with the impacts resulting from the transportation, conversion, transfer, or storage of liquified natural gas, oil, natural gas, or coal.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 611	\$ 773	\$ 838	\$ 880	\$ 924	\$ 970	\$ 1,018
Planning Assistance	100	100	100	100	100	100	100
Flood Plain Management Grants	55	100	75	75	75	75	75
GENERAL FUND TOTAL	\$ 766	\$ 973	\$ 1,013	\$ 1,055	\$ 1,099	\$ 1,145	\$ 1,193

Department of Corrections

To improve the coordination of the criminal rehabilitative process, this budget combines the Board of Probation and Parole and the Bureau of Correction into a proposed Department of Corrections.

This Department will maintain a State system for the custody and rehabilitation of convicted criminals. Included within this area will be residential programs and post release programs to provide clients with supervision, counseling and treatment to enable them to satisfactorily adjust to society. In addition, the agency will provide probation services and conduct presentencing investigations to assist the courts in making sentencing decisions. Also, the department will provide grants to assist counties in improving adult probation services.

DEPARTMENT OF CORRECTIONS

Summary by Fund and Appropriation

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 17,435	\$ 17,820	\$ 19,620
Institutional			
State Correctional Institutions	\$ 128,664	\$ 139,035	\$ 161,410
Grants and Subsidies			
Improvement of Adult Probation Services	\$ 2,968	\$ 3,088	\$ 3,400
TOTAL STATE FUNDS	<u>\$ 149,067</u>	<u>\$ 159,943</u>	<u>\$ 184,430</u>
Federal Funds	\$ 321	\$ 291	\$ 181
Other Funds	652	700	722
GENERAL FUND TOTAL	<u>\$ 150,040</u>	<u>\$ 160,934</u>	<u>\$ 185,333</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Government Operations			
State Funds	\$ 17,435	\$ 17,820	\$ 19,620
Federal Funds .....	.....	35	6
TOTAL	<u>\$ 17,435</u>	<u>\$ 17,855</u>	<u>\$ 19,626</u>

Seeks to reduce the incidence of criminal recidivism by providing parolees and probationers with supervision, counseling and treatment to enable them to satisfactorily adjust to society. Conducts presentence investigations to assist the courts in making sentencing decisions.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
General Government Operations	\$ 17,435	\$ 17,820	\$ 19,620
Federal Funds:			
NIC — Case Classification and Workload Management .....	.....	15	1
NIC — StateLocal Probation Project .....	.....	20	5
TOTAL	<u>\$ 17,435</u>	<u>\$ 17,855</u>	<u>\$ 19,626</u>

INSTITUTIONAL

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Correctional Institutions			
State Funds	\$ 128,664	\$ 139,035	\$ 161,410
Federal Funds	321	256	175
Other Funds	652	700	722
TOTAL	<u>\$ 129,637</u>	<u>\$ 139,991</u>	<u>\$ 162,307</u>

Maintains a system providing care, rehabilitation and custody for those individuals committed to the Department of Corrections by the courts. The Department of Corrections presently operates seven State correctional institutions and two regional correctional facilities, and is scheduled to take over the Waynesburg Youth Development Center facility from the Department of Public Welfare in 1984-85. The State Correctional Institution at Muncy is primarily for female offenders, while Waynesburg will be entirely for female offenders.

Besides providing for the basic maintenance of the institutions' inmates, medical, surgical and psychiatric care is provided to correct physical and emotional problems that may hinder the rehabilitative process. Emphasis is placed on providing the vocational and educational training necessary to remedy the general lack of adequate education and skilled work experience that most inmates have when entering the institution. Part of this training is conducted through Correctional Industries, which is financed through the Manufacturing Fund.

Additional opportunities for the inmates are provided through the community service centers. These facilities provide work release and special treatment programs to aid the individual in the crucial period that usually follows upon release.

The institutional populations for the prior, current and upcoming year are:

Institutions	Inmate Capacity Oct. 1983 ^a	Population Oct. 1982	Population Oct. 1983	Projected Population Oct. 1984	Projected Percent of Capacity ^a
Huntingdon	1,259	1,453	1,634	1,730	137%
Muncy	338	352	387	370	109%
Pittsburgh	1,170	1,285	1,468	1,535	131%
Cresson ^b					
Camp Hill	1,552	1,675	1,805	1,920	126%
Rockview	1,166	1,265	1,390	1,590	125%
Graterford	2,105	2,149	2,358	2,490	118%
Dallas	1,107	1,330	1,447	1,650	136%
Retreat ^b					
Greensburg	243	352	426	450	185%
Mercer	252	274	402	425	169%
Waynesburg				50	33%
Community Service Centers	325	308	319	350	100%
TOTAL	<u>9,517</u>	<u>10,443</u>	<u>11,636</u>	<u>12,560</u>	<u>126%</u>

^aSee subcategory Institutionalization of Offenders for discussion of capacity changes after October 1983.

^bUnder renovation; occupancy will begin after 1984-85.

Total Proposed Expenditures by Institution:

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Department of Corrections			
State Funds	\$ 4,107	\$ 4,799	\$ 5,549
Federal Funds	141	253	175
Other Funds		35	
TOTAL	<u>\$ 4,248</u>	<u>\$ 5,087</u>	<u>\$ 5,724</u>
SCI Huntingdon			
State Funds	\$ 14,180	\$ 15,346	\$ 17,283
Federal Funds	1		
Other Funds	61	65	13
TOTAL	<u>\$ 14,242</u>	<u>\$ 15,411</u>	<u>\$ 17,296</u>
SCI Muncy			
State Funds	\$ 6,468	\$ 6,903	\$ 8,110
Federal Funds	24		
Other Funds	102	104	102
TOTAL	<u>\$ 6,594</u>	<u>\$ 7,007</u>	<u>\$ 8,212</u>
SCI Pittsburgh			
State Funds	\$ 16,907	\$ 17,678	\$ 19,351
Federal Funds	6		
Other Funds	17	11	48
TOTAL	<u>\$ 16,930</u>	<u>\$ 17,689</u>	<u>\$ 19,399</u>
SCI Cresson			
State Funds	\$ 129	\$ 435	\$ 316

GENERAL FUND

CORRECTIONS

(Dollar Amounts in Thousands)

**Total Proposed Expenditures by Institution:
(continued)**

	1982-83 Actual	1983-84 Available	1984-85 Budget
SCI Camp Hill			
State Funds	\$ 18,366	\$ 20,282	\$ 22,524
Federal Funds	25		
Other Funds	142	140	143
TOTAL	<u>\$ 18,533</u>	<u>\$ 20,422</u>	<u>\$ 22,667</u>
SCI Rockview			
State Funds	\$ 14,295	\$ 15,380	\$ 17,552
Other Funds	55	50	45
TOTAL	<u>\$ 14,350</u>	<u>\$ 15,430</u>	<u>\$ 17,597</u>
SCI Graterford			
State Funds	\$ 25,535	\$ 27,159	\$ 31,216
Federal Funds	5	3	
Other Funds	8	14	17
TOTAL	<u>\$ 25,548</u>	<u>\$ 27,176</u>	<u>\$ 31,233</u>
SCI Dallas			
State Funds	\$ 16,091	\$ 17,047	\$ 19,798
Other Funds	63	63	63
TOTAL	<u>\$ 16,154</u>	<u>\$ 17,110</u>	<u>\$ 19,861</u>
SCI Waynesburg			
State Funds			\$ 3,307
SRCF Greensburg			
State Funds	\$ 4,403	\$ 4,847	\$ 5,605
Other Funds	15	12	63
TOTAL	<u>\$ 4,418</u>	<u>\$ 4,859</u>	<u>\$ 5,668</u>
SRCF Mercer			
State Funds	\$ 4,098	\$ 4,681	\$ 5,558
Other Funds	6	6	8
TOTAL	<u>\$ 4,104</u>	<u>\$ 4,687</u>	<u>\$ 5,566</u>
SRCF Retreat			
State Funds	\$ 222	\$ 220	\$ 244
Community Service Centers			
State Funds	\$ 3,863	\$ 4,258	\$ 4,997
Federal Funds	119		
Other Funds	183	200	220
TOTAL	<u>\$ 4,165</u>	<u>\$ 4,458</u>	<u>\$ 5,217</u>

GENERAL FUND

CORRECTIONS

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
State Correctional Institutions	\$ 128,491 ^a	\$ 136,035	\$ 161,410
State Correctional Institutions — Recommended Supplemental .....	.....	3,000	.....
Federal Funds:			
Maintenance of Federal Prisoners	73	100	100
Library Services Construction Act — Huntingdon	1	.....	.....
Library Services Construction Act — Muncy	24	.....	.....
Library Services Construction Act — Pittsburgh	6	.....	.....
LEAA — Community Service Centers	119	.....	.....
LEAA Mental Health Services	52	.....	.....
Library Services Construction Act — Graterford	4	3	.....
Criminal Justice Statistics Development	3	4	.....
LEAA Traylor Housing	26	.....	.....
NIC — Training/Staff Development	13	14	.....
Administration — Rehabilitation .....	.....	135	75
Other Funds:			
Community Treatment Centers — Room and Board	183	200	220
Sale of Institutional Scraps	39	70	70
Pre-Release Room and Board	8	8	10
Reimbursement for Educational Services	422	422	422
TOTAL	\$ 129,637	\$ 139,991	\$ 162,307

GRANTS AND SUBSIDIES

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Improvement of Adult Probation Services			
State Funds	\$ 2,968	\$ 3,088	\$ 3,400

Assists counties in improving adult probation services by providing funds for probation officers who meet standards established by the Department.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Improvement of Adult Probation Services	\$ 2,968	\$ 3,088	\$ 3,400

^aActually appropriated as \$128,491,000 for State Correctional Institutions and \$173,000 for State Correctional Institution — Rockview.

DEPARTMENT OF CORRECTIONS

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 6,005	\$ 6,781	\$ 7,610	\$ 7,987	\$ 8,390	\$ 8,810	\$ 9,250
Control and Reduction of Crime	\$ 143,062	\$ 153,162	\$ 176,820	\$ 201,781	\$ 229,624	\$ 261,538	\$ 298,160
Institutionalization of Offenders	124,557	134,236	155,861	179,240	206,126	237,035	272,602
Reintegration of the Adult Offender	18,505	18,926	20,959	22,541	23,498	24,503	25,558
DEPARTMENT TOTAL	<u>\$ 149,067</u>	<u>\$ 159,943</u>	<u>\$ 184,430</u>	<u>\$ 209,768</u>	<u>\$ 238,014</u>	<u>\$ 270,348</u>	<u>\$ 307,410</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 6,005	\$ 6,781	\$ 7,610	\$ 7,987	\$ 8,390	\$ 8,810	\$ 9,250
Federal Funds	128	253	175	175	175	175	175
Other Funds .....	.....	35	.....	.....	.....	.....	.....
TOTAL	\$ 6,133	\$ 7,069	\$ 7,785	\$ 8,162	\$ 8,565	\$ 8,985	\$ 9,425

Program Analysis:

General Administration and Support provides the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected

by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 1,898	\$ 1,982	\$ 2,061	\$ 2,161	\$ 2,272	\$ 2,386	\$ 2,505
State Correctional Institutions	4,107	4,799	5,549	5,826	6,118	6,424	6,745
GENERAL FUND TOTAL	\$ 6,005	\$ 6,781	\$ 7,610	\$ 7,987	\$ 8,390	\$ 8,810	\$ 9,250

Institutionalization of Offenders

OBJECTIVE: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 124,557	\$ 134,236	\$ 155,861	\$ 179,240	\$ 206,126	\$ 237,035	\$ 272,602
Federal Funds	193	3	.....	.....	.....	.....	.....
Other Funds	652	665	722	747	767	787	807
TOTAL	\$ 125,402	\$ 134,904	\$ 156,583	\$ 179,987	\$ 206,893	\$ 237,822	\$ 273,409⁷

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Inmates	10,443	11,636	12,560	12,960	13,260	13,500	13,500
Inmates double celled	2,668	3,610	5,268	6,098	N/A	N/A	N/A
Percentage of inmates enrolled in treatment programs	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Program Analysis:

The proposed Department of Corrections combines both aspects of the criminal rehabilitative process, incarceration of the offender and post release supervision. This program deals primarily with incarceration of the offender.

As the program measures imply, the most pressing problem facing the incarceration process is meeting inmate population increases. The population is presently increasing at a 11.4 percent annual rate; next year it is anticipated to grow at approximately 8 percent. Future year projections show a reduction in the rate of increase; this reduction in the rate of increase is due to the large number of inmates who will have completed their sentence and left the prison system. Thus, the growth in the number of inmates entering institutions will be partially offset by those who are leaving. These of course, are only estimates; it is not yet possible to fully measure the long-term impact of all the recent sentencing changes on prison populations, so any long-term forecast is speculative at best.

In the past, the large increases in prison population have been accommodated by putting two inmates in a cell designed for one, the use of prefabricated housing and expansion of community service centers. Future short-term population increases will primarily be handled in the same manner.

This budget contains major funding initiatives addressing prison overcrowding. Over \$10 million in increased funding is provided for the proper staffing and operation of

existing facilities, including 186 new 1984-85 positions plus full-year funding for 202 positions established in 1983-84. Capacity expansion is also provided via a \$6 million initiative to provide eleven new 60-65 person modular units at seven different existing institutions, opening of two new Community Services Centers and takeover of the Waynesburg Youth Development Center from the Department of Public Welfare for use as a correctional institution for female offenders. In all, capacity will be expanded by 762 cells (housing 832 inmates) by the end of 1984-85; another 210 new positions are involved.

The level of multiple cell occupancy will be reduced when new construction projects are completed. Nearly 3,000 new cells are presently scheduled for completion in the next few years. This budget recommends an additional \$48 million in capital improvements for the prison system, including another 152 cells at the Greensburg Regional Correctional Facility and the second phase of a major renovation of the Pittsburgh State Correctional Institution.

During incarceration, inmates are afforded a wide range of programs and services in which to participate in an effort to enable them to function productively in society when released. In addition to providing the basic commodities of life (food, clothing, shelter, medical and mental health care, etc.), the inmate is provided with the opportunity to participate in educational and vocational programs, treatment

Institutionalization of Offenders (continued)

Program Analysis: (continued)

programs, activities, and religious programs. Also available are a variety of institutional maintenance jobs and employment opportunities within the programs operated by Correctional Industries. Precise measurements of the total number of different inmates participating in such programs are not yet available because many inmates participate in more than one program.

Participating in educational, vocational, treatment and work programs offer the primary diversions in a correctional setting. The average monthly inmate attendance for all educational and vocational treatment programs reached 2,000 during fiscal year 1982-83. The following participation levels demonstrate this interest during fiscal year 1982-83: (1) the Adult Basic Education program had an average monthly attendance of 600 inmates statewide; (2) vocational education programs had an average monthly attendance of 1,000 inmates; (3) the Graduate Equivalency Diploma (GED) Program had an average monthly attendance of over 700, with over 700 inmates earning their GED's; and (4) almost 300 inmates monthly attended "Title 1" programs, which provide educational services to inmates under 21 who do not have a high school/GED diploma. (Due to inmates attending more than one program the numbers do not add to 2,000.) Work programs also play an important role in prison because the hourly wages the inmates receive provide them with the means to purchase personal items not provided by the prison.

Another program, in which approximately 1,600 inmates participate, is Correctional Industries. This program provides for the manufacture and sale of various items for use of government and nonprofit government-supported agencies. The inmates are paid an hourly wage depending upon their job and particular skills. These funds are placed in an account which the inmate can then use for personal items such as toiletries.

Presently Correctional Industries operates forty-four shops or farms in all the major institutions. A wide range of products is sold to government or government assisted agencies. Most of the products are designed for institutional populations; however, license plates and other products are also available. Efforts are currently underway to increase the use of these products by State agencies and also to iden-

tify new industries in order to expand the number of inmates participating.

For many inmates the skills developed through this program can be transferred to job activities outside the prison system. In all cases, however, participation in any work program provides inmates, many of whom have never held a steady job, with a beneficial experience in that it teaches them a sense of responsibility and builds trust. With the growing inmate population, Correctional Industries including the farms provide a valuable source of jobs for inmates who would otherwise remain idle.

The Correctional Industries operation is financed through the Manufacturing Fund, for which a cash flow statement appears in the Special Fund Appendix at the end of Volume I of this budget.

The Bureau of Correction also allows selected inmates to return to a community setting prior to release. If an inmate meets certain established conditions, he or she may be eligible to participate in a pre-release program operated by the Bureau in one of 16 community service centers. These centers provide counseling services and 24-hour supervision for offenders who are participating in the community in educational and vocational programs, part-time or full-time jobs, self-help programs, etc. Such placement in the community while under the supervision of the Bureau assists the inmate in adjusting to community living.

The average cost of maintaining a prisoner during 1982-83 was \$12,105 (this amount excludes most Federal funds and central office costs). The cost of maintaining a resident in a community service center averaged approximately \$12,115 for the same year.

In addition to having custody of individuals, the Bureau also provides services to county and municipal facilities. These services include inspection of all local detention facilities to ensure compliance with State standards, and providing training of county correctional employees.

It should also be noted that the Bureau of Correction also has responsibility for maintaining Cresson Center and Retreat State Hospital. These facilities have been transferred to the bureau to maintain while they are being renovated into prisons as part of the overall prison expansion.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
State Correctional Institutions	\$ 124,557	\$ 134,236	\$ 155,861	\$ 179,240	\$ 206,126	\$ 237,035	\$ 272,602

Reintegration of the Adult Offender

OBJECTIVE: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 18,505	\$ 18,926	\$ 20,959	\$ 22,541	\$ 23,498	\$ 24,503	\$ 25,558
Federal Funds .....	.....	35	6	.....	.....	.....	.....
TOTAL	\$ 18,505	\$ 18,961	\$ 20,965	\$ 22,541	\$ 23,498	\$ 24,503	\$ 25,558

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Probationers and parolees in case load:							
County	58,533	60,289	60,892	61,501	62,116	62,116	62,116
State	14,849	15,892	16,528	16,859	17,028	17,028	17,028
Inmates released on parole or reparole (new parolees)	3,477	3,522	3,588	3,626	3,643	3,635	3,639
Cases in which investigations were conducted:							
Preparole	5,059	5,256	5,364	5,416	5,444	5,430	5,437
Presentence	976	981	986	990	990	990	990
New parolees likely to successfully complete parole	2,399	2,395	2,440	2,502	2,514	2,508	2,511
And as a percent of new parolees	69%	68%	68%	69%	69%	69%	69%
New parolees likely to abscond	104	106	108	109	109	109	109
And as percent of new parolees	3%	3%	3%	3%	3%	3%	3%
New parolees likely to return to prison for technical violations and/or new offense	974	1,021	1,041	1,015	1,020	1,018	1,019
And as a percent of new parolees	28%	29%	29%	28%	28%	28%	28%
Average cases per parole officer	74	79	77	78	79	79	79

Program Analysis:

The Pennsylvania Board of Probation and Parole must be viewed as an integral part of a larger, complex and interdependent system for criminal justice.

The function of the board in this system is to establish a release date for inmates who have a maximum sentence of at least two years and have served their court imposed minimum sentence. Commonwealth judges parole inmates with maximum sentences under two years. Upon release, the board supervises its own cases until the maximum sentence is reached. If the parolee does not perform satisfactorily the board may return the individual to prison. In 1982-83 the board supervised 14,849 adult offenders, which was approx-

imately 20 percent of the over 73,000 offenders serving sentences in the community.

The primary goal of the Board of Probation and Parole is to protect the community from crime through a supervision process. If an individual fails to meet the standards of conduct, the board acts to recommit the offender. In 1982-83, 1,266 technical and criminal parole violators were returned to prison. These violators were released at different points in time and therefore cannot be directly related to the program measures, which only address the parolees released within any specified year.

There are many factors which affect whether an individual

Reintegration of the Adult Offender (continued)

Program Analysis: (continued)

remains on parole or is returned to prison. The community-based correction system involves a supervision process consisting of client evaluation through background investigations, client counseling and referral to social service agencies, and client surveillance. Operational effectiveness factors include agent caseload size, client geographic distribution and the availability of community-based social services to meet client needs.

As was stated in previous years' program analyses, the agency has developed many programs to deal with increasing caseloads. The most comprehensive effort being implemented in fiscal 1983-84 is a model program being sponsored by the National Institute of Corrections to improve case classification and workload management. This innovative approach to resource management shifts attention for caseload management to a more objective framework of workload management. Two important elements underlie the system. First, major components of work have been subjected to time study and translated into a workload formula. Second, discretion in supervision case decision-making has been structured by both a) the use of a standard interview for case planning classification, and b) the use of uniform instruments for client risk assessment and case needs assessment for purposes of determining the level of supervision required. The result of a uniform classification system is the development of workload budgets, enabling managers to allocate work in a fair and efficient manner. The agency will thus be able to more effectively target limited manhours on the higher risk clientele as workloads increase. The impact of these changes will be experienced in the upcoming budget year.

The concepts of probation and parole ultimately are evaluated in terms of their cost-effectiveness in maximizing the number of offenders who adjust successfully to society. Probation and parole fail when an offender is returned to prison for new convictions and crimes. It is the ability of agents to detect unstable or illicit behavior prior to the commission of a new crime, and subsequently to bring about revocation for technical violations, that affords the community maximum safeguards and, consequently, program

effectiveness. A measure of program performance is the proportion of offenders who benefit from the rehabilitative effects of probation or parole, and subsequently become productive law abiding citizens in society. Agency performance is monitored by the tracking of parole outcome for one, two and three years after release. Statistics indicate that the likelihood of an individual failing supervision increases from 20 percent to 31 percent cumulative from the first to the third year of supervision. A failure to reintegrate is most likely to occur in the first year of parole; by the third year, one third of inmates will have been returned to prison.

One of the secondary benefits of the board's efforts is its ability to maintain employment among its clientele. Notwithstanding the probable relationship between client employment and recidivism, there are two distinct economic benefits of community-based correctional programming. First, it is far less expensive to maintain an offender in this status rather than in a prison. Secondly, the employment of these individuals benefits governments because these individuals pay taxes.

Funding is included for three probation/parole initiatives in this budget. To maintain average caseloads per agent at acceptable levels in the face of continuing increases in State probation and parole cases, approximately \$400,000 has been provided for hiring new agents and related support personnel. A second initiative involves approximately \$600,000 for an intensive parole supervision demonstration program. Finally, about \$100,000 has been provided to expand EDP capabilities in the Commonwealth's probation and parole activities.

In addition to the operation of State parole, the board has had the responsibility of administering a grant-in-aid program for the continuation and improvement of county adult probation personnel and services since 1966-67. The grant is for only the additional costs incurred by the counties for improvements made to probation agencies. In recent years the counties have made substantial improvements in their services. This budget provides for a 10 percent increase in State grants for this program.

Reintegration of the Adult Offender (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 15,537	\$ 15,838	\$ 17,559	\$ 19,141	\$ 20,098	\$ 21,103	\$ 22,158
Improvement of Adult Probation							
Services	2,968	3,088	3,400	3,400	3,400	3,400	3,400
GENERAL FUND TOTAL	<u>\$ 18,505</u>	<u>\$ 18,926</u>	<u>\$ 20,959</u>	<u>\$ 22,541</u>	<u>\$ 23,498</u>	<u>\$ 24,503</u>	<u>\$ 25,558</u>

Crime Commission

The Crime Commission conducts investigations into organized crime activities. Through its investigations the Commission seeks to determine and combat causes of organized crime as well as prevent specific occurrences of such criminal activities.

CRIME COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
Crime Commission	\$ 2,115	\$ 2,094	\$ 2,178
<i>TOTAL STATE FUNDS</i>	\$ 2,115	\$ 2,094	\$ 2,178
Federal Funds	\$ 993	\$ 1,675	\$ 1,700
GENERAL FUND TOTAL	\$ 3,108	\$ 3,769	\$ 3,878

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Pennsylvania Crime Commission			
State Funds	\$ 2,115	\$ 2,094	\$ 2,178
Federal Funds	993	1,675	1,700
TOTAL	\$ 3,108	\$ 3,769	\$ 3,878

Conducts investigations into organized crime activities and into the causes of such crime. Seeks to determine and combat causes of organized crime as well as prevent specific occurrences of it.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Pennsylvania Crime Commission	\$ 2,115	\$ 2,094	\$ 2,178
Federal Funds:			
Leviticus Project	170	300	300
LEAA — MAGLOCLEN	823	1,200	1,400
National Institute of Justice Technical Assistance .....	.....	175	.....
TOTAL	\$ 3,108	\$ 3,769	\$ 3,878

CRIME COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Control and Reduction of Crime	\$ 2,115	\$ 2,094	\$ 2,178	\$ 2,287	\$ 2,401	\$ 2,521	\$ 2,647
Criminal Law Enforcement	2,115	2,094	2,178	2,287	2,401	2,521	2,647
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPARTMENT TOTAL	<u>\$ 2,115</u>	<u>\$ 2,094</u>	<u>\$ 2,178</u>	<u>\$ 2,287</u>	<u>\$ 2,401</u>	<u>\$ 2,521</u>	<u>\$ 2,647</u>

Criminal Law Enforcement

OBJECTIVE: To inquire into organized crime, public corruption and the activities of persons engaged in or associated with them.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 2,115	\$ 2,094	\$ 2,178	\$ 2,287	\$ 2,401	\$ 2,521	\$ 2,647
Federal Funds	993	1,675	1,700	1,700	1,700	1,700	1,700
TOTAL	\$ 3,108	\$ 3,769	\$ 3,878	\$ 3,987	\$ 4,101	\$ 4,221	\$ 4,347

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Investigations completed (yearly)	91	95	105	105	105	105	105
Investigations referred to prosecutors, law enforcement or regulatory agencies	59	60	75	75	75	75	75
Intelligence inquiries from other law enforcement agencies	3,527	3,600	3,700	3,700	3,700	3,700	3,700

Program Analysis:

The Pennsylvania Crime Commission's basic function is to inquire into organized crime, public corruption and the activities of persons engaged in or associated with such activities.

The Commission functions as an independent agency. It is managed by a five member commission, with one member appointed by each of the following: The Governor, the President Pro Tempore of the Senate, the Speaker of the House, the Minority Leader of the Senate, and the Minority Leader of the House. The commission members may not hold elected office nor may more than three of them be of the same political party.

In conducting its activities, the Commission utilizes subpoena power, hearings, surveillances and other investigative techniques. Cooperation with and information exchange among other law enforcement agencies are cornerstones of the Commission's approach to its task.

During 1982-83, the Pennsylvania Crime Commission

completed 91 investigations and made 59 referrals to law enforcement and administrative agencies and one specific referral to the Pennsylvania Legislature. These referrals ranged from murder investigations in Lancaster County to coal fraud schemes that originated in Pennsylvania but were carried out in other states. A number of these referrals were a result of the recent investigation into the liquor industry; quite a few others dealt with coal fraud schemes that are part of the ongoing Leviticus Project.

The Commission is continuing to participate in the above-mentioned Leviticus Project, a Federal grant aimed at coal-related frauds. The Leviticus project is a consortium of eight states cooperating in the investigation, analysis and combating of organized crime's intrusion into the coal industry and related fields. This project has been very useful, as noted earlier, in getting information on various coal fraud schemes.

In addition, the Commission is the grantee for

Criminal Law Enforcement (continued)

Program Analysis: (continued)

MAGLOCLLEN, an eight state association of law enforcement agencies which provides technical services and facilitates the exchange of criminal information on a real time basis among its members.

The MAGLOCLLEN project is a response to the growing problem of traveling criminals, individuals who traverse jurisdictional boundaries to commit extremely sophisticated

crimes. Since current records are locally based, it is extremely difficult for enforcement agencies to associate one of these criminals with a particular set of crimes. With this program, such tasks will be easier. In addition to these efforts, the Commission has established an informal dialogue with New York and New Jersey on the interrelationships of organized crime in the three state area.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Crime Commission	<u>\$ 2,115</u>	<u>\$ 2,094</u>	<u>\$ 2,178</u>	<u>\$ 2,287</u>	<u>\$ 2,401</u>	<u>\$ 2,521</u>	<u>\$ 2,647</u>

Department of Education

The Department of Education promotes and encourages desirable educational change based upon research and development so that all Pennsylvanians may benefit from a continuous quality educational program which gives the greatest promise of developing each individual to his fullest potential as a contributing member of society.

The Department conducts programs to assist the local school districts in improving educational and administrative techniques, curricula and guidance services; and provides consultant service to other higher education institutions. The bulk of the Departments budget consists of subsidies for basic and higher education.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1984-85 State Funds (In thousands)
General Fund		
Strengthening Curricula	Agenda for Excellence	\$ 10,000
Testing for Literacy Skills	Agenda for Excellence	28,000
Excellence in Teaching Awards	Agenda for Excellence	10,000

This Program Revision request will improve the quality of education being offered in the Commonwealth's schools by setting higher curriculum standards, measuring student achievement and providing remedial instruction when necessary and creating incentives to attract and retain the best possible teachers.

School Employees' Retirement Fund — Pension Increase for Retired Teachers	Pension Increase for Retired Teachers and Annuitants	11,500 ^a
---	--	---------------------

These funds will match an equal amount of funding from school districts to provide increases to annuitants based on their years of service and years of retirement.

Science and Engineering Equipment	Science and Engineering Equipment
-----------------------------------	---	-------

This Program Revision will provide funds totaling \$150,000,000 over a two year period for the purchase of equipment for elementary and secondary schools, vocational schools, and higher education institutions. The program will be funded by revenues from the sale of liquor store licenses.

GENERAL FUND TOTAL	\$ 59,500
--------------------	-----------

Lottery Fund

Early Intervention — Handicapped Children	Early Intervention — Handicapped Children	\$ 10,500
---	---	-----------

These funds will allow for expansion of the Commonwealth's programs for pre-school age children who are mentally and/or physically handicapped.

LOTTERY FUND TOTAL	\$ 10,500
DEPARTMENT TOTAL	\$ 70,000

^aFunds for a similar adjustment in the State Employees' Retirement System are shown in the appendix to the General Administration and Support subcategory under the State Employees' Retirement System.

DEPARTMENT OF EDUCATION
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 15,822	\$ 14,300	\$ 14,872
Teacher Preparation and Certification			500
State Library	2,235	2,262	2,583
Pennsylvania Public Television Network—Operations	4,787	4,952	6,150
Pennsylvania Public Television Network—Programs	2,637	2,747	3,022
Youth Development Centers Education	3,488	3,618	3,618
Correctional Institution Education	2,454	2,465	3,081
Total—General Government	\$ 31,423	\$ 30,344	\$ 33,826
Debt Service Requirements			
General State Authority Rentals — State-Aided Institutions	\$ 3,612	\$ 3,629	\$ 3,768
Institutional			
Scranton State School for the Deaf	\$ 2,408	\$ 2,414	\$ 2,572
Scotland School for Veterans' Children	5,290	5,511	5,731
Thaddeus Stevens State School	2,363	2,382	2,487
Total—Institutional	\$ 10,061	\$ 10,307	\$ 10,790
Grants and Subsidies			
<i>Support of Public Schools</i>			
Equalized Subsidy for Basic Education	\$1,627,800	\$1,767,800	\$1,891,546
Strengthening Curricula			10,000
Testing for Literacy Skills			28,000
Excellence in Teaching Awards			10,000
Adult Literacy			1,000
Vocational Education	23,850	36,260	37,223
Authority Rentals and Sinking Fund Requirements	145,000	137,646	143,150
Pupil Transportation	135,070	189,995	163,403
Pupil Transportation Special Education	15,830	16,210	21,669
Nonpublic Pupil Transportation	6,000	7,378	6,233
Special Education	200,080	216,677	234,519
Homebound Instruction	521	625	525
Tuition for Orphans and Children Placed in Private Homes	11,000	11,470	11,744
Payments in Lieu of Taxes	50	50	53
Education of Migrant Laborers' Children	141	147	157
Education of the Disadvantaged	1,000	1,000	1,000
Special Education—Approved Private Schools	36,611	38,076	40,741
Higher Education of Blind or Deaf Students	50	50	50
Intermediate Units	9,562	9,562	9,944
School Food Services	11,026	10,715	10,844
School Employees' Social Security	105,900	119,300	131,000
School Employees' Retirement Fund:			
Contingent Reserve and Supplemental Accounts	277,552	313,813	356,370
Pension Increase for Retired Teachers			11,500
Former Teachers' Account	2	5	2
State Schools and Hospitals—Education	15,676	16,071	17,195
Private Residential Rehabilitation Institutions	186	186	186
Philadelphia Settlement	24,000		
School District Payments—Racing			3,500
Education of Indigent Children	100	100	100
Subtotal—Support of Public Schools	\$2,647,007	\$2,893,136	\$3,141,654

DEPARTMENT OF EDUCATION

Summary by Fund and Appropriation (Continued)

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Grants and Subsidies (continued)			
<i>Other Grants and Subsidies:</i>			
JTPA - Matching Funds		\$ 4,900	\$ 6,000
Services to Nonpublic Schools	\$ 30,643	32,157	34,218
Textbooks for Nonpublic Schools	7,406	7,450	7,413
Student Supplies for Nonpublic Schools	3,453	3,652	3,707
Improvement of Library Services	14,000	16,000	17,000
Library Services for Blind and Handicapped	1,312	1,364	1,432
Educational Radio and Television Grants	300	300	500
Community Colleges—Capital and Operating	64,066	82,792	88,426
Higher Education of the Disadvantaged	4,868	5,112	5,470
State System of Higher Education	230,444	235,053	251,507
Transfer to Higher Education Assistance Agency:			
Grants	80,147	80,147	85,757
Student Aid Funds—Matching	2,120	2,120	2,268
Administration—Loans and Grants	1,500	250	250
Institutional Assistance Grants	15,400	16,016	17,137
Conservatory Leadership School	60	30	30
Ethnic Heritage	100	100	100
Pennsylvania School for the Sciences	100	150	200
Governor's School for the Arts	268	268	279
Governor's School for International Studies			75
Math and Science Instructional Development		300	400
Desegregation Compliance — Cheyney		1,500	2,472
Medical Training		2,500	
Commonwealth Scholarship Fund			258
Subtotal—Other Grants and Subsidies	<u>\$ 456,187</u>	<u>\$ 492,161</u>	<u>\$ 524,899</u>
<i>State-Related Universities:</i>			
Pennsylvania State University—Educational and General	\$ 106,608	\$ 110,801	\$ 118,557
Pennsylvania State University—Research	9,550	9,932	10,627
Pennsylvania State University—Medical Programs	3,039	3,160	3,381
Pennsylvania State University—Agricultural Research	11,366	11,820	12,647
Pennsylvania State University—Agricultural Extension Services	9,618	10,002	10,702
Pennsylvania State University—Elizabethtown Hospital	3,200	3,328	3,561
Pennsylvania State University—Soil Survey	100	100	100
Pennsylvania State University—Recruitment of Disadvantaged		200	200
Pennsylvania State University—Buhl—Henderson Library		25	
Subtotal Penn State University	<u>\$ 143,481</u>	<u>\$ 149,368</u>	<u>\$ 159,775</u>
University of Pittsburgh—Educational and General	\$ 72,651	\$ 75,438	\$ 80,719
University of Pittsburgh—Medical Programs	4,285	4,456	4,768
University of Pittsburgh—Dental Clinics	724	752	805
University of Pittsburgh—Titusville Campus	575	598	640
University of Pittsburgh—Recruitment of Disadvantaged		200	200
Subtotal University of Pittsburgh	<u>\$ 78,235</u>	<u>\$ 81,444</u>	<u>\$ 87,132</u>

DEPARTMENT OF EDUCATION

Summary by Fund and Appropriation (Continued)

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Grants and Subsidies (continued)			
<i>State-Related Universities: (continued)</i>			
Temple University—Educational and General	\$ 78,155	\$ 81,160	\$ 86,841
Temple University—Medical Programs	5,704	5,932	6,347
Temple University—Dental Clinics	724	752	805
Temple University—Hospital	2,500	2,500	2,500
Temple University—Maxillofacial Prosthodontics .....	.....	50	.....
Temple University—Recruitment of Disadvantaged .....	.....	200	200
Subtotal Temple University	<u>\$ 87,083</u>	<u>\$ 90,594</u>	<u>\$ 96,693</u>
Lincoln University—Educational and General	\$ 4,258	\$ 4,422	\$ 4,816
Lincoln University—Human Services	183	190	203
Lincoln University—Desegregation .....	.....	1,000	1,000
Lincoln University—Recruitment of Disadvantaged .....	.....	200	200
Subtotal Lincoln University	<u>\$ 4,441</u>	<u>\$ 5,812</u>	<u>\$ 6,219</u>
<i>Non-State-Related Universities and Colleges:</i>			
Delaware Valley College of Science and Agriculture	\$ 307	\$ 307	\$ 307
Drexel University	4,079	4,242	4,242
Hahnemann Medical College—Medical Programs	3,532	3,673	3,930
Hahnemann Medical College—Allied Health Programs	175	175	175
Thomas Jefferson University—Medical Programs	4,206	4,374 ^o	4,680
Thomas Jefferson University—Allied Health Programs	1,886	1,886	1,886
The Medical College of Pennsylvania—Medical Programs	2,091	2,174	2,326
The Medical College of Pennsylvania—Allied Health Programs	258	258	258
University of Pennsylvania—Instruction	11,375	11,728	11,728
University of Pennsylvania—Dental Clinics	724	752	805
University of Pennsylvania—Medical Programs	3,116	3,240	3,467
University of Pennsylvania—School of Veterinary Medicine	5,427	5,644	6,039
University of Pennsylvania—New Bolton	1,500	1,560	1,669
University of Pennsylvania—Food and Animal Clinics	750	780	780
Pennsylvania College of Podiatric Medicine	742	742	794
Pennsylvania College of Optometry	905	905	968
Philadelphia College of Art	461	461	461
Philadelphia College of Osteopathic Medicine	3,800	3,952	4,229
Philadelphia College of Textiles and Science	405	405	405
Philadelphia College of Performing Arts	107	107 ^o	107
Subtotal Non-State-Related Universities and Colleges	<u>\$ 45,846</u>	<u>\$ 47,365</u>	<u>\$ 49,256</u>

DEPARTMENT OF EDUCATION
Summary by Fund and Appropriation
(continued)

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund (continued)			
Grants and Subsidies (continued)			
<i>Non-State-Related Institutions:</i>			
Berean Training and Industrial School—Maintenance	\$ 559	\$ 600	\$ 624
Berean Training and Industrial School—Rental Payments	100	100	102
Downingtown Industrial and Agricultural School—Maintenance	687	687	715
Downingtown Industrial and Agricultural School—Debts .....	.....	100	81
Johnson School of Technology	148	148	154
Williamson Free School of Mechanical Trades	55	55	57
Subtotal Non-State-Related Institutions	<u>\$ 1,549</u>	<u>\$ 1,690</u>	<u>\$ 1,733</u>
Total—Grants and Subsidies	<u>\$3,463,829</u>	<u>\$3,761,570</u>	<u>\$4,067,361</u>
TOTAL STATE FUNDS—GENERAL FUND	<u><u>\$3,508,925</u></u>	<u><u>\$3,805,850</u></u>	<u><u>\$4,115,745</u></u>
Federal Funds	\$ 36,123	\$ 50,972	\$ 49,796
Other Funds	14,324	1,735	1,370
Other Funds — Restricted Revenue .....	.....	.....	75,000
GENERAL FUND TOTAL	<u><u>\$3,559,372</u></u>	<u><u>\$3,858,557</u></u>	<u><u>\$4,241,911</u></u>
Motor License Fund			
Grants and Subsidies			
Safe Driving Course	\$ 2,801	\$ 2,706	\$ 2,605
TOTAL STATE FUNDS—MOTOR LICENSE FUND	<u><u>\$ 2,801</u></u>	<u><u>\$ 2,706</u></u>	<u><u>\$ 2,605</u></u>
Other Funds	\$ 70	\$ 225	\$ 225
MOTOR LICENSE FUND TOTAL	<u><u>\$ 2,871</u></u>	<u><u>\$ 2,931</u></u>	<u><u>\$ 2,830</u></u>
State Lottery Fund			
Grants and Subsidies			
Early Intervention — Handicapped Children .....	.....	.....	\$ 10,500
TOTAL STATE FUNDS — STATE LOTTERY FUND	<u><u>.....</u></u>	<u><u>.....</u></u>	<u><u>\$ 10,500</u></u>
Revenue Sharing Trust Fund			
Grants and Subsidies			
Special Education .....	.....	\$ 2,500	.....
TOTAL STATE FUNDS—REVENUE SHARING TRUST FUND	<u><u>.....</u></u>	<u><u>\$ 2,500</u></u>	<u><u>.....</u></u>
DEPARTMENT TOTAL — ALL FUNDS			
General Fund	\$3,508,925	\$3,805,850	\$4,115,745
Special Funds	2,801	5,206	13,105
Federal Funds	36,123	50,972	49,796
Other Funds	14,394	1,960	1,595
Other Funds - Restricted Revenue .....	.....	.....	75,000
TOTAL ALL FUNDS	<u><u>\$3,562,243</u></u>	<u><u>\$3,863,988</u></u>	<u><u>\$4,255,241</u></u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Government Operations			
State Funds	\$ 15,822	\$ 14,300	\$ 14,872
Federal Funds	13,670	19,110	18,504
Other Funds	97	427	172
TOTAL	\$ 29,589	\$ 33,837	\$ 33,548

Provides the overall planning, policy guidance and coordination functions for agency programs. Supplies administrative, legal, public information, planning, research, personnel, budget and supply services to the various educational programs.

Conducts research projects for the benefit of basic and higher education, prepares statistical data for State school district subsidy calculations, the Federal elementary and secondary grant program, and others as needed.

Provides consultation to the school districts on budget, accounting, and procurement services and leadership for the improvement of basic education, including monitoring and evaluation of special education. Administers and distributes Support of Public Schools, Support of Nonpublic Schools, and distributes Federal grants to school districts. See "Grants and Subsidies" for details.

Coordinates the development of higher education in order to promote implementation of the Commonwealth's policies on higher education in accordance with the needs of students and colleges within the guidelines established by the Governor, the Legislature, the State Board of Education, and Pennsylvania law. Accounting and fiscal reviews are performed for compliance with the Auditor General and the Federal Government. Provides matching State funds to qualify for Federal funds for administration of vocational education programs.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
General Government Operations	\$ 15,822	\$ 14,300	\$ 14,872
Federal Funds:			
Adult Basic Education — Administration	\$ 138	\$ 235	\$ 275
Education of Exceptional Children	1,797	2,542	2,660
ECIA Title I Programs — Administration	1,009	1,542	1,804
State Approving Agency (VA)	607	700	750
Food and Nutrition Service	1,830	2,420	2,200
Bilingual Education	40	41	37
Migrant Education Administration	5	378	370
Common Core Data Survey	16	18	18
Civil Rights Technical Training	318	535	995
National Origin Desegregation	106	125	408

Source of Funds (continued)

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Federal Funds: (continued)			
Adult Basic Education Evaluation	\$ 80	\$ 260	250
Vocational Education	3,470	4,400	4,200
Transition Program for Refugee Children	14	32	13
Migrant Education	60	200	185
Educationally Deprived Children — Migrant	85	158	220
LEAA — School Climate Improvement	48	100	80
Career Education	43	63	.....
ECIA Exemplary Program .....	.....	150	.....
Parent Training Consortium	94	128	231
Preventive Health Maintenance .....	.....	150	155
School Accounting Manual	14	.....	.....
Adult Basic Education Grants	133	.....	.....
CETA — Training Opportunities	742	888	.....
Job Training Partnership Administration .....	.....	750	850
Education Block Grant—Administration	2,093	2,205	2,200
Law Related Education .....	.....	85	.....
Rural Kindergarten Identification .....	.....	68	.....
Developmental Disabilities Awareness	52	.....	.....
Highway Safety	102	145	200
Project Access	94	23	.....
Basic Skills	7	3	.....
Teacher Centers	8	27	.....
Addiction Prevention	314	321	300
Developmental Disabilities Act	164	235	.....
Developmental Disabilities Public Relations	12	117	103
Strengthening State and Local Education Agencies	70	42	.....
University Community Service	5	.....	.....
Vocational Evaluation of Handicapped	46	.....	.....
Education Innovations and Support	45	13	.....
Summer Youth — Lincoln University — Administration	(26)	.....	.....
Desegregation of Public Education	35	11	.....
Other Funds:			
Reimbursement for EDP Services	13	51	39
Reimbursement — Department of Welfare	1	3	.....
Conference Fees .....	.....	85	100
Reimbursement from SERA	1	1	1
Television Studio	80	11	.....
Media Van Sale	2	.....	.....
Services to SSHE .....	.....	244	.....
Chief State School Officers Grant .....	.....	32	32
TOTAL	\$ 29,589	\$ 33,837	\$ 33,548

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Teacher Education and Certification			
State Funds			\$ 500

The program will improve the quality and content of teacher education programs and criteria used for admission to the programs. It will include implementation of a professional support system for new teachers and will provide for a standard testing system for teacher certification.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Teacher Preparation and Certification	<u>.....</u>	<u>.....</u>	<u>\$ 500</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Library			
State Funds	\$ 2,235	\$ 2,262	\$ 2,583
Federal Funds	964	1,069	1,000
Other Funds	8	57	20
TOTAL	<u>\$ 3,207</u>	<u>\$ 3,388</u>	<u>\$ 3,603</u>

Promotes the improvement of library services throughout the Commonwealth by administration of a local support-incentive aid program and by conducting research and innovative programs. Operates the State Library in Harrisburg, which serves as a major reference library for State Government as well as an information base for all public libraries.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
State Library	\$ 2,235	\$ 2,262	\$ 2,583
Federal Funds:			
Library Services — Administration	776	800	896
Research and Development Information	89	48	.....
Library Resources Title IV B	92	44	.....
Nuclear Regulatory Commission Documents	7	17	14
Strengthening Research Libraries .....	.....	150	.....
National Endowment for Humanities .....	.....	10	90
Other Funds			
Book Penalties and Reimbursement for Lost Books	8	10	12
SSHE Interlibrary Loan Services .....	.....	40	.....
Duplicating Services .....	.....	7	8
TOTAL	<u>\$ 3,207</u>	<u>\$ 3,388</u>	<u>\$ 3,603</u>

GENERAL FUND

EDUCATION

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Pennsylvania Public Television Network			
State Funds	\$ 7,424	\$ 7,699	\$ 9,172
Federal Funds	7	.....	.....
TOTAL	<u>\$ 7,431</u>	<u>\$ 7,699</u>	<u>\$ 9,172</u>

Promotes the growth and improvement of public television in Pennsylvania. Operates network facilities connecting the seven public television stations that allow a variety of programs to be broadcast simultaneously or separately. Administers a program of grants to support stations' operations.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Pennsylvania Public Television Network — Operations	\$ 4,787	\$ 4,952	\$ 6,150
Pennsylvania Public Television Network — Program Services ..	2,637	2,747	3,022
Federal Funds:			
Public Telecommunications Facilities	7	.....	.....
TOTAL	<u>\$ 7,431</u>	<u>\$ 7,699</u>	<u>\$ 9,172</u>

	(Dollar Amounts in Thousands)		
Youth Development Centers — Education	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 3,488	\$ 3,618	\$ 3,618
Federal Funds	33	97	.....
Other Funds	35	28	28
TOTAL	<u>\$ 3,556</u>	<u>\$ 3,743</u>	<u>\$ 3,646</u>

Provides for administration and operation of educational programs for children assigned to youth development centers.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Youth Development Centers Education	\$ 3,488	\$ 3,618	\$ 3,618
Federal Funds:			
LEAA Youth Aftercare	33	.....	.....
Computer Assisted Instruction .....	.....	97	.....
Other Funds:			
Department of Public Welfare Services	35	28	28
TOTAL	<u>\$ 3,556</u>	<u>\$ 3,743</u>	<u>\$ 3,646</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Correctional Institutions — Education			
State Funds	\$ 2,454	\$ 2,465	\$ 3,081
Federal Funds	1,837	2,802	2,860
Other Funds	3	4	4
TOTAL	<u>\$ 4,294</u>	<u>\$ 5,271</u>	<u>\$ 5,945</u>

Provides administration and subsidies for the operation of educational programs for inmates of State correctional institutions.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Correctional Institutions — Education	\$ 2,454	\$ 2,465	\$ 3,081
Federal Funds			
Correction Education	1,798	2,535	2,410
CETA — Correction Education	39	17	.
JTPA — Correctional Education .....	.	250	450
Other Funds			
Grant from Buhl Foundation	3	4	4
TOTAL	<u>\$ 4,294</u>	<u>\$ 5,271</u>	<u>\$ 5,945</u>

DEBT SERVICE REQUIREMENTS

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General State Authority Rentals — State-aided Institutions			
State Funds	\$ 3,612	\$ 3,629	\$ 3,768
Other Funds	607	607	469
TOTAL	<u>\$ 4,219</u>	<u>\$ 4,236</u>	<u>\$ 4,237</u>

Provides funds for payments to the General State Authority on behalf of certain State-aided educational institutions for capital improvements projects. Act 451 approved August 14, 1963 requires General State Authority rentals at State-aided institutions for capital improvements designed, constructed and occupied subsequent to August 1963 to be paid by the institutions themselves.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
General State Authority Rentals — State-aided Institutions	\$ 3,612	\$ 3,629	\$ 3,768
Other Funds:			
Sublease Rentals	607	607	469
TOTAL	<u>\$ 4,219</u>	<u>\$ 4,236</u>	<u>\$ 4,237</u>

INSTITUTIONAL

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Special and Vocational Education Services				
State Funds	\$ 10,061	\$ 10,307		\$ 10,790
Federal Funds	747	991		632
Other Funds	577	612		677
TOTAL	\$ 11,385	\$ 11,910		\$ 12,099

The Scranton State School for the Deaf provides instruction for children from the nursery school level through high school.

Scotland School for Veterans' Children was established to provide a home life and elementary and secondary school education for sons and daughters of soldiers, sailors and marines who served in World Wars I and II and the Korean and Vietnam conflicts.

Thaddeus Stevens State School of Technology provides residence and vocational instruction for students, often orphaned or disadvantaged, ranging from 16 to 18 years of age.

	1982-83	1983-84		1984-85
Institutional Enrollments are:				
Scranton State School for the Deaf	168	159		209
Scotland School for Veterans' Children	365	420		450
Thaddeus Stevens State School of Technology	420	440		450
TOTAL	953	1,019		1,109

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Special and Vocational Educational Institutions Funds by Institution				
Scranton State School for the Deaf				
State Funds	\$ 2,408	\$ 2,414		\$ 2,572
Federal Funds	104	117		112
Other Funds	32	32		32
TOTAL	\$ 2,544	\$ 2,563		\$ 2,716
Scotland School for Veterans' Children				
State Funds	\$ 5,290	\$ 5,511		\$ 5,731
Federal Funds	489	474		520
Other Funds	33	52		39
TOTAL	\$ 5,812	\$ 6,037		\$ 6,290
Thaddeus Stevens State School of Technology				
State Funds	\$ 2,363	\$ 2,382		\$ 2,487
Federal Funds	154	400		606
Other Funds	512	528		606
TOTAL	\$ 3,029	\$ 3,310		\$ 3,093

GENERAL FUND

EDUCATION

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Scranton State School for the Deaf	\$ 2,408	\$ 2,414	\$ 2,572
Scotland School for Veterans' Children.....	5,290	5,511	5,731
Thaddeus Stevens State School of Technology.....	2,363	2,382	2,487
Federal Funds:			
Education for the Handicapped — Scranton	70	78	78
National School Milk Lunch — Scranton	30	35	30
Adult Basic Education — Scranton	4	.....	4
Life Long Learning — Scranton .....	.....	4	.....
ESEA Title I — Education of Children from Low-Income Families — Scotland	292	274	310
National School Milk Lunch — Scotland	197	200	210
Project Growth — Thaddeus Stevens	154	400	.....
Other Funds:			
Tuition and Fees (Thaddeus Stevens)	512	528	606
Cafeteria Reimbursement (Scotland).....	33	52	39
Cafeteria Reimbursement and Rentals (Scranton)	32	32	32
TOTAL	\$ 11,385	\$ 11,910	\$ 12,099

GRANTS AND SUBSIDIES

Support of Public Schools	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$2,647,007	\$2,893,136	\$3,141,654
Federal Funds	18,865	19,818	19,800
Other Funds	12,917	.....	.....
TOTAL	\$2,678,789	\$2,912,954	\$3,161,454

Provides State support to school districts. Subsidy payments are made for basic instruction, vocational secondary education, rentals and sinking fund requirements, pupil transportation, special education, instruction of students unable to attend school, financially handicapped districts, tuition for orphans and children placed in private homes, payments in lieu of taxes, education of deaf, blind, and cerebral palsied, and other handicapped children at approved private schools, education of the disadvantaged, intermediate units, school employe benefits, school food programs, and education of school-age individuals in State institutions for the handicapped.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Equalized Subsidy for Basic Education	\$1,627,800 ^a	\$1,767,800	\$1,891,546
Strengthening Curricula .....	.....	.....	10,000
Testing for Literacy Skills .....	.....	.....	28,000
Excellence in Teaching Awards .....	.....	.....	10,000
Adult Literacy .....	.....	.....	1,000
Vocational Education	23,850	36,260	37,223
Authority Rentals and Sinking Fund Requirements	145,000	137,646	143,150
Pupil Transportation	135,070	144,965	163,403
Pupil Transportation — Recommended Supplemental .....	.....	45,030	.....
Pupil Transportation—Special Education	15,830	16,210	21,669
Non-Public Pupil Transportation	6,000	7,378	6,233
Special Education	200,080	216,677	234,519
Homebound Instruction	521	625	525
Tuition for Orphans and Children Placed in Private Homes	11,000	10,700	11,744
Tuition for Orphans and Children Placed in Private Homes— Recommended Supplemental .....	.....	770	.....
Payments in Lieu of Taxes	50	50	53
Education of Migrant Laborers' Children	141	147	157
Education of the Disadvantaged	1,000	1,000	1,000
Special Education — Approved Private Schools	36,611	38,076	40,741
Higher Education of Blind or Deaf Students	50	50	50
Intermediate Units	9,562	9,562	9,944
School Food Services	11,026	10,715	10,844
School Employes' Social Security	105,900	113,800	131,000
School Employes' Social Security—Recommended Supplemental .....	.....	5,500	.....
School Employers' Retirement Fund:			
Contingent Reserve Account and Supplemental Accounts	277,552	285,432	356,370
Reserve Account Recommended Supplemental .....	.....	28,381	.....
Pension Increase for Retired Teachers .....	.....	.....	11,500
Former Teacher's Account	2	5	2
State Schools and Hospitals — Education	15,676	16,071	17,951
Private Residential Rehabilitative Institutions	186	186	186
Philadelphia Settlement	24,000	.....	.....
School District Payments Racing .....	.....	.....	3,500
Education of Indigent Children	100	100	100
Federal Funds:			
Education Block Grant—School District	17,334	17,914	18,194
Education Block Grant—School Improvement	733	66	.....
Education Block Grant—Technology Initiative	798	1,838	1,606
Other Funds:			
Vocational Education Recovery	12,917	.....	.....
TOTAL	\$2,678,789	\$2,912,954	\$3,161,454

^a Actually appropriated as Basic Instruction Subsidy \$1,555,800,000 and Equalized Supplement for Student Learning \$72,000,000.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Job Training Partnership			
State Funds	\$ 4,900	\$ 6,000
Federal Funds	6,995	7,000
TOTAL	<u>.....</u>	<u>\$ 11,895</u>	<u>\$ 13,000</u>

Provides State funds necessary to match the education portion of the Federal Job Training Partnership Act funds. Job training programs are developed through this appropriation in the areas of health occupations, adult literacy and training programs for the economically disadvantaged.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
JTPA — Matching Funds	\$ 4,900	\$ 6,000
Federal Funds:			
JTPA — Educational Training	6,995	7,000
TOTAL	<u>.....</u>	<u>\$ 11,895</u>	<u>\$ 13,000</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Support of Nonpublic Schools			
State Funds	\$ 41,502	\$ 43,259	\$ 45,338

Provides, through the intermediate units, services such as guidance counseling, psychological services, and other auxiliary services to nonpublic schools. Also lends textbooks and instructional supplies to children who are attending nonpublic schools in the Commonwealth.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Services to Nonpublic Schools	\$ 30,643	\$ 32,157	\$ 34,218
Textbooks for Nonpublic Schools	7,406	7,450	7,413
Students Supplies for Nonpublic Schools	3,453	3,652	3,707
TOTAL	<u>\$ 41,502</u>	<u>\$ 43,259</u>	<u>\$ 45,338</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Library Services			
State Funds	\$ 15,312	\$ 17,364	\$ 18,432

Provides aid to public libraries for the development of a statewide system of libraries and library services in Pennsylvania. The categories of aid are as follows: State Aid to Local Libraries, State Aid to County Libraries, State Aid to District Library Centers, State Aid to Regional Library Resource Centers, and Equalization Aid. Also provides State funds to the Free Library of Philadelphia and to the Carnegie Library of Pittsburgh to meet the costs of serving as regional libraries in the distribution of reading materials and talking books to the blind and for services to persons with other physical handicaps.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Improvement of Library Services	\$ 14,000	\$ 16,000	\$ 17,000
Library Services for the Blind and the Handicapped	1,312	1,364	1,432
TOTAL	<u>\$ 15,312</u>	<u>\$ 17,364</u>	<u>\$ 18,432</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Educational Radio and Television			
State Funds	\$ 300	\$ 300	\$ 500

Purchases, produces, records, and distributes programming, and provides and procures auxiliary services for educational broadcasting. Services provided by this activity are for the support of daytime educational broadcasting for instructional purposes.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Educational Radio and Television Grants	<u>\$ 300</u>	<u>\$ 300</u>	<u>\$ 500</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Aid to Community Colleges and Technical Institutes			
State Funds	\$ 64,066	\$ 82,792	\$ 88,426

Provides aid to community colleges in order to achieve the purpose of extending educational opportunity in response to community or area need. The Commonwealth pays one-third of each college's approved operating expenses to a maximum of \$800 per full-time equivalent student. In addition the community colleges are reimbursed \$300 for each student enrolled in an occupational program. The Commonwealth also pays one-half of each college's approved capital expenses.

The community colleges now in operation and their enrollment estimates follow.

Fall Enrollments			
The table below lists equivalent full-time students (EFTS is calculated by dividing total student credit hours by 30).			
	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Community Colleges			
Allegheny County	17,145	18,380	19,695
Beaver County	2,140	2,320	2,370
Bucks County	5,546	5,500	5,500
Butler County	1,435	1,451	1,453
Delaware County	5,707	6,034	6,186
Harrisburg Area	4,551	4,950	5,060
Lehigh County	2,064	2,090	2,135
Luzerne County	2,400	2,657	2,964
Montgomery County	4,401	4,713	4,702
Northampton County	2,453	2,718	2,718
Philadelphia	10,006	9,930	10,153
Reading	859	906	1,032
Westmoreland County	3,009	3,152	3,281
Williamsport Area	3,553	3,767	4,030
TOTAL	65,269	68,568	71,279

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Community Colleges—Capital and Operating	\$ 64,066	\$ 82,792	\$ 88,426

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Higher Education of the Disadvantaged			
State Funds	\$ 4,868	\$ 5,112	\$ 5,470

Provides grants to institutions of higher education for special programs for disadvantaged students.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Higher Education of the Disadvantaged	<u>\$ 4,868</u>	<u>\$ 5,112</u>	<u>\$ 5,470</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State System of Higher Education			
State Funds	\$ 230,444	\$ 235,053	\$ 251,507
Federal Funds ^a	8,994	.....	.....
Other Funds ^a	183,402	.....	.....
TOTAL	<u>\$ 422,840</u>	<u>\$ 235,053</u>	<u>\$ 251,507</u>

Provides support for the fourteen institutions of the State System of Higher Education. The System was created by Act 188 of 1982 and joins the former thirteen State Colleges and Indiana University into a university system designed to serve as centers for higher education offering a wide range of curricula at all degree levels. The System is governed by a Board of Governors nominated by the Governor and a Chancellor appointed by the Board. The system was established effective July 1, 1983.

Full-Time Equivalent Enrollment			
Institutions	1982-83	1983-84	1984-85
Bloomsburg University	6,193	6,300	6,300
California University	4,366	4,503	4,503
Cheyney University	1,856	1,800	2,000
Clarion University	5,458	5,524	5,524
East Stroudsburg University	4,153	4,130	4,110
Edinboro University	5,638	5,537	5,415
Indiana University of Pennsylvania	12,818	12,818	12,818
Kutztown University	5,394	5,450	5,500
Lock Haven University	2,646	2,657	2,653
Mansfield University	2,638	2,688	2,700
Millersville University	6,022	6,027	6,040
Shippensburg University	5,513	5,515	5,516
Slippery Rock University	5,670	5,805	5,903
West Chester University	8,674	8,587	8,587
TOTAL	<u>77,039</u>	<u>77,341</u>	<u>77,569</u>

^aEffective July 1, 1983 when the State System of Higher Education was formed, Federal funds were no longer appropriated. Federal and Other funds are shown here for information purposes only and are not carried forward to any summaries.

GENERAL FUND

EDUCATION

State System of Higher Education (continued)

Source of Funds

Appropriation:

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
State system of Higher Education	\$ 230,444	\$ 235,053	\$ 251,507

Federal Funds^a:

College Work Study	3,974		
Basic Institutional Development Program — Cheyney	397		
Upward Bound Project — Lock Haven	96		
Vocational Educational Information Network — Millersville	4		
Migrant Project — Millersville	578		
Migrant Project — Shippensburg	530		
Upward Bound — Bloomsburg	149		
Upward Bound — East Stroudsburg	126		
Head Start — Shippensburg	217		
Upward Bound — Millersville	115		
Upward Bound — Cheyney	114		
General Community Programming — Cheyney	48		
Upward Bound — Clarion	122		
Energy Resource Center — Shippensburg	139		
Minor Federal Grants	1,597		
Vocational Personnel Training — Indiana	614		
Head Start Lock Haven	54		
Upward Bound — California	120		

Other Funds^a:

Tuition, Fees, and Grants	183,402		
TOTAL	<u>\$ 422,840</u>	<u>\$ 235,053</u>	<u>\$ 251,507</u>

State Aid to Students—Higher Education Assistance

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
State Funds	\$ 99,167	\$ 98,533	\$ 105,412

The Commonwealth's scholarship and loan program is administered through the Pennsylvania Higher Education Assistance Agency. It provides scholarships to qualified students of the Commonwealth who need financial assistance to attend postsecondary institutions of higher learning, and guarantees loans made for the purpose of assisting residents in meeting their expenses of higher education. Matching funds are provided to assist students in securing grants and loans from the Federal Government.

Source of Funds

Appropriations:

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Transfers to Higher Education Assistance Agency:			
Scholarships	\$ 80,147	\$ 80,147	\$ 85,757
Student Aid Funds—Matching	2,120	2,120	2,268
Administration	1,500	250	250
Institutional Assistance Grants	15,400	16,016	17,137
TOTAL	<u>\$ 99,167</u>	<u>\$ 98,533</u>	<u>\$ 105,412</u>

^aEffective July 1, 1983, when the State system of Higher Education is formed, Federal funds will no longer be appropriated. Federal and Other funds are shown here for informational purposes only and are not carried forward to any summaries.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Conservatory Leadership School			
State Funds	\$ 60	\$ 30	\$ 30

Provides funds to support the operation of the Conservatory Leadership School.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Conservatory Leadership School	<u>\$ 60</u>	<u>\$ 30</u>	<u>\$ 30</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Ethnic Heritage Studies			
State Funds	\$ 100	\$ 100	\$ 100

Provides grants for support of ethnic heritage studies centers at the University of Pittsburgh and Balch Institute.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Ethnic Heritage Studies	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 100</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Schools for Talented Students			
State Funds	\$ 368	\$ 418	\$ 554
Other Funds	80	.....	.....
TOTAL	\$ 448	\$ 418	\$ 554

Provides funds to support three summer schools for exceptionally talented high school students.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Pennsylvania School for the Sciences	\$ 100	\$ 150	\$ 200
Governor's School for the Arts	268	268	279
School for International Studies .....	.....	.....	75
Other Funds:			
Private Contributions	80	.....	.....
TOTAL	\$ 448	\$ 418	\$ 554

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Math and Science Instructional Development			
State Funds	\$ 300	\$ 400
Federal Funds	90	.....
TOTAL	\$ 390	\$ 400

Provides funds for programs to improve the quality of math and science instruction received by elementary and secondary students. Three programs are involved: student loan forgiveness for students with math and science backgrounds who become teachers, in-service training for current math and science teachers, and business and industry involvement in math and science instruction in schools.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Math and Science Instructional Development	\$ 300	\$ 400
Federal Funds:			
Math and Science Retraining	90	.....
TOTAL	\$ 390	\$ 400

GENERAL FUND	EDUCATION
---------------------	------------------

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Desegregation Compliance				
State Funds	\$ 1,500		\$ 2,472

Provides funds for the enhancement of the administrative and academic functions of Cheyney University of the State System of Higher Education in accordance with the Department of Education's agreement with the United States Office of Civil Rights.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Source of Funds				
Appropriation:				
Desegregation Compliance—Cheyney	<u>\$ 1,500</u>		<u>\$ 2,472</u>

Commonwealth Scholarship Fund

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
State Funds		\$ 258

Provides for scholarships for graduates of Lincoln and Cheyney Universities to pursue post graduate programs at the other State related Universities.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Source of Funds				
Appropriation:				
Commonwealth Scholarship Fund		<u>\$ 258</u>

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
--	-------------------	---	-------------------

Medical Training

State Funds	\$ 2,500
-------------------	-------	----------	-------

Provides funds to supplement medical training.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
--	-------------------	---	-------------------

Source of Funds

Appropriation:

Medical Training Supplement	\$ 2,500
-----------------------------------	-------	----------	-------

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
--	-------------------	---	-------------------

Science and Engineering Equipment

Other Funds	\$ 75,000
-------------------	-------	-------	-----------

Provides for expenditure of liquor franchise revenues for equipment for elementary, secondary, and vocational schools; community colleges, the State System of Higher Education, and other science and engineering colleges and universities.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
--	-------------------	---	-------------------

Source of Funds

Other Funds:

Liquor Franchise Revenues	\$ 75,000
---------------------------------	-------	-------	-----------

		(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget	
State Aid to Universities, Colleges and Other Institutions				
State Funds	\$ 360,635	\$ 376,273	\$ 400,808	

Provides aid to the State-related universities: Pennsylvania State University, University of Pittsburgh, Temple University and Lincoln University and to non-State-related universities, colleges and other institutions of learning for maintenance, instructional programs, research and extension services.

Pennsylvania State University

The Pennsylvania State University receives aid for academic services which provide resident education at the undergraduate and graduate levels leading to associate, baccalaureate, masters, doctors and certain professional degrees; for continuing and extension education for research activities at University Park; for medical education programs at the Hershey Medical Center, for twenty Commonwealth campuses and graduate centers throughout the State and for the Elizabethtown Children's Hospital.

University of Pittsburgh

Receives aid for academic services which provide resident education at the undergraduate and graduate levels leading to associate, baccalaureate, masters, doctors and certain professional degrees including medicine and dentistry; for continuing education; and for research activities.

Temple University

Receives aid for academic services which provide resident education at the undergraduate and graduate levels leading to associate, baccalaureate, masters, doctors and certain professional degrees including medicine, for extension services, and for research activities.

Lincoln University

The Commonwealth provides aid to Lincoln University to maintain resident instruction in liberal arts programs and certain professional degree programs.

Non-State Related Universities and Colleges

Twelve non-State-related colleges and universities currently receive aid from this program. These institutions offer degree and professional programs in the arts and sciences, technology, agriculture, law, medicine, allied health, optometry and podiatry.

Other Non-State-Related Institutions of Learning

Provides assistance to four institutions of secondary and postsecondary education conducting programs in manual training, industrial arts and agricultural science.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State-Related Universities			
Pennsylvania State Universities	\$ 143,481	\$ 149,368	\$ 159,775
University of Pittsburgh	78,235	81,444	87,132
Temple University	87,083	90,594	96,693
Lincoln University	4,441	5,812	6,219
Total-State-Related University	\$ 313,240	\$ 327,218	\$ 349,819

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Non-State-Related Universities and Colleges			
Delaware Valley College of Science and Agriculture	\$ 307	\$ 307	\$ 307
Drexel University	4,079	4,242	4,242
Hahnemann Medical College	3,707	3,848	4,105
Thomas Jefferson University	6,092	6,260	6,566
The Medical College of Pennsylvania	2,349	2,432	2,584
University of Pennsylvania	22,892	23,704	24,488
Pennsylvania College of Podiatric Medicine	742	742	794
Pennsylvania College of Optometry	905	905	968
Philadelphia College of Art	461	461	461
Philadelphia College of Textiles and Science	405	405	405
Philadelphia College of Performing Arts	107	107	107
Philadelphia College of Osteopathic Medicine	3,800	3,952	4,229
Total -- Non-State-Related Universities and Colleges	\$ 45,846	\$ 47,365	\$ 49,256

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Non-State-Related Institutions			
Berean Training and Industrial School	\$ 659	\$ 700	\$ 726
Dowington Industrial and Agricultural School	687	787	796
Johnson School of Technology	148	148	154
Williamson Free School of Mechanical Trades	55	55	57
Total -- Non-State-Related Institutions	\$ 1,549	\$ 1,690	\$ 1,733

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
State-Related Universities			
Pennsylvania State University—Educational and General	\$ 106,608	\$ 110,801	\$ 118,557
Pennsylvania State University—Research	9,550	9,932	10,627
Pennsylvania State University—Medical Program	3,039	3,160	3,381
Pennsylvania State University—Agricultural Research	11,366	11,820	12,647
Pennsylvania State University—Agricultural Extension Services	9,618	10,002	10,702
Pennsylvania State University—Elizabethtown Children's Hospital	3,200	3,328	3,561
Pennsylvania State University—Soil Survey	100	100	100
Pennsylvania State University—Recruitment of Disadvantaged Students . . . . .	. . . . .	200	200
Pennsylvania State University—Buhl—Henderson Library . . . . .	. . . . .	25	. . . . .
Subtotal — Pennsylvania State University	<u>\$ 143,481</u>	<u>\$ 149,368</u>	<u>\$ 159,775</u>
University of Pittsburgh—Educational and General	\$ 72,651	\$ 75,438	80,719
University of Pittsburgh—Medical Program	4,285	4,456	4,768
University of Pittsburgh—Dental Clinic	724	752	805
University of Pittsburgh—Titusville Campus	575	598	640
University of Pittsburgh—Recruitment of Disadvantaged Students . . . . .	. . . . .	200	200
Subtotal — University of Pittsburgh	<u>\$ 78,235</u>	<u>\$ 81,444</u>	<u>\$ 87,132</u>
Temple University—Educational and General	\$ 78,155	\$ 81,160	\$ 86,841
Temple University—Medical Program	5,704	5,932	6,347
Temple University—Dental Clinic	724	752	805
Temple University—Hospital	2,500	2,500	2,500
Temple University—Recruitment of Disadvantaged Students . . . . .	. . . . .	200	200
Temple University—Maxillofacial Prosthodontics . . . . .	. . . . .	50	. . . . .
Subtotal	<u>\$ 87,083</u>	<u>\$ 90,594</u>	<u>\$ 96,693</u>
Lincoln University—Education and General	\$ 4,258	\$ 4,422	\$ 4,816
Lincoln University—Human Services	183	190	203
Lincoln University—Recruitment of Disadvantaged Students . . . . .	. . . . .	200	200
Lincoln University—Enhanced Opportunity . . . . .	. . . . .	1,000	1,000
Subtotal	<u>\$ 4,441</u>	<u>\$ 5,812</u>	<u>\$ 6,219</u>

GENERAL FUND

EDUCATION

Source of Funds (continued)	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations: (continued)			
Non-State-Related Universities and Colleges			
Delaware Valley College of Science and Agriculture	\$ 307	\$ 307	\$ 307
Drexel University	4,079	4,242	4,242
Hahnemann Medical College—Medical Programs	3,532	3,673	3,930
Hahnemann Medical College—Allied Health Program	175	175	175
The Thomas Jefferson University—Medical Programs	4,206	4,374	4,680
The Thomas Jefferson University—Allied Health Programs ..	1,886	1,886	1,886
The Medical College of Pennsylvania—Medical Programs ...	2,091	2,174	2,326
The Medical College of Pennsylvania—Allied Health Programs	258	258	258
University of Pennsylvania—Instruction	11,375	11,728	11,728
University of Pennsylvania—Dental Clinics	724	752	805
University of Pennsylvania—Medical Programs	3,116	3,240	3,467
University of Pennsylvania—School of Veterinary Medicine ..	5,427	5,644	6,039
University of Pennsylvania—New Bolton	1,500	1,560	1,669
University of Pennsylvania—Food and Animal Clinics	750	780	780
Pennsylvania College of Podiatric Medicine	742	742	794
Pennsylvania College of Optometry	905	905	968
Philadelphia College of Art	461	461	461
Philadelphia College of Textiles Science	405	405	405
Philadelphia College of Performing Arts	107	107	107
Philadelphia College of Osteopathic Medicine	3,800	3,952	4,229
Subtotal	\$ 45,846	\$ 47,365	\$ 49,256
Non-State-Related Institutions			
Berean Training and Industrial School—Maintenance	\$ 559	\$ 600	\$ 624
Berean Training and Industrial School—Rental Payments	100	100	102
Downingtown Industrial and Agricultural School— Maintenance	687	687	715
Downingtown Industrial and Agricultural School—Debt	100	100	81
Johnson School of Technology	148	148	154
Williamson Free School of Mechanical Trades	55	55	57
Subtotal	\$ 1,549	\$ 1,690	\$ 1,733
TOTAL	\$ 360,635	\$ 376,273	\$ 400,808

GRANTS AND SUBSIDIES

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Safe Driving Course			
State Funds	\$ 2,801	\$ 2,706	\$ 2,605
Other Funds	70	225	225
TOTAL	\$ 2,871	\$ 2,931	\$ 2,830

Through financial and technical aid, assists school districts in the establishment and operation of a standardized driver education program; examines, inspects and licenses private training schools and instructors. Grants are made to public high schools in the amount of \$35 for each student completing a standard driver education program.

Promotes various highway safety programs through the elementary schools and through publication of bulletins and other materials. Activities include bicycle safety, safety education for school bus drivers, and the training and maintenance of school patrols. Also analyzes and improves driver education courses of study for secondary school pupils and adults.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Safe Driving Course	\$ 2,801	\$ 2,706	\$ 2,605
Other Funds:			
AL-COHOL	70	200	200
Driver Education Curriculum .....	.....	25	25
TOTAL	\$ 2,871	\$ 2,931	\$ 2,830

**State Lottery Fund
Grants and Subsidies**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Early Intervention — Handicapped Children			
State Funds	\$ 10,500

These funds will allow for expansion of the Commonwealth's programs for pre-school age children who are mentally and/or physically handicapped.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Early Intervention Handicapped Children	<u>.....</u>	<u>.....</u>	<u>\$ 10,500</u>

**Revenue Sharing Trust Fund
Grants and Subsidies**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Support of Public Schools			
State Funds	\$ 2,500	.....

These funds provided support for the cost of providing special education services to qualified children.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Special Education	<u>.....</u>	<u>\$ 2,500</u>	<u>.....</u>

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
Higher Education Act of 1965:			
Community Services Program — Title I	\$ 23	. . . .	. . . .
Career Education Incentive	421	\$ 79	. . . .
Education Consolidation and Improvement Act:			
Education of Children of Low-Income Families — Title I ...	119,435	145,128	\$ 146,700
Consolidation of Certain Educational Programs — Title IV..	2,127	51	. . . .
Education of the Handicapped — Title VI	34,088	42,700	43,000
Adult Basic Education	4,692	4,700	4,875
Library Services — Extension, Development, and Improvement	2,473	2,868	2,773
Education of Handicapped	379	66	83
Gifted and Talented	9	. . . .	. . . .
Vocational Education Act	32,750	35,000	36,200
Additional Dormitory Rental Fees ^a	3,186	. . . .	. . . .
Additional Dormitory Rental Fees:			
Reserve for Contingencies and Capital Replacement ^a	1,094	. . . .	. . . .
Reserve for Furniture and Equipment ^a	2,123	. . . .	. . . .
Food Nutrition Services	111,439	128,000	131,000
Comprehensive Employment and Training Act	2,979	1,000	. . . .
Transition Programs — Refugee Children	1,020	542	594
 TOTAL	 <u>\$ 318,238</u>	 <u>\$ 360,134</u>	 <u>\$ 365,225</u>

^aFor the available, budget, and future years these SSHE fees will not be transmitted through the Department of Education.

DEPARTMENT OF EDUCATION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 8,588	\$ 7,762	\$ 8,181	\$ 8,590	\$ 9,020	\$ 9,471	\$ 9,944
General Instruction	\$1,499,244	\$1,595,171	\$1,753,898	\$1,912,069	2,051,418	\$2,203,981	\$2,330,748
General Preschool Education	90,380	98,977	111,848	124,646	133,931	147,477	161,259
General Elementary and Secondary Education	1,408,864	1,496,194	1,642,050	1,787,423	1,917,487	2,056,504	2,169,489
Special Education	\$ 586,374	\$ 649,568	\$ 717,718	\$ 774,224	\$ 839,457	\$ 907,088	\$ 979,025
Mentally Handicapped Education	202,812	225,572	252,837	268,392	288,265	312,121	330,303
Physically Handicapped Education	274,592	302,681	335,355	363,306	394,088	426,130	463,953
Gifted and Talented Education	108,970	121,315	129,526	142,526	157,104	168,837	184,769
Compensatory Programs	\$ 299,804	\$ 355,573	\$ 374,348	\$ 408,084	\$ 443,396	\$ 485,855	\$ 527,526
Compensatory Preschool Education	17,560	21,606	22,918	24,634	26,575	28,510	34,180
Compensatory Elementary and Secondary Education	282,244	333,967	351,430	383,450	416,821	457,345	493,346
Vocational Education	\$ 313,495	\$ 351,358	\$ 362,667	\$ 394,311	\$ 435,312	\$ 455,700	\$ 499,258
Vocational Education	310,784	347,032	357,517	389,000	429,831	450,041	493,412
Community Education	2,711	4,326	5,150	5,311	5,481	5,659	5,846
Higher Education	\$ 765,222	\$ 807,593	\$ 860,838	\$ 879,617	\$ 901,706	\$ 924,648	\$ 946,305
Higher Education	681,455	725,076	772,305	789,233	809,384	830,395	850,774
Financial Assistance to Students	83,767	82,517	88,533	90,384	92,322	94,253	95,531
Protection of Persons and Property	\$ 2,801	\$ 2,706	\$ 2,605	\$ 2,575	\$ 2,510	\$ 2,450	\$ 2,400
Highway Safety Education	2,801	2,706	2,605	2,575	2,510	2,450	2,400
Economic Development and Income Maintenance	\$ 11,227	\$ 14,000	\$ 18,408	\$ 19,060	\$ 19,744	\$ 20,462	\$ 21,216
Adult Employment Training Services	11,227	14,000	18,408	19,060	19,744	20,462	21,216
Recreation and Cultural Enrichment	\$ 24,971	\$ 27,325	\$ 30,187	\$ 31,080	\$ 32,735	\$ 34,420	\$ 36,142
State Library Services	17,547	19,626	21,015	22,184	23,394	24,613	25,844
Public Television Services	7,424	7,699	9,172	8,896	9,341	9,807	10,298
DEPARTMENT TOTAL	<u>\$3,511,726</u>	<u>\$3,811,056</u>	<u>\$4,128,850</u>	<u>\$4,429,610</u>	<u>\$4,735,298</u>	<u>\$5,044,075</u>	<u>\$5,352,564</u>

Summary of Enrollments in Pennsylvania Elementary and Secondary and Vocational Education 1982-83 to 1988-89

Program Category	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Instruction							
General Preschool Education	131,870	129,300	135,600	138,060	138,130	139,500	139,860
General Elementary and Secondary Education	1,393,177	1,336,400	1,310,350	1,286,590	1,267,770	1,251,240	1,229,990
PROGRAM CATEGORY TOTAL ...	1,525,047	1,465,700	1,445,950	1,424,650	1,405,900	1,390,740	1,369,850
Special Education							
Mentally Handicapped Education	57,300	60,250	60,000	58,800	58,000	57,200	57,000
Physically Handicapped Education	119,400	119,000	119,500	120,000	120,450	120,500	120,500
Gifted and Talented Education	67,850	67,500	67,200	67,000	67,000	67,000	67,000
PROGRAM CATEGORY TOTAL ...	244,550	246,750	246,700	245,800	245,450	244,700	244,500
Compensatory Programs							
Compensatory Preschool Education	14,000	15,000	14,500	14,500	14,500	14,500	14,500
Compensatory Elementary and Secondary Education	220,000	236,000	228,000	228,000	228,000	228,000	228,000
PROGRAM CATEGORY TOTAL ...	234,000	251,000	242,500	242,500	242,500	242,500	242,500
Vocational Education							
Vocational Education	180,500	173,400	169,200	168,500	168,300	161,400	161,400
Community Education	30,284	30,000	31,000	32,000	32,000	33,000	33,000
PROGRAM CATEGORY TOTAL ...	210,784	203,400	200,200	200,500	200,300	194,400	194,400

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 8,588	\$ 7,762	\$ 8,181	\$ 8,590	\$ 9,020	\$ 9,471	\$ 9,944
Federal Funds	4,212	5,886	5,655	5,625	5,641	5,656	5,672
Other Funds	95	136	40	41	41	41	41
TOTAL	\$ 12,895	\$ 13,784	\$ 13,876	\$ 14,256	\$ 14,702	\$ 15,168	\$ 15,657

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs

of provided services.

In addition to including the executive offices of the Department of Education, budget, publication and legal offices, this program also provides staff support to the State Board of Education and other administrative boards and commissions. These include boards for private, academic, business, trade and correspondence schools, and the Professional Standards and Practices Commission.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 8,588	\$ 7,762	\$ 8,181	\$ 8,590	\$ 9,020	\$ 9,471	\$ 9,944
GENERAL FUND TOTAL	\$ 8,588	\$ 7,762	\$ 8,181	\$ 8,590	\$ 9,020	\$ 9,471	\$ 9,944

General Preschool Education

OBJECTIVE: To prepare four and five year old children with the social, physical and communication skills necessary to learn effectively in their ensuing years of school.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 90,380	\$ 98,977	\$ 111,848	\$ 124,646	\$ 133,931	\$ 147,477	\$ 161,259
Federal Funds	71	96	96	96	96	96	97
TOTAL	\$ 90,451	\$ 99,073	\$ 111,944	\$ 124,742	\$ 134,027	\$ 147,573	\$ 161,356

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Enrollments	131,870	129,300	135,600	138,060	138,130	139,500	139,860
Percentage of school districts offering preschool education:							
Public	99%	99%	99%	99%	99%	99%	99%
Nonpublic	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percentage of five year olds enrolled in preschool education:							
Public	70.3%	69.8%	70.5%	70.6%	70.6%	70.6%	70.3%
Nonpublic	18.3%	18.2%	18.3%	18.3%	18.3%	18.3%	18.3%
Enrollments in the Alternative Day Kindergartening Program	1,621	1,938	2,035	2,136	2,243	2,355	2,473
Transition class enrollments	1,569	1,524	1,372	1,235	1,112	1,001	991

Program Analysis:

The largest part of the general pre-school program is the kindergarten program operated by all but four school districts in the Commonwealth. Attendance, which is not compulsory, consists of five year olds and a small number of four year olds. The program is available at local option in public and nonpublic schools.

Because of budgetary constraints and declining enrollment experienced by some school districts in the public sector, the Department of Education has established a criteria that will allow districts to initiate a kindergarten program which would be an exception to the 180 day requirement. The program, Alternative Day Kindergartening is operating on a three-year approval basis.

Educators have established that these programs are successful in preparing children for elementary schools and students with preschool experience have a lower first grade failure rate than those who do not. In one study the pro-

portion of first graders who were not promoted to second grade dropped by an average of 12 percent after preschool programs were implemented. In the State as a whole about six percent of all first graders are not promoted. Several districts also reported an approximate doubling of first grade reading achievement after preschool education was implemented.

The population of five year olds in Pennsylvania has begun to increase; from 1981-82 to the end of the projection period it will increase by approximately 6.2 percent. About 88.6 percent of the five year old population is enrolled in general preschool programs.

Results from recent national studies continue to underscore the importance of early educational experiences for young children in increasing their potential for learning, especially when these early learning experiences take place both in the home and in a school program. Increased

General Preschool Education (continued)

Program Analysis: (continued)

recognition is being given to the fact that parents play a very important role in the early years of their children's development. Projects developed by educational personnel, including information sharing with parents as well as programs for their children, suggest that this sort of effort is extremely helpful to both children and parents. The Department of Education supports these programs, and is developing material and resources for districts which are planning parent training programs.

In some cases, children who upon completion of kindergarten are found to need additional help before they enter first grade, are placed in transition classes. This is an interim program that combines kindergarten and first grade

instruction for a year. Although enrollment in the transition program reflects an increase over last year's estimate in the 1982-83 and 1983-84 years, enrollment in these programs are expected to decline in both absolute numbers and a percentage of total preschool enrollments in future years.

An indication of the positive response to this program is that one more school district added kindergarten in September of 1982 lowering to four the number of districts without preschool programs. Local decision makers evidently are sufficiently impressed with kindergarten's potential to accept the expense of adding it to their instructional program.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 65	\$ 59	\$ 62	\$ 65	\$ 68	\$ 71	\$ 75
Equalized Subsidy for Basic Education ..	48,834	53,034	60,530	68,111	74,766	83,886	93,780
Authority Rentals and Sinking Fund Requirements	8,555	8,121	9,019	9,570	9,570	9,860	10,150
Pupil Transportation	7,969	11,210	10,294	11,432	12,118	13,234	14,234
Nonpublic Pupil Transportation	354	435	393	413	414	427	441
Intermediate Units	564	564	626	689	724	783	834
School Employees' Social Security	6,248	7,039	8,253	9,240	9,768	10,540	11,200
School Employees' Retirement Fund: Contingent Reserve and Supplemental Accounts	16,375	18,515	22,451	24,895	26,272	28,438	30,304
Philadelphia Settlement	1,416	.....	.....	.....	.....	.....	.....
School District Payments—Racing .....	.....	.....	220	231	231	238	241
GENERAL FUND TOTAL	\$ 90,380	\$ 98,977	\$ 111,848	\$ 124,646	\$ 133,931	\$ 147,477	\$ 161,259

General Elementary and Secondary Education

OBJECTIVE: To provide general population students with the skills, attitudes and abilities needed for effective living in our complex society.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$1,408,864	\$1,496,194	\$1,642,050	\$1,787,423	\$1,917,487	\$2,056,504	\$2,169,489
Federal Funds	21,186	22,943	22,809	22,801	22,823	22,835	22,851
Other Funds	2,474	270	139	140	141	142	143
TOTAL	\$1,432,524	\$1,519,407	\$1,664,998	\$1,810,364	\$1,940,451	\$2,079,481	\$2,192,483

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Public school enrollments	1,048,040	992,280	963,850	936,740	914,280	893,130	866,560
Nonpublic school enrollments	345,137	344,120	346,500	349,850	353,490	358,110	363,430
Median instructional cost per public school pupil	\$1,841	\$2,042	\$2,265	\$2,513	\$2,787	\$3,092	\$3,429
High school graduates	100,400	96,150	93,550	90,000	91,200	94,600	90,300
Graduates enrolling in business, technical or college programs	54,699	52,406	50,787	48,777	49,466	51,280	48,920
Teachers enrolled in math/science in-service program:							
Elementary teachers		300	600	900	900	900	900
Secondary teachers		100	200	200	200	200	200
Public/private partnerships in math/science programs		25	75	100	150	150	150

Program Analysis:

General elementary and secondary education refers to the majority of basic education school enrollments; it is composed of general and college preparatory curricula for pupils who are not disadvantaged, handicapped or enrolled in vocational training.

The Commonwealth's birth rate is expected to increase slightly in the next few years but decreases in public school population resulting from decreases in the birth rate from 1970 to 1976 will continue until 1985 in elementary schools and later in secondary schools. On the other hand, nonpublic school enrollments are projected to increase slightly through the projection period.

The measures of high school graduates and graduates enrolling in business, technical or college programs, which reflect both public and nonpublic enrollments show a small increase in two of the future years of the projection. This

increase runs counter to the general decline in enrollment and reflects the effect of the size of the current classes.

A major portion of the funds in general elementary secondary education are those for pupil transportation. The cost of the pupil transportation subsidy has been the source of much debate in recent years both in terms of Commonwealth and school district support. The Office of Administration through the Bureau of Management Services and the Department of Education have recently undertaken major studies of this subsidy. These studies have raised serious questions about the data used to calculate this subsidy as well as questions concerning the equitability of the subsidy formula.

As a result of these studies, legislation will be introduced as part of the Governor's Budget to amend the Pupil Transportation subsidy formula. The revised formula should eliminate the administrative problems that have plagued this

General Elementary and Secondary Education (continued)

Program Analysis: (continued)

program as well as provide a better basis for future year projections. In addition, transportation costs for special education students will be shown as a separate appropriation.

Among the major concerns of the Commonwealth with regard to elementary and secondary education are general educational quality, increasing student achievement and teacher effectiveness.

Programs have been developed to meet these concerns and are more fully explained in the Program Revision Request following this subcategory. Basically these programs should improve levels of student achievement by revising curriculum regulations. In addition a statewide testing program will be implemented to monitor academic progress of students and to assure they have attained a basic competency level for reading and mathematics. Students not meeting minimum requirements will be given remedial instruction to bring them up to normal levels.

Pennsylvania has kept its commitment to public education by continuing to provide more than half the cost of operating the public schools, when the funding for transportation costs, Social Security and retirement costs for teachers

and other subsidies are considered. This budget for 1984-85 continues that commitment.

Act 31 of 1983 revised the method of distributing the subsidy for basic education by repealing Act 115 of 1982 which had provided for two appropriations, the Basic Instruction Subsidy and the Equalized Supplement for Student Learning. Act 31 replaced these two appropriations with one called Equalized Subsidy for Basic Education and provided for a formula based distribution of the subsidy to the Commonwealth's 501 School Districts. The formula provides each district with a base level of \$1,656 per student as well as supplemental payments based on the number of low income families living in the district and on the population density of the district. An aid ratio factor is also part of the formula.

This Budget also continues funding for a previous Program Revision in the area of math and science education in elementary and secondary schools. The program is directed at ensuring that students in Pennsylvania have the quality math and science background which will be necessary to deal with the technologies of the future.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 2,345	\$ 2,119	\$ 2,134	\$ 2,240	\$ 2,352	\$ 2,470	\$ 2,594
Scotland School for Veterans Children ..	5,290	5,511	5,731	6,018	6,319	6,635	6,967
Equalized Subsidy for Basic Education ..	945,752	998,807	1,066,832	1,153,750	1,252,893	1,359,440	1,454,930
Strengthening Curricula .....	.....	.....	10,000	20,000	30,000	40,000	40,000
Testing for Literacy Skills .....	.....	.....	28,000	56,000	56,000	57,400	57,400
Excellence in Teaching Awards .....	.....	.....	10,000	10,000	10,000	10,000	10,000
Authority Rentals and Sinking Fund							
Requirements	85,260	78,596	81,309	81,055	80,330	79,750	78,590
Pupil Transportation	79,691	109,057	92,813	97,170	102,082	107,428	112,429
Nonpublic Pupil Transportation	3,528	4,213	3,528	3,494	3,472	3,457	3,416
Payments in Lieu of Taxes	50	50	53	53	54	54	54
Intermediate Units	5,622	5,460	5,648	5,857	6,095	6,354	6,587
School Employees' Social Security	62,269	68,478	74,146	78,260	81,992	85,250	86,720
School Employees' Retirement Fund:							
Contingent Reserve and Supplemental							
Accounts	163,201	180,129	202,418	211,604	221,321	230,848	239,361
Pension Increase for Retired Teachers ..	.....	.....	11,500	11,500	11,500	11,500	11,500
Former Teachers--Account	2	5	2	2	.....	.....	.....
Philadelphia Settlement	14,112	.....	.....	.....	.....	.....	.....
School District Payments -- Racing .....	.....	.....	1,988	1,964	1,946	1,932	1,907
Services to Nonpublic Schools	30,643	32,157	34,218	36,615	39,178	41,920	44,854
Textbooks for Nonpublic Schools	7,406	7,450	7,413	7,487	7,562	7,638	7,714
Student Supplies for Nonpublic Schools ..	3,453	3,652	3,707	3,744	3,781	3,818	3,856
Education Radio and Television Grants ..	180	180	180	180	180	180	180
Conservatory Leadership School	60	30	30	30	30	30	30
Math and Science Instructional							
Development .....	.....	300	400	400	400	400	400
GENERAL FUND TOTAL	\$1,408,864	\$1,496,194	\$1,642,050	\$1,787,423	\$1,917,487	\$2,056,504	\$2,169,489

**General Elementary and Secondary Education
Program Revision: Agenda for Excellence**

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 48,000	\$ 86,000	\$ 96,000	\$ 107,400	\$ 107,400

Program Analysis:

Throughout American history, public education has been the cornerstone of our development as a nation and Pennsylvania has been a pioneer in the development of public education.

Recently it has become increasingly apparent that the relationship between the quality of educational programs and the quality of national life has never been more direct and critical than it is today.

The dramatic impact of lower educational standards is evident in the decline of America's competitive edge in the world economy and in the decline of scores on Scholastic Aptitude Tests.

The National Commission on Excellence in Education identified the seriousness of this problem last spring when it observed that "Each generation of Americans has outstripped its parents in education, in literacy and in economic attainment. For the first time in the history of our country, the educational skills of one generation will not surpass, will not equal, will not even approach, those of their parents".

The challenge confronting the Commonwealth is to develop programs that will reverse the decline of our educational standards and reinstitute a standard of excellence in schools. These programs must establish a more demanding and structured curriculum in schools, must test student achievement on a regular basis and provide remedial instruction when necessary and must reward dedicated educators for outstanding work.

There has been a great deal of dialogue recently about the need to increase requirements for high school graduation and to place a renewed emphasis on basic subjects such as science, mathematics and English. The fact is that the country as a whole has moved away from specific standards and allowed students to choose their way through a diverse array of elective courses. Commonwealth curriculum requirements have done little to counter this trend since Pennsylvania's approach, as is true in most states, to curriculum regulation has been one of setting minimum standards with the hope that local school officials would build upon them. That has not been the case.

Accordingly, the State Board of Education has given preliminary approval to a new set of curriculum regulations that would impose new graduation requirements of four

credits in English, up from three under current regulations; three credits in mathematics, up from one; three credits in science, up from one; three credits in social sciences, up from two; and two credits in arts and humanities where there are currently no requirements. To help absorb the costs involved with these increased requirements, \$10 million is being recommended to implement the new requirements.

Curriculum standards are the most important way a state can discharge its responsibility for assuming quality education and these revised regulations should be fully implemented no later than the fall of 1985.

The second primary responsibility of the Commonwealth in developing a standard of excellence in its schools is to require regular testing of student achievement to ensure that each student is attaining an acceptable level of competence for their grade level in both reading and mathematics. Students whose performance falls below that level would be required to enroll in remedial programs, funded by the Commonwealth, in addition to their regular academic program. The testing would serve as an early warning system to identify students with deficiencies in mathematics and reading and the remedial courses would correct those deficiencies and bring the skill levels of those students up to those of their peers. A total of \$28 million is being recommended to begin implementing the testing and remedial programs.

Improving the effectiveness of teachers is the final area of Commonwealth involvement in attaining a standard of excellence in its schools. Ten million dollars is recommended to implement an "Excellence in Teaching" award program which would provide excellence awards of \$2,000 to each district's finest teachers. Up to five percent of each district's teachers would be eligible and the program would be strictly optional with the Commonwealth providing all the funding.

In those districts that participate, the school boards would determine the criteria to be used to make the awards but the Department of Education would have to approve the criteria in order to assure conformity among the various districts.

The criteria should stress performance in the classroom, continued professional growth and leadership in the develop-

**General Elementary and Secondary Education
Program Revision: Agenda for Excellence (continued)**

Program Analysis: (continued)

ment and support of new teachers.

Despite the large commitment of Commonwealth revenues to attaining a standard of excellence in its schools, it will be the local school districts which will ultimately make these new programs a success. It will be their responsibility to provide the additional required courses, to administer the

tests and conduct the remedial programs and to establish the "Excellence in Teaching" awards program. The Commonwealth should continue to rely on the judgement of local officials in determining the most effective strategy for attaining excellence in our educational programs.

Program Revision Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Strengthening Curricula	\$ 10,000	\$ 20,000	\$ 30,000	\$ 40,000	\$ 40,000
Testing for Literacy Skills	28,000	56,000	56,000	57,400	57,400
Excellence in Teaching Awards	10,000	10,000	10,000	10,000	10,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
GENERAL FUND	<hr/>	<hr/>	<hr/> \$ 48,000	<hr/> \$ 86,000	<hr/> \$ 96,000	<hr/> \$ 107,400	<hr/> \$ 107,400

**General Elementary and Secondary Education
Program Revision: Pension Increase for Retired Teachers and Annuitants**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund			\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Special Funds			3,022	3,022	3,022	3,022	3,022
Federal Funds			2,455	2,455	2,455	2,455	2,455
Other Funds			1,268	1,268	1,268	1,268	1,268
TOTAL			\$ 26,745	\$ 26,745	\$ 26,745	\$ 26,745	\$ 26,745
<i>School District Contributions</i>			\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500
<i>Independent Agencies Contributions</i>			3,600	3,600	3,600	3,600	3,600

Program Analysis:

In recognition of the needs of former employes of Commonwealth agencies and school districts who are now retired from service and living on fixed incomes in a time of increases in the costs of living, this budget includes funds for adjustments to their monthly retirement income. Each former employe will receive an additional dollar each month for every year of service he gave to his agency or school district and two dollars for every year he has been retired from service. The additional weight given years of retirement recognizes the greater impact of inflation on the annuities of those retired for a longer period of time.

The cost of this increase in retirement payments will be shared with the administrative funds of the Commonwealth, the independent agencies which have employes belonging to the State system, and the school districts.

The cost of the increase for annuitants of the school system is estimated at \$23,000,000 for 1984-85 of which \$11,500,000 is the State funds cost. An appropriation for this amount is included in the Department of Education's budget. The balance of the cost will be borne by the various school districts of the Commonwealth.

The cost of the increase for annuitants of the State Employees Retirement System is estimated at \$18,845,000 of which \$8,500,000 is the State funds cost to the General Fund agencies. The remaining cost is shared by Federal funds, other funds, and agencies independent of the Governor, including the Pennsylvania State University and the State System of Higher Education, which will make direct contributions to the fund for this increase from their separate resources.

Program Revision Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
School Employes Retirement Fund—							
Pension Increase for Retired Teachers			\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500
State Employes Retirement Fund—							
Pension Increase for Annuitants			8,500	8,500	8,500	8,500	8,500
TOTAL			\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000

General Elementary and Secondary Education (continued)
Program Revision: Pension Increase for Retired Teachers and Annuitants (continued)

The General Fund appropriation for the State Employees Retirement System will be distributed to the various agencies for their share of the state funds increase in the contribution rate. The agencies will also contribute to the System from special, federal, and other funds; contributions from the independent agencies such as State System of Higher Education and Penn State University will be from their various fund sources including their State appropriation. The General Fund appropriation is shown in the State Employees Retirement System summary. The other funds shown below are not carried forward to any summaries. In accordance with the Public School Employees Retirement Code the Commonwealth and the employing school districts will equally share the contribution increase to the School Employees Retirement System. The state funds appropriation is shown in the Department of Education summary; the school district funds shown below are not carried forward to any summaries.

Program Revision Costs by Source of Funds:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Special Funds	3,022	3,022	3,022	3,022	3,022
Federal Funds	2,455	2,455	2,455	2,455	2,455
Other Funds	1,268	1,268	1,268	1,268	1,268
Subtotal	\$ 26,745	\$ 26,745	\$ 26,745	\$ 26,745	\$ 26,745
School District Contributions	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500
Independent Agency Contributions	3,600	3,600	3,600	3,600	3,600
TOTAL	\$ 41,845	\$ 41,845	\$ 41,845	\$ 41,845	\$ 41,845

SPECIAL EDUCATION CATEGORY ANALYSIS

In the 1970's special education experienced recognition and growth unprecedented in its history. Pennsylvania recognized the right to education of every handicapped child in 1972 when the Pennsylvania Association of Retarded Citizens and the Commonwealth entered into a consent decree establishing that right. More recently Federal legislation made the mandate national and established regulations and reporting requirements for the monitoring and study of the results.

The United States District Court for Eastern Pennsylvania in *Armstrong et al. v. Secretary of Education Kline et al.* issued an opinion that required the Commonwealth's school districts to make available to certain handicapped children a free and appropriate program of special education which is in excess of the Commonwealth's minimum 180 day school year.

The court's opinion defined the handicapped students who are affected as follows: "A handicapped student is entitled to an education program in excess of 180 days if the regression caused by an interruption in educational programming, together with the student's limited recoupment capacity, renders it impossible or unlikely that the student will attain the level of self-sufficiency and independence that the student would otherwise be expected to reach in view of his/her handicapping condition."

Beginning in 1982, summer programs were offered to about 2,000 pupils. The programs ranged from a six-week school schedule to homebound instruction depending on the student's individual need.

Special education in the 1980's is concentrating heavily on utilizing advances in technology to refine programs and service delivery for exceptional children. Emphasis is now being placed on streamlining procedures such as the tracking system for exceptional persons, curriculum development and updates in special education, adherence to basic rights of students through the auditing/monitoring process and delivery of statewide inservice training on technology in special education.

Special education currently serves about 250,000 pupils in Pennsylvania in school districts, intermediate units, approved private schools, and in institutions operated by the Department of Public Welfare.

Placement in approved private schools is intended to supplement the public system by serving as an option when the nature of the handicap makes education in the public system inappropriate. The Department of Education requires prior approval of private placement by public school officials and the department. Enrollments in these schools have slowed; a priority for the near future is evaluation and interpretation of the effectiveness of the educational programs in approved private schools and their role in relationship to the public system.

For the most part special education students have been identified and are being served by school district, intermediate unit and approved private school programs. Certain areas of service continue to be upgraded resulting in higher costs; they include programs for the trainable retarded, severely retarded and the multihandicapped. The complexities of their handicaps require employment of specialists, prosthetic devices, adaptive transportation, specialized equipment and special teaching materials. Additional program planning for these individuals will require multidisciplinary staffing which may create additional costs as will the effort to equip the regular classroom to deal with special needs such as visual, hearing and other physical handicaps.

The Department of Education participates in special education by providing direction, regulation, State funding allocation, and information services to educating agencies. As part of this participation, the Department of Education has placed special emphasis on the development of a tracking system for exception children, curriculum development, auditing and monitoring of special education and the use of technology in relation to exceptional children.

In the audit and monitoring area all 29 Intermediate Units and their 501 component school districts undergo periodic audits. The audits are administered by Bureau of Special Education personnel and conducted by third party teams of program professionals. The audit reports produced by these teams will require local schools to make local program and service changes to comply with State and Federal mandates. Subsequent monitoring will ensure that such changes were implemented.

Curriculum development efforts and changes in special education have surfaced as a result of these statewide program audits which identify curriculum needs. Through field efforts in school improvement and compliance mandates resulting from audits, many school districts and Intermediate Units are currently updating their special education curricula to fit a planned course of study model.

In all these efforts the latest technology is being employed. The use of computer hardware and software are evident in the tracking system. In addition statewide teleconferencing has been employed to promote the use of computer technology in special education programs.

An issue as controversial as special education tends to spawn litigation and it is anticipated that court decisions will continually redefine both the nature and implementation of special education programs in the Commonwealth.

There are several methods of funding special education which are used with modification or in combination in every State; those methods were described in the September 1979 issue of "Special Education Finance" by the Education Finance Center, Education Commission of the States:

1. Excess expenditure. Under this system, the state refunds to the local education agency (LEA), all or part of its expenditure of educating a handicapped student above what the LEA would have spent for the child's education if the child were not handicapped. The proportion of state assistance varies from a low of 25 percent of State approved excess expenditures in South Dakota to 100 percent of excess expenditures in Pennsylvania.

2. Teachers units. The state reimburses the LEA a certain amount for each special education teacher employed. Some states include instructional aides in this formula. The LEA is usually limited to the student/teacher ratio that may be maintained for the purposes of state reimbursement.

3. Weighted categories. Under this formula, each handicapped child enrolled in a school district carries a weight, which differs according to the type of handicap. The normal child may be weighted 1.0. If a blind child is weighted at 1.5, this signifies that the expected cost of educating that student is 50 percent higher than the normal child. The weight is then multiplied by a base amount for reimbursement.

4. Classroom Units. The state gives the LEA a grant of a specific amount for each special education class maintained. In 1976-77, Missouri, for example, granted \$4,500 to \$6,000 for each approved unit.

5. Special education support per pupil. Under this system, the state permits the LEA to receive a special education apportionment tied to the total number of students served by the LEA.

In recognition of the special needs of handicapped children, this budget includes funding for a Program Revision Request that would significantly expand the Commonwealth's Early Intervention Program. This revision would be funded from the State Lottery Fund and is fully discussed in the Program Revision Request, Early Intervention - Handicapped Children, immediately following the Mentally Handicapped Education subcategory.

Every child, whether he is served in his home district, the intermediate unit, or in an institution or private school is ultimately the responsibility of his home district. The decision on placement and dollars spent on that child should rest with the district within program guidelines which provide appropriate education in a fiscally conservative form.

Mentally Handicapped Education

OBJECTIVE: To identify school-aged students having mental handicaps and to provide educational opportunities which will assist them to develop according to their interests and abilities and, when possible, become assimilated into regular instructional programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 202,812	\$ 224,322	\$ 247,062	\$ 262,328	\$ 281,898	\$ 305,435	\$ 323,283
Special Funds		1,250	5,775	6,064	6,367	6,686	7,020
Federal Funds	759	1,070	1,031	1,025	1,028	1,031	1,034
Other Funds	22,396	27,490	28,835	29,850	30,850	31,850	32,850
TOTAL	\$ 225,967	\$ 254,132	\$ 282,703	\$ 299,267	\$ 320,143	\$ 345,002	\$ 364,187

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Pupils enrolled in programs for the mentally handicapped	57,300	60,250	60,000	58,800	58,000	57,200	57,000
Full-time equivalent enrollment	45,600	48,200	48,100	47,500	46,500	45,500	45,300
Special Education Program Audits	13	2	10	10	9	10	10
Approved Private School Evaluations	2	17	10	9	10	9	10
Budget Reviews Conducted	39	39	39	39	39	39	39
Special Education Plans Amended	479	479	479	479	479	479	479

Program Analysis:

This program provides instruction for pupils who are mentally retarded or socially and emotionally disturbed and includes pupils in detention homes. The major portion of the mentally handicapped are retarded; those children are grouped in three areas of exceptionality. The educable mentally retarded have less than average IQ's but are able to cope with the demands of every day life; the trainable mentally retarded can usually learn to cope with life situations; the severely and profoundly retarded are unable to cope with everyday life and so are entirely dependent on others. The other exceptionality included in the mentally handicapped category is socially and emotionally disturbed; these children are of at least average IQ but because of their emotional problems function at below average level academically.

A computerized child tracking system has been developed so that the department can be aware of services to children as they move from program to program or district to district. The system has permitted the reporting of more detail information on the education of mentally handicapped in

terms of full and part time students and resource room and itinerant room enrollments. As the system has become fully implemented it has also provided a more accurate count of students in mentally handicapped programs through the elimination of double counting and other data errors inherent in manual data systems. This full implementation accounts for the change in the measure for pupils enrolled.

Private school placement affects socially and emotionally disturbed children most in this program since they comprise virtually all of the mentally handicapped private school enrollment. Mainstreaming of the students and more emphasis on public rather than private placement should begin to reduce the reliance of the less severely handicapped on private schools. A Department of Education special education study in 1978 reported results for three classifications of mentally handicapped pupils. The results, in the categories studied, appear encouraging. Socially and emotionally disturbed pupils, in the course of somewhat less than a school year, gained 1.4 years in social age (measured by

Mentally Handicapped Education (continued)

Program Analysis: (continued)

a test that compares social maturity with chronological age), and seven-tenths of a grade in achievement (reading, spelling and arithmetic). Educable Mentally Retarded (EMR) pupils also gained 1.4 years in social age and progressed three-tenths of a year in achievement. Trainable mentally retarded pupils gained a year in social age and their profile scores (on a test to measure skills necessary for independence) increased by 15 percent from beginning to end of the study period.

In addition to public and private schools, programs for the mentally handicapped are conducted in nine State schools and hospitals. These children are, in most cases, severely mentally retarded and there are no standardized criteria for determination of the effectiveness of their educational program.

Beginning this year, there are a number of new measures supporting this program. The measure "Special Education Program Audits" refers to an in-depth audit conducted at least once every three years for each Intermediate Unit and its school districts. The audits provide an analysis of the number and quality of the special education programs being offered.

Presently all audits have been suspended until September 1984, as the audit teams are under Federal order to evaluate all approved private schools during the current fiscal year.

An evaluation of an approved private school is used to determine the schools compliance with Federal and Commonwealth mandates regarding the provision of special education programs to severely involved exceptional children. Federal regulations require these evaluations to be held once every two years and while the Commonwealth had fallen behind their schedule, it is anticipated that by the 1984-85 fiscal year this program should be on a normal cycle.

This program also conducts reviews of each Intermediate Unit's proposed budget for special education programs to ensure the proposed budget coincides with mandated programs and approved special education plans.

Special education plans are operational descriptions of programs and services provided to exceptional children. Since funding is based to a large extent on the plans, local educational agencies keep their plans current through the amendment process. Department of Education approval is necessary for any plan amendment in areas involving either funding or compliance with law.

In recognition of the special needs of handicapped children, the 1984-85 budget includes funds for expansion of the Commonwealth's early intervention program. This program is discussed in the Early Intervention—Handicapped Children Program Revision which follows this subcategory.

Mentally Handicapped Education (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 103	\$ 93	\$ 98	\$ 102	\$ 108	\$ 113	\$ 119
Equalized Subsidy For Basic Education ..	50,462	58,337	66,204	70,174	77,031	86,353	91,100
Authority Rentals and Sinking Fund							
Requirements	4,495	4,680	5,010	4,930	4,930	5,075	4,930
Pupil Transportation	4,187	6,270	5,719	5,889	6,242	6,812	7,014
Pupil Transportation—Special Education	5,113	5,349	7,302	7,580	8,035	8,517	8,848
Nonpublic Pupil Transportation	186	251	218	212	213	220	214
Special Education	100,040	108,339	117,259	125,467	134,250	143,647	153,703
Homebound Instruction	31	38	32	32	32	32	32
Tuition for Orphans and Children Placed in Private Homes	2,270	2,661	2,349	2,765	2,917	3,029	3,195
Special Education—Approved Private							
Schools	7,322	7,615	8,148	8,719	9,392	9,982	10,680
Intermediate Units	296	325	348	355	373	403	411
School Employees' Social Security	3,283	3,937	4,585	4,760	5,032	5,425	5,440
School Employees' Retirement Fund:							
Contingent Reserve and Supplemental							
Accounts	8,604	10,356	12,472	12,824	13,534	14,637	14,933
State Schools and Hospitals—Education .	15,676	16,071	17,195	18,400	19,690	21,068	22,545
Philadelphia Settlement	744	.....	.....	.....	.....	.....	.....
School District Payments—Racing .....	.....	.....	123	119	119	122	119
GENERAL FUND TOTAL	\$ 202,812	\$ 224,322	\$ 247,062	\$ 262,328	\$ 281,898	\$ 305,435	\$ 323,283
STATE LOTTERY FUND							
Early Intervention—Handicapped							
Children .....	.....	.....	\$ 5,775	\$ 6,064	\$ 6,367	\$ 6,686	\$ 7,020
REVENUE SHARING TRUST FUND							
Special Education .....	.....	\$ 1,250	.....	.....	.....	.....	.....

**Mentally Handicapped Education
Program Revision: Early Intervention—Handicapped Children**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 10,500	\$ 11,025	\$ 11,577	\$ 12,156	\$ 12,764

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Preschoolers served in public schools							
Current	7,056	7,777	7,800	7,800	7,800	7,800	7,800
Program Revision .....	.....	.....	15,419	17,519	19,619	19,719	19,819
Preschoolers served in approved private schools							
Current	95	95	100	100	100	100	100
Program Revision .....	.....	.....	190	190	190	190	190

Program Analysis:

Early intervention is the identification of problems facing mentally and/or physically handicapped children and the attempt to remediate them before a child's development is seriously affected. Early intervention includes a broad range of services depending on each child's needs. Services may include infant stimulation, developmental motor skills therapy (walking, feeding, etc.) educational programs, psychological testing and treatment.

Research done on children who receive these early intervention services shows that the children experience significant developmental improvements and often require fewer specialized services later in life.

The first five years of life are critical for all children and take on even greater importance for those youngsters with handicaps. A tremendous amount of growth and development takes place during this important stage. Although the preschool years have been acknowledged widely as the foundation for later learning, many young handicapped children are not being provided the necessary services to maximize their growth and development.

Preschool programs in Pennsylvania are provided to children below the legal school entry age of four years seven months (in all but four districts, in which the age is one year older). Programs are provided by the Department of Education, through the Commonwealth's 29 intermediate units, using Federal funds provided under the Education of All Handicapped Children Act—Part B and the Preschool Incentive Act. Some preschoolers are served in approved private schools, also under the Department of Education's purview.

In addition, the Department of Education passes Federal funds through to the Department of Public Welfare, which uses those funds to supplement state and county funds to

serve mentally retarded and "at risk" children in 86 programs in the mental health/mental retardation system.

It is estimated that Department of Education programs will serve 7,777 children in 1983-84, and the Department of Public Welfare programs will serve another 6,076. Other children are served by various private (Easter Seal, church programs, etc.) and public (such as Head Start) programs.

However, if the prevalence of handicapping conditions among children from birth to school entry age is the same as that of first graders, current programs are only serving slightly over half the children who might benefit from them, and there is considerable variation in the availability of services from one part of the state to another.

Given the educational benefit to the child, the social and psychological benefit to the family, and the long-term economic benefit to society arising from early intervention programs, this program revision request is designed to increase greatly the Department of Education's ability to provide and expand these services for handicapped children.

This program would increase the funds available to the 29 intermediate units so they can better identify and then serve handicapped children from birth to school entry age, and to enable the Department of Education to assure greater uniformity in the availability of services across the state. It is expected that in the first year, the total percentage of children served will increase from just over 50 percent to about 85 percent, with those in public and approved private schools doubling. Program growth will be phased in over three years, due to the time necessary to develop outreach programs, to assure that children are not "misabeled," and to increase considerably the size of the existing service delivery system. However, by using an existing system, additional administrative costs including those for transpor-

Mentally Handicapped Education

Program Revision: Early Intervention—Handicapped Children (continued)

Program Analysis: (continued)

tation, will be kept to a minimum.

The Department of Education will also strengthen coordination of its delivery system to ensure that parents are informed of programs and that children are appropriately located, evaluated and placed in programs.

Beginning in 1985-86, the additional children served in this program will generate additional federal funding and those funds will then be available to provide for the remainder of the program's expansion to its maximum capacity.

Program Revision Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
LOTTERY FUND							
Early Intervention — Handicapped Children	<u>.....</u>	<u>.....</u>	<u>\$ 5,775</u>	<u>\$ 6,064</u>	<u>\$ 6,367</u>	<u>\$ 6,686</u>	<u>\$ 7,020</u>

In addition to the amounts shown above, this Program Revision also includes funding in the following subcategory in the Department of Education.

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Physically Handicapped Education							
LOTTERY FUND							
Early Intervention — Handicapped Children	<u>.....</u>	<u>.....</u>	<u>\$ 4,725</u>	<u>\$ 4,961</u>	<u>\$ 5,210</u>	<u>\$ 5,470</u>	<u>\$ 5,744</u>

Physically Handicapped Education

OBJECTIVE: To identify those children having physical handicaps and to provide educational opportunities which will help them to develop according to their abilities and, when possible, become assimilated into regular instructional programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 274,592	\$ 301,681	\$ 330,630	\$ 358,345	\$ 388,878	\$ 420,660	\$ 458,209
Special Funds .....	.....	1,000	4,725	4,961	5,210	5,470	5,744
Federal Funds	863	1,187	1,143	1,137	1,140	1,193	1,146
Other Funds	22,806	27,588	28,950	29,966	30,967	31,882	32,882
TOTAL	\$ 298,261	\$ 331,456	\$ 365,448	\$ 394,409	\$ 426,195	\$ 459,205	\$ 497,981

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Pupils enrolled in programs	119,400	119,000	119,500	120,000	120,450	120,500	120,500
Full-time equivalent enrollment	35,080	35,000	35,250	35,300	35,400	35,450	35,450
Special Education Program Audits	13	2	10	10	9	10	10
Approved Private School Evaluations	2	18	10	10	10	10	10
Budget Reviews Conducted	39	39	39	39	39	39	39
Special Education Plans Amended	479	479	479	479	479	479	479

Program Analysis:

This program consists of education for pupils who have special needs as the result of orthopedic disabilities, brain injuries and learning disabilities, and impairments in speech, hearing or vision.

The new computerized child tracking system developed by the department has provided revised data on enrollments in these programs. The computerized system has eliminated the double counting and other data errors inherent in the previous manual system and therefore provides a more accurate count of physically handicapped students being served. The changes in the program measures do not represent a decrease in students served. As with any new data system, the child tracking system is subject to verification and future modification of the reported data.

There is concern that the educable mentally retarded students are being misclassified as learning disabled, a physically handicapped classification. Indications are that the misclassification results in incorrect treatment and less effective education of the pupil as well as administrative dif-

ficulties in planning and budgeting. Placement of a relatively large percentage of learning disabled pupils in the regular classroom for at least part of their education contains costs.

Although placements of the physically handicapped will stabilize, educational costs are increasing because services stipulated in the individual education plan (IEPs) have become more extensive. In additional vocational training for the hearing impaired is becoming a significant service.

Finally, the concept of integration (mainstreaming) will assist the approved private schools to maintain their status on the educational continuum by reducing the number of mildly handicapped enrolled and changing the role of these schools so that they serve the multihandicapped or the severely handicapped who cannot be appropriately placed in the public school sector. The mainstreaming concept may stabilize some escalating costs in special education at the State and local levels.

Beginning this year, there are a number of new measures supporting this program. The measure "Special Education

Physically Handicapped Education (continued)**Program Analysis: (continued)**

Program Audits'' refers to an in-depth audit conducted at least once every three years for each Intermediate Unit and its school districts. The audits provide an analysis of the number and quality of the special education programs being offered and their compliance with pertinent Federal and Commonwealth statutes.

Presently all audits have been suspended until September 1984, as the audit teams are under Federal order to evaluate all approved private schools during the current fiscal year.

An evaluation of an approved private school is used to determine the school's compliance with Federal and Commonwealth mandates regarding the provision of special education programs to severely involved exceptional children. Federal regulations require these evaluations to be held once every two years and while the Commonwealth had fallen behind their schedule, it is anticipated that by the 1984-85 fiscal year this program should be on a normal cycle.

This program also conducts review of each Intermediate

Unit's proposed budget for special education programs to ensure the proposed budget coincides with mandated programs and approved special education plans.

Special education plans are operational descriptions of programs and services provided to exceptional children. Since funding is based to a large extent on the plans, local educational agencies keep their plans current through the amendment process. Department of Education approval is necessary for any plan amendment in areas involving either funding or compliance with law.

In recognition of the special needs of handicapped children, this budget includes funding for a Program Revision Request that would significantly expand the Commonwealth's Early Intervention Program. This revision would be funded from the State Lottery Fund and is fully discussed in the Program Revision immediately following the Mentally Handicapped Education subcategory.

Physically Handicapped Education (continued)

ESTIMATED ENROLLMENTS FOR 1982-83
PHYSICALLY HANDICAPPED PROGRAMS

Type of Handicap	Total Enrollment
Physically disabled	1,116
Brain injured and learning disabled	42,342
Hearing impaired	2,882
Visually impaired	1,613
Speech and language impaired	55,091
Mixed handicapped category	16,356
TOTAL	119,400

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 82	\$ 74	\$ 78	\$ 81	\$ 85	\$ 90	\$ 94
Scranton State School for the Deaf	2,408	2,414	2,572	2,701	2,836	2,977	3,126
Equalized Subsidy for Basic Education	105,807	118,443	130,517	144,477	160,860	177,640	198,278
Authority Rentals and Sinking Fund							
Requirements	9,425	9,222	9,877	10,150	10,295	10,440	10,730
Pupil Transportation	8,780	12,730	11,275	12,124	13,035	14,012	15,266
Pupil Transportation — Special Education ..	10,717	10,861	14,367	15,390	16,315	17,293	18,512
Nonpublic Pupil Transportation	390	494	430	437	445	453	466
Special Education	80,032	86,671	93,808	100,374	107,400	114,918	122,962
Homebound Instruction	490	587	493	493	493	493	493
Special Education—Approved Private							
Schools	29,289	30,461	32,593	34,874	37,253	39,928	42,724
Higher Education of Blind or Deaf							
Students	50	50	50	50	50	50	50
Intermediate Units	622	641	686	731	778	829	894
School Employees' Social Security	6,884	7,993	9,039	9,800	10,508	11,160	11,840
School Employees' Retirement Fund:							
Contingent Reserve and Supplemental							
Accounts	18,041	21,025	24,589	26,403	28,262	30,110	32,500
Educational Radio and Television Grants ..	15	15	15	15	15	15	15
Philadelphia Settlement	1,560	.....	.....	.....	.....	.....	.....
School District Payments—Racing .....	.....	.....	241	245	248	252	259
GENERAL FUND TOTAL	\$ 274,592	\$ 301,681	\$ 330,630	\$ 358,345	\$ 388,878	\$ 420,660	\$ 458,209
STATE LOTTERY FUND							
Early Intervention—Handicapped Children ..	.....	.....	\$ 4,725	\$ 4,961	\$ 5,210	\$ 5,470	\$ 5,744
REVENUE SHARING TRUST FUND							
Special Education .....	.....	\$ 1,000	.....	.....	.....	.....	.....

Gifted and Talented Education

OBJECTIVE: To provide quality educational programs to exceptional pupils to develop their fullest potential.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 108,970	\$ 121,065	\$ 129,526	\$ 142,526	\$ 157,104	\$ 168,837	\$ 184,769
Special Funds .....	.....	250	.....	.....	.....	.....	.....
Other Funds	89	.....	.....	.....	.....	.....	.....
TOTAL	<u>\$ 109,059</u>	<u>\$ 121,315</u>	<u>\$ 129,526</u>	<u>\$ 142,526</u>	<u>\$ 157,104</u>	<u>\$ 168,837</u>	<u>\$ 184,769</u>

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Pupils enrolled in programs for the gifted .	67,850	67,500	67,200	67,000	67,000	67,000	67,000
Special Education Program Audits	13	2	10	10	9	10	10
Budget Reviews Conducted	39	39	39	39	39	39	39
Special Education Plans Amended	479	479	479	479	479	479	479

Program Analysis:

Education for the gifted is comprised of differential opportunities and higher level cognitive training provided by special and regular education for students with extraordinary intellectual potential. Twenty-nine intermediate units and 501 school districts share the responsibility for providing an enriched learning milieu individualized to the intellectual and interest level of each gifted student.

The program is based on the department's special education plan which gives general structure to areas such as student identification, screening and evaluation, facilities, curriculum, instructional materials, and program evaluation while allowing for local decisions in areas such as program scope and depth, personnel selection and training and organizational patterns. In some cases, full-time programs are provided, but most often regular education with peers is supplemented with part-time special programs, resource rooms, seminars, itinerant teachers and independent study. Each program is geared to meet the particular student learning levels, rates and styles.

The major issue for this program has been the scarcity of dollars and trained personnel. The program has now reached most of the target population on at least a part time basis; the emphasis now is program development rather than identification.

The law as interpreted through the courts requires that an individualized education plan be prepared for each child and reviewed annually. The State has developed procedures for parents to negotiate with school staff on an appropriate program for their child. Colleges and universities are moving toward providing teacher training programs specifically to educate the gifted with a total of 16 now offering one or more courses.

A data collection and program monitoring system forms the basis for program audit resulting in an accurate perception of the overall program options, degree of compliance and additional measures needed.

An additional segment of the program consists of two special programs for exceptionally talented high school students. The Governor's School for the Arts brings together approximately 225 students and a highly qualified staff from across the State for an intensive five week summer program in the arts. The Pennsylvania School for the Sciences is a program designed to bring together students who have been identified as outstandingly talented in the sciences. The School for the Sciences, which operated for the first time in the summer of 1982, serves approximately 65 students annually.

The recommend funding amount for this program in-

Gifted and Talented Education (continued)

Program Analysis: (continued)

cludes funds for an initiative that would create and operate an educational program for talented high school students in the fields of social studies, history and foreign languages. This School for International Studies will provide intensive training for 60 students the first year with enrollment estimated to be about 200 when the program is fully operational.

The students will attend a five week course of study with the initial site being the University of Pittsburgh. It is anticipated that the site will rotate among various colleges and universities throughout the Commonwealth.

Beginning this year, there are a number of new measures supporting this program. The measure "Special Education Program Audits" refers to an in-depth audit conducted at least once every three years for each Intermediate Unit and its school districts. The audits provide an analysis of the number and quality of the special education programs be-

ing offered and their compliance with pertinent Federal and Commonwealth statutes.

Presently all audits have been suspended until September 1984, as the audit teams are under Federal order to evaluate all approved private schools during the current fiscal year.

This program also conducts reviews of each Intermediate Unit's proposed budget for special education programs to ensure the proposed budget coincides with mandated programs and approved special education plans.

Special education plans are operational descriptions of programs and services provided to exceptional children. Since funding is based to a large extent on the plans, local educational agencies keep their plans current through the amendment process. Department of Education approval is necessary for any plan amendment in areas involving either funding or compliance with law.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 21	\$ 19	\$ 20	\$ 21	\$ 22	\$ 23	\$ 24
Equalized Subsidy for Basic Education	61,856	68,944	73,770	82,558	92,891	101,156	112,536
Authority Rentals and Sinking Fund							
Requirements	5,510	5,368	5,583	5,800	5,945	5,945	6,090
Pupil Transportation	5,133	7,410	6,373	6,928	7,528	7,979	8,664
Nonpublic Pupil Transportation	228	288	243	250	257	258	265
Special Education	20,008	21,667	23,452	25,094	26,850	28,730	30,740
Intermediate Units	363	373	388	418	450	472	508
School Employee's Social Security	4,024	4,653	5,109	5,600	6,068	6,355	6,720
School Employees' Retirement Fund:							
Contingent Reserve and							
Supplemental Accounts	10,547	11,925	13,898	15,088	16,320	17,146	18,446
Philadelphia Settlement	912						
School District Payments — Racing			136	140	144	144	147
Pennsylvania School for the Sciences	100	150	200	200	200	200	200
Governor's School for the Arts	268	268	279	279	279	279	279
School for International Studies			75	150	150	150	150
GENERAL FUND TOTAL	\$ 108,970	\$ 121,065	\$ 129,526	\$ 142,526	\$ 157,104	\$ 168,837	\$ 184,769
REVENUE SHARING TRUST FUND							
Special Education		\$ 250					

Compensatory Preschool Education

OBJECTIVE: To assure that children under eight years of age from culturally and economically deprived families are able to learn effectively in the elementary school environment.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 17,560	\$ 21,606	\$ 22,918	\$ 24,634	\$ 26,575	\$ 28,510	\$ 34,180
Other Funds	5,437	6,642	7,330	7,350	7,350	7,350	7,350
TOTAL	\$ 22,997	\$ 28,248	\$ 30,248	\$ 31,984	\$ 33,925	\$ 35,860	\$ 41,530

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Eligible disadvantaged children	19,000	20,000	21,000	21,000	21,000	21,000	21,000
Enrollments	14,000	15,000	14,500	14,500	14,500	14,500	14,500
Programs reviewed	20	20	20	20	20	20	20
Programs evaluated	20	20	20	20	20	20	20

Program Analysis:

Children from economically and educationally disadvantaged families across the Commonwealth are enrolled in preschool compensatory programs which provide them with special activities that will help overcome any educational disadvantage they may experience when they enter elementary school. More than one half of the children are enrolled in activities under Chapter I of the Federal Education Consolidation and Improvement Act (ECIA). Acceptance into this program is based solely on measures of educational deprivation. The remainder of the children are in programs for children from low income families who may or may not be educationally deprived. These programs include Head Start, Preschool Day Care and Follow Through.

Participation in Follow Through continues to decrease as Federal funding is being phased out. Head Start and Preschool Day Care should increase slightly due to increased levels of Federal funding while participation under

Chapter I of ECIA should remain constant.

Preschool activities in nearly all the programs contain a concentration of activities designed to improve basic skills in reading and mathematics. The Commonwealth reviews all programs to ensure compliance with all statutory requirements and also evaluates selected programs to measure their effectiveness.

To date, all analyses indicate these programs have a positive effect on the educational experience of the children involved. One of the largest programs in the Commonwealth, the Philadelphia preschool program, continues to show that its children perform somewhat better than similar children who are not in the program. Of particular interest is that when parents are involved in decisions about the program, their children show greater gains than children whose parents were not involved.

Compensatory Preschool Education (continued)

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Equalized Subsidy for Basic Education	\$ 11,395	\$ 14,142	\$ 15,132	\$ 16,512	\$ 18,125	\$ 19,738	\$ 24,115
Authority Rentals and Sinking Fund							
Requirments	1,015	1,101	1,145	1,160	1,160	1,160	1,305
Pupil Transportation	945	1,520	1,307	1,386	1,469	1,557	1,857
Nonpublic Pupil Transportation	42	59	50	50	50	50	57
Tuition for Orphans and Children Placed in Private Homes	437	436	470	467	478	489	501
Education of Migrant Laborers' Children . .	7	7	8	9	9	10	11
Education of the Disadvantaged	800	800	800	800	800	800	800
Intermediate Units	67	76	80	84	88	92	109
School Employes' Social Security	741	954	1,048	1,120	1,184	1,240	1,440
School Employes' Retirement Fund:							
Contingent Reserve and Supplemental Accounts	1,943	2,511	2,850	3,018	3,184	3,346	3,953
Philadelphia Settlement	168						
School District Payments—Racing			28	28	28	28	32
GENERAL FUND TOTAL	\$ 17,560	\$ 21,606	\$ 22,918	\$ 24,634	\$ 26,575	\$ 28,510	\$ 34,180

Compensatory Elementary and Secondary Education

OBJECTIVE: To insure that economically and socially disadvantaged students attain an educational level commensurate with their ability.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 282,244	\$ 333,967	\$ 351,430	\$ 383,450	\$ 416,821	\$ 457,345	\$ 493,346
Federal Funds	1,925	2,734	2,570	2,557	2,564	2,571	2,578
Other Funds	215,789	254,776	256,322	263,578	270,578	277,578	285,578
TOTAL	\$ 499,958	\$ 591,477	\$ 610,322	\$ 649,585	\$ 689,963	\$ 737,494	\$ 781,502

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Eligible disadvantaged children	423,000	435,000	435,000	435,000	435,000	435,000	435,000
Enrollments	220,000	236,000	228,000	228,000	228,000	228,000	228,000
Programs reviewed	500	500	500	500	500	500	500
Programs evaluated	30	250	250	250	250	250	250

Program Analysis:

Compensatory Education under the Federal Education Consolidation and Improvement Act (ECIA), continues its focus on the basic skills of reading, mathematics and communication for children who are not in need of special education but because of educational disadvantage are well behind their peers academically. The program operates at all levels from preschool, described previously, through primary, intermediate and high school years.

Enrollments in this program are anticipated to increase over previous estimates due to an increase in Federal funds. This increase is due to utilizing the 1980 census data as the basis for the distribution of funds which results in the Commonwealth receiving more than it received under the 1970 census.

Although the new ECIA does not contain the regulatory direction of the old Elementary and Secondary Education Act (ESEA), school districts continued a complete concentration of services on the basic skills of reading, mathematics and communication in writing and speaking. The State functions moved from a regulatory position to a position of supportive technical assistance. This assistance is primarily in analyzing test results by grade, advising districts in the selection of participants, and in advising districts in the dissemination of program results.

Under ECIA, compensatory education continues to have three major components; supplemental education for educationally disadvantaged children attending regular public and private schools; education for children of migrant workers which continues through the summer; and the education programs in State operated youth development centers, youth forestry camps, adult correctional institutions (for youth under 21), and private residential rehabilitative institutions.

Remedial instruction in the regular school environment serves children apart in small groups for less than an hour a day for intensive instruction in the basic skills. Small districts are able to provide only this intensive instruction; large districts with larger funding provide some psychological guidance, counselling, medical and dental care. The program is supported by Federal funds under the Education Consolidation and Improvement Act in addition to State funds.

The evaluation of the regular school situation program is reported on a normal curve equivalent (NCE) scale as required by the Federal Government. NCEs are used because of the position of the Federal Government that scores from most nationally normed tests can be translated into NCEs that are comparable. In this way local districts can decide which tests they prefer locally yet the results of that testing

Compensatory Elementary and Secondary Education (continued)

Program Analysis: (continued)

can be compared with test scores of children across the country from many other tests.

The results of such testing in Pennsylvania show that in seven of the nine grades analyzed, Pennsylvania's compensatory programs are more successful than other such programs across the country. This means that many of Pennsylvania's participants are now catching up to average children. Disadvantaged children generally begin in the program far behind the achievement level of regular students. The program is designed to shorten and eliminate wherever possible the achievement gap between average children and children in compensatory programs.

The second portion of the compensatory program involves children of migrant workers. Over 5,000 children are currently served, including those who are eligible for a period of five years after their parents are no longer considered to be migrants. These children have the unique problem of their continually mobile state which results in very brief periods of schooling in each area and the fact that for a large number of them English is often a second language.

The summer educational programs conducted by the Commonwealth deal with the social, emotional and educational needs of the migrant child. For example, offerings might include personal health and hygiene instruction in support of diagnostic and prescriptive instruction in the basic skills. The programs are provided by contract with local agencies such as state colleges. The educational and medical

history of each child is available through the National Migrant Student Record Transfer System. This information is utilized by specifically trained teachers who must improve student self-esteem and self-confidence while offering an appropriate educational program for their students. The uniqueness of this educational program is required due to the transient way of life of the migrant child.

The third part of the program is education in the Commonwealth's youth development centers, youth forestry camps and private residential rehabilitative institutions (PRRIs). The instruction in these institutions is compensatory because an ongoing needs assessment continues to indicate that on the average students are functioning three or more years below normal based on their chronological age. As a result, additional programs are designed to provide remedial instruction on an individual or small group basis. Review and comparison of pre and post test scores for reading and mathematics indicate that students are progressing at a rate of one and one-half months for each month in the program. This fact is even more significant when you consider that prior to enrollment in this program the average gain for students in reading and mathematics was less than one-half month for each month of their previous educational experience.

The Commonwealth reviews program to ensure compliance with all statutory requirements and evaluates selected programs to determine their effectiveness.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 43	\$ 39	\$ 41	\$ 43	\$ 45	\$ 47	\$ 49
Equalized Subsidy for Basic Education	180,686	215,672	228,877	253,866	280,938	313,337	342,967
Authority Rentals and Sinking Fund Requirements	16,095	16,793	17,321	17,835	17,980	18,415	18,560
Pupil Transportation	14,993	23,179	19,772	21,304	22,766	24,716	26,405
Nonpublic Pupil Transportation	666	900	754	769	777	798	807
Tuition for Orphans and Children Placed in Private Homes	8,293	8,373	8,925	8,870	9,078	9,291	9,509
Education of Migrant Laborers' Children ..	134	140	149	155	163	170	178
Education of the Disadvantaged	200	200	200	200	200	200	200
Intermediate Units	1,062	1,167	1,203	1,284	1,359	1,462	1,547
School Food Services	11,026	10,715	10,844	10,950	11,050	11,150	11,250
School Employees' Social Security	11,755	14,555	15,851	17,220	18,352	19,685	20,480
School Employees' Retirement Fund:							
Contingent Reserve and Supplemental Accounts	30,808	38,285	43,120	46,394	49,359	53,111	56,217
Educational Radio and Television Grants ..	45	45	45	45	45	45	45
Youth Development Centers -- Education ..	3,488	3,618	3,618	3,799	3,989	4,188	4,398
Private Residential Rehabilitative Institutions	186	186	186	186	186	186	186
Philadelphia Settlement	2,664						
School District Payments -- Racing			424	430	434	444	448
Education of Indigent Children	100	100	100	100	100	100	100
GENERAL FUND TOTAL	\$ 282,244	\$ 333,967	\$ 351,430	\$ 383,450	\$ 416,821	\$ 457,345	\$ 493,346

Vocational Education

OBJECTIVE: To prepare high school students for vocation occupations which have opportunities for gainful employment in Pennsylvania's economy.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 310,784	\$ 347,032	\$ 357,517	\$ 389,000	\$ 429,831	\$ 450,041	\$ 493,412
Federal Funds	\$ 2,785	\$ 4,088	\$ 3,575	\$ 3,556	\$ 3,566	\$ 3,576	\$ 3,586
Other Funds	\$ 46,179	\$ 35,528	\$ 36,806	\$ 37,150	\$ 37,160	\$ 37,180	\$ 37,185
TOTAL	\$ 359,748	\$ 386,648	\$ 397,898	\$ 429,706	\$ 470,557	\$ 490,797	\$ 534,183

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Enrollments in occupational programs	182,000	174,900	170,700	170,000	169,800	162,900	162,900
Graduates from occupational programs	59,400	57,000	55,600	55,400	55,300	53,000	53,000
Graduates available for employment	42,100	40,400	39,400	39,300	39,200	37,600	37,600
Graduates available for employment employed within one year	31,000	29,800	29,000	28,950	28,900	27,700	27,700
Area Vocational Technical Schools (AVTS) audits	12	17	19	19	19	16	17
AVTS audit exceptions	170	126	117	117	117	60	60

Program Analysis:

Vocational education takes place in both comprehensive high schools and area vocational-technical schools. Curricula include agriculture, office and health occupations, wholesale and retail services, occupational home economics, and technical and industrial occupations.

The Department of Education intends that all students not planning to attend college should have the opportunity to learn vocational skills; that target group includes approximately half the high school population, which will continue to decline. For the benefit of the students and the economic development of the Commonwealth, the vocational curricula is continuously being examined by the department to ensure that the programs offered reflect the needs of the job market of today and the next decade.

In addition to the regular vocational program, special and innovative activities attempt to improve the effectiveness of vocational services. Such activities include instruction, remedial programs and other supportive services to disadvantaged and handicapped students; cooperative education programs which provide on-the-job training through agreements with business and industry, work-study pro-

grams which provide earnings to potential dropouts to encourage them to remain in school; activities to eliminate sex bias and stereotyping in vocational curriculum; and the development, dissemination and implementation of competency-based vocational curriculum.

Act 115 of 1982 eliminated the process of the Commonwealth's advance payments directly to Area Vocational Technical Schools (AVT's). School districts are now given the responsibility to work directly with the AVTS of which they are members to negotiate their payments for education of district pupils. By this change, the Commonwealth removes itself from an intermediary role and gives the districts direct control over the program in which they participate.

Act 115 also changed the method of funding vocational education to a weighted system compared to the previous law which specified that payments would be made on average daily membership and cost differentials. The vocational education weighting factor recognizes the higher cost of educating vocational students just as the weighting factors for secondary and kindergarten students recognize

Vocational Education (continued)

Program Analysis: (continued)

educational cost differentials in the basic instruction subsidy.

Area vocational technical schools are audited for compliance every five years. The compliance review evaluates procedures and practices relative to Chapter Six of the Pennsylvania State Board Regulations, Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972

and Section 504 of the Rehabilitation Act of 1973.

Audit exceptions indicate the instances of non-compliance and it is anticipated that as the Department of Education works with the various Area Vocational Technical Schools this measure will decline.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 2,033	\$ 1,838	\$ 1,937	\$ 2,033	\$ 2,135	\$ 2,242	\$ 2,354
Thaddeus Stevens Trade School	2,363	2,382	2,487	2,611	2,742	2,879	3,023
Equalized Subsidy for Basic Education ...	223,008	240,421	249,684	274,506	308,126	325,674	361,723
Vocational Education	12,623	25,540	24,195	25,405	26,676	28,010	29,410
Authority Rentals and Sinking Fund							
Requirements	14,645	13,765	13,886	14,500	14,790	14,355	14,645
Pupil Transportation	13,372	18,619	15,850	16,974	18,360	18,878	20,423
Nonpublic Pupil Transportation	606	738	617	625	639	622	636
Intermediate Units	966	956	965	1,023	1,096	1,116	1,196
School Employes' Social Security	10,696	11,691	12,969	14,000	15,096	15,345	16,160
School Employes' Retirement Fund:							
Contingent Reserved and							
Supplemental Accounts	28,033	31,067	34,572	36,965	39,806	40,565	43,480
Educational Radio and Television Grants .	15	15	15	15	15	15	15
Philadelphia Settlement	2,424						
School District Payments — Racing			340	343	350	340	347
GENERAL TOTAL.....	\$ 310,784	\$ 347,032	\$ 357,517	\$ 389,000	\$ 429,831	\$ 450,041	\$ 493,412

Community Education

OBJECTIVE: To provide educational opportunities for citizens 16 years of age and over whose lack of basic educational skills or English language limitations constitute a substantial impairment of their ability to adapt to and function successfully within contemporary society.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 2,711	\$ 4,326	\$ 5,150	\$ 5,311	\$ 5,481	\$ 5,659	\$ 5,846
Federal Funds	2,063	4,747	4,787	4,901	4,976	5,052	5,128
Other Funds	4,695	4,704	4,879	4,804	4,804	4,804	4,804
TOTAL	\$ 9,469	\$ 13,777	\$ 14,816	\$ 15,016	\$ 15,261	\$ 15,515	\$ 15,778

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Enrollment in Adult Basic Education Programs	30,284	30,000	31,000	32,000	32,000	33,000	33,000
Adult education classes under contract	1,213	1,200	1,270	1,340	1,340	1,400	1,400
Corrections Education:							
Enrollments in programs in correctional institutions	3,490	3,600	4,100	4,400	4,500	4,500	4,500
Classes presented	135	140	145	150	150	150	150
General Educational Development Diplomas (GED's) issued	21,985	22,000	22,100	22,200	22,200	22,300	22,300

Program Analysis:

The first priority of the community education program is to provide basic education courses to adults who do not have basic skills in reading, math and the English language. According to the 1980 census there are 1,331,659 adults in Pennsylvania with less than a ninth grade education and 2,783,186 with less than a twelfth grade education. The population seeking basic education has increased in recent years partly because of the influx of refugees requiring English language skills and because high school dropouts are being required by employers to acquire diplomas.

There are 236 Adult Basic Education (ABE) programs in the Commonwealth according to a survey conducted by the Department of Education. Approximately half of the classes are held in the local schools; many are conducted in correctional institutions which will be discussed later. The majority of the students enrolled are young and single; men and women participate in equal numbers. During the 1982-83 year, of 30,284 enrollees, 7,186 completed the eighth grade program and 6,965 participated in GED classes. Of the students which successfully completed the General Educa-

tional Development Diploma (GED) course, 3,782 passed the test, and 1,899 either obtained a job or moved to a better job as a result of program participation.

The projected drop in participation in adult basic education between the current estimate for 1983-84 and the estimate used in last year's budget is a result of a decrease in Federal funds.

The education television program administered by the Department of Education/State Library includes a \$200,000 initiative for 1984-85 to expand volunteer adult literacy training. Public and commercial television stations will be involved in the effort to recruit volunteer tutors, train those volunteers, and recruit students lacking basic skills. Current research indicates that individual tutoring rather than classroom instruction is most effective for basic instruction for illiterate adults. There are 44 volunteer literacy councils in the Commonwealth affiliated with libraries, school districts, churches, and other groups whose growth will be furthered by this program. The funding will cover the purchase of programming, preparation of training materials,

Community Education (continued)

Program Analysis:

and purchase of air time to advertise the program.

The second priority of community education is to aid educationally disadvantaged adults to go beyond the basic skills and secure a high school diploma. There are many ways to achieve that goal:

The first is the standard evening high school program where the student attends evening classes to gain the necessary units to qualify for the local school district diploma. This program is being phased down because funds from the Equalized Subsidy for Basic Education and district moneys are being decreasingly allocated by the districts for auxiliary programs.

Second is the GED program which is a series of five subject tests standardized by the National Education Testing Agency. Testing centers approved by the State provide testing and upon satisfactory passing of the test the student receives a GED certificate which is the Commonwealth Secondary School Diploma. Under the basic adult education program, classes to prepare for the GED test are provided to adults at no tuition cost and some school districts have ruled through their school boards to award the school district's own diploma to any student who passes the GED test after studying in an adult basic education program sponsored by the school.

Finally, adult competency based high school diplomas are awarded by school districts where an external high school adult competency system has been established and where there has also been established a system of credit by examination in those adult competencies which have been accepted by the local school district's administration.

In recognition of the need for adult literacy training nationwide, the Federal government has included adult literacy programs as part of the new Job Training Partnership Act. The Commonwealth has provided the required matching funds for these programs which are directed at assisting Pennsylvania's economically disadvantaged citizens to enter or re-enter the workforce equipped with the basic educational and occupational skills necessary to meet the needs of employers. At the same time these efforts will assist in reducing dependency on public assistance.

A substantial basic education program is provided to adults at the Commonwealth's nine correctional institutions. Adults who are incarcerated in the institutions are provided the opportunity to participate in an education program which includes: an assessment component that diagnoses the academic achievement levels of each inmate entering an educational program; a basic education curriculum with instruction geared to preparation for the General Education Development diploma; remedial instruction in reading and mathematics; and vocational education and training with the emphasis on providing entry level employment skills.

There are also opportunities to obtain college level instruction on a selected regional basis throughout the state system.

The population of the nine state operated correctional institutions has expanded to over 11,000 adults. This is an 11.4 percent increase over the population a year ago. The education programs throughout the state system service approximately 30 percent of this population. Educational involvement is on a voluntary basis with each prison within the system developing an education program unique to the physical environment and the specific needs of its clients. The student inmates are provided a monetary incentive to attend classes based on the Bureau of Correction's statewide Inmate Compensation Plan. This is an indexed plan based on the minimum wage received for the work assignment.

The corrections institution's education program includes a \$517,000 initiative to accommodate the educational needs of the increasing institutional population. As part of the effort to combat adult illiteracy \$300,000 of those funds will be used to provide additional basic skills programs in each institution. The remaining \$217,000 will provide for expansion of the vocational education program to increase the employability of the inmates upon their release.

SCI—Camp Hill has an education program that has over thirty different programs, an assessment counselor, and a job placement specialist. College courses are available at the institution through Harrisburg Area Community College. The vocational component has six full-time programs; auto mechanics, carpentry, drafting, electronics, printing, and small gas engine repair. Part-time programs are offered in a variety of trade and industrial programs and office practice. Academic instruction in the basic skills areas is also provided.

SCI—Dallas has an education program that includes an assessment unit and 21 full and part-time programs. The vocational component operates 4 full-time programs: auto body repair, barbering, carpet installation, and welding. There are also part-time vocational offerings in a variety of trades and industrial areas. A basic education curriculum which includes an English as a second language program and a GED component complement the vocational offerings.

SCI—Graterford—This is the largest correctional facility in Pennsylvania. The vocational offerings of the institution include full-time courses in carpentry, barbering, dental technology, air conditioning/refrigeration and small gas engine repairs. A welding program will be added this fiscal year. The basic education courses are organized around a learning center concept. A job placement specialist has been hired to help inmates in finding post-release employment.

SRF—Greensburg—This institution is a medium security, short-term institution. Vocational courses offered at the

Community Education (continued)

Program Analysis:

prison include commercial art, automotive repair, carpentry and plumbing. An academic component includes remedial reading, basic skills and GED instruction. Greensburg also incorporated one of the first job placement programs in the state institution system.

SCI-Huntingdon—Opened in 1889, this institution is the second oldest in the State system. The vocational offerings at this institution include full-time programs in auto-mechanics, office practice, and printing. A variety of part-time trades and industrial courses are offered in the evening hours. Huntingdon took the lead in the State system in obtaining apprenticeship approval in a number of their vocational offerings. The academic component includes a remedial reading program and a learning center basic education program and also offers GED traditional classroom instruction.

SRF-Mercer—The newest of the State correctional facilities serves a 14 county area in Northwest Pennsylvania. The Education Department has vocational offerings in auto-mechanics, office practice, construction trades, and electronics. A remedial reading program, a career awareness course, and GED instruction are provided in the academic curriculum. Mercer has also incorporated a job-placement specialist in their program.

SCI-Muncy—All female offenders in the State system are housed at SCI-Muncy. The Education Department has vocational offerings in both traditional and non-traditional areas such as auto-mechanics, micro-computers, driver training, home economics and office practice. A certified cosmetology program is also operated by the Bureau of Correction. Academic instruction leading to a GED diploma is available and a job placement specialist has been hired.

SCI-Pittsburgh—Opened in 1882, this is the oldest

operating State institution. The Education Department has full-time vocational offerings in: welding, radio and TV repair, auto-mechanics and soon, an auto body repair program. An academic component offering career awareness courses, basic instruction, and GED classes is available. A job-placement specialist is also employed to help the students make job contacts. The University of Pittsburgh offers college courses leading to a bachelor degree.

SCI-Rockview—One education program at Rockview offers full-time vocational training in drafting, masonry, and shoe-repair. Part-time programs in a variety of trades and industrial areas are provided during the evening hours. A forestry and agricultural program is also operating in cooperation with Penn State and Centre County Vocational Technical School.

The Governor's Office of Budget has completed a study of the corrections education program. The study was designed to measure the effects of this education on post release behavior and adjustment.

The results of the study indicate that education, by itself, is probably not an effective instrument for reducing recidivism, although it might be effective if combined with some other treatment such as job placement. In response to those findings, the Department has established five job placement programs in the prison system.

The Commonwealth's commitment to this program, regardless of its effect on recidivism, is based on the intrinsic value of education and the fact that the prison population in general is severely educationally disadvantaged.

Also included in this program is the Pennsylvania Ethnic Heritage Studies Center, which became operational at the University of Pittsburgh in April, 1975 and now includes a program at the Balch Institute in Philadelphia.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 157	\$ 141	\$ 149	\$ 156	\$ 164	\$ 172	\$ 181
Correctional Institutions Education	2,454	2,465	3,081	3,235	3,397	3,567	3,745
Job Training Partnership		1,620	1,620	1,620	1,620	1,620	1,620
Educational Radio and Television			200	200	200	200	200
Ethnic Heritage	100	100	100	100	100	100	100
GENERAL FUND TOTAL	\$ 2,711	\$ 4,326	\$ 5,150	\$ 5,311	\$ 5,481	\$ 5,659	\$ 5,846

Higher Education

OBJECTIVE: To fulfill Pennsylvania's requirements for graduates of higher education programs, to respond to the demands of students for higher education, and to support the public institutions providing those programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 681,455	\$ 725,076	\$ 772,305	\$ 789,233	\$ 809,384	\$ 830,395	\$ 850,774
Federal Funds	294	382	399	398	399	400	400
Other Funds	638	810	75,501	75,469	469	469	469
TOTAL	\$ 682,387	\$ 726,268	\$ 848,205	\$ 865,100	\$ 810,252	\$ 831,264	\$ 851,643

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Summer Interns	1	38	140	160	180	180	180
Programs evaluated	945	1,024	1,006	1,027	1,060	1,006	1,037
Special studies conducted	142	151	148	153	148	153	148
Higher Education Equal Opportunity Grants (Act 101 Grants)	67	68	70	70	70	70	70
Enrollment in State supported institutions	298,860	300,636	303,313	305,912	307,414	309,695	311,534
Office of Civil Rights reviews	1	32	32	32	32	32	32
Higher Education for the disadvantaged grants	67	68	70	70	70	70	70
Teacher certifications	22,941	25,000	24,000	25,000	24,000	25,000	24,000

Program Analysis:

Higher education in Pennsylvania is provided through 217 degree-granting institutions which include the 14 universities of the State System of Higher Education, four State-related universities, 12 State-aided colleges and universities, 14 community colleges, and over 100 independent colleges, universities, and specialized degree-granting institutions. Because the institutions offer a significant spectrum of programs and services throughout the State, they are an important asset to the Commonwealth and to its citizens, businesses and industries.

The growth in the number and size of these institutions has been promoted not only by individual perceptions of the worth of a college education but also through the State government's recognition of the value of an educated

populace as evidenced in the appropriations to higher education institutions. The Commonwealth's funding of higher education supports a wide variety of academic curricula, at both public and private institutions, to satisfy educational needs of individuals as well as those of the State for specialized manpower, an educated populace, a research capability, and the intangible inspiration and creativity generated by the learning process and the association of scholars. The economic return on the Commonwealth's investment in higher education is many-faceted. It includes direct institutional expenditures of economic significance, heightened citizen expectation for goods and quality of life, and a training and research capability which attracts new businesses and industries to the State.

Higher Education

Program Analysis: (continued)

Funding for 1984-85

Major increases in funding for higher education institutions and student assistance are provided for the budget year. The subsidies to the Community Colleges, the State system of Higher Education, the State Related Universities, the State Aided colleges and universities will increase by over \$46 million. The increase for the Community Colleges is almost 7 percent, the increase for the State System of Higher Education and the basic programs of the State Related Universities is 7 percent. This is the largest increase to these institutions since 1975-76. In addition, an equipment purchase program to be funded over two years from liquor franchise revenues will provide \$110 million (\$55 million in 1984-85) for science and engineering equipment for institutions of higher education.

An additional \$6.9 million is provided through the Higher Education Assistance Agency for student assistance and Institutional Assistance Grants. A new program offers scholarships for graduates of Lincoln and Cheyney Universities for professional studies at the State Related Universities.

In total, new funds for higher education in 1984-85 will total \$107,729,000 and will provide an increase equal to over 13 percent of current year funding.

The recent incorporation of the former State colleges and university into the State System of Higher Education gives these institutions, as a system, the necessary freedom and flexibility to operate more efficiently and compete more effectively in the higher education marketplace, and dramatically alters the process and perception of higher education in Pennsylvania.

With the Department of Education no longer responsible for administration of the State universities, the Office of Higher Education is now in a position to begin to provide broad coordination services to all the sectors of post-secondary education. Additional responsibilities which are congruent with this newly-defined role include liaison with Pennsylvania Higher Education Assistance Agency (PHEAA), national accrediting agencies, the State Board's Council of Higher Education, and other governing boards; policy review and development based on comprehensive planning and research; implementation of a postsecondary education master planning process and the Commonwealth of Pennsylvania Plan for Equal Opportunity in the State-Supported Institutions of Higher Education; and advancement of State initiatives designed to strengthen particular academic and research areas.

As part of the initiative entitled Agenda for Excellence in Education, the Department of Education has proposed a revised professional preparation program which will prepare better educators to meet the learning needs of our

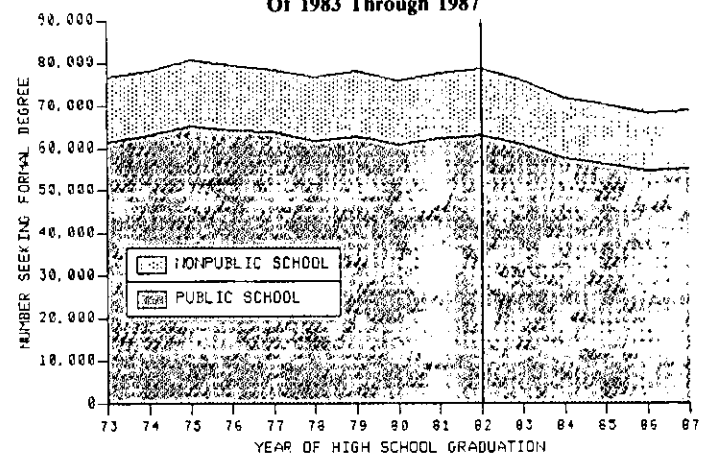
children. The new design for teacher preparation includes improving the quality and content of teacher education programs, criteria for admission to those programs, revision of standards for certification, and the design and implementation of an induction process for first year educators. A standard statewide testing program for teacher certification will be developed and implemented.

Enrollment Projection

The recent past of higher education has been dynamic, characterized by growth in enrollments and resources. However, higher education has entered a period that will be generally characterized by declining enrollments, limited fiscal resources and adjustments in institutional missions.

The projected decline in enrollments in Pennsylvania has two basic components. First, the 18 to 24 year-old age group in Pennsylvania is declining. Population projections indicate that the 18 year-old age group peaked in 1979 and in the 1980s this traditional college student pool will decline by 20 to 25 percent. This decline in college-age students is one of the most severe in the nation. The effect of this decline in Pennsylvania is currently being obscured by a marked rise in the number of older, part-time students. Although numbers are decreasing, the proportion of Pennsylvania high school graduates choosing to continue their education at a Pennsylvania degree-granting institution has increased from 52.4 percent in 1972 to 55.1 percent in 1982 with a low of 48.3 percent in 1974. The Department of Education has projected that the percentage will stabilize after the middle of the 1980's, at around 54 percent.

Figure 1
High School Graduates Continuing Study in a Degree-Granting Institution With Projections For Graduates Of 1983 Through 1987



Higher Education

Program Analysis: (continued)

This stabilization in the percentage of high school graduates going on to higher education can be attributed to a number of factors, including the increased cost of higher education, the reduction in the income differential between college graduates and persons with less than a college education, the level of unemployment or underemployment of college graduates, the rejection of the view that a college education has an inherent value, and the elimination of the military draft.

State supported higher education institutions are projecting some overall growth in enrollments in contrast with the Department's projections of decline.

The following table presents full-time equivalent (FTE) enrollment as projected by the various sectors of higher education which receive State appropriations. As can be seen, some of the state-supported institutions have indicated that they do expect a decline in FTE enrollments during the next five years.

Table 1

Full-Time Equivalent Enrollments at State-Supported Institutions of Higher Education, Actual and Projected

Institutional Category	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
State System of Higher Education	77,039	77,341	77,569	77,570	77,134	77,015	76,975
State-Related Universities	118,739	116,960	116,339	115,879	114,631	113,748	113,288
Community Colleges	65,269	68,568	71,279	74,309	77,411	80,630	82,932
State-Aided Institutions	37,813	37,767	38,126	38,154	38,238	38,302	38,339
TOTAL	298,860	300,636	303,313	305,912	307,414	309,695	311,534

Table 1 indicates that the state supported institutions are projecting a 4.2 percent increase in overall FTE enrollments between 1982-83 and 1988-89. The State-related universities have projected a steady overall 4.6 percent decline in enrollment over the projection period. The community colleges have anticipated the largest enrollment increase of any sector amounting to 27.1 percent between 1982-83 and 1988-89. The State System of Higher Education projects a very slight decrease of only 64 FTE students (.08 percent) over the entire period. The State-aided institutions have projected a small increase of 1.4 percent over the same period.

Projections of College Graduate Supply

Along with higher education enrollment size, the mix of enrollments by discipline will shape the future of higher education. In large part the public's perception of the effectiveness of higher education could be affected by the institution's success in offering programs which meet the job-related needs of the public. An appropriate mix will be crucial in eliciting public acceptance and support in future years for a variety of reasons.

related needs of the public. An appropriate mix will be crucial in eliciting public acceptance and support in future years for a variety of reasons.

Students have, in recent years, become more aware of the job market and economic realities. For that reason they are choosing job-oriented disciplines with good employment rates such as the health professions, engineering, computer sciences, and business. Particularly impressive is the growth in related technologies in these fields.

Other areas, including social sciences, agriculture, education and human service and public affairs oriented disciplines are seen as decreasing in reflection of the potential job market.

Table 2 shows the Department of Education's current projections of degrees to be awarded by the State supported degree-granting institutions of higher education in Pennsylvania through 1988-89. The charts following show degree projections for all institutions including the private sector.

Higher Education

Program Analysis: (continued)

Table 2

Higher Education Degrees Awarded by State-Supported Institutions of Higher Education, Actual and Projected

Institutional Category	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
State System of Higher Education	15,076	15,004	15,065	15,047	15,130	15,134	15,225
State-Related Universities ^a	27,429	26,914	26,839	26,790	26,714	26,700	26,664
Community Colleges ^a	14,502	15,033	15,529	15,899	16,304	16,673	17,007
State-Aided Institutions.....	10,184	10,277	10,377	10,378	10,444	10,428	10,457
TOTAL	67,191	67,228	67,810	68,114	68,592	68,935	69,353

^aIncludes technologies

Figure 2

Associate And Baccalaureate Degrees Awarded By Higher Education Institutions With Projections For 1982-83 To 1986-87

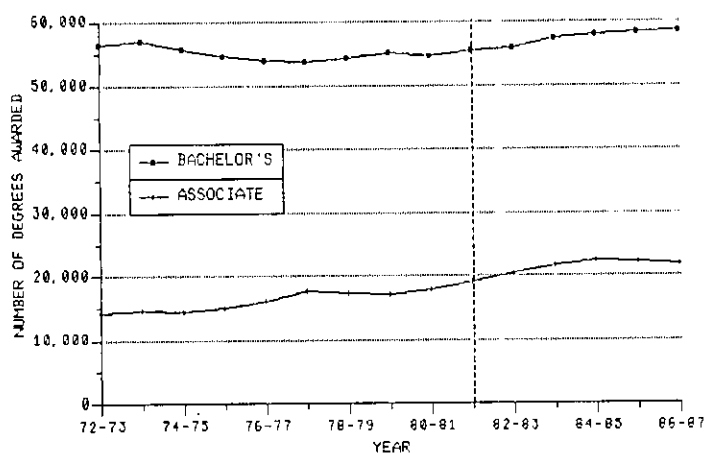
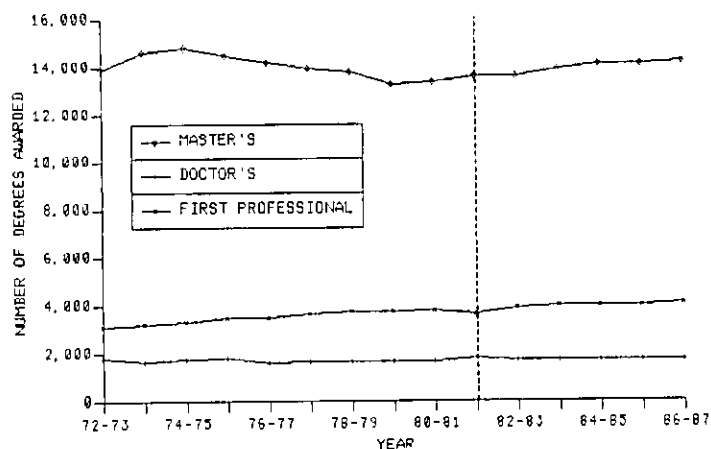


Figure 3

Degrees Awarded Above the Baccalaureate By Higher Education Institutions With Projections For 1982-83 To 1986-87



Employment Trends

The Department of Education's annual follow-up studies of graduates can be used as a measure of the success that recent graduates at every level and in each discipline have had in finding employment that is related to their field of study. The Department prepares a yearly report based on a survey of the graduates of the previous spring. The most recent report indicates that unemployment among 1982 bachelor degree recipients from Pennsylvania institutions of higher education had increased from 10 percent to 14 percent, apparently as a consequence of the recent recession. This approaches the unemployment figures for bachelor degree recipients from the classes of 1977 and 1978 which were 16 percent and 13 percent respectively. By program area, the 1982 bachelor degree recipients in the fields of the

health professions, engineering and architecture, computer and information sciences, home economics and mathematics had high rates of placement in their field of preparation. Business and management graduates, while still experiencing high employment rates, were somewhat less successful in 1982 than 1981. At the same time bachelor degree graduates from the class of 1982 in the fields of social sciences, letters, psychology, interdisciplinary studies and foreign languages experienced poor job placement in degree-related positions. Success in obtaining jobs related to their fields of study remains good for graduates with associate degrees, master's degrees, doctorate and first professional degrees; but there is also evidence of an impact from the recent recession at those levels.

Higher Education

Program Analysis: (continued)

Figure 4

Proportion Of Postgraduate Activity For Each Degree Level As Of 1982

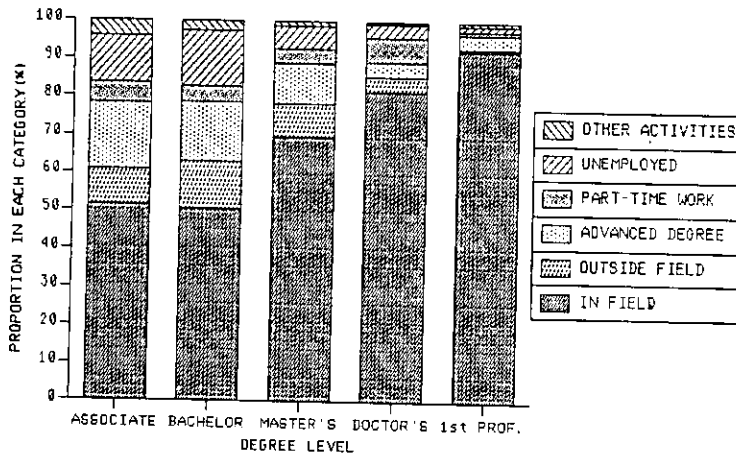
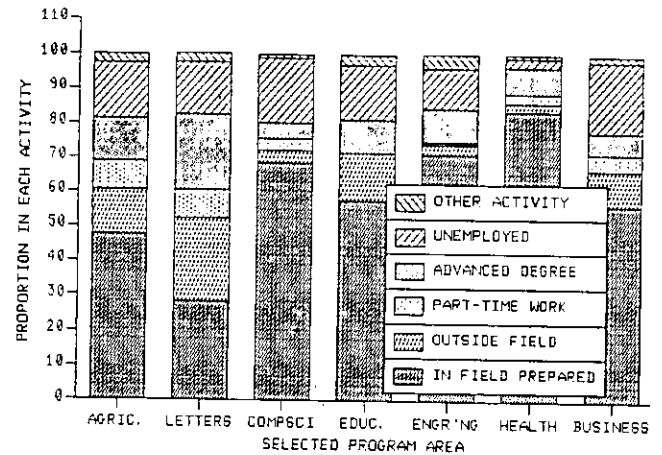


Figure 5

Baccalaureate Patterns Of 1982 Postgraduate Activity By Selected Program Area



The postgraduate activity for 1982 of graduates at various degree levels are shown in Figure 4, while Figure 5 gives similar data for selected program areas.

While specific fields of study do vary widely in the degree to which their graduates find it easy to obtain related employment at the time of graduation, it should also be remembered that liberal arts and sciences graduates, for example, do not obtain directly relevant employment as often as most graduates. This does not mean that they find their education to be valueless. They may, in fact, be more likely to be successful in the long run because of the intellectual skills they have developed than will more narrowly specialized graduates in a field such as engineering who, initially, easily obtain a relatively high salaried position. The more specialized graduates may find it difficult to rise beyond a certain point in their careers when more generalized management skills become important.

Program Budget Considerations

As priorities of the State of Pennsylvania have changed in recent years, the importance of certain academic disciplines has increased. While the overall mission of Penn-

sylvania's higher education institutions is to provide a broad and liberal education to all graduates within the limitations of a particular program and degree level, certain programs are of strategic concern because they play a crucial role in meeting the economic and social needs of the Commonwealth by providing trained and skilled professionals to help meet those needs.

Figure 6 provides a pie diagram of 1982-83 FTE enrollments by major program area in State-supported institutions of higher education. Actual and projected FTE enrollments, as provided by these institutions for the program areas, are presented in Table 3. The thrust to develop high technology industry in Pennsylvania has resulted in attention to computer science. In addition, mounting concern over the need for individuals who are skilled in languages other than English and are familiar with other cultures has resulted in greater concern about area studies/foreign languages. The importance of education in realizing Pennsylvania's goals is seen as also requiring a detailed look at the need for teachers in certain specialties. Selected program categories which reflect these concerns are emphasized in the narrative.

Higher Education (continued)

Program Analysis: (continued)

Table 3
Actual 1982-83 and Projected 1983-84 to 1988-89
State-Supported Institution FTE Enrollments by Subject Area^a

Subject Area	Number of Students and as Percent of Total	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	Change
Agricultural and Natural Resources	#	4,396	4,094	3,868	3,713	3,598	3,545	3,506	-20.25
	%	1.47	1.36	1.27	1.22	1.17	1.14	1.12	
Arts and Letters	#	31,049	30,908	30,723	30,496	30,143	29,816	29,845	-3.88
	%	10.39	10.28	10.13	9.97	9.80	9.63	9.58	
Business Management, Commerce and Data Processing	#	58,103	58,751	59,319	59,743	60,320	60,391	60,403	3.96
	%	19.44	19.54	19.56	19.53	19.62	19.50	19.39	
Education	#	30,745	30,233	29,896	29,274	29,520	29,472	29,567	-3.83
	%	10.29	10.06	9.85	9.71	9.60	9.52	9.49	
Engineering and Architecture	#	25,720	25,943	26,305	26,558	26,730	26,750	26,666	3.68
	%	8.61	8.63	8.67	8.68	8.69	8.56		
Health Professions, Health Sciences, and Biological Sciences	#	31,450	31,435	32,001	32,387	31,879	31,839	31,892	1.41
	%	10.52	10.46	10.55	10.59	10.37	10.28	10.24	
Human Services and Public Affairs	#	15,136	14,683	14,430	14,014	13,729	13,648	13,551	-10.47
	%	5.07	4.88	4.73	4.58	4.47	4.41	4.35	
Physical Sciences, Earth Sciences, and Mathematics	#	16,530	16,578	16,705	16,822	16,801	16,859	16,844	1.90
	%	5.53	5.51	5.51	5.50	5.47	5.44	5.41	
Social Studies and Area Studies	#	24,865	24,786	24,654	24,537	24,241	24,234	24,153	-2.86
	%	8.32	8.24	8.13	8.02	7.89	7.83	7.75	
Technologies	#	43,048	44,871	46,460	48,492	50,394	52,413	54,153	-2.86
	%	14.40	14.93	15.32	15.85	16.39	17.38		
Interdisciplinary Studies	#	17,818	18,354	19,042	19,436	20,059	20,728	20,970	17.69
	%	5.96	6.11	6.28	6.35	6.53	6.69	6.73	
TOTAL	#	298,860	300,636	303,313	305,912	307,414	309,695	311,534	4.24
	%	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

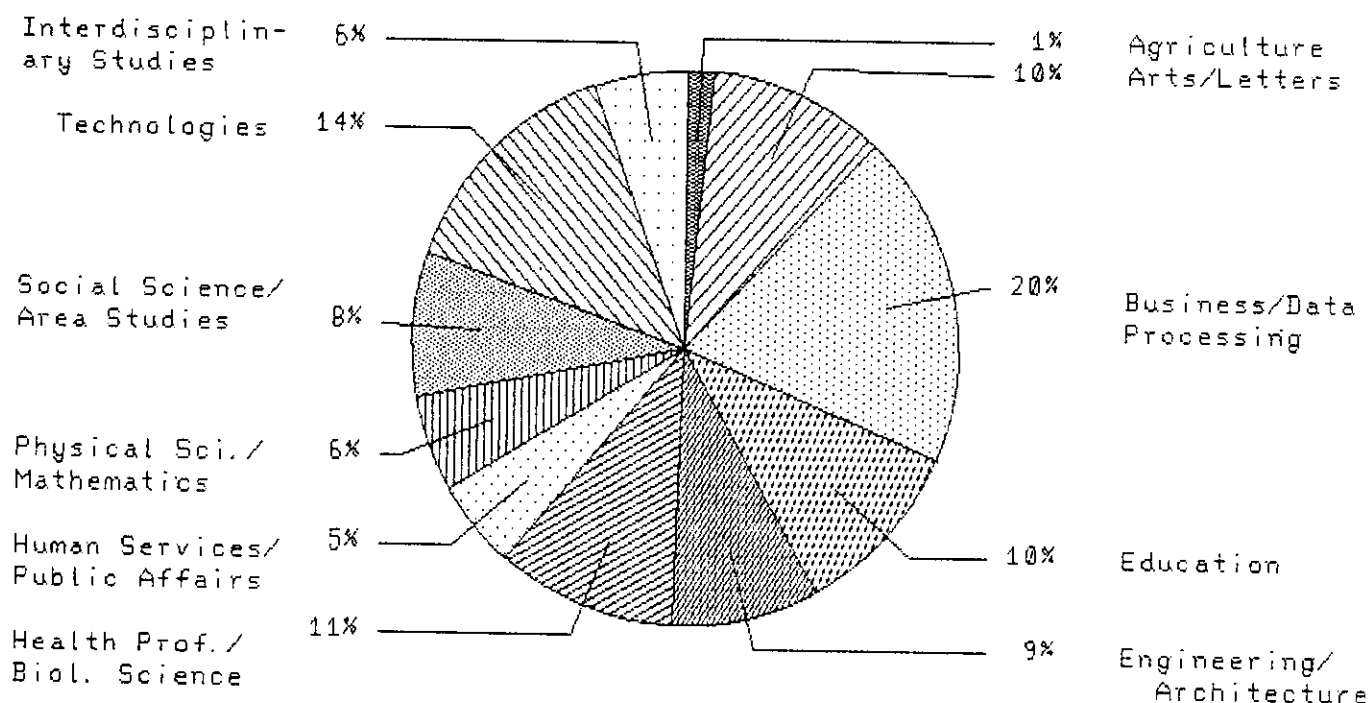
^aProjections of full-time equivalent enrollment made by the State System of Higher Education, the state-related, the state-aided and the community colleges from the base year of 1982-83.

Higher Education

Program Analysis: (continued)

Figure 6

Higher Education Program Area 1982-83 Enrollments
In State Supported Higher Education Institutions



Agriculture

Agriculture, for example, has come to the fore as the state's leading industry because of the decline of steel-making which had, until now, been the state's major industry. Educational programs in agriculture and natural resources are currently being offered at two state-supported institutions: The Pennsylvania State University and Delaware Valley College of Science and Agriculture.

Full-time equivalent enrollment in this program area has declined from 5,305 in 1981-82 to 4,094 in 1983-84 and is projected to drop to 3,506 by 1988-89 (see Table 3). The decline is partly the result of the recent poor economy; but a survey has shown that it may also reflect the effect of lower tuitions at out-of-state land-grant institutions and a preference of potential students for main campus rather than branch campus matriculation. Enrollments are, therefore, expected to continue to decrease throughout this decade.

While there has been an overall leveling of basic farm-worker employment, other employment opportunities show great promise for future graduates. Agricultural business management and agricultural engineering are by far in the greatest demand. There is also a projected need for college-trained educators, agronomists, environmentalists, nutritionists, plant scientists, economists and computer specialists. These individual disciplines are important to insure an increase in agricultural productivity. It is becoming evident that there will be an increased demand (world-wide) for food during the 1980s with a consequent increase in demand for specialists in these disciplines.

As students continue to react to the job market, the enrollment in colleges of agriculture will drift to the more specialized skill areas such as management, marketing and system analysis within the agriculture discipline. At present, place-

Higher Education

Program Analysis: (continued)

ment at the bachelor's degree level is good nationwide; the latest statistics from the U.S. Department of Agriculture show that the overall job market is being satisfied. However, shortages currently exist in terms of those with advanced degrees in agricultural business management, agricultural engineering, animal science, food science, natural resources, plant science and soil science. The graduates of 1982 had an unemployment rate of 16.2 percent compared with the figure of 14.0 percent for all baccalaureate graduates. Also, 47.4 percent were employed in degree-related agriculture and natural resources positions compared to a figure of 50.0 percent for similar baccalaureate degree recipient employment in general.

Teacher Education

A disparity currently exists between the number of teachers prepared each year and the number that find teaching employment. However, the size of the disparity appears to be decreasing over that which existed during the period of the early and mid-seventies (see Figures 7 and 8).

The oversupply has been caused primarily by an earlier dramatic increase in the number of teachers prepared, which stabilized in the late sixties and early seventies, followed by a marked decline in the number prepared coupled with a decline in elementary and secondary enrollments during the same period. Although it is true that basic education enrollments have continued to decline with a concurrent

overall decline in demand for elementary and secondary education teachers, the demand for certain specialty areas such as vocational education, adult education and special education has nevertheless persisted. This situation is seen as continuing in the immediate future although shortages may eventually ensue as an aging teacher work-force begins to reach retirement age.

In response to this oversupply problem, fewer students have been seeking to become teachers, and many institutions have been making internal program shifts to other curricular areas of manpower need such as business, computer science, the health sciences and the health professions. The extent to which the institutions of higher education need to make further program shifts is not yet fully known. The trends in this area must be carefully watched for the next few years in order to avoid continued oversupply, or future undersupply of teachers in the State. How to attract qualified candidates into teacher education may become a very real problem in a time of falling enrollments followed by increasing need.

The Department of Education now projects a continued decrease in enrollments for grades 5 through 12 and of degree graduates in secondary education. Graduates in elementary education and enrollments in grades K through 4 are projected to increase. Overall enrollments in the schools are projected to increase by 2,226 or 0.2 percent between 1982-83 and 1987-88, with 1984-85 expected to be the last year of decline before enrollments again begin to in-

Figure 7

Postgraduate Teaching Activity Of Certificated Graduates In Elementary Education

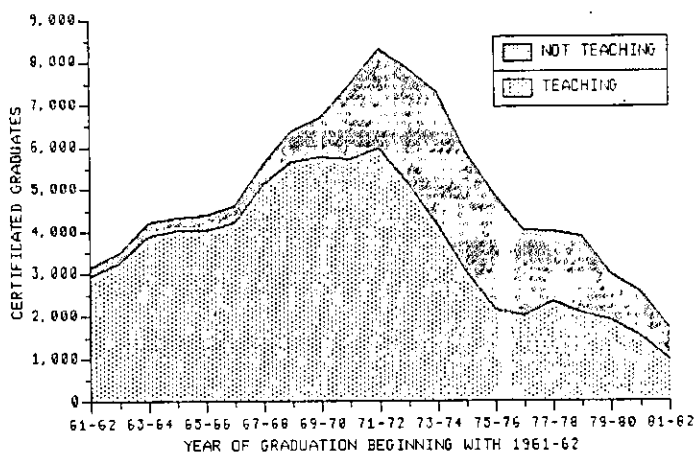
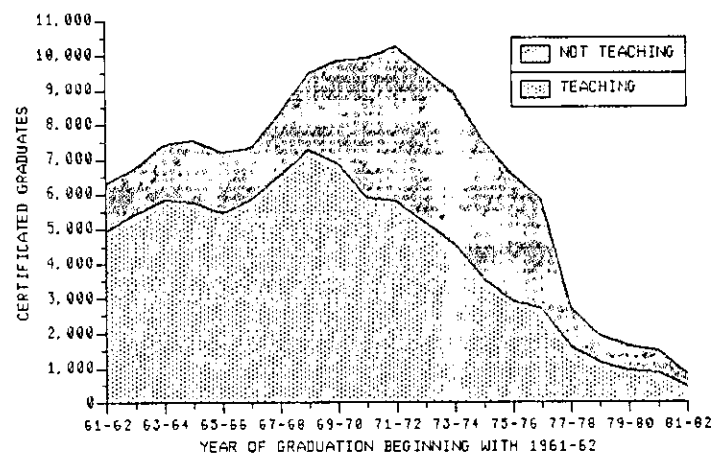


Figure 8

Postgraduate Teaching Activity Of Certificated Graduates In Secondary Education



Higher Education

Program Analysis: (continued)

crease. This increase corresponds to the increasing number of births resulting from the maturing of the baby boom generation. As these children continue to enter school, there will be some increase in demand for teachers in general during the 1980s, especially at the elementary level, and in the 1990s at the secondary level.

Newly certificated graduates in education are projected to drop from 7,172 in 1981-82 to 7,150 in 1986-87 but with the growth in numbers occurring in elementary education (2,446 to 2,750) and in special education (1,580 to 1,750). Of the students receiving teaching certificates in 1982, 57.5 percent were employed as teachers, while 15.5 percent were unemployed.

Mathematics and Physical Science Teachers

The current awareness of the importance of high technology in the future economic growth of industry in the United States and the Commonwealth has also focused awareness upon the schools and especially upon the science curricula of the public schools. It has been a matter of growing concern to the Commonwealth that there may be, to some degree, a shortage of trained teachers in the areas of mathematics and the physical sciences. A recent examination of the data concerning employment of mathematics and science teachers made by the Department of Education has indicated that, contrary to reported national shortages, Pennsylvania is not currently experiencing a shortage of mathematics and science teachers with the possible exception of teachers of physics.

Current vacancies are apparently being filled by previously-certificated teachers with only 7.5 percent of Pennsylvania's public school principals reporting difficulty in filling such vacancies. This has compensated for the fact that the supply of newly certificated mathematics and science graduates is at an all-time low (see Figures 9 through 13).

When the pool of previously-certificated mathematics and science teachers is exhausted there may be a temporary shortage situation; but it is believed that the current effort to encourage more students to become teachers of mathematics and science by offering PHEAA grants to them should begin to pay off in at most four years, when shortages may be expected. In the 1990's, however, further efforts may be needed as secondary school enrollments begin to increase rather than decrease.

Foreign Language Teachers

While foreign language teachers may possibly be found to be in somewhat short supply as the State's new basic

education requirements are implemented, there is no current evidence that any shortages now exist despite the marked drop in the number of certificated graduates prepared over the last ten years (see Figure 14). Currently 61 percent of the certificated graduates were found to be teaching a foreign language in a public or private school with 73 percent of these teachers teaching in Pennsylvania. Careful monitoring of the situation will be required following implementation of the new requirements to make sure that no shortages do develop.

Business, Management, Commerce and Data Processing

Full-time equivalent enrollment in this area is projected to increase by approximately 3.96 percent between 1982-83 and 1988-89. For the fourth consecutive year, growth in enrollments in this area has occurred. Enrollments for 1984-85 are up by almost one thousand over 1982-83. The major increase in enrollments is now expected to come from the community college sector of higher education. In the State System of Higher Education, where business has until now been a fast growing "new mission" curriculum, it is now estimated that enrollments will decrease slightly from 22,268 FTE in 1983-84 to 22,252 in 1988-89. In contrast, the State-related universities are projecting an increase from 20,850 FTE to 21,532 (3.2 percent).

Students with master's degrees in any of these fields will have especially good job opportunities. The growth in graduate and baccalaureate degree business opportunities is the result of changes in job requirements. More complex computers and other technological advances and the need for familiarity with government regulations have resulted in demand for college graduates in positions traditionally held by those less well educated. Student response to this growing job market is projected to increase the total number of degrees conferred between 1982-83 and 1988-89 by 12.5 percent for associate degrees, 2.0 percent for bachelor's degrees and 5.6 percent for graduate degrees.

Department of Education graduate follow-up data on 1982 graduates indicates that computer science baccalaureate degree recipients had the third highest rate for full-time related employment of 68.4 percent (see Figure 5); however, this contrasts with the 1981 rate of 94 percent. Business graduates were relatively less successful. Their related employment rate was 56.4 percent in contrast to a 1981 rate of 68.8 percent. For those with a master's degree in business, however, the rate of job-related employment was again 79 percent. It is likely that these decreases are related to the recently less favorable economic conditions. The College Placement Council, however, has projected a 19 percent increase in demand for graduates in the business disciplines in 1984.

Higher Education

Program Analysis: (continued)

Figure 9

Postgraduate Teaching Activity Of Certificated Graduates In Mathematics

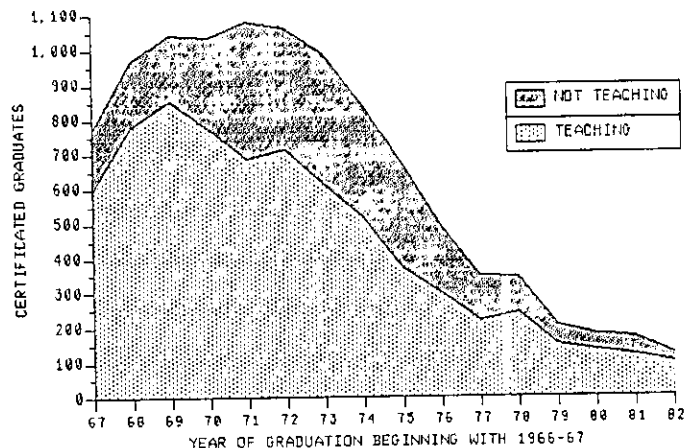


Figure 11

Postgraduate Teaching Activity Of Certificated Graduates In Biological Science

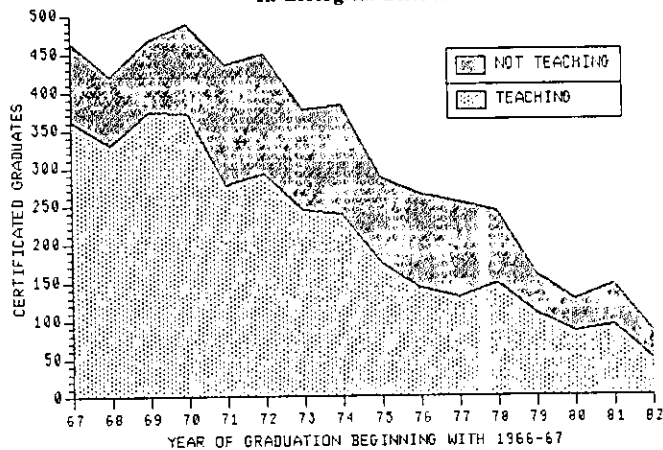
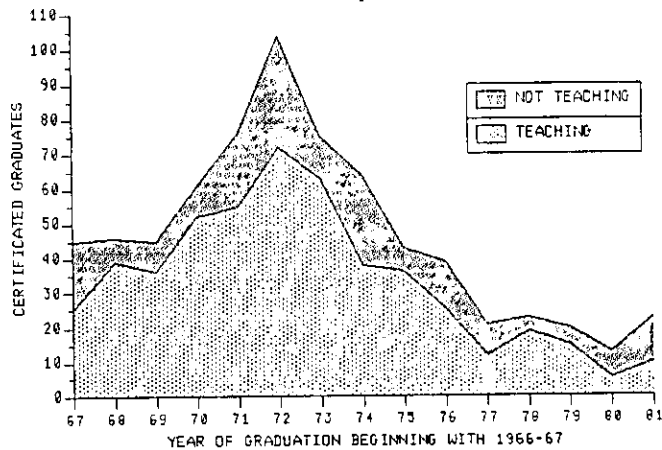


Figure 13

Postgraduate Teaching Activity Of Certificated Graduates In Physics*



*Data For 1982 Graduates Not Available.

Figure 10

Postgraduate Teaching Activity Of Certificated Graduates In General Science

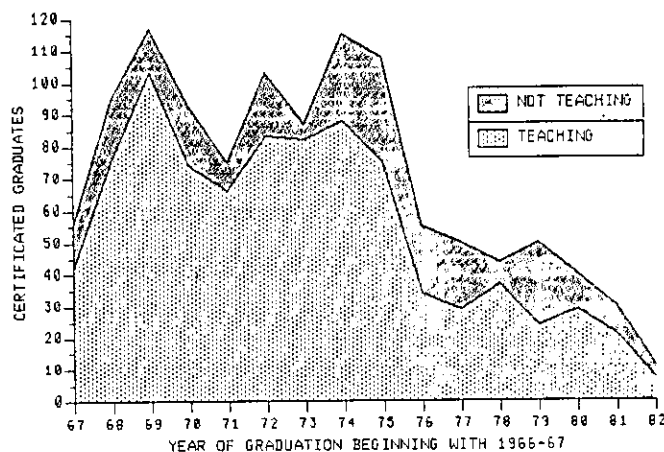


Figure 12

Postgraduate Teaching Activity Of Certificated Graduates In Chemistry

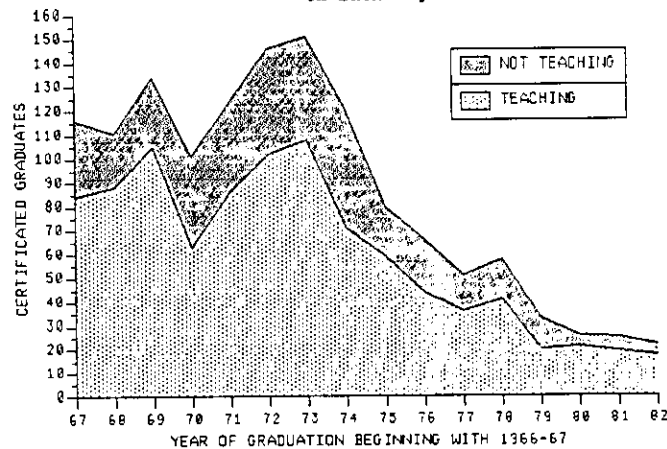
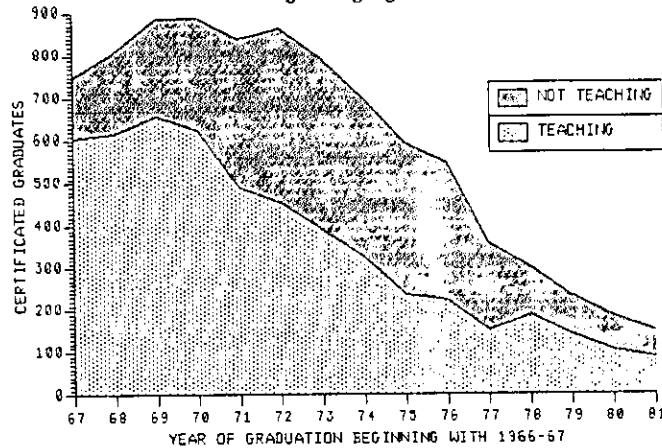


Figure 14

Postgraduate Teaching Activity Of Certificated Graduates In Foreign Language Education



Higher Education

Program Analysis: (continued)

Computer Science

A continued and deepening shortage of computer-related specialists is foreseen as business and industry increase their demand for such specialists and continue to lure away those who would otherwise go on to graduate work. This trend will also have a negative long-term effect since it limits the number of graduates who would otherwise teach the needed specialists of the future. There are currently not enough specialists being produced to meet the needs of rapidly growing microcomputer and other computer-related industries.

Engineering/Architecture

Programs in engineering and architecture are supported by the Commonwealth through grants and subsidies to the State-related universities, State-aided colleges and universities and community colleges. Although fluctuations resulting from changes in government policy, availability of research funds, and technological advancements are characteristic of this field, the trend for the next several years will be an increase in job opportunities.

A study by the Department of Education has projected the demand for graduates in terms of current national needs. The recent recession has, however, had a negative effect on short-term prospects for these graduates. The College Placement Council is now projecting a 21 percent increase in demand by 1984 at the bachelor's degree level. The need for expertise in energy fields will result in a long-term need for mineral, petroleum, electrical, mechanical, nuclear, industrial and civil engineers. World and national food and health needs will expand the need for engineering graduates with expertise in those areas. State and national information indicates that some of the engineering field cited above will have a greater demand for personnel than can currently be supplied. The United States Labor Department's Bureau of Labor Statistics projects a 22.5 percent increase in engineering jobs nationwide in the decade of the 80s. Particularly large increases in jobs are expected in industrial engineering (26 percent); metallurgical engineering (24 percent); mining engineering (58 percent); and petroleum engineering (38 percent).

Given the demand for engineers and the high salaries currently being offered, many higher education institutions are finding it difficult to find and maintain quality faculty in most engineering fields. This particularly true in the area of petroleum engineering. This problem could become worse in the next few years because the high rate of employment of baccalaureate degree recipients will, in turn, limit graduate school enrollments. This problem is national in scope and will require innovative approaches at the nation

level in order to resolve the resulting competition between employers and the graduate schools. Community colleges, however, are now training paraprofessionals in engineering. These people can fill a great many of the needs for manpower and would add to the productivity of professional engineers.

Of the students receiving bachelor's degrees in engineering in 1982 roughly ten percent sought advanced degrees on either a full- or part-time basis. Employment success of those with bachelor's degrees in engineering was relatively high, with 71 percent finding full-time discipline-related employment and with 44 percent of these employed in Pennsylvania. In 1981, however, 85 percent found related employment but only 36 percent of these graduates were employed in Pennsylvania. Students with bachelor's degrees in architecture were less successful in finding employment with 58 percent finding full-time related employment (see Figure 5).

Health Care Professionals

The Commonwealth is a major national producer of trained health care personnel, particularly of physicians and registered nurses; and this area is therefore of perennial concern. Programs to train health care professionals are expensive and careful monitoring is required to see that such programs are not producing substantially more health personnel than the Commonwealth's needs would warrant. Currently graduates are, as a whole, finding work related to their training with very little difficulty (see Figure 5).

The State System of Higher Education and the community colleges are major suppliers of people trained in the health technologies. Although programs in these areas are presently expanding at these institutions and in vocational schools, there remains a shortage of trained personnel such as dental hygienists, dental assistants, medical assistants and laboratory technicians.

Until recently the labor market for nursing, nationwide and in the State, was expanding. The reasons included adoption of new techniques, more intense inpatient care, new providers and approaches as well as a growing elderly population which consumed a great share of nursing services in hospitals and nursing homes. Studies on both the State and federal levels indicated that acute shortages or maldistributions of registered nurses existed in many types of health facilities.

Recent observations indicate that, in general, the problem of professional nursing shortages may be somewhat lessened because of economy measures implemented by many hospitals to reduce health care costs. However, in some nurse

Higher Education

Program Analysis: (continued)

specialties, such as intensive care services, shortages will continue to exist. Furthermore, spot shortages in some inner city hospitals and in rural health facilities may continue to be a problem because of the difficulties in recruiting or attracting nurses to accept positions in these areas.

In general, the outlook for employment in the health technologies, para-medical and nursing fields appears to be good. This is especially true in light of the mounting concern over rapidly increasing costs of health care, and of proposals to use paraprofessionals more extensively in many facets of health care in an attempt to control costs. Many of these paraprofessionals would come from the curriculum areas mentioned above. It would appear, therefore, that these programs should be selectively encouraged.

The Federal Government's Graduate Medical Education National Advisory Committee has stated that although there will be a possible surplus in the total number of physicians in 1990 due to the greatly increased supply of graduates in recent years, there will also be a continued shortage of basic care physicians in areas such as family medicine, general internal medicine and general pediatrics. The committee has recommended, in fact, that allopathic and osteopathic schools of medicine should reduce entering class size in the aggregate by a minimum of 10 percent by 1984 relative to the 1978-79 enrollment and by 17 percent relative to the 1980-81 entering class, with no increases in class size beyond the entering class of 1981. The committee also proposed to encourage students to shift toward basic care specialties and to continue efforts to encourage physicians to set up practice in rural and other underserved areas of the nation. Since Pennsylvania produces more physicians than any other state with the exception of California and New York, these recommendations should be considered carefully for Pennsylvania.

Another area of concern in the health sciences in Pennsylvania is that of veterinarians. In many ways the problems in veterinary medicine parallel those of the general medical field. Studies have shown that veterinarians are in generally adequate supply in the State; however, the supply of large and small animal practitioners is not distributed evenly around the State. Certain counties, especially in the northern, central and western areas of the State, have shortages in the areas of both large and small animal care. At the same time, a significant number of veterinarians produced by the Veterinary School of the University of Pennsylvania find employment outside the State. Of the approximately 590 graduates of that school 50 percent were practicing in the Commonwealth in 1977. Of the 179 graduates in veterinary medicine it has been estimated that 43 percent will practice outside the Commonwealth.

The 1984-85 budget continues to maintain support for medical schools in order to prevent further erosion in the

financial condition of the schools and enhance their ability to offer quality medical education at a reasonable price.

Research as a State Resource

A significant part of the mission of higher education in Pennsylvania is that of furthering man's knowledge through research which in turn has direct benefits with respect to Pennsylvania's economy.

The Pennsylvania State University is the primary recipient of the funds designated by the Commonwealth to support agricultural and other organized research. Historically, line item appropriations devoted specifically to research have been provided to Penn State because it is the Commonwealth's land-grant university. As early as 1901, funds were provided for specific research activities.

The primary continuing investment in research at the Pennsylvania State University has been in agriculture and food sciences, where the long-range economic contribution of the land-grant university research centers has been immense. The research investment at the Pennsylvania State University has more recently turned to areas such as energy and the environment and medical technology.

In agriculture and food science, research at the Pennsylvania State University has led to discoveries which have reduced the cost and increased the productivity of the agricultural industry. It has been calculated that the annual rate of return on agricultural research funding ranges from 30 to 60 percent.

The agricultural economy depends upon successful marketing and distribution of crops as well as upon bountiful crops. It is estimated that 25 percent of fruits and vegetables harvested in the U.S. never reach the consumer because of transit and storage deterioration. Internal stress causes loss of apple and potato crops. For example, studies in the College of Agriculture have found that distribution patterns of physical stress in potatoes are much different than those previously blamed for internal cracking and damage. Understanding these patterns is now leading to improved harvesting and handling procedures which will insure that a larger portion of the crop reaches the market.

Recombinant DNA technology may provide employment for as many as 30,000 molecular biologists by the year 2000, according to the Federal Office of Technology Assessment. Basic and applied research in this area is being conducted at Penn State and, in addition, the university has led in the formation of a cooperative organization with industry for the transfer of such technology.

Although immediate measurable benefits are sometimes realized from research efforts, research support more

Higher Education

Program Analysis: (continued)

typically represents an investment in the future. Recognition is given to the longer-range social and economic impacts of research when making decisions on the allocation of resources. The continued increase in State support for organized research is a means of promoting a long-term, responsive position on the ever changing needs of the Commonwealth and the nation. In this regard, colleges and universities can play a major role in the economic development of the Commonwealth through the creation of a climate which will attract new high technology industries to the state. Research and development activities in this area, in partnership with private enterprise, would be a step towards creating this climate.

Significant progress toward this goal was made during 1983 as a result of the development of four advanced technology centers during the first six months of the Ben Franklin Partnership Challenge Grant Program. The grant program, in the Department of Commerce, provides matching State funding to consortiums of Pennsylvania's research universities, other higher education institutions, business, labor and other groups and organizations through four regional advanced technology centers in the Commonwealth. The State funds were expected to match one to one, but private and university funding has already generated \$28 million, more than matching the \$10 million in matching funds provided by the State.

The partnership was designed to create and preserve jobs by introducing new technology to existing industries and to help in starting new firms in growing industries that high technology has created. It is hoped that the program will generate more than 10,000 jobs during the next four years.

Each of the four advanced-technology centers is focusing on four or five areas of research and development. The centers are located at Philadelphia University City Science Center, Pennsylvania State University (with two satellite centers at Erie and Harrisburg/York/Lancaster), Lehigh University and the University of Pittsburgh/Carnegie Mellon University Center.

Work is being done on the development of robots, new hybrid plants, methods to neutralize acid mine drainage, coal slurry combustion, clothing for the handicapped, computer-controlled wheelchairs, new processes for tooth-root implants, new methods of breast cancer detection, new vaccines and less flammable fabrics for aircraft interiors. Such research efforts should provide a financial return to the State that far exceeds the State's funding costs similar to that already experienced by the state with regard to past research efforts by our higher education institutions.

Public and Community Services

Public and community services are provided throughout the Commonwealth by institutional departments, extension centers, branch campuses, and cooperative arrangements with public schools and other institutions. These programs are offered by the State System of Higher Education, the State-related universities and the community colleges. The bulk of this program, however, is related to activities of the Pennsylvania State University.

Steady increases are expected in both enrollments in nondegree programs and in attendance at conferences, institutes and workshops. These increases will be generated by all sectors of higher education. Increased participation in conferences and workshops is particularly anticipated at the State-related institutions.

The greater part of the direct State fund expenditures in this area is by the Pennsylvania State University. Its Cooperative Extension Service provides, to each Pennsylvania county, programs in agriculture, natural resources, family living, 4-H and youth education and community development. This service also aids dairymen through several projects, including appraisal of production and financial operations.

The 4-H clubs provide an informal educational program through the Cooperative Extension Service to youth aged 8 to 19. The youth participate in programs including leadership, animal science, careers, food and nutrition, engineering, and energy. Less than 20 percent of the 4-H club youth live on farms. The majority are in small towns or semi-rural areas. They are led by volunteers who are trained by the Extension Service.

The Cooperative Extension Service offers informational services, including an environmental newsletter, without charge to any Commonwealth resident.

The second aspect of the program of public and community services, short-term instructional courses or workshops, includes activities of the Cooperative Extension Service as well as the programs of the State System of Higher Education and the community colleges. These short-term instructional courses usually take the form of conferences or workshops of less than a week's duration and concern specific topics; often they are sponsored by an industry or business for the benefit of their employees.

The third facet of this program is the area of nondegree or noncredit education. Enrollments in these programs are expected to expand rapidly in the State System of Higher Education, State-related universities and the community col-

Higher Education

Program Analysis: (continued)

leges. The trend of increased participation in adult education in Pennsylvania follows that of the nation.

As the program grows in popularity, more institutions will increase their involvement; in fact, many Pennsylvania educators believe this will be the most rapidly increasing program for higher education.

Institutional Support Services

Institutions of higher education carry on activities which are not tied directly to instruction, public and community services, financial assistance or research. These activities include library and learning center services, guidance counseling, placement services, provision of audio visual materials, operation and maintenance of physical plants, computer support and general administration, all of which are essential to the operation of educational programs. The Commonwealth provides financial support to cover the cost of these institutional support services. Some of these costs are variable and can be made responsive to enrollment and internal efficiencies. Institutional support activities are being reviewed constantly in an effort to identify strategies to reduce expenditures in this area. However, inflation, coupled with increased energy costs, has been the cause of budgetary problems at the institutions.

In facing the inflationary problem the tendency is sometimes to save by cutting funds for library acquisitions. Since these constitute one of the most important educational tools, funding for new acquisitions should have priority. Standards set by the Department of Education to ensure adequate collections at each institution should be followed.

The Higher Education Equal Opportunity Act provides State grants to colleges for tutorial and counseling services for the economically and educationally disadvantaged. Participating students are given the opportunity to achieve their educational goals through specialized tutorial, counseling and study skills services, regardless of race, sex, creed, handicap or national origin. Approximately one-half of the students served are minority students.

Institutional Assistance Grants (IAG) are made to eligible independent institutions enrolling students who receive State Higher Education Grants. These grants, previously limited to \$450 per student, were changed by Act 330 of 1982 to vary with the appropriation level. For 1982-83, the appropriation provided grants to 86 schools of about \$579 per student for nearly 30,000 students. For the budget year and thereafter the grant will vary with the level of the IAG appropriation and the distribution of the PHEAA grant funds.

The 1983 agreement between the Department of Education and the U.S. Office by Civil Rights provided a five year plan for the enhancement of Cheyney University which includes an annual appropriation, administered by the Department of Education, to ensure that academic programs, equipment, and support services will be comparable to those at similar institutions. The five year total for enhancement in those areas is \$4,817,000; the 1984-85 mandate is for \$2,122,000. In addition the agreement calls for improvements and renovations to campus buildings and grounds. Most of those projects are included in the Capital budget plan, however, the 1984-85 General Fund appropriation includes \$350,000 for improvement of campus walkways, security, and lighting.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 2,385	\$ 2,156	\$ 2,172	\$ 2,281	\$ 2,395	\$ 2,514	\$ 2,639
Teacher Preparation and Certification			500	406	377	362	377
General State Authority Rentals	3,612	3,629	3,768	3,757	3,757	3,757	3,757
Educational Radio and Television Grants	45	45	45	45	45	45	45
Community Colleges	64,066	82,792	88,426	93,690	101,027	108,975	117,601
Higher Education of the Disadvantaged	4,868	5,112	5,470	5,579	5,691	5,805	5,921
State System of Higher Education	230,444	235,053	251,507	256,537	261,668	266,901	272,239
Transfer to Higher Education Assistance Agency:							
Institutional Assistance Grants	15,400	16,016	17,137	17,480	17,829	18,186	18,550
Desegregation Compliances — Cheyney		1,500	2,472	1,653	1,655	1,630	
Medical Training		2,500					
Pennsylvania State University	143,481	149,368	159,775	162,971	166,230	169,555	172,946
University of Pittsburgh	78,235	81,444	87,132	88,875	90,652	92,465	94,314
Temple University	87,083	90,594	96,693	98,627	100,599	102,611	104,664
Lincoln University	4,441	5,812	6,219	6,343	6,470	6,600	6,732
State Aided Colleges and Universities	45,846	47,365	49,256	49,256	49,256	49,256	49,256
State Aided Institutions	1,549	1,690	1,733	1,733	1,733	1,733	1,733
GENERAL FUND TOTAL	\$ 681,455	\$ 725,076	\$ 772,305	\$ 789,233	\$ 809,384	\$ 830,395	\$ 850,774

**Higher Education
Program Revision: Science and Engineering Equipment**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Other Funds	\$ 75,000	\$ 75,000	.....	.....	.....

Program Analysis:

As part of the program to enhance basic and higher education in the Commonwealth and in response to the demonstrated need for science and technology equipment in every segment of the educational system this budget proposes a major, one-time, project to provide for those needs.

Funds from the sale of liquor licenses, as discussed in other sections of this document, are expected to make available substantial one-time income which would be dedicated to this project. The \$150 million for education would be available over the next two years. The program would be administered by the Department of Education.

The distribution will include funds for computer and science laboratory equipment in public elementary and secondary schools, capital equipment for advanced technology instruction in area vocational technical schools and community colleges, computer facilities and scientific equipment at each university of the State System of Higher Education and science and engineering equipment for other colleges and universities. The two-year plan is as follows:

	1984-85	1985-86
Elementary and Secondary Schools	\$ 5,000	\$ 5,000
Area Vocational Technical Schools	15,000	15,000
Community Colleges	15,000	15,000
State System of Higher Education	15,000	15,000
Science and Engineering Universities	25,000	25,000
Total	<u>\$75,000</u>	<u>\$75,000</u>

In addition to the \$150 million dedicated to educational equipment, up to \$10 million will be available for a guaranteed loan program for former State store employees. Any individual or group of individuals displaced from State employment by the transition who wants to acquire a private retail wine or liquor license would be eligible to apply for a loan guarantee of up to 70 percent of the amount borrowed to purchase the license and to acquire stock and equip the store.

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Other Funds:							
Liquor License Revenues	\$ 75,000	\$ 75,000	.....	.....	.....

Financial Assistance to Students

OBJECTIVE: To supplement post secondary education programs for the development of the Commonwealth's personnel resources by providing financial assistance, based on need, to Commonwealth residents attending institutions of higher education.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	<u>\$ 83,767</u>	<u>\$ 82,517</u>	<u>\$ 88,533</u>	<u>\$ 90,384</u>	<u>\$ 92,322</u>	<u>\$ 94,253</u>	<u>\$ 95,531</u>

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Applications for grants	224,264	230,600	237,520	241,080	244,700	248,370	252,100
Applications for grants processed	155,192	154,088	156,660	158,230	159,810	161,410	163,020
Applicants eligible for and receiving grants.	111,391	107,829	113,220	118,881	124,826	131,067	137,620
Percent of applicants aided	71.8	70.0	72.3	75.1	78.1	81.2	84.4
Students assisted by Federal college based student aid (matching fund) programs ..	117,247	111,491	116,000	116,000	116,000	116,000	116,000
Students receiving guaranteed loans	239,585	240,000	250,000	250,000	250,000	250,000	250,000

Program Analysis:

Financial assistance to students in post secondary education is supported through the programs of the Pennsylvania Higher Education Assistance Agency (PHEAA).

PHEAA provides direct financial assistance to students through three programs; the Higher Education Scholarship (Grant) Program, the Guaranteed Loan Program, and the Matching Fund Program. All funds for the various financial assistance programs administered by PHEAA flow through the Higher Education Assistance Fund. A cash flow statement for the Higher Education Assistance Fund appears in the Special Fund Appendix at the end of Volume 1 of this Budget.

The largest component of PHEAA's financial assistance program is the grant program which covers both basic financial assistance and assistance to veterans. Since its inception in 1966, the State Higher Education Grant Program has been particularly sensitive to the needs of low income families, large families, veterans of military service and those who have suffered special hardship due to the death, disability, retirement, or unemployment of the family's major wage

earner. Spiraling educational costs, however, combined with inflation, have eroded the dollar over the past several years, intensifying these needs and creating demands to provide aid for middle income families. It has been the objective of the program to help remove the financial barriers and thereby provide access to higher education for all needy Commonwealth residents and, within the limits of the resources available, help to provide freedom of choice between subsidized public colleges and the full-charge private colleges and other postsecondary schools so as to ensure utilization of all facilities and access to all types of instruction. For the 1982-83 academic year, the Governor recommended and the General Assembly approved the largest single-year increase in funding for the State Grant Program since the 1968-69 academic year. The \$6.7 million increase (from \$73.47 million to \$80.155 million) enabled the Agency to implement policies that benefited nearly every applicant category on the Agency's State Grant file.

The total resources available for making grants for the 1983-84 academic year are approximately \$84.7 million. This

Financial Assistance to Students (continued)

Program Analysis: (continued)

consists of the State appropriation of \$80.15 million; a Federal State Student Incentive Grant (SSIG) allocation of \$2.64 million, carryover funds from the prior academic year of \$1.4 million and estimated earnings of approximately \$500,000. The \$3.8 million decrease in carryover funds was generally caused by high unemployment in Pennsylvania, which resulted in an increase in awards to families who suffered a reduction in income and a decrease in expected cancellation of awards because State grant recipients tended to remain enrolled. It seems that high unemployment causes students to remain in school.

For the 1984-85 academic year the budget would provide another major increase of over \$4 million. Federal SSIG funds, interest earnings and carryover, if any, will also be available for 1984-85 grants.

PHEAA grants are distributed on a formula basis which considers parental contributions and educational costs. The size of the grant thus varies by parental income, the tuition and fees charged by the institution the student attends and the financial assistance received by the student from other

sources.

It is estimated that in 1983-84 roughly 71 percent of the students who received PHEAA grants also received Federal Pell Grants. This compares to the 75 percent who received both types of financial aid in 1980-81. The average full-year Pell grant to Pennsylvania students in 1981-82 was roughly \$1,011 in 1983-84 it is \$1,116.

Students used this combination of State and Federal financial aid to meet educational costs at a variety of types of institutions of higher education. In 1983-84, between PHEAA and Pell grants, an average of approximately 38 percent of a student's educational costs are covered. The average recipient of these grants attending a four-year college has the highest percent of educational costs funded at a State-owned college or university and the lowest percent of educational costs met at a private institution of higher education. The table below illustrates the percent of educational costs covered for an average recipient of PHEAA and Pell at different types of institutions in the 1983-84 academic year.

**Proportion of Educational 1983-84 Academic Year Costs of Common Recipients
Funded by State and Federal Grants
(50% of State Grant Applicants are Common Recipients)**

Institutional Type	Educational Cost ^a	Average Full-Year State Grant	(Dollar Amounts in Thousands)				
			Percent of Educational Costs	Average Full-Year PELL Grant	Percent of Educational Costs	Combined Average Grant	Percent of Educational Costs
Independent Four-Year	\$8,881	\$1,274	14.4%	\$1,210	13.6%	\$2,484	28.0%
State System/Higher Education	3,777	559	14.8%	1,155	30.6%	1,714	45.4%
State-Related Universities	5,510	836	15.2%	1,273	23.1%	2,109	38.3%
Junior Colleges	6,002	1,023	17.1%	1,383	23.0%	2,406	40.1%
Community Colleges	2,445	390	15.9%	1,141	46.7%	1,531	62.6%
Nursing Schools	4,008	681	17.0%	1,194	29.8%	1,875	46.8%
Business, Trade, Technical	4,436	993	22.5%	1,378	31.1%	2,371	53.6%

^aEducational costs indicated are those used in the Federal PELL Program.

Financial Assistance to Students (continued)

Program Analysis: (continued)

The second major component of the financial assistance program is the Guaranteed Student Loan Program (GSLP). The Loan Guaranty Program enables Pennsylvania residents enrolled at least half time in undergraduate or graduate programs in an eligible post secondary institution to secure long-term educational loans from several types of participating lenders. Participating lenders extend loans to students to fill the gap left between their resources (parental contribution, savings and other financial aid) and educational costs. The Parents Loan for Undergraduate Studies (PLUS) loan program supplements the GSLP and allows graduate students, independent undergraduate students and parents of dependent undergraduate students to borrow funds from participating commercial lenders. PLUS loans are available at 12 percent interest and repayment of the loan begins 60 days after the loan is issued. Student PLUS loans borrowers who are enrolled in school full time may defer the start of principal repayment until after the full-time enrollment period, but the borrower is responsible for paying the interest that accrues during the deferment.

PHEAA anticipates guaranteeing \$550 million in GSLP loans during 1983-84 and \$575 million in 1984-85. In addition, PHEAA anticipated guaranteeing \$29 million in PLUS loans in 1983-84 and \$40 million in 1984-85.

The loan guaranty program remains one of the most cost effective forms of student aid available to the Commonwealth in terms of providing maximum aid and educational opportunity with a small amount of Commonwealth support. More than \$2.9 billion in loans to students have been made by Pennsylvania lenders and guaranteed by the Commonwealth since this program began in 1964.

PHEAA, as in 1983-84, will not require a State appropriation for the Loan Guaranty Program for the 1984-85 fiscal year. This is possible because the loan program will have sufficient solvency to meet guaranty payoff demands, pay lender participation incentives, maintain a reserve capacity to guarantee outstanding loans and defray costs of program administration.

The Matching Fund program ensures that Pennsylvania students and institutions are afforded maximum access to the Federal student financial aid programs. It also provides for the delivery of services to State and other public agencies and is used by the State universities and community colleges on campus. The required match for Federal funds which participating institutions dedicate to off-campus employ-

ment or internship experiences and funds for professional development workshops for financial aid personnel at participating institutions are also part of the program funds.

The availability of employment near campus has become a major factor in the decision a student makes regarding the choice of schools; the number of students who require earnings from employment in order to finance their education has increased. There is also an increase in the number of students that have found that at least one term of work experience when combined with the associate or baccalaureate degree is helpful in securing full-time employment.

Act 330 of 1982, amended by Act 5 of 1983, authorized issuance of tax-exempt bonds to fund a supplemental student loan program. Undergraduate and graduate students who no longer qualify for existing Federally supported student loan programs or who need financial assistance in addition to the amounts available under existing program parameters will benefit from the new loan programs. Parents will also be able to obtain loans to help met the costs of post-secondary education and reduce the debt burden for their children. Programs will be developed to assist the institutions to develop loan programs to meet the unique needs of their students and loans will be available to students under the Federal Health Education Assistance Loan Program (HEAL). Interim financing for these programs was initiated by PHEAA prior to the close of 1983 and program parameters to establish the characteristics and limits of these programs are currently under development. Permanent financing and loan program implementation is expected to take place in sufficient time to make the loans available for the 1984-85 school year. This new initiative is expected to improve access and choice to higher education for residents of Pennsylvania.

The 1983 agreement between the Department of Education and the Office for Civil Rights in the U.S. Department of Education provided for the Commonwealth Scholarship Fund for graduates of Cheyney and Lincoln Universities. The fund, to be administered by the Department of Education, will be used to place graduates of those schools in programs at Temple University, the University of Pittsburgh, and the Pennsylvania State University in medicine, dentistry, law and other post graduate programs. In the course of the five year plan about 200 students will receive awards totaling \$1,686,000.

Financial Assistance to Students (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Transfer to Higher Education Assistance Agency:							
Scholarships.....	\$ 80,147	\$ 80,147	\$ 85,757	\$ 87,472	\$ 89,222	\$ 91,006	\$ 92,826
Student Aid Funds—Matching.....	2,120	2,120	2,268	2,314	2,360	2,407	2,455
Administration—Loan and							
Scholarships.....	1,500	250	250	250	250	250	250
Commonwealth Scholarship Fund.....	.....	.....	258	348	490	590	.....
GENERAL FUND TOTAL	<u>\$ 83,767</u>	<u>\$ 82,517</u>	<u>\$ 88,533</u>	<u>\$ 90,384</u>	<u>\$ 92,322</u>	<u>\$ 94,253</u>	<u>\$ 95,531</u>

Highway Safety Education

OBJECTIVE: To minimize traffic accidents through the promotion of highway safety programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 2,801	\$ 2,706	\$ 2,605	\$ 2,575	\$ 2,510	\$ 2,450	\$ 2,400
Other Funds	70	225	225	125	125	75	75
TOTAL	\$ 2,871	\$ 2,931	\$ 2,830	\$ 2,700	\$ 2,635	\$ 2,525	\$ 2,475

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Eligible pupils	178,161	170,100	166,140	166,000	162,845	160,000	158,000
Enrollments in school driving courses	162,000	160,965	159,000	158,280	157,250	157,015	157,250
Classroom instruction	97,000	96,000	95,000	94,780	94,250	93,890	90,250
Practice driving	65,000	64,965	64,000	63,500	63,000	63,125	67,000
Police trained in DUI enforcement	470	480	500	500	500	500	500
Driver education instructors certified	1,200	1,200	1,200	1,200	1,150	1,100	1,100
Driver education courses certified	471	471	470	470	470	470	470

Program Analysis:

This program subsidizes school districts for driver education programs which are intended to teach high school students driving technique, motor vehicle law and highway safety. School districts which participate in the program are reimbursed \$35 per student. This \$35 has not been increased, since 1965, to keep up with the increased cost of instructor salaries, fuel, insurance premiums, and rental fees for the driver education cars. Therefore, an increasing number of school districts are dropping the driver education course from their curriculum or charging a fee for participation. In the 1982-83 school year 470 districts of 501 received reimbursement. Of the remaining 31 districts, seven negated their eligibility by charging their students an instruction fee, others did not offer an approved program and some offered no program.

The program measures reflect a decrease in public school eligible pupils along with an offsetting increase in eligible nonpublic students. This due to the fact that nonpublic school programs have increased from 441 to 511 in recent years. Due to funding constraints at both the State and local level, participation in this program is projected to decline

over the projection period at a rate greater than the decline in eligible pupils.

There have been numerous studies conducted by various insurance companies that indicate, at least to the satisfaction of the sponsoring insurance company, that students taking driver education courses tend to have fewer and less costly accidents than students not taking the courses. These findings promote the most frequently cited benefit of this program which is special insurance rates for participants.

The Commonwealth also provides through the Department of Education instruction in the skills of detection, apprehension, testing, and prosecution of persons operating motor vehicles under the influence of alcohol or drugs and the maintenance and repair of chemical test equipment. These courses are open to all municipal police officers throughout the Commonwealth. Two courses are offered to police officers, one involves teaching officers to recognize and process drunken drivers while the other involves instruction in the maintenance of equipment used in chemical testing for intoxication.

Highway Safety Education (continued)

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
MOTOR LICENSE FUND							
Safe Driving Course.....	<u>\$ 2,801</u>	<u>\$ 2,706</u>	<u>\$ 2,605</u>	<u>\$ 2,575</u>	<u>\$ 2,510</u>	<u>\$ 2,450</u>	<u>\$ 2,400</u>

Adult Employment Training Service

OBJECTIVE: To improve the employment capabilities of those persons in the Commonwealth who are unemployed or underemployed

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 11,227	\$ 14,000	\$ 18,408	\$ 19,060	\$ 19,744	\$ 20,462	\$ 21,216
Federal Funds	994	6,770	6,731	7,224	7,728	8,231	8,734
Other Funds	2,979	1,000	.....	.....	.....	.....	.....
TOTAL	\$ 15,200	\$ 21,770	\$ 25,139	\$ 26,284	\$ 27,472	\$ 28,693	\$ 29,950

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Adult extension enrollment	78,800	79,500	80,300	81,100	81,900	81,900	81,900
Providers prepared to offer economic development training programs	330	335	340	345	350	355	360
Trainees enrolled in economic development training programs	10,300	14,950	15,800	16,750	17,800	18,950	20,100
Trainees completing instruction during the year	5,980	6,700	7,600	8,570	9,680	10,970	10,970
Trainees placed in jobs after completing instruction	4,900	5,690	6,450	7,370	8,430	9,660	9,660

Program Analysis:

Economic and employment trends create continuing demand for vocational education for adults who are unemployed or underemployed. In response the Commonwealth has established the adult vocational education program to provide nondegree training to adults who wish to upgrade their employment skills. Over 2,200 courses are offered under this program in community colleges, area vocational schools, and comprehensive high schools, generally in the evenings.

In response to this job training challenge, the Department of Education has redesigned the adult vocational education funding program to focus on two job training needs: new job creation and career support.

The customized job training program is an economic development tool for the creation of jobs by a new or expanding firm. This program provides to firms workers specifically trained for the jobs that are available. It is administered in coordination with the Economic Development Committee of the Cabinet and related State agencies, including the Departments of Commerce and Labor and

Industry.

For the budget year, \$6 million will be available to provide training assistance to employers who want to start up or expand within the Commonwealth.

During 1982-83, 58 customized job training projects were administered to enhance the economic development of the Commonwealth. Projects with firms such as Mead Products, Beavertown Weaving Mills Inc., Charles of the Ritz, and Shared Medical Systems are examples of projects responsible for the creation of approximately 2,161 new jobs.

The career support aspect of this program is designed to satisfy workers' needs for job acquisition, job maintenance and career transition. Job acquisition efforts are naturally targeted to the unemployed while job maintenance is designed to prevent unemployment by providing technical updating and retraining to employees. Career transition services will be provided by various post secondary institutions and will affect about 3,500 unemployed people by offering them courses in pre-employment and job search skills to enable them to enter careers where there is a projected demand for

Adult Employment Training Service (continued)

Program Analysis: (continued)

workers.

The Federal Comprehensive Employment and Training Act expired September 30, 1982 and was replaced by the Job Training Partnership Act of October 1982 which took effect October 1983.

Under the Job Training Partnership Act, State government, local government and the private sector must work cooperatively in the development, planning and implementation of programs. Eight percent of the funds under Title II-A of the Act are earmarked for the involvement of the education community in providing vocational skills training, counseling and remedial services to participants under the act with the matching funds provided from State and local sources. Up to 20 percent of the education funds can be used for coordination and linkage activities between education institutions and entities responsible for the local administration of employment and training services.

Included in the 1984-85 Budget is funding for an initiative to increase the amount the Commonwealth will reimburse school districts for each instructional hour in approved vocational extension courses. Under this initiative the Commonwealth will increase its contribution from \$3.20 an hour to \$6.10 an hour in 1984-85 and to \$9.00 an hour in 1985-86.

Unless adult education needs are more fully met, the Commonwealth is likely to be further burdened by the rising costs associated with unemployment and welfare. Accordingly, \$1 million is included in this budget to begin a grant program for Adult Literacy under which nonprofit providers (school districts, intermediate units, colleges, community-based organizations, etc.) would administer. Adult Basic Education/General Education Development programs.

The measures, which continue to reflect the increased emphasis being given to job training, have been changed slightly from those shown in previous years. "Trainees enrolled in the Job Training Partnership Act", which had been shown as a separate measure, has been combined with the measure reflecting "Trainees enrolled in economic development programs". This accounts for the increase in that measure when current projections are compared to projections used in previous years.

Increases in the last two measures can be attributed to the training to jobs link which was established for use in allocating funds for this program. The measures seem to indicate continued effective use of Commonwealth adult training funds.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Adult Literacy			\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Vocational Education	\$ 11,227	\$ 10,720	13,028	13,680	14,364	15,082	15,836
JTPA Matching Funds		3,280	4,380	4,380	4,380	4,380	4,380
GENERAL FUND TOTAL	\$ 11,227	\$ 14,000	\$ 18,408	\$ 19,060	\$ 19,744	\$ 20,462	\$ 21,216

State Library Services

OBJECTIVE: To provide and improve library services to citizens of the Commonwealth, to special libraries and to agencies and employes of government.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 17,547	\$ 19,626	\$ 21,015	\$ 22,184	\$ 23,394	\$ 24,613	\$ 25,844
Federal Funds	964	1,069	1,000	1,009	1,022	1,110	1,021
Other Funds	2,481	2,925	2,793	2,823	2,924	3,024	3,024
TOTAL	\$ 20,992	\$ 23,620	\$ 24,808	\$ 26,016	\$ 27,340	\$ 28,747	\$ 29,889

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Percentage of State population served by State-aided libraries	94%	95%	96.5%	97%	97.5%	98%	98%
Items lent (in thousands).....	38,752	39,976	40,925	41,880	42,068	42,800	43,200
Libraries receiving State aid	553	555	558	560	563	567	570
Titles in State library collection listed in machine readable catalog data base	257,000	285,000	313,000	341,000	369,000	397,000	425,000
Reference questions handled by State library staff	59,000	62,000	65,000	69,000	72,000	72,000	72,000
Interlibrary loan requests handled by State library staff	17,000	17,000	19,000	21,000	23,000	25,000	26,000

Program Analysis:

The State Library is the agency of the Commonwealth charged with developing, improving and coordinating library services and systems in the State. It assumes a statewide leadership role in the development of libraries and librarianship as information, recreational and educational contributors to the cultural and information enrichment of the citizenry of all ages.

The library in the Forum Building in Harrisburg is the major research library serving Commonwealth government as well as a major resource library serving all residents of the Commonwealth through local libraries and directly to individuals who visit the library. Its strengths include an extensive general and legal reference collection, and comprehensive collections of Pennsylvania newspapers, Pennsylvania State Government publications, and U.S. government publications. Computer search services provide reference and research assistance to State Government personnel: DIALOG and MEDLINE provide access to more than 170 data bases in government, science, business,

statistics, education, health and other fields of concern to the State Government, and enable library staff to identify documents, journal articles and technical reports appropriate to a user's specific needs. LEXIS enables staff to conduct a full text search in order to provide answers to detailed legal questions. During 1983, the Library introduced a computer-output-microfiche (COM) catalog listing most materials acquired since 1974 to facilitate use of the total collection. The COM catalog will be distributed to other State agency libraries in Harrisburg and to key public and academic libraries throughout the Commonwealth to make the library's resources more readily accessible to users statewide.

The school library function provides the necessary organizational structure to make the connection between those who have information resources and those who need them in the school community. One component provides field advisory services and activities related to planning and administering school library media programs and leadership for school library media specialists throughout the State as

State Library Services (continued)

Program Analysis: (continued)

they fulfill their roles as teachers, librarians and linkers in the dissemination of educational information. Technical support and services are also provided to assist educators in utilizing microcomputers and instructional television as an integral part of the K-12 curriculum. The Resource Center provides information and resources on educational problems and concerns to school districts, intermediate units and Department of Education staff through the use of automated information retrieval systems.

The library development function coordinates a statewide system of public libraries, administers a program of State-aid to public libraries and promotes sharing of library resources through a variety of cooperative programs affecting libraries statewide. Pennsylvanians are served by 467 public libraries located throughout the State; these 467 public libraries include approximately 626 outlets, including branches and reading rooms in such places as Philadelphia (one library with 50 branches), Pittsburgh (one library with 21 branches), and Bucks County (one library with five branches). In addition to branches and reading rooms, the city and county libraries operate approximately 35 bookmobiles, serving several hundred places in the State by periodic visits of one or more hours duration on cycles ranging from one week to one month.

Pennsylvania's public libraries serve their communities in many ways beyond the traditional roles of providing materials for reading and study.

Libraries are providing one-to-one tutoring to help combat illiteracy in a number of communities. Others are providing information and referral services to patrons. Libraries in Philadelphia, Pittsburgh, and Chester and Montgomery Counties are modernizing the delivery of services by offering on-line reference services. Computer output microfiche (COM) catalogs and computerized circulation systems improve administrative control of their collections. Career information services are being provided by the Lancaster County Library to the general public as well as their Spanish-speaking residents. Libraries throughout the Commonwealth offer information services and resources to improve businesses and the professions and to encourage the formation of new jobs. In these and other kinds of programs, the statewide library system extends standard and innovative services to a broad spectrum of the citizenry of the Commonwealth.

In addition to financial support, libraries are offered consulting services and continuing education opportunities to improve their management capabilities and library service to the public. Standards have been developed as minimum accomplishments to participation in the aid program. Libraries are encouraged to continually modify services to

meet community needs.

Act 200 of 1980 opened the way for major increases in Commonwealth funding for public libraries by removing maximums set in earlier law. For the first time since 1971, aid to public libraries could be increased to keep pace with rising costs. The 1981-82 appropriation provided a 33 percent increase to \$12,969,000. This increase was a statement in support of the public library system, one of the most direct benefits provided by State dollars for the use of virtually every resident. The 1984-85 budget will continue to increase support by providing an increase of \$1,000,000. At this funding level, local library aid will increase by about 37 cents per capita and aid to the four regional libraries, including the State Library, will increase to \$212,500 each.

Library services to the handicapped are provided by specially designated Regional Libraries for the Blind and Physically Handicapped, operated under State appropriation to the State Library by the public libraries of Pittsburgh and Philadelphia. These libraries maintain computerized selection and circulation systems in order to provide users of records, braille and large-type materials their books and periodicals more rapidly and without duplicating previously-read materials. The Regional Libraries work closely with local public libraries and other agencies in identifying and providing service to persons with visual or physical handicaps which prevent their using conventional printed material.

Funding is included in the 1984-85 budget for the integrated access and circulation system in the State Library. The integrated access system will provide on-line and microfiche access to the periodical, newspaper, government and legal collections of the library in addition to the regular collection at one access point rather than at five separate catalogs. The system will also replace the outdated and unexpandable circulation system and integrate it with the catalog so that users will know whether the document they seek is available for circulation. This system was developed by the Pennsylvania State University for its own intercampus library system and will link the State Library to that system.

Funding is also provided for a computer-based catalog of the newspapers held at the State Library and other libraries in Pennsylvania, in order to improve access for research personnel in government and in the private sector to current and historical information published in Pennsylvania's newspapers. It will identify titles and specific holdings in approximately 1,000 locations (libraries, historical societies, archives, publishers' offices, and others). From the machine-readable records so created, a printed catalog and a microfiche catalog will be produced; approximately 250 Pennsylvania public, academic, school,

State Library Services (continued)

Program Analysis: (continued)

and special libraries will be able to search the file using their own computer terminals, as the system chosen is a national library network to which these libraries belong.

Current and past newspapers provide a valuable and heavily-used source of information for public officials, historians, and students of the contemporary scene, yet even in the largest libraries collections are limited in size and information about resources available elsewhere is limited. Since the first Pennsylvania newspaper was issued in 1719, approximately 10,000 newspapers have been published in

Pennsylvania. Because of the births and deaths of those papers and changes in their titles and frequencies, only some 410 remain in publication today. The State Library, which holds approximately 1,500 Pennsylvania newspaper titles and subscribes to 175 current newspapers, has the largest and most heavily-used resource. State funds of \$30,000 will be matched by \$90,000 in Federal funds for this project which is being funded in all 50 states by the National Endowment for the Humanities.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
State Library	\$ 2,235	\$ 2,262	\$ 2,583	\$ 2,681	\$ 2,815	\$ 2,955	\$ 3,103
Improvement of Library Services	14,000	16,000	17,000	18,000	19,000	20,000	21,000
Library Services for the Blind and Handicapped	1,312	1,364	1,432	1,503	1,579	1,658	1,741
TOTAL	<u>\$ 17,547</u>	<u>\$ 19,626</u>	<u>\$ 21,015</u>	<u>\$ 22,184</u>	<u>\$ 23,394</u>	<u>\$ 24,613</u>	<u>\$ 25,844</u>

Public Television Services

OBJECTIVE: To provide for the development and growth of noncommercial public television.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 7,424	\$ 7,699	\$ 9,172	\$ 8,896	\$ 9,341	\$ 9,807	\$ 10,298
Federal Funds	7	.....	.....	.....	.....	.....	.....
TOTAL	\$ 7,431	\$ 7,699	\$ 9,172	\$ 8,896	\$ 9,341	\$ 9,807	\$ 10,298

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Households watching public television at least once a week	1,658,000	1,762,000	1,800,000	1,820,000	1,830,000	1,850,000	1,860,000
Contributing memberships	188,000	190,000	195,000	197,000	200,000	203,000	205,000
Original programming as a percentage of total broadcasting	6.3%	6.3%	6.2%	6.1%	6.0%	5.8%	5.5%

Program Analysis:

The Pennsylvania Public Television Network (PPTN) links seven independent noncommercial stations, located across the Commonwealth, through a central network facility. The PPTN Commission governs the network, performs statewide coordinating functions, and makes operating, equipment and facilities, affirmative action training and programming grants to each of the stations. Through PPTN each station has access to programs produced by other Pennsylvania stations as well as programs purchased or otherwise procured from outside sources.

On the average, each PPTN member station offers 6,000 hours of programming a year which includes instructional programming selected by teachers and administrators for use in Pennsylvania's elementary and secondary classrooms. Subject matter of the seventy plus series ranges from current affairs and science to music, art and Pennsylvania history and culture. The broadcast schedule also provides programs for children not yet in school or for viewing after school hours. Series such as Sesame Street, 3-2-1 Contact, Spaces, Mister Roger's Neighborhood, The Electric Company and many others, not only entertain but help instruct. Audience research shows that about 80 percent of all children between the ages of two and five are regular viewers of public television programming. Approximately half of each station's schedule provides general and special interest programming for families and adults. Quality music, drama and dance performances are regular evening features. Public

affairs programs examine local, State, national and global issues and events. Special interests are served with programs ranging from gardening and college courses to physical fitness and ethnic or cultural interests. Each station develops its schedule to serve the needs of Pennsylvanians within its viewing area, making use of programs from all available sources. The schedule is designed to serve many different interests and needs over time; appealing to different people at different times but always trying to serve as many persons as possible each week or month.

Funding for non-commercial public television in Pennsylvania comes from several sources: business and industry, 22.8 percent; members and contributors, 28.6 percent; underwriting, auctions, universities, schools and local government, 5 percent; Commonwealth appropriations to the PPTN Commission, 18.4 percent; Federal funds through the Corporation for Public Broadcasting and other Federal programs, 20.4 percent; and 4.8 percent from other miscellaneous sources.

The basic duties of the PPTN Commission are operation of the network interconnection service and aid to the network stations for broadcast operations, programming and capital facilities. The 1984-85 budget projects that 45 percent of the network operations funds will be used to provide network services and 55 percent to support station operations. The programming funds are used to directly acquire specific programs for statewide distribution, provide

Public Television Services (continued)

Program Analysis: (continued)

centralized promotion and audience research, and help fund programming activities at the stations. In 1984-85, it is estimated that 42 percent of the programming services funds will be used for centralized projects including contracted programming with network stations and 58 percent will be direct station grants to support program acquisition.

The budget for operations includes a one million dollar initiative for essential network equipment and for support for a cooperative effort with the Department of Education to increase educational television activity for science programming.

The largest part of this initiative is funding for equipment. The traffic and routing system is the core of network operations. It is used around the clock for the scheduling, routing, and delivery of all programming and program related materials. In its traffic function, the equipment accepts programming supplied by the stations, other networks, and the PPTN scheduling office and constructs a detailed network operating plan. The existing system is over a decade old and its replacement is necessary to continued functioning of the network. The initiative also includes funding for one inch video tape recorders which are a necessary revision to existing network equipment.

The educational television portion of the initiative will provide funds for the station components of a joint project with the Department of Education to ensure that high quality science education programs are available to every school in the Commonwealth regardless of their ability to purchase

instructional television services. The Department of Education is making available outstanding science programs and is providing the beginning and ending continuity portions for each program. The Department will also be providing extensive print materials and opportunities for teacher in-service to ensure use of the programs.

The programming appropriation is funded at a ten percent increase to recognize the greatly increased cost of program acquisition. The seven stations purchase national programming from the public broadcasting service; the cost of those programs, especially the very popular ones, has been escalating at a rate which could result in reduced acquisition without increases in funding.

Public broadcasting is the only communications medium which binds the State's four corners together and there is evidence that indicates that public television is serving more Pennsylvanians than ever before. National survey data indicates that during the six month period from October 1982 through March 1983, 52.7 percent of all U.S. TV households watched public television. Membership income over the last five years has increased by more than 96 percent in Pennsylvania and totals more than \$7,500,000. Education, economic development, human services and criminal justice are the top priorities of government for the 1984-85 fiscal year. Public television programming can assist in bringing understanding to these topics so that the electorate may reach an informed consensus.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Pennsylvania Public Television Network-Operations	\$ 4,787	\$ 4,952	\$ 6,150	\$ 5,723	\$ 6,009	\$ 6,309	\$ 6,625
Pennsylvania Public Television Network-Program Services	2,637	2,747	3,022	3,173	3,332	3,498	3,673
GENERAL FUND TOTAL	\$ 7,424	\$ 7,699	\$ 9,172	\$ 8,896	\$ 9,341	\$ 9,807	\$ 10,298

Emergency Management Agency

The Pennsylvania Emergency Management Agency develops and maintains a comprehensive plan and program for the civil defense of the Commonwealth. Primarily, the plan calls for the protection of life and property both under enemy attack and in the event of natural disasters and man-made disasters. The agency also provides loans to volunteer fire, ambulance and rescue companies, and coordinates State fire services.

EMERGENCY MANAGEMENT AGENCY

Summary by Fund and Appropriation

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 1,594	\$ 1,675	\$ 1,675
Office of Fire Safety	688	728	728
Subtotal	<u>\$ 2,282</u>	<u>\$ 2,403</u>	<u>\$ 2,403</u>
Grants and Subsidies			
Flood and Storm Damage — Allentown .....	. . . .	\$ 335	. . . .
TOTAL STATE FUNDS	<u>\$ 2,282</u>	<u>\$ 2,738</u>	<u>\$ 2,403</u>
 Federal Funds	 \$ 1,725	 \$ 2,473	 \$ 2,124
GENERAL FUND TOTAL	<u>\$ 4,007</u>	<u>\$ 5,211</u>	<u>\$ 4,527</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Government Operations			
State Funds	\$ 1,594	\$ 1,675	\$ 1,675
Federal Funds	1,626	2,473	2,124
TOTAL	\$ 3,220	\$ 4,148	\$ 3,799

Provides essential services and facilities during periods of emergency. Coordinates State, county and local activities associated with emergency services. Coordinates Pennsylvania's civil defense operations with those of other states through the Federal Emergency Management Program.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
(8) General Government Operations	\$ 1,594	\$ 1,675	\$ 1,675
Federal Funds:			
(51) Civil Preparedness Reimbursements	1,380	1,917	2,109
(53) Flash Flood Project — Warning System	240	556	15
Shelter Survey	6	.....	.....
TOTAL	\$ 3,220	\$ 4,148	\$ 3,799

GEN
BILL

2,509
456

8

GENERAL FUND

EMERGENCY MANAGEMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Fire Prevention and Safety			
State Funds	\$ 688	\$ 728	\$ 728
Federal Funds	99	.....	.....
TOTAL	<u>\$ 787</u>	<u>\$ 728</u>	<u>\$ 728</u>

Provides for the administration and operation of the Volunteer Loan Company Program which provides low interest loans to rescue and fire companies and units; the administration and operation of the Lewistown Fire School which provides training classes to professional as well as volunteer fire and ambulane personnel; and operating funds for the Fire Commissioner to coordinate and organize all fire functions.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
(478) Office of Fire Safety	\$ 688 ^a	\$ 728 ^b	\$ 728
Federal Funds:			
Highway Safety Act-Hazardous Substance Handling	98	.....	.....
Statewide Fire and Thermal Burn Program	1	.....	.....
TOTAL	<u>\$ 787</u>	<u>\$ 728</u>	<u>\$ 728</u>

^aExpended as follows: Volunteer Company Loan Fun — Administration \$135,000; Vocational Education Fire School \$385,000; and Fire Commissioner \$168,000

^bAppropriated as follows: Volunteer Company Loan Fund — Administration \$136,000; Vocational Education Fire School \$421,000; and Fire Commissioner \$171,000.

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Disaster Relief Program			
State Funds	\$ 335	.....

Provides financial assistance to the City of Allentown for recent storm and flood damage.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Flood and Storm Damage — Allentown	<u>\$ 335</u>	<u>.....</u>

Restricted Receipts Not Included in Department Total

General Fund	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Disaster Relief Assistance	\$ 5,504	\$ 1,000	\$ 800
Receipts from Federal Government—Contributions for Civil Defense	30	50	55
Personnel and Administrative Expenses	1,201	1,235	1,275
TOTAL	<u>\$ 6,735</u>	<u>\$ 2,285</u>	<u>\$ 2,130</u>

EMERGENCY MANAGEMENT AGENCY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88		1988-89
Emergency Services	\$ 2,282	\$ 2,738	\$ 2,403	\$ 2,523	\$ 2,649	\$ 2,781	\$ 2,920
Emergency Management	1,594	2,010	1,675	1,759	1,847	1,939	2,036
Fire Prevention and Safety	688	728	728	764	802	842	884
DEPARTMENT TOTAL	<u>\$ 2,282</u>	<u>\$ 2,738</u>	<u>\$ 2,403</u>	<u>\$ 2,523</u>	<u>\$ 2,649</u>	<u>\$ 2,781</u>	<u>\$ 2,920</u>

EMERGENCY MANAGEMENT

Emergency Management

OBJECTIVE: To develop and maintain a statewide emergency force capable of immediate and effective action in event of natural disasters and rapid expansion to effectively cope with nuclear disasters.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 1,594	\$ 2,010	\$ 1,675	\$ 1,759	\$ 1,847	\$ 1,939	\$ 2,036
Federal Funds	1,626	2,473	2,124	2,050	2,152	2,260	2,370
TOTAL	\$ 3,220	\$ 4,483	\$ 3,799	\$ 3,809	\$ 3,999	\$ 4,199	\$ 4,406

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Counties having an approved emergency management program	55	64	67	67	67	67	67

Program Analysis:

This program seeks to provide a preparedness and response capability in the event of emergencies through the maintenance of a State-wide assessment, planning, warning, training and education, communications and radiation-monitoring network and the nucleus of an organization to facilitate employment of resources to protect life and property due to enemy attack or natural disasters. Federal, State, county and local emergency management activities and training are coordinated through this program.

Since its legal creation in 1951, the Pennsylvania Emergency Management Agency has conducted a basic and continuing organization and training program designed to develop and maintain a State-wide emergency force composed of State, county and local units jointly capable of: (a) prompt and effective action aimed at the protection of life and property and the alleviation of human suffering and hardship resulting from natural and man-made disasters; and (b) rapid organizational expansion required for civil defense.

Counties are required to have an approved emergency management program consisting of: (1) a statement of accomplishments; (2) required financial needs; (3) hazard vulnerability; and (4) goals indicating projected activity. Previously the Federal Emergency Management Agency did not require an annual update of these plans. However, they now require an annual review and update. Many counties that were previously in compliance with an approved plan have not taken the steps to update their plans. It is an-

anticipated all 67 counties will have approved programs by 1984-85.

The relative degree of emphasis placed on various aspects of the basic Agency program has been and will continue to be shifted, as warranted, by changing conditions. For example, during past years which have been marked by a trend toward general reduction in superpower tension, major emphasis has been moved from basic measures (fallout shelters, radiological defense, etc.) to natural and other than wartime disaster preparations. The necessity for this was demonstrated by the catastrophic floods of the seventies and the Three Mile Island Nuclear Facility incident of 1979. Presently the agency, in conjunction with the Federal Government, is developing a flash flood warning system and working to extend the National Weather Service Radio Program to all areas of the Commonwealth. Such activities should provide the Commonwealth with a greater amount of time to respond to any natural disaster.

The Federal Government, through the Federal Emergency Management Agency, provides up to 50 percent of the cost of the General Government Operations program, as long as the agency meets the requirements established by the Federal Agency.

One particular area of emphasis currently is an extensive and integrated program of training, exercises and tests in planning for response to incidents at fixed nuclear facilities in the Commonwealth. Tests and exercises of the State plan were conducted at four nuclear facilities: Beaver Valley, Sus-

Emergency Management (continued)

Program Analysis: (continued)

quehanna, Peach Bottom, and the Three Mile Island facility. The first test of the Limerick facility is scheduled for July, 1984. Under Nuclear Regulatory Commission (NRC) regulations, facilities which pass the test in a given year will be tested bi-annually and those facilities which do not pass will be tested annually.

Technological changes have also focused more direct attention on hazardous materials — in production, storage, transport or disposal — as a threat to health, environment, lives and property. During 1980-81, the agency created the Hazard Mitigation and Recovery Office. This office has the responsibility to analyze various hazardous situations which may arise.

Major accomplishments to date include the completion and publication of a 127 page document entitled "Vulnerability Analysis of Hazards," and administration of the State effort in a Presidentially declared major disaster. Major projects underway include the re-write of a hazardous materials plan (approximately 90 percent complete) and an update of disaster recovery plans.

A State funded initiative in 1983-84 was provided for a new teletype system which is part of the Agency Alert and Warning system. The system has been installed, is undergoing testing and will probably be accepted early in 1984.

The agency is also continuing its implementation of a Statewide communication capability consisting of a dedicated emergency management radio system for use by State and local emergency management agencies during emergency situations. The first phase, begun in 1982-83 using both State and Federal funding, provided for radio communications between the State emergency operations center, State/area emergency operations centers and 54 of 67 county

emergency operation centers.

In 1983-84, using full Federal funding, it is anticipated radio communications will be extended to all 67 counties and the utilization of maximum mobile capability to 90 percent of the Commonwealth. Continued Federal funding in 1984-85 will allow for the increased capability of VHF interchange, purchase and installation of emergency generator systems and station security systems.

Long-term objectives of the program include the future interface with a State-owned backbone microwave system, protection of established radio sites from atmospheric interference, completion of radio/mobile coverage for the entire Commonwealth, and the reduction of system cost through shared usage.

Fiscal year 1984-85 also marks the initial year of implementation of a new Federal program titled "Integrated Emergency Management System (IEMS)" at all levels of government nationwide. The concept of this program is to consolidate the development of response plans required which have common and unique capabilities across the full spectrum of hazards, rather than focusing on the requirements of specific hazards. The goal of the system is to develop and maintain a credible emergency management capability by integrating activities along functional lines at all levels of government and, to the fullest extent possible, across all hazards. Although this program initiative is new at the Federal level, it is the concept the Commonwealth has followed for many years. Hopefully, this recognition by the Federal Government of an all hazards approach will lift the restrictions on the use of Federal funding specifically earmarked for civil defense response planning and provide more Federal funds for other disaster programs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 1,594	\$ 1,675	\$ 1,675	\$ 1,759	\$ 1,847	\$ 1,939	\$ 2,036
Flood and Storm Damage — Allentown		335					
GENERAL FUND TOTAL	<u>\$ 1,594</u>	<u>\$ 2,010</u>	<u>\$ 1,675</u>	<u>\$ 1,759</u>	<u>\$ 1,847</u>	<u>\$ 1,939</u>	<u>\$ 2,036</u>

Fire Prevention and Safety

OBJECTIVE: To minimize the loss of life and property due to fire.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 688	\$ 728	\$ 728	\$ 764	\$ 802	\$ 842	\$ 884
Federal Funds	99	.....	.....	.....	.....	.....	.....
TOTAL	\$ 787	\$ 728	\$ 728	\$ 764	\$ 802	\$ 842	\$ 884

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Local fire training graduates	18,000	19,500	20,000	20,300	21,000	21,400	22,000
Fire school graduates	2,100	2,200	2,250	2,300	2,400	2,450	2,550
Volunteer loans granted (in thousands)	\$10,500	\$9,000	\$7,500	\$4,200	\$5,000	\$4,500	\$4,500

Program Analysis:

The State Fire Commissioner is responsible for providing a cost-effective fire loss management system for the Commonwealth. He acts as the guiding force in coordinating Federal, State and private fire safety funds in Pennsylvania; assists State agencies in the development of any plans related to fire safety; and reviews existing or proposed rules and regulations affecting the safety of Commonwealth citizens.

The Fire Commissioner's Office through its contacts with government agencies, the business community, consumers, and the fire service, renders technical assistance, collects, reviews, and disseminates pertinent information about fire death data and fire prevention and control techniques and conducts Statewide fire safety educational programs for the total fire community.

The State Fire Academy at Lewistown is the main fire training delivery mechanism. The school includes a fire training facility which has five floors of 15 different model compartments which simulate apartment and housing units and can be fired and used to train fire fighters in actual interior house fires. A six floor drill tower for training activities is also part of this complex. Special areas include fire pits and steel fuel tanks, outdoor simulation of street areas with hydrants and water supplies. A control building adjacent to this outside training area is equipped with regulatory controls which provide water, fuel and fire intensities to the fire building or pit areas. The 1983-84 Capital Budget included a project in the amount of \$150,000 to provide for the installation of a new liquid fuel system for fire training pur-

poses. The new system will consist of underground fuel storage tanks, fuel discharge pumps, control system and distribution piping.

The State Fire Academy provides advanced professional development of fire service officers, command personnel, instructors, and other specialists engaged in fire prevention and suppression activities; acts as educational hub for all other fire and emergency services training in Pennsylvania; serves the Commonwealth's fire community; and coordinates the activities of the Pennsylvania Fire Service Professional Qualifications Board, which is responsible for administering a voluntary certification program for fire service personnel in the Commonwealth. Additional funding is recommended to support a certification/curriculum specialist at the State Fire Academy to implement the certification program and a clerical position to provide necessary clerical support.

The State Fire Academy will graduate over 19,500 local fire personnel in 1983-84. The estimates for this measure have been adjusted to reflect updated figures that are more attuned to attainable goals.

In addition to training provided at the Fire Academy, a local outreach program (organized and coordinated by two field supervisors) provides training to more than 26,000 local fire personnel annually through both safety, fire prevention/detection, and fire suppression programs.

Another area of assistance to the fire fighting and prevention community is the fiscal assistance of the Volunteer

Fire Prevention and Safety (continued)

Program Analysis: (continued)

Company Loan Fund. The purpose of the fund is to improve the capabilities of volunteer fire companies, ambulance services and rescue squads through the provision of low interest loans for the purpose of establishing or modernizing facilities to house fire fighting apparatus, purchasing new apparatus or equipment (protective and communication as well as fire fighting) and purchasing any other accessory equipment. Priority is given to replacement of outmoded or unsafe equipment and provision of additional equipment needed to meet unusual demand. Interest is at two percent per annum for a maximum of ten years. Loans of \$10,000 or less are limited to five years.

There have been three amendments since the enactment of this program. Act 145 of 1978 authorized refinancing of private loans incurred by volunteer agencies between November 4, 1975 and April 30, 1978. It also authorized loans for repair or rehabilitation of apparatus and equipment. Act 65 of 1980 contained the following changes: 1) authorized the Commonwealth of Pennsylvania to make loans to volunteer agencies for the purpose of purchasing

used equipment and vehicles and purchasing utility or special service vehicles; 2) reduced the minimum amount of a loan to \$1,000; 3) permitted a political subdivision to pledge the credit of the political subdivision in the amount necessary to meet the loan requirement; and 4) removed the final date for the refinancing of debt, thereby eliminating the need for periodic amendments to the original Act to extend the refinancing authorization.

Finally, on May 11, 1982, Act 118 was signed into law. This law provides changes in the maximum amounts of eligible funding. In the November 1981 election, the voters approved a referendum establishing a bond issue in the amount of \$15,000,000. Of the \$15,000,000, seven million dollars was made available in July, 1982 and eight million in April, 1983.

To assist in the increased workload of this program due to the most recent bond issue, funding is provided for a support position under this program.

Consolidation of all three of the fire related programs is recommended under the Office of Fire Safety in order to maximize program flexibility.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Office of Fire Safety	<u>\$ 688</u>	<u>\$ 728</u>	<u>\$ 728</u>	<u>\$ 764</u>	<u>\$ 802</u>	<u>\$ 842</u>	<u>\$ 884</u>

Department of Environmental Resources

The Department of Environmental Resources provides for and encourages the development of a balanced ecological system encompassing the social, cultural and economic needs of the Commonwealth's citizens through harmonious development of our environmental resources. The Department is responsible for the State's land and water management programs, all aspects of environmental control and regulation of mining operations.

The Department includes the Citizens Advisory Council, the Environmental Hearing Board, the Environmental Quality Board, the State Conservation Commission, the State Board for Certification of Sewage Enforcement Officers, the State Board for Certification of Sewage Treatment and Waterworks Operators and the Water Facilities Loan Board.

ENVIRONMENTAL RESOURCES

PROGRAM REVISIONS

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1984-85 State Funds (in thousands)
Sewage Facilities Enforcement Grants	Sewage Facilities Construction Grants	\$ -825
Sewage Treatment Plant Operations Grants	Sewage Facilities Construction Grants	-8,550
Sewage Facilities Construction Grants	Sewage Facilities Construction Grants	9,375

This Program Revision will provide grants for construction of sewage facilities from existing enforcement and operations grants.

Office of Protection	Expansion of Solid Waste Activities	235
Hazardous Waste Control	Expansion of Solid Waste Activities	2,100
Solid Waste Disposal Planning Grants	Expansion of Solid Waste Activities	200
Resource Recovery Grants	Expansion of Solid Waste Activities	3,000

This Program Revision will expand the Commonwealth's efforts to oversee the proper disposal of solid waste.

DEPARTMENT TOTAL	\$ 5,535
------------------	----------

DEPARTMENT OF ENVIRONMENTAL RESOURCES

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 6,700	\$ 6,703	\$ 7,728
Electronic Data Processing Support .....	.....	.....	3,557
Office of Resources Management	13,091	12,200	13,087
Floodwall Repair/Replacement—Danville	47	.....	.....
Chesapeake Bay Agricultural Source Abatement .....	.....	.....	900
Deep Mine Safety	2,674	2,810	2,922
Office of Protection	28,982	29,698	31,653
Hazardous Waste Control	999	3,000	5,100
Canonsburg Remedial Action .....	.....	991	1,143
Black Fly Control .....	.....	100	100
State Forestry Operations	10,285	11,004	11,339
Gypsy Moth and Other Insect Control	2,932	2,253	2,180
Study of Flora .....	.....	150	.....
State Parks	25,339	26,035	26,873
Subtotal	<u>\$ 91,049</u>	<u>\$ 94,944</u>	<u>\$ 106,582</u>
Grants and Subsidies			
Flood Control Projects	\$ 200	\$ 220	\$ 220
Storm Water Management Grants .....	.....	.....	250
Sewage Facilities Planning Grants	500	500	500
Sewage Facilities Enforcement Grants	1,171	1,650	825
Sewage Treatment Plant Operations Grants	15,953	16,800	8,550
Sewage Facilities Construction Grants .....	.....	.....	9,375
Solid Waste Disposal Planning Grants	489	600	800
Resource Recovery Grants .....	.....	.....	3,000
Delaware River Master	41	41	43
Ohio River Basin Commission .....	.....	15	15
Susquehanna River Basin Commission	225	230	230
Interstate Commission on the Potomac River Basin	18	21	21
Delaware River Basin Commission	604	639	669
Ohio River Valley Water Sanitation Commission	88	88	90
Small Watershed Projects	91	100	100
Local Soil and Water District Assistants	250	750	750
Interstate Mining Commission	10	10	10
Emergency Mine Subsidence Relief .....	.....	75	.....
Annual Fixed Charges — Flood Lands	12	13	13
Annual Fixed Charges — Project 70	6	10	12
Annual Fixed Charges — Forest Lands	772	788	1,213
Slippery Rock State College Utilities	761	300	.....
Rockview State Correctional Institution Utilities .....	.....	266	.....
Vector Control	500	500	500
Subtotal	<u>\$ 21,691</u>	<u>\$ 23,616</u>	<u>\$ 27,186</u>
TOTAL STATE FUNDS	<u><u>\$ 112,740</u></u>	<u><u>\$ 118,560</u></u>	<u><u>\$ 133,768</u></u>
Federal Funds	\$ 39,231	\$ 77,571	\$ 102,601
Other Funds	11,770	11,689	11,919
GENERAL FUND TOTAL	<u><u>\$ 163,741</u></u>	<u><u>\$ 207,820</u></u>	<u><u>\$ 248,288</u></u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Government Operations			
State Funds	\$ 6,700	\$ 6,703	\$ 11,285
Federal Funds	1,386	1,862	1,361
Other Funds	226	593	438
TOTAL	\$ 8,312	\$ 9,158	\$ 13,084

Provides for the overall executive direction and administration of the department including personnel, fiscal management, systems management, office services, public information and planning and research. Conducts all legal matters of the department including enforcement actions. Provides for the expenses of the department's boards, councils and commissions.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
General Government Operations	\$ 6,700	\$ 6,703	\$ 7,728
Electronic Data Processing Support .....	.....	.....	3,557
Federal Funds:			
Surface Mine Conservation	1,184	1,263	627
Environmental Protection Agency — Planning Grant	202	249	278
Construction Management Assistance Grants — Administration .....	.....	350	456
Other Funds:			
Reimbursement — Wild Resources Conservation Fund .....	.....	190	.....
Reimbursement — Computer Services	31	31	33
Reimbursement — Clean Air Fund	46	48	51
Reimbursement — Solid Waste Abatement Fund .....	.....	96	103
Reimbursement — Clean Water Fund	47	48	51
Reimbursement — Water Facilities Loan Fund .....	.....	180	200
Reimbursement — 208 Work Plan	8	.....	.....
Payments for Departmental Services	94	.....	.....
TOTAL	\$ 8,312	\$ 9,158	\$ 13,084

GENERAL FUND

ENVIRONMENTAL RESOURCES

Office of Resources Management	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 13,138	\$ 12,200	\$ 13,987
Federal Funds	14,283	33,753	50,397
Other Funds	270	328	341
TOTAL	\$ 27,691	\$ 46,281	\$ 64,725

Provides for engineering services relevant to all department operations. Also constructs water structure, stream clearance, channel improvements and minor mine reclamation projects. Also provides detailed surveys of the Commonwealth's geologic, mineral and ground-water resources and prepares topographic maps for every area of the Commonwealth.

This program also is responsible for administering efforts to control stormwater run off in order to protect property and control erosion as well as providing for the Commonwealth's involvement in the National Dam Inspection Program. This requires periodic inspections of existing dams and detailed review of the designs of proposed dams. Finally this program controls the drilling and abandonment of oil and gas wells.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Office of Resources Management	\$ 13,091 ^a	\$ 12,200	\$ 13,087
Floodwall Repair/Replacement — Danville	47	.....	.....
Chesapeake Bay Agricultural Source Abatement .....	.....	.....	900
Federal Funds:			
Chesapeake Bay Pollution Abatement .....	.....	.....	1,100
Coastal Zone Management	1,157	982	460
Water Resources Planning Act	129	236	120
National Water Use Data System	31	80	23
Bituminous Demonstration Project	11	100	100
Surface Mine Conservation	187	296	235
CETA Title VIII — Young Adult Conservation Corps	105	.....	.....
Emergency and Disaster Assistance	49	400	500
Land and Water Conservation Fund	2,915	3,000	2,000
Land and Water Conservation Fund — Jobs Bill .....	.....	805	100
Developing Parks and Recreation Areas — Jobs Bill .....	.....	1,900	.....
ARC — Abandoned Mine Restoration Research	21	94	94
Anthracite Mine Water Control	26	.....	.....
Soil and Water Conservation Act — Administration	1	.....	.....
Upper Delaware National Scenic River	30	32	.....
Abandoned Mine Reclamation	9,333	25,000	45,000
Centralia Mine Fire Recovery .....	.....	150	225
Hydroelectric Feasibility Study	1	17	.....
Topographic and Geologic Survey Grants	65	75	50
Bituminous Coal Resources	61	90	90
Federal Surface Mine Control and Reclamation	123	435	250
Dam Safety Program	4	29	.....
State 404 Program Assumption Study	34	32	50
Other Funds:			
Agricultural Assessment Program	82	140	.....
Topographic and Geologic Survey — Water Well Drillers Act Receipts	39	48	41
Topographic and Geologic Survey — Services Rendered	58	.....	.....
Oil and Gas Conservation Law Fees	81	.....	.....
Reimbursement — Wild Resources Conservation Fund .....	.....	.....	200
Payments for Departmental Services	10	140	100
TOTAL	\$ 27,691	\$ 46,281	\$ 64,725

^aActually appropriated as \$12,338,000 for Office of Resources Management and \$753,000 for Stream Improvement Projects.

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Deep Mine Safety			
State Funds	\$ 2,674	\$ 2,810	\$ 2,922
Federal Funds	457	767	867
TOTAL	<u>\$ 3,131</u>	<u>\$ 3,577</u>	<u>\$ 3,789</u>

Conducts safety inspections of all deep coal mines, cleaning and preparation plants, breakers, washeries and all metal and nonmetallic deep mines. Issues various permits relative to underground coal mining. Develops qualification examinations for the certification of miners, machine runners, shot-fires, and mine officials together with assisting in the development of qualification examinations for the certification of mine inspectors and electricians. Coordinates program to provide for training in mine rescue and first aid. Maintains statistics on all fatal and nonfatal accidents, natural deaths, roof fall accidents and accidents which occur in or around coal mines resulting in serious injuries. Investigates complaints submitted by the general public on hazardous mining conditions caused by deep mining.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Deep Mine Safety	\$ 2,674	\$ 2,810	\$ 2,922
Federal Funds:			
Training and Education of Underground Coal Miners	457	600	600
Surface Mine Control and Reclamation — Deep Mine Safety ..	. . . .	167	167
Office of Surface Mining — Deep Mine Safety .....	. . . .	. . . .	100
TOTAL	<u>\$ 3,131</u>	<u>\$ 3,577</u>	<u>\$ 3,789</u>

	(Dollar Amounts in Thousands)		
Office of Protection	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 29,981	\$ 33,789	\$ 37,996
Federal Funds	20,827	37,758	47,423
Other Funds	1,881	2,113	2,089
TOTAL	<u>\$ 52,689</u>	<u>\$ 73,660</u>	<u>\$ 87,508</u>

This program provides for safeguarding the health and welfare of the Commonwealth's inhabitants by monitoring and evaluating environmental conditions and quickly acting to eliminate environmental hazards which would be detrimental to the health and safety of people.

Major areas of activity include controlling all aspects of surface mining including the use of explosives, administering a mine subsidence insurance program, regulating the disposal of solid waste, establishing and maintaining air and water quality standards, assisting local governments in financing sewage treatment plants, enforcing sanitary regulations in public places and institutions, and inspecting and licensing users of ionizing radiation sources. Also includes funds from the Preventive Health and Health Services Block Grant for a rat control program.

GENERAL FUND

ENVIRONMENTAL RESOURCES

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Office of Protection	\$ 28,982 ^a	\$ 29,698 ^b	\$ 31,653
Hazardous Waste Control	999	3,000	5,100
Canonsburg Remedial Action .....	.....	991	1,143
Black Fly Control .....	.....	100	100
Federal Funds:			
E.P.A. — Evaluation of Reclamation Efforts .....	.....	20	.....
Surface Mine Control and Reclamation	4,399	6,654	6,300
E.P.A. — Planning Grant — Administration	3,432	4,800	3,800
Water Pollution Control Grants	2,371	2,554	2,240
Surface Mine Control and Reclamation Administration	736	1,278	1,293
Air Pollution Control Grants	2,902	3,900	3,900
Radiation Regulation and Monitoring	32	69	118
Safe Drinking Water Research and Demonstration Grants	10	.....	.....
Diagnostic X-Ray Equipment — Testing	24	26	28
Chesapeake Bay Study	3	2	.....
Preventive Health and Health Services Block Grant	1,542	1,284	1,284
Preventive Health and Health Services Block Grant — Administration	91	128	128
Uranium Mill Tailings	1,417	8,921	10,287
Used Oil Recycling Program	51	30	.....
Water Quality Management Planning	1,023	1,361	960
Flue Gas Desulfurization .....	.....	20	.....
Radon in Drinking Water	2	.....	.....
Surface Mine Control and Reclamation — Laboratories	145	1,639	550
Rural Clean Water .....	.....	342	150
Construction Management Assistance Grants	2,638	3,370	3,835
Water Quality Outreach Operator Training Grant	9	110	50
Water Quality Management Planning Grants .....	.....	1,250	1,000
Super Fund Projects .....	.....	.....	11,500
Other Funds			
Clean Air Fund	960	729	667
Clean Water Fund	836	1,074	1,007
Reimbursement for Services to Delaware River Basin Commission	70	70	70
Reimbursement for Services to Susquehanna River Basin Commission .....	.....	5	5
Reimbursement for Laboratory Facilities Use .....	.....	13	13
Food Site Inspection Services — Department of Education .....	.....	.....	17
Solid Waste Abatement Fund .....	.....	125	220
Conservation Well Permit Fees .....	.....	90	90
Payments for Departmental Services	6	.....	.....
Reimbursement — Sampling Agreement	9	7	.....
TOTAL	<u>\$ 52,689</u>	<u>\$ 73,660</u>	<u>\$ 87,508</u>

^aActually appropriated as \$28,856,000 for Office of Protection and \$126,000 for Pittsburgh Laboratory.

^bActually appropriated as \$29,247,000 for Office of Protection and \$451,000 for Erie Laboratory

GENERAL FUND

ENVIRONMENTAL RESOURCES

State Forestry Operations	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 13,217	\$ 13,407	\$ 13,519
Federal Funds	2,256	3,381	2,553
Other Funds	5,531	4,230	4,450
TOTAL	\$ 21,004	\$ 21,018	\$ 20,522

Manages State forest lands and prevents and controls forest fires on all forested lands throughout the State. Conducts annual programs to protect forest lands from insect damage. Produces tree seedlings for reforestation of idle land and provides technical forest management assistance to owners of forest land.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
State Forestry Operations	\$ 10,285	\$ 11,004	\$ 11,339
Gypsy Moth and Other Insect Control	2,932	2,253	2,180
Study of Flora		150	
Federal Funds:			
Renewable Resources Evaluation	31	30	25
Forest Fire Protection and Control	417	400	315
Forestry Incentives and Agricultural Conservation	18	30	30
Cooperative Forest Insect and Disease Control	899	580	580
Watershed Protection and Flood Prevention — Technical Assistance	1	13	10
Resource Conservation and Development		10	8
Forest Management and Processing	199	350	320
Youth Conservation Corps	19		
Forest Insect and Disease Control	672	1,933	1,220
Northeast Regional Biomass Program		35	45
Other Funds:			
Reimbursement for Services to State Parks	150	160	100
Reimbursement From Counties for Gypsy Moth Spraying	1,584	375	330
Sale of Forest Products	3,253	3,200	3,775
Reimbursement for Forest Fire Control	106	50	25
Sale of Seedlings	226	220	220
Private Donations	4	9	
Sale of Vehicles	13		
Youth Conservation Corps Grants	44		
Payments for Departmental Services	151	216	
TOTAL	\$ 21,004	\$ 21,018	\$ 20,522

GENERAL FUND	ENVIRONMENTAL RESOURCES
---------------------	--------------------------------

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Parks			
State Funds	\$ 25,339	\$ 26,035	\$ 26,873
Federal Funds	22	50	.....
Other Funds	3,862	4,425	4,601
TOTAL	\$ 29,223	\$ 30,510	\$ 31,474

Administers the operation, maintenance and protection of the State Park System. Maintains a comprehensive outdoor recreational program, cooperates with other agencies (Federal, State and local) associated with outdoor recreational development or grants-in-aid and encourages private enterprise to provide related services. Participates in nature interpretation and environmental education activities.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
State Parks	\$ 25,339	\$ 26,035	\$ 26,873
Federal Funds:			
State Park Archaeological Studies	15	.....	.....
Department of the Interior — Historic Conservation and Recreation Services	7	.....	.....
Keyzers Mill Stabilization Project .....	.....	50	.....
Other Funds:			
Reimbursement for Sewerage Systems Use	85	85	85
Reimbursement for Use of King's Gap	12	15	15
State Park User Fees	3,764	4,324	4,500
Private Donations	1	1	1
TOTAL	\$ 29,223	\$ 30,510	\$ 31,474

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Storm Water Control			
State Funds	\$ 200	\$ 220	\$ 470

Provides the State's share of the costs of building major flood control structures through Federal, State and local cooperation and also provides funding for rebuilding decaying stream walls. Also provides funds to counties to develop flood warning systems and storm water management plans.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Flood Control Projects	\$ 200	\$ 220	\$ 220
Storm Water Management Grants .....	.....	.....	250
TOTAL	<u>\$ 200</u>	<u>\$ 220</u>	<u>\$ 470</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Sewage Facilities Assistance			
State Funds	\$ 17,624	\$ 18,950	\$ 19,250

Provides grants to municipalities for planning and enforcing sewage facilities programs and provides payments to municipalities, school districts and institutional districts for operation and maintenance of sewage treatment facilities. Also, makes available grants to municipalities for constructing and upgrading sewage treatment facilities.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Sewage Facilities Planning Grants	\$ 500	\$ 500	\$ 500
Sewage Facilities Enforcement Grants	1,171	1,650	825
Sewage Treatment Plant Operations Grants	15,953	16,800	8,550
Sewage Facilities Construction Grants .....	.....	.....	9,375
TOTAL	<u>\$ 17,624</u>	<u>\$ 18,950</u>	<u>\$ 19,250</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Solid Waste — Resource Recovery Assistance			
State Funds	\$ 489	\$ 600	\$ 3,800

Provides grants to municipalities for aid in developing plans for solid waste management systems and for construction of resource recovery facilities.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Solid Waste Disposal Planning Grants	\$ 489	\$ 600	\$ 800
Resource Recovery Grants .....	.....	.....	3,000
TOTAL	<u>\$ 489</u>	<u>\$ 600</u>	<u>\$ 3,800</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Interstate Water Compacts			
State Funds	\$ 976	\$ 1,034	\$ 1,068

Provides for Pennsylvania's contribution to various interstate compacts designed to oversee development of several water basins. Provides the State's share of the expenses of the Delaware River Master who allocates the water of the Delaware River in Accordance with a United States Supreme Court decree.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Delaware River Master	\$ 41	\$ 41	\$ 43
Ohio River Basin Commission .....	.....	15	15
Susquehanna River Basin Commission	225	230	230
Interstate Commission on the Potomac River Basin	18	21	21
Delaware River Basin Commission	604	639	669
Ohio River Valley Water Sanitation Commission	88	88	90
TOTAL	<u>\$ 976</u>	<u>\$ 1,034</u>	<u>\$ 1,068</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Conservation Districts Assistance			
State Funds	\$ 341	\$ 850	\$ 850

Offers aid to county conservation districts to enable them to hire full-time executive assistants and to qualify for Federal small watershed projects.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Small Watershed Projects	\$ 91	\$ 100	\$ 100
Local Soil and Water District Assistants	250	750	750
TOTAL	<u>\$ 341</u>	<u>\$ 850</u>	<u>\$ 850</u>

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Mine Activities			
State Funds	\$ 10	\$ 85	\$ 10

Provides for Pennsylvania's share of the Interstate Mining Commission. Also provides loans to homeowners for emergency mine subsidence relief.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Interstate Mining Commission	\$ 10	\$ 10	\$ 10
Emergency Mine Subsidence Relief .....	.....	75	.....
TOTAL	<u>\$ 10</u>	<u>\$ 85</u>	<u>\$ 10</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Payments in Lieu of Taxes			
State Funds	\$ 790	\$ 811	\$ 1,238

Makes payments in lieu of taxes to political subdivisions and school districts for lands acquired by the Commonwealth for various purposes.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Annual Fixed Charges — Flood Lands	\$ 12	\$ 13	\$ 13
Annual Fixed Charges — Project 70	6	10	12
Annual Fixed Charges — Forest Lands	772	788	1,213
TOTAL	<u>\$ 790</u>	<u>\$ 811</u>	<u>\$ 1,238</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Utility Expansion Grants			
State Funds	\$ 761	\$ 566	.....

Provides the State's share of the cost of improving utility services involving State Institutional Facilities.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Slippery Rock State College Utilities	\$ 761	\$ 300	.....
Rockview State Correctional Institution Utilities .....	.....	266	.....
TOTAL	<u>\$ 761</u>	<u>\$ 566</u>	<u>.....</u>

GENERAL FUND

ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Vector Control			
State Funds	\$ 500	\$ 500	\$ 500

Provides grants to municipalities for establishing and maintaining rat control programs.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Vector Control	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 500</u>

Restricted Receipts Not Included in Department Totals

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
Clean Water Fund	\$ 1,953	\$ 4,469	\$ 1,790
Snowmobile Regulation	221	281	324
Clean Air Act	1,654	3,521	750
Mine Drainage Treatment Fees	197	200	214
TOTAL	<u>\$ 4,025</u>	<u>\$ 8,471</u>	<u>\$ 3,078</u>

DEPARTMENT OF ENVIRONMENTAL RESOURCES

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 6,700	\$ 6,703	\$ 11,285	\$ 8,114	\$ 8,520	\$ 8,946	\$ 9,393
Natural Resource Development and Management	\$ 28,556	\$ 28,411	\$ 31,017	\$ 32,230	\$ 34,941	\$ 38,639	\$ 37,651
Management of Forest Resources	13,989	14,195	14,732	15,258	17,250	20,189	18,412
Management of Water and Mineral Resources	14,567	14,216	16,285	16,972	17,691	18,450	19,239
Protection from Health and Safety Hazards	\$ 52,127	\$ 57,388	\$ 64,568	\$ 67,572	\$ 70,328	\$ 72,804	\$ 76,507
Air Pollution Control	2,882	2,632	2,818	2,959	3,107	3,262	3,425
Water Quality Management	23,960	24,285	24,040	24,277	24,526	24,787	25,061
Community Environmental Management	5,404	5,273	5,602	5,852	6,115	6,391	6,681
Solid Waste Management	4,662	6,826	12,577	14,677	16,309	17,079	18,993
Regulation of Mining	5,856	6,988	7,314	7,679	8,062	8,465	8,887
Environmental Support Services	8,495	9,517	10,136	10,643	11,175	11,734	12,320
Radiation Protection	868	1,867	2,081	1,485	1,034	1,086	1,140
Recreation	\$ 25,357	\$ 26,058	\$ 26,898	\$ 28,242	\$ 29,652	\$ 31,134	\$ 32,689
Management of Recreation Areas and Facilities	25,357	26,058	26,898	28,242	29,652	31,134	32,689
DEPARTMENT TOTAL	<u>\$ 112,740</u>	<u>\$ 118,560</u>	<u>\$ 133,768</u>	<u>\$ 136,158</u>	<u>\$ 143,441</u>	<u>\$ 151,523</u>	<u>\$ 156,240</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 6,700	\$ 6,703	\$ 11,285	\$ 8,114	\$ 8,520	\$ 8,946	\$ 9,393
Federal Funds	1,386	1,862	1,361	1,361	1,361	1,361	1,361
Other Funds	226	593	438	438	438	438	438
TOTAL	\$ 8,312	\$ 9,158	\$ 13,084	\$ 9,913	\$ 10,319	\$ 10,745	\$ 11,192

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services. Included herein are the operations of the Citizens Advisory Council, the Environmental Hearing Board, the Environmental Quality Board and the Water

Facilities Loan Board.

The recommended program costs for 1984-85 include \$3,557,000 to acquire new computer equipment and software to stabilize and modernize the department's data processing capability. This will replace a ten year old system beset with limited capacity and a low reliability rate.

In addition, \$90,000 is included to provide increased legal assistance to the Environmental Hearing Board to reduce the timeframe from when appeals are submitted to when they are heard.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 6,700	\$ 6,703	\$ 7,728	\$ 8,114	\$ 8,520	\$ 8,946	\$ 9,393
Electronic Data Processing Support .....	.....	.....	3,557	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 6,700	\$ 6,703	\$ 11,285	\$ 8,114	\$ 8,520	\$ 8,946	\$ 9,393

Management of Forest Resources

OBJECTIVE: To provide or assist in effective management of forest lands and to reduce plant loss and damage caused by insects, disease, and forest fires.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 13,989	\$ 14,195	\$ 14,732	\$ 15,258	\$ 17,250	\$ 20,189	\$ 18,412
Federal Funds	2,256	3,381	2,553	1,863	1,343	2,023	3,463
Other Funds	5,531	4,230	4,450	4,300	4,510	4,960	4,795
TOTAL	\$ 21,776	\$ 21,806	\$ 21,735	\$ 21,421	\$ 23,103	\$ 27,172	\$ 26,670

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Forest fires	1,536	1,500	1,500	1,500	1,500	1,500	1,500
Acres burned per fire	6	5	5	5	5	5	5
Acres of private timber land affected by professional assistance	94,834	100,000	100,000	100,000	100,000	100,000	100,000
Acres reforested	9,563	10,000	10,000	10,000	10,000	10,000	10,000
Miles of safety strip maintained	135	150	150	150	150	150	150
Acres receiving insect suppression treatment ..	371,723	250,000	190,000	100,000	200,000	400,000	300,000
Acres receiving silvicultural treatment	16,675	15,000	15,000	15,000	15,000	15,000	15,000

Program Analysis:

Approximately 60 percent of Pennsylvania's total land area or 16.8 million acres is forest land. Of this total, about 12 percent or two million acres are State forest lands, 74 percent or 12.5 million acres are privately owned and 14 percent or 2.3 million acres are owned by Federal or municipal governments. This program has the overall responsibility for the protection and enhancement of these vast forest reserves. Specifically, the program is responsible for the management of two million acres of State forest lands; for providing management assistance to the more than 490,000 owners of private forest lands; and for overseeing fire, insect and disease control activities. These millions of acres of forest lands represent a variety of resources such as timber, watersheds, wildlife habitat and recreation areas to the citizens of the Commonwealth.

Through the application of multiple-use management, the two million acres of State forest land provide both economic and social benefits to the Commonwealth. The sale of timber

from State forests during 1982-83 totaled 36.7 million board feet of logs, 6,000,000 cubic feet of pulpwood and 62,000 cords of fuel wood, returning more than \$3.3 million to the Commonwealth. The State forests are also managed for municipal water use, natural gas production and underground gas storage and a wide array of recreational opportunities such as: hiking, camping, hunting, fishing, cross-country skiing, canoeing, snowmobiling and bird watching. The value of the recreational opportunities provided on State forest land is difficult to quantify in dollars, but it is significant nonetheless.

The largest portion of forest land is owned by private citizens. In order to assure the proper long-term custodianship of these forest resources, the department provides management planning and marketing advice, tree seedlings and reforestation assistance, advice on urban forestry matters and technical assistance.

The main threats confronting the Commonwealth's

Management of Forest Resources (continued)

Program Analysis: (continued)

MAJOR FOREST INSECT DEFOLIATORS			
Acres Defoliated by Type of Insect			
Year	Gypsy Moth	Oak Leaf Roller	Fall Cankerworm
1973	856,710	113,000	9,700
1974	479,590	215,000	7,250
1975	317,880	215,000	363,000
1976	732,310	0	1,362,593
1977	1,296,550	0	9,600
1978	452,892	0	0
1979	8,550	0	0
1980	440,500	0	0
1981	2,527,753	0	0
1982	2,351,317	0	0
1983 estimated	1,360,000	0	0

forests are forest fires, insect damage and disease damage. Forest fires, most of which are man-caused, burn 7,000 to 9,000 acres per year. While many fires are accidental in nature, about 35 percent of them are caused by incendiaryism. The incidences of incendiaryism continue to be a major concern, and normal educational approaches seem to have little impact on the problem. With the implementation of Act 85 of 1980, which allows insurance companies to provide the Commonwealth with results of their investigations of suspicious fires, improved surveillance efforts and increased enforcement may have a positive impact on this problem. An increase from \$100 to \$500 in the reward for first information leading to arrest and conviction of the responsible party may also have an impact.

Subdivision of forested land poses another problem since many of the current procedures for fighting fires were predicated upon being able to choose the time and place for the most effective control measures. Today, however, nearly all large forest fires threaten homes, electric and gas transmission lines and other man-made improvements. This has necessitated a revision in forest fire fighting techniques, with aspects of municipal type fire fighting practices being adopted by forest fire fighters.

Damage from insects has, in recent years, been primarily from the gypsy moth infestations that have defoliated millions of acres. The years 1981 and 1982 were the most damaging years on record for gypsy moth defoliation in Pennsylvania. Compared to the other two major pests, oak leaf rollers and fall cankerworm, that have historically plagued Pennsylvania's forests, the damage from the gypsy moth alone exceeds damage from the other two combined in all but three years during the past decade. The damaged acres are indicated in the table above.

The gypsy moth continues to be the number one forest pest problem in Pennsylvania and, indeed, throughout most

of the northeastern United States. Although the estimated number of acres defoliated in the Commonwealth during 1983 dropped by 42 percent from the level recorded in 1982, many of the 1983 acres were new areas experiencing their first serious defoliation. This insect continues its steady move westward and, within ten years, infestations will be established throughout the State. As the insect has expanded from its initial foothold in eastern Pennsylvania, it has devastated forests of increasingly higher value timber. Areas defoliated, some for the second or third consecutive year, are now suffering from high levels of oak mortality that can exceed 50 percent. The effect of the gypsy moth is being compounded by several other defoliators plus several years of drought. Therefore, protecting high-value State-owned forest lands from further gypsy moth damage has become a significant problem.

The department will continue to provide, with the cooperation of county governments, a gypsy moth suppression program aimed at reducing the impact of the pest on private residential and recreational landowners. The approach in this program remains one of integrated pest management with principal reliance on a biological spray material, *Bacillus thuringiensis* (Bt). Uninhabited privately-owned lands are not treated because of the enormous costs involved. However, personnel are available to advise private landowners with regard to the need for treating their land. Non-inhabited high-value State-owned forest lands will be treated as necessary with an EPA-approved gypsy moth growth inhibitor, Dimilin, because of its effectiveness and lower cost per acre. New insecticides and methods of application will continue to be tested and evaluated in the continuing effort to reduce costs and improve efficiency.

The amount recommended for in-lieu-of-tax payments on State forest lands has been increased to reflect an anticipated hike in the per acre payment from 39¢ to 60¢.

Management of Forest Resources(continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
State Forestry Operations	\$ 10,285	\$ 11,004	\$ 11,339	\$ 11,906	\$ 12,501	\$ 13,126	\$ 13,782
Gypsy Moth and Other Insect Control ..	2,932	2,253	2,180	2,139	3,536	5,850	3,417
Study of Flora		150					
Annual Fixed Charges — Forest Lands ..	772	788	1,213	1,213	1,213	1,213	1,213
GENERAL FUND TOTAL	<u><u>\$ 13,989</u></u>	<u><u>\$ 14,195</u></u>	<u><u>\$ 14,732</u></u>	<u><u>\$ 15,258</u></u>	<u><u>\$ 17,250</u></u>	<u><u>\$ 20,189</u></u>	<u><u>\$ 18,412</u></u>

Management of Water and Mineral Resources

OBJECTIVE: To provide effective management of water and mineral resources in order to maximize economic benefits from the utilization of these resources to insure against their undue destruction and depletion:

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 14,567	\$ 14,216	\$ 16,285	\$ 16,972	\$ 17,691	\$ 18,450	\$ 19,239
Federal Funds	11,263	28,048	48,297	62,033	76,842	76,855	76,895
Other Funds	270	328	341	291	291	281	281
TOTAL	\$ 26,100	\$ 42,592	\$ 64,923	\$ 79,296	\$ 94,824	\$ 95,586	\$ 96,415

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Total abandoned mine restoration projects .	17	55	125	250	275	275	275
Abandoned mine sites designated as potential safety problems	2,503	2,468	2,363	2,133	1,878	1,623	1,368
Erosion control plans and permits received .	52	58	80	105	105	105	105
Major geologic, mineral and groundwater resource mapping projects completed ...	14	19	18	17	17	17	17
Obstruction and encroachment permits approved	1,500	1,600	1,800	1,800	1,800	1,800	1,800
Dam inspections	1,150	950	950	950	950	950	950
Inactive surface mines needing reclamation .	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Inactive surface mines reclaimed	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Program Analysis:

Pennsylvania requires great quantities of water to support its heavy industry and population. The availability of water is affected by precipitation, surface runoff, percolation and impoundment. Pennsylvania has more rivers and streams than any other state and its average annual precipitation rate of 40 inches exceeds the national average by approximately 33 percent. It is estimated that under Pennsylvania lie approximately 47 trillion gallons of water. The management of these water resources is done through a comprehensive program of planning, design, construction and regulatory activities.

The planning function is responsible for developing long-range programs for utilization of water and other resources. Planning is integrated into an overall coordinated effort to develop multi-purpose water uses and to control and to

develop programs for acid mine drainage pollution abatement and other mine reclamation programs.

Planning and design work to resolve environmental degradation problems resulting from past coal mining practices is another aspect of this program. Work done under Project 500 deals with the abatement of acid mine drainage, the control and extinguishment of underground mine fires and refuse bank mine fires and the control of surface subsidence from abandoned deep mines. Planning and design work is also performed for projects covered by the Federal Surface Mine Control and Reclamation Act of 1977 which addresses abandoned mine problems affecting the public health and safety.

Following planning and design, this program is responsible for the construction of flood control, recreational, and

Management of Water and Mineral Resources(continued)

Program Analysis: (continued)

mine drainage restoration projects. It is also responsible for stream improvement functions which restore and rehabilitate flood damaged stream channels to provide protection from more frequent flooding.

Developing structural solutions to flood problems continues to be a major program emphasis. Currently the Commonwealth is involved in a cooperative effort with local governments, with the municipality sustaining the flood damage providing such things as land acquisition and utility relocation while the Commonwealth pays for the design and construction of the facility. Eighty-eight projects worth \$102 million have been completed and many more are needed.

To manage and administer water resources regulatory programs, three acts were passed in 1978 which provided for the regulation of the construction, maintenance and operation of dams, water obstructions and encroachments on streams and lakes in Pennsylvania and their contingent flood plains. These same acts also provide for the administration of a Storm Water Management Program.

The Dam Safety and Encroachment Act of 1978, P.L. 1375, authorizes the regulation of dams and reservoirs throughout the Commonwealth in order to protect the health, safety and welfare of the citizens and their properties. This act also provides for a Statewide program for regulation of construction, operation and maintenance of obstructions, encroachments and changes to the course, current, cross sections or the relocation of any streams and their related 100-year floodway to protect life, property, safety and the riparian rights of the public.

Through the National Dam Safety Program, the Commonwealth has compiled an inventory of high risk dams and begun an accelerated inspection program of those dams. This follow up and monitoring action is the reason the program measure for dam inspections has been modified to reflect the inspection level rather than the number of dams inspected.

Flood plain management is authorized by the Flood Plain Management Act of 1978. More active involvement in this program area is anticipated in order to decrease the loss of life and property damage resulting from floods similar to the Agnes, Eloise, and Johnstown Floods.

The Storm Water Management Program is authorized by the Storm Water Management Act of 1978. This act is oriented towards managing and controlling storm water runoff to protect public and private property, decrease

flooding along waterways, control erosion and sedimentation, minimize the cost of public facilities to carry and control stormwater and to protect and conserve groundwater and groundwater recharge areas. This budget includes \$250,000 to initiate a program of grants to counties to develop storm water management plans.

Management of water resources cannot be addressed fully without discussing another natural resource, the soil. The Rules and Regulations for Erosion and Sedimentation Control impact on every earth disturbing activity undertaken by land owners and developers. These regulations help encourage conservation efforts that aid in maintaining the sanctity of the Commonwealth's water resources. As part of its erosion control activities, this program will require an acceleration of educational training efforts for conservation district directors and staff as well as advanced training for engineering and consulting firms. In addition to the erosion and sedimentation aspects of this program, there will also be efforts to develop and implement an agricultural pollution assessment and inventory control program in high priority watersheds. Conservation Districts will be guided and directed in their efforts to conduct inventories of agricultural problems. Also, through the Small Watershed Project Grant Program, the department assists local sponsors of projects in acquiring the necessary land rights. This effort has resulted in expediting the installation of those flood control projects, thereby preventing future floods in the project areas.

A \$2,000,000 program (\$900,000 State and \$1,100,000 Federal) is recommended in 1984-85 to begin a voluntary program of controlling agricultural runoff in the lower Susquehanna River basin. This is a direct result of efforts to reduce nutrient loading in the Chesapeake Bay but will help lower farmers' fertilizer costs and reduce soil erosion as well.

Pennsylvania produces over \$4 billion of minerals annually. These minerals are the essential raw materials for major industrial activities, including the production of steel, cement, lime and electricity. The management of these mineral resources, including the urgent need to find new mineral resources as the old ones are used up by industry, is carried out through this program. Currently emphasis is placed on energy resources and geologic hazards. The results of these surveys are made available to the public, particularly industry and local government, through publications and technical services.

Management of Water and Mineral Resources (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Office of Resources Management	\$ 13,091	\$ 12,200	\$ 13,087	\$ 13,741	\$ 14,428	\$ 15,150	\$ 15,907
Chesapeake Bay Agricultural Source							
Abatement			900	900	900	900	900
Floodwall Repair/Replacement-Danville .	47						
Flood Control Projects	200	220	220	220	220	220	220
Delaware River Master	41	41	43	45	47	49	51
Ohio River Basin Commission		15	15	15	15	15	15
Susquehanna River Basin Commission...	225	230	230	235	240	245	250
Interstate Commission on the Potomac							
River Basin	18	21	21	21	21	21	21
Delaware River Basin Commission	604	639	669	695	720	750	775
Small Watershed Projects	91	100	100	100	100	100	100
Local Soil and Water District Assistants .	250	750	750	750	750	750	750
Storm Water Management Grants.....			250	250	250	250	250
GENERAL FUND TOTAL	\$ 14,567	\$ 14,216	\$ 16,285	\$ 16,972	\$ 17,691	\$ 18,450	\$ 19,239

Air Pollution Control

OBJECTIVE: To prevent and control emissions from existing and future sources of air contaminants in order to bring existing abnormal concentrations to acceptable levels and to insure continuance of currently acceptable air quality levels.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 2,882	\$ 2,632	\$ 2,818	\$ 2,959	\$ 3,107	\$ 3,262	\$ 3,425
Federal Funds	2,902	3,900	3,900	3,400	3,400	3,400	3,400
Other Funds	790	524	497	497	497	497	497
TOTAL	\$ 6,574	\$ 7,056	\$ 7,215	\$ 6,856	\$ 7,004	\$ 7,159	\$ 7,322

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Percent of time air basins contamination concentrations exceed acceptable standards	4%	6%	8%	6%	6%	6%	6%
Inspections	8,322	8,000	8,000	8,000	8,000	8,000	8,000
Abatement orders issued	72	70	50	50	50	50	50
Plan approvals issued	499	550	550	575	600	600	600
Operating permits in effect	5,862	5,490	5,990	6,490	6,990	7,490	7,990

Program Analysis:

Pennsylvania's history as a major industrial state has led to public awareness of the importance of air quality control. The relative purity of the air in the general environment affects all individuals—particularly the young, the aged, and those with respiratory infirmities. Through the prevention, detection, and control of contaminant emissions, this program works towards the attainment and maintenance of acceptable air quality.

The Commonwealth program to combat air pollution began in 1960, with significant statutory revisions occurring in 1972. Major program expansion came as a result of the Federal Clean Air Act of 1970. The 1977 amendments to this Federal act emphasized State planning responsibilities needed to achieve air quality improvements in non-attainment areas and to prevent significant deterioration of existing air quality. This emphasis resulted from the recognition that judgments regarding the social and economic alternatives that impact environmental goals must originate from and have the support of State and local government to succeed. As a result of this recognition, the Clean Air Act

amendments clearly increased involvement below the Federal level. It is important to note that Philadelphia and Allegheny Counties maintain quasi-independent programs that are not reflected in either subcategory financial or program measure data. The overall statewide program is committed to review, revise, and update control requirements in a manner that will achieve satisfactory air quality, meet State implementation requirements, and provide for industrial growth and environmentally sound energy utilization.

The program measure, Percent of Time Air Basin Contaminations Exceed Acceptable Standards, represents long-term annual air quality information relative only to total suspended particulates, settleable particulates, sulfur oxides, and nitrogen oxides. This measure is impacted by program effectiveness, economic conditions, long distance transports and meteorological conditions. This impact is particularly evident in the 1982-83 percentage which was considerably below previous estimate due to economic conditions. There are, in effect, thirteen air basins in the Commonwealth. While Philadelphia and Allegheny Counties are excluded

Air Pollution Control (continued)

Program Analysis: (continued)

from this measure, these areas have been very successful in reducing most pollutants.

While ambient monitoring is the best measure of overall air quality, source monitoring is the focus of the compliance effort. The department maintains a computerized emission inventory system that includes approximately 750 facilities with approximately 8,000 individual air contaminant sources. These facilities have the highest actual emission of the five federal criteria pollutants—as well as any hazardous substances. Private companies are required by law to provide data to the department. Outputs from this system are used for regulatory planning, modeling of emissions, background for permitting activity, and for fulfilling requests from the public for information on emissions and types of sources.

Continuous emission monitoring (CEM) is another type of source monitoring. CEM is performed with in-stack equipment that must be operated by owners of certain large facilities and is used primarily to measure sulfur oxides. CEM has assumed an increasing role in compliance efforts as well as providing industry with additional flexibility, such as emission averaging, to achieve compliance.

A third source monitoring technique involves stack testing performed by mobile teams. Mobile stack testing provides the ability and flexibility to move equipment to any facility that may be emitting unacceptable levels of pollutants. Approximately 200 such tests are performed each year.

The compliance aspect of the program has several important elements:

PLAN APPROVALS. This item reflects the technical review effort that must be expended as part of the permit process. As existing sources are brought into compliance, the permit program assures that any new source is initially constructed with the best available control technology. Not only does the permitting program provide a greater emission reduction for each control equipment dollar spent, but it is also a vital planning tool to assure attainment and maintenance of ambient air quality standards. The number of plan approval applications has dropped in recent years, but should increase with improved economic conditions.

OPERATING PERMITS. This indicator is a measure of the inspection and enforcement efforts necessary to assure

that sources and control equipment are installed as proposed and that they are maintained and operated as designed. Since the permit requirements apply only to sources installed or modified since July 1, 1972, the measure would increase except for the impact of the current permit consolidation effort. There is an ongoing program of permit consolidation where associated sources at a single plant are being placed under single permits. This is currently causing a reduction in the number of outstanding permits. Once consolidation is complete, the number of operating permits reflected in the program measure should increase.

ABATEMENT ORDERS. These include various types of legal documents issued to or negotiated with firms that are in violation of emission standards or other regulatory requirements. Letter agreements are usually negotiated in lieu of filing a criminal citation with a district justice. Consent orders are negotiated with firms having continuing air pollution problems that will take time to abate. The number of abatement orders issued is higher than normal in the actual and available years due to activity surrounding controls on volatile organic compounds (VOC's). Now that the initial workload for VOC's has passed, abatement orders should drop back to a maintenance level.

INSPECTIONS. Various types of inspections are conducted by field personnel. Compliance monitoring inspections are conducted once or twice a year at facilities with significant actual or potential emissions to determine if sources are being maintained in compliance with the air quality regulations. Initial operating permit inspections are conducted to assure the installation of new and modified air contamination sources and air cleaning devices as approved by the department. Permit renewal inspections involve all sources with operating permits and are conducted either annually or bi-annually depending on the significance of the source and its emissions. Complaint/emergency investigations constitute a fourth type of inspection.

Supporting the monitoring and compliance efforts is control strategy development, a continuous process of program evaluation and planning providing a mechanism for ensuring that acceptable levels of air quality are achieved and maintained.

Air Pollution Control (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Office of Protection.....	<u>\$ 2,882</u>	<u>\$ 2,632</u>	<u>\$ 2,818</u>	<u>\$ 2,959</u>	<u>\$ 3,107</u>	<u>\$ 3,262</u>	<u>\$ 3,425</u>

Water Quality Management

OBJECTIVE: To maintain and improve the quality of Pennsylvania's water resources for the support of planned and probable water uses and to protect public health by assuring adequate and safe water supplies.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 23,960	\$ 24,285	\$ 24,040	\$ 24,277	\$ 24,526	\$ 24,787	\$ 25,061
Federal Funds	6,780	9,925	9,528	8,714	8,410	8,308	8,308
TOTAL	\$ 30,740	\$ 34,210	\$ 33,568	\$ 32,991	\$ 32,936	\$ 33,095	\$ 33,369

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Sewage and other point source inspections .	7,000	8,000	8,000	8,000	8,000	8,000	8,000
Enforcement actions	258	300	300	300	300	300	300
Permits issued for new or improved water pollution control facilities	200	200	200	200	200	200	200

Program Analysis

The Commonwealth of Pennsylvania has 50,000 miles of surface streams and 45,000 square miles of groundwater. Protecting and improving the quality of Pennsylvania's abundant natural water resources enhances industrial, agricultural, domestic, and recreational uses while maintaining a healthful and quality environment.

Water pollution problems and associated public health concerns vary with population concentrations, types of industry, mineral resources, geology, and topography of an area. The nearly 12 million people who live and work in Pennsylvania are not uniformly distributed over the State and, therefore, the intensity of the population-based pollution problems is not uniformly distributed. The variations and combinations of all factors affecting water use and water quality make the program to manage water quality highly technical and complex.

Surface and groundwater pollution problems in Pennsylvania are attributable to a variety of sources. These are considered in two general categories: point and non-point sources. Point sources are those such as sewage discharges, industrial waste discharges, and storm or combined sewer drainage that are conveyed to a body of water in a pipe or channel. Non-point sources include diffused discharges such as ground water polluted by sewage, industrial waste, toxic

substances, stormwater runoff, drainage from abandoned mines, and agricultural runoff. In addition to the point and non-point source pollutants, many of which are chronic in nature, problems of an acute nature are created by the addition of substances in the State's waters through spills and accidents which are most often related to storage or transportation of materials.

In areas with heavy industrial and population concentrations, sewage and industrial wastes are the major pollution sources. Storm and combined sewer runoff add to these pollution problems. In western, and parts of central Pennsylvania, drainage from abandoned bituminous coal mines creates serious water quality problems. Active mines are also potential sources of pollution. The same situation exists in the anthracite areas of northeastern Pennsylvania. Oil and gas well operations, found primarily in the northwestern portion of the State, are also pollution sources. More widespread pollution problems include malfunctioning on-lot sewage disposal facilities, as well as agricultural, construction and other earthmoving operations which can have serious erosion and sedimentation impacts. Another potential pollutant is discharged heated water which comes from the large number of power plants scattered throughout the State.

Water Quality Management (continued)

Program Analysis: (continued)

Pollution means more than dumping wastes into a body of water. Water treatment plants are very effective in preventing infectious water-borne diseases caused by normal waste production, but they are less effective in dealing with toxic chemicals that were released into the environment in accelerated amounts during the post-war industrial boom. The scientific community is just now realizing the consequences of these toxic materials and that some of them are carcinogenic.

Through its planning, permitting, surveillance and monitoring, enforcement, and grants administration activities, this program carries out its duties and responsibilities for developing water quality standards for surface and

ground water, regulating water pollution control facilities, and maintaining a statewide surface and groundwater quality monitoring program.

This program has resulted in the investment of over 10 billion dollars by industries, municipalities, and others in water pollution control facilities in Pennsylvania. On an overall basis, 79 percent of the State's 13,000 miles of major streams comply with State/Federal water quality standards.

A Program Revision to change the emphasis of State grants for sewage facilities is recommended for this program and additional details are available in the appendix to this subcategory.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Office of Protection	\$ 5,487	\$ 4,681	\$ 4,700	\$ 4,935	\$ 5,182	\$ 5,441	\$ 5,713
Sewage Facilities Planning Grants	500	500	500	500	500	500	500
Sewage Facilities Enforcement Grants ...	1,171	1,650	825	.....	.....	.....	.....
Sewage Treatment Plant Operations Grants	15,953	16,800	8,550	.....	.....	.....	.....
Sewage Facilities Construction Grants ...	.....	.....	9,375	18,750	18,750	18,750	18,750
Ohio River Valley Water Sanitation Commission	88	88	90	92	94	96	98
Slippery Rock State College Utilities	761	300	.....	.....	.....	.....	.....
Rockview State Correctional Institution Utilities .....	.....	266	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 23,960</u>	<u>\$ 24,285</u>	<u>\$ 24,040</u>	<u>\$ 24,277</u>	<u>\$ 24,526</u>	<u>\$ 24,787</u>	<u>\$ 25,061</u>

**Water Quality Management
Program Revision: Sewage Facilities Construction Grants**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund

Program Analysis:

Financing the local share of sewage facilities is a major problem facing many municipalities in Pennsylvania. The 1982 Federal Municipal Needs Survey identified \$2.7 billion of basic sewerage needs in Pennsylvania. In the past, the Federal government has financed 75 percent of all eligible project costs. Beginning in October of 1984, the Federal share will decrease to 55 percent of eligible costs with some previously eligible items such as collector sewers, no longer eligible for Federal grants. If Pennsylvania continues to receive \$100 million per year in Federal grants, the changes in Federal policy will increase the local financial obligation by approximately \$50 million per year. The last time the Federal share was this low (55%) was in 1972 and at that time there were few municipalities willing to undertake expensive sewage projects. Increasing the local share will only add to the difficult task faced by municipalities in securing large front end infrastructure financing. Any deferral or cancellation of new or improved sewage treatment facilities affects the Commonwealth as a whole because sewage projects have the complementary benefit of improving the State's environment as well as providing a boost to the State's economy. Also, the Federal funds for this infrastructure development in Pennsylvania could be jeopardized.

Unlike some other states, Pennsylvania does not currently have a State program to assist with the local share of sewerage construction now that Project 500 bond funds have been depleted. Therefore, this Program Revision proposes that funds from Sewage Facilities Enforcement Grants and

Sewage Treatment Plant Operations Grants be shifted over a two year period to Sewage Facilities Construction Grants in order to directly assist communities with the increased local financial obligation.

Sewage Treatment Plant Operations Grants were enacted in 1953 to provide local governments with an annual subsidy for operation and maintenance for sewage treatment facilities. The operational subsidy is calculated by using 2 percent of the municipal cost to construct sewage treatment facilities. Although these operational subsidies help offset a small portion of the ongoing annual cost to municipal sewage system users, such costs can be handled adequately at the local level through a fully self-supporting user fee structure.

The Sewage Facilities Enforcement Grant program reimburses municipalities for one-half of the cost incurred to administer the State's on-lot sewage regulations. The remainder of the funding for this program is generated by a locally established permit fee. Permit fees vary considerably from municipality to municipality. This is because the charge is designed to cover one-half of the actual cost of the service provided to individuals and developers. This program would be made fully self-supporting at the local level by increasing sewage permit fees to the individual or developer installing an on-lot disposal system. Furthermore, these funds would be directed to a high priority construction program where there are significant front end costs that cannot be recovered from direct user fees.

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Sewage Facilities Enforcement Grant	\$ -825	\$ -1,650	\$ -1,650	\$ -1,650	\$ -1,650
Sewage Treatment Plant Operations Grants	-8,550	-17,100	-17,100	-17,100	-17,100
Sewage Facilities Construction Grants	9,375	18,750	18,750	18,750	18,750
GENERAL FUND TOTAL	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>

Community Environmental Management

OBJECTIVE: To minimize the incidence of diseases associated with home and community environment.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 5,404	\$ 5,273	\$ 5,602	\$ 5,852	\$ 6,115	\$ 6,391	\$ 6,681
Federal Funds	1,645	1,412	1,412	1,412	1,412	1,412	1,412
Other Funds	6	.....	.....	.....	.....	.....	.....
TOTAL	\$ 7,055	\$ 6,685	\$ 7,014	\$ 7,264	\$ 7,527	\$ 7,803	\$ 8,093

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Inspections of food establishments	17,840	18,450	18,500	18,500	18,500	18,500	18,500
Inspections of public bathing places, schools, organized camps and campgrounds	6,300	6,700	6,850	6,900	6,950	7,000	7,000
Communities receiving State grants for rat and other vector control	88	75	90	90	90	90	90
Inspections of public drinking water supplies	1,844	1,750	2,750	3,500	3,500	3,500	3,500
Sanitary surveys of public drinking water supplies	588	430	750	800	800	800	800

Program Analysis:

One of man's most basic needs is an adequate supply of high quality drinking water. There are approximately 2,400 community water supplies in Pennsylvania serving 10 million year-round residents in municipalities, mobile home parks, institutions, etc. Hundreds of these supplies need major repair, expansion, upgrading, or improvement in operation and maintenance. As a result, numerous community waterworks have extreme difficulty meeting bacteriological, chemical, or community standards for safe drinking water. The deteriorated facilities and lack of expertise in managing and operating community water systems placed an estimated 3 million residents at risk of being served unsafe water.

In recognition of water supply problems, a November, 1981 referendum authorized a \$300 million bond issue of which at least \$220 million is dedicated to loans for community water systems to initiate remedial action.

Noncommunity water supplies serve transient or intermittent use facilities, such as commercial or industrial establishments, camps, parks, eating and drinking establishments, motels, and schools. There are approximate-

ly 10,000 noncommunity establishments in Pennsylvania. There are approximately 600,000 private water supplies existing in Pennsylvania serving 2 million residents. Based on field experience and laboratory tests, approximately 60 percent or 360,000 of these are estimated to be unsafe for human consumption due to improper construction and/or bacteriological and chemical quality. The program provides consultant services and performs inspections related to private water supply problems. There are 49 establishments bottling water in Pennsylvania and 26 other establishments in other states shipping bottled water into Pennsylvania for public sale. Several million people in Pennsylvania are drinking water that is bottled commercially. The market for bottled water has grown because of increased awareness of contaminants in public and private drinking water supplies.

The State community, non-community and bottled water programs provide plan review, permitting, inspections and consultations. The Department of Environmental Resources has negotiated, with the Federal Environmental Protection Agency, a development grant that would lead to the assumption of primary enforcement responsibility (primacy) under

Community Environmental Management (continued)

Program Analysis: (continued)

the Federal Safe Drinking Water Act. Under primacy, the Commonwealth would be able to maintain a more comprehensive program with an annual grant expected to exceed \$1 million. Program measures reflect the impact of the primacy program in 1984-85 and in future years. Inspections and sanitary surveys of public drinking water supplies are reduced during 1983-84 because of the need to utilize existing staff resources to implement the new Water Facilities Loan Program.

Safe food is also essential to human health. If food is contaminated, it can cause illness, even death. Mishandling of food increases the risk of food-borne diseases.

The department is mandated to insure the safety of food provided to the public from the State's food service facilities. The department is responsible for the establishment and implementation of uniform regulations and standards throughout the State and must evaluate the food programs of county and local health departments. Five county health departments and numerous city, borough, and first class township health departments are responsible for licensing and inspecting 34,000 establishments. The department licenses and inspects 16,000 establishments located in municipalities not having their own health departments.

The food protection program utilizes inspections, consultation, and legal action in directly regulating the food establishments. Studies show a direct relationship between the frequency of inspection and the sanitary conditions of the establishments. Establishments free of significant violations at the time of inspection present a decreased hazard of illness to the public. Coupled with this enforcement program, the department cooperates with the restaurant in-

dustry, academic institutions and professional organizations in training about 2,000 food service personnel annually.

It is essential that effective environmental health programs be implemented to protect the estimated 70 million visitors to Commonwealth recreational areas. The department utilizes inspections, consultation, education and enforcement actions to maintain regulatory compliance at Pennsylvania's 5,400 public recreational facilities.

The school programs provide high environmental sanitation standards and safety to the Commonwealth's 3,644 public and private academic schools. School inspections are conducted as mandated by State law. Many schools have been designated as potential mass evacuation centers by the Red Cross and the Pennsylvania Emergency Management Agency. Frequent monitoring of school facilities provides a safe and healthy environment for students, as well as maintaining schools designated as mass evacuation centers in a constant state of readiness.

This program also contains a Vector Control Program, the purpose of which is to solve insect and rodent problems that threaten public health by advancing community environmental improvement with grants-in-aid designed to eliminate rat sources through training and education of municipal workers, supervising insect control operations; conducting applied research projects and directing emergency State vector control operations during natural disasters. Targeted areas include dumps, dilapidated buildings, out-buildings, litter, overgrown and crumbling stone-wall stream banks, incinerators and disposal sites, as well as root clogged storm and sanitary sewer systems.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Office of Protection	\$ 4,904	\$ 4,673	\$ 5,002	\$ 5,252	\$ 5,515	\$ 5,791	\$ 6,081
Vector Control	500	500	500	500	500	500	500
Black Fly Control .....	.....	100	100	100	100	100	100
GENERAL FUND TOTAL	<u>\$ 5,404</u>	<u>\$ 5,273</u>	<u>\$ 5,602</u>	<u>\$ 5,852</u>	<u>\$ 6,115</u>	<u>\$ 6,391</u>	<u>\$ 6,681</u>

Solid Waste Management

OBJECTIVE: To minimize present or potential hazards to human health and the environment from improper and inadequate solid waste management practices

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 4,662	\$ 6,826	\$ 12,577	\$ 14,677	\$ 16,309	\$ 17,079	\$ 18,993
Federal Funds	3,483	4,850	15,300	28,029	29,266	30,571	31,935
Other Funds		125	220	220	220	220	220
TOTAL	\$ 8,145	\$ 11,801	\$ 28,097	\$ 42,926	\$ 45,795	\$ 47,870	\$ 51,148

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Hazardous waste inspections performed ...	2,475	2,400	2,400	2,400	2,400	2,400	2,400
Hazardous waste facilities permitted and licensed under Act 97	45	150	255	385	435	485	535
Abandoned site inspections or investigations	100	250	450	450	300	300	300
Municipal and residual waste facilities permitted	165	165	165	165	230	450	600
Hazardous waste sites receiving remedial action	1	2	4	12	12	12	12

Program Analysis:

Solid Waste Management has been and will continue to be a major environmental issue. Pennsylvania citizens and industry generate an estimated 11 million tons of municipal waste, 18.5 million tons of residual waste, and 5.6 million tons of hazardous waste per year that are regulated under this program.

Solid waste is a generic term that includes within its definition wastes generated from residential, commercial, industrial and agricultural activities. Solid wastes are classified into three major groups.

MUNICIPAL WASTES: Any garbage, refuse or waste resulting from the operation of residential, municipal, commercial or institutional establishments and community activities.

RESIDUAL WASTES: Any discarded material or other waste resulting from an industrial, mining, water treatment, wastewater treatment or air pollution control facility, provided that the waste is not hazardous. Residual waste does not include agricultural waste produced in normal farming operations or coal mining and mineral waste.

HAZARDOUS WASTE: Any discarded material or other waste which, because of its quantity, concentrations, or characteristics may: (1) cause or significantly contribute to an increase in mortality, or (2) pose a substantial hazard to human health or the environment when improperly treated, stored, transported, or disposed of.

While Pennsylvania's solid waste management program began in 1968, the early years dealt basically with municipal solid waste. Thousands of industrial plants continued to generate wastes that escaped the control of water pollution, air pollution and land protection laws. In particular, the hazardous waste problem became increasingly critical due to thousands of abandoned and active land disposal sites where at least the threat of potential health hazards exists. Transporters of hazardous wastes too often simply continued to dump toxic materials in remote areas, in strip mines or in mine shafts. The wastes were often transported in drums that were stacked in warehouses, or in the open, to rust and leak with no care taken to prevent health and pollution hazards.

Solid Waste Management (continued)

Program Analysis: (continued)

Recognizing the national scope of waste problems, Congress passed the 1976 Resource Conservation and Recovery Act (RCRA). The Act gave EPA the authority to develop a nationwide program to regulate hazardous waste from cradle to grave. The Federal Government since 1980 has concentrated its program and funding on hazardous solid waste. Responsibilities under RCRA are divided between the Federal government and the states.

In July of 1980, the General Assembly significantly upgraded Pennsylvania's solid waste legislation through passage of the Solid Waste Management Act (Act 97). This statute authorized the department to implement a comprehensive program including control of municipal, residual and hazardous waste. Of particular importance was the fact that Act 97 made it possible for the Commonwealth to accept primary enforcement responsibility (primacy) from the Federal government for Pennsylvania's hazardous waste programs.

Pennsylvania is one of the leading producers of hazardous waste. The State industries generate 5.6 million tons of hazardous waste annually, of which one million tons are disposed off-site. Currently 30 percent of Pennsylvania's hazardous waste to be disposed off-site is exported to as many as 25 states.

The hazardous waste program involves control of materials from the point of generation to the point of disposal. All entities engaged in hazardous waste management must complete notifications to the department. Storage, treatment and disposal facilities must acquire department permits. Transporters must be licensed. Manifest documents of all shipments must be tracked to insure proper disposal. Facilities operating without department permits are subject to investigation, enforcement and remedial actions. Illegal activities are halted through enforcement measures while plans and documents are reviewed and permits are issued. Department inspection, surveillance, monitoring and enforcement is required by State and Federal law for all facilities and activities. This expanded Federal and State effort has created a new regulated community of approximately 4,000 generators, transporters and storage

treatment/disposal facilities.

Since passage of the Federal Comprehensive Environmental Response Compensation and Liability Act of 1980 (Superfund), the Commonwealth has been heavily involved in the abandoned hazardous waste site clean up program. A total of 39 sites are now included on the National Priority List, which makes them eligible for 90 percent Federal funding.

Although approximately 80 percent of the Commonwealth's solid waste effort is devoted to the control of hazardous wastes, this category is the smallest of the three solid waste groups in terms of tonnage.

In terms of volume, residual waste represents the largest portion of solid waste. Permits have been required for the disposal of residual waste since 1970. However, department policy in early program years directed all available resources to permitting of municipal waste landfills and closing open dumps. In 1974, the department began permitting residual waste sites. However, with the priority given to the hazardous waste program, progress has been slow.

Over 95 percent of the 11 million tons of municipal waste is disposed of in sanitary landfills. Many current sites are reaching capacity and, due to public concern and opposition, new sites are not being established. As a result, local governments are having greater difficulty in finding landfills to accept their wastes and are experiencing escalating costs for this method of disposal.

There are two basic approaches to alleviating this problem. The first involves a cooperative effort by local and State governments to address public concerns about new landfill sites. A second method involves developing alternate disposal strategies. For example, recycling of household items is a simple but effective approach. Pennsylvania's newest municipal recycling center opened this year in Bloomsburg. Resource recovery and waste to energy facilities are also practical solutions.

A comprehensive Program Revision to upgrade the Commonwealth's solid waste management efforts is recommended. An explanation of the proposal is contained in the appendix to this subcategory.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Office of Protection	\$ 3,174	\$ 3,226	\$ 3,677	\$ 4,107	\$ 4,312	\$ 4,528	\$ 4,754
Hazardous Waste Control	999	3,000	5,100	6,770	8,197	9,751	11,439
Solid Waste Disposal Planning Grants ...	489	600	800	800	800	800	800
Resource Recovery Grants .....	.....	.....	3,000	3,000	3,000	2,000	2,000
GENERAL FUND TOTAL	\$ 4,662	\$ 6,826	\$ 12,577	\$ 14,677	\$ 16,309	\$ 17,079	\$ 18,993

**Solid Waste Management
Program Revision: Expansion of Solid Waste Activities**

Recommended Program Revision Costs:

	1982-83	1983-84	(Dollar Amounts in Thousands)				1988-89
			1984-85	1985-86	1986-87	1987-88	
General Fund			\$ 5,535	\$ 7,440	\$ 8,890	\$ 9,469	\$ 11,183
Federal Funds			4,200	19,809	21,046	22,351	23,715
TOTAL			\$ 9,735	\$ 27,249	\$ 29,936	\$ 31,820	\$ 34,898

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Abandoned site inspections or investigations:							
Current	100	250	190	50	50	50	50
Program Revision			450	450	300	300	300
Hazardous waste sites receiving remedial action:							
Current	1	2	4	4	4	4	4
Program Revision			4	12	12	12	12
Municipal and residual waste facilities permitted:							
Current	165	165	165	165	165	165	165
Program Revision			165	165	230	450	600
Communities assisted by planning grants:							
Current	772	770	665	632	600	570	540
Program Revision			865	832	800	770	740

Program Analysis:

This Program Revision proposes increased funding in four existing Commonwealth programs to expand the multi-faceted approach to what many would argue is Pennsylvania's most pressing environmental concern — solid waste disposal.

Hazardous Waste Control

The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 commonly known as "CERCLA" or "Superfund" was passed to give the Federal government authority to clean up hazardous waste sites and to respond to spills of hazardous substances. The Act provided new enforcement tools and the legal authority to compel responsible parties to undertake cleanups and to recover costs incurred through government financed cleanups. To address abandoned sites or sites for which responsible parties are unable or unwilling to undertake cleanup, the Act established the "Hazardous Substance Response Trust Fund" which is a \$1.6 billion fund partially financed (86%) by taxes on the manufacture or import

of certain chemicals and petroleum with the remaining 14 percent coming from general Federal revenues.

Pennsylvania was one of the first states to provide staff and financial resources for this program and, since the Commonwealth ranks third in the number of Superfund sites, it is important to maintain an aggressive program to retain a favorable position in competing for Superfund dollars.

The recommended increase will provide that impetus through continuation of the remedial construction work on a projected ten sites plus initial investigations at several hundred new potential sites and planning on previously identified sites in preparation for remedial action.

Residual and Municipal Waste Management

The priorities given hazardous waste management in the recent past have created a gap in the Commonwealth's regulation of municipal and residual waste management activities. The increased inspections, monitoring and legal initiatives provided through this Program Revision will help reduce illegal disposal activities, increase compliance of ex-

Solid Waste Management (continued)

Program Revision: Expansion of Solid Waste Activities (continued)

Program Analysis: (continued)

isting permitted facilities and improve the solid waste infrastructure.

A strong regulatory program is also an important component of any facility siting program. Conflicting trends in today's society, such as less available land, more waste, more people and increased environmental awareness have resulted in the inability to site needed disposal facilities. Unless the affected public can be assured that these sites will be designed, constructed and operated in an environmentally sound manner, it will be nearly impossible to develop any future sites. More inspection, monitoring and enforcement is needed to prevent environmental problems before they occur, to remedy problems at abandoned sites and to improve public confidence that sites will be operated in an environmentally sound manner. The program measures reflect this as a lag time between the increased regulatory effort and the permitting of new facilities.

Solid Waste Disposal Planning Grants

Act 97 of 1980, the Solid Waste Management Act, authorizes the Commonwealth to assist local governments with the development of solid waste management plans. It requires that plans be developed for the collection, transportation, processing and disposal of wastes generated or accepted within municipal boundaries. The plans must provide for municipal waste management systems that do not pollute our natural resources.

These grants are used not only to prepare long-range management plans, but also to secure permits required to allow for the expansion of existing facilities and to consider management alternatives, including resource recovery. The Department of Environmental Resources also uses these funds to generate regional solutions to solid waste problems. Over 85 percent of the planning grants funded in the past two years have gone to counties or groups of municipalities to address areawide problems.

Such planning efforts have become increasingly important because areas in the Commonwealth are reaching landfill capacity and/or are experiencing escalating landfill costs. As this is realized by local officials, it is critical that the Commonwealth maintain its grant program to encourage proper planning for changes that are required for proper waste disposal.

Resource Recovery Grants

The current situation of over-reliance on landfilling for solid waste disposal must be viewed as a lost opportunity to recover recyclable materials, generate energy and conserve land resources. Resource recovery alternatives are an extremely important part of the solution to Pennsylvania's waste problems. This potential opportunity can be summarized as follows:

- Energy savings from the recovery and reuse of recyclable materials represents 5-10 million BTU's for each ton of municipal solid waste;
- Every ton of waste recycled saves \$8-\$20 in avoided landfilling costs;
- Waste to energy facilities can replace other energy sources. If replacing #2 fuel oil, a ton of municipal solid waste has a value of \$35-\$40; and,
- Waste to energy facilities reduce the volume of waste for final disposal by 90 percent. Assuming these facilities are feasible for about two-thirds of the waste generated, they have the potential to reduce the need for landfill capacity across the State by about 60 percent.

Pennsylvania's Solid Waste Resource Recovery Development Act provides for a grant program to aid municipalities in the use of new methods of extracting and recycling useable materials and energy from municipal solid waste. Four million dollars was appropriated in 1975 and 1976 to support this program. Since that time, no new grant funds have been allocated to support the development of resource recovery projects in the Commonwealth.

Many local governments do not have the financial resources to take the risk involved in using new technology. An active resource recovery program requires grants to address the front end capital needs for new facilities construction.

The proposed Program Revision will provide monies to stimulate the development of projects to conserve recyclable materials in solid waste and convert waste materials to energy. Most of the projects would involve materials recovery processing systems.

Solid Waste Management (continued)

Program Revision: Expansion of Solid Waste Activities (continued)

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Office of Protection.....			\$ 235	\$ 470	\$ 493	\$ 518	\$ 544
Hazardous Waste Control			2,100	3,770	5,197	6,751	8,439
Solid Waste Disposal Planning Grants...			200	200	200	200	200
Resource Recovery Grants			3,000	3,000	3,000	2,000	2,000
GENERAL FUND TOTAL			<u>\$ 5,535</u>	<u>\$ 7,440</u>	<u>\$ 8,890</u>	<u>\$ 9,469</u>	<u>\$ 11,183</u>

Regulation of Mining

OBJECTIVE: To maximize the economic benefits from mining activities while minimizing the negative environmental, health and safety consequences of such activities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 5,856	\$ 6,988	\$ 7,314	\$ 7,679	\$ 8,062	\$ 8,465	\$ 8,887
Federal Funds	4,856	7,441	7,167	7,170	7,170	7,170	7,170
Other Funds .....	.....	90	90	90	90	90	90
TOTAL	\$ 10,712	\$ 14,519	\$ 14,571	\$ 14,939	\$ 15,322	\$ 15,725	\$ 16,147

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Surface mining permits:							
Issued	487	500	525	550	580	600	625
Disapproved	5	10	12	14	20	25	28
Complete and partial inspections performed:							
Surface mines	24,470	36,400	43,600	47,000	50,500	54,500	58,000
Deep mines	2,219	2,200	2,200	2,200	2,200	2,200	2,200
Oil and gas fields	11,074	11,100	11,200	11,200	11,200	11,200	11,200
Surface mine enforcement actions	606	800	1,050	1,100	1,000	900	700
Mine subsidence insurance policies in effect	18,210	20,031	22,034	24,237	26,660	29,326	32,259
Employees trained in mine safety	7,636	8,000	8,000	8,000	8,000	8,000	8,000
Well permit applications processed	8,331	9,000	9,000	9,000	9,000	9,000	9,000

Program Analysis:

Pennsylvania is one of the national leaders in the production of bituminous coal and produces practically all the anthracite coal in the nation. Other minerals produced in the Commonwealth are sand, gravel, iron ore, lime, slate and clay. This rich mineral legacy has not been without its consequences. The mining of these minerals has resulted, all too frequently, in significant environmental degradation through scarred, unreclaimed land, stream pollution, property damage and the loss or diminution of clean water supplies.

The purpose of this program is to minimize adverse environmental impact from active mining operations. Through the administration of State and Federal laws, this program regulates active surface mining operations, coal refuse disposal, and the surface effects of active underground mining related to subsidence. Focusing on the important coal

industry, regulatory activities are designed to assure proper land reclamation, prevent water and air pollution and protect the health and safety of the public.

In the 1977 Federal Surface Mine Control and Reclamation Act, Congress recognized the national importance of an adequate program to control the adverse environmental impacts of mining. This legislation established a new set of standards for controlling subsidence, coal refuse disposal and surface effects of underground mines, as well as surface mining. To foster a strong State role in this regulatory effort, the Act provided for delegation by the Federal government of primary enforcement responsibility (primacy). On July 31, 1982, Pennsylvania was delegated primary enforcement responsibility.

State funding for primacy program expansion began in 1981-82, and this budget includes an additional \$697 thou-

Regulation of Mining (continued)

Program Analysis: (continued)

sand to provide full year funding for the final implementation phase.

The additional State and Federal funds related to the Coal Mining Primacy program will enable the department to expand its staff and facilities to meet the levels of regulatory involvement required in the delegated program. Significant output requirements are: once-per-month inspections, a complete quarterly inspection, ten day response to problems or complaints received through the Federal Office of Surface Mining (OSM) and bond release inspections within 30 days of receipt of the application. Less extensive partial inspections are to be conducted in each of the other two months of the quarter.

Primacy has required more effort to be expended in the permitting of mining operations because of the increased level of review detail. This has increased the length of time it takes to process a permit. Further, the amount of permit application activity has more than doubled since 1977, and data requirements have expanded to levels far exceeding the pre-Federal Act program. Another important program under primacy is the assistance to small coal operators for the preparation of certain technical portions of their permit applications. This program is Federally funded but is administered by the department.

Another activity of the mining program is the offering of mine subsidence insurance to residential and small commercial owners of property and private structures. This insurance program is directed by the Coal and Clay Mine Subsidence Insurance Board. A special fund is administered by the Board in which premium and investment income are deposited and from which insurance claims and costs are paid. The growth in the number and value of policies has steadily increased since the beginning of the fund. With increasing property values and public awareness, this trend is expected to continue.

Over half of Pennsylvania's coal production comes from underground coal mining where the potential for accidents far exceeds that found in surface mining operations. The

number of fatalities has continued to be low in Pennsylvania, although it is higher than the all-time low established in 1978-79. At the same time, disabling injuries have also been on the rise. The reality of increased accidents results in the obligation of mine management, mine labor and government to cooperate in a unified effort to make the deep mine working environment as safe as possible.

The Office of Deep Mine Safety has, for several years, been engaged in conducting mine safety training programs to minimize the number of accidents. Certification requirements for underground mine workers are also managed by this program thereby directly influencing the type and degree of expertise of personnel working in responsible positions underground.

The department will continue to maintain the four mine rescue stations at strategic locations throughout Pennsylvania's coal mining areas. These locations are Uniontown, Greensburg, Ebensburg, and Pottsville. A fifth rescue station for the non-coal industry has been established in Bellefonte where staff is currently being trained and equipment acquired.

The reduced number of miners trained in the actual year is caused by several factors. First, the economy of the past year reduced new hires in the mining industry. Second, curtailed operations at many mines reduced the training requirements for previously employed miners. The third reason is that the "catch-up" effort to provide initial training to existing coal miners has now been completed and emphasis will shift to remedial training for individuals who continue in mine employment.

The Bureau of Oil and Gas Management is responsible for administering laws and regulations covering the oil and gas industry in Pennsylvania. Through a permitting system for drilling activity, inspecting drilling and storage sites, and monitoring and enforcement actions, the program works toward protecting the environment and balancing conflicting interests of the oil, gas and coal industries.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Deep Mine Safety Inspections	\$ 2,674	\$ 2,810	\$ 2,922	\$ 3,068	\$ 3,221	\$ 3,382	\$ 3,551
Office of Protection	3,172	4,093	4,382	4,601	4,831	5,073	5,326
Interstate Mining Commission	10	10	10	10	10	10	10
Emergency Mine Subsidence Relief .....	.....	75	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 5,856	\$ 6,988	\$ 7,314	\$ 7,679	\$ 8,062	\$ 8,465	\$ 8,887

Environmental Support Services

OBJECTIVE: To provide technical and administrative support for the Commonwealth's environmental protection programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 8,495	\$ 9,517	\$ 10,136	\$ 10,643	\$ 11,175	\$ 11,734	\$ 12,320
Federal Funds	145	1,981	550	550	550	550	550
Other Funds	1,059	1,348	1,256	1,256	1,256	1,256	1,256
TOTAL	\$ 9,699	\$ 12,846	\$ 11,942	\$ 12,449	\$ 12,981	\$ 13,540	\$ 14,126

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Inorganic analyses	463,794	1,070,000	1,570,00	1,670,000	1,720,000	1,770,000	1,770,000
Bacteriological analyses	35,700	36,000	37,000	38,000	38,000	38,000	38,000
Radiological samples	2,700	2,600	2,600	2,600	2,600	2,600	2,600
Organic samples	5,037	5,500	5,500	5,500	5,500	5,500	5,500
Court appearances	21	25	25	25	25	25	25

Program Analysis:

This program encompasses the technical and administrative support efforts of the Commonwealth's environmental protection activities.

The laboratory program is an essential service function for all Environmental Protection bureaus and provides analytical data for the determination of pollution levels in the total environment. Toxic chemicals and metals are analyzed in streams and lakes, solid waste, drinking water, industrial waste and fish; radiation is measured from a multitude of media including milk and other food stuffs, water and air; bacteria are monitored in drinking water, bathing beaches and sewage treatment plants; direct services are provided to homeowners to determine water potability; inorganic pollutants are measured in air, water, mine drainage, industrial waste and sewage outflow.

In the last few years the number of parameters of concern has increased dramatically along with the frequency of sampling. In order to meet the increased demand and to control rising labor costs for skilled personnel, the laboratory is continuing to automate many of these functions. Antiquated and inefficient instrumentation is being phased out and replaced with state of the art equipment as funds become available. More complex parameters require sophisticated

instrumentation, skilled personnel, continued training and expanded laboratory facilities. Increased workload from program expansion in the Solid Waste Management, Surface Mine Control and Oil and Gas Regulation Programs will require a larger commitment to the laboratory. In particular, more frequent surface mine inspection sampling will impact on the number of inorganic analyses. Other laboratory programs, such as analytical quality assurance programs, a need for a laboratory certification program, and a need to develop, modify, and/or update analytical methodology will have a significant impact on the laboratory.

In an effort to bring modern management techniques and methodologies to the administrative/clerical support group for Environmental Protection, the Management Support Services Office was created through the reorganization of support services previously provided by program bureaus. Fragmented functional responsibilities, together with staff, were consolidated to perform functions more efficiently provided at the department level. The efficiencies afforded by this consolidation have allowed a substantial reduction in staff and the closing of various field offices without any degradation in services provided.

Environmental Support Services (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Office of Protection.....	<u>\$ 8,495</u>	<u>\$ 9,517</u>	<u>\$ 10,136</u>	<u>\$ 10,643</u>	<u>\$ 11,175</u>	<u>\$ 11,734</u>	<u>\$ 12,320</u>

Radiation Protection

OBJECTIVE: To protect all individuals from unnecessary radiation exposure from natural and artificial radiocontamination and unnecessary occupational and medical exposure.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 868	\$ 1,867	\$ 2,081	\$ 1,485	\$ 1,034	\$ 1,086	\$ 1,140
Federal Funds	1,473	9,016	10,433	4,644	144	144	144
Other Funds	26	26	26	26	26	26	26
TOTAL	\$ 2,367	\$ 10,909	\$ 12,540	\$ 6,155	\$ 1,204	\$ 1,256	\$ 1,310

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Radiation user inspections performed.....	998	750	900	1,000	1,000	1,000	1,000
Users brought into compliance through inspections	46	35	45	300	400	400	400
Nuclear plant off-site samples	2,760	3,000	3,000	3,000	3,000	3,000	3,000

Program Analysis:

Sources of potentially serious exposure to ionizing radiation include nuclear power plants, shipments of radioactive materials, and large industrial, university and hospital users of radiation sources. On an individual basis, unnecessary radiation exposure can occur to individual patients of the healing arts profession utilizing X-ray equipment or radioactive materials in routine practice. Methods of exposure control include: (1) regulation and inspection, (2) environmental radiation surveillance and (3) public safety near nuclear plants.

The first of these three activities is carried out by registering equipment and licensing the possession and handling of materials at all radiation sources, and by performing inspections. Enforcement actions are taken if needed to obtain compliance with existing laws and regulations. A public information program concerning medical radiation exposure is also conducted.

The second is accomplished by conducting environmental radiation surveillance programs around all nuclear power plants and other related facilities, as well as in the general environment. The radiation protection program involves environmental monitoring of air, soil, water, food, and vegetation around nuclear power plants, and has extended the emergency thermoluminescent dosimetry system to better evaluate accidental release of radioactivity. The monitoring activity is currently being done at the Beaver Valley,

Peach Bottom, Three Mile Island and Susquehanna plant sites. Pre-operation monitoring at the Limerick Plant has begun and will be increased as construction is completed.

The third involves insuring the safety of citizens in the vicinity of nuclear power plants. The entire professional staff of the Bureau of Radiation Protection has completed the Federal Emergency Management Agency's course on accident assessment. All have been trained in the implementation of the State Emergency Plan for nuclear accidents. Candidates for field team membership are trained formally in the use of field instrumentation. Quarterly, this equipment is set up and used as part of a proficiency maintenance training effort. Major drills have been conducted at each of the four operational nuclear power plant sites in Pennsylvania. These exercises will occur on an annual basis at each site. At least one drill each year has full State participation by all agencies involved and a Federal critique of the drill is issued.

In addition to the routine activities above, four additional areas are of importance to the program:

(1) The continued decontamination and recovery of the TMI-II reactor. Very slow progress has been occurring at TMI-II, but progress is being made. It is anticipated that the decontamination process, the removal of the core, and subsequent shipments of radioactive wastes offsite will take many more years.

Radiation Protection (continued)

Program Analysis: (continued)

(2) The top priority site in the Federal Government's Uranium Mill Tailings Remedial Action Program is located in Canonsburg, Pennsylvania. The industrial park in this municipality was operated as a uranium and radium processing plant approximately 40 years ago and a large amount of radioactive material is buried at the facility. Sufficient funds are recommended to continue the State involvement in this clean-up effort.

(3) Congress, in 1980, passed the Low Level Radiation Waste Policy Act which requires the states to be responsible for disposal of low level radiation waste generated within its borders. The Act also allows for an exclusive compact among states in a region for a regional disposal site. The present out-of-state commercial sites will be included in exclusive compacts in the future.

(4) Greater knowledge is becoming available concerning a potential health problem caused by Radon in private dwellings. Radon is a naturally occurring radioactive gas, produced in rocks and soils. It migrates through basement cracks and other penetrations and is subsequently trapped in weather tight living spaces. The inhalation of particulate decay products of Radon presents an increased risk of lung cancer. A modest ad hoc program of evaluating a few homes and attempting low cost remedial action is being initiated.

The number of radiation user inspections is shown at reduced levels in 1983-84 and 1984-85 due to increased field staff involvement in the Canonsburg remedial action pro-

ject, the environmental monitoring program, a Federal certified medical diagnostic equipment contract, quality assurance pilot studies with the Federal Department of Health and Human Services and emergency response training exercises and drills. The number of inspections would be expected to return to the 1,000 level in 1985-86 and beyond.

In the past, it was anticipated that for every five users inspected one would not be in full compliance with State regulations. However, the actual ratio is more like 20:1 as is reflected in the actual program measures for 1982-83. The 20:1 ratio has been applied to the revised program measures for 1983-84 and 1984-85. The regulations are currently being revised to cover equipment developments involving new features and an increased awareness of potential radiation health effects. It is expected that the new regulations will be in effect during 1985-86 and that 25 percent of the users inspected subsequent to their promulgation will not be in full compliance. This estimate is reflected in the revised program measures for 1985-86 through 1988-89.

The number of nuclear off-site samples collected in 1982-83 was larger than originally forecast in last year's budget due to the start of the surveillance program at Limerick in early 1983. The figure for 1983-84 includes full sampling at Limerick. This represents peak program level for the foreseeable future since no new nuclear power station sites are under development.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Office of Protection.....	\$ 868	\$ 876	\$ 938	\$ 985	\$ 1,034	\$ 1,086	\$ 1,140
Canonsburg Remedial Action .....	.....	991	1,143	500	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 868</u>	<u>\$ 1,867</u>	<u>\$ 2,081</u>	<u>\$ 1,485</u>	<u>\$ 1,034</u>	<u>\$ 1,086</u>	<u>\$ 1,140</u>

Management of Recreation Areas and Facilities

OBJECTIVE: To provide open space areas and recreation facilities to maximize outdoor recreation opportunities for all Commonwealth citizens and out-of-state visitors.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 25,357	\$ 26,058	\$ 26,898	\$ 28,242	\$ 29,652	\$ 31,134	\$ 32,689
Federal Funds	3,042	5,755	2,100	1,500	.....	.....	.....
Other Funds	3,862	4,425	4,601	4,601	5,001	5,001	5,001
TOTAL	\$ 32,261	\$ 36,238	\$ 33,599	\$ 34,343	\$ 34,653	\$ 36,135	\$ 37,690

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
State park attendance in visitor days (thousands)	33,072	35,000	35,000	35,000	35,000	35,000	35,000
Major maintenance or restoration projects completed	355	271	275	275	275	275	275
Parks with major maintenance projects	95	91	95	95	95	95	95

Program Analysis:

The purpose of this program is to insure to the citizens of the Commonwealth the availability of outdoor recreation and programs within a reasonable driving distance of their homes. A total of 112 recreation areas encompassing nearly 278,909 acres provided recreational facilities, programs and activities to over 33 million visitors in the 1982-83 fiscal year. The State Park System also contributes significantly to Pennsylvania's tourist efforts, with approximately 15 percent of the attendance composed of out-of-state visitors.

During the 1970's, the State Park System experienced rapid expansion and improvement through the Project 70 and Project 500 Bond Issues. As facilities were constructed, greater emphasis had to be placed on funding operational requirements due to the great demand by the using public. As a result, the funding level for maintenance programs suffered. The older parks, many constructed in the 1930's, suffered the most from insufficient repair and restoration monies. But even some of the newer parks have been in operation for a sufficient time period to begin to develop maintenance deficiencies. To address this problem, a Major Maintenance Program for the Park System was initiated in 1981-82. By devoting existing park user fees to this effort, the massive investment made in the State's rich and varied recreational resources can be restored and maintained.

It will take many years to reverse the serious maintenance backlog that developed during the last decade. Many of the facilities within the State Park System came to the point where major repair efforts became necessary to avoid the closure of complete State parks due to safety and health factors. Through the Major Maintenance Program, facilities are being restored to a point where preventive maintenance can replace uneconomical emergency repair efforts. The 1983-84 program is projected to include 271 projects at 91 parks. The 1982-83 figure included a higher number of projects due to the carry-over of work initiated in the latter part of the 1981-82 start-up year. These projects will include renovation or repair of roads, water systems, sewage treatment plants, swimming pools and beaches, boating facilities and structures such as comfort stations, bath houses, offices and visitor centers.

Given the problems of rising costs and limited availability of operating funds, the Bureau of State Parks has encouraged volunteer work by local civic groups, scouting organizations and private individuals. Act 136 of 1981 formalized the department's efforts to obtain the services of individuals without compensation for interpretive functions, visitor services, conservation measures and development or other activities. Since passage of this Act, the number of people involved has steadily increased. For example, during the 1982-83 fiscal year, 500 private individuals provid-

Management of Recreation Areas and Facilities (continued)

Program Analysis: (continued)

ed over 36,300 man-hours of effort in the parks.

The park system continues to experience very heavy weekend usage which creates overloading of facilities and demands closure during these periods in order to protect the facility as well as the general public. Overloading on weekends strains the ability of the operational staff to accommodate this influx of users and allows limited time to provide services to users and proper maintenance to Commonwealth property. Efforts toward distribution of attendance continue to be placed on local programming and increased weekday usage is encouraged to insure visitor safety and protect the ecological system of the parks.

As a result of the Federal Jobs Act of 1983, the department was able to initiate two short-term programs to provide jobs for the unemployed while accomplishing needed recreation and conservation work. One program was a labor intensive effort with materials purchased from businesses employing less than 70 workers. Department project work included such items as planting of trees and shrubs, mulching, rehabilitation of pathways, erosion repair and control, and stream bank stabilization. A total of 536 individuals were employed at 86 sites throughout the State and approximately 600 small businesses participated in supplying materials for the program.

The second program, also dedicated to labor intensive efforts will include rehabilitation/improvement of facilities

and conservation efforts at State parks and State forest lands. Financial data for both of these programs is shown under this subcategory due to their largely recreational focus.

In 1982, the General Assembly approved Act 75—the Welfare Reform Act. This legislation established a system whereby able-bodied welfare recipients could gain meaningful work experience while providing needed public services. The Department of Public Welfare issued regulations to implement the Community Work Experience Program which were subsequently approved by the General Assembly.

Under this program, State and local agencies are eligible to participate as “project operators”. Enrollees referred to project operators are required to work a specific number of hours each month which, when multiplied by the applicable minimum wage, equals the amount of cash assistance received. Project operators are required to make Workman’s Compensation payments and to provide travel expenses not to exceed \$25.00 per month for each participant. The 1983-84 budget provided additional funding to the Department of Environmental Resources for these two expense items. Supervisory and administrative support of the program are handled by existing staff.

The department’s Community Work Experience Program provides for projects at various State parks and forest areas located throughout the Commonwealth.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
State Parks	\$ 25,339	\$ 26,035	\$ 26,873	\$ 28,217	\$ 29,627	\$ 31,109	\$ 32,664
Annual Fixed Charges—Flood Lands....	12	13	13	13	13	13	13
Annual Fixed Charges—Project 70.....	6	10	12	12	12	12	12
GENERAL FUND TOTAL	<u>\$ 25,357</u>	<u>\$ 26,058</u>	<u>\$ 26,898</u>	<u>\$ 28,242</u>	<u>\$ 29,652</u>	<u>\$ 31,134</u>	<u>\$ 32,689</u>

Fish Commission

The Fish Commission administers and enforces the fishing and boating laws of the Commonwealth and provides for the protection and propagation of aquatic life.

FISH COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
Grants and Subsidies			
Atlantic States Marine Fisheries Commission	\$ 4	\$ 4	\$ 4
Transfer to Fish Fund—Free Fishing Licenses .....	.....	.....	156
GENERAL FUND TOTAL	<u>\$ 4</u>	<u>\$ 4</u>	<u>\$ 160</u>
Fish Fund			
General Government			
General Operations	\$ 13,622	\$ 15,281	\$ 15,908
TOTAL STATE FUNDS	<u>\$ 13,622</u>	<u>\$ 15,281</u>	<u>\$ 15,908</u>
Federal Funds	\$ 1,318	\$ 1,205	\$ 1,005
Other Funds	3,474	4,034	4,491
FISH FUND TOTAL	<u>\$ 18,414</u>	<u>\$ 20,520</u>	<u>\$ 21,404</u>
Boating Fund			
General Government			
General Operations	\$ 3,120	\$ 3,909	\$ 4,036
TOTAL STATE FUNDS	<u>\$ 3,120</u>	<u>\$ 3,909</u>	<u>\$ 4,036</u>
Federal Funds	\$ 100	\$ 90	\$ 395
Other Funds	5	10	10
BOATING FUND TOTAL	<u>\$ 3,225</u>	<u>\$ 4,009</u>	<u>\$ 4,441</u>
Department Total — All Funds			
General Fund	\$ 4	\$ 4	\$ 160
Special Funds	16,742	19,190	19,944
Federal Funds	1,418	1,295	1,400
Other Funds	3,479	4,044	4,501
TOTAL ALL FUNDS	<u>\$ 21,643</u>	<u>\$ 24,533</u>	<u>\$ 26,005</u>

GRANTS AND SUBSIDIES

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Atlantic States Marine Fisheries Commission				
State Funds	\$ 4	\$ 4		\$ 4

Provides for Pennsylvania's contribution to the Atlantic States Marine Fisheries Commission which develops a joint program for the better utilization of the Atlantic seaboard fisheries.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Source of Funds				
Appropriation:				
Atlantic States Marine Fisheries Commission	<u>\$ 4</u>	<u>\$ 4</u>		<u>\$ 4</u>

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Transfer to Fish Fund—Free Fishing Licenses				
State Funds				\$ 156

Provides reimbursement from the General Fund to the Fish Fund for the issuance of free fishing licenses.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available		1984-85 Budget
Source of Funds				
Appropriation:				
Transfer to Fish Fund—Free Fishing Licenses	<u>.....</u>	<u>.....</u>		<u>\$ 156</u>

**FISH FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Operations			
State Funds	\$ 13,622	\$ 15,281	\$ 15,908
Federal Funds	1,318	1,205	1,005
Other Funds	3,474	4,034	4,491
TOTAL	\$ 18,414	\$ 20,520	\$ 21,404

Undertakes a variety of propagation and research activities to assure abundant supplies of aquatic life. Supplements the native fish stock to assure an ample supply of fish species for all anglers through the operation of fish hatcheries and supervision of private nurseries. Develops and maintains water and related land areas to improve public fishing, boating and related recreational activities. Enforces the fish laws of the Commonwealth.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Executive Authorization:			
General Operations	\$ 13,622	\$ 15,281	\$ 15,908
Federal Funds:			
Anadromous Fish Act		121	
Fish and Wildlife Restoration Act	1,030	969	815
Commercial Fish Act	99	73	88
Department of the Interior — Heritage Conservation and Recreation Services	100	25	94
Mid-Atlantic Fisheries Management Council	3	4	2
Endangered Species Act	3	13	
Coastal Zone Management	64		
Small Operator Assistance Programs	19		6
Other Funds:			
Sale of Vehicles	50	25	50
Reimbursement for Services — Boat Fund	3,125	4,009	4,441
Reimbursement for Services — Land and Water Development Fund	299		
TOTAL	\$ 18,414	\$ 20,520	\$ 21,404

**BOATING FUND
GENERAL GOVERNMENT**

	1982-83 Actual	(Dollar Amounts in Thousands)	
		1983-84 Available	1984-85 Budget
General Operations			
State Funds	\$ 3,120	\$ 3,909	\$ 4,036
Federal Funds	100	90	395
Other Funds	5	10	10
TOTAL	<u>\$ 3,225</u>	<u>\$ 4,009</u>	<u>\$ 4,441</u>

Promotes watercraft safety, maintains and develops boating waterways and enforces the boating laws and regulations on the inland waters of the Commonwealth for safety in pleasure boating.

<i>Source of Funds</i>	1982-83 Actual	(Dollar Amounts in Thousands)	
		1983-84 Available	1984-85 Budget
Executive Authorization:			
General Operations	\$ 3,120	\$ 3,909	\$ 4,036
Federal Funds:			
Department of the Interior — Heritage Conservation and Recreation Services	100	90	77
U.S. Coast Guard Grant—Boating Safety			318
Other Funds:			
Sale of Vehicles	5	10	10
TOTAL	<u>\$ 3,225</u>	<u>\$ 4,009</u>	<u>\$ 4,441</u>

FISH COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 2,739	\$ 3,211	\$ 3,345	\$ 3,512	\$ 3,687	\$ 3,872	\$ 4,065
Recreation	\$ 14,007	\$ 15,983	\$ 16,759	\$ 17,589	\$ 18,305	\$ 19,220	\$ 20,182
Recreational Fishing and Boating	14,007	15,983	16,759	17,589	18,305	19,220	20,182
DEPARTMENT TOTAL	<u>\$ 16,746</u>	<u>\$ 19,194</u>	<u>\$ 20,104</u>	<u>\$ 21,101</u>	<u>\$ 21,992</u>	<u>\$ 23,092</u>	<u>\$ 24,247</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4
Special Funds	2,735	3,207	3,341	3,508	3,683	3,868	4,061
Federal Funds	20	4	2	2	2	2	2
Other Funds	486	538	611	635	660	690	720
TOTAL	\$ 3,245	\$ 3,753	\$ 3,958	\$ 4,149	\$ 4,349	\$ 4,564	\$ 4,787

Program Analysis

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary

concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services. This subcategory provides for Pennsylvania's contribution to the Atlantic States Marine Fisheries Commission which develops a joint program for the better utilization of the Atlantic seaboard fisheries.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Atlantic States Marine Fisheries Commission	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4	\$ 4
FISH FUND							
General Operations	\$ 2,318	\$ 2,669	\$ 2,784	\$ 2,923	\$ 3,069	\$ 3,223	\$ 3,384
BOATING FUND							
General Operations	\$ 417	\$ 538	\$ 557	\$ 585	\$ 614	\$ 645	\$ 677

Recreational Fishing and Boating

OBJECTIVE: To provide a satisfactory variety of opportunities for fishing and boating on Commonwealth waters.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund .....	.....	.....	\$ 156	\$ 156	.....	.....	.....
Special Funds	\$ 14,007	\$ 15,983	16,603	17,433	\$ 18,305	\$ 19,220	\$ 20,182
Federal Funds	1,398	1,291	1,398	1,637	1,795	1,869	2,006
Other Funds	2,993	3,506	3,890	3,991	4,178	4,371	4,575
TOTAL	\$ 18,398	\$ 20,780	\$ 22,047	\$ 23,217	\$ 24,278	\$ 25,460	\$ 26,763

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Fishing licenses sold	1,073,000	1,100,000	1,132,000	1,149,000	1,160,000	1,175,000	1,175,000
Pounds of fish stocked in Commonwealth streams and lakes	2,181,000	2,176,000	2,176,000	2,176,000	2,176,000	2,176,000	2,176,000
Boats registered	197,000	205,000	215,000	225,000	235,000	245,000	245,000
Fatal accidents reported	29	25	20	20	20	20	20
Convictions for violation of Fish and Boating Laws	12,128	12,500	13,000	13,500	14,000	14,500	14,500

Program Analysis:

The end product of this program is the enjoyment and pleasure derived by anglers and boaters on Commonwealth waterways. The success of this program can be measured by the fact that fishing license sales and boat registrations are continually increasing. With additional leisure time becoming available, the demand for outdoor water-related recreational opportunities is also increasing steadily.

Satisfying greater demands for increased hatchery production, cleaner streams and more and better boating access and launching facilities has become an increasingly difficult task. In recognition of the rising costs associated with these programs, the General Assembly authorized a fish license fee increase in 1982 which has increased revenues but

still keeps fees within reach of most citizens. The funding of boating programs continues to be augmented by that portion of the Liquid Fuels Tax paid on gasoline consumed by motor boats.

The measure indicating pounds of fish stocked should remain constant throughout the budget and future years as two newly renovated hatcheries became operational during the 1980-81 fiscal year.

Increases in convictions versus what was shown in last year's budget reflect the enforcement of stricter provisions of the 1980 Fish and Boat Code and increased deputy waterways patrolmen training.

Recreational Fishing and Boating (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Transfer to Fish Fund — Free Fishing							
Licenses	<u>.....</u>	<u>.....</u>	<u>\$ 156</u>	<u>\$ 156</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
FISH FUND							
General Operations	<u>\$ 11,304</u>	<u>\$ 12,612</u>	<u>\$ 13,124</u>	<u>\$ 13,780</u>	<u>\$ 14,469</u>	<u>\$ 15,192</u>	<u>\$ 15,952</u>
BOATING FUND							
General Operations	<u>\$ 2,703</u>	<u>\$ 3,371</u>	<u>\$ 3,479</u>	<u>\$ 3,653</u>	<u>\$ 3,836</u>	<u>\$ 4,028</u>	<u>\$ 4,230</u>

Game Commission

The Game Commission administers and enforces the game laws of the Commonwealth and provides for the protection and propagation of wildlife.

GAME COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Game Fund			
General Government			
General Operations	\$ 29,761	\$ 32,334	\$ 28,955
	<hr/>	<hr/>	<hr/>
TOTAL STATE FUNDS	\$ 29,761	\$ 32,334	\$ 28,955
	<hr/>	<hr/>	<hr/>
Federal Funds	\$ 3,892	\$ 5,500	\$ 4,410
Other Funds	164	120	130
	<hr/>	<hr/>	<hr/>
GAME FUND TOTAL	\$ 33,817	\$ 37,954	\$ 33,495
	<hr/>	<hr/>	<hr/>

**GAME FUND
GENERAL GOVERNMENT**

	1982-83 Actual	(Dollar Amounts in Thousands)	
		1983-84 Available	1984-85 Budget
General Operations			
State Funds	\$ 29,761	\$ 32,334	\$ 28,955
Federal Funds	3,892	5,500	4,410
Other Funds	164	120	130
TOTAL	<u>\$ 33,817</u>	<u>\$ 37,954</u>	<u>\$ 33,495</u>

Conducts a full range of propagation, research and land management activities to assure sustained wildlife populations. Encourages conservation through the proper use and care of wildlife resources. Conducts hunter safety training classes. Supplements the native wildlife stock to assure an ample supply of game species for all hunters through the operation of game farms. Enforces the game laws of the Commonwealth and regulates hunting on open lands.

<i>Source of Funds</i>	1982-83 Actual	(Dollar Amounts in Thousands)	
		1983-84 Available	1984-85 Budget
Executive Authorization:			
General Operations	\$ 29,761	\$ 32,334	\$ 28,955
Federal Funds:			
National Park Service	1,021	345	100
Pittman-Robinson Act Reimbursements	2,829	5,145	4,300
Fish and Wildlife Act of 1956	42	10	10
Other Funds:			
Sale of Vehicles	164	100	100
Sharecrop and Agricultural Leases .....	.....	20	30
TOTAL	<u>\$ 33,817</u>	<u>\$ 37,954</u>	<u>\$ 33,495</u>

GAME COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 4,263	\$ 9,441	\$ 4,141	\$ 4,348	\$ 4,565	\$ 4,793	\$ 5,033
Recreation	\$ 25,498	\$ 22,893	\$ 24,814	\$ 26,055	\$ 27,358	\$ 28,726	\$ 30,162
Wildlife Management	25,498	22,893	24,814	26,055	27,358	28,726	30,162
DEPARTMENT TOTAL	<u>\$ 29,761</u>	<u>\$ 32,334</u>	<u>\$ 28,955</u>	<u>\$ 30,403</u>	<u>\$ 31,923</u>	<u>\$ 33,519</u>	<u>\$ 35,195</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 4,263	\$ 9,441	\$ 4,141	\$ 4,348	\$ 4,565	\$ 4,793	\$ 5,033
Other Funds	3	.....	.....	.....	.....	.....	.....
TOTAL	<u>\$ 4,266</u>	<u>\$ 9,441</u>	<u>\$ 4,141</u>	<u>\$ 4,348</u>	<u>\$ 4,565</u>	<u>\$ 4,793</u>	<u>\$ 5,033</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected

by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GAME FUND							
General Operations	<u>\$ 4,263</u>	<u>\$ 9,441</u>	<u>\$ 4,141</u>	<u>\$ 4,348</u>	<u>\$ 4,565</u>	<u>\$ 4,793</u>	<u>\$ 5,033</u>

Wildlife Management

OBJECTIVE: To establish a habitat for the production of a sustained yield of wildlife resources for their recreational use as well as the assurance of their perpetuation.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 25,498	\$ 22,893	\$ 24,814	\$ 26,055	\$ 27,358	\$ 28,726	\$ 30,162
Federal Funds	3,892	5,500	4,410	4,885	5,385	5,885	6,385
Other Funds	161	120	130	115	115	115	115
TOTAL	\$ 29,551	\$ 28,513	\$ 29,354	\$ 31,055	\$ 32,858	\$ 34,726	\$ 36,662

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Hunting licenses sold	1,311,234	1,310,000	1,310,000	1,310,000	1,310,000	1,310,000	1,310,000
Deer population	780,000	850,000	740,000	700,000	700,000	700,000	700,000
Deer taken	138,000	138,000	138,000	138,000	138,000	138,000	138,000
Acres open to public hunting	8,603,952	8,650,000	8,700,000	8,750,000	8,800,000	8,850,000	8,900,000
Arrests for violation of game laws	11,341	11,500	11,500	11,500	11,500	11,500	11,500
Pheasant released to supplement native population	329,000	350,000	210,000	210,000	210,000	210,000	210,000

Program Analysis

The primary thrust of this program is to insure the perpetuation of various species of wildlife. As the measures indicate, the number of deer taken per license issued has remained relatively constant and would seem to confirm the adequacy of the Commonwealth's deer population.

An important ancillary benefit of the Commission's propagation program is land management. In addition to the approximately 1,233,000 acres owned and managed by the Commission, additional land is made available for hunting through cooperative programs with private landowners and this encourages private landowners to practice good land management. Even with these actions taken by the Commission, current indications show a decrease in the overall

acres available for public hunting as more and more land is being purchased by developers for housing developments. The measures have remained reasonably stable and thus reflect the consistency of this program.

As part of the Commission's current endangered species program approximately 30 Canadian bald eagles have been released throughout Pennsylvania. This particular program which is scheduled for the next three to four years is designed to repopulate the Commonwealth's bald eagle population.

This subcategory also includes proposed funding to increase the payment in lieu of taxes on Commonwealth-owned forest reserves from \$.39 an acre to \$.60 an acre.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GAME FUND							
General Operations	\$ 25,498	\$ 22,893	\$ 24,814	\$ 26,055	\$ 27,358	\$ 28,726	\$ 30,162

Department of General Services

The Department of General Services administers the leasing, purchasing, transportation, construction, repair and maintenance services for all agencies of the Commonwealth.

GENERAL SERVICES

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revision:

Appropriation	Title	1984-85 State Funds (in thousands)
Energy Conservation Projects	Energy Conservation Projects	\$ 2,000

This Program Revision will fund various small projects which reduce energy costs in certain Commonwealth facilities. All projects included can be funded in one year and will provide pay back in reduced energy costs equal to the cost of the project in one or two years after completion.

DEPARTMENT TOTAL \$ 2,000

DEPARTMENT OF GENERAL SERVICES

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 39,644	\$ 39,588	\$ 42,363
Harristown Rental Charges	8,148	7,939	7,837
Utility Costs	6,644	7,457	8,060
Harristown Utility and Municipal Charges	4,596	5,160	5,469
Replacement of Fleet Vehicles	530	.....	.....
Printing and Distribution of the Pennsylvania Manual	160	.....	165
Minority Contractors Information Center .....	.....	100	100
Subtotal	<u>\$ 59,722</u>	<u>\$ 60,244</u>	<u>\$ 63,994</u>
Debt Service Requirements			
General State Authority Rentals	\$ 47,053	\$ 43,331	\$ 43,189
Grants and Subsidies			
Capitol Fire Protection	\$ 125	\$ 250	\$ 250
Tort Claims Payments	4,000	2,000	3,000
Subtotal	<u>\$ 4,125</u>	<u>\$ 2,250</u>	<u>\$ 3,250</u>
Capital Improvements			
Energy Conservation Projects .....	.....	.....	\$ 2,000
TOTAL STATE FUNDS	<u>\$ 110,900</u>	<u>\$ 105,825</u>	<u>\$ 112,433</u>
Federal Funds	\$ 321	\$ 106	.....
Other Funds	11,259	13,881	\$ 14,894
GENERAL FUND TOTAL	<u>\$ 122,480</u>	<u>\$ 119,812</u>	<u>\$ 127,327</u>
Motor License Fund			
Debt Service Requirements			
General State Authority Rentals	\$ 1,172	\$ 1,220	\$ 1,210
Grants and Subsidies			
Tort Claims Payments	\$ 7,000	\$ 14,000	\$ 13,000
MOTOR LICENSE FUND TOTAL	<u>\$ 8,172</u>	<u>\$ 15,220</u>	<u>\$ 14,210</u>
Fish Fund			
Debt Service Requirements			
General State Authority Rentals	\$ 62	\$ 63	\$ 63
FISH FUND TOTAL	<u>\$ 62</u>	<u>\$ 63</u>	<u>\$ 63</u>

DEPARTMENT OF GENERAL SERVICES

Summary by Fund and Appropriation (continued)

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Boating Fund			
Debt Service Requirements			
General State Authority Rentals	\$ 2	\$ 2	\$ 2
BOATING FUND TOTAL	\$ 2	\$ 2	\$ 2
Banking Department Fund			
General Government			
Harristown Rental Charges .....	.....	\$ 184	\$ 172
Harristown Utility and Municipal Charges .....	.....	130	120
BANKING DEPARTMENT FUND TOTAL .....	.....	\$ 314	\$ 292
State Lottery Fund			
Harristown Rental Charges	\$ 309	\$ 332	\$ 231
Harristown Utility and Municipal Charges	199	259	182
STATE LOTTERY FUND TOTAL	\$ 508	\$ 591	\$ 413
Revenue Sharing Trust Fund			
General Government			
Moving and Relocation Expenses	\$ 362	\$ 293	\$ 70
REVENUE SHARING TRUST FUND TOTAL	\$ 362	\$ 293	\$ 70
Department Total — All Funds			
General Fund	\$ 110,900	\$ 105,825	\$ 112,433
Special Funds	9,106	16,483	15,050
Federal Funds	321	106	.....
Other Funds	11,259	13,881	14,894
TOTAL ALL FUNDS	\$ 131,586	\$ 136,295	\$ 142,377

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Government Operations			
State Funds	\$ 47,792	\$ 47,627	\$ 50,300
Federal Funds	321	106	.....
Other Funds	10,794	11,600	13,523
TOTAL	\$ 58,907	\$ 59,333	\$ 63,823

Provides for direction and coordination of the department's programs which include acting as purchasing agent for all agencies, maintaining a system for the distribution of Federal and State surplus property, providing for the insurance and leased space requirements of agencies, maintaining the Commonwealth automotive fleet, providing engineering and architectural services and furnishing the necessary maintenance, janitorial, and custodial services for Commonwealth owned building.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
General Government Operations	\$ 39,644 ^a	\$ 39,588 ^a	\$ 42,363
Harristown Rental Charges	8,148	7,939	7,837
Minority Contractors Information Center .....	.....	100	100
Federal Funds:			
National Emergency Aid Radio Program	44	22	.....
ARC Telecommunications Technical Assistance	27	37	.....
Coal-Oil Fuel Mixture	250	47	.....
Other Funds:			
Sales and Rental Automotive Equipment	6,497	6,672	7,767
Commissions Earned—Employee Group Life Insurance Administration	50	50	50
Warehouse Rental	92	.....	.....
Receipt of Service Charge—Federal Surplus Property	404	450	500
Reimbursement for Reproduction Services	2,779	3,148	3,246
Rental of Sound Equipment	7	30	40
Employer's Liability Self-Insurance Plan	10	56	60
Information Center — Centrex	138	159	161
General State Authority Fiscal Function	66	69	70
Newsroom Services	12	12	15
Computer Services	216	44	35
Micrographic Service	510	890	859
Plans Forfeiture	13	20	20
Special Funds Billings .....	.....	.....	700
TOTAL	\$ 58,907	\$ 59,333	\$ 63,823

^aAppropriated/expended as follows: In the actual year, General Government Operations \$39,156,000 and Scranton State Office Building \$488,000; and in the available year, General Government Operations \$39,100,000 and Scranton State Office Building \$488,000.

GENERAL FUND

GENERAL SERVICES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Utility Costs			
State Funds	\$ 11,240	\$ 12,617	\$ 13,529
Other Funds .....	.....	.....	200
TOTAL	<u>\$ 11,240</u>	<u>\$ 12,617</u>	<u>\$ 13,729</u>

Provides for the payment of water, sewerage, electricity and heating fuel bills.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Utility Costs	\$ 6,644	\$ 7,457	\$ 8,060
Harristown Utility and Municipal Charges	4,596	5,160	5,469
Other Funds:			
Special Fund Billings .....	.....	.....	200
TOTAL	<u>\$ 11,240</u>	<u>\$ 12,617</u>	<u>\$ 13,729</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Replacement of Fleet Vehicles			
State Funds	\$ 530	.....	.....
Other Funds	219	.....	.....
TOTAL	<u>\$ 749</u>	<u>.....</u>	<u>.....</u>

Provides for the purchase of replacement vehicles for the commercial and temporary fleets.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Replacement of Fleet Vehicles	\$ 530	.....	.....
Other Funds:			
Sale of Vehicles	219	.....	.....
TOTAL	<u>\$ 749</u>	<u>.....</u>	<u>.....</u>

GENERAL FUND

GENERAL SERVICES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Printing and Distribution of the Pennsylvania Manual			
State Funds	\$ 160	.....	\$ 165

Provides for the biennial printing and distribution of the Pennsylvania Manual.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Printing and Distribution of the Pennsylvania Manual	<u>\$ 160</u>	<u>.....</u>	<u>\$ 165</u>

DEBT SERVICE REQUIREMENTS

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General State Authority Rentals			
State Funds	\$ 47,053	\$ 43,331	\$ 43,189
Other Funds	246	2,281	1,171
TOTAL	<u>\$ 47,299</u>	<u>\$ 45,612</u>	<u>\$ 44,360</u>

Makes rental payments to the General State Authority for the use of grounds, buildings and equipment financed and constructed by the Authority other than for State-aided colleges and universities which are paid by the Department of Education. This amount also provides for fire and boiler insurance premiums.

The rental payments are for the retirement of bonds issued by the Authority. Since 1968, capital construction has been financed by General Obligation Bonds and the debt service is paid through the Treasury Department.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
General State Authority Rentals	\$ 47,053	\$ 43,331	\$ 43,189
Other Funds:			
Fees from Dormitory Rentals .....	.....	1,546	.....
Fees from Student Union Rentals	246	735	1,171
TOTAL	<u>\$ 47,299</u>	<u>\$ 45,612</u>	<u>\$ 44,360</u>

GRANTS AND SUBSIDIES

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Capitol Fire Protection			
State Funds	\$ 125	\$ 250	\$ 250

Provides payment to the city of Harrisburg for fire protection rendered to the Capitol Building.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Capitol Fire Protection	<u>\$ 125</u>	<u>\$ 250</u>	<u>\$ 250</u>

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Tort Claims			
State Funds	\$ 4,000	\$ 2,000	\$ 3,000

Provides for the payment of tort claims settled either through the litigation process or through prelitigation negotiations.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Tort Claims Payments	<u>\$ 4,000</u>	<u>\$ 2,000</u>	<u>\$ 3,000</u>

CAPITAL IMPROVEMENTS

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Capital Improvements			
State Funds	\$ 2,000

Provides funds to purchase and install various energy saving devices in Commonwealth owned buildings.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Energy Conservation Projects	<u>.....</u>	<u>.....</u>	<u>\$ 2,000</u>

DEBT SERVICE REQUIREMENTS

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General State Authority Rentals			
State Funds	\$ 1,172	\$ 1,220	\$ 1,210

Makes rental payments to the General State Authority for the use of grounds, buildings, and equipment that were acquired, financed and constructed by the Authority for the Department of Transportation and the State Police. The Commonwealth secures title to the buildings and the property after the total cost of each has been matched by rental payments.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
General State Authority Rentals	<u>\$ 1,172</u>	<u>\$ 1,220</u>	<u>\$ 1,210</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Tort Claims			
State Funds	\$ 7,000	\$ 14,000	\$ 13,000

Provides for the payment of tort claims which are settled either through a litigation process or through prelitigation negotiations.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Tort Claims Payments	\$ 7,000	\$ 12,000	\$ 13,000
Tort Claims Payments—Recommended Supplemental .....	.....	2,000	.....
TOTAL	<u>\$ 7,000</u>	<u>\$ 14,000</u>	<u>\$ 13,000</u>

**FISH FUND
DEBT SERVICE REQUIREMENTS**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General State Authority Rentals			
State Funds	\$ 62	\$ 63	\$ 63

Provides for rental payments to the General State Authority for the use of grounds, buildings, and equipment which were acquired, financed, and constructed by the Authority.

The Commonwealth secures title to the buildings and property after the total cost of each has been matched by rental payments.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
General State Authority Rentals	<u>\$ 62</u>	<u>\$ 63</u>	<u>\$ 63</u>

**BOATING FUND
DEBT SERVICE REQUIREMENTS**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General State Authority Rentals			
State Funds	\$ 2	\$ 2	\$ 2

Provides for rental payments to the General State Authority for the use of grounds, buildings, and equipment which were acquired, financed, and constructed by the Authority.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
General State Authority Rentals	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>

**BANKING DEPARTMENT FUND
GENERAL GOVERNMENT**

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
General Government Operations			
State Funds	\$	314	\$ 292

Provides for the payment of rent, water, electricity and heating fuel in the Harristown building where the space is used by the Banking Department.

Source of Funds
EAS

Appropriations:

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Harristown Rental Charges	\$	184	\$ 172
Harristown Utility and Municipal Charges	\$	130	120
TOTAL	<u>\$</u>	<u>314</u>	<u>\$ 292</u>

**STATE LOTTERY FUND
GENERAL GOVERNMENT**

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
General Government Operations			
State Funds	\$ 508	\$ 591	\$ 413

Provides for the payment of rent, water, electricity and heating fuel in the Harristown buildings where the space is used by Department of Revenue in administration of State Lottery functions.

Source of Funds

Appropriations:

EAS

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Harristown Rental Charges	\$ 309	\$ 332	\$ 231
Harristown Utility and Municipal Charges	199	259	182
TOTAL	<u>\$ 508</u>	<u>\$ 591</u>	<u>\$ 413</u>

**REVENUE SHARING TRUST FUND
GENERAL GOVERNMENT**

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Moving and Relocation Expenses			
State Funds	\$ 362	\$ 293	\$ 70

Provides for payment of costs associated with moving, consolidating, or abandoning facilities of various department.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
<i>Source of Funds</i>			
EA Appropriation:			
Moving and Relocation Expenses	<u>\$ 362</u>	<u>\$ 293</u>	<u>\$ 70</u>

DEPARTMENT OF GENERAL SERVICES

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 7,951	\$ 7,864	\$ 8,741	\$ 9,005	\$ 9,625	\$ 9,928	\$ 10,600
Commodity Management	\$ 4,551	\$ 3,808	\$ 4,070	\$ 4,273	\$ 4,487	\$ 4,711	\$ 4,947
Procurement and Distribution of Commodities	3,874	3,239	3,467	3,640	3,822	4,013	4,214
Disposition and Utilization of Surplus and Donated Commodities	677	569	603	633	665	698	733
Physical Facilities Management	\$ 47,465	\$ 49,266	\$ 53,410	\$ 55,470	\$ 57,724	\$ 59,940	\$ 61,817
Management and Operation of Facilities ..	47,465	49,266	53,410	55,470	57,724	59,940	61,817
Financing Commonwealth Obligations	\$ 48,289	\$ 44,616	\$ 44,464	\$ 42,365	\$ 41,165	\$ 39,265	\$ 35,265
Payment of General State Authority Rentals	48,289	44,616	44,464	42,365	41,165	39,265	35,265
Management of Commonwealth Liability ..	\$ 11,750	\$ 16,754	\$ 16,798	\$ 19,338	\$ 22,380	\$ 25,924	\$ 25,970
Risk Management and Tort Claims	11,750	16,754	16,798	19,338	22,380	25,924	25,970
DEPARTMENT TOTAL	<u>\$ 120,006</u>	<u>\$ 122,308</u>	<u>\$ 127,483</u>	<u>\$ 130,451</u>	<u>\$ 135,381</u>	<u>\$ 139,768</u>	<u>\$ 138,599</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 7,951	\$ 7,864	\$ 8,741	\$ 9,005	\$ 9,625	\$ 9,928	\$ 10,600
Other Funds	3,482	4,283	4,356	4,574	4,803	5,042	5,295
TOTAL	\$ 11,433	\$ 12,147	\$ 13,097	\$ 13,579	\$ 14,428	\$ 14,970	\$ 15,895

Program Analysis

General Administration and Support provides for the administrative and overhead systems which support the operations of various specific programs but, which because of their generalized nature, cannot be reasonably charged to any one substantive program. Such services include overall executive direction, manpower management, fiscal accounting and management information processing.

The costs for records retention and paperwork management are reflected in this subcategory.

This program also provides support for the printing and distribution of the Pennsylvania Manual, which is issued bi-annually, and the administration of the Contract Compliance Unit.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 7,791	\$ 7,764	\$ 8,476	\$ 8,900	\$ 9,345	\$ 9,812	\$ 10,303
Printing and Distribution of the Pennsylvania Manual	160	.....	165	.....	170	.....	175
Minority Contractors Information Center .....	.....	100	100	105	110	116	122
GENERAL FUND TOTAL	\$ 7,951	\$ 7,864	\$ 8,741	\$ 9,005	\$ 9,625	\$ 9,928	\$ 10,600

Procurement and Distribution of Commodities

OBJECTIVE: To provide the Commonwealth agencies with commodities within a reasonable time and which conform to accepted standards of quality.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 3,874	\$ 3,239	\$ 3,467	\$ 3,640	\$ 3,822	\$ 4,013	\$ 4,214
Federal Funds	71	59	.....	.....	.....	.....	.....
Other Funds	6,737	6,672	7,767	8,154	8,561	8,990	9,439
TOTAL	\$ 10,682	\$ 9,970	\$ 11,234	\$ 11,794	\$ 12,383	\$ 13,003	\$ 13,653

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Value of purchases made (in thousands) ...	\$319,000	\$300,000	\$275,000	\$285,000	\$295,000	\$305,000	\$315,000
Tests and inspections made on commodities	820	880	1,000	1,010	1,020	1,030	1,040
Specifications established, reviewed or amended	5,500	5,450	5,400	5,500	5,700	5,900	6,100
Bid evaluations and requisitions reviewed and processed	10,000	9,500	9,000	9,200	9,400	9,600	9,800
Requests for telecommunications proposal and/or service-surveyed, written, evaluated and awarded or processed....	8,034	8,537	8,623	8,685	8,800	8,873	8,980

Program Analysis:

This program includes the purchasing functions for all agencies of the Commonwealth. It provides the method through which the Commonwealth enters into contracts for the vast spectrum of goods and materials procured for the various agencies. The value of purchases and number of bid evaluations reviewed and processed projected for fiscal year 1984-85 indicates a decrease from the current year. This is a result of the increased dollar limits under which agencies may procure commodities without the review or approval of General Services.

This program also assists local governments by allowing them to participate in Commonwealth contracts for the purchase of goods and materials. Currently 33 percent of the Commonwealth's political subdivisions are using this service even though 70 percent have qualified. Although exact savings are difficult to quantify, this practice undoubtedly produces a savings of tax dollars at the local level.

Included in this program is the Vendor Information and Support Division which is designed to allow vendors a pre-bid view of all contracts for goods and services of \$5,000 or more. This division has been very active in increasing minority vendor participation. As a result of their efforts, minority participation in Commonwealth purchases increased by 10 percent since fiscal year 1981-82.

In the past, the primary concern in most procurement transactions has been the initial cost. It has since been recognized that after the initial purchase of an item, system or facility has been completed, a substantial amount of tax monies continue to be spent for such things as energy, maintenance, repair and other costs. The purchasing concept of life cycle costing has come to be recognized as both viable and essential. This system has therefore been adopted for those acquisitions requiring substantial operating and maintenance costs over their life spans. The Department of

Procurement and Distribution of Commodities (continued)

Program Analysis: (continued)

General Services is responsible for the development, implementation, and coordination of an effective life cycle costing program.

In previous years, the measures dealing with specifications established, reviewed or amended, and bid evaluations and requisitions reviewed and processed reflected only the ef-

fort of the Standards Division. They now reflect the effort of both Standards Division and the Bureau of Purchases. The measure dealing with Telecommunication requests has been expanded to cover all requests handled by the Telecommunications Division, rather than requests for new or upgraded equipment only.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 3,344	\$ 3,239	\$ 3,467	\$ 3,640	\$ 3,822	\$ 4,013	\$ 4,214
Replacement of Fleet Vehicles	530	.....	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	<u>\$ 3,874</u>	<u>\$ 3,239</u>	<u>\$ 3,467</u>	<u>\$ 3,640</u>	<u>\$ 3,822</u>	<u>\$ 4,013</u>	<u>\$ 4,214</u>

Disposition and Utilization of Surplus and Donated Commodities

OBJECTIVE: To derive maximum utilization of all surplus and donated commodities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 677	\$ 569	\$ 603	\$ 633	\$ 665	\$ 698	\$ 733
Other Funds	404	450	500	500	525	525	550
TOTAL	\$ 1,081	\$ 1,019	\$ 1,103	\$ 1,133	\$ 1,190	\$ 1,223	\$ 1,283

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Value of Federal surplus property (in thousands):							
On hand	\$ 4,095	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Distributed	\$10,379	\$10,000	\$11,000	\$12,000	\$13,000	\$14,000	\$14,000
State surplus items transferred for interagency use	30,500	31,000	31,500	32,000	32,500	33,000	33,500

Program Analysis:

This program is concerned with the administration of the Commonwealth's activities pertaining to the utilization of all surplus property. The operations of this program are concentrated in two areas, Federal surplus property and surplus property belonging to the Commonwealth.

Functioning as an intermediary between the Federal government and eligible tax supported or nonprofit tax exempt health, education and civil defense organizations, this program obtains surplus Federal property from various military and other Federal government installations at no cost other than for screening and transportation. The property is then sold to eligible organizations for a nominal service charge. The utilization of Federal surplus property by the eligible organizations saves a significant amount of tax dollars at the local level by providing needed products at a fraction of their cost in the open market.

The second major involvement of this program concerns the disposition of surplus Commonwealth property. By administering a system of either transferring the Com-

monwealth's surplus property to a requesting agency or disposing of it through sales to the general public or as trade-ins on new goods, this program assures the maximum utilization of the Commonwealth's property.

The measure dealing with Federal Surplus Property on hand has declined substantially compared to the levels in last year's budget. This is because the Department evaluated all Federal surplus property and either disposed of it or returned that which had no potential of being sold.

The measure dealing with the number of State surplus items transferred shows a dramatic drop from previous budgets. There are two reasons for this, the primary being that last year's measure estimated the number of items transferred between departments without going through the Bureau of Surplus Property. This year the measure reflects only the number of items that pass through the Department. A second reason for the decline is a decrease in the number of surplus items.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 677	\$ 569	\$ 603	\$ 633	\$ 665	\$ 698	\$ 733

Management and Operation of Facilities

OBJECTIVE: To provide and maintain the Commonwealth's real property and facilities in order that Commonwealth operations may be conducted in the most efficient and economical manner possible.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 46,595	\$ 48,068	\$ 52,635	\$ 54,754	\$ 56,983	\$ 59,181	\$ 61,056
Special Funds	870	1,198	775	716	741	759	761
Federal Funds	250	47	.....	.....	.....	.....	.....
Other Funds	329	89	990	1,004	1,018	1,034	1,049
TOTAL	\$ 48,044	\$ 49,402	\$ 54,400	\$ 56,474	\$ 58,742	\$ 60,974	\$ 62,866

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Work orders executed	23,039	23,500	24,100	24,100	24,100	24,100	24,100
Lease agreements executed	683	650	650	650	650	650	650
Agency funded projects for design, survey, and/or inspection work	189	242	250	250	255	255	260
Capital facilities projects in design and/or construction:							
Number	210	291	306	315	325	335	350
Value (in thousands)	\$399,161	\$507,388	\$510,000	\$540,000	\$555,000	\$565,000	\$580,000

Program Analysis:

This program has the responsibility for properly managing the physical facilities of the Commonwealth. This important function includes provision for the maintenance, janitorial staff, custodial, mechanical repairs, and police services for the grounds and buildings of the Capitol Complex, Harrisstown, and the State office buildings in Pittsburgh, Philadelphia, Scranton, Altoona, and Reading.

Work is performed both on a routine basis and as the result of work orders from using departments. Efforts are made to keep renovations and work order changes to a minimum. However, the measure work orders executed shows a substantial increase from the previous level. This is not due to more work performed, but rather to an improvement to the work order reporting system to more accurately account for the department's output.

In addition, this program seeks to assure the efficient acquisition and utilization of space and facilities. This entails contracting for the rent of office space for Commonwealth activities that cannot be adequately housed in Commonwealth-owned buildings. It also entails surveying the space requirements and determining space allocation for

all Commonwealth-owned and leased buildings. General Services is also responsible for agency moves. The cost of these moves is provided for from a continuing appropriation from the Revenue Sharing Trust Fund.

Another important function of this program is to provide the Commonwealth with the best possible technical services and contracts to construct capital improvements (other than highway projects), renovate and rehabilitate present buildings and to assure that all capital projects are completed in the most efficient manner. This program is responsible for preparing plans, designs, surveys and specifications for all construction projects under the Department of General Services' jurisdiction. Each project is closely monitored via frequent inspections during construction to insure compliance with State laws and building codes. Presently 291 capital facilities projects with a value of over half a billion dollars are under design or construction.

A \$2 million Program Revision is proposed in this budget to provide for various projects that will reduce energy costs. This Program Revision is discussed more fully in the appendix to this subcategory.

Management and Operation of Facilities (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 27,082	\$ 27,262	\$ 29,019	\$ 30,470	\$ 31,993	\$ 33,593	\$ 35,273
Harristown Rental Charges	8,148	7,939	7,837	7,829	7,824	7,677	7,088
Utility Costs	6,644	7,457	8,060	8,463	8,886	9,330	9,797
Harristown Utility and Municipal Charges	4,596	5,160	5,469	5,742	6,030	6,331	6,648
Capitol Fire Protection	125	250	250	250	250	250	250
Energy Conservation Projects .....	.....	.....	2,000	2,000	2,000	2,000	2,000
GENERAL FUND TOTAL	<u>\$ 46,595</u>	<u>\$ 48,068</u>	<u>\$ 52,635</u>	<u>\$ 54,754</u>	<u>\$ 56,983</u>	<u>\$ 59,181</u>	<u>\$ 61,056</u>
BANKING DEPARTMENT FUND							
Harristown Rental Charges .....	.....	\$ 184	\$ 172	\$ 171	\$ 171	\$ 167	\$ 157
Harristown Municipal and Utility Costs ..	.....	130	120	130	140	151	163
BANKING FUND DEPARTMENT TOTAL	<u>.....</u>	<u>\$ 314</u>	<u>\$ 292</u>	<u>\$ 301</u>	<u>\$ 311</u>	<u>\$ 318</u>	<u>\$ 320</u>
STATE LOTTERY FUND							
Harristown Rental Charges	\$ 309	\$ 332	\$ 231	\$ 231	\$ 231	\$ 226	\$ 209
Harristown Utility and Municipal Charges	199	259	182	184	199	215	232
STATE LOTTERY FUND TOTAL ...	<u>\$ 508</u>	<u>\$ 591</u>	<u>\$ 413</u>	<u>\$ 415</u>	<u>\$ 430</u>	<u>\$ 441</u>	<u>\$ 441</u>
REVENUE SHARING TRUST FUND							
Moving and Relocation Expenses	\$ 362	\$ 293	\$ 70	.....	.....	.....	.....

**Management and Operation of Facilities
Program Revision: Energy Conservation Projects**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>

Program Analysis:

This program revision request will provide funds to upgrade Commonwealth facilities to reduce energy costs. The vast majority of buildings owned and operated by the Commonwealth were built prior to 1973. Energy was relatively inexpensive and did not figure prominently in either building design or operating expenses. This situation changed as the cost of energy increased multi-fold over 1973 prices. At current energy prices, investments in projects to reduce energy consumption produce significant savings which result in rapid payback of the project costs. The objective of this Program Revision is to make funds available to purchase and install energy saving devices. All of the pro-

jects will pay for themselves in one to two years.

These projects will be done throughout the Commonwealth in buildings under the control of the Governor. Included are locations of the Departments of Public Welfare, General Services, Education, Military Affairs and Corrections.

The types of project to be undertaken are relatively small and include: installing storm windows, insulating attic areas, repairing steam traps, installing new thermostats, adding automatic temperature controls, and improving lighting controls.

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Energy Conservation Projects	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>	<u>\$ 2,000</u>

Payment of General State Authority Rentals

OBJECTIVE: To make rental payments to the General State Authority for projects financed and constructed by the Authority.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 47,053	\$ 43,331	\$ 43,189	\$ 41,090	\$ 39,890	\$ 37,990	\$ 33,990
Special Funds	1,236	1,285	1,275	1,275	1,275	1,275	1,275
Other Funds	246	2,281	1,171	1,170	1,170	1,170	1,170
TOTAL	\$ 48,535	\$ 46,897	\$ 45,635	\$ 43,535	\$ 42,335	\$ 40,435	\$ 36,435

Program Analysis:

The Department of General Services makes payments to the General State Authority for rent and other charges that are due on leases or other contractual agreements between the Department and the General State Authority. Payments are for the use of grounds, buildings and equipment financed and constructed by the Authority with the exception of projects for State-aided colleges and universities which are paid

for by the Department of Education. This amount also provides for fire and boiler insurance premiums.

The rental payments are for the retirement of bonds issued by the Authority. Since 1968, capital construction has been financed by General Obligation Bonds and the debt service is paid through the Treasury Department.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General State Authority Rentals	\$ 47,053	\$ 43,331	\$ 43,189	\$ 41,090	\$ 39,890	\$ 37,990	\$ 33,990
MOTOR LICENSE FUND							
General State Authority Rentals	\$ 1,172	\$ 1,220	\$ 1,210	\$ 1,210	\$ 1,210	\$ 1,210	\$ 1,210
FISH FUND							
General State Authority Rentals	\$ 62	\$ 63	\$ 63	\$ 63	\$ 63	\$ 63	\$ 63
BOATING FUND							
General State Authority Rentals	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2

Risk Management and Tort Claims

OBJECTIVE: To provide for the reduction of potential risks and for the equitable settlement of tort claims.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 4,750	\$ 2,754	\$ 3,798	\$ 4,838	\$ 5,380	\$ 5,924	\$ 5,970
Special Funds	7,000	14,000	13,000	14,500	17,000	20,000	20,000
Other Funds	61	106	110	113	116	119	122
TOTAL	\$ 11,811	\$ 16,860	\$ 16,908	\$ 19,451	\$ 22,496	\$ 26,043	\$ 26,092

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Claims filed	5,130	6,413	7,022	7,689	8,419	9,219	10,094
Claims closed (includes settlements, judgements and denials)	4,793	6,060	6,363	6,681	7,051	7,366	7,734
Claims Pending	3,601	3,954	4,613	5,621	7,025	8,878	11,238
Amount of claims pending (in thousands) ..	\$ 76,238	\$ 83,710	\$ 97,662	\$119,022	\$148,726	\$187,956	\$237,922

Program Analysis

The Commonwealth's previous use of sovereign immunity as a defense against tort claims was abolished by the Mayle decision in July 1978. Subsequently, by Act 152 of 1978, the General Assembly reaffirmed sovereign immunity and established criteria for limited liability in eight areas: (1) vehicle liability; (2) medical-professional liability; (3) personal property; (4) Commonwealth real estate, highways and sidewalks; (5) potholes and other dangerous conditions; (6) care, custody or control of domestic animals; (7) liquor store sales; and (8) National Guard activities.

As a response to the Act, a self-insurance program has been established by the Department of General Services and the Office of Attorney General to provide for the handling of tort claims brought against the Commonwealth, its officials and employees. Claims in the pre-litigation stage are investigated and handled by qualified and experienced evaluators in the Department of General Services. Claims in litigation are defended by the Tort Litigation Unit in the Office of Attorney General with investigative services provided by the Department of General Services. In either situation, the actual payment of claims is made from the appropriated funds for this program. The torts program has

been incorporated into the overall Risk Management Program, which provides loss prevention activities to reduce the potential risks as much as possible.

There is still somewhat limited historical data on which to project the number of claims or their financial impact on the Commonwealth with a high degree of accuracy. However, with the continual refinement of the implemented data processing system for torts, more accurate information will be available for future projections.

A potential problem is the number of cases that challenge the constitutionality of the maximum award that the court can grant in any one case. It is anticipated that in 1984 or 1985 the Pennsylvania Supreme Court will rule in these cases. If the constitutionality of the award limits are not upheld, there could be severe costs in future years. The projections do not take such an eventuality into consideration.

It is well known that claims incurred (paid plus reserves) for liability cases in a given year are often not completely paid out for many years (up to ten years). Because of this unpredictability as to the time of settlement coupled with the uncertainty as to amount of settlement, it is very difficult to determine accurate reserves for open claims.

Risk Management and Tort Claims (continued)

Program Analysis: (continued)

However, reserves are being assigned to open claims by the claims evaluators and litigation attorneys and adjusted accordingly to reflect up-dated claim developments.

The activities of the program will be analyzed as more claims and risk experience becomes available. This program has provided a mechanism for efficient relief to injured members of the public, along with an emphasis on the prevention and control of damages.

In previous years this program reflected only the dollar amount needed for tort claims, administration and payments. This program now reflects the amount needed for the entire Bureau of Risk and Insurance Management and for tort claims payments. This Bureau has the responsibility of administering the self-insurance programs, the State Insurance Fund, the employe bond program, and the other insurance programs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 750	\$ 754	\$ 798	\$ 838	\$ 880	\$ 924	\$ 970
Tort Claims Payments	4,000	2,000	3,000	4,000	4,500	5,000	5,000
GENERAL FUND TOTAL	<u>\$ 4,750</u>	<u>\$ 2,754</u>	<u>\$ 3,798</u>	<u>\$ 4,838</u>	<u>\$ 5,380</u>	<u>\$ 5,924</u>	<u>\$ 5,970</u>
MOTOR LICENSE FUND							
Tort Claims Payments	<u>\$ 7,000</u>	<u>\$ 14,000</u>	<u>\$ 13,000</u>	<u>\$ 14,500</u>	<u>\$ 17,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>

Department of Health

The Department of Health is responsible for planning and coordinating all the health resources of the Commonwealth. In addition, the department provides some direct public health services, including programs for children, treatment for certain blood diseases, programs for communicable diseases, and subsidies for research and development.

The Secretary of Health receives assistance and information from approximately fifty advisory groups, the most prominent being: the Advisory Health Board, the Drug, Device and Cosmetic Board, the Advisory Committee for Clinical Laboratories, the Statewide Health Coordinating Council, and the Advisory Council on Drug and Alcohol Abuse.

Some Federal funds supporting General Government Operations, Quality Assurance, State Public Health Laboratory, and State Health Care Centers are also reflected as Other Funds.



DEPARTMENT OF HEALTH

Summary by Fund and Appropriation

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 11,661	\$ 11,386	\$ 11,845
TMI — Health Studies	332	327	340
Quality Assurance	3,792	3,660	3,865
Vital Statistics	3,843	3,831	3,981
State Laboratory	2,592	2,740	2,850
State Health Care Centers	13,322	13,293	13,825
Vietnam Herbicides .....	.....	150	200
Diabetes Task Force .....	.....	208	217
Subtotal	<u>\$ 35,542</u>	<u>\$ 35,595</u>	<u>\$ 37,123</u>
Grants and Subsidies			
School Health Examinations	\$ 19,320	\$ 18,923	\$ 18,702
Local Health Departments	12,717	18,165	18,020
Local Health Environmental	3,273	3,291	3,291
Maternal and Child Health	742	772	803
Special Supplemental Food Program for Women, Infants and Children (WIC)	1,385	.....	.....
Emergency Health Services	1,612	1,773	1,844
Hemophilia Services	1,248	1,384	1,384
Sickle Cell Anemia	593	700	728
Cooley's Anemia	174	212	212
Renal Disease	4,195	5,166	6,527
Home Ventilators	371	371	386
Coalworker's Pneumoconiosis	601	632	632
Spina Bifida	544	750	750
Adult Cystic Fibrosis	144	194	194
Screening and Treatment — Venereal Disease	350	379	394
Screening and Treatment — Tuberculosis	573	596	620
Assistance to Drug and Alcohol Programs	23,498	24,440	25,418
Cancer Program .....	.....	3,925	2,000
The Institute for Cancer Research, Fox Chase, Philadelphia ...	418	418	435
The Wistar Institute — Research, Philadelphia	200	200	208
Lupus Disease — Research	80	80	80
Cardiovascular Studies — University of Pennsylvania	60	60	62
Cardiovascular Studies — St. Francis Hospital, Pittsburgh	60	60	62
Central Pennsylvania Oncology Group	100	100	104
Burn Foundation of Greater Delaware Valley	155	155	161
Sunshine Foundation .....	.....	75	.....
United Neighborhood Facilities — Erie .....	.....	150	.....
Keystone State Games .....	.....	50	52
Cerebral Palsy — St. Christopher's Hospital, Philadelphia	575	575	598
Cleft Palate Clinic — Lancaster	50	50	52
Cleft Palate Clinic — Pittsburgh	50	50	52
Tay Sachs Disease — Jefferson Medical College	50	50	52
Subtotal	<u>\$ 73,138</u>	<u>\$ 83,746</u>	<u>\$ 83,823</u>
TOTAL STATE FUNDS	<u>\$ 108,680</u>	<u>\$ 119,341</u>	<u>\$ 120,946</u>

DEPARTMENT OF HEALTH
Summary by Fund and Appropriation
(continued)

	1982-83	(Dollar Amounts in Thousands)	
	Actual	1983-84 Available	1984-85 Budget
Federal Funds	\$ 79,569	\$ 111,225	\$ 93,966
Other Funds	11,722	16,075	16,963
GENERAL FUND TOTAL	<u>\$ 199,971</u>	<u>\$ 246,641</u>	<u>\$ 231,875</u>
 Department Total — All Funds			
General Fund	\$ 108,680	\$ 119,341	\$ 120,946
Federal Funds	79,569	111,225	93,966
Other Funds	11,722	16,075	16,963
TOTAL ALL FUNDS	<u>\$ 199,971</u>	<u>\$ 246,641</u>	<u>\$ 231,875</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Government Operations			
State Funds	\$ 11,661	\$ 11,386	\$ 11,845
Federal Funds	5,270	6,586	6,001
Other Funds	5,729	7,205	8,096
TOTAL	\$ 22,660	\$ 25,177	\$ 25,942

Provides for the overall executive direction and administration of the department including personnel, fiscal management, office services, public information, legal, data processing, systems development, purchasing, health statistics, comprehensive health planning, venereal disease prevention, migrant health programs and drug and alcohol programs. Provides for expenses of the department's boards, councils and commissions. Includes the administrative funding for the Alcohol, Drug Abuse and Mental Health, Maternal and Child Health, and Preventive Health and Health Services Block Grants.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
General Government Operations	\$ 11,661 ^a	\$ 11,386 ^b	\$ 11,845
Federal Funds:			
State Health Planning and Development Agency	619	1,200	1,000
Cooperative Health Statistics	199	327	412
Indochinese Refugee Program	122	146	116
D.D. Detection and Awareness	29	55	75
D.D. Adult Rehabilitation Program	35	86	.....
D.D. Statewide Directory of Services and Services Providers ...	34	142	100
D.D. School Nursing Achievement	8	52	.....
D.D. System for Statewide Data .....	.....	.....	45
D.D. Information System Prevention Efforts .....	.....	30	28
D.D. Unmet Needs Assessment .....	.....	43	15
D.D. Parent Training Program .....	.....	30	30
D.D. Phenylketonuria Program .....	.....	15	.....
Statewide Emergency Medical Services Information System	58	67	.....
Vocational Rehabilitation — Comprehensive Center	5	.....	.....
Health Resources Recruitment Project .....	.....	58	58
National Health Services Corps .....	.....	300	130
FHWA — Emergency Medical Services Program	114	77	50
NIDA — Drug Formula Grant for various programs	19	.....	.....
NIAAAA — Alcohol Formula Grant for various programs	35	.....	.....
NIDA — State Prevention Coordinator	4	5	.....
FHWA — Driving Under Influence Management Grant	111	138	80
NIDA — State Training Systems Project	65	42	.....
NIDA — Statewide Treatment Services to Drug Abusers	73	.....	.....
Social Security Administration (XVI) — Drug and Alcohol			
Referral and Monitoring	7	35	33
NIAAAA — State Manpower Development	21	18	.....
LEAA — Treatment Alternatives to Street Crime	443	400	500
Alcohol, Drug Abuse and Mental Health Block Grant —			
Administration	1,419	1,420	1,420
Maternal and Child Health Block Grant — Administration	1,559	1,621	1,490
Preventive Health and Health Services Block Grant —			
Administration	291	279	250
Centralia Mine Fire Recovery .....	.....	.....	169

^aIn addition to the General Government Operations appropriation of \$10,539,000 also includes \$369,000 of the \$1,981,000 appropriation for Emergency Health Services, \$228,000 of the \$4,423,000 appropriation for Renal Disease, \$44,000 of the \$637,000 appropriation for Sickle Cell Anemia, \$414,000 for the Cancer Registry, and \$67,000 of the \$3,910,000 appropriation for Vital Statistics.

^bIn addition to the General Government Operations appropriation of \$10,813,000 also includes \$504,000 appropriated for the Cancer Registry, and \$69,000 of the \$3,900,000 appropriated for Vital Statistics.

Source of Funds (continued)	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Other Funds:			
Data Processing Reimbursement	729	829	1,300
Drug and Alcohol Annual Conference Fees	15	20	.....
Pennsylvania State University/Hershey Medical Center —			
Elizabethtown Hospital for Children and Youth	4,570	4,472	4,676
Reimbursement from Federal Funds	289	284	870
Payments for Indirect Costs	126	1,050	700
Payment for Chargebacks .....	.....	550	550
TOTAL	\$ 22,660	\$ 25,177	\$ 25,942

Three Mile Island (TMI) — Health Related Studies	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 332	\$ 327	\$ 340
Other Funds	4	36	.....
TOTAL	\$ 336	\$ 363	\$ 340

Provides for various health related studies (population, evaluation of pregnancy outcome, congenital neonatal hypothyroidism, health related economic costs, health behavior impacts, radiation dose assessment, radiation cytogenetic, and cancer registry) resulting from the March 28, 1979 accident at the Three Mile Island nuclear generating plant. Budget year includes funding for continued analysis of baseline data and epidemiology surveillance around all nuclear plants in Pennsylvania.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Three Mile Island (TMI) — Health Related Studies	\$ 332	\$ 327	\$ 340
Other Funds:			
TMI Studies — Electric Power Research Institute	4	36	.....
TOTAL	\$ 336	\$ 363	\$ 340

GENERAL FUND

HEALTH

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Quality Assurance			
State Funds	\$ 3,792	\$ 3,660	\$ 3,865
Federal Funds	3,044	3,955	3,647
Other Funds	2,616	4,081	3,768
TOTAL	\$ 9,452	\$ 11,696	\$ 11,280

Provides programmatic control over the regulatory programs for health care facilities, conducts surveys for State licensure and Medicare and Medicaid certifications in nursing homes, other long-term care facilities, acute care facilities, surgical clinics, abortion clinics, out-patient clinics and renal dialysis clinics, insures all facilities comply with Title VI Civil Rights Act and State Human Relations Act; develops quality standards for all health care providers regulated by the Health Department.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Quality Assurance	\$ 3,792	\$ 3,660	\$ 3,865
Federal Funds:			
Medicare — Health Service Agency Certification	1,335	1,920	1,600
Medicaid Certification	1,677	2,000	2,012
Inpatient Psychiatric Unit Surveys	32	35	35
Other Funds:			
Publication Fees	7	30	25
Reimbursement from Federal Funds	2,609	3,955	3,647
Reimbursement for Intermediate Care Facility/Mentally Retarded Facilities Reviews .....	.....	96	96
TOTAL	\$ 9,452	\$ 11,696	\$ 11,280

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Vital Statistics			
State Funds	\$ 3,843	\$ 3,831	\$ 3,981
Other Funds	43	45	45
TOTAL	\$ 3,886	\$ 3,876	\$ 4,026

Assures the proper collection, registration and perservation of information on all births, deaths, fetal deaths, marriages, divorces and annulments occurring in Pennsylvania.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Vital Statistics	\$ 3,843 ^a	\$ 3,831 ^b	\$ 3,981
Other Funds:			
Reimbursement for Microfilming	43	45	45
TOTAL	\$ 3,886	\$ 3,876	\$ 4,026

^a\$67,000 of the \$3,910,000 appropriated to Vital Statistics for Data Processing personnel included in General Government Operations.

^b\$69,000 of the \$3,900,000 appropriated to Vital Statistics for Data Processing personnel included in General Government Operations.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Laboratory			
State Funds	\$ 2,592	\$ 2,740	\$ 2,850
Federal Funds	109	318	368
Other Funds	512	790	904
TOTAL	\$ 3,213	\$ 3,848	\$ 4,122

Develops and administers a comprehensive program involving the setting of clinical laboratory standards, licensing of all clinical laboratories, determining proficiency levels in all clinical laboratories, providing training and specialized testing, and direct laboratory support to certain department programs. Contains divisions for bacteriology, virology, immunology, clinical chemistry, hematology, laboratory licensure and training.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
State Laboratory	\$ 2,592	\$ 2,740	\$ 2,850
Federal Funds:			
Medicare — Health Services Agency Certification — State Laboratory	109	129	127
FHWA — Breath Device Testing .....	.....	29	.....
Cannabus Involvement .....	.....	160	241
Other Funds:			
Licensure of Clinical Laboratories	99	95	190
Reimbursement from Federal Funds	413	653	685
Blood Lead Testing — Chester .....	.....	10	5
Low — Volume Proficiency Testing .....	.....	8	8
Training Fees .....	.....	11	11
Laboratory Personnel Registry .....	.....	5	5
Symposium Fees .....	.....	8	.....
TOTAL	\$ 3,213	\$ 3,848	\$ 4,122

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Health Care Centers			
State Funds	\$ 13,322	\$ 13,293	\$ 13,825
Other Funds	2,818	3,900	4,150
TOTAL	<u>\$ 16,140</u>	<u>\$ 17,193</u>	<u>\$ 17,975</u>

Provides for the management of staff in the district offices and State Health Centers and provides for public health programs that can be categorized as: communicable diseases, chronic diseases, chronic respiratory diseases, maternal and child health, and crippled children.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
State Health Centers	\$ 13,322	\$ 13,293	\$ 13,825
Other Funds:			
Early Periodic Screening Diagnosis and Treatment .....	.....	41	41
Payments — Departmental Services	33	35	.....
Reimbursement from Federal Funds	2,785	3,824	4,109
TOTAL	<u>\$ 16,140</u>	<u>\$ 17,193</u>	<u>\$ 17,975</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Information Programs and Registries			
State Funds	\$ 358	\$ 417

Provides for the administration and operations of specific informational programs and continued maintenance of mandated health registries.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Vietnam Herbicides Information Commission	\$ 150	\$ 200
Diabetes Task Force	208	217
TOTAL	<u>.....</u>	<u>\$ 358</u>	<u>\$ 417</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
School Health Examinations			
State Funds	\$ 19,320	\$ 18,923	\$ 18,702

Provides for reimbursement to school districts for providing certain health services to school children that will ensure that the children will develop their maximum potential. The funds are used to pay for school nurses, dental hygiene, examination services, and periodic vision and hearing tests.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
School Health Examinations	\$ 19,320	\$ 18,500	\$ 18,702
School Health Examinations — Recommended Supplemental .....	.....	423	.....
TOTAL	<u>\$ 19,320</u>	<u>\$ 18,923</u>	<u>\$ 18,702</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Local Health Departments			
State Funds	\$ 15,990	\$ 21,456	\$ 21,311

Provides health services reimbursement to those counties having an organized and locally funded county health department. It is anticipated that the current rate of \$3.00 per person or fifty percent of the operating budget whichever is lower will be increased to \$4.50 during fiscal year 1983-84. Currently reimbursement is provided to five full-time county health departments: Philadelphia, Allegheny, Erie, Bucks, Chester and city health departments in Allentown and Bethlehem. Also provides environmental health service reimbursement based on a per capita grant of \$.75 per resident population.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Local Health Departments	\$ 12,717	\$ 18,165	\$ 18,020
Local Health Departments — Environmental	3,273	3,291	3,291
TOTAL	<u>\$ 15,990</u>	<u>\$ 21,456</u>	<u>\$ 21,311</u>

GENERAL FUND

HEALTH

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Maternal and Child Health			
State Funds	\$ 2,127	\$ 772	\$ 803
Federal Funds	52,866	79,119	66,827
TOTAL	\$ 54,993	\$ 79,891	\$ 67,630

Establishes maternal care and child health care services in areas the Commonwealth deems most in need. Program is directed towards reducing mortality and improving developmental disabilities in children. Includes all funding for the maternal and child health programs under the Federal Maternal and Child Health Services Block Grant.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Maternal and Child Health	\$ 742	\$ 772	\$ 803
Special Supplemental Food Program for Women, Infants, and Children (WIC)	1,385	.....	.....
Federal Funds:			
Maternal and Child Health Services	73	.....	.....
Special Supplemental Food Program for Women, Infants, and Children (WIC)	37,974	52,000	50,700
Jobs Bill — Special Supplemental Food Service Program for Women, Infants and Children (WIC) .....	.....	5,922	.....
Disabled Children's Services — SSI	862	.....	.....
Maternal and Child Health — Improved Pregnancy Outcome ..	398	200	.....
Genetic Disease Testing and Counseling	300	100	.....
Crippled Children's Services — Projects	580	632	331
Maternal and Child Health Services Block Grant — Crippled Children Programs	3,856	3,850	3,900
Maternal and Child Health Services Block Grant — Maternal and Child Health Services	8,823	10,531	10,560
Maternal and Child Health Services Block Grant — Supplemental Security Income .....	.....	950	950
Jobs Bill — Maternal and Child Health Services .....	.....	4,934	386
TOTAL	\$ 54,993	\$ 79,891	\$ 67,630

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Prevention and Treatment Services			
State Funds	\$ 10,405	\$ 12,157	\$ 13,671
Federal Funds	5,261	7,199	5,610
Other Funds .....	.....	18	.....
TOTAL	\$ 15,666	\$ 19,374	\$ 19,281

Provides for the prevention and treatment of diseases (hemophilia, sickle cell anemia, cooley's anemia, renal, spina bifida, black lung, and others). Also provides assistance through grants and contracts for development of comprehensive area emergency medical care. Includes all funding for the preventive health programs under the Federal Preventive Health and Health Services Block Grant.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Emergency Health Services	\$ 1,612 ^a	\$ 1,773	\$ 1,844
Hemophilia Services	1,248	1,384	1,384
Sickle Cell Anemia	593 ^b	700	728
Cooley's Anemia	174	212	212
Renal Disease	4,195 ^c	4,166	6,527
Renal Disease — Recommended Supplemental .....	.....	1,000	.....
Home Ventilators	371	371	386
Coalworkers' Pneumoconiosis Services	601	632	632
Spina Bifida	544	750	750
Adult Cystic Fibrosis	144	194	194
Screening and Treatment — Venereal Disease	350	379	394
Screening and Treatment — Tuberculosis	573	596	620
Federal Funds:			
Black Lung Clinic Program	1,097	1,900	1,145
Migrant Health Services	512	529	525
Disease Control — Immunization Program	164	365	227
Surveys and Follow-up-Venereal Disease	466	638	550
County Health Improvement Program — Lycoming County	18	.....	.....
Chronic Disease — Health Education/Risk Reduction	281	.....	.....
Hypertension Services	35	.....	.....
Diabetes Control	156	330	342
Tuberculosis Control Program .....	.....	76	.....
ARC Communications System	30	370	.....
Preventive Health and Health Services Block Grant — Emergency Medical Services	890	905	905
Preventive Health and Health Services Block Grant — Health Education and Prevention	1,315	409	335
Preventive Health and Health Services Block Grant — Tubercu- losis Programs	297	569	569
Preventive Health and Health Services Block Grant — Hypertension Services .....	.....	898	860
Preventive Health and Health Services Block Grant — Diabetes Task Force .....	.....	132	132
Preventive Health and Health Services Block Grant — Fluoridation Services .....	.....	20	20
Preventive Health and Health Services Block Grant — Arthritis .....	.....	58	.....
Other Funds:			
Bequest of Marie Gabler .....	.....	18	.....
TOTAL	\$ 15,666	\$ 19,374	\$ 19,281

^aRepresents only the grant portion of \$1,981,000 appropriated for Emergency Health Services.

^bRepresents only the grant portion of \$637,000 appropriated for Sickle Cell Anemia.

^cRepresents only the grant portion of \$4,423,000 appropriated for Renal Disease.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Assistance to Drug and Alcohol Abuse Programs			
State Funds	\$ 23,498	\$ 24,440	\$ 25,418
Federal Funds	13,019	14,048	11,513
TOTAL	<u>\$ 36,517</u>	<u>\$ 38,488</u>	<u>\$ 36,931</u>

Provides grants to counties and to private facilities to finance drug and alcohol abuse treatment and prevention programs. Includes all funding for the drug and alcohol abuse programs under the Federal Alcohol, Drug Abuse and Mental Health Block Grant.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Assistance to Drug and Alcohol Abuse Programs	\$ 23,498	\$ 24,440	\$ 25,418
Federal Funds:			
Alcohol, Drug Abuse and Mental Health Block Grant —			
Alcohol Problem	4,421	4,965	4,638
Alcohol, Drug Abuse and Mental Health Block Grant — Drug			
Problems	8,229	8,249	6,725
Alcohol, Drug Abuse and Mental Health Block Grant —			
Preventive Alcohol Services	369	.....
Jobs Bill — Alcohol, Drug Abuse and Mental Health Block			
Grant .....	.....	771	.....
Juvenile Treatment Alternatives to Street Crime Program .....	.....	63	150
TOTAL	<u>\$ 36,517</u>	<u>\$ 38,488</u>	<u>\$ 36,931</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Health Research and Support Activities			
State Funds	\$ 1,073	\$ 5,273	\$ 3,164

Provides funds for supporting research and efforts relative to special health conditions with special emphasis on cancer.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Cancer Control, Prevention and Research .....	.....	\$ 3,925	\$ 2,000
The Institute for Cancer Research, Fox Chase, Philadelphia ...	\$ 418	418	435
The Wistar Institute — Research, Philadelphia	200	200	208
Lupus Disease — Research	80	80	80
Cardiovascular Studies — University of Pennsylvania	60	60	62
Cardiovascular Studies — St. Francis Hospital, Pittsburgh	60	60	62
Central Penn Oncology Group	100	100	104
Burn Foundation of Greater Delaware Valley	155	155	161
Sunshine Foundation .....	.....	75	.....
United Neighborhood Facilities Health Care Corporation .....	.....	150	.....
Keystone State Games .....	.....	50	52
TOTAL	<u>\$ 1,073</u>	<u>\$ 5,273</u>	<u>\$ 3,164</u>

Chronic, Catastrophic and Degenerative Diseases	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 725	\$ 725	\$ 754

Provides funds for the detection and treatment of various chronic, catastrophic and degenerative diseases including cerebral palsy, cleft palate, and Tay-Sachs disease.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Cerebral Palsy — St. Christopher's Hospital, Philadelphia	\$ 575	\$ 575	\$ 598
Cleft Palate Clinic — Lancaster	50	50	52
Cleft Palate Clinic — Pittsburgh	50	50	52
Tay Sachs Disease — Jefferson Medical College	50	50	52
TOTAL	<u>\$ 725</u>	<u>\$ 725</u>	<u>\$ 754</u>

DEPARTMENT OF HEALTH

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 8,644	\$ 8,035	\$ 8,338	\$ 8,755	\$ 9,192	\$ 9,651	\$ 10,135
Comprehensive Health Systems Development	\$ 15,359	\$ 15,502	\$ 16,212	\$ 16,868	\$ 17,606	\$ 18,387	\$ 19,199
Medical Research and Health Information	7,680	7,814	8,162	8,470	8,847	9,245	9,660
Medical Facilities Review	4,564	4,440	4,673	4,907	5,151	5,410	5,680
Health Services Development	3,115	3,248	3,377	3,491	3,608	3,732	3,859
Health Maintenance	\$ 46,374	\$ 55,312	\$ 53,515	\$ 55,178	\$ 55,453	\$ 55,838	\$ 56,306
Health Maintenance and Disease Prevention	39,390	46,798	44,817	46,371	46,513	46,735	47,019
Detection and Diagnosis	6,984	8,514	8,698	8,807	8,940	9,103	9,287
Patient Care	\$ 38,303	\$ 40,492	\$ 42,881	\$ 44,037	\$ 45,232	\$ 46,465	\$ 47,745
Outpatient Treatment	14,100	15,141	16,546	17,026	17,524	18,039	18,575
Inpatient Treatment	705	911	917	932	947	963	980
Prevention/Intervention of Drug and Alcohol Abuse	4,700	4,888	5,084	5,338	5,605	5,885	6,180
Treatment of Drug and Alcohol Abuse ..	18,798	19,552	20,334	20,741	21,156	21,578	22,010
DEPARTMENT TOTAL	<u>\$ 108,680</u>	<u>\$ 119,341</u>	<u>\$ 120,946</u>	<u>\$ 124,838</u>	<u>\$ 127,483</u>	<u>\$ 130,341</u>	<u>\$ 133,385</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 8,644	\$ 8,035	\$ 8,338	\$ 8,755	\$ 9,192	\$ 9,651	\$ 10,135
Federal Funds	2,753	3,359	2,829	2,829	2,829	2,829	2,829
Other Funds	573	1,079	1,296	1,296	1,296	1,296	1,296
TOTAL	\$ 11,970	\$ 12,473	\$ 12,463	\$ 12,880	\$ 13,317	\$ 13,776	\$ 14,260

Program Analysis:

General Administration and Support Services develop, coordinate and provide management systems which support the operations of health programs and are essential to the achievement of objectives. The success or failure of these support services have an impact on the effectiveness of the Department's programs.

User information needs have been steadily increasing in the past several years, with the particularly rapid development of data user sophistication and user oriented personal computing. Currently the Health Data Center's computer, telecommunications network, peripherals and related software support 102 major systems, utilizing approximately 2,800 programs.

The administrative costs associated with the State Public Health Laboratory and the State Health Care Centers are also included in this program.

The State Public Health Laboratory, with facilities at Lionville, is responsible for the provision, coordination, counselling, and consultation concerning the laboratory support needs of all Department programs as well as maintain-

ing a liaison and a working relationship with: the State Public Health Laboratory in each of the other states; Federal government and university-based laboratories; and the clinical laboratory community of the Commonwealth. This responsibility includes: maintaining a state of readiness to provide essential laboratory services which are not otherwise available on a timely basis, administering a statewide clinical laboratory improvement program, and supporting departmental programs or public health-related programs or other Commonwealth departments in the areas of infectious diseases, chronic diseases, metabolic diseases and toxicology.

The State Health Care Centers provide direct public health services to citizens of the Commonwealth through a network of 6 District Offices and 71 Health Care Centers covering all counties except Allegheny, Bucks, Chester, Erie and Philadelphia, and two municipalities, Allentown and Bethlehem, which have local health departments partially funded through grants by the Department.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 4,194	\$ 4,059	\$ 4,228	\$ 4,439	\$ 4,661	\$ 4,894	\$ 5,139
State Laboratory	52	55	56	59	62	64	68
State Health Care Centers	4,398	3,921	4,054	4,257	4,469	4,693	4,928
TOTAL	\$ 8,644	\$ 8,035	\$ 8,338	\$ 8,755	\$ 9,192	\$ 9,651	\$ 10,135

Medical Research and Health Information

OBJECTIVE: To improve the utilization of existing health resources, to develop more effective methods of gathering and utilizing health information, and to develop basic scientific knowledge about the nature of disease and illness including the effect of biological, social and environmental processes.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 7,680	\$ 7,814	\$ 8,162	\$ 8,470	\$ 8,847	\$ 9,245	\$ 9,660
Federal Funds	156	264	514	514	514	514	514
Other Funds	126	604	684	684	684	684	684
TOTAL	\$ 7,962	\$ 8,682	\$ 9,360	\$ 9,668	\$ 10,045	\$ 10,443	\$ 10,858

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Vital events (births, deaths, fetal deaths, marriages and divorces):							
Registered and processed	416,400	417,900	419,400	420,900	422,400	423,900	425,400
Percent registered and processed within 30 days	21%	35%	37%	38%	40%	41%	43%
Applications for certified copies of birth and death records:							
Filled	435,000	445,000	455,000	451,000	447,500	444,000	440,500
Percent filled within 10 days	77%	77%	78%	78%	79%	79%	80%
Epidemiological studies and research projects conducted	30	30	30	30	30	30	30
Cancer Registry:							
Pennsylvania general hospitals reporting to the Pennsylvania Cancer Registry ...	118	209	275	275	275	275	275
Percent of Pennsylvania general hospitals reporting	43%	76%	100%	100%	100%	100%	100%
Abstracts received on a yearly basis	7,240	25,000	35,000	50,000	70,000	70,000	70,000

Program Analysis:

Timely and accurate health information is essential to the effective functioning of the Department of Health, other State agencies and the public community. Reliable health information is needed to contain the outbreak of communicable diseases; identify the existence and extent of health problems; evaluate the adequacy of health facilities, services and manpower; and evaluate alternative methods for the delivery of health care services. In addition, dissemination of health data to Pennsylvanians, as well as Federal, State and local agencies is of major importance to the department.

One focus of this subcategory is collection and dissemina-

tion of health data. The State Health Data Center, as a designated State center for health statistics under P.L. 95-623, serves as the focal point in Pennsylvania for coordinating the collection, analysis and dissemination of health statistics and information. The Center maintains statistical information on the health status of the population, (including leading causes of death, life expectancy, and infant mortality). Data sets are also maintained on selected groups relating to occupational health, developmental disabilities and on the health care delivery services and health facilities.

The State Health Data Center's Vital Records Division is the repository for all records of births, deaths, fetal deaths,

Medical Research and Health Information (continued)

Program Analysis: (continued)

marriages and divorces which occurred to Pennsylvania residents. In 1984-85, approximately 162,500 births, 121,000 deaths, 3,400 fetal deaths, 93,000 marriages, 39,500 divorces are projected to be registered. These vital records are the primary source for much important medical and health information such as: life expectancy, mortality statistics on causes of death, birth or fertility rates, etc. In 1984-85, it is estimated that approximately 268,000 birth certificates will be issued by the department for a fee, with approximately 75,000 free birth certificates issued to veterans, and 163,000 issued free to new parents. The department anticipates issuing approximately 217,000 death certificates for a fee, and issuing 64,000 free to veterans or their next of kin. The division utilizes a state-wide network of 322 local registrars to collect original birth and death records. The Vital Statistics Law allows these local registrars to issue certified copies of death records while the original records are in their possession. In fiscal year 1984-85, it is estimated that over 650,000 certified copies of deaths will be issued by local registrars.

The second focus of this subcategory is medical and public health research designed to determine the existence and extent of health problems and to evaluate alternative methods for the delivery of health care services. To accomplish this, the Department of Health administers diverse activities, research projects and studies related to the etiology, distribution, and trend of major diseases. The department also provides epidemiologic assessment of health problems that include environmental-occupational hazards, health risk behavior and life style of the general public or selected populations, and provides professional consultation and technical support for other agencies, county health depart-

ments and local municipalities. Examples of the department's health research activities follow.

Under the Vietnam Herbicides Information Act (99-1982), the department is responsible for the establishment and maintenance of a reporting process for Vietnam veterans who were possibly exposed to herbicides used in Vietnam; a central data bank to collect information on the health effects of exposure to herbicides used in Vietnam and for cataloging of existing scientific and medical literature on the health effects of this exposure.

In March 1983, the Pennsylvania Cancer Advisory Board published the Pennsylvania Cancer Plan, which provides guidelines for implementing the 1980 Pennsylvania Cancer Control, Prevention and Research Act in four areas: a Pennsylvania cancer registry; prevention, screening and detection; cancer rehabilitation; and epidemiology. The Pennsylvania Cancer Registry was established in fiscal year 1982-83 in south central and southeastern Pennsylvania and will be operational in the remainder of Pennsylvania by July 1984. The registry data will be used to develop programs, assess programs and conduct epidemiological and research activities.

The TMI Health Related Studies Program continues to assess health effects (associated with the low-level radiation incident of March 1979) upon the local population.

As part of its overall program in Environmental Health, the department continues to conduct appropriate medical and public health investigations of toxic hazardous waste sites, the underground mine fire in Centralia and other specific areas as they arise.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 2,587	\$ 2,538	\$ 2,638	\$ 2,770	\$ 2,908	\$ 3,054	\$ 3,207
Three Mile Island—Health Related							
Studies	332	327	340	357	375	394	413
Vital Statistics	3,843	3,831	3,981	4,180	4,389	4,609	4,839
Vietnam Herbicides Information							
Commission		150	200	210	221	232	243
Institute for Cancer Research, Fox							
Chase, Philadelphia	418	418	435	435	435	435	435
The Wistar Institute—Research	200	200	208	208	208	208	208
Lupus Disease—Research	80	80	80	82	83	85	87
Cardiovascular Studies—Philadelphia	60	60	62	62	62	62	62
Cardiovascular Studies—St. Francis							
Hospital, Pittsburgh	60	60	62	62	62	62	62
Central Penn Oncology Group	100	100	104	104	104	104	104
Keystone State Games		50	52				
GENERAL FUND TOTAL	\$ 7,680	\$ 7,814	\$ 8,162	\$ 8,470	\$ 8,847	\$ 9,245	\$ 9,660

Medical Facilities Review

OBJECTIVE: To insure that health facilities meet minimum standards for health and safety and to insure that adequate and accessible health care can be provided to the citizens of Pennsylvania

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 4,564	\$ 4,440	\$ 4,673	\$ 4,907	\$ 5,151	\$ 5,410	\$ 5,680
Federal Funds	3,120	4,150	3,836	3,836	3,836	3,836	3,836
Other Funds	2,803	4,319	4,035	4,035	4,035	4,035	4,035
TOTAL	\$ 10,487	\$ 12,909	\$ 12,544	\$ 12,778	\$ 13,022	\$ 13,281	\$ 13,551

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Health care facilities in Pennsylvania surveyed and licensed:							
Hospitals (biennially)	256	256	259	259	262	262	262
Skilled nursing homes	630	650	662	668	674	680	686
Intermediate care facilities/MR	82	112	124	130	136	142	148
Freestanding birth centers	6	10	12	14	16	18	20
Home health agencies		170	190	210	230	250	250
Ambulatory surgical centers	3	5	10	20	25	35	40
Clinical laboratories	604	750	800	850	900	950	1,000
Psychiatric units	94	115	115	120	125	125	130
Product violations issued on misbranded and/or adulterated merchandise	173	175	175	175	185	185	190

Program Analysis:

The assurance that citizens have access to high quality health care from hospitals, nursing homes, home health agencies, primary care providers, and intermediate care facilities for the mentally retarded is a major concern of the Department of Health. While the department is responsible for the enforcement of compliance with regulations pertaining to these facilities, the emphasis of the departmental quality assurance effort is to assist health care providers in upgrading the quality of their facilities and services through education and consultation services.

Survey teams periodically conduct program surveys of these facilities for compliance with standards of sanitation, fire safety, health and level of care required for Medicare and Medicaid certification and a State license. Survey deficiencies are indicated and requests for an acceptable plan of correction within a specific time period are presented to the health care facilities' administration.

In the Commonwealth of Pennsylvania, there are approximately 78,000 citizens residing in 630 nursing care facilities and 8,700 in 82 Intermediate Care Facilities for the Mentally Retarded (ICF/MRs). These facilities must have a State license in order to operate and, in addition, must be certified by the department that they comply with Federal standards if they choose to receive Medicare and Medicaid reimbursement. To meet State and Federal regulations, the department must inspect each nursing home and ICF/MR annually and, in addition, monitor those institutions that have demonstrated serious deficiencies.

The department also insures compliance with State and Federal regulations for 256 acute care general hospitals and 30 psychiatric hospitals (the latter for Federal purposes only) in its implementation of the licensure and Federal certification programs.

With the enactment of the Health Care Facilities Act

Medical Facilities Review (continued)

Program Analysis: (continued)

(1980-136) in November 1980, additional statutory requirements for licensing three new categories of Health Care providers became effective. These three new categories are (1) birth centers which provide an alternative to the traditional hospital setting for uncomplicated obstetrical deliveries, (2) home health agencies and (3) ambulatory surgical centers now operating in the Commonwealth. The department is currently developing licensure standards for the birth centers, ambulatory surgical centers and home health agencies. It is planned to have licensure regulations finalized and surveys initiated for the activities by the end of fiscal year 1983-84.

Act 136 also requires the department to eliminate, to the extent possible, duplication of inspections of health care facilities by various state agencies. Procedures have been implemented to conduct survey activities by the hospital surveyors during regular licensure visits to preclude the necessity for separate surveys by other agencies.

The department has the responsibility for supervising the manufacture, distribution, storage and sale of drugs, devices, cosmetics and hearing aids within the Commonwealth. Defective drugs, devices and cosmetics are routinely cited and destroyed under staff supervision to protect consumers. The department prepares and distributes a Generic Drug Formulary so that the public may have the

benefits of lower-cost prescription drugs; copies are distributed to all pharmacies across the State and to physicians on request. Regulations are prepared and finalized in order to provide enforcement over controlled substances, drugs, devices and cosmetics, sales of hearing aids and drugs permitted for interchange or substitution.

The Department of Health is mandated to develop a program assuring that all clinical laboratory services provided in the Commonwealth meet or exceed standards of performance which are technically feasible and clinically useful. The activities and services incorporated in this program include (1) an on site inspection used for evaluation and an annual licensure of each clinical laboratory, (2) refresher and updated training and education of clinical laboratory personnel, (3) confirmation testing of certain samples from licensed clinical laboratories, or special testing as a means of developing and maintaining confidence and reliable clinical laboratory service at the community level.

The incorporation of physician's office laboratories under the Clinical Laboratory Act will increase the number of annual inspections, revisits, training requests and reference needed, until the estimated 1,800 clinical laboratories are licensed. A portion of these costs will be recovered through the annual licensing fee.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 500	\$ 492	\$ 511	\$ 537	\$ 563	\$ 592	\$ 621
Quality Assurance	3,792	3,660	3,865	4,058	4,261	4,474	4,698
State Laboratory	272	288	297	312	327	344	361
GENERAL FUND TOTAL	\$ 4,564	\$ 4,440	\$ 4,673	\$ 4,907	\$ 5,151	\$ 5,410	\$ 5,680

Health Services Development

OBJECTIVE: To develop a coordinated health care delivery system.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 3,115	\$ 3,248	\$ 3,377	\$ 3,491	\$ 3,608	\$ 3,732	\$ 3,859
Federal Funds	1,314	2,300	1,673	1,673	1,673	1,673	1,673
Other Funds	159	256	401	401	401	401	401
TOTAL	\$ 4,588	\$ 5,804	\$ 5,451	\$ 5,565	\$ 5,682	\$ 5,806	\$ 5,933

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Short-term hospital beds:							
Needed	48,747	48,747	48,747	48,747	48,747	48,747	48,747
Available	51,747	51,747	51,747	51,747	51,747	51,747	51,747
Long-term care beds:							
Needed	83,383	83,383	83,383	83,383	83,383	83,383	83,383
Available	82,327	82,327	82,327	82,327	82,327	82,327	82,327
Applications reviewed and processed by the State Health Planning and Development Agency:							
Approved	300	300	300	300	300	300	300
Disapproved	10	10	10	10	10	10	10
Withdrawn	90	90	90	90	90	90	90
Emergency medical technicians certified annually:							
Initial certification	4,394	4,614	4,844	4,844	4,844	4,844	4,844
Recertification	2,803	2,943	3,090	3,090	3,090	3,090	3,090
Ambulance services in State	1,130	1,130	1,130	1,130	1,130	1,130	1,130
Health maintenance organizations reviewed for quality of care	10	10	10	10	10	10	10

Program Analysis:

The primary concern of this subcategory is the development of a coordinated, and more effective health care system for providing quality health care services at an affordable cost. The problems of rapidly increasing health care costs, unneeded hospital beds and the geographic maldistribution of health resources are widely recognized. The department's approaches in dealing with these problems are: health planning, certificate of need, development of health resources, and health financing and program development.

The health planning efforts, mandated by the National Health Planning and Resources Development Act of 1974

(P.L. 93-641) established three major types of health planning organizations: nine local health systems agencies (HSAs); the State Health Planning and Development Agency (SHPDA); and the Statewide Health Coordinating Council (SHCC).

Local HSAs have the basic responsibility to: improve the health of residents in the health service area; increase accessibility, acceptability, continuity and quality of services; restrain increases in cost of providing services; and prevent unnecessary duplication of health resources. The local HSAs incorporate these ideals into a health system plan which is

Health Services Development (continued)

Program Analysis: (continued)

followed by an annual implementation plan. Additionally, proposals to modernize, expand, or build health care facilities and add capital equipment are revised and commented on by the local HSAs under an approved State Certificate of Need law.

The Department of Health was designated the State Health Planning and Development Agency with the responsibility for preparing the State Health Plan and providing support services to the Statewide Health Coordinating Council and the policy board created under the Certificate of Need legislation.

The third organization, the Statewide Health Coordinating Council (SHCC) is composed of representatives of the provider organizations and consumers appointed by the Governor. Council functions include: review and coordination of HSA plans; preparation and annual revision of the State Health Plan; annual review of HSA budgets and Federal grant applications; and examination of any State plan or application submitted to HHS for funds allotted for health programs in Pennsylvania.

The Department of Health is also responsible for the administration of a State certificate of need program. In 1979, a certificate of need (CON) law (Act 48, The Health Care Facilities Act of 1979 as amended) was enacted in an effort to comply with the Federal law and reduce the rate of health costs inflation due to unnecessary capital expenditures in health facilities. This act requires the department to determine the need for the hospitals and nursing homes to make major capital investments in physical plants or acquisition of expensive equipment. The process for issuing a certificate of need begins with the local Health Systems Agencies reviewing the proposed capital expenditure and recommending either approval or disapproval to the Secretary of Health, who makes the final decision (subject to appeal) regarding the need for the proposed capital expenditure.

In recognition of the important relationship between the payment and the delivery of services, the department seeks to influence the health financing system so as to positively impact health services using two program strategies: regulatory and developmental. The program oversees a broad range of health plans, including health maintenance organizations (HMOs) and non-profit medical-surgical, optometric and dental service plans, as well as Pennsylvania Blue Shield's health plans.

As an alternative to increased regulation of the health care

system, the program promotes the development of alternative delivery systems such as health maintenance organizations, capitated health care delivery systems and primary care centers with the goal that the marketplace, increased competition, and broader meaningful consumer choice will control costs while providing adequate access and quality to consumers and at the same time permitting a reduction in government regulation and control of the health financing and delivery systems.

In addition to the above, the department takes an active role in exploring and participating in the development of health care cost containment proposals and projects, in developing demonstration projects and monitoring the impact of Federal health financing and insurance policy on the Pennsylvania health financing and delivery systems.

The Emergency Medical Systems Act (1976) encourages the planned development of coordinated emergency medical services by authorizing the department to negotiate and provide grants and contracts for these purposes. The Act requires that planned and implemented emergency medical services systems address the following issues: manpower, training, transportation, communications, hospital facilities, critical care units, involvement of public safety agencies and consumers, inter-hospital transfer and disaster planning.

The Emergency Medical Technician (EMT) Paramedic Act authorizes the department to develop and promulgate training standards for emergency medical technicians and emergency medical technician paramedics. There are 7,194 emergency medical technicians and 1,242 emergency medical technician—paramedics certified in fiscal year 1982-83. Continued training is necessary to replace attrition losses each year.

A number of key program objectives have been substantially achieved. Ninety-five percent of all ambulance services now have at least one ambulance which meets recommendations regarding design and equipment. Average service response time has been reduced to less than ten minutes in all but the most rural of areas. The present EMT pool of 25,000 is adequate to maintain single EMT coverage on 97 percent of calls, and two or more EMT's on 70 percent of calls. Of the 1,130 ambulance services identified through annual surveys, 699 have been certified through the Department's Voluntary Ambulance Service Certification (VASC) program.

Health Services Development (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 1,503	\$ 1,475	\$ 1,533	\$ 1,610	\$ 1,690	\$ 1,775	\$ 1,863
Emergency Health Services	1,612	1,773	1,844	1,881	1,918	1,957	1,996
GENERAL FUND TOTAL	<u>\$ 3,115</u>	<u>\$ 3,248</u>	<u>\$ 3,377</u>	<u>\$ 3,491</u>	<u>\$ 3,608</u>	<u>\$ 3,732</u>	<u>\$ 3,859</u>

Health Maintenance and Disease Prevention

OBJECTIVE: To promote sound health practices in the population; to reduce the need for remedial health care; and to reduce morbidity and mortality due to health defects and disease.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 39,390	\$ 46,798	\$ 44,817	\$ 46,371	\$ 46,513	\$ 46,735	\$ 47,019
Federal Funds	44,395	60,609	56,585	56,585	56,585	56,585	56,585
Other Funds	1,469	1,635	1,669	1,669	1,669	1,669	1,669
TOTAL	\$ 85,254	\$ 109,042	\$ 103,071	\$ 104,625	\$ 104,767	\$ 104,989	\$ 105,273

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Resident live births	161,561	162,000	162,500	163,000	163,500	164,000	164,000
Percent low birth weight live births	6.6%	6.4%	6.3%	6.2%	6.1%	6.0%	6.0%
Death rate of children under one year of age per 1,000 births	11.5	11.4	11.3	11.1	10.9	10.7	10.5
High risk pregnant women in maternity care programs	15,153	19,364	19,364	19,364	19,364	19,364	19,364
Infants and preschool children under health supervision	108,491	108,491	108,491	108,491	108,491	108,491	108,491
Children immunized against diphtheria, pertussis, tetanus, measles, polio and rubella	765,000	200,000	200,000	200,000	200,000	150,000	100,000
Reported incidences of vaccine preventable diseases in children	114	40	40	30	30	30	30
Communicable disease cases investigated ...	10,400	10,700	10,700	10,500	10,500	10,500	10,500
Communicable disease incidences reported:							
Venereal disease	12,798	12,670	12,650	12,630	12,620	12,620	12,620
AIDS	36	40	40	40	40	40	40
Others (less animal bites)	14,500	14,200	14,200	14,000	13,800	13,800	13,800
Patient visits by migrant workers and their dependents	23,348	25,000	25,500	25,500	26,600	26,000	26,000
Persons participating in the Special Supplemental Food Program for Women, Infants and Children (WIC) (monthly average)	109,863	131,000	131,000	131,000	131,000	131,000	131,000
Average monthly WIC nutrition education contacts	36,621	43,666	43,666	43,666	43,666	43,666	43,666
Persons completing a standard diabetes patient education program	129	150	360	400	400	400	400

Health Maintenance and Disease Prevention (continued)

Program Analysis:

The prevention of disease has always been the primary mission of the Department of Health. We have learned through experience that although we have been able to control or almost eradicate the most common communicable diseases by mass immunizations of the population, there are continued threats to our public health ever present that require ongoing prevention efforts. The prevention of disease encompasses three areas: the environment, health services, and lifestyle.

The department provides programs of health supervision for infants and preschoolers in State Health Centers and other Child Health Service projects. In each setting, infants and preschoolers receive health assessments which include: physical examinations, growth and development assessments and screening for health problems (hearing, vision, anemias, tuberculosis and dental). During fiscal year 1982-83, the department was involved in immunizing students in public and private schools under the new immunization regulations, which became effective August 1983. Starting in the winter of 1984, a maintenance effort, directed mainly at preschool children, will be the priority. An aggressive immunization program targeted at children is clearly reflected in 765,000 children immunized against diphtheria, pertussis, tetanus, measles, mumps, rubella, and polio during 1982-83.

Additional services to high risk infants and preschool-aged children are also provided in State Health Centers. Low birth weight infants and children with congenital anomalies of handicapping conditions are specially targeted for these additional services. Detecting health problems and early referrals leads to more desirable health outcome for these high risk children.

Lack of early prenatal care, coupled with economic and social disadvantage, results in greater risk for maternal complications and poor pregnancy outcomes for low income women. The department provides comprehensive maternity services, with emphasis on outreach and early enrollment into care; education to promote healthy maternal behavior; screening, early detection, and appropriate timely medical intervention for preventable maternal/fetal complications and psychosocial supports for the childbearing woman.

The services once provided under the High Risk Maternity Program, Maternal and Infant Care Program and the Improved Pregnancy Outcome Program are now combined into the Maternity Program. The Maternity Program is expected to provide 19,364 high risk pregnant women with intensive prenatal and maternity care services. The increase in the measure for high risk pregnant women in maternity care programs for 1982-83 is due to the expansion of services in Philadelphia and Allegheny counties.

Among the department's services to high risk infants and

their families is the Sudden Infant Death Syndrome (SIDS) Program which has as its primary purpose the provision of supportive services to families following a sudden infant death. The program identifies infants considered at risk for SIDS, refers them for evaluation and follows them at home as warranted. Education regarding SIDS is provided to health professionals and others who normally impact on families following such a death. Early and appropriate intervention is seen as a first and important step towards assisting these families to resolve grief in a healthy manner and to prevent possible psychological and physiological dysfunction.

Disabled and blind children receiving Supplemental Security Income (SSI) are referred by the Social Security Administration to the Department of Health. Funds from the Maternal and Child Health Block Grant are used to provide rehabilitation services for blind and disabled individuals under the age of 16 receiving SSI benefits.

Approximately 4 percent of the babies born in this country have a serious genetic condition. The genetic program seeks to improve public knowledge about genetic disease and public access to genetic services by supporting educational programs for both health professionals and citizen groups and by providing selected genetic services for low-income patients. To achieve its goals, this program has worked through six comprehensive human genetic centers and a community-based sickle cell anemia testing and counseling programs.

Family planning services help women who seek, but have difficulty achieving pregnancy and help others delay pregnancy until there is the best chance for having a healthy baby born to a healthy mother. The department participates with the Department of Public Welfare in an integrated, multi-agency health service delivery system serving high risk, low income women throughout the Commonwealth.

The control of communicable diseases is fundamental to the prevention of illness. Reported cases of communicable diseases are investigated by the department to determine the source of infection, mode of transmission and control measures to prevent additional cases. A few of the diseases investigated include Acquired Immune Deficiency Syndrome (AIDS), giardiasis, hepatitis, salmonellosis, shigellosis, toxic shock syndrome, and trichinosis.

The complex process of educating Pennsylvanians to engage in sound health practices to enhance the prevention of disease and early death and disability continues as a major challenge to the Department of Health, other public and private organizations and agencies which share in the responsibility.

The leading causes of premature death and disability in

Health Maintenance and Disease Prevention (continued)

Program Analysis: (continued)

Pennsylvania are heart disease, stroke, cancer, accidents, influenza, arthritis, diabetes, and cirrhosis. Contributing to these conditions are demographic characteristics, the environment and behavioral risk factors such as smoking, alcohol abuse, high-fat diets, physical inactivity and stress. Public health experts estimate that as much as half of all premature deaths are attributed to the major modifiable health risks.

Risk reduction programs use methods such as incentives, health risk appraisals, risk factor screening, self-help kits, group discussion, and individual counseling to help people stop smoking, eat properly, exercise, adhere to hypertensive regimens and reduce other chronic disease risks. The program implements several risk reduction projects and conducts other statewide activities to help health professionals and educators develop similar programs. These statewide activities include: developing smoking control programs, incorporating comprehensive school health education programs in the elementary and middle schools and conducting workshops for health educators and for business and industry personnel managers.

Under Act 99-182, the Vietnam Herbicides Information Act, the Department of Health is responsible for the establishment, promotion and maintenance of public information on Vietnam herbicides. The program is being coordinated with the Department of Military Affairs and the Governor's Veterans Outreach and Assistance Centers and includes but is not limited to assisting in the effort to contact veterans who were exposed to herbicides in Vietnam. The installation of the toll-free information telephone number, outreach program utilizing visual aids (posters, brochures, etc.), advertisements, news releases and public service announcements on radio, television and in the newspapers are resources currently being developed to inform veterans.

The Diabetes Control Program's goals are to reduce excess days of hospitalization among persons with diabetes by 50 percent; to reduce lower extremity amputations among persons with diabetes by 10 percent; to eliminate deaths associated with coma in juvenile diabetics and to eliminate the four-to-five fold excess in perinatal mortality associated with pregnancies of diabetic women. In fiscal year 1984-85, the Diabetes Control Program will seek to initiate and im-

prove local diabetes patient education services; begin the development and delivery of education programs and manuals in diabetes for a variety of health professionals in local areas; and develop and implement selected interventions.

The Department of Health administers the Federally funded Special Supplemental Food Program for Women, Infants and Children (WIC). This program provides food supplements and nutrition education to pregnant or lactating women and children who are a nutritional risk due to poor health, inadequate diet and low income. WIC services are provided through 27 local agencies covering 67 counties. The number of persons participating in WIC Program increased from 109,863 in fiscal year 1982-83 to 131,000 in fiscal year 1983-84 because the department received additional Federal funds. The participant is supplied with bank checks stating the kinds and amounts of foods to be purchased. These are used at authorized grocery and drug stores and dairies to purchase milk, cheese, infant formula, cereals, juices, eggs, etc. The average food cost is currently \$24.35 per participant per month. Nutrition education and counseling are made available on a regular basis to program participants.

Public health programs are administered in part through a field structure consisting of six district offices and a network of 74 Health Centers which serve all but five counties within the State with direct services. The remaining five counties and two municipalities are served by local health departments receiving grants from the department. The District Offices and State Health Centers also provide health maintenance services to those individuals diagnosed with chronic ill or disabled person's home which include health teaching and supervision of patients.

The State Public Health Laboratory at Lionville provides special laboratory services which are essential to the epidemiologic investigation of communicable disease outbreaks in the Commonwealth. The laboratory maintains a state of readiness to provide essential laboratory services not available elsewhere on a timely basis; administers a clinical laboratory improvement program; and supports department programs in the areas of infectious disease, chronic diseases, metabolic diseases and toxicology.

Health Maintenance and Disease Prevention (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 629	\$ 618	\$ 642	\$ 674	\$ 708	\$ 743	\$ 780
State Laboratory	1,892	2,000	2,087	2,191	2,301	2,416	2,537
State Health Care Centers	3,876	3,456	3,573	3,752	3,939	4,136	4,343
School Health Examinations	14,876	14,571	14,401	14,104	13,858	13,675	13,534
Local Health Departments	12,717	18,165	18,020	19,500	19,500	19,500	19,500
Local Health Departments —							
Environmental	3,273	3,291	3,291	3,291	3,291	3,291	3,291
Maternal and Child Health	742	772	803	819	835	852	869
Special Supplemental Program for Women, Infants and Children	1,385	.....	.....	.....	.....	.....	.....
Cancer Program .....	.....	3,925	2,000	2,040	2,081	2,122	2,165
GENERAL FUND TOTAL	\$ 39,390	\$ 46,798	\$ 44,817	\$ 46,371	\$ 46,513	\$ 46,735	\$ 47,019

Detection and Diagnosis

OBJECTIVE: To detect disease and health defects in the population at the earliest possible stage of development, to ensure that disease and defects are properly diagnosed, and to place those individuals in need of treatment and/or rehabilitation in the most appropriate program.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 6,984	\$ 8,514	\$ 8,698	\$ 8,807	\$ 8,940	\$ 9,103	\$ 9,287
Federal Funds	4,409	12,322	5,526	5,526	5,526	5,526	5,526
Other Funds	162	504	517	517	517	517	517
TOTAL	\$ 11,555	\$ 21,340	\$ 14,741	\$ 14,850	\$ 14,983	\$ 15,146	\$ 15,330

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Persons screened for:							
Hypertension	176,000	150,000	150,000	150,000	150,000	150,000	150,000
Venereal diseases	193,000	185,000	182,000	182,000	182,000	182,000	182,000
Tuberculosis	241,864	230,000	230,000	230,000	227,000	226,000	226,000
Black lung	9,575	10,536	10,500	9,500	9,500	9,500	9,500
Lead poisoning	21,500	22,000	22,500	23,000	23,200	23,400	23,600
Phenylketonuria and hypothyroidism	163,842	164,000	164,000	164,100	164,200	164,300	164,500
Abnormalities discovered by screening:							
Hypertension	52,800	45,000	45,000	45,000	45,000	45,000	45,000
Venereal diseases	3,766	3,800	3,700	3,500	3,500	3,500	3,500
Tuberculosis	4,618	4,600	4,600	4,600	4,600	4,600	4,600
Black lung	8,717	9,587	9,500	9,000	9,000	9,000	9,000
Lead poisoning	900	1,000	1,100	1,150	1,200	1,250	1,250
Phenylketonuria and hypothyroidism	51	51	51	51	51	51	51
Cases diagnosed and referred for treatment:							
Hypertension	35,200	36,000	36,000	36,000	36,000	36,000	36,000
Venereal diseases	3,766	3,800	3,700	3,500	3,500	3,500	3,500
Tuberculosis	4,608	4,600	4,600	4,600	4,600	4,600	4,600
Black lung	4,254	4,680	4,600	4,500	4,500	4,500	4,500
Lead poisoning	511	511	570	615	645	670	696
Phenylketonuria and hypothyroidism	46	51	51	51	51	51	51

Program Analysis:

Early detection and diagnosis can often limit the severity of diseases and, in many cases, prevent the development or more serious pathological conditions. The department's programs provide screening for hypertension and other circulatory disorders; black lung, tuberculosis and other respiratory disorders; diabetes; dental problems; venereal disease; cervical cancer; anemias; developmental disorders; neuro-sensory disorders; and certain neonatal metabolic disorders.

Hypertension (high blood pressure) has long been known as the "silent killer" because it often goes undetected for years until serious damage to the body's organ system has occurred. In Pennsylvania, there are approximately 3 million persons with elevated high blood pressure. The department will screen approximately 150,000 persons for hypertension in the 1984-85 fiscal year. As a result, 33 percent of those screened will be referred for proper treatment.

Primary detection and diagnostic services under the Sex-

Detection and Diagnosis (continued)

Program Analysis: (continued)

ually Transmitted Disease program are provided through interviewing patients with syphilis and gonorrhea, then examining and treating recent sexual partners. Health Department personnel confirm therapy on all patients found with disease, and then conduct interviews and investigations. The measure, persons screened for venereal diseases is projected to decline commensurate with the changing characteristics of the population.

The department, under the Tuberculosis Control program, operates 66 chest clinics for the detection and diagnosis of tuberculosis disease and tuberculosis infection. The clinics are assisted by the six health districts of the department and the seven independent health departments. In fiscal year 1982-83 a total of 241,864 were screened for tuberculosis with 1,080 patients diagnosed as having tuberculosis disease and 3,538 patients diagnosed as tuberculosis infectious. All of those diagnosed were referred for treatment.

The department's Coalworkers' Respiratory Disease program provides screening, diagnostic, treatment, rehabilitation, counseling/education, referral and follow-up care to all miners ill with pulmonary disease. The services which are provided to patients numbered 151,826 for the 1982-83 fiscal year. The department's program, which is both State and Federally funded, has used Federal funds to support expansion of services in treatment centers and home care activities while State supported activities handle seven full care centers housed in hospitals throughout the anthracite and bituminous coal regions. The measure, persons screened for black lung, is projected to decrease after 1984-85 since it is anticipated Federal grant funds will decline after the next fiscal year. Because of the extensive physical evaluation, not only are pulmonary disorders found, but 2,339 conditions such as hypertension, diabetes and cancer have been diagnosed and have been referred out for care. Under the Federal program, non-miner participants such as individuals ill with pulmonary disease as a result of dusty occupations are also enrolled.

Data from the Childhood Lead Poisoning Needs Assessment has identified fifteen communities of 25,000 or more population with children having a greater degree of risk. The department's program (in Philadelphia, Chester and Wilkes-Barre area) screens more than 20,000 children to detect blood lead symptoms.

State law mandates that all infants born in Pennsylvania be screened for phenylketonuria (PKU) and neonatal

hypothyroidism. Pennsylvania's incidence of PKU is approximately one in 10,000 births, and of neonatal hypothyroidism approximately one in 4,500 births. Without early detection and prompt treatment, there is permanent brain damage and subsequent severe mental retardation. These diseases are estimated to account for 2 to 3 percent of residents in institutions for the mentally retarded. Additional affected individuals are living in the community as life-long dependent citizens. The cost-benefit analysis reported by the American Medical Association in the May, 1979 issue of its Journal, projects a net benefit to society of more than \$105,000 for each case of congenital hypothyroidism detected and properly treated. As some 35 cases of congenital hypothyroidism and 16 of PKU are expected to be detected and referred for treatment in 1984-85. Without considering inflated costs since 1979, the net benefit to society projects to some \$5.3 million in 1984-85 and annually thereafter. The State Public Health Laboratory oversees the screening method for these diseases and is responsible for the performance of confirmatory tests.

The Pennsylvania Public School Code requires that all children of school age attending or who should be attending public and non-public schools receive a program of health services as specified by State law and department regulations. The School Health Examination program reimburses school districts for providing medical, dental and nursing services on the basis of compliance with Code and professional standards. The goal of the program is to improve the health status of the school age population in the Commonwealth. Its focus is health maintenance and some of the services provided are fluoridation of water supplies, reduction of environmental hazards, screening and testing procedures to detect pre-clinical disease and problems such as vision, hearing, scoliosis and skin tests for tuberculosis, as well as emergency and first aid care. School immunization law requires that all children are immunized against diphtheria, tetanus, mumps, measles and rubella.

In March 1983, the Pennsylvania Cancer Advisory Board published the Pennsylvania Cancer Plan, which provides guidelines for implementing the 1980 Cancer Control, Prevention and Research Act. This Plan proposes cancer programs in four areas: a cancer registry; prevention, screening and detection; rehabilitation; and epidemiology. In 1983-84 several detection projects involving cervical and breast cancer will begin and will last three years.

Detection and Diagnosis (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Government Operations	\$ 1,164	\$ 1,143	\$ 1,188	\$ 1,247	\$ 1,310	\$ 1,375	\$ 1,444
State Laboratory	376	397	410	431	452	475	498
State Health Care Centers	353	1,728	1,869	1,962	2,061	2,164	2,272
Diabetes Task Force		208	217	228	239	251	264
School Health Examinations	4,444	4,352	4,301	4,212	4,139	4,084	4,042
Coalworker's Pneumoconiosis	24	25	25	26	26	27	27
Screening and Treatment—							
Venereal Disease	350	379	394	402	409	418	426
Screening and Treatment—							
Tuberculosis	223	232	242	247	252	257	262
Tay Sachs Disease—Jefferson Medical College, Philadelphia	50	50	52	52	52	52	52
GENERAL FUND TOTAL	\$ 6,984	\$ 8,514	\$ 8,698	\$ 8,807	\$ 8,940	\$ 9,103	\$ 9,287

Outpatient Treatment

OBJECTIVE: To reduce mortality and morbidity due to disease and health defects and to restore ill persons to the highest possible level of health with minimum involvement with the health care system.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 14,100	\$ 15,141	\$ 16,546	\$ 17,026	\$ 17,524	\$ 18,039	\$ 18,575
Federal Funds	7,131	9,373	7,608	7,608	7,608	7,608	7,608
Other Funds	4,759	3,023	3,310	3,310	3,310	3,310	3,310
TOTAL	\$ 25,990	\$ 27,537	\$ 27,464	\$ 27,944	\$ 28,442	\$ 28,957	\$ 29,493

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Children receiving outpatient treatment through department supported programs:							
Cardiac	3,735	3,800	3,800	3,900	3,900	3,900	4,000
Cleft palate	3,260	3,300	3,300	3,300	3,300	3,300	3,300
Cystic fibrosis	560	565	570	575	580	590	600
Hemophilia	420	420	425	425	428	428	428
Speech and hearing	26,000	26,000	26,000	26,000	26,000	26,000	26,000
Orthopedic	6,580	6,600	6,660	6,700	6,700	6,730	6,750
Phenylketonuria	169	185	201	217	233	249	265
Epilepsy	357	360	363	366	373	376	380
Renal Disease	200	226	251	277	303	328	354
Cooley's Anemia	24	24	22	22	21	21	21
Sickle Cell Anemia	650	700	750	775	775	850	850
Spina Bifida	950	1,100	1,150	1,250	1,400	1,450	1,500
Home Ventilators	15	15	15	15	15	15	15
Adults receiving outpatient treatment and/or services through department supported programs:							
Renal Disease	4,480	5,054	5,629	6,203	6,777	7,352	7,926
Black Lung	9,579	10,536	10,500	9,500	9,500	9,500	9,500
Tuberculosis	18,500	18,500	18,500	18,500	18,500	18,500	18,500
Venereal Disease	28,000	29,000	29,000	28,000	28,000	28,000	28,000
Hemophilia	485	490	495	500	505	510	510
Cystic Fibrosis	155	160	170	175	180	180	185
Cooley's Anemia	13	13	15	15	17	17	17
Sickle Cell Anemia	550	600	650	700	800	900	900

Program Analysis:

Outpatient treatment services are more economical and cost-effective than inpatient care and are utilized whenever possible to provide needed treatment services for chronic respiratory diseases, physical rehabilitation and reconstruction, chronic diseases other than respiratory, catastrophic blood disorders and acute conditions.

The department provides extensive outpatient support services to victims of chronic respiratory diseases. The Coal

Workers' Respiratory Disease Program provides screening, diagnosis, treatment, rehabilitation, counseling/education, referral and follow-up care to all miners ill with pulmonary disease within the Commonwealth. In 1982-83 twenty-nine sites provided services to miner patients. Services have been expanded to include pulmonary rehabilitation, self help and home care with less reliance upon inhalation therapy. The measure, Adults receiving outpatient services for Black

Outpatient Treatment (continued)

Program Analysis: (continued)

Lung, is projected to decline after 1983-84 as Federal funds decline.

The Tuberculosis Control Program has 66 chest clinics that provide for the total management of persons with tuberculosis disease. This consists of bacteriological studies, periodic x-ray examinations, physician and nursing evaluations, and the renewal of drug issues. For the 18,500 patients, a shortened program of chemotherapy has been implemented which results in greater patient compliance and lowered costs. Additionally, a twice weekly observed ingestion program for noncompliant patients has just been started and the department believes this will lead to greater patient compliance and fewer tuberculosis infectious persons in the general population.

In 1979 the General Assembly provided funds to establish a Home Ventilator Program for children with chronic respiratory failure. Services are provided by The Children's Hospital of Philadelphia through their associated anesthesia service. This program currently permits 15 children with chronic respiratory problems to have life support equipment and nursing care in their homes at about one-third the cost of in-hospital care.

The Orthopedic Program provides outpatient care to children suffering from orthopedic conditions, amputations, and other related conditions. Services now include: prosthetics, orthotics, orthopedic shoes and therapeutic and support services. These services are provided to over 6,500 patients at 42 orthopedic clinics throughout the state.

The Cleft Palate Program provides comprehensive services which include pediatrics, plastic surgery, general dentistry, orthodontia, prosthodontics, etc. to children under 21 years of age. The program serves over 3,200 cleft palate and 114 related plastic surgery patients annually.

The department operates programs for patients suffering from certain blood diseases, including Hemophilia, Sickle Cell Anemia and Cooley's Anemia.

Hemophilia is a genetically transmitted disease where affected individuals have a genetic deficiency of critical blood clotting factors. Affected individuals develop chronic diseases due to frequent hemorrhages, particularly in joints and muscles. Of the estimated 1,200 hemophiliacs in Penn-

sylvania, over 900 are enrolled under this program. It is estimated an actual number of patients will not reach the maximum because some individuals prefer to obtain treatment from private physicians. The Hemophilia Program consists of eight specialized centers which offer comprehensive evaluation, rehabilitation services and blood products for hospital outpatients or home use. Patients must be registered with a program to receive these benefits and insure their third party resources are used before State program funds are expended.

Sickle Cell Anemia is a genetically determined red blood cell disorder which affects approximately 2,000 persons in Pennsylvania. 1,200 patients are currently receiving medical and psycho-social services at six Sickle Cell centers.

Cooley's Anemia is found predominantly in individuals of Mediterranean ancestry. While the incidence of Cooley's Anemia cannot be estimated, currently there are 37 patients receiving care under this program.

The Renal Disease program provides dialysis, drugs, medical supplies and transportation services to persons having chronic renal failure. New admissions average 1,060 per year with discharges (due mostly to death) averaging 460 per year. Thus, the patient census increases at the average rate of 580-600 per year. The program also supports an organ donor program that promotes transplantation which is less expensive than dialysis and improves the quality of life of kidney patients. The program reimburses the balance of cost which is not satisfied by third party resources.

The Sexually Transmissible Disease Program provides clinical services for the diagnosis and treatment of sexually transmitted disease. These services are provided to insure that patients with suspected disease have access to free diagnostic and treatment services, and also provide diagnosis and treatment to those who have been exposed to a sexually transmitted infection. Prompt treatment of infectious patients and their partners contributes to disease prevention.

Clinical services are offered in a variety of settings, including State and community health centers, family planning clinics and practicing physicians offices. This also allows for minors to seek and receive care under the Commonwealth's Minor Treatment Law.

Outpatient Treatment (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 1,084	\$ 1,061	\$ 1,105	\$ 1,160	\$ 1,218	\$ 1,279	\$ 1,343
State Health Centers	4,695	4,188	4,329	4,545	4,773	5,011	5,262
Hemophilia Treatment	1,248	1,384	1,384	1,412	1,440	1,469	1,498
Sickle Cell Anemia	593	700	728	743	757	773	788
Cooley's Anemia	174	212	212	216	220	224	229
Renal Disease	4,195	5,166	6,527	6,658	6,791	6,927	7,065
Home Ventilators	371	371	386	394	402	409	418
Coalworker's Pneumoconiosis	577	607	607	619	632	644	657
Adult Cystic Fibrosis	144	194	194	198	202	206	210
Screening and Treatment — Tuberculosis	344	358	372	379	387	395	403
Sunshine Foundation		75					
United Neighborhood Facilities							
Health Care Corporation		150					
Cerebral Palsy — St. Christopher's							
Hospital	575	575	598	598	598	598	598
Cleft Palate Clinic — Lancaster	50	50	52	52	52	52	52
Cleft Palate Clinic — Pittsburgh	50	50	52	52	52	52	52
GENERAL FUND TOTAL	\$ 14,100	\$ 15,141	\$ 16,546	\$ 17,026	\$ 17,524	\$ 18,039	\$ 18,575

Inpatient Treatment

OBJECTIVE: To reduce mortality and morbidity due to disease and health defects and to minimize time, resources and intensity in restoring ill persons to the highest possible level of health.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 705	\$ 911	\$ 917	\$ 932	\$ 947	\$ 963	\$ 980
Federal Funds	3,272	4,800	3,882	3,882	3,882	3,882	3,882
Other Funds	1,671	4,655	5,051	5,051	5,051	5,051	5,051
TOTAL	\$ 5,648	\$ 10,366	\$ 9,850	\$ 9,865	\$ 9,880	\$ 9,896	\$ 9,913

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Persons receiving inpatient hospital care from department programs	1,146	1,160	1,168	1,179	1,190	1,197	1,209
Children treated under the cardiac inpatient program	267	267	267	267	267	267	267

Program Analysis:

One of the principal concerns of patient management is to provide treatment services at the least expensive level of care that is consistent with standards of good medical practice. The emphasis in all of the department's programs is to utilize outpatient treatment whenever possible. Inpatient hospital and nursing care is provided for only the most complex medical conditions that require the facilities and services available in an inpatient setting. Because inpatient care is very expensive, programs providing this type of care have imposed strict controls on admissions and, where possible are using outpatient services to avoid hospital admissions.

Some of the programs operated by the department which provide inpatient care are tuberculosis control, children's cardiac surgery, crippled children, cerebral palsy, neonatal intensive care, and spina bifida.

The department's children's cardiac inpatient program

provides intensive diagnostic procedures such as cardiac catheterization and echocardiograms.

In the tuberculosis program all admissions must be approved by the area tuberculosis consultant physician, and all payments must be authorized by the chief of the Tuberculosis Control Section. In fiscal year 1982-83, 57 tuberculosis patients received inpatient hospital care. This number is less than the previous year because of improved pre-hospital authorization procedures which have decreased the requests for hospitalization. Although patients admitted to hospitals have longer stays, there is a savings on total days for all patients. Patients are discharged as soon as they are no longer infectious and are referred to outpatient facilities for completion of their treatment. The assumption is that those patients transferred to outpatient treatment are at their maximum level of functioning.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Spina Bifida	\$ 544	\$ 750	\$ 750	\$ 765	\$ 780	\$ 796	\$ 812
Screening and Treatment -- Tuberculosis	6	6	6	6	6	6	7
Burn Foundation -- Greater Delaware Valley	155	155	161	161	161	161	161
GENERAL FUND TOTAL	\$ 705	\$ 911	\$ 917	\$ 932	\$ 947	\$ 963	\$ 980

Prevention/Intervention of Drug and Alcohol Abuse

OBJECTIVE: To provide community and school educational services to the citizens of Pennsylvania alerting them to the varied dangers of drug and/or alcohol abuse.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 4,700	\$ 4,888	\$ 5,084	\$ 5,338	\$ 5,605	\$ 5,885	\$ 6,180
Federal Funds	2,775	2,982	2,455	2,455	2,455	2,455	2,455
TOTAL	\$ 7,475	\$ 7,870	\$ 7,539	\$ 7,793	\$ 8,060	\$ 8,340	\$ 8,635

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Prevention:							
Persons viewing films	142,698	144,000	146,000	148,000	150,000	150,000	150,000
General information materials distributed - ENCORE	287,622	293,000	298,000	303,000	308,000	308,000	308,000
Teachers and parents trained	800	1,000	1,000	1,000	1,000	1,000	1,000
Education contracts	189,000	200,000	225,000	225,000	225,000	225,000	225,000
Providers approved annually:							
Prevention providers	98	100	100	100	100	100	100
Intervention providers	102	108	110	112	112	112	112
Schools for Driving Under the Influence (DUI) offenders	64	70	70	70	70	70	70
DUI instructors certified	200	275	275	275	275	275	275
Enrollments in DUI schools	12,050	20,000	25,000	25,000	25,000	25,000	25,000
Percent of enrollments who completed DUI schools	95%	98%	98%	98%	98%	98%	98%

Program Analysis:

Prevention activities are services that preclude or reduce substance use. Prevention projects offer services and training to assist individuals, families, schools and the community to enhance life skills through extended educational sessions, workshops, media presentations and public information.

School personnel education remains a priority of the department and this is apparent by the continuation of the cooperative agreement with the Department of Education to educate and train school personnel. Because the focus of this effort has recently shifted from concentrating on training teachers to school district level participation, the measure for teachers and parents trained was less than projected for fiscal year 1982-83. Data for the program measure, Education contacts, has dramatically increased from prior year projections due to more funds being directed towards prevention/intervention services. With continued emphasis

in prevention, these areas will continue to reflect commensurate increases.

Intervention programs focus on assisting in decision-making and supporting clients until they can cope with the situation independently. Referral is provided if the need for a structured treatment regimen or other service is indicated. Intervention services in Pennsylvania include: a statewide network of hotlines and drop-in centers; alcohol highway safety programs (DUI); occupational alcohol programs; and Treatment Alternatives to Street Crime (TASC) programs.

The passage of Act 289 which amended the Pennsylvania Motor Vehicle Code has had a significant impact on the Pennsylvania's Driving Under the Influence Countermeasures Program. All 67 counties in Pennsylvania now have access to Alcohol Highway Safety Schools and some counties have several sites for Alcohol Highway Safety

Prevention/Intervention of Drug and Alcohol Abuse (continued)

Program Analysis: (continued)

Schools because of the increase in the number of DUI arrests.

The Court Reporting Network (CRN) Evaluation system mandated by the law to be used to evaluate all DUI offenders is available to 64 of Pennsylvania's 67 counties. The remaining 3 counties are currently in the process of having personnel trained and certified. During the 1982-83 fiscal year, 10,539 DUI offenders were processed through CRN. It is expected that this number will double in fiscal year 1983-84. Of those DUI offenders processed through CRN, 26 percent were identified as social drinkers, 25 moderate problem drinkers and 49 percent were severe problem drinkers.

The Drug and Alcohol Program is continuing to work with the Governor's Office and coordinators in each department on the operation of the State Employee Assistance Program (SEAP). Central and south central Pennsylvania are currently served by an ODAP contractor providing evaluation and referral services for employees. Proposals are under review to secure a contract to secure SEAP services in the western and northeastern parts of the State. The evaluation and referral service, accessed by a toll-free number, is operational.

The Educational Needs Clearinghouse for Outreach, Research and Emergency (ENCORE) provides public education and information services to the drug and alcohol field, other human service entities, and the public with quality medical and health information on which to base decisions on substance abuse. One of the clearinghouse's respon-

sibilities is to respond to informational requests from alcohol and/or drug service providers, public/private schools, criminal justice personnel, the Legislature and the public.

The second function of ENCORE is the collection and distribution of audiovisual materials. ENCORE's free-loan audiovisual library affords drug and alcohol professionals, educators, trainers and community groups an opportunity to use films and video materials to reinforce their messages about substance abuse, use and misuse. In order to provide twenty-four hour accessibility to the clearinghouse, ENCORE maintains a toll-free number. ENCORE publishes an audiovisual and literature guide to assist requestors in making the appropriate material selection.

During the 1982-83 fiscal year, ENCORE distributed 287,622 pieces of educational/information material an increase of over 50 percent from the 1981-82 distribution level. In addition, the measure persons viewing films increased 219 percent during the same interval. These increases are the result of the involvement of the drug and alcohol field in motivating professional and community participation in projects such as Chemical People (an unprecedented communitywide effort to attach increasing school-age drug and alcohol use and abuse, a problem of epidemic proportions nationwide), Driving Under the Influence (DUI), prevention and intervention activities, Employee Assistance Programs, parent and youth groups, increased minority involvement, teacher training and community-based prevention.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Assistance to Drug and Alcohol Abuse							
Program	\$ 4,700	\$ 4,888	\$ 5,084	\$ 5,338	\$ 5,605	\$ 5,885	\$ 6,180

Treatment of Drug and Alcohol Abuse

OBJECTIVE: To provide treatment and rehabilitative programs for those who have reached a dysfunctional level of drug and/or alcohol abuse.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 18,798	\$ 19,552	\$ 20,334	\$ 20,741	\$ 21,156	\$ 21,578	\$ 22,010
Federal Funds	10,244	11,066	9,058	9,058	9,058	9,058	9,058
TOTAL	\$ 29,042	\$ 30,618	\$ 29,392	\$ 29,799	\$ 30,214	\$ 30,636	\$ 31,068

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Inpatient programs licensed/approved:							
Hospitals	30	80	85	90	95	100	105
Non-hospitals	93	100	105	110	115	120	125
Outpatient programs licensed/approved	247	253	258	263	268	273	278
Total beds available	3,663	4,000	4,200	4,400	4,600	4,800	5,000
Patients enrolled in treatment:							
Men	47,609	49,140	47,580	48,360	49,140	49,920	50,700
Women	13,783	13,860	13,420	13,460	13,860	14,080	14,300
Patients who completed treatment	18,009	21,420	21,960	23,560	25,200	26,880	28,600
Admissions with primary diagnosis:							
Drug abuse	19,544	20,160	19,520	19,840	20,160	20,480	20,800
Alcohol abuse	39,462	40,320	39,040	39,680	40,320	40,960	41,600

Program Analysis:

The responsibility of the State to ensure that a system of treatment for drug and alcohol abuse is available was formally established by Act 63 of April 14, 1972, known as the Pennsylvania Drug and Alcohol Abuse Control Act.

The Department of Health indirectly provides services to the residents of the Commonwealth through a contract process to local governmental units in each county or groups of counties. The local governmental bodies, called Single County Authorities (SCAs), plan and implement community-based services in line with the department's decentralized planning and treatment philosophy. Most SCAs contract with independent providers for treatment, prevention and intervention services, although some SCAs administer their own direct services through functional units.

Treatment programs for substance abusers are provided in hospitals, prisons, shelters, residential units, day care and outpatient programs. Treatment often consists of a combination of short-term treatment, or detoxification, and

long-term treatment, or rehabilitation. Some facilities have also developed after-care procedures which extend support after formal treatment has ended.

More inpatient, residential facilities will be opening in Pennsylvania, which will be primarily proprietary operations serving the insured or paying clients. The number of private, non-profit facilities serving the public client will not be expanding significantly to meet increased need in the 1980's, without additional public and private support.

It is estimated that there were 18,009 clients completing treatment, which is 29 percent of total client admissions, during the 1982-83 fiscal year. Total anticipated admissions to the treatment side of the system for fiscal year 1983-84 should be approximately 63,000 due to the infusion of the Jobs Bill supplement to the Block Grant and the additional State funds provided in fiscal year 1983-84. It is expected that treatment admissions to the system will drop by 3 percent in fiscal year 1984-85 to 61,000. Federal treatment sup-

Treatment of Drug and Alcohol Abuse (continued)

Program Analysis: (continued)

port is currently below 1981 categorical levels and further reductions in Federal funds effective July 1, 1984 could result in a drop in admissions until the system can readjust to a new level of output. Projected increases will be as a result of innovative approaches to care, and effective

regional SCA planning. Long-term admissions are giving way to shorter-term approaches and outpatient services are being reinforced, since inpatient resources are eliminated. Utilization review efforts at the State and local level will insure that the most persons will be served.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Assistance to Drug and Alcohol							
Programs	<u>\$ 18,798</u>	<u>\$ 19,552</u>	<u>\$ 20,334</u>	<u>\$ 20,741</u>	<u>\$ 21,156</u>	<u>\$ 21,578</u>	<u>\$ 22,010</u>

Historical and Museum Commission

The Historical and Museum Commission is the official agency for the conservation and presentation of Pennsylvania's historic heritage. In executing its responsibilities, the Commission provides educational and recreational facilities to the public through historical, archaeological, and museum research, administration of public records, museum exhibition and interpretation, and historic site development.

HISTORICAL AND MUSEUM COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 8,975	\$ 9,054	\$ 9,916
Grants and Subsidies			
State-aided Museums	\$ 1,335	\$ 1,325	\$ 1,404
TOTAL STATE FUNDS	<u>\$ 10,310</u>	<u>\$ 10,379</u>	<u>\$ 11,320</u>
Federal Funds	\$ 359	\$ 753	\$ 425
Other Funds	336	363	397
GENERAL FUND TOTAL	<u>\$ 11,005</u>	<u>\$ 11,495</u>	<u>\$ 12,142</u>

GENERAL GOVERNMENT

General Government Operations	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 8,975	\$ 9,054	\$ 9,916
Federal Funds	359	753	425
Other Funds	336	363	397
TOTAL	\$ 9,670	\$ 10,170	\$ 10,738

Coordinates and directs the preservation of Pennsylvania's heritage through the collection of public records, natural history specimens, objects of art, historical objects and historic sites; and by promoting acquisition, restoration, and operation of historical sites within the Commonwealth.

Among the major sites are Washington Crossing, Brandywine Battlefield, Old Economy and Pennsbury Manor. Some of the major museums are William Penn Memorial Museum, Landis Valley Farm Museum, Fort Pitt and the Anthracite Museum Complex.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
General Government Operations	\$ 8,975	\$ 9,054	\$ 9,916
Federal Funds:			
Division of Historic Preservation	316	425	425
National Archives and Records Service Bouquet Papers	2	1	.....
Division of Historical Preservation .....	.....	2	.....
Identification and Classification of Historic and Archaeological Resources	16	.....	.....
Historical Records Program .....	.....	250	.....
Historic Preservation Act Grants .....	.....	50	.....
Historical Records Assessment and Reporting	25	25	.....
Other Funds:			
Hope Lodge Fund	30	60	62
Historic Preservation Fund	275	283	294
Land Records	20	20	21
Photo Copy Service	11	.....	20
TOTAL	\$ 9,670	\$ 10,170	\$ 10,738

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State-Aided Museums			
State Funds	\$ 1,335 ^a	\$ 1,325 ^a	\$ 1,404

Provides assistance to certain museums to carry out their cultural, scientific and educational programs.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
State-Aided Museums	<u>\$ 1,335</u>	<u>\$ 1,325</u>	<u>\$ 1,404</u>

^aThis reflects the total amount appropriated for State-Aid Museums. The funds were actually appropriated separately. In the actual year: University of Pennsylvania Museum \$150,000, Carnegie Museum \$150,000, Franklin Institute \$450,000, Pennsylvania Academy of the Fine Arts \$10,000, Academy of Natural Sciences \$275,000, Museum of the Philadelphia Civic Center \$150,000, Bul Planetarium \$150,000. In the available year: University of Pennsylvania Museum \$150,000, Carnegie Museum \$150,000, Franklin Institute \$450,000, Academy of Natural Science \$275,000, Museum of the Philadelphia Civic Center \$150,000, Buhl Planetarium \$150,000.

RESTRICTED RECEIPTS	HISTORICAL AND MUSEUM COMMISSION
----------------------------	---

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Preservation of Historic Sites and Properties	\$ 619	\$ 800	\$ 1,000
Hope Lodge.....	41	44	50
TOTAL	\$ 660	\$ 844	\$ 1,050

HISTORICAL AND MUSEUM COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 1,601	\$ 1,547	\$ 1,613	\$ 1,693	\$ 1,778	\$ 1,867	\$ 1,960
Administration of Public Records	\$ 771	\$ 792	\$ 825	\$ 866	\$ 909	\$ 954	\$ 1,002
Preserving Valuable Records	771	792	825	866	909	954	1,002
Cultural Enrichment	\$ 7,938	\$ 8,040	\$ 8,882	\$ 9,255	\$ 9,647	\$ 10,058	\$ 10,491
Development and Promotion of Penn- sylvania State and Local History	340	374	389	408	428	449	471
Museum Development and Operations ...	4,291	4,306	4,511	4,666	4,829	5,000	5,180
Development and Preservation of Historic Sites and Properties	3,307	3,360	3,982	4,181	4,390	4,609	4,840
DEPARTMENT TOTAL	<u>\$ 10,310</u>	<u>\$ 10,379</u>	<u>\$ 11,320</u>	<u>\$ 11,814</u>	<u>\$ 12,334</u>	<u>\$ 12,879</u>	<u>\$ 13,453</u>

HISTORICAL AND MUSEUM COMMISSION

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 1,601	\$ 1,547	\$ 1,613	\$ 1,693	\$ 1,778	\$ 1,867	\$ 1,960
Other Funds	44	53	55	60	62	65	70
TOTAL	<u>\$ 1,645</u>	<u>\$ 1,600</u>	<u>\$ 1,668</u>	<u>\$ 1,753</u>	<u>\$ 1,840</u>	<u>\$ 1,932</u>	<u>\$ 2,030</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of the Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected

by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	<u>\$ 1,601</u>	<u>\$ 1,547</u>	<u>\$ 1,613</u>	<u>\$ 1,693</u>	<u>\$ 1,778</u>	<u>\$ 1,867</u>	<u>\$ 1,960</u>

HISTORICAL AND MUSEUM COMMISSION

Preserving Valuable Records

OBJECTIVE: To assure the preservation and availability of the Commonwealth's important public records and to promote the safekeeping of county and municipal records of permanent value.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 771	\$ 792	\$ 825	\$ 866	\$ 909	\$ 954	\$ 1,002
Federal Funds	25	250	.....	.....	.....	.....	.....
Other Funds	19	20	21	22	24	26	28
TOTAL	\$ 815	\$ 1,062	\$ 846	\$ 888	\$ 933	\$ 980	\$ 1,030

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Requests processed involving government records	900	1,000	1,200	1,500	1,500	1,800	1,800
Requests processed involving county municipal records	2,600	2,800	3,000	3,500	3,500	4,000	4,000
Responses to service requests—State Archives	23,500	23,500	23,800	23,800	24,000	24,000	25,000
Responses to service requests in Commonwealth Land Office	20,912	22,000	22,500	23,000	23,500	24,000	25,000
Pages of Archives and historical manuscripts	84,200,000	86,200,000	88,400,000	89,600,000	91,800,000	94,000,000	97,000,000
Percent of material on microfilm	6%	7%	8%	9%	10%	12%	14%

Program Analysis

The objective of this program is achieved through three basic approaches. The first concerns the identification of those records worthy of preservation and the cataloging, preserving and storing of those records thus insuring that they will be available for examination by students, scholars and historians. The planning and preparation of retention schedules pertaining to county and local government records is the second approach. It will require the advising, guiding and informing of these government authorities in the systematic and proper manner of preserving records as prescribed by law and standard practice. The third is receiving those Commonwealth records which by law or administrative directive must be preserved for posterity. The

preserving and storing of these records in a definite, orderly fashion in accordance with established retention procedures insures their availability for future reference.

The success of this program cannot be quantified. Only time will tell if those records necessary for interpretation by historians and scholars were maintained. Some indication of this is shown in that the amount of material made available is continually increasing. The measures shown indicate the magnitude of materials handled. The responsibilities of this program are achieved through the administration of the Division of Archives and Manuscripts and the Division of Land Records.

HISTORICAL AND MUSEUM COMMISSION

Preserving Valuable Records (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	<u>\$ 771</u>	<u>\$ 792</u>	<u>\$ 825</u>	<u>\$ 866</u>	<u>\$ 909</u>	<u>\$ 954</u>	<u>\$ 1,002</u>

HISTORICAL AND MUSEUM COMMISSION

Development and Promotion of Pennsylvania State and Local History

OBJECTIVE: To extend knowledge of Pennsylvania's historical heritage and promote interest in it.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 340	\$ 374	\$ 389	\$ 408	\$ 428	\$ 449	\$ 471
Federal Funds	2	3	.....	.....	.....	.....	.....
TOTAL	<u>\$ 342</u>	<u>\$ 377</u>	<u>\$ 389</u>	<u>\$ 408</u>	<u>\$ 428</u>	<u>\$ 449</u>	<u>\$ 471</u>

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Pages of historical material published	1,900	2,000	2,500	2,500	2,500	3,000	3,000
Pages of historical material added to the collection	275,000	275,000	275,000	280,000	280,000	290,000	300,000
Responses to service requests	19,800	20,000	20,500	21,000	22,000	22,000	23,000
Historic marker proposals reviewed	82	90	100	110	125	135	150

Program Analysis:

Historical information is made available to the public and other government agencies through research and reference services. The Commission stores historical data, prepares materials, publishes pamphlets, brochures and books for distribution or sale as required to historians, scholars, schools, historical societies and the general public.

In response to inquiries from the public and private sectors, the Commission provides technical assistance, advice, guidance and information on history and historical events through reference services. Materials received from local historical societies each year are added to the Commission collection. Emphasis is given to working with historical societies as extensions which supplement the Commission's programs and encourage the interests of young people,

through such programs as junior historian groups.

Increases in the public's knowledge and appreciation of Pennsylvania's history cannot be measured but increases in the demands upon the Commission for services can serve as an indication of the success of this program.

The Commission will continue to promote Pennsylvania history with the above activities as well as statewide visits by the mobile museum, and other activities. Also continued will be the placing of historical markers in all of the 67 counties in the Commonwealth. Through various other methods such as public service announcements and distribution of literature and information the Commission hopes to promote and maintain interest in Pennsylvania and its contributions to history.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	<u>\$ 340</u>	<u>\$ 374</u>	<u>\$ 389</u>	<u>\$ 408</u>	<u>\$ 428</u>	<u>\$ 449</u>	<u>\$ 471</u>

HISTORICAL AND MUSEUM COMMISSION

Museum Development and Operations

OBJECTIVE: To assure provision of representative artifacts and specimens of history, art and science for the enlightenment, enjoyment and visual experience of all citizens.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 4,291	\$ 4,306	\$ 4,511	\$ 4,666	\$ 4,829	\$ 5,000	\$ 5,180
Federal Funds							
Other Funds	173	143	169	164	180	198	220
TOTAL	<u>\$ 4,464</u>	<u>\$ 4,449</u>	<u>\$ 4,680</u>	<u>\$ 4,830</u>	<u>\$ 5,009</u>	<u>\$ 5,198</u>	<u>\$ 5,400</u>

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
State-operated museums:							
Annual visits	665,000	700,000	755,000	810,000	810,000	810,000	810,000
Exhibits/programs developed and presented	1,100	1,150	1,200	1,250	1,250	1,250	1,250
Objects maintained under the historic objects inventory (in thousands)		1,138	1,145	1,150	1,155	1,155	1,155
Historic objects undergoing conservation/preservation		25	100	150	150	200	200

Program Analysis

This program is dedicated to the development, maintenance, and operation of Pennsylvania's museum system, which includes within its framework State operated, and managed museums. Also included are those museums which receive financial assistance through State grants.

These museums are of great educational value and fulfill the interest of persons seeking information on Pennsylvania's historical heritage. They provide a variety of programs of interest concerning Pennsylvania's history. Special and extension services are offered to the public through a mobile museum program that brings displays to persons throughout the Commonwealth. Beginning in 1982-83 the Commission instituted new programs to more effectively administer underutilized facilities. Two museums will be managed by the Commission under agreement with associate organizations and one other museum remains under study for future operation and development. These museums previously maintained in this program (Old Mill Village and Curtain Village) have been placed under the agency's property management program and are represented in the Development and Preservation of Historic Sites and Properties subcategory under the visitation measure historic pro-

erties managed or leased. The associate organizations will, through funding from the Commission, operate the facilities in accordance with a management agreement with certain covenants.

The William Penn Memorial Museum is a general museum of Pennsylvania history and natural history. It has exhibits and collections in Decorative Arts, Fine Arts, Archaeology, Science and Technology, Military History, Natural History and Earth Science. In addition to caring for the material culture of the Commonwealth, the museum offers public and educational programs. It is also a resource center for the other museums in the State system offering curatorial advice, exhibit service and support, conservation services and providing registrar functions.

The museums have long cooperated with local tourism offices to encourage and assist tourism. This cooperation has been greatly increased. As an example particular efforts in Lancaster resulted in greatly increased support and cooperation with the local community. The Lancaster initiative is promoting cooperation between the private sector and the museums in the area of encouragement of tourism. The Farm Museum, Railroad Museum and Ephrata

Museum Development and Operations (continued)

Program Analysis: (continued)

Cloister are cooperating with the other non-profit museums in the area to promote visitation for all museums. These particular efforts are expected to serve as models for cooperation in the other areas. At the Commission level a new program to encourage and promote visitation to the Commission's museums and historic sites is producing good results.

The success of Pennsylvania's museum system can best be measured in the interest generated by the general public. Visitation figures are one of the best indicators of the success of this program. They provide the Commission with visitation data necessary to determine utilization of facilities through exhibits and other attractions which stimulate interest in the museum system. Visitation activity also produces greater economic impact through stimulation of com-

munity development and increases in tax revenue. In view of the implementation of a conservation program, the historic objects inventory measure as well as the measure for historic objects undergoing conservation/preservation is included for the first time this year. Beginning in the 1983-84 fiscal year and subsequent years these program measures will be of value in identifying the planning, development and continuation of conservation services.

The exhibits and programs the visitor sees are only the tip of the iceberg of museum operations. The care and development of collections and exhibits is a crucial and large part of the bureau's work. The care and operation of the physical plant also demands a major portion of the bureau's resources and time.

VISITATION AT STATE-OWNED MUSEUMS

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
William Penn Memorial Museum	231,000	240,000	250,000	250,000	250,000	250,000	250,000
Pennsylvania Farm Museum	67,000	70,000	70,000	80,000	80,000	80,000	80,000
Fort Pitt Museum	35,000	40,000	45,000	50,000	50,000	50,000	50,000
Pennsylvania Military Museum	79,000	80,000	80,000	100,000	100,000	100,000	100,000
Railroad Museum of Pennsylvania	133,000	135,000	150,000	150,000	150,000	150,000	150,000
Pennsylvania Lumber Museum	26,000	30,000	35,000	40,000	40,000	40,000	40,000
Anthracite Museum Complex:							
Anthracite Museum—Ashland	17,000	20,000	25,000	30,000	30,000	30,000	30,000
Anthracite Museum—Scranton	15,000	15,000	20,000	20,000	20,000	20,000	20,000
Eckley Miners' Village	19,000	20,000	25,000	30,000	30,000	30,000	30,000
Pennsylvania Mobile Museum	43,000	50,000	55,000	60,000	60,000	60,000	60,000
TOTAL	665,000	700,000	755,000	810,000	810,000	810,000	810,000

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 2,956	\$ 2,981	\$ 3,107	\$ 3,262	\$ 3,425	\$ 3,596	\$ 3,776
State-Aided Museums	1,335	1,325	1,404	1,404	1,404	1,404	1,404
GENERAL FUND TOTAL	\$ 4,291	\$ 4,306	\$ 4,511	\$ 4,666	\$ 4,829	\$ 5,000	\$ 5,180

HISTORICAL AND MUSEUM COMMISSION

Development and Preservation of Historical Sites and Properties

OBJECTIVE: To utilize and interpret historic sites and properties as related to Pennsylvania's history and to promote an understanding and appreciation of the State's historical heritage.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 3,307	\$ 3,360	\$ 3,982	\$ 4,181	\$ 4,390	\$ 4,609	\$ 4,840
Federal Funds	332	500	425	375	400	425	450
Other Funds	100	147	152	161	170	181	192
TOTAL	\$ 3,739	\$ 4,007	\$ 4,559	\$ 4,717	\$ 4,960	\$ 5,215	\$ 5,482

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Historic site visitations	976,000	1,006,000	1,029,000	1,050,000	1,088,000	1,099,000	1,117,000
Historic markers placed	1,474	1,477	1,485	1,489	1,493	1,498	1,504
Historic markers refurbished or replaced. . .	198	210	225	225	225	225	225
Historic buildings undergoing conserva- tion/preservation	392	363	373	380	388	398	409
Historic properties surveyed	4,975	5,000	5,000	5,000	5,000	5,000	5,000
Historic properties evaluated for the Na- tional Register of Historic Properties . . .	105	300	350	400	450	500	550
Historic properties reviewed for tax benefits	291	300	325	350	400	450	500
State/Federal projects reviewed for impact on historic properties	621	625	650	675	700	725	750
Applications reviewed/made for historic preservation grants	110	40	50	50	60	75	75

Program Analysis

This program is responsible for the administration, maintenance, security and interpretation of forty-five historic sites located throughout the Commonwealth and ranging in size from less than one acre to more than five-hundred acres, containing one to seventeen historic structures as well as hundreds of ancillary buildings and structures. These properties are committed to the custody of the Pennsylvania Historical and Museum Commission by the General Assembly. These sites have been restored to reflect the period of history they portray and the heritage of Pennsylvania and the United States for the education and recreation of the public. In 1982-83 the Commission initiated a

new program where through a management agreement or lease with certain covenants, twenty-seven sites were put under the administration of associate organizations or under lease on the open market.

It is evident that if the Commission is able to promote more local participation in preservation of these sites and properties by local organizations, it can devote more attention to those remaining within its immediate control and concentrate on bringing these sites to their full potential. The Pennsylvania Historical and Museum Commission assists the local preservation organizations to educate the public, provide assistance and carry forward preservation

Development and Preservation of Historical Sites and Properties (continued)

Program Analysis: (continued)

programs and maintain standards of historical significance for Pennsylvania's resources. This program provides the public, through participation, a better sense of pride in the interpretation of their sites and historic buildings, relics and the records associated with them.

The program measures reflect the extent to which these objectives are being met. Better reporting procedures have resulted in a more accurate accounting of annual visitations at most sites. In particular, visitations at historic properties managed or leased has changed significantly. During 1981-82 and 1982-83 an aggressive property placement program was begun. At that time the Commission took 31 properties designated for management or lease, estimated their visitation and utilized those estimates which could not be validated based on the fact that no staff or individuals were present to monitor activities. Because management agreements for most placed properties were executed during the 1982-83 fiscal year, more reliable and accurate visitation figures were available by virtue of the presence of representatives from the management groups. Beginning in 1983-84 the visitations reflected under historic properties managed or leased are more reflective of the individuals visiting these programs.

In 1979-80 the Commission changed its emphasis in the

type of historic sites and properties surveyed from one of limited definition, involving only capital type projects, to a comprehensive program, including survey and planning projects involving county governments and local historic groups. The reason for expanding the program was to increase recognition and appreciation of the preservation of history at the local level. Additional funds of \$500,000 are included within this subcategory for the preservation and maintenance of historic sites and properties. Preservation maintenance for each historic site or museum is essential to protect and preserve the original fabric of the historic structure or landscape, which is an integral part of the properties historic significance.

Also, under this program, the Commonwealth cooperates with and advises historical societies and civic organizations in historic site preservation. These historic facilities on the State and National Historical Registers are afforded protection under this program by the placing of historical markers when any significant historical value of the property can be determined.

Additional historical highway markers will be placed to further identify areas and their historical significance.

VISITATIONS AT SELECTED STATE HISTORICAL SITES AND PROPERTIES

Property	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Washington Crossing	407,000	408,000	410,000	410,000	410,000	412,000	412,000
Brandywine battlefield	90,000	90,000	90,000	91,000	91,000	92,000	94,000
Ephrata Cloister	48,000	48,000	48,000	48,000	50,000	50,000	50,000
Old Economy	48,000	48,000	48,000	48,000	50,000	50,000	50,000
Flagship Niagara	15,000	15,000	15,000	15,000	15,000	16,000	18,000
Daniel Boone	41,000	42,000	42,000	42,000	42,000	44,000	45,000
Pennsbury Manor	53,000	54,000	54,000	55,000	55,000	55,000	55,000
Drake Well Museum	32,000	33,000	35,000	35,000	35,000	35,000	35,000
Bushy Run Battlefield	73,000	73,000	73,000	74,000	75,000	75,000	75,000
Conrad Weiser Park	36,000	36,000	36,000	36,000	36,000	36,000	36,000
Cornwall Iron Furnace	13,000	14,000	15,000	15,000	15,000	16,000	18,000
Graeme Park	6,000	6,000	6,000	7,000	7,000	7,000	8,000
Hope Lodge	6,000	6,000	6,000	7,000	7,000	7,000	8,000
Joseph Priestly House	6,000	5,000	5,000	6,000	6,000	7,000	8,000
Morton Homestead	3,000	3,000	3,000	3,000	4,000	5,000	5,000
Old Chester Court House	1,000	1,000	1,000	1,000	2,000	2,000	3,000
Pottsgrove Manor	4,000	4,000	4,000	4,000	5,000	6,000	7,000
Governor Printz Park	54,000	54,000	54,000	55,000	55,000	55,000	55,000
Subtotal	<u>936,000</u>	<u>940,000</u>	<u>945,000</u>	<u>952,000</u>	<u>960,000</u>	<u>970,000</u>	<u>982,000</u>
Historic Properties Managed or Leased	40,000	66,000	84,000	98,000	123,000	129,000	135,000
TOTAL	<u>976,000</u>	<u>1,006,000</u>	<u>1,029,000</u>	<u>1,050,000</u>	<u>1,083,000</u>	<u>1,099,000</u>	<u>1,117,000</u>

HISTORICAL AND MUSEUM COMMISSION

Development and Preservation of Historical Sites and Properties (continued)

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	<u>\$ 3,307</u>	<u>\$ 3,360</u>	<u>\$ 3,982</u>	<u>\$ 4,181</u>	<u>\$ 4,390</u>	<u>\$ 4,609</u>	<u>\$ 4,840</u>

Insurance Department

The Insurance Department executes the insurance laws of the Commonwealth, examines and supervises domestic insurance companies, settles complaints and regulates insurance rates. The Department also licenses Pennsylvania and out-of-state companies, makes investigations of alleged violations of the law and supervises the dissolution of companies.

INSURANCE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 6,983	\$ 7,069	\$ 7,452
TOTAL STATE FUNDS	<u>\$ 6,983</u>	<u>\$ 7,069</u>	<u>\$ 7,452</u>
Other Funds	\$ 272	\$ 345	\$ 395
GENERAL FUND TOTAL	<u>\$ 7,255</u>	<u>\$ 7,414</u>	<u>\$ 7,847</u>

GENERAL GOVERNMENT

General Government Operations	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 6,983	\$ 7,069	\$ 7,452
Other Funds	272	345	395
TOTAL	<u>\$ 7,255</u>	<u>\$ 7,414</u>	<u>\$ 7,847</u>

Administers the internal activities of the Department; examines insurance companies for financial stability, compliance with the law, treatment of policyholders, income, disbursements and loss payments; reviews rates, policies and any policyholders' inquiries or complaints; investigates and takes appropriate action on alleged violations of the law or regulations; and supervises the liquidation of insolvent insurance companies.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
General Government Operations	\$ 6,983	\$ 7,069	\$ 7,452
Other Funds:			
Reimbursement for Companies in Liquidation	130	180	230
Reimbursement — Pennsylvania Bulletin and Code Regulations	114	115	115
Reimbursement — Duplicating and Mailing Services	28	30	30
Reimbursement — Workmen's Compensation Security Fund Services		20	20
TOTAL	<u>\$ 7,255</u>	<u>\$ 7,414</u>	<u>\$ 7,847</u>

INSURANCE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Consumer Protection	\$ 6,983	\$ 7,069	\$ 7,452	\$ 7,825	\$ 8,216	\$ 8,626	\$ 9,057
Regulation of Insurance Industry	6,983	7,069	7,452	7,825	8,216	8,626	9,057
DEPARTMENT TOTAL	<u>\$ 6,983</u>	<u>\$ 7,069</u>	<u>\$ 7,452</u>	<u>\$ 7,825</u>	<u>\$ 8,216</u>	<u>\$ 8,626</u>	<u>\$ 9,057</u>

Regulation of Insurance Industry

OBJECTIVE: To assure the efficiency of the insurance industry and its ability to satisfy contractual obligations and to prevent abuse of the public by illegal or unfair practices.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 6,983	\$ 7,069	\$ 7,452	\$ 7,825	\$ 8,216	\$ 8,626	\$ 9,057
Other Funds	272	345	395	395	395	395	395
TOTAL	<u>\$ 7,255</u>	<u>\$ 7,414</u>	<u>\$ 7,847</u>	<u>\$ 8,220</u>	<u>\$ 8,611</u>	<u>\$ 9,021</u>	<u>\$ 9,452</u>

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Consumer savings from departmental intervention in insurance claim disputes (in thousands)	\$4,530	\$4,600	\$4,700	\$4,800	\$4,900	\$5,000	\$5,000
Companies examined	150	160	160	160	160	160	160
Companies in liquidation	21	25	22	22	22	22	22
Complaints received and processed	24,269	25,000	25,500	25,500	26,000	26,000	26,500
Rate filings reviewed	8,596	8,800	8,900	9,100	9,200	9,300	9,400
Insurance policy/form filings reviewed	31,548	32,000	33,000	34,000	35,000	35,500	36,000
Insurance companies regulated:							
In-State	342	347	352	360	360	360	360
Out-of-State	960	1,005	1,050	1,100	1,100	1,100	1,100
Foreign	29	31	33	37	37	37	37
Agents and brokers licenses:							
New	134,985	140,000	145,000	145,000	145,000	145,000	145,000
Renewals	308,459	110,000	315,000	115,000	320,000	115,000	320,000

Program Analysis:

The Insurance Department is legally mandated to examine and audit the financial condition of approximately 1,400 insurance companies doing business in Pennsylvania, examine and license over 400,000 insurance agents and brokers, review for approval or disapproval rate and policy form filings, license insurance companies to do business in the State and enforce the insurance laws of Pennsylvania. The department also handles an estimated 100,000 consumer inquiries and complaints annually and prepares and distributes educational material on insurance.

Among the major issues to be addressed by the Department during the coming year are: regulation of out-of-state group trusts; solvency of insurance companies impacted by the economy; development of incentives for health care cost containment; increased use of data processing applications

within the department; and continued efforts to reform the no-fault automobile insurance system or to implement any replacement system that might be enacted.

The department emphasizes the needs and concerns of both the consumer and the insurance industry. It insures that the industry is responsive to the needs of the consumer by making available to the consumer reliable insurance coverages at reasonable rates. Savings to consumers resulting from departmental intervention were \$4.5 million in fiscal year 1982-83.

The unfavorable economic conditions of recent years continue to affect insurance companies. Accident and health insurers are also under considerable financial pressure as a result of significant increases in the cost of medical care. Increased costs have also had a negative impact on pro-

Regulation of Insurance Industry (continued)

Program Analysis: (continued)

fitability for property and casualty insurers. The financial problems faced by life insurers are developing as predicted last year and will continue to adversely affect this segment of the industry in the twelve months to come. These negative economic factors create a climate which makes it ever more difficult for smaller companies to operate economically, and require the department to closely monitor cash flow, solvency and adequacy of loss reserves.

Complicated and unique forms of life insurance products such as "universal life" and products designed to compete with traditional savings plans will require legal-actuarial review to assure that potential purchasers and insureds' interests are adequately protected.

Credit insurance filings now reflect the changes in financial institution laws which result in unique credit filings, such as second mortgages. New rate analysis and policy review is now required in this previously stable area.

The difficult economic conditions of the last few years have had the greatest effect on the examination function. New companies must be examined yearly while troubled companies require examination more often than the statutory period of every four years. The number of liquidations is expected to increase in the current year as an after-effect of the recent economic climate, but return to more normal levels in the budget and future years as the economy improves and as departmental intervention heads off developing problems.

The increased level of activity relating to mergers, acquisitions and corporate reorganizations also continues unabated.

There has also been a more than usual increase in the number of newly incorporated domestic insurers and in the number of admission filings. In fiscal year 1982-83, the number of insurance companies regulated by the Department has increased from 1,283 to 1,331, and it is expected that 50 additional companies will seek admission into Pennsylvania in both fiscal years 1983-84 and 1984-85. This growth in companies affects not only the company admission function but also agent licensing, company examinations, rate filings, forms filings, audits and enforcement functions. Additional program measures have been added to better reflect the scope of the Insurance Regulatory Program.

The Department is continuing its "Circuit Rider" program under which Department staff travel to various Commonwealth locations to hear consumer complaints and provide general consumer information. This is one of the basic methods of insuring that elderly and other disadvantaged insurance consumers have some recourse in satisfying their concerns. In addition, the Department will continue its specialized program in education and complaint handling for senior citizens in cooperation with the Department of Aging.

There has been a major enforcement effort undertaken by the Department, with the result that penalties collected by Consent Order amounted to \$180,000 in 1982-83. The Department has a Fraud Unit to provide support to field investigators and various law enforcement agencies in detecting, combating, and prosecuting arson and fraudulent activities.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	<u>\$ 6,983</u>	<u>\$ 7,069</u>	<u>\$ 7,452</u>	<u>\$ 7,825</u>	<u>\$ 8,216</u>	<u>\$ 8,626</u>	<u>\$ 9,057</u>

Department of Labor and Industry

The Department of Labor and Industry serves the labor and industrial interests of the Commonwealth by promoting the health, welfare and safety of employes; maintaining continuous production and employment by acting to reduce industrial strife; rehabilitating the vocationally handicapped; stabilizing the income of employes who become victims of certain occupational diseases or who sustain work related injuries; promoting apprenticeship training programs and assisting displaced workers in retraining and/or relocation.

DEPARTMENT OF LABOR AND INDUSTRY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 13,588	\$ 13,820	\$ 14,370
Debt Service Requirements			
Unemployment Compensation Interest .....	. . . .	\$ 18,000	\$ 17,000
Grants and Subsidies			
(04) Occupational Disease Payments	\$ 9,981	\$ 10,088	\$ 9,390
(03) Transfer to Vocational Rehabilitation Fund	10,400	10,400	12,400
(05) Workmen's Compensation Payments	1,137	1,107	1,129
Work Incentive Program	300	. . . .	. . . .
(07) Transfer to Office of Employment Security	1,100	1,100	1,100
Job Training Partnership .....	. . . .	5,525	6,088
Subtotal	<u>\$ 22,918</u>	<u>\$ 28,220</u>	<u>\$ 30,107</u>
TOTAL STATE FUNDS	<u>\$ 36,506</u>	<u>\$ 60,040</u>	<u>\$ 61,477</u>
Federal Funds	\$ 37,348	\$ 175,122	\$ 180,725
Other Funds	322	. . . .	. . . .
GENERAL FUND TOTAL	<u>\$ 74,176</u>	<u>\$ 235,162</u>	<u>\$ 242,202</u>

GENERAL GOVERNMENT

General Government Operations	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 13,588	\$ 13,820	\$ 14,370
Federal Funds	4,759	6,379	5,142
Other Funds	322	.....	.....
TOTAL	\$ 18,660	\$ 20,199	\$ 19,512

Provides for the overall direction, coordination, establishment of policies and regulations and operation of programs relating to consumer protection, accident prevention, industrial relations, manpower training, income maintenance and other areas relating to labor and industry. Also provides departmental administrative support in the areas of legal services, public relations, personnel, budget, procurement and management methods.

Provides an economic base for individuals unable to sustain a minimally acceptable level of existence because of occupational disease or injury. Also provides a program of public employees' retirement, disability and survivors insurance through the administration of the Federal Social Security Program for employees of the Commonwealth and its political subdivisions.

Insures that minimum and prevailing wages are paid when legally mandated to those persons who are employed, including migrant labor.

Provides for registration of farm labor contractors under the migrant labor program.

Provides for administrative support of the Job Training Partnership Program (JTPA); for 1984-85 all JTPA administration funds will be appropriated to Labor and Industry and subgranted to other using agencies and programs.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
General Government Operations	\$ 13,588	\$ 13,820	\$ 14,370
Federal Funds:			
Energy Conservation	33	100	.....
CETA (II-IV) Statewide Administration	1,917	1,238	.....
Balance of State — CETA	2,670	1,395	.....
Job Training Partnership — Administration .....	.....	3,646 ^a	5,142
Assistance of Occupational Coordinating Committee	130	.....	.....
Other Funds:			
Customized Job Training	322	.....	.....
TOTAL	\$ 18,660	\$ 20,199	\$ 19,512

^aIncludes \$1,963,000 for JTPA — Model Employment and Training which was actually appropriated separately.

DEBT SERVICE REQUIREMENTS

	(Dollar Amounts in Thousands)		
	1982-83	1983-84	1984-85
	Actual	Available	Budget
Unemployment Compensation Interest			
State Funds	\$ 18,000	\$ 17,000

Provides funds for the payment of interest on funds borrowed from the Federal government to meet claimant benefit requirements under the unemployment compensation program. Funds shown for 1984-85 have already been appropriated in Act 30 of 1983.

	(Dollar Amounts in Thousands)		
	1982-83	1983-84	1984-85
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Unemployment Compensation Interest	<u>.</u>	<u>\$ 18,000</u>	<u>\$ 17,000</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Occupational Disease Payments			
State Funds	\$ 9,981	\$ 10,088	\$ 9,390

Provides grants to alleviate economic hardships of persons who are disabled due to certain occupational diseases, principally silicosis and silica-related diseases. Also provides cash payments to partially disabled persons who, through subsequent injury, become totally disabled.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Occupational Disease Payments	<u>\$ 9,981</u>	<u>\$ 10,088</u>	<u>\$ 9,390</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Transfer to Vocational Rehabilitation Fund			
State Funds	\$ 10,400	\$ 10,400	\$ 12,400
Federal Funds	30,598	37,356	38,900
TOTAL	<u>\$ 40,998</u>	<u>\$ 47,756</u>	<u>\$ 51,300</u>

Operates to enable the physically and mentally handicapped and socially disadvantaged to prepare for and function as a part of the labor force by providing physical restoration, training, counseling and placement services. Also responsible for making disability determinations for the Federal Social Security Disability Insurance (SSD) program, the Supplemental Security Income (SSI) Program and the Federal Coal Mine Health and Safety Act.

Provides funds to expand and improve services under the Centers for Independent Living (CIL's) program.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Transfer to Vocational Rehabilitation Fund	\$ 10,400	\$ 10,400	\$ 12,400
Federal Funds:			
Disability Determination	30,598	37,356	38,900
TOTAL	<u>\$ 40,998</u>	<u>\$ 47,756</u>	<u>\$ 51,300</u>

GENERAL FUND

LABOR AND INDUSTRY

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Workmen's Compensation Payments			
State Funds	\$ 1,137	\$ 1,107	\$ 1,129

Provides for payments to self-insured employers and insurance carriers to raise the compensation of those employees receiving compensation for injuries prior to January 17, 1968 to sixty (\$60) dollars per week.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Workmen's Compensation Payments	<u>\$ 1,137</u>	<u>\$ 1,107</u>	<u>\$ 1,129</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Work Incentive Program			
State Funds	\$ 300	.....	.....

Provides for matching monies under the Work Incentive Program (WIN). The Federal program requires a 10 percent match, all or part of which is met through in-kind matching of services.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Work Incentive Program	<u>\$ 300</u>	<u>.....</u>	<u>.....</u>

Transfer to Office of Employment Security

State Funds	\$ 1,100	\$ 1,100	\$ 1,100
-------------------	----------	----------	----------

Provides funds for services to employable welfare recipients.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Transfer to Office of Employment Security	<u>\$ 1,100</u>	<u>\$ 1,100</u>	<u>\$ 1,100</u>

GENERAL FUND

LABOR AND INDUSTRY

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Job Training Partnership			
State Funds .....	.....	\$ 5,525	\$ 6,088
Federal Funds	\$ 2,000	131,387	136,683
TOTAL	<u>\$ 2,000</u>	<u>\$ 136,912</u>	<u>\$ 142,771</u>

Provides grants to Service Delivery Areas (SDA) and other eligible entities to aid the entry and productive participation of unskilled and unemployed youth, adults and dislocated workers in the job market through the provision of training, education and job placement activities.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Job Training Partnership .....	.....	\$ 5,525	\$ 6,088
Federal Funds:			
Service Delivery Areas .....	.....	73,125	80,222
Summer Youth .....	.....	36,200	37,307
Incentive Grants .....	.....	5,625	6,171
Dislocated Workers	\$ 1,000	10,300	10,823
Emergency Jobs — Dislocated Worker	1,000	3,870	.....
Older Workers .....	.....	1,875	2,160
Veterans Employment .....	.....	392	.....
TOTAL	<u>\$ 2,000</u>	<u>\$ 136,912</u>	<u>\$ 142,771</u>

DEPARTMENT OF LABOR AND INDUSTRY

Summary of Agency Program by Category and Subcategory

General Fund and Special Fund

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 2,011	\$ 1,999	\$ 1,978	\$ 2,077	\$ 2,181	\$ 2,290	\$ 2,404
Personal Economic Development	\$ 24,780	\$ 48,138	\$ 49,133	\$ 31,808	\$ 31,572	\$ 31,342	\$ 31,119
Employability Development — Socially and Economically Handicapped	1,400	6,625	7,188	7,188	7,188	7,188	7,188
Employability Development — Physically and Mentally Handicapped	10,400	10,400	12,400	12,400	12,400	12,400	12,400
Income Maintenance	12,980	31,113	29,545	12,220	11,984	11,754	11,531
Labor Management Relations	\$ 2,275	\$ 2,396	\$ 2,477	\$ 2,601	\$ 2,731	\$ 2,868	\$ 3,012
Labor Relations Stability	2,275	2,396	2,477	2,601	2,731	2,868	3,012
Community and Housing Hygiene and Safety	\$ 7,022	\$ 7,084	\$ 7,400	\$ 7,770	\$ 8,159	\$ 8,567	\$ 8,996
Accident Prevention in Multiple Dwellings	7,022	7,084	7,400	7,770	8,159	8,567	8,996
Consumer Protection	\$ 418	\$ 423	\$ 489	\$ 513	\$ 539	\$ 566	\$ 594
Regulation of Consumer Products and Promotion of Fair Business Practices	418	423	489	513	539	566	594
DEPARTMENT TOTAL	<u>\$ 36,506</u>	<u>\$ 60,040</u>	<u>\$ 61,477</u>	<u>\$ 44,769</u>	<u>\$ 45,182</u>	<u>\$ 45,633</u>	<u>\$ 46,125</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	<u>\$ 2,011</u>	<u>\$ 1,999</u>	<u>\$ 1,978</u>	<u>\$ 2,077</u>	<u>\$ 2,181</u>	<u>\$ 2,290</u>	<u>\$ 2,404</u>

Program Analysis:

This subcategory contains those necessary services which cannot reasonably be charged directly to substantive programs due to their generalized nature. The success or failure of these supportive services can only be indirectly reflected

by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	<u>\$ 2,011</u>	<u>\$ 1,999</u>	<u>\$ 1,978</u>	<u>\$ 2,077</u>	<u>\$ 2,181</u>	<u>\$ 2,290</u>	<u>\$ 2,404</u>

Employability Development—Socially and Economically Handicapped

OBJECTIVE: To enhance the ability of the handicapped unemployed and underemployed to function as a part of the labor force and to gain full employment.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 1,400	\$ 6,625	\$ 7,188	\$ 7,188	\$ 7,188	\$ 7,188	\$ 7,188
Federal Funds	6,717	137,666	141,825	141,825	141,825	141,825	141,825
Other Funds	322	.....	.....	.....	.....	.....	.....
TOTAL	\$ 8,439	\$ 144,291	\$ 149,013	\$ 149,013	\$ 149,013	\$ 149,013	\$ 149,013

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Job Training Partnership Program:							
Enrollments	N/A	110,000	114,400	118,976	123,735	128,684	133,831
Placements	N/A	32,111	33,395	34,731	36,120	37,564	39,067
Cash welfare recipients served	N/A	51,000	53,040	55,161	57,368	59,663	62,049
AFDC applicants (WIN Program):							
Total registrants	118,782	110,000	110,000	110,000	110,000	110,000	110,000
Participants entering employment	11,000	24,000	24,000	24,000	24,000	24,000	24,000

Program Analysis:

While there are no single, easy, short-term solutions to the problems of joblessness that have resulted from the transitional economy, it is clear that if dislocated workers and economically disadvantaged individuals are to secure employment they must have access to job training programs that will prepare them for the jobs of today and for the jobs which are likely to exist in the near future.

In the past, the major employment and training program was the Federal Comprehensive Employment and Training Act (CETA), which authorized funding for job training programs and the direct provision of public service jobs for the economically disadvantaged.

Under CETA, units of local government with a population of 100,000 individuals or more were designated as Prime Sponsors and received funding directly from the U.S. Department of Labor to provide employment opportunities for economically disadvantaged, unemployed or underemployed persons. In Federal Fiscal Year 1982, CETA Prime Sponsors in Pennsylvania served over 97,000 individuals and placed over 17,000 in unsubsidized employment.

The legislative authority for CETA ended on September 30, 1983. The financial closeout procedure itself is currently going on at both the State and local levels. That closeout is to continue through March 31, 1984.

Beginning October 1, 1983, the CETA legislation was replaced with the Job Training Partnership Act (JTPA). This Act strengthens the role of the Commonwealth in job training efforts for the economically disadvantaged and the dislocated workers. Under JTPA state governments, local governments and the private sector work in partnership to develop and operate job training programs with an end goal of providing unsubsidized jobs.

Under this act, governors are given increasing responsibilities including redesigning Service Delivery Areas within the state; establishing statewide goals and priorities for job training; coordinating all other job training resources available in the state with the JTPA program; overseeing the programmatic activities of each local Private Industry Council; ensuring fiscal accountability for all funds, including auditing of each program at least once every two years; and administering directly the state education coordination program and dislocated workers and older workers programs. Governors carry out their responsibilities in conjunction with a State Job Training Coordinating Committee which succeeds the State Employment and Training Council required under CETA.

The JTPA establishes three basic programs: (1) Training Services for the Disadvantaged (Title II-A), (2) Summer Youth Programs (Title II-B), and (3) Employment and

Employability Development—Socially and Economically Handicapped (continued)

Program Analysis: (continued)

Training Assistance for Dislocated Workers (Title III). Federal funds to support these three programs are allocated to Pennsylvania by the formula contained in the Act, which is based on the number of persons unemployed and economically disadvantaged.

The law specifies that 78 percent of the basic funding provided in JTPA Title II-A be passed through to Service Delivery Areas by formula, based on unemployment levels and the levels of economically disadvantaged individuals within each Service Delivery Area.

The remaining 22 percent of the Title II-A funds are used for the following purposes: 8 percent for State Education and Coordination Grants, 3 percent for Older Workers programs, 6 percent for Incentive Grants to Service Delivery Areas based on exceptional performance, and 5 percent for administration, auditing and special programs. Separate authorizations are received for summer youth programs (Title II-A) and the Dislocated Worker program (Title III).

The Department of Labor and Industry is the lead agency in administering this program. However, the Departments of Aging and Education also share some of this responsibility.

Federal funding has been provided for the nine month period from October 1, 1983 through June 30, 1984, to allow for a change in the grant period from a Federal fiscal year (October 1—September 30) to a program year which will coincide with the State fiscal year (July 1—June 30). Subsequent grants will be on a July 1—June 30 basis.

The major portion of the Title II-A funds is subgranted by the Department of Labor and Industry to the Service Delivery Areas (SDAs) based on their approved spending plans. The allowable program activities include: pre-entry level training in job readiness and basic educational skills, entry level training in basic occupations skills, upgrade skills training, retraining, counseling, job search assistance, and job development and employment generating activities.

The educational and training component of JTPA is carried out by the Department of Education through three major program efforts: adult literacy training, health occupations and entry level training, retraining and training in advanced technologies.

In total, these programs are directed at assisting Pennsylvania's economically disadvantaged citizens to enter or reenter the workforce equipped with the basic educational and occupational skills necessary to meet the needs of employers. At the same time these efforts assist in reducing dependency on public assistance. It is estimated that 51,000, or approximately half of the total enrollments, are welfare recipients. The older worker component of Title II-A of JTPA is administered jointly by the Departments of Labor and Industry and Aging. Most of these funds are passed through the SDAs by the Department of Labor and Industry while the Department of Aging uses its funds to expand Pro-

ject POWER (Promoting Older Worker Equal Rights) from the current eight county area to a statewide program. The project provides grants to Area Agencies on Aging for improving employment opportunities of older potential workers by developing coordination, recruitment and placement capabilities among area employers and employment services. Older economically disadvantaged workers requiring occupational skills training receive such assistance through the SDA programs.

The final major components of Title II of JTPA is the Summer Youth Program, also administered by the Department of Labor and Industry through the SDAs. It provides disadvantaged youth, including 14 and 15 year olds, with on-the-job training and work experience programs during the summer months.

The new measures shown above reflect the activity of this program. Of total enrollment of 110,000, it is anticipated 32,111 will be placed in the workforce in 1983-84.

The regular Work Incentive (WIN) Program terminated September 29, 1982 and its successor, the WIN Demonstration Program, is being operated by the Department of Public Welfare. The Department of Labor and Industry's Office of Employment Security (OES) provides services for this program under contract to the Department of Public Welfare. Services will be provided to recipients under the Aid to Families with Dependent Children program.

The major changes in services to be provided by the Department of Labor and Industry under the WIN Demonstration Program, versus those provided under the previous program, are the expansion of registration placement activities from 27 counties to 67 counties and targeting of resources toward job placement goals in place of various subsidized training and work experience components.

The WIN Demonstration Program will be operated in all 67 counties. The Department of Public Welfare will reimburse OES for the following services: work registration for all applicants for cash public assistance who are directed to the OES office as a part of the welfare application process; appraisal of each applicant to match needs to become job ready with available services; job search workshops to provide guidance in the most successful methods for seeking jobs; referral to open jobs listed by employers; and job development services.

An increase in AFDC participants entering employment is anticipated as a result of the development of a computerized matching system, which substantially increases OES' ability to follow-up on welfare clients.

As a continuing component of the Welfare Reform Program, a State amount of \$1.1 million is again recommended for Labor and Industry's Office of Employment Security (OES) to continue special employment and training services for General Assistance recipients.

Employability Development—Socially and Economically Handicapped (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Work Incentive Program	\$ 300	.....	.....	.....	.....	.....	.....
Transfer to Office of Employment							
Security	1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100
Job Training Partnership .....	.....	5,525	6,088	6,088	6,088	6,088	6,088
GENERAL FUND TOTAL	\$ 1,400	\$ 6,625	\$ 7,188	\$ 7,188	\$ 7,188	\$ 7,188	\$ 7,188

Employability Development—Physically and Mentally Handicapped

OBJECTIVE: To enhance the ability of the handicapped unemployed and underemployed to function as a part of the labor force and to gain full employment.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	<u>\$ 10,400</u>	<u>\$ 10,400</u>	<u>\$ 12,400</u>	<u>\$ 12,400</u>	<u>\$ 12,400</u>	<u>\$ 12,400</u>	<u>\$ 12,400</u>

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Handicapped persons of employable age ...	651,245	654,073	656,901	659,729	662,557	665,385	668,213
Caseload:							
Carry-over from previous years	42,840	46,791	52,331	58,371	65,171	72,671	79,671
New referrals	34,419	37,000	40,000	43,000	46,000	47,000	48,000
Total caseload	<u>77,259</u>	<u>83,791</u>	<u>92,331</u>	<u>101,371</u>	<u>111,171</u>	<u>119,671</u>	<u>127,671</u>
Cases closed:							
Ineligible	12,306	12,500	14,000	15,000	16,000	16,500	17,000
Rehabilitated	10,144	10,500	11,000	11,500	12,000	12,500	13,000
Competitive	7,353	7,770	8,360	9,085	9,600	10,250	11,050
Noncompetitive	2,791	2,730	2,640	2,415	2,400	2,250	1,950
Nonrehabilitated	8,018	8,460	8,960	9,700	10,500	11,000	11,500
Total cases closed	<u>30,468</u>	<u>31,460</u>	<u>33,960</u>	<u>36,200</u>	<u>38,500</u>	<u>40,000</u>	<u>41,500</u>
Cases carried over	46,791	52,331	58,371	65,171	72,671	79,671	86,171
Severely disabled rehabilitated	8,437	8,925	9,350	9,775	10,200	10,625	11,050

Program Analysis:

The objective of this program is to provide vocational rehabilitation services to the Commonwealth's physically and mentally disabled citizens.

This public service program, provided by the Commonwealth in cooperation with the Federal Government, has as its target group the estimated 651,245 citizens of the Commonwealth who have a physical or mental disability which results in a handicap to competitive or noncompetitive employment.

Although the population trend in Pennsylvania is relatively stable, it is anticipated the handicapped persons of employable age will continue to rise because of the trend toward an older population. There are now proportionately fewer people under age 20 than in the past, with more at ages 20 to 34 and at all older age levels. The net effect is an increase of less than one-half percent in the population of handicapped persons of employable age for 1983-84 and a slight rise each succeeding year.

Eligibility criteria for the vocational rehabilitation program require that there be a reasonable expectation that ser-

vices will enable the individual to perform some work activity, whether competitive or noncompetitive. The program's services are directed toward the client's attaining a vocational objective, with results evaluated in terms of improvement in work status.

Primary emphasis, as mandated by the Federal Rehabilitation Act of 1973 as amended in 1978, continues to be placed on serving and rehabilitating severely handicapped individuals. These clients require more extensive and varied services and, in general, this client population requires multiple services over an extended period of time.

The majority of severely handicapping conditions result from, but are not limited to, orthopedic conditions, amputation, cancer, cerebral palsy, cystic fibrosis, deafness, heart disease, quadriplegia, hemiplegia, mental illness, etc. Attention also is placed on removing handicapped persons from dependency on support programs.

Statistics presented are based on the Federal fiscal year which runs October 1 to September 30 of each year. Although this yearly time frame does not coincide with the

Employability Development—Physically and Mentally Handicapped (continued)

Program Analysis: (continued)

Pennsylvania fiscal year, the figures nonetheless represent an entire year and are, therefore, valid for purposes of comparison.

The program measures shown for 1982-83 indicate the total caseload was 77,259, of which 30,468 were processed and closed. The caseload total is a combination of the caseload carryover from the previous year as well as new referrals received throughout the year.

In Federal fiscal year 1983, \$944 million was appropriated nationwide under the Section 110 Basic Support provision of the Rehabilitation Act. In 1984, this figure is one billion dollars nationwide.

It is anticipated Pennsylvania will receive approximately \$46.7 million in total Section 110 Federal funds during Federal fiscal year 1984. These Federal monies are received and reflected in the Vocational Rehabilitation Fund, for which a cash flow statement appears in the appendix to Volume I of this budget.

Of the 30,468 active cases closed in 1982-83, 12,306 were closed because they were ineligible for services. This determination is made after a thorough medical evaluation for which the results indicate: it could not be determined that a disability existed; or the disability was not a vocational handicap; or there was no reasonable expectation that the client could go to work. Of the remaining 18,162 cases closed who did receive services, 10,144 or 56 percent were rehabilitated and 8,018 or 44 percent could not be rehabilitated. Of significant importance regarding rehabilitated cases is the fact that 83 percent of these cases are classified severely handicapped compared with 78 percent the previous year.

Of the 10,144 cases closed as rehabilitated seventy-three percent of these individuals were placed in competitive employment. The remaining 27 percent of those individuals who are considered to have been successfully rehabilitated were employed in sheltered and protected employment and as homemakers. It should be noted that statewide, 23 percent of the rehabilitants were public assistance recipients. A most significant factor in rehabilitating the disabled public assistance recipient is that after being placed back into competitive employment, the need for public assistance is reduced or eliminated. Findings indicate the average earnings for the rehabilitated public assistance recipient amount to \$156 per week.

The accompanying table indicates the varying degrees of success accomplished with different categories of disability. Certain handicaps have a higher probability for suc-

cessful rehabilitation than others. Cases shown as closed in Column 1 are all clients either successfully rehabilitated, or closed as not rehabilitated after they have been accepted for services. Successful rehabilitants are those clients who complete a vocational rehabilitation plan and become suitably employed.

Compared to last year's data, the information indicates: a 15 percent increase in the cost per rehabilitated case; an increase to \$148 per week in weekly earnings of clients rehabilitated in competitive employment; and a decrease in the number and percent of noncompetitive placements. The percent of clients unemployed upon acceptance to the program increased from 65 percent in fiscal year 1982 to 68 percent in fiscal year 1983. The program also placed a higher percentage of individuals in competitive employment, 73 percent in 1982-83 versus 66 percent in 1981-82. Although the actual number of rehabilitants decreased during 1982-83, this decrease is indicative of the program's increasing emphasis on severely handicapped individuals, the multiple services required for rehabilitation to occur, and competitive placements. Increased efficiencies will allow moderate increases in cases closed in the current budget and future years.

In an effort to address the needs of those severely handicapped who are judged ineligible for normal rehabilitation services due to a lack of vocational potential, \$1.4 million in State funds has been recommended to expand and improve the Centers for Independent Living (CIL's) program begun with Federal Vocational Rehabilitation funds.

The State funding will allow for expansion of services at the four existing CIL's and the establishment of a new CIL in the Wilkes-Barre/Scranton area.

A broad range of services will be provided, including referral and counseling services, independent living skills training, housing and transportation referral and assistance, physical and mental restoration services, and education and training necessary to live in a community setting.

These services will improve the ability of a severely handicapped person to live more independently in family and community; to enter the vocational rehabilitation program; and eventually to secure and maintain employment.

Additionally, an increase of \$400,000 was provided to match increased federal funds available and to provide monies to focus on certain priority groups such as the Chronically Mentally Ill and the Mentally Retarded.

The General Fund amounts shown herein are transferred to the Vocational Rehabilitation Fund.

Employability Development—Physically and Mentally Handicapped (continued)

OFFICE OF VOCATIONAL REHABILITATION
CASELOAD DATA BY DISABLING CONDITION
October 1, 1982 to September 30, 1983

Disabilities	(1) Closed After Acceptance For Service	(2) Cases Rehabilitated		(3) Clients Unemployed at Acceptance		(4) Rehabilitations Placed in Competitive Employment		(5) Rehabilitations Placed in Sheltered and Protected Employment and as Homemakers and Unpaid Family Workers		(6) Average Change Weekly Income Rehab. Com- petitive Employ- ment	(7) Average Cost Rehab.
	Total	Number	% of Col.1	Number	% of Col.2	Number	% of Col.2	Number	% of Col.2	Amount	Amount
Visual	527	342	65%	244	71%	264	77%	78	23%	\$165.00	\$1,090.00
Hearing	1,866	1,559	84%	560	36%	872	56%	687	44%	\$103.00	\$ 769.00
Orthopedic Deformities	4,956	2,867	58%	2,051	72%	2,073	72%	794	28%	\$166.00	\$1,549.00
Amputee or Loss of Limb	833	627	75%	261	42%	322	51%	305	49%	\$111.00	\$1,388.00
Mental Disorders	4,798	1,997	42%	1,659	83%	1,748	88%	249	12%	\$154.00	\$1,002.00
Mental Retardation	1,815	773	43%	691	89%	558	72%	215	28%	\$122.00	\$1,976.00
Other Disabling conditions	3,367	1,979	59%	1,407	71%	1,516	77%	463	23%	\$158.00	\$1,371.00
Total	18,162	10,144	56%	6,873	68%	7,353	73%	2,791	27%	\$148.00	\$1,294.00
Drug and Alcohol	910	396	44%	343	87%	380	96%	16	4%	\$165.00	\$ 618.00
Public Assistance	5,632	2,272	40%	1,774	78%	1,399	62%	873	38%	\$156.00	\$1,392.00
Severely Disabled	15,151	8,437	56%	5,438	64%	5,726	68%	2,711	32%	\$143.00	\$1,303.00
Social Security Disability Insurance Beneficiaries	2,000	913	46%	606	66%	331	36%	582	64%	\$178.00	\$2,107.00
Substantially Disabled	3,011	1,707	57%	1,435	84%	1,631	96%	76	4%	\$186.00	\$1,243.00

Program Costs by Appropriation:

(Dollar Amounts in Thousands)

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Transfer to Vocational Rehabilitation Fund	\$ 10,400	\$ 10,400	\$ 12,400	\$ 12,400	\$ 12,400	\$ 12,400	\$ 12,400

Income Maintenance

OBJECTIVE: To increase the economic stability of citizens of the Commonwealth by protecting and insuring the earnings of employes from factors over which they have no control.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 12,980	\$ 31,113	\$ 29,545	\$ 12,220	\$ 11,984	\$ 11,754	\$ 11,531
Federal Funds	30,598	37,356	38,900	40,456	42,071	43,756	45,506
Other Funds	10,783	10,959	11,206	11,654	12,120	12,604	13,108
TOTAL	\$ 54,361	\$ 79,428	\$ 79,651	\$ 64,330	\$ 66,175	\$ 68,114	\$ 70,145

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Minimum wage violations cited	718	725	761	765	765	765	765
Persons receiving subminimum rates	2,934	3,000	3,150	3,150	3,150	3,150	3,150
Claims for nonpayment of wages	1,687	1,700	1,785	1,785	1,785	1,785	1,785
Nonpayment of wage claims settled	1,246	1,250	1,502	1,510	1,510	1,510	1,510
Inspections made to insure prevailing rates used and paid on public works projects.	4,690	5,200	5,200	5,200	5,200	5,200	5,200
Claimants qualifying for occupational disease payments out of Commonwealth funds	4,646	4,617	4,357	4,112	4,000	3,832	3,593
New claimants eligible for workmen's compensation payments	85,458	100,000	103,200	104,000	104,000	104,000	104,000
Individuals filing for unemployment compensation	980,301	830,000	783,000	770,000	760,000	760,000	760,000

Program Analysis:

While the most obvious form of income maintenance provided by the State is public assistance, the Department of Labor and Industry operates a number of programs to increase the economic stability of citizens in the Commonwealth. These programs fall generally into two categories: those which provide income protection for the person who is employed and those which provide cash assistance to the individual and his dependents when he becomes unemployed.

The first category includes the State's programs of minimum wage, wage payment and collection, and prevailing wage enforcement. Pennsylvania is responsible for enforcing the minimum wage law for all enterprises with an-

nual gross sales of less than \$362,500. Enforcement of minimum wage laws for enterprises with gross sales in excess of this amount falls under the jurisdiction of the Federal Government. In addition, when the limitation was increased from \$325,000 to the current level of \$362,500 on January 1, 1982, the Federal Government continued to maintain jurisdiction over those enterprises they previously covered.

The number of persons receiving sub-minimum wages decreased from 3,258 in 1981-82 to 2,934 in 1982-83 due to improved enforcement and routine educational inspection programs. Since fiscal year 1979-80, violations have been reduced by 45 percent through aggressive enforcement and education programs which have also resulted in 13,535 in-

Income Maintenance (continued)

Program Analysis: (continued)

dividuals receiving over \$1,671,509 in wages owed. The figure should increase slightly as previously uninspected establishments are reached through the routine inspection program and employees are brought up to minimum wage standards. The percentage of claims collected has increased due to strengthened enforcement of fringe benefits and litigation to achieve compliance with the law. The present minimum wage rate, \$3.35 per hour, has been in effect since January 1, 1981. The decrease in claims for unpaid wages through 1982-83 may be attributed to an improving and stabilizing economy; employees are retaining their jobs and incurring fewer unpaid wages or benefits. An influx of first-time employers is expected to generate increased activity in 1983-84 and 1984-85.

The income of employees is also protected by the State's Prevailing Wage Law, which requires the establishment of minimum wages to be paid workers on projects valued at \$25,000 or more which are funded in whole or in part by State Government and public agencies of its political subdivisions within the Commonwealth.

The second category includes unemployment compensation, worker's compensation, occupational disease payments, and Social Security disability payments.

Worker's compensation is a system of payments made through private insurance companies, the State Workmen's Insurance Fund and self-insured employers to employees who sustain injuries or diseases during the course of their employment. Act 2 of 1976 established the Worker's Compensation Administration Fund to cover State administrative expenses for regulation of the system, and provides for legislative approval of the level of expenditure each year. The \$11,206,000 recommended is shown as "Other Funds". A cash flow statement for this fund can be found in the Special Funds Appendix to Volume I of this budget.

The impact of worker's compensation is reflected in the dollar value of income replaced by payments and the number of awards for payment. The maximum level of compensation for new claimants is tied to the statewide average weekly wage. New claimants eligible for Worker's Compensation decreased significantly in 1982-83 due to the high rate of unemployment during that period and consequently less filings under the Workmen's Compensation Act. Anticipated improvement in the economy over the next few years shows figures returning to near normal levels.

Act 263 of 1974 provided for the Commonwealth to make payments to insurers and self-insured companies in order to raise the rate of compensation payable to employees injured prior to March 17, 1968 to \$60 per week. It is estimated that payments in 1984-85 will be \$1,129,000.

Occupational disease payments are made primarily to victims of silicosis and related diseases, commonly referred to

as "black lung". Victims of these diseases are covered by three different programs, depending on their date of last exposure and disability: the bi-weekly program and monthly program (both Commonwealth-supported under the Occupational Disease Law) and the Workmen's Compensation Act as amended in 1973 which primarily shifts responsibility to industry for claimants exposed after July 1, 1973, although the Commonwealth shares partial responsibility for cases through June 30, 1976.

Both the bi-weekly and the monthly programs reflect marginal decreases in claimant levels due to the Federal Black Lung Act assuming payments for some claimants currently on State roles, and to attrition. The Federal Black Lung program has significantly leveled off due to more stringent medical standards and the elimination of certain "presumptions of disability" previously provided for by the United States Department of Labor.

The number of claimants qualifying for occupational disease payments out of Commonwealth Funds is estimated to decrease in 1984-85 to 4,357 claimants. The Supreme Court of Pennsylvania ruled in 1981 that persons who had all of their exposure to an occupational hazard prior to enactment of the Occupational Disease Law in 1939 should not be barred from recovery under the Act. This had a significant impact on the 1982-83 and 1983-84 budget, but now has leveled off and the majority of the cases are in the system.

The unemployment compensation program is also an integral part of this subcategory. Last year claimants could qualify for regular State benefit durations of either 26 or 30 weeks, both of which could be extended to 39 weeks if the State met the Federal formula to pay Extended Benefits (EB). As a result of the 1983 amendments, beginning in January 1984 the State regular benefit durations are either 16 or 26 weeks. These can be extended to 24 or 39 weeks respectively if certain unemployment levels, as specified in the Federal Law, are equaled or exceeded. In addition, the 100 percent Federally-funded Federal Supplemental Compensation (FSC) program permits up to 14 additional weeks of FSC benefits depending on the State's insured unemployment rate and/or total unemployment rate. FSC benefits will be paid to claimants who exhaust their entitlement to regular State and extended unemployment benefits. The FSC program will be in effect until March 15, 1985.

The rate of compensation generally varies between 52 and 57 percent of the worker's average weekly earnings, up to maximum for 1984 of \$214 per week. Claimants may also receive up to a maximum of \$8.00 per week in dependent's allowance for two or more dependents. As of August 1, 1983, based on the 1983 amendments, claimants who are entitled to a weekly benefit rate of \$75 or more have their

Income Maintenance (continued)

Program Analysis: (continued)

weekly check reduced by 5 percent. However, the maximum weekly benefit rate will continue to be calculated at sixty-six and two-thirds percent of the Statewide average weekly wage.

Estimates of individuals filing for unemployment benefits reflect a significant adjustment over last year's estimates, beginning in 1983-84. Two factors are responsible for this: (1) a model developed in conjunction with the Department of Revenue utilizing Chase Econometric statistical information was used in 1983-84 and for future projections; and (2) improvement in economic conditions.

Pennsylvania's unemployment compensation system has been out of balance since the early 1970's. Lately, the fund has been paying out approximately two dollars for every one dollar taken in. The first temporary corrective action was taken in 1980. However, due to the severe impact of the recent international and national recession additional permanent changes to the system became necessary. On July 21, 1983 revisions to the UC system that restructured both the tax and benefits sides to restore equity into the program became effective.

The 1983 Amendments will increase employer contributions to the fund by an estimated \$1.4 billion and decrease benefit expenditures by an estimated \$614 million over the period 1983-1986. Beginning January 1, 1984, workers began contributing to the unemployment fund at the rate of 0.1 percent of their gross wages. This will increase deposits in the trust fund by an estimated \$236 million during the period of 1984-1986. A separate tax was also assessed on contributory employers to generate revenue to pay the interest accruing on the outstanding interest bearing Federal loans.

The October Chase Econometric forecast for the 1984-86 period is for continued gradual improvement in the

economy. The combined effect of the improving economy and the 1983 Amendments is that benefit payments are forecasted to fall below tax contributions resulting in an annual Unemployment Compensation Trust Fund solvency for the first time since 1973.

In addition, the 1983 Amendments enable Pennsylvania to meet the Federal incentive solvency standards and qualify for: an increase of 0.1 rather than 0.3 percent in the Federal Unemployment Tax Act tax rate for 1983, 1984 and 1985; a reduction from 10 to 9 percent in the rate of interest assessed on outstanding loans during 1983; and a deferral of 80 percent of the interest obligations due in 1983, 1984 and 1985.

Another activity relating to this subcategory is the work of the Bureau of Disability Determination, which is agent for the Federal Social Security Administration (SSA). This office receives applications for disability benefits from the SSA. It is the responsibility of the Bureau of Disability Determination to gather the medical history of each claim, and to recommend payment of benefits under the guidelines established by the SSA. All final decisions regarding eligibility for benefits are made by the SSA.

The SSA also expects the Bureau to periodically review the condition of program beneficiaries to ascertain their continued eligibility. Such review was mandated by the U.S. Congress in amending the Social Security Act in 1980. The Bureau's benefit cessation decisions under this review program have been halted, effective October 6, 1983, under the Governor's directive placing a moratorium on the denial of Social Security disability benefits to all individuals who can show continuing disabilities until the Federal government establishes standards to evaluate medical improvement.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 1,862	\$ 1,918	\$ 2,026	\$ 2,127	\$ 2,233	\$ 2,345	\$ 2,462
Occupational Disease Payments	9,981	10,088	9,390	9,010	8,712	8,412	8,112
Worker's Compensation Payments	1,137	1,107	1,129	1,083	1,039	997	957
Unemployment Compensation Interest . . . . .	. . . . .	18,000	17,000	. . . . .	. . . . .	. . . . .	. . . . .
GENERAL FUND TOTAL	\$ 12,980	\$ 31,113	\$ 29,545	\$ 12,220	\$ 11,984	\$ 11,754	\$ 11,531

Labor Relations Stability

OBJECTIVE: To achieve a minimum level of economic loss resulting from a breakdown in collective bargaining procedures.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 2,275	\$ 2,396	\$ 2,477	\$ 2,601	\$ 2,731	\$ 2,868	\$ 3,012

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Public bargaining units:							
Mediation notices assigned	896	950	950	975	975	1,000	1,000
Cases mediated	569	620	620	635	635	650	650
Percent of cases mediated	64%	65%	65%	65%	65%	65%	65%
Percent of notices involving work stoppages	6%	9%	9%	9%	9%	9%	9%
Private bargaining units:							
Dispute notices received	3,186	3,250	3,250	3,250	3,250	3,250	3,250
Cases mediated and closed by Bureau ...	131	170	170	170	170	170	170
Percent of cases mediated	4%	5%	5%	5%	5%	5%	5%
Percent of cases mediated by Bureau involving work stoppage	7.6%	15%	15%	15%	15%	15%	15%
Unfair practice cases concluded:							
Public Employe Relations Act	417	530	430	435	440	440	440
Police and Firemen (Act 111)	46	60	65	65	65	65	65
Pennsylvania Labor Relations Act	30	35	25	25	25	25	25
Representation cases concluded:							
Public Employes Relation Act	280	260	260	260	260	260	260
Police and Firemen (Act 111)	39	42	42	42	42	42	42
Pennsylvania Labor Relations Act	9	12	14	14	14	14	14

Program Analysis:

The objective of the Bureau of Mediation is to provide mediation services to the public and private sectors.

The 896 mediation notices received from the public sector in 1982-83 is down from 1981-82's 936 notices. Further, only 64 percent of the 1982-83 notices actually required the active participation of a State mediator as compared with 68 percent in 1981-82. Under the Pennsylvania Labor Mediation Act, parties to a contract in the public sector must notify the State Bureau of Mediation of the possible need for mediation services when no agreement is reached between the parties within twenty-one days after negotiations have commenced, but no later than one hundred fifty days prior to the end of the contract.

The decrease in public sector notices and mediator services from 1981-82 levels is attributable to longer term contracts being negotiated by Commonwealth school districts,

changing economic conditions and the fact that many in the public sector have been through the contract negotiation process at least once since the passage of the Act in 1970.

In 1983-84 and future years it is estimated that the percent of public sector cases mediated will hold steady at approximately 65 percent of those initially flagged as possibly needing services. However, the number of notices received is anticipated to increase since approximately 25 new bargaining units are being certified every year, including county and local government units and support units of school districts which include cafeteria staffs, janitorial staffs, and bus drivers.

In the private sector, dispute notices are governed by the National Labor Relations Act and Pennsylvania Act 177 of 1937. Although a copy of the dispute notice must be filed with the Bureau of Mediation when the Federal Mediation

Labor Relations Stability

Program Analysis: (continued)

and Conciliation Service is notified, the law does not require that professional mediator services be used. The number of private sector cases mediated was 4 percent last year, but a level of 5 percent is projected for the future since the Federal Service cannot always react to dispute notices in a timely fashion and the Department's concern that cases be resolved as quickly as possible to minimize any negative effects to the State's economy.

The average private sector caseload for 1971-81 was 111 cases per year. In 1982 the Bureau mediated 131 private sector cases. The average private sector cases involving work stoppage in that same time frame (1971-81) was 36. In 1982 an unusually low number (10 cases) of cases mediated resulted in work stoppages, therefore, the percent of private sector cases involving work stoppages fell from 25 percent to 7.6 percent. This decline was apparently a result of unfavorable economic conditions during this period, and it is felt that work stoppages will return to a more normal level in future years.

The Pennsylvania Labor Relations Board and the Bureau of Mediation are the department's administrative agencies involved in labor-management relations for both the private and public sectors in the Commonwealth.

The Labor Relations Board was created in 1937 to administer the policies and provisions of the Pennsylvania Labor Relations Act (PLRA), which guarantees collective bargaining rights to the State's private sector employees not covered by the National Labor Relations Act. The PLRA assigns to the Board the responsibility of determining collective bargaining representatives and the power to prevent and discourage unfair labor practices. Due to the wide jurisdiction of the National Labor Relations Board, the PLRA covers only those private sector employers who do

not engage in interstate commerce or who have a relatively low volume of business.

With enactment of the Public Employee Relations Act of 1970, collective bargaining rights were granted to most of the State's public employes. The purpose of this act is to promote orderly and constructive relationships between public employes and their employers subject to the right of the citizens to maintain their health, safety and welfare. The Board is delegated the responsibility of carrying out this policy directive through the exercise of its responsibilities for representation cases, unfair labor practice adjudication and impasse resolution. In 1977, the Board's public sector jurisdiction was made all encompassing by virtue of a Pennsylvania Supreme Court decision which gave the Board authority over police and firefighting collective bargaining issues arising from Act 111 of 1968.

The Board is expanding and refining its program measures to include specific data according to the three acts it administers: The Public Employee Relations Act (PERA), Act 111 of 1968 and the Pennsylvania Labor Relations Act (PLRA). In the past, data was categorized only according to "public sector" PERA and Act 111 cases, and "private sector" PLRA cases. The new measures clarify the data source of each measure and more accurately portray the Board's activities under each statute.

Based upon current labor-management climate in the Commonwealth, it is estimated that approximately 316 representation cases and 520 unfair labor practice cases will be concluded by the Board under the three statutes in 1984-85. As a neutral forum in which to resolve issues disputed in these cases, the Board serves to promote a stable labor relations climate in the Commonwealth.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 2,275	\$ 2,396	\$ 2,477	\$ 2,601	\$ 2,731	\$ 2,868	\$ 3,012

Accident Prevention in Multiple Dwellings

OBJECTIVE: To eliminate fire and other hazards in multiple dwelling units and other places of public habitation and assembly

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 7,022	\$ 7,084	\$ 7,400	\$ 7,770	\$ 8,159	\$ 8,567	\$ 8,996
Federal Funds	33	100	.....	.....	.....	.....	.....
TOTAL	\$ 7,055	\$ 7,184	\$ 7,400	\$ 7,770	\$ 8,159	\$ 8,567	\$ 8,996

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Fire and Panic Act activities:							
Building plans reviewed	10,793	11,000	11,220	11,444	11,673	11,906	12,145
Building plans approved	7,803	8,000	8,415	8,583	8,755	8,930	9,109
Inspections performed	64,412	65,000	65,650	66,306	66,970	67,639	68,316
Violation orders issued	594	600	640	650	660	670	680
Violation orders closed	1,063	600	640	650	660	670	680
Violation orders remaining open	326	300	300	300	300	300	300
Equipment inspections under:							
Boiler Law	13,619	13,700	14,000	14,000	14,000	14,000	14,000
Liquified Petroleum Law	3,175	3,500	3,500	3,500	3,500	3,500	3,500
Elevator Law	19,370	19,563	19,759	19,957	20,156	20,358	20,562

Program Analysis:

The Department of Labor and Industry has the responsibility for enforcing a variety of safety regulations that apply to buildings and various types of machinery and equipment. The majority of the regulations require a basic process of plan review and approval followed by a field inspection to confirm that the construction or installation was done in accordance with approved plans. Final occupancy permits or certificates are then issued.

Under the provisions of the State's Fire and Panic Act (Act 299 of 1927), the Department of Labor and Industry has the responsibility for enforcing the fire safety regulations that apply to a wide variety of buildings, including office buildings, apartment buildings, hotels and schools. Plans for all new construction and additions to all existing construction for these buildings are examined and approved.

The cities of Philadelphia, Pittsburgh and Scranton were exempted from the Fire and Panic Act at the time of its enactment since they already had fire safety laws and regulations in effect. Each of these cities continues to be responsible for enforcement of their own fire safety laws and regulations.

The current Fire and Panic Regulations have been in effect since 1955. The Department has rewritten these regula-

tions to simplify the language and bring the regulations up to the current state of the art of fire safety protection. The new regulations should become effective in 1984.

The Department also maintains responsibility for inspection of Personal Care Boarding homes. Following identification by the Department of Public Welfare, the Department conducts inspections to insure compliance with State regulations.

The Department is further involved in the enforcement of Act 222, the Building Energy Conservation Law. This law is designed to improve the energy efficiency of new buildings. Approximately 80 percent of all buildings submitted for Fire and Panic approval must also comply with the Energy Conservation Law.

The decrease in the number of building plan reviews, approvals and inspections performed versus last year's estimates is due primarily to a lower than anticipated level of construction. Violation orders issued decreased from last year because inspections of new construction and alterations seldom involve orders, since compliance is required prior to occupancy. Once violation orders are issued, the length of time necessary to correct and close the order may vary. The higher level of orders closed in 1982-83 is due to the

Accident Prevention in Multiple Dwellings (continued)

Program Analysis: (continued)

clean up of a backlog of open orders from previous years.

It is anticipated the Department will be working with a caseload level of approximately 1,000 orders including 300 orders carried over each year due to insufficient time to correct violations and close orders issued in the latter part of the year.

Boilers and liquified petroleum installations are required, under their respective laws, to be inspected annually while elevators require inspection four times annually. Approximately 10 percent of the field inspections of boilers and

pressure vessels and 20 percent of elevator inspections are conducted by State inspectors.

Inspections under the Boiler Law have increased due to a computerized system that can identify equipment that is no longer insured and thereby requires inspections.

The impact these programs are having is difficult to measure since they deal with preventive measures. It is impossible to ascertain how many people were not injured or killed because of accidents that were prevented by enforcement of these laws.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	<u>\$ 7,022</u>	<u>\$ 7,084</u>	<u>\$ 7,400</u>	<u>\$ 7,770</u>	<u>\$ 8,159</u>	<u>\$ 8,567</u>	<u>\$ 8,996</u>

Regulation of Consumer Products and Promotion of Fair Business Practices.

OBJECTIVE: To minimize the availability of misrepresented or adulterated products and services.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 418	\$ 423	\$ 489	\$ 513	\$ 539	\$ 566	\$ 594

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Activities under the Bedding and Upholstery and the Stuffed Toy Laws:							
Manufacturers, importers and dealers ...	5,137	5,200	5,200	5,200	5,200	5,200	5,200
Registrations, licenses and certificates ...	7,931	7,950	7,950	7,950	7,950	7,950	7,950
Inspections performed	7,097	7,100	7,100	7,100	7,100	7,200	7,200
Violation Orders Issued	935	950	950	950	1,000	1,000	1,000
Percent of total	13.1%	13.3%	13.3%	13.3%	13.8%	13.8%	13.8%
Laboratory Analyses	1,553	1,600	1,600	1,600	1,650	1,650	1,650
Private employment agencies:							
Agency representatives registered	867	870	870	870	870	870	870
Complaints resulting in refunds	28	25	25	25	25	25	25
Dollars refunded	\$16,545	\$16,000	\$16,000	\$16,000	16,000	\$16,000	\$16,000
Prosecutions initiated	1	5	5	5	5	5	5
Prosecutions closed	1	5	5	5	5	5	5

Program Analysis:

The Department's two areas of concern under this program are (1) protection of the public from unsafe, unclean or misrepresented materials used in bedding, upholstery or stuffed toys and (2) regulation of employment agencies to prevent unfair business practices.

Under the provisions of the Bedding and Upholstery Law (Act 249 of 1937) the department is required to adopt rules and regulations and provide penalties relating to the manufacture, repair, renovating, cleansing, sterilizing and disinfecting of mattresses, pillows, bolsters, featherbeds and other filled bedding, cushions, upholstered furniture and bulk materials intended for sale or lease. Also, the department is responsible for enforcing the Stuffed Toy Law (Act 372 of 1961) which regulates the manufacture of stuffed toys intended for sale, gift or use in Pennsylvania and for the registration of such manufacturers.

Under the provisions of the State's Employment Agency Law (Act 261 of 1941) the Department is responsible for defining, regulating and providing for the licensing and registration of employment agents and their representatives, including private employment agents, theatrical employment agencies and nurse registries. During fiscal year 1982-83, the number of agency representatives registered decreased from the estimate last year due to an increasing number of employment agencies opting for employer fee paid status, which removes them from jurisdiction under the Employment Agency Law. This decrease appears to have stabilized at this point in time. The number of complaints resulting in refunds is expected to remain relatively constant, but the dollar amount of refunds is increased over last year's estimate because of higher fees being charged by employment agencies.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 418	\$ 423	\$ 489	\$ 513	\$ 539	\$ 566	\$ 594

Liquor Control Board

The Pennsylvania Liquor Control Board controls the manufacture, possession, sale, consumption, importation, use, storage, transportation and delivery of liquor, alcohol and malt or brewed beverages in the Commonwealth.

The Board consists of three members appointed by the Governor with Senate confirmation.

The dollar amounts shown are from the State Stores Fund, a special enterprise fund, and are reflected herein as "Other Funds."

LIQUOR CONTROL BOARD
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Other Funds ^a	\$ 211,482	\$ 202,477	\$ 212,174
DEPARTMENT TOTAL	<u>\$ 211,482</u>	<u>\$ 202,477</u>	<u>\$ 212,174</u>

^aAll funds are other than General Fund or Special Funds.

Other Funds

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Pennsylvania Liquor Stores			
State Funds	\$ 156,046	\$ 161,974	\$ 168,451

Operates the Pennsylvania Liquor Stores system. Licenses alcoholic beverage dealers.
Enforces the Commonwealth's alcoholic beverage laws and regulations.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Other Funds:			
General Operations	<u>\$ 156,046</u>	<u>\$ 161,974</u>	<u>\$ 168,451</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Transfer to the General Fund			
State Funds	\$ 50,000	\$ 35,000	\$ 38,000

Provides for the statutory transfer to the General Fund of surpluses in the State Stores Fund.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Other Funds:			
Transfer of State Stores Fund Surplus	<u>\$ 50,000</u>	<u>\$ 35,000</u>	<u>\$ 38,000</u>

OTHER FUNDS	LIQUOR CONTROL BOARD
--------------------	-----------------------------

		(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget	
Comptroller				
Other Funds	\$ 5,436	\$ 5,503	\$ 5,723	

Provides comptroller services for the maintenance and management of all agency accounts of the various substantive programs of the Liquor Control Board.

		(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget	
Other Funds:				
Comptroller	<u>\$ 5,436</u>	<u>\$ 5,503</u>	<u>\$ 5,723</u>	

LIQUOR CONTROL BOARD

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Consumer Protection
Liquor Control*

*All funds are other than General or Special Funds.

Liquor Control

OBJECTIVE: To protect the public welfare, health, peace, and morals of the people of the Commonwealth by controlling the manufacture of and transactions in liquor, alcohol and malt or brewed beverages.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Other Funds	\$ 211,482	\$ 202,477	\$ 212,174	\$ 217,883	\$ 222,027	\$ 226,628	\$ 231,710
Subtotal	<u>\$ 211,482</u>	<u>\$ 202,477</u>	<u>\$ 212,174</u>	<u>\$ 217,883</u>	<u>\$ 222,027</u>	<u>\$ 226,628</u>	<u>\$ 231,710</u>
Transfer of Sales Tax to General Fund ^a	\$ 42,283	\$ 43,698	\$ 45,090	\$ 46,464	\$ 47,880	\$ 49,574	\$ 51,331
Transfer of Emergency Tax to General Fund ^a	107,438	111,063	114,602	118,091	121,691	125,996	130,462
TOTAL	<u><u>\$ 361,203</u></u>	<u><u>\$ 357,238</u></u>	<u><u>\$ 371,866</u></u>	<u><u>\$ 382,438</u></u>	<u><u>\$ 391,598</u></u>	<u><u>\$ 402,198</u></u>	<u><u>\$ 413,503</u></u>

^aExcluded from summary presentations.

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Pennsylvania State Liquor Stores	716	714	729	730	730	730	730
Gross sales (includes taxes) (in thousands)	\$747,997	\$773,422	\$798,064	\$822,363	\$847,431	\$877,412	\$908,514
Licenses and permits issued (all types)	56,102	56,304	57,450	57,550	57,550	57,550	57,550
Enforcement investigations	27,335	27,735	28,135	28,500	28,500	28,500	28,500

Program Analysis:

Pennsylvania is one of 18 states that are referred to as "control states" in the sale of alcoholic beverages. In Pennsylvania, all bottle sales (with a few exceptions) of both wines and spirits are made through Pennsylvania Liquor Stores (State Stores). Private establishments may be licensed to sell by the drink only, and they must purchase their bottle stock from the State. Malt and brewed beverages are not handled through State Stores but dealers must be licensed. Pennsylvania law also embodies the principle of local option whereby citizens of any municipality have the right to decide by referendum whether they shall live in a "wet" or "dry" community.

In implementing such a control policy, the Liquor Control Board operates approximately 715 retail and/or wholesale stores supported by a regional warehouse system. These stores range from one-man counter operations to large self-service outlets. With annual purchases of approximately \$450 million, Pennsylvania is the largest single buyer of wines and spirits in the United States.

Licenses and/or permits are required for nearly everyone handling alcoholic beverages in Pennsylvania except retail customers and even they may be issued age identification cards upon request.

The Board is instrumental in the enforcement of Commonwealth alcoholic beverage laws and regulations.

The liquor control system also provides three sources of revenue to the General Fund.

The first is the Commonwealth's general sales and use tax which provided \$42.3 million in 1982-83.

The second revenue source is the emergency tax. This tax amounts to 18 percent of the cost plus mark-up of spirits and wines sold at Liquor Stores. In 1982-83, \$107.4 million in emergency liquor taxes was collected for transfer to the General Fund.

The third is the surplus from the State Stores Fund, the Board's general operating fund. For the most part, this represents the balance of the mark-up on wines and spirits after board expenses are deducted.

Liquor Control (continued)**Program Analysis: (continued)**

Transfers from this source amounted to \$50.0 million in 1982-83. This represents the amount actually transferred and includes some accumulated earnings from prior years. As projected operating expenses increase faster than gross profit from sales, it is anticipated that the transfer of surplus to the General Fund will decline to \$35 million in 1983-84 and to \$25 million in 1987-88.

In November, 1983, the Governor proposed a revised plan for transition to a private liquor system in Pennsylvania. The plan proposes to transfer all liquor and wine wholesale

and retail sales to the private sector within five years through a phased process insuring continuity of service to the public and the generation of revenues for the Commonwealth.

Due to the uncertainty and complexity of the transition proposal the projections shown here represent a reflection of the current system. However, the major one-time revenue from the initial sale of the state store system is discussed in the Program Revision entitled Science and Engineering Equipment which is shown in the Department of Education where it will be used.

Department of Military Affairs

The Department of Military Affairs provides organized combat-ready units, both Army and Air National Guard, for call to Federal duty in the event of national emergency and to State duty in time of disaster or civil disorder. Their duties are to protect the lives and property of the people of Pennsylvania; preserve peace, order and public safety; and administer the laws that provide for the well-being of Pennsylvania veterans and their dependents.

The Department of Military Affairs consists of the Adjutant General and the State Armory Board, the State Veterans' Commission, the Soldiers and Sailors Home at Erie, and the Veterans Home at Hollidaysburg.

DEPARTMENT OF MILITARY AFFAIRS

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 9,423	\$ 10,030	\$ 11,081
Feasibility Study — Third Veterans Home	3	75	3
American Battle Monuments	482	3	750
Armory Maintenance and Repair	482	500	750
Subtotal	<u>\$ 9,908</u>	<u>\$ 10,608</u>	<u>\$ 11,834</u>
Institutional			
Erie Soldiers and Sailors Home	\$ 2,436	\$ 2,483	\$ 2,632
Hollidaysburg Veterans Home	5,925	7,815	8,284
Subtotal	<u>\$ 8,361</u>	<u>\$ 10,298</u>	<u>\$ 10,916</u>
Grants and Subsidies			
Education of Veterans Children	\$ 66	\$ 75	\$ 75
Education — National Guard	250	250	295
Veterans Assistance	900	1,150	1,265
Blind Veterans Pension	186	186	186
National Guard Pension	20	20	20
Subtotal	<u>\$ 1,422</u>	<u>\$ 1,681</u>	<u>\$ 1,841</u>
TOTAL STATE FUNDS	<u>\$ 19,691</u>	<u>\$ 22,587</u>	<u>\$ 24,591</u>
Federal Funds	\$ 1,061	\$ 2,167	\$ 1,891
Other Funds	2,007	2,984	3,342
GENERAL FUND TOTAL	<u>\$ 22,759</u>	<u>\$ 27,738</u>	<u>\$ 29,824</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Government Operations			
State Funds	\$ 9,423	\$ 10,105	\$ 11,081
Federal Funds	293	451	175
Other Funds	182	113	113
TOTAL	<u>\$ 9,898</u>	<u>\$ 10,669</u>	<u>\$ 11,369</u>

Provides the administrative and overhead systems for the various substantive National Guard and veterans' programs. Maintains a statewide warning communications network, an armory system, and training program for National Guardsmen. Assists veterans and their dependents in obtaining benefits due them under State and Federal laws by coordinating all matters relating to veterans' affairs. Distributes the grants described in the "Grants and Subsidies" section.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
General Government Operations	\$ 9,423	\$ 10,030	\$ 11,081
Feasibility Study — Third Veterans Home .....	.....	75	.....
Federal Funds:			
National Guard — Maintenance Facilities and Training Sites ...	293	175	175
Communications System .....	.....	276	.....
Other Funds:			
Rental of Armories and Other Facilities	166	100	100
Reimbursement Services Provided Lt. Governor's Mansion	16	13	13
TOTAL	<u>\$ 9,898</u>	<u>\$ 10,669</u>	<u>\$ 11,369</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
American Battle Monuments			
State Funds	\$ 3	\$ 3	\$ 3

Provides for routine maintenance and caretaking of grounds in foreign lands where American battle monuments are located.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
American Battle Monuments	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 3</u>

GENERAL FUND

MILITARY AFFAIRS

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Armory Maintenance and Repair			
State Funds	\$ 482	\$ 500	\$ 750

Provides for maintenance and repair work within the statewide armory system.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Armory Maintenance and Repair	<u>\$ 482</u>	<u>\$ 500</u>	<u>\$ 750</u>

INSTITUTIONAL

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Veterans Homes			
State Funds	\$ 8,361	\$ 10,298	\$ 10,916
Federal Funds	768	1,716	1,716
Other Funds	1,825	2,871	3,229
TOTAL	<u>\$ 10,954</u>	<u>\$ 14,885</u>	<u>\$ 15,861</u>

Provides for the operation of the Soldiers and Sailors Home at Erie and the Veterans Home at Hollidaysburg, including domiciliary and nursing care for indigent, invalid or disabled Pennsylvania veterans. Skilled nursing care and related medical services, supportive personal care and individual services are provided for residents.

The institutional populations for the prior, current and upcoming years are:

Institution	Projected Oct. 1984 Capacity	Population Oct. 1982	Population Oct. 1983	Projected Population Oct. 1984	Projected Percent of Capacity
Erie Soldiers and Sailors Home	175	123	132	150	86%
Hollidaysburg Veterans Home	381	172	329	381	100%

GENERAL FUND

MILITARY AFFAIRS

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Total Proposed Expenditures by Institution			
Erie Soldiers and Sailors Home			
State Funds	\$ 2,436	\$ 2,483	\$ 2,632
Federal Funds	363	495	495
Other Funds	821	870	1,000
TOTAL	\$ 3,620	\$ 3,848	\$ 4,127
Hollidaysburg Veterans Home			
State Funds	\$ 5,925	\$ 7,815	\$ 8,284
Federal Funds	405	1,221	1,221
Other Funds	1,004	2,001	2,229
TOTAL	\$ 7,334	\$ 11,037	\$ 11,734

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Erie Soldiers and Sailors Home	\$ 2,436 ^a	\$ 2,483	\$ 2,632
Hollidaysburg Veterans Home	5,925 ^a	7,815	8,284
Federal Funds:			
Domiciliary and Nursing Home Care Reimbursements	768	1,716	1,716
Other Funds:			
Aid and Attendance Payments for Nursing Care Patients	385	692	929
Residents Fees	1,440	2,179	2,300
TOTAL	\$ 10,954	\$ 14,885	\$ 15,861

^aActually included in the Veterans Home appropriation of \$8,361,000.

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Education Benefits			
State Funds	\$ 316	\$ 325	\$ 370

Provides a maximum grant of \$40 per credit to qualified Pennsylvania National Guard enrolled in an approved Pennsylvania institution of higher learning, in accordance with Act 152 of 1980. Also provides grants of \$200 per semester to children of deceased or disabled veterans to attend institutions of higher learning within the Commonwealth which are approved by the State Veterans Commission.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Education of Veterans Children	\$ 66	\$ 75	\$ 75
Education — National Guard	250	250	295
TOTAL	<u>\$ 316</u>	<u>\$ 325</u>	<u>\$ 370</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Veterans Compensation and Assistance			
State Funds	\$ 1,086	\$ 1,336	\$ 1,451

Provides temporary assistance to veterans who are in need of financial support. Funds for food, clothing, fuel and shelter are made available for a period of up to three months. Grants pensions of \$50 a month to Pennsylvania veterans, who while performing active military service, suffered disease or injury which resulted in functional blindness.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Veterans Assistance	\$ 900	\$ 750	\$ 1,265
Veterans Assistance — Recommended Supplemental .....	.....	400	.....
Blind Veterans Pension	186	186	186
TOTAL	<u>\$ 1,086</u>	<u>\$ 1,336</u>	<u>\$ 1,451</u>

GENERAL FUND**MILITARY AFFAIRS**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
National Guard Pension			
State Funds	\$ 20	\$ 20	\$ 20

Provides pension payments to the family of any soldier of the Pennsylvania National Guard who died of injuries or was killed in the line of duty while in active service under order of the Governor.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
National Guard Pension	<u>\$ 20</u>	<u>\$ 20</u>	<u>\$ 20</u>

DEPARTMENT OF MILITARY AFFAIRS

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 1,480	\$ 1,789	\$ 1,975	\$ 2,074	\$ 2,177	\$ 2,286	\$ 2,400
Physical Health Treatment	\$ 8,361	\$ 10,373	\$ 10,916	\$ 14,252	\$ 15,966	\$ 16,635	\$ 17,329
Domiciliary and Nursing Home Care	8,361	10,373	10,916	14,252	15,966	16,635	17,329
Maintenance of Public Order	\$ 7,835	\$ 8,218	\$ 9,283	\$ 9,710	\$ 10,158	\$ 10,628	\$ 11,122
Disaster Assistance	7,835	8,218	9,283	9,710	10,158	10,628	11,122
Compensation	\$ 2,015	\$ 2,207	\$ 2,417	\$ 2,509	\$ 2,606	\$ 2,707	\$ 2,814
Compensation and Assistance	2,015	2,207	2,417	2,509	2,606	2,707	2,814
DEPARTMENT TOTAL	<u>\$ 19,691</u>	<u>\$ 22,587</u>	<u>\$ 24,591</u>	<u>\$ 28,545</u>	<u>\$ 30,907</u>	<u>\$ 32,256</u>	<u>\$ 33,665</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 1,480	\$ 1,789	\$ 1,975	\$ 2,074	\$ 2,177	\$ 2,286	\$ 2,400

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected

by the effectiveness of the activities they support within the Department of Military Affairs. A primary concern is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 1,477	\$ 1,786	\$ 1,972	\$ 2,071	\$ 2,174	\$ 2,283	\$ 2,397
American Battle Monuments	3	3	3	3	3	3	3
GENERAL FUND TOTAL	\$ 1,480	\$ 1,789	\$ 1,975	\$ 2,074	\$ 2,177	\$ 2,286	\$ 2,400

Domiciliary and Nursing Home Care

OBJECTIVE: To provide skilled nursing and domiciliary care for veterans.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 8,361	\$ 10,373	\$ 10,916	\$ 14,252	\$ 15,966	\$ 16,635	\$ 17,329
Federal Funds	768	1,716	1,716	2,037	2,897	2,993	3,093
Other Funds	1,825	2,871	3,229	4,013	5,424	5,642	5,869
TOTAL	\$ 10,954	\$ 14,960	\$ 15,861	\$ 20,302	\$ 24,287	\$ 25,270	\$ 26,291

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Total number of beds in veterans' homes:							
Erie	175	175	175	175	175	175	175
Hollidaysburg	381	381	381	600	600	600	600
Population in homes:							
Erie	123	132	150	175	175	175	175
Hollidaysburg	316	381	381	600	600	600	600
Percent of bed capacity utilized:							
Erie	70%	75%	86%	100%	100%	100%	100%
Hollidaysburg	83%	93%	93%	93%	93%	93%	93%
Average skilled nursing care days per patient:							
Erie	336	355	365	365	365	365	365
Hollidaysburg	347	350	350	350	350	350	350
Cost per skilled nursing care day:							
Erie	\$104	\$104	\$109	\$114	\$120	\$126	\$132
Hollidaysburg		\$110	\$118	\$121	\$126	\$131	\$136
Average domiciliary care days per patient:							
Erie	197	215	314	365	365	365	365
Hollidaysburg	328	330	330	330	330	330	330
Cost per domiciliary care day:							
Erie	\$60	\$60	\$40	\$36	\$38	\$40	\$41
Hollidaysburg		\$84	\$87	\$90	\$94	\$98	\$102

Program Analysis:

The Department of Military Affairs is legally mandated to provide skilled nursing and domiciliary care for veterans who are disabled, indigent or in need of care. There are currently two veterans homes providing such care: the Soldiers and Sailors Home in Erie and the Veterans Home at Hollidaysburg. The program receives assistance from the Federal Government: \$6.35 per patient day for domiciliary care, \$12.10 per patient day for nursing home care, and

\$6.00 per day for aid-in-attendance given directly to the patient. Although there is a possibility that the Federal Government will increase their assistance rates in the near future, no data is available as to the time and amount of the increase. In addition, residents pay a maintenance fee to help offset the costs of services rendered to them.

The recent expansion and renovations at Erie have resulted in a 175 bed facility and the provision of space for

Domiciliary and Nursing Home Care (continued)

Program Analysis: (continued)

increased rehabilitation and therapy services. Increased staff has also been recommended in this budget to enable Erie to accept additional applicants to the domiciliary unit which will decrease the cost per day for Domiciliary Patients. The facility now provides 75 nursing care beds and 100 domiciliary beds.

The facility at Hollidaysburg is now providing both domiciliary and nursing care services for 381 veterans. With the capital budget project slated for completion in 1985-86, and other renovations, Hollidaysburg is projected to reach a total capacity of 600, depending on a final space utiliza-

tion plan and completion of the construction program.

Further hospital services should become available in the near future depending upon the findings of the feasibility study concerning the possible establishment of a third veterans home in Southeastern Pennsylvania which was initiated in 1983-84.

The projected measures for nursing and domiciliary care days are based on capacity rather than actual population and the increases in future years reflect the completions of Rush, Neal and Summer Halls at Hollidaysburg and the completed renovations at Erie.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Hollidaysburg Veterans Home	\$ 5,925	\$ 7,815	\$ 8,284	\$ 11,488	\$ 13,064	\$ 13,588	\$ 14,130
Soldiers and Sailors Home at Erie	2,436	2,483	2,632	2,764	2,902	3,047	3,199
Feasibility Study — Third Veterans Home .....	.....	75	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 8,361	\$ 10,373	\$ 10,916	\$ 14,252	\$ 15,966	\$ 16,635	\$ 17,329

Disaster Assistance

OBJECTIVE: To achieve and maintain a readiness capability in units of the Pennsylvania National Guard for quick and effective response to State or Federal mobilization.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 7,835	\$ 8,218	\$ 9,283	\$ 9,710	\$ 10,158	\$ 10,628	\$ 11,122
Federal Funds	293	451	175	175	175	175	175
Other Funds	182	113	113	113	113	113	113
TOTAL	\$ 8,310	\$ 8,782	\$ 9,571	\$ 9,998	\$ 10,446	\$ 10,916	\$ 11,410

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Total number of armories	104	104	104	104	104	104	104
Operating buildings	267	267	267	267	267	267	267
Pennsylvania National Guard personnel ...	22,567	22,567	22,600	22,600	22,600	22,600	22,600
Percentage of authorized strength level	99.9%	99.9%	100%	100%	100%	100%	100%

Program Analysis:

This program provides for the administrative, logistical and training support necessary for the Pennsylvania National Guard to maintain the requisite readiness capability to serve during emergencies. Such emergencies may result in full or partial mobilization of the Pennsylvania National Guard for State service in the Commonwealth, or Federal service anywhere in the world. Costs for military equipment and supplies and training, such as monthly training assemblies and 15 days annual training, are funded 100 percent by the Federal Government. The Commonwealth is responsible for providing for the operation, maintenance and repair of the armories.

The readiness capability of Pennsylvania National Guard units is evaluated according to established Federal inspection and training standards. Of great concern is to have the Pennsylvania National Guard in top readiness condition in order to perform its State and Federal missions. The training of personnel is directly dependent upon the adequacy of the operation, maintenance and repair of Air National Guard bases and installations and numerous Army National Guard armories and support facilities. To provide a quicker and more effective response to State or Federal mobilization, an emergency operation center ties in to appropriate

agencies in times of statewide emergency.

Included within this program are those activities essential to operate a network of 104 community armories which serve as training locations for the National Guard units. These armories may also be utilized as mass care centers for disaster victims and to provide meeting and recreational facilities for local civic and youth organizations.

The majority of the 104 armories supported under this program have not been maintained adequately over the years. The armories have deteriorated and essential maintenance and repair projects have been deferred from year to year. For many years, annual requests for funds to reduce the backlog of essential maintenance and repair went unheeded. However, over the last several years, \$500,000 has been provided each year to reduce this backlog of essential maintenance and repair. This budget provides \$750,000 for a necessary expansion of this program. Restoration of the armories is particularly important so that the life of these structures can be extended and the costs of new construction avoided. This increase will expand the attempt to reduce the backlog to manageable proportions. Additionally, funds have been provided for emergency repairs and utility cost increases at the armories.

Disaster Assistance (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 7,353	\$ 7,718	\$ 8,533	\$ 8,960	\$ 9,408	\$ 9,878	\$ 10,372
Armory Maintenance and Repair	482	500	750	750	750	750	750
TOTAL	<u>\$ 7,835</u>	<u>\$ 8,218</u>	<u>\$ 9,283</u>	<u>\$ 9,710</u>	<u>\$ 10,158</u>	<u>\$ 10,628</u>	<u>\$ 11,122</u>

Compensation and Assistance

OBJECTIVE: To provide advisory and financial assistance to eligible Pennsylvania veterans, National Guardsmen and their dependents.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 2,015	\$ 2,207	\$ 2,417	\$ 2,509	\$ 2,606	\$ 2,707	\$ 2,814

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Veterans in Pennsylvania	1,729,000	1,593,000	1,593,000	1,590,000	1,585,000	\$1,580,000	1,575,000
Recipients of veterans emergency assistance	11,867	13,500	14,000	13,500	13,000	12,500	12,000
Recipients of blind veterans pensions	150	155	155	155	155	155	155
Students receiving financial aid	77	85	89	93	97	100	104
Students completing courses of instruction .	17	25	30	35	35	35	35
National Guard personnel receiving educational financial aid	678	800	950	950	950	950	950

Program Analysis:

The Department of Military Affairs administers several aid programs within this subcategory.

Veterans Assistance — Temporary financial assistance is provided for eligible veterans, widows, widowers and dependents who are in need of financial assistance. Financial assistance is authorized for food, fuel, shelter and clothing and is limited to a period not exceeding three months. During fiscal year 1982-83 there were 11,867 veterans and their dependents assisted under this program. In 1982-83 more single veterans participated in the program and consequently the total number of individuals assisted within the available level of funding was reduced. Subsequently, in 1983-84, first quarter payments were 38 percent higher than the same period in 1982-83. This increase is due to any number of variables including veterans unemployment, which is higher than the State-wide average, several large plant closings and referrals to this program. The number of veterans assisted is expected to decrease slightly in future years because of the improving economy.

Blind Veterans Pension — This program provides pensions of \$100 per month for those Pennsylvania veterans who incurred functional blindness while performing active military service. During fiscal year 1982-83 there were 150 veterans receiving this pension with an additional five being added in the available year.

National Guard Pensions — This program is responsible for the payment of a pension to guardsmen, widows and dependent families. A National Guardsman who is injured or otherwise disabled, or dies as a result of injuries or other disability received or contracted while performing duty in active service of the Commonwealth or in the performance of other State Military Duty under competent order or authority, is eligible. Act 225 of 1980 provided for an increase in the monthly pension paid to dependents to a maximum of \$300 per month for a period of ten years. This bill also included two new provisions: 1) in the case of minor children of a deceased member, the pension shall be paid until the minor child reaches 18 years of age; and 2) a tuition credit of 50 percent at all State-owned universities or approved trade schools for a period not exceeding eight semesters or four years is also authorized for children of deceased guard personnel who are killed or die while on State active duty.

Education of Children of Deceased and Disabled Veterans — This program provides financial assistance of \$200 per semester to children of eligible deceased or 100 percent disabled veterans attending institutions of higher learning or other schools to receive higher education and/or training within the Commonwealth. This program is separate from any scholarship program administered by the Penn-

Compensation and Assistance (continued)

Program Analysis: (continued)

sylvania Higher Education Assistance Agency (PHEAA). During fiscal year 1982-83 there were 77 eligible veterans' children receiving the educational gratuity. It is still anticipated that there will be an increase in the number of participants in this program since the children of eligible Korean and Vietnam Conflict veterans are reaching college age and due to the recent reduction in Social Security educational benefits. However, large program increases have failed to materialize.

Education — National Guard — Act No. 152 of 1980 provides a tuition grant to certain members of the Pennsylvania National Guard who enroll in a Pennsylvania institution of

higher learning, with degree-granting status as approved by the Department of Education. The grant will be one-half of the cost of the credit, with a maximum of \$40 per credit while satisfactorily enrolled. Assistance is limited to a maximum of six credits per quarter or semester or twelve credits per year. Additional applicants have increased the projected number of recipients.

Updated Veterans Administration statistics in 1983-84 indicate that Pennsylvania is showing significant decreases in the veterans population. It is anticipated that beginning with the 1985-86 fiscal year, stabilization will occur within the veterans population.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 593	\$ 526	\$ 576	\$ 605	\$ 635	\$ 667	\$ 700
Education of Veterans Children	66	75	75	75	75	75	75
Education — National Guard	250	250	295	295	295	295	295
Veterans Assistance	900	1,150	1,265	1,328	1,395	1,464	1,538
Blind Veterans Pensions	186	186	186	186	186	186	186
Payment of National Guard Pensions ...	20	20	20	20	20	20	20
GENERAL FUND TOTAL	\$ 2,015	\$ 2,207	\$ 2,417	\$ 2,509	\$ 2,606	\$ 2,707	\$ 2,814

Milk Marketing Board

The Milk Marketing Board supervises, inspects and regulates the milk industry of the Commonwealth and establishes reasonable trade control and marketing practices.

MILK MARKETING BOARD

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
Transfer to Milk Marketing Board	\$ 950	\$ 950	\$ 950
GENERAL FUND TOTAL	<u>\$ 950</u>	<u>\$ 950</u>	<u>\$ 950</u>
Milk Marketing Fund			
General Government			
General Operations	\$ 766	\$ 773	\$ 804
TOTAL STATE FUNDS	<u>\$ 766</u>	<u>\$ 773</u>	<u>\$ 804</u>
Other Funds	\$ 50	.....	\$ 50
MILK MARKETING FUND TOTAL	<u>\$ 816</u>	<u>\$ 773</u>	<u>\$ 854</u>
Department Total — All Funds			
General Fund	\$ 950	\$ 950	\$ 950
Special Funds	766	773	804
Other Funds	50	.....	50
TOTAL ALL FUNDS	<u>\$ 1,766</u>	<u>\$ 1,723</u>	<u>\$ 1,804</u>

GRANTS AND SUBSIDIES

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Transfer to Milk Marketing Board			
State Funds	\$ 950	\$ 950	\$ 950

The Milk Marketing Board is a special fund agency financed from license fees, permit fees and fines. This General Fund appropriation is made to provide sufficient funds for the Board's operations.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Transfer to Milk Marketing Board	<u>\$ 950</u>	<u>\$ 950</u>	<u>\$ 950</u>

MILK MARKETING FUND

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Operations			
State Funds	\$ 766	\$ 773	\$ 804
Other Funds	1,000 ^a	950 ^a	1,000 ^a
TOTAL	<u>\$ 1,766</u>	<u>\$ 1,723</u>	<u>\$ 1,804</u>

Supervises, inspects and regulates the milk industry of the Commonwealth and establishes reasonable trade control and marketing practices.

Formulates policy; holds public hearings and subsequently issues and enforces General Marketing Orders, rules and regulation; handles all legal matters including prosecution and levying of penalties against violators of the Milk Marketing Law.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Executive Authorization:			
General Operations	\$ 766	\$ 773	\$ 804
Other Funds:			
Transfer from General Fund	950	950	950
Security Fund	50	.....	50
TOTAL	<u>\$ 1,766</u>	<u>\$ 1,723</u>	<u>\$ 1,804</u>

^aOther Funds includes the transfer from the General Fund which is not carried forward to the Summary by Fund and Appropriation to avoid double counting.

MILK MARKETING BOARD

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Consumer Protection	\$ 1,716	\$ 1,723	\$ 1,754	\$ 1,754	\$ 1,838	\$ 1,888	\$ 1,988
Regulation of Milk Industry	1,716	1,723	1,754	1,754	1,838	1,888	1,988
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPARTMENT TOTAL	\$ 1,716	\$ 1,723	\$ 1,754	\$ 1,754	\$ 1,838	\$ 1,888	\$ 1,988
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Regulation of Milk Industry

OBJECTIVE: To maintain an adequate supply of wholesome fluid milk.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 950	\$ 950	\$ 950	\$ 950	\$ 1,050	\$ 1,100	\$ 1,200
Special Funds	766	773	804	804	788	788	788
Other Funds	50	.....	50	50	50	50	50
TOTAL	\$ 1,766	\$ 1,723	\$ 1,804	\$ 1,804	\$ 1,888	\$ 1,938	\$ 2,038

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Supply of fluid milk to demand for fluid milk	126%	126%	126%	126%	126%	126%	126%
Public hearings held	2	4	6	6	6	6	6
Licenses and permits issued	3,065	3,055	3,045	3,040	3,040	3,040	3,040
Dealer audits made to determine compliance with rules and regulations	1,999	2,025	2,025	2,025	2,025	2,025	2,025
Citations issued against license violators ...	83	90	90	90	90	90	90

Program Analysis:

The Milk Marketing Board works toward the objective of insuring an adequate milk supply by the setting of minimum prices paid to farmers, minimum prices dealers can charge wholesale and retail customers, and minimum prices stores can charge consumers.

The regulation process is complicated by the existence of Federal Marketing Orders. The majority of Commonwealth farmers are covered by Federal Orders, which are prices established in Washington that must be paid to producers. Pennsylvania's Milk Marketing Board, however, establishes prices that must be paid to producers as well as minimum prices dealers can charge wholesale and retail customers and minimum prices stores can charge consumers. The Board also has the authority to set maximum prices, but as yet this has not been done.

In areas influenced by Federal Orders, the Federal Order pricing system is adopted by the Board for minimum prices paid to producers. In these areas the Federal order producer class price and the Pennsylvania Milk Marketing Board producer class price are the same.

For the consumer, the price for milk is set in a bracketing system so that depending on the marketing area, an eighth-

teen or twenty cent increase or decrease in the producer price will increase or decrease the price of a gallon of standard milk two cents, a half-gallon one cent, and a quart one half cent. Much concern has been voiced regarding the price that Pennsylvania consumers must pay for milk compared with residents of other states. Price surveys have shown that in most instances prices charged by out-of-state supermarkets and convenience stores are above this State's minimum prices and also above the prevailing market price in neighboring portions of Pennsylvania.

The ratio between the supply of fluid milk to demand for fluid milk is one of the Board's key impact indicators. This ratio, based on a long-term established economic policy, assumes that when supplies of fluid milk approximate 125 percent of fluid sales a proper balance exists between supply and demand for milk. If the ratio exceeds the 125 percent level by more than eight percentage points it would alert the Board that supply is out of line with demand, calling for a review of producer and resale prices. Conversely, if the ratio drops by more than eight percentage points it would alert the Board that demand is out of line with supply and producer prices should be reviewed to provide sufficient in-

Regulation of Milk Industry (continued)

Program Analysis: (continued)

centive to farmers for expanded production.

In addition to price policy, the Board licenses milk dealers of various classes, milk haulers, weighers and testers. Although the number of licenses and permits issued increased in 1982-83, it is anticipated that the number of licenses and permits issued in the current and future years will decline slightly due to mergers, incorporations, etc.

The number of public hearings held are based on market conditions during any fiscal year. During 1982-83 only two public hearings were held since the Uniform System of Accounts was being revised to incorporate "unit costing". The Uniform System of Accounts is a specialized accounting system for milk dealers. It details the records, data and format to be adhered to by all milk dealers. It is expected during 1983-84 and in the future that an increase in the number of public hearings should occur.

The Board also administers the Milk Producers' and

Cooperative Security Funds Act (Act 104 of 1980), which protects producers from losses due to failing milk dealers and processors by requiring dealers to be bonded or to make payments to a security fund based on volume. This assures that producers will be reimbursed for all milk delivered should the dealer or processor go bankrupt or otherwise default.

Dealer audits are performed to determine compliance with pertinent laws and regulations. The increase in the number of audits during 1983-84 is due to increased enforcement as a result of Act 104 of 1980 and as a result of the new Uniform System of Accounts.

The Board also issues citations against license violators. The decrease in the number of citations from previous estimates can be attributed to a decrease in violations and as a result of Act 104.

Program Costs by Appropriation:

	1982-83	1983-84	(Dollar Amounts in Thousands)				
			1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Transfer to Milk Marketing Fund	\$ 950	\$ 950	\$ 950	\$ 950	\$ 1,050	\$ 1,100	\$ 1,200
MILK MARKETING FUND							
General Operations	\$ 766	\$ 773	\$ 804	\$ 804	\$ 788	\$ 788	\$ 788

Public Utility Commission

The Public Utility Commission insures that safe and adequate public utility services are available at fair and reasonable rates. This is accomplished through enforcement of the Public Utility Law and promulgation of regulations adopted by the Commission.

The Commission is comprised of five members appointed by the Governor with Senate confirmation.

The dollar amounts shown are not appropriations from the General Fund. The Commission receives a budgetary authorization ceiling and then bills the utilities for the amounts of the approved estimate of expenditures and expends directly from the funds collected.

PUBLIC UTILITY COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
Federal Funds	\$ 275	\$ 275	\$ 289
Other Funds—Restricted Revenue	20,526	21,543	22,405
GENERAL FUND TOTAL	<u>\$ 20,801</u>	<u>\$ 21,818</u>	<u>\$ 22,694</u>

GENERAL GOVERNMENT

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
General Government Operations			
Federal Funds	\$ 275	\$ 275	\$ 289
Other Funds — Restricted Revenue	20,526	21,543	22,405
TOTAL	<u>\$ 20,801</u>	<u>\$ 21,818</u>	<u>\$ 22,694</u>

Protects the consumer by regulating the rates charged by the public utility companies and by developing a comprehensive, long-range plan to assure adequate utility capacity for the future. Inspects railroad grade crossings to insure compliance with safety standards.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Federal Funds:			
Natural Gas Pipeline Safety	\$ 133	\$ 133	\$ 140
Railroad Safety	142	142	149
Other Funds:			
General Government Operations ^a	20,526 ^b	21,543	22,405
TOTAL	<u>\$ 20,801</u>	<u>\$ 21,818</u>	<u>\$ 22,694</u>

^aAppropriation from a restricted revenue account.

^bAppropriated as follows: General Government \$5,759,000; Legal Services \$4,438,000; Rates, Research and Transportation \$5,309,000; and Investigation, Service and Enforcement \$5,020,000.

PUBLIC UTILITY COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Consumer Protection
Regulation of Public Utilities ^a
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPARTMENT TOTAL
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

^aAll Funds are other than General or Special Funds.

Regulation of Public Utilities

OBJECTIVE: To ensure that safe and adequate public utility services are available to the public at fair and reasonable rates.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Federal Funds	\$ 275	\$ 275	\$ 289	\$ 303	\$ 318	\$ 334	\$ 351
Other Funds	20,526	21,543	22,405	23,525	24,701	25,937	27,233
TOTAL	\$ 20,801	\$ 21,818	\$ 22,694	\$ 23,828	\$ 25,019	\$ 26,271	\$ 27,584

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Utilities regulated:							
Electric	16	16	16	16	16	16	16
Others	4,864	4,884	4,909	4,934	4,959	4,984	4,984
Rate increases requested (millions):							
Electric	\$287	\$354	\$375	\$398	\$422	\$447	\$474
Others	\$648	\$800	\$848	\$899	\$953	\$1,010	\$1,071
Rate increases approved: (millions):							
Electric	\$170	\$210	\$223	\$236	\$250	\$265	\$281
Others	\$391	\$484	\$513	\$544	\$577	\$610	\$647
Service Termination Mediations	17,770	16,881	16,036	15,234	14,472	14,752	14,700
Audits conducted:							
Financial	12	30	62	72	79	90	97
Energy/Fuel	72	73	73	73	73	73	73
Management	2	7	12	14	16	16	16
Consumer complaints investigated	6,680	6,346	5,901	5,726	5,439	5,439	5,400
Rail safety investigations conducted	49,605	51,600	52,000	52,400	52,600	52,600	52,600
Motor safety compliance checks	5,233	5,400	5,400	5,400	5,400	5,400	5,400
Gas safety inspections and investigations	1,042	1,080	1,100	1,100	1,100	1,100	1,100

Program Analysis:

The Pennsylvania Public Utility Commission was established by the Legislature in 1937 to "supervise and regulate" all public utilities doing business in the Commonwealth. Its primary responsibility is to insure that safe and adequate service is available to the public at fair and reasonable rates. Supervision and regulation of the public utilities includes: establishing just and reasonable rates; providing for adequate, efficient, safe service and facilities; conducting audits, inspections, and investigations; developing energy forecasts, plans and conservation guidelines; providing consumer services; and ensuring the enforcement of,

and compliance with, public utility regulations. The Commission has regulatory power over the following types of utilities: electric, gas, steam heat, water, telephone, telegraph, and sewage-collection and disposal services; common carriers transporting passengers and property by railroad, aircraft, motor carrier, boat or ferry; and transporters of certain products by pipeline.

Supplemental to its primary concern for rate regulation, the Commission is empowered to establish accounting and service requirements for utilities, regulate their formation, merger and consolidations, determine whether a public utili-

Regulation of Public Utilities (continued)**Program Analysis: (continued)**

ty should be permitted to discontinue service to the public, regulate crossings of public highways by utilities and inspect utility properties, test equipment and examine all books and records of utilities.

With the enactment of Act 33 in March, 1972, the Public Utility Commission became one hundred percent utility funded. Each utility is billed in advance by the Commission for its share of an approved estimate of expenditures (budget) for the following fiscal year. Expenditures from these billings are shown as Other Funds in the Recommended Program Costs above.

Three new program measures reflecting important Commission activities have been added to this year's budget. Dollar value of rate increases approved is now shown,

whereas previously only rate requests were shown; the data indicates that the average increase granted is approximately 60 percent of the amount requested. The roughly 5,000 annual motor safety compliance checks and 1,000 gas safety inspections and investigations have also been added.

Two previous measures show significant charges from last year's budget, and in both instances reflect recently emerging trends indicating improved consumer relations on the part of utilities. Service termination mediations are now projected to decline in the current, budget and future years rather than to increase, while consumer complaints investigated decreased significantly and are now projected to continue decreasing rather than to increase.

DEPARTMENT OF PUBLIC WELFARE

The Department of Public Welfare provides financial assistance and medical services to the economically dependent through public assistance grants and medical assistance payments, provides care, treatment and rehabilitation to the socially, mentally and physically disabled; and engages in activities, including education and research, which serve to prevent or reduce economic, social, mental and physical disabilities.

Services are provided directly through administration of program services and indirectly through programs of standard setting, regulation, supervision, licensing, grants subsidies and purchase of services.

The public welfare system is headed by a Secretary who is served by an Advisory Public Welfare Board.

The actual delivery of welfare services is executed through regional offices, county boards of assistance and various types of institutions.

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1984-85 State Funds (in thousands)
---------------	-------	---

General Fund

Treatment — Outpatient Services	Increased Medical, Surgical and Diagnostic Fees	\$ 5,000
--	---	----------

This Program Revision would provide half year funding to increase out-patient providers medical, surgical and diagnostic fees.

Cash Assistance	Cash Grant Increase	\$ 28,865
------------------------	-------------------------------	-----------

Medical Assistance— Outpatient	Cash Grant Increase	2,493
---	-------------------------------	-------

Medical Assistance—Inpatient	Cash Grant Increase	1,790
-------------------------------------	-------------------------------	-------

	Sub-total	\$ 33,148
--	---------------------	-----------

This Program Revision would provide for the implementation of a Comprehensive Poverty Standard, effective July 1, 1984 which would result in a grant increase for all family sizes.

Lottery Fund

Attendant Care	Attendant Care — Adult Handicapped	\$ 5,000
-----------------------	--	----------

This Program Revision would provide for non-medical in-home personal care attendant services for physically handicapped mentally alert adults.

Pre-Admission Assessment	Expansion of In-Home Services	\$ 1,639 ^a
---------------------------------	---	-----------------------

This Program Revision would provide for the expansion of services to those persons identified through Pre-Admission assessment efforts as more appropriately cared for through in-home services and the expansion of the current delivery of in-home services for the elderly

	DEPARTMENT TOTAL	\$ 44,787
--	-------------------------	------------------

^aIn addition, \$17,000,000 is budgeted in the Department of Aging making the total program revisions \$18,639,000. Details are presented in the Community-Based Long-Term Care Services subcategory shown in Aging.

DEPARTMENT OF PUBLIC WELFARE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 19,886	\$ 19,200	\$ 18,900
Monitoring Community Residential Contracts .....	.....	100	404
Information Systems	15,308	17,500	23,721
County Assistance Offices	139,233	135,500	146,188
County Administration — Statewide	19,482	24,500	27,265
Program Accountability	6,503	6,633	8,137
Pennsylvania Employment Program	5,379	5,690	6,547
Services for the Visually Handicapped	2,647	2,558	.....
Subtotal	<u>\$ 208,438</u>	<u>\$ 211,681</u>	<u>\$ 231,162</u>
Institutional			
Youth Development Institutions and Forestry Camps	\$ 29,735	\$ 31,534	\$ 27,849
State General Hospitals	1,159	1,200	1,200
State Mental Hospitals	288,813	293,254	305,881
State Centers for the Mentally Retarded	131,923	130,742	122,661
Subtotal	<u>\$ 451,630</u>	<u>\$ 456,730</u>	<u>\$ 457,591</u>
Grants and Subsidies			
Cash Grants	\$ 645,968	\$ 583,412	\$ 559,222
Public Assistance — Transportation Block Grant .....	.....	7,000	9,300
Medical Assistance — Outpatient	192,312	210,080	208,030
Medical Assistance — Inpatient	418,453	443,030	455,970
Medical Assistance — Capitation Program	1,332	8,201	42,125
Long-Term Care Facilities	224,289	135,588	124,377
Intermediate Care Facilities — Mentally Retarded	24,000	24,581	28,515
Supplemental Security Income	56,950	59,882	63,408
Community Mental Health Services	88,915	92,488	98,035
Eastern Pennsylvania Psychiatric Institute	6,195	6,395	6,651
Community Based Services for the Mentally Retarded	58,056	60,111	48,593
Community Residential Services — Mentally Retarded	100,244	109,371	113,519
Philadelphia Association for Retarded Citizens	200	200	208
Beacon Lodge Camp — Blind Services	30	30	31
Residential Homes for the Blind .....	.....	30	.....
County Child Welfare Programs	104,464	133,644	108,644
Day Care Services	15,982	16,660	17,000
Arsenal Family and Children's Center — Pittsburgh	100	100	104
Home for Crippled Children — Pittsburgh	500	500	520
Childrens Heart Hospital — Philadelphia	940	1,190	1,238
Western Psychiatric Institute and Clinic	5,600	5,900	6,136
Adult Services Block Grant	1,785	1,785	1,856
Domestic Violence and Rape Crisis	1,500	1,810	1,882
Subtotal	<u>\$1,947,815</u>	<u>\$1,901,988</u>	<u>\$1,895,364</u>

DEPARTMENT OF PUBLIC WELFARE

Summary by Fund and Appropriation (continued)

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
TOTAL STATE FUNDS	<u>\$2,607,883</u>	<u>\$2,570,399</u>	<u>\$2,584,117</u>
Federal Funds	\$2,016,727	\$2,042,846	\$2,084,258
Other Funds	128,931	145,468	154,408
GENERAL FUND TOTAL	<u>\$4,753,541</u>	<u>\$4,758,713</u>	<u>\$4,822,783</u>
 State Lottery Fund			
General Government			
Services for the Visually Handicapped .....	.....	.....	\$ 8,000
 Grants and Subsidies			
Medical Assistance — Long-Term Care .....	.....	\$ 100,000	\$ 140,000
Pre-Admission Assessment .....	.....	.....	1,639
Early Intervention - Mentally Retarded .....	.....	.....	14,500
Attendant Care .....	.....	.....	5,000
Subtotal .....	.....	<u>\$ 100,000</u>	<u>\$ 161,139</u>
TOTAL STATE FUNDS — STATE LOTTERY FUND	<u>.....</u>	<u>\$ 100,000</u>	<u>\$ 169,139</u>
Federal Funds .....	.....	.....	\$ 7,257
TOTAL STATE LOTTERY FUND	<u>.....</u>	<u>.....</u>	<u>\$ 176,396</u>
 Department Total — All Funds			
General Fund	\$2,607,883	\$2,570,399	\$2,584,117
Special Fund .....	.....	100,000	169,139
Federal Funds	2,016,727	2,042,846	2,091,515
Other Funds	128,931	145,468	154,408
TOTAL ALL FUNDS	<u>\$4,753,541</u>	<u>\$4,858,713</u>	<u>\$4,999,179</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Government Operations			
State Funds	\$ 35,194	\$ 36,800	\$ 43,025
Federal Funds	39,792	56,031	64,260
Other Funds	784	1,324	1,410
TOTAL	\$ 75,770	\$ 94,155	\$ 108,695

Provides the administrative and support systems for the operation of the various substantive health, social and economic development programs. Directs the development and implementation of the Commonwealth health, social and economic development policies and programs.

Provides direction and overhead support for restoration centers, youth development centers, general hospitals, institutions for the retarded, institutions for the mentally ill, and information systems.

Provides overall planning and direction for a comprehensive social services system.

Promotes the reduction of ill health among Pennsylvania residents by licensing and regulating selected medical facilities, and provides direction for health programs for Pennsylvania residents who are unable to purchase adequate health care services.

Provides the overall planning and direction for individuals striving to attain and maintain a minimally acceptable level of living.

Provides funding for the monitoring of providers of community residential services to the mentally retarded.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
General Government Operations	\$ 19,886	\$ 19,200	\$ 18,900
Information Systems	15,308	17,500	23,721
Monitoring Community Residential Contracts .....	.....	100	404
Federal Funds:			
Child Welfare Services	2,000	1,950	2,277
Rehabilitation Services and Facilities Administration	640	640	640
Medical Assistance Program — Administration	12,312	12,941	14,994
Maintenance Assistance — Training	35	85	40
Social Services Block Grant — General Government	6,021	6,521	6,381
Maintenance Assistance Administration	4,430	4,500	4,930
Food Stamp Program	1,130	1,680	1,268
Work Incentive Program — Administration	50	.....	.....
ESEA, Title I — Administration	338	380	373
Developmental Disabilities Basic Support	2,006	3,723	3,723
Refugees and Persons Seeking Asylum	76	275	275

GENERAL FUND

PUBLIC WELFARE

<i>Source of Funds (continued)</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Federal Funds: (continued)			
Transportation Demonstration Grant	\$ 55	.....	.....
Day Care Monitoring Demonstration Grant	13	.....	.....
Children and Youth Emergency Services	17	.....	.....
Long-Term Care Channeling	759	842	842
Children and Youth Information System .....	.....	115	.....
Child Welfare Technical Assistance .....	.....	61	.....
Mental Health Community Services .....	.....	125	283
Research Chronically Mentally Ill .....	.....	167	96
Manpower Development — Mental Health .....	.....	154	152
Assistance Payments Demonstration Grant	4	152	209
Maintenance Assistance — Information Systems	3,228	7,016	9,266
Medical Assistance — Information Systems	5,266	11,984	14,929
Food Stamp — Information Systems	678	1,419	1,868
Social Services Block Grant — Information Systems	157	.....	.....
Child Support Enforcement — Information Systems	300	422	550
Alcohol and Drug Abuse and Mental Health Services Block Grant	277	879	1,164
Other Funds:			
Reimbursement for Institutional Collections	717	739	805
Services to Other Agencies	67	70	73
Management Development Services .....	.....	515	532
TOTAL	\$ 75,770	\$ 94,155	\$ 108,695

County Administration	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 170,597	\$ 172,323	\$ 188,137
Federal Funds	168,841	188,095	186,339
Other Funds	547	568	588
TOTAL	\$ 339,985	\$ 360,986	\$ 375,064

Provides staff to determine eligibility to receive cash grants, medical assistance and food stamps. Provides the social and employment services intended to strengthen family life and help persons realize their maximum potential for achieving self-sufficiency. Program Accountability provides staff to make collections from financially responsible relatives of recipients as well as audit various public assistance programs.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
County Administration — Statewide	\$ 19,482 ^a	\$ 24,500	\$ 27,265
County Assistance Offices	139,233 ^a	135,500	146,188
Program Accountability	6,503	6,633	8,137
Pennsylvania Employment Program	5,379	5,690	6,547

^aIncluded in expenditures from the County Administration appropriation totalling \$158,715,000.

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds (continued)			
Federal Funds:			
Maintenance Assistance — County Administration	\$ 3,240	\$ 5,448	\$ 5,888
Public Assistance — State and Local Training	190	199	.....
Medical Assistance — County Administration	18,334	21,332	20,855
Food Stamp Program — County Administration	4,598	4,907	5,107
Social Services Block Grant — County Assistance Offices	14,435	14,498	15,698
Maintenance Assistance — County Assistance Offices	50,114	50,756	46,401
Public Assistance-State and Local Training — County Assistance Offices	932	1,914	.....
Medical Assistance — County Assistance Offices	19,351	17,788	18,418
Food Stamp Program — County Assistance Offices	17,255	23,265	27,716
Food Stamp Performance Improvement Project	148	.....	.....
Maintenance Assistance — Program Accountability	1,364	1,536	1,597
Child Support Enforcement — Program Accountability	27,280	29,181	30,786
Food Stamps — Program Accountability	1,148	1,269	1,411
Medical Assistance — Program Accountability	705	1,143	649
Social Services Block Grant — Program Accountability	63	.....	.....
Study of Court System	17	17	.....
Maintenance Assistance — Pennsylvania Employment Program	1,213	1,345	.....
Work Incentive Program — Pennsylvania Employment Program	8,450	12,993	11,463
Food Stamp Job Search Project	4	504	350
Other Funds:			
County Contributions — Food Stamp Plan	113	7	.....
Fee for Material from Outside Vendors	2	10	10
Child Support Incentive Receipts	379	388	407
Child Support Intercept Receipts	53	163	171
TOTAL	<u>\$ 339,985</u>	<u>\$ 360,986</u>	<u>\$ 375,064</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Low Income Energy Assistance Block Grant			
Federal Funds	\$ 144,922	\$ 141,040	\$ 119,823

Provides funds for services to assist eligible households in meeting the costs of home energy. The amount of benefits to an eligible household varies according to income, fuel type, family size and weather region. Benefits are provided through direct payments to fuel suppliers or cash payments to those households which pay for heat in their rents. Outreach activities are conducted to ensure that eligible households are aware of available energy assistance.

GENERAL FUND

PUBLIC WELFARE

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Federal Funds:			
Emergency Energy Conservation	\$ 234	.....	.....
Low-Income Energy Assistance Block Grant — Administration	13,688 ^a	\$ 13,378 ^b	\$ 11,978 ^d
Low-Income Energy Assistance Block Grant	131,000	127,162 ^c	107,845
Low Income Energy Assistance .....	.....	500	.....
TOTAL	\$ 144,922	\$ 141,040	\$ 119,823

Services for the Visually Handicapped ^e	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 2,647	\$ 2,558	.....
Federal Funds	7,053	7,543	.....
Other Funds	1	.....	.....
TOTAL	\$ 9,701	\$ 10,101	.....

Provides remedial eye care, vocational rehabilitation for persons who are visually handicapped, grants to vocational rehabilitation agencies and funding for the operation of the six district offices for the visually handicapped.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Services for the Visually Handicapped	\$ 2,647	\$ 2,558	.....
Federal Funds:			
Rehabilitation Services and Facilities for the Blind — Basic Support	4,700	4,900	.....
Vocational Rehabilitation Services for Social Security Disability Beneficiaries	11	130	.....
Social Services Block Grant — Services to the Blind	2,331	2,328	.....
Vocational Rehabilitation Services for Supplemental Security Income Recipients	11	145	.....
Rehabilitation Services .....	.....	40	.....
Other Funds:			
Local Contributions for Blind Services	1	.....	.....
TOTAL	\$ 9,701	\$ 10,101	.....

^aIncludes expenditures of \$2,826,000 from the Low-Income Energy Assistance (1982) — Administration appropriation and \$10,862,000 from the Low-Income Energy Assistance (1983) — Administration appropriation.

^bIncludes appropriations of \$2,100,000 for the Low-Income Energy Assistance Block Grant (1983) — Administration and \$11,278,000 for Low-Income Energy Assistance Block Grant (1984) — Administration.

^cIncludes the Low Income Families and Individuals appropriation for \$113,900,000 and additional available funds equalling \$13,262,000.

^dIncludes the Low Income Energy Assistance (1984) — Administration appropriation of \$2,100,000 and the Low Income Energy Assistance (1985) — Administration appropriation of \$9,878,000.

^eFunding in 1984-85 will be provided by the State Lottery Fund.

INSTITUTIONAL

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Youth Development Institutions and Forestry Camps			
State Funds	\$ 29,735	\$ 31,534	\$ 27,849
Federal Funds	1,572	2,379	2,351
Other Funds	18	90	90
TOTAL	\$ 31,325	\$ 34,003	\$ 30,290

Maintains a system to socially rehabilitate and train youths, ages 10 to 18, committed as delinquent by the courts, to meet acceptable standards of behavior and to increase their readiness to return to school or jobs.

	Capacity Oct. 1983	Projected Capacity Oct. 1984	Population Oct. 1983	Projected Population Oct. 1984	Percent of Oct. 1984 Capacity
Security Program					
Cornwells Heights	82	82	61	60	73%
Loysville	40	40	43	44	110%
New Castle	82	90	69	80	89%
Waynesburg	8	.....	8	.....	.....
Camp 2 — Hickory Run	20	20	22	22	110%
Total Security Program	232	232	203	206	89%
Residential Program					
Cornwells Heights	96	96	78	85	89%
Loysville	72	72	67	75	104%
New Castle	96	128	52	90	70%
Waynesburg	80	.....	56	.....	.....
Camp 1 — Raccoon Creek	52	.....	27	.....	.....
Camp 2 — Hickory Run	52	52	35	50	96%
Camp 3 — Trough Creek	50	50	31	50	100%
Total Residential Program	498	398	346	350	88%
TOTAL ALL PROGRAMS	730	630	549	556	88%

GENERAL FUND

PUBLIC WELFARE

Total Expenditures by Institution	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
YDC Cornwells Heights			
State Funds	\$ 7,726	\$ 9,142	\$ 9,464
Federal Funds	433	646	712
Other Funds	3	6	9
TOTAL	\$ 8,162	\$ 9,794	\$ 10,185
YDC Loysville			
State Funds	\$ 5,225	\$ 5,474	\$ 5,657
Federal Funds	374	562	622
Other Funds	8	68	70
TOTAL	\$ 5,607	\$ 6,104	\$ 6,349
YDC New Castle			
State Funds	\$ 8,497	\$ 8,407	\$ 8,805
Federal Funds	340	534	734
Other Funds	3	6	9
TOTAL	\$ 8,840	\$ 8,947	\$ 9,548
YDC Waynesburg			
State Funds	\$ 3,815	\$ 3,978	\$ 250 ^a
Federal Funds	151	228	.....
Other Funds	2	6	.....
TOTAL	\$ 3,968	\$ 4,212	\$ 250
YF Camp 1 — Raccoon Creek			
State Funds	\$ 1,099	\$ 1,107	\$ 100 ^b
Federal Funds	85	126	.....
Other Funds	1	2	.....
TOTAL	\$ 1,185	\$ 1,235	\$ 100
YF Camp 2 — Hickory Run			
State Funds	\$ 2,230	\$ 2,338	\$ 2,436
Federal Funds	87	130	130
Other Funds .....	.....	.....	.....
TOTAL	\$ 2,317	\$ 2,468	\$ 2,566
YF Camp 3— Trough Creek			
State Funds	\$ 1,143	\$ 1,088	\$ 1,137
Federal Funds	102	153	153
Other Funds	1	2	2
TOTAL	\$ 1,246	\$ 1,243	\$ 1,292

^aWaynesburg will be converted to a correctional facility for women effective July 1, 1984.
^bRaccoon Creek will be closed in July 1984.

GENERAL FUND

PUBLIC WELFARE

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Youth Development Institutions and Forestry Camps	\$ 29,735	\$ 31,534 ^a	\$ 27,849
Federal Funds:			
Social Services Block Grant—Youth Institutions	1,252	1,841	1,841
Food Nutrition Service	320	510	510
Juvenile Justice and Delinquency Prevention .....	.....	28	.....
Other Funds:			
Cafeteria Receipts	18	90	90
TOTAL	<u>\$ 31,325</u>	<u>\$ 34,003</u>	<u>\$ 30,290</u>

State General Hospitals	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 1,159	\$ 1,200	\$ 1,200
Federal Funds	50,595	54,297	53,569
Other Funds	32,822	34,292	35,053
TOTAL	<u>\$ 84,576</u>	<u>\$ 89,789</u>	<u>\$ 89,822</u>

Provides hospitalization and other medical services to people in formerly depressed areas of the Commonwealth. The current trend is toward reducing financial dependency upon the Commonwealth by having the various communities assume full financial responsibility for the hospitals.

	Patient Capacity Oct. 1983	Projected Capacity Oct. 1984	Population Oct. 1983	Projected Population Oct. 1984	Projected Percent of Capacity Oct. 1984
State General Hospitals					
Ashland	200	200	127	138	69%
Coaldale	166	166	97	106	64%
Connellsville	66	50	27	25	50%
Hazleton	151	171	125	128	75%
Nanticoke	100	100	54	55	55%
Philipsburg	132	132	72	75	57%
Scranton	176	176	109	110	63%
Shamokin	100	100	43	40	40%
TOTAL	<u>1,091</u>	<u>1,095</u>	<u>654</u>	<u>677</u>	<u>62%</u>

^aActually appropriated as \$21,249,000 for Youth Development Centers — Nonsecure Programs and \$10,285,000 for Youth Development Centers — Secure Programs.

GENERAL FUND

PUBLIC WELFARE

(Dollar Amounts in Thousands)

	1982-83 Actual	1983-84 Available	1984-85 Budget
Total Proposed Expenditures by Hospital:			
Ashland			
State Funds	\$ 98	\$ 150	\$ 150
Federal Funds	8,584	8,946	8,826
Other Funds	4,884	4,960	5,054
TOTAL	\$ 13,566	\$ 14,056	\$ 14,030
Coaldale			
State Funds	\$ 57	\$ 150	\$ 150
Federal Funds	5,921	7,091	6,996
Other Funds	3,922	3,900	3,973
TOTAL	\$ 9,900	\$ 11,141	\$ 11,119
Connellsville			
State Funds	\$ 98	\$ 150	\$ 150
Federal Funds	4,197	4,476	4,416
Other Funds	2,668	2,500	2,548
TOTAL	\$ 6,963	\$ 7,126	\$ 7,114
Hazleton			
State Funds	\$ 96	\$ 150	\$ 150
Federal Funds	9,300	8,781	8,664
Other Funds	6,357	8,682	8,946
TOTAL	\$ 15,753	\$ 17,613	\$ 17,760
Locust Mountain			
State Funds	\$ 418 ^a	.....	.....
Federal Funds .....	.....	.....	.....
Other Funds .....	.....	.....	.....
TOTAL	\$ 418	.....	.....
Nanticoke			
State Funds	\$ 98	\$ 150	\$ 150
Federal Funds	4,082	4,920	4,853
Other Funds	2,530	2,400	2,439
TOTAL	\$ 6,710	\$ 7,470	\$ 7,442
Phillipsburg			
State Funds	\$ 98	\$ 150	\$ 150
Federal Funds	6,646	6,210	6,126
Other Funds	3,729	4,400	4,509
TOTAL	\$ 10,473	\$ 10,760	\$ 10,785
Scranton			
State Funds	\$ 98	\$ 150	\$ 150
Federal Funds	8,081	9,578	9,450
Other Funds	6,053	5,000	5,086
TOTAL	\$ 14,232	\$ 14,728	\$ 14,686
Shamokin			
State Funds	\$ 98	\$ 150	\$ 150
Federal Funds	3,784	4,295	4,238
Other Funds	2,679	2,450	2,498
TOTAL	\$ 6,561	\$ 6,895	\$ 6,886

^a1982-83 expenditures for final closing costs.

GENERAL FUND**PUBLIC WELFARE**

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
State General Hospitals	\$ 1,159	\$ 1,200	\$ 1,200
Federal Funds			
Medical Assistance at State General Hospitals	8,200	10,101	11,000
Medicare Services at State General Hospitals	42,395	44,196	42,569
Other Funds:			
Cafeteria Reimbursements	32	30	30
Institutional Collections	31,905	33,577	34,338
Miscellaneous	677	600	600
Coal Workers Respiratory Group	208	85	85
TOTAL	<u>\$ 84,579</u>	<u>\$ 89,789</u>	<u>\$ 89,822</u>

Mental Health Services	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Mental Hospitals and Restoration Centers			
State Funds	\$ 288,813	\$ 293,254	\$ 305,881
Federal Funds	119,095	118,205	114,688
Other Funds	38,735	40,868	42,642
TOTAL	<u>\$ 446,643</u>	<u>\$ 452,327</u>	<u>\$ 463,211</u>

The State mental hospitals are intended to provide a therapeutic residential environment for those mentally disabled persons requiring a hospital program in the form of a multidisciplinary approach consisting of psychiatric, medical, nursing, psychological, social service, educational and therapeutic activities. The inpatient population has been decreasing since 1955. The State restoration centers provide rehabilitative treatment to restore former psychiatric patients to a self-sufficient status, enabling institutionalized patients to return to the community. The centers also provide intensive outpatient and short-term inpatient treatment services to delay or eliminate the need for extended institutional placement.

Mental Health Services (continued)

The hospital and center populations for the prior, current and upcoming year are:

	Patient Capacity Oct. 1983	Population Oct. 1982	Population Oct. 1983	Projected Population Oct. 1984	Projected Percent of Capacity Oct. 1984
State Mental Hospitals					
Allentown.....	525	484	506	500	95%
Clarks Summit	630	624	578	571	91%
Danville	913	841	796	787	86%
Dixmont	373	274	204	202	54%
Eastern State School and Hospital	195	161	185	183	94%
Farview	225	205	218	216	96%
Harrisburg	487	471	463	458	94%
Haverford	430	381	406	401	93%
Mayview	1,134	1,074	959	948	84%
Norristown	1,305	1,257	1,187	1,173	90%
Philadelphia	700	776	638	631	90%
Somerset	364	316	309	304	84%
Torrance	660	654	594	587	89%
Warren	861	824	816	806	94%
Wernersville	614	585	591	584	95%
Woodville	780	687	678	670	86%
TOTAL	10,196	9,614	9,128	9,021	88%
State Restoration Centers					
Western	99	90	94	94	95%
South Mountain	892	761	762	847	95%
TOTAL	991	851	856	941	95%

Total Proposed Expenditures by Hospital and Center:	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Allentown			
State Funds	\$ 15,258	\$ 16,352	\$ 16,856
Federal Funds	5,377	4,857	4,777
Other Funds	1,631	1,088	1,135
TOTAL	\$ 22,266	\$ 22,297	\$ 22,768
Clarks Summit			
State Funds	\$ 15,432	\$ 16,788	\$ 17,314
Federal Funds	5,249	5,145	5,055
Other Funds	1,809	1,577	1,645
TOTAL	\$ 22,490	\$ 23,510	\$ 24,014
Danville			
State Funds	\$ 15,873	\$ 17,457	\$ 18,284
Federal Funds	10,949	10,047	9,865
Other Funds	2,665	2,857	2,981
TOTAL	\$ 29,487	\$ 30,361	\$ 31,130
Dixmont			
State Funds	\$ 9,459	\$ 8,910	\$ 9,225
Federal Funds	2,976	3,340	3,284
Other Funds	563	609	635
TOTAL	\$ 12,998	\$ 12,859	\$ 13,144

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Total Proposed Expenditures by Hospital:			
(continued)			
Eastern State School and Hospital			
State Funds	\$ 4,733	\$ 5,850	\$ 6,386
Federal Funds	8,945	7,597	7,471
Other Funds	788	889	928
TOTAL	\$ 14,466	\$ 14,336	\$ 14,785
Farview			
State Funds	\$ 11,253	\$ 11,981	\$ 13,962
Federal Funds	7,543	7,284	7,600
Other Funds			
TOTAL	\$ 18,796	\$ 19,265	\$ 21,562
Harrisburg			
State Funds	\$ 16,684	\$ 17,612	\$ 18,086
Federal Funds	4,530	4,093	4,025
Other Funds	1,469	1,675	1,747
TOTAL	\$ 22,683	\$ 23,380	\$ 23,858
Haverford			
State Funds	\$ 18,968	\$ 17,997	\$ 18,474
Federal Funds	3,287	4,147	4,078
Other Funds	1,478	1,781	1,858
TOTAL	\$ 23,733	\$ 23,925	\$ 24,410
Mayview			
State Funds	\$ 29,184	\$ 30,839	\$ 31,941
Federal Funds	12,438	11,765	11,571
Other Funds	3,696	4,006	4,180
TOTAL	\$ 45,318	\$ 46,610	\$ 47,692
Norristown			
State Funds	\$ 34,000	\$ 30,542	\$ 31,761
Federal Funds	11,967	13,960	13,647
Other Funds	4,877	6,168	6,435
TOTAL	\$ 50,844	\$ 50,670	\$ 51,843
Philadelphia			
State Funds	\$ 29,443	\$ 26,449	\$ 27,218
Federal Funds	6,082	7,158	7,040
Other Funds	2,642	2,623	2,737
TOTAL	\$ 38,167	\$ 36,230	\$ 36,995
Somerset			
State Funds	\$ 10,509	\$ 10,062	\$ 10,366
Federal Funds	2,271	2,846	2,784
Other Funds	697	776	810
TOTAL	\$ 13,477	\$ 13,684	\$ 13,960
Torrance			
State Funds	\$ 14,936	\$ 16,455	\$ 17,158
Federal Funds	9,865	8,214	8,078
Other Funds	1,471	1,661	1,733
TOTAL	\$ 26,272	\$ 26,330	\$ 26,969
Warren			
State Funds	\$ 20,052	\$ 19,772	\$ 20,475
Federal Funds	7,212	7,393	7,271
Other Funds	2,508	2,790	2,911
TOTAL	\$ 29,772	\$ 29,955	\$ 30,657

GENERAL FUND

PUBLIC WELFARE

Total Proposed Expenditures by Hospital: (continued)	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Wernersville			
State Funds	\$ 13,120	\$ 13,255	\$ 13,844
Federal Funds	6,728	6,867	6,753
Other Funds	1,351	1,563	1,631
TOTAL	\$ 21,199	\$ 21,685	\$ 22,228
Woodville			
State Funds	\$ 19,898	\$ 22,983	\$ 23,595
Federal Funds	7,261	5,958	5,031
Other Funds	1,965	1,921	2,004
TOTAL	\$ 29,124	\$ 30,862	\$ 30,630
Western Restoration Center			
State Funds	\$ 1,214	\$ 1,864	\$ 2,016
Federal Funds	2,775	2,211	2,076
Other Funds	236	255	266
TOTAL	\$ 4,225	\$ 4,330	\$ 4,358
South Mountain Restoration Center			
State Funds	\$ 8,797	\$ 8,086	\$ 8,920
Federal Funds	11,183	12,607	11,882
Other Funds	1,346	1,345	1,406
TOTAL	\$ 21,326	\$ 22,038	\$ 22,208

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
State Mental Hospitals	\$ 288,813 ^a	\$ 293,254 ^b	\$ 305,881
Federal Funds:			
Hospital Improvement Grants—State Mental Hospitals	80	85	.....
Medical Assistance—State Mental Hospitals	85,299	78,282	97,880
Medical Assistance—State Restoration Centers	13,958	14,068	.....
Medicare Services	19,524	24,775	16,626
Medicare Services—State Restoration Centers .....	.....	750	.....
Food Nutrition Services	200	210	182
Library Services — Title I	7	5	.....
Library Services — Title III	13	14	.....
ESEA Title I	14	.....	.....
Public Library Services — Title I .....	.....	16	.....
Other Funds:			
Cafeteria Reimbursements	173	211	211
Canteen Reimbursements	32	.....	.....
Sale of Reclaimable Materials	8	.....	.....
Institutional Collections	38,134	40,142	41,916
Miscellaneous Institutional Reimbursements	388	515	515
TOTAL	\$ 446,643	\$ 452,327	\$ 463,211

^aIncludes \$278,802,000 of the State Mental Hospitals appropriation and \$10,011,000 of the State Restoration Centers appropriation.

^bIncludes the Woodville Mental Hospital appropriation of \$22,983,000, the State Mental Hospitals appropriation of \$260,321,000, and the State Restoration Centers appropriation of \$9,950,000.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Mental Retardation Services			
State Centers for the Mentally Retarded			
State Funds	\$ 131,923	\$ 130,742	\$ 122,661
Federal Funds	153,835	154,960	151,638
Other Funds	13,755	15,284	15,284
TOTAL	\$ 299,513	\$ 300,986	\$ 289,583

Centers for the mentally retarded assist persons with mental retardation in achieving their maximum potential self-sufficiency through programmed care, treatment and training in a residential facility.

The center populations for the prior, current and upcoming year are:

	Patient Capacity Oct. 1983	Population Oct. 1982	Population Oct. 1983	Projected Population Oct. 1984	Projected Percent of Capacity Oct. 1984
Centers for the Mentally Retarded					
Cresson/Altoona	138	229	134	130	94%
Ebensburg	600 ^a	600	619	600	100%
Hamburg	456	454	441	435	95%
Laurelton	413	372	369	385	93%
Pennhurst	450 ^a	681	618	448	100%
Polk	1,150 ^a	1,207	1,171	1,100	96%
Selinsgrove	1,050 ^a	1,056	1,029	990	94%
Western	510 ^a	493	517	510	100%
White Haven	567	549	549	535	94%
Embreeville	313	304	303	301	96%
Woodhaven ^b	284	273	280	279	98%
Woodhaven Extension Program	97		95	97	100%
Allentown MR Unit	43	41	41	35	81%
Clarks Summit MR Unit	52	43	43	40	77%
Mayview MR Unit	120	109	112	118	98%
Somerset MR Unit	127	123	113	125	98%
Torrance MR Unit	94	92	86	93	99%
Wernersville MR Unit	49	46	41	40	82%
TOTAL	6,513	6,672	6,561	6,261	96%

^aPlanned capacity as of October 1984.

^bFormerly known as the Philadelphia MR Unit.

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Total Proposed Expenditures by Center:			
Cresson/Altoona			
State Funds	\$ 2,150	\$ 2,452	\$ 2,481
Federal Funds	6,543	3,621	3,753
Other Funds	221	176	176
TOTAL	\$ 8,914	\$ 6,249	\$ 6,410
Ebensburg			
State Funds	\$ 12,538	\$ 12,880	\$ 13,074
Federal Funds	13,526	14,020	14,491
Other Funds	562	978	978
TOTAL	\$ 26,626	\$ 27,878	\$ 28,543
Hamburg			
State Funds	\$ 10,918	\$ 11,497	\$ 11,655
Federal Funds	10,355	11,025	11,384
Other Funds	861	464	464
TOTAL	\$ 22,134	\$ 22,986	\$ 23,503
Laurelton			
State Funds	\$ 5,778	\$ 7,841	\$ 7,956
Federal Funds	9,829	8,459	8,742
Other Funds	615	703	703
TOTAL	\$ 16,222	\$ 17,003	\$ 17,401
Pennhurst			
State Funds	\$ 21,430	\$ 16,267	\$ 7,839
Federal Funds	19,277	16,855	10,124
Other Funds	1,535	3,000	3,000
TOTAL	\$ 42,242	\$ 36,122	\$ 20,963
Polk			
State Funds	\$ 23,655	\$ 23,159	\$ 23,563
Federal Funds	25,882	27,560	28,444
Other Funds	2,667	2,969	2,969
TOTAL	\$ 52,204	\$ 53,688	\$ 54,976
Selinsgrove			
State Funds	\$ 18,158	\$ 18,653	\$ 18,971
Federal Funds	18,879	20,669	21,346
Other Funds	2,522	2,191	2,191
TOTAL	\$ 39,559	\$ 41,513	\$ 42,508
Western			
State Funds	\$ 11,348	\$ 9,623	\$ 9,765
Federal Funds	9,642	11,726	12,116
Other Funds	926	869	869
TOTAL	\$ 21,916	\$ 22,218	\$ 22,750

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Total Proposed Expenditures by Center:			
(continued)			
White Haven			
State Funds	\$ 9,963	\$ 8,244	\$ 8,380
Federal Funds	12,367	14,420	14,936
Other Funds	1,446	1,474	1,474
TOTAL	\$ 23,776	\$ 24,138	\$ 24,790
Embreeville			
State Funds	\$ 4,865	\$ 6,384	\$ 6,484
Federal Funds	9,862	9,115	9,433
Other Funds	1,076	948	948
TOTAL	\$ 15,803	\$ 16,447	\$ 16,865
Woodhaven			
State Funds	\$ 9,532	\$ 8,557	\$ 7,214
Federal Funds	9,347	11,744	10,915
Other Funds	248	342	339
TOTAL	\$ 19,127	\$ 20,643	\$ 18,468
Woodhave Extension Program			
State Funds	\$ 448	\$ 500	\$ 484
Federal Funds	439	679	733
Other Funds	13	21	24
TOTAL	\$ 900	\$ 1,200	\$ 1,241
Allentown MR Unit			
State Funds	\$ 284	\$ 239	\$ 245
Federal Funds	452	603	624
Other Funds	112	66	66
TOTAL	\$ 848	\$ 908	\$ 935
Clarks Summit MR Unit			
State Funds	\$ 323	\$ 471	\$ 483
Federal Funds	596	509	524
Other Funds	120	119	119
TOTAL	\$ 1,039	\$ 1,099	\$ 1,126
Mayview MR Unit			
State Funds	\$ 294	\$ 1,027	\$ 1,057
Federal Funds	2,027	1,432	1,478
Other Funds	372	431	431
TOTAL	\$ 2,693	\$ 2,890	\$ 2,966

GENERAL FUND

PUBLIC WELFARE

Total Proposed Expenditures by Center: (continued)	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Somerset MR Unit			
State Funds	\$ 68	\$ 1,616	\$ 1,649
Federal Funds	2,403	1,073	1,100
Other Funds	207	224	224
TOTAL	\$ 2,678	\$ 2,913	\$ 2,973
Torrance MR Unit			
State Funds	\$ 150	\$ 974	\$ 995
Federal Funds	1,572	851	876
Other Funds	161	196	196
TOTAL	\$ 1,883	\$ 2,021	\$ 2,067
Wernersville MR Unit			
State Funds	\$ 21	\$ 358	\$ 366
Federal Funds	837	599	619
Other Funds	91	113	113
TOTAL	\$ 949	\$ 1,070	\$ 1,098

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
State Centers for the Mentally Retarded	\$ 131,923	\$ 130,742	\$ 122,661
Federal Funds:			
Medical Assistance	153,261	152,133	151,042
Medicare		2,000	
Library Services — Title I		5	
ESEA Title I	114	119	
Food Nutrition Services	460	630	596
Medical Library Resource Improvement Grant		4	
Hospital Improvement Grants—State Centers		69	
Other Funds:			
Cafeteria Reimbursements	54	50	50
Canteen Reimbursements	18		
Sale of Reclaimable Materials	5		
Institutional Collections	13,496	15,084	15,084
Miscellaneous Institutional Reimbursements	182	150	150
TOTAL	\$ 299,513	\$ 300,986	\$ 289,583

Grants and Subsidies

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Cash Grants			
State Funds	\$ 645,968	\$ 583,412	\$ 559,222
Federal Funds	453,893	433,580	412,315
Other Funds	36,126	47,430	53,729
TOTAL	<u>\$1,135,987</u>	<u>\$1,064,422</u>	<u>\$1,025,266</u>

The cash grants are designed to help all eligible persons obtain a decent and healthful standard of living through direct cash assistance. The grant categories are Aid to Dependent Children, State Blind Pensions and General Assistance.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Cash Grants	\$ 645,968	\$ 583,412	\$ 559,222
Federal Funds			
Maintenance Assistance — Cash Grants	453,893	433,580	412,315
Other Funds			
Public Assistance Payments — Restitutions and Overpayments ..	11,954	12,100	18,459
Child Support Program	24,172	35,330	35,270
TOTAL	<u>\$1,135,987</u>	<u>\$1,064,422</u>	<u>\$1,025,266</u>

Public Assistance Transportation Block Grant

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 7,000	\$ 9,300
Federal Funds	4,250	5,700
TOTAL	<u>\$ 11,250</u>	<u>\$ 15,000</u>

The Public Assistance Transportation Block Grant provides funding to county governments to provide transportation to public assistance clients.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Public Assistance Transportation Block Grant	\$ 7,000	\$ 9,300
Federal Funds:			
Medical Assistance — Transportation Block Grant	4,250	5,700
TOTAL	<u>\$ 11,250</u>	<u>\$ 15,000</u>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Medical Assistance			
State Funds	\$ 860,386	\$ 821,480	\$ 859,017
Federal Funds	741,003	714,550	777,893
Other Funds	6,138	5,612	5,612
TOTAL	<u>\$1,607,527</u>	<u>\$1,541,642</u>	<u>\$1,642,522</u>

Provides all eligible persons under age 65 with physician services whenever rendered, inpatient hospital care, post hospital care, clinic services, nursing care in the home, private nursing home care, nursing care in public institutions, and services in non-State operated intermediate care facilities for the mentally retarded. Similar services are provided for persons over age 65 for whom such care is not already furnished under Medicare.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Medical Assistance — Outpatient	\$ 192,312 ^a	\$ 188,200	\$ 208,030
Medical Assistance — Outpatient — Recommended Supplemental .....	.....	21,880	.....
Medical Assistance — Inpatient	418,453	439,551	455,970
Medical Assistance — Inpatient — Recommended Supplemental .....	.....	3,479	.....
Medical Assistance — Capitation Program	1,332 ^a	57,148	42,125
Medical Assistance — Capitation Program — Recommended Reduction .....	.....	(48,947) ^b	.....
Long-Term Care Facilities	224,289	117,000	124,377
Long-Term Care Facilities — Recommended Supplemental .....	.....	18,588	.....
Intermediate Care Facilities — Mentally Retarded	24,000	24,581	28,515
Federal Funds:			
Medical Assistance — Outpatient	164,072	170,308	167,934
Medical Assistance — Inpatient	237,429	195,546	204,125
Medical Assistance — Capitation Program	1,181	3,717	25,555
Medical Assistance — Long-Term Care	306,321	313,561	346,526
Medical Assistance — Intermediate Care Facilities — Mentally Retarded	32,000	31,418	33,753
Other Funds:			
Medical Assistance Collections — Outpatient	94	121	121
Medical Assistance Collections — Inpatient	2,197	2,900	2,900
Medical Assistance Refunds — Inpatient	3,456	2,200	2,200
Medical Assistance Collections — Long-Term Care	391	391	391
TOTAL	<u>\$1,607,527</u>	<u>\$1,541,642</u>	<u>\$1,642,522</u>

^aActually included in Medical Assistance — Outpatient appropriation of \$193,644,000.

^bRepresents a reallocation to other Medical Assistance appropriations in the amount of \$43,947,000, and \$5,000,000 to other programs.

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Supplemental Grants — Aged, Blind and Disabled			
State Funds	\$ 56,950	\$ 59,882	\$ 63,408

Provides additional cash assistance to the aged, blind and disabled eligibles under the Federal Supplemental Security Income program. State assistance to these persons is necessary to maintain the level of income that existed prior to federalization and to recognize the effects of inflation on fixed minimal incomes. The Old Age Assistance, Aid to the Blind and Aid to the Disabled categories of assistance became a completely Federal program on January 1, 1974.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Supplemental Grants — Aged, Blind and Disabled	\$ 56,950	\$ 57,882	\$ 63,408
Supplemental Grants — Aged, Blind and Disabled — Recommended Supplemental .....	.....	2,000	.....
TOTAL	<u>\$ 56,950</u>	<u>\$ 59,882</u>	<u>\$ 63,408</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Community Mental Health Services			
State Funds	\$ 88,915	\$ 92,488	\$ 98,035
Federal Funds	20,055	23,189	25,189
TOTAL	<u>\$ 108,970</u>	<u>\$ 115,677</u>	<u>\$ 123,224</u>

Provides services mandated by the Mental Health and Mental Retardation Act of 1966 to mentally ill persons. The Act assures the continuous provision of services to persons in need at the community level.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Community Mental Health Services	\$ 88,915	\$ 92,488	\$ 98,035
Federal Funds:			
Alcohol, Drug Abuse and Mental Health Services Block Grant . Jobs Bill — Alcohol, Drug Abuse, and Mental Health Block Grant	12,655	14,930	14,930
Social Services Block Grant — Community Mental Health Services .....	.....	859	859
	7,400	7,400	9,400
TOTAL	<u>\$ 108,970</u>	<u>\$ 115,677</u>	<u>\$ 123,224</u>

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
Eastern Pennsylvania Psychiatric Institute	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 6,195	\$ 6,395	\$ 6,651
Other Funds	5	.....	.....
TOTAL	<u>\$ 6,200</u>	<u>\$ 6,395</u>	<u>\$ 6,651</u>

This grant is provided to Medical College of Pennsylvania for research into the causes, treatment and prevention of mental health problems; consultation and training for mental health personnel in institutional and community programs; and for management of the Eastern Pennsylvania Psychiatric Institute.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Eastern Pennsylvania Psychiatric Institute	\$ 6,195	\$ 6,395	\$ 6,651
Other Funds:			
Institutional Collections	5	.....	.....
TOTAL	<u>\$ 6,200</u>	<u>\$ 6,395</u>	<u>\$ 6,651</u>

	(Dollar Amounts in Thousands)		
Community Services for the Mentally Retarded	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 158,500	\$ 169,682	\$ 162,320
Federal Funds	7,548	9,423	31,861
TOTAL	<u>\$ 166,048</u>	<u>\$ 179,105</u>	<u>\$ 194,181</u>

Provides services mandated by the Mental Health and Mental Retardation Act of 1966 to persons with mental retardation. The Act assures the continuous provision of services to persons in need at the community level.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Community Based Services — Mentally Retarded	\$ 58,056 ^a	\$ 59,167	\$ 48,593
Community Based Services — Mentally Retarded — Supplemental .....	.....	944	.....
Community Residential Services — Mentally Retarded	100,244 ^b	105,674	113,519
Community Residential Services — Mentally Retarded — Supplemental .....	.....	3,697	.....
Philadelphia Association for Retarded Citizens	200	200	208

^aIncludes \$58,056,000 of the Community Services for the Mentally Retarded appropriation of \$133,002,000.

^bIncludes \$74,946,000 of the Community Services for the Mentally Retarded appropriation of \$133,002,000 and the Interim Care—MR appropriation of \$25,298,000.

<i>Source of Funds (continued)</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Federal Funds:			
Mainstreaming Demonstration Grant	\$ 131	\$ 175	.....
Medical Assistance — Community Based Services .....	.....	656	\$ 3,280
Medical Assistance — Community Residential Services .....	.....	1,192	8,219
Social Services Block Grant — Community Services for the Mentally Retarded	7,417	7,400	14,397
Social Services Block Grant — Community Residential Services .....	.....	.....	5,965
TOTAL	<u>\$ 166,048</u>	<u>\$ 179,105</u>	<u>\$ 194,181</u>

Grants for the Blind

State Funds	\$ 30	\$ 60	\$ 31
-------------------	-------	-------	-------

The Beacon Lodge Camp — Blind Services appropriation provides an opportunity for blind individuals to participate in summer recreational programs.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Beacon Lodge Camp — Blind Services	\$ 30	\$ 30	\$ 31
Residential Homes for the Blind .....	.....	30	.....
TOTAL	<u>\$ 30</u>	<u>\$ 60</u>	<u>\$ 31</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
County Child Welfare Programs			
State Funds	\$ 104,464	\$ 133,644	\$ 108,644
Federal Funds	43,442	45,411	60,070
TOTAL	<u>\$ 147,906</u>	<u>\$ 179,055</u>	<u>\$ 168,714</u>

Provides foster family care, services to unmarried parents and their children, adoption services, protective services, institutional and other group care. These services are provided or purchased by county child welfare agencies. Also included are funds to reimburse private facilities providing services to adjudicated youths being detained in the Commonwealth.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
County Child Welfare Programs	\$ 104,464	\$ 133,644	\$ 108,644
Federal Funds:			
Child Welfare Services	5,329	7,261	21,920
Maintenance Assistance	25,000	25,000	25,000
Social Services Block Grant — Child Welfare	11,413	11,450	11,450
Refugees and Persons Seeking Asylum	1,700	1,700	1,700
TOTAL	<u>\$ 147,906</u>	<u>\$ 179,055</u>	<u>\$ 168,714</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Day Care Services			
State Funds	\$ 16,082	\$ 16,760	\$ 17,104
Federal Funds	43,037	47,784	43,313
TOTAL	\$ 59,119	\$ 64,544	\$ 60,417

Day care service is out-of-home care provided for part of a day to children under 12 years of age of low income families whose parent(s) or caretaker(s) is working or receiving employment-related training. The primary goal of the program is to enable the parent(s) or caretaker(s) to achieve or maintain economic self-support by working. These services also promote the development of the child and provide a safe and healthful environment.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Day Care Services	\$ 15,982	\$ 16,660	\$ 17,000
Arsenal Family and Children's Center — Pittsburgh	100	100	104
Federal Funds:			
Social Services Block Grant — Day Care	42,055	47,784	43,313
Community Services Block Grant — Head Start	982	.....	.....
TOTAL	\$ 59,119	\$ 64,544	\$ 60,417

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Medical Facilities Chronic Disease Hospitals- State Aided			
State Funds	\$ 1,440	\$ 1,690	\$ 1,758

Reimburses certain chronic disease hospitals for long-term treatment of indigent persons under age 65. Presently, two institutions are subsidized: Children's Heart Hospital, Philadelphia, and Home for Crippled Children, Pittsburgh.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Home for Crippled Children, Pittsburgh	\$ 500	\$ 500	\$ 520
Children's Heart Hospital, Philadelphia	940	1,190	1,238
TOTAL	\$ 1,440	\$ 1,690	\$ 1,758

GENERAL FUND

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Mental Health — Western Psychiatric Institute and Clinic			
State Funds	\$ 5,600	\$ 5,900	\$ 6,136

This grant helps offset the cost of research into the causes, treatment, prevention and cure of various types of nervous disorders and mental diseases and the cost of training qualified personnel needed as a result of the mounting number of persons requiring attention for mental disorders.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Western Psychiatric Institute and Clinic	<u>\$ 5,600</u>	<u>\$ 5,900</u>	<u>\$ 6,136</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Social Services			
State Funds	\$ 3,285	\$ 3,595	\$ 3,738
Federal Funds	22,044	42,109	35,249
TOTAL	<u>\$ 25,329</u>	<u>\$ 45,704</u>	<u>\$ 38,987</u>

Provides various social services such as legal, family planning, homemaker, home health, chore, home delivered meals and protective services.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Adult Services Block Grant	\$ 1,785	\$ 1,785	\$ 1,856
Domestic Violence and Rape Crisis	1,500	1,810	1,882
Federal Funds:			
Social Services Block Grant — Adult Services	12,770	13,091	11,788
Social Services Block Grant — Social Services	2,484	460	460
Social Services Block Grant — Legal Services .....	.....	6,688	6,688
Social Services Block Grant — Family Planning	4,597	4,597	4,780
Social Services Block Grant — Domestic Violence and Rape Crisis .....	.....	2,229	2,376
Social Services Block Grant — Human Services Development Fund .....	.....	.....	5,500
Emergency Food and Shelter Program .....	.....	2,300	.....
Social Services Block Grant — Shelter Care .....	.....	3,000	.....
Social Services Block Grant — SSI Advocacy .....	.....	3,000	.....
Social Services Block Grant — Attendant Care .....	.....	3,087	.....
Refugees and Persons Seeking Asylum	1,979	3,500	3,500
Preventive Health and Health Services Block Grant — Rape Crisis	214	157	157
TOTAL	<u>\$ 25,329</u>	<u>\$ 45,704</u>	<u>\$ 38,987</u>

**STATE LOTTERY FUND
GENERAL GOVERNMENT**

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Services for the Visually Handicapped			
State Funds	\$ 8,000
Federal Funds	5,619
TOTAL	<u>.....</u>	<u>.....</u>	<u>\$ 13,619</u>

Provides remedial eye care, vocational rehabilitation for persons who are visually handicapped, grants to vocational rehabilitation agencies and funding for the operation of the six district offices for the visually handicapped.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Services for the Visually Handicapped	\$ 8,000
Federal Funds:			
Rehabilitation Services and Facilities for the Blind — Basic Support	5,344
Vocational Rehabilitation Services for Social Security Disability Beneficiaries	130
Vocational Rehabilitation Services for Supplemental Security Income Recipients	145
TOTAL	<u>.....</u>	<u>.....</u>	<u>\$ 13,619</u>

**STATE LOTTERY FUND
GRANTS AND SUBSIDIES**

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Medical Assistance			
State Funds	\$ 100,000	\$ 141,639
Federal Funds	1,638
TOTAL	<u>.....</u>	<u>\$ 100,000</u>	<u>\$ 143,277</u>

Provides nursing home care to eligible persons under the Medical Assistance program and funding for pre-admission assessment for the elderly.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Medical Assistance — Long-Term Care Facilities	\$ 100,000	\$ 140,000
Pre-Admission Assessment	1,639
Federal Funds:			
Medical Assistance — Pre-Admission Assessment	1,638
TOTAL	<u>.....</u>	<u>\$ 100,000</u>	<u>\$ 143,277</u>

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Community Services for the Mentally Retarded			
State Funds	\$ 14,500

Provides funding for early intervention services for the mentally retarded.

Source of Funds

Appropriation:			
Early Intervention Services for the Mentally Retarded	<u>.....</u>	<u>.....</u>	<u>\$ 14,500</u>

OTHER SPECIAL FUNDS

PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Social Services			
State Funds	\$ 5,000

Provides personal care services to the physically handicapped in their homes or in community facilities in order to decrease the demand for institutional care.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Attendant Care	<u>.....</u>	<u>.....</u>	<u>\$ 5,000</u>

Restricted Receipts Not Included in Department Total

General Fund	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Southeastern Pennsylvania Institutional Area Service Unit	<u>\$ 8,468</u>	<u>\$ 7,496</u>	<u>\$ 7,796</u>

DEPARTMENT OF PUBLIC WELFARE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 23,802	\$ 25,670	\$ 31,749	\$ 35,578	\$ 37,496	\$ 39,532	\$ 41,685
Medical Programs	\$ 870,474	\$ 932,681	\$1,011,108	\$1,087,962	\$1,171,490	\$1,261,226	\$1,358,330
Alternative Health Care Delivery Systems	1,332	8,201	42,125	69,753	80,595	92,341	105,062
Preventive Health Services	11,658	12,612	13,327	13,784	14,267	14,776	15,315
Treatment — Outpatient Services	175,125	189,752	179,327	184,286	190,144	196,229	202,543
Treatment — Inpatient Services	458,035	486,479	510,261	535,180	580,753	630,567	684,988
Long-Term Care Services	224,324	235,637	266,068	284,959	305,731	327,313	350,422
Mental Health	\$ 391,775	\$ 400,207	\$ 418,839	\$ 438,643	\$ 458,895	\$ 480,115	\$ 502,349
Mental Health Systems Support	21,872	22,604	23,119	23,526	23,957	24,402	24,861
Community Services	11,381	11,809	11,922	12,399	12,895	13,411	13,947
Acute Mental health Services	53,527	55,670	56,547	58,809	61,161	63,607	66,151
Rehabilitative Services	16,182	16,870	21,370	22,225	23,114	24,039	25,001
Institutional Care	288,813	293,254	305,881	321,684	337,768	354,656	372,389
Social Development of Individuals	\$ 159,939	\$ 191,752	\$ 173,925	\$ 180,502	\$ 187,731	\$ 195,161	\$ 202,988
Youth Development Services	29,735	31,534	27,849	28,823	30,264	31,778	33,366
Family Support Services	130,204	160,218	146,076	151,679	157,467	163,383	169,622
Mental Retardation	\$ 315,805	\$ 326,440	\$ 329,714	\$ 344,552	\$ 360,070	\$ 378,615	\$ 395,688
Mental Retardation Systems Support	12,784	13,403	14,999	15,599	16,229	16,881	17,557
Community Based Services	46,854	48,470	50,020	52,158	54,387	56,719	59,142
Community Residential Services	100,244	109,244	113,519	118,060	122,782	127,693	132,801
Private Intermediate Care Facilities	24,000	24,581	28,515	29,941	31,438	35,326	37,092
State Centers	131,923	130,742	122,661	128,794	135,234	141,996	149,096
Economic Development of the Disadvantaged and Handicapped	\$ 846,088	\$ 793,649	\$ 787,921	\$ 789,689	\$ 779,129	\$ 777,633	\$ 776,065
Income Maintenance	846,088	793,649	787,921	789,689	779,129	777,633	776,065
DEPARTMENT TOTAL	<u>\$2,607,883</u>	<u>\$2,670,399</u>	<u>\$2,753,256</u>	<u>\$2,876,926</u>	<u>\$2,994,811</u>	<u>\$3,132,282</u>	<u>\$3,277,105</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 23,802	\$ 25,670	\$ 31,749	\$ 35,578	\$ 37,496	\$ 39,532	\$ 41,685
Federal Funds	26,892	41,807	48,316	50,874	52,139	53,451	54,797
Other Funds	784	1,324	1,410	1,466	1,524	1,584	1,647
TOTAL	\$ 51,478	\$ 68,801	\$ 81,475	\$ 87,918	\$ 91,159	\$ 94,567	\$ 98,129

Program Analysis:

General Administration and Support within each substantive program area provides the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and department objectives.

The administrative costs for regional offices, various com-

missions and advisory committees, and the central office are included in this subcategory.

A primary concern of the Commonwealth is to minimize these administrative costs in relation to the costs of provided services.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 8,494	\$ 8,170	\$ 8,028	\$ 8,598	\$ 9,166	\$ 9,785	\$ 10,452
Information Systems	15,308	17,500	23,721	26,980	28,330	29,747	31,233
GENERAL FUND TOTAL	\$ 23,802	\$ 25,670	\$ 31,749	\$ 35,578	\$ 37,496	\$ 39,532	\$ 41,685

Alternative Health Care Delivery Systems

OBJECTIVE: To support a health care delivery system in which appropriate health services are available to all who are eligible and to develop and evaluate new health care delivery systems and payment mechanisms that will efficiently provide high quality comprehensive care to the population.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 1,332	\$ 8,201	\$ 42,125	\$ 69,753	\$ 80,595	\$ 92,341	\$ 105,062
Federal Funds	1,181	3,717	25,555	42,316	48,893	56,019	63,736
TOTAL	\$ 2,513	\$ 11,918	\$ 67,680	\$ 112,069	\$ 129,488	\$ 148,360	\$ 168,798

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Medical Assistance recipients:							
Fee for service delivery	1,163,199	1,154,361	1,085,325	1,097,290	1,109,730	1,122,675	1,136,100
Alternative health care delivery	4,415	10,190	113,000	125,000	137,000	149,000	161,000
Services provided by the alternate health care delivery systems:							
Physician services	3,709	10,360	94,920	105,000	115,080	125,160	135,240
Dental services	971	2,713	24,860	27,500	30,140	32,780	35,420
Pharmaceutical services	3,311	9,250	84,750	93,750	102,750	111,750	120,750

Program Analysis:

Under the present Medical Assistance program, providers are paid a fee for each service rendered to a Medical Assistance recipient. This is known as a "fee-for-service" system. This system can encourage the over and unnecessary utilization of health care services. The department is working to develop alternative health care delivery systems which depart from the "fee-for-service" concept, with the goal to encourage the provision of care in the most efficient and effective way possible.

One alternative to the "fee-for-service" system is the health maintenance organization (HMO). An HMO is an organized health care delivery system which provides comprehensive health care services to an enrolled population in exchange for a fixed, monthly payment for each enrolled member.

HMOs effectively deliver health care services while emphasizing outpatient, preventive health services and, at the same time, keeping costs under control. Because HMOs are paid a fixed or predetermined premium for each client, the HMO is given an incentive to provide only those services which are needed and to emphasize preventive health care. If a client uses more health care services than anticipated, the HMO loses money; if the person uses less, the HMO makes money. Under these conditions, providers of health

care within an HMO system can benefit by helping clients to stay healthy, thus reducing hospital utilization.

One limitation on the use of HMOs for Medical Assistance recipients was the federal requirement that HMOs must be federally certified under the Public Health Service Act. To encourage enrollment in HMOs, the Federal Omnibus Budget Reconciliation Act of 1981 eliminated this requirement. When HMOs were developed, their enrollments were limited to a maximum of 50 percent Medicare and Medical Assistance beneficiaries and at least 50 percent of the general public. The Tax Equity and Fiscal Responsibility Act (TEFRA) of 1982 raised the limit on the number of Medicaid and Medicare enrolled recipients in private HMOs to 75 percent in October, 1982. This change provides an incentive for HMOs to expand their Medical Assistance/Medicare enrollment.

The preferred method for increasing Medical Assistance recipient participation in prepaid capitation plans continues to be voluntary recipient enrollment in HMOs that serve all income groups. The department has made progress in this area, doubling the number of enrolled recipients each year. In January 1981, 1,270 recipients were enrolled in HMOs; in January 1982, 2,148 recipients were enrolled; and in January 1983, 4,329 recipients were enrolled. Presently, the

Alternative Health Care Delivery Systems (continued)

Program Analysis: (continued)

department has approximately 7,000 persons enrolled in HMOs in Philadelphia, Allegheny, Westmoreland and Delaware counties, with the goal being to continue increasing enrollment.

Another alternative means of health care delivery being investigated is the health insuring organization (HIO). Federal regulations define an HIO as a fiscal agent that pays for medical services provided to recipients in exchange for a premium or subscription charge paid by the State Medicaid Agency, and which assumes an underwriting risk. The HIO is paid a fixed amount of money per recipient, per month, and the HIO pays for all of the medical services required by its enrolled recipients. Like HMOs, HIOs are given an incentive to keep health care costs low. If the HIO spends more money than it is paid, it loses money; if the HIO spends less money than it is paid, it makes a profit.

HIOs may include a broad range of organizations, including insurance companies. Because HIOs are fiscal agents and not providers, they do not have to meet the Federal requirements set forth for HMOs under Section 1903(m) of the Social Security Act. HIOs are also exempt from the requirement that they have at least 25 percent non-Medical Assistance/Medicare enrollees. The department has proposed an HIO demonstration project for the Philadelphia area. The demonstration project will serve 100,000 recipients living in a geographic area covered by five County Assistance Office Districts. This project is slated to be operational by July 1, 1984.

The department will apply for a federal waiver allowing this special demonstration project to be operated under a case management concept. The Department of Public

Welfare, in cooperation with the HIO contractor, will assign a primary care physician to each recipient in the demonstration area. The primary care physician will control the recipient's access to other physician services and to hospital services. The use of the case manager system should reduce unnecessary service utilization, yet ensure that the enrolled recipients receive all necessary medical care.

Also, in cooperation with the HIO contractor, the Department will apply for a federal "prudent buyer" waiver. Under this waiver, the HIO will not need to follow the regular Medical Assistance reimbursement methods and service limits. The HIO will be free to pay its enrolled providers on a prepaid capitation basis, and will be able to exclude or limit participation of providers who are not cost efficient. The "prudent buyer" waiver will also permit the contractor to solicit competitive bids and to take advantage of bulk buying discounts. The HIO will be required to provide the same scope of services to participating recipients, but with greater administrative flexibility.

The Department will select the HIO contractor for this special demonstration project through the Request for Proposal process. Proposals with costs in excess of 90 percent of expenditures under the present fee-for-service system will not be accepted.

The department will continue its exploration of alternatives to the "fee-for-service" system of health care delivery. The liberalization of regulations regarding HMO enrollments and the development of health insuring organizations should help to contain escalating costs while effectively meeting the health care needs of the eligible recipient population.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Medical Assistance—Capitation	\$ 1,332	\$ 8,201	\$ 42,125	\$ 69,753	\$ 80,595	\$ 92,341	\$ 105,062

Preventive Health Services

OBJECTIVE: To reduce the intensity and incidence of disease by providing diagnostic and preventive health services.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 11,658	\$ 12,612	\$ 13,327	\$ 13,784	\$ 14,267	\$ 14,776	\$ 15,315
Federal Funds	14,026	16,718	17,687	18,450	19,262	20,134	21,071
TOTAL	\$ 25,684	\$ 29,330	\$ 31,014	\$ 32,234	\$ 33,529	\$ 34,910	\$ 36,386

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Children screened	137,758	141,165	146,256	146,256	146,256	146,256	146,256
Children screened who were found to have abnormalities	70,070	71,050	75,950	75,950	75,950	75,950	75,950
Children and adults receiving:							
Preventive dental care (regular check-up, cleaning, etc.)	217,507	221,860	226,295	230,730	235,350	240,050	244,850
Preventive vision care (eye check-up)	59,987	61,190	62,410	63,660	64,930	66,230	65,555
Preventive medical exam (regular check-up)	2,433	2,480	2,530	2,580	2,635	2,685	2,740

Program Analysis:

Each stage of a health care delivery system reflects the degree of intensity of disease and the corresponding degree of medical care needed to treat the disease. The first phase of the health care delivery system is the prevention of disease. A good health care delivery system will dedicate a significant amount of time, effort and money to the primary stages of health care delivery so that less suffering and reduced use of resources will occur in the more intensive stages of health care. In large part, prevention is an individual responsibility. A person's overall health is dependent on a variety of personal habits, such as smoking, drinking, wearing automobile seat belts and exercise. Educating the individual to accept and understand this responsibility is part of prevention. The Department of Health's programs play a major role in this education process.

The Department of Public Welfare's responsibility for prevention of disease is being met by ensuring the availability

of regular medical examinations and preventive health services. Regular check-ups and preventive services performed by physicians, optometrists, and dentists may help to prevent diseases from reaching advanced stages. The department pays practitioners and clinics for providing regular health examinations to Medical Assistance recipients, as well as special prenatal preventive health services, and medical screening for children.

One of the most important forms of preventive medicine is prenatal care. This is because infant morbidity and mortality is strongly related to prenatal care. Medical Assistance provides payment for prenatal care in the form of family planning services, routine examinations and vitamins for expectant mothers, and genetic screening and counseling services. Through the provision of such prenatal health care services, families can learn of the possibilities of disease, and can be assisted in the prevention of disease.

Preventive Health Services (continued)

Program Analysis: (continued)

The Department of Public Welfare also conducts a program which periodically screens eligible children under 21 years of age, and refers those children requiring medical care to treatment. This program, called Early Periodic Screening, Diagnosis and Treatment (EPSDT), is offered to families on a voluntary basis. EPSDT was developed to bring needed medical care to eligible children during the early stages of disease.

The EPSDT program is the largest preventive health pro-

gram available under Medical Assistance and is designed to provide recipients with relatively inexpensive tests and observations in order to detect and treat conditions which would require costly medical care if left unchecked. Several national studies have indicated that the EPSDT program is not only good for children, but is also a major cost containment activity since children who are regularly screened have health care costs up to 40 percent lower than children of similar circumstances who do not participate in the program.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
County Administration — Statewide	\$ 626	\$ 787	\$ 837	\$ 879	\$ 923	\$ 969	\$ 1,017
County Assistance Offices	1,144	1,044	1,120	1,176	1,235	1,297	1,362
Medical Assistance—Outpatient	9,119	9,324	9,722	9,916	10,115	10,317	10,523
Medical Assistance—Inpatient	769	1,457	1,648	1,813	1,994	2,193	2,413
GENERAL FUND TOTAL	<u>\$ 11,658</u>	<u>\$ 12,612</u>	<u>\$ 13,327</u>	<u>\$ 13,784</u>	<u>\$ 14,267</u>	<u>\$ 14,776</u>	<u>\$ 15,315</u>

Treatment — Outpatient Services

OBJECTIVE: To assure adequate high quality outpatient health services to improve and maintain physical well-being and to avoid unnecessary inpatient care for the eligible population.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 175,125	\$ 189,752	\$ 179,327	\$ 184,286	\$ 190,144	\$ 196,229	\$ 202,543
Federal Funds	153,360	158,968	151,587	155,399	160,475	165,751	171,227
Other Funds	5,017	5,265	5,379	5,589	5,808	6,035	6,272
TOTAL	\$ 333,502	\$ 353,985	\$ 336,293	\$ 345,274	\$ 356,427	\$ 368,015	\$ 380,042

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Visits:							
Physician	3,796,495	3,930,395	4,061,106	4,142,325	4,225,175	4,309,675	4,395,870
Dentist	2,530,351	2,045,224	2,529,407	2,579,995	2,061,595	2,684,225	2,737,900
Podiatrist	134,721	136,582	140,495	143,300	146,170	149,095	152,075
Chiropractor	347,909	387,718	400,792	408,800	416,985	425,325	433,830
Outpatient clinic visits:							
Independent Medical/Surgical Clinic	336,171	329,456	340,592	347,405	354,350	372,070	379,510
General Hospital	4,059,005	4,257,984	4,401,681	4,489,715	4,579,510	4,671,100	4,764,520
Rural Health Clinic	43,831	41,884	43,034	48,895	44,775	45,670	46,580
Prescriptions and orders filled:							
Pharmacy	13,113,655	13,126,501	13,260,407	13,525,615	13,796,130	14,072,050	14,353,490
Medical Supplier	110,194	116,927	118,334	127,000	123,115	125,575	128,090

Program Analysis:

Outpatient services include the majority of services offered to a person who does not need 24 hour care in a health care facility. If the prevention stage of the health care delivery system is functioning optimally, many persons referred to outpatient services will require only minimal care to restore them to good health.

Outpatient services include clinic and office care (medical, psychiatric, podiatric, chiropractic, dental, rehabilitation, rural health, and drug and alcohol), pharmaceutical services, ambulance transportation, home health care, medical appliances and prosthetic devices. Currently under the Medical Assistance program the medically needy are not covered for pharmaceutical, medical appliances and prosthetic devices and dental services. The medically needy are persons who do not receive cash assistance grants, but spend a significant portion of their income for medical expenses.

In the outpatient portion of the Medical Assistance program, providers of service are primarily reimbursed on a

fee for service basis, according to the Medical Assistance Fee Schedule. In 1983, the department revised the fee schedule updating the schedule to incorporate the procedure codes and terminology used by Medicare and deleting several obsolete procedure codes. After consulting with the Medical Subcommittee of the Medical Assistance Advisory Committee, the department implemented the revised fee schedule on January 1, 1983.

The new fee schedule changed numerous specific reimbursement policies. For example, the maximum fee payable to a practitioner for services performed in a hospital was increased from \$200 to \$500. The chiropractor's visit fee was increased from \$7.00 to \$8.50, and the podiatrist visit fee was increased from \$8.00 to \$9.50. The department also allowed payment for pediatricians present at high risk deliveries and Caesarean sections, in addition to paying the physician performing the delivery. The new fee schedule includes reimbursement to assistant surgeons and substantially

Treatment — Outpatient Services (continued)

Program Analysis: (continued)

increases the compensation for physician visits to patients in hospitals. The fee schedule also increased the fee for all surgical procedures to a level at least as high as the fee for a physician's office visit.

Between January and June of 1983, the department further revised the fee schedule. Prior to 1983, clinics open less than forty hours a week were receiving \$6.00 per visit. In January, 1983 this fee was increased to \$10.00. In March, 1983 the department increased the fees for durable medical equipment, prosthetics and orthotics, removed obsolete items from the fee schedule, and replaced them with more updated items. In addition, some procedure codes and terminologies were changed to conform to those used by the Medicare program in Pennsylvania.

Additional State funding of \$5.0 million has been recommended to increase medical, surgical and diagnostic fees. For further discussion, refer to the Program Revision following this subcategory.

In addition, several new initiatives will be implemented by the department. These include the use of recipient copays

to discourage unnecessary utilization, centralized prior authorization for dental services, and prudent purchasing.

The measures dentist visits, rural health clinic and independent medical/surgical clinic visits decrease from 1982-83 to 1983-84. It is assumed that the decrease in dental visits is due to the full year implementation of the Welfare Reform Act which designated the General Assistance - Transitionally Needy as medically needy for nine months per year and therefore not eligible to receive dental services during that period. While it appears that utilization has declined for rural health clinic and independent medical/surgical clinic visits, the reason for this is not known.

The measures presented in this subcategory for the years 1984-85 and beyond represent utilization before the impact of both the increased enrollment in capitation programs and the implementation of the copay is taken into account. While these initiatives will reduce utilization, this decrease is not reflected due to the uncertainty of the impact on a service by service basis. However, the impact is reflected in the dollar projections.

Program Costs by Appropriation:

	1982-83	1983-84	(Dollar Amounts in Thousands)				
			1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Medical Assistance — Outpatient	\$ 174,951	\$ 189,572	\$ 179,139	\$ 184,091	\$ 189,941	\$ 196,017	\$ 202,324
State General Hospitals	174	180	188	195	203	212	219
GENERAL FUND TOTAL	<u>\$ 175,125</u>	<u>\$ 189,752</u>	<u>\$ 179,327</u>	<u>\$ 184,286</u>	<u>\$ 190,144</u>	<u>\$ 196,229</u>	<u>\$ 202,543</u>

Treatment—Outpatient Services
Program Revision: Increased Medical, Surgical and Diagnostic Fees

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 5,000	\$ 10,000	\$ 10,200	\$ 10,404	\$ 10,612
Federal Funds	3,473	6,946	7,085	7,227	7,371
TOTAL	\$ 8,473	\$ 16,946	\$ 17,285	\$ 17,631	\$ 17,983

Program Analysis:

In the Medical Assistance program, providers of outpatient medical services are reimbursed on a fee for service basis, according to the Medical Assistance Fee Schedule which lists the procedures covered by the program and the maximum payment level for each procedure. The department pays the provider the lower of the established fee or the provider's usual charge to the general public.

In 1983, the department completely revised the fee schedule. This was done after consulting with the Medical Subcommittee of the Medical Assistance Advisory Committee, with implementation on January 1, 1983. The schedule was updated by incorporating the procedure codes and ter-

minology used by Medicare, and by deleting several obsolete procedure codes. In addition, the new fee schedule changed numerous specific reimbursement policies.

The department has adopted the principle that outpatient providers should be reimbursed according to a percentage of their usual charge to the general public and that the percentage should be consistent across provider types, with this goal to be realized over a period of several years. This process was begun in 1983, and half year funding has been recommended in 1984-85 to further increase medical, surgical, and diagnostic fees.

Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Medical Assistance — Outpatient	\$ 5,000	\$ 10,000	\$ 10,200	\$ 10,404	\$ 10,612

Treatment — Inpatient Services

OBJECTIVE: To insure the availability of quality inpatient services to the eligible population in order to reduce morbidity and length of disability and to minimize time in the hospital.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 458,035	\$ 486,479	\$ 510,261	\$ 535,180	\$ 580,753	\$ 630,567	\$ 684,988
Federal Funds	318,027	282,169	293,667	316,943	340,942	367,415	396,246
Other Funds	33,554	34,258	34,905	36,097	37,336	38,626	39,966
TOTAL	\$ 809,616	\$ 802,906	\$ 838,833	\$ 888,220	\$ 959,031	\$1,036,608	\$1,121,200

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Persons eligible for Medical Assistance	1,167,614	1,164,551	1,198,325	1,222,290	1,246,730	1,271,675	1,297,100
Inpatient hospital admissions	315,144	314,346	303,703	299,634	303,513	307,522	311,662
Average length of stay in days:							
Statewide	8.5	8.5	8.5	8.5	8.5	8.5	8.5
Medical Assistance	7.6	7.0	7.0	7.0	7.0	7.0	7.0
Average cost per day:							
Statewide	\$320.00	\$352.00	\$387.20	\$425.90	\$468.60	\$515.35	\$566.90
Medical Assistance	\$283.48	\$303.87	\$322.86	\$346.86	\$374.21	\$403.69	\$435.48
Admissions disallowed as a result of concurrent hospital review	7,246	7,500	7,500	7,500	7,500	7,500	7,500
Days disallowed as a result of concurrent hospital review	54,043	56,026	56,026	56,026	56,026	56,026	56,026

Program Analysis:

Inpatient hospital care is intensive and costly in comparison to those health services described in the preceding subcategories. This subcategory includes care for Medical Assistance patients in general, rehabilitation, and private psychiatric hospitals, as well as care for any patient in State general hospitals and care provided in selected other hospitals.

The Commonwealth operates eight general hospitals and assists two chronic disease hospitals. Originally, the State general hospitals were intended to provide low cost care to patients in the coal mining regions of the State. With the advent of Medicare, Medical Assistance and third party insurers such as Blue Cross, patients are now being fully charged for using the facilities. With increasing third party support, it is anticipated that the local communities will take over the institutions and manage them with the intention

of gearing the institutions to the particular needs of each area. The Commonwealth assists two chronic disease hospitals, the Children's Heart Hospital and the Home for Crippled Children, which care for chronically ill indigent patients. These hospitals have chosen not to participate in the Medical Assistance program.

Coverage is provided to eligible Medical Assistance recipients on a 24 hour basis for room, board and professional services. The Medical Assistance patient is entitled to the same quality and standard of care as is normally furnished other patients. Initially a recipient can only be eligible for admission under Medical Assistance upon the recommendation of a physician, dentist or podiatrist. Payment will not be made for diagnostic tests unless they are necessary for the diagnosis and treatment of the same illness for which the patient was admitted. Hospital care solely for cosmetic

Treatment — Inpatient Services (continued)

Program Analysis: (continued)

purposes, as well as admission for any experimental research, is not payable through Medical Assistance.

The Federal Omnibus Budget Reconciliation Act (OBRA) of 1981 required that Federal Medicaid payments to the states be reduced by three percent in the 1982 Federal fiscal year, four percent in 1983 and four and one-half percent in 1984 from the amounts normally available to the states from the current formula. This section of OBRA is scheduled to expire September 30, 1984, but it is anticipated that Federal legislation will be enacted reducing Federal Medicaid payments to the states by three percent beginning October 1, 1984. The 1984-85 Recommended Budget includes State funding to replace these Federal reductions in a number of appropriations. The State Medical Assistance — Inpatient appropriation includes \$28.8 million to offset this reduced Federal Medicaid funding.

Given the explosive annual growth rate in Medical Assistance hospital expenditures, an average annual increase of slightly more than 16 percent for the ten year period 1969-70 to 1979-80, and considering the changes relating to reduced Federal Medicaid payments to states, it became necessary that some measures be taken to slow the rate of growth of Medicaid hospital reimbursements so that the proportion of program resources devoted to hospital care did not become so large as to endanger the program integrity of providers of other medical services.

In light of this, the department implemented regulations in 1982-83 to limit interim per diems (the tentative payment to the facility until such time as actual costs can be determined by the Auditor General) to a maximum increase of ten percent of the hospital's average interim per diem rate for the preceding fiscal year. To comply with the Federal requirement that methods and standards used to determine payment rates for hospitals take into account hospitals that serve a disproportionate number of low income patients with special needs, the department established criteria which identify such hospitals. Regular hospitals are defined as those that do not meet these criteria. If a hospital meets the criteria, its final audited per diem rate is allowed to rise to 10.5 percent over the 1981-82 per diem rate. If a hospital does not meet the criteria, the final audited per diem rate would be limited to an increase of 9.8 percent.

In addition, the department excluded certain depreciation and interest costs from the limits established in the regulations. Criteria have been established to identify the hospitals and the costs that will be allowed under this provision. The exclusion of these depreciation and interest costs are made only at time of audit and not during the interim rate payment process.

Beginning in February, 1982, the department implemented

Concurrent Hospital Review (CHR) activities to cover all Medical Assistance hospital admissions. By June, 1982, all admissions and continued stays were being reviewed. Under the CHR system, hospital admissions are reviewed by medical staff of the department. The review consists of determination of the medical necessity of an admission, and the allowable length of the hospital stay. Any admission or extension of stay not deemed medically necessary is not reimbursed. From July, 1982 to June, 1983, 7,246 admissions totalling 15,989 days of hospitalization were denied. During the same period, the number of days denied because further extension beyond the initial stay was not approved amounted to 38,054 days.

The 1983-84 budget proposed the continuation of the ten percent ceiling on increases in hospital interim per diems. Based on estimated rates of hospital inflation, the limit on interim per diem rate increases for inpatient services for 1983-84 was decreased to an average of 8 percent over the interim per diem rate limit for 1982-83. The final audited per diem rates in 1983-84 are limited to a 7.8 percent increase over the audited per diem rate for 1982-83 for regular hospitals and 8.4 percent increase for hospitals that serve a disproportionate number of low income persons. The department also increased its activity in the areas of cost avoidance and increased third party liability collections.

In addition to efforts already made by the department to reduce unnecessary utilization, the department is proposing to implement a copay for inpatient hospital services. The proposal includes a \$3.00 per day copay up to a maximum of \$21.00 for each admission.

The cost saving measures implemented by the department, particularly the ceilings, did slow Medical Assistance payment increases since they limited growth for hospitals that had costs exceeding the ceiling. However, they do not provide an incentive for hospitals to limit costs when their growth in costs was lower than the ceiling. In fact, the ceiling may provide hospitals with the incentive to spend up to the limit of the ceiling rather than control costs.

To provide incentives for hospitals to better manage costs, the department is proposing to replace the current retrospective cost based reimbursement system with a diagnosis specific prospective payment system. The prospective reimbursement system is being proposed for several reasons. The Omnibus Budget Reconciliation Act of 1981 allowed states more flexibility in the way they reimbursed hospitals for inpatient care. In response to this liberalization, the department imposed a flat limit to increases in hospital rates. The limits to increases were to be interim measures until the department could restructure its payment system to encourage hospitals to operate more efficiently and to establish

Treatment — Inpatient Services (continued)

Program Analysis: (continued)

more flexibility in the way they reimbursed hospitals for inpatient care. In response to this liberalization, the department imposed a flat limit to increases in hospital rates. The limits to increases were to be interim measures until the department could restructure its payment system to encourage hospitals to operate more efficiently and to establish the department as a prudent purchaser of services for Medical Assistance recipients. In its report on hospital cost containment, the Governor's Task Force on Health Care Cost Containment recommended that the payment system for inpatient hospital services be revised by making payments prospectively and by instilling market place incentives into the hospital reimbursement structure. The proposed system provides for prospective payment and the payment structure is based on an average cost per case, thus fostering competition and encouraging hospitals to reduce costs and search for more efficient and economical methods of delivering care. Congress has directed that payments for Medicare beneficiaries be changed to a prospective rate system based on diagnosis related groupings. Due to the cost reporting periods of most Pennsylvania hospitals, Medicare's system will not take effect in Pennsylvania until July 1, 1984. In addition, the General Appropriations Act of 1983 contains language directing the department to develop a reimbursement system for the Medical Assistance program to pay inpatient hospital services on the basis of diagnosis related groups (DRGs).

Under the proposed reimbursement system payment for inpatient hospital services will be made at pre-determined specific rates for each discharge. The rates vary depending upon the type of case being treated as indicated by the patient's diagnosis. All hospital discharges are classified according to a list of DRGs, as developed by a team of researchers at Yale University. The researchers found that all care provided by hospitals can be categorized into one of 467 different groups. The DRGs take into account the primary diagnosis of the patient, the secondary diagnosis, the operating room procedure used, if there is surgery, and the age of the patient. Rates are established for each DRG, with each rate designed to reflect the average amount of resources hospitals have used to treat specific inpatient cases.

Thus more complex cases receive a higher reimbursement than simpler cases.

The primary objectives of this prospective system are to reward cost-effective hospitals, to maintain access and quality of care, and to limit government's intervention in hospital management decisions. The proposed prospective system will not cover rehabilitation and psychiatric units of general hospitals, nor rehabilitation and private psychiatric hospitals. These services will be reimbursed under the capped reimbursement system now in place.

The department is currently planning to revise the Medical Assistance Fee Schedule to provide direct payment to hospital based physicians for direct patient care services. Previously, costs for these physicians were included as an allowable cost to the hospital. Regulations regarding this change are anticipated to be effective July 1, 1984, and funding has been transferred from the Medical Assistance — Inpatient to the Medical Assistance — Outpatient appropriation in the amount of \$7,526,000 in State funds.

The Medical Recovery unit in the Bureau of Claims Settlement in the Department of Public Welfare is responsible for collecting third party resources available to Medical Assistance recipients for the payment of medical services and to recover monies erroneously paid to or fraudulently claimed by providers of medical services. These collections offset the State fund requirements of the Medical Assistance program. In 1983-84, additional staff was provided to expand this program. Additional State funding is provided in 1984-85 to cover the annualized costs of this initiative.

The program measures inpatient hospital admissions and the Medical Assistance average cost per day shown for fiscal years 1984-85 and beyond have been adjusted to reflect the anticipated effect of the increased enrollment in capitation programs and the copay requirement on the department's Medical Assistance inpatient program. The measure, Medical Assistance average cost per day, has also been adjusted, beginning in 1984-85 to reflect the transfer to the Medical Assistance — Outpatient appropriation of certain hospital based physician costs.

Treatment — Inpatient Services (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 2,266	\$ 2,189	\$ 2,155	\$ 2,235	\$ 2,326	\$ 2,417	\$ 2,508
County Administration—Statewide	4,897	6,158	7,526	7,902	8,297	8,712	9,148
County Assistance Offices	22,521	22,665	24,319	25,535	26,812	28,153	29,561
Medical Assistance—Inpatient	417,684	441,573	454,322	475,837	519,437	566,986	619,044
Medical Assistance—Outpatient	8,242	11,184	19,169	20,908	21,326	21,753	22,188
State General Hospitals	985	1,020	1,012	1,005	797	788	781
Home for Crippled Children, Pittsburgh	500	500	520	520	520	520	520
Children's Heart Hospital, Philadelphia .	940	1,190	1,238	1,238	1,238	1,238	1,238
GENERAL FUND TOTAL	\$ 458,035	\$ 486,479	\$ 510,261	\$ 535,180	\$ 580,753	\$ 630,567	\$ 684,988

Long-Term Care Services

OBJECTIVE: To insure the availability of high quality care in skilled nursing facilities (SNF) or intermediate care facilities (ICF) for those who do not require intensive care but cannot be maintained within a family household unit.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 224,324	\$ 135,637	\$ 124,429	\$ 142,623	\$ 162,406	\$ 183,573	\$ 206,222
Special Funds .....	.....	100,000	141,639	142,336	143,325	143,740	144,200
Federal Funds	307,931	315,508	350,067	374,882	401,890	430,143	460,386
Other Funds	391	391	391	391	391	391	391
TOTAL	\$ 532,646	\$ 551,536	\$ 616,526	\$ 660,232	\$ 708,012	\$ 757,847	\$ 811,199

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Average monthly number of recipients receiving institutional long-term care:							
Skilled nursing care	25,283	11,688	10,818	11,035	11,255	11,480	11,710
Intermediate care	15,229	31,838	32,990	33,650	34,325	35,010	35,710
Nursing care cases reviewed	55,000	57,600	58,775	61,040	63,035	65,035	67,035

Program Analysis:

This subcategory deals specifically with the provision of skilled nursing or intermediate care to persons eligible for Medical Assistance. Funds for persons in State restoration centers, mental health, and mental retardation institutional patients are not reflected here.

Nursing homes certified to participate in the Medical Assistance program must provide one or both of two levels of care in accordance with established standards. The most intense level, skilled nursing care, involves skilled nursing and rehabilitation services rendered under the general direction of a licensed physician. Such services are furnished by or under the supervision of licensed professional nursing personnel or by other professional health personnel. In addition, services are required and provided on a daily basis and as a practical matter, can only be provided on an inpatient basis. The less intense level of care, intermediate care, also involves services rendered under the direction of a licensed physician, but such services are likely to be in the nature of assisting patients who are partially self-sufficient in the activities of daily living. Therefore, these services may be administered by nonprofessional health personnel.

Skilled nursing facilities and intermediate care facilities provide services to two major categories of patients: (1) those

who need temporary care in order to be restored to the community and (2) those who need continuing care on a long-term basis. The first category of patients consists most often of persons discharged from an inpatient hospital setting and requiring medical services while convalescing after intensive medical services, such as surgery. These persons may be of any age. The second category of patients consists of persons who may or may not have been in an inpatient hospital setting but who have a chronic disabling condition which would prevent them from returning to the community. Most of the persons in this category are 65 years of age or older.

In 1977, Federal auditors took exception to the definition of skilled nursing care used by the Commonwealth. Federal regulations require states to use the Medicare definition of skilled nursing care services for reimbursement purposes under the Medical Assistance program. Pennsylvania was using a definition that was slightly different than the Federal definition. In order to assure compliance with Federal regulations, and to avoid further audit exceptions, final regulations were published, effective January 8, 1983, revising the department's definition of skilled nursing facility services for reimbursement purposes. All facilities on a statewide basis began using the new definition of skilled care

Long-Term Care Services (continued)

Program Analysis: (continued)

as of January 8, 1983.

The department's intention in revising the definition was not only to ensure compliance with Federal law, but to ensure that the department does not pay for unnecessary services. If recipients are inappropriately placed at the skilled care level rather than at the intermediate care level, the skilled services may not be available for people who are medically in need of skilled care. If it is determined that recipients who are in a skilled nursing care facility no longer require skilled care, then the facility may choose to transfer the recipient to an available intermediate care facility, allocate a skilled care bed as an intermediate care bed, or secure an intermediate care license from the Department of Health.

In order to facilitate the level of care changes resulting from the application of the new criteria, the department temporarily liberalized its reimbursement policy for nursing staff allowances beginning January 8, 1983 to December 31, 1983. This change made the limit on the number of reimbursable nursing hours for the intermediate care level equal to the skilled care level which is 2.5 hours, plus 20 percent per day. Department of Health regulations for long-term care facilities require that an intermediate care patient receive a minimum of 2 hours per day of nursing care. The Department of Public Welfare allowed nursing facilities the flexibility to provide from two to three hours of nursing care a day and have the cost of providing this care recognized as an allowable cost. At a minimum, each facility must provide only two hours of nursing care per day to each intermediate care patient. Nursing home ceilings for intermediate care were increased by 6 percent for services provided from April 1, 1983 thru December 31, 1983.

Private profit and nonprofit nursing homes and facilities operated under the County Institution District Law are currently reimbursed through ceilings calculated for each standard metropolitan statistical area (SMSA) and non-SMSA within the State. Hospital based facilities and rehabilitation facilities are reimbursed based on Statewide ceilings. Nursing home ceilings were increased in July, 1983, and additional funding is included in 1984-85 to provide for changes in ceilings for services beginning July 1, 1984.

In 1982-83 the department adopted the requirement that county nursing facilities determine their allowable costs in accordance with the department's Manual for Allowable Cost Reimbursement for Skilled Nursing and Intermediate

Care Facilities. The Cost Manual governs reimbursement to privately operated skilled nursing and intermediate care facilities. Previously, county nursing facilities used the Medicare Provider Reimbursement Manual, Health Insurance Manual (HIM15), for purposes of determining their allowable costs. The result of this change is that county and private nursing facilities are reimbursed uniformly under the principles set forth in the department's Cost Manual. In addition, several changes were made in the Cost Manual restricting allowable costs. For example, the allowable limit on administrative costs (administrative salaries, travel, association dues, etc.) has been reduced from 13 percent of the total net operating cost to 12 percent, and the minimum occupancy rate has been increased from 85 percent to 90 percent of the facility's bed capacity to accurately establish reasonable costs for nursing facility care.

In October, 1980, the Commonwealth was one of several states to receive a contract with the Federal Department of Health and Human Services to conduct a four year Long-Term Care Channeling Demonstration Project. The project's purpose is the investigation of various long-term care system alternatives. Philadelphia has been chosen as the demonstration site. The Philadelphia Channeling Project, under the auspices of the Philadelphia Corporation for Aging (PCA), opened intake in May, 1982. The project will analyze the experience of its clients and look closely at: the impact of the project on the well-being of the participants; the types of services that were important to them; and the cost of these care arrangements.

Funding is provided in 1983-84 for several Pre-Admission Assessment demonstration sites. The department has entered into an agreement with the Department of Aging to implement this demonstration in a select number of counties during 1983-84. The purpose of this program is to determine a recipient's need for nursing home care or other sheltered living arrangements. Where appropriate, community based services are provided to allow an individual to remain in their home. Funding from the State Lottery in the amount of \$1,639,000 has been recommended in 1984-85 for continuation of the program initiated in 1983-84, and for expansion to additional counties in 1984-85. For further information refer to the Program Revision entitled: Expansion of In-Home Services in the Department of Aging.

Long-Term Care Services (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
County Administration — Statewide	\$ 35	\$ 49	\$ 52	\$ 55	\$ 58	\$ 61	\$ 64
Long-Term Care Facilities	224,289	135,588	124,377	142,568	162,348	183,512	206,158
GENERAL FUND TOTAL	<u><u>\$ 224,324</u></u>	<u><u>\$ 135,637</u></u>	<u><u>\$ 124,429</u></u>	<u><u>\$ 142,623</u></u>	<u><u>\$ 162,406</u></u>	<u><u>\$ 183,573</u></u>	<u><u>\$ 206,222</u></u>
STATE LOTTERY FUND							
Medical Assistance — Long-Term Care							
Facilities . . . . .	. . . .	\$ 100,000	\$ 140,000	\$ 140,000	\$ 140,000	\$ 140,000	\$ 140,000
Pre-Admission Assessment . . . . .	. . . .	. . . .	1,639	2,336	3,325	3,740	4,200
STATE LOTTERY FUND TOTAL	<u><u>. . . .</u></u>	<u><u>\$ 100,000</u></u>	<u><u>\$ 141,639</u></u>	<u><u>\$ 142,336</u></u>	<u><u>\$ 143,325</u></u>	<u><u>\$ 143,740</u></u>	<u><u>\$ 144,200</u></u>

MENTAL HEALTH CATEGORY ANALYSIS

Prior to 1966, public mental health services were traditionally provided in the State mental hospitals. With the passage of the Mental Health and Mental Retardation Act of 1966, a wide range of services were developed at the community level. This approach to service delivery minimizes the disruption of the continuity of the individual's life style.

In this budget presentation, mental health services are viewed as a continuum from least intensive to most intensive. The purpose of the continuum is to provide services as early as possible in order to avoid the necessity of long-term care and hospitalization.

The initial point of entry into the mental health services system is generally through the community services component. Crisis intervention and emergency services are utilized to identify and resolve problems soon after they occur. Other services include public education, consultation, prevention and service coordination. Problem resolution may involve referral to a more intensive community service.

If additional services are required once a problem is identified, the acute mental health services component of the system can be utilized. Services provided, ranging in increasing levels of intensity, are outpatient, partial hospitalization, and short-term inpatient services.

Rehabilitative services are utilized both by individuals living in the community who require specialized skill training and by patients of mental hospitals who require additional training prior to living independently in the community. Residential, vocational, and social rehabilitative services are included in this component.

The State mental hospitals are utilized by individuals who require other long-term or specialized treatment and rehabilitation. This component is viewed as the most intensive.

The major goal of the mental health services system is to prevent and treat mental disability by providing services as early as possible in the least intensive setting.

Efforts are continuing to make the most efficient use of available resources and to prevent the escalation of costs in the State mental hospital program. The department is reviewing the cluster of facilities in the western region of the Commonwealth to determine methods for more effective and efficient use of resources. Progress has been made in consolidating laundry services and programming for adolescents.

As a result of the Federal Omnibus Reconciliation Act of 1981, the Commonwealth assumed administrative responsibility for former Federal grants to community Mental Health centers. Funding is provided through the Alcohol, Drug Abuse, and Mental Health Services Block Grant.

Mental Health Systems Support

OBJECTIVE: To maintain a system in which mental health services are available to all those in need of them and to assure the provision of a continuum of care and aftercare services for all clients as they move through the mental health service delivery system.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 21,872	\$ 22,604	\$ 23,119	\$ 23,526	\$ 23,957	\$ 24,402	\$ 24,861
Federal Funds	9,384	9,841	10,070	10,176	10,287	10,402	10,522
Other Funds	5	.....	.....	.....	.....	.....	.....
TOTAL	\$ 31,261	\$ 32,445	\$ 33,189	\$ 33,702	\$ 34,244	\$ 34,804	\$ 35,383

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Persons provided mental health services in the county program	242,457	254,725	266,987	279,215	291,444	303,674	315,905
Total admissions to county programs	83,620	84,448	85,284	86,128	86,981	87,842	88,712
Cases closed in county programs	104,584	82,664	83,491	84,326	85,170	86,002	86,874

Program Analysis:

The Commonwealth's program of mental health services is provided through State operated mental hospital programs and county directed community mental health programs. Systems supports are designed to develop and maintain the entire mental health service delivery system. State-level planning and evaluation, coordination, administration, manpower development, research and demonstration serve to support and improve the total mental health delivery system. At the county level, the Mental Health and Mental Retardation Act of 1966 mandates planning, coordination and monitoring of community services.

The value underlying the Commonwealth's mental health system goals is independence. Mental health programs are on a continuum of decreasing care intensity and increasing independence. The overall goals are to prevent the occurrence of disability from mental illness and to restore persons who become mentally disabled to their maximum level of independent functioning with the least intensive degree of intervention necessary. This approach should minimize the use of the more intensive, complicated and costly services available in the delivery system.

Attaining the mental health goals involves the in-

terdependence of the systems support subcategory with four other subcategories. From the least intensive care and program dependence to the most intensive care and program dependence, the subcategories are Community Services, Acute Mental Health Services, Rehabilitative Services and Institutional Care.

An important factor in the monitoring and evaluation of mental health programs is the collection and reporting of quantifiable information. Data collection is accomplished through the use of the consolidated community reporting (CCR) system implemented in June, 1980, the patient/client information system (PCIS), and various special reports and surveys. Projections, in some instances, are the result of a statistical regression procedure using a five year data base.

Utilization of program services, represented by the measure, persons provided mental health services in the county program, is estimated to increase at an annual rate of four to six percent.

Data for the measures, total admissions to county programs and cases closed in county programs, are expected to remain relatively stable. The measure, cases closed in county programs, shows a large increase in the 1982-83 fiscal

Mental Health Systems Support (continued)

Program Analysis: (continued)

year due to the county programs' specific efforts in that year to remove inactive cases from their records and, therefore, more accurately reflect actual county mental health service provision. The data for the measures, persons provided mental health services in the county program and total admis-

sions to county programs, reflect a decrease from the previous presentation due to this year's exclusion of private mental health clients in the county programs' reporting of this data.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 2,252	\$ 2,170	\$ 2,136	\$ 2,215	\$ 2,305	\$ 2,395	\$ 2,485
Eastern Pennsylvania Psychiatric Institute	6,195	6,395	6,651	6,651	6,651	6,651	6,651
Community Mental Health Services	7,825	8,139	8,196	8,524	8,865	9,220	9,589
Western Psychiatric Institute and Clinic	5,600	5,900	6,136	6,136	6,136	6,136	6,136
GENERAL FUND TOTAL	<u>\$ 21,872</u>	<u>\$ 22,604</u>	<u>\$ 23,119</u>	<u>\$ 23,526</u>	<u>\$ 23,957</u>	<u>\$ 24,402</u>	<u>\$ 24,861</u>

Community Services — Mental Health

OBJECTIVE: To reduce the disabling effect of a mental condition by providing services to the general population including services that diminish the severity of temporary personal crisis.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 11,381	\$ 11,809	\$ 11,922	\$ 12,399	\$ 12,895	\$ 13,411	\$ 13,947
Federal Funds	1,298	1,614	1,614	1,526	1,526	1,526	1,526
TOTAL	\$ 12,679	\$ 13,423	\$ 13,536	\$ 13,925	\$ 14,421	\$ 14,937	\$ 15,473

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Persons receiving emergency and crisis intervention services	59,544	60,096	61,200	63,036	64,920	66,876	68,815
Contacts with mental health emergency service system	108,215	109,215	111,216	114,553	117,990	121,530	125,054
Facilities providing crisis intervention	43	43	43	43	43	43	43

Program Analysis:

Persons generally enter the mental health system due to the occurrence of a crisis or emergency episode in a person's life or as a result of a more gradual and progressive disability. A nonemergency situation usually results in a referral to the base service unit where evaluation of the client's service needs, referral to appropriate services, and case management are provided to insure that the client receives the required services.

Emergency services are available on a 24-hour basis to persons with a mental disability who need immediate care. Usually emergency care is needed to prevent aggressive behavior by a person toward self or others. Occasionally emergency care culminates in an involuntary commitment to an inpatient facility. Prior to commitment, the Mental Health County Administrator or delegate must determine if the person meets the definition for involuntary examination. If appropriate, the individual is examined by a physician and an involuntary commitment determination is made. Where prompt care increases a person's likelihood of stabilization from emotional distress, emergency services are available on a voluntary basis. Stay in an inpatient facility, whether voluntary or involuntary, cannot exceed 60 days of public reimbursement except in exceptional circumstances.

In addition to emergency services, some counties provide

a 24-hour crisis intervention program. Crisis intervention serves those persons who use emergency services while experiencing a personal crisis that has the potential to produce deterioration of their mental stability. When the mental health system is notified of an emergency, a crisis intervention team will provide routine services such as counseling, diagnosis, evaluation and referral. In crisis intervention these services are intensified and the time span is reduced from days to hours. If further mental health services are needed, the crisis intervention program strives to match the person with an appropriate program outside a mental hospital or other inpatient hospital setting. Every effort is made to maintain the individual as a functioning member of the community. Crisis intervention programs exist in all 43 county programs.

Due to definition changes in the consolidated community reporting (CCR) data collection system, the number of persons receiving emergency services and the number of contacts have changed from last year's budget. Emergency contacts are now defined as the number of face-to-face hours of service delivered. In the past client counts were duplicated as they were collected on a monthly basis, and often included non-face-to-face contacts. The current reporting system yields unduplicated counts of clients; however, only face-to-face emergency services are included.

Community Services — Mental Health (continued)

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Community Mental Health Services	<u>\$ 11,381</u>	<u>\$ 11,809</u>	<u>\$ 11,922</u>	<u>\$ 12,399</u>	<u>\$ 12,895</u>	<u>\$ 13,411</u>	<u>\$ 13,947</u>

Acute Mental Health Services

OBJECTIVE: To reduce dependence on more intensive community treatment services.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 53,527	\$ 55,670	\$ 56,547	\$ 58,809	\$ 61,161	\$ 63,607	\$ 66,151
Federal Funds	6,133	7,608	7,608	7,194	7,194	7,194	7,194
TOTAL	\$ 59,660	\$ 63,278	\$ 64,155	\$ 66,003	\$ 68,355	\$ 70,801	\$ 73,345

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Persons receiving services on an outpatient basis	218,700	226,176	233,664	241,332	248,664	255,840	263,003
Outpatient hours (in thousands)	1,312	1,357	1,402	1,448	1,492	1,535	1,578
Persons receiving partial hospitalization ...	18,935	20,813	22,692	24,571	26,449	28,328	30,198
Hours of partial hospitalization services (in thousands)	6,803	7,478	8,153	8,828	9,503	10,178	10,841
Persons receiving inpatient services	15,318	15,647	15,965	16,283	16,578	16,944	17,309
Days of inpatient services	315,170	321,824	328,372	334,920	340,983	348,501	356,008

Program Analysis

Acute mental health services provide both treatment and prevention. As treatment deals with a person's current mental health needs, it works as a preventor against greater mental disability. This treatment/prevention function works toward the mental health goal of providing therapeutic services in the community that foster independence. The three types of acute care services are outpatient, partial hospitalization and short-term inpatient.

Outpatient Services

Outpatient treatment includes psychiatric, psychological, social and vocational elements. Often included in these treatments is chemotherapy which is medically supervised. Outpatient services can be used by an individual, groups and families. Services are provided on a regular schedule that is appropriate for the client's mental health needs. Among the three acute care services, outpatient services require the highest degree of independence by the client. Services are restricted to less than three hours per day.

Data for the measure, persons receiving services on an outpatient basis, now is reported as an unduplicated annual

figure rather than reported as a monthly average. The data for this measure also indicate an estimated annual increase in utilization of three to four percent. Annual outpatient hours are also projected to increase in part due to the increase in persons using the services. In addition, improved revenue collection by county programs has resulted in increased availability of service dollars. The data in these measures indicate that a client receives an average of six hours of outpatient services per year.

Partial Hospitalization Services

Partial hospitalization provides care and treatment to those persons not able to immediately maintain or resume community roles and responsibilities on a full-time basis. These services are more intensive and comprehensive than outpatient services but less intensive than 24-hour care. Services are provided on a planned and regularly scheduled basis for parts of days, nights, or weeks. The flexibility allows persons to maintain contacts with their community, family and employment. The program also provides a supportive environment for those persons who are resuming community

Acute Mental Health Services(continued)

Program Analysis: (continued)

relationships after short and long-term inpatient care. The data for partial hospitalization historically have remained stable. On the average, clients receive approximately 359 hours of partial hospitalization service per year. Data for the measure, persons receiving partial hospitalization, now reflect an unduplicated annual figure rather than a monthly average. The measure, hours of partial hospitalization services, shows an increase in 1982-83 fiscal year compared with the projected figure. Based on the actual number of partial hospitalization hours in 1982-83 fiscal year, the projected number of hours for the future years has been proportionately increased.

Short-term Inpatient Services

Short-term inpatient care is 24-hour continuous hospitalization in a licensed community psychiatric facility for a maximum of 60 days. Community inpatient services are appropriate when an individual requires intensive treat-

ment during periods of unusual stress. Supervision as well as intensive treatment are provided to individuals who are unable to manage themselves because of deep depression, severely disturbed behavior or extreme confusion.

This intensive community service benefits the client in that disruption in an individual's life is minimized and contact with family and friends can be maintained. These factors can help reduce an individual's longer term dependence on mental health systems.

Clients receive an average of twenty days of inpatient services per stay and the growth rate for the number of clients served is approximately two percent. A special study was conducted which showed that the average length of stay in inpatient services has decreased. This decrease has resulted in lower projected annual days of inpatient services than presented last year. The number of clients receiving inpatient services is now reported as an unduplicated annual figure rather than a monthly average as was presented in last year's measure.

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Community Mental Health Services	<u>\$ 53,527</u>	<u>\$ 55,670</u>	<u>\$ 56,547</u>	<u>\$ 58,809</u>	<u>\$ 61,161</u>	<u>\$ 63,607</u>	<u>\$ 66,151</u>

Rehabilitative Services

OBJECTIVE: To reduce dependence on the mental health service system by enabling mentally disabled individuals to live in as independent a manner as possible through the provision of an array of residential rehabilitation services and supportive vocational and social rehabilitative services.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 16,182	\$ 16,870	\$ 21,370	\$ 22,225	\$ 23,114	\$ 24,039	\$ 25,001
Federal Funds	5,224	6,567	8,567	10,210	10,210	10,210	10,210
TOTAL	\$ 21,406	\$ 23,437	\$ 29,937	\$ 32,435	\$ 33,324	\$ 34,249	\$ 35,211

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Persons receiving community residential rehabilitative services	3,712	4,088	4,284	4,284	4,284	4,284	4,284
Persons discharged to independent living ..	823	906	949	949	949	949	949
Community residential rehabilitative slots available	2,223	2,448	2,565	2,565	2,565	2,565	2,565
Days of community residential rehabilitative services	689,130	758,880	795,150	795,150	795,150	795,150	795,150
Persons receiving vocational rehabilitation services	3,657	4,856	5,123	5,123	5,123	5,123	5,123
Days of vocational rehabilitation	181,702	241,671	254,527	254,527	254,527	254,527	254,527
Persons receiving social rehabilitation services	7,717	7,717	7,717	7,717	7,717	7,717	7,717
Days of social rehabilitation	101,356	101,356	101,356	101,356	101,356	101,356	101,356

Program Analysis:

Unlike other community services, rehabilitative services are oriented toward, but not exclusively for, individuals discharged from a State mental hospital into the community. Since 1965-66, the State mental hospital population census has declined from 35,071 to less than 10,000 in 1982-83. This decline does not indicate fewer mentally disabled individuals living in the State. Rather, it indicates that these mentally disabled individuals are rejoining or remaining in the community rather than residing in a State mental hospital. After a stay in the hospital, many individuals require a transitional period of residential, vocational, and/or social programming before they are able to assume community roles and responsibilities on a full-time basis. With the emphasis on community care, a population with needs

similar to the mentally disabled discharged from State hospitals has developed in the community. The emergence of this population in the community has resulted in an increase in persons without a previous stay in a State mental hospital using rehabilitative services.

Funding for the expansion of residential, vocational, social, and case management services has been recommended in the budget. This initiative provides for increased adult and child community residential rehabilitation slots, increased vocational rehabilitation slots, and expanded provision of social rehabilitation and case management services. The Social Services Block Grant (Title XX) will provide \$2.0 million to fund this program expansion.

Rehabilitative Services (continued)

Program Analysis: (continued)

Residential Services

Community residential rehabilitation (CRR) facilities provide transitional living arrangements for those mental health clients who are unable to make a successful adjustment to community living. CRR programs provide rehabilitative training in community living skills. After a period in the program, clients are expected to be capable of functioning in an independent living situation with minimal follow-along or to be ready for placement in a long-term sheltered setting, such as domiciliary care or foster care.

In a CRR program, the provider acts as landlord to the client; i.e., the provider owns or leases the residential site and subleases to the client. Three levels of residential programming are provided.

Full Care: provides intensive and structured living accommodations and a full range of personal assistance and psychosocial rehabilitation for mentally disabled persons who display severe community adjustment problems. On site staff are present whenever clients are present. Planned program activities are geared toward increased independence in residential and community functioning. The anticipated length of stay is 6 to 12 months. Full care facilities are either clustered apartments or group homes.

Partial Care: provides living accommodations with staff regularly scheduled and on call the remaining hours. Clients, who display community adjustment problems, are provided personal assistance, psychosocial services and rehabilitation training. The expected length of stay is from 6 months to 2 years. Two levels of supervision are included in partial care.

Moderate Supervision: provides daily on-site supervision of three hours per day or more and community living skills. Training includes self-care, homemaking, time and money management, leisure use, and utilization of community agencies and resources. Moderate supervision settings are typically clustered apartments or group homes.

Minimum Supervision: provides on-site supervision of less than three hours per day. Training services are geared toward maintaining residential and community living skills. This setting is provided for clients with a high level of functioning and who may be expected to become independent. Program settings are usually clustered or scattered site apartments.

Projections for measures related to the CRR program are higher than previous projections. A recent audit of existing CRR slots indicates that more slots were available than previously projected. This is due to new slots being funded and becoming operational. As a result, measures for persons discharged to independent living and annual days of service have increased. During the 1983-84 fiscal year, 4,088 persons are expected to be served in 2,448 slots at an average

of 6 months per person. Approximately 22 percent of persons served in 1982-83 are expected to be discharged to independent living.

Vocational Services

The importance of the full rehabilitation of an individual is recognized within the mental health system. Full rehabilitation facilitates independence and community integration. Vocational services are oriented toward assisting an individual achieve the highest level of vocational adaptation. Vocational rehabilitation activities include vocational evaluation, job counseling, work adjustment training, and sheltered employment.

An estimated 4,865 persons will receive vocational rehabilitative services in the 1983-84 fiscal year. The measure now indicates an unduplicated annual number of persons receiving these services compared to the monthly average number of persons presented previously in this measure. Clients receive an average of 50 days of vocational rehabilitative services per year. The actual days of vocational rehabilitation in the 1982-83 fiscal year were less than previously estimated due to the implementation of the joint project between the Office of Mental Health and the Department of Labor and Industry's Office of Vocational Rehabilitation late in the fiscal year.

Socialization Services

Social rehabilitation services are designed to make community or independent living possible through teaching or improving self-care, personal behavior and social adjustment. These service objectives are aimed at raising an individual's level of social competency and decreasing the need for structured supervision. Activities include social education, adult day training programs, in-home training, day and evening recreation and socialization programs, drop-in centers, and psychiatric resocialization programs.

An analysis of 1980-81 service and expenditure data revealed that some county programs were misreporting social rehabilitation days of service. Social rehabilitation activities that were part of another service (i.e., outpatient, community residential rehabilitation) were also being reported in the social rehabilitation category. This problem has been corrected and is reflected in a lower projected annual days of social rehabilitation. It also should be noted that the measure, persons receiving social rehabilitation service, has changed from a monthly average to an unduplicated annual number of persons.

Rehabilitative Services (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Community Mental Health Services	<u>\$ 16,182</u>	<u>\$ 16,870</u>	<u>\$ 21,370</u>	<u>\$ 22,225</u>	<u>\$ 23,114</u>	<u>\$ 24,039</u>	<u>\$ 25,001</u>

Institutional Care

OBJECTIVE: To reduce the mental disabilities of individuals and to restore their capacity to function in a community setting or an alternate treatment or residential setting in as short a period of time as possible by providing high quality, intensive inpatient psychiatric care, treatment, and programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 288,813	\$ 293,254	\$ 305,881	\$ 321,684	\$ 337,768	\$ 354,656	\$ 372,389
Federal Funds	119,095	118,205	114,688	119,276	124,047	129,009	134,169
Other Funds	38,735	40,868	42,642	44,319	46,063	47,876	49,762
TOTAL	<u>\$ 446,643</u>	<u>\$ 452,327</u>	<u>\$ 463,211</u>	<u>\$ 485,279</u>	<u>\$ 507,878</u>	<u>\$ 531,541</u>	<u>\$ 556,320</u>

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Rated bed capacity in State mental hospitals	10,196	10,196	10,196	10,196	10,196	10,196	10,196
Institutional population at end of fiscal year	9,358	9,084	8,830	8,592	8,369	8,160	7,964
Admissions to State mental hospitals	7,097	7,062	7,027	6,992	6,957	6,922	6,887
Discharges from State mental hospitals	6,918	7,029	7,134	7,205	7,277	7,350	7,424
Length of stay for residents of State mental hospitals:							
From: - but less than:							
0 - 6 months	1,942	1,908	1,854	1,804	1,757	1,714	1,672
6 months - 1 year	896	908	883	859	838	816	796
1 year - 3 years	1,430	1,453	1,502	1,546	1,590	1,632	1,674
3 years - 5 years	894	908	883	859	837	816	796
5 years - 10 years	1,159	1,090	1,059	1,033	1,004	979	956
10 years - 20 years	764	728	706	687	670	653	637
20 ⁺ years	2,273	2,089	1,943	1,804	1,674	1,550	1,434
Persons readmitted to State mental hospitals	3,439	3,425	3,372	3,321	3,270	3,253	3,237
Persons referred to and served by a base service unit upon discharge	4,462	5,271	5,350	5,404	5,458	5,513	5,568
State Restoration Centers:							
Persons receiving Skilled nursing care	35	50	50	50	50	50	50
Average length of stay for skilled nursing patients (in days)	1,397	1,423	1,423	1,423	1,423	1,423	1,423
Persons receiving intermediate care	793	941	941	941	941	941	941
Average length of stay for intermediate care patients (in days)	1,909	2,044	2,044	2,044	2,044	2,044	2,044

Institutional Care (continued)

Program Analysis: (continued)

The State mental hospitals provide active inpatient psychiatric treatment. Specialized regional services based on population need are provided to psychiatric/geriatric patients, chronically ill, children and youth, and forensic populations. This specialization reflects the State's commitment to meeting its residents' needs through the integration and continuum of care between the community and hospital programs.

From fiscal year 1965-66 to fiscal year 1982-83, the State mental hospital inpatient population has declined approximately 74 percent. This decline is attributed to improved programming, increases in trained professional staff, shifts toward community receptivity, chemotherapy and community-based treatment centers which enable mentally disabled individuals to remain in the community. However, due to the atypical trends that occurred within the population served in fiscal year 1982-83, it is predicted that there will be a range of decline between 2.9 percent and 2.4 percent over the next six years. Although the patient population continues to decrease, the rate of decrease is occurring at a slower pace than what has been previously reported.

The experience of fiscal year 1982-83 in comparison to the 1981-82 year has shown that admissions increased by 3 percent when previous years have shown a steady decrease in admissions. In fact the number of admissions in 1982-83 resulted in the first increase since 1966. However, the overall end of the year census declined by 2.9 percent and it was 1/10 of a percent short of the 3 percent projection.

In spite of the increase in admissions, the overall system discharge rate increased by 3 percent which indicates that active treatment met the challenge and demand of the increased population and successful discharging took place. Also the community MH programs are becoming more receptive to working cooperatively with the hospital staff in finding appropriate community placements. For the first time readmissions were less than first admissions which is attributed again to the quality of treatment being administered at the hospital and the improved support services being provided in the community.

The trend of lengths of stay data continues to show a decline in longer lengths of stay and an increase in shorter lengths of stay. This trend is expected to continue as indicated in the future year projections.

Because fiscal year 1982-83 was an atypical year, the population projections are estimated very conservatively. Until a comparison can be made between 1982-83 and

1983-84 population census, it is hard to predict whether the overall state mental hospital system is leveling off or whether there will be significant shifts upward or downward in the treatment demands on the hospital system.

Another trend that is occurring is that more patients are being referred and served by a base service unit upon discharge than in previous years. This indicates that the patients discharged are persons whose aftercare needs are more suited to alternative services provided in the community. The trend continues to show the successful efforts being made to re-integrate former state mental hospital patients in the community.

This year's recommended budget provides \$1,574,000 in State funds for the expansion of 50 inpatient beds at Farview State Hospital. This initiative is necessary to meet the increasing demand for maximum security inpatient beds. The funds will allow for the provision of evaluation and treatment services to adult male forensic patients in a maximum security mental health setting.

The state restoration centers provide skilled nursing and intermediate long-term care services to eligible patients discharged from state mental hospitals. No admissions are accepted from the community. The average length of stay is approximately 3-1/2 years to 4 years for skilled patients and 5-1/2 years to 6-1/2 years for intermediate patients.

Following the Medical Assistance redefinition of skilled nursing care, many skilled care patients were reclassified as intermediate care patients. The 1982-83 fiscal year estimate assumed 100 percent occupancy of all operational and certified skilled and intermediate care beds. Because of the redefinition of skilled care, the number of patients receiving skilled care declined about 79 percent. Actual experience in the 1982-83 fiscal year resulted in fewer persons receiving intermediate care than the estimate despite the transfer of formerly skilled care patients to intermediate care. For the 1983-84 fiscal year and in future years, the effect of the skilled care redefinition has been reflected in both measures showing the number of persons receiving skilled and intermediate care. The total population of the restoration centers is anticipated to remain relatively stable for future years.

The 1984-85 budget for the State mental hospitals includes the State funds necessary to offset the reduction in Federal Medicaid reimbursement resulting from the Omnibus Budget Reconciliation Act (OBRA) of 1981.

Institutional Care (continued)

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
State Mental Hospitals	<u>\$ 288,813</u>	<u>\$ 293,254</u>	<u>\$ 305,881</u>	<u>\$ 321,684</u>	<u>\$ 337,768</u>	<u>\$ 354,656</u>	<u>\$ 372,389</u>

Youth Development Services

OBJECTIVE: To minimize the incidence of juvenile delinquency and to develop the capacity for constructive community living among court adjudicated youths that are committed to the Commonwealth's youth development facilities and forestry camps.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 29,735	\$ 31,534	\$ 27,849	\$ 28,823	\$ 32,752	\$ 31,778	\$ 33,366
Federal Funds	1,572	2,379	2,351	2,370	2,390	2,410	2,430
Other Funds	18	90	90	94	98	102	106
TOTAL	\$ 31,325	\$ 34,003	\$ 30,290	\$ 31,287	\$ 32,752	\$ 34,290	\$ 35,902

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Court adjudicated juveniles in Commonwealth	16,000	15,500	15,000	14,500	14,000	14,000	14,000
Court adjudicated juveniles admitted to State children and youth programs	983	950	900	850	800	800	800
Average daily census of State-operated programs:							
Residential programs	421	408	396	396	396	396	396
Security programs	252	222	214	214	214	214	214

Program Analysis:

This program's primary objective is to bring about a more positive change in behavior patterns among court adjudicated delinquent juveniles. These services will enable the youth to return to the community and function in a socially acceptable manner.

Pennsylvania's juvenile justice system is a three tiered correctional program of secure, residential, and community care. This enables a youth to receive the intensity of treatment required in the least restrictive setting possible. This strategy is in keeping with the department's efforts to minimize widespread institutionalization while recognizing that confinement is necessary for certain juveniles who pose a threat to themselves or others.

The Commonwealth operates youth development centers and forestry camps which provide rehabilitation services. There are three major components: the Youth Forestry Camps located in State parks which provide non-secure care; the Youth Development non-secure beds located at four

sites; and the Youth Development Center secure beds for the most serious offenders located on the grounds of two youth developments centers and at four satellite facilities. An estimated 900 children will be admitted to these State operated facilities in 1984-85.

During 1982, the number of cases referred to juvenile court declined by 15 percent from the prior year. This reduction in court cases, as well as the steadily declining juvenile population, may have caused the downward trend in admissions to State operated juvenile facilities which has prompted the elimination of 100 underutilized non-secure beds. Recommended funding will support 398 non-secure beds and 232 secure beds for a total capacity of 630 youths.

The youth facilities five year plan emphasizes the need to have Commonwealth operated facilities provide those specialized needs that are not readily available elsewhere. Private facilities will be relied upon to provide additional non-secure and community-based care.

Youth Development Services (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Youth Development Institutions and							
Forestry Camps	<u>\$ 29,735</u>	<u>\$ 31,534</u>	<u>\$ 27,849</u>	<u>\$ 28,823</u>	<u>\$ 30,264</u>	<u>\$ 31,778</u>	<u>\$ 33,366</u>

O.B.—1/28/84—let Disk:WELFAR File:Sub11C

Family Support Services

OBJECTIVE: To promote and strengthen family life and to prevent the breakup of the family unit because of emotional, economic or social problems.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 130,204	\$ 160,218	\$ 133,076	\$ 138,279	\$ 143,647	\$ 149,123	\$ 154,902
Special Funds .....	.....	.....	13,000	13,400	13,820	14,260	14,720
Federal Funds	131,966	160,276	161,850	150,202	153,157	156,330	160,104
Other Funds	1	.....	.....	.....	.....	.....	.....
TOTAL	\$ 262,171	\$ 320,494	\$ 307,926	\$ 301,881	\$ 310,624	\$ 319,713	\$ 329,726

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Incidence of reported child abuse	15,593	17,940	19,140	20,260	21,420	22,600	23,800
Children receiving child welfare services:							
Inside of home	41,122	41,300	41,500	41,700	42,000	42,200	42,400
In placement outside of home	11,378	11,100	10,900	10,700	10,500	10,200	9,800
In placement two years or more	4,638	4,550	4,500	4,400	4,300	4,100	3,900
Agency arranged adoptions	1,110	1,200	1,300	1,450	1,550	1,600	1,600
Children receiving day care	21,800	22,857	21,500	21,000	21,000	21,000	20,000
Adult services:							
Information and referral contacts	127,866	127,900	128,200	128,200	128,200	128,200	128,200
Life skills education training sessions	4,757	4,800	4,850	4,900	4,900	4,900	4,900
Employment assistance cases	10,759	10,900	11,000	11,000	11,000	11,000	11,000
Rides provided	15,165	21,400	21,000	19,200	19,000	19,000	19,000
Clients receiving in-home services	29,012	28,000	28,000	28,000	28,000	28,000	28,000
Domestic violence:							
Clients	16,695	17,000	17,500	17,500	17,500	17,500	17,500
Days of shelter provided	38,158	38,200	38,800	39,000	39,000	39,000	39,000
Rape crisis/sexual assault:							
Clients	9,846	10,034	10,034	10,034	10,034	10,034	10,034
Service hours	94,817	95,000	95,000	95,000	95,000	95,000	95,000
Legal service hours	230,923	220,000	220,000	220,000	220,000	220,000	220,000
Family planning clients	79,479	79,500	82,700	83,000	83,000	83,000	83,000
Visually handicapped services provided	31,000	30,922	33,800	34,300	34,500	34,700	35,000

Family Support Services(continued)

Program Analysis:

The purpose of this program is to promote the independence and self-sufficiency of individuals and family units by providing a variety of social services intended to reduce the emotional and social problems that frequently accompany financial need. It is hoped that some of the services will in turn facilitate employment thereby reducing financial dependence.

Many of the services provided are aimed at meeting and protecting the needs of children, since children are frequently the victims when emotional, social or economic problems strike a family. In 1982 over 15,000 reports of suspected child abuse were investigated by the county children and youth social service agencies. Nearly 5,000 reports involved a child who was seriously abused. The toll free Child Abuse Hotline and improved public awareness have aided in the reporting of abused and neglected children, however, the true incidence of child abuse may still not be known since many cases are still undetected or unreported.

The Department of Public Welfare emphasizes treatment in a child's home when outside intervention and care is considered necessary. Protective services, homemaker services, life skills education, and counseling are all delivered with this objective in mind. The program measures for children receiving child welfare services reflects this approach as the number of children receiving services in their homes increases while services delivered outside the home decreases.

In the event that removal from the home is required, the department has developed alternative placements which resemble as closely as possible the child's natural environment. These alternatives include foster home care, group home care, adoption, community based residential programs and supervised independent living. Case planning and case review procedures have been established to insure that children will remain in placement only as long as necessary.

Adoptions arranged by county children and youth agencies are increasing. The number of adoptions are expected to continue to increase as county children and youth agencies implement departmental policy for foster family care and Federal financial participation becomes available for adoption subsidies. Additional emphasis is being placed on getting children out of foster homes and back with their real families or into new, adoptive families.

Day care activities serve a dual purpose of providing a developmental approach to child care, and enabling parental employment so that families can achieve and maintain economic self-sufficiency. The community based delivery program includes family day care, infant-toddler care,

preschool and school-age care and special needs programs. The department has developed a system of reimbursement for actual units of care provided, which encourages and rewards efficiency and economy among providers in the system. A competitive bidding system of awarding contracts to private providers was implemented in 1982-83. Eligibility for services is determined at the local provider level.

On July 1, 1982, a new method of funding social services to adults, the Adult Services Block Grant, was implemented. Funds were distributed to the 67 counties for the provision of services to low-income, dependent adults (18-59 years of age) to help them achieve or maintain self-sufficiency. Counties may select the adult populations to be served and the services to be offered.

Recommended funding includes \$1.88 million for grants to local domestic violence and rape crisis centers. State funding initially became available for these centers after enactment of legislation which levied an additional fine on persons convicted of violent crimes. Services provided include emergency shelter, counseling and preventive education programs.

The department also contracts for a legal services program designed to provide low income people with access to legal assistance in civil matters. These services do not include political activities, services to organizations, or services in criminal matters.

Family planning service meets contraceptive needs or infertility problems through the provision of educational, medical, and social services. The service enables individuals to determine family size, to space children, and to prevent or reduce the incidence of unplanned pregnancies.

Services for the blind and visually handicapped are provided both directly by agency staff and through contracts with private providers. A primary goal of the program is to help the blind and visually handicapped develop the adaptive skills necessary to function independently in the home, community and work place.

A Human Services Development Fund amounting to \$5.5 million will be established for 1984-85 and future years. This is a separate funding stream of Social Service Block Grant monies which will give counties flexibility in allocating resources among program areas, in order that they can effectively respond to the service needs in their local communities. The Fund would enable counties to meet new human service needs that are not being met under the current categorical funding system.

Family Support Services (continued)

Program Cost by Appropriation::

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 3,696	\$ 3,601	\$ 3,559	\$ 3,657	\$ 3,770	\$ 3,883	\$ 3,996
Services for the Visually Handicapped	2,647	2,558	.....	.....	.....	.....	.....
County Child Welfare Programs	104,464	133,644	108,644	113,000	117,500	122,000	126,800
Day Care Services	15,982	16,660	17,000	17,600	18,200	18,900	19,600
Adult Services Block Grant	1,785	1,785	1,856	1,930	2,007	2,088	2,171
Arsenal Family and Children's Center	100	100	104	104	104	104	104
Beacon Lodge Camp—Blind Services	30	30	31	31	31	31	31
Domestic Violence and Rape Crisis	1,500	1,810	1,882	1,957	2,035	2,117	2,200
Homes for the Blind .....	.....	30	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 130,204	\$ 160,218	\$ 133,076	\$ 138,279	\$ 143,647	\$ 149,123	\$ 154,902
STATE LOTTERY FUND							
Services for the Visually Handicapped .....	.....	.....	\$ 8,000	\$ 8,400	\$ 8,820	\$ 9,260	\$ 9,720
Attendant Care .....	.....	.....	5,000	5,000	5,000	5,000	5,000
STATE LOTTERY FUND TOTAL .....	.....	.....	\$ 13,000	\$ 13,400	\$ 13,820	\$ 14,260	\$ 14,720

**Family Support Services
Program Revision: Attendant Care — Adult Handicapped**

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	<u>.....</u>	<u>.....</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>

Program Analysis:

This proposal would implement a demonstration program to provide non-medical personal care attendant services program for an estimated 1,188 adults, ages 18 to 59, who are physically handicapped but mentally alert. The program would provide a maximum of 35 hours of non-medical personal care attendant in-home services for physically handicapped adults who do not require daily hospital and nursing care so that they may remain in or return to their own homes and remain independent for as long as possible. This service will seek to avoid or delay the unnecessary use of nursing home beds.

Program participants will be evaluated for job training

and placement potential. Local service agencies will be required to coordinate training and placement activities with programs funded by the Office of Vocational Rehabilitation.

A statewide advisory committee of staff from state and provider agencies will assist in determining client eligibility and cost sharing criteria. A sliding-fee scale will be established for those individuals with incomes above a specified level.

In addition to providing important services for handicapped individuals, this program will create several hundred jobs for individuals, some currently unemployed, as attendants.

Program Revision Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
LOTTERY FUND							
Attendant Care	<u>.....</u>	<u>.....</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>

MENTAL RETARDATION CATEGORY ANALYSIS

With the passage of the Mental Health and Mental Retardation Act of 1966, the public recognized the potential of serving persons with mental retardation in alternative settings in the community. This budget presentation delineates services, in part, by the location of services, and further, by the degree of restrictiveness.

The goal of the mental retardation service system is to provide the skills and training required of individuals to reach their greatest potential in the least restrictive setting. Services provided are viewed on a continuum of restrictiveness. Restrictiveness is related to the degree of independence and freedom that the individual is able and prepared to manage. For many years, the potential of persons with mental retardation to function in settings which were less restrictive than institutions was not recognized.

The continuum identifies the least restrictive services as those community based services provided to individuals who either live at home with families or live independently in the community. A variety of support services are provided to this population so that they can maintain their independence.

Residential services are provided for those individuals who require additional training prior to moving to a more independent setting or who will require a higher degree of support to function in the community. Several levels of restrictiveness are represented within the community residential services component. Community based support services are also provided to this population.

Licensed Community Residential facilities for the mentally retarded represent the least restrictive of residential settings. Individualized developmental programs are provided for children and adults. Special medical and behavior shaping services also are made available to enable retarded individuals to remain in community settings.

State-operated intermediate care facilities for the mentally retarded (ICFs/MR) provide habilitative services to clients who require intensive treatment programs. Eleven State centers and seven mental retardation units on the grounds of State hospitals comprise this service mode. Over half of the funding for the State-operated ICFs/MR is made available through the Medicaid program (Title XIX of the Social Security Act).

Non-State operated intermediate care facilities for the mentally retarded provide community residential services as an alternative to placement in State-operated facilities. These facilities qualify for the same Federal reimbursement through the Medicaid program as State-operated facilities.

Beginning in Fiscal Year 1983-84, Federal Medicaid funds have been made available for Community Residential Programs through limited waivers available under Section 2176 of the 1981 Omnibus Reconciliation Act. New community residential service capacity under the 2176 Medicaid Program is being financed by transfer of funds from State Centers. Clients from State centers, as well as individuals referred from the community will be placed under this program. This major change will reduce State and Federal costs in the State centers and provide a method for obtaining Federal participation in the cost of community MR programs.

A plan has been prepared that will phase out the operation of Pennhurst Center by July 1, 1986. By June 30, 1984, there will be 388 clients remaining at Pennhurst. Approximately 200 clients will be placed in each of the next two fiscal years.

Mental Retardation Systems Support

OBJECTIVE: To ensure the availability of services that are of a quality and quantity sufficient to ensure the maximum growth and development of mentally retarded persons.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 12,784	\$ 13,403	\$ 14,999	\$ 15,599	\$ 16,229	\$ 16,881	\$ 17,557
Federal Funds	9,379	9,517	10,085	10,668	10,759	10,853	10,951
TOTAL	\$ 22,163	\$ 22,920	\$ 25,084	\$ 26,267	\$ 26,988	\$ 27,734	\$ 28,508

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Persons receiving mental retardation services at end of year	39,886	36,977	37,766	38,379	38,856	39,221	39,501
Persons potentially eligible for MR services	106,380	105,930	105,390	104,760	104,220	103,770	103,410
Persons who are in:							
State operated residential programs	6,610	6,373	6,173	6,073	5,973	5,873	5,823
State funded residential programs	5,584	5,968	5,968	5,968	5,968	5,968	5,968
Private residential programs	1,740	1,818	1,818	1,818	1,818	1,818	1,818

Program Analysis:

The mental retardation service delivery system provides a continuum of supportive services which are available in a variety of modalities from most restrictive to least restrictive depending upon individual client needs. The service delivery system is founded on the principle of normalization which requires that persons with mental retardation have access to patterns and conditions of everyday life which are as close as possible to the norms and patterns of the mainstream of society.

Systems support is an essential component of the mental retardation service system providing resources for planning, coordination, evaluation, administration, personnel development and research. Such activities contribute to the improvement of existing services and support planning for those persons in need of services. The mental retardation category includes four subcategories, in addition to Mental Retardation Systems Support. The subcategories, Community Based Services, Community Residential Services, Private Intermediate Care Facilities, and State Centers, summarize major groups of services designed to reach system objectives.

The measure, number of persons receiving MR services at the end of the fiscal year, is comprised of persons who currently receive services through county MR programs, including those residing in State-operated, State-funded and

private residential programs. The estimate of the number of persons receiving mental retardation services at the end of the 1983-84 fiscal year is lower than the number of persons for the 1982-83 fiscal year due to the purging of inactive cases by the counties in the consolidated community reporting (CCR) system. The measure, total persons potentially eligible for MR services, was calculated at 0.9 percent of the total State population and is related to the projected prevalence of mental retardation. This measure shows a slight but steady decrease, based on the latest projections that total State population will decrease over the next five years.

The last three measures in this subcategory reflect persons who are in 1) State-operated residential programs composed of State centers and mental retardation units on the grounds of State mental hospitals; 2) State-funded (county-administered) and licensed community MR residential programs; and 3) private residential programs composed of large and small intermediate care facilities for the mentally retarded (ICFs/MR).

The projected population of State-operated residential programs shows a reduction even below that shown in last year's projections due primarily to the Pennhurst dispersal efforts and the closing of Cresson Center. Data for the

Mental Retardation Systems Support(continued)

Program Analysis: (continued)

measure, State-funded residential programs, in 1982-83 reflect actual persons residing in community MR residential facilities at the end of the fiscal year. In the measure, private residential programs, data reflect fewer ICFs/MR developed in 1982-83 than had been originally projected. More in-depth analyses for these three measures appear under the appropriate subcategory headings.

An increase of \$300,000 has been recommended in the budget for the monitoring of formerly institutionalized mentally retarded persons who are currently being served or additional clients who will be served in 1984-85 by the community residential programs. This initiative will enhance the current monitoring efforts for which funds were specifically appropriated in fiscal year 1983-84.

Data collection and reporting systems provide the means to measure the effect that the delivery system has on its clients. Data are collected and reported mainly through the use of two information systems: the patient/client information system (PCIS) and consolidated community reporting (CCR). PCIS is an integrated computerized management information system which collects, stores and retrieves data for use in monitoring and analyzing client activity in State centers, MR units and community MR residential facilities. The system is capable of producing management reports at the facility, regional and central office levels, and produced State-operated facilities' resident profiles. CCR provides information support for community-based services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 1,382	\$ 1,335	\$ 1,314	\$ 1,363	\$ 1,419	\$ 1,475	\$ 1,531
Community based Services — Mentally Retarded	11,402	11,841	13,281	13,812	14,365	14,939	15,536
Community Residential Services — Mentally Retarded .....	.....	127	.....	.....	.....	.....	.....
Monitoring Community Residential Contracts .....	.....	100	404	424	445	467	490
GENERAL FUND TOTAL	\$ 12,784	\$ 13,403	\$ 14,999	\$ 15,599	\$ 16,229	\$ 16,881	\$ 17,557

Community Based Services

OBJECTIVE: To enable mentally retarded individuals to live in a community setting by providing services and support to the family and/or mentally retarded individual.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 46,854	\$ 48,470	\$ 35,520	\$ 36,933	\$ 38,401	\$ 39,934	\$ 41,518
Special Funds			14,500	15,225	15,986	16,785	17,624
Federal Funds		656	9,781	15,999	16,410	16,838	17,283
TOTAL	\$ 46,854	\$ 49,126	\$ 59,801	\$ 68,157	\$ 70,797	\$ 73,557	\$ 76,425

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Persons added to county MR caseload	6,830	6,801	6,766	6,726	6,691	6,662	6,639
Persons removed from county MR caseload	9,788	5,977	6,111	6,216	6,296	6,351	6,406
Active persons in county MR caseload	38,146	35,159	35,948	36,563	37,038	37,404	37,684
Persons living in independent and family arrangements	92,446	91,771	91,431	90,901	90,461	90,111	89,801
Preschool handicapped children receiving early intervention services	6,011	6,076	6,101	6,126	6,151	6,176	6,201
MR persons and/or their families provided family support services	11,548	11,548	11,548	11,548	11,548	11,548	11,548
Persons on waiting lists to receive adult day services	1,778	1,678	1,678	1,678	1,678	1,678	1,678
Persons receiving adult day services	8,823	9,307	9,307	9,307	9,307	9,307	9,307

Program Analysis

The initial contact with the mental retardation (MR) service system is through community-based services. These nonresidential services include specific programs, such as early intervention services, family support services, and adult day services, which are made available to clients and their families through the county mental retardation program. These services are the least restrictive available to meet the needs of persons with mental retardation and present a significant alternative to placement in more restrictive residential settings.

The first three program measures in this subcategory depict client flow in the county MR program. Actual year figures are aggregates based on consolidated community reporting (CCR) by individual counties. In fiscal year 1982-83, 38,146 persons comprised the county MR caseload.

Actual data show that 6,830 persons were added to the caseload in 1982-83; projections for subsequent years are based on the 1982-83 ratio of additions to persons potentially eligible for MR services, which was 6.42 percent. Actual data reported show 9,788 removals for 1982-83. These removals from the county MR caseload were considerably higher than projected in last year's presentation. This is due primarily to efforts made by the counties to purge inactive cases and close them as reported in the consolidated community reporting (CCR) system. Projections for subsequent years are calculated at 17 percent of the actual caseload. This projection factor is based on an average of the last three years' actual removal rates. Based on a higher removal rate, projected figures for county MR caseload for subsequent years were adjusted accordingly.

Community Based Services (continued)

Program Analysis: (continued)

Early Intervention Services

Early intervention services are designed to enhance the developmental progress of children with mental retardation and to facilitate their entry into the public school system. Services include, but are not limited to, psychological services, physical, occupational, recreational and speech therapy, medical services, assessment, evaluation services and other services necessary to assure the child's maximum growth. The majority of children served in these programs are able to advance into higher level programs in the public schools either in general or special education classes. The need for more specialized services, including residential placements, is averted to the extent that children's needs are addressed early in life through this program.

Early intervention services for preschool children are usually conducted in day care settings and include training and instruction in the areas of self-help skills, fine and gross motor coordination, socialization, communication and related skills. The basic program promotes development specified in the child's individualized program plan. Parent participation is encouraged as an integral part of the child's plan of development.

Demonstration programs, which integrate handicapped preschool children with non-handicapped peers, have been initiated to encourage the establishment of a network of generic providers with the capacity to provide services to handicapped preschool children in a least restrictive environment. These mainstreaming programs provide an alternative to segregated early intervention services and also a viable option for reducing the number of eligible children on waiting lists who cannot currently be accommodated by existing specialized services.

The measure, preschool handicapped children receiving early intervention services, includes the actual number of children served through these programs as reported through the consolidated community reporting (CCR) system. Projections reflect the expectation that services will increase slightly due to the increase in birth rate and the increasing number of children being identified as eligible for services.

The recommended budget provides \$1,200,000 for the expansion of early intervention services. The increased funding provides for the annualization of costs for pre-school children presently being served through a Federal Mainstreaming Grant. The initiative also provides funding to include 262 additional children in the early intervention program. In fiscal year 1984-85, the early intervention services and the expansion will be funded from the State Lottery Fund.

Family Support Services

Family support services are designed to provide support to persons with mental retardation in the least restrictive setting appropriate to meet individual needs. Services are provided to individuals and their families with the objectives of preventing institutionalization and assisting persons with mental retardation in the successful adjustment from an institutional to a community life style.

Family support services include the following: (1) respite care—the provision of a temporary residence to a person with mental retardation when his family is experiencing stress, personal crisis, illness or need of a vacation; (2) family aid—the provision of sitter or companionship services for a few hours at a time which will allow the family to participate in various activities; (3) homemaker services—the provision of homemakers to perform essential household duties; (4) in-home therapy—the provision of occupational, physical or other rehabilitative therapies to the homebound person; (5) family education training services—the provision of programs designed to assist parents and other family members in dealing appropriately with a family member with mental retardation; (6) recreation and socialization services—the provision of leisure time programs; (7) special innovative services—the provision of unique services which cannot be classified in other categories, such as specialized driver's education.

Of the total persons living either independently or with families in the community, 11,548 persons and/or their families were provided one or more family support services in fiscal year 1982-83. The data for this measure have not significantly changed from the previous year. However, during fiscal year 1983-84, the concept of family support services was broadened beyond the scope of those services known as family resource services to include other types of family and client supports such as transportation, behavior training, hearing aid evaluations and mobility training.

This effort, which will be continued during the planning years through policy and regulatory changes, places significant emphasis on the importance of and the need to provide support services to persons with mental retardation and their families as an alternative to out-of-home placement. Additional data reflecting the number of persons receiving support services other than those identified as family resource services will not be available until the end of fiscal year 1983-84.

The budget recommends increased funding totalling \$3,221,000 for the expansion of family support services. The value of these services in the prevention of out-of-home

Community Based Services (continued)

Program Analysis: (continued)

placements is recognized by this initiative. Funding will be provided through the Social Services Block Grant (Title XX).

Adult Day Services

Adult day services consist of prevocational and vocational training services. Traditional prevocational services have included adult day care which provides a program of activity to adults for whom vocational services are currently inappropriate. Specific activities emphasize personal and life management skills that prepare adults for entry into vocational training. Traditional vocational training services have included assessment, vocational and work evaluations, personal and work adjustment, and skill training usually provided in the work activity center or regular work program of a sheltered workshop. In fiscal year 1983-84 plans were developed to modify and expand the range of adult day services for persons with mental retardation. This long-term effort is designed to improve existing types of services by structuring them in such a way as to promote a greater degree of movement of trainees into higher level habilitation programs and eventually into competitive employment. Another important aspect of this planning effort is the expansion of the range and types of vocational training opportunities for adults with mental retardation to include an emphasis on the merits of non-traditional training alternatives such as mobile work forces, transitional employment and work stations in industry. The restructuring and broadening of the range of adult day services will also be designed to make appropriate vocational training opportunities available to many recent intermediate unit graduates who would be placed on waiting lists for those services if system changes are not implemented. It is anticipated that redirection of adult day services for persons with mental retardation will be a long-term project requiring the cooperation of public and private agencies at all levels.

Data for the measure, persons on waiting lists to receive adult day services, are expected to remain stable through the planning years due to the reductions in the number of persons reported to be on waiting lists by county programs. The projections have been adjusted downward due to the

actual 1982-83 reported data.

The actual number of persons receiving adult day services at the end of fiscal year 1982-83 was 8,823. Projections indicate that the number of persons receiving adult day services in fiscal year 1983-84 will increase because of the Medicaid Community Waiver, the Pennhurst out-of-region placements and jointly funded demonstration projects of the Office of Vocational Rehabilitation and the Office of Mental Retardation. The number of persons receiving adult day services in fiscal year 1983-84 is expected to remain relatively stable through the planning years due to the long-term nature of the effort to redirect adult day services to promote a greater amount of client movement to higher levels of rehabilitation and eventually to competitive employment.

For fiscal year 1984-85, funding has been recommended to annualize the jointly funded Office of Vocational Rehabilitation and Office of Mental Retardation adult day service demonstration projects and to provide for the costs of several new innovative, industry-integrated training demonstration programs. A total of \$752,000 of Social Services Block Grant (Title XX) funds is provided in the recommended budget.

The 1984-85 budget also provides increased funds to continue the deinstitutionalization efforts to move State center clients into community programs. Social Services Block Grant (Title XX) funds totalling \$2,528,000 will be provided for these community placements of former State Center clients.

Another initiative providing \$496,000 in Social Services Block Grant (Title XX) funds has been recommended to expand the case management services available to former State Center clients. This initiative provides these funds to the county mental retardation programs and supports their current efforts to meet the increasing demands for these services. Case management services for deinstitutionalized clients are imperative to assure accessibility and utilization of appropriate community services.

The 1984-85 budget also provides \$114,000 in State funds to offset the Federal Medicaid reimbursement reduction resulting from the Omnibus Budget Reconciliation Act (OBRA) of 1981.

Community Based Services (continued)

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Community Based Services—							
Mentally Retarded	\$ 46,654	\$ 48,270	\$ 35,312	\$ 36,725	\$ 38,193	\$ 39,726	\$ 41,310
Philadelphia Association of Retarded							
Citizens	200	200	208	208	208	208	208
GENERAL FUND TOTAL	<u>\$ 46,854</u>	<u>\$ 48,470</u>	<u>\$ 35,520</u>	<u>\$ 36,933</u>	<u>\$ 38,401</u>	<u>\$ 39,934</u>	<u>\$ 41,518</u>
SPECIAL FUNDS							
Early Intervention Services for the							
Mentally Retarded	<u>.....</u>	<u>.....</u>	<u>\$ 14,500</u>	<u>\$ 15,225</u>	<u>\$ 15,986</u>	<u>\$ 16,785</u>	<u>\$ 17,624</u>

Community Residential Services

OBJECTIVE: To enable mentally retarded individuals to live in noninstitutional community settings and to increase their capacity for community and family living by promoting the acquisition of requisite skills and behavior and to provide community living settings.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 100,244	\$ 109,244	\$ 113,519	\$ 118,060	\$ 122,782	\$ 127,693	\$ 132,801
Federal Funds .....	.....	1,192	14,184	22,262	23,158	24,078	25,041
TOTAL	\$ 100,244	\$ 110,436	\$ 127,703	\$ 140,322	\$ 145,940	\$ 151,771	\$ 157,842

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Persons residing in community residential MR facilities:							
At end of fiscal year	5,584	5,968	5,968	5,968	5,968	5,968	5,968
During fiscal year	6,396	6,780	6,780	6,780	6,780	6,780	6,780
Additional community residential service capacity:							
For those residing in institutions	73	361	479	245	201	165	150
For those residing in the community	74	325	300	275	250	225	200
Residents of community residential MR facilities transferred to independent or family living arrangements	315	249	234	190	170	130	80

Program Analysis:

Following the evaluation and program plan development for a client with mental retardation, appropriate services must be provided if the client is to reach optimal functioning in society. In some cases, the client may be able to continue residence in the family or in an independent setting. In other cases, the client may need a more structured residential program in the community as preparation for independent or family living.

Community Residential MR Facilities, previously known as Community Living Arrangements (CLA) and Private Licensed Facilities (PLF) serve both privately and publicly funded clients. Both programs are now licensed by the department under the Regulations for Community Residential Mental Retardation Facilities and are funded through the county program.

The community residential MR facilities program provides residential alternatives to institutionalization for persons with mental retardation unable to live independently or with

their families. Through this program, persons with mental retardation have an opportunity to live in culturally normative residential settings within the community. The ultimate goal is to help individuals become as economically self-sufficient and independent as possible and encourage each person to become an active participant in community life. Individualized services necessary to fulfill developmental needs are available through programs for both children and adults. Special medical and/or behavior shaping services are available in these settings to address individual needs.

Community residential MR facilities are developed by counties in response to service needs identified in county plans and budget estimates. The measures, additional community residential service capacity required for those residing in institutions and in the community, for fiscal year 1982-83 report the actual increase in existing capacity. The 1983-84 fiscal year and the future year projections reflect the estimated need indicated by the counties' annual plans. The

Community Residential Services(continued)

Program Analysis: (continued)

large increases in fiscal years 1983-84 and 1984-85 for those residing in institutions compared with the actual year and future years results from the anticipated placement of clients through the Medicaid Community Waiver and the Pennhurst placements.

Data show that 5,584 persons were residing in community residential MR facilities at the end of the 1982-83 fiscal year. The number of clients will increase to 5,968 at the end of fiscal year 1983-84. This figure reflects the inclusion of 331 Medicaid Community Waiver clients and 53 Pennhurst out-of-region placements.

The recommended budget provides increased funding for the residential placement of State Center clients in community settings. Social Services Block Grant (Title XX) funds totalling \$5,965,000 are provided in the budget for this initiative.

During the 1982-83 fiscal year, 315 residents moved to independent or family living arrangements. Movement from these facilities is projected to slowly decline due to the increasing number of severely and profoundly retarded per-

sons, many of whom are children, who are entering community residential MR facilities. These persons will require a longer period for habilitation than the majority of persons who had been served in what were formerly known as Community Living Arrangements and Private Licensed Facilities.

The 1984-85 budget also includes \$287,000 in State funds necessary to offset the reduction in Federal Medicaid reimbursement resulting from the Omnibus Budget Reconciliation Act (OBRA) of 1981.

In prior years, the intermediate care facilities for the mentally retarded (ICFs/MR) with under fifteen beds were discussed in this subcategory. This year's budget presentation includes these ICFs/MR in the subcategory, Private Intermediate Care Facilities, with the ICFs/MR having fifteen or greater beds. The change was made to allow a unified presentation of the ICF/MR program which provides the same types of services to clients, regardless of the facilities' bed capacities.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)							
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	
GENERAL FUND								
Community Residential Services —								
Mentally Retarded	<u>\$ 100,244</u>	<u>\$ 109,244</u>	<u>\$ 113,519</u>	<u>\$ 118,060</u>	<u>\$ 122,782</u>	<u>\$ 127,693</u>	<u>\$ 132,801</u>	

Private Intermediate Care Facilities

OBJECTIVE: To enable institutionalized mentally retarded individuals to increase their capacity for community and family living by promoting the acquisition of requisite skills and behavior, and to move them into community settings.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 24,000	\$ 24,581	\$ 28,515	\$ 29,941	\$ 31,438	\$ 35,326	\$ 37,092
Federal Funds	32,000	31,418	33,753	35,044	36,796	38,636	40,568
TOTAL	\$ 56,000	\$ 55,999	\$ 62,268	\$ 64,985	\$ 68,234	\$ 73,962	\$ 77,660

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Persons served in private ICF/MR program:							
In facilities with fifteen or less beds	336	351	351	351	351	351	351
In facilities with more than fifteen beds .	1,404	1,467	1,467	1,467	1,467	1,467	1,467

Program Analysis

The private Intermediate Care Facility for the Mentally Retarded (ICF/MR) program is part of the Federal/State Medicaid (Title XIX) Program. Twenty-four hour care is provided for eligible persons with mental retardation and related conditions. Large facilities are single or multiple buildings on campus-like sites accommodating more than 15 clients. Small facilities are located on noncontiguous sites in the community. The cost of operating these programs is shared with the Federal government. The Pennsylvania Department of Health certifies ICFs/MR compliance with applicable Federal regulations through an annual survey. Facilities are licensed by the Department of Public Welfare.

Clients in private ICFs/MR are typically more disabled than those currently served in community residential MR facilities. Entry to small private ICFs/MR is open to referrals from county MR programs, State centers, community residential MR facilities and the client's natural home. Some clients are expected to move to less restrictive settings such as independent living or their natural home; some may move to more restrictive settings due to individual need.

In the continuum of long-term care, large ICFs/MR are equivalent to State centers. Clients enter by way of referrals from county MR programs, State centers, and small ICFs/MR. The majority of clients are severely or profoundly retarded with many secondary handicaps.

The small, private ICF/MR program (15 beds or less) served 336 persons in fiscal year 1982-83. This number is considerably smaller than projected in last year's program measures because a number of small units, located on campus-like settings and originally projected to be small facilities, were surveyed and certified as a total unit encompassing more than 15 beds. During fiscal year 1983-84, a slight expansion is indicated for small ICF/MR facilities. This is, however, due to the delayed certification of two small programs originally projected to open during fiscal year 1982-83.

During the 1982-83 fiscal year, ICFs/MR of 16 beds or greater served 1,404 persons. An increase in the number of certified beds during fiscal year 1982-83 was the result of the completion of a major development effort initiated during fiscal year 1981-82, and the inclusion of several facilities that were inadvertently included in the small ICF/MR program (less than 15 beds) last year. An increase is indicated during fiscal year 1983-84 due to the certification of one additional program and the expansion of an existing one.

The 1984-85 budget includes \$1,178,000 in State funds to offset the reduction in Federal Medicaid reimbursement resulting from the Omnibus Budget Reconciliation Act (OBRA) of 1981.

Private Intermediate Care Facilities

Program Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Intermediate Care Facilities — Mentally Retarded	<u>\$ 24,000</u>	<u>\$ 24,581</u>	<u>\$ 28,515</u>	<u>\$ 29,941</u>	<u>\$ 31,438</u>	<u>\$ 35,326</u>	<u>\$ 37,092</u>

State Centers

OBJECTIVE: To provide a structured program environment for mentally retarded individuals to increase their capacity in as short a time as possible for community and family living by promoting the acquisition of requisite skills and behavior and to move them into appropriate alternative community settings.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 131,923	\$ 130,742	\$ 122,661	\$ 128,794	\$ 135,234	\$ 141,996	\$ 149,096
Federal Funds	153,835	154,960	151,638	154,687	160,874	167,309	174,001
Other Funds	13,755	15,284	15,284	15,887	16,514	17,166	17,844
TOTAL	\$ 299,513	\$ 300,986	\$ 289,583	\$ 299,368	\$ 312,622	\$ 326,471	\$ 340,941

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
People living in State centers at end of fiscal year	6,073	5,816	5,616	5,516	5,416	5,316	5,266
People living in mental retardation units at end of fiscal year	537	557	557	557	557	557	557
People moving from State centers and mental retardation units to community residential settings	370	300	100	100	100	100	50

Program Analysis: (continued)

In the continuum of mental retardation services, the most restrictive settings include the eleven State-owned centers and seven mental retardation units located on the grounds of State mental hospitals. Cresson Center (Main Campus) was closed in fiscal year 1982-83, representing a reduction of 142 beds. However, this reduction in beds was offset by the 96 beds assigned to the Woodhaven Extension Program, for a net reduction of 46 beds. State-operated facilities were historically the primary providers of service for persons with mental retardation. The population of these facilities has shown a steady decrease since the late sixties directly attributable to the provision of supportive services in the community.

The total June 30, 1983 census for all State-centers and mental retardation units was 6,610.

The resident profile for June 30, 1983 indicates that approximately 6 percent of all residents are under 21 years of age, 88 percent are between the ages of 21 and 64 and 6 percent are 65 years of age and older. The resident profile also reflects that 6 percent of all residents are mildly retarded, 11 percent are moderately retarded, 29 percent are severely retarded, and 54 percent are profoundly retarded. These

figures reflect continued movement toward a more aged and disabled population due mainly to fewer overall admissions, fewer admissions of children and higher functioning clients, and a high incidence of community placements of higher functioning residents. The direction of these facilities will continue to require modification to provide for the needs of this changing population.

The development of the community mental health/mental retardation services system, beginning in 1968, provided impetus for the creation of residential settings within the community, a prerequisite of the department's deinstitutionalization program. During the 1970's, as the development of community alternatives to institutionalization was accomplished, the role of the centers altered. The primary goal of the centers and MR units now is to prepare clients for community living and to move them into appropriate alternative settings as soon as they are ready. Most recently the department has emphasized the development of small (15 beds or less) intermediate care facilities for the mentally retarded (ICFs/MR) as a means of providing community alternatives for individuals for whom ordinary community living arrangements are inappropriate.

State Centers(continued)

Program Analysis: (continued)

The measure, people living in State centers at end of fiscal year, indicates that census reduction is expected to occur without significant change from last year's projections. The Medicaid Community Waiver process provides for the community placement in 1983-84 of 186 Pennhurst and 50 Polk residents.

The measure, people moving from State centers and mental retardation units to community residential settings indicate that 300 placements from these institutions are expected by the end of the 1983-84 fiscal year. This number exemplifies the continuing efforts being made to provide clients with the most appropriate treatment in the least restrictive setting. By the end of the the 1983-84 fiscal year, most of the long-term State Center clients capable of receiving treatment in a less restrictive setting are anticipated to be placed in community settings. These clients include those placed through the Medicaid Community Waiver and the Pennhurst placements. In the budget year and planning years, the number of people moving to community residential settings decreases from the current fiscal year and remains relatively stable through the planning years. This decrease and stabilization are anticipated due to the prior years' successful placement of the former State Center clients and due

to fewer State Center clients capable of receiving the most appropriate treatment in any other setting.

The current Department of Public Welfare Five-Year Plan for mental retardation facilities defines statewide goals and objectives with specific time frames for the attainment of each objective. Accomplishments during 1982-83, in addition to the official closing of Cresson, include a new residential building at Western Center which certified 15 beds. Certification of an additional 40 beds is anticipated in 1983-84. The Woodhaven Extension Program was opened and certified as an ICF/MR in November 1982, with a certified bed capacity of 96. The residents are mentally retarded persons from Philadelphia State Hospital and Norristown State Hospital who originally had a primary diagnosis of mental illness but were found to be misdiagnosed.

During 1982-83 the Office of Mental Retardation reduced Pennhurst client census by 132 residents. Staffing complement was reduced by 290 positions. All MR centers and units maintained medical assistance certification throughout the fiscal year period. The 1984-85 budget includes \$5,628,000 in State funds to offset the reduction in Federal Medicaid reimbursement resulting from the Omnibus Budget Reconciliation Act (OBRA) of 1981.

Program Costs by Appropriation:

	1982-83	1983-84	(Dollar Amounts in Thousands)					
			1984-85	1985-86	1986-87	1987-88	1988-89	
GENERAL FUND								
State Centers for the Mentally Retarded .	<u>\$ 131,923</u>	<u>\$ 130,742</u>	<u>\$ 122,661</u>	<u>\$ 128,794</u>	<u>\$ 135,234</u>	<u>\$ 141,996</u>	<u>\$ 149,096</u>	

Income Maintenance

OBJECTIVE: To insure that all handicapped, dependent or incipiently dependent individuals are enabled to live at minimum standards of health and decency by providing cash grants.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 846,088	\$ 793,649	\$ 787,921	\$ 789,689	\$ 779,129	\$ 777,633	\$ 776,065
Federal Funds	725,424	722,026	678,447	675,268	679,050	682,045	685,013
Other Funds	36,671	47,988	54,307	59,971	65,095	70,720	76,946
TOTAL	\$1,608,183	\$1,563,663	\$1,520,675	\$1,524,928	\$1,523,274	\$1,530,398	\$1,538,024

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Average monthly number of persons receiving cash grants	768,724	701,700	709,900	714,700	709,800	705,600	701,300
Aged, blind and disabled persons receiving supplemental grants	154,925	156,600	155,500	154,400	153,300	152,200	674,600
Amount of reimbursement collections (in thousands)	\$64,020	\$75,000	\$82,500	\$90,800	\$99,800	\$109,800	\$120,800
Cash value of food stamps issued each month (in thousands)	\$44,438	\$47,500	\$49,500	\$49,500	\$49,500	\$49,500	\$49,500
Persons eligible who have been referred to Work Registration Program	151,000	168,000	173,100	172,600	171,600	170,600	169,600
Persons eligible for public assistance cash grants on the basis of income level (in thousands)	1,400	1,400	1,400	1,400	1,400	1,400	1,400

Program Analysis:

The Income Maintenance personload is composed of the following categories of assistance: Aid to Families with Dependent Children (AFDC); General Assistance (GA); State Blind Pension (SBP); food stamp program; and Supplemental Security Income (SSI). GA, SBP and the SSI supplement are completely State funded. AFDC receives approximately 56 percent in Federal funds and 44 percent in State funds. Eligibility for assistance is determined through the 67 county assistance offices. Currently, AFDC represents approximately 65 percent of the total personload; GA represents 16 percent; SSI 18 percent; and SBP less than one percent. Food stamps are used by recipients of all categories of assistance and by nonpublic assistance persons as well. In 1982-83, there were almost 1.1 million participants in the food stamp program.

The major Federal regulation changes affecting the AFDC program last year limited eligibility to families whose gross monthly income is within 150 percent of the need standard;

limited work expense and work incentive deductions for persons with earned income; removed the work requirement exemption for a college student; prohibited cash payments for the unborn child; limited eligibility to dependent children under the age of 19; counted stepparents' income in determining eligibility; counted lump-sum payments as income in the month received and also in future months; required recipients to submit a monthly reporting form as a condition of eligibility; required that factors of eligibility be determined prospectively and the amount of the assistance payment be budgeted retrospectively.

The Commonwealth made major changes by Act 75 of 1982 which included: limitation of assistance for GA transitionally needy recipients; various administrative tightening measures; a grant increase; and conformity with Federal statutory and regulatory requirements.

The 1984-85 budget includes funding for a five percent cash grant increase. For more information regarding this

Income Maintenance (continued)

Program Analysis: (continued)

increase refer to the Program Revision following this subcategory.

Direct delivery of public assistance checks continues in twenty-one counties. Food stamp direct delivery has been expanded to nine counties (Philadelphia, Allegheny, Delaware, Erie, Bucks, Dauphin, Montgomery, York, and Chester). Plans are underway to establish a direct delivery system for cash and food stamp benefits in Lycoming and Luzerne counties. As of November, 1983, approximately 191,483 cash assistance cases and 150,661 food stamp cases received benefits through the direct delivery system.

Food stamp recipients on direct delivery in Philadelphia and Allegheny Counties are provided with photo identification cards which are used as a means of positive identification to receive benefit authorizations. A minimal expansion of the photo I.D. cards is expected during the 1984-85 fiscal year.

The Welfare Reform legislation mandated a work registration program which involves the Office of Employment Security and the department's Pennsylvania Employment Program.

The Pennsylvania Employment Program was initially a demonstration program authorized by the 1976 amendments to the Public Welfare Code. As a demonstration, 31 counties participated in the program. Act 1982-75 required that the program be expanded statewide. Staff was assigned to each county assistance office to implement the expansion. The 1984-85 budget provides \$629,000 in State funds to further increase the job search and placement activities. With this staff and a private employment agency voucher program, efforts are made to find full-time, permanent employment for employable recipients of and applicants for GA and AFDC, thereby reducing their need for public assistance. During 1982-83, there were 3,557 direct placements through the program. Additionally, there were 25,261 persons enrolled in the work registration program who obtained jobs through self-placement or through the Office of Employment Security in 1982-83. There were 10,056 persons removed from the rolls as a result of sanctions for not complying with program requirements, and 90,344 recipients enrolled in the Community Work Experience Program. The Community Work Experience Program provides work experience for recipients who have not located full-time employment through the Office of Employment Security or the Pennsylvania Employment Program. The program became operational in February 1983. By the end of 1982-83, 6,232 persons were actually receiving work experience under this program.

Another aspect of the work registration effort is carried out through the Employment Incentive Program, under which Federal and State tax credits are granted to employers

who employ a cash assistance recipient for at least one year. This program operated for ten months in 1982-83, during which time 1,909 recipients were employed.

Development continues with the Client Information System (CIS), which is a computer-based data file. CIS will provide those activities performed by the department which are necessary to process applications for assistance and to maintain recipient records for the administration of the department's assistance programs. A referral management system used to process overpayments and recoup benefits from cash assistance clients was completed in June of 1983. Starting in July 1983, Phase I of the automated work registration program implemented the collection and sharing of clients' employment information between the County Assistance Offices CAOs and the Office of Employment Security (OES) offices. The common application form (ES 511W) for all programs began as a pilot program during October of 1983. Phase II of the automated work registration program, an extensive exchange of client information between the CAOs and OES offices was started in December 1983 on a pilot basis with statewide application by the fall of 1984. A new monthly food stamp reporting system is being added to the cash system with a planned statewide application by March 1984. The food stamp program is planned for integration into the CIS data base by the spring of 1984. The cash and medical assistance data base integration will be completed in the fall of 1984.

In 1983 the department implemented a contract for Job Search Activities of Food Stamp Registrants in a single district office of both Philadelphia and Allegheny counties. With approval from the Federal Food and Nutrition Services to expand the program and include all of Allegheny County, the department will be able to serve over 19,000 registrants in the nine months of the demonstration project.

The Bureau of Claim Settlement is the department's primary unit for establishing and collecting claims arising from the administration of the various welfare programs. Claims arise when: an individual through fraud or error, receives more benefits than the entitlement; when a recipient owns real property; when a recipient receives assistance while waiting for a delayed source of income; when an insurer or other person was in fact liable to make payments or provide medical services to a recipient and did not; and when an absent parent or spouse makes court-ordered payments on behalf of a recipient. Collections are made from current and former recipients of assistance, from providers of services to recipients, and from insurers and other liable third parties. During 1982-83, a total of \$64 million was actually collected. The collections are projected to reach \$75 million in 1983-84, and \$82.5 million in 1984-85. The Federal share of these collections is returned to the Federal government,

Income Maintenance (continued)

Program Analysis: (continued)

while the State's share is used in support of the State fund requirement for Cash Grants and Medical Assistance. The 1984-85 budget includes \$274,000 in State funds to facilitate recovery of fraudulent or erroneous welfare benefit payments.

The Bureau of Quality Control and the Bureau of Special Investigations are charged with conducting reviews of cases to assure compliance with regulations and eliminate fraud. The 1984-85 budget provides \$1,189,000 in State funds to establish a pre-application investigation unit. The unit will be charged with investigation of cases identified by county assistance office intake workers which are likely to involve fraud in the public assistance eligibility determination process.

The department is mandated by the Federal government to increase accuracy rates in the AFDC, Medical Assistance, and food Stamp programs. Fiscal sanctions will be taken if certain accuracy rates are not reached by specified time periods. The department is continuing its efforts to reach those goals. In addition, the quality control system was expanded by Act 75 of 1982 to include the GA program.

Efforts to reduce or eliminate fraud remain a top priority of the department. Practical steps are constantly taken to minimize losses due to poor controls, fraudulent actions, and loose management practices. The Bureau of Special Investigations promotes detection and prevention of fraud, as well as improvement in management controls and strengthening of regulations to prevent abuse. The bureau also investigates all allegations of internal employee fraud, and initiates prosecution when proof of fraudulent activity develops.

Another program of assistance is the supplemental grants which complement Supplemental Security Income (SSI), a Federal program for aged, blind and disabled low income persons. The Federal Government administers the program and provides a basic monthly rate of \$304.30 for an individual and \$456.40 for a couple. To these Federal levels, the Commonwealth adds \$32.40 and \$48.70 respectively.

A special monthly State supplement of \$147.30 is paid to Supplemental Security Income eligible persons in domiciliary care facilities and personal care boarding homes. Act 105 of 1980 requires the licensing of personal care boarding homes which are integrated with and on the same grounds as a skilled nursing or intermediate care facility.

The domiciliary care program became operational with the placement of its first clients on May, 1976. This program provide those SSI recipients aged 18 and over with functional limitations with the opportunity to live in the community in a home approved by a State certified placement agency as a domiciliary home. The primary program goals are to provide an appropriate level of care to meet essential needs without inducing avoidable dependency, and

to provide an alternative to institutional care for those whose needs can be met more appropriately in the community. In November, 1982, this special supplement was also provided to SSI recipients residing in personal care boarding homes licensed under Act 105 of 1980.

In order to help the disabled and the elderly poor obtain Federal SSI benefits and to prevent unnecessary use of the State's General Assistance Program, the Department of Public Welfare will implement a statewide SSI Advocacy Program. Staff in all County Assistance Offices (CAO) will actively assist public assistance recipients to complete the complex Federal SSI application process and, where appropriate, to participate in appeals of denials of these Federal benefits. When recipients are not eligible for Federal SSI benefits, staff will aid disabled individuals to document their medical and health problems and their Chronically Needy status for General Assistance. Trained staff will work closely with physicians, county mental health and mental retardation programs, and other health and social services agencies to assist clients to obtain necessary documentation of disability.

Other states which have instituted similar programs have found that over 70 percent of the SSI applicants who are initially denied eligibility for Federal benefits subsequently are determined eligible when the case goes to a hearing and the client has a caseworker trained to advocate on the client's behalf. This program will serve to enhance cash and other benefits available to disabled and elderly citizens in the Commonwealth and better control costs in the State-funded General Assistance program.

The Recommended Budget also provides \$9.3 million in State funds for the Public Assistance Transportation Block Grant implemented October 1, 1983. Under this program, State and Federal funding is made available to county governments and private contractors to provide necessary medical transportation to public assistance clients.

Under the Omnibus Budget Reconciliation Act of 1981, Federal block grants are provided to states for services to assist eligible households meet the costs of home energy and for low cost residential weatherization or other energy related home repair for low income households. Under this program, the department provides direct payments to the households, vendor payments to utility companies and fuel vendors on behalf of eligible families, and crisis assistance. The program, which is administered by staff located in the county assistance offices, provides benefits no matter what type of energy is used to heat a home and regardless of whether the family owns or rents. Outreach activities are conducted to ensure that eligible households are aware of available energy assistance. During 1982-83, energy assistance benefits were approved for 391,540 households. It is expected that benefits will be provided for 400,000

Income Maintenance (continued)

Program Analysis: (continued)

households in both 1983-84 and 1984-85.

This subcategory also provides staff to operate 104 local county assistance offices, which manage the cash assistance, energy assistance, food stamp, medical assistance eligibility and work registration programs, and staff whose role is to assure that assistance programs are managed effectively and with integrity. The recommended budget provides \$1,304,000 in State funds for operational improvements including 300 terminals in the County Assistance offices, whose functions are to collect money to offset welfare ex-

penditures, prosecute cases to deter welfare fraud, and review cash assistance and food stamp cases to detect and correct error. The 1984-85 budget also includes \$1.2 million in Social Services Block Grant funds for a pilot project providing comprehensive physical examinations to assist in the determination of employability of General Assistance recipients. Each participant receiving the health screening services will benefit from the possible early detection of disease and early referral for treatment.

Program Costs by Appropriation:

	1982-83	1983-84	(Dollar Amounts in Thousands)				
			1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 1,796	\$ 1,735	\$ 1,708	\$ 1,772	\$ 1,844	\$ 1,915	\$ 1,988
Cash Assistance	645,968	583,412	559,222	549,113	528,705	518,791	508,371
Public Assistance Transportation							
Block Grant		7,000	9,300	9,486	9,676	9,869	10,067
County Assistance Offices	115,568	111,791	120,749	126,786	133,125	139,781	146,770
County Administration—Statewide	13,924	17,506	18,850	19,792	20,781	21,820	22,911
Supplemental Grants—Aged, Blind and							
Disabled	56,950	59,882	63,408	66,578	68,028	67,638	67,248
Program Accountability	6,503	6,633	8,137	8,627	9,058	9,511	9,987
Pennsylvania Employment Program	5,379	5,690	6,547	7,535	7,912	8,308	8,723
GENERAL FUND TOTAL	\$ 846,088	\$ 793,649	\$ 787,921	\$ 789,689	\$ 779,129	\$ 777,633	\$ 776,065

Income Maintenance Program Revision: Cash Grant Increase

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 33,148	\$ 36,270	\$ 36,001	\$ 36,024	\$ 36,049
Federal Funds	20,979	21,679	21,790	21,875	21,953
TOTAL	\$ 54,127	\$ 57,949	\$ 57,791	\$ 57,899	\$ 58,002

Program Analysis:

This Program Revision provides for an average five percent grant increase for public assistance recipients, both AFDC and General Assistance. This represents the third increase granted by this Administration. Previous increases were implemented in January 1980 and July 1982.

In addition, this Program Revision requests funds to implement a new Comprehensive Poverty Standard (CPS) to determine benefit levels for those dependent on public assistance.

The Commonwealth currently uses the Woodbury Standard to define a minimally acceptable standard of health and decency for public assistance recipients. The Bureau of Labor Statistics (BLS) lower budget for a family of four is based on a pricing of all items of consumption in 1969. It has been updated annually since then by applying the Consumer Price Index for each budget item. Also, other family size budgets may be determined by use of an equivalence scale developed by BLS on the basis of its Survey of Consumer Expenditures, 1960-61. Since the objective of the department is to provide 'a minimum standard of health and decency,' it appears that the new CPS would be the ap-

propriate benchmark by which to determine adequacy.

The BLS lower budget standard was refined by excluding: transportation costs since this is provided as a special need in the cash assistance grant; medical care because this is provided under the Medical Assistance program; and income taxes and Social Security payments because these are not incurred by the recipient. In computing benefits against this standard, both the cash grant and food stamp benefits are considered.

It is the intent of this Program Revision to implement this standard on July 1, 1984 or as soon thereafter as possible depending on the passage of the budget including adequate funding. Grants will be adjusted so that the benefit levels among all family sizes are equal as a percentage of the standard. This will result in an increase for all family sizes. Assuming a July 1, 1984 effective date, the total estimated cost of implementing the Comprehensive Poverty Standard in 1984-85 is \$33,148,000 in State funds. This includes \$28,865,000 in the Cash Assistance appropriation and \$4,283,000 in additional Medical Assistance costs.

**Income Maintenance
Program Revision: Cash Grant Increase (continued)**

Program Revision Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Cash Assistance	<u> </u>	<u> </u>	<u>\$ 28,865</u>	<u>\$ 30,708</u>	<u>\$ 30,176</u>	<u>\$ 29,919</u>	<u>\$ 29,650</u>

In addition to the amount shown above this Program Revision is also included in the following subcategories.

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Treatment — Outpatient Services							
GENERAL FUND							
Medical Assistance — Outpatient	<u> </u>	<u> </u>	<u>\$ 2,493</u>	<u>\$ 3,629</u>	<u>\$ 3,737</u>	<u>\$ 3,850</u>	<u>\$ 3,964</u>

Treatment — Inpatient Services

GENERAL FUND							
Medical Assistance — Inpatient	<u> </u>	<u> </u>	<u>\$ 1,790</u>	<u>\$ 1,933</u>	<u>\$ 2,088</u>	<u>\$ 2,255</u>	<u>\$ 2,435</u>

Department of Revenue

The Department of Revenue collects all tax levies as well as various fees, fines and other monies due the Commonwealth. The Department also supervises the administration and collection of monies for various special funds.

The Department prepares the official estimates of the tax yield due the Commonwealth while also analyzing the effect on revenues of proposed changes in either the laws or the tax structure of the Commonwealth.

DEPARTMENT OF REVENUE
Summary by Fund and Appropriation

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 62,173	\$ 64,000	\$ 66,260
Commissions — Inheritance and Realty Transfer Tax Collections	1,347	1,700	1,700
Subtotal	<u>\$ 63,520</u>	<u>\$ 65,700</u>	<u>\$ 67,960</u>
Grants and Subsidies			
Distribution of Public Utility Realty Tax	\$ 62,369	\$ 70,027	\$ 78,619
TOTAL STATE FUNDS	<u>\$ 125,889</u>	<u>\$ 135,727</u>	<u>\$ 146,579</u>
Other Funds	5,168	7,975	7,961
GENERAL FUND TOTAL	<u>\$ 131,057</u>	<u>\$ 143,702</u>	<u>\$ 154,540</u>
Motor License Fund			
General Government			
Collection—Liquid Fuels Tax	\$ 4,062	\$ 4,178	\$ 4,645
Refunding Liquid Fuels Tax	6,000	6,850	6,865
MOTOR LICENSE FUND	<u>\$ 10,062</u>	<u>\$ 11,028</u>	<u>\$ 11,510</u>
State Racing Fund			
General Government			
Collections—State Racing	\$ 308	\$ 377	\$ 213
STATE RACING FUND TOTAL	<u>\$ 308</u>	<u>\$ 377</u>	<u>\$ 213</u>

DEPARTMENT OF REVENUE

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

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
State Lottery Fund			
General Government			
General Government Operations	\$ 34,890	\$ 36,731	\$ 38,550
Personal Income Tax for Lottery Prizes		14,900	15,600
Payment of Prize Money	103,000	255,200	264,800
Payment of Commissions	400	400	400
Refunding State Lottery Monies	10	10	10
Subtotal	<u>\$ 138,300</u>	<u>\$ 307,241</u>	<u>\$ 319,360</u>
Grants and Subsidies			
Property Tax and Rent Assistance for the Elderly	\$ 101,637	\$ 101,200	\$ 113,300
Senior Citizens Inflation Dividend	39,867	38,300	40,200
Subtotal	<u>\$ 141,504</u>	<u>\$ 139,500</u>	<u>\$ 153,500</u>
TOTAL STATE FUNDS	<u>\$ 279,804</u>	<u>\$ 446,741</u>	<u>\$ 472,860</u>
Other Funds	\$ 589	\$ 985	\$ 1,369
STATE LOTTERY FUND TOTAL	<u>\$ 280,393</u>	<u>\$ 447,726</u>	<u>\$ 474,229</u>
Department Total — All Funds			
General Fund	\$ 125,889	\$ 135,727	\$ 146,579
Special Funds	290,174	458,146	484,583
Other Funds	5,757	8,960	9,330
TOTAL ALL FUNDS	<u>\$ 421,820</u>	<u>\$ 602,833</u>	<u>\$ 640,492</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Government Operations			
State Funds	\$ 63,520	\$ 65,700	\$ 67,960
Other Funds	5,168	7,975	7,961
TOTAL	\$ 68,688	\$ 73,675	\$ 75,921

Directs enforcement of all tax statutes of the Commonwealth. Major activities include determining and implementing policies and procedures for tax collection and tax settlements, preparing the official Commonwealth revenue estimates, conducting field audits, preparing and mailing out tax forms and instructions, and the processing of returns.

Major taxes administered and enforced include sales tax, personal income tax, corporation taxes and cigarette and beverage taxes.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Apropiation:			
General Government Operations	\$ 62,173	\$ 64,000	\$ 66,260
Executive Authorization:			
Commissions — Inheritance and Realty Transfer Tax Collections	1,347	1,700	1,700
Other Funds:			
Audit of State Authorities	5	4	4
Cigarette Fines and Penalties	25	26	26
Reimbursement For Graphic Arts Services	2	2	2
Reimbursement For Cost of Services Provided to Special Funds	300	250	550
Reimbursement For Cost of Escheat Sales .....	.....	1,062	562
Reimbursement For EDP and Staff Support	4,781	6,576	6,762
Reimbursement For Providing Tax Information	55	55	55
TOTAL	\$ 68,688	\$ 73,675	\$ 75,921

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
Distribution of Public Utility Realty Tax	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 62,369	\$ 70,027	\$ 78,619

Provides for the distribution of the money that local taxing authorities could have received had they been able to tax the realty of public utilities.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Distribution of Public Utility Realty Tax	\$ 62,369	\$ 70,000	\$ 78,619
Distribution of Public Utility Realty Tax — Recommended Supplemental .....	.....	27	.....
TOTAL	<u>\$ 62,369</u>	<u>\$ 70,027</u>	<u>\$ 78,619</u>

GENERAL GOVERNMENT

	1982-83	(Dollar Amounts in Thousands) 1983-84	1984-85
	Actual	Available	Budget
Collection—Liquid Fuels Tax			
State Funds	\$ 10,062	\$ 11,028	\$ 11,510

Administers and enforces the Liquid Fuels Tax Act, Fuel Use Tax Act and Motor Carriers Act and Bus Compact. Activities include issuing permits and performing annual audits. Act 78 of 1982 gave the Department responsibility for making certain refunds including the Liquid Fuels Tax.

	1982-83	(Dollar Amounts in Thousands) 1983-84	1984-85
	Actual	Available	Budget
Source of Funds			
Appropriation:			
Collection — Liquid Fuels Tax	\$ 4,062	\$ 4,178	\$ 4,645
Executive Authorization:			
Refunding Liquid Fuels Tax	6,000 ^a	6,850	6,865
TOTAL	<u>\$ 10,062</u>	<u>\$ 11,028</u>	<u>\$ 11,510</u>

^aAct 78 of 1982 transferred the responsibility for making refunds of some Liquid Fuels Tax from the Board of Finance and Revenue in the Treasury to the Department of Revenue. Of the initial 1982-83 appropriation for this purpose in Treasury, \$6 million was lapsed from the Treasury appropriation and executive-ly authorized to the Department of Revenue.

**STATE RACING FUND
GENERAL GOVERNMENT**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Collections — State Racing			
State Funds	\$ 308	\$ 377	\$ 213

Provides for the financial administration of pari-mutuel betting at racing tracks. Activities include providing forms and maintaining systems of accounting, examining books and records of the corporations conducting harness racing, and collecting taxes from the corporations.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Executive Authorization:			
Collections — State Racing	<u>\$ 308^a</u>	<u>\$ 377^a</u>	<u>\$ 213</u>

**STATE LOTTERY FUND
GENERAL GOVERNMENT**

General Operations	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 34,890	\$ 36,731	\$ 38,550
Other Funds	589	985	1,369
TOTAL	<u>\$ 35,479</u>	<u>\$ 37,716</u>	<u>\$ 39,919</u>

Provides for the operation of the State Lottery Bureau and provides for the administration of the Commonwealth's program of property tax and rent rebate for the elderly and the senior citizen's inflation dividend.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Executive Authorization:			
General Operations	\$ 34,890	\$ 36,731	\$ 38,550
Other Funds:			
License Fees	82	83	83
Reimbursement for Telephone Lines	494	902	1,286
Sale of Vehicles	13		
TOTAL	<u>\$ 35,479</u>	<u>\$ 37,716</u>	<u>\$ 39,919</u>

^aAct 93 of 1983 abolished the State Harness Racing Fund and the State Horse Racing Fund and replaced them with the State Racing Fund. These funds were actually authorized as follows: For 1982-83, \$149,000 for Administration of Collections—Harness Racing and \$159,000 for Administration of Collections—Horse Racing, for 1983-84, \$185,000 for Administration of Collections—Harness Racing and \$192,000 for Administration of Collections—Horse Racing.

OTHER SPECIAL FUNDS

REVENUE

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Personal Income Tax For Lottery Prizes			
State Funds	\$	14,900	\$ 15,600

Act 29 of 1983 exempted Pennsylvania Lottery winnings from the Pennsylvania Income Tax for the prize winner but required a transfer from the Lottery Fund to the General Fund of the tax liability. This appropriation provides for that transfer.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Executive Authorization:			
Personal Income Tax For Lottery Prizes	<u> </u>	<u>\$ 14,900</u>	<u>\$ 15,600</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Payment of Prize Money			
State Funds	\$ 103,000	\$ 255,200	\$ 264,800

Provides funds to pay the winners of Commonwealth Lotteries.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Executive Authorization:			
Payment of Prize Money	<u>\$ 103,000</u>	<u>\$ 255,200</u>	<u>\$ 264,800</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Payment of Commissions			
State Funds	\$ 400	\$ 400	\$ 400

Provides for commissions on sales of lottery tickets.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Executive Authorization:			
Payment of Commissions	<u>\$ 400</u>	<u>\$ 400</u>	<u>\$ 400</u>

OTHER SPECIAL FUNDS

REVENUE

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Refunding State Lottery Monies			
State Funds	\$ 10	\$ 10	\$ 10

Provides for refunds of lottery monies.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Executive Authorization:			
Refunding State Lottery Monies	<u>\$ 10^a</u>	<u>\$ 10</u>	<u>\$ 10</u>

GRANTS AND SUBSIDIES

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Assistance for the Elderly For Property Tax Rent and Inflation			
State Funds	\$ 141,504	\$ 139,500	\$ 153,500

Allows for a partial rebate of both the property taxes and rent that is paid by the elderly. In December 1979, the passage of Act No. 131 established an inflation dividend program to provide additional grants to persons receiving property tax or rent rebates.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Executive Authorizations:			
Property Tax and Rent Assistance for the Elderly	\$ 101,637	\$ 101,200	\$ 113,300
Senior Citizens Inflation Dividend	39,867	38,300	40,200
TOTAL	<u>\$ 141,504</u>	<u>\$ 139,500</u>	<u>\$ 153,500</u>

^aAct 78 of 1982 transferred the responsibility for making refunds from the Board of Finance and Revenue in the Treasury Department to the Department of Revenue. The 1982-83 executive authorization in Treasury was rescinded and \$10,000 executive authorization for the Department of Revenue.

DEPARTMENT OF REVENUE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 4,678	\$ 5,745	\$ 6,039	\$ 6,303	\$ 6,656	\$ 7,023	\$ 7,408
Fiscal Management	\$ 264,724	\$ 442,867	\$ 465,352	\$ 483,713	\$ 504,490	\$ 527,038	\$ 551,534
Revenue Collection and Administration . .	202,355	372,840	386,733	395,660	405,870	416,583	427,824
Public Utility Realty Payments	62,369	70,027	78,619	88,053	98,620	110,455	123,710
Homeowners and Renters Assistance	\$ 146,661	\$ 145,261	\$ 159,771	\$ 152,426	\$ 145,486	\$ 138,358	\$ 131,240
Homeowners and Renters Assistance	146,661	145,261	159,771	152,426	145,486	138,358	131,240
DEPARTMENT TOTAL	<u>\$ 416,063</u>	<u>\$ 593,873</u>	<u>\$ 631,162</u>	<u>\$ 642,442</u>	<u>\$ 656,632</u>	<u>\$ 672,419</u>	<u>\$ 690,182</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 4,678	\$ 5,745	\$ 6,039	\$ 6,303	\$ 6,656	\$ 7,023	\$ 7,408
Other Funds	3,017	3,936	3,590	3,625	3,660	3,695	3,730
TOTAL	\$ 7,695	\$ 9,681	\$ 9,629	\$ 9,928	\$ 10,316	\$ 10,718	\$ 11,138

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary

concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

The increase in program costs between the first two years represents the expansion of the escheats and abandoned property programs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 4,678	\$ 5,745	\$ 6,039	\$ 6,303	\$ 6,656	\$ 7,023	\$ 7,408

Revenue Collection and Administration

OBJECTIVE: To assure the availability of resources for the Commonwealth's programs through the equitable and efficient administration of Pennsylvania's revenue system.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 58,842	\$ 59,955	\$ 61,921	\$ 63,847	\$ 65,883	\$ 68,246	\$ 70,990
Special Funds	143,513	312,885	324,812	331,813	339,987	348,337	356,834
Other Funds	2,740	5,024	5,740	5,790	5,840	5,890	5,942
TOTAL	\$ 205,095	\$ 377,864	\$ 392,473	\$ 401,450	\$ 411,710	\$ 422,473	\$ 433,766

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Total General Fund state receipts collected by the Department of Revenue (millions)	\$6,824.5	\$7,632.9	\$7,924.9	\$8,490.4	\$9,079.8	\$9,695.1	\$10,343.8
Total Motor License Fund receipts collected by the Department of Revenue (in millions)	\$741.9	\$861.5	\$872.4	\$884.3	\$896.3	\$902.0	\$908.4
Total lottery ticket sales (millions)	\$885.2	\$1,268.8	\$1,319.6	\$1,349.3	\$1,379.7	\$1,410.7	\$1,442.4
Revenue collection costs per \$100 of General Fund receipts	\$.91	\$.83	\$.83	\$.81	\$.77	\$.76	\$.74
Revenue collection costs per \$100 of Motor License Fund receipts	\$.54	\$.48	\$.53	\$.54	\$.55	\$.57	\$.59
Lottery Bureau operating costs as a percent of ticket sales	3.4%	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%
Collections from delinquent accounts (in millions)	\$162.5	\$177.2	\$192.3	\$208.6	\$226.3	\$245.6	\$266.5
Percent of money deposited on the day received	81%	82%	85%	85%	85%	85%	85%
Amounts due as a result of audit assessments (Millions)	\$62.4	\$63.9	\$65.4	\$71.9	\$79.1	\$87.0	\$95.7
Tax returns processed (Thousands)	6,758	6,758	6,758	6,758	6,758	6,758	6,758
Personal Income	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Sales and Use	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Corporation	158	158	158	158	158	158	158
Average processing time (in work days)							
Personal Income	8.6	5.1	5.1	5.1	5.1	5.1	5.1
Sales and Use	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Average settlement time for corporation tax documents (in work days)	218	165	165	165	165	165	165
Average processing time for personal income tax refund (in working days)	30	30	30	30	30	30	30

Revenue Collection and Administration (continued)

Program Analysis:

This program provides for the thorough and equitable administration of all the Commonwealth's revenue statutes and for the assessment and collection of various taxes. Among the taxes collected are all corporation taxes, inheritance taxes, the Realty Transfer Tax, Cigarette and Beverage Taxes, the Sales Use and Hotel Occupancy Tax, the Personal Income Tax, taxes imposed under the Liquid Fuels Tax Act, Fuels Use Tax Act, Motor Carriers Road Tax and Bus Compact Fuels Tax, and taxes received from corporations conducting horse and harness racing.

A major program component is assurance that all taxes are economically collected. The department intends to maintain tax administration costs between \$.50 and \$.90 for each \$100 collected in every tax category. To help accomplish this, the department instituted a lock box program in which employers directly mail Personal Income Tax withheld on behalf of employees to a regional bank. This immediate processing and depositing increases interest earnings.

Customer service is another crucial element of tax administration. The department has embarked on a program to upgrade taxpayer services. This effort includes prompt processing of Personal Income Tax remittances by reducing the check deposit time from as many as 30 days to a maximum 15 days during this fiscal year and streamlining and simplification of tax forms and instructions.

Insuring that everyone pays a fair share of taxes is a third essential program element. The department has made signifi-

cant improvements in identification and collection of delinquent accounts, aided by new computer systems providing up-to-date account status reports to field offices.

Tax record confidentiality is extremely important, and the department has launched an extensive record security program. Electronic security devices will be placed in all office entrances with access to confidential data and only persons with appropriate clearance can enter these areas. This system will be in place by the end of the fiscal year. Computer security also has been improved. Users must change their passwords monthly. Software which monitors user transactions has been installed. And, the Bureau of Computer Services now has a closed shop organizational design, physically and functionally separating operations and programming.

The program administers the Pennsylvania Lottery in addition to tax collections. Not only has the program been successful in efforts to raise funds to benefit senior citizens, it has become one of the world's largest and most efficient lotteries. Quality marketing of new games, maintenance of high standards of integrity and effective use of private retailers are responsible for these achievements.

This program provides funds for two administration supported initiatives: \$180,000 to upgrade remittance processing equipment to speed deposit of Commonwealth revenues and maximize interest earnings, and \$500,000 to implement an automated collection system to expedite delinquent account collections.

Revenue Collection and Administration (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 57,495	\$ 58,255	\$ 60,221	\$ 62,147	\$ 64,183	\$ 66,546	\$ 69,290
Commissions — Inheritance and Realty Transfer Tax	1,347	1,700	1,700	1,700	1,700	1,700	1,700
GENERAL FUND TOTAL	\$ 58,842	\$ 59,955	\$ 61,921	\$ 63,847	\$ 65,883	\$ 68,246	\$ 70,990
MOTOR LICENSE FUND							
Collections—Liquid Fuels Tax	\$ 4,062	\$ 4,178	\$ 4,645	\$ 4,818	\$ 4,999	\$ 5,187	\$ 5,382
Refunding Liquid Fuels Taxes	6,000	6,850	6,865	7,006	7,158	7,323	7,469
TOTAL MOTOR LICENSE FUND TOTAL	\$ 10,062	\$ 11,028	\$ 11,510	\$ 11,824	\$ 12,157	\$ 12,510	\$ 12,851
STATE RACING FUND							
Collections — State Racing	\$ 308	\$ 377	\$ 213	\$ 220	\$ 228	\$ 236	\$ 245
STATE LOTTERY FUND							
General Operations	\$ 29,733	\$ 30,970	\$ 32,279	\$ 33,609	\$ 34,992	\$ 36,431	\$ 37,928
Personal Income Tax for Lottery Prizes		14,900	15,600	15,950	16,300	16,650	17,000
Payment of Prize Money	103,000	255,200	264,800	269,800	275,900	282,100	288,400
Payment of Commissions	400	400	400	400	400	400	400
Refunding State Lottery Monies	10	10	10	10	10	10	10
STATE LOTTERY FUND TOTAL ...	\$ 133,143	\$ 301,480	\$ 313,089	\$ 319,769	\$ 327,602	\$ 335,591	\$ 343,738

Public Utility Realty Payments

OBJECTIVE: To provide equitable distribution to all local taxing authorities of the tax on realty of public utilities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 62,369	\$ 70,027	\$ 78,619	\$ 88,053	\$ 98,620	\$ 110,455	\$ 123,710

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Taxing authorities receiving funds.....	3,071	3,097	3,137	3,137	3,137	3,137	3,137

Program Analysis:

Pursuant to an amendment to the State Constitution adopted in 1968, this program provides for the distribution to each reporting local taxing authority of its share of the funds that the local taxing authority would have received from public utilities had they been allowed to tax the realty of the utilities in their respective jurisdictions.

The distribution is based on the ratio between the total tax receipts of a local taxing authority and the total tax receipts of all reporting tax authorities. This ratio is then applied to the total amount of taxes that reporting authorities could have collected had they been able to tax the realty of public utilities.

During recent years this program has received significant

increases in funding for two primary reasons. First, some utilities have undertaken major renovations, thereby increasing the assessed value of their property and, secondly, there have been increases in the tax rates of various taxing authorities.

The measures for the first two years reflect the exact number of taxing authorities receiving funds, while the remaining years indicate the total number of authorities eligible to receive funds. Generally there is less than 100 percent participation as some authorities who are eligible for only nominal amounts do not file a request for their share.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Distribution of Public Utility Realty Tax	\$ 62,369	\$ 70,027	\$ 78,619	\$ 88,053	\$ 98,620	\$ 110,455	\$ 123,710

Homeowners and Renters Assistance

OBJECTIVE: To increase the economic stability of citizens of the Commonwealth by providing to eligible citizens assistance in maintaining their place of residence.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 146,661	\$ 145,261	\$ 159,771	\$ 152,426	\$ 145,486	\$ 138,358	\$ 131,240

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Applications for property tax or rent assistance	473,542	460,000	513,000	487,400	461,800	436,300	410,700
People provided property tax or rent assistance	460,566	450,000	501,800	476,800	451,800	426,800	401,800
Percent provided property tax or rent assistance	97.3%	97.8%	97.8%	97.8%	97.8%	97.8%	97.8%
Percent of checks mailed on July 1	83.4%	85%	85%	85%	85%	85%	85%

Program Analysis:

This program aids citizens of the Commonwealth by providing property tax and rent assistance to those who meet certain requirements.

Property tax and rent assistance rebates are available to the elderly, widows and widowers and permanently disabled citizens and are intended to allow these people to lead fuller lives by restoring part of their limited income. Maintaining them in their home, or in rented homes through rent assistance, adds to their personal dignity and emotional security as well as being of financial benefit.

The Property Tax and Rent Assistance for the Elderly program provides a rebate of property tax or rent based on income while the Senior Citizens Inflation Dividend provides a flat dollar amount per recipient of a rebate.

Act 56 of 1982 changed the Property Tax and Rent Assistance for the Elderly program to increase the maximum rebate from \$400 to \$500 and to expand the maximum eligible income from \$9,000 to \$12,000, with expanded percentage rebates by income category. In light of the inflationary

trends of the last few years, legislation will be introduced to raise the maximum payment allowed for property tax and rent assistance from \$500 to \$700.

Beginning with 1982-83 the Senior Citizens Inflation Dividend program was also amended by Act 56 of 1982 with the payment schedule changed to expand the dividends from a minimum of \$15 and a maximum of \$95 to a minimum of \$30 and a maximum of \$125. The maximum eligible income was also increased to \$12,000 to correspond with changes in the Property Tax and Rent Rebate program.

With the implementation of the Drug and Medical Reimbursement program, which is discussed under the Department of Aging, it is anticipated that there will be an increase in the number of eligible claimants as elderly citizens applying for Drug and Medical reimbursements will also be informed of the Property Tax and Rent Assistance program and provided the necessary application forms. This is reflected in the projected increase in the participation rate.

Homeowners and Renters Assistance (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
STATE LOTTERY FUND							
General Operations	\$ 5,157	\$ 5,761	\$ 6,271	\$ 6,526	\$ 6,786	\$ 7,058	\$ 7,340
Property Tax and Rent Assistance for the Elderly	101,637	101,200	113,300	108,500	103,900	99,100	94,200
Senior Citizens Inflation Dividend	39,867	38,300	40,200	37,400	34,800	32,200	29,700
STATE LOTTERY FUND TOTAL ...	<u>\$ 146,661</u>	<u>\$ 145,261</u>	<u>\$ 159,771</u>	<u>\$ 152,426</u>	<u>\$ 145,486</u>	<u>\$ 138,358</u>	<u>\$ 131,240</u>

Securities Commission

The Securities Commission oversees the State controlled securities industry to ensure compliance with Commonwealth statutes.

SECURITIES COMMISSION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 1,500	\$ 1,691	\$ 1,975 (0)
GENERAL FUND TOTAL	<u>\$ 1,500</u>	<u>\$ 1,691</u>	<u>\$ 1,975</u>

GENERAL GOVERNMENT

General Government Operations	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 1,500	\$ 1,691	\$ 1,975

Protects the investing public through the registration and regulation of salesmen and companies dealing in securities. Issues orders to persons and corporations attempting to sell securities without approval and seeks prosecution of violators of the Pennsylvania Securities Act. Determines the eligibility for exemption from registration of securities proposed to be issued in the Commonwealth.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
General Government Operations	\$ 1,500	\$ 1,551	\$ 1,975
General Government Operations—Recommended Supplemental .	.....	140	.....
TOTAL	<u>\$ 1,500</u>	<u>\$ 1,691</u>	<u>\$ 1,975</u>

SECURITIES COMMISSION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Consumer Protection	\$ 1,500	\$ 1,691	\$ 1,975	\$ 2,074	\$ 2,178	\$ 2,287	\$ 2,401
Regulation of Securities Industry	1,500	1,691	1,975	2,074	2,178	2,287	2,401
DEPARTMENT TOTAL	<u>\$ 1,500</u>	<u>\$ 1,691</u>	<u>\$ 1,975</u>	<u>\$ 2,074</u>	<u>\$ 2,178</u>	<u>\$ 2,287</u>	<u>\$ 2,401</u>

Regulation of Securities Industry

OBJECTIVE: To reduce the incidence of fraud to prevent public investors from being unfairly taken advantage of in securities transactions, while at the same time facilitating legitimate capital formation in the State.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	<u>\$ 1,500</u>	<u>\$ 1,691</u>	<u>\$ 1,975</u>	<u>\$ 2,074</u>	<u>\$ 2,178</u>	<u>\$ 2,287</u>	<u>\$ 2,401</u>

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Dollar amount of securities applications received (in billions)	\$48	\$50	\$55	\$60	\$65	\$70	\$75
Dollar amount of securities cleared for sale (in billions)	\$38	\$40	\$45	\$50	\$55	\$60	\$65
Securities filings received	4,388	5,000	5,500	6,000	6,500	7,000	7,500
Securities filings cleared	3,661	4,000	4,500	5,000	5,500	6,000	6,500
Broker-dealers registered	826	950	1,050	1,125	1,200	1,275	1,350
Agents registered	22,029	24,000	26,000	28,000	30,000	32,000	34,000
Investment Advisers registered	163	170	175	180	185	190	195

Program Analysis:

The primary purpose of the programs of the Pennsylvania Securities Commission is to protect the investing public from fraudulent and unfair practices in the securities industry while encouraging the financing of legitimate business and industry in the Commonwealth. The Commission works toward this objective by requiring the registration of broker-dealers, agents, investment advisers and securities and by establishing regulatory procedures for filings under the law.

In order for securities to be offered for sale in Pennsylvania, the issuer must comply with the registration requirements of the Pennsylvania Securities Act of 1972. Securities offered and sold in Pennsylvania must be registered under this Act unless granted a special exemption. This applies to all securities sold in Pennsylvania, including securities which have been registered under Federal requirements. In all cases of registration, and in some cases of exemption, a filing must be made with the Pennsylvania Securities Commission. Filings are then analyzed and reviewed for full accurate disclosure of all relevant data to determine completeness, correctness and compliance with registration requirements and to determine fairness of the offering.

In addition to the review and analysis of securities filings, the Commission requires certain companies to file post-effective Reporting Forms because such companies are not required to file similar materials with the U.S. Securities and Exchange Commission. These forms disclose, among other things, the amount of securities sold, use of proceeds, financial information, copies of all company communications with stockholders, significant changes in business of the company, changes in management and remuneration, etc. The purpose of these post-effective filings is to determine that monies are used in a manner consistent with the disclosure materials; that the companies are providing investors with accurate reporting of the activities of the companies; and that investors are provided with complete and proper financial information.

In addition to enforcing the Securities Act of 1972, the Commission has the responsibility for administering the provisions of the Takeover Disclosure Law of 1976. This law provides protection for Pennsylvania corporations, shareholders, employees and the public from the use of takeover offers without a complete disclosure of information concerning the offers. The Commission enforces this

Regulation of Securities Industry (continued)

Program Analysis: (continued)

Act by requiring the offeror to submit extensive financial, personnel and other pertinent data. This information is evaluated to ensure that the information given to the offeree is correct and reflects the true intent of the takeover corporation.

The Commission also administers Act 113 of 1933. The purpose of this Act is to ensure the financial responsibility of investment companies that issue face amount certificates and require that such registrants deposit with the State Treasurer \$100,000 in negotiable securities, which deposit is monitored by the Commission.

Through its representation on various committees of the North American Securities Administrators Association, Inc., the Commission has been working with other state, Federal and independent regulatory agencies and the various stock exchanges to develop uniform filing requirements that alleviate the burden on the securities industry by eliminating duplicative examination and registration requirements involved in complying with various state and Federal filing procedures.

The Commission is continuing its policy of maintaining cooperative investigatory programs with Federal, other state and other Commonwealth agencies in pursuing those enforcement activities where securities' violations have occurred. In May of 1982, the Commission became the second Pennsylvania State agency to join the Leviticus Project—a multi-state law enforcement network created to combat coal-related crimes.

The Commission's application for Leviticus membership was prompted by the large number of filings it receives in energy-related offerings being made to Pennsylvanians. During the past fiscal year, the Commission has continued its participation in the Leviticus project.

To facilitate the ability of business to raise capital in Pennsylvania, the Commission has adopted certain regulations to reduce the burdens imposed on issuers. It is also reviewing existing regulations for the purpose of striking an appropriate balance between capital formation and the need for investor protection. In the area of "employee takeovers," the Commission has adopted regulations to exempt from the full registration process the offer and sale of securities of an entity being formed by the employees of a company for the purpose of investing in their current employer's

business in order to prevent a complete or partial closing of a business which would result in the loss of employment. The Commission also has promulgated an interpretive opinion which expands the scope of the exemption from registration contained in Section 202(g) of the 1972 Act for employee benefit plans to include the aforementioned situation. This opinion facilitated the investment interest of employees in acquiring their employer's business. In an effort to aid the raising of capital in private securities transactions, the Commission has adopted another regulation which significantly liberalizes its private placement exemption and has removed certain other restrictions.

Fee legislation was enacted July 1, 1981 revising certain existing fees and instituting ten new fees. The enactment of the fee legislation passed as Act 48 of 1981, and along with an increase in the securities activity has substantially increased fee revenues since fiscal year 1981-82.

In tandem with the increased fees, the Commission has proposed certain amendments to the Pennsylvania Securities Act of 1972 which will reduce by half the current waiting period before certain sales of securities can be made within the Commonwealth and which will also remove certain unnecessary impediments to legitimate capital formation that currently exist.

The cost of implementing these changes will more than be borne by the increased fee revenues. Additionally, the fees will support additional staff to effectively respond to the significant increase in securities activities by facilitating capital formation and economic development and ensuring the integrity of the Securities markets by reducing non-compliance with the Securities Act of 1972. The recommendation for the Securities Commission reflects \$168,000 in additional funds to support these efforts and \$48,000 to expand their computer system to deal with the increased volume of filings.

The economic climate over the past few years has resulted in a significant increase in the number of insurance companies and other financial institutions forming broker-dealer subsidiaries to engage, on a competitive level with established broker-dealer firms, in the offer and sale of securities. This activity has resulted in a significant increase in the number of broker-dealers and agents registered.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 1,500	\$ 1,691	\$ 1,975	\$ 2,074	\$ 2,178	\$ 2,287	\$ 2,401

Department of State

The Department of State compiles, publishes and certifies all election returns; issues all commissions to elected and appointed officials; records and punctuates all laws passed by the General Assembly; administers corporate and selected noncorporate business laws; administers the professional and occupational licensing boards; and regulates solicitation activities, boxing and wrestling matches.

The Department of State is administered by the Secretary of the Commonwealth and includes the State Athletic Commission, the Commission on Charitable Organizations, and 24 professional and occupational licensing boards.

DEPARTMENT OF STATE
Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 3,295	\$ 3,035	\$ 3,140
Publishing Constitutional Amendments	16	60	60
Electoral College Expenses .....	.....	.....	6
Subtotal	<u>\$ 3,311</u>	<u>\$ 3,095</u>	<u>\$ 3,206</u>
Grants and Subsidies			
Voting of Citizens in Military Service	\$ 4	\$ 8	\$ 8
Voter Registration by Mail	349	350	350
County Election Expenses	100	21	.....
Subtotal	<u>\$ 453</u>	<u>\$ 379</u>	<u>\$ 358</u>
TOTAL STATE FUNDS	<u>\$ 3,764</u>	<u>\$ 3,474</u>	<u>\$ 3,564</u>
Other Funds	\$ 7,805	\$ 10,187	\$ 10,530
GENERAL FUND TOTAL	<u>\$ 11,569</u>	<u>\$ 13,661</u>	<u>\$ 14,094</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Government Operations			
State Funds	\$ 3,295	\$ 3,035	\$ 3,140
Other Funds	7,805	10,187	10,530
TOTAL	<u>\$ 11,100</u>	<u>\$ 13,222</u>	<u>\$ 13,670</u>

Provides intra-agency administrative support; maintains current information on corporations and charitable organizations; monitors the election process; and issues commissions to State and local officials. Protects the public from unqualified practitioners in the various professional and skilled service areas licensed by the Department.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
General Government Operations	\$ 3,295	\$ 3,035	\$ 3,140
Other Funds:			
Fees — Registration of Charitable Organizations	205	166	250
Auctioneers Licenses	76	103	99
Medical, Osteopathic and Podiatry Fees	1,142	1,302	1,496
Boxing and Wrestling Fees	191	150	190
Professional Licensure Augmentation Account	6,191	8,466	8,495
TOTAL	<u>\$ 11,100</u>	<u>\$ 13,222</u>	<u>\$ 13,670</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Publishing Constitutional Amendments			
State Funds	\$ 16	\$ 60	\$ 60

Meets the cost of publishing all proposed constitutional amendments three months prior to the November election and the primary election in at least two newspapers of general circulation in all counties where newspapers are published.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Executive Authorization:			
Publishing Constitutional Amendments	<u>\$ 16</u>	<u>\$ 60</u>	<u>\$ 60</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Electoral College Expenses			
State Funds	\$ 6

Provides for the expenses of the members of the electoral college.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Electoral College Expenses	<u>.....</u>	<u>.....</u>	<u>\$ 6</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Voting of Citizens in Military Services			
State Funds	\$ 4	\$ 8	\$ 8

Reimburses county boards of election at the rate of \$.40 per ballot for each military absentee ballot cast during an election.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Voting of Citizens in Military Services	<u>\$ 4</u>	<u>\$ 8</u>	<u>\$ 8</u>

	(Dollar Amounts in Thousands)		
Voter Registration by Mail	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 349	\$ 350	\$ 350

Reimburses county boards of election and the United States Post Office for all mailing costs incurred in registering voters by mail.

	(Dollar Amounts in Thousands)		
Source of Funds	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Voter Registration by Mail	<u>\$ 349</u>	<u>\$ 350</u>	<u>\$ 350</u>

	(Dollar Amounts in Thousands)		
Special Election Expenses	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 100	\$ 21	.....

Provides payment to county boards of election for expenses incurred in special elections.

	(Dollar Amounts in Thousands)		
Source of Funds	1982-83 Actual	1983-84 Available	1984-85 Budget
Executive Authorization:			
County Election Expenses	<u>\$ 100</u>	<u>\$ 21</u>	<u>.....</u>

DEPARTMENT OF STATE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 1,315	\$ 857	\$ 1,099	\$ 1,154	\$ 1,212	\$ 1,273	\$ 1,337
Consumer Protection	\$ 1,365	\$ 1,554	\$ 1,419	\$ 1,490	\$ 1,565	\$ 1,643	\$ 1,725
Regulation of Consumer Products and Promotion of Fair Business Practices	1,365	1,554	1,419	1,490	1,565	1,643	1,725
Maintenance of Professional and Occupational Standards ^a .....	.....	.....	.....	.....	.....	.....	.....
Electoral Process	\$ 1,084	\$ 1,063	\$ 1,046	\$ 1,073	\$ 1,106	\$ 1,140	\$ 1,184
Maintenance of Electoral Process	1,084	1,063	1,046	1,073	1,106	1,140	1,184
DEPARTMENT TOTAL	<u>\$ 3,764</u>	<u>\$ 3,474</u>	<u>\$ 3,564</u>	<u>\$ 3,717</u>	<u>\$ 3,883</u>	<u>\$ 4,056</u>	<u>\$ 4,246</u>

^aAll funds are other than General Fund or Special Fund.

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 1,315	\$ 857	\$ 1,099	\$ 1,154	\$ 1,212	\$ 1,273	\$ 1,337
Other Funds	2	600	550	577	607	638	669
TOTAL	\$ 1,317	\$ 1,457	\$ 1,649	\$ 1,731	\$ 1,819	\$ 1,911	\$ 2,006

Program Analysis:

This subcategory includes the executive offices and the legal and administrative services which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The Department of State, through these administrative support programs, has a planning capability which assists program directors in improving their services to the public. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

Funds amounting to \$70,000 are included for the department to increase their computer staff needed as a result of improvements undertaken to their existing system.

A major change was initiated in 1983-84 to the funding sources for this subcategory. Administrative services (fiscal, personnel, etc.) previously provided from the General Fund in support of the operation of the various professional and occupational boards are now charged to the funds available to the Boards. This amounts to \$550,000 in 1984-85.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 1,315	\$ 857	\$ 1,099	\$ 1,154	\$ 1,212	\$ 1,273	\$ 1,337

Regulation of Consumer Products and Promotion of Fair Business Practices

OBJECTIVE: To prevent fraudulent solicitation or misrepresentation of sporting events and to maintain accurate records of corporate charters.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 1,365	\$ 1,554	\$ 1,419	\$ 1,490	\$ 1,565	\$ 1,643	\$ 1,725
Other Funds	394	316	430	452	475	499	524
TOTAL	\$ 1,759	\$ 1,870	\$ 1,849	\$ 1,942	\$ 2,040	\$ 2,142	\$ 2,249

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Application reviews of fictitious names, businesses, corporations, trademarks, etc	64,017	64,200	64,400	64,600	64,800	65,000	65,200
Corporation name reservations and information requests issued	113,157	114,000	115,000	116,000	117,000	118,000	119,000
Estimate of currently soliciting groups requiring licensing	12,100	12,200	12,300	12,400	12,500	12,600	12,700
Currently soliciting groups complying with regulations	7,000	7,500	8,000	8,500	9,000	9,500	10,000
Investigations of Charities Act violations ..	20	30	40	50	60	70	80
Cease and desist letters issued	308	275	250	225	215	210	205
Boxing and wrestling events requiring regulation	348	358	368	368	368	368	368

Program Analysis:

This program encompasses the activities of the Corporation Bureau, the Commission on Charitable Organizations and the Athletic Commission.

The Corporation Bureau is responsible for registering all businesses in the Commonwealth, and currently has an estimated 1,637,200 fictitious names, businesses, corporations and secured filings on file. Several other procedural changes are under review with the intent of reducing clerical processing and costs. The goal of the Corporation Bureau is to promote a more favorable atmosphere for commerce to enter Pennsylvania. Several program changes were effected this year in the Corporation Bureau. Business registration applications, which represent the "port of entry" of Pennsylvania commerce, are now handled more efficiently and expeditiously, allowing receipted documents to be returned to applicants within 24 hours. To accommodate the increase in corporate name reservations and information re-

quests, additional direct access phone lines were installed. Using information provided by the Department of Revenue, inactive corporations are being purged from the active files. The increase in the number of corporation name reservations over last years' measure can be attributed to a more accurate accumulation of the data.

The Commission on Charitable Organizations is responsible for the registration of charitable organizations, professional fund raisers and solicitors, as well as regulation of the actual solicitation and distribution of collected funds. The measure reflecting the number of currently soliciting groups represents an educated guess, since accurate statistics are not available. Violations of the Charitable Solicitations Act usually arise from failure to register, renew registration or comply with Cease and Desist Letters. Act 90 of 1982 revised registration requirements and specifically excludes certain organizations from these requirements. Organiza-

Regulation of Consumer Products and Promotion of Fair Business Practices (continued)

Program Analysis: (continued)

tions no longer required to register include fire and ambulance companies, veterans' organizations, libraries, hospitals and educational institutions. The major objective of the Bureau is to increase the awareness and understanding of the Charitable Solicitations Act among Pennsylvania consumers and Charitable organizations. To achieve this objective increased activity is anticipated in seminars, public service announcements and speaking engagements before small groups. Inquiries and investigations of suspected violations will be emphasized in the coming year. Special efforts will be made to include outside legal assistance to aid in speedy criminal litigations of charities which continue to operate against a Cease and Desist order. An attempt has been made to develop reciprocity with the postal inspector,

State District Attorney's Association, and referral to the Attorney General's Office.

The measure showing investigations of Charities Act violations have decreased over last year's numbers as a result of a redefinition of what constitutes an "investigation".

The State Athletic Commission is charged with licensing boxers, wrestlers, and officials, as well as the regulation of boxing and wrestling events. The Athletic Commissioners are attempting to stimulate boxing and wrestling activity in Pennsylvania as a means to increase revenue.

Potential promoters are being cultivated and negotiations are under way to continue bringing championship events into the Commonwealth.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 1,365	\$ 1,554	\$ 1,419	\$ 1,490	\$ 1,565	\$ 1,643	\$ 1,725

Maintenance of Professional and Occupational Standards

OBJECTIVE: To minimize the number of professional and occupational practitioners and establishments failing to meet specified standards of entry and performance.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Other Funds	\$ 7,409	\$ 9,271	\$ 9,550	\$ 10,028	\$ 10,529	\$ 11,055	\$ 11,608

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Licenses and renewals issued	215,882	470,000	217,000	480,000	235,000	485,000	240,000
Applicants passing examination	29,732	28,000	28,500	29,000	29,000	29,000	29,000
Applicants failing examinations for license .	14,375	16,000	16,500	17,000	17,000	17,000	17,000
Investigations	3,917	4,000	4,300	4,500	4,700	4,700	4,700
Routine inspections	20,930	24,000	26,000	28,000	29,000	30,000	30,000
Complaints processed by legal staff	1,745	2,100	2,200	2,200	2,200	2,200	2,200
Suspensions and revocations by boards	104	135	160	165	165	165	165

Program Analysis:

The intent of this program is the maintenance of high standards of professional and technical services to the citizens of the Commonwealth. Towards this end, twenty-four boards and the Commissioner of the Bureau of Professional and Occupational Affairs utilize legislative mandates of licensure, administration, and enforcement powers that enable them to service and regulate various professions and occupations.

In the past, the primary means of controlling the quality of practitioners have been limitations placed at the entry level such as age, education, experience and degree of technical expertise demonstrated through applications and subsequent written examination and/or demonstrated practical ability. Recently, requirements for continuing education have been added as a means of meeting the constantly changing developments in the various professions and occupations.

The use of the legal and investigatory machinery of the Bureau has also been a major means of monitoring the vast numbers of licensees.

The program measures reflect the major functions of the Bureau: testing, licensing and enforcement. The first three measures reflect the testing and licensing functions, while the last four reflect the enforcement functions.

The measures dealing with applicants passing the examination have shown an increase from the previous year, as have the number of licenses renewed and applicants failing the test. The recent economic upturn apparently has affected licensing in a positive way.

Several program enhancements have been implemented this year which should improve the productivity of the Law Enforcement and Legal Service areas. These improvements include a complete upgrade of the Law Enforcement position classification specifications, which will enable the Bureau to recruit higher quality personnel to deal with the increasingly complex investigatory demands of the Boards. The Legal Service complement has been increased, along with corresponding increases in support personnel, with the objective of providing more legal support to the Boards. An effort is underway to focus public attention on the mission of the Bureau and the Boards, involving initiatives already taken such as installation of a toll free hot-line for consumer complaints, publication of newsletters, preparation of weekly news releases outlining significant activities of the various Boards, and advertising in local newspapers punitive actions by the Boards against licensees.

Also, the annual re-inspection of licensed establishments

Maintenance of Professional and Occupational Standards (continued)**Program Analysis: (continued)**

will continue to be emphasized as an impetus for establishments to come into compliance with the law and regulations on their own prior to prosecution.

Effective July 1, 1978, Act 124 created a restricted Professional Licensure Augmentation account enabling this program to be funded from fees and fines collected by the Bureau of Professional and Occupational Affairs. Thus the Bureau operates entirely out of earmarked funds, considered

for budgetary purposes as "Other" funds, rather than from a General Fund appropriation.

Fee adjustments for the various boards are currently being examined in accordance with legislative requirements. The concept of individual board self-sufficiency over time, was stipulated by the legislature in recent sunset reviews. In order to achieve this objective, a multi-year fee increase plan is under active consideration.

Maintenance of the Electoral Process

OBJECTIVE: To insure that the electoral process conforms to legally defined specifications, that appointed and elected officials meet the legal requirements for their respective positions, and that an official record of the laws and resolutions of the legislative branch and the official acts of the executive branch are maintained.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	<u>\$ 1,084</u>	<u>\$ 1,063</u>	<u>\$ 1,046</u>	<u>\$ 1,073</u>	<u>\$ 1,106</u>	<u>\$ 1,140</u>	<u>\$ 1,184</u>

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Voting age population (in thousands).....	8,883	9,060	9,060	9,241	9,241	9,500	9,500
Percent of voting age population actually voting	42%	30%	48%	30%	47%	30%	49%
Voter registration by mail	694,551	400,000	577,000	400,000	560,000	400,000	577,200
Total voter registration transactions	906,966	500,000	740,000	500,000	700,000	500,000	700,000
Persons filing for vacant offices	235	2,800	225	1,500	230	2,000	235
Gubernatorial commissions issued	652	550	600	500	550	660	600
Notary public commissions issued	16,005	15,200	15,400	15,500	15,600	15,700	15,800
Campaign expense audits	29	38	30	35	28	35	30

Program Analysis:

Public policy is formulated by citizens through electoral participation. Because the electoral process is the basic public policymaking mechanism, it is important to insure that this process conforms to legally defined specifications. Abuse of the electoral process causes decline in voter participation. This is particularly distressing in a democracy because those who do not vote may be interested but regard the franchise as a useless exercise. The measures dealing with voter participation reflect the entire voting age population rather than just those who have registered. This more accurately reflects the scope of the voter apathy problem.

Efforts in this program are, therefore, keyed towards ensuring efficiency, honesty and uniformity in the administration of the Election Code. Some of the more serious problems within the election system have included: often burdensome registration and voting procedures; the lack of easily obtainable published information concerning the State's electoral process; instances of unfair and unjust administration of election processes; and a pervading lack of

consistency in activities at all levels of election administration.

A number of programs have been implemented to rectify the problem areas identified. Efficiency-oriented solutions include administration of the voter registration by mail program; enfranchising new groups of citizens not formerly accessible to registration and voting; comprehensive revision of the Election Code; and distribution of various public information publications detailing election laws and procedures. To assure honesty of elections, a monitoring system for campaign finance reports has been implemented; a detailed examination of petitions is conducted to ensure all requirements are met; and continuing certification of ballot information is maintained concerning candidates and their status throughout the election year.

The expense of running for public office together with a myriad of disclosure procedures and requirements appear to be taking their toll on candidates. This, coupled with a successful information program to help candidates under-

Maintenance of the Electoral Process (continued)

Program Analysis: (continued)

stand the disclosure requirements, has substantially decreased initial compliance problems. Also reflected in the measures is the passage of an amendment to the Election Code which revised the formula for selecting the candidates to be audited.

Other functions in this program fall under the commissioning area and include commissioning gubernatorial appointees to boards and commissions and preparing commissions for judges, justices of the peace and notaries public. In addition, extraditions are prepared for the Governor and bond issues for the Commonwealth are processed. Finally, a record of all legislation passed by the General Assembly is maintained by docketing the bills and assigning act numbers.

Included in the program measures are data to indicate the number of voter registration transactions that are conducted

with mail application forms as compared to the total number of transactions. Of the 906,966 transactions reported to the election bureau for fiscal 1982-83, approximately 75 percent were accomplished with voter registration by mail applications while the balance were completed in courthouse offices and field registration sites. These transactions include change of address, name, or party, and new voter registrations. The results point favorably to the multi-use feature of the voter registration by mail application form. As noted by the measures, there was an unanticipated increase in the number of transactions processed. This was due to several very actively contested local elections.

The change in the percent of voting age population actually voting is due to a recalculation of the measures. Measures such as gubernatorial and notary public commissions issued and voter registration by mail are reflective of actual activity.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 615	\$ 624	\$ 622	\$ 653	\$ 686	\$ 720	\$ 756
Publishing Constitutional Amendments ..	16	60	60	60	60	60	60
Electoral College Expenses .....	.....	.....	6	.....	.....	.....	8
Voting of Citizens in Military Service ...	4	8	8	10	10	10	10
Voter Registration by Mail	349	350	350	350	350	350	350
County Election Expenses	100	21	.....	.....	.....	.....	.....
GENERAL FUND TOTAL	\$ 1,084	\$ 1,063	\$ 1,046	\$ 1,073	\$ 1,106	\$ 1,140	\$ 1,184

State Employees' Retirement System

The State Employees' Retirement System is responsible for administering the State Employees' Retirement Fund; and the supplemental retirement allowances and cost-of-living increases for annuitants.

STATE EMPLOYEES' RETIREMENT SYSTEM

PROGRAM REVISION

Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1984-85 State Funds (in thousands)
State Employees' Retirement Fund —Pension Increase for Annuitants	Pension Increase for Retired Teachers and Annuitants	\$ 8,500 ^a

This Program Revision will fund an increase to current annuitants based on years of service and years of retirement.

DEPARTMENT TOTAL	\$ 8,500
------------------	----------

^aFunds for a similar adjustment in the School Employees Retirement System are shown in the appendix to the Department of Education General Elementary and Secondary Education Subcategory.

STATE EMPLOYEES' RETIREMENT SYSTEM

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
Grants and Subsidies			
National Guard — Employer Contribution	\$ 1,157	\$ 1,157	\$ 1,379
Pension Increase for Annuitants .....	.....	.....	8,500
GENERAL FUND TOTAL	<u>\$ 1,157</u>	<u>\$ 1,157</u>	<u>\$ 9,879</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
National Guard — Employer Contribution			
State Funds	\$ 1,157	\$ 1,157	\$ 1,379

Provides for twenty year amortization of the present and future deficits in the accounts of certain National Guard members of the system for whom the Federal government is not making the required employer contribution.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
National Guard — Employer Contribution	<u>\$ 1,157</u>	<u>\$ 1,157</u>	<u>\$ 1,379</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Pension Increase for Annuitants			
State Funds	\$ 8,500

Provides for funding of increases in payments to annuitants of the system based on their years of service and years of retirement. This appropriation will be distributed to General Fund agencies for the increase in their employer payment to the Fund. Payments for special, federal and other funds and from the various independent agencies will also be part of the program and are shown in the program analysis.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Pension Increase for Annuitants	<u>.....</u>	<u>.....</u>	<u>\$ 8,500</u>

STATE EMPLOYES' RETIREMENT SYSTEM

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 1,157	\$ 1,157	\$ 9,879	\$ 9,879	\$ 9,879	\$ 9,879	\$ 9,879
General Administration and Support	1,157	1,157	9,879	9,879	9,879	9,879	9,879
TOTAL	<u>\$ 1,157</u>	<u>\$ 1,157</u>	<u>\$ 9,879</u>	<u>\$ 9,879</u>	<u>\$ 9,879</u>	<u>\$ 9,879</u>	<u>\$ 9,879</u>

STATE EMPLOYEES' RETIREMENT SYSTEM

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 1,157	\$ 1,157	\$ 9,879	\$ 9,879	\$ 9,879	\$ 9,879	\$ 9,879
Other Funds	4,509	3,437	5,630	6,208	6,825	7,504	8,254
TOTAL	\$ 5,666	\$ 4,594	\$ 15,509	\$ 16,087	\$ 16,704	\$ 17,383	\$ 18,133

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Benefit payments processed	11,115	11,200	11,200	11,200	11,200	11,200	11,200
Average processing time for benefit payments (in days)	12	12	12	12	12	12	12
Return on investment (in millions)	\$393.2	\$436.5	\$484.5	\$537.8	\$596.6	\$662.6	\$735.4

Program Analysis:

The State Employees' Retirement System (SERS) was established to administer the pension plan created by statute in 1924. Contributions by the employee and the employing agency are made to the State Employees' Retirement Fund which uses those moneys and interest earnings for administration of the system and payment of benefits. This special fund presentation is shown in the appendix to Volume 1 of this Budget.

The 1984-85 employer retirement contribution has been set at 16.35 percent of payroll, an increase of .58 percent over 1983-84. The rate as determined by the actuary assumes the continued employee contribution rate of 6.25 percent now under litigation, a small decrease in the base as a result of changes in the supplemental liability, and the .64 percent of payroll costs increase for the change to a gender neutral pension plan effective August 1, 1983. Beginning on that date, service for current employees when calculated for certain retirement options will be calculated without a gender differential, in effect increasing certain benefits for men. New employees' service will be calculated with a blended factor for both men and women; service prior to August 1 is not affected.

This budget includes funds to continue the twenty year amortization of the deficiency in National Guard employee accounts created by the Federal government's inadequate employer contributions. Those employees were assured of full retirement benefits when they joined the State system in 1968

but the refusal of the Federal government, which is their employer, to increase its contributions as the system's contribution rate increases has resulted in reduced retirement benefits for those employees as they retire. Although the 1984-85 contribution rate for retirement is now 16.35 percent the Federal government refuses to contribute more than the 7 percent they began contributing in 1968 for both retirement and social security. Since Social Security must be funded first and Social Security exceeds 7 percent in this fiscal year there will be no contribution to the system for retirement costs. The funding of that deficit over the next seventeen years will fulfill the State's commitment to both former and current employees affected by the deficit.

Administration of the system is funded by interest earnings of the fund; the Legislature annually appropriates the moneys for administration within the fund. That appropriation is shown above as "other funds". The administrative budget includes several initiatives to enhance the operation of the system. Funds are included for conversion of the records system to microfiche, for new programming to accommodate changes in the system such as the increased employee contribution and the gender neutral benefit adjustments, for automation of the internal accounting process, and for an expanded investment function. Funding is also included for the move to new office facilities and for some changes to the system, still under consideration, which would improve counseling for members employed outside the Harrisburg

General Administration and Support (continued)

Program Analysis: (continued)

area.

Currently one of the largest statewide public plans in the nation, the State Employees' Retirement System serves a membership of over 176,000. Once an employe becomes a member of the system, he begins making contributions from each paycheck. The system, in conjunction with the Commonwealth Management Information Center, maintains on computer approximately 118,000 active account records and credits interest to these accounts each quarter year. Other functions of the SERS are the processing of applications for

reinstatement of prior State service, for purchase of credit for military service, and for conversion of one type of coverage to another.

The Retirement System oversees a portfolio of investments valued at more than 4 billion dollars. The Retirement Board and its staff, working with the legal, investment, and actuarial advisors to the system, strive to maintain a system that is financially sound, efficient and responsive to the requirements of its membership.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
National Guard—Employer Contribution	\$ 1,157	\$ 1,157	\$ 1,379	\$ 1,379	\$ 1,379	\$ 1,379	\$ 1,379
Pension Increase for Retired Teachers and Annuitants .....	.....	.....	8,500	8,500	8,500	8,500	8,500
TOTAL	<u>\$ 1,157</u>	<u>\$ 1,157</u>	<u>\$ 9,879</u>	<u>\$ 9,879</u>	<u>\$ 9,879</u>	<u>\$ 9,879</u>	<u>\$ 9,879</u>

STATE EMPLOYES RETIREMENT SYSTEM

General Administration and Support Program Revision: Pension Increase for Retired Teachers and Annuitants

Recommended Program Revision Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund			\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Special Funds			3,022	3,022	3,022	3,022	3,022
Federal Funds			2,455	2,455	2,455	2,455	2,455
Other Funds			1,268	1,268	1,268	1,268	1,268
TOTAL			<u>\$ 26,745</u>	<u>\$ 26,745</u>	<u>\$ 26,745</u>	<u>\$ 26,745</u>	<u>\$ 26,745</u>
<i>School District Contributions</i>			\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500
<i>Independent Agencies Contributions</i>			3,600	3,600	3,600	3,600	3,600

Program Analysis:

In recognition of the needs of former employes of Commonwealth agencies and school districts who are now retired from service and living on fixed incomes in a time of increases in the costs of living, this budget includes funds for adjustments to their monthly retirement income. Each former employe will receive an additional dollar each month for every year of service he gave to his agency or school district and two dollars for every year he has been retired from service. The additional weight given years of retirement recognizes the greater impact of inflation on the annuities of those retired for a longer period of time.

The cost of this increase in retirement payments will be shared with the administrative funds of the Commonwealth, the independent agencies which have employes belonging to the State system, and the school districts.

The cost of the increase for annuitants of the school system is estimated at \$23,000,000 for 1984-85 of which \$11,500,000 is the State funds cost. An appropriation for this amount is included in the Department of Education's budget. The balance of the cost will be borne by the various school districts of the Commonwealth.

The cost of the increase for annuitants of the State Employees Retirement System is estimated at \$18,845,000 of which \$8,500,000 is the State funds cost to the General Fund agencies. The remaining cost is shared by Federal funds, other funds, and agencies independent of the Governor, including the Pennsylvania State University and the State System of Higher Education, which will make direct contributions to the fund for this increase from their separate resources.

Program Revision Cost by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
School Employees Retirement Fund—							
Pension Increase for Retired Teachers			\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500
State Employees Retirement Fund—							
Pension Increase for Annuitants			8,500	8,500	8,500	8,500	8,500
TOTAL			<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>

STATE EMPLOYEES RETIREMENT SYSTEM

General Administration and Support (continued) Program Revision: Pension Increase for Retired Teachers and Annuitants (continued)

The General Fund appropriation for the State Employees Retirement System will be distributed to the various agencies for their share of the state funds increase in the contribution rate. The agencies will also contribute to the System from special, federal, and other funds; contributions from the independent agencies such as State System of Higher Education and Penn State University will be from their various fund sources including their State appropriation. The General Fund appropriation is shown in the State Employees Retirement System summary. The other funds shown below are not carried forward to any summaries. In accordance with the Public School Employees Retirement Code the Commonwealth and the employing school districts will equally share the contribution increase to the School Employees Retirement System. The state funds appropriation is shown in the Department of Education summary; the school district funds shown below are not carried forward to any summaries.

Program Revision Costs by Source of Funds:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund			\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Special Funds			3,022	3,022	3,022	3,022	3,022
Federal Funds			2,455	2,455	2,455	2,455	2,455
Other Funds			1,268	1,268	1,268	1,268	1,268
Subtotal			\$ 26,745	\$ 26,745	\$ 26,745	\$ 26,745	\$ 26,745
School District Contributions			\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500
Independent Agency Contributions			3,600	3,600	3,600	3,600	3,600
TOTAL			\$ 41,845	\$ 41,845	\$ 41,845	\$ 41,845	\$ 41,845

State Police

The State Police enforce the law and preserve the peace through the detection of crime and the apprehension of criminals, the patrol of highways, the enforcement of the Vehicle Code and the abatement of certain fire hazards.

The State Police receive a General Fund appropriation for criminal law enforcement and a Motor License Fund transfer for traffic patrol activities. In 1984-85 the ratio will be 31 percent General Fund and 69 percent Motor License Fund. In addition, the State Police receive augmentations from the Turnpike Commission for turnpike patrol and from the sale of patrol cars replaced by new vehicles.

STATE POLICE

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 53,286	\$ 54,234	\$ 58,534
Municipal Police Training	1,253	1,206	1,267
In-Service Training of Municipal Police	74	113	118
TOTAL STATE FUNDS	\$ 54,613	\$ 55,553	\$ 59,919
Federal Funds	\$ 998	\$ 2,441	\$ 1,748
Other Funds	9,226	10,130	9,561
GENERAL FUND TOTAL	\$ 64,837	\$ 68,124	\$ 71,228
Motor License Fund			
General Government			
Transfer to General Fund — General Government Operations ..	\$ 118,604	\$ 121,682	\$ 130,286
Transfer to General Fund — Municipal Police Training	1,253	1,206	1,267
Transfer to General Fund — In-Service Training of Municipal Police	74	113	118
MOTOR LICENSE FUND TOTAL	\$ 119,931	\$ 123,001	\$ 131,671
Department Total — All Funds			
General Fund	\$ 54,613	\$ 55,553	\$ 59,919
Special Funds	119,931	123,001	131,671
Federal Funds	998	2,441	1,748
Other Funds	9,226	10,130	9,561
TOTAL ALL FUNDS	\$ 184,768	\$ 191,125	\$ 202,899

GENERAL GOVERNMENT

General Government Operations	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 54,613	\$ 55,553	\$ 59,919
Federal Funds	998	2,441	1,748
Other Funds ^a	129,157	133,131	141,232
TOTAL	\$ 184,768	\$ 191,125	\$ 202,899

Provides administrative support for all line and staff activities of the Department. Seeks to reduce traffic accidents through highway patrol, operator qualifications examinations and periodic investigation of vehicle inspection stations. Maintains a juvenile crime prevention program as well as a criminal law enforcement program, which includes training of municipal police, in an effort to reduce crime and instances of civil disorder. Provides assistance during natural disasters and any other emergencies. Inspects all proposed flammable tank installations.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
General Government Operations	\$ 53,286	\$ 54,234	\$ 58,534
Municipal Police Training	1,253	1,206	1,267
In-Service Training of Municipal Police	74	113	118
Federal Funds:			
FHWA — Northwestern University Traffic Institute Training ..	30	40	...
FHWA — Highway Traffic Safety Educational Training Program	52	91	85
FHWA — Summer Slowdown — 55	298	883	442
FHWA — Upgrading of Breath Testing Equipment	119	207	...
FHWA — Operation C.A.R.E.	181	587	293
FHWA — Unconventional Enforcement Vehicles	192	...	...
FHWA — Program Management	16	24	20
FHWA — Evaluation Project Grant	8	26	10
LEAA — Fraud Investigative Intelligence	49	...	...
LEAA — Aid to Local Law Enforcement	6	...	...

^aOther Funds include the transfers from the Motor License Fund which are not carried forward to the Summary by Fund and Appropriation to avoid double counting.

GENERAL FUND

STATE POLICE

<i>Source of Funds (continued)</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Federal Funds: (continued)			
LEAA — Computerized Criminal Record System	\$ 8	.....	.....
FHWA — Nighttime Enforcement — 55 .....	.....	.....	\$ 293
FHWA — DUI Study .....	.....	\$ 10	.....
FHWA — Alcohol Safety Training	27	50	60
FHWA — DUI Enforcement .....	.....	200	.....
FHWA — Technical Accident Investigation Training	12	.....	.....
FHWA — Municipal Police Officers Education and Training ..	.....	200	300
FHWA — DUI Awareness Training .....	.....	50	50
FHWA — Municipal Police Officers Teaching Education .....	.....	20	.....
FHWA — Speed Training Devices .....	.....	.....	195
FHWA — Selective Traffic Accident Prevention Program .....	.....	35	.....
Aid to Local Law Enforcement .....	.....	18	.....
Other Funds:			
Transfer From Turnpike Commission for Traffic Control	7,937	8,850	8,335
Transfer From Motor License Fund — General Government			
Operations	118,604	121,682	130,286
Transfer From Motor License Fund — Municipal Police			
Training	1,253	1,206	1,267
Transfer to General Fund — In-Service Training	74	113	118
Reimbursement for Tuition of Municipal Police	294	350	300
Sale of Automobiles	685	600	600
Reimbursement for Electronic Surveillance Training	38	45	50
Criminal History Record Information Fee	221	240	230
Photo License Centers Billings	31	25	26
Training School Fees	20	20	20
TOTAL	\$ 184,768	\$ 191,125	\$ 202,899

GENERAL GOVERNMENT

Highway Activities	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 119,931	\$ 123,001	\$ 131,671

Provides reimbursement to the General Fund for State Police relating to highway safety, traffic patrol and municipal police training.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Transfer to General Fund — General Government Operations ..	\$ 118,604	\$ 121,682	\$ 130,286
Transfer to General Fund — Municipal Police Training	1,253	1,206	1,267
Transfer to General Fund — In-Service Training of Municipal Police	74	113	118
TOTAL	<u>\$ 119,931</u>	<u>\$ 123,001</u>	<u>\$ 131,671</u>

STATE POLICE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 22,296	\$ 23,394	\$ 25,081	\$ 26,335	\$ 27,652	\$ 29,034	\$ 30,487
Traffic Safety and Supervision	\$ 104,547	\$ 106,573	\$ 114,082	\$ 119,718	\$ 125,634	\$ 131,845	\$ 138,369
Operator Qualifications	4,708	4,824	5,211	5,472	5,745	6,032	6,334
Vehicle Standards Control	2,307	2,368	2,475	2,599	2,729	2,865	3,008
Traffic Supervision	97,532	99,381	106,396	111,647	117,160	122,948	129,027
Control and Reduction of Crime	\$ 46,827	\$ 47,671	\$ 51,432	\$ 52,884	\$ 55,459	\$ 58,163	\$ 61,002
Crime Prevention	723	650	702	737	774	813	853
Criminal Law Enforcement	46,104	47,021	50,730	52,147	54,685	57,350	60,149
Maintenance of Public Order	\$ 427	\$ 445	\$ 468	\$ 491	\$ 516	\$ 542	\$ 569
Emergency Assistance	427	445	468	491	516	542	569
Community Safety	\$ 447	\$ 471	\$ 527	\$ 553	\$ 581	\$ 610	\$ 641
Fire Prevention	447	471	527	553	581	610	641
DEPARTMENT TOTAL	<u>\$ 174,544</u>	<u>\$ 178,554</u>	<u>\$ 191,590</u>	<u>\$ 199,981</u>	<u>\$ 209,842</u>	<u>\$ 220,194</u>	<u>\$231,068</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 6,912	\$ 6,966	\$ 7,492	\$ 7,867	\$ 8,260	\$ 8,673	\$ 9,107
Special Funds	15,384	16,428	17,589	18,468	19,392	20,361	21,380
Federal Funds	58	100	30	30	30	30	30
TOTAL	\$ 22,354	\$ 23,494	\$ 25,111	\$ 26,365	\$ 27,682	\$ 29,064	\$ 30,517

Program Analysis

General Administration and Support provides direction and coordination for all line and staff activities of the State Police, including the administrative and overhead systems for the operation of the various substantive law enforcement programs. Included in this subcategory are the provision of protection to the Governor and visiting dignitaries, security of the executive residence, and background investigations on State job applicants. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support.

This budget provides \$1,478,000 to implement the second

year of a four year program to train 160 State Police Cadets per year to help maintain a sufficient level of enlisted personnel. The recommended amount has been prorated throughout all subcategories to illustrate more specific funding requirements, and is funded from both the General and Motor License Funds.

Funds have also been provided to continue the "White Collar Crime Unit", to investigate criminal wrongdoing within the white collar area and related areas such as public corruption and misconduct and to maintain the State Police at present operational levels.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 6,912	\$ 6,966	\$ 7,492	\$ 7,867	\$ 8,260	\$ 8,673	\$ 9,107
MOTOR LICENSE FUND							
Transfer to General Fund—General Government Operations	\$ 15,384	\$ 16,428	\$ 17,589	\$ 18,468	\$ 19,392	\$ 20,361	\$ 21,380

Operator Qualifications Control

OBJECTIVE: To minimize the number of traffic accidents attributable to physically and mentally unqualified operators.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 4,708	\$ 4,824	\$ 5,211	\$ 5,472	\$ 5,745	\$ 6,032	\$ 6,334
Other Funds	31	25	26	27	28	29	30
TOTAL	\$ 4,739	\$ 4,849	\$ 5,237	\$ 5,499	\$ 5,773	\$ 6,061	\$ 6,364

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Accidents investigated by State Police attributable to unqualified drivers	45,815	47,000	47,000	47,000	47,000	47,000	47,000
Licensed operators	7,352,300	7,352,790	7,352,790	7,353,800	7,374,300	7,374,800	7,375,300
Reexamined operators	146,991	150,000	150,000	150,000	150,000	150,000	150,000
Safety education classes held	6,365	6,500	6,700	6,900	7,100	7,200	7,300

Program Analysis:

The Commonwealth's Driver Licensing Program has been developed to assure that persons operating vehicles on the highways of the Commonwealth are physically and mentally qualified to do so in a safe manner. For this reason, it has been and continues to be necessary to examine new driver license applicants and reexamine existing licensed drivers to determine their driving ability, physical and mental qualifications, and knowledge of the rules of safe driving.

The driver licensing program is a combined effort of the State Police and the Department of Transportation. The Department of Transportation performs administrative direction and maintains records, while the State Police performs the actual task of examining new applicants and reexamining existing licensed drivers. Driver examinations are conducted for new operators, school bus operators, motorcycle operators, applicants desiring to operate trucks, truck tractors and semi-trailers, pedalcycle operators and special driver examinations as directed by the Department of Transportation's Bureau of Traffic Safety Operations. These special examinations are normally: (1) random operator reexaminations which entail a vision test by State Police Driver License Examiners and a physical examination by a physician to certify that there is no medical condition which would impair the operator's driving ability; and (2) required

reexaminations for those drivers who have accumulated excessive points under the Commonwealth's point system for driver control.

The State Police operate 42 off-street, 35 on-street and four visual examination sites throughout the State, thereby providing convenient accessibility to all citizens of the Commonwealth. Fifty-five enlisted and 91 civilian Driver License Examiners are stationed at various locations around the State to administer the driver license examinations. Personnel performing the driver licensing examinations have received, in the past few years, a considerable amount of training in the operation of the various types of vehicles for which a driver's license is required. Specific training has been received from the Motorcycle Safety Foundation in the safe operation of motorcycles and the Pennsylvania Motor Truck Association in the operation of trucks, truck-tractors and semi-trailers. School bus seminars have also been held in conjunction with the Department of Transportation to continually improve testing procedures for school bus drivers.

Expansion of the State Police's automated driver testing program is continuing in an effort to provide a uniform system of testing throughout the State and to enable more driver license examiners to be available for the driving portions of a driver's examination. Ten additional driver testing

Operator Qualifications Control (continued)**Program Analysis: (continued)**

units were acquired in fiscal year 1981-82. The State Police now have 21 examination points equipped with those testing units and one mobile van which will be utilized in the rural areas of the State. Additionally, Federal funds are enabling the State Police to acquire new vision testing equipment to further upgrade their abilities to examine and reexamine vehicle operators.

The Operator Qualifications Program also incorporates the traffic safety education efforts of the State Police. Each county troop has a Safety Education Officer assigned who, as part of his activities, presents defensive driving and other traffic safety education programs geared to meet specific traffic safety needs of a particular age group or geographical area. Special emphasis is placed on youthful drivers, ages 16 to 24, who, statistics indicate, have more accidents than older drivers. Specific programs are provided on drunk driving, motorcycle safety, bicycle safety and pedestrian safety programs which are all a part of the total highway safety effort.

The direct traffic safety program efforts of the State Police continued to decrease slightly in 1982-83 as members assigned to this work function continue to be called upon to help cover priority needs in law enforcement and patrol duties, but indications are that this program will show a

slight increase in attendance in future years. The Safety Education Officers have placed a special emphasis on presenting programs to youngsters aimed at protecting them from traffic accidents which may involve them as a car passenger, pedestrian, bicyclist or school bus passenger. This is in response to the "Governor's Interagency Task Force on Highway Safety for Children", which reported that "the traffic accident is the most serious health threat facing American youngsters today."

Total accidents showed a decrease from the previous year. This apparently is indicative of the general public abiding more closely to the 55 MPH national speed limit. Increased activities occurred in driver licensing activities, as a result of a large number of teenagers reaching the driving age during fiscal year 1982-83. Additionally, operators reexamined increased significantly as a result of the point program, which now requires reexaminations rather than attendance at driver training schools.

Additional funds have been provided in this budget to implement the second year of a new four year program to train 160 State Police cadets per year to help maintain a sufficient level of enlisted personnel and to maintain the State Police at satisfactory operational levels.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
MOTOR LICENSE FUND							
Transfer to General Fund — General							
Government Operations	\$ 4,708	\$ 4,824	\$ 5,211	\$ 5,472	\$ 5,745	\$ 6,032	\$ 6,334

Vehicle Standards Control

OBJECTIVE: To minimize the number of traffic accidents attributable to vehicle mechanical defects.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 2,307	\$ 2,368	\$ 2,475	\$ 2,599	\$ 2,729	\$ 2,865	\$ 3,008

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Accidents investigated by State Police attributable to mechanical failure	3,048	3,500	3,500	3,500	3,500	3,500	3,500
Certified inspection stations	20,367	20,000	20,000	20,000	20,000	20,000	20,000
Inspection station visitations	17,171	17,000	17,000	17,000	17,000	17,000	17,000

Program Analysis:

The vehicle inspection program within the Commonwealth is currently conducted jointly by the Pennsylvania Department of Transportation and the Pennsylvania State Police. The Department of Transportation performs administrative functions such as issuing certificates of appointment to inspection stations and selling and distributing the inspection stickers.

(Seventy enlisted members are currently assigned as Inspection Station Supervisors with fifty-nine alternates providing additional help as needed.) The field work performed by State Police Inspection Station Supervisors consists primarily of visiting each inspection station once a year, and investigating applicants for inspection stations. During these unannounced visits, the station is checked for sufficient and proper tools, qualified mechanics, accurate record keeping and an exact inventory of, and sufficient security for, inspection stickers. Inspection Station Supervisors are also responsible for examining mechanics desiring to be certified to perform vehicle inspections, investigating applicants for car dealer licenses, inspecting specially constructed and reconstructed vehicles, and personally performing the annual inspection of all school buses. Other duties involve the examination of vehicles involved in fatal accidents for which vehicle failure was listed as the cause, the investigation of complaints about improper inspections and fraudulent repairs, checking and verifying serial numbers on stolen vehicles or out-of-state vehicles with serial plates missing, and the inspection of salvage lots. The State Police are also

required to supervise the vehicle inspection programs mandated for all mass transit vehicles in the Commonwealth, and all new holders of public convenience certificates (taxicabs) in cities of the first class.

School bus safety inspections are a major portion of State Police mandated responsibilities, with troopers performing the actual safety inspection prior to operation during the school year. This responsibility was entrusted to the State Police as many of the school bus mechanical systems had been neglected in the past resulting in unsafe conditions for the children riding these buses. The inspections are normally conducted in July and August of each year with monthly school bus spot checks conducted during each school year. Regarding other inspection responsibilities, the State Police has one member assigned fulltime to the Southeastern Pennsylvania Transit Authority (SEPTA) to oversee their vehicle inspection program, with other mass transit systems throughout the Commonwealth overseen on an as-needed basis.

The vehicle inspection program, mandated by the Pennsylvania Vehicle Code, is a key element of the highway safety efforts of the Commonwealth. Accidents attributable to mechanical failure are low in comparison to those attributable to unqualified drivers and the actions of motor vehicle operators; however, the program's objective is to prevent accidents by keeping mechanically defective vehicles off the Commonwealth's highways. Since no data are available concerning the number of accidents prevented through the

Vehicle Standards Control(continued)

Program Analysis: (continued)

vehicle inspection process, the effectiveness of the program can only be determined through analysis of the number of accidents which have occurred as a result of mechanical failure. The number of accidents in 1982-83 have decreased because of a data collecting change utilized by investigating officers.

Additional funds have been provided in this budget to implement the second year of a new four year program to train 160 State Police cadets per year to help maintain a sufficient level of enlisted personnel and to maintain the State Police at satisfactory operational levels

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
MOTOR LICENSE FUND							
Transfer to General Fund—General							
Government Operations	<u>\$ 2,307</u>	<u>\$ 2,368</u>	<u>\$ 2,475</u>	<u>\$ 2,599</u>	<u>\$ 2,729</u>	<u>\$ 2,865</u>	<u>\$ 3,008</u>

Traffic Supervision

OBJECTIVE: To minimize the number of traffic accidents and to aid local police in traffic law enforcement through proper training and traffic assistance.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 97,532	\$ 99,381	\$ 106,396	\$ 111,647	\$ 117,160	\$ 122,948	\$ 129,027
Federal Funds	869	2,341	1,718	1,523	1,523	1,523	1,523
Other Funds	8,574	9,455	8,915	9,270	9,644	10,028	10,432
TOTAL	\$ 106,975	\$ 111,177	\$ 117,029	\$ 122,440	\$ 128,327	\$ 134,499	\$ 140,982

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Accidents investigated by State Police attributable to actions of the operator ...	17,722	19,000	19,000	19,000	19,000	19,000	19,000
Traffic citations issued	372,460	374,000	377,000	381,000	385,000	389,000	394,000
Arrests for hazardous moving violations ...	255,000	260,000	260,000	260,000	260,000	260,000	260,000
Incidents of motorist assistance	122,154	115,000	115,000	115,000	115,000	115,000	115,000
State Police arrests for intoxication	2,824	4,000	4,500	4,500	4,500	4,500	4,500
Tests administered by State Police for intoxication	1,512	2,800	3,100	3,100	3,100	3,100	3,100
Tests administered by State Police for municipalities	1,012	1,400	1,500	1,500	1,500	1,500	1,500
Local police trained in basic course	515	596	600	600	600	600	600
Responses by State Police for assistance in traffic cases	47,805	48,500	49,000	49,500	50,000	50,500	51,000

Program Analysis:

Enforcing the Commonwealth's traffic laws is a major responsibility empowered to the Pennsylvania State Police. The primary emphasis of the department is aimed at reducing traffic accidents and bringing the motoring public into voluntary compliance with all traffic laws through patrol and enforcement activities. Traffic patrol and enforcement are provided by the State Police throughout the State in those municipalities where there are no full-time police departments, and on all Interstate highways.

The Pennsylvania State Police utilize various patrol and enforcement techniques; however, the very presence of visible police patrols continues to have the greatest impact in the reduction of traffic accidents. In this regard, the State Police attempt to efficiently allocate police patrol activities to those areas and locations with high traffic and accident

volume, rather than to attempt a broad program of patrol. Additional programs have also been incorporated into enforcement activities which have had a positive effect. Specifically, the Aerial Speed Enforcement Program and the use of unconventional patrol vehicles have been effective in combating those speeders that utilize CB radios and radar detecting devices. The State Police also provide enforcement activities in commercial vehicle weight enforcement, and will ultimately provide vehicle noise enforcement as mandated by the Vehicle Code.

The Aerial Speed Enforcement Program currently utilizes seven State Police helicopters statewide on designated highways identified by the Department of Transportation as having a high incidence of speeding or speed related accidents. The State Police have also acquired three fixed wing

Traffic Supervision (continued)

Program Analysis: (continued)

aircraft with Federal funds specifically for 55 miles-per-hour enforcement.

Federal funds also continue to enable the State Police to conduct various enforcement programs and acquire new and replacement equipment. These programs include: providing a concentrated accident reduction effort over major holiday periods on Interstate highways; utilizing off-duty enlisted personnel during the summer weekends for 55 miles-per-hour enforcement on non-Interstate highways; acquiring replacement radar for units currently in use; and acquiring VASCAR units to further expand speed timing capabilities. Additionally, the State Police continue to utilize 45 unconventional vehicles of various makes and models throughout the State for 55 miles-per-hour enforcement. All of these programs are aimed at enforcing the 55 miles-per-hour national maximum speed limit and increasing highway traffic safety.

The Vehicle Weight Enforcement Program, which is a combined effort of the State Police and the Department of Transportation, consists of thirty mobile weighing teams working throughout the State enforcing the Commonwealth's vehicle weight and size limitations. There is also one permanent weigh station located on Interstate 80, which is the first of six planned permanent sites. State Police members provide the enforcement activity while Transportation personnel are responsible for the scale operations.

The State Police perform other non-enforcement activities in this program, including the investigation of accidents, providing assistance to motorists, the control and orderly movement of traffic, serving of warrants for traffic violations, and assisting the Department of Transportation in picking up suspended driver licenses and recovering monies due the Commonwealth because of bad checks issued for driver licenses or vehicle registrations.

The State Police also provide a number of traffic services even to those municipalities with full-time police depart-

ments. Assistance is provided in accident investigation, traffic direction, traffic control for major activities which the local department cannot handle, radar enforcement on local highways with a high incidence of speed violations, helicopter patrol, breath testing services, and, in some situations, communications. Additionally, the State Police provide basic police training for municipal police officers and offer an assortment of short traffic courses for in-service training. These courses are offered at the State Police Academy in Hershey and at four regional training centers located in Wyoming, Collegeville, Greensburg and Meadville.

Program measures for fiscal year 1982-83, in most cases, remained at or showed slight increases over the previous year levels. Increases in the number of arrests for hazardous moving violations and intoxication can be partly attributed to increased emphasis on traffic and alcohol enforcement. The State Police anticipate the number of alcohol arrests to continue to increase in future years as driving under the influence is receiving increased emphasis and also because the breathtesting instruments in the field are being upgraded. It is anticipated that some measures will show increases as vehicle miles driven continue to increase. The program measures show a slight decrease in providing assistance to local police departments in traffic cases; however, this current level of assistance is still considered high and it is felt that this is the result of local municipalities reducing the size of their police departments because of economic conditions. This measure is expected to continue to remain fairly constant until the economy improves.

Additional funds have been provided in this budget to implement the second year of a new four year program to train 160 State Police cadets per year to help maintain a sufficient level of enlisted personnel and to maintain the State Police at satisfactory operational levels.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)					1987-88	1988-89
	1982-83	1983-84	1984-85	1985-86	1986-87		
MOTOR LICENSE FUND							
Transfer to General Fund—General							
Government Operations	\$ 96,205	\$ 98,062	\$ 105,011	\$ 110,262	\$ 115,775	\$ 121,563	\$ 127,642
Transfer to General Fund—Municipal							
Police Training	1,253	1,206	1,267	1,267	1,267	1,267	1,267
Transfer to General Fund—In-Service							
Training	74	113	118	118	118	118	118
MOTOR LICENSE FUND TOTAL...	<u>\$ 97,532</u>	<u>\$ 99,381</u>	<u>\$ 106,396</u>	<u>\$ 111,647</u>	<u>\$ 117,160</u>	<u>\$ 122,948</u>	<u>\$ 129,027</u>

Crime Prevention

OBJECTIVE: To minimize the incidence of crime through a reduction in the opportunity for potential violators to commit unlawful acts and by motivating juvenile violators to avoid any future unlawful activity.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 723	\$ 650	\$ 702	\$ 737	\$ 774	\$ 813	\$ 853

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
National juvenile crime rate (per 100,000 population)	2,940	2,910	2,900	2,890	2,870	2,860	2,850
State juvenile crime rate (per 100,000 population)	2,479	2,430	2,420	2,410	2,390	2,380	2,370
Juveniles arrested by State Police	9,411	9,500	9,500	9,000	9,000	9,000	9,000
Juveniles receiving State Police preventive contacts	1,627	1,700	1,800	1,850	1,900	1,900	1,950
Juvenile offenders handled informally	2,866	2,900	2,900	2,950	3,000	3,000	3,050
Liaison visits to courts, schools, police departments, etc.	3,375	3,400	3,400	3,450	3,500	3,500	3,050
Attendance at youth aid programs	8,714	9,000	9,100	9,125	9,150	9,157	9,200
Attendance at crime prevention programs ..	174,287	175,000	175,500	180,000	185,000	185,500	190,000

Program Analysis:

Combating crime is not the responsibility of police alone, but necessitates the involvement of the populace in general if any significant results are to be realized. Crime decreased by 2.6 percent in 1982 and initial statistics for the first half of 1983 reveal a decrease of 4.9 percent. In order to maintain this encouraging downward trend, persons of all ages, sex, and socioeconomic backgrounds need to be made aware of, and become involved in, crime prevention.

Since many crimes are preventable, the State Police have elicited citizen participation by providing guidance as to: precautions the average individual may take to protect his/her person, family, and property from crime; steps that neighbors may take towards protecting one another from crime; measures which individuals may take to reduce physical danger and property loss should they become a victim of crime; and steps citizens may take to help police solve crimes. The State Police have specific programs to deal with rape, burglary, child molestation, and bunco. These pro-

grams are presented to "target audiences" composed of the category of persons most likely to be victims of that particular crime. Additionally communities, neighborhood groups and citizens are encouraged, through the State Police public education and awareness programs, to participate in other crime prevention activities such as crime watch groups, operation identification, and block parents. Further emphasis is provided through the news media by utilizing news releases to issue crime prevention tips, and to alert the public to any crimes which may be occurring frequently during a given time period within a community.

Youth aid continues to be a part of crime prevention activities, even though it has been combined with community relations activities. This activity includes: the counseling of juveniles who appear to be drifting toward a conflict with the law, and in those cases when increased parental guidance is indicated, counseling with the juvenile's parents or guardians; conducting liaison visits with the courts, schools and

Crime Prevention (continued)

Program Analysis: (continued)

police departments relative to juvenile problems which are of a common interest; and the development of Youth Aid Programs.

Program measures for the crime prevention program are directly related to the personnel available to perform the duties, time available to perform the function in lieu of other duties necessitated by staffing considerations and priorities for specific activities within the program. Activities within this program declined in fiscal year 1982-83 as compared to fiscal year 1981-82, basically because of a decline in the

juvenile population. Increased activity in organizing and presenting crime prevention programs can be expected, although it is anticipated that youth aid activities will only slightly increase or remain constant in fiscal year 1983-84.

Additional funds have been provided in this budget to implement the second year of a new four year program to train 160 State Police cadets per year to help maintain a sufficient level of enlisted personnel and to maintain the State Police at satisfactory operational levels.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	<u>\$ 723</u>	<u>\$ 650</u>	<u>\$ 702</u>	<u>\$ 737</u>	<u>\$ 774</u>	<u>\$ 813</u>	<u>\$ 853</u>

Criminal Law Enforcement

OBJECTIVE: To maximize the percentage of sound crime case clearances and the percentage of convictions.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 46,104	\$ 47,021	\$ 50,730	\$ 52,147	\$ 54,685	\$ 57,350	\$ 60,149
Federal Funds	71	.....	.....	.....	.....	.....	.....
Other Funds	621	650	620	645	672	698	725
TOTAL	\$ 46,796	\$ 47,671	\$ 51,350	\$ 52,792	\$ 55,357	\$ 58,048	\$ 60,874

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Statewide crimes against persons	42,660	42,000	42,000	42,000	42,000	42,000	42,000
Statewide crimes against property	369,118	360,000	360,000	360,000	360,000	360,000	360,000
Crimes against persons investigated by State Police:							
Total	2,377	2,300	2,300	2,300	2,300	2,300	2,300
Percent resulting in arrests	56.9%	57.0%	57.0%	57.0%	57.0%	57.0%	57.0%
Percent of those arrested who are convicted	65%	60%	60%	60%	60%	60%	60%
Crimes against property investigated by State Police:							
Total	41,469	41,000	41,000	41,000	41,000	41,000	41,000
Percent resulting in arrests	20%	20%	20%	20%	20%	20%	20%
Percent of those arrested who are convicted	84%	80%	80%	80%	80%	80%	80%
Criminal investigations regarding arson	4,164	4,000	4,000	4,000	4,000	4,000	4,000
Arson arrests	531	450	450	450	450	450	450

Program Analysis:

State Police activities in this program are geared toward controlling the incidence of crime. Many factors affect the type and volume of crime that occurs within the Commonwealth: density and size of community population; economic conditions; cultural conditions; and effective strength of law enforcement agencies.

There are two ways in which to measure the productivity of the police effort in the criminal justice system. There is the clearance rate, which is the percentage of reported crimes for which an arrest is made, and the conviction rate, which is the percentage of convictions resulting from total arrests. Clearance rates for crimes of violence (murder, rape, robbery, kidnapping and assault) are consistently higher than

for other crime for several reasons: there is a victim; there is usually a witness (often the victim); and the occurrence of these types of crimes afford the investigator more substantial evidence with which to conduct the investigation. On the other hand crimes against property (burglary, larceny, auto theft, etc.) have a lower clearance rate because there is usually no witness to the crime and there is less concrete evidence with which the investigator can work.

The State Police are responsible for conducting criminal investigations anywhere in the Commonwealth where there is no organized police agency, and also provide investigative and technical assistance to any full-time municipal police department on request. Additionally, the State Police pro-

Criminal Law Enforcement (continued)

Program Analysis: (continued)

vide investigative assistance in the areas of drugs and narcotics, organized crime, white collar crime, public corruption, arson, etc. Investigations of these particular activities involve covert operations, intelligence gathering and reporting, surveillance, and expertise in the specific field.

The White Collar Crime Unit has been in operation since 1980 with two operating locations, one at Greensburg in the western part of the State and one at Embreeville in the eastern part of the State, and has become actively involved in many cases affecting the Commonwealth in conjunction with municipal and Federal agencies. The Pennsylvania State Police Drug Strike Force continues to combat the importation, manufacture, distribution and use of illegal drugs in the Commonwealth through overt and covert operations.

Arson investigation has also become increasingly emphasized and specialized over the last several years due to a large increase nationwide in the incidence of arson. The State Police utilize 46 Fire Marshals in the field and three administrative personnel at department headquarters who actively investigate and coordinate all arson or suspicious fire-related occurrences. These Fire Marshals are augmented by 55 trained alternates, some of whom are being utilized almost full time, to perform fire investigative services when required. In addition, the State Police have improved their arson analysis capabilities through the acquisition of a mass spectrometer funded through the Governor's Commission on Crime and Delinquency and the purchase of hydrocarbon indicators for use by investigators in the field.

Arson investigations have increased considerably since 1976 as there has been a large escalation of deliberately set fires occurring within the Commonwealth. Initial investigations into arson increased by 24 percent over the previous year while arson arrests increased by 10 percent. This is an indication of the emphasis which has been placed on the crime of arson by the criminal justice system in apprehending and convicting the perpetrators and by the insurance companies in making it increasingly difficult to collect insurance where a fire is questionable.

The Pennsylvania State Police are now actively involved in conducting a course of training in the legal and technical aspects of wiretapping and electronic surveillance for investigative and law enforcement officers of the Commonwealth. The training, under regulations and standards established by the Attorney General and the Commissioner of the State Police, provides for the certification and periodic recertification of Commonwealth investigative or law enforcement officers eligible to conduct wiretapping or electronic surveillance. The State Police have a number of Criminal Investigation Unit members who are certified to conduct wiretapping and electronic surveillance and who have been called upon to conduct one party consent and court-ordered wiretaps and electronic surveillance for municipal, county and State agencies of the Commonwealth.

The State Police serve as the Commonwealth's central repository for criminal history record information, which

includes criminal identification records, fingerprint records and gun registration records. The State Police have traditionally provided criminal investigative training courses to municipal police. Local police have access to the Commonwealth Law Enforcement Assistance Network (CLEAN) and the statewide crime laboratories of the State Police.

The State Police increased their number of crime laboratories to six during 1982, with the acquisition of the formerly county operated Delaware County Crime Laboratory. Delaware County was unable to continue to run this facility and, through State Police acquisition, local police departments in southeastern Pennsylvania will continue to be provided technical investigative support capabilities.

The Motor Vehicle Theft Unit provides investigative assistance to all police agencies of the Commonwealth and Federal investigative agencies by providing investigative expertise in motor vehicle theft operations, the identification of suspect vehicles and current modus operandi of professional vehicle theft rings and vehicle thieves. This unit also provides assistance to all levels of police authority in instances where vehicles are involved in the commission of a crime. Working with the Department of Transportation's Bureau of Motor Vehicles, the assistance is rendered in a timely fashion so as to enhance the investigation of vehicle related crime.

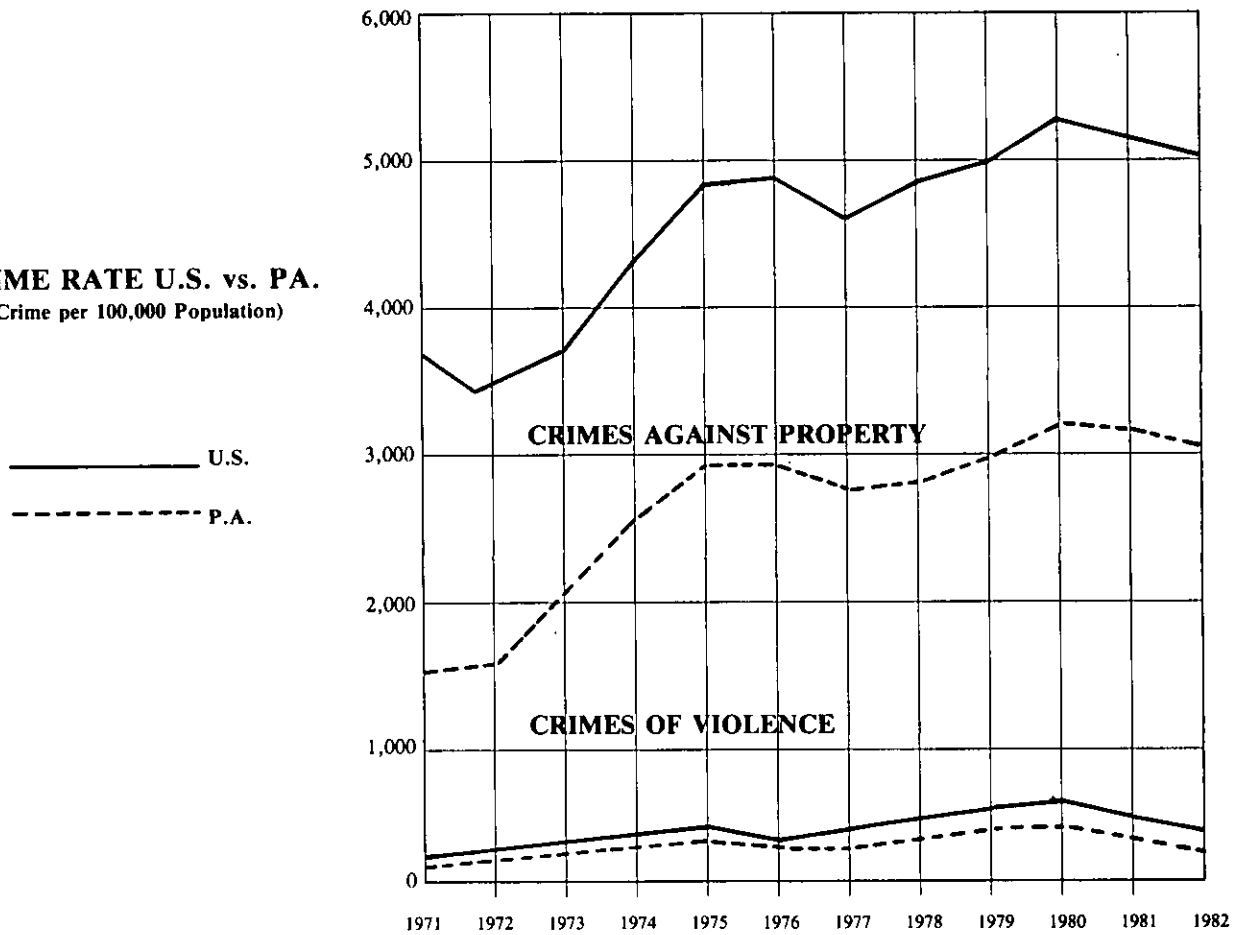
Since 1980 fraud investigation units have been concentrating on covert investigations such as sting operations and infiltration of highly structured criminal groups who specialize in stealing truck tractors and trailers and other types of heavy construction equipment. These units have been operating in the densely populated sections of Pennsylvania and have recovered millions of dollars worth of stolen property.

The total number of crimes reported in 1982 decreased 2.6 percent from the number reported in 1981, according to the Pennsylvania Uniform Crime Report. Part I Offenses, the more serious offenses, decreased by 5.7 percent, while Part II Offenses, the lesser offenses, increased by 0.1 percent. Through the first six months of 1983, crime in Pennsylvania continued to show a decline with Part I Offenses down by 5.6 percent and Part II Offenses off by 4.4 percent. A survey of some of the municipalities in the Commonwealth that have reported decreases in crime for 1983 indicates that many of them credit neighborhood crime watches for much of the decrease. It is anticipated that the downward trend in crime will bottom out in the near future, and then rates will remain relatively constant over the next several years.

Additional funds have been provided in this budget to implement the second of a new four year program to train 160 State Police cadets per year to help maintain a sufficient level of enlisted personnel and to maintain the State Police at satisfactory operational levels.

Criminal Law Enforcement (continued)
Program Analysis: (continued)

CRIME RATE U.S. vs. PA.
 (Crime per 100,000 Population)



Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 44,777	\$ 45,702	\$ 49,345	\$ 50,762	\$ 53,300	\$ 55,965	\$ 58,764
Municipal Police Training	1,253	1,206	1,267	1,267	1,267	1,267	1,267
In-Service Training	74	113	118	118	118	118	118
GENERAL FUND TOTAL	<u>\$ 46,104</u>	<u>\$ 47,021</u>	<u>\$ 50,730</u>	<u>\$ 52,147</u>	<u>\$ 54,685</u>	<u>\$ 57,350</u>	<u>\$ 60,149</u>

Emergency Assistance

OBJECTIVE: To respond to special situations in order to minimize loss of life, bodily injury, property loss and other economic losses through the prevention of civil disorder, the control of riotous and natural or man made disaster situations.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 427	\$ 445	\$ 468	\$ 491	\$ 516	\$ 542	\$ 569

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Emergency assistance situations requiring State Police response	37	100	100	100	100	100	100
Arrests by State Police stemming from emergency assistance situations	23	50	50	50	50	50	50
Total person hours spent on disorders	15,757	15,000	15,000	15,000	15,000	15,000	15,000

Program Analysis:

The State Police are normally called upon whenever any special situations occur within the Commonwealth. The department has responsibilities to be properly trained and prepared to respond to special situations which may arise, to gather intelligence for determining potential trouble areas or problems, and to perform prevention activities which may diffuse any anticipated civil disorder.

Community Relations Officers assigned to each Troop provide the majority of the efforts relative to civil disorders. They are responsible for maintaining liaison with communities in developing plans to minimize community tension, maintaining communications between the State Police and disaffected community groups during civil disorders, and being aware of the presence of tension and tension-inducing factors within the community.

Emergency assistance can be defined as special situations that would include a substantial disturbance and/or a breach of the peace or public disorder and are normally the result of group disorders. The more recent civil disorders that have occurred have evolved out of strikes. Disorders in the other categories are somewhat less frequent and less predictable than strikes. The State Police must be prepared to handle any civil disorder or emergency which may occur. Toward this end, each troop has developed a Civil Disorder/Emergency Plan for its area of responsibility which is updated yearly and provides information relative to needs

or operational considerations should a situation occur. Additionally, all State Police members have been trained in the effective handling of civil disorders, disturbances, emergency responses and the attitudes and responsibilities expected of each.

Two accident areas which require specialized training for emergency responses are nuclear and hazardous substance accidents. The State Police have instituted a Radiological Monitoring Course for all cadets to cover nuclear transportation accidents and their response plans for nuclear accidents. A recent Federally funded program trained field personnel in initial response training for hazardous substance traffic accidents. Calendar 1982 had the highest number of hazardous substance accidents in a five year period, which emphasizes the need for additional training and special clothing and equipment to adequately respond to these situations.

Activities in this program can vary considerably from year to year due to the uncertainties surrounding the many causes which produce special situations. Although there was a slight increase in activity in fiscal year 1982-83 compared to 1981-82, overall activity during the last several years has been rather low in comparison to earlier years. This has largely been due to relatively calm labor years in terms of strikes, the absence of fuel shortages and the lessening of anti-nuclear demonstrations. Any large strikes such as occurred

Emergency Assistance (continued)**Program Analysis: (continued)**

several years ago in the coal and trucking industries, would increase activity considerably in comparison to past fiscal years where only a few sporadic labor strikes and various demonstrations required State Police involvement.

As in previous years, the needs, outputs and impacts of this program for future years cannot be accurately projected. Individual civil disorders tend to occur over particular actions or inactions on the part of individuals or groups. Certain events can somewhat be anticipated in advance, such as impending strikes which can develop into civil disorders, and appropriate action may be taken to try and avoid any disturbances. Other instances are spontaneous and cannot

initially be eliminated through preventive contacts. Efforts are being made by the State Police to refine their reporting methods to provide more accurate measurements of actual special situations. This will eliminate an officer making a discretionary decision as to whether a special situation does exist and to which activity it should be reported.

Additional funds have been provided in this budget to implement the second year of a new four year program to train 160 State Police cadets per year to help maintain a sufficient level of enlisted personnel and to maintain the State Police at satisfactory operational levels.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 427	\$ 445	\$ 468	\$ 491	\$ 516	\$ 542	\$ 569

Fire Prevention

OBJECTIVE: To minimize fire hazards endangering persons or property.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 447	\$ 471	\$ 527	\$ 553	\$ 581	\$ 610	\$ 641

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Approvals of flammable liquid tank installations	1,217	1,300	1,300	1,300	1,300	1,300	1,300
Corrections formally ordered and made ...	10	15	15	15	15	15	15
Accidental fires reported to State Police ...	643	600	600	600	600	600	600

Program Analysis:

Currently, fire prevention activities involve primarily the inspection of flammable tank installations, including modifications to existing installations, and the enforcement of the regulations governing the storage and handling of flammable liquids.

Applicants proposing to install flammable liquid storage facilities must obtain written construction approval indicating compliance with established regulations. Once the storage facility has been constructed, a State Police Fire Marshal makes a safety inspection of the facility to determine if it is properly installed and conforms with the approved construction plan. If any unsafe conditions are found, corrections are ordered and the facility is then reinspected.

Other duties performed by State Police Fire Marshals within this program include the investigation of reported fire hazards, the presentation of fire prevention programs to community groups, and the coordination of fire prevention activities with local, State and private-related organizations. The State Police also have a statewide chain of 1,905

assistants to the Fire Marshal, normally local Fire Chiefs or Assistant Fire Chiefs appointed by the Commissioner, who are provided training along with locally appointed Fire Marshals on fire investigation techniques and cause recognition. Assistance is also provided to local Fire Marshals, when requested, in the investigation of fires of undetermined origin.

State Police activities in the inspection of flammable liquid installations are projected to remain somewhat constant. This is basically the result of decreased construction of service station facilities within the Commonwealth. It is anticipated that this trend will continue until there is an upward movement in the economy at which time increases in these activities could be expected.

Additional funds have been provided in this budget to implement the second year of a new four year program to train 160 State Police cadets per year to help maintain a sufficient level of enlisted personnel and to maintain the State Police at satisfactory operational levels.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	\$ 447	\$ 471	\$ 527	\$ 553	\$ 581	\$ 610	\$ 641

Tax Equalization Board

The State Tax Equalization Board determines annually the aggregate market value of assessed taxable real property throughout the Commonwealth for use in determining the amount and allocation of Commonwealth subsidies to school districts, for use in determining State support of public libraries, and in determining certain tax limitations.

TAX EQUALIZATION BOARD

Summary by Fund and Appropriation

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
General Fund			
General Government			
General Government Operations	\$ 887	\$ 929	\$ 966
GENERAL FUND TOTAL	<u>\$ 887</u>	<u>\$ 929</u>	<u>\$ 966</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
General Government Operations	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 887	\$ 929	\$ 966

Determines the aggregate market value of assessed taxable real property in each political subdivision and school district in the Commonwealth for use in determining Commonwealth subsidies to school districts and public libraries and for determining certain tax limitations.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
General Government Operations	<u>\$ 887</u>	<u>\$ 929</u>	<u>\$ 966</u>

TAX EQUALIZATION BOARD

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 887	\$ 929	\$ 966	\$ 1,014	\$ 1,065	\$ 1,118	\$ 1,174
General Administration and Support	887	929	966	1,014	1,065	1,118	1,174
DEPARTMENT TOTAL	<u>\$ 887</u>	<u>\$ 929</u>	<u>\$ 966</u>	<u>\$ 1,014</u>	<u>\$ 1,065</u>	<u>\$ 1,118</u>	<u>\$ 1,174</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	<u>\$ 887</u>	<u>\$ 929</u>	<u>\$ 966</u>	<u>\$ 1,014</u>	<u>\$ 1,065</u>	<u>\$ 1,118</u>	<u>\$ 1,174</u>

Program Analysis

The State Tax Equalization Board is an independent administrative board created to ensure equitable distribution of tax funds among the State's school districts. The Board determines annually the aggregate market value of taxable real property in each of the more than 2,500 municipalities and 501 school districts in the Commonwealth and certifies the market value to the Secretary of Education. The results are used in determining distribution of State subsidies to

school districts and local libraries, in lieu of tax payments under Project 70 Land Acquisitions, limitations on real estate taxes in school districts lying in more than one county, tax limitations in financing community colleges and overall tax limitations for political subdivisions and school districts. The program includes holding of hearings and analysis of real estate values and transactions.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
General Government Operations	<u>\$ 887</u>	<u>\$ 929</u>	<u>\$ 966</u>	<u>\$ 1,014</u>	<u>\$ 1,065</u>	<u>\$ 1,118</u>	<u>\$ 1,174</u>

Department of Transportation

The responsibility of the Department of Transportation is to provide for the fast, efficient and safe movement of people and goods within the Commonwealth through a balanced transportation system. The Department was formed July 1, 1970 by an act of the Legislature combining the former Department of Highways with other transportation-related activities in various departments.

Restricted revenue appropriated for aviation operations and airport development and executively authorized for the bridge improvement and local road turnback programs are shown as "Other Funds — Restricted Revenue" on the Summary by Fund and Appropriation and Detail pages and as "Other Funds" in the appropriate subcategories.

DEPARTMENT OF TRANSPORTATION

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
Mass Transportation Operations	\$ 1,143	\$ 1,000	\$ 1,323
Comprehensive Rail Study .....	.....	.....	250
Transfer to Motor License Fund — Vehicle Sales Tax			
Collection	1,377	1,432	1,489
Pennsylvania Coordinate System	150	153	159
Subtotal	<u>\$ 2,670</u>	<u>\$ 2,585</u>	<u>\$ 3,221</u>
Grants and Subsidies			
Mass Transportation Assistance	\$ 144,460	\$ 161,305	\$ 166,531
Rural and Intercity Rail and Bus Transportation	4,666	5,450	5,677
Freight Rail Assistance	3,674	3,490	4,389
Accelerated Rail Maintenance .....	.....	350	.....
Civil Air Patrol	100	100	100
Subtotal	<u>\$ 152,900</u>	<u>\$ 170,695</u>	<u>\$ 176,697</u>
TOTAL STATE FUNDS	<u>\$ 155,570</u>	<u>\$ 173,280</u>	<u>\$ 179,918</u>
Federal Funds	\$ 80,217	\$ 83,313	\$ 25,979
Other Funds	515	1,105	1,140
GENERAL FUND TOTAL	<u>\$ 236,302</u>	<u>\$ 257,698</u>	<u>\$ 207,037</u>

DEPARTMENT OF TRANSPORTATION

Summary by Fund and Appropriation (Continued)

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Motor License Fund			
General Government			
General Government Operations	\$ 20,199	\$ 19,570	\$ 20,353
Refunding Monies Collected Through the Department of Transportation	2,506	1,700	2,000
Highway and Safety Improvement	92,545	93,000	99,800
Highway Maintenance	480,249	521,600	524,174
Secondary Roads — Maintenance and Resurfacing	53,028	49,311	48,826
Safety Administration and Licensing	38,211	40,900	44,436
Subtotal	<u>\$ 686,738</u>	<u>\$ 726,081</u>	<u>\$ 739,589</u>
Debt Service Requirements			
State Highway and Bridge Authority Rentals	\$ 29,371	\$ 30,200	\$ 29,800
Grants and Subsidies			
Local Road Maintenance and Construction Payments	\$ 127,473	\$ 144,200	\$ 137,540
Supplemental Local Road Maintenance and Construction Payments	5,000	5,000	5,000
Philadelphia Payment — Franchise Tax	2,415	728	1,008
Subtotal	<u>\$ 134,888</u>	<u>\$ 149,928</u>	<u>\$ 143,548</u>
TOTAL STATE FUNDS	<u>\$ 850,997</u>	<u>\$ 906,209</u>	<u>\$ 912,937</u>
Federal Funds	\$ 437,094	\$ 576,180	\$ 554,228
Other Funds	17,211	21,631	21,421
Other Funds—Restricted Revenue	9,680	53,204	161,518
MOTOR LICENSE FUND TOTAL	<u>\$1,314,982</u>	<u>\$1,557,224</u>	<u>\$1,650,104</u>

DEPARTMENT OF TRANSPORTATION

Summary by Fund and Appropriation (Continued)

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Lottery Fund			
Grants and Subsidies			
Free Transit for the Elderly	\$ 44,839	\$ 56,900	\$ 59,745
Rural Transit .....	.....	.....	2,000
Transfer to Motor License Fund — Vehicle Registration — Elderly	3,389	3,400	3,400
Subtotal	<u>\$ 48,228</u>	<u>\$ 60,300</u>	<u>\$ 65,145</u>
 Department Total — All Funds			
General Fund	\$ 155,570	\$ 173,280	\$ 179,918
Special Funds	899,225	966,509	978,082
Federal Funds	517,311	659,493	580,207
Other Funds	17,726	22,736	22,561
Other Funds — Restricted Revenue	9,680	53,204	161,518
TOTAL ALL FUNDS	<u>\$1,599,512</u>	<u>\$1,875,222</u>	<u>\$1,922,286</u>

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Mass Transportation Operations			
State Funds	\$ 1,143	\$ 1,000	\$ 1,573
Federal Funds	75,080	69,238	19,979
Other Funds	215	220	200
TOTAL	\$ 76,438	\$ 70,458	\$ 21,752

Provides administrative coordination, planning and support for all urban, rural and intercity mass transportation as well as rail freight transportation. Efficient and effective urban mass transportation is promoted through analysis of local transit operations and procedures, coordination and funding of urban area planning and study projects, and review of local operating subsidy and capital project requests. Activities designed to continue and improve rail and bus service between Pennsylvania's urbanized areas and bus service in rural areas include: preparing and coordinating needs studies; analyzing existing and proposed service levels; and evaluating the overall effectiveness of the program. Administrative direction of the Free Elderly Transit program is also funded as part of this General Fund appropriation, while the actual subsidies to transit operators are paid from the Lottery Fund.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Mass Transportation Operations	\$ 1,143	\$ 1,000	\$ 1,323
Comprehensive Rail Study .....	.....	.....	250
Federal Funds:			
Urban Mass Transportation Technical Studies Grants	182	572	410
Title IV Rail Assistance — Program Operations and Planning ..	146	800	54
Capital Assistance Elderly and Handicapped Programs — Administration	22	40	31
Surface Transportation Assistance — Program Operations and Planning	387	500	422
Ride Sharing — Operation and Planning	30	39	46
Bus Pool Purchase — Administration	52	40	11
Urban Mass Transportation Capital Assistance	74,258	67,015	19,005
Energy Conservation — Ridesharing	3	32	.....
High Speed Rail Corridor Study .....	.....	200	.....
Other Funds:			
Reimbursements from Aviation Restricted Revenue	53	39	60
Reimbursement from PTAA	101	121	140
Lease Recovery Costs — Ridesharing	34	60	.....
MLF Reimbursement — Parkway East Project	15	.....	.....
Ridesharing — State Employees Program — User Fees	12	.....	.....
TOTAL	\$ 76,438	\$ 70,458	\$ 21,752

GENERAL FUND

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Vehicle Sales Tax Collection			
State Funds	\$ 1,377	\$ 1,432	\$ 1,489

The Department of Transportation assumed responsibility for the collection of motor vehicle sales taxes in 1981-82, as part of a revised vehicle title application system.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Transfer to Motor License Fund — Vehicle Sales Tax Collection	<u>\$ 1,377</u>	<u>\$ 1,432</u>	<u>\$ 1,489</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Pennsylvania Coordinate System			
State Funds	\$ 150	\$ 153	\$ 159

With the passage of Act 251 in 1982, the Department of Transportation assumed the Commonwealth's coordinate system responsibility. This function involves placing of survey markers at various locations throughout the State for the purpose of developing maps and determining boundary lines.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Pennsylvania Coordinate System	<u>\$ 150</u>	<u>\$ 153</u>	<u>\$ 159</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Mass Transportation Assistance			
State Funds	\$ 144,460	\$ 161,305	\$ 166,531

Assists in developing improved, coordinated, and efficient mass transportation systems in the Commonwealth's urban areas through subsidization of public carriers' operating losses.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Mass Transportation Assistance	<u>\$ 144,460</u>	<u>\$ 161,305</u>	<u>\$ 166,531</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Rural and Intercity Rail and Bus Transportation			
State Funds	\$ 8,340	\$ 9,290	\$ 10,066
Federal Funds	5,137	14,075	6,000
Other Funds	300	885	940
TOTAL	<u>\$ 13,777</u>	<u>\$ 24,250</u>	<u>\$ 17,006</u>

Ensures continuation of vital rail services by assisting financially in the purchase, rehabilitation and subsidization of rail lines that were not included in the Consolidated Rail Corporation (ConRail) system; and provides operating subsidies for passenger rail and bus service in small urban and rural areas and between urbanized areas that lack adequate public transportation. Also included in this appropriation is the project grant portion of the Rural Transportation Program. In 1983-84, funds were specifically appropriated for accelerated maintenance on the Bald Eagle Branch, the Bellefonte Secondary Line, the Pleasant Gap Industrial Line in Centre County and on the ConRail Bloomsburg Branch.

GENERAL FUND

TRANSPORTATION

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Rural and Intercity Rail and Bus Transportation.....	\$ 4,666 ^a	\$ 5,450	\$ 5,677
Freight Rail Assistance	3,674 ^a	3,490	4,389
Accelerated Rail Maintenance .....	.....	350	.....
Federal Funds:			
Title IV Rail Assistance — Operating Subsidy	24	475	.....
Title IV Rail Assistance — Capital (Bond Projects)	460	5,000	.....
Title IV Rail Assistance — Capital (Current Revenues) .....	.....	100	.....
Surface Transportation Assistance — Operating Subsidy	2,610	3,000	3,000
Surface Transportation Assistance — Capital (Bond Projects) ..	2,043	3,500	3,000
Northern Central Railroad Branch Rehabilitation Project .....	.....	2,000	.....
Other Funds:			
Local Reimbursements — Intercity Transportation Projects	300	885	940
TOTAL	<u>\$ 13,777</u>	<u>\$ 24,250</u>	<u>\$ 17,006</u>

^aAppropriated as one amount — Rural and Intercity Rail and Bus Transportation (\$8,340,000).

Civil Air Patrol	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 100	\$ 100	\$ 100

Pays for instructional aids and other equipment used in local civil air patrol programs.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Civil Air Patrol	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 100</u>

GENERAL GOVERNMENT

General Government Operations	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 22,705	\$ 21,270	\$ 22,353
Federal Funds	5		
Other Funds	1,386	839	1,020
TOTAL	\$ 24,096	\$ 22,109	\$ 23,373

Develops basic policy guidelines for the highway program, while directing and coordinating specific construction, maintenance and safety and licensing activities. Among the various managerial responsibilities, support is provided in legal, budgetary, accounting, personnel, procurement, information systems and public relations matters. In addition to supervisory functions performed by departmental employes, the work of the Inspector General's office, the State Transportation Commission and the Advisory Committee are included within this program. Transportation also provides certain photographic and reproduction services to other State agencies on a reimbursable basis.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
General Government Operations	\$ 20,199	\$ 19,570	\$ 20,353
Executive Authorization:			
Refunding Monies Collected Through Department of Transportation	2,506	1,700	2,000
Federal Funds:			
Highway Research, Planning and Construction	5		
Other Funds:			
Reimbursements from General Fund — Mass Transportation	79		185
Reimbursements for Commonwealth Duplicating Services	800	300	320
Reimbursements for Commonwealth Photographic Services	285	474	390
Reimbursements for Sale of Equipment	1	15	15
Reimbursements — CETA	12		
Reimbursements from Aviation Restricted Revenue	209	50	110
TOTAL	\$ 24,096	\$ 22,109	\$ 23,373

MOTOR LICENSE FUND

TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Highway and Safety Improvement			
State Funds	\$ 92,545	\$ 93,000	\$ 99,800
Federal Funds	309,205	427,900	399,500
Other Funds	3,742	5,700	6,700
Other Funds—Restricted Revenue ^a	2,844	30,000	120,000
TOTAL	\$ 408,336	\$ 556,600	\$ 626,000

Provides for the improvement of highways and bridges that contribute to the economic growth of the Commonwealth and the mobility of the State's citizens, while undertaking safety improvements that reduce personal injury and property damage. The scope of this program covers all 67 counties within the State and includes Federal Interstate, Primary, Secondary, Urban and Appalachia Roads as well as roads on the 100 percent State system. Within the limitations of funding available from Federal aid, local construction contributions and State current revenues, Transportation is charged with the responsibility of developing and executing a program that will correct the most critical deficiencies on the State-administered highway system.

The highway improvement process begins with research, involving long range planning of highway needs and testing of materials and methods to improve the quality and safety of highways improved. To achieve a safe and efficient highway system, plans are formulated for the design, redesign and location of roadways, bridges and structures. Technical matters involved in the acquisition of necessary rights-of-way are also handled. Finally, the construction, reconstruction and safety improvement of roads and bridges on the State highway system are supervised by Transportation personnel who inspect these activities for adherence to established standards.

This program also involves improvements to those State-owned bridges enumerated in the "Highway Bridge Capital Budget Act of 1982-83." These improvements are funded from truck axle tax revenues deposited in a restricted account within the Motor License Fund and with Federal funds. Beginning in 1984-85 these improvements will also be funded from bond sales with the resultant debt service paid out of the same restricted revenue account. Bond expenditures are shown in the Capital Budget section of this budget. Debt Service expenditures from the restricted revenues are shown in the Treasury Department as "Other Funds — Restricted Revenue." State funds expended from the restricted account are shown above as "Other Funds — Restricted Revenue" and the accompanying Federal funds are also shown in the amounts above.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Highway and Safety Improvement	\$ 92,545	\$ 93,000	\$ 99,800
Federal Funds:			
Highway Research, Planning and Construction	231,707	315,900	287,100
Federal-Aid-Highway Bridge Projects	7,086	64,600	75,000
Appalachia Development Highway System	69,897	47,000	37,000
Forest Highways .....	.....	100	100
Highway Safety Program	515	300	300
Other Funds:			
Highway Bridge Projects ^a	2,844	30,000	120,000
Reimbursements from Locals — Highway Bridge Projects .....	.....	.....	1,000
Highway Construction Contributions	3,503	5,355	5,350
Reimbursements from Aviation Restricted Revenues	114	75	80
Reimbursements from General Fund — Mass Transportation	104	250	250
Reimbursements from CETA	9	.....	.....
Rental Reimbursement — Photo ID Program	12	20	20
TOTAL	\$ 408,336	\$ 556,600	\$ 626,000

^aExecutive Authorization from restricted revenue account.

MOTOR LICENSE FUND

TRANSPORTATION

Highway Maintenance	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 533,277	\$ 570,911	\$ 573,000
Federal Funds	125,492	144,177	150,000
Other Funds	7,029	9,755	9,300
TOTAL	\$ 665,798	\$ 724,843	\$ 732,300

Performs maintenance activities necessary to keep roadway surfaces in a safe and usable condition. Work carried out by Transportation forces or by contract includes patching, surface treatment, resurfacing, restabilization and minor betterment projects, plus repair of bridges, tunnels and minor storm damage. Snow and ice control services are performed on all State-administered highways as well as on an additional one thousand miles of selected city streets which were assigned to the Department by Act 60 of the 1970 Legislative Session. Other important maintenance activities, not involved directly with the roadway surface itself, include washing, manufacturing and repairing highway signs, repainting pavement markings, and repairing or replacing such safety features as traffic signals, guard-rails, median barriers and right-of-way fences.

Repairs to flood-damaged highways are financed through this program, with most of these costs being reimbursed by the Federal Government. Federal assistance is also available for resurfacing, restoration, rehabilitation and reconstruction (4-R Program) work. The dollar amount of such grants has grown substantially in recent years.

Separate authorization and accounting is provided under this program for the one cent of the gasoline tax used for secondary roads maintenance and resurfacing funds as required by Act 161 of the 1974 session of the Legislature.

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Highway Maintenance	\$ 480,249	\$ 518,600	\$ 524,174
Highway Maintenance — Supplemental .....	.....	3,000	.....
Executive Authorization:			
Secondary Roads — Maintenance and Resurfacing	53,028	49,311	48,826
Federal Funds:			
Highway Research, Planning and Construction	120,698	141,277	149,800
State and Community Highway Safety	187	200	200
Highway Emergency Relief	2,099	.....	.....
Federal Emergency Management Agency	2,508	2,700	.....
Other Funds:			
CETA — Title VI	774	500	.....
Highway Maintenance Contributions	1,165	1,500	2,000
Reimbursements from Other State Agencies — Equipment			
Rental	1	10	10
Sale of Automobiles	27	50	50
Sale of Equipment	191	200	200
Vendor Surcharge — Breach of Contract	4	50	10

MOTOR LICENSE FUND

TRANSPORTATION

<i>Source of Funds: (continued)</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Other Funds: (continued)			
Reimbursements for Heavy Hauling — Bonded Roads	\$ 577	\$ 1,600	\$ 1,000
Reimbursements — Manufacture and Sale of Signs	69	75	75
Reimbursements — Accident Damage Claims	4,128	5,600	5,800
Reimbursements — Aviation Restricted Revenue	24	25	25
Fees for Signs — Other State Agencies	11	30	30
Fees for Signs — Non State Agencies	38	90	70
Reimbursements — Rental Photo ID Program	20	25	30
TOTAL	\$ 665,798	\$ 724,843	\$ 732,300

Safety Administration and Licensing	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 38,211	\$ 40,900	\$ 44,436
Federal Funds	1,018	1,372	950
Other Funds	4,922	5,242	4,929
TOTAL	\$ 44,151	\$ 47,514	\$ 50,315

Provides for processing applications and collecting fees for all vehicle registration and operator licenses. Additional functions are to enforce the driver point system; to keep records of State vehicle safety and emission inspections, to maintain a public safety education and information section; and to supply certified copies of records of traffic accidents to other agencies both within and outside the State. Other responsibilities include: providing assistance to Commonwealth agencies, municipalities and nonprofit organizations, regulating the transportation of hazardous substances on the highway and operating a data collection system for accident analysis. Location and cause of accident information is utilized to arrange a priority listing of dangerous road sections; actual safety improvement work is funded within the Highway and Safety Improvement program and Highway Maintenance program.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Safety Administration and Licensing	\$ 38,211	\$ 40,900	\$ 44,436
Federal Funds:			
State and Community Highway Safety	1,018	1,372	950
Other Funds:			
Reimbursements from Other State Agencies — Computer Support	136	140	140
Reimbursements — Photo ID Program	3,372	3,670	3,300
Reimbursements — CETA	31	.....	.....
Reimbursements From General Fund — Motor Vehicle Sales Tax ^a	1,377	1,432	1,489
Sale of Equipment	6	.....	.....
TOTAL	\$ 44,151	\$ 47,514	\$ 50,315

^aThis transfer from the General Fund is not carried forward to the Summary by Fund and Appropriation to avoid double counting.

Aviation Operations	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Federal Funds	\$ 906	\$ 1,731	\$ 2,778
Other Funds	1,509	1,527	961
Other Funds — Restricted Revenue ^a	5,135	5,704	5,473
TOTAL	<u>\$ 7,550</u>	<u>\$ 8,962</u>	<u>\$ 9,212</u>

Maintains and operates the Bureau of Aviation within the Department of Transportation, and all State-owned airports—the two largest being Harrisburg International (HIA) and Capital City. In addition to the costs shown, bond funds are used to finance direct capital project costs within this program. Bond expenditures are reflected in the Capital Budget section of this budget. Restricted revenue appropriated for Aviation Operations is shown as "Other Funds — Restricted Revenue."

Source of Funds	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Federal Funds:			
Airport Development Aid Program	\$ 76	\$ 100	\$ 313
Federal Aid — HIA	33	. . . .	792
Federal Aid — Other State Airports	797	1,631	1,673
Other Funds:			
Aviation Operations ^a	5,135	5,704	5,473
Reimbursements for Cost of Utility Services — HIA	1,156	843	501
Reimbursements for Cost of Utility Services — Other	62	74	60
Reimbursements — Flight Operations	291	470	400
Sale of Aircraft .....	. . . .	108	. . . .
Sale of Publications .....	. . . .	32	. . . .
TOTAL	<u>\$ 7,550</u>	<u>\$ 8,962</u>	<u>\$ 9,212</u>

^aAppropriation from restricted revenue account.

DEBT SERVICE REQUIREMENTS

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
State Highway and Bridge Authority Rentals			
State Funds	\$ 29,371	\$ 30,200	\$ 29,800

Makes rental payments to the State Highway and Bridge Authority for highways and bridges constructed with funds borrowed by the Authority as a means of expanding the construction program beyond the level permitted by current revenues in previous years.

Bond borrowings since 1968 were made as General Obligations of the Commonwealth, for which debt service requirements are appropriated to the Treasury Department. State Highway and Bridge Authority rentals will continue for those projects currently under rental.

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
State Highway and Bridge Authority Rentals	<u>\$ 29,371</u>	<u>\$ 30,200</u>	<u>\$ 29,800</u>

GRANTS AND SUBSIDIES

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Local Road and Bridge Assistance			
State Funds	\$ 134,888	\$ 149,928	\$ 143,548
Federal Funds	468	1,000	1,000
Other Funds — Restricted Revenue ^a	159	15,500	33,845
TOTAL	\$ 135,515	\$ 166,428	\$ 178,393

Provides financial aid to local municipalities to assist them in the maintenance and construction of their portion of the total highway system. With the passage of Act 32 of 1983 the local subsidy was set at 20 percent of the flat fuel tax and 20 percent of a portion (3.5 percent) of the current 6 percent oil franchise tax paid into the Motor License Fund. As part of the 1981 oil franchise tax legislation (which pre-empted all other similar taxes within the Commonwealth) Philadelphia receives a separate appropriation annually in an amount equal to two percent of the retail sales within the city less the increased allocation to Philadelphia. In addition, the General Assembly established in 1980 an annual appropriation of \$5 million to be returned to local governments for further highway improvements.

Payment of the funds to municipalities is closely regulated and controlled to determine that monies are expended for maintenance and construction of roads according to law. The distribution is made on a 50 percent mileage and 50 percent population formula.

Provides grants to local governments of up to 80 percent of the non-Federal cost of repairing, removing or replacing local bridges enumerated in the Highway Bridge Capital Budget Act of 1982-83. These grants are made from a restricted revenue account in the Motor License Fund and are shown above as "Other Funds—Restricted Revenue." Accompanying Federal funds are also shown in the amounts above.

Also provides funds from a recently created restricted revenue account in the Motor License Fund for restoration projects and annual maintenance payments associated with the local turnback program. State funds expended from the restricted account are shown above as "Other Funds—Restricted Revenue."

<i>Source of Funds</i>	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Local Road Maintenance and Construction Payments	\$ 127,473	\$ 144,200	\$ 137,540
Supplemental Local Road Maintenance and Construction Payments	5,000	5,000	5,000
Executive Authorization:			
Philadelphia Payment — Franchise Tax	2,415	728	1,008
Federal Funds:			
Federal Aid — Local Grants for Bridge Projects	468	1,000	1,000
Other Funds:			
Local Grants for Bridge Projects ^a	159	6,500	19,000
Annual Maintenance Payments — Highway Transfer ^a		1,100	1,750
Restoration Projects — Highway Transfer ^a		7,900	13,095
TOTAL	\$ 135,515	\$ 166,428	\$ 178,393

^aExecutive Authorizations from Restricted Revenue Accounts.

MOTOR LICENSE FUND**TRANSPORTATION**

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Airport Development			
Other Funds — Restricted Revenue ^a	\$ 1,542	\$ 2,000	\$ 2,200

Provides assistance on a matching basis to local governments and authorities for development of aeronautical facilities. Restricted revenue appropriated for Airport Development is shown as "Other Funds — Restricted Revenue."

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Other Funds:			
Airport Development ^a	<u>\$ 1,542</u>	<u>\$ 2,000</u>	<u>\$ 2,200</u>

^aAppropriation from restricted revenue account.

**STATE LOTTERY FUND
GRANTS AND SUBSIDIES**

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Free Transit for the Elderly			
State Funds	\$ 44,839	\$ 56,900	\$ 61,745

Allows elderly citizens to ride the Commonwealth's transit systems without charge during non-peak hours through the week and all day on weekends and holidays by providing the systems with cash subsidies. Also provides demand-responsive services particularly in rural areas that do not have fixed route systems.

<i>Source of Funds</i>	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Executive Authorizations:			
Free Transit for the Elderly	\$ 44,839	\$ 56,900	\$ 59,745
Rural Transit .....	.....	.....	2,000
TOTAL	<u>\$ 44,839</u>	<u>\$ 56,900</u>	<u>\$ 61,745</u>

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Vehicle Registration			
State Funds	\$ 3,389	\$ 3,400	\$ 3,400

Transfers to the Motor License Fund as general revenue the amount of fees lost as a result of lower vehicle registration fees paid by the Commonwealth's Senior Citizen population.

<i>Source of Funds</i>	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Executive Authorization:			
Transfer to Motor License Fund — Vehicle Registration — Elderly	<u>\$ 3,389</u>	<u>\$ 3,400</u>	<u>\$ 3,400</u>

Restricted Receipts Not Included in Department Total

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
Federal Grants — Capital Assistance Elderly and Handicapped Programs	\$ 468	\$ 750	\$ 800
Federal Grants — Rural Highway Transportation Demonstration Program	8	.....	.....
Van Pool Leases — Contingency Costs	6	50	10
Federal Grants — Railroad Freight Rehabilitation	62	2,000	2,000
Federal Grants — Ridesharing Program	57	525	550
Local Share — Railroad Freight Rehabilitation	16	300	400
Reimbursements from Grantees — Ridesharing	94	50	105
User Fees — Ridesharing — State Employees	6	50	10
GENERAL FUND TOTAL	<u>\$ 721</u>	<u>\$ 3,725</u>	<u>\$ 3,915</u>
Motor License Fund			
Federal Reimbursements to Political Subdivisions — Highway Safety Program	\$ 3,287	\$ 3,900	\$ 4,000
Federal Reimbursements to Political Subdivisions — TOPICS ..	1,720	2,000	2,200
Federal Grants — Airport Development Aid Program	1,576	1,200	1,600
Federal Reimbursements for Roads off the State System Costs .	3,498	5,500	5,775
Federal Urban System Funds	24,312	26,000	27,000
Reimbursements to Municipalities — Vehicle Code Fines and Penalties	10,811	9,500	11,000
Reimbursement for Right-of-Way Costs	22	100	25
Federal Reimbursements — Flood Related Costs	2,195	2,000	2,000
Reimbursement to Other States — Apportioned Registration Plan	3,101	2,500	3,200
Land Use Under Elevated Highways .....	.....	35	.....
Federal Advances — Delaware Housing	4	.....	.....
Federal Reimbursements — Bridge Projects .....	.....	1,000	20,000
MOTOR LICENSE FUND TOTAL	<u>\$ 50,526</u>	<u>\$ 53,735</u>	<u>\$ 76,800</u>
DEPARTMENT OF TRANSPORTATION TOTAL	<u>\$ 51,247</u>	<u>\$ 57,460</u>	<u>\$ 80,715</u>

DEPARTMENT OF TRANSPORTATION

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Administration and Support	\$ 22,813	\$ 21,401	\$ 22,534	\$ 23,541	\$ 24,618	\$ 25,747	\$ 26,932
Transportation Systems and Services	\$ 942,424	\$1,013,286	\$1,021,710	\$1,032,453	\$1,041,611	\$1,050,472	\$1,060,695
State Highway Improvement	110,192	109,469	121,527	124,195	125,171	123,351	121,593
State Highway Maintenance	527,039	564,361	566,122	565,778	565,416	565,036	564,637
Local Highway Assistance	134,888	149,928	143,548	144,497	144,263	143,697	143,400
Urban Mass Transportation	144,774	161,747	167,104	176,677	187,122	198,174	209,879
Rural and Intercity Rail and Bus Transportation	8,969	9,617	10,744	11,253	11,799	12,122	12,723
Air Transportation	100	100	100	100	100	100	100
State Bridges	16,462	18,064	12,565	9,953	7,740	7,992	8,363
Highway Safety	\$ 41,238	\$ 44,702	\$ 48,470	\$ 50,717	\$ 52,651	\$ 54,912	\$ 56,992
Highway Safety Projects	1,650	2,370	2,545	2,941	2,948	3,205	3,200
Safety Administration and Licensing ..	39,588	42,332	45,925	47,776	49,703	51,707	53,792
Free Elderly Transit	\$ 48,320	\$ 60,400	\$ 65,286	\$ 68,264	\$ 71,406	\$ 74,704	\$ 78,168
Free Elderly Transit	48,320	60,400	65,286	68,264	71,406	74,704	78,168
DEPARTMENT TOTAL	<u>\$1,054,795</u>	<u>\$1,139,789</u>	<u>\$1,158,000</u>	<u>\$1,174,975</u>	<u>\$1,190,286</u>	<u>\$1,205,835</u>	<u>\$1,222,787</u>

General Administration and Support

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

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 108	\$ 131	\$ 181	\$ 170	\$ 178	\$ 185	\$ 192
Special Funds	22,705	21,270	22,353	23,371	24,440	25,562	26,740
Federal Funds	5	.....	.....	.....	.....	.....	.....
Other Funds	1,438	878	1,055	982	1,025	1,068	1,122
TOTAL	<u>\$ 24,256</u>	<u>\$ 22,279</u>	<u>\$ 23,589</u>	<u>\$ 24,523</u>	<u>\$ 25,643</u>	<u>\$ 26,815</u>	<u>\$ 28,054</u>

Program Analysis:

General Administration and Support provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and Agency objectives. The success or failure of these supportive efforts can only be indirectly reflected

by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of provided services.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Mass Transportation Operations	<u>\$ 108</u>	<u>\$ 131</u>	<u>\$ 181</u>	<u>\$ 170</u>	<u>\$ 178</u>	<u>\$ 185</u>	<u>\$ 192</u>
MOTOR LICENSE FUND							
General Government Operations	\$ 20,199	\$ 19,570	\$ 20,353	\$ 21,371	\$ 22,440	\$ 23,562	\$ 24,740
Refunding Monies Collected Through the Department of Transportation	2,506	1,700	2,000	2,000	2,000	2,000	2,000
MOTOR LICENSE FUND TOTAL...	<u>\$ 22,705</u>	<u>\$ 21,270</u>	<u>\$ 22,353</u>	<u>\$ 23,371</u>	<u>\$ 24,440</u>	<u>\$ 25,562</u>	<u>\$ 26,740</u>

State Highway Improvement

OBJECTIVE: To provide a highway system capable of meeting the more vital economic and recreational needs of the Commonwealth by affording a reasonably accessible means of transporting passengers and cargo.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 150	\$ 153	\$ 159	\$ 167	\$ 175	\$ 184	\$ 193
Special Funds	110,042	109,316	121,368	124,028	124,996	123,167	121,400
Federal Funds	241,020	290,607	271,717	276,526	294,141	294,957	294,547
Other Funds	6,462	9,085	8,879	9,408	9,477	9,497	9,732
TOTAL	\$ 357,674	\$ 409,161	\$ 402,123	\$ 410,129	\$ 428,789	\$ 427,805	\$ 425,872

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Vehicles miles traveled:							
Interstate highways (billions)	8.385	8.479	8.564	8.649	8.735	8.822	8.910
All other highways (billions)	45.238	45.785	46.243	46.705	47.172	47.644	48.120
Miles of highway requiring construction or reconstruction	940	935	915	885	855	825	800
Miles of highway constructed or reconstructed	5	37	70	80	80	85	90
Value of highway projects designed (thousands)	\$186,000	\$402,000	\$416,000	\$476,000	\$468,000	\$487,000	\$503,000
Value of highway construction lettings (thousands)	\$145,000	\$400,000	\$413,000	\$480,000	\$475,000	\$480,000	\$505,000

Program Analysis:

The State Highway Improvement program involves major construction and reconstruction of the Interstate highway system and the construction of high priority missing links. Bridge projects previously shown here are now included in a separate State Bridge subcategory.

In 1983 the Department of Transportation has been able to proceed on a number of high priority Interstate and "missing link" highway projects as a result of: additional State matching funds becoming available through a Motor License Fund fuel tax increase, additional Federal funds from increased Federal highway taxes and fees, Federal highway funds being released from the auto emission ban, and 100 percent Federal funding on certain Interstate restoration projects. This increased activity is reflected in the program measures.

The highest priority is the completion and reconstruction of the Interstate system. These routes make a major contribution to the economic development of the Commonwealth and are essential for the movement of goods to serve the private sector. The department's Interstate Completion Program includes I-78 in Lehigh and Northampton Counties, I-95 in Philadelphia, the I-279/579 complex in Pittsburgh and I-476 (Blue Route) in Delaware County, and I-696 (Vine Street) in Philadelphia. There is also much major Interstate reconstruction presently underway in the Commonwealth. This effort will continue. It is necessary to maintain the Interstate highway system at a high servicability level and through the Interstate reconstruction program, this effort will be attained.

Economic revitalization of the Commonwealth will further be stimulated by the completion of various non-

State Highway Improvement (continued)

Program Analysis: (continued)

Interstate "missing links". These include the Allegheny Valley Expressway in the Tarentum area, the Pottstown Expressway, the Route 22-220 complex in Blair and Cambria Counties, the Donora to I-70 Connector in Westmoreland County, and the State College Bypass.

With the passage of Act 251 in 1982, the department

assumed the Commonwealth's "non-highway" coordinate system responsibility. This function involves the placing of survey markers at various locations throughout the State for the purpose of developing maps and determining boundary lines.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Pennsylvania Coordinate System	\$ 150	\$ 153	\$ 159	\$ 167	\$ 175	\$ 184	\$ 193
MOTOR LICENSE FUND							
Highway and Safety Improvement	\$ 80,671	\$ 79,116	\$ 91,568	\$ 94,328	\$ 96,896	\$ 96,767	\$ 96,800
State Highway and Bridge Authority							
Rentals	29,371	30,200	29,800	29,700	28,100	26,400	24,600
MOTOR LICENSE FUND TOTAL...	\$ 110,042	\$ 109,316	\$ 121,368	\$ 124,028	\$ 124,996	\$ 123,167	\$ 121,400

State Highway Maintenance

OBJECTIVE: To provide general routine maintenance, betterments and resurfacing necessary to preserve the quality of existing State-administered roads and to provide prompt winter services to enable the safe passage of vehicles.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 527,039	\$ 564,361	\$ 566,122	\$ 565,778	\$ 565,416	\$ 565,036	\$ 564,637
Federal Funds	99,520	116,906	121,365	120,733	121,229	126,650	126,992
Other Funds	9,223	11,755	11,300	11,500	11,700	11,700	11,700
TOTAL	\$ 635,782	\$ 693,022	\$ 698,787	\$ 698,011	\$ 698,345	\$ 703,386	\$ 703,329

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Miles of State maintained highways	44,820	44,445	43,890	43,466	43,103	42,789	42,514
Miles of State maintained highway improved:							
Resurfaced	769	450	627	625	625	625	625
Surface treated	4,817	3,255	5,460	5,400	5,350	5,300	5,250
Total	5,586	3,705	6,087	6,025	5,975	5,925	5,875
Maintenance:							
Tons of patching material applied	232,093	194,657	200,000	200,000	200,000	200,000	200,000
Miles of shoulder grading and cutting	29,946	28,518	28,500	28,500	28,500	28,500	28,500
Value of major maintenance contract lettings (in thousands)	\$221,000	\$173,400	\$185,000	\$194,000	\$204,000	\$214,000	\$225,000
Value of other maintenance contracts (in thousands)	\$ 80,000	\$ 40,300	\$ 90,000	\$ 94,000	\$ 93,000	\$ 92,000	\$ 91,000
Hauling and Occupancy Permits Issued:							
Over weight/over size	157,000	157,000	157,000	157,000	157,000	157,000	157,000
Posted Highway/Bridge/Hill	607,000	600,000	600,000	600,000	600,000	600,000	600,000
Occupancy	20,600	20,500	20,500	20,500	20,500	20,500	20,500
Truck weight and safety enforcement							
Trucks weighed	390,000	400,000	400,000	400,000	400,000	400,000	400,000
Weight violations	5,662	6,000	6,000	6,000	6,000	6,000	6,000
Trucks inspected	27,207	31,000	31,000	31,000	31,000	31,000	31,000
Safety violations	9,574	11,000	11,000	11,000	11,000	11,000	11,000

Program Analysis:

Pennsylvania, with the fourth largest State maintained highway system in the nation and one which is subjected to severe winters, is faced with significant and challenging maintenance demands.

Recognizing the department's responsibility in maintaining over 44,000 miles of roadway with declining Motor License Fund revenues the General Assembly enacted a series of fuel tax increases in 1983.

The additional Motor License Fund revenues will allow

the department to continue to emphasize Pennsylvania's program for durable resurfacing of high-volume primary highways. Pennsylvania has about 10,000 miles of primary highways which carry high volumes of truck traffic. The department has labelled these highways the Priority Commercial Network. Rehabilitation projects on the Priority Commercial Network, which cost \$250,000 per mile and up, involve drainage improvements, base repair, guiderail installation, shoulder stabilization, and bituminous overlays

State Highway Maintenance(continued)

Program Analysis: (continued)

of 1.5-5 inches or joint repair/slab replacement for certain concrete sections.

The department no longer uses thin bituminous overlays which had been used both on primary highways and secondary roads prior to 1979. These applications had an unacceptably high failure rate with failures creating a series of shallow potholes. Instead, the department has extended its surface treatment program along the lines of other states and many local governments. Surface treatment projects, which cost \$15,000 per mile and up, involve drainage improvements, base repair, bituminous "scratch coat" where needed to restore the road's cross-section, and an oil-aggregate application. Double oil-aggregate applications and pre-coated aggregate can be used on higher volume roads. Over 30,000 miles of the State system can be economically repaired using surface treatment techniques (surface treatment is not applicable to the State's 2,000 miles of stabilized roads).

Department efforts have been reoriented toward preventive maintenance on all roads. Drainage-related activities are those which get water off the road and keep it off the road. These include pipe replacement, ditch cleaning, shoulder cutting/grading, oil-aggregate "skin patching" and joint/crack sealing.

The department has set a goal of over 6,000 miles of surface improvement for 1984-85. The appropriation request of \$573 million will provide for approximately 577 miles of resurfacing and approximately 5,460 miles of surface treatment. It should be noted that 55 percent of the planned sur-

face treatment (3,003 miles) is to be completed by contract in the budget year at a projected cost of \$90 million. This estimate is reflected in the program measures under the "value of other maintenance contracts." The remaining 2,457 miles (45 percent of the total surface treatment) is planned for completion by department forces. Future year surface treatment requirements reflect same mix of contract and department forces. An additional 50 miles of resurfacing will be carried over from 1983-84 into 1984-85 due to lateness of the 1983 tax package enactment. The level of resurfacing and surface treatment as projected in future years provide for a desired 5-7 year and 15-20 year improvements cycle, respectively.

The department issues special permits to truck operators in the cases of weight restrictions or special operating restrictions on certain highways and bridges. By issuing these permits the department is able to facilitate economic growth in the Commonwealth without adversely affecting the structural integrity of the highways and bridges or the safe and convenient passage of traffic.

The truck weight and safety enforcement program is credited with reducing maintenance costs for highways and bridges and increasing the safety of the public by minimizing the number of dangerously overloaded trucks. Weight teams also spot check critical safety items on vehicles in conjunction with weight enforcement.

State bridge projects previously included here are now shown within the State Bridge subcategory.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
MOTOR LICENSE FUND							
Highway Maintenance	\$ 474,011	\$ 515,050	\$ 517,296	\$ 517,770	\$ 518,353	\$ 519,034	\$ 519,579
Secondary Roads—Maintenance and Resurfacing	53,028	49,311	48,826	48,008	47,063	46,002	45,058
MOTOR LICENSE FUND TOTAL.....	<u>\$ 527,039</u>	<u>\$ 564,361</u>	<u>\$ 566,122</u>	<u>\$ 565,778</u>	<u>\$ 565,416</u>	<u>\$ 565,036</u>	<u>\$ 564,637</u>

Local Highway Assistance

OBJECTIVE: To assist local governments in the maintenance and construction of their portion of the total highway system.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 134,888	\$ 149,928	\$ 143,548	\$ 144,497	\$ 144,263	\$ 143,697	\$ 143,400
Federal Funds	468	1,000	1,000	1,000	1,000	1,000	1,000
Other Funds	63,387	83,308	122,033	127,668	133,083	136,477	132,971
TOTAL	\$ 198,743	\$ 234,236	\$ 266,581	\$ 273,165	\$ 278,346	\$ 281,174	\$ 277,371

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Miles of highway locally administered:							
Total	66,909	67,200	67,700	68,200	68,700	69,200	69,700
Percent of all highways in the Commonwealth	60.8%	61.0%	61.5%	62.0%	62.5%	63.0%	63.4%
Miles of local highways improved	1,364	1,092	1,050	1,200	1,250	1,300	1,350
Local bridges:							
Total	28,500	28,505	28,510	28,515	28,520	28,525	28,530
Substandard	10,483	10,824	11,121	11,407	11,703	11,993	12,338
Brought up to standard through axle-tax bridge program	34	78	89	79	85	30	37

Program Analysis:

Nearly twenty percent of Pennsylvania's twelve cents per gallon liquid fuels tax and twenty percent of the thirty-five mills of the oil franchise tax is currently made available to local governments for use on their roads as a result of the following legislatively mandated programs. The first one-half cent of the twelve cent gallonage tax is deposited directly into the Liquid Fuels Tax Fund and apportioned to the 67 counties. Of the remaining eleven and one-half cent fuels tax, twenty percent is distributed from the Motor License Fund to 2,571 municipalities. Also included in the distribution to municipalities is twenty percent of 3.5 percent of the current 6 percent oil franchise tax. As part of the oil franchise tax legislation, Philadelphia receives a separate payment annually in an amount equal to two percent of the retail sales within the City less the increased allocation to Philadelphia. In addition, the General Assembly established in 1980 an annual appropriation of \$5 million to be returned to local governments for further highway improvements.

Since the distribution of the above mentioned State grants between maintenance and construction activities is determined by local governments, the number of local miles improved

shown for 1983-84 and future years represents a rough estimate of program outputs based on 1982-83 program levels. It is assumed that in the future all estimated road improvements will begin to decrease as the local municipalities place more of an emphasis on road maintenance as opposed to road reconstruction. The increase in the estimated road improvements for 1982-83 is attributed to the increased availability of local funding due to the impact of the passage of the oil franchise tax legislation.

Act 32 of 1983 established a local highway turnback program by authorizing the establishment of a separate restricted revenue account within the Motor License Fund. Funding for this program consists of two mills of the oil franchise tax in 1983-84 and three mills for 1984-85 and thereafter. Funds collected into this account will be used for restoration work to bring the road up to acceptable standard and an annual maintenance payment in the amount of \$2,500 per mile. The Department now has the funding mechanism and legal authority to pursue a long standing proposal to return approximately 12,000 miles of functionally-local highways to the Commonwealth's municipalities. At the current level of funding 5,000 miles

Local Highway Assistance (continued)

Program Analysis: (continued)

of State roads will eventually be turned back to local governments. The restoration and annual maintenance payment executive authorizations are shown only as a part of Other Funds in the Recommended Program Costs.

Currently approximately 38 percent of the over 28,000 local bridges are substandard. In recognition of this bridge problem at the local, as well as the State level, the General Assembly passed the "Highway Bridge Capital Act of 1982-83". Armed with this legislation, the Department of Transportation has taken an active role in assisting Pennsylvania's municipalities in the replacing and rehabilitation of their bridges. The Department possesses the authority to grant monies to local governments for the replacement and

repair of more than 400 local bridges throughout the Commonwealth. The local bridge executive authorization from the axle tax-bridge restricted revenue account is shown only as a part of Other Funds in the Recommended Program Costs.

As authorized in Act 234 of 1982, a \$36 per axle tax on heavy trucks is being used as the mechanism to fund the local and State bridge projects. This tax is currently being challenged in the Commonwealth's Court System. In the event this revenue generating provision is determined to be unconstitutional alternative financing will be sought to continue the necessary replacement and rehabilitation bridge projects.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
MOTOR LICENSE FUND							
Local Road Maintenance and							
Construction Payments	\$ 127,473	\$ 144,200	\$ 137,540	\$ 138,483	\$ 138,243	\$ 137,672	\$ 137,368
Supplemental Local Road Maintenance							
and Construction Payments	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Philadelphia Payment — Franchise Tax .	2,415	728	1,008	1,014	1,020	1,025	1,032
 MOTOR LICENSE FUND TOTAL ...	<u>\$ 134,888</u>	<u>\$ 149,928</u>	<u>\$ 143,548</u>	<u>\$ 144,497</u>	<u>\$ 143,263</u>	<u>\$ 143,697</u>	<u>\$ 143,400</u>

Urban Mass Transportation

OBJECTIVE: To provide frequent, fast, inexpensive transit services between residential neighborhoods and employment centers at a level sufficient to alleviate prevailing pressures on urban road systems caused by congestion and lack of parking facilities.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 144,774	\$ 161,747	\$ 167,104	\$ 176,677	\$ 187,122	\$ 198,174	\$ 209,879
Federal Funds	74,525	67,334	19,472	484	513	544	578
Other Funds	797	1,606	1,680	1,773	1,866	1,960	2,055
TOTAL	\$ 220,096	\$ 230,687	\$ 188,256	\$ 178,934	\$ 189,501	\$ 200,678	\$ 212,512

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Urban mass transit person-trips:							
Millions annually	378.8	380.7	381.0	381.3	381.7	382.0	382.0
Percent of urban trips ^a	4.5%	4.5%	4.5%	4.4%	4.4%	4.3%	4.3%
Percent of urban work trips ^a	7.8%	7.7%	7.7%	7.6%	7.5%	7.4%	7.4%
Percent of Philadelphia and Pittsburgh work trips ^a	15.2%	15.1%	15.1%	15.0%	15.0%	14.9%	14.8%
Urban passengers carried by State-assisted operators: (millions annually)	354.4	362.1	363.1	365.4	367.6	370.0	371.5
Cost of average urban mass transit trips: ^b							
To user	69.2¢	70.4¢	70.4¢	72.3¢	75.7¢	78.5¢	81.7¢
To Commonwealth	50.6¢	53.9¢	58.7¢	61.2¢	63.5¢	66.7¢	70.1¢
To Federal Government	14.9¢	14.8¢	14.6¢	14.6¢	14.4¢	14.3¢	14.3¢
To local governments	17.5¢	18.4¢	18.9¢	23.1¢	24.8¢	26.6¢	28.4¢
Total cost	\$1.52	\$1.58	\$1.63	\$1.71	\$1.78	\$1.86	\$1.95

^aAuto and transit trips only.

^bState-assisted carriers only.

Program Analysis:

Act 101 of 1980, which contained a "predictable funding base" formula for calculating General Fund subsidies to urban mass transportation operators throughout the Commonwealth, substantially altered the financial parameters of this program.

Previously, transit operators were subsidized up to 66 2/3 percent of their actual net fare-box loss—expenses less fares, Lottery Fund grants and Federal subsidies—with the remaining 33 1/3 percent furnished by local governments. The State subsidy under Act 101 was changed to a minimum of 66 2/3 percent of the calculated loss, with certain efficiency incentives established that, if met, enabled the operator to be sub-

sidized by the Commonwealth for as much as 75 percent of his loss, thereby reducing the local government share to 25 percent. These efficiency incentives have generally proven to be easy to attain, resulting in a significant transfer of funding from local governments to the Commonwealth.

Spurred by the evergrowing cost of providing adequate mass transit services, the Commonwealth has been forced to reassess its role in this program. The predictable funding formula incorporated in Act 101 of 1980 would require, after taking into account the availability of Federal transit subsidies, a State cost of \$189.4 million or \$22.9 million higher than recommended in 1984-85. More significantly, present

Urban Mass Transportation(continued)

Program Analysis: (continued)

projections of Act 101 requirements indicate State funding requirements would reach upwards of \$300 million by the mid to late 1980's compared to the \$144 million expended in 1982-83.

The budget and planning year projections have been made on the basis of currently proposed amendments to Act 101 of 1980. These include 100 percent reimbursement for free fixed route senior citizen trips; assumed cost recovery of 48 percent for systems operating more than 1,000 peak vehicles, 46 percent for systems operating between 21 and 999 vehicles in the peak period and 38 percent for companies operating 20 or fewer vehicles in the peak period and a provision allowing transit operators to retain revenue above that required to meet cost recovery for other transit agencies. It is estimated that this will result in a General Fund transit subsidy in 1984-85 of \$167 million, a 3.2 percent increase over 1983-84 levels with future requirements projected to increase by approximately 6 percent for the planning years. This still represents a sizable State commitment to transit, while also making more urgent the consideration of local transit tax enabling legislation. A stable, locally-enacted revenue source would make possible a true State-local partnership in what is threatening to become a predominately State-dominated

program.

This budget continues the commitment towards transit capital projects that has yielded massive improvements over the last few years in the Commonwealth's transit vehicle fleet and physical plant. A \$204.7 million transit capital budget including \$34.1 million in State bond funds, is combined with inclusion of the bus rehabilitation program and the third and last year of a bus pool purchase program in a concerted effort at correcting the years of neglect that had allowed the transit fleet to deteriorate. At the same time, to allow State participation in a greater number of transit projects, the budget reflects a lowering of the State share on projects from 16 percent to 10 percent.

Although Federal funding has not yet been determined, based on recent appropriations and proposals, it appears that Federal funding available for transit operations will remain relatively stable at \$53 million for Pennsylvania. Included in the 1984-85 recommendation is \$75,000 to establish a grants management system to provide timely information on application filing, review and approval, contract preparation processing and management, invoice processing and payment, and audit.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Mass Transportation Operations	\$ 314	\$ 442	\$ 573	\$ 567	\$ 601	\$ 626	\$ 651
Mass Transportation Assistance	144,460	161,305	166,531	176,110	186,521	197,548	209,228
GENERAL FUND TOTAL	\$ 144,774	\$ 161,747	\$ 167,104	\$ 176,677	\$ 187,122	\$ 198,174	\$ 209,879

Rural and Intercity Rail and Bus Transportation

OBJECTIVE: To facilitate the development of improved rail passenger and cargo service between major urban areas of the Commonwealth, thereby providing relief for the frequent utilization beyond capacity of intercity highway and air systems, and to provide bus service that will increase the mobility of those rural Pennsylvanians who lack access to an automobile.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 8,969	\$ 9,617	\$ 10,744	\$ 11,253	\$ 11,799	\$ 12,122	\$ 12,723
Federal Funds	5,692	15,979	6,507	6,814	7,073	7,446	7,870
Other Funds	386	3,185	3,300	3,490	3,689	3,898	4,118
TOTAL	\$ 15,047	\$ 28,781	\$ 20,551	\$ 21,557	\$ 22,561	\$ 23,466	\$ 24,711

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Bus Transportation:							
Rural and small urban passengers	2,977,000	3,346,000	3,594,000	3,733,000	3,920,000	4,100,000	4,300,000
Intercity passengers	186,000	245,000	270,000	300,000	330,000	360,000	390,000
Total cost per passenger:							
Rural and small urban	\$1.88	\$2.02	\$2.04	\$2.11	\$2.15	\$2.20	\$2.25
Intercity	\$7.86	\$9.20	\$9.65	\$10.10	\$10.60	\$11.13	\$11.65
Average fare:							
Rural and small urban	\$.87	\$.88	\$.89	\$.90	\$.91	\$.93	\$.95
Intercity	\$4.28	\$5.98	\$6.16	\$6.35	\$6.55	\$6.75	\$6.95
Rail Passenger:							
Average fare	\$7.98	\$8.45	\$10.97	\$11.54	\$11.53	\$11.53	\$11.53
State cost per patron on assisted runs ...	\$5.12	\$6.76	\$7.14	\$7.00	\$7.00	\$7.00	\$7.00
Rail Freight:							
Miles of rail lines:							
State assisted	250	329	311	231	231	231	231
State owned	167	181	181	181	181	181	181
Miles of rail lines rehabilitated:							
Federal/local assistance program	13	48	25	25	25	25	25
Emergency rail freight assistance program	70	100	105	25	25	25	25

Program Analysis:

This subcategory involves four separate intercity and/or rural transportation programs: rural and small urban area public transit similar in nature, if not in scope, to SEPTA in Philadelphia and PAT in Pittsburgh; intercity bus service of the nature operated by Greyhound and Trailways; intercity rail passenger service operated by Amtrak and rail freight service of importance to local shippers on the State's Rail Branchline System.

Through 1982-83, approximately \$9.2 million in Federal Section 18 funds has been obligated in the Commonwealth for rural transit operating assistance. During 1982-83, approximately \$2.5 million in Federal Section 18 funding and \$1.5 million in State Act 10 funding was utilized to provide nearly 3 million rides on the Commonwealth's twenty rural transit projects.

Since 1980, a threatened phase-out of Federal support has

Rural and Intercity Rail and Bus Transportation (continued)

Program Analysis: (continued)

had a dramatic impact on local decisions regarding startup of new rural transit systems, service expansion for existing systems, and investment in capital facilities. As a result of this and other constraints on program growth, the Commonwealth accumulated a "carryover" of Federal funds apportioned to the State of approximately \$2.5 million.

In January of 1983, the President signed the Surface Transportation Act of 1982 into law reauthorizing the Section 18 Program through 1986-87. While authorizations show an increase from \$68.5 million (nationally) in 1983-84 to \$89.4 million in 1986-87, actual Federal appropriations have represented only modest annual increases and it is likely that the program will experience generally modest or no increases in future Federal funding. However, the anticipated new authorizations combined with the availability of carryover funding should be an adequate level of Federal support through 1986-87.

During 1982-83, the program increased the maximum State share of the State/local deficits for rural transit systems from 66-2/3 percent to 75 percent of the combined State and local funding. The additional funding is awarded based on a system of performance incentives similar to the urban operating assistance program. The budget projections assume continuation of the bonus funding system.

Included in the 1984-85 recommendation is a full-year level of assistance for several new projects initiated in 1982-83, as well as allowance for new systems in the Butler County and Union/Snyder County areas. An allowance for small capital projects not eligible for bond financing under the capital grants program is also incorporated in the recommendation for State funding.

A major change in actual 1982-83 small urban/rural patronage is due to the transfer of two systems (State College and Sharon) to the urban operating assistance programs where their data is now reported. Decline in patronage from projections in last year's Budget is largely due to loss of two prior year projects and a cut in service on another project.

Most intercity rail passenger service in Pennsylvania is presently provided by the National Railroad Passenger Corporation (Amtrak), and the majority of it is operated without financial assistance from the Commonwealth, as part of Amtrak's National System.

In 1984-85 this program will provide financial assistance for 665,610 train miles or a ridership of 384,000. The services provided will include twelve months of anticipated new services for the Commonwealth. Current State-supported

service includes one daily round trip between Pittsburgh and New York City (the Pennsylvanian) and thirteen weekly one-way trips between Harrisburg and Philadelphia (Keystone). It is also anticipated that one additional daily round trip between Pittsburgh and Philadelphia and two months of one daily round-trip between Pittsburgh and Cleveland, Ohio will be in operation. The program measures do not reflect funding for potential experimental services or an increased level of Commonwealth-supported marketing activities.

The vast majority of the rail freight projects that have been implemented since 1976, when Conrail was created, were funded through the Federal Local Rail Service Assistance Program which provided a 70 to 100 percent Federal share of project costs depending on the program year and type of project (operation, assistance, rehabilitation or acquisition). Since lines that were excluded from the Conrail system ceased to be eligible for additional Federal funding in 1981, only those lines were continued that had a good chance at long-term operation. Operation of those lines are being continued with a combination of Act 10 and local funds and have been or will be acquired with Federal, State and local funds.

Among the key services still being maintained are the Delaware and Hudson Railway which provides freight services to a number of communities in northeastern Pennsylvania, including a through-route to New England which has the potential of being an important route for Pennsylvania coal. In all, twenty-two branch lines are still receiving some sort of assistance for acquisition, rehabilitation and/or operating subsidies. Nineteen lines are being actively used to provide service to 90 shippers and to carry approximately 25,000 carloads annually.

As a result of the Northeast Rail Service Act of 1981, Conrail was granted an expedited abandonment procedure. Conrail has abandoned in excess of 700 miles in Pennsylvania, of which 170 miles were determined eligible for State assistance if purchased privately from Conrail. This program is providing assistance for emergency accelerated maintenance work on nine branch lines totalling 68 miles that were of sufficient economic importance to warrant being purchased privately from Conrail.

Included in the 1984-85 recommendation is \$250,000 to fund Phase I of a three year Comprehensive Rail Freight Study to identify the rail network needed by the private industries of the Commonwealth.

Rural and Intercity Rail and Bus Transportation (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Mass Transportation Operations	\$ 629	\$ 327	\$ 428	\$ 434	\$ 451	\$ 469	\$ 488
Comprehensive Rail Study .....	.....	.....	250	250	250	.....	.....
Rural and Intercity Rail and Bus Transportation	4,666	5,450	5,677	5,961	6,259	6,572	6,900
Accelerated Rail Maintenance .....	.....	350	.....	.....	.....	.....	.....
Freight Rail Assistance	3,674	3,490	4,389	4,608	4,839	5,081	5,335
GENERAL FUND TOTAL	<u>\$ 8,969</u>	<u>\$ 9,617</u>	<u>\$ 10,744</u>	<u>\$ 11,253</u>	<u>\$ 11,799</u>	<u>\$ 12,122</u>	<u>\$ 12,723</u>

Air Transportation

OBJECTIVE: To promote the development of a system of airport facilities adequate to meet the passenger and cargo needs of the Commonwealth's citizens.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Federal Funds	906	1,731	2,778	1,825	1,825	1,825	1,825
Other Funds	9,762	10,431	10,234	10,352	9,963	10,329	10,713
TOTAL	\$ 10,768	\$ 12,262	\$ 13,112	\$ 12,277	\$ 11,888	\$ 12,254	\$ 12,638

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Total landing areas:							
Public use	180	181	182	183	184	185	186
Personal use	627	659	691	723	755	787	819
Harrisburg International Airport:							
Passengers handled	567,109	595,464	625,237	656,499	689,324	723,790	759,980
Flights handled	102,210	107,321	112,687	118,321	124,237	130,449	136,971
Tons of cargo handled	20,375	21,394	22,464	23,586	24,765	26,003	27,303
Operating surplus	(\$27,000)	\$80,000	\$200,000	\$200,000	\$200,000	\$300,000	300,000
Capital expenditures	\$846,000	\$988,000	\$996,000	\$1,251,000	\$600,000	\$700,000	\$800,000
Value of airport development grants (thousands)	\$1,543	\$2,000	\$2,200	\$1,982	\$1,242	\$1,242	\$1,242

Program Analysis:

Aviation continues to be a key component of the Commonwealth's transportation network. With 807 landing areas, Pennsylvania is fifth nationally in both the number of airports and in landing facilities per square mile. In addition to facilitating the movement of people and goods, air transportation facilities bring substantial benefits to the State directly through air transportation or related jobs and indirectly through additional incentives to industry to locate and conduct business in Pennsylvania. To insure these benefits of air transportation, the Department of Transportation currently operates five airports and participates each year in the funding of numerous improvement projects at non-State owned public airports.

Air passenger service in Pennsylvania is provided by nine of the nation's eleven domestic trunkline carriers, two local service airlines, four international carriers and six foreign airlines. The State has two of the most active airports in the country—Pittsburgh ranks 18th and Philadelphia ranks 22nd nationally in terms of originating passengers. These two airports account for 90 percent of all airline

enplanements in Pennsylvania. Four additional public airports provide scheduled passenger service with trunks and local airlines; 12 other public airports are served with commuter airlines. The other 143 public use airports in the State are general aviation fields, and the approximately 370 remaining airports in Pennsylvania are privately-owned and operated for corporate, agricultural, recreational or experimental use. In addition, 260 heliports and 16 seaplane bases provide for a total of 807 landing facilities in Pennsylvania. A landing facility is defined as any area suitable for landing aircraft and licensed as such by the Department of Transportation's Bureau of Aviation.

With the exception of Harrisburg International Airport (HIA), all airline service airports in Pennsylvania are operated by local governments or authorities.

While air cargo has received less public attention than passenger service, airline freight has resumed the consistent growth pattern of the early 1970's and a promising future is predicted for air cargo. Given the aviation industry's inherent time advantages and the increased capability in han-

Air Transportation (continued)

Program Analysis: (continued)

dling cargo containers, tonnage is expected to rise by five percent in the budget and future years. This accelerated activity is being experienced in particular at the Harrisburg International Airport and is reflected in the program measures. Regarding passengers handled at the Harrisburg International Airport, the measures shown this year versus last year illustrate the current negative economic climate within the aviation industry. However, it is estimated that Harrisburg International Airport will experience a larger growth in the current year than the industry as a whole.

The Pennsylvania Transportation Commission's 12 year Aviation Program, combined with the Statewide Aviation Plan, provides basic guidelines for allocation of those resources available to the Commonwealth for aviation activities. However, economic and energy problems and the use of more fuel efficient aircraft have had a deleterious effect on the restricted revenue account that provides funds for these programs. There has been no increase in the Commonwealth's aviation fuels tax for over twenty years, and the State development grants program has been constrained in previous years and may have to be reduced further in future years unless additional monies become available from increased aviation taxes. A proposed major revision of both the program itself and the supporting taxes is being considered. Discussions are currently underway with both the airlines and airport operators aimed at developing a comprehensive program and tax revisions proposal.

The pattern of air passenger service today continues to involve a heavy concentration of scheduled service for major cities, particularly Philadelphia and Pittsburgh, with reduced service between cities of moderate size. Improved North-South service is needed in central Pennsylvania. The

small to medium size communities that provide commuter service have fairly adequate service to the major terminals. As a result, the present system is apparently adequate to meet current needs of those citizens who utilize the major trunk line routes, but is less than satisfactory to meet the needs of medium-sized and small communities.

Future needs of Pennsylvania's citizens threaten to strain the existing system, particularly adding to the congestion already affecting major air terminals. The continued increase of air passenger travel has added to the congestion of large city airport facilities, while creating additional demand for better facilities to serve smaller airports. The recently completed State aviation system plan should provide the basis for future development of adequate air passenger service for the Commonwealth.

Congested terminals are joined by a number of other major aviation problems facing the State today: conflict between aircraft operations and adjacent land uses caused by lack of proper or compatible land zoning; lack of adequate private funds to finance capital improvements; loss of urban and suburban airports resulting from mounting competition from other types of development; and congested ground access facilities. At the present time, only 68 airports are publicly owned, with the remaining privately owned and subject to sale due to the lack of available funds and competition from other forms of development. The contribution of the private-owned airports to the transportation system and the need to preserve these airports are recognized.

Appropriations from aviation restricted revenues are shown only as part of Other Funds in the Recommended Program Costs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Civil Air Patrol.....	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100

State Bridges

OBJECTIVE: To provide a highway bridge system capable of meeting the more vital economic and recreational needs of the Commonwealth by affording a reasonably accessible means of transporting passengers and cargo.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 16,462	\$ 18,064	\$ 12,565	\$ 9,953	\$ 7,740	\$ 7,992	\$ 8,363
Federal Funds	81,760	152,591	145,823	101,748	141,967	116,400	102,808
Other Funds	2,844	30,000	121,000	40,000	31,000	9,000	.....
Subtotal	<u>\$ 101,066</u>	<u>\$ 200,655</u>	<u>\$ 279,388</u>	<u>\$ 151,701</u>	<u>\$ 180,707</u>	<u>\$ 133,392</u>	<u>\$ 111,171</u>
Bond Funds ^a .....	.....	.....	\$ 20,000	\$ 150,000	\$ 110,000	\$ 15,000	.....
TOTAL	<u><u>\$ 101,066</u></u>	<u><u>\$ 200,655</u></u>	<u><u>\$ 299,388</u></u>	<u><u>\$ 301,701</u></u>	<u><u>\$ 290,707</u></u>	<u><u>\$ 148,392</u></u>	<u><u>\$ 111,171</u></u>

^aExcluded from all summary presentations.

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Bridges maintained	26,455	26,470	26,485	26,500	26,515	26,530	26,545
Bridges with weight restrictions	1,225	1,205	1,185	1,165	1,145	1,125	1,105
Bridges replaced or repaired	172	275	263	221	165	158	129
Bridges designed	383	627	477	328	222	187	144
Value of bridges designed (in thousands) ..	\$610,000	\$904,000	\$719,000	\$461,000	\$196,000	\$134,000	\$ 60,000
Value of bridge lettings (in thousands)	\$ 85,000	\$217,000	\$279,000	\$285,000	\$ 97,000	\$ 94,000	\$ 45,000

Program Analysis:

Pennsylvania has over 26,000 bridges in the Commonwealth-owned highway system. Many of these bridges are either structurally deficient, functionally obsolete or restricted because of vehicle weight considerations.

Recognizing the importance of bridges to the Commonwealth's transportation network, in 1982 the General Assembly passed companion bills (Acts 234 and 235) establishing a restricted revenue account within the Motor License Fund for the purpose of financing over 500 specified State bridge projects. Necessary funding for these projects is being generated through a \$36 per axle fee on all heavy trucks travelling within the Commonwealth's borders. In addition to State bridge projects funded through the axle-tax bridge program, bridge funding will also continue to be

available within the Highway Maintenance and Highway Improvement appropriations.

With the additional axle-tax revenues authorized by the State Legislature the Department of Transportation has embarked on the most comprehensive bridge replacement/rehabilitation program in the nation. The Department's program will affect bridges of all sizes and in every region of the Commonwealth. Efforts will be concentrated on opening closed bridges and on repairing bridges in order to remove posted weight restrictions. In total some 936 State bridges are programmed for repair/replacement during the five year period beginning July, 1984. Some of the major bridges scheduled for work include: Towanda Bridge in Bradford County, Bainbridge Street Bridge in Northumber-

State Bridges (continued)

Program Analysis: (continued)

land County, the Clarks-Ferry Bridge in Dauphin County, Walnut Street Bridge in Philadelphia, the Mon-City Bridge in Allegheny County and the Rochester-Monaca Bridge in Beaver County.

As mentioned above, the axle-tax is a major funding source for the State's bridge program. This tax is currently being challenged in the Commonwealth's court system. In

the event this revenue generating provision is determined to be unconstitutional, alternative funding will be sought to continue the necessary replacement and rehabilitation of State bridge projects.

Executive authorizations from the axle-tax restricted revenue account are shown as other funds in the recommended program costs.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
MOTOR LICENSE FUND							
Highway and Safety Improvement	\$ 10,224	\$ 11,514	\$ 5,687	\$ 2,731	\$ 156	\$ 28	.....
Highway Maintenance	6,238	6,550	6,878	7,222	7,584	7,964	\$ 8,363
MOTOR LICENSE FUND TOTAL ...	<u>\$ 16,462</u>	<u>\$ 18,064</u>	<u>\$ 12,565</u>	<u>\$ 9,953</u>	<u>\$ 7,740</u>	<u>\$ 7,992</u>	<u>\$ 8,363</u>

Highway Safety Projects

OBJECTIVE: To decrease the incidence and severity of traffic accidents, injuries and fatalities on highways by improving highway design and traffic flow.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Special Funds	\$ 1,650	\$ 2,370	\$ 2,545	\$ 2,941	\$ 2,948	\$ 3,205	\$ 3,200
Federal Funds	12,397	11,973	10,595	15,312	14,982	15,312	15,972
Other Funds	3,294	3,900	4,000	4,100	4,200	4,300	4,400
TOTAL	\$ 17,341	\$ 18,243	\$ 17,140	\$ 22,353	\$ 22,130	\$ 22,817	\$ 23,572

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Traffic fatalities (Rate per 100 million vehicle miles)	2.59	2.40	2.45	2.50	2.45	2.35	2.25
Traffic fatalities attributable to roadway factors	78	103	109	112	112	108	100
Traffic accidents attributable to roadway factors	24,064	25,700	27,100	27,900	27,200	26,200	24,000
Traffic accidents:							
Interstate highways	6,577	6,250	6,300	6,500	6,400	6,200	6,000
Rate on interstate highways (per 100 million vehicle miles)	78.43	73.5	72.5	73.0	72.0	70.0	68.0
All other highways	125,002	119,000	119,000	121,000	119,000	114,000	110,000
Rate on all other highways (per 100 million vehicle miles)	198.72	186.0	185.0	185.0	184.0	180.0	175.0

Program Analysis:

While hazardous roadway characteristics continue to rank considerably behind driver error as a causal factor of traffic accidents, injuries and fatalities, safety improvement projects represent one of the highest potentials for success and return on investment of all highway safety efforts. The reduction in accidents achieved at improved locations has been proven to be much better than the success rate in reducing accidents that are attributable to such vehicle operator causes as speeding and drunken driving.

Since driver error and vehicular failure accidents should logically occur in random locational patterns, it is assumed that for those segments of roadway on which disproportionately high numbers of accidents occur, the roadway itself is the primary contributing factor. High hazard locations are sections of roadway in which an abnormally high rate or number of severe accidents occur, while a congested section is one that carries markedly more traffic than it should

handle. From the nearly 9,000 such hazardous and congested sections of roadway on the State-administered highway system, priority listings of both major and minor safety projects and traffic flow improvements are developed to be implemented as funds become available.

Since the initiation of the "New Initiatives to Save Lives and Reduce Congestion" program in August of 1979, a number of occurrences have affected the proposed program. These include: the establishment of lower funding limits by the Federal Highway Administration; development of the Twelve Year Transportation Program; and reassessment of department priorities in light of funds available. Given these developments, the Department of Transportation projects that this program will annually prevent eight traffic fatalities, 410 traffic injuries, and 600 traffic accidents at the recommended program level.

The downward revision of the recommended program

Highway Safety Projects (continued)

Program Analysis: (continued)

costs versus last year's budget is partially a result of applying the current highway capital guidelines to this program. Under these definitions many projects which would formerly have been included in the Highway and Safety Improvement appropriations under the "safety" criteria, will now be accomplished as "betterments" in the Highway Maintenance appropriation.

The data shown in the program measures for traffic fatalities and accidents in the current budget and future years represent the best estimates available of the impact of planned increases in special enforcement, changing economic and traffic patterns, and increased enforcement of and adherence to the 55 mph speed limit.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
MOTOR LICENSE FUND							
Highway and Safety Improvement	<u>\$ 1,650</u>	<u>\$ 2,370</u>	<u>\$ 2,545</u>	<u>\$ 2,941</u>	<u>\$ 2,948</u>	<u>\$ 3,205</u>	<u>\$ 3,200</u>

Safety Administration and Licensing

OBJECTIVE: To minimize traffic accidents attributable to driver error and mechanically defective vehicles and to promote highway safety programs.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 1,377	\$ 1,432	\$ 1,489	\$ 1,563	\$ 1,641	\$ 1,723	\$ 1,809
Special Funds	38,211	40,900	44,436	46,213	48,062	49,984	51,983
Federal Funds	1,018	1,372	950	1,000	1,000	1,000	1,000
Other Funds	8,023	7,742	8,129	8,410	8,606	8,762	8,928
TOTAL	\$ 48,629	\$ 51,446	\$ 55,004	\$ 57,186	\$ 59,309	\$ 61,469	\$ 63,720

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
State heavy truck registrations .....	.....	83,000	83,000	83,000	83,000	83,000	83,000
State motor vehicle registrations	7,408,440	7,521,800	7,524,000	7,525,000	7,525,500	7,526,000	7,526,500
Vehicles inspected:							
Safety inspection	7,408,440	7,521,800	7,524,000	7,525,000	7,525,500	7,526,000	7,526,500
Emission inspection .....	.....	.....	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000
Vehicles repaired:							
Safety inspection	2,580,000	2,580,000	2,580,000	2,580,000	2,580,000	2,580,000	2,580,000
Emission inspection .....	.....	.....	651,000	651,000	651,000	651,000	651,000
Licensed operators	7,352,300	7,352,790	7,353,290	7,353,800	7,374,300	7,374,800	7,375,300
Operator licenses revoked, suspended, re-examined or restricted	543,032	600,000	610,000	615,000	620,000	625,000	630,000
Motor vehicle titles/sales tax returns processed	2,536,001	2,536,000	2,536,000	2,536,000	2,536,000	2,536,000	2,536,000
International Registration Plan audits (truck fleets) .....	.....	600	600	600	60	.....	.....

Program Analysis:

The testing, inspection and revocation aspects of the operator and vehicular licensing activities within this program provide many opportunities to enforce safety standards. Another major activity, the accident analysis program, deals entirely with safety by assembling listings of high accident locations which are used to establish priorities for improvements funded through the Highway Safety Projects program. The vehicle and operator licensing activities are also important revenue producing functions that generate more than one-third of all Motor License Fund receipts.

Driver error continues to be the most prevalent cause of traffic accidents on Pennsylvania highways. The operator

licensing program is designed to screen out applicants with insufficient driving knowledge or skills, as well as to identify those with mental or physical disabilities. The Department of Transportation has the overall responsibility for the operator licensing program and provides for the administrative direction and maintenance of records. The State Police currently perform the task of examining applicants.

The objective of the driver point system is to discourage licensed operators from violating traffic laws. Illegal actions by motorists, particularly drunken driving, constitute a significant percentage of the accidents in which driver error is the principal causal factor. The department is em-

Safety Administration and Licensing(continued)

Program Analysis: (continued)

powered to suspend or revoke the licenses of motor vehicle operators who have reached the eleven point limit or have committed certain severe traffic violations. Concern over the large number of vehicle accidents that involve drunk drivers caused the General Assembly to enact a strict drunk driving law in 1982.

The safety inspection program for the Commonwealth's 7.4 million motor vehicles is intended to minimize traffic accidents due to mechanical failure. The department licenses inspection stations and trains and licenses vehicle inspectors while maintaining all necessary records. The State Police periodically check inspection stations and the work of mechanics to assure compliance with approved safety standards. Based on a random sample of inspection station reports, an estimated 2.6 million vehicles will be repaired during the current fiscal year as a result of the inspection system. The norm for the past two years had been a 35 percent failure rate; current year statistics do not indicate that the failure rate will change under the annual inspection program.

The emission inspection program for the Commonwealth will inspect 3.1 million vehicles beginning in August 1984. This program is intended to reduce subject vehicle carbon monoxide and hydrocarbon pollutants and improve the air quality. The areas affected will be the Pittsburgh and Allentown-Bethlehem-Easton metropolitan areas (specific zip codes) and the Philadelphia region consisting of five counties. The department is currently licensing inspection stations, training and licensing vehicle inspection mechanics and will periodically check inspection stations, records and work of the mechanics to assure compliance with approved emission program requirements. Based on Federally mandated standards approximately 651,000 vehicles will be subject to adjustments or repairs beginning in 1984-85 as a result of the emission inspection program.

Enhancements to the vehicle registration system are con-

tinuing. A statistical quality control program is underway to provide more consistently error-free processing of title and registration applications. The International Registration Program has expanded with the addition of four states in 1983. A new data processing system has been developed to provide more efficient handling of International Registration applications. A fleet registration system is under development. The department has also begun efforts to decentralize vehicle registration and driver license services. A feasibility study is currently being conducted to explore additional ways to provide more direct, local services.

As part of the department's efforts to improve the data processing systems of both the vehicle registration and driver license programs this budget includes initiatives costing approximately \$1.5 million and \$400 thousand respectively.

The department has achieved considerable success in its data collection system for accident analysis by identifying high frequency accident locations. Computer programs have been written to arrange in priority order those highway locations which have experienced statistically more accidents than similar highways with similar traffic volumes. Another priority list arranges locations that have had an inordinate number of accidents in which vehicles ran off the road or hit fixed objects. Such ranking of nearly 9,000 high accident locations provides the department with a systematic means of selecting the highest priority locations for those actual improvements carried out within the Highway Safety Projects subcategory.

As part of the International Registration Plan agreement with other participating states, the Commonwealth is conducting a four-year audit of all Pennsylvania-based truck fleets participating in this program.

The increase in operator licenses revoked, suspended, re-examined or restricted in the actual year versus the level shown in last year's budget and in all other years in this budget reflects improved processing capabilities.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Collections — Vehicle Sales Tax	\$ 1,377	\$ 1,432	\$ 1,489	\$ 1,563	\$ 1,641	\$ 1,723	\$ 1,809
MOTOR LICENSE FUND							
Safety Administration and Licensing	\$ 38,211	\$ 40,900	\$ 44,436	\$ 46,213	\$ 48,062	\$ 49,984	\$ 51,983

Free Elderly Transit

OBJECTIVE: To increase the mobility of the aged, enabling persons sixty-five and older to participate more fully in community life.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 92	\$ 100	\$ 141	\$ 132	\$ 137	\$ 142	\$ 148
Special Funds	48,228	60,300	65,145	68,132	71,269	74,562	78,020
TOTAL	\$ 48,320	\$ 60,400	\$ 65,286	\$ 68,264	\$ 71,406	\$ 74,704	\$ 78,168

Program Measures:

	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Free transit trips by the elderly	60,148,000	61,717,000	62,018,000	62,643,000	63,227,000	64,337,000	66,410,000
Trips on State assisted demand responsive vehicles	1,168,000	2,500,000	2,800,000	2,900,000	3,000,000	3,100,000	3,200,000
Cost to the Commonwealth per trip:							
Fare.....	60¢	80¢	80¢	81¢	81¢	87¢	90¢
On State assisted demand responsive vehicles	\$3.64	\$3.83	\$4.18	\$4.41	\$4.70	\$4.78	\$4.84

Program Analysis:

Since July 1973, senior citizens have ridden free on participating local fixed route operations during off-peak hours on weekdays and all day on weekends and holidays through the Free Transit Program for Senior Citizens. In July 1980, the free service was extended to commuter rail lines and the fare program was expanded to fund reduced fares for senior citizens on shared-ride demand responsive services. These programs recognize the limited availability of private transportation for Pennsylvania's senior citizens and their heavy reliance upon public transportation facilities. It further recognizes that many retired persons must live within a fixed and limited income and cannot afford to use public transit as often as they would like.

The Free Transit Program officially began on July 1, 1973. Currently more than 70 participating transit agencies are under contract with the Commonwealth. An average of 5 million free trips are being made by senior citizens every month. During the first year of this grant program over 49 million no fare rides were made by persons 65 years of age or older representing an increase of over 50 percent in mass transit usage by senior citizens over the prior fiscal year. Ridership has increased significantly over the years to its current level of approximately 60 million free riders. While ridership projections for the 1983-84 budget were fairly constant during the planning years due to expected cutbacks in Federal operating assistance and the resultant service reductions, it appears now that Federal funding will con-

tinue at about \$53 million per year and that no further major service cuts will be necessary. Therefore, it is anticipated that growth in ridership will continue.

Guidelines for the shared-ride demand responsive reduced fare program were distributed to county commissioners and other interested persons in March 1981. Of the 65 eligible counties, 61 are now participating and reduced fare services are now being provided in 40 counties; 250,000 rides were provided in 1982-83.

Next year, the program's growth should begin to level out, since most providers will have been in the program for a full year. A moderate amount of growth will still likely occur due to a small number of new providers and expansion of service by old providers. The amount of grant payments will also increase somewhat due to a larger number of passenger trips and a slightly higher fare per trip.

In 1982-83, the cap on Lottery Fund subsidies was removed making possible a full 75 percent reimbursement for all free rides thereby ensuring that the original intent of the program was retained. Actually proposed and funded in 1983-84, this budget would increase this reimbursement to 100 percent in 1984-85. In addition, \$2 million is recommended to expand rural transit services. Also, Act 171 of 1982 authorizes the Governor to annually transfer from the Lottery Fund to the Motor License Fund the amount of fees lost as a result of reduced vehicle registration fees paid by certain eligible senior citizens.

Free Elderly Transit (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Mass Transportation Operations	<u>\$ 92</u>	<u>\$ 100</u>	<u>\$ 141</u>	<u>\$ 132</u>	<u>\$ 137</u>	<u>\$ 142</u>	<u>\$ 148</u>
STATE LOTTERY FUND							
Free Transit for the Elderly	\$ 44,839	\$ 56,900	\$ 59,745	\$ 62,732	\$ 65,869	\$ 69,162	\$ 72,620
Transfer to Motor License Fund—							
Vehicle Registration—Elderly	3,389	3,400	3,400	3,400	3,400	3,400	3,400
Rural Transit .....	.....	.....	2,000	2,000	2,000	2,000	2,000
STATE LOTTERY FUND TOTAL ...	<u>\$ 48,228</u>	<u>\$ 60,300</u>	<u>\$ 65,145</u>	<u>\$ 68,132</u>	<u>\$ 71,269</u>	<u>\$ 74,562</u>	<u>\$ 78,020</u>

Legislature

The General Assembly of Pennsylvania formulates and enacts the public policy of the Commonwealth. Through legislation and resolution, it defines the functions of the State Government, provides for revenue for the Commonwealth and appropriates money for the operation of State agencies and other purposes.

The General Assembly is composed of two bodies — the Senate and the House of Representatives. Its sessions begin on the first Tuesday of each year unless otherwise convened by the proclamation of the Governor.

LEGISLATURE

Summary by Fund and Appropriation

		(Dollar Amounts in Thousands)	
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
Senate	\$ 17,589	\$ 21,185	\$ 22,668
House of Representatives	39,012	43,808	46,875
Legislative Reference Bureau	3,065	3,060	3,244
Legislative Budget and Finance Committee	600	1,800	757
Legislative Data Processing	1,200	1,248	1,323
Legislative Miscellaneous and Commissions	2,420	5,041	5,344
	\$ 63,886	\$ 76,142	\$ 80,211
TOTAL STATE FUNDS	\$ 63,886	\$ 76,142	\$ 80,211
Other Funds	\$ 7	\$ 5	\$ 5
GENERAL FUND TOTAL	\$ 63,893	\$ 76,147	\$ 80,216

GENERAL GOVERNMENT

	(Dollar Amounts in Thousands)		
Senate	1982-83 Actual	1983-84 Available	1984-85 Budget
State Funds	\$ 17,589	\$ 21,185	\$ 22,668

Performs the duties and functions required of the Senate by Articles II and III of the Constitution of Pennsylvania.

	(Dollar Amounts in Thousands)		
Source of Funds	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Salaries			
Fifty Senators	\$ 1,800	\$ 2,166	\$ 2,200
Employees of Senate President	85	130	130
Empoyes of Chief Clerk	1,650	1,705	1,750
Salaried Officers and Employes	1,850	2,170	2,387
Postage			
Chief Clerk and Legislative Journal	50	80	80
Contingent Expenses			
President	29	5	5
President Pro Tempore	20	20	20
Floor Leader (D)	6	6	6
Floor Leader (R)	6	6	6
Whip (D)	3	3	3
Whip (R)	3	3	3
Chairman of the Caucus (D)	3	3	3
Chairman of the Caucus (R)	3	3	3
Secretary of the Caucus (D)	3	3	3
Secretary of the Caucus (R)	3	3	3
Chairman of the Appropriations Committee (D)	6	6	6
Chairman of the Appropriations Committee (R)	6	6	6
Chairman of the Policy Committee (D)	2	2	2
Chairman of the Policy Committee (R)	2	2	2
Caucus Administrator (D)	2	2	2
Caucus Administrator (R)	2	2	2
Miscellaneous Expenses			
Incidental Expense	240	550	575
Committee on Appropriations (D)	480	518	518
Committee on Appropriations (R)	480	518	518
Expenses — Senators	675	675	950
Legislative Printing and Expenses	1,500	3,350	3,855
Special Leadership Account (D)	2,100	2,284	2,375
Special Leadership Account (R)	2,100	2,284	2,375
Legislative Management Committee (D)	2,240	2,340	2,440
Legislative Management Committee (R)	2,240	2,340	2,440
TOTAL	<u>\$ 17,589</u>	<u>\$ 21,185</u>	<u>\$ 22,668</u>

GENERAL FUND

LEGISLATURE

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
House of Representatives			
State Funds	\$ 39,012	\$ 43,808	\$ 46,875

Performs the duties and functions required of the House of Representatives by Articles II and III of the Constitution of Pennsylvania.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Salaries			
Members' Salaries, Speaker's Extra Compensation	\$ 7,000	\$ 7,475	\$ 9,100
House Employes (R)	2,722	2,940	3,087
House Employes (D)	2,722	2,940	3,087
Speakers Office	192	325	325
Bi-Partisan Committee, Chief Clerk, Comptroller	3,377	3,650	3,833
Mileage			
Representatives, Officers and Employes	470	470	494
Postage			
Chief Clerk and Legislative Journal	343	343	343
Contingent Expenses			
Speaker	11	20	20
Chief Clerk	290	290	290
Floor Leader (R)	6	6	6
Floor Leader (D)	6	6	6
Whip (R)	3	3	3
Whip (D)	3	3	3
Chairman—Caucus (R)	3	3	3
Chairman—Caucus (D)	3	3	3
Secretary—Caucus (R)	3	3	3
Secretary—Caucus (D)	3	3	3
Chairman—Appropriations Committee (R)	6	6	6
Chairman—Appropriations Committee (D)	6	6	6
Chairman—Policy Committee (R)	2	2	2
Chairman—Policy Committee (D)	2	2	2
Caucus Administrator (R)	2	2	2
Caucus Administrator (D)	2	2	2
Administrator for Staff (D)	20	20	20
Administrator for Staff (R)	20	20	20
Miscellaneous Expenses			
Legislative Office for Research Liaison	165	178	187
School for New Members	15	.....	15
Incidental Expenses	2,500	2,500	2,625
Committee on Appropriations (D)	480	518	518
Committee on Appropriations (R)	480	518	518
Expenses—Representatives	2,030	2,030	2,030
Legislative Printing and Expenses	5,000	6,000	6,300
National Legislative Conference—Expenses	82	82	82
Special Leadership Account (D)	1,957	2,115	2,221
Special Leadership Account (R)	2,065	2,115	2,221
Legislative Management Committee (D)	3,498	3,780	3,920
Legislative Management Committee (R)	3,498	3,780	3,920
Commonwealth Emergency Medical System	25	25	25
Members' Home Office Expenses .....	.....	1,624	1,624
TOTAL	<u>\$ 39,012</u>	<u>\$ 43,808</u>	<u>\$ 46,875</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Legislative Reference Bureau			
State Funds	\$ 3,065	\$ 3,060	\$ 3,244

Serves as a staff arm of the Legislature. Drafts bills and resolutions, provides advice and counsel to members of the Legislature, performs legislative research and provides copies of bills and legislation to the general public upon request.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriations:			
Salaries and Expenses	\$ 2,192	\$ 2,222	\$ 2,571
Contingent Expenses	10	10	10
Printing of Pamphlet Laws	165	165	.....
Printing of Pennsylvania Bulletin and Pennsylvania Code.....	698	663	663
TOTAL	<u>\$ 3,065</u>	<u>\$ 3,060</u>	<u>\$ 3,244</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Legislative Budget and Finance Committee			
State Funds	\$ 600	\$ 1,800	\$ 757

Performs duties and functions relating to the study of the revenues, expenditures and fiscal operations of the agencies, boards and commissions of the Commonwealth.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Legislative Budget and Finance Committee.....	<u>\$ 600</u>	<u>\$ 1,800</u>	<u>\$ 757</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Legislative Data Processing Center			
State Funds	\$ 1,200	\$ 1,248	\$ 1,323
Other Funds	7	5	5
TOTAL	\$ 1,207	\$ 1,253	\$ 1,328

Provides the General Assembly with the data processing services necessary to expedite the collection, completion and dissemination of information required in the exercise of its functions, and renders services to other agencies when possible.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Legislative Data Processing Committee	\$ 1,200	\$ 1,248	\$ 1,323
Other Funds:			
Reimbursement for Data Processing Services	7	5	5
TOTAL	\$ 1,207	\$ 1,253	\$ 1,328

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Legislative Miscellaneous and Commissions			
State Funds	\$ 2,420	\$ 5,041	\$ 5,344

Provides for those permanent commissions and committees which are necessary to provide the Legislature with current information, and to maintain liaison with various national, state and local organizations. It further provides for the various study commissions and committees periodically established to investigate and recommend solutions to various problems that arise from time to time and for the compilation and distribution of various municipal codes.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Joint State Government Commission	\$ 1,173	\$ 1,254	\$ 1,329
Local Government Commission	272	309	328
Local Government Codes	70	31	33
Joint Legislative Air and Water Pollution Control Committee ..	155	161	171
Flags for Overseas Military	25	40	40
Legislative Audit Advisory Commission	175	175	175
Ethics Commission	390	406	420
Fire Suppression	25	.	.
Independent Regulatory Review Commission	135	650	689
Capitol Renovation Committee .....	.	15	16
Capitol Restoration .....	.	2,000	2,143
TOTAL	\$ 2,420	\$ 5,041	\$ 5,344

LEGISLATURE

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Legislative Process	\$ 63,886	\$ 76,142	\$ 80,211	\$ 84,221	\$ 88,433	\$ 92,854	\$ 97,497
Legislature	63,886	76,142	80,211	84,221	88,433	92,854	97,497
DEPARTMENT TOTAL	<u>\$ 63,886</u>	<u>\$ 76,142</u>	<u>\$ 80,211</u>	<u>\$ 84,221</u>	<u>\$ 88,433</u>	<u>\$ 92,854</u>	<u>\$ 97,497</u>

Legislature

OBJECTIVE: To formulate and enact the public policy of the Commonwealth; to define the functions of State Government; to provide revenue for the Commonwealth; and to appropriate money for the operation of State agencies and for other purposes.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 63,886	\$ 76,142	\$ 80,211	\$ 84,221	\$ 88,433	\$ 92,854	\$ 97,497
Other Funds	7	5	5	5	5	5	5
TOTAL	\$ 63,893	\$ 76,147	\$ 80,216	\$ 84,226	\$ 88,438	\$ 92,859	\$ 97,502

Program Analysis:

The General Assembly, which consists of a 50 member Senate and a 203 member House of Representatives, is funded by many General Fund appropriations. These appropriations are detailed in the appropriation portion of this presentation.

There is a continued effort on the part of the House and Senate to acquire more adequate professional staff to provide more useful analytical studies for use in debating Commonwealth issues.

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND TOTAL	<u>\$ 63,886</u>	<u>\$ 76,142</u>	<u>\$ 80,211</u>	<u>\$ 84,221</u>	<u>\$ 88,433</u>	<u>\$ 92,854</u>	<u>\$ 97,497</u>

Judiciary

The objective of the judicial system of the Commonwealth is to provide citizens with prompt and equitable justice under the law.

The court system includes the Supreme Court, Superior Court, Commonwealth Court, Courts of Common Pleas, Community Courts — District Justices of the Peace, Philadelphia Municipal Court and the Philadelphia Traffic Court.

JUDICIARY

Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
General Fund			
General Government			
Supreme Court	\$ 4,057	\$ 4,044	\$ 4,356
Civil Rules Procedural Committee	157	188	202
Criminal Rules Procedural Committee	187	189	202
State Board of Law Examiners	160	207	235
Judicial Inquiry and Review Board	328	306	423
Court Administrator	2,595	2,651	2,810
District Justice Education	307	316	330
Commission on Sentencing	197	211	229
Superior Court	6,512	7,318	7,813
Commonwealth Court	3,562	3,565	4,205
Courts of Common Pleas	21,232	23,908	25,594
Common Pleas Senior Judges	1,033	815	1,023
Common Pleas — Judicial Education	290	199	319
Community Courts — District Justices of the Peace	17,692	20,130	21,332
Philadelphia Traffic Court	217	245	260
Philadelphia Municipal Court	1,460	1,619	1,759
Law Clerks	182	182	182
Subtotal	<u>\$ 60,168</u>	<u>\$ 66,093</u>	<u>\$ 71,274</u>
Grants and Subsidies			
Reimbursement of County Court Expenses	\$ 27,200	\$ 29,480	\$ 29,480
Juror Cost Reimbursement	1,584	1,669	1,669
Subtotal	<u>\$ 28,784</u>	<u>\$ 31,149</u>	<u>\$ 31,149</u>
TOTAL STATE FUNDS	<u>\$ 88,952</u>	<u>\$ 97,242</u>	<u>\$ 102,423</u>
Federal Funds	\$ 115	\$ 4	.....
Other Funds	776	669	\$ 615
GENERAL FUND TOTAL	<u>\$ 89,843</u>	<u>\$ 97,915</u>	<u>\$ 103,038</u>

GENERAL GOVERNMENT

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Supreme Court			
State Funds	\$ 7,988	\$ 8,112	\$ 8,787
Federal Funds	115	4	.....
Other Funds	473	428	435
TOTAL	<u>\$ 8,576</u>	<u>\$ 8,544</u>	<u>\$ 9,222</u>

Holds the supreme judicial powers of the Commonwealth. It consists of seven justices, one of whom is the Chief Justice, elected by qualified electors of the Commonwealth for a term of ten years.

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Supreme Court	\$ 4,057 ^a	\$ 4,044	\$ 4,356
Civil Rules Procedural Committee	157 ^a	188	202
Criminal Rules, Procedural Committee	187 ^a	189	202
State Board of Law Examiners	160 ^a	207	235
Judicial Inquiry and Review Board	328 ^a	306	423
Court Administrator	2,595	2,651	2,810
District Justice Education	307	316	330
Commission on Sentencing	197	211	229
Federal Funds:			
FHWA — Project Update Office Procedures Manual	10	4	.....
LEAA — Judicial Education Training	30	.....	.....
LEAA — Appellate Case Processing	37	.....	.....
LEAA — Post Adjudication Procedures Study	38	.....	.....
Other Funds:			
Law Student Fees to State Board of Law Examiners	339	315	320
Filing Fees	119	100	100
Registration Fees — District Justice Education	15	13	15
TOTAL	<u>\$ 8,576</u>	<u>\$ 8,544</u>	<u>\$ 9,222</u>

^aThese funds were appropriated in 1982-83 as one appropriation — Supreme Court (\$4,889,000).

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Superior Court			
State Funds	\$ 6,512	\$ 7,318	\$ 7,813
Other Funds	243	120	120
TOTAL	<u>\$ 6,755</u>	<u>\$ 7,438</u>	<u>\$ 7,933</u>

Represents the court of intermediate appeal and its jurisdiction is provided by law. It is composed of 15 judges, of whom one is the President Judge, elected by the qualified electors of the State for ten year terms.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Superior Court	\$ 6,512	\$ 7,158	\$ 7,813
Superior Court — Recommended Supplemental .....	.....	160	.....
Other Funds:			
Filing Fees	243	120	120
TOTAL	<u>\$ 6,755</u>	<u>\$ 7,438</u>	<u>\$ 7,933</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Commonwealth Court			
State Funds	\$ 3,562	\$ 3,565	\$ 4,205
Other Funds	60	120	60
TOTAL	<u>\$ 3,622</u>	<u>\$ 3,685</u>	<u>\$ 4,265</u>

The Commonwealth Court is a court of record of statewide original and appellate jurisdiction. The Court has original jurisdiction on all civil actions and proceedings by the Commonwealth or any officer acting in his official capacity and all civil actions and proceedings against the Commonwealth or any officer acting in his official capacity. It is composed of nine judges, of whom one is the President Judge, elected by the qualified electors of the State for ten year terms.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Commonwealth Court	\$ 3,562	\$ 3,565	\$ 4,205
Other Funds:			
Filing Fees	60	120	60
TOTAL	<u>\$ 3,622</u>	<u>\$ 3,685</u>	<u>\$ 4,265</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Courts of Common Pleas			
State Funds	\$ 22,555	\$ 24,922	\$ 26,936
Other Funds .....	.....	1	.....
TOTAL	<u>\$ 22,555</u>	<u>\$ 24,923</u>	<u>\$ 26,936</u>

There is one common pleas court for each judicial district. Each district and number of judges are provided by law. These courts have unlimited original jurisdiction in all cases except as may be otherwise provided by law.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriations:			
Courts of Common Pleas	\$ 21,232 ^a	\$ 21,708 ^a	\$ 25,594
Courts of Common Pleas — Recommended Supplemental .....	.....	2,200	.....
Common Pleas Senior Judges	1,033 ^a	815 ^a	1,023
Common Pleas — Judicial Education	290 ^a	199 ^a	319
Other Funds:			
Domestic Relations Committee .....	.....	1	.....
TOTAL	<u>\$ 22,555</u>	<u>\$ 24,923</u>	<u>\$ 26,936</u>

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Community Courts—District Justices of the Peace			
State Funds	\$ 17,692	\$ 20,130	\$ 21,332

Community courts may be established or discontinued by a vote of the majority of the electors in a judicial district. After establishment, they replace the justices of the peace, or the Municipal Court and Traffic Court in Philadelphia. The term of the judges of community courts is ten years.

Where a community court has not been established or where one has been discontinued, there is a district justice of the peace. Presently there are no community courts but there are district justices of the peace in 553 magisterial districts. The jurisdiction of district justices of the peace is as provided by law. Their term of office is six years.

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Source of Funds			
Appropriation:			
Community Courts—District Justices of the Peace	\$ 17,692	\$ 17,830	\$ 21,332
Community Courts — Recommended Supplemental .....	.....	2,300	.....
TOTAL	<u>\$ 17,692</u>	<u>\$ 20,130</u>	<u>\$ 21,332</u>

^aOriginally part of Courts of Common Pleas appropriation.

GENERAL FUND

JUDICIARY

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Philadelphia Traffic Court and Philadelphia Municipal Court			
State Funds	\$ 1,859	\$ 2,046	\$ 2,201

These courts exist so long as a community court is not established. The number of judges is provided by law. They serve for a term of six years.

<i>Source of Funds</i>	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Appropriations:			
Philadelphia Traffic Court	\$ 217	\$ 209	\$ 260
Philadelphia Traffic Court — Recommended Supplemental		36	
Philadelphia Municipal Court	1,460	1,469	1,759
Philadelphia Municipal Court — Recommended Supplemental		150	
Law Clerks	182	182	182
TOTAL	\$ 1,859	\$ 2,046	\$ 2,201

GRANTS AND SUBSIDIES

	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Reimbursement of County Court Costs			
State Funds	\$ 27,200	\$ 29,480	\$ 29,480

Provides reimbursement of costs incurred by counties in the Administration and operation of all courts established pursuant to Article V, Section 1 of the Pennsylvania Constitution.

<i>Source of Funds</i>	1982-83 Actual	(Dollar Amounts in Thousands) 1983-84 Available	1984-85 Budget
Appropriations:			
Reimbursement of County Court Costs	\$ 27,200	\$ 29,480	\$ 29,480

	(Dollar Amounts in Thousands)		
	1982-83 Actual	1983-84 Available	1984-85 Budget
Juror Cost Reimbursement			
State Funds	\$ 1,584	\$ 1,669	\$ 1,669

In accordance with Act 78 of 1980, provides for reimbursement of costs incurred by counties in relationship to juror payments and related mileage expenses.

	(Dollar Amounts in Thousands)		
<i>Source of Funds</i>	1982-83 Actual	1983-84 Available	1984-85 Budget
Appropriation:			
Juror Cost Reimbursement	<u>\$ 1,584</u>	<u>\$ 1,669</u>	<u>\$ 1,669</u>

JUDICIARY

Summary of Agency Program by Category and Subcategory

General Fund and Special Funds

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
Adjudication of Defendants	\$ 88,952	\$ 97,242	\$ 102,423	\$ 106,053	\$ 109,864	\$ 113,865	\$ 118,065
State Judicial System	88,952	97,242	102,423	106,053	109,864	113,865	118,065
DEPARTMENT TOTAL	<u>\$ 88,952</u>	<u>\$ 97,242</u>	<u>\$ 102,423</u>	<u>\$ 106,053</u>	<u>\$ 109,864</u>	<u>\$ 113,865</u>	<u>\$ 118,065</u>

State Judicial System

OBJECTIVE: To provide Pennsylvania citizens with prompt and equitable justice under the law.

Recommended Program Costs:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
General Fund	\$ 88,952	\$ 97,242	\$ 102,423	\$ 106,053	\$ 109,864	\$ 113,865	\$ 118,065
Federal Funds	115	4					
Other Funds	776	669	615	615	615	615	615
TOTAL	\$ 89,843	\$ 97,915	\$ 103,038	\$ 106,668	\$ 110,479	\$ 114,480	\$ 118,680

Program Analysis:

The judicial power of the Commonwealth is vested in a Unified Judicial System consisting of the Supreme Court, the Superior Court, the Commonwealth Court, Courts of Common Pleas, Community Courts, Philadelphia Municipal Court, Pittsburgh Magistrates Court, Traffic Court of Philadelphia and district justices.

The supreme judicial powers in the Commonwealth rest in the Supreme Court which consists of seven justices. It has limited jurisdiction of appeals from final orders of the Courts of Common Pleas in specified classes of cases as prescribed by the Legislature, including appeals from Commonwealth Court in matters which commenced in that Court, and direct appeals from all lower courts in certain cases involving constitutional questions and from certain judicial agencies. The Court has discretionary jurisdiction to review other appeals from Superior and Commonwealth Courts upon allowance by any two justices and may, on its own motion, assume plenary jurisdiction of any matter pending before any court of the Commonwealth.

The Supreme Court exercises general supervisory and administrative authority over all courts, judges and district justices. This authority includes the assignment of judges and justices. It also appoints the Court Administrator of Pennsylvania, who supervises the Administrative Office of Pennsylvania Courts as required for the prompt and proper disposition of the business of all courts and justices of the peace.

The Supreme Court has the power to prescribe general rules governing practice, procedure and the conduct of all courts in the Unified Judicial System.

The Superior Court consists of 15 judges. It has exclusive appellate jurisdiction of all appeals from final orders of the Courts of Common Pleas regardless of the nature of the controversy except those within the exclusive jurisdiction of the Supreme or Commonwealth Courts.

The Commonwealth Court consists of nine judges and is a court of original and appellate jurisdiction. It has original jurisdiction on all civil actions and proceedings by the Com-

monwealth or any officer acting in his official capacity and all civil proceedings against the Commonwealth or any officer acting in his official capacity. In the latter category, its jurisdiction is exclusive; in the former, concurrent with the Common Pleas Court.

Original jurisdiction for most major cases rests in the Courts of Common Pleas. There is one Common Pleas Court for each of the 60 judicial districts, often with several divisions and judges. Throughout the Commonwealth, there are 309 Common Pleas judges. These courts have unlimited original jurisdiction except as otherwise provided by law.

The Philadelphia Municipal Court is a court of record whose 22 judges must be lawyers. Its limited jurisdiction is analogous to that of District Justice Courts.

The 552 District Justice Courts, the Pittsburgh Court, and the Philadelphia Traffic Court have original jurisdiction in minor cases such as traffic violations.

The Administrative Office of Pennsylvania Courts is directed by the Court Administrator and performs administrative functions as directed by the Supreme Court. It is primarily the administrative arm of the Supreme Court.

The Minor Judiciary Education Board is responsible for administering the qualifying and continuing district justice education program as required by the Constitution and by acts of the General Assembly, with the Administrative Office of Pennsylvania Courts acting as the administrative agency for the Board. The Board conducts education programs for individuals who are not members of the Bar to qualify as district justice and for the annual continuing education of all district justices.

In addition to providing direction of certain courts and court activities, the Commonwealth provides direct grants to reimburse counties a portion of their juror's payments and mileage expenses.

Funds have been provided in this budget to maintain the County Court Reimbursement Program at its present operational level. Also included are full reimbursement of the costs of maintaining Appellate Court Justices Offices.

State Judicial System (continued)

Program Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89
GENERAL FUND							
Judiciary (All Judiciary Appropriations)	<u>\$ 88,952</u>	<u>\$ 97,242</u>	<u>\$ 102,423</u>	<u>\$ 106,053</u>	<u>\$ 109,864</u>	<u>\$ 113,865</u>	<u>\$ 118,065</u>

