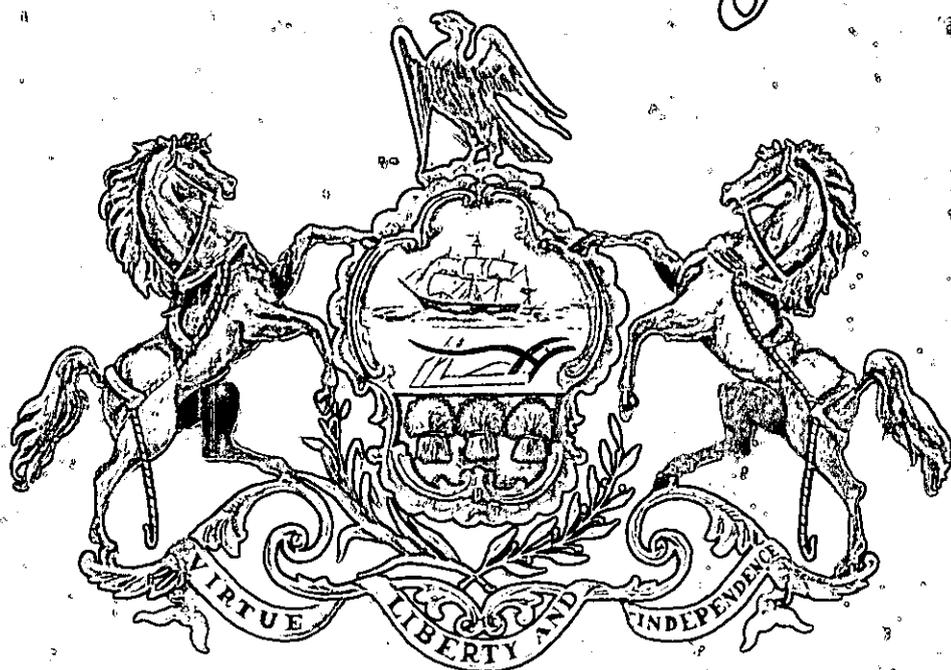


1989-90  
Governor's  
Executive Budget



Commonwealth of Pennsylvania

Robert P. Casey  
Governor

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# FOREWORD

## TAX EXPENDITURES

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

The 1989-90 Governor's Executive Budget document expands the initial step taken in last year's budget towards a comprehensive tax expenditure analysis. This is provided in Section D of this document.

## THE COMMONWEALTH PROGRAM PLAN

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

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

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

## THE DEPARTMENTAL PRESENTATION

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Recommendations for the continuation of current programs at essentially current levels of commitment are shown within departmental program subcategories. Recommendations for major program changes in 1989-90 are identified as departmental Program Revision Requests (PRRs) which provide explanations and justification for the change.

Beyond 1989-90, the projections of financial data, as well as impacts and other program measures, show the future implications of the 1989-90 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 1989-90 level of commitment.

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

## PROGRAM PRESENTATION

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

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

*Narrative*—Describes program services and activities.

*Program Recommendations*—Identifies the increases or decreases over the available funds as presented in the summary by fund and appropriation.

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

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

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

## SUMMARY BY FUND AND APPROPRIATION

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

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

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

*(F) Medical Assistance*—Identifies a Federal appropriation by the General Assembly or an executive authorization by the Governor to spend Federal monies.

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

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

(A) Institutional Collections—Identifies monies which augment the identified State appropriation.

(R) Snowmobile Regulation—Identifies funds which are in a restricted account and which may only be spent for very limited purposes related to the State appropriation.

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

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

## **PROGRAM EVALUATIONS**

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The Budget Office conducts program evaluations and other analyses. The following describe the results and recommendations of evaluations conducted during the 1987-88 fiscal year.

Prison Costs—This report concluded that prison institutions have a large and positive economic impact on the areas in which they are located, there are large economies of scale for prison institutions and that certain areas of the State welcome the development of prison facilities.

Judiciary Expenditures — This project compared judicial expenditures collected from the Administrative Office of Pennsylvania Courts (AOPC) survey with judicial expenditure data derived from annual reports submitted to the State by the counties and by Pittsburgh and Philadelphia. The report concluded that these data sources were useful in identifying the general magnitude of Statewide judicial expenditures, but a more accurate and uniform data collection process based on more precise instructions is required to determine the true costs of a Statewide judicial system.

Catastrophic Loss Trust (CAT) Fund Liabilities — The CAT fund provides medical and rehabilitative benefits to Commonwealth citizens who are catastrophically injured in motor vehicle accidents. This project estimated fee revenues, annual benefit payment costs and fund balances under different scenarios of CAT fund program continuation or abolishment.

## Federal Funds Identification

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The most common abbreviations used to identify Federal funds are:

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

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COMMONWEALTH OF PENNSYLVANIA  
GOVERNOR'S OFFICE  
HARRISBURG

MICHAEL H. HERSHOCK  
SECRETARY  
OFFICE OF THE BUDGET

February 7, 1989

*To the Members of the General Assembly and  
all Citizens of Pennsylvania:*

*Governor Casey and I are pleased to present to you his Administration's third state budget. It is the product of months of careful preparation that will prudently lead the Commonwealth into the next decade. The Governor is committed to maintaining the fiscal integrity of Pennsylvania while providing for the needs of the people.*

*The financial plan detailed within this book will allow us to build on the successful initiatives of the first two years and maintain the Governor's pledge of no tax increase. Specifically, the Governor will expand on programs that protect the environment, improve our educational system and continue our economic development. These issues cannot be dealt with in a vacuum. They are definitely intertwined with the success of comprehensive human service programs that form the foundation of a caring society.*

*I take pride in the Governor's sound approach to dealing with the problems we inherited with the Lottery Fund. This year marks the third year of our campaign to restore its fiscal integrity. Without our efforts over the past two years, the Lottery Fund would have fallen into a large deficit. However, we must diligently look for additional ways to maintain its financial state and valuable benefits.*

*The Governor this year launches an initiative that will be a three-pronged attack on the insidious problem of drug and alcohol abuse, which has become a social cancer that has a direct or indirect effect on all Pennsylvanians. We need a combination of strong law enforcement efforts coupled with compassionate treatment and education programs to defeat drug and alcohol abuse and allow those affected to reach their potential.*

*The Commonwealth's \$21.4 billion budget for the 1989-90 fiscal year is comprised of \$11.7 billion from the General Fund, \$1.6 billion from the Motor License Fund, \$3.7 billion in fees and special fund revenues and \$4.4 billion in Federal Funds.*

*Our sound fiscal policies have allowed us to weather uncertain times, when many other states are being forced to cut programs because of budget deficits. I am committed to maintaining this deliberate approach, which is in the best interests of all Pennsylvanians.*

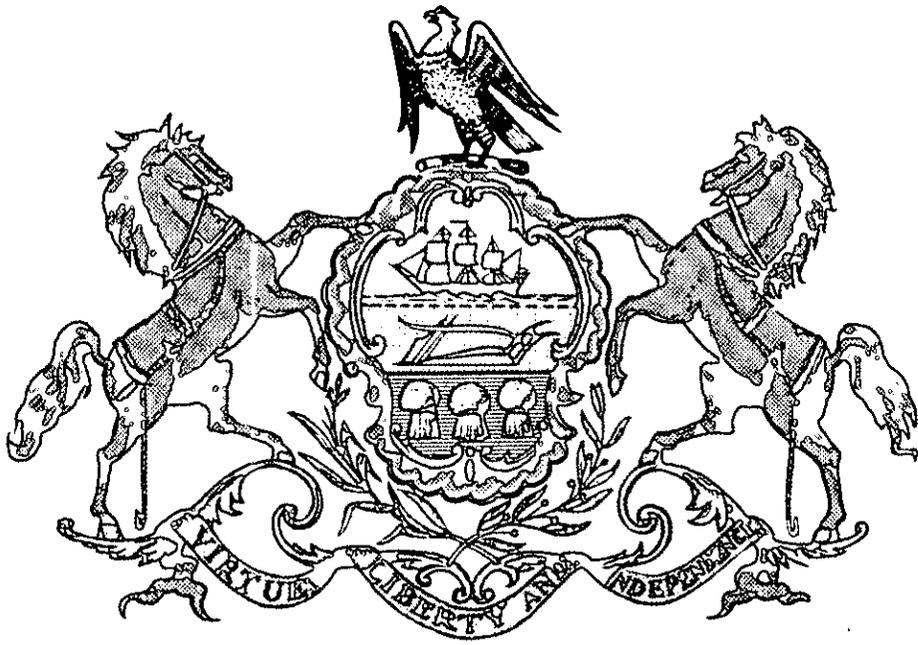
*This year we have not published a Budget in Brief booklet but have included corresponding information in a special State of the Commonwealth publication that also provides a broader perspective on Pennsylvania.*

Sincerely,

A handwritten signature in cursive script that reads "Michael H. Hershock".

Michael H. Hershock  
Secretary of the Budget

# Statements



The crest of the Arms is represented by an eagle, which symbolizes sovereignty.

# GENERAL FUND

## Five Year Financial Statement

The projections beyond the 1989-90 fiscal year show future implications of the present budgetary policies and recommendations only. Revenue estimates are based upon current tax rates.

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Beginning Balance .....	\$ 347,834	\$ 94,658	\$ 275,368	\$ 2,835			
Revenues .....	\$ 10,359,238	\$ 11,296,000	\$ 11,656,900	\$ 12,371,840	\$ 13,092,650	\$ 13,812,850	\$ 14,607,865
Adjustments <sup>a</sup> .....	-95,298	-130,799	-204,625	-210,239	-221,416	-232,758	-242,160
Tax Stabilization Reserve .....	-25,000	..... <sup>c</sup>	..... <sup>d</sup>	-25,000	-25,000	-25,000	-25,000
Sunny Day Reserve .....	-20,000	..... <sup>c</sup>	..... <sup>d</sup>	-25,000	-25,000	-25,000	-25,000
<b>Funds Available .....</b>	<b>\$ 10,566,774</b>	<b>\$ 11,259,859</b>	<b>\$ 11,727,643</b>	<b>\$ 12,114,436</b>	<b>\$ 12,821,234</b>	<b>\$ 13,530,092</b>	<b>\$ 14,315,705</b>
Expenditures .....	-10,472,116	-10,984,491	-11,724,808	-12,113,403	-12,446,404	-12,787,634	-13,106,773
<b>Ending Balance<sup>b</sup> .....</b>	<b>\$ 94,658</b>	<b>\$ 275,368</b>	<b>\$ 2,835</b>	<b>\$ 1,033</b>	<b>\$ 374,830</b>	<b>\$ 742,458</b>	<b>\$ 1,208,932</b>

<sup>a</sup>Includes net revenue accruals, refunds, lapses and adjustments to beginning balances.

<sup>b</sup>Ending balances not carried forward after 1990-91.

<sup>c</sup>Both Sunny Day Fund and Tax Stabilization Fund received \$25 million appropriation from the State Workmen's Insurance Fund.

<sup>d</sup>Assumes appropriations from the State Workmen's Insurance Fund to the Sunny Day Fund (\$25 million), Tax Stabilization Reserve Fund (\$25 million), and Local Tax Reform Fund (\$25 million).

# FIVE YEAR FINANCIAL STATEMENTS

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

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Beginning Balance .....	\$ 78,105	\$ 104,147	\$ 69,110	\$ 8,073	\$ 1,200	\$ 13,306	\$ 19,100
Receipts .....	1,463,143	1,496,530	1,493,567	1,516,364	1,558,019	1,571,035	1,584,431
Funds Available .....	<u>\$ 1,541,248</u>	<u>\$ 1,600,677</u>	<u>\$ 1,562,677</u>	<u>\$ 1,524,437</u>	<u>\$ 1,559,219</u>	<u>\$ 1,584,341</u>	<u>\$ 1,603,531</u>
Less Expenditures .....	-1,437,101	-1,531,567	-1,554,604	-1,523,237	-1,545,913	-1,565,241	-1,580,626
Ending Balance .....	<u>\$ 104,147</u>	<u>\$ 69,110</u>	<u>\$ 8,073</u>	<u>\$ 1,200</u>	<u>\$ 13,306</u>	<u>\$ 19,100</u>	<u>\$ 22,905</u>

## Banking Department Fund

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Beginning Balance .....	\$ 2,318	\$ 2,576	\$ 1,753	\$ 1,620	\$ 1,456	\$ 1,199	\$ 924
Receipts .....	7,591	8,334	8,807	9,255	9,670	10,185	10,605
Funds Available .....	<u>\$ 9,909</u>	<u>\$ 10,910</u>	<u>\$ 10,560</u>	<u>\$ 10,875</u>	<u>\$ 11,126</u>	<u>\$ 11,384</u>	<u>\$ 11,529</u>
Less Expenditures .....	-7,333	-9,157	-8,940	-9,419	-9,927	-10,460	-11,024
Ending Balance .....	<u>\$ 2,576</u>	<u>\$ 1,753</u>	<u>\$ 1,620</u>	<u>\$ 1,456</u>	<u>\$ 1,199</u>	<u>\$ 924</u>	<u>\$ 505</u>

## Boat Fund

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Beginning Balance .....	\$ 4,188	\$ 4,094	\$ 3,505	\$ 2,507	\$ 1,689	\$ 1,006	\$ 441
Receipts .....	4,424	3,916	4,051	4,196	4,307	4,402	4,501
Funds Available .....	<u>\$ 8,612</u>	<u>\$ 8,010</u>	<u>\$ 7,556</u>	<u>\$ 6,703</u>	<u>\$ 5,996</u>	<u>\$ 5,408</u>	<u>\$ 4,942</u>
Less Expenditures .....	-4,518	-4,505	-5,049	-5,014	-4,990	-4,967	-4,942
Ending Balance .....	<u>\$ 4,094</u>	<u>\$ 3,505</u>	<u>\$ 2,507</u>	<u>\$ 1,689</u>	<u>\$ 1,006</u>	<u>\$ 441</u>	<u>\$ . . . .</u>

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

## FIVE YEAR FINANCIAL STATEMENTS (Continued)

### Economic Revitalization Fund

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Beginning Balance .....	\$ 19,881	\$ 20,281	\$ 3,636	\$ 3,636	\$ 536	\$ 936	\$ 836
Receipts .....	71,867	44,085	54,600	54,000	47,500	53,000	49,500
Funds Available .....	<u>\$ 91,748</u>	<u>\$ 64,366</u>	<u>\$ 58,236</u>	<u>\$ 57,636</u>	<u>\$ 48,036</u>	<u>\$ 53,936</u>	<u>\$ 50,336</u>
Less Expenditures .....	-71,467	-60,730	-54,600	-57,100	-47,100	-53,100	-50,100
Ending Balance .....	<u><u>\$ 20,281</u></u>	<u><u>\$ 3,636</u></u>	<u><u>\$ 3,636</u></u>	<u><u>\$ 536</u></u>	<u><u>\$ 936</u></u>	<u><u>\$ 836</u></u>	<u><u>\$ 236</u></u>

### Energy Conservation and Assistance Fund

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Beginning Balance .....	\$ 106,834	\$ 85,932	\$ 43,086	\$ 7,396	\$ 682	\$ 5,282	\$ 9,317
Receipts .....	\$ 24,405	16,415	13,310	25,286	4,600	4,035	3,725
Funds Available .....	<u>\$ 131,239</u>	<u>\$ 102,347</u>	<u>\$ 56,396</u>	<u>\$ 32,682</u>	<u>\$ 5,282</u>	<u>\$ 9,317</u>	<u>\$ 13,042</u>
Less Expenditures .....	-45,307	-59,261	-49,000	-32,000	.....	.....	.....
Ending Balance .....	<u><u>\$ 85,932</u></u>	<u><u>\$ 43,086</u></u>	<u><u>\$ 7,396</u></u>	<u><u>\$ 682</u></u>	<u><u>\$ 5,282</u></u>	<u><u>\$ 9,317</u></u>	<u><u>\$ 13,042</u></u>

### Fair Fund<sup>a</sup>

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Beginning Balance .....	\$ 15	.....	.....	.....	.....	.....	.....
Receipts .....	1	.....	.....	.....	.....	.....	.....
Funds Available .....	<u>\$ 16</u>	.....	.....	.....	.....	.....	.....
Less Expenditures .....	-16	.....	.....	.....	.....	.....	.....
Ending Balance .....	<u><u>.....</u></u>	<u><u>.....</u></u>	<u><u>.....</u></u>	<u><u>.....</u></u>	<u><u>.....</u></u>	<u><u>.....</u></u>	<u><u>.....</u></u>

<sup>a</sup>Act 92 signed July 8, 1986, eliminated the Fair Fund as a Special Fund, effective July 1, 1986 and created a General Fund grant appropriation, Payments to Pennsylvania Fairs.

**FIVE YEAR FINANCIAL STATEMENTS  
(Continued)**

**Farm Products Show Fund**

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Beginning Balance .....	\$ 868	\$ 983	\$ 2,866	\$ 1,480	\$ 1,480	\$ 1,358	\$ 1,107
Receipts .....	3,059	5,278	3,238	3,240	3,240	3,240	3,240
Funds Available .....	<u>\$ 3,927</u>	<u>\$ 6,261</u>	<u>\$ 6,104</u>	<u>\$ 4,720</u>	<u>\$ 4,720</u>	<u>\$ 4,598</u>	<u>\$ 4,347</u>
Less Expenditures .....	-2,944	-3,395	-4,624	-3,240	-3,362	-3,491	-3,628
Ending Balance .....	<u>\$ 983</u>	<u>\$ 2,866</u>	<u>\$ 1,480</u>	<u>\$ 1,480</u>	<u>\$ 1,358</u>	<u>\$ 1,107</u>	<u>\$ 719</u>

**Fish Fund**

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Beginning Balance .....	\$ 9,631	\$ 10,441	\$ 9,604	\$ 7,194	\$ 5,032	\$ 3,072	\$ 1,367
Receipts .....	23,652	24,254	24,131	24,250	24,281	24,371	24,352
Funds Available .....	<u>\$ 33,283</u>	<u>\$ 34,695</u>	<u>\$ 33,735</u>	<u>\$ 31,444</u>	<u>\$ 29,313</u>	<u>\$ 27,443</u>	<u>\$ 25,719</u>
Less Expenditures .....	-22,842	-25,091	-26,541	-26,412	-26,241	-26,076	-25,719
Ending Balance .....	<u>\$ 10,441</u>	<u>\$ 9,604</u>	<u>\$ 7,194</u>	<u>\$ 5,032</u>	<u>\$ 3,072</u>	<u>\$ 1,367</u>	<u>.....</u>

**Game Fund**

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Beginning Balance .....	\$ 20,683	\$ 25,298	\$ 26,177	\$ 25,520	\$ 23,265	\$ 19,505	\$ 14,247
Receipts .....	44,380	44,607	39,918	40,000	40,000	40,000	40,000
Funds Available .....	<u>\$ 65,063</u>	<u>\$ 69,905</u>	<u>\$ 66,095</u>	<u>\$ 65,520</u>	<u>\$ 63,265</u>	<u>\$ 59,505</u>	<u>\$ 54,247</u>
Less Expenditures .....	-39,765	-43,728	-40,575	-42,255	-43,760	-45,258	-46,815
Ending Balance .....	<u>\$ 25,298</u>	<u>\$ 26,177</u>	<u>\$ 25,520</u>	<u>\$ 23,265</u>	<u>\$ 19,505</u>	<u>\$ 14,247</u>	<u>\$ 7,432</u>

**FIVE YEAR FINANCIAL STATEMENTS  
(continued)**

**Lottery Fund**

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Beginning Balance .....	\$ 214,506	\$ 169,621	\$ 87,792	\$ 36,486	\$ -19,590	\$ -61,433	\$ -123,183
Add: Reserve From Previous Year .....	113,534	110,132	116,305	131,972	133,660	134,845	136,301
Receipts .....	827,434	878,060	967,088	984,952	999,589	1,015,909	1,034,463
Funds Available .....	<u>\$ 1,155,474</u>	<u>\$ 1,157,813</u>	<u>\$ 1,171,185</u>	<u>\$ 1,153,410</u>	<u>\$ 1,113,659</u>	<u>\$ 1,089,321</u>	<u>\$ 1,047,581</u>
Less Expenditures .....	875,721	953,716	1,002,727	1,039,340	1,040,247	1,076,203	1,122,015
Less Reserve for Current Years .....	110,132	116,305	131,972	133,660	134,845	136,301	138,138
Ending Balance .....	<u>\$ 169,621</u>	<u>\$ 87,792</u>	<u>\$ 36,486</u>	<u>\$ -19,590</u>	<u>\$ -61,433</u>	<u>\$ -123,183</u>	<u>\$ -212,572</u>

**Milk Marketing Fund**

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Beginning Balance .....	\$ 274	\$ 221	\$ 125	\$ 591	\$ 1,012	\$ 1,386	\$ 1,710
Receipts .....	1,689	1,640	2,250	2,250	2,250	2,250	2,250
Funds Available .....	<u>\$ 1,963</u>	<u>\$ 1,861</u>	<u>\$ 2,375</u>	<u>\$ 2,841</u>	<u>\$ 3,262</u>	<u>\$ 3,636</u>	<u>\$ 3,960</u>
Less Expenditures .....	-1,742	-1,736	-1,784	-1,829	-1,876	-1,926	-1,978
Ending Balance .....	<u>\$ 221</u>	<u>\$ 125</u>	<u>\$ 591</u>	<u>\$ 1,012</u>	<u>\$ 1,386</u>	<u>\$ 1,710</u>	<u>\$ 1,982</u>

**Racing Fund**

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Beginning Balance .....	\$ 1,373	\$ 1,940	\$ 1,355	\$ 3,262	\$ 6,709	\$ 6,347	\$ 5,965
Receipts .....	7,848	7,428	9,530	13,320	13,320	13,320	13,320
Funds Available .....	<u>\$ 9,221</u>	<u>\$ 9,368</u>	<u>\$ 10,885</u>	<u>\$ 16,582</u>	<u>\$ 20,029</u>	<u>\$ 19,667</u>	<u>\$ 19,285</u>
Less Expenditures .....	-7,281	-8,013	-7,623	-9,873	-13,682	-13,702	-13,722
Ending Balance .....	<u>\$ 1,940</u>	<u>\$ 1,355</u>	<u>\$ 3,262</u>	<u>\$ 6,709</u>	<u>\$ 6,347</u>	<u>\$ 5,965</u>	<u>\$ 5,563</u>

# Five-Year Department Summary by Fund

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>GOVERNOR'S OFFICE</b>							
General Fund.....	\$ 4,983	\$ 5,686	\$ 6,201	\$ 6,542	\$ 6,902	\$ 7,282	\$ 7,683
<b>EXECUTIVE OFFICES</b>							
General Fund.....	\$ 56,364	\$ 65,495	\$ 70,614	\$ 73,649	\$ 76,672	\$ 79,864	\$ 83,231
Motor License Fund.....	3,757	4,127	4,510	4,781	5,068	5,372	5,694
Energy Conservation And Assistance Fund..	3,337	7,100	10,500	8,000	0	0	0
Lottery Fund.....	0	29	66	68	70	72	74
<b>TOTAL.....</b>	<b>\$ 63,458</b>	<b>\$ 76,751</b>	<b>\$ 85,690</b>	<b>\$ 86,498</b>	<b>\$ 81,810</b>	<b>\$ 85,308</b>	<b>\$ 88,999</b>
<b>LIEUTENANT GOVERNOR'S OFFICE</b>							
General Fund.....	\$ 701	\$ 808	\$ 867	\$ 911	\$ 961	\$ 1,014	\$ 1,069
<b>OFFICE OF ATTORNEY GENERAL</b>							
General Fund.....	\$ 27,247	\$ 29,920	\$ 41,316	\$ 44,612	\$ 47,060	\$ 49,642	\$ 52,367
<b>AUDITOR GENERAL</b>							
General Fund.....	\$ 29,667	\$ 35,533	\$ 51,410	\$ 53,268	\$ 55,228	\$ 57,296	\$ 59,478
<b>TREASURY</b>							
General Fund.....	\$ 408,427	\$ 441,161	\$ 472,432	\$ 502,585	\$ 546,466	\$ 581,178	\$ 601,625
Motor License Fund.....	179,174	187,835	190,081	193,458	188,513	181,661	176,340
Banking Department Fund.....	0	5	15	15	15	15	15
Boat Fund.....	2	7	17	17	17	17	16
Farm Products Show Fund.....	0	5	15	15	15	15	15
Fish Fund.....	62	68	77	73	65	58	49
Game Fund.....	0	6	18	18	18	18	18
Lottery Fund.....	10	20	60	60	60	60	60
Milk Marketing Fund.....	0	10	20	20	20	20	20
Racing Fund.....	1	10	30	30	30	30	30
<b>TOTAL.....</b>	<b>\$ 587,676</b>	<b>\$ 629,127</b>	<b>\$ 662,765</b>	<b>\$ 696,291</b>	<b>\$ 735,219</b>	<b>\$ 763,072</b>	<b>\$ 778,188</b>
<b>AGING</b>							
General Fund.....	\$ 1,376	\$ 3,000	\$ 4,559	\$ 4,651	\$ 4,744	\$ 4,839	\$ 4,935
Lottery Fund.....	197,300	269,807	304,118	346,908	354,215	375,838	406,793
<b>TOTAL.....</b>	<b>\$ 198,676</b>	<b>\$ 272,807</b>	<b>\$ 308,677</b>	<b>\$ 351,559</b>	<b>\$ 358,959</b>	<b>\$ 380,677</b>	<b>\$ 411,728</b>
<b>AGRICULTURE</b>							
General Fund.....	\$ 32,041	\$ 35,189	\$ 38,185	\$ 38,992	\$ 40,073	\$ 41,112	\$ 42,314
Economic Revitalization Fund.....	0	1,000	1,000	1,000	1,000	1,000	1,000
Fair Fund.....	16	0	0	0	0	0	0
Farm Products Show Fund.....	1,944	2,390	3,609	2,225	2,347	2,476	2,613
Racing Fund.....	7,161	7,877	7,464	9,707	13,509	13,521	13,533
<b>TOTAL.....</b>	<b>\$ 41,162</b>	<b>\$ 46,456</b>	<b>\$ 50,258</b>	<b>\$ 51,924</b>	<b>\$ 56,929</b>	<b>\$ 58,109</b>	<b>\$ 59,460</b>
<b>BANKING</b>							
Banking Department Fund.....	\$ 7,035	\$ 8,858	\$ 8,642	\$ 9,117	\$ 9,619	\$ 10,148	\$ 10,706
<b>CIVIL SERVICE COMMISSION</b>							
General Fund.....	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
<b>COMMUNITY AFFAIRS</b>							
General Fund.....	\$ 215,905	\$ 77,190	\$ 70,292	\$ 67,922	\$ 68,508	\$ 69,125	\$ 69,777
Economic Revitalization Fund.....	6,000	7,500	0	6,000	0	6,000	0
Energy Conservation And Assistance Fund..	0	21,459	18,500	4,000	0	0	0
<b>TOTAL.....</b>	<b>\$ 221,905</b>	<b>\$ 106,149</b>	<b>\$ 88,792</b>	<b>\$ 77,922</b>	<b>\$ 68,508</b>	<b>\$ 75,125</b>	<b>\$ 69,777</b>
<b>CORRECTIONS</b>							
General Fund.....	\$ 239,100	\$ 269,169	\$ 304,404	\$ 321,789	\$ 339,487	\$ 358,159	\$ 377,858
<b>CRIME COMMISSION</b>							
General Fund.....	\$ 2,325	\$ 2,501	\$ 2,683	\$ 2,675	\$ 2,822	\$ 2,977	\$ 3,141
<b>ECONOMIC DEVELOPMENT PARTNERSHIP</b>							
General Fund.....	\$ 149,201	\$ 132,310	\$ 160,879	\$ 158,557	\$ 151,077	\$ 156,626	\$ 153,206
Economic Revitalization Fund.....	51,366	53,207	47,600	44,100	40,100	40,100	43,100
<b>TOTAL.....</b>	<b>\$ 200,567</b>	<b>\$ 185,517</b>	<b>\$ 208,479</b>	<b>\$ 202,657</b>	<b>\$ 191,177</b>	<b>\$ 196,726</b>	<b>\$ 196,306</b>

# Five-Year Department Summary by Fund

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>EDUCATION</b>							
General Fund.....	\$ 4,884,991	\$ 5,221,212	\$ 5,501,233	\$ 5,599,359	\$ 5,701,595	\$ 5,807,614	\$ 5,917,611
Motor License Fund.....	1,948	2,300	2,300	2,300	2,300	2,300	2,300
<b>TOTAL.....</b>	<b>\$ 4,886,939</b>	<b>\$ 5,223,512</b>	<b>\$ 5,503,533</b>	<b>\$ 5,601,659</b>	<b>\$ 5,703,895</b>	<b>\$ 5,809,914</b>	<b>\$ 5,919,911</b>
<b>EMERGENCY MANAGEMENT AGENCY</b>							
General Fund.....	\$ 6,477	\$ 3,360	\$ 4,629	\$ 3,986	\$ 4,205	\$ 4,436	\$ 4,680
<b>ENVIRONMENTAL RESOURCES</b>							
General Fund.....	\$ 174,887	\$ 187,674	\$ 208,131	\$ 216,117	\$ 225,085	\$ 234,046	\$ 244,028
Economic Revitalization Fund.....	14,101	1,523	6,000	6,000	6,000	6,000	6,000
Energy Conservation And Assistance Fund..	0	0	0	0	0	0	0
<b>TOTAL.....</b>	<b>\$ 188,988</b>	<b>\$ 189,197</b>	<b>\$ 214,131</b>	<b>\$ 222,117</b>	<b>\$ 231,085</b>	<b>\$ 240,046</b>	<b>\$ 250,028</b>
<b>FISH COMMISSION</b>							
General Fund.....	\$ 7	\$ 7	\$ 9	\$ 9	\$ 9	\$ 9	\$ 9
Boat Fund.....	3,830	3,920	4,442	4,386	4,332	4,277	4,220
Fish Fund.....	15,399	16,427	18,076	17,895	17,716	17,539	17,225
<b>TOTAL.....</b>	<b>\$ 19,236</b>	<b>\$ 20,354</b>	<b>\$ 22,527</b>	<b>\$ 22,290</b>	<b>\$ 22,057</b>	<b>\$ 21,825</b>	<b>\$ 21,454</b>
<b>GAME COMMISSION</b>							
Game Fund.....	\$ 34,745	\$ 38,790	\$ 36,074	\$ 37,637	\$ 39,142	\$ 40,640	\$ 42,197
<b>GENERAL SERVICES</b>							
General Fund.....	\$ 70,436	\$ 72,643	\$ 76,544	\$ 78,601	\$ 81,390	\$ 84,698	\$ 87,815
Motor License Fund.....	26,500	27,000	27,000	29,500	29,500	29,500	29,500
Banking Department Fund.....	298	294	283	287	293	297	303
Lottery Fund.....	188	185	180	183	186	190	195
<b>TOTAL.....</b>	<b>\$ 97,422</b>	<b>\$ 100,122</b>	<b>\$ 104,007</b>	<b>\$ 108,571</b>	<b>\$ 111,369</b>	<b>\$ 114,685</b>	<b>\$ 117,813</b>
<b>HEALTH</b>							
General Fund.....	\$ 142,228	\$ 155,953	\$ 159,806	\$ 161,857	\$ 164,170	\$ 166,611	\$ 169,184
<b>HIGHER EDUCATION ASSISTANCE AGENCY</b>							
General Fund.....	\$ 139,448	\$ 154,822	\$ 170,156	\$ 170,156	\$ 170,156	\$ 170,156	\$ 170,156
<b>HISTORICAL AND MUSEUM COMMISSION</b>							
General Fund.....	\$ 15,188	\$ 16,907	\$ 16,009	\$ 16,687	\$ 17,402	\$ 18,156	\$ 18,802
<b>HOUSING FINANCE AGENCY</b>							
General Fund.....	\$ 15,000	\$ 11,700	\$ 12,250	\$ 12,250	\$ 12,250	\$ 6,500	\$ 750
<b>INFRASTRUCTURE INVESTMENT AUTHORITY (PENNVEST)</b>							
General Fund.....	\$ 5,500	\$ 15,000	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500
<b>INSURANCE</b>							
General Fund.....	\$ 8,675	\$ 10,710	\$ 11,504	\$ 11,617	\$ 12,256	\$ 12,930	\$ 13,641
<b>LABOR AND INDUSTRY</b>							
General Fund.....	\$ 45,542	\$ 48,295	\$ 50,035	\$ 50,248	\$ 50,620	\$ 51,042	\$ 51,518
<b>MILITARY AFFAIRS</b>							
General Fund.....	\$ 29,669	\$ 33,135	\$ 34,125	\$ 38,152	\$ 43,007	\$ 45,192	\$ 47,486
<b>MILK MARKETING BOARD</b>							
General Fund.....	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950
Milk Marketing Fund.....	792	776	814	859	906	956	1,008
<b>TOTAL.....</b>	<b>\$ 1,742</b>	<b>\$ 1,726</b>	<b>\$ 1,764</b>	<b>\$ 1,809</b>	<b>\$ 1,856</b>	<b>\$ 1,906</b>	<b>\$ 1,958</b>
<b>PROBATION AND PAROLE</b>							
General Fund.....	\$ 34,839	\$ 37,931	\$ 42,421	\$ 44,413	\$ 45,971	\$ 47,615	\$ 49,349
<b>PUBLIC TELEVISION NETWORK</b>							
General Fund.....	\$ 9,635	\$ 10,155	\$ 10,813	\$ 10,969	\$ 11,134	\$ 11,308	\$ 11,492

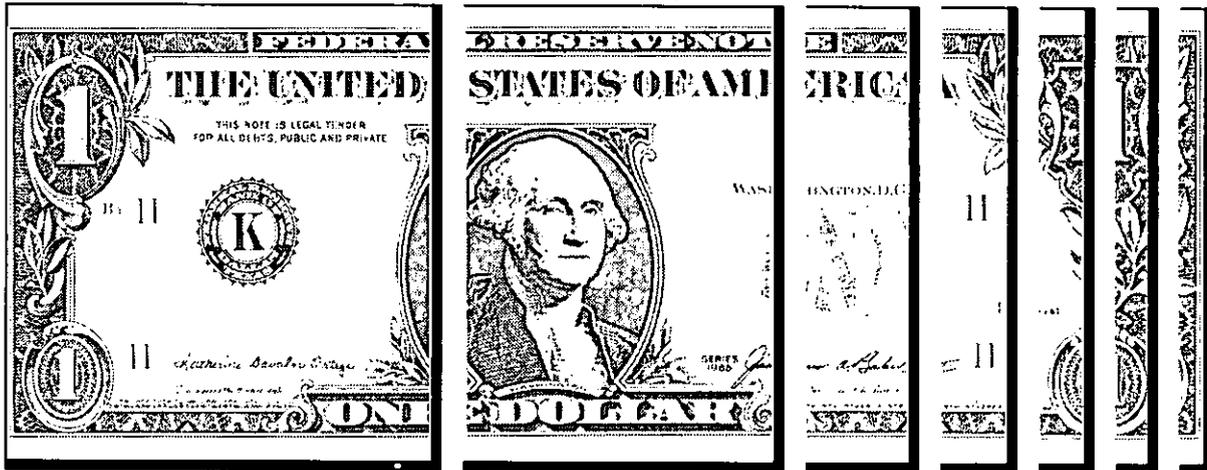
# Five-Year Department Summary by Fund

## FIVE YEAR DEPARTMENT SUMMARY BY FUND STATE FUNDS ONLY

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
<b>PUBLIC WELFARE</b>							
General Fund.....	\$ 2,990,905	\$ 3,216,279	\$ 3,378,584	\$ 3,574,338	\$ 3,689,723	\$ 3,823,368	\$ 3,949,766
Energy Conservation And Assistance Fund..	41,970	30,702	20,000	20,000	0	0	0
Lottery Fund.....	151,835	126,000	106,000	86,000	66,000	66,000	66,000
<b>TOTAL.....</b>	<b>\$ 3,184,710</b>	<b>\$ 3,372,981</b>	<b>\$ 3,504,584</b>	<b>\$ 3,680,338</b>	<b>\$ 3,755,723</b>	<b>\$ 3,889,368</b>	<b>\$ 4,015,766</b>
<b>REVENUE</b>							
General Fund.....	\$ 163,867	\$ 170,728	\$ 178,072	\$ 187,883	\$ 205,244	\$ 212,686	\$ 219,115
Motor License Fund.....	10,895	9,205	9,540	9,934	10,350	10,789	11,252
Lottery Fund.....	406,453	441,640	464,485	475,142	485,099	495,386	506,017
Racing Fund.....	119	126	129	136	143	151	159
<b>TOTAL.....</b>	<b>\$ 581,334</b>	<b>\$ 621,699</b>	<b>\$ 652,226</b>	<b>\$ 673,095</b>	<b>\$ 700,836</b>	<b>\$ 719,012</b>	<b>\$ 736,543</b>
<b>SECURITIES COMMISSION</b>							
General Fund.....	\$ 2,529	\$ 2,941	\$ 3,178	\$ 3,353	\$ 3,537	\$ 3,732	\$ 3,937
<b>STATE</b>							
General Fund.....	\$ 3,220	\$ 3,935	\$ 3,773	\$ 3,958	\$ 4,153	\$ 4,616	\$ 4,575
<b>STATE EMPLOYES' RETIREMENT SYSTEM</b>							
General Fund.....	\$ 679	\$ 1,718	\$ 679	\$ 679	\$ 679	\$ 679	\$ 679
<b>STATE POLICE</b>							
General Fund.....	\$ 74,507	\$ 84,712	\$ 95,923	\$ 104,421	\$ 109,950	\$ 113,289	\$ 119,383
Motor License Fund.....	162,224	171,471	187,261	198,007	209,664	220,781	233,810
<b>TOTAL.....</b>	<b>\$ 236,731</b>	<b>\$ 256,183</b>	<b>\$ 283,184</b>	<b>\$ 302,428</b>	<b>\$ 319,614</b>	<b>\$ 334,070</b>	<b>\$ 353,193</b>
<b>TAX EQUALIZATION BOARD</b>							
General Fund.....	\$ 1,015	\$ 1,074	\$ 1,155	\$ 1,219	\$ 1,286	\$ 1,357	\$ 1,432
<b>TRANSPORTATION</b>							
General Fund.....	\$ 221,905	\$ 226,649	\$ 237,853	\$ 238,085	\$ 238,329	\$ 238,589	\$ 238,861
Motor License Fund.....	1,052,603	1,147,629	1,133,912	1,085,257	1,100,518	1,114,838	1,121,730
Lottery Fund.....	119,935	124,035	127,818	130,976	134,613	138,651	142,867
<b>TOTAL.....</b>	<b>\$ 1,394,443</b>	<b>\$ 1,498,313</b>	<b>\$ 1,499,583</b>	<b>\$ 1,454,318</b>	<b>\$ 1,473,460</b>	<b>\$ 1,492,078</b>	<b>\$ 1,503,458</b>
<b>LEGISLATURE</b>							
General Fund.....	\$ 122,885	\$ 132,334	\$ 142,176	\$ 142,176	\$ 142,176	\$ 142,176	\$ 142,176
<b>JUDICIARY</b>							
General Fund.....	\$ 139,794	\$ 142,704	\$ 148,457	\$ 153,266	\$ 158,626	\$ 164,264	\$ 170,193
<b>COMMONWEALTH TOTALS:</b>							
GENERAL FUND.....	\$10,472,116	\$11,061,491	\$11,724,808	\$12,113,403	\$12,446,404	\$12,787,634	\$13,106,773
MOTOR LICENSE FUND.....	1,437,101	1,549,567	1,554,604	1,523,237	1,545,913	1,565,241	1,580,626
BANKING DEPARTMENT FUND.....	7,333	9,157	8,940	9,419	9,927	10,460	11,024
BOAT FUND.....	3,832	3,927	4,459	4,403	4,349	4,294	4,236
ECONOMIC REVITALIZATION FUND.....	71,467	63,230	54,600	57,100	47,100	53,100	50,100
ENERGY CONSERVATION AND ASSISTANCE FUND..	45,307	59,261	49,000	32,000	0	0	0
FAIR FUND.....	16	0	0	0	0	0	0
FARM PRODUCTS SHOW FUND.....	1,944	2,395	3,624	2,240	2,362	2,491	2,628
FISH FUND.....	15,461	16,495	18,153	17,968	17,781	17,597	17,274
GAME FUND.....	34,745	38,796	36,092	37,655	39,160	40,658	42,215
LOTTERY FUND.....	875,721	961,716	1,002,727	1,039,337	1,040,243	1,076,197	1,122,006
MILK MARKETING FUND.....	792	786	834	879	926	976	1,028
RACING FUND.....	7,281	8,013	7,623	9,873	13,682	13,702	13,722
<b>GRAND TOTAL.....</b>	<b>\$12,973,116</b>	<b>\$13,774,834</b>	<b>\$14,465,464</b>	<b>\$14,847,514</b>	<b>\$15,167,847</b>	<b>\$15,572,350</b>	<b>\$15,951,632</b>

# Distribution of the Commonwealth Dollar GENERAL FUND AND SPECIAL FUNDS

1989-90 Fiscal Year  
(Dollar Amounts in Thousands)



Intellectual Development and Education	\$5,815,496	40.2%
Health and Human Services	\$4,340,943	30.0%
Transportation and Communication	\$1,538,784	10.6%
Protection of Persons and Property	\$1,192,100	8.2%
Direction and Supportive Services	\$803,763	5.6%
Economic Development	\$570,575	4.0%
Recreation and Cultural Enrichment	\$203,803	1.4%
<b>TOTAL</b>	<b>\$14,465,464</b>	

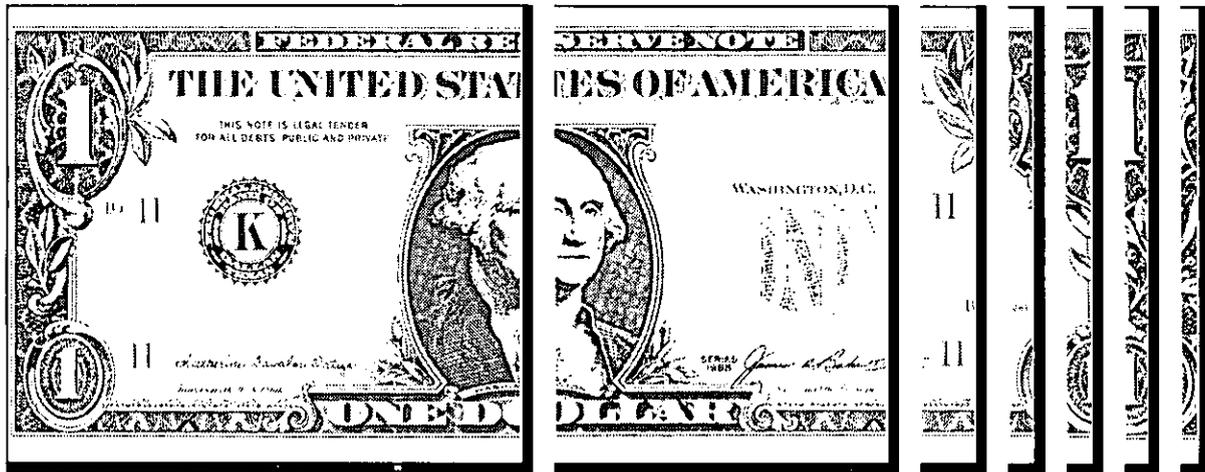
# GENERAL FUND AND SPECIAL FUNDS

## Five-Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Recommended	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>Commonwealth Program</b>							
Direction and Supportive Services . . . . .	\$ 686,966	\$ 750,779	\$ 803,763	\$ 834,310	\$ 870,241	\$ 897,065	\$ 923,202
Protection of Persons and Property . . . . .	998,367	1,078,246	1,192,100	1,255,837	1,319,432	1,378,094	1,444,736
Intellectual Development and Education . . . . .	5,153,786	5,521,149	5,815,496	5,918,977	6,027,520	6,136,862	6,249,107
Health and Human Services . . . . .	3,874,924	4,164,528	4,340,943	4,569,450	4,663,053	4,827,619	4,994,635
Economic Development . . . . .	635,276	532,631	570,575	569,084	569,426	598,725	599,760
Transportation and Communication . . . . .	1,432,701	1,533,048	1,538,784	1,491,909	1,505,201	1,516,444	1,518,537
Recreation and Cultural Enrichment . . . . .	191,096	194,453	203,803	207,947	212,974	217,541	221,655
<b>GENERAL FUND AND SPECIAL FUNDS TOTAL . . . . .</b>	<b><u>\$12,973,116</u></b>	<b><u>\$13,774,834</u></b>	<b><u>\$14,465,464</u></b>	<b><u>\$14,847,514</u></b>	<b><u>\$15,167,847</u></b>	<b><u>\$15,572,350</u></b>	<b><u>\$15,951,632</u></b>

# Distribution of the Commonwealth Dollar GENERAL FUND

1989-90 Fiscal Year



Intellectual Development  
and Education 49.6¢

Health and Human Services 30.9¢

Protection of Persons and Property 7.8¢

Economic Development 4.2¢

Direction and Supportive Services 3.8¢

Transportation and Communication 2.5¢

Recreation and Cultural Enrichment 1.2¢

# \$1.00

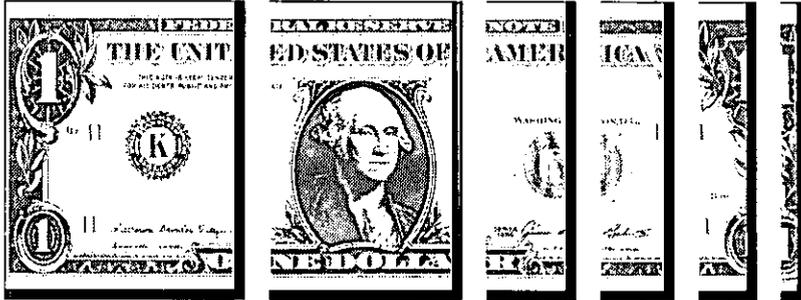
# GENERAL FUND

## Five-Year Commonwealth Program Summary

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Recommended	Estimated	Estimated	Estimated	Estimated
<b>Commonwealth Program</b>							
Direction and Supportive Services . . . . .	\$ 389,970	\$ 419,647	\$ 449,293	\$ 467,395	\$ 494,060	\$ 511,265	\$ 527,412
Protection of Persons and Property . . . . .	758,916	820,714	914,361	962,301	1,008,085	1,053,162	1,103,026
Intellectual Development and Education . . . . .	5,151,838	5,518,849	5,813,196	5,916,677	6,025,220	6,134,562	6,246,807
Health and Human Services . . . . .	3,206,187	3,453,538	3,622,358	3,823,508	3,944,738	4,082,196	4,212,575
Economic Development . . . . .	574,573	443,365	493,975	506,984	529,326	552,625	556,660
Transportation and Communication . . . . .	267,675	271,650	292,478	294,569	299,243	304,784	308,315
Recreation and Cultural Enrichment . . . . .	122,957	133,728	139,147	141,969	145,732	149,040	151,978
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$10,472,116</u>	<u>\$11,061,491</u>	<u>\$11,724,808</u>	<u>\$12,113,403</u>	<u>\$12,446,404</u>	<u>\$12,787,634</u>	<u>\$13,106,773</u>

# General Fund

1989-90 Fiscal Year



SALES	\$4,369,615	37.4%
PERSONAL INCOME	\$3,295,655	28.2%
OTHER BUSINESS	\$1,583,000	13.5%
CORPORATE NET INCOME	\$1,163,000	10.0%
OTHER REVENUES	\$779,877	6.7%
INHERITANCE	\$491,128	4.2%

## Income

(Dollar Amounts in Thousands)

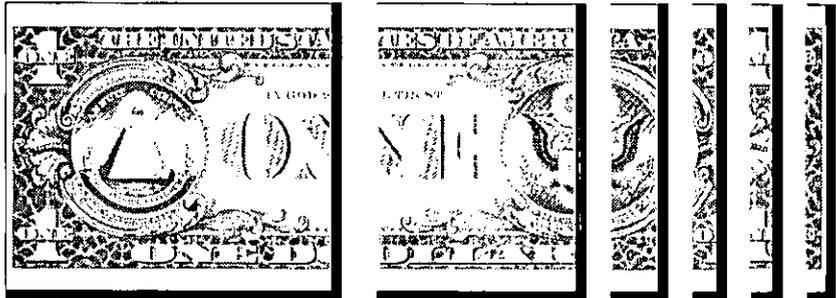
TOTAL INCOME	\$ 11,682,275
REFUNDS	-230,000
TAX CREDIT	.....
BEGINNING BALANCE	275,368

TOTAL ..... \$ 11,727,643

## Outgo

(Dollar Amounts in Thousands)

TOTAL OUTGO	\$ 11,724,808
PLUS ENDING SURPLUS	2,835
<b>TOTAL</b>	<b>\$ 11,727,643</b>



INTELLECTUAL DEVELOPMENT AND EDUCATION	\$5,813,196	49.6%
HEALTH AND HUMAN SERVICES	\$3,622,358	30.9%
PROTECTION	\$914,361	7.8%
ECONOMIC DEVELOPMENT	\$493,975	4.2%
DIRECTION	\$449,293	3.8%
OTHER PROGRAMS	\$431,625	3.7%

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# GENERAL FUND

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## Program Summary

	(Dollar Amounts in Thousands)			
	1988-89		1989-90	
Direction and Supportive Services .....	\$ 419,647	3.8%	\$ 449,293	3.8%
Protection of Persons and Property .....	820,714	7.4%	914,361	7.8%
Intellectual Development and Education .....	5,518,849	49.9%	5,813,196	49.6%
Health and and Human Services .....	3,453,538	31.2%	3,622,358	30.9%
Economic Development .....	443,365	4.0%	493,975	4.2%
Transportation and Communication .....	271,650	2.5%	292,478	2.5%
Recreation and Cultural Enrichment .....	133,728	1.2%	139,147	1.2%
<b>GENERAL FUND TOTAL .....</b>	<b><u>\$ 11,061,491</u></b>	<b><u>100.0%</u></b>	<b><u>\$ 11,724,808</u></b>	<b><u>100.0%</u></b>

# Meeting the Human Service Challenge

As Pennsylvania prepares for the 1990s, it is confronted with a range of human service challenges, from combating drug and alcohol abuse to providing for the long-term care needs of the elderly. State government has often responded with human service programs that tend to perpetuate the cycle of dependency. Governor Casey, however, believes that human service programs must provide individuals with the skills and resources necessary to live as independent a life as possible.

This budget meets the challenges of the 1990s by promoting financial independence for those who are able, and providing treatment, care and supportive services to those who are not. Human services are designed to enhance the quality of life of program participants and to increase their ability to contribute to society. Special emphasis is placed on human dignity, self worth and independence.

## Improving the Quality of Family Life

The Administration continues its commitment to improving the quality of family life and protecting Pennsylvania's most vulnerable citizens. Program enhancements will improve the ability of participants to live as independently as possible. For individuals in need of assistance with everyday living, quality care will be provided in the most appropriate and least restrictive setting.

### Recommended Program Revisions:

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

Program Revision / Department / Appropriation	1989-90	
	General Fund	Other Funds
(Dollar Amounts in Thousands)		
<b>PENNCARE</b>		
Aging		
PennCARE .....	\$ 1,500	.....
PennCARE—Lottery .....	.....	\$ 5,325
<i>This Program Revision will provide a unified system of care that will address the continuum of need experienced by older Pennsylvanians.</i>		
<b>MAINTAINING THE INTEGRITY OF THE LOTTERY FUND</b>		
Public Welfare		
Medical Assistance—Long-Term Care .....	.....	\$ -20,000
Medical Assistance—Long-Term Care .....	\$ 20,000	.....
<i>This Program Revision will continue the commitment to maintain the integrity of the Lottery Fund by transferring an additional \$20 million in funding for Medical Assistance—Long-Term Care from the Lottery Fund to the General Fund and implementing administrative and legislative cost savings initiatives in the PACE program.</i>		
<b>EXPANDED VENEREAL DISEASE SCREENING</b>		
Health		
VD Screening and Treatment .....	\$ 325	.....

*This Program Revision provides additional resources to increase the number of tests for the venereal disease chlamydia.*

Program Revision / Department / Appropriation

<b>General Fund</b>	<b>Other Funds</b>
(Dollar Amounts in Thousands)	

**TRANSITION TO PERMANENCY FOR HOMELESS FAMILIES** \_\_\_\_\_

**Public Welfare**

Homeless Assistance .....	\$ 600	.....
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*This Program Revision will provide intensive case management services and rental assistance to 300 homeless families.*

**CHILD ABUSE PREVENTION** \_\_\_\_\_

**Public Welfare**

Child Abuse Prevention .....	\$ 6,100	.....
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*This Program Revision provides resources to expand protective services to an additional 6,250 children, raise county child welfare staff qualifications and salaries, and establish maximum caseloads to improve the quality of protective services provided to abused and neglected children.*

**PERSONAL CARE WORKERS SALARY INCREASE** \_\_\_\_\_

**Public Welfare**

Personal Care Workers Salary Increase .....	\$ 7,563	.....
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**Aging**

PennCARE .....	.....	\$ 392
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*This Program Revision provides an average salary increase of \$1,000 per year to personal care workers employed by private and nonprofit agencies that provide human services under contract with the counties and the State.*

**NURSING HOME REFORM** \_\_\_\_\_

**Public Welfare**

General Government Operations .....	\$ 148	.....
County Administration—Statewide .....	169	.....
Pre-Admission Assessment .....	1,865	.....
State Mental Hospitals .....	51	.....
Community Mental Health Services .....	175	.....
Community Based Services for the Mentally Retarded .....	69	.....
Intermediate Care Facilities—Mentally Retarded .....	259	.....
Community Services for the Developmentally Disabled .....	300	.....

**Aging**

General Government Operations .....	.....	\$ 75
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**Education**

General Government Operations .....	\$ 40	.....
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**Health**

Quality Assurance .....	\$ 166	.....
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Subtotal	\$ 3,242	\$ 75
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*This Program Revision will implement nursing home reform to ensure that quality care is provided in the most appropriate setting.*

**CASH GRANT INCREASE** \_\_\_\_\_

**Public Welfare**

Cash Grants .....	\$ 14,529	.....
Medical Assistance—Outpatient .....	423	.....
Medical Assistance—Inpatient .....	644	.....

Subtotal	\$ 15,596	.....
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*This Program Revision increases Aid to Families with Dependent Children and General Assistance Cash Grants an average of five percent effective January 1, 1990.*

Program Revision / Department / Appropriation	1989-90	
	General Fund	Other Funds
<b>COMMUNITY SUPPORT SERVICES</b>		
<b>Public Welfare</b>		
Community Mental Health Services .....	\$ 725	.....
Community Based Services for the Mentally Retarded .....	1,000	.....
Subtotal	\$ 1,725	.....

*This Program Revision provides housing and employment assistance for the mentally ill and family support services for the mentally retarded.*

<b>DAY CARE QUALITY ENHANCEMENT</b>		
<b>Public Welfare</b>		
Day Care Services .....	\$ 3,800	.....

*This Program Revision will provide resources to increase day care slots, expand a demonstration program to determine if local control over the delivery of day care services will increase the number of available subsidized day care slots and to raise the salaries of day care workers.*

## Combating AIDS

Until recently, the Acquired Immune Deficiency Syndrome (AIDS) was a mysterious disease which seemed to come from nowhere and strike its victims at random. Now society understands the seriousness of this deadly viral disease with no known cure, and the pressure it places upon all the resources of government. Pennsylvania's AIDS effort is well under way. Improvements and enhancements in programs to combat the ravages of AIDS and to search for its cure are included in this budget along with programs for AIDS education, an improved coagulant for hemophiliac patients, medical assistance, the drug AZT, AIDS inmate hospital care, AIDS research and AIDS education for intravenous drug users and disadvantaged youth.

### Recommended Program Revisions: \_\_\_\_\_

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

Program Revision / Department / Appropriation	1989-90	
	General Fund	Other Funds
<b>AIDS PROGRAM EXPANSION</b>		
<b>Health</b>		
AIDS Programs .....	\$ 1,000	.....
<b>Corrections</b>		
AIDS Treatment Services .....	\$ 868	.....
<b>Public Welfare</b>		
AZT .....	\$ 2,433	.....
Subtotal	\$ 4,301	.....

# Combating Drug and Alcohol Abuse

Drug and alcohol abuse is destroying the very fabric of society. Our basic social institutions and the quality of our lives is deteriorating because of the cancer of drug and alcohol abuse. It robs our children of their futures, destroys our neighborhoods and consumes an overwhelming portion of the resources devoted to the criminal justice system. The destruction of our youth, our schools and our neighborhoods can no longer be tolerated.

The fight against drugs requires a comprehensive attack. Drug traffickers must be arrested, prosecuted and incarcerated. Drug and alcohol abusers must receive treatment so they can become useful and productive citizens, and our youth must be taught the dangers of drugs if this cancer is to be removed from our society. This budget recommends a wide range of initiatives to address the drug and alcohol abuse problem.

## Recommended Program Revisions: \_\_\_\_\_

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

Program Revision / Department / Appropriation	1989-90	
	General Fund	Other Funds
(Dollar Amounts in Thousands)		
<b>COMPREHENSIVE DRUG AND ALCOHOL ABUSE INITIATIVE _____</b>		
<b>Executive Offices</b>		
Coalition Against Drug Abuse	\$ 400	. . . .
<b>Attorney General</b>		
Drug Law Enforcement . . . . .	\$ 6,000	. . . .
<b>Corrections</b>		
State Correctional Institutions . . . . .	\$ 212	. . . .
<b>Health</b>		
Assistance to Drug and Alcohol Programs . . . . .	\$ 964	. . . .
<b>Housing Finance Agency</b>		
Drug and Alcohol Facilities Improvements . . . . .	\$ 750	. . . .
<b>Probation and Parole</b>		
Special Intensive Drug Parole Units . . . . .	\$ 550	. . . .
Improvement of Adult Probation Services . . . . .	869	. . . .
<b>Public Welfare</b>		
Medical Assistance—Outpatient . . . . .	\$ 1,500	. . . .
Youth Development Institutions . . . . .	757	. . . .
Community Mental Health Services . . . . .	2,295	. . . .
<b>State Police</b>		
Mobile Narcotics Teams . . . . .	\$ 2,016	. . . .
Subtotal	\$ 16,313	. . . .

*This Program Revision provides a comprehensive three-prong attack against drugs by allocating significant new State and Federal funding for drug law enforcement, drug and alcohol abuse treatment and drug and alcohol prevention and education.*

## Ensuring Adequate Food and Nutrition

Good nutrition is vital for health promotion and disease prevention. This is particularly true for pregnant women, infants and children. The Commonwealth will expand services to children and families to ensure the availability of adequate nutrition during critical times of growth and development.

### Recommended Program Revisions: \_\_\_\_\_

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

Program Revision / Department / Appropriation	1989-90	
	General Fund	Other Funds
(Dollar Amounts in Thousands)		
<b>NUTRITION FOR CHILDREN AND FAMILIES</b> _____		
<b>Health</b>		
Women, Infants and Children State Supplements .....	\$ 2,000	.....
<b>Agriculture</b>		
Emergency Food Assistance .....	\$ 1,500	.....
Farmers' Market Food Coupons .....	100	.....
<b>Education</b>		
School Food Services .....	\$ 894	.....
Subtotal	\$ 4,494	.....

*This Program Revision will expand the WIC program to provide services to 24,000 additional eligible women and children, expand the Farmers' Market Coupons Program to provide fresh produce to 16,650 pregnant and nursing WIC participants, increase the Emergency Food Assistance program to provide additional food to the needy and increase the School Breakfast Program to serve an additional 7,377 students.*

## Consolidating Job Training and Employment Services

Upon taking office, Governor Casey was met with the challenge of coordinating the Commonwealth's numerous job training programs. Over the last two years, he addressed this problem by creating the Job Center, New Directions and the Joint Jobs Initiative Programs. These programs consolidated the job training and employment services of the Department of Labor and Industry, the Department of Public Welfare and the Department of Education into a single entity where Pennsylvanians could go to receive coordinated services. By expanding these programs, and adopting new Federal requirements aimed at reducing long-term welfare dependency, job training initiatives in this budget will further support this effort.

### Recommended Program Revisions: \_\_\_\_\_

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

Program Revision / Department / Appropriation	1989-90	
	General Fund	Other Funds
(Dollar Amounts in Thousands)		
<b>IMPROVED JOB TRAINING COORDINATION AND RESPONSE</b> _____		
<b>Labor and Industry</b>		
Job Centers .....	\$ 2,175	.....

*This Program Revision will expand the Job Centers Program to allow for the maximum level of participation by community based organizations, expand Job Team sites from 12 to 17 and expand the Rapid Response Program to meet specifications of the Federal Economic Dislocation and Worker Adjustment Act.*

Program Revision / Department / Appropriation	1989-90	
	General Fund	Other Funds
	(Dollar Amounts in Thousands)	
<b>PENNSERVE EXPANSION</b> _____		
<b>Labor and Industry</b>		
PennSERVE .....	\$ 200	.....
<i>This Program Revision will increase volunteerism in Pennsylvania by conducting a survey to determine what needs to be done to increase volunteerism in the Commonwealth, developing and implementing a volunteer recruitment campaign and increasing grants to school districts to encourage volunteerism.</i>		
<b>LITERACY CORPS PILOT PROGRAM</b> _____		
<b>Labor and Industry</b>		
Literacy Corps Pilot Project .....	\$ 500	.....
<i>This Program Revision will develop a three credit course to train college students to be adult literacy tutors.</i>		
<b>STRENGTHENING FAMILY INDEPENDENCE</b> _____		
<b>Public Welfare</b>		
Medical Assistance—Outpatient .....	\$ 310	.....
Medical Assistance—Inpatient .....	417	.....
Medical Assistance—Capitation .....	108	.....
Cash Grants .....	-2,318	.....
Program Accountability .....	408	.....
New Directions .....	392	.....
Information Systems .....	17	.....
	Subtotal	.....
	\$ -666	.....
<i>This Program Revision provides resources to establish a comprehensive program of mandatory child support and work training which provides for transitional child care and medical assistance benefits improvement and mandatory extension of coverage to two-parent families.</i>		

## Responding to Health Care Needs

The Administration is committed to improving the wellness of individuals so that they are better able to participate in work and family life. This budget expands Medical Assistance coverage for the State's most vulnerable citizens—pregnant women and children, the elderly and disabled, victims of AIDS and individuals dependent on drugs and alcohol.

### Recommended Program Revisions: \_\_\_\_\_

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

Program Revision / Department / Appropriation	1989-90	
	General Fund	Other Funds
	(Dollar Amounts in Thousands)	
<b>EXPANDED MEDICAL ASSISTANCE COVERAGE</b> _____		
<b>Public Welfare</b>		
Medical Assistance—Outpatient .....	\$ 15,115	.....
Medical Assistance—Inpatient .....	-15,908	.....
Long-Term Care Facilities .....	10,251	.....
	Subtotal	.....
	\$ 9,458	.....
<i>This Program Revision provides expanded Medical Assistance coverage to pregnant women and children, the elderly and disabled, drug and alcohol abusers and victims of AIDS.</i>		

# Protecting Persons and Property

A major responsibility of government is to protect its citizenry from hazards and criminal acts. The Commonwealth uses laws, regulations, and administrative measures to protect the public and its property. This budget includes three Program Revisions that will increase accountability and ensure integrity among State agencies, improve legal and consumer protection services in the Office of Attorney General, provide for the enforcement of Pennsylvania's new minimum wage law, and reduce inspection backlogs for buildings, boilers and pressure vessels.

## Recommended Program Revisions: \_\_\_\_\_

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

Program Revision / Department / Appropriation	1989-90	
	General Fund	Other Funds
<b>INSPECTOR GENERAL OFFICE REORGANIZATION</b> _____		
<b>Executive Offices</b>		
Office of Inspector General .....	\$ 378	.....
<i>This Program Revision provides resources to expand investigative efforts across all executive agencies and to develop a tracking system to monitor the progress of cases.</i>		
<b>INVESTIGATION AND PROSECUTION ENHANCEMENTS</b> _____		
<b>Attorney General</b>		
General Government Operations .....	\$ 2,300	.....
<i>This Program Revision provides resources to expand charitable trust investigations, increase tort litigation, increase prosecutions in bankruptcy cases, establish a crosscheck program, establish a paralegal program, expand and relocate the Philadelphia regional office, and expand consumer protection services.</i>		
<b>INSPECTION AND ENFORCEMENT ACTIVITY IMPROVEMENTS</b> _____		
<b>Labor and Industry</b>		
General Government Operations .....	\$ 200	.....
Occupational and Industrial Safety .....	689	.....
Subtotal	\$ 889	.....
<i>This Program Revision provides resources to enforce the State's new minimum wage law, reduce inspection backlogs for buildings, boilers and pressure vessels, and implement handicapped accessibility mandates.</i>		

# Improving Transportation Safety

Pennsylvania's transportation system provides its 12 million citizens with safe and efficient access to their jobs, shopping, schools, emergency services and recreation. In the last two years, the Commonwealth has made improvements to the transportation system designed to enhance safety and access for all of its citizens. In 1989-90, the Commonwealth will expand these efforts by implementing safety improvement projects on highway corridors which have a high number of accidents and improving its testing of commercial and bus drivers.

## Recommended Program Revisions: \_\_\_\_\_

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

Program Revision / Department / Appropriation	1989-90	
	General Fund	Other Funds
<b>HIGH ACCIDENT CORRIDOR CORRECTIONS</b> _____		
Transportation		
High Accident Corridor Corrections .....	.....	\$ 10,000
<i>This Program Revision provides resources to correct high accident corridor locations throughout the Commonwealth.</i>		
 <b>COMMERCIAL DRIVER SAFETY AND LICENSING</b> _____		
Transportation		
Commercial Driver Safety and Licensing .....	.....	\$ 2,522
State Police		
Commercial Driver Safety and Licensing .....	.....	\$ 1,307
Subtotal	.....	\$ 3,829

*This Program Revision will provide for more extensive testing of commercial and bus drivers to improve highway safety.*

# Commitment to Economic Development

This budget further strengthens the Administration's commitment to expanding Pennsylvania's general economic recovery while concentrating particular attention on pockets of distress. The PennPORTS - Port Revitalization Program and the Steel Valleys Site Development and Action Program reflect the Administration's determination to expand commerce in Pennsylvania while targeting assistance the State's distressed areas.

To meet the increased financing needs of the Administration's economic development expansion efforts, the Business Infrastructure Development Program will be expanded and a full year commitment will be made to the Machinery and Equipment Loan Fund. Industry specific initiatives will focus on steel and powdered metals while increasing support for agriculture and food processing efforts. Innovative demonstration projects will begin in support of multi-enterprise manufacturing networks and a participatory industry revitalization process which includes both management and labor.

Distressed communities throughout the State will be assisted by grants and technical assistance through the Revitalizing Distressed Communities Program; Enterprise Zones will receive a new emphasis; and support will be provided to a new Heritage Parks Program.

## Recommended Program Revisions:

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

Program Revision / Department / Appropriation	1989-90	
	General Fund	Other Funds
(Dollar Amounts in Thousands)		
<b>AGRI-BUSINESS ENHANCEMENTS</b>		
<b>Agriculture</b>		
General Government Operations .....	\$ 200	.....
Agricultural Promotion .....	190	.....
Subtotal	\$ 390	.....
<i>This Program Revision provides funds to conduct an economic analysis of Pennsylvania's agriculture industry, provide matching grants for new product development and to encourage domestic and international marketing of Pennsylvania agricultural and food products.</i>		
<b>REVITALIZING DISTRESSED COMMUNITIES</b>		
<b>Community Affairs</b>		
General Government Operations .....	\$ 760	.....
Distressed Communities Grants .....	2,250	.....
Regional Councils .....	50	.....
Circuit Rider Program .....	250	.....
Planning Assistance .....	75	.....
Enterprise Development .....	500	.....
Subtotal	\$ 3,885	.....
<i>This Program Revision provides for grants, technical assistance and the promotion of multi-jurisdictional services to alleviate fiscal and economic distress in communities throughout the State.</i>		
<b>HERITAGE PARKS</b>		
<b>Community Affairs</b>		
Heritage Parks .....	\$ 1,100	.....
<i>This Program Revision provides for development and support of Heritage Parks throughout the State which highlight Pennsylvania's economic and transportation history.</i>		

Program Revision / Department / Appropriation	1989-90	
	General Fund (Dollar Amounts in Thousands)	Other Funds
<b>PENNPORTS—PORT REVITALIZATION</b>		
<b>Economic Development Partnership</b>		
PennPORTS .....	\$ 5,600	.....
<i>This Program Revision provides for the consolidation and expansion of aid to the State's three ports under PennPORTS, the new port planning and policy entity.</i>		
<b>STEEL VALLEYS SITE DEVELOPMENT AND ACTION PROGRAM</b>		
<b>Economic Development Partnership</b>		
Steel Valleys Site Development and Action Program .....	\$ 10,000	.....
<i>This Program Revision provides for the industrial redevelopment of blighted industrial sites in the Steel Valleys.</i>		

In addition to the above Program Revisions, the 1989-90 Governor's Budget also recommends the following contributions to reserve funds:

- \$25 million transfer from the State Workmen's Insurance Fund (SWIF) to the Sunny Day Fund, a top economic development tool to attract industrial, manufacturing, research and development jobs.
- \$25 million SWIF transfer to the Tax Stabilization Reserve (Rainy Day) Fund, a set-aside fund that enhances financial stability by reducing the effect of a future drop in revenues.
- \$25 million SWIF transfer to the Local Tax Reform Fund in addition to the \$140 million previously appropriated for implementing local tax reform measures upon voter approval of the referendum.

# IMPROVING BASIC EDUCATION

The last two years have marked significant commitments to improving education in Pennsylvania. This budget continues the commitment with increases in funding targeted for programs to leave no one behind in the educational process. For two consecutive years, aid to school districts was increased and programs for dropout prevention were expanded. In 1988-89, these commitments included with the addition of a minimum teacher salary, a program to reward schools for improvement in student performance and a program to forgive loans for first-time teachers who teach in economically distressed urban and rural schools.

In 1989-90, aid to school districts will be increased by over \$233 million, the minimum salary for teachers with permanent certification will be set at \$24,000 and the dropout prevention and urban and rural forgiveness programs will be doubled. In addition, three lead teacher centers will be established to provide a formal training ground for teachers who will serve as peer advisors for those who are new to the profession, a revised State testing program will be implemented to provide a Statewide measure of reading and math in nine grade levels, and early intervention preschool services will be expanded to include additional children who are handicapped and developmentally delayed.

## Recommended Program Revisions: \_\_\_\_\_

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

	1989-90	
	General Fund	Other Funds
	(Dollar Amounts in Thousands)	
<b>Program Revision / Department / Appropriation</b>		
<b>REVISED STATE TESTING _____</b>		
<b>Education</b>		
Revised State Testing .....	\$ 800	.....
<i>This Program Revision provides funding to develop a comprehensive testing program by expanding upon the current basic math and reading tests. In 1989-90, six additional grades will be added for a total of nine grades being tested in the basic skills.</i>		
<b>EXPANSION OF PRESCHOOL EDUCATION PROGRAMS _____</b>		
<b>Education</b>		
Early Intervention .....	\$ 1,000	.....
<b>Public Welfare</b>		
Early Intervention .....	\$ 638	.....
Subtotal	\$ 1,638	.....
<i>This Program Revision expands, for the third year, an initiative to implement a Statewide early intervention program for all developmentally delayed and handicapped preschool children. The Department of Public Welfare will serve children birth through two years of age and the Department of Education will serve children three through school age.</i>		
<b>FOR THE IMPROVEMENT OF TEACHING _____</b>		
<b>Education</b>		
For the Improvement of Teaching .....	\$ 500	.....
School Performance Incentives .....	2,500	.....
<b>Higher Education Assistance Agency</b>		
Loan Forgiveness .....	\$ 1,049	.....
Subtotal	\$ 4,049	.....
<i>This Program Revision establishes centers for the development of lead teacher programs, continues a program of urban and rural loan forgiveness for college graduates who agree to teach in urban and rural schools which are experiencing teacher shortages, and continues a program of School Performance Incentives which rewards schools demonstrating improvements in student achievement.</i>		



# Improving Access To Higher Education

This budget extends the Administration's renewed commitment to combat the escalating costs of Higher Education. Nationally, higher education costs have been rising at an annual rate of seven to nine percent. At Pennsylvania's public institutions, tuition rates have increased annually by an average of 13 percent in the past decade. In 1989-90, direct aid to students will be increased for the third consecutive year and new steps will be taken to control higher education costs at Pennsylvania's public universities. A seven percent increase is provided for the State System of Higher Education and the State-related universities for operating and instructional costs. In addition, a \$15.8 million challenge grant is provided to be allotted to public universities as an incentive to limit annual tuition increases during the coming school year. Increased funding to improve access for disadvantaged students is also provided.

## Recommended Program Revisions:

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

Program Revision / Department / Appropriation	1989-90	
	General Fund	Other Funds
(Dollar Amounts in Thousands)		
<b>IMPROVING ACCESS TO HIGHER EDUCATION</b>		
<b>Education</b>		
Tuition Cap .....	\$ 15,830	.....
<b>State System of Higher Education</b>		
Education and General .....	\$ 21,812	.....
<b>Pennsylvania State University</b>		
Education and General .....	\$ 10,543	.....
<b>University of Pittsburgh</b>		
Education and General .....	\$ 7,225	.....
<b>Temple University</b>		
Education and General .....	\$ 8,016	.....
<b>Lincoln University</b>		
Education and General .....	\$ 582	.....
Subtotal	\$ 64,008	.....
<i>This Program Revision provides a \$100 challenge grant to limit tuition increases to no more than \$100 in 1989-90 at the State System of Higher Education, Pennsylvania State University, Temple University, University of Pittsburgh and Lincoln University. Funding is also provided for a seven percent increase to these universities' Education and General appropriations.</i>		
<b>RECRUITMENT OF DISADVANTAGED</b>		
<b>State System of Higher Education</b>		
Recruitment of Disadvantaged .....	\$ 50	.....
Affirmative Action .....	300	.....
<b>Pennsylvania State University</b>		
Recruitment of Disadvantaged .....	\$ 50	.....
<b>University of Pittsburgh</b>		
Recruitment of Disadvantaged .....	\$ 50	.....
<b>Temple University</b>		
Recruitment of Disadvantaged .....	\$ 50	.....
<b>Lincoln University</b>		
Recruitment of Disadvantaged .....	\$ 50	.....
Subtotal	\$ 550	.....

*This Program Revision provides an increase in funding for programs at the State System of Higher Education and the State related universities to recruit and retain disadvantaged students.*

Program Revision / Department / Appropriation

1989-90

<b>General</b>	<b>Other</b>
<b>Fund</b>	<b>Funds</b>
(Dollar Amounts in Thousands)	

**AID TO STUDENTS**

**Higher Education Assistance Agency**

Grants to Full Time Students .....	\$	11,620	.....
Institutional Assistance Grants .....		2,404	.....
Subtotal	\$	14,024	.....

*This Program Revision will increase the availability of Grants to Full Time Students as well as funds to private institutions to enable them to keep tuition costs down, thereby improving educational choices for students among all institutions.*

# Protecting Pennsylvania's Environment

Pennsylvania is one of the most beautiful states in the nation. It has natural beauty, parks, recreational areas and facilities, and is relatively free of pollution. However, Pennsylvania's environment faces great challenges from the disposal of hazardous and municipal waste, water pollution, leaking storage tanks and infectious and hospital waste. Two years ago this Administration began to enhance Pennsylvania's environment. This budget continues that initiative by including several proposals to address critical environmental problems.

## Recommended Program Revisions:

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

	1989-90	
	General Fund	Other Funds
	(Dollar Amounts in Thousands)	
<b>HAZARDOUS MATERIALS RESPONSE PROGRAM</b>		
<b>Emergency Management Agency</b>		
General Government Operations .....	\$ 300	.....
<b>Environmental Resources</b>		
Office of Protection .....	\$ 241	.....
<b>Labor and Industry</b>		
Right-to-Know .....	\$ 84	.....
Subtotal	\$ 625	.....

*This Program Revision will provide for 24-hour coverage at the emergency operations center, the prompt referral of material safety forms, and toxic release forms, and the operation of a 24-hour mobile laboratory.*

## CLEAN WATER FOR PENNSYLVANIA

<b>Environmental Resources</b>		
Office of Resources Management .....	\$ 697	.....
Chesapeake Bay Agricultural Source Abatement .....	155	.....
Office of Protection .....	3,667	.....
Storm Water Management Program .....	200	.....
Subtotal	\$ 4,719	.....

*This Program Revision provides funds to manage water resources, to meet the requirements of the Chesapeake Bay agreement, eliminate toxic contamination in water supplies and reduce contamination of water from erosion, run-off, poor sewerage and dumping.*

## COMMUNITY AND INDUSTRIAL WASTE MANAGEMENT

<b>Environmental Resources</b>		
Office of Protection .....	\$ 1,580	.....

*This Program Revision establishes a program to assure the safe and environmentally sound disposal of municipal and residual waste.*

## IMPLEMENTATION OF THE HAZARDOUS SITES CLEANUP ACT

<b>Attorney General</b>		
Hazardous Waste Prosecutions .....	\$ 583	.....

*This Program Revision continues the Commonwealth's \$15.9 million General Fund commitment to hazardous waste cleanup, implements the State Superfund Program, and provides General Fund support for increased prosecutions for illegal disposal of toxic wastes.*

1989-90

Program Revision / Department / Appropriation

General Fund                      Other Funds  
(Dollar Amounts in Thousands)

**LEAKING STORAGE TANK REMEDIATION** \_\_\_\_\_

**Environmental Resources**

Storage Tank Fund ..... \$ 943

*This Program Revision would establish a Storage Tank Program to regulate above-ground and belowground storage tanks and to begin the process of cleaning up leaking storage tanks. Funds to support this program will be borrowed initially from the Hazardous Sites Cleanup Fund and repaid within two years from program fees.*

**CONTROL OF INFECTIOUS AND HOSPITAL WASTE** \_\_\_\_\_

**Environmental Resources**

Office of Protection ..... \$ 725

*This Program Revision provides resources to implement an infectious and hospital waste management plan and a manifest system to track the proper handling of such wastes from the point of production to final disposal.*

# USE OF THE GENERAL FUND DOLLAR

1989-90 Fiscal Year

GRANTS AND SUBSIDIES 77.2¢

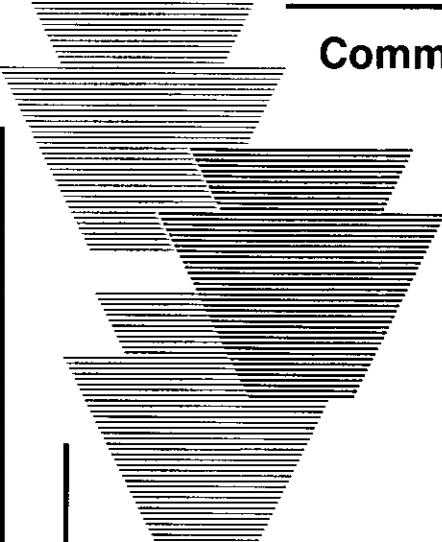


GENERAL GOVERNMENT 11.6¢

INSTITUTIONAL 7.3¢

DEBT SERVICE REQUIREMENTS 3.9¢

**\$1.00**



## Commonwealth of Pennsylvania

# Federal Block Grants

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

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 1988-89 estimated block amounts reflect the best current estimate of the amounts available and, therefore, may be different from the amounts appropriated.

The distribution by program for 1989-90 is a preliminary proposal. Opportunities for public review and comment and the public hearing process will provide feedback from affected groups and the public which may result in modifications to the proposed distribution.

In general the amount shown for administrative costs represents the amount that Federal law permits under that particular block grant. 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 12.5 percent is shown.

# SUMMARY OF FEDERAL BLOCK GRANTS

(Dollar Amounts in Thousands)

	1987-88 Actual Block	1988-89 Estimated Block	1989-90 Recommended Block
Community Services .....	\$ 16,130	\$ 19,635	\$ 19,599
Small Communities .....	60,043	65,959	65,963
Education .....	22,816	23,799	23,536
Maternal and Child Health .....	19,779	22,942	22,764
Preventive Health and Health Services ...	4,405	5,408	5,231
Alcohol, Drug Abuse, and Mental Health .	25,362	27,380	39,918
Low-Income Home Energy Assistance ...	124,213	104,520	94,271
Social Services .....	136,915	134,169	130,373
Job Training Partnership .....	196,249	172,856	157,275
Anti-Drug Abuse .....	14,102	34,771	23,227
<b>TOTAL .....</b>	<b><u>\$ 620,014</u></b>	<b><u>\$ 611,439</u></b>	<b><u>\$ 582,157</u></b>

# Community Services

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

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

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

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	1987-88	1988-89	1989-90
	Actual Block	Estimate Block	Recommended Block
<b>Community Affairs</b>			
Administration .....	\$ 355	\$ 645	\$ 609
Community Services .....	15,775	18,990	18,990
<b>TOTAL</b> .....	<b>\$ 16,130</b>	<b>\$ 19,635</b>	<b>\$ 19,599</b>

# Small Communities

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

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

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

(Dollar Amounts in Thousands)

Department / Appropriation	1987-88	1988-89	1989-90
	Actual Block	Estimate Block	Recommended Block
<b>Community Affairs</b>			
Administration .....	\$ 909	\$ 959	\$ 963
Small Communities .....	59,134	65,000	65,000
<b>TOTAL</b> .....	<u>\$ 60,043</u>	<u>\$ 65,959</u>	<u>\$ 65,963</u>

# Education

Federal law provides that the Commonwealth must distribute at least 80 percent of this block grant to school districts and may retain up to 20 percent for administration. The proposed distribution provides 87.5 percent of available funds to districts. Federal law allows school districts to spend these block grant funds on approved programs without Commonwealth program direction. The school district block is distributed according to a formula based on students and poverty/disadvantaged factors.

Department / Appropriation	(Dollar Amounts in Thousands)		
	1987-88 Actual Block	1988-89 Estimate Block	1989-90 Recommended Block
<b>Education:</b>			
Education Block Grant — Administration . . . . .	\$ 2,347	\$ 2,772	\$ 2,700
Subtotal . . . . .	<u>\$ 2,347</u>	<u>\$ 2,772</u>	<u>\$ 2,700</u>
School Districts:			
Education Block Grant — School District Distribution . . . . .	\$ 18,769	\$ 19,059	\$ 18,968
Education Block Grant — Technology Initiative . . . . .	1,700	1,968	1,868
Subtotal . . . . .	<u>\$ 20,469</u>	<u>\$ 21,027</u>	<u>\$ 20,836</u>
TOTAL . . . . .	<u>\$ 22,816</u>	<u>\$ 23,799</u>	<u>\$ 23,536</u>

# Maternal and Child Health

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

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

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

(Dollar Amounts in Thousands)

Department / Appropriation	1987-88	1988-89	1989-90
	Actual Block	Estimate Block	Recommended Block
<b>Health:</b>			
Administration .....	\$ 1,716	\$ 1,945	\$ 2,003
Maternal and Child Health Services .....	11,374	12,961	13,211
Crippled Children's Services .....	5,741	7,086	6,600
Supplemental Security Income Services .....	948	950	950
<b>TOTAL .....</b>	<b>\$ 19,779</b>	<b>\$ 22,942</b>	<b>\$ 22,764</b>

# Preventive Health and Health Services

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

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	1987-88 Actual Block	1988-89 Estimate Block	1989-90 Recommended Block
<b>Health:</b>			
Administration .....	\$ 264	\$ 400	\$ 307
Hypertension .....	905	1,178	1,217
Health Education and Prevention .....	470	475	700
Tuberculosis Programs .....	565	569	569
Diabetes .....	218	218	218
Fluoridation .....	57	60	60
Aids Education .....	363	400	.....
Subtotal .....	<u>\$ 2,842</u>	<u>\$ 3,300</u>	<u>\$ 3,071</u>
<b>Public Welfare:</b>			
Rape Crisis Centers .....	<u>\$ 180</u>	<u>\$ 180</u>	<u>\$ 180</u>
<b>Environmental Resources:</b>			
Administration .....	\$ 127	\$ 128	\$ 180
Rodent Control .....	1,256	1,800	1,800
Subtotal .....	<u>\$ 1,383</u>	<u>\$ 1,928</u>	<u>\$ 1,980</u>
TOTAL .....	<u>\$ 4,405</u>	<u>\$ 5,408</u>	<u>\$ 5,231</u>

# Alcohol Drug Abuse and Mental Health

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	1987-88 Actual Block	1988-89 Estimate Block	1989-90 Recommended Block
<b>Health:</b>			
Alcohol and Drug Abuse Administration .....	\$ 1,079	\$ 1,411	\$ 1,411
Alcohol Grant Programs .....	4,364	4,815	11,000
Drug Grant Programs .....	6,317	6,927	14,500
Subtotal .....	<u>\$ 11,760</u>	<u>\$ 13,153</u>	<u>\$ 26,911</u>
<b>Public Welfare:</b>			
Alcohol Drug Abuse and Mental Health Administration .....	\$ 108	\$ 134	\$ 134
Mental Health — Community Health .....	13,384	13,983	12,763
Subtotal .....	<u>\$ 13,492</u>	<u>\$ 14,117</u>	<u>\$ 12,897</u>
<b>Corrections:</b>			
Alcohol and Drug Addiction .....	\$ 110	\$ 110	\$ 110
TOTAL .....	<u>\$ 25,362</u>	<u>\$ 27,380</u>	<u>\$ 39,918</u>

# Low-Income Home Energy Assistance

This block grant provides funds to assist eligible low income individuals and families to meet the cost of home energy and to provide low cost residential weatherization or other energy related home repairs for low income households. In addition to the amounts shown below, the Department of Public Welfare's energy assistance program receives supplemental funding from the Energy Conservation and Assistance Fund. During 1988-89, the fund provided \$30,702,000. The recommendation for 1989-90 is to transfer \$20,000,000 from the fund to maintain the current energy assistance program level. The energy assistance program will be supplemented in both 1988-89 and 1989-90 by using a portion of the Energy Assistance Fund money to match Federal Maintenance Assistance funds to provide grants directly to AFDC eligible households.

Department / Appropriation	(Dollar Amounts in Thousands)		
	1987-88	1988-89	1989-90
	Actual Block	Estimate Block	Recommended Block
<b>Community Affairs:</b>			
Low-Income Home Energy Assistance — Administration .....	\$ 1,391	.....	.....
Low-Income Home Energy Assistance — Weatherization .....	19,896	.....	.....
Subtotal .....	\$ 21,287	.....	.....
<b>Public Welfare:</b>			
Low-Income Home Energy Assistance Block Grant — Administration .....	\$ 12,000	\$ 11,830	\$ 12,471
Low-Income Home Energy Assistance Block Grant .....	90,926	92,690	81,800
Subtotal .....	\$ 102,926	\$ 104,520	\$ 94,271
TOTAL .....	\$ 124,213	\$ 104,520	\$ 94,271

# Social Services

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

Department / Appropriation	(Dollar Amounts in Thousands)		
	1987-88	1988-89	1989-90
	Actual Block	Estimate Block	Recommended Block
<b>Public Welfare:</b>			
General Government .....	\$ 5,384	\$ 5,056	\$ 4,913
County Assistance Offices .....	13,768	12,929	12,563
Youth Development .....	950	950	923
Community Mental Health .....	10,254	12,050	11,709
Community Mental Retardation .....	14,059	13,203	12,829
Mental Retardation Residential Services .....	5,664	5,319	5,169
County Child Welfare .....	11,181	9,000	8,745
Day Care .....	39,901	39,904	38,775
Domestic Violence .....	1,573	1,573	1,529
Rape Crisis .....	826	826	803
Family Planning .....	5,020	5,020	4,878
Legal Services .....	6,688	6,688	6,499
Homeless Assistance .....	2,849	2,849	2,768
Attendant Care .....	4,459	4,463	4,337
Human Services Development Fund .....	14,339	14,339	13,933
<b>TOTAL .....</b>	<b>\$ 136,915</b>	<b>\$ 134,169</b>	<b>\$ 130,373</b>

# Job Training Partnership

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

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

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

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

(Dollar Amounts in Thousands)

Department / Appropriation	1987-88 Actual Block	1988-89 Estimate Block	1989-90 Recommended Block
<b>Labor and Industry:</b>			
Administration .....	\$ 2,548	\$ 2,430	\$ 2,184
Grants to Service Delivery Areas .....	102,040	82,000	67,000
Summer Youth Program .....	35,629	29,000	38,000
Incentive Grants .....	17,075	16,000	10,000
Technical Assistance .....	1,414	2,000	2,000
Older Workers .....	5,371	4,531	3,500
Dislocated Workers .....	16,980	24,200	24,000
Veterans' Employment .....	1,187	1,187	1,187
Job Training Welfare Recipients .....	997	.....	.....
Teen Pregnancy and Parenthood .....	996	1,000	.....
Subtotal .....	<u>\$ 184,237</u>	<u>\$ 162,348</u>	<u>\$ 147,871</u>
<b>Executive Offices:</b>			
Office of the Budget .....	\$ 707	\$ 886	\$ 888
<b>Economic Development Partnership:</b>			
Occupational Information .....	\$ 58	\$ 130	\$ 130
<b>Education:</b>			
Linkages .....	\$ 375	\$ 1,089	\$ 1,089
Corrections Education .....	496	807	840
Educational Training .....	10,376	7,596	6,457
Subtotal .....	<u>\$ 11,247</u>	<u>\$ 9,492</u>	<u>\$ 8,386</u>
<b>TOTAL</b> .....	<u><u>\$ 196,249</u></u>	<u><u>\$ 172,856</u></u>	<u><u>\$ 157,275</u></u>

# Anti-Drug Abuse

The Anti-Drug Abuse Act of 1988 authorizes Federal funds for drug enforcement, education, treatment and prevention. These drug enforcement funds are to provide additional personnel, equipment, facilities, personnel training and supplies for the apprehension, prosecution and adjudication of persons who violate State and local drug laws pertaining to controlled substances. Funds may also be used for additional public correctional resources to detain persons convicted of violating State and local drug laws.

Drug education funds may be used to establish or expand drug abuse prevention and intervention programs, for grants to community based organizations for drug abuse prevention, early intervention, rehabilitation, referral and education programs, and for development, training, technical assistance and coordination activities. Community based program funds may be distributed to local governments, public agencies and private non-profit groups.

Drug treatment and prevention funds may be used for drug abuse treatment and rehabilitation programs and for activities that increase the availability of programs provided by treatment centers, and for expansion of treatment and rehabilitation program capacity.

The Anti-Drug Abuse Act of 1988 combined the treatment portion of funds with the Alcohol, Drug Abuse, and Mental Health Block Grant. This change has been incorporated into the recommended amounts.

Department / Appropriation	(Dollar Amounts in Thousands)		
	1987-88 Actual Block	1988-89 Estimate Block	1989-90 Recommended Block
<b>Executive Offices</b>			
<i>Commission on Crime and Delinquency</i>			
Law Enforcement — Administration .....	\$ 121	\$ 245	\$ 245
Law Enforcement .....	1,805	7,537	5,500
State Law Enforcement .....	749	.....	.....
Subtotal .....	\$ 2,675	\$ 7,782	\$ 5,745
<i>Drug Policy Council</i>			
Law Enforcement — Administration .....	\$ 47	\$ 45	\$ 47
Special Program for Drug Free Schools and Communities — Administration .....	43	46	94
Subtotal .....	\$ 90	\$ 91	\$ 141
<b>Attorney General</b>			
Mobile Cooperative Task Force .....	\$ 311	\$ 411	\$ 411
Technical Assistance .....	27	47	85
Financial Asset Investigation .....	206	390	206
Subtotal .....	\$ 544	\$ 848	\$ 702
<b>Education</b>			
Education — Administration .....	\$ 158	\$ 969	\$ 674
Drug Free Schools and Communities .....	4,556	7,313	7,070
Special Program for Drug Free Schools and Communities .....	.....	4,698	3,189
Subtotal .....	\$ 4,714	\$ 12,980	\$ 10,933
<b>Health</b>			
Substance Abuse .....	\$ 3,482	\$ 11,448	\$ 4,000
TASC/SCI Pre/Post Release .....	26	.....	.....
Drug Free Schools .....	113	1,035	1,035
Subtotal .....	\$ 3,621	\$ 12,483	\$ 5,035
<b>Probation and Parole</b>			
Statewide Urinalysis Testing .....	\$ 59	\$ 182	\$ 83
Special Intensive Supervision Drug Project .....	147	405	588
Subtotal .....	\$ 206	\$ 587	\$ 671
<b>State Police</b>			
State Law Enforcement — Administration ..	\$ 121	.....	.....
State Law Enforcement .....	2,131	.....	.....
Subtotal .....	\$ 2,252	.....	.....
TOTAL .....	\$ 14,102	\$ 34,771	\$ 23,227

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

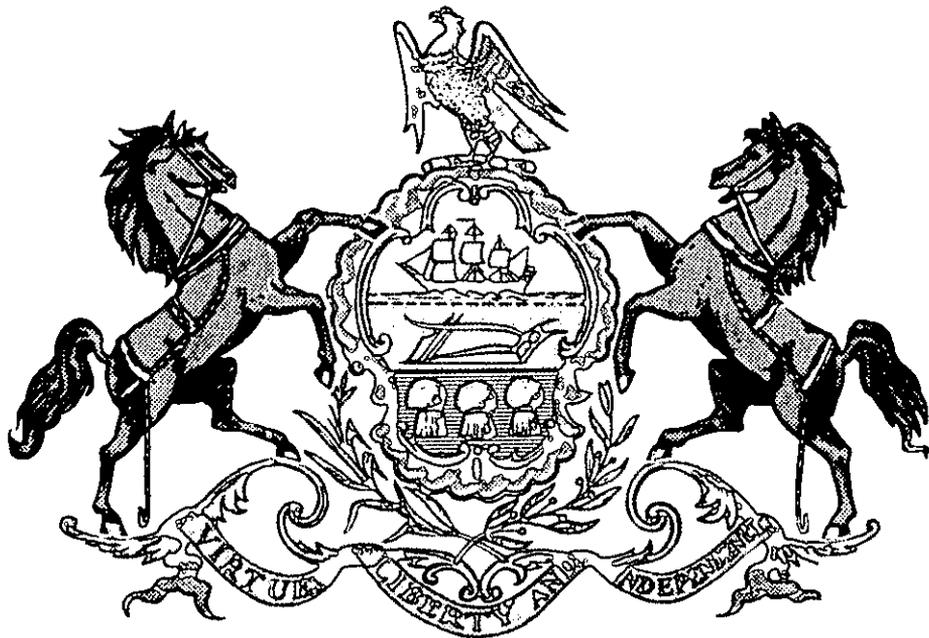
Effective February 1, 1988 the Governor reorganized the executive branch communications offices in order to improve, expand and better coordinate the many public information activities. The goal of this effort is to assure the most cost-effective delivery of information to the press and public about the initiatives of State Government. A host of new technologies will make possible this increase both in coordination and in actual volume of communications efforts as well as reduce overall costs.

<u>Department</u>	(Dollar Amounts in Thousands)	
	1988-89 Estimate	1989-90 Estimate
Governor's Office .....	\$ 387	\$ 400
Executive Offices .....	101	122
Department of Aging .....	206	213
Department of Agriculture .....	210	215
Banking Department .....	81	81
Civil Service Commission .....	46	51
Department of Community Affairs .....	189	207
Department of Corrections .....	182	175
Economic Development Partnership .....	146	157
Department of Education .....	287	300
Emergency Management Agency .....	121	130
Department of Environmental Resources .....	850	916
Fish Commission .....	98	103
Game Commission .....	28	36
Department of General Services .....	132	137
Department of Health .....	116	121
Historical and Museum Commission .....	50	51
Insurance Department .....	125	130
Department of Labor and Industry .....	158	164
Liquor Control Board .....	128	124
Department of Military Affairs .....	158	167
Milk Marketing Board .....	41	44
Board of Probation and Parole .....	11	14
Public Television Network .....	93	99
Public Utility Commission .....	190	198
Department of Public Welfare .....	293	291
Department of Revenue .....	147	168
Securities Commission .....	11	12
Department of State .....	148	158
State Police .....	79	83
Tax Equalization Board .....	48	50
Department of Transportation .....	423	443
TOTAL .....	\$ 5,283	\$ 5,560

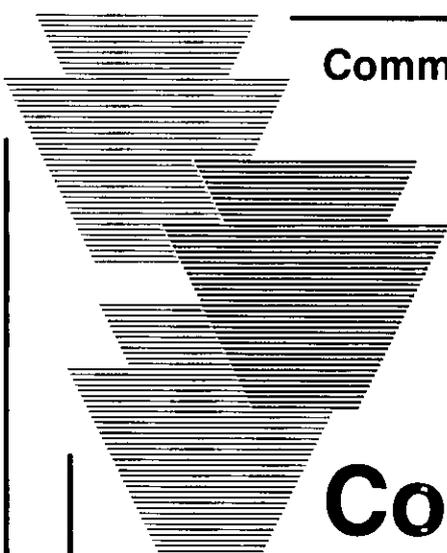
The Commonwealth also spends funds in these areas:

- *Lottery sales promotion* — \$12.1 million will be spent on advertising campaigns to promote lottery sales and to disseminate information on the various lottery programs including property tax and rent assistance for elderly citizens during 1988-89. These expenditures are expected to generate approximately \$836 million in lottery revenues during 1988-89.
- *Economic development* — A total of \$11 million is recommended from the General Fund to promote tourism and economic development. This has contributed to an estimated \$12.1 billion in 1988-89 travel revenues to Pennsylvania and supports the State's aggressive effort to preserve and create jobs.

# Program Budget Summary



The Arms is supported by speed and strength personified by two rampant steeds of sable color further denoting prudence and fidelity. The horses depicted here are rearing and wearing ornamental trappings and harnesses for drawing or pulling.



Commonwealth of Pennsylvania

# Commonwealth Program Budget

This section summarizes the 1989-90 budget by the seven major program areas in which the Commonwealth provides services to its residents. It crosses departmental lines as well as individual special funds. As such it provides an overview of the major recommendations of this budget for program improvements or continuation.

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

# Five-Year Summary of Commonwealth Programs

(Dollar Amounts in Thousands)

	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>DIRECTION AND SUPPORTIVE SERVICES</b>							
GENERAL FUND.....	\$ 389,970	\$ 419,647	\$ 449,293	\$ 467,395	\$ 494,060	\$ 511,265	\$ 527,412
SPECIAL FUNDS.....	296,996	331,132	354,470	366,915	376,181	385,800	395,790
FEDERAL FUNDS.....	797	1,027	1,029	1,029	1,029	1,029	1,029
OTHER FUNDS.....	73,824	83,789	89,308	92,155	95,501	99,019	102,723
TOTAL OPERATING.....	\$ 761,587	\$ 835,595	\$ 894,100	\$ 927,494	\$ 966,771	\$ 997,113	\$ 1,026,954
CAPITAL BOND AUTHORIZATION.....	\$ 0	\$ 59,313	\$ 0	\$ 5,200	\$ 5,450	\$ 5,750	\$ 6,050
PROGRAM TOTAL.....	\$ 761,587	\$ 894,908	\$ 894,100	\$ 932,694	\$ 972,221	\$ 1,002,863	\$ 1,033,004
<b>PROTECTION OF PERSONS AND PROPERTY</b>							
GENERAL FUND.....	\$ 758,916	\$ 820,714	\$ 914,361	\$ 962,301	\$ 1,008,085	\$ 1,053,162	\$ 1,103,026
SPECIAL FUNDS.....	239,451	257,532	277,739	293,536	311,347	324,932	341,710
FEDERAL FUNDS.....	62,241	90,060	79,478	78,409	77,254	76,683	76,748
OTHER FUNDS.....	562,775	641,082	626,812	605,452	614,876	624,719	635,286
TOTAL OPERATING.....	\$ 1,623,383	\$ 1,809,388	\$ 1,898,390	\$ 1,939,698	\$ 2,011,562	\$ 2,079,496	\$ 2,156,770
CAPITAL BOND AUTHORIZATION.....	\$ 0	\$ 388,782	\$ 0	\$ 66,800	\$ 35,900	\$ 37,863	\$ 40,288
PROGRAM TOTAL.....	\$ 1,623,383	\$ 2,198,170	\$ 1,898,390	\$ 2,006,498	\$ 2,047,462	\$ 2,117,359	\$ 2,197,058
<b>INTELLECTUAL DEVELOPMENT AND EDUCATION</b>							
GENERAL FUND.....	\$ 5,151,838	\$ 5,518,849	\$ 5,813,196	\$ 5,916,677	\$ 6,025,220	\$ 6,134,562	\$ 6,246,807
SPECIAL FUNDS.....	1,948	2,300	2,300	2,300	2,300	2,300	2,300
FEDERAL FUNDS.....	42,851	63,879	58,831	58,591	58,591	58,591	58,591
OTHER FUNDS.....	656,872	711,575	747,166	725,841	726,639	727,481	728,369
TOTAL OPERATING.....	\$ 5,853,509	\$ 6,296,603	\$ 6,621,493	\$ 6,703,409	\$ 6,812,750	\$ 6,922,934	\$ 7,036,067
CAPITAL BOND AUTHORIZATION.....	\$ 0	\$ 630,419	\$ 0	\$ 38,950	\$ 52,225	\$ 60,150	\$ 63,225
PROGRAM TOTAL.....	\$ 5,853,509	\$ 6,927,022	\$ 6,621,493	\$ 6,742,359	\$ 6,864,975	\$ 6,983,084	\$ 7,099,292
<b>HEALTH AND HUMAN SERVICES</b>							
GENERAL FUND.....	\$ 3,206,187	\$ 3,453,538	\$ 3,622,358	\$ 3,823,508	\$ 3,944,738	\$ 4,082,196	\$ 4,212,575
SPECIAL FUNDS.....	668,737	710,990	718,585	745,942	718,315	745,423	782,060
FEDERAL FUNDS.....	2,701,201	3,007,227	3,005,518	3,133,254	3,183,367	3,250,194	3,327,020
OTHER FUNDS.....	343,545	329,883	332,716	356,419	377,192	395,646	415,325
TOTAL OPERATING.....	\$ 6,919,670	\$ 7,501,638	\$ 7,679,177	\$ 8,059,123	\$ 8,223,612	\$ 8,473,459	\$ 8,736,980
CAPITAL BOND AUTHORIZATION.....	\$ 0	\$ 97,412	\$ 0	\$ 19,975	\$ 17,212	\$ 19,737	\$ 20,837
PROGRAM TOTAL.....	\$ 6,919,670	\$ 7,599,050	\$ 7,679,177	\$ 8,079,098	\$ 8,240,824	\$ 8,493,196	\$ 8,757,817
<b>ECONOMIC DEVELOPMENT</b>							
GENERAL FUND.....	\$ 574,573	\$ 443,365	\$ 493,975	\$ 506,984	\$ 529,326	\$ 552,625	\$ 556,660
SPECIAL FUNDS.....	60,703	89,266	76,600	62,100	40,100	46,100	43,100
FEDERAL FUNDS.....	365,668	364,070	361,970	355,942	335,542	335,542	335,542
OTHER FUNDS.....	141,889	221,827	296,741	301,229	302,270	303,366	304,522
TOTAL OPERATING.....	\$ 1,142,833	\$ 1,118,528	\$ 1,229,286	\$ 1,226,255	\$ 1,207,238	\$ 1,237,633	\$ 1,239,824
CAPITAL BOND AUTHORIZATION.....	\$ 0	\$ 858,728	\$ 0	\$ 3,850	\$ 5,000	\$ 0	\$ 0
PROGRAM TOTAL.....	\$ 1,142,833	\$ 1,977,256	\$ 1,229,286	\$ 1,230,105	\$ 1,212,238	\$ 1,237,633	\$ 1,239,824

# Five-Year Summary of Commonwealth Programs

(Dollar Amounts in Thousands)

	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>TRANSPORTATION AND COMMUNICATION</b>							
GENERAL FUND.....	\$ 267,675	\$ 271,650	\$ 292,478	\$ 294,569	\$ 299,243	\$ 304,784	\$ 308,315
SPECIAL FUNDS.....	1,165,026	1,261,398	1,246,306	1,197,340	1,205,958	1,211,660	1,210,222
FEDERAL FUNDS.....	681,460	862,640	915,185	782,030	546,730	504,142	562,674
OTHER FUNDS.....	293,592	365,900	400,567	352,949	361,886	312,981	234,188
TOTAL OPERATING.....	\$ 2,407,753	\$ 2,761,588	\$ 2,854,536	\$ 2,626,888	\$ 2,413,817	\$ 2,333,567	\$ 2,315,399
CAPITAL BOND AUTHORIZATION.....	\$ 240,352	\$ 2,542,716	\$ 0	\$ 51,200	\$ 48,650	\$ 49,325	\$ 50,800
PROGRAM TOTAL.....	\$ 2,648,105	\$ 5,304,304	\$ 2,854,536	\$ 2,678,088	\$ 2,462,467	\$ 2,382,892	\$ 2,366,199
<b>RECREATION AND CULTURAL ENRICHMENT</b>							
GENERAL FUND.....	\$ 122,957	\$ 133,728	\$ 139,147	\$ 141,969	\$ 145,732	\$ 149,040	\$ 151,978
SPECIAL FUNDS.....	68,139	60,725	64,656	65,978	67,242	68,501	69,677
FEDERAL FUNDS.....	10,097	11,543	10,367	10,530	10,641	10,709	10,724
OTHER FUNDS.....	18,155	19,019	17,454	19,501	19,507	19,488	19,499
TOTAL OPERATING.....	\$ 219,348	\$ 225,015	\$ 231,624	\$ 237,978	\$ 243,122	\$ 247,738	\$ 251,878
CAPITAL BOND AUTHORIZATION.....	\$ 0	\$ 277,405	\$ 0	\$ 11,025	\$ 11,563	\$ 12,175	\$ 12,800
PROGRAM TOTAL.....	\$ 219,348	\$ 502,420	\$ 231,624	\$ 249,003	\$ 254,685	\$ 259,913	\$ 264,678
<b>COMMONWEALTH TOTALS</b>							
GENERAL FUND.....	\$10,472,116	\$11,061,491	\$11,724,808	\$12,113,403	\$12,446,404	\$12,787,634	\$13,106,773
SPECIAL FUNDS.....	2,501,000	2,713,343	2,740,656	2,734,111	2,721,443	2,784,716	2,844,859
FEDERAL FUNDS.....	3,864,315	4,400,446	4,432,378	4,419,785	4,213,154	4,236,890	4,372,328
OTHER FUNDS.....	2,090,652	2,373,075	2,510,764	2,453,546	2,497,871	2,482,700	2,439,912
TOTAL OPERATING.....	\$18,928,083	\$20,548,355	\$21,408,606	\$21,720,845	\$21,878,872	\$22,291,940	\$22,763,872
CAPITAL BOND AUTHORIZATION.....	\$ 240,352	\$ 4,854,775	\$ 0	\$ 197,000	\$ 176,000	\$ 185,000	\$ 194,000
PROGRAM TOTAL.....	\$19,168,435	\$25,403,130	\$21,408,606	\$21,917,845	\$22,054,872	\$22,476,940	\$22,957,872

# Direction and Supportive Service

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

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

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

## Contribution by Category and Subcategory

### General Fund and Special Funds

(Dollar Amounts in Thousands)

	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
Administrative And Support Services.... \$	41,365	48,199	50,999	53,779	56,653	59,689	62,892
Executive Direction.....	39,421	44,977	48,677	51,367	54,146	57,082	60,179
Personnel Selection.....	1	1	1	1	1	1	1
State Retirement System.....	679	1,718	679	679	679	679	679
Legal Services.....	1,264	1,503	1,642	1,732	1,827	1,927	2,033
Fiscal Management..... \$	408,816	451,046	487,584	509,800	539,019	558,815	578,116
Revenue Collection And Administration	333,322	369,179	397,344	416,804	443,116	459,845	475,910
Disbursement.....	45,827	49,909	56,456	57,354	58,301	59,300	60,354
Auditing.....	29,667	31,958	33,784	35,642	37,602	39,670	41,852
Physical Facilities And Commodities							
Management..... \$	97,422	100,122	104,007	108,571	111,369	114,685	117,813
Facility, Property And Commodity							
Management.....	97,422	100,122	104,007	108,571	111,369	114,685	117,813
Legislative Processes..... \$	122,885	132,334	142,176	142,176	142,176	142,176	142,176
Legislature.....	122,885	132,334	142,176	142,176	142,176	142,176	142,176
Interstate Relations..... \$	621	728	727	727	727	727	727
Interstate Relations.....	621	728	727	727	727	727	727
Debt Service..... \$	15,857	18,350	18,270	19,257	20,297	20,973	21,478
Debt Service.....	15,857	18,350	18,270	19,257	20,297	20,973	21,478
<b>PROGRAM TOTAL.....</b>	<b>686,966</b>	<b>750,779</b>	<b>803,763</b>	<b>834,310</b>	<b>870,241</b>	<b>897,065</b>	<b>923,202</b>

# Protection of Persons and Property

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

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

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

## Contribution by Category and Subcategory

### General Fund and Special Funds

(Dollar Amounts in Thousands)

	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
General Administration And Support..... \$	10,971	12,672	15,081	15,919	16,628	17,378	18,169
Criminal & Juvenile Justice Planning.	2,205	2,302	2,259	2,383	2,514	2,652	2,798
Environmental Support Services.....	8,766	10,370	12,822	13,536	14,114	14,726	15,371
Public Protection And Law Enforcement.. \$	310,005	337,073	379,773	405,933	427,374	446,185	471,167
State Police.....	236,731	256,183	283,184	302,428	319,614	334,070	353,193
Attorney General.....	27,247	29,920	41,316	44,612	47,060	49,642	52,367
Highway Safety Administration And Licensing.....	46,027	50,970	55,273	58,893	60,700	62,473	65,607
Control And Reduction Of Crime..... \$	276,264	309,601	349,508	368,877	388,280	408,751	430,348
Criminal Law Enforcement.....	2,325	2,501	2,683	2,675	2,822	2,977	3,141
Institutionalization Of Offenders....	239,100	269,169	304,404	321,789	339,487	358,159	377,858
Reintegration Of Adult Offenders.....	34,839	37,931	42,421	44,413	45,971	47,615	49,349
Juvenile Crime Prevention..... \$	3,456	3,727	3,789	3,819	3,851	3,885	3,921
Reintegration Of Juvenile Delinquents	3,456	3,727	3,789	3,819	3,851	3,885	3,921
Adjudication Of Defendants..... \$	139,794	142,704	148,457	153,266	158,626	164,264	170,193
State Judicial System.....	139,794	142,704	148,457	153,266	158,626	164,264	170,193
Public Order & Community Safety..... \$	15,551	14,415	16,248	16,217	17,081	17,993	18,955
Emergency Management.....	3,808	2,473	3,693	2,999	3,164	3,338	3,522
State Military Readiness.....	11,743	11,942	12,555	13,218	13,917	14,655	15,433
Protection From Natural Hazards & Disasters..... \$	112,703	116,495	131,053	135,427	140,491	145,332	150,968
Environmental Management And Protection.....	90,537	97,120	110,162	113,428	117,360	121,009	125,384
Radiation Protection.....	6,972	2,365	2,381	2,501	2,628	2,761	2,902
Forest Resources Management.....	15,194	17,010	18,510	19,498	20,503	21,562	22,682

## Protection of Persons and Property (continued)

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
Consumer Protection.....	\$ 57,384	\$ 66,606	\$ 69,995	\$ 72,694	\$ 79,308	\$ 82,543	\$ 85,426
Consumer Protection.....	3,220	3,935	3,773	3,958	4,153	4,616	4,575
Financial Institution Regulation.....	7,035	8,858	8,642	9,117	9,619	10,148	10,706
Securities Industry Regulation.....	2,529	2,941	3,178	3,353	3,537	3,732	3,937
Insurance Industry Regulation.....	8,675	10,710	11,504	11,617	12,256	12,930	13,641
Horse Racing Regulation.....	6,945	7,652	7,280	9,513	13,304	13,305	13,305
Milk Industry Regulation.....	1,742	1,726	1,764	1,809	1,856	1,906	1,958
Medical Malpractice Arbitration and Health Facilities.....	621	680	726	766	808	852	899
Protection & Development Of Agricultural Industries.....	26,617	30,104	33,128	32,561	33,775	35,054	36,405
Community And Occupational Safety and Stability.....	\$ 16,636	\$ 13,354	\$ 15,928	\$ 17,742	\$ 18,718	\$ 19,747	\$ 20,833
Community And Occupational Safety And Stability.....	13,967	12,467	14,992	16,755	17,677	18,649	19,675
Fire Prevention And Safety.....	2,669	887	936	987	1,041	1,098	1,158
Prevention And Elimination Of Discriminatory Practices.....	\$ 5,874	\$ 6,649	\$ 7,472	\$ 7,883	\$ 8,316	\$ 8,774	\$ 9,256
Prevention And Elimination Of Discriminatory Practices.....	5,874	6,649	7,472	7,883	8,316	8,774	9,256
Debt Service.....	\$ 49,729	\$ 54,950	\$ 54,796	\$ 58,060	\$ 60,759	\$ 63,242	\$ 65,500
Debt Service.....	49,729	54,950	54,796	58,060	60,759	63,242	65,500
<b>PROGRAM TOTAL.....</b>	<b>\$ 998,367</b>	<b>\$ 1,078,246</b>	<b>\$ 1,192,100</b>	<b>\$ 1,255,837</b>	<b>\$ 1,319,432</b>	<b>\$ 1,378,094</b>	<b>\$ 1,444,736</b>

# Intellectual Development and Education

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

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

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

## Contribution by Category and Subcategory

### General Fund and Special Funds

(Dollar Amounts in Thousands)

	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
Educational Support Services.....	\$ 16,685	\$ 17,910	\$ 18,952	\$ 19,995	\$ 21,095	\$ 22,255	\$ 23,479
Education Support Services.....	16,685	17,910	18,952	19,995	21,095	22,255	23,479
Basic Education.....	\$ 3,966,357	\$ 4,230,966	\$ 4,454,838	\$ 4,551,691	\$ 4,652,470	\$ 4,756,952	\$ 4,865,327
Basic Education.....	3,908,168	4,171,039	4,393,397	4,490,250	4,591,029	4,695,511	4,803,886
Information Technology Education.....	5,801	6,519	6,780	6,780	6,780	6,780	6,780
Public Utility Realty Payments.....	52,388	53,408	54,661	54,661	54,661	54,661	54,661
Higher Education.....	\$ 1,044,079	\$ 1,127,975	\$ 1,197,215	\$ 1,197,107	\$ 1,197,107	\$ 1,197,107	\$ 1,197,107
Higher Education.....	910,432	979,672	1,033,839	1,033,731	1,033,731	1,033,731	1,033,731
Financial Assistance To Students.....	111,790	124,260	136,929	136,929	136,929	136,929	136,929
Financial Assistance To Institutions.	21,857	24,043	26,447	26,447	26,447	26,447	26,447
Debt Service.....	\$ 126,665	\$ 144,298	\$ 144,491	\$ 150,184	\$ 156,848	\$ 160,548	\$ 163,194
Debt Service.....	126,665	144,298	144,491	150,184	156,848	160,548	163,194
PROGRAM TOTAL.....	\$ 5,153,786	\$ 5,521,149	\$ 5,815,496	\$ 5,918,977	\$ 6,027,520	\$ 6,136,862	\$ 6,249,107

# Economic Development

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

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

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

## Contribution by Category and Subcategory

### General Fund and Special Funds

(Dollar Amounts in Thousands)

	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
Economic Development Support Services.. \$	28,137	34,310	34,279	34,024	34,509	35,021	35,561
Management And Policy.....	28,137	34,310	34,279	34,024	34,509	35,021	35,561
Commonwealth Economic Development..... \$	184,017	176,298	200,773	192,925	173,075	178,234	177,402
Investment In Private Capital.....	28,640	30,107	34,400	36,900	36,900	36,900	36,900
Investment In Public Capital.....	99,053	76,850	96,300	95,233	88,268	93,305	89,345
Investment In Technology Transfer....	44,737	44,250	43,500	36,500	31,500	31,500	34,500
Energy Management And Conservation...	6,087	10,091	14,073	11,792	3,907	4,029	4,157
Environmental Infrastructure.....	5,500	15,000	12,500	12,500	12,500	12,500	12,500
Economic Development of the							
Disadvantaged and Handicapped..... \$	49,019	53,999	54,767	54,005	54,256	54,521	54,801
Job Training.....	25,105	26,295	26,828	27,066	27,317	27,582	27,862
Job Training Development.....	6,789	8,275	8,550	7,550	7,550	7,550	7,550
Vocational Rehabilitation.....	17,125	19,429	19,389	19,389	19,389	19,389	19,389
Community Development..... \$	134,657	154,715	137,514	128,861	119,412	120,243	109,106
Community Development And							
Conservation.....	81,730	104,349	85,692	77,039	67,590	74,171	68,784
Housing Assistance.....	15,000	11,700	12,250	12,250	12,250	6,500	750
Public Utility Realty Payments.....	37,927	38,666	39,572	39,572	39,572	39,572	39,572
Natural Resource Development And							
Management..... \$	23,463	28,042	28,771	29,720	30,989	32,327	33,739
Water And Mineral Resources							
Management.....	23,463	28,042	28,771	29,720	30,989	32,327	33,739
Local Government Assistance..... \$	140,175	5,375	20,726	18,509	18,544	18,580	18,619
Municipal Administrative Support							
Capability.....	140,175	1,800	3,100	883	918	954	993
Municipal Pension Systems.....	0	3,575	17,626	17,626	17,626	17,626	17,626
Debt Service..... \$	75,808	79,892	93,745	111,040	138,641	159,799	170,532
Debt Service.....	75,808	79,892	93,745	111,040	138,641	159,799	170,532
<b>PROGRAM TOTAL.....</b>	<b>\$ 635,276</b>	<b>\$ 532,631</b>	<b>\$ 570,575</b>	<b>\$ 569,084</b>	<b>\$ 569,426</b>	<b>\$ 598,725</b>	<b>\$ 599,760</b>

# Health and Human Services

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

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

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

## Contribution by Category and Subcategory

### General Fund and Special Funds

(Dollar Amounts in Thousands)

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
Human Services Support..... \$	50,708 \$	53,459 \$	59,061 \$	62,290 \$	65,716 \$	69,027 \$	72,823
Human Services Support.....	50,708	53,459	59,061	62,290	65,716	69,027	72,823
Social Development Of Individuals..... \$	226,392 \$	269,573 \$	288,193 \$	299,313 \$	306,268 \$	313,604 \$	321,653
Human Services.....	226,392	269,573	288,193	299,313	306,268	313,604	321,653
Support Of Older Pennsylvanians..... \$	476,308 \$	557,288 \$	597,144 \$	644,593 \$	657,059 \$	684,262 \$	720,995
Community Services For Older Pennsylvanians.....	98,676	107,807	120,677	130,559	136,959	143,677	150,728
Older Pennsylvanians Transit.....	119,935	124,035	127,818	130,976	134,613	138,651	142,867
Homeowners And Renters Assistance....	157,697	160,446	160,649	162,058	163,487	164,934	166,400
Pharmaceutical Assistance.....	100,000	165,000	188,000	221,000	222,000	237,000	261,000
Income Maintenance..... \$	878,679 \$	860,858 \$	894,946 \$	914,366 \$	881,002 \$	884,309 \$	894,836
Income Maintenance.....	868,353	848,680	883,888	903,823	870,972	874,790	885,826
Workers Compensation And Assistance..	7,661	8,124	7,104	6,554	6,004	5,454	4,904
Crime Victims' Assistance.....	451	563	631	666	703	742	783
Military Compensation And Assistance..	2,214	3,491	3,323	3,323	3,323	3,323	3,323
Physical Health Treatment..... \$	1,326,171 \$	1,460,463 \$	1,472,675 \$	1,572,272 \$	1,638,025 \$	1,721,179 \$	1,787,713
Medical Assistance.....	1,160,631	1,278,108	1,284,772	1,378,954	1,438,238	1,517,604	1,580,049
Health Treatment Services.....	13,671	18,380	15,232	15,232	15,232	15,232	15,232
Health Support Services.....	16,622	17,377	19,010	20,222	21,325	22,489	23,716
Health Research.....	7,860	9,114	9,928	9,688	10,077	10,487	10,919
Emergency Food Assistance.....	7,600	8,700	9,850	9,850	9,850	9,750	9,750
Prevention and Treatment of Drug and Alcohol Abuse.....	31,998	32,352	33,091	33,241	33,241	33,241	33,241
Preventive Health.....	72,077	78,730	82,545	83,474	84,295	85,162	86,076
Veterans Homes.....	15,712	17,702	18,247	21,611	25,767	27,214	28,730
Mental Health..... \$	482,008 \$	493,278 \$	526,371 \$	550,386 \$	574,621 \$	599,983 \$	626,540
Mental Health.....	482,008	493,278	526,371	550,386	574,621	599,983	626,540
Mental Retardation..... \$	396,618 \$	429,883 \$	462,299 \$	485,572 \$	499,908 \$	514,360 \$	528,875
Mental Retardation.....	396,618	429,883	462,299	485,572	499,908	514,360	528,875

# Health and Human Services (continued)

(Dollar Amounts in Thousands)

Debt Service.....	\$ 38,040	\$ 39,726	\$ 40,254	\$ 40,658	\$ 40,454	\$ 40,895	\$ 41,200
Debt Service.....	38,040	39,726	40,254	40,658	40,454	40,895	41,200
PROGRAM TOTAL.....	<u>\$ 3,874,924</u>	<u>\$ 4,164,528</u>	<u>\$ 4,340,943</u>	<u>\$ 4,569,450</u>	<u>\$ 4,663,053</u>	<u>\$ 4,827,619</u>	<u>\$ 4,994,635</u>

# Transportation and Communication

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

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

## Contribution by Category and Subcategory

### General Fund and Special Funds

(Dollar Amounts in Thousands)

	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
Transportation Systems And Services....	\$ 1,228,481	\$ 1,323,308	\$ 1,316,492	\$ 1,264,449	\$ 1,278,147	\$ 1,290,954	\$ 1,294,984
State Highway and Bridge Construction and Reconstruction.....	188,540	208,160	218,869	184,824	169,183	162,000	162,000
Local Highway and Bridge Assistance..	157,719	163,468	170,121	169,913	172,839	175,898	178,937
Urban Mass Transportation.....	210,271	213,682	224,366	224,366	224,366	224,366	224,366
Rural and Intercity Rail and Bus Transportation.....	7,556	8,704	9,064	9,064	9,064	9,064	9,064
Air Transportation.....	375	400	200	200	200	200	200
State Highway and Bridge Maintenance.	639,067	703,289	666,506	647,440	672,513	688,036	687,549
Transportation Support Services.....	24,953	25,605	27,366	28,642	29,982	31,390	32,868
 Debt Service.....	 \$ 204,220	 \$ 209,740	 \$ 222,292	 \$ 227,460	 \$ 227,054	 \$ 225,490	 \$ 223,553
Debt Service.....	204,220	209,740	222,292	227,460	227,054	225,490	223,553
 PROGRAM TOTAL.....	 \$ 1,432,701	 \$ 1,533,048	 \$ 1,538,784	 \$ 1,491,909	 \$ 1,505,201	 \$ 1,516,444	 \$ 1,518,537

# Recreation and Cultural Enrichment

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

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

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

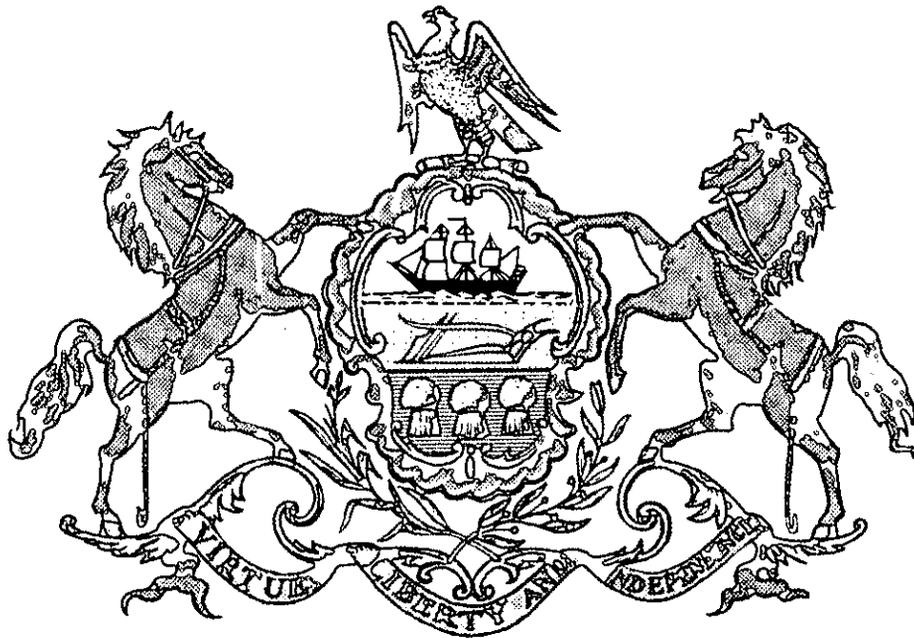
## Contribution by Category and Subcategory

### General Fund and Special Funds

(Dollar Amounts in Thousands)

	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
Recreation..... \$	98,037 \$	93,434 \$	100,086 \$	103,361 \$	106,690 \$	110,126 \$	113,601
Recreation Areas And Facilities							
Management.....	44,056	34,290	41,485	43,434	45,491	47,661	49,950
Recreational Fishing And Boating.....	19,236	20,354	22,527	22,290	22,057	21,825	21,454
Wildlife Management.....	34,745	38,790	36,074	37,637	39,142	40,640	42,197
Cultural Enrichment..... \$	62,150 \$	69,485 \$	71,983 \$	73,035 \$	74,146 \$	75,317 \$	76,404
State Historical Preservation.....	11,190	12,714	13,394	14,072	14,787	15,541	16,187
Local Museum Assistance.....	3,998	4,193	2,615	2,615	2,615	2,615	2,615
Development Of Artists And Audiences.	9,763	12,753	13,489	13,543	13,601	13,661	13,725
State Library Services.....	27,564	29,670	31,672	31,836	32,009	32,192	32,385
Public Television Services.....	9,635	10,155	10,813	10,969	11,134	11,308	11,492
Debt Service..... \$	30,909 \$	31,534 \$	31,734 \$	31,551 \$	32,138 \$	32,098 \$	31,650
Debt Service.....	30,909	31,534	31,734	31,551	32,138	32,098	31,650
<b>PROGRAM TOTAL..... \$</b>	<b>191,096 \$</b>	<b>194,453 \$</b>	<b>203,803 \$</b>	<b>207,947 \$</b>	<b>212,974 \$</b>	<b>217,541 \$</b>	<b>221,655</b>

# Summary By Fund



Within the shield there is a black and white ship under full sail representing wisdom and anticipation, which sails upon a changeless sea of blue symbolizing justice and loyalty. The ship was originally an image on the seal of the City of Philadelphia.



Commonwealth of Pennsylvania

# GENERAL FUND

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

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

# GENERAL FUND

## Financial Statement

(Dollar Amounts in Thousands)

	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Beginning Balance</b> .....	\$ 347,834	\$ 94,658	\$ 275,368
<b>Revenue:</b>			
Official Estimate .....	\$ 10,321,608	\$ 11,095,500	\$ 11,656,900
Adjustment to Official Estimate .....	37,630	200,500	.....
Tax for Hazardous Site Cleanup Fund .....	12,750	22,550	28,700
Transfer to Hazardous Site Cleanup Fund .....	-12,750	-22,550	-28,700
Less Refunds Reserve .....	-205,000	-202,500	-230,000
Accrued Revenue Unrealized .....	480,847	502,648	528,023
Less Revenues Accrued Previously .....	-419,925	-480,847	-502,648
New Jobs Creation Tax Credit .....	-6,000	9,900 <sup>a</sup>	..... <sup>a</sup>
<b>Total Revenue</b> .....	<u>\$ 10,209,160</u>	<u>\$ 11,125,201</u>	<u>\$ 11,452,275</u>
Prior Year Lapses .....	54,780	40,000	.....
<b>Funds Available</b> .....	<u>\$ 10,611,774</u>	<u>\$ 11,259,859</u>	<u>\$ 11,727,643</u>
<b>Expenditures:</b>			
Appropriations .....	\$ 10,521,859	\$ 11,012,428	\$ 11,724,808
Supplemental Appropriations .....	.....	49,063	.....
Less Current Year Lapses .....	-49,743	-77,000	.....
<b>Estimated Expenditures</b> .....	<u>\$-10,472,116</u>	<u>\$-10,984,491</u>	<u>\$-11,724,808</u>
<b>Reserves:</b>			
Tax Stabilization Reserve .....	\$ 25,000	..... <sup>b</sup>	..... <sup>c</sup>
Sunny Day Fund .....	20,000	..... <sup>b</sup>	..... <sup>c</sup>
<b>Total Reserves</b> .....	<u>\$ -45,000</u>	<u>.....</u>	<u>.....</u>
<b>Ending Balance</b> .....	<u>\$ 94,658</u>	<u>\$ 275,368</u>	<u>\$ 2,835</u>

<sup>a</sup>Reflects elimination of the prior, available, and budget years' reserves (\$3.9 million in 1986-87 and \$6 million in 1987-88) for New Jobs Tax Credits.

<sup>b</sup>Both Sunny Day Fund and Tax Stabilization Reserve Fund received a \$25 million appropriation from the State Workmen's Insurance Fund.

<sup>c</sup>Assumes appropriations from the State Workmen's Insurance Fund to the Sunny Day Fund (\$25 million), Tax Stabilization Reserve Fund (\$25 million), and Local Tax Reform Fund (\$25 million).

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# GENERAL FUND

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## NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

	1988-89 Estimated
<b>SUPPLEMENTAL APPROPRIATIONS</b>	
<b>Community Affairs</b>	
Local Tax Reform Support .....	<u>\$ 100</u>
<b>Education</b>	
Special Education .....	<u>\$ 25,000</u>
<b>Environmental Resources</b>	
State Forestry Operations .....	<u>\$ 455</u>
<b>Military Affairs</b>	
Education — National Guard .....	<u>\$ 188</u>
<b>Public Welfare</b>	
State General Hospitals .....	\$ 6,000
Medical Assistance — Capitation .....	4,172
Medical Assistance — Long-Term Care .....	4,610
Philadelphia Court Settlement — MR .....	2,600
AZT Treatment .....	319
MH/MR Residential Wage and Hour Ruling .....	<u>3,000</u>
Department Total .....	<u>\$ 20,701</u>
<b>State</b>	
Voter Registration by Mail .....	<u>\$ 279</u>
<b>State Police</b>	
General Government Operations .....	<u>\$ 2,340</u>
<b>TOTAL</b> .....	<u><u>\$ 49,063</u></u>

## **NOTES ON FINANCIAL STATEMENT**

(Dollar Amounts in Thousands)

### **SUNNY DAY RESERVE**

It is proposed that \$25 million be appropriated from the State Workmen's Insurance Fund to the Sunny Day Fund to alleviate unemployment by attracting large industrial, manufacturing or research and development plants into the Commonwealth. Specific spending plans will be proposed as opportunities are identified. With this additional amount the Sunny Day Reserve will be nearly \$51 million at the end of 1989-90.

### **TAX STABILIZATION RESERVE**

It is proposed that \$25 million be appropriated from the State Workmen's Insurance Fund to the Tax Stabilization Reserve to provide a cushion to the State budget in times of economic downturns when revenues are depressed and social needs are the greatest. With this additional amount the Tax Stabilization Reserve will be nearly \$145 million at the end of 1989-90.

### **LOCAL TAX REFORM FUND**

It is proposed that \$25 million be appropriated from the State Workmen's Insurance Fund to the Local Tax Reform Fund. This appropriation combined with the \$140 million previously appropriated from the General Fund will make a total of \$165 million available for implementing local tax reform measures upon voter approval of the referendum.

# GENERAL FUND

## STATE FUNDS BY DEPARTMENT

The following is a summary, by department of 1987-88 actual expenditures, of 1988-89 amounts available and of 1989-90 amounts budgeted from the General Fund as presented in the budget.

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
Governor's Office .....	\$ 4,983	\$ 5,686	\$ 6,201
Executive Offices .....	56,364	65,495	70,614
Lieutenant Governor's Office .....	701	808	867
Attorney General's Office .....	27,247	29,920	41,316
Auditor General's Office .....	29,667	35,533	51,410
Treasury Department .....	408,427	441,161	472,432
Department of Aging .....	1,376	3,000	4,559
Department of Agriculture .....	32,041	35,189	38,185
Civil Service Commission .....	1	1	1
Department of Community Affairs .....	215,905	77,190	70,292
Department of Corrections .....	239,100	269,169	304,404
Crime Commission .....	2,325	2,501	2,683
Economic Development Partnership .....	149,201	132,310	160,879
Department of Education .....	4,884,991	5,221,212	5,501,233
Emergency Management Agency .....	6,477	3,360	4,629
Department of Environmental Resources .....	174,887	187,674	208,131
Fish Commission .....	7	7	9
Department of General Services .....	70,436	72,643	76,544
Department of Health .....	142,228	155,953	159,806
Higher Education Assistance Agency .....	139,448	154,822	170,156
Historical and Museum Commission .....	15,188	16,907	16,009
Housing Finance Agency .....	15,000	11,700	12,250
Infrastructure Investment Authority .....	5,500	15,000	12,500
Insurance Department .....	8,675	10,710	11,504
Department of Labor and Industry .....	45,542	48,295	50,035
Department of Military Affairs .....	29,669	33,135	34,125
Milk Marketing Board .....	950	950	950
Board of Probation and Parole .....	34,839	37,931	42,421
Public Television Network .....	9,635	10,155	10,813
Department of Public Welfare .....	2,990,905	3,216,279	3,378,584
Department of Revenue .....	163,867	170,728	178,072
Securities Commission .....	2,529	2,941	3,178
Department of State .....	3,220	3,935	3,773
State Employees' Retirement System .....	679	1,718	679
State Police .....	74,507	84,712	95,923
Tax Equalization Board .....	1,015	1,074	1,155
Department of Transportation .....	221,905	226,649	237,853
Legislature .....	122,885	132,334	142,176
Judiciary .....	139,794	142,704	148,457
<b>TOTAL .....</b>	<b>\$10,472,116</b>	<b>\$ 11,061,491</b>	<b>\$ 11,724,808</b>

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# GENERAL FUND

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## FEDERAL FUNDS BY DEPARTMENT

The following is a summary of Federal Funds, by department, of 1987-88 expenditures, the 1988-89 amounts available and the 1989-90 amounts budgeted as presented in the General Fund budget. The General Assembly specifically appropriates Federal Funds by Federal source.

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
Executive Offices .....	\$ 7,013	\$ 12,409	\$ 10,228
Attorney General's Office .....	2,632	3,813	3,593
Department of Agriculture .....	2,861	3,251	3,197
Department of Community Affairs .....	115,928	110,902	104,979
Department of Corrections .....	445	1,202	940
Crime Commission .....	1,951	1,842	.....
Economic Development Partnership .....	389	4,206	1,672
Department of Education .....	54,362	73,203	66,340
Emergency Management Agency .....	3,324	3,175	2,500
Department of Environmental Resources .....	90,715	123,376	125,346
Department of General Services .....	.....	50	.....
Department of Health .....	119,658	146,419	159,208
Historical and Museum Commission .....	613	735	600
Infrastructure Investment Authority .....	.....	4,800	22,800
Department of Labor and Industry .....	222,081	215,372	201,215
Department of Military Affairs .....	3,607	4,677	4,622
Board of Probation and Parole .....	216	648	676
Public Utility Commission .....	560	575	575
Department of Public Welfare .....	2,488,201	2,756,488	2,737,073
State Police .....	4,281	5,356	2,570
Department of Transportation .....	11,513	15,711	13,326
Judiciary .....	144	41	.....
TOTAL .....	<u>\$ 3,130,494</u>	<u>\$ 3,488,251</u>	<u>\$ 3,461,460</u>

# GENERAL FUND

## AUGMENTATIONS BY DEPARTMENT

The following is a summary of Augmentations, by department, of 1987-88 expenditures, the 1988-89 amounts available and the 1989-90 amounts budgeted as presented in the General Fund budget.

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
Governor's Office .....	\$ 308	\$ 750	\$ 788
Executive Offices .....	38,900	43,728	47,225
Attorney General's Office .....	3,219 <sup>a</sup>	3,168 <sup>a</sup>	3,392 <sup>a</sup>
Auditor General's Office .....	5,720	5,850	5,805
Treasury Department .....	1,560	2,844	2,339
Department of Agriculture .....	1,387	1,504	1,529
Civil Service Commission .....	7,998	8,642	9,343
Department of Community Affairs .....	6,448	8,966	5,458
Department of Corrections .....	665	745	725
Crime Commission .....	14	.....	.....
Economic Development Partnership .....	1,141	1,882	2,009
Department of Education .....	4,186	2,702	1,533
Emergency Management Agency .....	95	101	102
Department of Environmental Resources .....	18,362	21,402	20,674
Department of General Services .....	2,533	2,724	2,770
Department of Health .....	9,099	10,304	9,560
Historical and Museum Commission .....	565	497	475
Insurance Department .....	1,242	1,307	1,307
Labor and Industry .....	2,746	12,470	12,825
Department of Military Affairs .....	4,659	4,822	5,107
Probation and Parole Board .....	153	36	.....
Public Television Network .....	75	87	.....
Public Utility Commission .....	25,989 <sup>a</sup>	27,931 <sup>a</sup>	30,007 <sup>a</sup>
Department of Public Welfare .....	164,825	147,983	146,598
Department of Revenue .....	9,063	10,476	11,257
Securities Commission .....	20	.....	.....
Department of State .....	12,780 <sup>a</sup>	14,928 <sup>a</sup>	15,018 <sup>a</sup>
State Police .....	13,474	15,397	15,618
Department of Transportation .....	208	653	477
Legislature .....	7	2	.....
Judiciary .....	1,468	4,225 <sup>a</sup>	7,599 <sup>a</sup>
TOTAL .....	<u>\$ 338,909</u>	<u>\$ 356,126</u>	<u>\$ 359,540</u>

<sup>a</sup>Includes funds appropriated from restricted revenue accounts.

# General Fund Revenue Summary

## Five Year Revenue Projections

(Dollar Amounts in Thousands)

	1987-88 Actual	1988-89 Estimated	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>TAX REVENUE</b>							
<b>Corporation Taxes</b>							
Corporate Net Income .....	\$ 1,039,775	\$ 1,123,000	\$ 1,163,000	\$ 1,227,000	\$ 1,317,000	\$ 1,373,000	\$ 1,433,000
Capital Stock and Franchise .....	491,654	485,000	516,000	568,800	607,000	648,500	689,000
Selective Business:							
Gross Receipts Tax .....	486,312	561,000	577,000	613,000	633,200	664,900	703,700
Public Utility Realty .....	130,463	134,000	136,000	143,000	147,200	151,700	156,200
Insurance Premiums .....	200,347	221,000	214,000	231,800	245,500	260,000	275,000
Financial Institutions .....	106,604	194,600	130,000	135,300	141,900	145,600	150,500
Other .....	10,713	10,000	10,000	10,000	10,000	10,000	10,000
<b>Total—Corporation Taxes .....</b>	<b>\$ 2,465,868</b>	<b>\$ 2,728,600</b>	<b>\$ 2,746,000</b>	<b>\$ 2,928,900</b>	<b>\$ 3,101,800</b>	<b>\$ 3,253,700</b>	<b>\$ 3,417,400</b>
<b>Consumption Taxes</b>							
Sales and Use .....	\$ 3,846,585	\$ 4,132,000	\$ 4,349,000	\$ 4,623,000	\$ 4,903,000	\$ 5,194,000	\$ 5,520,000
Cigarette .....	228,881	226,000	223,000	221,000	219,000	217,000	215,000
Malt Beverage .....	27,598	28,000	28,100	28,000	28,000	28,000	29,000
Liquor .....	110,732	108,700	110,800	110,800	110,800	110,800	110,800
<b>Total—Consumption Taxes .....</b>	<b>\$ 4,213,796</b>	<b>\$ 4,494,700</b>	<b>\$ 4,710,900</b>	<b>\$ 4,982,800</b>	<b>\$ 5,260,800</b>	<b>\$ 5,549,800</b>	<b>\$ 5,874,800</b>
<b>Other Taxes</b>							
Personal Income Tax .....	\$ 2,879,970	\$ 3,104,800	\$ 3,291,000	\$ 3,499,000	\$ 3,720,000	\$ 3,952,000	\$ 4,207,000
Realty Transfer .....	212,027	224,400	231,000	242,000	244,400	246,800	249,300
Inheritance .....	401,404	459,000	491,000	530,000	572,000	618,000	667,000
Minor and Repealed .....	990	1,000	1,000	1,000	1,000	1,000	1,000
<b>Total—Other Taxes .....</b>	<b>\$ 3,494,391</b>	<b>\$ 3,789,200</b>	<b>\$ 4,014,000</b>	<b>\$ 4,272,000</b>	<b>\$ 4,537,400</b>	<b>\$ 4,817,800</b>	<b>\$ 5,124,300</b>
<b>TOTAL TAX REVENUE .....</b>	<b>\$ 10,174,055</b>	<b>\$ 11,012,500</b>	<b>\$ 11,470,900</b>	<b>\$ 12,183,700</b>	<b>\$ 12,900,000</b>	<b>\$ 13,621,300</b>	<b>\$ 14,416,500</b>
<b>NONTAX REVENUE</b>							
Liquor Store Profits .....	\$ 26,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000
Licenses, Fees and Miscellaneous:							
Licenses and Fees .....	37,841	43,900	46,500	46,500	46,500	46,500	46,500
Miscellaneous .....	107,385	209,500	108,800	110,940	115,450	114,350	114,165
Fines, Penalties and Interest:							
On Taxes .....	13,332	13,400	14,000	14,000	14,000	14,000	14,000
Other .....	625	700	700	700	700	700	700
<b>TOTAL NONTAX REVENUES .....</b>	<b>\$ 185,183</b>	<b>\$ 283,500</b>	<b>\$ 186,000</b>	<b>\$ 188,140</b>	<b>\$ 192,650</b>	<b>\$ 191,550</b>	<b>\$ 191,365</b>
<b>GENERAL FUND TOTAL .....</b>	<b>\$ 10,359,238</b>	<b>\$ 11,296,000</b>	<b>\$ 11,656,900</b>	<b>\$ 12,371,840</b>	<b>\$ 13,092,650</b>	<b>\$ 13,812,850</b>	<b>\$ 14,607,865</b>

# General Fund Revenues

## Adjustments To Revenue Estimate

On October 14, 1988, the official estimate for the 1988-89 fiscal year was re-certified to be \$11,095,500.

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

	(Dollar Amounts in Thousands)		
	1988-89 Official Estimate	Adjustments	1988-89 Revised Estimate
<b>TAX REVENUE</b>			
<b>Corporation Taxes</b>			
Corporate Net Income .....	\$ 1,073,000	\$ 50,000	\$ 1,123,000
Capital Stock and Franchise .....	422,500	62,500	485,000
Selective Business:			
Utilities Gross Receipts .....	544,500	16,500	561,000
Public Utility Realty .....	136,000	-2,000	134,000
Insurance Premiums .....	216,000	5,000	221,000
Financial Institutions .....	194,600	.	194,600
Other .....	10,000	.	10,000
<b>Total—Corporation Taxes .....</b>	<b>\$ 2,596,600</b>	<b>\$ 132,000</b>	<b>\$ 2,728,600</b>
<b>Consumption Taxes</b>			
Sales and Use .....	\$ 4,132,000	.	\$ 4,132,000
Cigarette .....	226,000	.	226,000
Malt Beverage .....	28,000	.	28,000
Liquor .....	111,000	\$ -2,300	108,700
<b>Total—Consumption Taxes .....</b>	<b>\$ 4,497,000</b>	<b>\$ -2,300</b>	<b>\$ 4,494,700</b>
<b>Other Taxes</b>			
Personal Income Tax .....	\$ 3,072,200	\$ 32,600	\$ 3,104,800
Realty Transfer .....	224,400	.	224,400
Inheritance .....	428,000	31,000	459,000
Minor and Repealed .....	800	200	1,000
<b>Total—Other Taxes .....</b>	<b>\$ 3,725,400</b>	<b>\$ 63,800</b>	<b>\$ 3,789,200</b>
<b>TOTAL TAX REVENUE .....</b>	<b>\$ 10,819,000</b>	<b>\$ 193,500</b>	<b>\$ 11,012,500</b>
<b>NONTAX REVENUE</b>			
Liquor Store Profits .....	\$ 14,000	\$ 2,000	\$ 16,000
Licenses, Fees and Miscellaneous:			
Licenses and Fees .....	41,100	2,800	43,900
Miscellaneous .....	207,480	2,020	209,500
Fines, Penalties and Interest:			
On Taxes .....	13,400	.	13,400
Other .....	520	180	700
<b>TOTAL NONTAX REVENUES .....</b>	<b>\$ 276,500</b>	<b>\$ 7,000</b>	<b>\$ 283,500</b>
<b>GENERAL FUND TOTAL .....</b>	<b>\$ 11,095,500</b>	<b>\$ 200,500</b>	<b>\$ 11,296,000</b>

# General Fund Revenue Sources

## Corporate Net Income Tax

(Dollar Amounts in Thousands)

Actual	Estimated
1982-83 .....\$ 818,578	1988-89 .....\$1,123,000
1983-84 ..... 854,982	1989-90 ..... 1,163,000
1984-85 ..... 933,390	1990-91 ..... 1,227,000
1985-86 ..... 953,241	1991-92 ..... 1,317,000
1986-87 ..... 1,009,337	1992-93 ..... 1,373,000
1987-88 ..... 1,039,775	1993-94 ..... 1,433,000

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

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

**Credits:** Credits against the tax include the neighborhood assistance credit, the employment incentive payment credit, the mortgage assistance credit, the economic revitalization tax credit, and the job creation tax credit.

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

**Payment:** Under the estimated tax system, which commenced in taxable year 1986, a corporation estimates what it will owe for the taxable year and makes payments on the 15th day of the 4th, 6th, 9th, and 12th months of the taxable year. The final balance of tax due, if any, must be paid with the annual return due 105 days after the end of the tax year.

**Recent Changes:** The tax rate was reduced to 8.5 percent, effective January 1, 1987. Act No. 1986-79 established a tax credit to employers who provide new employment. The tax credit is \$140 for each new employee in 1986, \$161 for 1987, \$168 for 1988 and thereafter until the Commonwealth's indebtedness to the Federal Unemployment Compensation Trust Fund is repaid.

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

# General Fund Revenue Sources

## Capital Stock and Franchise Taxes

(Dollar Amounts in Thousands)

Actual	Estimated
1982-83 .....\$ 363,520	1988-89 .....\$ 485,000
1983-84 ..... 388,838	1989-90 ..... 516,000
1984-85 ..... 425,858	1990-91 ..... 568,800
1985-86 ..... 465,276	1991-92 ..... 607,000
1986-87 ..... 469,981	1992-93 ..... 648,500
1987-88 ..... 491,654	1993-94 ..... 689,000

**Tax Base:** The 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 apportionable to Pennsylvania under a statutory apportionment formula.

**Exclusions and Deductions:** The capital stock value of the following organizations are exempt from this tax: Non-profit corporations, agricultural co-ops without capital stock and not conducted for profit, banks and savings institutions, title insurance or trust companies, building and loan associations, insurance companies, family farm corporations, limited partnerships formed under the Uniform Limited Partnership Act, Massachusetts or business trusts, law trusts or real estate investment trusts, agricultural credit associations, and credit unions. Assets used in manufacturing, processing, research and development, and pollution control by all corporations are also exempt. The corporation's first \$50,000 of capital stock value was exempt for tax years beginning in 1987. The excluded value was increased to \$100,000 for tax years beginning in 1988.

**Recent Tax Rates:** January 1, 1988 to current: 9.5 mills  
 January 1, 1987 to December 31, 1987: 9 mills  
 Prior to January 1, 1987: 10 mills  
 A minimum tax of \$75 is required for both taxes.

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

**Recent Changes:** Numerous changes were provided for by Act No. 1987-58. The tax rate was reduced retroactively from 10 mills to 9.0 mills for tax years beginning in 1987, increased to 9.5 mills for tax year 1988 through 1991, and reduced back to 9.0 mills for 1992 and thereafter. The additional 0.5 mill from 1988 through 1991, not included in the estimates above, will provide revenue to the Hazardous Sites Cleanup Fund. The first \$100,000 of a corporation's capital stock value is exempt effective for 1988. Beginning in 1988 a corporation may elect to pay in quarterly installments the tentative tax due computed either by applying the current tax rate to 90 percent of the second prior year tax base or on a basis estimated by the corporation for the current year. A phase-in of the quarterly installments will occur during the period 1988 to 1991.

### Installments

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

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

# General Fund Revenue Sources

## Gross Receipts Tax (Utilities and Motor Carriers)

(Dollar Amounts in Thousands)

Actual	Estimated
1982-83 ..... \$ 503,648	1988-89 ..... \$ 561,000
1983-84 ..... 511,126	1989-90 ..... 577,000
1984-85 ..... 550,470	1990-91 ..... 613,000
1985-86 ..... 518,300	1991-92 ..... 633,200
1986-87 ..... 543,624	1992-93 ..... 664,900
1987-88 ..... 486,312	1993-94 ..... 703,700

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

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

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

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

**Payments:** Motor transportation companies must file and remit taxes on or before April 15 for the previous calendar year. For all other utilities, a tentative return for a current tax year must be filed within 105 days of the beginning of the tax year. A payment of 90 percent of the estimated tax liability is to be paid with the tentative return. The final balance of tax due, if any, must be paid with the annual return, which is due and payable by April 15 following the close of the tax year.

**Recent Changes:** Commencing with the tax year beginning January 1, 1988, and thereafter the rate of tax is reduced from 45 mills to 44 mills. This change was enacted by Act No. 1987-58.

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

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# General Fund Revenue Sources

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## Public Utility Realty Tax

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(Dollar Amounts in Thousands)

Actual		Estimated	
1982-83 .....	\$ 111,564	1988-89 .....	\$ 134,000
1983-84 .....	173,725	1989-90 .....	136,000
1984-85 .....	130,285	1990-91 .....	143,000
1985-86 .....	132,781	1991-92 .....	147,200
1986-87 .....	129,349	1992-93 .....	151,700
1987-88 .....	130,463	1993-94 .....	156,200

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

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

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

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

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

# General Fund Revenue Sources

## Insurance Premiums Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1982-83	\$ 103,168	1988-89	\$ 221,000
1983-84	110,550	1989-90	214,000
1984-85	118,666	1990-91	231,800
1985-86	152,525	1991-92	245,500
1986-87	180,070	1992-93	260,000
1987-88	200,347	1993-94	275,000

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

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

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

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

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

# General Fund Revenue Sources

## Financial Institutions Taxes

(Dollar Amounts in Thousands)

Actual	Estimated
1982-83 ..... \$ 50,706	1988-89 ..... \$ 194,600
1983-84 ..... 72,848	1989-90 ..... 130,000
1984-85 ..... 76,121	1990-91 ..... 135,300
1985-86 ..... 102,041	1991-92 ..... 141,900
1986-87 ..... 119,003	1992-93 ..... 145,600
1987-88 ..... 106,604	1993-94 ..... 150,500

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

**Exclusions and Deductions:** The value of the capital stock is adjusted to exclude the value of United States obligations in the same proportion that the book value of those obligations bears to total assets. Act No. 1982-184 enacted provisions allowing mutual thrift institutions to carry forward net operating losses up to a maximum of three years and deduct them from future year's tax liabilities. This provision was phased-in over a three-year period beginning in 1981. Beginning in tax year 1987, a deduction will no longer be allowed for that part of the interest expense associated with tax-exempt income as determined by the proportion of interest expense which is equal to the ratio of exempt interest income to total interest income.

**Credits:** Credits against the tax include the neighborhood assistance credit, the employment incentive payment credit, and the mortgage emergency assistance credit. For tax years beginning in 1987 through 1992, a credit is allowed against the Mutual Thrift Institutions Tax for taxes paid to other states.

**Recent Tax Rates:** The tax rate for the Bank Shares Tax and Title Insurance and Trust Companies Shares Tax is 1.075 percent on the dollar value of each share of capital stock. Before January 1, 1984, the rate for both taxes was 15 mills on the actual value of capital stock shares. A rate of 11.5 percent is levied on net earnings or income of mutual thrift institutions under the Mutual Thrift Institutions Tax for tax years beginning before 1987. The Mutual Thrift Institutions Tax rate is 20 percent for tax years 1987 and 1988, 12.5 percent for tax years beginning 1989 through 1991 and 11.5 percent thereafter.

**Payment:** An 80 percent payment of the bank shares and title insurance and trust companies shares taxes is due by April 15 of the current year. The balance is due by April 15 of the following year. Payment of the Mutual Thrift Institution Tax requires a 90 percent tentative payment of the tax with the remainder due when the tax return is filed in the following year. The tentative payments system is replaced with a system of equal quarterly estimated payments for tax years beginning in 1992.

**Recent Changes:** The Mutual Thrift Institutions Tax was amended by Act 1988-106 to recover revenue losses resulting from the July 1987 Pennsylvania Supreme Court decision in *First Federal Savings & Loan Association of Philadelphia v. Commonwealth* which determined that income earned from Pennsylvania state and local obligations, as well as United States obligations, is exempt from tax and must be excluded from the base in the computation of tax liability. This Act is retroactive to the tax year 1987. Specifically, the rate base was changed to disallow a deduction for that part of interest expense which is associated with tax exempt income, and the tax rate was increased to compensate for the smaller tax base and to cover the cost of **First Federal** refunds.

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

# General Fund Revenue Sources

## Other Selective Business Taxes

(Dollar Amounts in Thousands)

Actual		Estimated	
1982-83 .....	\$ 8,830	1988-89 .....	\$ 10,000
1983-84 .....	8,548	1989-90 .....	10,000
1984-85 .....	8,752	1990-91 .....	10,000
1985-86 .....	10,247	1991-92 .....	10,000
1986-87 .....	8,548	1992-93 .....	10,000
1987-88 .....	10,713	1993-94 .....	10,000

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

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

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

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# General Fund Revenue Sources

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## Sales and Use Tax

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(Dollar Amounts in Thousands)

Actual		Estimated	
1982-83 .....	\$2,365,061	1988-89 .....	\$4,132,000
1983-84 .....	2,720,628	1989-90 .....	4,349,000
1984-85 .....	3,019,349	1990-91 .....	4,623,000
1985-86 .....	3,241,419	1991-92 .....	4,903,000
1986-87 .....	3,568,903	1992-93 .....	5,194,000
1987-88 .....	3,846,585	1993-94 .....	5,520,000

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

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

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

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

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

**Recent Changes:** Act No. 1987-58 exempts purchases made with Food Stamps which are not otherwise exempt from Sales and Use Tax effective September 30, 1987.

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

# General Fund Revenue Sources

## Cigarette Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1982-83	\$ 250,733	1988-89	\$ 226,000
1983-84	242,717	1989-90	223,000
1984-85	239,201	1990-91	221,000
1985-86	233,526	1991-92	219,000
1986-87	229,926	1992-93	217,000
1987-88	228,881	1993-94	215,000

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

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

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

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

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

# General Fund Revenue Sources

## Malt Beverage Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1982-83 .....	\$ 27,904	1988-89 .....	\$ 28,000
1983-84 .....	27,023	1989-90 .....	28,100
1984-85 .....	27,061	1990-91 .....	28,000
1985-86 .....	27,083	1991-92 .....	28,000
1986-87 .....	26,774	1992-93 .....	28,000
1987-88 .....	27,598	1993-94 .....	29,000

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

**Credits:** Act No. 1986-26 provides a tax credit for domestic manufacturers of malt or brewed beverages. The credit is for "qualifying capital expenditures" made prior to December 31, 1988 and may not exceed the amount of the expenditures or \$150,000 a year. The act is effective for the period January 1, 1986 to December 31, 1989.

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

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

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

## Liquor Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1982-83 .....	\$ 107,467	1988-89 .....	\$ 108,700
1983-84 .....	105,311	1989-90 .....	110,800
1984-85 .....	103,079	1990-91 .....	110,800
1985-86 .....	107,964	1991-92 .....	110,800
1986-87 .....	110,890	1992-93 .....	110,800
1987-88 .....	110,732	1993-94 .....	110,800

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

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

**Payment:** Tax is collected by the Liquor Control Board and is periodically transferred to the General Fund.

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

# General Fund Revenue Sources

## Personal Income Tax

(Dollar Amounts in Thousands)

Actual	Estimated
1982-83 .....	1988-89 .....
1983-84 .....	1989-90 .....
1984-85 .....	1990-91 .....
1985-86 .....	1991-92 .....
1986-87 .....	1992-93 .....
1987-88 .....	1993-94 .....

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

**Exclusions and Deductions:** Income not falling into one of the enumerated classes is not taxable. A full or partial exemption from the tax or a refund of taxes paid is provided for taxpayers who are eligible under standards of poverty defined in Act No. 1974-32, and amended by Act No. 1987-58.

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

**Recent Tax Rates:**

- September 1, 1986 to present — 2.1 percent
- January 1, 1986 to August 31, 1986 — 2.2 percent.
- July 1, 1984 to December 31, 1985 — 2.35 percent.
- January 1, 1983 to June 30, 1984 — 2.45 percent.
- January 1, 1978 to December 31, 1982 — 2.2 percent.

**Payment:** Withholding of the tax is required by employers from all persons liable for the tax with the size of collections determining the frequency for remittance to the Commonwealth by employers. For those individuals with taxable incomes over \$2,500, other than wages subject to withholding, a declaration and payment of the estimated tax is required similar to those mandated by Federal law. Payments may be made annually on April 15 for calendar year taxpayers, twice yearly, three times yearly, or four times yearly. There are special declaration and estimated tax provisions provided for farm income. Final returns and remittance of any tax due for a tax year are to be filed on or before the date when the taxpayer's Federal income tax return is due. Application for refund must be filed within three years from the time the return is required to be filed.

**Recent Changes:** Act No. 1988-106 increased the poverty income excluded from tax from \$4,500 to \$6,300 for individuals.

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

# General Fund Revenue Sources

## Realty Transfer Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1982-83 .....	\$ 82,815	1988-89 .....	\$ 224,400
1983-84 .....	106,993	1989-90 .....	231,000
1984-85 .....	121,220	1990-91 .....	242,000
1985-86 .....	146,968	1991-92 .....	244,400
1986-87 .....	200,479	1992-93 .....	246,800
1987-88 .....	212,027	1993-94 .....	249,300

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

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

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

**Recent Changes:** Act No. 1986-77 clarified exemptions to the Realty Transfer Tax. Several transactions which were not previously taxable were brought under the authority of the tax. Long-term leases greater than thirty years, transfers from industrial development authorities which will not be used primarily for industrial purposes, and transfers through the acquisition of companies in which the acquired company is in the business of holding or selling real estate are now subject to tax.

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

## Inheritance Tax

(Dollar Amounts in Thousands)

Actual		Estimated	
1982-83 .....	\$ 250,599	1988-89 .....	\$ 459,000
1983-84 .....	282,217	1989-90 .....	491,000
1984-85 .....	277,568	1990-91 .....	530,000
1985-86 .....	322,740	1991-92 .....	572,000
1986-87 .....	371,840	1992-93 .....	618,000
1987-88 .....	401,404	1993-94 .....	667,000

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

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

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

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

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

# General Fund Revenue Sources

## Minor and Repealed Taxes

(Dollar Amounts in Thousands)

Actual		Estimated	
1982-83 .....	\$ 613	1988-89 .....	\$ 1,000
1983-84 .....	724	1989-90 .....	1,000
1984-85 .....	743	1990-91 .....	1,000
1985-86 .....	832	1991-92 .....	1,000
1986-87 .....	1,199	1992-93 .....	1,000
1987-88 .....	990	1993-94 .....	1,000

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

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

## Liquor Store Profits

(Dollar Amounts in Thousands)

Actual		Estimated	
1982-83 .....	\$ 50,000	1988-89 .....	\$ 16,000
1983-84 .....	35,000	1989-90 .....	16,000
1984-85 .....	35,000	1990-91 .....	16,000
1985-86 .....	33,000	1991-92 .....	16,000
1986-87 .....	32,000	1992-93 .....	16,000
1987-88 .....	26,000	1993-94 .....	16,000

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

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# General Fund Revenue Sources

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## Licenses, Fees, and Miscellaneous Revenue

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(Dollar Amounts in Thousands)

Actual		Estimated	
1982-83 .....	\$ 171,408	1988-89 .....	\$ 253,400
1983-84 .....	130,695	1989-90 .....	155,300
1984-85 .....	144,673	1990-91 .....	157,440
1985-86 .....	138,923	1991-92 .....	161,950
1986-87 .....	134,661	1992-93 .....	160,850
1987-88 .....	145,226	1993-94 .....	160,665

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

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

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

## Fines, Penalties and Interest

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(Dollar Amounts in Thousands)

Actual		Estimated	
1982-83 .....	\$ 17,199	1988-89 .....	\$ 14,100
1983-84 .....	17,964	1989-90 .....	14,700
1984-85 .....	17,513	1990-91 .....	14,700
1985-86 .....	18,752	1991-92 .....	14,700
1986-87 .....	15,505	1992-93 .....	14,700
1987-88 .....	13,957	1993-94 .....	14,700

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

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

# General Fund Revenue Detail

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

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>TAX REVENUE</b>			
<b>Corporate Net Income Tax</b> .....	<u>\$ 1,039,775</u>	<u>\$ 1,123,000</u>	<u>\$ 1,163,000</u>
<b>Capital Stock and Franchise Taxes</b>			
Capital Stock Taxes—Domestic .....	\$ 275,341	\$ 271,600	\$ 289,000
Franchise Taxes—Foreign .....	216,313	213,400	227,000
Subtotal .....	<u>\$ 491,654</u>	<u>\$ 485,000</u>	<u>\$ 516,000</u>
<b>Gross Receipts Tax</b>			
Telephone and Telegraph .....	\$ 98,941	\$ 109,000	\$ 113,200
Electric, Hydroelectric and Water Power .....	315,260	370,000	377,000
Motor Transportation .....	1,840	1,900	2,000
Transportation .....	2,581	2,600	2,800
Gas .....	67,690	77,500	82,000
Subtotal .....	<u>\$ 486,312</u>	<u>\$ 561,000</u>	<u>\$ 577,000</u>
<b>Public Utility Realty Tax</b> .....	<u>\$ 130,463</u>	<u>\$ 134,000</u>	<u>\$ 136,000</u>
<b>Insurance Premiums Tax</b>			
Domestic Casualty .....	\$ 36,723	\$ 40,510	\$ 39,230
Domestic Marine .....	31	35	35
Domestic Fire .....	30,199	33,310	32,260
Domestic Life and Previously Exempted Lines .....	8,384	9,250	8,950
Unauthorized Insurance .....	1,859	2,050	1,980
Foreign Life .....	91,365	100,785	97,590
Foreign Excess Casualty .....	16,283	17,960	17,390
Foreign Marine .....	12	15	15
Foreign Excess Fire .....	5,781	6,375	6,180
Excess Insurance Brokers .....	8,041	8,870	8,590
Title Insurance .....	1,669	1,840	1,780
Subtotal .....	<u>\$ 200,347</u>	<u>\$ 221,000</u>	<u>\$ 214,000</u>
<b>Financial Institutions Taxes</b>			
Trust Companies .....	\$ 15,827	\$ 15,880	\$ 16,070
State Banks .....	19,439	19,510	19,740
National Banks .....	49,437	49,610	50,190
State Mutual Thrift Institutions .....	19,730	98,740	39,640
Federal Mutual Thrift Institutions .....	2,171	10,860	4,360
Subtotal .....	<u>\$ 106,604</u>	<u>\$ 194,600</u>	<u>\$ 130,000</u>

# General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Other Selective Business Taxes</b>			
Excise—Foreign .....	*		
Corporate Loans—Domestic .....	\$ 8,079	\$ 7,530	\$ 7,530
Corporate Loans—Foreign .....	2,323	2,170	2,170
Tax on Electric Cooperative Corporations .....	15	15	15
Corporate Net Income Tax on Agricultural Cooperative Associations .....	23	20	20
Corporation Income .....	4	5	5
Gross Receipts—Private Bankers .....	279	260	260
Department of Justice Collections .....			
Corporation Taxes — Clearing Accounts Undistributed .....	-10		
Subtotal .....	<u>\$ 10,713</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>
<b>Sales and Use Tax</b>			
Non-Motor Vehicle .....	\$ 3,201,490	\$ 3,468,000	\$ 3,677,000
Motor Vehicle .....	645,095	664,000	672,000
Subtotal .....	<u>\$ 3,846,585</u>	<u>\$ 4,132,000</u>	<u>\$ 4,349,000</u>
Cigarette Tax .....	<u>\$ 228,881</u>	<u>\$ 226,000</u>	<u>\$ 223,000</u>
Malt Beverage Tax .....	<u>\$ 27,598</u>	<u>\$ 28,000</u>	<u>\$ 28,100</u>
Liquor Tax .....	<u>\$ 110,732</u>	<u>\$ 108,700</u>	<u>\$ 110,800</u>
<b>Personal Income Tax</b>			
Withholding .....	\$ 2,176,774	\$ 2,345,600	\$ 2,493,000
Non-Withholding .....	703,196	759,200	798,000
Subtotal .....	<u>\$ 2,879,970</u>	<u>\$ 3,104,800</u>	<u>\$ 3,291,000</u>
Realty Transfer Tax .....	<u>\$ 212,027</u>	<u>\$ 224,400</u>	<u>\$ 231,000</u>
<b>Inheritance Tax</b>			
Resident Transfer Inheritance and Estate Tax .....	\$ 398,951	\$ 456,200	\$ 488,000
Nonresident Transfer Inheritance and Estate Tax .....	2,453	2,800	3,000
Subtotal .....	<u>\$ 401,404</u>	<u>\$ 459,000</u>	<u>\$ 491,000</u>
<b>Minor and Repealed Taxes</b>			
Tax on Writs, Wills and Deeds .....	\$ 953	\$ 960	\$ 960
Distilled Spirits .....	1	1	1
Rectified Spirits .....	*	1	1
Wines .....	36	38	38
Subtotal .....	<u>\$ 990</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>
<b>TOTAL TAX REVENUE</b> .....	<u>\$ 10,174,055</u>	<u>\$ 11,012,500</u>	<u>\$ 11,470,900</u>
<b>NONTAX REVENUES</b>			
Liquor Store Profits .....	<u>\$ 26,000</u>	<u>\$ 16,000</u>	<u>\$ 16,000</u>

\* Less than \$500.

# General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Licenses, Fees and Miscellaneous</b>			
<b>Governor's Office</b>			
MISCELLANEOUS REVENUE			
Miscellaneous .....	.....	\$ 3	.....
<b>Executive Office</b>			
MISCELLANEOUS REVENUE			
Miscellaneous .....	*	*	.....
Crime Victim's Award Restitution .....	\$ 22	\$ 23	\$ 60
Refunds of Expenditures Not Credited to Appropriations .....	*	37	.....
Subtotal .....	\$ 22	\$ 60	\$ 60
<b>Lieutenant Governor's Office</b>			
LICENSES AND FEES			
Board of Pardon Fees .....	\$ 2	\$ 2	\$ 2
Board of Pardon Filing Fees .....	5	8	8
Board of Pardon Copying Fees .....	*	*	.....
Subtotal .....	\$ 7	\$ 10	\$ 10
<b>Auditor General</b>			
LICENSES AND FEES			
Filing Fees .....	\$ 13	\$ 19	\$ 25
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations .....	*	.....	.....
Subtotal .....	\$ 13	\$ 19	\$ 25
<b>Attorney General</b>			
MISCELLANEOUS REVENUE			
Assessed Civil Penalties Payments .....	\$ 167	\$ 163	\$ 170
Miscellaneous .....	.....	3	.....
Refunds of Expenditures Not Credited to Appropriations .....	.....	1	.....
Subtotal .....	\$ 167	\$ 167	\$ 170
<b>Treasury Department</b>			
MISCELLANEOUS REVENUE			
Interest on Securities .....	\$ 53,095	\$ 55,250	\$ 56,120
Interest on Deposits .....	1,611	1,670	1,700
Allocation of Treasury Cost .....	2,315	2,410	2,450
Premium and Discount on Tax Notes Sold .....	15	15	15
Interest on Securities—Liquor License Fund .....	129	135	135
Redeposit of Checks .....	865	900	910
Refund of Expenditures Not Credited to Appropriations .....	.....	*	.....
Miscellaneous .....	*	10	10
Depository Adjustments .....	667	690	700
Subtotal .....	\$ 58,697	\$ 61,080	\$ 62,040

\* Less than \$500.

# General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Department of Agriculture</b>			
<b>LICENSES AND FEES</b>			
Carbonated Beverage License .....	\$ 18	\$ 18	\$ 19
Egg Certification Fees .....	24	27	28
Cold Storage Warehouse Licenses .....	3	3	3
Egg Opening Licenses .....	-	2	-
Seed Testing and Certification Fees .....	66	71	73
Bakery Licenses .....	56	51	53
Ice Cream Licenses .....	52	53	54
Domestic Animal Dealers Licenses .....	7	6	6
Abattoir Licenses .....	1	18	19
Rendering Plant Licenses .....	1	1	1
Horse Slaughtering Licenses .....	-	-	-
Approved Inspector's Certificate and Registration Fees .....	6	6	6
Garbage Feeders Licenses .....	-	-	-
Poultry Technician Licenses .....	1	1	1
Miscellaneous Licenses and Fees .....	18	19	19
Farm Product Inspection Fees .....	3	8	8
Veterinarian Diagnostic Lab Fees .....	176	178	185
Public Weighmaster's Liquid Fuels Licenses .....	56	59	61
Public Weighmaster's Solid Fuels Licenses .....	27	26	27
Livestock Branding Fees .....	-	-	-
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	58	30	30
Refund of Expenditures Not Credited to Appropriations .....	59	30	30
Safe of Dressed Meats — MAEC .....	11	-	-
Subtotal .....	\$ 643	\$ 607	\$ 623
<b>Department of Commerce</b>			
<b>MISCELLANEOUS REVENUE</b>			
Nursing Home Loans — Repayments .....	\$ 3,692	\$ 5,890	\$ 4,200
Refund of Expenditures Not Credited to Appropriations .....	95	50	50
Subtotal .....	\$ 3,787	\$ 5,940	\$ 4,250
<b>Department of Community Affairs</b>			
<b>LICENSES AND FEES</b>			
Municipal Indebtedness Fees .....	\$ 73	\$ 76	\$ 80
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	22	30	23
Refunds of Expenditures Not Credited to Appropriations .....	84	85	91
Subtotal .....	\$ 179	\$ 191	\$ 194

Less than \$500.

# General Fund Revenue Detail

(Dollar Amounts in Thousands)

	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Department of Corrections</b>			
MISCELLANEOUS REVENUE			
Antitrust Case Payments .....	*	.....	.....
Miscellaneous .....	\$ 1	\$ .....	\$ 1
Refunds of Expenditures Not Credited to Appropriations .....	12	\$ 16	15
Subtotal .....	<u>\$ 13</u>	<u>\$ 16</u>	<u>\$ 16</u>
<b>Crime Commission</b>			
MISCELLANEOUS REVENUE			
Refunds of Expenditures Not Credited to Appropriations .....	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ 3</u>
<b>Department of Education</b>			
LICENSES AND FEES			
Secondary Education Evaluation Fees .....	\$ 79	\$ 80	\$ 80
Private Academic School License Fees .....	63	64	177
Private Driver Training School Fees .....	22	22	22
Teachers Certification Fees .....	316	320	320
Teachers Certification Fees — Private Academy .....	11	12	12
PDE — Fees Transcripts/Closed Private Schools .....	*	*	.....
Private Licensed School Fees .....	64	325	486
MISCELLANEOUS REVENUE			
Miscellaneous .....	*	.....	.....
Refunds of Expenditures Not Credited to Appropriations .....	92	90	90
Subtotal .....	<u>\$ 647</u>	<u>\$ 913</u>	<u>\$ 1,187</u>
<b>Emergency Management Agency</b>			
MISCELLANEOUS REVENUE			
Miscellaneous .....	<u>\$ 3</u>	<u>\$ 5</u>	<u>\$ 5</u>
<b>Department of Environmental Resources</b>			
LICENSES AND FEES			
Bathing Place Licenses .....	\$ -2	\$ 1	\$ 1
Sewage and Industrial Waste Permit Fees .....	349	350	350
Restaurant Licenses .....	557	525	525
Miscellaneous Licenses and Fees .....	76	25	25
Registration Fees for Organized Camps .....	5	5	5
Explosive Storage Permit Fees .....	114	127	127
Blasters' Examination and Licensing Fees .....	48	60	60
Examination and Certificate Fees .....	9	15	15
Bituminous Miners' Examination and Certificate Fees .....	*	1	1
Bituminous Shot Firers' and Machine Runners' Examination and Certificates .....	*	2	2
Anthracite Miners' Examination and Certificate Fees .....	*	*	*
Water Power and Supply Permit Fees .....	71	75	75
Dams and Encroachment Fees .....	97	100	100
Water Bacteriological Examinations .....	56	60	60
Sewage Enforcement Examination Fees .....	3	3	3
Sewage Enforcement-Certificate Copy Fees .....	6	5	5
Hazardous Waste Treatment Storage or Disposal Fees .....	28	100	100
Hazardous Waste Transporter Licenses Application Fees .....	26	30	30
Waste Management Permit Fees .....	.....	1,575	3,770

\* Less Than \$500.

# General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Department of Environmental Resources (continued)</b>			
<b>MISCELLANEOUS REVENUE</b>			
Stumpage .....	\$ 1	\$ 1	\$ 1
Minerals Sales .....	279	285	285
Camp Leases .....	249	250	250
Water Leases .....	3	5	5
Rights-of-Way .....	167	180	180
Recovered Damages .....	2	3	3
Housing Rents .....	12	15	15
Ground Rents .....	24	25	25
Royalties for Recovery of Materials-Schuylkill River .....	77	80	80
Miscellaneous .....	73	73	73
Surface Subsidence Assistance Loans—Principal Amounts ..	22	25	25
Interest Payments — Mine Subsidence .....	.	2	2
Refunds of Expenditures Not Credited to Appropriations .....	53	50	50
Payment to Occupy Submerged Lands .....	31	28	28
Payments of Loans — Water Facilities Loans .....	1,158	1,200	1,200
Interest Income .....	1,670	1,700	1,700
Penalty Charges — Delinquent .....	.	8	8
Sewage Treatment and Waterworks Application Fee .....	3	21	21
Sales Tax Escrow Account .....	2	2	2
Interest on Loan Payments .....	2,454	2,500	2,500
Subtotal .....	<u>\$ 7,723</u>	<u>\$ 9,512</u>	<u>\$ 11,707</u>
<b>Department of General Services</b>			
<b>MISCELLANEOUS REVENUE</b>			
Sale of State Property .....	\$ 228	\$ 550	\$ 550
Sale of Publications .....	83	75	75
Sale of Unserviceable Property .....	244	225	235
Rental of State Property .....	80	175	175
Recovery on Insurance and Surety Bonds .....	.	1	1
Mileage of State Automobiles .....	387	450	500
Contract Forfeitures and Damages .....	.	10	25
Allocation of Property Costs .....	5,084	7,500	7,500
Real Estate Services .....	133	100	105
Miscellaneous .....	590	1,000	1,000
Refunds of Expenditures Not Credited to Appropriations .....	41	50	50
Subtotal .....	<u>\$ 6,870</u>	<u>\$ 10,136</u>	<u>\$ 10,216</u>
<b>Department of Health</b>			
<b>LICENSES AND FEES</b>			
Vital Statistics Fees .....	\$ 2,385	\$ 2,385	\$ 2,385
Registration Fees-Drugs Devices and Cosmetics Act .....	345	345	345
Profit Making Hospital Licenses .....	29	29	29
Nursing Home Licenses .....	292	292	292
Life Safety Code Disposition Fees .....	108	108	108
Birth Center Licensure Fees .....	14	14	14
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	108	101	101
Refunds of Expenditures Not Credited to Appropriations .....	.	7	7
Subtotal .....	<u>\$ 3,281</u>	<u>\$ 3,281</u>	<u>\$ 3,281</u>

Less than \$500

# General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Historical and Museum Commission</b>			
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	*	*	.....
Refunds of Expenditures Not Credited to Appropriations .....	\$ 12	\$ 10	\$ 10
Subtotal .....	<u>\$ 12</u>	<u>\$ 10</u>	<u>\$ 10</u>
<b>Insurance Department</b>			
<b>LICENSES AND FEES</b>			
Agents' Licenses .....	\$ 8,066	\$ 9,946	\$ 8,247
Brokers' Licenses .....	176	790	143
Examination Fees and Expenses .....	1,036	1,050	1,050
Valuation of Policies Fees .....	1,164	1,200	1,200
Miscellaneous Fees .....	6	6	6
Miscellaneous Licenses .....	36	59	59
Physical Damage Appraiser Licenses .....	56	66	66
Division of Companies Certification — Certificates and Filing Fees .....	614	600	600
Agents' and Brokers' Certification Fees .....	208	225	225
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	44	40	35
Subtotal .....	<u>\$ 11,406</u>	<u>\$ 13,982</u>	<u>\$ 11,631</u>
<b>Labor and Industry</b>			
<b>LICENSES AND FEES</b>			
Bedding and Upholstery Fees .....	\$ 300	\$ 285	\$ 361
Boiler Inspection Fees .....	682	650	1,097
Elevator Inspection Fees .....	624	950	1,198
Employment Agents' Licenses .....	39	38	36
Projectionists' Examination and License Fees .....	6	6	6
Approval of Elevator Plan Fees .....	96	90	126
Industrial Homework Permit Fees .....	*	*	*
Employment Agents' Registration Fees .....	7	7	7
Liquified Petroleum Gas Registration Fees .....	132	135	189
Stuffed Toys Manufacturers' Registration Fees .....	32	29	29
Approval of Building Plan Fees .....	3,002	2,900	4,100
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	13	15	5
Refunds of Expenditures Not Credited to Appropriations .....	47	60	55
Indirect Costs Reimbursements .....	950	10	.....
Right-to-Know Fees, Materials & Publications .....	2	5	40
CETA Audit Settlement — PA State Council OIC/A .....	.....	10	.....
Subtotal .....	<u>\$ 5,932</u>	<u>\$ 5,190</u>	<u>\$ 7,249</u>
<b>Department of Military Affairs</b>			
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	*	*	.....
Refunds of Expenditures Not Credited to Appropriations .....	\$ 24	\$ 25	\$ 25
Subtotal .....	<u>\$ 24</u>	<u>\$ 25</u>	<u>\$ 25</u>

\* Less than \$500.

# General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Board of Probation and Parole</b>			
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	*	*	*
Refunds of Expenditures Not Credited to Appropriations .....	\$ 8	\$ 5	\$ 5
Subtotal .....	<u>\$ 8</u>	<u>\$ 5</u>	<u>\$ 5</u>
<b>Public Utility Commission</b>			
<b>MISCELLANEOUS REVENUE</b>			
Refunds of Expenditures Not Credited to Appropriations .....	*	\$ 1	\$ 1
<b>Department of Public Welfare</b>			
<b>LICENSES AND FEES</b>			
Private Mental Hospital Licenses .....	\$ 15	\$ 20	\$ 20
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous .....	169	125	125
Refunds of Expenditures Not Credited to Appropriations .....	11	15	15
Subtotal .....	<u>\$ 195</u>	<u>\$ 160</u>	<u>\$ 160</u>
<b>Department of Revenue</b>			
<b>LICENSES AND FEES</b>			
Cigarette Permit Fees .....	\$ 889	\$ 885	\$ 885
Certificate and Copy Fees .....	36	35	35
Domestic Violence and Rape Crisis Program Fees .....	1,751	1,722	1,749
Secretary's Writ Collections .....	*	*	*
<b>MISCELLANEOUS REVENUE</b>			
Abandoned Property — Financial Institutions Deposits .....	8,355	6,224	6,410
Abandoned Property — Other Holder Deposits .....	13,358	9,950	10,260
Abandoned Property — Claim Payments .....	-2,699	-2,010	-2,070
Abandoned Property — Administration Cost			
Reimbursements .....	-780	-580	-600
Miscellaneous .....	-11	10	30
Refunds of Expenditures Not Credited to Appropriations .....	*	*	*
District Justice Cost .....	7,632	7,632	7,632
Distribution Due Absentee .....	346	295	360
Donations .....	6	6	10
Olympics — Check off and Donations .....	*	30	30
Subtotal .....	<u>\$ 28,883</u>	<u>\$ 24,199</u>	<u>\$ 24,731</u>

\* Less than \$500.

# General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Pennsylvania Securities Commission</b>			
<b>LICENSES AND FEES</b>			
Section 205 — Security Registration and Amendment Fees . . .	\$ 351	\$ 350	\$ 350
Section 206 — Security Registration and Amendment Fees . . .	78	65	65
<b>Mutual Funds and Investment Company Section</b>			
203I-205-206 . . . . .	3,546	3,730	3,630
Brokers/Dealers' Registration Fees — Initial . . . . .	46	74	82
Brokers/Dealers' Registration Fees — Renewal . . . . .	209	279	307
Brokers/Dealers' Registration Fees — Pa. Office — Initial . . . . .	13	15	20
Brokers/Dealers' Registration Fees — Pa. Office — Renewal . . . . .	53	66	73
SCT 205 — Amendment Fees . . . . .	22	15	15
Securities Agents' Filing Fees — Initial . . . . .	607	1,019	1,121
Securities Agents' Filing Fees — Renewal . . . . .	1,485	2,007	2,220
Securities Agents' Filing Fees — Transfer . . . . .	107	99	109
SCT 206 — Amendment Fees . . . . .	1	2	1
Security Agents' Filing Fees — Mass Transfer . . . . .	71	19	14
Investment Advisors' Filing Fees — Initial . . . . .	17	22	24
Investment Advisors' Filing Fees — Renewal . . . . .	33	42	40
Section 202G Security Exemption Fees . . . . .	3	2	2
Section 203I and 203(O)II Security Exemption Fees . . . . .	10	15	10
Section 203(D) Security Exemption Fees . . . . .	323	350	350
Section 203(N) Security Exemption Fees . . . . .	4	3	3
Section 203(P) Security Exemption Fees . . . . .	2	2	2
Takeover Disclosure Filing Fees Section IV Registration . . . . .	15	10	10
Costs — Examination, Auditing, Investigation, Prosecution — Except Takeover Costs . . . . .	44	24	24
Miscellaneous Takeover Disclosure Filing Fees . . . . .	1	2	2
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous . . . . .	9	10	10
Subtotal . . . . .	<u>\$ 7,050</u>	<u>\$ 8,222</u>	<u>\$ 8,484</u>
<b>Department of State</b>			
<b>LICENSES AND FEES</b>			
Commissions and Filing — Corporation Bureau . . . . .	\$ 5,314	\$ 5,600	\$ 5,700
Recorder of Deeds Fees . . . . .	39	42	45
Notary Public Commission Fees . . . . .	465	445	445
Commissions and Filing Fees — Bureau of Elections . . . . .	230	200	200
<b>MISCELLANEOUS REVENUE</b>			
Refunds of Expenditures Not Credited to Appropriations . . . . .	2	2	2
Subtotal . . . . .	<u>\$ 6,050</u>	<u>\$ 6,289</u>	<u>\$ 6,392</u>
<b>State Police</b>			
<b>MISCELLANEOUS REVENUE</b>			
Miscellaneous . . . . .	\$ 229	\$ 229	\$ 229
Reimbursement for Lost Property . . . . .	2	2	2
Refunds of Expenditures Not Credited to Appropriations . . . . .	50	50	49
Subtotal . . . . .	<u>\$ 281</u>	<u>\$ 281</u>	<u>\$ 280</u>

# General Fund Revenue Detail

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Department of Transportation</b>			
<b>MISCELLANEOUS REVENUE</b>			
VW Rail Spur Lease Recovery .....	\$ 153	\$ 60	\$ 60
Refunds of Expenditures Not Credited to Appropriations .....	63	81	118
Subtotal .....	<u>\$ 216</u>	<u>\$ 141</u>	<u>\$ 178</u>
<b>Commonwealth Court</b>			
<b>MISCELLANEOUS REVENUE</b>			
Refunds of Expenditures Not Credited to Appropriations .....	<u>\$ 8</u>	<u>\$ 10</u>	<u>\$ 10</u>
<b>Other</b>			
<b>MISCELLANEOUS REVENUE</b>			
Conscience Money .....	\$ 2	\$ 2	\$ 2
Transfer from State Racing Fund .....	1,374	1,940	1,355
Transfer from State Insurance Fund .....	1,730	.....	1,000
Transfer from State Workmen's Insurance Fund .....	.....	60,000	.....
Transfer from Unemployment Compensation Fund .....	.....	41,000	.....
Subtotal .....	<u>\$ 3,106</u>	<u>\$ 102,942</u>	<u>\$ 2,357</u>
<b>TOTAL LICENSES, FEES AND MISCELLANEOUS .....</b>	<u><b>\$ 145,226</b></u>	<u><b>\$ 253,400</b></u>	<u><b>\$ 155,300</b></u>
<b>Fines, Penalties and Interest on Taxes</b>			
Penalties on Excise Taxes — Corporations .....	\$ 490	\$ 490	\$ 510
Interest on Excise Taxes — Corporation (Department of Revenue) .....	6,058	6,090	6,360
Corporation Net Income Tax .....	6,642	6,680	6,980
Realty Transfer Tax .....	142	140	150
<b>Other Fines and Penalties</b>			
<b>Department of Agriculture</b>			
General Food Fines .....	\$ 17	\$ 20	\$ 20
Egg Fines .....	•	•	•
Marketing Law Fines .....	•	•	•
Miscellaneous .....	2	1	1
Horse Racing Fines and Penalties .....	40	40	40
Harness Racing Fines and Penalties .....	30	30	30
Amusement Rides and Attractions — Fines .....	1	1	1
<b>Department of Environmental Resources</b>			
Miscellaneous Fines .....	42	40	40
<b>Ethics Commission</b>			
Violations Act 170-1978 .....	1	1	1
<b>Department of General Services</b>			
Traffic Violations .....	30	40	40
<b>Department of Health</b>			
Non-Compliance Fines and Penalties .....	152	152	152
<b>Department of Insurance</b>			
Miscellaneous Fines .....	145	200	200
<b>Department of Labor and Industry</b>			
Miscellaneous Fines .....	2	1	1
Minor Labor Law Fines .....	3	8	8
<b>Public Utility Commission</b>			
Violation of Order Fines .....	142	150	150
<b>Department of Revenue</b>			
Malt Liquor Fines and Penalties .....	3	4	4
Miscellaneous Fines .....	4	4	4
Spiritous and Vinous Liquor Fines and Penalties .....	•	•	•
Motor Law Fines Prior to July 1, 1976 .....	11	8	8
<b>TOTAL FINES, PENALTIES AND INTEREST .....</b>	<u><b>\$ 13,957</b></u>	<u><b>\$ 14,100</b></u>	<u><b>\$ 14,700</b></u>
<b>TOTAL NONTAX REVENUE .....</b>	<u><b>\$ 185,183</b></u>	<u><b>\$ 283,500</b></u>	<u><b>\$ 186,000</b></u>
<b>TOTAL GENERAL FUND REVENUES .....</b>	<u><u><b>\$ 10,359,238</b></u></u>	<u><u><b>\$ 11,296,000</b></u></u>	<u><u><b>\$ 11,656,900</b></u></u>

• Less Than \$500



**Commonwealth of Pennsylvania**

# **Motor License Fund**

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

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

# Motor License Fund

## Financial Statement\*

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Beginning Balance</b> .....	\$ 78,105	\$ 104,147	\$ 69,110
<b>Revenue:</b>			
Official Estimate .....	\$ 1,451,425	\$ 1,460,010	\$ 1,490,893
Adjustment to Official Estimate .....	.....	10,884	.....
Reserve for Transfer to Bridge Account .....	-2,500	2,500	.....
Accrued Revenues Unrealized .....	144,239	149,375	152,049
Less Revenues Accrued Previously .....	-142,100	-144,239	-149,375
Total Revenue .....	1,451,064	1,478,530	1,493,567
Prior Year Lapses .....	12,079	18,000	.....
Funds Available .....	<u>\$ 1,541,248</u>	<u>\$ 1,600,677</u>	<u>\$ 1,562,677</u>
<b>Expenditures:</b>			
Appropriated .....	\$ 1,437,101	\$ 1,549,567	\$ 1,554,604
Less Current Year Lapses .....	.....	-18,000	.....
Estimated Expenditures .....	<u>-1,437,101</u>	<u>-1,531,567</u>	<u>-1,554,604</u>
<b>Ending Balance</b> .....	<u>\$ 104,147</u>	<u>\$ 69,110</u>	<u>\$ 8,073</u>

\*Excludes restricted revenue

# MOTOR LICENSE FUND

## NOTES ON FINANCIAL STATEMENT

(Dollar Amounts in Thousands)

	1988-89 Estimated
<b>SUPPLEMENTAL APPROPRIATION</b>	
<b>State Police</b>	
General Government Operations .....	<u>\$ 5,819</u>
<b>TOTAL .....</b>	<u><u>\$ 5,819</u></u>

# Motor License Fund

## Summary by Department

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>Executive Offices</b>			
<b>General Government</b>			
Office of the Budget .....	\$ 3,757	\$ 4,127	\$ 4,510
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 3,757</u>	<u>\$ 4,127</u>	<u>\$ 4,510</u>
Augmentations .....	\$ 892	\$ 875	\$ 885
DEPARTMENT TOTAL .....	<u>\$ 4,649</u>	<u>\$ 5,002</u>	<u>\$ 5,395</u>
<b>Treasury Department</b>			
<b>General Government</b>			
Replacement Checks .....	\$ 10	\$ 60	\$ 180
Refunding Liquid Fuel Tax — Agriculture .....	2,950	4,200	4,000
Administration of Refunding Liquid Fuel Tax .....	189	254	297
Refunding Liquid Fuel Tax — State Share .....	200	350	350
Refunding Emergency Liquid Fuel Tax .....	.....	1	1
Refunding Liquid Fuel Tax — Political Subdivision Use .....	1,550	2,250	2,100
Refunding Liquid Fuel Tax — Volunteer Fire Companies, Ambulance Services and Rescue Squads .....	109	160	175
Refunding Marine Liquid Fuel Tax — Boating Fund .....	1,344	1,500	1,500
Subtotal .....	<u>\$ 6,352</u>	<u>\$ 8,775</u>	<u>\$ 8,603</u>
<b>Debt Service Requirements</b>			
Capital Debt — Transportation Projects .....	\$ 164,997	\$ 165,051	\$ 165,066
General Obligation Debt Service .....	1,709	1,698	1,508
Advance Construction Interstate—Interest Payments .....	5,996	12,180	14,769
Loan and Transfer Agent .....	120	131	135
Subtotal .....	<u>\$ 172,822</u>	<u>\$ 179,060</u>	<u>\$ 181,478</u>
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 179,174</u>	<u>\$ 187,835</u>	<u>\$ 190,081</u>
Restricted Revenue .....	\$ 5,099	\$ 54,727	\$ 94,929
DEPARTMENT TOTAL .....	<u>\$ 184,273</u>	<u>\$ 242,562</u>	<u>\$ 285,010</u>
<b>Department of Education</b>			
<b>Grants and Subsidies</b>			
Safe Driving Course .....	\$ 1,948	\$ 2,300	\$ 2,300
DEPARTMENT TOTAL .....	<u>\$ 1,948</u>	<u>\$ 2,300</u>	<u>\$ 2,300</u>

# Motor License Fund

## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>Department of General Services</b>			
<b>General Government</b>			
Asbestos Control .....	.....	\$ 500	\$ 500
<b>Grants and Subsidies</b>			
Tort Claims — Payments .....	\$ 26,500	\$ 26,500	\$ 26,500
<b>DEPARTMENT TOTAL</b> .....	<u>\$ 26,500</u>	<u>\$ 27,000</u>	<u>\$ 27,000</u>
 <b>Department of Revenue</b>			
<b>General Government</b>			
Collection — Liquid Fuels Tax .....	\$ 6,430	\$ 6,830	\$ 7,165
Refunding Liquid Fuels Taxes .....	4,465	2,375	2,375
<b>DEPARTMENT TOTAL</b> .....	<u>\$ 10,895</u>	<u>\$ 9,205</u>	<u>\$ 9,540</u>
 <b>Pennsylvania State Police</b>			
<b>General Government</b>			
General Government Operations .....	\$ 152,205	\$ 164,292	\$ 179,444
Commercial Driver Safety and Licensing .....	.....	.....	1,307
Municipal Police Training .....	2,314	2,420	2,875
Patrol Vehicles .....	6,030	4,759	3,635
Officer Uniforms .....	1,675	.....	.....
<b>DEPARTMENT TOTAL</b> .....	<u>\$ 162,224</u>	<u>\$ 171,471</u>	<u>\$ 187,261</u>
 <b>Department of Transportation</b>			
<b>General Government</b>			
General Government Operations .....	\$ 21,526	\$ 22,544	\$ 23,825
Refunding Collected Monies .....	1,985	1,725	2,000
Highway and Safety Improvement .....	162,560	183,860	190,000
High Accident Corridor Corrections .....	.....	.....	10,000
Highway Maintenance .....	567,609	615,887	589,963
Highway Maintenance—Supplemental .....	16,351	9,184	13,663
Traffic and Directional Signs .....	.....	15,000	.....
Salt Storage Buildings .....	1,500	1,500	1,500
Roadside Rest Areas .....	.....	2,000	2,000
Reinvestment — Facilities .....	.....	3,000	2,000
Local Bridge Inspection .....	238	800	300
Secondary Roads — Maintenance and Resurfacing .....	52,896	55,803	56,374
Safety Administration and Licensing .....	44,477	48,364	50,666
Commercial Driver Safety and Licensing .....	.....	.....	2,522
Motor Vehicle Insurance Compliance .....	.....	994	409
<b>Subtotal</b> .....	<u>\$ 869,142</u>	<u>\$ 960,661</u>	<u>\$ 945,222</u>
 <b>Debt Service Requirements</b>			
State Highway and Bridge Authority Rentals .....	\$ 25,980	\$ 24,300	\$ 18,869

# Motor License Fund

## Summary by Department (Continued)

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>Department of Transportation (continued)</b>			
<b>Grants and Subsidies</b>			
Local Road Maintenance and Construction Payments .....	\$ 151,533	\$ 156,798	\$ 163,949
Supplemental Local Road Maintenance and Construction Payments .....	5,000	5,000	5,000
Philadelphia Payment — Franchise Tax .....	948	870	872
Subtotal .....	\$ 157,481	\$ 162,668	\$ 169,821
<b>TOTAL STATE FUNDS</b> .....	<b>\$ 1,052,603</b>	<b>\$ 1,147,629</b>	<b>\$ 1,133,912</b>
Federal Funds .....	\$ 671,728	\$ 848,843	\$ 904,036
Augmentations .....	13,859	25,523	25,475
Restricted Revenue .....	87,465	102,577	109,594
DEPARTMENT TOTAL .....	\$ 1,825,655	\$ 2,124,572	\$ 2,173,017
<b>Fund Summary</b>			
State Funds — Transportation .....	\$ 1,052,603	\$ 1,147,629	\$ 1,133,912
State Funds — Other Departments .....	384,498	401,938	420,692
TOTAL STATE FUNDS .....	\$ 1,437,101	\$ 1,549,567	\$ 1,554,604
<b>Motor License Fund Total — All Funds</b>			
State Funds .....	\$ 1,437,101	\$ 1,549,567	\$ 1,554,604
Federal Funds .....	671,728	848,843	904,036
Augmentations .....	14,751	26,398	26,360
Restricted Revenue .....	92,564	157,304	204,523
FUND TOTAL .....	\$ 2,216,144	\$ 2,582,112	\$ 2,689,523

# Motor License Fund

## REVENUE SUMMARY

### Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Estimated	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
Liquid Fuels Taxes <sup>a</sup> . . . . .	\$ 923,396	\$ 938,968	\$ 952,702	\$ 969,639	\$ 987,358	\$ 1,004,950	\$ 1,023,181
Motor Licenses and Fees <sup>a</sup> . . . . .	444,798	454,000	462,100	468,548	478,447	486,500	495,210
Other Motor License Fund Revenues . . . . .	83,231	77,926	76,091	75,381	89,437	76,708	63,107
<b>TOTAL MOTOR LICENSE FUND REVENUES . . . . .</b>	<b>\$ 1,451,425</b>	<b>\$ 1,470,894</b>	<b>\$ 1,490,893</b>	<b>\$ 1,513,568</b>	<b>\$ 1,555,242</b>	<b>\$ 1,568,158</b>	<b>\$ 1,581,498</b>
Aviation Restricted Revenues . . . . .	\$ 13,235	\$ 14,979	\$ 15,463	\$ 17,622	\$ 18,550	\$ 19,534	\$ 20,575
Highway Bridge Improvement Restricted Revenues . . . . .	\$ 42,862	\$ 65,232	\$ 72,017	\$ 74,134	\$ 76,251	\$ 78,269	\$ 80,487
State Highway Transfer Restricted Revenues . . . . .	\$ 14,841	\$ 15,211	\$ 15,412	\$ 15,687	\$ 15,974	\$ 16,259	\$ 16,555

### Adjustments to 1988-89 Revenue Estimate

On July 12, 1988, an official estimate for the 1988-89 fiscal year of \$1,460,010 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)		
	1988-89 Official Estimate	Adjustments	1988-89 Revised Estimate
Liquid Fuels Taxes <sup>a</sup> . . . . .	\$ 943,510	\$ -4,542	\$ 938,968
Motor Licenses and Fees <sup>a</sup> . . . . .	449,100	4,900	454,000
Other Motor Receipts . . . . .	67,400	10,526	77,926
<b>TOTAL . . . . .</b>	<b>\$ 1,460,010</b>	<b>\$ 10,884</b>	<b>\$ 1,470,894</b>

<sup>a</sup>Actual year includes undistributed Highway Bridge Improvement revenues of \$2.5 million.

# Motor License Fund

## Revenue Sources

<b>Liquid Fuels Taxes</b>			
Actual	(Dollar Amounts in Thousands)		Estimated
1982-83 .....	\$ 698,028	1988-89 .....	\$ 938,968
1983-84 .....	801,732	1989-90 .....	952,702
1984-85 .....	860,536	1990-91 .....	969,639
1985-86 .....	873,782	1991-92 .....	987,358
1986-87 .....	893,645	1992-93 .....	1,004,950
1987-88 .....	923,396	1993-94 .....	1,023,181

### **Tax Base and Rates:**

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

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

**Motor Carriers Road Tax.** The Motor Carriers Road Tax is levied on motor carriers operating vehicles with a gross weight or registered gross weight in excess of 17,000 pounds. The tax is comprised of: a twelve cent per gallon tax; a six percent tax on the average wholesale price; and a six cent per gallon surtax levied by Act 56 of 1987, effective July 1, 1987, which is periodically transferred to the restricted Highway Bridge Improvement account within the Motor License Fund.

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

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

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

### **Exclusions and Deductions and Reimbursements:**

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

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

# Motor License Fund

## Revenue Sources (continued)

### Motor Licenses and Fees

	Actual	(Dollar Amounts in Thousands)		Estimated
1982-83 .....	\$	380,834	1988-89 .....	\$ 454,000
1983-84 .....		386,989	1989-90 .....	462,100
1984-85 .....		402,545	1990-91 .....	468,548
1985-86 .....		421,347	1991-92 .....	478,447
1986-87 .....		428,618	1992-93 .....	486,500
1987-88 .....		444,798	1993-94 .....	495,210

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

### Other Motor License Fund Revenues

	Actual	(Dollar Amounts in Thousands)		Estimated
1982-83 .....	\$	57,973	1988-89 .....	\$ 77,926
1983-84 .....		54,155	1989-90 .....	76,091
1984-85 .....		75,643	1990-91 .....	75,381
1985-86 .....		73,124	1991-92 .....	89,437
1986-87 .....		66,065	1992-93 .....	76,708
1987-88 .....		83,231	1993-94 .....	63,107

Other Motor License Fund revenues include the following sources:

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

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

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

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

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

# Motor License Fund

## Revenue Detail

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

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>LIQUID FUELS TAXES</b>			
<b>Liquid Fuels Tax</b>			
Liquid Fuels Tax .....	\$ 517,352	\$ 525,360	\$ 530,614
Liquid Fuels Tax Penalties .....	164	167	168
Liquid Fuels Tax Interest .....	112	114	115
Subtotal .....	<u>\$ 517,628</u>	<u>\$ 525,641</u>	<u>\$ 530,897</u>
<b>Fuel Use Tax</b>			
Fuel Use Tax .....	\$ 107,681	\$ 113,857	\$ 116,945
Fuel Use Tax Penalties .....	252	266	274
Fuel Use Tax Interest .....	167	177	181
Subtotal .....	<u>\$ 108,100</u>	<u>\$ 114,300</u>	<u>\$ 117,400</u>
<b>Motor Carriers Road Tax</b>			
Motor Carriers Road—Fuels Tax <sup>a</sup> .....	\$ 9,883	\$ 5,460	\$ 6,969
Motor Carriers Road Tax Registration Fees and Special Permit Fees .....	5,047	3,851	3,901
Subtotal .....	<u>\$ 14,930</u>	<u>\$ 9,311</u>	<u>\$ 10,870</u>
<b>Interstate Bus Compact Fuels Tax</b>			
Interstate Bus Compact Fuels Tax .....	\$ 749	\$ 682	\$ 682
Interstate Bus Compact Fuels Tax Penalties .....	3	3	3
Interstate Bus Compact Fuels Tax Interest .....	17	15	15
Subtotal .....	<u>\$ 769</u>	<u>\$ 700</u>	<u>700</u>
<b>Oil Company Franchise Tax</b>			
Oil Company Franchise Tax .....	\$ 281,969	\$ 289,016	\$ 292,835
Subtotal .....	<u>\$ 281,969</u>	<u>\$ 289,016</u>	<u>\$ 292,835</u>
<b>TOTAL LIQUID FUELS TAXES</b> .....	<u>\$ 923,396</u>	<u>\$ 938,968</u>	<u>\$ 952,702</u>
<b>MOTOR LICENSES AND FEES</b>			
Operators' Licenses .....	\$ 43,222	\$ 44,500	\$ 44,700
Special Hauling Permit Fees .....	8,334	8,500	8,500
Vehicle Registration and Titling <sup>a</sup> .....	364,073	370,000	377,400
Other Fees Collected by Bureau of Motor Vehicles .....	13,240	13,500	13,500
Registration Fees Received From Other States/IRP .....	15,929	17,500	18,000
<b>TOTAL MOTOR LICENSES AND FEES</b> .....	<u>\$ 444,798</u>	<u>\$ 454,000</u>	<u>\$ 462,100</u>

<sup>a</sup>Actual year includes undistributed Highway Bridge Improvement revenues of \$2.5 million.

# Motor License Fund

## Revenue Detail (continued)

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>OTHER MOTOR LICENSE FUND REVENUES</b>			
<b>Gross Receipts Tax</b>			
Gross Receipts Tax .....	\$ 314	\$ 350	\$ 350
Subtotal .....	<u>\$ 314</u>	<u>\$ 350</u>	<u>\$ 350</u>
<b>Fines and Penalties</b>			
Department of Transportation			
Vehicle Code Fines .....	\$ 2,067	\$ 2,070	\$ 2,100
Department of Revenue			
Vehicle Codes Fines .....	26,929	26,930	27,000
Subtotal .....	<u>\$ 28,996</u>	<u>\$ 29,000</u>	<u>\$ 29,100</u>
<b>Miscellaneous Revenues</b>			
Treasury Department			
Interest on Securities .....	\$ 14,159	\$ 19,930	\$ 13,730
Interest on Securities Liquid Fuels Tax Fund .....	595	600	600
Interest on Deposit — Cash Advancement Accounts .....	92	90	90
Advance Construction Interstate Interest Earnings .....	.....	888	1,617
Interest on Deposits — Liquid Fuels Tax Fund .....	80	80	80
Department of General Services			
Sale of Unserviceable Property .....	505	500	500
Department of Transportation			
Highway Encroachment Permits .....	1,091	1,090	1,090
Highway Bridges Income .....	95	100	100
Sale of Maps and Plans .....	221	220	220
Sale of Gas, Oil and Anti-Freeze .....	445	450	450
Recovered Damages .....	9	10	10
Contract Deposit Forfeitures .....	.	.	.
Sale of Inspection Stickers .....	18,235	18,508	18,508
Miscellaneous Revenues .....	960	980	980
Refunds of Expenditures Not Credited to Appropriations or Allocations .....	971	970	970
Fees for Reclaiming Abandoned Vehicles .....	16	20	20
Sale of Abandoned Vehicles .....	2	2	2
Sale of Bid Proposals and Contract Specifications .....	645	650	650
Federal Reimbursement for Advance Construction Interstate Payments .....	15,800	.....	.....
Advance Construction Interstate Interest Reimbursement .....	.....	3,488	7,024
Subtotal .....	<u>\$ 53,921</u>	<u>\$ 48,576</u>	<u>\$ 46,641</u>
<b>TOTAL OTHER MOTOR LICENSE FUND REVENUES</b> .....	<u>\$ 83,231</u>	<u>\$ 77,926</u>	<u>\$ 76,091</u>
<b>TOTAL MOTOR LICENSE FUND REVENUES</b> .....	<u>\$ 1,451,425</u>	<u>\$ 1,470,894</u>	<u>\$ 1,490,893</u>

\* Less than \$500

# Motor License Fund

## Restricted Revenues Not Included in Department Total

<b>Aviation Revenues</b>			
Actual	(Dollar Amounts in Thousands)		Estimated
1982-83 .....	\$ 6,068	1988-89 .....	\$ 14,979
1983-84 .....	7,609	1989-90 .....	15,463
1984-85 .....	8,334	1990-91 .....	17,622
1985-86 .....	11,155	1991-92 .....	18,550
1986-87 .....	10,697	1992-93 .....	19,534
1987-88 .....	13,235	1993-94 .....	20,575

Aviation revenue includes taxes levied on aviation gasoline and jet fuel, and income earned at State-owned airports. The current tax rate as of January 1, 1988 on aviation gasoline is 3.3 cents per gallon, having been increased from three cents per gallon. In accordance with Act 1984-164 the aviation gasoline rate shall never exceed six cents per gallon, nor shall it be less than 3.0 cents per gallon. Jet fuel is taxed at a base rate of 1.8 cents per gallon. Both tax rates are annually adjusted based on the jet fuel price index. The jet fuel tax, shall never exceed 2.0 cents per gallon, nor shall it be less than 1.5 cents per gallon. Airport income consists primarily of rents, concessions, utility refunds and landing fees. Aviation restricted revenues are not included in Motor License Fund Revenue totals.

	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>AVIATION REVENUES</b>			
Aviation Liquid Fuels Tax .....	\$ 6,537	\$ 7,816	\$ 8,290
Harrisburg International Airport Operations .....	5,686	5,743	6,002
State Airport Operations .....	194	211	227
Harrisburg International Airport Industrial Park .....	818	1,209	944
<b>TOTAL AVIATION REVENUES</b> .....	<u>\$ 13,235</u>	<u>\$ 14,979</u>	<u>\$ 15,463</u>

### Highway Bridge Improvement Revenues

Actual	(Dollar Amounts in Thousands)		Estimated
1982-83 .....	\$ 55,124	1988-89 .....	\$ 65,232
1983-84 .....	80,400	1989-90 .....	72,017
1984-85 .....	72,683	1990-91 .....	74,134
1985-86 .....	76,074	1991-92 .....	76,251
1986-87 .....	79,171	1992-93 .....	78,269
1987-88 .....	42,862	1993-94 .....	80,487

Prior to the U.S. Supreme Court decision declaring the Axle Tax unconstitutional, highway bridge improvement revenues included a \$36 per axle tax on heavy trucks and temporary permit fees. The Axle Tax was found unconstitutional by the U.S. Supreme Court on June 23, 1987. These revenues were replaced by Act 56 of 1987, which provides for the following: a 6 cent per gallon surtax on fuel consumed in Pennsylvania by motor carrier vehicles; a portion of the registration fee for Pennsylvania based motor vehicles in classes 9-25; and, temporary permit fees collected from out-of-state motor carriers for travel in Pennsylvania. Negative entries for Axle Tax receipts represent rebates paid out for previously collected taxes that did not meet payment criteria.

	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>HIGHWAY BRIDGE IMPROVEMENT REVENUES</b>			
Axle Tax .....	\$ -6,221	\$ -7,368	.....
Motor Carrier Surcharge .....	34,085	\$ 54,200	54,300
Registration Fee Portion—PA-Based Motor Vehicles .....	12,674	17,100	16,400
Temporary Permit Fees .....	2,324	1,300	1,317
<b>TOTAL HIGHWAY BRIDGE IMPROVEMENT REVENUES</b> .....	<u>\$ 42,862</u>	<u>\$ 65,232</u>	<u>\$ 72,017</u>

# Motor License Fund

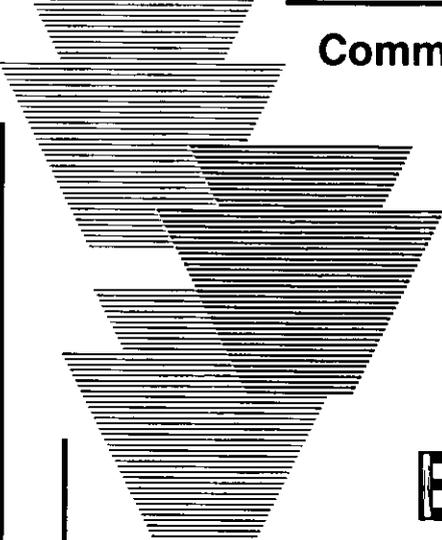
## Restricted Revenues Not Included in Department Total (continued)

### State Highway Transfer Revenues

Actual	(Dollar Amounts in Thousands)	Estimated	
1982-83 .....	.....	1988-89 .....	\$ 15,211
1983-84 ..... \$	8,926	1989-90 .....	15,412
1984-85 .....	13,712	1990-91 .....	15,687
1985-86 .....	14,551	1991-92 .....	15,974
1986-87 .....	14,225	1992-93 .....	16,259
1987-88 .....	14,841	1993-94 .....	16,555

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

	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>STATE HIGHWAY TRANSFER REVENUES</b>			
Oil Company Franchise Tax (3 mills) .....	\$ 14,841	\$ 15,211	\$ 15,412



**Commonwealth of Pennsylvania**

# **Banking Department Fund**

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

# Banking Department Fund

## Financial Statement

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Beginning Balance</b> .....	\$ 2,318	\$ 2,576	\$ 1,753
<b>Receipts:</b>			
Revenue Estimate .....	\$ 7,556	\$ 8,313	\$ 8,807
Prior Year Lapses .....	35	21	.....
	<hr/>	<hr/>	<hr/>
Total Receipts .....	7,591	8,334	8,807
<b>Funds Available</b> .....	\$ 9,909	\$ 10,910	\$ 10,560
<b>Expenditures:</b>			
Appropriated .....	\$ 7,333	\$ 9,157	\$ 8,940
	<hr/>	<hr/>	<hr/>
Estimated Expenditures .....	-7,333	-9,157	-8,940
	<hr/>	<hr/>	<hr/>
<b>Ending Balance</b> .....	<u>\$ 2,576</u>	<u>\$ 1,753</u>	<u>\$ 1,620</u>

## Summary by Department

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Estimated	1989-90 Budget
<b>Treasury Department</b>			
<b>General Government</b>			
Replacement Checks .....		\$ 5	\$ 15
<b>Banking Department</b>			
<b>General Government</b>			
General Operations .....	\$ 7,035	\$ 8,858	\$ 8,642
<b>Department of General Services</b>			
<b>General Government</b>			
Harristown Rental Charges .....	\$ 170	\$ 163	\$ 146
Harristown Utility and Municipal Charges .....	128	131	137
	<hr/>	<hr/>	<hr/>
DEPARTMENT TOTAL .....	<u>\$ 298</u>	<u>\$ 294</u>	<u>\$ 283</u>
	<hr/>	<hr/>	<hr/>
FUND TOTAL .....	<u>\$ 7,333</u>	<u>\$ 9,157</u>	<u>\$ 8,940</u>

# Banking Department Fund

## REVENUE SUMMARY

(Dollar Amounts in Thousands)

### Five Year Revenue Projections

	1987-88 Actual	1988-89 Estimated	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
Licenses and Fees .....	\$ 7,324	\$ 8,067	\$ 8,549	\$ 8,984	\$ 9,386	\$ 9,885	\$ 10,300
Miscellaneous .....	232	246	258	271	284	300	305
<b>TOTAL BANKING DEPARTMENT FUND RECEIPTS .....</b>	<b>\$ 7,556</b>	<b>\$ 8,313</b>	<b>\$ 8,807</b>	<b>\$ 9,255</b>	<b>\$ 9,670</b>	<b>\$ 10,185</b>	<b>\$ 10,605</b>

### Revenue Sources

#### Licenses and Fees

Actual	Estimated
1982-83 .....	1988-89 .....
\$ 6,638	\$ 8,067
1983-84 .....	1989-90 .....
6,528	8,549
1984-85 .....	1990-91 .....
6,251	8,984
1985-86 .....	1991-92 .....
6,588	9,386
1986-87 .....	1992-93 .....
6,524	9,885
1987-88 .....	1993-94 .....
7,324	10,300

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

#### Fines and Penalties

Actual	Estimated
1982-83 .....	1988-89 .....
\$ 1	
1983-84 .....	1989-90 .....
1984-85 .....	1990-91 .....
1985-86 .....	1991-92 .....
1986-87 .....	1992-93 .....
1987-88 .....	1993-94 .....

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

#### Miscellaneous Revenues

Actual	Estimated
1982-83 .....	1988-89 .....
\$ 333	\$ 246
1983-84 .....	1989-90 .....
351	258
1984-85 .....	1990-91 .....
406	271
1985-86 .....	1991-92 .....
276	284
1986-87 .....	1992-93 .....
183	300
1987-88 .....	1993-94 .....
232	305

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

# Banking Department Fund

## Revenue Detail

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

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Estimated	1989-90 Budget
<b>Licenses and Fees</b>			
Banking Examinations .....	\$ 2,672	\$ 2,891	\$ 3,036
Banking — Overhead Assessments .....	1,916	2,432	2,268
Banking — Application Fees .....	108	92	79
Banking — Publications .....	1	1	1
Banking — Miscellaneous Fees .....	4	2	2
Banking — Interstate Application Fees .....	65	45	50
Foreign Bank Application Fees .....	4	10	8
Savings Association — Examinations .....	615	456	481
Savings Association — Overhead Assessments .....	391	486	513
Savings Association — Application Fees .....	28	32	32
Consumer Credit — Examinations .....	351	354	364
Consumer Credit — Overhead Assessments .....	140	158	171
Miscellaneous .....	2	3	3
Consumer Credit — Pawnbroker Licenses .....	4	4	4
Consumer Credit — Installment Seller Licenses .....	203	200	210
Consumer Credit — Consumer Discount Company Licenses .....	175	157	154
Consumer Credit — Money Transmitter Licenses .....	5	4	5
Consumer Credit — Sales Finance Licenses .....	170	180	167
Consumer Credit — Collector-Repossessor Licenses .....	21	20	22
Consumer Credit — Second Mortgage Licenses .....	44	40	35
Examinations — Credit Union .....	215	204	231
Examinations — Money Transmitters .....	57	62	69
Examinations — Pawnbrokers .....	6	4	5
Examinations — Second Mortgage .....	127	230	246
Examinations — First Mortgage .....	.....	.....	241
First Mortgage Company — Licenses .....	.....	.....	152
<b>TOTAL</b> .....	<b>\$ 7,324</b>	<b>\$ 8,067</b>	<b>\$ 8,549</b>
<b>Miscellaneous Revenues</b>			
Interest on Securities .....	\$ 230	\$ 244	\$ 255
Interest on Deposits .....	2	2	3
<b>TOTAL</b> .....	<b>\$ 232</b>	<b>\$ 246</b>	<b>\$ 258</b>
<b>TOTAL REVENUES</b> .....	<b>\$ 7,556</b>	<b>\$ 8,313</b>	<b>\$ 8,807</b>



**Commonwealth of Pennsylvania**

# **Boat Fund**

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

# Boat Fund

## Financial Statement

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Beginning Balance</b> .....	\$ 4,188	\$ 4,094	\$ 3,505
<b>Receipts:</b>			
Revenue Estimate .....	\$ 4,424	\$ 3,916	\$ 4,051
Prior Year Lapses .....	.....	.....	.....
Total Receipts .....	4,424	3,916	4,051
<b>Funds Available</b> .....	\$ 8,612	\$ 8,010	\$ 7,556
<b>Expenditures:</b>			
Appropriated .....	\$ 4,518	\$ 4,505	\$ 5,049
Estimated Expenditures .....	-4,518	-4,505	-5,049
<b>Ending Balance</b> .....	\$ 4,094	\$ 3,505	\$ 2,507

## Summary by Department

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Treasury Department</b>			
<b>General Government</b>			
Replacement Checks .....	.....	\$ 5	\$ 15
<b>Debt Service Requirements</b>			
General Obligation Debt Service .....	2	2	2
<b>DEPARTMENT TOTAL</b> .....	<u>\$ 2</u>	<u>\$ 7</u>	<u>\$ 17</u>
<b>Fish Commission</b>			
<b>General Government</b>			
General Operations .....	\$ 3,830	\$ 3,920	\$ 4,442
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 3,832</u>	<u>\$ 3,927</u>	<u>\$ 4,459</u>
Federal Funds .....	\$ 672	\$ 568	\$ 580
Other Funds .....	14	10	10
<b>FUND TOTAL</b> .....	<u>\$ 4,518</u>	<u>\$ 4,505</u>	<u>\$ 5,049</u>

## REVENUE SUMMARY

(Dollar Amounts in Thousands)

### Five Year Revenue Projections

	1987-88 Actual	1988-89 Estimated	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
Licenses and Fees .....	\$ 1,344	\$ 1,426	\$ 1,498	\$ 1,571	\$ 1,601	\$ 1,614	\$ 1,629
Fines and Penalties .....	74	60	60	60	60	60	60
Miscellaneous .....	2,320	1,852	1,903	1,954	2,005	2,056	2,107
<b>TOTAL BOAT FUND REVENUES</b> .....	<b>\$ 3,738</b>	<b>\$ 3,338</b>	<b>\$ 3,461</b>	<b>\$ 3,585</b>	<b>\$ 3,666</b>	<b>\$ 3,730</b>	<b>\$ 3,796</b>
Augmentations .....	\$ 686	\$ 578	\$ 590	\$ 611	\$ 641	\$ 672	\$ 705
<b>TOTAL BOAT FUND RECEIPTS</b> .....	<b>\$ 4,424</b>	<b>\$ 3,916</b>	<b>\$ 4,051</b>	<b>\$ 4,196</b>	<b>\$ 4,307</b>	<b>\$ 4,402</b>	<b>\$ 4,501</b>

### Revenue Sources

#### Licenses and Fees

Actual	Estimated
1982-83 .....	\$ 1,031
1983-84 .....	1,071
1984-85 .....	1,141
1985-86 .....	1,179
1986-87 .....	1,287
1987-88 .....	1,344
1988-89 .....	\$ 1,426
1989-90 .....	1,498
1990-91 .....	1,571
1991-92 .....	1,601
1992-93 .....	1,614
1993-94 .....	1,629

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

#### Fines and Penalties

Actual	Estimated
1982-83 .....	\$ 83
1983-84 .....	82
1984-85 .....	108
1985-86 .....	95
1986-87 .....	90
1987-88 .....	74
1988-89 .....	\$ 60
1989-90 .....	60
1990-91 .....	60
1991-92 .....	60
1992-93 .....	60
1993-94 .....	60

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

#### Miscellaneous Revenues

Actual	Estimated
1982-83 .....	\$ 2,285
1983-84 .....	2,159
1984-85 .....	2,442
1985-86 .....	1,989
1986-87 .....	1,992
1987-88 .....	2,320
1988-89 .....	\$ 1,852
1989-90 .....	1,903
1990-91 .....	1,954
1991-92 .....	2,005
1992-93 .....	2,056
1993-94 .....	2,107

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

## Revenue Detail

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

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Licenses and Fees</b>			
Motor Boat Registration Fees .....	\$ 1,320	\$ 1,400	\$ 1,470
Boat Mooring Permits—Walnut Creek Access .....	21	22	22
Boat Capacity Plate Fees .....	3	4	6
<b>TOTAL</b> .....	<u>\$ 1,344</u>	<u>\$ 1,426</u>	<u>\$ 1,498</u>
 <b>Fines and Penalties</b>			
Motor Boat Fines .....	\$ 74	\$ 60	\$ 60
<b>TOTAL</b> .....	<u>\$ 74</u>	<u>\$ 60</u>	<u>\$ 60</u>
 <b>Miscellaneous</b>			
Transfer From Motor License and Liquid Fuels Tax Funds	\$ 1,402	\$ 1,500	\$ 1,550
Miscellaneous .....	563	7	7
Interest on Securities .....	305	312	312
Sale of Unserviceable Property .....	50	33	34
<b>TOTAL</b> .....	<u>\$ 2,320</u>	<u>\$ 1,852</u>	<u>\$ 1,903</u>
<b>TOTAL REVENUES</b> .....	<u>\$ 3,738</u>	<u>\$ 3,338</u>	<u>\$ 3,461</u>
 <b>Augmentations</b>			
Sale of Automobiles .....	\$ 14	\$ 10	\$ 10
U.S. Coast Guard Grant for Boating Safety .....	434	301	331
Sport Fish Restoration .....	238	267	249
<b>TOTAL</b> .....	<u>\$ 686</u>	<u>\$ 578</u>	<u>\$ 590</u>
<b>TOTAL RECEIPTS</b> .....	<u>\$ 4,424</u>	<u>\$ 3,916</u>	<u>\$ 4,051</u>



Commonwealth of Pennsylvania

# **Economic Revitalization Fund**

The Pennsylvania Economic Revitalization Fund (PERF) was created by Act 104 of 1984 as a three-year \$190 million program financed through a bond issue authorized by the electorate. In 1985-86, the funding for PERF was changed from bond funds to current revenues provided from General Fund transfer appropriations; and the fund was formally established in the 1988-89 budget as a permanent economic development fund.

# Economic Revitalization Fund

## Financial Statement

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Beginning Balance</b> .....	\$ 19,881	\$ 20,281	\$ 3,636
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 59,000	\$ 41,050	\$ 53,100
Miscellaneous .....	4,297	5,479	4,500
Less transfer of interest to Sinking Fund .....	-5,026	-4,444	-3,000
Prior Year Lapses .....	13,596	2,000	.....
<b>Total Receipts</b> .....	<u>71,867</u>	<u>44,085</u>	<u>54,600</u>
<b>Funds Available</b> .....	<u>\$ 91,748</u>	<u>\$ 64,366</u>	<u>\$ 58,236</u>
<b>Expenditures:</b>			
Appropriated .....	\$ 71,467 <sup>a</sup>	\$ 63,230	\$ 54,600
Less Current Year Lapses .....	.....	-2,500	.....
<b>Estimated Expenditures</b> .....	<u>-71,467</u>	<u>-60,730</u>	<u>-54,600</u>
<b>Ending Balance</b> .....	<u>\$ 20,281</u>	<u>\$ 3,636</u>	<u>\$ 3,636</u>

<sup>a</sup>Includes \$6,101,000 in increases to prior year continuing appropriations approved in 1987-88.

# Economic Revitalization Fund

## Summary by Department

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Department of Agriculture</b>			
<b>Grants and Subsidies</b>			
PennAg Fund .....	.....	\$ 1,000	\$ 1,000
<b>Department of Community Affairs</b>			
<b>Grants and Subsidies</b>			
Recreational Improvement and Rehabilitation .....	\$ 6,000 <sup>a</sup>	\$ 6,000	.....
Reduction of State Match .....	.....	1,500	.....
DEPARTMENT TOTAL .....	<u>\$ 6,000</u>	<u>\$ 7,500</u>	<u>.....</u>
<b>Economic Development Partnership</b>			
<b>Grants and Subsidies</b>			
Engineering School Equipment .....	\$ 3,000	.....	.....
Business Infrastructure Development .....	21,316	\$ 21,500	\$ 23,600
Small Business Incubators .....	3,843	2,157	.....
Employee Ownership—Technical Assistance .....	214	500	500
Capital Loan Fund .....	8,000	8,000	4,500
Mon Valley Revitalization .....	2,000	2,000	2,000
Beaver Valley Revitalization .....	1,000	1,000	1,000
Shenango Valley Revitalization .....	1,000	1,000	1,000
Johnstown Industrial Heritage .....	.....	1,000	.....
Community Economic Recovery .....	993	1,000	1,000
Industrial Resource Centers .....	10,000	10,000	10,000
Lehigh Mountaintop Campus .....	.....	1,000	1,000
Butler-Lawrence Revitalization .....	.....	500	.....
Alle-Kiske Valley Revitalization .....	.....	250	.....
Machinery and Equipment Revolving Fund .....	.....	3,000	3,000
AVTEX Site Development .....	.....	300	.....
DEPARTMENT TOTAL .....	<u>\$ 51,366</u>	<u>\$ 53,207</u>	<u>\$ 47,600</u>
<b>DEPARTMENT OF ENVIRONMENTAL RESOURCES</b>			
<b>Grants and Subsidies</b>			
Conservation Corps .....	\$ 6,050	\$ 1,523	\$ 6,000
Recreational Improvement and Rehabilitation .....	8,051 <sup>b</sup>	.....	.....
DEPARTMENT TOTAL .....	<u>\$ 14,101</u>	<u>\$ 1,523</u>	<u>\$ 6,000</u>
FUND TOTAL .....	<u>\$ 71,467</u>	<u>\$ 63,230</u>	<u>\$ 54,600</u>

<sup>a</sup>Increase to a prior year continuing appropriation approved in 1987-88.

<sup>b</sup>Includes \$101,000 increase to a prior continuing appropriation approved in 1987-88.

# Economic Revitalization Fund

## REVENUE SUMMARY

(Dollar Amounts in Thousands)

### Five Year Revenue Projections

	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
Transfer from General Fund .....	\$ 59,000	\$ 41,050	\$ 53,100	\$ 52,000	\$ 45,000	\$ 50,000	\$ 46,000
Miscellaneous .....	4,297	5,479	4,500	4,000	4,500	5,000	5,500
Interest Transferred to Sinking Fund .....	-5,026	-4,444	-3,000	-2,000	-2,000	-2,000	-2,000
<b>TOTAL ECONOMIC REVITALIZATION .....</b>	<b>\$ 58,271</b>	<b>\$ 42,085</b>	<b>\$ 54,600</b>	<b>\$ 54,000</b>	<b>\$ 47,500</b>	<b>\$ 53,000</b>	<b>\$ 49,500</b>

### Revenue Sources

#### Transfer from General Fund

Actual	Estimated
1982-83 .....	1988-89 .....
1983-84 .....	1989-90 .....
1984-85 .....	1990-91 .....
1985-86 .....	1991-92 .....
1986-87 .....	1992-93 .....
1987-88 .....	1993-94 .....
	\$ 41,050
	53,100
	52,000
\$ 12,000	45,000
105,000	50,000
59,000	46,000

Initially funded from the sale of bonds, this fund in 1985-86 was converted to a pay-as-you-go fund whose primary source of revenue is an annual transfer from the General Fund.

#### Miscellaneous Revenues

Actual	Estimated
1982-83 .....	1988-89 .....
1983-84 .....	1989-90 .....
1984-85 .....	1990-91 .....
1985-86 .....	1991-92 .....
1986-87 .....	1992-93 .....
1987-88 .....	1993-94 .....
	\$ 5,479
	4,500
\$ 74,768	4,000
3,855	4,500
1,468	5,000
4,297	5,500

Miscellaneous Revenue includes bond sales net of discount, interest earnings, loan repayments and other miscellaneous revenue.

#### Interest Transferred to Sinking Fund

Actual	Estimated
1982-83 .....	1988-89 .....
1983-84 .....	1989-90 .....
1984-85 .....	1990-91 .....
1985-86 .....	1991-92 .....
1986-87 .....	1992-93 .....
1987-88 .....	1993-94 .....
	\$ -4,444
	-3,000
	-2,000
	-2,000
\$ -4,646	-2,000
-5,026	-2,000

All interest on securities are required to be transferred to the Economic Revitalization Sinking Fund, to be used to pay interest and principal repayments due on outstanding economic revitalization bonds.

# Economic Revitalization Fund

## Revenue Detail

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

	1987-88	(Dollar Amounts in Thousands)	1989-90
	Actual	1988-89 Estimated	Budget
Transfer from General Fund .....	\$ 59,000	\$ 41,050	\$ 53,100
Miscellaneous Revenue .....	4,297	5,479	4,500
Interest Transferred to Sinking Fund .....	-5,026	-4,444	-3,000
TOTAL RECEIPTS .....	<u>\$ 58,271</u>	<u>\$ 42,085</u>	<u>\$ 54,600</u>



Commonwealth of Pennsylvania

# **Energy Conservation and Assistance Fund**

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

# Energy Conservation and Assistance Fund

## Financial Statement

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Beginning Balance</b> .....	\$ 106,834	\$ 85,932	\$ 43,086
<b>Receipts:</b>			
Revenue Estimated .....	\$ 18,993	\$ 15,768	\$ 13,310
Transfer from Oil Overcharge Fund ..	4,313	584	.....
Prior Year Lapses .....	1,099	63	.....
	<hr/>	<hr/>	<hr/>
Total Receipts .....	24,405	16,415	13,310
<b>Funds Available</b> .....	<u>\$ 131,239</u>	<u>\$ 102,347</u>	<u>\$ 56,396</u>
<b>Expenditures:</b>			
Appropriated .....	\$ 45,307	\$ 59,261	\$ 49,000
Current year lapse .....	.....	.....	.....
	<hr/>	<hr/>	<hr/>
Estimated Expenditures .....	-45,307	-59,261	-49,000
<b>Ending Balance</b> .....	<u>\$ 85,932</u>	<u>\$ 43,086</u>	<u>\$ 7,396</u>

## Summary by Department

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Estimated	1989-90 Budget
<b>Department of Community Affairs</b>			
<b>General Government</b>			
Weatherization .....	.....	\$ 21,459	\$ 18,500
<b>Department of Public Welfare</b>			
<b>General Government</b>			
Low Income Fuel Assistance .....	\$ 41,970	\$ 30,702	\$ 20,000
<b>Energy Office</b>			
<b>General Government</b>			
Energy Conservation Programs .....	<u>\$ 3,337</u>	<u>\$ 7,100</u>	<u>\$ 10,500</u>
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 45,307</u>	<u>\$ 59,261</u>	<u>\$ 49,000</u>
<b>FUND TOTAL</b> .....	<u>\$ 45,307</u>	<u>\$ 59,261</u>	<u>\$ 49,000</u>

# Energy Conservation and Assistance Fund

## REVENUE SUMMARY

(Dollar Amounts in Thousands)

### Five Year Revenue Projections

	1987-88 Actual	1988-89 Estimated	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
Court Settlements .....	\$ 11,353	\$ 11,000	\$ 11,000	\$ 23,300	\$ 4,100	\$ 3,900	\$ 3,600
Transfer from Oil Overcharge Fund .....	4,313	584	.....	.....	.....	.....	.....
Interest Earned .....	<u>7,640</u>	<u>4,768</u>	<u>2,310</u>	<u>1,986</u>	<u>500</u>	<u>135</u>	<u>125</u>
<b>TOTAL ENERGY CONSERVATION AND ASSISTANCE FUND RECEIPTS .....</b>	<b><u>\$ 23,306</u></b>	<b><u>\$ 16,352</u></b>	<b><u>\$ 13,310</u></b>	<b><u>\$ 25,286</u></b>	<b><u>\$ 4,600</u></b>	<b><u>\$ 4,035</u></b>	<b><u>\$ 3,725</u></b>

### Revenue Sources

#### Court Settlements

Actual	Estimated
1982-83 .....	1988-89 .....
1983-84 .....	1989-90 .....
1984-85 .....	1990-91 .....
1985-86 .....	1991-92 .....
1986-87 .....	1992-93 .....
1987-88 .....	1993-94 .....
\$ 140,999	\$ 11,584
15,666	11,000
	23,300
	4,100
	3,900
	3,600

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

Amounts for 1987-88 and 1988-89 are the transfer of court settlements initially deposited in Oil Overcharge Fund.

#### Miscellaneous Revenues

Actual	Estimated
1982-83 .....	1988-89 .....
1983-84 .....	1989-90 .....
1984-85 .....	1990-91 .....
1985-86 <sup>a</sup> .....	1991-92 .....
1986-87 .....	1992-93 .....
1987-88 .....	1993-94 .....
\$ 2,853	\$ 4,768
5,601	2,310
7,640	1,986
	500
	135
	125

Miscellaneous Revenue is interest earned on the Energy Conservation and Assistance Fund.

<sup>a</sup>Funds were originally deposited in the General Fund. Upon transfer to this special fund retroactive interest accruals were also transferred.

# Energy Conservation and Assistance Fund

## Revenue Detail

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

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Estimated	1989-90 Budget
Court Settlements .....	\$ 11,353	\$ 11,000	\$ 11,000
Interest Earned .....	7,640	4,768	2,310
Transfer from Oil Overcharge Fund .....	4,313	584	.....
<b>TOTAL RECEIPTS .....</b>	<b>\$ 23,306</b>	<b>\$ 16,352</b>	<b>\$ 13,310</b>



**Commonwealth of Pennsylvania**

# **Fair Fund**

The Fair Fund was a special revenue fund composed of a transfer from the General Fund. Act 92 signed July 8, 1986 eliminated the Fair Fund as a Special Fund, effective July 1, 1986 and created a General Fund grant appropriation, Payments to Pennsylvania Fairs, in order to provide continued assistance to agricultural fairs.

# Fair Fund

## Financial Statement

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Beginning Balance</b> .....	\$ 15	.....	.....
<b>Receipts:</b>			
Miscellaneous .....	\$ 1	.....	.....
<b>Total Receipts</b> .....	<u>1</u>	<u>.....</u>	<u>.....</u>
<b>Funds Available</b> .....	\$ 16	.....	.....
<b>Expenditures:</b>			
Appropriated .....	\$ 16	.....	.....
<b>Estimated Expenditures</b> .....	<u>-16</u>	<u>.....</u>	<u>.....</u>
<b>Ending Balance</b> .....	<u>.....</u>	<u>.....</u>	<u>.....</u>

Act 92 signed July 8, 1986, eliminated the Fair Fund as a special fund, effective July 1, 1986 and created a General Fund grant appropriation, entitled Payments to Pennsylvania Fairs, in order to provide continued assistance to agricultural fairs.



## REVENUE SUMMARY

(Dollar Amounts in Thousands)

### Five Year Revenue Projections

	1987-88 Actual	1988-89 Estimated	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
Miscellaneous .....	\$ 1	.....	.....	.....	.....	.....	.....
<b>TOTAL FAIR FUND RECEIPTS .....</b>	<b>\$ 1</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>	<b>.....</b>

### Revenue Sources

#### Miscellaneous Revenue

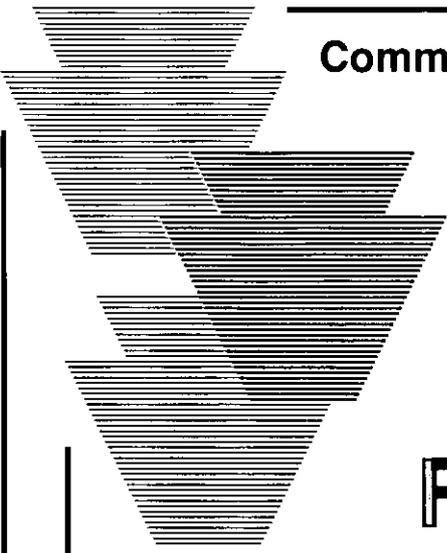
	Actual		Estimated	
1982-83 .....	\$ 2,076	1988-89 .....		
1983-84 .....	1,594	1989-90 .....		
1984-85 .....	61	1990-91 .....		
1985-86 .....	61	1991-92 .....		
1986-87 .....	9	1992-93 .....		
1987-88 .....	1	1993-94 .....		

As a result of Act 93, signed December 30, 1983, the Fair Fund no longer receives monies from horse or harness racing. However, beginning in 1983-84, General Fund money was provided for transfer to the Fair Fund. Act 92 signed July 8, 1986, eliminated the Fair Fund as a special fund, effective July 1, 1986 and created a General Fund grant appropriation, Payments to Pennsylvania Fairs, in order to provide continued assistance to agricultural fairs.

### Revenue Detail

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

	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Miscellaneous Revenues</b>			
Interest on Securities and Deposits .....	\$ 1	.....	.....
<b>TOTAL RECEIPTS .....</b>	<b>\$ 1</b>	<b>.....</b>	<b>.....</b>



**Commonwealth of Pennsylvania**

# **Farm Products Show Fund**

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

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

# Farm Products Show Fund

## Financial Statement

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Beginning Balance</b> .....	\$ 868	\$ 983	\$ 2,866
<b>Receipts:</b>			
Revenue Estimate .....	\$ 2,035	\$ 4,266	\$ 2,238
Transfer from General Fund .....	1,000	1,000	1,000
Prior Year Lapses .....	24	12	.....
<b>Total Receipts</b> .....	<u>3,059</u>	<u>5,278</u>	<u>3,238</u>
<b>Funds Available</b> .....	<u>\$ 3,927</u>	<u>\$ 6,261</u>	<u>\$ 6,104</u>
<b>Expenditures:</b>			
Appropriated .....	<u>\$ 2,944</u>	<u>\$ 3,395</u>	<u>\$ 4,624</u>
Estimated Expenditures .....	<u>-2,944</u>	<u>-3,395</u>	<u>-4,624</u>
<b>Ending Balance</b> .....	<u>\$ 983</u>	<u>\$ 2,866</u>	<u>\$ 1,480</u>

## Summary by Department

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Estimated	1989-90 Budget
<b>Treasury Department</b>			
<b>General Government</b>			
Replacement Checks .....	.....	\$ 5	\$ 15
<b>Department of Agriculture</b>			
<b>General Government</b>			
General Operations .....	\$ 1,944	\$ 1,890	\$ 2,109
Farm Show Roof Replacement .....	.....	500	1,500
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 1,944</u>	<u>\$ 2,390</u>	<u>\$ 3,609</u>
Augmentations .....	\$ 1,000	\$ 1,000	\$ 1,000
<b>FUND TOTAL</b> .....	<u>\$ 2,944</u>	<u>\$ 3,395</u>	<u>\$ 4,624</u>

# Farm Products Show Fund

## REVENUE SUMMARY

(Dollar Amounts in Thousands)

### Five Year Revenue Projections

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Estimated	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
Fees.....	\$ 249	\$ 271	\$ 271	\$ 284	\$ 284	\$ 284	\$ 284
Miscellaneous.....	1,786	3,995	1,967	1,956	1,956	1,956	1,956
<b>Total Farm Products Show Fund Revenues.....</b>	<b>\$ 2,035</b>	<b>\$ 4,266</b>	<b>\$ 2,238</b>	<b>\$ 2,240</b>	<b>\$ 2,240</b>	<b>\$ 2,240</b>	<b>\$ 2,240</b>
Augmentations.....	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
<b>TOTAL FARM PRODUCTS SHOW FUND RECEIPTS.....</b>	<b>\$ 3,035</b>	<b>\$ 5,266</b>	<b>\$ 3,238</b>	<b>\$ 3,240</b>	<b>\$ 3,240</b>	<b>\$ 3,240</b>	<b>\$ 3,240</b>

### Revenue Sources

#### Fees

Actual	(Dollar Amounts in Thousands)		Estimated
1982-83.....	\$ 198	1988-89.....	\$ 271
1983-84.....	213	1989-90.....	271
1984-85.....	208	1990-91.....	284
1985-86.....	221	1991-92.....	284
1986-87.....	239	1992-93.....	284
1987-88.....	249	1993-94.....	284

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

#### Miscellaneous Revenue

Actual	(Dollar Amounts in Thousands)		Estimated
1982-83.....	\$ 1,350	1988-89.....	\$ 3,995
1983-84.....	1,298	1989-90.....	1,967
1984-85.....	1,504	1990-91.....	1,956
1985-86.....	1,550	1991-92.....	1,956
1986-87.....	1,652	1992-93.....	1,956
1987-88.....	1,786	1993-94.....	1,956

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

# Farm Products Show Fund

## REVENUE DETAIL

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

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Licenses and Fees</b>			
Exhibit Fees — Competitive — Farm Show .....	\$ 16	\$ 16	\$ 16
Exhibit — Commercial .....	233	255	255
<b>TOTAL</b> .....	<u>\$ 249</u>	<u>\$ 271</u>	<u>\$ 271</u>
 <b>Miscellaneous Revenue</b>			
Concession Revenue .....	\$ 480	\$ 455	\$ 526
Service Charges .....	246	242	289
Rentals .....	701	680	774
Sale of Exhibits — Net Proceeds .....	20	20	20
Miscellaneous Revenue .....	9	10	10
Interest on Securities, Deposits, Returned Checks .....	58	57	57
Parking Fees .....	242	250	258
Salary Reimbursement — Dairy and Livestock Association .....	30	30	32
Refunds of Expenditures .....	.....	1	1
Proceeds From Sale of Woodville Farm .....	.....	2,250	.....
<b>TOTAL</b> .....	<u>\$ 1,786</u>	<u>\$ 3,995</u>	<u>\$ 1,967</u>
<b>TOTAL REVENUES</b> .....	<u>\$ 2,035</u>	<u>\$ 4,266</u>	<u>\$ 2,238</u>
 <b>Augmentations</b>			
Transfer from General Fund .....	\$ 1,000	\$ 1,000	\$ 1,000
<b>TOTAL</b> .....	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>
<b>TOTAL RECEIPTS</b> .....	<u>\$ 3,035</u>	<u>\$ 5,266</u>	<u>\$ 3,238</u>



**Commonwealth of Pennsylvania**

# **Fish Fund**

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

# Fish Fund

## Financial Statement

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Beginning Balance</b> .....	\$ 9,631	\$ 10,441	\$ 9,604
<b>Receipts:</b>			
Miscellaneous .....	\$ 23,058	\$ 24,254	\$ 24,131
Prior Year Lapses .....	594	.....	.....
Total Receipts .....	23,652	24,254	24,131
<b>Funds Available</b> .....	\$ 33,283	\$ 34,695	\$ 33,735
<b>Expenditures:</b>			
Appropriated .....	\$ 22,842	\$ 25,091	\$ 26,541
Estimated Expenditures .....	-22,842	-25,091	-26,541
<b>Ending Balance</b> .....	\$ 10,441	\$ 9,604	\$ 7,194

## Summary by Department

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Treasury Department</b>			
<b>General Government</b>			
Replacement Checks .....	.....	\$ 5	\$ 15
<b>Debt Service Requirements</b>			
General Obligation Debt Service .....	\$ 62	63	63
DEPARTMENT TOTAL .....	\$ 62	\$ 68	\$ 78
<b>Fish Commission</b>			
<b>General Government</b>			
General Operations .....	\$ 15,399	\$ 16,427	\$ 18,076
<b>TOTAL STATE FUNDS</b> .....	\$ 15,461	\$ 16,495	\$ 18,154
Federal Funds .....	\$ 2,714	\$ 3,848	\$ 3,305
Other Funds .....	4,667	4,748	5,082
<b>FUND TOTAL</b> .....	\$ 22,842	\$ 25,091	\$ 26,541

# Fish Fund

## REVENUE SUMMARY

(Dollar Amounts in Thousands)

### Five Year Revenue Projections

	1987-88 Actual	1988-89 Estimated	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
Licenses and Fees .....	\$ 13,544	\$ 13,654	\$ 13,709	\$ 13,757	\$ 13,767	\$ 13,825	\$ 13,835
Fines and Penalties .....	211	200	200	200	200	200	200
Miscellaneous .....	1,922	1,804	1,835	1,854	1,868	1,887	1,900
<b>Total Fish Fund Revenues .....</b>	<b>\$ 15,677</b>	<b>\$ 15,658</b>	<b>\$ 15,744</b>	<b>\$ 15,811</b>	<b>\$ 15,835</b>	<b>\$ 15,912</b>	<b>\$ 15,935</b>
Augmentations .....	\$ 7,381	\$ 8,596	\$ 8,387	\$ 8,439	\$ 8,446	\$ 8,459	\$ 8,417
<b>TOTAL FISH FUND RECEIPTS .....</b>	<b>\$ 23,058</b>	<b>\$ 24,254</b>	<b>\$ 24,131</b>	<b>\$ 24,250</b>	<b>\$ 24,281</b>	<b>\$ 24,371</b>	<b>\$ 24,352</b>

### Revenue Sources

Actual	Licenses and Fees		Estimated
1982-83 .....	\$ 12,019	1988-89 .....	\$ 13,654
1983-84 .....	12,408	1989-90 .....	13,709
1984-85 .....	12,802	1990-91 .....	13,757
1985-86 .....	13,019	1991-92 .....	13,767
1986-87 .....	13,149	1992-93 .....	13,825
1987-88 .....	13,544	1993-94 .....	13,835

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

Actual	Fines and Penalties		Estimated
1982-83 .....	\$ 244	1988-89 .....	\$ 200
1983-84 .....	253	1989-90 .....	200
1984-85 .....	312	1990-91 .....	200
1985-86 .....	350	1991-92 .....	200
1986-87 .....	231	1992-93 .....	200
1987-88 .....	211	1993-94 .....	200

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

Actual	Miscellaneous Revenue		Estimated
1982-83 .....	\$ 2,018	1988-89 .....	\$ 1,804
1983-84 .....	1,903	1989-90 .....	1,835
1984-85 .....	2,053	1990-91 .....	1,854
1985-86 .....	1,780	1991-92 .....	1,868
1986-87 .....	1,650	1992-93 .....	1,887
1987-88 .....	1,922	1993-94 .....	1,900

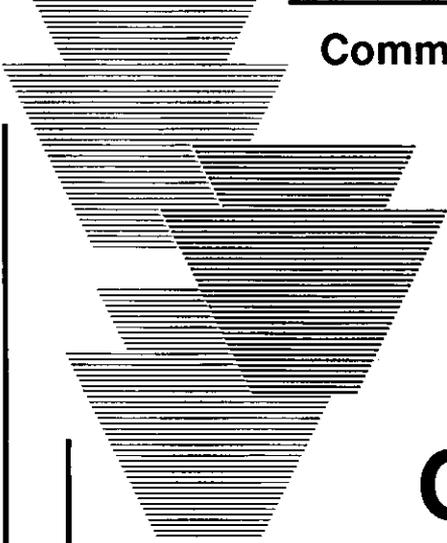
The Commonwealth receives contributions for restocking of streams principally from persons or concerns that pollute, dam, or interfere with fish propagation and survival. Monies are received from the Commission publication, *THE PENNSYLVANIA ANGLER*, from the sale of unservicable and confiscated property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

# Fish Fund

## Revenue Detail

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

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Licenses and Fees</b>			
Resident Fishing Licenses .....	\$ 11,777	\$ 11,820	\$ 11,832
Resident Senior Fishing Licenses .....	82	80	78
Nonresident Fishing Licenses .....	1,255	1,300	1,320
Tourist Fishing Licenses .....	247	255	270
Lake Erie Licenses .....	2	2	2
Commercial Hatchery Licenses .....	6	7	7
Fee—Fishing Lake Licenses .....	14	14	14
Miscellaneous Permits and Fees .....	15	15	15
Technical Service Fees—Non-Government Organizations .....			
Scientific Collector's Permits .....	5	5	5
Lifetime Fishing Licenses — Senior Resident .....	128	140	150
Membership Fees — Pennsylvania League of Angling			
Youth .....	10	11	11
H.R. Stackhouse Facilities User Fees .....	3	5	5
<b>TOTAL</b> .....	<u>\$ 13,544</u>	<u>\$ 13,654</u>	<u>\$ 13,709</u>
<b>Fines and Penalties</b>			
Fish Law Fines .....	\$ 211	\$ 200	\$ 200
<b>TOTAL</b> .....	<u>\$ 211</u>	<u>\$ 200</u>	<u>\$ 200</u>
<b>Miscellaneous Revenue</b>			
Sale of Publications .....	\$ 27	\$ 28	\$ 29
Sale of Unserviceable Property .....	4	2	2
Miscellaneous Revenue .....	31	75	75
Refund of Expenditures not Credited to Appropriations .....	1		
Interest on Securities and Deposits .....	676	693	693
Rental of Fish Commission Property .....	18	20	22
Income from Sand and Gravel Dredging .....	299	250	250
In Lieu Payments for Fishways .....	75	75	75
Redeposit of Checks .....			
Sale of Pennsylvania Angler .....	265	270	275
Sale of Patches .....	1		
Deputy Waterways Patrolmen—Reimbursements .....			
Van Dyke Shad Station—Reimbursements .....	173	140	162
Restitution For Fish Killed .....	248	200	200
Sale of Recreational Fishing Promotional Items .....	2	6	7
Royalty Payments .....	102	45	45
<b>TOTAL</b> .....	<u>\$ 1,922</u>	<u>\$ 1,804</u>	<u>\$ 1,835</u>
<b>TOTAL REVENUES</b> .....	<u>\$ 15,677</u>	<u>\$ 15,658</u>	<u>\$ 15,744</u>
<b>Augmentations</b>			
Sale of Automobiles and Other Vehicles .....	\$ 34	\$ 50	\$ 50
Reimbursement for Services—Boating Fund .....	4,516	4,498	5,032
Federal Reimbursement—Restoration .....	2,714	3,848	3,305
Pennsylvania Conservation Corps .....	117	200	
<b>TOTAL</b> .....	<u>\$ 7,381</u>	<u>\$ 8,596</u>	<u>\$ 8,387</u>
<b>TOTAL RECEIPTS</b> .....	<u>\$ 23,058</u>	<u>\$ 24,254</u>	<u>\$ 24,131</u>



**Commonwealth of Pennsylvania**

# **Game Fund**

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

# Game Fund

## Financial Statement

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Beginning Balance</b> .....	\$ 20,683	\$ 25,298	\$ 26,177
<b>Receipts:</b>			
Revenue Estimate .....	\$ 39,647	\$ 40,799	\$ 39,918
Prior Year Lapses .....	4,733	3,808	.....
Total Receipts .....	44,380	44,607	39,918
<b>Funds Available</b> .....	\$ 65,063	\$ 69,905	\$ 66,095
<b>Expenditures:</b>			
Appropriated .....	\$ 39,765	\$ 43,728	\$ 40,575
Estimated Expenditures .....	-39,765	-43,728	-40,575
<b>Ending Balance</b> .....	\$ 25,298	\$ 26,177	\$ 25,520

## Summary by Department

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Treasury Department</b>			
<b>General Government</b>			
Replacement Checks .....	.....	\$ 6	\$ 18
<b>Game Commission</b>			
<b>General Government</b>			
General Operations .....	\$ 34,745	\$ 38,790	\$ 36,074
<b>TOTAL STATE FUNDS</b> .....	\$ 34,745	\$ 38,796	\$ 36,092
Federal Funds .....	\$ 4,391	\$ 4,370	\$ 4,176
Other Funds .....	629	562	307
<b>FUND TOTAL</b> .....	\$ 39,765	\$ 43,728	\$ 40,575

## REVENUE SUMMARY

(Dollar Amounts in Thousands)

### Five Year Revenue Projections

	1987-88 Actual	1988-89 Estimated	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
Licenses and Fees .....	\$ 24,445	\$ 25,010	\$ 24,613	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Fines and Penalties .....	930	1,750	1,750	2,000	2,000	2,000	2,000
Miscellaneous .....	9,252	9,107	9,072	8,400	8,400	8,400	8,400
<b>TOTAL GAME FUND REVENUES ...</b>	<b>\$ 34,627</b>	<b>\$ 35,867</b>	<b>\$ 35,435</b>	<b>\$ 35,400</b>	<b>\$ 35,400</b>	<b>\$ 35,400</b>	<b>\$ 35,400</b>
Augmentations .....	\$ 5,020	\$ 4,932	\$ 4,483	\$ 4,600	\$ 4,600	\$ 4,600	\$ 4,600
<b>TOTAL GAME FUND RECEIPTS ....</b>	<b>\$ 39,647</b>	<b>\$ 40,799</b>	<b>\$ 39,918</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>	<b>\$ 40,000</b>

### Revenue Sources

#### Licenses and Fees

Actual	Estimated
1982-83 .....	\$ 16,599
1983-84 .....	16,693
1984-85 .....	15,923
1985-86 .....	23,004
1986-87 .....	23,365
1987-88 .....	24,445
1988-89 .....	\$ 25,010
1989-90 .....	24,613
1990-91 .....	25,000
1991-92 .....	25,000
1992-93 .....	25,000
1993-94 .....	25,000

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

#### Fines and Penalties

Actual	Estimated
1982-83 .....	\$ 636
1983-84 .....	551
1984-85 .....	621
1985-86 .....	507
1986-87 .....	641
1987-88 .....	930
1988-89 .....	\$ 1,750
1989-90 .....	1,750
1990-91 .....	2,000
1991-92 .....	2,000
1992-93 .....	2,000
1993-94 .....	2,000

The Commonwealth receives revenue in the form of fines and penalties resulting from Game Law violations. Beginning July 1, 1987, the total of all fines, fees and costs collected by any division of the unified judicial system which are in excess of the amount collected from such sources in the fiscal year 1986-87 are to be deposited in the Judicial Computer System Augmentation Account in accordance with Act 1987-64. Any fines, fees or costs which are allocated by law to counties and municipalities are not affected by this act.

**Revenue Sources (continued)**

**Miscellaneous Revenues**

	Actual	(Dollar Amounts in Thousands)		Estimated
1982-83 .....	\$	7,641	1988-89 .....	\$ 9,107
1983-84 .....		9,603	1989-90 .....	9,072
1984-85 .....		9,627	1990-91 .....	8,400
1985-86 .....		9,626	1991-92 .....	8,400
1986-87 .....		9,660	1992-93 .....	8,400
1987-88 .....		9,252	1993-94 .....	8,400

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

**Revenue Detail**

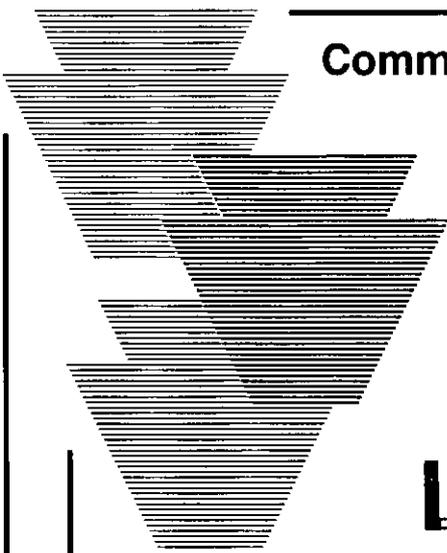
The following is a detailed list of all Game Fund Revenue available for appropriations and executive authorizations.

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Licenses and Fees</b>			
Resident Hunting Licenses .....	\$ 11,170	\$ 11,200	\$ 11,200
Resident Junior Hunting Licenses .....	585	570	565
Nonresident Hunting Licenses .....	5,257	5,280	5,280
Special Game Permits .....	239	185	185
Special Antlerless Deer Licenses .....	2,810	3,395	3,000
Special Archery Licenses .....	1,265	1,275	1,275
Special Three-day Nonresidential Regulated Shooting Ground Licenses .....	7	7	7
Resident Senior Hunting Licenses .....	643	650	650
Muzzle-loading Hunting Licenses .....	393	400	400
Right of Way Licenses .....	309	288	290
Resident Bear Licenses .....	950	950	950
Nonresident Bear Licenses .....	43	44	45
Hunting License Issuing Agents' Application Fees .....	31	32	32
Nonresident Junior Hunting License .....	106	100	100
Nonresident 5-Day Hunting License .....	40	40	40
Senior Resident — Lifetime Hunting License .....	77	77	77
Adult Resident Furtaker License .....	436	432	432
Junior Resident Furtaker License .....	31	30	30
Senior Resident Furtaker License .....	26	27	27
Nonresident Furtaker License .....	24	25	25
Nonresident Junior Furtaker License .....	3	3	3
<b>TOTAL</b> .....	<u>\$ 24,445</u>	<u>\$ 25,010</u>	<u>\$ 24,613</u>
<b>Fines and Penalties</b>			
Game Law Fines .....	\$ 930	\$ 1,750	\$ 1,750
<b>TOTAL</b> .....	<u>\$ 930</u>	<u>\$ 1,750</u>	<u>\$ 1,750</u>

# Game Fund

## Revenue Detail (continued)

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Miscellaneous Revenue</b>			
Sports Promotional Publications and Materials .....	\$ 9	\$ 8	\$ 8
Sale of Coal .....	753	450	200
Sale of Wood Products .....	4,027	4,200	4,400
Interest on Deposits .....	47	34	34
Sale of Publications .....	3	1	1
Sale of Unserviceable Property .....	94	75	75
Rental of State Property .....	13	12	12
Miscellaneous Revenue .....	84	80	80
Interest on Securities .....	2,195	2,200	2,000
Gas and Oil Ground Rentals and Royalties .....	305	380	450
Refund of Expenditures Not Credited to Appropriations .....	14	20	20
Sale of Nonusable Property .....	2	1	..
Miscellaneous Revenue License Division .....	27	28	28
Redeposit of Checks .....	..	..	..
Sale of Game News .....	578	721	867
Sale of Stone, Sand, Gravel and Limestone .....	18	10	10
Sale of Grain and Hay .....	35	30	30
Sale of Maps .....	44	42	42
Wildlife Management Promotional Revenue .....	71	70	70
Sale of Wood Products — PR Tracts .....	777	600	600
Sale of Deputy Uniforms .....	..	..	..
Working Together For Wildlife — NonGame Fund .....	64	60	60
Waterfowl Management Stamp Sales and Royalties .....	92	85	85
<b>TOTAL .....</b>	<b>\$ 9,252</b>	<b>\$ 9,107</b>	<b>\$ 9,072</b>
<b>TOTAL REVENUES .....</b>	<b>\$ 34,627</b>	<b>\$ 35,867</b>	<b>\$ 35,435</b>
<b>Augmentations</b>			
NPS Reimbursements—Land Acquisition .....	..	..	..
Sale of Automobiles .....	172	230	225
Federal Reimbursement—Pittman Robinson Act .....	4,330	4,300	4,100
Sharecrop and Agriculture License U.S. ....	54	19	19
Endangered Species Program .....	61	36	36
Pennsylvania Conservation Corps .....	294	250	..
Federal Reimbursement—Surface Mine Regulatory Program .....	..	34	40
Private Donations .....	90	50	50
Hunter — Trapper Ed Camp Program .....	15	10	10
Youth Shooting Sports Program .....	4	3	3
<b>TOTAL—AUGMENTATIONS .....</b>	<b>\$ 5,020</b>	<b>\$ 4,932</b>	<b>\$ 4,483</b>
<b>TOTAL RECEIPTS .....</b>	<b>\$ 39,647</b>	<b>\$ 40,799</b>	<b>\$ 39,918</b>



**Commonwealth of Pennsylvania**

# **Lottery Fund**

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

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

# Lottery Fund

## Financial Statement

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Beginning Balance</b> .....	\$ 214,506	\$ 169,621	\$ 87,792
Reserve from Previous Year <sup>a</sup> .....	113,534	110,132	116,305
Adjusted Beginning Balance .....	<u>\$ 328,040</u>	<u>\$ 279,753</u>	<u>\$ 204,097</u>
<b>Receipts:</b>			
Revenue Estimate .....	\$ 802,087 <sup>b</sup>	\$ 857,420	\$ 967,088
Prior Year Lapses .....	25,347	20,640	.....
<b>Funds Available</b> .....	<u>\$ 1,155,474</u>	<u>\$ 1,157,813</u>	<u>\$ 1,171,185</u>
<b>Expenditures:</b>			
Appropriated .....	\$ 875,721	\$ 961,716	\$ 1,002,727
Less Current Year Lapses .....	.....	-8,000	.....
Estimated Expenditures .....	-875,721	-953,716	-1,002,727
Reserve for Current Year <sup>a</sup> .....	-110,132	-116,305	-131,972
<b>Ending Balance</b> .....	<u>\$ 169,621</u>	<u>\$ 87,792</u>	<u>\$ 36,486</u>

<sup>a</sup>Act No. 131 of 1979 provides the amount in the Lottery Fund shall include the June 30 balance plus eighty percent of projected revenues after Lottery Fund administrative expenses for the subsequent fiscal year. "Reserve from Previous Year" equals twenty percent of the prior year revenues after prior year administrative expenses have been deducted.

<sup>b</sup>Excludes \$13,725,545 cash in transit for the 52nd deposit week in 1986-87.

# Lottery Fund

## Summary by Department

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Treasury Department</b>			
<b>General Government</b>			
Replacement Checks .....	\$ 10	\$ 20	\$ 60
<b>Department of Aging</b>			
<b>General Government</b>			
General Government Operations .....	\$ 2,374	\$ 2,467	\$ 3,084
<b>Grants and Subsidies</b>			
Aging Programs .....	\$ 52,077	\$ 54,160	\$ 57,586
Pharmaceutical Assistance Fund .....	100,000	165,000	188,000
PennCARE—Lottery .....	42,800	45,740	51,448
Drug Education .....	49	.....	.....
Abuse Intervention Services for Older Pennsylvanians .....	.....	2,440	4,000
Subtotal .....	<u>\$ 194,926</u>	<u>\$ 267,340</u>	<u>\$ 301,034</u>
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 197,300</u>	<u>\$ 269,807</u>	<u>\$ 304,118</u>
Federal Funds .....	\$ 51,811	\$ 54,566	\$ 58,821
Augmentations .....	956	2,368	3,402
DEPARTMENT TOTAL .....	<u>\$ 250,067</u>	<u>\$ 326,741</u>	<u>\$ 366,341</u>
<b>Department of General Services</b>			
<b>General Government</b>			
Harristown Rental Charges .....	\$ 101	\$ 96	\$ 86
Harristown Utility and Municipal Charges .....	87	89	94
DEPARTMENT TOTAL .....	<u>\$ 188</u>	<u>\$ 185</u>	<u>\$ 180</u>
<b>Department of Public Welfare</b>			
<b>Grants and Subsidies</b>			
Medical Assistance—Long-Term Care Facilities .....	\$ 140,000	\$ 126,000 <sup>a</sup>	\$ 106,000 <sup>a</sup>
Pre-Admission Assessment .....	2,505	..... <sup>b</sup>	..... <sup>b</sup>
Medicare Part B Payments .....	9,330	..... <sup>b</sup>	..... <sup>b</sup>
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 151,835</u>	<u>\$ 126,000</u>	<u>\$ 106,000</u>
Federal Funds .....	\$ 2,505	..... <sup>b</sup>	..... <sup>b</sup>
DEPARTMENT TOTAL .....	<u>\$ 154,340</u>	<u>\$ 126,000</u>	<u>\$ 106,000</u>

<sup>a</sup>The Medical Assistance Long-Term Care Facilities appropriation reflects transfers to the General Fund of \$14,000,000 in 1988-89 and \$20,000,000 in 1989-90.

<sup>b</sup>Included in the General Fund in 1988-89 and 1989-90.

# Lottery Fund

## Summary by Department (continued)

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Department of Revenue</b>			
<b>General Government</b>			
General Operations .....	\$ 39,484	\$ 55,803	\$ 69,570
Personal Income Tax for Lottery Prizes .....	14,842	16,791	16,894
Payment of Prize Money .....	194,420	208,600	217,372
Refunding Lottery Monies .....	10	.....	.....
Subtotal .....	<u>\$ 248,756</u>	<u>\$ 281,194</u>	<u>\$ 303,836</u>
<b>Grants and Subsidies</b>			
Property Tax and Rent Assistance for Older			
Pennsylvanians .....	\$ 123,681	\$ 126,470	\$ 126,791
Older Pennsylvanians' Inflation Dividend .....	34,016	33,976	33,858
Subtotal .....	<u>\$ 157,697</u>	<u>\$ 160,446</u>	<u>\$ 160,649</u>
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 406,453</u>	<u>\$ 441,640</u>	<u>\$ 464,485</u>
Augmentations .....	<u>\$ 2,604</u>	<u>\$ 3,281</u>	<u>\$ 3,476</u>
DEPARTMENT TOTAL .....	<u>\$ 409,057</u>	<u>\$ 444,921</u>	<u>\$ 467,961</u>
 <b>Department of Transportation</b>			
<b>General Government</b>			
Ridership Verification .....	<u>\$ 100</u>	<u>.....</u>	<u>.....</u>
<b>Grants and Subsidies</b>			
Older Pennsylvanians' Free Transit .....	\$ 69,503	\$ 73,060	\$ 73,775
Older Pennsylvanians' Shared Rides .....	46,200	46,075	49,043
Transfer to Motor License Fund—Vehicle Registration for			
Older Pennsylvanians .....	1,838	2,600	2,700
Demand Response Equipment Grants .....	2,294	2,300	2,300
Subtotal .....	<u>\$ 119,835</u>	<u>\$ 124,035</u>	<u>\$ 127,818</u>
DEPARTMENT TOTAL .....	<u>\$ 119,935</u>	<u>\$ 124,035</u>	<u>\$ 127,818</u>
 <b>Executive Offices</b>			
<b>General Government</b>			
OB — Ridership Verification .....	<u>.....</u>	<u>\$ 29</u>	<u>\$ 66</u>
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 875,721</u>	<u>\$ 961,716</u>	<u>\$ 1,002,727</u>
Federal Funds .....	\$ 54,316	\$ 54,566	\$ 58,821
Augmentations .....	3,560	5,649	6,878
FUND TOTAL .....	<u>\$ 933,597</u>	<u>\$ 1,021,931</u>	<u>\$ 1,068,426</u>

# Lottery Fund

## REVENUE SUMMARY

(Dollar Amounts in Thousands)

### Five Year Revenue Projections

	1987-88 Actual	1988-89 Estimated	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
Collections .....	\$ 775,534	\$ 836,181	\$ 952,913	\$ 974,914	\$ 993,229	\$ 1,011,909	\$ 1,030,463
Miscellaneous Revenue .....	26,553	21,239	14,175	10,038	6,360	4,000	4,000
<b>TOTAL LOTTERY FUND REVENUES..</b>	<b>\$ 802,087</b>	<b>\$ 857,420</b>	<b>\$ 967,088</b>	<b>\$ 984,952</b>	<b>\$ 999,589</b>	<b>\$ 1,015,909</b>	<b>\$ 1,034,463</b>

### Revenue Sources

#### Collections

	Actual		Estimated
1982-83 .....	\$ 495,762	1988-89 .....	\$ 836,181
1983-84 .....	763,814	1989-90 .....	952,913
1984-85 .....	768,734	1990-91 .....	974,914
1985-86 .....	732,852	1991-92 .....	993,229
1986-87 .....	765,092	1992-93 .....	1,011,909
1987-88 .....	775,534	1993-94 .....	1,030,463

Collections consist of the net proceeds from lottery ticket sales less commissions and some prizes. Currently prizes of \$2,500 or less for the three computer games and prizes of \$100 or less for instant games can be paid by the ticket agents. The State Lottery is currently operating 5 games; the "Daily Number" game introduced in March, 1977, the "Big 4" game introduced in November, 1980, the "Lotto" game introduced in April, 1982 and revised in 1988; and the "Super 7" introduced in August, 1986; all utilize computer sales terminals located across the Commonwealth. The fifth game is the instant game which 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 "Super 7" which consists of 1 play to pick 7 of 80 numbers. "Daily Number" and "Big 4" game ticket prices range from \$.50 to \$5.00. Sales projection reflect planned modification of the "Super 7" "Big 4" and "Daily Number" games.

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)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Ticket Sales .....	\$ 1,439,143	\$ 1,482,326	\$ 1,608,972	\$ 1,646,211	\$ 1,677,056	\$ 1,708,517	\$ 1,740,607
Commissions .....	-95,308	-93,045	-94,472	-96,667	-98,471	-100,312	-102,261
Field Paid Prizes .....	-568,301	-553,100	-561,587	-574,630	-585,356	-596,296	-607,883
<b>COLLECTIONS .....</b>	<b>\$ 775,534</b>	<b>\$ 836,181</b>	<b>\$ 952,913</b>	<b>\$ 974,914</b>	<b>\$ 993,229</b>	<b>\$ 1,011,909</b>	<b>\$ 1,030,463</b>

# Lottery Fund

## Revenue Sources (continued)

<b>Miscellaneous Revenue</b>			
Actual	(Dollar Amounts in Thousands)		Estimated
1982-83 .....	\$ 8,740	1988-89 .....	\$ 21,239
1983-84 .....	28,704	1989-90 .....	14,175
1984-85 .....	45,834	1990-91 .....	10,038
1985-86 .....	37,917	1991-92 .....	6,360
1986-87 .....	28,407	1992-93 .....	4,000
1987-88 .....	26,553	1993-94 .....	4,000

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

## Revenue Detail

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

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Collections</b> .....	\$ 775,534	\$ 836,181	\$ 952,913
<b>Miscellaneous</b> .....	26,553	21,239	14,175
<b>TOTAL LOTTERY FUND REVENUES</b> .....	<u>\$ 802,087</u>	<u>\$ 857,420</u>	<u>\$ 967,088</u>



**Commonwealth of Pennsylvania**

# **Milk Marketing Fund**

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

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Beginning Balance</b> .....	\$ 274	\$ 221	\$ 125
<b>Receipts:</b>			
Revenue Estimate .....	\$ 649	\$ 690	\$ 1,300
Transfer from General Fund .....	950	950	950
Prior Year Lapses .....	90	.....	.....
<b>Total Receipts</b> .....	<u>1,689</u>	<u>1,640</u>	<u>2,250</u>
<b>Funds Available</b> .....	<u>\$ 1,963</u>	<u>\$ 1,861</u>	<u>\$ 2,375</u>
<b>Expenditures:</b>			
Appropriated .....	<u>\$ 1,742</u>	<u>\$ 1,736</u>	<u>\$ 1,784</u>
Estimated Expenditures .....	<u>-1,742</u>	<u>-1,736</u>	<u>-1,784</u>
<b>Ending Balance</b> .....	<u>\$ 221</u>	<u>\$ 125</u>	<u>\$ 591</u>

## Summary by Department

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Estimated	1989-90 Budget
<b>Treasury Department</b>			
Replacement Checks .....	.....	\$ 5	\$ 15
Refund Milk Marketing Licenses and Fees .....	.....	5	5
<b>DEPARTMENT TOTAL</b> .....	<u>.....</u>	<u>\$ 10</u>	<u>\$ 20</u>
<b>Milk Marketing Board</b>			
General Government .....	\$ 792	\$ 776	\$ 814
<b>TOTAL STATE FUNDS</b> .....	<u>\$ 792</u>	<u>\$ 786</u>	<u>\$ 834</u>
Augmentations .....	\$ 950	\$ 950	\$ 950
<b>FUND TOTAL</b> .....	<u>\$ 1,742</u>	<u>\$ 1,736</u>	<u>\$ 1,784</u>

# Milk Marketing Fund

## REVENUE SUMMARY

(Dollar Amounts in Thousands)

### Five Year Revenue Projections

	1987-88 Actual	1988-89 Estimated	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
Licenses and Fees .....	\$ 590	\$ 602	\$ 1,216	\$ 1,216	\$ 1,216	\$ 1,216	\$ 1,216
Fines and Penalties .....	8	27	21	21	21	21	21
Miscellaneous Revenue .....	51	61	63	63	63	63	63
<b>Total Milk Marketing Fund Revenues</b>	<b>\$ 649</b>	<b>\$ 690</b>	<b>\$ 1,300</b>	<b>\$ 1,300</b>	<b>\$ 1,300</b>	<b>\$ 1,300</b>	<b>\$ 1,300</b>
Augmentations .....	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950
<b>TOTAL MILK MARKETING FUND RECEIPTS</b>	<b>\$ 1,599</b>	<b>\$ 1,640</b>	<b>\$ 2,250</b>	<b>\$ 2,250</b>	<b>\$ 2,250</b>	<b>\$ 2,250</b>	<b>\$ 2,250</b>

### Revenue Sources

#### Licenses and Fees

Actual	(Dollar Amounts in Thousands)	Estimated	
1982-83 .....	\$ 608	1988-89 .....	\$ 602
1983-84 .....	573	1989-90 .....	1,216
1984-85 .....	647	1990-91 .....	1,216
1985-86 .....	600	1991-92 .....	1,216
1986-87 .....	565	1992-93 .....	1,216
1987-88 .....	590	1993-94 .....	1,216

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

#### Fines and Penalties

Actual	(Dollar Amounts in Thousands)	Estimated	
1982-83 .....	\$ 24	1988-89 .....	\$ 27
1983-84 .....	9	1989-90 .....	21
1984-85 .....	20	1990-91 .....	21
1985-86 .....	20	1991-92 .....	21
1986-87 .....	24	1992-93 .....	21
1987-88 .....	8	1993-94 .....	21

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

#### Miscellaneous Revenues

Actual	(Dollar Amounts in Thousands)	Estimated	
1982-83 .....	\$ 102	1988-89 .....	\$ 61
1983-84 .....	74	1989-90 .....	63
1984-85 .....	94	1990-91 .....	63
1985-86 .....	60	1991-92 .....	63
1986-87 .....	54	1992-93 .....	63
1987-88 .....	51	1993-94 .....	63

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

# Milk Marketing Fund

## Revenue Detail

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

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Licenses and Fees</b>			
Milk Dealers Licenses .....	\$ 549	\$ 550	\$ 658
Milk Testers Certificate Fees .....	5	6	6
Milk Weighers Certificate Fees .....	30	31	29
Milk Testers and Weighers Examination Fees .....	5	5	4
Milk Haulers Licenses Fees .....	1	10	519
TOTAL .....	<u>\$ 590</u>	<u>\$ 602</u>	<u>\$ 1,216</u>
<b>Fines and Penalties</b>			
Milk Marketing Act Fines .....	\$ 8	\$ 27	\$ 21
TOTAL .....	<u>\$ 8</u>	<u>\$ 27</u>	<u>\$ 21</u>
<b>Miscellaneous Revenue</b>			
Interest on Securities .....	\$ 50	\$ 59	\$ 62
Interest on Deposits .....	1	1	1
Miscellaneous .....	1	1	1
TOTAL .....	<u>\$ 51</u>	<u>\$ 61</u>	<u>\$ 63</u>
TOTAL REVENUES .....	<u>\$ 649</u>	<u>\$ 690</u>	<u>\$ 1,300</u>
<b>Augmentations</b>			
Transfer from General Fund .....	\$ 950	\$ 950	\$ 950
TOTAL .....	<u>\$ 950</u>	<u>\$ 950</u>	<u>\$ 950</u>
TOTAL RECEIPTS .....	<u>\$ 1,599</u>	<u>\$ 1,640</u>	<u>\$ 2,250</u>



**Commonwealth of Pennsylvania**

# **Racing Fund**

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

# Racing Fund

## Financial Statement

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Beginning Balance</b> .....	\$ 1,373	\$ 1,940	\$ 1,355
<b>Receipts:</b>			
Revenue Estimate .....	\$ 7,637	\$ 7,400	\$ 9,530
Prior Year Lapses .....	211	28	.....
Total Receipts .....	<u>7,848</u>	<u>7,428</u>	<u>9,530</u>
<b>Funds Available</b> .....	<u>\$ 9,221</u>	<u>\$ 9,368</u>	<u>\$ 10,885</u>
<b>Expenditures:</b>			
Appropriated .....	<u>\$ 7,281</u>	<u>\$ 8,013</u>	<u>\$ 7,623</u>
Estimated Expenditures .....	<u>-7,281</u>	<u>-8,013</u>	<u>-7,623</u>
<b>Ending Balance</b> .....	<u>\$ 1,940</u>	<u>\$ 1,355</u>	<u>\$ 3,262</u>

## Summary by Department

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Treasury Department</b>			
<b>General Government</b>			
Replacement Checks .....	\$ 1	\$ 10	\$ 30
<b>Department of Agriculture</b>			
<b>General Government</b>			
State Racing Commissions .....	\$ 4,814	\$ 4,865	\$ 5,060
Race Horse Testing Laboratory .....	758	847	865
Payments to Pennsylvania Fairs — Administration .....	216	225	184
Subtotal .....	<u>\$ 5,788</u>	<u>\$ 5,937</u>	<u>\$ 6,109</u>
<b>Grants and Subsidies</b>			
Transfer to the General Fund .....	<u>\$ 1,373</u>	<u>\$ 1,940</u>	<u>\$ 1,355</u>
<b>DEPARTMENT TOTAL</b> .....	<u>\$ 7,161</u>	<u>\$ 7,877</u>	<u>\$ 7,464</u>
<b>Department of Revenue</b>			
<b>General Government</b>			
Collections — Racing .....	\$ 119	\$ 126	\$ 129
<b>FUND TOTAL</b> .....	<u>\$ 7,281</u>	<u>\$ 8,013</u>	<u>\$ 7,623</u>

# Racing Fund

## REVENUE SUMMARY

(Dollar Amounts in Thousands)

### Five Year Revenue Projections

	1987-88 Actual	1988-89 Estimated	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
Tax Revenues .....	\$ 5,963	\$ 6,095	\$ 8,206	\$ 11,996	\$ 11,996	\$ 11,996	\$ 11,996
Licenses and Fees .....	739	367	383	383	383	383	383
Miscellaneous Revenue .....	935	938	941	941	941	941	941
<b>TOTAL RACING FUND REVENUES</b> .....	<b>\$ 7,637</b>	<b>\$ 7,400</b>	<b>\$ 9,530</b>	<b>\$ 13,320</b>	<b>\$ 13,320</b>	<b>\$ 13,320</b>	<b>\$ 13,320</b>

### Revenue Sources

#### Tax Revenues

Actual	(Dollar Amounts in Thousands)	Estimated	
1982-83 .....	\$ 17,416	1988-89 .....	\$ 6,095
1983-84 .....	16,409	1989-90 .....	8,206
1984-85 .....	7,280	1990-91 .....	11,996
1985-86 .....	5,859	1991-92 .....	11,996
1986-87 .....	5,803	1992-93 .....	11,996
1987-88 .....	5,963	1993-94 .....	11,996

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

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

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

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

#### Licenses and Fees

Actual	(Dollar Amounts in Thousands)	Estimated	
1982-83 .....	\$ 311	1988-89 .....	\$ 367
1983-84 .....	308	1989-90 .....	383
1984-85 .....	404	1990-91 .....	383
1985-86 .....	370	1991-92 .....	383
1986-87 .....	434	1992-93 .....	383
1987-88 .....	739	1993-94 .....	383

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

# Racing Fund

## Revenue Sources (continued)

		<b>Fines and Penalties</b>	
Actual		(Dollar Amounts in Thousands)	Estimated
1982-83 .....	\$	1	1988-89 .....
1983-84 .....			1989-90 .....
1984-85 .....			1990-91 .....
1985-86 .....			1991-92 .....
1986-87 .....			1992-93 .....
1987-88 .....			1993-94 .....

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.

		<b>Miscellaneous Revenue</b>		
Actual		(Dollar Amounts in Thousands)	Estimated	
1982-83 .....	\$	1,842	1988-89 .....	\$ 938
1983-84 .....		1,744	1989-90 .....	941
1984-85 .....		1,473	1990-91 .....	941
1985-86 .....		1,135	1991-92 .....	941
1986-87 .....		699	1992-93 .....	941
1987-88 .....		935	1993-94 .....	941

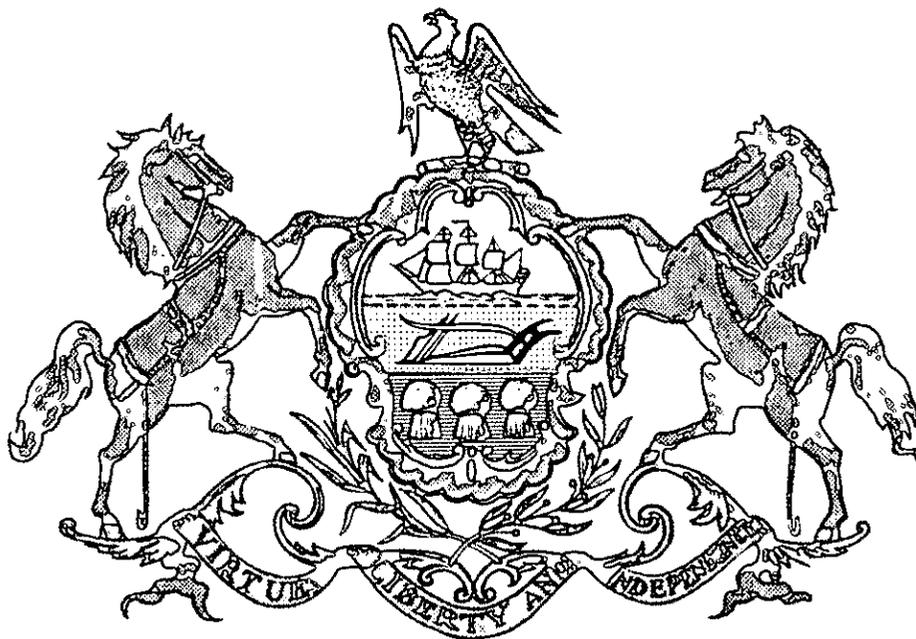
Penalties and interest on taxes due, interest on securities and uncashed tickets comprise Miscellaneous Revenue.

## Revenue Detail

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

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Estimated	1989-90 Budget
<b>Tax Revenue</b>			
State Admission Tax .....	\$ 143	\$ 129	\$ 132
Wagering Tax .....	5,317	5,510	7,608
Breakage Tax .....	503	456	466
<b>TOTAL</b> .....	<u>\$ 5,963</u>	<u>\$ 6,095</u>	<u>\$ 8,206</u>
<b>Licenses and Fees</b>			
License Fees .....	\$ 739	\$ 367	\$ 383
<b>TOTAL</b> .....	<u>\$ 739</u>	<u>\$ 367</u>	<u>\$ 383</u>
<b>Miscellaneous</b>			
Uncashed Tickets .....	\$ 655	\$ 614	\$ 617
Interest on Securities .....	228	294	294
Miscellaneous .....	.	2	2
Redeposit of Checks .....	4	4	4
Interest On Deposits .....	28	4	4
Owner-by-Agent Security Deposit Forfeits .....	20	20	20
<b>TOTAL</b> .....	<u>\$ 935</u>	<u>\$ 938</u>	<u>\$ 941</u>
<b>TOTAL REVENUES</b> .....	<u>\$ 7,637</u>	<u>\$ 7,400</u>	<u>\$ 9,530</u>

# Tax Expenditures



Placed on a gold background in the center of the shield is the ruddy plow which stands for generosity and devotion. This symbol appeared first on the seal of Chester County.



Commonwealth of Pennsylvania

# TAX EXPENDITURES

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

# General Fund Tax Expenditures

## TAX EXPENDITURE ANALYSIS

The traditional budget process involves estimating Commonwealth revenues and the appropriation of these monies for numerous programs. The process is subject to intense scrutiny by interests in and outside government. Constrained by available revenues, programs are initiated, limited or deleted based on merit. Until last year, this annual review had not considered indirect subsidies that occur through preferential treatment within the tax structure. Various tax credits, deductions, exemptions and exclusions are provided which result in a reduction in revenue that would otherwise be received by the Commonwealth at current tax rates. These reductions are "tax expenditures."

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

Therefore, the 1989-90 Governor's Executive Budget document includes the second step toward a comprehensive tax expenditure analysis. The intended purposes are to:

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

A four year phase-in schedule for full development of the tax expenditure analysis is anticipated. This analysis will be expanded annually to include additional tax areas according to the following schedule:

<b>Executive Budget</b>	<b>Taxes First Included in Analysis</b>
1988-89	Sales and Use Tax Bank Shares Tax Title Insurance and Trust Companies Shares Tax Insurance Premiums Tax Mutual Thrift Institutions Tax Unemployment Compensation Insurance Tax Marine Insurance Underwriting Profits Tax
1989-90	Corporate Net Income Tax Capital Stock/Franchise Tax Utility Gross Receipts Tax Utility Realty Tax Co-operative Agricultural Association Corporate Net Income Tax Electric Co-operative Corporation Tax
1990-91	Personal Income Tax Liquid Fuels and Fuel Use Taxes Oil Company Franchise Tax Gross Receipts Tax on Motor Carriers Vehicle Registration Fees

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# General Fund Tax Expenditures

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## Tax Expenditure Analysis (continued)

### Executive Budget

1991-92

### Taxes First Included in Analysis

Realty Transfer Tax  
Inheritance Tax  
Cigarette Tax  
Malt Beverage Tax  
Spiritous and Vinous Liquors Tax  
Property Taxes  
Other Taxes

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

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

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

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

The exclusion of a sale for resale from Sales and Use Tax is **not** considered a tax expenditure because the tax base is defined as the retail sale of tangible personal property.

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

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

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

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# General Fund Tax Expenditures

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## Tax Expenditure Analysis (continued)

The Economic Revitalization Tax Credit was funded by a \$25 million appropriation continuing through 1988. Because the amount devoted to the credit was appropriated, it is **not** a tax expenditure even though it limits Commonwealth revenues by conferring preferential tax treatment.

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

A second limitation is that individual estimates are **not** additive. Each tax expenditure was estimated without regard to interactions with other provisions of that tax or other taxes. For example, certain exempt items qualify under multiple tax expenditures. If gasoline were to be included in the Sales and Use Tax base, agricultural, political subdivision, and manufacturing/processing use would continue to be exempt under other provisions. Therefore, no bottom line can be presented similar to that shown for total revenues or expenditures in the current Governor's Executive Budget.

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

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

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

# General Fund Tax Expenditures

## CORPORATION TAXES

### CREDIT PROGRAMS

#### NEIGHBORHOOD ASSISTANCE PROGRAMS

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

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

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

(Dollar Amounts in Thousands)

*Estimates:*

<b>Corporate Net Income Tax</b>					
1988-89	1989-90	1990-91	1991-92	1992-93	
\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	
<b>Capital Stock/Franchise Tax</b>					
1988-89	1989-90	1990-91	1991-92	1992-93	
\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	
<b>Insurance Premiums Tax</b>					
1988-89	1989-90	1990-91	1991-92	1992-93	
\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	
<b>Bank Shares Tax</b>					
1988-89	1989-90	1990-91	1991-92	1992-93	
\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	
<b>Title Insurance and Trust Company Shares Tax</b>					
1988-89	1989-90	1990-91	1991-92	1992-93	
NOMINAL	NOMINAL	NOMINAL	NOMINAL	NOMINAL	
<b>Mutual Thrift Institutions Tax</b>					
1988-89	1989-90	1990-91	1991-92	1992-93	
NOMINAL	NOMINAL	NOMINAL	NOMINAL	NOMINAL	

# General Fund Tax Expenditures

## EMPLOYMENT INCENTIVE PAYMENTS

*Authorization:* Act of April 8, 1982 (P.L. 231, No. 75)

*Description:* Any bank, thrift institution, title insurance and trust company, or insurance company, as well as any corporation or person subject to the corporate net income tax or the personal income tax, employing persons formerly receiving welfare benefits may claim an employment incentive payment as credit against any tax liability in selected taxes. The credit is for a portion of wages paid to a qualifying employee in the first three years of employment. Employment incentive payments will not be available for employees hired after June 30, 1989.

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

*Estimates:* Since the program was enacted, only a limited number of financial institutions and insurance companies have participated. The most active year for the program was 1986-87 with two banks and three insurance companies combining for a total of \$105,000 in credits. Usage in 1987-88 fell below \$100,000, and future application of credits against special corporate taxes is expected to be nominal until the program expires in 1989.

Employment incentive credits have been applied by several hundred taxpayers against the corporate net income tax. The average amount of credits applied per year for the period 1984-85 through 1987-88 is \$980,000 with usage last year dropping to \$0.2 million. Future application of credits against the corporate net income tax is approximated to be \$1 million per annum until the program expires.

## HOMEOWNERS' EMERGENCY MORTGAGE ASSISTANCE FUND

*Authorization:* Act of December 23, 1983 (P.L. 385, No. 91)

*Description:* A tax credit is available to a bank, thrift institution, title insurance and trust company, and insurance company (other than a foreign fire/casualty insurance company), as well as any corporation doing business in Pennsylvania and subject to the corporate net income tax, for amounts contributed to the Homeowner's Emergency Mortgage Assistance Fund. Provisions for this credit expire December 23, 1989.

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

*Estimates:* The credits used under this Act amount to a total of \$79,800 which was applied by four banks and one other corporation in 1984-85. No future application of this credit is expected before the program's scheduled expiration date in 1989.

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# General Fund Tax Expenditures

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## CORPORATE NET INCOME TAX

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

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

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

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

## DIVIDENDS RECEIVED

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

*Description:* Corporations may deduct dividends received from any other corporation to the extent that they are included in federal taxable income.

*Purpose:* This deduction avoids a potential double taxation of dividends under the same tax since these dividends may be taxed as income of corporations which distribute them.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 408,600	\$ 437,900	\$ 462,000	\$ 484,300	\$ 507,100

## FEDERAL JOBS CREDIT

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 900	\$ 920	\$ 930	\$ 950	\$ 960

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# General Fund Tax Expenditures

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## NET OPERATING LOSS CARRYFORWARD

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*Authorization:* Article IV, Section 401(3)4

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

*Purpose:* This deduction reduces the tax burden for a period of time after an operating loss period thereby aiding a corporation which has returned to economic health and smoothing its taxable income stream.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 19,100	\$ 20,000	\$ 21,600	\$ 23,300	\$ 24,300

## DIVIDENDS PAID

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*Authorization:* 61 Pa. Code 153.14(1)

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 300	\$ 300	\$ 300	\$ 300	\$ 300

## DEPRECIATION OF SECTION 1250 PROPERTY

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*Authorization:* 61 Pa. Code 153.14(4)

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	NOMINAL	NOMINAL	NOMINAL	NOMINAL	NOMINAL

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# General Fund Tax Expenditures

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## POLLUTION CONTROL FACILITIES

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*Authorization:* 61 Pa. Code 153.14(5)

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	NOMINAL	NOMINAL	NOMINAL	NOMINAL	NOMINAL

## NONPROFIT CORPORATIONS

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	NA	NA	NA	NA	NA

## PENNSYLVANIA S CORPORATIONS

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 76,100	\$ 79,900	\$ 81,500	\$ 83,200	\$ 85,100

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# General Fund Tax Expenditures

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## CAPITAL STOCK/FRANCHISE TAX

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

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

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

## NONPROFIT CORPORATIONS

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	NA	NA	NA	NA	NA

## FAMILY FARM CORPORATIONS

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 200	\$ 200	\$ 210	\$ 210	\$ 200

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# General Fund Tax Expenditures

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## ASSETS USED IN MANUFACTURING, PROCESSING, AND RESEARCH AND DEVELOPMENT

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 285,600	\$ 312,900	\$ 327,300	\$ 340,800	\$ 352,800

## APPORTIONMENT FORMULA OPTIONS

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 73,000	\$ 77,600	\$ 81,800	\$ 91,400	\$ 97,600

## POLLUTION CONTROL DEVICES

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 9,850	\$ 9,950	\$ 10,050	\$ 10,150	\$ 10,250

# General Fund Tax Expenditures

## \$100,000 DEDUCTION

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

*Description:* For tax years beginning in 1988 and thereafter, corporations may deduct \$100,000 from the capital stock value which is then subject to apportionment to determine the taxable base. In 1987, a \$50,000 deduction was permitted. The following estimates measure the full \$100,000 deduction.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 38,100	\$ 40,300	\$ 42,400	\$ 47,400	\$ 50,700

## HOLDING COMPANIES

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

*Description:* Holding companies may elect, in lieu of a standard apportionment formula, a special apportionment formula which computes the taxable portion of capital stock value by taking 10 percent of the total capital stock value. Use of the single-factor apportionment formula was permitted in the estimating process.

*Purpose:* Holding companies are corporations (1) which derive at least 90 percent of their income from stock or securities and the rendering of administrative or management services to subsidiary corporations and (2) whose assets are at least 60 percent comprised of securities or indebtedness of subsidiary corporations. This preferential treatment provides tax relief to those holding companies with considerable intangible assets that otherwise are not exempt under the single assets apportionment fraction.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 7,850	\$ 8,530	\$ 9,140	\$ 10,090	\$ 10,790

## REGULATED INVESTMENT COMPANIES

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 2,150	\$ 2,390	\$ 2,510	\$ 2,730	\$ 2,870

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# General Fund Tax Expenditures

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## UTILITY GROSS RECEIPTS TAX

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

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

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

## MUNICIPALLY-OWNED PUBLIC UTILITIES

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 55,500	\$ 59,600	\$ 62,800	\$ 65,900	\$ 69,200

## NUCLEAR GENERATING FACILITY DAMAGE

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	NA	NA	NA	NA	NA

## RAILROAD CREDIT

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 6,750	\$ 6,500	\$ 6,250	\$ 6,000	\$ 5,800

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# General Fund Tax Expenditures

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## UTILITY REALTY TAX

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

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

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

## PROPERTY SUBJECT TO LOCAL TAXATION

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 10,460	\$ 11,010	\$ 11,610	\$ 12,250	\$ 12,920

## MACHINERY AND EQUIPMENT

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 665,470	\$ 697,900	\$ 728,910	\$ 761,430	\$ 795,520

## EASEMENTS

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

*Description:* Easements or similar interests are excluded from the PURTA base.

*Purpose:* An easement is an interest in land owned by another entity which entitles the public utility company to limited use related to the provision of utility service. PURTA is intended as a tax on real property, and not as a tax on property such as these rights.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 12,820	\$ 13,460	\$ 14,040	\$ 14,650	\$ 15,280

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# General Fund Tax Expenditures

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## RAILROAD RIGHTS-OF-WAY

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

*Description:* Railroad rights-of-way and superstructures thereon are excluded from the PURTA base.

*Purpose:* Railroad rights-of way are limited ownership of land to be used exclusively for the provision of rail transportation service. PURTA is intended as a tax on real property, and not as a tax on property such as these rights. This tax relief encourages the development of an extensive railroad network that is beneficial to the economy.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 15,540	\$ 14,970	\$ 14,420	\$ 13,880	\$ 13,370

## LINES

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 243,940	\$ 255,580	\$ 269,400	\$ 284,250	\$ 300,210

## HYDROELECTRIC PROPERTY

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	NA	NA	NA	NA	NA

# General Fund Tax Expenditures

## SEWAGE SERVICES

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 21,950	\$ 23,520	\$ 25,550	\$ 27,760	\$ 30,170

## MUNICIPALITIES

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 13,520	\$ 14,480	\$ 15,720	\$ 17,070	\$ 18,540

## COOPERATIVE AGRICULTURAL ASSOCIATION CORPORATION TAX

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<b>Corporate Net Income Tax</b>				
	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 1,240	\$ 1,360	\$ 1,390	\$ 1,420	\$ 1,180
	<b>Capital Stock/Franchise Tax</b>				
	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 1,080	\$ 1,110	\$ 1,200	\$ 1,180	\$ 1,090

# General Fund Tax Expenditures

## ELECTRIC COOPERATIVE CORPORATION TAX

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<b>Corporate Net Income Tax</b>				
	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 1,330	\$ 1,370	\$ 1,440	\$ 1,530	\$ 1,600
	<b>Capital Stock/Franchise Tax</b>				
	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 1,290	\$ 1,390	\$ 1,490	\$ 1,640	\$ 1,730
	<b>Utility Gross Receipts Tax</b>				
	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 13,200	\$ 14,000	\$ 14,800	\$ 15,500	\$ 16,300

## INSURANCE PREMIUMS TAX

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

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

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

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

## MUTUAL BENEFICIAL ASSOCIATIONS

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

*Description:* Purely mutual beneficial associations, whose funds for the benefits of members and families or heirs are made up entirely of the contributions from their members and the accumulated interest thereon, are exempt from the insurance premiums tax.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 3,610	\$ 4,080	\$ 4,610	\$ 5,210	\$ 5,890

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# General Fund Tax Expenditures

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## NONPROFIT HOSPITAL AND MEDICAL CARE SERVICE ORGANIZATIONS

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 106,190	\$ 114,390	\$ 123,220	\$ 132,730	\$ 142,980

## LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION CREDIT

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

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

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

*Estimates:* The amount of credits applied under this Act has averaged less than \$25,000 per year for the period 1983-84 through 1987-88. Barring any unforeseen circumstances or catastrophic events which may lead to the impairment or insolvency of member insurers, assessments against members and the resultant credits to be applied will continue to be nominal through 1992-93.

## MARINE INSURANCE UNDERWRITING PROFITS TAX

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

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 640	\$ 700	\$ 770	\$ 840	\$ 920

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# General Fund Tax Expenditures

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## **BANK SHARES TAX**

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

This tax is imposed annually on the value of shares as of January 1. The taxable value is based on the quarterly average value of shares, adjusted to exclude the value of United States obligations, during the preceding year. The tax rate is 1.075 percent on the dollar value of each share of stock.

The personal property tax exemption for banks was previously reported as a tax expenditure item; however, it is not treated as a tax expenditure this year. This exemption does not impact General Fund revenues and so it does not meet the tax expenditure criteria established earlier in this section.

## **TITLE INSURANCE AND TRUST COMPANY SHARES TAX**

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

Like the shares tax on banks, this tax is imposed annually on the value of shares as of January 1. The taxable value is based on the quarterly average value of shares, adjusted to exclude the value of United States obligations, during the preceding year. The tax rate is 1.075 percent on the dollar value of each share of stock.

Although the personal property tax exemption for title insurance and trust companies was previously reported as a tax expenditure, it is not treated as an expenditure item this year. This exemption does not affect General Fund revenues and therefore does not meet the tax expenditure criteria established at the front of this section.

## **MUTUAL THRIFT INSTITUTIONS TAX**

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

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

The tax rate is 11.5 percent for 1986, 20 percent for 1987 and 1988, 12.5 percent for 1989 through 1991, and 11.5 percent for 1992 and thereafter.

## **NET OPERATING LOSS CARRYFORWARD**

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*Authorization:* Article IV, Section 401(3)4

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

*Purpose:* This deduction reduces the tax burden for a period of time after an operating loss period thereby aiding the thrift institution after it has attained economic health and smoothing the taxable income stream.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 13,600	\$ 4,800	\$ 10,400	\$ 5,600	\$ 7,500

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# General Fund Tax Expenditures

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## CREDIT UNIONS

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

*Description:* Credit unions are exempt from taxation. The tax expenditure is determined by applying to their net earnings the mutual thrift institutions tax rates of 20.5 percent in 1988, 12.5 percent in 1989 through 1991 and 11.5 percent thereafter.

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 6,850	\$ 4,520	\$ 4,880	\$ 3,720	\$ 4,650

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# General Fund Tax Expenditures

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## SALES AND USE TAX

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

### GENERAL / PERSONAL EXPENDITURES

#### FOOD

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 1,130,570	\$ 1,208,570	\$ 1,289,540	\$ 1,366,910	\$ 1,448,930

#### CANDY, GUM AND CONFECTIONARY PRODUCTS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 38,780	\$ 40,870	\$ 43,080	\$ 45,410	\$ 47,860

#### HOUSEHOLD PAPER AND CLEANING SUPPLIES

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 96,280	\$ 100,980	\$ 105,930	\$ 111,110	\$ 116,560

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# General Fund Tax Expenditures

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## NEWSPAPERS AND PERIODICALS

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 153,400	\$ 165,230	\$ 177,970	\$ 191,690	\$ 206,470

## CLOTHING AND FOOTWEAR

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 545,310	\$ 584,770	\$ 623,220	\$ 665,830	\$ 710,160

## AMUSEMENT DEVICES

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 26,370	\$ 27,480	\$ 28,630	\$ 29,830	\$ 31,080

## PRESCRIPTION DRUGS AND ORTHOPEDIC EQUIPMENT

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

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

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 138,850	\$ 149,160	\$ 160,510	\$ 173,010	\$ 186,820

# General Fund Tax Expenditures

## NON-PRESCRIPTION DRUGS

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 70,340	\$ 75,900	\$ 81,900	\$ 88,370	\$ 95,350

## LIQUOR OR MALT BEVERAGE PURCHASED FROM RETAIL DISPENSER

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

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

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 99,450	\$ 105,320	\$ 111,430	\$ 117,670	\$ 124,140

## CHARGES FOR RETURNABLE CONTAINERS

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

*Purpose:* Deposit charges do not reflect a true exchange of property, but rather security in the event a container is not returned.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 9,340	\$ 9,700	\$ 10,090	\$ 10,490	\$ 10,930

## WRAPPING AND PACKING SUPPLIES

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

*Purpose:* Exemption of these items prevents double taxation since the cost of wrapping supplies is included in the price charged by the retailer.

	(Dollar Amounts in Thousands)				
<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	NA	NA	NA	NA	NA

# General Fund Tax Expenditures

## BIBLES, RELIGIOUS PUBLICATIONS, ARTICLES

*Description:* The purchase or use of religious publications sold by religious groups, bibles and religious articles is tax exempt.

*Purpose:* Religious materials are perceived to provide a beneficial influence on the Commonwealth's citizenry. Therefore, the social structure is improved by their dissemination.

The estimate below relates only to the sale of bibles.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 700	\$ 770	\$ 840	\$ 920	\$ 1,000

## CASKETS AND BURIAL VAULTS

*Description:* The purchase or use of caskets, burial vaults, markers and tombstones to be used for human remains and graves is exempt from taxation.

*Purpose:* These items are considered to be the final basic necessity of life. Additionally, this exemption reduces the regressive nature of the tax and eases the burden on low income families.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 15,370	\$ 16,120	\$ 16,910	\$ 17,740	\$ 18,610

## FLAGS

*Description:* The purchase or use of Pennsylvania and United States flags is exempt from taxation.

*Purpose:* The exemption of flags may be based on the perception that governmental support of national and state symbols is a worthy public policy objective.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	NA	NA	NA	NA	NA

## TEXTBOOKS

*Description:* The purchase or use of textbooks for use in schools, colleges and universities is exempt from taxation. The purchase must be on behalf of or through schools recognized by the Department of Education as institutions of learning.

*Purpose:* The education of the Commonwealth's citizenry is a major policy objective of state government. This exemption helps to reduce the overall cost of obtaining an education.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 13,620	\$ 14,680	\$ 15,820	\$ 17,050	\$ 18,380

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# General Fund Tax Expenditures

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## CATALOGS AND DIRECT MAIL ADVERTISING

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*Description:* The purchase of a mail order catalog or direct mail advertising literature or material is exempt from taxation.

*Purpose:* The purchase of these items may be perceived as an information service in that the tangible nature of the document is incidental to the information being provided.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	NA	NA	NA	NA	NA

## FOOD STAMP PURCHASES

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*Description:* The purchase at retail or use of tangible personal property in accordance with the Federal Food Stamp Act of 1977 is exempt from taxation. Primarily, exempt items are soft drinks, certain drink mixes, vegetable and fruit seeds and plants and certain prepared cold foods.

*Purpose:* This provision was mandated by Federal law for continued State participation in the federally funded food stamp program. The effective date was October 1, 1987.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 1,270	\$ 1,300	\$ 1,330	\$ 1,370	\$ 1,410

## GRATUITIES

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*Description:* Any amount paid, in excess of charges and tax, for service relating to the purchase of food or beverages or hotel or motel accommodations is an exempt gratuity.

*Purpose:* Separately stated gratuities or tips are not included in the cost of the meal or accommodation acquired by the purchaser but are considered costs of accompanying non-taxable services.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 15,340	\$ 16,560	\$ 17,890	\$ 19,320	\$ 20,870

## FUELS AND UTILITIES

### RESIDENTIAL FUEL

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*Description:* As defined by law, "tangible personal property" specifies taxable items. Omitted from this definition are steam, natural, manufactured and bottled gas and fuel oil when purchased directly by the user solely for his own residential use.

*Purpose:* Residential fuel is considered essential for maintaining a basic standard of life. Additionally, this provision reduces the regressive nature of the tax on low and moderate income families.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 159,430	\$ 165,820	\$ 174,070	\$ 185,080	\$ 197,700

# General Fund Tax Expenditures

## COAL

*Description:* The purchase or use of coal is exempt from taxation.

*Purpose:* This exemption provides special tax treatment of coal versus alternative energy forms. Other major energy sources are exempt only when used directly by the purchaser for his own residential use. Encouragement of coal consumption may have been perceived as providing or preserving employment when mining was a major employer within the Commonwealth.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 139,740	\$ 133,170	\$ 126,910	\$ 120,950	\$ 115,270

## FIREWOOD

*Description:* The purchase or use of firewood cut into lengths for burning and used as fuel for cooking, heating water or residential dwellings is exempt from taxation.

*Purpose:* Alternative energy sources such as heating oil, natural gas, coal and electricity are exempt when used for residential purposes. The extension of this exemption to firewood provided consistency among all major energy sources.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 520	\$ 540	\$ 560	\$ 590	\$ 650

## RESIDENTIAL UTILITIES

*Description:* As defined by law, "tangible personal property" specifies taxable items. Omitted from this definition are electricity and intrastate telephone or telegraph service when purchased directly by the user solely for his own residential use.

*Purpose:* Residential utilities are considered essential for maintaining a basic standard of life. Additionally, this provision reduces the regressive nature of the tax and reduces the tax burden on families who use a disproportionate share of income on these services.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<b>Electric:</b>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
		\$ 232,440	\$ 249,410	\$ 268,610	\$ 288,760	\$ 310,420
	<b>Telephone:</b>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
		\$ 91,380	\$ 97,320	\$ 103,550	\$ 109,970	\$ 116,780

## WATER

*Description:* The purchase at retail or use of water in liquid or solid form is exempt from taxation.

*Purpose:* Water is a basic necessity of life. Additionally, this provision reduces the regressive nature of the tax and reduces the tax burden on families who use a disproportionate share of income on this product.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 53,930	\$ 59,020	\$ 64,640	\$ 70,830	\$ 77,640

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# General Fund Tax Expenditures

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## GASOLINE AND MOTOR FUELS

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*Description:* The purchase or use of gasoline and other motor fuels, taxed under the Liquid Fuels Tax Act or the Fuel Use Tax Act, is exempt from the Sales and Use Tax.

*Purpose:* Because these items are already subject to fuels taxes, the legislature has provided for their exemption from the Sales and Use Tax.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 308,552	\$ 310,928	\$ 313,539	\$ 316,984	\$ 320,444

## MOTOR VEHICLES / VESSELS

### COMMON CARRIERS

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*Description:* Vehicles purchased by a public utility, engaged in business as a common carrier, to be used in rendering utility services are exempt from taxation.

*Purpose:* Without this exemption, the tax would be built into the rate base of public utility services and, ultimately, passed on to consumers. Therefore, this exemption reduces the overall cost of utility services which are considered to be basic necessities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 11,280	\$ 11,730	\$ 12,200	\$ 12,680	\$ 13,190

### ALTERNATE IMPOSITION OF TAX (Motor Vehicle Dealers)

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*Description:* This provision provides motor vehicle dealers an alternative method of calculating "use" tax on vehicles purchased under the resale exemption and put to taxable use before final sale. A dealer may pay use tax, at 6%, on the fair rental value which is calculated as 3% of the purchase price in lieu of the 6% tax on the full purchase price.

*Purpose:* The alternative method of tax calculation may have been permitted because of the generally short time dealer owned vehicles are used for demonstration and other purposes.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 33,740	\$ 35,360	\$ 37,060	\$ 38,840	\$ 40,700

### ALTERNATE IMPOSITION OF TAX (Commercial Aircraft Operators)

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*Description:* This provision provides commercial aircraft operators an alternative method of calculating "use" tax on aircraft purchased under the resale exemption and put to a taxable use before final sale. An operator may pay a use tax, at 6%, on the fair rental value which is calculated as 2% of the purchase price in lieu of the 6% tax on the full purchase price.

*Purpose:* The alternative method of tax calculation may have been permitted because of the generally short time these aircraft are used for demonstration, training or other purposes.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	NA	NA	NA	NA	NA

# General Fund Tax Expenditures

## COMMERCIAL VESSELS (Construction)

*Description:* The purchase or use of commercial vessels of fifty tons or larger is exempt from taxation if delivery is taken in Pennsylvania.

*Purpose:* Imposition of the tax at the point of sale would place Pennsylvania ship builders at a competitive disadvantage relative to those states allowing this exemption.

*Estimates:* The most recent data available show that Pennsylvania has 12 establishments engaged in shipbuilding and repair with only 5 having more than 20 employees.

(Dollar Amounts in Thousands)

<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000

## COMMERCIAL VESSELS (Repair)

*Description:* Property or services purchased or used in building, rebuilding, repairing and making additions to or replacements in commercial vessels of fifty tons or more are exempt from taxation.

*Purpose:* Imposition of the tax at the point of sale would place Pennsylvania ship builders at a competitive disadvantage relative to those states allowing this exemption.

*Estimates:* The most recent data available show that Pennsylvania has 12 establishments engaged in shipbuilding and repair with only 5 having more than 20 employees.

(Dollar Amounts in Thousands)

<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
\$ 900	\$ 900	\$ 900	\$ 900	\$ 900

## COMMERCIAL VESSELS (Equipment, Maintenance)

*Description:* The purchase or use of fuel, supplies, equipment, ships' or sea stores and cleaning or maintenance supplies is exempt from taxation. This exemption applies to any vessel, commercial or private, regardless of size.

*Purpose:* Imposition of the tax at the point of sale would place Pennsylvania vendors at a competitive disadvantage relative to those vendors operating in other states which allow this exemption.

(Dollar Amounts in Thousands)

<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
NA	NA	NA	NA	NA

## MOTOR VEHICLES (Out-of-State Purchases)

*Description:* The purchase or use of a motor vehicle by a non-resident, to be used outside Pennsylvania, which is registered in another state within twenty days of delivery is exempt from taxation. Delivery must be taken outside of Pennsylvania.

*Purpose:* The exemption protects the participation of Pennsylvania car dealers in the out-of-state market while preventing potential abuses of such an exemption by Pennsylvania residents.

(Dollar Amounts in Thousands)

<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
NA	NA	NA	NA	NA

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# General Fund Tax Expenditures

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## SCHOOL BUSES

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*Description:* The purchase at retail or use of school buses is exempt from taxation. These buses must be used exclusively for the transportation of children for school purposes. The provision is extended to persons who have contracts with school districts to bus children.

*Purpose:* The costs of transporting school children are directly borne by school districts and indirectly by State government through subsidy programs. This exemption, while limiting State Sales and Use Tax revenues, also decreases State educational subsidy costs.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 10,190	\$ 11,310	\$ 12,550	\$ 13,940	\$ 15,470

## REAL ESTATE

### REAL ESTATE

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*Description:* A person constructing, repairing, altering or cleaning real estate, or applying or installing personal property as a repair or replacement part of real estate is not making a taxable "sale at retail." Also, the person obtaining such services is not making a taxable "use" of such personal property or services. Materials and supplies consumed by the persons providing these services are taxable.

*Purpose:* Generally, services are non-taxable because they do not directly involve the sale or use of tangible personal property.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 580,000	\$ 610,000	\$ 660,000	\$ 720,000	\$ 770,000

## PRODUCTION EXPENDITURES

### MANUFACTURING EXEMPTION (Manufacture and Processing)

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*Description:* By law, "sale at retail" does not include, and therefore exempts, rendering services or the purchase or use of machinery, equipment and parts and supplies including utilities used directly or consumed in the manufacture and processing of personal property. This exemption does not apply to motor vehicles, maintenance facilities, managerial or other non-operational activities or materials, supplies or equipment used relative to real estate.

*Purpose:* Exemption of manufacturing equipment and supplies prevents the multiple taxation which could occur in the production of a finished good for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 584,890	\$ 619,780	\$ 658,120	\$ 698,850	\$ 742,230

# General Fund Tax Expenditures

## MANUFACTURING EXEMPTION (Agriculture)

*Description:* By law, "sale at retail" does not include, and therefore exempts, rendering services or the purchase or use of machinery, equipment and parts and supplies including utilities used directly or consumed in farming, dairying, horticulture, floriculture or aquaculture. This exemption does not apply to motor vehicles, maintenance facilities, managerial or other nonagricultural activities or materials, supplies or equipment used relative to real estate.

*Purpose:* Exemption of agricultural equipment and supplies prevents multiple taxation which could occur in the production of an agricultural commodity for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 67,030	\$ 64,210	\$ 61,530	\$ 58,970	\$ 56,530

## MANUFACTURING EXEMPTION (Public Utility)

*Description:* By law, "sale at retail" does not include, and therefore exempts, the cost of services or the purchase or use of machinery, equipment and parts and supplies used directly or consumed in producing, delivering or rendering a public utility service. This exemption does not apply to motor vehicles (except those used as common carriers), maintenance facilities, managerial or other non-operational activities or materials, supplies or equipment used relative to real estate.

*Purpose:* Exemption of equipment and supplies used in producing and delivering a public utility service prevents the multiple taxation which could occur in providing the service. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	NA	NA	NA	NA	NA

## MANUFACTURING EXEMPTION (Foundations for Machinery and Equipment)

*Description:* Foundations for machinery and equipment used directly in manufacturing, farming, dairying, agriculture, horticulture, floriculture, aquaculture, processing or producing and delivering or rendering a public utility service are exempt from taxation. Included, for a public utility, are sand, gravel, crushed rock, concrete or similar material used as bedding or surrounding pipe used directly to render sewer or water service.

Machinery and equipment have been exempt since the tax was first enacted. Act #202—1980 extended the exemption to include foundations for these items.

*Purpose:* Exemption of foundations for manufacturing equipment prevents the multiple taxation which could occur in the production of a finished good for consumption. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 870	\$ 880	\$ 900	\$ 920	\$ 930

# General Fund Tax Expenditures

## OTHER

### COIN OPERATED FOOD AND BEVERAGE VENDING MACHINES

*Description:* The tax on food and beverages dispensed from coin operated vending machines is derived from total receipts collected from the machines rather than from the price of each individual item sold.

*Purpose:* This provision eases reporting and administrative burdens on the vendor and reduces audit efforts required by the Department of Revenue.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 430	\$ 460	\$ 490	\$ 520	\$ 560

### HOTEL—PERMANENT RESIDENT

*Description:* An exemption is provided, under the Hotel Occupancy Tax, for a person occupying or having the right to occupy a room in a hotel, motel, inn, tourist home, lodging house, rooming house, summer camp, apartment hotel, resort lodging or cabin for 30 consecutive days or more. This exemption does not extend to prepared meals or other taxable items.

*Purpose:* Residency of this length approximates permanent dwelling rental which is non-taxable.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	NA	NA	NA	NA	NA

### COMMISSION

*Description:* A licensed vendor is permitted a 1% discount as a credit against the gross amount of tax collected provided that a tax return, with payment due the Department, is postmarked on or before the due date. Almost all tax returns are due 20 days after the end of a collection period.

*Purpose:* This provision is intended to defray the vendor's cost of collecting and remitting the Sales and Use Tax.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 32,650	\$ 34,750	\$ 36,730	\$ 39,240	\$ 41,910

### OUT-OF-STATE CREDIT

*Description:* A credit is allowed for the purchase of personal property or taxable services for use outside Pennsylvania equal to the sales tax paid in the applicable state. That state must grant substantially similar tax relief as provided by Pennsylvania.

*Purpose:* Allowing a credit for tax paid in another state prevents double taxation.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	NA	NA	NA	NA	NA

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# General Fund Tax Expenditures

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## TRADE-IN VALUE

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*Description:* A deduction is allowed against the gross purchase price for the value of personal property actually taken in trade or exchange. The reduction in purchase price is considered to be the value of the trade-in.

*Purpose:* Usually, tangible personal property taken as a trade-in is resold. Therefore, it is treated as a sale for resale, and its value is exempt from tax.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 165,790	\$ 176,930	\$ 183,170	\$ 199,160	\$ 212,440

## ISOLATED SALES

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*Description:* Infrequent personal property sales of a non-recurring nature by a person not in the business of selling such items are exempt from taxation. These sales can occur no more than three times nor more than a total of seven days in a year. These sales may include the sale of a lawn mower to a neighbor, liquidation of an estate, sale of a used typewriter by an insurance company or yard sale items. Motor vehicles and property which must be registered or licensed are not granted this exemption.

*Purpose:* The exclusion of isolated sales from taxation greatly reduces administration and compliance burdens for the seller and the Commonwealth.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 48,600	\$ 50,800	\$ 53,000	\$ 55,200	\$ 57,800

## TEMPORARY USAGE

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*Description:* Property purchased outside Pennsylvania by a nonresident and temporarily used in Pennsylvania for seven days or less or any length of time by a tourist or vacationer is exempt from taxation. If the property is consumed in the State it becomes taxable.

*Purpose:* Providing an exemption for temporary usage of taxable property in Pennsylvania does not discourage entry into the State by vacationers, tourists or others who attend or are involved in specific short term events or activities.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	NA	NA	NA	NA	NA

## HORSES

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*Description:* The sale of a horse is exempt from taxation if the seller is directed to deliver the horse to an out-of-state location. A horse may be temporarily delivered to a resident or agent prior to being delivered out-of-state.

*Purpose:* This exemption provides preferential treatment of horses relative to other tangible personal property by permitting temporary location in Pennsylvania before a horse is delivered out-of-state.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 1,990	\$ 2,030	\$ 2,070	\$ 2,100	\$ 2,140

# General Fund Tax Expenditures

## EXEMPT ORGANIZATIONS

*Description:* The sale of personal property or services to or for use by any (1) charitable organization, (2) volunteer fireman's organization, (3) nonprofit educational institution or (4) religious organization is exempt from taxation. Transactions unrelated to the trade or business of such organizations are taxable as are materials, supplies and equipment purchased for use in connection with real estate.

*Purpose:* These organizations provide public and charitable services which are perceived to benefit the general public. This exemption permits these services to be rendered at reduced cost.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<b>Charitable organizations:</b>				
	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 97,290	\$ 99,910	\$ 102,650	\$ 104,890	\$ 106,010
	<b>Volunteer fireman's organizations:</b>				
	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 4,080	\$ 4,280	\$ 4,490	\$ 4,700	\$ 4,890
	<b>Nonprofit educational institutions:</b>				
	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 52,750	\$ 57,330	\$ 62,300	\$ 67,650	\$ 73,600
	<b>Religious organizations:</b>				
	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 4,380	\$ 4,590	\$ 4,810	\$ 5,030	\$ 5,240

## EXEMPT GOVERNMENTAL UNITS

*Description:* The sale of personal property or services to or for use by the Federal government and the Commonwealth or its instrumentalities or political subdivisions is exempt from taxation. Based on the criteria adopted to define tax expenditures, Federal transactions are not included in this study. Commonwealth transactions are also excluded because revenues would offset expenditures with no net effect. The estimates, therefore, represent the tax on local government expenditures.

*Purpose:* This exemption is an indirect means of assistance to local governments and reduces tax burdens on residents.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	\$ 123,600	\$ 133,120	\$ 143,300	\$ 153,760	\$ 164,680

## SUBSTITUTED TAX BASE

*Description:* The tax on tangible personal property purchased at least six months prior to the first taxable use in Pennsylvania may be based on the prevailing market price at the time of the taxable use. This substituted base would be in lieu of taxing the original purchase price.

*Purpose:* This alternative tax base permits taxpayers to pay tax relative to the current market value of such assets which most closely approximates current taxable value.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	1988-89	1989-90	1990-91	1991-92	1992-93
	NA	NA	NA	NA	NA

# General Fund Tax Expenditures

## OUT-OF-STATE PURCHASES

*Description:* Tangible personal property purchased and used outside the State by a nonresident who later brings the property into Pennsylvania while establishing a permanent residence or business is exempt from taxation. This property must be purchased more than six months prior to the first taxable use in Pennsylvania.

*Purpose:* This provision eases administrative costs for the Commonwealth and compliance costs for the taxpayer and prevents a substantial tax liability being imposed when a person moves to Pennsylvania.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	NA	NA	NA	NA	NA

## RAIL TRANSPORTATION EQUIPMENT

*Description:* The purchase or use of rail transportation equipment used by a business, other than a utility, in the movement of its own personal property is exempt from taxation.

*Purpose:* Exemption of rail equipment provides preferential treatment benefiting specific users of this transportation mode. Were these items not exempt, this additional cost would be passed through to the ultimate consumer.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	NA	NA	NA	NA	NA

## FISH FEED

*Description:* The purchase or use of fish feed by sportsmen's clubs, fish cooperatives or nurseries approved by the Pennsylvania Fish Commission is exempt from taxation.

*Purpose:* The exemption provides preferential treatment benefiting organizations which raise fish ultimately destined for human consumption.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	NOMINAL	NOMINAL	NOMINAL	NOMINAL	NOMINAL

## TOURIST PROMOTION AGENCIES

*Description:* The purchase or use of supplies and materials by tourist promotion agencies for distribution to the public is exempt from taxation. To be permitted this exemption, an agency must receive grants from the State.

*Purpose:* Excluding supplies and materials used by tourist promotion agencies which receive State grants reduces the cost of performing promotional activities. The need for direct support to these agencies is decreased by providing this exemption.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 670	\$ 740	\$ 820	\$ 910	\$ 1,000

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# General Fund Tax Expenditures

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## TROUT

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*Description:* The purchase or use of brook trout, brown trout or rainbow trout is exempt from taxation.

*Purpose:* Preferential treatment is conferred to those involved in the raising or sale of trout ultimately destined for human consumption.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	NOMINAL	NOMINAL	NOMINAL	NOMINAL	NOMINAL

## CONSTRUCTION OF MEMORIALS

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*Description:* The purchase or use of materials used in the construction or erection of objects commemorating or memorializing historical events is exempt from taxation. These objects must be purchased by not-for-profit organizations and erected on publicly owned property.

*Purpose:* This exemption has been provided because these memorials are presumably erected for public benefit and enjoyment.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100

## STORAGE

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*Description:* Charges for the storage of tangible personal property and the value of that property are exempt from taxation for Pennsylvania residents. For nonresidents, a storage charge within the State is exempt but the value of the property is taxable under the "use" tax.

*Purpose:* Generally, services are exempt because they do not directly involve the sale or use of tangible personal property.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 16,200	\$ 17,300	\$ 18,500	\$ 19,800	\$ 21,200

## PUBLIC TRANSPORTATION (Local)

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*Description:* Expenditures for public transportation fares are not taxable.

*Purpose:* State and local governments are primary financial contributors to public transportation systems. Taxing these services would be contrary to public policy of supporting public transportation.

(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 26,330	\$ 27,720	\$ 29,190	\$ 30,740	\$ 32,370

# General Fund Tax Expenditures

## SERVICES

*Description:* Generally, expenditures for services are not taxable under the Sales and Use Tax law except where specifically noted. Currently, only services rendered on taxable tangible personal property are taxed.

*Purpose:* The basis for the Sales and Use Tax is tangible personal property. Services are not taxed, in most instances, unless they are related to taxable property.

*Estimates:*

(Dollar Amounts in Thousands)

	1988-89	1989-90	1990-91	1991-92	1992-93
<b>LODGING</b>					
Trailer parks and camps	\$ 4,760	\$ 5,120	\$ 5,500	\$ 5,910	\$ 6,360
<b>PERSONAL SERVICES</b>					
Cleaning, storage and repair of clothing and shoes (1)	\$ 20,880	\$ 21,890	\$ 22,950	\$ 24,060	\$ 25,220
Drycleaning (1)	11,150	11,920	12,730	13,610	14,540
Barber and beauty shops	35,240	37,550	40,010	42,630	45,420
Funeral parlors and crematories	19,590	20,550	21,570	22,630	23,740
All other personal services	22,130	23,480	24,910	26,420	28,030
<b>BUSINESS SERVICES</b>					
Advertising (local)	\$ 127,580	\$ 139,260	\$ 152,090	\$ 166,190	\$ 181,720
Credit reporting, collection agencies	10,990	12,350	13,880	15,600	17,530
Stenographers	2,140	2,370	2,630	2,920	3,240
Exterminators	5,340	5,820	6,340	6,900	7,520
Janitorial service	48,160	52,230	56,650	61,450	66,640
Personnel supply service	101,390	118,100	137,560	160,230	186,640
Computer and data processing	162,740	188,180	217,590	251,600	290,920
Management, consulting and public relations	100,920	108,140	115,870	124,150	133,030
Research	14,320	15,690	17,190	18,840	20,640
Detective agencies	33,780	38,060	42,890	48,330	54,460
<b>AUTOMOTIVE SERVICES</b>					
Automobile parking	\$ 10,220	\$ 10,810	\$ 11,440	\$ 12,100	\$ 12,800
<b>RECREATION SERVICES</b>					
Commercial sports admissions	\$ 58,280	\$ 62,720	\$ 67,500	\$ 72,640	\$ 78,180
Entertainers	7,960	8,760	9,640	10,600	11,670
Health clubs	7,500	8,030	8,590	9,200	9,840
Memberships	12,580	13,480	14,440	15,470	16,570
Other admissions	28,600	31,600	34,910	38,570	42,610
<b>HEALTH SERVICES</b>					
Health, except hospitals	\$ 192,240	\$ 216,750	\$ 244,390	\$ 275,540	\$ 310,680
Hospitals	549,670	599,530	657,260	721,610	789,660
<b>PROFESSIONAL SERVICES</b>					
Legal	\$ 201,200	\$ 222,490	\$ 246,030	\$ 272,060	\$ 300,840
Engineering	215,440	224,230	233,380	242,900	252,810
Surveying / architects	20,340	21,170	22,030	22,930	23,870
Accounting, auditing and bookkeeping services	72,730	78,450	84,610	91,260	98,440
<b>MISCELLANEOUS SERVICES</b>					
Cable television	\$ 35,160	\$ 37,970	\$ 41,010	\$ 44,290	\$ 47,830
Learned professions	NA	NA	NA	NA	NA
Electrician, plumber, heating and air conditioner service fees	NA	NA	NA	NA	NA
Veterinary fees	17,310	18,140	19,030	19,910	20,730
Stockbroker fees	NA	NA	NA	NA	NA
Real estate agent fees	NA	NA	NA	NA	NA
Financial institution fees	144,740	168,040	195,100	226,510	262,980
Pilots fees	NA	NA	NA	NA	NA
<b>OTHER SERVICES</b>					
Other	\$ 225,280	\$ 243,350	\$ 262,860	\$ 283,950	\$ 306,720

(1) These services, pertaining to tangible personal property, are specifically exempt by Statute.

# Special Fund Tax Expenditures

## UNEMPLOYMENT COMPENSATION INSURANCE TAX

### LIMITATION OF THE TAXABLE WAGE BASE

*Authorization:* The Act of December 5, 1936 (2nd special session, 1937 P.L. 2897, No. 1), 4(x)(1) as amended, 43 P.S. 753 (x)(1).

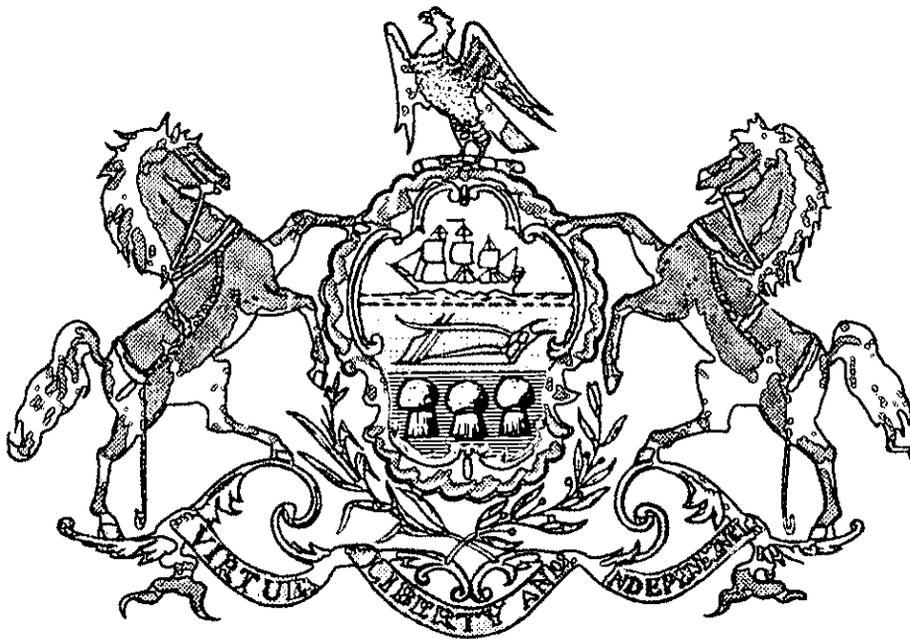
*Description:* The Commonwealth's unemployment compensation law provides for a limitation of the taxable wage base to the first \$8,000 of wages paid to each employe during a calendar year by an employer. Prior to 1984 the limitation on taxable remuneration had been \$7,000. All state governments are required by the federal government to tax at least the first \$7,000 of subject wages. Most states, including Pennsylvania, have chosen to keep their bases close to the federal minimum. The estimate represents the cost of this limitation as measured by the difference between contributions based on taxable wages and contributions based on total wages. In 1988, legislation was enacted which provides for a "trigger" mechanism to regulate employer and employe contributions. The fourth consecutive year of fund solvency was achieved in 1987, and as a result, the estimates reflect reduced state tax rates. These projected tax rates were used to estimate contributions based on currently taxable wages. The same tax rates were used to estimate contributions based on total wages paid by contributory employers.

*Purpose:* The limitation on taxable wages limits growth in employer tax liabilities that would otherwise occur as wages rise. It also reduces the potential cyclical volatility of U.C. contributions.

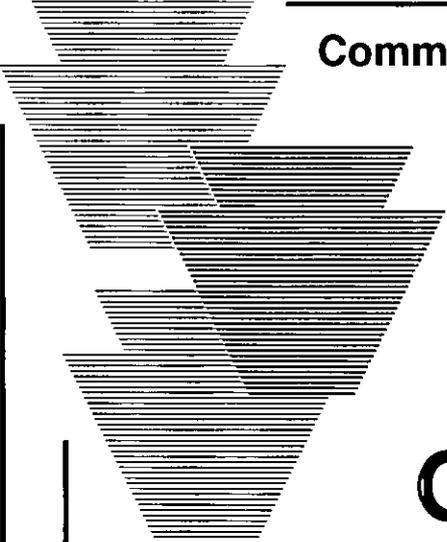
(Dollar Amounts in Thousands)

<i>Estimates:</i>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
	\$ 2,055,500	\$ 1,950,700	\$ 2,052,500	\$ 2,201,600	\$ 2,368,000

# Departmental Presentations



The three sheaves of wheat denote constancy and abundance with their golden color. The emerald background symbolizes an environment of gentleness and courtesy. The sheaf of wheat was originally the crest on the seal of Sussex County (now in Delaware) and on the seal of Bucks County.



**Commonwealth of Pennsylvania**

# **Governor's Office**

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

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# GOVERNOR'S OFFICE

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Governor's Office .....	\$ 4,983 <sup>a</sup>	\$ 5,686	\$ 6,201
(A) Press Services .....	<u>308</u>	<u>750</u>	<u>788</u>
<b>GENERAL FUND TOTAL</b> .....	<u>\$ 5,291</u>	<u>\$ 6,436</u>	<u>\$ 6,989</u>

<sup>a</sup>Actually appropriated as \$4,112,000 for the Governor's Office and \$871,000 for the Office of Policy Development.

# GOVERNOR'S OFFICE

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>EXECUTIVE DIRECTION</b>							
General Funds.....	\$ 4,983	\$ 5,686	\$ 6,201	\$ 6,542	\$ 6,902	\$ 7,282	\$ 7,683
Other Funds.....	308	750	788	831	877	925	976
<b>TOTAL.....</b>	<b>\$ 5,291</b>	<b>\$ 6,436</b>	<b>\$ 6,989</b>	<b>\$ 7,373</b>	<b>\$ 7,779</b>	<b>\$ 8,207</b>	<b>\$ 8,659</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 4,983	\$ 5,686	\$ 6,201	\$ 6,542	\$ 6,902	\$ 7,282	\$ 7,683
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	308	750	788	831	877	925	976
<b>TOTAL.....</b>	<b>\$ 5,291</b>	<b>\$ 6,436</b>	<b>\$ 6,989</b>	<b>\$ 7,373</b>	<b>\$ 7,779</b>	<b>\$ 8,207</b>	<b>\$ 8,659</b>

# GOVERNOR'S OFFICE

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

## Program: Executive Direction

This program provides for the Office of the Governor, in whom the executive authority of the Commonwealth is vested. It supports the Governor in performing his functions as delegated by the State Constitution and laws passed by the General Assembly.

This program also includes funding for staff to assist with the

legislative, policy development and research, administrative and public information functions required of the office, operation of Pennsylvania's Liaison Office in Washington, D.C. and official entertainment and household expenses at the Governor's Home.

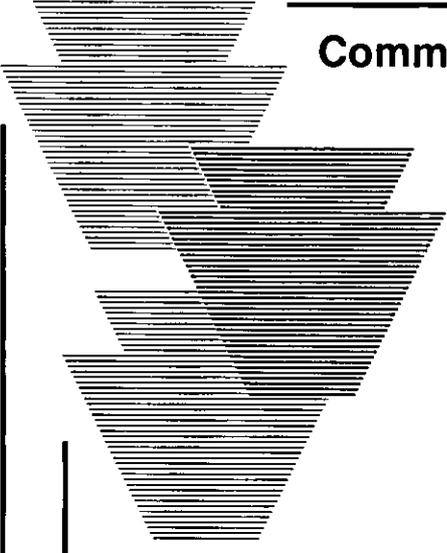
## Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Governor's Office**  
\$ 515 —to continue current program.

## Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>GENERAL FUND:</b>							
Governor's Office .....	<u>\$ 4,983</u>	<u>\$ 5,686</u>	<u>\$ 6,201</u>	<u>\$ 6,542</u>	<u>\$ 6,902</u>	<u>\$ 7,282</u>	<u>\$ 7,683</u>



## Commonwealth of Pennsylvania

# Executive Offices

To aid the Governor, the Office of Administration performs the duties of a central management agency and coordinates the Commonwealth's Integrated Central System. The Office of the Budget performs the duties of a central management agency, prepares the annual Governor's Budget and Five Year Financial Plan based upon the Governor's priorities and analysis of program effectiveness and provides comptroller services for the maintenance and management of all agency accounts in the Commonwealth. The Human Relations Commission and the Pennsylvania Commission for Women promote equal opportunities for all people in employment, housing, public accommodations and education. The Energy Office studies the Commonwealth's entire energy program from production to demand, provides support to regional energy centers and coordinates the activities of the Energy Conservation and Assistance Fund. The Council on the Arts provides for encouragement and development of the arts in Pennsylvania. The Commission on Crime and Delinquency provides the planning and technical assistance for the improvement of the Criminal Justice System. The Governor's Action Center provides citizens easy access to State Government. The Milrite Council seeks solutions to Pennsylvania's economic problems and makes funds available for local labor/management committees. The Public Employee Retirement Study Commission monitors public employe retirement plans to assure their actuarial viability. The Office of General Counsel provides legal counsel in matters affecting the operation of State agencies. The Juvenile Court Judges Commission provides technical and financial assistance to the juvenile probation staffs of the county courts. The Crime Victims Compensation Board provides financial assistance to relieve the financial hardship of individuals who have been victimized by criminal acts. The Health Facilities Hearing Board conducts preliminary hearings on appeals from decisions of the Department of Health relating to applications for certificate of need and the licensure of health care facilities. The Health Care Conciliation Panels assist courts by conducting conciliation conferences involving medical malpractice cases. The Medical Professional Liability Catastrophe Loss Fund makes claim payments in certain medical malpractice cases. The Drug Policy Council supervises the expenditure of Federal Anti-Drug Abuse monies along with performing research and evaluation studies related to illegal drug use and alcohol abuse. The Inspector General investigates suspected improper use of State revenues.

# EXECUTIVE OFFICES

## PROGRAM REVISION

### Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1989-90 State Funds (In thousands)
<b>GENERAL FUND</b>		
Coalition Against Drug Abuse	Comprehensive Drug and Alcohol Abuse Initiative .....	\$ 400
	This Program Revision provides grants to communities and nonprofit agencies for drug and alcohol abuse prevention and education activities. This is a part of the \$16,313,000 Program Revision Comprehensive Drug and Alcohol Abuse Initiative.	
Office of the Inspector General	Inspector General Office Reorganization .....	\$ 378
	This Program Revision will provide funding for the expansion of the Inspector General's Office to increase investigations.	
	DEPARTMENT TOTAL .....	<u>\$ 778</u>

# EXECUTIVE OFFICES

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
Governor's Action Center .....	\$ 572	\$ 589	\$ 503
Office of Administration .....	3,832	4,293	4,871
(A) Classification and Pay .....	1,640	1,707	1,876
(A) CMIC .....	10,550	11,945	11,232
(A) BMS/EDP .....	856	1,576	1,580
(A) Labor Relations .....	24	30	30
(A) Directives Management .....	247	252	263
(A) Division of State Employment .....	37	33	33
(A) Data Network .....	5,976 <sup>a</sup>	7,100 <sup>b</sup>	7,670
Subtotal State Funds .....	3,832	4,293	4,871
Subtotal Augmentations .....	19,330	22,643	22,684
Total — Office of Administration .....	\$ 23,162	\$ 26,936	\$ 27,555
Inspector General .....	\$ 373	\$ 438	\$ 1,873
(A) Augmentations — Inspector General .....	.....	.....	1,080
Audit of Auditor General .....	150	.....	.....
Office of the Budget .....	20,237	21,866	23,783
(F) JTPA — Program Accountability .....	707	886	888
(A) Comptroller Services .....	18,981	20,963	23,329
Total — Office of the Budget .....	\$ 40,075	\$ 43,715	\$ 48,000
General Salary Increase .....	.....	\$ 1,842	.....
ICS Development .....	\$ 3,418	3,675	\$ 3,902
Milrite Council .....	189	228	257
Human Relations Commission .....	5,690	6,413	7,177
(F) EEOC — Special Project Grant .....	674	950	1,050
(F) HUD — Special Project Grant .....	137	100	100
Subtotal State Funds .....	5,690	6,413	7,177
Subtotal Federal Funds .....	811	1,050	1,150
Total — Human Relations Commission .....	\$ 6,501	\$ 7,463	\$ 8,327
Council on the Arts .....	\$ 780	\$ 753	\$ 989
(F) NEA — Grants to the Arts - Administration .....	32	50	50
Total — Council on the Arts .....	\$ 812	\$ 803	\$ 1,039
Commission for Women .....	\$ 184	\$ 236	\$ 295
Energy Office .....	1,450	1,491	1,873
(F) Energy Extension Services .....	181	150	133
(F) State Energy Conservation Plan .....	515	466	327
(F) Institutional Conservation .....	160	210	200
(F) No. 2 Fuel Oil Survey .....	17	.....	.....
(F) Developmental Institutional Conservation — Administration .....	81	.....	.....
(F) Gas Conservation Demonstration Project .....	9	.....	.....
(F) HUD — Energy Conservation Assistance .....	215	180	90
(A) Chevron .....	39	.....	.....
(A) Gas Research Institute .....	26	.....	.....
Subtotal State Funds .....	1,450	1,491	1,873
Subtotal Federal Funds .....	1,178	1,006	750
Subtotal Augmentations .....	65	.....	.....
Total — Energy Office .....	\$ 2,693	\$ 2,497	\$ 2,623

<sup>a</sup>Amount actually augmented Department of General Services.

<sup>b</sup>Amount actually augmented Department of General Services.

# EXECUTIVE OFFICES

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT: (continued)</b>			
Juvenile Court Judges Commission .....	\$ 467	\$ 488	\$ 550
Commission on Crime and Delinquency .....	1,905	2,002	2,259
(F) Plan for Juvenile Justice .....	153	160	150
(F) Dangerous Juvenile Offender .....	15		
(F) Offender Based Transaction Statistics .....	5	3	3
(F) Dangerous Juvenile Offender .....		8	
(F) ADA — Local Law Enforcement Administration .....	121	245	245
(F) ADA — Local Law Enforcement .....	1,805	7,537	5,500
(F) ADA — State Law Enforcement .....	749		
(F) Analytic Methods Investigations .....		23	
(A) Deputy Sheriff's Education and Training .....	108	122	132
(A) ADA — State Law Enforcement State Match .....	416		
Subtotal State Funds .....	1,905	2,002	2,259
Subtotal Federal Funds .....	2,848	7,976	5,898
Subtotal Augmentations .....	524	122	132
Total — Commission on Crime and Delinquency .....	\$ 5,277	\$ 10,100	\$ 8,289
Office of General Counsel .....	\$ 1,264	\$ 1,503	\$ 1,642
Crime Victims Compensation Board .....	451	563	631
(F) Crime Victims Payments .....	776	700	701
Total — Crime Victims Compensation Board .....	\$ 1,227	\$ 1,263	\$ 1,332
Health Facilities Hearing Board .....	165	177	187
Health Care Arbitration Panels .....	456	503	539
Public Employee Retirement Study Commission .....	438	476	510
Distinguished Daughters .....	4	4	5
Drug Policy Council .....	83	91	104
Coalition Against Drug Abuse .....			400
(F) ADA — Local Law Enforcement .....	47	45	47
(F) ADA — Special Programs for Drug Free Schools and Communities .....	43	46	94
Subtotal State Funds .....	83	91	504
Subtotal Federal Funds .....	90	91	141
Total — Drug Policy Council .....	\$ 173	\$ 182	\$ 645
Subtotal — State Funds .....	\$ 42,108	\$ 47,631	\$ 52,350
Subtotal — Federal Funds .....	6,442	11,759	9,578
Subtotal — Augmentations .....	38,900	43,728	47,225
Total — General Government .....	\$ 87,450	\$ 103,118	\$ 109,153
<b>GRANTS AND SUBSIDIES:</b>			
Grants to the Arts .....	\$ 8,983	\$ 12,000	\$ 12,500
(F) NEA — Grants .....	571	650	650
Total — Grants to The Arts .....	\$ 9,554	\$ 12,650	\$ 13,150
Energy Development Authority .....	\$ 1,300	\$ 1,500	\$ 1,700
Eagleville Hospital .....	300	300	
Improvement of Juvenile Probation Services .....	2,989	3,239	3,239
Labor Management Committee .....	684	825	825
Subtotal — State Funds .....	\$ 14,256	\$ 17,864	\$ 18,264
Subtotal — Federal Funds .....	571	650	650
Total Grants and Subsidies .....	\$ 14,827	\$ 18,514	\$ 18,914
STATE FUNDS .....	\$ 56,364	\$ 65,495	\$ 70,614
FEDERAL FUNDS .....	7,013	12,409	10,228
AUGMENTATIONS .....	38,900	43,728	47,225
<b>GENERAL FUND TOTAL .....</b>	<b>\$ 102,277</b>	<b>\$ 121,632</b>	<b>\$ 128,067</b>

# EXECUTIVE OFFICES

(Dollar Amounts in Thousands)

	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>MOTOR LICENSE FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Office of the Budget .....	\$ 3,757	\$ 4,127	\$ 4,510
(A) Reimbursement Comptroller Services .....	892	875	885
<b>MOTOR LICENSE FUND TOTAL .....</b>	<b><u>\$ 4,649</u></b>	<b><u>\$ 5,002</u></b>	<b><u>\$ 5,395</u></b>
<b>ENERGY CONSERVATION AND ASSISTANCE FUND</b>			
<i>GRANTS AND SUBSIDIES:</i>			
Energy Conservation .....	<u>\$ 3,337</u>	<u>\$ 7,100</u>	<u>\$ 10,500</u>
<b>LOTTERY FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Ridership Verification .....	.....	<u>\$ 29</u>	<u>\$ 66</u>
<b>OTHER FUNDS</b>			
<i>GENERAL FUND:</i>			
Federal Juvenile Justice and Delinquency Prevention .....	\$ 1,767	\$ 2,000	\$ 2,000
Crime Victim Payments .....	1,801	1,900	2,200
Victim/Witness Services .....	1,000	1,200	1,200
Federal Criminal Justice Assistance .....	1,563	1,500	1,500
Federal Crime Victim Assistance .....	1,518	2,000	2,000
<b>GENERAL FUND TOTAL .....</b>	<b><u>\$ 7,649</u></b>	<b><u>\$ 8,600</u></b>	<b><u>\$ 8,900</u></b>
<i>MEDICAL PROFESSIONAL LIABILITY CATASTROPHE LOSS FUND:</i>			
General Government Operations .....	\$ 6,690	\$ 8,605	\$ 10,574
Payment of Claims .....	<u>136,439</u>	<u>172,500</u>	<u>175,000</u>
<b>MEDICAL PROFESSIONAL LIABILITY CATASTROPHE LOSS FUND TOTAL .....</b>	<b><u>\$ 143,129</u></b>	<b><u>\$ 181,105</u></b>	<b><u>\$ 185,574</u></b>
<b>OTHER FUNDS TOTAL .....</b>	<b><u>\$ 150,778</u></b>	<b><u>\$ 189,705</u></b>	<b><u>\$ 194,474</u></b>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUND .....	\$ 56,364	\$ 65,495	\$ 70,614
SPECIAL FUNDS .....	7,094	11,256	15,076
FEDERAL FUNDS .....	7,013	12,409	10,228
AUGMENTATIONS .....	39,792	44,603	48,110
OTHER FUNDS .....	<u>150,778</u>	<u>189,705</u>	<u>194,474</u>
<b>TOTAL ALL FUNDS .....</b>	<b><u>\$ 261,041</u></b>	<b><u>\$ 323,468</u></b>	<b><u>\$ 338,502</u></b>

# EXECUTIVE OFFICES

## Program Funding Summary:

	(Dollar Amounts in Thousands)							
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED	
<b>EXECUTIVE DIRECTION</b>								
General Funds.....	\$ 29,980	\$ 34,327	\$ 37,033	\$ 39,065	\$ 41,145	\$ 43,342	\$ 45,659	
Special Funds.....	3,757	4,156	4,576	4,849	5,138	5,444	5,768	
Federal Funds.....	797	977	1,029	1,029	1,029	1,029	1,029	
Other Funds.....	39,203	44,481	47,978	49,914	51,949	54,086	56,332	
<b>TOTAL.....</b>	<b>\$ 73,737</b>	<b>\$ 83,941</b>	<b>\$ 90,616</b>	<b>\$ 94,857</b>	<b>\$ 99,261</b>	<b>\$ 103,901</b>	<b>\$ 108,788</b>	
<b>CRIMINAL AND JUVENILE JUSTICE</b>								
<b>PLANNING AND COORD</b>								
General Funds.....	\$ 2,205	\$ 2,302	\$ 2,259	\$ 2,383	\$ 2,514	\$ 2,652	\$ 2,798	
Federal Funds.....	2,848	7,976	5,898	5,898	5,903	5,908	5,913	
Other Funds.....	6,372	6,822	6,832	6,838	6,840	6,842	6,844	
<b>TOTAL.....</b>	<b>\$ 11,425</b>	<b>\$ 17,100</b>	<b>\$ 14,989</b>	<b>\$ 15,119</b>	<b>\$ 15,257</b>	<b>\$ 15,402</b>	<b>\$ 15,555</b>	
<b>ENERGY MANAGEMENT AND CONSERVATION</b>								
General Funds.....	\$ 2,750	\$ 2,991	\$ 3,573	\$ 3,792	\$ 3,907	\$ 4,029	\$ 4,157	
Special Funds.....	3,337	7,100	10,500	8,000	0	0	0	
Federal Funds.....	1,178	1,006	750	660	660	660	660	
Other Funds.....	65	0	0	0	0	0	0	
<b>TOTAL.....</b>	<b>\$ 7,330</b>	<b>\$ 11,097</b>	<b>\$ 14,823</b>	<b>\$ 12,452</b>	<b>\$ 4,567</b>	<b>\$ 4,689</b>	<b>\$ 4,817</b>	
<b>PREVENTION AND ELIMINATION OF DISCRIMINATORY PRACT</b>								
General Funds.....	\$ 5,874	\$ 6,649	\$ 7,472	\$ 7,883	\$ 8,316	\$ 8,774	\$ 9,256	
Federal Funds.....	811	1,050	1,150	1,150	1,150	1,150	1,150	
<b>TOTAL.....</b>	<b>\$ 6,685</b>	<b>\$ 7,699</b>	<b>\$ 8,622</b>	<b>\$ 9,033</b>	<b>\$ 9,466</b>	<b>\$ 9,924</b>	<b>\$ 10,406</b>	
<b>DEVELOPMENT OF ARTISTS AND AUDIENCES</b>								
General Funds.....	\$ 9,763	\$ 12,753	\$ 13,489	\$ 13,543	\$ 13,601	\$ 13,661	\$ 13,725	
Federal Funds.....	603	700	700	700	700	700	700	
<b>TOTAL.....</b>	<b>\$ 10,366</b>	<b>\$ 13,453</b>	<b>\$ 14,189</b>	<b>\$ 14,243</b>	<b>\$ 14,301</b>	<b>\$ 14,361</b>	<b>\$ 14,425</b>	
<b>LEGAL SERVICES</b>								
General Funds.....	\$ 1,264	\$ 1,503	\$ 1,642	\$ 1,732	\$ 1,827	\$ 1,927	\$ 2,033	
<b>TOTAL.....</b>	<b>\$ 1,264</b>	<b>\$ 1,503</b>	<b>\$ 1,642</b>	<b>\$ 1,732</b>	<b>\$ 1,827</b>	<b>\$ 1,927</b>	<b>\$ 2,033</b>	
<b>INCOME MAINTENANCE</b>								
General Funds.....	\$ 451	\$ 563	\$ 631	\$ 666	\$ 703	\$ 742	\$ 783	
Federal Funds.....	776	700	701	701	701	701	701	
Other Funds.....	1,801	1,900	2,200	2,200	2,200	2,200	2,200	
<b>TOTAL.....</b>	<b>\$ 3,028</b>	<b>\$ 3,163</b>	<b>\$ 3,532</b>	<b>\$ 3,567</b>	<b>\$ 3,604</b>	<b>\$ 3,643</b>	<b>\$ 3,684</b>	

# EXECUTIVE OFFICES

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>REINTEGRATION OF JUVENILE DELINQUENTS</b>							
General Funds.....	\$ 3,456	\$ 3,727	\$ 3,789	\$ 3,819	\$ 3,851	\$ 3,885	\$ 3,921
<b>TOTAL.....</b>	<b>\$ 3,456</b>	<b>\$ 3,727</b>	<b>\$ 3,789</b>	<b>\$ 3,819</b>	<b>\$ 3,851</b>	<b>\$ 3,885</b>	<b>\$ 3,921</b>
<b>MEDICAL MALPRACTICE ARBITRATION</b>							
General Funds.....	\$ 621	\$ 680	\$ 726	\$ 766	\$ 808	\$ 852	\$ 899
Other Funds.....	143,129	181,105	185,574	186,156	186,769	187,416	188,099
<b>TOTAL.....</b>	<b>\$ 143,750</b>	<b>\$ 181,785</b>	<b>\$ 186,300</b>	<b>\$ 186,922</b>	<b>\$ 187,577</b>	<b>\$ 188,268</b>	<b>\$ 188,998</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 56,364	\$ 65,495	\$ 70,614	\$ 73,649	\$ 76,672	\$ 79,864	\$ 83,231
SPECIAL FUNDS.....	7,094	11,256	15,076	12,849	5,138	5,444	5,768
FEDERAL FUNDS.....	7,013	12,409	10,228	10,138	10,143	10,148	10,153
OTHER FUNDS.....	190,570	234,308	242,584	245,108	247,758	250,544	253,475
<b>TOTAL.....</b>	<b>\$ 261,041</b>	<b>\$ 323,468</b>	<b>\$ 338,502</b>	<b>\$ 341,744</b>	<b>\$ 339,711</b>	<b>\$ 346,000</b>	<b>\$ 352,627</b>

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# EXECUTIVE OFFICES

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

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## Program: Executive Direction

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The Executive Direction program provides administrative support and policy direction for implementing and maintaining the substantive programs of the Commonwealth.

The Governor's Action Center provides general information, referral for specific programs and assistance in solving citizen's problems.

The Office of Administration provides policy direction and administrative support. Centralized personnel services insure equity by maintaining the classification, pay and benefits systems, negotiating and administering collective bargaining agreements between the Commonwealth and the various unions representing State employees under the provisions of the Public Employee Relations Act of 1970, recruiting for all non-civil service positions, training in management and supervisory skills and administering the Commonwealth's affirmative action process and programs.

In addition to personnel administration, the Office of Administration maintains the Central Management Information Center (CMIC) and the data network. The Office of Administration also conducts management studies on State programs to improve their operation, administration and organization.

The Bureau of EDP/Telecommunications Technology provides executive direction in areas related to electronic data processing and telecommunications by approving all Commonwealth EDP and telecommunications resource acquisitions. They also establish Commonwealth policy governing the acquisition, management, utilization and security of these resources.

The Central Management Information Center is the data processing service center for all Commonwealth central administrative systems. The center manages and maintains the Commonwealth's payroll, personnel, accounting and retirement systems for all agencies under the Governor's jurisdiction.

Also under Executive Direction is the Office of Inspector General who is charged with investigating suspected improper use of State resources. The Inspector General also provides leadership, coordination and administrative control over satellite Inspector General Offices in designated executive agencies.

The Office of the Budget assists the Governor in formulating fiscal policies and procedures and prepares the Commonwealth Budget for

delivery to the General Assembly. The office also prepares fiscal notes and reviews proposed regulations as mandated by Act 149 of 1978.

In addition, the Office of the Budget provides accounting, auditing, and financial advisory and supportive services to all Commonwealth agencies and is responsible for maintenance of the ICS accounting system.

The Integrated Central System (ICS) facilitates policymaking and provides integrated accounting, payroll, purchasing and personnel systems. This improves the effectiveness of managing the Commonwealth's operations as well as improving efficiency and controlling costs by decreasing paper flow, expediting processing and improving productivity.

The Milrite Council examines impediments to the development of industry and jobs in Pennsylvania by focusing on those problems requiring the cooperation of labor, business and government which affect firms and establishments currently doing business in Pennsylvania. The council administers the Area Labor Management Committee Grant Program and works with businesses and labor leaders across the State who are interested in establishing area labor management committees.

The Public Employee Retirement Study Commission provides an ongoing mechanism to monitor public employee retirement plans in the Commonwealth. The commission also provides technical assistance to the General Assembly and the Governor in conjunction with their consideration of public pension legislation.

Distinguished Daughters provides payment for selected women designated as Distinguished Daughters of Pennsylvania to attend ceremonies at the Governor's Home.

The Drug Policy Council is designated as the State coordinating agency for purposes of implementing a statewide strategy to combat illegal drug use and alcohol abuse in the Commonwealth. The council supervises the expenditure of \$23 million in Federal Anti-Drug Abuse monies and makes final approval of all grant applications. The council also performs evaluations, conducts studies, and develops policy analyses related to illegal drug use and alcohol abuse. The Anti-Drug Abuse monies have been appropriated to three State agencies: Pennsylvania Commission on Crime and Delinquency, the Department of Education, and the Department of Health.

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## Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>GENERAL FUND</b>			
	<b>Governor's Action Center</b>		<b>Inspector General</b>
\$ -86	—to implement reorganization.	\$ 1,057	—to implement administrative reorganization and maintain current program.
	<b>Office of Administration</b>	378	—PRR — Inspector General Office Reorganization. Program targeted at increasing investigations. See the Program Revision for further information.
\$ 568	—to continue current program.		
10	—to expand Affirmative Action efforts.		
\$ 578	<i>Appropriation Increase</i>	\$ 1,435	<i>Appropriation Increase</i>
			<b>Office of the Budget</b>
		\$ 1,917	—to continue current program

# EXECUTIVE OFFICES

**Program: Executive Direction (continued)**  
**Program Recommendations: (continued)**

<b>GENERAL FUND (continued)</b>	
<b>ICS Development</b>	
\$ -58	—nonrecurring projects.
285	—to continue current program.
<b>\$ 227</b>	<b>Appropriation Increase</b>
<b>Milrite</b>	
\$ 29	—to continue current program.
<b>Public Employe Retirement Study Commission</b>	
\$ 34	—to continue current program.
<b>Distinguished Daughters</b>	
\$ 1	—to continue current program.
<b>Drug Policy Council</b>	
\$ 13	—to continue current program.

<b>Coalition Against Drug Abuse</b>	
\$ 400	—PRR — Comprehensive Drug and Alcohol Abuse Initiative. To provide grants to communities and nonprofit agencies for drug and alcohol abuse prevention and education activities. See the Program Revision for further information.
<b>MOTOR LICENSE FUND</b>	
<b>Office of the Budget</b>	
\$ 383	—to continue current program.
<b>LOTTERY FUND</b>	
<b>Ridership Verification</b>	
\$ 37	—audit of Older Pennsylvanians Shared Ride vendors.
<b>Labor Management Committees</b>	
	—to continue current program.

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Governor's Action Center .....	\$ 572	\$ 589	\$ 503	\$ 531	\$ 560	\$ 591	\$ 624
Office of Administration .....	3,832	4,293	4,871	5,138	5,420	5,719	6,033
Inspector General .....	373	438	1,873	2,039	2,151	2,270	2,395
Office of the Budget .....	20,237	21,866	23,783	25,091	26,471	27,927	29,463
Audit of Auditor General .....	150						
ICS Development .....	3,418	3,675	3,902	4,117	4,343	4,582	4,834
Milrite Council .....	189	228	257	271	286	302	319
Public Employe Retirement Study Commission .....	438	476	510	538	568	599	632
Distinguished Daughters .....	4	4	5	5	5	5	5
Drug Policy Council .....	83	91	104	110	116	122	129
Coalition Against Drug Abuse .....			400	400	400	400	400
Labor Management Committee .....	684	825	825	825	825	825	825
General Salary Increase .....		1,842					
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 29,980</b>	<b>\$ 34,327</b>	<b>\$ 37,033</b>	<b>\$ 39,065</b>	<b>\$ 41,145</b>	<b>\$ 43,342</b>	<b>\$ 45,659</b>
<b>MOTOR LICENSE FUND</b>							
Office of the Budget .....	\$ 3,757	\$ 4,127	\$ 4,510	\$ 4,781	\$ 5,068	\$ 5,372	\$ 5,694
<b>LOTTERY FUND</b>							
Office of the Budget — Ridership Verification .....		\$ 29	\$ 66	\$ 68	\$ 70	\$ 72	\$ 74

# EXECUTIVE OFFICES

## Program Revision: Inspector General Office Reorganization

This Administration is committed to maintaining a high standard of integrity and ethical practices for Commonwealth employees. The Inspector General is charged with helping maintain that high standard by uncovering any fraud, misconduct, and abuse that may occur in the operation of State executive agencies. In 1987-88, the Administration expanded the operation of the Inspector General to satellite offices in five different agencies. A two part initiative is proposed to continue this commitment and ensure that the integrity of the State's administrative operations is preserved.

First, to improve administrative control and operating efficiency, all Inspector General staff and activities carried out through satellite offices

will be consolidated under the Executive Office appropriation for the Inspector General. Not only will this enhance coordination of administrative matters such as personnel and budgeting, it will provide the Inspector General with greater control over utilization of manpower and investigation management.

Second, this Program Revision will provide \$378,000 to expand investigative efforts across all executive agencies and allow for the development of a tracking system to monitor the progress of cases, eliminate backlogs, and insure that all complaints are investigated thoroughly and fairly.

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Office of Inspector General**  
 \$ 378 —to expand investigative efforts across all executive agencies and to develop a tracking system to monitor the progress of cases.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
GENERAL FUND:	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
Office of Inspector General .....	.....	.....	\$ 378	\$ 462	\$ 487	\$ 514	\$ 543

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## Program Revision: Comprehensive Drug and Alcohol Abuse Initiative

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Drug and alcohol abuse is destroying the very fabric of society. Our basic social institutions and the quality of our lives is deteriorating because of the cancer of drug and alcohol abuse. It robs our children of their futures, destroys our neighborhoods, and consumes an overwhelming portion of resources devoted to the criminal justice system. The destruction of our youth, our schools, and our neighborhoods can no longer be tolerated.

The fight against drugs requires a comprehensive attack. Drug traffickers must be arrested, prosecuted and incarcerated. Drug and alcohol abusers must receive treatment so they can become useful and productive citizens again and our youth must be taught the dangers of drugs if this cancer is to be removed from our society. This Program Revision provides a comprehensive three-pronged attack against drugs by allocating significant new funding for drug law enforcement, drug and alcohol abuse treatment, and drug and alcohol prevention and education.

### Drug Law Enforcement

Over \$10 million in State and Federal funds is targeted for drug law enforcement. The Office of Attorney General will elevate the status of drug law enforcement through the creation of a Drug Law Division headed by an Executive Deputy Attorney General who will report directly to the Attorney General.

The Pennsylvania State Police will establish five mobile narcotics teams to investigate and apprehend street-level drug traffickers. These mobile teams will move to different areas of the Commonwealth as new high drug trafficking areas are identified. The Office of Attorney General will also establish a Statewide special strike force consisting of narcotics agents and attorneys. This special strike force will provide a totally self-contained investigative team to respond anywhere in the Commonwealth where the drug law enforcement problem is critical or unique and beyond the capabilities of local law enforcement efforts. This unit will have its own surveillance and wiretap capabilities, as well as specially trained agents and attorneys.

A new regional office will be established by the Office of Attorney General in the Philadelphia metropolitan area to assist the Philadelphia area police departments and district attorneys in their investigations. In addition, the number of narcotics agents at each of the existing eight regional offices will be increased. Additional attorneys will be hired to handle the expected increase in prosecutions and forfeitures of seized assets.

Greater emphasis will be placed on cooperative investigations between the Office of Attorney General, the State Police, local district attorneys, and local police departments. An additional 20 to 25 local drug task forces will be formed. The Office of Attorney General and the

State Police will offer resources and technical expertise to these local task forces so that they can eventually become self-supporting. Once established, this will allow State investigators to move into other parts of the State as well as provide more leads on the activities of major drug-traffickers.

The Office of Attorney General will also undertake a number of other initiatives to complement these major program changes, including establishing a drug intelligence unit, hiring an internal affairs officer, establishing a training institute, establishing a drug hotline, purchasing updated surveillance equipment, and strengthening support services.

The Board of Probation and Parole will establish two additional intensive drug parole units modeled after two programs started in 1987-88 with Federal Anti-Drug Abuse Act funds. The two units, established in Philadelphia and Pittsburgh, average 30 clients per parole agent, require a minimum of 20 client contacts and six urinalysis tests per month. Parole agents use electronic monitoring, curfews and travel restrictions to minimize the parolee's opportunities to lapse back into drug use and criminal activity. Drug treatment services are provided on a priority basis by the local Single County Authority. Initial results from the two units have been very positive. For example, the percentage of urine specimens that tested positive for drugs has been reduced from 33 percent to about 8 percent. Only four percent of the intensively supervised parolees have been convicted of a crime compared to seven percent of all parolees, and only 35 percent of the intensively supervised parolees have committed criminal parole violations compared to 53 percent of the control group.

Grants to county probation departments will be increased by \$869,000 and will be earmarked for special drug offender probation programs. An additional \$550,000 in Federal funds will be used to expand and replicate successful local drug law enforcement programs.

### Drug and Alcohol Treatment

Pregnant women and mothers with substance abuse problems present unique treatment challenges because the child may also have physical or psychological problems. Specialized services such as prenatal health care, day care, parenting skill training, and employment and job training are important so that the mother can raise a healthy child. Currently, these services are only available in the Philadelphia and Pittsburgh areas. This Program Revision provides funding to the Department of Health to make these services available throughout the Commonwealth by establishing a coordinated system of care for substance abusing mothers. A new specialized program for cocaine addicted mothers and their children will also be established at a cost of \$300,000. Finally, additional bed capacity will be provided at residential treatment facilities for addicted mothers and their children. In total, funding for maternal addiction programs will be doubled to \$2 million.



# EXECUTIVE OFFICES

## Program Revision: Comprehensive Drug and Alcohol Abuse Initiative (continued)

prevention and education activities and providing direction on how our youth can best be taught to avoid drugs and alcohol. Initially, the Coalition will be funded with \$400,000 in State funds and \$250,000 in Federal funds to make small grants to schools, community groups, businesses, etc. for drug and alcohol abuse prevention and education activities. An additional \$110,000 in Federal funds will be used for staff and operating costs of the Coalition.

The Department of Education and the Drug Policy Council will use \$775,000 in Federal Drug-Free Schools and Community Act funds to provide grants for drug prevention and education programs targeted

at youth with the highest risk of abusing drugs. In the Spring of 1989, a student drug and alcohol usage survey will be conducted to determine specifically how serious the drug and alcohol abuse problem is in Pennsylvania. This program revision includes an additional \$175,000 to conduct a second survey in 1989-90. These surveys will provide valuable information on the extent of the drug and alcohol abuse problem as well as new ideas on how youth can be encouraged to stop using drugs and alcohol. Finally, a Statewide drug abuse prevention conference and a series of youth conferences and regional workshops for parents and community leaders will be held to disseminate information and gather new ideas for stopping drug and alcohol abuse.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Drug law arrests							
Current .....	2,300	2,916	2,916	2,916	2,916	2,916	2,916
<b>Program Revision</b> .....			<b>3,166</b>	<b>3,416</b>	<b>3,666</b>	<b>3,666</b>	<b>3,666</b>
Major drug traffickers arrested							
Current .....	780	933	933	933	933	933	933
<b>Program Revision</b> .....			<b>1,016</b>	<b>1,100</b>	<b>1,183</b>	<b>1,183</b>	<b>1,183</b>
Percent of intensive drug parolees committing a crime							
Current .....	55%	55%	55%	55%	55%	55%	55%
<b>Program Revision</b> .....			<b>35%</b>	<b>35%</b>	<b>35%</b>	<b>35%</b>	<b>35%</b>
Additional drug and alcohol treatment beds and outpatient slots							
<b>Program Revision</b> .....			<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>	<b>240</b>
Additional capacity for drug and alcohol treatment services							
<b>Program Revision</b> .....			<b>960</b>	<b>960</b>	<b>960</b>	<b>960</b>	<b>960</b>
Cocaine addicted mothers provided specialized drug and alcohol services							
Current .....							
<b>Program Revision</b> .....			<b>31</b>	<b>46</b>	<b>50</b>	<b>50</b>	<b>50</b>
AIDS outreach contacts							
Current .....							
<b>Program Revision</b> .....			<b>14,000</b>	<b>14,000</b>	<b>14,000</b>	<b>14,000</b>	<b>14,000</b>

# EXECUTIVE OFFICES

## Program Revision: Comprehensive Drug and Alcohol Abuse Initiative (continued)

### Program Revision Recommendations: (continued)

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Fund	Federal Funds	
		<b>Executive Offices</b>
		<b>Coalition Against Drug Abuse</b>
\$400	\$360	—to establish a program to provide local grants for drug and alcohol prevention activities. The \$360,000 in Federal funds will be subgranted from the Department of Education.
		<b>Commission on Crime and Delinquency</b>
. . . . .	\$550	—to expand and replicate successful local drug law enforcement programs initiated with Federal local drug law enforcement grants.
\$400	\$910	Agency Increase
		<b>Attorney General</b>
		<b>Drug Law Enforcement</b>
\$202	. . . . .	—to establish a Drug Law Division.
\$1,118	. . . . .	—to provide additional resources for increased drug prosecutions.
\$1,250	. . . . .	—to establish a Statewide special strike force.
\$1,404	. . . . .	—to establish a regional office in the Philadelphia area and to expand investigative capabilities at the regional offices.
\$701	. . . . .	—to establish local drug task forces in cooperation with the Office of Attorney General and the State Police.
\$604	. . . . .	—to establish a drug intelligence unit, establish a drug hotline, purchase updated surveillance equipment, and provide additional funds to increase the number of wiretaps.
\$276	. . . . .	—to establish an Attorney General's Training Institute and to provide more training to State and local investigators.
\$445	. . . . .	—to provide support services such as statistical review, computer support, and printing and graphic services to the drug law enforcement effort.
\$6,000	. . . . .	Agency Increase
		<b>Corrections</b>
		<b>State Correctional Institutions</b>
\$212	\$622	—to establish a 52-bed therapeutic drug and alcohol community at SCI-Cresson. \$306,000 of the Federal funds will be subgranted from the Commission on Crime and Delinquency for 75% of the cost of purchasing a modular housing unit. \$316,000 of the Federal funds will be subgranted from the Department of Health for drug and alcohol treatment services.
		<b>Education</b>
		<b>General Government Operations</b>
. . . . .	\$775	—to provide grants for drug prevention and education programs targeted at youth with the highest risks of abusing drugs.
. . . . .	\$175	—to conduct a second student drug and alcohol usage survey.
. . . . .	\$188	—to hold a Statewide drug abuse prevention conference, regional youth conferences and forums, and regional workshops for parents and community leaders, and to establish a Youth Leadership Program.
. . . . .	\$1,050	—to provide drug and alcohol consultations and assessments for students referred by Student Assistance Programs, and to conduct an evaluation of the Student Assistance Program.
. . . . .	\$60	—to expand drug and alcohol education programs in the Department of Education. These funds will be subgranted from the Department of Health's Federal drug treatment funds.
. . . . .	\$2,248	Agency Increase

# EXECUTIVE OFFICES

## Program Revision: Comprehensive Drug and Alcohol Abuse Initiative (continued)

### Program Revision Recommendations: (continued)

(Dollar Amounts in Thousands)

<u>General Fund</u>	<u>Federal Funds</u>	
		<b>Health</b>
		<b>Assistance to Drug and Alcohol Programs</b>
\$664	. . . .	—to provide grants for drug and alcohol services.
\$300	\$700	—to provide drug and alcohol services to cocaine addicted mothers, provide a system of specialized drug and alcohol services for pregnant women and mothers who are substance abusers, and to expand residential maternal addiction programs.
. . . .	\$1,474	—to provide grants to Single County Authorities for community based drug and alcohol prevention activities.
. . . .	\$1,500	—to provide funding for capital improvements to drug and alcohol treatment facilities. Funds will be subgranted to the Pennsylvania Housing Finance Agency which will administer the program.
. . . .	\$250	—to establish AIDS outreach programs and train drug and alcohol staff on how to treat AIDS patients.
. . . .	\$50	—to complete the development of a needs/performance based allocation formula to distribute funds to Single County Authorities.
. . . .	\$122	—to provide a salary increase of \$500 for one half year to personal care workers who work for private and non profit drug and alcohol agencies to help reduce turnover.
. . . .	\$100	—to establish a loan fund for renovations of drug and alcohol group homes.
. . . .	\$145	—to provide treatment grants for delinquent and dependent youth.
. . . .	\$276	—to provide additional drug and alcohol treatment for students referred from Student Assistance Programs.
. . . .	\$418	—to reduce licensing backlog of drug and alcohol facilities and to improve the monitoring and control over drug and alcohol abuse funding.
. . . .	\$25	—to provide training to local drug and alcohol staff.
<u>\$964</u>	<u>\$5,060</u>	Agency Increase
		<b>Housing Finance Agency</b>
		<b>Drug and Alcohol Facilities Improvements</b>
\$750	. . . .	—to provide a 50% match to \$1.5 million in Federal funds for capital improvements to drug and alcohol treatment facilities. Local drug and alcohol treatment facilities will be required to provide the remaining 50% match.
		<b>Probation and Parole</b>
		<b>Special Intensive Drug Parole Units</b>
\$550	\$292	—to establish two intensive drug parole units. The \$292,000 in Federal drug treatment funds will be subgranted from the Department of Health.
		<b>Improvement of Adult Probation Services</b>
\$869	. . . .	—to provide funding to county probation agencies for special drug and alcohol probation programs.
<u>\$1,419</u>	<u>\$292</u>	Agency Increase

# EXECUTIVE OFFICES

## Program Revision: Comprehensive Drug and Alcohol Abuse Initiative (continued)

### Program Revision Recommendations: (continued)

(Dollar Amounts in Thousands)

<u>General Fund</u>	<u>Federal Funds</u>	
		<b>Public Welfare</b>
		<b>Medical Assistance — Outpatient</b>
\$1,500	. . . . .	—to provide residential and outpatient non-hospital drug and alcohol treatment for Medical Assistance clients.
		<b>Youth Development Institutions</b>
\$757	\$50	—to establish two new 16-bed drug and alcohol treatment programs at YDC-Bensalem and YDC-Loysville. The \$50,000 in Federal drug treatment funds will be subgranted from the Department of Health.
		<b>Community Mental Health Services</b>
\$2,295	. . . . .	—to provide mental health services to students referred by an additional 133 Student Assistance Programs projected to be operational by the end of 1988-89.
<u>\$4,552</u>	<u>\$50</u>	Agency Increase
		<b>State Police</b>
		<b>Mobile Narcotics Teams</b>
\$2,016	. . . . .	—to establish five mobile narcotics teams to combat street-level drug trafficking.
<u>\$16,313</u>	<u>\$9,182</u>	Program Revision Total
		<b>SUMMARY OF DRUG AND ALCOHOL INITIATIVES BY PROGRAM AREA:</b>
\$9,435	\$550	Drug Law Enforcement
6,478	5,600	Treatment
400	3,032	Prevention/Education
<u>\$16,313</u>	<u>\$9,182</u>	Total of New Drug and Alcohol Initiatives

Federal funds are available under the authority of the Federal Omnibus Drug Abuse Initiatives Act of 1988 and consist of three different funding streams. Drug law enforcement funds will be appropriated to the Commission on Crime and Delinquency; drug treatment funds will be appropriated to the Department of Health; and drug prevention and education funds will be appropriated to the Department of Education.

# EXECUTIVE OFFICES

## Program Revision: Comprehensive Drug and Alcohol Abuse Initiative (continued)

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
<b>EXECUTIVE OFFICES</b>							
Coalition Against Drug Abuse .....			\$ 400	\$ 400	\$ 400	\$ 400	\$ 400
<b>ATTORNEY GENERAL</b>							
Drug Law Enforcement .....			6,000	6,480	6,836	7,217	7,609
<b>CORRECTIONS</b>							
State Correctional Institutions .....			212	105	111	117	123
<b>HEALTH</b>							
Assistance to Drug and Alcohol Programs .....			964	983	1,003	1,023	1,043
<b>HOUSING FINANCE AGENCY</b>							
Drug and Alcohol Facilities Improvements .....			750	750	750	750	750
<b>PROBATION AND PAROLE</b>							
Special Intensive Drug Parole Units .....			550	1,124	1,186	1,251	1,321
Improvement of Adult Probation Services .....			869	869	869	869	869
<b>PUBLIC WELFARE</b>							
Medical Assistance — Outpatient .....			1,500	4,500	7,500	10,500	16,500
Youth Development Institutions .....			757	1,345	1,419	1,497	1,579
Community Mental Health Services .....			2,295	2,341	2,388	2,435	2,484
<b>STATE POLICE</b>							
Mobile Narcotics Teams .....			2,016	3,272	3,452	3,642	3,842
<b>GENERAL FUND TOTAL .....</b>			<b>\$ 16,313</b>	<b>\$ 22,169</b>	<b>\$ 25,914</b>	<b>\$ 29,701</b>	<b>\$ 36,520</b>

# EXECUTIVE OFFICES

*PROGRAM OBJECTIVE: To provide legal advice to the Governor and the Cabinet, and to supervise, coordinate and administer legal services for the Commonwealth.*

## Program: Legal Services

The Office of the General Counsel is headed by the General Counsel who serves as the chief legal advisor to the Governor and directs the legal activities of the Executive Branch.

This office has the responsibility to appoint the Chief Counsel in each agency and to supervise, coordinate and administer legal services. The office renders such legal advice and representation prior to initiation of any action concerning matters and issues arising in connection with the operation of agencies under the Governor's jurisdiction.

There are two major areas of responsibility for the General Counsel. First, this office provides general legal assistance to the Governor. The office reviews and approves for form and legality all Commonwealth deeds, leases, contracts, rules and regulations. It also is responsible for initiating appropriate proceedings 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 Department of Corrections, the Juvenile Court Judges Commission, the Crime Victims Compensation Board, the Health Facilities Hearing Board and the Health Care Arbitration Panels.

In addition, the General Counsel serves as a member of the Board of Commissioners on Uniform State Laws, the Pennsylvania Emergency Management Agency, the Joint Committee on Documents, the Board of Property, the 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 Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Office of General Counsel**  
 \$ 139 —to continue current program.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Office of General Counsel . . . . .	\$ 1,264	\$ 1,503	\$ 1,642	\$ 1,732	\$ 1,827	\$ 1,927	\$ 2,033

# EXECUTIVE OFFICES

**PROGRAM 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.

## Program: Prevention and Elimination of Discriminatory Practices

The Human Relations Commission is responsible for identifying, preventing and eliminating illegal discriminatory practices as defined by the Pennsylvania Human Relations Act and the Pennsylvania Fair Educational Opportunities Act. The two principal methods utilized by the commission to secure compliance with the law are processing complaints of discrimination which might result in legal proceedings being initiated and providing technical assistance to organizations, businesses, governmental bodies and individuals to promote voluntary compliance.

Processing formal complaints continues to be the major activity of the commission.

Substantial resources are also devoted to the commission's second major effort. Technical assistance is provided to anyone who requests guidance in avoiding illegal discriminatory acts. The commission is also involved with major outreach programs to provide information to community leaders and public officials regarding the Pennsylvania Human Relations Act and its procedures.

The commission's efforts to identify and remedy systemic

discrimination will continue. This approach addresses major problems of discrimination against whole classes of employees. In addition, litigation remains a significant feature of the commission's workload.

The Commission for Women functions as the Commonwealth's advocate for women and is responsible for developing and implementing policies and programs that work to ensure equal opportunity.

A large part of the work of the commission is the distribution of information on subjects that affect equal opportunities and full participation. The agency utilizes five major methods of disseminating information: publication of a periodical mailed directly to groups and individual leaders; publication of handbooks or checklists on specific subjects; distribution of news releases and other information to press and broadcast media; speeches to groups and broadcast appearances; and the provision of information to individuals requesting assistance, often distributed through legislative offices.

Citizens contact the commission seeking information or assistance in redress of discrimination. Response includes appropriate information, copies of publications and referrals to government or private agencies.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<i>Human Relations Commission:</i>							
Formal complaint investigation:							
Complaints pending .....	5,828	6,327	6,991	7,529	7,881	8,197	8,513
New complaints filed .....	4,297	4,500	4,500	4,500	4,500	4,500	4,500
Complaints closed .....	3,798	3,836	3,962	4,184	4,184	4,184	4,184
Projected complaints pending .....	6,327	6,991	7,529	7,881	8,197	8,513	8,829
Informal complaints received .....	21,962	19,000	19,000	19,000	19,000	19,000	19,000
<i>Commission For Women:</i>							
Information to organizations and individuals .....	68,100	85,000	86,700	87,500	89,000	90,500	92,000
Public education efforts, media contacts and speeches .....	91	180	185	188	192	195	198

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Human Relations Commission		Commission for Women	
\$ -110	—nonrecurring projects.		
774	—to continue current program and annualize 1988-89 costs to increase number of investigations.	\$ 39	—to continue current program.
100	—initiative to increase staff to address claims backlog	20	—support for update of publications.
<u>\$ 764</u>	<i>Appropriation Increase</i>	<u>\$ 59</u>	<i>Appropriation Increase</i>

# EXECUTIVE OFFICES

Program: Prevention and Elimination of Discriminatory Practices (continued)

## Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>GENERAL FUND:</b>							
Human Relations Commission .....	\$ 5,690	\$ 6,413	\$ 7,177	\$ 7,572	\$ 7,968	\$ 8,428	\$ 8,891
Commission for Women .....	184	236	295	311	328	346	365
<b>TOTAL GENERAL FUND .....</b>	<u>\$ 5,874</u>	<u>\$ 6,649</u>	<u>\$ 7,472</u>	<u>\$ 7,883</u>	<u>\$ 8,316</u>	<u>\$ 8,774</u>	<u>\$ 9,256</u>

# EXECUTIVE OFFICES

*PROGRAM OBJECTIVE: To increase public exposure to quality artistic and cultural programs and to stimulate a climate that offers opportunities and encouragement to artists.*

## Program: Development of Artists and Audiences

The Commonwealth encourages cultural development in the arts through matching grants-in-aid to arts organizations and through service programs initiated by the Council on the Arts. The organizations and artists served are diverse and range from small community organizations that engender and support local arts programs to world-renowned orchestras, museums, dance companies, theatres and festivals.

As the council enters its third decade, it will focus on the Commonwealth's environment for the arts and artists.

The council process depends upon 14 advisory panels, each chaired by a council member and composed of nine professionals in each program area. The peer review panels are the cornerstone of the decision-making process and provide the method that assures applications receive the most informed and objective review possible. Panels also review program structure and recommend needed changes to the staff and the council.

The Pennsylvania Council on the Arts functions in three ways to support and assist the arts in the Commonwealth: a grant program that responds to applications, program initiatives that address issues and

problems that are beyond the capacity of a single arts institution, and staff services and technical assistance to arts organizations. The first two involve direct expenditure of grant funds as well as the administrative costs of staff, panelists and specialists. The third is carried out by the program staff, panelists and council members, and is supported entirely by the administrative appropriation.

The grant program provides funds to nonprofit arts organizations for general support, support of specific arts projects, technical assistance, touring and administrative and artistic development. The grant program also funds the Minority Arts program which encourages minority, traditional and ethnic artists and ensembles to participate to a greater extent in the Pennsylvania Arts. With Federal funds, fellowships are awarded to individual artists to provide time for creative work.

The council also provides technical assistance and staff services to arts organizations. Site visits, consultations and evaluations are the basis of the development and monitoring of programs. Staff assists arts organizations in analyzing their problems and in planning solutions.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Attendance at supported events (in thousands) . . . . .	58,600	59,600	59,600	60,000	60,000	60,000	60,000
Site visits and consultations . . . . .	15,025	16,500	17,300	17,300	17,300	17,500	17,600
Award applications reviewed . . . . .	2,248	2,700	2,900	3,100	3,300	3,500	3,700
Awards made . . . . .	1,179	1,250	1,300	1,350	1,400	1,450	1,500
Information services (circulation in thousands) . . . . .	50	50	50	50	50	50	50

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Council on the Arts**  
 \$ 236 —increased administrative support for grant program.

**Grants to the Arts**  
 \$ 500 —maintains the commitment of at least \$1.00 per capita in State support for the Arts.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Council on the Arts . . . . .	\$ 780	\$ 753	\$ 989	\$ 1,043	\$ 1,101	\$ 1,161	\$ 1,225
Grants to the Arts . . . . .	8,983	12,000	12,500	12,500	12,500	12,500	12,500
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 9,763</b>	<b>\$ 12,753</b>	<b>\$ 13,489</b>	<b>\$ 13,543</b>	<b>\$ 13,601</b>	<b>\$ 13,661</b>	<b>\$ 13,725</b>

# EXECUTIVE OFFICES

*PROGRAM OBJECTIVE: To increase public awareness of energy problems and to encourage public participation in the reduction of energy consumption.*

## Program: Energy Management and Conservation

### **Program Element: Energy Conservation**

Stable energy prices, increased energy efficiency and greater reliance on the State's indigenous energy resources are key elements in enhancing Pennsylvania's economic growth. The Energy Office has been charged with ensuring that these goals are met.

The Energy Office has maintained its emphasis on providing site specific assistance to selected target audiences rather than generic information. The Federally funded State Energy Conservation Plan and Energy Extension Service have assisted small businesses, local municipalities, public institutions and farmers to conduct site specific feasibility studies of waste to energy projects such as cogeneration, municipal solid waste and agricultural waste recycling. All site specific studies require a matching contribution.

There is a Pennsylvania Energy Center (PEC) in each region of the State. While the centers can be used as a source of information by private citizens, they are specifically tailored to serve the needs of small businesses, local governments, nonprofit organizations and multi-family building owners. A key element of the center is its Energy Efficiency Team (EET) which surveys target facilities to identify energy conservation opportunities. The office conducts an annual performance evaluation that is used to allocate approximately one-third of their funding. The EET energy savings compose approximately one-half of the evaluation.

Energy efficiency capital improvement grants are offered to

Pennsylvania's schools and hospitals through the Institutional Conservation Program (ICP).

### **Program Element: Energy Conservation and Assistance Fund**

Act 122 of 1986 established the Energy Conservation and Assistance Fund as a repository for all oil overcharge settlements. The act also provides a framework for allowable expenditures from the fund. While several of the major court settlements tie the use of funds to existing Federal energy programs, Act 122 restricts Pennsylvania's participation to four of the five programs.

Two programs, Pennsylvania Supplemental Low-Income Energy Assistance and Pennsylvania Supplemental Low-Income Weatherization, are both authorized by the Federal Low Income Home Energy Assistance Program (LIHEAP). The LIHEAP program, while basically providing cash grants to pay energy bills, allows diversion of up to 15 percent of the funds for installing energy conservation improvements in homes.

The act also provides up to 25 percent of the total appropriations each year for activities authorized by three Federal energy conservation programs: the State Energy Conservation Program (SECP), the Energy Extension Service (EES) and the Institutional Conservation Program (ICP).

### **Program Measures:**

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Energy efficiency surveys .....	2,176	2,200	1,600	1,700	1,800	1,800	1,800
Workshop attendance .....	2,553	2,000	1,200	1,300	1,300	1,300	1,300
Institutional Conservation Program technical assistance studies .....	41	104	75	75	75	75	75
Institutional Conservation Program energy conservation measures funded by category:							
Schools .....	87	87	86	86	86	86	86
Hospital .....	22	22	22	22	22	22	22
Residential energy and solar projects .....	1,895	1,000	1,000	1,000	1,000	1,000	1,000

Energy Efficiency Surveys and workshops will be lower due to the rebidding of the Energy Center Program. The rebid process has resulted in 3 fewer centers and in some instances, centers substituting new programs in place of surveys and workshops.

The Institutional Conservation Program technical assistance studies level of technical assistance was unusually high due to submissions by large college campuses in the 1988-89 fiscal year. This level of technical assistance is not expected to reoccur.

Energy Center efficiency team surveys and residential energy and solar projects measures have changed substantially. The new data represent updated historical information and estimates.

# EXECUTIVE OFFICES

**Program: Energy Management and Conservation (continued)**

**Program Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>GENERAL FUND</b>	<b>ENERGY CONSERVATION AND ASSISTANCE FUND:</b>
	<b>Energy Office</b>	<b>Energy Conservation Programs</b>
\$ 270	—to continue current program.	\$ 3,400 —Increased support for basic energy conservation programs.
112	—to support strategies to expand the use of coal for energy.	
<u>\$ 382</u>	<i>Appropriation Increase</i>	
	<b>Energy Development Authority</b>	
\$ 200	—non-coal energy related projects.	

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Energy Office .....	\$ 1,450	\$ 1,491	\$ 1,873	\$ 2,092	\$ 2,207	\$ 2,329	\$ 2,457
Energy Development Authority .....	1,300	1,500	1,700	1,700	1,700	1,700	1,700
<b>TOTAL</b> .....	<u>\$ 2,750</u>	<u>\$ 2,991</u>	<u>\$ 3,573</u>	<u>\$ 3,792</u>	<u>\$ 3,907</u>	<u>\$ 4,029</u>	<u>\$ 4,157</u>
<b>ENERGY CONSERVATION AND ASSISTANCE FUND:</b>							
Energy Conservation Programs .....	\$ 3,337	\$ 7,100	\$ 10,500	\$ 8,000	.....	.....	.....
<b>TOTAL</b> .....	<u>\$ 3,337</u>	<u>\$ 7,100</u>	<u>\$ 10,500</u>	<u>\$ 8,000</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>

# EXECUTIVE OFFICES

*PROGRAM OBJECTIVE: To increase economic stability by providing financial assistance to those who have suffered financial loss as a result of being injured during the commission of a crime.*

## Program: Income Maintenance

The Crime Victims Compensation Program was established in 1976 to ameliorate the financial burden faced by the victims of crime.

Individuals under age 60 receive compensation for out-of-pocket expenses exceeding \$100 or for loss of at least two continuous weeks' earnings or support. The maximum compensation paid to a victim or dependant is \$35,000. In addition to earnings, compensation is limited to actual treatment costs or the exact amount of stolen support payments.

The program was expanded by legislation in 1979, 1984 and again in 1986. The changes in 1979 eliminate the minimum loss requirement for victims over 60 and required law enforcement officials to notify victims of the compensation program. The 1984 amendments provided coverage for the stolen cash proceeds of a social security check when it could be determined that social security was the victim's primary source of income. The board was authorized to award compensation when the claimant and offender were related so long as they did not reside together and the offender would not benefit from the award. Also, compensation was allowed for a family member assuming liability for a homicide victim's funeral expenses.

In addition to expanding compensable coverage, Act 96 of 1984

reinforced the victim notification requirements and imposed costs on criminals to finance victims compensation. Referred to as "reverse Miranda," victims rights programs, were established statewide to inform individuals of their right to compensation.

The amendment passed in 1986 expanded the definition of injury to include mental damage but limited compensation to the cost of psychological or psychiatric services. The amendment also allowed reimbursement for stolen railroad retirement and child or spousal support payments if the loss is the primary income source.

The Crime Victims Compensation Program is the payor of last resort for crime victims' losses and the board is required to verify all aspects of each claim prior to payment.

No State grant funds are required for this program after 1986-87 as a result of the Federal Victims of Crime Act of 1984 which allocates Federal funds for crime victims' payments and State Act 96 of 1984 which allows collections and disbursements of court imposed costs from an established restricted revenue account. Since the imposed costs are paid from a restricted revenue account, they are listed as other funds in this program.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Claim backlog .....	744	1,877	2,687	3,487	4,287	5,187	6,187
Claims submitted .....	2,816	3,000	3,200	3,400	3,600	3,800	4,000
Claims paid .....	1,153	1,290	1,400	1,500	1,500	1,500	1,500
Claims denied .....	530	900	1,000	1,100	1,200	1,300	1,400

Information concerning program availability has become more widespread, causing increase in claims submitted and claims backlog.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Crime Victims Compensation Board**  
 \$ 68 —to continue current program.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Crime Victims Compensation Board .....	\$ 451	\$ 563	\$ 631	\$ 666	\$ 703	\$ 742	\$ 783
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 451</b>	<b>\$ 563</b>	<b>\$ 631</b>	<b>\$ 666</b>	<b>\$ 703</b>	<b>\$ 742</b>	<b>\$ 783</b>

# EXECUTIVE OFFICES

*PROGRAM OBJECTIVE: To provide criminal and juvenile justice system policy analysis, coordination and planning to improve criminal justice programs.*

## Program: Criminal and Juvenile Justice Planning and Coordination

The Pennsylvania Commission on Crime and Delinquency (PCCD) examines criminal justice problems and needs, researches and proposes improvement strategies and assesses the results of these strategies on affected components of the justice system. Appointed task forces, advisory groups and planning committees, encompassing commission and noncommission members, advise the commission in addressing specific problem areas.

The commission also administers a mix of State and Federal grant programs which are designed to provide support to local elements of the criminal justice system and, through selective financing of proposals, demonstrate new solutions to statewide problems.

The "Pennsylvania Crime Watch," serves law enforcement organizations and citizens across the Commonwealth through a comprehensive training and technical assistance effort designed to foster the planning, implementation and evaluation of effective community crime prevention programs. A key element of the program is the four-day Police Crime Prevention Practitioners' Course which is composed of modules covering the value and benefit of crime prevention community programming, increasing public awareness of precautions against property and personal crimes, educating the public and developing a resource network. In addition to providing special seminars to citizens groups, PCCD provides a "Model for Municipal Crime Prevention Programs" which outlines a systematic basis for local program development. PCCD assistance is predicated on supporting the recipient agency or group rather than supplanting their work.

Under the guidance of its gubernatorially appointed Juvenile Advisory Committee, PCCD occupies a central role in the interaction between the Department of Public Welfare, the Juvenile Court Judges'

Commission and other agencies in the development and implementation of policy and programming relative to juvenile justice. Paramount to PCCD's involvement has been the administration of the Federal Juvenile Justice and Delinquency Prevention Act formula grant program.

The Commission's Prison and Jail Overcrowding Task Force continues to oversee the adoption and implementation of initiatives to alleviate crowding, monitor and evaluate the effects of the initiatives and identify further necessary changes.

PCCD uses county-based policy boards to define local victim service needs and develop cost-effective victim/witness service strategies. Technical and financial assistance is provided through community organizations to support comprehensive service to victims of all violent crime with particular emphasis on services to victims of sexual assault, domestic violence and child abuse. Grants are made using court imposed costs authorized by Act 96 of 1984 and the Federal Victims of Crime Act of 1984.

The Federal Justice Assistance Act (JAA) of 1984 established a state grant program to assist state and local governments in carrying out programs which offer a high probability of improving the functions of the criminal justice system with special emphasis on violent crime and serious offenders. PCCD adopted four priorities for JAA funds: prison and jail overcrowding, career criminals, drug prevention and criminal justice training.

Act 2 of 1984 established a basic and continuing training program for deputy sheriffs to be financed through a surcharge on fees levied by the sheriffs for legal services executed. The first, 160 hour basic training school began in 1985 and continues to train deputy sheriffs at regular intervals.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Police officers attending crime prevention practitioner's course and inservice instructors' development workshops . . .	230	200	200	200	200	200	200
Citizens attending community crime prevention training . . . . .	100	200	200	200	200	200	200
Counties receiving technical assistance and grants for crime victims services . . .	60	67	67	67	67	67	67

# EXECUTIVE OFFICES

**Program: Criminal and Juvenile Justice Planning and Coordination (continued)**

**Program Recommendations:** \_\_\_\_\_

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Commission on Crime and Delinquency</b>          \$ 257 —to maintain current program.</p>	<p><b>Eagleville Hospital</b>          \$ -300 —nonrecurring appropriation.</p>
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**Appropriations within this Program:** \_\_\_\_\_

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Commission on Crime and Delinquency . . .	\$ 1,905	\$ 2,002	\$ 2,259	\$ 2,383	\$ 2,514	\$ 2,652	\$ 2,798
Eagleville Hospital . . . . .	300	300	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
<b>TOTAL GENERAL FUND . . . . .</b>	<b><u>\$ 2,205</u></b>	<b><u>\$ 2,302</u></b>	<b><u>\$ 2,259</u></b>	<b><u>\$ 2,383</u></b>	<b><u>\$ 2,514</u></b>	<b><u>\$ 2,652</u></b>	<b><u>\$ 2,798</u></b>

# EXECUTIVE OFFICES

*PROGRAM OBJECTIVE: To reduce the recurrence of juvenile delinquency through replacement of criminal behavior with socially acceptable behavior.*

## Program: Reintegration of Juvenile Delinquents

The Juvenile Court Judges Commission is responsible for the development and improvement of juvenile probation services throughout the Commonwealth. These services focus on the effective reintegration of juvenile offenders into the community through increased performance by juvenile courts and their staff.

The development of statewide juvenile probation standards, comprehensive training and specialized intensive probation and aftercare programs have significantly improved the quality of services within the Commonwealth's juvenile court system.

66 Counties participate in the commission's grant-in-aid program and have voluntarily adopted intake standards, participated in training programs and complied with statistical reporting requirements. The grant program supports several major programs including intensive probation

and aftercare initiatives.

The intensive probation program is designed as an alternative to placement while the availability of aftercare programs reduces the average length of placement.

As a result of the Coleman versus Stanziani settlement on April 18, 1986, the commission began a massive training program mandated by the courts. The case challenged the constitutionality of the detention provisions of the Pennsylvania Juvenile Act. The settlement promulgated secure detention standards and charged the commission with training all judges, probation officers and detention center staff in application of the standard. In addition, the commission must monitor compliance for ten years and report annually to the court.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Commitments as a percent of referrals . . .	14.20%	13.75%	13.25%	13.00%	12.50%	12.00%	12.00%
Children referred to court . . . . .	29,602	29,500	29,250	29,000	28,750	28,500	28,000
Children arrested for violent crime . . . . .	4,201	4,151	4,101	4,051	4,001	3,950	3,950
Intensive probation and aftercare programs operating . . . . .	61	62	64	66	66	66	66
Juvenile Justice personnel trained . . . . .	1,769	1,800	1,850	1,900	1,950	2,000	2,000

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Juvenile Court Judges Commission</b></p> <p>\$ 34 --to continue current program.</p> <p>28 --legal services.</p> <p><b>\$ 62 Appropriation Increase</b></p>	<p><b>Improvement of Juvenile Probation Services</b></p> <p>--maintain program at current level of funding.</p>
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### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Juvenile Court Judges Commission . . . . .	\$ 467	\$ 488	\$ 550	\$ 580	\$ 612	\$ 646	\$ 682
Improvement of Juvenile Probation Services . . . . .	2,989	3,239	3,239	3,239	3,239	3,239	3,239
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 3,456</b>	<b>\$ 3,727</b>	<b>\$ 3,789</b>	<b>\$ 3,819</b>	<b>\$ 3,851</b>	<b>\$ 3,885</b>	<b>\$ 3,921</b>

# EXECUTIVE OFFICES

*PROGRAM OBJECTIVE: To assist persons who have sustained injury or death as a result of tort or breach of contract by a health care provider to obtain prompt and just adjudication of their claim and to conduct preliminary hearings on appeals concerning health care facilities.*

## Program: Medical Malpractice Arbitration and Health Facilities Hearings

The Health Care Services Malpractice Act of 1975 created a comprehensive program to assure the availability of medical malpractice insurance at reasonable rates. As originally designed by the act, the Arbitration Panels for Health Care conducted arbitration hearings in medical malpractice cases to promote reduced insurance costs and prompt resolution of claims.

In 1984, the arbitration hearing system was replaced by a conciliation conference service which conducts court-supervised settlement conferences pursuant to Section 7342 of the Judicial Code. This service has been well received and is highly regarded by judges, attorneys and other interested legal and professional groups. It has dramatically increased the settlement rate for medical malpractice cases in those counties where the court has ordered it implemented. While use of the service remains at the discretion of the court, it is available throughout the State.

The Health Care Services Malpractice Act also established the Medical Professional Liability Catastrophe Loss Fund to pay the cost of settlements in excess of \$200,000 per occurrence and \$600,000 annually for individuals and \$1 million annually for hospitals. A Statement of Cash Receipts and Disbursements for the fund is included in the

Special Funds Appendix. The fund expenditures are also reflected as other funds in this program.

The State Health Facility Hearing Board, created by Act 48 of 1979, is reflected in this program. The board conducts hearings throughout the State on appeals of decisions made by the Department of Health on application for certificate of need and licensure of health care facilities. Decisions of the board may be appealed to Commonwealth Court.

The Department of Health's action on certificate of need applications may be appealed either by the institution applying for the certificate or by other institutions that anticipate an adverse impact from the change. The appeal hearing does not judge the correctness of the department's action but determines if the evidence is sufficient to reasonably support the decision.

In licensing appeals, the board must discover the facts and make a judgement on the relative merit of the case. The department's decisions may involve either the initial licensing of a new facility or possible revocation or penalties against a licensed facility where impropriety is alleged. The majority of these appeals are settled by pre-hearing conferences.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Health Care Arbitration Panels:</b>							
Court cases settled as a result of							
conciliation conferences . . . . .	170	200	225	245	260	270	275
Conciliation conferences held . . . . .	420	430	440	450	460	470	480
Total value of settlements reached (in							
millions of dollars) . . . . .	\$62	\$65	\$68	\$71	\$74	\$77	\$80
Time from incident to disposition (in							
months) . . . . .	1	1	1	1	1	1	1
<b>Health Facilities Hearing Board:</b>							
Unresolved appeals carried forward . . .	56	50	49	49	48	46	44
New appeals filed . . . . .	58	59	60	62	63	64	65
Total number of open cases . . . . .	114	109	109	111	111	110	109
Appeals resolved . . . . .	64	64	64	65	65	66	66
Decisions appealed to Commonwealth							
Court . . . . .	3	3	3	4	4	4	4
Time from incident to disposition of							
appeal (in months) . . . . .	9	9	9	9	9	9	9

Health Care Arbitration Panels conciliation conferences decreased in 1987-88, but settlements were for higher dollar amounts.

# EXECUTIVE OFFICES

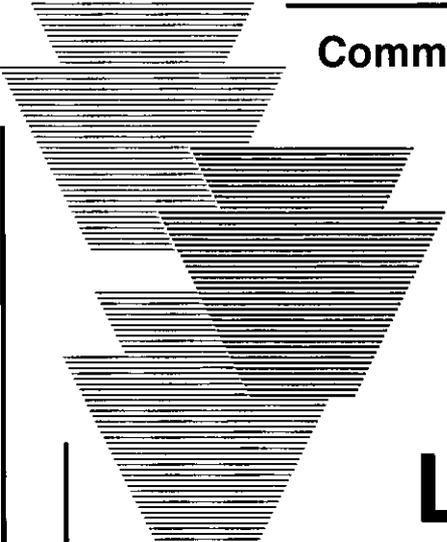
## Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Health Facilities Hearing Board</b> \$ 10 —to continue current program.</p>	<p><b>Health Care Arbitration Panels</b> \$ 36 —to continue current program.</p>
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## Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Health Facilities Hearing Board .....	\$ 165	\$ 177	\$ 187	\$ 197	\$ 208	\$ 219	\$ 231
Health Care Arbitration Panels .....	456	503	539	569	600	633	668
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 621</b>	<b>\$ 680</b>	<b>\$ 726</b>	<b>\$ 766</b>	<b>\$ 808</b>	<b>\$ 852</b>	<b>\$ 899</b>



Commonwealth of Pennsylvania

# 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.

# LIEUTENANT GOVERNOR

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Lieutenant Governor's Office .....	\$ 503	\$ 598	\$ 643
Portrait—Former Lieutenant Governor .....	.....	.....	3
Board of Pardons .....	198	210	221
<b>GENERAL FUND TOTAL</b> .....	<u>\$ 701</u>	<u>\$ 808</u>	<u>\$ 867</u>

# LIEUTENANT GOVERNOR

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>EXECUTIVE DIRECTION</b>							
General Funds.....	\$ 701	\$ 808	\$ 867	\$ 911	\$ 961	\$ 1,014	\$ 1,069
<b>TOTAL.....</b>	<b>\$ 701</b>	<b>\$ 808</b>	<b>\$ 867</b>	<b>\$ 911</b>	<b>\$ 961</b>	<b>\$ 1,014</b>	<b>\$ 1,069</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 701	\$ 808	\$ 867	\$ 911	\$ 961	\$ 1,014	\$ 1,069
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>TOTAL.....</b>	<b>\$ 701</b>	<b>\$ 808</b>	<b>\$ 867</b>	<b>\$ 911</b>	<b>\$ 961</b>	<b>\$ 1,014</b>	<b>\$ 1,069</b>

# LIEUTENANT GOVERNOR

*PROGRAM OBJECTIVE: To provide an effective administrative system through which substantive programs of the agency can be accomplished.*

## Program: Executive Direction

This program provides for the execution of duties relating to the office of the Lieutenant Governor. These duties as prescribed by the Constitution include presiding over the Senate, serving as chairman of the Board of Pardons, and assumption of the office of the Governor for the remainder of the Governor's term if necessary as a result of death, conviction or impeachment, failure to qualify or resignation of the Governor.

In addition to these duties prescribed by law, the Lieutenant

Governor also serves the Governor in many other areas and is Chairman of the Emergency Management Council, the Pennsylvania Energy Office and the Pennsylvania Heritage Affairs Commission. As chairman, the Lieutenant Governor has direct responsibility for coordinating relief information and assistance.

Also included in this program is the Board of Pardons which reviews applications for reprieve, commutation of sentences and pardons.

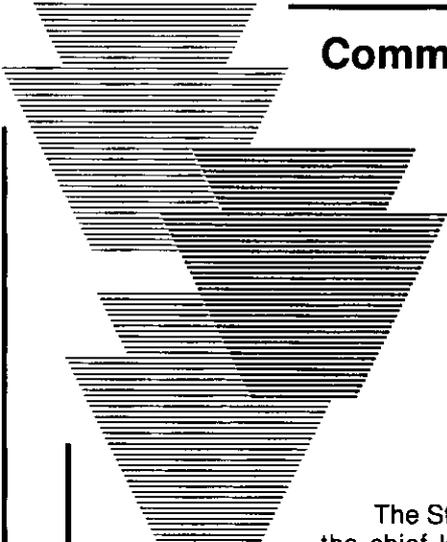
### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p style="text-align: center;"><b>Lieutenant Governors Office</b></p> <p>\$ 45 —to continue current program. 3 —Portrait — Former Lieutenant Governor.</p>	<p style="text-align: center;"><b>Board of Pardons</b></p> <p>\$ 11 —to continue current program.</p>
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### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Lieutenant Governor's Office . . . . .	\$ 503	\$ 598	\$ 643	\$ 678	\$ 715	\$ 754	\$ 795
Portrait — Former Lieutenant Governor . . . . .			3				
Board of Pardons . . . . .	198	210	221	233	246	260	274
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 701</b>	<b>\$ 808</b>	<b>\$ 867</b>	<b>\$ 911</b>	<b>\$ 961</b>	<b>\$ 1,014</b>	<b>\$ 1,069</b>



**Commonwealth of Pennsylvania**

# **Attorney General**

The State constitution provides that the Attorney General shall be the chief law officer of the Commonwealth and shall exercise such powers and perform such duties as may be imposed by law.

The Commonwealth Attorneys Act establishes the Attorney General as the chief legal and law enforcement officer of the Commonwealth and provides the following fundamental duties and responsibilities of the Office of Attorney General:

To be the Commonwealth's chief law enforcement officer charged with the responsibility for the prosecution of organized crime and public corruption. This law enforcement program includes a criminal investigations unit and drug law enforcement program as well as direction of 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

## PROGRAM REVISION

### Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1989-90 State Funds (in thousands)
<b>GENERAL FUND</b>		
<b>Drug Law Enforcement</b>	Comprehensive Drug and Alcohol Abuse Initiative .....	\$ 6,000
<p>This recommendation will enhance the Attorney General's drug law enforcement and prosecution capabilities. This is part of a \$16,313,000 million Program Revision entitled Comprehensive Drug and Alcohol Abuse Initiative. Please see the Executive Offices for further information on this Program Revision.</p>		
<b>Hazardous Waste Prosecutions</b>	Implementation of the Hazardous Sites Clean-up Act .....	\$ 583
<p>This recommendation will increase hazardous waste prosecutions through establishment of a new regional office. This is part of a \$2,058,000 Implementation of the Hazardous Sites Clean-up Act Program Revision. Please see the Department of Environmental Resources for further information on this Program Revision.</p>		
<b>General Government Operations</b>	Investigation and Prosecution Enhancements .....	\$ 2,300
<p>This Program Revision will provide significant funding for major activities of the Attorney General. Major increases for drug enforcement and hazardous waste prosecutions are described above.</p>		
DEPARTMENT TOTAL .....		<u>\$ 8,883</u>

# ATTORNEY GENERAL

## Summary by Fund and Appropriation

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
General Government Operations .....	\$ 21,107	\$ 23,329	\$ 27,311
(F) Medicaid Fraud .....	1,874	2,067	2,230
(F) Child Abuse Enforcement Training .....	57	57	57
(A) Legal Fees Reimbursement .....	150	163	171
(A) Collections — Legal .....	136	140	144
(A) Department Services .....	253	104	90
(A) Consumer Protection Investigation .....	44	3	3
(A) Investigative Cost Reimbursement .....	14	20	20
Total — General Government Operations .....	<u>\$ 23,578</u>	<u>\$ 25,883</u>	<u>\$ 29,969</u>
(R) Office of the Consumer Advocate .....	2,622	2,738	2,964
Hazardous Waste Prosecutions .....	596	820	1,478
(F) Hazardous Waste Management .....	72	72	72
Drug Law Enforcement .....	5,444	5,661	12,417
(F) Mobile Cooperative Task Force .....	311	411	411
(F) Technical Assistance .....	27	47	85
(F) Financial Asset Investigation .....	206	390	206
(F) Drug Law Enforcement .....	142	200	142
(F) Drug Prosecution Program .....	142	366	413
(F) Clandestine Lab Model .....	142	275	248
Subtotal — Federal Funds .....	<u>686</u>	<u>1,689</u>	<u>1,363</u>
Total — Drug Law Enforcement .....	<u>\$ 6,130</u>	<u>\$ 7,350</u>	<u>\$ 13,780</u>
Subtotal — State Funds .....	27,147	29,810	41,206
Subtotal — Federal Funds .....	2,632	3,813	3,593
Subtotal — Augmentations .....	597	430	428
Subtotal — Restricted Revenues .....	2,622	2,738	2,964
Total — General Government .....	<u>\$ 32,998</u>	<u>\$ 36,791</u>	<u>\$ 48,191</u>
<b>GRANTS AND SUBSIDIES:</b>			
County Trial Reimbursement .....	\$ 100	\$ 110	\$ 110
STATE FUNDS .....	\$ 27,247	\$ 29,920	\$ 41,316
FEDERAL FUNDS .....	2,632	3,813	3,593
AUGMENTATIONS .....	597	430	428
RESTRICTED REVENUE .....	2,622	2,738	2,964
<b>GENERAL FUND TOTAL .....</b>	<b><u>\$ 33,098</u></b>	<b><u>\$ 36,901</u></b>	<b><u>\$ 48,301</u></b>
<b>OTHER FUNDS</b>			
<b>GENERAL FUND:</b>			
Seized/Forfeited Property — State Court Awarded .....	\$ 321	\$ 675	\$ 800
Seized/Forfeited Property — Federal Grant Awarded .....	313	975	325
<b>OTHER FUNDS TOTAL .....</b>	<b><u>\$ 634</u></b>	<b><u>\$ 1,650</u></b>	<b><u>\$ 1,125</u></b>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUNDS .....	\$ 27,247	\$ 29,920	\$ 41,316
FEDERAL FUNDS .....	2,632	3,813	3,593
AUGMENTATIONS .....	597	430	428
RESTRICTED REVENUE .....	2,622	2,738	2,964
OTHER FUNDS .....	634	1,650	1,125
<b>TOTAL — ALL FUNDS .....</b>	<b><u>\$ 33,732</u></b>	<b><u>\$ 38,551</u></b>	<b><u>\$ 49,426</u></b>

# ATTORNEY GENERAL

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>PUBLIC PROTECTION AND LAW ENFORCEMENT</b>							
General Funds.....	\$ 27,247	\$ 29,920	\$ 41,316	\$ 44,612	\$ 47,060	\$ 49,642	\$ 52,367
Federal Funds.....	2,632	3,813	3,593	3,455	2,820	2,617	2,748
Other Funds.....	3,853	4,818	4,517	4,843	5,178	5,524	5,880
<b>TOTAL.....</b>	<b>\$ 33,732</b>	<b>\$ 38,551</b>	<b>\$ 49,426</b>	<b>\$ 52,910</b>	<b>\$ 55,058</b>	<b>\$ 57,783</b>	<b>\$ 60,995</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 27,247	\$ 29,920	\$ 41,316	\$ 44,612	\$ 47,060	\$ 49,642	\$ 52,367
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	2,632	3,813	3,593	3,455	2,820	2,617	2,748
OTHER FUNDS.....	3,853	4,818	4,517	4,843	5,178	5,524	5,880
<b>TOTAL.....</b>	<b>\$ 33,732</b>	<b>\$ 38,551</b>	<b>\$ 49,426</b>	<b>\$ 52,910</b>	<b>\$ 55,058</b>	<b>\$ 57,783</b>	<b>\$ 60,995</b>

# ATTORNEY GENERAL

*PROGRAM OBJECTIVE: To enforce the criminal laws of the Commonwealth and protect the interests of Pennsylvania citizens in areas of consumer protection, antitrust enforcement, operation of charitable trusts and organizations, and civil rights.*

## Program: Public Protection and Law Enforcement

The Attorney General as the chief law enforcement officer of the Commonwealth is charged with the responsibility for the investigation and prosecution of organized crime and public corruption. The agency investigates and prosecutes criminal activity in accordance with Sections 205 and 206 of the Commonwealth Attorneys Act, and utilizes statewide investigative grand juries as appropriate. The Attorney General's Office works with the State Police to curtail drug abuse in the Commonwealth by immobilizing illegal drug traffickers. Last year, over 2,400 drug traffickers were arrested, of which 612 were considered major.

Other major activities of this program involve: decreasing the incidence of fraud and deceptive business practices and securing recovery of damages to the Commonwealth and its citizens; encouraging

free enterprise and competition; prosecution of hazardous waste cases; and providing for representation of the consumer before the Public Utility Commission through the Office of the Consumer Advocate.

This program also provides legal services for governmental agencies of the Commonwealth, as required by Section 204 of the Commonwealth Attorneys Act. Specifically, the Attorney General's Office represents the Commonwealth in any action brought by or against the Commonwealth or its agencies, particularly tort claims.

This budget provides significant funding increases for the major activities of the Attorney General. See the Program Recommendations section below and the Comprehensive Drug and Alcohol Abuse Initiative Program Revision in the Executive Offices presentation for further details.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Cases presented to the statewide investigating Grand Jury . . . . .	49	45	63	69	69	69	69
Drug law arrests . . . . .	2,300	2,916	3,166	3,416	3,666	3,666	3,666
Major drug traffickers arrested . . . . .	780	933	1,016	1,100	1,183	1,183	1,183
Consumer complaints concerning business practices investigated and mediated . . . . .	24,500	25,000	27,000	28,750	30,000	30,000	30,000
Dollar value of recoupment to consumers regarding business practices (in thousands) . . . . .	\$2,100	\$2,200	\$2,400	\$2,400	\$2,500	\$2,500	\$2,500
Rate cases argued by Consumer Advocate . . . . .	72	61	61	N/A	N/A	N/A	N/A
Other cases argued by the Consumer Advocate . . . . .	30	29	29	N/A	N/A	N/A	N/A
Antitrust and oil overcharge cases:							
Settlements with or without court action	12	12	10	10	10	10	10
Dollars paid or agreed to be paid to the Commonwealth or directly to its citizens (in thousands) . . . . .	\$15,000	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200	\$3,200

Refunds to the Commonwealth from the large Federal oil overcharge cases ended in 1987-88. Since 1981, Pennsylvania has received over \$150 million in refunds.

# ATTORNEY GENERAL

**Program: Public Protection and Law Enforcement (continued)**

**Program Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

**General Government Operations**  
 \$ 1,682 —to maintain current program.  
 2,300 —PRR — Investigations and Prosecutions Enhancements. To improve consumer protection and torts litigation activities. See the Program Revision following this program for further information.

\$ 3,982 *Appropriation Increase*

**Hazardous Waste Prosecutions**  
 \$ 75 —to continue current program.  
 583 —PRR — Part of the Hazardous Sites Clean-up Act. To enhance hazardous waste prosecutions through establishment of a new regional office. See the Program Revision in the Department of Environmental Resources for further information.

\$ 658 *Appropriation Increase*

**Drug Law Enforcement**  
 \$ 756 —to continue current program.  
 6,000 —PRR — Part of the Comprehensive Drug and Alcohol Abuse Initiative. To enhance drug law enforcement and prosecution activities. See the Program Revision in the Executive Offices for further information.

\$ 6,756 *Appropriation Increase*

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>GENERAL FUND:</b>							
Attorney General's Office .....	\$ 21,107	\$ 23,329	\$ 27,311	\$ 29,496	\$ 31,118	\$ 32,829	\$ 34,635
Drug Law Enforcement .....	5,444	5,661	12,417	13,410	14,148	14,926	15,747
Hazardous Waste Prosecution .....	596	820	1,478	1,596	1,684	1,777	1,875
County Trial Reimbursement .....	100	110	110	110	110	110	110
<b>TOTAL GENERAL FUND .....</b>	<u><u>\$ 27,247</u></u>	<u><u>\$ 29,920</u></u>	<u><u>\$ 41,316</u></u>	<u><u>\$ 44,612</u></u>	<u><u>\$ 47,060</u></u>	<u><u>\$ 49,642</u></u>	<u><u>\$ 52,367</u></u>

# ATTORNEY GENERAL

## Program Revision: Investigation and Prosecution Enhancements

The Office of Attorney General is responsible for defending Commonwealth agencies in litigation and protecting consumers from fraud. This Program Revision provides funds to expand and strengthen the Attorney General's capabilities in a variety of litigation and consumer protection areas.

Litigation against charities and professional fund raisers for misuse of contributions and fraudulent solicitations is not as actively pursued by the Office of Attorney General as the public demands because of large caseloads and limited staff resources. Over the past two years, the Office of Attorney General has received court-ordered judgments of \$3.6 million in fines and more than \$1 million in reimbursements to legitimate charities. However, it will be several years before these judgments are finalized and the Commonwealth receives any fines because the necessary legal work can not be performed in a timely manner. This Program Revision will provide a Statewide litigation program to ensure that the funds sought by fund raisers and charities are properly accounted for and to increase fine collections due the Commonwealth.

In the area of tort litigation, high caseloads require that settlements be offered in some cases that the Commonwealth could have a reasonable expectation to win. The Torts Section is currently divided into three regions which requires extensive travel time for the attorneys, especially in the central region. An estimated \$1.8 million is lost in cases that must be settled rather than defended. This Program Revision will increase the productivity of tort attorneys by establishing a regional office in Scranton and by reducing the caseload per attorney.

This Program Revision provides resources to relocate the Philadelphia civil law offices to larger quarters that are closer to the courts

to significantly increase productive attorney time. Additional resources are provided to increase prosecutions of bankruptcy cases in Philadelphia where collections due the Commonwealth have declined because of heavy caseloads.

A paralegal program will be implemented to assist in the time-consuming research and development of cases so that more attorney time may be utilized in court. Additional attorneys are also needed to respond to the large increase in cases presented to the Grand Jury and appeals which must be handled as a result of accelerated criminal investigations and prosecutions. Additional resources are provided to support the increased use of the Grand Jury.

The Office of Attorney General is responsible for the review of all Commonwealth contracts as to form and legality as well as prosecution and/or defense of suits which may involve a contractor. There is no current program that allows the Office of Attorney General to crosscheck records to ascertain whether the office has or is currently involved with the contractor and determine whether that information should be provided to the affected State agency. By establishing a crosscheck program, this Program Revision will ensure that vendors that have been prosecuted or are under litigation with the Commonwealth are not allowed to conduct business with Commonwealth agencies.

A relocation program for the Bureau of Consumer Protection regional offices is needed to improve visibility, convenience and ease of access. In addition to addressing these needs, this Program Revision will bring improvements to the Bureau of Consumer Protection that will facilitate filing of complaints and consumer counseling, and establish a special unit for Statewide consumer issues.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Consumer complaints concerning business practices investigated and mediated							
Current .....	24,500	25,000	26,000	26,000	26,000	26,000	26,000
<b>Program Revision</b> .....	.....	.....	<b>27,000</b>	<b>28,750</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>
Dollar value of recoupment to consumers regarding business practices (thousands)							
Current .....	\$2,100	\$2,200	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300
<b>Program Revision</b> .....	.....	.....	<b>\$2,400</b>	<b>\$2,500</b>	<b>\$2,500</b>	<b>\$2,500</b>	<b>\$2,500</b>

# ATTORNEY GENERAL

**Program Revision: Investigation and Prosecution Enhancements (continued)**

**Program Revision Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>General Government Operations</b>	
\$ 445	—to increase charitable trust investigations, which will result in increased fine revenue.
640	—to provide relocations, increased investigations and a county outreach program for Consumer Protection.
350	—to relocate the Philadelphia civil law offices.
329	—to expand tort litigations and establish a regional office in Scranton.
58	—to increase prosecutions of bankruptcy cases.
290	—to expand paralegal staff to support increased litigation caseload.
151	—to establish a program to ensure that vendors on State contracts have not been prosecuted by the Attorney General.
37	—to expand the Grand Jury program.
\$ 2,300	

**Recommended Program Revision Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations . . . . .	. . . . .	. . . . .	<u>\$ 2,300</u>	<u>\$ 2,484</u>	<u>\$ 2,621</u>	<u>\$ 2,765</u>	<u>\$ 2,917</u>

A stylized graphic of the Commonwealth of Pennsylvania, consisting of several overlapping, downward-pointing triangles filled with horizontal lines, creating a sense of depth and movement.

**Commonwealth of Pennsylvania**

# **Auditor General**

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

# AUDITOR GENERAL

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
Auditor General's Office .....	\$ 28,608	\$ 30,657	\$ 32,558
(A) Reimbursement for Auditing Services .....	5,685	5,850	5,805
(A) Sale of Automobiles .....	35	.....	.....
Transition Expenses — Attorney General .....	.....	75	.....
Transition Expenses — State Treasurer .....	.....	75	.....
Subtotal — State Funds .....	\$ 28,608	\$ 30,807	\$ 32,558
Subtotal — Augmentations .....	5,720	5,850	5,805
Total — Auditor General's Office .....	<u>\$ 34,328</u>	<u>\$ 36,657</u>	<u>\$ 38,363</u>
Board of Claims .....	<u>\$ 1,059</u>	<u>\$ 1,151</u>	<u>\$ 1,226</u>
Subtotal — State Funds .....	\$ 29,667	\$ 31,958	\$ 33,784
Subtotal — Augmentations .....	5,720	5,850	5,805
Total — General Government .....	<u>\$ 35,387</u>	<u>\$ 37,808</u>	<u>\$ 39,589</u>
<b>GRANTS AND SUBSIDIES:</b>			
Municipal Pension System State Aid .....	.....	\$ 3,575	\$ 17,626
Total — Grants and Subsidies .....	.....	<u>\$ 3,575</u>	<u>\$ 17,626</u>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUND .....	\$ 29,667	\$ 35,533	\$ 51,410
AUGMENTATIONS .....	5,720	5,850	5,805
<b>TOTAL ALL FUNDS .....</b>	<u><b>\$ 35,387</b></u>	<u><b>\$ 41,383</b></u>	<u><b>\$ 57,215</b></u>

# AUDITOR GENERAL

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>AUDITING</b>							
General Funds.....	\$ 29,667	\$ 31,958	\$ 33,784	\$ 35,642	\$ 37,602	\$ 39,670	\$ 41,852
Other Funds.....	5,720	5,850	5,805	6,124	6,461	6,816	7,191
<b>TOTAL.....</b>	<b>\$ 35,387</b>	<b>\$ 37,808</b>	<b>\$ 39,589</b>	<b>\$ 41,766</b>	<b>\$ 44,063</b>	<b>\$ 46,486</b>	<b>\$ 49,043</b>
<b>MUNICIPAL PENSION SYSTEMS</b>							
General Funds.....	\$ 0	\$ 3,575	\$ 17,626	\$ 17,626	\$ 17,626	\$ 17,626	\$ 17,626
<b>TOTAL.....</b>	<b>\$ 0</b>	<b>\$ 3,575</b>	<b>\$ 17,626</b>	<b>\$ 17,626</b>	<b>\$ 17,626</b>	<b>\$ 17,626</b>	<b>\$ 17,626</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 29,667	\$ 35,533	\$ 51,410	\$ 53,268	\$ 55,228	\$ 57,296	\$ 59,478
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	5,720	5,850	5,805	6,124	6,461	6,816	7,191
<b>TOTAL.....</b>	<b>\$ 35,387</b>	<b>\$ 41,383</b>	<b>\$ 57,215</b>	<b>\$ 59,392</b>	<b>\$ 61,689</b>	<b>\$ 64,112</b>	<b>\$ 66,669</b>

# AUDITOR GENERAL

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

## Program: Auditing

The Auditor General is required by the Fiscal Code to audit the financial affairs of State Government. Each year, the department makes thousands of regular and special post audits of Commonwealth agencies, persons, associations, and corporations to insure money is disbursed legally and properly. Also, the Auditor General examines accounts of revenue collecting agents to assure that all money due to the Commonwealth, totaling several billions of dollars, was reported and transmitted properly and that Commonwealth financial statements conform to Generally Accepted Accounting Principles (GAAP). A joint audit of the General Purpose Financial Statements of the Commonwealth is being performed by the Auditor General and an independent certified public accounting firm.

public assistance payments to determine eligibility of persons receiving public assistance grants. Recipients of public assistance are subject to continuous audit. These audits serve to adjust grants to persons either not eligible, receiving overpayments or underpayments.

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

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

The Auditor General is also required by the Fiscal Code to audit

## Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>Auditor General's Office</b>		<b>Transition Costs</b>
\$ 1,901	—to continue current program.	\$ -150	—Treasury and the Attorney General transition.
\$ 75	—to continue current program.		

## Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Auditor General's Office .....	\$ 28,608	\$ 30,657	\$ 32,558	\$ 34,349	\$ 36,238	\$ 38,231	\$ 40,334
Transition Expenses — Attorney General .....	.....	75	.....	.....	.....	.....	.....
Transition Expenses — Treasury .....	.....	75	.....	.....	.....	.....	.....
Board of Claims .....	1,059	1,151	1,226	1,293	1,364	1,439	1,518
<b>TOTAL GENERAL FUND .....</b>	<b><u>\$ 29,667</u></b>	<b><u>\$ 31,958</u></b>	<b><u>\$ 33,784</u></b>	<b><u>\$ 35,642</u></b>	<b><u>\$ 37,602</u></b>	<b><u>\$ 39,670</u></b>	<b><u>\$ 41,852</u></b>

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# AUDITOR GENERAL

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*PROGRAM OBJECTIVE: To assist municipal pension systems through loans and disbursement of annual supplemental State assistance.*

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## Program: Municipal Pension Systems

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In 1984, the General Assembly passed Act 205 known as the Municipal Pension Plan Funding Standard and Recovery Act. The enactment of this legislation was in response to the solvency problems facing many of the Commonwealth's municipal pension systems. The act requires the submission of municipal pension plan actuarial reports to the Public Employee Retirement Study Commission (PERSC) every two years and establishes criteria for determination of actuarial soundness and the amount of State financed support that will be provided.

The Auditor General is responsible for audits of municipal pension funds for non-uniformed employees where municipalities choose to allocate State aid to those funds. The municipal pension plans for non-uniformed employees total approximately 1,300. In July of 1985, the Auditor General became responsible for administration of the Supplemental State Assistance Account which from July, 1985 to December, 1988, contained portions of the proceeds of the Foreign

Casualty Premium Tax previously paid to the State Employees' Retirement Board. The initial funding is immediately available for loans to municipalities in imminent danger of defaulting on the obligations of their pension plans.

In December, 1988, the Auditor General became responsible for disbursement of Supplemental State Assistance to distressed municipal pension systems based on certified State assistance amounts provided by PERSC.

Act 147 of 1988 required that municipal retirement systems pay a special postretirement adjustment to certain retired police and firefighters, effective in January of 1989. The bill provides that the municipalities will be reimbursed for the annual cost of the payment from a special account in the Municipal Pension Aid Fund in every year in which the payment is made. The reimbursement program is administered by the Auditor General.

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### Program Recommendations:

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This budget recommends the following changes: (Dollar Amounts in Thousands)

**Municipal Pension System State Aid**  
\$ 14,051 —to fund a recovery program for financially distressed municipal pension systems.

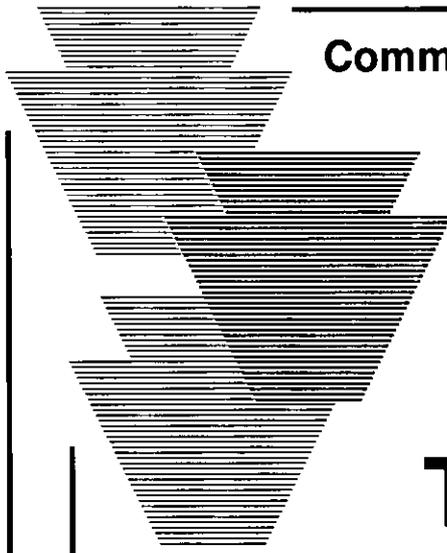
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### Appropriations within this Program:

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(Dollar Amounts in Thousands)

	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Municipal Pension System State Aid . . . .	.....	<u>\$ 3,575</u>	<u>\$ 17,626</u>	<u>\$ 17,626</u>	<u>\$ 17,626</u>	<u>\$ 17,626</u>	<u>\$ 17,626</u>



**Commonwealth of Pennsylvania**

# **Treasury Department**

The Treasury Department is responsible for receiving all Commonwealth monies and for depositing such monies in State depositories approved by the Board of Finance and Revenue; for managing all securities in its custody to the best advantage of the Commonwealth; for preauditing all requisitions for the expenditures of funds; and for disbursement of all State monies upon proper authorization to those entitled to receive payment.

# TREASURY DEPARTMENT

## Summary by Fund and Appropriation

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
<b>State Treasurer's Office</b> .....	\$ 12,945	\$ 13,581	\$ 14,833
(A) Expenses — Unemployment Compensation .....	947	1,261	847
(A) Fees — Federal Savings Bond .....	30	.....	.....
(A) Sale Automobiles .....	1	.....	.....
(A) Photocopy Services .....	3	.....	.....
(A) General State Authority Fiscal Function .....	30	91	.....
Subtotal — State Funds .....	\$ 12,945	\$ 13,581	\$ 14,833
Subtotal — Augmentations .....	1,011	1,352	847
Total — State Treasurer's Office .....	\$ 13,956	\$ 14,933	\$ 15,680
<b>Transition Expenses — Auditor General</b> .....	.....	\$ 75	.....
<b>Board of Finance and Revenue</b> .....	\$ 816	991	\$ 1,196
<b>Council of State Governments</b> .....	118	124	128
<b>Great Lakes Commissions</b> .....	35	40	60
<b>Publishing Monthly Statements</b> .....	36	38	40
<b>National Conference of State Legislatures</b> .....	128	137	142
<b>Education Commission of the States</b> .....	64	68	71
<b>Advisory Commission on Intergovernmental Relations</b> .....	9	9	9
<b>National Governor's Association</b> .....	106	114	121
<b>Coalition of Northeast Governors</b> .....	63	136	85
<b>Northeast—Midwest Institute</b> .....	50	52	63
<b>Governmental Accounting Standards Board</b> .....	40	40	40
<b>State and Local Legal Center</b> .....	8	8	8
<b>Replacement Checks (EA)</b> .....	52	100	300
Subtotal — State Funds .....	\$ 14,470	\$ 15,513	\$ 17,096
Subtotal — Augmentations .....	1,011	1,352	847
Total — General Government .....	\$ 15,481	\$ 16,865	\$ 17,943
<b>DEBT SERVICE REQUIREMENTS:</b>			
<b>Interest Obligations — Penn State University</b> .....	.....	\$ 16	\$ 16
<b>Loan and Transfers Agent</b> .....	\$ 208	221	225
<b>Tax Note Expenses</b> .....	151	165	170
<b>General Obligation Debt Service</b> .....	368,462 <sup>a</sup>	399,496 <sup>b</sup>	424,175
(A) Rentals and Building Fees .....	549	1,492	1,492
<b>Commercial Paper Costs (EA)</b> .....	377	400	400
<b>Interest on Tax Anticipation Notes (EA)</b> .....	24,584	25,000	30,000
Subtotal — State Funds .....	\$ 393,782	\$ 425,298	\$ 454,986
Subtotal — Augmentations .....	549	1,492	1,492
Total — Debt Service Requirements .....	\$ 394,331	\$ 426,790	\$ 456,478
<b>GRANT AND SUBSIDIES:</b>			
<b>Law Enforcement Officer's Death Benefits</b> .....	\$ 175	\$ 350	\$ 350
Total — Grants and Subsidies .....	\$ 175	\$ 350	\$ 350
STATE FUNDS .....	\$ 408,427	\$ 441,161	\$ 472,432
AUGMENTATIONS .....	1,560	2,844	2,339
<b>GENERAL FUND TOTAL</b> .....	<u>\$ 409,987</u>	<u>\$ 444,005</u>	<u>\$ 474,771</u>

<sup>a</sup>Contains \$3,742,000 General State Authority Rentals, Department of Education and \$37,888,000 General State Authority Rentals, Department of General Services. Related Augmentations are also transferred

<sup>b</sup>Contains \$3,813,000 General State Authority Rentals, Department of Education and \$34,492,000 General State Authority Rentals, Department of General Services. Related Augmentations are also transferred.

# TREASURY DEPARTMENT

(Dollar Amounts in Thousands)

	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>MOTOR LICENSE FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks .....	\$ 10	\$ 60	\$ 180
Refunding Liquid Fuels Tax — Agricultural .....	2,950	4,200	4,000
Refunding Liquid Fuels Tax — State Share .....	200	350	350
Refunding Emergency Liquid Fuels Tax .....	.....	1	1
Refunding Liquid Fuels Tax — Political Subdivisions .....	1,550	2,250	2,100
Administration of Refunding Liquid Fuels Tax .....	189	254	297
Refunding Liquid Fuels Tax — Volunteer Services .....	109	160	175
Refunding Marine Liquid Fuels Tax — Boating Fund .....	1,344	1,500	1,500
Total — General Government .....	\$ 6,352	\$ 8,775	\$ 8,603
<i>DEBT SERVICE REQUIREMENTS:</i>			
Capital Debt — Transportation Projects .....	\$ 164,997	\$ 165,051	\$ 165,066
General Obligation Debt Service .....	1,709 <sup>a</sup>	1,698 <sup>b</sup>	1,508
Advance Construction Interstate — Interest .....	5,996	12,180	14,769
Loan and Transfer Agent .....	120	131	135
(R) Aviation Debt Service .....	144	144	183
(R) Capital Bridge Debt .....	4,955	15,583	22,246
(R) Advance Construction Interstate — Principal .....	.....	39,000	72,500
Subtotal — State Funds .....	\$ 172,822	\$ 179,060	\$ 181,478
Subtotal — Restricted Revenue .....	5,099	54,727	94,929
Total — Debt Service .....	\$ 177,921	\$ 233,787	\$ 276,407
Subtotal — State .....	\$ 179,174	\$ 187,835	\$ 190,081
Subtotal — Restricted Revenue .....	5,099	54,727	94,929
<b>MOTOR LICENSE FUND TOTAL .....</b>	<b>\$ 184,273</b>	<b>\$ 242,562</b>	<b>\$ 285,010</b>
<b>BANKING DEPARTMENT FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 5	\$ 15
<b>BANKING DEPARTMENT FUND TOTAL .....</b>	<b>.....</b>	<b>\$ 5</b>	<b>\$ 15</b>
<b>BOAT FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 5	\$ 15
<i>DEBT SERVICE REQUIREMENTS:</i>			
General Obligation Debt Service .....	2 <sup>c</sup>	2 <sup>d</sup>	2
<b>BOAT FUND TOTAL .....</b>	<b>\$ 2</b>	<b>\$ 7</b>	<b>\$ 17</b>
<b>FARM PRODUCTS SHOW FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 5	\$ 15
<b>FARM PRODUCTS SHOW FUND TOTAL .....</b>	<b>.....</b>	<b>\$ 5</b>	<b>\$ 15</b>

<sup>a</sup>Actually appropriated as \$1,185,000 for General State Authority Rentals, Motor License Fund in the Department of General Services and \$524,000 Capital Debt-General State Authority in Treasury.

<sup>b</sup>Actually appropriated as \$1,177,000 for General State Authority Rentals, Motor License Fund in the Department of General Services and \$521,000 Capital Debt-General State Authority in Treasury.

<sup>c</sup>Actually appropriated as \$2,000 in the Boating Fund, Department of General Services for General State Authority Rentals.

<sup>d</sup>Actually appropriated as \$2,000 in the Boating Fund, Department of General Services for General State Authority Rentals.

# TREASURY DEPARTMENT

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Budget
<b>FISH FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 5	\$ 15
<i>DEBT SERVICE REQUIREMENTS:</i>			
General Obligation Debt Service .....	\$ 62 <sup>a</sup>	63 <sup>b</sup>	62
<b>FISH FUND TOTAL</b> .....	<b>\$ 62</b>	<b>\$ 68</b>	<b>\$ 77</b>
<b>GAME FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	.....	\$ 6	\$ 18
<b>GAME FUND TOTAL</b> .....	<b>.....</b>	<b>\$ 6</b>	<b>\$ 18</b>
<b>LOTTERY FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	\$ 10	\$ 20	\$ 60
<b>LOTTERY FUND TOTAL</b> .....	<b>\$ 10</b>	<b>\$ 20</b>	<b>\$ 60</b>
<b>MILK MARKETING FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Refund Milk Marketing Licenses and Fees .....	.....	\$ 5	\$ 15
Replacement Checks (EA) .....	.....	5	5
<b>MILK MARKETING FUND TOTAL</b> .....	<b>.....</b>	<b>\$ 10</b>	<b>\$ 20</b>
<b>RACING FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Replacement Checks (EA) .....	\$ 1	\$ 10	\$ 30
<b>RACING FUND TOTAL</b> .....	<b>\$ 1</b>	<b>\$ 10</b>	<b>\$ 30</b>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUND .....	\$ 408,427	\$ 441,161	\$ 472,432
SPECIAL FUNDS .....	179,249	187,966	190,333
AUGMENTATIONS .....	1,560	2,844	2,339
RESTRICTED REVENUE .....	5,099	54,727	94,929
<b>TOTAL ALL FUNDS</b> .....	<b>\$ 594,335</b>	<b>\$ 686,698</b>	<b>\$ 760,033</b>

<sup>a</sup>Actually appropriated as \$62,000 in the Fish Fund, Department of General Services for General State Authority Rentals.

<sup>b</sup>Actually appropriated as \$63,000 in the Fish Fund, Department of General Services for General State Authority Rentals.

# TREASURY

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>DISBURSEMENT</b>							
General Funds.....	\$ 13,988	\$ 15,097	\$ 16,679	\$ 17,561	\$ 18,491	\$ 19,472	\$ 20,507
Special Funds.....	6,363	8,841	8,791	8,807	8,824	8,842	8,861
Other Funds.....	1,011	1,352	847	847	847	847	847
<b>TOTAL.....</b>	<b>\$ 21,362</b>	<b>\$ 25,290</b>	<b>\$ 26,317</b>	<b>\$ 27,215</b>	<b>\$ 28,162</b>	<b>\$ 29,161</b>	<b>\$ 30,215</b>
<b>INTERSTATE RELATIONS</b>							
General Funds.....	\$ 621	\$ 728	\$ 727	\$ 727	\$ 727	\$ 727	\$ 727
<b>TOTAL.....</b>	<b>\$ 621</b>	<b>\$ 728</b>	<b>\$ 727</b>	<b>\$ 727</b>	<b>\$ 727</b>	<b>\$ 727</b>	<b>\$ 727</b>
<b>DEBT SERVICE</b>							
General Funds.....	\$ 393,818	\$ 425,336	\$ 455,026	\$ 484,297	\$ 527,248	\$ 560,979	\$ 580,391
Special Funds.....	172,886	179,125	181,542	184,899	179,929	173,052	167,702
Other Funds.....	5,648	56,219	96,421	94,352	152,094	120,318	39,030
<b>TOTAL.....</b>	<b>\$ 572,352</b>	<b>\$ 660,680</b>	<b>\$ 732,989</b>	<b>\$ 763,548</b>	<b>\$ 859,271</b>	<b>\$ 854,349</b>	<b>\$ 787,123</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 408,427	\$ 441,161	\$ 472,432	\$ 502,585	\$ 546,466	\$ 581,178	\$ 601,625
SPECIAL FUNDS.....	179,249	187,966	190,333	193,706	188,753	181,894	176,563
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	6,659	57,571	97,268	95,199	152,941	121,165	39,877
<b>TOTAL.....</b>	<b>\$ 594,335</b>	<b>\$ 686,698</b>	<b>\$ 760,033</b>	<b>\$ 791,490</b>	<b>\$ 888,160</b>	<b>\$ 884,237</b>	<b>\$ 818,065</b>

# TREASURY

*PROGRAM OBJECTIVE: To receive and safeguard the monies of the Commonwealth; to manage the funds to the best advantage of the Commonwealth; and to insure that all disbursements of funds are legal and proper.*

## Program: Disbursement

The Treasury Department is required by statute to receive and deposit all monies of the Commonwealth; to invest in short-term securities any Commonwealth monies which accumulate beyond the daily needs of the various funds; to manage to the best possible advantage all securities in its custody; to preaudit all requisitions for the expenditure of funds; and to disburse all State monies upon proper authorization to those entitled to receive payment. In this capacity the State Treasury is responsible for the receipt, custody and disbursement of billions of dollars each year.

Treasury also audits disbursement records, maintains accounting controls and disburses all checks to recipients of Public Assistance. Thousands of checks are processed each working day for distribution to recipients. This processing includes preauditing, collating, authenticating and mailing the checks to individual recipients and banks. Hundreds of participating banks throughout the Commonwealth distribute thousands of checks daily.

The State Treasurer is also Chairman of the Board of Finance and Revenue and serves as a member of the General State Authority, various public retirement boards, the State Highway and Bridge Authority and several other boards and commissions.

The Board of Finance and Revenue operates within this program by reviewing and deciding appeals concerning settlements made between the Commonwealth and persons, associations and corporations. The board also administers the program for refunding certain monies to which the Commonwealth is not legally entitled.

Under the provisions of Act 101 of 1976 the Treasury is required to pay \$25,000 in death benefits to the surviving spouse or children of firemen or law enforcement officers of the Commonwealth killed in the performance of their duties and to reimburse political subdivisions for such payment made to survivors of local firemen or law enforcement officers.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Disbursements issued .....	10,107,495	10,300,000	10,500,000	N/A	N/A	N/A	N/A
Average monthly number of persons receiving cash assistance .....	639,730	623,800	618,000	608,000	559,000	538,000	530,000
Interest earned on investments:							
General Fund .....	\$54,835	\$57,055	\$57,955	N/A	N/A	N/A	N/A
Motor Fund .....	\$14,926	\$20,700	\$14,500	N/A	N/A	N/A	N/A
<b>TOTAL .....</b>	<b>\$69,761</b>	<b>\$77,755</b>	<b>\$72,455</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>General Fund</b>  <b>State Treasurer's Office</b>            \$ 1,252 —to continue current program.</p> <p><b>Board of Finance and Revenue</b>            \$ 205 —to continue current program.</p>	<p><b>Motor License Fund</b>  <b>Administering Liquid Fuels Tax Refunds</b>            \$ -172 —to continue current program.</p> <p><b>Other Special Funds</b>            \$ 122 —to continue all Special Fund replacement check programs.</p>
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### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
State Treasurer's Office .....	\$ 12,945	\$ 13,581	\$ 14,833	\$ 15,649	\$ 16,510	\$ 17,418	\$ 18,376
Transition Expenses—Auditor General .....		75					
Board of Finance and Revenue .....	816	991	1,196	1,262	1,331	1,404	1,481
Replacement Checks .....	52	100	300	300	300	300	300
Law Enforcement Officers Death Benefits .....	175	350	350	350	350	350	350
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 13,988</b>	<b>\$ 15,097</b>	<b>\$ 16,679</b>	<b>\$ 17,561</b>	<b>\$ 18,491</b>	<b>\$ 19,472</b>	<b>\$ 20,507</b>

**Program: Disbursement**

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>MOTOR LICENSE FUND:</b>							
Replacement Checks .....	\$ 10	\$ 60	\$ 180	\$ 180	\$ 180	\$ 180	\$ 180
Refunding Liquid Fuels Tax-Agricultural Use .....	2,950	4,200	4,000	4,000	4,000	4,000	4,000
Refunding Liquid Fuels Tax-State Share ..	200	350	350	350	350	350	350
Refunding Liquid Fuels Tax-Political Subdivisions .....	1,550	2,250	2,100	2,100	2,100	2,100	2,100
Administration of Refunding Liquid Fuels Tax .....	189	254	297	313	330	348	367
Refunding Liquid Fuels Tax-Volunteer Services .....	109	160	175	175	175	175	175
Refunding Marine Liquid Fuels Tax- Boating Fund .....	1,344	1,500	1,500	1,500	1,500	1,500	1,500
Refunding Emergency Liquid Fuels Tax ..	.....	1	1	1	1	1	1
<b>TOTAL MOTOR LICENSE FUND .....</b>	<b>\$ 6,352</b>	<b>\$ 8,775</b>	<b>\$ 8,603</b>	<b>\$ 8,619</b>	<b>\$ 8,636</b>	<b>\$ 8,654</b>	<b>\$ 8,673</b>
<b>BANKING DEPARTMENT FUND:</b>							
Replacement Checks .....	.....	\$ 5	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
<b>BOATING FUND:</b>							
Replacement Checks .....	.....	\$ 5	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
<b>FARM PRODUCTS SHOW FUND:</b>							
Replacement Checks .....	.....	\$ 5	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
<b>FISH FUND:</b>							
Replacement Checks .....	.....	\$ 5	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
<b>GAME FUND:</b>							
Replacement Checks .....	.....	\$ 6	\$ 18	\$ 18	\$ 18	\$ 18	\$ 18
<b>LOTTERY FUND:</b>							
Replacement Checks .....	\$ 10	\$ 20	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60
<b>RACING FUND:</b>							
Replacement Checks .....	\$ 1	\$ 10	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30
<b>MILK MARKETING FUND:</b>							
Replacement Checks .....	.....	\$ 5	\$ 15	\$ 15	\$ 15	\$ 15	\$ 15
Refunding Milk Marketing Licenses and Fees .....	.....	5	5	5	5	5	5
<b>TOTAL MILK MARKETING FUND .....</b>	<b>.....</b>	<b>\$ 10</b>	<b>\$ 20</b>	<b>\$ 20</b>	<b>\$ 20</b>	<b>\$ 20</b>	<b>\$ 20</b>

# TREASURY

*PROGRAM OBJECTIVE: To provide for interest and principal requirements of notes and bonds issued by the Commonwealth and other expenses related to debt service.*

## Program: Debt Service

The Commonwealth, through the Treasury Department, is obligated to meet principal and interest requirements and other expenses related to debt service.

Long-term bonds are issued by the State to cover the cost of financing public improvements which represent such a heavy financial burden that they cannot be funded through current revenues. These bond issues have provided funds over the years for projects such as the acquisition and development of public recreation and historic sites and facilities; the payment of compensation to veterans of the Vietnam Conflict; relief for victims of disasters; accomplishing economic revitalization efforts; and a wide variety of construction and renovation projects including hospitals, higher education facilities, State parks, flood control, correctional institutions, and various public buildings. Debt service also provides funds to bring nursing homes up to the standards

of the State Life Safety Code.

General obligation debt service costs include payments on bonds issued in November 1988 to refinance the annual lease rentals due to the General State Authority for payment of debt service on General State Authority bonds. That refinancing eliminated the need to pay rental payments to the General State Authority in the 1988-89 and future fiscal years, and produced a present value savings to the Commonwealth of over five million dollars.

For purposes of comparison, the appropriations for General Obligation Debt Service include amounts previously paid by and appropriated to the Departments of General Services, Education and Transportation and the Fish Commission for the payment of General State Authority rentals.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>General Fund</b></p> <p>\$ 29,690 — to meet principal and interest requirements and other costs relating to General Fund Debt Service. To pay the interest and principal payments on new debt issuances, primarily debt for transportation assistance projects (\$9.5 million); building and structure projects (\$6.4 million); PENNVEST (\$5.5 million) and redevelopment assistance projects (\$4.2 million).</p>	<p><b>Motor License Fund</b></p> <p>\$ 2,418 — to meet principal and interest requirements and other costs relating to Motor License Fund Debt Service.</p>
	<p><b>Fish Fund</b></p> <p>\$ -1 —to meet principal and interest requirements and other costs relating to Fish Fund Debt Service.</p>

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>GENERAL FUND:</b>							
Publishing Monthly Statements . . . . .	\$ 36	\$ 38	\$ 40	\$ 40	\$ 40	\$ 40	\$ 40
Interest Obligations — Penn State							
University . . . . .		16	16	16	16	16	16
Loan and Transfer Agents . . . . .	208	221	225	225	225	225	225
Tax Note Expenses . . . . .	151	165	170	170	170	170	170
Commercial Paper Cost . . . . .	377	400	400	400	400	400	400
Interest on Tax Anticipation Notes . . . . .	24,584	25,000	30,000	30,000	30,000	30,000	30,000
General Obligation Debt Service . . . . .	368,462	399,496	424,175	453,446	496,397	530,128	549,540
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 393,818</b>	<b>\$ 425,336</b>	<b>\$ 455,026</b>	<b>\$ 484,297</b>	<b>\$ 527,248</b>	<b>\$ 560,979</b>	<b>\$ 580,391</b>
<b>MOTOR LICENSE FUND:</b>							
Capital Debt — Transportation Projects . .	\$ 164,997	\$ 165,051	\$ 165,066	\$ 165,075	\$ 164,976	\$ 164,850	\$ 164,785
Advance Construction Interstate —							
Interest . . . . .	5,996	12,180	14,769	17,427	12,660	5,488	358
Loan and Transfer Agent . . . . .	120	131	135	135	135	135	135
General Obligation Debt Service . . . . .	1,709	1,698	1,508	2,202	2,106	2,534	2,389
<b>TOTAL MOTOR LICENSE FUND . . . . .</b>	<b>\$ 172,822</b>	<b>\$ 179,060</b>	<b>\$ 181,478</b>	<b>\$ 184,839</b>	<b>\$ 179,877</b>	<b>\$ 173,007</b>	<b>\$ 167,667</b>
<b>BOATING FUND:</b>							
General Obligation Debt Service . . . . .	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 2	\$ 1
<b>FISH FUND:</b>							
General Obligation Debt Service . . . . .	\$ 62	\$ 63	\$ 62	\$ 58	\$ 50	\$ 43	\$ 34

*PROGRAM OBJECTIVE: To promote interstate cooperation and progress through participation in various associations and organizations both regionally and nationally.*

## Program: Interstate Relations

Pennsylvania helps promote interstate progress and cooperation through participation in various organizations, associations, and commissions with other states and other units of government. As a member of the Council of State Governments, Education Commission of the States, National Conference of State Legislatures, Coalition of Northeast Governors, Northeast-Midwest Institute, Advisory Commission on Intergovernmental Relations and the National Governors Association, Pennsylvania helps coordinate ideas on programs, interstate progress, budgets, Federal-State relations, education, labor, research, governmental techniques and general information concerning the states in liaison with other states, the Congress and the Federal Executive Branch.

Also included within this program is the Governmental Accounting Standards Board which provides guidance and establishes standards to promote uniformity and comparability in governmental accounting and financial reporting and the State and Local Legal Center which provides for Pennsylvania's participation in a center to advance and defend the interests of state and local governments in matters involving Federal preemption, state taxing and spending powers, the tenth amendment and other issues.

This program also covers Pennsylvania's cost of the Great Lakes Commission. The commission was established in 1956 to plan and promote a unified and balanced program for the development, use and conservation of Great Lakes Basin water resources.

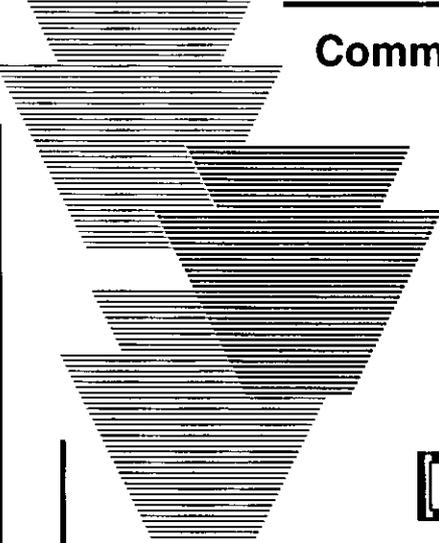
### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Various Associations and Commissions**  
 \$ -1 —net decrease for membership cost in ten organizations. Included within the Great Lakes Commissions is support for the Great Lakes Council of Governors.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Council on State Governments . . . . .	\$ 118	\$ 124	\$ 128	\$ 128	\$ 128	\$ 128	\$ 128
National Conference of State Legislatures . . . . .	128	137	142	142	142	142	142
Education Commission of the States . . . . .	64	68	71	71	71	71	71
National Governors Association . . . . .	106	114	121	121	121	121	121
Advisory Commission on Intergovernmental Relations . . . . .	9	9	9	9	9	9	9
Coalition of Northeastern Governors . . . . .	63	136	85	85	85	85	85
Northeast — Midwest Institute . . . . .	50	52	63	63	63	63	63
Governmental Accounting Standards Board . . . . .	40	40	40	40	40	40	40
Great Lakes Commissions . . . . .	35	40	60	60	60	60	60
State and Local Legal Center . . . . .	8	8	8	8	8	8	8
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 621</b>	<b>\$ 728</b>	<b>\$ 727</b>	<b>\$ 727</b>	<b>\$ 727</b>	<b>\$ 727</b>	<b>\$ 727</b>



**Commonwealth of Pennsylvania**

# **Department of Aging**

The Department of Aging, created by Act 70 of 1978, consolidates services for Older Pennsylvanians and provides a single point of contact through which these older Pennsylvanians can address their concerns to State government. The Secretary of Aging serves as a cabinet-level advocate and is routinely advised of citizens' concerns through a network including area agency advisory boards, regional councils and the Pennsylvania Council on Aging.

Statewide services are provided through the local Area Agencies on Aging. Services include nutrition, employment, transportation, domiciliary care, protection and long-term care assessment and both basic and intensive in-home services. Additionally, the Department of Aging manages the pharmaceutical assistance program for older Pennsylvanians.

**PROGRAM REVISION**

**Budgeted Amounts Include the Following Program Revisions:**

Appropriation	Title	1988-89 State Funds (In thousands)
<b>GENERAL FUND</b>		
PennCARE	PennCARE .....	\$ 1,500
<b>LOTTERY FUND</b>		
PennCARE	PennCARE—Lottery .....	\$ 5,325
<p style="text-align: center;">This Program Revision will coordinate and expand services to meet the continuum of needs experienced by older Pennsylvanians if they are to remain in their community.</p>		
General Government Operations	Nursing Home Reform .....	\$ 75
<p style="text-align: center;">This Program Revision will provide for the establishment of a computer network with the Area Agencies for Aging to facilitate reporting of activity and costs in pre-admission assessment under Nursing Home Reform. This is part of a \$3.3 million Nursing Home Reform Program Revision. For further information see the Program Revision in the department of Public Welfare.</p>		
PennCARE	Personal Care Worker's Salary Increase .....	\$ 392
<p style="text-align: center;">This Program Revision will provide salary increases to Area Agencies for Aging contractors who provide direct in-home care to older Pennsylvanians. This is part of a \$8.0 million Personal Care Worker's Salary Increase Program Revision. For further information see the Program Revision in the department of Public Welfare.</p>		
<p style="text-align: center;">To maintain the integrity of the Lottery Fund, this budget recommends the following changes in the Department of Public Welfare to provide additional Lottery Fund balances to maintain Lottery Funds for programs for older Pennsylvanians.</p>		
<b>GENERAL FUND</b>		
Long-Term Care	Maintaining the Integrity of the Lottery Fund .....	\$ 20,000
<b>LOTTERY FUND</b>		
Long-Term Care	Maintaining the Integrity of the Lottery Fund .....	\$ -20,000
<p style="text-align: center;">This Program Revision will provide General Fund money for the Medical Assistance program costs currently funded by the Lottery Fund.</p>		
DEPARTMENT TOTAL .....		<u>\$ 7,292</u>

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
PennCARE .....	\$ 1,376 <sup>a</sup>	\$ 3,000 <sup>b</sup>	\$ 4,559
<b>GENERAL FUND TOTAL</b> .....	<b>\$ 1,376</b>	<b>\$ 3,000</b>	<b>\$ 4,559</b>
<b>LOTTERY FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
General Government Operations .....	\$ 2,374	\$ 2,467	\$ 3,084
(F) Aging (Title III) - Administration .....	1,530	1,574	1,653
(F) Programs for the Aging - Title V - Administration .....	127	140	140
(F) Pre-Admission Assistance - Administration .....	.....	.....	87
(A) Pre-Admission Assessment .....	.....	.....	113
Total — General Government .....	<u>\$ 4,031</u>	<u>\$ 4,181</u>	<u>\$ 5,077</u>
<b>GRANTS AND SUBSIDIES:</b>			
Aging Programs .....	\$ 52,077	\$ 54,160	\$ 57,586
(F) Aging - (Title III) .....	37,227	39,170	40,000
(F) Aging - Nutrition .....	7,500	7,500	7,500
(F) Aging (Title V) - Employment .....	3,701	3,815	3,815
Total — Aging Programs .....	<u>\$ 100,505</u>	<u>\$ 104,645</u>	<u>\$ 108,901</u>
PennCARE - Lottery .....	42,800 <sup>c</sup>	45,740 <sup>d</sup>	51,448
(F) Medical Assistance — Pre-Admission Assessment .....	1,726	2,367	5,626
(A) Pre-Admission Assessment .....	956	2,368	3,289
Total — Pre-Admission Assessment .....	<u>\$ 45,482</u>	<u>\$ 50,475</u>	<u>\$ 60,363</u>
Drug Education .....	49	.....	.....
Abuse Intervention Services for Older Pennsylvanians .....	.....	2,440	4,000
Pharmaceutical Assistance Fund .....	100,000	165,000	188,000
Subtotal — State Funds .....	<u>\$ 194,926</u>	<u>\$ 267,340</u>	<u>\$ 301,034</u>
Subtotal — Federal Funds .....	50,154	52,852	56,941
Subtotal — Augmentations .....	956	2,368	3,289
Total — Grants and Subsidies .....	<u>\$ 246,036</u>	<u>\$ 322,560</u>	<u>\$ 361,264</u>
STATE FUNDS .....	\$ 197,300	\$ 269,807	\$ 304,118
FEDERAL FUNDS .....	51,811	54,566	58,821
AUGMENTATIONS .....	956	2,368	3,402
<b>LOTTERY FUND TOTAL</b> .....	<b>\$ 250,067</b>	<b>\$ 326,741</b>	<b>\$ 366,341</b>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUND .....	\$ 1,376	\$ 3,000	\$ 4,559
SPECIAL FUNDS .....	\$ 197,300	269,807	304,118
FEDERAL FUNDS .....	51,811	54,566	58,821
AUGMENTATIONS .....	956	2,368	3,402
<b>TOTAL ALL FUNDS</b> .....	<b>\$ 251,443</b>	<b>\$ 329,741</b>	<b>\$ 370,900</b>

<sup>a</sup>Actually appropriated as Transitional Care \$657,000 and Family Caregiver Support \$719,000.

<sup>b</sup>Actually appropriated as Transitional Care \$1,500,000 and Family Caregiver Support \$1,500,000.

<sup>c</sup>Actually appropriated as In-Home Services \$24,000,000, Pre-Admission In-Home Services \$13,300,000, Attendant Care \$5,400,000 and Alzheimer's Disease \$100,000.

<sup>d</sup>Actually appropriated as Home Based Care for Older Pennsylvanians \$45,640,000 and Alzheimer's Disease \$100,000.

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>COMMUNITY SERVICES FOR AGING</b>							
General Funds.....	\$ 1,376	\$ 3,000	\$ 4,559	\$ 4,651	\$ 4,744	\$ 4,839	\$ 4,935
Special Funds.....	97,300	104,807	116,118	125,908	132,215	138,838	145,793
Federal Funds.....	51,811	54,566	58,821	58,934	59,049	59,166	59,285
Other Funds.....	956	2,368	3,402	3,468	3,535	3,603	3,673
<b>TOTAL.....</b>	<b>\$ 151,443</b>	<b>\$ 164,741</b>	<b>\$ 182,900</b>	<b>\$ 192,961</b>	<b>\$ 199,543</b>	<b>\$ 206,446</b>	<b>\$ 213,686</b>
<b>PHARMACEUTICAL ASSISTANCE</b>							
Special Funds.....	\$ 100,000	\$ 165,000	\$ 188,000	\$ 221,000	\$ 222,000	\$ 237,000	\$ 261,000
<b>TOTAL.....</b>	<b>\$ 100,000</b>	<b>\$ 165,000</b>	<b>\$ 188,000</b>	<b>\$ 221,000</b>	<b>\$ 222,000</b>	<b>\$ 237,000</b>	<b>\$ 261,000</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 1,376	\$ 3,000	\$ 4,559	\$ 4,651	\$ 4,744	\$ 4,839	\$ 4,935
SPECIAL FUNDS.....	197,300	269,807	304,118	346,908	354,215	375,838	406,793
FEDERAL FUNDS.....	51,811	54,566	58,821	58,934	59,049	59,166	59,285
OTHER FUNDS.....	956	2,368	3,402	3,468	3,535	3,603	3,673
<b>TOTAL.....</b>	<b>\$ 251,443</b>	<b>\$ 329,741</b>	<b>\$ 370,900</b>	<b>\$ 413,961</b>	<b>\$ 421,543</b>	<b>\$ 443,446</b>	<b>\$ 474,686</b>

*PROGRAM OBJECTIVE: To enable older Pennsylvanians to maintain active and independent lives in their own homes or alternative community living arrangements.*

## Program: Community Services for Older Pennsylvanians

The Department of Aging has established a network of support and assistance programs addressing the varied needs of older Pennsylvanians. Programs enrich the lives of healthy older Pennsylvanians and enable frail older Pennsylvanians to delay or avoid institutionalization. The 51 Area Agencies on Aging, serving all 67 counties, provide aging services at the local level.

Many older Pennsylvanians require only minimal outside support to function independently and a basic service of Area Agencies on Aging (AAA) is to inform these people of available services. AAAs sponsor over 500 senior centers throughout the Commonwealth that provide a full range of socialization, recreational and educational activities. Congregate meals served by the centers at noon time provide older Pennsylvanians a hot, nutritionally balanced meal. Transportation services provided by the agencies allow older Pennsylvanians to visit the doctor, shop or attend senior center events. A job placement service helps older Pennsylvanians find unsubsidized private sector employment and offers job training and subsidized, part-time community service employment.

Frail older Pennsylvanians require more extensive and personalized services to remain in their homes and communities and avoid placement in an institutional setting such as a nursing home or personal care boarding home. A nursing home pre-admission screening program helps

older Pennsylvanians and their families determine the least restrictive environment needed and, in some counties, helps secure intensive in-home services.

A variety of personal support services are available for the growing population of frail older Pennsylvanians. The most common service is home delivered meals for people unable to prepare adequate meals for themselves or participate in group dining at senior centers. Personal care services are provided by trained attendants to assist physically disabled persons with key activities of daily living such as eating, dressing and personal hygiene. Homemaker service helps with light housekeeping, laundry and personal grooming. Chore services assist people with minor home maintenance such as replacing window panes, installing safety rails, cutting grass or shoveling snow.

The Department of Aging has developed two demonstration projects to support family caregivers and provide special services to older Pennsylvanians after hospitalization. The family caregiver program utilizes small groups to support families responsible for elderly relatives and includes funds to reimburse low income caregivers for respite care. The transitional care program provides intensive in-home services to older Pennsylvanians living alone during a convalescence period.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Pennsylvanians 60 years and older . . . . .	2,435,000	2,476,000	2,518,000	2,560,000	2,600,000	2,641,000	2,680,000
Persons receiving assistance:							
Congregate meals . . . . .	139,578	146,000	154,000	160,000	170,000	178,000	187,000
Transportation (complete round trips) . . . . .	88,932	99,900	105,000	110,000	116,000	122,000	128,000
Intensive community long-term care . . . . .	2,524	2,880	2,900	2,900	2,900	2,900	2,900
Attendant care services . . . . .	2,916	2,850	2,850	2,850	2,850	2,850	2,850
Home delivered meals . . . . .	36,358	39,100	41,000	43,000	45,000	47,000	49,000
Homemaker services . . . . .	39,471	41,000	43,000	45,000	48,000	50,000	53,000
Units of services delivered:							
Employment services (unsubsidized job placements) . . . . .	3,901	3,500	3,500	3,500	3,500	3,500	3,500
Volunteer services (volunteer hours) . . . . .	4,296,902	3,709,000	3,901,000	4,096,000	4,301,000	4,516,000	4,742,000
Homemaker (client hours) . . . . .	2,459,961	2,583,000	2,712,000	2,848,000	2,990,000	3,140,000	3,297,000
Chore services (client hours) . . . . .	267,404	281,000	295,000	310,000	325,000	341,000	358,000

The 1988-89 measures reflect the AAA's planned activity and, in some cases, are lower than actual activity the prior year.

**Program: Community Services for Older Pennsylvanians (continued)**

**Program Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>GENERAL FUND:</b>			
<b>PennCARE</b>			<b>Aging Programs</b>
\$	59	—to continue current program.	\$ 2,166 —to continue current program for 51 AAAs.
	1,500	—PRR — PennCARE. This Program Revision will coordinate and expand services needed by older Pennsylvanians to remain in their homes. See the Program Revision following this program for further information.	1,260 —to enhance services at senior centers.
			\$ 3,426 <i>Appropriation Increase</i>
<u>\$</u>	<u>1,559</u>	<i>Appropriation Increase</i>	
<b>LOTTERY FUND:</b>			<b>PennCARE — Lottery</b>
<b>General Government Operations</b>			
\$	270	—to continue current program.	\$ 1,693 —to continue current program.
	74	—to administer the abuse intervention program.	392 —PRR — Personal Care Workers Salary Increases. This part of the Program Revision will provide an average increase of \$1,000 to AAA contractors for workers who provide in-home services. See the Program Revision in the Department of Public Welfare for further information.
	80	—to provided additional space.	
	118	—to purchase a mini computer.	-1,702 —reduction of funds provided in 1988-89 for opening of 3 LAMP sites. The program was delayed pending further evaluation.
	75	—PRR — Nursing Home Reform. This part of the Program Revision will provide computer communication capability to network with the AAAs. See the Program Revision in the Department of Public Welfare for further information.	5,325 —PRR — PennCARE. This Program Revision will coordinate and expand services needed by older Pennsylvanians to remain in their homes. See the Program Revision following this program for further information.
<u>\$</u>	<u>617</u>	<i>Appropriation Increase</i>	<u>\$ 5,708</u> <i>Appropriation Increase</i>
<b>Abuse Intervention Services for Older Pennsylvanians</b>			
\$	1,560	—to annualize the program which was implemented in November, 1988.	

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
PennCARE .....	\$ 1,376	\$ 3,000	\$ 4,559	\$ 4,651	\$ 4,744	\$ 4,839	\$ 4,935
<b>TOTAL GENERAL FUND .....</b>	<u>\$ 1,376</u>	<u>\$ 3,000</u>	<u>\$ 4,559</u>	<u>\$ 4,651</u>	<u>\$ 4,744</u>	<u>\$ 4,839</u>	<u>\$ 4,935</u>
<b>LOTTERY FUND:</b>							
General Government Operations .....	\$ 2,374	\$ 2,467	\$ 3,084	\$ 3,254	\$ 3,433	\$ 3,622	\$ 3,821
Aging Programs .....	52,077	54,160	57,586	60,465	63,488	66,662	69,995
PennCARE — Lottery .....	42,800	45,740	51,448	57,989	60,884	63,923	67,114
Drug Education .....	49						
Abuse Intervention Services for Older Pennsylvanians .....		2,440	4,000	4,200	4,410	4,631	4,863
<b>TOTAL LOTTERY FUND .....</b>	<u>\$ 97,300</u>	<u>\$ 104,807</u>	<u>\$ 116,118</u>	<u>\$ 125,908</u>	<u>\$ 132,215</u>	<u>\$ 138,838</u>	<u>\$ 145,793</u>

## Program Revision: PennCARE

Services for older Pennsylvanians have grown in a sporadic and patchwork fashion with State program structures that often interfere with coordinated delivery. PennCARE will meld existing programs into a unified system that will address the continuum of need experienced by older Pennsylvanians.

The degree of frailty and need for services to maintain a healthy, active life increases as age advances. The percentage of Pennsylvanians age 85 and older has increased from 8 percent of those age 65 and older in 1980, to 12 percent of those age 65 and older in 1986. This represents an increase of 50 percent in just six years. Many of these individuals are cared for by family members in non-institutional settings. Those age 85 and over, however, are more likely to be frail and experience medical conditions which limit their ability to care for themselves without assistance, or place a greater responsibility on those who care for them. By 1990, it is estimated that over 125,000 Pennsylvanians age 85 and older will need long-term care, and by the year 2000, that number will exceed 180,000. In response, PennCARE will provide frail older Pennsylvanians and their families with extensive and personalized services to assist them to remain in their homes and communities and to avoid placement in an institutional setting.

This Program Revision provides a system of care that will assess the needs of older Pennsylvanians and tailor services accordingly. PennCARE offers an integrated plan of managed care designed to help prevent and/or delay institutionalization and reduce the cost of long-term care. It will provide short-term supportive services during convalescence; occasional personal and support services for the chronically ill; and, respite, counseling, and supportive services for families caring for an individual in the home. For individuals who may need nursing home care, PennCARE provides pre-admission assessment and a plan of managed care that guides older persons towards the most appropriate level of care—be it a nursing home, personal care home, or community care.

PennCARE will provide more flexibility and better targeting of

resources by combining the existing appropriations for the Transitional Care and Family Caregiver Support programs, and the Home Based Services and Alzheimer's Disease Programs, into PennCARE appropriations from the General Fund and the Lottery Fund. This will allow the Department of Aging and the Area Agencies on Aging to provide the most appropriate mix of services at the county level. This Program Revision also increases funding for the Family Caregiver Support program by \$1.5 million in General Funds and intensive in-home services by \$2 million in Lottery Funds. In addition, \$2.8 million is provided to eliminate waiting lists for basic in-home services.

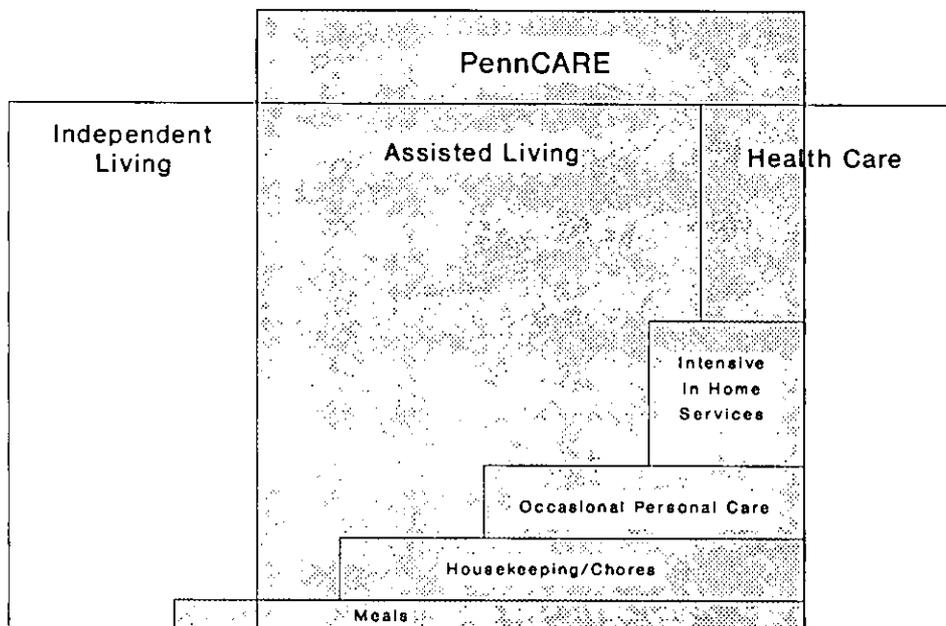
Funding for the Family Caregiver Support Program will be doubled in 1989-90. By expanding the demonstration sites from 4 to 8 counties, 925 additional families will receive respite, counseling, and supportive services to help them care for frail elderly in the home.

An additional \$2 million from the Lottery Fund will provide intensive in-home services. These funds will allow nursing home diversion services to be provided in up to 18 new counties, to be phased-in during 1989-90. As a result, approximately 64 percent of the eligible population within the Commonwealth will have access to in-home services as an alternative to nursing home care. Through this program expansion, over 700 individuals will be provided intensive in-home, long-term care services.

Many older Pennsylvanians are able to live in the community with relative independence. For some, however, the inability to live in and enter their apartment dwelling without assistance prevents them from maintaining an active life. This Program Revision provides funds for a pilot program of attendant care services associated with the Shared Ride Program in Philadelphia.

PennCARE will help make progress towards a more comprehensive, unified, and responsive long-term care system. This system is designed to recognize the needs of Pennsylvania's aging population, the demands made on families that are caring for older relatives at home, and the responsibility of the State to provide quality long-term care services in the most cost effective way.

### A Continuum of Living for Older Persons



## Program Revision: PennCARE (continued)

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Percent of population 65+ with access to intensive in-home services							
Current	40%	42%	42%	42%	42%	42%	42%
<b>Program Revision</b>			<b>64%</b>	<b>64%</b>	<b>64%</b>	<b>64%</b>	<b>64%</b>
Increase in community capacity to provide skilled nursing and intermediate level care as a percent of projected need by 1990							
Current	8.6%	8.9%	8.9%	8.9%	8.9%	8.9%	8.9%
<b>Program Revision</b>			<b>13.01%</b>	<b>13.01%</b>	<b>13.01%</b>	<b>13.01%</b>	<b>13.01%</b>
Days of intensive in-home care							
Current	505,641	545,133	557,050	557,050	557,050	557,050	557,050
<b>Program Revision</b>			<b>646,579</b>	<b>810,000</b>	<b>810,000</b>	<b>810,000</b>	<b>810,000</b>
Older persons receiving intensive in-home care							
Current	2,524	2,886	2,919	2,919	2,919	2,919	2,919
<b>Program Revision</b>			<b>3,587</b>	<b>3,587</b>	<b>3,587</b>	<b>3,587</b>	<b>3,587</b>
Families receiving Family Caregiver Support Services							
Current	400	925	925	925	925	925	925
<b>Program Revision</b>			<b>1,850</b>	<b>1,850</b>	<b>1,850</b>	<b>1,850</b>	<b>1,850</b>

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>General Fund</b>	
<b>PennCARE</b>	
\$ 1,500	—to expand Family Caregiver Support Services from 4 to 8 counties.
<b>Lottery Fund</b>	
<b>PennCARE-Lottery</b>	
2,800	—to eliminate the waiting list for basic in-home services.
2,000	—to expand intensive in-home services to an additional 18 counties.
500	—to provide a pilot program of attendant care services in conjunction with the Shared Ride Program in Philadelphia.
25	—to reprint Alzheimer's Disease Program literature.
<hr/>	
\$ 5,325	<i>Appropriation Increase</i>
<hr/>	
\$ 6,825	<i>Program Revision Total</i>

**Program Revision: PennCARE (continued)**

**Recommended Program Revision Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
PennCARE .....	.....	.....	\$ 1,500	\$ 1,575	\$ 1,654	\$ 1,737	\$ 1,824
<b>LOTTERY FUND:</b>							
PennCARE—Lottery .....	.....	.....	\$ 5,325	\$ 9,791	\$ 10,281	\$ 10,795	\$ 11,335
<b>TOTAL ALL FUNDS .....</b>	<u>.....</u>	<u>.....</u>	<u>\$ 6,825</u>	<u>\$ 11,366</u>	<u>\$ 11,935</u>	<u>\$ 12,532</u>	<u>\$ 13,159</u>

**PROGRAM OBJECTIVE:** To assist eligible older Pennsylvanians who experience difficulty meeting the cost of prescription drugs necessary to maintain healthy lives.

## Program: Pharmaceutical Assistance

Act 63 of 1983 established the pharmaceutical assistance program to aid older Pennsylvanians who face a growing burden from the cost of drugs required to maintain healthy, productive lives. The program, financed by Lottery Fund revenue and administered by the Department of Aging, is referred to as PACE.

The PACE program pays the entire cost of prescription drugs and insulin supplies after a mandatory co-payment is made by eligible participants. Since the inception of the program, the co-payment has been \$4.00; however, the law allows a semi-annual adjustment based on financial experience and program expenditure projections.

Pennsylvania residents who are 65 or older qualify for PACE benefits if their annual income is below \$12,000 for single persons and \$15,000 for married persons and if they are not eligible for drug benefits provided by other public assistance or insurance programs. A PACE identification card, which must be renewed annually to assure compliance with the income limit, is used to acquire benefits through local pharmacies.

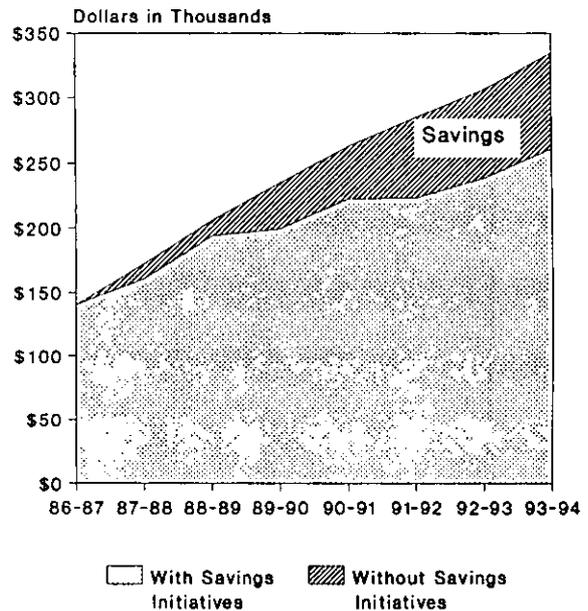
Participating pharmacies are reimbursed for the cost of drugs plus a dispensing fee. The act places limits upon the quantities of drugs that may be dispensed per prescription and restricts costs by only reimbursing pharmacies for the average wholesale cost for product packages of 500 or the actual price of the drug, whichever is lower. In addition, the act prohibits payment for experimental drugs without certification by the physician.

The 1987 PACE reauthorization legislation increased program compliance responsibilities of the Department of Aging as a means of containing costs. In addition to careful review of eligibility, the department audits providers to detect and deter fraud and established a drug utilization review system to monitor and correct misutilization of drug therapies. The use of generic drugs is encouraged by requiring claimants to pay the difference if they choose to use a brand name drug when the physician has allowed generic substitution.

The rapid cost increase experienced in recent years will be offset

in 1989-90 by passage of the single-line prescription, the SOBRA Healthy Horizons Program in Medical Assistance, a vigorous third party recovery program and initial savings from the Federal Catastrophic Health Act.

### PACE Fund Impact of Cost Savings Initiatives



### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Total Older Pennsylvanians enrolled . . . . .	477,772	482,000	486,000	490,000	493,000	495,000	496,000
Total prescriptions per year . . . . .	10,956,570	11,758,600	11,973,400	12,190,000	12,408,400	12,555,000	12,675,000
Average PACE cost per prescription . . . . .	\$15.03	\$17.28	\$19.69	\$22.24	\$24.24	\$26.40	\$28.77

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Transfer to PACE Fund**  
\$ 23,000 —to continue current program.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>LOTTERY FUND:</b>							
Transfer to PACE Fund . . . . .	\$ 100,000	\$ 165,000	\$ 188,000	\$ 221,000	\$ 222,000	\$ 237,000	\$ 261,000

## Program Revision: Maintaining the Integrity of the Lottery Fund

Revenue raised by the Lottery was originally intended to be used to develop new services for older Pennsylvanians. The Lottery Fund was never intended to replace existing sources of revenue or to finance existing programs. Yet, in past years, Lottery Funds were often used to pay for existing programs, thereby, freeing money in the General Fund to be used for programs that did not help older Pennsylvanians. In 1986-87, almost \$173 million worth of programs were funded from the Lottery Fund that should have been funded from the General Fund. These programs included Medical Assistance Long-Term Care for the Elderly, Pre-Admission Assessments, Medicare Part B Premiums, Supplemental Grants to the Aged, Community Mental Retardation Services for the Elderly, and the administrative costs of operating the Department of Aging.

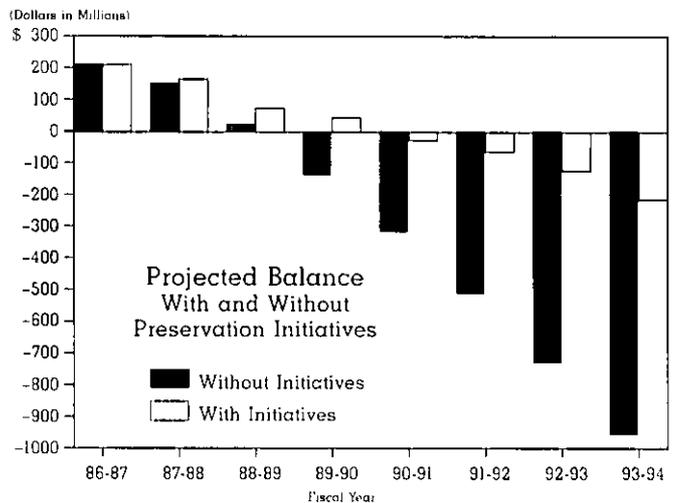
In 1987-88, the first steps were taken to maintain the integrity of the Lottery Fund. The responsibility for funding about \$20 million in Supplemental Grants for the Aged and Community Mental Retardation Services for the Elderly was transferred back to the General Fund. In 1988-89, the responsibility for funding an additional \$30 million for Medicare Part B Premiums, Pre-Admission Assessment, and Long-Term Care was transferred from the Lottery Fund to the General Fund. This Program Revision continues the effort to maintain the integrity of the Lottery Fund by transferring the responsibility for another \$20 million for Long-Term Care from the Lottery Fund to the General Fund.

In addition, fund transfers from the Lottery Fund to the Pharmaceutical Assistance Program will be lower than projected because of administrative and legislative initiatives to reduce the cost of the program. The transfer from the Lottery Fund to the PACE Fund for 1989-90 will be reduced from \$236 million to \$188 million, \$48 million less than projected. As a result of increased efforts to recover money from insurance companies and other third party payers, the Lottery Fund will save \$36 million. The single line script, authorized by Act 154 of 1988, will save the Commonwealth another \$18 million by promoting the use of generic drugs. Healthy Horizons, a program that expands

Medical Assistance pharmaceutical coverage in the General Fund, will save the Lottery Fund \$5.5 million in 1989-90. An additional \$1 million will be saved through the Federal Catastrophic Health Care Act, which will shift prescription drug costs to the Federal Medicare Program.

As the following graph shows, the proposed transfer of \$20 million to the General Fund and the estimated cost savings of \$48 million in the PACE Fund will prevent a negative ending balance in the Lottery Fund in 1989-90. These changes will also reduce the projected future year deficits in the Lottery Fund.

### Lottery Fund Integrity



### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

#### General Fund

##### Medical Assistance—Long-Term Care

\$ 20,000 —to transfer program costs to the General Fund from the Lottery Fund.

#### Lottery Fund

##### Medical Assistance—Long-Term Care

\$ -20,000 —to transfer program costs from the Lottery Fund to the General Fund.

In addition, cost savings to the Pharmaceutical Assistance Program will save the Lottery Fund \$48 million in 1989-90.

**Program Revision: Maintaining the Integrity of the Lottery Fund (continued)**

**Recommended Program Revision Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>GENERAL FUND:</b>							
Medical Assistance—Long-Term Care . . .	. . . . .	. . . . .	\$ 20,000	\$ 40,000	\$ 60,000	\$ 60,000	\$ 60,000
<b>TOTAL GENERAL FUND</b> . . . . .	<u>          </u>	<u>          </u>	<u>\$ 20,000</u>	<u>\$ 40,000</u>	<u>\$ 60,000</u>	<u>\$ 60,000</u>	<u>\$ 60,000</u>
<b>LOTTERY FUND:</b>							
Medical Assistance—Long-Term Care . . .	. . . . .	. . . . .	\$ -20,000	\$ -40,000	\$ -60,000	\$ -60,000	\$ -60,000
<b>TOTAL LOTTERY FUND</b> . . . . .	<u>          </u>	<u>          </u>	<u>\$ -20,000</u>	<u>\$ -40,000</u>	<u>\$ -60,000</u>	<u>\$ -60,000</u>	<u>\$ -60,000</u>



**Commonwealth of Pennsylvania**

# **Department of Agriculture**

The Department of Agriculture carries out activities to ensure wholesome and quality agricultural products for consumers; to expand existing and develop new domestic and foreign markets for Pennsylvania's agricultural products; to develop and encourage proper farming and conservation practices; to prevent, control and eradicate diseases among livestock, poultry and plants; to regulate the conduct of horse racing; and to improve the quality of life in rural Pennsylvania.

## PROGRAM REVISIONS

### Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1989-90 State Funds <small>(in thousands)</small>
<b>GENERAL FUND</b>		
General Government Operations	Agri-Business Enhancements .....	\$ 200
Agricultural Promotion	Agri-Business Enhancements .....	190
	Subtotal .....	<u>\$ 390</u>

This Program Revision will assist farmers and food processors to expand into new markets. It consists of four linked components: Food Processing Industry Economic Profiles Development, the New Farm Product Incentive Program, the Export Enhancement Program and the Pennsylvania Agriculture Promotion Program.

Farmers' Market Food Coupons	Nutrition for Children and Families .....	\$ 100
Emergency Food Assistance	Nutrition for Children and Families .....	1,500
	Subtotal .....	<u>\$ 1,600</u>

This Program Revision will enable low income pregnant and nursing women to purchase fresh fruit and vegetables at farmers' markets. It will also increase the financial support to counties and lead agencies to feed needy individuals and families.

This is part of a \$4.5 million Program Revision entitled Nutrition for Children and Families. Please see the Department of Health for further details on this Program Revision.

DEPARTMENT TOTAL .....	<u>\$ 1,990</u>
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# AGRICULTURE

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88	1988-89	1989-90
<b>GENERAL FUND</b>	Actual	Available	Budget
<b>GENERAL GOVERNMENT:</b>			
<b>General Government Operations</b> .....	<b>\$ 16,156</b>	<b>\$ 16,860</b>	<b>\$ 18,741</b>
(F) Diagnostic Laboratory Services .....	89	198	32
(F) FDA Food Sanitation Inspection .....	31	60	.. . . .
(F) Poultry Grading Services .....	110	116	116
(F) Market News Reporting .....	20	22	20
(F) Medicated Feed Mill Inspection .....	12	11	12
(F) Donated Foods .....	100	100	120
(F) Plant Pest Detection System .....	36	44	32
(F) Household Commodity Program .....	2,105	2,300	2,300
(F) Pseudorabies Pilot Project .....	132	172	100
(F) Pesticide Control .....	226	228	235
(A) Feed and Fertilizer .....	299	291	297
(A) Lime Inspection .....	34	38	35
(A) Soil Conditioner .....	18	14	19
(A) Milk Plant Inspections .....	27	34	34
(A) Fruit Tree Improvement .....	13	12	16
(A) Animal Industry Services .....	5	5	5
(A) Special Conferences and Projects .....	39	7	7
(A) Administrative Services .....	459	473	485
(A) Pesticide Regulation .....	490	624	624
(A) Training Rides and Attractions .....	3	6	7
Total — General Government Operations .....	<b>\$ 20,404</b>	<b>\$ 21,615</b>	<b>\$ 23,237</b>
<b>Agricultural Conservation Easement Administration</b> .....	.. . . .	75	100
<b>Agricultural Research</b> .....	999	2,500	2,500
<b>Agricultural Promotion</b> .....	350	400	590
<b>Transfer to Pesticide Regulatory Account</b> .....	60	.. . . .	.. . . .
<b>Farmers' Market Food Coupons</b> .....	.. . . .	.. . . .	100
(F) Farmers' Market Food Coupons .....	.. . . .	.. . . .	230
Subtotal — State Funds .....	<b>\$ 17,565</b>	<b>\$ 19,835</b>	<b>\$ 22,031</b>
Subtotal — Federal Funds .....	2,861	3,251	3,197
Subtotal — Augmentations .....	1,387	1,504	1,529
Total — General Government .....	<b>\$ 21,813</b>	<b>\$ 24,590</b>	<b>\$ 26,757</b>

# AGRICULTURE

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GRANTS AND SUBSIDIES:</b>			
Brucellosis Vaccination Program .....	\$ 150	\$ 150	. . . . .
Rabies Research .....	273	273	\$ 273
Livestock Diagnostic Contract .....	189	275	275
Poultry Laboratory Diagnostic Contract .....	189	275	275
Field Investigation .....	200	210	210
Poultry Surveillance .....	150	158	158
Johne's Disease .....	115	121	121
Animal Indemnities .....	350	368	368
Transfer to State Farm Products Show Fund .....	1,000	1,000	1,000
Livestock Show .....	133	140	140
Open Dairy Show .....	66	83	83
Junior Dairy Show .....	28	33	33
4-H Club Shows .....	33	38	38
Payments to Pennsylvania Fairs .....	3,000	3,400	3,400
Emergency Food Assistance .....	7,000	8,000	9,500
Agricultural Development .....	1,000	. . . . .	. . . . .
TEFAP - Administration .....	600	700	250
Mushroom Promotion .....	. . . . .	100	. . . . .
FFA Foundation .....	. . . . .	30	30
Total — Grants and Subsidies .....	\$ 14,476	\$ 15,354	\$ 16,154
STATE FUNDS .....	\$ 32,041	\$ 35,189	\$ 38,185
FEDERAL FUNDS .....	2,861	3,251	3,197
AUGMENTATIONS .....	1,387	1,504	1,529
GENERAL FUND TOTAL .....	\$ 36,289	\$ 39,944	\$ 42,911
<b>ECONOMIC REVITALIZATION FUND</b>			
<b>GRANTS AND SUBSIDIES:</b>			
PennAg Fund .....	. . . . .	\$ 1,000	\$ 1,000
<b>FAIR FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
General Operations .....	\$ 16	. . . . .	. . . . .
<b>FARM PRODUCTS SHOW FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
General Operations .....	\$ 1,944	\$ 1,890	\$ 2,109
(A) Transfer from General Fund <sup>a</sup> .....	. . . . .	. . . . .	. . . . .
Total — General Government .....	\$ 1,944	\$ 1,890	\$ 2,109
<b>CAPITAL IMPROVEMENTS:</b>			
Farm Show Roof Replacement .....	. . . . .	\$ 500	\$ 1,500
FARM PRODUCTS SHOW FUND TOTAL .....	\$ 1,944	\$ 2,390	\$ 3,609

<sup>a</sup>Not added to the total to avoid double counting. 1987-88 actual is \$1,000,000, 1988-89 available is \$1,000,000 and 1989-90 recommended is \$1,000,000.

# AGRICULTURE

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>RACING FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
State Racing Commissions .....	\$ 4,814 <sup>a</sup>	\$ 4,865 <sup>b</sup>	\$ 5,060
Race Horse Testing Laboratory .....	758	847	865
Payments to Pennsylvania Fairs—Administration .....	216	225	184
Total — General Government .....	\$ 5,788	\$ 5,937	\$ 6,109
<i>GRANTS AND SUBSIDIES:</i>			
Transfer to the General Fund .....	\$ 1,373	\$ 1,940	\$ 1,355
<b>RACING FUND TOTAL</b> .....	<b>\$ 7,161</b>	<b>\$ 7,877</b>	<b>\$ 7,464</b>
<b>OTHER FUNDS</b>			
<i>GENERAL FUND:</i>			
Agriculture Farm Operations .....	\$ 490	\$ 403	\$ 241
Recovery on Lost Commodities .....	9	15	9
Dog Law Administration .....	3,364	3,818	3,800
Farm Loan Program .....	150	154	130
Pesticide Regulatory Account .....	557	624	624
Poultry Inspection .....	13	13	13
Public Weighmasters .....	16	15	15
<b>GENERAL FUND TOTAL</b> .....	<b>\$ 4,586</b>	<b>\$ 5,042</b>	<b>\$ 4,832</b>
<i>RACING FUND:</i>			
Sire Stakes Fund .....	\$ 2,104	\$ 1,867	\$ 2,931
Breeders' Fund .....	2,379	2,406	3,013
<b>RACING FUND TOTAL</b> .....	<b>\$ 4,483</b>	<b>\$ 4,273</b>	<b>\$ 5,944</b>
<b>OTHER FUNDS TOTAL</b> .....	<b>\$ 9,069</b>	<b>\$ 9,315</b>	<b>\$ 10,776</b>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUND .....	\$ 32,041	\$ 35,189	\$ 38,185
SPECIAL FUNDS .....	9,121	11,267	12,073
FEDERAL FUNDS .....	2,861	3,251	3,197
AUGMENTATIONS .....	1,387	1,504	1,529
OTHER FUNDS .....	9,069	9,315	10,776
<b>TOTAL ALL FUNDS</b> .....	<b>\$ 54,479</b>	<b>\$ 60,526</b>	<b>\$ 65,760</b>

<sup>a</sup>Actually expended as: \$1,574,000 for the Harness Racing Commission and \$3,240,000 for the Horse Racing Commission.

<sup>b</sup>Actually executively authorized as: \$1,621,000 for the Harness Racing Commission and \$3,244,000 for the Horse Racing Commission.

# AGRICULTURE

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>EMERGENCY FOOD ASSISTANCE</b>							
General Funds.....	\$ 7,600	\$ 8,700	\$ 9,850	\$ 9,850	\$ 9,850	\$ 9,750	\$ 9,750
Federal Funds.....	2,105	2,300	2,530	2,530	2,530	2,300	2,300
<b>TOTAL.....</b>	<b>\$ 9,705</b>	<b>\$ 11,000</b>	<b>\$ 12,380</b>	<b>\$ 12,380</b>	<b>\$ 12,380</b>	<b>\$ 12,050</b>	<b>\$ 12,050</b>
<b>PROTECTION &amp; DEVELOP. OF AGRI. INDUSTRIES</b>							
General Funds.....	\$ 24,441	\$ 26,489	\$ 28,335	\$ 29,142	\$ 30,223	\$ 31,362	\$ 32,564
Special Funds.....	2,176	3,615	4,793	3,419	3,552	3,692	3,841
Federal Funds.....	756	951	667	667	667	667	667
Other Funds.....	5,973	6,546	6,361	6,616	6,842	7,076	7,147
<b>TOTAL.....</b>	<b>\$ 33,346</b>	<b>\$ 37,601</b>	<b>\$ 40,156</b>	<b>\$ 39,844</b>	<b>\$ 41,284</b>	<b>\$ 42,797</b>	<b>\$ 44,219</b>
<b>HORSE RACING REGULATION</b>							
Special Funds.....	\$ 6,945	\$ 7,652	\$ 7,280	\$ 9,513	\$ 13,304	\$ 13,305	\$ 13,305
Other Funds.....	4,483	4,273	5,944	7,636	7,636	7,636	7,636
<b>TOTAL.....</b>	<b>\$ 11,428</b>	<b>\$ 11,925</b>	<b>\$ 13,224</b>	<b>\$ 17,149</b>	<b>\$ 20,940</b>	<b>\$ 20,941</b>	<b>\$ 20,941</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 32,041	\$ 35,189	\$ 38,185	\$ 38,992	\$ 40,073	\$ 41,112	\$ 42,314
SPECIAL FUNDS.....	9,121	11,267	12,073	12,932	16,856	16,997	17,146
FEDERAL FUNDS.....	2,861	3,251	3,197	3,197	3,197	2,967	2,967
OTHER FUNDS.....	10,456	10,819	12,305	14,252	14,478	14,712	14,783
<b>TOTAL.....</b>	<b>\$ 54,479</b>	<b>\$ 60,526</b>	<b>\$ 65,760</b>	<b>\$ 69,373</b>	<b>\$ 74,604</b>	<b>\$ 75,788</b>	<b>\$ 77,210</b>

*PROGRAM OBJECTIVE: To strengthen the agricultural economy and related enterprises.*

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## Program: Protection and Development of Agricultural Industries

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The Department of Agriculture administers several related program elements within this program.

### **Program Element: Agribusiness Development**

To improve the economy of the Pennsylvania agriculture and food industry, programs have been developed that enhance the ability of Pennsylvania agriculture and food businesses to market their products in an extremely competitive market place. Emphasis is placed on the marketing of raw agriculture products through direct consumer marketing and on value added products that utilize commodities produced by Pennsylvania farmers. These areas demonstrate the greatest opportunities for the Commonwealth to capture the full economic value of marketing.

This program element is divided into three sections: a domestic trade section, an international trade section and a market opportunities section. The domestic trade section primarily focuses on direct consumer market development and creating trade and consumer demands for Pennsylvania agriculture and food products, usually through promotional objectives. The international trade section helps Pennsylvania companies market their products in foreign markets by providing promotional opportunities in foreign market places. The international trade section differs from the domestic trade section in that technical outreach to Pennsylvania food and agriculture businesses is necessary if they are to adequately understand and prepare for market opportunities in foreign economies.

The market opportunities section looks at the domestic and foreign market places to identify market needs and communicate these needs to the Pennsylvania food and agriculture industry. Pennsylvania businesses then are better able to grow as they develop products and services that meet the needs of the Pennsylvania farmer, producer and processor.

Additionally the department's objective is to strengthen all markets, through 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 some councils assess the members fees based on their productivity.

Other promotional activities for Pennsylvania products include appearances by the Pennsylvania Dairy Princess, county dairy princesses and other statewide commodity representatives at shopping centers and other public functions, developing and displaying exhibits that depict agriculture's role in the economy of Pennsylvania, and working with statewide commodity organizations.

This program provides funds for the operation of the Farm Show Complex in Harrisburg. The grant program, Payments to Pennsylvania Fairs is also included in this program. The recommended funding amount will be used for agricultural fair operating reimbursements and grants to statewide agricultural organizations, Future Farmers of America and 4-H groups in accordance with the guidelines of Act 92 of 1986.

After these requirements have been fulfilled, the remaining appropriation balance will be used for capital improvements at fairs. In 1988-89, approximately \$600,000 is projected to be available to be used to pay off the capital improvement deficit of \$1.6 million. The majority of these projects were approved prior to January, 1987, apparently without regard to the amount of funds available to pay for such improvements. As a result, fairs made approved improvements with their own funds but were denied reimbursement because funds had been used for other purposes. Because of this backlog of approved but unreimbursed costs, the Secretary of Agriculture placed a moratorium on all new applications March 5, 1987. The moratorium will remain in effect until the deficit is eliminated.

### **Program Element: Animal Health**

The objective of this element is to maintain the health of domestic animals in order to protect human health, to protect the quantity, quality and safety of food of animal origin and to provide for the general welfare of domestic animals. Emphasis is placed on disease prevention by surveillance and diagnostic activity to detect disease, control of animal movements to prevent the spread of disease, health certification programs to identify disease-free animals and research to develop improved husbandry and health maintenance methods. Of major concern are interstate and international movements of animals and animal products that may introduce any one of numerous dangerous transmissible diseases existing outside the Commonwealth. Compliance with animal health rules is achieved by regular inspection of animal marketing and processing activities by veterinarians and livestock disease control technicians.

Also included in this program is dog law enforcement. Primary functions include 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 reimbursement to owners of livestock and poultry for damage caused by dogs. Approximately 900,000 dogs and 2,000 kennels are licensed currently under this program.

Dog law expenditures are reflected in this program as Other Funds.

### **Program Element: Consumable Agricultural Products**

The Department of Agriculture is committed through regulatory efforts to protect the health and safety of the consumer and assure the availability of quality agriculture products to consumers.

Among the most significant of the department's protection activities is its efforts in food law compliance. An educational approach has been developed under which department personnel participate in training courses for food handlers. Food establishments which are inspected include all licensed food stores, processing plants, warehouses, transportation facilities, bakeries, bottling plants, nurseries, seed dealers and certain restaurants and concession stands. Additional activities guarantee the quality of animal feeds, fertilizers, liming materials and pesticides.

During 1987-88 establishments requiring inspections totaled 41,900 and the incidence of consumer complaints was 906.

Also included in this element are activities which regulate and maintain uniform standards of legal weights and measures of Commonwealth products. It is estimated that 47,000 weights and measure inspections will be performed during 1988-89 and in 1989-90.

To protect the consumer and assure the availability of quality agriculture products, the Department regulates the sale of feed, fertilizer, lime and seeds by requiring certain label information and by sampling and analyzing products in its Harrisburg laboratories.

The Department inspects all ornamental nurseries and greenhouses periodically to determine the presence of new plant pests. The field staff is supported by laboratories staffed by scientists to insure correct diagnosis of the pest and to quarantine and/or prescribe proper treatment.

The Pesticide Control Law provides for the regulation of the use, handling, storage and transportation of pesticides. Regulation is achieved through the requirements of essential label information and through the certification of pesticide applicators, dealers and manufacturers. This program attempts to provide for the optimum use of pesticides, while minimizing their adverse effects on human life and the environment.

Pesticide expenditures are reflected in this program as Other Funds.

# AGRICULTURE

## Program: Protection and Development of Agricultural Industries (continued)

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Agribusiness Development</b>							
Dollar volume of food and agricultural exports (millions) .....	\$203	\$216	\$223	\$252	\$272	\$294	\$294
Trade leads generated .....	425	650	850	1,000	1,100	1,100	1,100
<b>Animal Health</b>							
Animals examined to determine disease (thousands) .....	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Animals quarantined (thousands) .....	2,854	3,000	1,000	1,000	1,000	1,000	1,000
Animals destroyed .....	3,000	3,000	3,000	3,000	3,000	3,000	3,000
<b>Consumable Agricultural Products</b>							
Incidence of food products showing major discrepancies .....	42,843	42,943	76,590	72,810	72,810	72,810	72,810
Dollar value of:							
products removed from the market (thousands) .....	\$1,796	\$1,396	\$2,250	\$1,890	\$1,890	\$1,890	\$1,890
consumer commodities inspected (thousands) .....	\$40,428	\$40,428	\$67,380	\$67,380	\$67,380	\$67,380	\$67,380

The increase versus previous budgets in the incidence of food products showing major discrepancies is due to improved recordkeeping, while increases in budget and future years shown here are due to the initiative to enhance food inspections recommended in this budget. The increase in the dollar volume of Pennsylvania food and agricultural exports is attributable to increased promotion of goods sent overseas as well as to the impact of the recent drought. The number of animals quarantined increased from previous estimates due to an outbreak of laryngotracheitis in poultry. Future year data includes the potential impact of salmonella enteritidis in poultry.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>General Government Operations</b></p> <p>\$ -523 —nonrecurring projects.</p> <p>1,736 —to fund current program.</p> <p>200 —to provide funds to test flocks for salmonella and ensure disease-free production flocks.</p> <p>200 —PRR — Agri-Business Enhancements. To fund an economic study of the agricultural industry to determine how to encourage expansion in the agricultural sector and to provide matching grants to food processors to enter into new product areas. See the Program Revision following this program for further information.</p> <p>250 —to enhance food inspections, increasing the dollar value of commodities inspected by 66%.</p> <p>18 —to replace the roof at the Tunkhannock laboratory.</p> <hr/> <p>\$ 1,881 <i>Appropriation Increase</i></p>	<p><b>Agricultural Conservation Easement Administration</b></p> <p>\$ 25 —to fund current program.</p> <p><b>Agricultural Promotion</b></p> <p>\$ 90 —PRR — Agri-Business Enhancements. To fund small business link with foreign clientele. See the Program Revision following this program for further information.</p> <p>100 —PRR — Agri-Business Enhancements. To fund a marketing program to increase the perception of Pennsylvania consumers. See the Program Revision following this program for further information.</p> <hr/> <p>\$ 190 <i>Appropriation Increase</i></p> <p><b>Brucellosis Vaccination</b></p> <p>\$ -150 —funding no longer required since Pennsylvania is now brucellosis-free.</p>
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# AGRICULTURE

## Program: Protection and Development of Agricultural Industries (continued)

### Program Recommendations: (continued)

This budget recommends the following changes:(Dollar Amounts in Thousands)

<b>GENERAL FUND</b>	<b>FARM PRODUCTS SHOW FUND</b>
<b>Mushroom Promotion</b>	<b>General Operations</b>
\$ -100 —nonrecurring project.	\$ -49 —nonrecurring projects.
	190 —to fund current program.
	54 —to fund needs arising from new and expanded shows.
<b>RACING FUND</b>	2 —to provide maps of the Farm Show complex.
<b>Payments to Pennsylvania Fairs - Administration</b>	10 —to prepare the design, layout and narrative of the 75th Anniversary Book of the Farm Show.
\$ -22 —nonrecurring projects.	12 —to provide a 10% increase in premiums.
-19 —to fund program as proposed by department.	<u>\$ 219</u> <i>Executive Authorization Increase</i>
\$ -41 <i>Executive Authorization Decrease</i>	
	<b>Farm Show Roof Replacement</b>
	\$ 1,000 —balance needed for roof replacement.

All other General Fund programs are recommended to be continued at current levels.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations . . . . .	\$ 16,156	\$ 16,860	\$ 18,741	\$ 19,542	\$ 20,617	\$ 21,750	\$ 22,946
Agricultural Conservation Easement							
Administration . . . . .		75	100	106	112	118	124
Agricultural Research . . . . .	999	2,500	2,500	2,500	2,500	2,500	2,500
Agricultural Promotion . . . . .	350	400	590	590	590	590	590
Transfer to Pesticide Regulatory Account . . . . .	60						
Brucellosis Vaccination . . . . .	150	150					
Rabies Research . . . . .	273	273	273	273	273	273	273
Livestock Diagnostic Contract . . . . .	189	275	275	275	275	275	275
Poultry Laboratory Diagnostic Contract . . . . .	189	275	275	275	275	275	275
Field Investigation . . . . .	200	210	210	210	210	210	210
Poultry Surveillance Program . . . . .	150	158	158	158	158	158	158
Johne's Disease . . . . .	115	121	121	121	121	121	121
Animal Indemnities . . . . .	350	368	368	368	368	368	368
Transfer to State Farm Products Show							
Fund . . . . .	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Livestock Show . . . . .	133	140	140	140	140	140	140
Open Dairy Show . . . . .	66	83	83	83	83	83	83
Junior Dairy Show . . . . .	28	33	33	33	33	33	33
4-H Club Shows . . . . .	33	38	38	38	38	38	38
Payments to Pennsylvania Fairs . . . . .	3,000	3,400	3,400	3,400	3,400	3,400	3,400
Agricultural Development . . . . .	1,000						
Mushroom Promotion . . . . .		100					
FFA Foundation . . . . .		30	30	30	30	30	30
<b>TOTAL GENERAL FUND . . . . .</b>	<u>\$ 24,441</u>	<u>\$ 26,489</u>	<u>\$ 28,335</u>	<u>\$ 29,142</u>	<u>\$ 30,223</u>	<u>\$ 31,362</u>	<u>\$ 32,564</u>

# AGRICULTURE

## Program: Protection and Development of Agricultural Industries (continued)

### Appropriations within this Program: (continued)

(Dollar Amounts in Thousands)

	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>ECONOMIC REVITALIZATION FUND</b>							
PennAG Fund .....	<u>        </u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>\$ 1,000</u>
<b>FARM PRODUCTS SHOW FUND</b>							
General Operations .....	\$ 1,944	\$ 1,890	\$ 2,109	\$ 2,225	\$ 2,347	\$ 2,476	\$ 2,613
Roof Replacement .....	<u>        </u>	<u>500</u>	<u>1,500</u>	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
Total Farm Products Show Fund .....	<u>\$ 1,944</u>	<u>\$ 2,390</u>	<u>\$ 3,609</u>	<u>\$ 2,225</u>	<u>\$ 2,347</u>	<u>\$ 2,476</u>	<u>\$ 2,613</u>
<b>RACING FUND</b>							
Payments to Pennsylvania Fairs — Administration .....	<u>\$ 216</u>	<u>\$ 225</u>	<u>\$ 184</u>	<u>\$ 194</u>	<u>\$ 205</u>	<u>\$ 216</u>	<u>\$ 228</u>
<b>FAIR FUND</b>							
General Operations .....	<u>\$ 16</u>	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>

## Program Revision: Agri-Business Enhancements

To meet the challenge of rapidly changing consumer demands in foreign and domestic markets, Pennsylvania's agriculture and food processing industry will need to develop, grow, process and market new products. To help maintain agriculture as the Commonwealth's number one industry, the Department of Agriculture will begin the Agri-Business Enhancements Initiative consisting of four linked components which will assist farmers and food processors to expand into new markets. This initiative consists of Food Processing Industry Economic Profiles Development, the New Farm Product Incentive Program, the Export Enhancement Program, and the Pennsylvania Agriculture Promotion Program.

The Economic Development Partnership's Committee on the Food Processing Industry has developed profiles that focus on the concerns and needs of this industry. These profiles will help support efforts in the Department of Agriculture and the Economic Development Partnership to improve the operating environment of the food processing industry. An appropriation of \$100,000 will fund a study of the industry which will show the economic impact of the industry on the Commonwealth; outline the needs of the industry for capital, labor, education, water availability and quality, waste disposal, and desirable locations for future expansion; and develop a projection of the economic outlook of the food processing industry. A portion of the funding will also be used to aid in the development of new technologies for the recycling and re-use of food and food processing wastes which is of critical importance to the food processing industry. In addition, a portion of the funding will be used to examine the relationship between the Port of Philadelphia and the food processing industry.

The New Farm Product Incentive Program will use \$100,000 to provide matching grants to food processors to enter into new product areas. Present market trends toward nutritious and healthful foods have indicated that consumers are willing to pay more for quality products.

Examples of new products that could be introduced in Pennsylvania are farm fresh fish, leaner beef, low cholesterol eggs and low fat milk.

The Export Enhancement Program, when integrated with the department's International Trade Initiative, is projected to increase exports of Pennsylvania agriculture and food products by 50 percent over the next five years. This program will use \$90,000 to increase the number of Pennsylvania agriculture and food businesses entering export markets. Matching grants will be available to regional economic development units to provide financial resources, technical assistance and market exposure opportunities for implementing outreach programs to agricultural and food businesses.

The Agricultural Promotion appropriation will be increased by \$100,000 to increase the consumer and trade awareness of Pennsylvania produced agriculture and food products in the highly competitive northeast markets. Eight of the 13 northeast and mid-Atlantic states conduct programs that promote their states' products. These funds will be used to position Pennsylvania products via public relations and advertising to increase the number of "buy Pennsylvania" impressions. This program will assist small and medium sized businesses by encouraging demand for and consumption of their products.

The Agri-Business Enhancement Initiative will complement the Economic Development Partnership's goal of improving the competitive position of Pennsylvania companies in national and international markets. Up to 160 new-to-export agriculture and food businesses will receive technical assistance on export market opportunities. Increased marketing exposure will allow Pennsylvania Agri-Businesses to better compete in dynamic markets. By discovering and encouraging new markets and providing matching grants as incentives, the Department of Agriculture will encourage the entrepreneurial atmosphere needed to maintain agriculture as the Commonwealth's leading industry.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Additional residents who intend to purchase Pennsylvania products (thousands)							
Current							
<b>Program Revision</b>			<b>948</b>	<b>1,955</b>	<b>2,300</b>	<b>2,300</b>	<b>2,300</b>
Companies provided with marketing outreach services							
Current			34	34	34	34	34
<b>Program Revision</b>			<b>160</b>	<b>160</b>	<b>160</b>	<b>160</b>	<b>160</b>
Pennsylvania Agri-Business expansion resulting from marketing and development activity							
Current							
<b>Program Revision</b>				<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>

Actual Agri-Business expansion will occur in 1990-91. Funds in 1989-90 will be used to develop methods for expansion.

# AGRICULTURE

## Program Revision: Agri-Business Enhancements (continued)

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>General Government Operations</b>		<b>Agriculture Promotion</b>	
\$	100	\$	90
	—to fund an economic study of the agricultural industry to determine how to encourage expansion in the agricultural sector.		—to establish an Export Enhancement Program that will increase exports of Pennsylvania foods by 50 percent.
	100 —to provide matching grants to food processors to enter into new product areas such as farm fresh fish, leaner beef, low cholesterol eggs and low fat milk.		100 —to increase marketing and promotion of Pennsylvania agriculture and food products.
		\$	190
			<i>Appropriation Increase</i>
\$	200	\$	390
	<i>Appropriation Increase</i>		<i>Program Revision Total</i>

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	.....	.....	\$ 200	\$ 211	\$ 223	\$ 235	\$ 248
Agricultural Promotion .....	.....	.....	190	190	190	190	190
<b>TOTAL GENERAL FUND</b>	<u>.....</u>	<u>.....</u>	<u>\$ 390</u>	<u>\$ 401</u>	<u>\$ 413</u>	<u>\$ 425</u>	<u>\$ 438</u>

# AGRICULTURE

*PROGRAM OBJECTIVE: To prevent consumer fraud in the racing industry.*

## Program: Horse Racing Regulation

Activities in this program area include the development and implementation of rules, regulations and procedures to insure the public and harness and horse owners of honest and safe competitive pari-mutuel harness and horse racing.

Horse racing in Pennsylvania is governed by Act 93 of 1983. This act merged the State Harness Racing Fund and the State Horse Racing Fund into the Racing Fund, adjusted the tax schedule and revised the

distribution of funds in order to assist the racing industry by increasing the funds retained by the tracks.

From monies remaining in the Racing Fund after payment of necessary expenses, percentages of the amount wagered as specified by law, are credited to the Breeders' Fund and to the Sire Stakes Fund. All remaining monies in the Racing Fund are then transferred to the General Fund in the subsequent fiscal year.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Investigations to insure compliance with established rules and regulations:							
Harness .....	119	100	100	100	100	100	100
Horse .....	1,594	1,594	1,594	1,594	1,594	1,594	1,594
Participant licenses issued:							
Harness .....	4,725	10,000	5,000	5,000	5,000	5,000	5,000
Horse .....	14,689	9,700	9,700	9,700	9,700	9,700	9,700
Licenses suspended for noncompliance of rules and regulations:							
Harness .....	205	200	200	200	200	200	200
Horse .....	479	479	479	479	479	479	479
Racing days approved:							
Harness .....	348	350	350	350	350	350	350
Horse .....	421	421	421	421	421	421	421

The number of participant licenses issued is declining as a result of Act 93 of 1986, which established a multi-year licensing statute. Effective January 1, 1987 licenses are issued for a three-year period.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>State Racing Commissions</b></p> <p>\$ -122 —nonrecurring projects.</p> <p>317 —to continue current program including off-track betting program initiated in 1988-89.</p> <hr/> <p>\$ 195 <i>Executive Authorization Increase</i></p>	<p><b>Race Horse Testing Lab</b></p> <p>\$ -57 —nonrecurring projects.</p> <p>75 —to continue current program</p> <hr/> <p>\$ 18 <i>Executive Authorization Increase</i></p>	<p><b>Transfer to the General Fund</b></p> <p>\$ -585 —reduced funds available for transfer. Law requires June 30th ending surplus to be transferred to the General Fund.</p>
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### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>STATE RACING FUND:</b>							
State Racing Commissions .....	\$ 4,814	\$ 4,865	\$ 5,060	\$ 5,338	\$ 5,632	\$ 5,942	\$ 6,268
Race Horse Testing Lab .....	758	847	865	913	963	1,016	1,072
Transfer to the General Fund .....	1,373	1,940	1,355	3,262	6,709	6,347	5,965
<b>TOTAL STATE RACING FUND .....</b>	<b>\$ 6,945</b>	<b>\$ 7,652</b>	<b>\$ 7,280</b>	<b>\$ 9,513</b>	<b>\$ 13,304</b>	<b>\$ 13,305</b>	<b>\$ 13,305</b>

# AGRICULTURE

*PROGRAM OBJECTIVE: To distribute surplus and donated food through institutions and counties or designated lead agencies to individuals and families who are dependent or disadvantaged to support minimum standards of living and economic independence.*

## Program: Emergency Food Assistance

The State funded Emergency Food Assistance Program provides grants to counties or a designated lead agency to purchase food to be provided to the needy. These grants are allocated to counties based on three factors: unemployment, food stamp recipients not on public assistance, and medical assistance recipients. Administrative costs of this program are funded from the grants, with a 5 percent limit on administrative allocations.

This program also distributes Federal surplus food through two programs: the traditional program involving schools, prisons, hospitals, summer camps, etc; and the Federal Temporary Emergency Food Assistance Program (TEFAP) which involves distribution of surplus food to the needy in Pennsylvania who meet certain eligibility criteria.

The traditional program distributes commodities among the states based on daily census, and allocates commodities within the State based on the same criteria. The TEFAP commodities are allocated among the states according to unemployment and poverty levels, and are allocated

within the State based on the same criteria. Administrative and warehousing costs for both programs have been borne by the Federal government; however in 1987-88 it was apparent that State funded support of the Federal TEFAP Program would also be necessary due to Federal reductions in administrative support. TEFAP-Administration monies reimburse local lead agencies for administrative costs incurred in accepting and distributing TEFAP commodities.

This budget proposes expanding the pilot Farmers' Market Food Coupons Program initiated during the 1988-89 fiscal year. It is projected that under this proposal approximately 16,650 low income pregnant and nursing women and their children will be able to purchase fresh fruit and vegetables at participating farmers' markets in 1989-90. Proposed State funding would be supplemented by a three-year Federal matching grant program as provided for in the Federal Hunger Relief Act of 1988.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Dollar value of commodities distributed (thousands)	\$92,410	\$56,000	\$56,000	\$56,000	\$56,000	\$56,000	\$56,000
Persons receiving donated or surplus foods (thousands):							
Traditional Program	1,059	1,100	1,100	1,100	1,100	1,100	1,100
TEFAP	4,330	4,300	4,300	4,300	4,300	4,300	4,300
Emergency Food Assistance Program	2,539	2,600	2,600	2,600	2,600	2,600	2,600

The reduction in the dollar value of commodities distributed for 1988-89 is due to the anticipated reduction in TEFAP commodities announced by the USDA. The number of persons participating in the Emergency Food Assistance Program is projected to remain unchanged, with the additional funds proposed making increased amounts of food available for the program participants.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

\$ 100	<p><b>Farmers' Market Food Coupons</b>            —PRR — Nutrition for Children and Families.            To fund program enabling low income pregnant and nursing women to purchase fresh fruit and vegetables at farmers' markets. See the Program Revision in the Department of Health for further information.</p>
\$ 1,500	<p><b>Emergency Food Assistance</b>            —PRR — Nutrition for Children and Families.            To increase the financial support to counties and lead agencies to feed needy individuals and families. See the Program Revision in the Department of Health for further information.</p>

#### TEFAP-Administration

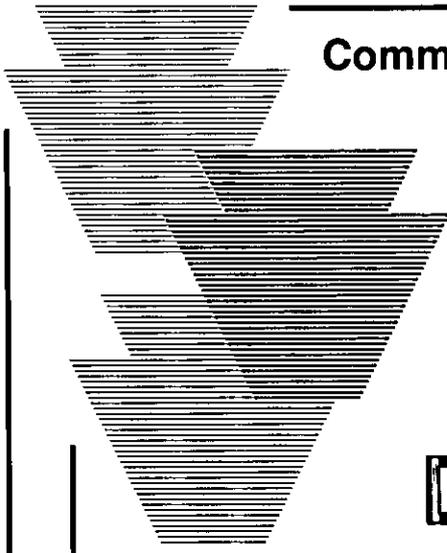
—to reimburse local lead agencies for administrative costs incurred for the Federal TEFAP program but not reimbursed by the Federal government. This reduction is due to the anticipated reduction in federal TEFAP commodities, as well as to program enhancements that reduce county administrative costs.

# AGRICULTURE

## Program: Emergency Food Assistance (continued)

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>GENERAL FUND:</b>							
Farmers' Market Food Coupons .....	.....	.....	\$ 100	\$ 100	\$ 100	.....	.....
Emergency Food Assistance .....	\$ 7,000	\$ 8,000	9,500	9,500	9,500	\$ 9,500	\$ 9,500
TEFAP—Administration .....	600	700	250	250	250	250	250
TOTAL GENERAL FUND .....	<u>\$ 7,600</u>	<u>\$ 8,700</u>	<u>\$ 9,850</u>	<u>\$ 9,850</u>	<u>\$ 9,850</u>	<u>\$ 9,750</u>	<u>\$ 9,750</u>



**Commonwealth of Pennsylvania**

# **Department of Banking**

The Department of Banking protects the public through the examination of records, accounts and policies of State-chartered financial institutions.



## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
REGULATION OF FINANCIAL INSTITUTIONS							
Special Funds.....	\$ 7,035	\$ 8,858	\$ 8,642	\$ 9,117	\$ 9,619	\$ 10,148	\$ 10,706
TOTAL.....	\$ 7,035	\$ 8,858	\$ 8,642	\$ 9,117	\$ 9,619	\$ 10,148	\$ 10,706
ALL PROGRAMS:							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SPECIAL FUNDS.....	7,035	8,858	8,642	9,117	9,619	10,148	10,706
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
TOTAL.....	\$ 7,035	\$ 8,858	\$ 8,642	\$ 9,117	\$ 9,619	\$ 10,148	\$ 10,706

*PROGRAM OBJECTIVE: To insure the maintenance of an economically sound and competitive system of State-chartered financial institutions.*

## Program: Financial Institution Regulation

This program involves supervision and examination of the records, accounts, and policies of State-chartered banking institutions, bank holding companies, State-chartered savings associations, sales finance companies, installment sellers, money transmitters, consumer discount companies, collector-repossessors, pawnbrokers, and State-chartered credit unions. Other activities included in this program area are examinations of business development credit corporations and special investigations where necessary.

As of June 30, 1988, there were 153 banks under the department's supervision: 127 commercial banks, 11 savings banks, five private banks and 10 trust companies. In addition there were eight foreign banks which established 10 branch offices in Pennsylvania. Also there are eighty-one bank holding companies and twenty-eight multi-bank holding companies in operation in Pennsylvania.

Department of Banking responsibilities were significantly expanded

by Acts 69, 205 and 206 of 1986, which provide for regional reciprocal interstate banking by commercial banks, savings banks and savings and loan associations. Under these acts, the department must approve all of the following interstate activity: interstate acquisitions and denovo (newly chartered) banks by all commercial bank holding companies and interstate branching, mergers and acquisitions by State-chartered thrift institutions. Under these interstate banking acts, the department is to monitor the safety and soundness of the interstate institutions and ensure that the needs of Pennsylvania's communities are adequately served. This entails assuring that Pennsylvania residents have available to them the basic transaction accounts offered by the in-state institutions, and that the State's economy does not suffer through a lack of loans and other services that are required to enhance and maintain the State's economy.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Supervision of State-Chartered:							
Banks .....	153	155	157	161	163	165	167
Savings and Loan Associations .....	151	146	141	136	130	125	120
Credit Unions .....	154	151	148	145	142	139	136
Consumer Credit Agencies and Branches							
Licensed .....	1,311	1,311	1,311	1,311	1,311	1,311	1,311
Installment Sellers Licensed .....	4,115	4,115	4,115	4,115	4,115	4,115	4,115

The decline in the program measure for supervision of State-Chartered Savings and Loan Associations and Credit Unions is attributable to mergers.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Operations	
\$ -1,215	—nonrecurring computerization project.
681	—to continue current program.
318	—to implement the proposed First Mortgage program based on expected enactment of the proposed Mortgage Bankers and Brokers Act which will require licensing of lending institutions offering first mortgages.
<u>\$ -216</u>	<i>Executive Authorization Decrease</i>

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>BANKING DEPARTMENT FUND:</b>							
General Operations .....	<u>\$ 7,035</u>	<u>\$ 8,858</u>	<u>\$ 8,642</u>	<u>\$ 9,117</u>	<u>\$ 9,619</u>	<u>\$ 10,148</u>	<u>\$ 10,706</u>



**Commonwealth of Pennsylvania**

# **Civil Service Commission**

The Civil Service Commission administers the Commonwealth's merit system. The responsibilities of the commission include: recruitment of qualified candidates; evaluation of applicants' education and experience to determine if minimum requirements have been met; development and administration of examinations; and certification of eligibles to the appointing agencies.

# CIVIL SERVICE COMMISSION

## Summary by Fund and Appropriation

	1987-88	(Dollar Amounts in Thousands) 1988-89	1989-90
	Actual	Available	Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
General Government Operations .....	\$ 1	\$ 1	\$ 1
(A) Fees From Agencies .....	7,481	8,049	8,780
(A) Special Merit System Services .....	517	593	563
STATE FUNDS .....	\$ 1	\$ 1	\$ 1
AUGMENTATIONS .....	7,998	8,642	9,343
<b>GENERAL FUND TOTAL .....</b>	<b>\$ 7,999</b>	<b>\$ 8,643</b>	<b>\$ 9,344</b>

# CIVIL SERVICE COMMISSION

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>PERSONNEL SELECTION</b>							
General Funds.....	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
Other Funds.....	7,998	8,642	9,343	9,682	10,215	10,776	11,368
<b>TOTAL.....</b>	<b>\$ 7,999</b>	<b>\$ 8,643</b>	<b>\$ 9,344</b>	<b>\$ 9,683</b>	<b>\$ 10,216</b>	<b>\$ 10,777</b>	<b>\$ 11,369</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1	\$ 1
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	7,998	8,642	9,343	9,682	10,215	10,776	11,368
<b>TOTAL.....</b>	<b>\$ 7,999</b>	<b>\$ 8,643</b>	<b>\$ 9,344</b>	<b>\$ 9,683</b>	<b>\$ 10,216</b>	<b>\$ 10,777</b>	<b>\$ 11,369</b>

# CIVIL SERVICE COMMISSION

*PROGRAM OBJECTIVE: To provide a sufficient number of qualified, available persons to meet merit system manpower needs.*

## Program: Personnel Selection

Through this program, the Civil Service Commission provides qualified persons to meet merit system staffing needs.

The commission works toward bringing the Commonwealth merit system into full compliance with all State laws and regulations concerning employee selection procedures and the Federal Uniform Guidelines on Employee Selective Procedures. This includes job analysis, test discrimination, test analysis and development and implementation of an adverse impact determination program.

Goals of the commission include; 1) identification and elimination of adverse impact; 2) development of more valid examinations; 3) the identification and elimination of unfair discrimination in the Commonwealth's personnel system; 4) increased efficiency in meeting personnel needs of other State agencies; and 5) prompt and accurate resolution or adjudication of complaints, grievances and appeals.

The funds supporting this program are received from billing various General and Special Fund agencies.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Total eligibles on lists . . . . .	167,121	175,000	180,000	180,000	180,000	180,000	180,000
Persons scheduled for exams . . . . .	127,747	140,000	145,000	145,000	150,000	150,00	150,000
Appeal requests received and processed . . . . .	529	650	700	750	800	850	900
Certifications audited . . . . .	12,200	13,500	14,000	14,250	14,500	14,750	15,000
Handicapped persons provided employment information . . . . .		350	425	425	425	425	425
Handicapped persons hired . . . . .		55	65	65	65	65	65
Employees referred to interested agencies for employment consideration . . . . .		100	150	150	150	150	150

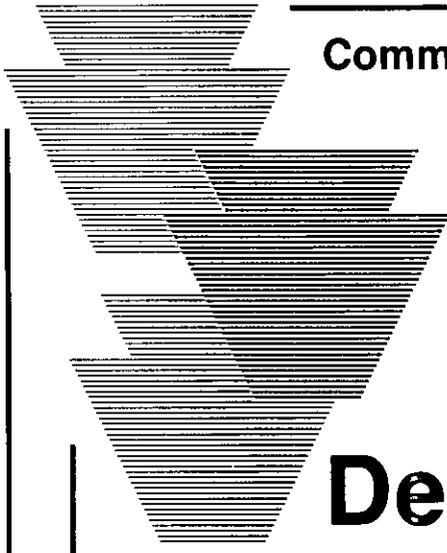
### Program Recommendations:

This budget recommends the following changes in augmentations received from agency billings. (Dollar Amounts in Thousands)

<b>General Government Operations</b>	
\$ -115	—less nonrecurring costs for electronic testing and scoring.
617	—to continue current program.
To provide support to expand the following initiatives:	
20	—electronic testing and scoring.
13	—Teleprocessing center — maintenance contract.
166	—Minicomputer upgrade.
<u>\$ 701</u>	<u>Augmentation Increase</u>

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations . . . . .	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>



Commonwealth of Pennsylvania

# Department of Community Affairs

The Department of Community Affairs provides a system of services and programs permitting the development and redevelopment of Pennsylvania's communities to enhance the total environment of citizens. The department seeks to improve the capabilities of local governments to meet critical social and economic problems and to develop human resources so each citizen will have an equal opportunity to achieve the full measure of the State's economic prosperity. It carries out these activities through technical consultation and assistance; grants for housing, redevelopment, flood plain management, planning and manpower training.

# COMMUNITY AFFAIRS

## PROGRAM REVISION

**Budgeted Amounts Include the Following Program Revisions:**

Appropriation	Title	1989-90 State Funds (in thousands)
<b>GENERAL FUND</b>		
General Government Operations	Revitalizing Distressed Communities .....	\$ 760
Distressed Communities Grants	Revitalizing Distressed Communities .....	2,250
Regional Councils	Revitalizing Distressed Communities .....	50
Circuit Riders	Revitalizing Distressed Communities .....	250
Planning Assistance	Revitalizing Distressed Communities .....	75
Enterprise Development	Revitalizing Distressed Communities .....	500
	Subtotal .....	<u>\$ 3,885</u>
<p style="text-align: center;">This Program Revision will provide for grants, technical assistance and the promotion of multi-jurisdictional services to alleviate fiscal and economic distress in communities throughout the State.</p>		
Heritage Parks	Heritage Parks .....	\$ 1,100
<p style="text-align: center;">This Program Revision will provide for development and support of Heritage Parks throughout the State which highlight Pennsylvania's economic and transportation history.</p>		
<b>DEPARTMENT TOTAL</b>		<u>\$ 4,985</u>

# COMMUNITY AFFAIRS

## Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL GOVERNMENT:</b>			
<b>General Government Operations</b> .....	\$ 7,290	\$ 8,577	\$ 9,964
(F) ARC Planning — Administration .....	23	25	25
(F) LWCF — Administration .....	50	50	40
(F) Low Income Weatherization — Administration .....	1,391	.....	.....
(F) SCDBG — Administration .....	909	959	963
(F) CSBG — Administration .....	355	645	609
(F) Operation Outreach .....	9	50	50
(F) Training Road and Street Maintenance .....	5	60	60
(F) Police Management .....	.....	105	.....
(F) Folk Arts .....	.....	42	42
(F) Folklife Resource Survey .....	.....	350	350
(A) Mobile and Industrialized Housing Act .....	149	127	257
(A) Training Course Registration .....	301	325	350
(A) Heritage Affairs Donation .....	.....	17	61
(A) Energy Conservation Code Fees .....	129	357	235
(A) Stock Room Reimbursement .....	23	21	21
(A) Distressed Communities Reimbursement .....	167	107	.....
(A) RIRA Reimbursement .....	219	172	194
(A) State Clearinghouse .....	145	140	140
Subtotal — General Government Operations .....	\$ 11,165	\$ 12,129	\$ 13,361
<b>Circuit Riders</b> .....	.....	.....	250
<b>Local Tax Reform Administration</b> .....	.....	100 <sup>a</sup>	350
<b>Hispanic Council</b> .....	100	100	200
Subtotal — State Funds .....	\$ 7,390	\$ 8,777	\$ 10,764
Subtotal — Federal Funds .....	2,742	2,286	2,139
Subtotal — Augmentations .....	1,133	1,266	1,258
Total — General Government .....	\$ 11,265	\$ 12,329	\$ 14,161
<b>GRANTS AND SUBSIDIES:</b>			
<b>Flood Plain Management</b> .....	\$ 56	\$ 75	\$ 60
(F) FEMA — Technical Assistance .....	79	125	125
Total — Flood Plain Management .....	\$ 135	\$ 200	\$ 185
<b>Community Conservation and Youth Employment</b> .....	2,735	2,736	2,868
(F) Community Services Block Grant .....	15,775	18,990	18,990
Total — Community Conservation and Youth Employment .....	\$ 18,510	\$ 21,726	\$ 21,858
<b>Housing and Redevelopment Assistance</b> .....	45,000	45,000	45,000
(F) Small Communities Block Grant .....	59,134	65,000	65,000
(F) Temporary Housing — Superfund Cleanup .....	18	100	100
(F) DOE — Weatherization .....	11,929	13,000	13,000
(F) Low-Income Energy Assistance .....	19,896	.....	.....
(F) ARC — Innovative Housing Program .....	.....	47	.....
(F) Small Communities Block Grant — Jobs .....	78	.....	.....
(F) Centralia Recovery .....	5,015	7,314	3,625
(F) Emergency Disaster Relief — FEMA .....	395	.....	.....
(F) Emergency Shelter for the Homeless .....	774	1,000	1,000
(F) Single Room Occupancy/Section 8 Housing .....	.....	1,500	.....
(F) Permanent Housing For Disabled Homeless .....	.....	1,500	1,000
(A) Return of Unused Project Monies .....	5,114	7,500	4,000
Total — Housing and Redevelopment Assistance .....	\$ 147,353	\$ 141,961	\$ 132,725
<b>Enterprise Development</b> .....	\$ 7,250	\$ 7,250	\$ 7,750
(A) Return of Unused Project Monies .....	201	200	200
Total — Enterprise Development .....	\$ 7,451	\$ 7,450	\$ 7,950
<b>Regional Councils</b> .....	175	200	250
<b>Planning Assistance</b> .....	150	175	250
(F) ARC — Land Use Development Planning .....	93	40	.....
Total — Planning Assistance .....	\$ 243	\$ 215	\$ 250

<sup>a</sup>Recommended supplemental.

# COMMUNITY AFFAIRS

(Dollar Amounts in Thousands)

GENERAL FUND	1987-88 Actual	1988-89 Available	1989-90 Budget
<i>GRANTS AND SUBSIDIES: (continued)</i>			
United Social Services .....	\$ 160	.....	.....
Community Development Projects .....	7,764	.....	.....
Local Tax Reform .....	140,000	.....	.....
Point Breeze Performing Arts Center .....	75	.....	.....
Discovery of America Anniversary .....	150	.....	.....
We The People 200 .....	5,000	.....	.....
Community and Economic Development .....	.....	\$ 10,818	.....
Community Public Safety Projects .....	.....	2,109	.....
Heritage Parks .....	.....	.....	\$ 1,100
Distressed Communities Grants .....	.....	.....	2,250
Local Drug Enforcement and Control .....	.....	50	.....
Subtotal — State Funds .....	\$ 208,515	\$ 68,413	\$ 59,528
Subtotal — Federal Funds .....	113,186	108,616	102,840
Subtotal — Augmentations .....	5,315	7,700	4,200
Total — Grants and Subsidies .....	<u>\$ 327,016</u>	<u>\$ 184,729</u>	<u>\$ 166,568</u>
STATE FUNDS .....	\$ 215,905	\$ 77,190	\$ 70,292
FEDERAL FUNDS .....	115,928	110,902	104,979
AUGMENTATIONS .....	6,448	8,966	5,458
<b>GENERAL FUND TOTAL .....</b>	<b><u>\$ 338,281</u></b>	<b><u>\$ 197,058</u></b>	<b><u>\$ 180,729</u></b>
<b>ENERGY CONSERVATION AND ASSISTANCE FUND:</b>			
Weatherization .....	.....	\$ 21,459	\$ 18,500
<b>ECONOMIC REVITALIZATION FUND:</b>			
Recreational Improvement and Rehabilitation .....	\$ 6,000	\$ 6,000	.....
Reduction of State Match .....	.....	1,500	.....
<b>ECONOMIC REVITALIZATION FUND TOTAL .....</b>	<b><u>\$ 6,000</u></b>	<b><u>\$ 7,500</u></b>	<u>.....</u>
<b>OTHER FUNDS</b>			
<i>GENERAL FUND:</i>			
ARC Revolving Loan Fund .....	\$ -25 <sup>a</sup>	\$ 100	\$ 100
<b>OTHER FUNDS TOTAL .....</b>	<b><u>\$ -25</u></b>	<b><u>\$ 100</u></b>	<b><u>\$ 100</u></b>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUND .....	\$ 215,905	\$ 77,190	\$ 70,292
SPECIAL FUNDS .....	6,000	28,959	18,500
FEDERAL FUNDS .....	115,928	110,902	104,979
AUGMENTATIONS .....	6,448	8,966	5,458
OTHER FUNDS .....	-25	100	100
<b>TOTAL ALL FUNDS .....</b>	<b><u>\$ 344,256</u></b>	<b><u>\$ 226,117</u></b>	<b><u>\$ 199,329</u></b>

<sup>a</sup>The negative amount shown is due to a refund of expenditure greater than actual loans for a prior project.

# COMMUNITY AFFAIRS

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>COMMUNITY DEVELOPMENT AND CONSERVATION</b>							
General Funds.....	\$ 75,730	\$ 76,890	\$ 67,192	\$ 67,039	\$ 67,590	\$ 68,171	\$ 68,784
Special Funds.....	6,000	27,459	18,500	10,000	0	6,000	0
Federal Funds.....	115,928	110,902	104,979	101,441	101,441	101,441	101,441
Other Funds.....	6,423	9,066	5,558	9,058	9,058	9,058	9,058
<b>TOTAL.....</b>	<b>\$ 204,081</b>	<b>\$ 224,317</b>	<b>\$ 196,229</b>	<b>\$ 187,538</b>	<b>\$ 178,089</b>	<b>\$ 184,670</b>	<b>\$ 179,283</b>
<b>MUNICIPAL ADMINISTRATIVE SUPPORT</b>							
General Funds.....	\$ 140,175	\$ 300	\$ 3,100	\$ 883	\$ 918	\$ 954	\$ 993
Special Funds.....	0	1,500	0	0	0	0	0
<b>TOTAL.....</b>	<b>\$ 140,175</b>	<b>\$ 1,800</b>	<b>\$ 3,100</b>	<b>\$ 883</b>	<b>\$ 918</b>	<b>\$ 954</b>	<b>\$ 993</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 215,905	\$ 77,190	\$ 70,292	\$ 67,922	\$ 68,508	\$ 69,125	\$ 69,777
SPECIAL FUNDS.....	6,000	28,959	18,500	10,000	0	6,000	0
FEDERAL FUNDS.....	115,928	110,902	104,979	101,441	101,441	101,441	101,441
OTHER FUNDS.....	6,423	9,066	5,558	9,058	9,058	9,058	9,058
<b>TOTAL.....</b>	<b>\$ 344,256</b>	<b>\$ 226,117</b>	<b>\$ 199,329</b>	<b>\$ 188,421</b>	<b>\$ 179,007</b>	<b>\$ 185,624</b>	<b>\$ 180,276</b>

# COMMUNITY AFFAIRS

**PROGRAM OBJECTIVE:** To enhance the total environment of Pennsylvania's communities through improvements in the areas of housing, recreational facilities, job training and economic development.

## Program: Community Development and Conservation

The Department of Community Affairs' (DCA's) role in improving Pennsylvania's communities involves a wide range of both State and Federally funded activities. Program activities are provided under three related elements.

### Program Element: Housing and Redevelopment

Housing and Redevelopment provides grants to communities and redevelopment authorities to improve blighted neighborhoods through redevelopment, and the provision of low and moderate income housing through rehabilitation. Similarly, Enterprise Development provides grants for locally-planned, innovative projects which can stimulate private investment and create jobs in State designated enterprise zones.

The Weatherization component of the element provides funds to weatherize existing housing stock through furnace retrofits as well as the installation of insulation, storm doors and windows in homes of persons who meet income eligibility standards developed by the Federal Government. Weatherization will be funded from the Energy Conservation and Assistance Fund and U.S. Department of Energy Weatherization funds in 1989-90.

### Program Element: Community Development

The Federal Small Communities Block Grant provides assistance in expanding low and moderate income housing opportunities; enhancing economic development and job opportunities for low and moderate income individuals; correcting public facilities such as water and sewer systems, and improving public facilities that affect public health and safety.

Through the Neighborhood Assistance Act, tax credits are provided

to encourage private sector involvement in developing solutions to problems that are prevalent in low-income communities. These tax credits are available to corporations that contribute funding of services to local organizations administering programs that provide community services education, job training, crime prevention and neighborhood revitalization for low-income residents of impoverished areas.

Also, two Pennsylvania Economic Revitalization Fund (PERF) activities are administered by DCA within this element. The Enterprise Zone Municipal Tax Exemption Reimbursement (LERTA) program stimulates business development in enterprise zones by encouraging exemptions from local taxes for physical improvements made by business and industry in these areas.

Under the Recreational Improvement and Rehabilitation Act (RIRA), grants from PERF are made to municipalities for improvements to local parks and recreational facilities.

A new Heritage Parks program is recommended in this budget. See the Program Revision following this program for details.

### Program Element: Job Training and Services

The Community Conservation and Youth Employment program provides General Fund monies to municipalities, Community Action Agencies and non-profit sponsors for the development of employment opportunities and for community conservation activities.

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

## Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Housing and Redevelopment:</b>							
State funded housing activities and programs:							
Rehabilitation of existing units . . . . .	1,765	1,300	1,200	1,100	1,000	900	800
Jobs created . . . . .	3,286	3,500	3,200	2,900	2,600	2,300	2,000
Homes weatherized . . . . .	19,753	18,125	15,755	8,000	6,000	6,000	6,000
<b>Community Development:</b>							
Small Communities Block Grant:							
Jobs created and/or retained . . . . .	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Housing units rehabilitated . . . . .	2,400	1,600	1,600	1,600	1,600	1,600	1,600
Recreation Improvement and							
Rehabilitation Act (RIRA) grants . . . . .	150		140				
RIRA job opportunities created . . . . .	846		800				
<b>Job Training and Services:</b>							
Persons participating:							
Community conservation and youth employment . . . . .	85,933	87,900	89,900	91,900	93,900	95,900	97,900
Community Service Block Grant . . . . .	640,000	592,000	585,000	570,000	560,000	550,000	550,000
Employment related services and training projects . . . . .	15,679	15,925	16,175	16,425	16,675	16,925	17,175
Job Placement Program:							
Persons placed . . . . .	6,578	6,625	6,675	6,675	6,775	6,825	6,875

Three programs make up the Job Training measures, with each requiring varying degrees of participation, resulting in fluctuating aggregate numbers from year to year. The homes weatherized data reflect the declining availability of Energy Conservation and Assistance Fund monies. The RIRA measures reflect current plans to award projects funded from the 1988-89 continuing appropriation early in 1989-90. The increase in employment related services and training projects is due to improved tracking efforts by the agency and more efficient allocations of resources. Housing and Redevelopment measures for 1987-88 reflect an unusual one-time increase in rehabilitation projects. The department anticipates a return to prior levels in 1988-89, and further decreases beginning in 1989-90 due to escalating cost to operate the housing programs.

# COMMUNITY AFFAIRS

## Program: Community Development and Conservation (continued)

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>GENERAL FUND:</b>			
	<b>General Government Operations</b>		<b>Community Conservation and Youth Employment</b>
\$ -36	—nonrecurring projects.		
663	—to continue current program.	\$ 132	—for a Family Support Initiative, a pilot program through which community action agencies assist low income clients in becoming self-sufficient.
675	—PRR — Revitalizing Distressed Communities. Funding is recommended to administer the distressed communities program including technical assistance and distressed communities coordinators. See the Program Revision following this program for further information.		
75	—PRR — Revitalizing Distressed Communities. Funding is recommended for a Peer-to-Peer program involving experienced local public officials assisting local officials in other communities. See the Program Revision following this program for further information.	\$ 500	<b>Enterprise Development</b> —PRR — Revitalizing Distressed Communities. This recommendation will generate increased private investment and jobs in Enterprise Zones. See the Program Revision following this program for further information.
10	—PRR — Revitalizing Distressed Communities. Funding is provided for commitments generated by the Chesapeake Bay Basin Technical Assistance Program. See the Program Revision following this program for further information.	\$ 1,100	<b>Heritage Parks</b> —PRR — Heritage Parks. This Program Revision will assist in the development of Heritage Parks statewide. See the Heritage Parks Program Revision following this program for further information.
			All other appropriations are nonrecurring.
\$ 1,387	<i>Appropriation Increase</i>		
	<b>Hispanic Council</b>		<b>ECONOMIC REVITALIZATION FUND:</b>
\$ 100	—to increase the department's ability to react to the concerns and needs of the Hispanic community.	\$ -6,000	<b>Recreational Improvements and Rehabilitation</b> —1988-89 appropriation is a two-year continuing appropriation from which expenditures will be made in 1989-90.
	<b>Flood Plain Management</b>		<b>ENERGY CONSERVATION AND ASSISTANCE FUND:</b>
\$ -15	—reduced demand due to increased compliance with flood-related laws and regulations.		<b>Weatherization</b> —reduced availability of Energy Conservation and Assistance Fund monies.
	<b>Planning Assistance Grants</b>	\$ -2,959	
\$ 75	—PRR — Revitalizing Distressed Communities. An increase in planning funds for distressed municipalities is recommended. See the Program Revision following this program for further information.		

# COMMUNITY AFFAIRS

## Program: Community Development and Conservation (continued)

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 7,290	\$ 8,577	\$ 9,964	\$ 9,800	\$ 10,339	\$ 10,908	\$ 11,508
Hispanic Council .....	100	100	200	211	223	235	248
Flood Plain Management .....	56	75	60	60	60	60	60
Planning Assistance Grants .....	150	175	250	250	250	250	250
Community Conservation and Youth							
Employment .....	2,735	2,736	2,868	2,868	2,868	2,868	2,868
United Social Services .....	160						
Housing and Redevelopment .....	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Enterprise Development .....	7,250	7,250	7,750	7,750	7,750	7,750	7,750
We The People Celebration .....	5,000						
Community Development Projects .....	7,764						
Point Breeze Performing Arts Center .....	75						
Discovery of America Anniversary .....	150						
Community and Economic Development .....		10,818					
Community Public Safety Projects .....		2,109					
Heritage Parks .....			1,100	1,100	1,100	1,100	1,100
Local Drug Enforcement and Control .....		50					
<b>TOTAL GENERAL FUND .....</b>	<b><u>\$ 75,730</u></b>	<b><u>\$ 76,890</u></b>	<b><u>\$ 67,192</u></b>	<b><u>\$ 67,039</u></b>	<b><u>\$ 67,590</u></b>	<b><u>\$ 68,171</u></b>	<b><u>\$ 68,784</u></b>
<b>ECONOMIC REVITALIZATION FUND:</b>							
Recreational Improvements and							
Rehabilitation .....	<u>\$ 6,000</u>	<u>\$ 6,000</u>		<u>\$ 6,000</u>		<u>\$ 6,000</u>	
<b>ENERGY CONSERVATION AND ASSISTANCE FUND:</b>							
Weatherization .....		<u>\$ 21,459</u>	<u>\$ 18,500</u>	<u>\$ 4,000</u>			

# COMMUNITY AFFAIRS

## Program Revision: Revitalizing Distressed Communities

Despite a widespread economic recovery throughout Pennsylvania, persistent pockets of economic distress remain. Declining industries and concentrated unemployment have resulted in operational and service demands outstripping government fiscal resources in dozens of municipalities. These communities must find a means to avoid serious fiscal difficulties while continuing to provide necessary basic services to their residents.

Funding appropriated in 1986-87 to ameliorate these circumstances will be fully expended by the end of 1988-89. Current proposals call for funding to continue this effort from Local Tax Reform funds. Until such time as Local Tax Reform becomes a reality, the Distressed Communities Grants and technical assistance component of this Program Revision will allow the Department of Community Affairs to continue to assist these financially distressed municipalities. The department will continue to review the condition of communities applying for formal designations of distress; assist in the development of local fiscal management plans at an estimated cost of \$35,000 per plan; hire distressed community coordinators; and provide loans and grants to help communities recover from fiscal distress. The department anticipates that up to 23 communities will receive distress designations over the next two years, and that technical assistance will be required by up to 30 other communities.

Long-term fiscal stability also rests on a sound economic base. The Enterprise Zone Program will be revised by capping the number of zones and increasing the emphasis on competitive grants that generate three times more private investment than basic grants. The basic grant to each

zone will be decreased from \$125,000 to \$100,000. The \$25,000 difference will be shifted into the competitive grant pool. When supplemented by increased program funding, these changes will expand the program's competitive funding pool by 66 percent. Additionally, in an effort to improve effectiveness and efficiency, staff of local enterprise zones will be required to undergo approved economic development training.

In addition, Council of Government (COG) funding will be increased to assist municipalities in reducing the costs of services by encouraging joint public works projects and the consolidation of municipal departments and programs. Work of the COGs will be supplemented by an increase in State Planning Assistance grants targeted to three types of communities: those experiencing the greatest levels of distress, those coping with extraordinary rates of growth, and those Chesapeake Bay Basin communities faced with the serious environmental problems recognized by the Chesapeake Bay Agreement. The need for communities to share their professional knowledge and experience is also recognized by funding provided for the Peer-to-Peer law enforcement and fiscal management counseling program, which involves experienced local officials assisting other local officials to better cope with the demands and constraints of service provision.

Rural and distressed communities which require, but could not in the past afford individual professional managers, will be aided by the new Circuit Rider Program. On a matching fund basis, the Commonwealth will hire professional managers to serve multiple jurisdictions on a part-time basis.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Distressed communities assisted							
Current	9	12					
<b>Program Revision</b>			29	29	29	29	29
Council of Governments generated savings (thousands)							
Current	\$400	\$400	\$400	\$400	\$400	\$400	\$400
<b>Program Revision</b>			\$500	\$500	\$500	\$500	\$500
Circuit Rider communities served							
Current							
<b>Program Revision</b>			40	40	40	40	40
State Planning Assistance Grant assisted communities							
Current	50	40	40	40	40	40	40
<b>Program Revision</b>			60	58	59	60	59
Peer-to-Peer assisted communities							
Current	7	29					
<b>Program Revision</b>			64	64	64	64	64
New jobs created in Enterprise Zone							
Current	NA	NA	700	775	850	975	1,100
<b>Program Revision</b>			880	970	1,100	1,300	1,500
Private Funds Leveraged in Enterprise Zones (thousands)							
Current	NA	NA	\$19,500	\$25,000	\$32,000	\$39,000	\$45,000
<b>Program Revision</b>			\$24,200	\$31,400	\$40,000	\$46,800	\$52,700

Future year projections for distressed communities assisted reflect the assumption that after 1989-90 distressed communities will be assisted by the Local Tax Reform Fund.

# COMMUNITY AFFAIRS

## Program Revision: Revitalizing Distressed Communities (continued)

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>General Government Operations</b></p> <p>\$ 675 —for costs of technical assistance and local coordinators for fiscally distressed communities.</p> <p>\$ 75 —for the Peer-to-Peer Program.</p> <p>\$ 10 —for the Chesapeake Bay Basin Technical Assistance Program.</p> <hr/> <p>\$ 760 Appropriation Increase</p> <p><b>Distressed Communities Grants</b></p> <p>\$ 2,250 —for aid to fiscally distressed communities.</p> <p><b>Enterprise Development</b></p> <p>\$ 500 —to increase funding for competitive grants in the Enterprise Zone Program.</p>	<p><b>Regional Councils</b></p> <p>\$ 50 —to increase participation in intergovernmental cooperation projects among local governments.</p> <p><b>Circuit Rider Program</b></p> <p>\$ 250 —for establishment of a shared town manager program.</p> <p><b>Planning Assistance Grants</b></p> <p>\$ 75 —to increase planning grants to distressed and high growth areas.</p> <hr/> <p>\$ 3,885 Program Revision Total</p>
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This Program Revision assumes that after 1989-90, distressed communities will be assisted by the Local Tax Reform Fund.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....			\$ 760	\$ 90	\$ 95	\$ 100	\$ 105
Distressed Communities Grants .....			2,250				
Regional Councils .....			50	50	50	50	50
Circuit Rider Program .....			250	250	250	250	250
Planning Assistance .....			75	75	75	75	75
Enterprise Development .....			500	500	500	500	500
<b>TOTAL GENERAL FUND .....</b>			<b>\$ 3,885</b>	<b>\$ 965</b>	<b>\$ 970</b>	<b>\$ 975</b>	<b>\$ 980</b>

# COMMUNITY AFFAIRS

## Program Revision: Heritage Parks

In the past, the story of Pennsylvania's crucial place in U.S. economic and transportation history suffered from a fragmented and uncoordinated presentation. This Program Revision establishes the Pennsylvania Heritage Parks Program. Initial year funding is provided for systematic aid for the establishment and operation of Heritage Parks throughout the State. The Heritage Parks Program will help communities promote historical, recreational and natural resources as tourist and educational attractions for local residents and visitors alike. These multi-community projects will plan, develop and manage Heritage Parks linked to the rich history of the region and State. Each Heritage Park will highlight Pennsylvania's key role in the nation's economic and transportation history.

Through National Park Service programs, over \$40 million in Federal

funding has already been earmarked for three Heritage Parks; America's Industrial Heritage, a nine county southwestern Pennsylvania project linked by canals and rivers along a "heritage route"; the Lackawanna Valley Park, an expansion of the Steamtown National Historic Park currently being developed in Scranton; and the Delaware and Lehigh Canal, already designated as a national heritage corridor linked by artificial waterways. These three ongoing efforts may apply to receive State support for operations under the program. The Department will also assist in the development of other Heritage Park concepts capable of attracting both private investment and Federal Park Service funds. Based on experience in other states, investments in Pennsylvania Heritage Parks are projected to generate other private and non-State funds at a 10:1 ratio.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Investment generated (thousands)							
Current .....	NA	NA	NA	NA	NA	NA	NA
Program Revision .....			\$10,000	\$20,000	\$30,000	\$40,000	\$50,000
Permanent jobs created (cumulative)							
Current .....	NA	NA	NA	NA	NA	NA	NA
Program Revision .....			200	400	600	800	1,000

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Heritage Parks**  
 \$1,100 —to assist the development of a Statewide Heritage Parks Program.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Heritage Parks .....			\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100

# COMMUNITY AFFAIRS

*PROGRAM OBJECTIVE: To improve local governments' ability to provide effective and economical municipal services.*

## Program: Municipal Administrative Support Capability

Efforts to improve provision of local government services are centered around a variety of activities within this program.

Distressed Community Emergency Aid provides for the establishment and development of systems to identify, assist and ameliorate fiscal distress of communities in the Commonwealth. Continued funding for this program is recommended to be provided from the Local Tax Reform Fund once local tax reform achieves approval via referendum. To fund the distressed communities effort until such time as Local Tax Reform Fund funds are available, this budget proposes the use of General Fund monies for grants to distressed communities and for technical assistance and the hiring of distressed community coordinators. See the Revitalized Distressed Communities Program Revision in this section for further information.

The second major effort to make local government more effective involves the one time \$140 million appropriation for local tax reform

recommended in the 1987-88 General Fund budget. The Administration has proposed a series of bills that would utilize the \$140 million to establish a Local Tax Reform Fund, and then create a series of programs within this fund aimed at local tax relief. These funding proposals cannot be acted upon, however, until a real estate property tax referendum is approved by the electorate.

Finally, the Regional Councils appropriation is used as an incentive to induce local governments to undertake inter-municipal cooperative efforts, thereby fostering increased efficiency and effectiveness of municipal functions. Community Affairs monitors nearly 500 municipalities, townships and boroughs providing intergovernmental services crossing jurisdictional boundaries. A variety of projects and services are involved such as joint police protection, regional airports and workmen compensation pools, all of which minimize cost and enhance the quality of services delivered.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Distressed communities receiving assistance .....	281	393	378	378	378	378	378
Municipal officials/employees trained .....	22,612	24,000	24,000	24,000	24,000	24,000	24,000

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>GENERAL FUND:</b>			
	<b>Regional Councils</b>		<b>Circuit Riders</b>
\$ 50	—PRR — Revitalizing Distressed Communities. To increase consolidation of municipal departments and programs. See the Program Revision preceding this program for further information.	\$ 250	—PRR — Revitalizing Distressed Communities. For a program of shared town managers in rural and distressed areas. See the Program Revision preceding this program for further information.
	<b>Distressed Communities Grants</b>		<b>Local Tax Reform Support</b>
\$ 2,250	—PRR — Revitalizing Distressed Communities. To provide assistance to financially distressed and disadvantaged communities. See the Program Revision preceding this program for further information.	\$ 250	—to assist communities in understanding and preparing for implementation of local tax reform.
			<b>ECONOMIC REVITALIZATION FUND:</b>
		\$ -1,500	<b>Reduction of State Match</b> —assistance to financially distressed communities will be provided through the Revitalizing Distressed Communities Program Revision.

# COMMUNITY AFFAIRS

**Program: Municipal Administrative Support Capability (continued)**

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Regional Councils .....	\$ 175	\$ 200	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
Local Tax Reform .....	140,000						
Distressed Communities Grants .....			2,250				
Circuit Riders .....			250	264	279	294	310
Local Tax Reform Support .....		100	350	369	389	410	433
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 140,175</b>	<b>\$ 300</b>	<b>\$ 3,100</b>	<b>\$ 883</b>	<b>\$ 918</b>	<b>\$ 954</b>	<b>\$ 993</b>
<b>ECONOMIC REVITALIZATION FUND:</b>							
Reduction of State Match .....		\$ 1,500					



**Commonwealth of Pennsylvania**

# **Department of Corrections**

The department maintains a State system for the custody and rehabilitation of convicted criminals. Included within this system are residential programs and pre-release programs to provide inmates with supervision, counseling and treatment to enable them to satisfactorily adjust to society.

# CORRECTIONS

## PROGRAM REVISION

### Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1989-90 State Funds (In thousands)
<b>GENERAL FUND</b>		
State Correctional Institutions	Comprehensive Drug and Alcohol Abuse Initiative .....	\$ 212
<p>This Program Revision will establish a 52 bed drug and alcohol therapeutic community at the Cresson State Correctional Institution. This is part of the \$16.3 million Program Revision entitled Comprehensive Drug and Alcohol Abuse Initiative. For details, see the Executive Offices budget.</p>		
State Correctional Institutions	AIDS Program Expansion .....	\$ 868
<p>These funds will provide contracted medical services for inmates with AIDS. This is part of the \$4.3 million Program Revision entitled AIDS Program Expansion. For details, see the Department of Health's budget.</p>		
DEPARTMENT TOTAL .....		<u>\$ 1,080</u>

# CORRECTIONS

## Summary by Fund and Appropriation

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<i>INSTITUTIONAL:</i>			
State Correctional Institutions .....	\$ 239,100	\$ 269,169	\$ 304,404
(F) Federal Inmates .....	125	125	125
(F) Mariel — Cuban Inmates .....	93	76	100
(F) Veterans Training .....	100	120	40
(F) Library Services .....	.....	58	30
(F) Vocational Training .....	17	.....	.....
(F) Community Center Training .....	.....	25	.....
(F) ADAMHBG — Rehabilitation .....	110	110	110
(F) Therapeutic Communities .....	.....	519	505
(F) Drug and Alcohol Rehabilitation .....	.....	144	30
(F) Library Literacy .....	.....	25	.....
(A) Institutional Reimbursements .....	392	435	405
(A) Community Service Centers .....	253	280	320
(A) Project Impact .....	20	30	.....
STATE FUNDS .....	\$ 239,100	\$ 269,169	\$ 304,404
FEDERAL FUNDS .....	445	1,202	940
AUGMENTATIONS .....	665	745	725
<b>GENERAL FUND TOTAL .....</b>	<b>\$ 240,210</b>	<b>\$ 271,116</b>	<b>\$ 306,069</b>
<b>OTHER FUNDS</b>			
<i>MANUFACTURING FUND:</i>			
General Operations .....	\$ 17,785	\$ 18,353	\$ 19,352
<b>OTHER FUNDS TOTAL .....</b>	<b>\$ 17,785</b>	<b>\$ 18,353</b>	<b>\$ 19,352</b>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUND .....	\$ 239,100	\$ 269,169	\$ 304,404
FEDERAL FUNDS .....	445	1,202	940
AUGMENTATIONS .....	665	745	725
OTHER FUNDS .....	17,785	18,353	19,352
<b>TOTAL ALL FUNDS .....</b>	<b>\$ 257,995</b>	<b>\$ 289,469</b>	<b>\$ 325,421</b>

# CORRECTIONS

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	ACTUAL	AVAILABLE	BUDGET	ESTIMATED	ESTIMATED	ESTIMATED	ESTIMATED
<b>INSTITUTIONALIZATION OF OFFENDERS</b>							
General Funds.....	\$ 239,100	\$ 269,169	\$ 304,404	\$ 321,789	\$ 339,487	\$ 358,159	\$ 377,858
Federal Funds.....	445	1,202	940	580	525	505	505
Other Funds.....	18,450	19,098	20,077	20,769	21,490	22,238	23,013
<b>TOTAL.....</b>	<b>\$ 257,995</b>	<b>\$ 289,469</b>	<b>\$ 325,421</b>	<b>\$ 343,138</b>	<b>\$ 361,502</b>	<b>\$ 380,902</b>	<b>\$ 401,376</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 239,100	\$ 269,169	\$ 304,404	\$ 321,789	\$ 339,487	\$ 358,159	\$ 377,858
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	445	1,202	940	580	525	505	505
OTHER FUNDS.....	18,450	19,098	20,077	20,769	21,490	22,238	23,013
<b>TOTAL.....</b>	<b>\$ 257,995</b>	<b>\$ 289,469</b>	<b>\$ 325,421</b>	<b>\$ 343,138</b>	<b>\$ 361,502</b>	<b>\$ 380,902</b>	<b>\$ 401,376</b>

# CORRECTIONS

*PROGRAM OBJECTIVE: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.*

## Program: Institutionalization of Offenders

The State administered system includes 14 correctional institutions and 15 community service centers. A new facility at Smithfield provided 484 cells when it opened in November 1988. The Graterford expansion and Rockview infirmary will increase institutional capacity by 586 cells during 1989. There were 17,908 inmates housed in the State system at the end of December 1988.

In addition to providing the basic necessities of life, programs are available which enable inmates to leave prison better prepared to adjust to life in the community. These include educational services, vocational training, and behavior modification.

Educational programs provided by the Pennsylvania Department of Education offer inmates the opportunity to obtain high school diplomas or adult basic educational skills. Post secondary education, in cooperation with nearby colleges, enables students to earn associate's

or bachelor's degrees.

Vocational training is dedicated to the development of marketable job skills so that inmates are more employable upon their release. A variety of programs are offered which may lead to employment as plumbers, electricians, auto mechanics, sheet metalworkers, barbers or cosmeticians.

Counseling services are designed to modify social behavior to a more acceptable level. Mental health and sex offender units have been opened at many institutions. Alcohol and drug rehabilitation is also available.

Community service centers permit highly screened inmates, who meet established criteria, to live in halfway houses in the community. Here they receive 24 hour supervision and can utilize counseling services while working or attending school.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Inmates (October) . . . . .	16,125	17,644	19,500	20,730	21,700	22,050	22,200
Prison Capacity (October) . . . . .	12,087	12,478	13,392	13,518	13,698	13,758	13,818
Inmates Double Celled (October) . . . . .	8,076	10,332	12,216	14,424	16,004	16,584	16,764
Inmates receiving high school diplomas (GED) . . . . .	911	925	940	950	960	970	980
Inmates receiving vocational training . . . . .	2,570	3,160	3,800	4,100	4,300	4,400	4,500
Inmates receiving other education training . . . . .	5,150	5,600	6,200	6,600	6,900	7,100	7,200
Inmates enrolled in drug and alcohol treatment programs . . . . .	4,100	4,300	4,400	4,500	4,500	4,500	4,500
Average annual cost per inmate . . . . .	\$14,666	\$15,030	\$15,374	\$15,523	\$15,645	\$16,240	\$17,020

### Population and Capacity

Institutions	Population Oct. 1988	Estimated Population Oct. 1989	Capacity Oct. 1988	Estimated Capacity Oct. 1989
Camp Hill . . . . .	2,565	2,600	1,826	1,826
Cresson . . . . .	775	800	499	499
Dallas . . . . .	1,965	2,000	1,457	1,457
Frackville . . . . .	766	800	540	540
Graterford . . . . .	2,612	3,400	2,144	2,718
Greensburg . . . . .	734	750	461	461
Huntingdon . . . . .	2,018	2,050	1,347	1,347
Mercer . . . . .	689	700	464	464
Muncy . . . . .	532	600	344	344
Pittsburgh . . . . .	1,786	1,600	1,140	984
Retreat . . . . .	617	800	480	480
Rockview . . . . .	1,948	2,050	1,250	1,262
Smithfield . . . . .		650		484
Waynesburg . . . . .	180	190	144	144
Community Service Centers . . . . .	390	430	382	382
Group Homes . . . . .	67	80		
<b>TOTAL . . . . .</b>	<b>17,644</b>	<b>19,500</b>	<b>12,478</b>	<b>13,392</b>

# CORRECTIONS

## Program: Institutionalization of Offenders (continued)

### Expenditures by Institution:

	(Dollar Amounts in Thousands)				(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget		1987-88 Actual	1988-89 Available	1989-90 Budget
<b>Camp Hill</b>							
State Funds	\$ 30,280	\$ 31,567	\$ 34,850	State Funds	\$ 10,171	\$ 11,345	\$ 12,512
Federal Funds	17	.....	.....	Federal Funds	.....	.....	.....
Augmentations	122	135	130	Augmentations	3	5	5
<b>TOTAL</b>	<b>\$ 30,419</b>	<b>\$ 31,702</b>	<b>\$ 34,980</b>	<b>TOTAL</b>	<b>\$ 10,174</b>	<b>\$ 11,350</b>	<b>\$ 12,517</b>
<b>Cresson</b>							
State Funds	\$ 11,227	\$ 13,215	\$ 15,011	State Funds	\$ 11,255	\$ 12,357	\$ 13,980
Federal Funds	100	210	505	Federal Funds	.....	75	25
Augmentations	.....	.....	.....	Augmentations	117	125	120
<b>TOTAL</b>	<b>\$ 11,327</b>	<b>\$ 13,425</b>	<b>\$ 15,516</b>	<b>TOTAL</b>	<b>\$ 11,372</b>	<b>\$ 12,557</b>	<b>\$ 14,125</b>
<b>Dallas</b>							
State Funds	\$ 23,015	\$ 24,298	\$ 26,935	State Funds	\$ 23,884	\$ 25,600	\$ 27,957
Federal Funds	.....	10	.....	Federal Funds	.....	.....	.....
Augmentations	62	70	65	Augmentations	.....	.....	.....
<b>TOTAL</b>	<b>\$ 23,077</b>	<b>\$ 24,378</b>	<b>\$ 27,000</b>	<b>TOTAL</b>	<b>\$ 23,884</b>	<b>\$ 25,600</b>	<b>\$ 27,957</b>
<b>Frackville</b>							
State Funds	\$ 10,960	\$ 12,436	\$ 14,212	State Funds	\$ 7,021	\$ 10,793	\$ 12,205
Federal Funds	.....	.....	.....	Federal Funds	.....	.....	.....
Augmentations	.....	.....	.....	Augmentations	.....	.....	.....
<b>TOTAL</b>	<b>\$ 10,960</b>	<b>\$ 12,436</b>	<b>\$ 14,212</b>	<b>TOTAL</b>	<b>\$ 7,021</b>	<b>\$ 10,793</b>	<b>\$ 12,205</b>
<b>Graterford</b>							
State Funds	\$ 35,408	\$ 40,272	\$ 45,064	State Funds	\$ 21,315	\$ 22,617	\$ 25,169
Federal Funds	.....	389	40	Federal Funds	.....	.....	.....
Augmentations	32	40	35	Augmentations	53	60	55
<b>TOTAL</b>	<b>\$ 35,440</b>	<b>\$ 40,701</b>	<b>\$ 45,139</b>	<b>TOTAL</b>	<b>\$ 21,368</b>	<b>\$ 22,677</b>	<b>\$ 25,224</b>
<b>Greensburg</b>							
State Funds	\$ 12,084	\$ 12,955	\$ 14,199	State Funds	\$ 1,030	\$ 7,949	\$ 12,846
Federal Funds	.....	.....	.....	Federal Funds	.....	40	.....
Augmentations	.....	.....	.....	Augmentations	.....	.....	.....
<b>TOTAL</b>	<b>\$ 12,084</b>	<b>\$ 12,955</b>	<b>\$ 14,199</b>	<b>TOTAL</b>	<b>\$ 1,030</b>	<b>\$ 7,989</b>	<b>\$ 12,846</b>
<b>Huntingdon</b>							
State Funds	\$ 21,461	\$ 22,597	\$ 25,049	State Funds	\$ 4,621	\$ 5,276	\$ 6,120
Federal Funds	.....	.....	.....	Federal Funds	.....	10	10
Augmentations	23	35	25	Augmentations	.....	.....	.....
<b>TOTAL</b>	<b>\$ 21,484</b>	<b>\$ 22,632</b>	<b>\$ 25,074</b>	<b>TOTAL</b>	<b>\$ 4,621</b>	<b>\$ 5,286</b>	<b>\$ 6,130</b>
<b>Community Service Centers</b>							
State Funds	\$ 6,287	\$ 6,698	\$ 7,275	State Funds	\$ 9,081	\$ 9,194	\$ 11,020
Federal Funds	.....	50	.....	Federal Funds	328	418	360
Augmentations	253	275	290	Augmentations	.....	.....	.....
<b>TOTAL</b>	<b>\$ 6,540</b>	<b>\$ 7,023</b>	<b>\$ 7,565</b>	<b>TOTAL</b>	<b>\$ 9,409</b>	<b>\$ 9,612</b>	<b>\$ 11,380</b>
<b>Mercer</b>							
State Funds	\$ 10,171	\$ 11,345	\$ 12,512	State Funds	\$ 11,255	\$ 12,357	\$ 13,980
Federal Funds	.....	.....	.....	Federal Funds	.....	75	25
Augmentations	3	5	5	Augmentations	117	125	120
<b>TOTAL</b>	<b>\$ 10,174</b>	<b>\$ 11,350</b>	<b>\$ 12,517</b>	<b>TOTAL</b>	<b>\$ 11,372</b>	<b>\$ 12,557</b>	<b>\$ 14,125</b>
<b>Muncy</b>							
State Funds	\$ 11,255	\$ 12,357	\$ 13,980	State Funds	\$ 23,884	\$ 25,600	\$ 27,957
Federal Funds	.....	75	25	Federal Funds	.....	.....	.....
Augmentations	117	125	120	Augmentations	.....	.....	.....
<b>TOTAL</b>	<b>\$ 11,372</b>	<b>\$ 12,557</b>	<b>\$ 14,125</b>	<b>TOTAL</b>	<b>\$ 23,884</b>	<b>\$ 25,600</b>	<b>\$ 27,957</b>
<b>Pittsburgh</b>							
State Funds	\$ 23,884	\$ 25,600	\$ 27,957	State Funds	\$ 7,021	\$ 10,793	\$ 12,205
Federal Funds	.....	.....	.....	Federal Funds	.....	.....	.....
Augmentations	.....	.....	.....	Augmentations	.....	.....	.....
<b>TOTAL</b>	<b>\$ 23,884</b>	<b>\$ 25,600</b>	<b>\$ 27,957</b>	<b>TOTAL</b>	<b>\$ 7,021</b>	<b>\$ 10,793</b>	<b>\$ 12,205</b>
<b>Retreat</b>							
State Funds	\$ 7,021	\$ 10,793	\$ 12,205	State Funds	\$ 21,315	\$ 22,617	\$ 25,169
Federal Funds	.....	.....	.....	Federal Funds	.....	.....	.....
Augmentations	.....	.....	.....	Augmentations	53	60	55
<b>TOTAL</b>	<b>\$ 7,021</b>	<b>\$ 10,793</b>	<b>\$ 12,205</b>	<b>TOTAL</b>	<b>\$ 21,368</b>	<b>\$ 22,677</b>	<b>\$ 25,224</b>
<b>Rockview</b>							
State Funds	\$ 21,315	\$ 22,617	\$ 25,169	State Funds	\$ 1,030	\$ 7,949	\$ 12,846
Federal Funds	.....	.....	.....	Federal Funds	.....	40	.....
Augmentations	53	60	55	Augmentations	.....	.....	.....
<b>TOTAL</b>	<b>\$ 21,368</b>	<b>\$ 22,677</b>	<b>\$ 25,224</b>	<b>TOTAL</b>	<b>\$ 1,030</b>	<b>\$ 7,989</b>	<b>\$ 12,846</b>
<b>Smithfield</b>							
State Funds	\$ 1,030	\$ 7,949	\$ 12,846	State Funds	\$ 4,621	\$ 5,276	\$ 6,120
Federal Funds	.....	40	.....	Federal Funds	.....	10	10
Augmentations	.....	.....	.....	Augmentations	.....	.....	.....
<b>TOTAL</b>	<b>\$ 1,030</b>	<b>\$ 7,989</b>	<b>\$ 12,846</b>	<b>TOTAL</b>	<b>\$ 4,621</b>	<b>\$ 5,286</b>	<b>\$ 6,130</b>
<b>Waynesburg</b>							
State Funds	\$ 4,621	\$ 5,276	\$ 6,120	State Funds	\$ 9,081	\$ 9,194	\$ 11,020
Federal Funds	.....	10	10	Federal Funds	328	418	360
Augmentations	.....	.....	.....	Augmentations	.....	.....	.....
<b>TOTAL</b>	<b>\$ 4,621</b>	<b>\$ 5,286</b>	<b>\$ 6,130</b>	<b>TOTAL</b>	<b>\$ 9,409</b>	<b>\$ 9,612</b>	<b>\$ 11,380</b>
<b>Central Office</b>							
State Funds	\$ 9,081	\$ 9,194	\$ 11,020	State Funds	\$ 9,081	\$ 9,194	\$ 11,020
Federal Funds	328	418	360	Federal Funds	328	418	360
Augmentations	.....	.....	.....	Augmentations	.....	.....	.....
<b>TOTAL</b>	<b>\$ 9,409</b>	<b>\$ 9,612</b>	<b>\$ 11,380</b>	<b>TOTAL</b>	<b>\$ 9,409</b>	<b>\$ 9,612</b>	<b>\$ 11,380</b>

# CORRECTIONS

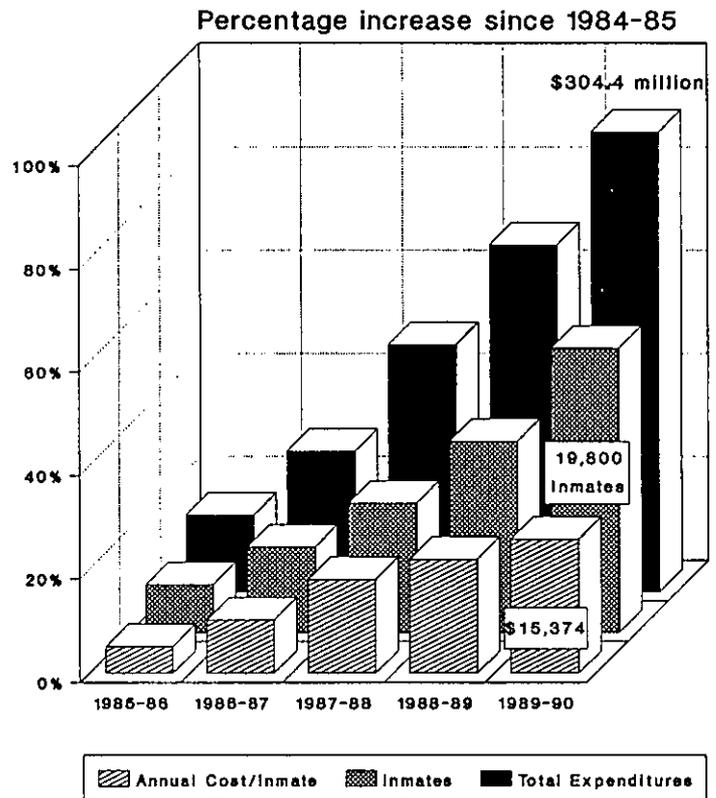
## Program: Institutionalization of Offenders (continued)

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

State Correctional Institutions	
\$ 4,897	—for full-year operation of the new Smithfield prison.
4,792	—for full-year operation of the 574 cell expansion at Graterford.
576	—for additional housing for female inmates at Muncy.
212	—PRR — Part of the Comprehensive Drug and Alcohol Abuse Initiative. An additional treatment center will be established for drug and alcohol services. See Program Revision in the Executive Offices for further information.
313	—to expand the Camp Hill Diagnostic and Classification Center.
108	—to provide therapeutic services to an additional 120 inmates convicted of sex offenses.
70	—for a special needs area for the physically handicapped.
868	—PRR — Part of the AIDS Program Expansion. These funds will provide contracted medical services for inmates with AIDS. See Program Revision in the Department of Health for further information.
23,399	—to continue current program.
<u>\$ 35,235</u>	<i>Appropriation Increase</i>

### State Correctional Institutions Five Year Growth Comparison



Expenditures are expected to increase from \$182 million in 1984-85 to \$304.4 million in 1989-90 - an 88% increase. Inmate population will grow 50% while cost per inmate increases 25%.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
State Correctional Institutions .....	<u>\$ 239,100</u>	<u>\$ 269,169</u>	<u>\$ 304,404</u>	<u>\$ 321,789</u>	<u>\$ 339,487</u>	<u>\$ 358,159</u>	<u>\$ 377,858</u>



**Commonwealth of Pennsylvania**

# **Crime Commission**

The Crime Commission conducts investigations into organized crime activities. Through its investigations the commission seeks to determine and combat causes of organized crime as well as prevent such criminal activities.

# CRIME COMMISSION

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
<b>Crime Commission</b> .....	<b>\$ 2,230</b>	<b>\$ 2,501</b>	<b>\$ 2,536</b>
(F) <i>Leviticus Project</i> .....	212	30	.....
(F) <i>LEAA — MAGLOCLEN</i> .....	1,739	1,800	.....
(F) <i>Organized Crime Racketeering Seminar</i> .....	.....	12	.....
(A) <i>Prosecutors' Seminar</i> .....	14	.....	.....
<b>Decade Report on Organized Crime</b> .....	.....	.....	147
Total-General Government .....	<b>\$ 4,195</b>	<b>\$ 4,343</b>	<b>\$ 2,683</b>
<b>GRANTS AND SUBSIDIES:</b>			
<b>Berks County Narcotics Information Center</b> .....	50	.....	.....
<b>Criminal Investigation Analysis Upgrade</b> .....	45	.....	.....
STATE FUNDS .....	\$ 2,325	\$ 2,501	\$ 2,683
FEDERAL FUNDS .....	1,951	1,842	.....
AUGMENTATIONS .....	14	.....	.....
<b>GENERAL FUND TOTAL</b> .....	<b>\$ 4,290</b>	<b>\$ 4,343</b>	<b>\$ 2,683</b>

# CRIME COMMISSION

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>CRIMINAL LAW ENFORCEMENT</b>							
General Funds.....	\$ 2,325	\$ 2,501	\$ 2,683	\$ 2,675	\$ 2,822	\$ 2,977	\$ 3,141
Federal Funds.....	1,951	1,842	0	0	0	0	0
Other Funds.....	14	0	0	0	0	0	0
<b>TOTAL.....</b>	<b>\$ 4,290</b>	<b>\$ 4,343</b>	<b>\$ 2,683</b>	<b>\$ 2,675</b>	<b>\$ 2,822</b>	<b>\$ 2,977</b>	<b>\$ 3,141</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 2,325	\$ 2,501	\$ 2,683	\$ 2,675	\$ 2,822	\$ 2,977	\$ 3,141
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	1,951	1,842	0	0	0	0	0
OTHER FUNDS.....	14	0	0	0	0	0	0
<b>TOTAL.....</b>	<b>\$ 4,290</b>	<b>\$ 4,343</b>	<b>\$ 2,683</b>	<b>\$ 2,675</b>	<b>\$ 2,822</b>	<b>\$ 2,977</b>	<b>\$ 3,141</b>

# CRIME COMMISSION

*PROGRAM OBJECTIVE: To conduct investigations into organized crime activities and causes of such crime in order to reduce the crime rate.*

## Program: Criminal Law Enforcement

The commission is an independent State agency managed by five members. The Governor, President Pro Tempore of the Senate, the Speaker of the House, and Minority Leaders of the Senate and House appoint one member each.

The Pennsylvania Crime Commission's basic function is to

investigate organized crime, public corruption, and the persons engaged in those activities. Cooperation with other law enforcement agencies, especially through information exchange, is critical to the commission. In conducting those activities the Commission utilizes subpoena power, surveillances and other investigative techniques.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Results from investigations or assistance rendered to other agencies:							
Arrests/Indictments .....	13	15	15	15	15	15	15
Convictions .....	13	15	15	15	15	15	15
Assets ordered to be forfeited as a result of investigations or assistance to other agencies .....	\$15,000,000	N/A	N/A	N/A	N/A	N/A	N/A
Subpoenas issued .....	109	130	130	130	130	130	130
Executive sessions .....	18	30	30	30	30	30	30
Public hearings .....	1	3	3	3	3	3	3
Immunity grants:							
Sought .....	1	3	3	3	3	3	3
Ordered .....	1	3	3	3	3	3	3
Appearance of commissioners and staff before legislative or regulatory bodies ..	24	25	25	25	25	25	25

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**General Government Operations**  
\$ 39 —to maintain current program level.

**Decade Report on Organized Crime**  
\$ 147 —to publish a report on organized crime in Pennsylvania during the 1980's.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 2,230	\$ 2,501	\$ 2,536	\$ 2,675	\$ 2,822	\$ 2,977	\$ 3,141
Berks County Narcotics Information Center .....	50	.....	.....	.....	.....	.....	.....
Criminal Investigation Analysis Upgrade ..	45	.....	.....	.....	.....	.....	.....
Decade Report on Organized Crime .....	.....	.....	147	.....	.....	.....	.....
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 2,325</b>	<b>\$ 2,501</b>	<b>\$ 2,683</b>	<b>\$ 2,675</b>	<b>\$ 2,822</b>	<b>\$ 2,977</b>	<b>\$ 3,144</b>



**Commonwealth of Pennsylvania**

# **Economic Development Partnership**

The Commonwealth economic development programs have been reorganized under the Economic Development Partnership, a public and private approach that provides the Commonwealth with the essential elements to be competitive with its resources and create employment for its residents. Through the Partnership, Pennsylvania will be better equipped to respond to economic development issues as well as to target the Commonwealth's resources to the most critical areas.

# ECONOMIC DEVELOPMENT PARTNERSHIP

## PROGRAM REVISION

**Budgeted Amounts Include the Following Program Revisions:**

Appropriation	Title	1989-90 State Funds (in thousands)
<b>GENERAL FUND</b>		
PennPORTS	PennPORTS — Port Revitalization .....	\$ 5,600
<p style="margin-left: 40px;">This Program Revision will provide for the consolidation and expansion of aid to the State's three ports under PennPORTS, the new port planning and policy entity.</p>		
Steel Valleys Site Development and Action Program	Steel Valleys Site Development and Action Program .....	\$ 10,000
<p style="margin-left: 40px;">This Program Revision will provide for the industrial redevelopment of blighted industrial sites in the Mon, Beaver and Shenango Valleys.</p>		
DEPARTMENT TOTAL .....		<u>\$ 15,600</u>

# ECONOMIC DEVELOPMENT PARTNERSHIP

## Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL GOVERNMENT:</b>			
General Government Operations .....	\$ 7,751	\$ 8,000	\$ 9,079
(F) ARC — Technical Assistance .....	265	450	450
(F) EDA — Planning Assistance .....	66	192	192
(F) JTPA — Occupational Information .....	58	130	130
(F) Economic Development Research and Training .....		150	
(F) Foreign Investment Guide .....		200	
(F) Industrial Property Inventory .....		190	
(F) Self-Employment Alternatives .....		300	300
(F) Economic Development Research and Training II .....		550	
(F) PA Welfare Reform .....		300	300
(F) Business Information Services .....		100	
(F) Matchmaker .....		300	
(F) Action Grant .....		1,000	
(F) Hardwood Initiative .....		300	300
(F) High Speed Rail Commission .....		44	
(A) Minority Business Development Authority .....	428	510	517
(A) Nursing Home Loan .....	152	261	276
(A) Copy Center Services .....	179	297	309
(A) Pennsylvania Industrial Development Authority .....	361	662	629
(A) Pennsylvania Economic Development Financing Authority .....		152	158
(A) Pennsylvania Energy Development Authority .....	21		
(A) Job Training Reimbursement .....			120
Subtotal — General Government Operations .....	\$ 9,281	\$ 14,088	\$ 12,760
Marketing .....	7,668	9,000	11,000
Small-Business Advocate .....		250	
Subtotal — State Funds .....	\$ 15,419	\$ 17,250	\$ 20,079
Subtotal — Federal Funds .....	389	4,206	1,672
Subtotal — Augmentations .....	1,141	1,882	2,009
Total — General Government .....	\$ 16,949	\$ 23,338	\$ 23,760
<b>GRANTS AND SUBSIDIES:</b>			
Industrial Development Assistance .....	\$ 500	\$ 500	\$ 500
Pennsylvania Industrial Development Authority .....	12,000	12,500	12,500
Site Development .....	5,651	1,000	1,000
Local Development District Grants .....	1,000	850	850
Appalachian Regional Commission .....	290	400	350
Minority Business Development Authority .....	2,000	2,000	2,000
Community Facilities .....	6,486	6,500	6,500
Minority Business Technical Assistance .....	198	250	250
International City Project .....	100	100	
American Wind Symphony .....	85		
Transfer to Pennsylvania Economic Revitalization Fund ..	59,000	41,050	53,100
Ben Franklin Partnership .....	29,987	31,500	31,500
Tourist Promotion Assistance .....	5,935	6,500	7,000
PennPORTS .....	6,600	6,500	12,100
American Music Theatre Festival .....	100		
Super Computer Center .....	1,750	1,750	1,000
J & L Site Development .....	2,000	1,000	1,000
Philadelphia Music Foundation .....	100		
Economic Development Financing Authority .....		250	250
Federal Procurement .....		250	400
Community Economic Development Projects .....		1,410	
PA Horticultural Society .....		150	
Hardwoods Research and Promotion .....		500	500
Music Theater Festival .....		100	
Steel Valleys Site Development and Action Program .....			10,000
Total — Grants and Subsidies .....	\$ 133,782	\$ 115,060	\$ 140,800
STATE FUNDS .....	\$ 149,201	\$ 132,310	\$ 160,879
FEDERAL FUNDS .....	389	4,206	1,672
AUGMENTATIONS .....	1,141	1,882	2,009
<b>GENERAL FUND TOTAL .....</b>	<b>\$ 150,731</b>	<b>\$ 138,398</b>	<b>\$ 164,560</b>

# ECONOMIC DEVELOPMENT PARTNERSHIP

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available		1989-90 Budget
<b>SPECIAL FUNDS</b>				
<i>ECONOMIC REVITALIZATION FUND:</i>				
Engineering School Equipment .....	\$ 3,000	.	.	.
Business Infrastructure Development .....	21,316	\$ 21,500	.	\$ 23,600
Small Business Incubators — Loans .....	3,843	2,157	.	.
Employee Ownership — Technical Assistance .....	214	500	.	500
Capital Loan Fund .....	8,000	8,000	.	4,500
Beaver Valley Revitalization .....	1,000	1,000	.	1,000
Mon Valley Revitalization .....	2,000	2,000	.	2,000
Shenango Valley Revitalization .....	1,000	1,000	.	1,000
Community Economic Recovery .....	993	1,000	.	1,000
Industrial Resource Centers .....	10,000	10,000	.	10,000
Lehigh Mountaintop Campus .....	.	1,000	.	1,000
Johnstown Industrial Heritage .....	.	1,000	.	.
Butler-Lawrence Revitalization .....	.	500	.	.
Alle-Kiski Valley Revitalization .....	.	250	.	.
Machinery and Equipment Revolving Loan .....	.	3,000	.	3,000
AVTEX Site Development .....	.	300	.	.
<b>ECONOMIC REVITALIZATION FUND TOTAL .....</b>	<b>\$ 51,366</b>	<b>\$ 53,207</b>	<b>.</b>	<b>\$ 47,600</b>
<b>OTHER FUNDS</b>				
<i>SUNNY DAY FUND:</i>				
Swearingen Fanjet .....	\$ 8,000	.	.	.
Corning Glass Works .....	8,000	.	.	.
Allegheny Particleboard Inc. ....	2,000	.	.	.
AVTEK Inc. ....	8,000	.	.	.
Microwood Inc. ....	2,000	.	.	.
Lowengart and Company .....	1,500	.	.	.
Grumman Aircraft .....	7,500	.	.	.
Epsilon Products, Inc. ....	.	\$ 3,000	.	.
Shea Communications, Inc. ....	.	7,500	.	.
Allegheny Ludlum, Inc. ....	.	3,750	.	.
Glass Adventures, Inc. ....	.	6,000	.	.
Aluglas of Pennsylvania, Inc. ....	.	5,500	.	.
UNISYS .....	.	3,500	.	.
PPG Industries .....	.	3,750	.	.
<b>SUNNY DAY FUND TOTAL .....</b>	<b>\$ 37,000</b>	<b>\$ 33,000</b>	<b>.</b>	<b>.</b>
<b>OTHER FUNDS TOTAL .....</b>	<b>\$ 37,000</b>	<b>\$ 33,000</b>	<b>.</b>	<b>.</b>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>				
GENERAL FUND .....	\$ 149,201	\$ 132,310	.	\$ 160,879
SPECIAL FUNDS .....	51,366	53,207	.	47,600
FEDERAL FUNDS .....	389	4,206	.	1,672
AUGMENTATIONS .....	1,141	1,882	.	2,009
OTHER FUNDS .....	37,000	33,000	.	.
<b>TOTAL ALL FUNDS .....</b>	<b>\$ 239,097</b>	<b>\$ 224,605</b>	<b>.</b>	<b>\$ 212,160</b>

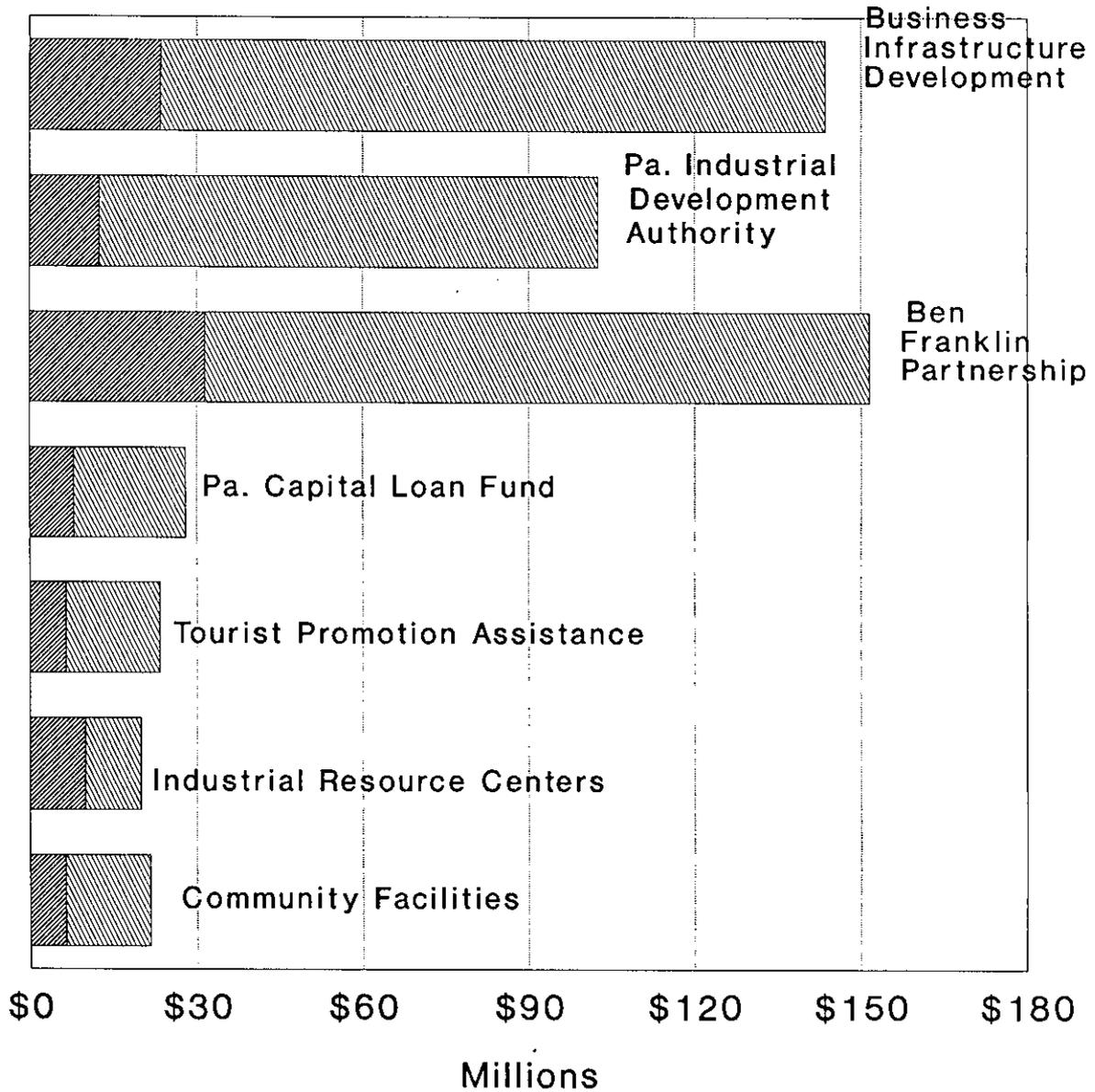
# ECONOMIC DEVELOPMENT PARTNERSHIP

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>MANAGEMENT AND POLICY</b>							
General Funds.....	\$ 23,144	\$ 27,560	\$ 29,279	\$ 29,024	\$ 29,509	\$ 30,021	\$ 30,561
Special Funds.....	4,993	6,750	5,000	5,000	5,000	5,000	5,000
Federal Funds.....	389	4,206	1,672	1,672	1,672	1,672	1,672
Other Funds.....	1,141	1,730	1,851	1,925	2,002	2,081	2,164
<b>TOTAL.....</b>	<b>\$ 29,667</b>	<b>\$ 40,246</b>	<b>\$ 37,802</b>	<b>\$ 37,621</b>	<b>\$ 38,183</b>	<b>\$ 38,774</b>	<b>\$ 39,397</b>
<b>INVESTMENT IN PRIVATE CAPITAL</b>							
General Funds.....	\$ 16,583	\$ 16,450	\$ 26,400	\$ 25,400	\$ 25,400	\$ 25,400	\$ 25,400
Special Funds.....	12,057	13,657	8,000	11,500	11,500	11,500	11,500
Other Funds.....	37,000	33,152	158	164	171	178	185
<b>TOTAL.....</b>	<b>\$ 65,640</b>	<b>\$ 63,259</b>	<b>\$ 34,558</b>	<b>\$ 37,064</b>	<b>\$ 37,071</b>	<b>\$ 37,078</b>	<b>\$ 37,085</b>
<b>INVESTMENT IN TECHNOLOGICAL TRANSFER</b>							
General Funds.....	\$ 31,737	\$ 33,250	\$ 32,500	\$ 32,500	\$ 31,500	\$ 31,500	\$ 31,500
Special Funds.....	13,000	11,000	11,000	4,000	0	0	3,000
<b>TOTAL.....</b>	<b>\$ 44,737</b>	<b>\$ 44,250</b>	<b>\$ 43,500</b>	<b>\$ 36,500</b>	<b>\$ 31,500</b>	<b>\$ 31,500</b>	<b>\$ 34,500</b>
<b>INVESTMENT IN PUBLIC CAPITAL</b>							
General Funds.....	\$ 77,737	\$ 55,050	\$ 72,700	\$ 71,633	\$ 64,668	\$ 69,705	\$ 65,745
Special Funds.....	21,316	21,800	23,600	23,600	23,600	23,600	23,600
<b>TOTAL.....</b>	<b>\$ 99,053</b>	<b>\$ 76,850</b>	<b>\$ 96,300</b>	<b>\$ 95,233</b>	<b>\$ 88,268</b>	<b>\$ 93,305</b>	<b>\$ 89,345</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 149,201	\$ 132,310	\$ 160,879	\$ 158,557	\$ 151,077	\$ 156,626	\$ 153,206
SPECIAL FUNDS.....	51,366	53,207	47,600	44,100	40,100	40,100	43,100
FEDERAL FUNDS.....	389	4,206	1,672	1,672	1,672	1,672	1,672
OTHER FUNDS.....	38,141	34,882	2,009	2,089	2,173	2,259	2,349
<b>TOTAL.....</b>	<b>\$ 239,097</b>	<b>\$ 224,605</b>	<b>\$ 212,160</b>	<b>\$ 206,418</b>	<b>\$ 195,022</b>	<b>\$ 200,657</b>	<b>\$ 200,327</b>

# ECONOMIC DEVELOPMENT PARTNERSHIP

## Public / Private Funding for an Economic Development Partnership Projected for 1989-90



State Funds      Local, Private, and Educational Funds

Projected amount of local government, private, and educational institution funds that will be leveraged by State funding levels recommended for various programs.

# ECONOMIC DEVELOPMENT PARTNERSHIP

*PROGRAM OBJECTIVE: To utilize State economic development resources in a cohesive and cost-effective manner in order to assist in the job creation and retention process within the Commonwealth.*

## Program: Management and Policy

This program is keyed toward the development of both Statewide and regional/local economic development strategies, and also toward ensuring that the Commonwealth's economic development programs are managed and utilized in a targeted and cost-effective manner that maximizes their impact on business development.

A key function in this area is the Governor's Response Team. The Response Team reacts immediately to key problems and opportunities related to economic development including major business locations, relocations, expansions or labor-management conflicts which require administration-wide, multi-departmental involvement.

Marketing and local planning assistance efforts further supplement the day to day operations of the Economic Development Partnership (EDP). Marketing plays an important role in two distinct areas: selling Pennsylvania to individuals as an attractive place to vacation in order to maximize Pennsylvania's share of the tourism dollar; and selling Pennsylvania to industry as possessing a good business climate, as well as being an excellent place to live. Towards these ends, the Partnership runs two separate extensive multi-media advertising campaigns, one targeting economic development and the other targeting tourism.

The economic development marketing component includes efforts to increase foreign and domestic investments in Pennsylvania, and to expand the markets for products of Pennsylvania firms overseas. A primary means available to assist export trade is to provide small businesses with support in overcoming the many legal, financial and logistical problems inherent in doing business internationally.

The tourism marketing component also involves the Tourist

Promotion Assistance (TPA) Grant program, which assists county and regional tourist promotion agencies in Pennsylvania by providing grants as matching assistance for advertising and promotion expenses. A key element of tourism marketing is the proper meshing of the Commonwealth's tourism program with the TPAs' efforts.

An important local assistance effort is Industrial Development Assistance, a program of matching State grants to local economic development agencies. These grants aid the local agencies in arranging financing packages, and in local marketing and promotion activities.

A second local assistance program involves grants to seven Local Development Districts covering 52 counties. These agencies provide direct managerial and technical assistance to small businesses along with packaging loan and grant transactions.

The other major local assistance efforts of the Partnership involve the revitalization and community economic programs first authorized by the Legislature in June 1984 out of the Pennsylvania Economic Revitalization Fund (PERF). Funding is provided for economic development efforts in the Mon, Shenango and Beaver Valley areas, thereby targeting funds to three of the most distressed areas of the Commonwealth. Grants are available to help finance special planning and marketing efforts designed to be a part of a comprehensive local economic recovery strategy to retain existing jobs, to assist in business startups and expansions and to attract new industry. Similarly, the Community Economic Recovery Program provides grants for these same purposes to distressed areas of the State not included in the three revitalization programs.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Traveler Expenditures (in millions) . . . . .	\$11,600	\$12,180	\$14,940	\$16,430	\$17,750	\$18,810	\$19,940
Tourist Promotion Assistance:							
Public/Private funds leveraged (in thousands) . . . . .	\$14,370	\$16,000	\$16,800	\$17,640	\$18,522	\$19,448	\$20,420
Designated distressed communities assisted:							
Steel Valleys . . . . .	132	132	132	132	132	132	132
Community Economic Recovery . . . . .	254	254	254	254	254	254	254
Feasibility studies funded:							
Steel Valleys . . . . .	10	10	10	10	10	10	10
Community Economic Recovery . . . . .	18	18	18	18	18	18	18

# ECONOMIC DEVELOPMENT PARTNERSHIP

**Program: Management and Policy (continued)**

**Program Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>GENERAL FUND:</b>					
<b>General Government Operations</b>					
\$	-377	—nonrecurring projects.	\$	-50	<b>Appalachian Regional Commission</b>
	541	—to continue current program.			—to reflect Pennsylvania's projected allocation of the Commission's costs.
	55	—for regionally targeted productivity comparisons of similar firms.			
	100	—for steel and powdered metals initiatives to prepare specific development strategies for these two industries.	\$	500	<b>Tourist Promotion Assistance</b>
	75	—to support activities of the Job Training Management Committee.			—to increase grants for local tourism promotion and advertising.
	50	—for expansion initiative into Far East markets.			
	15	—to support activities of the Small Business Development Council.	\$	-150	<b>Community Economic Development Projects</b>
	75	—for a manufacturing initiative keyed to enhancing competitiveness of regionally-concentrated industries through sharing of contracting, marketing, training, production, research and development and other functions.			—nonrecurring project.
	379	—for continuation of 1988-89 computer initiative.	\$	-1,000	<b>Pennsylvania Horticultural Society</b>
	130	—for office productivity improvements.			—nonrecurring project.
	36	—to enhance operations of Response Team and enterprise development administration.	\$	-250	<b>Small Business Advocate</b>
					—funded with utility billings in 1989-90 and future years.
					<b>ECONOMIC REVITALIZATION FUND:</b>
					<b>Johnstown Industrial Heritage</b>
					—nonrecurring project.
					<b>Butler-Lawrence Revitalization</b>
					—nonrecurring project.
					<b>Alle-Kiski Revitalization</b>
					—nonrecurring project.
\$	1,079	<i>Appropriation Increase</i>	\$	-250	
<b>Marketing</b>					
\$	2,000	—to increase economic development and tourism advertising.			

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations	\$ 7,751	\$ 8,000	\$ 9,079	\$ 8,824	\$ 9,309	\$ 9,821	\$ 10,361
Marketing	7,668	9,000	11,000	11,000	11,000	11,000	11,000
Industrial Development Assistance	500	500	500	500	500	500	500
Local Development District Grants	1,000	850	850	850	850	850	850
Appalachian Regional Commission	290	400	350	350	350	350	350
Tourist Promotion Assistance	5,935	6,500	7,000	7,000	7,000	7,000	7,000
Community Economic Development Projects		1,410					
Pennsylvania Horticultural Society		150					
Hardwoods Research and Promotion		500	500	500	500	500	500
Small Business Advocate		250					
<b>TOTAL GENERAL FUND</b>	<b>\$ 23,144</b>	<b>\$ 27,560</b>	<b>\$ 29,279</b>	<b>\$ 29,024</b>	<b>\$ 29,509</b>	<b>\$ 30,021</b>	<b>\$ 30,561</b>
<b>ECONOMIC REVITALIZATION FUND</b>							
Mon Valley Revitalization	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Beaver Valley Revitalization	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Shenango Valley Revitalization	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Johnstown Industrial Heritage		1,000					
Community Economic Revitalization	993	1,000	1,000	1,000	1,000	1,000	1,000
Butler-Lawrence Revitalization		500					
Alle-Kiski Revitalization		250					
<b>TOTAL ECONOMIC REVITALIZATION FUND</b>	<b>\$ 4,993</b>	<b>\$ 6,750</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>

# ECONOMIC DEVELOPMENT PARTNERSHIP

*PROGRAM OBJECTIVE: To ensure that the Commonwealth's public infrastructure promotes business expansion and relocation within the Commonwealth.*

## Program: Investment in Public Capital

Since most infrastructure improvement activities, such as water, sewer, highway and bridge improvements, fall under the purview of agencies other than the Economic Development Partnership (EDP), most EDP efforts in this area involve working with these other agencies to ensure that public infrastructure improvements meet the needs of both business and the public. Nonetheless, several important public infrastructure improvement programs are operated by the EDP.

The Community Facilities and Site Development Programs are both aimed at developing local infrastructure in advance of industrial development. These programs provide matching grants to small municipalities to improve their water, sewer and solid waste systems in an effort to make the areas more attractive to job producing private investment.

The Partnership also administers funds for the development of the Philadelphia, Erie, and Pittsburgh ports. These funds are used to aid in capital development of these ports, which not only generate port

and shipping related jobs, but also assist Pennsylvania firms to export their products. PennPORTS is a new port initiative that will focus on the economic enhancement of all three ports under one umbrella agency, as well as the creation of a southeastern Pennsylvania port authority.

The Business Infrastructure Development (BID) Program, was established in 1984 within the Pennsylvania Economic Revitalization Fund (PERF) for the purpose of making grants and loans to local sponsors in order to install specific infrastructure improvements necessary to complement planned industrial investment by private companies. As with the Site Development and Community Facilities grants, BID is geared to increasing Pennsylvania's share of domestic and international commerce and creating new jobs. In contrast to the other two programs, BID ties infrastructure grants to actual business development as opposed to anticipated business development.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Jobs created/retained:							
Site Development .....	900	544	700	700	700	700	700
BID .....	2,791	2,900	2,900	2,900	2,900	2,900	2,900
Public/private funds leveraged (in thousands):							
Site Development .....	\$3,900	\$5,100	\$5,100	\$5,100	\$5,100	\$5,100	\$5,100
Community Facilities .....	\$14,000	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200
BID .....	\$119,644	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000
Projects/communities assisted in distressed areas:							
Site Development .....	11	9	10	10	10	10	10
Community Facilities .....	76	85	80	80	80	80	80
BID .....	22	20	20	20	20	20	20

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>GENERAL FUND</b>			
<b>Transfer to PERF</b>			
\$ 12,050	—increase necessary to fund PERF programs.		
		\$ 2,100	
<b>PennPORTS</b>			
\$ 5,600	—PRR — PennPORTS. This recommendation involves the economic enhancement of all three ports under one umbrella agency, and the creation and subsidization of a southeastern Pennsylvania port authority. See the Program Revision following this program for further information.		
		\$ -300	
			<b>ECONOMIC REVITALIZATION FUND:</b>
			<b>Business Infrastructure Development</b>
			—to increase grants and loans tied to actual rather than anticipated business development.
			<b>AVTEX Site Development</b>
			—nonrecurring project.

# ECONOMIC DEVELOPMENT PARTNERSHIP

Program: Investment in Public Capital (continued)

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>GENERAL FUND:</b>							
Site Development .....	\$ 5,651	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Community Facilities .....	6,486	6,500	6,500	6,500	6,500	6,500	6,500
Transfer to PERF .....	59,000	41,050	53,100	52,000	45,000	50,000	46,000
PennPORTS .....	6,600	6,500	12,100	12,133	12,168	12,205	12,245
TOTAL GENERAL FUND .....	<u>\$ 77,737</u>	<u>\$ 55,050</u>	<u>\$ 72,700</u>	<u>\$ 71,633</u>	<u>\$ 64,668</u>	<u>\$ 69,705</u>	<u>\$ 65,745</u>
<b>ECONOMIC REVITALIZATION FUND:</b>							
Business Infrastructure Development .....	\$ 21,316	\$ 21,500	\$ 23,600	\$ 23,600	\$ 23,600	\$ 23,600	\$ 23,600
AVTEX Site Development .....	.....	300	.....	.....	.....	.....	.....
TOTAL ECONOMIC REVITALIZATION FUND .....	<u>\$ 21,316</u>	<u>\$ 21,800</u>	<u>\$ 23,600</u>				

# ECONOMIC DEVELOPMENT PARTNERSHIP

## Program Revision: PennPORTS — Port Revitalization

The State's three ports, located in Philadelphia, Pittsburgh and Erie, operate independently of one another. Without a Statewide perspective in their planning and coordination, the ports and their home regions miss opportunities for investment, gains in market share and economic development.

Philadelphia, the State's leading port, has been plagued by management and governance problems as well as deteriorating and inadequate facilities. The lack of systematic planning, investment and development has contributed to a ten-year, 36 percent decline in Philadelphia's cargo share. Cargo tonnage at the Port of Erie has also dropped 22 percent since 1984, largely because of declines in exports. The Port of Pittsburgh could have handled additional tonnage had regional economic activity been spurred by port related export promotion.

This Program Revision will establish the PennPORTS Port Revitalization Program. The program is designed to: improve operations at the Port of Philadelphia; develop action plans for the Erie and Pittsburgh ports; unite the three ports under a comprehensive planning structure to develop and coordinate long-term capital investment needs and tie port operations with other initiatives of the Economic Development Partnership; and maximize the region's attractiveness for international cargo through the development of a plan for multi-state unification of the Ports of the Delaware. By 1993, the program is projected to generate hundreds of millions of dollars in new Statewide economic impacts annually.

The PennPORTS Revitalization Program will involve the Governor's Office, the Economic Development Partnership and the Department of Transportation in the development of expansion plans for all three ports. First year initiatives will include the restructuring of operations in the southeastern district, including staffing of a new authority, initiation and oversight of new terminal operations and the development of a port

coalition of labor and management stakeholders. The program will also serve as a significant component in the stimulation of new Pennsylvania export capacities. This Program Revision, coupled with the port capital projects authorized in the last legislative session, is projected to increase port tonnage by 61 percent over the next eight years. Direct jobs will increase by 5,600, and total port related jobs by more than 15,000. By 1996, the Port of Philadelphia alone is projected to generate almost \$900 million in annual economic impact in Pennsylvania, an increase of 83 percent from the current level of \$492 million. As southeastern regional port operations become self-supporting, planning year funds will be shifted to stimulate, rationalize and expand cargo traffic and operations at the ports of Pittsburgh and Erie.

The Port Revitalization Program's administrative component, PennPORTS, will serve as the Statewide port policy vehicle and liaison between the State and its ports' operational arms. The strategic goals of PennPORTS include maximizing the benefits of the State's three ports for the Pennsylvania economy; harmonizing port operations with State planning and fiscal capacities; offering technical assistance to regional port operations; and developing an infrastructure thinktank which will inform and utilize other State economic development initiatives.

This Program Revision provides \$550,000 for start-up operations of PennPORTS and \$1.45 million in new funding for the operational costs of a proposed southeastern regional port authority. In addition, \$3.6 million is provided to pay the costs of the authority's takeover of the Philadelphia port facilities. In cooperation with PennPORTS, the new authority will pursue the turnaround of port operations on the Pennsylvania side of the Delaware River.

This Program Revision also continues support for the ports of Pittsburgh, Erie and Philadelphia while consolidating appropriations under PennPORTS.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Cargo tonnage through the Philadelphia Port (thousands of tons)</b>							
Current .....	3,025	3,025	2,806	2,602	2,451	2,322	2,111
<b>Program Revision .....</b>	.....	.....	<b>3,300</b>	<b>3,600</b>	<b>3,900</b>	<b>4,200</b>	<b>4,500</b>
<b>Philadelphia Port Statewide economic impact (millions)</b>							
Current .....	\$492	\$492	\$460	\$433	\$413	\$396	\$365
<b>Program Revision .....</b>	.....	.....	<b>\$520</b>	<b>\$560</b>	<b>\$640</b>	<b>\$700</b>	<b>\$775</b>
<b>Philadelphia Port tax revenue impact (thousands)</b>							
Current .....	\$16,250	\$16,250	\$15,233	\$14,316	\$13,653	\$13,093	\$12,079
<b>Program Revision .....</b>	.....	.....	<b>\$17,500</b>	<b>\$19,500</b>	<b>\$22,000</b>	<b>\$24,000</b>	<b>\$26,000</b>
<b>Total direct jobs generated by the Philadelphia Port</b>							
Current .....	21,048	21,048	18,850	16,652	14,455	12,257	10,060
<b>Program Revision .....</b>	.....	.....	<b>24,112</b>	<b>27,176</b>	<b>30,240</b>	<b>33,304</b>	<b>36,368</b>

# ECONOMIC DEVELOPMENT PARTNERSHIP

**Program Revision: PennPORTS — Port Revitalization (continued)**

**Program Revision Recommendations:** \_\_\_\_\_

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>PennPORTS</b>	
\$ 550	—to develop PennPORTS as the Statewide port infrastructure policy and planning office.
\$ 1,450	—to augment operations in the southeastern port region.
\$ 3,600	—to support lease obligations of the southeastern regional port authority.
<hr/>	
\$ 5,600	<i>Program Revision Total</i>

This Program Revision also consolidates the following appropriations under PennPORTS:

\$ 4,000	—Port of Philadelphia
\$ 1,500	—Port of Erie
\$ 1,000	—Port of Pittsburgh

**Recommended Program Revision Costs by Appropriation:** \_\_\_\_\_

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
PennPORTS .....	<u>.....</u>	<u>.....</u>	<u>\$ 5,600</u>	<u>\$ 5,633</u>	<u>\$ 5,668</u>	<u>\$ 5,705</u>	<u>\$ 5,745</u>

# ECONOMIC DEVELOPMENT PARTNERSHIP

*PROGRAM OBJECTIVE: To ensure that capital for the creation, location, retention and expansion of private business is available at each step of the business life cycle for all types and sizes of business, and to make possible lower capital costs as an attraction for businesses to invest or re-invest in Pennsylvania.*

## Program: Investment in Private Capital

The Partnership has a broad array of programs available to create the best possible climate for business development.

### **Program Element: Industrial Development**

The Pennsylvania Industrial Development Authority (PIDA) was established in 1956 to make long-term, low-interest business loans to firms which are engaged in manufacturing or industrial enterprises. PIDA funds may be used for land and buildings. Current policy targets PIDA funds to small and advanced technology businesses and enterprise zones. A qualified business may receive up to \$1.5 million with interest rates ranging from 3.0 percent to 8.0 percent, depending upon the unemployment rate in the county where the project is located.

The Pennsylvania Capital Loan Fund (PCLF) makes low interest loans to businesses for projects which will result in long-term net new employment opportunities. Loans may be used for the purchase of buildings and associated land, building renovation, the purchase of machinery and equipment and for working capital.

This budget proposes a new Steel Valleys Development and Action Program to restore underutilized land and facilities in the Mon, Beaver and Shenango Valleys to productive use. See the Program Revision following this program for further information

### **Program Element: Minority Business**

The Pennsylvania Minority Business Development Authority (PMBDA) offers low interest loans to minority-owned businesses for fixed asset financing and, recently, for working capital and other financing needs. These efforts can be particularly crucial given the difficulty minority entrepreneurs have in securing adequate funding, especially working capital.

This program also includes funds for technical assistance to minority business owners in the areas of management, accounting, personnel and other administrative details necessary to operate a business on a daily basis, as well as a bond guarantee program.

### **Program Element: Employee Ownership Assistance**

The Employee Ownership Assistance Program is a Commonwealth effort to assist in establishing employe-owned enterprises in existing industries and industries which are experiencing layoffs or would otherwise close. Loans and grants are available to employe groups for technical assistance.

### **Program Element: Small Business Incubators**

Small Business Incubator funding is designed to assist the formation of facilities where new start-up business can begin and grow. Grants and loans are provided for the acquisition of existing buildings and land, the rehabilitation of buildings and other facilities, and the purchase of equipment necessary for the creation of the incubator facilities. This program supplements incubator development programs of the Ben Franklin Partnership.

### **Program Element: Pennsylvania Economic Development Financing Authority (PEDFA)**

The Pennsylvania Economic Development Financing Authority (PEDFA) is a new loan program with the ability to finance economic development projects through pooled bond issues, both taxable and tax-exempt. PEDFA can finance land, buildings, machinery and equipment. Applications must be submitted through an industrial development authority and are subject to the State allocation formula of tax-exempt industrial or manufacturing projects.

### **Program Element: Federal Procurement**

This program assists private industry in Pennsylvania to obtain increases in Federal contracts. Such assistance was previously provided sporadically at the local level. This program is targeted to developing a comprehensive and coordinated Statewide effort to bring such contracts and resulting jobs to Pennsylvania that would otherwise be lost to states that actively pursue these Federal dollars.

## Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Jobs created/retained:</b>							
PIDA .....	6,746	7,500	7,500	7,500	7,500	7,500	7,500
PMBDA .....	339	500	500	500	500	500	500
PCLF .....	2,322	4,692	4,692	4,692	4,692	4,692	4,692
Employee Ownership .....		100	100	100	100	100	100
Federal Procurement .....	250	330	330	330	330	330	330
PEDFA .....		200	400	600	990	990	990
<b>Public/private funds leveraged (in thousands):</b>							
PIDA .....	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000	\$90,000
PMBDA .....	\$377	\$1,687	\$3,240	\$3,240	\$3,240	\$3,240	\$3,240
PCLF .....	\$17,566	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Employee Ownership .....		\$500	\$500	\$500	\$500	\$500	\$500
PEDFA .....		\$40,000	\$80,000	\$80,000	\$80,000	\$80,000	\$80,000
Small Business Incubators .....	\$5,158	\$2,016	\$2,016				
<b>Businesses assisted:</b>							
PIDA .....	147	180	180	180	180	180	180
PMBDA .....	50	75	144	144	144	144	144
Employee Ownership .....		5	5	5	5	5	5
Federal Procurement .....	150	200	200	200	200	200	200
PEDFA .....		20	40	40	40	40	40
Small Business Incubators .....	220	255	318	350	365	365	365
Incubator facilities operating .....	28	33	44	44	44	44	44

\*1988-89 appropriation is continuing; therefore, funds will be expended from it and will be matched in 1989-90.

# ECONOMIC DEVELOPMENT PARTNERSHIP

## Program: Investment in Private Capital (continued)

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>GENERAL FUND:</b></p> <p><b>Federal Procurement</b></p> <p>\$ 150 —to provide for full year funding of program initiated in 1988-89 to bring increased Federal contracts to Pennsylvania businesses.</p> <p><b>Steel Valleys Site Development And Action Program</b></p> <p>\$ 10,000 —PRR-Steel Valleys Site Development and Action Program. This new program will restore underutilized land and facilities in the Steel Valleys to productive use. See the Program Revision following this program for further information.</p>	<p><b>ECONOMIC REVITALIZATION FUND:</b></p> <p><b>Small Business Incubators-Loans</b></p> <p>\$ -2,157 —1988-89 is last year of this PERF program, although incubators will continue to be funded through the Ben Franklin Partnership.</p> <p><b>Capital Loan Fund</b></p> <p>\$ -3,500 —based on projected cash needs of the Capital Loan Fund, a lower funding amount will be required in 1989-90.</p>
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All other appropriations are nonrecurring.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Pennsylvania Industrial Development Authority	\$ 12,000	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500
Minority Business Development Authority	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Minority Business Technical Assistance	198	250	250	250	250	250	250
International City Project	100	100					
American Wind Symphony	85						
Music Theatre Festival — SE		100					
American Music Theatre Festival	100						
J & L Site Development	2,000	1,000	1,000				
Philadelphia Music Foundation	100						
Pennsylvania Economic Development Financing Authority		250	250	250	250	250	250
Federal Procurement		250	400	400	400	400	400
Steel Valleys Site Development and Action Program			10,000	10,000	10,000	10,000	10,000
<b>TOTAL GENERAL FUND</b>	<u>\$ 16,583</u>	<u>\$ 16,450</u>	<u>\$ 26,400</u>	<u>\$ 25,400</u>	<u>\$ 25,400</u>	<u>\$ 25,400</u>	<u>\$ 25,400</u>
<b>ECONOMIC REVITALIZATION FUND:</b>							
Small Business Incubators-Loans	\$ 3,843	\$ 2,157					
Employe Ownership-Technical Assistance	214	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Capital Loan Fund	8,000	8,000	4,500	8,000	8,000	8,000	8,000
Machinery and Equipment Revolving Loan		3,000	3,000	3,000	3,000	3,000	3,000
<b>TOTAL ECONOMIC REVITALIZATION FUND</b>	<u>\$ 12,057</u>	<u>\$ 13,657</u>	<u>\$ 8,000</u>	<u>\$ 11,500</u>	<u>\$ 11,500</u>	<u>\$ 11,500</u>	<u>\$ 11,500</u>

# ECONOMIC DEVELOPMENT PARTNERSHIP

## Program Revision: Steel Valleys Site Development and Action Program

Despite the strength and breadth of economic recovery throughout Pennsylvania, vacant industrial sites and high unemployment continue to blight steel valley communities which were hardest hit by the decline of traditional industries over the past two decades. These conditions are particularly apparent in the Mon, Beaver and Shenango Valleys. The revitalization of these communities depends, in part, on transforming large, dormant steel mills and other industrial facilities back into the economic engines on which Pennsylvania workers relied for many years. But the stringent near-term job creation demands and financial limits of existing financing programs cannot by themselves induce development of these sites. The Steel Valleys Site Development and Action Program will provide funds to redevelop sites in communities which have suffered from major economic dislocations. The Economic Development Partnership will work closely with local economic

development organizations and coalitions to develop plans for key sites. Projects must demonstrate that they have the potential to create jobs through the development of manufacturing, industrial or research and development enterprise facilities.

This Program Revision will provide a projected \$6 million to clear and rehabilitate these unused industrial sites, preparing them for industrial redevelopment. An additional \$4 million is projected to fund a 3:1 private-public matching loan program to induce real estate development of blighted industrial sites, which are traditionally difficult to market. New efforts will be made to target and actively market Capital Loan Fund and Pennsylvania Industrial Development Authority loans to distressed and blighted areas, which will provide assistance to the enterprises which will locate on formerly blighted sites.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Projects initiated (cumulative)							
Current							
<b>Program Revision</b>			2	4	6	8	11
Private investment leveraged (cumulative in thousands)							
Current							
<b>Program Revision</b>			\$34,600	\$69,200	\$103,800	\$138,400	\$173,000

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Steel Valleys Site Development and Action Program**  
 \$ 10,000 —to establish loan programs to develop blighted industrial sites.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Steel Valleys Site Development and Action Program	.....	.....	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>

# ECONOMIC DEVELOPMENT PARTNERSHIP

*PROGRAM OBJECTIVE: To promote the use of advanced technology in order to help Pennsylvania industries compete successfully in the national and international market places; to encourage research and development of new products and processes that will foster the start-up of new business within the Commonwealth; and to fund research centers that will provide an incentive for indigenous business formation, as well as serving to attract investment in Pennsylvania.*

## Program: Investment in Technology Transfer

Recognizing the instrumental role that technology transfer can play in Pennsylvania's effort to remain competitive, the Commonwealth has established a number of transfer programs geared to provide the necessary resources to stimulate greater utilization of advanced technology.

The Ben Franklin Partnership (BFP) has been the Commonwealth's major technology development and transfer program. BFP programs promote advanced technology in an effort to make traditional industries more competitive in the marketplace and to spin off new small businesses on the leading edge of technological innovation. Businesses and non-profit agencies that participate in a joint venture project with an educational institution in Pennsylvania are eligible to apply.

Pennsylvania has initiated an Industrial Resource Centers program, another significant commitment to technology transfer. These centers are designed to improve the competitive ability of Pennsylvania's traditional and emerging manufacturing firms by helping them to understand and implement modern manufacturing techniques and technologies. The centers are operated as non-profit corporations with significant direction from a board comprised of a majority of private sector

representatives. A 1:1 matching requirement of State dollars is currently in effect.

An ongoing effort in technology transfer is the Commonwealth's commitment to the Super Computer Center. These funds supplement a joint effort with University of Pittsburgh, Carnegie Mellon University and Westinghouse Electric Corporation that first established and will now upgrade a National Super Computer Center which will eventually serve as the hub of a national communication network for related research facilities.

As a support effort keyed to enhancing Pennsylvania's capability to attract and retain talented scientific minds, an ongoing Engineering School Equipment Program was created in the Pennsylvania Economic Revitalization Fund (PERF) in 1984. Additional funding has been provided via a 1987-88 continuing appropriation from PERF for engineering equipment to be used in instructing engineering students. This funding is available to each of Pennsylvania's 15 accredited engineering colleges and universities provided these universities can raise the required private match.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Jobs created/retained:							
Ben Franklin Partnership (cumulative) . . . . .	15,804	19,084	28,574	40,274	53,084	66,905	81,749
Industrial Resource Centers . . . . .		500	750				
Public/private funds leveraged:							
Ben Franklin Partnership (in thousands)	\$136,000	\$124,000	\$124,000	\$124,000	\$124,000	\$124,000	\$124,000
Industrial Resource Centers (in thousands) . . . . .	\$10,000	\$10,000	\$10,000				
Firms established through Ben Franklin Partnership (BFP) Technology Centers	150	150	150	150	150	150	150
New incubator facilities started through BFP . . . . .	34	43	43	43	43	43	43
Industrial Resource Centers (IRCs) created . . . . .		9	9				
Companies assisted through IRCs . . . . .		425	600				

The Industrial Resource Centers' Program current legal authorization expires June 30, 1990, therefore no program measure data is shown beyond that date. In addition, since this new program was in the development stage in 1987-88 with the first contracts awarded in the summer of 1988, no data is shown for 1987-88 except for funds leveraged.

# ECONOMIC DEVELOPMENT PARTNERSHIP

Program: Investment in Technology Transfer (continued)

**Program Recommendations:** \_\_\_\_\_

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>Super Computer Center</b>	
\$ -1,750	—final payment on original 3 year commitment.
1,000	—to assist in upgrade of super computer.
\$ -750	<i>Appropriation Decrease</i>

**Appropriations within this Program:** \_\_\_\_\_

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Ben Franklin Partnership .....	\$ 29,987	\$ 31,500	\$ 31,500	\$ 31,500	\$ 31,500	\$ 31,500	\$ 31,500
Super Computer Center .....	1,750	1,750	1,000	1,000	.....	.....	.....
TOTAL GENERAL FUND .....	\$ 31,737	\$ 33,250	\$ 32,500	\$ 32,500	\$ 31,500	\$ 31,500	\$ 31,500
 <b>ECONOMIC REVITALIZATION FUND:</b>							
Engineering School Equipment .....	\$ 3,000	.....	.....	\$ 3,000	.....	.....	\$ 3,000
Industrial Resource Centers .....	10,000	\$ 10,000	\$ 10,000	.....	.....	.....	.....
Lehigh Mountaintop Campus .....	.....	1,000	1,000	1,000	.....	.....	.....
TOTAL ECONOMIC REVITALIZATION FUND .....	\$ 13,000	\$ 11,000	\$ 11,000	\$ 4,000	.....	.....	\$ 3,000



Commonwealth of Pennsylvania

# Department of Education

The Department of Education promotes and encourages desirable educational change based upon research and development so that all Pennsylvanians may benefit from a quality educational program which gives the greatest promise of developing each individual to his fullest potential as a contributing member of society.

The department conducts programs to assist the local school districts in improving educational and administrative techniques, curricula and guidance services; and provides consultant and data collection services on higher education. The bulk of the department's budget consists of subsidies for basic and higher education.

# EDUCATION

## PROGRAM REVISION

### Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1989-90 State Funds (in thousands)
<b>GENERAL FUND</b>		
Revised State Testing	Revised State Testing .....	\$ 800
	This Program Revision will allow the Department of Education to consolidate and improve student achievement testing.	
Early Intervention	Expansion of Preschool Education Programs .....	\$ 1,000
	This Program Revision will allow for additional handicapped and developmentally delayed preschool children to be served in educational programs. This is a part of the \$1,638,000 Program Revision Expansion of Preschool Education Programs.	
Special Education Payback	Special Education — Payments to School Districts .....	\$ 12,000
	This Program Revision will provide for installment payments to cover past special education expenditures in excess of appropriations.	
For the Improvement of Teaching School Performance Incentives	For the Improvement of Teaching .....	\$ 500
	For the Improvement of Teaching .....	2,500
	Subtotal .....	\$ 3,000
	This Program Revision will provide for the establishment of centers to enhance the teaching skills of educators and provides additional school performance incentive grants. It also provides loan forgiveness to teachers who agree to teach in underserved urban and rural areas. This is a part of the \$4,049,000 Program Revision for the Improvement of Teaching.	
Equalized Subsidy for Basic Education	Teacher Salary Increase .....	\$ 6,300
School Employes' Social Security	Teacher Salary Increase .....	478
School Employes' Retirement Fund Transfer	Teacher Salary Increase .....	1,240
	Subtotal .....	\$ 8,018
	This Program Revision will establish a \$24,000 minimum salary for permanently certified teachers.	
Dropout Prevention	Dropout Prevention .....	\$ 750
	This Program Revision will double the number of school districts participating in the program.	

# EDUCATION

Appropriation	Title	1989-90 State Funds (In thousands)
School Food Services	Nutrition for Children and Families .....	\$ 894

This Program Revision will provide school breakfasts to additional children. This is a part of the \$18,494,000 Program Revision Nutrition for Children and Families. Please see the Department of Health for further details on this Program Revision.

ADA Drug Free Schools (F)	Comprehensive Drug and Alcohol Abuse Initiative .....	
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This Program Revision will provide \$2,248,000 from Federal funds for drug abuse prevention and education programs. This is a part of the \$16,313,000 Program Revision Comprehensive Drug and Alcohol Abuse Initiative. Please see the Executive Offices for further details on this Program Revision.

Tuition Cap	Improving Access to Higher Education .....	\$ 15,830
SSHE Educational and General	Improving Access to Higher Education .....	21,812
Penn State University Educational and General	Improving Access to Higher Education .....	10,543
University of Pittsburgh Educational and General	Improving Access to Higher Education .....	7,225
Temple University Educational and General	Improving Access to Higher Education .....	8,016
Lincoln University Educational and General	Improving Access to Higher Education .....	582
	Subtotal .....	<u>\$ 64,008</u>

This Program Revision will limit tuition increases while supporting costs of university operations.

SSHE Affirmative Action	Recruitment of the Disadvantaged .....	\$ 300
SSHE Recruitment of Disadvantaged	Recruitment of the Disadvantaged .....	50
Penn State Recruitment of Disadvantaged	Recruitment of the Disadvantaged .....	50
University of Pittsburgh Recruitment of Disadvantaged	Recruitment of the Disadvantaged .....	50
Temple University Recruitment of Disadvantaged	Recruitment of the Disadvantaged .....	50
Lincoln University Recruitment of Disadvantaged	Recruitment of the Disadvantaged .....	50
	Subtotal .....	<u>\$ 550</u>

This Program Revision will support and enhance the existing programs for recruitment and retention of minority students and establish initiatives in the State System of Higher Education to ensure the successful higher education of minority students.

DEPARTMENT TOTAL .....	<u>\$ 91,020</u>
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# EDUCATION

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
General Government Operations .....	\$ 15,670	\$ 16,586	\$ 17,797
Vocational Student Organizations .....		250	
(F) Adult Basic Education .....	431	695	643
(F) Education of Exceptional Children .....	2,712	4,380	4,196
(F) ECIA Chapter (I) .....	1,820	2,319	1,997
(F) State Approving Agency (VA) .....	484	595	710
(F) Food and Nutrition Service .....	2,008	2,543	2,676
(F) Migrant Education .....	223	450	290
(F) Emergency Immigrant Education .....		4	4
(F) Civil Rights Technical Assistance .....	447	820	820
(F) National Origin Desegregation .....	156		
(F) Vocational Education .....	3,424	4,237	4,647
(F) Transition for Refugee Children .....	6	11	8
(F) Migrant Education .....	38		
(F) Parental Involvement .....		200	200
(F) Math and Science Teacher Training .....	199	556	656
(F) Recruitment of Migrants .....	227	205	100
(F) Removal of Architectural Barriers .....		90	15
(F) Special Education Evaluation .....	117	66	
(F) AIDS Demonstration/Training .....	50	289	250
(F) Byrd Scholarships .....	38	54	54
(F) Project Learning Tree .....	2	2	2
(F) ADA — Education Administration .....	158	969	674
(F) ADA — Drug Free Schools and Communities .....	4,556	7,313	7,070
(F) ADA — Special Drug Program .....		4,698	3,189
(F) Parent Educator Partnership .....	2		
(F) JTPA — Linkage .....	375	1,089	1,089
(F) ECIBG — Administration .....	2,347	2,772	2,700
(F) Highway Safety .....	294	387	400
(F) Addiction Prevention .....	307	325	325
(F) Developmental Disabilities PR .....	25	30	29
(F) NOIOC .....	57	70	75
(F) Early Childhood Planning .....	63		
(F) Spread/Prevention of AIDS .....		12	
(F) Drug Abuse Education .....		400	200
(F) Teacher Preparation .....		86	
(F) Constitution — Student Voices .....		140	
(F) Homeless Assistance .....	9	400	304
(F) Homeless Assistance — Administration .....		46	100
(F) Asbestos Plan Assistance .....		1,000	
(F) Dropout Prevention — Appalachia .....		300	300
(F) Star Schools .....		1,469	225
(F) Workplace Literacy .....		436	400
(F) State Legalization Impact Assistance .....		497	700
(F) Christa McAuliffe Fellowship .....		2	2
(A) Mott Foundation Award .....	5		

# EDUCATION

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT: (continued)</b>			
<b>General Government Operations (continued)</b>			
(A) EDP Services .....	\$ 55	\$ 58	\$ 58
(A) Air Force .....	.....	52	.....
(A) Conference Fees .....	.....	70	.....
(A) Environmental Education .....	48	102	75
(A) Teacher Test Fees .....	331	.....	.....
(A) PennSERVE .....	.....	200	.....
(A) Approved Private Schools .....	.....	70	70
(A) Private Licensed Schools .....	.....	.....	380
Subtotal — State Funds .....	\$ 15,670	\$ 16,836	\$ 17,797
Subtotal — Federal Funds .....	20,575	39,957	35,050
Subtotal — Augmentations .....	439	552	583
Total — General Government Operations .....	\$ 36,684	\$ 57,345	\$ 53,430
<b>State Library .....</b>	<b>\$ 2,583</b>	<b>\$ 2,781</b>	<b>\$ 2,988</b>
(F) LSCA I .....	901	951	951
(F) Nuclear Regulatory Commission Document .....	15	16	13
(F) National Endowment for the Humanities Newspaper Project .....	184	351	38
(A) Penalties and Reimbursements .....	10	12	12
(A) LEXIS .....	1	2	2
(A) Newspaper Project .....	13	75	.....
Subtotal — State Funds .....	\$ 2,583	\$ 2,781	\$ 2,988
Subtotal — Federal Funds .....	1,100	1,318	1,002
Subtotal — Augmentations .....	24	89	14
Total — State Library .....	\$ 3,707	\$ 4,188	\$ 4,004
Subtotal — State Funds .....	\$ 18,253	\$ 19,617	\$ 20,785
Subtotal — Federal Funds .....	21,675	41,275	36,052
Subtotal — Augmentations .....	463	641	597
Total — General Government .....	\$ 40,391	\$ 61,533	\$ 57,434
<b>Institutional:</b>			
<b>Youth Development Centers Education .....</b>	<b>\$ 3,960</b>	<b>\$ 4,552</b>	<b>\$ 4,902</b>
<b>Correctional Institutions Education .....</b>	<b>5,650</b>	<b>6,606</b>	<b>6,587</b>
(F) Correctional Education .....	535	1,190	1,245
(F) Training and Development Modules .....	10	.....	.....
(F) JTPA Corrections .....	496	807	840
(A) Adult Literacy .....	.....	96	106
Total — Correctional Institutions Education .....	\$ 6,691	\$ 8,699	\$ 8,778
<b>Scranton State School for the Deaf .....</b>	<b>\$ 3,432</b>	<b>\$ 3,664</b>	<b>\$ 3,981</b>
(F) ESEA — Education for the Handicapped .....	97	97	59
(F) School Milk Lunch .....	25	30	30
(F) Life Long Learning .....	1	11	11
(F) Adult Basic Education .....	9	10	10
(A) Cafeteria .....	46	72	61
Total — Scranton State School for the Deaf .....	\$ 3,610	\$ 3,884	\$ 4,152
<b>Scotland School for Veterans' Children .....</b>	<b>\$ 7,042</b>	<b>\$ 7,595</b>	<b>\$ 8,731</b>
(F) ESEA — Education for the Disadvantaged .....	400	500	500
(F) School Milk Lunch .....	234	250	250
(A) Cafeteria Fees .....	73	74	74
Total — Scotland School for Veterans' Children .....	\$ 7,749	\$ 8,419	\$ 9,555

# EDUCATION

## GENERAL FUND

(Dollar Amounts in Thousands)

	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>INSTITUTIONS: (continued)</b>			
Thaddeus Stevens State School of Technology .....	\$ 3,388	\$ 3,874	\$ 4,333
(F) Vocational Education .....	35	410	50
(A) Tuition and Fees .....	704	760	695
Total — Thaddeus Stevens State School .....	\$ 4,127	\$ 5,044	\$ 5,078
Subtotal — State Funds .....	\$ 23,472	\$ 26,291	\$ 28,534
Subtotal — Federal Funds .....	1,842	3,305	2,995
Subtotal — Augmentations .....	823	1,002	936
Total — Institutional .....	\$ 26,137	\$ 30,598	\$ 32,465
<b>GRANTS AND SUBSIDIES:</b>			
<b>Support of Public Schools:</b>			
Equalized Subsidy for Basic Education .....	\$ 2,353,000	\$ 2,507,279	\$ 2,644,079
School Performance Incentives .....	5,000	7,500	7,500
Agenda for Excellence .....	24,566 <sup>a</sup>	22,607 <sup>b</sup>	14,000
School Based Professional Development .....	4,000	.....	.....
For the Improvement of Teaching .....	.....	2,000	2,100
Adult Literacy .....	5,000	7,000	7,000
Vocational Education .....	36,475	37,221	37,221
Authority Rentals and Sinking Fund Requirements .....	135,000	134,000	142,800
Pupil Transportation .....	205,624	208,650	212,900
Nonpublic Pupil Transportation .....	13,089	12,725	12,950
Special Education .....	307,942 <sup>c</sup>	326,000	348,340
Special Education — Supplemental .....	.....	25,000	.....
Special Education Pay Back .....	.....	.....	12,000
Early Intervention—Handicapped Children .....	8,017 <sup>d</sup>	8,258	9,588
Homebound Instruction .....	495	495	475
Tuition for Orphans and Children Placed in Private Homes .....	14,030	14,600	16,000
Payments in Lieu of Taxes .....	65	80	80
Education of Migrant Laborers' Children .....	183	194	200
Education of the Disadvantaged .....	1,000	1,000	1,000
Special Education—Approved Private Schools .....	50,170	58,500	50,100
Private Residential Rehabilitative Institutions .....	.....	500	500
Higher Education of Blind or Deaf Students .....	50	50	50
Intermediate Units .....	13,400	13,400	13,400
School Food Services .....	10,844	10,844	11,738
School Employees' Social Security .....	170,120	187,000	203,801
(A) School Employees' Social Security .....	2,763	1,059	.....
School Employees' Retirement Fund Transfer .....	465,661	481,968	542,506
School Annuity Supplement .....	.....	8,669	.....
School District Payments—Racing .....	3,500	3,500	3,500
Brandywine Heights .....	500	.....	.....
Education of Indigent Children .....	100	100	100
(F) ECIBG — School Districts .....	18,769	19,059	18,968
(F) ECIBG — Discretionary .....	1,700	1,968	1,868
Subtotal — State Funds .....	\$ 3,822,831	\$ 4,076,640	\$ 4,293,928
Subtotal — Federal Funds .....	20,469	21,027	20,836
Subtotal — Augmentations .....	2,763	1,059	.....
Total — Support of Public Schools .....	\$ 3,846,063	\$ 4,098,726	\$ 4,314,764
<b>Other Grants and Subsidies:</b>			
Customized Job Training .....	\$ 13,488	\$ 15,500	\$ 15,500
JTPA — Matching Funds .....	7,000	5,600	5,700
(F) JTPA — Educational Training .....	10,376	7,596	6,457
Services to Nonpublic Schools .....	46,845 <sup>a</sup>	49,452 <sup>b</sup>	52,172
Textbooks for Nonpublic School .....	8,361	8,869	9,357
Student Supplies for Nonpublic Schools .....	4,929	5,228	5,516
Teen Pregnancy and Parenthood .....	678	828	928

<sup>a</sup>Actually appropriated as \$28,000,000 Agenda for Excellence and \$43,411,000 Services to Nonpublic Schools.

<sup>b</sup>Actually appropriated as \$26,000,000 Agenda for Excellence and \$46,059,000 Services to Nonpublic Schools.

<sup>c</sup>Actually appropriated as \$288,539,000 Special Education and \$19,403,000 State Schools and Hospitals.

<sup>d</sup>Actually appropriated to the Department of Public Welfare.

# EDUCATION

## GENERAL FUND

(Dollar Amounts in Thousands)

	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GRANTS AND SUBSIDIES: (continued)</b>			
<b>Other Grants and Subsidies: (continued)</b>			
Comprehensive Reading .....		\$ 300	\$ 300
Revised State Testing .....			800
Dropout Prevention .....	\$ 465	750	1,500
Improvement of Library Services .....	20,475	21,500	22,145
Library Services for Blind and Handicapped .....	1,626	1,789	1,939
Library Access .....	2,000	3,000	4,000
Library Projects .....	430		
School Library Catalog .....	350	500	600
College of Physicians .....	100	100	
Educational Radio and Television Grants .....	175	175	175
Conservatory Leadership School .....	30	30	30
Ethnic Heritage .....	150	200	200
Governor's Schools for Excellence .....	750 <sup>a</sup>	955	999
(A) Governor's School for Business .....	137		
<b>Educational and Institutional Assistance</b> .....		<b>1,904</b>	
Subtotal — State Funds .....	\$ 107,852	\$ 116,680	\$ 121,861
Subtotal — Federal Funds .....	10,376	7,596	6,457
Subtotal — Augmentations .....	137		
Subtotal — Other Grants and Subsidies .....	<b>\$ 118,365</b>	<b>\$ 124,276</b>	<b>\$ 128,318</b>
<b>Higher Education — Other Grants and Subsidies:</b>			
Community Colleges .....	\$ 93,247 <sup>a</sup>	\$ 103,054 <sup>b</sup>	\$ 107,767
Community College Enhancement .....	1,894 <sup>c</sup>		
Williamsport Area Community College-Capital Obligation .....	3,076 <sup>d</sup>	3,077 <sup>d</sup>	3,009
Higher Education of the Disadvantaged .....	6,153	6,899	7,175
Rural Initiatives .....	900	1,245	945
Higher Education Equipment .....		14,100	
Academy of Sciences .....	100		
Tuition Cap .....			15,830
Subtotal — Higher Education — Other Grants and Subsidies .....	\$ 105,370	128,375	134,726
<b>State System of Higher Education:</b>			
State System of Higher Education .....	\$ 295,350	\$ 311,594	\$ 333,406
Recruitment of the Disadvantaged .....	200	200	250
Deferred Maintenance .....	2,500	3,800	3,952
Cheyney Enhancement .....	1,630	1,750	935
McKeever Center .....	250	250	
Teaching Academy .....	500	500	500
Library Enhancement .....		1,500	750
Affirmative Action .....			300
Subtotal — State System of Higher Education .....	\$ 300,430	\$ 319,594	\$ 340,093
<b>State-Related Universities:</b>			
<b>Pennsylvania State University:</b>			
Educational and General .....	\$ 142,763	\$ 150,615	\$ 161,158
Research .....	12,478	13,164	13,691
Medical Programs .....	3,970	4,188	4,356
Agricultural Research .....	14,851	15,668	16,295
Agricultural Extension Services .....	16,968	17,901	18,617
Recruitment of the Disadvantaged .....	200	200	250
Elizabethtown Hospital .....	4,181	4,411	4,587
Technology Upgrade .....	1,000		
Biotechnology .....		1,500	750
Psychiatric Education .....	1,250	1,375	1,375
Subtotal — Pennsylvania State University .....	\$ 197,661	\$ 209,022	\$ 221,079

<sup>a</sup>Actually appropriated as \$103,160,000, including Williamsport Area Community College.

<sup>b</sup>Actually appropriated as \$113,350,000, including Williamsport Area Community College.

<sup>c</sup>Actually appropriated as \$2,000,000, including Williamsport Area Community College.

<sup>d</sup>Actually appropriated in the line item Community Colleges.

# EDUCATION

## GENERAL FUND

(Dollar Amounts in Thousands)

	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GRANTS AND SUBSIDIES: (continued)</b>			
<b>State-Related Universities: (continued)</b>			
<b>University of Pittsburgh:</b>			
Educational and General .....	\$ 97,835	\$ 103,216	\$ 110,441
Medical Programs .....	5,599	5,907	6,143
Dental Clinics .....	945	997	1,037
Titusville Campus .....	752	793	849
Recruitment of the Disadvantaged .....	200	200	250
Applied Research Center .....	2,000	1,500	750
Subtotal — University of Pittsburgh .....	\$ 107,331	\$ 112,613	\$ 119,470
<b>Temple University:</b>			
Education and General .....	\$ 107,189	\$ 113,084	\$ 121,100
Medical Programs .....	7,453	7,863	8,178
Dental Clinics .....	945	997	1,037
Technology Programs .....	2,000	1,500	750
Recruitment of the Disadvantaged .....	200	200	250
Subtotal — Temple University .....	\$ 117,787	\$ 123,644	\$ 131,315
<b>Lincoln University:</b>			
Education and General .....	\$ 7,881 <sup>a</sup>	\$ 8,314	\$ 8,896
Recruitment of the Disadvantaged .....	200	200	250
International Affairs .....	.....	300	300
Subtotal — Lincoln University .....	\$ 8,081	\$ 8,814	\$ 9,446
<b>Williamsport Area Community College:</b>			
Operations and Transition .....	6,943 <sup>b</sup>	7,219 <sup>c</sup>	8,387
<b>Non-State-Related Universities and Colleges:</b>			
Delaware Valley College of Science and Agriculture .....	\$ 400	\$ 438	\$ 396
Drexel University .....	5,181	5,466	5,466
<b>Hahnemann Medical College:</b>			
Medical Programs .....	\$ 4,615	\$ 4,869	\$ 4,869
Allied Health Programs .....	702	702	702
Subtotal — Hahnemann Medical College .....	\$ 5,317	\$ 5,571	\$ 5,571
<b>Thomas Jefferson University:</b>			
Medical Programs .....	\$ 5,495	\$ 5,797	\$ 5,797
Operations and Maintenance .....	3,913	4,128	4,128
Subtotal — Thomas Jefferson University .....	\$ 9,408	\$ 9,925	\$ 9,925
<b>The Medical College of Pennsylvania:</b>			
Medical Programs .....	\$ 2,731	\$ 2,881	2,881
Allied Health Programs .....	867	915	915
Subtotal — The Medical College of Pennsylvania .....	\$ 3,598	\$ 3,796	\$ 3,796
<b>University of Pennsylvania:</b>			
Instruction .....	\$ 14,735	\$ 15,545	\$ 15,545
Dental Clinics .....	945	997	997
Medical Programs .....	4,071	4,295	4,295
School of Veterinary Medicine .....	7,091	7,481	7,481
New Bolton .....	3,264	3,509	3,509
Food and Animal Clinics .....	1,759	1,890	1,890
Center for Animal Health and Productivity .....	1,073	1,153	1,153
Center for Excellence — Cognitive Science .....	800	.....	.....
Dairy Cattle Teaching and Research Facility .....	300	322	.....
Biohazard Incineration .....	.....	400	.....
Subtotal — University of Pennsylvania .....	\$ 34,038	\$ 35,592	\$ 34,870

<sup>a</sup>Actually appropriated as \$6,881,000 for Education and General and \$1,000,000 for Desegregation.

<sup>b</sup>Actually Appropriated as \$6,837,000 for Community Colleges and \$106,000 for Community College Enhancement.

<sup>c</sup>Actually appropriated in the line item Community Colleges.

# EDUCATION

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>NonState Related Universities and Colleges:</b>			
Pennsylvania College of Podiatric Medicine .....	\$ 1,106	\$ 1,191	\$ 1,093
Pennsylvania College of Optometry .....	1,472	1,553	1,553
Philadelphia University of the Arts .....	797	1,047	841
Philadelphia College of Textiles and Science .....	495	522	522
Philadelphia College of Osteopathic Medicine .....	4,967	5,240	5,240
Subtotal Non-State-Related Universities and Colleges .....	\$ 66,779	\$ 70,341	\$ 69,273
<b>Non-State-Related Institutions:</b>			
<b>Berean:</b>			
Maintenance .....	\$ 859	\$ 927	\$ 927
Rental Payments .....	102	102	102
Subtotal — Berean .....	\$ 961	\$ 1,029	\$ 1,029
<b>Downingtown</b>			
Rental .....	\$ 839	\$ 906	\$ 906
Special Projects .....	81	81	81
Subtotal — Downingtown .....	52	54	54
Subtotal — Downingtown .....	\$ 972	\$ 1,041	\$ 1,041
Johnson Technical Institute .....	\$ 181	\$ 195	\$ 195
Williamson Free School of Mechanical Trades .....	87	97	71
Subtotal — Non-State-Related Institutions .....	\$ 2,201	\$ 2,362	\$ 2,336
Subtotal Higher Education Subsidies .....	\$ 912,583	\$ 981,984	\$ 1,036,125
Total—Grants and Subsidies .....	\$ 4,843,266	\$ 5,175,304	\$ 5,451,914
STATE FUNDS .....	\$ 4,884,991	\$ 5,221,212	\$ 5,501,233
FEDERAL FUNDS .....	54,362	73,203	66,340
AUGMENTATIONS .....	4,186	2,702	1,533
<b>GENERAL FUND TOTAL .....</b>	<b>\$ 4,943,539</b>	<b>\$ 5,297,117</b>	<b>\$ 5,569,106</b>
<b>MOTOR LICENSE FUND</b>			
<i>GRANTS AND SUBSIDIES:</i>			
Safe Driving Course .....	\$ 1,948	\$ 2,300	\$ 2,300
MOTOR LICENSE FUND TOTAL .....	\$ 1,948	\$ 2,300	\$ 2,300
<b>OTHER FUNDS</b>			
<i>GENERAL FUND:</i>			
Vocational Education Act .....	\$ 37,364	\$ 47,838	\$ 44,926
Education Consolidation and Improvement Act:			
Education of Children of Low-Income Families —			
Title I .....	192,592	192,614	205,197
Adult Basic Education .....	4,788	6,385	5,549
Education of Handicapped .....	62,657	68,809	78,511
Food Nutrition Services .....	126,881	142,795	139,886
Library Services — Extension, Development, and			
Improvement .....	4,283	5,475	3,425
Library Services/Jobs Bill .....	39		
Pennsylvania State University — Land Grant Aid .....	50	50	50
Transition Program — Refugee Children .....	99	538	902
Emergency Immigrant Assistance .....		142	286
Math and Science Teacher Training .....	1,635	5,260	8,289
Removal of Architectural Barriers .....	1,231	35	105
Surety Bond Proceeds .....	15	20	25
Tax Sheltered Annuities .....	8,307	7,367	8,700
Training Personnel for Education of Handicapped .....	41	71	76
Byrd Scholarships .....	687		354
Homeless Adult Assistance .....			700
GENERAL FUND TOTAL .....	\$ 440,669	\$ 477,399	\$ 496,981

# EDUCATION

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<i>SCHOOL EMPLOYEES RETIREMENT FUND:</i>			
Administration .....	\$ 10,755	\$ 12,640	\$ 13,757
<b>OTHER FUNDS TOTAL .....</b>	<b><u>\$ 451,424</u></b>	<b><u>\$ 490,039</u></b>	<b><u>\$ 510,738</u></b>
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND .....	\$ 4,884,991	\$ 5,221,212	\$ 5,501,233
SPECIAL FUNDS .....	1,948	2,300	2,300
FEDERAL FUNDS .....	54,362	73,203	66,340
AUGMENTATIONS .....	4,186	2,702	1,533
OTHER FUNDS .....	<u>451,424</u>	<u>490,039</u>	<u>510,738</u>
<b>TOTAL ALL FUNDS .....</b>	<b><u>\$ 5,396,911</u></b>	<b><u>\$ 5,789,456</u></b>	<b><u>\$ 6,082,144</u></b>

# EDUCATION

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>EDUCATION SUPPORT SERVICES</b>							
General Funds.....	\$ 15,670	\$ 16,836	\$ 17,797	\$ 18,776	\$ 19,809	\$ 20,898	\$ 22,047
Federal Funds.....	20,575	39,957	35,050	34,810	34,810	34,810	34,810
Other Funds.....	8,746	7,919	9,283	7,500	7,500	7,500	7,500
<b>TOTAL.....</b>	<b>\$ 44,991</b>	<b>\$ 64,712</b>	<b>\$ 62,130</b>	<b>\$ 61,086</b>	<b>\$ 62,119</b>	<b>\$ 63,208</b>	<b>\$ 64,357</b>
<b>BASIC EDUCATION</b>							
General Funds.....	\$ 3,906,220	\$ 4,168,739	\$ 4,391,097	\$ 4,487,950	\$ 4,588,729	\$ 4,693,211	\$ 4,801,586
Special Funds.....	1,948	2,300	2,300	2,300	2,300	2,300	2,300
Federal Funds.....	22,276	23,922	23,781	23,781	23,781	23,781	23,781
Other Funds.....	441,764	478,448	498,804	479,262	480,060	480,902	481,790
<b>TOTAL.....</b>	<b>\$ 4,372,208</b>	<b>\$ 4,673,409</b>	<b>\$ 4,915,982</b>	<b>\$ 4,993,293</b>	<b>\$ 5,094,870</b>	<b>\$ 5,200,194</b>	<b>\$ 5,309,457</b>
<b>JOB TRAINING</b>							
General Funds.....	\$ 25,105	\$ 26,295	\$ 26,828	\$ 27,066	\$ 27,317	\$ 27,582	\$ 27,862
Federal Funds.....	10,411	8,006	6,507	6,507	6,507	6,507	6,507
Other Funds.....	704	760	695	695	695	695	695
<b>TOTAL.....</b>	<b>\$ 36,220</b>	<b>\$ 35,061</b>	<b>\$ 34,030</b>	<b>\$ 34,268</b>	<b>\$ 34,519</b>	<b>\$ 34,784</b>	<b>\$ 35,064</b>
<b>LIBRARY SERVICES</b>							
General Funds.....	\$ 27,564	\$ 29,670	\$ 31,672	\$ 31,836	\$ 32,009	\$ 32,192	\$ 32,385
Federal Funds.....	1,100	1,318	1,002	1,002	1,002	1,002	1,002
Other Funds.....	4,346	5,564	3,439	5,489	5,489	5,489	5,489
<b>TOTAL.....</b>	<b>\$ 33,010</b>	<b>\$ 36,552</b>	<b>\$ 36,113</b>	<b>\$ 38,327</b>	<b>\$ 38,500</b>	<b>\$ 38,683</b>	<b>\$ 38,876</b>
<b>HIGHER EDUCATION</b>							
General Funds.....	\$ 910,432	\$ 979,672	\$ 1,033,839	\$ 1,033,731	\$ 1,033,731	\$ 1,033,731	\$ 1,033,731
Other Funds.....	50	50	50	50	50	50	50
<b>TOTAL.....</b>	<b>\$ 910,482</b>	<b>\$ 979,722</b>	<b>\$ 1,033,889</b>	<b>\$ 1,033,781</b>	<b>\$ 1,033,781</b>	<b>\$ 1,033,781</b>	<b>\$ 1,033,781</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 4,884,991	\$ 5,221,212	\$ 5,501,233	\$ 5,599,359	\$ 5,701,595	\$ 5,807,614	\$ 5,917,611
SPECIAL FUNDS.....	1,948	2,300	2,300	2,300	2,300	2,300	2,300
FEDERAL FUNDS.....	54,362	73,203	66,340	66,100	66,100	66,100	66,100
OTHER FUNDS.....	455,610	492,741	512,271	492,996	493,794	494,636	495,524
<b>TOTAL.....</b>	<b>\$ 5,396,911</b>	<b>\$ 5,789,456</b>	<b>\$ 6,082,144</b>	<b>\$ 6,160,755</b>	<b>\$ 6,263,789</b>	<b>\$ 6,370,650</b>	<b>\$ 6,481,535</b>

# EDUCATION

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

## Program: Education Support Services

Education Support Services provides for the administrative and overhead systems which support the operations of programs necessary for the achievement of Commonwealth and agency objectives. The success or failure of these supportive efforts can only be indirectly reflected by the effectiveness of the activities they support. A primary concern of the Commonwealth and each agency is to minimize these administrative costs in relation to the costs of services provided.

In addition to including the executive offices of the Department of Education, budget, publication and legal offices, this program also provides staff support to the State Board of Education and other administrative boards and commissions. These include boards for

private, academic, business, trade and correspondence schools, and the Professional Standards and Practices Commission.

The funds from the School Employees' Retirement Fund used for administration of the School Employees' Retirement System are also included as other funds in this program. Administration of the School Employees' Retirement System includes provision of benefits for retired school employees, counseling and information services for active employees, and legal services for all three public employe retirement systems. The system currently provides benefits to over 90,000 annuitants.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>Education Support Services</b>	
\$ -150	—nonrecurring projects.
40	—PRR — Nursing Home Reform. To fund the development of a nursing assistant certification examination. See the Program Revision in the Department of Public Welfare for further information.
<u>1,321</u>	—to continue current program.
\$ 1,211	<i>Appropriation Increase</i>

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations . . . . .	\$ 15,670	\$ 16,586	\$ 17,797	\$ 18,776	\$ 19,809	\$ 20,898	\$ 22,047
Vocational Student Organization . . . . .	.....	250	.....	.....	.....	.....	.....
<b>Total General Fund</b>	<u>\$ 15,670</u>	<u>\$ 16,836</u>	<u>\$ 17,797</u>	<u>\$ 18,776</u>	<u>\$ 19,809</u>	<u>\$ 20,898</u>	<u>\$ 22,047</u>

*PROGRAM OBJECTIVE: To provide students with the skills, attitudes and abilities needed for effective living in our complex society.*

## Program: Basic Education

### Program Element: Basic Education

This program element includes funding for the instructional cost at public schools. In addition to funding the Equalized Subsidy for Basic Education, the element includes funds for programs of remediation in mathematics and reading, for the Improvement of Teaching, vocational education, school based teen pregnancy and dropout prevention, adult literacy, and the Governor's Schools of Excellence. Funds are also provided for the State operated Scotland School for Veteran's Children and the Downingtown Industrial and Agricultural School.

The Equalized Subsidy for Basic Education (ESBE) was established by Act 73 of 1983 to distribute the basic education subsidy beginning in the 1983-84 payable year. ESBE was altered slightly by Act 93 of 1984, by Act 31 of 1985 and most recently by Act 117 of 1986. However, over its five years of existence, ESBE has contained three primary components: a base subsidy to account for instructional expense, an economic supplement to account for pupils in low income families and an economic supplement to account for local tax effort and population per square mile. An augmentation to the subsidy system designed to provide additional assistance to small school districts was included in Act 31 of 1985 and a second augmentation entitled School Supplement was added by Act 117 of 1986.

The basic subsidy to account for instructional expense is determined by multiplying a school district's Weighted Average Daily Membership (WADM) by the Factor for Educational Expense (FEE) and the district's market value/personal income aid ratio. The FEE is a dollar amount set each fiscal year.

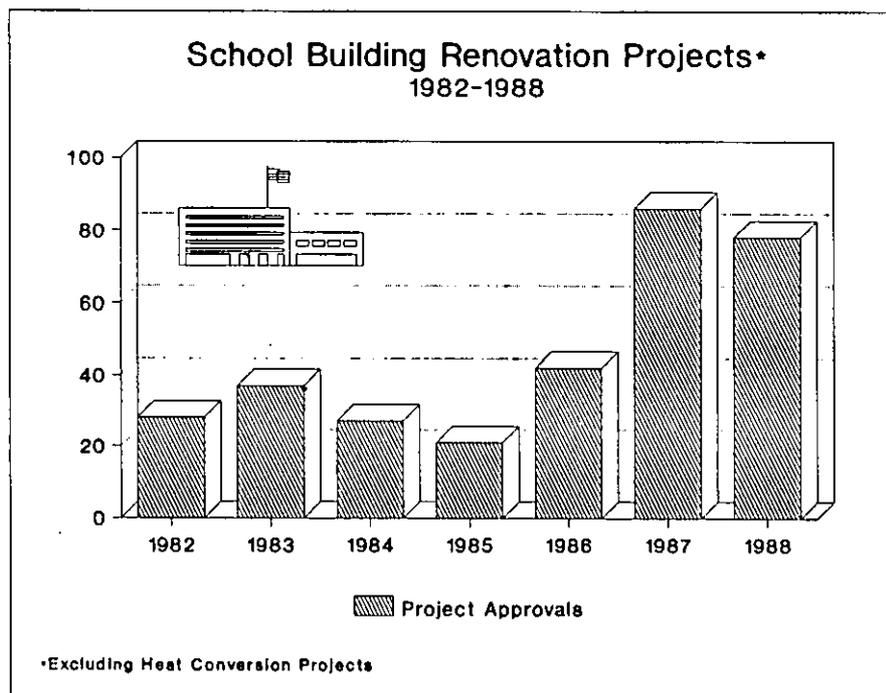
The economic supplement to account for children in low income families is determined by the number of Aid to Families with Dependent Children (AFDC) in the district. At least eight percent of the pupils in

average daily attendance must be from AFDC families receiving \$2,000 or more in assistance per year to qualify. Depending on the percentage of AFDC pupils in average daily attendance, a district can qualify for \$128, \$357 or \$587 per child under current law.

The economic supplement to account for local tax effort and population per square mile is provided to districts which are levying local taxes equal to or in excess of the statewide median tax effort, as measured by the State median equalized mills on market value. The amount of the supplement is determined by the population per square mile of the district. The more persons per square mile, the greater the supplement. The supplement is either one, three, or five percent of the actual instructional cost. Those districts with a population per square mile of 5,950 or more persons and a student population in excess of 35,000 Weighted Average Daily Memberships, receive a supplement equal to 19 percent of their actual instruction expense.

A district qualifies for Small District Assistance when the market value/personal income ratio is .5000 or greater. The amount of assistance is a flat dollar amount times the average daily membership.

Finally, the School Supplement is a guaranteed dollar amount per average daily membership (ADM). It is first determined by the percentage of full funding a district is receiving; the higher the percentage of full funding, the lower the amount. Then the average annual percentage change in personal income is determined. If the change is less than 1.5 percent, the district qualifies for additional aid based on a percentage of its actual instructional expense. The final amount is the result of these two calculations with a minimum dollar amount per average daily membership guaranteed.



## Program: Basic Education (continued)

### *Program Element: Educational Support*

The activities included in this element are those which support basic education programs, but are not directly involved with their implementation. These programs include: payments to school districts to cover the State share of payroll costs for Social Security and retirement, authority rental and sinking fund payments for school infrastructure, pupil transportation, school food service subsidy, intermediate units, payments in lieu of taxes, and school district payments from the Racing Fund.

Over one-third of the school buildings in the Commonwealth were constructed prior to 1930. As a response to the aging of school buildings, Act 50 of 1987 raised the reimbursement rates for school building construction and renovation projects. Because of this change, school building construction and renovation projects are increasing and an additional \$8.8 million in Commonwealth funds are provided for the Authority Rentals and Sinking Fund subsidy.

### *Program Element: Basic Education-Nonpublic Schools*

The Commonwealth provides aid to nonprofit nonpublic schools through this element. Appropriations are for services, textbooks, student supplies, and transportation to nonpublic schools.

Services provided include guidance, counseling, testing, psychological services, speech and hearing services, remedial reading, remedial math, and services for exceptional children. Textbooks are loaned to children in nonpublic schools under a program established by Act 195 of 1972. Act 90 of 1975 authorizes instructional materials to be loaned to nonpublic schools. Finally, transportation is provided to nonpublic school students under the Public School Code of 1949.

### *Program Element: Basic Education-Adjudicated Youth and Incarcerated Adults*

This element includes educational services for those in rehabilitative

or correctional facilities. The appropriations within this element are the Commonwealth's Youth Development Centers and Correctional Education programs.

The Commonwealth's Youth Development Centers house minors adjudicated from the court system. These centers provide rehabilitation and education for these incarcerated juveniles.

A substantial basic education program is provided to adults at the Commonwealth's thirteen correctional institutions. Adults who are incarcerated in the institutions are provided the opportunity to participate in an education program which includes: an assessment component that diagnoses the academic achievement levels of each inmate entering an educational program; a basic education curriculum with instruction geared to preparation for the General Education Development diploma; remedial instruction in reading and mathematics; and vocational education and training with emphasis on providing entry level employment skills. There are also opportunities to obtain college level instruction and job placement services throughout the State system.

### *Program Element: Special Education*

Special education, in partnership with basic education, is serving about 250,000 school aged students in Pennsylvania school districts, intermediate units, approved schools, private residential facilities and State schools and hospitals.

The major special education appropriation provides monetary support for programs for exceptional children served by the public schools of the Commonwealth. Public school special education programs are operated by all 29 intermediate units and approximately 400 public school districts. When appropriate public education is not available, students are assigned to department approved private schools.

## Program Measures

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Basic Education</b>							
Public school enrollments (K-12) . . . . .	1,668,542	1,654,580	1,650,460	1,659,000	1,674,340	1,693,510	1,715,250
Median instructional cost per public school pupil . . . . .	\$2,791	\$2,990	\$3,230	\$3,448	\$3,767	\$4,068	\$4,271
High school graduation rates . . . . .	78.5	77.2	78.6	80.0	80.5	81.0	81.5
Graduates enrolling in business, technical or college programs . . . . .	75,750	72,200	67,600	63,500	63,200	62,700	62,400
Vocational education enrollments . . . . .	151,107	142,000	138,000	138,00	134,000	138,000	138,000
Vocational education students placed in jobs . . . . .	37,897	35,624	33,487	31,478	29,589	27,814	26,145
Students passing TELS . . . . .	72.3%	74.0%	75.2%	76.1%	76.9%	78.0%	78.9%
Students served by dropout prevention programs . . . . .	3,662	4,162	4,462	4,762	5,062	5,362	5,662
Students served by teen parenting programs . . . . .	2,981	3,981	4,781	5,981	5,981	5,981	5,981
Total general educational development diplomas . . . . .	21,000	22,000	22,000	22,000	22,000	22,000	22,000
Enrollment in adult basic education . . . . .	55,000	60,000	60,000	60,000	60,000	60,000	60,000
Scotland School for Veterans' Children enrollment . . . . .	380	380	380	380	380	380	380
Downingtown Industrial and Agricultural School enrollment . . . . .	92	75	76	80	80	86	86

Public school enrollments include Special Education and Vocational Education.

# EDUCATION

**Program: Basic Education (continued)**  
**Program Measures: (continued)**

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Basic Education-Nonpublic Schools</b>							
Nonpublic school enrollment . . . . .	357,013	348,540	341,000	335,850	331,910	328,600	325,810
<b>Basic Education-Adjudicated Youth and Incarcerated Adults</b>							
Youth Development Centers							
Total population . . . . .	624	623	676	676	676	676	676
Corrections Education							
Enrollments in institutional programs . . . . .	4,480	4,766	5,185	5,356	5,676	5,802	5,992
Classes presented . . . . .	240	260	286	300	300	300	300
General Educational Development							
Diplomas (GED's) issued . . . . .	911	1,000	1,100	1,100	1,100	1,100	1,100
Inmates placed in jobs through job placement programs . . . . .	88	300	450	500	500	500	500
<b>Special Education</b>							
Pupils enrolled in programs for the physically and mentally handicapped . . . . .	197,482	197,525	197,500	197,425	197,500	197,515	198,000
Pupils enrolled in programs for the gifted and talented . . . . .	79,503	79,700	79,825	79,900	80,000	80,130	80,225
Scranton School for the Deaf enrollments . . . . .	138	130	140	140	140	140	140
Students in approved vocational education programs . . . . .	4,619	4,719	4,839	5,000	5,100	5,100	5,200
Students in approved vocational education programs placed in jobs . . . . .	367	371	380	384	390	392	394

**Program Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Scranton State School for the Deaf</b></p> <p>\$ 73 —to provide psychological services for emotionally disturbed deaf children enrolled at the school.</p> <p>244 —to continue current program.</p> <p><b>\$ 317 Appropriation Increase</b></p> <p><b>Scotland School for Veterans' Children</b></p> <p>\$ 250 —for deferred maintenance projects.</p> <p>886 —to continue current program.</p> <p><b>\$ 1,136 Appropriation Increase</b></p> <p><b>Youth Development Centers-Education</b></p> <p>\$ 350 —to continue current program</p> <p><b>Corrections Education</b></p> <p>\$ -19 —to continue current program.</p> <p><b>Equalized Subsidy for Basic Education</b></p> <p>\$ 129,000 —to increase the Factor for Educational Expense (FEE) to \$2,330 and the guarantee of full funding to 97.5 percent.</p> <p>6,300 —PRR — Teacher Salary Increases. To establish a \$24,000 minimum salary for certified teachers. See the Program Revision following this program for further information.</p> <p>1,500 —to continue \$18,500 minimum salary increase.</p> <p><b>\$ 136,800 Appropriation Increase</b></p>	<p><b>Agenda for Excellence</b></p> <p>\$ -8,607 —reduction in support for remediation programs based on failure as opposed to success.</p> <p><b>School Performance Incentives</b></p> <p>\$ 2,500 —to increase the number of performance grants.</p> <p><b>For the Improvement of Teaching</b></p> <p>\$ -400 —reduction due to extended grant period for 1988-89.</p> <p>500 —PRR — Lead Teacher Centers. To establish 3 lead teacher centers. See the Program Revision following this program for further information.</p> <p><b>\$ 100 Appropriation Increase</b></p> <p><b>Authority Rentals and Sinking Fund Requirements</b></p> <p>\$ 8,800 —to fund increased reimbursement rates and new school building and renovation projects.</p> <p><b>Pupil Transportation</b></p> <p>\$ 4,250 —to maintain current program.</p> <p><b>Nonpublic Pupil Transportation</b></p> <p>\$ 225 —to maintain current program.</p>
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**Program: Basic Education (continued)**

**Program Recommendations: (continued)**

<p><b>Special Education</b> \$ 22,340 —to provide a 7.5 percent increase to the regular Special Education portion of the appropriation.</p> <p><b>Special Education Pay Back</b> \$ 12,000 —PRR — Special Education. To begin repayment of outstanding Special Education liabilities. See the Program Revision following this program for further information.</p> <p><b>Special Education Supplemental</b> \$ -25,000 —funds to continue repayment of outstanding liabilities are included in the Special Education appropriation.</p> <p><b>Early Intervention</b> \$ 330 —to continue current program. 1,000 —PRR — Education Programs for Preschool Children. To provide services for 1,850 additional children. See the Program Revision following this program for further information.</p> <hr style="width: 50px; margin-left: 0;"/> <p>\$ 1,330 <i>Appropriation Increase</i></p> <p><b>Homebound Instruction</b> \$ -20 —to maintain current program.</p> <p><b>Tuition for Orphans and Children in Private Homes</b> \$ 1,400 —to maintain current program and pay costs rolled over from 1988-89.</p> <p><b>Education of Migrant Laborers' Children</b> \$ 6 —to maintain current program.</p> <p><b>Special Education-Approved Private Schools</b> \$ -8,400 —assumes passage of legislation that changes the reimbursement rate from 80 percent State/20 percent school district to 60 percent State/40 percent school district.</p> <p><b>School Food Services</b> \$ 894 —PRR — Nutrition for Children and Families. To serve school breakfasts to additional children. See the Program Revision in the Department of Health for further information.</p> <p><b>School Employees' Social Security</b> \$ 478 —PRR — Teacher Salary Increases. To meet additional Social Security costs of PRR. See the Program Revision following this program for further information.</p> <hr style="width: 50px; margin-left: 0;"/> <p>16,323 —to meet increasing employers' share. \$ 16,801 <i>Appropriation Increase</i></p>	<p><b>School Employees' Retirement Fund Transfer</b> \$ 59,298 —to meet increasing employers' share. 1,240 —PRR — Teacher Salary Increases. To meet additional retirement costs of PRR. See the Program Revision following this program for further information.</p> <hr style="width: 50px; margin-left: 0;"/> <p>\$ 60,538 <i>Appropriation Increase</i></p> <p><b>School Annuitants Supplement</b> \$ -8,669 —funds to provide for the cost of living adjustment are included in the School Employees' Retirement Fund Transfer.</p> <p><b>Dropout Prevention</b> \$ 750 —PRR — Dropout Prevention. To double dropout prevention efforts. See the Program Revision following this program for further information.</p> <p><b>Services to Nonpublic Schools</b> \$ 2,720 —to provide an increase equivalent to that for the Equalized Subsidy for Basic Education.</p> <p><b>Textbooks for Nonpublic Schools</b> \$ 488 —to provide an increase equivalent to that for the Equalized Subsidy for Basic Education.</p> <p><b>Student Supplies for Nonpublic Schools</b> \$ 288 —to provide an increase equivalent to that for the Equalized Subsidy for Basic Education.</p> <p><b>Teen Pregnancy and Parenthood</b> \$ 100 —to add approximately 3 new schools and continue current program.</p> <p><b>Revised State Testing</b> \$ 800 —PRR — Revised State Testing. To improve achievement testing in the schools. See the Program Revision following this program for further information.</p> <p><b>Governor's School of Excellence</b> \$ 44 —to continue current program.</p> <p><b>Educational and Institutional Assistance Projects</b> \$ -1,904 —nonrecurring projects.</p>
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# EDUCATION

## Program: Basic Education (continued)

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Scranton State School for the Deaf . . . . .	\$ 3,432	\$ 3,664	\$ 3,981	\$ 4,200	\$ 4,431	\$ 4,675	\$ 4,932
Scotland School for Veterans' Children . . .	7,042	7,595	8,731	9,211	9,718	10,252	10,816
Youth Development Centers . . . . .	3,960	4,552	4,902	5,172	5,456	5,756	6,073
Correction Education . . . . .	5,650	6,606	6,587	6,949	7,331	7,734	8,159
Equalized Subsidy for Basic Education . . .	2,353,000	2,507,279	2,644,079	2,683,740	2,723,996	2,764,856	2,806,329
School Performance Incentives . . . . .	. . . . .	5,000	7,500	21,500	21,500	21,500	21,500
Agenda for Excellence . . . . .	24,566	22,607	14,000	. . . . .	. . . . .	. . . . .	. . . . .
School Based Professional Development . .	4,000	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
For the Improvement of Teaching . . . . .	. . . . .	2,000	2,100	2,100	2,100	2,100	2,100
Adult Literacy . . . . .	5,000	7,000	7,000	7,000	7,000	7,000	7,000
Vocational Education . . . . .	36,475	37,221	37,221	37,779	38,346	38,921	39,505
Authority Rentals and Sinking Fund . . . . .	135,000	134,000	142,800	142,800	142,800	142,800	142,800
Pupil Transportation . . . . .	205,624	208,650	212,900	216,094	219,335	222,625	225,964
Nonpublic Pupil Transportation . . . . .	13,089	12,725	12,950	13,144	13,341	13,541	13,744
Special Education . . . . .	307,942 <sup>a</sup>	326,000	348,340	353,565	358,868	364,251	369,715
Special Education Supplemental . . . . .	. . . . .	25,000	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Special Education Payback . . . . .	. . . . .	. . . . .	12,000	12,000	12,000	12,000	12,000
Early Intervention . . . . .	8,017	8,258	9,588	9,732	9,878	10,026	10,176
Homebound Instruction . . . . .	495	495	475	475	475	475	475
Tuition for Orphans and Children Placed in Private Homes . . . . .	14,030	14,600	16,000	15,834	16,072	16,313	16,558
Payments in Lieu of Taxes . . . . .	65	80	80	80	80	80	80
Education of Migrants' Children . . . . .	183	194	200	200	200	200	200
Education of Disadvantaged . . . . .	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Special Education — Approved Private Schools . . . . .	50,170	58,500	50,100	50,852	51,615	52,389	53,175
Private Residential Rehabilitative Institutions . . . . .	. . . . .	500	500	500	500	500	500
Intermediate Units . . . . .	13,400	13,400	13,400	13,400	13,400	13,400	13,400
School Food Services . . . . .	10,844	10,844	11,738	11,914	12,093	12,274	12,458
School Employees' Social Security . . . . .	170,120	187,000	203,801	216,029	228,991	242,730	257,294
(A) School Employees' Social Security . .	2,763	1,059	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
School Retirement . . . . .	465,661	481,968	542,506	575,056	609,559	646,133	684,901
School Annuitants' Supplement . . . . .	. . . . .	8,669	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
School District Payments — Racing . . . . .	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Brandywine Heights Schools . . . . .	500	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Education of Indigent Children . . . . .	100	100	100	100	100	100	100
Services to Nonpublic School . . . . .	46,845	49,452	52,172	52,955	53,749	54,555	55,373
Textbooks for Nonpublic Schools . . . . .	8,361	8,869	9,357	9,497	9,639	9,784	9,931
Student Supplies for Nonpublic Schools . .	4,929	5,228	5,516	5,599	5,683	5,768	5,855
Teen Pregnancy and Parenting . . . . .	678	828	928	928	928	928	928
Comprehensive Reading . . . . .	. . . . .	300	300	300	300	300	300
Revised State Testing . . . . .	. . . . .	. . . . .	800	800	800	800	800
Dropout Prevention . . . . .	465	750	1,500	1,500	1,500	1,500	1,500
Education Radio and Television . . . . .	175	175	175	175	175	175	175
Ethnic Heritage Studies . . . . .	150	200	200	200	200	200	200
Governor's Schools of Excellence . . . . .	750	955	999	999	999	999	999
Conservatory Leadership School . . . . .	30	30	30	30	30	30	30
Educational and Institutional Assistance Projects . . . . .	. . . . .	1,904	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Downingtown Industrial and Agricultural School — Maintenance . . . . .	839	906	906	906	906	906	906
Downingtown Industrial and Agricultural School — Rental . . . . .	81	81	81	81	81	81	81
Downingtown Special Projects . . . . .	52	54	54	54	54	54	54
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 3,906,220</b>	<b>\$ 4,168,739</b>	<b>\$ 4,391,097</b>	<b>\$ 4,487,950</b>	<b>\$ 4,588,729</b>	<b>\$ 4,693,211</b>	<b>\$ 4,801,586</b>
<b>MOTOR LICENCE FUND</b>							
Safe Driving Program . . . . .	\$ 1,948	\$ 2,300	\$ 2,300	\$ 2,300	\$ 2,300	\$ 2,300	\$ 2,300

<sup>a</sup>Actually appropriated as \$288,539 Special Education and \$19,403 State Schools and Hospitals.

## Program Revision: Teacher Salary Increase

Economic studies of the teaching profession find that teachers typically reach their top pay scale early in their careers. By their mid-thirties, teachers experience little or no salary growth in real terms, while their peers in other professions are just beginning to enter their prime earning years. The Carnegie Report on education cites this as a major reason why half of all teachers leave teaching within seven years and why the caliber of new teachers does not compare favorably with college graduates entering other professions.

Last year's initiatives to increase minimum teacher salaries, provide performance incentives and encourage teacher development were important steps in improving the quality of education in Pennsylvania. This Program Revision continues efforts to attract and retain teachers of the highest quality and to encourage continued professional development by providing funding to raise minimum teacher salaries

to \$24,000 for those teachers with permanent certification. Funding for these salary increases will be provided through the Equalized Subsidy for Basic Education (ESBE) appropriation.

In 1989-90, all school districts paying full-time permanently certified teachers less than \$24,000 per year will receive funding to raise those salaries to \$24,000. In addition, the entire employer's share of social security and retirement costs related to these salary increases will also be paid by the Commonwealth. In 1990-91, continued support of the salary increases will be incorporated into the ESBE formula used to calculate school district ESBE payments.

This salary initiative will continue efforts to improve our educational system by encouraging qualified college graduates to enter the teaching profession and by providing further incentives to teachers to improve and update their skills.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Teachers with permanent certification making less than \$24,000 per year							
Current	4,167	3,932	3,709	3,561	3,418	3,281	3,150
Program Revision							

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Equalized Subsidy for Basic Education**  
 \$ 6,300 —to increase salaries of 3,709 permanently certified teachers to \$24,000.

**School Employees' Social Security**  
 \$ 478 —for social security costs associated with raising salaries of permanently certified teachers.

**School Employees' Retirement Fund**  
 \$ 1,240 —for retirement costs associated with raising salaries of permanently certified teachers.

\$ 8,018 Program Revision Total

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Equalized Subsidy for Basic Education			\$ 6,300	\$ 5,859	\$ 5,859	\$ 5,859	\$ 5,859
School Employees' Social Security			478	444	444	444	444
School Employees' Retirement Fund			1,240	1,153	1,153	1,153	1,153
<b>TOTAL GENERAL FUND</b>			<b>\$ 8,018</b>	<b>\$ 7,456</b>	<b>\$ 7,456</b>	<b>\$ 7,456</b>	<b>\$ 7,456</b>

## Program Revision: Expansion of Preschool Education Programs

Pennsylvania currently supports a \$25 million program that provides services to over 25,000 developmentally delayed and handicapped children from birth through school entry age in both the Departments of Public Welfare and Education. Under the Federal Education of the Handicapped Act, states are required to assure that these services are made available to all handicapped and developmentally delayed children by the 1990-91 school year. While Pennsylvania is currently serving a significant portion of the population, it is streamlining its efforts to be consistent with the Federal program. The Department of Public Welfare will serve children from birth to two years of age and the Department of Education will serve children from three to school entry age. Children now in programs, however, will not be reassigned.

The Department of Education currently serves 16,000 children and estimates that it will provide services to an additional 1,850 unserved children in 1989-90. In order to assist states in the start-up of services to these children, the Federal Government has been providing an advanced payment grant of approximately \$2,400 for each new child identified. The preschool grant for unserved children began in 1987-88

and will end in 1990-91 when a grant of up to \$1,000 per child will be provided based on the total children served.

The Department of Public Welfare currently serves 9,734 children. This budget provides funds to serve an additional 606 children currently on waiting lists. Funding was provided in 1987-88 under the new Federal law for the planning, development and implementation of a Statewide program based on a census of infants and children.

By 1990-91, Pennsylvania will have a Statewide program for all preschool children who are developmentally delayed, handicapped and those at risk of developing a handicap. The program provides an individualized plan for each child which may include homebound programs, classroom services in regular preschool programs or intermediate unit full-time classes for disabled students. For the additional children served by this program, it is estimated that 43 percent will not need special education by school entry age thus improving the students' opportunities for intellectual development and reducing the number of students placed in special education classes.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Children receiving services through the Department of Education							
Current	16,000	16,000	16,000	16,000	16,000	16,000	16,000
<b>Program Revision</b>			<b>17,850</b>	<b>17,850</b>	<b>17,850</b>	<b>17,850</b>	<b>17,850</b>
Children receiving services through the Department of Public Welfare							
Current	8,881	9,734	9,734	9,734	9,734	9,734	9,734
<b>Program Revision</b>			<b>10,340</b>	<b>10,340</b>	<b>10,340</b>	<b>10,340</b>	<b>10,340</b>

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Education Early Intervention</b></p> <p>\$ 1,000 —to provide services for 1,850 previously unserved children. In addition, the Federal preschool grant program will provide approximately \$2,400 for each of these children.</p>	<p><b>Public Welfare Early Intervention</b></p> <p>\$ 638 —to provide services for 606 additional children currently on waiting lists.</p>
	<p><u>\$ 1,638</u> <i>Program Revision Total</i></p>

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
<b>EDUCATION</b>							
Early Intervention			\$ 1,000	\$ 1,015	\$ 1,030	\$ 1,046	\$ 1,061
<b>PUBLIC WELFARE</b>							
Early Intervention			\$ 638	\$ 1,276	\$ 1,302	\$ 1,328	\$ 1,354
<b>TOTAL GENERAL FUND</b>			<u>\$ 1,638</u>	<u>\$ 2,291</u>	<u>\$ 2,332</u>	<u>\$ 2,374</u>	<u>\$ 2,415</u>

## Program Revision: For the Improvement of Teaching

Governor Casey has made a commitment to improving the teaching profession by enforcing stricter standards for certification, rewarding improvement and removing incompetent teachers. In 1988-89, the minimum teacher salary was raised to \$18,500, the School Performance Incentives Program was implemented to reward schools demonstrating overall student improvements, individual schools began to implement lead teacher programs and a loan forgiveness program was initiated to encourage college graduates to teach in urban and rural areas of the State. These programs will be continued and expanded in 1989-90.

The School Performance Incentives Program was implemented in 1988-89 to reward schools that show significant educational improvements. Improvement is measured by increased scores on achievement tests, an increased proportion of students continuing their education in grades seven through twelve and an increased proportion of students prepared to go on to higher education based on the number of students taking the Scholastic Aptitude Test. The criteria for awarding incentives is based on improvement in the individual school's performances as opposed to a comparison with other schools. This Program Revision provides an additional \$2.5 million to increase the amount available for incentive payments.

In 1986, Pennsylvania legislated changes in the standards for the teaching profession by requiring stricter standards for permanent

certification and continuing professional development. In order to meet these new requirements, schools are beginning to designate lead teachers to be coaches for newer, less experienced teachers, providing both teachers with a chance for professional interaction and a chance to enhance the educational environment of the school. This Program Revision provides \$500,000 for the establishment of three lead teacher training centers in 1989-90 by making competitive grants to colleges and universities, school districts and intermediate units. These consortia will train lead teachers. The program will use school districts as sites for four week training programs that will provide lead teachers with formalized training in leadership skills as well as knowledge of the latest teaching materials and methods. In 1989-90, an anticipated 50 school districts will send 360 designated teachers for training.

The Urban and Rural Loan Forgiveness Program, administered by the Higher Education Assistance Agency, forgives loans for new teachers in designated urban and rural public and nonpublic schools. For each academic year that a new teacher is a full-time teacher, a portion of the loan will be paid so that the debt will be forgiven in four years. Up to \$2,500 will be forgiven in one year with a total loan forgiveness of \$10,000 per teacher. This Program Revision will provide funding for the second year of the program.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Lead teacher training centers							
Current							
Program Revision			3	3	3	3	3
Lead teachers completing a four week training program							
Current							
Program Revision			360	360	360	360	360
School districts using teachers trained at lead teacher training centers							
Current							
Program Revision			50	50	50	50	50
Loan Forgiveness grants available for teachers in urban and rural schools							
Current		566	566	566	566	566	566
Program Revision			1,039	1,039	1,039	1,039	1,039
Average forgiveness payments							
Current		\$1,765	\$1,765	\$1,765	\$1,765	\$1,765	\$1,765
Program Revision			\$1,930	\$1,930	\$1,930	\$1,930	\$1,930

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Department of Education For the Improvement of Teaching</b></p> <p>\$ 500 —to establish three lead teacher training centers.</p> <p><b>School Performance Incentive</b></p> <p>\$ 2,500 —to increase the amount of funding available for incentive payments.</p>	<p><b>Higher Education Assistance Agency Loan Forgiveness</b></p> <p>\$ 1,049 —to provide urban and rural loan forgiveness grants for an additional 470 teachers.</p> <p>\$ 4,049 <i>Program Revision Total</i></p>
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# EDUCATION

## Program Revision: For the Improvement of Teaching (continued)

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>GENERAL FUND:</b>							
EDUCATION							
For the Improvement of Teaching .....	.....	.....	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
School Performance Incentives .....	.....	.....	2,500	16,500	16,500	16,500	16,500
	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<b>TOTAL EDUCATION .....</b>	<u>.....</u>	<u>.....</u>	<u>\$ 3,000</u>	<u>\$ 17,000</u>	<u>\$ 17,000</u>	<u>\$ 17,000</u>	<u>\$ 17,000</u>
HIGHER EDUCATION ASSISTANCE							
AGENCY							
Loan Forgiveness .....	.....	.....	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049	\$ 1,049
	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
<b>TOTAL GENERAL FUND .....</b>	<u>.....</u>	<u>.....</u>	<u>\$ 4,049</u>	<u>\$ 18,049</u>	<u>\$ 18,049</u>	<u>\$ 18,049</u>	<u>\$ 18,049</u>

## Program Revision: Revised State Testing

Currently, school districts participate in the Testing for Essential Learning Skills (TELS) in grades 3, 5 and 8, the Educational Quality Assessment (EQA) test, and individually selected tests to identify students in need of special education and other tests to measure student performance. The only testing that all districts are mandated to provide is the TELS test. Due to the increasing demand for teacher accountability and student performance, it is critical that the department provide a Statewide achievement measure. This Program Revision will revise the Pennsylvania testing program so that coordinated, more cost-efficient, and less time consuming testing is available to school districts. By 1990-91, basic skills testing will be available in grades 2 through 10 when a measure of the student's individual progress and needs are most critical in the basic education process.

In 1988-89, the Department of Education will develop new tests,

scoring and reporting to measure basic reading and math skills for six additional grades. Test scores will be provided to districts on a student-by-student basis and will be compatible with national scores. Once the basic skills tests are in place, the testing system will be expanded to include science, health and writing assessment and eventually critical thinking and other cognitive skills.

The revised testing program will eliminate the need for specialized tests. Scores that determine a student's need for special programs will be established according to State and Federal guidelines thus reducing both school district and State administrative activities. In addition, expanded standardized testing will provide a more frequent and uniform evaluation of a student's progress enabling him to be placed in a curriculum suited for his individual needs.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Students tested							
Current .....	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Program Revision .....	.....	.....	1,005,000	1,005,000	1,005,000	1,005,000	1,005,000
Grade levels assessed							
Current .....	3	3	3	3	3	3	3
Program Revision .....	.....	.....	9	9	9	9	9

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Revised State Testing**  
 \$ 800 —to consolidate and expand current Statewide testing programs.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Revised State Testing .....	.....	.....	\$ 800	\$ 800	\$ 800	\$ 800	\$ 800

## Program Revision: Special Education — Payments to School Districts

Since the early 1980s, school districts and intermediate units have been spending more for special education than has been appropriated by the General Assembly. Given that intermediate units are paid in advance of services being provided and school districts are reimbursed after services are provided, this overspending resulted in school districts being reimbursed for prior year expenses out of the following year's special education appropriation.

Left unchecked, the Department of Education projects that without substantial increases in special education funding, a State program funding deficit of \$90 million will result from this overspending by June 1990.

This Program Revision recommends two steps to deal with this problem. First, that a supplemental appropriation of \$25 million be provided for the current year and that the balance of the overspending be paid off in installments of \$12 million a year. The first \$12 million

installment is to be made in 1989-90.

Second, in order to prevent a reoccurrence of this problem, the department will implement controls to insure a realistic estimate of the cost of providing public school special education programs. The department is charged with the responsibility of reviewing and approving plans to insure that appropriate special education is provided to those students requiring such services. The department is further charged with the responsibility of reviewing special education budgets to see that they conform to submitted plans and that the funding requested is reasonable. The current planning and budgeting process does not allow the department to meet either of these responsibilities. This Program Revision proposes that a special education planning and budgeting system be established to insure departmental compliance with these responsibilities.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Amounts paid for prior year liabilities (thousands)							
Current							
<b>Program Revision</b>		<b>\$25,000</b>	<b>\$12,000</b>	<b>\$12,000</b>	<b>\$12,000</b>	<b>\$12,000</b>	<b>\$12,000</b>

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>Special Education — Payments to School Districts</b>
\$12,000	—for installment payments to cover past Special Education expenditures in excess of appropriations.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Special Education — Payments to School Districts		<u>\$ 25,000</u>	<u>\$12,000</u>	<u>\$12,000</u>	<u>\$12,000</u>	<u>\$12,000</u>	<u>\$12,000</u>

## Program Revision: Dropout Prevention

In each of the past eight years, an average of over 22,000 Pennsylvania students have dropped out of high school; a dropout rate of more than 21 percent. In 1987, Successful Student Partnerships, a program to prevent students from dropping out of school was initiated. In 1988-89, 22 schools participated in the program. This Program Revision will double the number of participating schools.

Competitive grants are provided to school districts to encourage, develop and coordinate school and community services. These services may include personal counseling, career counseling, job placement, health coordination and academic support. School districts are required to seek private sector partnerships for support and assistance, to provide outreach services to parents and to ensure follow-up and case

management to students receiving services. Existing programs will be encouraged to become self-sufficient through community participation so that more schools can be awarded grants.

Schools presently operating programs have demonstrated that when students at risk of dropping out are targeted early in the educational process, the drop out rate can be reduced to three percent compared to the Statewide average of 21 percent. In addition, 30 percent of the students increased their attendance, 43 percent increased their grade point average, and 25 percent showed a decrease in the need for disciplinary referrals. An additional 4,400 students will be targeted for help in 1989-90.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Schools with dropout prevention programs							
Current	18	22	25	28	31	34	37
<b>Program Revision</b>			<b>44</b>	<b>47</b>	<b>50</b>	<b>53</b>	<b>56</b>
Students Served							
Current	3,662	4,162	4,462	4,762	5,062	5,362	5,662
<b>Program Revision</b>			<b>8,862</b>	<b>9,162</b>	<b>9,462</b>	<b>9,762</b>	<b>10,062</b>

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Dropout Prevention**  
 \$ 750 —to provide grants to 22 additional schools for dropout prevention programs.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Dropout Prevention			\$ 750	\$ 750	\$ 750	\$ 750	\$ 750

# EDUCATION

**PROGRAM OBJECTIVE:** To improve the employment capabilities of those persons in the Commonwealth who are unemployed or underemployed.

## Program: Job Training

This program includes funding for the Job Training Partnership, Customized Job Training Program, and programs offered through Thaddeus Stevens State School of Technology, Berean Training and Industrial School, Johnson Technical Institute, and Williamson Free School of Mechanical Trades.

Under the Federal Job Training Partnership Act, State government, local government and the private sector work cooperatively in the development, planning and implementation of programs. Eight percent of funds under Title II-A of the act are earmarked for involvement of the education community in providing vocational skills training, counseling and remedial services to participants with matching funds provided from State and local sources. Up to 20 percent of the education funds can be used for coordination and linkage activities between education

institutions and entities responsible for local administration of employment and training services.

The Customized Job Training Program supplies firms with workers specifically trained for available jobs as well as training current employees in the use of new technologies. Customized Job Training plays an important role in creating and fostering an environment suitable to economic growth.

Thaddeus Stevens State School of Technology provides vocational training to indigent youths at State expense. Berean Training and Industrial School offers one and two year post secondary trade and technical training. Johnson Technical Institute and Williamson Free School of Mechanical Trades provide secondary three year technical programs.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Providers offering economic development training plans . . . . .	275	275	275	275	275	275	275
Trainees enrolled in economic development training programs . . . . .	33,182	32,625	32,600	32,550	32,500	32,500	32,500
Trainees completing instruction . . . . .	21,416	21,300	21,300	21,300	21,300	21,300	21,300
Trainees placed in jobs . . . . .	17,000	17,500	17,500	17,400	17,400	17,400	17,400
Stevens enrollments . . . . .	437	399	440	440	440	440	440
Berean enrollments . . . . .	195	200	200	200	200	200	200
Johnson enrollments . . . . .	417	423	429	484	502	523	537
Williamson enrollments . . . . .	210	210	225	230	245	250	250

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>JTPA—Matching Funds</b></p> <p>\$ 100 —funding level assumes 1988-89 appropriation is made continuing.</p>	<p><b>Thaddeus Stevens State School of Technology</b></p> <p>\$ -321 —nonrecurring projects.</p> <p>250 —for deferred maintenance projects.</p> <p>250 —for vocational training equipment.</p> <p>280 —to continue current program.</p> <p><u>\$ 459</u> <i>Appropriation Increase</i></p>
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### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
JTPA—Matching Funds . . . . .	\$ 7,000	\$ 5,600	\$ 5,700	\$ 5,700	\$ 5,700	\$ 5,700	\$ 5,700
Customized Job Training . . . . .	13,488	15,500	15,500	15,500	15,500	15,500	15,500
Thaddeus Stevens State School of Technology . . . . .	3,388	3,874	4,333	4,571	4,822	5,087	5,367
State—Aided Institutions . . . . .	1,229	1,321	1,295	1,295	1,295	1,295	1,295
<b>TOTAL GENERAL FUND . . . . .</b>	<u>\$ 25,105</u>	<u>\$ 26,295</u>	<u>\$ 26,828</u>	<u>\$ 27,066</u>	<u>\$ 27,317</u>	<u>\$ 27,582</u>	<u>\$ 27,862</u>

*PROGRAM OBJECTIVE: To provide and improve library services to citizens of the Commonwealth, special libraries, and agencies and employes of government.*

## Program: Library Services

This program includes funding to support and improve State and local library services and to insure access to these services by citizens of the Commonwealth. The program includes: the State Library, Library Projects, Improvement of Library Services, Library Services for the Blind and Handicapped, Library Access, and the School Library Catalog.

The State Library is the agency of the Commonwealth charged with developing, improving and coordinating library services and systems in the State. It provides statewide leadership in the development of libraries as essential contributors to cultural and economic well being of Pennsylvania communities.

The appropriation for Improvement of Library Services encourages local libraries to meet the information, education, and recreation needs of the Commonwealth. These funds assist in supporting 28 district libraries making their resources and services available to all residents of their respective areas on behalf of the Commonwealth. In addition, they support four regional resource center libraries, which are designed by State law to acquire research collections, and make them available to all residents.

Library Services for the Blind and Physically Handicapped provides operating funds to Pennsylvania's regional libraries for direct mail services to Pennsylvania residents who are blind and physically handicapped and cannot utilize regular print materials. Seventy percent of the users of this program are elderly persons who are often homebound and isolated with no other access to the world of books. The service is provided through contracts with the Carnegie Library of Pittsburgh and the Free Library of Philadelphia.

The Library Access Program allows people to use any participating public library no matter where they live; libraries are reimbursed for the cost of lending books to people living outside their service area.

The School Library Catalog Program provides students and teachers with information about library holdings across the Commonwealth. It provides students and teachers with access to books, journals, and other information held by any participating school, college or university. The program's objective is to increase access to educational materials and to automate the time consuming management functions of Pennsylvania school libraries.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Percentage of State population served by State-aided libraries .....	98%	98%	98.3%	98.5%	98.6%	98.7%	98.8%
Items lent (in thousands) .....	44,080	45,580	47,580	50,080	53,080	56,265	59,641
Titles in State Library collection listed in machine readable catalog data base ..	497,000	522,000	547,000	572,000	597,000	622,000	648,000
Patron queries handled by State Library staff .....	138,000	138,000	138,000	138,000	138,000	138,000	138,000
Items loaned under the statewide library card system .....	4,000	6,000	6,200	6,300	6,400	6,500	6,600
Citizens served by Access Pennsylvania database .....	382,576	455,900	537,447	617,447	697,447	777,447	857,447

# EDUCATION

## Program: Library Services (continued)

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

\$ 207	<b>State Library</b> —to continue current program.	\$ 1,000	<b>Library Access</b> —to provide full year funding for new libraries brought into the program during 1988-89.
\$ 645	<b>Improvement of Library Services</b> —to continue current program.	\$ 100	<b>School Library Catalog</b> —to permit more schools to add their resources to the data base.
\$ 150	<b>Library Services for the Blind and Handicapped</b> —to continue current program, add new equipment and purchase large print books.	\$ -100	<b>College of Physicians</b> —nonrecurring project.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
State Library .....	\$ 2,583	\$ 2,781	\$ 2,988	\$ 3,152	\$ 3,325	\$ 3,508	\$ 3,701
Improvement of Library Services .....	20,475	21,500	22,145	22,145	22,145	22,145	22,145
Library Services for the Blind and Handicapped .....	1,626	1,789	1,939	1,939	1,939	1,939	1,939
Library Access .....	2,000	3,000	4,000	4,000	4,000	4,000	4,000
School Library Catalog .....	350	500	600	600	600	600	600
College of Physicians .....	100	100	.....	.....	.....	.....	.....
Library Projects .....	430	.....	.....	.....	.....	.....	.....
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 27,564</b>	<b>\$ 29,670</b>	<b>\$ 31,672</b>	<b>\$ 31,836</b>	<b>\$ 32,009</b>	<b>\$ 32,192</b>	<b>\$ 32,385</b>

# EDUCATION

**PROGRAM OBJECTIVE:** To fulfill Pennsylvania's requirements for graduates of higher education programs, to respond to the demands of students for higher education, and to support the public institutions providing those programs.

## Program: Higher Education

Higher education in Pennsylvania is provided through 243 degree granting institutions which include the State System of Higher Education, the four State-related universities, 11 State-aided colleges and universities, the community colleges, and the Commonwealth's independent colleges, universities, and specialized degree granting institutions.

Funding for these institutions is through the direct grant appropriations and, for most of the independent sector, through the Institutional Assistance Grants and student support programs of the Higher Education Assistance Agency.

**Table 1**  
Full-Time Equivalent Enrollments at State-Supported Institutions of Higher Education, Actual and Projected\*

Institutional Category	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
State System of Higher Education . . . . .	84,156	85,778	86,824	87,669	88,417	89,149	89,625
State-related Universities . . . . .	118,505	119,874	124,928	124,876	124,872	124,789	124,737
Community Colleges . . . . .	61,010	63,679	60,192	60,966	61,782	62,549	63,307
State-Aided Institutions . . . . .	38,106	38,602	38,865	39,081	38,918	39,265	39,550
<b>TOTAL . . . . .</b>	<b>301,777</b>	<b>307,933</b>	<b>310,809</b>	<b>312,592</b>	<b>313,989</b>	<b>315,752</b>	<b>317,219</b>

\*For 1989-90 and future years reflects transfer of Williamsport Area Community College from the Community College category to the State-related category due to affiliation with the Pennsylvania State University.

### Program Element: State System of Higher Education

Funding for the fourteen universities of the State System of Higher Education is distributed through the Chancellor's office to the individual universities in accordance with a formula which considers the enrollment and programs of the school and the cost of operating and maintaining the individual campuses. The universities provide a broad liberal arts curriculum but each has a specific mission; some in health sciences, others in technologies or teacher education. Most offer the Masters degree level in some of their programs. The system has established the Academy for the Profession of Teaching to provide research in teaching methods and a forum for discussion of teaching methods and issues.

### Program Element: Community Colleges

Funding for the community colleges is shared by the sponsoring counties or school districts, the students through tuition payments, and the Commonwealth. Commonwealth appropriations are based on a formula which considers the number of students enrolled, the number in each of several technical programs for which additional stipends are paid to recognize the high cost of those programs, and the capital costs of the college. The colleges offer two-year liberal arts curricula for transfer to other institutions and two-year programs in technologies or other vocational areas which culminate in an associate degree or certificate. Effective July 1, 1989, the Williamsport Area Community College and the Pennsylvania State University plan to affiliate. The successor to Williamsport is shown in this budget as a new State-related entity for the budget year. Funding is continued through the Department of Education for capital obligations of the Commonwealth on college properties.

### Program Element: State-related Universities

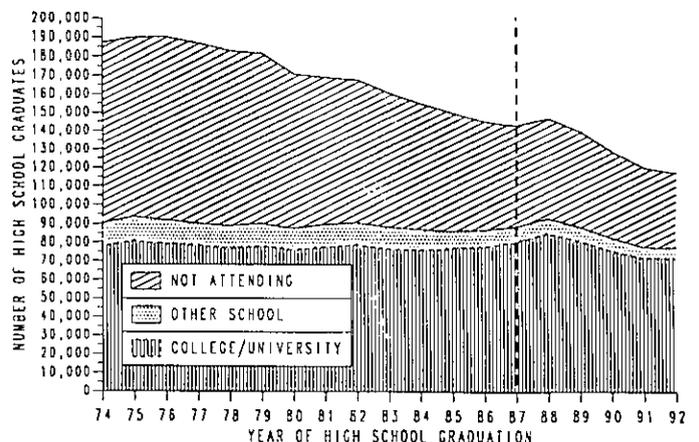
Funding for the four State related universities—The Pennsylvania State University, The University of Pittsburgh, Temple University, and Lincoln University provides basic support for the educational program. The first three, generally grouped as the Commonwealth Universities,

are major research universities; they provide programs to the doctoral level in the arts and sciences and professional schools in medical and legal fields.

### Program Element: State-aided Colleges and Universities

Aid to the eleven State aided colleges and universities provides support for a varied group of programs in agriculture, medicine, physical sciences, technology, and the arts. The University of Pennsylvania is a major research university and is supported by a variety of appropriations supporting its general programs, medical fields which include the only veterinary science school in the State, and others.

**Figure 1**  
High School Graduates Continuing Study in a Degree-Granting Institution with Projections for 1988 Through 1992



# EDUCATION

## Program: Higher Education (continued)

### Enrollment and Degree Programs:

Enrollment in State-supported institutions is expected to increase by a little more than three percent over the next five years but that trend differs from one sector to another. The enrollment is affected by two factors: the population of college age students continues its decline but the impact of the decrease is offset by increases in attendance of older students and part-time students.

There is concern about the number of Pennsylvania high school graduates who choose not to attend college. In 1987, it is projected that of 144,400 high school graduates only 79,450 or 55 percent will attend college and another five percent will be involved in other postsecondary

education. This is a substantial improvement over 1985 when only 51 percent of high school graduates attended college. The chart shows that while there is cause for concern in the numbers of graduates not attending postsecondary education, the statistics have improved steadily over the past ten years.

The Pennsylvania Association of Colleges and Universities (PACU), the Higher Education Assistance Agency, and the Department of Education are all working with school districts to disseminate information to students and their parents about the importance of postsecondary education, the choices available to students, the financial aid available and the high school preparation required.

**Table 2**  
**State-Supported Institution FTE Enrollments by Subject Area**

Subject Area	Number and Percent of Total	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	Percent Change
		Actual	Projected	Projected	Projected	Projected	Projected	Projected	
Agricultural and Renewable Natural Resources	#	2,909	2,983	3,006	3,017	3,013	2,993	2,980	2.44
	%	0.96	0.97	0.97	0.97	0.96	0.95	0.94	
Arts and Letters	#	43,059	44,002	44,487	44,790	45,104	45,423	45,688	6.11
	%	14.27	14.29	14.31	14.33	14.36	14.39	14.40	
Business, Management, Data Processing	#	64,776	66,734	67,442	67,895	68,349	68,902	69,327	7.03
	%	21.46	21.67	21.70	21.72	21.77	21.82	21.85	
Communications and Related Technologies	#	9,387	9,632	9,635	9,693	9,709	9,736	9,747	3.84
	%	3.11	3.13	3.10	3.10	3.09	3.08	3.07	
Computer and Information Sciences	#	7,753	7,766	7,786	7,787	7,953	8,003	8,054	3.88
	%	2.57	2.52	2.51	2.52	2.53	2.53	2.54	
Education	#	35,117	35,995	36,510	36,617	36,818	36,999	37,134	5.74
	%	11.64	11.69	11.75	11.71	11.73	11.72	11.71	
Engineering, Architecture and Environmental Design	#	21,286	21,423	21,531	21,573	21,588	21,668	21,746	2.16
	%	7.05	6.69	6.93	6.90	6.88	6.86	6.86	
Engineering and Related Technologies	#	7,431	7,785	7,899	7,986	8,089	8,191	8,268	11.26
	%	2.46	2.53	2.54	2.55	2.58	2.59	2.61	
Health Professions, Health Sciences, and Biological Sciences	#	36,447	37,368	37,754	38,064	38,249	38,479	38,685	6.14
	%	12.08	12.14	12.15	12.18	12.18	12.19	12.20	
Home Economics, Human Services and Public Affairs	#	16,011	16,286	16,433	16,467	16,513	16,494	16,519	3.17
	%	5.31	5.29	5.29	5.27	5.26	5.22	5.21	
Industrial, Repair, Construction and Transport Technologies	#	2,297	2,351	2,470	2,548	2,609	2,668	2,743	19.42
	%	0.76	0.76	0.79	0.82	0.83	0.84	0.86	
Law	#	3,422	3,451	3,444	3,449	3,452	3,455	3,459	-1.08
	%	1.13	1.12	1.11	1.10	1.10	1.09	1.09	
Physical Sciences, Mathematics and Related Technologies	#	15,337	15,367	15,502	15,586	15,587	15,651	15,701	2.37
	%	5.08	4.99	4.99	4.96	4.96	4.95	4.95	
Social Sciences, Psychology, Area Studies and Foreign Languages	#	28,073	28,268	28,390	28,456	28,362	28,462	28,506	1.54
	%	9.30	9.18	9.13	9.10	9.03	9.01	8.99	
Multi-Interdisciplinary Studies/Military Sciences	#	8,472	8,522	8,520	8,564	8,594	8,628	8,662	2.24
	%	2.81	2.77	2.74	2.74	2.74	2.73	2.73	
<b>TOTAL</b>	<b>#</b>	<b>301,777</b>	<b>307,933</b>	<b>310,809</b>	<b>312,592</b>	<b>313,989</b>	<b>315,752</b>	<b>317,219</b>	<b>5.12</b>

## Program: Higher Education (continued)

Along with higher education enrollment size, the mix of enrollments by discipline will shape the future of higher education. Table 2 shows projections of enrollment in the State-supported institutions from 1987-88 through 1993-94. It reflects the increased choices of job-oriented disciplines with good employment rates such as the health professions; engineering, and business. Enrollment in education degree programs is rising more quickly than was anticipated in the past.

A review of fields in which degrees are awarded shows the greatest numbers of four-year degrees are in business including marketing,

education, engineering with emphasis on electrical and mechanical engineering, health sciences including medicine and nursing, and the social sciences including political science and economics, and arts and letters programs.

The public sector institutions in Pennsylvania graduate over 63,000 students annually with degrees ranging from the two-year Associate Degree to doctoral and professional levels. Total Pennsylvania degree graduates from the public and private sector total over 98,000 annually.

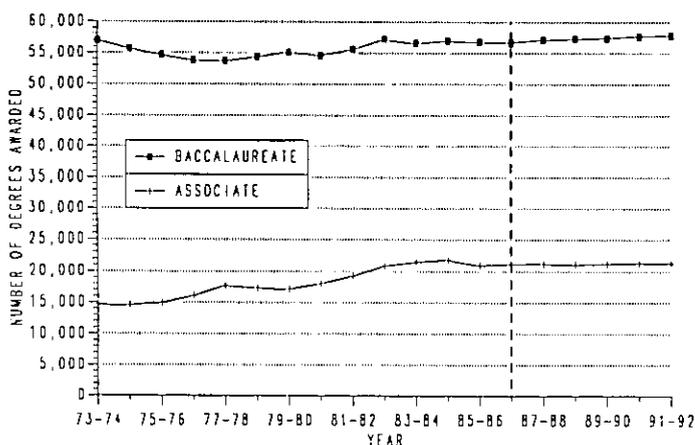
**Table 3**  
Higher Education Degrees Awarded by State-Supported  
Institutions of Higher Education,  
Actual and Projected

Institutional Category	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
State System of Higher Education . . . . .	15,208	15,573	15,803	15,997	16,078	16,201	16,276
State-Related Universities . . . . .	26,706	26,788	27,470	27,560	28,066	28,092	28,106
Community Colleges . . . . .	10,356	10,628	10,294	10,473	10,630	10,786	10,938
State-Aided Institutions . . . . .	10,178	10,312	10,400	10,705	10,569	10,677	10,757
<b>TOTAL . . . . .</b>	<b>62,448</b>	<b>63,301</b>	<b>63,967</b>	<b>64,735</b>	<b>65,343</b>	<b>65,756</b>	<b>66,077</b>

\*For 1989-90 and future reflects transfer of Williamsport Area Community College from the Community College category to the State Related category due to affiliation with the Pennsylvania State University.

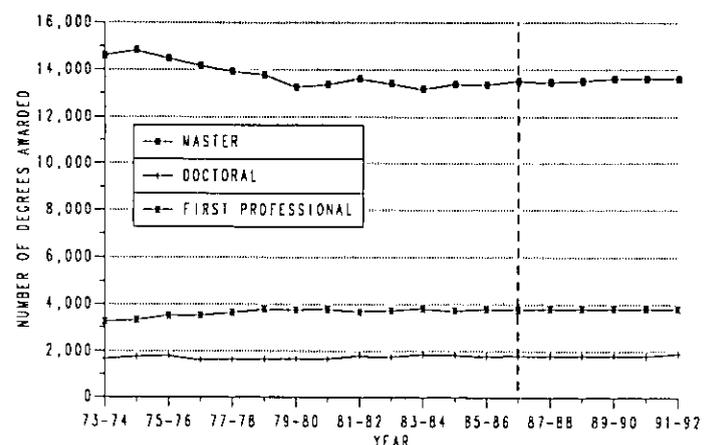
**Figure 2**

**Associate And Baccalaureate Degrees Awarded By  
Higher Education Institutions With Projections  
For 1987-88 To 1991-92**



**Figure 3**

**Degrees Awarded Above the Baccalaureate By  
Higher Education Institutions with Projections  
For 1987-88 To 1991-92**



## Program: Higher Education (continued)

### **Program Element: Support for Educationally Disadvantaged and Minority Students**

The Higher Education Equal Opportunity program provides grants to colleges for tutorial and counseling services for economically and educationally disadvantaged students to aid them in succeeding in college.

The 1983 agreement between the Department of Education and the Federal Office of Civil Rights provided a five-year plan to enhance Cheyney and Lincoln Universities and increase minority enrollment at the other State system and State-related universities. While that agreement has ended, the budget continues the initiative it began. Funding is included to continue to help the major systems with the cost of recruiting and retaining minority students. Funds for the enhancement of Lincoln are continued as part of their education and general appropriation. Funding of \$300,000 is recommended for a new affirmative action initiative for the State System of Higher Education.

### **Program Element: Research**

An essential ingredient for a healthy economy and the creation of new jobs in any region is the existence of vigorous research universities. Regions with the most dynamic economies are those where research and development investments have been heavy. The research university not only provides new ideas, technologies, and products to industry but also educates and motivates graduates to turn those ideas, technologies, and products into industry and jobs.

The Pennsylvania State University is the primary recipient of direct research funds designated by the Commonwealth to support research in agriculture, engineering, biological and physical sciences, earth and mineral sciences, health and human services, and others. Penn State

is the Commonwealth's federally designated Land-Grant university and as such has received funds designated for agricultural research since 1901.

The continued State support for organized research is a means of promoting a responsive position on the ever changing needs of the Commonwealth. In this regard, colleges and universities can play a major role in the economic development of the Commonwealth through the creation of a climate which will attract new high technology industries to the state.

### **Program Element: Community Service**

Public and community services are provided by all sectors of higher education and include short-term courses and workshops and programs in the arts. The bulk of Commonwealth funding in this area supports the Cooperative Extension Service of Penn State. The service offers consultation to any State resident on agricultural or environmental issues. It operates the Agricultural Extension Computer Network which, with a computer in every county extension office, offers a statewide network of information linked to the resources of the main campus.

### **Program Element: Support Services**

The Department of Education provides leadership and support services to all sectors of higher education. Responsibilities include liaison with the national accrediting agencies, the State Board of Education, and other governing boards, policy review and development based on comprehensive planning and research and implementation of the higher education master plan and the Commonwealth of Pennsylvania plan for equal education opportunity. The agency also provides certificates to those seeking teaching certification in Pennsylvania.

## Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Office of Civil Rights reviews of Act 101 grants . . . . .	32	32	32	32	32	32	32
Teacher Certifications . . . . .	25,325	24,000	25,000	25,000	25,000	25,000	25,000
Tests administered for certification . . . . .	10,700	11,000	11,500	11,500	12,000	12,500	12,700
Programs evaluated . . . . .	676	682	682	858	875	890	912
Minority enrollments at public institutions . . . . .	29,377	29,609	30,201	30,805	31,421	32,049	32,056
Students served by Act 101 programs . . . . .	11,980	13,050	13,800	13,950	14,000	14,000	14,000

# EDUCATION

## Program: Higher Education (continued)

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Community Colleges</b> \$ 4,713 —to fund formula driven portions of the subsidy and increase nonmandated capital funding. Does not include funding for Williamsport Area Community College.</p> <p><b>Williamsport Area Community College—Transition</b> \$ 1,168 —to fund costs as calculated under the Community College formula plus \$365,000 for the transitional loss of local revenue.</p> <p><b>Williamsport Area Community College — Capital Obligations</b> \$ -68 —to fund the State share of mandated capital costs of the Williamsport Area Community College.</p> <p><b>Higher Education for the Disadvantaged</b> \$ 276 —to provide a four percent increase in the existing program. Includes funding for part time students.</p> <p><b>Rural Initiatives</b> \$ -300 —to continue current program less nonrecurring projects.</p> <p><b>Higher Education Equipment</b> \$ -14,100 —nonrecurring projects.</p> <p><b>Tuition Cap</b> \$ 15,830 —PRR — Access to Higher Education. Will provide a grant of \$100 per full time resident student to public universities if tuition increases are held at or below \$100. See the Program Revision following this program for further information.</p> <p><b>State System of Higher Education Educational and General</b> \$ 21,812 —PRR — Access to Higher Education. Provides a 7% increase in funds. See the Program Revision following this program for further information.</p> <p><b>State System of Higher Education Affirmative Action and Recruitment of the Disadvantaged</b> \$ 350 —PRR — Affirmative Action. Provides for expanded minority recruitment and retention efforts. See the Program Revision following this program for further information.</p> <p><b>State System of Higher Education McKeever Center</b> \$ -250 —nonrecurring projects.</p> <p><b>State System of Higher Education Desegregation</b> \$ -815 —nonrecurring projects.</p>	<p>\$ -750</p> <p>\$ 152</p> <p>\$ 10,543</p> <p>\$ 50</p> <p>\$ -750</p> <p>\$ 527</p> <p>\$ 168</p> <p>\$ 627</p> <p>\$ 716</p> <p>\$ 176</p> <p>\$ 7,225</p> <p>\$ 50</p> <p>\$ -750</p> <p>\$ 236</p> <p>40</p> <p>\$ 56</p>	<p><b>State System of Higher Education Library Enhancement</b> —nonrecurring projects.</p> <p><b>State System of Higher Education Deferred Maintenance</b> —to continue current program.</p> <p><b>Pennsylvania State University Educational and General</b> —PRR — Access to Higher Education. Provides a 7% increase in funding. See the Program Revision following this program for further information.</p> <p><b>Pennsylvania State University Recruitment of the Disadvantaged</b> —PRR — Affirmative Action. Provides for expanded minority recruitment and retention efforts. See the Program Revision following this program for further information.</p> <p><b>Pennsylvania State University Biotechnology</b> —nonrecurring projects.</p> <p><b>Pennsylvania State University To continue current programs:</b> —Research. —Medical Programs. —Agricultural Extension. —Agricultural Extension. —Elizabethtown Hospital.</p> <p><b>University of Pittsburgh Educational and General</b> —PRR — Access to Higher Education. Provides a 7% increase in funding. See the Program Revision following this program for further information.</p> <p><b>University of Pittsburgh Recruitment of the Disadvantaged</b> —PRR — Affirmative Action. Provides for expanded minority recruitment and retention efforts. See the Program Revision following this program for further information.</p> <p><b>University of Pittsburgh U—PARC</b> —nonrecurring projects.</p> <p><b>University of Pittsburgh To continue current programs:</b> —Medical Programs. —Dental Clinics.</p> <p><b>University of Pittsburgh Titusville Campus</b> —to increase funding by 7 percent.</p>
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# EDUCATION

**Program: Higher Education (continued)**  
**Program Recommendations: (continued)**

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>Temple University</b>		<b>Lincoln University</b>
	<b>Educational and General</b>		<b>Educational and General</b>
\$ 8,016	—PRR — Access to Higher Education. Provides a 7% increase in funding. See the Program Revision following this program for further information.	\$ 582	—PRR — Access to Higher Education. Provides 7% increase in funding. See the Program Revision following this program for further information.
	<b>Temple University</b>		<b>Lincoln University</b>
	<b>Recruitment of the Disadvantaged</b>		<b>Educational and General</b>
\$ 50	—PRR — Affirmative Action. Provides for expanded minority recruitment and retention efforts. See the Program Revision following this program for further information.	\$ 50	—PRR — Affirmative Action. Provides for expanded minority recruitment and retention efforts. See the Program Revision following this program for further information.
	<b>Temple University</b>		<b>State Aided Universities</b>
	<b>Technology Programs</b>		—nonrecurring projects.
\$ -750	—nonrecurring projects.	\$ -1,068	

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Higher Education of the Blind and Deaf . . .	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Community Colleges . . . . .	95,141	103,054	107,767	107,767	107,767	107,767	107,767
Higher Education for the Disadvantaged . . .	6,153	6,899	7,175	7,175	7,175	7,175	7,175
Rural Initiatives . . . . .	900	1,245	945	945	945	945	945
Higher Education Equipment . . . . .		14,100					
Academy of Science . . . . .	100						
Tuition Cap . . . . .			15,830	15,830	15,830	15,830	15,830
State System of Higher Education (SSHE)	300,430	319,594	340,093	340,093	340,093	340,093	340,093
Pennsylvania State University . . . . .	197,661	209,022	221,079	221,079	221,079	221,079	221,079
University of Pittsburgh . . . . .	107,331	112,613	119,470	119,470	119,470	119,470	119,470
Temple University . . . . .	117,787	123,644	131,315	131,315	131,315	131,315	131,315
Lincoln University . . . . .	8,081	8,814	9,446	9,446	9,446	9,446	9,446
Williamsport Area Community College Transition . . . . .	10,019	10,296	11,396	11,288	11,288	11,288	11,288
State-Aided Colleges and Universities . . .	66,779	70,341	69,273	69,273	69,273	69,273	69,273
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 910,432</b>	<b>\$ 979,672</b>	<b>\$ 1,033,839</b>	<b>\$ 1,033,731</b>	<b>\$ 1,033,731</b>	<b>\$ 1,033,731</b>	<b>\$ 1,033,731</b>

## Program Revision: Improving Access to Higher Education

Only 55 percent of Pennsylvania's high school graduates attend college. Those students who do choose to continue their education are having difficulty affording the expense. Many who do graduate face the prospect of paying off higher education debts of up to \$20,000. Nationally, higher education costs have been rising at a rate of 7 to 9 percent per year. At Pennsylvania's public universities, tuition rates have increased annually by an average of 13 percent over the last decade.

This Program Revision recommends two steps to begin controlling higher education costs in our public universities thereby expanding the availability of such training to more Pennsylvanians.

First, a seven percent increase is recommended in 1989-90 for the general education operating programs of the State System of Higher Education (SSHE) and the State-related universities: The Pennsylvania State University, The University of Pittsburgh, Temple University and Lincoln University. This is in keeping with the increases provided in 1988-89.

Second, a challenge grant of \$15.8 million in General Funds is provided to the Department of Education to be allotted to SSHE member universities and the State-related universities as an incentive to limit annual tuition increases during the coming school year. Specifically, a public university will be granted \$100 per full-time resident student from the \$15.8 million appropriation if the institution limits its annual tuition increase to no more than \$100 per student. Those institutions exceeding the \$100 per student tuition cap will receive no funds from the challenge grant. Institutions at or below the \$100 limit will receive funding based on student enrollment counts submitted to the Department of Education subject to audit by the Auditor General.

The seven percent increase proposed for educational and general expenses for each university, plus the funds available from the challenge grant for each institution provides reasonable increases to cover institutional expenses while limiting tuition increases so that more Pennsylvanian's are able to obtain an affordable education.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Students benefitting from tuition cap							
Current .....	.....	.....	.....	.....	.....	.....	.....
Program Revision .....	.....	.....	158,296	158,296	158,296	158,296	158,296

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Education Tuition Cap</b></p> <p>\$ 15,830 —to provide a challenge grant of \$100 per resident full-time student to the State System of Higher Education and the State-related universities.</p>	<p><b>University of Pittsburgh Education and General</b></p> <p>\$ 7,225 —to provide a 7% increase for instructional and operating expenses.</p>
<p><b>State System of Higher Education Education and General</b></p> <p>\$ 21,812 —to provide a 7% increase for instructional and operating expenses.</p>	<p><b>Temple University Education and General</b></p> <p>\$ 8,016 —to provide a 7% increase for instructional and operating expenses.</p>
<p><b>Pennsylvania State University Education and General</b></p> <p>\$ 10,543 —to provide a 7% increase for instructional and operating expenses.</p>	<p><b>Lincoln University Education and General</b></p> <p>\$ 582 —to provide a 7% increase for instructional and operating expenses.</p> <p><b>Program Revision Total</b></p> <p>\$ 64,008</p>

# EDUCATION

## Program Revision: Improving Access to Higher Education (continued)

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
EDUCATION							
Tuition Cap .....			\$ 15,830	\$ 15,830	\$ 15,380	\$ 15,380	15,380
STATE SYSTEM OF HIGHER EDUCATION							
State System of Higher Education ...			21,812	21,812	21,812	21,812	21,812
PENNSYLVANIA STATE UNIVERSITY							
Education and General .....			10,543	10,543	10,543	10,543	10,543
UNIVERSITY OF PITTSBURGH							
Education and General .....			7,225	7,225	7,225	7,225	7,225
TEMPLE UNIVERSITY							
Education and General .....			8,016	8,016	8,016	8,016	8,016
LINCOLN UNIVERSITY							
Education and General .....			582	582	582	582	582
<b>TOTAL GENERAL FUND .....</b>			<b>\$ 64,008</b>	<b>\$ 64,008</b>	<b>\$ 64,008</b>	<b>\$ 64,008</b>	<b>\$ 64,008</b>

## Program Revision: Recruitment of the Disadvantaged

In 1983, Pennsylvania entered into an agreement with the Federal Office of Civil Rights to increase minority enrollments at State System and State-related universities. Although the five year plan ended in 1988, each institution has maintained a commitment to increasing its minority participation. Increasing minority participation at these public institutions is important because 79 percent of these students entering college are attending two and four year public colleges. This Program Revision will increase State funding for the State System of Higher Education, The Pennsylvania State University, Temple University, the University of Pittsburgh and Lincoln University for programs designed to recruit and retain disadvantaged students and faculty.

These programs are targeted at not only recruiting disadvantaged

students but also preparing them for the college environment through remedial instruction and summer programs. In addition, financial support is often provided to create and promote opportunities for women and other under-represented minorities. Other initiatives are aimed at providing these students with retention programs to assist them in obtaining their degrees including counseling, tutoring, and summer employment.

Minority faculty are also under-represented at these universities. This Program Revision encourages the universities to provide programs to initiate doctoral study and post-doctoral programs that will systematically identify and nurture professional growth for entry into the college teaching profession.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Minority enrollments at public Institutions							
Current .....	29,377	29,609	29,841	30,073	30,305	30,537	30,769
<b>Program Revision .....</b>	<b>.....</b>	<b>.....</b>	<b>30,201</b>	<b>30,805</b>	<b>31,421</b>	<b>32,049</b>	<b>32,056</b>

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>State System of Higher Education</b> <b>Affirmative Action</b></p> <p>\$ 300 —to initiate innovative programs for the recruitment and retention of minority students and faculty.</p> <p><b>Recruitment of Disadvantaged</b></p> <p>\$ 50 —to increase funds for recruitment and retention programs for the disadvantaged.</p> <p><b>Penn State University</b> <b>Recruitment of Disadvantaged</b></p> <p>\$ 50 —to increase funds for recruitment and retention programs for the disadvantaged.</p>	<p><b>University of Pittsburgh</b> <b>Recruitment of Disadvantaged</b></p> <p>\$ 50 —to increase funds for recruitment and retention programs for the disadvantaged.</p> <p><b>Temple University</b> <b>Recruitment of Disadvantaged</b></p> <p>\$ 50 —to increase funds for recruitment and retention programs for the disadvantaged.</p> <p><b>Lincoln University</b> <b>Recruitment of Disadvantaged</b></p> <p>\$ 50 —to increase funds for recruitment and retention programs for the disadvantaged.</p>
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### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
STATE SYSTEM OF HIGHER EDUCATION							
Affirmative Action .....			\$ 300	\$ 300	\$ 300	\$ 300	\$ 300
Recruitment of Disadvantaged .....			50	50	50	50	50
PENN STATE UNIVERSITY							
Recruitment of Disadvantaged .....			50	50	50	50	50
UNIVERSITY OF PITTSBURGH							
Recruitment of Disadvantaged .....			50	50	50	50	50
TEMPLE UNIVERSITY							
Recruitment of Disadvantaged .....			50	50	50	50	50
LINCOLN UNIVERSITY							
Recruitment of Disadvantaged .....			50	50	50	50	50
<b>TOTAL GENERAL FUND .....</b>			<b>\$ 550</b>	<b>\$ 550</b>	<b>\$ 550</b>	<b>\$ 550</b>	<b>\$ 550</b>



**Commonwealth of Pennsylvania**

# **Emergency Management Agency**

The Pennsylvania Emergency Management Agency develops and maintains a comprehensive plan and program for the civil defense of the Commonwealth. Primarily, the plan calls for the protection of life and property both under enemy attack and in the event of natural disasters and man-made disasters. The agency also provides loans to volunteer fire, ambulance and rescue companies, and coordinates State fire services.

# EMERGENCY MANAGEMENT AGENCY

## PROGRAM REVISION

Budgeted Amounts Include the Following Program Revision:

Appropriation	Title	1989-90 State Funds (in thousands)
<b>GENERAL FUND</b>		
General Government Operations	Hazardous Materials Response Program .....	\$ 300
<p>This is part of a \$625,000 Program Revision entitled Hazardous Materials Response Program. It will enable the agency to provide 24-hour emergency response coverage at its Emergency Operations Center in conjunction with the Federal Superfund Amendments and Reauthorization Act (SARA Title III).</p>		
DEPARTMENT TOTAL .....		<u>\$ 300</u>

# EMERGENCY MANAGEMENT AGENCY

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
<b>General Government Operations</b> .....	\$ 1,808	\$ 2,473	\$ 3,693
(F) Civil Preparedness .....	2,764	2,494	2,200
(F) Flash Flood Project — Warning System .....	546	501	300
(F) Rescue Training .....	5	.	.
(A) Nuclear Facility .....	95	100	100
Total — General Government Operations .....	<u>\$ 5,218</u>	<u>\$ 5,568</u>	<u>\$ 6,293</u>
<b>Office of Fire Safety</b> .....	869	887	936
(F) Fire Prevention .....	9	30	.
(F) Fire Safety for Older Persons .....	.	150	.
(A) Arson Fines .....	.	1	2
Total — Office of Fire Safety .....	<u>\$ 878</u>	<u>\$ 1,068</u>	<u>\$ 938</u>
Subtotal — State Funds .....	2,677	3,360	4,629
Subtotal — Federal Funds .....	3,324	3,175	2,500
Subtotal — Augmentations .....	95	101	102
Total — General Government .....	<u>\$ 6,096</u>	<u>\$ 6,636</u>	<u>\$ 7,231</u>
<b>GRANTS AND SUBSIDIES:</b>			
<b>Emergency and Disaster Relief — Oil Spill</b> .....	\$ 2,000	.	.
Total — Grants and Subsidies .....	<u>\$ 2,000</u>	<u>.</u>	<u>.</u>
<b>CAPITAL IMPROVEMENTS:</b>			
<b>State Fire Academy</b> .....	\$ 1,800	.	.
STATE FUNDS .....	\$ 6,477	\$ 3,360	\$ 4,629
FEDERAL FUNDS .....	3,324	3,175	2,500
AUGMENTATIONS .....	95	101	102
<b>GENERAL FUND TOTAL</b> .....	<u>\$ 9,896</u>	<u>\$ 6,636</u>	<u>\$ 7,231</u>
<b>OTHER FUNDS</b>			
<b>GENERAL FUND:</b>			
Disaster Relief Assistance .....	\$ 59	\$ 50	\$ 50
Contributions for Civil Defense .....	.	50	50
Emergency Management and Disaster Assistance .....	5,775	4,000	4,000
Radiological Emergency Response Planning .....	.	400	400
Radiation Emergency Response Fund .....	559	531	542
Radiation Transportation Emergency Response Fund .....	.	114	147
Metropolitan Edison — TMI Plea Agreement .....	4	34	.
Hazardous Materials Counties Payments .....	.	.	750
Hazardous Materials Grants .....	.	.	880
<b>OTHER FUNDS TOTAL</b> .....	<u>\$ 6,397</u>	<u>\$ 5,179</u>	<u>\$ 6,819</u>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUNDS .....	\$ 6,477	\$ 3,360	\$ 4,629
FEDERAL FUNDS .....	3,324	3,175	2,500
AUGMENTATIONS .....	95	101	102
OTHER FUNDS .....	6,397	5,179	6,819
<b>TOTAL — ALL FUNDS</b> .....	<u>\$ 16,293</u>	<u>\$ 11,815</u>	<u>\$ 14,050</u>

# EMERGENCY MANAGEMENT AGENCY

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>EMERGENCY MANAGEMENT</b>							
General Funds.....	\$ 3,808	\$ 2,473	\$ 3,693	\$ 2,999	\$ 3,164	\$ 3,338	\$ 3,522
Federal Funds.....	3,315	2,995	2,500	2,240	2,135	2,035	1,940
Other Funds.....	6,492	5,279	6,919	6,953	6,724	6,746	6,769
<b>TOTAL.....</b>	<b>\$ 13,615</b>	<b>\$ 10,747</b>	<b>\$ 13,112</b>	<b>\$ 12,192</b>	<b>\$ 12,023</b>	<b>\$ 12,119</b>	<b>\$ 12,231</b>
<b>FIRE PREVENTION AND SAFETY</b>							
General Funds.....	\$ 2,669	\$ 887	\$ 936	\$ 987	\$ 1,041	\$ 1,098	\$ 1,158
Federal Funds.....	9	180	0	0	0	0	0
Other Funds.....	0	1	2	2	2	2	2
<b>TOTAL.....</b>	<b>\$ 2,678</b>	<b>\$ 1,068</b>	<b>\$ 938</b>	<b>\$ 989</b>	<b>\$ 1,043</b>	<b>\$ 1,100</b>	<b>\$ 1,160</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 6,477	\$ 3,360	\$ 4,629	\$ 3,986	\$ 4,205	\$ 4,436	\$ 4,680
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	3,324	3,175	2,500	2,240	2,135	2,035	1,940
OTHER FUNDS.....	6,492	5,280	6,921	6,955	6,726	6,748	6,771
<b>TOTAL.....</b>	<b>\$ 16,293</b>	<b>\$ 11,815</b>	<b>\$ 14,050</b>	<b>\$ 13,181</b>	<b>\$ 13,066</b>	<b>\$ 13,219</b>	<b>\$ 13,391</b>

# EMERGENCY MANAGEMENT AGENCY

*PROGRAM OBJECTIVE: To develop and maintain a statewide emergency force capable of immediate and effective action in event of natural disasters and rapid organizational expansion to cope with technological emergencies.*

## Program: Emergency Management

This program provides essential services and facilities during emergencies, coordinates State, county and local activities associated with emergency services and coordinates Pennsylvania's civil defense operations with those of other states through the Federal Emergency Management Program.

The Pennsylvania Emergency Management Agency (PEMA) has developed a basic organization designed on the National Governors Association model of comprehensive emergency management. A multi-agency training program is designed to develop and maintain a Statewide emergency force composed of State, county and local units jointly capable of: (a) prompt and effective action aimed at the protection of life and property and the alleviation of human suffering and hardship resulting from natural and man-made disasters and (b) rapid organizational expansion required for civil defense.

The Commonwealth's civil preparedness and response capability in the event of emergencies is provided through the maintenance of a Statewide assessment, planning, warning, training and education, communications and radiation-monitoring network and the nucleus of an organization to facilitate deployment of resources to protect life and property. Federal, State, county and local emergency management

activities and training are coordinated through this program. PEMA is responsible for county, municipal and state planning and response around nuclear power plants. This program involves 49 counties.

Counties are required to have an approved emergency program plan consisting of: (1) a statement of accomplishments; (2) required financial needs; (3) hazard vulnerability; and (4) goals indicating projected activity. The Federal Emergency Management Agency (FEMA) now requires an annual review and update of emergency operations plans.

Recent additional requirements of the Environmental Protection Agency under the Federal Superfund Amendments and Reauthorization Act (SARA Title III) involve upgrading chemical emergency preparedness plans. Responsibilities for preparedness involve PEMA, county governments and chemical manufacturers.

An area of increasing emphasis is that of readiness training at the county and local level as measured through a comprehensive exercise program. With the development of a much more extensive and integrated program of training, exercises and tests, the ability of the county and local forces to provide a comprehensive and coordinated first line response to emergency conditions has been greatly enhanced at a relatively low cost.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>General Government Operations</b>	
\$	-229 —nonrecurring projects.
	299 —to continue current program.
	850 —to complete expansion of the satellite communications system to insure communications with each county in the event of a disaster.
	300 —PRR — Hazardous Materials Response Program. To provide 24-hour emergency response coverage at the Emergency Operations Center in conjunction with the Federal Superfund Amendments and Reauthorization Act (SARA Title III). See the Program Revision following this program for further information.
\$	1,220 <i>Appropriation Increase</i>

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations . . . . .	\$ 1,808	\$ 2,473	\$ 3,693	\$ 2,999	\$ 3,164	\$ 3,338	\$ 3,522
Emergency and Disaster Relief — Oil Spill . . . . .	2,000						
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 3,808</b>	<b>\$ 2,473</b>	<b>\$ 3,693</b>	<b>\$ 2,999</b>	<b>\$ 3,164</b>	<b>\$ 3,338</b>	<b>\$ 3,522</b>

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# EMERGENCY MANAGEMENT AGENCY

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## Program Revision: Hazardous Materials Response Program

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Over 230,000 Pennsylvania businesses use or store hazardous chemicals. It is necessary to organize information about those chemicals and develop procedures to advise emergency response teams and municipal authorities about how to respond to a hazardous chemical accident. The Pennsylvania Emergency Management Agency (PEMA) is charged with coordinating the response of Commonwealth agencies to any disaster which occurs in Pennsylvania. All businesses and agencies that store or use hazardous chemicals submit the following information to the Department of Labor and Industry's Bureau of Right-to-Know: material safety data sheets, chemical inventory forms, and toxic release forms. This data provides the information necessary to respond to an emergency. The Department of Environmental Resources responds to hazardous chemical spills or leaks, working with local emergency response teams to identify the chemical and develop appropriate plans to react to an emergency.

To expand Pennsylvania's emergency response capabilities, this Program Revision will establish a 24-hour emergency operations center within PEMA. This 24-hour operations center expands PEMA's capability to immediately respond to a hazardous chemicals or other emergency.

Additionally, funding will support the purchase of an optical disk management system for the Department of Labor and Industry that will insure that hazardous material information can be retrieved quickly, and

transmitted to emergency management response teams in the event of a hazardous chemical accident. The Department of Labor and Industry's optical disk system will be able to store up to 3.25 million pages, and can retrieve a sheet of information within 15 seconds. This information will be shared with the PEMA, so that, in emergencies, information about chemicals stored or used in Pennsylvania businesses can be accessed within seconds.

Funding of \$241,000 will allow the Department of Environmental Resources to operate a mobile laboratory on a 24-hour, 365 day basis. This mobile laboratory provides immediate on-site identification and analysis of chemical emissions during emergencies. It will improve the department's ability to respond to chemical emergencies and to monitor cleanup compliance at emergency and interim Superfund sites.

As the use of chemicals grows, more Pennsylvania businesses can be expected to submit more chemical data sheets and forms. In 1988-89, 1.3 million data forms will be submitted to the Department of Labor and Industry. In addition, information requests by the public are expected to increase to 300,000 by 1989-90. PEMA's 24-hour operations center, the Department of Labor and Industry's optical disk management system, and the Department of Environmental Resources mobile laboratory will meet these demands.

### Program Revision Recommendations:

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This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>Emergency Management Agency</b>
	<b>General Government Operations</b>
\$ 300	—to provide 24-hour emergency response coverage at the Emergency Operations Center.
	<b>Labor and Industry</b>
	<b>Right-to-Know</b>
\$ 84	—to insure quick retrieval of material safety data sheets, chemical inventory forms, and toxic release forms.
	<b>Environmental Resources</b>
	<b>Office of Protection</b>
\$ 241	—to operate a 24-hour mobile laboratory.
\$ 625	<i>Program Revision Total</i>

An additional \$762,000 in Federal funds will be used to purchase an optical disk management system for the Bureau of Right-to-Know in the Department of Labor and Industry.

# EMERGENCY MANAGEMENT AGENCY

Program Revision: Hazardous Materials Response Program (continued)

## Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
<b>EMERGENCY MANAGEMENT AGENCY</b>							
General Government Operations . . . . .	. . . . .	. . . . .	\$300	\$317	\$334	\$352	\$371
<b>LABOR AND INDUSTRY</b>							
Right-to-Know . . . . .	. . . . .	. . . . .	84	84	84	84	84
<b>ENVIRONMENTAL RESOURCES</b>							
Office of Protection . . . . .	. . . . .	. . . . .	241	220	232	245	258
<b>TOTAL GENERAL FUND . . . . .</b>	<u>. . . . .</u>	<u>. . . . .</u>	<u>\$625</u>	<u>\$621</u>	<u>\$650</u>	<u>\$681</u>	<u>\$713</u>

# EMERGENCY MANAGEMENT AGENCY

*PROGRAM OBJECTIVE: To minimize the loss of life and property due to fire by developing and maintaining statewide municipal fire and emergency service capability.*

## Program: Fire Prevention and Safety

This program provides for the administration and operation of the Volunteer Company Loan Program which provides low interest loans to rescue and fire companies and units; the administration and operation of the Lewistown Fire School which provides training classes to professional as well as volunteer fire and ambulance personnel; and operating funds for the Fire Commissioner to coordinate and organize all fire safety functions.

The State Fire Commissioner is responsible for coordinating Federal, State and private fire safety funds in Pennsylvania; assisting State agencies in the development of plans related to fire safety; reviewing existing or proposed rules and regulations affecting the safety of Commonwealth citizens; and providing a cost-effective fire loss management system for the Commonwealth.

Through its contacts with government agencies, the business community, consumers, and the fire service, the Fire Commissioner's Office renders technical assistance, collects, reviews, and disseminates pertinent information about fire death data and fire prevention and control techniques and conducts Statewide fire safety educational programs

for the entire fire community.

The State Fire Academy at Lewistown is the catalyst for fire training delivery. The academy provides advanced professional development for fire service officers, command personnel, instructors, and other specialists engaged in fire prevention and suppression activities; acts as the educational hub for all other fire and emergency services training in Pennsylvania and serves the Commonwealth's fire community.

Another area of assistance to the fire fighting and prevention community is the Volunteer Company Loan Fund. The purpose of the fund is to improve the capabilities of volunteer fire companies, ambulance services and rescue squads through the provision of low interest loans for the purpose of establishing or modernizing facilities to house fire fighting apparatus, purchasing new apparatus or equipment for firefighting, protective services, communications, and accessory equipment. Priority is given to replacement of outmoded or unsafe equipment and provision of additional equipment needed to meet unusual demand. Interest is at two percent per annum for a maximum of ten years. Loans of \$10,000 or less are limited to five years.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Local fire training graduates . . . . .	32,690	30,000	31,500	33,075	34,727	36,465	38,288
Fire school graduates . . . . .	758	400	856	942	1,036	1,140	1,200
Volunteer loans granted (in thousands) . . . . .	\$7,880	\$9,500	\$10,500	\$10,000	\$10,000	\$10,000	\$10,000

The sharp decline in 1988-89 in the number of fire school graduates is due to the deterioration of the Burn Building which restricted usage and resulted in limited participation in fire suppression classes. The Burn Building is currently being renovated via a special 1987-88 appropriation to the Fire Academy. The renovation is expected to be completed in 1989.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

Office of Fire Safety	
\$ - 42	—nonrecurring projects.
77	—to continue current program.
14	—to expand data processing capability.
<u>\$ 49</u>	<i>Appropriation Increase</i>

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Office of Fire Safety . . . . .	\$ 869	\$ 887	\$ 936	\$ 987	\$ 1,041	\$ 1,098	\$ 1,158
State Fire Academy . . . . .	1,800						
<b>TOTAL GENERAL FUND . . . . .</b>	<u>\$ 2,669</u>	<u>\$ 887</u>	<u>\$ 936</u>	<u>\$ 987</u>	<u>\$ 1,041</u>	<u>\$ 1,098</u>	<u>\$ 1,158</u>



Commonwealth of Pennsylvania

# Department of Environmental Resources

The Department of Environmental Resources is responsible for managing the State's natural resources, enforcing laws and regulations to prevent environmental pollution and degradation and acting as a trustee to guarantee the rights of all Pennsylvanians, including future generations, to a clean environment.

The department's presentation includes the Citizens Advisory Council, the Environmental Hearing Board, the Environmental Quality Board, the State Conservation Commission, the State Board for Certification of Sewage Enforcement Officers, the State Board for Certification of Sewage Treatment and Waterworks Operators and the Water Facilities Loan Board.

# ENVIRONMENTAL RESOURCES

## PROGRAM REVISION

### Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1989-90 State Funds (in thousands)
<b>GENERAL FUND</b>		
Chesapeake Bay Agricultural Source Abatement	Clean Water for Pennsylvania .....	\$ 155
Office of Protection	Clean Water for Pennsylvania .....	3,667
Office of Resources Management	Clean Water for Pennsylvania .....	697
Storm Water Management	Clean Water for Pennsylvania .....	200
	Subtotal .....	<u>\$ 4,719</u>

This Program Revision will improve and protect the quality of water in the Commonwealth.

Office of Protection	Community and Industrial Waste Management .....	\$ 1,580
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This Program Revision will implement the provisions of Act 101 of 1988, increase capabilities to regulate municipal waste and expand the residual (industrial) waste regulatory program.

Office of Protection	Control of Infectious and Hospital Waste .....	\$ 725
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This Program Revision will implement the provisions of Act 93 of 1988, establishing a program to regulate the transportation and disposal of infectious, hospital and laboratory wastes.

Office of Protection	Hazardous Materials Response Program .....	\$ 241
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This is part of a Program Revision in the Emergency Management Agency portion of this budget and will staff a newly purchased mobile laboratory designed for on-the-spot testing of accidental releases of potentially hazardous materials.

# ENVIRONMENTAL RESOURCES

## PROGRAM REVISION

### Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1989-90 State Funds (In thousands)
<b>HAZARDOUS SITES CLEANUP FUND</b>		
Hazardous Sites Cleanup Fund	Implementation of the Hazardous Sites Cleanup Act .....	\$ 1,475

This Program Revision will expand the hazardous waste program to implement the provisions of Act 108 of 1988. Also part of this Program Revision is a \$583,000 increase in the Office of Attorney General to provide additional capabilities to investigate and prosecute environmental crimes.

### STORAGE TANK FUND

Storage Tank Fund	Leaking Storage Tank Remediation .....	\$ 934
DEPARTMENT TOTAL .....		\$ 9,674

This Program Revision establishes a program to regulate and inspect above and below ground storage tanks.

# ENVIRONMENTAL RESOURCES

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
GENERAL FUND	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL GOVERNMENT:</b>			
<b>General Government Operations</b> .....	<b>\$ 7,309</b>	<b>\$ 7,454</b>	<b>\$ 8,513</b>
(F) Surface Mine Conservation .....	795	1,044	1,045
(F) EPA Planning Grant .....	206	277	300
(F) Construction Management — Administration .....	279	346	375
(F) Safe Drinking Water Act — Administration .....	49	76	85
(A) Department Services .....	3	10	10
(A) Computer Services .....	35	35	35
(A) Clean Air Fund .....	51	50	50
(A) Solid Waste Abatement Fund .....	112	115	115
(A) Clean Water Fund .....	56	57	57
(A) Water Facilities Loan Fund .....	219	46	.....
Subtotal — Federal Funds .....	\$ 1,329	\$ 1,743	\$ 1,805
Subtotal — Augmentations .....	476	313	267
Total — General Government Operations .....	\$ 9,114	\$ 9,510	\$ 10,585
<b>Environmental Hearing Board</b> .....	<b>557<sup>a</sup></b>	<b>916</b>	<b>1,309</b>
<b>EDP Support</b> .....	<b>900</b>	<b>2,000</b>	<b>3,000</b>
<b>Water Quality Testing Laboratories</b> .....	<b>299</b>	<b>319</b>	<b>409</b>
<b>Office of Resources Management</b> .....	<b>15,231</b>	<b>16,731</b>	<b>19,209</b>
(F) Coastal Zone Management .....	1,022	1,800	1,606
(F) Water Resources Management Act .....	40	40	10
(F) Land and Water Conservation Fund .....	902	1,500	1,500
(F) National Water Use Data System .....	35	40	10
(F) Bituminous Demonstration Project .....	80	101	35
(F) Surface Mining Control and Reclamation .....	276	357	272
(F) Upper Delaware National Scenic River .....	.....	20	10
(F) Topographic and Geologic Survey Grants .....	10	75	75
(F) Bituminous Coal Resources .....	19	75	75
(F) Dam Safety Program .....	12	.....	.....
(F) Surface Mine Conservation .....	138	185	195
(F) Bond Forfeiture .....	28	725	600
(F) Delaware River Estuary Management Conference .....	.....	80	300
(F) ARC — Abandoned Mine Restoration Research .....	126	126	25
(F) Emergency Disaster Relief .....	190	200	200
(F) Abandoned Mine Reclamation .....	44,706	55,000	60,000
(F) Centralia Mine Fire Recovery .....	1	15	15
(A) Water Well Drillers Act Receipts .....	46	50	55
(A) Topographic and Geological Services .....	4	2	5
(A) Wild Resources Conservation Fund .....	192	250	250
(A) Payments for Department Services .....	107	85	120
(A) Sale of Vehicles .....	.....	.....	5
Subtotal — Federal Funds .....	47,585	60,339	64,928
Subtotal — Augmentations .....	349	387	435
Total — Office of Resources Management .....	\$ 63,165	\$ 77,457	\$ 84,572

<sup>a</sup>Actually appropriated as part of General Government Operations.

# ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT: (continued)</b>			
<b>Chesapeake Bay Agricultural Source Abatement</b> .....	<b>\$ 1,640</b>	<b>\$ 2,622</b>	<b>\$ 2,909</b>
(F) Chesapeake Bay Pollution Abatement .....	2,480	3,500	3,500
Total — Chesapeake Bay Preservation .....	<u>\$ 4,120</u>	<u>\$ 6,122</u>	<u>\$ 6,409</u>
<b>Deep Mine Safety</b> .....	<b>3,117</b>	<b>3,560</b>	<b>4,257</b>
(F) Training and Education of Underground Coal Miners .....	361	450	450
(F) Surface Mine Control and Reclamation —			
Deep Mine Safety .....	35	60	.....
(F) Office of Surface Mining — Deep Mine Safety .....	86	107	107
Total — Deep Mine Safety .....	<u>\$ 3,599</u>	<u>\$ 4,177</u>	<u>\$ 4,814</u>
<b>Office of Environmental Protection</b> .....	<b>40,022</b>	<b>47,309</b>	<b>60,760</b>
(F) EPA — Planning Grant - Administration .....	4,077	4,597	4,597
(F) Water Pollution Control Grants .....	3,294	4,000	4,000
(F) Water Pollution Control — NPDES .....	1,899	3,805	2,432
(F) Air Pollution Control Grants .....	4,409	4,464	4,150
(F) Radiation Regulation and Monitoring .....	82	80	88
(F) Surface Mine Control and Reclamation .....	9,072	10,445	10,966
(F) Diagnostic X-Ray Equipment — Testing .....	27	30	29
(F) Surface Mine Control and Reclamation —			
Laboratories .....	483	505	458
(F) Rural Clean Water .....	176	266	266
(F) Water Quality Outreach Training .....	2	100	100
(F) Water Quality Management Planning Grants .....	1,150	1,600	1,800
(F) Construction Management Assistance Grants .....	2,323	2,960	3,045
(F) Safe Drinking Water Act .....	1,433	2,648	1,788
(F) Underground Storage Tanks .....	184	200	250
(F) Lake Wallenpaupack — Phase II .....	200	595	300
(F) Lake Nockamixon .....	200	340	300
(F) PHHSBG — Vector Control .....	1,256	1,800	1,800
(F) PHHSBG — Administration .....	127	128	180
(F) Applicant Violator System .....	.....	20	.....
(F) Small Operators Assistance Program .....	1,227	1,600	1,600
(F) Non-Point Source Pollution .....	.....	1,148	1,000
(F) Leaking Storage Tank Trust Fund .....	.....	1,575	2,200
(F) Permit Compliance System .....	.....	100	.....
(A) Sale of Vehicles .....	23	5	10
(A) Clean Air Fund .....	686	1,025	980
(A) Clean Water Fund .....	681	2,381	881
(A) Department Services .....	471	477	472
(A) Natural Gas Policy Act Filing Fees .....	130	150	130
(A) Solid Waste Abatement Fund .....	347	494	320
(A) Food Site Inspection .....	17	17	18
(A) Ashland Oil Spill .....	1	.....	.....
(A) Reimbursement — PENNVEST .....	.....	701	1,590
Subtotal — Federal Funds .....	<u>\$ 31,621</u>	<u>\$ 43,006</u>	<u>\$ 41,349</u>
Subtotal — Augmentations .....	2,356	5,250	4,401
Total — Office of Environmental Protection .....	<u>\$ 73,999</u>	<u>\$ 95,565</u>	<u>\$ 106,510</u>

# ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
<b>GENERAL FUND</b>	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL GOVERNMENT: (continued)</b>			
Seasonal Farm Worker Camp Inspections .....	\$ 244	\$ 257	\$ 296
Radon Testing .....	1,307	1,429	1,422
School District Asbestos Removal Plan .....	.....	200	.....
<b>State Forestry Operations .....</b>	<b>10,930</b>	<b>12,445<sup>a</sup></b>	<b>13,821</b>
(F) Forest Fire Prevention and Control .....	248	315	315
(F) Forestry Incentives and Agricultural Conservation .....	16	30	30
(F) Watershed Protection and Flood Prevention .....	.....	10	10
(F) Resources Conservation and Development .....	.....	8	8
(F) Forest Management and Processing .....	90	320	215
(F) Renewable Resources Evaluations .....	22	25	25
(F) Cooperative Forest Insect and Disease Control .....	500	500	500
(A) Services to State Parks .....	35	150	150
(A) Sale of Forest Products .....	7,090	7,756	7,300
(A) Forest Fire Control .....	62	50	75
(A) Sale of Vehicles .....	8	5	10
(A) Departmental Services .....	66	105	105
(A) Private Donations .....	13	10	15
Subtotal — Federal Funds .....	876	1,208	1,103
Subtotal — Augmentations .....	7,274	8,076	7,655
Total — State Forestry Operations .....	<u>\$ 19,080</u>	<u>\$ 21,729</u>	<u>\$ 22,579</u>
<b>Gypsy Moth and Other Insect Control .....</b>	<b>3,068</b>	<b>3,340</b>	<b>3,464</b>
(F) Forest Insect and Disease Control .....	339	1,759	2,100
(A) Reimbursement from Counties .....	335	420	400
Total — Gypsy Moth and Other Insect Control .....	<u>\$ 3,742</u>	<u>\$ 5,519</u>	<u>\$ 5,964</u>
<b>Black Fly Control and Research .....</b>	<b>2,100</b>	<b>2,442</b>	<b>2,495</b>
(A) County Contributions .....	434	500	500
Total — Black Fly Control and Research .....	<u>\$ 2,534</u>	<u>\$ 2,942</u>	<u>\$ 2,995</u>
<b>State Parks .....</b>	<b>29,127</b>	<b>32,732</b>	<b>35,445</b>
(F) Forest Insect and Disease Control .....	4	4	4
(A) Sewage Systems Use .....	70	100	75
(A) Use of King's Gap .....	20	20	25
(A) State Park User Fees .....	6,320	6,311	6,874
(A) Private Donations .....	23	25	25
(A) Sale of Vehicles .....	12	.....	15
(A) Concessions .....	2	.....	2
(A) Prior Year Revenues .....	690	.....	.....
(A) Recycled Materials .....	1	.....	.....
Subtotal — Federal Funds .....	4	4	4
Subtotal — Augmentations .....	7,138	6,456	7,016
Total — State Parks .....	<u>\$ 36,269</u>	<u>\$ 39,192</u>	<u>\$ 42,465</u>

<sup>a</sup>Includes pending \$455,000 supplemental appropriation.

# ENVIRONMENTAL RESOURCES

GENERAL FUND	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL GOVERNMENT: (continued)</b>			
Fabridam .....	\$ 800	.....	.....
Low Level Radioactive Waste Control .....	665	\$ 736	\$ 759
(F) Low Level Radiation Waste .....	26	1,200	.....
Total — Low Level Radioactive Waste Control .....	\$ 691	\$ 1,936	\$ 759
Hazardous Waste Control .....	15,684	15,926	15,926
(F) Superfund Projects .....	5,973	10,000	10,000
Total — Hazardous Waste Control .....	\$ 21,657	\$ 25,926	\$ 25,926
Office of Protector General .....	.....	500	.....
Subtotal — State Funds .....	\$ 133,000	\$ 150,918	\$ 173,994
Subtotal — Federal Funds .....	90,715	123,376	125,346
Subtotal — Augmentations .....	18,362	21,402	20,674
Total — General Government .....	\$ 242,077	\$ 295,696	\$ 320,014
<b>GRANTS AND SUBSIDIES:</b>			
Flood Control Projects .....	\$ 40	\$ 1,325	\$ 1,000
Flood Plain Renovation .....	1,000	1,000	.....
Environmental Protection Projects .....	.....	779	.....
Water Control Projects .....	585	.....	.....
Storm Water Management .....	537	550	750
Sewage Facilities Planning Grants .....	474	500	500
Sewage Facilities Enforcement Grants .....	1,750	1,750	1,600
Sewage Treatment Plant Operations Grants .....	19,865	22,000	22,800
Solid Waste Disposal Planning Grants .....	919	1,000	.....
Delaware River Master .....	47	53	63
Ohio River Basin Commission .....	5	5	8
Susquehanna River Basin Commission .....	249	262	276
Interstate Commission on the Potomac River .....	22	26	26
Delaware River Basin Commission .....	807	807	880
Ohio River Valley Water Sanitation Commission .....	96	97	109
Chesapeake Bay Commission .....	100	150	150
Great Lakes Protection Fund .....	.....	.....	500
Small Watershed Projects .....	.....	32	.....
Local Soil and Water District Assistance .....	1,200	1,500	1,500
Interstate Mining Commission .....	10	10	10
Abandoned Surface Mine Reclamation .....	2,000	2,000	2,000
Anthracite Emergency Bond Fund .....	.....	50	.....
Annual Fixed Charges — Flood Lands .....	17	23	23
Annual Fixed Charges — Project 70 .....	11	12	17
Annual Fixed Charges — Forest Lands .....	1,196	1,225	1,225
Vector Control .....	557	500	500
Three Mile Island Cleanups .....	5,000	.....	.....
Appalachian States Waste Compact .....	.....	200	200
Marianna Borough Cleanup .....	.....	200	.....
Slippery Rock University Utilities .....	1,400	.....	.....
Non-Mine Subsidence Projects .....	4,000	.....	.....
Wernersville State Hospital Utilities .....	.....	700	.....
Subtotal — State Funds .....	\$ 41,887	\$ 36,756	\$ 34,137
Total — Grants and Subsidies .....	\$ 41,887	\$ 36,756	\$ 34,137
STATE FUNDS .....	\$ 174,887	\$ 187,674	\$ 208,131
FEDERAL FUNDS .....	90,715	123,376	125,346
AUGMENTATIONS .....	18,362	21,402	20,674
<b>GENERAL FUND TOTAL .....</b>	<b>\$ 283,964</b>	<b>\$ 332,452</b>	<b>\$ 354,151</b>

# ENVIRONMENTAL RESOURCES

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available		1989-90 Budget
<b>ECONOMIC REVITALIZATION FUND:</b>				
Pennsylvania Conservation Corps .....	\$ 6,050	\$ 1,523	1	\$ 6,000
Recreational Improvement and Rehabilitation Act .....	8,051	.....		.....
ECONOMIC REVITALIZATION FUND TOTAL .....	<u>\$ 14,101</u>	<u>\$ 1,523</u>		<u>\$ 6,000</u>
 <b>OTHER FUNDS</b>				
<i>GENERAL FUND:</i>				
Safe Drinking Water Account .....	\$ 425	\$ 1,151		\$ 492
Radiation Protection Fund .....	2,629	3,023		2,661
Clean Water Fund .....	2,966	4,907		2,837
Snowmobile Regulation .....	455	600		630
Clean Air Act .....	1,899	3,646		1,944
Solid Waste Abatement Fund .....	1,172	3,484		1,500
Well Plugging Account .....	219	857		800
GENERAL FUND TOTAL .....	<u>\$ 9,765</u>	<u>\$ 17,668</u>		<u>\$ 10,864</u>
 <i>OIL AND GAS LEASE FUND:</i>				
General Operations .....	8,949	8,262		5,000
OIL AND GAS LEASE FUND TOTAL .....	<u>\$ 8,949</u>	<u>\$ 8,262</u>		<u>\$ 5,000</u>
 <i>SURFACE MINING CONSERVATION AND RECLAMATION FUND:</i>				
General Operations (EA) .....	1,827	3,500		2,500
SURFACE MINING CONSERVATION AND RECLAMATION FUND TOTAL .....	<u>\$ 1,827</u>	<u>\$ 3,500</u>		<u>\$ 2,500</u>
 <i>NON-COAL SURFACE MINING CONSERVATION AND RECLAMATION FUND:</i>				
General Operations (EA) .....	34	150		150
NON-COAL SURFACE MINING CONSERVATION AND RECLAMATION FUND TOTAL .....	<u>\$ 34</u>	<u>\$ 150</u>		<u>\$ 150</u>
 <i>COAL AND CLAY SUBSIDENCE INSURANCE FUND</i>				
General Operations (EA) .....	\$ 961	\$ 1,045		\$ 1,183
Payment of Claims (EA) .....	825	1,500		1,500
COAL AND CLAY SUBSIDENCE INSURANCE FUND TOTAL .....	<u>\$ 1,786</u>	<u>\$ 2,545</u>		<u>\$ 2,683</u>

# ENVIRONMENTAL RESOURCES

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<i>WILD RESOURCE CONSERVATION FUND:</i>			
General Operations (EA) .....	678	450	600
<b>WILD RESOURCE CONSERVATION FUND TOTAL</b> .....	<b>\$ 678</b>	<b>\$ 450</b>	<b>\$ 600</b>
<i>LOW LEVEL WASTE FUND:</i>			
General Operations (EA) .....	.....	\$ 1,036	\$ 1,404
<b>LOW LEVEL WASTE FUND TOTAL</b> .....	.....	<b>\$ 1,036</b>	<b>\$ 1,404</b>
<i>HAZARDOUS SITES CLEANUP FUND:</i>			
General Operations (EA) .....	.....	.....	\$ 785
Transfer from General Fund .....	.....	..... <sup>b</sup>	..... <sup>b</sup>
<b>HAZARDOUS SITES CLEANUP FUND TOTAL</b> .....	.....	.....	<b>\$ 785</b>
<i>RECYCLING FUND:</i>			
Recycling Coordinator Reimbursement .....	.....	\$ 100	\$ 500
Reimbursement for Municipal Inspection .....	.....	200	1,000
Reimbursement for Host Municipality Review of Permit Application .....	.....	500	500
Administration of Recycling Program .....	.....	252	750
County Planning Grants .....	.....	1,000	2,000
Municipal Planning Grants .....	.....	6,348	17,000
Municipal Recycling Performance Program .....	.....	.....	4,000
<b>RECYCLING FUND TOTAL</b> .....	.....	<b>\$ 8,400</b>	<b>\$ 25,750</b>
<b>OTHER FUNDS TOTAL</b> .....	<b>\$ 23,039</b>	<b>\$ 42,011</b>	<b>\$ 49,736</b>
<b>DEPARTMENT TOTAL — ALL FUND</b>			
GENERAL FUND .....	\$ 174,887	\$ 187,674	\$ 208,131
SPECIAL FUNDS .....	14,101	1,523	6,000
FEDERAL FUNDS .....	90,715	123,376	125,346
AUGMENTATIONS .....	18,362	21,402	20,674
OTHER FUNDS .....	23,039	42,011	49,736
<b>TOTAL ALL FUNDS</b> .....	<b>\$ 321,104</b>	<b>\$ 375,986</b>	<b>\$ 409,887</b>

<sup>b</sup>Transfer amounts are shown as General Fund appropriations and are not shown here to avoid double-counting.

# ENVIRONMENTAL RESOURCES

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>ENVIRONMENTAL SUPPORT SERVICES</b>							
General Funds.....	\$ 8,766	\$ 10,370	\$ 12,822	\$ 13,536	\$ 14,114	\$ 14,726	\$ 15,371
Federal Funds.....	1,329	1,743	1,805	1,805	1,805	1,805	1,805
Other Funds.....	476	313	267	267	267	267	267
<b>TOTAL.....</b>	<b>\$ 10,571</b>	<b>\$ 12,426</b>	<b>\$ 14,894</b>	<b>\$ 15,608</b>	<b>\$ 16,186</b>	<b>\$ 16,798</b>	<b>\$ 17,443</b>
<b>ENVIRONMENTAL MANAGEMENT AND PROTECTION</b>							
General Funds.....	\$ 90,537	\$ 97,120	\$ 110,162	\$ 113,428	\$ 117,360	\$ 121,009	\$ 125,384
Federal Funds.....	38,076	53,623	51,906	51,906	51,906	51,906	51,906
Other Funds.....	9,471	28,195	39,009	38,718	38,844	38,975	39,115
<b>TOTAL.....</b>	<b>\$ 138,084</b>	<b>\$ 178,938</b>	<b>\$ 201,077</b>	<b>\$ 204,052</b>	<b>\$ 208,110</b>	<b>\$ 211,890</b>	<b>\$ 216,405</b>
<b>RADIATION PROTECTION</b>							
General Funds.....	\$ 6,972	\$ 2,365	\$ 2,381	\$ 2,501	\$ 2,628	\$ 2,761	\$ 2,902
Federal Funds.....	26	1,200	0	0	0	0	0
Other Funds.....	2,629	4,059	4,065	4,065	4,065	4,065	4,065
<b>TOTAL.....</b>	<b>\$ 9,627</b>	<b>\$ 7,624</b>	<b>\$ 6,446</b>	<b>\$ 6,566</b>	<b>\$ 6,693</b>	<b>\$ 6,826</b>	<b>\$ 6,967</b>
<b>FOREST RESOURCES MANAGEMENT</b>							
General Funds.....	\$ 15,194	\$ 17,010	\$ 18,510	\$ 19,498	\$ 20,503	\$ 21,562	\$ 22,682
Federal Funds.....	1,215	2,967	3,203	3,203	3,203	3,203	3,203
Other Funds.....	8,287	8,946	8,655	7,855	7,855	7,855	7,855
<b>TOTAL.....</b>	<b>\$ 24,696</b>	<b>\$ 28,923</b>	<b>\$ 30,368</b>	<b>\$ 30,556</b>	<b>\$ 31,561</b>	<b>\$ 32,620</b>	<b>\$ 33,740</b>
<b>WATER AND MINERAL RESOURCES MANAGEMENT</b>							
General Funds.....	\$ 23,463	\$ 28,042	\$ 28,771	\$ 29,720	\$ 30,989	\$ 32,327	\$ 33,739
Federal Funds.....	50,065	63,839	68,428	68,428	68,428	68,428	68,428
Other Funds.....	12,945	14,844	10,768	10,768	10,768	10,768	10,768
<b>TOTAL.....</b>	<b>\$ 86,473</b>	<b>\$ 106,725</b>	<b>\$ 107,967</b>	<b>\$ 108,916</b>	<b>\$ 110,185</b>	<b>\$ 111,523</b>	<b>\$ 112,935</b>
<b>RECREATION AREAS AND FACILITIES MANAGEMENT</b>							
General Funds.....	\$ 29,955	\$ 32,767	\$ 35,485	\$ 37,434	\$ 39,491	\$ 41,661	\$ 43,950
Special Funds.....	14,101	1,523	6,000	6,000	6,000	6,000	6,000
Federal Funds.....	4	4	4	4	4	4	4
Other Funds.....	7,593	7,056	7,646	7,646	7,646	7,646	7,646
<b>TOTAL.....</b>	<b>\$ 51,653</b>	<b>\$ 41,350</b>	<b>\$ 49,135</b>	<b>\$ 51,084</b>	<b>\$ 53,141</b>	<b>\$ 55,311</b>	<b>\$ 57,600</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 174,887	\$ 187,674	\$ 208,131	\$ 216,117	\$ 225,085	\$ 234,046	\$ 244,028
SPECIAL FUNDS.....	14,101	1,523	6,000	6,000	6,000	6,000	6,000
FEDERAL FUNDS.....	90,715	123,376	125,346	125,346	125,346	125,346	125,346
OTHER FUNDS.....	41,401	63,413	70,410	69,319	69,445	69,576	69,716
<b>TOTAL.....</b>	<b>\$ 321,104</b>	<b>\$ 375,986</b>	<b>\$ 409,887</b>	<b>\$ 416,782</b>	<b>\$ 425,876</b>	<b>\$ 434,968</b>	<b>\$ 445,090</b>

# ENVIRONMENTAL RESOURCES

*PROGRAM OBJECTIVE: To provide administrative and technical support for the Commonwealth's environmental protection and resources management programs.*

## Program: Environmental Support Services

This program provides the administrative and overhead systems which control and support the department's programs. Included are the executive and administrative offices, the Office of Chief Counsel, information and data processing systems, the Citizens Advisory Council, and the Environmental Quality Board. The Environmental Hearing Board

was separated from the Department of Environmental Resources by Act 94 of 1988. It is included here for presentation purposes. In 1987-88, it was part of the General Government Operations appropriation.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>General Government Operations</b>	<b>Environmental Hearing Board</b>
\$ 881 —to continue current program.	\$ 240 —to continue current program.
178 —to strengthen investigative and prosecuting capabilities.	153 —additional expenses mandated by Act 94 of 1988, including support staff for two new board members.
\$ 1,059 <i>Appropriation Increase</i>	\$ 393 <i>Appropriation Increase</i>
	<b>Electronic Data Processing Support</b>
	\$ 1,000 —to expand computer capabilities.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations . . . . .	\$ 7,309	\$ 7,454	\$ 8,513	\$ 9,097	\$ 9,596	\$ 10,124	\$ 10,681
Electronic Data Processing Support . . . . .	900	2,000	3,000	3,000	3,000	3,000	3,000
Environmental Hearing Board . . . . .	557	916	1,309	1,439	1,518	1,602	1,690
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 8,766</b>	<b>\$ 10,370</b>	<b>\$ 12,822</b>	<b>\$ 13,536</b>	<b>\$ 14,114</b>	<b>\$ 14,726</b>	<b>\$ 15,371</b>

# ENVIRONMENTAL RESOURCES

*PROGRAM OBJECTIVE: To provide, or assist in, effective management of forest lands and to reduce plant loss and damage caused by insects, disease and forest fires.*

## Program: Forest Resources Management

This program is responsible for the management of two million acres of State forest lands. These forest lands offer many social and recreational opportunities. Hiking, camping, hunting, fishing, cross-country skiing, canoeing and snowmobiling are examples of the diverse activities in State forests. Properly managed, forests yield economic benefits such as the promotion of tourism. In addition, there is the harvest of timber for wood products, the protection of groundwater for municipal and other uses, and the production and underground storage of natural gas. This program also provides management assistance to the more than 490,000 owners of private forest lands, and oversees fire, insect

and disease control activities affecting Pennsylvania's forests.

The gypsy moth continues to be the major forest pest problem in Pennsylvania as well as the northeastern United States. Fortunately, a decline in the number of acres defoliated in the Commonwealth continues; in 1988, approximately 300,000 acres were affected.

The other major threat to the Commonwealth's forests is fire. Through aggressive prevention and extinction activities, the size of the average forest fire has been reduced to less than five acres. The goal is less than 1,000 fires per year, with a burn area of less than 10,000 acres.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Forest fires .....	1,330	1,250	1,250	1,250	1,250	1,250	1,250
Acres of private timber land affected by professional assistance .....	88,000	95,000	95,000	95,000	95,000	95,000	95,000
Acres receiving insect suppression treatment .....	215,932	320,000	300,000	250,000	250,000	250,000	250,000

The program measure showing the number of acres receiving insect suppression treatment reflects the lower acreage defoliated by the gypsy moth in 1987-88. It is assumed that infestation will return to levels previously seen, hence the increase in acreage which will require treatment in 1988-89 and 1989-90. The program measure for acres of private timber land affected by professional assistance decreases because resources were diverted to deal with the high number of forest fires during the dry summer of 1988.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>State Forestry Operations</b>	<b>Gypsy Moth and Other Insect Control</b>
\$ 1,376 —to continue current program.	\$ 124 —to continue current program.

The Annual Fixed Charges – Forest Lands appropriation is continued at the current level.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
State Forestry Operations .....	\$ 10,930	\$ 12,445	\$ 13,821	\$ 14,618	\$ 15,422	\$ 16,269	\$ 17,165
Gypsy Moth and Other Insect Control ...	3,068	3,340	3,464	3,655	3,856	4,068	4,292
Annual Fixed Charges — Forest Lands ..	1,196	1,225	1,225	1,225	1,225	1,225	1,225
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 15,194</b>	<b>\$ 17,010</b>	<b>\$ 18,510</b>	<b>\$ 19,498</b>	<b>\$ 20,503</b>	<b>\$ 21,562</b>	<b>\$ 22,682</b>

# ENVIRONMENTAL RESOURCES

*PROGRAM OBJECTIVE: To manage water and mineral resources in a way which insures against their undue destruction and depletion while allowing economic benefits from their use.*

## Program: Water and Mineral Resources Management

The Commonwealth's water and mineral resources are managed through comprehensive planning, regulatory activities, and project development. A wide variety of activities are included in this program.

The management of water resources begins with the development of long range plans for multi-purpose water use, insuring adequate supplies for drinking as well as industrial, agricultural and commercial activities. This includes active participation in a number of organizations and commissions involving the major river basins which lie within the Commonwealth and the Chesapeake Bay.

The Storm Water Management Program administers Act 167 of 1978 which requires county and municipal governments to develop and implement plans to control storm water runoff, to control erosion and sedimentations, and to protect groundwater recharge areas. The Flood Plain Management Program is a companion program, administering Act 166 of 1978 which authorizes the regulations of flood plains. Together these two programs address the threat to lives and property posed by storm runoff and flooding by advance planning and controlling

construction and development in flood plains and in areas which contribute to devastating storm runoff.

The Dam Safety Program regulates dams and reservoirs in the Commonwealth. Existing dams are inspected for health and safety hazards. Remedial actions are ordered on those determined to be extremely hazardous. New and proposed dam construction is regulated with permit applications, design review and field inspections.

Closely linked with the management of water resources is the management of soil resources. Not only is valuable topsoil lost, but sedimentation from erosion and nutrients from farm lands are major non-point sources of water pollution, especially to the Chesapeake Bay.

Another aspect of this program is planning and design work to resolve environmental degradation and health and safety problems resulting from inactive and abandoned coal mines. This includes the reclamation of abandoned mines, abatement of acid mine drainage, control of underground mine fires and refuse bank fires, and control of surface subsidence from abandoned deep mines.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Abandoned mine sites designated as potential safety problems . . . . .	1,464	1,383	1,350	1,330	1,330	1,300	1,270
Earth disturbance permits issued . . . . .	120	120	120	120	120	120	120
Dam inspections . . . . .	1,816	1,730	1,880	1,880	1,880	1,880	1,880

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Office of Resources Management</b></p> <p>\$ 697 —PRR — Clean Water for Pennsylvania. To improve and protect water quality in the Commonwealth. See the Program Revision following the Environmental Management and Protection program for further information.</p> <p>410 —to provide additional resources to minimize delays in issuing permits in programs regulating waterway obstructions and wetlands development.</p> <p><u>1,371</u> —to continue current programs.</p> <p>\$ 2,478 <i>Appropriation Increase</i></p> <p><b>Chesapeake Bay Agricultural Source Abatement</b></p> <p>\$ 155 —PRR — Clean Water for Pennsylvania. To improve and protect water quality in the Commonwealth. See the Program Revision following the Environmental Management and Protection program for further information.</p> <p><u>132</u> —to continue current program.</p> <p>\$ 287 <i>Appropriation Increase</i></p>	<p><b>Delaware River Master</b></p> <p>\$ 10 —to continue current level of participation.</p> <p><b>Susquehanna River Basin Commission</b></p> <p>\$ 14 —to continue current level of participation.</p> <p><b>Ohio River Basin Commission</b></p> <p>\$ 3 —to continue current level of participation.</p> <p><b>Delaware River Basin Commission</b></p> <p>\$ 73 —to continue current level of participation.</p> <p><b>Storm Water Management Grants</b></p> <p>\$ 200 —PRR — Clean Water for Pennsylvania. To improve and protect water quality in the Commonwealth. See the Program Revision following the Environmental Management and Protection program for further information.</p>
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All other appropriations in this program are either recommended at current program levels or are nonrecurring programs.

# ENVIRONMENTAL RESOURCES

## Program: Water and Mineral Resources Management (continued)

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Office of Resources Management .....	\$ 15,231	\$ 16,731	\$ 19,209	\$ 19,937	\$ 21,033	\$ 22,190	\$ 23,410
Chesapeake Bay Agricultural Source							
Abatement .....	1,640	2,622	2,909	3,130	3,303	3,484	3,676
Abandoned Surface Mine Reclamation ...	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Flood Control Projects .....	40	1,325	1,000	1,000	1,000	1,000	1,000
Environmental Protection Projects .....		779					
Water Control Projects .....	585						
Flood Plain Renovations .....	1,000	1,000					
Delaware River Master .....	47	53	63	63	63	63	63
Ohio River Basin Commission .....	5	5	8	8	8	8	8
Susquehanna River Basin Commission ...	249	262	276	276	276	276	276
Interstate Commission on the Potomac							
River Basin .....	22	26	26	26	26	26	26
Delaware River Basin Commission .....	807	807	880	880	880	880	880
Small Watershed Projects .....		32					
Conservation Districts .....	1,200	1,500	1,500	1,500	1,500	1,500	1,500
Storm Water Management Grants .....	537	550	750	750	750	750	750
Chesapeake Bay Commission .....	100	150	150	150	150	150	150
Marianna Borough Cleanup .....		200					
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 23,463</b>	<b>\$ 28,042</b>	<b>\$ 28,771</b>	<b>\$ 29,720</b>	<b>\$ 30,989</b>	<b>\$ 32,327</b>	<b>\$ 33,739</b>

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# ENVIRONMENTAL RESOURCES

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*PROGRAM OBJECTIVE: To protect and improve the quality of the air, water and environment for the health and safety of the citizens of the Commonwealth.*

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## Program: Environmental Management and Protection

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This program encompasses several major program elements which protect the health and safety of the citizens of the Commonwealth as well as the quality of their environment. While protection of citizens and the environment is the highest priority, the Commonwealth's economic health and development are also major concerns.

### **Program Element: Air Pollution Control**

Emissions of air contaminants from existing and future sources must be closely monitored and controlled by the Department of Environmental Resources in order to improve air quality as mandated by the Federal Clean Air Act of 1970. The goal of the program is to achieve the best air quality and meet State implementation requirements while providing for industrial growth and environmentally sound energy utilization.

Monitoring air quality occurs at two levels. Ambient monitoring measures overall air quality in an area. Source monitoring, by both operators and by mobile teams from the department, is used to check individual sources of emissions. In addition, certain large facilities are required to have instruments installed which continuously monitor emissions, minimizing the risk of accidental release of large amounts of pollutants.

Permits and inspections are the primary regulatory means for ensuring that sources of emissions are designed, constructed and operated within standards. This means that plans for new construction, or modification, of a source of emission must be reviewed and approved by the department. Inspections are part of the application process for new and renewed operating permits. These inspections assure that the facility has been constructed and operated as designed. In addition, on-site inspections are made when investigating complaints and emergencies. The department uses compliance agreements and abatement orders to correct violations of air emission standards.

Also a part of this element is the program controlling the removal of asbestos from public buildings. As required by Federal regulations, the department is reviewing plans for the removal of asbestos from schools and other buildings. After passage of enabling legislation and regulations, the department will also certify and regulate companies doing removal work and the safe disposal of the asbestos.

### **Program Element: Water Quality Management**

Chronic surface and groundwater pollution problems in Pennsylvania originate from a variety of sources and are classified into two general categories: point and non-point sources. Point sources are those in which the polluting substances are conveyed into a body of water by a pipe or channel, most commonly sewage discharges, industrial waste discharges, and storm or combined sewage drainage. Non-point sources are generally diffused discharges, such as polluted groundwater, drainage from abandoned mines, and agricultural runoff. A third, more acute, source of water pollution are the spills and accidents most often related to the storage and transportation of various materials.

Through its planning, permitting, surveillance and monitoring, enforcement, and grants administration activities, this program carries out its duties and responsibilities for developing water quality standards for surface and ground water, regulating water pollution control facilities, and maintaining a statewide surface and groundwater quality monitoring program. In addition, the National Pollutant Discharge Elimination System (NPDES), a Federal program under the Clean Water Act, has increased the responsibilities of the Commonwealth to monitor industrial

pretreatment. This requires that industries remove hazardous and toxic materials from their waste water before release into municipal treatment plants. The program also reviews plans for facilities and assists local governments in accommodating growth and development. This program also provides technical support for the sewage facilities portion of the PENNVEST program.

### **Program Element: Community Environmental Management**

The major portion of this program element is concerned with providing the citizens of the Commonwealth with safe, clean drinking water by regulating public water systems. These systems provide drinking water to the majority of citizens of the Commonwealth. There are approximately 2,500 community water supplies in the Commonwealth serving 10 million residents and 8,000 non-community water systems generally serving restaurants, industries, schools and motels which must comply with standards. The department also provides some consultative services and inspections for the 700,000 domestic water supplies in Pennsylvania. Approximately one-half of the community water systems and two-thirds of the private water supplies have deteriorated to where many people are at risk of being served unsafe water. Regulatory activities involve permitting and compliance, contaminant investigation and control, public education, and consultative services and inspections. This program also provides technical support for the drinking water portion of the PENNVEST program.

In addition to regulating public drinking water systems, this program also inspects food establishments, public bathing places, schools, and seasonal farm labor camps for sanitary conditions. The Vector Control Program addresses insect and rodent problems in urban areas. The Black Fly Control Program, by treating bodies of water in participating counties, reduces the black fly population and gives relief to the citizens and visitors of the Commonwealth.

The Emergency Management and Response Program is also part of this program element. It provides support and training to local firefighters and other emergency personnel at accidents and spills of hazardous and toxic materials.

### **Program Element: Municipal and Residual Waste**

Over 95 percent of the 9 million tons of municipal solid waste is dumped in sanitary landfills; four percent is incinerated and one percent is recycled. Many current sites are reaching capacity and, due to public concern and opposition, new landfills are not being established. As a result, local governments are having great difficulty in finding landfills to accept their trash and are experiencing escalating costs for this method of disposal. This reliance on landfills for municipal waste disposal, plus the critical lack of landfill capacity over much of the Commonwealth, demands that alternatives to landfills be used. Act 101 of 1988, the Municipal Waste Planning, Recycling and Waste Reduction Act, addresses these problems. Counties must adopt waste management plans. Municipalities must adopt recycling and waste reduction plans. Communities in which landfills or waste-to-energy facilities are located have an active role in permitting and inspecting landfills and facilities to assure that these are being operated in a proper manner. In addition, the host community receives money from a tipping fee to use in any way it wishes. The department regulates new and existing landfills to ensure that they are designed, constructed and operated with minimal risk to nearby residents and to the environment.

# Environmental Resources

## Program: Environmental Management and Protection (continued)

Act 93 of 1988 requires the department to develop a program to regulate and control the disposal of infectious (hospital) wastes. To do this, a manifest system to track waste until disposal is planned. In addition, a system of inspections is being developed to assure proper handling of infectious waste. Overall management will be guided by revised regulations and a Statewide plan to address present and future needs for incineration and disposal.

Residual waste is non-hazardous materials from industrial, mining, commercial and other similar operations. About 25 million tons are generated each year. A comprehensive set of new regulations for residual waste disposal sites is being developed and should be completed early in 1989. These regulations will require the approximately 1,300 residual waste facilities to be permitted or re-permitted. Some will close, requiring the department to inspect these to assure that closures are done in an environmentally sound manner. This program will encourage proper disposal and waste reduction to conserve resources and protect the environment.

### Program Element: Hazardous Waste

Act 108 of 1988, the Hazardous Sites Cleanup Act, establishes a State program to cleanup hazardous waste sites not covered by the Federal Superfund program. This program has two major parts. First is the identification, assessment and cleanup of existing sites where, in the past, hazardous wastes have been disposed in a manner which is a threat to the citizens and the environment. The identification and assessment of these sites has been completed. Actual cleanup will begin as soon as possible with funding coming from several possible sources. First, the department will try to identify the parties responsible for the situation and actively pursue legal actions to recover cleanup costs. Secondly, for those sites which are dangerous enough to qualify for the Federal Superfund program, Federal funds will be used. The department will continue to accelerate the rate of Federally funded projects, not only to speed remediation, but also to ensure that the Commonwealth receives its share of Superfund monies. The third source of cleanup funding is from several State sources. The recently approved Capital Stock Franchise Tax Surcharge will generate approximately \$20 million per year. Another \$5.5 million is to be generated from a proposed hazardous waste fee system. A general fund appropriation for \$15.8 million is also included in this budget. This will allow a cleanup program separate from the Federal Superfund, addressing the cleanup of sites which do not qualify for the federal program and the emergency cleanup of sites posing immediate health and safety hazards.

In addition to site cleanup, this program also controls the generation, storage, transportation and proper disposal of hazardous wastes in Pennsylvania. Pennsylvania is one of the leading producers of hazardous waste. The Commonwealth's industries annually generate one million tons of hazardous waste, of which 878,000 tons are transported from the generating facility for disposal elsewhere.

Of major importance to economic development is the siting of hazardous waste disposal facilities in the Commonwealth; the proposed program to site two hazardous waste disposal facilities contains incentives to communities which agree to host such facilities. This is important not only to the health and safety of citizens, but also to the economic health of the Commonwealth.

### Program Element: Regulation of Mining

The purpose of this program is to minimize adverse environmental impacts of active mining operations. This includes surface and deep coal mines, oil and gas well drilling, and mines for minerals other than coal.

Focusing on the important coal industry, regulatory activities are designed to assure proper land reclamation, prevent water and air pollution and protect the health and safety of the public. In the 1977 Federal Surface Mine Control and Reclamation Act, Congress recognized the national importance of an adequate program to control the adverse environmental impacts of mining. This legislation established a new set of standards for controlling subsidence, coal refuse disposal and surface effects of both underground and surface mines. To foster a strong State role in this regulatory effort, the act provided for delegation by the Federal government of primary enforcement responsibility (primacy). On July 31, 1982, Pennsylvania was delegated primary enforcement responsibility.

In addition to the environmental regulatory, inspection and compliance activities, this program element is also concerned with mine safety, both the safety of mine operations and the safety training of miners. The Bureau of Deep Mine Safety 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 Bureau of Oil and Gas Management is responsible for administering laws and regulations covering the oil and gas industry in Pennsylvania. Through a permitting system for drilling activity, inspecting drilling and storage sites, and monitoring and enforcement actions, the program works toward protecting the environment and balancing conflicting interests of the oil, gas and coal industries.

Another activity of the mining program is the offering of mine subsidence insurance to residential and small commercial owners of property and private structures. This insurance program is directed by the Coal and Clay Mine Subsidence Insurance Board. A special fund is administered by the board in which premium and investment income are deposited and from which insurance claims and costs are paid. The growth in the number and value of policies has steadily increased since the beginning of the fund. With increasing property values and public awareness, this trend is expected to continue. A cash flow statement for this fund is included in the appendix to this budget.

### Program Element: Environmental Support Services

This program encompasses the technical and administrative support to environmental protection activities. The Bureau of Laboratories is the major component, providing analytical data which determines and identifies pollution levels in samples from any part of the environment. Samples from streams and lakes, solid wastes, drinking water, industrial wastes and fish are analyzed for toxic chemicals. Milk, food, water and air are examined for radiation; water from supply systems, beaches and sewage treatment plants for bacteria; and water from homeowners for potability.

## Program Measures

	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93
<b>Air Pollution Control</b>							
Air emission operating permits in effect . . . . .	5,700	6,000	6,450	6,900	7,350	7,800	8,250
Air emission inspections performed . . . . .	9,882	9,200	9,450	9,700	9,950	10,200	11,250

The program measure showing air emission operating permits in effect increases as newly constructed or expanded emitters become operational. The program measure for air emission inspections performed also reflects additional facilities plus inspection of asbestos removal projects.

# ENVIRONMENTAL RESOURCES

## Program: Environmental Management and Protection (continued)

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Water Quality Management</b>							
Sewage and industrial waste discharge inspections . . . . .	5,936	6,000	6,000	6,000	6,000	6,000	6,000
Permits issued for water pollution control facilities . . . . .	1,450	1,500	1,500	1,500	1,500	1,500	1,500
Enforcement actions . . . . .	292	250	250	250	250	250	250

The program measures for sewage and industrial waste discharge inspections, and for permits issued for new or improved water pollution control facilities show a high level in 1987-88, and a higher base line in the planning years compared to previous budgets. This results from Federally mandated changes in standards and an expansion in permitting and enforcement capabilities contained in this budget.

### Community Environmental Management

Annual permits issued — seasonal farm labor camps . . . . .	256	300	350	350	350	350	350
Inspections of food establishments . . . . .	13,827	15,000	16,000	16,500	17,000	17,500	17,500
Residents of areas in Blackfly Suppression program . . . . .	2,000,000	2,000,000	2,351,000	2,351,000	2,351,000	2,351,000	2,351,000
Inspections of public drinking water supplies . . . . .	5,050	5,499	5,800	5,800	5,800	5,800	5,800

The increase in the program measure showing inspections of public drinking water supplies reflects the implementation of the PENNVEST program and changes in Federal standards.

### Municipal and Residual Waste

Municipal and residual waste facilities permitted . . . . .	318	341	341	341	341	341	341
Percent of municipal waste disposed by alternate methods to landfills . . . . .	5%	5%	7%	20%	30%	35%	35%

The increase in the program measure showing waste disposed by alternate methods to landfills reflects the mandatory recycling and waste reduction provisions of Act 101 of 1988.

### Hazardous Waste

Sites assessed for possible hazardous waste contamination . . . . .	483	78	50	50	50	50	50
Completions of remedial or response actions on hazardous waste sites . . . . .	6	5	10	12	20	25	40
Hazardous waste inspections performed . . . . .	1,670	1,715	1,715	1,715	1,715	1,715	1,715
Hazardous waste sites permitted and licensed under Act 97 . . . . .	170	160	120	120	120	120	120

The number of sites assessed for possible hazardous waste decreases as the inventory of sites is completed. The increase in completion of actions reflects the provisions of Act 108 of 1988, and the associated program expansion.

### Regulation of Mining

Mine permit actions:							
Coal . . . . .	840	1,000	1,000	1,000	1,000	1,000	1,000
Non-coal . . . . .	105	125	125	125	125	125	125
Inspections:							
Complete coal inspections . . . . .	13,966	14,000	14,000	14,000	14,000	14,000	14,000
Partial coal inspections . . . . .	26,930	27,000	27,000	27,000	27,000	27,000	27,000
Non-Coal inspections . . . . .	2,507	2,700	3,100	3,100	3,100	3,100	3,100
Oil and gas field inspections . . . . .	11,006	7,850	8,350	8,350	8,350	8,350	8,350
Mining enforcement orders issued . . . . .	1,074	1,289	1,250	1,200	1,200	1,200	1,200
Mine subsidence insurance policies in effect . . . . .	37,112	39,400	43,400	47,700	52,500	57,700	63,500
Employees trained in mine safety . . . . .	7,044	7,000	7,000	7,000	7,000	7,000	7,000

### Environmental Support Services

Inorganic analysis . . . . .	823,747	850,000	900,000	900,000	900,000	900,000	900,000
Organic samples . . . . .	11,505	12,500	14,000	14,000	14,000	14,000	14,000
Bacteriological analysis . . . . .	32,547	35,000	35,000	35,000	35,000	35,000	35,000
Radiological samples . . . . .	3,966	4,000	4,000	4,000	4,000	4,000	4,000

# ENVIRONMENTAL RESOURCES

**Program: Environmental Management and Protection (continued)**

**Program Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>Office of Protection</b>		
\$ 3,667	—PRR — Clean Water for Pennsylvania. To improve and protect water quality in Pennsylvania. See the Program Revision following this program for further information.	\$ 150	<b>Sewage Facilities Enforcement Grants</b> —reduction in amount requested by local government.
1,580	—PRR — Community and Industrial Waste Management. To expand the solid waste and residential waste programs. See the Program Revision following this program for further information.	\$ 90	<b>Water Quality Testing Laboratory</b> —to continue current program.
725	—PRR — Control of Infectious and Hospital Waste. To implement Act 93 of 1988. See the Program Revision following this program for further information.	\$ 39	<b>Seasonal Farm Worker Camp Inspection</b> —to continue current program.
241	—PRR — Part of the Hazardous Materials Response Program. To improve response to accidental spills of toxic materials. See the Program Revision in the Emergency Management Agency for further information.	\$ 200	<b>Deep Mine Safety</b> —maintain mine rescue station and equipment maintenance.
224	—to review plans to remove asbestos from schools and public buildings and implement contractor certification program.	135	—to increase effectiveness of field inspections.
250	—to provide additional resources to regulate oil and gas wells.	362	—to continue current program.
340	—to provide additional resources to minimize delays in issuing permits in programs regulating water discharges.	\$ 697	<i>Appropriation Increase</i>
6,424	—to continue current program, including annualization of initiatives.	\$ 12	<b>Ohio River Valley Sanitation Commission</b> —to continue current level of participation.
<u>\$ 13,451</u>	<i>—Appropriation Increase</i>	\$ 500	<b>Great Lakes Protection Fund</b> —to contribute to a multi-State fund to promote cleaning up the Great Lakes.
		\$ 53	<b>Black Fly Control</b> —to continue current program.
		\$ -1,000	<b>Solid Waste Disposal Planning Grant</b> —program transferred to Recycling Fund.
\$ 800	<b>Sewage Treatment Plant Operations Grants</b> —increase in grants required as new and expanded facilities begin operations.		

All other appropriations in this subcategory either are recommended at current program levels or are nonrecurring projects.

# ENVIRONMENTAL RESOURCES

## Program: Environmental Management and Protection (continued)

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Office of Protection .....	\$ 40,022	\$ 47,309	\$ 60,760	\$ 63,528	\$ 67,022	\$ 70,709	\$ 74,598
Sewage Facilities Planning Grants .....	474	500	500	500	500	500	500
Sewage Facilities Enforcement Grants .....	1,750	1,750	1,600	1,600	1,600	1,600	1,600
Sewage Treatment Plant Operations							
Grants .....	19,865	22,000	22,800	22,800	22,800	22,800	22,800
Ohio River Valley Sanitation Commission .....	96	97	109	109	109	109	109
Great Lakes Protection Fund .....			500	500	500		
Slippery Rock University Utilities .....	1,400						
Wernersville State Hospital Utilities .....		700					
Water Quality Testing Laboratory .....	299	319	409	431	455	480	506
Black Fly Control .....	2,100	2,442	2,495	2,632	2,777	2,930	3,091
Vector Control .....	557	500	500	500	500	500	500
Seasonal Farm Worker Camp Inspection .....	244	257	296	312	329	347	366
Hazardous Waste Control .....	15,684	15,926	15,926	15,926	15,926	15,926	15,926
Solid Waste Disposal Planning Grants .....	919	1,000					
Deep Mine Safety Inspection .....	3,117	3,560	4,257	4,580	4,832	5,098	5,378
Interstate Mining Commission .....	10	10	10	10	10	10	10
Anthracite Bond Fund .....		50					
Office of Protector General .....		500					
Non-mine Subsidence Projects .....	4,000						
School Asbestos Removal Plan .....		200					
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 90,537</b>	<b>\$ 97,120</b>	<b>110,162</b>	<b>\$ 113,428</b>	<b>\$ 117,360</b>	<b>\$ 121,009</b>	<b>\$ 125,384</b>

# ENVIRONMENTAL RESOURCES

## Program Revision: Clean Water for Pennsylvania

Pennsylvania is committed to meeting the goals established in the Chesapeake Bay Agreement that require a 40 percent reduction of nutrients entering the Bay by the year 2000. At present, pollution in the form of fertilizer and manure runoff from Pennsylvania's Susquehanna River Basin farms accounts for 66 percent of the phosphorous and 88 percent of the nitrogen entering the Chesapeake Bay.

Approximately 3,800 municipal, industrial and commercial entities discharge sewage and industrial wastes into the surface waters of the Commonwealth. These discharges contain thousands of substances which have the potential to seriously affect public health and water uses. The sources of these discharges must be inspected and samples analyzed to determine if discharge limits are being met. Hazardous and toxic materials found in industrial wastewater that is discharged to municipal sewage treatment plants can cause special problems. These materials interfere with plant operations, causing the pass-through of pollutants to streams and sludge contamination, and posing a threat to the health of plant workers. To reduce the problem of excessive toxicity in industrial discharges, an Industrial Pretreatment Program will be established.

Water supply and disposal problems in Pennsylvania are not limited to the need for pretreatment, inspection and permitting, sewerage construction, and the reclamation of the Chesapeake Bay. The quality and supply of public drinking water continues to be a serious public health issue in the Commonwealth, with over 100 communities having persistent violations of existing drinking water standards. Based on national averages, toxic contaminants are likely to be found in about 500 of Pennsylvania's 2,500 community drinking water systems and as many as 400 of the approximately 2,000 water systems that serve schools, work places and hospitals.

This Program Revision will address these problems by: providing additional resources to meet the requirements of the Chesapeake Bay Agreement and the Statewide nonpoint water pollution assessment and management plan; implementing the Industrial Pretreatment Program including a new effluent biomonitoring program; strengthening the department's capability to identify and respond to incidents of toxic contamination in drinking water supplies and to institute and enforce corrective proposals. This Program Revision provides \$4.7 million to support these program changes in addition to other clean water needs for public health, habitat conservation and food source cultivation and protection that will benefit the Commonwealth and nearby regions.

This Program Revision will also support the implementation of the new PENNVEST financing program, which will help solve many of the State's clean water infrastructure problems. In the first six months of the program, 208 communities have submitted applications for financial assistance. In addition, over 500 communities have requested planning consultations with the department concerning potential PENNVEST projects. The department projects that up to 1,000 communities will request planning consultations in the first year of the program. The typical PENNVEST project will take more than five years to go from conception to completion because the department must review conceptual plans, evaluate the proposed technology, issue permits, confirm cost estimates, review bid documents, approve change orders and assist with application forms. Once construction begins, periodic field inspections must be performed as well as a final inspection prior to operation. After a facility is placed into operation, the department will be responsible for monitoring compliance with applicable water quality standards. Additionally, the department will offer water system operators technical assistance and information to support their water supply and wastewater disposal responsibilities.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Pounds of nutrients reduced at the Chesapeake Bay (thousands)							
Current	243	472	472	472	472	472	472
<b>Program Revision</b>			<b>480</b>	<b>530</b>	<b>530</b>	<b>530</b>	<b>530</b>
Waste allocation permits processed							
Current	45	50	40	40	40	40	40
<b>Program Revision</b>			<b>44</b>	<b>48</b>	<b>56</b>	<b>65</b>	<b>65</b>
Surveys/inspections of public water systems							
Current	5,050	5,499	5,800	5,800	5,800	5,800	5,800
<b>Program Revision</b>			<b>6,030</b>	<b>6,260</b>	<b>6,260</b>	<b>6,260</b>	<b>6,260</b>
Community water supply wellhead protection zones identified							
Current							
<b>Program Revision</b>			<b>22</b>	<b>43</b>	<b>43</b>	<b>43</b>	<b>43</b>
Dischargers with effluent toxicity testing requirements in their NPDES permits							
Current							
<b>Program Revision</b>			<b>19</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>
Pretreatment inspections conducted							
Current		17	17	17	17	17	17
<b>Program Revision</b>			<b>23</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>

# ENVIRONMENTAL RESOURCES

## Program Revision: Clean Water for Pennsylvania (continued)

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Office of Resources Management</b></p> <p>\$ 145 —to control Chesapeake Bay and non-point source water pollution.</p> <p>\$ 69 —to ensure the successful operation of the PENNVEST Program.</p> <p>\$ 483 —to improve management of water resources and provide technical assistance to water suppliers.</p> <hr/> <p>\$ 697 Appropriation Increase</p> <p><b>Chesapeake Bay Agricultural Source Abatement</b></p> <p>\$ 155 —to control Chesapeake Bay and non-point source water pollution.</p>	<p><b>Office of Protection</b></p> <p>\$ 215 —to provide better monitoring of industrial waste water discharges.</p> <p>\$ 1,400 —to replace decreasing Federal funds in safe drinking water program.</p> <p>\$ 2,052 —to eliminate toxic materials and lead in drinking water. Also increases protection of community wells.</p> <hr/> <p>\$ 3,667 Appropriation Increase</p> <p><b>Storm Water Management Program</b></p> <p>\$ 200 —to improve management of water resources and provide technical assistance to water suppliers.</p> <hr/> <p>\$ 4,719 Program Revision Total</p>
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### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Office of Resources Management . . . . .	. . . . .	. . . . .	\$ 697	\$ 514	\$ 542	\$ 572	\$ 604
Chesapeake Bay Agricultural Source Abatement . . . . .	. . . . .	. . . . .	155	225	237	250	264
Office of Protection . . . . .	. . . . .	. . . . .	3,667	2,954	3,117	3,288	3,469
Storm Water Management Program . . . . .	. . . . .	. . . . .	200	200	211	223	235
<b>TOTAL GENERAL FUND . . . . .</b>	<b>_____</b>	<b>_____</b>	<b>\$ 4,719</b>	<b>\$ 3,893</b>	<b>\$ 4,107</b>	<b>\$ 4,333</b>	<b>\$ 4,572</b>

# ENVIRONMENTAL RESOURCES

## Program Revision: Community and Industrial Waste Management

One of the Commonwealth's major responsibilities in the protection of public health is to ensure safe and environmentally sound collection and disposal of municipal and household wastes. The Municipal Waste Planning, Recycling and Waste Reduction Act (Act 101 of 1988) addresses the problem of safe disposal, and encourages waste reduction and recycling. In addition, the department promulgated regulations in the Spring of 1988, placing rigorous requirements on owners and operators of Pennsylvania's waste disposal facilities. Within the next two years, the Department of Environmental Resources will inspect more than 100 waste disposal facilities and issue permits to those that meet requirements and close those that do not. It will also permit 1,289 municipal disposal, incinerator, resource recovery, processing and sewage sludge sites.

Each year, more than 18 million tons of residual waste is generated

in Pennsylvania by the paper, textiles, plastics, rubber, wood and power industries. This waste, which includes foundry sands and slags, water treatment sludge and non-toxic ash residues is a potential threat to human health and safety if not properly managed. Regulations governing the management of residual waste will require the department to begin the permitting or closure of the 970 residual waste facilities located in the State. In addition, the department will operate a team to investigate and prosecute violators of laws designed to protect the environment.

A key element in Pennsylvania's solid waste management strategy will be to minimize waste and, where possible, find beneficial uses for waste. This will promote reductions in the need for disposal, conservation of resources and protection of the environment. To carry out this strategy, the department will encourage and award grants for municipal recycling and household hazardous waste programs.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Municipal waste facilities receiving permit action							
Current	272	288	288	288	288	288	288
<b>Program Revision</b>			<b>299</b>	<b>309</b>	<b>309</b>	<b>309</b>	<b>309</b>
Municipal waste inspections performed							
Current	2,500	2,500	2,500	2,500	2,500	2,500	2,500
<b>Program Revision</b>			<b>2,785</b>	<b>3,070</b>	<b>3,070</b>	<b>3,070</b>	<b>3,070</b>
Permit actions on residual waste facilities							
Current	46	53	53	53	53	53	53
<b>Program Revision</b>			<b>57</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>61</b>
Residual waste inspections performed							
Current	525	658	658	658	658	658	658
<b>Program Revision</b>			<b>834</b>	<b>1,010</b>	<b>1,010</b>	<b>1,010</b>	<b>1,010</b>

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Office of Protection**  
 \$ 1,580 —to provide for safe disposal of municipal and residual waste.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Office of Protection			\$ 1,580	\$ 2,061	\$ 2,174	\$ 2,294	\$ 2,420

# ENVIRONMENTAL RESOURCES

## Program Revision: Control of Infectious and Hospital Waste

The issue of safe handling and disposal of infectious and hospital waste has been brought to the attention of the American public by images of seashores littered with syringes, the incineration of hospital wastes in inadequate facilities and improper disposal in landfills. Concern over the spread of AIDS and other life-threatening diseases has resulted in public demand for stringent controls over the handling of hospital wastes. In response to these concerns, Act 93 of 1988 charges the Department of Environmental Resources with new program responsibilities including the review and revision of existing regulations pertaining to infectious and hospital waste, the development and implementation of a Statewide incineration and disposal plan, and the development and implementation of a licensing and "cradle to grave" manifest program to track infectious waste from the point of production to final disposal.

The vast majority of infectious and chemotherapeutic wastes are generated by hospitals, clinics and health care facilities, with smaller amounts produced by private practices, home health care agencies, veterinary clinics and blood banks. These wastes are best disposed of

or rendered harmless by high temperature incineration or sterilization. Since many waste generators cannot afford the expense of adequate facilities, wastes are often transported to a permitted disposal facility. In order to prevent mishandling or unauthorized dumping of hospital wastes, a manifest system will be established for all those who generate, transport, store, process or dispose of such wastes. Transporters of infectious wastes will also be required to obtain special licenses and insurance similar to hazardous waste haulers.

During implementation of this new program, the department will be responsible for licensing of hospital waste transporters and managing a manifest program to track the movement of hospital wastes. This new program will require the inspection of over 15,000 hospitals, nursing homes, transfer facilities, laboratories, clinics and incinerators; the processing of over 100,000 manifests; and the institution of enforcement and compliance actions in cases where violations are detected.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Infectious waste handlers inspected to ensure safe management practices							
Current	200	200	200	200	200	200	200
<b>Program Revision</b>			<b>1,570</b>	<b>2,930</b>	<b>2,930</b>	<b>2,930</b>	<b>2,930</b>
Licenses to transport infectious waste							
Current							
<b>Program Revision</b>			<b>35</b>	<b>35</b>	<b>75</b>	<b>75</b>	<b>75</b>
Shipments of infectious waste monitored							
Current							
<b>Program Revision</b>			<b>24,500</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

\$ 725 —to implement a management plan and manifest system to track hospital waste to final disposal.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Office of Protection			\$ 725	\$ 929	\$ 980	\$ 1,034	\$ 1,091

# ENVIRONMENTAL RESOURCES

## Program Revision: Implementation of the Hazardous Sites Cleanup Act

A new threat to our health and natural resources gained national prominence in the 1970s—the improper disposal of hazardous and toxic wastes. Sites like McAdoo and Butler Tunnel joined the growing list of sites that came to be known as "ticking time bombs." Few states had specific legislative authority to conduct independent cleanups or to take enforcement action against the generators of the waste. Congress responded by passing the Comprehensive Environmental Response, Compensation and Liability Act and providing a \$1.6 billion cleanup fund, (known as "Superfund"). This act was reauthorized in 1986 and the funding increased to \$8.5 billion. Despite these efforts to provide the United States Environmental Protection Agency (EPA) with the tools necessary to implement an aggressive cleanup program with State cooperation, EPA's record has been dismal. During the first seven years of the Federal program, only 2 out of 99 Pennsylvania sites have been cleaned up.

In response to this problem, the Commonwealth has assumed the initiative to clean up hazardous waste sites. Act 108 of 1988 established the Hazardous Sites Cleanup Program to accelerate the rate of projects in the Federal program, to provide the means to clean up sites not covered by the Federal program, to investigate sites to identify those responsible for illegal activities, and to establish new sites to meet the hazardous waste disposal needs of the Commonwealth.

Actual cleanup of hazardous waste requires an identification and assessment of the site, a remediation plan and actual cleanup. This effort is currently administered by the Department of Environmental Resources (DER) and draws upon three sources of funding: responsible parties, Federal funds, and various other State sources. These State sources include a dedicated Capital Stock/Franchise Fee Surcharge, a hazardous waste fee system and Commonwealth appropriations. This Budget maintains the commitment to use State funds to support the cleanup of hazardous waste sites by appropriating \$15.962 million to the Hazardous Sites Cleanup Fund for 1989-90. The department will use \$1.475 million from this fund to initiate a State hazardous waste cleanup program. DER will conduct investigations and assessments, pursue and notify responsible parties, issue cleanup orders, secure access to sites and participate in negotiations over cleanup responsibility and funding.

Two of DER's six regional offices do not have the full time presence of the Attorney General's Toxic Waste Investigation and Prosecutions Section. These regional offices are in the Northwest region of the State at Meadville and in the North Central region of the State at Williamsport. This Program Revision will establish two Toxic Waste Investigation and Prosecutions field offices under the jurisdiction of the Office of Attorney General in Meadville and Williamsport.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Sites assessed for possible hazardous waste contamination							
Current .....	483	78	50	50	50	50	50
<b>Program Revision .....</b>	.....	.....	<b>82</b>	<b>115</b>	<b>115</b>	<b>115</b>	<b>115</b>
National Priorities List remedial investigations or section 501(d) site investigations started							
Current .....	21	9	8	10	10	10	10
<b>Program Revision .....</b>	.....	.....	<b>12</b>	<b>14</b>	<b>18</b>	<b>18</b>	<b>18</b>
Completions of National Priorities List remedial actions							
Current .....	6	5	10	7	15	15	30
<b>Program Revision .....</b>	.....	.....	<b>12</b>	<b>11</b>	<b>19</b>	<b>23</b>	<b>38</b>

Trends in program measures for activities at cleanup sites can vary significantly because some sites consume considerably more time and resources than other sites.

# ENVIRONMENTAL RESOURCES

Program Revision: Implementation of the Hazardous Sites Cleanup Act (continued)

## Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**General Fund**  
**Office of Attorney General**  
 \$ 583 —to open two new field offices for investigation  
 of environmental crimes.

## Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
<b>ATTORNEY GENERAL</b>							
Hazardous Waste Prosecutions .....	.....	.....	\$ 583	\$ 615	\$ 649	\$ 685	\$ 723

## Funds Available For Hazardous Sites Cleanup:

<b>General Fund:</b>							
Hazardous Waste Control .....	\$ 15,684	\$ 15,926	\$ 15,926	\$ 15,926	\$ 15,926	\$ 15,926	\$ 15,926
<b>Hazardous Sites Cleanup Fund:</b>							
Capital Stock/Franchise Surcharge .....	12,750	22,550	28,700	30,200	33,700	36,000	38,300
Waste Management Permit Fees .....	.....	1,575	3,770	3,770	3,770	3,770	3,770
Hazardous Waste Transporter Licenses and Application Fees .....	26	30	30	30	30	30	30
Hazardous Waste Treatment, Storage or Disposal Fees .....	28	100	100	100	100	100	100
<b>TOTAL ALL FUNDS .....</b>	<b>\$ 28,488</b>	<b>\$ 40,181</b>	<b>\$ 49,109</b>	<b>\$ 50,641</b>	<b>\$ 54,175</b>	<b>\$ 56,511</b>	<b>\$ 58,849</b>
<b>CUMULATIVE TOTAL OF FUNDS .....</b>	<b>\$ 28,488</b>	<b>\$ 68,669</b>	<b>\$ 117,778</b>	<b>\$ 168,419</b>	<b>\$ 222,594</b>	<b>\$ 279,105</b>	<b>\$ 337,954</b>

# ENVIRONMENTAL RESOURCES

## Program Revision: Leaking Storage Tank Remediation

Storage tanks containing hazardous substances are not adequately regulated to protect the environment and public health and safety. The Ashland Oil disaster on the Monongahela River clearly demonstrated the potential and real dangers posed by aboveground storage tanks. Furthermore, Pennsylvania's estimated 140,000 underground storage tanks represent a major potential source of groundwater pollution in the Commonwealth. It is estimated that over 30,000 underground storage tanks are presently leaking. Legislation will be introduced in the General Assembly to regulate these underground and aboveground storage tanks.

In addition, the Federal underground storage tank program, effective on December 22, 1988, requires all tank owners to meet Federal technical requirements and provide financial responsibility in the amount of \$1 million for each occurrence of a leak. Without a Commonwealth indemnification program to assist in meeting this financial responsibility, most tank owners will be in violation of the Federal law. Federally required tank testing will identify thousands of leaking storage tanks in the next 18 months. Without assumption of primacy for the Federal program, and adequate resources, costly delays for tank retrofits and remediation efforts will occur.

Without a program, the Commonwealth could lose over \$50 million in Federal Leaking Underground Storage Tank Trust Fund cleanup monies. Pennsylvania is the largest of seven states that do not have an underground storage tank program. Although the Commonwealth has received Federal grants to develop such a program, enabling legislation must be enacted by the General Assembly before regulatory and remediation procedures can be developed. The proposed legislation would establish a self-funded storage tank program using registration fees that would provide sufficient resources for a comprehensive effort. This legislation would also allow the department to assume primacy, obtain approximately \$50 million in Federal clean-up monies, provide a Commonwealth indemnification fund for owner/operator financial responsibility, and generate more than \$300 million for insurance claims. Start-up funds for this program will be borrowed from the Hazardous Sites Cleanup Fund by executive authorization, and repaid within two years.

This Program Revision will enable the department to begin implementation of the storage tank programs as soon as legislation is enacted.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Annual State registrations of aboveground and underground storage tanks							
Current	.....	.....	.....	.....	.....	.....	.....
<b>Program Revision</b>	.....	.....	10,000	40,000	60,000	65,000	70,000
Identification of leaking underground storage tanks							
Current	.....	.....	.....	.....	.....	.....	.....
<b>Program Revision</b>	.....	.....	175	280	525	595	595
Remediation of underground storage tank leaks							
Current	.....	.....	.....	.....	.....	.....	.....
<b>Program Revision</b>	.....	.....	20	50	245	245	245
Annual State certifications of aboveground and underground storage tanks							
Current	.....	.....	.....	.....	.....	.....	.....
<b>Program Revision</b>	.....	.....	7,000	20,000	40,000	45,000	50,000

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Storage Tank Program**  
 \$ 934 —to implement the Storage Tank Program.  
 Funds will be borrowed initially from the Hazardous Sites Cleanup Fund and repaid within two years.

### Funds Available From Hazardous Sites Cleanup Fund:

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>HAZARDOUS SITES CLEANUP FUND:</b>							
Storage Tank Program	.....	.....	\$ 934	\$ 1,811	\$ 1,911	\$ 2,016	\$ 2,127

# ENVIRONMENTAL RESOURCES

*PROGRAM OBJECTIVE: To protect the people from dangerous or unnecessary radiation from natural and man-made sources, including occupational and medical exposure.*

## Program: Radiation Protection

The program utilizes several means to protect citizens from exposure to dangerous levels of radiation. One is the regulation, licensing and inspection of radiation source users. This involves registration of radiation producing equipment, licensing of users of radioactive materials and inspection of facilities to assure compliance with regulations.

The department also monitors the environment for radiation. This is done primarily in the vicinity of major users of radioactive materials, such as nuclear power plants. Ambient air is sampled continuously while milk produced on local farms and surface waters are sampled monthly and vegetation, fish and silt samples are collected at least annually. The radon surveillance and action program is also part of this activity, measuring levels in private dwellings, advising owners on remedial actions they can take, and conducting research for effective solutions. The department certifies radon testing and mitigation firms to protect the public from inaccurate test results and ineffective construction or remedial techniques.

Another protection activity is the routine inspection and oversight of nuclear power generating facilities in the Commonwealth. These are: Beaver Valley Power Station, Limerick Generating Station, Peach Bottom Atomic Power Station, Susquehanna Steam Electric Station and Three

Mile Island Nuclear Station. An agreement with the U.S. Nuclear Regulatory Commission (NRC) allows State nuclear engineers to review and evaluate plant design and operations, participate in any NRC hearings and participate in routine NRC inspections.

The program also involves planning and emergency preparedness to protect citizens of the Commonwealth in the event of accidents involving radioactive materials at power plants and other facilities utilizing radioactive materials.

Safe disposal of low-level radioactive waste, that is the disposal of such items as contaminated filters, gloves and clothing from hospitals, industries, and university research centers, is also a part of this program. (Spent nuclear fuel and similar highly radioactive materials are not included.) Since the Commonwealth is a major generator of these materials, a disposal site will be established within its borders. The Appalachian Low-Level Radioactive Waste Compact (Act 120 of 1985) committed Pennsylvania to establish a low-level radioactive waste disposal site for the four states in the compact — Delaware, Maryland, West Virginia and Pennsylvania. The Low-Level Radioactive Waste Disposal Act (Act 12 of 1988) establishes the criteria for the selection of a site, operation of a facility and transportation of wastes to the site.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Radiation user inspections performed . . . . .	1,394	2,500	2,500	2,500	2,500	2,500	2,500
Users brought into compliance through inspections . . . . .	390	600	600	600	600	600	600
Nuclear plant off-site samples . . . . .	3,124	3,124	3,124	3,124	3,124	3,124	3,124
Cubic feet of low level radioactive waste generated in Pennsylvania . . . . .	220,000	220,000	220,000	200,000	200,000	200,000	200,000

The program measures showing radiation user inspections performed and users brought into compliance through inspections will increase because of the program expansion in FY1987-88. As this program is self-funded by permit fees, no increase in General Fund monies is needed.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>Radon Testing</b>	<b>Low Level Radioactive Waste</b>
\$ -7 —to continue current program.	\$ 23 —to continue current program.

The Appalachian States Low-level Waste Compact appropriation is continued at the current level of participation.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Radon Testing . . . . .	1,307	1,429	1,422	1,500	1,583	1,670	1,762
Three Mile Island Clean-up . . . . .	5,000						
Appalachian States Low-level Waste Compact . . . . .		200	200	200	200	200	200
Low Level Radioactive Waste Program . . . . .	665	736	759	801	845	891	940
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 6,972</b>	<b>\$ 2,365</b>	<b>\$ 2,381</b>	<b>\$ 2,501</b>	<b>\$ 2,628</b>	<b>\$ 2,761</b>	<b>\$ 2,902</b>

# ENVIRONMENTAL RESOURCES

*PROGRAM OBJECTIVE: To provide and manage outdoor recreation facilities and open space areas for citizens of the Commonwealth and out-of-state visitors.*

## Program: Recreation Areas and Facilities Management

Currently there are 114 State parks and recreation areas encompassing 276,300 acres. In 1987-88, over 36 million visitors used these facilities. An estimated 15 percent of these visitors were from out of state, significantly contributing to the Commonwealth's tourist industry. In addition to managing these facilities, this program also maintains and restores the State parks and adds new facilities where needed. User fees and concession charges are used to support the maintenance and

operation of the park system.

In addition, the Pennsylvania Conservation Corps has been involved with rehabilitation and construction projects in State parks, in other State-owned facilities and, through grants, in projects operated by county and municipal governments. The corps meets its dual objectives of improving public recreational facilities while providing work training opportunities and job skills to youths.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
State park attendance in visitor days (in thousands) .....	46,759	46,783	46,783	46,783	46,783	46,783	46,783
Major maintenance or restoration projects completed .....	194	180	180	180	180	180	180

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>State Parks</b></p> <p>\$ 1,800 —to continue current program.</p> <p>\$ 913 —increase staff coverage to maintain park services.</p> <hr/> <p>\$ 2,713 <i>Appropriation Increase</i></p>	<p><b>Annual Fixed Charges — Project 70</b></p> <p>\$ 5 —to continue current program.</p> <p><b>Pennsylvania Conservation Corps</b></p> <p>\$ 4,477 —to continue current program.</p>
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The Annual Fixed Charges – Flood Lands appropriation is continued at the current program level. The Fabridam appropriation is a nonrecurring project.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
State Parks .....	\$ 29,127	\$ 32,732	\$ 35,445	\$ 37,394	\$ 39,451	\$ 41,621	\$ 43,910
Annual Fixed Charges—Flood Lands .....	17	23	23	23	23	23	23
Annual Fixed Charges—Project 70 .....	11	12	17	17	17	17	17
Fabridam .....	800	.....	.....	.....	.....	.....	.....
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 29,955</b>	<b>\$ 32,767</b>	<b>\$ 35,485</b>	<b>\$ 37,434</b>	<b>\$ 39,491</b>	<b>\$ 41,661</b>	<b>\$ 43,950</b>
<b>ECONOMIC REVITALIZATION FUND:</b>							
Pennsylvania Conservation Corps .....	\$ 6,050	\$ 1,523	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
Recreation Improvement and Rehabilitation .....	8,051	.....	.....	.....	.....	.....	.....
<b>TOTAL ECONOMIC REVITALIZATION FUND .....</b>	<b>\$ 14,101</b>	<b>\$ 1,523</b>	<b>\$ 6,000</b>	<b>\$ 6,000</b>	<b>\$ 6,000</b>	<b>\$ 6,000</b>	<b>\$ 6,000</b>



**Commonwealth of Pennsylvania**

# **Fish Commission**

The Fish Commission administers and enforces the fishing and boating laws of the Commonwealth and provides for the protection and propagation of aquatic life.

# FISH COMMISSION

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<i>GRANTS AND SUBSIDIES:</i>			
Atlantic States Marine Fisheries Commission .....	\$ 7	\$ 7	\$ 9
<b>BOAT FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
General Operations (EA) .....	\$ 3,830	\$ 3,920	\$ 4,442
(F) U.S. Coast Guard Grant — Boating Safety .....	434	301	331
(F) Sport Fish Restoration .....	238	267	249
(A) Sale of Vehicles .....	14	10	10
STATE FUNDS .....	\$ 3,830	\$ 3,920	\$ 4,442
FEDERAL FUNDS .....	672	568	580
AUGMENTATIONS .....	14	10	10
<b>BOAT FUND TOTAL</b> .....	<b>\$ 4,516</b>	<b>\$ 4,498</b>	<b>\$ 5,032</b>
<b>FISH FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
General Operations (EA) .....	\$ 15,399	\$ 16,427	\$ 18,076
(F) Fish and Wildlife Restoration Act .....	2,714	3,848	3,305
(A) Sale of Vehicles .....	34	50	50
(A) Reimbursement for Services — Boat Fund .....	4,516	4,498	5,032
(A) Pennsylvania Conservation Corps .....	117	200	.....
STATE FUNDS .....	\$ 15,399	\$ 16,427	\$ 18,076
FEDERAL FUNDS .....	2,714	3,848	3,305
AUGMENTATIONS .....	4,667	4,748	5,082
<b>FISH FUND TOTAL</b> .....	<b>\$ 22,780</b>	<b>\$ 25,023</b>	<b>\$ 26,463</b>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUND .....	\$ 7	\$ 7	\$ 9
SPECIAL FUNDS .....	19,229	20,347	22,518
FEDERAL FUNDS .....	3,386	4,416	3,885
AUGMENTATIONS .....	4,681	4,758	5,092
<b>TOTAL ALL FUNDS</b> .....	<b>\$ 27,303</b>	<b>\$ 29,528</b>	<b>\$ 31,504</b>

# FISH COMMISSION

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>RECREATIONAL FISHING AND BOATING</b>							
General Funds..... \$	7 \$	7 \$	9 \$	9 \$	9 \$	9 \$	9
Special Funds.....	19,229	20,347	22,518	22,281	22,048	21,816	21,445
Federal Funds.....	3,386	4,416	3,885	3,993	4,054	4,122	4,137
Other Funds.....	4,681	4,758	5,092	5,057	5,033	5,009	4,985
<b>TOTAL..... \$</b>	<b>27,303 \$</b>	<b>29,528 \$</b>	<b>31,504 \$</b>	<b>31,340 \$</b>	<b>31,144 \$</b>	<b>30,956 \$</b>	<b>30,576</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND..... \$	7 \$	7 \$	9 \$	9 \$	9 \$	9 \$	9
SPECIAL FUNDS.....	19,229	20,347	22,518	22,281	22,048	21,816	21,445
FEDERAL FUNDS.....	3,386	4,416	3,885	3,993	4,054	4,122	4,137
OTHER FUNDS.....	4,681	4,758	5,092	5,057	5,033	5,009	4,985
<b>TOTAL..... \$</b>	<b>27,303 \$</b>	<b>29,528 \$</b>	<b>31,504 \$</b>	<b>31,340 \$</b>	<b>31,144 \$</b>	<b>30,956 \$</b>	<b>30,576</b>

# FISH COMMISSION

*PROGRAM OBJECTIVE: To establish habitats and environments which will sustain fish and wildlife population for recreational uses and for perpetuation of species, and to provide a satisfactory variety of opportunities for fishing and boating on Commonwealth waters.*

## Program: Recreational Fishing and Boating

The Fish Commission is responsible for the enforcement of the fishing and boating laws and regulations, registration of boats, the State boating and water safety education programs, and the management and promotion of recreational boating. The Boating Advisory Board, a group of knowledgeable boaters appointed by the Governor, advises the commission on boating matters.

In addition to recreational boating, the commission is responsible for recreational fishing in the Commonwealth. This includes fish

propagation, stocking, fisheries environmental services, the cooperative nurseries program, research and fish management. The commission also provides for the development, improvement and maintenance of facilities for lake and access areas. As water quality is a major factor in aquatic recreation, the commission responds to the need for environmental safeguards, and closely monitors the water quality of many streams, lakes and rivers in the Commonwealth.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Fishing licenses sold .....	1,114,000	1,121,000	1,124,000	1,127,000	1,127,000	1,131,000	1,131,000
Pounds of fish stocked in Commonwealth streams and lakes .....	2,594,531	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
Boats registered .....	250,000	265,000	278,000	292,000	307,000	322,000	338,000

### Program Recommendations:

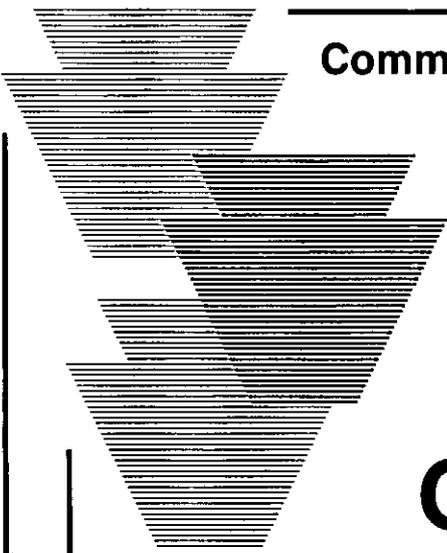
This budget recommends the following changes: (Dollar Amounts in Thousands)

**BOAT FUND:**  
**General Government Operations**  
 \$ 522 —to continue current programs.

**FISH FUND:**  
**General Government Operations**  
 \$ 1,649 —to continue current programs.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>BOAT FUND:</b>							
General Operations .....	<u>\$ 3,830</u>	<u>\$ 3,920</u>	<u>\$ 4,442</u>	<u>\$ 4,386</u>	<u>\$ 4,332</u>	<u>\$ 4,277</u>	<u>\$ 4,220</u>
<b>FISH FUND:</b>							
General Operations .....	<u>\$ 15,399</u>	<u>\$ 16,427</u>	<u>\$ 18,076</u>	<u>\$ 17,895</u>	<u>\$ 17,716</u>	<u>\$ 17,539</u>	<u>\$ 17,225</u>



**Commonwealth of Pennsylvania**

# **Game Commission**

The Game Commission administers and enforces the game laws of the Commonwealth and provides for the protection and propagation of wildlife.

# GAME COMMISSION

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
<b>GAME FUND</b>	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL GOVERNMENT:</b>			
General Operations .....	\$ 34,745	\$ 38,790	\$ 36,074
(F) Pittman-Robinson Act Reimbursements .....	4,331	4,300	4,100
(F) Endangered Species .....	36	36	36
(F) Surface Mine Regulatory Program .....	24	34	40
(A) Sale of Vehicles .....	170	230	225
(A) Sharecrop and Agricultural Leases .....	54	19	19
(A) Pennsylvania Conservation Corps .....	294	250	.....
(A) Donations .....	91	50	50
(A) Hunter Trapper Education Camp .....	16	10	10
(A) Youth Shooting Sports .....	4	3	3
STATE FUNDS .....	\$ 34,745	\$ 38,790	\$ 36,074
FEDERAL FUNDS .....	4,391	4,370	4,176
AUGMENTATIONS .....	629	562	307
<b>GAME FUND TOTAL .....</b>	<b>\$ 39,765</b>	<b>\$ 43,722</b>	<b>\$ 40,557</b>

# GAME COMMISSION

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>WILDLIFE MANAGEMENT</b>							
Special Funds.....	\$ 34,745	\$ 38,790	\$ 36,074	\$ 37,637	\$ 39,142	\$ 40,640	\$ 42,197
Federal Funds.....	4,391	4,370	4,176	4,281	4,281	4,281	4,281
Other Funds.....	629	562	307	319	319	319	319
<b>TOTAL.....</b>	<b>\$ 39,765</b>	<b>\$ 43,722</b>	<b>\$ 40,557</b>	<b>\$ 42,237</b>	<b>\$ 43,742</b>	<b>\$ 45,240</b>	<b>\$ 46,797</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SPECIAL FUNDS.....	34,745	38,790	36,074	37,637	39,142	40,640	42,197
FEDERAL FUNDS.....	4,391	4,370	4,176	4,281	4,281	4,281	4,281
OTHER FUNDS.....	629	562	307	319	319	319	319
<b>TOTAL.....</b>	<b>\$ 39,765</b>	<b>\$ 43,722</b>	<b>\$ 40,557</b>	<b>\$ 42,237</b>	<b>\$ 43,742</b>	<b>\$ 45,240</b>	<b>\$ 46,797</b>

# GAME COMMISSION

*PROGRAM OBJECTIVE: To establish habitats and environments which will sustain wildlife populations for recreational uses and for the perpetuation of species.*

## Program: Wildlife Management

The main responsibility of the Game Commission is the perpetuation of the species of wildlife found in Pennsylvania. While those species considered game animals such as deer, turkey and bear, receive the most attention, others (river otters, osprey, peregrine falcons and eagles, both bald and golden) are also the focus of programs for endangered and threatened species. More common species are not ignored; they receive the protection mandated in the Game and Wildlife Code and are recognized as part of the natural balance.

Enforcement of the provisions of this code is critical; however, the primary means of ensuring the propagation and preservation of wildlife is properly managed land and game habitat. Currently the commission administers over 1.3 million acres of public property, the State Game Lands, and is judiciously acquiring additional lands, focusing on critically important wetlands. The commission also has cooperative programs to encourage good land management and habitat improvement by private landowners; thereby stimulating hunting on private lands.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Hunting licenses sold . . . . .	1,167,433	1,166,000	1,166,000	1,166,000	1,166,000	1,166,000	1,166,000
Deer taken . . . . .	172,956	175,000	175,000	175,000	175,000	175,000	175,000
Arrests for violation of game laws . . . . .	8,383	8,500	8,500	8,500	8,500	8,500	8,500

The program measure showing arrests for violations of game laws has decreased because of the higher fine structure mandated by Act 93 of 1986, the codification of game laws.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

General Government Operations	
\$ -4,841	—Non-recurring items (land acquisition).
2,125	—to continue current programs.
<u>\$ -2,716</u>	<i>Appropriation Decrease</i>

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Operations . . . . .	<u>\$ 34,745</u>	<u>\$ 38,790</u>	<u>\$ 36,074</u>	<u>\$ 37,637</u>	<u>\$ 39,142</u>	<u>\$ 40,640</u>	<u>\$ 42,197</u>



**Commonwealth of Pennsylvania**

# **Department of General Services**

The Department of General Services administers the leasing, purchasing, transportation, construction, repair and maintenance services for all agencies of the Commonwealth.

# GENERAL SERVICES

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
<b>General Government Operations</b> .....	<b>\$ 41,735</b>	<b>\$ 43,832</b>	<b>\$ 46,862</b>
(F) Appalachian Entrepreneurial Exchange Program .....	.....	50	.....
(A) Employes Group Life Insurance .....	50	50	50
(A) Federal Surplus Property .....	322	322	310
(A) State Buildings Use .....	1,106	1,127	1,127
(A) Sound Equipment .....	33	35	43
(A) Employee Liability Self Insurance Program .....	.....	104	52
(A) Information Center — Centrix .....	206	206	210
(A) Newsroom Services .....	14	14	16
(A) Computer Services .....	130	152	202
(A) Plans Forfeiture .....	36	36	36
(A) Media Center Reimbursements .....	635	678	714
Total — General Government Operations .....	<u>\$ 44,267</u>	<u>\$ 46,606</u>	<u>\$ 49,622</u>
<b>Legal Services — Capitol East Wing</b> .....	.....	300	.....
<b>Capitol Police Operations</b> .....	<b>3,580</b>	<b>4,219</b>	<b>4,639</b>
(A) Capitol Police Services .....	1	.....	10
<b>Minority Contractors Information Center</b> .....	<b>80</b>	<b>100</b>	<b>100</b>
<b>Utility Costs</b> .....	<b>9,500</b>	<b>9,300</b>	<b>9,140</b>
<b>Harristown Rental</b> .....	<b>7,798</b>	<b>7,300</b>	<b>6,489</b>
<b>Harristown Utility and Municipal Charges</b> .....	<b>5,918</b>	<b>6,064</b>	<b>6,064</b>
<b>Printing the Pennsylvania Manual</b> .....	.....	178	.....
Subtotal — State Funds .....	<u>\$ 68,611</u>	<u>\$ 71,293</u>	<u>\$ 73,294</u>
Subtotal — Augmentations .....	<u>2,533</u>	<u>2,724</u>	<u>2,770</u>
Total — General Government .....	<u>\$ 71,144</u>	<u>\$ 74,067</u>	<u>\$ 76,064</u>
<b>GRANTS AND SUBSIDIES:</b>			
<b>Excess Insurance Coverage</b> .....	.....	.....	<b>\$ 1,400</b>
<b>Capitol Fire Protection</b> .....	<b>\$ 550</b>	<b>\$ 550</b>	<b>550</b>
<b>Soldiers' Grove</b> .....	25	.....	.....
<b>Asbestos Response</b> .....	.....	800	800
<b>Federal Surplus Pilot Project — Luzerne County</b> .....	.....	.....	500
Total — Grants and Subsidies .....	<u>\$ 575</u>	<u>\$ 1,350</u>	<u>\$ 3,250</u>
<b>CAPITAL IMPROVEMENTS:</b>			
<b>Energy Conservation Project</b> .....	<b>\$ 750</b>	.....	.....
<b>Capital Improvements</b> .....	<b>500</b>	.....	.....
Total — Capital Improvements .....	<u>\$ 1,250</u>	.....	.....
STATE FUNDS .....	<u>\$ 70,436</u>	<u>\$ 72,643</u>	<u>\$ 76,544</u>
FEDERAL FUNDS .....	.....	50	.....
AUGMENTATIONS .....	<u>2,533</u>	<u>2,724</u>	<u>2,770</u>
<b>GENERAL FUND TOTAL</b> .....	<u><b>\$ 72,969</b></u>	<u><b>\$ 75,417</b></u>	<u><b>\$ 79,314</b></u>

# GENERAL SERVICES

(Dollar Amounts in Thousands)

	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>MOTOR LICENSE FUND</b>			
<i>GRANTS AND SUBSIDIES:</i>			
Tort Claim Payments .....	\$ 26,500	\$ 26,500	\$ 26,500
Asbestos Response .....	.....	<u>500</u>	<u>500</u>
<b>MOTOR LICENSE FUND TOTAL .....</b>	<b><u>\$ 26,500</u></b>	<b><u>\$ 27,000</u></b>	<b><u>\$ 27,000</u></b>
<b>BANKING DEPARTMENT FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Harristown Rental Charges .....	\$ 170	\$ 163	\$ 146
Harristown Utility and Municipal Charges .....	<u>128</u>	<u>131</u>	<u>137</u>
<b>BANKING DEPARTMENT FUND TOTAL .....</b>	<b><u>\$ 298</u></b>	<b><u>\$ 294</u></b>	<b><u>\$ 283</u></b>
<b>LOTTERY FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Harristown Rental Charges .....	\$ 101	\$ 96	\$ 86
Harristown Utility and Municipal Charges .....	<u>87</u>	<u>89</u>	<u>94</u>
<b>LOTTERY FUND TOTAL .....</b>	<b><u>\$ 188</u></b>	<b><u>\$ 185</u></b>	<b><u>\$ 180</u></b>
<b>OTHER FUNDS</b>			
<i>REVENUE SHARING TRUST FUND:</i>			
Moving and Relocation Expenses .....	\$ 125	\$ 200	\$ 164
<b>OTHER FUNDS TOTAL .....</b>	<b><u>\$ 125</u></b>	<b><u>\$ 200</u></b>	<b><u>\$ 164</u></b>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUND .....	\$ 70,436	\$ 72,643	\$ 76,544
SPECIAL FUNDS .....	26,986	27,479	27,463
FEDERAL FUNDS .....	.....	50	.....
AUGMENTATIONS .....	2,533	2,724	2,770
OTHER FUNDS .....	<u>125</u>	<u>200</u>	<u>164</u>
<b>TOTAL ALL FUNDS .....</b>	<b><u>\$ 100,080</u></b>	<b><u>\$ 103,096</u></b>	<b><u>\$ 106,941</u></b>

# GENERAL SERVICES

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>FACILITY, PROPERTY AND COMMODITY MANAGEMENT</b>							
General Funds.....	\$ 70,436	\$ 72,643	\$ 76,544	\$ 78,601	\$ 81,390	\$ 84,698	\$ 87,815
Special Funds.....	26,986	27,479	27,463	29,970	29,979	29,987	29,998
Federal Funds.....	0	50	0	0	0	0	0
Other Funds.....	2,658	2,924	2,934	2,770	2,770	2,770	2,770
<b>TOTAL.....</b>	<b>\$ 100,080</b>	<b>\$ 103,096</b>	<b>\$ 106,941</b>	<b>\$ 111,341</b>	<b>\$ 114,139</b>	<b>\$ 117,455</b>	<b>\$ 120,583</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 70,436	\$ 72,643	\$ 76,544	\$ 78,601	\$ 81,390	\$ 84,698	\$ 87,815
SPECIAL FUNDS.....	26,986	27,479	27,463	29,970	29,979	29,987	29,998
FEDERAL FUNDS.....	0	50	0	0	0	0	0
OTHER FUNDS.....	2,658	2,924	2,934	2,770	2,770	2,770	2,770
<b>TOTAL.....</b>	<b>\$ 100,080</b>	<b>\$ 103,096</b>	<b>\$ 106,941</b>	<b>\$ 111,341</b>	<b>\$ 114,139</b>	<b>\$ 117,455</b>	<b>\$ 120,583</b>

# GENERAL SERVICES

*PROGRAM OBJECTIVE: To maintain the Commonwealth's real property and facilities; to provide Commonwealth agencies with quality commodities in a timely manner; and to settle tort claims in an equitable manner while reducing risks.*

## Program: Facility, Property, and Commodity Management

This program provides for management of the buildings and grounds including police services for the Capitol Complex in Harrisburg and the State Office buildings in Philadelphia, Pittsburgh, Scranton, Altoona, and Reading. The department also manages the acquisition and utilization of space and facilities by State agencies and provides agencies with commodities that conform to accepted standards of quality.

The department also provides telecommunications services to Commonwealth agencies.

This program is also responsible for preparing plans, designs, surveys, and specifications for all State construction projects. All projects are closely monitored to ensure compliance with State laws and building codes.

This program handles tort claims, in conjunction with the Attorney General's Office, brought against the Commonwealth, its officials, and employees. Act 152 of 1978 reaffirmed the Commonwealth's use of sovereign immunity as a defense against tort claims, but established

criteria for limited amounts of liability in eight specific areas: vehicle liability; medical professional liability; personal property; Commonwealth real estate; potholes and other dangerous conditions; care, custody and control of domestic animals; liquor store sales; and National Guard activities. Claims in the pre-litigation stage are investigated by the department, while the Office of Attorney General defends those claims in litigation.

The assessment of the asbestos danger in Commonwealth-owned buildings will be continued in 1989-90, the second year of a five year program. The hazard potential for areas where asbestos is present will be calculated, and abatement costs estimated.

This program includes \$1.4 million to purchase catastrophic property insurance coverage on Commonwealth owned buildings. The Commonwealth currently purchases this coverage for buildings in the main Capitol complex. This initiative will extend coverage to over 200 locations valued in excess of \$4 billion.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Value of Federal surplus property (in thousands):							
Available .....	\$2,423	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Distributed .....	\$9,115	\$9,200	\$9,500	\$10,000	\$10,500	\$11,000	\$11,000
Capital facilities projects in design and/or construction:							
Number .....	385	495	500	475	450	425	450
Value (in thousands) .....	\$725,000	\$825,000	\$850,000	\$725,000	\$675,000	\$600,000	\$625,000
Requests for telecommunications proposal and or service processed ...	9,274	9,400	9,500	9,500	9,500	9,500	9,500
Tort claims filed .....	8,216	9,100	10,800	11,000	14,000	14,000	14,000
Tort claims closed (includes settlements, judgements and denials) .....	7,578	8,000	8,500	9,000	9,500	10,500	10,500
Tort claims pending .....	7,793	11,000	14,000	17,000	18,500	18,500	18,500
Amount of claims pending (in thousands)	\$310,041	\$414,000	\$518,000	\$647,000	\$700,000	\$700,000	\$700,000

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

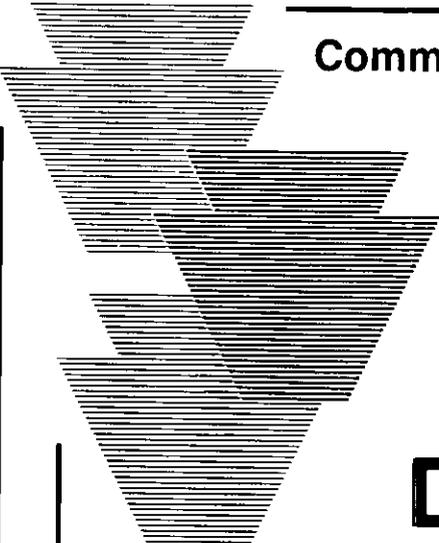
<p><b>General Government Operations</b></p> <p>\$ -485 —nonrecurring projects.</p> <p>4,088 —to carry current programs.</p> <p><b>\$ 3,603 Appropriation increase</b></p> <p><b>Capitol Police Operations.</b></p> <p>\$ -30 —nonrecurring projects.</p> <p>457 —to carry current programs.</p> <p><b>\$ 420 Appropriation Increase</b></p> <p><b>Legal Services — East Wing of the Capitol</b></p> <p>\$ -300 —nonrecurring project.</p> <p><b>Federal Surplus Pilot Project — Luzerne County</b></p> <p>\$ 500 —to establish a nonprofit equipment center to lease equipment to eligible public purpose organizations.</p>	<p><b>Harristown Rental Charges</b></p> <p>\$ -811 —for lease charges.</p> <p><b>Pennsylvania Manual</b></p> <p>\$ -178 —no funding required; manual is printed every two years.</p> <p><b>Excess Insurance Coverage</b></p> <p>\$ 1,400 —to provide for losses in excess of \$1 million on Commonwealth owned property.</p> <p>All other programs are recommended to be continued at the current levels.</p>
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# GENERAL SERVICES

## Program: Facility, Property, and Commodity Management (continued)

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 41,735	\$ 43,832	\$ 46,862	\$ 48,991	\$ 51,686	\$ 54,528	\$ 57,527
Legal Services — East Wing of the Capitol .....		300					
Capitol Police Operations .....	3,580	4,219	4,639	4,894	5,163	5,447	5,747
Minority Contractors .....	80	100	100	100	100	100	100
Utility Costs .....	9,500	9,300	9,140	9,140	9,140	9,140	9,140
Harristown Rental Charges .....	7,798	7,300	6,489	6,484	6,487	6,487	6,487
Harristown Utility and Municipal Charges ..	5,918	6,064	6,064	6,064	6,064	6,064	6,064
Pennsylvania Manual .....		178		178		182	
Capitol Fire Protection .....	550	550	550	550	550	550	550
Soldier's Grove .....	25						
Energy Conservation Projects .....	750						
Capitol Improvements .....	500						
Federal Surplus Pilot Project — Luzerne County .....			500				
Asbestos Response Program .....		800	800	800	800	800	800
Excess Insurance Coverage .....			1,400	1,400	1,400	1,400	1,400
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 70,436</b>	<b>\$ 72,643</b>	<b>\$ 76,544</b>	<b>\$ 78,601</b>	<b>\$ 81,390</b>	<b>\$ 84,698</b>	<b>\$ 87,815</b>
<b>BANKING DEPARTMENT FUND</b>							
Harristown Rental Charges .....	\$ 170	\$ 163	\$ 146	\$ 146	\$ 146	\$ 146	\$ 146
Harristown Municipal and Utility Costs ...	128	131	137	141	147	151	157
<b>TOTAL BANKING DEPARTMENT   FUND .....</b>	<b>\$ 298</b>	<b>\$ 294</b>	<b>\$ 283</b>	<b>\$ 287</b>	<b>\$ 293</b>	<b>\$ 297</b>	<b>\$ 303</b>
<b>STATE LOTTERY FUND</b>							
Harristown Rental Charges .....	\$ 101	\$ 96	\$ 86	\$ 86	\$ 86	\$ 86	\$ 86
Harristown Utility and Municipal Charges ..	87	89	94	97	100	104	109
<b>TOTAL STATE LOTTERY FUND .....</b>	<b>\$ 188</b>	<b>\$ 185</b>	<b>\$ 180</b>	<b>\$ 183</b>	<b>\$ 186</b>	<b>\$ 190</b>	<b>\$ 195</b>
<b>MOTOR LICENSE FUND</b>							
Tort Claim Payments .....	\$ 26,500	\$ 26,500	\$ 26,500	\$ 29,000	\$ 29,000	\$ 29,000	\$ 29,000
Asbestos Response Program .....		500	500	500	500	500	500
<b>TOTAL MOTOR LICENSE FUND .....</b>	<b>\$ 26,500</b>	<b>\$ 27,000</b>	<b>\$ 27,000</b>	<b>\$ 29,500</b>	<b>\$ 29,500</b>	<b>\$ 29,500</b>	<b>\$ 29,500</b>



Commonwealth of Pennsylvania

# Department of Health

The Department of Health is responsible for planning and coordinating all the health resources of the Commonwealth. In addition, the department provides some direct public health services, including programs for children, treatment for certain blood diseases, programs for communicable diseases, and subsidies for research and development.

The Secretary of Health receives assistance and information from approximately fifty advisory groups, the most prominent being: the Advisory Health Board, the Drug, Device and Cosmetic Board, the Drug Policy Council, the Advisory Committee for Clinical Laboratories, the Statewide Health Coordinating Council, and the Advisory Council on Drug and Alcohol Abuse.



## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
<b>General Government Operations</b> .....	<b>\$ 10,756</b>	<b>\$ 10,776</b>	<b>\$ 11,600</b>
(F) SSA (XVI) D & A Referral/Monitoring .....	42	57	57
(F) PHHSBG — Administration .....	264	400	307
(F) National Health Service Corps .....	119	166	166
(F) Antibody Testing and Counseling .....	144		
(F) Health Planning Development .....	167		
(F) ADAMHSBG — Administration .....	1,079	1,411	1,411
(F) MCHSBG — Administration .....	1,716	1,945	2,000
(F) Antidrug Abuse Administration .....	79	163	225
(F) FHWA — Driving Under Influence .....	5		
(A) Data Center Services .....	2,231	2,150	2,150
(A) Drug and Alcohol Conference Fees .....	101	50	50
(A) Pennsylvania State University/Hershey Medical Center — Elizabethtown Hospital for Children and Youth .....	5,042	5,527	5,178
(A) Departmental Services .....	761	875	875
Subtotal — Federal Funds .....	<u>\$ 3,615</u>	<u>\$ 4,142</u>	<u>\$ 4,166</u>
Subtotal — Augmentations .....	8,135	8,602	8,253
Total — General Government Operations .....	<u>\$ 22,506</u>	<u>\$ 23,520</u>	<u>\$ 24,019</u>
<b>TMI — Health Studies</b> .....	<b>256</b>	<b>282</b>	<b>300</b>
<b>Quality Assurance</b> .....	<b>3,077</b>	<b>3,605</b>	<b>4,214</b>
(F) Medicare — Health Service Agency Certification .....	2,300	2,990	3,260
(F) Medicaid Certification .....	1,794	1,964	2,777
(F) Inpatient Psychiatric Unit Surveys .....	34	35	35
(A) Publication Fees .....	10	15	15
(A) ICF/MR Reviews .....	101	139	139
(A) Penalty Fees .....			
Subtotal — Federal Funds .....	<u>\$ 4,128</u>	<u>\$ 4,989</u>	<u>\$ 6,072</u>
Subtotal — Augmentations .....	111	154	154
Total — Quality Assurance .....	<u>\$ 7,316</u>	<u>\$ 8,748</u>	<u>\$ 10,440</u>
<b>Vital Statistics</b> .....	<b>4,032</b>	<b>4,609</b>	<b>5,156</b>
(F) Cooperative Health Statistics .....	424	589	616
(F) Drake Health Registry .....	227	185	178
(A) Reimbursement for Microfilming .....	78	73	52
Total — Vital Statistics .....	<u>\$ 4,761</u>	<u>\$ 5,456</u>	<u>\$ 6,002</u>
<b>State Laboratory</b> .....	<b>2,789</b>	<b>2,996</b>	<b>3,196</b>
(F) Medicare — Health Services Agency Certification .....	146	220	185
(A) Licensure of Clinical Laboratories .....	299	478	274
(A) Blood Lead Testing — Chester .....	11	10	10
(A) Low Volume Proficiency Testing .....	54	46	46
(A) Lab Personnel Registry .....	2	2	2
(A) Training Council Fees .....	2		
Subtotal — Augmentations .....	<u>\$ 368</u>	<u>\$ 536</u>	<u>\$ 332</u>
Total — State Laboratory .....	<u>\$ 3,303</u>	<u>\$ 3,752</u>	<u>\$ 3,713</u>

# HEALTH

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT: (continued)</b>			
<b>State Health Care Centers</b> .....	<b>\$ 12,468</b>	<b>\$ 12,975</b>	<b>\$ 14,157</b>
(F) <i>Indochinese Refugees</i> .....	89	110	77
(F) <i>Migrant Health Grants</i> .....	528	526	.....
(F) <i>Disease Control Immunization</i> .....	350	463	641
(F) <i>PHHSBG — Health Education and Prevention</i> .....	470	475	700
(F) <i>PHHSBG — Hypertension Services</i> .....	905	1,178	1,217
(F) <i>PHHSBG — Fluoridation</i> .....	57	60	60
(F) <i>Medical Assistance — SHCC</i> .....	13	28	28
(A) <i>Early Periodic Screening, Diagnosis,         Treatment</i> .....	26	20	20
(A) <i>Medical Assistance — SHCC</i> .....	11	20	20
(A) <i>Departmental Services</i> .....	6	6	6
Subtotal — Federal Funds .....	<u>\$ 2,412</u>	<u>\$ 2,840</u>	<u>\$ 2,723</u>
Subtotal — Augmentations .....	43	46	46
Total — State Health Care Centers .....	<u>\$ 14,923</u>	<u>\$ 15,861</u>	<u>\$ 16,926</u>
<b>Vietnam Veterans Health Initiative Commission</b> .....	<b>94</b>	<b>219</b>	<b>219</b>
<b>Diabetes Task Force</b> .....	<b>345</b>	<b>360</b>	<b>363</b>
(F) <i>Diabetes Control</i> .....	149	287	224
(F) <i>PHHSBG — Diabetes Task Force</i> .....	218	218	218
Total — Diabetes Task Force .....	<u>\$ 712</u>	<u>\$ 865</u>	<u>\$ 805</u>
<b>AIDS Programs</b> .....	<b>333</b>	<b>2,000</b>	<b>3,000</b>
(F) <i>AIDS Surveillance</i> .....	88	.....	.....
(F) <i>PHHSBG — AIDS</i> .....	363	400	.....
(F) <i>AIDS Health Education</i> .....	1,500	7,300	7,500
Subtotal — Federal Funds .....	<u>\$ 1,951</u>	<u>\$ 7,700</u>	<u>\$ 7,500</u>
Total — AIDS Education .....	<u>\$ 2,284</u>	<u>\$ 9,700</u>	<u>\$ 10,500</u>
<b>Cancer Registry</b> .....	<b>613</b>	<b>915</b>	<b>1,106</b>
<b>Arthritis Task Force</b> .....	<b>156</b>	<b>170</b>	<b>178</b>
Subtotal — State Funds .....	\$ 34,919	\$ 38,907	\$ 43,489
Subtotal — Federal Funds .....	13,270	21,170	21,882
Subtotal — Augmentations .....	8,735	9,411	8,837
Total — General Government .....	<u>\$ 56,924</u>	<u>\$ 69,488</u>	<u>\$ 74,208</u>
<b>GRANTS AND SUBSIDIES:</b>			
<b>School Health Examinations</b> .....	<b>\$ 17,900</b>	<b>\$ 18,186</b>	<b>\$ 17,749</b>
<b>Local Health Departments</b> .....	<b>18,250</b>	<b>18,750</b>	<b>18,500</b>
<b>Local Health — Environmental</b> .....	<b>6,680</b>	<b>6,564</b>	<b>6,577</b>
<b>WIC—State Supplement</b> .....	<b>10,000</b>	<b>13,000</b>	<b>15,000</b>
(F) <i>Women, Infants and Children (WIC)</i> .....	70,735	76,738	82,574
<b>Maternal and Child Health</b> .....	<b>1,687</b>	<b>1,688</b>	<b>1,733</b>
(F) <i>Genetic Screening and Education</i> .....	72	48	24
(F) <i>MCHSBG — Crippled Children</i> .....	5,741	7,086	6,600
(F) <i>MCHSBG — Maternal Services</i> .....	11,374	12,961	13,211
(F) <i>Expanding Genetic Services</i> .....	5	6	5
(F) <i>MCHSBG — SSI Disabled Children</i> .....	948	950	950
Subtotal — Federal Funds .....	<u>\$ 18,140</u>	<u>\$ 21,051</u>	<u>\$ 20,790</u>
Total — Maternal and Child Health .....	<u>\$ 19,827</u>	<u>\$ 22,739</u>	<u>\$ 22,523</u>
<b>Cancer Control and Prevention</b> .....	<b>3,238</b>	<b>4,000</b>	<b>4,000</b>
<b>Pittsburgh Cancer Institute</b> .....	<b>350</b>	<b>500</b>	<b>500</b>
<b>University of Pennsylvania Cancer Center</b> .....	<b>500</b>	<b>500</b>	<b>500</b>
<b>Assistance to Drug and Alcohol Programs</b> .....	<b>31,523</b>	<b>32,127</b>	<b>33,091</b>
(F) <i>High Risk Pilot</i> .....	220	306	.....
(F) <i>ADAMHSBG — Alcohol Services</i> .....	4,364	4,815	11,000
(F) <i>ADAMHSBG — Drug Services</i> .....	6,317	6,927	14,500

# HEALTH

(Dollar Amounts in Thousands)

## GENERAL FUND

### GRANTS AND SUBSIDIES: (continued)

	1987-88 Actual	1988-89 Available	1989-90 Budget
(F) Antidrug Abuse — Substance Abuse .....	\$ 3,482	\$ 11,448	\$ 4,000
(F) ADA/ADAMHSBG .....	290	.....	.....
(F) Treatment Street Crime .....	.....	110	110
(F) TASC — Pre/Post Release .....	26	.....	.....
(F) Drug Free Schools .....	113	1,035	1,035
(A) State Stores Fund Transfer .....	.....	423	423
Subtotal — Federal Funds .....	\$ 14,812	24,641	30,645
Total — Assistance to Drug and Alcohol Programs .....	\$ 46,335	\$ 57,191	\$ 64,159
<b>Guiffre Center for Addictive Diseases .....</b>	<b>\$ 250</b>	<b>.....</b>	<b>.....</b>
<b>Renal Dialysis .....</b>	<b>6,090</b>	<b>\$ 7,986</b>	<b>\$ 6,640</b>
<b>Pennsylvania AWARE .....</b>	<b>225</b>	<b>225</b>	<b>.....</b>
<b>Emergency Health Services .....</b>	<b>35</b>	<b>1,500</b>	<b>.....</b>
(F) Municipal Police .....	200	.....	.....
Total — Emergency Medical Services .....	\$ 235	\$ 1,500	.....
<b>Spina Bifida .....</b>	<b>978</b>	<b>979</b>	<b>1,055</b>
<b>Home Ventilators .....</b>	<b>562</b>	<b>650</b>	<b>700</b>
(F) MA Home Ventilator .....	490	650	1,120
(A) Medical Assistance — Ventilators .....	364	470	300
<b>Coal Workers Pneumoconiosis Services .....</b>	<b>488</b>	<b>550</b>	<b>550</b>
(F) Black Lung Clinic .....	593	720	720
<b>Adult Cystic Fibrosis .....</b>	<b>210</b>	<b>210</b>	<b>217</b>
(F) Adult Cystic Fibrosis .....	116	.....	.....
<b>VD Screening and Treatment .....</b>	<b>326</b>	<b>393</b>	<b>741</b>
(F) VD Survey and Follow-up .....	648	750	765
<b>Cooley's Anemia .....</b>	<b>213</b>	<b>205</b>	<b>205</b>
<b>Screening and Treatment — TB .....</b>	<b>437</b>	<b>513</b>	<b>540</b>
(F) Tuberculosis Control Program .....	89	130	143
(F) PHHSBG — Tuberculosis .....	565	569	569
<b>Hemophilia .....</b>	<b>1,300</b>	<b>2,300</b>	<b>2,600</b>
<b>Sickle Cell Anemia .....</b>	<b>1,046</b>	<b>788</b>	<b>812</b>
<b>Sickle Cell Camps .....</b>	<b>35</b>	<b>35</b>	<b>36</b>
<b>Lupus Disease Research .....</b>	<b>80</b>	<b>82</b>	<b>85</b>
<b>United Neighborhood Facilities — Erie .....</b>	<b>195</b>	<b>195</b>	<b>195</b>
<b>Philadelphia AIDS Project .....</b>	<b>100</b>	<b>.....</b>	<b>.....</b>
<b>Keystone State Games .....</b>	<b>200</b>	<b>200</b>	<b>200</b>
<b>Tourette Syndrome .....</b>	<b>50</b>	<b>100</b>	<b>.....</b>
<b>Worksite Wellness .....</b>	<b>125</b>	<b>125</b>	<b>.....</b>
<b>H1B Vaccine .....</b>	<b>279</b>	<b>280</b>	<b>290</b>
<b>Poison Control Center SW .....</b>	<b>375</b>	<b>375</b>	<b>.....</b>
<b>Poison Control Center SE .....</b>	<b>.....</b>	<b>200</b>	<b>.....</b>
<b>American Trauma Society .....</b>	<b>.....</b>	<b>150</b>	<b>.....</b>
<b>Fox Chase Institute for Cancer Research .....</b>	<b>704</b>	<b>725</b>	<b>747</b>
<b>Wistar Institute — Research .....</b>	<b>232</b>	<b>239</b>	<b>246</b>
<b>Wistar Institute-AIDS .....</b>	<b>100</b>	<b>103</b>	<b>106</b>
<b>Cardiovascular Studies — University of Pennsylvania .....</b>	<b>129</b>	<b>133</b>	<b>137</b>
<b>Cardiovascular Studies — St Francis Hospital .....</b>	<b>129</b>	<b>133</b>	<b>137</b>
<b>Central Pennsylvania Oncology Group .....</b>	<b>140</b>	<b>144</b>	<b>148</b>
<b>Burn Foundation of Greater Delaware Valley .....</b>	<b>358</b>	<b>368</b>	<b>379</b>
<b>Cerebral Palsy — St. Christopher's Hospital—Operation and Maintenance .....</b>	<b>773</b>	<b>796</b>	<b>820</b>
<b>Home for Crippled Children, Pittsburgh .....</b>	<b>752</b>	<b>775</b>	<b>798</b>
<b>Cerebral Palsy — St. Christopher Hospital — Handicapped Children's Clinic .....</b>	<b>103</b>	<b>106</b>	<b>109</b>

# HEALTH

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<i>GRANTS AND SUBSIDIES:(continued)</i>			
<i>Cleft Palate Clinic — Lancaster</i> .....	\$ 54	\$ 56	\$ 58
<i>Cleft Palate Clinic — Pittsburgh</i> .....	54	56	58
<i>Tay Sachs Disease — Jefferson Medical College</i> .....	54	56	58
<i>Subtotal — State Funds</i> .....	\$ 107,309	\$ 117,046	\$ 116,317
<i>Subtotal — Federal Funds</i> .....	106,388	125,249	137,326
<i>Subtotal — Augmentations</i> .....	364	893	723
Total — Grants and Subsidies .....	\$ 214,061	\$ 243,188	\$ 254,366
<b>TOTAL GENERAL GOVERNMENT AND GRANTS AND SUBSIDIES:</b>			
STATE FUNDS .....	\$ 142,228	\$ 155,953	\$ 159,806
FEDERAL FUNDS .....	119,658	146,419	159,208
AUGMENTATION .....	9,099	10,304	9,560
<b>GENERAL FUND TOTAL</b> .....	<b>\$ 270,985</b>	<b>\$ 312,676</b>	<b>\$ 328,574</b>
<b>OTHER FUNDS</b>			
<i>EMERGENCY MEDICAL SERVICES OPERATING FUND:</i>			
Emergency Medical Services .....	\$ 6,271	\$ 6,000	\$ 6,000
Catastrophic Medical and Rehabilitation .....	.....	2,000	2,000
<b>OTHER FUNDS TOTAL</b> .....	<b>\$ 6,271</b>	<b>\$ 8,000</b>	<b>\$ 8,000</b>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUND .....	\$ 142,228	\$ 155,953	\$ 159,806
FEDERAL FUNDS .....	119,658	146,419	159,208
AUGMENTATIONS .....	9,099	10,304	9,560
OTHER FUNDS .....	6,271	8,000	8,000
<b>TOTAL ALL FUNDS</b> .....	<b>\$ 277,256</b>	<b>\$ 320,676</b>	<b>\$ 336,574</b>

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>HEALTH SERVICES SUPPORT</b>							
General Funds.....	\$ 16,622	\$ 17,377	\$ 19,010	\$ 20,222	\$ 21,325	\$ 22,489	\$ 23,716
Federal Funds.....	7,889	9,351	10,423	10,423	10,423	10,423	10,423
Other Funds.....	8,614	9,292	8,739	8,739	8,739	8,739	8,739
<b>TOTAL.....</b>	<b>\$ 33,125</b>	<b>\$ 36,020</b>	<b>\$ 38,172</b>	<b>\$ 39,384</b>	<b>\$ 40,487</b>	<b>\$ 41,651</b>	<b>\$ 42,878</b>
<b>HEALTH RESEARCH</b>							
General Funds.....	\$ 7,860	\$ 9,114	\$ 9,928	\$ 9,688	\$ 10,077	\$ 10,487	\$ 10,919
Federal Funds.....	1,018	1,279	1,236	1,236	1,236	1,236	1,236
Other Funds.....	78	73	52	52	52	52	52
<b>TOTAL.....</b>	<b>\$ 8,956</b>	<b>\$ 10,466</b>	<b>\$ 11,216</b>	<b>\$ 10,976</b>	<b>\$ 11,365</b>	<b>\$ 11,775</b>	<b>\$ 12,207</b>
<b>PREVENTIVE HEALTH</b>							
General Funds.....	\$ 72,077	\$ 78,730	\$ 82,545	\$ 83,474	\$ 84,295	\$ 85,162	\$ 86,076
Federal Funds.....	94,540	109,778	115,064	115,064	115,064	115,064	115,064
Other Funds.....	43	46	46	46	46	46	46
<b>TOTAL.....</b>	<b>\$ 166,660</b>	<b>\$ 188,554</b>	<b>\$ 197,655</b>	<b>\$ 198,584</b>	<b>\$ 199,405</b>	<b>\$ 200,272</b>	<b>\$ 201,186</b>
<b>HEALTH TREATMENT SERVICES</b>							
General Funds.....	\$ 13,671	\$ 18,380	\$ 15,232	\$ 15,232	\$ 15,232	\$ 15,232	\$ 15,232
Federal Funds.....	1,399	1,370	1,840	1,840	1,840	1,840	1,840
Other Funds.....	6,635	8,470	8,300	8,300	8,300	8,300	8,300
<b>TOTAL.....</b>	<b>\$ 21,705</b>	<b>\$ 28,220</b>	<b>\$ 25,372</b>	<b>\$ 25,372</b>	<b>\$ 25,372</b>	<b>\$ 25,372</b>	<b>\$ 25,372</b>
<b>PREVENTION &amp; TREATMENT OF DRUG AND ALCOHOL ABUSE</b>							
General Funds.....	\$ 31,998	\$ 32,352	\$ 33,091	\$ 33,241	\$ 33,241	\$ 33,241	\$ 33,241
Federal Funds.....	14,812	24,641	30,645	23,887	23,887	23,887	23,887
Other Funds.....	0	423	423	423	423	423	423
<b>TOTAL.....</b>	<b>\$ 46,810</b>	<b>\$ 57,416</b>	<b>\$ 64,159</b>	<b>\$ 57,551</b>	<b>\$ 57,551</b>	<b>\$ 57,551</b>	<b>\$ 57,551</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 142,228	\$ 155,953	\$ 159,806	\$ 161,857	\$ 164,170	\$ 166,611	\$ 169,184
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	119,658	146,419	159,208	152,450	152,450	152,450	152,450
OTHER FUNDS.....	15,370	18,304	17,560	17,560	17,560	17,560	17,560
<b>TOTAL.....</b>	<b>\$ 277,256</b>	<b>\$ 320,676</b>	<b>\$ 336,574</b>	<b>\$ 331,867</b>	<b>\$ 334,180</b>	<b>\$ 336,621</b>	<b>\$ 339,194</b>

**PROGRAM OBJECTIVE:** To provide effective administration and support systems through which the substantive programs of the health delivery system and the department can be achieved.

## Program: Health Support Services

Health support services include personnel, office services, budget, management and EDP functions. Also included in this program are Quality Assurance activities. The department also operates a State laboratory for disease testing and analysis.

The Quality Assurance program conducts surveys of hospitals, nursing homes, home health agencies, primary care providers, and intermediate care facilities for the mentally retarded. The surveys determine compliance with standards for sanitation, fire safety, health and level of care required for Medicare and Medicaid certification and a State license. The department requests from the health care facility a plan for correction of deficiencies noted in the survey. In addition, the program

investigates patient complaints.

The department's capability to accomplish additional duties in 1989-90 related to Federal nursing home reform legislation will be strengthened through the inclusion of additional personnel in the Quality Assurance program. During 1988-89 this program was expanded to eliminate a backlog in the licensing/certification of hospitals, nursing homes and Intermediate Care Facilities for the Mentally Retarded. The number of facilities required to be licensed is continuing to increase.

The State laboratory performs approximately 17,000 tests for diseases including HIV, rabies, hypothyroidism, blood lead and phenylketonuria.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Health care facilities in Pennsylvania percent of required surveys completed:							
Hospitals (biennially) . . . . .	100%	85%	92%	100%	100%	100%	100%
Skilled and intermediate care nursing homes . . . . .	66%	65%	79%	100%	100%	100%	100%
Intermediate care facilities/MR . . . . .	50%	45%	69%	100%	100%	100%	100%
Home health agencies . . . . .	61%	44%	63%	95%	100%	100%	100%
Psychiatric hospitals . . . . .	100%	100%	100%	100%	100%	100%	100%

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>General Government Operations</b> \$ 824 —to continue current program.</p> <p><b>State Laboratories</b> \$ 200 —to continue current programs.</p>	<p><b>Quality Assurance</b> \$ 166 —PRR — Part of the Nursing Home Reform. To meet new survey standards. See the Program Revision in the Department of Public Welfare for further information.</p> <p>443 —to continue current program including 1988-89 program expansion to address the licensing/certification backlog.</p> <p>\$ 609 <i>Appropriation Increase</i></p>
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### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations . . . . .	\$ 10,756	\$ 10,776	\$ 11,600	\$ 12,238	\$ 12,911	\$ 13,621	\$ 14,370
State Laboratories . . . . .	2,789	2,996	3,196	3,372	3,557	3,753	3,959
Quality Assurance . . . . .	3,077	3,605	4,214	4,612	4,857	5,115	5,387
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 16,622</b>	<b>\$ 17,377</b>	<b>\$ 19,010</b>	<b>\$ 20,222</b>	<b>\$ 21,325</b>	<b>\$ 22,489</b>	<b>\$ 23,716</b>

*PROGRAM OBJECTIVE: To develop basic scientific knowledge of the nature of disease, illness, and environmental factors to improve the use of existing and new health resources and information.*

## Program: Health Research

The State Health Data Center, a designated State center for health statistics under P.L. 94-623, serves as the focal point in Pennsylvania for coordinating the collection, analysis and dissemination of health statistics and information. The center maintains statistical information on the health status of the population, including leading causes of death, life expectancy, and infant mortality. The center handles about 3,000 requests for services each year. The Data Center conducts an annual survey of all hospitals and nursing homes in Pennsylvania to support the need for information on health resources and health services availability, utilization, staffing and patient characteristics.

The State Health Data Center's Vital Records Division is the repository for all records of births, deaths, fetal deaths, marriages and divorces which occurred to Pennsylvania residents.

An initiative funded in the Bureau of Vital Statistics will complete the automation of a birth and death records project that was begun in 1988-89. Birth records for the years 1923 through 1959 will be automated along with approximately 2,000,000 death records.

The Department of Health administers diverse research projects and studies related to the etiology, distribution, and trend of major diseases. The department also provides epidemiologic assessment of health problems that include environmental-occupational hazards, health risk behavior and life style of the general public or selected populations, and provides professional consultation and technical support for other agencies, county health departments and local municipalities.

The Pennsylvania Cancer Registry was established in fiscal year

1982-83 and is now operational statewide with all hospitals reporting to the system. The registry serves as the focal point for definitive information concerning the manner in which cancer is affecting residents in Pennsylvania. Program staff were increased in 1988-89 to eliminate a backlog of prior year abstracts and continue the program on a current basis.

Act 67 of 1987 created the Vietnam Veterans Health Initiative Commission in the Department of Health. The commission has three primary duties: the determination of what medical, administrative and social assistance is needed for veterans as a result of their Vietnam service, an outreach program, and finally to disseminate information to Vietnam veterans and their families.

The TMI Health Research Program continues to assess effects upon the local population of the low-level radiation incident of March, 1979. These efforts include the following: a special study of pregnancy outcome within a ten mile radius of TMI; annual updates for TMI population registry and TMI mother/child registry; design of special surveys on morbidity and continuous epidemiologic surveillance around all nuclear plants in Pennsylvania.

The Governor's Advisory Board on Arthritis, within the Department of Health, has responsibility for assessing programs and resources for arthritis, and making recommendations relating to program needs. Similar functions are performed by the Diabetes Task Force.

In addition, the department funds additional research on cancer, rabies, AIDS, and Lupus disease.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Vital events (births, deaths, fetal deaths, marriages and divorces):							
Registered and processed . . . . .	414,200	414,200	414,500	414,700	414,900	415,000	415,000
Percent registered and processed within 30 days . . . . .	40%	40%	40%	41%	43%	44%	44%
Applications for certified copies of birth and death records:							
Filled . . . . .	475,000	482,000	484,000	486,000	488,000	490,000	492,000
Percent filled within 10 days . . . . .	76%	81%	90%	99%	99%	99%	99%
Cancer Registry:							
Abstracts received . . . . .	77,458	78,000	79,950	81,950	84,000	86,100	88,250
Percent coded and keyed . . . . .	84%	77%	95%	100%	100%	100%	100%
Prior year abstract backlog . . . . .	214,000	183,300	116,000	36,000	. . . . .	. . . . .	. . . . .

### Program Recommendations:

This budget recommends the following increases: (Dollar Amounts in Thousands)

	<b>Vital Statistics</b>	
\$ 330	—to automate birth and death records.	
217	—to continue current program.	
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\$547	<i>Appropriation Increase</i>	

	<b>Cancer Registry</b>
\$ 191	—to continue current program.

Other appropriations in this subcategory reflect either a percentage increase or maintenance of current funding levels.

Program: Health Research (continued)

Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
TMI-Health Studies .....	\$ 256	\$ 282	\$ 300	\$ 317	\$ 334	\$ 352	\$ 371
Vital Statistics .....	4,032	4,609	5,156	4,796	5,060	5,338	5,632
Vietnam Veterans Health Commission ...	94	219	219	231	244	257	271
Fox Chase — Cancer Research .....	704	725	747	747	747	747	747
Wister Institute — Research .....	232	239	246	246	246	246	246
Wister Institute — AIDS Research .....	100	103	106	106	106	106	106
Lupus Disease .....	80	82	85	85	85	85	85
Cardiovascular Studies — Philadelphia ..	129	133	137	137	137	137	137
Cardiovascular Studies — Pittsburgh ....	129	133	137	137	137	137	137
Cancer Registry .....	613	915	1,106	1,167	1,231	1,299	1,370
University of Pennsylvania Cancer Center	500	500	500	500	500	500	500
Arthritis Task Force .....	156	170	178	188	198	209	220
Diabetes Task Force .....	345	360	363	383	404	426	449
Pittsburgh Cancer Institute .....	350	500	500	500	500	500	500
Central Penn Oncology .....	140	144	148	148	148	148	148
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 7,860</b>	<b>\$ 9,114</b>	<b>\$ 9,928</b>	<b>\$ 9,688</b>	<b>\$ 10,077</b>	<b>\$ 10,487</b>	<b>\$ 10,919</b>

*PROGRAM OBJECTIVE: To reduce morbidity and mortality through the early detection of disease and health defects and the promotion of sound health practices and remedial care*

## Program: Preventive Health

### Women and Children's Programs

The prevention of disease has always been the primary mission of the Department of Health. The department provides comprehensive maternity services, with emphasis on outreach and early enrollment into care. Maternity service includes education to promote healthy maternal behavior; screening, early detection, and appropriate timely medical intervention for preventable maternal/fetal complications; and psychosocial support services for childbearing women.

The Maternity Program encompasses Maternity Services Projects which are supported by the State funded High Risk Maternity Program and the Federal Maternal and Child Health (MCH) Block Grant.

The Department of Health administers the Federally funded Special Supplemental Food Program for Women, Infants and Children (WIC). Utilizing State and Federal funds, the program provides food supplements and nutrition education to pregnant or nursing women and children who are at nutritional risk due to poor health, inadequate diet and low income. An infant formula rebate program, initiated in 1988-89 will provide expanded funds enabling an additional 20,000 persons to receive WIC services.

The High Risk Infant Follow-up System focuses special support for follow-up of high risk infants. The goal of this system is to ensure that each low birth weight infant receives timely assessments and treatment for vision, hearing and other factors that can contribute to his or her optimal development.

The Sudden Infant Death Syndrome (SIDS) Program provides supportive services to families following a sudden infant death. The program identifies infants considered at risk for SIDS, refers them for evaluation and provides follow-up services. Education regarding SIDS is provided to health professionals and others who normally impact on families following such a death.

Approximately four percent of the babies born in this country have a serious genetic condition. The Genetic Program seeks to improve public knowledge about genetic disease and public access to genetic services by supporting educational programs for both health professionals and citizens groups and by providing selected genetic services for low-income patients. The department operates a newborn screening program that tests all infants for phenylketonuria (PKU) and hypothyroidism.

Family planning services help women who seek, but have difficulty achieving pregnancy and help others delay pregnancy until there is the best chance for having a healthy baby born to a healthy mother. The department participates with the Department of Public Welfare in an integrated multi-agency health service delivery system serving more than 250,000 high risk, low income women throughout the Commonwealth.

department to determine the source of infection, mode of transmission and control measures to prevent additional cases. A few of the diseases investigated include giardiasis, hepatitis, salmonellosis shigellosis, toxic shock syndrome, trichinosis, rabies and Lyme Disease.

Acquired Immune Deficiency Syndrome (AIDS) presents major medical and sociological problems to the Commonwealth and nation. The department's program places primary emphasis on prevention and education. In 1988-89 the department created an AIDS Unit and appointed a Secretary's Special Assistant for AIDS. The department has developed a Commonwealth AIDS Plan. State funds for AIDS education were increased significantly in 1988-89. This budget recommends another funding increase for 1989-90.

The leading causes of premature death and disability in Pennsylvania are heart disease, stroke, cancer, accidents, influenza, arthritis, diabetes, and cirrhosis. Contributing to these conditions are demographic characteristics and environmental and behavioral risk factors such as smoking, alcohol abuse, high fat diets, physical inactivity and stress.

Risk reduction programs use methods such as incentives, health risk appraisals, risk factor screening, self-help kits, group discussion, and individual counseling to help people stop smoking, eat properly, exercise, adhere to hypertensive regimens and reduce other chronic disease risks. The department supports community risk reduction projects and comprehensive school health education programs.

Hypertension (high blood pressure) has long been known as the "silent killer" because it often goes undetected for years until serious damage to the body's organ systems has occurred. Screenings occur in all counties at more than 1,000 industrial and public screening sites and are reported to a central registry in Harrisburg. Approximately 19,000 hypertension cases of are found annually through screening.

Public health programs are administered in part through a field structure consisting of six district offices and a network of 69 health centers which serve all but five counties within the State. The remaining five counties and three municipalities are served by local health departments receiving grants from the department. The District Offices and State Health Care Centers also provide health maintenance services.

The Sexually Transmissible Disease Program provides clinical services for the diagnosis and treatment of sexually transmitted disease. These services are provided to insure that patients with suspected disease have access to diagnostic and treatment services, and also provide diagnosis and treatment to those who have been exposed to a sexually transmitted infection.

The Tuberculosis Control Program utilizes chest clinics that provide a complete program of services for persons with tuberculosis disease. This consists of bacteriological studies, periodic x-ray examinations, physician and nursing evaluations.

### Other Communicable Disease Programs

Reported cases of communicable diseases are investigated by the

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Women and Children's Programs:							
Percent low birth weight live births . . . .	6.9%	6.9%	6.9%	7.0%	7.0%	7.0%	7.0%
High risk pregnant women in maternity care projects . . . . .	28,316	28,512	28,512	28,512	28,512	28,512	28,512

## Program: Preventive Health (continued)

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Percent of statewide pregnant teens served in maternity programs . . . . .	16%	16%	16%	16%	16%	16%	16%
Average persons participating in women, infants and children programs each month . . . . .	174,749	193,716	217,800	217,800	217,800	217,800	217,800
Other communicable disease programs:							
HIV tests at publically funded sites . . . . .	13,241	15,751	17,062	19,348	20,167	22,798	24,316
Percent of women screened found to have gonorrhea . . . . .	1%	1%	1%	1%	1%	1%	1%
Communicable disease incidences reported:							
Gonorrhea . . . . .	29,245	30,000	30,000	30,000	30,000	30,000	30,000
Infectious Syphilis . . . . .	941	950	990	1,000	950	950	900
AIDS . . . . .	673	1,000	1,500	2,200	3,400	5,200	7,800
Others (less animal bites) . . . . .	17,000	17,000	17,000	17,000	17,000	17,000	17,000

## Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Screening and Treatment — VD</b></p> <p>\$ 325 —PRR — Expanded venereal Disease Screening. To provide testing for the venereal disease chlamydia at State Health Center Clinics. See the Program Revision following this program for further information.</p> <p>23 —to continue current program.</p> <p>\$ 348 <i>Appropriation Increase</i></p> <p>\$ -437 <b>School Health Examinations</b> —reduced cost due to projected decrease in enrollment.</p> <p>\$ 1,182 <b>State Health Care Centers</b> —to fund current program</p>	<p><b>Women, Infants and Children State Supplement</b></p> <p>\$ 2,000 —PRR — Nutrition for Children and Families. To expand special food supplement program to additional women, infants and children. See the Program Revision following this program for further information.</p> <p>\$ 1,000 <b>AIDS Programs</b> —PRR — AIDS Program Expansion. To increase community-based services. See the Program Revision following this program for further information.</p>
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## Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
State Health Care Centers . . . . .	\$ 12,468	\$ 12,975	\$ 14,157	\$ 14,936	\$ 15,757	\$ 16,624	\$ 17,538
AIDS Programs . . . . .	333	2,000	3,000	3,000	3,000	3,000	3,000
School Health Exams . . . . .	17,900	18,186	17,749	17,749	17,749	17,749	17,749
Local Health Departments . . . . .	18,250	18,750	18,500	18,500	18,500	18,500	18,500
Local Health — Environmental . . . . .	6,680	6,564	6,577	6,577	6,577	6,577	6,577
Maternal and Child Health . . . . .	1,687	1,688	1,733	1,733	1,733	1,733	1,733
Worksite Wellness . . . . .	125	125					
Screening and Treatment—TB . . . . .	437	513	540	540	540	540	540
Screening and Treatment—VD . . . . .	326	393	741	891	891	891	891
Keystone State Games . . . . .	200	200	200	200	200	200	200
HIB Vaccine . . . . .	279	280	290	290	290	290	290
Tay Sachs Disease . . . . .	54	56	58	58	58	58	58
WIC State Supplement . . . . .	10,000	13,000	15,000	15,000	15,000	15,000	15,000
Philadelphia AIDS Project . . . . .	100						
Cancer Control, Prevention and Research . . . . .	3,238	4,000	4,000	4,000	4,000	4,000	4,000
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 72,077</b>	<b>\$ 78,730</b>	<b>\$ 82,545</b>	<b>\$ 83,474</b>	<b>\$ 84,295</b>	<b>\$ 85,162</b>	<b>\$ 86,076</b>

## Program Revision: Nutrition for Children and Families

Infants born to mothers who lack adequate nutrition during their pregnancy have been found to have lower birth weights and other conditions that can lead to long range health problems. It has long been known that good nutrition has positive effects on a child's learning abilities, growth and overall physical health. To ensure that at-risk low-income youth and their mothers have adequate nutrition available to them during their formative years, the Departments of Health, Agriculture and Education will enhance key nutrition programs. This Nutrition for Children and Families Program Revision includes increases in State funding to the Women, Infants, and Children Program (WIC); the WIC Infant Formula Rebate Program; expansion of the Farmers' Market Food Coupon Program; increases to the Emergency Food Assistance Program; and expansion of the School Lunch and Breakfast Programs in the Department of Education.

Since 1986-87, the Commonwealth has supplemented WIC Program Federal funds with State funding. This program provides nutritious food supplements and nutrition education to pregnant women, nursing women, infants and children who are at-risk due to poor health, inadequate diet and low-income. The program ensures that participants are referred to health care and that nutrition education and counseling are made available on a regular basis. This Program Revision will provide \$2 million to serve an additional 4,000 eligible participants per month.

The Department of Health will continue the WIC Infant Formula Rebate Program initiated during 1988-89. This program will be in its first year of operation in 1989-90 and allows the Commonwealth to use its buying power to purchase infant formula for WIC recipients at a lower price. The WIC Program currently purchases 30 percent of all infant formula sold in the State. By contracting with a single manufacturer to

provide infant formula for WIC participants, the Commonwealth will be able to save an additional \$14 million and use those savings to serve an additional 20,000 eligible participants per month.

The Department of Agriculture will also expand the Farmer's Market Food Coupons Program. This program was initiated in 1988-89 as a pilot program. It enabled pregnant and nursing WIC participants to supplement their diets with fresh Pennsylvania produce purchased in Pennsylvania farm markets. The purchase of locally grown produce also stimulates new markets and local economic activity. This Program Revision will provide \$100,000 which will leverage approximately \$230,000 in additional Federal funds to serve approximately 16,650 participants.

An additional \$1.5 million will be provided to the Department of Agriculture's Emergency Food Assistance Program. This increase will allow counties or designated lead agencies to purchase additional food for the needy.

Currently, three percent of the public school population receive free or reduced cost meals through the School Breakfast Program. Research has shown that students who eat breakfast have lower tardiness rates, fewer behavioral and health problems, and increased alertness and better grades. To encourage use of this program, the Department of Education will increase the State's portion of School Breakfast reimbursements from \$.03 to \$.10 per participant. This increase will allow Pennsylvania schools to provide a wider selection of foods thereby encouraging more students to eat breakfast. An additional 7,377 are expected to eat 1.6 million more breakfasts because of this Program Revision.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Persons participating in the Special Supplemental Food Program for Women, Infants, and Children (monthly average)							
Current	174,749	193,716	213,800	213,800	213,800	213,800	213,800
<b>Program Revision</b>			<b>217,800</b>	<b>217,800</b>	<b>217,800</b>	<b>217,800</b>	<b>217,800</b>
Persons participating in the Farmer's Market Food Coupons Program.							
Current		1,376					
<b>Program Revision</b>			<b>16,650</b>	<b>16,650</b>	<b>16,650</b>	<b>16,650</b>	<b>16,650</b>
Children Participating in the School Breakfast Program							
Current	43,537	49,180	49,180	49,180	49,180	49,180	49,180
<b>Program Revision</b>			<b>56,557</b>	<b>57,193</b>	<b>57,838</b>	<b>58,492</b>	<b>59,157</b>

**Program Revision: Nutrition for Children and Families (continued)**

**Program Revision Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>Agriculture</b>	
<b>Farmers' Market Food Coupons</b>	
\$100	—to enable low income pregnant and nursing women to purchase fresh fruit and vegetables at farmers' markets.
<b>Emergency Food Assistance</b>	
\$1,500	—to increase the financial support to counties and lead agencies to feed needy individuals and families.
<b>Education</b>	
<b>School Food Services</b>	
\$894	—to provide breakfasts to an additional 7,377 participants in the School Breakfast Program.
<b>Health</b>	
<b>WIC State Supplement</b>	
\$2,000	—to expand the number of women and children receiving services.
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\$4,494	<i>Program Revision Total</i>

The Infant Formula Rebate Program will result in savings of \$14 million in the Women, Infants, and Children Program which will allow Pennsylvania to serve an additional 20,000 participants per month.

The \$100,000 Farm Market Coupons appropriation could leverage up to \$230,000 in Federal matching funds.

**Recommended Program Revision Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
<b>AGRICULTURE</b>							
Farmers' Market Food Coupons			\$ 100	\$ 100	\$ 100		
Emergency Food Assistance			1,500	1,500	1,500	\$ 1,500	\$ 1,500
<b>HEALTH</b>							
WIC State Supplement			2,000	2,000	2,000	2,000	2,000
<b>EDUCATION</b>							
School Food Services			894	907	921	935	949
<b>GENERAL FUND TOTAL</b>			<u>\$ 4,494</u>	<u>\$ 4,507</u>	<u>\$ 4,521</u>	<u>\$ 4,435</u>	<u>\$ 4,449</u>

## Program Revision: AIDS Program Expansion

The AIDS epidemic continues to apply increased pressure on our public health system. A combination of Federal and State funds has allowed for significant accomplishments in providing comprehensive education, training, and counseling. However, there is still work to be done in specific areas.

In Pennsylvania, since 1981, over 2,100 AIDS cases have been identified and over 1,300 individuals have died. While no drug has been developed that cures the disease, impressive survival results have been realized with the drug zidovudine (commonly known as AZT). It is the only drug currently approved by the Federal Drug Administration to directly treat AIDS. Pharmaceutical company studies have indicated a significant reduction in mortality for patients who have used the drug than for those who have not.

Until recently, the Federal Government provided funding to the states to provide AZT. Average yearly costs for the drug exceeded \$8,000 making its cost prohibitive to many AIDS patients who either had inadequate health insurance or were ineligible to qualify for Medical Assistance because their income was too high. By the end of 1988-89, all Federal funds for the purchase of AZT will have been expended and no continued Federal commitment is expected. Meanwhile, the Department of Public Welfare reports that AIDS patients have continued to enroll in the AZT program at the rate of 17 per month.

The AIDS epidemic has also placed increased pressures on the Department of Corrections. In 1987, seven inmates died due to AIDS. Currently there are 10 inmates with AIDS residing in our prison system. It is anticipated that this number will grow to 15 in the near future. It has become increasingly difficult for the department to adequately serve the special needs of these inmates. Additional concerns have been raised about the fear of transmission to other inmates and employees. This Program Revision recommends specialized treatment for inmates with AIDS.

A number of gaps currently exist in our AIDS counseling and testing, education, training and community-based service delivery system. Fifty percent of the hemophiliacs in the nation have been exposed to the AIDS virus through contaminated blood products. Adequate education and counseling services are needed for these individuals. Additional funding is needed to educate migrant workers; support community outreach; and provide training to direct care staff in State agencies.

This Program Revision will increase funding for AZT by \$2.433 million to continue providing AZT to eligible AIDS patients; provide an additional \$868,000 to the Department of Corrections for the development of an AIDS treatment unit; and support the AIDS Program appropriation with an additional \$1 million for AIDS education, training, and counseling.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Eligible participants enrolled in AZT program.							
Current .....		305					
<b>Program Revision</b> .....			509	713	917	1,121	1,325

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>Public Welfare</b>		<b>Corrections</b>
	<b>AZT</b>		<b>State Correctional Institutions</b>
\$ 2,433	—to provide AZT to eligible participants.	\$ 868	—for a 15 bed AIDS Treatment Unit.
	<b>Health</b>		
	<b>AIDS Programs</b>	\$ 4,301	<i>Program Revision Total</i>
\$ 1,000	—to address gaps in education, training, counseling and testing, and other services.		

An additional \$3.5 million in Federal funds will be used to provide drug and alcohol services to intravenous drug users. For further information, see the Comprehensive Drug and Alcohol Abuse Program Revision in the Executive Offices. In State and Federal funds the total increase for AIDS related services amounts to \$7.8 million.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
<b>PUBLIC WELFARE</b>							
AZT .....			\$ 2,433	\$ 2,752	\$ 3,071	\$ 3,390	\$ 3,709
<b>HEALTH</b>							
AIDS Programs .....			1,000	1,000	1,000	1,000	1,000
<b>CORRECTIONS</b>							
State Correctional Institutions .....			868	1,857	1,959	2,067	2,181
<b>TOTAL GENERAL FUND</b> .....			<u>\$ 4,301</u>	<u>\$ 5,609</u>	<u>\$ 6,030</u>	<u>\$ 6,457</u>	<u>\$ 6,890</u>

## Program Revision: Expanded Venereal Disease Screening

Chlamydia is a sexually transmitted disease similar to and almost as prevalent as gonorrhea. It is estimated to infect up to 30 percent of the pregnant women in our urban areas and, nationally, is the cause of almost 40 percent of pelvic inflammatory disease among women. If left untreated, chlamydia can result in pelvic inflammatory disease, infertility and surgical removal of reproductive organs. Infants born to infected mothers have a high risk of developing inclusion conjunctivitis and pneumonia. Since many women with a chlamydia infection have no symptoms, the disease can go untreated until a more serious condition develops.

This Program Revision will provide screening tests to 50,000 women in the first year and ultimately will screen 100,000 women annually. It is expected that roughly 500 women will test positive for every 25,000 tested. As infected women are identified, the Sexually Transmitted Disease Program will provide counseling and treatment to these women and their partners.

By implementing this testing program, the growth rate of chlamydia will be slowed and the incidence of other conditions resulting from the untreated infection will be reduced.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Chlamydia screening tests							
Current .....	.....	.....	.....	.....	.....	.....	.....
Program Revision .....	.....	.....	50,000	75,000	100,000	100,000	100,000

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>VD Screening and Treatment</b>
\$ 325	—to provide Chlamydia screening for 50,000 women.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
VD Screening and Treatment .....	.....	.....	\$ 325	\$ 475	\$ 625	\$ 625	\$ 625

**PROGRAM OBJECTIVE:** To reduce morbidity and mortality due to disease and health defects by restoring the ill to the highest possible level of health with minimum involvement with the health care system.

## Program: Health Treatment Services

### Program Element: Inpatient Services

One of the principal concerns of patient management is to provide treatment services at the least expensive level of care that is consistent with standards of good medical practice. Inpatient hospital and nursing care is provided for only the most acute medical conditions that require the facilities and services available in an inpatient setting. Because inpatient care is very expensive, programs providing this type of care have imposed strict controls on admissions and, where possible, are using outpatient services to avoid hospital admissions. These controls and the implementation of the Diagnostic Related Group (DRG) payment mechanism account for fewer patients in the inpatient setting.

Some of the programs operated by the department which provide inpatient care are tuberculosis control, children's cardiac surgery, cleft palate, cystic fibrosis, orthopedic, speech, hearing, spina bifida, and other disabling conditions of children. The department's children's cardiac inpatient program provides intensive diagnostic procedures such as cardiac catheterization and echocardiograms.

### Program Element: Outpatient Services

Outpatient treatment services are more economical and cost-effective than inpatient care and are utilized whenever possible to provide needed treatment services for chronic respiratory diseases, physical rehabilitation and reconstruction, chronic diseases other than respiratory, catastrophic blood disorders and acute conditions.

The department provides extensive outpatient support services to victims of chronic respiratory diseases. The Coal Workers' Respiratory Disease Program provides screening, diagnostic, rehabilitative, educational, referral and follow-up care to all miners ill with pulmonary disease within the Commonwealth.

A Home Ventilator Program for children with chronic respiratory failure is administered by the Children's Hospital of Philadelphia. This program permits 27 children with chronic respiratory problems to have life support equipment and nursing care in their homes at about one-third the cost of inpatient care.

The Orthopedic Program provides outpatient care to children suffering from orthopedic conditions, amputations, and other related conditions. Services include: prosthetics, orthotics, orthopedic shoes,

therapeutic and support services.

The Cleft Palate Program provides comprehensive services which include but are not limited to pediatrics, plastic surgery, general dentistry, orthodontia, prosthodontics, etc., to children under 21 years of age.

The Spina Bifida Program assists patients and their families with some of the health care costs not covered by insurance or other third party resources. The Hemophilia Program consists of eight specialized centers which offer comprehensive evaluation, rehabilitation services and blood products for hospital, outpatients or home use. Patients must be registered with a program to receive these benefits and insure their third party resources are used before State program funds are expended.

Sickle Cell Anemia is a genetically determined red blood cell disorder which affects approximately 2 percent of the black population in Pennsylvania. Patients receive medical and psycho-social services at six Sickle Cell centers.

Cooley's Anemia is found predominantly in individuals of Mediterranean ancestry. While the incidence of Cooley's Anemia cannot be estimated, currently there are 38 patients receiving care under this program.

The Renal Disease Program provides dialysis, drugs including cyclosporine, medical supplies and transportation services to persons having chronic renal failure. During 1987-88 a program was initiated to reimburse renal transplant patients for the cost of cyclosporine retroactively effective to January, 1987. Through December, 1988, 62 individuals have been reimbursed for cyclosporine drug costs. The Renal Disease program also supports an organ donor program that promotes transplantation which is less expensive than dialysis and improves the quality of life of kidney patients.

The department provides comprehensive treatment services to diagnosed phenylketonuria (PKU) infants.

The Department of Health administers a program for planning, developing, and upgrading Emergency Medical Services (EMS) Systems throughout the Commonwealth.

Clinical services are offered in a variety of settings, including State and community health centers, family planning clinics and practicing physicians' offices. This also allows minors to seek and receive care under the Commonwealth's Minor Treatment Law.

## Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Inpatient Services</b>							
Persons receiving inpatient hospital care from department programs	805	790	785	785	790	790	790
<b>Outpatient Services</b>							
Children and adults receiving outpatient treatment through department supported programs:							
Cardiac	3,100	3,125	3,145	3,160	3,175	3,190	3,205
Cleft palate	3,200	3,200	3,200	3,200	3,200	3,200	3,200
Cystic fibrosis	983	1,053	1,124	1,195	1,263	1,333	1,409
Hemophilia	945	955	960	975	990	1,000	1,015

## Program: Health Treatment Services (continued)

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Children and adults receiving outpatient treatment through department supported programs: (continued)							
Speech and hearing .....	19,900	19,900	19,900	19,900	19,900	19,900	19,900
Orthopedic .....	5,100	5,100	5,100	5,100	5,100	5,100	5,100
Phenylketonuria .....	518	531	544	557	570	583	596
Epilepsy .....	360	365	370	375	380	385	390
Renal Disease .....	6,876	7,518	8,161	8,803	9,446	10,089	10,731
Cooley's Anemia .....	35	36	37	37	36	36	36
Sickle Cell Anemia .....	1,385	1,385	1,385	1,390	1,390	1,395	1,400
Spina Bifida .....	1,486	1,500	1,520	1,545	1,575	1,604	1,634
Home Ventilators .....	27	27	27	27	27	27	27
Chronic respiratory disease .....	3,200	2,900	2,700	2,500	2,500	2,500	2,500

## Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Hemophilia Treatment**  
 \$ 300 —to offset increase in blood product cost due to additional processing to preclude HIV contamination.

**Renal Dialysis**  
 \$ -1,346 —saving due to the costs for services for medical assistance eligible patients being transferred to Public Welfare Medical Assistance Program in 1988-89.

Other appropriations in this subcategory reflect either a percentage increase, no increase, or a decrease due to nonrecurring projects.

## Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Cerebral Palsy — Handicapped							
Children's Clinic .....	\$ 103	\$ 106	\$ 109	\$ 109	\$ 109	\$ 109	\$ 109
Home for Crippled Children .....	752	775	798	798	798	798	798
Emergency Health Services .....	35	1,500					
Burn Foundation .....	358	368	379	379	379	379	379
Sickle Cell Camps .....	35	35	36	36	36	36	36
Poison Control Center SW .....	375	375					
Poison Control Center SE .....		200					
American Trauma Society .....		150					
Tourette Syndrome .....	50	100					
Hemophilia Treatment .....	1,300	2,300	2,600	2,600	2,600	2,600	2,600
Sickle Cell Anemia .....	1,046	788	812	812	812	812	812
Renal Dialysis .....	6,090	7,986	6,640	6,640	6,640	6,640	6,640
Home Ventilators .....	562	650	700	700	700	700	700
Coalworkers Pneumoconiosis .....	488	550	550	550	550	550	550
Spina Bifida .....	978	979	1,055	1,055	1,055	1,055	1,055
Adult Cystic Fibrosis .....	210	210	217	217	217	217	217
United Neighborhood — Erie .....	195	195	195	195	195	195	195
Cerebral Palsy — St. Christopher's Hospital .....	773	796	820	820	820	820	820
Cleft Palate — Lancaster .....	54	56	58	58	58	58	58
Cleft Palate — Pittsburgh .....	54	56	58	58	58	58	58
Cooley's Anemia .....	213	205	205	205	205	205	205
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 13,671</b>	<b>\$ 18,380</b>	<b>\$ 15,232</b>	<b>\$ 15,232</b>	<b>\$ 15,232</b>	<b>\$ 15,232</b>	<b>\$ 15,232</b>

*PROGRAM OBJECTIVE: To provide educational, intervention, and treatment programs to reduce drug and alcohol abuse and dependency.*

## Program: Drug and Alcohol Abuse Prevention and Treatment

This program provides counties with funding to purchase drug and alcohol services. Single County Authorities (SCA) prepare prevention, intervention and treatment plans tailored to the needs within their respective geographic locale. The department approves these plans and formulates a statewide program.

Prevention activities provide current information on the effects of drugs and alcohol. The prevention program's goal is to assist individuals in developing or improving skills that will enable them to choose a lifestyle free of substance abuse. This is done through educational sessions, workshops, media presentations, and an information clearing house, ENCORE, operated by the department. Primary emphasis has been given to youth, and a special curriculum is now used in most school districts to address the drug and alcohol problem.

Intervention services provide support to those individuals affected by drug or alcohol problems. Services include information hotlines, drop-in centers, alcohol safety programs, and occupational programs. The department operates the State Employees Assistance Program, and offers technical assistance to private sector employers interested in

providing this type of service. The Student Assistance Program (SAP) provides school personnel with the knowledge and skills needed to identify students using alcohol or drugs. Students are referred to professional evaluators and if needed, receive treatment services. Also made available are special services designed to divert certain criminal offenders into rehabilitation programs.

Treatment services are funded in hospitals, prisons, shelters, residential units, day care and outpatient programs. Treatment often consists of short term detoxification followed by a longer term rehabilitation. Most inpatient services are rendered in a non-hospital setting. Outpatient services may follow discharge from a residential program; however many persons are initially treated in the outpatient modality. Typically, admissions to treatment are approximately 48 percent drug related and 52 percent alcohol related. Males represent 73 percent of all treatment admissions, and women account for the remaining 27 percent. After alcohol, the second most predominant drug abuse problem is cocaine use. Multiple drug use occurs in approximately 70% of persons undergoing treatment.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Prevention Services:</b>							
School personnel trained by Student Assistance Program	1,733	2,213	2,381	2,381	2,381	2,381	2,381
School districts participating in Student Assistance Program	127	207	255	255	255	255	255
Students referred for assessment by Student Assistance Programs	1,550	2,500	3,000	3,500	4,000	4,500	5,000
<b>Treatment Services:</b>							
Residential programs licensed/approved	154	175	195	200	200	200	200
Outpatient programs licensed/approved	371	390	415	425	425	425	425
Patients enrolled in treatment:							
Male	49,475	50,505	51,831	52,560	53,166	54,693	54,095
Female	18,299	18,965	19,759	20,044	20,984	21,507	22,095
Admissions with primary diagnosis:							
Drug abuse	32,571	33,554	34,793	35,770	36,556	37,299	38,095
Alcohol abuse	35,203	35,916	36,797	37,230	37,594	37,901	38,095
Percent of admissions completing treatment	35%	35%	35%	35%	35%	35%	35%

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

\$	664	<b>Assistance to Drug and Alcohol Programs</b>
	300	—increase for county grant programs.
		—PRR — Comprehensive Drug and Alcohol Abuse Initiative. This part of the Program Revision provides treatment services to cocaine-addicted mothers with infant children. See the Program Revision in Executive Offices for further information.
\$	964	—Appropriation Increase.

In addition, \$30.6 million in Federal funds is available for drug and alcohol prevention and treatment services. A new \$1.5 million non-hospital treatment program will be initiated within the Medical Assistance Program in the Department of Public Welfare to treat drug and/or alcohol abusers.

# HEALTH

## Program: Drug and Alcohol Abuse Prevention and Treatment (continued)

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>GENERAL FUND:</b>							
Assistance to Drug and Alcohol Programs	\$ 31,523	\$ 32,127	\$ 33,091	\$ 33,241	\$ 33,241	\$ 33,241	\$ 33,241
Guiffre Center — Addictive Diseases . . . .	250	.....	.....	.....	.....	.....	.....
Pennsylvania AWARE .....	225	225	.....	.....	.....	.....	.....
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 31,998</b>	<b>\$ 32,352</b>	<b>\$ 33,091</b>	<b>\$ 33,241</b>	<b>\$ 33,241</b>	<b>\$ 33,241</b>	<b>\$ 33,241</b>



Commonwealth of Pennsylvania

# Higher Education Assistance Agency

The Higher Education Assistance Agency provides financial aid to higher education students in the form of grants, loans, and employment opportunities through the coordination of State and Federal aid programs. In addition the agency provides institutional assistance grants to private institutions enrolling students who participate in the grant program and administers the Information Technology Education program.

# HIGHER EDUCATION ASSISTANCE AGENCY

## PROGRAM REVISION

### Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1989-90 State Funds (in thousands)
<b>GENERAL FUND</b>		
Grants to Full Time Students	Aid to Students .....	\$ 11,620
Institutional Assistance Grants	Aid to Students .....	2,404
DEPARTMENT TOTAL		<u>\$ 14,024</u>

This Program Revision will continue the commitment to improving access to higher education by increasing assistance funds to students and helping independent institutions to keep tuition increases to a minimum.

# HIGHER EDUCATION ASSISTANCE AGENCY

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88	1988-89	1989-90
	Actual	Available	Budget
<b>GENERAL FUND</b>			
<i>GRANTS AND SUBSIDIES:</i>			
Grants to Full Time Students .....	\$ 105,600	\$ 116,160	\$ 127,780
College Work Study .....	5,600	6,350	6,350
Institutional Assistance Grants .....	21,857	24,043	26,447
Equal Opportunity Professional Education .....	590	750	750
Loan Forgiveness .....	.....	1,000	2,049
Computer Training .....	2,307	2,769	2,880
Computer Purchases .....	3,494	3,750	3,900
<b>GENERAL FUND TOTAL .....</b>	<b><u>\$ 139,448</u></b>	<b><u>\$ 154,822</u></b>	<b><u>\$ 170,156</u></b>
<b>OTHER FUNDS</b>			
<i>HIGHER EDUCATION ASSISTANCE FUND:</i>			
Reserve for Losses on Guaranteed Loans .....	\$ 88,546	\$ 92,967	\$ 97,616
State/Federal Administration Augmentations .....	49,214	51,675	54,259
Parent Loan Reserve .....	902	1,040	1,160
Contract Servicing .....	28,663	30,408	32,233
Paul Douglas Teacher Scholarship .....	693	902	902
State Student Incentive Grant .....	3,358	3,196	3,187
Reimbursement for Administrative Expense .....	10,305	10,500	10,920
Servicing Contracts Augmenting Administration .....	21,820	30,655	34,809
Transfers Augmenting State Appropriation .....	240	262	300
Interest Augmenting State Appropriations .....	1,961	2,000	2,090
Fees Augmenting State Appropriations .....	61	61	61
<b>OTHER FUNDS TOTAL .....</b>	<b><u>\$ 205,763</u></b>	<b><u>\$ 223,666</u></b>	<b><u>\$ 237,537</u></b>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND .....	\$ 139,448	\$ 154,822	\$ 170,156
OTHER FUNDS .....	<u>205,763</u>	<u>223,666</u>	<u>237,537</u>
<b>TOTAL ALL FUNDS .....</b>	<b><u>\$ 345,211</u></b>	<b><u>\$ 378,488</u></b>	<b><u>\$ 407,693</u></b>

# HIGHER EDUCATION ASSISTANCE AGENCY

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>FINANCIAL ASSISTANCE TO STUDENTS</b>							
General Funds.....	\$ 111,790	\$ 124,260	\$ 136,929	\$ 136,929	\$ 136,929	\$ 136,929	\$ 136,929
Other Funds.....	205,763	223,666	237,537	237,537	237,537	237,537	237,537
<b>TOTAL.....</b>	<b>\$ 317,553</b>	<b>\$ 347,926</b>	<b>\$ 374,466</b>	<b>\$ 374,466</b>	<b>\$ 374,466</b>	<b>\$ 374,466</b>	<b>\$ 374,466</b>
<b>FINANCIAL ASSISTANCE TO INSTITUTIONS</b>							
General Funds.....	\$ 21,857	\$ 24,043	\$ 26,447	\$ 26,447	\$ 26,447	\$ 26,447	\$ 26,447
<b>TOTAL.....</b>	<b>\$ 21,857</b>	<b>\$ 24,043</b>	<b>\$ 26,447</b>	<b>\$ 26,447</b>	<b>\$ 26,447</b>	<b>\$ 26,447</b>	<b>\$ 26,447</b>
<b>INFORMATION TECHNOLOGY EDUCATION</b>							
General Funds.....	\$ 5,801	\$ 6,519	\$ 6,780	\$ 6,780	\$ 6,780	\$ 6,780	\$ 6,780
<b>TOTAL.....</b>	<b>\$ 5,801</b>	<b>\$ 6,519</b>	<b>\$ 6,780</b>	<b>\$ 6,780</b>	<b>\$ 6,780</b>	<b>\$ 6,780</b>	<b>\$ 6,780</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 139,448	\$ 154,822	\$ 170,156	\$ 170,156	\$ 170,156	\$ 170,156	\$ 170,156
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	205,763	223,666	237,537	237,537	237,537	237,537	237,537
<b>TOTAL.....</b>	<b>\$ 345,211</b>	<b>\$ 378,488</b>	<b>\$ 407,693</b>	<b>\$ 407,693</b>	<b>\$ 407,693</b>	<b>\$ 407,693</b>	<b>\$ 407,693</b>

# HIGHER EDUCATION ASSISTANCE AGENCY

*PROGRAM OBJECTIVE: To provide financial assistance to Commonwealth residents in order to promote access to institutions of higher education.*

## Program: Financial Assistance to Students

The Pennsylvania Higher Education Assistance Agency (PHEAA) provides three kinds of financial assistance to students in the form of grants, work study programs, and guaranteed student loans. Funds for the various financial assistance programs flow through the Higher Education Assistance Fund.

Direct grants to students are funded by an annual appropriation from the General Fund and interest earnings from the deposit of that appropriation in the PHEAA Fund. The PHEAA Board annually determines by regulation the distribution of funds to applicants on criteria including family income, family size, and the cost of the institution the student will be attending.

The objective of the program is to remove financial barriers and thereby provide access to higher education for all Commonwealth residents and, within the limits of the resources available, help to provide freedom of choice between public colleges and universities and private universities, colleges and postsecondary schools.

The Guaranteed Student Loan Program, established by the Federal Government and administered by PHEAA, enables students to secure long term loans from lending institutions. Act 330 of 1982, amended

by Act 5 of 1983, authorized the issuance of tax-exempt bonds to fund a supplemental student loan program for students who need additional assistance. PHEAA includes in this program funds for parents to obtain loans for the education of their children and a special loan program for students in the health professions.

The College Work Study Program provides funds to match Federal funds for work study and matches institutional funds for several on campus and off campus job opportunities. The on campus programs generally provide employment in campus services; off campus programs place students in work related to the course of study. The program also funds professional development of financial aid personnel.

The Equal Opportunity Professional Education Program provides grants to minority graduates of Lincoln and Cheyney Universities to enter graduate programs of the Commonwealth Universities.

The loan forgiveness program provides loan forgiveness to graduating students who agree to teach in underserved urban and rural areas. The loans can be forgiven in amounts up to \$2,500 each year for four years.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Grants to Full—Time Students:</b>							
Applications for grants . . . . .	250,222	255,545	253,545	253,545	253,545	253,545	253,545
Applications for grants processed . . . . .	186,500	186,500	187,780	188,000	189,000	190,000	191,000
Applicants enrolled full-time eligible for and receiving grants . . . . .	111,627	112,500	112,870	112,870	112,870	112,870	112,870
Percent of applicants assisted . . . . .	65.9%	66.2%	66.2%	66.2%	66.2%	66.2%	66.2%
Grants as percent of educational costs . . . . .	14.5%	14.6%	15.0%	15.0%	15.0%	15.0%	15.0%
<b>College Work Study:</b>							
Students assisted by Federal college based student aid (matching fund) programs . . . . .	91,828	93,149	96,930	98,669	100,866	102,866	104,916
College work study jobs made available by off campus employers . . . . .	4,200	4,250	4,300	4,400	4,400	4,400	4,400
Students work study earnings (in millions)	\$2.4	\$2.7	\$2.8	\$2.9	\$2.9	\$2.9	\$2.9
<b>Student Loans:</b>							
Students receiving Guaranteed Loans . . . . .	325,721	327,000	329,000	329,000	329,000	329,000	329,000

The measure for students assisted by college work study has been revised to represent more precise estimates.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Grants to Full-Time Students**  
 \$ 11,620 —PRR — Aid to Students. Third year  
 commitment to increase student grant funds  
 by 10 percent. See the Program Revision  
 following this program for further information.

**Loan Forgiveness**  
 \$ 1,049 —PRR — To fully implement the Loan  
 Forgiveness Program. See the Program  
 Revision For the Improvement of Teaching in  
 the Department of Education for further  
 information.

# HIGHER EDUCATION ASSISTANCE AGENCY

Program: Financial Assistance to Students (continued)

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Grants to Full Time Students .....	\$ 105,600	\$ 116,160	\$ 127,780	\$ 127,780	\$ 127,780	\$ 127,780	\$ 127,780
College Work Study .....	5,600	6,350	6,350	6,350	6,350	6,350	6,350
Equal Opportunity Professional Education	590	750	750	750	750	750	750
Loan Forgiveness .....	.....	1,000	2,049	2,049	2,049	2,049	2,049
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 111,790</b>	<b>\$ 124,260</b>	<b>\$ 136,929</b>	<b>\$ 136,929</b>	<b>\$ 136,929</b>	<b>\$ 136,929</b>	<b>\$ 136,929</b>

# HIGHER EDUCATION ASSISTANCE AGENCY

*PROGRAM OBJECTIVE: To assist independent postsecondary institutions to maintain enrollments and stabilize their educational costs thereby promoting access to institutions in all sectors for Pennsylvania students.*

## Program: Financial Aid to Institutions

The Institutional Assistance Grants Program, which was begun in 1974, provides grants to assist independent postsecondary institutions which are nonprofit, nondenominational, and not recipients of direct State appropriations.

The appropriated funds provide equal per capita grants to the schools based on the number of student grant recipients enrolled during the academic year.

The program helps to preserve and develop the diverse system of higher education in Pennsylvania by allowing private colleges and universities to stabilize their educational costs and maintain enrollments. It recognizes the desirability of helping independent institutions remain fiscally sound and serves to promote full student access to institutions in all sectors by assisting student attendance at Pennsylvania independent colleges and universities.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Grant recipients enrolled at eligible independent institutions . . . . .	30,072	30,160	30,247	30,247	30,247	30,247	30,247
Per capita grant . . . . .	\$729	\$797	\$875	\$875	\$875	\$875	\$875
Eligible institutions . . . . .	90	90	90	90	90	90	90

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

#### Institutional Assistance Grants

\$ 2,404 —PRR — Aid to Students. Increases the grant from \$797 to \$875 per capita. See the Program Revision following this program for further information.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Institutional Assistance Grants . . . . .	\$ 21,857	\$ 24,043	\$ 26,447	\$ 26,447	\$ 26,447	\$ 26,447	\$ 26,447

# HIGHER EDUCATION ASSISTANCE AGENCY

## Program Revision: Aid to Students

Higher Education costs are outpacing inflation making it difficult for many students to attend college. This budget has significantly increased funding to the State System of Higher Education and the State-related Universities and placed a \$100 cap on their tuition increases. However many Pennsylvania students are in need of further assistance. This Program Revision will increase the Grants to Full-Time Students and the Institutional Assistance Grant programs by ten percent.

An increase of over \$11 million has been recommended for Grants to Full-Time Students. New eligibility standards will be established based on family income levels which will provide an increase in the maximum

grant award, thus providing larger grants to more students.

The Institutional Assistance Grant (IAG) Program is directed toward those students attending independent institutions that are nonprofit, nonsectarian and not in receipt of direct State appropriations. The objective of the grant program is to allow students to attend private colleges and universities by stabilizing the institutions' educational costs. It recognizes the desirability of helping independent institutions remain fiscally sound while keeping student costs to a minimum. This Program Revision will increase the IAG per capita to the 90 eligible institutions from \$797 to \$875.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
IAG per capita grant							
Current .....	\$729	\$797	\$824	\$824	\$824	\$824	\$824
<b>Program Revision .....</b>	<b>.....</b>	<b>.....</b>	<b>\$875</b>	<b>\$875</b>	<b>\$875</b>	<b>\$875</b>	<b>\$875</b>

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Grants to Full-Time Students**  
 \$ 11,620 —to allow new eligibility standards based on family income.

**Institutional Assistance Grants**  
 \$ 2,404 —to provide additional funding for grants to eligible private institutions to stabilize their tuition costs.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Grants to Full-Time Students .....	.....	.....	\$ 11,620	\$ 11,620	\$ 11,620	\$ 11,620	\$ 11,620
Institutional Assistance Grants .....	.....	.....	2,404	2,404	2,404	2,404	2,404
<b>TOTAL GENERAL FUND .....</b>	<b>.....</b>	<b>.....</b>	<b>\$ 14,024</b>	<b>\$ 14,024</b>	<b>\$ 14,024</b>	<b>\$ 14,024</b>	<b>\$ 14,024</b>

# HIGHER EDUCATION ASSISTANCE AGENCY

*PROGRAM OBJECTIVE: To provide teacher training and computer equipment to elementary and secondary schools.*

## Program: Information Technology Education

The Information Technology Education Act of 1984 established a teacher education and computer purchase program designed to strengthen the computer skills of teachers and students in the Commonwealth's elementary and secondary schools.

Fourteen regional computer resource centers and four outreach sites reflecting the Commonwealth's demography provide access to teachers from all areas of the state. Teachers are trained at these sites in the classroom use of computers and on available software; in addition new software is reviewed and made available at the centers for periodic review by teachers in the area. Staff in the program also aid schools by

designing computer oriented elementary and secondary school curricula.

Schools in need of computer hardware and software submit requests to the Pennsylvania Higher Education Assistance Agency (PHEAA) which are reviewed in terms of the comprehensive plan developed by the district for equipment and course materials, the equipment currently available to the district, and the district aid ratio. Equipment is then purchased with funds appropriated for the program. For districts who are purchasing equipment with their own funds, the staff provides aid in selecting and coordinating equipment. Equipment is also purchased for loan to nonpublic schools.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Teachers trained in microcomputer education .....	3,011	3,170	3,780	4,000	4,000	4,000	4,000
New classrooms using microcomputers ...	80	81	85	90	95	100	105
Teachers using program hardware and courseware .....	36,900	38,500	41,000	42,500	43,000	44,000	45,000

The measure of teachers using program hardware and courseware shows the sum of all teachers who have received training through this program in how to use the computer and its use in the classroom and those teachers who have attended software demonstrations at the training and outreach sites to select courseware for their classrooms. The number of teachers making use of these services continues to grow as classroom computer use becomes more common and more kinds of software are available for review by educators.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>Computer Training</b>	<b>Computer Purchases</b>
\$ 111 —to continue training centers operation.	\$ 150 —to provide equipment and software for schools.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Computer Training .....	\$ 2,307	\$ 2,769	\$ 2,880	\$ 2,880	\$ 2,880	\$ 2,880	\$ 2,880
Computer Purchases .....	3,494	3,750	3,900	3,900	3,900	3,900	3,900
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 5,801</b>	<b>\$ 6,519</b>	<b>\$ 6,780</b>	<b>\$ 6,780</b>	<b>\$ 6,780</b>	<b>\$ 6,780</b>	<b>\$ 6,780</b>



Commonwealth of Pennsylvania

# Historical and Museum Commission

The Historical and Museum Commission is the official agency for the conservation and presentation of Pennsylvania's historic heritage. In executing its responsibilities, the Commission provides educational and recreational facilities to the public through historical, archaeological, and museum research, administration of public records, museum exhibition and interpretation, and historic site development.

# HISTORICAL AND MUSEUM COMMISSION

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88	1988-89	1989-90
	Actual	Available	Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
General Government Operations .....	\$ 10,340	\$ 11,289	\$ 12,319
(F) Historic Preservation .....	422	450	550
(F) National Endowment For the Humanities .....	169	62	.....
(F) Penn Central Railroad Historical Records .....	16	136	50
(F) State Historical Records Program .....	6	6	.....
(F) Surface Mining Study .....	.....	14	.....
(F) Land and Water .....	.....	25	.....
(F) Coastal Zone Management .....	.....	42	.....
(A) Hope Lodge Fund .....	146	45	45
(A) Historical Preservation Fund .....	404	387	360
(A) Land Records .....	15	15	20
(A) Rental of Historic Sites and Properties .....	.....	50	50
Columbus Day Celebration .....	.....	.....	150
Governor Printz Park — Morton Homestead .....	.....	500	.....
Maintenance Program .....	750	825	825
Subtotal — State Funds .....	\$ 11,090	\$ 12,614	\$ 13,294
Subtotal — Federal Funds .....	613	735	600
Subtotal — Augmentations .....	565	497	475
Total — General Government .....	\$ 12,268	\$ 13,846	\$ 14,369
<b>GRANTS AND SUBSIDIES:</b>			
Museum Assistance .....	\$ 1,473	\$ 770	\$ 725
Museum Assistance Projects .....	.....	1,186	.....
Humanities Council .....	100	100	100
University of Pennsylvania Museum .....	180	185	190
Carnegie Museum .....	180	185	190
Franklin Institute .....	542	558	575
Academy of Natural Sciences .....	331	341	351
Buhl Science Center .....	180	185	190
Museum of Philadelphia Civic Center .....	180	185	190
Afro American Museum .....	159	164	169
Everhart Museum .....	33	34	35
Morris Arboretum .....	350	400	.....
Johnstown Flood Musuem .....	180	.....	.....
Gettysburg 125th Anniversary .....	210	.....	.....
Total — Grants and Subsidies .....	\$ 4,098	\$ 4,293	\$ 2,715
STATE FUNDS .....	\$ 15,188	\$ 16,907	\$ 16,009
FEDERAL FUNDS .....	613	735	600
AUGMENTATIONS .....	565	497	475
<b>GENERAL FUND TOTAL .....</b>	<b>\$ 16,366</b>	<b>\$ 18,139</b>	<b>\$ 17,084</b>
<b>OTHER FUNDS</b>			
<b>GENERAL FUND:</b>			
Preservation of Historic Sites and Properties .....	\$ 220	\$ 450	\$ 450
Hope Lodge .....	46	45	45
<b>OTHER FUNDS TOTAL .....</b>	<b>\$ 266</b>	<b>\$ 495</b>	<b>\$ 495</b>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUNDS .....	\$ 15,188	\$ 16,907	\$ 16,009
FEDERAL FUNDS .....	613	735	600
AUGMENTATIONS .....	565	497	475
OTHER FUNDS .....	266	495	495
<b>TOTAL ALL FUNDS .....</b>	<b>\$ 16,632</b>	<b>\$ 18,634</b>	<b>\$ 17,579</b>

# HISTORICAL AND MUSEUM COMMISSION

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>STATE HISTORIC PRESERVATION</b>							
General Funds.....	\$ 11,190	\$ 12,714	\$ 13,394	\$ 14,072	\$ 14,787	\$ 15,541	\$ 16,187
Federal Funds.....	613	735	600	550	600	600	600
Other Funds.....	831	992	970	990	1,020	1,025	1,060
<b>TOTAL.....</b>	<b>\$ 12,634</b>	<b>\$ 14,441</b>	<b>\$ 14,964</b>	<b>\$ 15,612</b>	<b>\$ 16,407</b>	<b>\$ 17,166</b>	<b>\$ 17,847</b>
<b>MUSEUM DEVELOPMENT AND OPERATION</b>							
General Funds.....	\$ 3,998	\$ 4,193	\$ 2,615	\$ 2,615	\$ 2,615	\$ 2,615	\$ 2,615
<b>TOTAL.....</b>	<b>\$ 3,998</b>	<b>\$ 4,193</b>	<b>\$ 2,615</b>	<b>\$ 2,615</b>	<b>\$ 2,615</b>	<b>\$ 2,615</b>	<b>\$ 2,615</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 15,188	\$ 16,907	\$ 16,009	\$ 16,687	\$ 17,402	\$ 18,156	\$ 18,802
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	613	735	600	550	600	600	600
OTHER FUNDS.....	831	992	970	990	1,020	1,025	1,060
<b>TOTAL.....</b>	<b>\$ 16,632</b>	<b>\$ 18,634</b>	<b>\$ 17,579</b>	<b>\$ 18,227</b>	<b>\$ 19,022</b>	<b>\$ 19,781</b>	<b>\$ 20,462</b>

# HISTORICAL AND MUSEUM COMMISSION

*PROGRAM OBJECTIVE: To manage and safeguard Pennsylvania's historic resources through a comprehensive history and museum program to educate, and to interpret, research and preserve all areas of Pennsylvania History.*

## Program: State Historic Preservation

The State Historical Preservation Program administered by the Historical and Museum Commission is comprised of five major elements. These elements include: Executive and Administration; Pennsylvania State and Local Records; Historic Site and Museum Operations; Historic Preservation; and Professional History and Museum Support Services.

### **Program Element: Executive and Administration**

This program provides general policy and direction for administering the commission's operations. It includes personnel management, procurement, financial grant administration, fiscal and revenue management, and other services. In addition, it serves to administer a Property Management and Lease Program through cooperative agreements with management groups or profit and non-profit organizations to operate, maintain and utilize alternative use historic sites, buildings and agriculture lands under the custody of the commission.

### **Program Element: State and Local Records**

This program is supported by the State Archives and Land Office. The State Archives is responsible for: the evaluation of State and political subdivision records of the Commonwealth to determine administrative, legal or historical value; records disposition requests and the development of appropriate records management and archival programs; accessing of records, manuscripts and materials deemed appropriate for placement in the State Archives. The commission's archival program also provides information, microfilms, photographs and other materials and makes available finding aids and guides for researchers and the general public. The Land Office maintains and preserves the records of the first titles acquired by the proprietaries and the Commonwealth to all the lands within Pennsylvania's boundaries, the conveyances and purchasers of the land; papers relating to the surveys of the State boundary lines; maps and other papers pertaining to the colonial history of Pennsylvania.

### **Program Element: Historic Site and Museum Operations**

This element supports the operation of twenty-seven (27) historic sites and museums throughout the Commonwealth. This program is

managed through a regionalized system and provides: educational, collections, and exhibition programs for interpreting Pennsylvania history. Cooperative initiatives with associate organizations on educational and public events, and programs presenting rural and urban life along with lectures and seminars, curatorial methods and ethnic studies are also utilized. A Mobile Museum program which brings Pennsylvania history to the people is administered by the State Museum. This element is also responsible for administration of museum assistance grants.

### **Program Element: Historic Preservation**

This element is responsible for the identification, protection and enhancement of buildings, structures and districts of historic and architectural significance within the Commonwealth and provides: the infusion of Federal funds from the Department of the Interior to enhance the economic base of many communities in Pennsylvania; a survey and a National Register nomination program; the maintenance and information network providing direction and assistance to local preservation organizations; the administration of an archaeological program to improve policies and procedures and provide direction to the professional and advocational community; and, to preserve and protect endangered historic public and private buildings, structures and landmarks through a non-profit, statewide revolving fund.

### **Program Element: Professional History and Museum Support Services**

This element is responsible for providing a comprehensive program of support services. This element serves to coordinate and implement a historic collection's inventory system, exhibition program, sales and publications program and development and implementation of a marketing strategy, as they relate to history. Through historic sites and museums, the Commission provides architectural and design services to support a major program of preservation maintenance for all buildings and structures assigned to the commission's custody. This element is also responsible for developing professional policies, procedures and standards to ensure that the Commission's programs are carried out in the best interests of the Commonwealth.

# HISTORICAL AND MUSEUM COMMISSION

**Program: State Historic Preservation (continued)**

**Program Measures:**

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>State and Local Records</b>							
Pages of archives and historical manuscripts (in thousands) . . . . .	90,200	94,000	97,000	98,000	100,000	102,000	105,000
Service request responses History, Archives and Land Records . . . . .	72,188	73,500	73,500	74,000	74,000	75,000	76,000
<b>Historic Site and Museum Operations</b>							
Annual visitations to Commission historical sites and museums (in thousands) . . . . .	1,984	2,000	2,100	2,100	2,200	2,400	2,500
Historic markers . . . . .	1,497	1,505	1,510	1,520	1,525	1,535	1,540
<b>Historic Preservation</b>							
Evaluations for the National Register of Historic Properties . . . . .	363	375	375	375	375	375	375
Historic properties reviewed for tax credit . . . . .	681	700	700	700	700	700	700
<b>Professional History and Museum Support Services</b>							
Objects maintained and conserved (in thousands) . . . . .	1,299	1,298	1,299	1,300	1,301	1,302	1,303
Commission buildings undergoing improvement . . . . .	330	350	375	375	375	375	375

**Program Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>General Government Operations</b></p> <p>\$ 930 —to maintain current program.</p> <p>100 —to support the following initiatives: Heritage Tourism, Historic Preservation Environmental Review, Security and Electronic Data Processing.</p> <hr/> <p>\$ 1,030 <i>Appropriation Increase</i></p>	<p>\$ 150 —to provide support for the upcoming 500th anniversary celebration of the Voyage of Columbus.</p>
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**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations . . . . .	\$ 10,340	\$ 11,289	\$ 12,319	\$ 12,997	\$ 13,712	\$ 14,466	\$ 15,262
Governor Printz Park — Morton Homestead . . . . .		500					
Columbus Day Celebration . . . . .			150	150	150	150	
Maintenance Program . . . . .	750	825	825	825	825	825	825
Humanities Council . . . . .	100	100	100	100	100	100	100
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 11,190</b>	<b>\$ 12,714</b>	<b>\$ 13,394</b>	<b>\$ 14,072</b>	<b>\$ 14,787</b>	<b>\$ 15,541</b>	<b>\$ 16,187</b>

# HISTORICAL AND MUSEUM COMMISSION

*PROGRAM OBJECTIVE: To assure provision of representative artifacts, specimens of history, art, and science for all citizens through the support of museums within the Commonwealth.*

## Program: Museum Assistance

This program is comprised of two major components, the Museum Assistance Program and Museum Assistance General Operating Support. Both programs provide a source of financial assistance designed to enhance the quality of history and museum activities in Pennsylvania.

The Museum Assistance and Local History Grant Program established in 1985 is a competitive financial assistance process available to all qualified history related institutions within Pennsylvania. Through the established grant categories (Special Project Support, Technical Assistance, Local History, Local History General Operating and others) organizations may apply to the Historical and Museum Commission for projects ranging from the research of an historic event to a comprehensive exhibit plan and program having significant statewide impact. Special Project Support Grants and Local History General

Operating, the larger of the financial award categories, requires the successful grantee to provide dollar-for-dollar matching funds. All other categories are non-matching, but grantees are encouraged to provide in-kind support where possible.

The Museum Assistance General Operating Program provides support to major history and cultural related institutions in the Commonwealth. Organizations which currently receive funding from the commission through this program include: The University of Pennsylvania; Carnegie Museum of Natural History; Franklin Institute Science Museum; Academy of Natural Sciences; Buhl Science Center; Museum of the Philadelphia Civic Center; Afro-American Historical—Cultural Museum and The Everhart Museum. Financial assistance to these institutions supports a portion of their general operating budget.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Museum assistance grants awarded . . . . .	104	130	125	130	135	140	140
Museum Assistance General Operating Support Grants . . . . .	3	5	5	5	7	7	7

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Museum Assistance**  
\$ -1,631 —nonrecurring projects.

**Museum Assistance—General Operating Support**  
\$ 53 —to provide three percent increases for eight State aided museums.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Museum Assistance . . . . .	\$ 1,473	\$ 770	\$ 725	\$ 725	\$ 725	\$ 725	\$ 725
Museum Assistance Projects . . . . .		1,186					
University of Pennsylvania Museum . . . . .	180	185	190	190	190	190	190
Carnegie Museum . . . . .	180	185	190	190	190	190	190
Franklin Institute . . . . .	542	558	575	575	575	575	575
Academy of Natural Sciences . . . . .	331	341	351	351	351	351	351
Buhl Science Center . . . . .	180	185	190	190	190	190	190
Museum of Philadelphia Civic Center . . . . .	180	185	190	190	190	190	190
Afro American and Cultural Museum . . . . .	159	164	169	169	169	169	169
Everhart Museum . . . . .	33	34	35	35	35	35	35
Morris Arboretum . . . . .	350	400					
Johnstown Flood Museum . . . . .	180						
Gettysburg 125th Anniversary . . . . .	210						
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 3,998</b>	<b>\$ 4,193</b>	<b>\$ 2,615</b>	<b>\$ 2,615</b>	<b>\$ 2,615</b>	<b>\$ 2,615</b>	<b>\$ 2,615</b>



**Commonwealth of Pennsylvania**

# **Housing Finance Agency**

The Housing Finance Agency provides funding for construction and substantial rehabilitation of multi-family housing and purchase, rehabilitation, home improvement and energy conservation for single family homes.

A Homeowner's Emergency Assistance Program also provides assistance through the provision of temporary mortgage assistance payments to those threatened with loss of their home due to financial hardship.

# HOUSING FINANCE AGENCY

## PROGRAM REVISION

### Budgeted Amounts Include the Following Program Revision:

Appropriation	Title	1989-90 State Funds (in thousands)
<b>GENERAL FUND</b>		
Drug and Alcohol Treatment Facilities Improvements	Comprehensive Drug and Alcohol Abuse Initiative .....	\$ 750
<p>This is part of the \$16,313,000 Program Revision entitled Comprehensive Drug and Alcohol Abuse Initiative. These funds will provide a match to Federal funds for capital improvements to drug and alcohol treatment facilities. Please see the Executive Offices for further information on this Program Revision.</p>		
DEPARTMENT TOTAL .....		<u>\$ 750</u>

# HOUSING FINANCE AGENCY

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<i>GRANTS AND SUBSIDIES:</i>			
Homeowners Emergency Mortgage Assistance . . . . .	\$ 15,000	\$ 11,700	\$ 11,500
Drug and Alcohol Treatment Facilities Improvements . . . . .	. . . . .	. . . . .	750
<b>GENERAL FUND TOTAL . . . . .</b>	<u>\$ 15,000</u>	<u>\$ 11,700</u>	<u>\$ 12,250</u>

# HOUSING FINANCE AGENCY

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>COMMUNITY DEVELOPMENT AND CONSERVATION</b>							
General Funds.....	\$ 15,000	\$ 11,700	\$ 12,250	\$ 12,250	\$ 12,250	\$ 6,500	750
<b>TOTAL.....</b>	<b>\$ 15,000</b>	<b>\$ 11,700</b>	<b>\$ 12,250</b>	<b>\$ 12,250</b>	<b>\$ 12,250</b>	<b>\$ 6,500</b>	<b>750</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 15,000	\$ 11,700	\$ 12,250	\$ 12,250	\$ 12,250	\$ 6,500	750
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>TOTAL.....</b>	<b>\$ 15,000</b>	<b>\$ 11,700</b>	<b>\$ 12,250</b>	<b>\$ 12,250</b>	<b>\$ 12,250</b>	<b>\$ 6,500</b>	<b>750</b>

# HOUSING FINANCE AGENCY

*PROGRAM OBJECTIVE: To provide and maintain adequate, affordable and safe housing for Commonwealth citizens.*

## Program: Community Development and Conservation

The Pennsylvania Housing Finance Agency (PHFA) operates two programs to increase the supply of decent, safe and affordable housing: The HOMES Program (Housing Opportunities Make Economic Sense); the Single Family Homeownership Program; and one program to protect distressed homeowners from foreclosure, the Homeowners' Emergency Mortgage Assistance Program.

The HOMES Program and the Single Family Homeownership Program are both financed with proceeds from the sale of securities to private investors. The Homeowners' Emergency Mortgage Assistance Program is supported by an annual General Fund appropriation.

The Single Family Homeownership Program offers below market rate mortgage loans to first time homebuyers. Funds to operate the program come from the sale of Mortgage Revenue Bonds. (During the current year, \$155 million in tax-exempt bonds were sold to provide approximately 3,800 mortgages to first time homebuyers throughout Pennsylvania.) Federal authority to issue mortgage revenue bonds expires on December 31, 1989.

The HOMES Program provides multi-family apartment developers with permanent financing for the construction or rehabilitation of rental housing. Under the HOMES Program PHFA concentrates resources and efforts to help create housing for the homeless and other low-income families.

The HOMES Program has been subsidized through 1988 with \$26 million from PHFA's reserve funds. These funds are provided as deferred second loans. This helps lower development costs and directly reduces rents.

Since 1987, PHFA has financed 1,200 rental units for the homeless and other low income people. PHFA's funds are combined with a wide variety of public and private sources to make the low income projects feasible.

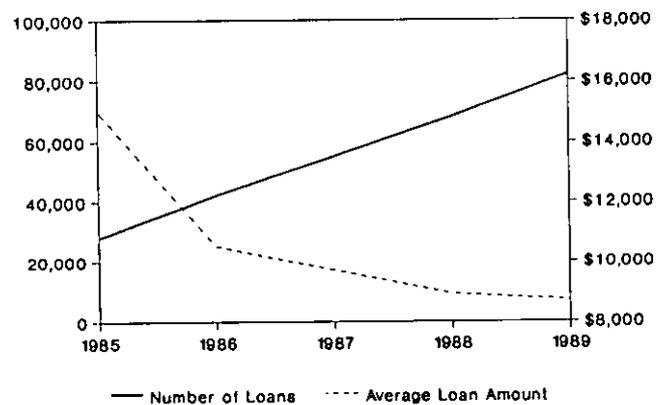
The PHFA Board of Directors has responded to the Governor's request by committing another \$10 million to the program for 1989-90. This \$10 million should produce another 500 units of housing. See the Program Revision in the Department of Public Welfare's presentation for further details of this and other homeless housing proposals.

The Homeowners' Emergency Mortgage Assistance Program (HEMAP) was established by Act 91 of 1983. It is designed to protect citizens who, through no fault of their own, are in danger of losing their homes to foreclosure. It has functioned as a homeless prevention program. In accomplishing this mandate, the program achieves the added benefit of preventing homelessness. Eligible applicants receive assistance in an amount sufficient to bring mortgage payments current and may also receive continuing assistance for up to 36 months. HEMAP

payments are loans upon which repayment begins and interest starts to accrue when the recipient is financially able to pay.

Act 91 originally had a three year life, with an expiration date of December 23, 1986. The program was extended through December 23, 1989 under provisions of Act 189 of 1986 and a further three-year extension of the enabling legislation is proposed in this budget.

### Homeowner Emergency Mortgage Assistance Program



Since its creation in 1972, PHFA has financed over 30,000 apartment units and 25,000 single family homes through the sale of over \$2 billion of tax-exempt bonds. It has channelled over \$90 million of General Fund monies into the HEMAP Program to save 8,600 homes from foreclosure.

The Federal Omnibus Drug Abuse Initiatives Act of 1988 permits Federal funds to be used for the renovation and/or construction of drug and alcohol treatment facilities if a state can prove a need for additional treatment beds. The Federal law requires a dollar for dollar match of Federal funds.

The Pennsylvania Housing Finance Agency, working with the Department of Health, will administer a \$2 million capital improvement program for drug and alcohol treatment facilities. Funding will consist of \$750,000 in State funds, \$750,000 in local matching funds and \$1.5 million in Federal funds that will be subgranted from the Department of Health. See the Program Revision in the Executive Offices presentation for further details of these and other drug-related proposals.

# HOUSING FINANCE AGENCY

## Program: Community Development and Conservation (continued)

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Persons eligible for HEMAP loans . . . . .	1,600	1,600	1,600	1,600	1,600	800	. . . . .
Approved mortgage assistance loans . . . . .	1,565	1,500	1,400	1,400	1,400	700	. . . . .
Dollar value of assistance loans recorded (in thousands) . . . . .	\$15,114	\$14,000	\$12,000	\$12,000	\$12,000	\$6,000	. . . . .
Average mortgage assistance loan . . . . .	\$9,446	\$9,154	\$8,500	\$8,250	\$8,250	\$8,250	. . . . .
Mortgage assistance loans qualifying for repayment . . . . .	1,870	2,450	3,600	4,100	4,600	4,600	4,600
Outstanding principal balance of mor- tgage assistance loans qualifying for repayment (in thousands) . . . . .	\$7,700	\$14,625	\$28,000	\$33,000	\$38,000	\$38,000	\$38,000

### Program Recommendations:

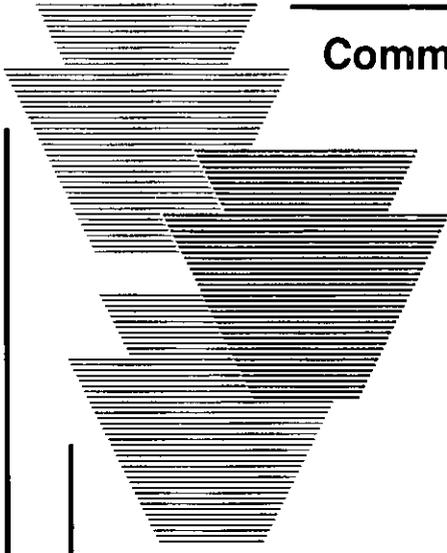
This budget recommends the following changes: (Dollar Amounts in Thousands)

**Homeowners Emergency Mortgage Assistance**  
 \$ -200 —to continue current program based on projected needs.

**Drug and Alcohol Treatment Facilities Improvements**  
 \$ 750 —PRR — Comprehensive Drug and Alcohol Abuse Initiative. New program for treatment facilities improvements. See the Program Revision in the Executive Offices for further information.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Homeowners Emergency Mortgage Assistance . . . . .	\$ 15,000	\$ 11,700	\$ 11,500	\$ 11,500	\$ 11,500	\$ 5,750	. . . . .
Drug and Alcohol Treatment Facilities Improvements . . . . .	. . . . .	. . . . .	750	750	750	750	\$ 750
	\$ 15,000	\$ 11,700	\$ 12,250	\$ 12,250	\$ 12,250	\$ 6,500	\$ 750



Commonwealth of Pennsylvania

# **Infrastructure Investment Authority**

The Pennsylvania Infrastructure Investment Authority administers the PENNVEST program authorized in Act 16 of 1988. This program provides financial assistance, in the form of loans and grants, to municipal authorities and private owners for improving community drinking water supply systems and sewage treatment facilities.

# INFRASTRUCTURE INVESTMENT AUTHORITY

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
PENNVEST .....	\$ 5,500 <sup>a</sup>	\$ 15,000 <sup>a</sup>	\$ 12,500 <sup>a</sup>
<i>(F) Sewage Projects Revolving Loan Fund</i> .....	.....	4,800	22,800
<b>GENERAL FUND TOTAL</b> .....	<u>\$ 5,500</u>	<u>\$ 19,800</u>	<u>\$ 35,300</u>
 <b>OTHER FUNDS</b>			
PENNVEST Fund .....	.....	\$ 12,083	\$ 20,064
PENNVEST Water Pollution Control Revolving Fund .....	.....	1,200	5,700
PENNVEST Revolving Fund .....	.....	52,900	50,860
PENNVEST Nonrevolving Fund .....	.....	.....	96,940
<b>OTHER FUNDS TOTAL</b> .....	<u>.....</u>	<u>\$ 66,183</u>	<u>\$ 173,564</u>
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND .....	\$ 5,500	\$ 15,000	\$ 12,500
FEDERAL FUNDS .....	.....	4,800	22,800
OTHER FUNDS .....	.....	66,183	173,564
<b>TOTAL — ALL FUNDS</b> .....	<u>\$ 5,500</u>	<u>\$ 85,983</u>	<u>\$ 208,864</u>

<sup>a</sup>General Fund appropriations are transferred to the PENNVEST Fund. These funds are excluded from PENNVEST Fund totals to avoid double counting.

# INFRASTRUCTURE INVESTMENT AUTHORITY

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>ENVIRONMENTAL INFRASTRUCTURE</b>							
General Funds.....	\$ 5,500	\$ 15,000	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500
Federal Funds.....	0	4,800	22,800	20,400	0	0	0
Other Funds.....	0	66,183	173,564	173,564	173,564	173,564	173,564
<b>TOTAL.....</b>	<b>\$ 5,500</b>	<b>\$ 85,983</b>	<b>\$ 208,864</b>	<b>\$ 206,464</b>	<b>\$ 186,064</b>	<b>\$ 186,064</b>	<b>\$ 186,064</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 5,500	\$ 15,000	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	4,800	22,800	20,400	0	0	0
OTHER FUNDS.....	0	66,183	173,564	173,564	173,564	173,564	173,564
<b>TOTAL.....</b>	<b>\$ 5,500</b>	<b>\$ 85,983</b>	<b>\$ 208,864</b>	<b>\$ 206,464</b>	<b>\$ 186,064</b>	<b>\$ 186,064</b>	<b>\$ 186,064</b>

# INFRASTRUCTURE INVESTMENT AUTHORITY

*PROGRAM OBJECTIVE: To further economic development in the Commonwealth by providing a financing program, technical assistance, and administrative support for community drinking water systems and municipal sewage treatment facilities.*

## Program: PENNVEST

The PENNVEST program authorized in Act 16 of 1988 provides an investment pool of capital to rebuild and expand community drinking water systems and municipal sewage treatment facilities in the Commonwealth. These systems and facilities are essential for the protection of public health and the promotion of economic development. Many systems and facilities need to be repaired, upgraded or expanded to meet environmental standards and economic development goals. Funding these needed improvements has often proved difficult, especially for small communities.

Initial funding for the PENNVEST Fund comes from several sources: direct appropriation from the General Fund, the \$300 million bond issue approved by voter referendum, the balance of approved Water Facilities Loan Fund bonds, Federal seed money for a sewage treatment facilities revolving loan fund, and some available Capital Facilities bonds. Added to this will be interest earnings on the fund's cash flow, and interest payments made on loans.

PENNVEST funds are used for loans, loan guarantees and grants

to municipalities, municipal authorities and private firms to improve water and sewage systems they own. Also, the Pennsylvania Infrastructure Investment Authority, supported by the Department of Environmental Resources, helps owners apply for funding, provides assistance in planning and designing funded projects, and, if necessary, reviews the applicant's operations to improve efficiency.

To facilitate fund management and accounting, several separate funds have been established. The PENNVEST Fund serves as the repository of appropriated General Fund moneys, interest and investment income, and loan repayments. In addition to loans and grants, administrative costs are paid from this fund. The Water Pollution Control Revolving Fund combines the Federal seed money, and the Commonwealth's required matching funds, to create a revolving loan fund for sewage treatment facilities construction. The PENNVEST Revolving Fund and the PENNVEST Non-Revolving Fund receive the proceeds from the sale of bonds mentioned above and segregate revolving and non-revolving loans.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
PENNVEST projects implemented . . . . .	42	147	117	120	120	120	120

The program measure shows a higher number in 1988-89 because of the initial surge in applications.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**PENNVEST**  
 \$ -2,500 —to maintain \$12.5 million annual General Fund commitment to improving environmental infrastructure.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
PENNVEST . . . . .	\$ 5,500	\$ 15,000	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500	\$ 12,500



**Commonwealth of Pennsylvania**

# **Insurance Department**

The Insurance Department executes the insurance laws of the Commonwealth, examines and supervises domestic insurance companies, settles complaints and regulates insurance rates. The department also licenses Pennsylvania and out-of-state companies, makes investigations of alleged violations of the law and supervises the dissolution of companies.

# INSURANCE

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
<b>General Government Operations</b> .....	<b>\$ 8,600</b>	<b>\$ 10,710</b>	<b>\$ 11,504</b>
(A) Companies in Liquidation .....	550	492	492
(A) Pennsylvania Bulletin and Code Regulations .....	126	125	125
(A) Duplicating and Mailing Services .....	23	25	25
(A) Workmen's Compensation Security Services .....	90	165	165
(A) Reimbursements — Examination Travel .....	453	500	500
<b>Relco Emergency Traffic Control Study</b> .....	<b>75</b>	<b>-</b>	<b>-</b>
State Funds .....	\$ 8,675	\$ 10,710	\$ 11,504
Augmentations .....	1,242	1,307	1,307
<b>GENERAL FUND TOTAL</b> .....	<b>\$ 9,917</b>	<b>\$ 12,017</b>	<b>\$ 12,811</b>
<b>OTHER FUNDS</b>			
<b>CATASTROPHIC LOSS TRUST FUND:<sup>a</sup></b>			
Administration .....	\$ 10,600	\$ 13,363	\$ 10,500
Claims .....	60,000	64,000	22,236
<b>OTHER FUNDS TOTAL</b> .....	<b>\$ 70,600</b>	<b>\$ 77,363</b>	<b>\$ 32,736<sup>b</sup></b>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUNDS .....	\$ 8,675	\$ 10,710	\$ 11,504
AUGMENTATIONS .....	1,242	1,307	1,307
OTHER FUNDS .....	70,600	77,363	32,736
<b>TOTAL ALL FUNDS</b> .....	<b>\$ 80,517</b>	<b>\$ 89,380</b>	<b>\$ 45,547</b>

<sup>a</sup>Act 144 of 1988, abolished the Catastrophic Loss Trust Fund (CLTF). Payment of claims will continue to be made for accidents occurring prior to March 1, 1989.

<sup>b</sup>It is anticipated that there will be nearly \$56.7 million in claims and expenses in the fund in 1989-90. Executive Authorizations and subsequent disbursements will be made only up to the limit of funds available.

# INSURANCE

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>INSURANCE INDUSTRY REGULATION</b>							
General Funds.....	\$ 8,675	\$ 10,710	\$ 11,504	\$ 11,617	\$ 12,256	\$ 12,930	\$ 13,641
Other Funds.....	71,842	78,670	34,043	1,307	1,307	1,307	1,307
<b>TOTAL.....</b>	<b>\$ 80,517</b>	<b>\$ 89,380</b>	<b>\$ 45,547</b>	<b>\$ 12,924</b>	<b>\$ 13,563</b>	<b>\$ 14,237</b>	<b>\$ 14,948</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 8,675	\$ 10,710	\$ 11,504	\$ 11,617	\$ 12,256	\$ 12,930	\$ 13,641
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	71,842	78,670	34,043	1,307	1,307	1,307	1,307
<b>TOTAL.....</b>	<b>\$ 80,517</b>	<b>\$ 89,380</b>	<b>\$ 45,547</b>	<b>\$ 12,924</b>	<b>\$ 13,563</b>	<b>\$ 14,237</b>	<b>\$ 14,948</b>

*PROGRAM OBJECTIVE: To effectively regulate the insurance industry and monitor its adherence to contractual obligations and to prevent abuse of the public by illegal or unfair practices.*

## Program: Insurance Industry Regulation

Pennsylvania's insurance industry is rapidly expanding both in number of companies and in premium volume in response to the expanding concepts of liability and to the public's demand for new insurance products and services. State regulation must provide a fair but controlled regulatory climate which permits insurers to conduct their business and invest their funds and assure adequate consumer safeguards to the policyholder.

The Insurance Department is charged with the responsibility to regulate all aspects of the insurance industry in Pennsylvania. It is mandated to supervise the operation of 1,440 insurance companies; authorize the admission of new insurers to the State; test and license insurance agents, brokers and bondsmen; review and prior approve nearly 10,000 rate and policy form filings each year; conduct adjudicatory hearings and handle nearly 400,000 consumer inquiries annually.

In the rating area, the growing demand for insurance and its rising cost require the department to intensify its review of all insurance rate and form filings. In the casualty rating area, the high cost and/or unavailability of general liability, auto and medical malpractice insurance is requiring the department to hold more adjudicatory hearings on casualty rate filings as part of an overall effort to intensify the analysis of rates being charged to policyholders in all areas of the state.

In the health insurance area, there is great interest in new types of insurers such as health maintenance organizations (HMOs) and preferred provider organizations (PPOs). In examining HMO applications, the department must insure that the HMO is and will remain financially sound. It further examines the contracts and rates to make sure that they meet the standards required by law.

Due to the growth of complex life insurance products, more

companies will file equity-based insurance products as insurers compete to retain and increase their share of the investment dollar and to fill the void created by the tax law changes on non-insurance tax shelters.

The property/casualty segment of the insurance industry has recently shown profitable operating results with a resulting easing of the problems of unaffordability and unavailability of commercial liability insurance. The improving underwriting results of both property/casualty insurers and their reinsurers will contribute to a continuing decline in the cost of commercial liability insurance which bodes well for businesses seeking to purchase such coverage.

The examination and financial analysis functions are most directly affected by insurer financial problems. This activity is an increasing part of the department's workload. The department must continue to monitor the financial solvency of insurers and explore methods to improve solvency surveillance.

The department's Office of Consumer Services and Enforcement maintains a program to provide public information and complaint review services to all insurance consumers. In addition, the Bureau is responsible for investigating violations of Pennsylvania's insurance laws.

The Catastrophic Loss Trust Fund (CLTF) was created by the Motor Vehicle Financial Responsibility Law, which became effective on October 1, 1984. The fund's purpose is to provide benefits to Pennsylvanians who are catastrophically injured in motor vehicle accidents and incur medical expenses in excess of \$100,000. Eligible claimants receive benefits for medical treatment and rehabilitative services which are reasonable, necessary and accident related subject to a \$1,000,000 lifetime aggregate. Act 144 of 1988 abolished the fund. Benefits will not be available for accidents occurring after March 1, 1989.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Consumer savings from departmental intervention in insurance claim disputes (in thousands) . . . . .	\$5,250	\$5,300	\$5,300	\$5,400	\$5,400	\$5,500	\$5,600
Companies in liquidation . . . . .	17	19	19	19	19	19	19
Rate filings reviewed . . . . .	10,801	12,000	12,900	13,800	14,700	15,600	16,500
Policy/Form filings reviewed . . . . .	40,124	41,000	42,500	44,000	45,500	47,000	48,500
Companies examined . . . . .	210	220	235	275	265	280	290
Continuing Care providers regulated . . . . .	77	80	85	90	95	100	105

The increase in the measure for consumer savings from departmental intervention in insurance claim disputes is attributed to increased responsiveness by the department in handling health insurance complaints, especially those that pertain to Medigap which impact older Pennsylvanians. There also is an increased awareness by older Pennsylvanians of problems with health insurance due to increased media focus as well as the Capital for a Day Program.

# INSURANCE

**Program: Insurance Industry Regulation (continued)**

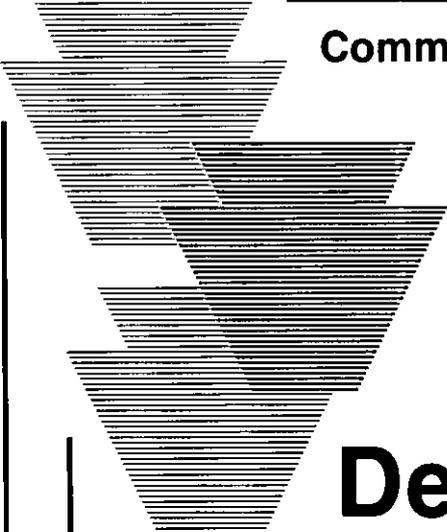
**Program Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>General Government Operations</b>	
\$ -507	—nonrecurring projects.
808	—to fund current programs, including the 1988-89 Insurance Industry Oversight initiative.
493	—to fund EDP needs especially in the areas of rate and policy regulation and financial solvency.
<u>\$ 794</u>	<i>Appropriation Increase</i>

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations . . . . .	\$ 8,600	\$ 10,710	\$ 11,504	\$ 11,617	\$ 12,256	\$ 12,930	\$ 13,641
Relco Emergency Traffic Control Study . .	75	.....	.....	.....	.....	.....	.....
<b>TOTAL GENERAL FUND . . . . .</b>	<u>\$ 8,675</u>	<u>\$ 10,710</u>	<u>\$ 11,504</u>	<u>\$ 11,617</u>	<u>\$ 12,256</u>	<u>\$ 12,930</u>	<u>\$ 13,641</u>



**Commonwealth of Pennsylvania**

# **Department of Labor and Industry**

The Department of Labor and Industry serves the labor and industrial interests of the Commonwealth by promoting the health, welfare and safety of employes; maintaining continuous production and employment by acting to reduce industrial strife; rehabilitating the vocationally handicapped; stabilizing the income of employes who become victims of certain occupational diseases or who sustain work related injuries; promoting apprenticeship training programs and assisting displaced workers in retraining and/or relocation.

# LABOR AND INDUSTRY

## PROGRAM REVISION

### Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1989-90 State Funds (in thousands)
<b>GENERAL FUND</b>		
<b>PennSERVE</b>	PennSERVE Expansion .....	\$ 200
	This Program Revision provides for a campaign to promote volunteerism in Pennsylvania.	
<b>Occupational and Industrial Safety</b>	Inspection and Enforcement Activity Improvements .....	\$ 689
<b>General Government Operations</b>	Inspection and Enforcement Activity Improvements .....	200
	Subtotal .....	<u>\$ 889</u>
	This Program Revision provides for expanded inspections and enforcement of safety regulations that apply to buildings, machinery and equipment such as elevators and boilers. This Program Revision also provides for an enforcement program to ensure that buildings are accessible by the physically handicapped, and that employers are in compliance with the Pennsylvania minimum wage act.	
<b>Literacy Corps Pilot Project</b>	Literacy Corps Pilot Program .....	\$ 500
	This Program Revision will provide a grant to a college based literacy organization to develop a program to prepare students to become literacy volunteers.	
<b>Job Centers</b>	Improved Job Training Coordination and Response .....	\$ 2,175
	This Program Revision provides for improved coordination and delivery of job training services.	
<b>Right-to-Know Act</b>	Hazardous Materials Response Program .....	\$ 84
	This recommendation provides for a maintenance contract on data processing equipment to improve retrieval of information on hazardous substances. This is part of a \$1,387,000 Program Revision entitled Hazardous Materials Response Program. Please see the Emergency Management Agency for details on this program revision.	
	<b>DEPARTMENT TOTAL .....</b>	<u>\$ 3,848</u>

# LABOR AND INDUSTRY

## Summary by Fund and Appropriation

GENERAL FUND	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Budget
<b>GENERAL GOVERNMENT:</b>			
<b>General Government Operations</b> .....	\$ 6,976	\$ 5,900	\$ 7,138
(F) JTPA — Administration .....	2,548 <sup>a</sup>	2,430	2,184
(F) National Occupational Information Coordinating Committee .....	490 <sup>b</sup>	356	285
(A) Federal Indirect Cost Reimbursements .....	332	1,382	1,451
Total — General Government Operations .....	<u>\$ 10,346</u>	<u>\$ 10,068</u>	<u>\$ 11,058</u>
<b>Occupational and Industrial Safety</b> .....	\$ 5,787	\$ 5,227	\$ 6,481
(A) Federal Indirect Cost Reimbursements .....	275	1,225	1,511
<b>Right to Know</b> .....	974	1,170	1,373
<b>Job Creation Tax Credit Administration</b> .....	230	170	. . . .
<b>PennSERVE</b> .....	. . . .	500	700
(F) PennSERVE .....	. . . .	100	100
<b>Labor Market Information</b> .....	. . . .	. . . .	100
Subtotal — State Funds .....	13,967	12,967	15,792
Subtotal — Federal Funds .....	3,038	2,886	2,569
Subtotal — Augmentations .....	607	2,607	2,962
Total — General Government .....	<u>\$ 17,612</u>	<u>\$ 18,460</u>	<u>\$ 21,323</u>
<b>GRANTS AND SUBSIDIES:</b>			
<b>Literacy Corps Pilot Project</b> .....	. . . .	. . . .	\$ 500
<b>Occupational Disease Payments</b> .....	\$ 6,788	\$ 7,278	6,358
<b>Transfer to Vocational Rehabilitation Fund</b> .....	16,500	17,800	17,460
(F) Disability Determination .....	33,894	43,705	44,096
<b>Supported Employment</b> .....	. . . .	829	899
(F) Supported Employment .....	500	500	500
<b>Harmarville Rehabilitation Center</b> .....	200	200	200
<b>Independent Living Rehabilitation</b> .....	425	600	830
<b>Workmen's Compensation Payments</b> .....	873	846	746
<b>Dislocated Workers</b> .....	2,500	2,500	1,250
<b>Job Centers</b> .....	1,140 <sup>c</sup>	2,125 <sup>d</sup>	5,000
(F) Joint Jobs Initiative .....	2,960	8,363	8,363
(F) Job Training Welfare Recipients .....	997	. . . .	. . . .
(F) JTPA — Teenage Pregnancy and Parenthood .....	996	1,000	. . . .
(A) Joint Jobs Initiative .....	2,139	9,863	9,863
Total — Job Centers .....	<u>\$ 8,232</u>	<u>\$ 21,351</u>	<u>\$ 23,226</u>
<b>JTPA — Matching Funds</b> .....	\$ 3,149	\$ 3,150	\$ 1,000
(F) Dislocated Workers .....	16,980	24,200	24,000
(F) Incentive Grants .....	17,075	16,000	10,000
(F) Grants to Service Delivery Areas .....	102,040	82,000	67,000
(F) Summer Youth .....	35,629	29,000	38,000
(F) Technical Assistance .....	1,414	2,000	2,000
(F) Older Workers .....	5,371	4,531	3,500
(F) Veterans' Employment .....	1,187	1,187	1,187
Total — JTPA .....	<u>\$ 182,845</u>	<u>\$ 162,068</u>	<u>\$ 146,687</u>

<sup>a</sup>\$296,000 of this amount actually appropriated to the Office of Policy Development.

<sup>b</sup>Actually appropriated to the Office of Policy Development.

<sup>c</sup>Actually appropriated as \$516,000 — Job Training Welfare Recipients and \$624,000 — Teenage Pregnancy and Parenthood.

<sup>d</sup>Actually appropriated as \$1,500,000 — Joint Jobs Initiatives and \$625,000 — Teenage Pregnancy and Parenthood.

# LABOR AND INDUSTRY

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<i>GRANTS AND SUBSIDIES: (continued)</i>			
Subtotal — State Funds .....	\$ 31,575	\$ 35,328	\$ 34,243
Subtotal — Federal Funds .....	219,043	212,486	198,646
Subtotal — Augmentations .....	2,139	9,863	9,863
<b>Total — Grants and Subsidies .....</b>	<b>\$ 252,757</b>	<b>\$ 257,677</b>	<b>\$ 242,752</b>
STATE FUNDS .....	\$ 45,542	\$ 48,295	\$ 50,035
FEDERAL FUNDS .....	222,081	215,372	201,215
AUGMENTATIONS .....	2,746	12,470	12,825
<b>GENERAL FUND TOTAL .....</b>	<b>\$ 270,369</b>	<b>\$ 276,137</b>	<b>\$ 264,075</b>
<b>OTHER FUNDS</b>			
<i>ADMINISTRATION FUND:</i>			
Administration of Unemployment .....	\$ 143,127	\$ 139,427	\$ 140,927
<i>REHABILITATION CENTER FUND:</i>			
Operation of Rehabilitation Center .....	\$ 13,305	\$ 14,533	\$ 16,500
<i>VOCATIONAL REHABILITATION FUND:</i>			
Administration of Vocational Rehabilitation <sup>a</sup> .....	\$ 68,167	\$ 71,696	\$ 77,784
<i>WORKERS' COMPENSATION ADMINISTRATION FUND:</i>			
Administration of Workers' Compensation .....	\$ 13,028	\$ 15,224	\$ 17,067
<b>OTHER FUNDS TOTAL .....</b>	<b>\$ 237,627</b>	<b>\$ 240,880</b>	<b>252,278</b>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUND .....	\$ 45,542	\$ 48,295	\$ 50,035
FEDERAL FUNDS .....	222,081	215,372	201,215
AUGMENTATIONS .....	2,746	12,470	12,825
OTHER FUNDS .....	237,627	240,880	252,278
<b>TOTAL ALL FUNDS .....</b>	<b>\$ 507,996</b>	<b>\$ 517,017</b>	<b>\$ 516,353</b>

<sup>a</sup>Excludes transfer from General Fund.

# LABOR AND INDUSTRY

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>COMMUNITY AND OCCUPATIONAL SAFETY &amp; STABILITY</b>							
General Funds.....	\$ 13,967	\$ 12,467	\$ 14,992	\$ 16,755	\$ 17,677	\$ 18,649	\$ 19,675
Federal Funds.....	490	356	285	285	285	285	285
Other Funds.....	607	2,607	2,962	3,125	3,297	3,479	3,671
<b>TOTAL.....</b>	<b>\$ 15,064</b>	<b>\$ 15,430</b>	<b>\$ 18,239</b>	<b>\$ 20,165</b>	<b>\$ 21,259</b>	<b>\$ 22,413</b>	<b>\$ 23,631</b>
<b>JOB TRAINING DEVELOPMENT</b>							
General Funds.....	\$ 6,789	\$ 8,275	\$ 8,550	\$ 7,550	\$ 7,550	\$ 7,550	\$ 7,550
Federal Funds.....	187,197	170,811	156,334	156,334	156,334	156,334	156,334
Other Funds.....	2,139	9,863	9,863	9,863	9,863	9,863	9,863
<b>TOTAL.....</b>	<b>\$ 196,125</b>	<b>\$ 188,949</b>	<b>\$ 174,747</b>	<b>\$ 173,747</b>	<b>\$ 173,747</b>	<b>\$ 173,747</b>	<b>\$ 173,747</b>
<b>WORKERS COMPENSATION AND ASSISTANCE</b>							
General Funds.....	\$ 7,661	\$ 8,124	\$ 7,104	\$ 6,554	\$ 6,004	\$ 5,454	\$ 4,904
Federal Funds.....	33,894	43,705	44,096	44,096	44,096	44,096	44,096
Other Funds.....	156,155	154,651	157,994	166,684	175,851	185,523	195,727
<b>TOTAL.....</b>	<b>\$ 197,710</b>	<b>\$ 206,480</b>	<b>\$ 209,194</b>	<b>\$ 217,334</b>	<b>\$ 225,951</b>	<b>\$ 235,073</b>	<b>\$ 244,727</b>
<b>VOCATIONAL REHABILITATION</b>							
General Funds.....	\$ 17,125	\$ 19,429	\$ 19,389	\$ 19,389	\$ 19,389	\$ 19,389	\$ 19,389
Federal Funds.....	500	500	500	500	500	500	500
Other Funds.....	81,472	86,229	94,284	95,192	96,149	97,159	98,225
<b>TOTAL.....</b>	<b>\$ 99,097</b>	<b>\$ 106,158</b>	<b>\$ 114,173</b>	<b>\$ 115,081</b>	<b>\$ 116,038</b>	<b>\$ 117,048</b>	<b>\$ 118,114</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 45,542	\$ 48,295	\$ 50,035	\$ 50,248	\$ 50,620	\$ 51,042	\$ 51,518
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	222,081	215,372	201,215	201,215	201,215	201,215	201,215
OTHER FUNDS.....	240,373	253,350	265,103	274,864	285,160	296,024	307,486
<b>TOTAL.....</b>	<b>\$ 507,996</b>	<b>\$ 517,017</b>	<b>\$ 516,353</b>	<b>\$ 526,327</b>	<b>\$ 536,995</b>	<b>\$ 548,281</b>	<b>\$ 560,219</b>

# LABOR AND INDUSTRY

*PROGRAM OBJECTIVE: To further economic development in the Commonwealth by promoting the health, welfare, and safety of employes and acting to maintain continuous production and employment through mediation.*

## Program: Community and Occupational Safety and Stability

The department is responsible for administering a wide range of laws designed to enhance income security, safeguard the health of workers and the general public, and promote labor relations stability and labor-management cooperation.

The income of employes is protected by Minimum Wage, Wage Payment and Collection, and Prevailing Wage laws which the department strictly enforces. Payment of prevailing wage rates is monitored by field inspections.

Labor relations stability is promoted through the provision of mediation services to the public and private sectors. Under the Public Employes Relations Act, parties to a contract in the public sector must notify the department if no agreement has been reached within 21 days after contract negotiations have commenced. In the private sector, dispute notices must be filed with the department based on the National Labor Relations Act and Act 177. Each year over 1,000 cases are mediated by the department.

The Office of Labor-Management Cooperation compliments the department's mediation efforts by creating an environment in which management and labor can best do their job through collaboration not confrontation. Initiatives for the Office include an improvement plan for industry at the regional level, and the preparation of labor management case studies, and the establishment of industry wide labor management

committees to expand the use of labor-management cooperation techniques across the Commonwealth.

The Fire and Panic Act (Act 299 of 1927), the Building Energy Conservation Act (Act 222 of 1980), the Elevator Law (Act 452 of 1929), the Bedding and Upholstery Law (Act 249 of 1973), the Stuffed Toy Law (Act 372 of 1961), and the Employment Agency Law (Act 261 of 1941) are all administered by the department.

The Worker and Community Right-to-Know Act, passed in 1984 and modified by Federal Court decisions, requires all employers doing business in Pennsylvania to provide certain information about hazardous chemicals found in their workplace and to make that information available to emergency response organizations and the public via the department. In addition, worker right-to-know information is required to be provided for public employes and those in the mining industry. The department also acts as a processing agent for employer reporting under the Federal government's Superfund Amendment Reauthorization Act of 1986 Title III provisions. This act provides for a national system of planning and response to emergencies and community right-to-know provisions operated under state auspices.

This budget includes significant increases for public safety programs. See the Inspection/Enforcement Activity Improvements Program Revisions following this program for further information.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Minimum wage violations cited . . . . .	345	500	3,500	3,500	3,500	3,500	3,500
Child labor law violations . . . . .	2,031	2,082	2,082	2,082	2,082	2,082	2,082
Right-to-know — education/outreach programs . . . . .	46	50	60	65	70	75	80
Nonpayment of wage violations . . . . .	317	282	282	282	282	282	282
Percent of mediated cases involving work stoppages:							
Public bargaining units . . . . .	3.7%	5%	5%	5%	5%	5%	5%
Private bargaining units . . . . .	9.5%	12%	12%	12%	12%	12%	12%
Unfair labor practice cases concluded . . . . .	403	500	500	500	500	500	500
Union representation cases concluded . . . . .	250	250	250	250	250	250	250
Total inspections performed . . . . .	90,120	106,000	130,000	130,000	130,000	130,000	130,000
Building approvals issued . . . . .	12,873	12,000	16,000	16,000	16,000	16,000	16,000
New buildings certified . . . . .	8,649	9,000	13,000	13,000	13,000	13,000	13,000
Renovations of existing buildings certified . . . . .	2,140	2,300	2,500	2,500	2,500	2,500	2,500

# LABOR AND INDUSTRY

## Program: Community and Occupational Safety and Stability (continued)

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>General Government Operations</b></p> <p>\$ 658 —to continue current programs.</p> <p>250 —to expand the Labor Management Cooperation program.</p> <p>130 —to establish two new regional Offices for the Deaf and Hearing Impaired.</p> <p>200 —to enforce the Minimum Wage Act.</p> <hr style="width: 50%; margin-left: 0;"/> <p>\$ 1,238 <i>Appropriation Increase</i></p> <p><b>Occupational and Industrial Safety</b></p> <p>\$ 565 —to continue current programs.</p> <p>689 —PRR — Inspection and Enforcement Activity Improvements. To improve public safety and enforce the Handicapped Accessibility Act. See the Program Revision following this program for additional information.</p> <hr style="width: 50%; margin-left: 0;"/> <p>\$ 1,254 <i>Appropriation Increase</i></p>	<p><b>Right-to-Know Act</b></p> <p>\$ 119 —to continue current program.</p> <p>84 —PRR — Part of the Hazardous Materials Response Program. To provide a maintenance contract on data processing equipment to improve retrieval of information on hazardous substances. See the Program Revision in the Emergency Management Agency for further information.</p> <hr style="width: 50%; margin-left: 0;"/> <p>\$ 203 <i>Appropriation Increase</i></p> <p><b>Job Creation Tax Credit Administration</b></p> <p>\$ -170 —program has been completed in 1988-89. No additional funding required.</p>
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### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operation . . . . .	\$ 6,976	\$ 5,900	\$ 7,138	\$ 7,531	\$ 7,945	\$ 8,382	\$ 8,843
Occupational and Industrial Safety . . . . .	5,787	5,227	6,481	6,902	7,282	7,683	8,106
Right-To-Know Act . . . . .	974	1,170	1,373	1,449	1,529	1,613	1,702
Job Creation Tax Credit Administration . . . . .	230	170	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 13,967</b>	<b>\$ 12,467</b>	<b>\$ 14,992</b>	<b>\$ 15,882</b>	<b>\$ 16,756</b>	<b>\$ 17,678</b>	<b>\$ 18,651</b>

# LABOR AND INDUSTRY

## Program Revision: Inspection and Enforcement Activity Improvements

Ensuring the safety of Pennsylvania workers and citizens and ensuring compliance with the payment of legally mandated minimum and prevailing wages and overtime are important responsibilities of the Department of Labor and Industry.

The Bureau of Occupational and Industrial Safety in the Department of Labor and Industry is charged with enforcing a variety of safety regulations that apply to public and commercial buildings as well as to elevators, boilers, unfired pressure vessels and liquefied petroleum gas tanks. The bureau reviews and approves plans and conducts field inspections for new construction or installation projects before issuing occupancy permits or other certificates. Follow-up inspections are done on all equipment at mandated inspection intervals. Inspection backlogs have only recently occurred in the elevator, building and boiler areas, but factors leading to the backlogs have been developing over the past eight years. Staff reductions, increased workloads, economic growth, new programs, and persistent vacancies have all contributed to the occurrence of backlogs. Productivity gains from automating and computerizing inspection/enforcement activities and clerical functions helped to delay backlogs in the past but can no longer keep them from occurring.

Building inspectors are unable to adequately monitor all of the 16,000 new construction and renovation building projects that are coming on line each year. This causes delays in issuing occupancy permits which in turn impedes economic development efforts. The boiler and unfired pressure vessel inspection backlog has been growing because the bureau must assume inspections previously done by insurance companies who are now reducing their inspection staff. In addition, this backlog grew substantially in 1988-89 due to unexpected inspector vacancies. There are now 48,450 overdue boiler and unfired pressure vessel inspections.

In 1988-89, the department made program changes to eliminate the current elevator inspection backlog and received approval to fill vacancies in the building and boiler inspection programs. This Program Revision provides funding to reduce or eliminate inspection backlogs

in the building and boiler areas. Action is required because the backlogs cause potential safety risks for workers and citizens, hinder economic development efforts through delays in issuing occupancy permits, and result in revenue losses to the General Fund. A total of \$458,000 will be used to expand the building inspection program. This expansion will enable the department to eliminate the current backlog, inspect and monitor future construction and renovation projects as required and issue occupancy permits in a timely fashion. A total of \$131,000 is proposed to expand the boiler inspection program. With these additional resources, the boiler inspection backlog should be reduced by 6,000 inspections per year, eliminating the entire backlog in about eight years. This program level is considered a reasonable start in reducing the backlog in view of the difficulty the department has had in recruiting boiler inspectors.

Besides this pressing inspection workload, recent amendments to the Physically Handicapped Act require the Bureau of Occupational and Industrial Safety to begin a new, major enforcement program to ensure that buildings are accessible and usable by the physically handicapped. This Program Revision proposes \$100,000 to implement a program to carry out the mandates of the handicapped accessibility legislation. Program activities will include approving plans, automating program records, reviewing variances, making recommendations to the Handicapped Advisory Board, responding to complaints, conducting inspections, and issuing occupancy reports.

Funding is also provided to cover new program responsibilities of the Bureau of Labor Standards. The Bureau of Labor Standards ensures compliance with the Pennsylvania Minimum Wage Act. On February 1, 1989, Pennsylvania's minimum wage rose to \$3.70 per hour exceeding the \$3.35 per hour set by the Federal government. As a result, the Bureau of Labor Standards assumed all of the U.S. Department of Labor's minimum wage workload and some of their overtime workload for Pennsylvania. The proposed funding of \$200,000 will allow the bureau to support the investigation and conciliation activities associated with the additional workload.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Fire and Panic Act safety inspection backlog							
Current	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Program Revision							
Boiler and pressure vessel inspection backlog							
Current	41,950	48,450	48,000	48,000	48,000	48,000	48,000
Program Revision			42,000	36,000	30,000	24,000	18,000
Building sites requiring handicapped access enforcement and compliance							
Current							
Program Revision			9,000	9,000	9,000	9,000	9,000
Minimum wage violations cited							
Current	345	500	500	500	500	500	500
Program Revision			3,500	3,500	3,500	3,500	3,500

# LABOR AND INDUSTRY

## Program Revision: Inspection and Enforcement Activity Improvements (continued)

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>General Government Operations</b>	
\$ 200	—for increased minimum wage enforcement.
<b>Occupational and Industrial Safety</b>	
\$ 458	—to reduce building inspection backlog and to improve monitoring.
\$ 131	—to reduce boiler and pressure vessel inspection backlog and to improve monitoring.
\$ 100	—to implement handicapped accessibility mandates.
\$ 689	—Appropriation Increase
\$ 889	—Program Revision Total

In addition, \$280,000 in Federal funds will be used for automation and computer file development.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations . . . . .	. . . . .	. . . . .	\$ 200	\$ 422	\$ 445	\$ 470	\$ 496
Occupational and Industrial Safety . . . . .	. . . . .	. . . . .	689	832	878	926	977
<b>TOTAL GENERAL FUND . . . . .</b>	<u>. . . . .</u>	<u>. . . . .</u>	<u>\$ 889</u>	<u>\$ 1,254</u>	<u>\$ 1,323</u>	<u>\$ 1,396</u>	<u>\$ 1,473</u>

# LABOR AND INDUSTRY

*PROGRAM OBJECTIVE: To further economic development in the Commonwealth by stabilizing the incomes of employees who become unemployed.*

## Program: Workers' Compensation and Assistance

This program is designed to provide income security to citizens of the Commonwealth who become victims of certain occupational diseases or sustain work related injuries.

The Governor issued an action plan to improve the administration of Workers' Compensation in Pennsylvania in June of 1987 which set forth 30 action items to rectify long standing problems. To date much progress has been made towards completing the goal of the plan to reduce the delays in resolving litigated Workers' Compensation claims. A comprehensive case management review of the litigation process has been completed. Fifteen recommendations to reform the hearing process and to reorganize the Bureau of Workers' Compensation have been implemented and another fifteen are partially completed and on-going.

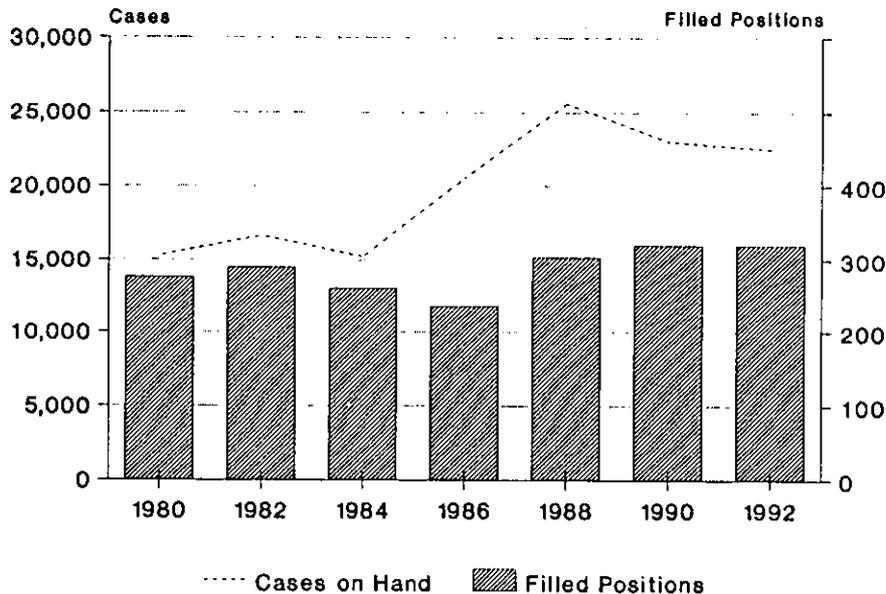
Additional referees, support staff and law clerks have been hired to reduce the large number of cases in litigation which grew from 15,311 in 1979 to over 26,000 in 1988. Fiscal Year 1988-89 is projected to be the first time in the last decade the caseload will decrease. The Bureau has embarked on an ambitious public information program to educate employees and employers of their rights and obligations under the Workers' Compensation Act. The program includes a variety of seminars, newsletters and an informational handbook.

The department also processes applications for disability benefits, gathers evidence, and makes recommendations to the Social Security Administration under the Social Security Administration's Disability Determination Program guidelines.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Claimants qualifying for occupational disease payments out of Commonwealth funds .....	3,358	3,292	3,114	2,934	2,744	2,544	2,344
New claimants eligible for workmen's compensation payments .....	105,502	104,400	106,400	108,400	110,400	112,400	112,400
Total petitions assigned .....	25,729	27,600	29,000	30,000	30,000	30,000	30,000
Referee decisions .....	24,082	28,175	30,000	30,500	31,000	31,000	31,000
Average time in days — Case filed/concluded .....	345	320	290	270	270	270	270
New claims for Unemployment Compensation .....	520,069	534,000	580,000	580,000	580,000	580,000	580,000

### Workers' Compensation



# LABOR AND INDUSTRY

**Program: Workers' Compensation and Assistance (continued)**

**Program Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Occupational Disease Payments**  
 \$ -920 —to continue current programs.

**Workmen's Compensation Payments.**  
 \$ -100 —to continue current programs. These payments are for a special class of recipients who became eligible before March 1968, and not for new claimants shown in the program measure above whose payments are made from the State Workmen's Insurance Fund and by private insurance companies.

In addition, this budget recommends the following changes for administration of the workers' compensation program through the Workers' Compensation Administration Fund.

\$	-555	—nonrecurring projects.
	1,448	—to continue current programs.
	450	—payment of 1988-89 retroactive pay increase for referees.
	300	—computer upgrade to improve services.
	200	—furniture replacement.
	\$ 1,843	<i>Appropriation Increase</i>

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Occupational Disease Payments . . . . .	\$ 6,788	\$ 7,278	\$ 6,358	\$ 5,858	\$ 5,358	\$ 4,858	\$ 4,358
Workmen's Compensation Payments . . . . .	873	846	746	696	646	596	546
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 7,661</b>	<b>\$ 8,124</b>	<b>\$ 7,104</b>	<b>\$ 6,554</b>	<b>\$ 6,004</b>	<b>\$ 5,454</b>	<b>\$ 4,904</b>

# LABOR AND INDUSTRY

*PROGRAM OBJECTIVE: To provide meaningful job training and placement services in a coordinated role with other Commonwealth agencies, the private sector and the Federal Government in order to secure unsubsidized employment for unemployed Pennsylvanians.*

## Program: Job Training Development

This program provides a range of employment and training services through the Job Center Network, the Bureau of Job Service, and the Bureau of Job Training Partnership.

Under the Federal Job Training Partnership Act (JTPA) Program, state and local governments work in cooperation with the private sector to establish job training programs. JTPA primarily serves the economically disadvantaged including summer youth and dislocated workers. Uses, eligibility requirements, and distribution formulas for these programs are established under the Federal JTPA Act.

Services provided under those programs covered by Federal law include: on-the-job training, institutional skills training, job search assistance, job counseling, and skill testing and assessment. Use of these funds is determined locally by a Private Industry Council (PIC) in each Service Delivery Area (SDA). The majority of the members of each PIC are representatives from private sector businesses. The other members represent community-based organizations, local educational agencies, organized labor, and economic development organizations.

The State has also used JTPA discretionary funding for special programs developed to serve veterans, welfare recipients and pregnant and parenting youth. While the Department of Labor and Industry is the lead agency in administering the JTPA program, the Department of Education, the Economic Development Partnership and the Executive Offices share the responsibility.

State funds are also provided for support services and job training for dislocated workers and pregnant and parenting teenagers.

Also included in this program is the Joint Jobs Initiative which is a cooperative effort by the Departments of Labor and Industry, Public Welfare and Education. It is designed to improve job training and employment services available to welfare recipients. Two distinct program designs are being utilized in this initiative. The Single Point of Contact Demonstration Program (SPOC) provides comprehensive employment and training services to recipients with multiple barriers to employment. Co-location of services (Single Point of Contact) in the county assistance office is a critical element of this initiative. The

Transitionally Needy Demonstration (TN) Project provides transitionally needy welfare recipients with special job training and educational packages, including stipends and transportation for those with no other training income. This project combines on-the-job training, work experience and classroom vocational skills with job specific literacy/basic skills training, GED and job readiness training. Funding for these programs is provided by each of the three agencies involved.

Also included in this budget is a \$1.5 million initiative for model job training programs for dislocated workers, welfare recipients and other hard to serve individuals.

The Job Center Network offers comprehensive employment, training and support services to all job seekers and assists employers by referring qualified applicants. In addition to services available through programs administered by the department, employment and training resources of other Federal, State, local and community-based organizations are provided through the Job Center Network. During 1989, 79 Job Centers will be opened to provide co-located services.

The department's Rapid Response Program is operated in conjunction with the Economic Development Partnership (EDP). When the EDP is unable to keep a business in Pennsylvania or forestall the layoff of employees, the department's Rapid Response Team is available to bring a wide variety of State and local resources to the plant to assist laid-off individuals in finding reemployment. Services ranging from immediate job search by the Office of Employment Security to extensive retraining through the Job Training Partnership Act are offered. Local services are also brought to bear including financial and psychological counseling. The department also promotes labor/management cooperation by encouraging the formation of labor/management committees at the plant to coordinate the mix of available services.

The Department will also implement a PennSERVE initiative to increase volunteerism through its Office of Citizen Service. In addition, a grant to a college based literacy organization will be provided to develop a program to prepare students to become literacy volunteers.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Job Training Partnership Program:</b>							
Enrollments .....	106,599	110,500	110,500	110,500	110,500	110,500	110,500
Placements .....	25,880	27,860	27,860	27,860	27,860	27,860	27,860
Welfare recipients served .....	48,691	53,210	53,210	53,210	53,210	53,210	53,210
<b>Joint Jobs Initiative:</b>							
Welfare recipients served .....	3,783	4,000	4,000	4,000	4,000	4,000	4,000
Welfare recipients placed .....	450	1,956	2,054	2,054	2,054	2,065	2,054
Average hourly wage .....	\$4.65	\$4.87	\$5.01	\$5.22	\$5.49	\$5.74	\$5.99
Individuals placed through Job Service ..	132,412	145,600	133,000	133,000	133,000	133,000	133,000
Individuals enrolled in on-the-job training .	16,045	17,120	17,120	17,120	17,120	17,120	17,120
<b>Dislocated Workers:</b>							
Dislocated workers placed .....	3,941	4,275	4,275	4,275	4,275	4,275	4,275
Average hourly wage .....	\$7.58	\$7.92	\$8.07	\$8.25	\$8.35	\$8.57	\$8.70
<b>Joint Jobs Initiative:</b>							
Welfare recipients placed .....							
Job Centers in place .....	5	79	79	79	79	79	79

For the measure Job Centers in place, 79 will be established by June, 1989; the recommendation for 1989-90 will provide the funds necessary to locate community and State services in the centers.

# LABOR AND INDUSTRY

**Program: Job Training Development (continued)**

**Program Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p>\$ 2,175</p> <p style="text-align: right;">700</p> <p>\$ 2,875</p>	<p><b>Job Centers</b>                  —PRR — Improved Job Training and Response. To expand the Job Center Program by providing coordinated one stop job training and employment services; also includes the merging of Pregnant and Parenting Teenagers and the Joint Jobs Initiative appropriations into this new appropriation. See the Program Revision following this program for further information.                  —to continue current services.  <i>Appropriation Increase</i></p> <p><b>Labor Market Information</b>                  —to support the production of occupational employment projections which are essential for planning and administering job training programs.</p> <p><b>Literacy Corps Pilot Project</b>                  —PRR — Literacy Corps Pilot Project. To establish a program to encourage student participation in volunteer literacy programs. See the Program Revision following this program for further details.</p>	<p>\$ 200</p> <p>\$ -2,150</p> <p>\$ -1,250</p>	<p><b>PennSERVE</b>                  —PRR — PennSERVE Expansion. To increase volunteerism in Pennsylvania through a volunteerism campaign. See the Program Revision following this program for further details.</p> <p><b>JTPA Match</b>                  —reduction in State funds due to elimination of Federal match requirements for new funds. In 1989-90, only \$1 million is required to match Federal funds carried over from prior years.</p> <p><b>Dislocated Workers</b>                  —in 1988-89, this program provided rapid response and services to dislocated workers. Funding for rapid response to plant closings and layoffs is provided in the new Job Centers appropriation in 1989-90.</p>
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**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
PennSERVE .....		\$ 500	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700
Labor Market Information .....			100	100	100	100	100
Literacy Corps Pilot Project .....			500	500	500	500	500
Dislocated Workers .....	\$ 2,500	2,500	1,250	1,250	1,250	1,250	1,250
Job Training Partnership .....	3,149	3,150	1,000				
Job Centers .....	1,140	2,125	5,000	5,000	5,000	5,000	5,000
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 6,789</b>	<b>\$ 8,275</b>	<b>\$ 8,550</b>	<b>\$ 7,550</b>	<b>\$ 7,550</b>	<b>\$ 7,550</b>	<b>\$ 7,550</b>

# LABOR AND INDUSTRY

## Program Revision: Improved Job Training Coordination and Response

The declining level of unemployment in the Commonwealth has resulted in reduced Federal support for several employment and training programs. However, certain areas of the State such as Beaver, Cambria, and Blair Counties still have unemployment rates above the State and national rates and dislocated workers in these areas experience difficulty in finding employment. In all areas of the State, there are individuals who lack the education and occupational skill necessary to get jobs. To address this problem, Pennsylvania's job training programs provide coordinated one-stop job training and employment services, as well as assistance for dislocated workers. In 1988-89, the Department of Labor and Industry developed Job Center, Job Team and Rapid Response programs. Because of the importance of these programs to the Commonwealth's employment and training efforts, this Program Revision recommends expanding the Job Center and Job Team Programs. In addition, to meet the specifications of the Federal Economic Dislocation and Worker Adjustment Assistance Act the department will expand the Rapid Response Program.

Job Centers are one-stop job training and employment centers which incorporate the services of the local Office of Employment Security, the local Office of Vocational Rehabilitation, and the local Job Training Partnership Office. In addition to providing comprehensive and coordinated services, most Job Centers will offer services of other Federal, State, local and/or community programs. An additional \$775,000 in State funds and \$400,000 in Federal funds will be used by the Department of Labor and Industry to enhance the Job Center Program in the Commonwealth. State funding will be used for Job Center operating costs such as utilities and supplies, and testing rooms and office space to allow participation by community agencies in the Job Center. Federal funds will be used for Job Center fixed asset costs such as office supplies, and for a one-time advertising campaign undertaken to increase participation by employers and unemployed persons in the

Job Center Program.

The Job Team Program is a component of the Job Center Network that provides support services to at-risk youth in high schools with high dropout rates. In order to better serve needy high school students, the Department of Education and the Department of Labor and Industry will increase the number of Job Team sites from 12 to 17. Funding of \$150,000 will provide additional counseling services for this program expansion.

The Department of Labor and Industry will expand its Rapid Response Program in order to comply with the Federal Economic Dislocation and Worker Adjustment Assistance Act (EDWAAA). The Department of Labor and Industry's Rapid Response Team will respond within 48 hours to all plant closings and mass layoffs at sites where at least 100 people are employed and 50 or more are being laid off. The Rapid Response Team will bring a variety of State and local resources, led by the local Job Center, to the plant to assist laid-off individuals find employment and will work with labor and management at the plant to establish a labor-management committee which will assist in the provision of job training and employment services. Additional funding of \$1.25 million for job training services for dislocated workers has been targeted for this program.

Expansion of the Job Center, Job Team, and Rapid Response Programs will increase services to Pennsylvania's work force and employers. Agencies will be able to coordinate and use existing resources to better serve Pennsylvanians. These program expansions will be included as part of a new Job Centers appropriation which includes the Teenage Pregnancy and Parenthood, Joint Jobs Initiative, Job Center, Job Team, and Rapid Response Programs. Consolidation of these appropriations will allow provision of services in the Department of Labor and Industry to be offered in a more coordinated fashion.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Job Team youths served							
Current . . . . .		215	215	215	215	215	215
<b>Program Revision . . . . .</b>			<b>465</b>	<b>465</b>	<b>465</b>	<b>465</b>	<b>465</b>

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>Job Centers</b>	
\$ 775	—to expand the Job Center Program to allow for the maximum level of participation by community based organizations, and to provide for Job Center operating costs.
\$ 150	—to expand the number of Job Team sites from 12 to 17.
\$ 1,250	—to provide job training and employment services to dislocated workers.
<b>\$ 2,175</b>	<b>Program Revision Total</b>

In addition to these General Fund monies, \$400,000 in Federal funds will be used for a one-time media campaign to increase participation of employer and unemployed persons in services provided at Job Centers, and for one-time Job Center fixed asset costs.

This Program Revision also consolidates the following appropriations under Job Centers:

\$1,325—to provide out of school pregnant and parenting youth with job training and education services.

\$1,500—to provide comprehensive job training for the unemployed.

# LABOR AND INDUSTRY

Program Revision: Improved Job Training Coordination and Response (continued)

## Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>GENERAL FUND:</b>							
Job Centers .....	.....	.....	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175

# LABOR AND INDUSTRY

## Program Revision: PennSERVE Expansion

Literacy programs, drop-out prevention, food banks, and other programs and services in Pennsylvania which rely on volunteer support are experiencing difficulties in recruiting volunteers. In order to address this problem, the Department of Labor and Industry developed the PennSERVE initiative. PennSERVE promotes and expands volunteerism in Pennsylvania by providing grants to school districts and Urban Services Corps. This Program Revision recommends additional funding for PennSERVE in order to mobilize additional volunteers.

With the additional \$200,000 recommended in this Program Revision, the department will coordinate an inter-agency/public-private partnership to mobilize additional volunteers for public service in Pennsylvania. This goal will be achieved through performing a survey

to determine what needs to be done to increase volunteerism in the Commonwealth, developing and implementing a volunteer recruitment campaign, and increasing grants to school districts to encourage volunteerism.

While there are approximately four million potential volunteers above the age of 14 in Pennsylvania, only 50 percent of these individuals actually volunteer. This initiative will stimulate volunteerism by encouraging university students to tutor high school students, encouraging high school students to participate in community service, and coordinating the volunteer effort at all levels of government. These efforts will provide 120 million hours of volunteer service worth up to \$600 million.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Additional volunteers							
Program Revision .....			200,000	200,000	200,000	200,000	200,000

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**PennSERVE**  
 \$ 200 —to increase volunteerism in Pennsylvania through a volunteerism campaign and increased grants to school districts.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
PennSERVE .....			\$ 200	\$ 200	\$ 200	\$ 200	\$ 200

# LABOR AND INDUSTRY

## Program Revision: Literacy Corps Pilot Project

Pennsylvania has 2.7 million adults who do not have a high school diploma. An additional 27,000 youths drop out of school each year. Only four to five percent of these marginally literate adults are served by literacy and adult basic education programs. To combat this problem, \$14 million dollars has been made available through the Department of Education since implementation of the Adult Literacy Act of 1986, and an additional \$7 million is being provided for 1989-90. This Program Revision provides \$500,000 to enhance these efforts by creating a Pennsylvania Literacy Corps to expand literacy volunteerism to college students.

This program will provide a grant to a college based literacy organization to develop a three-credit program that can be made available to individual post-secondary students to prepare them to be literacy volunteers. An adult literacy advisory group, comprised of

representatives of State agencies, labor and business associations and educational institutions, will provide guidance in program development. The individual programs may include a three-credit course, tuition waivers and/or credit for actual tutoring hours. In addition, competitive grants of up to \$25,000 will be made available to colleges and universities in Pennsylvania to implement individual campus programs. The grants will be used to cover instructional costs and a partial tuition waiver or similar incentives for students who participate.

It is estimated in the first year that approximately 14 campuses will implement programs during the 1990 spring semester with approximately 700 adults receiving instruction from 350 students. By the 1990 school year, when the program is fully operational, over 3,000 adults will be tutored.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Participating campuses</b>							
Current	.....	.....	.....	.....	.....	.....	.....
<b>Program Revision</b>	.....	.....	<b>14</b>	<b>17</b>	<b>17</b>	<b>17</b>	<b>17</b>
<b>Students enrolled</b>							
Current	.....	.....	.....	.....	.....	.....	.....
<b>Program Revision</b>	.....	.....	<b>700</b>	<b>850</b>	<b>850</b>	<b>850</b>	<b>850</b>
<b>Adults served by student volunteers</b>							
Current	.....	.....	.....	.....	.....	.....	.....
<b>Program Revision</b>	.....	.....	<b>1,400</b>	<b>1,700</b>	<b>1,700</b>	<b>1,700</b>	<b>1,700</b>

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Literacy Corps Pilot Project**  
 \$ 500 —to establish a three-credit program to encourage college students to participate in local literacy programs.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Literacy Corps Pilot Project	.....	.....	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 500</u>

# LABOR AND INDUSTRY

*PROGRAM OBJECTIVE: To enhance the ability of the handicapped unemployed and underemployed to gain full employment.*

## Program: Vocational Rehabilitation

This program, conducted in conjunction with the Federal government, has as its target group the estimated 660,000 citizens of the Commonwealth who have a physical or mental disability which results in a handicap to employment.

The Federal Rehabilitation Act of 1973 established eligibility criteria for vocational rehabilitation services. There must be a reasonable expectation that services will enable an individual to perform work activity. Primary emphasis is placed on serving severely handicapped individuals. These clients generally require more extensive and varied services over an extended period of time.

To address the needs of persons who are judged too severely handicapped to be eligible for Federal vocational rehabilitation services, State funds are provided for the Independent Living Rehabilitation Program. Funds are provided to Centers for Independent Living and two Office of Vocational Rehabilitation District Offices. The centers provide information and referral services, peer counseling and benefits counseling services, independent living skills training and other services.

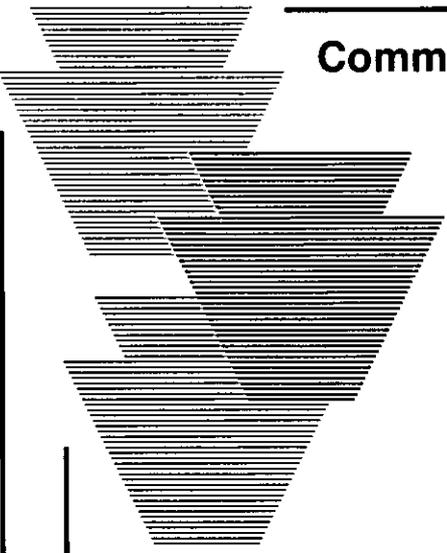
The district offices will provide a wide range of services including home modification, adaptive appliances, and medical evaluation and treatment to prepare an individual for living independently in the community.

In addition to the independent living initiative, this program includes a supported employment State initiative that improves employment opportunities for those previously considered too disabled to obtain competitive employment. Supported employment simultaneously combines placement in competitive jobs with training on the job site. Full time job trainers on the site, money management, long term follow up and other support services are provided.

This program also includes the Hiram G. Andrews Center in Johnstown. The center is funded from fees for services rendered. Most of the services are provided to vocational rehabilitation clients. As of June 30, 1988, the center's resident population was 348 and its community based population was 91.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Caseload:</b>							
Carry-over from previous years . . . . .	44,992	47,005	50,127	53,512	57,130	60,954	64,957
New referrals . . . . .	35,820	34,745	34,398	34,054	33,713	33,376	33,042
Total caseload . . . . .	80,812	81,750	84,525	87,566	90,843	94,330	97,999
<b>Cases closed:</b>							
Ineligible . . . . .	14,159	12,743	12,106	11,501	10,926	10,379	9,860
Rehabilitated . . . . .	12,294	11,600	11,700	11,800	11,900	12,000	12,100
Competitive . . . . .	9,036	8,816	8,892	8,968	9,044	9,120	9,196
Noncompetitive . . . . .	3,258	2,784	2,808	2,832	2,856	2,880	2,904
Nonrehabilitated . . . . .	7,354	7,281	7,207	7,135	7,064	6,993	6,924
Total cases closed . . . . .	33,807	31,624	31,013	30,436	29,890	29,372	28,884
Cases carried over . . . . .	47,005	50,127	53,512	57,130	60,954	64,957	69,114
Severely disabled rehabilitated . . . . .	9,699	9,164	9,243	9,322	9,401	9,480	9,559
<b>Economic/Client Earnings Information:</b>							
Average weekly earnings for clients closed as competitively employed . . . . .	\$211	\$216	\$221	\$226	\$231	\$237	\$242
Total weekly earnings for clients closed as competitively employed (in thousands) . . . . .	\$1,905	\$1,905	\$1,949	\$1,994	\$2,040	\$2,087	\$2,136
Average taxes paid by competitively employed client . . . . .	\$2,851	\$2,992	\$2,964	\$3,007	\$3,051	\$3,096	\$3,141
Total taxes paid by competitively employed clients (in thousands) . . . . .	\$25,763	\$25,763	\$26,359	\$26,969	\$27,594	\$28,232	\$28,886



**Commonwealth of Pennsylvania**

# **Liquor Control Board**

The Pennsylvania Liquor Control Board controls the manufacture, possession, sale, consumption, importation, use, storage, transportation and delivery of liquor, alcohol and malt or brewed beverages in the Commonwealth.

The board consists of three members appointed by the Governor with Senate confirmation.

The dollar amounts shown are from the State Stores Fund, a special enterprise fund, and are reflected herein as "Other Funds."

# LIQUOR CONTROL BOARD

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88	1988-89	1989-90
	Actual	Available	Budget
<b>OTHER FUNDS</b>			
<i>STATE STORES FUND:</i>			
General Operations (EA) .....	\$ 169,504	\$ 178,841	\$ 184,462
Comptroller Operations (EA) .....	5,745	6,334	6,780
Transfer of Profits to the General Fund (EA) .....	26,000	16,000	16,000
<b>OTHER FUNDS TOTAL</b> .....	<u>\$ 201,249</u>	<u>\$ 201,175</u>	<u>\$ 207,242</u>

# LIQUOR CONTROL

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>LIQUOR CONTROL</b>							
Special Funds.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds.....	201,249	201,175	207,242	210,111	213,022	215,978	218,977
<b>TOTAL.....</b>	<b>\$ 201,249</b>	<b>\$ 201,175</b>	<b>\$ 207,242</b>	<b>\$ 210,111</b>	<b>\$ 213,022</b>	<b>\$ 215,978</b>	<b>\$ 218,977</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	201,249	201,175	207,242	210,111	213,022	215,978	218,977
<b>TOTAL.....</b>	<b>\$ 201,249</b>	<b>\$ 201,175</b>	<b>\$ 207,242</b>	<b>\$ 210,111</b>	<b>\$ 213,022</b>	<b>\$ 215,978</b>	<b>\$ 218,977</b>

# LIQUOR CONTROL BOARD

*PROGRAM OBJECTIVE: To control the manufacture, distribution and sale of alcoholic beverages in Pennsylvania.*

## Program: Liquor Control

All bottle sales of wines and spirits in Pennsylvania (with a few exceptions) are made through approximately 705 State Liquor Stores which are run by the Liquor Control Board. This includes both retail sales and wholesale sales to those private establishments which sell by the drink. While malt and brewed beverages are not sold in State Liquor Stores, the Liquor Control Board regulates these sales by licensing the distributors who do sell these items. In addition, the board licenses those private establishments which make retail sales of alcoholic beverages by the drink.

Act 14 of 1987 reauthorized the Liquor Control Board and made some changes to its responsibilities. Most notably, enforcement of liquor laws was transferred to the Pennsylvania State Police. In addition, an Office of Administrative Law Judge, a Bureau of Wine and Wine Specialty Stores, and a Bureau of Consumer Relations were created within the Liquor Control Board.

### Program Measures:

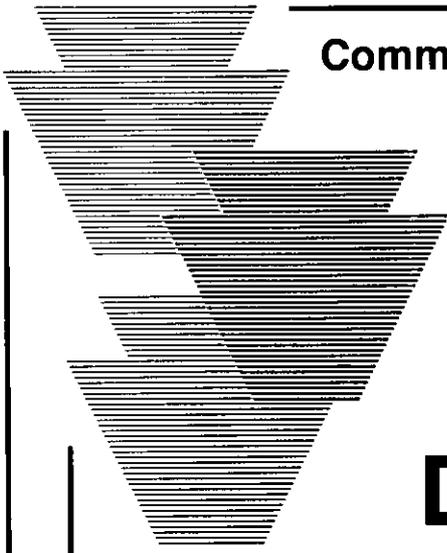
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Pennsylvania State Liquor Stores . . . . .	697	694	716	706	710	710	710
Gross sales (includes taxes) (in thousands) . . . . .	755,490	758,644	760,000	760,000	760,000	760,000	760,000
Licenses and permits issued (all types) . . . . .	62,346	62,000	62,000	62,000	62,000	62,000	62,000

The program measure showing the number of liquor stores increases as specialty wine stores are opened, then decreases as unprofitable stores are closed.

### Program Recommendations:

This budget recommends the following changes for executive authorizations within the State Stores Fund: (Dollar Amounts in Thousands)

- General Government Operations**
  - \$ 5,621 —to continue current program, including the Office of Administrative Law Judge, the Bureau of Wine and Wine Specialty Stores, and the Bureau of Consumer Relations.
  
- Comptroller Operations**
  - \$ 446 —to continue current program.



**Commonwealth of Pennsylvania**

# **Department of Military Affairs**

The Department of Military Affairs provides organized combat-ready units, both Army and Air National Guard, for call to Federal duty in the event of national emergency and to State duty in time of disaster or civil disorder. Their duties are to protect the lives and property of the citizens of Pennsylvania and preserve peace, order and public safety. The Bureau of Veterans Affairs administers the laws that provide for the well-being of Pennsylvania veterans and their dependents.

The Department of Military Affairs consists of the Adjutant General and the State Armory Board, the State Veterans' Commission, the Soldiers and Sailors Home at Erie, the Veterans Home at Hollidaysburg, and the Southeastern Veterans Home at Spring City.

# MILITARY AFFAIRS

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
General Government Operations .....	\$ 10,800	\$ 11,389	\$ 12,052
(F) Facilities Maintenance .....	600	900	1,100
(F) Employee Support .....	166	330	433
(F) New Armories .....	590	318	.....
(F) Telecommunications Expansion .....	.....	80	.....
(A) Rental of Armories and Other Facilities .....	200	123	123
(A) Lt. Governor's Residence .....	21	22	22
American Battle Monuments .....	3	3	3
Armory Maintenance and Repair .....	840	500	500
Pittsburgh Vietnam Memorial .....	100	.....	.....
Veterans Memorial Commission .....	.....	50	.....
Subtotal — State Funds .....	\$ 11,743	\$ 11,942	\$ 12,555
Subtotal — Federal Funds .....	1,356	1,628	1,533
Subtotal — Augmentations .....	221	145	145
Total — General Government .....	\$ 13,320	\$ 13,715	\$ 14,233
<b>INSTITUTIONAL:</b>			
Erie Soldiers and Sailors Home .....	\$ 3,228	\$ 3,582	\$ 4,192
(F) Operations and Maintenance .....	565	786	747
(F) Medical Reimbursement .....	21	13	4
(A) Aid and Attendance Payments .....	226	225	226
(A) Residents Fees .....	879	900	938
Total — Erie Soldiers and Sailors Home .....	\$ 4,919	\$ 5,506	\$ 6,107
Hollidaysburg Veterans Home .....	8,399	9,098	9,480
(F) Operations and Maintenance .....	1,610	1,927	1,998
(F) Medical Reimbursement .....	55	20	25
(F) Dietary Renovations .....	.....	63	.....
(A) Aid and Attendance Payments .....	792	828	869
(A) Residents Fees .....	2,330	2,467	2,590
(A) Rental Receipts .....	2	16	16
Total — Hollidaysburg Veterans Home .....	\$ 13,188	\$ 14,419	\$ 14,978
Southeastern Veterans Home .....	4,085	5,022	4,575
(F) Operations and Maintenance .....	.....	240	315
(A) Residents Fees .....	209	241	323
Total — Southeastern Veterans Home .....	\$ 4,294	\$ 5,503	\$ 5,213
Subtotal — State Funds .....	\$ 15,712	\$ 17,702	\$ 18,247
Subtotal — Federal Funds .....	2,251	3,049	3,089
Subtotal — Augmentations .....	4,438	4,677	4,962
Total — Institutional .....	\$ 22,401	\$ 25,428	\$ 26,298

# MILITARY AFFAIRS

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GRANTS AND SUBSIDIES:</b>			
Education of Veterans Children .....	\$ 39	\$ 75	\$ 75
Education — National Guard .....	305	515 <sup>a</sup>	402
Veterans Assistance .....	1,325	2,287	2,287
Blind Veterans Pension .....	167	169	159
Paralyzed Veterans Pension .....	360	425	380
National Guard Pension .....	18	20	20
Total — Grants and Subsidies .....	\$ 2,214	\$ 3,491	\$ 3,323
STATE FUNDS .....	\$ 29,669	\$ 33,135	\$ 34,125
FEDERAL FUNDS .....	3,607	4,677	4,622
AUGMENTATIONS .....	4,659	4,822	5,107
<b>GENERAL FUND TOTAL .....</b>	<b>\$ 37,935</b>	<b>\$ 42,634</b>	<b>\$ 43,854</b>

<sup>a</sup>Includes recommended supplemental appropriation of \$188,000.

# MILITARY AFFAIRS

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>STATE MILITARY READINESS</b>							
General Funds.....	\$ 11,743	\$ 11,942	\$ 12,555	\$ 13,218	\$ 13,917	\$ 14,655	\$ 15,433
Federal Funds.....	1,356	1,628	1,533	1,533	1,533	1,533	1,533
Other Funds.....	221	145	145	145	145	145	145
<b>TOTAL.....</b>	<b>\$ 13,320</b>	<b>\$ 13,715</b>	<b>\$ 14,233</b>	<b>\$ 14,896</b>	<b>\$ 15,595</b>	<b>\$ 16,333</b>	<b>\$ 17,111</b>
<b>VETERANS HOMES</b>							
General Funds.....	\$ 15,712	\$ 17,702	\$ 18,247	\$ 21,611	\$ 25,767	\$ 27,214	\$ 28,730
Federal Funds.....	2,251	3,049	3,089	3,769	5,401	5,483	5,514
Other Funds.....	4,438	4,677	4,962	6,980	10,617	11,034	11,520
<b>TOTAL.....</b>	<b>\$ 22,401</b>	<b>\$ 25,428</b>	<b>\$ 26,298</b>	<b>\$ 32,360</b>	<b>\$ 41,785</b>	<b>\$ 43,731</b>	<b>\$ 45,764</b>
<b>COMPENSATION AND ASSISTANCE</b>							
General Funds.....	\$ 2,214	\$ 3,491	\$ 3,323	\$ 3,323	\$ 3,323	\$ 3,323	\$ 3,323
<b>TOTAL.....</b>	<b>\$ 2,214</b>	<b>\$ 3,491</b>	<b>\$ 3,323</b>	<b>\$ 3,323</b>	<b>\$ 3,323</b>	<b>\$ 3,323</b>	<b>\$ 3,323</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 29,669	\$ 33,135	\$ 34,125	\$ 38,152	\$ 43,007	\$ 45,192	\$ 47,486
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	3,607	4,677	4,622	5,302	6,934	7,016	7,047
OTHER FUNDS.....	4,659	4,822	5,107	7,125	10,762	11,179	11,665
<b>TOTAL.....</b>	<b>\$ 37,935</b>	<b>\$ 42,634</b>	<b>\$ 43,854</b>	<b>\$ 50,579</b>	<b>\$ 60,703</b>	<b>\$ 63,387</b>	<b>\$ 66,198</b>

# MILITARY AFFAIRS

*PROGRAM OBJECTIVE: To achieve and maintain a readiness capability in units of the Pennsylvania National Guard for quick and effective response to State or Federal mobilization.*

## Program: State Military Readiness

This program provides the administrative, logistical and training support necessary for the Pennsylvania National Guard to maintain requisite readiness capability to serve during emergencies. Such emergencies may result in full or partial mobilization of the Pennsylvania National Guard for State service in the Commonwealth or Federal service anywhere in the world. Costs for military equipment and supplies and training, such as monthly training assemblies and 15 days annual training, are funded 100 percent by the Federal Government. The Commonwealth is responsible for providing for the operation, maintenance and repair of the armories.

The readiness capability of Pennsylvania National Guard units is evaluated according to established Federal inspection and training standards. Primary efforts are directed toward having the Pennsylvania

National Guard in top readiness condition in order to perform its State and Federal missions. The training of personnel is directly dependent upon the adequacy of the operation, maintenance and repair of Air National Guard bases and installations and numerous Army National Guard armories and support facilities. To provide a quicker and more effective response to State or Federal mobilization, a Statewide communications network is in operation.

Included within this program are those activities essential to operate a network of 104 community armories which serve as training locations for National Guard units. These armories may also be utilized as mass care centers for disaster victims and to provide meeting and recreational facilities for local civic and youth organizations.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Armories .....	104	104	104	104	104	104	104
Pennsylvania National Guard personnel ..	22,345	22,369	22,393	22,417	22,441	22,465	22,489
Percentage of authorized strength level ..	95.1%	95.2%	95.3%	95.4%	95.5%	95.6%	95.7%

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**General Government Operations**  
\$ 663 —to maintain current program.

The American Battle Monuments and Armory Maintenance and Repair programs are continued at current levels. Funding provided for the Veterans Memorial Commission in 1988-89 was a one-time grant.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 10,800	\$ 11,389	\$ 12,052	\$ 12,715	\$ 13,414	\$ 14,152	\$ 14,930
American Battle Monuments .....	3	3	3	3	3	3	3
Armory Maintenance and Repair .....	840	500	500	500	500	500	500
Pittsburgh Vietnam Memorial .....	100	.....	.....	.....	.....	.....	.....
Veterans Memorial Commission .....	.....	50	.....	.....	.....	.....	.....
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 11,743</b>	<b>\$ 11,942</b>	<b>\$ 12,555</b>	<b>\$ 13,218</b>	<b>\$ 13,917</b>	<b>\$ 14,655</b>	<b>\$ 15,433</b>

# MILITARY AFFAIRS

*PROGRAM OBJECTIVE: To provide nursing and domiciliary care for veterans.*

## Program: Veterans Homes

The Department of Military Affairs is legally mandated to provide skilled nursing and domiciliary care for veterans who are disabled, indigent or in need of care. There are three veterans homes providing such care: the Soldiers and Sailors Home in Erie, the Veterans Home at Hollidaysburg and the new Southeastern Pennsylvania Veterans Center. The program receives assistance from the Federal Government at levels of \$8.70 per patient day for domiciliary care, \$20.35 per patient

day for nursing home care, and \$6.00 per day for aid-in-attendance given directly to the patient. In addition, residents pay a maintenance fee to help offset the cost of services.

The Administration is committed to establishing a fourth veterans home in Northeastern Pennsylvania. The Governor has recommended and the General Assembly has approved capital funding for the home.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Beds Available:</b>							
Erie .....	175	175	175	175	175	175	175
Hollidaysburg .....	379	379	379	527	527	527	527
Southeastern .....	70	112	112	304	304	304	304
<b>Population:</b>							
Erie .....	126	127	128	130	130	130	130
Hollidaysburg .....	356	350	350	485	485	485	485
Southeastern .....	68	96	96	200	278	278	278
<b>Cost per skilled nursing care day:</b>							
Erie .....	\$142	\$150	\$159	\$168	\$178	\$188	\$199
Hollidaysburg .....	\$135	\$144	\$153	\$137	\$130	\$138	\$146
Southeastern .....				155	\$163	\$168	\$173
<b>Cost per domiciliary care day:</b>							
Erie .....	\$67	\$70	\$73	\$77	\$81	\$85	\$89
Hollidaysburg .....	\$98	\$105	\$110	\$118	\$120	\$125	\$130
Southeastern .....	179	\$180	\$150	\$150	\$153	\$157	\$162

### State Veterans Homes — Expenditures by Institution

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b><i>Erie Soldiers and Sailors Home</i></b>			
State Funds .....	\$ 3,228	\$ 3,582	\$ 4,192
Federal Funds .....	586	799	751
Augmentations .....	1,105	1,125	1,164
<b>TOTAL .....</b>	<b>\$ 4,919</b>	<b>\$ 5,506</b>	<b>\$ 6,107</b>
<b><i>Hollidaysburg Veterans Home</i></b>			
State Funds .....	\$ 8,399	\$ 9,098	\$ 9,480
Federal Funds .....	1,665	2,010	2,023
Augmentations .....	3,124	3,311	3,475
<b>TOTAL .....</b>	<b>\$ 13,188</b>	<b>\$ 14,419</b>	<b>\$ 14,978</b>
<b><i>Southeastern Veterans Home</i></b>			
State Funds .....	\$ 4,085	\$ 5,022	\$ 4,575
Federal Funds .....		240	315
Augmentations .....	209	241	323
<b>TOTAL .....</b>	<b>\$ 4,294</b>	<b>\$ 5,503</b>	<b>\$ 5,213</b>

# MILITARY AFFAIRS

## Program: Veterans Homes (continued)

Institution:	Projected July 1989 Capacity	Population July 1987	Population July 1988	Projected Population July 1989	Projected Percent of Capacity
Erie Soldiers and Sailors Home .....	175	136	127	128	73%
Hollidaysburg Veterans Home .....	379	356	348	350	92%
Southeastern Veterans Center .....	112	58	68	96	86%

## Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>Erie Soldiers and Sailors Home</b>		<b>Southeastern Veterans Home</b>	
\$ 14	—for equipment replacement.	\$ -389	—nonrecurring 1988-89 projects.
596	—to maintain current program.	-202	—State funds savings due to increased Federal participation.
<u>610</u>	<i>Appropriation Increase</i>	35	—for road improvements.
		109	—to maintain current program.
<b>Hollidaysburg Veterans Home</b>		<b>Appropriation Decrease</b>	
\$ 382	—to maintain current program.	\$ -447	

## Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Erie Soldiers and Sailors Home .....	\$ 3,228	\$ 3,582	\$ 4,192	\$ 4,423	\$ 4,666	\$ 4,923	\$ 5,194
Hollidaysburg Veterans Home .....	8,399	9,098	9,480	10,807	11,974	12,633	13,328
Southeastern Veterans Home .....	4,085	5,022	4,575	5,381	6,027	6,358	6,708
Fourth Veterans Home .....	.....	.....	.....	1,000	3,100	3,300	3,500
<b>TOTAL GENERAL FUND .....</b>	<u>\$ 15,712</u>	<u>\$ 17,702</u>	<u>\$ 18,247</u>	<u>\$ 21,611</u>	<u>\$ 25,767</u>	<u>\$ 27,214</u>	<u>\$ 28,730</u>

# MILITARY AFFAIRS

*PROGRAM OBJECTIVE: To provide advisory and financial assistance to eligible Pennsylvania veterans, National Guardsmen and their dependents.*

## Program: Compensation and Assistance

The Department of Military Affairs administers several activities within this program.

### **Program Element: Veterans Assistance**

Temporary financial assistance is provided for eligible veterans, their spouses and dependent children who are in need of financial assistance. Financial assistance is authorized for food, fuel, shelter and clothing and is limited to a period not exceeding three months. Assistance payments were increased an average of 45% in 1988.

### **Program Element: Blind Veterans Pension**

Pensions of \$100 per month are provided for those Pennsylvania veterans who incurred functional blindness while performing active military service.

### **Program Element: National Guard Pensions**

This program element is responsible for the payment of a pension to guardsmen, widows and dependent family members. A National Guardsman who is injured, otherwise disabled or dies as a result of injuries or other disability received or contracted while performing duty in active service of the Commonwealth or in the performance of other State military duty is eligible. Current law provides for a monthly pension for dependents up to a maximum of \$300 per month for a period of ten years. In the case of minor children of a deceased member, the pension is paid until the minor child reaches 18 years of age. A tuition credit of 50 percent at all State-owned universities or approved trade schools for a period not exceeding eight semesters or four years is also

authorized for children of deceased guard personnel who are killed or die while on State active duty.

### **Program Element: Education of Children of Deceased and Disabled Veterans**

Educational gratuities are provided for children of honorably discharged veterans who have been certified as having wartime service-connected disabilities rated as totally and permanently disabled or children of veterans who have died of war service-connected disabilities. Under current law, \$500 per semester is available for eligible students attending post secondary institutions within the Commonwealth.

### **Program Element: Education — National Guard**

Act 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. Assistance is limited to a maximum of six credits per quarter or semester or twelve credits per year.

### **Program Element: Paralyzed Veterans Pension**

This program provides a pension of \$100 per month to those Pennsylvania veterans who have lost the use of two or more extremities while serving on active duty in the armed forces of the United States during an established war, armed conflict or combat-related activity in peacetime.

## Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Veterans in Pennsylvania . . . . .	1,532,000	1,527,200	1,522,400	1,517,600	1,512,800	1,508,000	1,503,200
Recipients of veterans emergency assistance . . . . .	15,426	15,425	15,375	15,325	15,275	15,225	15,175
Recipients of blind veterans pensions . . . . .	139	129	132	132	132	132	132
Students receiving financial aid . . . . .	61	75	75	75	75	75	75
National Guard personnel receiving educational financial aid . . . . .	1,036	1,068	1,100	1,100	1,100	1,100	1,100
Participants in paralyzed veterans program . . . . .	292	311	316	316	316	316	316

# MILITARY AFFAIRS

## Program: Compensation and Assistance (continued)

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>Blind Veterans Pensions</b>	<b>Paralyzed Veterans Pension</b>
\$ 4 —for additional program participants.	\$ 7 —for additional program participants.

In addition, the budget recommends continuation of other programs at current levels.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Veterans Assistance .....	\$ 1,325	\$ 2,287	\$ 2,287	\$ 2,287	\$ 2,287	\$ 2,287	\$ 2,287
Blind Veterans Pensions .....	167	169 <sup>a</sup>	159	159	159	159	159
National Guard Pensions .....	18	20	20	20	20	20	20
Education of Veterans Children .....	39	75	75	75	75	75	75
Education — National Guard .....	305	515	402	402	402	402	402
Paralyzed Veterans Pension .....	360	425 <sup>b</sup>	380	380	380	380	380
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 2,214</b>	<b>\$ 3,491</b>	<b>\$ 3,323</b>	<b>\$ 3,323</b>	<b>\$ 3,323</b>	<b>\$ 3,323</b>	<b>\$ 3,323</b>

<sup>a</sup>Expenditures for 1988-89 are estimated to be \$155,000.

<sup>b</sup>Expenditures for 1988-89 are estimated to be \$373,000.



**Commonwealth of Pennsylvania**

# **Milk Marketing Board**

The Milk Marketing Board supervises, inspects and regulates the milk industry of the Commonwealth and establishes reasonable trade control and marketing practices.

# MILK MARKETING BOARD

## Summary by Fund and Appropriation

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
Transfer to Milk Marketing Board .....	\$ 950	\$ 950	\$ 950
<b>GENERAL FUND TOTAL</b> .....	<u>\$ 950</u>	<u>\$ 950</u>	<u>\$ 950</u>
 <b>MILK MARKETING FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
General Operations .....	\$ 792	\$ 776	\$ 814
(A) Transfer from General Fund <sup>a</sup> .....	.....	.....	.....
<b>MILK MARKETING FUND TOTAL</b> .....	<u>\$ 792</u>	<u>\$ 776</u>	<u>\$ 814</u>
 DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND .....	\$ 950	\$ 950	\$ 950
SPECIAL FUNDS .....	792	776	814
<b>TOTAL ALL FUNDS</b> .....	<u>\$ 1,742</u>	<u>\$ 1,726</u>	<u>\$ 1,764</u>

<sup>a</sup> Not added to the total to avoid double counting. 1987-88 actual is \$950,000, 1988-89 available is \$950,000 and 1989-90 recommended is \$950,000.

# MILK MARKETING BOARD

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>REGULATION OF MILK INDUSTRY</b>							
General Funds.....	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950
Special Funds.....	792	776	814	859	906	956	1,008
<b>TOTAL.....</b>	<b>\$ 1,742</b>	<b>\$ 1,726</b>	<b>\$ 1,764</b>	<b>\$ 1,809</b>	<b>\$ 1,856</b>	<b>\$ 1,906</b>	<b>\$ 1,958</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950
SPECIAL FUNDS.....	792	776	814	859	906	956	1,008
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
<b>TOTAL.....</b>	<b>\$ 1,742</b>	<b>\$ 1,726</b>	<b>\$ 1,764</b>	<b>\$ 1,809</b>	<b>\$ 1,856</b>	<b>\$ 1,906</b>	<b>\$ 1,958</b>

# MILK MARKETING BOARD

*PROGRAM OBJECTIVE: To maintain an adequate supply of wholesome fluid milk.*

## Program: Milk Industry Regulation

The Milk Marketing Board is a special fund agency financed from milk industry license fees, permit fees and fines. Since these revenue sources are insufficient to fund all board operations, a General Fund transfer is also provided. The board supervises, inspects and regulates the milk industry of the Commonwealth and establishes reasonable trade control and marketing practices. It also formulates policy, holds public hearings and subsequently issues and enforces General Marketing Orders, rules and regulations and handles all legal matters including prosecution and levying of penalties against violators of the Milk Marketing Law.

The board's major function continues to be that of insuring an adequate milk supply by setting minimum prices paid to farmers, minimum prices dealers can charge wholesale and retail customers, and minimum prices stores can charge consumers.

The regulation process is complicated by the existence of Federal Marketing Orders, which are prices established in Washington that must

be paid to producers. The board also has the authority to set maximum prices, but as yet this has not been done.

The ratio between the supply of fluid milk to demand for fluid milk is one of the board's key impact indicators. This ratio, based on a long-term established economic policy, assumes that when supplies of fluid milk approximate 125 percent of fluid sales a proper balance exists between supply and demand. If the ratio exceeds the 125 percent level by more than eight percentage points, it alerts the board that supply is out of line with demand, calling for a review of producer and resale prices. Conversely, if the ratio drops by more than eight percentage points it alerts the board that demand is out of line with supply and producer prices should be reviewed to provide sufficient incentive to farmers for expanded production.

Act 135 of 1988 transferred the responsibility for setting fees from statute to regulation.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Supply of fluid milk to demand for fluid milk .....	126%	126%	126%	126%	126%	126%	126%
Licenses and permits issued .....	3,100	3,000	3,000	3,000	3,000	3,000	3,000

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>General Operations</b>
\$ -80	—nonrecurring projects.
118	—to continue current program.
\$ 38	<i>Executive Authorization Increase</i>

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Transfer to Milk Marketing Fund .....	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950	\$ 950
<b>MILK MARKETING FUND:</b>							
General Operations .....	\$ 792	\$ 776	\$ 814	\$ 859	\$ 906	\$ 956	\$ 1,008



Commonwealth of Pennsylvania

# Board of Probation and Parole

The Board of Probation and Parole rehabilitates and supervises persons on probation or parole, helping them to reintegrate within society. The board attempts to allow an early and controlled release of persons from correctional institutions as well as detect those who cannot adjust to the community. State probation services and pre-sentence investigations are also provided upon request from the courts.

# PROBATION AND PAROLE

## PROGRAM REVISION

### Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1989-90 State Funds (in thousands)
<b>GENERAL FUND</b>		
Special Intensive Drug Units	Comprehensive Drug and Alcohol Abuse Initiative .....	\$ 550
Improvement of Adult Probation Services	Comprehensive Drug and Alcohol Abuse Initiative .....	869
DEPARTMENT TOTAL .....		<u>\$ 1,419</u>

To provide funding for the establishment of two special intensive drug units and for additional county probation personnel to specialize in drug and alcohol probation cases. This is a part of the \$16,313,000 Program Revision Comprehensive Drug and Alcohol Abuse Initiative. Please see the Executive Offices for further details on this Program Revision.

# PROBATION AND PAROLE

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
<b>General Government Operations</b> .....	<b>\$ 21,414</b>	<b>\$ 23,731</b>	<b>\$ 25,785</b>
(F) Improvement of Adult Probation Services .....	10	.....	.....
(F) Parole Plan Advocacy Program .....	.....	36	.....
(A) Parole Plan Advocacy .....	.....	36	.....
Total — General Government Operations .....	<u>\$ 21,424</u>	<u>\$ 23,803</u>	<u>\$ 25,785</u>
<b>Special Intensive Drug Units</b> .....	.....	.....	<b>\$ 550</b>
(F) Special Drug Training Project .....	.....	.....	5
(F) Statewide Urinalysis Testing .....	59	182	83
(F) Special Intensive Supervision Drug Project .....	147	405	588
(F) Specialized Drug Training Project .....	.....	25	.....
(A) Special Intensive Supervision Drug Project .....	103	.....	.....
(A) Statewide Urinalysis Testing Program .....	50	.....	.....
Subtotal — State Funds .....	.....	.....	550
Subtotal — Federal Funds .....	206	612	676
Subtotal — Augmentations .....	153	.....	.....
Total — Special Intensive Drug Units .....	<u>\$ 359</u>	<u>\$ 612</u>	<u>\$ 1,226</u>
Subtotal — State Funds .....	<u>\$ 21,414</u>	<u>\$ 23,731</u>	<u>\$ 26,335</u>
Subtotal — Federal Funds .....	216	648	676
Subtotal — Augmentations .....	153	36	.....
Total — General Government .....	<u>\$ 21,783</u>	<u>\$ 24,415</u>	<u>\$ 27,011</u>
<b>GRANTS AND SUBSIDIES:</b>			
<b>Improvement of Adult Probation Services</b> .....	<b>\$ 13,425</b>	<b>\$ 14,200</b>	<b>\$ 16,086</b>
Total — Grants and Subsidies .....	<u>\$ 13,425</u>	<u>\$ 14,200</u>	<u>\$ 16,086</u>
STATE FUNDS .....	\$ 34,839	\$ 37,931	\$ 42,421
FEDERAL FUNDS .....	216	648	676
AUGMENTATIONS .....	153	36	.....
<b>GENERAL FUND TOTAL</b> .....	<b><u>\$ 35,208</u></b>	<b><u>\$ 38,615</u></b>	<b><u>\$ 43,097</u></b>

# PROBATION AND PAROLE

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>REINTEGRATION OF THE ADULT OFFENDER</b>							
General Funds.....	\$ 34,839	\$ 37,931	\$ 42,421	\$ 44,413	\$ 45,971	\$ 47,615	\$ 49,349
Federal Funds.....	216	648	676	450	0	0	0
Other Funds.....	153	36	0	0	0	0	0
<b>TOTAL.....</b>	<b>\$ 35,208</b>	<b>\$ 38,615</b>	<b>\$ 43,097</b>	<b>\$ 44,863</b>	<b>\$ 45,971</b>	<b>\$ 47,615</b>	<b>\$ 49,349</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 34,839	\$ 37,931	\$ 42,421	\$ 44,413	\$ 45,971	\$ 47,615	\$ 49,349
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	216	648	676	450	0	0	0
OTHER FUNDS.....	153	36	0	0	0	0	0
<b>TOTAL.....</b>	<b>\$ 35,208</b>	<b>\$ 38,615</b>	<b>\$ 43,097</b>	<b>\$ 44,863</b>	<b>\$ 45,971</b>	<b>\$ 47,615</b>	<b>\$ 49,349</b>

# PROBATION AND PAROLE

*PROGRAM OBJECTIVE: To decrease the recurrence of crime by replacing criminal behavior with socially acceptable behavior.*

## Program: Reintegration of the Adult Offender

The Pennsylvania Board of Probation and Parole operates in a complex and interdependent criminal justice system in the Commonwealth. The primary functions of the board are to grant parole and supervise adult offenders with a maximum sentence of two years or more; revoke the parole of technical parole violators and criminal violators convicted of new crimes and, discharge from parole clients under supervision who have fulfilled their sentences in compliance with the conditions governing parole. Commonwealth judges parole inmates with maximum sentences under two years. Under the direction of the county courts, cases can be certified to the State under special probation and parole supervision. The State provides direct support to county probation through a separate board administered grant-in-aid appropriation which subsidizes manpower at the local level.

The Pennsylvania Board of Probation and Parole's primary goal is to protect the community from crime through a process of supervising offenders who are serving sentences in the community.

The board also has quasi-judicial case decision making responsibility. Two dominant types of decisions are made by the board

from information provided by field and institutional staff: parole release decisions and revocation decisions.

Explicit parole guidelines are used in the decision making process in order to structure discretion and maintain fairness in the system. The effect of these successful program efforts in decision making is that justice is administered fairly and decision making is more accountable to the public.

In addition to operating the State parole program, the board has the responsibility of administering a grant-in-aid program to support county adult probation personnel and services. The grant-in-aid program provides funds to any county which adds probation staff for pre-sentence investigations and for improved probation supervision and program. Act 134 of 1986, which amended the Probation and Parole Act, provides that counties shall be reimbursed for up to eighty percent (80%) of the personnel costs incurred to administer these additional services and programs, provided that sufficient funds are appropriated.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Probationers and parolees in case load:							
County .....	84,383	86,914	90,825	93,550	95,421	97,329	99,275
State .....	16,633	16,890	17,569	18,181	18,730	19,176	19,504
Annual addition to caseload population ..	7,849	8,163	8,448	8,701	8,910	9,061	9,151
Investigative reports completed .....	12,353	12,476	12,662	12,820	12,868	12,972	12,972
Annual caseload additions likely to return to prison .....	2,825	2,983	3,126	3,219	3,297	3,352	3,386
And as a percentage of annual additions to caseload .....	36%	36%	37%	37%	37%	37%	37%
Average cases per parole agent .....	79	81	79	76	78	80	81

Due to the anticipated hiring of additional parole agents, caseload per agent is expected to decrease in 1989-90.

# PROBATION AND PAROLE

**Program: Reintegration of the Adult Offender (continued)**

**Program Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>General Government Operations</b>		<b>Improvement of Adult Probation Services</b>
\$ -24	—nonrecurring project.	\$ 1,017	—for grants to counties for professional county personnel salary costs.
1,760	—to continue current programs.	869	—PRR — Comprehensive Drug and Alcohol Abuse Initiative. For 70 new county probation officers to specialize in drug and alcohol probation cases for drug and alcohol special projects. See Program Revision in the Executive Offices for further information.
40	—EDP and telecommunications modernization.		
278	—Annualization of pilot program - Parole as a Method of Reducing Prison Population.		
<u>\$ 2,054</u>	<i>Appropriation Increase</i>		
	 <b>Special Intensive Drug Units</b>		
\$ 550	—PRR — Comprehensive Drug and Alcohol Abuse Initiative. For the establishment of two special intensive drug units. See the Program Revision in the Executive Offices for further information.	<u>\$ 1,886</u>	<i>Appropriation Increase</i>

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations . . . . .	\$ 21,414	\$ 23,731	\$ 25,785	\$ 27,203	\$ 28,699	\$ 30,278	\$ 31,943
Special Intensive Drug Units . . . . .	. . . . .	. . . . .	550	1,124	1,186	1,251	1,320
Improvement of Adult Probation Services . . . . .	13,425	14,200	16,086	16,086	16,086	16,086	16,086
 <b>TOTAL GENERAL FUND . . . . .</b>	 <u><u>\$ 34,839</u></u>	 <u><u>\$ 37,931</u></u>	 <u><u>\$ 42,421</u></u>	 <u><u>\$ 44,413</u></u>	 <u><u>\$ 45,971</u></u>	 <u><u>\$ 47,615</u></u>	 <u><u>\$ 49,349</u></u>



**Commonwealth of Pennsylvania**

# **Public Television Network**

The Public Television Network promotes and encourages public television in Pennsylvania. The network facilities provide services to the seven public television stations including the recording, storage, and delivery of programs and the interconnection of the stations for statewide program production and exchange. The network also administers a program of grants to support station operations, instructional television services, program production, and program acquisition.

# PUBLIC TELEVISION NETWORK

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
<b>General Government Operations</b> .....	\$ 2,765	\$ 2,765	\$ 2,842
(A) Services for the Hearing Impaired .....	75	87	.....
Subtotal — State Funds .....	\$ 2,765	\$ 2,765	\$ 2,842
Subtotal — Augmentations .....	75	87	.....
Total — General Government Operations .....	\$ 2,840	\$ 2,852	\$ 2,842
<i>GRANTS AND SUBSIDIES:</i>			
<b>Public Television Station Grants</b> .....	\$ 6,870	\$ 7,390	\$ 7,971
STATE FUNDS .....	\$ 9,635	\$ 10,155	\$ 10,813
AUGMENTATIONS .....	75	87	.....
<b>GENERAL FUND TOTAL</b> .....	\$ 9,710	\$ 10,242	\$ 10,813

# PUBLIC TELEVISION NETWORK

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>PUBLIC TELEVISION SERVICES</b>							
General Funds.....	\$ 9,635	\$ 10,155	\$ 10,813	\$ 10,969	\$ 11,134	\$ 11,308	\$ 11,492
Other Funds.....	75	87	0	0	0	0	0
<b>TOTAL.....</b>	<b>\$ 9,710</b>	<b>\$ 10,242</b>	<b>\$ 10,813</b>	<b>\$ 10,969</b>	<b>\$ 11,134</b>	<b>\$ 11,308</b>	<b>\$ 11,492</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 9,635	\$ 10,155	\$ 10,813	\$ 10,969	\$ 11,134	\$ 11,308	\$ 11,492
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	75	87	0	0	0	0	0
<b>TOTAL.....</b>	<b>\$ 9,710</b>	<b>\$ 10,242</b>	<b>\$ 10,813</b>	<b>\$ 10,969</b>	<b>\$ 11,134</b>	<b>\$ 11,308</b>	<b>\$ 11,492</b>

# PUBLIC TELEVISION NETWORK

*PROGRAM OBJECTIVE: To provide for the development and support of Pennsylvania's noncommercial public television stations.*

## Program: Public Television Services

The Pennsylvania Public Television Network links the seven independent noncommercial television stations in Pennsylvania to create a system in which stations provide programming to the people of Pennsylvania through independent and group efforts. The stations are located in Bethlehem, Erie, Philadelphia, Pittsburgh, Pittston, University Park and Harrisburg.

Funding for the operations of the noncommercial television stations in Pennsylvania comes from several sources; the major sources, accounting for over 60 percent of the revenue, are private donations from business and industry and contributions from individual members. Other sources are the grants made by the Commonwealth and the Federal government.

The operation of the network, located in Hershey, is fully funded by a General Fund appropriation. It is directed by a commission which includes representatives from the seven stations, the education community, the Legislature, the Council on the Arts, and the public. The

operations of the commission include governance of the network and statewide coordinating functions through a computerized microwave telecommunications system. Through the network each station has access to programs produced by other Pennsylvania stations and programs acquired from outside sources. Network promotion and audience research services are also provided as well as guidance in producing programs on cultural, educational, and public affairs of interest to all Pennsylvanians.

The Network Commission provides through its facilities a videoconferencing system for State agencies which results in a reduction in travel time and expense for State agencies.

Instructional television is provided by each of the stations in cooperation with school districts and the Department of Education, which purchases broadcast rights for some nationally produced programs. Some educational television series are produced by Pennsylvania stations for broadcast on statewide and national television.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Households watching public television at least once a week . . . . .	2,260,000	2,280,000	2,300,000	2,320,000	2,350,000	2,400,000	2,420,000
Contributing memberships . . . . .	276,000	280,000	285,000	290,000	295,000	300,000	310,000
Original programming as a percentage of total broadcasting . . . . .	5.8%	5.6%	5.5%	5.4%	5.3%	5.2%	5.1%

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>General Government Operations</b>	<b>Public Television Station Grants</b>
\$ -127 —nonrecurring projects.	\$ 133 —to continue base operating support for the stations.
204 —current commitment increases in personnel and operating costs.	184 —conclusion of restoration of station lease funds.
	171 —third year of commitment to increase funds for national program acquisition.
	93 —for statewide production
<u>\$ 77</u> <i>Appropriation Increase</i>	<u>\$ 581</u> <i>Appropriation Increase</i>

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations . . . . .	\$ 2,765	\$ 2,765	\$ 2,842	\$ 2,998	\$ 3,163	\$ 3,337	\$ 3,521
Public Television Station Grants . . . . .	6,870	7,390	7,971	7,971	7,971	7,971	7,971
<b>TOTAL GENERAL FUND . . . . .</b>	<u>\$ 9,635</u>	<u>\$ 10,155</u>	<u>\$ 10,813</u>	<u>\$ 10,969</u>	<u>\$ 11,134</u>	<u>\$ 11,308</u>	<u>\$ 11,492</u>



**Commonwealth of Pennsylvania**

# **Public Utility Commission**

The Public Utility Commission insures that safe and adequate public utility services are available at fair and reasonable rates. This is accomplished through enforcement of the Public Utility Law and promulgation of regulations adopted by the Commission.

The commission is comprised of five members appointed by the Governor with Senate confirmation.

The dollar amounts shown are not appropriations from the General Fund. The commission receives a budgetary authorization ceiling and then bills the utilities for the amounts of the approved estimate of expenditures and expends directly from the funds collected.

# PUBLIC UTILITY COMMISSION

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88	1988-89	1989-90
<b>GENERAL FUND</b>	Actual	Available	Budget
<b>GENERAL GOVERNMENT:</b>			
(R) General Government Operations <sup>a</sup> .....	\$ 25,989	\$ 27,931	\$ 30,007
(F) Natural Gas Pipeline Safety .....	115	115	115
(F) Railroad Safety .....	185	110	110
(F) Motor Carrier Safety .....	260	350	350
RESTRICTED REVENUES .....	\$ 25,989	\$ 27,931	\$ 30,007
FEDERAL FUNDS .....	560	575	575
<b>GENERAL FUND TOTAL .....</b>	<b>\$ 26,549</b>	<b>\$ 28,506</b>	<b>\$ 30,582</b>

<sup>a</sup> Appropriation from a restricted revenue account.

# PUBLIC UTILITY COMMISSION

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>REGULATION OF PUBLIC UTILITIES</b>							
Special Funds.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Federal Funds.....	560	575	575	575	575	575	575
Other Funds.....	25,989	27,931	30,007	30,007	30,007	30,007	30,007
<b>TOTAL.....</b>	<b>\$ 26,549</b>	<b>\$ 28,506</b>	<b>\$ 30,582</b>	<b>\$ 30,582</b>	<b>\$ 30,582</b>	<b>\$ 30,582</b>	<b>\$ 30,582</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	560	575	575	575	575	575	575
OTHER FUNDS.....	25,989	27,931	30,007	30,007	30,007	30,007	30,007
<b>TOTAL.....</b>	<b>\$ 26,549</b>	<b>\$ 28,506</b>	<b>\$ 30,582</b>	<b>\$ 30,582</b>	<b>\$ 30,582</b>	<b>\$ 30,582</b>	<b>\$ 30,582</b>

# PUBLIC UTILITY COMMISSION

*PROGRAM OBJECTIVE: To ensure that safe and adequate public utility services are available to the public at fair and reasonable rates.*

## Program: Regulation of Public Utilities

The Public Utility Commission's (PUC) responsibility and the service which it performs as an arm of the General Assembly as expressed in the Public Utility Code, is to ensure that safe and adequate utility service is available to the public at fair and reasonable rates.

The types of utilities regulated are electric, gas, steam heat, water, telephone, telegraph, and sewage collection and disposal services; transportation of passengers and property by railroad, aircraft, boat, ferry, and motor carrier; and transportation of certain products by pipeline.

While only 16 of approximately 5,000 utilities regulated are electric, the rate increases requested have historically been much greater than those of all other utilities combined. For example, last year electric utilities requested \$462 million in rate increases and all other utilities requested \$79 million.

In addition to its primary duty of ensuring that adequate service at reasonable rates is available to the public, the commission is required or empowered to:

- prescribe rates for common carrier motor vehicles, and to establish accounting and service requirements for them;

- regulate the formation, merger, and consolidation of public utilities;
- determine whether a public utility should be permitted to discontinue service to the public other than for non-payment for service rendered;
- regulate the crossing of public highways by the facilities of public utilities;
- inspect the properties, test the equipment and examine the books and other records of utilities;
- prescribe systems of accounting for public utilities;
- determine whether the issuance of utility stocks and long-term debt by public utilities is necessary or proper for the present and probable future capital needs of the utilities;
- inquire into the reasonableness, from the point of view of the public interest, of contracts between public utilities and municipalities, and of contracts for services between public utilities and their affiliates;
- assess all its expenses on utilities in accordance with Act 33 of March 3, 1972; and,
- conduct management efficiency investigations and construction cost audits.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Utilities regulated:</b>							
<b>Fixed utilities:</b>							
Electric .....	16	16	16	16	16	16	16
Other .....	667	667	664	661	666	658	655
Transportation .....	4,296	4,300	4,325	4,350	4,375	4,400	4,425
<b>Rate requests received:</b>							
<b>Fixed Utilities:</b>							
Electric .....	3	4	4	5	5	3	4
Other .....	70	72	73	75	75	73	74
<b>Rate cases completed:</b>							
<b>Fixed utilities:</b>							
Electric .....	3	4	4	5	5	3	4
Other .....	76	68	70	72	72	70	71
Transportation .....	416	420	425	430	435	440	445
<b>Rate increase requested (in millions):</b>							
<b>Fixed utilities:</b>							
Electric .....	\$462	\$480	\$500	\$650	\$800	\$450	\$480
Other .....	\$79	\$80	\$85	\$110	\$136	\$76	\$80
Transportation .....	\$19	\$20	\$21	\$22	\$23	\$24	\$28
<b>Rate increases allowed (in millions):</b>							
<b>Fixed utilities:</b>							
Electric .....	\$308	\$320	\$335	\$345	\$536	\$301	\$321
Other .....	\$43	\$43	\$46	\$59	\$73	\$41	\$43
Transportation .....	\$18	\$19	\$20	\$21	\$22	\$23	\$24

# PUBLIC UTILITY COMMISSION

**Program: Regulation of Public Utilities (continued)**

**Program Measures (continued)**

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Audits conducted:							
Fixed utilities:							
Financial .....	17	34	30	34	36	36	36
Energy fuel .....	72	76	70	76	76	76	76
Management .....	13	22	21	21	21	21	21
Transportation .....	1,651	1,267	1,836	2,020	2,123	2,330	2,334
Enforcement/Investigations:							
Fixed utilities .....	2,099	2,300	2,300	2,300	2,300	2,300	2,300
Transportation:							
Rail safety .....	52,109	54,000	54,000	54,000	54,000	54,000	54,000
Motor safety .....	12,941	14,000	14,000	14,000	14,000	14,000	14,000
Consumer services:							
Fixed utilities:							
Complaints received .....	15,215	19,568	19,600	19,600	19,600	19,600	19,600
Complaints investigated .....	15,215	19,568	19,600	19,600	19,600	19,600	19,600
Complaints resolved by PUC .....	15,215	19,568	19,600	19,600	19,600	19,600	19,600
Money saved consumers by PUC actions (in thousands of dollars) .....	180	185	185	185	185	185	185
Transportation:							
Complaints received .....	916	900	900	900	900	900	900
Complaints investigated .....	916	900	900	900	900	900	900
Complaints resolved by PUC .....	916	900	900	900	900	900	900

**Program Recommendations:**

This budget recommends the following changes to the appropriation for the PUC from its restricted revenue account in the General Fund: (Dollar Amounts in Thousands)

**General Government Operations**  
 \$ 2,076 —to continue current program including  
 annualization of last year's safety initiative.

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>REGULATION OF PUBLIC UTILITIES:</b>							
General Government Operations .....	.....	.....	.....	.....	.....	.....	.....



**Commonwealth of Pennsylvania**

# **Department of Public Welfare**

The Department of Public Welfare provides financial assistance and medical services to the economically dependent through public assistance grants and medical assistance payments, provides care, treatment and rehabilitation to the socially, mentally and physically disabled; and engages in activities, including education and research, which serve to prevent or reduce economic, social, mental and physical disabilities.

Services are provided directly through administration of program services and indirectly through programs of standard setting, regulation, supervision, licensing, grants, subsidies and purchase of services.

The actual delivery of welfare services is executed through regional offices, county boards of assistance and various types of institutions.

# PUBLIC WELFARE

## PROGRAM REVISION Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1989-90 State Funds (in thousands)
<b>GENERAL FUND</b>		
General Government Operations	Nursing Home Reform .....	\$ 148
County Administration—Statewide	Nursing Home Reform .....	169
State Mental Hospitals	Nursing Home Reform .....	51
Pre-admission Assessment	Nursing Home Reform .....	1,865
Community Mental Health Services	Nursing Home Reform .....	175
Community Based Services for the Mentally Retarded	Nursing Home Reform .....	69
Intermediate Care Facilities—Mentally Retarded	Nursing Home Reform .....	259
Services for the Developmentally Disabled	Nursing Home Reform .....	300
	Subtotal .....	\$ 3,036

This Program Revision will enable the department to insure that quality care is provided in the most appropriate setting. This is part of a \$3.3 million Nursing Home Reform Program Revision.

Medical Assistance - Outpatient	Expanded Medical Assistance Coverage .....	\$ 15,115
Medical Assistance - Inpatient	Expanded Medical Assistance Coverage .....	-15,908
Long-Term Facilities	Expanded Medical Assistance Coverage .....	10,251
	Subtotal .....	\$ 9,458

This Program Revision provides expanded Medical Assistance coverage to pregnant women and children, the elderly and the disabled. This expanded coverage will be funded by discontinuing medical education payments, except for nurses, through the Medical Assistance - Inpatient appropriation.

AZT Treatment	Aids Program Expansion .....	\$ 2,433
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This Program Revision will assure AZT treatment to AIDS patients. This is part of the \$4.3 million Aids Program Expansion Program Revision.

Cash Grants	Cash Grant Increase .....	\$ 14,529
Medical Assistance — Outpatient	Cash Grant Increase .....	423
Medical Assistance — Inpatient	Cash Grant Increase .....	644
	Subtotal .....	\$ 15,596

This Program Revision increases Aid to Families with Dependent Children (AFDC) and General Assistance Cash Grants by an average of 5 percent effective January 1, 1990.

# PUBLIC WELFARE

Appropriation	Title	1989-90 State Funds (in thousands)
<b>GENERAL FUND</b>		
Information Systems	Strengthening Family Independence .....	\$ 17
Program Accountability	Strengthening Family Independence .....	408
New Directions	Strengthening Family Independence .....	392
Cash Grants	Strengthening Family Independence .....	-2,318
Medical Assistance - Outpatient	Strengthening Family Independence .....	310
Medical Assistance - Inpatient	Strengthening Family Independence .....	417
Medical Assistance - Capitation	Strengthening Family Independence .....	108
	Subtotal .....	<u>\$ -666</u>

This Program Revision will begin implementation of the Federal Family Support Act of 1988, by strengthening child support enforcement, providing education and training and certain services to cash recipients and encouraging family independence.

Personal Care Workers Salary Increase	Personal Care Workers Salary Increase .....	\$ 7,563
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This Program Revision will enable the department to provide an average salary increase of \$500 for one-half year to personal care workers employed by private and nonprofit agencies that provide human services under contract with the counties and the State. This is part of a \$8.0 million Personal Care Workers Salary Increase Program Revision.

Community Mental Health Services	Community Support Services .....	\$ 725
Community Based Services for the Mentally Retarded	Community Support Services .....	1,000
	Subtotal .....	<u>\$ 1,725</u>

This Program Revision provides housing and employment assistance for the mentally ill and family support services for the mentally retarded.

Child Abuse Prevention	Child Abuse Prevention .....	\$ 6,100
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This Program Revision will provide protective services for neglected and abused children, increase training for child abuse workers and provide more effective technical assistance to agencies serving children.

Day Care Services	Day Care Quality Enhancement .....	\$ 3,800
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This Program Revision will purchase services for an additional 764 children, provide salary increases to direct care workers and expand the local management agency approach to purchasing day care services.

# PUBLIC WELFARE

Appropriation	Title	1989-90 State Funds (in thousands)
<b>GENERAL FUND</b>		
<b>Homeless Assistance</b>	Transition to Permanency for Homeless Families .....	\$ 600
	This Program Revision will provide intensive case management services and rental assistance to move 300 families with children from emergency shelters to permanent housing.	
<b>Youth Development Institutions</b>	Comprehensive Drug and Alcohol Abuse Initiative .....	\$ 757
<b>Medical Assistance Outpatient</b>	Comprehensive Drug and Alcohol Abuse Initiative .....	1,500
<b>Community Mental Health Services</b>	Comprehensive Drug and Alcohol Abuse Initiative .....	2,295
	Subtotal .....	\$ 4,552
	This Program Revision will provide for the establishment of two drug and alcohol programs at the Youth Development Institutions, non-hospital drug and alcohol treatment for medical assistance clients and mental health services for students referred to the Student Assistance programs. This is part of the \$16.3 million Comprehensive Drug and Alcohol Abuse Initiative. For further information see the Program Revision in the Executive Office.	
<b>Early Intervention</b>	Expansion of Preschool Education Programs .....	\$ 638
	This Program Revision will provide services to 606 additional children from birth through two years of age. This is part of the \$1.6 million Expansion of Preschool Education Programs Program Revision. For further information see the Program Revision in the Department of Education.	
<b>DEPARTMENT TOTAL</b> .....		\$ 54,835

# PUBLIC WELFARE

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88	1988-89	1989-90
GENERAL FUND	Actual	Available	Budget
<b>GENERAL GOVERNMENT:</b>			
<b>General Government Operations</b> .....	<b>\$ 18,146</b>	<b>\$ 19,247</b>	<b>\$ 21,307</b>
(F) Child Welfare Services .....	2,387	2,377	2,240
(F) Rehabilitation Services Facilities .....	640	640	640
(F) Medical Assistance .....	16,216	13,312	13,397
(F) Maintenance Assistance .....	5,596	9,980	10,424
(F) Food Stamp Program — Administration .....	2,404	2,576	2,733
(F) Developmental Disabilities .....	3,289	3,723	3,723
(F) Child and Adolescent Services System .....	485	345	275
(F) Refugees and Persons Seeking Asylum .....	261	489	665
(F) ESEA(l) Handicapped Education .....	323	375	394
(F) Manpower Development — Mental Health .....	68	151	100
(F) Mental Health Community Support .....	171	811	55
(F) Special Needs Adoption .....	7	.....	.....
(F) Child Welfare/Adoption Exchange .....	86	165	165
(F) ADAMHSBG .....	108	134	134
(F) SSBG .....	5,384	5,056	4,913
(F) Outreach, Advocacy and Training .....	.....	125	125
(F) Work Saturation Project — Administration .....	.....	208	.....
(F) Homeless Mentally — Ill — Administration .....	.....	77	93
(F) Vocational Improvement Project .....	.....	199	199
(F) Handicapped Education — Early Intervention .....	21	2,586	2,678
(F) Monitoring Detainment of Juveniles .....	.....	91	.....
(F) Mental Health Plan .....	.....	83	85
(A) Institutional Collections .....	630	623	622
(A) Services to Other Agencies .....	80	80	80
(A) Management Development Services .....	523	588	588
(A) Child Abuse Reviews .....	463	501	501
Subtotal — Federal Funds .....	<u>\$ 37,446</u>	<u>\$ 43,503</u>	<u>\$ 43,038</u>
Subtotal — Augmentations .....	<u>1,696</u>	<u>1,792</u>	<u>1,791</u>
Total — General Government Operations .....	<u>\$ 57,288</u>	<u>\$ 64,542</u>	<u>\$ 66,136</u>
<b>Information Systems</b> .....	<b>25,803</b>	<b>26,915</b>	<b>29,720</b>
(F) Maintenance Assistance .....	12,211	11,088	7,436
(F) Medical Assistance .....	8,500	13,806	14,082
(F) Food Stamp Program .....	1,663	2,757	2,913
(F) Child Support Enforcement .....	999	1,167	1,243
(A) Lottery Commission .....	18	.....	.....
Total — Information Systems .....	<u>\$ 49,194</u>	<u>\$ 55,733</u>	<u>\$ 55,394</u>
<b>County Assistance Offices</b> .....	<b>160,500</b>	<b>170,119</b>	<b>187,683</b>
(F) Maintenance Assistance .....	46,045	49,492	56,810
(F) Medical Assistance .....	19,136	21,987	18,937
(F) Food Stamp Program .....	37,036	39,637	42,608
(F) LIHEABG — Administration .....	12,000	11,830	12,471
(F) LIHEABG — Low-Income Families and Individuals .....	90,926	92,690	81,800
(F) SSBG .....	13,768	12,929	12,563
Total — County Assistance Offices .....	<u>\$ 379,411</u>	<u>\$ 398,684</u>	<u>\$ 412,872</u>

# PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
<b>GENERAL FUND</b>	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL GOVERNMENT: (continued)</b>			
<b>County Administration — Statewide</b> .....	<b>\$ 25,322</b>	<b>\$ 26,885</b>	<b>\$ 29,045</b>
(F) Maintenance Assistance .....	4,091	6,545	5,457
(F) Medical Assistance .....	27,003	25,354	26,191
(F) Food Stamp Program .....	4,389	5,776	4,729
(A) OBRA Reimbursement .....	.....	.....	491
(A) Fee for Material from Outside Vendors .....	166	15	15
(A) Food Stamp Retained Collections .....	624	1,076	1,490
Total — County Administration — Statewide .....	<u>\$ 61,595</u>	<u>\$ 65,651</u>	<u>\$ 67,418</u>
<b>Program Accountability</b> .....	<b>6,759</b>	<b>7,297</b>	<b>8,034</b>
(F) Medical Assistance .....	1,215	493	550
(F) Maintenance Assistance .....	1,184	1,514	431
(F) Child Support Enforcement .....	39,807	44,979	53,254
(F) Food Stamp Program .....	1,587	2,150	2,524
(A) Child Support Receipts .....	62	86	86
(A) Food Stamp Collection .....	166	166	166
(A) Title IV-E Incentive Collection .....	24	200	200
Total — Program Accountability .....	<u>\$ 50,804</u>	<u>\$ 56,885</u>	<u>\$ 65,245</u>
<b>New Directions</b> .....	<b>12,631<sup>a</sup></b>	<b>15,831</b>	<b>19,799</b>
(F) Maintenance Assistance .....	2,429	7,721	8,797
(F) Work Incentive .....	1,044	4,201	4,201
(F) Food Stamps — Employment and Training .....	7,033	14,261	12,633
(F) Work Saturation .....	212	475	.....
Total — Employment and Training Programs .....	<u>\$ 23,349</u>	<u>\$ 42,489</u>	<u>\$ 45,430</u>
<b>Visually Handicapped</b> .....	<b>5,454</b>	<b>5,586</b>	<b>6,367</b>
(F) Rehabilitation for the Blind — Basic Support .....	6,018	6,578	6,713
(F) Vocational Rehabilitation — Social Security Disability Beneficiaries .....	281	281	380
(F) Rehabilitation Services Project .....	37	40	.....
Total — Visually Handicapped .....	<u>\$ 11,790</u>	<u>\$ 12,485</u>	<u>\$ 13,460</u>
Subtotal — State Funds .....	\$ 254,615	\$ 271,880	\$ 301,955
Subtotal — Federal Funds .....	376,060	421,254	419,761
Subtotal — Augmentations .....	2,756	3,335	4,239
Total — General Government .....	<u>\$ 633,431</u>	<u>\$ 696,469</u>	<u>\$ 725,955</u>

<sup>a</sup>Actually appropriated as \$6,040,000 for Pennsylvania Employment Program, \$2,751,000 for Job Training Transitionally Needy and \$3,840,000 for Job Training AFDC Recipients.

# PUBLIC WELFARE

(Dollar Amounts in Thousands)

<b>GENERAL FUND</b>	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>INSTITUTIONS:</b>			
<b>Youth Development Institutions</b> .....	<b>\$ 30,612</b>	<b>\$ 32,164</b>	<b>\$ 34,231</b>
(F) Food Nutrition Service .....	441	525	525
(F) Juvenile Justice and Delinquency Prevention .....	13	150	150
(F) SSBG — Basic Institutional Program .....	950	950	923
(A) Cafeteria .....	5	12	12
(A) Institutional Reimbursements .....	2	13	13
Total — Youth Development Institutions .....	<u>\$ 32,023</u>	<u>\$ 33,814</u>	<u>\$ 35,854</u>
<b>State General Hospitals</b> .....	<b>12,794</b>	<b>18,044<sup>a</sup></b>	<b>15,345</b>
(F) Medicare Services .....	26,518	27,408 <sup>b</sup>	23,991
(F) Medical Assistance .....	5,262	5,608 <sup>c</sup>	3,977
(A) Institutional Collections .....	25,719	24,602	23,275
(A) Cafeteria Reimbursements .....	41	.....	.....
(A) Miscellaneous Reimbursements .....	242	.....	.....
Total — State General Hospitals .....	<u>\$ 70,576</u>	<u>\$ 75,662</u>	<u>\$ 66,588</u>
<b>State Mental Hospitals</b> .....	<b>328,296<sup>d</sup></b>	<b>\$ 329,068<sup>e</sup></b>	<b>354,594</b>
(F) Medical Assistance .....	64,974	88,851	84,327
(F) Medicare Services .....	27,337	30,025	22,555
(F) Library Services — Title I .....	14	.....	.....
(F) Food and Nutrition Services .....	182	316	258
(F) Energy Conservation Grant .....	422	.....	.....
(A) Cafeteria .....	89	.....	.....
(A) Sale of Reclaimable Materials .....	2	.....	.....
(A) Institutional Collections .....	36,721	36,856	32,815
(A) Miscellaneous Institutional Reimbursements .....	242	.....	.....
Total — State Mental Hospitals and Haverford .....	<u>\$ 458,279</u>	<u>\$ 485,116</u>	<u>\$ 494,549</u>
<b>State Centers for the Mentally Retarded</b> .....	<b>94,913</b>	<b>95,063</b>	<b>102,647</b>
(F) Medical Assistance .....	144,377	160,261	149,168
(F) Food and Nutrition Service .....	103	150	103
(A) Sale of Reclaimable Material .....	1	.....	.....
(A) Institutional Collections .....	11,636	11,000	10,500
(A) Miscellaneous .....	110	.....	.....
Total — State Centers for the Mentally Retarded .....	<u>\$ 251,140</u>	<u>\$ 266,474</u>	<u>\$ 262,418</u>
Subtotal — State Funds .....	<u>\$ 466,615</u>	<u>\$ 474,339</u>	<u>\$ 506,817</u>
Subtotal — Federal Funds .....	270,593	314,244	285,977
Subtotal — Augmentations .....	74,810	72,483	66,615
Total — Institutional .....	<u>\$ 812,018</u>	<u>\$ 861,066</u>	<u>\$ 859,409</u>

<sup>a</sup>Includes recommended supplemental appropriation of \$6,000,000.

<sup>b</sup>Actual appropriation includes \$5,022,000 more than will be received.

<sup>c</sup>Actual appropriation includes \$1,258,000 more than will be received.

<sup>d</sup>Actually appropriated as \$327,798,000 for State Mental Hospitals and \$498,000 for Haverford State Hospital.

<sup>e</sup>Actually appropriated as \$307,527,000 for State Mental Hospitals and \$21,541,000 for Haverford State Hospital.

# PUBLIC WELFARE

<b>GENERAL FUND</b>	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GRANTS AND SUBSIDIES:</b>			
<b>Cash Grants</b> .....	<b>\$ 553,500</b>	<b>\$ 528,400</b>	<b>\$ 547,949</b>
(F) Maintenance Assistance .....	438,477	437,580	444,850
(F) Disaster Relief — May 1986 Flood .....	112	.....	.....
(A) Public Assistance — Restitutions/Over Payments .....	23,735	18,708 <sup>a</sup>	19,866
(A) Child Support Payments .....	55,777	44,844 <sup>b</sup>	47,889
(A) PEMA — 1985 Flood Relief-NE .....	8	.....	.....
Total — Cash Grants .....	<u>\$ 1,071,609</u>	<u>\$ 1,029,532</u>	<u>\$ 1,060,554</u>
<b>Medical Assistance — Transportation</b> .....	<b>9,268</b>	<b>14,592</b>	<b>15,046</b>
(F) Medical Assistance .....	5,656	9,885	9,009
Total — Transportation .....	<u>\$ 14,924</u>	<u>\$ 24,477</u>	<u>\$ 24,055</u>
<b>Medical Assistance — Outpatient</b> .....	<b>276,642</b>	<b>316,273<sup>c</sup></b>	<b>350,582</b>
(F) Medical Assistance .....	258,075	304,146	327,992
(A) Collections .....	290	310	310
(A) Medicare Part B Recovery .....	43	86	43
Total — Outpatient .....	<u>\$ 535,050</u>	<u>\$ 620,815</u>	<u>\$ 678,927</u>
<b>Medical Assistance — Inpatient</b> .....	<b>455,428</b>	<b>462,000</b>	<b>417,217</b>
(F) Medical Assistance .....	316,727	340,482	299,583
(A) Collections — Inpatient .....	3,386	4,200	3,688
(A) Refunds — Inpatient .....	2,901	2,901	2,901
Total — Inpatient .....	<u>\$ 778,442</u>	<u>\$ 809,583</u>	<u>\$ 723,389</u>
<b>Medical Assistance — Capitation</b> .....	<b>91,773</b>	<b>119,172<sup>d</sup></b>	<b>116,833</b>
(F) Medical Assistance .....	75,230	85,926	89,423
Total — Capitation .....	<u>\$ 167,003</u>	<u>\$ 205,098</u>	<u>\$ 206,256</u>
<b>Long-Term Care Facilities</b> .....	<b>162,891</b>	<b>218,340</b>	<b>256,595</b>
(F) Medical Assistance .....	437,477	488,707	500,136
(A) Collections .....	981	1,116	1,047
<b>Long-Term Care — Disproportionate Share</b> .....	<b>.....</b>	<b>1,000</b>	<b>1,000</b>
Total — Long-Term Care .....	<u>\$ 601,349</u>	<u>\$ 709,163</u>	<u>\$ 758,778</u>
<b>Pre-Admission Assessment</b> .....	<b>.....</b>	<b>2,368</b>	<b>3,402</b>
(F) Medical Assistance .....	.....	2,367	5,713
Total — Pre-Admission Assessment .....	<u>\$ .....</u>	<u>\$ 4,735</u>	<u>\$ 9,115</u>
<b>AZT Treatment</b> .....	<b>.....</b>	<b>319<sup>e</sup></b>	<b>2,752</b>
<b>Supplemental Grants — Aged, Blind and Disabled</b> .....	<b>74,430</b>	<b>76,743</b>	<b>79,412</b>
<b>Community Mental Health Services</b> .....	<b>138,940</b>	<b>148,681</b>	<b>155,782</b>
(F) Mental Health Offenders .....	.....	29	.....
(F) Medical Assistance — Intensive Case Management .....	.....	5,500	5,500
(F) ADAMHBG .....	13,384	13,983	12,763
(F) SSBG .....	10,254	12,050	11,709
(F) Homeless Mentally Ill .....	1,000	883	859
Total — Community Mental Health .....	<u>\$ 163,578</u>	<u>\$ 181,126</u>	<u>\$ 186,613</u>

<sup>a</sup>Cash grants augmentation for Restitutions/over payments reflects a decline from FY1987-88 as Unemployment Compensation/Supplemental Security Income restitution is now treated as a refund to the appropriate authority.

<sup>b</sup>Cash grants augmentation for Child Support Payments reflects a decline from FY1987-88 as Title IV-D Child Support Incentive funds for County Court Domestic Relations sections is now treated as a restricted revenue.

<sup>c</sup>Actually appropriated as \$313,564,000 for Medical Assistance — Outpatient and \$2,709,000 for Fee Increase Independent Clinic/Home Health/Partial Hospitalization.

<sup>d</sup>Includes recommended supplemental appropriation of \$4,172,000.

<sup>e</sup>Recommended supplemental.

# PUBLIC WELFARE

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<i>GRANTS AND SUBSIDIES: (continued)</i>			
Teen Suicide Center .....	\$ 250	\$ 500	\$ 515
Eastern Pennsylvania Psychiatric Institute .....	7,400	7,622	7,851
Community Based Services for the Mentally Retarded .....	80,349	85,295	90,283
(F) Medical Assistance .....	9,936	17,158	15,146
(F) Mental Retardation Offenders .....	6	54	.....
(F) SSBG .....	14,059	13,203	12,829
Total — Community Based Services MR .....	<u>\$ 104,350</u>	<u>\$ 115,710</u>	<u>\$ 118,258</u>
Elwyn Institute .....	200	206	.....
Community Residential Services for the Mentally Retarded .....	151,800	166,172	173,568
(F) Medical Assistance .....	30,565	41,552	45,114
(F) SSBG .....	5,664	5,319	5,169
Total — Community Residential Services - MR .....	<u>\$ 188,109</u>	<u>\$ 213,043</u>	<u>\$ 223,851</u>
Pennhurst Dispersal .....	.....	2,500	.....
Philadelphia Association for Retarded Citizens .....	278	214	220
Intermediate Care Facilities — Mentally Retarded .....	51,935	57,259	66,367
(F) Medical Assistance .....	70,209	77,167	88,246
(A) Cost Settlement .....	26	.....	.....
Total — Intermediate Care Facilities/Mentally Retarded .....	<u>\$ 122,170</u>	<u>\$ 134,426</u>	<u>\$ 154,613</u>
Early Intervention .....	17,063 <sup>a</sup>	17,574	18,651
MH/MR - Residential Wage and Hour Ruling .....	.....	3,000 <sup>b</sup>	3,000
MR - Philadelphia Court Settlement .....	.....	2,600 <sup>c</sup>	.....
Beacon Lodge Camp - Blind Services .....	75	77	77
Overbrook School .....	150	155	.....
County Child Welfare .....	126,100	155,712 <sup>d</sup>	160,638
(F) Child Welfare Services .....	14,000	14,400	10,000
(F) Maintenance Assistance .....	47,854	51,467	61,000
(F) Refugees and Persons Seeking Asylum .....	1,700	1,700	.....
(F) SSBG .....	11,181	9,000	8,745
Child Abuse Prevention .....	.....	.....	<u>\$ 6,100</u>
Total — County Child Welfare Services .....	<u>\$ 200,835</u>	<u>\$ 232,279</u>	<u>\$ 246,483</u>
Day Care Services .....	28,235	31,785	36,847
(F) Dependent Care Planning .....	.....	421	383
(F) SSBG .....	39,900	39,904	38,775
(F) Child Abuse Prevention Training .....	206	.....	.....
(F) Child Development Scholarships .....	.....	154	122
Total — Day Care .....	<u>\$ 68,341</u>	<u>\$ 72,264</u>	<u>\$ 76,127</u>
Arsenal Family and Children's Center Pittsburgh .....	139	139	143
Western Psychiatric Institute and Clinic .....	7,122	7,407	7,629
Domestic Violence .....	3,576	4,112	4,279
(F) Family Violence and Prevention .....	339	339	319
(F) SSBG .....	1,573	1,573	1,529
(F) Homeless Assistance .....	.....	736	736
Total — Domestic Violence .....	<u>\$ 5,488</u>	<u>\$ 6,760</u>	<u>\$ 6,863</u>

<sup>a</sup>Actually appropriated as \$25,080,000 for Early Intervention to the Department of Public Welfare, but excludes \$8,017,000 transferred to Department of Education as Early Intervention - Handicapped Children.

<sup>b</sup>Recommended supplemental.

<sup>c</sup>Recommended supplemental.

<sup>d</sup>Actually appropriated as \$135,712,000 for County Child Welfare and \$20,000,000 for Supplemental Children and Youth/Family Preservation.

# PUBLIC WELFARE

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<i>GRANTS AND SUBSIDIES: (continued)</i>			
<b>Rape Crisis</b> .....	\$ 1,194	\$ 1,523	\$ 1,592
(F) PHHSBG .....	180	180	180
(F) SSBG .....	826	826	803
Total — Rape Crisis .....	<u>\$ 2,200</u>	<u>\$ 2,529</u>	<u>\$ 2,575</u>
<b>Breast Cancer Screening</b> .....	402	402	556
(F) SSBG — Family Planning .....	5,020	5,020	4,878
<b>Legal Services</b> .....	2,000	2,000	2,249
(F) SSBG .....	6,688	6,688	6,499
<b>Human Services Development Fund</b> .....	13,069	14,500	14,906
(F) Refugees and Persons Seeking Asylum .....	3,715	4,500	.....
(F) SSBG .....	14,339	14,339	13,933
(F) Immigration Reform and Control .....	.....	5,310	.....
Total — Human Services Development .....	<u>\$ 31,123</u>	<u>\$ 38,649</u>	<u>\$ 28,839</u>
<b>Personal Care Worker's - Salary Increase</b> .....	.....	.....	7,563
(F) Medical Assistance - MR Residential .....	.....	.....	1,000
<b>Homeless Assistance</b> .....	11,335	12,800	13,865
(F) SSBG .....	2,849	2,849	2,768
<b>Attendant Care</b> .....	4,051	4,774	6,043
(F) SSBG .....	4,459	4,463	4,337
<b>Services for the Developmentally Disabled</b> .....	.....	.....	300
(F) Medical Assistance .....	.....	.....	157
<b>Health and Human Services Projects</b> .....	.....	3,844	.....
Subtotal — State Funds .....	\$ 2,269,675	\$ 2,470,060	\$ 2,569,812
Subtotal — Federal Funds .....	1,841,548	2,020,990	2,031,335
Subtotal — Augmentations .....	87,259	72,165	75,744
Total — Grants and Subsidies .....	<u>\$ 4,198,482</u>	<u>\$ 4,563,215</u>	<u>\$ 4,676,891</u>
STATE FUNDS .....	\$ 2,990,905	\$ 3,216,279	\$ 3,378,584
FEDERAL FUNDS .....	2,488,201	2,756,488	2,737,073
AUGMENTATIONS .....	<u>164,825</u>	<u>147,983</u>	<u>146,598</u>
<b>GENERAL FUND TOTAL</b> .....	<u><u>\$ 5,643,931</u></u>	<u><u>\$ 6,120,750</u></u>	<u><u>\$ 6,262,255</u></u>
<b>LOTTERY FUND</b>			
<i>GRANTS AND SUBSIDIES:</i>			
<b>Medical Assistance — Long-Term Care</b> .....	\$ 140,000	\$ 126,000	\$ 106,000
<b>Pre-Admission Assessment</b> .....	2,505	.....	.....
(F) Medical Assistance .....	2,505	.....	.....
Total — Pre-Admission Assessment .....	<u>\$ 5,010</u>	<u>.....</u>	<u>.....</u>
<b>Medicare Part B Payments</b> .....	<u>9,330</u>	<u>.....</u>	<u>.....</u>
STATE FUNDS .....	151,835	126,000	106,000
FEDERAL FUNDS .....	<u>2,505</u>	<u>.....</u>	<u>.....</u>
<b>LOTTERY FUND TOTAL</b> .....	<u><u>\$ 154,340</u></u>	<u><u>\$ 126,000</u></u>	<u><u>\$ 106,000</u></u>

# PUBLIC WELFARE

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Budget
<b>ENERGY CONSERVATION AND ASSISTANCE FUND</b>			
<i>GRANTS AND SUBSIDIES:</i>			
Low Income Energy Assistance .....	\$ 41,970	\$ 30,702	\$ 20,000
Energy Conservation and Assistance Fund Total .....	\$ 41,970	\$ 30,702	\$ 20,000
DEPARTMENT TOTALS — ALL FUNDS			
GENERAL FUNDS .....	\$ 2,990,905	\$ 3,216,279	\$ 3,378,584
SPECIAL FUNDS .....	193,805	156,702	126,000
FEDERAL FUNDS .....	2,490,706	2,756,488	2,737,073
AUGMENTATIONS .....	164,825	147,983	146,598
<b>TOTAL ALL FUNDS .....</b>	<b>\$ 5,840,241</b>	<b>\$ 6,277,452</b>	<b>\$ 6,388,255</b>

# PUBLIC WELFARE

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>HUMAN SERVICES SUPPORT</b>							
General Funds.....	\$ 50,708	\$ 53,459	\$ 59,061	\$ 62,290	\$ 65,716	\$ 69,027	\$ 72,823
Federal Funds.....	104,612	121,457	125,471	123,267	124,270	124,929	126,013
Other Funds.....	1,966	2,244	2,243	2,243	2,243	2,243	2,243
<b>TOTAL.....</b>	<b>\$ 157,286</b>	<b>\$ 177,160</b>	<b>\$ 186,775</b>	<b>\$ 187,800</b>	<b>\$ 192,229</b>	<b>\$ 196,199</b>	<b>\$ 201,079</b>
<b>MEDICAL ASSISTANCE</b>							
General Funds.....	\$ 1,008,796	\$ 1,152,108	\$ 1,178,772	\$ 1,292,954	\$ 1,372,238	\$ 1,451,604	\$ 1,514,049
Special Funds.....	151,835	126,000	106,000	86,000	66,000	66,000	66,000
Federal Funds.....	1,127,450	1,265,659	1,260,954	1,371,682	1,427,740	1,483,827	1,539,947
Other Funds.....	33,603	33,215	31,264	31,264	31,264	31,264	31,264
<b>TOTAL.....</b>	<b>\$ 2,321,684</b>	<b>\$ 2,576,982</b>	<b>\$ 2,576,990</b>	<b>\$ 2,781,900</b>	<b>\$ 2,897,242</b>	<b>\$ 3,032,695</b>	<b>\$ 3,151,260</b>
<b>INCOME MAINTENANCE</b>							
General Funds.....	\$ 826,383	\$ 817,978	\$ 863,888	\$ 883,823	\$ 870,972	\$ 874,790	\$ 885,826
Special Funds.....	41,970	30,702	20,000	20,000	0	0	0
Federal Funds.....	703,589	730,478	732,047	739,863	713,579	705,762	707,077
Other Funds.....	80,422	64,643	69,751	82,354	88,433	94,808	101,698
<b>TOTAL.....</b>	<b>\$ 1,652,364</b>	<b>\$ 1,643,801</b>	<b>\$ 1,685,686</b>	<b>\$ 1,726,040</b>	<b>\$ 1,672,984</b>	<b>\$ 1,675,360</b>	<b>\$ 1,694,601</b>
<b>MENTAL HEALTH</b>							
General Funds.....	\$ 482,008	\$ 493,278	\$ 526,371	\$ 550,386	\$ 574,621	\$ 599,983	\$ 626,540
Federal Funds.....	117,567	151,637	137,971	143,849	150,051	156,595	163,498
Other Funds.....	37,054	36,856	32,815	33,141	34,964	36,886	38,915
<b>TOTAL.....</b>	<b>\$ 636,629</b>	<b>\$ 681,771</b>	<b>\$ 697,157</b>	<b>\$ 727,376</b>	<b>\$ 759,636</b>	<b>\$ 793,464</b>	<b>\$ 828,953</b>
<b>MENTAL RETARDATION</b>							
General Funds.....	\$ 396,618	\$ 429,883	\$ 462,299	\$ 485,572	\$ 499,908	\$ 514,360	\$ 528,875
Federal Funds.....	274,919	314,864	316,775	327,136	338,523	349,908	361,162
Other Funds.....	11,773	11,000	10,500	10,500	10,500	10,500	10,500
<b>TOTAL.....</b>	<b>\$ 683,310</b>	<b>\$ 755,747</b>	<b>\$ 789,574</b>	<b>\$ 823,208</b>	<b>\$ 848,931</b>	<b>\$ 874,768</b>	<b>\$ 900,537</b>
<b>HUMAN SERVICES</b>							
General Funds.....	\$ 226,392	\$ 269,573	\$ 288,193	\$ 299,313	\$ 306,268	\$ 313,604	\$ 321,653
Federal Funds.....	162,569	172,393	163,855	164,977	164,977	164,977	164,977
Other Funds.....	7	25	25	25	25	25	25
<b>TOTAL.....</b>	<b>\$ 388,968</b>	<b>\$ 441,991</b>	<b>\$ 452,073</b>	<b>\$ 464,315</b>	<b>\$ 471,270</b>	<b>\$ 478,606</b>	<b>\$ 486,655</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 2,990,905	\$ 3,216,279	\$ 3,378,584	\$ 3,574,338	\$ 3,689,723	\$ 3,823,368	\$ 3,949,766
SPECIAL FUNDS.....	193,805	156,702	126,000	106,000	66,000	66,000	66,000
FEDERAL FUNDS.....	2,490,706	2,756,488	2,737,073	2,870,774	2,919,140	2,985,998	3,062,674
OTHER FUNDS.....	164,825	147,983	146,598	159,527	167,429	175,726	184,645
<b>TOTAL.....</b>	<b>\$ 5,840,241</b>	<b>\$ 6,277,452</b>	<b>\$ 6,388,255</b>	<b>\$ 6,710,639</b>	<b>\$ 6,842,292</b>	<b>\$ 7,051,092</b>	<b>\$ 7,263,085</b>

# PUBLIC WELFARE

*PROGRAM OBJECTIVE: To provide effective administrative and support systems through which the substantive programs of the department can be operated and achieved.*

## Program: Human Services Support

Human services support provides the administrative and support systems for the operation of various substantive health, social, and economic development programs, as well as assisting in the development and implementation of human services policies and programs.

The network of services provides direction and overhead support for youth development centers, general hospitals, institutions for the mentally retarded, institutions for the mentally ill and information system support. Human services support operations provide overall planning, direction, and information system support for a comprehensive social services system and for individuals striving to attain and maintain a minimally acceptable level of living.

Human services support 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.

The administrative costs for regional offices, various commissions and advisory committees, and the central office are included in this category. A primary concern of the Commonwealth is to minimize administrative costs in relation to service costs.

As part of human services support, the Office of Fraud and Abuse Investigation and Recovery (OFAIR) works to investigate and recover public assistance funds that are a result of welfare fraud. Also, OFAIR operates a Bureau of Child Support Enforcement. This bureau is part of a Federally mandated program.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>General Government Operations</b>	
\$ 1,834	—to continue current program.
143	—replacement of Federal Social Services Block Grant.
-105	—transferred to the Inspector General as part of reorganization.
148	—PRR — Nursing Home Reform. Funds are provided to implement program review and approve admissions. See the Program Revision following the Medical Assistance program for further information.
40	—to redesign mental health system.
<u>\$ 2,060</u>	<i>Appropriation Increase</i>
<b>Program Accountability</b>	
\$ 42	—to continue current commitment.
408	—PRR — Strengthening Family Independence. Funds for increased child support enforcement activities. See the Program Revision following the Income Maintenance program for further information.
287	—10% State match for child support enforcement computer system in the County Courts of Common Pleas. Matches \$2,583,000 in Federal funds.
<u>\$ 737</u>	<i>Appropriation Increase</i>

<b>Information Systems</b>	
\$ 341	—to continue current program.
289	—impact of revised Federal matching formula.
1,383	—to replace nonrecurring Federal Title 4-E funds.
500	—to provide front-end processors for completing the statewide computer network required for Federal certification of the Client Information System.
17	—PRR — Strengthening Family Independence. This part of the Program Revision will develop computer applications to monitor AFDC families extended benefits. See the Program Revision following the Income Maintenance program for further information.
275	—to purchase PACBASE software to permit standardized programing of new computer applications.
<u>\$ 2,805</u>	<i>Appropriation Increase</i>

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations . . . . .	\$ 18,146	\$ 19,247	\$ 21,307	\$ 22,166	\$ 23,385	\$ 24,671	\$ 26,028
Information Systems . . . . .	25,803	26,915	29,720	31,337	33,061	34,879	36,797
Program Accountability . . . . .	6,759	7,297	8,034	8,787	9,270	9,477	9,998
<b>TOTAL GENERAL FUND . . . . .</b>	<u>\$ 50,708</u>	<u>\$ 53,459</u>	<u>\$ 59,061</u>	<u>\$ 62,290</u>	<u>\$ 65,716</u>	<u>\$ 69,027</u>	<u>\$ 72,823</u>

*PROGRAM OBJECTIVE: To support a health care delivery system that provides comprehensive health care services in appropriate settings for the eligible populations.*

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## Program: Medical Assistance

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The Medical Assistance program ensures access to comprehensive health care services for those individuals and families with insufficient income to maintain the household unit or with medical expenses exceeding available income. Categorically needy individuals receive cash assistance under Aid to Families with Dependent Children, Supplemental Security Income, or General Assistance programs. Medically needy persons are individuals who do not receive cash assistance grants, but spend a significant portion of their income for medical expenses.

### **Program Element: Outpatient Services**

Outpatient services include the majority of services offered to a person who does not need extended acute care in a health care facility. Outpatient services include clinic and office care, medical, podiatric, dental, rehabilitation, rural health, drug and alcohol, pharmaceutical services, ambulance transportation, home health care, medical equipment, and prosthetic devices.

Categorically needy persons are eligible for the complete array of services provided under the Outpatient Program, while medically needy persons are eligible for all services except pharmaceutical services, medical equipment, and prosthetic devices.

In the outpatient component of the Medical Assistance Program, providers of service are primarily reimbursed on a fee for service basis according to the Medical Assistance Fee Schedule.

### **Program Element: Inpatient Services**

Inpatient hospital services include care for Medical Assistance patients in general, rehabilitation, and private psychiatric hospitals, as well as for patients in State General Hospitals and care provided in selected other hospitals.

The Inpatient Medical Assistance Program provides eligible recipients coverage on a 24 hour basis for room, board, and professional services. A recipient is only eligible for admission under Medical Assistance upon the recommendation of a physician, dentist or podiatrist. Hospital care solely for cosmetic procedures as well as diagnostic or therapeutic procedures solely for experimental, research or educational purposes are not covered by Medical Assistance.

The department uses a prospective payment system (PPS) to reimburse general hospitals. Acute care general hospitals are paid a predetermined amount per discharge based on the patient's diagnosis, the procedures performed, and the patient's age, sex and discharge status. The system used to classify the various diagnoses according to the amount of resources the hospitals customarily uses to treat them is referred to as the Diagnosis Related Groups (DRG) System. The department's payment for compensable inpatient hospital services under the DRG payment system is based on the hospital's group average cost per case. Hospitals are grouped for reimbursement purposes based on the hospitals' teaching status, Medical Assistance volume, environmental characteristics, and costs. For children's hospitals, payment is made with each hospital considered its own group. The DRG system also accounts for those cases that medically cannot fall into the predetermined reimbursement schedule. These "outlier" costs are reimbursed on an exceptional cost basis in the prospective payment to the hospital. When professional care is provided to a Medical Assistance recipient, the department separately reimburses the physician, dentist, podiatrist or midwife who provided direct care services to the recipient and is under salary or contract with the hospital. These services are reimbursed in accordance with the fees established under

the Medical Assistance Fee Schedule through the Medical Assistance Outpatient appropriation.

Free standing drug and alcohol treatment/rehabilitation hospitals, psychiatric and rehabilitation hospitals, as well as psychiatric units of general hospitals, are excluded from the prospective payment system. The methods of treatment and associated lengths of stay for services in these settings have a wide range of variation based on the ability of the patient to respond to treatment and on how providers define the minimum length of stay to complete their program. Accordingly, a DRG system cannot be the base for reimbursement in these instances. Payment for these services continues to be made on a retrospective cost related basis subject to limitations. A Hospice Care Program has been implemented with anticipated savings to the Inpatient appropriation. Terminally ill persons can elect to receive hospice care benefits which include case management services to better meet their needs.

Capital cost reimbursement for buildings and fixtures is being phased into the prospective payment rates. This phase-in started in October, 1986, and will take seven years to complete. Over the seven year period, the percentage paid as a hospital specific amount will gradually decrease while the percentage of the payment calculated as an add-on will gradually increase.

The Commonwealth currently operates five general hospitals. The original intent of these hospitals was to provide low cost care in the coal mining regions of the State. With the availability of Medicare, Medical Assistance and third party insurance, patients are now fully charged for using the facilities. The policy of transferring the ownership of these hospitals to local governments or other providers will depend upon the formation of local community boards willing to assume operating responsibility.

### **Program Element: Capitation**

Alternative health care delivery systems for Medical Assistance recipients have been developed under Health Maintenance Organizations (HMO) and a Health Insuring Organization (HIO). These are two mechanisms for providing services utilizing a fixed rate per recipient enrolled.

HMOs emphasize outpatient preventive health services as a means of controlling costs. HMOs are paid a fixed or predetermined premium for each client. The department currently contracts with three HMOs to provide services to recipients in Allegheny, Beaver, Butler, Delaware, Philadelphia, Washington, and Westmoreland counties. For recipients in Dauphin county, the department contracts with a community health center for prepaid health care.

In January, 1986, the department implemented a Health Insuring Organization Program in five county assistance districts in Philadelphia. The HIO operates much like an HMO; a predetermined rate is paid per recipient enrolled in the HIO. The HIO also is the fiscal agent that administers the delivery of services to the recipients. The HIO is known as Health PASS (Philadelphia Accessible Services System) and has approximately 90,000 Medical Assistance recipients participating in the program.

Both HMOs and the HIO have an incentive to effectively manage the primary care provided to enrolled recipients. If the recipient utilizes more health care than anticipated in the predetermined rate, expenditures increase, and the HMO or HIO loses money. If, however, service costs are controlled, the provider tends to make a profit.

# PUBLIC WELFARE

## Program: Medical Assistance (continued)

### **Program Element: Medical Assistance Transportation Program**

By Federal regulation, the Medical Assistance Transportation Program provides funding to county governments to provide transportation for Medical Assistance recipients who need assistance traveling to and from a health care service provider or a health care facility.

The counties can utilize one of three methods to provide the transportation. County governments can provide this service directly, contract with an independent transportation agency, or pay agencies which provide transportation as part of a whole human services system.

Sixty-three counties have elected to provide transportation directly. The department selected a provider from a competitive bidding process for two counties and, for the remaining two counties where no provider could be found, local county assistance offices provide these services.

### **Program Element: Long Term Care Facilities**

The provision of skilled nursing or intermediate care to persons eligible for Medical Assistance is the primary emphasis of long term care services. Nursing homes certified to participate in the Medical Assistance Program provide one or both levels of care in accordance with established standards.

Skilled nursing care involves skilled nursing and rehabilitation services rendered under the general direction of a licensed physician. The services are provided by or under the supervision of licensed professional nursing personnel or other professional health personnel. Skilled nursing care is required and provided on a daily basis, and is provided on an inpatient basis. Intermediate care is a planned program of health care and management that is provided under the supervision of a physician to recipients with a mental or physical disability whose needs cannot be met in a less intensive setting.

The department pays nursing facilities their actual allowable costs, subject to certain limitations. Allowable costs include net operating costs. These are all costs related to administrative overhead and patient care. Capital costs include depreciation and interest.

Net operating costs are reimbursed based on ceilings established by the department. Ceilings are calculated by grouping the nursing home facilities into the Metropolitan Statistical Areas of Pennsylvania. The median of year end reported costs for each group is used to set the ceiling. Separate ceilings are established for skilled and intermediate nursing care. Hospital based nursing units and special rehabilitation nursing facilities are grouped on a statewide basis for ceiling setting purposes. Depreciation and interest payments are made in addition to net operating costs.

The department has entered into a contract with a reimbursement consultant to design a new reimbursement methodology for nursing home facilities. The new system will more closely align reimbursement with patient needs and resources use to meet these needs.

### **Program Element: Pre-Admission Assessment**

Alternatives to nursing home care for individuals with long term care needs are being pursued. Pre-admission assessment is one tool being utilized to effectively place individuals in the most appropriate setting for their needs.

The Pre-Admission Assessment Program determines if the needs of individuals applying for nursing home care would be best met in a nursing facility or if the person's needs could be met by utilizing services available in the community, through a less intensive setting, like a personal care boarding home, or through a combination of services that can be provided in the home.

## Program Measures

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Persons eligible for Medical Assistance, monthly average	1,200,550	1,171,930	1,172,573	1,184,299	1,196,142	1,208,103	1,220,185
Value of inappropriate billings avoided (in thousands)	\$5,350	\$5,400	\$5,450	\$5,500	\$5,550	\$5,600	\$5,650
<b>Outpatient</b>							
Outpatient visits:							
Physicians	2,588,905	2,515,760	2,484,024	2,501,321	2,526,334	2,551,597	2,577,155
Dentists	322,443	313,333	309,380	311,535	314,650	317,796	320,974
Total clinic visits	928,815	902,573	891,188	897,393	906,367	915,431	924,585
Home health visits	162,888	158,286	156,289	157,377	158,951	160,541	162,146
Prescriptions filled	12,366,983	12,017,577	12,163,887	12,248,587	12,371,072	12,494,783	12,619,731
<b>Inpatient</b>							
Recipients served:							
General hospitals	94,184	91,523	90,368	90,998	91,908	92,827	93,755
Rehabilitation hospitals	3,916	3,805	3,757	3,784	3,821	3,860	3,898
Private psychiatric hospitals	8,766	8,518	8,411	8,469	8,554	8,640	8,726
Average admissions per recipient:							
General hospitals	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Rehabilitation hospitals	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Private psychiatric hospitals	3.1	3.1	3.1	3.1	3.1	3.1	3.1

# PUBLIC WELFARE

## Program: Medical Assistance (continued)

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Average cost per case/admission:</b>							
General hospitals .....	\$2,010	\$2,061	\$2,112	\$2,165	\$2,219	\$2,275	\$2,332
Rehabilitation hospitals .....	\$3,560	\$3,649	\$3,740	\$3,843	\$3,930	\$4,028	\$4,129
Private psychiatric hospitals .....	\$3,938	\$4,037	\$4,138	\$4,241	\$4,347	\$4,456	\$4,567
<b>Total place of service reviews requests processed .....</b>							
	83,000	83,830	84,668	85,515	86,370	87,234	88,106
<b>Capitation</b>							
Medical Assistance recipients served: (monthly average)							
Fee for service delivery .....	1,075,399	1,047,931	1,034,711	1,041,916	1,052,336	1,062,859	1,073,488
Capitation programs .....	125,151	123,999	137,862	142,383	143,806	145,244	146,697
Average HMO program population .....	35,653	36,192	40,239	41,558	41,974	42,393	42,817
Average HIO program population .....	89,498	87,807	97,623	100,825	101,832	102,851	103,88
Percent of total eligibles enrolled .....	10.2%	10.6%	11.8%	12.0%	12.0%	12.0%	12.0%
<b>Transportation program</b>							
Number of one way trips .....	2,057	3,159	3,238	3,319	3,402	3,487	3,574
<b>Long Term Care Facilities</b>							
Average monthly number of recipients receiving institutional long-term care:							
Skilled nursing care .....	5,826	5,943	6,062	6,183	6,307	6,433	6,562
Intermediate care .....	44,408	45,296	46,202	47,126	48,069	49,030	50,011
<b>Pre-Admission Assessments</b>							
Initial assessments .....	13,010	14,731	31,681	32,000	32,000	32,000	32,000
Referrals to nursing homes .....	8,190	9,261	25,166	24,039	24,039	24,039	24,039
Referrals for community services .....	4,820	5,470	6,515	7,961	7,961	7,961	7,961

The Outpatient physician utilization data has been changed to reflect actual visits instead of services as has been shown previously.

	Patient Capacity July 1988	Projected Capacity July 1989	Population July 1988	Projected Population July 1989	Projected Percent of Capacity July 1989
<b>State General Hospitals</b>					
Ashland .....	183	183	67	71	39%
Coaldale .....	156	156	86	89	57%
Nanticoke .....	94	94	43	46	49%
Philipsburg .....	123	123	41	42	34%
Scranton .....	172	172	31	31	18%
Shamokin .....	86	86	23	27	31%
<b>TOTAL .....</b>	<b>814</b>	<b>642</b>	<b>291</b>	<b>275</b>	<b>43%</b>

# PUBLIC WELFARE

**Program: Medical Assistance (continued)**

**Total Proposed Expenditures\* by Hospital:**

	(Dollar Amounts in Thousands)				(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget		1987-88 Actual	1988-89 Available	1989-90 Budget
<b>ASHLAND</b>				<b>PHILLIPSBURG</b>			
State Funds	\$ 2,586	\$ 5,131	\$ 5,015	State Funds	\$ 1,701	\$ 1,306	\$ 1,277
Federal Funds	6,337	4,689	5,333	Federal Funds	5,882	6,661	7,575
Augmentations	6,596	7,006	7,112	Augmentations	4,716	5,409	5,490
<b>TOTAL</b>	<b>\$ 15,519</b>	<b>\$ 16,826</b>	<b>\$ 17,460</b>	<b>TOTAL</b>	<b>\$ 12,299</b>	<b>\$ 13,376</b>	<b>\$ 14,342</b>
<b>COALDALE</b>				<b>SCRANTON</b>			
State Funds	\$ 1,165	\$ 3,786	\$ 3,701	State Funds	\$ 3,745	\$ 2,346	.....
Federal Funds	5,828	4,839	5,503	Federal Funds	5,198	2,143	.....
Augmentations	5,644	4,783	4,855	Augmentations	2,699	1,672	.....
<b>TOTAL</b>	<b>\$ 12,637</b>	<b>\$ 13,408</b>	<b>\$ 14,059</b>	<b>TOTAL</b>	<b>\$ 11,642</b>	<b>\$ 6,161</b>	.....
<b>HAZELTON</b>				<b>SHAMOKIN</b>			
State Funds	\$ 57	.....	.....	State Funds	\$ 1,702	\$ 2,726	\$ 2,665
Federal Funds	93	.....	.....	Federal Funds	4,087	3,885	4,418
Augmentations	176	.....	.....	Augmentations	2,857	2,671	2,711
<b>TOTAL</b>	<b>\$ 326</b>	.....	.....	<b>TOTAL</b>	<b>\$ 8,646</b>	<b>\$ 9,282</b>	<b>\$ 9,794</b>
<b>NANTICOKE</b>				<b>CONNELLSVILLE</b>			
State Funds	\$ 2,023	\$ 2,749	\$ 2,687	State Funds	\$ -185 <sup>a</sup>	.....	.....
Federal Funds	4,275	4,519	5,139	Federal Funds	80	.....	.....
Augmentations	3,207	3,061	3,107	Augmentations	106	.....	.....
<b>TOTAL</b>	<b>\$ 9,505</b>	<b>\$ 10,329</b>	<b>\$ 10,933</b>	<b>TOTAL</b>	<b>\$ 1</b>	.....	.....

<sup>a</sup>Refunds of State expenditures were received after Connellsville closed.

\*The 1988-89 Federal funds total \$26,736,000 based on the most recent estimates. However, this is \$6,280,000 less than currently appropriated.

# PUBLIC WELFARE

## Program: Medical Assistance (continued)

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>GENERAL FUND</b>			
<b>Outpatient</b>			
\$ 6,566	—to provide for drug cost increases of 7.2%.	-3,779	—to reflect savings from third party collections.
-84	—to reflect changes in client case mix.	514	—to annualize 1988-89 initiatives.
1,773	—to provide for increased unit costs for Medicare Part B premiums of \$3.49.	-5,979	—elimination of coinsurance and limit of deductible provided by Medicare Catastrophic coverage.
3,441	—to provide for increases in both case load and service utilization.	2,318	—to provide for increased medically needy income levels.
10,455	—to reflect transfer of short procedure and ambulatory surgical units from Inpatient to Outpatient.	-12,529	—to annualize Health Care Cost Containment.
-2,863	—to accommodate increased utilization of capitation plans.	-7,372	—results of enhanced edit activity.
-909	—to reflect savings from third party collections.	1,000	—to provide for administrative and cash flow adjustments.
1,640	—to annualize 1987-88 and 1988-89 fee increases.	2,151	—to provide for decreased Federal participation.
823	—to annualize shared custody, home health bifurcated fees, case management and hospice care.	644	—PRR — Cash Grant Increase. This Program Revision will provide medical assistance benefits for clients made eligible by the increased income limits. See the Program Revision following the Income Maintenance Program for further information.
-620	—to reflect future payment of transportation for partial psychiatric clients from the MA Transportation appropriation.	417	—PRR — Strengthening Family Independence. This Program Revision will provide extended medical assistance benefits for AFDC families who have obtained employment. See the Program Revision following the Income Maintenance Program for further information.
2,024	—to provide Medicare premium increases mandated by the Catastrophic Health Act.		
-2,128	—reduction due to administrative and cash flow adjustments.		
-5,425	—results of enhanced edit activity.		
2,268	—to reflect a reduction in Federal participation.	-15,908	—PRR — Expanded Medical Assistance Coverage. This revision will provide additional support for pregnant women and children, the elderly and disabled and the at-home spouse of nursing home residents. Funds are provided by discontinuing medical education payments except for nurse training. See the Program Revision following this program for further information.
15,115	—PRR — Expanded Medical Assistance Coverage. This revision will provide additional support for pregnant women and children, the elderly and disabled and the at-home spouse of nursing home residents. Funds are provided by discontinuing medical education payments except for nurse training. See the Program Revision following this program for further information.	\$ -44,783	<i>Appropriation Decrease</i>
1,500	—PRR — Comprehensive Drug and Alcohol Abuse Initiative. This Program Revision will provide for initial phase-in of non-residential drug and alcohol treatment programs. See the Program Revision in the Executive Offices for further information.		The amounts shown for the transfer of short procedure and ambulatory surgical units reflect the elimination of 1988-89 costs in Inpatient and the anticipated cost for 1989-90 in Outpatient. Therefore, the amounts are not identical.
423	—PRR — Cash Grant Increase. This Program Revision will provide medical assistance benefits for clients made eligible by the increased income limits. See the Program Revision following the Income Maintenance Program for further information.	\$ 10,678	<b>Capitation</b>
310	—PRR — Strengthening Family Independence. This Program Revision will provide extended medical assistance benefits for AFDC families who have obtained employment. See the Program Revision following the Income Maintenance Program for further information.	28	—to provide for anticipated cost increases with the new HIO contractor.
		1,477	—to allow for increased HIO utilization.
		4,969	—to provide for cost increase for HMOs.
		1,219	—to provide for increased utilization of HMOs.
		-5,472	—to provide for new HMO organizations.
		-3,910	—to reflect reduction in risk sharing.
		-2,196	—to reflect case mix adjustments.
		-8,347	—to reflect changes in Federal participation.
\$ 34,309	<i>Appropriation Increase</i>		—to discontinue HIO contract provision requiring advance payment.
		-485	—to eliminate new HIO contractor start-up costs.
\$ 2,776	<b>Inpatient</b>	-408	—to reflect savings from cost containment initiatives.
8,269	—to provide for increases in both case load and service utilization.	108	—PRR — Strengthening Family Independence. This Program Revision will provide extended medical assistance benefits for AFDC families who have obtained employment. See the Program Revision following the Income Maintenance Program for further information.
-11,655	—to provide for cost increases of 2.5%.		
-3,616	—reduction from transfer of short procedure and ambulatory surgical units to Outpatient.		
-1,440	—to accommodate increased utilization of capitation plans.		
-594	—to reflect court settlement of 1986 DRG rates.	\$ -2,339	<i>Appropriation Decrease</i>
	—to reflect savings from place of service review and the cost of second surgical opinion.		

# PUBLIC WELFARE

## Program: Medical Assistance (continued)

### Program Recommendations: (continued)

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>GENERAL FUND (continued)</b>		
<b>Long-Term Care</b>		
\$ 4,376	—to provide for 2% increase for private nursing home utilization.	\$ 2,433
10,769	—to provide for rebasing ceilings at 115% of the median plus 2.5% inflation.	
-316	—to annualize the change in ceiling setting methodology from 107% to 115% of the median plus an inflation factor.	
2,005	—to provide for waiver approvals.	\$ 454
448	—to provide for MA resource regulation updates.	
-5,539	—to reflect anticipated reductions in cost settlements.	\$ 1,865
3,442	—to reflect administrative and cash flow adjustments.	
-1,584	—to annualize impact of the Troutment settlement.	
102	—to provide a personal needs increase of \$5.00.	
-12	—to reflect revised property transfer requirements.	
231	—to provide for additional patients due to increasing the medically needy income limits.	<u>-831</u>
-2,905	—to reflect Long-Term Care audit enhancements.	\$ 1,034
-6,657	—to reflect enhance edit activity.	
3,644	—to provide for decreased Federal participation.	
10,251	—PRR — Expanded Medical Assistance Coverage. This revision will provide additional support for pregnant women and children, the elderly and disabled and the at-home spouse of nursing home residents. Funds are provided by discontinuing medical education payments except for nurse training. See the Program Revision following this program for further information.	\$ -2,699
20,000	—PRR — Maintaining the Integrity of the Lottery Fund. This Program Revision will transfer costs from the Lottery Fund to the General Fund. See the Program Revision in the Department of Aging for further information.	\$ -20,000
<u>\$ 38,255</u>	<i>Appropriation Increase</i>	

#### AZT Treatment

—PRR — AIDS Program Expansion. This part of the Program Revision will continue a prior Federal program that provided AZT drug treatment therapy for AIDS patients. See the Program Revision in the Department of Health for further information.

#### Transportation

—to continue current program.

#### Pre-Admission Assessment

—PRR — Nursing Home Reform. This Program Revision will provide funds to the Department of Aging for pre-admission assessments of nursing home applicants. See the Program Revision following this program for further information.

—to continue current program.

#### Appropriation Increase

#### State General Hospitals

—to continue current program.

#### LOTTERY FUND

##### Long Term Care

—PRR — Maintaining the Integrity of the Lottery Fund. This Program Revision will transfer costs from the Lottery Fund to the General Fund. See the Program Revision in the Department of Aging for further information.

In addition, funds are provided to continue the Long-Term Care Disproportionate Share Program.

## Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Medical Assistance — Outpatient . . . . .	\$ 276,642	\$ 316,273	\$ 350,582	\$ 382,310	\$ 401,716	\$ 421,131	\$ 443,554
Medical Assistance — Inpatient . . . . .	455,428	462,000	417,217	454,199	469,875	485,562	501,259
Medical Assistance — Capitation . . . . .	91,773	119,172	116,833	133,311	141,781	150,255	158,731
Medical Assistance — Transportation . . . . .	9,268	14,592	15,046	15,347	15,654	15,967	16,286
Medical Assistance — Long Term Care . . . . .	162,891	218,340	256,595	283,698	317,486	351,274	365,062
Long Term Care — Disproportionate Share . . . . .		1,000	1,000	1,020	1,040	1,061	1,082
AZT . . . . .		319	2,752	3,410	4,068	4,726	5,384
Medical Assistance — Pre-Admission Assessment . . . . .		2,368	3,402	3,470	3,539	3,610	3,682
State General Hospitals . . . . .	12,794	18,044	15,345	16,189	17,079	18,018	19,009
<b>TOTAL GENERAL FUND . . . . .</b>	<u>\$ 1,008,796</u>	<u>\$ 1,152,108</u>	<u>\$ 1,178,772</u>	<u>\$ 1,292,954</u>	<u>\$ 1,372,238</u>	<u>\$ 1,451,604</u>	<u>\$ 1,514,049</u>

# PUBLIC WELFARE

## Program: Medical Assistance (continued)

### Appropriations within this Program (continued)

#### LOTTERY FUND:

Medical Assistance — Long-Term Care ..	\$ 140,000	\$ 126,000	\$ 106,000	\$ 86,000	\$ 66,000	\$ 66,000	\$ 66,000
Medicare Part B Payments .....	9,330	.....	.....	.....	.....	.....	.....
Pre-Admission Assessment .....	2,505	.....	.....	.....	.....	.....	.....
TOTAL LOTTERY FUND .....	<u>\$ 151,835</u>	<u>\$ 126,000</u>	<u>\$ 106,000</u>	<u>\$ 86,000</u>	<u>\$ 66,000</u>	<u>\$ 66,000</u>	<u>\$ 66,000</u>

## Program Revision: Nursing Home Reform

As the population ages and the number of individuals needing long-term care increases, Pennsylvania, like many states across the nation, is concerned about placement decisions and quality of care in nursing homes. Congress enacted nursing home reform legislation which established standards for residential care and screening procedures for the mentally ill, mentally retarded, and persons with developmental disabilities. Combined, these activities should ensure that quality treatment is provided in the most appropriate setting. This Program Revision will establish a program to pre-screen all nursing home applicants and annually review all nursing home residents to ensure that placement and services meet the needs of the individual in the least restrictive and most cost efficient setting. It also recommends funds to test and register nurse aides employed in skilled and intermediate care nursing facilities. The Departments of Public Welfare, Aging, Education, and Health are responsible for the implementation of this Program Revision.

### Pre-Admission Screening and Annual Resident Reviews

To ensure that nursing home applicants receive appropriate care, facilities certified to accept Medical Assistance recipients will no longer admit any new client (whether eligible for Medical Assistance benefits or not) who is mentally ill, mentally retarded, or has developmental disabilities, unless the Department of Public Welfare has first determined that the individual requires nursing facility services and, if so, whether active treatment for existing conditions is required.

As of January 1, 1989, nursing facility providers began conducting initial pre-admission screenings of all applicants. As part of the application process, individuals are asked a series of preliminary questions to determine target group membership. Those suspected of being mentally ill, mentally retarded, or having developmental disabilities undergo a comprehensive evaluation, arranged by the Department of Aging, through an Area Agency on Aging. This comprehensive evaluation involves in-depth physical and mental examinations and assessments to determine the need for nursing care, the extent of disability, the need for active treatment, and the appropriateness of nursing home placement. This Program Revision provides for 31,681 initial screenings and 3,080 comprehensive evaluations.

This Program Revision also provides for annual reviews of nursing home residents by the Department of Public Welfare inspection-of-care staff to determine if appropriate care is being provided to those with mental illness, mental retardation, or developmental disabilities. The first review will begin January 1, 1990, and will be conducted annually thereafter. Alternative placement and/or active treatment will be provided for an estimated 525 nursing home residents who are receiving inappropriate care.

Persons eligible for Medical Assistance benefits will not be charged fees or copayments as part of the pre-admission screening and annual resident review process. Persons who are not eligible for Medical Assistance benefits will be charged the full cost of these evaluations.

### Nurse Aide Training, Competency Testing, and Registry

To improve the quality of patient care for nursing home residents, the State will review and approve training programs for nurse aides employed by nursing homes. The Department of Education will ensure that training covers basic nursing skills, personal care skills, recognition of mental health and social service needs, basic restorative services, and residents' rights. The Department of Education will also contract for the development of a standardized competency test and arrange for its Statewide administration to 42,000 nurse aides.

The Department of Health will maintain a Nurse Aide Registry of all individuals who have satisfactorily completed a State-approved training program and/or competency test. As of January 1, 1990, nursing facilities will be required to make inquiry with the Registry about individuals they plan to employ as nurse aides. Providers will be able to make only limited use of nurse aides not on the Registry.

### Survey, Certification, and Enforcement Activities

In addition to maintaining the Nurse Aide Registry, the Department of Health will be required to implement revised survey and certification requirements and expanded enforcement activities effective October 1, 1990. This Program Revision provides funds to the Department of Health to hire and train staff to carry out these enhanced responsibilities.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Applicants screened for target group membership:							
Medical Assistance .....			31,681	32,000	32,000	32,000	32,000
Non-Medical Assistance .....			33,823	34,000	34,000	34,000	34,000
Applicants screened for appropriateness of care:							
Medical Assistance .....			3,080	3,100	3,100	3,100	3,100
Non-Medical Assistance .....			3,288	3,300	3,300	3,300	3,300
Residents assessed for target group membership:							
Medical Assistance .....			27,200	32,000	32,000	32,000	32,000
Non-Medical Assistance .....			21,400	25,200	25,200	25,200	25,200

# PUBLIC WELFARE

## Program Revision: Nursing Home Reform (continued)

### Program Measures: (continued)

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Residents screened for appropriateness of care:							
Medical Assistance .....			1,089	1,281	1,281	1,281	1,281
Non-Medical Assistance .....			855	1,007	1,007	1,007	1,007
Residents transferred for active treatment:							
Mentally Ill .....			35	70	105	140	140
Mentally Retarded .....			44	88	132	176	176
Developmentally Disabled .....			20	50	100	203	203
Residents receiving active treatment while awaiting transfer:							
Mentally Ill .....			105	70	35		
Mentally Retarded .....			138	88	44		
Developmentally Disabled .....			183	153	103		
Nurse aides certified:							
Current .....							
Program Revision .....			42,000	42,000	42,000	42,000	42,000

## Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>General Fund</b> <b>Public Welfare</b> <b>General Government Operations</b></p> <p>\$ 148 —to implement a program for administrative oversight, regional admissions approval, and hearings and appeals activities.</p> <p><b>County Administration-Statewide</b></p> <p>\$ 68 —to provide for the initial reviews of nursing home residents.</p> <p>\$ 101 —to provide for the annual reviews of nursing home residents.</p> <hr/> <p>\$ 169 <i>Appropriation Increase</i></p> <p><b>Pre-Admission Assessment</b></p> <p>\$ 1,865 —to determine appropriateness of nursing home care for applicants in target population.</p> <p><b>State Mental Hospitals</b></p> <p>\$ 51 —to comply with new staffing requirements at State operated long-term care units.</p> <p><b>Community Mental Health Services</b></p> <p>\$ 122 —to provide services to 35 persons currently in nursing facilities who will be transferred to obtain active treatment.</p> <p>\$ 53 —to provide services to 105 persons needing active treatment and awaiting transfer from nursing facilities.</p> <hr/> <p>\$ 175 <i>Appropriation Increase</i></p> <p><b>Community Based Services for the Mentally Retarded</b></p> <p>\$ 69 —to provide services to 138 persons needing active treatment awaiting transfer from nursing facilities.</p>	<p><b>Intermediate Care Facilities-Mental Retardation</b></p> <p>\$ 259 —to provide services to 44 people currently in nursing facilities who will be transferred to obtain active treatment.</p> <p><b>Services for the Developmentally Disabled</b></p> <p>\$ 117 —to provide services to 20 people currently in nursing facilities who will be transferred to obtain active treatment.</p> <p>\$ 183 —to provide services to 183 persons needing active treatment awaiting transfer from nursing facilities.</p> <hr/> <p>\$ 300 <i>Appropriation Increase</i></p> <p><b>Education</b> <b>General Government Operations</b></p> <p>\$ 40 —to contract for the development of a standardized nurse aide competency test.</p> <p><b>Health</b> <b>Quality Assurance</b></p> <p>\$ 166 —to implement expanded survey and certification requirements and enforcement activities.</p> <p><b>Lottery Fund</b> <b>Aging</b> <b>General Government Operations</b></p> <p>\$ 75 —to provide for computer communications capabilities.</p> <hr/> <p>\$ 3,317 <i>Program Revision Total</i></p>
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# PUBLIC WELFARE

## Program Revision: Nursing Home Reform (continued)

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
<b>PUBLIC WELFARE</b>							
General Government Operations . . . . .			\$ 148	\$ 207	\$ 218	\$ 230	\$ 243
County Administration — Statewide . . . . .			169	213	225	237	250
Pre-Admission Assessment . . . . .			1,865	1,902	1,940	1,979	2,019
State Mental Hospitals . . . . .			51	54	57	60	63
Community Mental Health Services . . . . .			175	913	1,386	1,789	2,130
Community Based Services for the Men- tally Retarded . . . . .			69	233	140	48	. . . . .
Intermediate Care Facilities — Mentally Retarded . . . . .			259	1,585	2,694	3,890	4,392
Services for the Developmentally Disabled . . . . .			300	860	1,248	1,801	2,834
<b>TOTAL PUBLIC WELFARE . . . . .</b>			<b>\$ 3,036</b>	<b>\$ 5,967</b>	<b>\$ 7,908</b>	<b>\$ 10,034</b>	<b>\$ 11,931</b>
<b>EDUCATION</b>							
General Government Operations . . . . .			40				
<b>HEALTH</b>							
Quality Assurance . . . . .			166	175	185	195	206
<b>TOTAL GENERAL FUND . . . . .</b>			<b>\$ 3,242</b>	<b>\$ 6,142</b>	<b>\$ 8,093</b>	<b>\$ 10,229</b>	<b>\$ 12,137</b>
<b>LOTTERY FUND:</b>							
<b>AGING</b>							
General Government Operations . . . . .			\$ 75				
<b>TOTAL ALL FUNDS . . . . .</b>			<b>\$ 3,317</b>	<b>\$ 6,142</b>	<b>\$ 8,093</b>	<b>\$ 10,229</b>	<b>\$ 12,137</b>

## Program Revision: Expanded Medical Assistance Coverage

In the last two years, the Commonwealth has begun providing additional medical coverage for the State's most vulnerable citizens. Healthy Beginnings was established to provide expanded services for pregnant women and children and Healthy Horizons was established to provide expanded services for the elderly and the disabled. This Program Revision builds upon those initiatives.

Currently, a significant amount of funds appropriated to provide inpatient hospital care for Pennsylvania's most vulnerable citizens are being used for medical education payments to teaching hospitals. This Program Revision proposes to minimize the use of Medical Assistance Program funds for medical education, and instead use the money for expanded Medical Assistance services. Part of these training costs may be recovered by hospitals through direct billings for Medical Assistance services provided by interns and residents. The subsidies for training nearly 500 nurses will continue, however, because of the shortage of nurses in the Commonwealth.

This Program Revision proposes to expand the coverage of Healthy Beginnings by increasing the maximum age for children to qualify for this program from under three years old to under four years old. This Program Revision also provides full-year funding for Healthy Horizons, a program that was started in 1988-89 to expand Medical Assistance coverage to over 18,000 more elderly and disabled Pennsylvanians.

Also, Medical Assistance coverage will be expanded to include

prenatal case management services. Prenatal case management will provide pregnant women with individualized care plans based on risk assessments. Services will include nutrition counseling, psychological and social counseling, and childbirth and parenting education. Prenatal case management will address the non-medical circumstances that influence pregnancy outcomes.

This Program Revision provides funding to prevent spousal impoverishment resulting from the high cost of long-term nursing home care. Currently, when a spouse needs nursing home care, married couples are required to exhaust most of their income and assets before one of them becomes eligible for Medical Assistance. Often, the at-home spouse is left to subsist on a welfare level maintenance allowance. This Program Revision will allow the at-home spouse to retain more of the couple's joint assets without affecting Medical Assistance coverage for the institutionalized spouse.

Other Program Revisions will extend Medical Assistance coverage to two additional segments of the State's most vulnerable citizens. The AIDS Program Expansion Program Revision will provide an additional \$2.4 million to cover the cost of AZT for AIDS patients. The Comprehensive Drug and Alcohol Initiative Program Revision includes \$1.5 million to expand Medical Assistance coverage to include non-hospital drug and alcohol treatment for the chemically dependent.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Children eligible for Medical Assistance							
Current . . . . .	2,809	12,862	31,700	31,700	31,700	31,700	31,700
<b>Program Revision . . . . .</b>			<b>43,200</b>	<b>54,700</b>	<b>57,600</b>	<b>57,600</b>	<b>57,600</b>
Elderly and disabled eligible for new or additional medical services							
Current . . . . .	36,120	36,120	36,120	36,120	36,120	36,120	36,120
<b>Program Revision . . . . .</b>			<b>53,000</b>	<b>53,000</b>	<b>53,000</b>	<b>53,000</b>	<b>53,000</b>
Pregnant women eligible for prenatal case management							
Current . . . . .							
<b>Program Revision . . . . .</b>			<b>3,847</b>	<b>11,540</b>	<b>11,540</b>	<b>11,540</b>	<b>11,540</b>
Married couples benefiting from prevention of spousal impoverishment							
Current . . . . .							
<b>Program Revision . . . . .</b>			<b>22,140</b>	<b>22,140</b>	<b>22,140</b>	<b>22,140</b>	<b>22,140</b>

# PUBLIC WELFARE

## Program Revision: Expanded Medical Assistance Coverage (continued)

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>Medical Assistance-Outpatient</b>		<b>Long-Term Care Facilities</b>
\$ 2,871	—to expand outpatient services to 11,500 children up to age four.	\$ 10,251	—to prevent spousal impoverishment for 22,140 individuals.
7,015	—to annualize expanded outpatient services for 16,880 elderly and disabled.	<u>\$ 9,458</u>	<i>Program Revision Total</i>
1,154	—to provide prenatal case management to 3,847 pregnant women.		
4,075	—to provide for billing of services previously offset by medical education payments.		
<u>\$ 15,115</u>	<i>Appropriation Increase</i>		
	<b>Medical Assistance-Inpatient</b>		
\$ 5,041	—to expand inpatient services to 11,500 children up to age four.		
1,338	—to annualize expanded inpatient services for 16,880 elderly and disabled.		
-22,322	—savings from medical education payments.		
35	—to provide benefits for at-home spouses of nursing home residents.		
<u>\$ -15,908</u>	<i>Appropriation Decrease</i>		

In addition, Medical Assistance coverage will be expanded to cover AZT for AIDS patients and to provide drug and alcohol treatment in non-hospital settings. Refer to the AIDS Program Expansion Program Revision in the Department of Health and the Comprehensive Drug and Alcohol Initiative Program Revision in the Executive Offices.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Medical Assistance-Outpatient . . . . .	. . . . .	. . . . .	\$ 15,115	\$ 19,012	\$ 19,827	\$ 20,642	\$ 21,458
Medical Assistance-Inpatient . . . . .	. . . . .	. . . . .	-15,908	-12,851	-11,371	-9,891	-8,411
Long-Term Care Facilities . . . . .	. . . . .	. . . . .	10,251	15,587	15,802	16,017	16,232
 TOTAL GENERAL FUND . . . . .	 . . . . .	 . . . . .	 <u>\$ 9,458</u>	 <u>\$ 21,748</u>	 <u>\$ 24,258</u>	 <u>\$ 26,768</u>	 <u>\$ 29,279</u>

# PUBLIC WELFARE

**PROGRAM OBJECTIVE:** To provide job training opportunities, cash and other assistance in support of minimum standards of living and economic independence to individuals who are dependent or disadvantaged.

## Program: Income Maintenance

The broad purpose of public assistance is to provide cash and other forms of assistance to the needy and distressed to enable them to maintain a decent and healthful standard of living for themselves and their dependents and to do this in such a way as to promote self-respect, rehabilitation and, if possible, self-dependency.

### Program Element: Income Assistance

The County Assistance Office is the department's direct link with the assistance client. Staff reviews applicant eligibility for all program benefits and insures that required documentation is on file. Data is entered into the department's client information system and is available for medical assistance program determinations as well as income maintenance. All final claims payments are generated through the central office using automated systems.

Cash assistance is provided to persons determined by the staff in county assistance offices to be eligible under the Federal Aid to Families with Dependent Children (AFDC) Program, the State's General Assistance (GA) Program and the State Blind Pension (SBP) Program. AFDC provides cash support for dependent children who cannot be maintained properly due to the absence, illness, unemployment, or death of a parent or parents. In Pennsylvania, the AFDC payments in FY 1988-89 are funded by 57 percent Federal and 43 percent State dollars. GA and SBP on the other hand are entirely State funded programs. Most GA recipients are individuals, or married couples with no dependent children. Recipients are persons who meet age, vision, and personal resource requirements specified in the Public Welfare Code.

The Low Income Home Energy Assistance Program (LIHEAP) assists eligible households by offsetting the burden of high energy costs and intervening in energy crisis situations. The eligibility standard of 135 percent of the Federal poverty level includes every household member's income. Cash payments are made to energy suppliers for persons responsible for paying heating costs or directly to those households where home heating is included in the rent. Crisis payments may cover heating costs when a household has received a termination notice for not paying bills as well as emergency repairs to heating systems. Beginning in 1988-89, the LIHEAP program will be supplemented with Federal funds from Title IV-A of the Social Security Act. When AFDC households are composed of exactly the same people as the LIHEAP heating unit, the AFDC special energy supplement will replace LIHEAP funds. The State match is provided from the Energy Conservation and Assistance Fund.

Effective January 1, 1974, the Federally operated Supplemental Security Income (SSI) Program replaced the State assisted public assistance programs for Old Age Assistance, Aid to the Blind, and Aid to the Disabled. The SSI program provides aged, blind, and disabled persons with a monthly payment based on nationally uniform eligibility standards. Presently, the basic monthly rate for individuals is \$368.00 and \$553.00 for couples. In order to maintain benefit levels that previously existed, Pennsylvania contributes a supplemental grant of \$32.40 for an individual and \$48.70 for a couple to SSI recipients through the Federal government. A special monthly State supplement is paid to SSI eligible persons in domiciliary care facilities (May, 1976) and personal care boarding homes (November, 1982). The department is administering a Disabilities Advocacy Program (DAP) to assist mentally and physically disabled individuals in establishing their eligibility for Federal SSI benefits. For SSI residents of personal care boarding homes, the minimum personal care allowance will be increased from \$25 to \$30 a month. This is in recognition that the present level does not provide adequate personal spending money for residents.

### Program Element: Employment Training Program

The department has redirected county based employment and training (Pennsylvania's Employables Program) efforts to make them cooperative and client driven. To underscore the changes in emphasis and priority, the program has been retitled "New Directions" since it also encompasses the new General Assistance/Transitionally Needy (GA/TN) Job Training and the Aid to Families with Dependent Children (AFDC) Job Training Programs.

The GA/TN Job Training Program, authorized by Act 65 of 1987, is providing intensified job training and educational assistance to those individuals having barriers to employment who require support for themselves during training once the 90 days of welfare benefits are exhausted. Stipends equivalent to the individual's cash grant are funded from the GA/TN appropriation and are provided while the individual remains in the training program.

The AFDC Job Training Program, authorized by Act 62 of 1987, provides comprehensive employment, education and training services to welfare clients, who without intervention, are likely to remain on welfare for an extended duration. Program components including assessment, case management, vocational training, literacy, work experience, job readiness, and job development are provided at a single point of contact (SPOC).

## Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Average monthly number of persons receiving cash assistance . . . . .	639,730	623,800	619,900	608,000	559,000	538,000	530,000
Average monthly number of persons receiving State Supplemental Grants . . . . .	175,233	180,800	184,000	189,400	194,000	199,000	203,000
Households receiving energy cash payments . . . . .	390,905	365,000	365,000	365,000	264,000	264,000	264,000

The number of household receiving energy payments decreases in 1988-89 because reductions in Federal funds necessitated a decrease in the income eligibility limit to 135 percent of the poverty level. The Energy Conservation and Assistance Fund will be depleted in 1991-92 necessitating further reductions in the number of clients served.

# PUBLIC WELFARE

## Program: Income Maintenance (continued)

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>General Fund</b>			
<b>County Assistance Offices</b>			<b>New Directions</b>
\$ 13,795	—to continue current program.	\$ 733	—to continue current program.
757	—to strengthen client intake capability in Southwestern Pennsylvania.	2,576	—replacement of Federal Title IV-E funds.
2,660	—to complete the computer network in county assistance offices.	267	—replacement of Federal Work Saturation funds.
624	—to annualize the cost of new leases.	392	—PRR — Strengthening Family Independence. Provides funding for 20 positions to direct individuals on assistance into employment and training opportunities. See the Program Revision following this program for further information.
-3,695	—reduction of nonrecurring facility upgrade projects.		
3,423	—to replace nonrecurring Federal funds.		
\$ 17,564	<i>Appropriation Increase</i>	\$ 3,968	<i>Appropriation Increase</i>
<b>Cash Grants</b>			<b>Supplemental Grants to Aged Blind and Disabled</b>
\$ 11,134	—to carry current program, offset by one-time effect of paying five payment days from the prior year.	2,098	—projection for additional beneficiaries and changes in the average monthly payment.
-2,040	—full year effect of Federal regulation changes.	317	—to continue the disabilities advocacy project.
-1,756	—increase in collections.	254	—personal care allowance increase from \$25.00 to \$30.00 per month for SSI recipients in personal case boarding homes.
14,529	—PRR — Cash Grant Increase. Funds are provided for a 5 percent grant increase to AFDC and GA recipients. See Program Revision following this program for further information.		
-2,318	—PRR — Strengthening Family Independence. Saving to cash assistance through case closings and child support enforcement. See Program Revision following this program for further information.	\$ 2,669	<i>Appropriation Increase</i>
\$ 19,549	<i>Appropriation Increase</i>	\$ -10,702	<b>Energy Conservation and Assistance Fund</b>
			<b>Low Income Energy Assistance</b>
			—reduction is offset by implementation of optional energy payments from Title IV-A of the Social Security Act.
<b>County Administration-Statewide</b>			
\$ 799	—to continue current program.		
752	—to replace nonrecurring Federal funds.		
17	—to review new drugs prior to authorizing payment through medical assistance.		
295	—to annualize case management of high risk medical and inpatient psychiatric treatment.		
169	—PRR — Nursing Home Reform. This part of the Program Revision provides for initial and annual assessments of nursing home residents to determine appropriate placement. See the Program Revision following Medical Assistance for further information.		
128	—PRR — AIDS Program Expansion. This part of the Program Revision will administer the AZT treatment of AIDS patients. See the Program Revisions in the Department of Health for further information.		
\$ 2,160	<i>Appropriation Increase</i>		

# PUBLIC WELFARE

**Program: Income Maintenance (continued)**

**Appropriations within this Program:**

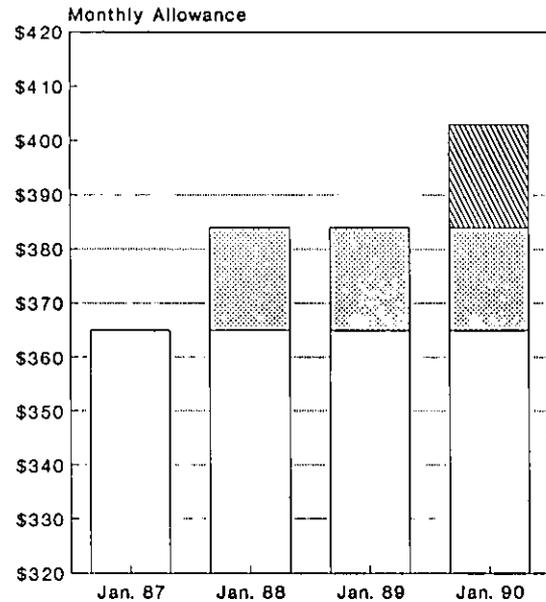
	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>GENERAL FUND:</b>							
County Assistance Offices .....	\$ 160,500	\$ 170,119	\$ 187,683	\$ 198,006	\$ 208,896	\$ 220,385	\$ 232,506
County Administration — Statewide .....	25,322	26,885	29,045	30,689	32,377	34,158	36,037
New Directions .....	12,631	15,831	19,799	26,713	31,857	37,064	42,338
Cash Grants .....	553,500	528,400	547,949	546,926	514,229	497,447	487,085
Supplemental Grants — Aged, Blind and Disabled .....	74,430	76,743	79,412	81,489	83,613	85,736	87,860
 TOTAL GENERAL FUND .....	 <u>\$ 826,383</u>	 <u>\$ 817,978</u>	 <u>\$ 863,888</u>	 <u>\$ 883,823</u>	 <u>\$ 870,972</u>	 <u>\$ 874,790</u>	 <u>\$ 885,826</u>
 <b>ENERGY CONSERVATION AND ASSISTANCE FUND:</b>							
Low Income Energy Assistance .....	\$ 41,970	<u>\$ 30,702</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	.....	.....	.....

## Program Revision: Cash Grant Increase

### Cash Assistance Allowance for a Typical Family of Three

This Program Revision will increase Aid to Families with Dependent Children and General Assistance cash grants an average of five percent. With this increase, cash grant allowances will meet 68.6 percent of the Comprehensive Poverty Standard—the State's standard of need for cash assistance recipients. Currently, the cash grant allowances are at 65.4 percent of the standard. This Program Revision will increase the average monthly cash grant for a family of three from \$384 to \$403.

This Program Revision will improve the ability of public assistance recipients to meet the expenses of everyday living. Grants will be increased so that the benefit levels among all family sizes are equal as a percentage of the standard. The estimated cost of implementing the cash grant increase on January 1, 1990 is \$15.6 million in State funds. This includes \$14.5 in the Cash Grant appropriation and \$1.1 in additional Medical Assistance costs.



### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>Cash Grants</b>	
\$ 14,529	—to increase cash grants by five percent for 618,400 public assistance recipients.
<b>Medical Assistance—Outpatient</b>	
\$ 423	—to provide outpatient services to 2,000 additional clients as a result of increasing eligibility levels.
<b>Medical Assistance—Inpatient</b>	
\$ 644	—to provide inpatient services to 2,000 additional clients as a result of increasing eligibility levels.
\$ 15,596	<i>Program Revision Total</i>

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Cash Grants .....			\$ 14,529	\$ 29,261	\$ 29,261	\$ 29,261	\$ 29,261
Medical Assistance—Outpatient .....			423	1,281	1,293	1,306	1,319
Medical Assistance—Inpatient .....			644	1,952	1,972	1,992	2,012
<b>TOTAL GENERAL FUND .....</b>			<b>\$ 15,596</b>	<b>\$ 32,494</b>	<b>\$ 32,526</b>	<b>\$ 32,559</b>	<b>\$ 32,592</b>

## Program Revision: Strengthening Family Independence

Job training efforts have traditionally been a collection of programs that have grown largely in response to either Federal requirements or narrow state policy objectives. They have done little to help welfare clients break the cycle of dependency or provide meaningful job training that meets the requirements of the changing work environment in the Commonwealth. To meet this challenge, the Joint Jobs Initiative was established in 1987-88 to provide comprehensive employment, education and training services to welfare clients. Paramount to this effort was a coordinated job training program that changed the Commonwealth's job training effort into one that offered meaningful training that matched the requirements of the changing job environment. These efforts have reduced welfare dependency and the costs of public assistance.

To further strengthen Pennsylvania's job training effort, the Commonwealth will implement the requirements of the Federal Family Support Act which fundamentally changes the nation's welfare system by reducing long-term welfare dependency. The Act establishes a comprehensive program of mandatory child support and work training which provides for transitional child care and medical assistance, benefits improvement, and mandatory extension of coverage to two-parent families.

Key to the effort is a new comprehensive education, training and work program for welfare recipients known as the Job Opportunities and Basic Skills (JOBS) Training Program which must be provided on a Statewide basis by October 1992. Additional Federal matching funds available under the Act for education, training and case management will enable the department to expand services provided through the Single Point of Contact Program to all counties and to increase the number of clients actively participating by 25 percent. In 1989-90, the

Commonwealth will also initiate the expanded support services requirements of the Act. This will be accomplished by providing transitional medical assistance and child care to eligible participants, as well as by increasing child support enforcement.

Beginning April 1, 1990, Aid to Families with Dependent Children (AFDC) recipients who are participating in job training programs or who have secured employment will be eligible for up to 12 months of Medical Assistance coverage. Also, beginning April 1, 1990, eligible individuals whose AFDC benefits are terminated as a result of employment will be entitled to child care services for up to 12 months after gaining employment. In the latter instance, the State is mandated to collect reimbursement from participants on a sliding scale fee basis. Other administrative changes including eliminating the first \$50 in child support payments received and the first \$175 of child care costs incurred (\$200 if the child is under 2) from the grant calculation will provide incentives for AFDC recipients to enter the work force.

Finally, the Act requires the State to set uniform mandatory guidelines for child support which will result in an additional 3,780 cases with a potential savings to the State of over \$2 million in the first year of operation.

This new law allows for flexibility by using existing funding sources to draw down additional Federal support. This additional Federal support will enable the Commonwealth to increase job placements and AFDC case closings in the first year of operation. Implementation should result in reduced costs of public assistance and enhanced economic development by enabling families to move from dependency on public assistance to self-sufficiency.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
AFDC child support cases reviewed							
Current .....	335,910	359,403	384,583	411,504	440,309	471,131	504,110
<b>Program Revision</b> .....	.....	.....	<b>388,363</b>	<b>415,284</b>	<b>444,089</b>	<b>474,911</b>	<b>507,890</b>
Savings realized from increased AFDC support case review (thousands)							
Current .....	.....	.....	.....	.....	.....	.....	.....
<b>Program Revision</b> .....	.....	.....	<b>\$184</b>	<b>\$2,677</b>	<b>\$2,677</b>	<b>\$2,677</b>	<b>\$2,677</b>
AFDC case closings							
Current .....	22,286	22,286	22,286	22,286	22,286	22,286	22,286
<b>Program Revision</b> .....	.....	.....	<b>23,224</b>	<b>24,520</b>	<b>25,816</b>	<b>27,107</b>	<b>28,408</b>
AFDC savings resulting from increased job placements. (thousands)							
Current .....	.....	.....	.....	.....	.....	.....	.....
<b>Program Revision</b> .....	.....	.....	<b>\$573</b>	<b>\$6,429</b>	<b>\$38,046</b>	<b>\$51,112</b>	<b>\$55,302</b>

# PUBLIC WELFARE

## Program Revision: Strengthening Family Independence (continued)

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Program Accountability</b></p> <p>\$ 408 —to expand capability to enforce child support collections and review paternity awards.</p> <p><b>Cash Grants</b></p> <p>\$ -3,744 —savings realized from mandatory guidelines, paternity establishment, review of child support awards and increased AFDC case closings as clients enter the work force.</p> <p>1,426 —for special needs allowances, transitional child care allowances and increased income disregards for clients as incentives to enter the work force.</p> <hr style="width: 10%; margin-left: 0;"/> <p>\$ -2,318 <i>Appropriation Decrease</i></p>	<p><b>Medical Assistance-Outpatient</b></p> <p>\$ 310 —for transitional Medical Assistance outpatient services for clients entering the work force.</p> <p><b>Medical Assistance-Inpatient</b></p> <p>\$ 417 —for transitional Medical Assistance inpatient services for clients entering the work force.</p> <p><b>Medical Assistance-Capitation</b></p> <p>\$ 108 —for transitional Medical Assistance services for clients entering the work force.</p> <p><b>New Directions</b></p> <p>\$ 392 —for additional case management services and additional Single Point of Contact sites.</p> <p><b>Bureau of Information Systems</b></p> <p>\$ 17 —to monitor program.</p> <hr style="width: 10%; margin-left: 0;"/> <p>\$ -666 <i>Program Revision Total</i></p>
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### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Program Accountability			\$ 408	\$ 430	\$ 454	\$ 479	\$ 505
Cash Grants			-2,318	-8,558	-32,251	-42,361	-45,552
New Directions			392	6,239	10,257	14,276	18,296
Medical Assistance-Outpatient			310	4,037	4,166	4,303	4,447
Medical Assistance-Inpatient			417	5,428	5,601	5,785	5,979
Medical Assistance-Capitation			108	1,399	1,443	1,491	1,541
Information Systems			17	18	19	20	21
<b>TOTAL GENERAL FUND</b>			<b>\$ -666</b>	<b>\$ 8,993</b>	<b>\$ -10,311</b>	<b>\$ -16,007</b>	<b>\$ -14,763</b>

# PUBLIC WELFARE

**PROGRAM OBJECTIVE:** *To reduce the mental disabilities of individuals and to restore their capacity to function in as independent a manner as possible through the provision of an array of service and support programs.*

## Program: Mental Health

This program provides for an integrated mental health system consisting of a comprehensive community service delivery system, State operated hospitals and mental health research facilities. The community mental health system is administered under the Pennsylvania Mental Health and Mental Retardation (MH/MR) Act of 1966 and the Mental Health Procedures Act (MHPA) of 1976. Fifteen mental hospitals and one restoration (long term care) center evolved over the years into the State mental hospital system. Both the Eastern Pennsylvania Psychiatric Hospital (EPPI) and the Western Psychiatric Institute and Clinic (WPIC) provide research into the causes, treatment and prevention of mental, neurological, and related disorders. Recently WPIC has directed research and training for mental health professionals in teen suicide treatment and prevention.

### **Program Element: Community Mental Health Services**

The MH/MR Act of 1966 requires that county governments provide an array of community based mental health services, including information and referral, unified intake, community consultation and education, case management, short-term inpatient treatment, partial hospitalization, outpatient care, emergency services, specialized rehabilitation training, vocational rehabilitation, and residential arrangements. Services are generally administered by a single county, county jointers, or through contracts with other provider organizations or agencies. Services, except inpatient and partial hospitalization

services, are funded ninety percent with State funds and ten percent with county matching funds. Community residential services consist of residential treatment, inpatient services, crisis and community residential rehabilitation (CRR) services. CRR services are generally designed as small, privately operated residential settings where persons with chronic disorders are assisted in adjusting to community living and eventually to living independently.

### **Program Element: State Mental Hospitals**

Even though the mental hospitals have continued to provide inpatient psychiatric services for patients who require more than short-term inpatient care, the mental hospitals role has changed from being the only available resource for mental health referrals to one of many mental health treatment alternatives. Some State mental hospitals offer specialized treatment programs for those requiring long term care and treatment, children and adolescents, and criminal offenders.

Efforts continue to integrate community programs with the State mental hospitals as a single system providing a continuum of services to persons experiencing mental health problems.

Philadelphia State Mental Hospital will be closed by June 30, 1989. Patients at Philadelphia have been reviewed by Community Treatment teams to determine whether they would be more appropriately placed in a community program or transferred to another mental health facility for continued care and treatment.

## Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Persons provided community mental health services (unduplicated) . . . . .	233,531	235,000	239,700	244,494	249,384	254,371	259,459
State Mental Hospital population at end of fiscal year . . . . .	7,469	6,982	6,773	6,434	6,112	5,807	5,517
Persons readmitted to State Mental Hospital after last discharge:							
within 30 days . . . . .	324	292	263	237	213	192	173
31-92 days . . . . .	439	417	397	377	359	342	325
93-182 days . . . . .	457	448	439	430	421	413	405
183-364 days . . . . .	567	567	567	567	567	567	567
over 365 days . . . . .	1,672	1,672	1,672	1,672	1,672	1,672	1,672
Persons served in community residential mental health services . . . . .	5,676	6,163	6,372	6,711	7,033	7,338	7,628
Persons served in intensive case management . . . . .		3,000	8,000	15,000	20,000	25,000	30,000

The program measure, persons served in intensive case management, will increase significantly as the Community Mental Health System becomes more focused on community support services for persons with severe and persistent mental illness during the next few years.

# PUBLIC WELFARE

**Program: Mental Health (continued)**

The hospital and restoration center populations for the prior, current and upcoming year are:

	Projected Patient Capacity July 1989	Population July 1987	Population July 1988	Projected Population July 1989	Projected Percent of Capacity July 1989
<b>State Mental Hospitals</b>					
Allentown .....	482	455	452	442	92%
Clarks Summit .....	512	481	473	463	90%
Danville .....	530	489	438	428	81%
Eastern State School and Hospital .....	184	168	161	177	96%
Farview .....	225	198	188	184	82%
Harrisburg .....	487	469	468	458	94%
Haverford .....	424	419	402	393	93%
Mayview .....	903	712	690	675	75%
Norristown .....	1,070	893	900	949	89%
Philadelphia .....	.....	537	421	.....	.....
Somerset .....	285	257	270	264	93%
Torrance .....	501	461	432	422	84%
Warren .....	589	554	589	576	98%
Wernersville .....	522	530	524	512	98%
Woodville .....	657	558	572	559	85%
South Mountain .....	677	562	489	478	71%
<b>TOTAL</b> .....	<b>8,048</b>	<b>7,743</b>	<b>7,469</b>	<b>6,980</b>	<b>87%</b>

**Total Proposed Expenditures by Hospital and Restoration Center:**

	(Dollar Amounts in Thousands)			(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>ALLENTOWN</b>						
State Funds .....	\$ 19,723	\$ 19,698	\$ 21,578	\$ 9,040	\$ 9,029	\$ 9,890
Federal Funds .....	4,126	5,333	4,980	6,956	8,992	8,396
Augmentations .....	1,721	1,733	1,533	883	889	787
<b>TOTAL</b> .....	<b>\$ 25,570</b>	<b>\$ 26,764</b>	<b>\$ 28,091</b>	<b>\$ 16,879</b>	<b>\$ 18,910</b>	<b>\$ 19,073</b>
<b>CLARKS SUMMIT</b>						
State Funds .....	\$ 19,194	\$ 19,170	\$ 20,999	\$ 15,911	\$ 15,891	\$ 17,407
Federal Funds .....	4,969	6,423	5,998	.....	.....	.....
Augmentations .....	1,534	1,545	1,366	6,187	6,230	5,511
<b>TOTAL</b> .....	<b>\$ 25,697</b>	<b>\$ 27,138</b>	<b>\$ 28,363</b>	<b>\$ 22,098</b>	<b>\$ 22,121</b>	<b>\$ 22,918</b>
<b>DANVILLE</b>						
State Funds .....	\$ 19,874	\$ 19,849	\$ 21,743	\$ 19,905	\$ 19,880	\$ 21,777
Federal Funds .....	7,594	9,816	9,167	4,848	6,267	5,852
Augmentations .....	1,873	1,886	1,668	1,698	1,710	1,513
<b>TOTAL</b> .....	<b>\$ 29,341</b>	<b>\$ 31,551</b>	<b>\$ 32,578</b>	<b>\$ 26,451</b>	<b>\$ 27,857</b>	<b>\$ 29,142</b>
<b>HARRISBURG</b>						
State Funds .....	\$ 19,905	\$ 19,880	\$ 21,777	\$ 19,905	\$ 19,880	\$ 21,777
Federal Funds .....	4,848	6,267	5,852	4,848	6,267	5,852
Augmentations .....	1,698	1,710	1,513	1,698	1,710	1,513
<b>TOTAL</b> .....	<b>\$ 26,451</b>	<b>\$ 27,857</b>	<b>\$ 29,142</b>	<b>\$ 26,451</b>	<b>\$ 27,857</b>	<b>\$ 29,142</b>

# PUBLIC WELFARE

Program: Mental Health (continued)

## Total Proposed Expenditures by Hospital and Restoration Center (continued):

	(Dollar Amounts in Thousands)				(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget		1987-88 Actual	1988-89 Available	1989-90 Budget
<b>HAVERFORD</b>				<b>TORRANCE</b>			
State Funds	\$ 20,386	\$ 21,541	\$ 23,667	State Funds	\$ 18,572	\$ 18,549	\$ 20,318
Federal Funds	4,946	5,461	4,663	Federal Funds	6,078	7,857	7,337
Augmentations	1,790	1,348	1,402	Augmentations	1,247	1,256	1,111
<b>TOTAL</b>	<b>\$ 27,122</b>	<b>\$ 28,350</b>	<b>\$ 29,732</b>	<b>TOTAL</b>	<b>\$ 25,897</b>	<b>\$ 27,662</b>	<b>\$ 28,766</b>
<b>MAYVIEW</b>				<b>WARREN</b>			
State Funds	\$ 32,061	\$ 32,021	\$ 35,076	State Funds	\$ 22,179	\$ 22,151	\$ 24,264
Federal Funds	9,860	12,746	11,903	Federal Funds	5,725	7,400	6,911
Augmentations	3,380	3,403	3,011	Augmentations	2,287	2,303	2,037
<b>TOTAL</b>	<b>\$ 45,301</b>	<b>\$ 48,170</b>	<b>\$ 49,990</b>	<b>TOTAL</b>	<b>\$ 30,191</b>	<b>\$ 31,854</b>	<b>\$ 33,212</b>
<b>NORRISTOWN</b>				<b>WERNERSVILLE</b>			
State Funds	\$ 41,122	\$ 41,071	\$ 44,987	State Funds	\$ 16,751	\$ 16,730	\$ 18,326
Federal Funds	9,656	12,482	11,655	Federal Funds	5,292	6,841	6,388
Augmentations	4,844	4,878	4,314	Augmentations	2,237	2,252	1,993
<b>TOTAL</b>	<b>\$ 55,622</b>	<b>\$ 58,431</b>	<b>\$ 60,956</b>	<b>TOTAL</b>	<b>\$ 24,280</b>	<b>\$ 25,823</b>	<b>\$ 26,707</b>
<b>PHILADELPHIA</b>				<b>WOODVILLE</b>			
State Funds	\$ 29,282	\$ 29,247	\$ 26,100	State Funds	\$ 20,862	\$ 20,836	\$ 22,824
Federal Funds	4,103	5,303	1,226	Federal Funds	8,136	10,517	9,821
Augmentations	3,282	3,304	2,924	Augmentations	1,980	1,994	1,764
<b>TOTAL</b>	<b>\$ 36,667</b>	<b>\$ 37,854</b>	<b>\$ 30,250</b>	<b>TOTAL</b>	<b>\$ 30,978</b>	<b>\$ 33,347</b>	<b>\$ 34,409</b>
<b>SOMERSET</b>				<b>SOUTH MOUNTAIN RESTORATION CENTER</b>			
State Funds	\$ 12,132	\$ 12,117	\$ 13,273	State Funds	\$ 11,302	\$ 11,288	\$ 12,365
Federal Funds	2,173	2,809	2,623	Federal Funds	8,467	10,945	10,220
Augmentations	779	784	694	Augmentations	1,332	1,341	1,187
<b>TOTAL</b>	<b>\$ 15,084</b>	<b>\$ 15,710</b>	<b>\$ 16,590</b>	<b>TOTAL</b>	<b>\$ 21,101</b>	<b>\$ 23,574</b>	<b>\$ 23,772</b>

# PUBLIC WELFARE

## Program: Mental Health (continued)

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>State Mental Hospitals</b>		<b>Community Mental Health Services</b>
\$ 11,327	—to maintain current program including Haverford State Mental Hospital.	\$ -682	—to maintain current program less one-time projects.
14,148	—Community Services related to Philadelphia State Mental Hospital closure.	3,788	—cost of living adjustment.
51	—PRR — Nursing Home Reform. To expand social work services at the State Mental Hospitals Long-Term Care units to meet mandated standard ratio of social workers to patients. See the Program Revision following the Medical Assistance Program for further information.	250	—for a County Mental Health System Pilot Project Initiative.
		175	—PRR — Nursing Home Reform. Provides active treatment to 35 persons transferred from nursing homes and to 105 persons awaiting transfer from nursing homes. See the Program Revision following the Medical Assistance Program for further information.
<u>\$ 25,526</u>	<i>Appropriation Increase</i>	<u>-913</u>	—service costs for clients diverted from Philadelphia State Mental Hospital to be covered by Community Services allocation in State Mental Hospital appropriation.
	<b>Teen Suicide Center</b>	725	—PRR — Community Support Services. Provides housing assistance to 214 persons as alternative to residential placements. Also provides 250 adults with vocational and employment opportunities. See the Program Revision following the Mental Retardation program for further information.
\$ 15	—to continue current program.		
	<b>Eastern Pennsylvania Psychiatric Institute</b>		
\$ 229	—to continue current program.		
	<b>Western Psychiatric Institute and Clinic</b>		
\$ 222	—to continue current program.	1,122	—Annualization of 1988-89 initiatives for homeless, child and adolescent services.
		2,295	—PRR — Comprehensive Drug and Alcohol Abuse Initiative. This part of the Program Revision provides treatment service. Expansion of the Teen Suicide Prevention/Student Assistance Program from 102 to 255 school districts. See Program Revision in the Executive Offices for further information.
		341	—replacement of Federal Social Services Block Grant funds.
		<u>\$ 7,101</u>	<i>Appropriation Increase</i>

In addition, funds are provided for a salary increase for direct care mental health workers for part of PRR — Personal Care Worker's Increase.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
State Mental Hospitals .....	\$ 328,296	\$ 329,068	\$ 354,594	\$ 374,097	\$ 394,672	\$ 416,379	\$ 439,280
Community Mental Health Services .....	138,940	148,681	155,782	160,294	163,954	167,609	171,265
Teen Suicide Center .....	250	500	515	515	515	515	515
Eastern Pennsylvania Psychiatric Institute .....	7,400	7,622	7,851	7,851	7,851	7,851	7,851
Western Psychiatric Institute and Clinic ..	7,122	7,407	7,629	7,629	7,629	7,629	7,629
<b>TOTAL GENERAL FUND .....</b>	<u>\$ 482,008</u>	<u>\$ 493,278</u>	<u>\$ 526,371</u>	<u>\$ 550,386</u>	<u>\$ 574,621</u>	<u>\$ 599,983</u>	<u>\$ 626,540</u>

# PUBLIC WELFARE

*PROGRAM OBJECTIVE: To provide mentally retarded persons with the requisite skills and behavior that will assist them in community and family living.*

## Program: Mental Retardation

The Department of Public Welfare supports a comprehensive mental retardation (MR) delivery system including State intermediate care facilities and community residential and non-residential programs that are operated by the counties or a network of private service providers funded with Federal, State and local funds. The community mental retardation system was established under the Pennsylvania Mental Health and Mental Retardation (MH/MR) Act of 1966.

### **Program Element: State Centers for the Mentally Retarded**

Nine State centers and four mental retardation units on the State Mental Hospital grounds have been integrated over the years into the State mental retardation system. The primary goal of these State operated facilities is to develop each resident's ability to function more independently to enable them to live in less restricted environments. All facilities are currently certified for Medical Assistance under standards established by the Federal Intermediate Care Facilities for the Mentally Retarded (ICF/MR) Program. The resident census continues to move toward a more aged and disabled population.

### **Program Element: Private Intermediate Care for the Mentally Retarded (ICF/MRs)**

Private ICF/MRs provide intensive habilitative services to mentally retarded persons. Large facilities are single or multiple buildings on campus-like sites accommodating more than 8 persons; small facilities are located on noncontiguous sites in the community and serve 8 or less persons. Persons served are typically more disabled and require more intensive services than those currently served in community residential MR facilities.

### **Program Element: Community Mental Retardation Services**

The Mental Health and Mental Retardation Act of 1966 provides the statutory basis for the development of community based services to the mentally disabled. Services are provided to the client that enable them to function and live in a manner as close to normal as possible. Non-residential services are available to meet the needs of persons with mental retardation and provide an alternative to residential placement. Early intervention for pre-school age children, family support services necessary for families to maintain the family member in the home, adult day care, prevocational and vocational training services for adults are a few of these services. Community residential facilities provide an opportunity for persons with mental retardation to live in a culturally normative residential setting within the community.

## Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Persons receiving MR services during fiscal year .....	49,530	50,383	51,165	51,165	51,165	51,165	51,165
Persons receiving community (non-residential) services:							
Early intervention .....	8,881	9,734	10,340	10,340	10,340	10,340	10,340
Adult day services .....	15,960	15,960	15,960	15,960	15,960	15,960	15,960
Family support services .....	14,636	14,636	15,276	15,276	15,276	15,276	15,276
Persons receiving residential services (at end of fiscal year):							
Residents of community residential facilities (CRF) .....	7,657	8,122	8,122	8,122	8,122	8,122	8,122
Residents in private ICFs/MR .....	2,758	3,042	3,231	3,275	3,319	3,363	3,363
Residents in State centers and mental retardation units .....	4,269	3,957	3,907	3,857	3,807	3,757	3,707
Residents transferred to more independent settings during fiscal year from:							
Community residential facilities .....	358	250	250	250	250	250	250
State centers and MR units .....	731	312	50	50	50	50	50

The measure, Residents transferred to more independent settings during fiscal year from State centers and MR units, decreased in the period 1989-90 due to the completion of Program Revisions initiated in 1987-88 and 1988-89 years which reflects a leveling off of the creation of new community residential and ICF/MR beds.

# PUBLIC WELFARE

## Program: Mental Retardation (continued)

The State Centers population for the prior, current, and upcoming year are:

	Projected Bed Capacity July 1989	Population July 1987	Population July 1988	Projected Population July 1989	Projected Percent Capacity July 1989
<b>State Centers</b>					
Altoona .....	138	135	126	131	95%
Ebensburg .....	528	537	508	480	91%
Embreeville .....	320	288	268	255	80%
Hamburg .....	399	381	370	350	88%
Laurelton .....	299	298	257	193	65%
Pennhurst .....		18			
Polk .....	799	849	781	745	93%
Selinsgrove .....	799	833	782	725	91%
Western .....	480	465	434	420	88%
White Haven .....	490	517	470	440	90%
<b>TOTAL STATE CENTERS</b> .....	<b>4,252</b>	<b>4,321</b>	<b>3,996</b>	<b>3,739</b>	<b>88%</b>
<b>Mentally Retarded Units</b>					
Clarks Summit .....	40	31	22	32	80%
Mayview .....	99	90	86	78	79%
Philadelphia .....		58	42		
Somerset .....	80	76	65	54	68%
Torrance .....	64	63	58	54	84%
<b>TOTAL MENTALLY RETARDED UNITS</b> .....	<b>283</b>	<b>318</b>	<b>273</b>	<b>218</b>	<b>77%</b>
<b>GRAND TOTAL</b> .....	<b>4,535</b>	<b>4,639</b>	<b>4,269</b>	<b>3,957</b>	<b>87%</b>

## Proposed Expenditures by Center:

	(Dollar Amounts in Thousands)			(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget	1987-89 Actual	1989-90 Available	1980-90 Budget
<b>ALTOONA</b>						
State Funds .....	\$ 2,334	\$ 2,497	\$ 2,717			
Federal Funds .....	3,958	4,772	4,447			
Augmentations .....	248	240	229			
<b>TOTAL</b> .....	<b>\$ 6,540</b>	<b>\$ 7,509</b>	<b>\$ 7,393</b>			
<b>EMBREEVILLE</b>						
State Funds .....	\$ 6,545	\$ 7,383	\$ 8,035			
Federal Funds .....	10,337	11,251	10,480			
Augmentations .....	650	630	602			
<b>TOTAL</b> .....	<b>\$ 17,532</b>	<b>\$ 19,264</b>	<b>\$ 19,117</b>			
<b>EBENSBURG</b>						
State Funds .....	\$ 10,919	\$ 10,968	\$ 11,939			
Federal Funds .....	16,351	18,692	17,406			
Augmentations .....	1,221	1,059	1,011			
<b>TOTAL</b> .....	<b>\$ 28,491</b>	<b>\$ 30,719</b>	<b>\$ 30,356</b>			
<b>HAMBURG</b>						
State Funds .....	\$ 9,076	\$ 8,925	\$ 9,713			
Federal Funds .....	13,337	14,888	13,865			
Augmentations .....	858	877	837			
<b>TOTAL</b> .....	<b>\$ 23,271</b>	<b>\$ 24,690</b>	<b>\$ 24,415</b>			

# PUBLIC WELFARE

## Program: Mental Retardation (continued)

### Proposed Expenditures by Center:

	(Dollar Amounts in Thousands)				(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget		1987-88 Actual	1988-89 Available	1989-90 Budget
<b>LAURELTON</b>							
State Funds	\$ 6,590	\$ 6,217	\$ 6,766				
Federal Funds	9,787	10,771	10,033				
Augmentations	610	616	588				
<b>TOTAL</b>	<b>\$ 16,987</b>	<b>\$ 17,604</b>	<b>\$ 17,387</b>				
<b>PENNHURST</b>							
State Funds	\$ 861						
Federal Funds	101						
Augmentations	199						
<b>TOTAL</b>	<b>\$ 1,161</b>	<b>\$ . . . .</b>	<b>. . . .</b>				
<b>POLK</b>							
State Funds	\$ 17,774	\$ 18,036	\$ 19,626				
Federal Funds	27,894	30,633	28,523				
Augmentations	2,235	2,335	2,230				
<b>TOTAL</b>	<b>\$ 47,903</b>	<b>\$ 51,004</b>	<b>\$ 50,379</b>				
<b>SELINGSGROVE</b>							
State Funds	\$ 16,415	\$ 16,601	\$ 18,066				
Federal Funds	25,311	28,177	26,236				
Augmentations	2,454	2,275	2,172				
<b>TOTAL</b>	<b>\$ 44,180</b>	<b>\$ 47,053</b>	<b>\$ 46,474</b>				
<b>WESTERN</b>							
State Funds	\$ 10,068	\$ 10,419	\$ 11,339				
Federal Funds	14,608	16,855	15,696				
Augmentations	1,159	1,059	1,011				
<b>TOTAL</b>	<b>\$ 25,835</b>	<b>\$ 28,333</b>	<b>\$ 28,046</b>				
<b>WHITE HAVEN</b>							
State Funds	\$ 9,891	\$ 9,993	\$ 10,875				
Federal Funds	15,744	17,732	16,513				
Augmentations	1,310	1,255	1,198				
<b>TOTAL</b>	<b>\$ 26,945</b>	<b>\$ 28,980</b>	<b>\$ 28,586</b>				
<b>WOODHAVEN</b>							
State Funds	\$ 4						
<b>TOTAL</b>	<b>\$ 4</b>	<b>. . . .</b>	<b>. . . .</b>				
<b>ALLENTOWN</b>							
<b>MR UNIT</b>							
State Funds	\$ 2						
Federal Funds							
Augmentations	19						
<b>TOTAL</b>	<b>\$ 21</b>	<b>. . . .</b>	<b>. . . .</b>				
<b>CLARKS SUMMIT</b>							
<b>MR UNIT</b>							
State Funds	\$ 485	\$ 555	\$ 604				
Federal Funds	802	935	870				
Augmentations	71	72	69				
<b>TOTAL</b>	<b>\$ 1,358</b>	<b>\$ 1,562</b>	<b>\$ 1,543</b>				
<b>MAYVIEW</b>							
<b>MR UNIT</b>							
State Funds	\$ 1,037	\$ 1,023	\$ 1,113				
Federal Funds	1,971	2,104	1,959				
Augmentations	238	250	239				
<b>TOTAL</b>	<b>\$ 3,246</b>	<b>\$ 3,377</b>	<b>\$ 3,311</b>				
<b>PHILADELPHIA</b>							
<b>MR UNIT</b>							
State Funds	\$ 926	\$ 742					
Federal Funds	1,155	117					
Augmentations	153	3					
<b>TOTAL</b>	<b>\$ 2,234</b>	<b>\$ 862</b>	<b>. . . .</b>				
<b>SOMERSET</b>							
<b>MR UNIT</b>							
State Funds	\$ 1,043	\$ 843	\$ 917				
Federal Funds	1,631	1,825	1,699				
Augmentations	149	139	133				
<b>TOTAL</b>	<b>\$ 2,823</b>	<b>\$ 2,807</b>	<b>\$ 2,749</b>				
<b>TORRANCE</b>							
<b>MR UNIT</b>							
State Funds	\$ 936	\$ 861	\$ 937				
Federal Funds	1,493	1,659	1,544				
Augmentations	164	190	181				
<b>TOTAL</b>	<b>\$ 2,593</b>	<b>\$ 2,710</b>	<b>\$ 2,662</b>				
<b>WERNERSVILLE</b>							
<b>MR UNIT</b>							
State Funds	\$ 7						
Federal Funds							
Augmentations	9						
<b>TOTAL</b>	<b>\$ 16</b>	<b>. . . .</b>	<b>. . . .</b>				



# PUBLIC WELFARE

**Program: Mental Retardation (continued)**

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
State Centers for the Mentally Retarded . . . . .	\$ 94,913	\$ 95,063	\$ 102,647	\$ 108,292	\$ 114,249	\$ 120,532	\$ 127,162
Community Based Services for the Men- tally Retarded . . . . .	80,349	85,295	90,283	93,231	94,998	96,803	98,690
Elwyn Institute . . . . .	200	206	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Community Residential Services for the Mentally Retarded . . . . .	151,880	166,172	173,568	177,039	180,580	184,192	187,876
Pennhurst Dispersal . . . . .	. . . . .	2,500	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Philadelphia Association for Retarded Citizens . . . . .	278	214	220	220	220	220	220
Intermediate Care Facilities/Mentally Retarded . . . . .	51,935	57,259	66,367	69,015	71,693	74,044	75,949
Early Intervention . . . . .	17,063	17,574	18,651	19,649	20,042	20,443	20,852
Human Services—Direct Care Salary Increase . . . . .	. . . . .	. . . . .	7,563	15,126	15,126	15,126	15,126
MR—Philadelphia Court Settlement . . . . .	. . . . .	2,600	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
MH/MR—Residential Wage and Hour Ruling . . . . .	. . . . .	3,000	3,000	3,000	3,000	3,000	3,000
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 396,618</b>	<b>\$ 429,883</b>	<b>\$ 462,299</b>	<b>\$ 485,572</b>	<b>\$ 499,908</b>	<b>\$ 514,360</b>	<b>\$ 528,875</b>

# PUBLIC WELFARE

## Program Revision: Personal Care Workers Salary Increase

Pennsylvania is in the early stages of a labor shortage. Now that the youngest of the baby boom generation are in their mid-twenties, there is no longer a surplus of high school and college graduates to provide a steady supply of entry level workers. This is particularly troublesome for community human service programs which draw from this pool of workers. The problem is most acute and pervasive among personal care workers—those that provide hands-on-client services. The average staff turnover rate is 55 percent for personal care workers employed by private and nonprofit agencies that provide human services under contract with the counties and the State. This Program Revision will address the immediate need for better, more competitive wages for those workers.

This Program Revision recommends funding to provide an average salary increase of \$1,000 per year to personal care workers employed by private and non-profit human service agencies. Program areas to be assisted through the Department of Public Welfare include mental health and mental retardation, children and youth, attendant care, rape

crisis, domestic violence, and county programs for the homeless. In addition, the Department of Aging will provide salary increases to personal care workers providing hands-on-client services to the elderly. Personal care workers in the drug and alcohol field will receive salary increases through the Department of Health.

Counties will be given reasonable flexibility in the way they plan to distribute these funds so that programs with the most critical and immediate need are targeted. Because this Program Revision becomes effective January 1, 1990, funds are provided for an average of \$500 per employe during the first year of implementation.

Other Program Revisions provide funds for salary increases for human service direct care workers. The Day Care Quality Enhancement Program Revision provides \$2 million for salary increases for day care workers. The Child Abuse Prevention Program Revision provides an additional \$1.2 million for salary increases for child protective service caseworkers.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Personal care workers receiving salary increases through the Department of Public Welfare							
Current	.....	.....	.....	.....	.....	.....	.....
Program Revision	.....	.....	15,125	15,125	15,125	15,125	15,125
Personal care workers receiving salary increases through the Department of Aging							
Current	.....	.....	.....	.....	.....	.....	.....
Program Revision	.....	.....	784	784	784	784	784
Personal care workers receiving salary increases through the Department of Health							
Current	.....	.....	.....	.....	.....	.....	.....
Program Revision	.....	.....	243	243	243	243	243

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>General Fund</b>	
	<b>Public Welfare</b>	
	<b>Personal Care Workers Salary Increase</b>	
\$ 7,563	—to provide 15,125 personal care workers with an average salary increase of \$500 for one-half year.	
	<b>Lottery Fund</b>	
	<b>Aging</b>	
	<b>PennCARE</b>	
\$ 392	—to provide 784 personal care workers with an average salary increase of \$500 for one-half year.	
<hr/>		
\$ 7,955	<i>Program Revision Total</i>	

In addition, \$122,000 in Federal funds will be used to increase salaries by \$500 for one-half year for 243 personal care workers in the drug and alcohol field.

Funds will also be provided for salary increases for day care workers and child protective services caseworkers. Refer to the Day Care Quality Enhancement Program Revision and the Child Abuse Prevention Program Revision.

# PUBLIC WELFARE

Program Revision: Personal Care Workers Salary Increase (continued)

## Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
<b>PUBLIC WELFARE</b>							
Personal Care Workers Salary Increase ..	.....	.....	\$ 7,563	\$ 15,126	\$ 15,126	\$ 15,126	\$ 15,126
Total General Fund .....	.....	.....	\$ 7,563	\$ 15,126	\$ 15,126	\$ 15,126	\$ 15,126
<b>LOTTERY FUND:</b>							
<b>AGING</b>							
PennCARE .....	.....	.....	\$ 392	\$ 784	\$ 784	\$ 784	\$ 784
Total Lottery Fund .....	.....	.....	\$ 392	\$ 784	\$ 784	\$ 784	\$ 784
<b>TOTAL ALL FUNDS .....</b>	.....	.....	<b>\$ 7,955</b>	<b>\$ 15,910</b>	<b>\$ 15,910</b>	<b>\$ 15,910</b>	<b>\$ 15,910</b>

## Program Revision: Community Support Services

Pennsylvania, in recent years, has been moving toward a mental health and mental retardation service system that provides the most appropriate care in the least restrictive setting. As an additional step to enable mentally ill and mentally retarded Pennsylvanians to function as independently as possible, this Program Revision will provide new and expanded support services to individuals and their families in non-institutional settings. A total of \$1.725 million will be provided for housing and employment assistance for the mentally ill, and family support services for the mentally retarded. This Program Revision will enhance the quality of life of program participants and increase their ability to contribute to society.

### Housing Assistance for the Mentally Ill

It is widely recognized that this country has a severe shortage of affordable housing. This is particularly troublesome for the mentally ill given that they generally have very low incomes and are often discriminated against due to the stigma associated with their illness. This situation results in both human suffering and excessive use of expensive and unnecessarily restrictive residential environments, such as State hospitals and community inpatient programs. This Program Revision will provide \$475,000 to five to ten housing assistance demonstration projects to enable 214 individuals to obtain decent and affordable housing.

Program recipients will receive one or more of the following services: rent subsidy; rent guarantees; maintenance guarantees; housing location; and, housing relocation assistance. Temporary housing crisis services will also be provided. This Program Revision will centralize these service components to improve access for the mentally ill. In each setting where a demonstration program is created, a range of housing assistance services will be made available.

### Vocational and Employment Services for the Mentally Ill

Persons with mental illness can work and must be provided the opportunity to work. These individuals, however, are frequently not referred to existing job programs, and when they are, do not benefit

substantially because the programs do not appropriately or adequately address their needs. This Program Revision will provide \$250,000 for the development of a program designed specifically to meet the vocational and employment needs of the mentally ill. It will fund 5 to 10 demonstration projects to provide full-time and part-time employment opportunities.

The services to be developed through the demonstration projects will be responsive to the needs of adults with mental illness and older adolescents graduating from school who are at risk of unemployment due to mental illness. Pre- and post-employment assistance, encouragement, support, and on-site problem resolution will be provided to program participants. This Program Revision will provide training opportunities for 250 individuals and reduce unemployment among program participants by approximately 40 percent.

### Supportive Living Services for the Mentally Retarded

Supportive living services help Pennsylvania's mentally retarded citizens function in a more independent manner by providing a variety of residential opportunities for individuals and their families. This Program Revision will provide \$1.0 million to expand family support services to approximately 640 mentally retarded persons and their families. Expanded services will help to reduce the community waiting list for county mental retardation programs and prevent institutionalization in State Mental Retardation Centers.

This Program Revision will help to ensure that families have the necessary support and resources to enable them to care for their children and relatives at home. Family Support Services include a wide range of activities: respite care, sitter/companionship service, homemaker service, in-home support, socialization/recreation, parent/family training, and speech therapy. Emphasis will be placed on the development of home environments where people with mental retardation receive habilitation services as valued members of their community. The use of families as the primary support for the mentally retarded will also help to ease the human resources problem currently being confronted by county mental retardation programs across the State.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Persons receiving housing assistance</b>							
Current .....			14	14	14	14	14
<b>Program Revision .....</b>			<b>214</b>	<b>281</b>	<b>281</b>	<b>281</b>	<b>281</b>
<b>Persons served by new vocational and employment projects</b>							
Current .....							
<b>Program Revision .....</b>			<b>250</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>
<b>Additional persons obtaining employment as the result of projects</b>							
Current .....							
<b>Program Revision .....</b>			<b>100</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>200</b>
<b>Additional persons receiving family support services</b>							
Current .....							
<b>Program Revision .....</b>			<b>640</b>	<b>640</b>	<b>640</b>	<b>640</b>	<b>640</b>

# PUBLIC WELFARE

## Program Revision: Community Support Services (continued)

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>Community Mental Health Services</b>		<b>Community Based Services for the Mentally Retarded</b>
\$ 475	—to provide housing assistance to 214 mentally ill individuals.	\$ 1,000	—to expand support services for 640 families caring for mentally retarded relatives in the home.
\$ 250	—to provide vocational and employment services to 250 mentally ill persons which will result in 100 persons obtaining employment.		
<u>\$ 725</u>	<i>Appropriation Increase</i>	<u>\$ 1,725</u>	<i>Program Revision Total</i>

### Recommended Program Revision Costs by Appropriation:

(Dollar Amounts in Thousands)

	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Community Mental Health Services .....	.....	.....	\$ 725	\$ 1,156	\$ 1,178	\$ 1,203	1,226
Community Based Services for the Mentally Retarded .....	.....	.....	1,000	2,000	2,040	2,080	2,122
<b>TOTAL GENERAL FUND.....</b>	<u>.....</u>	<u>.....</u>	<u>\$ 1,725</u>	<u>\$ 3,156</u>	<u>\$ 3,218</u>	<u>\$ 3,283</u>	<u>\$ 3,348</u>

# PUBLIC WELFARE

*PROGRAM OBJECTIVE: To enhance the social and economic well being of families and individuals through the provision of an array of services and support programs.*

## Program: Human Services

The department operates a variety of programs designed to provide supportive services to people while they overcome an adverse behavior or circumstance which has affected their lives.

### **Program Element: Youth Development Services**

Pennsylvania's juvenile justice system is designed to minimize institutionalization while recognizing that confinement in a treatment environment is necessary for certain juveniles who pose a threat to themselves or others. The Youth Development Center and Youth Forestry Camp (YDC/YFC) system provides both open and secure residential programs for the treatment of Pennsylvania's most serious juvenile offenders and those with special problems. The purpose of the YDC and YFC system is to bring about positive changes in the juveniles committed to its care by developing skills and attitudes which will enable them to become responsible, productive members of society.

The YDC's and YFC's across the Commonwealth have a total capacity of 614: 309 secure and 305 open residential beds. Specialized treatment services have been developed in both open and secure programs. These services include programs for sex offenders, firesetters, drug and alcohol abusers, emotionally disturbed and mentally retarded youth.

Secure care programs are highly structured and exercise substantial control over individual student behavior. Open residential programs operate in a less structured atmosphere. They offer greater opportunity for individuals to make their own decisions under the guidance of program staff.

	July 1989 Projected Capacity	July 1987 Population	July 1988 Population	Projected July 1989 Population	Projected July 1989 % of Capacity
<b>Residential</b>					
Camp No. 2 ..	49	45	47	54	110%
Camp No. 3 ..	62	63	59	68	110%
Loysville . . . . .	72	76	82	79	110%
New Castle ..	64	58	58	70	109%
Bensalem . . . . .	58	77	73	64	110%
<b>Total Residential Program . . . . .</b>	<b>305</b>	<b>319</b>	<b>319</b>	<b>335</b>	<b>110%</b>
<b>Secure</b>					
Camp No.2 ..	23	19	25	25	109%
Loysville . . . . .	79	54	57	87	110%
New Castle ..	124	133	141	138	111%
Bensalem . . . . .	83	99	81	91	110%
<b>Total Secure Program . . . . .</b>	<b>309</b>	<b>305</b>	<b>304</b>	<b>341</b>	<b>110%</b>
<b>TOTAL ALL PROGRAMS .</b>	<b>614</b>	<b>624</b>	<b>623</b>	<b>676</b>	<b>110%</b>

Loysville Secure: Includes long-term care unit scheduled to open during Fiscal Year 1988-89.

Treatment of youth within the YDC's/YFC's is guided by the Master Case Planning System. This system requires the comprehensive diagnosis and assessment of each youth in care, the development of an individualized treatment plan, implementation strategies, periodic reviews and revisions of each plan and the identification of aftercare needs. Individual and group counseling form the core of the treatment process. This budget contains funding for two new 16 bed drug and alcohol treatment programs to provide treatment for youths with a history of substance abuse.

The YDC's/YFC's also emphasize programs and activities designed to break the cycle of dependency and prepare youth for their return to the community. Each program provides vocational training and ongoing education in daily living skills. Many YDC's/YFC's also provide actual job training and work experience opportunities, many of which are paid. Youth are encouraged, and in some cases required, to use a portion of their earnings for restitution.

Education is also a major component of the YDC/YFC system. Each program includes both academic and vocational curricula. Educational diagnostic testing precedes all academic placements and is utilized in the development of Individual Education Plans for each youth.

### **Program Element: Family Support Services**

The provision of services to children who are in need of care and protection is the joint responsibility of the Department of Public Welfare and county government. Each county is responsible for developing and administering a program of services designed to treat and prevent child abuse, neglect, and exploitation and to provide services which reduce dependency and delinquency. The county children and youth program includes services to parents and children to enable children to remain in their own homes and communities, temporary placement services for children who cannot live with their own family; adoption services; assistance to provide a permanent legal family for any child who cannot be returned to his own family; and any service or care ordered by the court for children who have been adjudicated dependent or delinquent.

The Office of Fraud and Abuse Investigations and Recovery is the department's primary agency for benefits recovery and welfare fraud investigation. The Office of Fraud and Abuse Investigations and Recovery is also the administrative agency for the Child Support Enforcement Program.

Child Support Enforcement ensures adequate support for dependent children by enforcing the payment of established support orders by responsible absent parents. This activity is accomplished through cooperative agreement with 66 Domestic Relation Sections who perform child support program functions at the local level. Through cooperative efforts, the State and local agencies establish paternity and initiate actions to obtain support for dependent children, locate parents for support, and recover public assistance paid to recipients who have support included as part of their grants. Recovery is obtained through redirection of paid support for Aid to Families with Dependent Children recipients and interception of tax refunds and unemployment compensation benefits to support arrearages.

Special programs have been developed to support the delivery of services by county child welfare agencies. In 1988-89 funds were added for family preservation and additional child welfare services. This budget continues that initiative and recommends funding for a new initiative directed at early identification and prevention of child abuse.

One program provides adoptive homes for black children. The One Church One Child Program utilizes churches in the recruitment of prospective adoptive families for black children awaiting adoption.

## **Program: Human Services (continued)**

### ***Program Element: Day Care***

Subsidized day care is provided to low-income families who need child day care in order to work or to be trained in marketable job skills. The purpose of this subsidy is to encourage families to be self-supporting and self-sufficient. Revenue to support this program comes from Federal and State funds and parent fees.

Subsidized day care is limited to the purchase of day care services in day care centers, group homes, and family day care homes which are licensed or registered by the Department of Public Welfare. To become licensed or registered, facilities and day care homes must meet health and safety standards developed by the department. The quality of the day care service delivery system will be substantially improved through a Program Revision which follows this subcategory.

### ***Program Element: Family Planning and Breast Cancer screening***

Family planning service meets contraceptive needs or infertility problems through the provision of educational, medical and social services. Persons 16 years of age and over are served at 140 clinics in the State.

Breast cancer screening for low income women is directed toward those at high risk of developing breast cancer. The target group is all new family planning clients, all those 35 years of age and older, and those with a family history of breast cancer.

### ***Program Element: Blindness and Visual Services***

Blindness and visual services provide a full range of services to blind and visually handicapped individuals.

The Vocational Rehabilitation Services Program includes the direct provision or purchase of services which assist blind or visually handicapped persons to obtain and/or maintain gainful employment. This program includes the operation of the Business Enterprise Program which establishes, maintains, and supervises small business facilities operated by blind people.

The Social Casework Services Program consists of special activities to assist blind persons to adjust to blindness, to enable them to cope with the activities of daily living, and to allow them to function independently in the least costly manner within their family and community, preventing any need for institutionalization.

Rehabilitation Teaching and Orientation and Mobility Services provide instruction on the adaptive skills needed to function in the home, community, and workplace. The 1989-90 budget includes funds to initiate assessments and provide services to children under age 14 not now served.

### ***Program Element: Attendant Care***

This service provides attendant care for adults ages 18-59 through a variety of program models. Personal care services are those which a non-disabled person would normally do for themselves; such as dressing and grooming. Service enables recipients to remain in or return to their own homes and remain independent for as long as possible. Persons aged 60 and over receive attendant care through funding provided by the Department of Aging. The budget includes funds to provide services to approximately 100 persons now on waiting lists.

### ***Program Element: Legal Services***

In 1973, the Pennsylvania Legal Services Center was created as a private, non-profit corporation to provide civil legal assistance for low income, persons with family, consumer, employment and other problems. Family and domestic cases comprise 44 percent of the caseload. Housing and welfare cases make up 17 percent and 19 percent

respectively. Priority is given to cases involving family problems.

### ***Program Element: Human Services Development Fund***

The Human Services Development Fund provides counties with a flexible source of funding to be used within the six human services programs for which the counties are responsible: Adult Services, Aging, Children and Youth, Drug and Alcohol, and the Community Mental Health/Mental Retardation Programs. These funds may be used to expand existing services in any or all of the six program areas, for the coordination of services among those programs, and for innovative or generic services.

### ***Program Element: Domestic Violence and Rape Crisis***

Domestic violence services are provided through a contract with a statewide coalition which, in turn, subcontracts for services at the local level. The services to victims of domestic violence include: crisis intervention, counseling, victim advocacy, information and referral and temporary shelter for victims and their dependent children. Prevention and education programs are provided by local groups to lessen the risk of domestic violence in the community at large.

Rape crisis programs provide crisis intervention services, counseling, victim advocacy, information and referral and accompaniment through police, medical and judicial systems. Prevention and educational programs are also provided to lessen the risk of sexual assault for adults and children in the community at large.

### ***Program Element: Homeless Assistance***

The homeless assistance program provides temporary shelter to homeless individuals. It also provides up to one month of rental assistance to those in immediate danger of becoming homeless. Shelter may be provided in large mass shelters or in hotels and motels through a voucher system.

Housing assistance is a cash payment to an individual or family to prevent or end homelessness. Housing assistance can include assistance to prevent homelessness by intervening in cases where an eviction is imminent. In addition to preventing homelessness, housing assistance is available to move people out of temporary shelters into permanent housing.

Specialized residences for the mentally ill homeless are being provided as a demonstration in a small number of counties with concentrations of mentally ill homeless individuals. The program provides housing for mentally ill homeless people for an indefinite period of time, providing protective and supportive services that will enable the client to move to a long-term semi-independent or independent living situation. A Program Revision recommended for 1989-90 will enable 300 families to be relocated from high cost emergency shelter to less costly, more permanent housing arrangements.

### ***Program Element: Services to the Developmentally Disabled***

This new program provides services to persons with cerebral palsy, epilepsy and other impairments (excluding mental illness) which affect general intellectual functioning. Persons who are developmentally disabled have limitations in the areas of self-care, understanding and use of language, learning, mobility, self-direction and capacity for independent living. These individuals had been receiving services in a nursing home environment; however Federal nursing home reform legislation requires that they be provided the most appropriate level of services.

# PUBLIC WELFARE

## Program: Human Services (continued)

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Visually handicapped clients . . . . .	12,862	13,244	13,937	14,342	14,656	15,082	15,451
Visually handicapped clients placed in employment . . . . .	331	338	345	355	365	376	386
YDC — youths served . . . . .	981	1,000	1,000	1,000	1,000	1,000	1,000
YDC — occupancy rates . . . . .	101%	100%	110%	110%	110%	110%	110%
YDC — youths in work experience . . . . .	415	423	430	437	444	444	444
YDC rate of recidivism . . . . .	45%	44%	41%	41%	41%	41%	41%
<b>Family Support Services:</b>							
Children receiving child welfare services							
In home . . . . .	48,540	49,700	50,900	51,900	52,700	52,900	53,000
In placement out of home . . . . .	14,023	14,900	15,500	15,800	15,900	16,000	16,100
In placement two years or more . . . . .	5,879	6,109	6,360	6,480	6,520	6,480	6,480
Agency arranged adoptions . . . . .	476	460	440	430	420	410	400
Children waiting for adoption . . . . .	689	740	800	860	930	1,000	1,100
Children receiving day care . . . . .	26,823	27,895	28,945	28,945	28,945	28,945	28,945
Percent of child abuse reports substantiated . . . . .	35%	35%	35%	35%	36%	35%	34%
<b>Domestic Violence and Rape Crisis</b>							
Domestic violence:							
Persons Served . . . . .	31,625	33,835	33,835	33,835	33,835	33,835	33,835
Rape crisis/sexual assault:							
Persons served . . . . .	10,086	12,100	12,100	12,100	12,100	12,100	12,100
Breast Cancer screening clients . . . . .	98,952	100,501	100,500	100,500	100,500	100,500	100,500
Legal service clients . . . . .	48,537	42,800	42,800	42,800	42,800	42,800	42,800
Attendant care persons served . . . . .	1,050	1,104	1,204	1,204	1,204	1,204	1,204
Developmentally disabled persons receiving services . . . . .	0	0	203	203	203	203	203
<b>Homeless Assistance</b>							
Homeless:							
Persons served in shelters . . . . .	26,915	26,107	25,324	23,565	23,820	23,113	22,419
Bridge housing persons served . . . . .	1,425	1,500	1,500	1,500	1,500	1,500	1,500
Persons receiving housing assistance . . . . .	20,502	22,085	22,985	23,210	23,210	23,210	23,210
Persons maintained in their own residence . . . . .	3,085	3,332	3,332	3,332	3,332	3,332	3,332

# PUBLIC WELFARE

**Program: Human Services (continued)**

**Program Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

\$	235	<b>Visually Handicapped</b> —to initiate assessments and provide services to children under 14 not now served.	\$	4,926	<b>Child Welfare</b> —to continue current program and replace Federal Social Services Block Grant reduction.
	546	—to continue current program.			
	781	<i>Appropriation Increase</i>			
		<b>Day Care Services</b> —PRR — Day Care Quality Enhancements. This Program Revision will expand services, support a salary increase and expand Local Management Agencies. See Program Revision following this program for further information.		6,100	<b>Child Abuse Prevention</b> —PRR — Child Abuse Prevention. This Program Revision will merge services for neglected and abused children, increase training for child abuse workers and provide technical assistance to county agencies. See Program Revision following this program for further information.
	1,262	—to continue current program and to replace Federal Social Services Block Grant reduction.			
	5,062	<i>Appropriation Increase</i>			<b>Attendant Care</b> —to provide services to approximately 100 persons now on waiting lists. —to continue current program and replace Federal Social Services Block Grant reduction.
		<b>Homeless Assistance</b> —PRR — Transition to Permanency for the Homeless. This Program Revision will provide intensive case management and rental assistance to 300 homeless families. See the Program Revision following this program for further information.		1,269	<i>—Appropriation Increase</i>
	600	—to continue current program and replace Federal Social Services Block Grant reduction.			
	1,065	<i>Appropriation Increase</i>			<b>Breast Cancer Screening</b> —to continue current program and replace Federal Social Services Block Grant reduction.
		<b>Legal Services</b> —to continue current program and replace Federal Social Services Block Grant reduction.			<b>Services for the Developmentally Disabled</b> —PRR — Nursing Home Reform. This part of the Program Revision will provide services to 203 developmentally disabled persons. See Program Revisions following the Medical Assistance program for further information.
	249	—to provide for additional counselors and service personnel.			
	757	—PRR — Part of the Comprehensive Drug and Alcohol Abuse Initiative. To develop two 16 bed drug and alcohol treatment units. See the Program Revision in the Executive Offices for further information.			
	1,101	—to continue current program and replace Social Services Block Grant reduction.			
	2,067	<i>Appropriation Increase</i>			

Other appropriations in this subcategory are recommended at the current funding level, received incremental changes, or are not continued.

# PUBLIC WELFARE

## Program: Human Services (continued)

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Visually Handicapped . . . . .	\$ 5,454	\$ 5,586	\$ 6,367	\$ 6,965	\$ 7,348	\$ 7,752	\$ 8,187
Youth Development Institutions . . . . .	30,612	32,164	34,231	36,921	38,952	41,094	43,355
Beacon Lodge Camp — Blind Services . . . . .	75	77	77	77	77	77	77
Arsenal Center . . . . .	139	139	143	143	143	143	143
Overbrook School . . . . .	150	155	0	0	0	0	0
County Child Welfare . . . . .	126,100	155,712	160,638	163,851	167,128	170,471	173,880
Child Abuse Prevention . . . . .	0	0	6,100	6,222	6,346	6,473	6,602
Health and Human Services Projects . . . . .		3,844					
Day Care Services . . . . .	28,235	31,785	36,847	40,584	41,336	42,103	42,885
Domestic Violence . . . . .	3,576	4,112	4,279	4,279	4,279	4,279	4,279
Rape Crisis . . . . .	1,194	1,523	1,592	1,592	1,592	1,592	1,592
Breast Cancer Screening . . . . .	402	402	556	556	556	556	556
Legal Services . . . . .	2,000	2,000	2,249	2,249	2,249	2,249	2,249
Human Services Development Fund . . . . .	13,069	14,500	14,906	14,906	14,906	14,906	14,906
Attendant Care . . . . .	4,051	4,774	6,043	6,043	6,043	6,043	6,043
Homeless Assistance . . . . .	11,335	12,800	13,865	14,065	14,065	14,065	14,065
Services for the Developmentally Disabled . . . . .			300	860	1,248	1,801	2,834
<b>TOTAL GENERAL FUND . . . . .</b>	<b>\$ 226,392</b>	<b>\$ 269,573</b>	<b>\$ 288,193</b>	<b>\$ 299,313</b>	<b>\$ 306,268</b>	<b>\$ 313,604</b>	<b>\$ 321,653</b>

## Program Revision: Child Abuse Prevention

Child abuse and neglect continues to be a persistent and complex problem in Pennsylvania. Child deaths resulting from abuse continue to increase. Families now entering the child welfare system are more disturbed and disorganized than in past years. The effects of drugs on newborn infants, alcohol in families, teen pregnancy, and children with mental health problems are only a few examples of this growing problem. Since the initiation of the Child Protective Services Law in 1977, over 65,000 reports of abuse have been substantiated. All of these issues have placed strains on our current child welfare system. This Program Revision proposes to improve the current system through a series of initiatives.

Last year, \$20 million in new funding was provided through the county child welfare and Family Preservation programs to increase and upgrade programs for children receiving child welfare services. The 1989-90 budget maintains this \$20 million commitment in the County Child Welfare appropriation to continue these important efforts to treat and prevent child abuse, neglect and exploitation, and to reduce dependency and delinquency.

In 1989-90, the Department of Public Welfare will merge the Child Protective Service and General Protective Service categories into a single system that will provide services to both neglected and abused children.

This change will be implemented through legislation amending the State's Child Protective Services Law to be introduced in the General Assembly. Additionally, the department will emphasize the early resolution of problems that lead to serious child abuse by establishing specific service requirements for child neglect.

This Program Revision provides \$6.1 million for a new Child Abuse Prevention appropriation to improve staff qualifications, increase the salaries of caseworkers and provide technical assistance capabilities within the county child welfare system. Staff qualifications will be raised to reflect the importance and professional nature of children and youth worker positions in the county child welfare system. This initiative, along with the Personal Care Workers Salary Increase Program Revision, will provide a salary structure for children and youth workers directed at attracting and retaining qualified staff. The department will establish minimum staff training and certification requirements for all child protective services workers. Additionally, the current caseworker to client ratios will be lowered to allow for maximum attention to clients. The department also will provide more effective consultation, technical assistance, and program monitoring activities to ensure that mandates of the Child Protective Services Law are being carried out.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Additional children receiving child protective services							
<b>Program Revision</b> .....	.....	.....	6,250	25,000	25,000	25,000	25,000
Child protective services workers requiring certification							
Current .....	.....	.....	.....	.....	.....	.....	.....
<b>Program Revision</b> .....	.....	.....	1,782	594	594	594	594
Children and youth caseworkers receiving salary increases							
Current .....	.....	.....	.....	.....	.....	.....	.....
<b>Program Revision</b> .....	.....	.....	1,782	1,782	1,782	1,782	1,782

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Child Abuse Prevention**  
 \$6,100 —to provide protective services to an additional 6,250 children, improve county staff qualifications and salaries, and provide technical assistance to the child welfare system.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Child Abuse Prevention .....	.....	.....	\$6,100	\$6,222	\$6,346	\$6,602	\$ 6,602

# PUBLIC WELFARE

## Program Revision: Day Care Quality Enhancement

With a changing family structure and an increasing number of women in the work force, the demand for day care continues to increase. Over 6,300 children are on waiting lists for subsidized day care in the Commonwealth and the lists are growing. At the same time, it is becoming increasingly difficult to maintain adequate day care staff levels because of the low wages paid to day care workers. To address this problem, the Department of Public Welfare will take two steps. It will initiate a demonstration program to determine if the establishment of local management agencies in selected counties will increase the number of available subsidized day care slots while providing parents with the ability to choose their individual day care provider. To address the salary problem, an increase in funding is provided to increase the pay of day care workers.

Under the demonstration program, each Local Management Agency will be the manager of the subsidized day care program within its county rather than having program management responsibility spread among all the day care providers in the county. The specific responsibility of the Local Management Agency will be to develop and maintain an inventory of qualified day care providers in the area who will participate in the subsidized day care program; determine eligibility; manage waiting lists and arrange for payment for services to providers. This approach will increase the number of day care providers from which parents may choose. Currently, only those providers under contract may provide

services. Under the Local Management Agency approach, all providers who are qualified and who wish to participate in the program will be available to parents for day care services. Under the current contracted day care system, some providers have been retaining a large percentage of the contract amount for administrative services and charging day care fees that are above the market rate for private payors. Under this proposal, the Local Management Agency will purchase day care service at the market rate and minimize administrative costs. Savings resulting from this approach will be used to increase the number of children served.

This Program Revision includes funds to provide day care for an additional 764 children beginning January 1990. It also provides for the cost of twelve Local Management Agency demonstration projects. The savings from the projects are expected to allow a 2.5 percent increase in the number of children served in the demonstration counties. If the Local Management Agency concept is successful, it will be extended to additional counties. The State has been successful in expanding the number of subsidized day care slots by over 1,000 since 1987-88. Along with this expansion, however, day care providers have increasingly reported difficulty in hiring and retaining qualified workers. This Program Revision recommends funding to increase subsidized day care rates provided the rate increase is used to improve the wage structure of those day care staff that work directly with the children.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Additional contracted day care slots</b>							
Current .....	.....	.....	.....	.....	.....	.....	.....
<b>Program Revision .....</b>	.....	.....	<b>764</b>	<b>764</b>	<b>764</b>	<b>764</b>	<b>764</b>
<b>Children served through local management agencies</b>							
Current .....	.....	.....	.....	.....	.....	.....	.....
<b>Program Revision .....</b>	.....	.....	<b>4,900</b>	<b>11,000</b>	<b>11,000</b>	<b>11,000</b>	<b>11,000</b>

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>Day Care Services</b>
\$1,000	—for an additional 762 day care slots.
\$800	—for Local Management Agency demonstration projects.
\$2,000	—to provide pay increases for day care workers.
<hr/>	
\$3,800	Program Revision Total

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Day Care Services .....	.....	.....	<u>\$3,800</u>	<u>\$6,878</u>	<u>\$7,014</u>	<u>\$7,154</u>	<u>\$7,297</u>

# PUBLIC WELFARE

## Program Revision: Transition to Permanency for Homeless Families

Recent studies indicate that 40 percent of the homeless people being served in emergency housing are members of a family unit. To address this problem, the Department of Public Welfare will initiate a demonstration program in 15 counties designed to reduce the number of families needing publicly funded emergency services as well as reduce the length of time such services are required.

This Program Revision will provide \$600,000 for intensive case management services to homeless families along with rental assistance of up to \$1,500 per year, to assist families to move from publicly funded shelters into permanent housing. Case management services will assist families in obtaining appropriate services that include needs assessment, health care, employment, counseling, day care, life skills, and specialized treatment. These services could continue for up to one year to ensure stabilization, adequate follow-up, and the prevention of future

homelessness.

This initiative will be further enhanced with an additional \$10 million from the Pennsylvania Housing Finance Agency (PHFA). At the Governor's request, PHFA has authorized additional funds to address the homeless problem with a program known as HOMES (Housing Opportunities Make Economic Sense). This program incorporates the use of down payment assistance, interest rate reductions, and ongoing rental assistance for eligible applicants.

By combining intervention and prevention practices, the department can begin to reduce homelessness among families in the Commonwealth. In the first year it is anticipated that 300 families or 900 people will be moved to permanent housing and receive the necessary support to maintain permanent housing, break the cycle of homelessness, and assume responsibilities of family life.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Homeless families receiving permanent housing.							
Current .....							
<b>Program Revision .....</b>			<b>300</b>	<b>416</b>	<b>432</b>	<b>450</b>	<b>468</b>

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Homeless Assistance**  
 \$ 600 —to provide intensive case management services and rental assistance to 300 homeless families.

Additionally, the Pennsylvania Housing Finance Agency has committed \$10 million for the HOMES program.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Homeless Assistance .....			\$ 600	\$ 816	\$ 832	\$ 849	\$ 866



Commonwealth of Pennsylvania

# Department of Revenue

The Department of Revenue collects all tax levies as well as various fees, fines and other monies due the Commonwealth. The department also supervises the administration and collection of monies for various special funds.

The department prepares the official estimates of the tax yield due the Commonwealth while also analyzing the effect on revenues of proposed changes in either the laws or the tax structure of the Commonwealth.

# REVENUE

## Summary by Fund and Appropriation

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
General Government Operations .....	\$ 69,352	\$ 73,376	\$ 78,185
(A) Audit of State Authorities .....		1	1
(A) Cigarette Fines and Penalties .....	18	16	16
(A) Services to Special Funds .....	3,736	3,946	4,143
(A) Escheat Sales .....	778	1,134	1,210
(A) EDP and Staff Support .....	4,230	5,076	5,584
(A) Tax Information .....	68	70	70
(A) Graphic Arts .....	3	3	3
Local Tax Reform .....			100
Commissions - Inheritance and Realty			
Transfer Tax Collections (EA) .....	3,100	3,950	4,226
Computer Rentals .....	1,100	1,328	1,328
(A) Special Fund Charges .....	230	230	230
Subtotal — State Funds .....	\$ 73,552	\$ 78,654	\$ 83,839
Subtotal — Augmentations .....	9,063	10,476	11,257
Total — General Government .....	\$ 82,615	\$ 89,130	\$ 95,096
<b>GRANTS AND SUBSIDIES:</b>			
Distribution of Public Utility Realty Tax .....	\$ 90,315	\$ 92,074	\$ 94,233
STATE FUNDS .....	\$ 163,867	\$ 170,728	\$ 178,072
AUGMENTATIONS .....	9,063	10,476	11,257
<b>GENERAL FUND TOTAL .....</b>	<b>\$ 172,930</b>	<b>\$ 181,204</b>	<b>\$ 189,329</b>
<b>MOTOR LICENSE FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
Collection — Liquid Fuels Tax .....	\$ 6,430	\$ 6,830	\$ 7,165
Refunding Liquid Fuels Tax (EA) .....	4,465	2,375	2,375
STATE FUNDS .....	\$ 10,895	\$ 9,205	\$ 9,540
<b>MOTOR LICENSE FUND .....</b>	<b>\$ 10,895</b>	<b>\$ 9,205</b>	<b>\$ 9,540</b>

# REVENUE

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>LOTTERY FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
General Operations (EA) .....	\$ 39,484	\$ 55,803	\$ 69,570
(A) License Fees .....	101	105	105
(A) Telephone Lines .....	2,503	3,175	3,370
(A) Lotto Numbers Publication .....	.....	1	1
Personal Income Tax for Lottery Prizes (EA) .....	14,842	16,791	16,894
Payment of Prize Money (EA) .....	194,420	208,600	217,372
Refunding Lottery Monies (EA) .....	10	.....	.....
Subtotal — State Funds .....	<u>\$ 248,756</u>	<u>\$ 281,194</u>	<u>\$ 303,836</u>
Subtotal — Augmentations .....	2,604	3,281	3,476
Total — General Government Operations .....	<u>\$ 251,360</u>	<u>\$ 284,475</u>	<u>\$ 307,312</u>
<b>GRANTS AND SUBSIDIES:</b>			
Property Tax and Rent Assistance for Older Pennsylvanians (EA) .....	\$ 123,681	\$ 126,470	\$ 126,791
Older Pennsylvanians' Inflation Dividend (EA) .....	34,016	33,976	33,858
Total — Grants and Subsidies .....	<u>\$ 157,697</u>	<u>\$ 160,446</u>	<u>\$ 160,649</u>
STATE FUNDS .....	\$ 406,453	\$ 441,640	\$ 464,485
AUGMENTATIONS .....	<u>2,604</u>	<u>3,281</u>	<u>3,476</u>
<b>LOTTERY FUND TOTAL .....</b>	<b><u>\$ 409,057</u></b>	<b><u>\$ 444,921</u></b>	<b><u>\$ 467,961</u></b>
<b>RACING FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
Collections — Racing (EA) .....	<u>\$ 119</u>	<u>\$ 126</u>	<u>\$ 129</u>
<b>RACING FUND TOTAL .....</b>	<b><u>\$ 119</u></b>	<b><u>\$ 126</u></b>	<b><u>\$ 129</u></b>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUND .....	\$ 163,867	\$ 170,728	\$ 178,072
SPECIAL FUNDS .....	417,467	450,971	474,154
AUGMENTATIONS .....	11,667	13,757	14,733
<b>TOTAL ALL FUNDS .....</b>	<b><u>\$ 593,001</u></b>	<b><u>\$ 635,456</u></b>	<b><u>\$ 666,959</u></b>

# REVENUE

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>REVENUE COLLECTION AND ADMINISTRATION</b>							
General Funds.....	\$ 73,552	\$ 78,654	\$ 83,839	\$ 93,650	\$ 111,011	\$ 118,453	\$ 124,882
Special Funds.....	259,770	290,525	313,505	323,154	332,105	341,392	351,028
Other Funds.....	11,667	13,757	14,733	14,733	14,733	14,733	14,733
<b>TOTAL.....</b>	<b>\$ 344,989</b>	<b>\$ 382,936</b>	<b>\$ 412,077</b>	<b>\$ 431,537</b>	<b>\$ 457,849</b>	<b>\$ 474,578</b>	<b>\$ 490,643</b>
<b>HOMEOWNERS AND RENTERS ASSISTANCE</b>							
Special Funds.....	\$ 157,697	\$ 160,446	\$ 160,649	\$ 162,058	\$ 163,487	\$ 164,934	\$ 166,400
<b>TOTAL.....</b>	<b>\$ 157,697</b>	<b>\$ 160,446</b>	<b>\$ 160,649</b>	<b>\$ 162,058</b>	<b>\$ 163,487</b>	<b>\$ 164,934</b>	<b>\$ 166,400</b>
<b>COMMUNITY DEVELOPMENT AND PRESERVATION</b>							
General Funds.....	\$ 90,315	\$ 92,074	\$ 94,233	\$ 94,233	\$ 94,233	\$ 94,233	\$ 94,233
<b>TOTAL.....</b>	<b>\$ 90,315</b>	<b>\$ 92,074</b>	<b>\$ 94,233</b>	<b>\$ 94,233</b>	<b>\$ 94,233</b>	<b>\$ 94,233</b>	<b>\$ 94,233</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 163,867	\$ 170,728	\$ 178,072	\$ 187,883	\$ 205,244	\$ 212,686	\$ 219,115
SPECIAL FUNDS.....	417,467	450,971	474,154	485,212	495,592	506,326	517,428
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	11,667	13,757	14,733	14,733	14,733	14,733	14,733
<b>TOTAL.....</b>	<b>\$ 593,001</b>	<b>\$ 635,456</b>	<b>\$ 666,959</b>	<b>\$ 687,828</b>	<b>\$ 715,569</b>	<b>\$ 733,745</b>	<b>\$ 751,276</b>

# REVENUE

*PROGRAM OBJECTIVE: To assure the availability of resources for the Commonwealth's programs through the equitable and efficient administration of Pennsylvania's revenue system.*

## Program: Revenue Collection and Administration

This program administers the Commonwealth's revenue statutes by assessing and collecting various taxes. Major revenue sources for the General Fund include corporation, personal income, inheritance, sales and use, cigarette and beverage and realty transfer taxes. Tax revenue is also collected for the Motor License and Racing Funds and ticket sales for the Lottery Fund are administered.

The department has extensively automated procedures thereby permitting staff to quickly deposit funds and review and make a rapid determination of the tax return's accuracy. This has permitted the department to keep the cost of collection under \$.90 for every \$100 collected.

To insure fairness in tax administration, the department audits and cross checks tax returns to detect fraud and non-filers. In addition, there is extensive delinquent tax collection effort that involves automation as well as traditional tax collection methods.

This program is also responsible for the administration of the State Lottery. Through a network of private retailers, the Commonwealth sells Lottery tickets, the proceeds of which support programs for older Pennsylvanians.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Lottery Bureau operating costs as a percent of ticket sales . . . . .	2.33%	2.99%	3.05%	3.11%	3.17%	3.23%	3.26%
Collections from delinquent accounts (in millions) . . . . .	\$227.1	\$231.6	\$247.8	\$261.4	\$275.8	\$290.9	\$306.9
Amounts due as a result of audit assessments (in millions) . . . . .	\$130.5	\$130.5	\$137.7	\$145.2	\$153.2	\$161.6	\$170.5
Tax returns processed (in thousands)							
Personal Income . . . . .	5,236	5,292	5,317	5,342	5,367	5,392	5,417
Corporation . . . . .	150	200	230	230	230	230	230
Average settlement time for corporation tax documents (in months) . . . . .	16.5	15.5	13.3	11.8	10.8	10.0	10.0

The settlement time for the corporation tax measure is converted from work days shown previously to months to more clearly illustrate work flow.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>GENERAL FUND:</b>			
<b>General Government</b>			
\$ 4,685	—to maintain current commitment.		
86	—to provide additional wage employees for processing annual returns.	\$ 276	<b>Commissions—Inheritance and Realty Transfer Tax</b>
612	—to annualize the computerized collection system and complete computerization of corporation taxes.		—to continue current program.
100	—to convert the central region to an expedited deposit operation for quarterly employer returns.	\$ 100	<b>Local Tax Reform</b>
163	—to enhance detection and recovery of delinquent taxes.		—to develop computer capability for collecting and distributing local sales and income taxes.
-445	—reduction for nonrecurring equipment purchases.		
-392	—transferred to Inspection General as part of reorganization.		
<hr/>			
\$ 4,809	<i>Appropriation Increase</i>		

# REVENUE

**Program: Revenue Collection and Administration (continued)**

**Program Recommendations: (continued)**

**MOTOR LICENSE FUND:**  
**Collections — Liquid Fuel Tax**

\$ 287	—to continue current program.
\$ 48	—to enhance motor carrier compliance.
<hr/>	
\$ 335	<i>Appropriation Increase</i>

**LOTTERY FUND:**  
**Personal Income Tax for Prizes**  
**Payment of Prize Money**

\$ 8,875	—to pay increased cost associated with ticket sales growth and game changes.
<hr/>	
\$ 1,465	<b>Lottery Operations</b> —to continue current program.
12,302	—to annualize cost of on-line games computer vendor commission.
<hr/>	
\$ 13,767	<i>Appropriation Increase</i>

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations .....	\$ 69,352	\$ 73,376	\$ 78,185	\$ 82,485	\$ 87,022	\$ 91,808	\$ 96,857
Local Tax Reform .....			100	5,379	17,958	21,683	22,790
Commissions — Inheritance and Realty							
Transfer Tax .....	3,100	3,950	4,226	4,458	4,703	4,962	5,235
Computer Rentals .....	1,100	1,328	1,328	1,328	1,328		
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 73,552</b>	<b>\$ 78,654</b>	<b>\$ 83,839</b>	<b>\$ 93,650</b>	<b>\$ 111,011</b>	<b>\$ 118,453</b>	<b>\$ 124,882</b>
<b>MOTOR LICENSE FUND:</b>							
Collections — Liquid Fuels Tax .....	\$ 6,430	\$ 6,830	\$ 7,165	\$ 7,559	\$ 7,975	\$ 8,414	\$ 8,877
Refunding Liquid Fuels Tax .....	4,465	2,375	2,375	2,375	2,375	2,375	2,375
<b>TOTAL MOTOR LICENSE FUND .....</b>	<b>\$ 10,895</b>	<b>\$ 9,205</b>	<b>\$ 9,540</b>	<b>\$ 9,934</b>	<b>\$ 10,350</b>	<b>\$ 10,789</b>	<b>\$ 11,252</b>
<b>LOTTERY FUND:</b>							
General Operations .....	\$ 39,484	\$ 55,803	\$ 69,570	\$ 73,396	\$ 77,433	\$ 81,692	\$ 86,185
Personal Income Tax for Prizes .....	14,842	16,791	16,894	17,285	17,609	17,939	18,276
Payment of Prize Money .....	194,420	208,600	217,372	222,403	226,570	230,821	235,156
Refunding Lottery Money .....	10						
<b>TOTAL LOTTERY FUND .....</b>	<b>\$ 248,756</b>	<b>\$ 281,194</b>	<b>\$ 303,836</b>	<b>\$ 313,084</b>	<b>\$ 321,612</b>	<b>\$ 330,452</b>	<b>\$ 339,617</b>
<b>RACING FUND:</b>							
Collections — Racing .....	\$ 119	\$ 126	\$ 129	\$ 136	\$ 143	\$ 151	\$ 159

# REVENUE

*PROGRAM OBJECTIVE: To equitably distribute the public utility realty tax to all reporting local taxing authorities.*

## Program: Community Development and Preservation

A 1968 amendment to the State Constitution exempted public utilities from locally administered property taxes and authorized the collection of a similar, statewide tax. The proceeds of the tax are distributed to each local taxing authority thereby providing local revenue while insuring fair treatment for utilities.

The distribution is based on the ratio between the total tax receipts of a local taxing authority and the total tax receipts of all reporting tax authorities. This ratio is then applied to the total amount of taxes that reporting authorities could have collected had they been able to directly tax public utility realty.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Taxing authorities receiving funds . . . . .	3,094	3,082	3,140	3,140	3,140	3,140	3,140

While fewer taxing authorities are filing for their share of the realty tax, increasing property values and millage rates result in increased distributions. The budget and future years data indicate the total number of eligible taxing authorities.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Distribution of Public Utility Realty Tax**  
 \$ 2,159 —to continue current program.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Distribution of Public Utility Realty Tax . . .	\$ 90,315	\$ 92,074	\$ 94,233	\$ 94,233	\$ 94,233	\$ 94,233	\$ 94,233

# REVENUE

*PROGRAM OBJECTIVE: To increase economic stability by assisting eligible Pennsylvania citizens maintain their home.*

## Program: Homeowners and Renters Assistance

Property tax and rent rebates allow older Pennsylvanians, surviving spouses over 50 and permanently disabled citizens to lead fuller lives by restoring a portion of their limited income. The assistance declines from a maximum benefit of 100 percent of the tax or \$500 for household incomes under \$5,000. Act 53 of 1985 set the income ceiling for program eligibility at \$15,000. Ninety-eight percent of refunds are mailed on July 1.

In addition the Older Pennsylvanians Inflation Dividend is provided to every household receiving a property tax or rent rebate. This is a flat amount ranging from a minimum of \$20 to a maximum of \$125 based on income eligibility criteria.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Households provided property tax or rent assistance .....	484,351	485,700	487,300	487,600	486,900	485,400	483,700

Low inflation which results in small pension increases, coupled with increasing local tax rates, is resulting in higher average payments per household.

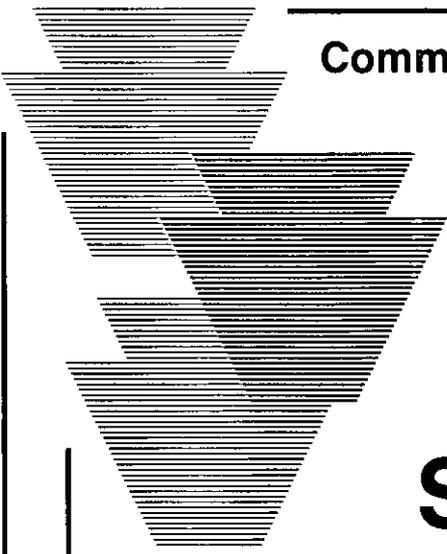
### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

All appropriation recommendations reflect costs based on current eligibility and payment criteria.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>LOTTERY FUND:</b>							
Property Tax and Rent Assistance for							
Older Pennsylvanians .....	\$ 123,681	\$ 126,470	\$ 126,791	\$ 128,312	\$ 129,852	\$ 131,410	\$ 132,987
Older Pennsylvanians' Inflation Dividend ..	34,016	33,976	33,858	33,746	33,635	33,524	33,413
<b>TOTAL LOTTERY FUND .....</b>	<b>\$ 157,697</b>	<b>\$ 160,446</b>	<b>\$ 160,649</b>	<b>\$ 162,058</b>	<b>\$ 163,487</b>	<b>\$ 164,934</b>	<b>\$ 166,400</b>



**Commonwealth of Pennsylvania**

# **Securities Commission**

The Securities Commission oversees the State controlled securities industry to ensure compliance with Commonwealth statutes.

# SECURITIES COMMISSION

## Summary by Fund and Appropriation

	1987-88	(Dollar Amounts in Thousands) 1988-89	1989-90
	Actual	Available	Budget
<b>GENERAL FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations .....	\$ 2,529	\$ 2,941	\$ 3,178
(A) Reimbursement — Crime Commission .....	<u>20</u>	<u>      </u>	<u>      </u>
<b>GENERAL FUND TOTAL .....</b>	<b><u>\$ 2,549</u></b>	<b><u>\$ 2,941</u></b>	<b><u>\$ 3,178</u></b>

# SECURITIES COMMISSION

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
REGULATION OF SECURITIES							
INDUSTRY							
General Funds.....	\$ 2,529	\$ 2,941	\$ 3,178	\$ 3,353	\$ 3,537	\$ 3,732	\$ 3,937
Other Funds.....	20	0	0	0	0	0	0
TOTAL.....	\$ 2,549	\$ 2,941	\$ 3,178	\$ 3,353	\$ 3,537	\$ 3,732	\$ 3,937
ALL PROGRAMS:							
GENERAL FUND.....	\$ 2,529	\$ 2,941	\$ 3,178	\$ 3,353	\$ 3,537	\$ 3,732	\$ 3,937
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	20	0	0	0	0	0	0
TOTAL.....	\$ 2,549	\$ 2,941	\$ 3,178	\$ 3,353	\$ 3,537	\$ 3,732	\$ 3,937

# SECURITIES COMMISSION

*PROGRAM OBJECTIVE: To reduce fraud and to protect public investors involved in securities transactions, as well as to facilitate legitimate capital formation in the State.*

## Program: Securities Industry Regulation

The primary function of the Pennsylvania Securities Commission is to encourage the financing of legitimate business and industry in the Commonwealth while protecting the investing public from fraudulent and unfair practices in the securities industry.

The commission protects the investing public through the registration and regulation of salesmen and companies dealing in securities, issues orders to persons and corporations attempting to sell

securities without approval, and seeks prosecution of violators of the Pennsylvania Securities Act.

It also works with other State, Federal and independent regulatory agencies and the various stock exchanges to develop uniform filing requirements that alleviate the burden on the securities industry by eliminating duplicative examination and registration requirements involved in complying with various State and Federal filing procedures.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Formal investigations conducted . . . . .	303	325	350	375	400	425	450
Dollar amounts of securities cleared for sale (billions) . . . . .	\$ 1,005	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500
Securities filings received . . . . .	5,464	5,600	5,700	5,800	5,900	6,000	6,100
Securities filings cleared . . . . .	4,631	4,800	4,900	5,000	5,100	5,200	5,300
Broker-dealers registered . . . . .	1,814	2,400	2,800	3,100	3,400	3,700	4,000
Agents registered . . . . .	63,398	81,000	98,000	115,000	132,000	149,000	166,000
Investment Advisers registered . . . . .	406	500	600	700	800	900	1,000

The dollar amounts of securities cleared for sale declined from prior year estimates due to "Black Monday" in October 1987.

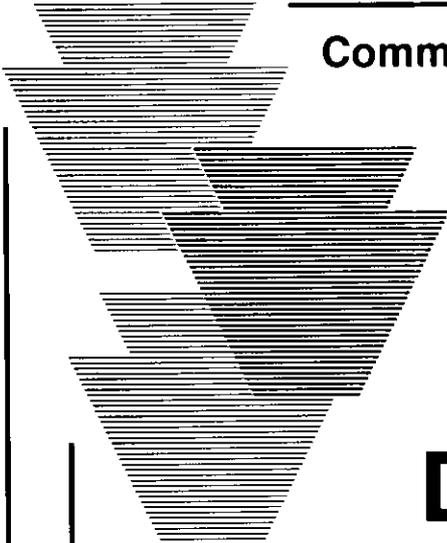
### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>General Government Operations</b>	
\$ 148	—to continue current program.	
89	—to continue Securities Fraud/Consumer Education program initiated in 1988-89.	
<hr/>		
\$ 237	<i>Appropriation Increase</i>	

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations . . . . .	<u>\$ 2,529</u>	<u>\$ 2,941</u>	<u>\$ 3,178</u>	<u>\$ 3,353</u>	<u>\$ 3,537</u>	<u>\$ 3,732</u>	<u>\$ 3,937</u>



**Commonwealth of Pennsylvania**

# **Department of State**

The Department of State compiles, publishes and certifies all election ballots and returns; monitors campaign expense reports; issues all commissions to elected and appointed officials; records all laws passed by the General Assembly and proclamations issued by the Governor; administers corporate and selected noncorporate business laws; administers the professional and occupational licensing boards; and regulates solicitation activities, boxing and wrestling matches.

The Department of State is administered by the Secretary of the Commonwealth and includes the State Athletic Commission, the Commission on Charitable Organizations, and 26 professional and occupational licensing boards.

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
<b>General Government Operations</b> .....	<b>\$ 1,344<sup>a</sup></b>	<b>\$ 1,765<sup>b</sup></b>	<b>\$ 1,721</b>
(A) Professional Licensure Augmentation Account <sup>c</sup> .....	.....	.....	.....
(A) Registration of Charitable Organizations .....	277	240	240
(A) Boxing and Wrestling Fees .....	269	280	280
(R) Professional Licensure Augmentation Account <sup>f</sup> .....	10,388 <sup>d</sup>	12,323 <sup>e</sup>	12,042
(R) Medical Fees <sup>f</sup> .....	1,471	1,644	1,893 <sup>g</sup>
(R) Osteopathic Fees <sup>f</sup> .....	268	312	436 <sup>g</sup>
(R) Podiatry Fees <sup>f</sup> .....	107	129	127
Total — General Government Operations .....	<u>\$ 14,124</u>	<u>\$ 16,693</u>	<u>\$ 16,739</u>
<b>Corporation Bureau</b> .....	<b>1,295<sup>a</sup></b>	<b>1,465<sup>b</sup></b>	<b>1,634</b>
<b>Uniform Commercial Code Computerization</b> .....	<b>145</b>	<b>.....</b>	<b>.....</b>
<b>Publishing Constitutional Amendments</b> .....	<b>60</b>	<b>60</b>	<b>60</b>
<b>Electoral College</b> .....	<b>.....</b>	<b>8</b>	<b>.....</b>
Subtotal — State Funds .....	<u>\$ 2,844</u>	<u>\$ 3,298</u>	<u>\$ 3,415</u>
Subtotal — Augmentations .....	546	520	520
Subtotal — Restricted Revenue .....	12,234	14,408	14,498
Total — General Government .....	<u>\$ 15,624</u>	<u>\$ 18,226</u>	<u>\$ 18,433</u>
<b>GRANTS AND SUBSIDIES:</b>			
<b>Voting of Citizens in Military Service</b> .....	<b>\$ 8</b>	<b>\$ 8</b>	<b>\$ 8</b>
<b>Voter Registration by Mail</b> .....	<b>350</b>	<b>629<sup>h</sup></b>	<b>350</b>
<b>County Election Expenses</b> .....	<b>18</b>	<b>.....</b>	<b>.....</b>
Total — Grants and Subsidies .....	<u>\$ 376</u>	<u>\$ 637</u>	<u>\$ 358</u>
STATE FUNDS .....	<u>\$ 3,220</u>	<u>\$ 3,935</u>	<u>\$ 3,773</u>
AUGMENTATIONS .....	546	520	520
RESTRICTED REVENUES .....	<u>12,234</u>	<u>14,408</u>	<u>14,498</u>
<b>GENERAL FUND TOTAL</b> .....	<u><b>\$ 16,000</b></u>	<u><b>\$ 18,863</b></u>	<u><b>\$ 18,791</b></u>

<sup>a</sup>Actually expended as General Government Operations \$2,639,000.

<sup>b</sup>Actually appropriated as General Government Operations \$3,230,000.

<sup>c</sup>Amounts not shown to avoid double counting: 1987-88 \$550,000; 1988-89 \$720,000; 1989-90 \$821,000.

<sup>d</sup>Actually appropriated as Professional and Occupational Affairs \$10,293,000 augmented by \$95,000 in Auctioneers Licenses.

<sup>e</sup>Actually appropriated as Professional and Occupational Affairs \$12,218,000 augmented by \$105,000 in Auctioneers Licenses.

<sup>f</sup>Appropriation from Restricted Revenue Accounts.

<sup>g</sup>Appropriation from Restricted Revenue Account. Amounts for 1989-90 include funds for the amphetamine monitoring program in the Medical and Osteopathic Boards. It is expected that fees for these boards will be increased to absorb these additional expenditures.

<sup>h</sup>Includes recommended supplemental of \$279,000.



*PROGRAM OBJECTIVE: To protect the consumer from fraudulent solicitation and unqualified professional and occupational practitioners and establishments.*

## Program: Consumer Protection

The Department of State administers several program elements within the Consumer Protection program.

### **Program Element: Protection of the Electoral Process**

Public policy is formulated by citizens through electoral participation. Because the electoral process is the basic public policymaking mechanism, it is important to insure that this process conforms to legally defined specifications. Abuse of the electoral process causes decline in voter participation.

Efforts in this program are keyed towards ensuring efficiency, honesty and uniformity in the administration of the Election Code. Some of the more serious problems within the election system have included: burdensome registration and voting procedures; the lack of easily obtainable published information concerning the State's electoral process; instances of unfair and unjust administration of election processes; and a pervading lack of consistency in activities at all levels of election administration.

Other functions in this program fall under the area of commissioning 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.

### **Program Element: Protection of Professional Licensing**

The focus of this program element is one of assuring acceptable professional and technical services to the Commonwealth's residents. To accomplish this, twenty-six boards of the Bureau of Professional and Occupational Affairs (BPOA) utilize licensing, enforcement and administrative powers to regulate and service the various professions.

Mechanisms utilized in controlling the quality of practitioners include regulating age, education, experience and degree of technical expertise demonstrated through applications and subsequent written examination and/or demonstrated practical ability. Requirements for continuing education also serve as a means of meeting the constantly changing developments in the various professions and occupations.

Effective July 1, 1978, Act 124 created a restricted Professional Licensure Augmentation Account (PLAA) enabling this program to be funded from fees and fines collected by the Bureau of Professional and Occupational Affairs. Thus, the bureau operates entirely out of earmarked funds, considered for budgetary purposes as "Other" funds, rather than from a General Fund appropriation.

After experience with the PLAA concept and the current exposure to the sunset review process, it has been determined that each individual board should take steps to equalize revenues with expenditures over each two year period by adjusting license fees where required. The methodology to accomplish this task is in place and fee adjustment packages are being submitted according to schedule.

### **Program Element: Regulation of Consumer Products and Promotion of Fair Business Practices**

This program element encompasses the activities of the Corporation Bureau, the Bureau on Charitable Organizations and the State Athletic Commission.

The Corporation Bureau is responsible for registering all businesses in the Commonwealth, which currently has an estimated 1,412,000 profit and nonprofit corporations and fictitious name registrations. An important goal is to promote a more favorable atmosphere for commerce to enter Pennsylvania.

The Bureau on Charitable Organizations is responsible for the registration of charitable organizations, professional fund raisers and solicitors, as well as regulation of the actual solicitation and distribution of collected funds. There are currently approximately 7,000 registrations of charitable organizations.

The major objective of the bureau is to increase the awareness and understanding of the Charitable Solicitations Act among Pennsylvania consumers and charitable organizations.

The State Athletic Commission 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 bring championship events into the Commonwealth.

## Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Voter registration transactions . . . . .	656,634	850,000	450,000	600,000	600,000	850,000	450,000
Professional licenses and renewals issued	379,118	330,000	385,000	330,000	385,000	330,000	385,000
Disciplinary actions by boards . . . . .	330	490	540	540	540	540	540
Complaints processed by legal staff . . . . .	2,538	3,750	4,100	4,100	4,100	4,100	4,100
Case files opened . . . . .	3,324	4,000	4,400	4,400	4,400	4,400	4,400
Uniform Commercial Code financing statement filings and information requests fulfilled . . . . .	184,434	193,000	202,000	211,000	220,000	229,000	238,000
Reviews of fictitious names, business corporations, trademark applications . . .	84,802	90,000	96,000	102,000	108,000	116,000	122,000

**Program: Consumer Protection (continued)**

**Program Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>General Government Operations</b>	
\$	-61 —nonrecurring projects.
	17 —to maintain current program.
\$	-44 <i>Appropriation Decrease</i>
 <b>Corporation Bureau</b>	
\$	-285 —nonrecurring projects.
	104 —to maintain current program.
	350 —to enable Corporation Bureau to meet projected workload increase of 28% for 1989-90.
\$	169 <i>Appropriation Increase</i>
 <b>Electoral College Expenses</b>	
\$	-8 —nonrecurring project.
 <b>Voter Registration By Mail</b>	
\$	-279 —lower funding levels required in non-Presidential election years.

<b>Professional Licensure Augmentation Account</b>	
\$	-948 —nonrecurring projects.
	667 —to maintain current program, includes merger of Auctioners Board into the PLAA.
\$	-281 <i>Appropriation Decrease</i>
 <b>State Board of Medical Education and Licensure</b>	
\$	-91 —nonrecurring projects.
	340 —to maintain current program, including the amphetamine monitoring program.
\$	249 <i>Appropriation Increase</i>
 <b>State Board of Osteopathic Examiners:</b>	
\$	-10 —nonrecurring projects.
	134 —to maintain current program, including the amphetamine monitoring program.
\$	124 <i>Appropriation Increase</i>
 <b>State Board of Podiatry Examiners:</b>	
\$	-9 —nonrecurring projects.
	7 —to maintain current program.
\$	-2 <i>Appropriation Decrease</i>

In addition this budget recommends the following changes in the Bureau of Professional and Occupation Affairs for the Professional Licensure Augmentation Account (PLAA); as well as the State Boards of: Medical Education and Licensure; Osteopathic Examiners and Podiatry Examiners.

Amounts for 1989-90 include funds for the amphetamine monitoring program. It is expected that fees for these boards will be increased to absorb these additional expenditures.

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations	\$ 1,344	\$ 1,765	\$ 1,721	\$ 1,816	\$ 1,916	\$ 2,021	\$ 2,132
Corporation Bureau	1,295	1,465	1,634	1,724	1,819	1,919	2,025
Uniform Commercial Code Computerization	145						
Publishing Constitutional Amendments	60	60	60	60	60	60	60
Electoral College Expenses	8	8	8	8	8	8	8
Voting of Citizens in Military Service	8	8	8	8	8	8	8
Voter Registration by Mail	350	629	350	350	350	600	350
County Election Expense	18						
 <b>TOTAL GENERAL FUND</b>	 <u>\$ 3,220</u>	 <u>\$ 3,935</u>	 <u>\$ 3,773</u>	 <u>\$ 3,958</u>	 <u>\$ 4,153</u>	 <u>\$ 4,616</u>	 <u>\$ 4,575</u>



Commonwealth of Pennsylvania

# State Employees' Retirement System

The State Employees' Retirement System is responsible for administering the State Employees' Retirement Fund and the supplemental retirement allowances and cost-of-living increases for annuitants.

# STATE EMPLOYEES' RETIREMENT SYSTEM

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<i>GRANTS AND SUBSIDIES:</i>			
National Guard — Employer Contribution .....	\$ 679	\$ 705	\$ 679
Cost of Living Adjustment .....	.....	1,013	.....
<b>GENERAL FUND TOTAL</b> .....	<u>\$ 679</u>	<u>\$ 1,718</u>	<u>\$ 679</u>
<b>OTHER FUNDS</b>			
<i>STATE EMPLOYEES' RETIREMENT FUND:</i>			
Administration .....	\$ 5,252	\$ 6,031	\$ 6,805
(A) Legal Fee Augmentations .....	.....	.....	75
<b>OTHER FUNDS TOTAL</b> .....	<u>\$ 5,252</u>	<u>\$ 6,031</u>	<u>\$ 6,880</u>
<b>DEPARTMENT TOTAL — ALL FUNDS</b>			
GENERAL FUND .....	\$ 679	\$ 1,718	\$ 679
OTHER FUNDS .....	<u>5,252</u>	<u>6,031</u>	<u>6,880</u>
<b>TOTAL ALL FUNDS</b> .....	<u>\$ 5,931</u>	<u>\$ 7,749</u>	<u>\$ 7,559</u>

# STATE EMPLOYEES' RETIREMENT SYSTEM

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>GENERAL ADMINISTRATION AND SUPPORT</b>							
General Funds.....	\$ 679	\$ 1,718	\$ 679	\$ 679	\$ 679	\$ 679	\$ 679
Other Funds.....	5,252	6,031	6,880	7,254	7,649	8,066	8,506
<b>TOTAL.....</b>	<b>\$ 5,931</b>	<b>\$ 7,749</b>	<b>\$ 7,559</b>	<b>\$ 7,933</b>	<b>\$ 8,328</b>	<b>\$ 8,745</b>	<b>\$ 9,185</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 679	\$ 1,718	\$ 679	\$ 679	\$ 679	\$ 679	\$ 679
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	5,252	6,031	6,880	7,254	7,649	8,066	8,506
<b>TOTAL.....</b>	<b>\$ 5,931</b>	<b>\$ 7,749</b>	<b>\$ 7,559</b>	<b>\$ 7,933</b>	<b>\$ 8,328</b>	<b>\$ 8,745</b>	<b>\$ 9,185</b>

# STATE EMPLOYEES' RETIREMENT SYSTEM

*PROGRAM OBJECTIVE: To provide an effective administrative system for the operation of the retirement system for State employees.*

## Program: State Employees' Retirement

The State Employees' Retirement System was established to administer the pension system created in 1924. Contributions by the employes and the employing agencies are made to the State Employees' Retirement Fund which uses those moneys and interest earnings for payment of annuities and disability benefits and for administration of the system. The State Employees' Retirement Fund is shown in the Special Funds Appendix.

The assets of the system are in excess of \$7 billion dollars. The system is funded in accordance with accepted actuarial standards; the funding is reviewed annually by a contracted actuarial firm and an experience review is completed every five years.

The greatest source of current income to the system is earnings from investments. Payments from member employers are the second major source of income; the rate for employers is established annually by the board upon the recommendation of the actuary. Employer contributions differ in accordance with the class of employes for which they are contributing. There is additional cost for employes in safety positions, the Legislature, and the Judiciary. Member contributions are the third source of income. The majority of current members contribute 5 percent of pay to the system. Members hired after July of 1983

contribute 6.25 percent of pay to the system.

Normal retirement from the system is at age 60, age 50 for safety employes and members of the legislature, or at any age with 35 years of service. Retirement before those times is possible after ten years of service but is actuarially reduced to the equivalent of the annuity which would have been payable at superannuation retirement.

Legislation has provided for an early retirement window for the past three years. This window was recently extended to September 30 of 1991. During that time employes with 30 years of service who are age 53 can retire with a full allowance based on service without actuarial reduction. Those at age 50 to 53 with 30 years of service can retire with a .25 percent reduction for each month remaining before age 53 is attained. The system is studying the use of the window and the cost increase to the retirement system resulting from its implementation.

Act 81 of 1987 established the Commonwealth Deferred Compensation Program which allows Commonwealth employes to defer a portion of their salaries to a retirement savings account. The State Employees' Retirement Board is responsible for its administration. The Deferred Compensation Fund is shown in the Special Funds Appendix to this volume.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Benefit payments processed .....	10,507	10,600	10,600	10,600	10,600	10,600	10,600
Average processing time for benefit payments (in days) .....	12	12	12	12	12	12	12
Return on investment (in millions) .....	\$424.3	\$431.3	\$472.1	\$508.0	\$546.0	\$586.8	\$630.0

The measure showing the return on investments has been modified from previous projections because of the volatility of the investment market.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>GENERAL FUND</b>			<b>Cost of Living Adjustment</b>	
	<b>National Guard — Employer Contribution</b>			—the agency contribution for the Cost of Living Adjustment to retirees which was effective January 1, 1989, is included in agency budgets for 1989-90 and thereafter.
\$	-26 —decrease required as determined by the actuary.	\$	-1,013	

In addition this budget recommends the following changes for the appropriation from the State Employees' Retirement Fund for General Government Operations for the State Employees' Retirement System:

<b>STATE EMPLOYEES' RETIREMENT FUND</b>	
<b>General Government Operations</b>	
\$	-50 —nonrecurring projects.
	450 —Field Office expansion.
	40 —Legal Office reorganization.
	334 —to continue current program.
<hr/>	
\$	774 <i>Appropriation Increase</i>

# STATE EMPLOYEES' RETIREMENT SYSTEM

Program: State Employees' Retirement (continued)

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
National Guard — Employer Contribution	\$ 679	\$ 705	\$ 679	\$ 679	\$ 679	\$ 679	\$ 679
Cost of Living Adjustment .....	.....	1,013	.....	.....	.....	.....	.....
<b>TOTAL GENERAL FUND .....</b>	<u>\$ 679</u>	<u>\$ 1,718</u>	<u>\$ 679</u>	<u>\$ 679</u>	<u>\$ 679</u>	<u>\$ 679</u>	<u>\$ 679</u>
<b>STATE EMPLOYEES' RETIREMENT FUND:</b>							
General Government Operations .....	<u>\$ 5,252</u>	<u>\$ 6,031</u>	<u>\$ 6,805</u>	<u>\$ 7,179</u>	<u>\$ 7,574</u>	<u>\$ 7,991</u>	<u>\$ 8,431</u>



**Commonwealth of Pennsylvania**

# **State Police**

The State Police enforce the law and preserve the peace through detection of crime and apprehension of criminals, patrol of highways, enforcement of the Vehicle Code and enforcement of the Liquor Code.

The State Police receive a General Fund appropriation for criminal law enforcement and a Motor License Fund transfer for traffic patrol activities. In 1989-90, the recommended ratio is 33 percent General Fund and 67 percent Motor License Fund. In addition, the State Police receive augmentations from the Turnpike Commission for turnpike patrol and from the State Stores Fund for liquor control enforcement.



# STATE POLICE

## Summary by Fund and Appropriation

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
<b>General Government Operations</b> .....	<b>\$ 70,662</b>	<b>\$ 80,353<sup>b</sup></b>	<b>\$ 88,383</b>
(F) Drug Enforcement .....	44	100	33
(F) Operation C.A.R.E. ....	315	200	204
(F) Program Management .....	20	23	14
(F) Traffic Evaluations .....	.....	4	.....
(F) Highway Line Markings .....	105	200	.....
(F) Alcohol Safety Training .....	4	29	6
(F) Traffic Enforcement .....	228	450	.....
(F) Alcohol Program Management .....	14	36	33
(F) Summer Traffic Enforcement .....	9	113	113
(F) Motor Carrier Safety .....	1,259	1,886	1,886
(F) Electronic Fingerprinting .....	.....	28	.....
(F) DUI Enforcement .....	24	425	200
(F) Patrol Administration .....	7	35	28
(F) Police Motorcycles .....	.....	180	.....
(F) Statewide Enforcement .....	.....	1,090	10
(F) Radar Units .....	.....	400	.....
(F) Aviation Navigation .....	.....	40	.....
(F) Drug Lab Enforcement .....	.....	117	.....
(F) Special Traffic Enforcement .....	.....	.....	43
(A) Turnpike Commission .....	10,970	11,968	12,925
(A) Criminal History Record Checks .....	1,795	1,600	1,600
(A) Photo License Centers .....	43	58	53
(A) Training Fees .....	291	330	330
(A) Miscellaneous Services .....	98	136	135
(A) Transfer From Motor License Fund <sup>a</sup> .....	.....	.....	.....
Subtotal — State Funds .....	<u>\$ 70,662</u>	<u>\$ 80,353</u>	<u>\$ 88,383</u>
Subtotal — Federal Funds .....	2,029	5,356	2,570
Subtotal — Augmentations .....	13,197	14,092	15,043
Total — General Government Operations .....	<u>\$ 85,888</u>	<u>\$ 99,801</u>	<u>\$ 105,996</u>
<b>Patrol Vehicles</b> .....	<b>\$ 970</b>	<b>\$ 1,940</b>	<b>1,790</b>
(A) Automobile Sales .....	277	1,305	575
(A) Transfer From Motor License Fund <sup>a</sup> .....	.....	.....	.....
Total — Patrol Vehicles .....	<u>\$ 1,247</u>	<u>\$ 3,245</u>	<u>\$ 2,365</u>
<b>Municipal Police Training</b> .....	<b>\$ 2,313</b>	<b>\$ 2,419</b>	<b>\$ 2,874</b>
(A) Transfer From Motor License Fund <sup>a</sup> .....	.....	.....	.....
<b>Law Enforcement</b> .....	<b>\$ 562</b>	.....	.....
(F) Administration .....	121	.....	.....
(F) Statewide Enforcement .....	2,131	.....	.....
Total — Law Enforcement .....	<u>\$ 2,814</u>	.....	.....
<b>Automated Fingerprint Identification System</b> .....	.....	.....	<b>\$ 860</b>
<b>Mobile Narcotic Teams</b> .....	.....	.....	<b>2,016</b>
<b>STATE FUNDS</b> .....	<b>\$ 74,507</b>	<b>\$ 84,712</b>	<b>\$ 95,923</b>
<b>FEDERAL FUNDS</b> .....	<b>4,281</b>	<b>5,356</b>	<b>2,570</b>
<b>AUGMENTATIONS</b> .....	<b>13,474</b>	<b>15,397</b>	<b>15,618</b>
<b>GENERAL FUND TOTAL</b> .....	<b><u>\$ 92,262</u></b>	<b><u>\$ 105,465</u></b>	<b><u>\$ 114,111</u></b>

<sup>a</sup>Not added to total to avoid double counting. See Motor License Fund section of this summary for dollar amounts.

<sup>b</sup>Includes recommended supplemental appropriation of \$2,340,000.

# STATE POLICE

(Dollar Amounts in Thousands)

	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>MOTOR LICENSE FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations .....	\$ 152,205	\$ 164,292 <sup>c</sup>	\$ 179,444
Patrol Vehicles .....	6,030	4,759	3,635
Officer Uniforms .....	1,675	.....	.....
Municipal Police Training .....	2,314	2,420	2,875
Commercial Driver Safety and Licensing .....	.....	.....	1,307
<b>MOTOR LICENSE FUND TOTAL .....</b>	<b><u>\$ 162,224</u></b>	<b><u>\$ 171,471</u></b>	<b><u>\$ 187,261</u></b>
<b>OTHER FUNDS</b>			
<i>STATE STORES FUND:</i>			
Liquor Control Enforcement .....	\$ 12,067	\$ 13,261	\$ 13,277
<b>STATE STORES FUND TOTAL .....</b>	<b><u>\$ 12,067</u></b>	<b><u>\$ 13,261</u></b>	<b><u>\$ 13,277</u></b>
DEPARTMENT TOTAL — ALL FUNDS			
GENERAL FUND .....	\$ 74,507	\$ 84,712	\$ 95,923
SPECIAL FUNDS .....	162,224	171,471	187,261
FEDERAL FUNDS .....	4,281	5,356	2,570
AUGMENTATIONS .....	13,474	15,397	15,618
OTHER FUNDS .....	12,067	13,261	13,277
<b>TOTAL ALL FUNDS .....</b>	<b><u>\$ 266,553</u></b>	<b><u>\$ 290,197</u></b>	<b><u>\$ 314,649</u></b>

<sup>c</sup>Includes recommended supplemental appropriation of \$5,819,000.

# STATE POLICE

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>PUBLIC PROTECTION AND LAW ENFORCEMENT</b>							
General Funds.....	\$ 74,507	\$ 84,712	\$ 95,923	\$ 104,421	\$ 109,950	\$ 113,289	\$ 119,383
Special Funds.....	162,224	171,471	187,261	198,007	209,664	220,781	233,810
Federal Funds.....	4,281	5,356	2,570	2,462	2,547	2,544	2,568
Other Funds.....	25,541	28,658	28,895	30,300	31,785	33,331	34,989
<b>TOTAL.....</b>	<b>\$ 266,553</b>	<b>\$ 290,197</b>	<b>\$ 314,649</b>	<b>\$ 335,190</b>	<b>\$ 353,946</b>	<b>\$ 369,945</b>	<b>\$ 390,750</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 74,507	\$ 84,712	\$ 95,923	\$ 104,421	\$ 109,950	\$ 113,289	\$ 119,383
SPECIAL FUNDS.....	162,224	171,471	187,261	198,007	209,664	220,781	233,810
FEDERAL FUNDS.....	4,281	5,356	2,570	2,462	2,547	2,544	2,568
OTHER FUNDS.....	25,541	28,658	28,895	30,300	31,785	33,331	34,989
<b>TOTAL.....</b>	<b>\$ 266,553</b>	<b>\$ 290,197</b>	<b>\$ 314,649</b>	<b>\$ 335,190</b>	<b>\$ 353,946</b>	<b>\$ 369,945</b>	<b>\$ 390,750</b>

*PROGRAM OBJECTIVE: The State Police enforce the law and preserve the peace through detection of crime and apprehension of criminals, patrol of highways, enforcement of the Vehicle Code and abatement of certain fire hazards.*

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## Program: Public Protection and Law Enforcement

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### **Program Element: Management**

This program element provides direction and coordination for all line and staff activities of the State Police, including administrative and overhead systems for the operation of various law enforcement programs. Included in this program are the provision of protection to the Governor and visiting dignitaries, security of the executive residence, and background investigations on State job applicants.

### **Program Element: Operator Qualifications Control**

The Commonwealth's Driver Licensing Program has been developed to insure 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 is 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.

### **Program Element: Vehicle Standards Control**

The vehicle inspection program within the Commonwealth is currently conducted jointly by the Pennsylvania Department of Transportation and the Pennsylvania State Police. This program was established to provide vehicle safety through periodic inspection of motor vehicles and removal of unsafe vehicles from the Commonwealth's highways. The private sector inspects registered vehicles under the oversight of the State Police and Department of Transportation. The Department of Transportation administers the selling and distribution of inspection stickers while the State Police monitor the program through inspection station visitations.

### **Program Element: Traffic Supervision**

Enforcing the Commonwealth's traffic laws is a major responsibility of the Pennsylvania State Police. The department emphasizes 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 in those municipalities where there are no full-time police departments, and on all Interstate highways. Traffic assistance is also provided, upon request, to municipalities with full-time police departments.

The Pennsylvania State Police utilize various patrol and enforcement techniques; however, the very presence of visible police patrols continues to have the greatest impact on reducing traffic accidents. In this regard, the State Police attempt to allocate patrol activities to those areas and locations with high traffic and accident volume.

### **Program Element: Crime Prevention**

Combating crime is not the responsibility of police alone. It requires the active, organized involvement of the public if any significant results are to be realized.

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.

### **Program Element: Criminal Law Enforcement**

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. Some of the more important factors are density and size of community population, economic conditions, including job availability, cultural conditions, and effective strength of law enforcement agencies.

There are two ways to measure the productivity of the police effort in the criminal justice system. The first is the clearance rate, the percentage of reported crimes for which an arrest is made. The second is the conviction rate, the percentage of convictions resulting from total arrests.

### **Program Element: Emergency Assistance**

The State Police are normally called upon whenever any emergency situation occurs within the Commonwealth. The department has primary police jurisdiction in large areas of the Commonwealth and also provides assistance to a variety of local and State agencies, particularly law enforcement agencies. This department classifies emergency assistance into two separate categories: civil disorder and disturbances, and emergency management.

Civil disorder and disturbances are incidents that are or may become criminal in nature in such categories as labor disorders, strikes, campus-school disorders, youth group disorders, terrorism and hostage situations.

### **Program Element: Liquor Control Enforcement**

Act 14 of 1987 transferred responsibility for liquor control enforcement to the Pennsylvania State Police effective July 1, 1987. Operations include covert and overt investigations, assisting municipal police agencies, conducting routine license investigations, performing establishment audits, and border patrols.

# STATE POLICE

**Program: Public Protection and Law Enforcement (continued)**

**Program Measures:**

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Operator Qualifications Control</b>							
New driver examinations .....	380,487	380,000	380,000	380,000	380,000	380,000	380,000
Reexamined operators .....	103,825	115,000	118,000	118,000	118,000	118,000	118,000
<b>Vehicle Standards Control</b>							
Inspection station visitations .....	18,137	18,500	18,500	18,500	18,500	18,500	18,500
School bus and mass transit vehicle inspections .....	22,797	24,000	24,000	24,000	24,000	24,000	24,000
<b>Traffic Supervision</b>							
Accidents per 1,000 miles of highways in Pennsylvania .....	1,339	1,390	1,430	1,470	1,510	1,550	1,590
Accidents per 1,000 miles of highways patrolled by State Police .....	570	610	630	645	660	680	700
Traffic citations issued .....	432,802	440,000	445,000	450,000	450,000	450,000	450,000
<b>Crime Prevention</b>							
Crimes per 100,000 population in State Police jurisdiction areas:							
Against persons .....	79	82	85	88	91	94	97
Against property .....	1,025	1,035	1,040	1,045	1,050	1,055	1,060
<b>Criminal Law Enforcement</b>							
Crimes against persons:							
Persons arrested .....	1,529	1,630	1,730	1,830	1,930	2,020	2,110
Clearance rate* .....	63.9%	63.0%	63.0%	63.0%	63.0%	63.0%	63.0%
Percent of those arrested who are convicted .....	59.7%	60%	60%	60%	60%	60%	60%
Crimes against property:							
Persons arrested .....	7,308	7,450	7,640	7,830	8,020	8,210	8,400
Clearance rate* .....	22.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%
Percent of those arrested who are convicted .....	83.2%	83%	83%	83%	83%	83%	83%
<b>Liquor Control Enforcement</b>							
Enforcement Investigations .....	30,036	30,100	30,100	30,100	30,100	30,100	30,100

\*Clearance rate is the percentage of crimes cleared by arrest compared to the number of actual offenses known.

# STATE POLICE

## Program: Public Protection and Law Enforcement (continued)

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>GENERAL FUND AND MOTOR LICENSE FUND COMBINED</b>			
<b>General Government Operations</b>			
\$ 890	—to replace and upgrade criminal investigation equipment.	\$ 1,307	<b>Commercial Driver Safety and Licensing</b>
556	—additional cost of full-year operation of the Philadelphia Drug Investigation Team.		—PRR — Commercial Driver Safety and Licensing. These funds will enable the State Police to implement more extensive skill and written testing of commercial drivers. See Program Revision in the Department of Transportation for further information.
<u>21,736</u>	—to continue current program.		
\$ 23,182	<i>Appropriation Increase</i>		
<b>Patrol Vehicles</b>			
\$ -1,274	—to replace approximately 500 patrol vehicles.	\$ 441	<b>Municipal Police Training</b>
		225	—increase in basic training costs.
			—to train municipal instructors for in-service training classes.
<b>Automated Fingerprint Identification System</b>			
\$ 860	—to acquire and make the first installment on a \$6 million fingerprint system.	131	—additional staff and equipment.
		<u>113</u>	—to continue current program
		\$ 910	<i>Appropriation Increase</i>
<b>Mobile Narcotic Teams</b>			
\$ 2,016	—PRR — Comprehensive Drug and Alcohol Abuse Initiative. The State Police will establish five mobile teams to investigate and apprehend street-level drug traffickers. See Program Revision in the Executive Offices for further information.		

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations	\$ 70,662	\$ 80,353	\$ 88,383	\$ 93,244	\$ 98,372	\$ 103,782	\$ 109,490
Municipal Police Training	2,313	2,419	2,874	3,032	3,199	3,375	3,561
Patrol Vehicles	970	1,940	1,790	1,790	1,790	1,790	1,790
Law Enforcement	562						
Automated Fingerprint Identification System			860	3,083	3,137	700	700
Mobile Narcotic Teams			2,016	3,272	3,452	3,642	3,842
<b>TOTAL GENERAL FUND</b>	<u>\$ 74,507</u>	<u>\$ 84,712</u>	<u>\$ 95,923</u>	<u>\$ 104,421</u>	<u>\$ 109,950</u>	<u>\$ 113,289</u>	<u>\$ 119,383</u>
<b>SPECIAL FUNDS:</b>							
<b>MOTOR LICENSE FUND</b>							
General Government Operations	\$ 152,205	\$ 164,292	\$ 179,444	\$ 190,211	\$ 201,624	\$ 213,721	\$ 226,544
Municipal Police Training	2,314	2,420	2,875	3,048	3,231	3,425	3,631
Patrol Vehicles	6,030	4,759	3,635	3,635	3,635	3,635	3,635
Officer Uniforms	1,675						
Commercial Driver Safety and Licensing			1,307	1,113	1,174		
<b>TOTAL MOTOR LICENSE FUND</b>	<u>\$ 162,224</u>	<u>\$ 171,471</u>	<u>\$ 187,261</u>	<u>\$ 198,007</u>	<u>\$ 209,664</u>	<u>\$ 220,781</u>	<u>\$ 233,810</u>
<b>STATE STORES FUND:</b>							
Liquor Control Enforcement	\$ 12,067	\$ 13,261	\$ 13,277	\$ 13,940	\$ 14,637	\$ 15,360	\$ 16,130



**Commonwealth of Pennsylvania**

# **Tax Equalization Board**

The State Tax Equalization Board determines annually the aggregate market value of assessed taxable real property throughout the Commonwealth for use in determining the amount and allocation of Commonwealth subsidies to school districts, for use in determining State support of public libraries, and in determining certain tax limitations.

# TAX EQUALIZATION BOARD

## Summary by Fund and Appropriation

	1987-88	(Dollar Amounts in Thousands) 1988-89	1989-90
	Actual	Available	Budget
<b>GENERAL FUND</b>			
<i>GENERAL GOVERNMENT:</i>			
General Government Operations .....	\$ 1,015	\$ 1,074	\$ 1,155
<b>GENERAL FUND TOTAL .....</b>	<u>\$ 1,015</u>	<u>\$ 1,074</u>	<u>\$ 1,155</u>

# TAX EQUALIZATION BOARD

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
EDUCATION SUPPORT SERVICES							
General Funds.....	\$ 1,015	\$ 1,074	\$ 1,155	\$ 1,219	\$ 1,286	\$ 1,357	\$ 1,432
TOTAL.....	\$ 1,015	\$ 1,074	\$ 1,155	\$ 1,219	\$ 1,286	\$ 1,357	\$ 1,432
ALL PROGRAMS:							
GENERAL FUND.....	\$ 1,015	\$ 1,074	\$ 1,155	\$ 1,219	\$ 1,286	\$ 1,357	\$ 1,432
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	0	0	0	0	0	0	0
TOTAL.....	\$ 1,015	\$ 1,074	\$ 1,155	\$ 1,219	\$ 1,286	\$ 1,357	\$ 1,432

# TAX EQUALIZATION BOARD

*PROGRAM OBJECTIVE: To provide an effective administrative system to assess taxable real property value which is the basis for an equitable distribution of tax funds to support education services.*

## Program: Education Support Services

The State Tax Equalization Board is an independent administrative board created to ensure equitable distribution of tax funds among the State's school districts. The board in accordance with Act 147 of 1947, determines annually the aggregate market value of taxable real property in each of the more than 2,500 municipalities and 501 school districts in the Commonwealth and certifies the market value to the Secretary of Education. The results are used in determining distribution of State subsidies to school districts and local libraries, in lieu of tax payments under Project 70 Land Acquisitions, limitations on real estate taxes in

school districts lying in more than one county, tax limitations in financing community colleges and overall tax limitations for political subdivisions and school districts. The program includes holding of hearings and analysis of real estate values and transactions. Act 267 of 1982 requires the Board to establish annually a common level ratio of assessed value to market value in each county for the prior calendar year.

Act 192 of 1986 requires the board to certify assessors for the valuation of real property for ad valorem taxation purposes.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**General Government Operations**  
\$ 81 —to continue current program.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
General Government Operations . . . . .	\$ 1,015	\$ 1,074	\$ 1,155	\$ 1,219	\$ 1,286	\$ 1,357	\$ 1,432



**Commonwealth of Pennsylvania**

# **Department of Transportation**

The responsibility of the Department of Transportation is to provide fast, efficient and safe movement of people and goods within the Commonwealth through a balanced transportation system. The department was formed July 1, 1970 by an act of the Legislature combining the former Department of Highways with other transportation-related activities in various departments.

# TRANSPORTATION

## PROGRAM REVISION

### Budgeted Amounts Include the Following Program Revisions:

Appropriation	Title	1989-90 State Funds (in thousands)
<b>MOTOR LICENSE FUND</b>		
<b>High Accident Corridor Corrections</b>	High Accident Corridor Corrections .....	\$ 10,000
<p>This Program Revision provides funding for safety improvement projects on highway corridors which have a high number of accidents.</p>		
<b>Commercial Driver Safety and Licensing</b>	Commercial Driver Safety and Licensing .....	\$ 2,522
<p>This Program Revision involves administering written tests for affected licensed drivers, modifying the driver licensing system and developing the ability to interact with the National Commercial Driver Licensing Information System. This is part of the \$3.8 million Commercial Driver Safety and Licensing Program Revision.</p>		
DEPARTMENT TOTAL .....		<u>\$ 12,522</u>

# TRANSPORTATION

## Summary by Fund and Appropriation

GENERAL FUND	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL GOVERNMENT:</b>			
<b>Mass Transportation Operations</b> .....	<b>\$ 830</b>	<b>\$ 937</b>	<b>\$ 1,041</b>
(F) UMTA — Technical Studies Grants .....	413	650	595
(F) Capital Assistance .....	94	85	60
(F) Surface Transportation Assistance .....	425	526	536
(F) UMTA — Capital Grants .....	19	.....	.....
(F) UMTA — Capital Assistance .....	865	648	.....
(F) UMTA — Capital Improvement Grants .....	2,627	2,000	2,000
(F) UMTA — Shared Ride Coordination .....	.....	50	.....
(A) Lease Recovery Costs — Ridesharing .....	39	55	10
(A) User Fees — Ridesharing .....	35	120	.....
(A) Reimbursement — Other Commonwealth Funds .....	25	.....	.....
<b>Goods Movement Operations</b> .....	<b>305<sup>a</sup></b>	<b>399</b>	<b>500</b>
(F) Title IV Rail Assistance .....	199	120	100
<b>Small Transportation Projects</b> .....	<b>207</b>	.....	.....
<b>Railroad Bridge Inspections</b> .....	<b>160</b>	.....	.....
<b>Vehicle Sales Tax Collections</b> .....	<b>1,550</b>	<b>1,612</b>	<b>1,676</b>
<b>Welcome Centers</b> .....	<b>711</b>	<b>915</b>	<b>1,006</b>
Subtotal — State Funds .....	\$ 3,763	\$ 3,863	\$ 4,223
Subtotal — Federal Funds .....	4,642	4,079	3,291
Subtotal — Augmentations .....	99	175	10
Total — General Government .....	\$ 8,504	\$ 8,117	\$ 7,524
<b>GRANTS AND SUBSIDIES:</b>			
<b>Mass Transportation Assistance</b> .....	<b>\$ 210,271</b>	<b>\$ 213,682</b>	<b>\$ 224,366</b>
<b>Rural and Intercity Rail and Bus Transportation</b> .....	<b>3,612</b>	<b>4,204</b>	<b>4,564</b>
<b>Rail Freight Assistance</b> .....	<b>3,784</b>	<b>4,500</b>	<b>4,500</b>
(F) Surface Transportation — Operating .....	3,376	3,700	4,035
(F) Surface Transportation Assistance Capital .....	3,495	7,932	6,000
(A) Intercity Transportation Projects .....	109	467	467
(A) Local Contribution .....	.....	11	.....
<b>Civil Air Patrol</b> .....	<b>375</b>	<b>400</b>	<b>200</b>
<b>Coast Guard Auxiliary</b> .....	<b>100</b>	.....	.....
Subtotal — State Funds .....	\$ 218,142	\$ 222,786	\$ 233,630
Subtotal — Federal Funds .....	6,871	11,632	10,035
Subtotal — Augmentations .....	109	478	467
Total — Grants and Subsidies .....	\$ 225,122	\$ 234,896	\$ 244,132
STATE FUNDS .....	\$ 221,905	\$ 226,649	\$ 237,853
FEDERAL FUNDS .....	11,513	15,711	13,326
AUGMENTATIONS .....	208	653	477
<b>GENERAL FUND TOTAL</b> .....	<b>\$ 233,626</b>	<b>\$ 243,013</b>	<b>\$ 251,656</b>

<sup>a</sup>Actually appropriated as part of Mass Transportation Operations.

# TRANSPORTATION

<b>MOTOR LICENSE FUND</b>	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL GOVERNMENT:</b>			
General Government Operations .....	\$ 21,526	\$ 22,544	\$ 23,825
Refunding Collected Monies (EA) .....	1,985	1,725	2,000
(A) Mass Transportation .....	185	200	249
(A) Duplicating Services .....	56	70	70
(A) Aviation Restricted Revenue .....	.....	100	235
(A) Sale of Equipment .....	.....	5	5
(A) Administrative Hearings .....	9	20	20
(A) Inspector General .....	180	200	200
Subtotal — State Funds .....	\$ 23,511	\$ 24,269	\$ 25,825
Subtotal — Augmentations .....	430	595	779
Total — General Government Operations .....	\$ 23,941	\$ 24,864	\$ 26,604
Highway and Safety Improvement .....	162,560	183,860	190,000
High Accident Corridor Corrections .....	.....	.....	10,000
(F) Highway Research, Planning and Construction .....	454,045	576,440	609,100
(F) Highway Safety Program .....	481	200	200
(F) High Accident Corridors Improvement .....	.....	.....	15,000
(A) Highway Construction Contributions .....	-355 <sup>a</sup>	4,460	4,460
(A) Aviation Restricted Revenue .....	43	20	10
(A) Mass Transportation .....	136	20	10
(A) Photo ID Program .....	.....	.....	20
(R) ACI Project Expenditures <sup>b</sup> .....	.....	.....	.....
(R) Highway Bridge Projects .....	49,242	29,600	29,000
(F) Federal Aid — Highway Bridge Projects .....	51,925	80,000	91,500
(A) Bridge Construction Contributions .....	345	600	600
(A) Capital Facilities Fund <sup>c</sup> .....	.....	.....	.....
(A) Bridge Reimbursements from Local Governments .....	3	.....	.....
Subtotal — State Funds .....	\$ 162,560	\$ 183,860	\$ 200,000
Subtotal — Federal Funds .....	506,451	656,640	715,800
Subtotal — Augmentations .....	172	5,100	5,100
Subtotal — Restricted Revenue .....	49,242	29,600	29,000
Total — Highway and Safety Improvements .....	\$ 718,425	\$ 875,200	\$ 949,900

<sup>a</sup>Transfer in 1987-88 of Advance Construction Interstate (ACI) project contributions from Highway and Safety Improvement appropriations to ACI Restricted Revenue Account.

<sup>b</sup>Not added to the total to avoid double counting; 1987-88 actual is \$131,111,000, 1988-89 available is \$122,500,000 and 1989-90 budget is \$102,982,000.

<sup>c</sup>Not added to the total to avoid double counting; 1987-88 actual is \$65,038,000, 1988-89 available is \$42,000,000 and 1989-90 budget is \$22,000,000.

# TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1987-88	1988-89	1989-90
	Actual	Available	Budget
<b>GENERAL GOVERNMENT (continued):</b>			
Highway Maintenance .....	\$ 567,609	\$ 615,887	\$ 589,963
Secondary Roads — Maintenance and Resurfacing (EA) ..	52,896	55,803	56,374
Highway Maintenance — Supplemental .....	16,351	9,184	13,663
Traffic and Directional Signs .....		15,000	
Salt Storage Buildings .....	1,500	1,500	1,500
Roadside Rest Areas .....		2,000	2,000
Reinvestment — Facilities .....		3,000	2,000
Local Bridge Inspection .....	238	800	300
(F) Highway Research, Planning and Construction .....	159,194	175,000	175,000
(F) State and Community Highway Safety .....	88	200	200
(F) Federal Highway Administration .....	1,557	500	
(F) Federal Emergency Management Agency .....	847	300	
(F) Local Bridge Inspection .....	437	3,200	1,200
(A) Highway Maintenance Contributions .....	3,616	3,700	3,700
(A) Sale of Automobiles .....	186	150	150
(A) Sale of Equipment .....	611	2,000	2,000
(A) Heavy Hauling-Bonded Roads .....	825	3,150	3,200
(A) Sale of Signs .....	86	125	125
(A) Accident Damage Claims .....	3,420	4,280	4,400
(A) Litter Fine Receipts .....	8	10	9
(A) Keep Pennsylvania Beautiful Contributions .....	7	50	50
(A) Recovered Permit Compliance Cost .....	8	10	10
(A) Aviation Restricted Revenue .....		25	26
Subtotal — State Funds .....	\$ 638,594	\$ 703,174	\$ 665,800
Subtotal — Federal Funds .....	162,123	179,200	176,400
Subtotal — Augmentations .....	8,767	13,500	13,670
Total — Highway Maintenance .....	\$ 809,484	\$ 895,874	\$ 855,870
Safety Administration and Licensing .....	44,477	48,364	50,666
(F) State and Community Highway Safety .....	1,761	1,914	2,177
(F) Driver Licensing Grant .....	20		
Motor Vehicle Insurance Compliance .....		994	409
(A) Computer Support .....	108	150	150
(A) Photo ID Program .....	3,542	3,782	3,509
(A) Motor Vehicle Sales Tax <sup>a</sup> .....			
(A) Emission Mechanic Training Courses .....	4	20	20
Commercial Driver Safety and Licensing .....			2,522
Subtotal — State Funds .....	\$ 44,477	\$ 49,358	\$ 53,597
Subtotal — Federal Funds .....	1,781	1,914	2,177
Subtotal — Augmentations .....	3,654	3,952	3,679
Total — Safety Administration and Licensing .....	\$ 49,912	\$ 55,224	\$ 59,453

<sup>a</sup>Not added to the total to avoid double counting; 1987-88 actual is \$1,550,000, 1988-89 available is \$1,612,000 and 1989-90 budget is \$1,676,000.

# TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL GOVERNMENT (continued):</b>			
(R) Aviation Operations <sup>a</sup> .....	\$ 6,753	\$ 10,160	\$ 10,115
(F) Airport Development Aid Program .....	116	97	98
(F) Airport Inspection .....	34	20	20
(F) Federal Aid — HIA .....	204	6,582	6,540
(F) Federal Aid — Other State Airports .....	673	3,690	2,301
(A) HIA Utility Services .....	170	1,325	1,286
(A) Other State Airports Utility Services .....	99	354	303
(A) Flight Operations .....	279	340	323
(A) Police Citations — HIA .....	16	16	17
(A) Airport Inspections and Licensing .....	8	8	8
(A) Airport Improvement Program .....	39	.....	.....
(A) Industrial Park Reimbursement .....	102	183	160
(A) General Fund Reimbursement .....	19	.....	.....
(A) Other State Owned Airports .....	74	.....	.....
Subtotal — Federal Funds .....	<u>\$ 1,027</u>	<u>\$ 10,389</u>	<u>\$ 8,959</u>
Subtotal — Augmentations .....	806	2,226	2,097
Subtotal — Restricted Revenue .....	6,753	10,160	10,115
Total — Aviation Operations .....	<u>\$ 8,586</u>	<u>\$ 22,775</u>	<u>\$ 21,171</u>
STATE FUNDS .....	\$ 869,142	\$ 960,661	\$ 945,222
FEDERAL FUND .....	671,382	848,143	903,336
AUGMENTATIONS .....	13,829	25,373	25,325
RESTRICTED REVENUE .....	55,995	39,760	39,115
Total — General Government .....	<u>\$ 1,610,348</u>	<u>\$ 1,873,937</u>	<u>\$ 1,912,998</u>
<b>DEBT SERVICE REQUIREMENTS:</b>			
State Highway and Bridge Authority Rentals .....	<u>\$ 25,980</u>	<u>\$ 24,300</u>	<u>\$ 18,869</u>
<b>GRANTS AND SUBSIDIES:</b>			
Local Road Maintenance and Construction Payments .....	\$ 151,533	\$ 156,798	\$ 163,949
Supplemental Local Road Maintenance and Construction Payments .....	5,000	5,000	5,000
Philadelphia Payment — Franchise Tax (EA) .....	948	870	872
(R) Local Grants for Bridge Projects (EA) .....	11,498	41,300	46,600
(F) Federal Aid — Local Grants for Bridge Projects .....	346	700	700
(A) Local Governments .....	30	150	150
(R) Annual Maintenance Payments — Highway Transfer (EA) .....	6,382	7,235	7,690
(R) Restoration Projects — Highway Transfer (EA) .....	8,347	7,544	8,469
(R) Business Airport Grants <sup>a</sup> .....	.....	1,500	2,000
(R) Airport Development <sup>a</sup> .....	4,500	4,500	5,000
(R) Runway Rehabilitation <sup>a</sup> .....	500	500	500
(R) Real Estate Tax Rebate <sup>a</sup> .....	243	238	220
Subtotal — State Funds .....	<u>\$ 157,481</u>	<u>\$ 162,668</u>	<u>\$ 169,821</u>
Subtotal — Federal Funds .....	346	700	700
Subtotal — Augmentations .....	30	150	150
Subtotal — Restricted Revenue .....	31,470	62,817	70,479
Total — Grant and Subsidies .....	<u>\$ 189,327</u>	<u>\$ 226,335</u>	<u>\$ 241,150</u>

<sup>a</sup>Appropriation from restricted revenue account.

# TRANSPORTATION

(Dollar Amounts in Thousands)

	1987-88 Actual	1988-89 Available	1989-90 Budget
STATE FUNDS .....	\$ 1,052,603	\$ 1,147,629	\$ 1,133,912
FEDERAL FUNDS .....	671,728	848,843	904,036
AUGMENTATIONS .....	13,859	25,523	25,475
RESTRICTED REVENUES .....	87,465	102,577	109,594
<b>MOTOR LICENSE FUND TOTAL .....</b>	<b><u>\$ 1,825,655</u></b>	<b><u>\$ 2,124,572</u></b>	<b><u>\$ 2,173,017</u></b>

## LOTTERY FUND

**GENERAL GOVERNMENT:**

Ridership Verification .....	\$ 100	.....	.....
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**GRANTS AND SUBSIDIES:**

Older Pennsylvanians Free Transit .....	\$ 69,503	\$ 73,060	\$ 73,775
Older Pennsylvanians Shared Rides .....	46,200	46,075	49,043
Demand Response Equipment Grants .....	2,294	2,300	2,300
Transfer to Motor License Fund— Vehicle Registration — Older Pennsylvanians .....	<u>1,838</u>	<u>2,600</u>	<u>2,700</u>
Total — Grants and Subsidies .....	<u>\$ 119,835</u>	<u>\$ 124,035</u>	<u>\$ 127,818</u>

<b>LOTTERY FUND TOTAL .....</b>	<b><u>\$ 119,935</u></b>	<b><u>\$ 124,035</u></b>	<b><u>\$ 127,818</u></b>
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## OTHER FUNDS

**GENERAL FUND:**

Federal Grants — Railroad Freight Rehabilitation .....	\$ 355	\$ 5,000	5,000
<b>GENERAL FUND TOTAL .....</b>	<b><u>\$ 355</u></b>	<b><u>\$ 5,000</u></b>	<b><u>\$ 5,000</u></b>

**MOTOR LICENSE FUND:**

Federal Reimbursements to Political Subdivisions — Highway Safety Program .....	\$ 3,085	\$ 3,500	\$ 3,700
Federal Reimbursements — TOPICS .....	296	2,000	2,100
Federal Grants — Airport Development Aid Program .....	840	1,000	1,000
Federal Reimbursements for Roads Off the State System Costs .....	3,092	1,000	1,000
Federal Urban System Funds .....	10,976	18,000	18,500
Reimbursements to Municipalities — Vehicle Code Fines and Penalties .....	11,486	12,200	12,500
Federal Reimbursements — Flood Related Costs .....	1,679	750	1,000
Reimbursement to Other States — Apportioned Registration Plan .....	8,613	8,300	8,000
Federal Reimbursements — Bridge Projects .....	17,886	8,000	10,000
Motorcycle Safety Education .....	1,009	1,000	1,000
Equipment Rental Security Deposits .....	104	100	100
Payments to Blind/Visually Handicapped .....	394	90	100
Carpool Service Costs .....	1,436	.....	.....
Vending Machine Contracts .....	.....	250	250
Child Passenger Restraint Program .....	.....	25	25
Advance Construction Interstate — FRANS .....	<u>113,973</u>	<u>108,902</u>	<u>92,693</u>
<b>MOTOR LICENSE FUND TOTAL .....</b>	<b><u>\$ 174,869</u></b>	<b><u>\$ 165,117</u></b>	<b><u>\$ 151,968</u></b>

# TRANSPORTATION

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>OTHER FUNDS</b>			
<i>HIGHWAY BEAUTIFICATION FUND:</i>			
Control of Junkyards .....	\$ 16	\$ 69	\$ 72
Control of Outdoor Advertising .....	348	455	450
HIGHWAY BEAUTIFICATION FUND TOTAL .....	\$ 364	\$ 524	\$ 522
<i>LIQUID FUELS TAX FUND:</i>			
Payments to Counties .....	\$ 24,649	\$ 25,031	\$ 25,281
LIQUID FUELS TAX FUND TOTAL .....	\$ 24,649	\$ 25,031	\$ 25,281
<b>OTHER FUNDS TOTAL .....</b>	<b>\$ 200,237</b>	<b>\$ 195,672</b>	<b>\$ 182,771</b>
 DEPARTMENT TOTALS — ALL FUNDS			
GENERAL FUND .....	\$ 221,905	\$ 226,649	\$ 237,853
SPECIAL FUNDS .....	1,172,538	1,271,664	1,261,730
FEDERAL FUNDS .....	683,241	864,554	917,362
AUGMENTATIONS .....	14,067	26,176	25,952
RESTRICTED REVENUE .....	87,465	102,577	109,594
OTHER FUNDS .....	200,237	195,672	182,771
<b>TOTAL ALL FUNDS .....</b>	<b>\$ 2,379,453</b>	<b>\$ 2,687,292</b>	<b>\$ 2,735,262</b>

# TRANSPORTATION

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>TRANSPORTATION SUPPORT SERVICES</b>							
General Funds.....	\$ 1,442	\$ 1,336	\$ 1,541	\$ 1,626	\$ 1,715	\$ 1,810	\$ 1,909
Special Funds.....	23,511	24,269	25,825	27,016	28,267	29,580	30,959
Federal Funds.....	4,642	4,079	3,291	3,291	3,291	3,291	3,291
Other Funds.....	529	770	789	789	789	789	789
<b>TOTAL.....</b>	<b>\$ 30,124</b>	<b>\$ 30,454</b>	<b>\$ 31,446</b>	<b>\$ 32,722</b>	<b>\$ 34,062</b>	<b>\$ 35,470</b>	<b>\$ 36,948</b>
<b>STATE HIGHWAY AND BRIDGE CONSTRUCTION/RECONSTRUCTION</b>							
Special Funds.....	\$ 188,540	\$ 208,160	\$ 218,869	\$ 184,824	\$ 169,183	\$ 162,000	\$ 162,000
Federal Funds.....	506,451	656,640	715,800	585,800	350,200	307,300	365,500
Other Funds.....	167,132	149,626	133,115	108,843	58,597	39,722	40,422
<b>TOTAL.....</b>	<b>\$ 862,123</b>	<b>\$ 1,014,426</b>	<b>\$ 1,067,784</b>	<b>\$ 879,467</b>	<b>\$ 577,980</b>	<b>\$ 509,022</b>	<b>\$ 567,922</b>
<b>STATE HIGHWAY AND BRIDGE MAINTENANCE</b>							
General Funds.....	\$ 711	\$ 915	\$ 1,006	\$ 1,061	\$ 1,119	\$ 1,181	\$ 1,246
Special Funds.....	638,356	702,374	665,500	646,379	671,394	686,855	686,303
Federal Funds.....	162,123	179,200	176,400	176,200	176,200	176,200	176,200
Other Funds.....	12,380	14,715	15,145	15,470	15,470	15,470	15,470
<b>TOTAL.....</b>	<b>\$ 813,570</b>	<b>\$ 897,204</b>	<b>\$ 858,051</b>	<b>\$ 839,110</b>	<b>\$ 864,183</b>	<b>\$ 879,706</b>	<b>\$ 879,219</b>
<b>LOCAL HIGHWAY AND BRIDGE ASSISTANCE</b>							
Special Funds.....	\$ 157,719	\$ 163,468	\$ 170,121	\$ 169,913	\$ 172,839	\$ 175,898	\$ 178,937
Federal Funds.....	346	700	700	700	700	700	700
Other Funds.....	94,346	120,460	130,190	108,873	109,670	110,486	111,320
<b>TOTAL.....</b>	<b>\$ 252,411</b>	<b>\$ 284,628</b>	<b>\$ 301,011</b>	<b>\$ 279,486</b>	<b>\$ 283,209</b>	<b>\$ 287,084</b>	<b>\$ 290,957</b>
<b>URBAN MASS TRANSPORTATION</b>							
General Funds.....	\$ 210,271	\$ 213,682	\$ 224,366	\$ 224,366	\$ 224,366	\$ 224,366	\$ 224,366
<b>TOTAL.....</b>	<b>\$ 210,271</b>	<b>\$ 213,682</b>	<b>\$ 224,366</b>	<b>\$ 224,366</b>	<b>\$ 224,366</b>	<b>\$ 224,366</b>	<b>\$ 224,366</b>
<b>RURAL AND INTERCITY RAIL AND BUS TRANSPORTATION</b>							
General Funds.....	\$ 7,556	\$ 8,704	\$ 9,064	\$ 9,064	\$ 9,064	\$ 9,064	\$ 9,064
Federal Funds.....	6,871	11,632	10,035	10,035	10,035	10,035	10,035
Other Funds.....	464	5,478	5,467	5,467	5,467	5,467	5,467
<b>TOTAL.....</b>	<b>\$ 14,891</b>	<b>\$ 25,814</b>	<b>\$ 24,566</b>	<b>\$ 24,566</b>	<b>\$ 24,566</b>	<b>\$ 24,566</b>	<b>\$ 24,566</b>
<b>AIR TRANSPORTATION</b>							
General Funds.....	\$ 375	\$ 400	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
Federal Funds.....	1,027	10,389	8,959	6,004	6,304	6,616	6,948
Other Funds.....	13,642	20,124	20,932	20,647	21,291	22,221	23,182
<b>TOTAL.....</b>	<b>\$ 15,044</b>	<b>\$ 30,913</b>	<b>\$ 30,091</b>	<b>\$ 26,851</b>	<b>\$ 27,795</b>	<b>\$ 29,037</b>	<b>\$ 30,330</b>

# TRANSPORTATION

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>SAFETY ADMINISTRATION AND LICENSING</b>							
General Funds.....	\$ 1,550	\$ 1,612	\$ 1,676	\$ 1,768	\$ 1,865	\$ 1,968	\$ 2,076
Special Funds.....	44,477	49,358	53,597	57,125	58,835	60,505	63,531
Federal Funds.....	1,781	1,914	2,177	2,200	2,200	1,950	1,950
Other Funds.....	13,276	13,252	12,679	12,695	12,720	12,745	12,770
<b>TOTAL.....</b>	<b>\$ 61,084</b>	<b>\$ 66,136</b>	<b>\$ 70,129</b>	<b>\$ 73,788</b>	<b>\$ 75,620</b>	<b>\$ 77,168</b>	<b>\$ 80,327</b>
<b>OLDER PENNSYLVANIANS TRANSIT</b>							
Special Funds.....	\$ 119,935	\$ 124,035	\$ 127,818	\$ 130,976	\$ 134,613	\$ 138,651	\$ 142,867
<b>TOTAL.....</b>	<b>\$ 119,935</b>	<b>\$ 124,035</b>	<b>\$ 127,818</b>	<b>\$ 130,976</b>	<b>\$ 134,613</b>	<b>\$ 138,651</b>	<b>\$ 142,867</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 221,905	\$ 226,649	\$ 237,853	\$ 238,085	\$ 238,329	\$ 238,589	\$ 238,861
SPECIAL FUNDS.....	1,172,538	1,271,664	1,261,730	1,216,233	1,235,131	1,253,489	1,264,597
FEDERAL FUNDS.....	683,241	864,554	917,362	784,230	548,930	506,092	564,624
OTHER FUNDS.....	301,769	324,425	318,317	272,784	224,004	206,900	209,420
<b>TOTAL.....</b>	<b>\$ 2,379,453</b>	<b>\$ 2,687,292</b>	<b>\$ 2,735,262</b>	<b>\$ 2,511,332</b>	<b>\$ 2,246,394</b>	<b>\$ 2,205,070</b>	<b>\$ 2,277,502</b>

# TRANSPORTATION

*PROGRAM OBJECTIVE: To provide an effective administrative system supporting both non-highway and highway transportation programs.*

## Program: Transportation Support Services

This program provides for the administrative and overhead services which support the operations of programs necessary for the achievement of Commonwealth and department objectives.

The non-highway related activities provide administrative coordination, planning and support for all urban, rural and intercity mass transportation as well as rail freight transportation. Efficient and effective urban mass transportation is promoted through analysis of local transit operations and procedures, coordination and funding of urban planning and study projects, and review of local operating subsidy and capital grant projects. Activities designed to continue and improve rail and bus service between Pennsylvania's urbanized areas and bus service in rural areas include: preparing and coordinating needs studies; analyzing

existing and proposed service levels; and evaluating the overall effectiveness of the program.

The highway related activities develop basic guidelines for the highway program, while directing and coordinating specific construction, maintenance and safety and licensing activities. Among the various managerial responsibilities, support is provided in legal, budgetary, accounting, personnel, procurement, information systems, and public relations matters. In addition to supervisory functions performed by department employees, the work of the Inspector General's office, the State Transportation Commission and the Advisory Committee are included within this program.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>General Fund:</b>  <b>Mass Transportation Operations</b>          \$ 104 —to continue current program.</p> <p><b>Goods Movement Operations</b>          \$ 101 —to continue current program.</p>	<p><b>Motor License Fund:</b>  <b>General Government Operations</b>          \$ 1,281 —to continue current program.</p> <p><b>Refunding Collected Monies</b>          \$ 275 —to provide for the expected level of licensing and registration fee refunds.</p>
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### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Mass Transportation Operations .....	\$ 830	\$ 937	\$ 1,041	\$ 1,098	\$ 1,158	\$ 1,222	\$ 1,289
Goods Movement Operations .....	305	399	500	528	557	588	620
Coast Guard Auxiliary .....	100	.....	.....	.....	.....	.....	.....
Small Transportation Projects .....	207	.....	.....	.....	.....	.....	.....
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 1,442</b>	<b>\$ 1,336</b>	<b>\$ 1,541</b>	<b>\$ 1,626</b>	<b>\$ 1,715</b>	<b>\$ 1,810</b>	<b>\$ 1,909</b>
<b>MOTOR LICENSE FUND:</b>							
General Government Operations .....	\$ 21,526	\$ 22,544	\$ 23,825	\$ 25,016	\$ 26,267	\$ 27,580	\$ 28,959
Refunding collected monies .....	1,985	1,725	2,000	2,000	2,000	2,000	2,000
<b>TOTAL MOTOR LICENSE FUND .....</b>	<b>\$ 23,511</b>	<b>\$ 24,269</b>	<b>\$ 25,825</b>	<b>\$ 27,016</b>	<b>\$ 28,267</b>	<b>\$ 29,580</b>	<b>\$ 30,959</b>

# TRANSPORTATION

*PROGRAM OBJECTIVE: To provide a highway and bridge system capable of meeting the economic and recreational needs of the Commonwealth.*

## Program: State Highway and Bridge Construction/Reconstruction

This program involves major construction and reconstruction of the interstate highway system, the construction of high priority missing links, and the construction and reconstruction of State bridges.

Activities involve the construction 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 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 current State revenues,

Transportation is charged with the responsibility of developing and executing a program that will correct the most critical deficiencies on the State-administered highway system.

This program also involves improvements to those State-owned bridges enumerated in the Highway Bridge Capital Budget Act of 1982-83 and the Bridge Capital Act of 1986. These improvements are funded through increases in annual registration fees for Commonwealth-registered vehicles having a gross weight in excess of 26,000 pounds and an additional six cent per gallon tax on motor fuel used by motor carriers in the operation of their vehicles having a gross weight in excess of 17,000 pounds on highways within the Commonwealth.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Miles of construction on new right-of-way . . . . .	15	25	25	13	13	10	10
Miles of Interstate reconstruction . . . . .	68	49	39	36	49	48	48
Miles of Non-Interstate reconstruction . . . . .	514	533	440	433	480	480	480
Number of intersections improved to increase safety and capacity . . . . .	55	34	37	37	45	45	45
Bridges maintained (larger than 8 feet) . . . . .	26,323	26,338	26,353	26,368	26,383	26,398	26,413
Bridges replaced/repaired . . . . .	288	300	300	320	318	295	295

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

#### Highway and Safety Improvement

\$ 6,140 —to maintain the schedule of having all Interstate gaps open to traffic in 1991. This funding is in combination with Federal Reimbursement Anticipation Notes (FRANS). For 1989-90 this Budget recommends FRANS proceeds in the amount of \$92,693,000. The department's Interstate completion program includes the I-279/579 complex in Pittsburgh, I-78 in Lehigh and Northampton counties, I-676 (Vine Street Expressway) in Philadelphia and 476 (Mid-County Expressway) in Delaware and Montgomery counties. Other key economic development projects initiated or underway in 1989-90 include two sections of the Mon-Valley Expressway in Washington County, Route 901 in Northumberland County, Route 512 in Northampton County and Route

22 in Westmoreland County. The interstate restoration projects also funded from this appropriation include 18 miles of Interstate 80 in Carbon and Venango Counties, 11 miles of Interstate 81 in Schuylkill County, 5 miles of Interstate 83 in York County, and 5 miles of Interstate 70 in Washington County.

#### High Accident Corridor Corrections

\$ 10,000 —PRR — High Accident Corridor Corrections. This Program Revision provides funding for safety improvement projects on highway corridors which have a high number of accidents. See the Program Revision following this program for further information.

#### State Highway and Bridge Authority Rentals

\$ -5,431 —to provide for required principal and interest payments which are less than in 1988-89.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>MOTOR LICENSE FUND</b>							
Highway and Safety Improvement . . . . .	\$ 162,560	\$ 183,860	\$ 190,000	\$ 162,000	\$ 162,000	\$ 162,000	\$ 162,000
High Accident Corridor Corrections . . . . .			10,000	10,000			
State Highway and Bridge Authority Rentals . . . . .	25,980	24,300	18,869	12,824	7,183		
<b>TOTAL MOTOR LICENSE FUND . . . . .</b>	<b>\$ 188,540</b>	<b>\$ 208,160</b>	<b>\$ 218,869</b>	<b>\$ 184,824</b>	<b>\$ 169,183</b>	<b>\$ 162,000</b>	<b>\$ 162,000</b>

# TRANSPORTATION

## Program Revision: High Accident Corridor Corrections

Because Pennsylvania has one of the most extensive networks of highways in the country, there is a continuing need to maintain and improve highway safety for the traveling public. This Program Revision will target high accident corridors in the State, and make relatively low cost physical improvements which can be implemented in a short time. This approach to highway safety is most efficient, because a one-time investment in eliminating a hazard will have the effect of preventing accidents in future years.

This Program Revision will implement improvements on 55 highway corridors which have experienced above average accident rates or exhibit the potential for significant accident problems. Typical improvements will include: median barrier installations to prevent head-on collisions and cross-over accidents; reconstruction and/or relocation of sharp curves; intersection reconstruction to minimize driver confusion

and conflicts; resurfacing to reduce the potential for skidding on slippery pavements; regrading shoulders to minimize the potential for "run off the road" accidents; drainage improvements to remove water from the pavement and to eliminate the potential for wet or icy areas; and, guiderail improvements, particularly at bridges, to reduce the accident severity for motorists who do leave the roadway. Along with changes to the driving environment, efforts will be made to improve seat belt usage, alcohol and drug enforcement, speed enforcement and truck driver safety.

These highway safety improvements will insure that Pennsylvania roads maintain a high level of safety for motorists. The department's actions are projected to save 20 lives and prevent 840 injuries in 1989-90, and will continue to have similar effects in the future years.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Lives saved:							
Current .....	.....	.....	.....	.....	.....	.....	.....
<b>Program Revision .....</b>	.....	.....	<b>20</b>	<b>58</b>	<b>79</b>	<b>79</b>	<b>79</b>
Injuries prevented:							
Current .....	.....	.....	.....	.....	.....	.....	.....
<b>Program Revision .....</b>	.....	.....	<b>840</b>	<b>5,518</b>	<b>7,369</b>	<b>7,369</b>	<b>7,369</b>

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**High Accident Corridor Corrections**  
 \$ 10,000 —to implement safety improvements at 55 high accident areas.

### Recommended Program Revision Costs by Appropriation:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>MOTOR LICENSE FUND:</b>							
High Accident Corridor Corrections .....	.....	.....	<u>\$10,000</u>	<u>\$10,000</u>	.....	.....	.....

# TRANSPORTATION

*PROGRAM OBJECTIVE: To provide general routine maintenance, betterments and resurfacing necessary to preserve the quality of existing State-administered roads and bridges and to provide prompt winter services to enable safe passage of vehicles.*

## Program: State Highway and Bridge Maintenance

Pennsylvania, with one of the largest State maintained highway systems in the nation and one which is subjected to severe winters, is faced with significant and challenging maintenance demands.

Work carried out by the department or by contract includes patching, surface treatment, resurfacing, restabilization and minor betterment projects, plus repair of bridges, tunnels, and minor storm damage. The department places a heavy emphasis on durable resurfacing of high-volume primary highways. Pennsylvania has about 10,000 miles of primary highways which carry high volumes of truck traffic. The department has labelled these highways the Priority Commercial Network. Snow and ice control services are performed on all State-administered highways 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 cleaning, manufacturing, and repairing highway signs, repainting

pavement markings, and repairing or replacing such safety features as traffic signals, guiderails, median barriers and right-of-way fences.

The department issues special permits to truck operators in the cases of weight restrictions or special operating restrictions on certain highways and bridges. By issuing these permits the department is able to facilitate economic growth in the Commonwealth without adversely affecting the structural integrity of the highways and bridges or the safe and convenient passage of traffic.

The truck weight and safety enforcement program is credited with reducing maintenance costs for highways and bridges and increasing the public safety by minimizing the number of dangerously overloaded trucks. High volumes of trucks are weighed using semi-permanent weigh stations incorporating mobile high speed weigh in motion equipment and instrumentation. The program yields greater effectiveness at a fraction of the cost to construct permanent weigh stations.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Miles of State maintained highways . . . . .	42,332	42,108	41,916	41,750	41,602	41,464	41,337
Miles of State maintained highways improved:							
Resurfaced . . . . .	453	362	350	300	325	325	325
Surface treated . . . . .	5,955	6,158	5,750	5,700	5,775	5,775	5,775
Total . . . . .	6,408	6,520	6,100	6,000	6,100	6,100	6,100
Truck weight and safety enforcement . . . . .	292,000	300,000	412,000	415,000	415,000	415,000	415,000
Trucks weighed . . . . .	300,000	410,000	415,000	420,000	420,000	420,000	420,000
Weight violations . . . . .	4,275	4,290	5,000	5,200	5,200	5,200	5,200
Trucks inspected . . . . .	10,309	5,600	7,000	7,000	7,000	7,000	7,000
Safety violations . . . . .	48,376	49,000	49,500	50,000	50,000	50,000	50,000

The 1988-89 data for the "Truck Weight and Safety Enforcement — Trucks Inspected" program measure is lower than in 1987-88 due to the Department of Transportation's implementation of a more comprehensive truck weight and safety program. This comprehensive program requires a more detailed inspection of each vehicle.

# TRANSPORTATION

## Program: State Highway and Bridge Maintenance (continued)

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

	<b>GENERAL FUND:</b>	
	<b>Welcome Centers</b>	<b>Highway Maintenance Supplemental</b>
\$ 60	—to provide furnishings and accommodations for five Welcome Centers to better promote tourism within the Commonwealth.	\$ 4,479 —to continue current program.
31	—to continue current program.	<b>Reinvestment — Facilities</b>
\$ 91	<i>Appropriation Increase</i>	\$ -1,000 —continuance of a 1988-89 initiative to address the most critical building needs of Transportation's district and county offices.
	<b>MOTOR LICENSE FUND:</b>	
	<b>Highway Maintenance</b>	Salt storage buildings and roadside rest areas are recommended at the current year levels. Traffic and directional signs is a 1988-89 nonrecurring project.
\$ -25,924	—to continue current program. The 1988-89 amount included a one-time increase of \$33 million for highway maintenance due to the 1987-88 revenue surplus. The 1989-90 recommended amount includes \$1 million for the construction of additional truck inspection sites throughout the Commonwealth.	
	<b>Secondary Roads—Maintenance and Resurfacing</b>	
\$ 571	—to continue current program.	

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Welcome Centers .....	\$ 711	\$ 915	\$ 1,006	\$ 1,061	\$ 1,119	\$ 1,181	\$ 1,246
<b>MOTOR LICENSE FUND:</b>							
Highway Maintenance .....	\$ 567,609	\$ 615,887	\$ 589,963	\$ 570,845	\$ 597,318	\$ 625,407	\$ 623,783
Highway Maintenance Supplemental .....	16,351	9,184	13,663	13,663	13,663	.....	.....
Secondary Roads — Maintenance and Resurfacing .....	52,896	55,803	56,374	57,371	58,413	59,448	60,520
Traffic and Directional Signs .....	.....	15,000	.....	.....	.....	.....	.....
Salt Storage Building .....	1,500	1,500	1,500	1,500	.....	.....	.....
Reinvestment — Facilities .....	.....	3,000	2,000	2,000	2,000	2,000	2,000
Roadside Rest Areas .....	.....	2,000	2,000	1,000	.....	.....	.....
<b>TOTAL MOTOR LICENSE FUND.....</b>	<b>\$ 638,356</b>	<b>\$ 702,374</b>	<b>\$ 665,500</b>	<b>\$ 646,379</b>	<b>\$ 671,394</b>	<b>\$ 686,855</b>	<b>\$ 686,303</b>

# TRANSPORTATION

*PROGRAM OBJECTIVE: To assist local governments in the maintenance and construction of their portion of the total highway and bridge system.*

## Program: Local Highway and Bridge Assistance

The Commonwealth provides a number of financial programs to assist municipalities in the maintenance and construction of their highway bridge systems.

Nearly twenty percent of Pennsylvania's twelve cent per gallon liquid fuels tax and twenty percent of thirty-five mills of the oil franchise tax are currently made available to local governments for use on their roads as a result of the following legislatively mandated programs. The first one-half cent of the twelve cent gallonage tax is deposited directly into the Liquid Fuels Tax Fund and apportioned to the 67 counties. Of the remaining eleven and one-half cent fuels tax, twenty percent is distributed from the Motor License Fund to 2,572 municipalities. Also included in the distribution to municipalities is twenty percent of 3.5 percent of the 6 percent oil franchise tax. As part of the oil franchise tax legislation, Philadelphia receives a separate payment annually in an amount equal to two percent of the retail sales within the city less increased State allocations to Philadelphia. In addition, in 1980 the General Assembly established an annual appropriation of \$5 million to be returned to local governments for further highway improvements.

Act 32 of 1983 established a local highway turnback program by authorizing the establishment of a separate restricted revenue account within the Motor License Fund. Funding for this program currently consists of three mills of the oil franchise tax. Funds deposited into this account are used for restoration work to upgrade the road to acceptable standards and to provide an annual maintenance payment in the amount

of \$2,500 per mile. The department has the funding mechanism and legal authority to ultimately return approximately 5,800 of 12,000 miles of functionally local highways to the Commonwealth's municipalities.

In recognition of structural problems with over 28,000 local bridges, the General Assembly authorized improvements to those bridges through the Highway Bridge Capital Act of 1982-83 and the Bridge Capital Act of 1986. As with the State bridges contained in these capital acts, the improvements are funded through an increase in the annual registration fees for Commonwealth registered vehicles having a registered weight in excess of 26,000 pounds and an additional six cent per gallon tax on motor fuel used by motor carriers in the operation of their vehicles having a gross vehicle weight in excess of 17,000 pounds on highways within the Commonwealth.

In 1986 the General Assembly authorized a separate appropriation for local bridge inspection work. The work being performed involves primarily new first time load posting as a result of bridge deterioration. This program is being administered by the department and is intended to assist local governments in meeting the requirements of National Bridge Inspection Standards as mandated by Federal Law. This action will eliminate the potential loss of Federal aid for non-compliance of standards as well as minimizing future tort liability in this area. Given the benefits to be realized by local governments, the General Assembly also authorized that State funds needed to support this program be deducted from their liquid fuels tax allocations.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Miles of highway locally administered:							
Total .....	69,807	70,234	70,621	70,965	71,301	71,629	71,936
Percent of all highways in the Commonwealth .....	62.3%	62.5%	62.8%	63.0%	63.2%	63.3%	63.5%
Miles of local highways improved .....	1,581	1,535	1,500	1,450	1,400	1,350	1,300
Local bridges:							
Total (Greater than 8 feet) .....	29,630	29,640	29,650	29,660	29,670	29,680	29,690
Deficient Bridges .....	5,194	5,304	5,414	5,512	5,611	5,724	5,837
Obsolete Bridges .....	2,684	2,814	2,944	3,067	3,192	3,324	3,455
Brought up to standard through State bridge program .....	60	60	60	79	76	55	56

The data for "Brought up to standard through State Bridge Program" reflects actual and projected contract award schedule.

# TRANSPORTATION

**Program: Local Highway and Bridge Assistance (continued)**

**Program Recommendations:**

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Local Road Maintenance and Construction Payments</b></p> <p>\$ 7,151 —to continue current program.</p> <p><b>Philadelphia Payment — Franchise Tax</b></p> <p>\$ 2 —to continue current program.</p>	<p><b>Local Bridge Inspection</b></p> <p>—to continue current program. The recommended level of \$300,000 represents expected level of local bridge inspections during 1989-90.</p> <p>Supplemental Local Road Maintenance and Construction Payments is recommended at the current year level.</p>
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**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>MOTOR LICENSE FUND:</b>							
Local Road Maintenance and Construction Payments . . . . .	\$ 151,533	\$ 156,798	\$ 163,949	\$ 163,746	\$ 166,680	\$ 169,746	\$ 172,793
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 . . . . .	948	870	872	867	859	852	844
Local Bridge Inspection . . . . .	238	800	300	300	300	300	300
<b>TOTAL MOTOR LICENSE FUND . . . . .</b>	<b><u>\$ 157,719</u></b>	<b><u>\$ 163,468</u></b>	<b><u>\$ 170,121</u></b>	<b><u>\$ 169,913</u></b>	<b><u>\$ 172,839</u></b>	<b><u>\$ 175,898</u></b>	<b><u>\$ 178,937</u></b>

# TRANSPORTATION

*PROGRAM OBJECTIVE: To provide frequent, fast, inexpensive transit services between residential neighborhoods and employment centers at a level sufficient to alleviate prevailing pressures on urban road systems caused by congestion and lack of parking facilities.*

## Program: Urban Mass Transportation

Act 73 of 1987 which amended the Pennsylvania Urban Mass Transportation Law radically changed the allocation methodology from one that was based primarily on a transit system's operating deficit to a grant formula based on fixed percentages of the total amount appropriated annually by the General Assembly. These percentages take into consideration historical funding, fairbox revenues, and vehicle miles. Under the new formula three classes of transit entities have been established based on the number of vehicles operated during peak hours.

A local or private funding commitment is required in an amount not less than one-third of the total State grant. Each system is required to adopt a specific series of service standards and performance evaluation measures. The Department of Transportation will continue to perform independent financial audits of all transit agencies receiving Commonwealth funding. Act 73 further requires that any financial material presented and prepared for these audits be in accordance with generally accepted accounting principles.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Urban passengers carried by State-assisted operators (millions annually):	361.4	371.1	378.7	384.0	389.5	395.0	400.9
Passengers per vehicle hour	34.8	36.9	37.2	37.4	37.7	38.0	38.3
Percentage share of average income of urban mass transit trips:							
From passenger	46.4%	45.4%	44.5%	44.5%	44.5%	44.5%	44.5%
From Commonwealth	37.9%	38.6%	39.8%	39.8%	39.8%	39.8%	39.8%
From Federal Government	6.6%	6.5%	6.0%	6.0%	6.0%	6.0%	6.0%
From local government	9.2%	9.5%	9.3%	9.3%	9.3%	9.3%	9.3%

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Mass Transportation Assistance**  
\$ 10,684 —to continue current program.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Mass Transportation Assistance	<u>\$ 210,271</u>	<u>\$ 213,682</u>	<u>\$ 224,366</u>	<u>\$ 224,366</u>	<u>\$ 224,366</u>	<u>\$ 224,366</u>	<u>\$ 224,366</u>

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# TRANSPORTATION

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*PROGRAM OBJECTIVE: To facilitate the development of improved rail passenger and cargo service between major urban areas of the Commonwealth, thereby providing relief for over utilized intercity highway and air systems, and to provide bus service that will increase the mobility of those rural Pennsylvanians who lack access to an automobile.*

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## Program: Rural and Intercity Rail and Bus Transportation

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Commonwealth activities involve four separate intercity and/or rural transportation programs: rural and small urban area public transit similar in nature, if not in scope, to SEPTA in Philadelphia and PAT in Pittsburgh; intercity bus service of the nature operated by Greyhound and Trailways; intercity rail passenger service operated by Amtrak; and rail freight service of importance to local shippers on the State's Rail Branchline System.

Act 10 of 1976 provided Transportation with the legislative authorization to provide financial assistance to the Commonwealth's small urban and rural public transportation systems. In 1978 the Federal Government passed similar legislation which made Federal funding available for rural and small urban transit systems. These Federal funds are apportioned to each state based on rural population distribution as determined by the U.S. Census Bureau. The Department of Transportation administers Federal funding apportioned to Pennsylvania. In many areas, small urban and rural transportation systems funded through the State appropriation provide the only alternative to private automobile transport.

The Commonwealth's intercity bus program supports systems where without operating assistance essential service would be terminated. It is estimated that 332,000 passengers will utilize Commonwealth subsidized intercity bus services in 1989-90. As private operators propose termination of such services, the Department of Transportation will continue to evaluate the economic and social impacts of service termination and the merits of public subsidy.

Intercity rail passenger service in Pennsylvania, as distinguished from local or regional commuter service, is presently provided by the National Railroad Passenger Corporation (Amtrak). The majority of the service is operated as part of Amtrak's National System without financial assistance from the Commonwealth. However, when service frequency or scheduling on some Amtrak routes has been found to be insufficient to meet Pennsylvania's needs, the department takes advantage of Federal law which directs the corporation to cooperate with a state which makes application for additional service or establishment of a new route. Funds are included in Amtrak's annual budget to finance its share of capital costs and operating deficits incurred to equip and operate such service, as long as matching State funding is available. The current funding ratio for Pennsylvania's sponsored service is 35 percent Amtrak,

65 percent State for established service and 55 percent Amtrak, 45 percent State for the first twelve months of new services.

The Commonwealth's rail freight network provides a competitive cost advantage for business and industry that depend upon cost effective transportation of bulk commodities.

In reaction to the pending abandonments of former Penn Central, Erie/Lackawanna and Lehigh Valley rail lines, Pennsylvania became actively involved in a rail freight assistance program in the late 1970's. With financial assistance from the Federal Railroad Administration, the Department of Transportation purchased 155 miles of track that was not retained in the Conrail system. Additional lines were saved from abandonment through acquisition by the private sector or local government — with financial assistance from the Federal Government. While the Federal Government initially provided operating subsidies for lines that were not included in the Conrail System the Federal operating subsidy program was terminated after 1981.

The Commonwealth continues to own 155 miles of rail line that serve 44 industries. The Commonwealth funds one-half of the operating deficit, with the non-State share usually coming from the affected shippers. Additional assistance is provided in the form of program maintenance grants for which the state provides 80 percent of the project funding.

Another component of the Commonwealth's rail freight program is assistance for accelerated maintenance and capital projects on non-state-owned lines. The Accelerated Maintenance Program was established in 1982 in response to a substantial, expedited abandonment program undertaken by Conrail in accordance with provisions of the Northeast Rail Service Act (NERSA) of 1981. NERSA allowed Conrail to rid itself of unprofitable lines in an unappealable procedure, as one of a number of ways for the Conrail system to achieve profitability. Under this Commonwealth program funding is provided for basic track rehabilitation and other infrastructure improvements.

The State share for the larger capital projects comes from bond funds, and generally represents 50 percent of the total project cost. Accelerated maintenance projects are funded from current revenues through the Rail Freight Assistance Appropriation. Transportation generally provides 80 percent of the funding for accelerated maintenance projects.

# TRANSPORTATION

## Program: Rural and Intercity Rail and Bus Transportation (continued)

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Total State cost per bus passenger:</b>							
Rural and small urban .....	\$0.31	\$0.32	\$0.33	\$0.35	\$0.36	\$0.38	\$0.40
Intercity .....	\$3.81	\$4.75	\$5.47	\$5.47	\$5.47	\$5.47	\$5.47
<b>Rail Passenger:</b>							
Average fare .....	\$21.36	\$21.72	\$22.60	\$23.50	\$24.70	\$25.70	\$27.08
State cost per patron on assisted runs .....	\$4.35	\$4.50	\$4.70	\$4.95	\$4.95	\$4.95	\$4.95
<b>Rail Freight:</b>							
Miles of rail lines							
State assisted .....	420	380	380	380	380	380	380
State owned .....	155	155	155	155	155	155	155
Miles of rail lines rehabilitated:							
Federal/local assistance program .....	25	25	25	25	25	25	25
Accelerated Rail Maintenance Assistance Program .....	240	200	200	200	200	200	200

For total State cost per bus passenger, "Rural and Small Urban and Intercity," the above data reflects State cost while past budgets reflected total operating expenses per passenger.

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Rural and Intercity Rail and Bus  
Transportation**

\$ 360 —to continue current program including additional service in Carbon and York Counties.

Rail Freight Assistance is recommended at the current year level.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Railroad Bridge Inspections .....	\$ 160						
Rural and Intercity Rail and Bus Transportation .....	3,612	\$ 4,204	\$ 4,564	\$ 4,564	\$ 4,564	\$ 4,564	\$ 4,564
Rail Freight Assistance .....	3,784	4,500	4,500	4,500	4,500	4,500	4,500
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 7,556</b>	<b>\$ 8,704</b>	<b>\$ 9,064</b>	<b>\$ 9,064</b>	<b>\$ 9,064</b>	<b>\$ 9,064</b>	<b>\$ 9,064</b>

# TRANSPORTATION

*PROGRAM OBJECTIVE: To promote the development of a system of airport facilities adequate to meet the passenger and cargo needs of the Commonwealth's citizens.*

## Program: Air Transportation

Aviation plays a major role in the movement of passengers and cargo throughout the Commonwealth. With 838 landing areas, Pennsylvania is fifth nationally in both the number of airports and in landing facilities per square mile. All airline service airports in Pennsylvania are operated by local governments or authorities with the exception of the Harrisburg International Airport which is owned by the Commonwealth. In addition to facilitating the movement of people and goods, air transportation facilities bring substantial economic benefits to the State directly through air transportation or related jobs and indirectly through additional incentives to industry to locate and conduct business in Pennsylvania. The department provides programs to improve the safety and effectiveness of the Commonwealth's aviation network. These program activities include the highway directional sign program; the high visibility marker program to mark power lines near runways; maintenance of 40 aviation weather information systems throughout the State; and an airport inspection and licensing program.

The department also administers several grant programs which are

funded from the Aviation Restricted Revenue Account. These grant programs include;

- An airport development grant program for public use airports. The amount of the state grant is dependent on the size of the airport and the Federal funding.
- a business airport grant program to provide project improvement funding for small privately-owned public use airports.
- A runway rehabilitation program for public use airports. The Commonwealth provides between 50% and 75% of total project costs.
- A real estate tax rebate program for public use airports funded exclusively from the statewide aviation tax.
- A revolving loan program for further airport development.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Harrisburg International Airport:</b>							
Passengers handled . . . . .	1,147,635	1,205,000	1,265,000	1,335,000	1,395,000	1,460,000	1,538,000
Flights handled . . . . .	166,622	174,953	183,264	191,595	199,925	208,255	216,585
Tons of cargo handled . . . . .	24,864	26,432	27,344	29,830	32,316	34,798	37,233
<b>Airports receiving State grants:</b>							
Runway rehabilitation grants . . . . .	24	25	25	25	25	25	25
Airport development grants . . . . .	71	65	70	70	70	75	80
Business airport grants . . . . .		15	20	10	10	13	15

### Program Recommendations:

This budget recommends the following changes to the appropriations within the Aviation Restricted Revenue Account: (Dollar Amounts in Thousands)

**Business Airport Grants**  
 \$ 500 —to provide additional funding for improvements of small privately-owned public-use airports; 1988-89 funding is at the \$1.5 million level. Airports to be funded are those which will have potential for economic enhancement of their surrounding community.

**Airport Development**  
 \$ 500 —to provide additional funding for construction grants to public-use airports; 1988-89 funding is at the \$4.5 million level.

This budget recommends maintaining Civil Air Patrol at the current program level excluding nonrecurring projects.

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Civil Air Patrol . . . . .	\$ 375	\$ 400	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200

# TRANSPORTATION

*PROGRAM OBJECTIVE: To minimize traffic accidents attributable to driver error and mechanically defective vehicles and to promote highway safety programs.*

## Program: Safety Administration and Licensing

A primary responsibility of the department, within the Safety Administration and Licensing program, is to process applications and collect fees for all vehicle registrations and operator licenses. Last year, 8.6 million vehicles were registered under Pennsylvania's annual renewal cycle. This total included 165,500 heavy vehicles that were registered at greater than 17,000 pounds, and nearly 95,000 trailers registered at greater than 10,000 pounds. In 1987-88, 7.7 million operator licenses were in effect. Actual processing of driver licenses occurs over a multi-year period under the Commonwealth's four year renewal cycle.

The testing, inspection and revocation aspects of operator and vehicular licensing activities within this program provide many opportunities to enforce safety standards. Perhaps the most basic of these is the operator license. The driver testing program is designed to screen out applicants with insufficient driving knowledge or skills, as well as to identify those with mental or physical disabilities. The State Police currently perform examinations, with the Department of Transportation issuing the licenses and maintaining records. A more extensive program of commercial and bus driver testing is now being developed in order to comply with the Federal Commercial Motor Vehicle Safety Act of 1986.

The objective of the driver point system is to discourage licensed drivers from violating traffic laws. Illegal actions by motorists, particularly drunk driving, constitute a significant percentage of the accidents in which driver error is the principal causal factor. The department is empowered to suspend or revoke the licenses of motor vehicle drivers who have reached the 11 point limit or who have committed certain severe traffic violations.

The safety inspection program for the Commonwealth's 8.7 million motor vehicles is intended to minimize traffic accidents due to mechanical failure. The department licenses inspection stations and trains and licenses vehicle inspectors while maintaining all necessary records. The State Police periodically check inspection stations and the work of mechanics to insure compliance with approved safety standards.

The Commonwealth's emission inspection program currently inspects 3.3 million vehicles annually and is intended to reduce subject vehicle carbon monoxide and hydrocarbon pollutants and improve air quality. The areas affected are the Pittsburgh and Allentown-Bethlehem-Easton metropolitan areas (specific zip codes) and the Philadelphia region consisting of five counties. The department licenses inspection stations, trains and licenses vehicle inspection mechanics and periodically checks inspection stations, records and work of mechanics to assure compliance with approved emission program requirements.

Another major activity, the accident analysis program, deals entirely with safety by assembling listings of high accident locations which are used to establish priorities for improvements funded through the Highway Safety Projects program. Computer programs have been written to identify those highway locations which have experienced statistically more accidents than similar highways with similar traffic volumes. Another program identifies locations that have had an inordinate number of accidents in which vehicles ran off the road or hit fixed objects. This ranking of nearly 8,000 high-accident locations provides the department with a systematic means of selecting the highest priority locations for highway improvements.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Vehicles inspected:							
Safety inspection	8,860,749	8,949,356	9,038,850	9,129,239	9,220,531	9,312,736	9,405,863
Emission inspection	3,280,000	3,312,800	3,345,900	3,379,350	3,413,140	3,447,270	3,481,700
Registrations:							
New	1,442,000	1,456,420	1,470,984	1,544,533	1,559,979	1,573,579	1,591,334
Renewed	7,170,000	7,241,700	7,314,117	7,387,258	7,461,131	7,535,742	7,611,099
Licensed Drivers:							
New	256,159	258,000	260,000	262,000	264,000	266,000	268,000
Renewed	1,863,000	1,865,000	1,867,000	1,870,000	1,872,000	1,875,000	1,875,000
Photo Identification Cards Issued (Non-Driver Photo)	30,871	30,000	32,000	32,000	35,000	35,000	37,000

### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<b>General Fund:</b>			
	<b>Vehicle Sales Tax Collections</b>		
\$ 64	—to continue current program.	\$ 2,522	<b>Commercial Driver Safety and Licensing</b>
			—PRR — Commercial Driver Safety and Licensing. The Department of Transportation's portion of this multi-agency PRR involves administering written tests for affected licensed drivers, modifying the driver licensing system and developing the ability to interact with the National Commercial Driver Licensing Information System. See the Program Revision following this program for further information.
<b>Motor License Fund:</b>			
	<b>Safety Administration and Licensing</b>		
\$ 2,302	—to continue current program.		
<b>Motor Vehicle Insurance Compliance</b>			
\$ -585	—to continue current program. 1988-89 represented the first year of the Governor's initiative and included \$671,000 for nonrecurring computer redesign costs.		

# TRANSPORTATION

**Program: Safety Administration and Licensing (continued)**

**Appropriations within this Program:**

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Vehicle Sales Tax Collections . . . . .	\$ 1,550	\$ 1,612	\$ 1,676	\$ 1,768	\$ 1,865	\$ 1,968	\$ 2,076
<b>MOTOR LICENSE FUND</b>							
Safety Administration and Licensing . . . . .	\$ 44,477	\$ 48,364	\$ 50,666	\$ 53,325	\$ 56,105	\$ 58,713	\$ 61,650
Motor Vehicle Insurance Compliance . . . . .		994	409	429	450	473	497
Commercial Driver Safety and Licensing . . . . .			2,522	3,371	2,280	1,319	1,384
<b>TOTAL - MOTOR LICENSE FUND . . . . .</b>	<b>\$ 44,477</b>	<b>\$ 49,358</b>	<b>\$ 53,597</b>	<b>\$ 57,125</b>	<b>\$ 58,835</b>	<b>\$ 60,505</b>	<b>\$ 63,531</b>

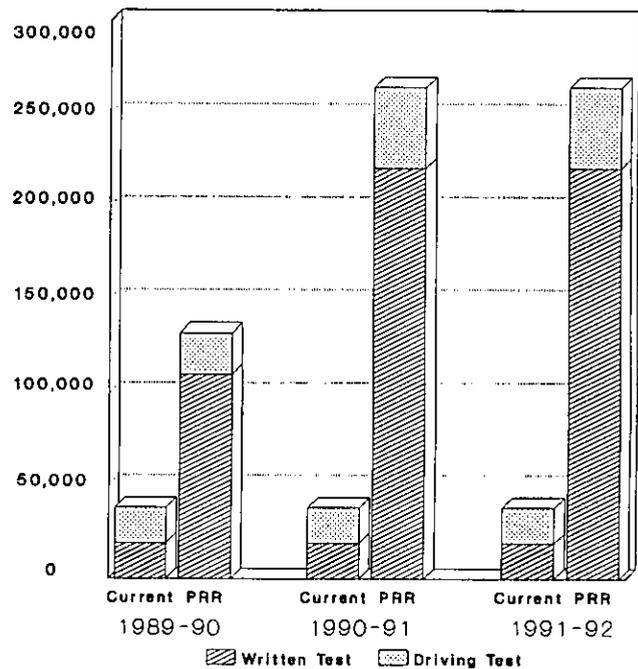
## Program Revision: Commercial Driver Safety and Licensing

The Commonwealth of Pennsylvania has implemented several programs to reduce the number of truck related fatalities and injuries. The Motor Carrier Safety Assistance Program, a joint effort of the Department of Transportation, the Public Utility Commission, and the Pennsylvania State Police, enforces truck safety standards by performing on-road vehicle safety inspections, weighing vehicles, and examining driver logs. In 1987-88, 45,000 trucks were inspected under this joint effort, and 23,175 units were removed from service due to violations. In 1989, the Commonwealth will expand the number of truck inspection sites, and will make its testing and licensing standards more stringent by implementing the standards of the Federal Commercial Motor Vehicle Safety Act by April 1992. To implement this law, the Department of Transportation will modify its driver licensing system and work with the Pennsylvania State Police to develop a more extensive testing program for commercial and school bus drivers.

The Department of Transportation will administer a written test for an estimated 320,000 licensed drivers, modify the driver licensing system, and develop the ability to interact with the National Commercial Driver Licensing Information System. The department will also establish "third-party" testing criteria so that private firms can administer driving tests. In addition, the administration of special point written examinations for commercial drivers who have lost their licenses, and the administration of motorcycle and moped examinations will be transferred to the Department of Transportation from the Pennsylvania State Police.

The Pennsylvania State Police will administer an estimated 55,000 driving skill tests per year for new commercial drivers and for current commercial drivers who have poor driving records or fail the written test. The driving skill test will take an estimated 1.5 hours. The State Police will also administer the written test for new commercial drivers.

**Commercial Driver Safety and Licensing Testing Program**



### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Commercial driver tests (written)</b>							
Current	19,000	19,000	19,000	19,000	19,000	19,000	19,000
Program Revision			110,250	220,500	220,500	19,000	19,000
<b>Commercial driver tests (driving)</b>							
Current	19,000	19,000	19,000	19,000	19,000	19,000	19,000
Program Revision			22,000	44,000	44,000	19,000	19,000

Projections assume a 50% failure rate for both written and driving tests.

### Program Revision Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

**Transportation**  
**Commercial Driver Safety and Licensing**  
 \$ 2,522 —to provide written tests for current drivers, and to modify the driver licensing system.

**State Police**  
**Commercial Driver Safety and Licensing**  
 \$ 1,307 —to provide driving tests for current and new commercial drivers, and written tests for new commercial drivers.

\$ 3,829 **Program Revision Total**

# TRANSPORTATION

**Program Revision: Commercial Driver Safety and Licensing (continued)**

**Recommended Program Revision Costs by Appropriation:**

	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
<b>MOTOR LICENSE FUND:</b>							
<b>TRANSPORTATION</b>							
Commercial Driver Safety and Licensing . . . . .	. . . . .	. . . . .	\$2,522	\$3,371	\$2,280	\$1,319	\$1,384
<b>STATE POLICE</b>							
Commercial Driver Safety and Licensing . . . . .	. . . . .	. . . . .	1,307	1,113	1,174	. . . . .	. . . . .
<b>TOTAL MOTOR LICENSE FUND</b>	<u>. . . . .</u>	<u>. . . . .</u>	<u>\$ 3,829</u>	<u>\$ 4,484</u>	<u>\$ 3,454</u>	<u>\$ 1,319</u>	<u>\$ 1,384</u>

# TRANSPORTATION

*PROGRAM OBJECTIVE: To provide transportation services to older Pennsylvanians thereby increasing their ability to more fully participate in community life.*

## Program: Older Pennsylvanians Transit

The Commonwealth's older Pennsylvanians have benefited from State Lottery proceeds since 1973 with the implementation of the Free Transit program. Under this program older Pennsylvanians are eligible for free rides on participating local fixed route operations during off-peak hours on weekdays and all day on weekends and holidays. In July 1980, the free service was extended to commuter lines.

The Shared Ride Program for older Pennsylvanians authorized by Act 101 of 1980 as amended by Act 49 of 1984 permits citizens 65 years of age and older to ride on shared-ride services and pay only 25 cents or 10 percent of the shared-ride fare, whichever is greater. The State Lottery Fund generally reimburses shared-ride transit operators the remaining 90 percent of the shared ride fare.

The Free Transit and Shared Ride Programs recognize the limited availability of private transportation for older Pennsylvanians and their heavy reliance upon public transportation facilities. They further

recognize that many retired persons must live within a fixed and limited income and cannot afford to use public transit as often as needed. These programs increase the mobility of the Commonwealth's citizens 65 years of age and older.

The Department of Transportation is preceeding with efforts to coordinate shared ride transportation in selected areas of the Commonwealth. These efforts are intended to provide a more productive and efficient service which will result in Lottery Fund cost benefits to all older Pennsylvanians.

Act 49 of 1984 also provides for an annual \$2.3 million executive authorization for demand response equipment grants.

Act 171 of 1982 authorizes the Governor to annually transfer from the Lottery Fund to the Motor License Fund an amount necessary to cover fees lost as a result of reduced registrations paid by certain eligible older Pennsylvanians.

### Program Measures:

	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Free transit trips .....	63,665,000	64,422,000	64,839,000	65,584,000	65,887,000	66,357,000	66,930,000
Trips on State assisted shared ride vehicles .....	7,485,000	7,404,000	7,900,000	8,374,000	8,876,000	9,409,000	9,974,000
Cost to the Commonwealth per trip:							
Free Transit .....	\$1.14	\$1.12	\$1.14	\$1.14	\$1.14	\$1.14	\$1.15
On State assisted shared ride vehicles .....	\$6.23	\$6.05	\$6.17	\$6.10	\$6.10	\$6.10	\$6.10

Cost to the Commonwealth on State assisted shared ride vehicles is projected to remain flat in budget and future years due to the impact of coordination.

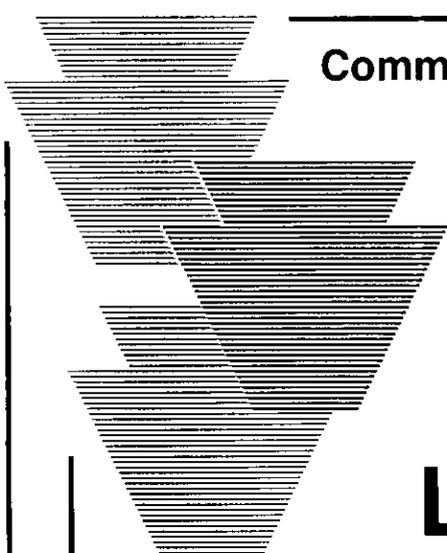
### Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Older Pennsylvanians Free Transit</b> \$ 715 —to provide for expected increase in ridership.</p> <p><b>Older Pennsylvanians Shared Rides</b> \$ 2,968 —to provide for expected increase in ridership.</p>	<p><b>Transfer to Motor License Fund — Vehicle Registration — Older Pennsylvanians</b> \$ 100 —to provide for expected increase in eligible applicants.</p>
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### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>LOTTERY FUND:</b>							
Ridership Verification .....	\$ 100						
Older Pennsylvanians Free Transit .....	69,503	\$ 73,060	\$ 73,775	\$ 74,795	\$ 75,369	\$ 76,156	\$ 76,926
Older Pennsylvanians Shared Rides .....	46,200	46,075	49,043	51,181	54,244	57,495	60,941
Demand Response Equipment Grants .....	2,294	2,300	2,300	2,300	2,300	2,300	2,300
Transfer to Motor License Fund —							
Vehicle Registration — Older Pennsylvanians .....	1,838	2,600	2,700	2,700	2,700	2,700	2,700
<b>TOTAL LOTTERY FUND .....</b>	<b>\$ 119,935</b>	<b>\$ 124,035</b>	<b>\$ 127,818</b>	<b>\$ 130,976</b>	<b>\$ 134,613</b>	<b>\$ 138,651</b>	<b>\$ 142,867</b>



## Commonwealth of Pennsylvania

# Legislature

The General Assembly of Pennsylvania formulates and enacts the public policy of the Commonwealth. Through legislation and resolution, it defines the functions of State Government, provides revenue for the Commonwealth and appropriates money for the operation of State agencies and other purposes.

The General Assembly is composed of two bodies — the Senate and the House of Representatives. Its sessions begin on the first Tuesday of each year unless otherwise convened by proclamation of the Governor.

**Summary by Fund and Appropriation**

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
<b>SENATE:</b>			
Fifty Senators .....	\$ 3,400	\$ 3,300	\$ 3,300
Employes of Senate President .....	147	147	153
Employes of Chief Clerk .....	2,250	2,900	2,950
Salaried Officers and Employes .....	3,100	4,349	4,450
Chief Clerk and Legislative Journal .....	190	235	260
Subtotal — Salaries and Postage .....	<u>\$ 9,087</u>	<u>\$ 10,931</u>	<u>\$ 11,113</u>
<b>Contingent Expenses:</b>			
President .....	\$ 5	\$ 5	\$ 5
President Pro Tempore .....	20	20	20
Floor Leader (D) .....	6	6	6
Floor Leader (R) .....	6	6	6
Whip (D) .....	4	4	4
Whip (R) .....	4	4	4
Chairman of the Caucus (D) .....	3	3	3
Chairman of the Caucus (R) .....	3	3	3
Secretary of the Caucus (D) .....	3	3	3
Secretary of the Caucus (R) .....	3	3	3
Chairman of the Appropriations Committee (D) .....	6	6	6
Chairman of the Appropriations Committee (R) .....	6	6	6
Chairman of the Policy Committee (D) .....	2	2	2
Chairman of the Policy Committee (R) .....	2	2	2
Caucus Administrator (D) .....	2	2	2
Caucus Administrator (R) .....	2	2	2
Subtotal — Contingent Expenses .....	<u>\$ 77</u>	<u>\$ 77</u>	<u>\$ 77</u>
<b>Miscellaneous Expenses:</b>			
Incidental Expense .....	\$ 950	\$ 1,100	\$ 1,300
Committee on Appropriations (D) .....	934	1,100	1,028
Committee on Appropriations (R) .....	934	1,100	1,028
Expenses — Senate .....	600	1,250	1,100
Legislative Printing and Expenses .....	5,435	6,200	6,575
Special Leadership Account (D) .....	3,498	4,400	4,650
Special Leadership Account (R) .....	3,498	4,400	4,650
Legislative Management Committee (D) .....	3,400	3,500	3,600
Legislative Management Committee (R) .....	3,400	3,500	3,600
Subtotal — Miscellaneous Expenses .....	<u>\$ 22,649</u>	<u>\$ 26,550</u>	<u>\$ 27,531</u>
<b>TOTAL — SENATE .....</b>	<b><u>\$ 31,813</u></b>	<b><u>\$ 37,558</u></b>	<b><u>\$ 38,721</u></b>
<b>HOUSE OF REPRESENTATIVES:</b>			
<b>Members' Salaries, Speaker's Extra</b>			
Compensation .....	\$ 12,795	\$ 13,138	\$ 13,627
House Employes (D) .....	5,309	5,649	6,122
House Employes (R) .....	5,059	5,565	6,122
Speakers Office .....	528	581	640
Bi-Partisan Committee, Chief Clerk, Comptroller .....	5,923	6,516	7,168
Subtotal — Salaries .....	<u>\$ 29,614</u>	<u>\$ 31,449</u>	<u>\$ 33,679</u>
<b>Mileage:</b>			
Representatives, Officers and Employes .....	\$ 554	\$ 554	\$ 554
Subtotal — Mileage .....	<u>\$ 554</u>	<u>\$ 554</u>	<u>\$ 554</u>
<b>Postage:</b>			
Chief Clerk and Legislative Journal .....	\$ 425	\$ 525	\$ 525
Subtotal — Postage .....	<u>\$ 425</u>	<u>\$ 525</u>	<u>\$ 525</u>

# LEGISLATURE

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>HOUSE OF REPRESENTATIVES: (continued)</b>			
<i>Contingent Expenses:</i>			
Speaker .....	\$ 20	\$ 20	\$ 20
Chief Clerk .....	390	390	390
Floor Leader (D) .....	6	6	6
Floor Leader (R) .....	6	6	6
Whip (D) .....	4	4	4
Whip (R) .....	4	4	4
Chairman — Caucus (D) .....	3	3	3
Chairman — Caucus (R) .....	3	3	3
Secretary — Caucus (D) .....	3	3	3
Secretary — Caucus (R) .....	3	3	3
Chairman — Appropriations Committee (D) .....	6	6	6
Chairman — Appropriations Committee (R) .....	6	6	6
Chairman — Policy Committee (D) .....	2	2	2
Chairman — Policy Committee (R) .....	2	2	2
Caucus Administrator (D) .....	2	2	2
Caucus Administrator (R) .....	2	2	2
Administrator for Staff (D) .....	20	20	20
Administrator for Staff (R) .....	20	20	20
Comptroller Special Transfer Account .....	2	.	.
Subtotal — Contingent Expenses .....	\$ 504	\$ 502	502
<i>Miscellaneous Expenses</i>			
Legislative Office for Research Liaison .....	\$ 371	\$ 390	\$ 410
School for New Members .....	.	15	.
Incidental Expenses .....	5,200	6,300	6,300
Committee on Appropriations (D) .....	934	1,102	1,210
Committee on Appropriations (R) .....	934	1,100	1,210
Expenses — Representatives .....	2,030	2,030	2,030
Legislative Printing and Expenses .....	10,200	11,000	11,000
National Legislative Conference — Expenses .....	250	300	300
Special Leadership Account (D) .....	3,421	4,096	4,504
Special Leadership Account (R) .....	3,721	4,096	4,504
Legislative Management Committee (D) .....	6,471	7,064	7,771
Legislative Management Committee (R) .....	6,421	7,064	7,771
Commonwealth Emergency Medical System .....	25	35	35
Member's Home Office Expenses .....	2,030	2,030	2,030
Subtotal — Miscellaneous Expenses .....	\$ 42,008	\$ 46,622	\$ 49,075
<b>TOTAL — HOUSE OF REPRESENTATIVES .....</b>	<b>\$ 73,105</b>	<b>\$ 79,652</b>	<b>\$ 84,335</b>
<b>LEGISLATIVE MISCELLANEOUS AND COMMISSIONS:</b>			
<i>Legislative Reference Bureau:</i>			
Salaries and Expenses .....	\$ 3,184	\$ 3,460	\$ 3,628
Contingent Expenses .....	15	15	15
Printing of Pennsylvania Bulletin and Pennsylvania Code .....	455	455	389
Subtotal — Legislative Reference Bureau .....	\$ 3,654	\$ 3,930	\$ 4,032
<i>Legislative Budget and Finance Committee</i> .....	\$ 1,360	\$ 1,418	\$ 1,895
<i>Legislative Data Processing Center</i> .....	2,560	3,002	3,100
(A) Data Processing Services .....	7	2	.
Subtotal — Legislative Data Processing Center .....	\$ 2,567	\$ 3,004	\$ 3,100

# LEGISLATURE

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>LEGISLATIVE MISCELLANEOUS AND COMMISSIONS:</b>			
(continued)			
Joint State Government Commission .....	\$ 1,400	\$ 903	\$ 1,400
Local Government Commission .....	370	388	415
Local Government Codes .....	53	49	49
Joint Legislative Air and Water Pollution Control Committee .....	218	225	232
Joint House and Senate Flag Purchase .....	40	.....	.....
House Flag Purchase .....	.....	20	20
Senate Flag Purchase .....	.....	20	20
County Court Study .....	.....	1,000	.....
Legislative Audit Advisory Commission .....	20	20	20
Members — Bicentennial Expenses .....	300	.....	.....
Ethics Commission .....	590	736	810
Independent Regulatory Review Commission .....	745	799	908
Capitol Preservation Committee .....	215	215	215
Capitol Restoration .....	2,600	100	100
Civil War Flags .....	100	.....	.....
Colonial History .....	60	60	60
Bicentennial — U.S. Constitution .....	175	.....	.....
Health Care Cost Containment Council .....	3,222	1,534	4,709
Commission on Sentencing .....	285	305	335
Center For Rural Pennsylvania .....	.....	400	800
Subtotal — State Funds .....	\$ 17,967	\$ 15,124	\$ 19,120
Subtotal — Augmentations .....	7	2	.....
<b>TOTAL — LEGISLATIVE MISCELLANEOUS AND COMMISSIONS .....</b>	<b>\$ 17,974</b>	<b>\$ 15,126</b>	<b>\$ 19,120</b>
STATE FUNDS .....	\$ 122,885	\$ 132,334	\$ 142,176
AUGMENTATIONS .....	7	2	.....
<b>GENERAL FUND TOTAL .....</b>	<b>\$ 122,892</b>	<b>\$ 132,336</b>	<b>\$ 142,176</b>

# LEGISLATURE

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 'BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>LEGISLATURE</b>							
General Funds.....	\$ 122,885	\$ 132,334	\$ 142,176	\$ 142,176	\$ 142,176	\$ 142,176	\$ 142,176
Other Funds.....	7	2	0	0	0	0	0
<b>TOTAL.....</b>	<b>\$ 122,892</b>	<b>\$ 132,336</b>	<b>\$ 142,176</b>	<b>\$ 142,176</b>	<b>\$ 142,176</b>	<b>\$ 142,176</b>	<b>\$ 142,176</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 122,885	\$ 132,334	\$ 142,176	\$ 142,176	\$ 142,176	\$ 142,176	\$ 142,176
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	0	0	0	0	0	0	0
OTHER FUNDS.....	7	2	0	0	0	0	0
<b>TOTAL.....</b>	<b>\$ 122,892</b>	<b>\$ 132,336</b>	<b>\$ 142,176</b>	<b>\$ 142,176</b>	<b>\$ 142,176</b>	<b>\$ 142,176</b>	<b>\$ 142,176</b>

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# LEGISLATURE

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*PROGRAM OBJECTIVE: To formulate and enact the public policy of the Commonwealth; to define the functions of State Government; to provide revenue for the Commonwealth; and to appropriate money for the operation of State agencies and for other purposes.*

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## Program: Legislature

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This program provides for the operation of the General Assembly, which consists of a 50 member Senate and a 203 member House of Representatives funded by numerous General Fund appropriations. These appropriations are detailed in the Summary by Fund and Appropriation portion of this presentation.

There is a continued effort on the part of the House and Senate to acquire more adequate professional staff to provide more useful analytical studies for use in debating Commonwealth issues.

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## Program Recommendations:

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This budget recommends the following changes: (Dollar Amounts in Thousands)

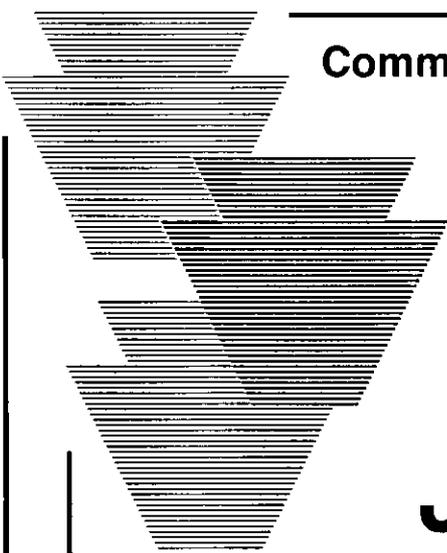
**Legislature**  
\$ 9,842 —to continue current program.

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## Appropriations within this Program:

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	(Dollar Amounts in Thousands)						
	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
	Actual	Available	Budget	Estimated	Estimated	Estimated	Estimated
TOTAL GENERAL FUND .....	<u>\$ 122,885</u>	<u>\$ 132,334</u>	<u>\$ 142,176</u>				



**Commonwealth of Pennsylvania**

# **Judiciary**

The objective of the judicial system of the Commonwealth is to provide citizens with prompt and equitable justice under the law.

The court system includes the Supreme Court, Superior Court, Commonwealth Court, Courts of Common Pleas and Community Courts including District Justices, Philadelphia Municipal Court and the Philadelphia Traffic Court.

# JUDICIARY

## Summary by Fund and Appropriation

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Budget
<b>GENERAL FUND</b>			
<b>GENERAL GOVERNMENT:</b>			
<b>SUPREME COURT:</b>			
Supreme Court .....	\$ 4,710	\$ 4,753	\$ 5,241
(A) Filing Fees .....	172	173	173
Home Office Expenses .....	1,302	1,283	1,571
Justice Expenses .....	130	130	130
Civil Procedural Rules Committee .....	216	227	242
Criminal Procedural Rules Committee .....	213	226	242
State Board of Law Examiners .....	148	81	80
(A) Law Student Fees .....	895	706	780
Judicial Inquiry and Review Board .....	629	621	704
Court Administrator .....	2,944	3,164	3,539
(F) State Judicial Institute .....	.....	41	.....
Judicial Computer System .....	2,000	.....	.....
(F) Computer Consultant .....	144	.....	.....
(A) Judicial Computer System .....	.....	2,983	6,283
 Total — Supreme Court .....	 \$ 13,503	 \$ 14,388	 \$ 18,985
<b>SUPERIOR COURT:</b>			
Superior Court .....	\$ 8,957	\$ 9,479	\$ 10,561
(A) Filing Fees .....	244	200	200
Home Office Expenses .....	2,764	2,828	3,144
Justice Expenses .....	184	184	184
 Total — Superior Court .....	 \$ 12,149	 \$ 12,691	 \$ 14,089
<b>COMMONWEALTH COURT:</b>			
Commonwealth Court .....	\$ 5,147	\$ 5,398	\$ 6,047
(A) Filing Fees .....	124	150	150
Home Office Expenses .....	1,387	1,601	1,675
Justice Expenses .....	112	112	112
 Total — Commonwealth Court .....	 \$ 6,770	 \$ 7,261	 \$ 7,984
<b>COURTS OF COMMON PLEAS:</b>			
Courts of Common Pleas .....	\$ 32,956	\$ 33,477	\$ 34,635
Senior Judges .....	2,267	2,292	2,504
Judicial Education .....	360	372	389
 Total — Courts of Common Pleas .....	 \$ 35,583	 \$ 36,141	 \$ 37,528

# JUDICIARY

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Budget
<b>GENERAL GOVERNMENT: (continued)</b>			
<b>COMMUNITY COURTS:</b>			
District Justices .....	\$ 27,065	\$ 27,393	\$ 27,778
District Justice Education .....	329	342	393
(A) Registration Fees .....	33	13	13
Total — Community Court .....	<u>\$ 27,427</u>	<u>\$ 27,748</u>	<u>\$ 28,184</u>
<b>PHILADELPHIA COURTS:</b>			
Traffic Court .....	\$ 355	\$ 334	\$ 383
Municipal Court .....	2,583	2,587	2,713
Law Clerks .....	182	40	40
Total — Philadelphia Courts .....	<u>\$ 3,120</u>	<u>\$ 2,961</u>	<u>\$ 3,136</u>
Total — General Government .....	<u>\$ 98,552</u>	<u>\$ 101,190</u>	<u>\$ 109,906</u>
<b>GRANTS AND SUBSIDIES:</b>			
<b>Reimbursement of County Costs:</b>			
County Courts .....	\$ 27,110	\$ 27,181	\$ 27,671
District Justices .....	14,275	17,130	17,010
Jurors .....	1,469	1,469	1,469
Total — Grants and Subsidies .....	<u>\$ 42,854</u>	<u>\$ 45,780</u>	<u>\$ 46,150</u>
STATE FUNDS .....	\$ 139,794	\$ 142,704	\$ 148,457
FEDERAL FUNDS .....	144	41	.....
AUGMENTATIONS .....	1,468	4,225	7,599
<b>GENERAL FUND TOTAL .....</b>	<u><u>\$ 141,406</u></u>	<u><u>\$ 146,970</u></u>	<u><u>\$ 156,056</u></u>

# JUDICIARY

## Program Funding Summary:

	(Dollar Amounts in Thousands)						
	1987-88 ACTUAL	1988-89 AVAILABLE	1989-90 BUDGET	1990-91 ESTIMATED	1991-92 ESTIMATED	1992-93 ESTIMATED	1993-94 ESTIMATED
<b>STATE JUDICIAL SYSTEM</b>							
General Funds.....	\$ 139,794	\$ 142,704	\$ 148,457	\$ 153,266	\$ 158,626	\$ 164,264	\$ 170,193
Federal Funds.....	144	41	0	0	0	0	0
Other Funds.....	1,468	4,225	7,599	11,116	13,306	15,416	18,116
<b>TOTAL.....</b>	<b>\$ 141,406</b>	<b>\$ 146,970</b>	<b>\$ 156,056</b>	<b>\$ 164,382</b>	<b>\$ 171,932</b>	<b>\$ 179,680</b>	<b>\$ 188,309</b>
<b>ALL PROGRAMS:</b>							
GENERAL FUND.....	\$ 139,794	\$ 142,704	\$ 148,457	\$ 153,266	\$ 158,626	\$ 164,264	\$ 170,193
SPECIAL FUNDS.....	0	0	0	0	0	0	0
FEDERAL FUNDS.....	144	41	0	0	0	0	0
OTHER FUNDS.....	1,468	4,225	7,599	11,116	13,306	15,416	18,116
<b>TOTAL.....</b>	<b>\$ 141,406</b>	<b>\$ 146,970</b>	<b>\$ 156,056</b>	<b>\$ 164,382</b>	<b>\$ 171,932</b>	<b>\$ 179,680</b>	<b>\$ 188,309</b>

*PROGRAM OBJECTIVE: To provide the citizens of the Commonwealth with prompt and equitable justice.*

## Program: State Judicial System

The judicial power of the Commonwealth is vested in a Unified Judicial System consisting of the Supreme, Superior, and Commonwealth Courts, Courts of Common Pleas, Philadelphia Municipal Court, Pittsburgh Magistrates Court, Traffic Court of Philadelphia and the District Justices.

At the first level in the court system are the special courts. In counties other than Philadelphia, these courts are presided over by district justices who have jurisdiction over summary criminal cases, landlord-tenant matters and other civil actions where the amount claimed does not exceed \$4,000. They also have jurisdiction to issue warrants, hold arraignments and preliminary hearings in all criminal cases, and to accept guilty pleas under certain circumstances.

Although district justices need not be lawyers, they must complete an educational course and pass a qualifying examination administered by the Minor Judiciary Education Board in order to be certified. They must also participate in one week of continuing education each year.

In Philadelphia, the special courts are the Municipal Court and the Traffic Court. Municipal Court is a court of record whose 22 judges must be lawyers. Its limited jurisdiction is analogous to that of the district justices.

The Philadelphia Traffic Court, composed of six judges, has jurisdiction over all summary offenses under the Motor Vehicle Code and related city ordinances.

The City of Pittsburgh has six police magistrates in addition to the county district justices who may issue arrest warrants and preside at arraignments and preliminary hearings for all criminal offenses occurring

within the city.

The Courts of Common Pleas are the courts of general trial jurisdiction. They have original jurisdiction over all cases which are not exclusively assigned to another court. Appellate jurisdiction extends to appeals from final orders of the lower courts and appeals from certain State and most local government agencies.

There are two levels of appellate courts in Pennsylvania. The first consists of the intermediate appellate courts: the Superior Court with 15 judges and the Commonwealth Court with nine judges. Above these is the Supreme Court which has seven judges and is the Commonwealth's court of last resort.

In general, appeals from the Courts of Common Pleas are taken to one of the two intermediate appellate courts. Commonwealth Court basically has jurisdiction over appeals involving government agencies and officials, as well as many matters involving not-for-profit corporations. It also has original jurisdiction of Election Code matters and cases involving State officials.

Superior Court has jurisdiction over all direct appeals which are not within the specific statutory jurisdiction of another appellate court.

A Statewide Steering Committee on Court Automation is developing long-term plans to automate the record keeping systems of the Pennsylvania Courts. In 1987-88, the General Fund provided \$2.0 million for the initial start-up of the computerized system. Beginning in 1988-89, in accordance with Act 64 of 1987, the system is funded by those fines, fees and costs collected by any division of the Unified Judicial System which are in excess of the amounts collected in 1986-87.

## Program Recommendations:

This budget recommends the following changes: (Dollar Amounts in Thousands)

<p><b>Supreme Court</b></p> <p>\$ 85 —to purchase copying and facsimile equipment.</p> <p>403 —to maintain current program.</p> <p><u>\$ 488</u> <i>Appropriation Increase</i></p> <p><b>Superior Court</b></p> <p>\$ 66 —additional senior judge service days.</p> <p>1,016 —to maintain current program.</p> <p><u>\$ 1,082</u> <i>Appropriation Increase</i></p> <p><b>Commonwealth Court</b></p> <p>\$ 189 —for an automated docketing and management reporting system.</p> <p>41 —additional senior judge service days.</p> <p>419 —to maintain current program.</p> <p><u>\$ 649</u> <i>Appropriation Increase</i></p>	<p><b>Common Pleas Senior Judges</b></p> <p>\$ 212 —additional senior judge service days.</p> <p><b>District Justices</b></p> <p>\$ 44 —additional senior judge service days</p> <p><u>341</u> —to maintain current program.</p> <p><u>\$ 385</u> <i>Appropriation Increase</i></p> <p><b>Philadelphia Traffic Court</b></p> <p>\$ 41 —additional senior judge service days.</p> <p>8 —to maintain current program.</p> <p><u>\$ 49</u> <i>Appropriation Increase</i></p> <p><b>Philadelphia Municipal Court</b></p> <p>\$ 109 —additional senior judge service days.</p> <p>17 —to maintain current program.</p> <p><u>\$ 126</u> <i>Appropriation Increase</i></p>
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In addition, Federal funds will provide \$2,583,000 for the implementation phase of the Child Support Enforcement Automation Program in 1989-90. These Federal funds and 10% State matching funds are reflected within the Department of Public Welfare's budget which is participating in the implementation of this program.

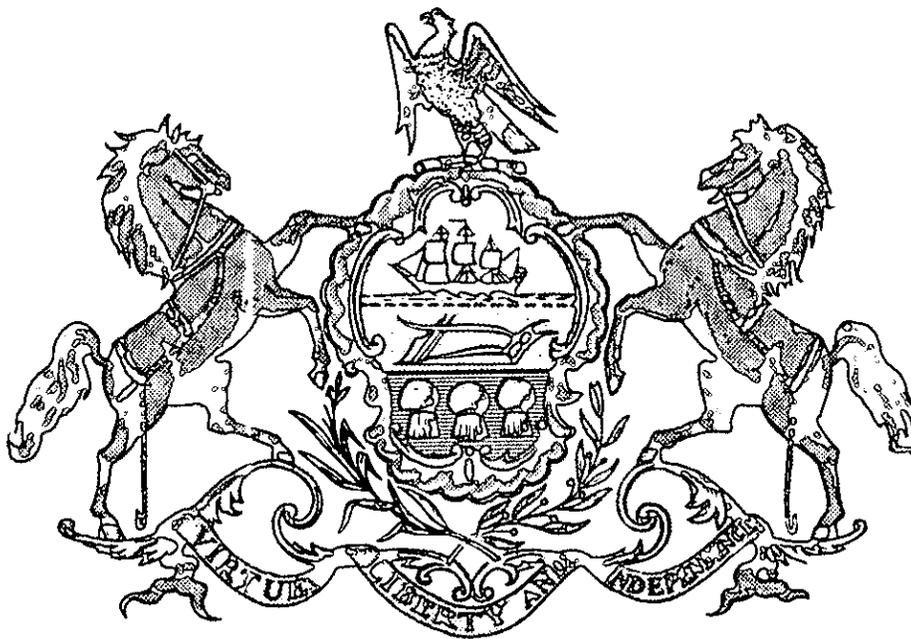
# JUDICIARY

## Program: State Judicial System (continued)

### Appropriations within this Program:

	(Dollar Amounts in Thousands)						
	1987-88 Actual	1988-89 Available	1989-90 Budget	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>GENERAL FUND:</b>							
Supreme Court .....	\$ 4,710	\$ 4,753	\$ 5,241	\$ 5,450	\$ 5,750	\$ 6,066	\$ 6,400
Supreme Court — Home Office Expenses	1,302	1,283	1,571	1,657	1,748	1,844	1,945
Supreme Court Justice Expenses .....	130	130	130	130	130	130	130
Civil Procedural Rules Committee .....	216	227	242	255	269	284	300
Criminal Procedural Rules Committee .....	213	226	242	255	269	284	300
State Board of Law Examiners .....	148	81	80	80	80	80	80
Judicial Inquiry and Review Board .....	629	621	704	743	784	827	872
Court Administrator .....	2,944	3,164	3,539	3,781	4,000	4,232	4,477
Judicial Computer System .....	2,000						
Superior Court .....	8,957	9,479	10,561	11,089	11,643	12,225	12,836
Superior Court — Home Office Expenses	2,764	2,828	3,144	3,254	3,433	3,622	3,821
Superior Court Justice Expenses .....	184	184	184	184	184	184	184
Commonwealth Court .....	5,147	5,398	6,047	6,163	6,483	6,820	7,175
Commonwealth Court — Home Office Expenses .....	1,387	1,601	1,675	1,767	1,864	1,967	2,075
Commonwealth Court Justice Expenses .....	112	112	112	112	112	112	112
Courts of Common Pleas .....	32,956	33,477	34,635	36,401	38,257	40,208	42,259
Common Pleas — Senior Judges .....	2,267	2,292	2,504	2,504	2,504	2,504	2,504
Common Pleas — Judicial Education .....	360	372	389	410	433	457	482
Community Courts — District Justices .....	27,065	27,393	27,778	29,167	30,625	32,156	33,764
District Justice Education .....	329	342	393	415	438	462	487
Philadelphia Traffic Court .....	355	334	383	403	424	446	469
Philadelphia Municipal Court .....	2,583	2,587	2,713	2,854	3,002	3,158	3,322
Law Clerks .....	182	40	40	42	44	46	49
Reimbursement of County Court Costs .....	27,110	27,181	27,671	27,671	27,671	27,671	27,671
District Justice Reimbursement .....	14,275	17,130	17,010	17,010	17,010	17,010	17,010
Juror Cost Reimbursement .....	1,469	1,469	1,469	1,469	1,469	1,469	1,469
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 139,794</b>	<b>\$ 142,704</b>	<b>\$ 148,457</b>	<b>\$ 153,266</b>	<b>\$ 158,626</b>	<b>\$ 164,264</b>	<b>\$ 170,193</b>

# Capital Budget



The stalk of maize which represents plentifulness first appeared on the Coat of Arms of Pennsylvania designed by Caleb Lownes in 1778. It was omitted in following years until 1832 during which period there had been several versions of the arms.

# CAPITAL BUDGET

This section contains the 1989-90 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, Furniture and Equipment, Redevelopment Assistance, Flood Control, Site Development, and Transportation Assistance projects shown will be financed by general obligation bonds, with the exception of the Game Commission projects which are funded from current revenues. The Department of Transportation highway projects will also be financed from current revenues. These projects are grouped into the following categories:

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

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

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

**Redevelopment Assistance Projects** — This category provides grants for the acquisition of land and its clearance, and the construction of buildings and other property appurtenances for municipal agencies and authorities for the prevention and elimination of blight. These projects are administered through the Department of Community Affairs.

**Site Development Projects** — This category provides grants for the acquisition, construction, improvement, expansion, extension, repair or rehabilitation of all or part of any facility or system, whether publicly or privately owned, for the collection, treatment or disposal of wastewater, including industrial waste, or for the supply,

treatment, storage or distribution of drinking water. These projects are administered through the Pennsylvania Infrastructure Investment Authority.

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

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

The Capital Budget section consists of the following subsections.

**1989-90 New Project Authorizations** — This section itemizes and describes the new capital projects recommended for authorization in 1989-90, and their proposed source of funding. The projects are listed by department and capital project category.

Due to the substantial amount of new project authorizations enacted in 1988, no new project authorizations are being recommended for 1989-90 except for the Game Fund Current Revenue Program.

**Forecast of Future Projects** — This section contains a dollar forecast of new capital projects to be requested during each of the fiscal years 1990-91 through 1993-94. 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 1989-90 and future projects (1990-94).

# CAPITAL BUDGET

## FORECAST OF DEBT LIMIT AND OUTSTANDING DEBT 1988-89 Through 1993-94

This table includes debt subject to the constitutional debt limit debt issued under Article 8, Section 7(a)(4) of the Pennsylvania Constitution for projects included in a capital budget, and debt issued by the State Highway and Bridge Authority. Debt issued under voter approved referendums and for disaster relief is not included.

	(Dollar Amounts in Thousands)					
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
Average Tax Revenues Previous Five Years . . .	\$ 12,086,623	\$ 12,721,286	\$ 13,328,637	\$ 14,005,889	\$ 14,740,919	\$ 15,553,083
Debt Limit <sup>a</sup> . . . . .	21,151,591	22,262,250	23,325,115	24,510,306	25,796,607	27,217,896
<b>Debt Subject to Constitutional Debt Limit:</b>						
Outstanding Debt-Beginning of Fiscal Year . . .	4,029,428 <sup>c</sup>	4,047,958	4,124,579	4,123,901	3,952,419	3,730,679
Bonds to be Issued <sup>b</sup> . . . . .	502,615	459,000	393,000	296,000	228,000	214,000
Bonds to be Retired or Escrowed . . . . .	-484,085	-382,379	-393,678	-467,482	-449,740	-358,792
Outstanding Debt—End of Fiscal Year . . . . .	<u>\$ 4,047,958</u>	<u>\$ 4,124,579</u>	<u>\$ 4,123,901</u>	<u>\$ 3,952,419</u>	<u>\$ 3,730,679</u>	<u>\$ 3,585,887</u>
Ratio of Outstanding Debt to Debt Limit . . . . .	19.1%	18.5%	17.7%	16.1%	14.5%	13.2%

<sup>a</sup>1.75 times the average tax revenues of previous five fiscal years.

<sup>b</sup>Includes bonds to refinance General State Authority rentals.

<sup>c</sup>Excludes \$746,000 in sinking fund balances.

# CAPITAL BUDGET

## PROJECTED CAPITAL BUDGET BOND ISSUES AND DEBT OUTSTANDING 1988-89 Through 1993-94

This table shows the projected amount of general obligation bonds to be issued and the level of bonded debt outstanding at the end of each fiscal year for projects included in a capital budget. Outstanding debt includes debt issued by the State Highway and Bridge Authority. A projection of all Commonwealth general obligation bonds to be issued and debt outstanding is contained in the Public Debt section of this budget document.

	(Dollar Amounts in Thousands)					
	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Projected Capital Budget Bond Issues</b>						
Buildings and Structures . . . .	\$ 90,000	\$ 120,000	\$ 155,000	\$ 130,000	\$ 145,000	\$ 140,000
Highways . . . . .	42,000	22,000	25,000	.....	.....	.....
Transportation Assistance . . .	85,000	60,000	85,000	80,000	50,000	50,000
Furnishings and Equipment . . . . .	4,000	14,000	15,000	8,000	10,000	8,000
Redevelopment Assistance . . .	45,000	60,000	65,000	50,000	10,000	10,000
Advance Construction						
Interstate . . . . .	79,000	123,000	.....	.....	.....	.....
Flood Control . . . . .	.....	10,000	3,000	8,000	8,000	6,000
Site Development . . . . .	30,000	50,000	45,000	20,000	5,000	.....
Refunding Bonds . . . . .	127,615	.....	.....	.....	.....	.....
<b>Total . . . . .</b>	<b>\$ 502,615</b>	<b>\$ 459,000</b>	<b>\$ 393,000</b>	<b>\$ 296,000</b>	<b>\$ 228,000</b>	<b>\$ 214,000</b>
<b>Capital Budget Debt Outstanding Projections</b>						
Buildings and Structures . . . .	\$ 1,456,875	\$ 1,471,340	\$ 1,514,595	\$ 1,523,485	\$ 1,539,330	\$ 1,539,050
Highways <sup>b</sup> . . . . .	1,470,740	1,369,130	1,268,890	1,141,480	1,014,440	880,440
Transportation Assistance . . .	309,595	338,765	392,750	440,925	456,635	470,110
Furnishings and Equipment . . . . .	26,000	35,500	45,800	48,650	53,100	55,250
Redevelopment Assistance . . .	192,150	241,830	293,510	326,940	317,870	308,050
Advance Construction						
Interstate . . . . .	241,000	291,500	225,000	102,500	11,000	.....
Flood Control . . . . .	2,720	12,580	14,940	22,150	28,960	33,370
Site Development . . . . .	30,000	78,500	119,500	133,250	131,000	123,500
Community Colleges . . . . .	16,660	15,575	14,420	13,195	11,895	10,510
Refunding Bonds <sup>a</sup> . . . . .	302,218	269,859	234,496	199,844	166,449	165,607
<b>Total . . . . .</b>	<b>\$ 4,047,958</b>	<b>\$ 4,124,579</b>	<b>\$ 4,123,901</b>	<b>\$ 3,952,419</b>	<b>\$ 3,730,679</b>	<b>\$ 3,585,887</b>

<sup>a</sup>Bonds issued to refund Capital Budget bonds and to refinance the General State Authority rentals.

<sup>b</sup>Includes outstanding debt of the State Highway and Bridge Authority.

# CAPITAL BUDGET

## FORECAST OF DEBT SERVICE REQUIREMENTS 1989-90 Through 1993-94

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

	(Dollar Amounts in Thousands)				
	1989-90	1990-91	1991-92	1992-93	1993-94
<b>GENERAL FUND</b>					
<b>Treasury Department</b>					
—Building and Structure Projects . . . . .	\$ 199,448	\$ 206,951	\$ 219,896	\$ 229,805	\$ 243,211
—Transportation Assistance Projects . . . . .	55,766	57,733	62,212	67,586	70,934
—Community College Projects <sup>a</sup> . . . . .	2,022	2,026	2,027	2,028	2,033
—Furnishings and Equipment Projects . . . . .	6,644	7,494	8,536	9,195	9,797
—Redevelopment Assistance Projects . . . . .	24,858	31,840	38,637	43,137	43,277
—Flood Control Projects . . . . .	485	1,606	2,007	2,943	3,812
—Site Development Projects . . . . .	4,688	10,778	15,494	17,244	17,207
—Refunding <sup>b</sup> . . . . .	51,419	52,451	49,612	46,230	38,321
Less: Augmentations, Interest Earnings and Miscellaneous Revenues . . . . .	-12,106	-13,709	-13,584	-13,839	-13,778
<b>TOTAL—GENERAL FUND . . . . .</b>	<b>\$ 333,224</b>	<b>\$ 357,170</b>	<b>\$ 384,837</b>	<b>\$ 404,329</b>	<b>\$ 414,814</b>
<b>MOTOR LICENSE FUND</b>					
<b>Department of Transportation</b>					
Highway and Bridge Authority Rentals . . . . .	\$ 18,869	\$ 12,824	\$ 7,183	. . . . .	. . . . .
Advance Construction Interstate—Interest Payments <sup>c</sup> . . . . .	15,306	17,427	12,660	\$ 5,488	\$ 358
<b>Treasury Department</b>					
<b>Capital Debt Fund</b>					
—Highway Projects . . . . .	165,066	165,075	164,976	164,850	164,785
—Building and Structure Projects <sup>b</sup> . . . . .	1,508	2,202	2,106	2,534	2,389
Less: Miscellaneous Revenue . . . . .	-537	. . . . .	. . . . .	. . . . .	. . . . .
<b>TOTAL—MOTOR LICENSE FUND . . . . .</b>	<b>\$ 200,212</b>	<b>\$ 197,528</b>	<b>\$ 186,925</b>	<b>\$ 172,872</b>	<b>\$ 167,532</b>
<b>BOATING FUND</b>					
<b>Treasury Department</b>					
Building and Structure Projects <sup>b</sup> . . . . .	\$ 2	\$ 2	\$ 2	\$ 2	\$ 1
<b>TOTAL—BOATING FUND . . . . .</b>	<b>\$ 2</b>	<b>\$ 2</b>	<b>\$ 2</b>	<b>\$ 2</b>	<b>\$ 1</b>
<b>FISH FUND</b>					
<b>Treasury Department</b>					
Building and Structure Projects <sup>b</sup> . . . . .	\$ 62	\$ 58	\$ 50	\$ 43	\$ 34
<b>TOTAL—FISH FUND . . . . .</b>	<b>\$ 62</b>	<b>\$ 58</b>	<b>\$ 50</b>	<b>\$ 43</b>	<b>\$ 34</b>

Footnotes are on the following page.

# CAPITAL BUDGET

## FORECAST OF DEBT SERVICE REQUIREMENTS 1989-90 Through 1993-94 (continued)

	(Dollar Amounts in Thousands)				
	1989-90	1990-91	1991-92	1992-93	1993-94
<b>OTHER FUNDS</b>					
<b>Motor License Fund Restricted Receipts</b>					
Aviation—Airport Building and Structure Projects <sup>b</sup> .....	\$ 183	\$ 1,484	\$ 1,648	\$ 1,644	\$ 1,638
Highway Bridge Improvement—Highway Projects .....	22,342	24,985	26,454	25,682	24,900
Less: Miscellaneous Earnings .....	-96	-109	.....	.....	.....
<b>TOTAL—OTHER FUNDS .....</b>	<b>\$ 22,429</b>	<b>\$ 26,360</b>	<b>\$ 28,102</b>	<b>\$ 27,326</b>	<b>\$ 26,538</b>
<b>TOTAL DEBT SERVICE—ALL FUNDS .....</b>	<b>\$ 555,929</b>	<b>\$ 581,118</b>	<b>\$ 599,916</b>	<b>\$ 604,572</b>	<b>\$ 608,919</b>

<sup>a</sup>Fifty percent of this amount is reimbursed by the appropriate colleges.

<sup>b</sup>Includes debt service on bonds to refund Capital Budget bonds and to refinance the General State Authority Rentals.

<sup>c</sup>Principal payments made from Federal reimbursements.

# CAPITAL BUDGET

## CAPITAL FACILITIES FUND FINANCIAL STATEMENT<sup>a</sup> 1989-90 Through 1993-94

(Dollar Amounts in Thousands)

	Building & Structure Projects	Transportation Assistance Projects	Highway Projects	Advance Construction Interstate Projects	Furnishings & Equipment Projects	Redevelopment Assistance Projects	Flood Control Projects	Site Development Projects	Total
<b>Balance, July 1, 1989</b> . . . . .	\$ 49,970	\$ 19,962	\$ 33,791	\$ 4,406	\$ 1,926	\$ 21,221	\$ 3,447	\$ 2,868	\$ 137,591
Bond Issues . . . . .	120,000	60,000	22,000	123,000	14,000	60,000	10,000	50,000	459,000
Miscellaneous Revenue . . . . .	10,045	1,019	209	1,148	176	1,155	280	172	14,204
Estimated Expenditures . . . . .	-162,147	-76,775	-56,000	-95,301 <sup>b</sup>	-13,864	-76,201	-10,525	-51,840	-542,653
<b>Balance, July 1, 1990</b> . . . . .	\$ 17,868	\$ 4,206		\$ 33,253	\$ 2,238	\$ 6,175	\$ 3,202	\$ 1,200	\$ 68,142
Bond Issues . . . . .	155,000	85,000	\$ 25,000		15,000	65,000	3,000	45,000	393,000
Miscellaneous Revenue . . . . .	9,205	369		434	119	675	155	80	11,037
Estimated Expenditures . . . . .	-153,251	-85,300	-25,000	-33,687 <sup>b</sup>	-16,853	-62,500	-6,000	-45,640	-428,231
<b>Balance, July 1, 1991</b> . . . . .	\$ 28,822	\$ 4,275			\$ 504	\$ 9,350	\$ 357	\$ 640	\$ 43,948
Bond Issues . . . . .	130,000	80,000			8,000	50,000	8,000	20,000	296,000
Miscellaneous Revenue . . . . .	9,238	299			102	553	22	76	10,290
Estimated Expenditures . . . . .	-138,000	-80,000			-6,100	-52,900	-8,075	-19,120	-304,195
<b>Balance, July 1, 1992</b> . . . . .	\$ 30,060	\$ 4,574			\$ 2,506	\$ 7,003	\$ 304	\$ 1,596	\$ 46,043
Bond Issues . . . . .	145,000	50,000			10,000	10,000	8,000	5,000	228,000
Miscellaneous Revenue . . . . .	9,850	320			105	455	44	71	10,845
Estimated Expenditures . . . . .	-138,000	-50,000			-12,000	-11,000	-7,355	-6,160	-224,515
<b>Balance, July 1, 1993</b> . . . . .	\$ 46,910	\$ 4,894			\$ 611	\$ 6,458	\$ 993	507	\$ 60,373
Bond Issues . . . . .	140,000	50,000			8,000	10,000	6,000		214,000
Miscellaneous Revenue . . . . .	10,854	343			81	417	61	35	11,791
Estimated Expenditures . . . . .	-138,000	-50,000			-6,900	-11,000	-6,250		-212,150
<b>Balance, July 1, 1994</b> . . . . .	\$ 59,764	\$ 5,237			\$ 1,792	\$ 5,875	\$ 804	\$ 542	\$ 74,014

<sup>a</sup>Bonds are issued to meet the cash requirements of each category of projects and to maintain minimum cash balances.

<sup>b</sup>Expenditures are net of Federal reimbursements.

# CAPITAL BUDGET

## ESTIMATED CAPITAL PROJECT EXPENDITURES State Funds 1989-90 Through 1993-94

	(Dollar Amounts in Thousands)				
	1989-90	1990-91	1991-92	1992-93	1993-94
<b>FROM GENERAL OBLIGATION BONDS</b>					
Public Improvement Projects—Buildings and Structures .....	\$ 162,147	\$ 153,251	\$ 138,000	\$ 138,000	\$ 138,000
Public Improvement Projects—Original Furniture and Equipment .....	13,864	16,853	6,100	12,000	6,900
Redevelopment Assistance Projects .....	76,201	62,500	52,900	11,000	11,000
Flood Control Projects .....	10,525	6,000	8,075	7,355	6,250
Transportation Assistance Projects .....	76,775	85,300	80,000	50,000	50,000
Highway Projects—Bridge .....	56,000	25,000	.....	.....	.....
Highway Projects—Advanced Construction Interstate .....	95,301	33,687	.....	.....	.....
Site Development Projects .....	51,840	45,640	19,120	6,160	.....
Total—Bond Funds .....	<u>\$ 542,653</u>	<u>\$ 428,231</u>	<u>\$ 304,195</u>	<u>\$ 224,515</u>	<u>\$ 212,150</u>
<b>FROM CURRENT REVENUES</b>					
Public Improvement Projects—Game Fund ..	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Highway Projects—Motor License Fund .....	123,300	100,262	95,402	90,542	85,682
Highway Projects—Motor License Fund Restricted Revenue .....	22,098	19,837	19,445	19,018	18,618
Total—Current Revenues .....	<u>\$ 148,398</u>	<u>\$ 123,099</u>	<u>\$ 117,847</u>	<u>\$ 112,560</u>	<u>\$ 107,300</u>
<b>TOTAL—ALL STATE FUNDS .....</b>	<u><u>\$ 691,051</u></u>	<u><u>\$ 551,330</u></u>	<u><u>\$ 422,042</u></u>	<u><u>\$ 337,075</u></u>	<u><u>\$ 319,450</u></u>

# CAPITAL BUDGET

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

	1989-90	1990-91	(Dollar Amounts in Thousands)		1993-94	Total
			1991-92	1992-93		
Department of Agriculture . . . . .		\$ 3,850	\$ 5,000			\$ 8,850
Department of Corrections . . . . .		23,550	24,700	\$ 26,025	\$ 27,350	101,625
Department of Education . . . . .		38,950	52,225	60,150	63,225	214,550
Emergency Management Agency . . . . .		300	300	350	850	1,800
Department of Environmental Resources . . . . .		40,900	12,475	13,150	13,800	80,325
Game Commission . . . . .	\$ 3,000	3,000	3,000	3,000	3,000	15,000
Department of General Services . . . . .		5,200	5,450	5,750	6,050	22,450
Historical and Museum Commission . . . . .		5,075	5,325	5,600	5,900	21,900
Department of Labor and Industry . . . . .		325	325	125	125	900
Department of Military Affairs . . . . .		10,550	3,625	3,825	4,025	22,025
Department of Public Welfare . . . . .		14,375	15,075	17,700	18,700	65,850
State Police . . . . .		2,725	2,850	3,000	3,175	11,750
Department of Transportation . . . . .		76,200	73,650	74,325	75,800	299,975
<b>TOTAL . . . . .</b>	<b>\$ 3,000</b>	<b>\$ 225,000</b>	<b>\$ 204,000</b>	<b>\$ 213,000</b>	<b>\$ 222,000</b>	<b>\$ 867,000</b>

# CAPITAL BUDGET

## RECOMMENDED 1989-90 NEW PROJECT AUTHORIZATIONS STATE FUNDS Summary by Department

(Dollar Amounts in Thousands)

	Bond Funds						Current Revenues		
	Public Improvement Projects	Original Furniture & Equipment	Transportation Assistance Projects	Flood Control Projects	Site Development Projects	Redevelopment Assistance Projects	Public Improvement Projects	Highway Projects	Total All Funds
Game Commission . . .	.....	.....	.....	.....	.....	.....	\$ 3,000	.....	\$ 3,000

# CAPITAL BUDGET

## GAME COMMISSION

		(Dollar Amounts in Thousands)		
	Base Project Cost	Land Cost	Design & Contin- gencies	Total Project Cost
<b>1989-90 PUBLIC IMPROVEMENT PROJECTS</b>				
Recreation .....	.....	\$ 3,000	.....	\$ 3,000
TOTAL PROJECTS .....	.....	\$ 3,000	.....	\$ 3,000
<b>SOURCE OF FUNDS</b>				
<b>Current Revenues</b>				
Game Fund .....	.....	\$ 3,000	.....	\$ 3,000
TOTAL .....	.....	\$ 3,000	.....	\$ 3,000

# CAPITAL BUDGET

## Game Commission 1989-90 Projects

	(Dollar Amounts in Thousands)			Total Project Cost
	Base Project Cost	Land Cost	Design & Contin- gencies	
<b>FROM CURRENT REVENUES</b>				
<b>Program: Recreation</b>				
<i>Armstrong County</i>				
ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 1,575 acres of land to be used for hunting.	. . . .	\$ 472	. . . .	\$ 472
<i>Centre County</i>				
ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 680 acres of land to be used for hunting	. . . .	207	. . . .	207
<i>Clearfield County</i>				
ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 1,044 acres of land to be used for hunting	. . . .	313	. . . .	313
<i>Fayette County</i>				
ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 625 acres of land to be used for hunting	. . . .	188	. . . .	188
<i>Lackawanna, Monroe and Wayne Counties</i>				
ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 3,800 acres of land to be used for hunting	. . . .	950	. . . .	950
<i>Tioga County</i>				
ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 350 acres of land to be used for hunting	. . . .	105	. . . .	105
<i>Venango County</i>				
ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 1,061 acres of land to be used for hunting	. . . .	345	. . . .	345
<i>Wayne County</i>				
ACQUISITION OF STATE GAME LANDS: This will provide for the acquisition of approximately 1,400 acres of land to be used for hunting	. . . .	420	. . . .	420
PROGRAM TOTAL .....	. . . .	<u>\$ 3,000</u>	. . . .	<u>\$ 3,000</u>

# CAPITAL BUDGET

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

	(Dollar Amounts in Thousands)			
	1990-91	1991-92	1992-93	1993-94
Agriculture .....	\$ 3,850	\$ 5,000	.....	.....
Department of Corrections .....	23,550	24,700	\$ 26,025	\$ 27,350
Department of Education .....	38,950	52,225	60,150	63,225
Emergency Management Agency .....	300	300	350	850
Department of Environmental Resources .....	40,900	12,475	13,150	13,800
Game Commission .....	3,000	3,000	3,000	3,000
Department of General Services .....	5,200	5,450	5,750	6,050
Historical and Museum Commission .....	5,075	5,325	5,600	5,900
Department of Labor and Industry .....	325	325	125	125
Department of Military Affairs .....	10,550	3,625	3,825	4,025
Department of Public Welfare .....	14,375	15,075	17,700	18,700
State Police .....	2,725	2,850	3,000	3,175
Department of Transportation .....	76,200	73,650	74,325	75,800
TOTAL .....	<u>\$ 225,000</u>	<u>\$ 204,000</u>	<u>\$ 213,000</u>	<u>\$ 222,000</u>

# CAPITAL BUDGET

## Forecast of Future Projects

This section contains estimated authorizations (State funds only) for future capital improvements for the fiscal years 1990-91 through 1993-94. Amounts in this section have been grouped by department and are identified by capital project category.

FROM BOND FUNDS	(Dollar Amounts in Thousands)			
	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>Department of Agriculture</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for improvements at the Farm Show Complex, Summerdale Laboratory, and the Headquarters Building. ....	\$ 3,850	\$ 5,000	.....	.....
<b>Department of Corrections</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction and renovation of administrative, industrial, educational and housing facilities, and utilities at the State-owned correctional institutions. ....	23,550	24,700	\$ 26,025	\$ 27,350
<b>Department of Education</b>				
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. ....	38,950	52,225	60,150	63,225
<b>Emergency Management Agency</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for improvements and renovation of facilities etc. at the State Fire Academy. ....	300	300	350	850
<b>Department of Environmental Resources</b>				
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. ....	11,900	12,475	13,150	13,800
FLOOD CONTROL PROJECTS: Provides for the State's share of Federal flood control works and improvements; levees, dikes, walls, revetments, dams, lakes, reservoirs, and other works and improvements deemed necessary to prevent floods and to control, preserve, and regulate the flow of rivers and streams. ....	29,000	.....	.....	.....
<b>Department of General Services</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for renovation and improvements of State office buildings and facilities. Also includes the purchase of original movable furniture and equipment to furnish such facilities. ....	5,200	5,450	5,750	6,050
<b>Historical and Museum Commission</b>				
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. ....	5,075	5,325	5,600	5,900

# CAPITAL BUDGET

## Forecast of Future Projects

FROM BOND FUNDS (continued)	(Dollar Amounts in Thousands)			
	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>Department of Labor and Industry</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for renovations and support facilities at the Hiram G. Andrews Center .....	\$ 325	\$ 325	\$ 125	\$ 125
<b>Department of Military Affairs</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for land acquisition, renovations, additions and replacement facilities at the State armories and veterans' homes. Also includes the purchase of original furniture and equipment to furnish such facilities. ....	10,550	3,625	3,825	4,025
<b>Department of Public Welfare</b>				
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 center, and youth development centers. Also includes the purchase of original furniture and equipment to furnish such facilities. ....	14,375	15,075	17,700	18,700
<b>State Police</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for renovation, expansion, and construction of troop headquarters/station facilities.	2,725	2,850	3,000	3,175
<b>Department of Transportation</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for construction of and additions to highway maintenance and district office buildings, construction of driver examination facilities, and construction, expansion and renovation of welcome centers.....	7,200	2,650	1,325	800
TRANSPORTATION ASSISTANCE PROJECTS: Provides for the purchase/rehabilitation of rolling stock and equipment and for construction/renovation of facilities operated by local mass transportation agencies. Also includes the purchase and improvement of rail lines.	44,000	46,000	48,000	50,000
Total—Public Improvement Program .....	\$ 124,000	\$ 130,000	\$ 137,000	\$ 144,000
Total—Transportation Assistance Program .....	44,000	46,000	48,000	50,000
Total—Flood Control Program .....	29,000	.....	.....	.....
<b>SUBTOTAL—BOND FUNDS .....</b>	<b>\$ 197,000</b>	<b>\$ 176,000</b>	<b>\$ 185,000</b>	<b>\$ 194,000</b>

# CAPITAL BUDGET

## Forecast of Future Projects

	(Dollar Amounts in Thousands)			
	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>FROM CURRENT REVENUES</b>				
<b>Game Commission</b>				
PUBLIC IMPROVEMENT PROJECTS: Provides for acquisition of additional State game lands. ....	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
<b>Department of Transportation</b>				
HIGHWAY PROJECTS: Provides for the purchase of right-of-way, construction, and reconstruction of highways and bridges on the Commonwealth road system; and major Federally-designated safety projects.	25,000	25,000	25,000	25,000
Total—Public Improvement Program .....	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>
Total—Highway Program .....	25,000	25,000	25,000	25,000
SUBTOTAL—CURRENT REVENUES .....	<u>\$ 28,000</u>	<u>\$ 28,000</u>	<u>\$ 28,000</u>	<u>\$ 28,000</u>
<b>TOTAL—ALL PROGRAMS</b> .....	<u>\$ 225,000</u>	<u>\$ 204,000</u>	<u>\$ 213,000</u>	<u>\$ 222,000</u>

# CAPITAL BUDGET

## SUMMARY OF ESTIMATED CAPITAL PROJECT EXPENDITURES STATE FUNDS

Department	(Dollar Amounts in Thousands)				
	1989-90 Estimated	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
Agriculture .....	\$ 2,825	\$ 1,933	\$ 993	\$ 1,602	\$ 2,111
Community Affairs .....	76,201	62,500	52,900	11,000	11,000
Corrections .....	17,748	21,777	20,470	23,465	25,806
Education .....	91,044	60,024	38,086	50,403	49,990
Emergency Management Agency .....	366	911	924	937	758
Environmental Resources .....	25,944	27,280	29,599	30,078	24,432
Game Commission .....	3,000	3,000	3,000	3,000	3,000
General Services .....	30,643	33,610	28,492	13,621	11,220
Health .....	90	90	1,450	1,450	420
Historical and Museum Commission .....	1,102	1,628	1,966	3,202	4,104
Infrastructure Investment Authority .....	51,840	45,640	19,120	6,160	. . . .
Labor and Industry .....	. . . .	3	32	81	142
Military Affairs .....	1,832	4,277	5,009	4,862	5,586
Public Welfare .....	6,552	6,965	7,491	9,517	11,675
State Police .....	804	2,022	2,238	2,589	2,723
Transportation .....	381,060	279,670	210,272	175,108	166,483
<b>TOTAL .....</b>	<b>\$ 691,051</b>	<b>\$ 551,330</b>	<b>\$ 422,042</b>	<b>\$ 337,075</b>	<b>\$ 319,450</b>

# CAPITAL BUDGET

## Estimate of Capital Expenditures

BOND FUNDS	(Dollar Amounts in Thousands)				
	1989-90 Estimated	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>Department of Agriculture</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures .....	\$ 2,825	\$ 1,896	\$ 596	\$ 574	\$ 398
Future Projects (1990-94)					
Buildings and Structures .....	.....	37	397	1,028	1,713
TOTAL—AGRICULTURE .....	<u>\$ 2,825</u>	<u>\$ 1,933</u>	<u>\$ 993</u>	<u>\$ 1,602</u>	<u>\$ 2,111</u>
<b>Department of Community Affairs</b>					
Redevelopment Assistance Projects					
Projects Currently Authorized					
Acquisition and Construction .....	\$ 76,201	\$ 62,500	\$ 52,900	\$ 11,000	\$ 11,000
TOTAL—COMMUNITY AFFAIRS .....	<u>\$ 76,201</u>	<u>\$ 62,500</u>	<u>\$ 52,900</u>	<u>\$ 11,000</u>	<u>\$ 11,000</u>
<b>Department of Corrections</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures .....	\$ 17,748	\$ 21,541	\$ 18,104	\$ 17,449	\$ 12,099
Future Projects (1990-94)					
Buildings and Structures .....	.....	236	2,366	6,016	12,207
Furniture and Equipment .....	.....	.....	.....	.....	1,500
TOTAL—CORRECTIONS .....	<u>\$ 17,748</u>	<u>\$ 21,777</u>	<u>\$ 20,470</u>	<u>\$ 23,465</u>	<u>\$ 25,806</u>
<b>Department of Education</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures .....	\$ 84,322	\$ 49,504	\$ 31,459	\$ 30,268	\$ 21,575
Furniture and Equipment .....	6,722	5,530	.....	.....	.....
Future Projects (1990-94)					
Buildings and Structures .....	.....	390	4,027	11,135	23,615
Furniture and Equipment .....	.....	4,600	2,600	9,000	4,800
TOTAL—EDUCATION .....	<u>\$ 91,044</u>	<u>\$ 60,024</u>	<u>\$ 38,086</u>	<u>\$ 50,403</u>	<u>\$ 49,990</u>
<b>Emergency Management Agency</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures .....	\$ 366	\$ 908	\$ 894	\$ 861	\$ 597
Future Projects (1990-94)					
Buildings and Structures .....	.....	3	30	76	161
TOTAL—EMERGENCY MANAGEMENT .....	<u>\$ 366</u>	<u>\$ 911</u>	<u>\$ 924</u>	<u>\$ 937</u>	<u>\$ 758</u>

# CAPITAL BUDGET

## Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
BOND FUNDS	1989-90 Estimated	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>Department of Environmental Resources</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures .....	\$ 15,331	\$ 20,988	\$ 17,829	\$ 17,183	\$ 11,915
Furniture and Equipment .....	88	73	.....	.....	.....
Future Projects (1990-94)					
Buildings and Structures .....	.....	119	1,195	3,040	6,167
Furniture and Equipment .....	.....	100	2,500	2,500	100
Subtotal .....	<u>\$ 15,419</u>	<u>\$ 21,280</u>	<u>\$ 21,524</u>	<u>\$ 22,723</u>	<u>\$ 18,182</u>
Flood Control Projects					
Projects Currently Authorized					
Structures and Improvements .....	\$ 10,525	\$ 2,375	\$ 1,825	\$ 1,105	.....
Future Projects (1990-94)					
Structures and Improvements .....	.....	3,625	6,250	6,250	\$ 6,250
Subtotal .....	<u>\$ 10,525</u>	<u>\$ 6,000</u>	<u>\$ 8,075</u>	<u>\$ 7,355</u>	<u>\$ 6,250</u>
TOTAL—ENVIRONMENTAL RESOURCES .....	<u>\$ 25,944</u>	<u>\$ 27,280</u>	<u>\$ 29,599</u>	<u>\$ 30,078</u>	<u>\$ 24,432</u>
<b>Department of General Services</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures .....	\$ 24,793	\$ 28,208	\$ 27,969	\$ 12,292	\$ 8,523
Furniture and Equipment .....	5,850	5,350	.....	.....	.....
Future Projects (1990-94)					
Buildings and Structures .....	.....	52	523	1,329	2,697
TOTAL—GENERAL SERVICES .....	<u>\$ 30,643</u>	<u>\$ 33,610</u>	<u>\$ 28,492</u>	<u>\$ 13,621</u>	<u>\$ 11,220</u>
<b>Department of Health</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures .....	\$ 90	\$ 90	\$ 1,450	\$ 1,450	\$ 420
TOTAL—HEALTH .....	<u>\$ 90</u>	<u>\$ 90</u>	<u>\$ 1,450</u>	<u>\$ 1,450</u>	<u>\$ 420</u>
<b>Historical and Museum Commission</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures .....	\$ 1,079	\$ 1,577	\$ 1,456	\$ 1,404	\$ 973
Furniture and Equipment .....	23	.....	.....	.....	.....
Future Projects (1990-94)					
Buildings and Structures .....	.....	51	510	1,298	2,631
Furniture and Equipment .....	.....	.....	.....	500	500
TOTAL—HISTORICAL AND MUSEUM .....	<u>\$ 1,102</u>	<u>\$ 1,628</u>	<u>\$ 1,966</u>	<u>\$ 3,202</u>	<u>\$ 4,104</u>

# CAPITAL BUDGET

## Estimate of Capital Expenditures

(Dollar Amounts in Thousands)

BOND FUNDS	1989-90 Estimated	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>Infrastructure Investment Authority</b>					
Site Development Projects					
Projects Currently Authorized					
Water and Sewer .....	\$ 51,840	\$ 45,640	\$ 19,120	\$ 6,160	.....
TOTAL—INFRASTRUCTURE INVESTMENT AUTHORITY .....	<u>\$ 51,840</u>	<u>\$ 45,640</u>	<u>\$ 19,120</u>	<u>\$ 6,160</u>	<u>.....</u>
<b>Department of Labor and Industry</b>					
Public Improvement Projects					
Future Projects (1990-94)					
Buildings and Structures .....	.....	\$ 3	\$ 32	\$ 81	\$ 142
TOTAL—LABOR AND INDUSTRY .....	<u>.....</u>	<u>\$ 3</u>	<u>\$ 32</u>	<u>\$ 81</u>	<u>\$ 142</u>
<b>Department of Military Affairs</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures .....	\$ 1,670	\$ 3,071	\$ 3,023	\$ 2,913	\$ 2,020
Furniture and Equipment .....	162	.....	.....	.....	.....
Future Projects (1990-94)					
Buildings and Structures .....	.....	106	986	1,949	3,566
Furniture and Equipment .....	.....	1,100	1,000	.....	.....
TOTAL—MILITARY AFFAIRS .....	<u>\$ 1,832</u>	<u>\$ 4,277</u>	<u>\$ 5,009</u>	<u>\$ 4,862</u>	<u>\$ 5,586</u>
<b>Department of Public Welfare</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures .....	\$ 5,533	\$ 6,721	\$ 6,046	\$ 5,827	\$ 4,040
Furniture and Equipment .....	1,019	.....	.....	.....	.....
Future Projects (1990-94)					
Buildings and Structures .....	.....	144	1,445	3,690	7,635
Furniture and Equipment .....	.....	100	.....	.....	.....
TOTAL—PUBLIC WELFARE .....	<u>\$ 6,552</u>	<u>\$ 6,965</u>	<u>\$ 7,491</u>	<u>\$ 9,517</u>	<u>\$ 11,675</u>
<b>Department of State Police</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures .....	\$ 804	\$ 1,995	\$ 1,964	\$ 1,893	\$ 1,312
Future Projects (1990-94)					
Buildings and Structures .....	.....	27	274	696	1,411
TOTAL—STATE POLICE .....	<u>\$ 804</u>	<u>\$ 2,022</u>	<u>\$ 2,238</u>	<u>\$ 2,589</u>	<u>\$ 2,723</u>

# CAPITAL BUDGET

## Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
BOND FUNDS	1989-90 Estimated	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>Department of Transportation</b>					
Public Improvement Projects					
Projects Currently Authorized					
Buildings and Structures .....	\$ 7,586	\$ 15,512	\$ 14,750	\$ 14,216	\$ 9,858
Future Projects (1990-94)					
Buildings and Structures .....	.....	72	675	1,332	2,325
Subtotal .....	<u>\$ 7,586</u>	<u>\$ 15,584</u>	<u>\$ 15,425</u>	<u>\$ 15,548</u>	<u>\$ 12,183</u>
Highway Projects					
Projects Currently Authorized					
Bridge Restoration and Replacement ...	\$ 56,000	\$ 25,000	.....	.....	.....
Advanced Construction Interstate .....	95,301	33,687	.....	.....	.....
Subtotal .....	<u>\$ 151,301</u>	<u>\$ 58,687</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>
Transportation Assistance Projects					
Projects Currently Authorized					
Mass Transit and Branch Rail Lines ....	\$ 76,775	\$ 85,300	\$ 68,423	.....	.....
Future Projects (1990-94)					
Mass Transit and Branch Rail Lines ....	.....	.....	11,577	\$ 50,000	\$ 50,000
Subtotal .....	<u>\$ 76,775</u>	<u>\$ 85,300</u>	<u>\$ 80,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
<b>TOTAL—TRANSPORTATION.....</b>	<u><b>\$ 235,662</b></u>	<u><b>\$ 159,571</b></u>	<u><b>\$ 95,425</b></u>	<u><b>\$ 65,548</b></u>	<u><b>\$ 62,183</b></u>
<b>TOTAL—BOND FUNDS</b>					
Public Improvement Projects					
Buildings and Structures .....	\$ 162,147	\$ 153,251	\$ 138,000	\$ 138,000	\$ 138,000
Furniture and Equipment .....	13,864	16,853	6,100	12,000	6,900
Redevelopment Assistance Projects					
Acquisition and Construction .....	76,201	62,500	52,900	11,000	11,000
Flood Control Projects					
Structures and Improvements .....	10,525	6,000	8,075	7,355	6,250
Highway Projects					
Bridge Restoration and Replacement ...	56,000	25,000	.....	.....	.....
Advanced Construction Interstate .....	95,301	33,687	.....	.....	.....
Transportation Assistance Projects					
Mass Transit and Branch Rail Lines ....	76,775	85,300	80,000	50,000	50,000
Site Development Projects					
Water and Sewer .....	51,840	45,640	19,120	6,160	.....
<b>TOTAL .....</b>	<u><b>\$ 542,653</b></u>	<u><b>\$ 428,231</b></u>	<u><b>\$ 304,195</b></u>	<u><b>\$ 224,515</b></u>	<u><b>\$ 212,150</b></u>

# CAPITAL BUDGET

## Estimate of Capital Expenditures

	(Dollar Amounts in Thousands)				
<b>CURRENT REVENUES</b>	1989-90 Estimated	1990-91 Estimated	1991-92 Estimated	1992-93 Estimated	1993-94 Estimated
<b>Game Commission</b>					
Public Improvement Projects					
Projects Currently Authorized					
Game Fund .....	\$ 1,500	.....	.....	.....	.....
Projects in 1989-90 Budget					
Game Fund .....	1,500	\$ 1,500	.....	.....	.....
Future Projects (1990-94)					
Game Fund .....	.....	1,500	\$ 3,000	\$ 3,000	\$ 3,000
<b>TOTAL—GAME—COMMISSION</b> .....	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 3,000</u>
<b>Department Transportation</b>					
Highway Projects					
Projects Currently Authorized					
Motor License Fund .....	\$ 123,300	\$ 100,012	\$ 92,902	\$ 80,542	\$ 68,182
Motor License Fund Restricted Revenue	22,098	19,837	19,445	19,018	18,618
Future Projects (1990-94)					
Motor License Fund .....	.....	250	2,500	10,000	17,500
<b>TOTAL—TRANSPORTATION</b> .....	<u>\$ 145,398</u>	<u>\$ 120,099</u>	<u>\$ 114,847</u>	<u>\$ 109,560</u>	<u>\$ 104,300</u>
<b>TOTAL—CURRENT REVENUES</b>					
Public Improvement Projects					
Game Fund .....	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Highway Projects					
Motor License Fund .....	123,300	100,262	95,402	90,542	85,682
Motor License Fund Restricted Revenue	22,098	19,837	19,445	19,018	18,618
<b>TOTAL</b> .....	<u>\$ 148,398</u>	<u>\$ 123,099</u>	<u>\$ 117,847</u>	<u>\$ 112,560</u>	<u>\$ 107,300</u>
<b>TOTAL—ALL STATE FUNDS</b> .....	<u>\$ 691,051</u>	<u>\$ 551,330</u>	<u>\$ 422,042</u>	<u>\$ 337,075</u>	<u>\$ 319,450</u>

# Sinking Funds And Public Debt



The olive branch, symbolizing peace, appeared on the Coat of Arms of 1778. It was omitted for a time but reappeared in 1875 when a commission was appointed to establish The Official Coat of Arms that continues to be used by the Commonwealth today.

# PUBLIC DEBT

## DEBT AUTHORIZED, ISSUED AND OUTSTANDING

The Commonwealth issues general obligation debt for purposes which cannot be financed from current revenues. Existing programs for which debt is proposed to be incurred in 1989-90 are Land and Water Development, PENNVEST, Agricultural Conservation Easement, Disaster Relief and for Capital Budget projects.

The following statement reflects the debt of the Commonwealth as of December 31, 1988. Issues which have been completely redeemed are not included.

(Dollar Amounts in Thousands)

Debt Subject to Constitutional Limit	Total Debt Authorized	Total Debt Issued	Debt Redeemed or Escrowed	Debt Outstanding	Sinking Fund	Net Indebtedness
Capital Budget .....	\$ 14,660,502	\$ 5,522,330	\$ 1,962,845 <sup>a</sup>	\$ 3,559,485	\$ 853	\$ 3,558,632
Refunding Bonds .....		307,927	5,709	302,218		302,218
General State Authority .....	1,165,250	1,165,250	1,165,250 <sup>b</sup>			
State Highway and Bridge Authority ...	580,000	580,000	543,335	36,665		36,665
Subtotal .....	<u>\$ 16,405,752</u>	<u>\$ 7,575,507</u>	<u>\$ 3,677,139</u>	<u>\$ 3,898,368</u>	<u>\$ 853</u>	<u>\$ 3,897,515</u>
<b>Debt Not Subject to Constitutional Limit</b>						
Disaster Relief .....	\$ 192,708	\$ 168,000	\$ 69,930 <sup>c</sup>	\$ 98,070		\$ 98,070
Economic Revitalization .....	190,000	73,000	32,365	40,635	\$ 7	40,628
Land and Water Development .....	500,000	477,000	188,370 <sup>d</sup>	288,630	8	288,622
Nursing Home Loan Agency .....	100,000	69,000	28,050	40,950	85	40,865
Project 70 Land Acquisition .....	70,000	70,000	63,460	6,540		6,540
Vietnam Veterans' Compensation .....	65,000	62,000	24,445	37,555		37,555
Volunteer Companies' Loan .....	25,000	25,000	8,385	16,615		16,615
PENNVEST/Water Facilities Loan .....	600,000	139,000	26,625 <sup>e</sup>	112,375	493	111,882
Agricultural Conservation Easement .....	100,000					
Refunding Bonds .....		43,805	1,061	42,744		42,744
Matured Loans Unclaimed .....				141	145	(4)
Subtotal .....	<u>\$ 1,842,708</u>	<u>\$ 1,126,805</u>	<u>\$ 442,691</u>	<u>\$ 684,255</u>	<u>\$ 738</u>	<u>\$ 683,517</u>
<b>TOTAL .....</b>	<u><b>\$ 18,248,460</b></u>	<u><b>\$ 8,702,312</b></u>	<u><b>\$ 4,119,830</b></u>	<u><b>\$ 4,582,623</b></u>	<u><b>\$ 1,591</b></u>	<u><b>\$ 4,581,032</b></u>

<sup>a</sup>Reflects refunding of \$156,240,000 of outstanding bonds with Refunding Bonds.

<sup>b</sup>Funds sufficient to pay, when due, the debt service on all outstanding bonds of the General State Authority have been deposited by the Commonwealth with an escrow agent for the GSA bonds. A Refunding Bond issue was the escrow funding source.

<sup>c</sup>Reflects refunding of \$15,780,000 of outstanding bonds with Refunding Bonds.

<sup>d</sup>Reflects refunding of \$15,780,000 of outstanding bonds with Refunding Bonds.

<sup>e</sup>Reflects refunding of \$7,100,000 of outstanding bonds with Refunding Bonds.

# PUBLIC DEBT

## PROJECTED BOND ISSUES AND DEBT OUTSTANDING 1988-89 Through 1993-94

This table shows the projected amount of general obligation bonds of the Commonwealth to be issued and the level of bonded debt outstanding at the end of the fiscal year. Outstanding debt levels are also shown for remaining principal payments on authority debt and for bond programs for which no additional bonds are planned to be issued. A detailed forecast of outstanding capital facilities debt by category of project and the comparison of debt subject to the debt limit is contained in the Capital Budget section of this volume.

	(Dollar Amounts in Thousands)					
Projected Bond Issues	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94
<b>Capital Budget</b>						
Buildings and Structures .....	\$ 90,000	\$ 120,000	\$ 155,000	\$ 130,000	\$ 145,000	\$ 140,000
Highways .....	42,000	22,000	25,000	.....	.....	.....
Transportation Assistance .....	85,000	60,000	85,000	80,000	50,000	50,000
Furnishings and Equipment .....	4,000	14,000	15,000	8,000	10,000	8,000
Redevelopment Assistance .....	45,000	60,000	65,000	50,000	10,000	10,000
Advance Construction Interstate .....	79,000	123,000	.....	.....	.....	.....
Flood Control .....	.....	10,000	3,000	8,000	8,000	6,000
Site Development .....	30,000	50,000	45,000	20,000	5,000	.....
Refunding Bonds <sup>a</sup> .....	128,000	.....	.....	.....	.....	.....
<b>Total .....</b>	<b>\$ 503,000</b>	<b>\$ 459,000</b>	<b>\$ 393,000</b>	<b>\$ 296,000</b>	<b>\$ 228,000</b>	<b>\$ 214,000</b>
<b>Special Purpose</b>						
Disaster Relief .....	\$ 2,000	\$ 1,000	.....	.....	.....	.....
Land and Water Development .....	1,000	2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Nursing Home Loan .....	.....	1,000	1,000	1,000	1,000	1,000
PENNVEST/Water Facilities Loan .....	10,000	55,000	120,000	120,000	90,000	46,000
Agricultural Conservation Easement ..	.....	20,000	10,000	10,000	10,000	10,000
<b>Total .....</b>	<b>\$ 13,000</b>	<b>\$ 79,000</b>	<b>\$ 133,000</b>	<b>\$ 133,000</b>	<b>\$ 103,000</b>	<b>\$ 59,000</b>
<b>TOTAL .....</b>	<b>\$ 516,000</b>	<b>\$ 538,000</b>	<b>\$ 526,000</b>	<b>\$ 429,000</b>	<b>\$ 331,000</b>	<b>\$ 273,000</b>
<b>Debt Outstanding Projection</b>						
Capital Budget .....	\$ 3,709,075	\$ 3,835,585	\$ 3,882,465	\$ 3,752,575	\$ 3,564,230	\$ 3,420,280
Refunding Bonds <sup>a</sup> .....	302,218	269,859	234,496	199,844	166,449	165,607
State Highway and Bridge Authority ..	36,665	19,135	6,940	.....	.....	.....
<b>Special Purpose</b>						
Disaster Relief .....	96,115	90,125	84,380	78,320	71,930	65,200
Economic Revitalization .....	39,510	31,580	25,350	19,120	13,245	9,525
Land and Water Development .....	278,100	259,255	240,345	220,230	199,370	177,165
Nursing Home Loan .....	40,790	37,880	34,725	31,310	27,620	23,645
Project 70 Land Acquisition .....	6,175	5,785	5,370	4,920	4,440	3,930
Vietnam Veterans' Compensation .....	35,415	32,920	30,275	27,465	24,485	21,320
Volunteer Companies Loan .....	16,245	14,895	13,510	12,090	10,630	9,130
PENNVEST/Water Facilities Loan .....	114,150	161,705	271,510	375,315	443,120	462,425
Agricultural Conservation Easement ..	.....	20,000	29,000	37,500	45,500	53,000
Refunding Bonds <sup>a</sup> .....	42,744	42,183	38,726	35,038	30,748	26,573
<b>TOTAL .....</b>	<b>\$ 4,717,202</b>	<b>\$ 4,820,907</b>	<b>\$ 4,897,092</b>	<b>\$ 4,793,727</b>	<b>\$ 4,601,767</b>	<b>\$ 4,437,800</b>

<sup>a</sup>Refunding bonds used to refinance other general obligation bonds and lease rental payments to the General State Authority.

# PUBLIC DEBT

## FORECAST OF DEBT SERVICE ON BONDED DEBT

This table shows the amounts necessary to pay estimated debt service by the Commonwealth on currently outstanding bonded indebtedness and authority rentals and on projected bond issues. Further detail for Capital Budget bonds by category of project is contained in the Capital Budget section of this volume.

	(Dollar Amounts in Thousands)				
	1989-90	1990-91	1991-92	1992-93	1993-94
<b>General Fund</b>					
Capital Budget .....	\$ 345,330	\$ 370,879	\$ 398,421	\$ 418,168	\$ 428,592
Disaster Relief .....	12,720	10,727	10,705	10,680	10,642
Economic Revitalization .....	10,623	8,430	7,983	7,169	4,653
Land and Water Development .....	37,659	36,122	36,173	35,683	35,777
Nursing Home Loan .....	6,441	6,502	6,565	6,634	6,696
Project 70 Land Acquisition .....	764	763	770	770	769
Vietnam Veteran's Compensation .....	4,562	4,559	4,560	4,559	4,562
Volunteer Companies Loan .....	2,579	2,509	2,436	2,366	2,292
PENNVEST/Water Facilities .....	17,336	24,752	39,270	52,181	61,138
Refunding Series .....	3,396	6,235	6,256	6,605	6,223
Agricultural Conservation Easement .....	375	2,669	3,834	4,963	6,053
Less: Augmentations, Interest and Miscellaneous Revenue .....	-17,610	-20,701	-20,576	-19,650	-17,857
<b>TOTAL</b> .....	<u>\$ 424,175</u>	<u>\$ 453,446</u>	<u>\$ 496,397</u>	<u>\$ 530,128</u>	<u>\$ 549,540</u>
<b>Motor License Fund</b>					
Capital Budget—Highways .....	\$ 165,066	\$ 165,075	\$ 164,976	\$ 164,850	\$ 164,785
Capital Budget <sup>a</sup> .....	1,508	2,202	2,106	2,534	2,389
State Highway and Bridge Authority Rentals .....	18,869	12,824	7,183	.....	.....
Advance Construction Interstate—Interest Payments <sup>b</sup> .....	15,306	17,427	12,660	5,488	358
Less: Miscellaneous Revenue .....	-537	.....	.....	.....	.....
<b>TOTAL</b> .....	<u>\$ 200,212</u>	<u>\$ 197,528</u>	<u>\$ 186,925</u>	<u>\$ 172,872</u>	<u>\$ 167,532</u>
<b>Boating Fund</b>					
Capital Budget <sup>a</sup> .....	\$ 2	\$ 2	\$ 2	\$ 2	\$ 1
<b>Fish Fund</b>					
Capital Budget <sup>a</sup> .....	\$ 62	\$ 58	\$ 50	\$ 43	\$ 34
<b>Motor License Fund Restricted Receipts</b>					
Aviation—Capital Budget <sup>a</sup> .....	\$ 183	\$ 1,484	\$ 1,648	\$ 1,644	\$ 1,638
Highway Bridge Improvement—Capital Budget .....	22,342	24,985	26,454	25,682	24,900
Less: Miscellaneous Revenue .....	-96	-109	.....	.....	.....
<b>TOTAL</b> .....	<u>\$ 22,429</u>	<u>\$ 26,360</u>	<u>\$ 28,102</u>	<u>\$ 27,326</u>	<u>\$ 26,538</u>
<b>TOTAL</b> .....	<u>\$ 646,880</u>	<u>\$ 677,394</u>	<u>\$ 711,476</u>	<u>\$ 730,371</u>	<u>\$ 743,645</u>

<sup>a</sup>Includes bonds issued to refund Capital Budget Bonds and to refinance General State Authority Rentals.

<sup>b</sup>Principal payments made from Federal reimbursements.

# PUBLIC DEBT

## TERMS OF BONDS ISSUED

The following table reflects the terms of the Commonwealth's general obligation bonds that were issued in the calendar year ending December 31, 1988.

Purpose of Bonds	Bond Date	Interest Rate	First and Last Year of Maturity	Original Amount in Thousands
Capital Budget — Building and Construction . . .	February 1, 1988	6.91%	1989-08	\$ 45,000
	May 15, 1988	7.18%	1989-08	50,000
	October 15, 1988	6.96%	1989-08	<u>35,000</u>
Subtotal . . . . .				\$ 130,000
Capital Budget — Transportation Assistance . . .	February 1, 1988	6.91%	1989-08	\$ 13,000
	May 15, 1988	7.18%	1989-08	5,000
	October 15, 1988	6.96%	1989-08	<u>10,000</u>
Subtotal . . . . .				\$ 28,000
Capital Budget — Bridge . . . . .	February 1, 1988	6.91%	1989-08	\$ 40,000
	May 15, 1988	7.18%	1989-08	47,000
	October 15, 1988	6.96%	1989-08	<u>8,000</u>
Subtotal . . . . .				\$ 95,000
Capital Budget — Advance Construction Interstate . . . . .	February 1, 1988	6.09%	1990-93	\$ 30,000
	May 15, 1988	6.29%	1990-92	33,000
	October 15, 1988	6.32%	1990-91	<u>40,000</u>
Subtotal . . . . .				\$ 103,000
Capital Budget — Redevelopment Assistance . .	February 1, 1988	6.91%	1989-08	\$ 25,000
	May 15, 1988	7.18%	1989-08	20,000
	October 15, 1988	6.96%	1989-08	<u>15,000</u>
Subtotal . . . . .				\$ 60,000
PENNVEST/Water Facilities Loan . . . . .	February 1, 1988	6.91%	1989-08	\$ 7,000
	October 15, 1988	6.96%	1989-08	<u>5,000</u>
Subtotal . . . . .				\$ 12,000
General State Authority Refinancing . . . . .	October 15, 1988	6.37%	1989-97	<u>\$ 127,615</u>
TOTAL . . . . .				<u>\$ 555,615</u>

# PUBLIC DEBT

## ANNUAL DEBT SERVICE ON OUTSTANDING GENERAL OBLIGATION BONDS AND AUTHORITY RENTALS Bonds Issued as of December 31, 1988

(Dollar Amounts in Thousands)

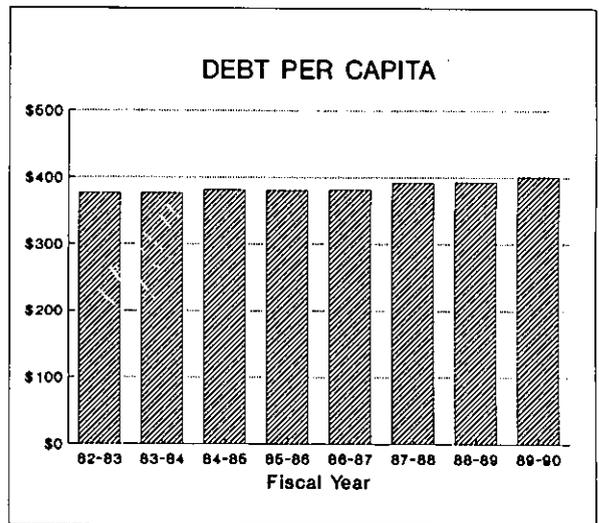
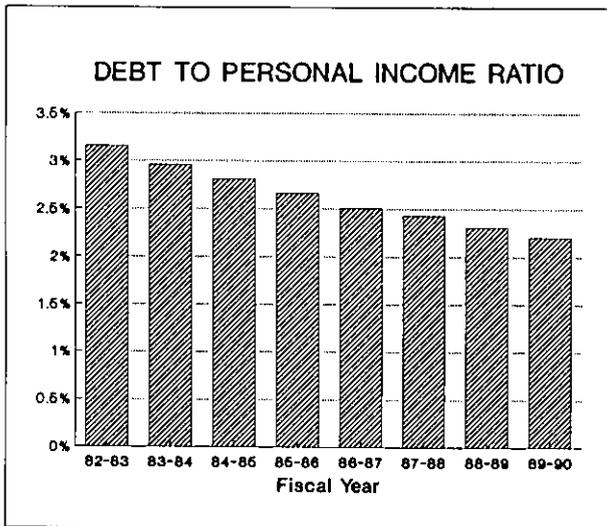
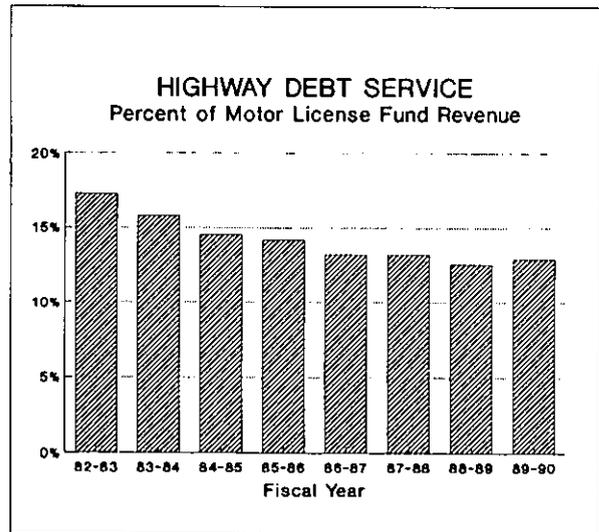
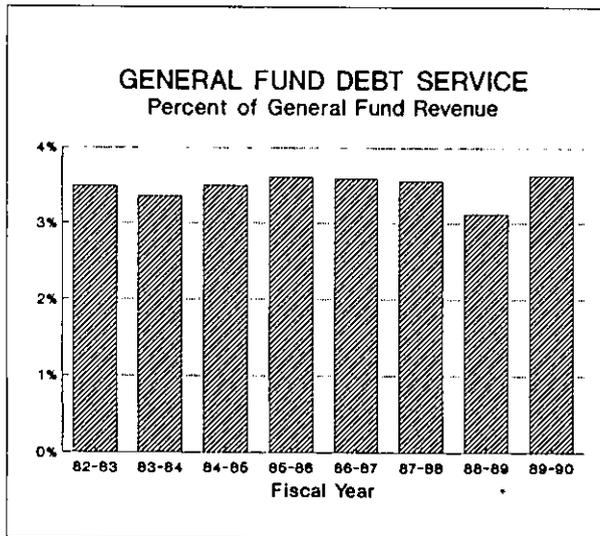
Fiscal Year	State Highway and Bridge Authority Rental	Capital Budget (Non-highway) <sup>a</sup>	Public School Building Authority	Transportation	Advanced Construction Interstate	Land and Water	Disaster Relief
1988-89	\$25,055	\$282,036	\$388	\$182,454	\$51,387	\$37,271	\$12,235
1989-90	18,868	315,189	.....	182,708	83,613	37,496	12,095
1990-91	12,823	301,501	.....	182,272	60,397	35,715	10,361
1991-92	7,183	286,641	.....	181,712	57,125	35,529	10,351
1992-93	.....	274,115	.....	181,118	23,438	34,810	10,337
1993-94	.....	260,591	.....	180,574	.....	34,682	10,310
1994-95	.....	247,428	.....	180,257	.....	34,556	10,292
1995-96	.....	225,777	.....	150,809	.....	34,474	10,267
1996-97	.....	201,008	.....	118,283	.....	28,479	10,229
1997-98	.....	187,758	.....	113,714	.....	25,742	10,197
1998-99	.....	168,183	.....	110,430	.....	21,051	8,861
1999-00	.....	152,342	.....	97,315	.....	19,148	7,047
2000-01	.....	129,741	.....	78,724	.....	18,086	7,047
2001-02	.....	108,228	.....	58,107	.....	12,357	7,071
2002-03	.....	86,617	.....	38,819	.....	8,978	7,092
2003-04	.....	69,168	.....	27,945	.....	5,070	176
2004-05	.....	48,183	.....	9,905	.....	128	125
2005-06	.....	35,540	.....	9,327	.....	120	.....
2006-07	.....	26,218	.....	8,747	.....	112	.....
2007-08	.....	14,930	.....	6,417	.....	104	.....
2008-09	.....	3,108	.....	414	.....	.....	.....

Fiscal Year	Project 70	Vietnam Veterans' Compensation	Volunteer Companies Loan Fund	Nursing Home Loan Agency	PENNVEST/ Water Facilities Loan	Economic Revitalization	Refunding Bonds (Non-capital)	Total
1988-89	\$763	\$4,560	\$2,650	\$6,498	\$15,854	\$11,445	\$3,262	<b>\$635,858</b>
1989-90	764	4,562	2,578	6,441	15,773	10,623	3,396	<b>694,106</b>
1990-91	763	4,559	2,509	6,377	15,255	8,430	6,235	<b>647,197</b>
1991-92	770	4,560	2,436	6,319	14,726	7,983	6,256	<b>621,591</b>
1992-93	770	4,559	2,366	6,270	14,183	7,169	6,605	<b>565,740</b>
1993-94	769	4,562	2,292	6,218	13,627	4,653	6,223	<b>524,501</b>
1994-95	775	4,567	2,220	6,166	13,056	3,974	5,673	<b>508,964</b>
1995-96	779	4,575	2,143	3,848	11,719	1,344	5,707	<b>451,442</b>
1996-97	780	4,574	2,063	3,783	11,201	1,274	5,251	<b>386,925</b>
1997-98	778	4,572	1,114	2,429	10,741	1,202	4,879	<b>363,126</b>
1998-99	783	2,592	1,032	2,355	10,199	1,131	4,524	<b>331,141</b>
1999-00	785	2,602	950	1,105	9,650	971	3,613	<b>295,528</b>
2000-01	.....	478	868	1,034	9,100	547	1,922	<b>247,547</b>
2001-02	.....	482	789	963	8,548	514	1,415	<b>198,474</b>
2002-03	.....	487	440	940	8,043	481	822	<b>152,719</b>
2003-04	.....	491	.....	326	7,026	453	808	<b>111,463</b>
2004-05	.....	.....	.....	185	4,822	370	.....	<b>63,718</b>
2005-06	.....	.....	.....	175	1,749	.....	.....	<b>46,911</b>
2006-07	.....	.....	.....	165	1,642	.....	.....	<b>36,884</b>
2007-08	.....	.....	.....	.....	912	.....	.....	<b>22,363</b>
2008-09	.....	.....	.....	.....	259	.....	.....	<b>3,781</b>

<sup>a</sup>Debt service on bonds issued to refund Capital Budget bonds and refinance General State Authority rentals is included.

# PUBLIC DEBT

## TRENDS IN DEBT SERVICE AND DEBT RATIOS 1982-83 Through 1989-90



\* Temporary drop due to refinancing of General State Authority rentals.

**OUTSTANDING INDEBTEDNESS OF  
PENNSYLVANIA AGENCIES AND AUTHORITIES**

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

As of December 31, 1988  
(in thousands)  
Bonds and Notes

**Delaware River Joint Toll Bridge Commission**

Created by Pennsylvania and New Jersey to construct, operate and maintain bridges crossing the upper Delaware River. Debt service on the bonds is paid from tolls and other revenues of the commission. . . . . \$ 53,690

**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. . . . . 221,870

**Higher Education Facilities Authority**

Acquires, constructs, improves and leases (as lessor) college facilities and makes loans to colleges and universities within the Commonwealth. Debt service on the bonds is paid from rentals and from loan repayments collected for the use of the facilities. . . . . 1,064,298

**Pennsylvania Economic Development Financing Authority**

Created to offer pooled bond issues of both taxable and tax-exempt bonds on behalf of local industrial and commercial development authorities for economic development projects. Debt service on the bonds is paid by loan interest and repayments and other authority revenues. . . . .

**Pennsylvania Energy Development Authority**

Makes or guarantees loans for energy projects including the conversion and technological improvement of energy systems utilizing Pennsylvania coal or renewable energy resources. Debt service on the bonds is paid from the revenues of the authority . . . . . 166,650

**Pennsylvania Higher Education Assistance Agency**

Makes or guarantees student loans for graduate or undergraduate programs to students or parents, lending institutions or postsecondary institutions. Debt service on the bonds is paid by loan interest and repayments and by other agency revenues. . . . . 1,083,000

**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. . . . . 1,709,854

**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 . . . . . 107,425

**Pennsylvania Turnpike Commission**

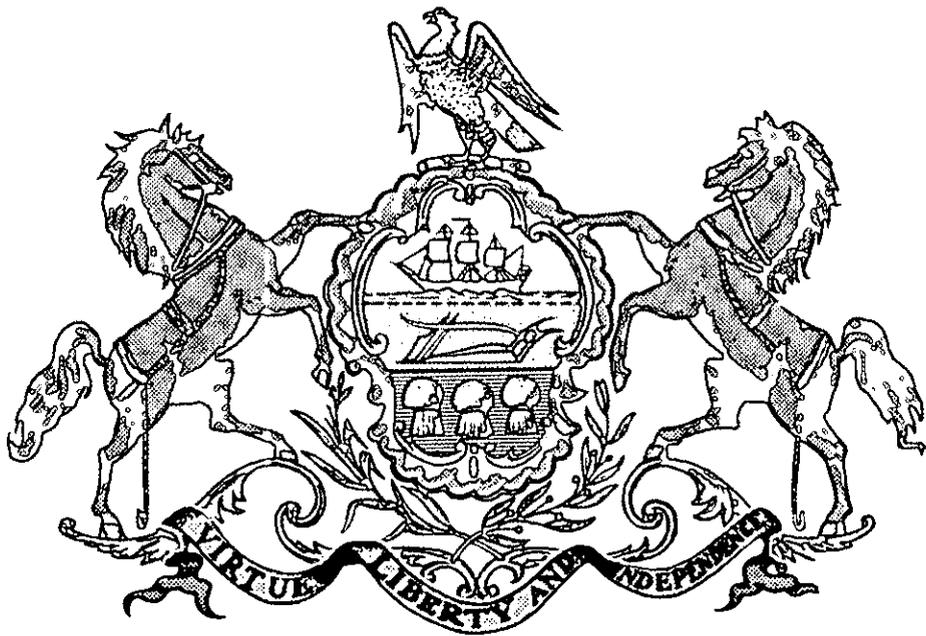
Constructs, maintains and operates the Pennsylvania Turnpike. Debt service on the bonds is paid from tolls and other revenue sources of the commission. . . . . 800,310

**State Public School Building Authority**

Constructs, improves, equips and makes loans to local school districts for school facilities. Debt service on the bonds is paid from rentals collected for the use of the facilities and from loan repayments. . . . . 252,295

TOTAL . . . . . \$5,459,392

# Other Special Funds



The scroll bearing the words virtue, liberty and independence is the Motto of the Commonwealth.



Commonwealth of Pennsylvania

# **OTHER SPECIAL FUNDS APPENDIX**

This section provides brief descriptive and financial data for Commonwealth funds not given an expanded treatment in other sections of the Governor's Budget. This information is presented to demonstrate the magnitude and complexity of the Commonwealth's financial structure as well as give some details of the various funds.

# OTHER SPECIAL FUNDS

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

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

Generally, the Commonwealth uses a modified accrual basis of accounting for financial reporting where certain revenues are accrued and expenditures are reflected when disbursed or committed. Unless otherwise noted in the fund description, all financial data shown herein is on a strictly cash basis, which means that the beginning and ending balances are cash plus investments. Receipts include only those items actually received and credited to the funds by the Department of Revenue. Disbursements represent checks drawn by the Treasury Department and do not include commitments, encumbrances or vouchers payable.

Several funds carrying long-term investments show an adjustment to reflect the current market value of those investments as of June 30, 1988.

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

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

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

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

**Special Revenue Funds** — These funds are used to account for revenues from specific taxes or other earmarked revenue sources which by law are designated to finance particular functions or activities.

**Internal Service Funds** — These funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the Commonwealth, or to other governmental units, on a cost-reimbursement basis.

**Bond Funds** — Bond Funds are used to account for the receipt and disbursement of bond sale proceeds which normally finance the construction or acquisition of designated fixed assets.

**Debt Service Funds** — These funds account for the accumulation of resources, principally from transfers from other funds, for the payment of general long-term debt principal and interest.

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

**Enterprise Funds** — These funds accommodate the operation of public service programs financed wholly or mostly by user charges, or where the periodic determination of net income is deemed appropriate.

## ADMINISTRATION FUND

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

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 5,722	\$ 9,844	\$ 12,753
<b>Receipts:</b>			
Federal Unemployment Trust Fund ..	\$ 137,400	\$ 140,000	\$ 143,000
Federal JTPA Funds .....	608	620	620
Other .....	14,671	15,000	15,000
Total Receipts .....	<u>152,679</u>	<u>155,620</u>	<u>158,620</u>
<b>Total Funds Available</b> .....	\$ 158,401	\$ 165,464	\$ 171,373
<b>Disbursements:</b>			
Executive Offices .....	\$ 10,226	\$ 10,300	\$ 10,300
Labor and Industry .....	138,331	142,411	148,320
Total Disbursements .....	<u>-148,557</u>	<u>-152,711</u>	<u>-158,620</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 9,844</u>	<u>\$ 12,753</u>	<u>\$ 12,753</u>

## AGRICULTURAL COLLEGE LAND SCRIP FUND

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

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 639	\$ 639	\$ 654
<b>Receipts:</b>			
Interest on Securities .....	\$ 45	\$ 45	\$ 46
Total Receipts .....	<u>45</u>	<u>45</u>	<u>46</u>
<b>Total Funds Available</b> .....	\$ 684	\$ 684	\$ 700
<b>Disbursements:</b>			
Treasury .....	\$ 45	\$ 30	\$ 30
Total Disbursements .....	<u>-45</u>	<u>-30</u>	<u>-30</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 639</u>	<u>\$ 654</u>	<u>\$ 670</u>

# AGRICULTURAL CONSERVATION EASEMENT PURCHASE FUND

This fund was created by Act 64 of 1988 to implement the referendum approved by the electorate November 8, 1988. That referendum authorized the Commonwealth to incur indebtedness of \$100 million to be used for the purchase of agricultural conservation easements.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	.....	.....	.....
<b>Receipts:</b>			
Sale of Bonds .....	.....	.....	\$ 20,000
<b>Total Receipts</b> .....	.....	.....	20,000
<b>Total Funds Available</b> .....	.....	.....	\$ 20,000
<b>Disbursements:</b>			
Agriculture .....	.....	.....	\$ 20,000
<b>Total Disbursements</b> .....	.....	.....	-20,000
<b>Cash Balance, Ending</b> .....	.....	.....	.....

# AGRICULTURAL CONSERVATION EASEMENT PURCHASE SINKING FUND

This fund was created by Act 64 of 1988 to implement the referendum approved by the electorate November 8, 1988. That referendum authorized the Commonwealth to incur indebtedness of \$100 million to be used for the purchase of agricultural conservation easements.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	.....	.....	.....
<b>Receipts:</b>			
Transfer from General Fund .....	.....	.....	\$ 288
Accrued Interest on Bonds Sold .....	.....	.....	87
<b>Total Receipts</b> .....	.....	.....	375
<b>Total Funds Available</b> .....	.....	.....	\$ 375
<b>Disbursements:</b>			
Treasury .....	.....	.....	\$ 375
<b>Total Disbursements</b> .....	.....	.....	-375
<b>Cash Balance, Ending</b> .....	.....	.....	.....

# ANTHRACITE EMERGENCY FUND

This fund was created by Act 171 of 1986 to provide loans for anthracite underground mine operators who cannot obtain necessary bonding or whose bonding has been cancelled due to insolvency or bankruptcy of the original bonding company.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 50	\$ 69	\$ 86
<b>Receipts:</b>			
Transfer from the General Fund .....	.....	.....	.....
Operator Payments .....	\$ 15	\$ 12	\$ 12
Production Fees .....	.....	6	6
Interest .....	4	4	4
<b>Total Receipts</b> .....	<u>19</u>	<u>22</u>	<u>22</u>
<b>Total Funds Available</b> .....	\$ 69	\$ 91	\$ 108
<b>Disbursements:</b>			
Environmental Resources .....	.....	\$ 5	\$ 5
<b>Total Disbursements</b> .....	<u>.....</u>	<u>-5</u>	<u>-5</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 69</u>	<u>\$ 86</u>	<u>\$ 103</u>

# CAPITAL DEBT FUND

Annual appropriations by the General Assembly for payment of interest and principal due on general obligation bonds are credited to this fund. Funds in excess of the interest and principal falling due in any one particular fiscal year may be used by the Board of Finance and Revenue to retire any other general obligation bonds issued to provide revenue to the Capital Facilities Fund.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 5,482	\$ 746	.....
<b>Receipts:</b>			
Transfer from Other Funds .....	\$ 426,906	\$ 466,092	\$ 539,185
Rentals — Pier 124 .....	2,762	2,762	2,762
Rentals — State-Aided and State- Related Institutions .....	6,361	5,900	4,858
Interest Subsidy — Higher Education Construction Projects	158	158	158
Sale of State Property .....	125	10	.....
Miscellaneous .....	.....	1	.....
General Obligation Refunding Bonds	19,046	145,542	60,695
Accrued Interest on Bonds Sold .....	1,144	1,109	981
Interest on Securities .....	463	100	100
<b>Total Receipts</b> .....	<u>456,965</u>	<u>621,674</u>	<u>608,739</u>
<b>Total Funds Available</b> .....	\$ 462,447	\$ 622,420	\$ 608,739
<b>Disbursements:</b>			
Treasury .....	\$ 461,701	\$ 622,420	\$ 608,739
<b>Total Disbursements</b> .....	<u>-461,701</u>	<u>-622,420</u>	<u>-608,739</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 746</u>	<u>.....</u>	<u>.....</u>

# CAPITAL FACILITIES FUND

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

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 141,422	\$ 190,171	\$ 142,024
<b>Receipts:</b>			
Sale of Bonds .....	\$ 448,955	\$ 375,000	\$ 459,000
Interest on Securities .....	8,918	9,912	6,704
Interest on Securities — RAP .....	678	300	.....
Other .....	6,435	7,500	7,500
Total Receipts .....	<u>464,986</u>	<u>392,712</u>	<u>473,204</u>
<b>Total Funds Available</b> .....	\$ 606,408	\$ 582,883	\$ 615,228
<b>Disbursements:</b>			
Community Affairs .....	\$ 71,185	\$ 62,054	\$ 76,201
Environmental Resources .....	.....	.....	10,525
General Services .....	129,483	112,620	176,011
Infrastructure Investment Authority .....	.....	27,250	51,840
Transportation <sup>a</sup> .....	<u>215,569</u>	<u>238,935</u>	<u>228,076</u>
Total Disbursements .....	<u>-416,237</u>	<u>-440,859</u>	<u>-542,653</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 190,171</u>	<u>\$ 142,024</u>	<u>\$ 72,575</u>

<sup>a</sup>Includes Treasury Department payments to the Department of Transportation.

# 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)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 125	\$ 169	\$ 144
<b>Receipts:</b>			
Contributions and Sales .....	\$ 34	15	\$ 5
Other .....	10	10	5
Total Receipts .....	<u>44</u>	<u>25</u>	<u>10</u>
<b>Total Funds Available</b> .....	\$ 169	\$ 194	\$ 154
<b>Disbursements:</b>			
Capitol Preservation Committee .....	.....	<u>\$ 50</u>	<u>\$ 10</u>
Total Disbursements .....	.....	<u>-50</u>	<u>-10</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 169</u>	<u>\$ 144</u>	<u>\$ 144</u>

# CATASTROPHIC LOSS TRUST FUND

The purpose of this fund was to pay medical and rehabilitative expenses in excess of \$100,000 to residents of Pennsylvania injured in a motor vehicle accident as provided by The Motor Vehicle Financial Responsibility Law. The fund is administered by a nine-person administrative board in the Insurance Department. Act 144 of 1988 abolished the Catastrophic Loss Trust Fund (CLTF). Payment of claims will continue to be made for accidents occurring prior to March 1, 1989.

According to the enabling legislation, Act 12 of 1984, no obligation or expense of, or claim against the CLTF constitutes a debt of the Commonwealth or a charge against the General Fund or Motor License Fund.

It is anticipated that there will be nearly \$56.7 million in claims and expenses in the fund in 1989-90. Executive authorizations and subsequent disbursements will be made only up to the limit of funds available.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 73,747	\$ 81,099	\$ 32,736
<b>Receipts:</b>			
Vehicle Fee .....	\$ 59,781	\$ 28,000	.....
Interest .....	5,352	1,000	.....
Other .....	<u>27</u>	<u>.....</u>	<u>.....</u>
Total Receipts .....	<u>65,160</u>	<u>29,000</u>	<u>.....</u>
<b>Total Funds Available</b> .....	\$ 138,907	\$ 110,099	\$ 32,736
<b>Disbursements:</b>			
Insurance .....	\$ 57,783	\$ 77,363	\$ 32,736
Executive Offices .....	<u>25</u>	<u>.....</u>	<u>.....</u>
Total Disbursements .....	<u>-57,808</u>	<u>-77,363</u>	<u>-32,736</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 81,099</u>	<u>\$ 32,736</u>	<u>.....</u>

# COAL AND CLAY MINE SUBSIDENCE INSURANCE FUND

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

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 6,913	\$ 8,448	\$ 8,297
<b>Receipts:</b>			
Premiums Collected .....	\$ 2,089	\$ 1,894	\$ 2,900
Interest .....	518	500	575
Other .....	46	.....	.....
<b>Total Receipts</b> .....	<u>2,653</u>	<u>2,394</u>	<u>3,475</u>
<b>Total Funds Available</b> .....	\$ 9,566	\$ 10,842	\$ 11,772
<b>Disbursements:</b>			
Executive Offices .....	\$ 47	.....	.....
Environmental Resources .....	1,071	2,545	2,600
<b>Total Disbursements</b> .....	<u>-1,118</u>	<u>-2,545</u>	<u>-2,600</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 8,448</u>	<u>\$ 8,297</u>	<u>\$ 9,172</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)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 160	\$ 272	\$ 291
<b>Receipts:</b>			
Sale of Land .....	\$ 100	.....	.....
Interest .....	12	\$ 19	\$ 19
<b>Total Receipts</b> .....	<u>112</u>	<u>19</u>	<u>19</u>
<b>Total Funds Available</b> .....	\$ 272	\$ 291	\$ 310
<b>Disbursements:</b>			
Environmental Resources .....	.....	.....	.....
<b>Total Disbursements</b> .....	<u>.....</u>	<u>.....</u>	<u>.....</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 272</u>	<u>\$ 291</u>	<u>\$ 310</u>

# CONRAD WEISER MEMORIAL PARK TRUST FUND

This fund was created to provide for control, management, supervision, restoration and improvement of the Conrad Weiser Memorial Park, Berks County. Source of revenue for the fund is income and interest from the \$20,000 perpetual endowment created by the estate of Colonel Conrad Weiser.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 35	\$ 37	\$ 49
<b>Receipts:</b>			
Interest on Securities .....	\$ 2	\$ 12	\$ 3
Redemption of Securities .....	.....	.....	.....
<b>Total Receipts</b> .....	<u>2</u>	<u>12</u>	<u>3</u>
<b>Total Funds Available</b> .....	\$ 37	\$ 49	\$ 52
<b>Disbursements:</b>			
Historical and Museum Commission .....	\$ .....	.....	.....
<b>Total Disbursements</b> .....	.....	.....	.....
<b>Cash Balance, Ending</b> .....	<u>\$ 37</u>	<u>\$ 49</u>	<u>\$ 52</u>

# DEFERRED COMPENSATION FUND

On November 6, 1987, Act 81 was signed into law establishing the Commonwealth Deferred Compensation Program. The program will enable Commonwealth employees to defer a portion of their salaries into a retirement savings plan. The State Employees' Retirement System is responsible for administration of the Act.

Contributions to the fund began in 1988. The number of employees and the level of their contributions is expected to increase over the next several years.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	.....	.....	\$ 9,396
<b>Receipts:</b>			
Employee Contributions .....	.....	\$ 9,329	\$ 30,620
Interest .....	.....	<u>141</u>	<u>831</u>
<b>Total Receipts</b> .....	.....	<u>9,470</u>	<u>31,451</u>
<b>Total Funds Available</b> .....	.....	\$ 9,470	\$ 40,847
<b>Disbursements:</b>			
State Employees' Retirement System—Fees .....	.....	\$ 74	\$ 537
<b>Total Disbursements</b> .....	.....	<u>-74</u>	<u>-537</u>
<b>Cash Balance, Ending</b> .....	<u>.....</u>	<u>\$ 9,396</u>	<u>\$ 40,310</u>

# DEFERRED COMPENSATION FUND — SHORT TERM PORTFOLIO

On November 6, 1987, Act 81 was signed into law establishing the Deferred Compensation Program. The program will enable Commonwealth employees to defer a portion of their salaries into a retirement savings plan.

Available for the employees investment selection is the Treasury Short Term Money Market Account. In order to maintain the identity of the investments and deferred compensation contributions, the Short Term Portfolio — Deferred Compensation Fund was established.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	.....	.....	\$ 952
<b>Receipts:</b>			
Investments .....	.....	\$ 933	\$ 3,095
Interest .....	.....	26	193
<b>Total Receipts</b> .....	.....	959	3,288
<b>Total Funds Available</b> .....	.....	\$ 959	\$ 4,240
<b>Disbursements:</b>			
State Employees' Retirement System—Fees .....	.....	\$ 7	\$ 36
<b>Total Disbursements</b> .....	.....	-7	-36
<b>Cash Balance, Ending</b> .....	.....	\$ 952	\$ 4,204

# 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)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 2,312	\$ 192	.....
<b>Receipts:</b>			
Sale of Bonds on Securities .....	.....	\$ 2,000	\$ 1,000
Interest Earned .....	\$ 65	76	35
<b>Total Receipts</b> .....	65	2,076	1,035
<b>Total Funds Available</b> .....	\$ 2,377	\$ 2,268	\$ 1,035
<b>Disbursements:</b>			
Community Affairs .....	\$ 2,185	\$ 2,268	\$ 1,035
<b>Total Disbursements</b> .....	-2,185	-2,268	-1,035
<b>Cash Balance, Ending</b> .....	\$ 192	.....	.....

## DISASTER RELIEF REDEMPTION FUND

This fund is used for the payment of interest and principal due on bonds issued for the Disaster Relief Fund. Funds in excess of the interest and principal due in any one fiscal period may be used for 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 sufficient to pay interest and principal due on disaster relief bonds.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 12	\$ 2	.....
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 12,368	\$ 12,224	\$ 12,716
Interest on Securities .....	1	.....	.....
Accrued Interest on Bonds Sold .....	.....	9	4
<b>Total Receipts</b> .....	<u>12,369</u>	<u>12,233</u>	<u>12,720</u>
<b>Total Funds Available</b> .....	\$ 12,381	\$ 12,235	\$ 12,720
<b>Disbursements:</b>			
Treasury .....	<u>\$ 12,379</u>	<u>\$ 12,235</u>	<u>\$ 12,720</u>
<b>Total Disbursements</b> .....	<u>-12,379</u>	<u>-12,235</u>	<u>-12,720</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 2</u>	<u>.....</u>	<u>.....</u>

## EMERGENCY MEDICAL SERVICES OPERATING FUND

The purpose of this fund is to assist in activities relating to the prevention and reduction of premature death and disability in this Commonwealth; providing for assistance, coordination and support of the development and maintenance of a comprehensive emergency medical services system and for qualifications, eligibility and certification of emergency medical services personnel and funding ambulance services. The fund was created by The Emergency Medical Services Act (Act 45) enacted on July 7, 1985. The source of revenue is a \$10 fine levied on all moving traffic violations. These fines are in addition to other fines imposed at the discretion of the court. This statement includes both the Emergency Medical and Catastrophic Medical and Rehabilitation components of the Act.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 6,884	\$ 7,773	\$ 7,056
<b>Receipts:</b>			
Fines .....	\$ 6,774	\$ 6,775	\$ 6,775
Interest .....	545	508	508
<b>Total Receipts</b> .....	<u>7,319</u>	<u>7,283</u>	<u>7,283</u>
<b>Total Funds Available</b> .....	\$ 14,203	\$ 15,056	\$ 14,339
<b>Disbursements:</b>			
Health .....	<u>\$ 6,430</u>	<u>\$ 8,000</u>	<u>\$ 8,000</u>
<b>Total Disbursements</b> .....	<u>-6,430</u>	<u>-8,000</u>	<u>-8,000</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 7,773</u>	<u>\$ 7,056</u>	<u>\$ 6,339</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)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 272	\$ 323	\$ 124
<b>Receipts:</b>			
Federal Reimbursement — Business Enterprise Program .....	\$ 200	\$ 400	\$ 400
Vending Stand Equipment Rentals ..	326	352	352
Vending Machine Receipts .....	36	283	283
Other .....	233	47	47
Total Receipts .....	<u>795</u>	<u>1,082</u>	<u>1,082</u>
<b>Total Funds Available</b> .....	\$ 1,067	\$ 1,405	\$ 1,206
<b>Disbursements:</b>			
Public Welfare .....	\$ 744	\$ 1,281	\$ 1,100
Total Disbursements .....	<u>744</u>	<u>-1,281</u>	<u>-1,100</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 323</u>	<u>\$ 124</u>	<u>\$ 106</u>

## ENERGY DEVELOPMENT FUND

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

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 3,638	\$ 4,137	\$ 3,537
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 1,300	\$ 1,500	\$ 1,700
Interest .....	279	345	375
Other .....	6	55	10
Total Receipts .....	<u>1,585</u>	<u>1,900</u>	<u>2,085</u>
<b>Total Funds Available</b> .....	\$ 5,223	\$ 6,037	\$ 5,622
<b>Disbursements:</b>			
Executive Offices .....	\$ 1,024	\$ 2,500	\$ 2,700
Economic Development Partnership	\$ 62		
Total Disbursements .....	<u>-1,086</u>	<u>-2,500</u>	<u>-2,700</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 4,137</u>	<u>\$ 3,537</u>	<u>\$ 2,922</u>

## FIRE INSURANCE TAX FUND

The revenue for the Fire Insurance Tax Fund results from the two percent tax paid upon premiums received from foreign (out-of-state) fire insurance companies on business done within the Commonwealth. The funds are distributed based on the population and market value of real estate of each municipality. In addition, the distribution formula provides for differential payment for paid and volunteer firefighters. The amount to be distributed based on paid firefighters is transferred to the Municipal Pension Aid Fund for payment. This money must be paid by the local governmental organization into the relief, pension or retirement fund of the recognized fire fighting organization serving the city, town, township or borough.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 39,207	\$ 42,133	\$ 45,422
<b>Receipts:</b>			
Foreign Fire Insurance Premiums Tax Payable to Municipalities ..	\$ 42,053	\$ 45,338	\$ 48,879
Total Receipts .....	<u>42,053</u>	<u>45,338</u>	<u>48,879</u>
<b>Total Funds Available</b> .....	\$ 81,260	\$ 87,471	\$ 94,301
<b>Disbursements:</b>			
Revenue .....	\$ 39,127	\$ 42,049	\$ 45,331
Total Disbursements .....	<u>-39,127</u>	<u>-42,049</u>	<u>-45,331</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 42,133</u>	<u>\$ 45,422</u>	<u>\$ 48,970</u>

# HAZARDOUS SITES CLEANUP FUND

This fund was created by Act 58 of 1987 to finance the cleanup and restoration of abandoned hazardous waste sites in the Commonwealth. Revenue is generated from a portion of the Capital Stock and Franchise Tax, and a new Hazardous Waste Fee. Expenditures are for cleaning up abandoned hazardous waste sites throughout the Commonwealth and restoring the land to productive use.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....		\$ 12,750	\$ 64,196
<b>Receipts:</b>			
Capital Stock and Franchise Tax ...	\$ 12,750	\$ 20,100	\$ 20,100
Hazardous Waste Fee .....		5,500	5,500
Transfer From General Fund .....		40,846 <sup>a</sup>	15,926
Interest .....			
<b>Total Receipts</b> .....	<u>12,750</u>	<u>66,446</u>	<u>41,526</u>
<b>Total Funds Available</b> .....	\$ 12,750	\$ 79,196	\$ 105,722
<b>Disbursements:</b>			
Environmental Resources .....		\$ 15,000	\$ 25,934 <sup>b</sup>
<b>Total Disbursements</b> .....		<u>-15,000</u>	<u>-25,934</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 12,750</u>	<u>\$ 64,196</u>	<u>\$ 79,788</u>

<sup>a</sup>Includes unexpended balances from all prior General Fund appropriations.

<sup>b</sup>Includes \$934,000 to be borrowed from this fund as startup money for the program regulating above and below ground storage tanks. This money will be repaid within two years from proposed storage tank permit fees.

# HIGHER EDUCATION ASSISTANCE FUND

Moneys in this fund are currently used for the following purposes: (1) maintenance of a monetary reserve to be used for all expenses associated with loans guaranteed by the Pennsylvania Higher Education Assistance Agency (PHEAA); (2) provision of grants to students; (3) provision of grants to nonsectarian private postsecondary educational institutions; (4) provision of grants to institutions of higher learning for the purpose of helping the institution secure Federal funds to provide direct financial aid to students; (5) provision of funds to institutions for College Work Study programs; (6) operation of the Information Technology Education program; and (7) 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.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 148,436	\$ 164,985	\$ 152,787
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 139,448	\$ 154,822	\$ 170,156
Interest Earning .....	11,978	12,212	13,340
Federal Revenue .....	92,932	86,348	86,684
Other .....	81,967	77,569	82,843
Total Receipts .....	<u>326,325</u>	<u>330,951</u>	<u>353,023</u>
<b>Total Funds Available</b> .....	\$ 474,761	\$ 495,936	\$ 505,810
<b>Disbursements:</b>			
Executive Offices .....	\$ 1,607	\$ 1,610	\$ 1,615
Pennsylvania Higher Education Assistance Agency .....	308,169	341,539	411,403
Total Disbursements .....	<u>-309,776</u>	<u>-343,149</u>	<u>-413,018</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 164,985</u>	<u>\$ 152,787</u>	<u>\$ 92,792</u>

# HIGHWAY BEAUTIFICATION FUND

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

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

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 776	\$ 864	\$ 1,079
<b>Receipts:</b>			
Licenses and Fees .....	\$ 360	\$ 310	\$ 310
Federal Highway Beautification Funds .....	.....	487	509
Other .....	<u>82</u>	<u>5</u>	<u>5</u>
Total Receipts .....	<u>442</u>	<u>802</u>	<u>824</u>
<b>Total Funds Available</b> .....	\$ 1,218	\$ 1,666	\$ 1,903
<b>Disbursements:</b>			
Transportation .....	\$ 354	\$ 586	\$ 524
Treasury .....	<u>.....</u>	<u>1</u>	<u>1</u>
Total Disbursements .....	<u>-354</u>	<u>-587</u>	<u>-525</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 864</u>	<u>\$ 1,079</u>	<u>\$ 1,378</u>

## HISTORICAL PRESERVATION FUND

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

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 331	\$ 459	\$ 100
<b>Receipts:</b>			
Admission Fees .....	\$ 640	\$ 650	\$ 675
Other .....	912	1,000	500
Total Receipts .....	1,552	1,650	1,175
<b>Total Funds Available</b> .....	\$ 1,883	\$ 2,109	\$ 1,275
<b>Disbursements:</b>			
Historical and Museum Commission	\$ 1,424	\$ 2,009	\$ 1,200
Total Disbursements .....	-1,424	-2,009	-1,200
<b>Cash Balance, Ending</b> .....	\$ 459	\$ 100	\$ 75

## INDUSTRIAL DEVELOPMENT FUND

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

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 5,361	\$ 6,515	\$ 1,515
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 12,000	\$ 12,500	\$ 12,500
Interest on Securities .....	547	500	250
Total Receipts .....	12,547	13,000	12,750
<b>Total Funds Available</b> .....	\$ 17,908	\$ 19,515	\$ 14,265
<b>Disbursements:</b>			
Economic Development Partnership	\$ 11,393	\$ 18,000	\$ 14,000
Total Disbursements .....	-11,393	-18,000	-14,000
<b>Cash Balance, Ending</b> .....	\$ 6,515	\$ 1,515	\$ 265

## KELLOGG FOUNDATION FUND

The W. K. Kellogg Foundation has provided the State Library of Pennsylvania with a three year grant to provide job and career information through centers in designated public libraries to the unemployed and underemployed.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 310	\$ 207	\$ 69
<b>Receipts:</b>			
Income, Kellogg Foundation .....	\$ 182	\$ 149	.....
Interest Earnings .....	17	13	\$ 6
Total Receipts .....	199	162	6
<b>Total Funds Available</b> .....	\$ 509	\$ 369	\$ 75
<b>Disbursements:</b>			
Education .....	\$ 302	\$ 300	\$ 75
Total Disbursements .....	-302	-300	-75
<b>Cash Balance, Ending</b> .....	\$ 207	\$ 69	.....

## 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)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 3,856	\$ 2,584	\$ 374
<b>Receipts:</b>			
Sale of Bonds .....	\$ 1,981	\$ 1,000	\$ 2,000
Federal Augmentations .....	30	40	40
Other .....	301	.....	.....
Total Receipts .....	2,312	1,040	2,040
<b>Total Funds Available</b> .....	\$ 6,168	\$ 3,624	\$ 2,414
<b>Disbursements:</b>			
Executive Offices .....	\$ 306	\$ 450	\$ 400
Community Affairs .....	11	.....	.....
Historical and Museum Commission .....	.....	.....	.....
Environmental Resources .....	3,267	2,800	2,000
Total Disbursements .....	-3,584	-3,250	-2,400
<b>Cash Balance, Ending</b> .....	\$ 2,584	\$ 374	\$ 14

# LAND AND WATER DEVELOPMENT SINKING FUND

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

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 110	\$ 18	.....
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 37,005	\$ 37,108	\$ 37,509
Interest on Securities .....	251	141	141
Accrued Interest on Bonds Sold .....	6	4	9
Total Receipts .....	<u>37,262</u>	<u>37,253</u>	<u>37,659</u>
<b>Total Funds Available</b> .....	\$ 37,372	\$ 37,271	\$ 37,659
<b>Disbursements:</b>			
Treasury .....	\$ 37,354	\$ 37,271	\$ 37,659
Total Disbursements .....	<u>-37,354</u>	<u>-37,271</u>	<u>-37,659</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 18</u>	<u>.....</u>	<u>.....</u>

# LIQUID FUELS TAX FUND

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

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 2,392	\$ 2,787	\$ 2,791
<b>Receipts:</b>			
Tax on Gasoline .....	\$ 22,499	\$ 22,860	\$ 23,225
Tax on Diesel Fuel .....	4,673	4,984	5,310
Total Receipts .....	<u>27,172</u>	<u>27,844</u>	<u>28,535</u>
<b>Total Funds Available</b> .....	\$ 29,564	\$ 30,631	\$ 31,326
<b>Disbursements:</b>			
Treasury .....	\$ 59	60	62
Revenue .....	26,718	27,780	28,466
Total Disbursements .....	<u>-26,777</u>	<u>-27,840</u>	<u>-28,528</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 2,787</u>	<u>\$ 2,791</u>	<u>\$ 2,798</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

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 2,405	\$ 2,525	\$ 2,510
<b>Receipts:</b>			
Liquor License Fees .....	\$ 5,181	\$ 5,250	\$ 5,250
Beer License Fees .....	128	130	130
Other .....	4	5	5
<b>Total Receipts</b> .....	<u>5,313</u>	<u>5,385</u>	<u>5,385</u>
<b>Total Funds Available</b> .....	\$ 7,718	\$ 7,910	\$ 7,895
<b>Disbursements:</b>			
Liquor Control Board .....	\$ 5,193	\$ 5,400	\$ 5,400
<b>Total Disbursements</b> .....	<u>-5,193</u>	<u>-5,400</u>	<u>-5,400</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 2,525</u>	<u>\$ 2,510</u>	<u>\$ 2,495</u>

# LOCAL TAX REFORM FUND

Act 145 of 1988 provides for the establishment of this fund upon affirmative vote of the planned referendum on local tax reform.

Expenditures from this fund and participating agencies will be determined once the referendum is approved and the General Assembly makes specific appropriations.

## Statement of Cash Receipts and Disbursements

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	.....	.....	.....
<b>Receipts:</b>			
Transfer from General Fund .....	.....	.....	\$ 140,000
Transfer from State Workmen's Insurance Fund .....	.....	.....	25,000
<b>Total Receipts</b> .....	<u>.....</u>	<u>.....</u>	<u>\$ 165,000</u>
<b>Total Funds Available</b> .....	.....	.....	\$ 165,000
<b>Disbursements:</b>			
Total Disbursement .....	<u>.....</u>	<u>.....</u>	<u>N/A</u>
<b>Total Disbursements</b> .....	<u>.....</u>	<u>.....</u>	<u>N/A</u>
<b>Cash Balance, Ending</b> .....	<u>.....</u>	<u>.....</u>	<u>N/A</u>

## LOW-LEVEL WASTE FUND

This fund was created by Act 12 of 1988 to finance the selection, licensing, regulation, and long-term care of a low-level radioactive waste disposal facility. Revenue will be derived from fees, fines, penalties, and surcharges.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
Cash Balance, Beginning .....		\$ 123	\$ 856
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 123	\$ 736	\$ 759
Federal Funds — DOE .....		822	2,000
Fines and Penalties .....			
Licenses and Fees .....			
Surcharges .....			
Total Receipts .....	<u>123</u>	<u>1,558</u>	<u>2,759</u>
<b>Total Funds Available</b> .....	\$ 123	\$ 1,681	\$ 3,615
<b>Disbursements:</b>			
Environmental Resources .....		\$ 825	\$ 1,300
Total Disbursements .....		<u>-825</u>	<u>-1,300</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 123</u>	<u>\$ 856</u>	<u>\$ 2,315</u>

## MACHINERY AND EQUIPMENT LOAN FUND

This fund was established by Act 120 of 1988 to provide low-interest machinery and equipment financing for Pennsylvania businesses in order to facilitate their growth, competitiveness and value-added capacity.

The fund was initially capitalized by an appropriation from the Pennsylvania Economic Revitalization Fund (PERF) and will continue to be funded through PERF as well as from loan repayments and interest earnings.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
Cash Balance, Beginning .....			\$ 2,080
<b>Receipts:</b>			
Transfer from Pennsylvania Economic Revitalization Fund ..		\$ 3,000	\$ 3,000
Loan Principal Repayments .....		18	717
Loan Interest .....		42	122
Miscellaneous .....		40	60
Total Receipts .....		<u>\$ 3,100</u>	<u>\$ 3,899</u>
<b>Total Funds Available</b> .....		\$ 3,100	\$ 5,979
<b>Disbursements:</b>			
Economic Development Partnership .....		\$ 1,020	\$ 5,020
Total Disbursements .....		<u>-1,020</u>	<u>-5,020</u>
<b>Cash Balance, Ending</b> .....		<u>\$ 2,080</u>	<u>\$ 959</u>

## MANUFACTURING FUND

This fund, created in 1915, is a self-sustaining enterprise that provides institutionalized offenders an opportunity for vocational rehabilitation. Receipts are derived from the sale of inmate manufactured goods to government agencies or government-aided organizations.

Expenditures are made for the purchase of raw materials, machinery replacement, inmate wages, and other costs related to the sale and manufacture of their products.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 2,374	\$ 3,401	\$ 4,151
<b>Receipts:</b>			
Sale of Manufactured Products .....	\$ 17,752	\$ 17,700	\$ 17,400
Interest .....	191	205	210
Other .....	587	545	540
Total Receipts .....	<u>18,530</u>	<u>18,450</u>	<u>18,150</u>
<b>Total Funds Available</b> .....	\$ 20,904	\$ 21,851	\$ 22,301
<b>Disbursements:</b>			
Executive Offices .....	\$ 538	\$ 1,000	\$ 1,000
Corrections .....	16,965	16,700	17,401
Total Disbursements .....	<u>-17,503</u>	<u>-17,700</u>	<u>-18,401</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 3,401</u>	<u>\$ 4,151</u>	<u>\$ 3,900</u>

## MEDICAL PROFESSIONAL LIABILITY CATASTROPHE LOSS FUND

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

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 116,361	\$ 157,178	\$ 140,293
<b>Receipts:</b>			
Surcharges .....	\$ 172,603	\$ 155,624	\$ 183,841
Interest .....	9,523	8,596	7,989
Other .....	361	.....	.....
Total Receipts .....	<u>182,487</u>	<u>164,220</u>	<u>191,830</u>
<b>Total Funds Available</b> .....	\$ 298,848	\$ 321,398	\$ 332,123
<b>Disbursements:</b>			
Executive Offices .....	\$ 141,670	\$ 181,105	\$ 185,574
Total Disbursements .....	<u>-141,670</u>	<u>-181,105</u>	<u>-185,574</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 157,178</u>	<u>\$ 140,293</u>	<u>\$ 146,549</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)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 8,275	\$ 10,149	\$ 10,058
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 2,000	\$ 2,000	\$ 2,000
Loan Principal Repayments .....	662	940	995
Loan Interest .....	278	282	282
Interest on Securities .....	634	665	665
Other .....	20	54	72
Total Receipts .....	<u>\$ 3,594</u>	<u>\$ 3,941</u>	<u>\$ 4,014</u>
<b>Total Funds Available</b> .....	\$ 11,869	\$ 14,090	\$ 14,072
<b>Disbursements:</b>			
Economic Development Partnership .....	\$ 1,720	\$ 4,032	\$ 8,020
Total Disbursements .....	<u>-1,720</u>	<u>-4,032</u>	<u>-8,020</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 10,149</u>	<u>\$ 10,058</u>	<u>\$ 6,052</u>

# MUNICIPAL PENSION AID FUND

This fund was created by Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, and is administered by the Auditor General. Beginning on July 1, 1985, this fund receives a portion of the revenues from the Foreign Casualty Insurance Premium Tax and the Foreign Fire Insurance Premium Tax. These revenues and earnings are for distribution to municipalities for distribution to the various municipal, police, and fire pension funds.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 91,659	\$ 101,841	\$ 113,736
<b>Receipts:</b>			
Foreign Casualty Insurance Premium Tax .....	\$ 94,088	\$ 105,800	\$ 110,000
Foreign Fire Insurance Premium Tax Interest .....	10,643	11,337	12,000
Total Receipts .....	<u>3,507</u>	<u>3,800</u>	<u>4,500</u>
Total Receipts .....	<u>108,238</u>	<u>120,937</u>	<u>126,500</u>
<b>Total Funds Available</b> .....	\$ 199,897	\$ 222,778	\$ 240,236
<b>Disbursements:</b>			
Auditor General .....	\$ 98,056	\$ 109,042	\$ 120,000
Total Disbursements .....	<u>-98,056</u>	<u>-109,042</u>	<u>-120,000</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 101,841</u>	<u>\$ 113,736</u>	<u>\$ 120,236</u>

# NON-COAL SURFACE MINING CONSERVATION AND RECLAMATION FUND

This fund was created in 1986 to finance reclamation projects on land scarred by non-coal surface mining. Projects include recontouring, terracing and planting of trees, shrubs and grasses. Revenues are provided by charging non-coal surface mining operators for licenses and permits and by fining them for failing to apply for the licenses and permits as well as by forfeiture of collateral bonds, cash or securities for failure to comply with an approved reclamation plan.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 771	\$ 959	\$ 1,159
<b>Receipts:</b>			
License and Fees .....	\$ 148	\$ 170	\$ 170
Penalties .....	15	55	55
Interest .....	54	45	45
Collateral .....	123	70	70
Forfeiture of Bond .....	.....	10	10
<b>Total Receipts</b> .....	<u>340</u>	<u>350</u>	<u>350</u>
<b>Total Funds Available</b> .....	\$ 1,111	\$ 1,309	\$ 1,509
<b>Disbursements:</b>			
Environmental Resources .....	\$ 152	\$ 150	\$ 150
<b>Total Disbursements</b> .....	<u>-152</u>	<u>-150</u>	<u>-150</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 959</u>	<u>\$ 1,159</u>	<u>\$ 1,359</u>

# NURSING HOME LOAN DEVELOPMENT FUND

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

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 13,853	\$ 12,755	\$ 11,555
<b>Receipts:</b>			
Bond Proceeds .....	.....	.....	\$ 1,000
<b>Total Receipts</b> .....	<u>.....</u>	<u>.....</u>	<u>1,000</u>
<b>Total Funds Available</b> .....	\$ 13,853	\$ 12,755	\$ 12,555
<b>Disbursements:</b>			
Treasury .....	\$ 1,098	\$ 1,200	\$ 2,000
<b>Total Disbursements</b> .....	<u>-1,098</u>	<u>-1,200</u>	<u>-2,000</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 12,755</u>	<u>\$ 11,555</u>	<u>\$ 10,555</u>

## NURSING HOME LOAN FUND

Loans to nursing homes for repairs, reconstruction and rehabilitation to meet safety code standards are made from this fund. Loans are made from bond proceeds transferred from the Nursing Home Loan Development Fund. Repayments of loans are transferred from this fund to the General Fund.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	.....	.....	.....
<b>Receipts:</b>			
Transfer from Nursing Home Loan Development Fund .....	\$ 1,098	\$ 1,200	\$ 2,000
<b>Total Receipts</b> .....	<u>1,098</u>	<u>1,200</u>	<u>2,000</u>
<b>Total Funds Available</b> .....	\$ 1,098	\$ 1,200	\$ 2,000
<b>Disbursements:</b>			
Economic Development Partnership .....	\$ 1,098	\$ 1,200	\$ 2,000
<b>Total Disbursements</b> .....	<u>-1,098</u>	<u>-1,200</u>	<u>-2,000</u>
<b>Cash Balance, Ending</b> .....	<u>.....</u>	<u>.....</u>	<u>.....</u>

## NURSING HOME LOAN SINKING FUND

Moneys in this fund are used for the redemption of nursing home loan bonds at maturity and all interest payable on such bonds. The moneys used for this purpose are derived from earnings received from investment or deposit of balances in this fund and in the Nursing Home Loan Development Fund. An annual appropriation by the General Assembly for payment of the interest and principal falling due for nursing home loan bonds is also credited to this fund.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 173	\$ 78	.....
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 5,563	\$ 5,442	\$ 6,402
Interest on Securities .....	905	979	35
Accrued Interest on Bonds Sold .....	.....	.....	4
<b>Total Receipts</b> .....	<u>6,468</u>	<u>6,421</u>	<u>6,441</u>
<b>Total Funds Available</b> .....	\$ 6,641	\$ 6,499	\$ 6,441
<b>Disbursements:</b>			
Treasury .....	\$ 6,563	\$ 6,499	\$ 6,441
<b>Total Disbursements</b> .....	<u>-6,563</u>	<u>-6,499</u>	<u>-6,441</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 78</u>	<u>.....</u>	<u>.....</u>

## NUTRITION EDUCATION AND TRAINING FUND

As a result of successful antitrust litigation against the National Broiler Marketing Association, et. al, the Attorney General of the Commonwealth of Pennsylvania, the State Treasurer and the Secretary of Education entered into an agreement with the United States District Court in January 1983 to establish the Nutrition Education and Training Fund to hold the proceeds of the court's award. Funds are distributed to areas of the Commonwealth that the Department of Health has designated as having the greatest need for nutrition education programs. The program ends in 1989.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 88	\$ 39	\$
<b>Receipts:</b>			
Revenue .....	.....	.....	.....
Interest .....	\$ 5	\$ 2	.....
Total Receipts .....	<u>5</u>	<u>2</u>	.....
<b>Total Funds Available</b> .....	\$ 93	\$ 41	.....
<b>Disbursements:</b>			
Education .....	\$ 54	\$ 41	.....
Total Disbursements .....	<u>-54</u>	<u>-41</u>	<u>-</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 39</u>	<u>.....</u>	<u>.....</u>

## OIL AND GAS LEASE FUND

Created in 1955, this fund is used to finance conservation, recreation, dams or flood control projects or to match any Federal grants made for those purposes. Revenues are derived from rents and royalties from oil and gas leases of Commonwealth owned land with the exception of rents and royalties from land owned by either the Pennsylvania Game or Fish Commissions. Those revenues are paid into the Game and Fish Funds.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 7,415	\$ 7,524	\$ 7,024
<b>Receipts:</b>			
Rents and Royalties .....	\$ 4,230	\$ 4,450	\$ 4,450
Interest .....	489	500	500
Other .....	<u>41</u>	<u>50</u>	<u>50</u>
Total Receipts .....	<u>4,760</u>	<u>5,000</u>	<u>5,000</u>
<b>Total Funds Available</b> .....	\$ 12,175	\$ 12,524	\$ 12,024
<b>Disbursements:</b>			
Executive Offices .....	\$ 19	.....	.....
Environmental Resources .....	<u>4,632</u>	<u>\$ 5,500</u>	<u>\$ 5,500</u>
Total Disbursements .....	<u>-4,651</u>	<u>-5,500</u>	<u>-5,500</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 7,524</u>	<u>\$ 7,024</u>	<u>\$ 6,524</u>

# OIL OVERCHARGE FUND

Act 122 of 1986 created the Energy Conservation and Assistance Fund and stipulated that all uncommitted oil overcharge settlements received prior to the act be transferred to this new fund. Only funds committed prior to Act 122 remain in the Oil Overcharge Fund. It is anticipated that all commitments in the Oil Overcharge Fund will be liquidated by June 30, 1989 and residual interest will be transferred.

## Statement of Cash Receipts and Disbursements

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 5,286	\$ 608	.....
<b>Receipts:</b>			
Settlements .....	.....	.....	.....
Interest .....	305	15	.....
<b>Total Receipts</b> .....	\$ 305	\$ 623	.....
<b>Total Funds Available</b> .....	\$ 5,591	\$ 623	.....
<b>Disbursements:</b>			
Executive Offices .....	\$ 670	\$ 47	.....
Transfer to Energy Conservation and Assistance Fund .....	4,313	576	.....
<b>Total Disbursements</b> .....	-4,983	-623	.....
<b>Cash Balance, Ending</b> .....	\$ 608	.....	.....

# PENNSYLVANIA CAPITAL LOAN FUND

The Pennsylvania Capital Loan Program began in 1982 with funding from the U.S. Appalachian Regional Commission and the U.S. Economic Development Administration to provide low interest loans to businesses for capital development projects. Act 109 of July 1984 created this fund and provided additional funding from the Pennsylvania Economic Revitalization Fund. This fund is also supported by a legislative appropriation.

Loans are used by manufacturing, industrial and export service businesses for the purchase of land, building, machinery, equipment and working capital. County and regional economic development organizations assist the department in packaging and reviewing the loan applications.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> . . . . .	\$ 13,509	\$ 18,136	\$ 23,668
<b>Receipts:</b>			
Loan Principal . . . . .	\$ 3,954	\$ 4,719	\$ 6,392
Interest — Loans . . . . .	1,011	1,397	1,892
Interest — Securities . . . . .	1,163	1,416	1,771
Transfer From Pennsylvania Economic Revitalization Fund . . . . .	<u>8,000</u>	<u>8,000</u>	<u>4,500</u>
Total Receipts . . . . .	<u>14,128</u>	<u>15,532</u>	<u>14,555</u>
<b>Total Funds Available</b> . . . . .	\$ 27,637	\$ 33,668	\$ 38,223
<b>Disbursements:</b>			
Economic Development Partnership . . . . .	\$ 9,501	\$ 10,000	\$ 12,000
Total Disbursements . . . . .	<u>-9,051</u>	<u>-10,000</u>	<u>-12,000</u>
<b>Cash Balance, Ending</b> . . . . .	<u>\$ 18,136</u>	<u>\$ 23,668</u>	<u>\$ 26,223</u>

# PENNSYLVANIA ECONOMIC REVITALIZATION SINKING FUND

Annual appropriations from the General Fund by the General Assembly are deposited into this fund, and together with interest earned in this fund and interest earned in and transferred from the Pennsylvania Economic Revitalization Fund, are used to pay interest and principal payments due on outstanding economic revitalization bonds.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 1,088	\$ 2,282	.....
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 8,060	\$ 4,653	\$ 7,578
Transfer from Pennsylvania Economic Revitalization Fund ..	5,026	4,444	3,000
Interest on Securities .....	72	66	45
Total Receipts .....	<u>13,158</u>	<u>9,163</u>	<u>10,623</u>
<b>Total Funds Available</b> .....	\$ 14,246	\$ 11,445	\$ 10,623
<b>Disbursements:</b>			
Treasury .....	\$ 11,964	\$ 11,445	\$ 10,623
Total Disbursements .....	<u>-11,964</u>	<u>-11,445</u>	<u>-10,623</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 2,282</u>	<u>.....</u>	<u>.....</u>

# PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION TRUST FUND

This fund, created under special Act No. 113 (P.L. 185), approved May 21, 1931, is administered by the Governor, Auditor General, State Treasurer and the Pennsylvania Historical and Museum Commission. The interest received from investment of the \$33,000 perpetual endowment to this fund in bonds of the Commonwealth, or any of its political subdivisions, is credited to the fund. Interest earned on investments is used for the restoration, maintenance and improvement of the Cornwall Charcoal Furnace, Cornwall Borough, Lebanon County.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 73	\$ 78	\$ 83
<b>Receipts:</b>			
Interest on Securities .....	\$ 5	\$ 5	\$ 5
Total Receipts .....	<u>5</u>	<u>5</u>	<u>5</u>
<b>Total Funds Available</b> .....	\$ 78	\$ 83	\$ 88
<b>Disbursements:</b>			
Historical and Museum Commission .....	.....	.....	-25
Total Disbursements .....	<u>.....</u>	<u>.....</u>	<u>-25</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 78</u>	<u>\$ 83</u>	<u>\$ 63</u>

# PENNSYLVANIA MUNICIPAL RETIREMENT FUND

Act 15 of 1974 created the Pennsylvania Municipal Retirement System and replaced the "Municipal Employees Retirement Law" and the "Municipal Police Retirement Law" and combined all employees covered under both into a State-related municipal system.

The fund established under that act provides for payment of retirement allowances to officers, employees, firemen and police of political subdivisions (county, cities, boroughs, and townships of the first and second class).

Any municipality may elect by ordinance to join the system. Revenues are generated from the contributions of the members of the system and investment earnings.

The board established under Act 15 has control over the system's operation. The net investment adjustment shown below is to reflect carrying value of long-term investments as of June 30.

## Statement of Cash Receipts and Disbursements

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 193,298	\$ 213,038	\$ 238,405
<b>Receipts:</b>			
Contributions .....	\$ 21,159	\$ 19,847	\$ 22,322
Other .....	47	.....	.....
Interest .....	16,717	17,541	19,011
Net Investment Adjustment .....	.....	5,732	2,682
Total Receipts .....	<u>37,923</u>	<u>43,120</u>	<u>44,015</u>
<b>Total Funds Available</b> .....	\$ 231,221	\$ 256,158	\$ 282,420
<b>Disbursements:</b>			
Executive Offices .....	\$ 47	\$ 1,601	\$ 1,693
Municipal Employees' Retirement Board .....	16,363	16,152	16,956
Net Investment Adjustment .....	1,773	.....	.....
Total Disbursements .....	<u>-18,183</u>	<u>-17,753</u>	<u>-18,649</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 213,038</u>	<u>\$ 238,405</u>	<u>\$ 263,771</u>

# PENNSYLVANIA VETERANS' MEMORIAL TRUST FUND

Act 1988-60 established this fund to be administered by the Pennsylvania Veterans' Memorial Commission whose purpose it is to erect on the grounds of Fort Indiantown Gap a monument or memorial to Pennsylvania veterans who served in armed conflicts in which the United States was a participant. Funds will be solicited from public and private sources.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....			\$ 495
<b>Receipts:</b>			
Public/Private Donations .....		\$ 500	\$ 1,000
Interest .....		30	90
Total Receipts .....		530	1,090
<b>Total Funds Available</b> .....		\$ 530	\$ 1,585
<b>Disbursements:</b>			
Military Affairs .....		\$ 35	\$ 500
Total Disbursements .....		-35	-500
<b>Cash Balance, Ending</b> .....		\$ 495	\$ 1,085

# PENNVEST BOND AUTHORIZATION FUND

This fund, created under the authority of Act 16 of 1988, receives the proceeds from the sale of bonds authorized by general referendum, transferred from the Water Facilities Loan Fund, or from the Capital Facilities Fund for site development. Expenditures are for transfers of funds to the PENNVEST Water Pollution Control Revolving Fund, the PENNVEST Revolving Fund, or the PENNVEST Non-Revolving Fund.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....			\$ 52,289
<b>Receipts:</b>			
Referendum Bonds .....		\$ 10,000	\$ 40,000
Water Facilities Bonds .....		74,489	15,000
Site Development Bonds .....		30,000	50,000
Total Receipts .....		114,489	105,000
<b>Total Funds Available</b> .....		\$ 114,489	\$ 157,289
<b>Disbursements:</b>			
PENNVEST Fund .....		\$ 8,100	
PENNVEST Water Pollution Control Revolving Fund .....		1,200	\$ 5,700
PENNVEST Revolving Fund .....		52,900	50,860
PENNVEST Non-Revolving Fund .....			96,940
Total Disbursements .....		-62,200	-153,500
<b>Cash Balance, Ending</b> .....		\$ 52,289	\$ 3,789

# PENNVEST FUND

This fund was created under the authority of Act 16 of 1988 to receive funds from sources other than the sale of general obligation bonds. These sources include appropriations from the General Fund, payments of revolving loans, interest received from revolving and non-revolving loans, investment income, and the sale of assets. In addition to grants and loans, these funds can be used for administrative costs.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	.....	\$ 5,000	\$ 17,102
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 5,000	\$ 15,000	\$ 12,500
Revolving loan payments .....	.....	.....	200
Interest .....	.....	150	1,729
Investment income .....	.....	935	1,000
Bond Authorization Fund .....	.....	8,100	.....
Other .....	.....	.....	.....
<b>Total Receipts</b> .....	<u>5,000</u>	<u>24,185</u>	<u>15,429</u>
<b>Total Funds Available</b> .....	\$ 5,000	\$ 29,185	\$ 32,531
<b>Disbursements:</b>			
Infrastructure			
Investment Authority:			
Loans and Grants .....	.....	\$ 9,951	\$ 16,508
Administration .....	.....	2,132	3,556
<b>Total Disbursements</b> .....	.....	<u>-12,083</u>	<u>-20,064</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 5,000</u>	<u>\$ 17,102</u>	<u>\$ 12,467</u>

# PENNVEST NON-REVOLVING FUND

This fund, created under the authority of Act 16 of 1988, receives moneys transferred from the PENNVEST Bond Authorization Fund and used for non-revolving loans authorized by the act. These non-revolving loans can be made to public or private entities for drinking water supply or sewer projects. Repayments of loans and interest are deposited in the PENNVEST Redemption Fund.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	.....	.....	.....
<b>Receipts:</b>			
Bond Authorization Fund .....	.....	.....	\$ 96,940
<b>Total Receipts</b> .....	.....	.....	<u>96,940</u>
<b>Total Funds Available</b> .....	.....	.....	\$ 96,940
<b>Disbursements:</b>			
Infrastructure Investment Authority .....	.....	.....	\$ 96,940
<b>Total Disbursements</b> .....	.....	.....	<u>-96,940</u>
<b>Cash Balance, Ending</b> .....	.....	.....	.....

# PENNVEST REDEMPTION FUND

This fund, created under the authority of Act 16 of 1988, receives repayments of non-revolving loans and investment interest. Funds are to be used to retire general obligation bonds.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
Cash Balance, Beginning .....	.....	.....	\$ 1,046
<b>Receipts:</b>			
Interest on Securities .....	.....	\$ 1,169	\$ 1,925
Accrued Interest on Bonds Sold .....	.....	44	175
Total Receipts .....	.....	1,213	2,100
<b>Total Funds Available</b> .....	.....	\$ 1,213	\$ 3,146
<b>Disbursements:</b>			
Treasury .....	.....	\$ 167	\$ 1,951
Total Disbursements .....	.....	-167	-1,951
<b>Cash Balance, Ending</b> .....	.....	\$ 1,046	\$ 1,195

# PENNVEST REVOLVING FUND

This fund, created under the authority of Act 16 of 1988, receives moneys transferred from the PENNVEST Bond Authorization Fund. Funds are used for revolving loans which can be made to public or private entities for drinking water supply or sewer projects. Repayments of loans and interest are deposited in the PENNVEST Fund.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
Cash Balance, Beginning .....	.....	.....	.....
<b>Receipts:</b>			
Bond Authorization Fund .....	.....	\$ 52,900	\$ 50,860
Total Receipts .....	.....	52,900	50,860
<b>Total Funds Available</b> .....	.....	\$ 52,900	\$ 50,860
<b>Disbursements:</b>			
Infrastructure Investment Authority .....	.....	\$ 52,900	\$ 50,860
Total Disbursements .....	.....	-52,900	-50,860
<b>Cash Balance, Ending</b> .....	.....	.....	.....

# PENNVEST WATER POLLUTION CONTROL REVOLVING FUND

This fund was created under the authority of Act 16 of 1988 for funds received from the Federal government to establish a revolving loan program for sewer projects. Required matching State funds are transferred from the PENNVEST Bond Authorization Fund.

## Statement of Cash Receipts and Disbursements

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	.....	.....	.....
<b>Receipts:</b>			
Bond Authorization Fund .....	.....	\$ 1,200	\$ 5,700
Federal Funds .....	.....	4,800	22,800
Total Receipts .....	.....	6,000	28,500
<b>Total Funds Available</b> .....	.....	\$ 6,000	\$ 28,500
<b>Disbursements:</b>			
Infrastructure Investment Authority .....	.....	\$ 6,000	\$ 28,500
Total Disbursements .....	.....	-6,000	-28,500
<b>Cash Balance, Ending</b> .....	.....	.....	.....

# PHARMACEUTICAL ASSISTANCE FUND

## (CONTRACT FOR THE ELDERLY)

This fund was created by Act 63 of 1983 in order to provide a limited pharmaceutical assistance program for older Pennsylvanians who are 65 years of age or over, and whose annual income does not exceed the maximum specified in the act for program eligibility. Funds not expended in the fiscal year in which they were appropriated shall be available for use in the following fiscal year. For additional information on the program, refer to the Department of Aging program description.

## Statement of Cash Receipts and Disbursements

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 122,456	\$ 61,608	\$ 13,387
<b>Receipts:</b>			
Transfer from Lottery Fund .....	\$ 100,000	\$ 165,000	\$ 188,000
Interest on Securities .....	4,056	2,000	2,000
Other .....	32	26	27
Total Receipts .....	104,088	167,026	190,027
<b>Total Funds Available</b> .....	\$ 226,544	\$ 228,634	\$ 203,414
<b>Disbursements:</b>			
Aging .....	\$ 164,908	\$ 215,221	\$ 200,415
Executive Offices .....	28	26	27
Total Disbursements .....	-164,936	-215,247	-200,442
<b>Cash Balance, Ending</b> .....	\$ 61,608	\$ 13,387	\$ 2,972

# PROJECT 70 LAND ACQUISITION SINKING FUND

Annual appropriations by the General Assembly for payment of interest and principal falling due on Project 70 bonds are credited to this fund. In addition, interest from the investment or deposit of money in the Project 70 Land Acquisition Fund is credited to this fund. Moneys reimbursed to the Commonwealth by political subdivisions for inappropriate use of Project 70 funds are credited to this fund. Moneys in this fund are used solely to pay interest and principal of Project 70 bonds.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 61	\$ 3	.....
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 699	\$ 760	\$ 764
Interest on Securities .....	4	.....	.....
Total Receipts .....	<u>703</u>	<u>760</u>	<u>764</u>
<b>Total Funds Available</b> .....	\$ 764	\$ 763	\$ 764
<b>Disbursements:</b>			
Treasury .....	\$ 761	\$ 763	\$ 764
Total Disbursements .....	<u>-761</u>	<u>-763</u>	<u>-764</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 3</u>	<u>.....</u>	<u>.....</u>

# PURCHASING FUND

Created in 1933, this fund finances the purchase of materials, supplies and equipment by the Department of General Services for use of other departments, boards and commissions. Also salaries for the personnel administering the fund are paid by the fund. Revenue sources are periodic appropriations from the General Fund and reimbursements by other departments, boards and commissions for the materials and supplies provided them.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 4,344	\$ 5,890	\$ 5,490
<b>Receipts:</b>			
Reimbursement from other agencies	\$ 58,153	\$ 58,700	\$ 60,000
General Fund Loan .....	7,500	7,500	7,500
Other .....	<u>964</u>	<u>600</u>	<u>600</u>
Total Receipts .....	<u>66,617</u>	<u>66,800</u>	<u>68,100</u>
<b>Total Funds Available</b> .....	\$ 70,961	\$ 72,690	\$ 73,590
<b>Disbursements:</b>			
Executive Office .....	\$ 372	\$ 200	\$ 200
General Services* .....	<u>64,699</u>	<u>67,000</u>	<u>70,000</u>
Total Disbursements .....	<u>-65,071</u>	<u>-67,200</u>	<u>-70,200</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 5,890</u>	<u>\$ 5,490</u>	<u>\$ 3,390</u>

\*Includes repayment of General Fund loan.

## REAL ESTATE RECOVERY FUND

This fund was established in 1980 to reimburse aggrieved persons the amount unpaid upon judgements, from competent jurisdiction, against any person licensed by the Real Estate Commission. Revenue is derived from additional fees paid by licensees, with interest on investments being retained by the fund.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 1,253	\$ 1,314	\$ 1,402
<b>Receipts:</b>			
Additional License Fees .....	\$ 96	\$ 98	\$ 98
Interest .....	87	90	92
Total Receipts .....	<u>183</u>	<u>188</u>	<u>190</u>
<b>Total Funds Available</b> .....	\$ 1,436	\$ 1,502	\$ 1,592
<b>Disbursements:</b>			
State .....	\$ 122	\$ 100	\$ 100
Total Disbursements .....	<u>-122</u>	<u>-100</u>	<u>-100</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 1,314</u>	<u>\$ 1,402</u>	<u>\$ 1,492</u>

## RECYCLING FUND

This fund was created by Act 101 of 1988 to finance the planning, processing, resource recovery and recycling of solid waste. Revenue is generated by a fee on all waste disposed of in landfills or processed by resource recovery facilities. Expenditures are for recycling and planning grants, market studies, and waste minimization studies, and for public information and education activities throughout the Commonwealth.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....			\$ 3,850
<b>Receipts:</b>			
Recycling Fees .....		\$ 12,000	\$ 27,000
Interest .....		250	800
Total Receipts .....		<u>12,250</u>	<u>27,800</u>
<b>Total Funds Available</b> .....		\$ 12,250	\$ 31,650
<b>Disbursements:</b>			
Environmental Resources .....		\$ 8,400	\$ 14,800
Total Disbursements .....		<u>-8,400</u>	<u>-14,800</u>
<b>Cash Balance, Ending</b> .....		<u>\$ 3,850</u>	<u>\$ 16,850</u>

# REHABILITATION CENTER FUND

This fund was created May 13, 1959 for the operation of the Hiram G. Andrews Rehabilitation Center and is funded from fees for services rendered by the center. Most of these services are rendered to vocational rehabilitation clients.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 1,557	\$ 813	\$ 348
<b>Receipts:</b>			
Clients Fees .....	\$ 10,581	\$ 11,770	\$ 12,800
Other .....	1,322	1,050	1,200
Total Receipts .....	<u>11,903</u>	<u>12,820</u>	<u>14,000</u>
<b>Total Funds Available</b> .....	\$ 13,460	\$ 13,633	\$ 14,348
<b>Disbursements:</b>			
Executive Offices .....	\$ 710	\$ 750	\$ 790
Labor and Industry .....	11,937	12,535	13,160
Total Disbursements .....	<u>-12,647</u>	<u>-13,285</u>	<u>-13,950</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 813</u>	<u>\$ 348</u>	<u>\$ 398</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. Certain prior year appropriations to the Department of Environmental Resources are still involved in litigation, and the funds invested remain in the Revenue Sharing Trust Fund and are earning interest.

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

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 499	\$ 364	\$ 164
<b>Receipts:</b>			
Interest on Securities .....	\$ 30	.....	.....
Total Receipts .....	<u>30</u>	<u>.....</u>	<u>.....</u>
<b>Total Funds Available</b> .....	\$ 529	\$ 364	\$ 164
<b>Disbursements:</b>			
General Services .....	\$ 165	\$ 200	\$ 164
Total Disbursements .....	<u>-165</u>	<u>-200</u>	<u>-164</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 364</u>	<u>\$ 164</u>	<u>\$ .....</u>

# 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's is made by an annual appropriation from the General Fund and paid quarterly to the fund.

Earnings from investments provide additional revenue and pay for the expenses of the Public School Employees' Retirement Board. The board is responsible for management of the fund and payment of benefits.

The cash balance shown in the statement includes substantial investment assets. The net investment adjustment item is included to reflect the carrying value of long term investments as of June 30, 1988.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 10,620,996	\$ 12,034,169	\$ 13,395,619
<b>Receipts:</b>			
Transfer from General Fund —			
Employer Contribution .....	\$ 459,495	\$ 487,237	\$ 529,537
Transfers from State Retirement			
System .....	3,408	3,500	4,000
Contribution of School Employees ...	256,188	270,546	289,485
Returned Contributions of School			
Employees .....	12,366	13,000	14,000
Contributions of School Districts ...	451,891	487,237	521,344
Interest on Securities .....	1,193,862	1,000,000	1,100,000
Other .....	584	600	800
Total Receipts .....	<u>2,377,794</u>	<u>2,262,120</u>	<u>2,459,166</u>
<b>Total Funds Available</b> .....	\$12,998,790	\$14,296,289	\$15,854,785
<b>Disbursements:</b>			
Executive Offices .....	\$ 595	\$ 650	\$ 700
Treasury .....	20	20	20
Public School Employees' Retirement			
Board .....	806,455	900,000	950,000
Net Investment Adjustment .....	157,551	.....	.....
Total Disbursements .....	<u>-964,621</u>	<u>-900,670</u>	<u>-950,720</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 12,034,169</u>	<u>\$ 13,395,619</u>	<u>\$ 14,904,065</u>

## SINKING FUND

This one sinking fund existed prior to the practice of having a sinking fund for each separate bond fund. Moneys are held in this fund to cover the possible redemption of Commonwealth notes and bonds which had maturity dates from 1841 through 1871. There has been no activity on these old outstanding obligations, reportedly, since 1929. The redemption value of those obligations is \$141,320.06. Money not needed to pay principal of or interest on Commonwealth debt may also be used to suppress insurrection or defend the State in war, in accordance with the Constitution of the Commonwealth of Pennsylvania. Money in this fund may be invested only in United States or Commonwealth bonds. Interest accumulating on moneys remaining in the fund is credited to the State School Fund.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
Cash Balance, Beginning .....	\$ 145	\$ 145	\$ 145
<b>Receipts:</b>			
Interest on Securities .....	.....	.....	.....
Total Receipts .....	.....	.....	.....
<b>Total Funds Available</b> .....	\$ 145	\$ 145	\$ 145
<b>Disbursements:</b>			
Treasury .....	.....	.....	.....
Total Disbursements .....	.....	.....	.....
<b>Cash Balance, Ending</b> .....	\$ 145	\$ 145	\$ 145

## SOCIAL SECURITY CONTRIBUTION FUND

This fund was established to hold both employers' and employees' share of Social Security deductions of Commonwealth and local government or other instrumentality employes for payment of Social Security benefits under the Federal Insurance Contribution Act (FICA). Withdrawals from the fund are made to the Federal Agency in amounts required to extend the benefits of eligible employes under the Federal old-age and survivors insurance system and for payment of refunds and overpayments made by a political subdivision.

Effective January 1, 1987, the states were removed from the intermediary role of collecting and reporting Social Security contributions. The State retains responsibility for wage information prior to January 1, 1987.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
Cash Balance, Beginning .....	\$ 16,274	\$ 14,238	\$ 16,433
<b>Receipts:</b>			
Social Security Contributions —			
Public .....	\$ 2,192	\$ 275	\$ 3,920
Other .....	1,138	9,765	500
Total Receipts .....	3,330	10,040	4,420
<b>Total Funds Available</b> .....	\$ 19,604	\$ 24,278	\$ 20,853
<b>Disbursements:</b>			
Labor and Industry .....	\$ 5,366	\$ 7,845	\$ 9,408
Total Disbursements .....	-5,366	-7,845	-9,408
<b>Cash Balance, Ending</b> .....	\$ 14,238	\$ 16,433	\$ 11,445

# 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)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 9,330	\$ 9,649	\$ 6,299
<b>Receipts:</b>			
Interest .....	\$ 648	\$ 650	\$ 650
Transfer From General Fund .....	.....	.....	.....
Transfer From Energy Assistance and Conservation Fund .....	1,717	2,400	.....
<b>Total Receipts</b> .....	<u>2,365</u>	<u>3,050</u>	<u>650</u>
<b>Total Funds Available</b> .....	\$ 11,695	\$ 12,699	\$ 6,949
<b>Disbursements:</b>			
Environmental Resources .....	\$ 2,046	\$ 6,400	\$ 4,000
<b>Total Disbursements</b> .....	<u>-2,046</u>	<u>-6,400</u>	<u>-4,000</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 9,649</u>	<u>\$ 6,299</u>	<u>\$ 2,949</u>

# SPECIAL ADMINISTRATION FUND

The purpose of this fund, administered by the Department of Labor and Industry, is to cover those administrative expenses of the Unemployment Compensation Law not properly and validly chargeable to the Administration Fund. The receipts of the fund are generated from interest and penalties collected from claimants and employers under provisions of the Unemployment Compensation Law. All moneys in excess of \$200,000 in the fund at the end of the fiscal year are transferred to the Unemployment Compensation Contribution Fund.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 200	\$ 200	\$ 200
<b>Receipts:</b>			
Interest and Penalties .....	\$ 6,717	\$ 7,000	\$ 7,000
Other .....	248	250	250
Transfer to the Unemployment Compensation Contribution Fund .....	-6,788	-3,997	-7,250
<b>Total Receipts</b> .....	<u>177</u>	<u>3,253</u>	<u>.....</u>
<b>Total Funds Available</b> .....	\$ 377	\$ 3,453	\$ 200
<b>Disbursements:</b>			
Labor and Industry .....	\$ 177	\$ 3,253	.....
<b>Total Disbursements</b> .....	<u>-177</u>	<u>-3,253</u>	<u>.....</u>
<b>Cash Balances, Ending</b> .....	<u>\$ 200</u>	<u>\$ 200</u>	<u>\$ 200</u>

# STATE COLLEGE EXPERIMENTAL FARM FUND

Act 56, approved May 13, 1887, authorized the sale of the eastern and western experimental farms which were purchased with Federal land grant moneys in 1862. These farms were sold for \$17,000 in 1888 and the proceeds were placed in this fund to be invested in bonds of the Commonwealth at 6 percent per annum with the interest serving as an ongoing revenue to this fund.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 25	\$ 25	\$ 26
<b>Receipts:</b>			
Miscellaneous .....	<u>\$ 2</u>	<u>\$ 2</u>	<u>\$ 2</u>
Total Receipts .....	<u>2</u>	<u>2</u>	<u>2</u>
<b>Total Funds Available</b> .....	\$ 27	\$ 27	\$ 28
<b>Disbursements:</b>			
Treasury .....	<u>\$ 2</u>	<u>\$ 1</u>	<u>\$ 1</u>
Total Disbursements .....	<u>-2</u>	<u>-1</u>	<u>-1</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 25</u>	<u>\$ 26</u>	<u>\$ 27</u>

# STATE EMPLOYES' RETIREMENT FUND

This fund was created in 1924 to accumulate reserves for the payment of pensions to former State employees.

Money in this fund is used to pay retirement, disability, and death benefits to members of the State Employees' Retirement System and their beneficiaries. Membership in the system is mandatory for most State employees, and available to employees of nonstate entities; such as, the Pennsylvania State University, the Turnpike Commission, the Delaware River Port Authority, and other public and quasi-public institutions authorized by the Retirement Code.

Revenue to the fund comes from employe contributions, employer contributions from the Commonwealth and other employers, and income derived from investments of the fund. Employer contributions are an actuarially determined percentage of payroll sufficient to fund current and future benefit payments. Investment income is used to credit interest to each member's account; to pay the administrative expenses of the retirement system; and to accumulate reserves for the payment of future benefits.

Management of the fund and payment of benefits is overseen by the State Employees' Retirement Board.

The cash balance shown in the statement includes substantial investment assets; the net investment adjustment item is to reflect the carrying value of long term investments as of June 30.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 6,663,068	\$ 7,009,635	\$ 7,477,324
<b>Receipts:</b>			
Contributions of Employes .....	\$ 150,616	\$ 158,000	\$ 166,000
State Share Contribution .....	374,204	393,000	413,000
Interest on Securities .....	460,782	452,000	490,000
Other .....	296	1,000	1,000
Total Receipts .....	<u>985,898</u>	<u>1,004,000</u>	<u>1,070,000</u>
<b>Total Funds Available</b> .....	\$ 7,648,966	\$ 8,013,635	\$ 8,547,324
<b>Disbursements:</b>			
Executive Offices .....	\$ 301	\$ 302	\$ 303
Treasury .....	8	9	10
State Employees' Retirement System	511,249	536,000	552,000
Net Investment Adjustment .....	<u>127,773</u>	<u>.....</u>	<u>.....</u>
Total Disbursements .....	<u>-639,331</u>	<u>-536,311</u>	<u>-552,313</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 7,009,635</u>	<u>\$ 7,477,324</u>	<u>\$ 7,995,011</u>

## STATE INSURANCE FUND

Created in 1915, this fund finances expenditures relating to the rebuilding, restoring or replacing of buildings, structures, equipment or other property owned by the Commonwealth which have been damaged or destroyed by fire or other casualty. This includes natural or man made disasters. Revenue is derived from interest earned by the fund, interest received from the Fire Insurance Tax Fund and from reimbursements by insurance companies. If needed, money may also be directly appropriated to this fund. Any amount in the fund in excess of \$3 million on December 31st of each year shall be transferred to the General Fund. This fund satisfies the requirements of the Federal Government for the Disaster Insurance Program.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 11,393	\$ 4,522	\$ 4,522
<b>Receipts:</b>			
Interest .....	<u>1,322</u>	<u>1,400</u>	<u>1,400</u>
<b>Total Receipts</b> .....	<u>1,322</u>	<u>1,400</u>	<u>1,400</u>
<b>Total Funds Available</b> .....	\$ 12,715	\$ 5,922	\$ 5,922
<b>Disbursements:</b>			
General Services .....	<u>\$ 8,193</u>	<u>\$ 1,400</u>	<u>\$ 1,400</u>
<b>Total Disbursements</b> .....	<u>-8,193</u>	<u>-1,400</u>	<u>-1,400</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 4,522</u>	<u>\$ 4,522</u>	<u>\$ 4,522</u>

## STATE RESTAURANT FUND

This fund was created in 1943 to finance the purchase and maintenance of equipment for the operation of the restaurant in the State Capitol as well as any other restaurants in other State Office Buildings. At present, the only restaurant operated within this fund is in the Main Capitol Building and revenue is derived from the profits earned from that operation. During fiscal year 1986-87 the Main Capitol Restaurant was enlarged and relocated into the Capitol Addition.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 528	\$ 595	\$ 630
<b>Receipts:</b>			
Revenue from General Operations ..	\$ 35	\$ 15	\$ 3
Other .....	<u>38</u>	<u>25</u>	<u>25</u>
<b>Total Receipts</b> .....	<u>73</u>	<u>40</u>	<u>28</u>
<b>Total Funds Available</b> .....	\$ 601	\$ 635	\$ 658
<b>Disbursements:</b>			
General Services .....	<u>\$ 6</u>	<u>\$ 5</u>	<u>\$ 5</u>
<b>Total Disbursements</b> .....	<u>-6</u>	<u>-5</u>	<u>-5</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 595</u>	<u>\$ 630</u>	<u>\$ 653</u>

# STATE SCHOOL FUND

The fund was established in 1911 and is funded primarily by the sale of escheated estates and other nonpublic real estate and interest earnings of the Sinking Fund. Recent changes in the escheat law and lack of interest earnings from the Sinking Fund or investment of moneys in the State School Fund have resulted in a low revenue level; this fund is active in only a limited sense.

The original purpose of the fund was to equalize educational advantages across the Commonwealth; to provide advancements to school districts temporarily in need of aid; and to promote education in the conservation of natural resources, forestry, agriculture and other industrial pursuits. The law was amended in 1960 to change the purpose to equalization of educational opportunities, and paying part of the cost of repair or alteration of local public school or State college buildings when they are required to satisfy requirements of the Department of Labor and Industry or another relevant governmental agency.

Expenditures from the fund are made at the direction of the State Board of Education.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 535	\$ 558	\$ 582
<b>Receipts:</b>			
Sinking Fund: Interest .....	\$ 10	\$ 11	\$ 11
Treasury: Interest .....	<u>37</u>	<u>38</u>	<u>40</u>
Total Receipts .....	<u>47</u>	<u>49</u>	<u>51</u>
<b>Total Funds Available</b> .....	\$ 582	\$ 607	\$ 633
<b>Disbursements:</b>			
Education .....	\$ 24	\$ 25	\$ 25
Total Disbursements .....	<u>-24</u>	<u>-25</u>	<u>-25</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 558</u>	<u>\$ 582</u>	<u>\$ 608</u>

# STATE STORES FUND

The State Stores Fund serves as the general operating fund for the Liquor Control Board. The Pennsylvania State Police receive funds for the enforcement of the Liquor Code Law; the Department of Health receives funds for alcohol abuse programs. To this fund are credited revenues from the sale of goods in State Liquor Stores, fees not credited to the Liquor License Fund, fines and penalties, losses and damages recovered and loans from the General Fund to provide working capital. Expenditures cover all costs associated with the operation and administration of the Liquor Stores System and enforcement of the Liquor Control Law. Any surplus is transferred to the General Fund.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 10,443	\$ 22,521	\$ 27,162
<b>Receipts:</b>			
Fees .....	\$ 6,092	\$ 6,000	\$ 6,000
Fines and Penalties .....	898	700	700
Sale of Goods .....	767,202	788,415	788,500
Recovered Losses and Damages ...	1,227	650	650
General Fund Loans .....	66,000	66,000	66,000
Other .....	12,685	16,800	13,000
Total Receipts .....	<u>854,104</u>	<u>878,565</u>	<u>874,850</u>
<b>Total Funds Available</b> .....	\$ 864,547	\$ 901,086	\$ 902,012
<b>Disbursements:</b>			
Treasury .....	\$ 5	.....	.....
Executive Offices .....	10,783	\$ 13,500	\$ 13,500
State Police .....	9,460	14,300	14,300
Health .....	.....	424	312
Liquor Control Board* .....	821,778	845,700	850,000
Total Disbursements .....	<u>-842,026</u>	<u>-873,924</u>	<u>-878,112</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 22,521</u>	<u>\$ 27,162</u>	<u>\$ 23,900</u>

\*Includes repayment of General Fund Loan

# STATE TREASURY ARMORY FUND

Created in accordance with Act 126 of 1979 and Act 92 of 1975, this fund receives monies derived from the sale of any armory building, armory site or other real estate. Funds shall be expended solely for the purchase of equipment, furniture and fixtures or for the construction of new armories in the Commonwealth.

## Statement of Cash Receipts and Disbursements

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 268	\$ 181	\$ 70
<b>Receipts:</b>			
Interest .....	\$ 18	\$ 12	\$ 4
Armory Rentals .....	<u>      </u>	<u>      </u>	<u>200</u>
Total Receipts .....	<u>18</u>	<u>12</u>	<u>204</u>
<b>Total Funds Available</b> .....	\$ 286	\$ 193	\$ 274
<b>Disbursements:</b>			
Military Affairs .....	\$ 105	\$ 123	\$ 254
Total Disbursements .....	<u>-105</u>	<u>-123</u>	<u>-254</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 181</u>	<u>\$ 70</u>	<u>\$ 20</u>

# STATE WORKMEN'S INSURANCE FUND

The State Workmen's Insurance Fund (SWIF) was created by the Act of June 2, 1915, and operates within the Department of Labor and Industry. It is a self-sustaining fund providing workmen's compensation insurance to employers, including those refused policies by private insurance firms. SWIF is subject to underwriting rules, classifications and rates promulgated by rating bureaus authorized by the State Insurance Commissioner. Premium rates are established by them based on the history of accidents by industry. Administrative costs are paid from the fund including expenses related to Insurance Department and Auditor General examinations.

The net investment adjustment shown below is to reflect the current market value of long-term investments as of June 30.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 902,011	\$ 1,019,265	\$ 1,030,335
<b>Receipts:</b>			
Premiums .....	\$ 111,789	\$ 122,970	\$ 135,270
Other .....	142,453	156,700	172,370
Net Investment Adjustment .....	<u>7,492</u>	<u>7,500</u>	<u>7,500</u>
Total Receipts .....	<u>261,734</u>	<u>287,170</u>	<u>315,140</u>
<b>Total Funds Available</b> .....	\$ 1,163,745	\$ 1,306,435	\$ 1,345,475
<b>Disbursements:</b>			
Executive Offices .....	\$ 453	\$ 475	\$ 505
Labor and Industry .....	144,022	165,625	182,195
Treasury .....	5	.....	.....
Transfer to General Fund .....	.....	60,000	.....
Transfer to Sunny Day Fund .....	.....	25,000	25,000
Transfer to Tax Stabilization Reserve Fund .....	.....	25,000	25,000
Transfer to Local Tax Reform Fund .....	<u>.....</u>	<u>.....</u>	<u>25,000</u>
Total Disbursements .....	<u>-144,480</u>	<u>-276,100</u>	<u>-257,700</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 1,019,265</u>	<u>\$ 1,030,335</u>	<u>\$ 1,087,775</u>

# SUNNY DAY FUND

The purpose of this fund created by Act 32 of 1985, and administered by the Treasury Department is to provide assistance to the Governor and the Economic Development Partnership in their efforts to attract industrial, manufacturing or research and development enterprises to this Commonwealth. Revenue is provided through an appropriation by the General Assembly for transfer to this fund. Appropriations out of the fund require approval by two thirds of the members of the General Assembly.

This statement is presented on a modified accrual, rather than a cash basis.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 32,476	\$ 19,328	\$ 18,077
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 20,000	.....	.....
Transfer from State Workmen's Insurance Fund .....	.....	\$ 25,000	\$ 25,000
Loan Repayments .....	221	1,638	2,901
Interest on Securities .....	2,549	3,041	2,093
Interest on Loans .....	124	920	1,630
Miscellaneous .....	958	1,150	1,150
Total Receipts .....	<u>23,852</u>	<u>31,749</u>	<u>32,774</u>
<b>Total Funds Available</b> .....	\$ 56,328	\$ 51,077	\$ 50,851
<b>Disbursements:</b>			
Economic Development Partnership	\$ 37,000	\$ 33,000	.....
Total Disbursements .....	<u>-37,000</u>	<u>-33,000</u>	.....
<b>Cash Balance, Ending</b> .....	<u>\$ 19,328</u>	<u>\$ 18,077</u>	<u>\$ 50,851</u>

# SUPPLEMENTAL STATE ASSISTANCE FUND

This fund was created by Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, and is administered by the Auditor General. Effective July 1985, the fund includes a portion of the Foreign Casualty Insurance Premium Tax which in prior years was allocated to the State Employees Retirement Fund State Police account. Those revenues will be used for loans to municipalities in danger of default on their pension program. Loans have been available since 1985-86 fiscal year; however, no requests for assistance have been received and therefore no disbursements are anticipated. Beginning in 1988 a program of General Fund aid to distressed municipalities is provided through this fund.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 16,336	\$ 17,483	.....
<b>Receipts:</b>			
Foreign Casualty Insurance			
Premium Tax for Loans to			
Municipalities .....	.....	\$ 4,084	.....
General Fund Appropriation .....	.....	4,175	\$ 17,626
Interest .....	1,147	210	.....
Total Receipts .....	<u>1,147</u>	<u>8,469</u>	<u>17,626</u>
<b>Total Funds Available</b> .....	\$ 17,483	\$ 25,952	\$ 17,626
<b>Disbursements:</b>			
Auditor General .....	.....	\$ 25,952	\$ 17,626
Total Disbursements .....	<u>.....</u>	<u>-25,952</u>	<u>-17,626</u>
<b>Cash Balances, Ending</b> .....	<u>\$ 17,483</u>	<u>.....</u>	<u>.....</u>

# 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)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 13,686	\$ 17,094	\$ 16,734
<b>Receipts:</b>			
Licenses and Fees .....	\$ 1,593	\$ 1,625	\$ 1,625
Interest .....	1,014	1,000	1,000
Forfeiture of Bonds .....	2,890	2,500	2,500
Trust Account Collateral .....	465	100	100
Other .....	30	50	50
<b>Total Receipts</b> .....	<u>5,992</u>	<u>5,275</u>	<u>5,275</u>
<b>Total Funds Available</b> .....	\$ 19,678	\$ 22,369	\$ 22,009
<b>Disbursements:</b>			
Executive Offices .....	\$ 22	\$ 135	\$ 135
Environmental Resources .....	2,562	5,500	4,500
<b>Total Disbursements</b> .....	<u>-2,584</u>	<u>-5,635</u>	<u>-4,635</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 17,094</u>	<u>\$ 16,734</u>	<u>\$ 17,374</u>

## TAX NOTE SINKING FUND

Moneys in this fund are used solely for the payment of principal and interest on tax anticipation notes issued for the General Fund or the Motor License Fund. Repayment of tax anticipation notes must be accomplished before the end of the fiscal period in which the notes were issued. Repayment of commercial paper issued in anticipation of tax revenues is made directly from the issuing fund and is not recorded in this fund.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	.....	.....	.....
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 572,154	\$ 520,475	\$ 415,000
<b>Total Receipts</b> .....	<u>572,154</u>	<u>520,475</u>	<u>415,000</u>
<b>Total Funds Available</b> .....	\$ 572,154	\$ 520,475	\$ 415,000
<b>Disbursements:</b>			
Treasury .....	\$ 572,154	\$ 520,475	\$ 415,000
<b>Total Disbursements</b> .....	<u>-572,154</u>	<u>-520,475</u>	<u>-415,000</u>
<b>Cash Balance, Ending</b> .....	<u>.....</u>	<u>.....</u>	<u>.....</u>

# TAX STABILIZATION RESERVE FUND

Created in July of 1985 by Act 32, this fund provides financial assistance to minimize future revenue shortfalls and deficits, and promote greater continuity and predictability in the funding of vital government services. It also minimizes the need to increase taxes to balance the budget of the Commonwealth during periods of economic distress. Revenue is provided through an appropriation by the General Assembly for transfer to this fund. Appropriations out of the fund require approval by two-thirds of the members of the General Assembly.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 51,481	\$ 80,253	\$ 112,050
<b>Receipts:</b>			
General Fund Transfer .....	\$ 25,000	\$ .....	.....
State Workmen's Insurance Fund Transfer .....	.....	\$ 25,000	\$ 25,000
Interest on Securities .....	<u>3,772</u>	<u>6,797</u>	<u>7,843</u>
Total Receipts .....	<u>28,772</u>	<u>31,797</u>	<u>32,843</u>
<b>Total Funds Available</b> .....	\$ 80,253	\$ 112,050	\$ 144,893
<b>Disbursements:</b>			
Total Disbursements .....	<u>.....</u>	<u>.....</u>	<u>.....</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 80,253</u>	<u>\$ 112,050</u>	<u>\$ 144,893</u>

# UNEMPLOYMENT COMPENSATION BENEFIT PAYMENT FUND

Employers' and employees' contributions under the Unemployment Compensation Law are credited to the Commonwealth's account in the Federal Unemployment Trust Fund. Requisitions of money from the Trust Fund for the payment of unemployment compensation benefits to eligible individuals are the revenue for the Unemployment Compensation Benefit Payment Fund.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	.....	.....	.....
<b>Receipts:</b>			
Regular Unemployment Compensation Program .....	\$ 829,700	\$ 889,000	\$ 980,000
Federal Receipts in Transit <sup>a</sup> .....	12,438	12,000	12,000
Other .....	<u>74,033</u>	<u>74,300</u>	<u>74,300</u>
Total Receipts .....	<u>916,171</u>	<u>975,300</u>	<u>1,066,300</u>
<b>Total Funds Available</b> .....	\$ 916,171	\$ 975,300	\$ 1,066,300
<b>Disbursements:</b>			
Labor and Industry .....	\$ 916,171	\$ 975,300	\$ 1,066,300
Total Disbursements .....	<u>-916,171</u>	<u>-975,300</u>	<u>-1,066,300</u>
<b>Cash Balance, Ending</b> .....	<u>.....</u>	<u>.....</u>	<u>.....</u>

<sup>a</sup>Represents future receipt of funds from the Federal Government for checks issued to individual claimants.

# UNEMPLOYMENT COMPENSATION CONTRIBUTION FUND

This fund was created to hold moneys collected from employers under the Unemployment Compensation Law and, except for refunds of collections or transfers to the Special Administration Fund, the moneys are transferred to the United States Treasury for credit to the Commonwealth's account in the Federal Unemployment Trust Fund established under Section 904 of the Social Security Act.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 35	\$ 1	.....
<b>Receipts:</b>			
Contributions of Employers and Employes .....	\$ 1,501,112	\$ 1,375,000	\$ 1,355,000
Other .....	13	15	15
Total Receipts .....	<u>1,501,125</u>	<u>1,375,015</u>	<u>1,355,015</u>
<b>Total Funds Available</b> .....	\$ 1,501,160	\$ 1,375,016	\$ 1,355,015
<b>Disbursements:</b>			
Labor and Industry .....	\$ 1,501,159	\$ 1,375,016	\$ 1,355,015
Total Disbursements .....	<u>-1,501,159</u>	<u>-1,375,016</u>	<u>-1,355,015</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 1</u>	<u>.....</u>	<u>.....</u>

# UNEMPLOYMENT COMPENSATION INTEREST FUND

This fund was created to pay the interest due on the Federal Unemployment Compensation Title XII Advances. The receipts in this fund are generated by employers under provisions of the Unemployment Compensation Law as amended in July, 1983 and October, 1988. Funds are used for interest payments with any excess payments exceeding interest requirements used for benefit payments. The 1988 amendment also required the transfer of \$41,000,000 to the General Fund.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 126,937	\$ 88,403	\$ 11,503
<b>Receipts:</b>			
Employer's Interest Taxes .....	\$ 770	\$ 400	.....
Other .....	6,780	4,500	\$ 1,900
Total Receipts .....	<u>7,550</u>	<u>4,900</u>	<u>1,900</u>
<b>Total Funds Available</b> .....	\$ 134,487	\$ 93,303	\$ 13,403
<b>Disbursements:</b>			
Labor and Industry .....	\$ 46,084	\$ 40,800	\$ 13,403
Transfer to General Fund .....	.....	41,000	.....
Total Disbursements .....	<u>-46,084</u>	<u>-81,800</u>	<u>-13,403</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 88,403</u>	<u>\$ 11,503</u>	<u>\$ .....</u>

# VIETNAM CONFLICT VETERANS' 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 Veterans' 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. After a final appeal for program participation, this fund will be closed out by the end of 1988-89 by transferring the balance to the Vietnam Conflict Veterans' Compensation Sinking Fund.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 495	\$ 476	.....
<b>Receipts:</b>			
Interest .....	\$ 33	\$ 21	.....
<b>Total Receipts</b> .....	<u>33</u>	<u>21</u>	<u>.....</u>
<b>Total Funds Available</b> .....	\$ 528	\$ 497	.....
<b>Disbursements:</b>			
Military Affairs .....	\$ 52	\$ 30	.....
Transfer to Vietnam Conflict Veterans' Compensation Sinking Fund .....	<u>.....</u>	<u>467</u>	<u>.....</u>
<b>Total Disbursements</b> .....	<u>-52</u>	<u>-497</u>	<u>.....</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 476</u>	<u>.....</u>	<u>.....</u>

# VIETNAM CONFLICT VETERANS' COMPENSATION SINKING FUND

Moneys in this fund are used to redeem or pay interest on bonds issued for the Vietnam Conflict Veterans' Compensation Fund. An appropriation from the General Fund provides the revenues of this fund.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 9	\$ 1	\$ 467
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 4,556	\$ 4,559	\$ 4,086
Transfer from Vietnam Conflict Veterans' Compensation Fund .....	<u>.....</u>	<u>467</u>	<u>.....</u>
Interest on Securities .....	<u>1</u>	<u>.....</u>	<u>9</u>
<b>Total Receipts</b> .....	<u>4,557</u>	<u>5,026</u>	<u>4,095</u>
<b>Total Funds Available</b> .....	\$ 4,566	\$ 5,027	\$ 4,562
<b>Disbursements:</b>			
Treasury .....	\$ 4,565	\$ 4,560	\$ 4,562
<b>Total Disbursements</b> .....	<u>-4,565</u>	<u>-4,560</u>	<u>-4,562</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 1</u>	<u>\$ 467</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

	1987-88 Actual	(Dollar Amounts in Thousands) 1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 1,647	\$ 2,907	\$ 1,500
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 16,500	\$ 17,800	\$ 17,460
Federal Vocational Rehabilitation Funds .....	65,992	69,800	73,125
Other .....	<u>5,210</u>	<u>5,530</u>	<u>5,900</u>
Total Receipts .....	<u>87,702</u>	<u>93,130</u>	<u>96,485</u>
<b>Total Funds Available</b> .....	\$ 89,349	\$ 96,037	\$ 97,985
<b>Disbursements:</b>			
Executive Offices .....	\$ 2,122	\$ 2,350	\$ 2,400
Labor and Industry .....	<u>84,320</u>	<u>92,187</u>	<u>94,000</u>
Total Disbursements .....	<u>-86,442</u>	<u>-94,537</u>	<u>-96,400</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 2,907</u>	<u>\$ 1,500</u>	<u>\$ 1,585</u>

# VOLUNTEER COMPANIES LOAN FUND

On November 4, 1975, a voter referendum authorized a \$10,000,000 bond issue to be used for acquisition and replacement of volunteer fire, ambulance and rescue company equipment and facilities. A second voter referendum in November 1981 authorized an additional \$15,000,000 to be added to the fund. Act 208 of 1976 established a revolving loan fund known as the Volunteer Companies Loan Fund administered by the Pennsylvania Emergency Management Agency. Funds amounting to \$10 million were included in the 1985-86 General Fund budget for transfer to the Volunteer Companies Loan Fund. As the low interest loans are repaid by the volunteer companies, the monies are returned to the fund for reuse.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 9,334	\$ 9,667	\$ 9,056
<b>Receipts:</b>			
Loan Principal Repayments .....	\$ 6,494	\$ 6,500	\$ 6,900
Loan Interest .....	736	750	780
Interest on Securities .....	629	630	628
Miscellaneous .....	<u>9</u>	<u>9</u>	<u>10</u>
Total Receipts .....	7,868	7,889	8,318
<b>Total Funds Available</b> .....	\$ 17,202	\$ 17,556	\$ 17,374
<b>Disbursements:</b>			
Pennsylvania Emergency Management Agency .....	\$ 7,535	\$ 8,500	\$ 9,000
Total Disbursements .....	<u>-7,535</u>	<u>-8,500</u>	<u>-9,000</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 9,667</u>	<u>\$ 9,056</u>	<u>\$ 8,374</u>

# VOLUNTEER COMPANIES LOAN SINKING FUND

Moneys in this fund are used to redeem or pay interest on bonds issued for the Volunteer Companies Loan Fund. An appropriation from the General Fund provides revenues to the fund.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 77	\$ 4	.....
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 2,645	\$ 2,646	\$ 2,579
Interest on Securities .....	<u>2</u>	<u>.....</u>	<u>.....</u>
Total Receipts .....	2,647	2,646	2,579
<b>Total Funds Available</b> .....	\$ 2,724	\$ 2,650	\$ 2,579
<b>Disbursements:</b>			
Treasury .....	\$ 2,720	\$ 2,650	\$ 2,579
Total Disbursements .....	<u>-2,720</u>	<u>-2,650</u>	<u>-2,579</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 4</u>	<u>.....</u>	<u>.....</u>

## WATER FACILITIES LOAN FUND

This fund was created by Act 167 of 1982 in order to implement the water project loan referendum approved by the electorate on November 3, 1981. That referendum authorized the Commonwealth to incur an indebtedness of \$300 million for use as loans to repair, construct, reconstruct, rehabilitate, extend and improve water supply systems or to repair, reconstruct or rehabilitate flood control facilities, dams and port facilities. Act 16 of 1988 transferred the functions of the Water Facilities Loan Board to the Pennsylvania Infrastructure Investment Authority as part of the PENNVEST program.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 76,548	\$ 74,489	\$ . . . .
<b>Receipts:</b>			
Sale of Bonds .....	\$ 11,892	. . . .	\$ 15,000
Total Receipts .....	<u>11,892</u>	<u>. . . .</u>	<u>15,000</u>
<b>Total Funds Available</b> .....	\$ 88,440	\$ 74,489	\$ 15,000
<b>Disbursements:</b>			
Environmental Resources .....	\$ 13,951	. . . .	. . . .
Infrastructure Investment Authority .....	<u>. . . .</u>	<u>\$ 74,489</u>	<u>\$ 15,000</u>
Total Disbursements .....	<u>-13,951</u>	<u>-74,489</u>	<u>-15,000</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 74,489</u>	<u>. . . .</u>	<u>. . . .</u>

## WATER FACILITIES LOAN REDEMPTION FUND

Moneys in this fund are obtained from annual appropriations by the General Assembly and from interest and dividends on moneys in the Water Facilities Loan Fund. These moneys are used solely for payment of interest and principal due on outstanding water facilities loan bonds.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 798	\$ 536	. . . .
<b>Receipts:</b>			
Transfer from General Fund .....	\$ 9,546	\$ 11,389	\$ 15,315
Interest on Securities .....	5,053	3,762	5
Accrued Interest on Bonds Sold .....	<u>27</u>	<u>. . . .</u>	<u>65</u>
Total Receipts .....	<u>14,626</u>	<u>15,151</u>	<u>15,385</u>
<b>Total Funds Available</b> .....	\$ 15,424	\$ 15,687	\$ 15,385
<b>Disbursements:</b>			
Treasury .....	\$ 14,888	\$ 15,687	\$ 15,385
Total Disbursements .....	<u>-14,888</u>	<u>-15,687</u>	<u>-15,385</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 536</u>	<u>. . . .</u>	<u>. . . .</u>

# WILD RESOURCES CONSERVATION FUND

This fund was created by Act 170 of 1982. Revenue is derived primarily from tax rebate check-offs and voluntary contributions. The fund is to be used to collect information relating to population, distribution, habitat needs, limiting factors and other biological and ecological data to classify plants and to determine necessary management measures. These management measures will include promotion of a statewide system of private wild plant sanctuaries, permitting of removal, collection, or transplanting of endangered or threatened plant species, and regulation of the digging, harvesting, sale, and exploitation of designated species.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 985	\$ 900	\$ 750
<b>Receipts:</b>			
Tax Check-Offs .....	\$ 247	\$ 375	\$ 400
Interest on Securities .....	63	60	60
Voluntary Donations .....	12	15	15
Other .....	22	.....	.....
Total Receipts .....	<u>344</u>	<u>450</u>	<u>475</u>
<b>Total Funds Available</b> .....	\$ 1,329	\$ 1,350	\$ 1,225
<b>Disbursements:</b>			
Environmental Resources .....	\$ 429	\$ 600	\$ 500
Total Disbursements .....	<u>-429</u>	<u>-600</u>	<u>-500</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 900</u>	<u>\$ 750</u>	<u>\$ 725</u>

# WORKMEN'S COMPENSATION ADMINISTRATION FUND

This fund was created by Act 2 of 1976 to finance the expenses of the Department of Labor and Industry in administering the Pennsylvania Workmen's Compensation Act and the Pennsylvania Occupational Disease Act. The fund is supported by annual assessments on insurers and self-insurers under the act. These administrative funds are approved by the Legislature for expenditure through the appropriation process.

## Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 9,013	\$ 9,228	\$ 10,029
<b>Receipts:</b>			
Assessments .....	\$ 12,713	\$ 15,200	\$ 17,067
Other .....	1,482	1,201	1,400
Total Receipts .....	<u>14,195</u>	<u>16,401</u>	<u>18,467</u>
<b>Total Funds Available</b> .....	\$ 23,208	\$ 25,629	\$ 28,496
<b>Disbursements:</b>			
Executive Offices .....	\$ 821	\$ 916	\$ 1,010
Labor and Industry .....	13,159	14,684	16,190
Total Disbursements .....	<u>-13,980</u>	<u>-15,600</u>	<u>-17,200</u>
<b>Cash Balance, Ending</b> .....	<u>\$ 9,228</u>	<u>\$ 10,029</u>	<u>\$ 11,296</u>

## WORKMEN'S COMPENSATION SECURITY FUND

The purpose of this fund is payment of valid claims for compensation provided by the Workmen's Compensation Law to individuals who are insured by an insolvent stock company. Expenses for administration of the fund are also covered. One percent of the net written premiums by every stock insurance company received for Workmen's Compensation insurance policies written in the Commonwealth during the preceding annual reporting period is credited to the fund. Such payments are required only if the balance (less known liabilities) of the fund is determined to be less than five percent of the loss reserves of all such stock companies for payments of benefits under the Workmen's Compensation Law.

### Statement of Cash Receipts and Disbursements

	(Dollar Amounts in Thousands)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 216,439	\$ 236,530	\$ 246,484
<b>Receipts:</b>			
Premium Contributions .....	\$ 89	.....	\$ 14,000
Interest on Securities .....	26,712	\$ 20,652	22,000
Total Receipts .....	26,801	20,652	36,000
<b>Total Funds Available</b> .....	\$ 243,240	\$ 257,182	\$ 282,484
<b>Disbursements:</b>			
Insurance .....	\$ 4,655	\$ 10,698	\$ 11,768
Net Investment Adjustment .....	2,055	.....	.....
Total Disbursements .....	-6,710	-10,698	-11,768
<b>Cash Balance, Ending</b> .....	\$ 236,530	\$ 246,484	\$ 270,716

## 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)		
	1987-88 Actual	1988-89 Available	1989-90 Estimated
<b>Cash Balance, Beginning</b> .....	\$ 67	\$ 85	.....
<b>Receipts:</b>			
Assessments .....	\$ 3,725	\$ 7,500	\$ 10,000
Other .....	39	.....	.....
Total Receipts .....	3,764	7,500	10,000
<b>Total Funds Available</b> .....	\$ 3,831	\$ 7,585	\$ 10,000
<b>Disbursements:</b>			
Labor and Industry .....	\$ 3,746	\$ 7,585	\$ 10,000
Total Disbursements .....	-3,746	-7,585	-10,000
<b>Cash Balance, Ending</b> .....	\$ 85	.....	.....

